

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

ADJUSTMENTS BUDGET: 2019/20 FINANCIAL YEAR

J2390/L0562

AANSUIWERINGSBEGROTING: 2019/20-BOEKJAAR

ULUNGELELANISO LOHLAHLO-LWABIWO-MALI: UMNKYAKA-MALI KA-2019/20

3. DELEGATED AUTHORITY

In terms of delegation

This report is FOR DECISION BY

☐ **Committee name :**

☐ The Executive Mayor together with the Mayoral Committee (MAYCO)

☒ Council

4. DISCUSSION

This report recommends approval of the appropriation of certain budgetary amendments, as listed in the 2019/20 adjustments budget (August 2019).

4.1. Financial Implications ☐ None ☒ Opex ☒ Capex

☐ Capex: New Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no additional funding requirements

4.2. Legal Compliance ☒

Section 28 of the MFMA and National Treasury MFMA Circular 28 and 54 provide directives and guidelines for submitting municipal adjustments budgets to Council for adoption.

Annexure A to this report represents the documentation in compliance to relevant legislation.

At the time of compiling the Schedule B tables for inclusion in Annexure A, actual results of the 2018/19 financial statements were still not finalised. The financial position and cash flow related tables could therefore not be completed in time for submission to the Mayoral Committee meeting scheduled for 13 August 2019. The tables will, however, be completed for submission to the Council meeting scheduled for 22 August 2019.

4.3. Staff Implications ☐ Yes ☒ No

4.4. Risk Implications ☐ Yes ☒ No

5. RECOMMENDATIONS

Not delegated: for decision by Council

It is recommended that:

- a. In terms of section 28 of the MFMA, Council adopts the amendments proposed for incorporation into the 2019/20 adjustments budget (August 2019), as contained in annexure A to this report.
- b. Ongoing contractually committed projects funded from national- and provincial allocations, for which approval of unspent 2018/19 budgetary allocations is awaited, be continued via interim funding from internal resources until the outcome of such roll-over application is appropriated into the 2019/20 budget via the January 2020 adjustments budget.
- c. An amount of R344 053 970 from accumulated surpluses be set aside to establish a 'Capital Replacement Reserve: Capital Grants and Donations: Roll-overs', which will be used to provisionally fund contractually committed, ongoing conditional grant-funded projects until the national- and provincial roll-overs are appropriated into the 2019/20 budget via the January 2020 adjustment budget.

- d. In the event of specific conditional grant-funded projects' roll-overs not being approved by National- or Provincial Treasury, the City continues funding such projects, which are contractually committed, from the 'Capital Replacement Reserve: Capital Grants and Donations: Roll-overs'.

AANBEVELINGS

Nie gedelegeer nie: Vir besluitneming deur die Raad

Daar word aanbeveel dat:

- a. Ingevolge artikel 28 van die MFMA, die Raad die wysigings voorgestel vir inkorporering in die 2019/20-aansuiweringsbegroting (Augustus 2019), soos vervat in bylae A by hierdie verslag, aanneem.
- b. Deurlopende kontraktueel-bindende projekte uit nasionale en provinsiale toewysings waarvoor goedkeuring van onbestede 2018/19-begrotingstoewysings ingewag word, voortgesit word met tussentydse befondsing uit interne hulpbronne tot die uitkoms van die oorrolaanzoek in die 2019/20-begroting bewillig word deur middel van die Januarie 2020-aansuiweringsbegroting.
- c. 'n Bedrag van R344 053 970 uit opgehoopte oorskotte opsygesit word om 'n 'kapitaalvervangingsreserwe: kapitaaltoelae en -skenkings: oorrolfondse' daar te stel, wat gebruik sal word om kontraktueel-bindende, deurlopende voorwaardelik toelaagbefondste projekte te befonds tot die nasionale en provinsiale oorrolfondse in die 2019/20-begroting bewillig word deur middel van die Januarie 2020-aansuiweringsbegroting.
- d. Indien oorrolfondse vir spesifieke voorwaardelik toelaag-befondse projekte nie deur die nasionale of provinsiale tesourie goedgekeur word nie, die Stad voortgaan om daardie projekte wat kontraktueel bindend is, uit die 'kapitaalvervangingsreserwe: kapitaaltoelae en -skenkings: oorrolfondse' te befonds.

IZINDULULO

Azigunyaziswanga-isigqibo seseBhunga

Kundululwe ukuba:

- a. Ngokwecandelo-28 le-MFMA, iBhunga malamkele izilungiso eziphakanyiswe ukuba zingeniswe kulungelelwaniso lohlahlo-lwabiwo-mali lowama-2019/20 (eyeThupha 2019), njengoko ziqulathwe kwisihlomelo-A kule ngxelo.
- b. Iiprowjekthi eziqhubekekayo ezingekhonthakthi ezixhaswe ngezimali ezizizabelo zesizwe nephondo apho isiphumezo sezabelo ezingakhange zisetyenziswe zohlhlo-lwabiwo-mali lowama-2018/19 apho kulindeleke uphonyezo lwalo, maziqhubekeke ngokuthi kusetyenziswe inkxaso-mali yexeshana kude ibeziziphumo zeso sicelo zotshintshelo lwezimali apho zithi zabelwe kuhlahlo-lwabiwo-mali lowama-2019/20 ngokuthi kusetyenziswe ulungelelwanio lohlahlo lwabiwo-mali lwangayoMqungu 2020.

- c. Isixa-mali esingama-R344 053 970 ukususela kwiintsalela ezifumanekileyo, masibekelwe bucala ukuze kumiselwe 'Uvimba woTshintshelo lwezimali ezinkulu: izibonelelo zezimali ezinkulu neMinikelo: lintshiyekela', apho iyakuthi isetyenziswe ukuxhasa okwexeshana izibophelelo ezingekhontrakthi, iprowujekthi eziqhubekekayo zezibonelelo ngokomqathango kude kube iintshiyekela zesizwe nezephondo zibe ziyabiwa kuhlalo-lwabiwo-mali luka-2019/20 kusetyenziswa ulungelelwaniso lohlahlo-lwabiwo-mali lowama-2020.
- d. Xa kuye kwathi iintshiyekela ezithile zeeprowujekthi ezixhaswe ngezimali ngokomqathango ziye azaphunyezwa siSizwe okanye nguNondyabo wePhondo, iSixeko masiqhubekeke ukuxhasa ngezimali ezo prowujekthi eziyimbophelelo ngokwekhontrakthi ukususela 'kuVimba woTshintshelo lwezimali ezinkulu: izibonelelo zezimali ezinkulu neMinikelo: lintshiyekela'.

ANNEXURES

Annexure A – City of Cape Town 2019/20 adjustments budget: 22 August 2019

FOR FURTHER DETAILS CONTACT

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E-MAIL ADDRESS	Jacobus.steyl@capetonw.gov.za		
DIRECTORATE	Finance	FILE REF No	
SIGNATURE : DIRECTOR _____			

CHIEF FINANCIAL OFFICER

NAME	KEVIN JACOBY	COMMENT:
DATE		
SIGNATURE		

LEGAL COMPLIANCE

- ☐ REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION. ☐ NON-COMPLIANT

COMMENT:

NAME

DATE

SIGNATURE
