

EXTRACT OF AN ORDINARY COUNCIL MEETING HELD ON 29 MARCH 2018

18/03/F1 DRAFT MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) – BUDGET FOR THE FINANCIAL YEARS 2018/19 TO 2020/2021

Resolved (29 March 2018)

1. That the Executive Mayor recommends that the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 16 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the 2018/19 – 2020/21 Draft Annual Budget, as set out in the following tables:
 - a) Consolidated Budget Summary; [Table A1]
 - b) Budgeted Financial Performance (revenue and expenditure by standard classification); [Table A2]
 - c) Budgeted Financial Performance (revenue and expenditure by municipal vote); [Table A3]
 - d) Budgeted Financial Performance (revenue by source and expenditure by type); [Table A4]
 - e) Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source. [Table A5]

2. That the budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set-out in the following tables:
 - a) Budgeted Financial Position; [Table A6]
 - b) Budgeted Cash Flows; [Table A7]
 - c) Cash backed reserves and accumulated surplus reconciliation; [Table A8]
 - d) Asset management; [Table A9]
 - e) Basic service delivery measurement. [Table A10]

3. That the proposed Tariff increases for the 2018/2019 Financial Year be as follows, with effect from 1 July 2018:

| | | |
|----------------|---|-------|
| Property rates | - | 7.5% |
| Water | - | 11.5% |

| | | |
|--|---|-------|
| Sanitation | - | 9% |
| Refuse | - | 8% |
| Electricity (average increase in electricity income) | - | 6.84% |
| Environmental Management Fee | - | 6% |

4. Indicative tariffs for 2019/20 and 2020/21 will be increased as follows:

| | <u>2019/20</u> | <u>2020/21</u> |
|---|----------------|----------------|
| Property rates | 7.5% | 7.5% |
| Water | 11.5% | 11.5% |
| Sanitation | 9% | 9% |
| Refuse | 8% | 8% |
| Electricity (average increase in electricity income) | 6.84% | 6.84% |
| Environmental Management Fee | 6% | 6% |

5. That the Director: Infrastructure and Engineering reports on the implementation of a strategy by 20 April 2018 to the Office of the Municipal Manager, to reduce non-technical and technical electricity losses.
6. That the Director: Infrastructure and Engineering reports on the implementation of a strategy by 20 April 2018 to the Office of the Municipal Manager, to reduce water losses.
7. That the Director: Community Services reports on the implementation of a strategy by 20 April 2018 to the Office of the Municipal Manager, to collect outstanding traffic fines.
8. That the Director: Corporate Services reports on the implementation of a strategy by 20 April 2018 to the Office of the Municipal Manager, to contain personnel expenditure.
9. That the relevant Directors submit their respective Maintenance Plans, in support of the 2018/19 – 2020/21 Draft Annual Budget to the Office of the Municipal Manager, by not later than 20 April 2018.
10. That the relevant Directors submit their respective Procurement Plans, in support of the 2018/19 – 2020/21 Draft Annual Budget to the Office of the Municipal Manager, by not later than 04 May 2018.
11. That the 2018/19 – 2020/21 Draft Annual Budget be referred to the Budget Steering Committee for further deliberations on 10 April 2018 and 24 April 2018 respectively, whereafter the Draft Budget be referred to a Special Mayoral Committee Meeting as well as a workshop for all Councillors.

12. That the Revenue Enhancement Task Team report back to Council by the next Council meeting on strategies to reduce debt impairment.
13. That the EMF be ringfenced and used for the purpose for which it was created.