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BUDGET GUIDELINES POLICY		

The following serve as guide-lines for the budget process:

- All income and expenditure items are budgeted for. The actual income and expenditure (not the estimated/budgeted figures) of the previous year will serve as basis for the coming year's budget.
- The income will balance with the expenditure in order to create a so-called "R nil Budget".
- The inception and retaining of a healthy Maintenance Fund is of the utmost importance Therefore a substantial amount will be budgeted for the said fund.
- Efforts will be made to keep the increase moderately and within the spectrum of the Consumer Price Index, keeping in mind whatever the envisaged increase in municipal tariffs above the CPI limit may be. It should however not exceed 10%. Therefore measures to save costs will continuously enjoy priority.
- To keep up with modern technology, measures will as far as possible be taken to conduct administration and bank transactions electronically. This will definitely save money.
- During the budget process, capital expenditure will be discussed and assessed on the basis of the following criteria:
  - **Affordability**
  - **Necessity**
  - **Possibility of phasing**
- In compiling the operating budget the focus will be on the maintenance programme.
- When the budget is prepared and items are judged for inclusion, the Board of Trustees will determine such item is a necessity or not. If a borderline item is included in the budget, the execution thereof will be delayed until the last three months in order to first determine whether it is affordable.
- There must be clearly indicated which items to last three months postponed.
- Since the Resort Manager is primarily responsible for the management of the Resort, and we hold him accountable for certain things, we must heed if he says there's no funds available.
- No blank checks may be drawn.
- A certain amount of the budget is for personnel compensation packages employed (ring-fenced). The basic monthly salary for September should be.
- Resort Manager must have a 5-year capital program setting.

REV N°.	STATUS / CHANGE	DATE
1	we pay him for certain things only accountable, changed to we hold him accountable for certain things	06/02/21