



## BLUE CRANE ROUTE MUNICIPALITY (EC102)

### NOTICE NO 19/2020

#### ADOPTION OF DRAFT 2020/2021: INTEGRATED DEVELOPMENT PLAN (IDP) AND DRAFT 2020/21: MTREF BUDGET AND 2018/2019 OVERSIGHT REPORT

Notice is hereby given in terms of Section 16 (1)(a) (4) of the Local Government Municipal System Act, No 32 of 2000 (as amended) and Sections 22 and 129 of the Local Government: Municipal Finance Management Act, No. 56 of 2003, Council tabled the 2020/2021 Draft: IDP and Budget and the 2018/2019 Oversight Report on Friday, 15 May 2020, read together with the National Minister of Finance exemption notice dated 30 March 2020. The following were tabled for consideration with effect from 01 July 2020:

#### 1. Draft Budget 2020/2021 is as follows:

- Operational expenditure: R306 310 205
- Capital expenditure: R 37 580 350
- Total Revenue: R294 217 590

The following was taken in consideration when the budget was compiled:

#### 1) Grants as per Division of Revenue Bill:

Equitable Share	R 56 696 000
FMG	R 2 500 000
MIG: PMU	R 712,650
Library	R 2 300 000
SBDM: Environmental Health	R 836 400
EPWP	R 1 548 000
WSIG (Capital)	R 15 000 000
MIG (Capital)	R 13 540 350
INEP (Capital)	R 5 000 000
	<u>R 98 133 400</u>

- 2) A provisional increase in salaries of 6.25% is included in the budget as per Agreement between SALGA and the Unions.
- 3) The provision for debt impairment was increased with R749 510 (5%) - this is to be more in line with the pay rate and to have a cash back budget.
- 4) The Eskom bulk purchases increase with 6.9%.
- 5) Provision is also made in the cash flow budget to take up a loan of R10.75m to re-finance the Somerset East WWTW and settle the possible claim from SAMWU provident fund. The balance will be used to finance capital expenditure.
- 6) The draft budget surplus of R379 475 will be utilised to fund the capital expenditure from own revenue.
- 7) The capital expenditure will be funded as follows:

WSIG	R15 000,000
MIG	R13 540 350
INEP	R 5 000 000

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8) Tariff structure percentage increases, that was utilised when the budget was compiled:

- Rates – 5%
- Water, Sewer/Sanitation and Sundry – 5%
- Refuse removal charges – 10%
- Electricity – 6.22% depending on NERSA's approval plus
- **Electricity - pre-paid basic charges as approved by Council in 2019/20 to be phased in over three years – Residential – additional 17c/kwh and businesses and additional – 61c/kwh up to the first 150kwh.**

2. **Draft 2020/2021 IDP Review:** In compliance with MFMA requirements, Chapter 4 (Public Participation) and Chapter 5 (IDP Development and Review process) of the Municipal Systems Act, BCRM has embarked on public consultation (ward-based planning) and service delivery feedback during the month of September/ October 2019.

**Below is the list of the proposed projects addressing community needs that were prevalent to all the wards:**

- 1) Upgrading of Somerset East main sub-station
- 2) Upgrading of Power Factor correction
- 3) Construction of Pearston WTW
- 4) Upgrading of Pearston WWTW Phase 2
- 5) Upgrading of Aeroville Sportfields
- 6) Paving of Gravel roads: Pearston
- 7) Paving of Gravel roads: Cookhouse
- 8) Paving of Gravel roads: Somerset East
- 9) Upgrading of Cookhouse Bulk water supply (Phase 2 B)
- 10) Upgrading of Cookhouse Bulk water supply (Phase 2 C)
- 11) Upgrading of Westview Stormwater

3. **2018/2019 Oversight Report:** In compliance with the MFMA Sections 127 and 129, the council considered the 2018/2019 annual report and adopt an oversight report containing the council's comments on the annual report.

The 2020/2021 Draft: IDP, Budget, Tariff Book and Budget Related Policies and 2018/2019 Oversight Report will be placed on the municipal website [www.bcrm.gov.za](http://www.bcrm.gov.za) and copies of the documents will be made available at all MUNICIPAL REVENUE CASHIER POINTS during Weekdays (Monday to Friday ) during following office hours (08:45 to 14:30).

The shortened notice given is due to the National Minister for Finance that given exemption to municipalities due to the COVID-19 Epidemic Lockdown period

Members of the public and interested stakeholders are invited to peruse the documents as placed on the municipal website and forward their representations, inputs and comments **on or before 27 May 2020 at 14:00** addressed to the Municipal Manager, Blue Crane Route Municipality:

**Physical Address:** 67 Nojoli Street, Somerset East, 5850.

**Fax-to-Email:** 086 506 088 or 086 262 0433

**Email:** [pms-idp@bcrm.gov.za](mailto:pms-idp@bcrm.gov.za) (IDP) and [nigeld@bcrm.gov.za](mailto:nigeld@bcrm.gov.za) (FINANCE)



**THABISO KLAAS**  
**MUNICIPAL MANAGER**