

Council resolution: 29 May 2020

12. DRAFT 2020/21 TO 2022/23 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK: 2020/21 FINANCIAL YEAR 6/1/1/34)LM (ITEM 10 AGENDA SPECIAL EC 28 MAY 2020)

RESOLVED:

THAT

- a) the draft annual budget for the financial years 2020/21 to 2022/23 as set out in the following tables and schedules be approved:
 - i) Budget summary reflected as table A1 (attached as page 290)
 - ii) Budgeted Financial Performance (revenue and expenditure by standard classification reflected as table A2 (attached as pages 291 to 294)
 - iii) Budgeted Financial Performance (revenue and expenditure by municipal vote) reflected as table A3 (attached as pages 295 to 298)
 - iv) Budgeted Financial Performance reflected as table A4 (attached as pages 299 to 300)
 - v) Budgeted Capital Expenditure by vote, standard classification and Funding reflected as table A5 (attached as pages 301 to 303)
 - vi) Budgeted Financial Position reflected as table A6 (attached as page 304)
 - vii) Budgeted Cash Flows reflected as table A7 (attached as page 305)
 - viii) Cash backed reserves/ accumulated surpluses reconciliation reflected as table A8 (attached as page 306)
 - ix) Asset Management reflected as table A9 (attached as page 307 to 309)
 - x) Basic Service Delivery Measurement reflected as table A10 (attached as page 310)
 - xi) Supporting information, charts and explanations of trends and anomalies for each table reflected as table SA1 – SA 38 (attached as pages 311 to 373)

- b) Note that a Financial Recovery Plan has been drafted which incorporate revenue enhancement strategies which formed the basis of the 2020/21 budget and will be implemented in the 2020/21 financial year in order allow the municipality to remain financially viable and ensure funded budget.
- c) council note that the draft budget tables and schedules in a) supra are compiled in version 6.2 A Schedule as required by National Treasury in terms of MFMA circulars issued.
- d) the draft 2020/21 to 2022/23 capital budget attached as pages 368 to 372 be approved.
- e) in terms of section 14 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) the assessment rates reflected in Annexure A attached as pages 679 to 682 be approved for the budget year 2020/21.
- f) in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs and charges reflected in Annexure B to G attached as pages 683 to 701 be approved for the budget year 2020/21.
- g) in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) a proposed increase of 8.1% on electricity tariffs as reflected in Annexure H attached as page 702 , be approved and implemented from 01 July 2020 subject to approval by the National Energy Regulator of South Africa.
- h) the proposed water tariff increases of 4.5% be approved subject to final directive by Lepelle-Northern Water.
- i) the following policies as attached be approved for the budget year 2020/2021:
- amended Tariff Policy attached as pages 422 to 434;
 - amended Rates Policy attached as pages 435 to 453;
 - Credit Control and Debt Collection Policy attached as pages 454 to 464;
 - amended Indigent Policy attached as pages 465 to 470;
 - Investment and Cash Management Policy attached as pages 471 to 485;
 - amended Asset Management Policy attached as pages 486 to 530;
 - amended Supply Chain Management Policy attached as pages 531 to 623;
 - Irregular, Fruitless and Wasteful Expenditure Policy attached as pages 624 to 628;
 - Amended Virements Policy attached as pages 638 to 645;
 - Bad Debt Write Off Policy attached as pages 646 to 663;
 - Funds and reserve policy attached as pages 664 to 668;
 - New cost containment policy attached as pages 669 to 678.

- j) the approved 2020/21 to 2022/23 draft budget be submitted to National Treasury and Provincial Treasury in electronic format by 02 June 2020.
- k) the indigent welfare package for 2020/21 be approved:
- l) roll-over requests for unspent conditional grants from the 2019/20 be done in accordance with the conditions set out in section 5.1 of the MFMA circular 99.
- m) Circular 98 and 99 together with annexures attached as pages 378 to 421 be noted.