

# Minutes of meeting

## SPECIAL COUNCIL MEETING FOR 2008/09 FINANCIAL YEAR OF THE SIYATHEMBA MUNICIPALITY

**Date:** 25 June 2009

**Time:** 15:00

**Venue:** Siyathemba Municipality

### Points of discussion

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#### 1. Opening and introduction

The Honourable Mayor E. Nell welcomed and introduced everyone.

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#### 2. Present

In attendance are:

From the Municipality:

Ms E. Nell (EN)	Mayor
Mr J. Gous (JG)	Councillor
Ms. S. Barends (SB)	Councillor
Mr. A. Faro (AF)	Councillor
Mr. J. Phillips (JP)	Councillor
Mr. J Burger (JB)	Councillor
Mr. H. Nieuwenuizen (HN)	CFO
Mr. G.J Bessies (GB)	Municipal Manager
Mr. J Basson (JBA)	Assistant Technical Manager
Mr. SA Hassen (S.H)	BTO (SCRIBE)

Apologies:

Mr. J Badenhorst	Technical Manager
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#### 3. Purpose of the meeting and Attendance Register

- EN indicated that the purpose for the meeting is the discussion and approval of the Annual Budget for the Municipality for the 2009/2010 Financial Year.
- EN called on HN to take over the meeting and to discuss the budget in detail.

#### 4. Budget Speech

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- EN read the budget speech for the 2009-2010 financial year.
- EN enquired if there are any comments, none were indicated.

## 5. Approval of the Operation Budget

### 5.1 Operating Budget 2009/2010 financial year

- HN indicated that the Income and Expenditure Budget of the municipality amounts to R41,344,274.00

The budget is broken down as follows:

#### Operating Income:

<b>SCHEDULE 1</b>	<b>Budget Year</b>
	<b>2009/10</b>
<b>REVENUE BY SOURCE</b>	<b>Budget</b>
	<b>R'000</b>
<u>Operating Revenue by Source</u>	
Property rates	<b>5,318,150</b>
Property rates - penalties imposed and collection charges	<b>11,120</b>
Service Charges	<b>16,984,919</b>
Rental of facilities and equipment	<b>545,400</b>
Interest earned - external investments	<b>55,000</b>
Interest earned - outstanding debtors	<b>595,000</b>
Dividends received	<b>0</b>
Fines	<b>371,500</b>
Licenses and permits	<b>13,000</b>
Income for agency services	<b>952,570</b>
Government grants & subsidies	<b>15,397,705</b>
Other Income	<b>399,910</b>
Gain on disposal of property plant and equipment	<b>700,000</b>
<b>Total Revenue By Source</b>	<b>41,344,274</b>

#### Expenditure:

<b>SCHEDULE 2(a)</b>	<b>Budget Year</b>
	<b>2009/10</b>
<b>OPERATING EXPENDITURE BY GFS</b>	<b>Budget</b>
	<b>R'000</b>
Executive & Council	<b>3,552,348</b>
Finance & Admin	<b>11,812,443</b>
Planning & Development	<b>4,040,636</b>
Health	<b>30,000</b>
Community & Social Services	<b>714,175</b>

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Housing	0
Public Safety	1,300,560
Sport and Recreation	665,644
Waste Management	7,606,095
Road Transport	0
Water	4,655,805
Electricity	6,966,568
<b>OPERATING EXPENDITURE BY VOTE</b>	<b>41,344,274</b>

- HN indicated that the municipality has to comply with Circular 28 as prescribed by National Treasury.
- The Circular is just the transfer of all information as per the PM02 Budget Report from the Sebata System into various graphs and components.

Approval Proposed by: Clr S. Barends

Seconded by: Clr J Gous

## 6. Approval of the Capital Budget

### 6.1 Capital Budget

- HN indicates that the Capital Budget of the Municipality amounts to R6,387,000.00 which will be spent on Road Transport.

Approval Proposed by: Clr S. Barends

Seconded by: Clr J Gous

## 7. Approval of the tariffs

### 7.1 Tariffs

- HN indicated that the tariffs for the municipality were done according to circular 48 and appendix 48(1) as prescribed by National Treasury. HN indicated that the officials from the Department of Treasury came to assist in the compilation of the tariffs.
- HN indicated that the tariffs increased by 6% except for electricity which had to increase by 34% as per the National Electricity Regulator (NER) guideline received by National Treasury.
- HN indicated that the municipality is done with the Valuation Process and included in the budget is the new tariffs for the Property Rates Income to be received.
- HN then went through the tariffs with council.

Approval Proposed by: Clr J. Burger

Seconded by: Clr A. Faro

## 8. Approval of the SDBIP

### 8.2 SDBIP

- HN indicated that the SDBIP gives affect to the Integrated Development Plan (IDP) and budget of the municipality and therefore the IDP and the budget must

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be fully aligned with each other, as required by the MFMA. The SDBIP provides the vital link between the mayor, council (executive) and the administration and facilitates the process for holding management accountable for its performance.

- The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by administration over the next twelve months. This provides the basis for measuring performance in service delivery against end of year targets and implementing the budget.
- HN then went through the SDBIP with the councillors.  
Approval Proposed by: Clr J Gous  
Seconded by: Clr A. Faro

## 9. Approval of Policies and By-Laws

- EN indicated that the following policies were previously laid before council and the following policies needs to be approved and will come into effect from 1 July 2009.

9.1 Overtime policy

9.2 Prior approval for overtime form

9.3 Overtime worked for the period form

Approval Proposed by: Clr S. Barends

Seconded by: Clr J. Burger

9.4 Recruitment and selection policy

Approval Proposed by: Clr J. Gous

Seconded by: Clr A Faro

9.5 Fleet management policy

9.6 Request for transport form

9.7 Vehicle logbook form

9.8 Monthly trip report form

Approval Proposed by: Clr S. Barends

Seconded by: Clr J. Phillips

9.9 Bursary policy for council officials policy

9.10 Internal study bursary form

9.11 Application for study loan form

Approval Proposed by: Clr J. Gous

Seconded by: Clr S. Barends

9.12 Smoking policy

Approval Proposed by: Clr J. Burger

Seconded by: Clr S. Barends

9.13 Wagwoord beleid

Approval Proposed by: Clr J Gous

Seconded by: Clr A. Faro

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9.14 Delegations of powers policy  
Approval Proposed by: Clr J Phillips  
Seconded by: Clr J Gous

9.15 Finansiële verordeninge policy  
Approval Proposed by: Clr S. Barends  
Seconded by: Clr J. Burger

9.16 Incapacity policy and procedure policy  
Approval Proposed by: Clr E. Nell  
Seconded by: Clr A. Faro

9.17 Fireworks discharge by-law  
Approval Proposed by: Clr A. Faro  
Seconded by: Clr S. Barends

9.18 Street trading by-law  
Approval Proposed by: Clr J Gous  
Seconded by: Clr J Phillips

## **10. Feedback on the Traffic Violation System (Speeding Cameras)**

- HN indicated that he had visited the various officials as per the request of the council. He visited people in Kimberley and De Aar to get more information as to the formal processes that needs to be followed by the municipality.
- HN indicated that he would like to know if the council would give approval for the formal procedures regarding the installation of the speeding cameras in the municipal area.
- JB indicated that the CFO should ensure that the proper tender procedures are followed to ensure compliance in this regard.  
Approval Proposed by: Clr J Burger  
Seconded by: Clr A Faro

## **11. VVM and the council decision regarding the cancellation of their contract and the collection of debt.**

- HN indicated that VVM was appointed before he was appointed as CFO and to date they have not collected any debt on behalf of the municipality.
- GB indicated that they have had no correspondence with the municipality and that the municipality.
- GB indicated that they needed to cancel the contract with VVM and conclude a new contract with a new service provider to ensure that the financial situation of the municipality increases.
- JB indicated that the contract concluded with VVM can be found in the minutes of 13 February 2007 and contract must be cancelled due to non delivery. Council needs to see the contract of the new service provider before a new agreement is concluded.  
Approval Proposed by: Clr J. Burger

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Seconded by: Clr J. Gous

## 12. Cancellation of the Bank overdraft

- HN indicated that the municipality decided to cancel the bank overdraft facility amounting to R2, 000,000.00 with its investments amounting to R2, 600,000.00. The municipality would also like to ensure that tighter budget controls are instated to ensure that the municipality does not land into deeper financial difficulty.

Approval Proposed by: Clr J. Burger  
Seconded by: Clr Faro

## 13. Bank Authorisers on Bank account

- - HN would like the municipality to make him the final authoriser on all payments to ensure that he is able to control the finance of the municipality. If any thing would happen to the CFO another person will be appointed in his place to ensure that payments can be made. HN indicated that no payments without his signature will be made in future whether it will be a cheque or electronically.

Approval Proposed by: Clr J. Burger  
Seconded by: Clr S. Barends

## 12. Closing and Attendance Register

- The attendance register was signed and the meeting was closed at 18:00

### Approval of the Minutes



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**The Honourable Mayor**  
**Ms. E. Nell**