

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 FRIDAY, 18 JULY 2025 AT 4.58 P.M.**

PRESENT: Councillor B. Muchokwa (Chairman)
Councillor R. Musekiwa
Councillor M. Madhuna
Councillor A. Time

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

OFFICIALS: Finance Director
Housing and Social Services Manager
Senior Health Officer
Internal Audit Manager
Public Relations Officer
Committee Officer
Assistant Administration Officer (11)

193. CONFIRMATION OF MINUTES

RESOLVED

THAT the minutes of the meeting held on 23 June 2025 be taken as read and confirmed as a correct record and signed.

*Seconded by Councillor M. Madhuna
Moved by Councillor A. Time*

194. MATTERS ARISING

i) Minute 136 (1): Revival of Shagashe Game Park

On the Committee request for clarification on action taken by the Management in respect of finalising the agreement with the Shagashe Game Park investor, it was agreed to defer discussion of the matter to the next meeting where the Town Clerk would respond accordingly.

195. 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 June 2025 amounted to ZiG 312 491 361. Total revenue realized constituted 84% of the budgeted revenue for the period amounting to ZiG 369 581 092. The major sources of revenue for the period were sale of goods at 69%, taxes 29% fines and penalties 2%.

Minutes- Finance & General Purposes Committee: 18 July 2025

(i) Measures being undertaken to improve revenue efficiency.

It was reported that Council had conducted a Supplementary Valuation Roll to improve billing efficiency and accountability for all properties. It was highlighted that engagements with Central Government authorities to pay off Government debts were ongoing and Council managed to secure a debt set-off arrangement amounting to ZiG 2,700,000 and USD 58,000 to cater for ZIMRA obligations.

On the need to improve revenue collection the Committee noted with concern rising cases of illegal trading activities including sale of perishables taking place at residential units/houses, the public health challenges arising therefrom and the impact of such practices on formal business operations in light of the harsh operating economic environment. It was agreed to refer the matter to the Health, Housing and Environmental Services Committee.

RESOLVED TO RECOMMEND

THAT the matter regarding the increase in illegal trading activities taking place at residential units/houses be referred to the Health, Housing and Environmental Services Committee. **DHS**

(ii) Expenditure

The report of the Finance Director on staff salaries and other recurrent expenditure was noted. Total expenditure for the period ending June 2025 was ZWG 248 330 301 distributed as follows, capital expenses 5%, employee compensation 57%, use of goods and services 38%. Total capital expenditure for the month amounted to ZIG 1,213,167.48

iii) Statutory Obligations

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

DESCRIPTION	AMOUNT (ZiG)
ZIMRA (PAYE AND AIDS LEVY)	1 794 605.00
NSSA	3 542 157.18
LAPF	6 203 455.17
ZIMDEF	1 042 580.38
STANDARDS LEVY	1 239 845.30
MEDICAL AID	5 953 882.76
WORKERS UNIONS	522,349.12

B. CAPITAL EXPENDITURE

The total capital expenditure for the month was noted.

C. CASHBOOK AND CASH FLOW PROJECTIONS

The report of the Finance Director on the cashbook and actual cashflow as at 30 June 2025 and bank balances was noted.

Minutes- Finance & General Purposes Committee: 18 July 2025

D. 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 low density and high density residential, commercial, and government departments. The distributions of debtors by category, i.e commercial, industrial, residential high density, low density and institutions was noted. A collection efficiency of 75% derived from a billing equivalent of USD 2 325 725.18 and receipts amounting to USD 1,742 806.60 for billable revenue. The billed revenue trend analysis for the months of January 2025 to June 2025 was noted. With regards to the ZiG to USD rate used by Council, the Finance Director provided a background to the matter and cited relevant statutory instruments pertaining to the matter.

Total Debtors amounted to ZiG 384 663 094.24 as at 30 June 2025. Government departments owed ZiG 108,009 734.78. Commercial sector owed Council a total of ZWG 72 571 401.94, High Density Residential ZWG 79 104 020.13, and Low Density Residential ZWG 28 820 359.95.

On debtors, the Committee raised its concerns in the event of privatisation or takeover of water supply undertaking Council should negotiate that the entity also take over the debts related to the operations.

E. STORES AND ASSET MANAGEMENT

The report of the Finance Director on Stores and Asset Management for the month of June 2025 covering stock levels of various consumables including water treatment chemicals, oils and fuels was noted.

F. REQUEST FOR AUTHORITY TO OPEN ACCOUNT WITH CABS

The Committee gave consideration to the report of the Finance Director on the request to open an account with Central African Building Society (CABS) to facilitate the integration of the SIMACC billing and receipting system to the CABS Point of Sale Machines. The request was approved.

RESOLVED TO RECOMMEND

THAT the Finance Director be instructed to open a bank account with Central African Building Society (CABS) into which transactions from the CABS Point of Sale (POS) machines integrated with the SIMACC billing and receipting system will be deposited. **FD**

G. 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.

