

## **EXECUTIVE MAYOR'S FOREWORD**

Sec. 122 of the Municipal Finance Management Act requires of each Municipality to prepare financial statements which duly represents "the state of affairs of the Municipality, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results and its financial position as at the end of the year".

I verily belief that the 2007/2008 financial statements are a reflection of what the Act requires.

My predecessor in his foreword to the 2006/2007 financial statements highlighted the critical and strategic issues that impacts on our financial viability. These issues remain relevant although some have been addressed whether fully or partly. In this regard the valuations in terms of the new Property Rates Act have been finalised and we are well on track in implementing same at the start of the new 2009/2010 financial year. We have established a Procurement unit, adopted a procurement policy as well as establishing the evaluation and adjudication bid committees. The procurement network and software programme will be fully functional towards the end of September 2008. Non-financial managers will be trained on this towards the middle of October 2008.

Our biggest short term challenge was however the filling of senior vacancies in our Administration. The Municipal Manager, who was suspended in November 2007 resigned before the disciplinary process could be finalised. The Chief Financial Officer who was also the Acting Accountant Officer, until the 23<sup>rd</sup> of May 2008, has also resigned. This effectively left Council with only one full time Sec. 57 appointment. This matter has now been addressed and we have appointed both a Director Technical as well as a Director Community Services on the 28<sup>th</sup> of August 2008. Both the positions of Chief Financial Officer and Municipal Manager have been advertised. The short listing and interview for CFO were conducted and a Special Council Meeting is scheduled for September 2008 for the appointment of same. The closing date for the vacancy of Municipal Manager was 29 August 2008 and we contemplate appointing the incumbent at the Council meeting on 30 September 2008. I believe that a fully capacitated senior management team will speed up the recovery process that we have embarked upon with the adoption of our 5 year Integrated Deve

In my budget speech of 29 May 2008 I alluded to the responsibility entrusted on us as the political leadership. We have committed ourselves to champion the financial recovery of this Municipality. We will ensure a stable political environment because it is paramount for a sound Financial Governance Framework. We have further committed ourselves to ensure:

1. That all our financial commitments are met timeously.
2. Arrears and payment by bulk resources be monitored.
3. Payment of all short term debt within the financial year incurred.
4. Compliance with formats and statutory requirements.

Please accept my appreciation for the support from the Deputy Mayor, Speaker, Executive Committee members and all other Councillors for their assistance in achieving this goal. To the Acting Municipal Manager and especially the Acting CFO and his staff I commend you for your hard word and dedication.

---

**COUNCILLOR KEVIN KLAASEN**  
**EXECUTIVE MAYOR**