



**MINUTES OF A SPECIAL COUNCIL MEETING OF THE EMFULENI LOCAL MUNICIPALITY HELD AT BOPHELONG STADIUM, BOPHELONG ON FRIDAY, 29 MAY 2009 AT 14:00**

**ATTENDANCE – COUNCILLORS:**

HLONGWANE N G	(Speaker)	
MSHUDULU S A	(Executive Mayor)	
KUNENE M T	(Chief Whip)	
LETSOENYO M R	(Public Safety)	
MALISA D M	(Administration – including Corporate Services, Human Resources, IT and Legal)	
MOEPADIRA T S	(Sports, Recreation, Arts and Culture)	
MUIR M P	(Member of the Mayoral Committee: Local Economic Development, Tourism and Development Planning)	
PITSO S E	(Housing)	
RANAKE K J M	(Finance)	
RONYUZA M T	(Public Transport, Roads and Public Works)	
THABANE T J S	(Infrastructure, Electricity, Water and Sanitation)	
THULO N R	(Waste Management, Refuse and Landfill)	
VUNDISA F N	(Health and Social Development)	
BIKITSHA B M		MASODISA M D M
COERTZE Y		MATSEI N P
DE WEERD S H		MNCUBE B
GODOLI V M		MNGUNI F M A
GQELOSHA M P		MOFOKENG P L
GROENEWALD R H		MOKALE B A
HLANYANE S J		MOLEKO A
HOFFMAN D C J		MOLLO D S
JANSEN VAN RENSBURG N M		MOQOBANE N N
KARSTEN A S J		MOROLONG A M
KGOTLENG M G		MOSIA A N
KHOMOEASERA M L		MOTSIRI T S
KOLISANG M S		MUIR L A
LEHLAKE R J		MXUNYA P S
LOUW P J		NAKEDI M E
MADUNA A B		NGUBANE L S
MAHAO J M		NKHI T E
MAHOMED C		NQUBA T S
MALHOU M L		NTLELE C P
MAQUTYANA M		NTOMBELA K
MASEKO B P		NXONGO P N G
		PHEKO M B
		PLAATJIE D J
		POOE N S
		QUPE D C
		RADEBE A M
		RAIKANE M D
		RAMASHAMOLE M T
		RAPHUTI P
		RUELE M N E
		SEEMELO H D
		SKELM P C
		TSHABALALA D E
		TSOARI J J
		TSOTETSI M J
		VENTER M
		WILLIAMS F V
		XABA J N
		ZONDO P
		ZWANE G M

## **OFFICIALS**

Mr T W Moeti	- Acting Municipal Manager
Mr A Ramokolo	- Deputy Municipal Manager: Basic Services
Mr A Lambat	- Chief Financial Officer
Dr H J Wiese	- Deputy Municipal Manager: Economic, Development Planning and IDP
Ms L Mahlangu	- Deputy Municipal Manager: Corporate Services
Mr L D Kamolane	- Deputy Municipal Manager: Public Safety and Community Development
Mr P Rakosa	- Manager: Communication and Marketing
Mr G Magoma	- Manager: Office of the Executive Mayor
Mr P Motaung	- Manager: Budget
Mr V Mkhontwana	- Office of the Speaker
Mr J Mkhwane	- Office of the Chief Whip
Ms C L Lerata	- Acting Manager: Secretariat and Admin Support
Mr M P Mazibuko	- Secretariat

## **PRESENT PER INVITATION**

Mr M S Mofokeng	- Executive Mayor (Sedibeng District Municipality)
Mr A Makhubo	- Chief Whip (Sedibeng District Municipality)
Mr M E Macu	- Councillor ( Sedibeng District Municipality)
Mr S J Radebe	- South African National Civic Organisation)

## **A. OPENING AND WELCOME**

At the request of the Speaker, Councillor N G Hlongwane, Councillor N R Thulo led the singing of the National Anthem, whereafter the Acting Manager: Secretariat and Administrative Support read the notice convening the Meeting.

## **B. APPLICATION FOR LEAVE OF ABSENCE**

### **RESOLVED THAT**

1. application for leave of absence be granted to Councillors:

Maduna L J  
Mahomed C  
Mogotsi K A  
Mokono S H  
Mooi N J  
Rabie C  
Senekal G M  
Tsunke J N

2. it be noted that the following Councillors were absent without apologies:

Britz N D  
Leburu M M  
Sale M C.

### **C. OFFICIAL ANNOUNCEMENTS**

The Speaker, Councillor N G Hlongwane made the following announcements:

- The next Council sitting will be on Friday, 26 June 2009 and a recess will commence from 26 June 2009 till 17 July 2009.
- Vaal Weekblad will be hosting an Oscar Evening today 29 May 2009 where they will be paying homage to businesses that have been operating since 1964 and our Executive Mayor will be receiving an award on behalf of Emfuleni.
- The National Prosecutor has dropped charges against our Council Whip.
- She informed members that Councillor Abel Motaung has officially changed his surname to Radebe.
- Emfuleni Sports Committee will be hosting visitors from Machabeng Local Municipality tomorrow at Cecil Oldridge Stadium, your support will be highly appreciated.
- Emfuleni Fire Brigade and Rescue team took part on the South African Emergency Services Institute (SAESI) competitions and won a second place in the Vehicle Extrication Team and First Place on High Angle Rescue Team.

Individual achievements were awarded to:

Mr C Vundisa (Best incident Commander) and  
Mr B Pienaar (Best Rigger)

- A Policy Review Workshop will be held on Wednesday, 17 June 2009, further details will be forwarded in due course.
- Please be informed that Councillor A S J Karsten is the new Whip for DA.
- The office of the Council Speaker will be embarking on IGR programmes with other municipality starting with Mangaung Local Municipality
- Lastly she wished Councillor L J Maduna and Mr L Petse a speedy recovery from their illness.

### **D. REPORTS OF THE MAYORAL COMMITTEE**

The Executive Mayor, Councillor S A Mshudulu in presented item A1119 - A1124 for consideration by Council.

**REPORTS OF THE MAYORAL COMMITTEE ON MATTERS WHICH MUST BE CONSIDERED BY COUNCIL ON 29 MAY 2009**

**ITEM A1119**  
**EMFULENI LOCAL MUNICIPALITY**  
**QUARTERLY FINANCIAL REPORT**  
**FROM THE MUNICIPAL MANAGER**  
**FOR THE PERIOD ENDED 31 MARCH 2009**  
**(SECTION 80 EXTENDED FIN 21-05-09)**  
**(MC 26-05-09)**

**8/8/1**

**RESOLVED THAT**

1. the contents of the report be noted;
2. the report be forwarded to Council for adoption and
3. the information be forwarded to Provincial Treasury and the Auditor General in accordance with section 71 of the Municipal Finance Management Act of 2003.

**ITEM A1120**  
**EMFULENI LOCAL MUNICIPALITY**  
**QUARTERLY STAFF COST REPORT**  
**FROM THE MUNICIPAL MANAGER**  
**FOR THE PERIOD ENDED 31 MARCH 2009**  
**(SECTION 80 EXTENDED FIN 21-05-09)**  
**(MC 26-05-09)**

**8/8/1**

**RESOLVED THAT**

1. the contents of the report be noted and
2. the report be forwarded to Council in terms of section 66 of the Municipal Finance Management Act of 2003 for adoption.

**ITEM A1121**  
**LOCAL GOVERNMENT MUNICIPAL PROPERTY RATES POLICY**  
**(MC 26-05-09)**

**8/14/5**

**RESOLVED THAT**

1. the Draft Municipal Property Rates Policy after taking into account all comments and representations made to it or received as highlighted in the report, be approved;
2. the Municipal Property Rates Policy as amended be implemented from 1 July 2009 and
3. the Annual Valuation be done in terms of the Policy.

**ITEM A1122**  
**MUNICIPAL BY-LAWS TO GIVE  
EFFECT TO RATES POLICY  
(SECTION 80 EXTENDED FIN 21-05-09)  
(MC 26-05-09)**

**9/2/5/1**

**RESOLVED THAT**

1. the Municipal draft Rates By-Laws approved by Council on 30 May 2008, under Item A1011 to give effect to the implementation of the Municipal draft Property Rates Policy, be adopted with effect 1 July 2009 in terms of section 6(1) of the Local Government: Municipal Property Rates Act, No. 6 of 2004; and
2. the Municipality's Legal Department in terms of sections 13 and 21 of the Local Government: Municipal Systems Act, No. 32 of 200, takes the necessary steps for the promulgation of the Municipal Rates By-Laws to give effect to the implementation of the Municipal Property Rates Policy.

**ITEM A1123**  
**LEVYING OF GENERAL RATE  
ASSESSMENT RATES:  
2009/2010 FINANCIAL YEAR  
(MC 26-05-09)**

**8/14/5**

**RESOLVED THAT**

1. the following property rates be levied for the 2009/2010 financial year in accordance with existing Council policies; both the Local Government: Municipal Property Rates Act No. 6 of 2004 and Local Government: Municipal Financial Management Act No. 56 of 2003 unless otherwise indicated:
  - 1.1 The cent-in-the-rand to be levied on residential properties as defined in the Rates Policy for 2009/2010 is proposed to be R0, 0064. This is the base rate and all other rates levied will be shown as a ratio to the residential rate as shown hereunder

Rates ratios in relation to the residential rate:

<b>Categories</b>	<b>Ratio in relation to residential property</b>	<b>Proposed tariff</b>
Residential property	1:1	R0.0064
Business, commercial and industrial	1:2	R0.0128
Agricultural and farm land (Bona Fide Farmers)	1:0.25	R0.0016
State owned properties	1:2	R0.0128
Public benefit organizations	1:1	R0.0064
Public Infrastructure	1:0.25	R0.0016
Mining properties	1:2	R0.0128
Servitudes	1:0.25	R0.0016
All vacant land	1:10	R0.0640

2. based on ratio's in 1.1 above the following categories of property usage and/or property owners as defined in section 11 of the Municipal Property Rates Policy be granted exemptions and rebates:

2.1 The following categories of property be exempted from rates:-

- (a) Municipal properties

Refer to section 6.1 (f) of Municipal Rates Policy properties: not rateable

- (b) Residential properties

On the first R15 000 of all residential properties including farms and small holdings 10 hectares and less that are not use for bona fide farming but for residential purposes as defined in this Policy, will be exempted from paying rates (Not levying a rate).

- (c) Provisions made in Section 7 (2) (a) and the exclusions outlined in section 17 of the Local Government: Municipal Property Rates Act, No. 6 of 2004.

2.2 In terms of section 15 of the Local Government: Municipal Property Rates Act, No. 6 of 2004 the following rebates be granted based on the market value less amount already exempted:

- (a) All residential properties, including farms and small holdings 10 hectares and less that are not use for bona fide farming but for residential purposes be rebated by the amount of rates payable on the municipal value as indicated:

<b>Municipal Value</b>	<b>% Rebate on rate</b>
First R15000	Exempt [Section 17(h) of the Act].
R15 001 to R150 000	100%
R150 001 to R1000 000	30%
R1000 001 to R2000 000	20%
R2000 001 and more	15%

- (b) All residential sectional title properties, as defined in the Rates Policy, be rebated by the amount of rates payable on the municipal value as indicated:

<b>Municipal Value</b>	<b>% Rebate on rate</b>
First R15000	Exempt [Section 17(h) of the Act].
R15 001 to R150 000	100%
R150 001 to R1000 000	50%
R100 001 to R2000 000	45%
R2000 001 and more	40%

- (c) All residential vacant land as defined in the Rates Policy, be rebated by the amount of rates payable on the municipal value as indicated:

<b>Category</b>	<b>Municipal Value</b>	<b>% Rebate on rate</b>
	First R15000	Exempt [Section 17(h) of the Act].
Residential vacant land	R40 000 and less	100%

- (d) All state owned properties as defined in the Rates Policy, qualify for a 20% rebate.
- (e) Special rebates to registered owners of residential properties who are senior citizens, disabled and/or medically unfit persons qualifying according to gross monthly household income of all persons normally residing on that property.

To qualify for the rebate a property owner must:

- i) Be a natural person.
- ii) Be the registered owner of the property.
- iii) Occupy the property as his her normal residence on a full time basis.
- iv) Be at least 60 years of age or in receipt of a disability pension.
- v) Complete a prescribed application form obtainable from the Municipality.
- vi) Application form must be accompanied by an affidavit as confirmation that all information contained in the application is true and correct.

The following also apply:

- i) If the residence is vacated or the applicant passes away or an applicant reaches the age-restriction during the year, remission shall be calculated pro rate as from such date;
- ii) medically unfit persons who have not been declared unfit by a pension fund must submit the necessary proof that they have been declared unfit together with supporting evidence from two registered medical physician;
- iii) disabled persons who have not been declared disabled must submit the necessary proof that they have been declared unfit together with supporting evidence from two registered medical physicians;
- iv) submission of bank statements or other official financial proof of income;
- v) special rebates only be granted to applicants who's municipal accounts are paid in full;
- vi) applications must be submitted before 31 August of each financial year or the normal rates will be applicable;

- vii) if the applicant owns other properties for which a market related rental is obtained the rental will form part of the gross monthly household income;
- viii) if the permitted use of a property in this category changes during a financial year, any rebate is forfeited from the date of approval by the Council of such change;
- ix) must not be a recipient of an indigent subsidy;
- x) special rebates be suspended if the applicant does not comply with (i) to (ix) mentioned above and
- xi) proposed gross monthly household income levels is set out in the table hereunder

<b>Gross monthly household income</b>	<b>%</b>
R0 – R2000	100
R2001 to R3500	80
R3501 to R4000	60
R4001 to R4500	40
R4501 to R5000	20

- (f) All Public benefit properties as defined in the Rates Policy qualify for a 50% rebate.

Council resolved at its meeting held on 31 May 2007 under Item A904, resolution 5 that the residential tariff for services be applicable to all Welfare Organizations and Sport Clubs and that the difference in tariffs be budgeted for as income foregone. If properties are categorised as public benefit properties the above tariff be applicable.

This rebate only be applicable to rates payable.

Organizations and institutions that are not categorised as public benefit and who are of the view that they qualify need to apply annually for a rebate by completion of a prescribed application form.

The following also apply:

1. Applications only be considered after an application on the prescribed form has been lodged with the Municipality on an annual basis. Applications must reach the Municipality before 31 August preceding the start of the financial year for which relief is sought, failing which rebate will lapse and only be re-instated once the application has been approved.
2. All applications must be made under oath by the chairperson of the organization or institution. In addition, applications by public benefit organisations must be accompanied by a letter from the South African Revenue Service confirming that the organisation qualifies for exemption in terms of the Income Tax Act.

- a. All other property owners seeking an exemption submit a letter from the organization or institution and an affidavit certifying that the activities performed are not for gain.
  3. Submission of a written affidavit reaches the Chief Financial Officer before 31 August of the year preceding the start of the financial year for which relief is sought.
  4. An application for an exemption or rebate must authorise the Municipality to inspect the property at any reasonable time during the financial year to confirm compliance with the conditions of the rebate. Where access is denied, the rebate may be withheld, or withdrawn, if already effective.
  5. The onus rests on the applicant to ensure that the application form and all supporting documents are lodged timeously, and that the property concerned qualifies for the rebate;
  6. Application must be accompanied by a income and expenditure statement and balance sheet that indicate the inability to pay for rates.
  7. The effective date of a rebate shall be the date when the Municipality approves the application, irrespective of whether or not the property qualified for rebate in terms of its use prior to that date.
  8. The Municipality reserves the right to refuse an rebate if the details supplied in the application are incomplete, incorrect, or false.
- (g) Owners of agricultural and farm-land who are billed at a rate other than the rate residential rate of bona fide farmers and who are of the view that they are bona fide farmers, needs to apply for a rebate by applying in writing requesting rebate:

The following apply:

1. Applications will only be considered after an application on the prescribed form has been lodged with the Municipality on an annual basis. Applications must reach the Municipality before 30 June preceding the start of the financial year for which relief is sought, failing which rebate will lapse and will only be re-instated once the application has been approved;
2. All applications must be made under oath. In addition, owner must be registered with the South African Revenue Service as a farmer and must submit a copy of the last IT 48 ("calculations of taxable income from farming operations");
3. An application must authorise the Municipality to inspect the property at any reasonable time during the financial year to confirm compliance with the conditions of the rebate;

4. The Municipality reserves the right to refuse a rebate if the details supplied in the application are incomplete, incorrect, or false.

(h) Specified development zones for commercial or industrial developers

Where the Council identifies specific development zones or potential commercial and industrial development within its area of jurisdiction, development within these areas may be encouraged by granting rebates in accordance with the Development Incentive Policy of Council.

(i) Owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality.

2.3 Owners of property situated within an area affected by a disaster (Refer to Disaster Management Act. No 57 of 2002) and any other serious adverse social or economic condition will be dealt with by Council as per event.

2.4 On receiving applications for a special rating areas in terms of section 22 of the Local Government: Municipal Property Rates Act, No. 6 of 2004 the Municipality will in consultation with the community:

- \* discuss the establishing of a committee representing the community.
- \* determine the boundaries of such an area.
- \* indicate how the area is to be improved by funds derived from additional rates.
- \* determine what the additional rates will be.
- \* establish separate accounting and recordkeeping systems.

3. all Councillors inform the community within their respective Wards through the applicable administrative channels of what the implication of the implementation of the Local Government: Municipal Property Act entails, especially related to **Annexure (pages 94 - 96)** attached to the report and

4. rates tariffs be published and communicated as set out in section 75(A)(2)(3) of the Local Government: Municipal Systems Act, No. 32 of 2000 as well as in terms of section 14 (2)(3) of the Local Government: Municipal Property Rates Act.

**ITEM A1124**  
**ADJUSTMENT BUDGET 2008-09**  
**(MC 26-05-09)**

**8/2/1 - 2008-2009**

**RESOLVED THAT**

1. the adjustments be noted and
2. the adjustments budget for the 2008/09 year be approved by Council.

--- The Executive Mayor, Councillor S A Mshudulu in presenting the Final Integrated Development Plan 2009/10 and the Multi-Year Draft Budget – 2009/10 (Including 2010/11 and 2011/2012) addressed Council and his speech is **attached as Annexure (pages 40 - 51)**.

**ITEM A1125**  
**FINAL INTEGRATED DEVELOPMENT PLAN 2009/10**  
**(IDP STEERING COM 19-05-09) (MC 26-05-09)**

**RESOLVED THAT**

1. the Council note the content of the IDP and
2. the Council adopt the Final Integrated Development Plan (IDP) for 2009/10.

**ITEM A1126**  
**MULTI-YEAR DRAFT BUDGET – 2009/10 (Including 2010/11 and 2011/2012)**  
**(MC 26-05-09)**

**RESOLVED THAT**

1. the Final Budget be approved by the Council;
2. the Council note that the Draft Budget was tabled before Council at its meeting of 31 March 2009, where after the Draft Budget was taken for public consultation with all relevant stakeholders;
3. the Council note that the Draft Budget was reviewed and interrogated by the Budget Steering Committee, which was set up in terms of the Budget Regulations, and chaired by the Executive Mayor
4. the Budget Steering Committee meets quarterly to review the performance for the period for all clusters;
5. Council approve the Final Budget together with the budget related resolutions as stated below for the 2009/10 financial year:
  - a) the annual budget of the municipality is tabled for approval as contained in the Schedule A as tables detailed below:
    - ❖ Table A1 – Budget Summary
    - ❖ Table A2 – Budgeted Financial Performance (Revenue and Expenditure by standard classification)
    - ❖ Table A3 - Budgeted Financial Performance (Revenue and Expenditure by municipal vote)
    - ❖ Table A4 - Budgeted Financial Performance (Revenue and Expenditure)
    - ❖ Table A5 – Budgeted Capital Expenditure by Vote, Standard classification and Funding
    - ❖ Table A6 – Budgeted Financial Position
    - ❖ Table A7 – Budgeted Cash Flow
    - ❖ Table A8 – Cash backed reserves/Accumulated surplus reconciliation
    - ❖ Table A9 – Asset Management
    - ❖ Table A10 – Basic service delivery measurement

- b) that the proposed property rates and taxes tariffs increases be tabled for approval for implementation effective from 01 July 2009 as contained in the separate MPRA reports;
- c) that the proposed electricity tariff increase of 34% be tabled for approval for implementation effective from 01 July 2009;
- d) that the proposed water tariff increase of 15% be tabled for approval for implementation effective from 01 July 2009;
- e) Council table that sundry tariff increase of 6.8% be tabled for approval for implementation effective from 01 July 2009;
- f) that, except for electricity related charges; there will be no changes to the capital contribution charge (for bulk infrastructure). Noting its impact on the investment environment in Emfuleni Local Municipality, council also tables to mandate the department of Economic Development and Planning in consultation with Basic Services Cluster to re-evaluate the contribution formula and report to Council by 30th October 2009;
- g) that the Cemeteries tariff increase of 6.8% be tabled for approval for implementation effective from 01 July 2009;
- h) that the Strategic budget policy document must be amendment to be in line with new National Treasury budget regulations by 30<sup>th</sup> September 2009;
- i) that the draft Integrated Development Plan be tabled for approval and
- j) that the SDBIP will be prepared in line with MFMA for subsequent approval by the Executive Mayor.

**E. CLOSURE**

The Meeting closed at 15:45

CERTIFIED AS CORRECT

**COUNCILLOR N G HLONGWANE  
SPEAKER**

Date: .....



**MINUTES OF A SPECIAL COUNCIL MEETING OF THE EMFULENI LOCAL MUNICIPALITY HELD AT BOPHELONG STADIUM, BOPHELONG ON FRIDAY, 29 MAY 2009 AT 14:00**

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