



Mogale City

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31 May 2018

EXTRACT FROM THE MINUTES OF THE 14th ORDINARY COUNCIL MEETING OF MOGALE CITY LOCAL MUNICIPALITY HELD ON THURSDAY, 31 MAY 2018

ITEM K(ii) 1(05/2018)

APPROVAL OF ANNUAL BUDGET FOR THE MTREF 2018/2019 – 2020/2021

RESOLVED:

- 1.1 That the annual budget of Mogale City Local Municipality for the financial year 2018/2019 and the indicative estimates for the two projected outer years 2019/2020 and 2020/2021, as set out in the tables listed below be **approved**;
- 1.2 The annual budget of the municipality for the financial year 2018/2019 and the multi-year and single year capital appropriations as set out in accordance with Municipal Budget and Reporting Regulation (MBRR) section 9 be approved as follows:
 - 1.2.1 Table A1 Budget Summary;
 - 1.2.2 Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification);
 - 1.2.3 Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote);
 - 1.2.4 Table A4 Budgeted Financial Performance (revenue by source and expenditure by type);
 - 1.2.5 Table A5 Budgeted Capital Expenditure by vote classification and funding;
 - 1.2.6 Table A6 Budgeted Financial Position;
 - 1.2.7 Table A7 Budgeted Cash Flows;
 - 1.2.8 Table A8 Cash backed reserves and accumulated surplus reconciliation;
 - 1.2.9 Table A9 Asset management;
 - 1.2.10 Table A10 Basic service delivery measurement.

- 1.8.2 of the revised rising block tariff structure introducing a charge of R15 to non-indigent consumers in respect of the first 6kl of water consumed and such introduction done to minimize the increase in tariff and keep the low-income customers within the affordability range for their water bills;
- 1.8.3 of the study needed to consider revising the current declining block tariff structure for water applicable to business consumers;
- 1.8.4 of the need to consider in future introducing an Incline Block Tariff (IBT) structure for conventional electricity customers;
- 1.8.5 of the need to consider in future introducing a shift to a volumetric or property value base for sanitation tariffs and to a property value or other progressive base for solid waste;
- 1.8.6 of the provision made for a 7% increase in the salaries of employees this was informed by the average CPI expected including section 54A and 56 officials;
- 1.8.7 of a provision be made for a 7% estimated increase in salaries of councillors which still have to be announced in terms of Public Office Bearers Act;
- 1.8.8 That the reviewed Integrated Development Plan (IDP) which include municipal council strategies, programmes and services to address community priority needs be approved.
- 1.8.9 That a total of R35, 809 000 over the medium term revenue and expenditure framework period for out of books capital listed under table 3(b) be noted.

1.9 That the following new budget related policies be adopted and approved;

- 1.9.1 Annexure 16: Liquidity Policy;
- 1.9.2 Annexure 17: Funding & Reserves Policy;
- 1.9.3 Annexure 18: Methodology for the Impairment & Assessment of Useful Lives of Assets Policy;
- 1.9.4 Annexure 19: Waste Minimisation Sorting & Recycling Policy

1.10 That the following budget related policies and IDP be adopted and approved:

- 1.10.1 Annexure 1: Property Rates Policy;
- 1.10.2 Annexure 2: Property Rates By-Laws;
- 1.10.3 Annexure 3: Credit Control & Debt Collection Policy;
- 1.10.4 Annexure 4: Indigent Management Policy;
- 1.10.5 Annexure 5: Borrowing Policy;
- 1.10.6 Annexure 6: Budget Management Policy;
- 1.10.7 Annexure 7: Cash Management & Investment Policy;
- 1.10.8 Annexure 8: Long Term Financial Planning Policy;
- 1.10.9 Annexure 9: Asset Management Policy
- 1.10.10 Annexure 10: Virement Policy;
- 1.10.11 Annexure 11: Supply Chain Management Policy;
- 1.10.12 Annexure 12: Unauthorised Irregular Fruitless & Wasteful Expenditure Management;
- 1.10.13 Annexure 13: 1% Social Responsibility Policy;
- 1.10.14 Annexure 14: Waste Management Tariff Policy;

1.3 That the Council of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **adopts and approves** the following tariffs:

1.3.1 the tariffs for property rates – as set out in Schedule 4.

1.3.2 the tariffs for electricity – as set out in Schedule 4

1.3.3 the tariffs for the supply of water – as set out in Schedule 4

1.3.4 the tariffs for sanitation services – as set out in Schedule 4

1.3.5 the tariffs for solid waste removal – as set out in Schedule 4

1.4 That the Council of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **adopts and approves** the tariffs for other services, as set out in Schedule 4.

1.5 That the Council of Mogale City Local Municipality, in terms of Section 5 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) approves the reviewed property rates policy.

1.6 That the Council of Mogale City Local Municipality, in terms of Section 6 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) approves the property rates By-laws to give effect to the property rates policy.

1.7 That the increase in the above tariffs is not applicable to the following categories of cemetery fees which shall be kept at zero:

1.7.1 Cemetery fee: Adult monumental sections – standard (weekdays and weekends);

1.7.2 Cemetery fee: Adult monumental sections – re-opening – standard (weekdays and weekends)

1.7.3 Cemetery fee: pauper graves (weekdays and weekends)

1.7.4 Hawkers' stand fees;

1.7.5 Gazebos for hawkers;

1.7.6 Property rates

1.8 That cognizance be taken of the following;

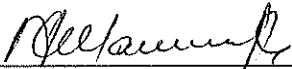
1.8.1 of the new tariffs introduced namely: cemetery for non-residents, cemetery for non- South African, grass cutting fee on private properties, Coronation Park entrance fee, Private schools, Private Hospitals as they appear in the tariff schedule;

1.10.15 Annexure 15: 2018/2019 Reviewed IDP.

1.11 That the following budget related policies be noted as were approved during the past financial years and remain in force for the 2018/2019 financial year:

- 1.11.1 Write Off Policy;
- 1.11.2 Sports & Recreation Facilities Tariff Policy;
- 1.11.3 General Tariff Policy;
- 1.11.4 Public Safety Tariff Policy;
- 1.11.5 Development Contribution for Engineering Services Policy;
- 1.11.6 Water Services By-laws;
- 1.11.7 Mogale City Tree Management & Conservation Policy;
- 1.11.8 Mogale City Parks By-Laws.

CERTIFIED A TRUE EXTRACT



**COUNCILLOR NC/MANGOLE
SPEAKER**