

MOGALAKWENA MUNICIPALITY

EXTRACT FROM THE MINUTES OF A MEETING OF THE COUNCIL OF MOGALAKWENA MUNICIPALITY HELD AT MOKOPANE ON 28 APRIL 2011.

**“19. FINAL 2011/12 TO 2013 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK:
2011/12 FINANCIAL YEAR (6/1/1/34)KJM
(ITEM 3 AGENDA SPECIAL EC 19 APRIL 2011)**

RESOLVED:

THAT

- a) *the annual budget for the financial years 2011/12 to 2013/14 as set out in the following tables and schedules be approved:*
 - i) *Budget summary reflected as table A1 (attached as page 27)*
 - ii) *Budgeted Financial Performance (revenue and expenditure by standard classification reflected as table A2 (attached as pages 28 to 30)*
 - iii) *Budgeted Financial Performance (revenue and expenditure by municipal vote) reflected as table A3 (attached as pages 31 to 35)*
 - iv) *Budgeted Financial Performance reflected as table A4 (attached as page 36)*
 - v) *Budgeted Capital Expenditure by vote, standard classification and Funding reflected as table A5 (attached as pages 37 to 41)*
 - vi) *Budgeted Financial Position reflected as table A6 (attached as page 42)*
 - vii) *Budgeted Cash Flows reflected as table A7 (attached as page 43)*
 - viii) *Cash backed reserves / accumulated surpluses reconciliation reflected as table A8 (attached as page 44)*
 - ix) *Asset Management reflected as table A9 (attached as page 45)*
 - x) *Basic Service Delivery Measures reflected as table A10 (attached as page 46)*
 - xi) *Supporting information, charts and explanations of trends and anomalies for each table reflected as table SA 1 – SA 37. (attached as pages 47 to 93)*
- b) *the final 2011/12 to 2013/14 capital budget as attached on pages 94 to 111, be approved.*
- c) *in terms of section 14 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) the assessment rates reflected in Annexure A attached as pages 112 to 115 to the special executive committee agenda dated 19 April 2011 be approved for the budget year 2011/12.*

2.

- d) *in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs and charges reflected in Annexure B to G attached as pages 116 to 128 to the special executive committee agenda dated 19 April 2011, be approved for the financial year 2011/12.*
- e) *in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) an average of 20.38% increase on the electricity tariffs as reflected in Annexure H attached as pages 129 to 136 to the special executive committee agenda dated 19 April 2011, and subject to the approval of NERSA, be approved.*
- f) *the Tariff Policy attached as pages 137 to 152, the amended Rates Policy attached as pages 153 to 169, amended Credit Control and Debt Collection Policy attached as pages 170 to 180, amended Indigent Policy attached as pages 181 to 186, the Investment and Cash Management Policy attached as pages 187 to 201, the Asset Management Policy attached as pages 202 to 233, the Asset Management Procedure Manual attached as pages 234 to 256 and the amended Supply Chain Management Policy attached as pages 257 to 307 to the special executive committee agenda dated 19 April 2011, be approved for the budget year 2011/12.*
- g) *transfer of savings in respect of the operating budget be limited to expenditure within the same vote and expenditure category unless the mayor authorizes the transfer.*
- h) *the 2011/12 capital and operating budget be submitted to National Treasury and Provincial Treasury in both electronic and printed format immediately after tabling the budget but no later than 8 May 2011.*
- i) *interest on all amounts in arrears be charged at the rate determined from time to time in terms of the provisions of the Prescribed Rate of Interest Act, 1975 (Act 54 of 1975) or any other relevant Act.*
- j) *it be noted that section 53(1)(c)(ii) of the MFMA provides that the Mayor must take all reasonable steps to ensure that the municipality's Service Delivery and Budget Implementation Plan is approved by the Mayor within 28 days after the approval of the budget.*
- k) *it be noted that the final job evaluation results from SALGBC have not yet been issued to the municipality and no provision was made on the budget for the implementation of the salaries in the 2011/12 budget year.*
- l) *council approves that if a consumer is in arrears on his rates, levies and other services the selling of pre-paid electricity/water be reduced to 30% of the amount paid and the 70% be allocated to the arrear account until the full outstanding amount has been paid or an installment agreement has been signed and if the consumer defaults on the installment agreement the selling of pre-paid electricity/water again be reduced with 70% with immediate effect and defaulting consumers also be prohibited from renewing their vehicle license registrations.*
- m) *the following indigent welfare package for 2011/12 be approved:*

3.

Package Compilation for Indigent	2010/2011 R (VAT excluded)	2011/2012 R (VAT excluded)
<i>Rates – R100 000 Valuation</i>	35.82	37.97
<i>Refuse (up to 500 m2)</i>	32.61	34.57
<i>Sewage (up to 500 m2)</i>	16.68	17.68
<i>Electricity – 50kwh</i>	30.50	31.50
<i>Water – 6kl</i>	40.77	44.22
<i>Total indigent package per month</i>	156.38	165.94

- n) *the following be adhered to:*
- 1. printing and stationery – no glossy prints, pamphlets and no stock piling of any stationery;*
 - 2. no printing and procuring of paraphernalia, like caps, t-shirts, etcetera;*
 - 3. no overnight accommodation unless approved by the municipal manager or acting municipal manager;*
 - 4. maximize passenger capacity per vehicle for all trips;*
 - 5. no farewell functions to be financed by Mogalakwena Municipality.*
- o) *the tariff increase for water will be 8,5% for 2011/12 as indicated in the letter from Lepelle Northern Water attached as pages 368(a) to 368(b).*
- p) *it be noted that the MIG projects are less than the DoRA allocation due to unspent conditional grants that reverted back to National Treasury.”*

CERTIFIED A TRUE COPY.

SIGNED ON 10 MAY 2011 AT MOKOPANE.

**IRENE DE VILLIERS
ACTING MANAGER : CORPORATE SUPPORT SERVICES**