

Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

Adjustment Budget Report 2022/23 MTREF (2023/24 & 2024/25)

Adjusted Medium Term Revenue and Expenditure
Framework

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

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

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The accounting standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – The 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. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations.

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

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

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

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Vote – One of the main segments of a budget. The structure is for reporting requirements and links the accounting performance both to the IDP and to the responsible officials.

PART 1 – ANNUAL BUDGET

Section 1 – Mayor’s Report

In accordance with section 28 of the Municipal Finance Management Act, No 56 of 2003 (MFMA) a municipality must revise its approved annual budget through an adjustments budget, in the following circumstances:

- (i) To appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
- (ii) To authorise the utilisation of projected savings in one vote towards spending under another vote.
- (iii) To authorise 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 rollovers when the annual budget for the current year was approved by the Council.
- (iv) To correct any errors in the annual budget.

In line with the MFMA, as well as regulation on Cost Containment regulated by National Treasury Circular, the 2022/23 approved Budget has now been adjusted. The main adjustments proposed in this adjustment budget are included in this section of the report.

Overview

The overall financial management and administration of the municipality is managed with a strong focus on financial sustainability, taking into account maintaining the highest level of municipal services to the community. Council together with administration, ensures a strong focus on delivering services to the marginalized community and ensuring of improvement of the living conditions of all citizens within the Cape Agulhas municipal areas.

However, despite the municipal focus areas numerous factors outside of the municipality is influencing the ability to delivering servicing, and like the rest of South Africa the municipality is experiencing a rise in “unrest” and unhappiness in the community. These significantly impacts on the resources of the municipality and sometimes have the effect of re-arrangement of projects to ensure the urgent challenges can be addressed to limit the impact on service delivery.

The current Adjustment budget is being compiled in the situation of a “outlier” event outside the control of the municipality and this significantly influence the compiling and planning processes of the tabled Adjustment budget. South African are currently experiencing electricity shortages and this has resulted in the extensive Load shedding currently being implemented by Eskom. Although these load shedding has been a regular event over the last couple of financial years, the extend of the loadshedding over the festive periods with Stage 6 load shedding being implemented significantly impact the municipal finances. The simultaneous deterioration of the value of the Rand against the Dollar resulted in a significant increase in the price of diesel

and petrol. These two events both happened over the December holiday period, the time when a coastal municipality like Cape Agulhas experienced a significant influx of tourist to the areas.

The summarised effect was that the municipality needed to make immediate provisions in the budget for the following to ensure sustainable services could be delivered over the festive season that resulted in significant cost to the municipality –

- Reprioritising of Electricity services department Capital budget to ensure that additional generators could be purchased
- Appropriate additional funds for the Renting of additional generators to increase the capacity of the municipality to ensure that all strategic infrastructure service delivery can continue at these times.
- Increased cost associated with the functioning of these generators for the duration of loadshedding that was up to 11 hours at certain stages of Stage 6. This had an enormous impact on the fuel cost for the municipality with the double increase in price as well as huge increase in the volumes of fuel used over the period.

These extraordinary circumstances resulted in a review of the approved budget to accommodate the spending we well as make provision for similar circumstances for the rest of the financial year ending 30 June 2023.

OPERATING BUDGET

Operating Revenue (including Capital transfers)

Adjustments to revenue can be summarised as follows (R'000):

Description	Budget 2022/23				Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Other Adjustments	Total Adjustment	Adjustment Budget	Adjustment Budget	Adjustment Budget
R Thousands						
Revenue by Source						
Property rates	81 511	5 100	5 100	86 611	85 098	88 927
Service charges - electricity revenue	167 603	- 9 761	- 9 761	157 842	180 159	193 656
Service charges - water revenue	31 974	-	-	31 974	33 382	34 884
Service charges - sanitation revenue	18 089	-	-	18 089	18 885	19 735
Service charges - refuse revenue	24 154	-	-	24 154	25 216	26 351
Rental of facilities and equipment	1 564	990	990	2 554	1 632	1 704
Interest earned - external investments	2 506	3 000	3 000	5 506	2 611	2 721
Interest earned - outstanding debtors	1 991	-	-	1 991	2 075	2 162
Fines, penalties and forfeits	3 520	100	100	3 620	3 667	3 820
Licences and permits	142	- 100	- 100	42	148	154
Agency services	4 045	-	-	4 045	4 218	4 401
Transfers and subsidies	53 037	17 515	17 515	70 552	52 214	97 006
Other revenue	12 177	1 177	1 177	13 354	12 670	13 184
Gains	15 000	- 3 000	- 3 000	12 000	4 000	8 000
Total Revenue (Excluding capital transfers and contributions)	417 313	15 021	15 021	432 334	425 973	496 704
Transfers and subsidies - capital (monetary allocations) (National	31 504	1 768	1 768	33 272	26 787	14 151

Material adjustments are briefly discussed below:

Operational Revenues

Property rates

With the compilation of the approved budget process for 2022/23 MTREF the municipality apply for exemption from implementing a new valuation roll and extend the current existing roll with 1 year to ensure proper planning could be implemented with the compilation of the new valuation roll. The approval for exemption was granted by the minister and the existing valuation roll was used to compile the budget for Property rates. This in effect means that numerous housing projects completed was not valued based on current valuation during the budget compilation process. These valuations were subsequently corrected with the interim valuation roll approved during the financial year. The effect of the above was improved revenue reported from the Property rates that initially anticipated.

The revenue recorded from Property rates for the period ending 31 December 2022 totals R51,2m of total budget of R81,5m. Analyzing the information based on the previous financial year information that reflects at R81,031m indicate that the municipality may achieve an over-recovery of budgeted amounts. In line with the current actual performance to date ending 31 December a upwards revision is included in the Adjustment budget as tabled to Council.

Service charges – electricity revenue

The biggest budget item impacted by the loadshedding challenges experienced over the December period is the revenue from the sale of electricity.

The sale of electricity was impacted two ways as follows –

- 1. Reduction in the units sold due to the extended periods of loadshedding, hours lost due to limited use of electricity could not be recovered by the municipality.*
- 2. The negative impact on the cost of Bulk purchases for the municipality – due to the formulae calculation currently approved by Nersa the lost in units sold do not significantly translate to a reduction in the cost associated with bulk purchases.*

The above had a ripple effect on the municipal operations, electricity revenues traditionally fund the categories of spending not generating sufficient revenues to cover cost.

The loss in sales translate to reduced income and the net effect is a review of numerous expenditure items financed from the sale of electricity.

The revenue from the sale of electricity was reduced to ensure that budgeted information reflects the current trends.

Rental of facilities and equipment

The income for the rental of municipal resorts facilities as well as other municipal buildings available for lease agreements are recorded under this cost category. The municipality budget a total of R1,5m for revenues with the approved budget. Review of revenue based on the previous financial year indicates room for additional revenues collectable from this source. Performance to date with respect of the resorts income also reflect an overperformance projected to the end of June 2022.

Interest earned – external investments

Municipal performance for the interest on external investments to date over-performance based on the projected budget. A total of R3,2m of projected budget of R2.5m reflects at 31 December 2022. It is envisioned that this will continue for the forecast period ending 30 June 2022. The net effect is a review of adjustment from revenue upwards from approved budget amounts.

Transfers and subsidies

Numerous additional allocations were promulgated via the Provincial gazette. Unspent funds approved with the roll-over budget also needs to be include in the adjustment budget. This will all be included in the document tabled to Council.

Below breakdown of all transfers and subsidies included in the Adjustment budget as follows:

Transfers and subsidies

COST CENTRE	DESCRIPTION	Additional grants Gazetted
HUMAN RESOURCES / ORGANISATIONAL DEVELOPMENT	DPLG Capacity Building Grant (Org Redesign)	- 300 000
DIRECTOR FINANCE AND ICT	Financial Management Support Grant (FMSG)	- 300 000
HOUSING SECTION	Housing Grant (Gap) Rent to Own	- 15 000 000
HOUSING SECTION	Housing Grant: Title Deed Restoration	- 92 000
HOUSING SECTION	ISUP Grant: Provinces (Beneficiaries)	- 1 656 000
LIBRARY SERVICES	Library Services Grant (Vulnerable Municipalities)	- 306 000
	TOTAL INCLUDE IN OPERATIONAL BUDGET	- 17 654 000

DPLG Capacity Building Grant (Org Redesign)

The municipality submitted a business plan to the Provincial government for the review of the municipal Organigram based on the Strategic plan of Council. Funds was allocated by DPLG to part fund the project as compiled.

Financial Management Support Grant (FMSG)

This is the yearly allocation from Provincial Treasury to subsidise the municipality in funding bursaries in the External focus areas of Government. The municipality has been receiving this allocation for the last 3 financial years.

Housing Grant (Gap) Rent to Own

The current "RENT TO OWN" project that is busy being implemented has been supported with additional funding from the Department of Human settlements. The aim of the additional funds is to increase the total of houses being built as part of the project.

Housing Grant: Title Deed Restoration

This is a continuously funded project by Provincial government to ensure that the municipality assist the communities in the obtaining the legal TITLE DEEDS of the government subsidised houses allocated in previous financial years.

ISUP Grant: Provinces (Beneficiaries)

This is a project funded from the Department of Human settlements with focus areas the informal housing schemes in the municipality. The funds are allocated to ensure the planning processes is undertaken to formalise the "backyard dwellers/ shack areas" in the municipal areas.

Library Services Grant (Vulnerable Municipalities)

The funds were allocated to increase the total of the Library allocation for the 2022/23 financial year due to the challenges experienced with the unfunded mandates of the Provincial function.

Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)

COST CENTRE	DESCRIPTION	Additional grants Gazetted
SOCIAL DEVELOPMENT	Capacity Building Grant - Shield House Project	- 120 000
WATER SERVICES	Muni Intervention Grant - Water Demand Mgt (Smart Metering)	- 700 000
	TOTAL INCLUDE IN OPERATIONAL BUDGET	- 820 000

Capacity Building Grant - Shield House Project

The funds were allocated to the municipality based on the business plan submitted to the Department of Social services. The project is allocated to ensure the capacity and operational functions of the Shield house can be improved.

Muni Intervention Grant - Water Demand Management (Smart Metering)

The funds were allocated to assist the municipality with the securing of Water resources by enabling the increase capacity in performing the monitoring of water services.

Unspent grant Roll-over applications approved

COST CENTRE	DESCRIPTION	Unspent Approved
	OPERATIONAL BUDGET	
SOCIAL DEVELOPMENT	Thusong Support Grant	- 50 000
	TOTAL INCLUDE IN OPERATIONAL BUDGET	- 50 000

Thusong Support Grant

The unspent allocation of R150,000 was approved by Provincial government. The municipality is required per MFMA to include the funds was part of the adjustment budget process

COST CENTRE	DESCRIPTION	Unspent Approved
	CAPITAL BUDGET	
SOCIAL DEVELOPMENT	Thusong Support Grant	- 100 000
STRATEGIC SERVICES - MANAGER	Rsep / Vpuu Municipal Projects	- 417 400
LIBRARY SERVICES	Library Services Grant (Capex)	241 240
	TOTAL INCLUDE IN OPERATIONAL BUDGET	- 276 160

Thusong Support Grant

The unspent allocation of R150,000 was approved by Provincial government. The municipality is required per MFMA to include the funds was part of the adjustment budget process

Rsep / Vpuu Municipal Projects (Annene Booyesen project)

The unspent allocation of R150,000 was approved by Provincial government. The municipality is required per MFMA to include the funds was part of the adjustment budget process

Library Services Grant (Capex)

The unspent allocation of R150,000 was approved by Provincial government. The municipality is required per MFMA to include the funds was part of the adjustment budget process

Gains / Proceeds from the sale of Property

With the approved budget a total of R15m was included for the sale of vacant land not needed for municipal functions and operations. The municipality was required to appoint an Auctioneer to ensure that the process is fair, and this was concluded via the SCM tendering process. Numerous vacant lands were identified, and Council also enforce proposals and recommendation relating to the sale of properties. With the finalization of the information and projection administration identified that the initial budget of R15m will be challenging to achieved. The MFMA legislate that the budget must be compiled with realistic projections and after numerous processes the budget was reviewed based new information and projections. The budget was reduced to ensure targeting projections can be achieved.

Administration also undertakes to include a second auction in the financial year to ensure revised projections will be achieved.

Operating Expenditure

Adjustments to the operating expenditure program can be summarised as follows (R'000):

	Budget 2022/23				Budget Year +1 2023/24	Budget Year +2 2024/25
Description	Original Budget	Other Adjustments	Total Adjustment	Adjustment Budget	Adjustment Budget	Adjustment Budget
R Thousands						
Expenditure by Type						
Employee related costs	167 932	- 3 811	- 3 811	164 121	171 536	178 377
Remuneration of councillors	5 777	- 229	- 229	5 549	5 777	5 777
Debt impairment	9 018	-	-	9 018	9 185	9 361
Depreciation and asset impairment	10 827	-	-	10 827	11 311	11 818
Finance charges	6 564	-	-	6 564	6 885	7 223
Bulk purchases - electricity	116 487	-	-	116 487	126 517	137 410
Inventory consumed	23 802	24 115	24 115	47 917	23 260	64 969
Contracted services	30 263	- 2 166	- 2 166	28 097	27 204	27 036
Transfers and subsidies	2 361	- 78	- 78	2 283	2 041	2 041
Other expenditure	36 119	5 838	5 838	41 958	37 140	38 663
Losses	10	-	-	10	8	9
TOTAL EXPENDITURES	409 161	23 670	23 670	432 831	420 866	482 685

Material adjustments are briefly discussed below:

Employee related costs

The biggest risk to the municipal expenditures budget and items that significantly impact on the sustainability of the municipality is the employee related cost. Currently the employee related cost contributes more than 40% towards the municipal expenditure budget. This is above the National Treasury norm and if not addressed will hamper the available funds for service-related expenditures in future budget periods. A big component of the employee cost is the provisions that is accounted for under the cost type and these mainly consist of the actuarial calculations required.

With the compilation of the budget the municipality budgeted for numerous vacancies in the service delivery departments, and although some of these vacancies has been filled the budget was allocated for the full financial year the cost didn't materialized as planned. The review of these items is now necessary to ensure budget provision is only included based on actual recruitment implemented over the reporting period.

Reviews of cost associated with provisions to correspond and based on previous financial information as well reduction in employee related cost proposed with the adjustment budget recommended.

Major adjustments processed as follows –

- Provisions
- Leave payout
- Vacancies review of salary

Remuneration of councillors

The remuneration of councillors is governed by National gazette. With the compilation of the budget a principal decision was taken to keep the budget provisions the same as per previous financial year actuals. Only after the gazette has been issued and with the earliest date available will amendments be implemented based on the gazette. These recommendations are there for required to align the actual expenditures with approved gazette provisions.

Bulk purchases – electricity

One of the biggest cost categories affected by the Load shedding challenges and experienced over the December holiday period is the cost associated with Bulk purchases. The impact on the loss of revenue due to the NERSA calculation / parameters is negatively affecting the bulk purchases cost. A huge component of the cost calculator is fixed cost and this in effect result in increased cost associated with load shedding despite the loss in usage. The impact of the increase load shedding is that the municipality will have to review the bulk purchases cost for the financial year. This directly impact the municipal performance in terms of the net effect of the surplus for the function.

Inventory consumed

The municipality records the cost associated with the Human settlements' grants / allocations in this cost category. Due to the additional funds received the impact will be an increase in the Inventory consumed to ensure a net impact of zero on the municipal finances.

Contracted services

Contracted services are one of the focus areas of the Cost containment regulation issued by National Treasury. The focus on ensuring optimal budgeting for contracted services and limiting the unnecessary spending means that continues focus is placed on the cost associated with contracted services. The expenditure is reviewed to ensure only committed and required spending is included as part of the adjustment budget

Other expenditures

The load shedding had a significant impact on the cost related to the renting of equipment. As per summary above the municipality needed to ensure continuous service delivery can be provided uninterrupted over the stage 6 loadshedding period. This had a huge impact on the review of spending on fuel relating to the operating of all generators over the period.

In total the municipality had 26 generators in operating over all hours of the loadshedding. Of these 26 generators 5 needed to be rented into ensure water sources can be maintained as well as the functioning of key infrastructure.

The budget needs to be reviewed and amended to ensure that additional spending still required to June can be accommodated.

Major adjustments processed to the following –

- Rental of equipment
- Motor vehicles: Fuel
- Small plant Fuel

Surplus/ (Deficit)

The municipal budget **remains cash funded** due to the non-cash items included as part of the budget.

CAPITAL BUDGET

Adjustments to the capital budget can be summarised as follows (R'000):

Description	Budget 2022/23				Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Other Adjustments	Total Adjustment	Adjustment Budget	Adjustment Budget	Adjustment Budget2
Capital Expenditure - Functional						
Governance and Administration	1 903	- 267	- 267	1 635	2 237	1 326
Executive and council	-	-	-	-	-	-
Finance and administration	1 903	- 267	- 267	1 635	-	1 326
Internal audit	-	-	-	-	2 237	-
Community and public safety	3 498	- 864	- 864	2 633	995	1 505
Community and social services	1 368	- 650	- 650	717	495	210
Sport and recreation	2 101	- 206	- 206	1 895	300	850
Public safety	29	- 8	- 8	21	200	445
Housing	-	-	-	-	-	-
Economic and environmental services	16 753	383	383	17 136	23 740	21 729
Planning and development	1 188	354	354	1 542	703	403
Road transport	14 655	224	224	14 879	22 397	20 441
Environmental protection	910	- 195	- 195	715	640	885
				-		
Trading services	48 463	1 762	1 762	50 225	26 870	20 424
Energy sources	12 156	1 011	1 011	13 167	10 980	14 124
Water management	8 325	- 211	- 211	8 114	14 500	1 250
Waste water management	19 320	- 287	- 287	19 033	640	2 500
Waste management	8 662	1 249	1 249	9 912	750	2 550
	-	-	-	-	-	-
Total Capital Expenditure - Functional	70 616	1 013	1 013	71 629	53 842	44 983

As per the explanation and narratives above the municipality was required to review the Capital budget to ensure urgent important items can be addressed to continue the delivering of services during extended loadshedding periods once implemented by Eskom.

In order to ensure above Administration together with Council went on a review process and all projects not committed or in implementation phase was stopped and will be re-prioritised as part of the new Budget process for the 2023/24 MTREF period.

As a result of above the following changes was implemented with the Adjustment budget as follows:

Project that has a significant impact on the increase in the capital budget is as follows:

Department	Own Description	Funding	Approved Budget 2022/23	Mid-year Adjustments	Jan Adjustment budget 2023	Motivation
	<u>Unspent Grant projects</u>					
S/Services	RSEP (DPLG) - Annene Booysen urban park development	RSEP	700 000	417 400	1 117 400	The project was reviewed based on the Unspent grant approved by Provincial Government. Legislative the municipality is required to include unspent funds as part of the Revised budget processes
Social serv	Improving Accoustics of Thusong Hall	PT Thusong	-	100 000	100 000	Roll-over budget approved by Provincial government. Required to include as part of Adjustment budget
Libraries	Libraries - Fencing	LIBRARY	-	241 980	241 980	The project was reviewed based on the Unspent grant approved by Provincial Government. Legislative the municipality is required to include unspent funds as part of the Revised budget processes
	TOTAL		700 000	759 380	1 459 380	

	<u>New Grants received</u>					
Social serv	Safehouse project - Operational Equipment	DPLG	-	120 000	120 000	New grant received from the Department based on Business plan submitted to department. Project will be used to ensure operational functions at Safe house can be implemented.
Water	Capacity Grant (Smart Metering system water)	DPLG		700 000	700 000	Additional grant received from the Department for the implementation of Smart meters to improve capacity and monitoring of Water resources.
	TOTAL		-	820 000	820 000	

Projects reviewed / re-allocated to accommodate Emergency Loadshedding (Generators) equipment							
Admini	Frankeer machine	CRR	50 000	-	50 000	-	Budget was re-allocated based on needs on department. Challenges with post office influence the project
Traffic	Safe and Firearms	CRR	195 000	-	195 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Licensing	Note Counter	CRR	35 000	-	35 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Enviro	Animal Control project - Fencing etc.	CRR	1 000 000	-	1 000 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Enviro	Upgrade and extention of Dog Kennels	CRR	350 000	-	350 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Buildings	Nelson Mandela - Upgrading	CRR	55 000	-	55 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Beaches	Upgrading of step - Swim pool - Bikini Beach	CRR	200 000	-	200 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Water	Informal toilet structure	CRR	500 000	-	500 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Water	Upgrade and replace Bulk Water Meters	CRR	250 000	-	250 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Streets	Roller Trailers (x2)	CRR	50 000	-	50 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Streets	Plate compactors (x2)	CRR	20 000	-	20 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Streets	Generator	CRR	10 000	-	10 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Streets	Cutter	CRR	20 000	-	20 000	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Elec	Replace Med/Low Volt Overheadlines	E/LOAN	772 265	-	772 265	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Elec	Change Transformers Minisubs	E/LOAN	585 572	-	585 572	-	Funds was not spent, re-allocated to accommodate the Emergency capacity for Loadshedding.
Elec	West street and Eskom street Napier	CRR	185 752	-	185 752	-	Project review to ensure funds available to budget for additional capacity during the Load shedding implemented. The balance of funds re-shuffle to limit the impact on the Capital budget.
A/Quality	Air Quality monitoring unit for waste site (Compliance)	CRR	340 000	-	340 000	-	Project review to ensure funds available to budget for additional capacity during the Load shedding implemented. The balance of funds re-shuffle to limit the impact on the Capital budget.
TOTAL			4 618 589	-	4 618 589	-	

Department	Own Description	Funding	Approved Budget 2022/23	Mid-year Adjustments	Jan Adjustment budget 2023	Motivation
Project not approved as part of Approved budget (Virements / Section 29 applications)						
ICT unit	Camera System - BD Glaskasteel	CRR		220 603	220 603	Project was needed for the safeguarding of municipal assets due to increase vandalism of municipal infrastructure.
ICT unit	New Server S29 application	CRR		251 450	251 450	Functional operations due to breakdown of Server due to impact of loadshedding. Continuous functioning of ICT network required.
Buildings	Building Upgrade: Tiling & IT Network - Shield House (Struis)	CRR	-	65 000	65 000	Project required - Shieldhouse needed to be equip with Infrastructure.
Elec	Master Plan implementation - Generators (SB Sewer pumps / SCM / Stores / Napier WTW / Traffic services / Wards services)	CRR	-	825 000	825 000	Additional Generators required to ensure that municipal functions can continue during extended periods of loadshedding. Key infrastructure needed to be equipped with Generators during these times.
TOTAL			-	1 362 053	1 362 053	

Department	Own Description	Funding	Approved Budget 2022/23	Mid-year Adjustments	Jan Adjustment budget 2023	Motivation
New Projects for January Adjustment budget tabled						
S/Services	<i>RSEP (DPLG) - Annene Booysen urban park development - Water infrastructure</i>	CRR		285 000	285 000	To ensure completion of the project the municipality is required to budet additional funds for the completion of the water drainage infrastructure needed.
Libraries	ICT computer related equipment	LIBRARY	-	240 000	240 000	The project was reviewed based on the Unspent grant approved by Provincial Government. Legislative the municipality is required to include unspent funds as part of the Revised budget processes
Waste	Material recovery park	E/LOAN		1 500 000	1 500 000	Funds needed to ensure the Material recovery park project currently on the budget funded from MIG funds can be complete. This is required and needs to be done before 30 June 2022
TOTAL			-	2 025 000	2 025 000	

Department	Own Description	Funding	Approved Budget 2022/23	Mid-year Adjustments	Jan Adjustment budget 2023	Motivation
	Projects complete and balance re-allocated					
SCM unit	High Density 4 Bay Storage Unit (Zipples)	CRR	112 000	- 34 750	77 250	Project complete and balance can be re-allocated for other projects or funding
ICT unit	Smart city project - Water monitoring	CRR	900 000	- 646 481	253 519	Municipality received a allocation from the Department for implementation of Smart metering to address the securing of water resources.
Parks	Playparks - Elim / Ward 4 [Open gyms]	CRR	150 000	- 14 500	135 500	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Parks	Tractor	VEH/FIN	420 000	40 000	460 000	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Parks	Construction - Soccer Field (Napier) - Ablution	CRR	80 000	- 28 500	51 500	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Water	Water conservation and demand management [SC]	CRR	800 000	- 700 000	100 000	Additional grant received from the Department for the implementation of Smart meters to improve capacity and monitoring of Water resources.
Water	Small tools	CRR	25 000	50 000	75 000	Additional budget required to improve operational capacity and functioning of department during periods of emergency work needed
Sewerage	New Digger	VEH/FIN	1 200 000	- 285 020	914 980	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Solid waste	Fencing at Waste Facilities (BD)	CRR	500 000	- 29 260	470 740	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Solid waste	Front end Loader (MIG application wip)	VEH/FIN	1 800 000	- 220 210	1 579 790	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Streets	Construction of Roads (NP)	CRR	2 000 000	360 000	2 360 000	Additional funds required to ensure the street can be complete and finalized within the current financial year.
Elec	Aerial Platform - cherry picker	VEH/FIN	1 600 000	- 360 000	1 240 000	Project complete, saving re-allocated to accommodate Emergency capacity during periods of Loadshedding
Elec	Electrification - Informal Set	CRR	155 800	- 55 800	100 000	Project review to ensure funds available to budget for additional capacity during the Load shedding implemented. The balance of funds re-shuffle to limit the impact on the Capital budget.
	TOTAL		9 742 800	- 1 924 521	7 818 279	

Department	Own Description	Funding	Approved Budget 2022/23	Mid-year Adjustments	Jan Adjustment budget 2023	Motivation
	New Emergency Loadshedding - Generators					
Elec	Master Plan implementation - Generators (SB Sewer pumps / SCM / Stores / Napier WTW / Traffic services / Wards services)	E/LOAN		3 000 000	3 000 000	Additional Generators required to ensure that municipal functions can continue during extended periods of loadshedding. Key infrastructure needed to be equipped with Generators during these times.
				-		
	<u>ICT Unit</u>			-		
	TOTAL	-	900 000	- 646 481	253 519	

The nett effect of the capital budget adjustments is an increase of R1,013,413 from the original approved budget. These increases will be finance as follows:

Description	Budget 2022/23	Veriments / Adjustments	Mid-year Changes (S72)	Jan Adjustment budget 2023
Capital Budget				
Department				
<i>Office of the Municipal Manager</i>	894 400	-	645 190	1 539 590
<i>Financial Services</i>	1 725 450	- 50 000	- 181 503	1 493 947
<i>Management Services</i>	4 582 500	50 000	- 1 131 460	3 501 040
<i>Infrastructure Services</i>	63 413 512	-	1 681 186	65 094 698
Total Capital budget	70 615 862	-	1 013 413	71 629 275
Funding Source				
Internal sources - CRR	20 023 709	-	- 3 119 480	16 904 229
National allocations	30 801 816	-	-	30 801 816
Provincial allocations	702 500	-	1 818 180	2 520 680
External funding	19 087 837	-	2 314 713	21 402 550
Donation	-	-	-	-
Source of funding	70 615 862	-	1 013 413	71 629 275

UNFORSEEN AND UNAVOIDABLE EXPENDITURE

There was no unforeseen expenditure approved by the Mayor and incorporated into this adjustment budget since the original approved budget.

Recommendations

It is recommended:

- i. That the Council approves the adjustments budget; and
- ii. That the Council approves the changes to the service delivery and budget implementation plan.

Section 2 - Budget Related Resolutions

ADJUSTMENT BUDGET 2022/2023

The resolution tabled at Council for consideration with approval of the adjustments budget is:

RECOMMENDATION:

- a) That the adjustments budget of Cape Agulhas Municipality for the financial year 2022/23 as set out in the schedules contained in section 4 be approved:
- Table B1 – Adjustments Budget Summary
 -
 - Table B2 – Adjustments Budgeted Financial Performance (revenue and expenditure by standard classification)
 - Table B3 – Adjustments Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - Table B4 – Adjustments Budgeted Financial Performance (revenue and expenditure)
 - Table B5 – Adjustments Budgeted Capital Expenditure by vote, standard classification and funding
 - Table B6 – Adjustments Budgeted Financial Position
 - Table B7 – Adjustments Budgeted Cash Flows
 - Table B8 – Adjustments Cash backed reserves/accumulated surplus reconciliation
 - Table B9 – Adjustments Budget Asset Management
 - Table B10 – Adjustments Budget Basic service delivery measurement

That the amended performance objectives as contained in the SDBIP be approved (Attached supporting documentation form SB 3).

That it be noted that there are no changes to any budget related policies.

Section 3 – Executive Summary

Introduction

Strict financial control is the key to success of any entity or company operating in the current economic environment. With consumers already struggling to come to terms with the sharp increases in food, travel and accommodation costs, the municipality is left with little room to increase rates and other tariffs to finance its planned operating and capital program. Where possible, the municipality should always investigate the possibilities to cut back on expenditure to ensure that tariffs and taxes remain affordable.

Expenditure in the proposed adjustment budget were guided by the principles and strategies identified in the Cost Containment Regulation which will definitely have a positive effect on the overall financial position of the municipality.

All proposed adjustments are discussed in Part 1 of this report.

Section 4 – Adjustment budget tables

The adjustments budget tables are included in this document as Tables B1 to B10.

The municipality does not have any entities for which adjustments budgets must be prepared.

The Budget tables are:

Table B1 – Adjustments Budget Summary

WC033 Cape Agulhas - Table B1 Adjustments Budget Summary -

Description	Budget Year 2022/23									Budget Year	Budget Year
	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	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H	2023/24	2024/25
Financial Performance											
Property rates	81 511	86 611	-	-	-	-	-	-	86 611	85 098	88 927
Service charges	241 821	232 060	-	-	-	-	-	-	232 060	257 642	274 626
Investment revenue	2 506	5 506	-	-	-	-	-	-	5 506	2 611	2 721
Transfers recognised - operational	53 037	70 502	-	-	-	-	-	-	70 502	52 214	97 006
Other own revenue	38 439	37 606	-	-	-	-	-	-	37 606	28 409	33 425
Total Revenue (excluding capital transfers and contributions)	417 313	432 284	-	-	-	-	-	-	432 284	425 973	496 704
Employee costs	167 932	164 121	-	-	-	-	-	-	164 121	171 536	178 377
Remuneration of councillors	5 777	5 549	-	-	-	-	-	-	5 549	5 777	5 777
Depreciation & asset impairment	10 827	10 827	-	-	-	-	-	-	10 827	11 311	11 818
Finance charges	6 564	6 564	-	-	-	-	-	-	6 564	6 885	7 223
Inventory consumed and bulk purchases	140 266	164 232	-	-	-	-	-	-	164 232	149 755	202 357
Transfers and grants	2 361	2 283	-	-	-	-	-	-	2 283	2 041	2 041
Other expenditure	75 411	79 218	-	-	-	-	-	-	79 218	73 539	75 069
Total Expenditure	409 138	432 794	-	-	-	-	-	-	432 794	420 845	482 664
Surplus/(Deficit)	8 175	(510)	-	-	-	-	-	-	(510)	5 128	14 041
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31 504	33 322	-	-	-	-	-	-	33 322	26 787	14 151
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	39 679	32 812	-	-	-	-	-	-	32 812	31 916	28 192
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	39 679	32 812	-	-	-	-	-	-	32 812	31 916	28 192
Capital expenditure & funds sources											
Capital expenditure	70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983
Transfers recognised - capital	28 004	29 822	-	-	-	-	-	-	29 822	21 787	9 151
Borrowing	19 088	21 403	-	-	-	-	-	-	21 403	7 151	10 179
Internally generated funds	23 524	20 404	-	-	-	-	-	-	20 404	24 904	25 654
Total sources of capital funds	70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983
Financial position											
Total current assets	257 356	240 222	-	-	-	-	-	-	240 222	321 317	378 927
Total non current assets	629 471	622 167	-	-	-	-	-	-	622 167	672 003	705 168
Total current liabilities	94 374	98 221	-	-	-	-	-	-	98 221	99 296	104 254
Total non current liabilities	180 407	198 407	-	-	-	-	-	-	198 407	180 709	181 407
Community wealth/Equity	651 726	598 574	-	-	-	-	-	-	598 574	730 355	811 751
Cash flows											
Net cash from (used) operating	48 812	41 533	-	-	-	-	-	-	41 533	50 918	42 572
Net cash from (used) investing	(55 462)	(59 483)	-	-	-	-	-	-	(59 483)	(49 688)	(36 829)
Net cash from (used) financing	19 242	19 235	-	-	-	-	-	-	19 235	154	154
Cash/cash equivalents at the year end	131 935	124 742	-	-	-	-	-	-	124 742	151 132	177 664
Cash backing/surplus reconciliation											
Cash and investments available	149 748	144 676	-	-	-	-	-	-	144 676	171 166	199 549
Application of cash and investments	(11 824)	1 150	-	-	-	-	-	-	1 150	(51 725)	(77 958)
Balance - surplus (shortfall)	161 572	143 526	-	-	-	-	-	-	143 526	222 891	277 508
Asset Management											
Asset register summary (WDV)	531 657	622 020	-	-	-	-	-	-	622 020	526 754	522 695
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Renewal and Upgrading of Existing Assets	60 826	63 096	-	-	-	-	-	-	63 096	46 848	37 788
Repairs and Maintenance	82 007	91 015	-	-	-	-	-	-	91 015	82 464	85 205
Free services											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	26 091	26 591	-	-	-	-	-	-	26 591	27 238	28 464
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

Table B2 – Adjustments Budgeted Financial Performance (revenue and expenditure by standard classification)

WC033 Cape Agulhas - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2022/23									Budget Year	Budget Year	
		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	5	6	7	8	9	10	11	12			
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Functional													
Governance and administration		153 811	160 678	-	-	-	-	-	-	-	160 678	148 892	160 170
Executive and council		37 037	37 037	-	-	-	-	-	-	-	37 037	39 750	42 717
Finance and administration		116 774	123 641	-	-	-	-	-	-	-	123 641	109 142	117 453
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		16 790	35 356	-	-	-	-	-	-	-	35 356	17 088	59 215
Community and social services		7 463	8 281	-	-	-	-	-	-	-	8 281	7 420	7 750
Sport and recreation		8 483	9 483	-	-	-	-	-	-	-	9 483	8 422	8 776
Public safety		-	-	-	-	-	-	-	-	-	-	-	-
Housing		844	17 592	-	-	-	-	-	-	-	17 592	1 245	42 689
Health		-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		11 054	11 471	-	-	-	-	-	-	-	11 471	10 577	11 030
Planning and development		3 180	3 697	-	-	-	-	-	-	-	3 697	2 587	2 699
Road transport		4 045	4 045	-	-	-	-	-	-	-	4 045	4 218	4 401
Environmental protection		3 830	3 730	-	-	-	-	-	-	-	3 730	3 772	3 930
Trading services		267 163	258 102	-	-	-	-	-	-	-	258 102	278 205	280 441
Energy sources		174 959	165 198	-	-	-	-	-	-	-	165 198	184 693	198 399
Water management		49 444	50 144	-	-	-	-	-	-	-	50 144	46 871	35 394
Waste water management		18 314	18 314	-	-	-	-	-	-	-	18 314	19 119	19 979
Waste management		24 446	24 446	-	-	-	-	-	-	-	24 446	25 521	26 669
Other		-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	448 817	465 007	-	-	-	-	-	-	-	465 007	452 781	510 855
Expenditure - Functional													
Governance and administration		118 757	125 289	-	-	-	-	-	-	-	125 289	122 633	128 822
Executive and council		15 017	15 341	-	-	-	-	-	-	-	15 341	15 123	14 905
Finance and administration		101 909	108 351	-	-	-	-	-	-	-	108 351	105 609	109 942
Internal audit		1 831	1 577	-	-	-	-	-	-	-	1 577	1 902	1 975
Community and public safety		35 897	52 336	-	-	-	-	-	-	-	52 336	35 377	77 843
Community and social services		13 061	12 894	-	-	-	-	-	-	-	12 894	13 054	13 523
Sport and recreation		14 957	15 050	-	-	-	-	-	-	-	15 050	14 378	14 838
Public safety		4 082	3 843	-	-	-	-	-	-	-	3 843	3 608	3 672
Housing		3 798	20 549	-	-	-	-	-	-	-	20 549	4 337	45 910
Health		-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		48 039	46 767	-	-	-	-	-	-	-	46 767	49 443	51 054
Planning and development		15 157	14 823	-	-	-	-	-	-	-	14 823	15 022	15 510
Road transport		21 625	21 344	-	-	-	-	-	-	-	21 344	22 982	23 695
Environmental protection		11 258	10 600	-	-	-	-	-	-	-	10 600	11 440	11 849
Trading services		206 467	208 459	-	-	-	-	-	-	-	208 459	213 413	228 866
Energy sources		140 202	141 466	-	-	-	-	-	-	-	141 466	148 604	160 430
Water management		24 946	25 624	-	-	-	-	-	-	-	25 624	23 549	24 121
Waste water management		13 701	13 931	-	-	-	-	-	-	-	13 931	13 963	14 288
Waste management		27 619	27 438	-	-	-	-	-	-	-	27 438	27 296	28 027
Other		-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	409 181	432 831	-	-	-	-	-	-	-	432 831	420 866	482 685
Surplus (Deficit) for the year		39 656	32 775	-	-	-	-	-	-	-	32 775	31 894	28 170

Table B3 – Adjustments Budgeted Financial Performance (revenue and expenditure by municipal vote)

WC033 Cape Agulhas - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2022/23									Budget Year +1 2023/24	Budget Year +2 2024/25
		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	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue by Vote	1											
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION		39 493	41 302	-	-	-	-	-	-	41 302	41 366	44 407
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		102 630	108 204	-	-	-	-	-	-	108 204	95 194	103 185
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		7 874	7 774	-	-	-	-	-	-	7 774	7 990	8 331
Vote 4 - MANAGEMENT SERVICES DIRECTORATE2		17 115	35 681	-	-	-	-	-	-	35 681	17 427	59 570
Vote 5 - ENGINEERING SERVICES DIRECTORATE		279 679	270 618	-	-	-	-	-	-	270 618	288 672	293 162
Vote 6 - ENGINEERING SERVICES DIRECTORATE2		2 027	2 027	-	-	-	-	-	-	2 027	2 112	2 201
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	448 817	465 607	-	-	-	-	-	-	465 607	452 781	510 855
Expenditure by Vote	1											
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION		40 961	41 073	-	-	-	-	-	-	41 073	41 209	42 030
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		70 541	70 276	-	-	-	-	-	-	70 276	73 098	75 990
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		25 207	24 183	-	-	-	-	-	-	24 183	26 030	26 732
Vote 4 - MANAGEMENT SERVICES DIRECTORATE2		38 143	54 519	-	-	-	-	-	-	54 519	38 415	81 206
Vote 5 - ENGINEERING SERVICES DIRECTORATE		208 266	209 757	-	-	-	-	-	-	209 757	215 259	228 767
Vote 6 - ENGINEERING SERVICES DIRECTORATE2		26 043	33 023	-	-	-	-	-	-	33 023	26 856	27 961
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	409 161	432 831	-	-	-	-	-	-	432 831	420 886	482 685
Surplus/ (Deficit) for the year	2	39 658	32 775	-	-	-	-	-	-	32 775	31 894	28 170

Table B4 – Adjustments Budgeted Financial Performance (revenue and expenditure)

WC033 Cape Agulhas - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2023/24	+2 2024/25
R thousands	1	A	3	4	5	6	7	8	9	10		
		A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	81 511	86 611	-	-	-	-	-	-	86 611	85 098	88 927
Service charges - electricity revenue	2	167 603	157 842	-	-	-	-	-	-	157 842	180 159	193 656
Service charges - water revenue	2	31 974	31 974	-	-	-	-	-	-	31 974	33 382	34 884
Service charges - sanitation revenue	2	18 089	18 089	-	-	-	-	-	-	18 089	18 885	19 735
Service charges - refuse revenue	2	24 154	24 154	-	-	-	-	-	-	24 154	25 216	26 351
Rental of facilities and equipment		1 564	2 554	-	-	-	-	-	-	2 554	1 632	1 704
Interest earned - external investments		2 506	5 506	-	-	-	-	-	-	5 506	2 611	2 721
Interest earned - outstanding debtors		1 991	1 991	-	-	-	-	-	-	1 991	2 075	2 162
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		3 520	3 620	-	-	-	-	-	-	3 620	3 667	3 820
Licences and permits		142	42	-	-	-	-	-	-	42	148	154
Agency services		4 045	4 045	-	-	-	-	-	-	4 045	4 218	4 401
Transfers and subsidies		53 037	70 502	-	-	-	-	-	-	70 502	52 214	97 006
Other revenue	2	12 177	13 354	-	-	-	-	-	-	13 354	12 670	13 184
Gains		15 000	12 000	-	-	-	-	-	-	12 000	4 000	8 000
Total Revenue (excluding capital transfers and contributions)		417 313	432 284	-	-	-	-	-	-	432 284	425 973	496 704
Expenditure By Type												
Employee related costs		167 932	164 121	-	-	-	-	-	-	164 121	171 536	178 377
Remuneration of councillors		5 777	5 549	-	-	-	-	-	-	5 549	5 777	5 777
Debt impairment		9 018	9 018	-	-	-	-	-	-	9 018	9 185	9 361
Depreciation & asset impairment		10 827	10 827	-	-	-	-	-	-	10 827	11 311	11 818
Finance charges		6 564	6 564	-	-	-	-	-	-	6 564	6 885	7 223
Bulk purchases - electricity		116 487	109 248	-	-	-	-	-	-	109 248	126 517	137 410
Inventory consumed		23 779	54 984	-	-	-	-	-	-	54 984	23 239	64 948
Contracted services		30 283	28 227	-	-	-	-	-	-	28 227	27 204	27 036
Transfers and subsidies		2 361	2 283	-	-	-	-	-	-	2 283	2 041	2 041
Other expenditure		36 119	41 963	-	-	-	-	-	-	41 963	37 140	38 663
Losses		10	10	-	-	-	-	-	-	10	8	9
Total Expenditure		409 138	432 794	-	-	-	-	-	-	432 794	420 845	482 664
Surplus/(Deficit)												
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		8 175	(510)	-	-	-	-	-	-	(510)	5 128	14 041
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		31 504	33 322	-	-	-	-	-	-	33 322	26 787	14 151
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		39 679	32 812	-	-	-	-	-	-	32 812	31 916	28 192
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		39 679	32 812	-	-	-	-	-	-	32 812	31 916	28 192
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		39 679	32 812	-	-	-	-	-	-	32 812	31 916	28 192
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		39 679	32 812	-	-	-	-	-	-	32 812	31 916	28 192

Table B5 – Adjustments Budgeted Capital Expenditure by vote, standard classification and funding

WC033 Cape Agulhas - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2023/24	+2 2024/25
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted												
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION	2	769	1 418	-	-	-	-	-	-	1 418	8	-
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		1 725	1 494	-	-	-	-	-	-	1 494	1 705	1 326
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		2 469	877	-	-	-	-	-	-	877	1 260	1 505
Vote 4 - MANAGEMENT SERVICES DIRECTORATE2		2 239	2 044	-	-	-	-	-	-	2 044	640	430
Vote 5 - ENGINEERING SERVICES DIRECTORATE		47 631	49 579	-	-	-	-	-	-	49 579	26 077	15 146
Vote 6 - ENGINEERING SERVICES DIRECTORATE2		15 782	15 515	-	-	-	-	-	-	15 515	21 522	21 401
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	70 616	70 927	-	-	-	-	-	-	70 927	51 212	39 808
Single-year expenditure to be adjusted												
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION	2	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		-	0	-	-	-	-	-	-	0	500	445
Vote 4 - MANAGEMENT SERVICES DIRECTORATE2		-	702	-	-	-	-	-	-	702	480	430
Vote 5 - ENGINEERING SERVICES DIRECTORATE		-	-	-	-	-	-	-	-	-	-	4 300
Vote 6 - ENGINEERING SERVICES DIRECTORATE2		-	-	-	-	-	-	-	-	-	1 650	-
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	0	-	-	-	-	-	-	0	-	-
Capital single-year expenditure sub-total		-	702	-	-	-	-	-	-	702	2 630	5 175
Total Capital Expenditure - Vote		70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983
Capital Expenditure - Functional												
Governance and administration		1 903	1 635	-	-	-	-	-	-	1 635	2 237	1 326
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		1 903	1 635	-	-	-	-	-	-	1 635	2 237	1 326
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		3 498	2 633	-	-	-	-	-	-	2 633	995	1 505
Community and social services		1 368	717	-	-	-	-	-	-	717	495	210
Sport and recreation		2 101	1 895	-	-	-	-	-	-	1 895	300	850
Public safety		29	21	-	-	-	-	-	-	21	200	445
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		16 753	17 136	-	-	-	-	-	-	17 136	23 740	21 729
Planning and development		1 188	1 542	-	-	-	-	-	-	1 542	703	403
Road transport		14 655	14 879	-	-	-	-	-	-	14 879	22 397	20 441
Environmental protection		910	715	-	-	-	-	-	-	715	640	885
Trading services		48 463	50 225	-	-	-	-	-	-	50 225	28 870	20 424
Energy sources		12 156	13 167	-	-	-	-	-	-	13 167	10 980	14 124
Water management		8 325	8 114	-	-	-	-	-	-	8 114	14 500	1 250
Waste water management		19 320	19 033	-	-	-	-	-	-	19 033	640	2 500
Waste management		8 662	9 912	-	-	-	-	-	-	9 912	750	2 550
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983
Funded by:												
National Government		27 302	27 302	-	-	-	-	-	-	27 302	21 787	9 151
Provincial Government		703	2 521	-	-	-	-	-	-	2 521	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	28 004	29 822	-	-	-	-	-	-	29 822	21 787	9 151
Borrowing		19 088	21 403	-	-	-	-	-	-	21 403	7 151	10 179
Internally generated funds		23 524	20 404	-	-	-	-	-	-	20 404	24 904	25 654
Total Capital Funding		70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983

Table B6 – Adjustments Budgeted Financial Position

WC033 Cape Agulhas - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2023/24	+2 2024/25
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted												
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION	2	769	1 418	-	-	-	-	-	-	1 418	8	-
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		1 725	1 494	-	-	-	-	-	-	1 494	1 705	1 326
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		2 469	877	-	-	-	-	-	-	877	1 260	1 505
Vote 4 - MANAGEMENT SERVICES DIRECTORATE2		2 239	2 044	-	-	-	-	-	-	2 044	640	430
Vote 5 - ENGINEERING SERVICES DIRECTORATE		47 631	49 579	-	-	-	-	-	-	49 579	26 077	15 146
Vote 6 - ENGINEERING SERVICES DIRECTORATE2		15 782	15 515	-	-	-	-	-	-	15 515	21 522	21 401
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	70 616	70 927	-	-	-	-	-	-	70 927	51 212	39 808
Single-year expenditure to be adjusted												
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION	2	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		-	0	-	-	-	-	-	-	0	500	445
Vote 4 - MANAGEMENT SERVICES DIRECTORATE2		-	702	-	-	-	-	-	-	702	480	430
Vote 5 - ENGINEERING SERVICES DIRECTORATE		-	-	-	-	-	-	-	-	-	-	4 300
Vote 6 - ENGINEERING SERVICES DIRECTORATE2		-	-	-	-	-	-	-	-	-	1 650	-
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	0	-	-	-	-	-	-	0	-	-
Capital single-year expenditure sub-total		-	702	-	-	-	-	-	-	702	2 630	5 175
Total Capital Expenditure - Vote		70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983
Capital Expenditure - Functional												
Governance and administration		1 903	1 635	-	-	-	-	-	-	1 635	2 237	1 326
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		1 903	1 635	-	-	-	-	-	-	1 635	2 237	1 326
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		3 498	2 633	-	-	-	-	-	-	2 633	995	1 505
Community and social services		1 368	717	-	-	-	-	-	-	717	495	210
Sport and recreation		2 101	1 895	-	-	-	-	-	-	1 895	300	850
Public safety		29	21	-	-	-	-	-	-	21	200	445
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		16 753	17 136	-	-	-	-	-	-	17 136	23 740	21 729
Planning and development		1 188	1 542	-	-	-	-	-	-	1 542	703	403
Road transport		14 655	14 879	-	-	-	-	-	-	14 879	22 397	20 441
Environmental protection		910	715	-	-	-	-	-	-	715	640	885
Trading services		48 483	50 225	-	-	-	-	-	-	50 225	26 870	20 424
Energy sources		12 156	13 167	-	-	-	-	-	-	13 167	10 980	14 124
Water management		8 325	8 114	-	-	-	-	-	-	8 114	14 500	1 250
Waste water management		19 320	19 033	-	-	-	-	-	-	19 033	640	2 500
Waste management		8 662	9 912	-	-	-	-	-	-	9 912	750	2 550
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983
Funded by:												
National Government		27 302	27 302	-	-	-	-	-	-	27 302	21 787	9 151
Provincial Government		703	2 521	-	-	-	-	-	-	2 521	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	28 004	29 822	-	-	-	-	-	-	29 822	21 787	9 151
Borrowing		19 088	21 403	-	-	-	-	-	-	21 403	7 151	10 179
Internally generated funds		23 524	20 404	-	-	-	-	-	-	20 404	24 904	25 654
Total Capital Funding		70 616	71 629	-	-	-	-	-	-	71 629	53 842	44 983

Table B7 – Adjustments Budgeted Cash Flows

WC033 Cape Agulhas - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfor. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2023/24	+2 2024/25
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		80 404	85 794	-	-	-	-	-	-	85 794	83 942	87 719
Service charges		262 863	253 199	-	-	-	-	-	-	253 199	279 527	297 410
Other revenue		18 458	20 823	-	-	-	-	-	-	20 823	19 219	20 017
Transfers and Subsidies - Operational	1	16 820	34 602	-	-	-	-	-	-	34 602	12 589	54 419
Transfers and Subsidies - Capital	1	30 804	31 985	-	-	-	-	-	-	31 985	26 787	14 151
Interest		2 506	5 506	-	-	-	-	-	-	5 506	2 611	2 721
Dividends										-		
Payments												
Suppliers and employees		(365 404)	(392 660)	-	-	-	-	-	-	(392 660)	(375 799)	(435 906)
Finance charges										-		
Transfers and Grants	1	2 361	2 283	-	-	-	-	-	-	2 283	2 041	2 041
NET CASH FROM/(USED) OPERATING ACTIVITIES		48 812	41 533	-	-	-	-	-	-	41 533	50 918	42 572
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		15 000	12 000	-	-	-	-	-	-	12 000	4 000	8 000
Decrease (increase) in non-current receivables		154	147	-	-	-	-	-	-	147	154	154
Decrease (increase) in non-current investments										-		
Payments												
Capital assets		(70 616)	(71 629)	-	-	-	-	-	-	(71 629)	(53 842)	(44 983)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(55 462)	(59 483)	-	-	-	-	-	-	(59 483)	(49 888)	(36 829)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans										-		
Borrowing long term/refinancing		19 088	19 088	-	-	-	-	-	-	19 088	-	-
Increase (decrease) in consumer deposits		-	(0)	-	-	-	-	-	-	(0)	-	-
Payments												
Repayment of borrowing		154	147	-	-	-	-	-	-	147	154	154
NET CASH FROM/(USED) FINANCING ACTIVITIES		19 242	19 235	-	-	-	-	-	-	19 235	154	154
NET INCREASE/ (DECREASE) IN CASH HELD												
Cash/cash equivalents at the year begin:	2	119 343	123 457	-	-	-	-	-	-	123 457	149 748	171 166
Cash/cash equivalents at the year end:	2	131 935	124 742	-	-	-	-	-	-	124 742	151 132	177 064

Table B8 – Adjustments Cash backed reserves/accumulated surplus reconciliation

WC033 Cape Agulhas - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2022/23								Budget Year +1 2023/24	Budget Year +2 2024/25	
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	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	131 935	124 742	-	-	-	-	-	-	124 742	151 132	177 064
Other current investments > 90 days		17 812	19 934	-	-	-	-	-	-	19 934	20 034	22 486
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		149 748	144 678	-	-	-	-	-	-	144 678	171 166	199 549
Applications of cash and investments												
Unspent conditional transfers		788	864	-	-	-	-	-	-	864	788	788
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	0	-	-	-	-	-	-	0	-	-
Other working capital requirements	2	(50 112)	(39 215)	-	-	-	-	-	-	(39 215)	(90 013)	(116 246)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		37 500	39 500	-	-	-	-	-	-	39 500	37 500	37 500
Total Application of cash and investments:		(11 824)	1 150	-	-	-	-	-	-	1 150	(51 725)	(77 958)
Surplus(shortfall)		161 572	143 528	-	-	-	-	-	-	143 528	222 891	277 508

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Measurable performance objectives and indicators

Changes to measurable performance objectives and indicators are included in the supporting tables (SB3) attached. These indicators are part of the indicators contained in the Service Delivery and Budget Implementation Plan, which again forms the basis of the performance contracts of the Municipal Manager and Senior Management.

Section 6 – Budget related policies

There are no changes to the budget related policies proposed in the adjustments budget.

Section 7 – Overview of budget assumptions

Budget Assumptions

There are no changes to the budget assumptions proposed in the adjustments budget other than the alignment of assumptions to the actual results for the year ending 30 June 2022.

Section 8 – Funding compliance

The adjustments budget is cash – funded which is the first indicator of a “credible” budget.

Section 9 – Overview of budget funding

Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

A Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and on past performance and supported by documented evidence of future assumptions;
- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore, the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

9.1 Funding of operating and capital expenditure

As indicated in schedule B8, the municipality's budget is cash funded. The municipality did introduce external funding in the proposed capital funding model. The introduction of external funding alleviated the pressure on own cash resources to the extent that there is a projected inflow of resources for the year ending 30 June 2023. The municipality should explore further avenues to ensure that this positive trend continues in future.

9.2 Financial plans

The long-term plan was reviewed during the 2022/23 financial year. This plan needs to be implemented and continuously monitored to ensure the outcomes as identified in the long-term financial plan are achieved.

9.3 Reserves

Reserves will be cash backed throughout the MTREF.

PART 3 – SUPPORTING TABLES

This list of supporting documentation to complete the main tabled B1 to B10 is available electronically. The information is the supporting information relating to the completion of the Adjustment budget.

The following is list of supporting documentation available if required.

LIST OF DOCUMENTATION:

- SB1 – Supporting detail to Budgeted Financial performance
- SB2 – Supporting detail to Financial Position budget
- SB3 – Adjustments to the SDBIP Performance objectives
- SB4 - Adjustments to budgeted performance indicators and benchmarks
- SB5 – Social, economic and demographics statistics and assumption
- SB6 –Funding measurement
- SB7 – Transfers and grants receipts
- SB8 – Expenditure on transfers and grants programme
- SB9 – Reconciliation of transfers, grant receipts, and unspent funds
- SB10 – Transfers and grants made by the municipality
- SB11 – Councillor and staff benefits
- SB12 – Monthly revenue and expenditure (municipal vote)
- SB13 – Monthly revenue and expenditure (functional classification)
- SB14 – Monthly revenue and expenditure
- SB15 – Monthly cash flow
- SB16 – Monthly capital expenditure (municipal vote)
- SB17 – Monthly capital expenditure (functional classification)
- SB18a – Capital expenditure on new assets by asset class
- SB18b – Capital expenditure on renewal of existing assets by asset class
- SB18c – Expenditure on repairs and maintenance by asset class
- SB18d – Depreciation by asset class
- SB18e – Capital expenditure on upgrading of existing assets by asset class
- SB19 – List of capital programmes and projects affected by Adjustment Budget
- SB20 – Not required

Section 10 – Municipal Manager’s quality certificate

NAVRAE:
ENQUIRIES: S Stanley

KONTAKNR:
CONTACT NO 028 425 5798

VERW:
REF: 5/3/2022-23 (Mid-year Jan 2023)

KANTOOR:
OFFICES: Bredasdorp

DATUM
DATE 26 January 2023



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASTPALA WASECAPE AGULHAS

QUALITY CERTIFICATE

I Eo Phillips, municipal manager of **Cape Agulhas Municipality**, hereby certify that the **ADJUSTMENT BUDGET 2022-23 MTREF** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name Eo Phillips-----

Accounting Officer / Chief Financial Officer of **CAPE AGULHAS MUNICIPALITY WC033** (name and demarcation of municipality)

Signature -----

Date 30.01.2023-----