

## **SPECIAL COUNCIL MEETING**

### **2<sup>nd</sup> ROLLOVER ADJUSTMENT BUDGET FOR THE 2025/2026 FINANCIAL YEAR**

**Directorate** : **DIRECTORATE FINANCE**  
**Date** : **09 DECEMBER 2025**  
**Author** : **CHIEF FINANCIAL OFFICER**  
**Delegated authority** : **COUNCIL**

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#### **PURPOSE OF REPORT/ DOEL VAN DIE VERSLAG**

Is to request Council Approval for the 2<sup>nd</sup> Rollover Adjustment Budget for the 2025/2026 financial year.

#### **BACKGROUND/ DISCUSSION/ AGTERGROND/BESPREKINGS**

Stipulations in section 23 of the Municipal Budget Regulations (MBRR) –Timeframes for tabling of adjustments budget stipulates as follows:

*“23. (5) An adjustments budget referred to in section 28(2)(e), of the Act may only be tabled after the end of the financial year to which the roll-overs relate and must be approved by the municipal council by 25 Augusts of the financial year, following the financial year to which the roll-overs relate”. The municipality received its roll-over approval letter only on 19 August 2024 and is allowed to approve its adjustment budget for roll-overs, at the next available council meeting.*

The adjusted budget tabled in council here today was compiled after consideration of the roll-over funds related to the 2024/25 financial year for projects which was work in progress on 30 June 2024, and additional operating funding which was transferred.

A comparison between the funding sources applicable to the original approved revised operating and capital budget is set out in the table below:

<b>FUNDING SOURCE</b>	<b>ORIGINAL BUDGET YEAR 2025/2026</b>	<b>1<sup>ST</sup> ADJUSTMENTS BUDGET 2025/2026</b>	<b>NAT OR PROV GOVT</b>	<b>OTHER ADJUSTS.</b>	<b>2<sup>nd</sup> ADJUSTMENTS BUDGET 2025/2026</b>
National/ Provincial Government	7 786 000	10 718 873	712 436		11 431 309
Training – LGSETA		40 100			
Own Funding: Upgrading of Roads- South End and North End	3 000 000	4 400 000			
Sale of Movable Assets		(219 677)			
Community Safety Grant: Central Karoo District Municipality				100 000	100 000

### **CKDM Community Safety Grant**

<b>TYPE</b>	<b>mSCOACconfig</b>	<b>mSCOACconfigDescription</b>	<b>Budget Amount</b>
Expense	Capital	Cameras – CKDM Community Safety Grant	100 000,00
Revenue	022105154311	NER: T&S: Operational: Monetary: PT: Capacity:	100 000,00

Formal approval of the roll over applications from Provincial Treasury was received and is illustrated in the table below:

<b>Name of Grant</b>	<b>Amount Approved</b>
Community Development Workers (CDW) Operational Support Grant	10 801.00
Thusong Services Centers Grant Operation Support Grant	150 000.00
Municipal Service Delivery and Capacity Building Grant – ICT Intern	104 050.00

Municipal Energy Resilience Grant	69 311.00
Western Cape Municipal Intervention Grant – Prepaid Water Meters	202 495.00
Fire Service Capacity Building Grant	175 779.00

The following table indicates the effect of the adjustments budget on the operating revenue, expenditure budget and capital transfers for 2025/2026:

Type	Budget Year 2025/26 R '000	1 <sup>st</sup> Adjustment Budget 2025/26 R '000	2 <sup>nd</sup> Adjustment Budget 2025/26 R' 000
Revenue	110 343	105 562	105 796
Expenditure	124 396	124 396	124 396
Capital Transfer	10 286	13 218	13 696

### **RELEVANT LEGISLATIONS/ POLICIES**

Stipulations in section 16 and 28 of Municipal Finance Management Act, 2003.

Municipal Budget and Reporting Regulations (Schedule B)

MFMA Circulars 129,130, 131

Council budget related policy.

### **COMMENTS FROM DEPARTMENTS:**

#### **Director Technical Services:**

*Support Recommendation.*

### **ANNEXURES**

*Tables and other supporting annexures submitted under separate cover.*

## **RECOMMENDATIONS BY THE MAYOR**

- (1) That it be noted that an adjustment budget is necessary in accordance with Section 23(5) of the Municipal Budget and reporting regulations as a result of the roll-over funding from the 2024/2025 financial year.
- (2) That the first (2<sup>nd</sup>) Annual Adjustments Budget of Prince Albert Municipality for the Financial year 2025/2026, as set-out in the schedules contained in Section 4, be approved as contained in the following prescribed budget tables.
  - (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 to B10 as well as supporting tables SB1 to SB19
- (3) That adjustments permitted in terms of Sections 28(2)(e) of the Municipal Finance Management Act as reflected in the tables referred to in resolution (2) above be approved.