

# DRAKENSTEIN MUNICIPALITY

## MINUTES: EXECUTIVE MAYOR AND MAYORAL COMMITTEE

SPECIAL MEETING HELD IN THE COUNCIL CHAMBERS, FIRST FLOOR, CIVIC CENTRE, BERG RIVER BOULEVARD, PAARL ON FRIDAY, 21 JANUARY 2011 AT 9:00

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**PRESENT:** The Executive Mayor, Clr C M Manuel (Chairperson)  
The Executive Deputy Mayor, Clr M W Nothnagel

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**Councillors:** J T Basson  
A Bekeer  
S Davids  
H Douman  
T M Kompela  
M J Le Hoe  
A B Sishuba and  
B E Vos

**Officials:** Mr K Mrali (Acting Municipal Manager)  
Dr P Naidoo (Executive Director: Strategic Services)  
Mr L Coetzee (Executive Director: Infrastructure and Planning)  
Mr C Petersen (Executive Director: Financial Services)  
Mr V Petersen (Acting Executive Director: Social Services)  
Mr A V Marais (Head: Corporate Services)  
Mr K R Gordon (Manager: Administrative Services)

**ABSENT:** Councillor: A M Petersen (apology)



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**1. ANNOUNCEMENTS BY THE EXECUTIVE MAYOR**

No announcements were made.

**2. REPORT ON OUTSTANDING DEBT OF THE MUNICIPALITY**

**RESOLVED**

that it be recommended to Council

1. that the irrecoverable debt (older than 90 days as at 30 September 2010) be written off, as follows:
  - 1.1 The Indigent Debt. That account holders who do not receive an Indigent Grant and qualify as an indigent be encouraged to register as an indigent consumer before 31 May 2011 in order to qualify for the writing off of their debt.
  - 1.2 Insolvent Estate – Subject to consultation with the curator of the Estate before 31 May 2011.
  - 1.3 Estate Late – Subject to the current consumer entering into an agreement to take over the future services before 31 May 2011.
  - 1.4 Block A & D – Subject to a meeting with the relevant stakeholders to reach an agreement.
  - 1.5 Block C & B – Subject to a meeting with the relevant stakeholders to reach an agreement.
2. that the following incentives to encourage consumers to pay their municipal accounts be approved:-
  - 2.1 that for each rand paid before 31 May 2011 towards arrears older than 90 days as at 30 September 2010, one rand be written off, provided that the current accounts are paid.
    - 2.1.1 Schools – See outstanding Debt Analysis to the report.
    - 2.1.2 Normal Debtors – See outstanding Debt Analysis to the report.
3. that the Saron Water be written off to date subject to entering into an agreement to arrange to pay all the other services;

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4. that following estimated amounts be written off:

<b>Category</b>	<b>Write off</b>
Indigent Debt	29,277,138
Insolvent Estate	1,934,349
Estate Late	681,730
Block A & D	1,316,721
Block C & B	1,526,646
Schools	376,868
Normal Debtors	53,677,522
Saron Water	14,442,652
Self help Scheme	1, 555, 850
<b>Total Amount</b>	<b>104,798,476</b>

4.1 that note be taken that the above-mentioned amounts were as at 31 December 2010 and will change due to movements on debtor accounts. The Chief Financial Officer must submit a final report of the actual write offs after 31 May 2011.

5. that the normal debtors amount be subject to any consumer who takes up the option of paying R1.00 and Council will write off R1.00; and

6. that the resolution be communicated to the community via the media and radio.

Meeting: Ref No: Col No:	Spec EM&MC - 21/01/2011 5/9/8 99046	Submitted by Directorate: Author/s: Referred from:	Financial Services C M Petersen EM&MC - 21/01/2011
<b>PARAGRAPH:</b>	<b>ACTION:</b> Submit to Council	<b>RESPONSIBLE DEPT:</b> Admin	<b>DUE DATE:</b>

**3. MID-YEAR BUDGET ASSESSMENT 2010/2011**

**RESOLVED**

that it be recommended to Council

1. that the Mid-Year Assessment and Financial Health and Performance Indicators in the report **be noted**;
2. that note be taken that an Adjustments Budget is necessary.

Meeting: Ref No: Col No:	Spec EM&MC - 21/01/2011 5/2/2	Submitted by Directorate: Author/s: Referred from:	Financial Services C M Petersen EM&MC - 21/01/2011
<b>PARAGRAPH:</b>	<b>ACTION:</b> Submit to Council	<b>RESPONSIBLE DEPT:</b> Admin	<b>DUE DATE:</b>

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**4. ADJUSTMENTS BUDGET 2010/2011**

**RESOLVED**

that it be recommended to Council

1. that the **New Adjustments Budget** for the 2010/2011 financial year be approved per function as follows:

<b>GFS FUNCTION</b>			
<b>TOTAL CAPITAL AND OPERATIONAL ADJUSTMENT BUDGET FOR THE 2010/2011</b>			
<b>FUNCTION_NAME</b>	<b>CAPITAL ADJUSTMENTS BUDGET</b>	<b>OPERATIONAL ADJUSTMENTS BUDGET</b>	<b>TOTAL ADJUSTMENTS BUDGET</b>
EXECUTIVE AND COUNCIL	253,449	33,788,319	34,041,768
BUDGET AND PERFORMANCE OFFICE	698,688	46,172,540	46,871,228
CORPORATE SERVICES	24,428,763	66,582,445	91,011,208
TRAINING AND DEVELOPMENT	1,151,233	28,148,475	29,299,708
HEALTH	380,963	6,276,789	6,657,752
COMMUNITY AND SOCIAL SERVICES	24,045,465	23,372,007	47,417,472
HOUSING	16,342,058	105,575,462	121,917,520
PLACES SALES	1,987,749	46,579,422	48,567,171
SPORT AND RECREATION	20,803,636	55,696,628	76,500,264
WASTE MANAGEMENT	4,025,000	58,180,780	62,205,780
WASTE WATER MANAGEMENT	87,610,500	55,056,779	142,667,279
ROADS AND TRANSPORT	26,996,000	85,857,734	112,853,734
WATER	41,286,000	61,952,606	103,238,606
ELECTRICITY	28,558,270	428,651,020	457,209,290
<b>TOTAL EXPENDITURE</b>	<b>278,567,774</b>	<b>1,101,891,005</b>	<b>1,380,458,780</b>

2. that in terms of section 28 of the MFMA, the amendments proposed for incorporation into the 2010/11 adjustments budget attached as Annexures A to E to the departmental report, be adopted.

**(The full Adjustments Budget documentation will be included in the official minutes and will also be distributed with the report to Council.)**

Meeting: Ref No: Col No:	Spec EM&MC - 21/01/2011 5/2/2	Submitted by Directorate: Author/s: Referred from:	Financial Services C M Petersen EM&MC - 21/01/2011
<b>PARAGRAPH:</b>	<b>ACTION:</b>	<b>RESPONSIBLE DEPT:</b>	<b>DUE DATE:</b>

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5. (1) **MID-YEAR SERVICE DELIVERY PERFORMANCE ASSESSMENT REPORT (MFMA S72 (1)(a)(ii) REPORT) AS AT 1 JULY – 31 DECEMBER 2010**  
(2) **PROGRESS REPORT ON RESOLVING OUTSTANDING TARGETS AS IN THE ANNUAL REPORT 2009/2010 (MFMA S72 (1)(a)(iii) REPORT)**  
(3) **REVISED TOP LAYER SDBIP FOR THE SECOND HALF OF THE FINANCIAL YEAR 2010/2011 (PERIOD 01 JANUARY 2011 – 30 JUNE 2011)**

The enclosed report of the Executive Director: Strategic Services was tabled and considered.

**RESOLVED**

that it be recommended to Council that the following reports be adopted:-

1. Mid-Year Service Delivery Performance Assessment Report (MFMA S72 (1)(a)(ii) Report) as at 1 July – 31 December 2010;
2. Progress Report on Resolving Outstanding Targets as in the Annual Report 2009/2010 (MFMA S72 (1)(a)(iii) Report); and
3. Revised Top Layer SDBIP for the second half of the Financial Year 2010/2011 (Period 01 January 2011 – 30 June 2011).

**(The annexures to the departmental report will be included in the official minutes and will also be distributed with the report to Council.)**

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Meeting: Ref No: CoI No:	Council – 26/01/2011 2/2/8	Submitted by Directorate: Author/s: Referred from:	Strategic Services N G Ndolela EM&MC - 21/01/2011
<b>PARAGRAPH:</b>	<b>ACTION:</b>	<b>RESPONSIBLE DEPT:</b>	<b>DUE DATE:</b>

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**6. PROPOSED LEASE OF HOSPITAL STREET CLINIC: PORTION OF ERF 34 WELLINGTON TO THE WELLINGTON COMMUNITY LEARNING CENTRE**

The above report of the Executive Director: Corporate Governance was considered and tabled.

**RESOLVED**

that this item be resubmitted at the Special Executive Mayor and Mayoral Committee meeting scheduled for 2 February 2011.

Meeting: Ref No: Col No:	Spec EM&MC - 21/01/2011 7/2/4/2 x 15/4/1 (34)W	Submitted by Directorate: Author/s: Referred from:	Corporate Governance N Marais
<u>PARAGRAPH:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

The meeting ended at 10:30.

**CHAIRPERSON:** .....

**DATE:** .....

**Confirmed on ..... with/without amendments.**