

**DRAFT BUDGET: 2010/2011 FINANCIAL YEAR AND FORECASTS
2011/2012 AND 2012/2013:**

5/1/1/2009/2010

REPORT from the Executive Mayor.

Directorate : Finance.

PURPOSE:

The purpose of this report is for the Executive Mayor to:

1. recommend the Operating, Capital and Personnel Budgets for the 2010/2011 financial year in terms of Section 16(2) of the Municipal Finance Management Act (Act No. 56 of 2003) as amended, and;
2. recommend the adoption of the information required under section 17(3) of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003) as amended.

BACKGROUND:

The capital, operational and personnel budgets (salaries and wages) of Council for the upcoming financial year (2010/2011) have been compiled and are submitted herewith for discussion. In addition forecasts of the requirements for the following two financial years have been made and are provided for consideration.

DISCUSSION:

The draft operational budget for the 2010/2011 financial year is based on the operational budget for the 2009/2010 financial year plus an average increase of 12.35%.

The average CPIX for 2008/2009 financial year was of 7.1% and for January 2010, 6.2%.

ANALYSIS OF EXPENDITURE BUDGET 2010/2011

An analysis of the estimated expenditure for 2010/2011 is as follows:

CATEGORIES	R'000	% of Budget
Remuneration	321,895	27.10%
General Expenditure:		
Eskom – Bulk purchases	418,080	35.20%
Water – Bulk purchases	30,104	2.53%
External Interest	27,967	2.35%

Sundry	89,542	7.54%
Non Cash Flow	45,184	3.80%
Total General	610,877	49.34%
Repair and Maintenance	66,959	5.64%
Depreciation – Redemption & Loans	61,976	5.22%
Contribution: Sundry	0	0.00%
Bad Debt	125,982	10.61%
Total Contributions	125,982	10.61%
Income contribution to Capital	0	0
TOTAL	1,187,689	100.00%

The Budget is to comply with Municipal Finance Management Act No. 56 of 2003 Circular No. 51 attached as **Annexure “ZZZ”**.

The comparison of the current expenditure budget (2009/2010) vs. the 2010/2011 financial year, indicates the following:

CATEGORIES	BUDGET	BUDGET	CHANGE
	2009/2010	2010/2011	
	R'000	R'000	%
Total Remuneration	288,719	321,895	11.49%
General Expenditure:			
Eskom	297,141	418,080	40.70%
Water	28,400	30,104	6.00%
External Interest	44,449	27,967	(19.37%)
Sundry	111,047	89,542	(37.08%)
Non Cash Flow	47,598	45,184	5.07%
Total General	528,635	610,877	15.56%
Repair and Maintenance	81,670	66,959	(18.01%)
Depreciation	91,002	61,976	31.90%
Contributions: Sundry	10,246	0	0%
Bad debts	58,865	125,982	121.55%
Total Contributions	67,112	125,982	87.72%
Income contribution to capital	0	0	-
TOTAL	1,057,138	1,187,689	12.35%

The overall increase in spending estimates of 12.35% is according to the growth guideline of 3-6 % allowed by National Treasury. Capital grants will be received from external sources (MIG, NDM, National Treasury, Province etc.) to the value of R95,455,000 for the 2010/2011 financial year. If these amounts are taken into account the overall increase in spending estimates will be 6.48%.

Major components which contributed to increases above the approved guideline increase of 3% to 6% are the following:

Bulk purchase of electricity

ESKOM increased the tariff of bulk purchases of electricity with 24.80% while the difference represents a correction on the adjustment budget.

Bulk purchase of water.

An agreement between Emalahleni and Anglo Operations limited was entered in whereby the council purchased 10 ML purified water per day from 1 October 2007, which increased to 16 ML per day with effect from 1 July 2008. This amounts to R30,104,000, which is R1,704,000 additional for the 2010/2011 financial year.

Due to the financial constraints in the budget, the maximum purchase has to be limited to 16 ML per day.

Provision for bad debts.

The provision for bad debts increased from R56,865,320 in the 2009/2010 financial year to R125,982,319 for the 2010/2011 budget, an additional R69,116,999 (based on a payment rate of 86.65% and provision of 13.35%).

CLASSIFICATION	R'000	%
Remuneration and Allowances	33,176	11.49%
General Expenses	82,241	15.56%
Repair and Maintenance	-14,711	-18.01%
Depreciation – Redemption	-29,026	-31.90%
Contribution to funds	58,871	87.72%
TOTAL	130,551	12.35%
Minus : Eskom	120,939	40.70%
Amount approved by National Treasury	9,612	-28.35%

A detailed discussion of the main headings now follows:

REMUNERATION AND ALLOWANCES.

The employee element of the personnel budget amounts to 27.10% of the total expenditure budget and on the cash flow budget 32.67%, which falls inside the standard of between 25% - 35%. In considering this it is important to understand how the salaries and wages budget has been prepared.

Provision was made for salary increases of 8.5%; the average increase in CPI for February 2009 to January 2010 was 6.98%, plus 1.5%. The salary increase limits the provision for certain vacant positions. An amount of R9,041,681 was provided for overtime. It is imperative to comply within the amounts budgeted for as it will have a direct impact on the final salary percentage increase and vacant positions to be filled.

A letter dated 3 August 2009 was received from SALGA, indicating the salary increases to be as follows:

<p>Current year (2009/2010)</p>	<ul style="list-style-type: none"> a) An across the board increase of thirteen (13%) percent with effect from 1 July 2009 b) two and a half (2,5%) percent of the increase referred in (a) above be non-pensionable for the 2009/2010 financial year, only c) Medical Aid contributions shall increase by 10.5% by 1 July 2009 for the 2009/2010 financial year only d) With effect from 1 July 2010, the non-pensionable allowance referred to in (b) above, shall become part of the employees basic salary and shall not apply retrospectively in respect of pensionable contributions; e) Minimum Wage R3,850 with effect from 1 July 2009 and R4,000 from 1 January 2010 f) Home owners allowance on a maximum housing bond of R100,000
<p>New year (2010/2011)</p>	<ul style="list-style-type: none"> a) With effect from 1 July 2010 an across the board increase on the average CPI percentage, for the period 1 February 2009 until 31 January 2010 plus one and a half (1.5%) percent b) The minimum wage for the financial year 2009/2010 will increase with the same percentage as (a) above; c) Home owners allowance on a maximum housing bond of R110,000

<p>Ensuing financial year (2011/2012)</p>	<p>a) With effect from 1 July 2011 an across the board increase based on average CPI percentage for the period 1 February 2010 until 31 January 2011; plus two (2%) percent</p> <p>b) The minimum wage for the 2010/2011 will increase with the same percentage as (a) above</p> <p>c) Home owners allowance on a maximum housing bond of R135,000</p>
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Continuous increases above guidelines given by National Treasury negatively affect service delivery and infrastructure development. The basis to determine the salary budget for 2010/2011 was the actual salary budget for 2009/2010 plus 8.50%, notch increases.

In the previous years, the salary component of the budget excluded Councillors' allowances, Unemployment Insurance Fund and continued members, which were shown under general expenditure. In terms of the new GAMAP requirements, Councillors' allowances, continued members and Unemployment Insurance Fund must be shown as part of employees' remuneration and this could result in a higher percentage increase above 35%. For Councillors' remuneration an increase of 8.50% is budgeted for.

GENERAL EXPENSES:

ESKOM applied for a tariff increase of $\pm 35\%$, while NERSA approved 24.80% for the 2010/2011 financial year. This will realize only R466,814,089 levied revenue while bulk purchase of electricity amounts to R418,080,000.

An agreement was entered into between Anglo Operations Limited and Emalahleni whereby Council will purchase 10 ML water per day starting 1 October 2007, which will increase to 16 ML per day for the 2008/2009 financial year. Provision of R30,104,000 (6.00% increase) was made for the purchase of water.

The implementation of GAMAP has seen the need to budget for non cash-flow items separately. Within General Expenditure this head includes the Indigent Subsidy (increase of R5,113,694 or 16.18%) and Inter Departmental Charges (amounts to R8,479,06) as a result of metering different Council buildings and billing thereof.

Along with the other items in the overall budget the non cash flow items for 2010/2011 represent an assumed payment rate of 86.65%. It should be noted that the Indigent Subsidy now stands at R36,704,914 with the increase reflecting the Government's policy of support for the poor through the Equitable Share Grant.

The total level of increase for other General Expenses was set at 15.56% which is higher than the current inflation rate due to the huge increase in ESKOM electricity tariff.

Other major components have changed above the 6.20% benchmark which reflects the CPI at 31 January 2010 as follows:

Description of Item	Amounts change (R'000)		%
	2009/2010	2010/2011	
General Expenditure Departments			
Membership & Subscription fees	1,048,915	1,693,000	61.41%
General Expenditure Bulk Services			
Bulk purchases – electricity	297,141,276	418,080,000	40.70%
Bulk purchases – water	28,400,000	30,104,000	6.00%
Contribution – Provision for bad debt	56,865,320	125,982,319	121.55%

MEMBERSHIP & SUBSCRIPTION FEES:

This represents SALGA Membership which increased according to Council's Remuneration Budget which is set on 61.41% for the 2010/2011 financial year.

BULK PURCHASES ELECTRICITY:

ESKOM tariff is 24.80% as approved by NERSA, therefore an increase of 24.80% is calculated.

BULK PURCHASES WATER:

An agreement between Emalahleni and Anglo Operations limited was entered into whereby the council purchased 10 ML purified water per day from 1 October 2007 which increased to 16 ML per day. This amounts to R28,860,330 additional per year for the 2010/2011 financial year.

Provision of R30,104,000 (6.00% increase) was made for the purchase of water.

CONTRIBUTION – PROVISION FOR BAD DEBT:

The revenue budget is based on a payment level of 86.65% on services, therefore an increase in the provision for bad debts.

REPAIRS AND MAINTENANCE:

<u>Description of item</u>	<u>Amounts change (R'000)</u>		
	<u>2009/2010</u>	<u>2010/2011</u>	<u>%</u>
<u>Repair and Maintenance</u>			
Sewerage reticulation	5,425,662	7,000,000	29.00%
Water reticulation	7,544,203	9,000,000	19.30%

The increase of 29% in sewerage reticulation is to solve the problems on the sewer network, while water reticulation budget increases by 19.30%.

DEPRECIATION:

GAMAP has a significant impact on the way in which the Council will need to budget for Capital Charges in the future.

The result is that interest and redemption charges to individual cost centres are replaced with a charge for the use of the assets. This is known as Depreciation. However, for the Council as a whole, the impact on the bottom line will remain as the amount it pays in external interest and redemption. For the purposes of setting the 2010/2011 budget, depreciation therefore reflects the external redemption charge only, with interest being shown under General Expenses in accordance with GAMAP.

As a summary, however, provision for interest and redemption on loans is made as follows:

	<u>R'000</u>
Interest	R27,967,375
Redemption	<u>R27,945,160</u>
TOTAL	<u>R55,912,535</u>

No loans will be taken up during the 2010/2011 financial year, due to the financial position of council. The loan for the 2009/2010 financial year amounting to R138,510,000 will also not realize.

A complete statement of external loans, interest and redemption is reflected and contained in the separate **Annexure "A"**.

CONTRIBUTION TO FUNDS/RESERVES:

The following amounts are provided for the different funds:

	R'000
Bad debts (non-cash-flow item)	125,982
TOTAL	125,982

CAPITAL EXPENDITURE.

The capital expenditure for the 2010/2011 financial year amounts to R95,455,000 million which will be financed as follows:

CAPITAL PROGRAM AS PER IDP	R'000
Nkangala District Municipality (NDM)	30,500
Municipal Infrastructure Grant (MIG)	64,955
TOTAL CAPITAL PROGRAM	95,455

This capital budget reflects the increased allocation now received from National Government and the District Council. It is in line with the draft IDP. The necessary consultation process with the community will take place and the identified needs from the community will be contained in the abovementioned total. For a further breakdown of these projects, refer to **Annexure "B"**.

INCOME BUDGET 2010/2011

Objections received against the 2010/2011 budget and tariffs:

The draft budget and tariffs for 2009/2010 has not been advertised as yet. This will be done at a later stage (April 2009), when the draft budget has been approved by Council. Comments from residents / ratepayer's associations etc., will be considered thereafter for inclusion in the final budget to be tabled in Council towards the end of May 2010.

Service charges are increased as follows:

Assessment rates:

- The property rates will be levied on the total market value of the property in accordance with the Property Rates Policy. The first R50,000 of the market value of residential properties will be exempted from property rates.
- Provision is made for a 10% increase in the total income in respect of property rates.

Electricity:

ESKOM tariff application of 24.80% increase was approved by NERSA and the tariff is adjusted accordingly.

The distribution loss however increased to 33.42% as at 30 June 2009.

The fact that distribution losses did not decrease can result in the electricity tariff not being approved by NERSA.

The National Electricity Regulator South Africa (NERSA) approved a tariff increase of 15.33% while daily purchases increase with 24.80%. It is recommended that Council budget for an increase of 24.80%. Further motivation will be made to NERSA to consider the request. It must be noted that the excessive increase from NERSA is bankrupting Council as the same percentage cannot be recovered from revenue.

Water:

The recommended increase in the water tariff is 25%.

Refuse Removal & Sewer:

The recommended increase in respect of refuse removal and sewer is limited to 15.00% and 20.00% respectively.

Equitable Share.

The Equitable Share Grant is an unconditional grant assisting municipalities to supplement their revenue to deliver services to poor households.

An amount of R146,796,000 million has been approved for the 2010/2011 financial year. This is an increase of approximately 29.11% on the current year and reflects the Government's increased investment in infrastructure and the alleviation of poverty.

The proposed allocation in respect of Indigent Subsidy in the 2010/2011 budget is R36,704,914 million.

The monthly Indigent subsidy as from 1 July 2010 will be R187.40. An estimated number of 16,322 consumers will be subsidized in the 2010/2011 financial year.

Indigent subsidy broken down as follows:

Electricity (50 units)	R 37.12
Refuse	R 64.86
Basic Sewer (500 m2) and additional sewer	<u>R 62.40</u>
Subtotal	R164.38
Plus 14% VAT	<u>R 23.02</u>
TOTAL	<u>R187.40</u>

Indigents will not be subsidized in respect of assessment rates as the first R50,000 of the market value of all residential properties is exempted.

Projections for the following two years continue this trend with indicative figures of R166,569 million (13.47% increase) for 2011/2012 and R183,854 million (10.38% increase) for 2012/2013.

It is recommended that the allocation should be as follows:

	<u>R'000</u>
Indigent applications	36,705
Operating	92,541
Free basic water (6 KL)	<u>17,550</u>
TOTAL	<u>146,796</u>

Payment Rate:

The payment rate anticipated for the 2010/2011 financial year will be 86.65% resulting in a provision for non cash-flow items of 13.35% (bad debts).

<u>Financial year</u>	<u>Average payment rate</u>
2007/2008	90.35%
2008/2009	87.15%
2009/2010 (January 2010)	82.25%
Average	86.58%

General:

The impact of all the above is that the maximum income achievable is estimated at R1,187,688,783, which is an increase of R130,550,432 or 12.35%. This is made up as follows:

	R'000
General Services/Grants	-2,476
Water	22,179
Sewer	8,355
Electricity	84,714
Refuse	8,276
Rates	9,502
TOTAL	130,550

TARIFF STRUCTURE FOR SERVICES:

GENERAL REMARKS:

Due to the financial position of Council and economical circumstances, expenditure must be limited to the level of achievable income.

It is recommended that the tariffs be increased as shown above with effect from 1 July 2010. Examples of consumer accounts, comparing 2009/2010 with 2010/2011 are attached as **Annexures “E”** and proposed tariffs as per **Annexure “D” – “Z”**. The proposed tariffs do not include VAT.

MEDIUM TERM REVENUE EXPENDITURE FRAMEWORK (MTREF):

The attached Medium Term Revenue Expenditure Framework for Operational Income and Expenditure and the Capital Budget is prepared for the financial years 2010/2011 to 2012/2013 (**Annexure “C”**). This document is utilized for planning and control purposes regarding the budget and assists in keeping tariff increases at affordable levels, compared to expenditure needs and economic ratio.

Attached as **Annexure “C b”** is a summary per line item budgeted and actual cash flow for 2010/2011 financial year attached as **Annexure “C c”** for notification.

The growth rates are shown below:

	<u>Expenditure</u>	<u>Income</u>
2008/2009	22.60%	22,60%
2009/2010	4.02%	4.02%
2010/2011	12.35%	12.35%
2011/2012	8.00%	8.00%
2012/2013	8.00%	8.00%

The first page of the detailed budget in **“Annexure ZZ”** shows the impact of the policies adopted for the Medium Term Revenue Expenditure Framework.

IMPLICATIONS OF THE ACT:

The Act makes significant changes to the financial management of Municipalities and the information to National and Provincial Governments as amended by National Treasury for High Capacity Municipalities with effect from the 2009/2010 Budget.

The budget tables and supporting tables are as follows: (**Annexure “ZZ”**)

1. Table A1 – Budget Summary;
2. Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification);
3. Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote);

4. Table A4 – Budgeted Financial Performance (revenue and expenditure);
5. Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding;
6. Table A6 – Budgeted Financial Position;
7. Table A7 – Budgeted Cash Flows;
8. Table A8 – Cash backed reserves / accumulated surplus reconciliation;
9. Table A9 – Asset Management;
10. Table A10 – Basic Service Delivery Measurement
11. Supporting Table SA1 – Supporting detail to budgeted Financial Performance;
12. Supporting Table SA2 – Matrix of the Financial Performance Budget;
13. Supporting Table SA3 – Notes to the Budgeted Financial Position;
14. Supporting Tables SA4–SA6 – Reconciliation of IDP Strategic Objectives and budget;
15. Supporting Table SA7 – Measurable performance objectives;
16. Supporting Table SA8 – Performance indicators and benchmarks;
17. Supporting Table SA9 – Social, economic and demographic statistics and assumptions;
18. Supporting Table SA10 – MFMA funding compliance;
19. Supporting Table SA11 – Property rates summary;
20. Supporting Table SA12– SA13 – Property rates by category;
21. Supporting Table SA14 – Household bills;
22. Supporting Table SA15 – Investment particulars by type;
23. Supporting Table SA16 – Investment particulars by maturity;

24. Supporting Table SA17 – Borrowing;
25. Supporting Tables SA18-SA20 – Transfers and grant receipts, expenditure and unspent funds reconciliation;
26. Supporting Table SA21 – Transfers and grants made by the municipality;
27. Supporting Table SA22-SA24 – Councillor and staff benefits and personnel numbers;
28. Supporting Table SA25-SA30 – Monthly revenue, expenditure and cash flow;
29. Supporting Table SA31 – Aggregated entity budget;
30. Supporting Table SA32 – List of external mechanisms;
31. Supporting Table SA33 – Contracts having future budgetary implications;
32. Supporting Table SA34 – Capital programme by asset class;
33. Supporting Table SA35 – Future financial implications of the capital budget;
34. Supporting Table SA36 – Detailed capital budget;
35. Supporting Table SA37 – Projects delayed from previous financial year(s)

For details of the abovementioned documents see **Annexure “ZZ”**.

RECOMMENDATION BY THE MUNICIPAL MANAGER:

1. That the Draft Budget (Annexure “C”) for the 2010/2011 financial year be approved in terms of Section 160(2)(3)(b) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), read with Section 16(2) of the Municipal Finance Management Act, (Act No. 56 of 2003) as amended as follows:
 - 1.1 Operating budget, expenditure to the amount of R1,187,683,783;
 - 1.2 Capital program (vote) to the amount of R95,455,000 (Annexure “B”);
 - 1.3 Revenue to the amount of R1,187,688,783 broken down as follows:

	R'000	R'000	R'000
VOTE	OPERATING	CAPITAL	REVENUE
Executive & Council	46,664	0	13
Finance	131,305	0	348,777
Administration	60,556	0	365
Planning & Development	26,014	0	10,262
Health	14,281	0	2,628
Community & Social Services	20,218	0	1,234
Housing	8,787	0	1,208
Public Safety	55,350	4,000	20,122
Sport & Recreation	21,553	21,758	21,764
Environmental Protection/ Management	3,813	0	20
Waste Management	49,064	8,000	55,918
Waste Water Management	37,419	37,066	91,450
Roads, Storm water	24,304	5,000	5,000
Water	113,954	14,700	152,021
Electricity	561,872	4,931	471,745
Other (Market)	12,535		5,162
TOTAL	1,187,689	95,455	1,187,689

1.4 that the following sub-functions under the abovementioned votes, be noted:

Executive & Council:

- Mayor's Office
- Mayoral Committee
- Speaker
- Council General Expenditure
- Municipal Manager
- Community participation & communication
- Internal Auditing
- P M S & I D P
- LED & Marketing
- PMU

Finance:

- Administration
- Property Rates & Grants
- Expenditure & Financial Planning
- Revenue

Administration:

- Administration
- Human Resources
- Stores & Asset Management
- Information Technology
- Fleet
- Property Services

Planning & Development:

- Spatial Planning
- Land Use Management
- Administration

Health:

- Primary Health Care Clinics

Community & Social Services:

- Cultural Centre
- Community Halls
- Libraries
- Cemeteries
- Administration

Housing:

- Housing

Public Safety:

- Administration
- Licensing
- Traffic
- Security
- Fire
- Disaster Management

Sport & Recreation:

- Parks, Recreation & Sport
- Parks & Sport fields

Environmental Protection/Management:

- Environmental Management

Waste Management:

- Solid Waste

Waste Water Management:

- Sewerage Purification
- Sewerage Network
- Public Toilets

Roads, Storm water:

- Roads & Storm water

Water:

- Water (Purification/Storage)
- Water Network/Distribution
- Administration

Electricity:

- Electricity Distribution
- Street lighting
- Administration

Other:

- Nature Reserve & Resort
- Market
- Aerodrome
- Building Control

2. that the following be noted and confirmed:
- 2.1 that (NERSA) approved a tariff increase of 15.33% while daily purchases increase with 24.80%. It is therefore recommended that Council budget for an increase of 24.80%;
 - 2.2 that provision of R125,982,319 has been made for possible irrecoverable debts on the understanding that strict legal measures will continue to be implemented to curb losses and non-payment for services;
 - 2.3 that it be noted that the total provision for irrecoverable debts will amount to R362,715,947 being 82.89% of outstanding debtors of R437,575,182 as at 28 February 2010 ;
 - 2.4 that provision was made for a general salary increase of 8.5% across the board with effect from 1 July 2010;
 - 2.5 that provision was made for a possible increase of 8.5% in the allowances of Councillors. Municipal Manager and Section 57 Employees (Directors);
 - 2.6 that an amount of R146,796,000 million has been provided as "Equitable Share" (National Government);
 - 2.7 that the amount in 2.6 has been allocated as follows:

R'000

2.7.1 Free Basic Water – 6 Kl	R 17,550
2.7.2 Poverty relief	R 36,705
2.7.3 Operational Budget	<u>R 92,541</u>
	<u>R146,796</u>

- 2.8 that capital items (furniture, machinery, tools, computers, etc.) below R6,000 each, were provided for on the operational budget as inventory items, in line with the “GAMAP-principles” and also for reasons of simplification of the budget;
3. that normal legal action still be implemented to recover arrear debts, including:
- 3.1 sales in execution;
- 3.2 eviction orders in respect of unpaid rentals/instalments on agreements;
4. that the tariff of charges with reference to the Determination of taxable property values and assessment rates payable (2010/2011) contained in **Annexure “D”**, be noted;
5. that the tariff of charges, with reference to the under mentioned services, be amended in terms of Section 75A (as amended) of the Local Municipal Systems Act, 32 of 2000 (as amended), read with section 10(g)(7)(a) and (b) of the Local Government Transition Act, No. 209 of 1993 (as amended), with effect from 1 July 2010 and with regard to **Annexures “F “ to “Z”**:

ANNEXURE F	Electricity
ANNEXURE G	Water
ANNEXURE H	Water (GaNala Entity)
ANNEXURE I	Refuse Removal
ANNEXURE J	Drainage Services
ANNEXURE K	Parking areas
ANNEXURE L	Approval of building plans
ANNEXURE M	Cultural Centre
ANNEXURE N	Rental for community halls in Lynnville and Schoongezicht
ANNEXURE O	Fire Brigade services
ANNEXURE P	Recreation resort
ANNEXURE Q	Market services
ANNEXURE R	Railway service lines and private sidings
ANNEXURE S	Cemetery Fees
ANNEXURE T	Issuing of certificates and the furnishing of information
ANNEXURE U	Library Services
ANNEXURE V	Rental of stadiums
ANNEXURE W	Service Contributions
ANNEXURE X	Rental Hawkers
ANNEXURE Y	Spatial Planning
ANNEXURE Z	Rental Tariffs – business properties and flats

6. that the tariff for assessment rates be fixed and amended in terms of section 14(1) of the Municipal Property Rates Act, and section 75 (A)1(a) of the Systems Act, as from 1 July 2010 and with regard to Annexure "D";
7. that the assessment rates, which are to be levied in terms of (6) above, be payable in 12 equal monthly instalments;
8. that the execution/purchase of capital projects/items, as contained in the Capital budget be approved in terms of section 19 of the Municipal Finance Management Act ,No 56 of 2003 as per Annexure "B";
9. that Council continue striving to control expenditure to the absolute minimum, consistent with approved service delivery levels, during the 2010/2011 financial year, but overall limited to the amount of realisable income achieved;
10. that income levels be raised during the coming financial year, by maintaining the actions currently undertaken by Council (including cut off actions, etc. and the normalization process);
11. that reports be submitted to the relevant National and Provincial Departments in accordance with the Act and associated regulations;
12. that both the capital and operational budgets be presented to the relevant National and Provincial Departments for the necessary approvals;
13. that the budget framework as required by the Municipal Finance Management Act (Act No. 56 of 2003) Section 17(3) as amended per budget tables and supporting tables (Annexure "ZZ"), be approved;
14. that the Draft Operating MTEF for the period 2010/2011 – 2012/2013 as per Annexure "C", be approved;
15. that the requirements of the Municipal Finance Management Act (Act No. 56 of 2003) as amended, and actions taken, be noted;
16. that the local community be invited to submit representations in terms of S22 (a; ii) of the Municipal Finance Management Act, Act No. 56 of 2003 (as amended) and Section 21 of the Municipal Systems Act, Act No. 32 of 2000 (as amended); and
17. that a further motivation be made to NERSA to consider an electricity tariff increase of 24.80%.