

RESOLUTION ORIGINATING FROM THE REPORT OF THE EXECUTIVE MAYOR IN TERMS OF NON-DELEGATED POWERS. MEETING HELD ON FRIDAY, 29 JUNE 2018

A49/05/2018

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (BUDGET) FOR THE 2018/2019 FINANCIAL AND TWO OUTER YEARS

(JM)

(6/1/1-2017/2018)

The DA, EFF and VF Plus moved that the budget not be approved and after this matter was put to the vote in compliance with Section 28 of the Standing Orders it was a majority of 33 against 19:

RESOLVED

1. That the 2018/2019 budget, comprising of an Operating Revenue of R1 800 563 551, an Operating Expenditure of R1 968 567 054 and a Capital Budget of R153 066 000, with the indicative allocation for the two outer years, as set out in the following tables, **BE APPROVED** in accordance with Section 24 of the Local Government: Municipal Finance Management Act, Act 56 of 2003:

Table A1: Budget Summary

Table A2: Budget Financial Performance

Table A3: Budgeted Financial Performance (Municipal Votes)

Table A4: Budgeted Financial Performance (Revenue & Expenditure)

Table A5: Budgeted Capital Expenditure by Vote

Table A6: Budgeted Financial Position

Table A7: Budgeted Cash Flows

Table A8: Cash Backed Reserves / Accumulated Surplus Reconciliation

Table A9: Asset Management

2. That it **BE ACKNOWLEDGED** that the budget is unfunded and that the Financial Turnaround Strategy (ANNEXURE C) **BE APPROVED** to address the funding status through the implementation thereof.

3. That the following budget related policies **BE APPROVED**:

- Virement Policy	ANNEXURE D
- Accounting Policy	ANNEXURE E
- Supply Chain Management Policy	ANNEXURE F
- Credit Control & Debt Management Policy	ANNEXURE G
- Investment Policy	ANNEXURE H
- Property Rates Policy	ANNEXURE I
- Tariff Policy	ANNEXURE J

- Fixed Asset Management Policy	ANNEXURE K
- Short Term Risk & Liabilities Policy	ANNEXURE L
- Funding & Reserves Policy	ANNEXURE M
- Budget Policy	ANNEXURE N
- Borrowing Policy	ANNEXURE O
- Black Listing Policy	ANNEXURE P
- Indigent Management Policy	ANNEXURE Q
- Traveling & Subsistence Policy	ANNEXURE R
- Provision for Doubtful Debt & Debt Write-off Policy	ANNEXURE S
- Unclaimed Deposit Policy	ANNEXURE T
- Retention Policy	ANNEXURE U
- ICT Security Policy	ANNEXURE V
- ICT Strategy	ANNEXURE W
- Business Continuity Plan & Disaster Recovery Plan	ANNEXURE X

4. That the following tariff increases **BE APPORVED** for the 2018/2019 financial year:

4.1 ASSESSMENT RATES

All property taxes as per the 2017/2018 tariff book be increased by 5.2%.

4.2 SEWERAGE

All sewerage charges as per the 2017/2018 tariff book be increased by 12.2%.

4.3 REFUSE

All refuse charges as per the 2017/2018 tariff book be increased by 5.2%.

4.4 WATER

All basic water charges as per the 2017/2018 tariff book be increased by 12.2%

4.5 ELECTRICITY

All basic electricity charges be increased by 6.84% in line with the NERSA guidelines.

4.6 DEPOSITS

Increased by 5.2%

4.7 MISCELLANEOUS TARIFFS

As per the 2017/2018 tariff book be increased by 5.2%.

These are tariffs that are used on a needs basis.

All tariffs exclude VAT except in the case of assessment rates that are zero-rate.

4.8 INTEREST / CAPITALIZED ARREARS

No interest will be levied on those arrears for which the consumer made formal arrangements.

Interest will only be levied on those arrears for which no formal arrangement exist and/or arrear as a result of not complying with the said arrangements.

Interest rates will be levied at market related rates.

5. That the budget **BE MADE PUBLIC** and that a copy of the approved budget **BE SUBMITTED** in both printed and electronic format to the National and Provincial Treasury in compliance with Section 22 of the Local Government: Municipal Finance Management Act, Act 56 of 2003.
6. That a Debt Incentive Scheme **BE DEVELOPED** and be tabled to Council for approval.