

2019/2020 FINANCIAL YEAR FIRST SPECIAL ADJUSTMENT BUDGET

NOTICE is hereby given in terms of Section 28 of the Municipal Finance Management Act, 2003 (Act 56 of 2003); Section 21A of the Municipal Systems Act, 2000 (Act 32 of 2000), and Section 26 of the Municipal Budget and Reporting Regulations, 2008, that Council adopted the First Special Adjustments Capital & Operational Budget for the 2019/2020 financial year on 08 November 2019 and that:

1. A copy of the First Special Adjustments Capital & Operational Budget for the 2019/2020 financial year will be available on the municipal website, www.makana.gov.za and at the undersigned during normal office hours, as well as all libraries within the Makana Municipality's region.
2. A summary of the adjustments are reflected below:

Revenue by Source

Service Charges – Water increased by R22,717,326 from R74,722,164 to R97,439,490

Service Charges – Sanitation increased by R6,850,059 from R17,673,514 to R24,523,573

Interest earned – External Investments increased by R2,000,000 from R2,000,000 to R4,000,000

Interest earned – Outstanding Debtors increased by R18,709,572 from R7,862,885 to R26,572,457

Other Revenue increased by R6,243,087 from R10,387,948 to R16,631,035

Transfers Recognised – Capital increased with R 43,484,558 million from R 43,700,789 to R87,185,347.

Capital Budget

The Capital Budget increased with R37,812,659 from R39,068,739 to R76,881,398 representing the approval of roll over of 2018/19 unspent conditional grants. Changes were also made to the Capital Projects funded by the Water Services Infrastructure Grant (WSIG) to reflect the Approved revised WSIG 2019/20 business plan that was approved by Council on 30 October 2019.

Conclusion

The Adjustment budget has increased the Revenue Budget (including capital transfers) by R100,004,602 from R528,120,329 to R628,124,931. There was no increase in the Operating Expenditure.

3. The Council has not increased any tariffs and above adjustments are to align the revenue budget with current revenue generation levels.

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13 November 2019