

MOGALAKWENA LOCAL MUNICIPALITY

COUNCIL

MINUTES OF THE SPECIAL COUNCIL MEETING OF THE MOGALAKWENA MUNICIPALITY HELD IN THE LLEKA LEKALAKALA COUNCIL CHAMBER, CIVIC CENTRE, MOKOPANE SCHEDULED TO BE HELD ON 19 APRIL 2011 WHICH WAS POSTPONED TO THURSDAY, 28 APRIL 2011 AT 16:00

PRESENT

COUNCILLORS

AS PER ATTACHED ATTENDANCE REGISTER.

OFFICIALS

Messrs.	S W KEKANA	-	MUNICIPAL MANAGER
	K J MPHAGO	-	CHIEF FINANCIAL OFFICER
	B DE BEER	-	ACTING MANAGER: ELECTRICAL SERVICES
	G A HUDSON	-	MANAGER: TRAFFIC & EMERGENCY SERVICES
	S T MOGASHOA	-	MANAGER: TECHNICAL SERVICES
	K D MALEPA	-	DEPUTY MANAGER: TECHNICAL SERVICES
	G MATABANE	-	ACTING MANAGER: COMMUNITY SERVICES
	M P MASHOTJA	-	DEPUTY MANAGER: DEVELOPMENTAL SERVICES
Mesdames.	D E MAILULA	-	MANAGER : DEVELOPMENTAL SERVICES
	I A DE VILLIERS	-	ACTING MANAGER: CORPORATE SUPPORT SERVICES
	W D JOUBERT	-	DEPUTY MANAGER: FINANCE

1. OPENING

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

2. APPLICATION OF MEMBERS FOR LEAVE OF ABSENCE

Applications for leave of absence were received from councillors L P Maloba, M H Mashiane, M S Tefu, M Shika, L G Mokale, M N Sethoga, A Cachalia, T A Kgaphola, K R Chokoe, L L Kgosana, R L Kganyago and M L Mashao.

RESOLVED:

THAT leave of absence from a special council meeting held on 28 April 2011 be granted to councillors L P Maloba, M H Mashiane, M S Tefu, M E Shika, L G Mokale, M N Sethoga, A Cachalia, T A Kgaphola, K R Chokoe, L L Kgosana, R L Kganyago and M L Mashao.

3. MINUTES OF THE PREVIOUS MEETING

None.

**A : REPORT OF THE EXECUTIVE COMMITTEE FOR MARCH AND APRIL 2011
WITH REGARD TO MATTERS WHICH THE COUNCIL MUST CONSIDER**

**1. FINANCIAL INDICATORS: 31 JANUARY 2011 (11/3/2)KJM
(ITEM 5 AGENDA EC 16 MARCH 2011)**

RESOLVED:

THAT the report regarding the financial indicators for 31 January 2011, be referred to the new council for consideration.

**2. MONTHLY BUDGET STATEMENTS: JANUARY 2011 (11/3/2)BLM
(ITEM 6 AGENDA EC 16 MARCH 2011)**

RESOLVED:

THAT the report regarding the monthly budget statements for January 2011 in terms of section 71 of the MFMA (Act 56 of 2003), be referred to the new council for consideration.

**3. QUARTERLY REPORT FOR OCTOBER TO DECEMBER 2010 (11/3/2)NE
(ITEM 7 AGENDA EC 16 MARCH 2011)**

RESOLVED:

THAT the quarterly reports in terms of section of 5 (7) (iii) of the Division of Revenue Act, 2003, for the months October 2010 to December 2010, be referred to the new council for consideration.

**4. SERVICE LEVEL AGREEMENT : SPEED AND TRAFFIC LIGHT VIOLATION
DETECTION WITH DIGITAL IMAGE RECORDING AND NUMBER PLATE
RECOGNITION SYSTEM (18/B)LB
(ITEM 10 AGENDA EC 16 MARCH 2011)**

RESOLVED:

THAT the report regarding the speed and traffic light violation detection system, be referred to the new council for consideration.

5. **ALLOCATION OF RESIDENTIAL ERVEN TO THE COMMUNITY OF BLACK ROCK ON PORTIONS OF MAHWELERENG TOWNSHIP (UNIT A, B & C)** **(17/3/4)MPM**
(ITEM 14 AGENDA EC 16 MARCH 2011)

RESOLVED:

THAT the report regarding the allocation of residential erven to the 1community of Black Rock on portions of Mahwelereng Township (Unit A, B & C), be referred to the new council for consideration.

6. **APPLICATION FOR MEDICAL DISABILITY : BODENSTEIN P C** **(5/6/6)MFM**
(ITEM 15 AGENDA EC 16 MARCH 2011)

RESOLVED:

THAT the report regarding the application for medical disability of Mr P C Bodenstein, be referred to the new council for consideration.

7. **ACTION AGAINST THE MUNICIPALITY : M H THOBEJANE** **(15/3/2/ 57)I**
(ITEM 16 AGENDA EC 16 MARCH 2011)

RESOLVED:

THAT the report regarding the action brought against the municipality by Mr M H Thobejane, be referred to the new council for consideration.

8. **INTERNAL AUDIT PLAN REPORT: NOVEMBER 2010** **(6/12/1/3)BF**
(ITEM 20 AGENDA EC 16 MARCH 2011)

RESOLVED:

THAT the report regarding the internal audit plan for November 2010, be referred to the new council for consideration.

9. **COMPLAINTS, COMPLIMENTS AND SUGGESTIONS** **(18/1)I**
(ITEM 21 AGENDA EC 16 MARCH 2011)

RESOLVED:

THAT the report regarding the complaints, compliments and suggestions, be referred to the new council for consideration.

10. **MONTHLY BUDGET STATEMENTS: FEBRUARY 2011** **(11/3/2)BLM**
(ITEM 5 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the monthly budget statements for February 2011 in terms of section 71 of the MFMA (Act 56 of 2003), be referred to the new council for consideration.

11. **QUARTERLY REPORT : TECHNICAL SERVICES : OCTOBER, NOVEMBER AND DECEMBER 2010** **(11/3/4)TM**
(ITEM 6 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the quarterly report of technical services for October, November and December 2010, be referred to the new council for consideration.

12. **TOWN PLANNING: PROPOSED AMENDMENT SCHEME 294: PIET POTGIETERSRUST** **(17/2/6/6/294)HS**
(ITEM 7 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the proposed amendment scheme 294, be referred to the new council for consideration.

13. **EMPLOYMENT EQUITY PLAN** **(5/13/1)SM**
(ITEM 8 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the Employment Equity Plan, be referred to the new council for consideration.

14. **REPORT BACK : OBJECTION AGAINST AMENDMENT SCHEME 86 : REZONING OF ERF R/448 MOKOPANE** **(17/2/6/6/86)I**
(ITEM 9 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report back report regarding the objection against amendment scheme 86 : rezoning of erf R/448 Mokopane, be referred to the new council for consideration.

15. **REPORT BACK : OCCUPANCY LEVY FOR MAHWELERENG** **(17/1/5/4)I**
(ITEM 10 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the occupancy levy for Mahwelereng, be referred to the new council for consideration.

16. **COMPLAINTS, COMPLIMENTS AND SUGGESTIONS** **(18/1)I**
(ITEM 11 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the complaints, compliments and suggestions, be referred to the new council for consideration.

17. **ACCIDENT REPORT: BGL 013 L: TRAFFIC & EMERGENCY SERVICES** **(8/2/1/1)LB**
(ITEM 12 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the accident of vehicle BGL 013L in traffic & emergency services, be referred to the new council for consideration.

18. **LIST OF OUTSTANDING ISSUES** **(4/2/6)I**
(ITEM 13 AGENDA EC 13 APRIL 2011)

RESOLVED:

THAT the report regarding the list of outstanding issues with regard to resolutions taken by the executive committee and council, be referred to the new council for consideration.

19. **FINAL 2011/12 TO 2013/14 MEDIUM TERM REVENUE AND EXPENDITURE**
FRAMEWORK: 2011/12 FINANCIAL YEAR **(6/1/1/34)KJM**
(ITEM 3 AGENDA SPECIAL EC 19 APRIL 2011)

Replacement pages to the report as contained in the executive committee agenda attached as Annexure A to the minutes were distributed to councillors prior to the start of the meeting and which was taken into consideration when this item was considered.

RESOLVED:

THAT

- a) the annual budget for the financial years 2011/12 to 2013/14 as set out in the following tables and schedules be approved:
 - i) Budget summary reflected as table A1 (attached as page 27)
 - ii) Budgeted Financial Performance (revenue and expenditure by standard classification reflected as table A2 (attached as pages 28 to 30)
 - iii) Budgeted Financial Performance (revenue and expenditure by municipal vote) reflected as table A3 (attached as pages 31 to 35)
 - iv) Budgeted Financial Performance reflected as table A4 (attached as page 36)
 - v) Budgeted Capital Expenditure by vote, standard classification and Funding reflected as table A5 (attached as pages 37 to 41)
 - vi) Budgeted Financial Position reflected as table A6 (attached as page 42)
 - vii) Budgeted Cash Flows reflected as table A7 (attached as page 43)
 - viii) Cash backed reserves / accumulated surpluses reconciliation reflected as table A8 (attached as page 44)
 - ix) Asset Management reflected as table A9 (attached as page 45)
 - x) Basic Service Delivery Measures reflected as table A10 (attached as page 46)
 - xi) Supporting information, charts and explanations of trends and anomalies for each table reflected as table SA 1 – SA 37. (attached as pages 47 to 93)
- b) the final 2011/12 to 2013/14 capital budget as attached on pages 94 to 111, be approved.
- c) in terms of section 14 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) the assessment rates reflected in Annexure A attached as pages 112 to 115 to the special executive committee agenda dated 19 April 2011 be approved for the budget year 2011/12.
- d) in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs and charges reflected in Annexure B to G attached as pages 116 to 128 to the special executive committee agenda dated 19 April 2011, be approved for the financial year 2011/12.

- e) in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) an average of 20.38% increase on the electricity tariffs as reflected in Annexure H attached as pages 129 to 136 to the special executive committee agenda dated 19 April 2011, and subject to the approval of NERSA, be approved.
- f) the Tariff Policy attached as pages 137 to 152, the amended Rates Policy attached as pages 153 to 169, amended Credit Control and Debt Collection Policy attached as pages 170 to 180, amended Indigent Policy attached as pages 181 to 186, the Investment and Cash Management Policy attached as pages 187 to 201, the Asset Management Policy attached as pages 202 to 233, the Asset Management Procedure Manual attached as pages 234 to 256 and the amended Supply Chain Management Policy attached as pages 257 to 307 to the special executive committee agenda dated 19 April 2011, be approved for the budget year 2011/12.
- 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 2011/12 capital and operating budget be submitted to National Treasury and Provincial Treasury in both electronic and printed format immediately after tabling the budget but no later than 8 May 2011.
- 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 section 53(1)(c)(ii) of the MFMA provides that the Mayor must take all reasonable steps to ensure that the municipality's Service Delivery and Budget Implementation Plan is approved by the Mayor within 28 days after the approval of the budget.
- k) It be noted that the final job evaluation results from SALGBC have not yet been issued to the municipality and no provision was made on the budget for the implementation of the salaries in the 2011/12 budget year.
- l) council approves that if a consumer is in arrears on his rates, levies and other services the selling of pre-paid electricity/water be reduced to 30% of the amount paid and the 70% be allocated to the arrear account until the full outstanding amount has been paid or an installment agreement has been signed and if the consumer defaults on the installment agreement the selling of pre-paid electricity/water again be reduced with 70% with immediate effect and defaulting consumers also be prohibited from renewing their vehicle license registrations.

90.
28.04.11

- m) the following indigent welfare package for 2011/12 be approved:

Package Indigent	Compilation for	2010/2011 R (VAT excluded)	2011/2012 R (VAT excluded)
Rates – R100 000 Valuation		35.82	37.97
Refuse (up to 500 m2)		32.61	34.57
Sewage (up to 500 m2)		16.68	17.68
Electricity – 50kwh		30.50	31.50
Water – 6kl		40.77	44.22
Total indigent package per month		156.38	165.94

- n) the following be adhered to:
1. printing and stationery – no glossy prints, pamphlets and no stock piling of any stationery;
 2. no printing and procuring of paraphernalia, like caps, t-shirts, etcetera;
 3. no overnight accommodation unless approved by the municipal manager or acting municipal manager;
 4. maximize passenger capacity per vehicle for all trips;
 5. no farewell functions to be financed by Mogalakwena Municipality.
- o) the tariff increase for water will be 8,5% for 2011/12 as indicated in the letter from Lepelle Northern Water attached as pages 368(a) to 368(b).
- p) it be noted that the MIG projects are less than the DoRA allocation due to unspent conditional grants that reverted back to National Treasury.

20. ORGANISATIONAL REVIEW: 2011 (5/1/B)SM
(ITEM 4 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the organizational review 2011, be referred to the new council for consideration.

91.
28.04.11

21. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

RESOLVED:

THAT the report regarding the unauthorised, irregular, fruitless and wasteful expenditure during 2009/2010, be referred to the new council for consideration.

22. DEVELOPMENT FUND (20/5)WJ
(ITEM 6 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the development fund, be referred to the new council for consideration.

23. MOGALAKWENA MUNICIPALITY: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT FOR 2010/11 FINANCIAL (6/1/1/33) (11/3/2)SWK
(ITEM 7 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT

- a) the revisions to the service delivery and budget implementation plan be communicated to the public during the IDP/Budget road show in March 2011 and through the print media.
- b) it be noted that the mid-year budget and performance assessment report for 2010/11 has already been submitted to the Department of Local Government and Housing and that the council resolution with amendments if any, shall be submitted not later than 8 May 2011.
- c) it be noted that there was a need to adjust the budget as per reasons outlined in the adjustment budget report.
- d) the mid-year budget and performance assessment report for 2010/11 financial year, attached as pages 447 to 716 to the special executive committee agenda dated 19 April 2011, be adopted.

24. FIFA FOOTBALL FOR HOPE CENTRE IN MOKOPANE (7/3/3/86)I
(ITEM 8 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the FIFA Football for Hope Centre, be referred to the new council for consideration.

92.
28.04.11

25. PROPOSED PRIVATE TOWNSHIP ESTABLISHMENT ON PORTION 181 (A PORTION OF PORTION 80) OF THE FARM PIET POTGIETERSRUST TOWN &

RESOLVED:

THAT the report regarding the proposed township establishment on portion 181 (a portion of portion 80) of the farm Piet Potgietersrust Town & Townlands 44KS : Proudafrique Estates, be referred to the new council for consideration.

26. PROCEDURES IN RESPECT OF DONATIONS TO THE MUNICIPALITY

(19/7/2/1)(7/3/3/75)I

(ITEM 10 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding procedures in respect of donations to the municipality, be referred to the new council for consideration.

27. SELLING OF ERVEN PIET POTGIETERSRUST EXTENSION 12 TOWNSHIP

(17/5/2/4) MPM

(ITEM 11 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the selling of erven in Piet Potgietersrust 12 Township, be referred to the new council for consideration.

28. FINAL DRAFT REVIEWED INTERGRATED DEVELOPMENT PLAN: 2011/12 FINANCIAL YEAR

(17/3/4)DE

(ITEM 12 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT

- a) the final reviewed Integrated Development Plan for 2011/12 financial year be adopted.
- b) project designs form an annexure to the final document after adoption by council prior to printing of the document.
- c) it be noted that the projects are aligned to the capital budget for 2011/12 financial year as submitted by the finance department.
- d) it be noted that the first draft reviewed IDP for 2011/12 financial year was subjected to community participation.

93.
28.04.11

29. DISCIPLINARY HEARING : M H THOBEJANE

(5/11/1)I

(ITEM 13 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the disciplinary hearing of Mr M H Thobejane, be referred to the new council for consideration.

30. **QUARTERLY REPORT: COMMUNITY SERVICES: JANUARY, FEBRUARY AND MARCH 2011** **(11/3/5 & G13)LJS**
(ITEM 14 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the quarterly report of community services for January, February and March 2011, be referred to the new council for consideration.

31. **EXPENDITURE ON STAFF AND COUNCILLORS BENEFITS FOR THIRD QUARTER OF 2010/2011 FINANCIAL YEAR** **(5/2/B)&(6/1/9/2)NE**
(ITEM 15 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the expenditure on staff and councillors benefits in terms of section 66 of MFMA, Act 53 of 2003 for January 2011 to March 2011, be referred to the new council for consideration.

32. **FINANCIAL INDICATORS: 28 FEBRUARY 2011** **(11/3/2)KJM**
(ITEM 16 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the monthly finance report for February 2011, be referred to the new council for consideration.

33. **FINANCIAL INDICATORS: 31 MARCH 2011** **(11/3/2)KJM**
(ITEM 17 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the monthly finance report for March 2011, be referred to the new council for consideration.

94.
28.04.11

34. **MONTHLY BUDGET STATEMENTS: MARCH 2011** **(11/3/2)BLM**
(ITEM 18 AGENDA SPECIAL EC 19 APRIL 2011)

RESOLVED:

THAT the report regarding the monthly budget statements for March 2011 in terms of section 71 of the MFMA (Act 56 of 2003), be referred to the new council for consideration.

**35. TENDERS AWARDED FROM 1 JANUARY 2011 TO 31 MARCH 2011 (9/3/1)MM
(ITEM 19 AGENDA SPECIAL EC 19 APRIL 2011)**

RESOLVED:

THAT the report regarding the tenders awarded from 1 January 2011 to 31 March 2011, be referred to the new council for consideration.

**36. DEVIATION OF ORDERS FROM DATABASE IQUAL SYSTEM JANUARY 2011 TO MARCH 2011 (9/3/B)MM
(ITEM 20 AGENDA SPECIAL EC 19 APRIL 2011)**

RESOLVED:

THAT the report regarding the orders deviated from database processes during 1 January 2011 to 31 March 2011, be referred to the new council for consideration.

**37. ACTIONS AGAINST THE MUNICIPALITY : M H THOBEJANE (15/3/2/ 57)I
(ITEM 21 AGENDA SPECIAL EC 19 APRIL 2011)**

RESOLVED:

THAT the report regarding the actions against the municipality by Mr M H Thobejane in the Labour Court, be referred to the new council for consideration.

**38. ABSORPTION OF EMPLOYEES IN POLITICAL OFFICES (5/1/B)SM
(ITEM 22 AGENDA SPECIAL EC 19 APRIL 2011)**

RESOLVED:

THAT the report regarding the absorption of employees in political offices, be referred to the new council for consideration.

95.
28.04.11

The meeting closed at 16:19.

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SPEAKER

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DATE