



Mogale City



Tel: 011 951 2000
Fax: 011 660 4043

P O Box 94
Krugersdorp
1740

28 FEBRUARY 2024

EXTRACT FROM THE MINUTES OF THE 31ST SPECIAL MEETING OF THE COUNCIL OF MOGALE CITY LOCAL MUNICIPALITY FOR THE TERM 2021-2026, HELD ON WEDNESDAY, 28 FEBRUARY 2024 AT 10:00 IN THE COUNCIL CHAMBER

K(ii) 1(02/2024) 2023/2024 PROPOSED ADJUSTMENT BUDGET

RESOLVED:

That cognizance be taken on the following:

- 1.1.1 Of the report tabling proposed adjustment budgets of Mogale City Local Municipality for the financial year 2023/2024 and the indicative estimates for the two projected outer years 2024/2025 and 2025/2026, as set out in the schedules attached below MBRR Table B1 to Table B10 (from pages 18-27).
- 1.1.2 Of the Adjusted Operating revenue, expenditure, and Capital Budget of the Municipality for the financial year 2023/2024 and the outer years as set out in the following tables:
 - 1.1.2.1 Adjustment Budget Summary as contained in (MBRR Table B1).
 - 1.1.2.2 Adjustments Budget Financial Performance (functional classification) in (MBRR Table B2).
 - 1.1.2.3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) in (MBRR Table B3).
 - 1.1.2.4 Adjustments Budget Financial Performance (revenue and expenditure) (MBRR Table B4).
 - 1.1.2.5 Adjustments Capital Expenditure Budget by vote and funding in (MBRR Table B5).
- 1.1.3 Of the adjustment budget financial position, cash flows, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be adopted and approved as set out in the following tables:
 - 1.1.3.1 Adjustments Budget Financial Position as contained in (MBRR Table B6).
 - 1.1.3.2 Adjustments Budget Cash Flows as contained in (MBRR Table B7).

- 1.1.3.3 Cash backed reserves and accumulated surplus reconciliation as contained in (MBRR Table B8)
- 1.1.3.4 Asset management as contained in (MBRR Table B9); and
- 1.1.3.5 Basic service delivery measurement as contained in (MBRR Table B10).
- 1.1.2 that the adjusted operating revenue, expenditure, and capital budget of Mogale City Local Municipality for the financial year 2023/2024 and the indicative estimates for the two projected outer years 2024/2025 and 2025/2026, as set out in the schedules listed be approved.
- 1.1.3 that the attached proposed Capital and Operational budget to be noted and outstanding creditors from previous years into the projected cash flow amounting to R111,203,962.14 excluding R208,955,335.95 for Eskom approved as part of debt relief was not considered as the City is still experiencing financial constraints.
- 1.1.4 that it should be noted that the increase of R56 million on security is main contributor to the deficit of R113 million, security services is a major cost driver that is contributing to the unfunded budget, reduction of security costs is paramount.
- 1.1.5 that the proposed adjustment budget in its current form is still unfunded by R 223 million in the 2023/2024 financial year, municipality will utilise the proposed adjusted budget support plan to mitigate the non-compliance and will duly report to the MEC for local government in the province as per section 55 (a) of the MFMA.

CERTIFIED A TRUE EXTRACT



Councillor L SELE
SPEAKER

28 FEBRUARY 2024
Date of Signature