

DRAKENSTEIN MUNICIPALITY

MINUTES: MAYORAL COMMITTEE (2)

ORDINARY MEETING HELD IN THE GROOT DRAKENSTEIN COMMITTEE ROOM, FIRST FLOOR,
CIVIC CENTRE, BERG RIVER BOULEVARD, PAARL ON THURSDAY, 28 MARCH 2019 AT 09:00.

PRESENT: The Executive Mayor, Clr C J Poole (Chairman)
The Deputy Executive Mayor, Clr G C Combrink

Councillors: M A Andreas
C Kearns
E Gouws
J F le Roux
J Miller
L P Mokoena
L T van Niekerk
R Smuts
L Willemse

Also Present: Clr A C Stowman (Speaker)
Clr R A Koegelenberg (Chief Whip)

Officials: Dr J H Leibbrandt (City Manager)
Mr J Carstens (Chief Financial Officer)
Mr S Johaar (Executive Director: Corporate Services)
Ms L Waring (Executive Director: Planning and Development)
Mr C Lotz (Acting Executive Director: Engineering Services)
Mr J Marthinus (Acting Executive Director: Community Services)
Mr AV Marais (Senior Manager: Legal and Administrative Services)
Ms R Geldenhuys (Manager: Communication and Marketing)
Ms C September (Manager: IDP and Performance Management)
Mr D Korabie (Manager Internal Audit)
Mr G Dippenaar (Chief Risk Officer)
Mr F P Goosen (Manager: Administrative Support Services)
Mr P January (Senior Administrative Officer)



DRAKENSTEIN MUNICIPALITY**MINUTES: MAYORAL COMMITTEE
28 MARCH 2019****1. LEAVE ARRANGEMENT AND NON-AVAILABILITY OF COUNCILLORS AND SENIOR MANAGEMENT**

Mr G Esau : Executive Director Community Services (on leave)
Mr D Hattingh : Executive Director Engineering Services (on leave)

2. ANNOUNCEMENTS BY THE EXECUTIVE MAYOR

None.

3. DECLARATION OF INTEREST BY COUNCILLORS/OFFICIALS

None.

EXECUTIVE MAYOR**4. TABLING OF THE 2018/2024 DRAFT REVISED INTEGRATED DEVELOPMENT PLAN (IDP) AS WELL AS THE IDP/BUDGET PUBLIC PARTICIPATION SCHEDULE 2019**

VOORLEGGING VAN DIE 2018/2024 KONSEP HERSIENDE GEÏNTEGREERDE ONTWIKKELINGSPLAN ASOOK DIE GOP/BEGROTING PUBLIEKE DEELNAME SKEDULE 2019

UKUBEKWA KWE 2018/2024 DRAFT REVISED INTEGRATED DEVELOPMENT PLAN (IDP) AS WELL AS THE IDP/BUDGET PUBLIC PARTICIPATION SCHEDULE 2019

RECOMMENDED that

1. The 2018/2024 Draft Revised IDP, attached as ANNEXURE A to the departmental report, be approved by Council for further consultation in line with the 2019 IDP/Budget Public Participation Schedule attached as ANNEXURE B to the departmental report;
2. An advertisement be placed on the official website of the Municipality, municipal notice boards and in the local newspapers to notify the public of the approval of the 2018/2024 Draft Revised IDP and invite public comment; and

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3. The 2018/2024 Draft Revised Integrated Development Plan be submitted to the:
- Department of Local Government: Western Cape;
 - Provincial Treasury: Western Cape;
 - Auditor General (AG) of South Africa; and
 - National Treasury.

Meeting: MC-28/03/2019	Submitted by Department: IDP and Performance Management		
Ref No: 2/2/5	Author/s: C September		
Coll No: 1473288	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

FINANCIAL SERVICES

5. APPROVAL OF THE DRAFT 2019/2024 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK OPERATING AND CAPITAL BUDGET AND REVENUE STREAMS INCREASES
GOEDKEURING VAN DIE KONSEP 2019/2024 MEDIUM TERMYN INKOMSTE EN UITGAWE RAAMWERK BEDRYFS- EN KAPITAALBEGROTING EN INKOMSTE STROME VERHOIGINGS
UKUQINISEKISWA KWE DRAFT 2019/2024 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK OPERATING AND CAPITAL BUDGET AND REVENUE STREAMS INCREASES

RECOMMENDED that

1. Council approves the draft 2019/2024 Medium Term Revenue and Expenditure Framework attached as Annexure A to the item.
2. Council approves the draft capital budget expenditure of R379,329,950 for the 2019/2020 financial year as set out per GFS votes in the table below and in Appendix B of the Draft 2019/2024 MTREF Budget Report (Annexure A to this item).

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2019/2024 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER GOVERNMENT FINANCIAL STATISTIC						
Serial Number	Description	2019/2020 Draft Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 Indicative Capital Budget	2022/2023 Indicative Capital Budget	2023/2024 Indicative Capital Budget
Column Reference	A	B	C	D	E	F
1	Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	4,712,000	4,500,000	6,300,000	6,300,000	6,300,000
2	Community and Social Services: Core Function - Community Halls and Facilities	1,190,000	1,100,000	-	-	-
3	Community and Social Services: Non-core Function - Cultural Matters	1,550,000	275,000	550,000	550,000	300,000
4	Community and Social Services: Non-core Function - Libraries and Archives	1,550,000	-	-	-	-
5	Energy Sources: Core Function - Electricity	46,940,000	31,350,000	27,500,000	29,950,000	29,100,000
6	Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	300,000	25,000	50,000	30,000	25,000
7	Finance and Administration: Core Function - Administrative and Corporate Support	6,914,764	8,582,081	9,325,000	1,050,000	175,000
8	Finance and Administration: Core Function - Finance	400,000	-	-	-	-
9	Finance and Administration: Core Function - Fleet Management	12,324,717	6,868,150	6,182,113	13,018,256	14,954,440
10	Finance and Administration: Core Function - Human Resources	60,000	-	-	-	-
11	Finance and Administration: Core Function - Information Technology	11,788,000	11,493,400	11,832,500	7,798,000	9,500,000
12	Finance and Administration: Core Function - Marketing, Customer Relations and Media	1,550,000	-	-	-	-
13	Finance and Administration: Core Function - Property Services	1,500,000	774,500	-	-	-
14	Finance and Administration: Core Function - Supply Chain Management	13,000,000	20,000,000	20,000,000	-	-
15	Finance and Administration: Non-core Function - Risk Management	50,712	-	-	-	-
16	Housing: Non-core Function - Housing	65,020,000	24,020,000	28,600,000	380,000	-
17	Internal Audit: Core Function - Governance Function	650,000	-	-	-	-
18	Other: Core Function - Tourism	650,000	750,000	150,000	-	-
19	Planning and Development: Core Function - Economic Development/Planning	8,000	8,000	8,000	8,000	8,000
20	Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement	7,000	7,000	7,000	7,000	7,000
21	Public Safety: Core Function - Fire Fighting and Protection	3,090,500	1,050,000	900,000	860,000	760,000
22	Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	4,240,000	3,240,000	3,580,000	2,530,000	2,480,000
23	Road Transport: Core Function - Roads	27,550,000	73,000,000	67,500,000	10,750,000	16,750,000
24	Sport and Recreation: Core Function - Community Parks (Including Nurseries)	2,800,000	2,000,000	1,500,000	4,500,000	4,500,000
25	Sport and Recreation: Core Function - Recreational Facilities	4,250,000	3,900,000	3,650,000	6,150,000	5,650,000
26	Sport and Recreation: Core Function - Sports Grounds and Stadiums	22,998,204	8,000,000	13,270,000	19,500,000	19,500,000
27	Waste Management: Core Function - Solid Waste Removal	15,685,000	9,217,904	6,000,000	20,000,000	19,500,000
28	Waste Water Management: Core Function - Public Toilets	1,000,000	-	-	-	-
29	Waste Water Management: Core Function - Waste Water Treatment	21,656,438	69,180,340	73,560,887	88,894,264	43,378,000
30	Water Management: Core Function - Water Distribution	100,854,615	23,757,529	26,112,500	22,962,500	61,690,560
31	Grand Total	379,329,950	303,096,904	300,578,000	234,578,000	234,578,000

3. Council approves the following draft single and/or multi-year capital projects that exceed the amount of R50 million referred to in Regulation 13(2)(c) of the Municipal Budget and Reporting Regulations:
 - 3.1 Paarl South Bulk Sewer project (R75,464,151);
 - 3.2 Upgrading of Oosbosch Street between Bergriver Boulevard and Jan van Riebeeck Road project (R112,000,000);
 - 3.3 Electrification Housing Projects (R75,000,000);
 - 3.4 Basic Infrastructure Vlakkeland Housing project (R77,940,000); and
 - 3.5 Buildings New Stores project (R52,000,000).

4. Council takes note that the estimated costs of the above-mentioned capital projects are set out in detail in Appendix B attached to the Draft 2019/2024 MTREF Budget Report.

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5. Council approves the draft capital budget expenditure funding sources of R379,329,950 for the 2019/2020 financial year as set out in the table below:

2019/2024 MTREF HIGH LEVEL CAPITAL BUDGET EXPENDITURE PER FUNDING SOURCE						
Serial Number	Description	2019/2020 Draft Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 Indicative Capital Budget	2022/2023 Indicative Capital Budget	2023/2024 Indicative Capital Budget
Column Reference	A	B	C	D	E	F
1	CRR	8,881,650	-	-	-	-
2	External Loan	220,340,332	180,000,000	180,000,000	180,000,000	180,000,000
3	Grants	150,107,968	123,098,904	120,578,000	54,578,000	54,578,000
4	Grand Total	379,329,950	303,098,904	300,578,000	234,578,000	234,578,000

6. Council approves the draft operating budget revenue of R2,523,691,247 for the 2019/2020 financial year as set out per GFS votes in the table below:

DRAFT 2019/2024 MEDIUM TERM OPERATING REVENUE PER GFS						
Serial Number	Description	2019/2020 Draft Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget	2022/2023 Indicative Operating Budget	2023/2024 Indicative Operating Budget
Column Reference	A	B	C	D	E	F
1	Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	(3,052,556)	(3,205,164)	(3,365,403)	(3,533,654)	(3,675,240)
2	Community and Social Services: Core Function - Community Halls and Facilities	(472,837)	(494,285)	(516,804)	(540,449)	(565,278)
3	Community and Social Services: Non-core Function - Libraries and Archives	(230,665)	(242,198)	(254,308)	(267,024)	(280,376)
4	Energy Sources: Core Function - Electricity	(1,295,958,088)	(1,446,194,273)	(1,578,684,202)	(1,665,780,648)	(1,757,823,137)
5	Executive and Council: Core Function - Mayor and Council	(12,544,933)	(12,559,663)	(14,575,144)	(16,591,417)	(18,608,521)
6	Finance and Administration: Core Function - Administrative and Corporate Support	(25,466,073)	(22,634,837)	(25,127,504)	(25,191,256)	(25,258,261)
7	Finance and Administration: Core Function - Finance	(319,674,617)	(347,934,882)	(379,796,552)	(412,466,165)	(447,962,592)
8	Finance and Administration: Core Function - Fleet Management	(19,629)	(20,610)	(21,641)	(22,723)	(23,859)
9	Finance and Administration: Core Function - Human Resources	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)
10	Finance and Administration: Core Function - Property Services	(10,199,198)	(2,035,469)	(2,127,052)	(2,223,671)	(2,325,628)
11	Finance and Administration: Core Function - Supply Chain Management	(83,495)	(87,284)	(91,262)	(95,439)	(99,825)
12	Housing: Non-core Function - Housing	(140,595,217)	(103,158,175)	(82,617,805)	(41,242,112)	(44,334,138)
13	Planning and Development: Core Function - Economic Development/Planning	(122,028)	(128,129)	(134,536)	(141,262)	(148,326)
14	Planning and Development: Core Function - Project Management Unit	(5,185,000)	-	-	-	-
15	Planning and Development: Core Function - Town Planning, Building Regulations	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
16	Public Safety: Core Function - Fire Fighting and Protection	(167,055)	(174,255)	(181,887)	(189,977)	(203,258)
17	Public Safety: Core Function - Police Forces, Traffic and Street Parking Control	(107,208,614)	(108,193,123)	(109,233,860)	(110,334,336)	(111,498,315)
18	Road Transport: Core Function - Roads	(14,765,534)	(50,872,011)	(48,873,562)	(875,190)	(876,899)
19	Sport and Recreation: Core Function - Community Parks (Including Nurseries)	(92,133)	(99,532)	(107,595)	(116,383)	(126,246)
20	Sport and Recreation: Core Function - Recreational Facilities	(3,843,322)	(4,049,176)	(4,266,691)	(4,496,587)	(4,739,639)
21	Sport and Recreation: Core Function - Sports Grounds and Stadiums	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
22	Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	(520,000)	(520,000)	(520,000)	(520,000)	(520,000)
23	Waste Management: Core Function - Solid Waste Removal	(174,769,029)	(190,957,274)	(208,680,387)	(227,980,963)	(249,100,514)
24	Waste Management: Core Function - Street Cleaning	(4,800)	(4,800)	(4,800)	(4,800)	(4,800)
25	Waste Water Management: Core Function - Sewerage	(1,996,086)	(2,215,656)	(2,459,378)	(2,729,910)	(3,030,200)
26	Waste Water Management: Core Function - Waste Water Treatment	(184,552,034)	(187,164,375)	(205,274,147)	(224,215,753)	(244,140,919)
27	Water Management: Core Function - Water Distribution	(221,208,304)	(234,474,445)	(248,536,277)	(263,939,688)	(280,314,394)
28	Grand Total	(2,523,691,247)	(2,718,379,616)	(2,917,410,797)	(3,004,459,409)	(3,196,620,365)

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7. Council approves the draft operating budget expenditure of R2,510,746,810 for the 2019/2020 financial year as set out per GFS votes in the table below:

DRAFT 2019/2020 MEDIUM TERM OPERATING EXPENDITURE PER GFS						
Serial Number	Description	2019/2020 Draft Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget	2022/2023 Indicative Operating Budget	2023/2024 Indicative Operating Budget
Column Reference	A	B	C	D	E	F
1	Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	7,401,958	7,885,534	8,400,733	8,927,049	9,488,209
2	Community and Social Services: Core Function - Child Care Facilities	279,607	294,706	310,621	327,394	345,073
3	Community and Social Services: Core Function - Community Halls and Facilities	8,889,529	9,523,544	10,176,455	10,862,311	11,597,060
4	Community and Social Services: Non-core Function - Agricultural	2,643,970	2,787,019	2,937,806	3,096,754	3,264,298
5	Community and Social Services: Non-core Function - Cultural Matters	6,981,203	7,425,589	7,899,004	8,380,981	8,894,305
6	Community and Social Services: Non-core Function - Disaster Management	3,632,651	3,887,135	4,159,561	4,451,211	4,763,448
7	Community and Social Services: Non-core Function - Libraries and Archives	19,181,881	20,516,777	21,934,071	23,419,268	25,009,048
8	Energy Sources: Core Function - Electricity	1,056,698,825	1,180,004,606	1,287,251,287	1,351,413,385	1,418,468,919
9	Environmental Protection: Core Function - Biodiversity and Landscape	922,173	989,103	1,060,982	1,138,183	1,221,110
10	Executive and Council: Core Function - Mayor and Council	39,068,883	41,527,064	43,699,296	45,756,430	47,905,874
11	Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	10,160,001	10,840,380	11,562,458	12,313,685	13,114,821
12	Finance and Administration: Non-core Function - Property Services	8,399,803	8,972,434	9,584,549	10,238,362	10,937,325
13	Finance and Administration: Core Function - Administrative and Corporate Support	86,660,434	91,509,251	96,840,015	101,973,219	107,444,161
14	Finance and Administration: Core Function - Asset Management	7,460,906	7,870,602	8,303,378	8,760,593	9,243,696
15	Finance and Administration: Core Function - Finance	53,389,045	55,170,122	58,427,822	61,961,125	65,742,051
16	Finance and Administration: Core Function - Fleet Management	22,261,090	23,224,310	24,258,238	24,722,862	25,130,662
17	Finance and Administration: Core Function - Human Resources	17,588,782	18,406,530	19,610,853	20,895,142	22,270,512
18	Finance and Administration: Core Function - Information Technology	10,070,454	10,639,237	11,241,316	11,784,939	12,359,053
19	Finance and Administration: Core Function - Legal Services	1,446,855	1,560,801	1,684,047	1,817,356	1,961,603
20	Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media	3,663,098	3,886,285	4,123,797	4,372,309	4,636,853
21	Finance and Administration: Core Function - Property Services	28,285,456	29,904,712	31,752,739	33,470,751	35,314,555
22	Finance and Administration: Core Function - Supply Chain Management	5,246,406	5,594,959	5,961,055	6,345,660	6,754,857
23	Finance and Administration: Core Function - Valuation Service	1,706,934	2,953,279	1,956,542	2,088,830	2,230,248
24	Finance and Administration: Non-core Function - Risk Management	902,706	960,960	1,023,125	1,089,479	1,160,323
25	Housing: Non-core Function - Housing	124,424,449	110,943,507	91,665,849	68,777,337	72,309,102
26	Internal Audit: Core Function - Governance Function	2,223,871	2,373,171	2,532,876	2,702,337	2,883,671
27	Other: Core Function - Tourism	652,148	696,935	744,803	795,960	850,634
28	Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	4,066,197	4,327,259	4,605,162	4,898,615	5,211,652
29	Planning and Development: Core Function - Economic Development/Planning	17,809,033	19,010,706	20,294,759	21,659,442	23,117,849
30	Planning and Development: Core Function - Project Management Unit	16,781,184	17,777,619	19,014,833	20,338,491	21,754,675
31	Planning and Development: Core Function - Town Planning, Building Regulations	14,638,989	15,652,264	16,736,378	17,888,711	19,121,686
32	Public Safety: Core Function - Fire Fighting and Protection	40,084,815	42,786,037	45,669,239	48,721,109	51,983,527
33	Public Safety: Core Function - Police Forces, Traffic and Street Parking Control	147,837,717	152,601,856	157,668,898	163,046,919	168,766,405
34	Road Transport: Core Function - Roads	145,849,714	172,843,710	179,958,138	196,088,256	172,304,982
35	Sport and Recreation: Core Function - Community Parks (including Nurseries)	46,207,845	49,402,493	52,782,182	56,374,826	60,222,661
36	Sport and Recreation: Core Function - Recreational Facilities	31,970,511	34,158,897	36,466,441	38,889,617	41,479,649
37	Sport and Recreation: Core Function - Sports Grounds and Stadiums	31,846,030	33,829,148	32,903,900	35,031,256	37,323,566
38	Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	26,056,170	14,795,880	15,577,265	16,296,728	17,048,667
39	Waste Management: Core Function - Solid Waste Removal	80,832,400	85,811,734	91,110,848	96,661,456	102,534,030
40	Waste Management: Core Function - Street Cleaning	30,750,071	30,406,721	28,915,347	30,691,506	29,088,547
41	Waste Water Management: Core Function - Public Toilets	7,826,165	8,354,838	8,917,626	9,515,199	10,153,602
42	Waste Water Management: Core Function - Sewerage	46,433,353	49,606,307	52,996,833	56,599,782	60,449,763
43	Waste Water Management: Core Function - Waste Water Treatment	127,257,763	133,612,132	139,754,306	145,411,646	151,101,447
44	Water Management: Core Function - Water Distribution	162,766,240	173,046,723	183,840,744	194,746,403	206,312,986
45	Water Management: Core Function - Water Treatment	1,489,495	1,593,074	1,703,889	1,822,451	1,949,307
46	Grand Total	2,510,746,810	2,699,965,950	2,858,020,066	2,986,565,725	3,105,226,472

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8. Council takes note that a draft budgeted operating surplus of R12,944,437 is realised for the 2019/2020 financial year as set out in the table below:

DRAFT 2019/2024 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK(MTREF)						
Serial Number	Description	2019/2020 Draft Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget	2022/2023 Indicative Operating Budget	2023/2024 Indicative Operating Budget
Column Reference	A	B	C	D	E	F
1	Total Operating Revenue	(2,523,691,247)	(2,718,379,616)	(2,917,410,797)	(3,004,459,409)	(3,196,620,365)
2	Total Operating Expenditure	2,510,746,810	2,699,965,950	2,858,020,066	2,986,565,725	3,105,226,472
3	Operating (Surplus) / Deficit	(12,944,437)	(18,413,666)	(59,390,731)	(17,893,684)	(91,393,893)

9. Council takes note that any actual cash surpluses at year-end will be used to boost Drakenstein's Capital Replacement Reserve to be utilised for future infrastructure assets investment.
10. Council approves the following draft revenue increases for the revenue streams of property rates, fees, charges and tariffs with effect from 1 July 2019:
- 10.1 Property rates revenue stream increase of approximately 8.2%;
 - 10.2 Water revenue stream increase of approximately 6.0%;
 - 10.3 Sewerage/sanitation revenue stream increase of approximately 11.0% to ensure that this economic service expenditure and revenue move towards a break-even point;
 - 10.4 Refuse removal revenue stream increase of approximately 10.8%;
 - 10.5 Electricity revenue stream increase of approximately 14.02% for life line consumers;
 - 10.6 Electricity revenue stream increase of approximately 14.02% for all other consumers;
 - 10.7 Rental revenue stream increase of approximately 7.5%; and
 - 10.8 Sundry revenue stream increases of approximately 10%.
11. Council takes note of the envisaged increases in the property rates, fees, charges and tariffs as set in the Draft Tariff Book attached as Appendix 16 to the Draft 2019/2024 MTREF Budget Report.
12. Council approves the draft annual budget of Drakenstein Municipality for the 2019/2020 financial year as well as the indicative estimates for the four outer

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financial years (2020/2021 to 2023/2024) as set out in the new mSCOA version 6.3 Schedules A1 to A10 and SA1 to SA38 in Appendix C to the Draft 2019/2024 MTREF Budget Report.

13. The following reviewed budget related policies with its amendments be approved (effective 1 July 2019) as attached to the Draft 2019/2024 MTREF Budget Report:
 - 13.1 Appendix 3: Long-Term Financial Sustainability Policy;
 - 13.2 Appendix 4: Borrowing Policy;
 - 13.3 Appendix 5: Cash and Investment Management Policy;
 - 13.4 Appendix 6: Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy;
 - 13.5 Appendix 7: Supply Chain Management Policy;
 - 13.6 Appendix 8: Travelling and Subsistence Policy;
 - 13.7 Appendix 9: Customer Care, Credit Control, Debt Collection and Indigent Support Policy;
 - 13.8 Appendix 10: Tariff Policy;
 - 13.9 Appendix 11: Property Rates Policy;
 - 13.10 Appendix 12: Asset Transfer Policy;
 - 13.11 Appendix 13: Funding and Reserves Policy;
 - 13.12 Appendix 14: Electrical Infrastructure Maintenance Policy; and
 - 13.13 Appendix 15: Gift Policy.

14. All other budget related policies as listed in Table 1 of the Draft 2019/2024 MTREF Budget Report are left unchanged.

15. Council takes note that Drakenstein's investments and cash as at 28 February 2019 amounted to R218,503,248 made up of investments with:
 - 15.1 First National Bank primary bank account (R12,378,850);
 - 15.2 ABSA investments (R70,774,569);
 - 15.3 First National Bank investments (R1,250,884);
 - 15.4 Standard Bank investments (R33,531,405);
 - 15.5 Investec investments (R20,160,626);
 - 15.6 Nedbank investments (R80,278,151); and
 - 15.7 Eskom (R128,762).



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16. Council takes note of the proposed total cost to municipality expenses for the salary, allowances and benefits of the Executive Mayor, Speaker, Deputy Executive Mayor, Chief Whip, Mayoral Committee members, Chairperson of MPAC, ordinary councillors, City Manager, Chief Financial Officer and executive directors as set out in the Draft 2019/2024 MTREF Budget Report.
17. Council takes note that Drakenstein Municipality do not have any current service delivery agreements, including material amendments to existing service delivery agreements, with any service provider who renders any power or function on behalf of Drakenstein Municipality as defined in Section 1 of the Municipal Systems Act.
18. Council takes note that Drakenstein Municipality do not have any municipal entities.
19. The City Manager in terms of legislation invite the local community through advertisements in the local press to submit representations in connection with the 2019/2020 draft operational and capital budget as required by the MFMA and the Municipal Systems Act.
20. The IDP and budget road show programme be followed in April 2019 as approved by Council in the IDP review item.

Meeting: MC-28/03/2019	Submitted by Department: Financial Services
Ref No: 5/2/2	Author/s: K Fredericks
Coll No: 1472412	Referred from: Fin Serv Portf 27/03/2019
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

6. REPORT ON TENDER AWARDS: FEBRUARY 2019
VERSLAG OOR TENDERTOEKENNINGS: FEBRUARIE 2019
INGXELO NGONIKEZELO LWETHENDA: FEBRUARI 2019

RECOMMENDED that

1. The awards above R200, 000 that were adjudicated by the Bid Adjudication Committee for the month of February 2019, **be noted**; and

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2. The tenders and/or contracts and the reasons for the awards as recorded by the Accounting Officer in the departmental report, **be noted**.

Meeting: MC-28/03/2019		Submitted by Department: Financial Services	
Ref No: 8/1/2/1		Author/s: C Hess	
Coll No: 1464240		Referred from: Fin Serv Portf 27/03/2019	
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPARTMENT:</u>	<u>DUE DATE:</u>

7. REPORT ON DEVIATIONS FROM PROCUREMENT PROCESSES: FEBRUARY 2019
VERSLAG VAN AFWYKINGS VAN VERKRYGINGSPROSESSE: FEBRUARIE 2019
INGXELO YOKUPHAMBUKELA KUNYE NOLUNGISO OLUNCINCI LUKUPHEPHELA KWINKQUBO ZOKUFUMANA: FEBRUWARI 2019

RECOMMENDED that

- In terms of paragraph 36(2) of the SCM Policy, the deviations and the reasons for the deviations for the amount of R646,134 for February 2019 as recorded by the Accounting Officer under the annexures attached to the departmental report, **be noted**; and
- The Chief Financial Officer record the accumulated deviation amount of R12,906,518 for the financial year in the notes to the 2018/2019 annual financial statements as required by legislation.

Meeting: MC-28/03/2019		Submitted by Department: Financial Services	
Ref No: 9/1/1/5		Author/s: C Hess	
Coll No: 1464317		Referred from: Fin Serv Portf 27/03/2019	
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

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| 8. DRAKENSTEIN'S OUTSTANDING DEBTORS REPORT AS AT 28 FEBRUARY 2019 |
| DRAKENSTEIN SE UITSTAANDE DEBITEURE VERSLAG SOOS OP 28 FEBRUARIE 2019 |
| INGXELO YAMATYA ASE DRAKENSTEIN NGOBUNJALO NGOMHLA 28 FEBRUWARI 2019 |

RESOLVED that

The report be noted.

Meeting: MC-28/03/2019	Submitted by Department: Financial Services
Ref No: 9/1/1/4	Author/s: A Abrahams
Coll No: 1464212	Referred from: Fin Serv Portf 27/03/2019
<u>PAR:</u>	<u>ACTION:</u>
<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

- | |
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| 9. DRAKENSTEIN OUTSTANDING COUNCIL PROPERTY LEASE REPORT AS AT 28 FEBRUARY 2019 |
| DRAKENSTEIN UITSTAANDE RAADSEIENDOM HUUR VERSLAG SOOS OP 28 FEBRUARIE 2019 |
| INGXELO YAMATYALA EPROPATI YEBHUNGA LASE DRAKENSTEIN NGOBUNJALO NGOMHLA WE 28 FEBRUWARI 2019 |

RESOLVED that

The report be noted.

Meeting: MC-28/03/2019	Submitted by Department: Financial Services
Ref No: 9/1/1/4	Author/s: A Abrahams
Coll No: 1464503	Referred from: Fin Serv Portf 27/03/2019
<u>PAR:</u>	<u>ACTION:</u>
<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

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| 10. COUNCILLORS OUTSTANDING DEBT REPORT AS AT 28 FEBRUARY 2019 |
| RAADSLEDE SE UITSTAANDE SKULD VERSLAG SOOS OP 28 FEBRUARIE 2019 |
| INGXELO YAMATYALA YOCEBA NGOBUNJALO NGOMHLA 28 FEBRUWARI 2019 |

RECOMMENDED that

The report **be noted.**

Meeting: MC-28/03/2019	Submitted by Department: Financial Services
Ref No: 9/1/1/4	Author/s: A Abrahams
Coll No: 1463983	Referred from: Fin Serv Portf 27/03/2019
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

- | |
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| 11. MUNICIPAL EMPLOYEES OUTSTANDING DEBT REPORT AS AT 28 FEBRUARY 2019 |
| MUNISIPALE WERKNEMERS UITSTAANDE SKULD VERSLAG SOOS OP 28 FEBRUARIE 2019 |
| ITYALA LABASEBENZI BAKWA MASIPALA NGOKWE NGXELO KA 28 FEBRUWARI 2019 |

The Deputy Mayor requested a meeting with the City Manager to discuss this matter.

RESOLVED that

The contents of the report and actions implemented by the City Manager **be noted.**

Meeting: MC-28/03/2019	Submitted by Department: Financial Services
Ref No: 9/1/1/4	Author/s: A Abrahams
Coll No: 1465336	Referred from: Fin Serv Portf 27/03/2019
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

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12. INDIGENT HOUSEHOLDS' STATISTICS REPORT AS AT 28 FEBRUARY 2019
DEERNIS HUISHOUDINGS STATISTIEKE VERSLAG SOOS OP 28 FEBRUARIE 2019
INGXELO YAMANANI YEZINDLU ZAMAHLWEMPU NGOBUNJALO NGOMHLA 28 FEBRUWARI 2019

RESOLVED that

The report **be noted**.

Meeting: MC-28/03/2019	Submitted by Department: Financial Services		
Ref No: 9/1/1/4	Author/s: A Abrahams		
Coll No: 1463933	Referred from: Fin Serv Portf 27/03/2019		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

13. DISPOSAL OF MOVABLE CAPITAL ASSETS AND OTHER ITEMS IN TERMS OF SECTION 14 OF THE MUNICIPAL FINANCE MANAGEMENT ACT
VERVREEMDING VAN ROERENDE KAPITALE BATES EN ANDER ITEMS KRAGTENS ARTIKEL 14 VAN DIE WET OP MUNISIPALE FINANSIËLE BESTUUR
UKUCHITHWA KWEMPAHLA EZIHAMBAYO EZIYINKUNZI KUNYE NEZINYE IZINTO NJENGOKO KUBEKIWE KWICANDELO 14 LE MUNICIPAL FINANCE MANAGEMENT ACT

RECOMMENDED that

1. Council resolve that the assets and other items as listed in Annexures B to D to the departmental report are not needed to provide the minimum level of basic municipal services;
2. Council deem the book values of the assets and items listed in Annexures B to D to the departmental report as the fair market values of the assets and the economic and community value to be received in exchange for the assets; and
3. Council approve the selling of the assets and items via a public auction.

Meeting: MC-28/03/2019	Submitted by Department: Financial Services		
Ref No: 8/3/4	Author/s: H Vergotine		
Coll No: 1363058	Referred from: Fin Serv Portf 27/03/2019		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

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14. MUNICIPAL FINANCE MANAGEMENT ACT: SECTION 71 MONTHLY BUDGET MONITORING REPORT FOR FEBRUARY 2019
MUNISIPALE FINANSIËLE BESTUURSWET: ARTIKEL 71 MAANDELIKSE BEGROTING VERSLAGDOENING VIR FEBRUARIE 2019
UMTHETHO WOKULAWULWA KWEMALI ZIKAMASIPALA: ICANDELO 71 NGOKWENYANGA NGENYANGA INGXELO YOKONGAMELA KOHLAHLLO LWABIWO MALI YENYANGA KA EYEDWARHA 2019

RECOMMENDED that

1. The variance between the actual operating revenue (R1,593,749,496) and the pro rata budgeted operating revenue (R1,600,568,239) has a negative variance of R6,818,743 or 0.43%;
2. The variance between the actual operating expenditure (R1,323,283,930) and the pro rata budgeted operating expenditure (R1,337,537,663) has a positive variance of R14,253,733 or 1.07%;
3. Actual capital expenditure of R296,016,557 represents 48.11% of the total capital budget of R615,303,550 after eight months of the financial year;
4. The actual and committed capital expenditure of R502,195,624 compared with the capital expenditure budget of R615,303,550 represent a spending percentage of 81.62% after eight months of the financial year;
5. External borrowings amounted to R1,521,263,962 as at 28 February 2019 and that it represents 73.3% of Drakenstein's total budgeted operating revenue of R2,074,514,728 (conditional capital and operational grants excluded) for the 2018/2019 financial year;
6. Unspent conditional and unconditional grants amounted to R89,618,071 at the end of February 2019;
7. The actual employee related cost expenditure of R425,645,764 compared with the pro rata budgeted expenditure of R425,096,191 relates to a negative variance of R549,573 or 0.13%;
8. Total outstanding debtors as at 28 February 2019 amounted to R311,756,283 and that 30 days and older debt constitutes 59.64% of total outstanding debtors;
9. Domestic consumers owe the municipality R197,668,685 or 63.4% of the municipality's total debtor's book;

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10. Outstanding creditors amounted to R0 as at 28 February 2019;
11. The primary bank account had a positive bank balance at 28 February 2019 which amounted to R12,378,850; and
12. Total investments in cash and shares amounted to R205,504,686 as at 28 February 2019 at the five local banks and Eskom.

Meeting: MC-28/03/2019	Submitted by Department: Financial Services		
Ref No: 9/1/1/4	Author/s: A Viola		
Coll No: 1470009	Referred from: Fin Serv Portfolio 27/03/2019		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

CONFIDENTIAL

15. WRITING-OFF OF IRRECOVERABLE DEBT (5.10 OF WRITING-OFF POLICY) – WATER LEAKAGE: MR T PIETERSEN
AFSKRYF VAN ONVERHAALBARE SKULD (5.10 VAN AFSKRYWINGBELEID) – WATER LEKKASIE: MNR T PIETERSEN
UKUCINWA KWAMATYALA ANGAHLAWULWAYO (5.10 UMGAQO NKQUBO WOKUCINWA KWAMATYALA) – UKUVUZA KWAMANZI: MNU T PIETERSEN

See Confidential minutes

Meeting: MC-28/03/2019	Submitted by Department: Financial Services		
Ref No: 9/1/1/4	Author/s: A Abrahams		
Coll No: 1472186	Referred from: Fin Serv Portfolio 27/03/2019		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>
	Re-submit item	Chief Financial Officer	

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16. WRITING-OFF OF IRRECOVERABLE DEBT REPORT - FEBRUARY 2019
AFSKRYWING VAN ONINVORDERBARE SKULD VERSLAG - FEBRUARIE 2019
INGXELO YOKUCINYWA KWAMATYALA ANGAHLAWULWAYO – FEBRUWARI 2019

See Confidential minutes

Meeting: MC-28/03/2019	Submitted by Department: Financial Services		
Ref No: 5/15/1	Author/s: A Abrahams		
Coll No: 1463379	Referred from: Fin Serv Portfolio 27/03/2019		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

The meeting ended at : 10:36.

CHAIRPERSON:

Barthelme

DATE:

24 April 2019

Confirmed on with/without amendments.

PJ/rs



Mayoral Committee Attendance Register

Date: 28 March 2019

Time: 10:00

Venue: Council Chambers

SURNAME	INITIALS	TITLE	CELLPHONE	SIGNATURE
POOLE Executive Mayor	CJ	MR	0785304285 0824979046	
COMBRINK Deputy Executive Mayor (Financial Services)	GC	MR	0824553445	
LE ROUX (Engineering Services)	JF	MR	0834595965	
ANDREAS (Rural Management)	MA	MS	0767901066	
KEARNS (Environment, Parks and Open Spaces)	C	MS	0765018441 0769406614	
GOUWS (Social Services)	E	MS	0824479711	
MILLER (Planning and Development)	J	MR	0834400507	
MOKOENA (Corporate Services)	LP	MS	0734198671	
SMUTS (Public Safety)	R	MR	0824948467	
VAN NIEKERK (Sport, Recreation, Arts and Culture)	LT	MS	0818858365	
VAN NIEUWENHUYZEN (Communication and Inter- Governmental Relations (IGR))	RH	MR	0826296239	
WILLEMSE (Human Settlements and Property Management)	L	MS	0820799421	
STOWMAN SPEAKER	AC	MR	0791895359	
KOEGELEBERG CHIEF WHIP	RA	MR	0832693138	
MATTHEE CHAIRMAN: MPAC	J	MR	0824486180	—
RICHARDS LEADER OF OPPOSITION	AM	MR	0827860053	—

Office of the / Kantoor van die
CHIEFWHIP / HOOFSWEEP
Clr / Rd / R.A. KOEGELEBERG

