

99. **2017/2018 MEDIUM TERM INCOME AND EXPENDITURE FRAMEWORK:**  
**(MTREF);**

(Directorate: Budget and Treasury Office)

VM/pm

**PURPOSE OF THE REPORT**

The requirements for the compilation and submission of the Budget are contained in Chapter 4 of the MFMA and Municipal Budget and Reporting Regulations.

The purpose of tabling the 2017/18 budget to council is to consider the Income and expenditure per category, the tariffs to realize the budgeted income and to inform council about the limitations regarding the budget.

**RESOLVED:**

**ACTION**

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| 1. | That the multi-year annual Capital and Operating Budget for the 2017/2018 financial year of R5, 123 billion and the two outer years of (2018/2019+2019/20) R5, 432 billion, R5.883 billion and related policies be tabled as per the following tables as set out in Annexure A (in the report):- | BTO |
|----|--|-----|

Table A1 – Budget Summary

Table A2 – Budgeted Financial Performance  
(Revenue and expenditure by standard classification)

Table A3 – Budgeted Financial Performance  
(Revenue and expenditure by municipal vote)

Table A4 – Budgeted Financial Performance  
(Revenue and Expenditure)

Table A5 – Budgeted Capital Expenditure by Vote,  
(Standard classification and funding)

Table A6 – Budgeted Financial Position

Table A 7 – Budgeted Cash Flows

Table A8- Cash backed reserves / accumulated Surplus reconciliation

Table 9 – Asset Management

Table 10 – Basic Delivery measurement;

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| 2. | That the budget as proposed include the budget for the Rustenburg Water Services Trust;  | BTO |
| 3. | That Council take note that for the 2017/18 MTREF financial year the revenue and expenditure budget proposed has a surplus of R156,327 million, R222, 507 million and R231,773 million respectively; | BTO |
| 4. | That in terms of Section 74 of the Local Government Municipal Systems Act, all consumptive tariffs, Rates, basic charges as proposed be  | BTO |

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(3)

considered , amended and be subjected to public participation prior to implementation in July 2017, and are attached as Annexure “B”(in the report);

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| 5.  | That all the sundry tariffs and other tariffs be amended as proposed in Annexure “B” (in the report) be subjected to public participation prior to implementation on 01 July 2017;                    | BTO |
| 6.  | That the Accounting Officer ensures that all allocated conditional grants have been spent at the end of 2016/17;  | BTO |
| 7.  | That the draft budget, proposed tariffs with the budget related polices be subjected to public participation prior to implementation on 01 July 2017;   | BTO |
| 8.  | That the provision has been made of an annual increase of CPI +1 % (6.4%+1%) in the salaries of employees including Section 57 officials’ accordance with MFMA circular 75;                           | BTO |
| 9.  | That the provision has been made for 7% estimated in increase in salaries of Councillors which have to be still announced in terms of the Public Office Bearers Act of the Public Office Bearers Act; | BTO |
| 10. | That the following proposed budget related policies with amendments be considered and be subjected to public communication prior to implementation on 01 July 2017;                                   | ALL |

#### **10.1 Budget related policies with Amendments**

- Credit Control and Debt Collection Policy
- Budget policy
- Indigent Policy
- Property rates
- Tariffs policy
- Supply Chain Management Policy

#### **10.2 Budget related policies without changes**

- Cash Management and Investment Policy
- Fixed Assets Management Policy
- Travelling and Subsistence
- Rewards, Gifts and Favour Policy
- Contract Management Policy
- Borrowing Policy
- Funds and Reserves Policy

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### 10.3 NEW POLICIES

- Accelerated Economic Empowerment and Transformation
- Bereavement Policy

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|-----|--|------|
| 11. | That MFMA circular no 85 and 86 from National Treasury be noted as Annexure "E";   | ALL  |
| 12. | That the approved 2017/18 Medium Term Revenue and Expenditure (MTREF) Forecasts both printed and electronic formats be submitted to National Treasury and Provincial Treasury;   | BTO  |
| 13. | That the approved (MTREF) Budget together with the tariffs, budget related policies be placed on the municipal website and be published in terms of Section 21A and B of the Municipal Systems Act as well as the MFMA and applicable regulations; | BTO  |
| 14. | That ward councillors ensure that they hold public consultations on both the IDP and the Budget;   | OS   |
| 15. | That new measures be implemented to collect outstanding arrears and that monthly progress reports thereon be submitted to Council;   | BTO  |
| 16. | That provision be made on the expenditure budget for capacity building of councillors;   | BTO  |
| 17. | That a new campaign to encourage communities to pay for services be developed and monthly progress reports thereon be submitted to Council;  | BTO  |
| 18. | That all previous resolution to improve the billing system be implemented;   | BTO  |
| 19. | That a progress report on the project of "war on leaks" be submitted at the next Council meeting;  | DTIS |
| 20. | That a status report on all incomplete water projects, inclusive of measures to be taken to ensure completion thereof, be submitted at the next Council  | DTIS |

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