

CITY OF MATLOSANA

MINUTES OF THE **SPECIAL COUNCIL MEETING** OF THE **CITY OF MATLOSANA** HELD ON **TUESDAY, 15 APRIL 2014** AT **14:00** IN THE **COUNCIL CHAMBER** FIRST FLOOR, CIVIC CENTRE, KLERKSDORP

PRESENT

Councillors: KORTJAS M L - Speaker
KHAUOE M K - Executive Mayor

APPELS L L
BESTER C J
CHAO M M
COETZEE M
COMBRINCK A
CUTSWA L L
DIRE K L
DITHEJANE M C
GEORGE N E
GROENEWALD I M
HART E G
HENDRICKS I G
HLAKA M P
KGAILE M E
KGOSI G R
LEE M M S
LE GRANGE J J
LEGASSICK E
LENEPA L A
LEKOALA N E
LOBESE A L
LOUWRENS W J J
MABUNDA L T
MANGESI M I
MASEKO N M
MATSEPE R A
MATOLO B C
MATROSS A N
MBOBO G C
MENDELA N S
MERE M D
MOGALE O M
MOGOROSI M D
MOHALE G J
MOHOEMANG G A
MOLEBATSI I J
MONTTOEDI SD
MOREMI S L
MPSHAPUDI S T
MTIMKULU M E

NAKEDI S L
NKEBE G S
NTHABA M F
PHAKOE L M
PLAATJIE B M
POOE P R
POSTMA E M
RAMPHELE G A
ROTHMAN L V
SEBATA J M
SEFIKA M S
STEYN S M
THELEJANE M A
THOBEDI T I

Officials: MUNICIPAL MANAGER: (ET MOTSEMME)
ACTING DIRECTOR: CORPORATE SERVICES: (ND CIYA)
DIRECTOR: STRATEGIC PLANNING, MONITORING AND
CONTROL: (LM RAMOROLA)
ACTING DIRECTOR: MACRO CITY PLANNING AND
DEVELOPMENT: (MA KHUZWAYO)
ACTING DIRECTOR: ELECTRICAL ENGINEERING: (D RANNOA)
ACTING DIRECTOR: MUNICIPAL & ENVIRONMENTAL SERVICES:
(MJ MASILO)
DIRECTOR: CIVIL SERVICES & HUMAN SETTLEMENTS:
(DR MUKONDELELI)
CHIEF FINANCIAL OFFICER: (MK KGAUWE)
CHIEF AUDIT EXECUTIVE (M SEERO)
ASSISTANT DIRECTOR: ADMINISTRATION: (JEJ VAN RENSBURG)
SENIOR ADMINISTRATIVE OFFICER: (Z MOJAH)

Others: ADMINISTRATOR: (P SEROTE)

1 OPENING

- i) The Speaker, Councillor Kortjas ML welcomed everybody present.
- ii) The Speaker allowed 5 a minutes break for Councillors to sign the attendance register, who did not sign yet and for the officials to check the microphones if they are working in the chamber.
- iii) The Speaker declared the meeting officially opened.

2 APPLICATION FOR LEAVE OF ABSENCE

RESOLVED

- a) That leave of absence be granted to the following:

Councillors: BONTSI M M
DLAMINI M F

MALETE G A
MOTHIBEDI L M
MPUKWANA T B
NEL E P J
ROBINSON L
ROSS K L
SISHUBA M S
SITHOLE S L
SWART P J
TAGAREE F I

Officials:

DIRECTOR: MACRO CITY PLANNING AND DEVELOPMENT
(S MABUDA)

FINANCE AND DEBT NORMALIZATION **COMMITTEE**

CC
46/2014

**RESOLUTIONS OF THE JOINT MEETING BETWEEN THE CITY OF
MATLOSANA, NATIONAL TREASURY, PROVINCIAL TREASURY
AND DLGTA: 01 APRIL 2014**

(ITEM 1 PP 1-5 – SP MAYCO 15/04/2014)

RESOLVED

- a) That Council take note of the communiqué received from National Treasury on 02 April 2014.
- b) That the Accounting Officer is required to submit progress reports with regards to an urgent meeting to be scheduled with the Executive Mayor / Mayoral Committee to enlighten him / them of the resolutions taken at this meeting.
- c) That it be noted that communiqués were written by the Executive Mayor on 04 April 2014 to the MEC of Provincial Treasury and the MEC of NW DLGTA informing them of the non-compliance with regard to the not tabling of the 2013/14 Adjustment Budget, as required in terms of section 28 of the MFMA as well as the non-compliance to and not tabling of the draft 2014/15 MTREF Budget for the next MTREF budget cycle (2014/15).
- d) That it further be noted that the communiqués mentioned in (c) above will also be forwarded to the Finance Minister at National Treasury.
- e) That the Administrator accept complete accountability and responsibility during the implementation and management of all initiatives to achieve and sustain effective budget, financial, revenue and expenditure management, including creating and enhancing institutional functionality within the municipality.
- f) That it be noted that all expenditure incurred as from 08 April 2014, only be approved by the Administrator.
- g) That the Administrator is not permitted to delegate the duty and responsibility of approving payments to any other municipal official.
- h) That it be noted that all delegations on signing of tenders were recalled as from 08 April 2014 and that only the Administrator have powers to approve tenders.

- i) That it be noted that the Administrator must have daily meetings with management on the cash flow implications for the day, thus requiring the Municipal Manager and Senior Management to demonstrate ownership of the process and that the information be forwarded to National Treasury, North West Provincial Treasury, NW DLGTA on a daily basis after the management meeting.
- j) That is be noted that the municipality must meet / write letters to creditors (Eskom and Midvaal) to discuss payment arrangements which must be concluded and communicated to National Treasury by 15 April 2014.
- k) That it be noted that the Administrator must communicate the progress on the recovery plan with stakeholders (NT, NW PT, NW DLGTA).
- l) That the Chief Financial Officer must conclude a cash flow forecast for the remainder of the municipal financial year to be forwarded to National Treasury by 10 April 2014.
- m) That National Treasury will provide assistance with the expertise of Mr Kevin Venter from Special Project – Revenue Management with regard to adequate tariff setting.
- n) That failure to implement any of the resolutions will result in further actions being taken by National Treasury.

**CC
47/2014**

ADJUSTMENT BUDGET 2013/2014

6/1/1

(ITEM 3.2 PP 6-42 – SP MAYCO 15/04/2014)

NOTE:

- i) Before discussion of this item, the Speaker requested Administration to make copies of the recommendations from the Mayoral Committee, in this item, to all Councillors.
- ii) The Executive Mayor, Councillor Khaueo MK requested the Chief Financial Officer to present the Adjustment Budget for 2013/2014 and the Speaker further allowed clarity questions.
- iii) After inputs from Councillors, Councillor Hart EG on behalf of the DA requested that it be noted that the DA is not supporting the Adjustment Budget. Councillor Groenewald IM, on behalf of the FF+ aligned with the statement of DA Councillors.
- iv) At proposal of Councillor Mogale OM and seconded by Councillor Mabunda LT, the following resolution was passed:

RESOLVED

- a) That the Adjustment Budget 2013/2014 Financial Year be approved with amendments as per attached document Part 1-3 in terms of section 28 (2) of the Municipal Finance Management Act.
- b) That the overtime vote number be increased to R28 323 046.
- c) That the meter reading expenditure vote number be increased to R8,5m.

- d) That the reconnection and disconnection revenue vote be decreased to R20m.
- e) That the reconnection and disconnection expenditure vote be decreased to R55m.
- f) That the debt collection expenditure be decreased to R25m.
- g) That the basic salaries vote number be decreased by R3,5m

CC TABLING OF THE ANNUAL DRAFT BUDGET 2014/2017 6/1/1
48/2014 (ITEM 3.3 PP 43- – SP MAYCO 15/04/2014) (AD-BUD)

RESOLVED

- a) That Council takes cognizance of the Draft Budget as set-out in the Draft Budget Document. Document for the financial year 2014/15; and indicative allocations for the two outer years 2015/16 and 2016/17 as tabled in accordance with section 16 (2) of the Municipal Finance Management Act 56 of 2003:

NT tables, schedule A indicating operating revenue by source and operating expenditure by vote and capital funding by source document for the 2014/2015 and two outer years 2015/16 and 2016/17.
- b) That Council takes cognizance of the draft property rates tariff for the budget year 2014/15 reflected in the draft budget document. The new proposed increase on property rates is 6.0%.
- c) That Council takes cognizance of other draft tariffs and charges for the 2014/2015 year, reflected in the Draft Budget document.
- d) That Council takes cognizance that the revised draft budget related policies that form part of the 2014 – 2017 Draft Budget document which will be work shopped and subsequently submitted to Council in May 2014.
- e) That the Budget consultation process with stakeholders will be done in consultation with Ward Councillors as indicated in the Executive Summary.

4 ANNOUNCEMENTS

1. The Executive Mayor informed Councillors about the Budget Public Participation Schedule that will be forwarded to all and further requested that serious concerns from Councillors could be addressed to the Office of the Administrator.
2. The Speaker gave a chance to Councillors to debate whether to hold Portfolio Meetings in June or a week after the elections and Councillors agreed to have meetings in the week of 12 May 2014.

The meeting closed at 16:00

Approved and confirmed on _____

CHAIRPERSON

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