



Victor Khanye Local Municipality

Phone: 013 665 6000
Fax: 013 665 2913
Email: info@victorkhanyelm.gov.za
Web:
<http://www.victorkhanyelm.gov.za>

Corner Van Der Walt Street and
Samuel Road
P.O. Box 6
Delmas
Mpumalanga
2210

Resolution

S 002/05/2024

**CERTIFIED EXTRACT OF A RESOLUTION BY THE MUNICIPAL COUNCIL IN A EOC MEETING
HELD ON 31 MAY 2024 IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, DELMAS**

S 002/05/2024

**APPROVAL OF THE 2024/2025 to 2026/2027 MEDIUM TERM REVENUE & EXPENDITURE
FRAMEWORK (MTREF) ANNUAL BUDGET EXECUTIVE SUMMARY
(CFO)**

RESOLVED (THAT):

1. The consolidated operating budget amounting to **R 878 574 294** exclusive of Capital budget as set out in the Municipal Budget Document as well as the relevant appropriation votes and budgeted cash flows are adopted by Council and constitute the Budget of the Victor Khanye Local Municipality for the 2024/2025 financial year.
2. Council take note that the inclusion of insurance paid on behalf of councilors according to the Upper Limits for Public Officers increased the insurance premium of Council substantially.
3. The capital budget to the amount of **R 65 740 000** as set out in the Municipal Budget Document as well as the relevant appropriation segments and funding sources are adopted by Council and constitute the Capital Budget of the Victor Khanye Local Municipality for the 2024/2025 Financial year.
4. The budget for 2024/2025 is funded when excluding non-cash items, which are (Debt impairment and Depreciation). The budget funding plan as part of the budget document to show how to work towards improving the current financial status of the municipality.
5. That the following expenditure reduction strategies be approved and implemented for the municipality :
 - 5.1 Travel claims be paid with the monthly payroll run upon the submission of supporting documents;
 - 5.2 No overtime will be paid in excess of 40 hours per month, excluding essential services such as water, electricity, sanitation, fire and cemeteries that is pre-approved by the Head of Department. Overtime in excess of 40 hours be converted into time off in lieu of overtime.
 - 5.3 Refreshments be provided only for external meetings attended by external stakeholders where possible as per the cost containment measurements.

- 5.4 Eliminate wasteful expenditure on events, advertising in magazines, television, newspapers etc. where the municipality can use other cost effective means such as websites to market the institution or properly publicise the matters or events under consideration.
 - 5.5 Limit or stop all unnecessary expenditure on matters such as printing of shirts, hosting of sporting events, festivals and other associated events, cruises, lavish functions, and extraordinary costs associated with visits of dignitaries or induction of new councillors.
 - 5.6 The number of employees travelling to conferences or meeting on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.
 - 5.7 Meetings, workshops and training events be held at the venues of the municipality at most (depending on the capacity to be accommodated) and no outside facilities (at a cost) be approved for internal stakeholder's meetings;
 - 5.8 Municipal funds may not be used to fund election campaign activities, including the provision of supporting material, clothing, food, inducements to vote either as part of, or during election rallies;
 - 5.9 Review and introduce limits on municipal staff telephones and limiting private call to a reasonable amount. The cell phone and data allowance policy be introduce to curb expenditure. Telephone staff expenses which are not work related should be deducted on the salaries.
 - 5.10 Office furnishing, when required, should be contained to minimal costs, avoiding elaborate and expensive furniture or equipment and the use of existing facilities and equipment is encouraged.
 - 5.11 Any other cost containment measures as determined by the Accounting Officer in terms of these circulars and the policy.
- 6 The current cash flow situation of Council is under severe pressure and the following cost containment measures are recommended for continued implementation in terms of National Treasury Circular 82,85 and Circular 86,89 to ensure that council continue to service its monthly liabilities.

The supporting information contained in the 2023/2024 to 2024/2025 Medium Term Revenue and Expenditure budget document as required in terms of Section 17(3) of the Municipal Finance Management Act (Act no. 56 of 2003) be endorsed.

7. The tariff structure as set out in the Municipal Budget Document be adopted by Council and constitute the tariff structure of the Victor Khanye Local Municipality for the 2024/2025 financial year for implementation with effect from 1 July 2024. Tariff increase is between 4.9- 20%.
8. The indicative medium term budgets for the 2024/2025 and 2026/2027 financial years, as set out in the Municipal Budget Document, are adopted by Council and constitute the indicative medium term budget of the Victor Khanye Local Municipality.
9. Council take note of the following budget related policies attached approve all amendments to such policies:

The following are budget related policies and by laws.

- a. Indigent Policy
- b. Tariff Policy

- c. Provision for doubtful debt and write off Policy
- d. Supply Chain Management Policy
- e. Rates Policy
- f. Petty Cash Policy
- g. Inventory Policy
- h. Asset Management Policy
- i. Virement Policy
- j. Creditors and staff payment Policy
- k. Loss control Policy
- l. Debt collection and Credit Control Management
- m. Cost containment Policy
- n. Cash Management and Financial Procedures Policy
- o. Budget Policy
- p. Tariff by law
- q. Credit Control By law
- r. Travelling allowance policy
- s. UIFW strategy

10. Service delivery objectives and plans (SDBIP) for each of the segments as set out in the 2024/2025 Municipal Budget Document be drafted and submitted to the Executive Mayor for approval and tabled in Council for notification before the start of the new financial year.
11. The council to approve the organogram as part of the budget documents. The council to take note that the employee remuneration cost is now at threshold of 30% to the operational budget.
12. All Ward Councillors be requested to make a monthly programs from the beginning of the financial year to conscientious the community to pay their service.
13. The budget funding plan be submitted to council on monthly basis.

This is to certify that this is a true copy of the Original

Signed: _____ Date: _____