



Mogale City



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26 JUNE 2024

EXTRACT FROM THE MINUTES OF THE 09th ORDINARY COUNCIL MEETING OF MOGALE CITY LOCAL MUNICIPALITY FOR THE TERM 2021-2026, HELD ON WEDNESDAY 26 JUNE 2024 AT 10:00 IN THE COUNCIL CHAMBER.

ITEM K (ii) 2 (06/2024)

Proposed of Annual Budget Report & Two Outer Years 2024/25- 2026/27

There were different views on the item from Councillors and the Speaker ruled on the following rule:

Rule 18 of the Council Rules of Order which states: "*all questions concerning matters listed in Section 160(2) of the constitution may only be considered by council and determined by a decision taken with a supporting vote of 50% plus one of all members present in the meeting of council*".

PARTY	NO. OF CLLRS	IN FAVOUR OF ADOPTION	AGAINST ADOPTION	RESULTS
ANC	29	For adoption		<ul style="list-style-type: none">• 41 total number voted for adoption.• 1 Abstained.• 29 Against adoption
DA	25		Against adoption	
EFF	09	For adoption		
FF+	04		Against adoption	
IFP	1	For adoption		
ATM	1	For adoption		
PAC	1	For adoption		
ACDP	1		Abstained	

The above-mentioned item was adopted as it is reflected on the results of voting mentioned above.

RESOLVED:

1. That cognizance be taken of the following:

- 1.1. Of the annual IDP, Budget of Mogale City Local Municipality for the financial years 2024/2025 and the indicative estimates for the two projected outer years for 2025/2026 and 2026/2027, as set out in the schedules listed be approved after consulting with all relevant stakeholders as tabled and approved by council.
- 1.2. of the report tabled for approval of the annual budget and its supporting documents (draft tariffs schedules, review and 24d and new budget related policies) for the 2024/2025 to 2026/2027 Medium Term Revenue & Expenditure Framework (MTREF) as required by section 23 (2) and 24 (1) of the Municipal Finance Management Act (MFMA) No.56 OF 2003.
- 1.3. Of the fact that the annual budget proposed a surplus of R11 366 873 and reflects a funded position and affordable as per National Treasury assessment (See attached schedule 5).
- 1.4. Of the revenue budget limited to 89% of the collection rate against the billed revenue.
2. Of the annual budget of the municipality for the financial year 2024/2025 and the multi-year and single year capital appropriations as set out in accordance with Municipal Budget and Reporting (MBRR) section 9 in the following tables be considered for approval:
 - 2.1 Schedule 1 2024/2025 Summary of Proposed Revenue & Expenditure.
 - 2.2 Schedule 2 (a) 2024/2025 Proposed Capital Budget Project List.
 - 2.3 Schedule 2 (b) 2024/2025 Out – Of – Books Capital Budget Project List
 - 2.4 Schedule 3 (a) 2024/2025 Proposed Rates, Service Charges Tariffs and User Charges, Bulk Contributions & Wayleaves Tariffs.
 - 2.5 Schedule 3 (b) 2024/2025 Proposed Electricity Tariffs Restructuring.
 - 2.6 Schedule 4 MBRR TABLE A1 TO TABLE A10.
3. The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by Local Government. Of the provision made for a 4,9% increase in the salaries of employees which was informed by the average CPI expected.
4. The municipality has budgeted remuneration to councillors 4.9% increase to avoid under budgeting an increase based on the projected average CPI percentages for 2023.
5. Of the reviewed Integrated Development Plan (IDP) in which the Executive Mayor had identified and prioritized the community needs as well as recommending to the Municipal Council the strategies, programmes, and services to address these priority needs.
6. That the Council of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the following tariffs for approval:
 - 6.1. the tariffs for electricity – as set out in Schedule 3(a).

- 6.2. the tariffs for restructuring of electricity – as set out in Schedule 3 (b)
 - 6.3. the tariffs for the supply of water – as set out in Schedule 3(a).
 - 6.4. the tariffs for sanitation services – as set out in Schedule 3(a).
 - 6.5. the tariffs for property rates – as set out in Schedule 3(a).
 - 6.6. the tariffs for solid waste removal – as set out in Schedule 3(a).
 - 6.7. the tariffs for other services, as set out in Schedule 3 (a).
 - 6.8. the tariffs for bulk contributions and wayleaves, as set out in Schedule 3(a)
7. That the Council of Mogale City Local Municipality, in terms of Section 5 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the reviewed rates policy for approval.
 8. That the Council of Mogale City Local Municipality, in terms of Section 6 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the rates By- laws to give effect to the rates policy for approval.
 9. That based on the determination, the municipality has included in the budget the 3.3% cost of living adjustment of the upper limits of the total remuneration packages payable to senior managers.
 10. That the following reviewed & new budget related policies be tabled for approval:
 - Annexure 1: Reviewed Property Rates Policy
 - Annexure 2: Reviewed Property Rates By-Law
 - Annexure 3: Reviewed Supply Chain Management
 - Annexure 4: Reviewed Credit Control and Debt Collection Policy
 - Annexure 5: Reviewed Tariff Policy
 - Annexure 6: Reviewed Financial Misconduct Policy
 - Annexure 7: Reviewed Water and Sanitation Tariff Policy
 - Annexure 8: Reviewed Electricity Tariff Policy
 - Annexure 9: Reviewed 2% Corporate Social Responsibility
 - Annexure 10: Reviewed Cash Management & Investment Policy
 - Annexure 11: Reviewed Borrowing Policy
 - Annexure 12: Reviewed Funding and reserves
 - Annexure 13: Reviewed Long Term Financial Plan Policy
 - Annexure 14: Reviewed Asset Management Policy
 - Annexure 15: Reviewed Indigent Management Policy
 - Annexure 16: Reviewed Employment Equity policy
 - Annexure 17: Reviewed Recruitment Policy
 - Annexure 18: Reviewed Overtime Policy
 - Annexure 19: Reviewed Grant in Aid Policy
 - Annexure 20: Reviewed Indigent Burial Policy
 - Annexure 21: Reviewed Liquidity Policy
 - Annexure 22: Reviewed Waste Management norm & standard policy
 - Annexure 23: Reviewed Unclaimed Monies Policy
 - Annexure 24: Reviewed Cost Containment Policy
 - Annexure 25: Reviewed Budget Management Policy
 - Annexure 26: Reviewed Adjustment Budget Policy
 - Annexure 27: Reviewed Virement Policy
 - Annexure 28: Reviewed Cashier Shortages and Surpluses
 - Annexure 29: Reviewed VAB Remuneration Policy VAB Members

- Annexure 30: Reviewed Mogale City Local Municipality By-Laws for the control of outdoor advertising Signs and Hoardings
- Annexure 31: Reviewed Capital project and Infrastructure investment policy
- Annexure 31 (2): Mogale City CEF Reviewed – 2024-2025 As part of Annexure 31.
- Annexure 32: Reviewed Supplier Performance Monitoring Policy
- Annexure 33: Acting policy (new)
- Annexure 34: Bursary policy (new)

11. That the following budget related policies be noted as were approved during the past financial years and remain in force for the 2024/2025 financial year: 1.

11.1 Write Off Policy.

11.2 Sports & Recreation Facilities Tariff Policy.

11.3 Public Safety Tariff Policy.

11.4 Water Services By-laws.

11.5 Mogale City Tree Management & Conservation Policy.

11.6 Mogale City Parks By-Laws.

11.7 Fleet Management Policy.

11.8 Methodology – Impairment Assessment of Useful lives for Assets
Policy

11.9 Reviewed Bulk Contributions Policy.

12. That the report tabling for approval annual budget of Mogale City Local Municipality for the financial years 2024/2025 and the indicative estimates for the two projected outer years for 2025/2026 and 2026/2027, **as set out in the Schedule 4 attached MBRR Table A1 to Table A10 be noted.**

CERTIFIED A TRUE EXTRACT



**Councillor L SELE
SPEAKER**

27/06/2024

Date of Signature