

## Jacky Smith

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**From:** Lizell Kilowan on behalf of Speaker  
**Sent:** Tuesday, 21 April 2026 14:54  
**To:** TWK Budget  
**Subject:** FW: Concept Budget 2026/2027

Regards

Lizell Kilowan  
Senior Admin Officer: Councillor Support, Ward Committees and Public Participation  
**Corporate Services**  
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**From:** Sarel Stone <[sarelstone52@gmail.com](mailto:sarelstone52@gmail.com)>  
**Sent:** Monday, 13 April 2026 10:59  
**To:** Municipal Manager <[mm@twk.gov.za](mailto:mm@twk.gov.za)>; Executive Mayor - TWK Municipality <[Mayor@twk.gov.za](mailto:Mayor@twk.gov.za)>; Speaker <[speaker@twk.gov.za](mailto:speaker@twk.gov.za)>; Michelle Botes <[michellebotes8@gmail.com](mailto:michellebotes8@gmail.com)>; Theunis Zimmermann <[tzimmermann@twk.gov.za](mailto:tzimmermann@twk.gov.za)>; Lincoln De Bruyn <[lmdb59@gmail.com](mailto:lmdb59@gmail.com)>; Romeo De Lange <[RomeoDe@twk.gov.za](mailto:RomeoDe@twk.gov.za)>; Wilfred Schrevian Evan Solomons-Johannes <[wilfredso@twk.gov.za](mailto:wilfredso@twk.gov.za)>; Walter Hendricks <[walterhe@twk.gov.za](mailto:walterhe@twk.gov.za)>; Joanna Marzec-Visagie <[JoannaDi@twk.gov.za](mailto:JoannaDi@twk.gov.za)>; Sanet Lötter <[sanetlo@twk.gov.za](mailto:sanetlo@twk.gov.za)>; Weldon Wells <[wwells@twk.gov.za](mailto:wwells@twk.gov.za)>  
**Subject:** Fwd: Concept Budget 2026/2027

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Council Members  
TWK MUNICIPALITY,  
CALEDON

Good day all,

Due to the fact that the TWK municipality is under a FRP, the following concerns:

1. According to a FRP your main objective must be water, power, sanitation and refuse removal. All other services or projects are over and above the real income to provide these essential services. Following the above, services to roads, stormwater etc will be regarded as priorities.

2. According to your budget, employee costs are 35%, which is way above the average in any successful commercial business. TWK currently has 699 fulltime and 181 contract employees. We believe that is also above the needs for proper service delivery with effective management.

3. We understand your document correctly, the gross budgeted income for 26/27 is R996 M, implicating a 100% pay rate [according to the Section 71 figures it is currently 83%]. If you can average this, the R996 M budgeted income changes to R827 M.

Again, if we interpret your document correctly, the budgeted expenditure is R958 M, and according to your budget the total expenditure will be not less than R958 M. This doesn't leave you with a surplus of R38 M (according to the budget), but a projected / unfunded amount of R171 M.

4 Your document also states that the budgeted Capital Expenditure drops from R122 M in 25/26 to R42 M for 26/27, which is a drop of 42% against the Adjustment Budget and consequently a tremendous drop in essential services. Is this one of the reasons that TWK are presenting a unfunded budget?

5 Under the FRP TWK's main objectives must be:

Financial Viability,  
Good Governance,  
Institutional Development,  
Basic Service Delivery,  
Local Economic Development.

6 We have interpreted your budget correctly, the amount for Road Infrastructure is R2 M for 26/27 and R0 for the next two years. For Storm Water and Solid Waste Water it is R0 for 26/27 and also R0 for the following two years.

7 According to the Budget papers, if we read correctly, TWK's line losses reach 3,997,000 kw on electricity and 910775 Kiloliter on water. Is this perhaps the reason for the water restrictions?

8 A salary increase, if we read correctly, of 4% for employees and 6% for councillors, while TWK is under FRP? Is this reasonable and correct?

9 TWK is under heavy financial constraints with Investments of R36,5 M MARCH Sect 71 and External loans of R162 M. The interest paid on these loans is R1,5 M with only R4,5 M capital reduction.

10 The total Debtors stands at R392 M with an increase of 2,1 % higher than in February and against the FRP prescriptions with R234 M, exceeding a year. This is not an asset, never ever will TWK recover this, it's a permanent loss.

11 Regarding the above, CALEDON, GRABOUW, GENADENDAL, BOTRIVIER and RURAL are the main culprits, if we use Villiersdorp as the benchmark on a high 4%. Any progress in getting TWK's money back under FRP rules?

12 The total Creditors stands at R105 M with R74M older than 180 days and R28 M outstanding for more than a year. How does TWK stimulate positive LOCAL ECONOMIC DEVELOPMENT with this way of bullying the local businesses, FRP?

13 Debtors are 273% higher than the creditors, bad financial oversight and management.

14 Why can the income per individual town not be spent in this specific town?

Example; Gross income per town minus a proportional contribution as per percentage of total income of TWK for admin purposes per town = amount available to a proper IDP and normal operating costs.

15 If you keep GOOD GOVERNANCE in mind, why are we sitting mainly with an acting person in our top management structure, for example at this current moment, acting MM, acting CFO? The

ongoing internal struggles cost a lot of time and money for TWK and the tax and service payers, unnecessary court cases and individual claims against TWK, while under a FRP

16 There is no benefit for the public to attend a Concept Budget Meeting, while there are three wards together in one hall at the same time

It seems like a box ticking meeting because the chance is that 99% that no new proposals will be taken up in the budget, the result of an incorrect IDP process and we all know no that a true and correct IDP with proper inputs from the public is a must and the backbone for a trustworthy Budget

17 Our submission is that this Budget will be an undated one due to incorrect figures, bad IDP processes and political instability

18 You are more than welcome to arrange a meeting with us if you differ from anything mentioned above

Regards,

SJ STONE,  
VICE- CHAIRMAN, acting as,  
CHAIRMAN,  
VILLIERSDORP RATEPAYERS ASS