

RATLOU LOCAL MUNICIPALITY

6 ANNUAL BUDGET FOR 2021/22 AND BUDGET RELATED POLICIES

PURPOSE

To present the Annual budget for 2021-2022 Financial year to Council

BACKGROUND

In terms of the **Municipal Finance Management Act, 56 of 2003, s 16 (1-3)**, the mayor of the municipality must table the Draft and the Budget and at the council meeting at least 90 days before the start of the budget year for consultation and at least 30 days before the start of the budget year table the municipality's Final Annual Budget.

It is against this legal background that the Annual Budget for Ratlou Local Municipality is hereby presented to council. This will assist the municipality to effectively and diligently manage all its activities in the implementation of the budget and financial reforms.

This annual budget has been prepared in terms Circular 88, 89, 91, 94 including the newly release 107 and 108 of the MFMA taking into consideration:

- Version 6.5 which is Mscoa compliant for both historical years and MTREF.
- the wages increase, revised rates and tariffs, and other charges for 2021/2022 budgets and MTREF's.
- other input costs of services provided by the municipality to ensure financial sustainability, local socio-economic conditions and the affordability of services,
- the municipality's indigent policy and the current economic conditions.

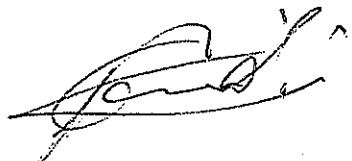


31/05/2021

The Annual Budget for Ratlou Local Municipality consist of the Total Budget of R 230 010 278 with Total Operating Budget of R 195 668 128 and Total Capital Budget of R 34 342 150.

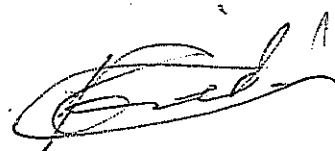
The table below illustrates the Operating and the Capital Budget per department

ANNUAL BUDGET FOR 2020/2021					
	Salaries Budget	General Expenses	Operating Budget	Capital Budget	Total Budget
OFFICE OF THE MAYOR	19 990 214	2 087 874	22 078 088	520 000	22 598 088
OFFICE OF THE SPEAKER	13 849 619	2 891 554	16 741 174	630 000	17 371 174
ACCOUNTING OFFICER	7 878 044	6 208 027	14 086 070	150 000	14 236 070
BUDGET & TREASURY	12 931 785	44 752 681	57 684 466	80 000	57 764 466
TECHNICAL	11 983 773	9 416 414	21 400 187	30 832 150	52 232 337
TOWN PLANNING	2 715 213	3 274 732	5 989 945	30 000	6 019 945
LIBRARY	9 919 801	1 168 918	11 088 719	40 000	11 128 719
CORPORATE SERVICES	15 522 515	13 359 004	28 881 519	1 890 000	30 771 519
COMMUNITY SERVICES	16 408 690	1 309 269	17 717 959	170 000	17 887 959
TOTAL	111 199 654	84 468 474	195 668 128	34 342 150	230 010 278

 31/05/202

The table below illustrates the sources of funding to the expenditure table above on various departments of the municipality

DEPARTMENT	AMOUNT	SOURCE OF FUNDING/REVENUE
Office of the Mayor	22 498 088	Equitable Share
	100 000	Telecentre Tuition fees
Office of the Speaker	17 371 174	Equitable Share
Office of the Accounting Officer	14 236 070	Equitable Share
Budget and Treasury Office	29 141 474	Equitable Share
	26 772 992	Property Rates
	1 850 000	FMG
Planning & development Economic/ Technical Servi	17 778 205	Equitable Share
	1 985 132	Interest earned on investment
	1 572 000	Rental of facilities
	30 897 000	MIG
Planning & development/ Town planning	4 495 945	Equitable Share
	1 524 000	EPWP Grant
Library Services	9 936 719	Equitable Share
	1 192 000	Library Grant
Corporate Services	30 771 519	Equitable Share
Community Services	16 804 959	Equitable Share
	1 031 000	Agency services
	52 000	Traffic fines
	230 010 277	



30/05/2021

Municipal infrastructure Grant


The municipality will be funding the below listed projects through MIG

MIG FUNDED PROJECTS 2021/2022

Construction of Kraaipan Internal Access Road Phase 03	Roads	3 500 000.00
Construction of Gareleng Community Hall Phase 2	Community Hall	1 450 000.00
Construction of Link Road to Jan Masibi, Tribal Office and Methusele Phase 02	Roads	2 900 000.00
Construction of Link Road to N18 in Lokaleng Phase 02	Roads	2 900 000.00
Construction of Roads and Storm Water in Setlhathwe and Ramabesa Phase 02	Roads	8 450 000.00
Construction of Matloding and Logageng Sports Facility	Sports Facility	10 152 150.00
PMU	Administrative Costs	1 544 850.00
		30 897 000.00

List of Budget policies to be approved together with the Annual Budget are as follows:

- Approval of budget policy
- Funding and Reserve Policy
- Credit Control and Debt Collection Policy
- Cash Management and Investment Policy
- Indigent Support Policy
- Asset Policy
- Virement Policy
- Provision for Bad Debt Policy
- Appointment of Consultancy Policy
- Tariff Policy
- Supply Chain Management Policy
- Overtime Policy
- Subsistence and Travelling Policy
- Cell phone Policy
- Rates Policy

 31/05/2021

- Anti-fraud-corruption and whistle blower policy and strategy

RESOLVED

- (a) That Council approved Annual Budget for the financial year 2021-2022
- (b) The annual budget is sent to National Treasury, Provincial Treasury and relevant stakeholder.

RESOLUTION 45/2021

31 MAY 2021

A handwritten signature in black ink, appearing to be 'G. S. S.', written in a cursive style.