



PORT ST JOHNS  
MUNICIPALITY  
SUN HERITAGE SUN PEOPLE

OFFICE OF THE MUNICIPAL MANAGER  
PORT ST JOHNS MUNICIPALITY  
EASTERN CAPE PROVINCE OF RSA

PO Box 2 . Port St Johns . 5120 - Erf 257 . Main Street . Port St Johns . 5120

01 June 2020

Sir/Madam

**RE: SPECIAL COUNCIL RESOLUTION EXTRACTS – 28/05/2020**

**6.2 Consideration of Draft MTREF Budget for 2020/21**

Municipal Finance Management Act (MFMA), section 16 states that the Municipality must table the draft budget at a Council meeting at least 90 days before the start of the budget year and Port St Johns (PSJ) Municipality tabled the draft MTREF budget for 2020/21 within 30 days before the start of the budget year which was the 28 May 2020. MFMA section 24 states that the Council of a Municipality must for each financial year approve an annual budget for the Municipality before the start of the budget year, Port St Johns Municipality is intending to approve final Annual budget 2020/21 on the 30 June 2020 as per Integrated Development Plan (IDP) and Budget Process Plan 2020/21 and also the MFMA exemption. The draft MTREF for 2020/21 was prepared based on the Actual audited figures from 2019/20 and MFMA circular 98 and 99, MFMA and MBRR with the assumption of 4.5% increase. Every expenditure within the Municipality was analysed for its needs and costs as required by MSCOA. Total Revenue of R290,007,260 was made up of conditional and unconditional grants amounting to R250,460,000 and own revenue of R39,547,260. Non cash items have not been budgeted for as these are Depreciation and asset financing reserves as these need funding. The draft MTREF budget for 2020/21 is funded as it has a surplus of R6,334,104.

The Executive Committee recommended that the Council approves the tabling of Draft MTREF Budget for 2020/21 financial year.

**Resolution No. 1723**

Upon a motion moved by Chief Whip Cllr. Mazuza and seconded by Cllr. Tshoto the Council resolved to approve the tabling of Draft MTREF Budget for 2020/21 financial year.

Yours in Service

**Cllr A. Gantsho  
The Speaker of the Council**

