MATATIELE
LOCAL MUNICIPALITY

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PUBLIC NOTICE

Notice is hereby given in terms of the Municipal Systems Act, (act 32 of 200), section 28(2) and in terms of section 16 (2) of the Municipal Finance Management Act of 2003 that the draft annual operating and capital budget and its supporting documents have been tabled to council at a Council meeting held on the 29th March 2022 council resolution
No: **CR 1208/30/03/2021**.The following represents the summary thereof and the detailed document is available on the municipal website www.matatiele.gov.za and the municipal offices. Written comments of the public on the tabled budget 2022/23 are to be sent to the Municipal budget & treasury office (Mountain View) and the main offices at 102 Main Street Matatiele 4730.

TABLED DRAFT OPERATING REVENUE BUDGET 2022/23-2024/25

The tabled revenue budget including capital grants and subsidies is budgeted at R579, 6 million as tabulated below.

Description	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2021/22	Adjustment Budget 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year +2 2024/25
Revenue By Source					
Property rates	54 088 416	54 088 416	54 088 416	56 792 844	59 632 476
Service charges - electricity revenue	55 006 644	55 006 644	71 415 900	74 986 692	78 736 032
Service charges - refuse revenue	15 525 768	15 525 768	15 525 768	16 302 060	17 117 160
Rental of facilities and equipment	1 245 000	1 245 000	2 027 556	2 128 944	2 235 384
Interest earned - external investments	14 649 996	14 649 996	14 649 996	15 382 500	16 151 628
Interest earned - outstanding debtors	11 798 772	11 798 772	18 730 800	17 462 340	18 335 460
Fines, penalties and forfeits	2 093 700	2 093 700	1 769 004	1 521 456	1 597 536
Licences and permits	4 524 684	4 524 684	4 130 844	4 337 400	4 554 276
Transfers and subsidies- Operational	267 312 996	269 536 707	293 418 000	304 242 000	321 932 004
Transfers and subsidies-Capital	145 471 008	145 471 008	102 355 992	111 006 000	115 965 000
Other revenue	1 501 176	1 501 176	1 470 708	1 544 268	1 621 476
Gains	-	-	-	-	-
Total Revenue (Including capital transfers and contributions)	**573 218 160**	**575 441 871**	**579 582 984**	**605 706 504**	**637 878 432**

DRAFT OPERATING EXPENDITURE BUDGET BY TYPE 2022/23-2024/25

The draft operating expenditure excluding capital expenditure budget amounts to R480 million as tabulated below.

Description	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2021/22	Adjustment Budget 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year +2 2024/25
Expenditure By Type					
Employee related costs	132 260 904	132 260 904	137 172 096	144 030 696	155 650 200
Remuneration of councillors	21 689 916	21 689 916	22 459 248	23 582 232	24 291 924
Debt impairment	6 999 996	6 999 996	6 000 000	6 300 000	6 615 000
Depreciation & asset impairment	35 300 004	35 300 004	58 970 004	61 918 524	65 014 428
Bulk purchases - electricity	50 000 004	62 000 004	61 382 988	64 452 132	68 094 744
Inventory consumed	7 379 196	6 880 872	7 696 992	8 081 880	5 361 492
Contracted services	105 680 024	105 834 863	113 874 096	111 021 756	100 961 004
Transfers and subsidies	-	-	-	-	-
Other expenditure	71 035 852	61 603 052	72 467 760	76 091 328	83 158 656
Losses	-	-	-	-	-
Total Expenditure	**430 345 896**	**432 569 611**	**480 023 184**	**495 478 548**	**509 147 448**

DRAFT CAPITAL BUDGET 2022/23-2024/25

The draft capital budget 2022/23 is budgeted at R159,9 million to be funded from National Grants R 99, 6 million and Capital reserves of R 60.4, million as tabulated below:

Description	Current Year 2022/23		2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year + 1 2022/23	Budget Year + 1 2023/24	Budget Year + 1 2024/25
Capital Expenditure - Functional					
Governance and administration	**7 525 512**	**8 955 512**	**4 170 000**	**-**	**-**
Executive and council	90 000	90 000	-	-	-
Finance and administration	7 435 512	8 865 512	4 170 000	-	-
Internal audit	-	-			
Community and public safety	**1 762 008**	**1 867 004**	**3 460 008**	**-**	**-**
Community and social services	410 004	410 004	1 510 008		
Sport and recreation	-	-	-	-	-
Public safety	1 352 004	1 457 000	1 950 000	-	-
Housing	-	-	-	-	-
Health	-	-	-	-	-
Economic and environmental services	**82 204 980**	**92 174 980**	**100 101 324**	**96 507 516**	**91 060 212**
Planning and development	247 500	217 500	500 004	-	-
Road transport	81 957 480	91 957 480	99 601 320	96 507 516	91 060 212
Environmental protection	-	-	-	-	-
Trading services	**101 380 020**	**105 380 020**	**52 177 980**	**53 756 568**	**56 113 572**
Energy sources	98 180 028	102 180 028	49 277 976	52 491 972	54 848 976
Water management	-	-	-	-	-
Waste water management	-	-	-	-	-
Waste management	3 199 992	3 199 992	2 900 004	1 264 596	1 264 596
Other	-	-	-	-	-
Total Capital Expenditure - Functional	**192 872 520**	**208 377 516**	**159 909 312**	**150 264 084**	**147 173 784**
Funded by:					
National Government	142 872 468	142 872 468	99 552 588	108 079 488	112 909 188.00
Provincial Government	-	-	-	-	-
District Municipality	-	-	-	-	-
Borrowing	-	-	-	-	-
Internally generated funds	50 000 052	65 505 048	60 356 724	42 184 596	34 264 596.00
Total Capital Funding	**192 872 520**	**208 377 516**	**159 909 312**	**150 264 084**	**147 173 784**

SUMMARY OF TABLED BUDGET 2022/23-2024/25

The draft total budget for the 2022/23 medium term revenue and expenditure framework is anticipated at R 639,9 million as tabulated below;

Description	Current Year 2021/22		2022/23 Medium Term Rvenue & Expenditure Framework		
	Approved Budget Year 2021/22	Adjustment Budget 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year +2 2024/25
Total Operating Budget	430 345 896	432 569 611	480 023 184	495 478 548	509 147 448
Total Capital Budget	192 872 516	208 377 464	159 909 312	150 264 084	147 173 784
Total Budget	**623 218 412**	**640 947 075**	**639 932 496**	**645 742 632**	**656 321 232**

PROPOSED TARIFF OF CHARGES 2022/2023

Municipal tariffs are proposed to be as follows:

PROPERTY RATES

Property rates tariff is proposed to increase by 0% for the 2022/23 financial year as follows;

Categories	Rate Randages /Rand Value – c/R	Ratio in relation to residential property
Residential property	0.010878	1:1
Farm property as defined in Section 8(2) (d)(i) and 8 (2) (f) (i) of the Act (being Farm property used for agricultural purposes and smallholdings used for agricultural purposes)	0.0027195	1: 0.25
Agricultural property used predominantly for commercial and / or industrial purposes	0.0027195	1:0.25
Smallholdings used predominantly for commercial and / or industrial purposes	0.0027195	1: 0.25
Commercial / Business properties	0.013054	1: 1.2
Industrial properties	0.013054	1:1.2
State Owned/ Government	0.02176	1:2
Public Service Infrastructure properties	0.0027195	1:0.25
Municipal properties	0.013054	1:1.2

ASSESMENT RATES

Residential First R65 000 exempt 40% Rebate	0.010878	0%
Vacant Land	0.02176	0%
Commercial 15% exempt	0.013054	0% 0%
Government	0.02176	0%
Farms 70% rebate	0.0027195	0% 0%
Industrial 15% rebate	0.013054	0% 0%
Municipal 100% rebate	0.013054	0%

Service Charges

- No increase is proposed for the Refuse tariffs and all other tariffs.

ELECTRICITY TARIFFS

- The electricity tariff is proposed to increase by 9-16% subject to approval from NERSA.

L.MATIWANE
MUNICIPAL MANAGER
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