

CITY OF MASVINGO

MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD IN THE COMMITTEE ROOM, MUNICIPAL OFFICES ON WEDNESDAY, 17 APRIL 2024 AT 4.40 P.M.

PRESENT: Councillor B. Muchokwa (Chairman)
His Worship the Mayor Councillor A. Tabe
Deputy Mayor Councillor D. Mberikunashe
Councillor A. Time
Councillor M. Madhuna
Councillor R. Musekiwa
Councillor S. Manyanga

OFFICIALS: Town Clerk
Chamber Secretary
Director of Housing and Social Services
Finance Director
Acting Deputy Finance Director
Chief Internal Auditor
Senior Health Officer
Assistant Committee Officer

101. CONFIRMATION OF MINUTES

Before the confirmation of minutes, corrections were made on the attendance list, where Councillor Madhuna had given an apology.

RESOLVED

THAT the minutes of the meeting held on 20 March 2024 be taken as read and confirmed as a correct record and signed.

***Moved by Deputy Mayor Councillor D. Mberikunashe
Seconded by Councillor S. Manyanga***

102. MATTERS ARISING

On Minute 071 (H) on the loan facility offered by Steward Bank, the Finance Director was tasked to negotiate for the reduction of interest rate.

103. REPORT OF THE FINANCE DIRECTOR

A. FINANCIAL PERFORMANCE.

Consideration was given to the report of the Finance Director on financial performance covering total cumulative revenue and major sources of revenue for the period under review. It was reported that the total cumulative revenue for the period up to 30 March 2024 amounted to ZWL\$ 66,261,671,730.33. Total revenue

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realized during the period under review constituted 82% of the budgeted revenue for the period amounting to ZWL\$ 80,469,308,199.14. The major sources of revenue for the period were rental revenue amounting to 4%, fees licenses and levies 26%, other income 1%, rendering of services 31% and sales tariffs 37%.

(i) Measures being undertaken to improve revenue efficiency.

It was reported that the inflationary pressures stood very high in the first quarter of the year 2024 and the USD billing introduced in the month of January managed to retain the value of debtors and foster resilience in terms of sustaining service delivery. In an effort to broaden revenue collection, procure electronic gadgets were procured to enhance effectiveness and efficiency in the administration of prepaid parking activities.

(ii) Expenditure

It was reported that the total expenditure for the period up to 30 March 2024 was ZWL 43,212,332,427.96 representing 54% of budgeted expenditure. The report was noted.

(iii) Salaries

The report of the Finance Director on staff salaries and other recurrent expenditure Was considered. It was reported that the gross salary bill for the month of March 2024 was ZWL10, 042,020,371.02 for permanent employees and ZWL 1,231,515,702.90 for contract employees giving a total of ZWL\$11,273,536,073.92. Net salaries for the month of March amounted to ZWL\$ 5,766,949,538.41 and net salaries paid in USD amounted to USD 136,113.00 and RTGS salary component for the month were paid in the early days of April. The report was noted.

(iv) Overtime

Consideration was given to the report of the Finance Director on overtime for the month of March 2024. It was reported that the cumulative overtime paid was ZWL 538,060,680.10. The report was noted.

(v) Statutory Obligations

The report of the Finance Director on Statutory obligations due as presented below was noted.

DESCRIPTION	AMOUNT (ZWL)
ZIMRA (PAYE & AIDS LEVY)	1,787,057,955.30
NSSA	335,872,378.48
LAPF	2,752,729,568.75
ZIMDEF	219,021,568.12
STANDARDS LEVY	248,660,394.13

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TOTAL	5,343,341,864.78
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B. CAPITAL EXPENDITURE

It was reported that the total capital expenditure for the month amounted to ZWL\$605,919,218, and the expenditure increased following the procurement of a Refuse Truck. The report on the cumulative capital expenditure for the period under review was also noted.

C. PRE-PAID PARKING ACTIVITIES

The report of the Finance Director on the revenue realised from pre-paid parking activities for the month of March 2023 was considered. It was reported that revenue realised from pre-paid parking activities for the month of March 2024 amounted to ZWL\$494,107,000.00 realised from the sale of 25,549.00 discs, office sales of ZWL\$77,912,900.00 whilst penalties amounted to ZWL \$4,270,000.00 giving a total collection amounting to ZWL\$576,289,900.00 for the month. It was reported that the challenge in the section was that there were collectable zones which lack signage making it difficult to deploy Marshalls and to enforce payments.

The Committee highlighted the need for Councillors to familiarise with the Electronic Prepaid System and had to put Prepaid Parking signage to enable enforcing of prepaid parking by laws. Committee members raised concern on the unsurfaced parking spaces in the Central Business District where parking fees were being collected, which the Chamber Secretary reported that the whole Central Business District was designated as a Prepaid Parking zone. The Committee requested to familiarise with the existing Resolution on designated parking zones in the Central Business District.

It was agreed Prepaid Marshalls should enforce and collect parking fees from motorists parking in in developed streets. The Town Clerk advised that the parking fees were ring fenced and the same could be channelled towards construction of parking bays in undeveloped areas in the Central Business District. On the performance of the new electronic Prepaid parking system, it was explained that the system was functioning well, collecting more revenue compared to previous collections and difficult to manipulate.

RESOLVED TO RECOMMEND

THAT Prepaid Parking fees be utilised to construct surfaced parking bays in the Central Business District. **ADES**

D. CASHBOOK AND CASH FLOW PROJECTIONS

The report of the Finance Director on the cashbook, payments made, actual cashflow and bank balances as at 30 March 2024 were noted.

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On payments made, clarity was sought on the payment made for Air travel trip to Victoria Falls, which was explained that the travel was for a workshop in Victoria Falls, which was eventually cancelled. The need to manage Travel and Subsistence within budget was highlighted.

E. DEBTORS AND DEBT COLLECTION (RECEIVABLES MANAGEMENT)

The report of the Finance Director on the debtors and Debt collection was considered. It was reported that the collection efficiency of 97.94% was derived from a billing equivalent to USD1,345,524.26 and receipts amounting to USD 1,317,790.68 for billable properties. The proportional break down was Government 29%, Commercial 16%, Industry 7%, Residential and High Density 21%, Residential – Medium Density 4%, Residential Low Density 17% and Institutions 6%. The need to strengthen debt collection was highlighted.

F. PAYABLES (CREDITORS) MANAGEMENT

Consideration was given to the report of the Finance Director on creditors balance for the month of March 2024. It was reported that Council payables increased owing to liquidity challenges and economic hardships. Council made agreed payment plans with major creditors such as LAPF, ZIMRA, and ZESA where modalities for a set-off arrangement through government intervention was made. The report was noted.

G. STORES AND ASSET MANAGEMENT

The report of the Finance Director on Stores and Stores Management covering stock levels of critical consumables including water treatment chemicals, status of fuels and oils for the month of March 2024 was noted.

On fuel management, it was noted that for trips outside the City, Council should make use of Fuel coupons instead of carrying containers of fuel which was risky. It was explained that the fuel coupons were available except for instances where they would be out of stock.

H. TAXATION AND STATUTORY OBLIGATIONS

Consideration was given to the report of the Finance Director covering taxation, statutory obligations such as value Added tax (VAT), Withholding Tax, Pay as You Earn (PAYE) and presumptive taxes. The report was noted.

I. Adoption of Report

RESOLVED TO RECOMMEND

THAT the report of the Finance Director be approved and adopted subject to the resolutions passed in relation thereto.

104. REPORT OF THE DIRECTOR OF HOUSING AND SOCIAL SERVICES

A. LIQUOR SECTION REPORT

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The report of the Director of Housing and Social Services on Council liquor outlets covering total sales, profit realised and challenges for the month of March 2024 was considered. It was reported that the section recorded a net profit of ZWL 171,930,345.94.

On the challenge of lack of a vehicle at the Liquor Section, a proposal was made for utilising the ring-fenced funds to procure a new operations vehicle, which the Town Clerk reported that the current vehicle was awaiting procurement of a new engine.

His Worship the Mayor commended the efforts made at the newly refurbished Rujeko Beerhall. The Committee discussed at length the need for Council Beerhalls to offer a variety of products and enhance the customer satisfaction.

105. REPORT OF THE TOWN CLERK

A. REQUEST FOR EDUCATIONAL LOAN: TENDAI MUFAMBA (PLANT ATTENDANT GRADE 3) COMP. NO. 130321.

Consideration was given to the report of the Town Clerk on the application by Tendai Mufamba (Plant Attendant) Comp. No. 130321, for an educational loan amounting to US\$600, with US\$420 paid in US dollars and the remaining US\$180 be paid in RTGS at the prevailing interbank rate, to pursue a National Diploma in Water and Wastewater Management in Institute of Water and Sanitation Development. The application was granted subject to availability of funds in the educational loan revolving fund. It was noted that the loans facility was a revolving fund. The application was granted

RESOLVED TO RECOMMEND

THAT the application by Tendai Mufamba (Plant Attendant) Comp. No. 130321, for an educational loan amounting to US\$600, with US\$420 paid in US dollars and the remaining US\$180 be paid in RTGS at the prevailing interbank rate, to pursue a National Diploma in Water and Wastewater Management in Institute of Water and Sanitation Development be granted subject to availability of funds in the educational loan revolving fund and conditions governing study loans.

B. REQUEST FOR CHIEF ENVIRONMENTAL HEALTH OFFICER TO ATTEND REGIONAL CONFERENCE ON EQUITY AND HEALTH FOR EAST AND SOUTHERN AFRICA:23-24 MAY 2024: NAIROBI KENYA

Consideration was given to the report of the Town Clerk on the request for the Chief Environmental Health Officer Ms. S. Madamombe to attend a Regional Conference on Strategies of tackling commercial and determinants of health for urban wellbeing for East and Southern Africa to be held in Nairobi Kenya for the period 23-24 May 2024. It was reported that the Workshop will provide a platform to share and

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discuss policies, systems and measures that impact on health and wellbeing and inform policy making at regional and local level.

It was reported that the Air tickets, Meals, Travel and Subsistence (T&S) and Accommodation were pegged at USD 5,394.00. Members made a proposal for the Chairperson of the Health Housing and Environmental Services Committee to attend the conference if the invitation could accommodate other participants. The Town Clerk advised that the invitation was specific. The request was granted, subject to Cabinet approval.

RESOLVED TO RECOMMEND

THAT subject to Cabinet approval, the Chief Environmental Health Officer Ms. S.H Madamombe be authorized to attend the Regional Conference on Strategies of tackling commercial and determinants of health for urban wellbeing for East and Southern Africa to be held in Nairobi Kenya, for the period 23-24 May 2024, at a cost of USD 5394 for Air Travel including Meals, Accommodation, travel and subsistence allowances.

F. Adoption of Report

RESOLVED TO RECOMMEND

THAT the report of the Town Clerk be approved and adopted subject to the resolution passed in relation thereto.

The meeting ended at 6.08 p.m.

CONFIRMED THIS

DAY OF

2024

CHAIRMAN

TOWN CLERK