

## **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 WEDNESDAY, 31 MARCH 2010 AT 16:02**

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#### **PRESENT**

#### **COUNCILLORS**

AS PER ATTACHED ATTENDANCE REGISTER.

#### **OFFICIALS**

Messrs.	S W KEKANA	-	MUNICIPAL MANAGER
	T S MOGASHOA	-	MANAGER: TECHNICAL SERVICES
	L J SEBOLA	-	MANAGER: COMMUNITY SERVICES
	G A HUDSON	-	MANAGER: TRAFFIC AND EMERGENCY SERVICES
	J N FOURIE	-	MANAGER : ELECTRICAL SERVICES
	M P MASHOTJA	-	DEPUTY MANAGER: DEVELOPMENTAL SERVICES
	K D MALEPA	-	DEPUTY MANAGER: TECHNICAL SERVICES
	B MATHIBE	-	INTERNAL AUDITOR
Mesdames.	I A DE VILLIERS	-	ACTING MANAGER: CORPORATE SUPPORT SERVICES
	D E MAILULA	-	MANAGER: DEVELOPMENTAL SERVICES
	W D JOUBERT	-	ACTING CHIEF FINANCIAL OFFICER
	R MADIBELA	-	COUNCIL SECRETARIAT OFFICER

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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 M Mello, M Selomo, M S Sebetha, M J Shiburi, M I Mogotlane, M S Tefu, J D van Heerden, C M Mashalane, A Cachalia, M R Lebelo, L D Langa, M P Matlaila, R E Mothibi, N N Somo, T E Mokhonoana and M M Lamola.

#### **RESOLVED:**

THAT leave of absence from a special council meeting held on 31 March 2010 be granted to councillors M Mello, M Selomo, M S Sebetha, M J Shiburi, M I Mogotlane, M S Tefu, J D van Heerden, C M Mashalane, A Cachalia, M R Lebelo, L D Langa, M P Matlaila, R E Mothibi, N N Somo, T E Mokhonoana and M M Lamola.

**3. PRESENTATION OF 2008/09 AUDITOR GENERAL REPORT (6/12/1/1)SW  
(Municipal manager)**

The Auditor General was granted an opportunity to make a presentation.

**RESOLVED:**

THAT

- a) the Auditor General's presentation of the 2008/09 audit report, be noted.
- b) the action plans to address issues raised by the Auditor General in its 2008/09 audit report, be noted.
- c) the annual report be published for public comments after the presentation by the Auditor General.
- d) a workshop be arranged for councillors with the Auditor General within fourteen days regarding the report.

**4. OBJECTION AGAINST AMENDMENT SCHEME 86 : REZONING OF ERF R/448  
MOKOPANE (17/2/6/6/86)I  
(ITEM 3 SPECIAL EC 31 MARCH 2010)**

**RESOLVED:**

THAT

- a) the municipality complies with the requests of the owners of Magnolia Complex to build the wall between erven R/448 and 449 and pay their legal costs of R6 000,00 due to the following reasons:
  - the owners have been deprived of their right to administrative action that is lawful, reasonable and procedurally fair in terms of section 33 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996).
  - the owners of the adjacent properties have suffered emotional and financial damage due to the wrongdoing of a municipal official.
  - the official has admitted that he is guilty to all the charges and has not adhered to the provisions of the Town- Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986) and for which actions the municipality are liable.
- b) criminal proceedings immediately be instituted against the guilty official for the cost of reparation for the damages suffered by the municipality as a result of the gross negligence of the concerned official.
- c) an explanation be submitted in respect of the withholding of benefits due to the guilty official in line with the executive committee resolution dated 13 May 2009 and 22 July 2009 respectively.

- d) it be noted that this amounts to unauthorized, irregular, wasteful and fruitless expenditure in terms of section 171 (1)(c) of Chapter 15 of the MFMA and a fully fledged report be submitted to the next council meeting.

**5. DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN: 2010/11 FINANCIAL YEAR (17/3/4)DE**  
**(ITEM 4 SPECIAL EC 31 MARCH 2010)**

**RESOLVED:**

THAT

- a) the draft reviewed Integrated Development Plan for 2010/11 financial year attached as pages 37 to 142 of the agenda of the special executive committee dated 31 March 2010 be approved.
- b) alignment of the draft 2010/11 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 2010/11 financial year as submitted by the finance department.
- e) the draft reviewed IDP for 2010/11 financial year be taken for community participation.
- f) the turnaround strategy be factored into the IDP document as per template 88 to 90 of the draft reviewed IDP for 2010/11 financial year before final approval in May 2010.
- g) the final approval of the reviewed IDP by council be done before 31 May 2010.

**6. VACANCY IN COUNCIL : DEMOCRATIC ALLIANCE (3/2/5/6)I**  
**(ITEM 5 SPECIAL EC 31 MARCH 2010)**

The awaited letter from the chief electoral officer was received prior to the meeting and was distributed to councillors during the council meeting and is attached as Annexure A to the minutes.

**RESOLVED:**

THAT

- a) it be noted that councillor E Manganye has ceased to be a member of the Democratic Alliance and a vacancy has therefore arisen in the council.
- b) it also be noted that Mr C F B Smit has been nominated by the DA to fill this position and that the confirmation letter was received from the chief electoral officer.

- c) councillor C F B Smit be welcomed to the council.

**7. DRAFT 2010/11 TO 2012/13 MEDIUM TERM REVENUE AND EXPENDITURE  
FRAMEWORK: 2010/11 FINANCIAL YEAR (6/1/1/34)WJ  
(ITEM 6 SPECIAL EC 31 MARCH 2010)**

Pages 180, 181, 182 and 187 were replaced during the meeting which pages are attached as Annexure B to the minutes.

**RESOLVED:**

THAT

- a) the draft annual budget for the financial years 2010/11 as set out in the following tables and schedules which must be taken for community participation, be noted:
- i) Budget summary reflected as table A1 (attached as page 221).
  - ii) Budgeted Financial Performance (revenue and expenditure by standard classification reflected as table A2 (attached as pages 222 to 226).
  - iii) Budgeted Financial Performance (revenue and expenditure by municipal vote) reflected as table A3 (attached as pages 227 to 230).
  - iv) Budgeted Financial Performance reflected as table A4 (attached as page 234).
  - v) Budgeted Capital Expenditure by vote, standard classification and Funding reflected as table A5 (attached as pages 235 to 238).
  - vi) Budgeted Financial Position reflected as table A6 (attached as page 239).
  - vii) Budgeted Cash Flows reflected as table A7 (attached as page 240).
  - viii) Cash backed reserves/ accumulated surpluses reconciliation reflected as table A8 (attached as page 241).
  - ix) Asset Management reflected as table A9 (attached as page 242).
  - x) Basic Service Delivery Measures reflected as table A10 (attached as page 243).
  - xi) Supporting information, charts and explanations of trends and anomalies for each table reflected as table SA1 – SA 37 (attached as pages 244 to 289).

- b) in terms of section 14 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) the assessment rates reflected in 2.6.2.3 (to the report to the special executive committee agenda dated 31 March 2010) be approved for the budget year 2010/11 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) the tariffs and charges reflected in 2.6.2.2 to the special executive agenda dated 31 March 2010, be noted for the financial year 2010/11.
- e) in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) an average of 15.33% increase on electricity tariffs as reflected in 2.6.2.3 to the special executive agenda dated 31 March 2010, be noted for the financial year 2010/11, and subject to the approval of NERSA.
- f) the amended Rates Policy, Credit Control and Debt Collection Policy and Supply Chain Management policy attached as pages 290 to 358, be noted for the budget year 2010/11.
- 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 2010/11 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 9 April 2010.
- 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) it be noted that the contracts for the re-gravelling of roads in 3 SDA's will be terminated on 30 June 2011.

48.  
31.03.10

- k) it be noted that the blanket approach for free basic electricity to all will be phased out as follows with the exception of indigents that will still receive the 50kwh:

from 1 July 2010 - 20kwh;and  
from 1 July 2011 - none

- l) it be noted that no provision was made on the 2010/11 budget for the long awaited results of the job evaluation.

- m) the following indigent welfare package for 2010/11 be approved:

<b>Package Compilation for Indigent</b>	<b>09/10 R (VAT excluded)</b>	<b>10/11 R (VAT excluded)</b>
Rates – R100 000 Valuation	33,79	35,82
Refuse (up to 500 m2)	30,76	32,61
Sewage (up to 500 m2)	15,74	16,68
Electricity – 50kwh	33,83	39,02
Water – 6kl	38,10	40,77
Total indigent package per month	151,72	164,90

**The meeting closed at 16:55.**

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**SPEAKER**

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**DATE**