

Section 2: Finance

ITEM M/ / 02/24

3rd Adjustment Budget – Adjustment Budget of the 2024/25 MTREF

Directorate: Finance & Corporate Services
File Ref: 9/1/3/4

Demarcation : All Wards
Delegation: MayCo

Attachment : Annexure “A” – Adjustment Budget Report
: Annexure “B” – B Schedule
: Annexure “C” – Quality Certificate
: Annexure “D” – Adjusted Capital Programmes

Report from : Acting Director: Financial Services

Date : April 2025

Purpose of the report

To adjust expenditure regarding the 2024/2025 MTREF as per Section 28 of the MFMA

Background/Discussion

In terms of section 28 of the MFMA a municipality may revise an approved annual budget through an adjustments budget. Furthermore according to Section 28(2)(b), may 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. Only the Mayor may table an adjustments budget in the municipal council and it may only be tabled within prescribed limitations as to timing or frequency.

Legal Requirements

The Municipal Finance Management Act – No. 56 of 2003 Section 28. Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations (MBRR)

Financial Implications

Financial implications are attached on the attached budget schedules as per Annexure A

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RELEVANT LEGISLATION

The Municipal Finance Management Act – No. 56 of 2003 Section 28 Municipal adjustment budgets.
Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations (MBRR)

RECOMMENDED BY THE MAYOR

- a. That the 3rd adjustments budget of Bitou Municipality for the financial year 2024/2025, be approved as follows:
 - 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: Adjustments Budget Capital Expenditure for both multi-year and single year by vote, standard classification and funding
 - vi. Table B6: Budgeted Financial Position
 - vii. Table B7: Budgeted Cash Flow
 - viii. Table B8: Cash backed reserves/Accumulated surplus reconciliation
 - ix. Table B9: Asset Management
 - x. Table B10: Basic service delivery measurement
 - xi. Supporting Tables SB1 – SB 20
- b. That the Departmental SDBIP be reviewed within directorates where applicable
- c. That the adjustments budget be submitted to the authorities and in the format as required by law