



DR. BEYERS NAUDÉ LOCAL MUNICIPALITY

MINUTES

VIRTUAL SPECIAL COUNCIL MEETING

MONDAY, 13 JULY 2020

@ 12H00

SCOUN-
063.1/20

BUDGET 2020/21 TO 2022/2023 MTREF

PURPOSE

The purpose of this report is to table to Council the proposed budget for 2020/21 financial year.

BACKGROUND/INTRODUCTION

The council must annually table a budget before or on 31 May of every financial year. This was however impossible due to Covid-19 pandemic. The MFMA also makes provision, in absence of above, for annual budget to be tabled before 1 July of every financial year.

CONTENT

The annual budget 2020/2021 is herewith tabled to Council.

FINANCIAL IMPLICATIONS

As per annual budget 2020/2021.

LEGAL FRAMEWORK

Municipal Finance Management Act, Act 56 of 2003
Municipal Budget and Reporting Regulations

COMMENTS FROM THE ACTING CHIEF FINANCIAL OFFICER:-

Recommendation supported.

**MM
ADCS
ACFO
ADE&A
ADCOMS**

COMMENTS FROM ACTING DIRECTOR: CORPORATE SERVICES:-

Recommendation supported.

COMMENTS FROM THE ACTING DIRECTOR: COMMUNITY SERVICES:-

Recommendation supported.

COMMENTS FROM THE ACTING DIRECTOR: ENGINEERING AND PLANNING SERVICES:-

Recommendation supported.

CONCLUSION

The budget will be made public as required.

RESOLVED

(a) That the annual budget 2021/2022 and 2022/2023 be adopted as detailed hereunder:-:

1 The annual budget of the Dr Beyers Naudé Municipality for the financial year 2021/2022 and the indicative allocations for the projected outer years 2021/22 and 2022/23; and the multi-year and single year capital appropriations be approved for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in the following tables:-

1.1 Consolidated Budget Summary – Schedule A1.

1.2 Budgeted Financial Performance (revenue and expenditure by standard classification) – Schedule A2.

1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) – Schedule A3.

1.4 Budgeted Financial Performance (revenue by source and expenditure by type) – Schedule A4.

1.5 and Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source – Schedule A5.

2 The final 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:-

- 2.1 Budgeted Financial Position – Schedule A6
- 2.2 Budgeted Cash Flows – Schedule A7
- 2.3 Cash backed reserves and accumulated surplus reconciliation – Schedule A8
- 2.4 Asset management – Schedule A9
- 2.5 Basic service delivery measurement – Schedule A10

3 The service tariffs and property rates be increased by 6% and Electricity by 9% as per the tariffs schedule with effect from 1 July 2020;

4 The indicative tariffs for 2021/22 and 2022/23 be increased as follows:-

	2021/22	2022/23
Property rates	6%	6%
Water	6%	6%
Sanitation	6%	6%
Refuse	6%	6%
Electricity	15%	15%

5 That the detailed capital budget as per Annexure C be approved;

6 That the tariffs, fees and charges as reflected on the tariff list, in terms of Section 30 (2) and 93 4) of the Local Government: Municipal Structures Act, Act No: 117 of 1998 (as amended), read with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, be approved with effect 1 July 2020

7. That the following final reviewed budget related policies be approved:-

- (a) Credit control and debt collection
- (b) Tariff policy
- (c) Supply Chain Management Policy
- (d) Asset management policy
- (e) Cash management, banking & investment policy
- (f) Budget policy
- (g) Virement policy
- (h) Funding and reserve policy
- (i) Borrowing policy
- (j) Indigent support policy
- (k) Rates Policy
- (l) Contract Management Policy
- (m) Unauthorised, Fruitless & Wasteful and Irregular Expenditure policy
- (n) Rewards, gifts and favours policy
- (o) Inventory management policy
- (p) Transport and fleet management policy

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| | <p>8. That the following final by-laws be approved:</p> <ul style="list-style-type: none">(a) Tariff by-law(b) Credit control and debt collection by-law(c) Rates by-law <p>9. All Councillors demonstrate political will to implement Council's approved Credit Control and Debt Collection policy</p> <p>10. Employee cost be capped at approved budget.</p> <p>11. Implementation of debt incentive scheme be accelerated</p> <ul style="list-style-type: none">a) Council be workshopped on the incentive scheme.b) Council to ensure marketing of the incentive scheme and Indigent subsidy. <p>12. Restructuring of arrear creditors to ensure funding of the budget.</p> <p>13. Professional Debt collection company be appointed to collect outstanding debtors.</p> <p>14. All conditional grant funding be ring fenced for grant related expenditure.</p> <p>15. Placement and appointment of staff be finalised.</p> <p>16. Moratorium be placed on all vacant position and only critical position be filled.</p> <p>17. The Organisational Structure be reviewed to suite operational requirements.</p> | |
| | <hr/> <p>SIGNED:</p> <p>THE SPEAKER
COUNCILLOR T.L. NONNIES
14 JULY 2020</p> | |

SIGNED:

THE MUNICIPAL MANAGER,
DR. E.M. RANKWANA
14 JULY 2020