

**TO ALL COUNCILLORS AND DIRECTORS OF THE BREEDE VALLEY
MUNICIPALITY**

NOTICE IS HEREBY GIVEN that a **COUNCIL MEETING** of the Breede Valley
Municipality will be held on

TUESDAY, 26 FEBRUARY 2019 at 10:00

in **THE COUNCIL CHAMBER, CAPE WINELANDS DISTRICT MUNICIPALITY,**

51 TRAPPES STREET, WORCESTER

to consider the matters listed in the following Addendum Agenda.



**CLLR. N. MERCUUR
SPEAKER**

25 FEBRUARY 2019

ADDENDUM AGENDA

6. CONSIDERATION OF AGENDA ITEMS

Please ignore Item 6.1 in the original Agenda and replace it with Item 6.1 below.

6.1 MID-YEAR ADJUSTMENTS BUDGET – FEBRUARY 2019

File No. /s: 3/2/2/17

Responsible Official: R Ontong

Directorate: Financial Services

Portfolio: Financial Services

1. Purpose

This serves to submit an adjustments budget for the 2018/19 financial year:

- Adjust revenue and expenditure projections after the half yearly performance (section 72 report);
- Adjust the capital program to provide for amendments to current projects, new projects to be implemented and to remove / postpone projects that will not be implemented in the 2018/19 financial year.
- Adjust the funding sources in the capital program to align with the useful lives of assets; and
- Include approved unspent conditional grants of 2017/18 financial year from National and / or Provincial Government.

2. Background:

In terms of the MFMA (Section 28) the approved budget may be revised through an adjustments budget.

A. Section 28(2) further provides that; An Adjustments budget -

- Must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during the year;

- May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmed already budgeted for;
- May, within the prescribed framework, authorize unforeseen and unavoidable expenditure recommended by the Mayor;
- May authorize the utilization of projected savings in one vote towards spending under another vote;
- May authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
- May correct any errors in the annual budget, and
- May provide for any other expenditure within a prescribed framework.

Municipal Budget and Reporting Regulations further provides that;

B. Timeframes for tabling of adjustments budgets

- An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the Municipal Council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year;
- Only one adjustments budget referred to in sub regulations (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are allocations to a Municipality in a National or Provincial adjustments budget, in which case sub regulation (3) applies. If a National or provincial adjustments budgets allocates or transfer additional revenue to a Municipality, the Mayor of the Municipality must, at the next available council meeting, but within 60 days of the approval of the relevant National or Provincial adjustments budget, table an adjustments budget referred to in section 28(2) (b) of the Act in the Municipal council to appropriate these additional.

3. Financial Implications:

Financial implications are contained in the detail in this report.

4. Applicable Legislation / Council Policy:

1. The MFMA Section 28, 30 and 16(3)
2. Municipal Budget and Reporting Regulations
3. Council Budget related Policies

ADJUSTMENTS BUDGET - SCHEDULE B REPORT 26 FEBRUARY 2019



BREEDE VALLEY
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

Adjustments Budget of the Municipality

Prepared in terms of Section 28 of the Local
Government: Municipal Finance Management Act
(56/2003) and Municipal Budget and Reporting
Regulations

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SECTION A – Part 1

1. Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short-term investments.

DORA – Division of Revenue Act. The annual piece of legislation that indicate the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a Municipality.

KPI – Key Performance Indicators. Measures of service output and/or outcome.

LM – Breede Valley Municipality.

MFMA - Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property.

TMA – Total Municipal Account

SDBIP – Service Delivery Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

Vote – One of the main segments into which a budget is divided, usually at department level.

2. Mayors Report

The Breede Valley Municipality remains committed to the cause of bringing respectable services to all households. We as a municipality acknowledge the fact that households are faced with numerous difficulties, ranging from social to economic challenges. We view our role in addressing these challenges are integral to improve quality of life and will therefor continue to play part in creating a conducive environment for job creation and social upliftment. It should be taken to heart that not all plans made will be completed within the timeframes, but we as a municipality is committed in ensuring that all projects commenced are completed.

This adjustments budget serves the purpose of reflecting on the past six months of the 2018/19 financial year, and to address the areas within the budget that is not performing as planned. In addition, this adjustments budget will also approve unspent conditional grant funds of previous financial year that have since been approved by the National and Provincial government.

We as a municipality will continuously strive to successfully implement all projects, especially the projects funded from external sources such as grants. These projects add great value given the challenging economic environment faced by municipalities to ultimately deliver better services within the Breede Valley Municipality.

Breede Valley municipality has made significant progress in fighting service delivery backlogs, but also acknowledges that there is still a lot to be done. We will continue with the good work and improve wherever improvement is needed to ensure that this municipality improve on the quality of life for the people within Breede Valley municipal area.

3. Resolutions

That council approves the following:

- (a) To approve the adjustments budget as tabled in terms of section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

- (b) The recommendations with regard to resolutions are contained at the end of this report and have been prepared and presented according to the budget regulations.

4. Executive Summary

The Mid-year Adjustments Budget serves to address any budget amendment that require the approval of council. These amendments are imperative to service delivery as unforeseen challenges can be attended to and accelerated implementation can be facilitated.

The current economic climate of the Breede Valley Municipal area forced the municipality to relook at resource allocation to promote the optimal utilization of available resources.

The Mid-year Adjustments Budget includes provincial rollovers from the 2017/18 financial year amounting to the following per grant:

- Financial Management Capacity Building Grant: R240 000.00;
- Community Library Service Grant: R4 115 001.42;
- Western Cape Financial Management Support Grant: R44 153.94;
- Regional Socio-economic project / violence prevention through urban upgrading (RSEP/VPUU): R2 008 418.41;
- Local Government Graduate Internship Grant: R26 800.04; and
- Fire Service Capacity Building Grant: R1 500 000.00.

5. Adjustments Budget Tables – refer to Annexure A

B1 Consolidated Adjustments Budget Summary

The table is a budget summary and provides a concise overview of Breede Valley Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

B2 Consolidated Adjustments Budget Financial Performance by Standard Classification

Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The GFS standard classification divides the municipal services into 15 functional areas.

Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table B4.

B3 Consolidated Adjustments Budget Financial Performance By Municipal Vote

Table B3 above is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure Breede Valley Municipality. This means it is possible to present the operating surplus or deficit of a vote.

B4 Consolidated Adjustments Budget Financial Performance (Revenue and Expenditure)

Table B4 above is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.

B5 Consolidated Adjustments Budget Capital Expenditure Vote and Funding

Table B5 is a breakdown of the capital programmed in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

B6 Consolidated Adjustments Budget Financial Position

Table B6 is consistent with international standards of good financial management practice and assist stakeholders in understanding the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

B7 Consolidated Adjustments Budget Cash Flows

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

B8 Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

B9 Consolidated Asset Management

Table B9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

B10 Consolidated Basic Service Delivery Measurement

Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services

SECTION A – Part 2

- **Adjustments to Budget Inputs and assumptions**

The 2018/2019 Adjustments Budget was compiled in line with Chapter 4 Municipal Finance Management Act and Chapter 2 Part 4 of the Municipal Budget and Reporting Regulations.

The 2018/19 Adjustments Budget remain consistent with the Long-Term Financial Plan to ensure continued synergy between long term planning and implementation planning.

Revenue and Expenditure (operational and capital) projections to be revised in line with current and anticipated performance for the current year.

Addition of approved rollover grant allocations from the 2017/18 financial year.

Decrease in general expenditure to curb and eliminate non-priority spending

Inclusion of additional funding from Cape Winelands District Municipality.

1. Operational Revenue

Operational revenue and amendments made with the Adjustments Budget is informed by the performance trends over the past six months. A significant decrease in property rates and the generation water revenue are noted, whereas electricity revenue, refuse revenues and sanitation revenues are performing slightly better than anticipated.

Fines revenue has also been adjusted to account for the provincial traffic fines that need to be included as part of the municipality's revenue.

Transfers subsidies (operational and capital) increased with the rollover grant allocations from the 2017/18 financial year.

2. Operational Expenditure

The decrease noted in employee related cost is reflective of the savings realised due to vacancies being filled later than the start of the financial year. This implies that the salary budget is sufficient to carry personnel expenditure for the remainder of the financial year.

Debt Impairment increased as per B4 to accommodate the anticipated shortfall in the provision as calculated at the end of January 2019. This increased contribution mainly relates to traffic fines, and to a lesser extent service debtors. Current and improved credit control and debt collection mechanisms and strategies are in place in order to minimise the risk over unauthorised expenditure on the 2018/19 contribution towards the provision for debt impairment.

Significant additional Operating Expenditure requirements:

- Litter Picking and Street Cleaning (CWDM Funding): R500 000.00
- Insurance Premiums: R1 000 000.00
- Excess Payments: R1 000 000.00
- Maintenance of Provincial Cache Equipment: R120 000.00
- Third Party Vendors: R400 000.00

Capital Expenditure

Significant amendments to the capital budget:

- **Municipal Infrastructure Grant:**

Program/Project description	F i n a n c e	Budget Year 2018/19	Adjustments Feb 2019	Total Funded budget 2018/19
Upgrading of Stettynskloof Supply Pipe Line - Phase 3 (MIG 164422)	8.0	200 000.00	-	200 000.00
New Sewer Pump Station & Rising Main (MIG number 236184)	8.0	12 184.00	-	12 184.00
Langerug	8.0	25 933 727.00	-457 866.00	25 370 157.00
Pre-loads	8.0	302 684.00	-	408 388.00
Worcester Material Recovery Facility (MIG Form ID 237066)	8.0		7 188 000.00	7 188 000.00
De Doorns: New High Mast Lighting (MIG Form ID 153221)	8.0		431 271.00	431 271.00
New Swimming Bath	8.0	7 161 405.00	-7 161 405.00	-
		33 810 000.00	-	33 810 000.00

The table above sets out the reprioritization of the Municipal Infrastructure Grant (MIG). The MIG funding for New Swimming Bath project in Zwelethemba has been reallocated to finance other projects during the 2018/19 financial year due to the current progress with implementation. It should be noted that an amount of R100 000.00 has been made available from own funds to finance the work to be done on the New Swimming Bath project during the current year. This project will continue in the 2019/20 financial year and appropriate funding from MIG will be made available for implementation.

Regional Socio-economic project – Capital

Program/Project description	F i n a n c e	Budget Year 2018/19	Roll overs from 2017/18	Adjustments Feb 2019	Total Funded budget 2018/19
Project Management -0615					
Construction of tar-surfaced playing areas in Touwsrivier	6.4	650 000.00		143 811.00	793 811.00
Construction of pedestrian bridge over Donkies River in Touwsrivier	6.4	350 000.00		-	350 000.00
Shared Economic Infrstr Facility for inf traders in Zwelethemba	6.4	2 200 000.00	1 213 891.00	-143 811.00	3 270 080.00
Steel playground equipment Touwsrivier	6.4		53 987.00		53 987.00
Sewer connection for Riverview neighbourhood centre	6.4		170 000.00		170 000.00
Equipment	6.4		60 540.00		60 540.00
		3 200 000.00	1 498 418.00	-	4 698 418.00

The table above accounts for only the capital projects relating to the grant.

- **Internal Funding and External Loans:**

The table below sets out the reprioritization of internal and external loan funds of the Technical Services directorate. The table displays how funds were moved from existing projects to new projects to be completed before 30 June 2019.

The municipality also had unallocated external loans funds which has also been allocated to relevant projects and thereby decreasing the internal funding. The virements column displays only the effect of the projects in the table below.

Technical Services: Capital Budget Amendments

Program/Project description	F i n a n c e	Budget Year 2018/19	Roll overs from 2017/18	Virements/ Additional funding	Adjustments Feb 2019	Total Funded budget 2018/19
Technical Services						
Sewer pumpstation and rising main (MIG Conter funding)	3.2	40 000.00		4 531 482.00	-4 571 482.00	-
Sewer pumpstation and rising main (MIG Conter funding)	1.4				4 571 482.00	4 571 482.00
Resealing of Municipal Roads - Touws River	3.2	250 000.00			-50 000.00	200 000.00
Replacement of old VTS and CTS at Robertson Substation.	3.0	2 000 000.00		-23 400.00	-1 976 600.00	200 000.00
Escape stairs and blinding at electrical new offices	1.4				180 000.00	180 000.00
Small Equipment	3.0				223 000.00	223 000.00
Worcester Material Recovery Facility (MIG Counter Funding)	1.4				50 000.00	50 000.00
Erosion Protection of Hex River : (EIA)	3.0				50 000.00	50 000.00
Tractors (x2) replacement Parks	3.0				800 000.00	800 000.00
LDV 1 Ton 4x2 (Replacement of BVM 263)	3.0				190 000.00	190 000.00
Plate Compactor - Heavy Duty	3.0				36 900.00	36 900.00
Furniture & Equipment (12 x Operators Chair-Midback)	3.0				18 000.00	18 000.00
Steel rods for stormwater renewal	3.0				7 000.00	7 000.00
Replacement of fridge	3.0				3 500.00	3 500.00
BRUSHCUTTERS	3.0				73 500.00	73 500.00
Chainsaw (Replacement)	3.0				20 700.00	20 700.00
Ride-on lawn mower	3.0				62 000.00	62 000.00
Steel boxes - Cementries (x10)	3.0				170 000.00	170 000.00
Blower mower en bossieslaner (x2)	3.0				70 000.00	70 000.00
Furniture & Equipment	3.0				6 000.00	6 000.00
Giftenk	3.0				42 000.00	42 000.00
2 Way Radios (x8)	3.0				24 000.00	24 000.00
		2 290 000.00	-	4 508 082.00	-	6 998 082.00

Community Services: Capital Budget Amendments

Program/Project description	F i n a n c e	Budget Year 2018/19	Roll overs from 2017/18	Adjustments Feb 2019	Total Funded budget 2018/19
Community Services					-
SWIMMING BATH: De La Bat - 5118					-
Upgrade of filters and pump	3.0	600 000.00		-600 000.00	-
Entrance gate and Ticket Booth	3.0	300 000.00		-300 000.00	-
					-
SWIMMING BATH: Grey Street - 5121					-
upgrade of basket rooms	3.0	400 000.00		-400 000.00	-
					-
SWIMMING BATH: Zweletemba - 5125					-
New Swimming Bath	3.0			100 000.00	100 000.00
					-
NEKKIES - 6315 / 6318					-
Sit-on lawn mower	3.0	100 000.00		-5 700.00	94 300.00
Equipment & small items for resorts	3.0	100 000.00		-45 600.00	54 400.00
					-
SPORT: Rawsonville - 5135					-
New Security Fences	3.0	200 000.00		-42 000.00	158 000.00
					-
SPORT: Zweletemba - 5136					-
Entrance gate and Ticket Booth	3.0	600 000.00		-540 000.00	60 000.00
					-
SPORT: De Wet -					-
Upgrade cricket pitch	3.0	180 000.00		-24 000.00	156 000.00
					-
SPORT: Esselen Park					-
Replacement of fence perimeter	3.0	1 600 000.00		-1 430 783.00	169 217.00
					-
SPORT: De Doorns East - 5142					-
New Fencing - Sunny Side Orchard	3.0	100 000.00		-15 000.00	165 000.00
					-
WATERLOO LIBRARY - 4506					-
Upgrade library	3.0	400 000.00	650 000.00	450 000.00	1 500 000.00
Replace equipment	3.0	45 000.00		-2 856.78	42 143.22
					-
TRAFFIC					-
Buildings					-
Patrol Vehicles	3.0	600 000.00		-40 000.00	560 000.00
Speed calming	3.0	500 000.00		-300 000.00	200 000.00
Road marking machines	3.0	40 000.00		-40 000.00	-
Municipal Court Furniture and Equipment	3.0	113 000.00		-113 000.00	-
Municipal Court Airconditioners	3.0	100 000.00		-100 000.00	-
Upgrading of building - Municipal Court	3.0	1 650 000.00		-1 547 358.00	102 642.00
					-
FIRE DEPARTMENT: ADMIN - 4203					-
Fire Engine Superstructure	6.6		1 500 000.00	-	1 500 000.00
Vehicles (Donated Assets)	30.0			500 000.00	500 000.00
					-
			2 150 000.00	-4 496 297.78	5 361 702.22

The following projects / part thereof have been removed from the 2018/19 budget and will be allocated to the 2019/20 budget:

- Upgrade filters and pumps (De La Bat swimming pool);
- Entrance Gate and Ticket Booth (De La Bat swimming pool);
- Upgrade of Basket Room (Grey Street swimming pool and Zwelethemba swimming pool);
- Replacement of fence perimeter (Esselen Park);
- Road Marking Machines;
- Municipal Court Furniture and Equipment, Air conditioners and Upgrading of Building;

Other amendments to the capital budget:

Upgrade of Library: Additional amount added to the project is the interest earned by the municipality on the unspent portion of the grant as per the agreement with the transferring department.

The majority of the other amendments relates to savings.

Financial Services: Capital Budget Amendments

Program/Project description	F S o n a n c e	Budget Year 2018/19	Roll overs from 2017/18	Adjustments Feb 2019	Total Funded budget 2018/19
FINANCIAL SERVICES					
Financial Planning					-
Safeguarding of Assets	12.0	400 000.00		500 000.00	900 000.00
Furniture and Equipment	3.0			15 000.00	15 000.00
Upgrading of offices	3.0			500 000.00	500 000.00
Revenue					-
Motor vehicles	3.0			200 000.00	200 000.00
Airconditioner	3.0			50 000.00	50 000.00
CCTV camera system	3.0			50 000.00	50 000.00
Computer Equipment	3.0			20 000.00	20 000.00
		400 000.00	-	1 335 000.00	1 735 000.00

The increase in safeguarding of assets is based on the current trend in damage to municipal properties. An amount of R500 000.00 is allocated to the upgrading of offices, which includes various amendments to the office space will result in a more conducive working environment. The items under Revenue are needs identified for the Credit Control offices, except for the vehicle which is for meter reading services.

Strategic Services: Capital Budget Amendments

Program/Project description	F S o u r c e	Budget Year 2018/19	Roll overs from 2017/18	Adjustments Feb 2019	Total Funded budget 2018/19
<u>STRATEGIC SUPPORT SERVICES</u>					
<u>WORCESTER TOWN HALL</u>					
Airconditioner	3.0	1 000 000.00		-635 375.00	364 625.00
Town Hall Roof	3.0	1 000 000.00		-950 000.00	50 000.00
Furniture and Equipment	4.0	800 000.00		635 375.00	1 435 375.00
<u>HUMAN RESOURCES - 2112</u>					
ERP HR System	3.0	975 000.00	350 000.00	2 000 000.00	3 325 000.00
Motor Vehicle	3.0			200 000.00	200 000.00
<u>INFORMATION TECHNOLOGY - 2114</u>					
Infrastructure Replacement (Servers and Storage)	3.0	4 800 000.00		-4 000 000.00	800 000.00
Computer Equipment	4.0	2 166 800.00		-666 800.00	1 500 000.00
Wi-Fi Access Points	3.0	150 000.00		600 000.00	750 000.00
Internet Services (DR site)	3.0			750 000.00	750 000.00
Mounting and Safeguarding of Generator (DR Site)	3.0			150 000.00	150 000.00
Rewiring Network cables	3.0			150 000.00	150 000.00
Airconditioner	3.0			120 000.00	120 000.00
<u>COMMUNICATIONS- 2106</u>					
Machinery and Equipment	3.0			80 000.00	80 000.00
Furniture and equipment	3.0			40 000.00	40 000.00
<u>LOCAL ECONOMIC DEVELOPMENT - 1545</u>					
Security & CCTV safety cameras	3.0	432 000.00		-432 000.00	-
		11 323 800.00	350 000.00	-1 958 800.00	9 715 000.00

The following project(s) / part thereof have been removed from the 2018/19 budget and will be allocated to the 2019/20 budget:

- Town Hall roof;

2. Adjustments to Budget Funding

Budget funding in terms of operating and capital expenditure is set out on tables B4 and B5.

3. Adjustments to Expenditure on Allocations and Grant

Detailed particulars of budgeted allocations and grants can be found on SB8.

4. Adjustment to Allocations or Grants made by the Municipality

None.

5. Adjustment to Councilor Allowances and Employees

The changes to councilor allowances and employee related cost is provided on table B4.

6. Adjustment to Service Delivery and Budget

The monthly targets for revenue, expenditure and cash flows are provided in B10 - Section B Supporting Tables.

7. Adjustment to Capital Spending Detail

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget, read with B5, B5B, SB16, SB17, SB18a, SB18b, SB18e and SB19.

8. Other Supporting Documents

1. National treasury electronic revised budget report, SB1-SB19 as **Annexure A**
2. Signed quality certificate as **Annexure B**

9 Adjustment of a tariff 15.4.2 with regards to the hanging of posters

The municipal tariffs on page 44 state the following with regards to the fee for hanging of posters. For completeness sake the entire paragraph dealing with posters is quoted:

TARIEWE VAN DIE JAAR/TARRIFS FOR THE YEAR						
1 JULIE 2018 TOT 30 JUNIE 2019/ 1 JULY 2018 TO 30 JUNE 2019						
	BESKRYWING/DESCRIPTION	2017/2018	2018/2019	2018/2019	2018/2019	%
		Exc. Vat	Exc. Vat	Vat	Incl. Vat	
		R.cc	R.cc	R.cc	R.cc	
						change

15.4	PLAKKATE/POSTER					
15.4.1	Deposito/Deposit					
a	Political party	2 150.00	2 150.00		2 150.00	0.00
b	Non Profit organisations	1 000.00	1 000.00		1 000.00	0.00
c	Organisations for profit	2 150.00	2 150.00		2 150.00	0.00
d	Government and Chapter 9 Institutions (IEC,etc)	Free	Free		Free	
Nota/Note	<p><i>Return of deposit is subject to:</i></p> <ol style="list-style-type: none"> 1. Any damage to Council property being deducted first; 2. The posters being removed on or before the due date; 					
15.4.2	Koste/Fee					
a	Political Party	929.82	986.09	174.91	1 134.00	6.05
b	Non Profit Organisations	184.21	195.65	29.35	225.00	6.21
c	Organisations for profit	929.82	986.09	147.91	1 134.00	6.05
d	Government and Chapter 9 Institutions (IEC,etc)	Free	Free		Free	
Nota/Note	<p><i>The fee is subject to:</i></p> <ol style="list-style-type: none"> 1. A maximum of 50 per application; and 2. Additional posters @ R50.00 per poster 					

Verbal request was received from some political parties at the IEC's PLC meetings, for council to consider adjusting and or deleting the note to item 15.4.2 of the approved 2018/2019 tariffs of council.

The current note to item 15.4.2 has the result that political parties, non-profit organisation, and organisations for profit must pay R1134 to hang 50 posters. Each

addition poster after the 50 posters, will cost R50 per poster. The additional cost per poster, it is argued is onerous and overly expensive.

If council delete only the note to item 15.4.2 it will mean that applicants only pay the deposit as per item 15.4.1 and the fee as per 15.4.2.

RECOMMENDATION:

That in respect of Adjustments budget for the Financial Year 2018/2019' discussed by council

Discussed by Council at the Council meeting held on 26 February 2019

1. Council resolves that the budget of Breede Valley Municipality for the financial year 2018/19 be adjusted and approved with amendments as set out in the following Municipal Budget tables B1- B10 and Municipal Budget supporting documentation SB1 - SB19.
2. Council resolves that the Detailed Project Implementation Plan (DPIP) relating to the Municipal Infrastructure Grant (MIG) be revised as per approved budget.
3. That Council adjust the note to item 15.4.2 of the approved tariffs 2018/2019 by deleting the note to item 15.4.2 effective from the date of this council decision.
4. That the municipal manager must, without delay-
 - (a) conspicuously display a copy of the resolution for a period of at least 30 days at the main administrative office of the municipality in Worcester and at such other places within the municipality to which the public has access as the municipal manager may determine;
 - (b) publish in a newspaper of general circulation in the municipality a notice stating-
 - i. that a resolution in 1 above has been passed by the council;
 - ii. that a copy of the resolution is available for public inspection during office hours at the main administrative office of the municipality in Worcester and at the other places specified in the notice; and
 - iii. the date on which the determination will come into operation; and
 - (c) seek to convey the information referred to in paragraph (b) to the local community by means of radio broadcasts covering the area of the municipality.

5. The municipal manager must also forthwith send a copy of the notice referred to in subsection (4)(b) above to the MEC for local government concerned.

To Action
R. Ontong