

DRAKENSTEIN MUNICIPALITY**MINUTES: MAYORAL COMMITTEE**

**SPECIAL MEETING HELD IN THE COUNCIL CHAMBERS, FIRST FLOOR, CIVIC CENTRE,
BERG RIVER BOULEVARD, PAARL, ON MONDAY, 29 MAY 2017 AT 16:00.**

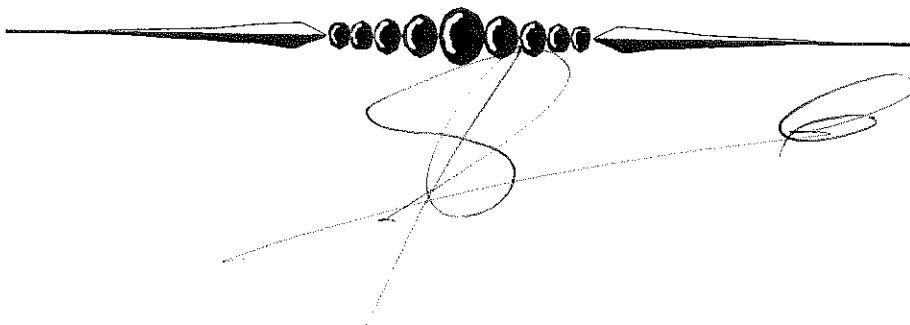
PRESENT: The Executive Mayor, Cllr C J Poole
The Deputy Executive Mayor, Cllr G C Combrink

Councillors: M A Andreas
F Jacobs
C Kearns
J F Le Roux
J Miller
R Smuts
L T van Niekerk
R H van Nieuwenhuyzen
L Willemse

Also Present: Cllr R A Koegelenberg (Chief Whip)
Cllr J Matthee (MPAC Chairperson)
Cllr A Stowman (Speaker)

Officials: Dr J H Leibbrandt (Municipal Manager)
Mr D Hattingh (Executive Manager: Infrastructure Services)
Mr S Johaar (Executive Manager: Corporate Services)
Mr L Waring (Executive Manager: Planning and Economic Development)
Mr J Carstens (Chief Financial Officer)
Mr V Petersen (Acting Executive Manager: Community Services)
Ms R Jaftha (Chief Audit Executive)
Mr F P Goosen (Manager: Administrative Support Services)

ABSENT: Cllr L P Mokoena (Apology - On Council duty)



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The Executive Mayor requested a moment of silence for Mr Norman Konjwayo (Housing Administration Manager) who suddenly passed away.

1. APOLOGIES

Cllr L P Mokoena (Apology - On Council duty)

2. DISCLOSURE OF INTEREST BY COUNCILLORS/OFFICIALS

None.

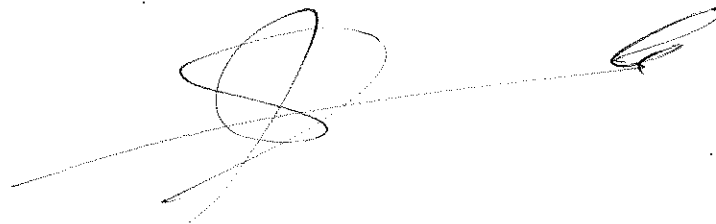
3. TABLING OF THE FINAL INTEGRATED DEVELOPMENT PLAN (IDP) 2017/2022, PUBLIC INPUTS ON THE INTEGRATED DEVELOPMENT PLAN (IDP) 2017/2022 AND THE FINAL SPATIAL DEVELOPMENT FRAMEWORK

VOORLE VAN FINALE GEÏNTEGREERDE ONTWIKKELINGSPLAN 2017/2022, PUBLIEKE KOMMENTAAR OP FINALE GEÏNTEGREERDE ONTWIKKELINGSPLAN 2017/2022 EN FINALE RUIMTELIKE ONTWIKKELINGSRAAMWERK

RESOLVED

that it be recommended to Council:-

1. that the Final Integrated Development Plan (IDP) 2017/2022 and Vision 2032 (Annexure A to the departmental report), **be adopted** by Council;
2. that the public inputs on the Draft 2017/2022 IDP (Annexure B to the departmental report), **be noted** by Council;
3. that it **be noted** that the Draft Top Layer Service Delivery and Budget Implementation Plan (SDBIP) 2017/18 as incorporated into Chapter 5 of the Final IDP 2017/2022 contains only non-financial information;
4. that it **be noted** that the Executive Mayor may, within 28 days after the Budget has been approved, add, amend or remove Key Performance Indicators (KPI's) and Targets on the Draft Top Layer Service Delivery and Budget Implementation Plan 2017/18 in accordance with Section 53(1)(ii) of the Municipal Finance Management Act;
5. that the Annual Review of the Drakenstein Spatial Development Framework (2016/2016) (Annexure C to the departmental report) as part of the Integrated Development Plan 2017/2022 in terms of Section 26(e) of the Local Government: Municipal Systems Act, Act No 32 of 2000, **be approved** by Council;
6. that the IDP and amended SDF be submitted to the MEC for Local Government, within 10 days of a resolution by Council; and



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7. that 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 adoption of the Final Integrated Development Plan (IDP) 2017/2022 and Spatial Development Framework.

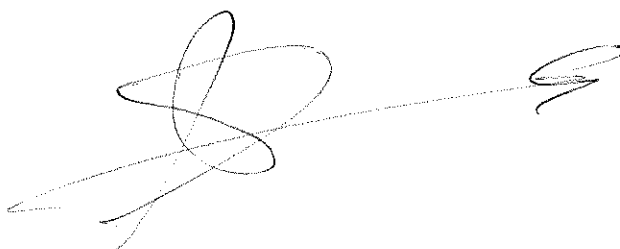
Meeting: Spec MC – 29/05/2017 Ref No: 2/2/5 Coll No: 1222473		Submitted by Directorate: Office of the Municipal Manager Author/S: F Qebenya Referred from:	
<u>PARAGRAPH:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

4.	APPROVAL OF THE 2017/2018 OPERATING AND CAPITAL BUDGET, FUNDING SOURCES, RATES, FEES, CHARGES, TARIFFS AND BUDGET RELATED POLICIES
	GOEDKEURING VAN DIE 2017/2018 BEDRYFS EN KAPITAAL BEGROTING, BEFONDSINGSBRONNE, BELASTING, FOOIE, HEFFINGS, TARIEWE EN BEGROTINGSVERWANTE BELEIDE
	ULWAMKELO LOHLAHO LWABIWO-MALI LOKUSEBENZA NEZAKHIWO, IMITHOMBO YENKXASO-MALI, IMILINGANISELO, IMIRHUMO IINTLAWULO, IIRHAFU NEMIGAQO-NKQUBO ENXULUMENE NOHLAHO LWABIWO-MALI

RESOLVED

that it be recommended to Council:-

1. that Council approves the tabled 2017/2022 MTREF's capital budget expenditure of R 633,141,543 for the 2017/2018 financial year as well as for the four outer years' capital expenditure as set out per GFS votes in the table below:



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2017/2022 MTREF HIGH LEVEL CAPITAL BUDGET PER GOVERNMENT FINANCIAL STATISTICS (GFS) VOTES						
GFS Description	2017/2021 Capital Budget	2017/2021 Indicator Capital Budget	2019/2020 Indicator Capital Budget	2020/2021 Indicator Capital Budget	2021/2022 Indicator Capital Budget	2022/2023 Indicator Capital Budget
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	1 500 000	-	-	-	-	9 450 000
Community and Social Services: Core Function - Community Halls and Facilities	-	-	-	-	1 250 000	13 880 500
Community and Social Services: Core Function - Libraries and Archives	-	-	3 239 726	-	-	35 295 774
Community and Social Services: Non-core Function - Agricultural	200 000	-	-	-	-	-
Community and Social Services: Non-core Function - Cultural Matters	2 032 394	2 585 894	4 659 439	4 510 000	1 400 000	4 445 334
Energy Sources: Core Function - Electricity	91 650 450	84 337 699	72 848 934	83 702 318	11 159 574	932 507 698
Environmental Protection: Non-core Function - Indigenous Forests	300 000	500 000	-	-	350 000	1 075 000
Executive and Council: Core Function - Mayor and Council	4 620 000	4 950 000	5 280 000	5 610 000	-	-15 385 600
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	7 218 379	10 064 490	9 007 774	12 657 500	11 985 000	8 503 473
Finance and Administration: Core Function - Administrative and Corporate Support	1 440 264	621 148	70 000	-	200 000	19 673 924
Finance and Administration: Core Function - Finance	-	-	-	-	-	1 110 000
Finance and Administration: Core Function - Fleet Management	5 857 530	7 920 000	8 281 000	9 442 000	37 650 000	355 017 720
Finance and Administration: Core Function - Human Resources	-	637 417	45 000	-	-	62 053
Finance and Administration: Core Function - Information Technology	5 020 000	4 025 000	3 525 000	5 025 000	4 775 000	11 190 000
Finance and Administration: Core Function - Legal Services	-	-	-	-	-	40 000
Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media Co-ordin	-	-	-	-	-	3 460 780
Finance and Administration: Core Function - Property Services	2 400 000	3 080 000	3 000 000	-	150 000	44 040 000
Finance and Administration: Core Function - Supply Chain Management	1 500 000	-	-	-	-	1 500 000
Housing: Non-core Function - Housing	22 100 000	1 600 000	2 000 000	-	13 698 000	205 218 000
Internal Audit: Core Function - Governance Function	-	-	-	-	-	1 151 000
Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-	12 000
Planning and Development: Core Function - Economic Development/Planning	250 000	-	-	-	-	85 000
Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement, and C	-	-	-	-	-	543 500
Public Safety: Core Function - Civil Defence	-	-	-	2 300 000	400 000	5 920 634
Public Safety: Core Function - Fire Fighting and Protection	-	45 000	-	-	1 175 000	68 951 500
Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	200 000	732 050	-	-	4 155 000	64 201 307
Road Transport: Core Function - Roads	65 744 649	85 814 383	53 260 984	115 000	50 265 000	957 378 492
Sport and Recreation: Core Function - Community Parks (including Nurseries)	365 000	1 525 000	785 000	203 500	1 650 000	9 660 000
Sport and Recreation: Core Function - Recreational Facilities	4 200 000	2 180 000	-	1 500 000	1 300 000	4 360 000
Sport and Recreation: Core Function - Sports Grounds and Stadiums	25 493 554	18 601 220	15 135 984	8 360 000	3 350 000	147 940 142
Waste Management: Core Function - Solid Waste Removal	-	5 237 106	7 720 866	7 550 000	6 000 000	10 198 861
Waste Water Management: Core Function - Sewerage	-	-	-	-	-	20 360 380
Waste Water Management: Core Function - Waste Water Treatment	258 725 842	117 501 499	73 722 293	9 950 000	110 000 000	487 398 620
Water Management: Core Function - Water Distribution	12 579 777	86 291 403	75 646 133	188 506 186	83 520 930	1 175 872 763
Grand Total	613 741 143	430 769 091	430 226 133	439 243 750	444 431 004	4 584 635 953

2. that Council approves the following single and/or multi-year capital projects in the five year 2017/2022 MTREF that exceeds the amount of R 50 million referred to in Regulation 13(2)(c) of the Municipal Budget and Reporting Regulations –
 - 2.1 Wellington WWTW rehabilitation and upgrading project (R 172,799,464);
 - 2.2 Paarl WWTW rehabilitation and upgrading project (R 178,244,304);
 - 2.3 New Simondium Bulk Sewer (Pearl Valley pump station included) (R 50,500,000);
 - 2.4 Strawberry King Bulk Water Supply project (R 102,618,718);
 - 2.5 Upgrading of Sewerage Systems (R 60,958,978);
 - 2.6 Upgrading of Berg River Boulevard North project (R 90,557,518); and
 - 2.7 Replace existing 66KV cables between Dalweiding, Palmiet and Parys Substation project (R 51,430,966).

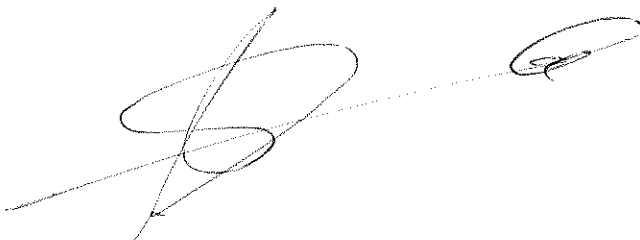
3. that Council takes note that the estimated costs of the above-mentioned capital projects over the next five years are set out in detail in Annexure D to the departmental report;

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4. that Council approves the tabled 2017/2022 MTREF's capital budget expenditure funding sources of R 633,141,543 for the 2017/2018 financial year as well as the four outer years' capital expenditure funding sources as set out in the table below:

2017/2022 MTREF HIGH LEVEL CAPITAL BUDGET PER FUNDING SOURCE						
Description	2017/2018 Capital Budget	2018/2019 Indicative Capital Budget	2019/2020 Indicative Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 Indicative Capital Budget	2022/2023 Budget Needs and Outlays
CRR	40 000 000	45 000 000	50 000 000	55 000 000	60 000 000	776 961 861
External Loan	508 794 176	324 211 416	250 851 565	245 000 000	245 000 000	3 354 758 830
Grants	84 347 367	68 957 893	37 376 568	39 431 504	39 431 504	450 215 040
Grand Total	633 141 543	438 169 309	338 228 133	339 431 504	344 431 504	4 581 935 731

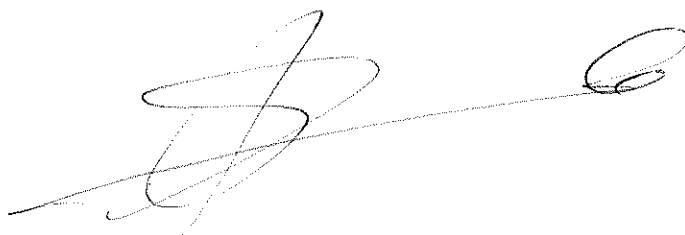
5. that Council takes note that R 4,581,935,731 of the capital programme and identified IDP needs could not be accommodated in the 2017/2022 MTREF Capital Budget of the next five years;
6. that Council approves the tabled 2017/2022 MTREF's operating budget revenue of R 2,201,862,847 for the 2017/2018 financial year as well as for the four outer years' operating revenue as set out per GFS votes in the table below:



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2017/2022 MEDIUM TERM OPERATING REVENUE PER GFS CATEGORIES					
GFS Vote Description	2017/2018 Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	(2 283 477)	(2 511 825)	(2 763 008)	(3 039 309)	(3 343 239)
Community and Social Services: Core Function - Community Halls and Facilities	(542 606)	(596 955)	(856 651)	(722 315)	(794 546)
Community and Social Services: Non-core Function - Agricultural	(21 962)	(24 158)	(26 573)	(29 231)	(32 154)
Community and Social Services: Non-core Function - Cultural Matters	-	-	-	-	-
Community and Social Services: Non-core Function - Libraries and Archives	(251 456)	(276 600)	(304 260)	(334 688)	(368 157)
Energy Sources: Core Function - Electricity	(1 088 109 548)	(1 151 638 744)	(1 218 324 262)	(1 285 703 958)	(1 356 904 049)
Executive and Council: Core Function - Mayor and Council	(22 658 235)	(24 802 959)	(27 272 156)	(29 988 271)	(32 975 997)
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	-	-	-	-	-
Finance and Administration: Core Function - Administrative and Corporate Support	(139 381 838)	(153 602 976)	(162 391 977)	(175 876 415)	(191 183 771)
Finance and Administration: Core Function - Asset Management	(275 000)	(302 500)	(332 750)	(366 025)	(402 628)
Finance and Administration: Core Function - Budget and Treasury Office	-	-	-	-	-
Finance and Administration: Core Function - Finance	(266 250 981)	(288 716 067)	(313 888 593)	(340 243 264)	(368 835 464)
Finance and Administration: Core Function - Fleet Management	(11 998)	(1 318)	(1 449)	(1 594)	(1 754)
Finance and Administration: Core Function - Human Resources	(1 679 033)	(1 781 453)	(1 888 341)	(2 001 641)	(2 121 740)
Finance and Administration: Core Function - Property Services	(1 820 889)	(1 980 286)	(2 153 844)	(2 344 820)	(2 554 956)
Finance and Administration: Core Function - Supply Chain Management	-	-	-	-	-
Housing: Non-core Function - Housing	(112 860 663)	(169 544 628)	(91 269 590)	(94 548 649)	(98 155 614)
Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-
Planning and Development: Core Function - Economic Development/Planning	(323 148)	(355 463)	(391 010)	(430 110)	(473 122)
Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement	(709 951)	(780 946)	(859 041)	(944 945)	(1 039 439)
Public Safety: Core Function - Fire Fighting and Protection	(350 734)	(385 808)	(424 388)	(466 826)	(513 509)
Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	(76 247 854)	(76 887 301)	(78 690 690)	(80 674 424)	(82 856 524)
Road Transport: Core Function - Roads	(43 185 003)	(38 591 803)	(650 983)	(716 081)	(787 690)
Sport and Recreation: Core Function - Community Parks (including Nurseries)	(408 899)	(449 789)	(494 767)	(544 244)	(598 668)
Sport and Recreation: Core Function - Recreational Facilities	(3 527 983)	(3 880 780)	(4 268 859)	(4 695 745)	(5 165 319)
Sport and Recreation: Core Function - Sports Grounds and Stadiums	(301 549)	(335 004)	(368 504)	(405 355)	(445 891)
Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	(673 631)	(740 242)	(813 368)	(893 721)	(982 011)
Waste Management: Core Function - Solid Waste Removal	(47 120 726)	(56 019 065)	(61 400 245)	(65 295 178)	(69 471 967)
Waste Management: Core Function - Street Cleaning	(197 467)	(217 196)	(238 874)	(262 714)	(288 934)
Waste Water Management: Core Function - Sewerage	(1 550 952)	(1 783 595)	(1 979 790)	(2 197 567)	(2 439 300)
Waste Water Management: Core Function - Waste Water Treatment	(157 679 281)	(175 114 076)	(192 178 300)	(210 619 893)	(226 537 875)
Water Management: Core Function - Water Distribution	(234 543 123)	(236 264 219)	(251 636 868)	(266 667 340)	(284 407 766)
Grand Total	(2 201 862 847)	(2 367 696 756)	(2 445 869 141)	(2 570 014 520)	(2 703 612 065)

7. that Council approves the tabled 2017/2022 MTREF's operating budget expenditure of R 2,182,693,374 for the 2017/2018 financial year as well as for the four outer years' operating revenue as set out per GFS votes in the table below:



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2017/2022 MEDIUM TERM OPERATING EXPENDITURE PER GFS CATEGORIES					
GFS Vote Description	2017/2018 Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget
Community and Social Services: Core Function - Aged Care	2 851 693	706 741	762 220	822 054	886 586
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	2 740 999	5 061 462	5 394 787	5 773 647	6 181 826
Community and Social Services: Core Function - Child Care Facilities	249 375	264 587	280 727	297 852	316 021
Community and Social Services: Core Function - Community Halls and Facilities	10 227 272	10 811 722	11 422 919	12 089 886	12 807 085
Community and Social Services: Non-core Function - Agricultural	5 727 248	7 214 951	7 737 182	8 297 034	8 898 669
Community and Social Services: Non-core Function - Cultural Matters	7 325 439	8 142 384	8 679 853	9 276 328	9 914 700
Community and Social Services: Non-core Function - Disaster Management	2 255 864	3 081 823	3 323 745	3 584 659	3 866 055
Community and Social Services: Non-core Function - Libraries and Archives	3 374 272	3 591 546	3 797 024	4 046 510	4 315 276
Energy Sources: Core Function - Electricity	881 873 034	900 099 360	953 040 931	1 010 704 038	1 072 151 900
Environmental Protection: Core Function - Biodiversity and Landscape	3 493 664	1 016 904	1 095 048	1 179 222	1 269 897
Executive and Council: Core Function - Mayor and Council	29 080 630	52 420 877	56 025 507	59 884 148	63 967 792
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	39 786 736	42 534 372	50 162 021	57 863 630	58 761 929
Finance and Administration: Core Function - Administrative and Corporate Support	101 770 047	108 444 792	116 594 895	125 622 123	134 426 105
Finance and Administration: Core Function - Asset Management	776 005	162 354 543	180 943 066	189 172 917	194 820 225
Finance and Administration: Core Function - Budget and Treasury Office	1 590 430	1 813 564	1 942 793	2 084 140	2 236 175
Finance and Administration: Core Function - Finance	2 580 059	63 349 004	68 151 195	73 240 427	77 157 507
Finance and Administration: Core Function - Fleet Management	2 583 693	16 746 021	17 892 083	19 171 176	20 598 273
Finance and Administration: Core Function - Human Resources	10 540 213	11 132 778	11 756 268	12 415 402	13 114 263
Finance and Administration: Core Function - Information Technology	1 054 970	11 751 578	12 416 730	13 213 278	14 070 250
Finance and Administration: Core Function - Legal Services	(675 932)	(728 932)	(786 303)	(848 162)	(914 883)
Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media	2 450 720	2 944 034	3 152 270	3 379 607	3 624 200
Finance and Administration: Core Function - Property Services	26 227 149	27 855 074	29 378 177	31 247 422	33 262 472
Finance and Administration: Core Function - Supply Chain Management	3 972 773	4 183 513	4 467 305	4 777 031	5 110 320
Finance and Administration: Core Function - Valuation Service	1 980 079	2 111 132	2 250 397	2 397 377	2 555 813
Finance and Administration: Non-core Function - Risk Management	2 072 268	2 223 164	2 383 787	2 555 979	2 740 982
Housing: Non-core Function - Housing	148 000 600	213 080 023	136 286 081	141 360 509	146 810 413
Internal Audit: Core Function - Governance Function	1 001 344	3 863 055	4 140 491	4 438 381	4 759 417
Other: Core Function - Tourism	400 310	440 793	475 396	512 714	552 963
Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	3 290 844	3 451 850	3 674 727	3 912 784	4 169 311
Planning and Development: Core Function - Economic Development/Planning	10 230 197	12 049 712	12 909 618	13 835 128	14 833 196
Planning and Development: Core Function - Project Management Unit	487 099	525 717	566 879	611 265	659 128
Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement	9 725 107	10 482 601	11 283 724	12 153 940	13 092 430
Public Safety: Core Function - Fire Fighting and Protection	3 316 651	39 067 986	41 947 826	45 072 374	48 411 158
Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	1 183 367	83 241 174	85 669 998	88 285 386	91 093 742
Road Transport: Core Function - Pounds	238 016	252 535	267 940	284 085	301 413
Road Transport: Core Function - Roads	135 938 964	123 318 921	130 134 019	138 519 437	147 570 675
Road Transport: Non-core Function - Road and Traffic Regulation	3 408 268	3 677 065	3 965 714	4 277 022	4 612 767
Sport and Recreation: Core Function - Community Parks (Including Nurseries)	32 846 066	35 246 438	37 783 196	40 530 282	43 480 993
Sport and Recreation: Core Function - Recreational Facilities	21 367 190	22 903 651	24 504 467	26 260 152	28 150 244
Sport and Recreation: Core Function - Sports Grounds and Stadiums	24 922 580	26 352 721	27 867 225	29 491 272	31 306 109
Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	18 964 819	17 261 279	18 254 675	19 401 855	20 636 306
Waste Management: Core Function - Solid Waste Removal	69 503 012	70 166 118	74 677 638	79 544 400	84 741 896
Waste Management: Core Function - Street Cleaning	27 497 626	26 603 688	28 370 096	30 245 040	32 257 019
Waste Water Management: Core Function - Public Toilets	10 034 481	6 493 846	6 980 265	7 507 161	8 074 454
Waste Water Management: Core Function - Sewerage	32 201 314	34 725 569	37 399 878	40 301 421	43 430 415
Waste Water Management: Core Function - Waste Water Treatment	112 702 519	89 571 874	94 907 533	101 195 067	107 974 543
Water Management: Core Function - Water Distribution	143 880 284	147 828 677	157 080 412	167 481 454	178 637 938
Water Management: Core Function - Water Treatment	625 600	675 336	728 349	785 524	847 188
Grand Total	24 209 311	24 200 923	24 921 674	25 655 378	26 802 423

8. that Council takes note that the tabled 2017/2018 MTREF realises a budgeted operating surplus of R 19,169,473 for the 2017/2018 financial year as set out in the table below;
9. that Council takes note that after capital grants are counted back the tabled 2017/2018 operating budget realises a budgeted deficit of R 65,177,894 as set out in the table below;
10. that Council takes note that after non-cash expenditure items [off-setting depreciation, losses on sale of assets, impairment of assets, employee benefits (leave provision), ex gratia pensioners' provision, employee benefits (medical provision) and employee benefits (long service awards provision)] as well as

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redemption on external borrowings are taken into account the tabled 2017/2018 operating budget realises a budgeted cash surplus of R 2,099,398 as set out in the table below:

2017/2022 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)					
Description	Final Draft 2017/2018 Operating Budget (rounded)	Draft 2017/2018 Indicative Operating Budget (rounded)	Draft 2019/2020 Indicative Operating Budget (rounded)	Draft 2020/2021 Indicative Operating Budget (rounded)	Draft 2021/22 Indicative Operating Budget (rounded)
Total Operating Revenue	(2 201 862 847)	(2 387 585 756)	(2 415 869 141)	(2 570 014 323)	(2 733 682 083)
Total Operating Expenditure	2 182 893 374	2 420 407 623	2 492 140 774	2 648 255 176	2 802 543 237
Operating (Surplus) / Deficit	(19 169 473)	32 821 867	76 271 633	78 240 855	68 861 154
Less: Capital Expenditure Grants	(84 347 367)	(68 957 893)	(37 376 568)	(39 431 504)	(39 431 504)
Revised Operating (Surplus) / Deficit	65 177 894	101 779 760	113 648 201	117 672 359	108 292 658
Less: Depreciation =	(188 506 431)	(199 673 156)	(206 139 186)	(218 211 259)	(220 211 259)
Plus: Redemption on External Loans =	152 332 556	163 955 368	177 447 355	198 788 738	220 641 047
Less: Losses on Sale of Assets =	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)
Less: Impairment on Assets =	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)
Less: Contribution to Employee Benefits (Leave) Provision =	(4 038 379)	(4 370 991)	(4 726 571)	(5 111 078)	(5 526 864)
Less: Contribution to Employee Benefits (Ex Gratia Pensioners) Provision =	(274 000)	(270 000)	(266 858)	(262 174)	(258 347)
Less: Contribution to Employee Benefits (Medical) Provision =	(16 561 000)	(17 880 000)	(19 304 052)	(20 841 522)	(22 477 581)
Less: Contribution to Employee Benefits (Long Service Awards) Provision =	(6 230 038)	(6 670 563)	(7 142 237)	(7 647 264)	(8 188 001)
Revised Cash Deficit / (Surplus)	(2 099 398)				
Plus: Additional revenue not budgeted for:					
Kliprug Substation =	(41 407 400)	(66 219 969)	(74 919 563)	(88 345 527)	(123 292 171)
N1 Substation =	-	(7 054 306)	(19 928 625)	(44 868 287)	(83 900 798)
BNG Housing Project =	-	(4 555 812)	(9 763 488)	(15 604 031)	(22 174 434)
Erf 16161 =	-	(1 501 118)	(13 328 762)	(22 651 855)	(24 045 226)
Less: Additional expenditure =	-	6 555 618	21 510 438	41 562 087	65 060 229
Estimated Cash Deficit / (Surplus)	(43 506 798)	(39 906 169)	(36 912 348)	(69 519 043)	(120 080 747)

11. that Council take note that the estimated cash surplus for 2017/2018 projects to R 43,506,798 and for the four outer years grow to R 120,080,747 after taking additional revenue due to possible growth into consideration;
12. that 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;
13. that Council approves the following tariff increases as set out in the 2017/2018 Tariff List document (Appendix C) in the revenue streams of property rates, fees, charges and tariffs with effect from 1 July 2017 –
 - 13.1 new proposed property rates revenue stream increase of approximately 9.49% subject to another round of public participation;
 - 13.2 Water revenue stream increase of approximately 8.0%;
 - 13.3 Sewerage/sanitation revenue stream increase of approximately 15.0% to ensure that this economic service's costs and revenue move towards a break-even point;
 - 13.4 Refuse removal revenue stream increase of approximately 9.7%;
 - 13.5 Electricity revenue stream increase of approximately 1.75% for life line consumers;

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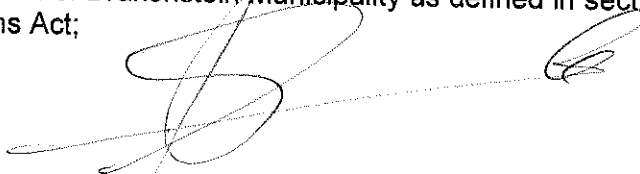
- 13.6 Electricity revenue stream increase of approximately 1.88% for all other consumers;
- 13.7 Rental revenue stream increase of approximately 7.5%; and
- 13.8 Sundry revenue stream increases of 10% as set out in the Tariff List.
14. that Council takes note of the following envisaged tariff increases in the revenue streams of property rates, fees, charges and tariffs over the four outer years of the 2017/2022 MTREF period as set out in the table below:

2017/2022 MTREF TARIFF INCREASES					
DESCRIPTION	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Property rates revenue increase	9.49%	8.7%	8.6%	8.6%	8.6%
Refuse removal services tariff increase (PPP)	9.7%	9.7%	9.7%	9.7%	9.7%
Sanitation services tariff increase	15.00%	15.00%	15.00%	15.00%	15.00%
Water services tariff increase	8.00%	8.00%	8.00%	8.00%	8.00%
Electricity life line consumers tariff increase	1.75%	5.7%	5.6%	5.6%	5.6%
Electricity other consumers tariff increase	1.88%	5.7%	5.6%	5.6%	5.6%
Housing rental tariff increase	7.5%	7.5%	7.5%	7.5%	7.5%
Other tariffs on average (Excluding special requests)	10.00%	10.00%	10.00%	10.00%	10.00%

15. that Council approves the annual budget of Drakenstein Municipality for the 2017/2018 financial year as well as the indicative estimates for the four outer financial years (2018/2019 to 2021/2022) as set out in Schedules A1 to A10 and Schedules SA1 to SA38 in Annexure D to the tabled 2017/2022 MTREF Budget Report;
16. that the following new budget related policy as part of Appendix B (Budget Related Policies Document) to this item be approved –
- 16.1 Funding and Reserves Policy
- 16.2 Unclaimed Deposits Policy
17. That the following reviewed budget related policies with its amendments be approved (effective 1 July 2017) as part of Appendix B (Budget Related Policies Document) to this item –

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- 17.1 Cash and Investment Policy;
 - 17.2 Unauthorised, Irregular, Fruitless- and Wasteful Policy;
 - 17.3 Asset Management Policy;
 - 17.4 Financial Asset Management Policy;
 - 17.5 Insurance Policy;
 - 17.6 Supply Chain Management Policy;
 - 17.7 Stock Management Policy;
 - 17.8 Customer Care, Credit Control, Debt Collection and Indigent Support Policy;
 - 17.9 Tariff Policy;
 - 17.10 Property Rates Policy;
 - 17.11 Asset Transfer Policy;
 - 17.12 Electricity Losses Policy;
 - 17.13 Electrical Infrastructure Maintenance Policy;
 - 17.14 Petty Cash Policy; and
 - 17.15 Travel and Subsistence Policy.
18. that all other budget related policies reviewed and attached as part of Appendix B (Budget Related Policies Document) to this item be left unchanged;
19. that Council takes note that Drakenstein's investments and cash as at 30 April 2017 amounted to R 226,269,482.36 made up of investments with –
- 19.1 Nedbank primary bank account (R 19,354,846.00);
 - 19.2 FNB traffic account (R 15,798.66)
 - 19.3 ABSA investments (R 85,965,037.68);
 - 19.4 Nedbank investments (R 5,194,805.74);
 - 19.5 Standard Bank investments (R 18,379,006.58);
 - 19.6 FNB investment (R 97,223,525.80); and
 - 19.7 Eskom (R 136,461.90).
20. that 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, Municipal Manager, Chief Financial Officer and Executive Managers as set out in Table SA23 (Appendix D to this item);
21. that 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;



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22. that Council takes note that Drakenstein Municipality do not have any municipal entities;
23. that Council approves the measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the municipality's integrated development plan, as set out in Table 32 (Appendix D to this item);
24. that Council approves the recommendations as set out in Appendix A (Written Comments Received on the 2017/2018 Tabled Budget) to this item as Council's views on the written comments received during the public participation process on the 2017/2018 Tabled Budget;
25. that Council takes note that the approved electricity tariffs are subject to the approval of it by the National Energy Regulator of South Africa; and
26. that a public participation meeting be arranged in June 2017 to consult with the public the newly proposed property rates tariff before Council can finally approve any new property rates early in July 2017.

Meeting: MC - 29/05/2017 Ref No: 5/2/2/ (2017/2018) Coll No:		Submitted by Directorate: Financial Services Author/S: C Lategan Referred from:	
<u>PARAGRAPH:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

ADDITIONAL ITEMS

5. HOSTING THE PLANNING AFRICA CONFERENCE 2018 IN THE WESTERN CAPE
AANBIEDING VAN BEPLANNING AFRIKA KONFERENSIE 2018 IN DIE WES-KAAP

RESOLVED

1. that the previous Mayoral Committee resolution dated 24 May 2017 herewith be rescinded;
2. that Drakenstein Municipality commits to participate in the Planning Africa Conference 2018 program;
3. that Drakenstein Municipality commits to host and fund the Conference Gala Evening and Awards Ceremony and Technical tours within the Drakenstein Municipal Area on 16 October and 18 October 2018 respectively;
4. that funds be transferred to the Drakenstein Local Tourism Association as per Section 67 of the regulations of the MFMA, Act 56 of 2003;
5. that a Steering Committee be established to evaluate and monitor the logistics, progress, planning and funds; and

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6. that a further report be submitted detailing information on the Gala Dinner/Award Evening and the Technical Tours.

Meeting: MC - 29/05/2017 Ref No: 12/1/1 Coll No: 1224046		Submitted by Directorate: Planning & Economic Development Author/S: A Roelf Referred from:	
PARAGRAPH: 1 - 6	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Planning and ED	DUE DATE:

- 6. ALLOCATIONS OF BUSINESS TRADING BAY SPACES AT ARENDSNES, MAIN ROAD, WELLINGTON
TOEKENNINGS VAN BESIGHEID HANDELSBAAI RUIMTE BY ARENDSNES, HOOFWEG, WELLINGTON**

RESOLVED

that this item be withdrawn.

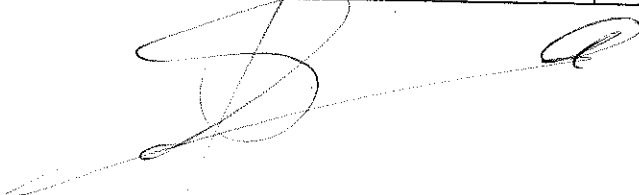
Meeting: MC - 29/05/2017 Ref No: 15/7/3/2 Coll No: 1220663		Submitted by Directorate: Planning Services Author/S: C Phillips Referred from:	
PARAGRAPH:	ACTION: Re-submit item	RESPONSIBLE DEPT: EM: Planning and ED	DUE DATE:

- 7. VIOLENCE PREVENTION THROUGH URBAN UPGRADING PROGRAMME:
VPUU STRATEGIC PROJECTS FOR IMPLEMENTATION
GEWELD VOORKOMING DEUR STEDELIKE OPGRADERING: VPUU
STRATEGIESE PROJEKTE VIR IMPLEMENTERING**

RESOLVED

1. that the Public Investment Framework funding model as attached to the departmental report, **be noted**;
2. that the Capital expenditure of R 9 297 100,00 for 2017/2018 be funded by a grant (R 3 000 000,00) and from our own Capital budget (R 6 297 100,00); and
3. that it be noted that the generating expenditure of R 1 447 000,00 for 2017/2018 will be funded from our own VPUU allocations.

Meeting: MC - 29/05/2017 Ref No: 17/19/5/1 Coll No: 1221292		Submitted by Directorate: Community Services Author/S: J Albertus Referred from:	
PARAGRAPH: 1 - 3	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Community Services	DUE DATE:



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- | |
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| 8. BOLAND CRICKET FUNDING REQUEST: HOST VENUE STATUS FOR CSA GLOBAL DESTINATION T20 LEAGUE |
| BOLAND KRIEKET T20 LIGA: AANSOEK OM BEFONDSING: GASHEER STATUS KSA |

RESOLVED

that it be recommended to Council:-

1. that the granting of a guarantee to provide financial assistance to Boland Cricket Club to the amount of R9 million over a period of three financial years, be approved;
2. that the funding be sourced from potential savings in the adjustments budget of the 2017/2018 financial year in February 2018 and the rest of the funding be accommodated in the following two financial years; and
3. that the financial assistance only be granted if Boland Cricket Club is chosen as a host venue.

Meeting: MC – 29/05/2017 Ref No: 5/15/1 Coll No:		Submitted by Directorate: Financial Services Author/S: J Carstens Referred from:	
<u>PARAGRAPH:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

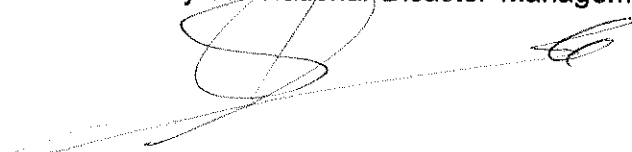
- | |
|---|
| 9. STATE OF CURRENT DROUGHT AND DECLARATION OF A LOCAL STATE OF DISASTER (HYDROLOGICAL AND AGRICULTURE) FOR DRAKENSTEIN MUNICIPALITY |
| STAND VAN HUIDIGE DROOGTE EN AFKONDIGING VAN 'N PLAASLIKE RAMPTOESTAND (HIDROLOGIES EN LANDBOU) VIR DRAKENSTEIN MUNISIPALITEIT |

A report in the above regard, was tabled and considered.

RESOLVED

that it be recommended to Council:-

1. that the municipality declares a local state of disaster (hydrological) in the area of jurisdiction of Drakenstein Municipality and to publish the declaration of a local state of disaster after consideration by the Provincial Cabinet and classification and verification by the National Disaster Management Centre;
2. that the municipality declares a local state of disaster (agricultural) in the area of jurisdiction of Drakenstein Municipality, including the rural area and all the irrigation boards within the municipal area and to publish the declaration of a local state of disaster after consideration by the Provincial Cabinet and classification and verification by the National Disaster Management Centre; and



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3. that the Provincial Disaster Management Centre be advised accordingly and be requested to promote the request in terms of the relevant legal requirements and prescribed procedures to the Provincial Cabinet and National Disaster Management Centre.

(The report is included in the Supplementary Council agenda.)

Meeting: MC – 29/05/2017 Ref No: 1/4/3 Coll No:		Submitted by Directorate: Infrastructure Services Author/S: A Kowalewski Referred from:
<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

<p>10. BY-LAW ON LIQUOR TRADING DAYS AND HOURS: APPROVAL OF COMMENTS TO BE FORWARDED TO THE WESTERN CAPE LIQUOR AUTHORITY: VILLAGE BISTRO TO ERF 284 WELLINGTON</p> <p>VERORDENING OP DRANK HANDELSDAE EN -URE: GOEDKEURING VAN KOMMENTARE VIR INDIENING BY DIE WES-KAAPSE DRANKRAAD: VILLAGE BISTRO NA ERF 284 WELLINGTON</p>
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A report in the above regard was tabled and considered.

RESOLVED

that the application for the transfer of liquor license no WPC/033279 of the Village Bistro to Erf 284 Wellington based on the comments received from the Department of Planning (Land Use), ward councillor and South African Police Services (Wellington) (Schedule 1), be supported.

Meeting: MC – 29/05/2017 Ref No: 1/5/2/17 Coll No:		Submitted by Directorate: Community Services Author/S: U Johanneson Referred from:
<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

The meeting ended at 16:27

CHAIRPERSON:

DATE: 31/6/2017

Confirmed on 31/06/2017 with/without amendments.

HB/