



Tel: (011) 951-2578
Fax: (011) 951-2543

Krugersdorp
P.O Box 94
1740

26 MARCH 2026

EXTRACT FROM THE MINUTES OF THE 14TH ORDINARY COUNCIL MEETING OF MOGALE CITY LOCAL MUNICIPALITY FOR THE TERM 2021- 2026, HELD ON 25 MARCH 2026, WEDNESDAY AT 14:00 IN THE COUNCIL CHAMBER

ITEM K(ii) 4(03/2026)

2026-2027 Draft Annual Budget MTREF Report

RESOLVED:

That cognizance be taken on the following:

1. Of the report tabling the annual tabled budget Mogale City Local Municipality for the financial years 2026/2027 and the indicative estimates for the two projected outer years for 2027/2028 and 2028/2029 being tabled to present these proposals to stakeholders for consultation.
2. Of the report tabling the annual tabled budget and its supporting documents (draft tariffs schedules, reviewed and new budget related policies) for the 2026/2027 to 2028/2029 Medium Term Revenue & Expenditure Framework (MTREF) as required by section 16 (2) and 17(3) of the Municipal Finance Management Act (MFMA) No.56 of 2003.
3. Of the annual tabled budget of the municipality for the financial year 2026/2027 and the multi-year and single year capital appropriations as set out in accordance with Municipal Budget and Reporting (MBRR) section 9 in the following tables be considered and be tabled for public participation:
 - 3.1 Schedule 1 2026/2027 Summary of Proposed Revenue & Expenditure.
 - 3.2 Schedule 2 (a) 2026/2027 Proposed Capital Budget Project List.
 - 3.3 Schedule 2 (b) 2026/2027 Out – Of – Books Capital Budget Project List
 - 3.4 Schedule 3 (a) 2026/2027 Proposed Rates, Service Charges Tariffs and Other User Charges.
 - 3.5 Schedule 3 (b) 2026/2027 proposed electricity tariffs for application for approval by NERSA.
 - 3.6 Schedule 4 (a) Notification on revised municipal tariff determination timelines for FY2026/27 following court judgement and approval of Eskom Retail Tariff Structural Adjustment (ERTSA).
 - 3.7 Schedule 4(b) Stamped Court Order Mogale City – NERSA vs Afriforum
 - 3.8 Schedule 4 (c) Proposed Rand Water Tariffs
 - 3.9 Schedule 5 Electricity Cost Of Supply (COS)-In progress
 - 3.10 Schedule 6 Revenue Management Assessment Tool
 - 3.11 Schedule 7 MBRR Table A1-A10
 - 3.12 Schedule 8 Proposed SDBIP top layer and operational layer
 - 3.13 Schedule 9 2026/2027 Mogale City Bursary Application Form

- 3.14 Schedule 10 2026/2027 Mogale City Mayoral Bursary Agreement
- 3.15 Schedule 11 2026/2027 Mayoral Bursary Selection Scoring Matrix (For Selection Committee)
- 3.16 Schedule 12 2026/2027 2026/2027 Due diligence Checklist For NGO's/NPO's
- 3.17 Schedule 13 2026/2027 2026/2027 Mogale City Funding Agreement Template
- 3.18 Schedule 14 2026/2027 Monitoring and Evaluation Scorecard – Funding Model For NGO's/NPO's
- 3.19 Schedule 15 MFMA Circular 131 – Funds Transferred by Municipalities to Organisations and Bodies Outside the Government
- 3.20 Schedule 16 MFMA Circular 133 – The Meaning of Organ Of State as contemplated in Section 110(2)(a) of the MFMA.

4. The Salary and Wage Collective Agreement for the period 01 July 2024 to 30 June 2029 is an active agreement applicable in the new financial and outer years. Of the provision made for a 4.75% increase in the salaries of employees which was informed by the average CPI expected.
5. Of the 5% salary increase provided for in the Wage Gap Agreement entered into between the municipality and recognised Labour Unions for employees on salary levels 5–15, and which is contingent on the municipality's financial recovery and sustainability, an initial 2.5% increase was implemented with effect from July 2025.

The remaining 2.5% salary increase is provided for in the 2026/2027 financial year, subject to the municipality's financial viability and affordability. The phased implementation of the Wage Gap Agreement reflects the municipality's commitment to balancing employee remuneration obligations with the need to maintain financial sustainability.

The finalization of the Wage Gap Agreement therefore remains dependent on the municipality's financial position.

6. Of the budgeted 4% increase in the provision for remuneration of councillors to avoid under budgeting for an increase-based government gazette no. 54179 dated 20th February 2026 determined by Minister of COGTA.
7. Of the reviewed Integrated Development Plan (IDP) in which the Executive Mayor had identified and prioritized the community needs as well as recommending to the Municipal Council the strategies, programmes and services to address these priority needs.
8. That cognizance be taken of the draft Service Delivery and Budget Implementation Plan (SDBIP) which the Executive Mayor defines as the key performance indicators to evaluate progress in the implementation of the strategies, programmes and services.
9. That the Executive Mayor of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables for public participation the following tariffs:
 - 9.1 The tariffs for the supply of water – as set out in Schedule 3(a).
 - 9.2 The tariffs for sanitation services – as set out in Schedule 3(a).
 - 9.3 The tariffs for property rates – as set out in Schedule 3(a).
 - 9.4 The tariffs for solid waste removal – as set out in Schedule 3(a).
 - 9.5 The tariffs for other services, as set out in Schedule 3 (a).
 - 9.6 The tariffs for bulk contributions and wayleaves, as set out in Schedule 3 (a).

9.7 The tariffs for electricity – as set out in Schedule 3(b) that will be submitted to NERSA on the 31 March 2026 as part of tariff application for public participation to be concluded by NERSA on the 21 April 2026.

10. That the Executive Mayor of Mogale City Local Municipality, acting in terms of Section 5 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the reviewed rates for public participation.
11. That the Executive Mayor of Mogale City Local Municipality, acting in terms of Section 6 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the rates By- law to give effect to the Rates policy for public participation.
12. That the Executive Mayor of Mogale City Local Municipality, acting in terms of Section 98 of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the Credit Control and Debt Collection By- Laws to give effect to the implementation and enforcement of Credit Control and Debt Collection Policy for public participation.
13. That the Executive Mayor of Mogale City Local Municipality, acting in terms of Section 75 (1) of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the Tariff By- Laws to give effect to the implementation and enforcement of Tariff Policy for public participation.
14. That based on the draft determination the municipality has included in the budget 4% cost of living adjustment of the upper limits of the total remuneration packages payable to senior managers.
15. That the following reviewed & new budget related policies and draft SDBIP be tabled for public participation and comments:
 - Annexure 1: Draft reviewed Property Rates Policy
 - Annexure 2: Draft reviewed Property Rates By-Law
 - Annexure 3: Draft reviewed Supply Chain Management Policy
 - Annexure 4: Draft reviewed Credit Control and Debt Collection Policy
 - Annexure 5: Draft Credit Control and Debt Collection By-Law
 - Annexure 6: Draft reviewed Financial Misconduct Policy
 - Annexure 7: Draft reviewed Water and Sanitation Tariff Policy
 - Annexure 8: Draft reviewed Electricity Tariff Policy
 - Annexure 9: Draft reviewed 2% Corporate Social Responsibility
 - Annexure 9.1 Draft Mayoral Bursary Policy as per section 5.1 of the CSR Policy including the supporting documents (New)
 - Annexure 9.2 Draft Social Development and CSR Funding Financial Model & Policy as per section 5.2 of the 2% CSR Policy include governance tools template and MFMA Circular No. 131 (New).
 - Annexure 10: Draft reviewed Cash Management & Investment Policy
 - Annexure 11: Draft reviewed Borrowing Policy
 - Annexure 12: Draft reviewed Funding and Reserves Policy
 - Annexure 13: Draft reviewed Long Term Financial Plan Policy
 - Annexure 14: Draft reviewed Asset Management Policy
 - Annexure 15: Draft reviewed Indigent Management Policy
 - Annexure 16: Draft reviewed Employment Equity policy
 - Annexure 17: Draft reviewed Recruitment Policy
 - Annexure 18: Draft reviewed Overtime Policy
 - Annexure 19: Draft reviewed Grant in Aid Policy
 - Annexure 20: Draft reviewed Indigent Burial Policy
 - Annexure 21: Draft reviewed Liquidity Policy

- Annexure 22: Draft reviewed Waste Management Service Policy
- Annexure 23: Draft reviewed Unclaimed Monies Policy
- Annexure 24: Draft reviewed Cost Containment Policy
- Annexure 25: Draft reviewed Budget Management Policy
- Annexure 26: Draft reviewed Adjustment Budget Policy
- Annexure 27: Draft reviewed Virement Policy
- Annexure 28: Draft reviewed Cashier Shortages and Surpluses Policy
- Annexure 29: Draft reviewed VAB Remuneration VAB Members Policy
- Annexure 30: Draft reviewed Mogale City Local Municipality By-Laws for the control of outdoor advertising Signs and Hoardings
- Annexure 31 Draft reviewed Capital project and Infrastructure investment Policy
- Annexure 32: Draft reviewed Supplier Performance Monitoring Policy
- Annexure 33: Draft reviewed Acting policy 7
- Annexure 34: Draft reviewed Bursary policy
- Annexure 35: Draft reviewed Unauthorised, Irregular, Fruitless & Wasteful expenditure Policy
- Annexure 36: Draft reviewed earning & development Policy
- Annexure 37: Draft Reviewed Tariff Policy
- Annexure 38: Draft reviewed Tariff By-Law
- Annexure 39: Draft reviewed Leave Policy
- Annexure 40: Draft reviewed Management Development System Policy
- Annexure 41: Draft reviewed transfer and secondment Policy
- Annexure 42: Draft reviewed Task Job Evaluation Policy
- Annexure 43: Draft Organisational Change Management Policy (New)
- Annexure 44 Draft reviewed Wellness Management Policy
- Annexure 45 Draft reviewed Occupational Health and Safety Policy
- Annexure 46 Draft Reward & Remuneration Policy (New)
- Annexure 47 Draft Substance Abuse policy (New)
- Annexure 48 Draft succession Planning and Career pathing Policy (New)
- Annexure 49 Draft Internship/Learnership policy (New)
- Annexure 50 Draft Personal Protective Equipment Policy (New)
- Annexure 51 Draft Traveling Policy (New)
- Annexure 52 Draft Reviewed Write Off Policy.**

16. That the following budget related policies be noted as were approved during the past financial years and remain in force for the 2026/2027 financial year:

- 16.1 Sports & Recreation Facilities Tariff Policy.
- 16.2 Public Safety Tariff Policy.
- 16.3 Water Services By-laws.
- 16.4 Mogale City Tree Management & Conservation Policy.
- 16.5 Mogale City Parks By-Law.
- 16.6 Fleet Management Policy.
- 16.7 Bulk Contributions Policy.

17. That the following budget related policies be noted as were approved during the past financial years and remain in force for the 2026/2027 financial year.

18. That the report tabling the draft annual budget of Mogale City Local Municipality for the financial years 2026/2027 and the indicative estimates for the two projected outer years for 2027/2028 and 2028/2029 be noted for public participation. **As set out in Schedule 5 MBRR Table A1-A10 be noted.**

CERTIFIED A TRUE EXTRACT



**CLLR DS DAVID
SPEAKER OF COUNCIL**

DATE: 26/03/2026