

5.	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2018/2019-2020/2021
----	--

Collaborator No:

File No:

8/1

BUDGET KPA Ref No:

Good Governance and Compliance

Meeting Date:

21 May 2018

**1. SUBJECT: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK
2018/2019-2020/2021**

2. PURPOSE

The purpose of this report is three fold:-

- a) To consider the views/submissions of the local community in terms of Section 23(1)(a) of the Municipal Finance Management Act (Act 56 of 2003), herein after called the MFMA and to allow the Executive Mayor to respond to the views of the public as envisaged in terms of Section 23 (2) (a) and (b).
- b) To approve the Medium Term Revenue and Expenditure Framework for 2018-2021, the prescribed appendices, property tax increases, tariffs and tariff structures and revisions to the Budget and related Policies (where appropriate) in terms of Section 17 (1) – (3) of the MFMA (Act 56 of 2003); and
- c) That Council specifically note and consider the need to take up external loans to fund critically needed refurbishment of infrastructure to the tune of R 340 million of which over the MTREF R160 million will be required in year 1, R100 million in year 2 and R80 million in year 3 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirms draft approval of same in order for the Chief Financial Officer to attend to the necessary legislative requirements.

3. DELEGATED AUTHORITY

FOR APPROVAL BY MUNICIPAL COUNCIL

EXECUTIVE SUMMARY

Attached as **APPENDIX 1** is an executive summary by the Accounting Officer.

SPECIAL COUNCIL MEETING: 2018-05-28: ITEM 5

The Executive Mayor's Budget Speech is attached as an **APPENDIX**.

RESOLVED (majority vote)

- (a) that the High Level Budget Summary, as set out in **APPENDIX 1 – PART 1 – SECTION C**; be approved;
- (b) that the Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 1 – PART 1 – SECTION D**, be approved;

- (c) that the proposed Grants-In-Aid allocations as set out in **APPENDIX 1 – PART 2 – SECTION J**, be approved;
- (d) that the three year Capital Budget for 2018/2019, 2019/2020 and 2020/2021, as set out in **APPENDIX 1 – PART 2 – SECTION N**, be approved;
- (e) that the proposed rates on properties in WC024, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in **APPENDIX 3**, be approved;
- (f) that the proposed amendments to existing budget related policies and other policies as set out in **APPENDICES 4 - 29**, be approved.
- (g) that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the tune of R340 million of which R160 million will be required in year 1 and R 100 million in year 2 and R80 million in year 3 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirm approval of same;
- (h) that Council specifically take note of the fact that the proposed electricity charges and tariff structure is subject to NERSA approval that could change materially;
- (i) that Council takes note of MFMA circulars 89 and 91 that was published to guide the MTREF for 2018/2019 to 2020/2021 as well as the Draft Cost Containment Regulations as set out in **APPENDICES 30 – 32**; and
- (j) that Council takes note that the public comments and submissions were taken into account in the compilation of the final budget.

Councillor F Adams requested that his vote of dissent be minuted.

FOR FURTHER DETAILS CONTACT:

NAME	KEVIN CAROLUS
POSITION	MANAGER: BUDGET OFFICE
DIRECTORATE	FINANCIAL SERVICES
CONTACT NUMBERS	021 808 8509
E-MAIL ADDRESS	kevin.carolus@ Stellenbosch.gov.za
REPORT DATE	21 May 2018

The meeting adjourned at 12:15.

CHAIRPERSON:

DATE:

Confirmed on **with/without amendments.**