



**EXTRACT FROM THE MINUTES OF A SPECIAL COUNCIL MEETING HELD ON  
FRIDAY, 3 JUNE 2020 AT 12H00 IN THE COUNCIL CHAMBERS, TOWN HALL,  
SOMERSET EAST**

**5. ITEMS**

**5.1 FINAL 2020/2021 IDP AND FINAL SDBIP**

**RESOLVED**

- 1) That Council approve the final reviewed 2020/2021 Integrated Development Plan (IDP) and Final SDBIP.

**5.2 ADOPTION OF FINAL MTREF BUDGET AND IDP FOR 2020/2021**

**RESOLVED**

- 1) That Council approves the Final Budget and Integrated Development Plan (IDP) for 2020/2021.
- 2) The Council of Blue Crane Route Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves of the contents of the following budget tables as prepared according to the MSCOA version 6.4:
- 3) The final annual budget of the municipality for the financial year 2020/2021 and the multi-year and single-year capital appropriations as set out in the following tables:
  1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in BCRM Table A2;
  2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in BCRM Table A3;
  3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in BCRM Table A4; and
  4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in BCRM Table A5.

- ii. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
1. Budgeted Financial Position as contained in BCRM Table A6;
  2. Budgeted Cash Flows as contained in BCRM Table A7;
  3. Cash backed reserves and accumulated surplus reconciliation as contained in BCRM Table A8;
  4. Asset management as contained in BCRM Table A9; and
  5. Basic service delivery measurement as contained in BCRM Table A10.
- iii. That the Council approves the 2020/2021 final Capital Budget and the following conditions applicable thereto for approval:
- iv. That Council approves all the Supporting documentation for approval included in this final 2020/2021 MTREF budget reflecting SA1 to SA37, as described by National Treasury.
- v. That Council approves of the recommended tariff structure percentage increases, as follows:
- Rates – 5%
  - Water, Sewer/Sanitation and Sundry – 5%
  - Refuse - 10% and
  - Electricity – 6.22% depending on NERSA's approval; plus
  - **Electricity - pre-paid basic charges as approved by Council in 2019/20 to be phased in over three years – Residential – additional 17c/kwh and businesses and additional – 61c/kwh up to the first 150kwh.**
  - The Final 2020/2021 Tariff Book attached.
- 4) That Council approves the provisional increase in salaries of 6.25% is included in the budget, but it be noted that it is not the final approved increase as the CPI may differ.
- i. That Council approves the contents of the 2020/2021 Final Procurement Plan.
  - ii. That Council approves the following undermentioned twenty-four (24) financial budget related policies that are in place, the current status are still the same and must be reviewed for the 2020/2021 financial year:

- 1) Asset Management Policy
- 2) Budget Policy
- 3) Cash Management and Payment of Creditors Policy
- 4) Cash Receipt and Banking Policy
- 5) Cost Estimation Policy
- 6) Financial Framework Policy
- 7) Investment Policy
- 8) Tariff ex Revenue By-Law
- 9) Rewards, Gifts and Favours Policy
- 10) Supply Chain Management Policy
- 11) Credit Control and Debt Collection ex Revenue By-Law
- 12) Rates Policy & By-Law
- 13) Fruitless Wasteful Expenditure Policy
- 14) Borrowing Policy
- 15) Funding and Reserve Policy
- 16) Long-Term Financial Planning Policy
- 17) SCM Policy for Infrastructure and Delivery Management
- 18) Contract Management Policy
- 19) Petty Cash Policy
- 20) Appointment of Consultants Policy
- 21) Virement Policy
- 22) Indigent Policy
- 23) Capital Infrastructure Investment Policy
- 24) Cost Containment Policy

iii. That Council approves the following undermentioned procedure manuals that are in place within the Budget & Treasury Office, the current status are still the same and must be reviewed for the 2020/2021 financial year:

- 1) Fixed Assets Procedures
- 2) Purchasing Procedures
- 3) Petty Cash Procedures
- 4) Debtors Procedures
- 5) Bank Reconciliation Procedures
- 6) Creditors Payment Procedures
- 7) Budgeting Procedures
- 8) Cash Office Working Procedures
- 9) Loss Management Procedures
- 10) Payroll Working Procedures
- 11) Revenue Control Procedures
- 12) Valuation Levying of Assessment Rates Procedures
- 13) Meter Reading Procedures
- 14) Stores Procedures
- 15) S&T Procedures
- 16) Indigent Procedures

- 17)Accounting Procedures
- 18)AFS Procedures
- 19)Loans Procedures
- 20)Supply Chain Management Procedures
- 21)Contract Management Procedures
- 22)Housing/Human Settlements Procedures
- 23)Town Planning Procedures
- 24)Property Valuation Procedures
- 25)Credit Control Procedures (Dis/Reconnection)
- 26)Opening Customer Accounts Procedures
- 27)Clearance Certificate Process - closing of accounts Procedures
- 28)Billing Procedure Manual

5) That Council takes into account all comments, objectives and input received on and before 27 May 2020 from the public and stakeholders and presented in this meeting to council, before the final adoption of the Final 2020/2021 IDP, the Final 2020/2021 SDBIP and Final 2020/2021 MTREF Budget documents on 29 May 2020.

6) That Council note that the abovementioned MTREF Budget will be submitted to National and Provincial Treasury within the prescribed time frames and placed on the municipal website.

7) That Council takes note that this budget was found funded by Provincial Treasury, see attached copy.

8) That Council noted that the following forms part of the abovementioned MTREF Budget document and must be signed by the Mayor, the Municipal Manager and the Director: Finance (CFO):


- |                                 |   |
|---------------------------------|---|
| ▪ Mayor's Report                | - signed by the Mayor                       |
| ▪ Executive Summary             | - signed by the Director: Finance           |
| ▪ Extract of Council Resolution | - signed by the Mayor and Municipal Manager |
| ▪ Quality Certificate           | - signed by the Municipal Manager           |

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**THE UNDERSIGNED HEREBY ACKNOWLEDGE THAT THE ABOVE IS A TRUE REFLECTION OF THE EXTRACT OF MINUTES TAKEN AT THE ABOVE MEETING HELD ON 3 JUNE 2020.**

  
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**MR THABISO KLAAS**  
**MUNICIPAL MANAGER**

02/07/2020  
 DATE

  
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**CLLR BONISILE MANXOWENI**  
**MAYOR**

02/07/2020  
 DATE