



Reference: 5/1/1/12 (L Britz)

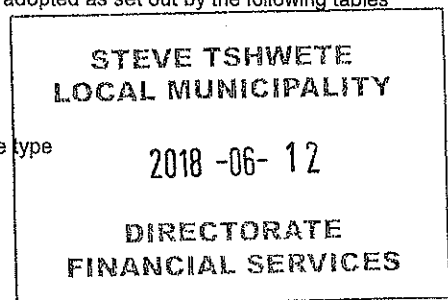
The Executive Director: Financial Services

FINANCES: ANNUAL BUDGET FOR THE 2018/2019 TO 2020/2021 FINANCIAL YEARS

With reference to the above matter, it was resolved on 31 May 2018 per Resolution C64/05/2018 as follows:

*1. THAT the annual budget for the 2018/2019 MTREF for the different votes be approved and adopted as set out by the following tables attached as ANNEXURE B:

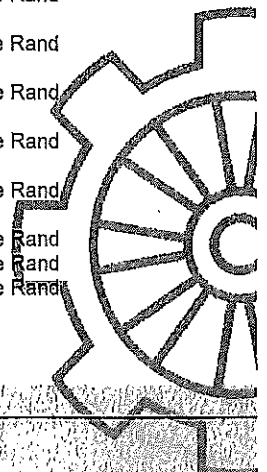
- 1.1 Table A1 : Budget summary
- 1.2 Table A2 : Budgeted financial performance
- 1.3 Table A3 : Budget financial performance (municipal vote)
- 1.4 Table A4 : Budget financial performance by revenue source and expenditure type
- 1.5 Table A5 : Budgeted capital expenditure by vote
- 1.6 Table A6 : Budgeted financial position
- 1.7 Table A7 : Budgeted cash flows
- 1.8 Table A8 : Cash backed reserves / accumulate surplus reconciliation
- 1.9 Table A9 : Asset Management
- 1.10 Table A10: Consolidated basic service delivery measurement



- 2. THAT in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000, interest be recovered on amounts outstanding for periods longer than thirty (30) days on all debtor accounts at a rate equal to the prime bank overdraft rate from the bank as applicable to the bank account of the Council from time to time.
- 3. THAT in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000 and Section 24 of the Local Government Municipal Property Rates Act (MPRA), 6 of 2004, approves and adopts with effect from 1 July 2018 that property tax be levied on the market value of all rateable properties subject to the allowed rebates, exemptions and reductions as follows:

3.1	Category	Rate Applicable
3.1.1	Residential	0,0093 cent in the Rand
3.1.2	Government owned residential with the exclusion of the first R15 000 of assessed market value	0,0000 cent in the Rand
3.1.3	Residential – 2nd dwelling	0,0000 cent in the Rand
3.1.4	Government residential – 2nd dwelling	0,0000 cent in the Rand
3.1.5	Duets not subject to a sectional title scheme	0,0000 cent in the Rand
3.1.6	Government duets not subject to sectional title scheme	0,0000 cent in the Rand
3.1.7	Residential : home business	0,0000 cent in the Rand
3.1.8	Residential : vacant, including government owned	0,014 cent in the Rand
3.1.9	Illegal usage	0,0279 cent in the Rand
3.1.10	Accommodation establishments	0,0000 cent in the Rand
3.1.11	Business and commercial including government owned	0,0000 cent in the Rand
3.1.12	Business and commercial	0,0279 cent in the Rand
3.1.13	Business and commercial land owned by government	0,0116 cent in the Rand
3.1.14	Industrial	0,0214 cent in the Rand
3.1.15	Industrial special	0,0000 cent in the Rand
3.1.16	Farms including agricultural small holdings used for agricultural / residential purposes	0,0000 cent in the Rand
3.1.17	Farms including agricultural small holdings not used for business commercial / industrial purposes	0,0014 cent in the Rand
3.1.18	Farms including agricultural small holdings used for eco-tourism / trading in or hunting of game	0,0014 cent in the Rand
3.1.19	Farms including agricultural small holdings used for business commercial / industrial purposes	0,0279 cent in the Rand
3.1.20	Farm including agricultural small holdings used for any other than the specified purposes	0,0000 cent in the Rand
3.1.21	Mining	0,0233 cent in the Rand
3.1.22	Public benefits organisations	0,0023 cent in the Rand
3.1.23	Schools including government owned / school hostels	0,0116 cent in the Rand

DIRECTORATE FINANCIAL SERVICES	
Report / Finalize / Notice / File	Date
Balance - 15/6	
Admin	
Budget	
Data	
Fin Stats	
SCM	
Treasury	



3.1.24	Multiple used premises according to major use:		
	Residential	0,0093	cent in the Rand
	Commercial	0,0279	cent in the Rand
	Industrial	0,0214	cent in the Rand
	Accommodation establishment	0,0000	cent in the Rand
	Mining	0,0233	cent in the Rand
3.1.25	Privately owned roads / parks / sport grounds, subject to the stipulations of Section 17(2)(b) of the MPRA, Act 6 of 2004, where applicable	0,0093	cent in the Rand
3.1.26	Privately owned towns	0,0023	cent in the Rand
3.1.27	Pensioners rebate who qualify (residential only)		
	i) 100% rebate category	0,0000	cent in the Rand
	ii) 70% rebate category	0,0028	cent in the Rand
	iii) 50% rebate category	0,0047	cent in the Rand
	iv) 20% rebate category	0,0074	cent in the Rand
3.1.28	Developers rebate (85%)	0,0014	cent in the Rand

3.2 Rebates in recognition of Section 15(2) of Act 6 of 2004

3.2.1 That for all indigent households enlisted under the Council's indigent support and free basic services scheme property rates be fully discounted and the expenditure be recovered from the proportional equitable share payment to the Council by the South African National Treasury.

3.2.2 The following rebates be allowed on properties owned by pensioners, disability grantees and/or medically boarded based on their monthly income and which are categorized as residential subject to the conditions as stipulated in the property rates policy:

Qualifying applicants:

R0	to	R 3 400,00	100% rebate on applicable tariff
R 3 400,01	to	R 6 800,00	70% rebate on applicable tariff
R 6 800,01	to	R10 200,00	50% rebate on applicable tariff
R10 200,01	to	R13 600,00	20% rebate on applicable tariff

3.2.3 That a rebate of 0,0079 cent in the rand be allowed for all property where a single property becomes divided (through subdivision or township establishment) into ten (10) or more full title units and all services, inclusive of water, sewerage, electricity and roads are installed by the developer at his own cost for a period of two (2) years from the date of registration of the subdivision or the proclamation of the township or for a shorter period until the newly created units are sold off or improved before expiry of the two (2) years period.

3.2.4 That the following rebates may be allowed for business property developments subject to the conditions as stipulated in the property rates policy.

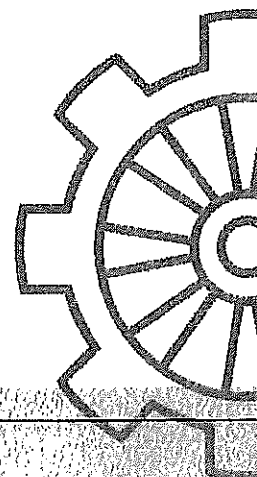
For properties with a municipal valuation that exceeds above R2-million to R5-million:

in the first year a rebate of 100%
in the second year a rebate of 75%
in the third year a rebate of 50%; and
in the fourth year the full property tax will be payable

For properties with a municipal valuation that exceeds R5-million:

in the first year a rebate of 100%
in the second year a rebate of 100%
in the third year a rebate of 50%; and
in the fourth year the full property tax will be payable

3.2.5 That a rebate of 0,0032 cent in the Rand be allowed for special industry.



3.3 A phasing-in discount granted in terms of Section 21 of MPRA, Act 6 of 2004

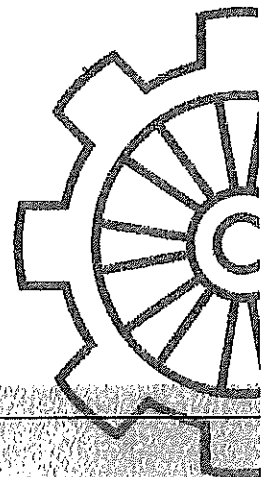
3.3.1 That property rates on all newly rated property that had not previously been assessed and rated according to any valuation roll or supplementary valuation roll that applied to any area of the municipality in terms of previous legislation be phased in as follows:

in the first financial year a rebate of 75%;
 in the second financial year a rebate of 50% of the rate;
 in the third financial year a rebate of 25% of the rate; and
 in the fourth financial year the full property tax will be payable without any rebate.

3.4 Exemptions from payment of a rate levied

3.4.1 That in terms of Section 15(1)(a) of the MPRA, Act 6 of 2004 the following categories be exempted from payment of a rate levied on their property:

- 3.4.1.1 rateable property registered in the name of a welfare organization registered in terms of the National Welfare Act, Act 100 of 1978.
- 3.4.1.2 rateable property owned by public benefits organizations and used for any specific public benefit activity as listed in item 1,2 and 4 of part 1 of the ninth schedule to the Income Tax Act.
- 3.4.1.3 museums, art galleries, libraries and botanical gardens which are registered in the names of private persons and which are open to public, whether admission is charged or not as listed in Section 6(a) and (b) of the ninth schedule to the Income Tax Act.
- 3.4.1.4 national monuments including ancillary business activities at national monuments as listed in Section 6(a) and (b) of the ninth schedule to the Income Tax Act.
- 3.4.1.5 rateable property registered in the name of a trustee or trustees or any organization which is being maintained for the welfare of war veterans as defined in Section 1 of the Social Aid Act (House of Assembly), Act 37 of 1989 and their families.
- 3.4.1.6 sport grounds used for the purposes of amateur sport and any social activities which are connected with such sport.
- 3.4.1.7 rateable property registered in the name of the Boy Scouts, Girl Guides, Sea Scouts, Voor-trekkers or any organization which is in the opinion of the municipality similar or any rateable property let by the municipality to any such organization.
- 3.4.1.8 rateable property registered in the name of a declared institution in terms of Cultural Institutions Act, Act 119 of 1998 as amended, promoting the cultural aims as defined in section 6(a) and (b) of the ninth schedule of the Income Tax Act.
- 3.4.1.9 properties in the "municipal" category unless a lease or sale agreement for such a property, or part thereof, exist.
- 3.4.1.10 on mineral rights within the meaning of paragraph (b) under "property" as per Section 1 of MPRA, Act 6 of 2004.
- 3.4.1.11 on a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten (10) years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
- 3.4.1.12 on the first R30 000,00 of the market value of the property assigned in the valuation roll of a municipality to a category determined by the municipality:



- (i) for residential purposes including second dwellings and duets not subject to a sectional title scheme; or
- (ii) for properties used for multiple purposes, provided one or more components of the property and which forms the major part of the property, are used for residential purposes.

- 3.4.1.13 on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.
- 3.4.1.14 on the first 30% of the market value of public service infrastructure.
- 3.4.1.15 on those parts of a special nature reserve, national park or national reserve with meaning of protected areas act, or a national botanical garden within the meaning of National Management Biodiversity Act, 2004 which are not developed or used for commercial business, or residential agricultural purposes.
- 3.4.1.16 An additional rebate of R40 000,00 on the market value of developed residential properties (Residential) with a market value less than R300 000,00.

3.5 That all property rates as per paragraphs 3.1.1 to 3.1.23 above be subjected to value added tax at a zero rate.

4. THAT the fees for drainage and sewerage as published under Notice 2/1985 in the Provincial Gazette on 31 July 1985, as amended and in terms of the stipulations of Section 75A of the Local Government Municipal Systems Act, 32 of 2000, be approved and adopted with effect from 1 July 2018 as follows:

- 4.1 That the departmental levy on sewerage be determined at R4,11 per kilolitre of measured sewerage water effluent.
- 4.2 That all levies for drainage and sewerage as per paragraph 4.3 below be subjected to value added tax at full rate.
- 4.3 To have the present tariffs replaced by the following structure:

4.3.1 Monthly levy for developed residential erven

- (a) with a total area of up to 995m² R102,55
- (b) with a total area exceeding 995m² up to 1500m² R226,95
- (c) with a total area exceeding 1500m² R300,70

4.3.2 Monthly levy on flats

- Per residential unit R151,10
- 2nd dwelling (single property) R104,65

4.3.3 Monthly levy on all church erven R300,80

4.3.4 Business and Industries

R8,55 per kilolitre metered pure water consumption per month

4.3.5 All undeveloped erven in private possession with access to the reticulation

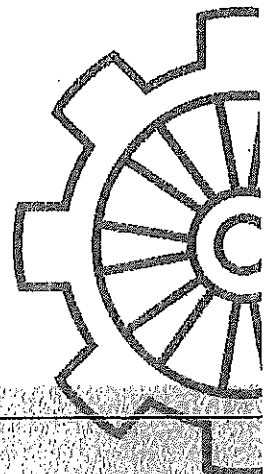
An availability levy of R60,80 per erf per month

4.3.6 Agricultural societies and sport clubs not accommodated at the central sports grounds

R7,30 per kilolitre of metered purified water consumption per month

4.3.7 Military basis, road camps and other similar properties

R8,55 per kilolitre of metered purified water consumption per month



- 4.3.8 Industries and businesses where a great extent of the water consumption as determined by Council is taken up in the final product per kilolitre of the metered purified water consumption per month:

0 - 2000 kiloliters	R3,50	per kl
2000 - 5000 kiloliters	R2,07	per kl
Above 5000 kiloliters	R1,04	per kl

- 4.3.9 Hospitals, nursing homes under welfare care, schools and school hostels, nursery schools and day schools

Monthly levies as follows:

(a) Hospitals

R300,75 for each three (3) beds or portion, continuously available and R300,75 for each ten (10) personnel or portion, residential or not.

(b) Schools and school hostels (including nursery and day schools)

R86,82 for each twenty (25) persons or portion thereof.

(c) Nursing and maternity homes and welfare organizations

As described by the National Welfare Act, 1978, and institutions controlled by welfare organizations.

R141,55 for each ten (10) persons or portion thereof

- 4.3.10 Vergeet-My-Nie / Rivier Park flats

R70,13 per flat per month

- 4.3.11 Formalized informal housing settlements with access to biological toilets per stand (unproclaimed township)

R50,95 per month

- 4.3.12 Proclaimed rural townships / villages with biological toilets per stand

R50,95 per month

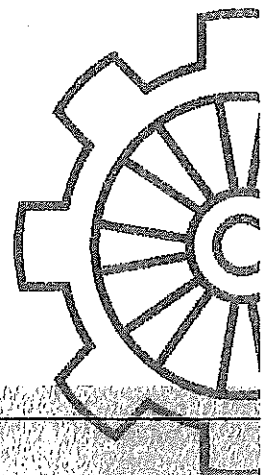
- 4.4 That for all indigent consumers enlisted under the Council's indigent support and free basic services scheme with the inclusion of all dwellings in the formalized informal housing settlements, no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.

- 4.5 For all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective residential sewerage tariffs, except Vergeet-My-Nie / Rivier Park flats:

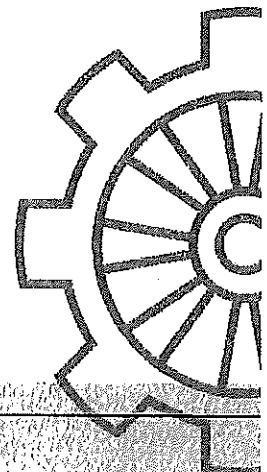
4.5.1 Pensioners who qualify (residential)

R0	to	R 3 400,00	100% rebate on applicable tariff
R 3 400,01	to	R 6 800,00	70% rebate on applicable tariff
R 6 800,01	to	R10 200,00	50% rebate on applicable tariff
R10 200,01	to	R13 600,00	20% rebate on applicable tariff

5. THAT the fees for the removal of solid waste (refuse), whether the service is delivered or not, as published under Notice No. 3/1985 in the provincial gazette of 31 July 1985, as amended and in terms of the stipulations of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2018 as follows:



- 5.1 That the fees for the removal of solid waste as per paragraphs 5.2 to 5.4 and 5.6 to 5.8 below be subjected to value added tax at the standard rate.
- 5.2 **Tariff of charges**
- 5.2.1 **Section 1(1) occasional service**
For a daily service per day per refuse bin R61,65
- 5.2.2 **Housing refuse**
Erven up to 995m² and erven exceeding 995m²
by substitution under item 1(1):
the amount of R123,80 with R131,60 and R177,20 with R188,35
- 5.2.3 **Flats**
by substitution under item 1(2)(b)(i):
the amount of R159,12 with R169,15
- 5.2.4 **Businesses: 1,1m³ mass container**
up to three (3) times per week by inclusion under item 1(2)(b)(iii) the amount of R2 180,00 with R2 317,00
up to six (6) times per week by inclusion under item 1(2)(b)(iv) the amount of R4 343,00 with R4 616,00
- 5.2.5 **Businesses: Skip 6m³**
up to once per week the new amount of R8 368,36
up to three (3) times per week the new amount of R16 750,00
- 5.2.6 **Second dwelling**
by substitution under item 1(2)(b)(vii):
the amount of R118,92 with R126,41
- 5.2.7 **Businesses: Bins 85ℓ**
by substitution under item 1(3)(a):
the amount of R427,76 with R454,70
- 5.2.8 **Businesses: 1,75m³ mass containers**
by substitution under item 1(3)(b):
the amount of R5 560,00 with R5 910,00
- 5.2.9 **Businesses: 240ℓ bins**
up to three (3) times per week
by substitution under item 1(3)(c):
the amount of R794,27 with R844,30
up to six (6) times per week
by substitution under item 1(3)(d):
the amount of R1 589,00 with R1 689,00
- 5.3 That the tariff for removal of solid waste (refuse) from the Vergeet-My-Nie / Rivier Park flats be increased from R60,35 per flat to R64,15 per flat per month.



5.4 That formalized informal housing settlements (unproclaimed townships) under 1(2)(b)(v) by substitution R62,20 per stand per month with R66,10 per stand per month.

5.5 That the departmental levy for removal of solid waste (refuse) be amended as follows:

per refuse bin	R 147,55
per mass container	R2 425,00

5.6 That proclaimed rural villages under 1(2)(b)(v) by substitution R62,20 per stand per month with R66,10 per stand per month.

5.7 That the static compactor levy for removal of refuse be introduced as follows:

up to 15m ³ per month	R10 491,00
up to 11m ³ per month	R 8 393,00
up to 10m ³ per month	R 7 694,00

5.8 That additional static compactor removals more than four (4) times per month be introduced as follows:

up to 15m ³ per month per removal	R2 622,00
up to 11m ³ per month per removal	R2 098,00
up to 10m ³ per month per removal	R1 923,00

5.9 That for all indigent consumers enlisted under the Council's indigent support and free basic services scheme of all dwellings in the formalized informal housing settlement no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.

5.10 That for all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective refuse levies, except for Vergeet-My-Nie and Rivier Park flats:

5.10.1 Pensioners who qualify (residential)

monthly income

R0	to	R 3 400,00	100% rebate on applicable tariff
R 3 400,01	to	R 6 800,00	70% rebate on applicable tariff
R 6 800,01	to	R10 200,00	50% rebate on applicable tariff
R10 200,01	to	R13 600,00	20% rebate on applicable tariff

6. THAT the fees for water supply as published under Notice Number 31/1986 in the provincial gazette of 10 September 1986, as amended and in terms of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2018 as follows:

6.1 That the fees for water supply as per paragraphs 6.2.1 to 6.2.6 and 6.2.7 below be subjected to value added tax at standard rate.

6.2 By replacing the present tariffs by the following tariff structure:

6.2.1 All residential, single flats, church sites and residential units in group housing complexes:

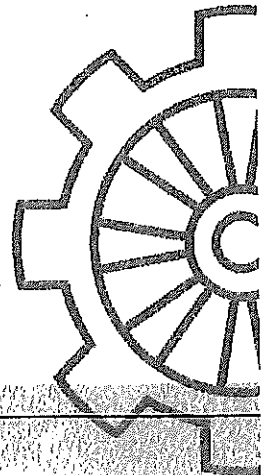
(a) Where working meters were installed for metered purified water consumptions per month:

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,13 per kl
Above ten (10) to forty (40) kiloliters	R12,31 per kl
Above forty (40) kiloliters	R13,10 per kl

(b) Erven without working water meters which are developed and occupied:

A monthly fixed levy of R94,65 per erf per month

(c) Water leak adjustment tariff R9,13



6.2.2 All undeveloped erven with access to the reticulation network

An availability levy of R53,60 per month

6.2.3 All businesses and industries, school and school hostel sites (including nursery schools and day schools)

All monthly metered consumption of purified water at R9,73 per kilolitre.

6.2.4 Supply of raw water in all cases

Per metered monthly consumption at R9,30 per kilolitre

6.2.5 Purified water outside Council's distribution areas

According to monthly metered consumption at R13,27 per kilolitre

6.2.6 That the levy for purified effluent be determined at R2,60 cent per kilolitre

6.2.7 Water restriction tariffs

Level 1 restriction (water source below 60%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,13 per kl
Above ten (10) to forty (40) kiloliters	R16,00 per kl
Above forty (40) kiloliters	R17,02 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R12,65 per kilolitre

Level 2 restriction (water source below 40%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,13 per kl
Above ten (10) to forty (40) kiloliters	R19,70 per kl
Above forty (40) kiloliters	R20,95 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R15,56 per kilolitre

Level 3 restriction (water source below 20%)

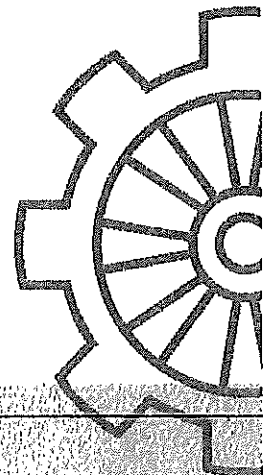
(b) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,13 per kl
Above ten (10) to forty (40) kiloliters	R24,61 per kl
Above forty (40) kiloliters	R26,19 per kl

(c) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R19,45 per kilolitre

6.2.8 That the departmental levy for purified water be determined at R3,67 per kilolitre



6.3 That for all indigent residential households enlisted under the Council's indigent support and free basic services scheme an additional four (4) kiloliters besides the first six (6) kiloliters of monthly consumption to a total of 10 kiloliters of monthly consumption be supplied free of charge and the total cost of the consumption between six (6) and up to ten (10) kiloliters be recovered from the proportional equitable share payable to Council by the South African National Treasury.

7. THAT the electricity tariffs for the 2018/2019 financial year be approved in that the Determination of Fees for the Supply of Electricity, promulgated under Notice No. 38 of the Provincial Gazette of 26 January 1996, in terms of the stipulations of Section 75A of the Local Government Municipal Systems Act, of 2000, approves and adopts with effect from 1 July 2018 as follows:

7.1 That the fees levied for electricity as per paragraphs 7.1.1 to 7.1.9 and paragraphs 7.1.11 to 7.1.14 below be subjected to Value Added Tax at the standard rate.

ELECTRICITY

7.1.1 Domestic residential indigent consumers

These tariffs are applicable to all residential indigent consumers with an ampere capacity limited to 20A per phase.

	(1,88%) PRESENT 2017/2018	(6,84%) PROPOSED 2018/2019
--	---------------------------------	----------------------------------

	c/kWh	c/kWh
(i) Energy charge (kWh)	0,00	0,00
(ii) Block 1 – 50 kWh	87,97	93,98
(iii) Block 51 – 350 kWh	113,95	121,75

Free basic electricity to a maximum of 50 kWh per month applies to registered indigent consumers.

Where more than 350 kWh is consumed during a month, the same tariff will be applied as for other domestic residential consumers.

7.1.2 Domestic residential consumers

These tariffs are available to all residential consumers with a single or three phase connection with an ampere capacity of up to 80A per phase. This tariff consists out of a fixed and energy charge. The tariff is based on the inclining block principle, that is, the more units used, the higher the rate becomes.

	PRESENT 2017/2018	PROPOSED 2018/2019
--	----------------------	-----------------------

A fixed charge whether electricity is consumed or not, per month or part thereof per point of supply. The amount is charged once per month.

	R	R
(i) Single phase	59,00	63,00
(ii) Three phase	80,00	85,00

	c/kWh	c/kWh
--	-------	-------

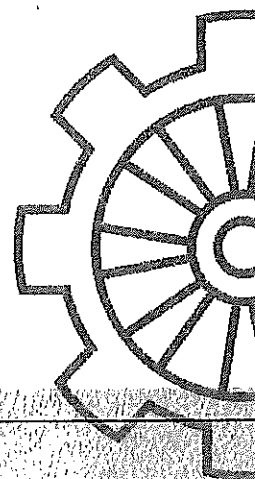
(i) Block 1 – 50 kWh	89,56	95,68
(ii) Block 51 – 350 kWh	121,40	129,70
(iii) Block 351 – 600 kWh	149,91	160,16
(iv) Block > 600 kWh	168,74	180,28

7.1.3 Domestic residential consumers (lifeline)

This is a new tariff structure and is available to all residential consumers with a single or three phase connection with an ampere capacity of up to 40A per phase with no fixed charge. This tariff consists only out of an energy charge and will suite low to medium consumption residential consumers. The tariff is based on the inclining principle, that is, the more units used, the higher the rate becomes.

	PRESENT 2017/2018	PROPOSED 2018/2019
--	----------------------	-----------------------

	c/kWh	c/kWh
(i) Block 1 – 50 kWh	99,49	106,29
(ii) Block 51 – 350 kWh	137,25	146,64
(iii) Block 351 – 600 kWh	153,42	163,91
(iv) Block > 600 kWh	170,22	181,86



7.1.4 Business, industrial & general consumers

These tariffs are applicable to all business, industrial and general consumers with a single and/or three phase connection with a capacity of up to 80A per phase.

	PRESENT 2017/2018	PROPOSED 2018/2019
	R	R
A capacity charge whether electricity is consumed or not, per ampere of supply capacity, per month, per point of supply or part thereof		
(i) Single phase	16,45	17,57
(ii) Three phase	49,40	52,78
	c/kWh	c/kWh
Energy charge	106,90	114,20

7.1.5 Business lifeline consumers

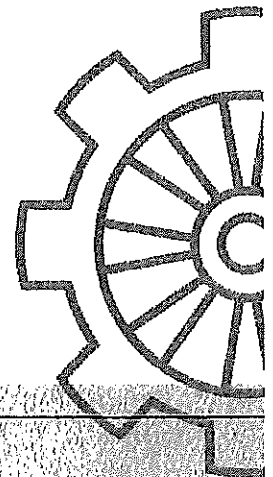
These tariffs are applicable to all business lifeline consumers with a single phase connection with a capacity of up to 40A per phase. This tariff has no capacity charge.

	PRESENT 2017/2018	PROPOSED 2018/2019
	c/kWh	c/kWh
Energy charge kWh	157,80	168,60

7.1.6 Bulk consumers - low voltage three phase demand scale (Time of Use)

These tariffs are applicable to all bulk consumers metered at low voltage with an annual average metered load with a capacity higher than 80A per phase.

	PRESENT 2017/2018	PROPOSED 2018/2019
	R	R
A fixed charge, whether electricity is consumed or not per point of supply (meter point)	1 917,00	2 048,00
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	45,93	49,07
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	24,13	25,78
	c/kWh	c/kWh
An active energy charge for all kWh consumers (kWh)		
(i) High demand season (June, July, August)		
Peak	347,80	371,59
Standard	133,05	142,15
Off-peak	71,11	75,97
(ii) Low demand season (September to May)		
Peak	146,54	156,56
Standard	89,87	96,02
Off-peak	62,89	67,19
Reactive energy charge (kVA)		
High demand season (June – August)	22,00	23,50



7.1.7 Bulk consumers – 11 000 Volt three phase demand scale (Time of Use)

These tariffs are applicable to all bulk consumers metered at medium voltage where electricity is supplied at 11 000 V.

	PRESENT 2017/2018	PROPOSED 2018/2019
	R	R
A fixed charge whether electricity is consumed or not, per point of supply (meter point)	3 198,00	3 417,00
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	43,77	46,76
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	23,02	24,60
	c/kWh	c/kWh
An active energy charge for all consumers (kWh)		
(i) High demand season (June, July, August)		
Peak	310,35	331,58
Standard	123,00	132,37
Off-peak	66,29	70,82
(ii) Low demand season (September to May)		
Peak	136,80	146,15
Standard	84,42	90,20
Off-peak	58,83	62,72
Reactive energy charge (kVA)		
High demand season (June – August)	20,97	22,40

7.1.8 Other bulk consumers

This tariff is only available to specific consumers as approved by Council resolution due to special circumstances. The following charges will be payable:

kWh peak	-	equal to Eskom megaflex tariff structure plus 10%
kWh standard	-	equal to Eskom megaflex tariff structure plus 10%
kWh off-peak	-	equal to Eskom megaflex tariff structure plus 3%
kVA r h	-	equal to Eskom megaflex tariff structure

7.1.9 Street light and traffic light consumption

	PRESENT 2017/2018	PROPOSED 2018/2019
	c/kWh	c/kWh
Energy charge kWh	150,18	160,45
Illuminated advertisement signs	93,73	100,15

7.1.10 Departmental levies & sport clubs

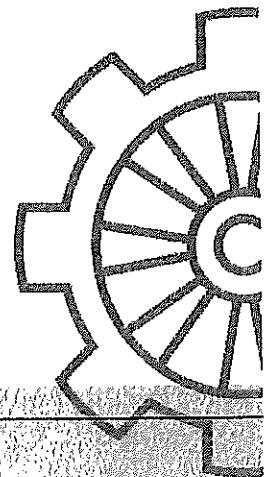
This tariff is applicable to all municipal buildings, levies and sport clubs. Where time of use meters are installed the applicable tariffs as per the time of use categories as determined will apply.

	PRESENT 2017/2018	PROPOSED 2018/2019
	c/kWh	c/kWh
Energy charge kWh	150,18	160,45

7.1.11 Other charges

This tariff is applicable to all undeveloped erven with access to the reticulation network.

	PRESENT 2017/2018	PROPOSED 2018/2019
	R	R
A fixed charge per month or part thereof	113,00	120,75



7.1.12 Schools & welfare organizations - low voltage three phase demand scale (Time of Use)

This is a new tariff structure and applicable to schools and welfare organizations metered at low voltage with an annual average metered load with a capacity higher than 80A per phase.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.

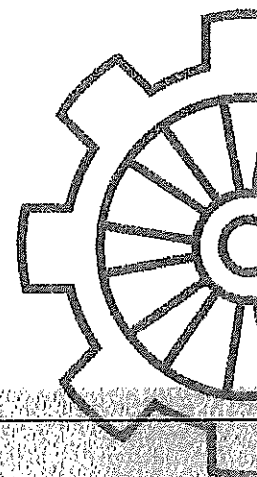
	PRESENT 2017/2018	PROPOSED 2018/2019
A fixed charge, whether electricity is consumed or not per point of supply (meter point)	R 1 437,14	R 1 535,44
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	34,46	36,82
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	18,14	19,38
An active energy charge for all kWh consumers (kWh)	c/kWh	c/kWh
(i) High demand season (June, July, August)		
Peak	260,83	278,67
Standard	99,72	106,54
Off-peak	53,35	57,00
(ii) Low demand season (September to May)		
Peak	109,91	117,43
Standard	67,38	72,00
Off-peak	47,16	50,38
Reactive energy charge (kVA)		
High demand season (June -- August)	16,50	17,63

7.1.13 Schools & welfare organizations – 11 000 Volt three phase demand scale (Time of Use)

This is a new tariff structure and applicable to schools and welfare organizations metered at medium voltage where electricity is supplied at 11 000 V.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.

	PRESENT 2017/2018	PROPOSED 2018/2019
A fixed charge whether electricity is consumed or not, per point of supply (meter point)	R 2 431,00	R 2 597,00
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	c/kWh 33,26	c/kWh 35,53
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	17,49	18,69
An active energy charge for all consumers (kWh)		
(i) High demand season (June, July, August)		
Peak	235,86	252,00
Standard	94,18	100,62
Off-peak	50,37	53,81
(ii) Low demand season (September to May)		
Peak	103,96	111,07
Standard	63,77	68,13
Off-peak	44,61	47,66
Reactive energy charge (kVA)		
High demand season (June – August)	15,46	16,52



7.1.14 Schools & welfare organizations

This is a new tariff structure and applicable to all schools and welfare organizations with a single and/or three phase connection with a capacity of up to 80A per phase. Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure. This tariff has no capacity charge.

PRESENT 2017/2018	PROPOSED 2018/2019
c/kWh	c/kWh
118,82	126,95

Energy charge kWh

Note:

For the purpose of time of use tariffs the defined daily time of use period throughout the year are:

Peak hours:

(i)	Weekdays	07:01 – 10:00 18:01 – 20:00
(ii)	Saturdays	None
(iii)	Sundays	None

Standard hours:

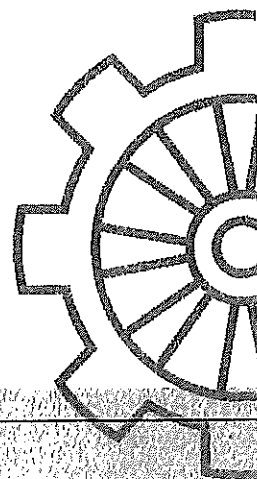
(i)	Weekdays	06:01 – 07:00 10:01 – 18:00
(ii)	Saturdays	07:01 – 12:00 18:01 – 20:00
(iii)	Sundays	None

Off-peak hours:

(i)	Weekdays	22:01 – 06:00
(ii)	Saturdays	12:01 – 18:00 20:01 – 07:00
(iii)	Sundays	00:00 – 24:00

The Director: Electrical Engineering Services may impose a specific minimum load requirement for qualification for time of use tariff scales.

8. THAT in terms of Section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, the adjusted sundry tariffs, value added tax inclusive, as reflected in the comments of the various heads of departments under schedule 2 be approved and adopted for implementation with effect from 1 July 2018.
9. THAT a rate of R160,00 per day be approved for temporary workers limited to a maximum of three (3) months, unless otherwise specified in the personnel budget and/or human resources policies.
10. THAT the new personnel posts and the abolishment of posts as reflected under schedule 3 be approved to be implemented with effect from 1 July 2018.
11. THAT the following budget-related policies both new and as amended be approved and adopted for implementation from 1 July 2018:



- 11.1 Asset Management Policy
- 11.2 Borrowing Policy
- 11.3 Budget Policy
- 11.4 Cost Containment Policy (new)
- 11.5 Credit Control and Debt Collection Policy
- 11.6 Free Basic Services and Indigent Policy
- 11.7 Funding & reserves policy
- 11.8 Investment of surplus funds policy
- 11.9 Methodology for the impairment and assessment of useful lives of assets policy
- 11.10 Property Rates Policy
- 11.11 Supply Chain Management Policy – Infrastructure Procurement and Delivery Management
- 11.12 Travelling and Subsistence Policy

12. THAT the following unchanged budget-related policies be noted and be approved and adopted for implementation from 1 July 2018:

- 12.1 Blacklisting policy.
- 12.2 Methodology – classification and treatment of land policy.
- 12.3 Methodology – impairment and assessment of useful lives of assets policy.
- 12.4 Pay Day policy
- 12.5 Petty Cash policy
- 12.6 Short term risks and liabilities policy
- 12.7 Tariff policy
- 12.8 Unclaimed monies policy
- 12.9 Write-off of debtor's policy

13. THAT the Supply Chain Management Policy and Contractor Development Policy be submitted in June 2018 for consideration.

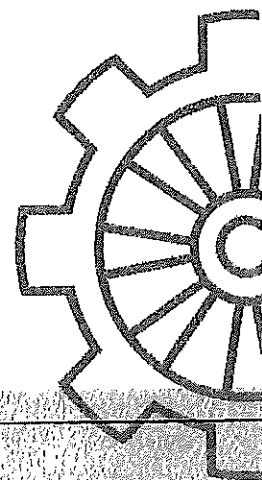
14. THAT the following By-laws be approved by Council for public participation and adoption:

- 14.1 Tariff by-law
- 14.2 Property Rates by-law

15. THAT the measurable performance objectives for revenue from each source as per table A4 be approved and adopted for the 2018/2019 budget year.

16. THAT permission be granted to the Executive Director: Financial Services to submit the tabled budget in both printed and electronic formats to National and Provincial Treasury.

17. THAT permission be granted to the Executive Director: Financial Services to place the tabled budget on the municipal website within five (5) working days from approval.



18. THAT permission be granted to the Executive Director: Financial Services to make the tabled budget and supporting documentation with Council resolution public in terms of Section 21(A) of the Municipal Systems Act, 32 of 2000 within ten (10) working days after Council approval.
19. THAT Council approve to increase the limits for virements in terms of the budget policy to a maximum limit of R3 000 000,00 for capital expenditure and R500 000,00 for the operating budget for already approved items.
20. THAT to ensure the government grants are fully implemented, the Municipal Manager be authorized to allow virements between already approved projects and votes with no limitation to the amount.
21. THAT a report be submitted to Council to be noted of such project changes on municipal grants.
22. THAT Council Resolution SC45/05/2017 be rescinded and the virements be approved as per the budget policy to be reviewed annually.
23. THAT point 19 and 20 be implemented retrospectively from 1 April 2018.
24. THAT note be taken that the positions of VIP Protection Unit as identified on Personnel Budget for 2018/19 was withdrawn by the Executive Mayor.

You are kindly requested to take note and implement the above resolution and make the necessary arrangements for advertising of public notices as mentioned in the above resolution.

Yours faithfully


~~ACTING MUNICIPAL MANAGER~~ 

6 June 2018

Copy : **M F M MASILELA**

