



COUNCIL PROCEEDINGS

REF:3/2/4

AGENDA ITEMSC/11.2/03/2026: DRAFT BUDGET 2026/2027 MTREF AND BUDGET RELATED POLICIES

RESOLUTION NO 154 OF 2025/2026 FINANCIAL YEAR

RESOLUTION ON DRAFT BUDGET 2026/2027 MTREF AND BUDGET RELATED POLICIES

NOTING THAT:

1. The Local Government Municipal Systems Act 32 of 2000 section 34 the municipal council must review its integrated development plan annually in accordance with the assessment of its performance measurements in terms of section 41,
2. Local Government Municipal Finance Management Act 56 of 2003 section 16, the municipal council must at least 90 days before the start of the budget year consider tabling of the draft annual budget.
 - 2.1 The Draft Annual Budget for the financial year **2026/27** and the multi-year and single year capital appropriations to the total amount of **R548 503 000** budgeted revenue and **R589 463 662** budgeted expenditure. Capital appropriation amounts to **R164 904 000** and operational expenditure amounts to **R424 559 662** as set out in the following tables. The total expenditure in excess of the budgeted revenue if funded by VAT recovery reserves to an amount of **R41 709 596**.
 - 2.1.1 Budget summary as contained in table A1.
 - 2.1.2 Budgeted financial performance (revenue and expenditure by functional classification) as contained in table A2.
 - 2.1.3 Budgeted financial performance (revenue and expenditure by Municipal vote) as contained in table A3.
 - 2.1.4 Budgeted financial performance (revenue and expenditure) as contained in table A4.
 - 2.1.5 Multi –year and single year capital appropriations by municipal votes and standard classifications and associated funding by source as contained in table A5.



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- 2.2 The financial position, Cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
- 2.2.1 Budgeted financial position as contained in table A6
 - 2.2.2 Budgeted Cash flow Statement as contained in table A7
 - 2.2.3 Cash backed reserves and accumulated surplus reconciliation as Contained in table A8
 - 2.2.4 Asset management as contained in table A9
 - 2.2.5 Basic service delivery measurement as contained in table A10
3. The Council of Makhuduthamaga Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) and section 16(2) of the Municipal Finance Management Act (Act 56 of 2003) note the Draft Annual Budget and IDP for the 2026/27 MTREF.
4. In Compliance with the above-mentioned Legislations, Makhuduthamaga Municipal Council has, at its virtual Special Council Meeting on the 30th March 2026,

RESOLVED THAT:

- The Annual Draft Budget for 2026/27 and the MTREF be noted for public/stakeholder consultations as tabled.
- The reviewed budget related policies are noted for public/stakeholder consultations as tabled.
- Industrial property rates are at 0.016 in a rand for 2026/27 financial year
- Business and commercial property rates are at 0.016 in a rand for 2026/27 financial year.
- Residential property rate is at 0.056 in a rand for 2026/27 financial year
- Agricultural property rate is 0.014 in a rand for 2026/27 financial year.
- Public service purpose rate is at 0.015 in a rand for 2026/27 financial year.
- Public service purpose, residential property rate is at 0.015 in a rand for 2026/27 financial year.
- Vacant land rate is at 0.008 in a rand for 2026/27 financial year.
- Municipal mSCOA roadmap



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Mover: Cllr Mahlase M.M

Seconder: Cllr Selala P.T

Speaker: Cllr Mphelane M.J

Municipal Manager: Moganedi R.M

Signature: _____

Signature: _____

Date: 30/03/2006

Date: 2026/03/30