

**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 MONDAY, 20 NOVEMBER 2023 AT 5.15 P.M.**

**PRESENT:** Councillor B. Muchokwa (Chairman)  
His Worship the Mayor Councillor A. Tabe  
Councillor R. Musekiwa  
Councillor A. Tabe  
Councillor S. Manyanga

**APOLOGY:** Councillor M. Madhuna

**OFFICIALS:** Town Clerk  
Finance Director  
Director of Housing and Social Services  
Acting Director of Engineering Services  
Acting Deputy Finance Director  
Chief Internal Auditor  
Senior Health Officer  
Public Relations Officer  
Committee Officer

**483. CONFIRMATION OF MINUTES**

- Before the confirmation of the minutes, it was corrected that Councillor W. Sitemere was not a member of the Finance and General Purposes Committee and did not attend the meeting while Councillor S. Manyanga's name had been omitted from the members present.

**RESOLVED**

THAT the minutes of the meeting held on 27 October 2023 be taken as read and confirmed as a correct record and signed.

**484. 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 31 October 2023 amounted to ZWL\$ 50,474,004,168.95, total revenue realized constituted 82% of the budgeted revenue for the period amounting to ZWL\$ 61,728,655,245.66. The major sources of revenue for the period were rental revenue amounting to 6%, fees licenses and levies 18%, grants 1%, sales and tariffs 42% and rendering of services 32%.

**(i) Measures being undertaken to improve revenue efficiency.**

It was reported that the Finance Department had instituted a number of interventions to improve revenue collection efficiency including early billing which was initiated in the month of July as well as development of the balance enquiry and payments platform on all mobile networks using the platform \*828\*8\*5# which had brought convenience to clients.

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The Finance Director further reported that the Debt Collection Unit was also making payment plan arrangements with account holders.

The Committee tasked Management to explore the feasibility of configuring the Promun System such that it has capacity to bill and produce receipts in multiple currencies as tendered so as to reduce likelihood of revenue leakages where employees may convert hard currency.

**RESOLVED TO RECOMMEND**

THAT Management be tasked to explore modalities of ensuring that the Promun billing System can handle multi currencies to reduce incidence of pilferages and that a receipt is issued in the currency tendered. **FD**

**(ii) Expenditure**

It was reported that the total expenditure for the period up to 31 October 2023 was ZWL\$ 31,379,696,415.02 representing 50.95 % of budgeted expenditure. Expenditure continued to be constrained by cashflows challenges with the inflationary pressures in the economy persisting as evidenced by the movement in the inter-bank exchange rate from US\$1:ZWL\$738.4115 as at end of January 2023 to US\$1:ZWL\$5698.7 as at end of October 2023. The report of the Finance Director on staff salaries and other recurrent expenditure was noted. The need to manage overtime was noted by the Committee.

**(iii) Statutory Obligations**

The report of the Finance Director on Statutory obligations due as presented below was noted. The Committee highlighted the need to prioritise payment of statutory obligations.

<b>DESCRIPTION</b>	<b>AMOUNT (ZWL</b>
ZIMRA (PAYE AND AIDS LEVY)	1,699,627,666.16
NSSA	123,969,822.58
LAPF	767,431,969.92
ZIMDEF	34,804,592.07
STANDARDS LEVY	70,210,811.75
<b>Total Statutory Obligations</b>	<b>2,696,044,862.48</b>

**B. CAPITAL EXPENDITURE**

It was reported that the Total capital expenditure for the month amounted to ZWL1,354,608,204.61 and cumulative capital expenditure for the year as at 31 October 2023 amounted to ZWL\$3,460,843,461.73.

**Pre-paid parking activities**

The Committee noted the report of the Finance Director for the month of October 2023 covering revenue realised from pre-paid parking activities which amounted to ZWL\$159,310,000.00 realised from the sale of 25453 parking discs, office sales of ZWL\$ 20,500,100.00 whilst penalties and enforcement fees amounted to ZWL\$2,184,000.00 and ZWL\$64,649,723.00.00 respectively giving a total collection amounting to ZWL\$246,643,823.00 for the month. The Income and expenditure statement for the Prepaid Parking Section and challenges faced was noted. The Committee debated at length the idea of introducing a dedicated traffic by laws

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enforcement unit in the Prepaid Parking Section. Management reported that the issue would be explored.

**C. CASHBOOK AND CASH FLOW PROJECTIONS**

The report of the Finance Director on the cashbook and cashflow projections as at 31 October 2023, payments for the period under review and cashflow projects up to December 2023 was noted.

**E. DEBTORS AND DEBT COLLECTION (RECEIVABLES MANAGEMENT)**

Consideration was given to the report of the Finance Director on debtors and debt collection covering debtors by category that is low density and high density residential, commercial, government departments. It was reported that total debtors amounted to ZWL\$ 19,758,408,149.33 and an increase from the September balance of ZWL\$ 18,108,967,411.68. Government and high-density residential debtors consisted of 23% each, followed by commercial and low density.

It was reported that a total of ZWL\$ 7,054,831,911.14 for the month of September was collected translating to collection efficiency of 80.79%. The Committee highlighted the need to strengthen debt collection. The Finance Director was instructed to submit a report to the next meeting on the way forward regarding replacement of nonfunctional water meters with a view of reducing losses arising from non-revenue water.

**RESOLVED TO RECOMMEND**

THAT the Finance Director be instructed to submit a report to the next meeting on the way forward regarding replacement of nonfunctional water meters with a view of reducing losses arising from non-revenue water.

**E. 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 period under review was noted.

**F. TAXATION AND STATUTORY OBLIGATIONS**

The report of the Finance Director taxation covering taxation statutory obligations such as value Added tax (VAT), Withholding tax, Pay as You Earn (PAYE) and presumptive taxes was noted. It was reported that stop order facilities arrangements had been made with some creditors.

**485. REPORT OF THE TOWN CLERK**

**A. REQUEST FOR EDUCATIONAL LOAN: SAMUEL MARINDIRE (ACTING PARKS SUPERVISOR) COMP. NO. 130118**

Consideration was given to the report of the Town Clerk on the application for an educational loan by Mr Samuel Marindire (Acting Parks Supervisor) Comp. No.130118 amounting to **USD620.00** (payable at prevailing bank rate). It was reported that Mr. S. Marindire was undertaking a Bachelor of Science in Agricultural Management with Zimbabwe Open University, level 1.2. The request was granted subject to availability of funds in the educational loan account and conditions governing educational loans.

**RESOLVED TO RECOMMEND**

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THAT the application of Mr Samuel Marindire (Acting Parks Supervisor) Comp. No.130118's for an educational loan amounting to USD620.00 (Payable at prevailing bank rate) to pursue a Bachelor of Science in Agriculture Management with Zimbabwe Open University be granted.

**B. REQUEST FOR EDUCATIONAL LOAN: ISAAC KURUNDA (ACCOUNTS CLERK SALARIES) COMP. NO. 120197**

The Committee considered the report of the Town Clerk on the application by Mr Isaac Kurunda (Accounts Clerk Salaries) Comp. No.120197 for an educational loan amounting to USD1008.00 (payable at prevailing bank rate) being tuition towards a Master of Commerce in Forensic Auditing and Accounting with Midlands State University, level 1.2. The request was granted subject to availability of funds in the educational loan account and conditions governing educational loans.

**RESOLVED TO RECOMMEND**

THAT the application of Mr Isaac Kurunda (Accounts Clerk Salaries) Comp. No.120197 for an educational loan amounting to USD1008.00 (payable at prevailing bank rate) being tuition towards a Master of Commerce in Forensic Auditing and Accounting with Midlands State University be granted subject to availability of funds in the educational loan account and conditions governing educational loans.

**C. REQUEST FOR EDUCATIONAL LOAN: RUTH MAPIYE GENERAL HAND GRADE 1 RUJEKO CLINIC (130436)**

Consideration was given to the report of the Town Clerk on the application for an educational loan by Ms Ruth Mapiye (General Hand Grade 1) Comp. No.130436 amounting to ZW1 650 000.00 towards a Nurse Aide Course with Zimbabwe Red Cross Society. The request was granted subject to availability of funds in the educational loan account and conditions governing educational loans.

**RESOLVED TO RECOMMEND**

THAT the application of Ms Ruth Mapiye (General Hand Grade 1 Rujeko Clinic) Comp. No.130436 for an educational loan amounting to ZW1 650 000.00 to pursue a Nurse Aide course with Zimbabwe Red Cross Society be granted subject to availability of funds in the educational loan account and conditions governing educational loans.

**D. REQUEST FOR CASH IN LIEU OF 50 DAYS: JAMES CHIVAFI (104542)**

The Committee gave consideration to the report of the Town Clerk on the request for a payment of cash in lieu of vacation on the application of Mr. J. Chivafa (104542), Driver to encash 50 days cash in lieu of leave days in order to be able to pay school fees for his child (a student at University of Zimbabwe) and proceed on vacation for 22 days. The request was granted.

**RESOLVED TO RECOMMEND**

THAT the application of J. Chivafa (104542), Driver to encash 50 days cash in lieu of leave days to pay school fees for his child (a student at University of Zimbabwe) and proceed on vacation for 22 days be granted.

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**E. REQUEST FOR CASH IN LIEU OF 60 VACATION LEAVE DAYS BY TAPIWA MHUNGU EC NO. 130144**

The Committee gave consideration to the report of the Town clerk on the application by Mr T. Mhungu (130144) to encash 60 days in lieu of leave. It was reported that Mr Mhungu was culpable to the damage of a Council vehicle number AAE 6450 wherein the Disciplinary Committee ordered that he pay the costs of repair of the vehicle which amounted to USD4 881.93. It was highlighted that Mr Mhungu made an undertaking for a salary deduction of USD100 per month and the cash in lieu of leave will reduce his indebtedness. The request was granted.

**RESOLVED TO RECOMMEND**

THAT the application of Mr T. Mhungu (130144) to encash 60 days in lieu of leave to pay off for the repair of a Council vehicle registration number AAE 6450 following a disciplinary hearing be approved it being noted that the proceeds of the leave days encashed would be channelled towards reducing his indebtedness to Council arising from the vehicle repairs amounting to USD4 881.93

**F. Adoption of Report**

**RESOLVED TO RECOMMEND**

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

**486. REPORT OF THE DIRECTOR OF HOUSING AND SOCIAL SERVICES**

**A. LIQUOR SECTION RENTED PREMISES**

The Committee considered the report of the Director of Housing and Social Services on the rentals for various leased Council liquor outlets. It was reported that following a valuation exercise, rentals were set for Council Liquor outlets as presented below. However, with the deteriorating economic situation the leasees/tenants made representations to Council to reduce the rentals which Council obliged to. Rentals for Farai beerhall had been set at USD 3,000 and eventually reduced to USD 600 per month;

- Manhede Beerhall rentals had been valued at USD 2,000 and reduced to USD 500 per month
- Sarudzai Beerhall valuation USD 1,500 reduced to USD 600
- Caravan Park USD 2,500 reduced to USD 800.00

In the light of the Government thrust that local authorities should come up with a roadmap for introducing income generation projects to broaden their revenue base it was reported that a comprehensive report would be tabled before Council clearly giving direction on the financial resources required to operationalise the Government thrust and also operate some leased premises including Council Farms. The report would highlight all issues including tenures of leases. In the interim pending consideration of the income generation reports implementation, it was agreed that Council to realise value from its premises the rentals should be reviewed by 100%.

The report of the Director of Housing and Social Services for the months of October covering sales by outlet, appropriations and losses/profit was noted.

**RESOLVED TO RECOMMEND**

THAT pending the submission of a detailed report on Council taking over some of its leased premises to run them, the rentals for Council leased liquor outlets be reviewed by 100%.

**B. Adoption of Report**

**RESOLVED TO RECOMMEND**

THAT the report of the Director of Housing and Social Services be approved and adopted subject to the resolution passed in relation thereto.

**487. REPORT OF THE ACTING DIRECTOR OF ENGINEERING SERVICES**

**A. CREATION OF TEN INFILL STANDS**

Consideration was given to the report of the Acting Director of Engineering Services on the creation of ten infill across the commonage being stand numbers 27581, 27579,27580, 27582, 27583, 27584, 27585, 27578, 27586 and 27593. Authority was granted for the creation of ten infill stands.

**RESOLVED TO RECOMMEND**

THAT the Acting Director of Engineering Services be instructed to create ten infill stands being stand numbers 27581, 27579,27580, 27582, 27583, 27584, 27585, 27578, 27586 and 27593. **ADES**

**B. Adoption of Report**

**RESOLVED TO RECOMMEND**

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

The meeting ended at 7.20p.m

**CONFIRMED THIS DAY OF 2023**

**CHAIRMAN**

**TOWN CLERK**