

SPECIAL COUNCIL MEETING

2nd ROLL OVER ADJUSTMENT BUDGET 2024/2025 FINANCIAL YEAR

Directorate : **DIRECTORATE FINANCE**
Date : **16 JANUARY 2025**
Author : **CHIEF FINANCIAL OFFICER**
Delegated authority : **COUNCIL**

PURPOSE OF REPORT/ DOEL VAN DIE VERSLAG

Is to submit the second (2nd) (Roll-over) Adjustment budget for 2024/25 financial year as a result of the roll-over funds from 2022/2023 financial year.

BACKGROUND/ DISCUSSION/ AGTERGROND/BESPREKINGS

Stipulations in section 23 of the Municipal Budget Regulations (MBRR) –Timeframes for tabling of adjustments budget stipulates as follows:

“23. (5) An adjustments budget referred to in section 28(2)(e), of the Act may only be tabled after the end of the financial year to which the roll-overs relate and must be approved by the municipal council by 25 Augusts of the financial year, following the financial year to which the roll-overs relate”. The municipality received its roll-over approval letter only on 19 August 2024 and is allowed to approve its adjustment budget for roll-overs, at the next available council meeting.

The adjusted budget tabled in council here today was compiled after consideration of the roll-over funds related to the 2023/24 financial year for projects which was work in progress on 30 June 2024, and additional operating funding which was transferred.

A comparison between the funding sources applicable to the original approved revised operating and capital budget is set out in the table below:

FUNDING SOURCE	ORIGINAL BUDGET YEAR 2024/2025	NAT OR PROV GOVT	OTHER ADJUSTS.	2nd ADJUSTMENTS BUDGET 2024/20254
National Government	13 043 478	753 000		13 796 478
Central Karoo District Mun Human Resource Internship Grant			83 337	83 337
Central Karoo District Mun Community Safety Grant			81 075	81 075

The capital ledger vote number 074202000611 WSIG – Water, Sanitation Infrastructure Leeu-Gamka Grant should increase with R 753 000. The municipality also received approval on the roll-over application for the Human Resources Internship Grant and the Community Safety Grant, from the Central Karoo District Municipality as indicated in the table above.

The following table indicates how the roll – over amounts that were approved by the Central Karoo District Municipality, will be allocated in the operational income and expenditure line-items of the 2nd roll over adjustment budget.

CKDM Human Resource Internship Grant

TYPE	mSCOACconfig	mSCOACconfigDescription	Budget Amount
Expense	011201170101	Basic salary - Human Resource Internship Progr	81 564,00
Expense	011201175123	Bargaining Council- Human Resource Internship	120,00
Expense	011201170341	UIF - Human Resource Internship Programme	837,00
Expense	011201178031	Skills Levy - Human Resource Internship Progra	817,00
Revenue	021120150626	NER: T&S: Operational: Monetary: DM: WC (Provi	-83 338,00
TOTAL ADJUSTMENT			-

CKDM Community Safety Grant

TYPE	mSCOACConfig	mSCOACConfigDescription	Budget Amount
Expense	012101175800	Catering cost - CSF	200,00
Expense	01210175800	Operational Cost: Entertainment: Senior Manage	-
Expense	012105178141	Operational Cost: T&S: Own Transport: CSF Capa	5 000,00
Expense	012105176014	Contracted Services: Outsourced Services: Secu	10 000,00
Expense	012105176015	Support - Joint Operations Control Room	22 815,00
Expense	012105176830	Community Disaster Emergency Support	130,00
Expense	012105175801	Neighbourhood Watch support initiatives	30 931,00
Expense	012105172130	Two-way Radio Repeater	12 000,00
Revenue	022105154311	NER: T&S: Operational: Monetary: PT: Capacity:	-81 076,00
TOTAL ADJUSTMENT			-

The following table indicates the effect of the adjustments budget on the operating revenue, expenditure budget and capital transfers for 2024/25:

Type	Budget Year 2024/25 R '000	2 nd Adjustment Budget R '000
Revenue	105 578	105 742
Expenditure	99 894	100 058
Capital Transfer	18 971	19 724

RELEVANT LEGISLATIONS/ POLICIES

Stipulations in section 16 and 28 of Municipal Finance Management Act, 2003.

Municipal Budget and Reporting Regulations (Schedule B)

MFMA Circulars 10, 12, 13, 14, 19, 28, 31, 45,48,51,54,55,58,66,67,70, 72, 74, 75, 79, 89, 91, 93 and 94.98 and 99, 108, 112, 115, 122 and 123.

Council budget related policy.

COMMENTS FROM DEPARTMENTS:

Acting Director Technical Services:

Support Recommendation.

ANNEXURES

Tables and other supporting annexures submitted under separate cover.

RECOMMENDATIONS BY THE MAYOR

- (1) That it be noted that an adjustment budget is necessary in accordance with Section 23(5) of the Municipal Budget and reporting regulations as a result of the roll-over funding from the 2023/24 financial year.
- (2) That the second (2nd) Annual Adjustments Budget of Prince Albert Municipality for the Financial year 2024/2025, as set-out in the schedules contained in Section 4, be approved as contained in the following prescribed budget tables.
 - (i.) Table B1: Adjustments budget summary
 - (ii.) Table B2: Adjustments Budget Financial Performance (expenditure by standard classification)
 - (iii.) Table B3: Adjustments Budget Financial Performance (expenditure by municipal vote)
 - (iv.) Table B4: Adjustments Budget Financial Performance (revenue by source)
 - (v.) Table B5 to B10 as well as supporting tables SB1 to SB19
- (3) That adjustments permitted in terms of Sections 28(2)(e) of the Municipal Finance Management Act as reflected in the tables referred to in resolution (2) above be approved.