

29 June 2021

**CERTIFIED TRUE EXTRACT of the MINUTES of a SPECIAL COUNCIL MEETING of  
MERAFONG CITY LOCAL MUNICIPALITY held on 3 JUNE 2021**

ITEM 45/2021  
2021/2022 MTREF BUDGET REPORT:

RESOLVED:

1. That Council approves the 2021/2022; 2022/2023; 2023/2024 MTREF budget report.
2. That the Operational and Capital Budgets for the 2021/2022 Financial Year be approved as follows:

The proposed 2021/2022 budget estimates are proposed as follows:

Operational budget

Revenue	R1 934 190 182
Expenditure	R1 901 475 644
Surplus	R32 714 538

Capital Budget R150 212 250

3. That the Medium Term Budget estimates for 2021/2022; 2022/23; 2023/2024 as per the attached annexure 1 schedule be approved.
4. The budget schedules as per the attached annexure 2 be approved.
5. It be noted that the municipality has prepared a budget funding proposal to address the unfunded position of the municipality. See annexure 3

6. That the tariffs for Property rates be approved as follows:

<b>RATES TARIFF'S</b>		<b>Approved 2020/21</b>		<b>Proposed 2021/22</b>	
<b>Category</b>	<b>Tariff</b>	<b>Rate c in R</b>		<b>Rate c in R</b>	
Residential	0141	0,0163		0,0169	
Industrial		0,0395		0,0411	
Business and Commercial	0140	0,0395		0,0411	
Farms - Agriculture	0143	0,0041		0,0043	
Mines	0142	0,0502		0,0530	
PSI/80%		0,0395		0,0411	
Place of Worship (100% exempt)		0,0395		0,0411	
Roads/Road Reserve		0,0395		0,0411	
Municipal properties	0151	100%		100%	
Residential Rebate	0141	100 000		100 000	
Pensioners Discount	0160	0-100%		0-100%	
Residential discount	0150	0%		0%	
Agricultural rebate	0143	100 000,00		100 000,00	
PBO rebate		80%		80%	
PSI rebate	0152	30%		30%	
Government rebate	0154	20%		20%	

7. That the tariffs for water be increased as following:

	Tariff code		<u>Approved 2020-2021</u>	<u>Proposed 2021-2022</u>	<u>Percentage increase</u>
Prepaid water 0 – 6 kiloliters	0390		12,98	13,63	5,00%
Prepaid water 7-15 kiloliters				16,50	
Prepaid water 16 – 35 kiloliters			20,50	21,93	7,00%
Prepaid water 36 – 50 kiloliters			33,44	36,08	7,90%
Prepaid water > 50kiloliters			42,35	46,59	10,00%
Residential 0 – 6 kiloliters	0370/0371		12,98	13,63	5,00%
Residential 7 – 15 kiloliters				16,50	
Residential 16-35 kiloliters			20,50	21,93	7,00%
Residential 36-50 kiloliters			33,44	36,08	7,90%
Residential 50 kiloliters and above			42,35	46,59	10,00%
Business and Industrial	0372	200 Kiloliters and below	33,80	36,47	7,90%
		Above 200 Kiloliters	42,35	46,59	10,00%
Special Consumers (Schools, Churches and welfare organisations)	0373	200 Kiloliters and below	25,28	27,28	7,90%
		Above 200 Kiloliters	42,35	46,59	10,00%
Old Age Homes and Services Centre for the age			17,00	18,36	8,00%
Departmental	0374		22,34	24,10	7,90%
Mines Domestic	0377		22,65	24,68	8,95%
Mines Operations	0378		22,65	24,68	8,95%
Availability Charge	0375	Vacant Stands - Residential	86,44	93,36	8,00%
Availability Charge	0376	Vacant stands-business	86,44	93,36	8,00%

8. That the tariffs for Refuse be approved as follows:

<b>PROPOSED REFUSE TARIFFS</b>					4,0%
	<b>Tariff code</b>		<b>Actual 2020/2021</b>	<b>Proposed 2021/2022</b>	<b>% Increase</b>
Residential and Business	0500	1 bin/week	193,43	201,16	4,00%
Business	0501	Bin/3 x week	505,41	525,62	4,00%
Business	0502	Bin/5 x week	848,58	882,52	4,00%
REFUSE DEPT MMH 3 X P.W.	0503		5989,99	6229,59	4,00%
REFUSE DEPT OTHER 1 X P.W. ! N	0504		193,43	201,16	4,00%
Refuse 3 x P.W. Departmental	0505		505,41	525,62	4,00%
MMH (1.75M <sup>3</sup> ) 1x per week	0510		2433,43	2530,77	4,00%
MMH (1.75M <sup>3</sup> ) 2x per week	0511		4217,95	4386,67	4,00%
MMH (1.75M <sup>3</sup> ) 3x per week	0512		5989,99	6229,59	4,00%
MMH (1.75M <sup>3</sup> ) 5x per week	0513		10856,85	11291,12	4,00%
Bulk container (30M <sup>3</sup> ) 1x per week	0520		34317,63	35690,33	4,00%
Bulk container (30M <sup>3</sup> ) 2x per week			52412,38	54508,87	4,00%
Bulk container (30M <sup>3</sup> ) 3x per week			94217,49	97986,19	4,00%
Bulk container (30M <sup>3</sup> ) 5x per week			154741,31	160930,96	4,00%
Temporary service		Per Bin	91,59	95,25	4,00%
Bulky waste		Per m <sup>3</sup>	424,29	441,26	4,00%
Special Exemption		Per m <sup>3</sup>	212,15	220,63	4,00%
Garden services waste		LDV/Trailer	62,40	64,89	4,00%
Small Animal Carcasses			164,86	171,46	4,00%
Bulky garden waste		per 6m <sup>3</sup>	900,00	936,00	4,00%
Building rubble		per m <sup>3</sup>	427,04	444,12	4,00%
240 Litre Bins	0521	Per Month for twelve months	33,21	34,53	4,00%

9. That the tariffs for Sewerage be increased as follows:

<b>PROPOSED SEWERAGE TARIFFS 2021/22</b>				
				<b>4,00%</b>
	Tariff code	Descriptions	Approved 2020-2021	Proposed 2021-2022
Residential 0 – 6 kiloliters	0400/'0470/'0471		5,96	6,19
<b>Residential 7 – 15 kiloliters</b>			<b>new</b>	<b>6,35</b>
Residential 16-35 kiloliters			6,29	6,55
Residential 36-50 kiloliters			6,53	6,79
Max 50KL				
Pre Paid Water Consumers	0490		151,69	157,75
Business and Industrial	0402/'0472	200 Kiloliters and below	6,46	6,72
		Above 200 Kiloliters	7,21	7,50
Departmental	0403/'0474	200 Kiloliters and below	6,46	6,72
		Above 200 Kiloliters	7,21	7,50
Special Consumers (Schools, Churches Welfare organisations;Old Age home)	0473	200 Kiloliters and below	6,12	6,37
		Above 200 Kiloliters	6,53	6,79
Basic Charge Pre-Paid Water Consumers	0490		155,00	161,20
Basic Charge (Payable by property owner)	0470		65,00	67,60
Basic Charge - Vacant Stands (Availability charge	0475		80,00	83,20

10. That the tariffs for electricity be increased as follows:

Proposed Tariff Structure - Merafong City Local Municipality				
Tariff Category				14.59%
			TARIFFS 2020'21	TARIFFS 2021'2022
<b>1. Domestic</b>				
Basic Charge	0205		91.8900	105.3000
Elec sales private	0203			
Energy Charge (Conventional)	0270/0271	Block 1 (0 - 50kWh)	1.0981	1.2583
		Block 2 (51 - 350kWh)	1.4119	1.6179
		Block 3 (351 - 600kWh)	1.9872	2.2771
		Block 4 (above 600kWh)	2.3401	2.6816
Energy Charge (Prepaid)	0290	Block 1 (0 - 50kWh)	1.0981	1.2583
		Block 2 (51 - 350kWh)	1.4119	1.6179
		Block 3 (351 - 600kWh)	1.9872	2.2771
		Block 4 (above 600kWh)	2.3401	2.6816
<b>2a. Commercial Three Phase (11500KWh)</b>				
Basic Charge	0202		1,026.3600	1,176.1100
Energy Charge	0272		1.7364	1.9897
*Pre-Paid	0297		2.1473	2.4606
<b>4. Industrial</b>				
Basic Charge:	0206/0200		1,489.7200	1,707.7800
Energy Charge	0273		1.2360	1.4163
Demand Charge	0280		254.9300	292.1200
<b>4. Industrial-3%</b>				
Basic Charge:-3%	0206/0200		1,489.7200	1,707.7800
Energy Charge -3%	0274		1.2360	1.4163
Demand Charge -3%	0282		254.9300	292.1200
<b>5. Departmental (Own usage)</b>				
Streetlights	0278		1.2466	1.4285
Council kWh	0275		1.2466	1.4285
<b>6. Other</b>				
Temporary Power	0279		2.0700	2.3720
Adverts & Displays	0204		1.0700	1.2300

11. That NERSA would allow an increase of 15.06% for electricity tariffs for the 2021/2022 financial year and application for tariff increase approval be submitted to NERSA.

12. The sundry tariffs with an increase by an average of of 4%. Annexure 4

13. That the capital budget for an amount of R150 212 250 be approved.

14. Cognizance be taken that the capital budget is going to be funded as follows:

	Rand Value
Municipal Infrastructure Grant (MIG)	70 035 000
Integrated National Electrification Program (INEP)	11 219 000
Water Services Infrastructure Grant (WSIG)	40 000 000
Human Settlement Grant (Mining Town Allocation)	30 000 000
Internal funding (Moveable Assets)	2 460 000
Total	150 212 250

15. That the budget related policies listed hereunder be approved in annexure 5:

- The Property rates policy
- The Tariff policy.
- The Sundry tariff policy.
- The Credit control and debt collection policy
- The Cash management policy
- The Investment policy.
- The Borrowing policy.
- The Budget funding and Reserves policy
- The Supply Chain Management policy.
- The Asset Management policy
- The indigent policy.
- The Long term financial planning policy
- The Unauthorized Irregular, Fruitless and Wasteful Expenditure policy
- That the Cost containment policy.
- The Debt write off policy.
- The Virement policy.
- The Infrastructure Delivery and Procurement Management Policy

**C CANNON**

**ACTING MANAGER: LEGAL & SECRETARIAT**

(T:/Meesters/2021//True Cert – Item 45 – 3 June 2021/CS)