

EXTRACT COUNCIL MINUTES: 24 JUNE 2021.

UNANIMOUSLY RESOLVED

Item A104/24/06/2021

1. that the Adjustments Budget of Swellendam Municipality for the financial year 2020/2021, as set out in the schedules contained in Section 4, circulated with the agenda be considered and approved as contained in the following prescribed budget tables;
 - (i.) Tables 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 the supporting tables SB1 to SB19
2. that Council in terms of section 54(1)(c) of the MFMA approves the revised SDBIP for 2020/2021 and adjusted performance agreements of the Section 57 employees.

Item number A104.

24.06.2021

JUNE ADJUSTMENT BUDGET – 2020/2021 AND REVISED SDBIP

Report of the Director: Financial Services: Ms. E Wassermann

Department

Financial Services

Section

Financial Services

File number

5/1/125

PURPOSE OF REPORT

The purpose of the report is to present the June adjustments budget for 2020/2021 to Council for approval due to funds allocated to the municipality in respect of a sponsorship agreement with the Department of Economic Development and Tourism as well as an event marketing agreement with WESGRO for financial assistance for hosting the SA Road Cycling Championships.

The purpose of this report is furthermore to present the revised SDBIP and adjustment performance agreements of the section 57 employees to Council for approval.

FACTS AND BACKGROUND

The municipality was informed that funds were allocated to the municipality in respect of a sponsorship agreement with the Department of Economic Development and Tourism as well

as an event marketing agreement with WESGRO for financial assistance for hosting the SA Road Cycling Championships.

The municipality also had to incur urgent operating expenditure which was not budgeted for, for example, the repairs to the office buildings of Community Services as well as Human Resources in the current financial year. The municipality has to reallocate savings in certain votes for these purposes.

As it is imperative and legally required to table a cash-backed budget, the 2020/2021 adjustments budget approved during February 2021, had to be revised to take the above into account.

Furthermore, virements that were processed since the February 2021 adjustments budget was approved, were included in the June 2021 Adjustments Budget.

Savings on projects included in the capital budget that was completed or did not commence, were also reallocated to other projects included in the capital budget for completion.

The adjustment of the Budget 2020/21, the Service Delivery and Budget Implementation Plan 2020/21, and the adjustment of the section 57 performance agreements has been brought in line with the IDP 2020/21.

The adjustment budget will be circulated as a separate addendum. The performance agreements of the section 57 employees will be circulated as a separate addendum as well as the SDBIP.

LEGAL IMPLICATIONS

MFMA Section 28 provides directives and guidelines for submitting municipal adjustment budgets to Council for adoption. In terms of Section 54 (1) (c), the Mayor must consider and, if necessary, make any revisions to the SDBIP, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the Council following the approval of the adjustment budget.

FINANCIAL IMPLICATIONS

As per the tables circulated to Council.

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that the Adjustments Budget of Swellendam Municipality for the financial year 2020/2021, as set out in the schedules contained in Section 4, circulated with the agenda be considered and approved as contained in the following prescribed budget tables;
 - (i.) Tables B1: Adjustments budget summary
 - (ii.) Table B2: Adjustments Budget Financial Performance (expenditure by standard classification)
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 - (iv.) Table B4: Adjustments Budget Financial Performance (revenue by source)
 - (v.) Table B5 to B10: as well as the supporting tables SB1 to SB19

2. that Council in terms of section 54(1)(c) of the MFMA approves the revised SDBIP for 2020/2021 and adjusted performance agreements of the Section 57 employees.