

MINUTES OF THE FINANCE COMMITTEE

MEETING HELD IN THE **COUNCIL CHAMBER**
ON **THURSDAY, 1 FEBRUARY 2007 AT 09h00**

PRESENT : The Deputy Mayor (Councillor M Dirks) (Acting Chairperson), and Councillors K. Chetty, CT Dlamini, WF Lambert JP, FN Mbatha, G Meyer, MH Steele, DP Zondi and TI Zungu.

ABSENT : The Chairperson (Councillor Z Hlatswayo) (indisposed).

OFFICIALS

PRESENT : Messrs Haswell (Acting Municipal Manager), Mrs Mhlongo [Municipal Manager's representative], Messrs Mashoko (Strategic Executive Manager : Infrastructure Services and Facilities), Hulane (Strategic Executive Manager : Community Services and Social Equity), Ogilvie (Process Manager : Income), Bridgmohan (Process Manager : Budget and Financial Management), Gwala (Manager : Budgets), Bruce (Finance Support Services Manager), Harrison (Finance Support Services Manager), Maharaj (Finance Support Services Manager), Goga (Finance Support Services Manager), Mesdames Matobako (Strategic Executive Manager : Corporate Strategic Planning), Harrod (Finance Support Services Manager), Geary and Jadoo (Committee Officers).

WELCOME APPLICATIONS FOR LEAVE AND THE SIGNING OF THE ATTENDANCE REGISTER

The Chairperson welcomed all present.

The Municipal Manager's representative indicated that an application for leave was received from Councillor Z Hlatswayo who was indisposed.

It was

RESOLVED

That Councillor Z Hlatswayo be granted leave of absence from the current meeting of the Finance Committee.

(Councillors TI Zungu and K Chetty were not present when this decision was taken.)

2. **CONFIRMATION OF MINUTES**

Meeting held on 15 December 2006.

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It was

RESOLVED

That the minutes of the meeting held on 15 December 2006 be confirmed.

(Councillors TI Zungu and K Chetty were not present when this decision was taken.)

3. **REQUEST FOR RE-ALLOCATION OF VOTES TO PAY THE BALANCE OF AN ACCOUNT FOR PROFESSIONAL SERVICES – DATAWORLD (3.7.1.1.2/R3648)**

Report dated 13 December 2006 by the Strategic Executive Manager [Corporate Strategic Planning] (2/-/35).

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The Chairperson raised a concern whether the amount of R67 944.00 to be re-allocated would be in the Mid year review report. It was indicated by the Real estates and Valuations Manager that the amount of R67 944.00 had been reflected in the Mid year review report.

It was

**RESOLVED TO RECOMMEND
TO THE EXECUTIVE COMMITTEE**

That Council agrees to the re-allocation of an amount of R67 944.00 from Vote No. 240-100-1480 to Vote No. 242-140-1465 (Valuation Roll Preparation), in order to fund the balance of payment for a completed Lease Administration Software Programme.

1. **CONFIDENTIAL : NOT FOR PUBLICATION**

SECTION 78 PROCESS – METER READING AND DISCONNECTION

Report dated 4 January 2007 from the Acting Strategic Executive Manager [Finance].

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The Process Manager: Income briefed Committee on the Section 78 Process – Meter Reading and Disconnection report.

A concern was raised that the billing for the water and electricity accounts was not being done properly which was due to the meter readers not taking monthly readings which resulted in the averaging of accounts.

A further concern raised was that in recommending that the meter readers be redeployed to the Traffic and Security Unit, cognisance should be taken of the fact that they be redeployed on the same grade on which they were employed.

It was also indicated that in considering the redeployment of the meter readers to the Traffic and Security section, it should be borne in mind that this may be a short term solution, in view of the poor work ethic currently displayed in the meter reading section and that this recommendation be reconsidered in order to avoid further problems in the longer term.

A concern was raised that the report did not contain the financial implications of outsourcing versus the current costs.

It was

**RESOLVED TO RECOMMEND
TO THE EXECUTIVE COMMITTEE**

- (a) That the current position regarding the meter reading service and the fact that additional external resources have had to be accessed in order to ensure the service is provided to an acceptable level be noted.
- (b) That it be reaffirmed that the meter reading and disconnection services of the Msunduzi Municipality be provided by an external service delivery mechanism as contemplated in Section 76 (b) of the Municipal Systems Act.
- (c) That once approved as envisaged in (b) above, the necessary steps be taken to consult with staff and advise the public accordingly.

5. **REALLOCATION OF FUNDS – VOTE 106 632 0709 TO 513 656 0701**

Report dated 19 January 2007 by the Strategic Executive Manager [Community Services and Social Equity]

(Tabled at the meeting)

It was

**RESOLVED TO RECOMMEND
TO THE EXECUTIVE COMMITTEE**

That authority be granted to allocate R204 597 from vote 106 632 0709-AS Chetty Centre, Domestic Water Pipe Replacement to vote 513 656 0701 – Library Air Conditioner in order that these funds can be used to purchase refuse bins from vote 184 629 0701 – Garden Centres, once the requisite journal has been processed.

(Councillor W.F. Lambert was not present when this decision was taken)

(At this point in the meeting, Committee adjourned for tea at 10:40 and reconvened at 11:00).

6. **MID – YEAR REVIEW / MONTHLY REPORT – OPERATING & CAPITAL ESTIMATES – DECEMBER 2006(3.1.2.1 (2002/2007/R3650)**

Report dated 10 January 2007 by the Acting Strategic Executive Manager [Finance].

(Tabled at the meeting).

It was

**RESOLVED TO RECOMMEND
TO THE EXECUTIVE COMMITTEE**

That due to the fact that the Finance Committee members had not received the Mid Year Review report / Monthly report – Operating & Capital Estimates – December 2006 dated 10 January 2007 by the Acting Strategic Executive Manager [Finance] within the required timeframe in order for them to peruse the document appropriately, the report be referred to the next meeting of the Executive Committee for consideration.

(Councillor W.F. Lambert was not present when this decision was taken)

7. **STATUS OF THE BUDGET PROCESS – 2007/2008 (3.7.1(2007/2008)/R3649)**

Report dated 30 January 2007 by the Acting Strategic Executive Manager [Finance].

(Tabled at the meeting).

The Acting Strategic Executive Manager [Finance] briefed Committee on the report.

A concern was raised that budget plans were not being forwarded to the Finance Business Unit from the relevant Business Units on time and it was suggested that the Acting City Manager should apply pressure on all Business Units to produce their Business plans.

It was

RESOLVED

That the Finance Committee notes the progress made in preparation for the 2007/2008 budget.

(Councillor W.F. Lambert was not present when this decision was taken)

8. **SALARY INCREMENT FOR COUNCILLORS**

(Raised verbally)

The Speaker indicated that he had received and distributed a circular regarding the Councillor's allowances, to the Councillors. He stated that a Workshop for Councillors would be held and one of the issues discussed would be the circular regarding the salary increments of Councillors.

A request was made that the gazette confirming the councillor's salary restructuring and increases should be discussed at the workshop as well.

(Councillor Lambert arrived at this point – 11:25)

The meeting terminated at 11h25

Confirmed

Signed

PIETERMARITZBURG

FINANCECOMMITTEE/ MINUTES.02-02-07YJ)

CHAIRPERSON

Date.....