



CAPE WINELANDS DISTRICT

MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

ANNEXURE A

SCHEDULE B

ADJUSTMENTS BUDGET

May 2023

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PART 1

A: Mayors Report

Grant funding of the Cape Winelands District Municipality (CWDM) was decreased in terms of Government Gazette No. 48327, attached as Annexure "D" and Addendum 2 to Memorandum of Agreement for the 2022/2023 Financial Year, attached as Annexure "E".

National Government

The Rural Roads Asset Management Grant was stopped in terms of Government Gazette No. 48327. This grant will however continue in the 2023/2024 financial year. The budgeted amount will be decreased with R2 805 000 from R2 877 000 to R72 000.

Road Agency Function

The Department of Transport and Public Works decreased their 2022/2023 budget for work on proclaimed roads with R4 600 000 from R121 700 000 to R117 100 000 in terms of Addendum 2 to Memorandum of Agreement for the 2022/2023 Financial Year.

Roads Expenditure in the Municipalities' budget is governed by two Provincial Memorandum of Agreements since the provincial government's financial yearend is 31 March and Municipalities' financial yearend is 30 June. The decrease referred to above will not have any effect on the budget. The portion of the budget governed by the second Memorandum of Agreement was increased with the same amount.

Taking into account that the above-mentioned adjustments will not result in a decrease or increase of the current surplus position of Council's budget, I therefore recommend together with the Mayoral Committee that Council approve the adjustments as well as the concomitant amendments to the relevant service delivery targets and performance indicators in the service delivery and budget implementation plan.

B: RESOLUTIONS

The resolution with regard to the approval of the budget will be submitted after the approval of this Adjustments Budget to the relevant treasuries.

C: EXECUTIVE SUMMARY

The table below is a high-level summary of the changes proposed by this adjustments budget.
2022/2023 Financial year

	2022/2023 Adjusted Budget	Adjustments	May 2023 Adjustments Budget
Income			
Operational Revenue	14,520,354	-	14,520,354
Rental Fixed Assets	240,000	-	240,000
Agency Services	131,004,583	-	131,004,583
Sales of Goods and Services	477,800	-	477,800
Rev.: Int. Dividend Rent on Land	56,000,000	-	56,000,000
Non Exchange Revenue	600,000	-	600,000
Non Exchange Revenue:Transfers and Subsidies	261,466,131	-2,805,000	258,661,131
	464,308,868	-2,805,000	461,503,868
Expenditure			
Employee Related Costs	247,768,727	-	247,768,727
Remuneration of Councillors	13,872,761	-	13,872,761
Operational Costs	77,427,080	-	77,427,080
Contracted Services	63,690,081	-2,805,000	60,885,081
Interest Dividend Rent on Land	-	-	-
Operating Leases	300,000	-	300,000
Bad Debt Written Off	500,000	-	500,000
Depreciation and Amortisation	9,560,700	-	9,560,700
Inventory	33,520,853	-	33,520,853
Transfers and Subsidies	15,533,301	-	15,533,301
Default	-	-	-
Gains and Losses	12,000	-	12,000
	462,185,503	-2,805,000	459,380,503
Surplus/(Deficit) before Capital Funding	2,123,365	-	2,123,365
Capital Funding			
Capital Expenditure: Building Maintenance	950,000		950,000
Capital Expenditure: Agency Services	1,173,365		1,173,365
(Surplus)/Deficit After Capital Funding	-	-	-

D: ADJUSTMENT BUDGET TABLES

In accordance with the Budget and Reporting Regulations the following compulsory schedules are attached, reflecting the composition and detail of the above mentioned amounts.

Adjustments Budget Summary

Table B1

Adjustments Budgeted Financial Performance
(Revenue and Expenditure by standard classification)

Table B2

Adjustments Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)	Table B3
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Cash backed reserves/accumulated surplus reconciliation	Table B8
Asset Management	Table B9
Basic Service Delivery Measurement (Completion of this table is not applicable in view thereof that the District Municipality does not provide basic services; hence no information is available)	Table B10

PART 2

A: ADJUSTMENTS TO BUDGET ASSUMPTIONS

No adjustments were made to the budget assumptions presented in the annual budget.

B: ADJUSTMENTS TO BUDGET FUNDING

The proposed adjustments will be funded as follows:

Decreased Funding Received Items	Original Budget 2022/2023	Adjustment	May Adjusted Budget 2022/2023
Rural Roads Asset Management Services	R 2 877 000	-R2 805 000	R 72 000

C: ADJUSTMENTS TO EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

The planned expenditure of allocations and grants received will be adjusted as follows:
2022/2023 Financial Year

Decreased Expenditure Items	Original Budget 2022/2023	Adjustment	Dec. Adjusted Budget 2022/2023
Research and Advisory Services – Rural Roads	R 2 877 000	-R2 805 000	R 72 000

D: ADJUSTMENTS TO ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

No adjustments were made to –
Grants made by the municipality

E: ADJUSTMENTS TO COUNCILOR ALLOWANCES AND EMPLOYEE BENEFITS

No adjustments were made to councilor allowances and employee benefits

F: ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

No adjustments were made to the quarterly service delivery targets and performance indicators.

G: ADJUSTMENTS TO CAPITAL EXPENDITURE

No adjustments were made to capital expenditure.

N: OTHER SUPPORTING DOCUMENTS

Additional information/schedules in accordance with the budget and reporting regulations:

SB1	Supporting detail to Budgeted Financial Performance
SB2	Supporting detail to Budgeted Financial Position
SB3	Adjustments to the SDBIP – performance objectives (will be submitted to council)
SB4	Adjustments to budgeted performance indicators and benchmarks
SB5	Adjustments Budget –Social, economic and demographic statistics and assumptions
SB6	Adjustments Budget - Funding measurement
SB7	Adjustments Budget - Transfers and grant receipts
SB8	Adjustments Budget – expenditure on transfers and grant programme
SB9	Adjustments Budget – reconciliation of transfers grant receipts, and unspent funds
SB10	Adjustments Budget – transfers and grants made by the municipality
SB11	Adjustments Budget – councillor and staff benefits
SB12	Adjustments Budgeted - monthly revenue and expenditure (municipal vote)
SB13	Adjustments Budgeted - monthly revenue and expenditure (standard classification)
SB14	Adjustments Budgeted - monthly revenue and expenditure
SB15	Adjustments Budget – monthly cash flow
SB16	Adjustments Budget monthly capital expenditure (municipal vote)
SB17	Adjustments Budget – monthly Capital expenditure (standard classification)
SB18a	Adjustments Budget – capital expenditure on new assets by asset class
SB18b	Adjustments Budget – capital expenditure on renewal of existing assets by asset class
SB18c	Adjustments Budget – expenditure on repairs and maintenance by asset
SB18d	Adjustments Budget – depreciation by asset class
SB19	List of capital programmes and projects affected by adjustments Budget
SB20	Not required

O: QUALITY CERTIFICATE

I, Henry Prins..... Municipal Manager of Cape Winelands District Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name: Henry Prins

Municipal Manager of Cape Winelands District Municipality

Signature 

Date 25/05/2023