



1. In terms of Section 24 of the Municipal Finance Management Act, Council must at least 30 days before the start of the financial year consider approval of the annual budget. The MFMA aims to put in place a sound financial framework and sets out timelines for budget preparations and approval.
2. Inadequate planning for the budget process has emerged as the major reasons amongst municipalities who fail to table their budget before Council on time. Planning therefore becomes critical in the successful development of a credible and sustainable budget.
3. The Budget Process for 2010/2011 commenced in August 2009 with the tabling of MTREF time schedule outlining the deadlines and this was done in compliance with Section 21 of the MFMA.
4. The New Budget and Reporting Regulations were gazetted in April 2009, and all municipalities are expected to comply with these regulations, with Umjindi's compliance scheduled to take effect from the 2010/2011 financial year, as a medium capacity municipality.
5. Officials from office of the Chief Financial Officer attended training which was arranged by National Treasury in collaboration with the Provincial Treasury to capacitate officials on the New Budget and Reporting Regulations and this took place on the 9th and 10th November 2009.
6. The IDP representative forum was held on the 13th November 2009 to prioritize on the needs identified by the communities.
7. The Adjustment Budget was also tabled in January 2010 to assess the municipality's mid-term performance, which Adjustment Budget was used as the basis for compilation of the 2010/11 Budget.

8. On 2nd February 2010 an IDP Review Meeting was held to consider institutional needs and to consolidate those needs with prioritized community needs
9. A workshop on the New Municipal Budget and Reporting Regulations was held and facilitated by the CFO on the 9th February 2010 to capacitate Management, Councilors and other staff on the requirements of these regulations as Gazetted on the 17 April 2009.
10. Another workshop was facilitated by the CFO on the 16 February 2010 on the approach to the 2010/2011 Budgeting Process.
11. On the 17th and 19th February 2010, Management convened to draft the Turnaround Strategy for the municipality which strategy was incorporated and aligned to the IDP and the Budget. The Strategy was assessed and reviewed by the National Department of Corporate Governance and Traditional Affairs in collaboration with the Provincial COGTA and Ehlanzeni District Municipality on the 24th February 2010.
12. Budget meetings were scheduled and held on the 2nd and 9th March 2010 to consider budget inputs and motivation from departments.
13. On the 15th March 2010, the draft medium term budget allocations were issued and submitted to all departments for their further input.
14. The Draft budget was then presented to extended Mayoral for assessment on the 23rd March 2010 and for further input.
15. The Draft Medium-Term Revenue and Expenditure Framework was tabled before Council on the 31st March 2010. Subsequent to the tabling, the draft budget and proposed tariffs were published for stakeholders and public comments during April and May 2010. Advertisements were placed in the local newspapers, municipal website, municipal libraries and at the municipal offices. As per legislative requirements, the draft budget and tariffs were

submitted to Provincial and National Treasury for comments. Public participation was open for 15 days.

16. Stakeholder and community inputs were considered by the extended Mayoral Committee and inputs consolidated, reviewed and amendments to the draft budget finalised on the 24th May 2010.
17. The final Medium-Term Revenue and Expenditure Framework was tabled before Council for approval on the 27th May 2010.
18. The table below outlines the timelines for the overall process of Budget, Tariffs and IDP

<i>BUDGET & TARIFF PROCESS 2010/2011</i>	<i>TIMEFRAME</i>
Tabling of MTREF time schedule outline for deadlines	15 September 2009
IDP representative forum	13 November 2010
Tabling of Adjustment Budget 2009/2010	28 January 2010
Issuing of budget and tariff guidelines	January 2010
IDP review meeting	2 February 2010
Training to Councilors, Management and other staff	9 & 16 February 2010
Drafting and finalization of Turnaround Strategy	17, 19 & 24 February 2010
Submission of draft tariffs and budgets to treasury office	26 February 2010
Budget Meetings – submission of inputs, issuing final indicatives and submission of final draft budget and tariffs	2,9,15 & 23 March 2010
Tabling of draft budget, tariffs and draft SDBIP – Section 80 and Mayoral	29 & 30 March 2010
Tabling of the draft budget, tariffs and SDBIP at Council	31 March 2010
Public participation on the tabled budget and tariffs	May 2010
Approval of final budget by special Section 80 and Special Mayoral	May 2010
Council approval of final budget	27 May 2010

19. Office of the Speaker manages the whole process of public participation. The process started off with a meeting of structures where all political parties were consulted. Furthermore, a series of ward public meetings were held with various stakeholders including amongst others businesses, youth and people with disabilities.
20. The table below gives a summary of the ward meetings held:

<i>WARD</i>	<i>DATE</i>	<i>VENUE</i>
07	4 May 2010	Emjindini Community Hall
05	5 May 2010	Ka-Mhola Secondary
03	6 May 2010	Sikhutsele Primary School
04	9 May 2010	Amon Nkosi Primary School
06	11 May 2010	Town Hall
03	12 May 2010	Kwa-Mhola Primary
01	13 May 2010	Verulum
04	16 May 2010	Ka-Kopper Sports grounds
02a	16 May 2010	Egushede

