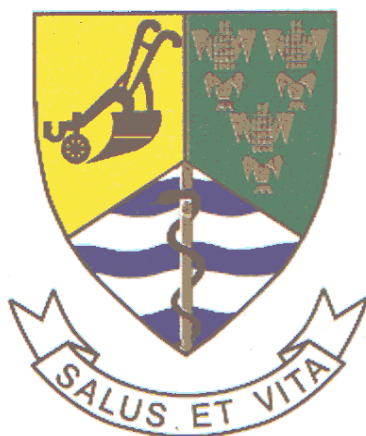


# **ADDENDUM**

## **SPECIAL MUNICIPAL COUNCIL MEETING**



**Bela-Bela Municipality**

**31 MARCH 2022**  
**COUNCIL CHAMBER**  
**09:00**

# INDEX

<b>SUBJECT</b>	<b>PAGE</b>
<b>SMC57/03/2022</b> <b>DRAFT MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK</b> <b>2022/2023.</b>	<b>02</b>

<b>SMC57/03/2022</b>	
<b>DRAFT MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2022/2023</b>	
<b>REPORT OF THE CHIEF FINANCIAL OFFICER</b>	
<b>1.</b>	<b>INTRODUCTION</b>
1.1	Section 160(2) of the Constitution of the Republic of South Africa, Act 108 of 1996, determines that the function to approve the budget may not be delegated by a Municipal Council. Also, Section 15(a) stipulates that <b><i>“a municipality may, except where otherwise provided in this Act [MFMA], incur expenditure only- in terms of an approved budget”</i></b> .
1.2	In terms of section 16(1) of the MFMA, the council of a municipality must for each financial year approve an annual budget for a municipality before the start of that financial year.
1.3	Section 16: The mayor must table a budget to Council at least 90 days before the start of the financial year.
1.4	Section 24(2) of the MFMA requires that an annual budget- <ul style="list-style-type: none"> <li>(a) must be approved before the start of the budget year;</li> <li>(b) is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and</li> <li>(c) must be approved together with the adoption of resolutions as may be necessary- <ul style="list-style-type: none"> <li>(i) imposing any municipal tax for the budget year;</li> <li>(ii) setting any municipal tariffs for the budget year;</li> <li>(iii) approving measurable performance objectives for revenue from each source and for each vote in the budget;</li> <li>(iv) approving any changes to the municipality’s integrated development plan; and</li> <li>(v) approving any changes to the municipality’s budget related policies.</li> </ul> </li> </ul>
1.5	Section 53 of the MFMA assigns responsibilities to the Mayor for providing general political guidance over the budget process and the priorities that must guide the preparation of the budget.
1.6	Paragraph 9 of the Municipal Budget and Reporting Regulations provides that the annual budget and supporting documentation of the municipality must be in a format specified in

	Schedule A and include all the required tables, charts and explanatory information, taking into account all guidelines issued by the Minister of Finance.
<b>2.</b>	<b>BACKGROUND</b>
2.1	On the 29 <sup>th</sup> of July 2021 the Council of BBLM adopted the IDP/Budget Process Plan to review the 2022/23 IDP/Budget in terms of the provision of the Municipal Finance Management Act. The adopted 2022/2023 IDP review / budget process plan indicates the activities and timelines that need to be followed in reviewing the IDP and compiling the 2022/2023 Medium Term Revenue and Expenditure Framework (MTREF). Budget / IDP steering committee meetings were held where sector departments made their inputs with regards to 2022/2023 financial year plans. These inputs from sector departments and other stakeholders were taken into account in the 2022/2023 draft budget.
2.2	In accordance with section 68 of the MFMA, the Municipal Manager assisted the Mayor to perform the assigned budgetary functions and provided the administrative support and resources as required.
2.3	The draft budget for the 2022/2023 financial year and the outer two financial years, and the IDP for the next five years were compiled and are to be taken for public consultation processes subsequent to tabling in terms of sections 22 and 23 of the MFMA, read with section 16(1) of the Municipal Systems Act.
2.4	The issues to be raised through the public consultation process will be considered in drafting the final budget.
<b>3.</b>	<b>PURPOSE OF THE REPORT</b>
3.1	To submit for approval of the following documents: <ul style="list-style-type: none"> <li>(a) The tabling of 2022/2023 Draft Medium Term Revenue and Expenditure Framework (MTREF) to the Municipal Council in terms of the legislative requirements mentioned above; <b>and</b></li> <li>(b) the budget related policies (tariff), and amendments thereto, for the 2022/2023 financial year</li> </ul>
<b>4.</b>	<b>DISCUSSION</b>
4.1	<b>Executive Summary</b> The impact of the Covid 19 pandemic still remain an agony to both national and local economy. MFMA budget circulars issued by National Treasury annually to guide municipalities in compiling their budgets clearly outline the slowdown in economic growth. The respectively circular 112 issued on the 6 <sup>h</sup> of December 202 and circular 115 issued on the 4 <sup>th</sup> March 2022

deals with the key focus areas for the 2022/2023 budget process and highlight critical areas which the municipality must take into consideration.

National Treasury has revised South Africa's economic growth estimate for 2021 to 4.8 per cent, from 5.1 per cent at the time of the Medium-Term Budget Policy Statement (MTBPS)

**Table 1: Macroeconomic performance and projections, 2020 – 2025**

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimates	Forecast		
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

Source: Municipal Budget Circular for the 2022/23 MTREF 04 March 2022

4.2 The tables below depict the Draft Budget - Medium Term Revenue And Expenditure Framework 2022/2023 and two outer years.

4.2.1 Table 2: LIM366 Bela Bela - Table A1 Budget Summary

Description	2018/19	2019/20	2020/21	C u				2022/23 Medium Term Revenue &		
	Audit ed	Audit ed	Audit ed	Or ig	Adjust ed	Ful l	Pre -	Budget Year	Budget Year	Budget Year
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	68 761	74 792	79 461	92 979	92 979	92 979	53 623	113 620	119 073	124 313
Service charges	159 776	173 479	178 992	245 937	245 937	245 937	129 052	229 203	229 725	239 833
Investment revenue	1 764	1 719	95	1 247	1 177	1 177	38	1 911	2 003	2 091
Transfers recognised - operational	85 053	94 046	119 288	108 804	108 964	108 964	98 148	122 518	131 450	142 874
Other own revenue	33 090	30 887	41 534	37 543	37 613	37 613	24 936	38 596	80 981	84 545
<b>Total Revenue (excluding capital contributions)</b>	348 445	374 922	419 369	486 510	486 670	486 670	305 798	505 848	563 233	593 655
Employee costs	119 514	149 584	151 948	159 212	159 212	159 212	97 286	165 680	173 524	178 568
Remuneration of councillors	7 364	7 072	7 509	7 737	7 737	7 737	3 871	8 047	8 433	8 433
Depreciation & asset impairment	29 951	30 432	37 699	32 000	30 000	30 000	389	31 200	32 698	32 698
Finance charges	7 368	9 529	4 747	13 000	7 177	7 177	19	10 000	10 480	10 480
Inventory consumed and bulk	101 458	106 511	104 744	147 281	159 661	159 661	74 055	177 099	185 593	185 662
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	103 017	103 225	140 352	99 840	112 042	112 042	36 936	97 809	102 404	103 570
<b>Total Expenditure</b>	368 671	406 353	446 998	459 071	475 829	475 829	212 554	489 834	513 132	519 411
<b>Surplus/(Deficit)</b>	(20 226)	(31 431)	(27 629)	27 440	10 841	10 841	93 244	16 014	50 101	74 244
Transfers and subsidies - capital (National / Provincial and District)	87 320	66 353	73 298	60 920	69 444	69 444	28 111	90 683	93 522	96 252
Transfers and subsidies - capital (National / Provincial Departmental Non-profit Institutions, Private Corporations, Higher Educational and subsidies - capital (in-kind - all))	-	-	-	-	-	-	-	-	-	-
	67 094	34 922	-	88 360	80 285	80 285	121 355	106 697	143 622	170 496
<b>Surplus/(Deficit) after capital</b>										
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	67 094	34 922	-	88 360	80 285	80 285	121 355	106 697	143 622	170 496

<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>1 143</b>	<b>1</b>	<b>92 260</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 157</b>	<b>91 809</b>	<b>95 022</b>	<b>95 952</b>	
Transfers recognised - capital	<b>1 038</b>	<b>1</b>	<b>51 086</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 147</b>	<b>90 684</b>	<b>93 522</b>	<b>95 952</b>	
Borrowing	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	-	-	4 151	0	0	0	10	1 125	1 500	-	
<b>Total sources of capital funds</b>	<b>1 038</b>	<b>1</b>	<b>55 238</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 157</b>	<b>91 809</b>	<b>95 022</b>	<b>95 952</b>	
	<b>034</b>	<b>051</b>									
<b>Financial position</b>											
Total current assets	<b>58 292</b>	<b>108 859</b>	<b>111 604</b>	<b>268 673</b>	<b>246 606</b>	<b>246 606</b>	<b>210 647</b>	<b>267 352</b>	<b>348 651</b>	<b>455 892</b>	
Total non current assets	<b>1 025</b>	<b>1</b>	<b>1 119 405</b>	<b>1</b>	<b>1 133</b>	<b>387 629</b>	<b>1 144 173</b>	<b>1 222</b>	<b>1 285</b>	<b>1 348 554</b>	
Total current liabilities	<b>205 052</b>	<b>250 301</b>	<b>266 129</b>	<b>152 896</b>	<b>149 427</b>	<b>(123 255)</b>	<b>280 639</b>	<b>152 824</b>	<b>152 824</b>	<b>152 824</b>	
Total non current liabilities	<b>68 089</b>	<b>81 879</b>	<b>89 957</b>	<b>55 000</b>	<b>55 000</b>	<b>(55 000)</b>	<b>89 957</b>	<b>55 500</b>	<b>55 500</b>	<b>55 500</b>	
Community wealth/Equity	<b>755 756</b>	<b>811 729</b>	<b>922 251</b>	<b>1</b>	<b>1 175</b>	<b>1 175 306</b>	<b>953 287</b>	<b>1 282</b>	<b>1 425</b>	<b>1 596 122</b>	
				<b>183</b>	<b>306</b>			<b>003</b>	<b>626</b>		
<b>Cash flows</b>											
Net cash from (used) operating	<b>(98 805)</b>	<b>5 029</b>	<b>345 896</b>	<b>75 891</b>	<b>60 278</b>	<b>60 278</b>	<b>171 029</b>	<b>96 080</b>	<b>126 416</b>	<b>150 614</b>	
Net cash from (used) investing	-	-	(70 870)	(60 920)	(69 444)	(69 444)	(37 622)	(91 808)	(95 022)	(95 952)	
Net cash from (used) financing	-	-	372	-	-	-	131	-	-	-	
<b>Cash/cash equivalents at the year end</b>	<b>(98 805)</b>	<b>5 029</b>	<b>285 599</b>	<b>53 657</b>	<b>29 520</b>	<b>29 520</b>	<b>146 055</b>	<b>44 958</b>	<b>76 352</b>	<b>131 014</b>	
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	<b>13 087</b>	<b>10 202</b>	<b>12 517</b>	<b>53 657</b>	<b>29 590</b>	<b>29 590</b>	<b>57 654</b>	<b>44 958</b>	<b>76 352</b>	<b>131 014</b>	
Application of cash and investments	<b>153 753</b>	<b>125 930</b>	<b>103 068</b>	<b>(42 955)</b>	<b>(48 088)</b>	<b>(320 770)</b>	<b>26 986</b>	<b>(52 510)</b>	<b>(94 337)</b>	<b>(139 478)</b>	
<b>Balance - surplus (shortfall)</b>	<b>(140 667)</b>	<b>(115 728)</b>	<b>(90 552)</b>	<b>96 612</b>	<b>77 678</b>	<b>350 360</b>	<b>30 668</b>	<b>97 468</b>	<b>170 689</b>	<b>270 492</b>	
<b>Asset management</b>											
Asset register summary (WDV)	<b>916 577</b>	<b>904 452</b>	<b>941 484</b>	<b>1</b>	<b>1 132</b>	<b>1 132 129</b>	<b>1 132 129</b>	<b>1 208</b>	<b>1 256</b>	<b>1 310 439</b>	
Depreciation	<b>29 951</b>	<b>30 432</b>	<b>37 699</b>	<b>32 000</b>	<b>30 000</b>	<b>30 000</b>	<b>30 000</b>	<b>31 200</b>	<b>32 698</b>	<b>32 698</b>	
Renewal and Upgrading of Existing	<b>26 405</b>	<b>34 353</b>	<b>30 215</b>	<b>18 424</b>	<b>27 804</b>	<b>27 804</b>	<b>27 804</b>	<b>58 058</b>	<b>59 063</b>	<b>2 000</b>	
Repairs and Maintenance	<b>16 373</b>	<b>9 532</b>	<b>17 375</b>	<b>24 844</b>	<b>15 529</b>	<b>15 529</b>	<b>15 529</b>	<b>13 234</b>	<b>13 866</b>	<b>13 909</b>	

The table above provides a consolidated summary of the overall proposed draft budget for 2022/2023 FY and the outer years. It is projected that the municipality will achieve an operational surplus of R 16 014 million in the 2022/2023 FY and surpluses are projected to increase in the outer years as depicted on the table above.

Draft operating revenue budget of R 505 848 million and expenditure of R 489 834 million for the 2022/2023 financial year as well as for the two outer years.

The following budgeting PRINCIPLES were applied in formulating the medium term budget:

- Realistic and achievable collection rates.
- Sustainable, affordable, realistic and balanced budget
- Major tariffs to be cost reflective, realistic and affordable
- Budget to contribute to achieving strategic objectives of the IDP
- Balancing capital expenditure for social, economic, rehabilitation and support.
- Income/ revenue driven budget: affordability i.e. if funds do not materialise, review expenditure.

In this MTREF we have ensured that we eradicate non-priority spending and reprioritise expenditure to focus on core infrastructure and service delivery. It is in this regard that Municipality had tried to draft budget with emphasis to reduce or not increase expenditure

which are not contracted while taking into account importance not to affect services delivery budget line items.

4.2.2 **Table 3: LIM366 Bela Bela T- Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)**

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited	Audited	Audited	Original Budget	Adjusted	Full Year	Budget Year 2022	Budget Year +1	Budget Year +2
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		172 687	183 270	211 882	219 427	224 023	224 023	256 985	312 917	332 330
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		172 687	183 270	211 882	219 427	224 023	224 023	256 985	312 917	332 330
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		10 535	13 275	21 134	6 557	6 585	6 585	9 762	10 230	10 680
Community and social services		6 528	1 469	469	636	681	681	402	421	439
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 006	11 807	20 665	5 921	5 904	5 904	9 360	9 809	10 241
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental</b>		37 959	23 740	26 117	28 234	28 321	28 321	29 740	30 926	32 184
Planning and development		429	410	1 961	2 400	2 487	2 487	2 067	2 154	2 244
Road transport		37 530	23 330	24 156	25 834	25 834	25 834	27 674	28 772	29 940
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		214 584	220 990	233 535	293 213	297 186	297 186	300 045	302 682	314 713
Energy sources		117 047	123 725	127 384	169 160	167 884	167 884	156 073	161 036	168 130
Water management		71 785	69 070	75 529	81 427	88 201	88 201	109 759	105 791	109 151
Waste water management	4	16 523	19 087	20 847	32 423	31 263	31 263	23 171	24 284	25 352
Waste management		9 229	9 107	9 776	10 202	9 837	9 837	11 041	11 571	12 080
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	435 765	441 275	492 668	547 430	556 114	556 114	596 531	656 755	689 907
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		138 751	170 917	183 109	159 214	178 936	178 936	157 780	165 313	167 494
Executive and council		10 649	9 616	11 118	26 216	27 383	27 383	25 676	26 896	27 159
Finance and administration		123 338	156 509	168 943	129 599	148 184	148 184	128 835	134 992	136 836
Internal audit		4 764	4 793	3 048	3 399	3 369	3 369	3 268	3 425	3 498
<b>Community and public safety</b>		36 321	40 392	50 208	37 523	32 948	32 948	57 616	60 272	62 177
Community and social services		20 665	24 961	21 720	18 673	15 459	15 459	33 645	35 200	36 339
Sport and recreation		-	-	-	205	55	55	2 911	3 040	3 168
Public safety		15 656	15 431	28 488	18 645	17 433	17 433	21 060	22 032	22 671
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental</b>		33 299	27 621	26 082	52 664	47 725	47 725	46 457	48 670	49 379
Planning and development		12 059	11 818	12 772	21 508	22 208	22 208	19 149	20 053	20 551
Road transport		21 240	15 804	13 310	31 156	25 518	25 518	27 308	28 617	28 828
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		172 497	182 602	205 340	209 669	216 220	216 220	227 981	238 878	240 361
Energy sources		108 921	122 973	127 323	147 508	141 478	141 478	153 238	160 594	161 051
Water management		30 324	27 418	38 147	20 925	36 929	36 929	37 806	39 621	39 621
Waste water management	4	18 841	13 877	16 912	24 451	21 111	21 111	19 086	20 000	20 507
Waste management		14 412	18 334	22 958	16 784	16 702	16 702	17 851	18 663	19 182
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	380 869	421 532	464 739	459 071	475 829	475 829	489 834	513 132	519 411
<b>Surplus/(Deficit) for the year</b>		54 896	19 743	27 928	88 360	80 285	80 285	106 697	143 622	170 496

Above table reflects the proposed operating draft budget in the standard classifications which are the government finance statistics functions and sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

4.2.3 **Table 4: LIM366 Bela Bela T- Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure		
		Audite	Audite	Audite	Origi	Adjus	Full Yea	Budget Year	Budget Year	Budget Year
<b>Revenue by Vote</b>										
Vote 1 - Chief Financial Officer	1	169 460	179 672	210 237	217 839	222 340	222 340	255 387	311 243	330 582
Vote 2 - Corporate Services		3 228	3 598	1 644	1 588	1 683	1 683	1 597	1 674	1 748
Vote 3 - Mayor		-	-	-	-	-	-	-	-	-
Vote 4 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 5 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 6 - Planning and		429	410	673	1 040	1 127	1 127	610	640	668
Vote 7 - Social and Community		19 763	22 383	30 910	16 759	16 422	16 422	20 803	21 801	22 761
Vote 8 - Speaker		-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		242 885	235 212	247 915	308 845	313 183	313 183	316 677	319 883	332 573
Vote 10 - Technical Services		-	-	1 288	1 360	1 360	1 360	1 457	1 514	1 576
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>435 765</b>	<b>441 275</b>	<b>492 668</b>	<b>547 430</b>	<b>556 114</b>	<b>556 114</b>	<b>596 531</b>	<b>656 755</b>	<b>689 907</b>
<b>Expenditure by Vote to be</b>										
Vote 1 - Chief Financial Officer	1	81 691	95 847	107 889	75 278	85 983	85 983	86 007	90 119	91 111
Vote 2 - Corporate Services		37 372	56 395	56 870	50 662	57 054	57 054	36 017	37 735	38 405
Vote 3 - Mayor		528	756	49	2 315	1 756	1 756	1 226	1 285	1 285
Vote 4 - Municipal Manager		6 998	6 457	6 788	20 065	21 564	21 564	20 965	21 970	22 277
Vote 5 - Internal Audit		4 768	4 793	3 048	3 399	3 369	3 369	3 268	3 425	3 498
Vote 6 - Planning and		10 845	10 133	10 913	17 481	18 181	18 181	14 475	15 162	15 459
Vote 7 - Social and Community		50 734	58 726	73 165	54 308	49 650	49 650	75 467	78 935	81 360
Vote 8 - Speaker		7 394	6 669	8 465	7 496	9 209	9 209	8 416	8 816	8 866
Vote 9 - Technical Services		179 325	180 072	195 693	224 041	225 036	225 036	237 438	248 831	250 007
Vote 10 - Technical Services		1 214	1 685	1 860	4 027	4 027	4 027	2 626	2 752	2 858
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>380 869</b>	<b>421 532</b>	<b>464 739</b>	<b>459 071</b>	<b>475 829</b>	<b>475 829</b>	<b>485 906</b>	<b>509 032</b>	<b>515 126</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>54 896</b>	<b>19 743</b>	<b>27 928</b>	<b>88 360</b>	<b>80 285</b>	<b>80 285</b>	<b>110 625</b>	<b>147 723</b>	<b>174 781</b>

4.2.4 **Table 5: LIM366 Bela Bela T- Table A4 Budgeted Financial Performance (revenue and expenditure)**

The operating expenditure has been calculated based on the realistic revenue streams and is summarized in the table below:

D e s c	R e f	2018/	2019/	2020/	C u r r				2022/23 Medium Term Revenue & Expenditure			
		19	20	21	Original Budget	Adjust ed Budg et	Fu ll Ye ar Fo re	Pre - au dit ou tc	Budg et Ye ar 202 2/2	Budget Year +1 2023/ 24	Budget Year +2 2024/ 25	
R thousand	1	A u d i t e d O u t c	A u d i t e d O u t c	A u d i t e d O u t c o m e								
<b>Revenue By Source</b>												
Property rates	2	68 761	74 792	79 461	92 979	92 979	92 979	53 623	113 620	119 073	124 313	
Service charges - electricity	2	109 446	115 233	114 709	164 229	164 229	164 229	85 528	154 398	151 329	157 987	
Service charges - water revenue	2	27 255	31 806	35 636	43 783	43 783	43 783	24 752	43 824	45 927	47 948	
Service charges - sanitation	2	15 479	17 855	19 439	29 179	29 179	29 179	12 725	21 024	22 033	23 002	
Service charges - refuse revenue	2	7 596	8 585	9 207	8 746	8 746	8 746	6 048	9 958	10 436	10 895	
Rental of facilities and equipment		1 376	1 412	1 366	1 588	1 588	1 588	1 064	1 666	1 746	1 822	
Interest earned - external		1 764	1 719	95	1 247	1 177	1 177	38	1 911	2 003	2 091	
Interest earned - outstanding		11 024	11 528	12 963	14 265	14 335	14 335	8 911	14 775	56 017	58 481	
Dividends received		-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		6 224	6 671	16 067	8 520	8 520	8 520	734	8 861	9 286	9 694	
Licences and permits		1 241	1 415	0	5 800	1 800	1 800	8 565	4 737	4 964	5 183	
Agency services		2 497	3 490	4 593	-	4 000	4 000	3 013	4 567	4 786	4 996	
Transfers and subsidies		85 053	94 046	119 288	108 804	108 964	108 964	98 148	122 518	131 450	142 874	
Other revenue	2	7 909	6 369	6 545	7 370	7 370	7 370	2 649	3 992	4 183	4 367	
Gains		2 820	-	-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>348 445</b>	<b>374 922</b>	<b>419 369</b>	<b>486 510</b>	<b>486 670</b>	<b>486 670</b>	<b>305 798</b>	<b>505 848</b>	<b>563 233</b>	<b>593 655</b>	
<b>Expenditure By Type</b>												
Employee related costs	2	1	1	1	15	1	1	9	16	1	1	
Remuneration of councillors		7 364	7 072	7 509	7 737	7 737	7 737	3 871	8 047	8 433	8 433	
Debt impairment	3	36 880	28 437	66 820	12 000	10 000	10 000	(150)	10 400	10 899	10 899	
Depreciation & asset impairment	2	29 951	30 432	37 699	32 000	30 000	30 000	389	31 200	32 698	32 698	
Finance charges		7 368	9 529	4 747	13 000	7 177	7 177	19	10 000	10 480	10 480	
Bulk purchases - electricity	2	85 000	96 526	98 910	120 000	120 000	120 000	74 055	132 000	138 336	138 336	
Inventory consumed	8	16 457	9 985	5 834	27 281	39 661	39 661	-	45 099	47 257	47 326	
Contracted services		22 463	26 815	39 081	58 887	57 039	57 039	25 628	47 117	49 307	50 158	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	
Other expenditure	4,	39 491	42 246	34 162	28 953	45 003	45 003	11 458	40 291	42 199	42 513	
Losses		4 183	5 727	290	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>368 671</b>	<b>406 353</b>	<b>446 998</b>	<b>459 071</b>	<b>475 829</b>	<b>475 829</b>	<b>212 554</b>	<b>489 834</b>	<b>513 132</b>	<b>519 411</b>	
<b>Surplus/(Deficit)</b>		<b>(20 226)</b>	<b>(31 431)</b>	<b>(27 629)</b>	<b>27 440</b>	<b>10 841</b>	<b>10 841</b>	<b>93 244</b>	<b>16 014</b>	<b>50 101</b>	<b>74 244</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		87 320	66 353	73 298	60 920	69 444	69 444	28 111	90 683	93 522	96 252	
Transfers and subsidies - capital		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital</b>		<b>67 094</b>	<b>34 922</b>	<b>45 669</b>	<b>88 360</b>	<b>80 285</b>	<b>80 285</b>	<b>121 355</b>	<b>106 697</b>	<b>143 622</b>	<b>170 496</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after taxation</b>		<b>67 094</b>	<b>34 922</b>	<b>45 669</b>	<b>88 360</b>	<b>80 285</b>	<b>80 285</b>	<b>121 355</b>	<b>106 697</b>	<b>143 622</b>	<b>170 496</b>	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to</b>		<b>67 094</b>	<b>34 922</b>	<b>45 669</b>	<b>88 360</b>	<b>80 285</b>	<b>80 285</b>	<b>121 355</b>	<b>106 697</b>	<b>143 622</b>	<b>170 496</b>	
Share of surplus/ (deficit) of	7	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) for the year</b>		<b>67 094</b>	<b>34 922</b>	<b>45 669</b>	<b>88 360</b>	<b>80 285</b>	<b>80 285</b>	<b>121 355</b>	<b>106 697</b>	<b>143 622</b>	<b>170 496</b>	

Revenue source – draft budget assumption narration

- (i) Property rates tariff for all classes of property will be increased by 4.8%.
- (ii) Refuse and Sanitation rates increased by 4.8%
- (iii) Water tariff estimated to be increased by 11.51%%
- (iv) Electricity tariff be increased by 9.6% while the cost to buy Electricity from Eskom increased by 17.8%.
- (v) Sundry Tariffs increased by 4.8%

The following are general contributory factors for the increase in levels of rates and service charges:

The cost of bulk purchases.

Cost of the social package to indigents.

Salary increase with effect from 1 July 2022.

Increased maintenance of network and infrastructure.

The overall increase on the draft budget amount for Property rates is due to new valuation roll. The tariff will increase by only 4.8% in line with the CPI

A deduction on the Electricity line item is based on the actual realized in the past FY + tariff increase.

Expenditure – draft budget assumption narration

Salaries and allowances have been increased by 4.9 % to align to Macroeconomic performance and projections per MFMA Circular 112. Furthermore the proposed increase as per Salary and Wage Collective Agreement and Retirement Fund Collective Agreement effective from 1 July 2022.

Bulk purchases – Electricity increased by 17.8 % linked to the tariff hike by regulators as outline in MFMA circular 112.

Consumable material and Other expenses increase at CPIX rate and proposed departmental operational activities.

4.2.5 **Table 6: LIM366 Bela Bela T- Table A5 Budgeted Capital Expenditure by vote, functional classification and funding**

The Bela-Bela Local Municipality is grant dependent on capital project budget. Total proposed capital budget amount to R91, 809 million with R 90,684 million (grants) and R1.2 (own funded). It is noteworthy that the R1.2 million own capital budget is a result of reclassification of operating segment to capital segment as per the mSCOA classification requirement. **See table 12 for breakdown.**

V o	R e	2018/ 19	2019/ 20	2020/ 21	C u				2022/23 Medium Term Revenue &			
					O r i g i n a	Adjust ed Budg et	Fu ll Ye ar Fo re	Pr e- au dit ou tc	Budg et Yea r 202 2/2	Budget Year +1 2023/ 24	Budget Year +2 2024/ 25	
R thousand	1	Audit ed Outco me	Audit ed Outco me	Audit ed Outco me								
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be</b>	2											
Vote 1 - Chief Financial Officer		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Mayor		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning and		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Social and Community		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Speaker		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure</b>	7	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be</b>	2											
Vote 1 - Chief Financial Officer		104 138	105 399	27 020	-	-	-	-	10	-	-	-
Vote 2 - Corporate Services		880	1 316	138	-	-	-	-	-	1 125	-	-
Vote 3 - Mayor		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning and		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Social and Community		26 405	35 985	20 903	3 759	3 056	3 056	2 513	14 354	10 457	7 939	
Vote 8 - Speaker		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		1 011	1 030	44 199	57 161	66 388	66 388	22 635	76 329	84 565	88 014	
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure</b>		<b>1 143</b>	<b>1 173</b>	<b>92 260</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 157</b>	<b>91 809</b>	<b>95 022</b>	<b>95 952</b>	
<b>Total Capital Expenditure - Vote</b>		<b>1 143</b>	<b>1 173</b>	<b>92 260</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 157</b>	<b>91 809</b>	<b>95 022</b>	<b>95 952</b>	
<b>Capital Expenditure - Functional</b>												
<b>Governance and</b>		<b>1</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		105 018	106 715	27 159	-	-	-	10	1 125	-	-	
Internal audit		-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		<b>-</b>	<b>-</b>	<b>7 025</b>	<b>2 396</b>	<b>2 156</b>	<b>2 156</b>	<b>1 877</b>	<b>-</b>	<b>4 800</b>	<b>7 939</b>	

Community and social		-	-	7 025	2 396	2 156	2 156	1 877	-	4 800	7 939
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental</b>		<b>415 816</b>	<b>415 677</b>	<b>9 964</b>	<b>22 075</b>	<b>22 778</b>	<b>22 778</b>	<b>8 392</b>	<b>13 319</b>	<b>19 815</b>	<b>22 002</b>
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		415 816	415 677	9 964	22 075	22 778	22 778	8 392	13 319	19 815	22 002
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>622 357</b>	<b>650 759</b>	<b>48 113</b>	<b>36 449</b>	<b>44 510</b>	<b>44 510</b>	<b>14 878</b>	<b>77 364</b>	<b>70 407</b>	<b>66 012</b>
Energy sources		121 388	126 818	11 599	3 000	3 000	3 000	-	1 000	9 000	9 104
Water management		284 506	289 994	28 062	10 991	9 226	9 226	5 903	20 786	-	41 908
Waste water management		190 058	197 962	(5 426)	21 095	31 384	31 384	8 340	41 224	55 750	15 000
Waste management		26 405	35 985	13 878	1 363	900	900	635	14 354	5 657	-
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure -</b>	<b>3</b>	<b>1 143</b>	<b>1 173</b>	<b>92 260</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 157</b>	<b>91 809</b>	<b>95 022</b>	<b>95 952</b>
<b>Funded by:</b>											
National Government		1 038	1 051	51 086	60 920	69 444	69 444	25 147	90 684	93 522	95 952
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>4</b>	<b>1 038</b>	<b>1 051</b>	<b>51 086</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 147</b>	<b>90 684</b>	<b>93 522</b>	<b>95 952</b>
<b>Borrowing</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>-</b>	<b>-</b>	<b>4 151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>1 125</b>	<b>1 500</b>	<b>-</b>
<b>Total Capital Funding</b>	<b>7</b>	<b>1 038</b>	<b>1 051</b>	<b>55 238</b>	<b>60 920</b>	<b>69 444</b>	<b>69 444</b>	<b>25 157</b>	<b>91 809</b>	<b>95 022</b>	<b>95 952</b>

4.2.6 Table 7: LIM366 Bela Bela T- Table A6 Budgeted Financial Position

D e	Re f	2018/ 19	2019/ 20	2020/ 21	C u				2022/23 Medium Term Revenue		
		Au dite d Out come	Audit ed Out come	Audit ed Out come	Original Budget	Ad ju st	Fu ll Ye ar Fo re ca st	Pre - au dit out co me	Budg et Ye ar 202 2/2 3	Budget Year +1 2023/ 24	Budget Year +2 2024/ 25
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		12 031	9 469	12 176	50 571	26 504	26 504	56 836	41 871	73 265	127 927
Call investment deposits	1	1 056	733	341	3 086	3 086	3 086	818	3 086	3 086	3 086
Consumer debtors	1	12 073	37 839	38 180	173 726	175 726	175 726	67 502	178 222	228 127	280 706
Other debtors		33 133	60 818	60 907	41 290	41 290	41 290	85 257	44 172	44 172	44 172
Current portion of long-term		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	0	0	0	235	(0)	(0)	(0)
<b>Total current assets</b>		<b>58 292</b>	<b>108 859</b>	<b>111 604</b>	<b>268 673</b>	<b>246 606</b>	<b>246 606</b>	<b>210 647</b>	<b>267 352</b>	<b>348 651</b>	<b>455 892</b>
<b>Non current assets</b>											
Long-term receivables		182	113	73	-	-	-	73	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		284 836	279 139	279 139	287 684	287 684	287 684	279 139	289 184	289 184	289 184
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	737 497	772 814	837 932	833 557	844 081	98 583	862 700	931 724	994 987	1 059 181
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		2 178	1 860	1 722	823	823	823	1 722	989	50	(889)
Other non-current assets		539	539	539	539	539	539	539	1 078	1 078	1 078

<b>Total non current assets</b>		1 025	1 054	1 119 405	1 122	1 133	387 629	1 144	1 222	1 285	1 348 554
<b>TOTAL ASSETS</b>		1 083	1 163	1 231 009	1 391	1 379	634 235	1 354	1 490	1 633	1 804 446
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		6 196	6 441	6 813	5 836	5 836	5 836	6 944	6 136	6 136	6 136
Trade and other payables	4	170 233	213 840	219 229	139 809	136 341	(136 341)	233 607	139 438	139 438	139 438
Provisions		28 623	30 019	40 088	7 250	7 250	7 250	40 088	7 250	7 250	7 250
<b>Total current liabilities</b>		205 052	250 301	266 129	152 896	149 427	(123 255)	280 639	152 824	152 824	152 824
<b>Non current liabilities</b>											
Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions		68 089	81 879	89 957	55 000	55 000	(55 000)	89 957	55 500	55 500	55 500
<b>Total non current liabilities</b>		68 089	81 879	89 957	55 000	55 000	(55 000)	89 957	55 500	55 500	55 500
<b>TOTAL LIABILITIES</b>		273 141	332 180	356 086	207 896	204 427	(178 255)	370 596	208 324	208 324	208 324
<b>NET ASSETS</b>	5	810 384	831 144	874 922	1 183	1 175	812 490	984 224	1 282	1 425	1 596 122
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		755 756	811 729	922 251	1 183	1 175	1 175 306	953 287	1 282	1 425	1 596 122
Reserves	4	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY</b>	5	755 756	811 729	922 251	1 183	1 175	1 175 306	953 287	1 282	1 425	1 596 122

4.2.7 Table 8: LIM366 Bela Bela T- Table A7 Budgeted Cash Flows

D e	Re f	2018/ 19	2019/ 20	2020/ 21	C u				2022/23 Medium Term Revenue		
		Au dite d Ouc ome	Audit ed Ouc ome	Audit ed Ouc ome	Original Budget	Ad ju st e d	Fu ll Ye ar Fo	Pr e- au dit ou	Budg et Ye ar 202	Budget Year +1 2023/ 24	Budget Year +2 2024/ 25
<b>R thousand</b>											
<b>CASH FLOW FROM OPERATING</b>											
<b>Receipts</b>											
Property rates		0	23 197	57 316	80 869	80 869	80 869	42 116	102 518	141 892	148 135
Service charges		6	43 959	110 665	219 335	219 335	219 335	114 376	201 963	201 177	210 029
Other revenue		16 723	50 674	35 554	19 786	19 786	19 786	22 683	24 721	25 907	27 047
Transfers and Subsidies -	1	43 699	129 274	127 724	108 804	108 964	108 964	123 179	122 518	131 450	142 874
Transfers and Subsidies - Capital	1	61 080	48 000	59 623	60 920	69 444	69 444	25 086	90 683	93 522	96 252
Interest		-	148	-	1 247	1 177	1 177	-	1 911	2 003	2 091
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(212 945)	(280 694)	(44 985)	(402 071)	(426 297)	(426 297)	(156 411)	(438 234)	(459 055)	(465 334)
Finance charges		(7 368)	(9 529)	-	(13 000)	(13 000)	(13 000)	-	(10 000)	(10 480)	(10 480)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED)</b>		(98 805)	5 029	345 896	75 891	60 278	60 278	171 029	96 080	126 416	150 614
<b>CASH FLOWS FROM INVESTING</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		-	-	(70 870)	(60 920)	(69 444)	(69 444)	(37 622)	(91 808)	(95 022)	(95 952)
<b>NET CASH FROM/(USED)</b>		-	-	(70 870)	(60 920)	(69 444)	(69 444)	(37 622)	(91 808)	(95 022)	(95 952)
<b>CASH FLOWS FROM FINANCING</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer		-	-	372	-	-	-	131	-	-	-



Sport and Recreation Facilities		-	-	2 985		2 156	2 156	-	4 800	-
<b>Community Assets</b>		-	-	<b>2 985</b>		<b>2 156</b>	<b>2 156</b>	-	<b>4 800</b>	<b>7 939</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		646	407	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>646</b>	<b>407</b>	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>349</b>	<b>1 749</b>	<b>208</b>	-	-	-	<b>1 100</b>	-	-
<b>Furniture and Office Equipment</b>		<b>234</b>	<b>604</b>	<b>118</b>	-	-	-	<b>25</b>	-	-
<b>Machinery and Equipment</b>		<b>26</b>	<b>191</b>	<b>452</b>	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	<b>27 822</b>	-	-	-	-	-	-
<b>Land</b>		<b>103 763</b>	<b>103 763</b>	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological</b>		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	<b>26 405</b>	<b>35 985</b>	<b>16 557</b>		<b>9 014</b>	<b>9 014</b>	-	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	5 173		9 014	9 014	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		26 405	35 985	13 878	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>26 405</b>	<b>35 985</b>	<b>19 051</b>		<b>9 014</b>	<b>9 014</b>	-	-	-
Community Facilities		-	-	(2 494)	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	<b>(2 494)</b>	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological</b>		-	-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	<b>(0)</b>	<b>(1 632)</b>	<b>13 658</b>	<b>1</b>	<b>18 790</b>	<b>18 790</b>	<b>58 058</b>	<b>59 063</b>	<b>2 000</b>
<i>Roads Infrastructure</i>		0	-	-	-	-	-	0	1 500	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	5 829	-	0	0	0	12 000	-	2 000
<i>Sanitation Infrastructure</i>		(0)	(7 461)	8 087		17 890	17 890	31 704	51 906	-
<i>Solid Waste Infrastructure</i>		-	-	-		900	900	14 354	5 657	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>(0)</b>	<b>(1 632)</b>	<b>8 087</b>	<b>1</b>	<b>18 790</b>	<b>18 790</b>	<b>58 058</b>	<b>59 063</b>	<b>2 000</b>
Community Facilities		-	-	4 780	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	791	-	-	-	-	-	-



Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and		-	-	-	-	-	-	-	-	-
Infrastructure		460 319	461 407	495 968	63	645 920	645 920	720 476	770 753	824 375
Community Assets		59 179	55 526	34 067	20	201 801	201 801	199 593	202 976	209 499
Heritage Assets		539	539	539	539	539	539	1 078	1 078	1 078
Investment properties		284 836	279 139	279 139	28	287 684	287 684	289 184	289 184	289 184
Other Assets		24 370	22 965	22 965	(1 215)	(1 215)	(1 215)	(263)	(1 587)	(2 911)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		2 178	1 860	1 722	823	823	823	989	50	(889)
Computer Equipment		565	456	177	(2 728)	(2 728)	(2 728)	(1 737)	(4 711)	(7 684)
Furniture and Office Equipment		1 652	1 265	620	(452)	(452)	(452)	(445)	(938)	(1 431)
Machinery and Equipment		704	532	638	(243)	(243)	(243)	(252)	(517)	(781)
Transport Assets		3 326	1 852	26 738	-	-	-	-	-	-
Land		78 909	78 910	78 910	-	-	-	-	-	-
Zoo's, Marine and Non-biological		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY -</b>	<b>5</b>	<b>916 577</b>	<b>904 452</b>	<b>941 484</b>	<b>1</b>	<b>1 132 129</b>	<b>1 132 129</b>	<b>1 208 621</b>	<b>1 256 288</b>	<b>1 310 439</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>46 324</b>	<b>39 965</b>	<b>55 074</b>	<b>5</b>	<b>45 529</b>	<b>45 529</b>	<b>44 434</b>	<b>46 564</b>	<b>46 607</b>
Depreciation	7	29 951	30 432	37 699	3	30 000	30 000	31 200	32 698	32 698
Repairs and Maintenance by Asset	3	16 373	9 532	17 375	2	15 529	15 529	13 234	13 866	13 909
Roads Infrastructure		220	413	212		2 279	2 279	1 600	1 677	1 677
Storm water Infrastructure		3 590	1 009	994		1 000	1 000	450	472	472
Electrical Infrastructure		5 487	3 169	12 075	1	5 250	5 250	3 525	3 694	3 694
Water Supply Infrastructure		820	392	2 812		3 550	3 550	2 700	2 830	2 830
Sanitation Infrastructure		2 899	2 754	37		2 150	2 150	1 370	1 436	1 436
Solid Waste Infrastructure		-	175	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		41	111	20	100	60	60	100	105	105
Information and		26	-	22	100	50	50	50	52	52
Infrastructure		13 082	8 023	16 171	2	14 339	14 339	9 795	10 265	10 265
Community Facilities		1 230	1 316	837	200	326	326	200	210	210

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure		
		Audi	Audi	Audi	Original Budget	Adj	Fu	Budget	Budget Year	Budget Year
R thousand										
Sport and Recreation Facilities		1 604	174	356		604	604	2 100	2 201	2 201
Community Assets		2 834	1 490	1 193		930	930	2 300	2 410	2 410
Heritage Assets		-	-	-		-	-	-	-	-
Revenue Generating		-	-	-		-	-	-	-	-
Non-revenue Generating		-	-	-		-	-	-	-	-
Investment properties		-	-	-		-	-	-	-	-
Operational Buildings		-	-	-		-	-	-	-	-
Housing		-	-	-		-	-	-	-	-
Other Assets		-	-	-		-	-	-	-	-
Biological or Cultivated Assets		-	-	-		-	-	-	-	-
Servitudes		-	-	-		-	-	-	-	-
Licences and Rights		-	-	-		-	-	-	-	-
Intangible Assets		-	-	-		-	-	-	-	-
Computer Equipment		-	-	-		-	-	-	-	-
Furniture and Office Equipment		457	19	11	30	110	110	114	119	125
Machinery and Equipment		-	-	-	124	150	150	325	340	345
Transport Assets		-	-	-	-	-	-	700	731	764
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>46 324</b>	<b>39 965</b>	<b>55 074</b>	<b>5</b>	<b>45 529</b>	<b>45 529</b>	<b>44 434</b>	<b>46 564</b>	<b>46 607</b>
Renewal and upgrading of Existing Assets		2	2	32.7	30.2	40.0	40.0	63.2	62.2	2.1
Renewal and upgrading of Existing Assets		88.2	112.9	80.1	57.6	92.7	92.7	186.1	180.6	6.1
R&M as a % of PPE		2	1	2	3	1.8	15.8	1.4%	1.4	1.3
Renewal and upgrading and R&M as a % of PPE		5	5	5	4	4.0	4.0	6.0%	6.0	1.0

4.2.10	<b>Table 11: LIM366 Bela Bela T- Table A10 Basic service delivery measurement</b>																																																																																																																																																																																																																														
4.3	<b>Supporting Information</b>																																																																																																																																																																																																																														
43.1	<p>The summary of the Grants (Capital and Operating) is as follows:</p> <p><b>Table 12: 2022/2023 MTREF Grant Allocations</b></p> <table border="1" data-bbox="248 562 1469 1850"> <thead> <tr> <th rowspan="2">Description</th> <th rowspan="2">Ref</th> <th colspan="2">Current Year 2020/21</th> <th colspan="3">2021/22 Medium Term Revenue &amp; Expenditure Framework</th> </tr> <tr> <th>Original Budget</th> <th>Adjusted Budget</th> <th>Budget Year 2022/23</th> <th>Budget Year +1 2023/24</th> <th>Budget Year +2 2024/25</th> </tr> </thead> <tbody> <tr> <td><b>R thousand</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>RECEIPTS:</b></td> <td>1, 2</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>Operating Transfers and Grants</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>National Government:</b></td> <td></td> <td>108,804</td> <td>108,964</td> <td>122,518</td> <td>131,450</td> <td>142,874</td> </tr> <tr> <td>Local Government Equitable Share</td> <td></td> <td>104,441</td> <td>104,441</td> <td>117,909</td> <td>128,236</td> <td>139,598</td> </tr> <tr> <td>Finance Management</td> <td></td> <td>1,650</td> <td>1,650</td> <td>1,650</td> <td>1,700</td> <td>1,700</td> </tr> <tr> <td>EPWP Incentive</td> <td></td> <td>1,353</td> <td>1,353</td> <td>1,502</td> <td>-</td> <td>-</td> </tr> <tr> <td>Municipal Infrastructure grant-Operational</td> <td></td> <td>1,360</td> <td>1,360</td> <td>1,457</td> <td>1,514</td> <td>1,576</td> </tr> <tr> <td>SETA Grant</td> <td></td> <td>-</td> <td>160</td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Provincial Government:</b></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>SETA Grant</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>District Municipality:</b></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><i>[insert description]</i></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Other grant providers:</b></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><i>[insert description]</i></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Total Operating Transfers and Grants</b></td> <td>5</td> <td>108,804</td> <td>108,964</td> <td>122,518</td> <td>131,450</td> <td>142,874</td> </tr> <tr> <td><u>Capital Transfers and Grants</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>National Government:</b></td> <td></td> <td>60,920</td> <td>69,444</td> <td>90,684</td> <td>93,522</td> <td>96,252</td> </tr> <tr> <td>Municipal Infrastructure Grant (MIG)</td> <td></td> <td>25,834</td> <td>25,834</td> <td>27,674</td> <td>28,772</td> <td>29,940</td> </tr> <tr> <td>Integrated National Electrification Programme (INEP)</td> <td></td> <td>-</td> <td>-</td> <td>1,000</td> <td>9,000</td> <td>9,404</td> </tr> <tr> <td>Water Services Infrastructure Grant (WSIG)</td> <td></td> <td>32,086</td> <td>40,610</td> <td>62,010</td> <td>55,750</td> <td>56,908</td> </tr> <tr> <td>Energy Efficiency and Demand Side Management Grant</td> <td></td> <td>3,000</td> <td>3,000</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><b>Provincial Government:</b></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Other capital transfers/grants <i>[insert description]</i></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>District Municipality:</b></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><i>[insert description]</i></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Other grant providers:</b></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><i>[insert description]</i></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Total Capital Transfers and Grants</b></td> <td>5</td> <td>60,920</td> <td>69,444</td> <td>90,684</td> <td>93,522</td> <td>96,252</td> </tr> <tr> <td><b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b></td> <td></td> <td>169,724</td> <td>178,408</td> <td>213,201</td> <td>224,972</td> <td>239,126</td> </tr> </tbody> </table>	Description	Ref	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework			Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	<b>R thousand</b>							<b>RECEIPTS:</b>	1, 2						<u>Operating Transfers and Grants</u>							<b>National Government:</b>		108,804	108,964	122,518	131,450	142,874	Local Government Equitable Share		104,441	104,441	117,909	128,236	139,598	Finance Management		1,650	1,650	1,650	1,700	1,700	EPWP Incentive		1,353	1,353	1,502	-	-	Municipal Infrastructure grant-Operational		1,360	1,360	1,457	1,514	1,576	SETA Grant		-	160				<b>Provincial Government:</b>		-	-	-	-	-	SETA Grant							<b>District Municipality:</b>		-	-	-	-	-	<i>[insert description]</i>							<b>Other grant providers:</b>		-	-	-	-	-	<i>[insert description]</i>							<b>Total Operating Transfers and Grants</b>	5	108,804	108,964	122,518	131,450	142,874	<u>Capital Transfers and Grants</u>							<b>National Government:</b>		60,920	69,444	90,684	93,522	96,252	Municipal Infrastructure Grant (MIG)		25,834	25,834	27,674	28,772	29,940	Integrated National Electrification Programme (INEP)		-	-	1,000	9,000	9,404	Water Services Infrastructure Grant (WSIG)		32,086	40,610	62,010	55,750	56,908	Energy Efficiency and Demand Side Management Grant		3,000	3,000	-	-	-	<b>Provincial Government:</b>		-	-	-	-	-	Other capital transfers/grants <i>[insert description]</i>							<b>District Municipality:</b>		-	-	-	-	-	<i>[insert description]</i>							<b>Other grant providers:</b>		-	-	-	-	-	<i>[insert description]</i>							<b>Total Capital Transfers and Grants</b>	5	60,920	69,444	90,684	93,522	96,252	<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		169,724	178,408	213,201	224,972	239,126
Description	Ref			Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework																																																																																																																																																																																																																									
		Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25																																																																																																																																																																																																																									
<b>R thousand</b>																																																																																																																																																																																																																															
<b>RECEIPTS:</b>	1, 2																																																																																																																																																																																																																														
<u>Operating Transfers and Grants</u>																																																																																																																																																																																																																															
<b>National Government:</b>		108,804	108,964	122,518	131,450	142,874																																																																																																																																																																																																																									
Local Government Equitable Share		104,441	104,441	117,909	128,236	139,598																																																																																																																																																																																																																									
Finance Management		1,650	1,650	1,650	1,700	1,700																																																																																																																																																																																																																									
EPWP Incentive		1,353	1,353	1,502	-	-																																																																																																																																																																																																																									
Municipal Infrastructure grant-Operational		1,360	1,360	1,457	1,514	1,576																																																																																																																																																																																																																									
SETA Grant		-	160																																																																																																																																																																																																																												
<b>Provincial Government:</b>		-	-	-	-	-																																																																																																																																																																																																																									
SETA Grant																																																																																																																																																																																																																															
<b>District Municipality:</b>		-	-	-	-	-																																																																																																																																																																																																																									
<i>[insert description]</i>																																																																																																																																																																																																																															
<b>Other grant providers:</b>		-	-	-	-	-																																																																																																																																																																																																																									
<i>[insert description]</i>																																																																																																																																																																																																																															
<b>Total Operating Transfers and Grants</b>	5	108,804	108,964	122,518	131,450	142,874																																																																																																																																																																																																																									
<u>Capital Transfers and Grants</u>																																																																																																																																																																																																																															
<b>National Government:</b>		60,920	69,444	90,684	93,522	96,252																																																																																																																																																																																																																									
Municipal Infrastructure Grant (MIG)		25,834	25,834	27,674	28,772	29,940																																																																																																																																																																																																																									
Integrated National Electrification Programme (INEP)		-	-	1,000	9,000	9,404																																																																																																																																																																																																																									
Water Services Infrastructure Grant (WSIG)		32,086	40,610	62,010	55,750	56,908																																																																																																																																																																																																																									
Energy Efficiency and Demand Side Management Grant		3,000	3,000	-	-	-																																																																																																																																																																																																																									
<b>Provincial Government:</b>		-	-	-	-	-																																																																																																																																																																																																																									
Other capital transfers/grants <i>[insert description]</i>																																																																																																																																																																																																																															
<b>District Municipality:</b>		-	-	-	-	-																																																																																																																																																																																																																									
<i>[insert description]</i>																																																																																																																																																																																																																															
<b>Other grant providers:</b>		-	-	-	-	-																																																																																																																																																																																																																									
<i>[insert description]</i>																																																																																																																																																																																																																															
<b>Total Capital Transfers and Grants</b>	5	60,920	69,444	90,684	93,522	96,252																																																																																																																																																																																																																									
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		169,724	178,408	213,201	224,972	239,126																																																																																																																																																																																																																									

4.7 Total capital expenditure is projected to be R 91 809 million for 2022/2023 financial year.

The tables below depicts the capital project expenditure with project description for 2022/2023 and the outer years.

**Table 13: 2022/2023 MTREF Capital Expenditure - Municipal Infrastructure Grant**

MG FUNDING						
PROJECT DESCRIPTION	PROJECT TYPE	BUDGET TYPE	21/22 Expenditure	22/23 Budget	23/24 Budget	24/25 Budget
Construction of Road paving & Stormwater in Bela Bela Kgosana, Matshapa and street 49 (Ward 5)	New	Multi Year	R 2,375,121.64	R 2,786,878.36		
Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 2 (Ward 7)	New	Multi Year	R 496,500.00	R 6,550,500.00		
Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 2 (Ward 4)	New	Multi Year	R 261,000.00	R 3,132,000.00		
Upgrading of the Bela Bela Municipal landfill site Phase 1(Ward 2)	New	Multi Year	R 900,000.00	R 14,354,121.64	R 5,666,628.36	
Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 3 (Ward 4)	New	Multi Year		R 500,000.00	R 10,000,000.00	
Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 3 (Ward 7)	New	Multi Year		R 350,000.00	R 8,048,491.81	
Development of sports facilities in Masakhane (Ward 8)	New	Single Year			R 4,800,000.00	
Construction of Road Paving and Bulk stormwater in Bela Bela X8 - Phase 4	New	Single Year			R 265,679.83	15,730,000.00
Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 4	New	Single Year				6,271,700.00
Development of a new Cemetery in Piensarsrivier (Ward 8)	New	Multi Year				R 7,938,500.00
PMU Operational Costs	N/A	N/A		R 1,456,500.00	R 1,514,300.00	R 1,575,800.00
<b>DORA ALLOCATION</b>			R 27,194,000.00	R 29,130,000.00	R 30,286,000.00	R 31,516,000.00
<b>TOTAL BUDGET</b>			R 4,032,621.64	R 29,130,000.00	R 30,286,000.00	R 31,516,000.00

The MIG allocation amounts to R29 million and the amounts is split within the projects as indicated in the table above.



**Table 16: 2022/2023 MTREF Capital Expenditure – Own (Internally) Funded**

Fuction	Description	2021/22 Medium Term Revenue & Expenditure Framework		
		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R				
Information Technology:Info & Record Management (6200)	Procurement of laptops,desktops and telephones	R 700,000.00		
Information Technology:Info & Record Management (6200)	Procurement of server	R 200,000.00		
Administrative and Corporate Support:Council Admin	Industrial Vacuum Cleaner	R 25,000.00		
Information Technology:Info & Record Management (6200)	Printers	R 200,000.00		
		<b>R 1,125,000.00</b>		

An amount of R1.1 million on own source capital project resulted from the reclassification of segments as indicated above.

4.8	<b>TARIFFS</b>
	Refer to tariff book. Attached as <b>annexure B</b>
<b>5.</b>	<b>LEGAL IMPLICATIONS</b>
5.1	Compliance with Section 160(2) of the Constitution, Section 16(1) and 24(2) of the MFMA read with paragraph 9 of the Municipal Budget and Reporting Regulations.
<b>6.</b>	<b>FINANCIAL IMPLICATIONS</b>
6.1	There are no financial implications associated with the tabling of this draft budget.
<b>7.</b>	<b>RECOMMENDATIONS OF THE CHIEF FINANCIAL OFFICER</b>
7.1	<b>THAT</b> the council approves the following tariff increases as set out in the 2022/2023 draft Tariff Book ( <b>Attached as annexure B</b> ): <ul style="list-style-type: none"> <li>(vi) Property rates tariff for all classes of property will be increased by 4.8%.</li> <li>(vii) Refuse and Sanitation rates increased by 4.8%</li> <li>(viii) Water tariff estimated to be increased by 11.51%%</li> <li>(ix) Electricity tariff be increased by 9.6% while the cost to buy Electricity from Eskom increased by 17.8%.</li> <li>(x) Sundry Tariffs increased by 4.8%</li> </ul>
7.2	<b>THAT</b> council approves the 2022/2023 draft operating revenue budget of <b>R 505 848</b> million for the 2022/2023 financial year as well as for the two outer years as depicted in table 2: <b>Table A1 Budget Summary</b> above.
7.3	<b>THAT</b> Council approves the tabled 2022/2023 MTREF's draft operating expenditure budget of <b>R489 834</b> million for the 2022/2023 financial year as well as for the outer years as depicted in above table 2: <b>Table A1 Budget Summary</b> .
7.4	<b>THAT</b> Council approves the 2022/2023 MTREF's capital expenditure of <b>R91 809</b> million as well as two outer year's expenditure as set out in above table 6: <b>Table A5 Budgeted Capital Expenditure by vote, functional classification and funding</b> .
7.5	Council takes note that the tabled 2022/2023 operating budget realizes a budgeted surplus of <b>R16 014</b> million as reflected in table 2: <b>Table A1 Budget Summary</b> above.

7.6	<p><b>THAT</b> the following budget related policies with amendments be approved as attached to the 2022/2023 MTREF Budget report. <b>Attached as annexure A</b></p> <ul style="list-style-type: none"> <li>(i) Property rates</li> <li>(ii) Debt and credit control</li> <li>(iii) Budget implementation and monitoring</li> <li>(iv) Supply Chain Management</li> <li>(v) Indigent consumers</li> <li>(vi) Funding and reserves</li> <li>(vii) Cash and Investment management</li> <li>(viii) Long term financial plan</li> <li>(ix) Tariffs</li> <li>(x) Borrowing</li> <li>(xi) Management and Disposal of Assets</li> <li>(xii) Infrastructure Investment and Capital Projects</li> <li>(xiii) Petty cash policy</li> <li>(xiv) Prioritisation Model for Capital Assets Investment</li> <li>(xv) Doubtful debt and writing off of irrecoverable debt</li> <li>(xvi) Cell phone policy</li> <li>(xvii) Property rates by-law</li> <li>(xviii) Indigents support by-law</li> <li>(xix) Credit control and debt collection by-law</li> <li>(xx) Tariffs By-Law</li> </ul>
7.7	<p><b>THAT</b> Council takes note of the total cost to municipality expenses for the salary, allowances and benefits of The Mayor, Speaker, Chief Whip, Executive committee members, Subcommittee chairpersons, Ordinary councilors, Municipal Manager, Chief Financial Officer and other Senior managers as set out in the tabled 2022/2023 draft MTREF.</p>
<b>8.</b>	<b>RECOMMENDATIONS OF THE ACTING MUNICIPAL MANAGER</b>
8.1	<p><b>THAT</b> the council approves the following tariff increases as set out in the 2022/2023 draft Tariff Book (<b>Attached as annexure B</b>):</p> <ul style="list-style-type: none"> <li>(i) Property rates tariff for all classes of property will be increased by 4.8%.</li> <li>(ii) Refuse and Sanitation rates increased by 4.8%</li> <li>(iii) Water tariff estimated to be increased by 11.51%%</li> <li>(iv) Electricity tariff be increased by 9.6% while the cost to buy Electricity from Eskom increased by 17.8%.</li> <li>(v) Sundry Tariffs increased by 4.8%</li> </ul>
8.2	<p><b>THAT</b> council approves the 2022/2023 draft operating revenue budget of <b>R 505 848</b> million for the 2022/2023 financial year as well as for the two outer years as depicted in table 2: <b>Table A1 Budget Summary</b> above.</p>
8.3	<p><b>THAT</b> Council approves the tabled 2022/2023 MTREF's draft operating expenditure budget of <b>R489 834</b> million for the 2022/2023 financial year as well as for the outer years as depicted in above table 2: <b>Table A1 Budget Summary</b>.</p>

8.4	<b>THAT</b> Council approves the 2022/2023 MTREF's capital expenditure of <b>R91 809</b> million as well as two outer year's expenditure as set out in above table 5: <b>Table A5 Budgeted Capital Expenditure by vote, functional classification and funding</b> .
8.5	Council takes note that the tabled 2022/2023 operating budget realizes a budgeted surplus of <b>R16 014</b> million as reflected in table 2: <b>Table A1 Budget Summary</b> above.
8.6	<b>THAT</b> the following budget related policies with amendments be approved as attached to the 2022/2023 MTREF Budget report. <b>Attached as annexure A</b> <ul style="list-style-type: none"> <li>(i) Property rates</li> <li>(ii) Debt and credit control</li> <li>(iii) Budget implementation and monitoring</li> <li>(iv) Supply Chain Management</li> <li>(v) Indigent consumers</li> <li>(vi) Funding and reserves</li> <li>(vii) Cash and Investment management</li> <li>(viii) Long term financial plan</li> <li>(ix) Tariffs</li> <li>(x) Borrowing</li> <li>(xi) Management and Disposal of Assets</li> <li>(xii) Infrastructure Investment and Capital Projects</li> <li>(xiii) Petty cash policy</li> <li>(xiv) Prioritisation Model for Capital Assets Investment</li> <li>(xv) Doubtful debt and writing off of irrecoverable debt</li> <li>(xvi) Cell phone policy</li> <li>(xvii) Property rates by-law</li> <li>(xviii) Indigents support by-law</li> <li>(xix) Credit control and debt collection by-law</li> <li>(xx) Tariffs By-Law</li> </ul>
8.7	<b>THAT</b> Council takes note of the total cost to municipality expenses for the salary, allowances and benefits of The Mayor, Speaker, Chief Whip, Executive committee members, Subcommittee chairpersons, Ordinary councilors, Municipal Manager, Chief Financial Officer and other Senior managers as set out in the tabled 2022/2023 draft MTREF.
<b>9.</b>	<b>RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE</b>
9.1	<b>THAT</b> the council approves the following tariff increases as set out in the 2022/2023 draft Tariff Book ( <b>Attached as annexure B</b> ): <ul style="list-style-type: none"> <li>i. Property rates tariff for all classes of property will be increased by 4.8%.</li> <li>ii. Refuse and Sanitation rates increased by 4.8%</li> <li>iii. Water tariff estimated to be increased by 11.51%%</li> <li>iv. Electricity tariff be increased by 9.6% while the cost to buy Electricity from Eskom increased by 17.8%.</li> <li>v. Sundry Tariffs increased by 4.8%</li> </ul>
9.2	<b>THAT</b> council approves the 2022/2023 draft operating revenue budget of <b>R 505 848</b> million for the 2022/2023 financial year as well as for the two outer years as depicted in table 2: <b>Table A1 Budget Summary</b> above.
9.3	<b>THAT</b> Council approves the tabled 2022/2023 MTREF's draft operating expenditure budget of <b>R489 834</b> million for the 2022/2023 financial year as well as for the outer years as depicted

	in above table 2: <b>Table A1 Budget Summary.</b>
9.4	<b>THAT</b> Council approves the 2022/2023 MTREF's capital expenditure of <b>R91 809</b> million as well as two outer year's expenditure as set out in above table 5: <b>Table A5 Budgeted Capital Expenditure by vote, functional classification and funding.</b>
9.5	Council takes note that the tabled 2022/2023 operating budget realizes a budgeted surplus of <b>R16 014</b> million as reflected in table 2: <b>Table A1 Budget Summary</b> above.
9.6	<p><b>THAT</b> the following budget related policies with amendments be approved as attached to the 2022/2023 MTREF Budget report. <b>Attached as annexure A</b></p> <ul style="list-style-type: none"> <li>I. Property rates</li> <li>II. Debt and credit control</li> <li>III. Budget implementation and monitoring</li> <li>IV. Supply Chain Management</li> <li>V. Indigent consumers</li> <li>VI. Funding and reserves</li> <li>VII. Cash and Investment management</li> <li>VIII. Long term financial plan</li> <li>IX. Tariffs</li> <li>X. Borrowing</li> <li>XI. Management and Disposal of Assets</li> <li>XII. Infrastructure Investment and Capital Projects</li> <li>XIII. Petty cash policy</li> <li>XIV. Prioritisation Model for Capital Assets Investment</li> <li>XV. Doubtful debt and writing off of irrecoverable debt</li> <li>XVI. Cell phone policy</li> <li>XVII. Property rates by-law</li> <li>XVIII. Indigents support by-law</li> <li>XIX. Credit control and debt collection by-law</li> <li>XX. Tariffs By-Law</li> </ul>
9.7	<b>THAT</b> Council takes note of the total cost to municipality expenses for the salary, allowances and benefits of The Mayor, Speaker, Chief Whip, Executive committee members, Subcommittee chairpersons, Ordinary councilors, Municipal Manager, Chief Financial Officer and other Senior managers as set out in the tabled 2022/2023 draft MTREF.

