

## **MOGALAKWENA LOCAL MUNICIPALITY**

### **COUNCIL**

#### **MINUTES OF THE SPECIAL COUNCIL MEETING OF THE MOGALAKWENA MUNICIPALITY HELD IN THE LLEKA LEKALAKALA COUNCIL CHAMBER, CIVIC CENTRE, MOKOPANE ON TUESDAY, 31 MARCH 2009 AT 16:05**

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#### **PRESENT**

AS PER ATTACHED ATTENDANCE REGISTER.

#### **OFFICIALS**

Messrs.	L J SEBOLA	-	ACTING MUNICIPAL MANAGER
	M H THOBEJANE	-	MANAGER: CORPORATE SUPPORT SERVICES
	T S MOGASHOA	-	MANAGER: TECHNICAL SERVICES
	J N FOURIE	-	MANAGER : ELECTRICAL SERVICES
	L J PIETERSE	-	ACTING DEPUTY MANAGER: TECHNICAL SERVICES
Mesdames.	S P MALAHLELA	-	DIVISIONAL HEAD: LEGAL SERVICES
	M A SIBANDA	-	DIVISIONAL HEAD: SECURITY
	D E MAILULA	-	MANAGER: DEVELOPMENTAL SERVICES
	I A DE VILLIERS	-	DEPUTY MANAGER: CORPORATE SUPPORT SERVICES
	W D JOUBERT	-	ACTING CHIEF FINANCIAL OFFICER
	M C NGOAKO	-	SENIOR CLERICAL ASSISTANT

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#### **1. OPENING**

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The speaker welcomed all present and requested that a moment of silence be observed.

#### **2. APPLICATION OF MEMBERS FOR LEAVE OF ABSENCE**

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Applications for leave of absence were received from councillors D P Gubayi, M I Mogotlane, T E Mokhonoana, M Selomo, P H Tsebe, J D van Heerden, M A Mphela, M L Mashao , M N Somo and K G Kgosana.

#### **RESOLVED:**

THAT leave of absence from a special council meeting held on 31 March 2009 be granted to councillors D P Gubayi, M I Mogotlane, T E Mokhonoana, M Selomo, P H Tsebe, J D van Heerden, M A Mphela, M L Mashao , M N Somo and K G Kgosana.

**3. DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN: 2009/10 FINANCIAL YEAR**  
**(17/3/4)DE**  
**(ITEM 3 SPECIAL EC 31 MARCH 2009)**

**RESOLVED:**

THAT

- a) the draft Integrated Development Plan for 2009/10 financial year be approved.
- b) alignment of the draft 2009/10 financial year IDP with other plans and programmes from both private and public sectors be finalized during the integration phase.
- c) project designs form an annexure to the final document.
- d) it be noted that the projects are aligned to the draft capital budget for 2009/10 financial year as submitted by finance department.
- e) it be noted that the draft reviewed IDP for 2009/10 financial year has already been taken out for community participation from 22 March 2009 to 26 March 2009 and that inputs from the communities shall be presented to a special councillors' briefing session for consideration before the final adoption of the 2009/10 financial year reviewed IDP and budget.
- f) the final approval of the reviewed IDP by council be done before 31 May 2009.

**4. EXTENT OF DURATION PERIOD FOR THE PROVISION OF BANKING SERVICES FROM**  
**STANDARD BANK**  
**(6/12/2/1)WJ**  
**(ITEM 4 SPECIAL EC 31 MARCH 2009)**

**RESOLVED:**

THAT

- a) the duration of the existing contract for rendering of banking services with Standard Bank is until 31 December 2009.
- b) the process of procuring a contract for banking services starts immediately.
- c) the process in b) *supra* be in accordance with the supply chain management policy of Mogalakwena Municipality.

**5. RESTRUCTURING OF ASSET REGISTER, ALIGNMENT AND BALANCING OF THE**  
**FINANCIAL SYSTEM : APPROVAL OF PROJECT CHARTER**  
**(6/12/1/2/2)WDJ**  
**(ITEM 5 SPECIAL EC 31 MARCH 2009)**

**RESOLVED:**

THAT the Project Charter for the Restructuring of the Asset Register and Alignment and Balancing of the Financial System Project attached as pages 210 to 239 to the special executive committee agenda dated 31 March 2009, be approved.

**6. 2008/09 ADJUSTMENTS BUDGET ALLOCATION FOR LOCAL GOVERNMENT  
EQUITABLE SHARE (6/1/1/34)WJ**  
**(ITEM 6 SPECIAL EC 31 MARCH 2009)**

**RESOLVED:**

THAT

- a) the 2008/09 adjustments budget allocation for local government equitable share be noted.
- b) the additional allocation of R 4 531 398,00 be allocated to the following votes:
 

Water supply to villages vote number 0005851121975	R2 000 000,00
Honey sucker extension 19 vote number 0005491070215	R 1000 000,00
Infrastructure – sewer vote number 0005491070230	R 1531 398,00
- c) the revised adjustment budget be sent to Provincial and National Treasury.

**7. DRAFT 2009/10 TO 2011/12 MULTI-YEAR BUDGET: 2009/10 FINANCIAL YEAR  
(6/1/1/34)WJ**  
**(ITEM 7 SPECIAL EC 31 MARCH 2009)**

**RESOLVED:**

THAT

- a) the draft annual budget for the financial years 2009/2010 as set out in the following schedules which must be taken for community participation, be noted:
  - i) Operating revenue by source reflected in schedule 1 (attached as page 358);
  - ii) Operating expenditure by vote reflected in schedule 2 (attached as page 359);
  - iii) Operating expenditure by GFS classification reflected in schedule 2(a) (attached as page 360);
  - iv) Capital expenditure by vote reflected in schedule 3 (attached as page 361);
  - v) Capital expenditure by GFS classification reflected in schedule 3(a) (attached as page 362);
  - vi) Capital funding by source reflected in schedule 4 attached as page 363;
- b) in terms of section 14 of the Local Government : Municipal Property Rates Act, 2004 (Act 6 of 2004) the assessment rates reflected in Annexure A (pages 364 to 368) be approved for the budget year 2009/2010 and a further rebate be granted to limit the increase in rates for moving from the site rating system to the system of rating the total value of the property and in the event of such increase being 40% (forty percent) or more (between the rates that were payable on 30 June 2008 and on the rates that were payable on 1 July 2008 – The property owner paid the first 40% in 2008/09 and the difference will be paid as follows:

- i) the limit for the additional increase above 40% for the 2008/09 financial year is 25% of the difference.
- ii) the limit for the additional increase above 40% for the 2009/10 financial year is 50% of the difference.
- iii) the limit for the additional increase above 40% for the 2010/11 financial year is 75% of the difference.
- iv) as from the 2011/12 financial year, full rates will be payable:

Provided that this rebate does not apply to an increase in rates owing to a supplementary valuation made in terms of section 78(1) of the MPRA.

- c) in terms of section 75A of the Local Government : Municipal Systems Act, 2000 (Act 32 of 2000) (MSA) the tariffs and charges reflected in Annexure B to J attached as pages 369 to 380 to the special executive committee agenda dated 31 March 2009, be noted for the financial year 2009/2010.
- d) in terms of section 75A of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) an average of 34% increase on electricity tariffs as reflected in Annexure K attached as pages 381 to 388 to the special executive committee agenda dated 31 March 2009, and subject to the approval of the NER, be noted.
- e) the amended policies for rates, credit control and debt collection and indigents attached as pages 389 to 426 to the special executive committee agenda dated 31 March 2009, be noted for the budget year 2009/10.
- f) the Tariff Policy attached as pages 345 to 357 to the special executive committee agenda dated 31 March 2009, be adopted.
- g) transfer of savings in respect of the operating budget be limited to expenditure within the same vote and expenditure category unless the mayor authorizes the transfer.
- h) the 2009/2010 capital and operating budget be submitted to National Treasury and Provincial Treasury in both electronic and printed format immediately after tabling the budget but not later than 1 April 2009.
- i) interest on all amounts in arrears be charged at the rate determined from time to time in terms of the provisions of the Prescribed Rate of Interest Act, 1975 (Act 54 of 1975) or any other relevant Act.
- j) bridging finance in the amount of R10 million be made available to the electricity infrastructure upgrade projects until the DME grant is received and the executive committee be updated on a regular basis regarding the progress of the receipt of the grant from the DME.
- k) the amount of R22,5 million that was approved on the adjustment budget on 29 January 2009 for the Olifants River Project not be spent on the Olifants River Project but be allocated to projects as identified in the IDP.
- l) the following indigent welfare package for 2009/2010 be approved:

Package Compilation for Indigent	Proposed Charges R (Vat excluded)	Councils share R (Vat excluded)
Rates – R100 000		
Valuation	33,79	33,79
Refuse (up to 500 m <sup>2</sup> )	30,76	30,76
Sewerage (up to 500 m <sup>2</sup> )	15,74	15,74
Electricity – 50kwh	32,83	32,83
Water – 6kl	38,10	38,10
Total indigent package per month	151,22	151,22

- m) the contracts for the re-gravelling of the roads in the SDA's be scrutinized in order to have it cancelled and part of the funds on the operating budget be transferred to the capital budget in order to maintain the roads internally, procure capital goods and to develop the internal skills for such capital acquirement.

**The meeting closed at 16:16.**

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**SPEAKER**

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**DATE**