

**FINANCE: MFMA SECTION 16(1) & (2) - FINAL BUDGET 2016 / 17 & BUDGET RELATED POLICIES (5/1/1) (CFO)**

**LC.MC-66/05/2016 RESOLUTION**

1. **That** the annual budget which comprises of the Operational Revenue of R726,416,000, Operational Expenditure of R709, 231,000 and Capital Expenditure of R57,011,000 for the 2016/17 Financial Year as contained in the following tables be approved:
  - a) Table A1 - Budget Summary;
  - b) Table A2 – Budgeted Financial Performance (Revenue and expenditure by standard classification);
  - c) Table A3 – Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote);
  - d) Table A4 – Budgeted Financial Performance (Revenue and Expenditure);
  - e) Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding;
  - f) Table A6 - Budgeted Financial Position;
  - g) Table A7- Budgeted Cash Flows;
  - h) Table A8 - Cash backed reserves / accumulated surplus reconciliation; and
  - i) Table A9 - Asset management; and
  - j) Table A10 – Basic Service Delivery Measurement
  
2. **That** the supporting budget tables SA1 to SA36 attached as ANNEXURE 66A / 2016 containing additional information on the proposed budget be approved.
  
3. **That** the following policies for the 2016 / 2017 Financial Year attached as ANNEXURE 66B66M / 2016 be approved:

## Office of the Municipal Manager

- Credit control and debt collection policy - reviewed
  - Indigent management policy - reviewed
  - Investment policy – no changes
  - Rates policy - reviewed
  - Tariff policy - reviewed
  - Budget policy - reviewed
  - Asset management policy - reviewed
  - Inventory management policy - reviewed
  - Cash management and payment of creditors policy - reviewed
  - Virement policy – no changes
  - Loan policy – no changes
  - Unauthorised, irregular and fruitless and wasteful expenditure policy - reviewed
  - Grants policy – no changes
  - Supply chain management policy – reviewed
  - Insurance management policy – new policy
4. **That** the following rates, levies, taxes and other tariffs for the 2016 / 2017 Financial Year, the determination of rate levies be approved and promulgated as required in terms of Section 4(2) of the Local Government: Municipal Property Rates Act, No 6 of 2004:
- Electricity revenue (NERSA guideline) – 7.64%
  - Water revenue (Rand water guideline) – 12.9%
  - Refuse removal (National Treasury guideline) – 7%
  - Sewerage (National Treasury Guideline) – 7%
  - Property Rates (National Treasury guideline) – 7%

5. **That** it be noted that the electricity tariffs are subject to approval by the electricity regulatory body (NERSA) and that the approved tariffs be submitted to Council.
  
6. **That** all relevant By-Laws be promulgated on government gazette.
  
7. **That** it be noted that the 2016 / 2017 Budget is informed by the Integrated Development Plan.



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**Isaac Rampedi**  
**Acting Municipal Manager**