

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, 28 APRIL 2025 AT 10.00 A.M.

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

ABSENT: Deputy Mayor Councillor D. Mberikunashe

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

OFFICIALS: Town Clerk
Chamber Secretary
Finance Director
Deputy Finance Director
Chief Environmental Health Officer
Director of Housing and Social Services
Acting Director of Engineering Services
Senior Health Officer
Economic Development Officer
Monitoring and Evaluation Officer
Public Relations Officer
Committee Officer

105. CONFIRMATION OF MINUTES

RESOLVED

THAT the minutes of the meeting held on 17 March 2025 be taken as read and confirmed as a correct record and signed.

Moved by Councillor A. Time

Seconded by Councillor M. Madhuna

106. MATTERS ARISING

i) Minute 077(i): Revival of Shagashe Game Park

It was noted that an oversight tour of Mhukahuru Safaris Private Limited in Darwendale had been conducted. Management was tasked to do the due process.

107. REPORT OF THE FINANCE DIRECTOR

A. FINANCIAL PERFORMANCE.

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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 end of March 2025 amounted to ZiG148,858,134. Total revenue realized constituted 80% of the budgeted revenue for the period amounting to ZiG185,823,827. The major sources of revenue for the period were sale of goods at 68%, taxes 31% with fines and penalties 1%.

(i) Measures being undertaken to improve revenue efficiency.

It was reported that Council had engaged central government for settlement of long-standing Government debt and it was envisaged that a set-off arrangement for Value Added Tax and Paye As You Earn (PAYE) would be reached.

(ii) Expenditure

The report of the Finance Director on staff salaries and other recurrent expenditure was noted. Total expenditure for the period ending March 2025 amounted to ZiG120,043,368. Use of goods and services accounted for 42% of expenditure, capital expenses 5% and compensation of employees 53%.

Concern was raised on the costs associated with external servicing of some vehicles and the need to capacitate the Municipal Workshop to fully service its operational fleet. It was noted that the issues relating to the Municipal Workshop and maintenance of Council fleet were being attended to by Management. The need to cut costs and enhance revenue collection was deliberated by the Committee.

iii) Statutory Obligations

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

DESCRIPTION	AMOUNT (ZiG)
ZIMRA (PAYE AND AIDS LEVY)	1,855,206.08
NSSA	2,168,190.49
LAPF	5,153,908.03
ZIMDEF	1,453,628.98
STANDARDS LEVY	966,194.48
MEDICAL AID	4,896,589.11
WORKERS UNIONS	265,904.30

It was noted that ZESA was being owed a total of ZiG 31,171316.29.

B. CAPITAL EXPENDITURE

It was reported that the total capital expenditure amounted to ZWG 5,443,843.19 for the period under review.

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C. CASHBOOK AND CASH FLOW PROJECTIONS

The report of the Finance Director on the cashbook and actual cashflow as at 31 March 2025 and cashflow projections up to June 2025 and bank balances was noted.

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, government departments. The distribution of debtors by category, i.e commercial, industrial, residential high density, low density and institutions was noted. High density residential owed ZiG 55,080,948.79 for the month of March 2025, medium density ZiG 13,890,005.73 and low density residential owed ZiG 41,507,847.34.

A collection efficiency of 57% for January 2025 derived from a billing of ZiG 48,679,118.77 and receipts of ZiG 27,650,661.06, February a collection efficiency of 50% was recorded from a billed amount of ZiG 74,085,590.22 and receipts of ZiG 37,368,975.53 whilst for March 2025 a collection efficiency of 75% was realised from a billing of ZiG 50,498,723.19 and receipts of ZiG 37,654,046.38. Total Debtors amounted to ZiG 350,777,075.10 as at 31 March 2025. Government Departments owed Council ZiG 96,284,525.66.

E. STORES AND ASSET MANAGEMENT

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

F. Adoption of Report

RESOLVED TO RECOMMEND

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

108. REPORT OF THE TOWN CLERK

A. LIQUOR SECTION REPORT

The Committee considered the report of the Town Clerk on Council Liquor Outlets covering sales by brand and outlet, profitability and challenges for the month of March 2025. It was reported that the section recorded total sales of ZiG 356,880.80 and a net loss of ZiG 12,042.62 as compared to a net loss of ZIG 60,010.41 the previous month. The bank balance and total inventory for the Liquor section for the period under review was noted. It was highlighted that a 5 KVA solar system would be installed to improve the cold chain with a generator acting as backup.

B. INVITATION BY THE INTERNATIONAL TOURISM ALLIANCE OF SILK ROAD CITIES TO ATTEND THE NIHAO!, CHINA: WORLD HERITAGE OVERSEAS PROMOTION SEASON 2025 AND THE INTERNATIONAL FESTIVAL OF THE INTANGIBLE

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CULTURAL HERITAGE FROM 23 TO 30 MAY 2025 IN CHENGDU, PEOPLE'S REPUBLIC OF CHINA.

Consideration was given to the report of the Town Clerk on the invitation received from the International Alliance of Silk Road Cities to attend the Nihao!, World Heritage Overseas Promotion Season 2025 and the International Festival of the Intangible Cultural Heritage from 23 to 30 May 2025 in Chengdu, People's Republic of China.

It was reported that the festival would be held under the theme "...tourism empowered by intangible cultural heritage (ICH)". The event will gather Alliance Member City representatives, professionals and experts, and China based diplomats for forum discussions, training sessions and joint exhibitions. The conference will enable the sharing of best practices, spread knowledge and boost capacities in an effort to fuel the shared development of the tourism sector. The City of Masvingo is an alliance member and was preparing materials for showcasing for the joint exhibition by the attendees comprising of His Worship the Mayor, Town Clerk and Director of Museums and Monuments Southern Region (Mr. Lovemore Mandima).

The organisers will cover the following expenses;

- International air fare and local transportation in China for one delegation member
- Local transportation in Xinjiang and Chengdu including intercity travel from Xinjiang to Chengdu for the remaining delegation members
- Accommodation in China for all delegation members

The cost implications for attending the conference were presented as follows;

Item	Cost (USD)
Airfares for 2 delegates	2400
Visa application fees	600
Subsistence for 3 delegates	8736
Transit accommodation	840
Meals for 3 delegates	3276
Total	15 852

The request was approved.

RESOLVED TO RECOMMEND

THAT subject to cabinet approval, His Worship the Mayor (Councillor A. Tabe), Town Clerk, Eng. E. Mukaratirwa and the Director of Museums and Monuments Southern Region, Mr. Lovemore Mandima be authorised to attend the International Alliance of Silk Road Cities to attend the Nihao!, World Heritage Overseas Promotion Season 2025 and the International Festival of the Intangible Cultural Heritage from 23 to 30 May 2025 in Chengdu, People's Republic of China at a total cost of USD 15,852.

FD

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C. INVITATION TO THE ICAZ WINTER SCHOOL 2025 AND INVESTMENT CONFERENCE, UNIVERSITY OF KENT, UNITED KINGDOM, 24-30 AUGUST 2025

The Committee considered the invitation extended to the Finance Director Mr. Danister Jori to attend the ICAZ Winter School and Investment Conference, University of Kent, United Kingdom for the period 24-30 August 2025. It was reported that the Winter School and Conference will provide a platform for the Finance Director to interact with other experts in the finance field and Council would benefit from the sharing of ideas on innovative financing tools as well as improvement in financial reporting and governance and also showcase the city's investment opportunities. The costs associated with the trip were presented as follows;

	Amount (USD)
Full Board (ICAZ member)	3,600
Transit accommodation	390
Visa Application fees	500
Subsistence allowances	<u>3,549</u>
Total	<u>8,039</u>

The application was approved.

RESOLVED TO RECOMMEND

THAT subject to Cabinet approval the Finance Director Mr. Danister Jori be authorised to attend the ICAZ Winter School and Investment Conference, University of Kent, United Kingdom for the period 24-30 August 2025 at an estimated cost of USD 8,039.00. **FD**

D. 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.

109. REPORT OF THE CHAMBER SECRETARY

A. LEASE RENEWAL FOR MC MEATS AT STANDARD FARM

The Committee gave consideration to the report of the Chamber Secretary on the request for renewal of lease agreement by MC Meats who are currently leasing Standard Farm from Council. The current lease is expiring on 31 July 2025. The tenant communicated their intention to have their lease renewed highlighting that the farm is key to their operations of beef production.

MC Meats Private Limited highlighted that they will implement the following programs at the farm for the renewed period being expanding feedlots to improve capacity utilization and setting up a 3-Megawatt solar plant at the farm to augment power

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supply. Management had recommended for the renewal of the lease agreement for 5 years.

It was clarified that MC Meats had applied for a ten-year lease, however Management felt that in line with the Call-to-Action Blueprint mandating local authorities to fully utilise their assets, Management had noted that a five-year lease would enable Council to come up with specific projects to be implemented at the farm to generate income for financing service delivery. It was reported that various cities had taken over their farms and were operating them. The Committee approved the request to lease the farm for a period of five years. Management was tasked to negotiate the review the lease rentals from USD 2,500 up to maximum of USD 3,500 per month.

RESOLVED TO RECOMMEND

1. THAT Council approves the lease renewal for MC Meats for Standard Farm for a period of 5 years with effect from 1 August 2025.
2. THAT Management be tasked to enter into negotiations with MC Meats Private Limited for review of lease rentals for Standard Farm from USD 2,500 up to maximum of USD 3,500 per month. **FD**

B. APPOINTMENT OF SARATOGA MAKAUSI TO REPRESENT COUNCIL IN THE CASE: MUTSETSE FAMILY TRUST VS CITY OF MASVINGO.

The Committee gave consideration to the report of the Chamber Secretary on the request to appoint Messrs Saratoga Makausi Legal Practitioners as Council legal representatives in the case Mutsetse Family Trust and Farai Mazenge Mutsetse versus the City of Masvingo and Ministry of Local Government in their claim of ownership of Lot 1 of Flesk, Morningside Masvingo. In their claim, the Mutsetse Family Trust alleged that Council allocated them Lot 1 of Flesk which belongs to the Government of Zimbabwe. The Committee approved the request.

RESOLVED TO RECOMMEND

THAT Messrs Saratoga Makausi Legal Practitioners be engaged to represent Council in the case of Mutsetse Family Trust and Farai Mazenge Mutsetse versus the City of Masvingo and Ministry of Local Government in their claim of ownership of Lot 1 of Flesk, Morningside, Masvingo.

C. CONSOLIDATION OF STANDS ALLOCATED TO EXOR ENTERPRISES PRIVATE LIMITED.

The Committee gave consideration to the report of the Chamber Secretary on the consolidation and sale of stands allocated to Exor Enterprises Private Limited.

It was reported that Exor Enterprises Pvt Ltd was allocated stand 10536 measuring 3300 square metres in the year 2001 for the purposes of setting up a filling station with a food

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court. In the same year Exor Enterprises applied for additional land highlighting that the allocated was not enough to house the proposed development. Council approved the allocation of additional land through Resolution Number 297 (1) of the 824th Ordinary Council Meeting Held on the 27th of August 2001 reproduced below:

"THAT Exor Petroleum be allocated land enough to accommodate developments indicated on plans they have submitted and that the Town Engineer be instructed to calculate the actual size of the additional land and present a report to Public Works and Planning Committee it being noted that the additional land would be sold to Exor at \$166,66 per square metre".

The additional land which was planned and surveyed for the purposes of accommodate the developments are as summarised in the table;

STAND NUMBER	STAND SIZE(m²)
30530	45
30529	2252
30528	1106

It was further reported that there is no record of any payments made by Exor Enterprises Pvt Ltd for the above-mentioned stands and that there is no corresponding files and paperwork for the stands including the following issues;

- No Offer Letter was given to Exor Enterprises Pvt Ltd for the Stands and that there is no record of any payments for the stands.
- No rates were being levied for stands 30528, 30529, 30530.
- Consolidation of the stands can only be processed upon payment of the full purchase price due to Council.
- An internal valuation was undertaken by the Estates and Valuations Officer and a rate of USD\$35.00 per square metre was arrived at.
- Exor Enterprises Pvt Ltd were engaged on the matter and appealed to Council to consider reducing the cost of land from USD 35/m² to USD 10.00/m² which would translate to a total purchase price of USD 36,730 paid over a period of 18 months.

Management had recommended that in light of the observed challenges and need to bring the matter to finality, Council considers Exor Enterprises request for the sale of stands 30530, 30529 and 30528 Masvingo Township offering the stands to Exor Enterprises Pvt Ltd at a rate of USD\$10.00/m². The Committee insisted that Council should sell the stands to the developer at the market valuation price of USD 35.00/m².

RESOLVED TO RECOMMEND

THAT Council sells 30528, 30529, 30530, Masvingo Township to Exor Enterprises Pvt Limited at a rate of USD 35.00/m². **TC**

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D. Adoption of Report

RESOLVED TO RECOMMEND

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

110. REPORT OF THE ACTING DIRECTOR OF ENGINEERING SERVICES.

A. RESCISSION OF COUNCIL RESOLUTION ON LAND SWAP WITH THE MINISTRY OF LOCAL GOVERNMENT AND PUBLIC WORKS FOR A MILITARY CEMETERY

The Committee gave consideration to the report of the Acting Director of Engineering Services following the application for land to establish a Military Cemetery by the Zimbabwe National Army which was granted by Minute 289(A)(1) of 2021. The Acting Director of Engineering Services implemented the Council Resolution Minute 282(2) by creating the stand on an area west of the existing Provincial Heroes Acre measuring 5 hectares for donation to the Zimbabwe National Army for establishment of a military cemetery". Council further by Minute 289(A)(3) of 2021, "*THAT the Acting Director of Engineering Services be instructed to request the Ministry of Local Government and Public Works for a piece of land to swap with the 5 hectares donated to the Zimbabwe National Army*".

It was noted that the Minute 289(A)(3) was in contradiction with the spirit of Council Minute 289(A)(1) and (2) in that Council had resolved to donate the land to the Zimbabwe National Army whilst at the same time instructing the Director of Engineering Services to request a land swap hence the recommendation for rescission of Minute 289(A)(3). The Committee upheld the recommendation of the Acting Director of Engineering Services to rescind Minute 289(A)(3) and also give public notice of Council intention to donate 5 hectares of land to the Zimbabwe National Army for a Military Cemetery in terms of section 152 of the Urban Councils Act Chapter 29:15.

RESOLVED TO RECOMMEND

1. THAT Council rescinds Minute 289(A)(3) of 2021 which reads, "*THAT the Acting Director of Engineering Services be instructed to request the Ministry of Local Government and Public Works for a piece of land to swap with the 5 hectares donated to the Zimbabwe National Army*".
2. THAT Council gives public notice of its intention to donate 5 hectares of land to the Zimbabwe National Army for a Military Cemetery in terms of section 152 of the Urban Councils Act Chapter 29:15.

B. REQUEST FOR PERMISSION TO VIREMENT USD 200,000 FOR RUNYARARO SWIMMING POOL CONSTRUCTION PROJECT.

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Consideration was given to the report of the Acting Director of Engineering Services on the request for permission to virement USD 200,000 from the Water Augmentation Project vote for the construction of Runyararo Swimming Pool which was under implementation. It was reported that the budgeted amount for the Swimming Pool Project construction was USD 50,000.00, however the tender was awarded for USD 242,240.32 hence the funding gap. It was reported that an Interim Payment Certificate had been raised and was due for payment. Following the advice by the Finance Director that the correct procedure was for Management to identify self-funded projects under the Social Services Programme from which the balance to meet the funding gap for the Swimming pool would be viremented from, the Committee adopted the recommendation.

RESOLVED TO RECOMMEND

THAT Management be tasked to identify projects under the Social Services Programme to virement funds amounting to USD 200,000 for the construction of the Runyararo Swimming Pool which had been budgeted for USD 50,000 but the tender was awarded for USD 242,240.32 hence the funding gap.

C. Adoption of Report

RESOLVED TO RECOMMEND

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

The meeting ended at 1.00 p.m

CONFIRMED THIS

DAY OF

2025

CHAIRMAN

TOWN CLERK