



Mogale City



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27 March 2018

**EXTRACT FROM THE MINUTES OF THE 13th SPECIAL COUNCIL MEETING OF
MOGALE CITY LOCAL MUNICIPALITY HELD ON 27 MARCH 2018**

ITEM K(ii) 1(03/2018)

DRAFT ANNUAL BUDGET FOR THE MTREF 2018/2019 – 2020/2021

RESOLVED:

1. That the draft annual IDP, Budget & SDBIP 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 schedules listed below be tabled in order to present these proposals to stakeholders for consultation:
 - 1.1. The annual IDP, Budget & SDBIP of the municipality for the financial year 2018/2019 and the multi-year and single year capital appropriations as set out in the following tables be considered for approval:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 13 (**MBRR Table A2**) on page 32;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 14 (**MBRR Table A3**) on page 34;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 16 (**MBRR Table A4**) on page 36; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and functional classification and associated funding by source as contained in Table 17 (**MBRR Table A5**) on page 39.

- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be tabled as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 18 (**MBRR Table A6**) on page 41;
 - 1.2.2. Budgeted Cash Flows as contained in Table 19 (**MBRR Table A7**) on page 43;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 20 (**MBRR Table A8**) on page 44;
 - 1.2.4. Asset management as contained in Table 21 (**MBRR Table A9**) on page 45;
 - 1.2.5. Basic service delivery measurement as contained in Table 22 (**MBRR Table A10**) on page 47.
2. The Executive Mayor of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables for public participation the following tariffs:
 - 2.1.1. the tariffs for electricity – as set out in Schedule 4 on page 77-81.
 - 2.1.2. the tariffs for the supply of water – as set out in Schedule 4 on page 82-84.
 - 2.1.3. the tariffs for sanitation services – as set out in Schedule 4 on page 85-87.
 - 2.1.4. the tariffs for property rates – as set out in Schedule 4 on page 88.
 - 2.1.5. the tariffs for solid waste removal – as set out in Schedule 4 on page 89-90
3. The Executive Mayor of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables for public participation the tariffs for other services, as set out in Schedule 4 on page 91-114.
4. The Executive Mayor of Mogale City Local Municipality, in terms of Section 5 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the reviewed rates policy for public participation.
5. The Executive Mayor of Mogale City Local Municipality, in terms of Section 6 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the rates By-laws to give effect to the rates policy for public participation.
6. That the increase in the above tariffs is not applicable to the following categories of cemetery fees which shall be kept at zero:
 - Cemetery fee: Adult monumental sections – standard (weekdays and weekends)
 - Cemetery fee: Adult monumental sections – re-opening – standard (weekdays and weekends)
 - Cemetery fee: pauper graves (weekdays and weekends)
7. That cognizance be taken 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.
8. That cognizance be taken 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.
9. That cognizance be taken of the study needed to consider revising the current declining block tariff structure for water applicable to business consumers.

10. That cognizance be taken of the need to consider in future introducing an Incline Block Tariff (IBT) structure for conventional electricity customers.
11. That cognizance be taken 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.
12. That cognizance be taken of the provision made for a 6.6% increase in the salaries of employees this was informed by the average CPI expected including section 54A and 56 officials.
13. That cognizance be taken made for a 6% estimated increase in salaries of councillors which still have to be announced in terms of Public Office Bearers Act.
14. That the draft Integrated Development Plan in which the Executive Mayor is recommendation to the municipal council strategies, programmes and services to address community priority needs.
15. That the draft Service Delivery and Budget Implementation which the Executive Mayor defines the key performance indicators to evaluate progress in the implementation of the strategies, programmes and services.
16. That comments be invited through the public participation process on the new policies namely;

- Annexure 17: Liquidity Policy,
- Annexure 18: Funding & Reserves Policy
- Annexure 19: Methodology for the Impairment & Assessment of Useful Lives of Assets Policy
- Annexure 20: Model SCM Policy for Infrastructure Procurement & Delivery management
- Annexure 21: Waste Minimization Sorting & Recycling Policy


17. That the following budget related policies, IDP & SDBIP be tabled for public participation:

1. Annexure 1: Property Rates Policy
2. Annexure 2: Property Rates By-Laws
3. Annexure 3: Credit Control & Debt Collection Policy
4. Annexure 4: Indigent Management Policy
5. Annexure 5: Borrowing Policy
6. Annexure 6: Budget Management Policy
7. Annexure 7: Cash Management & Investment Policy
8. Annexure 8: Long Term Financial Planning Policy
9. Annexure 9: Asset Management Policy
10. Annexure 10: Virement Policy
11. Annexure 11: Supply Chain Management Policy
12. Annexure 12: Unauthorised Irregular Fruitless & Wasteful Expenditure Management
13. Annexure 13: 1% Social Responsibility Policy
14. Annexure 14: Waste Tariff Policy
15. Annexure 15: 2018/2019 Draft IDP
16. Annexure 16: Draft Service Delivery & Budget Implementation Plan
18. 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. Write-Off Policy
2. Sports & Recreation Facilities Tariff Policy
3. General Tariff Policy
4. Public Safety Tariff Policy

5. Development Contribution for Engineering Services Policy
6. Water Services By-laws
7. Mogale City Tree Management & Conservation Policy
8. Mogale City Parks By-Laws

CERTIFIED A TRUE EXTRACT



**COUNCILLOR NC MANGOLE
SPEAKER**