

SCD/18/2020	F: 5/3/1	MTREF BUDGET FOR 2020/2021; 2021/2022 & 2022/2023
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RESOLVED:

1. That Council takes note of the MTREF Budget for 2020/21; 2021/22 and 2022/23;
2. That Council approves the Budget and MTREF as follows:

2.1. REVENUE

Description	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R – billions			
Revenue By Source			
Service charges - water revenue	165 893 916	176 262 276	187 278 672
Service charges - sanitation revenue	32 605 200	34 643 040	36 808 188
Interest earned - external investments	13 701 996	14 441 904	15 181 812
Interest earned - outstanding debtors	41 215 428	43 791 420	46 528 380
Transfers and subsidies	1 135 221 004	1 090 006 008	1 177 672 008
Other revenue	4 212 480	4 440 456	4 668 672
Total Revenue (excluding capital transfers and contributions)	1 392 750 024	1 363 585 104	1 468 137 732

The Minister of finance during his tabling of the special adjustment budget on 24 June 2020, made available an additional amount of **R124 144 000** for Equitable Shares in 2020/21 financial year. The equitable shares amount as per tabled Draft budget on 28 May 2020 was at R998 515 000 and the final budget is now at **R1 122 659 000**.

Transfer and subsidies as per the tabled budget was **R1 011 077 004** and currently with this adjustment amount to **R1 135 221 004** which translates an increase on our transfers & subsidies and total revenue to **R1 135 221 004** and **R1 392 750 000** respectively.

2.2. OPERATIONAL EXPENDITURE

Description	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R - billions			
Expenditure By Type			
Employee related costs	397 854 058	422 737 954	449 208 636
Remuneration of councillors	14 233 356	15 122 945	16 068 120
Debt impairment	65 173 668	69 247 008	73 574 940
Depreciation & asset impairment	186 056 124	197 682 360	210 033 012
Finance charges	490 500	521 148	553 716
Bulk purchases	239 641 836	254 619 456	270 533 160
Other materials	119 082 554	185 107 380	198 072 882
Contracted services	76 525 788	74 617 584	78 245 436
General expenditure	181 910 444	163 787 741	183 284 250
Total Expenditure	1 280 968 328	1 383 443 576	1 479 574 152

3. That Council takes note of budgeted capital expenditure of **R567 412 350** for 2020/21; **R607 197 980** for 2021/22 and **R653 659 956** for 2022/23;
4. That Council takes note of surpluses of **R 324 337 145** for 2020/21; **R 235 077 274** for 2021/22 and **R244 154 793** for 2022/23;
5. That Council approves the MTREF budget for 2020/21, 2021/22 and 2022/23 as detailed above;
6. That Council takes note of the Demand Management Plan (procurement plan) for 2020/21 as set out as an Annexure to the Budget;

7. That the Accounting Officer submits the approved MTREF budget to the National and Provincial Treasuries;
8. That, within ten working days after the approval of the budget, the Directorate Budget and Treasury, in accordance with section 21A of the Municipal Systems Act, makes public the approved draft budget and supporting documentation.

RESOLVED:

1. That Council takes note of the Reviewed Budget related Policies and the Water Services Tariffs presented for inputs;
2. That Council approves the Reviewed Budget related Policies to be implemented in the 2020/21 financial year as follows:
 - 2.1 Budget Policy;
 - 2.2 Inventory Management Policy;
 - 2.3 Virement Policy;
 - 2.4 Asset Management Policy;
 - 2.5 Credit Control and Debt Collection Policy;
 - 2.6 Expenditure Policy
 - 2.7 Indigent Policy;
 - 2.8 Investment Policy;
 - 2.9 Tariff Policy;
 - 2.10 Policy on the writing off of irrecoverable debt;
 - 2.11 Supply Chain Management Policy and;
 - 2.12 Water Services Tariffs.
3. That Council approves the Water Services Tariffs to be implemented in the 2020/21 financial year in the following municipalities:
 - 3.1 Greater Giyani Municipality;
 - 3.2 Greater Letaba Municipality;
 - 3.3 Maruleng Local Municipality;
 - 3.4 Ba-Phalaborwa Local Municipality;
 - 3.5 Greater Tzaneen Municipality.