

SUBMISSION OF THE 2015/16 TO 2017/18 OPERATING AND CAPITAL BUDGET, IDP AND POLICY DOCUMENTS (5/1/1–2015/16) (CHIEF FINANCIAL OFFICER)

Purpose of the report

To submit the 2015/16 to 2017/18 Operating and Capital Budget, IDP and Policy Documents and comments received on these Documents, to council for approval.

Legal Framework

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –
- (a) setting out realistically anticipated revenue for the budget year from each revenue source;
 - (b) appropriating expenditure for the budget year under the different votes of the municipality;
 - (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
 - (d) setting out –
 - (i) estimated revenue and expenditure by vote for the current year; and
 - (ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
 - (e) a statement containing any other information required by section 215 (3) of the Constitution or as may be prescribed.

- (2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.
- (3) When an annual budget is tabled in terms of section 16 (2), it must be accompanied by the following documents:
 - (a) draft resolutions –
 - (i) approving the budget of the municipality;
 - (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
 - (iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
 - (iv) approving any other matter that may be prescribed;
 - (b) measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;
 - (c) a projection of cash flow for the budget year by revenue source, broken down per month;
 - (d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;
 - (e) any proposed amendments to the budget-related policies of the municipality;
 - (f) particulars of the municipality's investments;
 - (g) any prescribed budget information on municipal entities under the sole or shared control of the municipality;
 - (h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;
 - (i) particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;
 - (j) particulars of any proposed allocations or grants by the municipality to –
 - (i) other municipalities;
 - (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
 - (iii) any other organs of state;
 - (iv) any organisations or bodies referred to in section 67 (1);
 - (k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of–
 - (i) each political office-bearer of the municipality;
 - (ii) councillors of the municipality; and
 - (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;
 - (l) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –

- (i) each member of the entity's board of directors; and
- (ii) the chief executive officer and each senior manager of the entity; and
- (m) any other supporting documentation as may be prescribed.

Section 23 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

Consultations on tabled budgets.

- (1) When the annual budget has been tabled, the municipal council must consider any views of—
 - (a) the local community; and
 - (b) the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.
- (2) After considering all budget submissions, the council must give the mayor an opportunity—
 - (a) to respond to the submissions; and
 - (b) if necessary, to revise the budget and table amendments for consideration by the council.

Background

The Dropbox "*links*" for the annexures of the IDP Review & SDBIP are:

IDP Review - <https://www.dropbox.com/s/e53s5ohv55y4rle/IDP%20REVIEW%2015%2016.pdf?dl=0>
SDBIP 15 16 - <https://www.dropbox.com/s/8iqxmt2jkpe4q3f/TL%20SDBIP%201516.xlsx?dl=0>
IDP Annexures - <https://www.dropbox.com/s/lrx7847jz1zq0e3/IDP%20ANNEXURES.rar?dl=0>

The budget documents and IDP were tabled by the Mayor at the Council Meeting of 25 March 2015, where after it was advertised. Information and question sessions with regard to the IDP and the 2015/16 budget were held with ward committees as well as the Business Chamber.

The IDP and the budget have been discussed at the LGMTEC 3 meeting on 05 May 2015 and the municipality responded on the Provincial Treasury Assessment. The assessment did indicate that the budget is responsive, credible and sustainable over the MTREF period.

The inputs received as part of the public participation process is included. The input has been considered by the Budget Steering Committee (Mayoral committee & Directors) on 20 May 2015.

Comments/objections were received from the following individuals / organisations:

1. PROVINCIAL TREASURY (LGMTEC ASSESSMENT)
2. BONNIEVALE BUSINESS CHAMBER
3. PUBLIC
4. AMENDMENTS TO TABLED BUDGET

Comments

A summary of the comments received and the response thereto are discussed below.

1) LGMTEC

Finding

Below are only the main findings as it relates to the Budget and not that of the IDP.

- The capital budget is demonstrating the Municipality's commitment towards investing in economic and environmental services and trading services (specifically electricity) which are the areas that will optimise municipal own revenue and likely to create a conducive economic climate together with stable delivery of services.
- The budget of the Municipality is responsive to its current socio-economic reality over the 2015 MTREF.

The budget is credible, sustainable and relevant; however, the municipality should be mindful of the following issues when adopting the final budget:

- The growth trends must be calculated from the adjusted budget to ensure that the growth trends are in line with assumptions.
- Table SA10 must be completed with accuracy to ensure that the measures are correct and a true reflection of the information in the budget.
- The Municipality's cost coverage as at 28 February 2015 is questionable as the YTD cash coverage was less than 1 however, the cost coverage is projected to be over 1 for each of the 2015/16 MTREF years.
- The Municipality's outstanding debtors are projected to increase by 50.8 per cent in 2015/16 and decrease by 49.2 per cent in 2016/17 as a result of past and current economic trends.

Municipal Response

- Budget increases are based on many factors, of which one factor being the last adjusted budget in March 2015.
- Table SA10 is completed accurately with the available information.
- Measures have been put in place to ensure that the projected 2.5 times cost coverage ratio will be achieved for the year, and it has improved since February 2015.
- The adjustments was made on past and current economic trends bearing in mind the huge hike in electricity tariffs, we foresee that consumer debtors will rise in 2015/16 and that there will be a decline in 2016/17 as the economy might pick up in 2016/17.

BONNIEVALE BUSINESS CHAMBER

INPUT:

1. Daar word aangedui dat die Eiendomsbelasting tariewe onveranderd gelaat gaan word vir die 2015/16 jaar. Dit beteken nie dat die eiendomsbelasting nie gaan verhoog nie – weens die nuwe waardasieproses wat tans in proses is. Soos in die Annual Budget Tables aangedui, word daar verwag om R41 054 000 te in met eiendomsbelasting in 2016 teenoor verwagte bedrag van R33 692 000 in 2015 jaar. Dit is n styging in eiendomsbelastings van 21,8% - wat 4 keer die inflasiekoers is. Dit is onbillik om eiendoms-eienaars met so n hoë verhoging te straf. Daar moet oorweeg word om die belasting tarief te verlaag sodat die eiendomsbelasting wat ingevorder gaan word nader aan die inflasiekoers is.
2. Die volgende tariefverhogings is almal hoër as die verwagte inflasiekoers en voel ons dat dit onbillik is om die hoër tariewe aan die belastingbetalers oor te dra.
 - Watertariewe se voorgestelde verhoging is 8%.
 - Sanitasie-tariewe (Riolering) voorgestelde verhoging is 8%.
 - Vullisverwydering se begrote verhoging is 10%.
3. Elektrisiteit se begrote verhogings is 12,8%. Daar moet verduidelik word hoe die beraming gemaak is van hierdie styging in hierdie moeilike tye met die baie onvoorspelbare beurtkrag. Die munisipaliteit het waarskynlik in ag geneem dat hulle minder elektrisiteit sal verkoop en moes sekere aannames maak oor die Eskom tariewe aan die munisipaliteit. Die vraag is of die munisipale wins % op elektrisiteit konstant gebly het met die begroting en of dit regverdigbaar is om die % konstant te hou indien ons sit met buitengewone stygings vanaf Eskom kant. Moet die % wins van die munisipaliteit dan nie verlaag word nie?
4. Salarisse/Lone en inkrimentele verhogings is volgens nuwe begroting 7%
 - Dit is hoër as inflasiekoers.
 - Verlede jaar het die personeelkoste (soos per 5. Annual Budget Tables) gestyg van R129 208 000 na R151 097 000. Dit was n styging van 16, 9%. Teen hierdie abnormale hoë styging is verlede jaar baie beswaar gemaak, sonder enige regstellende aksie van die munisipaliteit. Nou is daar weer op hierdie groot verhoogde koste van 2015 n begrote styging van 7%. Die personeelkoste-rekening van die munisipaliteit blyk buite beheer te wees en is op n galop.
5. Verduidelik asseblief die verhoging van 68% vir Repairs en Maintenance begroot.

Municipal Response

1. Die voorgestelde tariewe vir eiendomsbelasting gaan verlaag met die ter tafellegging vir goedkeuring nadat besware in ag geneem is wat eers op 02 April 2015 gesluit het. Die verwagte inkomste verhoog egter as gevolg van die implementering van die nuwe waardasierol met ingang 01 Julie 2015 en die feit dat heelwat nuwe geregisteerde eiendomme op die waardasierol is wat nie op die vorige waardasierol was nie

en ook die feit dat die begroting ter tafel gelê was op 25 Maart 2015 en die besware prosesse eers 2 April 2015 gesluit het.

2. Dit is wel so dat die tariewe bo inflasie styg. Die uitgawes van die munisipaliteit styg egter nie in lyn met inflasie nie en in baie gevalle is dit ver bo inflasie met byvoorbeeld brandstof en salarisse en dus is dit onmoontlik vir die munisipaliteit om tariewe te verhoog in lyn met inflasie anders gaan die munisipaliteit nie finansieël volhoubaar kan bestuur word nie. Die munisipaliteit het ook koste besparingsmeganismes in plek gesit.

3. In terme van NERSA se goedgekeurde riglyne gaan grootmaat aankope vanaf Eskom vir munisipaliteite styg met 14,24% en mag munisipaliteite hul tariewe lig met 12,2%. Die munisipaliteit het egter aansoek gedoen tot NERSA vir 'n 12,8% verhoging aangesien die munisipaliteit besig is met infasering van eenvormige tariewe vir die dorps- en landelike gebiede. Die winsgrens op elektrisiteit het die afgelope twee jaar afgeneem en die aanvraag na elektrisiteit is minder.

5. Salaris onderhandelinge tussen unies en SALGA is nog nie afgehandel nie en die munisipaliteit voorsien dat salarisse dalk met 7% kan styg afhangende die uitkoms van onderhandelinge en dit is alom bekend in Suid-Afrika dat unies nie verhogings aanvaar gelykstaande aan inflasie nie, dus die rede dat die munisipaliteit begroot het vir 7% verhoging.

6. Vanaf 2016/2017 word die munisipaliteit verplig in terme van NERSA goedgekeurde riglyne om 6% van elektrisiteits inkomste te begroot op herstel en onderhoud van elektrisiteits bates en is dit is die rede vir die 68% verhoging in herstel en onderhoud op bates.

2) PUBLIC

Input

EIENDOMSBELASTING

1. In die Rates Policy onderneem die Raad (pledges itself) om die jaarlikse verhoging in koerse so ver prakties moontlik te beperk tot die styging in die VPI in die voorafgaande periode. Dit verwys eintlik na die totale inkomste uit eiendomsbelasting en nie die koerse per se nie. Daarom dan ook dat die Burgemeester se verslag in die 2011/2012 begroting verwys na koersdalings van tussen 37.5% en 42.2% aangesien 'n nuwe waardasierol op 1 Julie 2011 in werking getree het. Dit is voor die hand liggend dat wanneer eiendomme herwaardeer word dan moet die koerse afwaarts aangepas word. In die 2015/2016 konsepbegroting word koerse egter onveranderd gelaat. G'n wonder dus dat die begrote inkomste uit eiendomsbelasting 22% hoër is (R 40.567 m vs R 33.246 m) as die verwagte inkomste in die huidige boekjaar nie. Indien die koerse nie afwaarts aangepas word nie gaan eienaars verhogings ervaar in lyn met die verhoogde waardasies. Dit sal uiteraard totaal strydig wees met die bepalings van die belastingbeleid.
2. Ek weet nie wat die gemiddelde styging in waardasies is wat op 1 Julie 2015 in werking tree nie. Ook nie hoeveel besware teen die nuwe waardasies ontvang is nie. Die nuwe waardasierol is seker nog nie 100% gefinaliseer nie, maar behoort akkuraat genoeg te wees sodat julle billike verlaagde koerse in lyn met die beleid kan bepaal. Die belastingbasis verbreed elke jaar ietwat soos nuwe eiendomme gebou of vergroot word en daarom kan mens verwag dat die totale inkomste effens hoër sal wees as die styging in die VPI. Ek verstaan dat sekere voltooide aanbouings nog nie herwaardeer is nie met die gevolg dat eienaars te min belasting betaal. Sodra 'n bouprojek voltooi is behoort die eiendom onmiddellik herwaardeer te word sodat die korrekte belasting verhaal kan word. Interne kommunikasie binne die munisipaliteit moet opgeskerp sodat waardasies betyds aangepas kan word.
3. Dit lyk ook vir my of die afbakening (ringfencing) van eiendomme volgens gebruik nog nie gedoen is nie, ten spyte van jarelange versoeke en beloftes van munisipale kant. Dit het die gevolg dat laer koerse op dele van eiendomme toegepas word wat eintlik hoër belas moet word (bv kelders en gastehuse op plase betaal die landboukoers instelle van 'n hoër koers).

ALGEMEEN

1. Die 35% styging in kapitaalluitgawes is verblydend al lyk dit na 'n eenjaar piek. In die Executive Summary word gemeld dat kapitaalluitgawes met 7.6% styg. Dit klop nie, of verstaan ek iets verkeerd?
2. Die totale "employee related costs" is seker weer op die aanname dat alle poste deurentyd gevul sal wees. In die praktyk weet ons dit is nooit die geval nie en daarom behoort werklike werknemer verwant uitgawes R 5 – R 10 m minder te wees as die begrote bedrag. Dit gee die munisipaliteit 'n handige kussing.
3. Op bladsy 31 word nog steeds verwys na "veriment" in plaas van "virement". Op die munisipaliteit se amptelik webblad word verwys na die "tariff policy" ipv "tariff policy". Sulke spelfoute moet asb reggestel word.

4. Die verlenging van waardasieperiodes van vier na vyf jaar word verwelkom veral in die lig van die enorme kostes daaraan verbonde.
5. Daar is 'n paar abnormale aanpassings in elektrisiteitstariewe, maar dit lyk asof die "town and rural" tariewe nou grootliks gelykgemaak is.

Municipal Response

Die voorgestelde tariewe vir eiendomsbelasting gaan verlaag met die ter tafel legging vir goedkeuring nadat besware in ag geneem is wat eers op 02 April 2015 gesluit het. Die verwagte inkomste verhoog egter as gevolg van die implementering van die nuwe waardasierol met ingang 01 Julie 2015 en die feit dat heelwat nuwe geregistreerde eiendomme op die waardasierol is wat nie op die vorige waardasierol was nie en ook die feit dat die begroting ter tafel gelê was op 25 Maart 2015 en die besware prosesse eers 02 April 2015 gesluit het.

Salaris onderhandelinge tussen unies en SALGA is nog nie afgehandel nie en die munisipaliteit voorsien dat salarisse dalk met 7% kan styg afhangende die uitkoms van onderhandelinge en dit is alom bekend in Suid-Afrika dat unies nie verhogings aanvaar gelykstaande aan inflasie nie, dus die rede dat die munisipaliteit begroot het vir 7% verhoging.

Die 35% styging verwys na die % van die kapitaal begroting gefinansier uit Eksterne lenings en die 7.6% verwys na die % verhoging in rente op lenings.

Die munisipaliteit is besig met die infasering van eenvormige tariewe tussen dorp en landelik dus die redes vir verhogings.

INPUT

LANGEBERG MUNICIPALITY.

Re: Budget Proposals for 2015 - 2016.

Having carefully scrutinized the Municipality's proposed budget, we, the undersigned request that our disapproval be seriously taken into consideration, and the needed amendments made forthwith since this is not only to our satisfaction, but to many others who may not have sent in their disapproval.

1. Domestic Electricity Power:

Most Pensioners in our valley do NOT enjoy the benefits of a substantially HIGH pension rate.
That taken into consideration, we strongly RESIST the Increases proposed for the new Budget.
Take into consideration that in your proposed budget, You raise the prices of Domestic Electrical power in Block 3 by 12.8%
And in Block 4 by 12.8%
Whatever increases you make will affect the immediate lowering of the HEALTH standards of our senior folk. That will cause a lowering of their health, less possibilities of recourse to medical aid.
To remind you too, that FAR too often! street lights are burning during SUNSHINE Hours !!!

2. Garbage cleansing:

Since there is ONLY ONE removal per week from residential areas, and with an increase of 10% AND an additional cost of ZAR5.00 per extra bag. Have you at all considered the health risk when vermin, such as rats and mice are on the increase? Have you taken into account the SAD fact that people are dumping their garbage over into the Roodewal area? And still you want an increase?? That is only the Roodewal area....what about the rest of Ashton of which we now refer, apart from the rest of our beautiful valley !!!

3. Sewage:

Here you propose an increase of 8%. Far too much !

4. Water:

An increase from 5 to 13 % which we feel is grossly overstated.

5. Ashton Library is way too LOW-KEY for citizens to ever visit it. An increase in their yearly budget will ensure that an INCREASE in a wider range of books according to subject matter will see an increase in educational interest in both senior and junior citizens.

With the above 5 sectors, we propose that you consider the REAL need of our pensioners and patients in our Hospice Care; Care Centres; Senior Citizens Homes; Day Care Centres; Crèches; and other possible Care Centres. Remember that MOST of these institutions are run voluntarily. And if you increase the costs, who then will take care of our senior citizens who worked so arduously to ensure a comfortable retirement and care in their senior years !!!!!!!!!?

Not to mention the fact that they helped to build what YOU and we are enjoying TODAY !!!

Then have you at all, taken into account the HUGE section of our populace who are UNEMPLOYED !

It does NOT surprise the undersigned, that our CRIME rate increases month by month !

Here we address only that which has an effect on residential areas.

Collab nr:	
File nr.:	5/1/1 2015/2016
Action:	CFO: mm
Cc:	



As to the salaries of municipal workers:

We consider that the General Manager of the Municipality enjoys a FAR TOO HIGH salary of over ZAR1.6 million.

He can easily take a CUT of 13 % from his salary, if not more !!!

City Councillor fees are way too high, they enjoy the UNNECESSARY benefits of motor car allowances, telephonic allowances with added benefits which are conveniently NOT mentioned in the budget !!!

These benefits ought to be CUT substantially !!!

Similarly too those seated on the Municipality payroll.

Their salaries too are too high !

A DECREASE of at least 10% in their salaries !!!

Then, the next time you prepare a proposed Budget, ensure that the LETTER PRINT is LARGE in ALL of the writings, for all to read. Psychologically with a small print, you cause folk to be irritated when they cannot read, thus causing citizens to feel reluctant to want to take an active roll in the well-being of our society !!!

We therefore propose CUTS in all of the sectors mentioned above:

1. Domestic Electrical Power :

The costs for this be as it is for the years 2014-2015.

2. Garbage cleansing remains as for 2014-2015.

3. Sewage an increase of 4%. NOT higher !!!

4. Water an increase only of 5- 8% NOT higher !!!

5. Ashton Library allowances. An increase of 10%.

For the above numbers 1 to 5. We propose that ALL businesses, companies, banks, wineries, restaurants, the food industries, Security companies, including ALL businesses! that their rates be increased by 8 to 12%, to COVER the possible "loss" when you DECREASE the residential levies !!!

We expect that as tax-paying citizens, our proposals be adhered to and the needed adjustments be made accordingly.

We also expect a written reply, or else that our proposals be made public in our local newspapers !

Wishing you the needed wisdom to make the right decisions for the good of our society !

Sincerely,

Patrick Dickson....minnion_april@hotmail.com

Sheet1

	Naam	Adres	Handtekening
1	P. Dickson	2 Roodevaal St.	P. Dickson
2	M. Botha	4 Montgomerie St.	M. Botha
3	P. Smit	4 Montgomerie St.	P. Smit
4	H. Kitchhoff	Tullard 16 Ash.	H. Kitchhoff
5	G. V. Kitchhoff	Riviera 10 Ashton	G. V. Kitchhoff
6	G. V. Kitchhoff	Riviera 10 Ashton	G. V. Kitchhoff
7	G. V. Kitchhoff	Riviera 10 Ashton	G. V. Kitchhoff
8	L. de Klerk	La Rochelleweg	L. de Klerk
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MUNICIPAL RESPONSE

Budget for employee related costs are in line with the bargaining council agreements and fixed term employment contracts in place and cannot be deviated from.

In order for the Municipality to be managed financially sustainable, above inflation increases is necessary as expenses increase above inflation.

INPUT

22nd April 2015

36 Paul Kruger Str

ASHTON

Municipal Manager

ASHTON

Dear Sir

PROPOSED INCREASES IN MUNICIPAL TARIFFS

I note with regret your high proposed increases in municipal tariffs. Most of the retired people are now pensioners have lived in Ashton 25 years and more and every year we just have to accept these increases you impose upon us.

Please bear in mind that our pensions, interest at the financial institutions do have not come what you propose. If we do not stop all these increases it will just get bigger and more and every year until we are paying our whole pension to the municipality.

I ask you please to reconsider these increases and help your residents who have been living in town for so long. Your increases only favour those who are working and have no intention of becoming permanent residents in Ashton.

Yours sincerely



(Ms) H A Engelke

Lab nr:	
nr:	5/5/R
tion:	CFO
:	



MUNICIPAL RESPONSE

The Rates Policy and the Debt Collection Policy makes provision that pensioners can apply for rebates on rates and indigent subsidy, respectively.

INPUT

Roodewalstraat 20

ASHTON

Die Munisipale Bestuurder

Tel 023 615 1803

ASHTON

22 April 2015

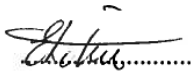
Geagte Heer

VERHOGINGS OP MUNISIPALE TARIEWE

Ek wil beswaar teken teen die verhogings van Ashton Munisipaliteit. Sal U asseblief in ag neem dat ons pensionarisse is en kry baie swaar om elke maand alles te kan betaal. Die lewenskoste raak net te veel en ons kry swaar om dit elke maand by te bring. Sal waardeer as U asseblief daaraan sal aandag gee.

Baie dankie

(Mev) E Lotriet



Collab nr:	
File nr.:	5/5/R
Action:	C.F.O.
Cc:	



MUNICIPAL RESPONSE

Die Belasting- sowel as Kredietbeheer beleid maak voorsiening dat pensionarisse kan aansoek vir korting op eiendomsbelastings en deernis subsidie, onderskeidelik.

AMENDMENTS TO TABLED BUDGET

Property Rates

Proposed decrease in property rates after taking objections in account.

RATES					
				R per Rand	
1405	General (businesses, industrial and government)			0.0073	0.0071 -2.7%
1400	The first R 80 000,00 in respect of property used exclusively for residential purposes is exempt from rates.			0.0050	0.0049 -2.0%
1404	All "bona fide" farmers			0.0011	0.0009 -18.2%
1431	Public Benefit Organisations			0.0011	0.0009 -18.2%
	Pensioners with a total monthly household income of less than R 3000 may qualify in terms of councils policy for a rebate on residential property.				
REBATES				2014/2015 REBATES	2015/2016 REBATES
					2015/2016 TARIFF
1404	Property used for bona-fide agriculture purposes;			nil	nil 0.0009
1403	Small holdings used for bona-fide agriculture purposes in municipal area ;			nil	nil 0.0009
1404	Property used for bona-fide agriculture purposes where the owner/tenant supply free basic services to farm workers;			nil	nil 0.0009
1412	Property zoned as agriculture which is not used for agriculture purposes;			50%	50% 0.0071
1400	State owned property: Residential;			nil	nil 0.0049
1413	State owned property : Public Infrastructure;(as per Act)			20%	20% 0.0071
1402	Other state owned property;			85%	85% 0.0071
1414	Municipal property used for municipal purpose;			100%	100% 0.0071
1401	Municipal property not used for municipal purpose (RDP houses)			nil	nil 0.0049
1407	Municipal property - Rural			100%	100% 0.0071
1416	State owned property : Schools;			20%	20% 0.0071
1417	State trust land;			nil	nil 0.0073
1418	Protected areas (as per Act);			100%	100% 0.0071
1419	Properties on which national monuments are situated and used for residential purposes;			nil	nil 0.0049
1420	Properties on which national monuments are situated and used for business and commercial purposes;			nil	nil 0.0071
1421	Properties owned by a land reform beneficiary or his/her heirs for the first ten years as from date of the first registration of the title deed in the Deeds Office;(as per Act)			100%	100% 0.0009
1428	Properties owned by a land reform beneficiary or his/her heirs for the eleventh year as from date of the first registration of the title deed in the Deeds Office;(as per Act)			75%	75% 0.0009
1429	Properties owned by a land reform beneficiary or his/her heirs for the twelfth year as from date of the first registration of the title deed in the Deeds Office;(as per Act)			50%	50% 0.0009
1430	Properties owned by a land reform beneficiary or his/her heirs for the thirteenth year as from date of the first registration of the title deed in the Deeds Office;(as per Act)			25%	25% 0.0009
1422	Property registered in the name of a religious body or organisation and primarily used as a place of worship			100%	100% 0.0071
1423	Property registered in the name of a religious body or organisation and primarily used as the official dwelling of a minister or employee of that organisation who officiates at services;			100%	100% 0.0071
1416	Property registered in the name of a private school which is registered in terms of an act;			20%	20% 0.0071
1425	Property situated in the rural area which is zoned as non-agriculture;			30%	30% 0.0071
1422	Property registered in the name of a charitable organisation and/or church that house the poor and are subsidized by the state			100%	100% 0.0071
1406	Rural General			nil	nil 0.0071
1408	State: Rural			nil	nil 0.0071
1415	Golf Clubs			100%	100% 0.0049
1426	Silverstrand Development			100%	100% 0.0049
1432	Sport: Exempted			100%	100% 0.0071

Capital Budget

Based on the nature of the ward projects it will be shifted to the relevant departments. The below amendment is proposed on the Capital Budget:

Amendments on Capital Budget	2015/2016	Reason
Capital Expenditure		
Tabled Budget 25 March 2015	78 513 720	
Amendments		
Electricity Infrastructure	-26 890 000	An external loan of R 40 M is proposed to finance Electricity Infrastructure Assets in 2015/16 and 2016/17, but will only be placed on the budget in 2015/16 through an Adjustments Budget once the loan has been secured.
Capital Expenditure Budget for Approval	51 623 720	

Operating Budget

The following amendments were made on the Operating Budget with a reduction on property rates tariff charges:

The new budget and IDP documentation will reflect the mentioned adjustments *

RECOMMENDATION

1. That the consolidated Operating budget of R 554 277 580, Capital budget of R 51 623 720, and budgeted cash flows, as set out in the Municipal Budget (attach as Annexure 1) be adopted and approved by Council and that it constitute the Budget of the Council for 2015/16 financial year as well as medium term (indicative) budgets for the 2016/17 and 2017/18 financial years.
2. That the Integrated Development Plan and any amendments thereto, be approved.
3. That the tariffs for property rates be approved.
4. That the tariffs for water, electricity and other municipal services be approved.
5. That all other matters prescribed in sections 17(1)(a-e); 17(2) and 17(3)(a-m) of the Municipal Finance Management Act that are included or accompany the budget document be approved.
6. That the Tariff, Rates, Cash Management & Investment, Credit Control & Debt Collection, Virement, Supply Chain Management, Asset Management, Budget and Funding and Reserves Policy be approved.
7. That the measurable performance objectives for 2015/16 for operating revenue by source and by vote be approved.

Hierdie item het gedien voor 'n Statutêre Vergadering van die Raad op 28 May 2015

This item served before a Statutory Meeting of Council on 28 May 2015

Besluit / Resolved

1. That the consolidated Operating budget of R 554 277 580, Capital budget of R 51 623 720, and budgeted cash flows, as set out in the Municipal Budget (attach as Annexure 1) be adopted and approved by Council and that it constitute the Budget of the Council for 2015/16 financial year as well as medium term (indicative) budgets for the 2016/17 and 2017/18 financial years.
2. That the Integrated Development Plan and any amendments thereto, be approved.
3. That the tariffs for property rates be approved.
4. That the tariffs for water, electricity and other municipal services be approved.
5. That all other matters prescribed in sections 17(1)(a-e); 17(2) and 17(3)(a-m) of the Municipal Finance Management Act that are included or accompany the budget document be approved.
6. That the Tariff, Rates, Cash Management & Investment, Credit Control & Debt Collection, Virement, Supply Chain Management, Asset Management, Budget and Funding and Reserves Policy be approved.
7. That the measurable performance objectives for 2015/16 for operating revenue by source and by vote be approved.