

**MATJHABENG MUNICIPALITY**

# **MINUTES**

**OF**

**SECTION 80: FINANCE COMMITTEE  
MEETING**

**Held on**

**WEDNESDAY, 22 MAY 2019**

**14:00**

**SPEAKERS BOARDROOM,**

**4<sup>TH</sup> FLOOR,**

**MAINBUILDING**

**WELKOM**

# **I**

## **MINUTES OF SECTION 80 FINANCE COMMITTEE MEETING HELD ON WEDNESDAY, 22 MAY 2019 AT 14:00 IN ROOM 4<sup>th</sup> FLOOR, EXECUTIVE MAYORS BOARDROOM MAIN BUILDING CIVIC CENTRE, WELKOM**

### **PRESENT**

### **COUNCILLORS**

Cllr S Manese	: Chairperson
Cllr H Mokhomo	: Member
Cllr X Masina	: Member
Cllr Styger	: Member
Cllr Badenhorst	: Member

### **OFFICIALS PRESENT**

Mr T Panyani	: CFO
Me L. Williams	: Manager Budget
Mr N. Mokhonoane	: Manager: Credit Control
Mr S Sejake	: Manager Revenue
Me Musapelo	: Council Admin

### **1. OPENING**

The Chairperson thanked everyone who have honoured the meeting and indicated further that he was requested to run the Budget workshop for the councillors, some members did not get the invitation from the office of the Speaker even himself did not received the notification. The workshop was scheduled for the 23<sup>rd</sup> May 2019 at TS Du Plessis.

In addition Cllr Manese requested the office of the Speaker to send the final reminder and members must make sure the message reach them.

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

Cllr M Moipatle  
Cllr M Ntsebeng  
Cllr Mokhomo  
Cllr T Macingoane

### **3. OFFICIAL ANNOUNCEMENTS**

The chairperson made councillors aware about the public participations schedule and requested members to check where they are affected in order to support.

## **II**

### **4. MOTIONS OF SYMPATHY AND CONGRATULATIONS**

#### **CONGRATULATIONS**

Cllr S Manese notified members of the passing on of Mr Makgowe's Mother; the scribe of Finance Section 80.

### **5. DISCLOSURE OF INTEREST**

None

### **6. MINUTES OF THE PREVIOUS MEETING: 14 MARCH 2019**

The minutes of the **14 March 2019** were adopted with corrections  
No page numbering

### **7. MATTERS ARISING FROM THE MINUTES**

#### **FS/6 OF 2019**

#### **WAY FORWARD**

#### **SUNNELEX**

That Mr B Golele, Acting Executive Director LED, was appointed as the Project Manager, the transitional manager was also appointed.

That all process pertaining to Sunnelex appointment were in place.

### **8. MATTERS FOR DISCUSSION**

### **10. CLOSURE**

The Chairperson thanked everybody present and ended the meeting at **16pm.**

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**CHAIRPERSON**

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**DATE**

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**FS9 /2019**

The Chief Financial Officer, Mr T Panyani presented the items to finance section 80 members of the committee.

**PURPOSE**

**APPROVAL OF THE BANKING FACILITIES AND OVERDRAFT OFFERED BY ABSA BANK LIMITED FOR THE 2019/20 FINANCIAL YEAR (CFO)**

**PURPOSE**

To request approval for the banking facilities and overdraft offered by ABSA Bank Limited for the 2019/20 financial year.

**THE FINANCE SECTION 80 COMMITTEE RESOLVED (22 MAY 2019)**

1. That Finance Section 80 committee takes note of the banking facilities and overdraft of 20 million for the 2019/2020 financial year.
2. That the item of approval of the banking facilities and overdraft be taken to the next council for consideration.

**FS 10/2019**

**THE 2019-2020 MTREF BUDGET FOR THE MATJHABENG MUNICIPALITY (CFO)**

**PURPOSE**

To adopt the Annual Budget for the 2019/2020 medium term revenue and expenditure framework (MTREF).

Financial year. Section 24(1) of the same act further stipulates that a municipal council must at least 30 days before the start of the new financial year, consider approval of the annual budget. Policies.

**DISCUSSION.**

Cllr Styger suggested that in all review of the budget related policies on the table, it would be a good idea for indigent policy to be discussed, because there was no good for the talk about registration but we have no way of being pressed, one of them being that as long as it does not take action against people who do not pay for services, it will not help them to have a Municipal income. Since the inception of the indigent policy framework most of the populace of the Matjhabeng Municipality are not honestly helping to increase the revenue index of the said Municipality.

This calls upon the Municipality executives to randomly and extensively consult broadly with all stakeholders especially the non- payers who constitutes 65% of the population of Matjhabeng Municipality.(eg) through Roadshows, Public awareness and Imbizos not forgetting the usage of both radio and electronic media. This will then enable a more thorough comprehensive consultative process that will then lead to a more comprehensive indigent draft

## 2

Policy framework that will be tabled for the council for consideration and if possible for adoption (timeframe).

However the committee agreed that the staff responsible for the registration of sub registrars should try to do the correctness and improve the registry and type of people who are eligible for registration for free basic water and electricity.

That it would be better to understand if we the municipality could prepare for the policy or ask the department and above the CoGTA and Treasury, and look at it before they do it work for improvement and change of indigent policy.

Cllr Manese appreciated the good idea of the Councillors to have a review of the indigent policy and made a plea to the committee to achieve a common ground in that regard.

### **THE FINANCE SECTION 80 COMMITTEE RESOLVED (22 MAY 2019)**

1. That council **TAKES NOTE** of indigent policy should be monitored and reviewed more so that it should serve the municipality.
2. That Finance section will **CONDUCT A REVIEW** of the indigent policy, then present it to the Finance section 80 committee for further inputs, issue the draft before the next council for consideration and if possible for adoption.
3. The certain **CRITERIA** will be used for the registration of the indigents.
4. That the public awareness for the indigent registration must be operational and councillors must be **MADE AWARE** through the office of the Speaker.
5. That the **ACTION SHOULD BE TAKEN** against people who do not pay for municipal services.

**FS/11/2019**

### **MONTHLY FINANCE REPORT – APRIL 2019 (CFO)**

#### **PURPOSE**

To submit to the Finance Section 80 the Monthly Finance Report for April 2019 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003.

#### **BACKGROUND**

Section 71 of the Municipal Finance Management Act no 56 of 2003 states that the Accounting Officer must submit to the Executive Mayor a statement in a prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

#### **DISCUSSIONS**

The committee acknowledged the tabling of the financial report for the month of April 2019, it does not indicate that there is a concern that some of the funds spent have shown that, with no income but the use of money has become irrelevant, for example, the municipality had a

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Deficit of **R60 833** for the month of April 2019 after the capital payments, indicating that the use of money exceeds the income.

On the details of the use of finances, the following report was discussed.

1. All grants received
2. Actual revenue received
3. Actual expenditure
4. Salaries
5. Water
6. Electricity
7. Other expenditures
8. Loan redemptions
9. Net surplus /deficit
10. Before capital payments
11. MIG payments
12. INEG payments
13. WSIG payments
14. Capital assets produced –equitable hare
15. Fleet equipment and office convention/furniture
16. Net surplus (deficit) after capital payments
17. Total billings
18. Less indigent billings
19. Consumer revenue
20. Grants and subsidies

**THE FINANCE SECTION 80 COMMITTEE RESOLVED (22 MAY 2019)**

That finance section 80 committee **TAKES NOTE** of the monthly reports of April 2019.

That finance section 80 request council to **FAST TRACK** the issue of the yellow fleet.

That the issue of the structure and overtime be critically **REVIEWED**.

That the monthly reports of April 2019 **BE TAKEN** for the next council.

**CLOSURE**

The meeting was closed at 16pm.