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April 2022
**OPEN NEWSLETTER TO ALL RESIDENTS
of Cederberg Municipality**

Issued by the Office of the Executive Mayor,
Dr Ruben Richards, 26 April 2022 (17h00)

Title of this message:

Let's tighten our belts

Dear Residents of the Cederberg

REMEMBERING FREEDOM DAY

Tomorrow, 27 April, we remember the first all-inclusive democratic elections which represented a turning point in the history of our country. As you reflect on this momentous event, I wish you a relaxing and meaningful public holiday day. Let's be reminded that the journey to democracy took time, and required everybody to tighten their seat belts and make a lot of sacrifices.

OUR FINANCIAL AND SERVICE DELIVERY CHALLENGES

We face a similar challenge as try to save a sinking ship called Cederberg Municipality. And we will save it, I assure you. Unfortunately, our financial situation is desperate. We are technically bankrupt. Previous councils of the municipality have bequeathed us a cumulative debt of R127 million. For the past five years, in particular, the ruling councils of the municipality approved what is called unfunded budgets which is essentially a contravention of the law. In short, the expenses of the municipality were more than the income received. In order to balance the books, the council approved taking money allocated for grants, subsidies and infrastructure projects in order to pay salaries and other operational costs. In addition, people were given jobs even though the municipality could not afford it. Now we sit with a massive problem. Our challenge is to get to a FUNDED budget – a legal budget.

For the past few years, there was no adequate credit control and this has resulted in residents not paying their accounts on time. This in turn has resulted in a Debtors book of over R100m. In other words, ordinary residents owe the municipality for their accounts (water, electricity, refuse removal, property taxes) which are in arrears. Please help us by paying your accounts.

Unfortunately, our running (operational) expenses are more than our income. Also, over at least the past five years, almost nothing was spent on maintenance because there was simply no money to do it with. And that is now causing a crisis nearly every week with pumps breaking, pipes bursting, sewerage spills, electrical failures and our garbage collection truck more broken and in for repairs than on the road collecting garbage. We therefore face a crisis at a service delivery level. And that is why in the proposed new budget (2022/23) we have made service delivery priority number one. We agree with the recommendations from Provincial and National government that we must go back-to-basics. That means we must focus on our core business and reduce and/or remove all non-core business items and activities. This is part of the process of tightening the belt. We must bring our expenses in line with our income. That is the responsible and legal thing to do. And we will do just that to the best of our ability. Unfortunately, it is going to take a bit of time and it is going to be disruptive for some people. We need R127m to turn around the municipality. That is the size of the hole left to us by the previous councils.

GOOD NEWS – WE RESOLVE PROBLEMS

Time marches swiftly by and so much has happening in the municipality that I will need a book to tell you everything. I did not get a chance to write you a letter in March 2022 and I don't want to miss April. But I am sure you are keeping pace of events through the various social media platforms. With this letter let me highlight and summarise the months of March and April as I experienced it.

March 2022

- New Municipal Manager, Dawie Adonis walked in to take up office in Clanwilliam.
- 500 tons of crawfish walked out onto the beach sands of Elands Bay due to red tide.
- Citrusdal water shortage crisis is resolved (in February we had the Clanwilliam water shortage crisis).
- Mayor conducts an inclusive strategic planning and budgeting process to guide the turn around strategy for the municipality.
- Mayor tables the draft budget for 2022/23.

- Vote of no confidence is table against the Mayor, Deputy Mayor and Speaker. The matter was resolved on 12 April and all three persons still hold their positions.

April 2022

- Covid 19 restrictions are relaxed by President Ramaphosa and we are almost back to normal.
- Water shortage in Eland Bay resolved.
- Sewerage spill in Elands Bay resolved.
- Clanwilliam Skou is relaunched successfully.
- A historic handover of houses to residents of Citrusdal by the Mayor. The last time houses were built and handed over in Citrusdal was 24 years ago.
- Electrical crisis leave part of Clanwilliam in darkness for almost 24 hours
- Senior Manager resigns after admitting that he falsified his qualifications.
- Mayor meets with Premier and Cabinet Ministers to request support to turn around the municipality.
- Mayor meets with Cederberg Rate Payers and Business Chambers to discuss the future of the municipality and how we can collectively help to turn the ship around.
- Feedback IDP visits to the various towns completed.

THE CLEAN UP IS UNDERWAY – Let's tighten our belts

We are in the process of cleaning up the municipality – both inside and outside. Our inside (i.e. our administration) is being fixed up. Our outside face (i.e. basic service delivery – water, sewerage, garbage collection, electricity) is receiving attention. We are trying hard to get our budget to a FUNDED position.

I wish to say thank you to all staff who are committed to being part of the clean up. I also want to say thank you to all residents who are helping us by way of giving us good advice, and giving us practical support and also paying your bills on time. To those of you who pray for us regularly, a big thank you. Keep praying please.

No doubt, there will always be those who are negative. We will pray for them also.

We have enormous challenges ahead of us. But with all of us pulling together, we will be able to pull the cow out of the ditch so that we save both the cow and the milk.

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