

170. **FINAL BUDGET; 2016/2017 MEDIUM TERM REVENUE AND EXPENDITURE**

FRAMEWORK: (MTREF)

(Directorate: Budget and Treasury Office)

VM/pm

ACTION

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| 1. | That the multi-year annual capital and operating budget for the 2016/17 is R4.3 billion and the two outer years (2017/18+2018/19) R4.7 billion, R4.9 billion and related policies be approved as per the following tables as set out in Annexure A:-

Table A1 – Budget Summary
Table A2 – Budgeted Financial Performance (Revenue and expenditure by standard classification)
Table A3 – Budgeted Financial Performance (Revenue and expenditure by municipal vote)
Table A4 – Budgeted Financial Performance (Revenue and Expenditure)
Table A5 – Budgeted Capital Expenditure by Vote, (Standard classification and funding)
Table A6 – Budgeted Financial Position
Table A7 – Budgeted Cash Flows
Table A8- Cash backed reserves / accumulated Surplus reconciliation
Table 9 – Asset Management
Table 10 – Basic Delivery measurement | ALL |
| 2. | That the final budget for the Rustenburg Water Services Trust as per Table SA 31 be considered for implementation as from 01 July 2016 as per Annexure A; | ALL |
| 3 | That Council take note that for the 2016/17MTREF the revenue and expenditure budget proposed has a surplus of R170, 9million, 216million and 270,6million respectively ; | BTO |
| 4 | That all consumptive tariffs, Rates, Basic charges as proposed be approved for implementation in July 2016, and are attached as Annexure B; | BTO |
| 5 | That be noted that the electricity tariffs are still yet to be approved by NERSA; | COUNCIL |
| 6 | That Electricity tariffs are approved by Council in terms of clause 24(2) (e) (ii) of the Municipal Finance Management Act 56 of 2003, And by the National Energy Regulator of South Africa (NERSA) in terms of clause 4 (a) (i) of the Electricity Regulator Act 4 of 2006.If the tariffs approved by Council differ from the tariffs approved by NERSA, the Rustenburg Local Municipality Council approved tariffs shall be applied, until the matter is resolved; | COUNCIL |
| 7 | That all the sundry tariffs and other tariffs as proposed in Annexure C be approved for implementation on 01 July 2016; | COUNCIL |

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| 8 | That unspent conditional grants (National) at the end of 2015/2016 Not be committed to expenditure until approval has been obtained from National Treasury in accordance with directive budget circular 48, 51,55, 59, 78 and 79; | COUNCIL |
| 9 | That the 2016/17MTREF, proposed tariffs with the budget related Polices have been subjected to public participation from the 28 April to 13 May 2016; | BTO |
| 10 | That the provision has been made of an annual increase of 4.8% in the Salaries of employees including section 57 officials outside the proposed increases per MFMA circular 79 to freeze other positions; | BTO |
| 11 | That the provision has been made for 4.57% estimated in increase in salaries of Councilors which have to be still announced in terms of the Public Office Bearers Act; | BTO |
| 12. | That the proposed budget related policies attached as Annexure C be approved for implementation on 01 July 2016; | ALL |
| 12.1 | Budget related policies with Amendments <ul style="list-style-type: none"> ➤ Credit Control and Debt Collection Policy ➤ Tariffs policy ➤ Property Rates Policy | |
| 12.2 | Budget related policies without changes <ul style="list-style-type: none"> ➤ Budget policy ➤ Cash Management and Investment Policy ➤ Indigent Policy ➤ Borrowings Policy ➤ Funds and Reserve Policy ➤ Liquidity Policy ➤ Inventory Policy ➤ Fixed Assets Management Policy ➤ Supply Chain Management Policy ➤ Travelling and Subsistence ➤ Rewards, Gifts and Favour Policy ➤ Contract Management Policy | |
| 13. | That the budget as proposed include the budget for the Rustenburg Water Services Trust; | BTO |
| 14. | That circular 79 from National Treasury be noted as Annexure D; | ALL |
| 15. | That in terms of section 74 of the Local Government Municipal Systems Act, all consumptive tariffs, Rates, Basic charges as proposed have been subjected to public participation and comments are attached as Annexure E; | COUNCIL |

16. That the approved Medium Term Revenue and Expenditure (MTREF) Forecasts for financial years 2016/17 to 2018/19 both printed and electronic formats be submitted to National and Provincial Treasury; BTO

17. That the approved (MTREF) Budget together with the tariffs be placed on the municipal website and be published in terms of Section 21A and B of the Municipal Systems Act as well as the MFMA and applicable regulations. BTO
