

EXTRACT FROM THE UNCONFIRMED MINUTES OF THE SPECIAL COUNCIL MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON THURSDAY, 31 MAY 2018 AT 09H08

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Resolution C/2/93/05/18

OPERATING AND CAPITAL BUDGET: 2018/2019 AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)

Department: Finance Demarcation: All Wards

File Ref: 5/1/1/4

Resolved

1. That the Council of the Bitou Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act (Act 56 of 2003), approves and adopts for implementation:
 - a) The Annual Budget of the municipality for the 2018/**19** financial year and the multi-year and single-year capital appropriations as set out in the following tables:
 - i) Budgeted Financial Performance (revenue and expenditure by standard classification) (MBRR Table A2);
 - ii) Budgeted Financial Performance (revenue and expenditure by municipal vote) (MBRR Table A3);
 - iii) Budgeted Financial Performance (revenue by source and expenditure by type) (MBRR Table A4); and
 - iv) Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source. (MBRR Table A5).
 - v) The financial position, cash flow Budget, cash-backed reserve/accumulated surplus, asset management and the Final Draft basic service delivery targets are approved as set out in the following tables:
 - vi) Budgeted Financial Position (MBRR Table A6);
 - vii) Budgeted Cash Flows (MBRR Table A7);
 - viii) Cash backed reserves and accumulated surplus reconciliation (MBRR Table A8);
 - ix) Asset management (MBRR Table A9); and
 - x) Basic service delivery measurement (MBRR Table A10).

2. That the Council of Bitou Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the tariffs for property rates, the tariffs for electricity, the tariffs for the supply of water, the tariffs for sanitation services, the tariffs for solid waste services as set out in Annexure A.
3. That the Council of Bitou Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the tariffs and fees for other services, as also set out in Annexure A.
4. That the Council of Bitou Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts **the following** Budget related policies as set out in Annexure D;
 - (a) Borrowing Policy and guidelines
 - (b) Petty Cash Policy
 - (c) Credit Control & Debt Collection Policy, **subject to the following amendments:**
 - (i) **That clause (e) under the heading 4.5: *Duties and functions of councilors*, be deleted.**
 - (d) Tariff Policy
 - (e) Liquidity, Funding and Reserves Policy
 - (f) Supply Chain Management Policy for Goods & Services
 - (g) Investment & Cash Management Policy
 - (h) Asset Management Policy
 - (i) Property Rates Policy
 - (j) Indigent Support Policy
 - (k) Budget Implementation and Monitoring Policy
 - (l) Travelling Allowance Policy
 - (m) Overtime Policy
 - (n) Infrastructure Procurement & Delivery Policy
 - (o) Subsistence and Travel Allowance Policy
5. To give proper effect to the municipality's Annual Budget, the Council of Bitou Local Municipality approves:
 - (a) That cash backing be implemented through the utilisation of a portion of the realisable accumulated surplus as at the end of the financial year to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
6. That the Council approves the Long Term Financial Plan attached as Annexure G.

- 7. That a report be submitted to Council in June 2018 giving in-depth background on the AMA 50/50 incentive in the Credit Control and Debt Collection Policy, and coming forward with possible solutions to the proposal of allowing consumers in the R3,600 – R10, 000 income group relief regarding the payment period, and other proposals.**
- 8. That a properly planned communication strategy be deployed via roadshows where all issues of payment of services will be addressed.**

Proposed: Councillor S E Gcabayi

Seconded: Councillor L M Seyisi

To be Actioned by: Chief Financial Officer