

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 TUESDAY, 21 JANUARY 2025 AT 5.03 P.M.

PRESENT: Councillor B. Muchokwa (Chairman)
Councillor M. Madhuna
Councillor S. Manyanga
Councillor A. Time

APOLOGY: Deputy Mayor Councillor D. Mberikunashe

IN ATTENDANCE: Mr. P. Muteshe- Local Governance Student

OFFICIALS: Town Clerk
Director of Housing and Social Services
Chief Environmental Health Officer
Acting Director of Engineering Services
Deputy Finance Director
Senior Health Officer
Economic Development Officer
Administration Officer
Committee Officer

012. CONFIRMATION OF MINUTES

RESOLVED

THAT the minutes of the meeting held on 18 November 2024 and 13 December 2024 be taken as read and confirmed as correct records and signed.

Proposed by Councillor Manyanga (18/11/24)
Seconded by Councillor A. Time

Proposed by Councillor Manyanga (13/12/24)
Seconded by Councillor M. Madhuna

013. MATTERS ARISING

i) Minute 320(A): Proposed sale and consolidation of stands allocated to Exor Enterprises (Pvt) Limited

It was reported that a tour of the premises would be conducted before the Committee could deliberate on the matter.

014. 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 April up to 31 December 2024 amounted to ZiG241 587 106.00.

Total revenue realized constituted 86% of the budgeted revenue for the period amounting to ZiG 279 885 347,078. The major sources of revenue for the period were sale of goods 81%, taxes at 15%, fines and penalties 3%, and transfers 1%.

Minutes: Finance and General Purposes Committee: 21.01.2025

(i) Measures being undertaken to improve revenue Collection.

It was reported that Council maintained early billing and dual billing distribution through Short Message Service (SMS) and hardcopy statements. Eviction notices were being issued to defaulting tenants.

(ii) Expenditure

It was reported that the total expenditure for the period April to 31 December 2024 was ZiG 155 280 507. The distribution of expenditure for the period under review was noted. The Committee noted the high employment costs to service delivery ratio for the 2024 year. The Committee emphasised the need for Council to collect bills to finance service delivery.

It was reported that various cost cutting measures would be implemented in the 2025 financial year including strict project monitoring and where necessary outsourcing works to contractors for operational efficiency.

(iii) CAPITAL EXPENDITURE

It was reported that the total capital expenditure for the month of December 2024 amounted to ZiG 110,037.00.

B. CASHBOOK AND CASH FLOW PROJECTIONS

The report of the Finance Director on the cashbook and projected and actual cashflow as at 31 December 2024 and bank balances was noted.

C. 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. The distributions of debtors by category showing the percentage of debt owed by each category was noted. The total debtors as at 31 December 2024 was ZiG 280,177,150.58 with government contributing 26.95%, low density residential 24.09%, high density residential 13.47%, industry 9.75% and commercial 12.17%.

The collection efficiency was 79.03% derived from a billing equivalent of USD 1,804,354.53 and receipts amounting to USD 1,425,947.12 for billable properties.

It was reported that Council owed ZESA ZiG 26,069,579.20 as at 31 December 2024 and strategies had been put in place to pay the current bill. The Finance Director highlighted that Council would seek to pay off the arrears to ZESA from anticipated increases in cashflow arising from the implementation of robust debt collection strategies.

D. CREDITORS AND PAYABLES MANAGEMENT

The report of the Finance Director on creditors management covering total creditors for the month ending 31 December 2024 was noted.

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 month ending 31 December 2024 was noted.

F. Adoption of Report

Minutes: Finance and General Purposes Committee: 21.01.2025

RESOLVED TO RECOMMEND

THAT the report of the Finance Director be approved and adopted.

015. REPORT OF THE TOWN CLERK

A. APPLICATION FOR EDUCATIONAL LOAN: M. MUTAMBASERE (120033)-CONSTABLE

Consideration was given to the report of the Town Clerk on the application for an educational loan by M. Mutambasere (120033), Constable Grade 5 amounting to USD 540 being fees towards a Bachelor of Commerce Degree in Accounting with Great Zimbabwe University. The application was granted subject to conditions governing study loans and availability of funds in the educational loan account.

RESOLVED TO RECOMMEND

THAT the application of M. Mutambasere (120033), Constable Grade 5 for an educational loan amounting to USD 540 being fees towards a Bachelor of Commerce Degree in Accounting with Great Zimbabwe University be granted subject to conditions governing study loans and availability of funds.

B. INCOME GENERATION PROJECTS: TRUCK STOP

The Committee gave consideration to the report of the Town Clerk on the progress regarding the implementation of the Truck Stop Project. It was reported that site clearance and commencement of relevant civil works was expected to commence soon. The project would be financed from the 2025 Budget with the initial phase estimated to cost USD 80,000. The scope of works would be as follows;

- Land clearance
- Site assessment
- Drainage and grading plans
- Utilities assessment
- Civil works -to include fencing and construction of buildings in line with designs

The roadmap was adopted.

RESOLVED TO RECOMMEND

THAT the roadmap for the establishment of a Truck Stop, Phase 1 with scope of works to include land clearance, site assessment, drainage and grading plans, utilities assessment and civil works be adopted.

C. REVIVAL OF SHAGASHE GAME PARK

Consideration was given to the report of the Town Clerk on the revival of Shagashe Game Park. It was reported that Mr. Byron Fundira of Mhukahuru Investments had expressed interest to collaborate with the City of Masvingo to revive Shagashe Game Park. A meeting was held with the investor on 26 November 2024 followed by a visit to the site.

It was reported that Mhukahuru Investments was running similar operations in South Africa and Darwendale where the investor was leasing a Zimbabwe Parks and Wildlife Management Authority on a twenty-five-year lease. The Darwendale Facility offers accommodation, conferencing, outdoor activities including game viewing.

Minutes: Finance and General Purposes Committee: 21.01.2025

It was reported that Mhukahuru Investments intended to replicate a similar investment in the resuscitation of Shagashe Game Park.

Authority was granted for Council to negotiate a public private partnership with Mhukahuru Investments over the revival of Shagashe game Park. A proposal was also raised to consider an appreciation tour of the Darwendale Project operated by the investor.

RESOLVED TO RECOMMEND

THAT the Town Clerk be instructed to initiate negotiations of a public private partnership with Mhukahuru Investments over the revival of Shagashe Game Park.

D. LIQUOR SECTION REPORT

The Committee gave consideration to the report of the Town Clerk on the Liquor Section covering the lease rentals payments for Council liquor outlets being leased out and those operated by Council.

On leased Council liquor outlets, the Committee noted the rent arrears for the months of October 2024 and December 2024 respectively. The total rental arrears for Chiwororo, Sarudzai, Farai, Manhede Beerhalls and Caravan Park as at 31 December 2024 was USD 28,534.91. The tenants as at 31 December 2024 owed Council rentals as indicated;

- Chiwororo Beerhall USD 2,132.40
- Sarudzai Beerhall USD 5,384.47
- Farai Beerhall USD 2,138.62
- Manhede Beerhall USD 12,760.76
- Caravan Park USD 6,154.66

The Committee agreed that all tenants with rental arrears owing above 60 days be handed over for debt collection.

On Council operate liquor outlets the Committee noted the profit recorded by the outlets amounting to ZiG 27,201.77 for the month of December 2024 and highlighted the need for improving the ambience of the outlets and alternative power supply to chill beverages. The report was noted.

RESOLVED TO RECOMMEND

THAT Council Liquor outlet leases with rental arrears in excess of sixty days be handed over for debt collection.

E. PURCHASE OF CELLPHONES FOR COUNCILLORS

Consideration was given to the report of the Town Clerk on the purchase of Cellphones for Councillors. It was reported that in terms of the Circular from the Minister of Local Government and Public Works dated 26 September 2024 on Councillors' allowances and perks, if Council wishes to purchase cellphones for Councillors, this has to be approved by the Minister and there must be justification for the purchase, the budget line, and amount budgeted for the same, type of cell phone and justification, the cost and the conditions attached to the equipment.

It was proposed that Council procures Samsung S24 Ultra for the Councillors. The justification for the purchase being that cellphones were convenient for communication using SMS, voice calls and also on social media platforms therefore making communication with administration

Minutes: Finance and General Purposes Committee: 21.01.2025

staff and residents easier and faster. It was highlighted that the S24 Ultra had good picture quality. The average price for a Samsung S24 Ultra is US\$1 300 and for the 13 Councillors this translated to a total amount of US\$16 900. It was reported that the conditions of use will be as guided by the Council ICT Policy. The request was granted.

RESOLVED TO RECOMMEND

1. THAT Council purchases 13 Samsung S24 Ultra Cell phones for Councillors at a total cost of US\$16 900.
2. THAT the conditions of use of the cellphones be guided by the City of Masvingo ICT Policy.

F. PURCHASE OF MOTORBIKES FOR COUNCILLORS

The Committee considered the report of the Town Clerk on the purchase of Motorbikes for Councillors. It was reported that as per circular from the Ministry of Local Government and Public Works dated 26 September 2024 on Councillors allowances and perks, Councillors were to be availed with a five-year Motorbike loan facility. The Circular clarified that Council would purchase the Motorbikes and recover the money from Councillor over the period covering their term of office. A proposal was presented to buy Honda 125cc Motorbikes for Councillors at an average price of USD 2,500 for each Councillor which translates to USD 30,000 excluding His Worship the Mayor who has an official vehicle for use on official business.

RESOLVED TO RECOMMEND

1. THAT Council purchases 12 Honda 125cc Motorbikes for twelve Councillors at a cost of USD 30,000.
2. THAT the Motorbike loan be recovered from Councillors over a period covering their term of office.

G. 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.

The meeting ended at 6.21p.m.

CONFIRMED THIS

DAY OF

2024

CHAIRMAN

TOWN CLERK