

## CORPORATE SERVICES BUSINESS UNIT

**EXTRACT FROM THE UNCONFIRMED MINUTES OF THE FULL COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, CITY HALL ON FRIDAY, 31 MAY 2019.**

**DRAFT BUDGET AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2019/2020 TO 2020/2021**

Report dated 27 May 2019 incorporating the recommendations of the Executive Committee.

- (i) Mayoral Budget speech for the financial period 2019/2020 delivered on the 31<sup>st</sup> May 2019.
- (ii) Annual Budget and Medium Term Revenue and Expenditure Framework 2019/2020 to 2021/2022.

(Tabled at meeting)

It was

**RESOLVED**

- (a) That the Annual Consolidated Budget of the Municipality for the financial year 2019/20, multi-year and single-year capital appropriations as set out in Tables A2 – A5 of the budget report be APPROVED, as follows:
  - (i) Consolidated Budgeted Financial Performance (Revenue and Expenditure by Standard Classification) as contained in Table A2.
  - (ii) Consolidated Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote) as contained in Table A3.
  - (iii) Consolidated Budgeted Financial Performance (Revenue by Source and Expenditure by Type) as contained in Table A4; and
  - (iv) Consolidated Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.
- (b) Consolidated financial position, Consolidated cash flow budget, Consolidated cash-backed reserve/accumulated surplus, Consolidated asset management and Consolidated basic service delivery targets as set out in Tables A6 – A10 of the budget report be APPROVED, as follows:
  - (i) Budgeted Financial Position as contained in Table A6.
  - (ii) Budgeted Cash Flows as contained in Table A7.
  - (iii) Cash Backed Reserves and Accumulated Surplus Reconciliation as contained in Table A8.
  - (iv) Asset Management as contained in Table A9; and
  - (v) Basic Service Delivery Measurement as contained in Table A10
  - (vi) Basic Service Delivery Measurement as contained in Table A10.
- (c) That the proposed property rates and taxes imposed for the budget year 2019/20 be approved as follows:

	2018/19 Cents in the R	2019/20 Cents in the R	Inc.
(a) Vacant Land - No rebate granted	0.0243	0.0229	-6.0%
(b) Unauthorised Use (inclusive of surcharges)	0.0418	0.0393	-6.0%
(c) Residential Property	0.0134	0.0126	-6.0%
(d) Commercial Property	0.0236	0.0222	-6.0%
(Previous Category: Other Property)			

(e) Industrial Property (Previous Category: Other Property)	0.0236	0.0222	-6.0%
(f) Specialised Property (Previous Category: Other Property)	0.0236	0.0222	-6.0%
(g) Agricultural Property	0.0033	0.0031	-6.0%
(h) Public Service Infrastructure	0.0033	0.0031	-6.0%
(i) Rural Communal Property	0.0182	0.0172	-6.0%
(j) Home Business Property <b>(now treated as Commercial Property)</b>	<b>0.0182</b>		<b>0.0000</b>
(k) Sectional Title Garages – Separately Registered	0.0134	0.0126	-6.0%
(l) Mining	0.0236	0.0222	-6.0%
(m) Public Benefit Organisations	0.0033	0.0031	-6.0%
Additional Rebate	100%		100%
(n) <b>Public Service Property</b>	<b>0.0222</b>		<b>NEW</b>
(o) Multipurpose Property			

Applicable tariff will be charged in respect of the combination of categories above.

In terms of Section 26 and 27 of the Local Government: Municipal Property Rates Act 6 of 2004, the final date by which each monthly instalment is payable, has been fixed as follows:

<u>Instalment</u>	<u>Final Date</u>
<b>July 2019</b>	<b>31 August 2019</b>
<b>August 2019</b>	<b>30 September 2019</b>
<b>September 2019</b>	<b>31 October 2019</b>
<b>October 2019</b>	<b>30 November 2019</b>
<b>November 2019</b>	<b>31 December 2019</b>
<b>December 2019</b>	<b>31 January 2019</b>
<b>January 2020</b>	<b>29 February 2020</b>
<b>February 2020</b>	<b>31 March 2020</b>
<b>March 2020</b>	<b>30 April 2020</b>
<b>April 2020</b>	<b>31 May 2020</b>
<b>May 2020</b>	<b>30 June 2020</b>
<b>June 2020</b>	<b>31 July 2020</b>

- (d) That with effect from 1 July 2019, the proposed tariffs as contained in the tariffs of charges be approved as follows:
- (i) The tariffs for electricity 13.07%
  - (ii) The tariffs for the supply of water 9.6%
  - (iii) The tariffs for sanitation services 6%
  - (iv) The tariffs for solid waste services 6%
  - (v) Sundry revenue tariffs 6%
- (e) That all the following budget related policies as per the Annexure (Annual Budget and Medium Term Revenue and Expenditure Framework 2019/20-2021/22 Book) submitted in terms of Section 7 of Municipal Budget and Reporting Regulations, be APPROVED:-
- i. Virement policy
  - ii. Cash Management and Investment policy
  - iii. Funding and Reserves policy
  - iv. Credit Control and Debt Collection policy
  - v. Tariff policy
  - vi. Indigent policy
  - vii. Supply Chain Management policy
  - viii. Supply Chain Management Policy Part 2: Infrastructure
  - ix. Assets Management policy
  - x. Grants policy
  - xi. Insurance policy
  - xii. Borrowing policy
  - xiii. Rates policy
  - xiv. Fruitless and wasteful expenditure policy

- xv. Infrastructure Procurement and delivery management procedure manual
  - xvi. Contract management policy
  - xvii. Petty Cash policy
  - xviii. Inventory Management policy
  - xix. Appointment of consultants policy
  - xx. Commitments policy
  - xxi. Borrowing policy
  - xxii. Asset management guideline
  - xxiii. General Insurance policy
- (f) That with effect from 1 July 2019 the proposed tariffs for other sundry services as contained in the tariffs of charges be approved.
- (g) That authority be granted to the Municipal Manager to submit the Approved Annual budget and Medium Term Revenue and Expenditure Framework 2019/20 to 2021/22 to the National and Provincial Treasury and all other relevant stakeholders.
- (h) That authority be granted to the Municipal Manager to publish the Approved Annual budget and Medium term Revenue and Expenditure Framework 2017/18 to 2019/20 in terms of Chapter 4 of the Municipal Systems Act of 2000 (as amended).
- (i) That authority be granted to the Municipal Manager to publish the budget related policies on the Internet and in all municipal buildings.
- (j) That an appeal be submitted to SALGA regarding the proposed increased Water Tariff of 20.94% by Umgeni Water.

*CERTIFIED A TRUE COPY*

***Bongiwe Duze***

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**For GENERAL MANAGER: CORPORATE SERVICES**

11 June 2019

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