



**EDEN DISTRICT MUNICIPALITY**

**FINANCIAL YEAR 2014 - 2015**

**MONTHLY FINANCIAL REPORT**

**30 NOVEMBER 2014**

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## **Glossary**

**Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**Allocations** – Money received from Provincial or National Government or other municipalities.

**Budget** – The financial plan of the Municipality.

**Budget related policy** – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

**Capital expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

**Cash flow statement** – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

**Equitable share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

**Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations April 2009

**MFMA** – The Municipal Finance Management Act – No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

**MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages.

**Rates** – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Unauthorised expenditure** – Generally, spending without, or in excess of, an approved budget.

**Virement** – A transfer of budget.

**Virement policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

**Vote** – One of the main segments into which a budget. In Eden District this means the different GFS classification the budget is divided.

## **Legislative Framework**

This report has been prepared in terms of the following enabling legislation.

### **The Municipal Finance Management Act – No. 56 of 2003**

Section 71: Monthly budget statements

**Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations**

## **PART 1 – IN-YEAR REPORT**

### **SECTION 1 – RESOLUTIONS**

#### **SECTION 71 Monthly budget statements**

These are the resolutions being presented to Council in the Monthly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of section 71 of the Municipal Finance Management Act , Act 56 of 2003.

#### **RECOMMENDATION:**

That Council notes the monthly report and any other supporting documentation on the implementation of the budget and the financial affairs for the month ending 30 November 2014.

### **Section 2 – Executive Summary**

#### **2.1 Introduction**

These figures are presented in terms of section 71 of the MFMA. The information is presented for month of 30 November 2014 year to date.

#### **2.2 Consolidated performance**

##### **2.2.1 Against annual budget (original)**

#### **Revenue by source**

The operating revenue year to date for the Council's own budget totals R97.19m or 47.9% of the budgeted council revenue excluding Roads agency function income.

#### **Operating Expenditure by type**

Expenditure for the first quarter totals R57.7m or 28.8% of the total operating budget. Breakdown of these expenses will be presented further in the report.

#### **Capital Expenditure**

Capital expenditure after the end of the first quarter is still fairly low. The majority of the capital budget consists of the purchase of the regional landfill site to the amount of R5.8m. This project is in the contract phase.

### **2.3 Material variances from SDBIP**

Material variances is properly reported and addressed during the financial year to ensure the administration achieve the service delivery targets by council. Management requested a simplified financial management report that will be compiled and tabled to Mancom from December. This report should address the shortcomings addressed in terms of variance reporting of council and enable the executive management team to implement steps to ensure achievement of targets as per SDBIP.

### **2.4 Remedial or corrective steps**

Report tabled to the management committee can be used as supplement with this FMR report to explain in more details the remedial actions that needed to be implement to address the shortcomings in the implementation of the budget

### **2.5 Conclusion**

Detailed analysis of the municipal performance for the year ending 30 November 2014 will be presented under the different sections of the report.

## **Section 3 – In-year budget statement tables**

### **3.1 Monthly budget statements**

### 3.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Eden - Table C1 Monthly Budget Statement Summary - M05 November									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	2 601	4 500	-	649	2 725	1 875	850	45%	4 500
Transfers recognised - operational	141 197	170 060	-	27 732	83 396	70 858	12 538	18%	170 060
Other own revenue	131 931	134 257	-	1 872	11 068	55 940	(44 872)	-80%	134 257
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>275 728</b>	<b>308 817</b>	<b>-</b>	<b>30 253</b>	<b>97 190</b>	<b>128 674</b>	<b>(31 484)</b>	<b>-24%</b>	<b>308 817</b>
Employee costs	146 056	95 117	-	10 315	38 622	39 632	(1 010)	-3%	95 117
Remuneration of Councillors	6 969	7 705	-	601	2 962	3 211	(249)	-8%	7 705
Depreciation & asset impairment	8 136	8 322	-	680	1 705	3 468	(1 762)	-51%	8 322
Finance charges	485	530	-	-	80	221	(140)	-64%	530
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	4 244	36 253	-	233	881	15 106	(14 224)	-94%	36 253
Other expenditure	107 893	158 385	-	3 497	13 462	65 994	(52 531)	-80%	158 385
<b>Total Expenditure</b>	<b>273 782</b>	<b>306 313</b>	<b>-</b>	<b>15 327</b>	<b>57 714</b>	<b>127 630</b>	<b>(69 917)</b>	<b>-55%</b>	<b>306 313</b>
<b>Surplus/(Deficit)</b>	<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>	<b>38 433</b>	<b>3684%</b>	<b>2 504</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>	<b>38 433</b>	<b>3684%</b>	<b>2 504</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>	<b>38 433</b>	<b>3684%</b>	<b>2 504</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>6 935</b>	<b>8 300</b>	<b>-</b>	<b>-</b>	<b>84</b>	<b>417</b>	<b>(333)</b>	<b>-80%</b>	<b>-</b>
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	<b>6 935</b>	<b>8 300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total sources of capital funds</b>	<b>6 935</b>	<b>8 300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	112 081	113 384	-	-	-	-	-	-	113 384
Total non current assets	533 338	532 282	-	-	-	-	-	-	532 282
Total current liabilities	74 736	67 533	-	-	-	-	-	-	67 533
Total non current liabilities	112 624	117 570	-	-	-	-	-	-	117 570
<b>Community wealth/Equity</b>	<b>458 059</b>	<b>460 563</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460 563</b>
<b>Cash flows</b>									
Net cash from (used) operating	20 820	9 020	-	14 926	39 476	3 758	(35 718)	-950%	9 020
Net cash from (used) investing	1 399	(5 766)	-	9 496	61 884	-	(61 884)	#DIV/0!	2 534
Net cash from (used) financing	(622)	(650)	-	-	-	-	-	-	(650)
<b>Cash/cash equivalents at the month/year end</b>	<b>94 581</b>	<b>97 186</b>	<b>-</b>	<b>-</b>	<b>116 628</b>	<b>98 340</b>	<b>(18 288)</b>	<b>-19%</b>	<b>26 172</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	536	462	351	9 614	-	-	-	-	10 963
<b>Creditors Age Analysis</b>									
Total Creditors	3 417	-	-	-	-	-	-	-	3 417



DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M05 November

Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>170 532</b>	<b>196 577</b>	-	<b>29 979</b>	<b>94 984</b>	<b>81 907</b>	13 077	16%	<b>196 577</b>
Executive and council		169 420	195 274	-	29 979	94 032	81 364	12 668	16%	195 274
Budget and treasury office		-	-	-	-	-	-	-	-	-
Corporate services		1 112	1 302	-	-	952	543	409	75%	1 302
<i><b>Community and public safety</b></i>		<b>5 122</b>	<b>6 024</b>	-	<b>274</b>	<b>2 106</b>	<b>2 510</b>	(404)	-16%	<b>6 024</b>
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		4 962	5 855	-	252	2 014	2 440	(426)	-17%	5 855
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		160	169	-	22	92	70	22	31%	169
<i><b>Economic and environmental services</b></i>		<b>99 994</b>	<b>106 132</b>	-	-	<b>9</b>	<b>44 222</b>	(44 212)	-100%	<b>106 132</b>
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		99 869	106 000	-	-	-	44 167	(44 167)	-100%	106 000
Environmental protection		125	132	-	-	9	55	(46)	-83%	132
<i><b>Trading services</b></i>		<b>80</b>	<b>84</b>	-	-	<b>90</b>	<b>35</b>	55	156%	<b>84</b>
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	90	-	90	#DIV/0!	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		80	84	-	-	-	35	(35)	-100%	84
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	<b>275 728</b>	<b>308 817</b>	-	<b>30 253</b>	<b>97 190</b>	<b>128 674</b>	<b>(31 484)</b>	<b>-24%</b>	<b>308 817</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>90 585</b>	<b>117 701</b>	-	<b>7 865</b>	<b>29 417</b>	<b>49 042</b>	(19 625)	-40%	<b>117 701</b>
Executive and council		47 138	63 639	-	2 324	10 011	26 516	(16 505)	-62%	63 639
Budget and treasury office		16 295	24 699	-	2 341	8 109	10 291	(2 182)	-21%	24 699
Corporate services		27 152	29 363	-	3 201	11 297	12 235	(938)	-8%	29 363
<i><b>Community and public safety</b></i>		<b>61 059</b>	<b>65 305</b>	-	<b>6 275</b>	<b>24 194</b>	<b>18 055</b>	6 138	34%	<b>65 305</b>
Community and social services		2 312	2 918	-	328	1 105	1 216	(111)	-9%	2 918
Sport and recreation		8 305	9 743	-	980	3 350	4 059	(709)	-17%	9 743
Public safety		26 839	25 179	-	2 080	8 678	10 491	(1 814)	-17%	25 179
Housing		-	-	-	-	-	-	-	-	-
Health		23 604	27 465	-	2 887	11 061	2 289	8 772	383%	27 465
<i><b>Economic and environmental services</b></i>		<b>117 747</b>	<b>118 237</b>	-	<b>986</b>	<b>3 343</b>	<b>3 894</b>	(551)	-14%	<b>118 237</b>
Planning and development		8 456	6 909	-	780	2 628	2 879	(250)	-9%	6 909
Road transport		101 020	108 891	-	-	-	-	-	-	108 891
Environmental protection		8 272	2 436	-	205	715	1 015	(300)	-30%	2 436
<i><b>Trading services</b></i>		<b>4 391</b>	<b>5 070</b>	-	<b>201</b>	<b>760</b>	<b>2 112</b>	(1 353)	-64%	<b>5 070</b>
Electricity		-	-	-	-	-	-	-	-	-
Water		2 074	3 708	-	27	97	1 545	(1 448)	-94%	3 708
Waste water management		11	-	-	-	-	-	-	-	-
Waste management		2 305	1 362	-	174	663	567	96	17%	1 362
<i><b>Other</b></i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	<b>273 782</b>	<b>306 313</b>	-	<b>15 327</b>	<b>57 714</b>	<b>73 104</b>	<b>(15 390)</b>	<b>-21%</b>	<b>306 313</b>
<b>Surplus/ (Deficit) for the year</b>		<b>1 945</b>	<b>2 504</b>	-	<b>14 926</b>	<b>39 476</b>	<b>55 570</b>	<b>(16 094)</b>	<b>-29%</b>	<b>2 504</b>

### **3.1.2 Table C2: Monthly Budget Statement - Financial Performance (standard classification)**

This table reflects the operating budget (Financial Performance) in the standard classifications which is the Government Finance Statistics Functions and Sub-function. These are used by National Treasury to assist in the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures being used by the different institutions.

The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3

#### **Operating Revenue:**

Revenue performance shows a totals of R97m of a total budget of R203m received year to date for the month ending November. The majority of this revenue constitutes National and Provincial grants. These grants are used to fund the municipal operations. The municipal budget excluding conditional grants totals R166m. Excluding conditional grant funding the municipal performance in terms of income totals 39.4%. This figure should be analysed to ensure the municipal implement and collect all income as per the council approved budget.

#### **Operating Expenditure**

Operating expenditure for the period totals R57.7m or 28.8% of the budgeted expenditure in terms of Council's own funded budget. That is excluding the Roads Agency function. These expenditures consist mostly of employee related cost and councillor remuneration that totals 72% of the expenditure year to date.

DC4 Eden - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive & Council		169 420	195 274	-	29 979	94 032	81 364	12 668	15.6%	195 274
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 112	1 302	-	-	952	543	409	75.5%	1 302
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		160	169	-	22	92	70	22	31.3%	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		4 962	5 855	-	252	2 014	2 440	(426)	-17.5%	5 855
Vote 9 - Waste Management		80	84	-	-	-	-	-	-	84
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	90	-	90	#DIV/0!	-
Vote 13 - Environmental Protection		125	132	-	-	9	55	(46)	-83.0%	-
Vote 14 - Roads Agency Function		99 869	106 000	-	-	-	44 167	(44 167)	-100.0%	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>275 728</b>	<b>308 817</b>	<b>-</b>	<b>30 253</b>	<b>97 190</b>	<b>128 639</b>	<b>(31 449)</b>	<b>-24.4%</b>	<b>202 516</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive & Council		45 505	63 639	-	2 324	10 011	26 516	(16 505)	-62.2%	63 639
Vote 2 - Budget and Treasury Office		17 928	24 699	-	2 341	8 109	10 291	(2 182)	-21.2%	24 699
Vote 3 - Corporate Services		27 152	29 363	-	3 201	11 297	12 235	(938)	-7.7%	29 363
Vote 4 - Planning and Development		8 456	6 909	-	780	2 628	2 879	(250)	-8.7%	6 909
Vote 5 - Public Safety		26 838	25 179	-	2 080	8 678	10 491	(1 814)	-17.3%	25 179
Vote 6 - Health		23 604	27 465	-	2 887	11 061	11 444	(383)	-3.3%	27 465
Vote 7 - Community and Social Services		2 312	2 918	-	328	1 105	1 216	(111)	-9.1%	2 918
Vote 8 - Sport and Recreation		8 305	9 743	-	980	3 350	4 059	(709)	-17.5%	9 743
Vote 9 - Waste Management		2 305	1 362	-	174	663	567	96	16.9%	1 362
Vote 10 - Road Transport		1 152	2 891	-	-	-	1 205	(1 205)	-100.0%	2 891
Vote 11 - Waste Water Management		11	-	-	-	-	-	-	-	-
Vote 12 - Water		2 074	3 708	-	27	97	1 545	(1 448)	-93.7%	3 708
Vote 13 - Environmental Protection		8 272	2 437	-	205	715	1 015	(300)	-29.6%	2 437
Vote 14 - Roads Agency Function		99 869	106 000	-	-	-	44 167	(44 167)	-100.0%	106 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>273 782</b>	<b>306 313</b>	<b>-</b>	<b>15 327</b>	<b>57 714</b>	<b>127 631</b>	<b>(69 917)</b>	<b>-54.8%</b>	<b>306 313</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>1 946</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 008</b>	<b>38 468</b>	<b>3816.3%</b>	<b>(103 797)</b>

**3.1.3 Table C3: Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)**

Reporting per municipal vote provide details on the spread of spending over the various functions of council.

Income is mainly budgeted under the Executive and Council function and therefor the majority of the income will be reflected under this section.

The consolidation of the Roads Agency function into the budget of Eden reflects under the Roads Transport municipal function above.

No reporting of the information in terms of the Roads Agency function is included in the report.

**DC4 Eden - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November**

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates								-		
Property rates - penalties & collection charges								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Service charges - other								-		
Rental of facilities and equipment		1 248	2 357		34	(656)	982	(1 638)	-167%	2 357
Interest earned - external investments		2 601	4 500		649	2 725	1 875	850	45%	4 500
Interest earned - outstanding debtors					85	424		424	#DIV/0!	
Dividends received					-	-		-		
Fines					-	-		-		
Licences and permits					-	-		-		
Agency services		11 280	12 671		1 010	5 049	5 280	(231)	-4%	12 671
Transfers recognised - operational		141 197	170 060		27 732	83 396	70 858	12 538	18%	170 060
Other revenue		119 403	119 229		743	6 251	49 679	(43 428)	-87%	119 229
Gains on disposal of PPE					-	-		-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>275 728</b>	<b>308 817</b>	<b>-</b>	<b>30 253</b>	<b>97 190</b>	<b>128 674</b>	<b>(31 484)</b>	<b>-24%</b>	<b>308 817</b>
<b>Expenditure By Type</b>										
Employee related costs		146 056	95 117		10 315	38 622	39 632	(1 010)	-3%	95 117
Remuneration of councillors		6 969	7 705		601	2 962	3 211	(249)	-8%	7 705
Debt impairment		650	800		-	-	333	(333)	-100%	800
Depreciation & asset impairment		8 136	8 322		680	1 705	3 468	(1 762)	-51%	8 322
Finance charges		485	530		-	80	221	(140)	-64%	530
Bulk purchases					-	-		-		
Other materials					-	-		-		
Contracted services		10 372	9 975		365	3 334	4 156	(822)	-20%	9 975
Transfers and grants		4 244	36 253		233	881	15 106	(14 224)	-94%	36 253
Other expenditure		96 871	147 610		3 132	10 128	61 504	(51 376)	-84%	147 610
Loss on disposal of PPE					-	-		-		
<b>Total Expenditure</b>		<b>273 782</b>	<b>306 313</b>	<b>-</b>	<b>15 327</b>	<b>57 714</b>	<b>127 630</b>	<b>(69 917)</b>	<b>-55%</b>	<b>306 313</b>
<b>Surplus/(Deficit)</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>	<b>38 433</b>	<b>0</b>	<b>2 504</b>
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>			<b>2 504</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>			<b>2 504</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>			<b>2 504</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>1 043</b>			<b>2 504</b>

### **3.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)**

#### **Revenue by Source**

Revenue by source explains the types of income budgeted for and the performance of these items individually.

#### **Rental of facilities and equipment:**

As previously reported and as per the In-year monitoring reporting to Provincial Treasury corrective journals was processed to correct incorrect accounting entries as per the Annual Financial statements. These resulted in debited income reported for the month of November.

The municipal resorts budgeted incomes are recorded against this Income category. Most of the resorts tariffs and income are recorded over the period November 2014 to February 2015. This should improve the income for this category in the coming months.

#### **Interest earned – External Investments:**

Interest income was conservatively estimated with the approved council budget totalling R4,5m. The actual performance of interest income totals 67%. This is due to council investing access funds not utilised for operational purposes into short-term investments with the major banks. This is in line with the approved policy and optimising of council funds is one of the main contributing factors towards this performance.

#### **Transferred recognised – operational**

Grant received for the month of November totals R27.7m. These grants consist of the following:

- Expanded Public works program – R300,000 (30%)
- Municipal Disaster recovery grant – R27,432,000

Grant spending will commence as soon as the required processes to process payments are implemented are conclude.

#### **Other revenue / Sundry income**

With the implementation of the Credit control of council, interest are levied against outstanding amounts of 10.25%. Year to date interest levied totals R424,130. Other incomes reported under Sundry income include Roads Agency function (Actuals R5,049,00).

#### **Gains on disposal of PPE (Sale of Land)**

No income was recorded under the Gains on disposal of PPE as there was no disposal of assets.

## **Expenditure by Type**

Expenditure by type reflects the operational budget per main type/category of expenditure.

### **Employee Related cost / Remuneration of councillors**

Employee and council remuneration totals R41,6m of the total expenditure of R57.7m. Year to date this represent 72% of council expenditure. More details will be provided in section 8.

### **Debt Impairment / Depreciation and asset impairment**

These items account for non-cash budgeted items. (GRAP related items). Year to date accounting entries for depreciation totals R1,7m of a total budget of R8,322,031. That represents a totals of 20.4%.

### **Finance charges**

Yearly repayments of the loans are processed in March and September. Payments were processed during the month of September in terms of the loans outstanding. Outstanding balance on council loan liability totals R1,169,115.38

### **Contracted services**

Contracted services expenses of R3.3m are reflected in the financial results for the period 30 November 2014. This is mainly the contract workers employed in the fire fighting section.

### **Other expenditure**

Other expenditure reflects all other expenditure not identified. The spending on other expenditure is low and will pick up as the year progresses as SCM and other processes are finalized.

### 3.1.5 Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

DC4 Eden - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M05 November										
Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		485	1 000	-	-	84	417	(333)	-80%	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		400	1 300	-	-	-	-	-	-	-
Vote 6 - Health		250	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		-	200	-	-	-	-	-	-	-
Vote 9 - Waste Management		5 800	5 800	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>6 935</b>	<b>8 300</b>	-	-	<b>84</b>	<b>417</b>	<b>(333)</b>	<b>-80%</b>	-

#### Variances explained in Supporting Table C5

The municipality is currently experiencing new challenges in terms of the Regional Landfill site, the main capital project of council. Council approved an extension of the contract of one of the main service providers required to assist with the project and this has greatly improved negotiations and performance of the project.

The purchase of the landfill site is in the contract phase and should be completed within the next two months.

The municipality was required to provide a bank guarantee to finalise the payment of the land. This process was conclude and the lawyers should be in a position to transfer the land into the name of the municipality within the 3<sup>rd</sup> quarter of the year.

### 3.1.6 Table C6: Monthly Budget Statement - Financial Position

#### DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		94 582	95 686			95 686
Call investment deposits		-	-			-
Consumer debtors		6 784	6 757			6 757
Other debtors		4 402	4 402			4 402
Current portion of long-term receivables		2 534	2 534			2 534
Inventory		3 778	4 005			4 005
<b>Total current assets</b>		<b>112 081</b>	<b>113 384</b>	-	-	<b>113 384</b>
<b>Non current assets</b>						
Long-term receivables		39 724	37 190			37 190
Investments		-	-			-
Investment property		347 611	345 577			345 577
Investments in Associate		-	-			-
Property, plant and equipment		142 420	146 406			146 406
Agricultural		-	-			-
Biological assets		-	-			-
Intangible assets		3 541	3 068			3 068
Other non-current assets		41	41			41
<b>Total non current assets</b>		<b>533 338</b>	<b>532 282</b>	-	-	<b>532 282</b>
<b>TOTAL ASSETS</b>		<b>645 419</b>	<b>645 666</b>	-	-	<b>645 666</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-			-
Borrowing		650	700			700
Consumer deposits		-	-			-
Trade and other payables		53 249	44 745			44 745
Provisions		20 837	22 087			22 087
<b>Total current liabilities</b>		<b>74 736</b>	<b>67 533</b>	-	-	<b>67 533</b>
<b>Non current liabilities</b>						
Borrowing		2 856	2 156			2 156
Provisions		109 768	115 414			115 414
<b>Total non current liabilities</b>		<b>112 624</b>	<b>117 570</b>	-	-	<b>117 570</b>
<b>TOTAL LIABILITIES</b>		<b>187 360</b>	<b>185 103</b>	-	-	<b>185 103</b>
<b>NET ASSETS</b>	2	<b>458 059</b>	<b>460 563</b>	-	-	<b>460 563</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		456 412	458 916			458 916
Reserves		1 647	1 647			1 647
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>458 059</b>	<b>460 563</b>	-	-	<b>460 563</b>

The financial statement section will implement monthly financial statements as soon as possible after the finalisation of the external audit.

This should greatly enhance the reporting of the financial position of the municipality. In the interim the status quo will maintain.



### 3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Eden - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		129 870	125 436		2 436	12 470	52 265	(39 795)	-76%	125 436
Government - operating		141 097	170 060		27 732	84 296	70 858	13 438	19%	170 060
Government - capital								-		-
Interest		2 601	4 500		85	424	1 875	(1 451)	-77%	4 500
Dividends								-		-
<b>Payments</b>										
Suppliers and employees		(248 119)	(286 362)		(15 016)	(56 567)	(119 318)	(62 750)	53%	(286 362)
Finance charges		(485)	(530)			(80)	(221)	(140)	64%	(530)
Transfers and Grants		(4 144)	(4 084)		(311)	(1 066)	(1 702)	(635)	37%	(4 084)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>20 820</b>	<b>9 020</b>	<b>-</b>	<b>14 926</b>	<b>39 476</b>	<b>3 758</b>	<b>(35 718)</b>	<b>-950%</b>	<b>9 020</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current debtors								-		
Decrease (increase) other non-current receivables		2 534	2 534					-		2 534
Decrease (increase) in non-current investments					9 496	61 884		61 884	#DIV/0!	-
<b>Payments</b>										
Capital assets		(1 135)	(8 300)					-		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>1 399</b>	<b>(5 766)</b>	<b>-</b>	<b>9 496</b>	<b>61 884</b>	<b>-</b>	<b>(61 884)</b>	<b>#DIV/0!</b>	<b>2 534</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
<b>Payments</b>										
Repayment of borrowing		(622)	(650)					-		(650)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(622)</b>	<b>(650)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(650)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>21 597</b>	<b>2 604</b>	<b>-</b>	<b>24 422</b>	<b>101 360</b>	<b>3 758</b>			<b>10 904</b>
Cash/cash equivalents at beginning:		72 984	94 582			15 268	94 582			15 268
Cash/cash equivalents at month/year end:		94 581	97 186			116 628	98 340			26 172

In response to the numerous request received from Provincial Treasury as well as the In-year monitoring letter in November the Budget and Treasury office start implementing some of the requirements of the municipal circular. The balance on the municipal cash flow report therefor reflects the sum of the following:

- Primary bank balance
- Short-term investment balance end of the month
- Call account balance.

This balance of 116m totals all the cash and cash equivalents of the municipality at the end of the reporting period 30 November 2014.

The BTO office is in the process of implementing the other requirements to ensure proper cash flow reporting to enable sound decision making.

## PART 2 – SUPPORTING DOCUMENTATION

### Section 4 – Debtors' analysis

#### Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November									
Description	NT Code	Budget Year 2014/15						Total over 90 days	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	Total			
<b>R thousands</b>									
<b>Debtors Age Analysis By Income Source</b>									
Trade and Other Receivables from Exchange Transactions - Water	1200						-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300						-	-	
Receivables from Non-exchange Transactions - Property Rates	1400						-	-	
Receivables from Exchange Transactions - Waste Water Management	1500						-	-	
Receivables from Exchange Transactions - Waste Management	1600						-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	33	130	224	2 363	2 750	2 363		
Interest on Arrear Debtor Accounts	1810						-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820						-	-	
Other	1900	503	332	127	7 251	8 214	7 251		
<b>Total By Income Source</b>	<b>2000</b>	<b>536</b>	<b>462</b>	<b>351</b>	<b>9 614</b>	<b>10 963</b>	<b>9 614</b>	<b>-</b>	
<b>2013/14 - totals only</b>									
<b>Debtors Age Analysis By Customer Group</b>									
Organs of State	2200						-	-	
Commercial	2300						-	-	
Households	2400	57	91	188	1 097	1 433	1 097		
Other	2500	479	371	163	8 517	9 531	8 517		
<b>Total By Customer Group</b>	<b>2600</b>	<b>536</b>	<b>462</b>	<b>351</b>	<b>9 614</b>	<b>10 963</b>	<b>9 614</b>	<b>-</b>	

Debtor management has significantly improved over the last couple of months with the implementation of various processes in the debtor section. Council levy interest on outstanding balances.

Capacity within the debtor section is in the process of being addressed and as soon as this can be finalised the collection of debtors should also improve further.

A report needs to be compiled and submitted to council for the write-off of old outstanding debtors not recoverable. This will be done by the deputy manager in charge after consulting with the various stakeholders.

## Section 5 – Creditors' analysis

### Supporting Table C4

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November												
Description	NT Code	Budget Year 2014/15									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300	1 515									1 515	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500	1 140									1 140	
Loan repayments	0600										-	
Trade Creditors	0700										-	
Auditor General	0800	762									762	
Other	0900										-	

Creditors section is busy with a total overhaul of their operating procedures. Standard operation procedures are being compiled and various challenges addressed that was hindering better reporting in terms of Creditors.

This should improve the reporting in future in terms of outstanding creditors but for the time being year to date the status quo will maintain.

## Section 6 – Investment portfolio analysis

	Balance as at 01 Nov 2014	Movements for the month		Balance as at 30 Nov 2014	Interest earned	Interest earned
		Investments matured	Investments made		Month	Year to date
<b>Eden district municipality</b>						
<i>Interest Received YTD</i>				-		1 163 441.50
<i>Standard Bank</i>	21 500 000.00	-21 500 000.00	24 000 000.00	-24 000 000.00	125 942.82	125 942.82
<i>FNB</i>	21 500 000.00	-21 500 000.00	24 000 000.00	-24 000 000.00	122 738.65	122 738.65
<i>ABSA</i>	21 500 000.00	-21 500 000.00	24 000 000.00	-24 000 000.00	124 729.45	124 729.45
<i>Nedbank</i>	21 500 000.00	-21 500 000.00	24 000 000.00	-24 000 000.00	130 089.73	130 089.73
						-
<b>BANK DEPOSITS</b>	<b>86 000 000.00</b>	<b>-86 000 000.00</b>	<b>96 000 000.00</b>	<b>-96 000 000.00</b>	<b>503 500.65</b>	<b>1 666 942.15</b>

### 6.1 Investment monitoring information

As mentioned elsewhere in the document, the municipality invest access funds on short-term investments. The budget for the investment interest was conservatively estimated during the budget process and adjustments needs to be processed to ensure realistic budgeting. Year to date performance totals R1,6m of a budget of R4,5m.

This R4.5m includes the budget for the interest receivable on the primary bank account. The total of R1.6m recorded is the interest received on the short-term investments excluding the primary bank account.

## Section 7 – Allocation and grant receipts and expenditure

### 7.1 Supporting Table C6

DC4 Eden - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M05 November										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		139 393	167 213	-	27 732	83 396	69 672	(3 835)	-5.5%	167 213
Local Government Equitable Share		129 669	134 097		-	53 080	55 874	(2 794)	-5.0%	134 097
Finance Management		1 250	1 250		-	1 250	521			1 250
Municipal Systems Improvement		890	934		-	934	389			934
EPWP Incentive		1 000	1 000		300	700	417			1 000
Municipal Disaster Recovery Grant		6 584	27 432		27 432	27 432	11 430			27 432
LG: Bulk Water and Waste Water infrastruct.	3		2 500		-	-	1 042	(1 042)	-100.0%	2 500
Other transfers and grants [insert description]										
<b>Provincial Government:</b>		1 704	2 847	-	-	900	1 186	(286)	-24.1%	2 847
Integrated Transport Planning - PT		604	900		-	900	375	525	140.0%	900
Nelson Mandela Memorial		150			-					
WC FMG Assistance		550			-					
WC Support - Provincial Treasury	4	400			-					
Rural Roads Asset Management Systems			1 947		-		811	(811)	-100.0%	1 947
Other transfers and grants [insert description]					-					
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	141 097	170 060	-	27 732	84 296	70 858	(4 122)	-5.8%	170 060

## 7.2 Supporting Table C7

DC4 Eden - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		139 393	167 213	-	233	881	69 672	(68 791)	-98.7%	167 213
Local Government Equitable Share		129 669	134 097		-	-	55 874	(55 874)	-100.0%	134 097
Finance Management		1 250	1 250		68	289	521	(232)	-44.5%	1 250
Municipal Systems Improvement		890	934		117	337	389	(52)	-13.5%	934
EPWP Incentive		1 000	1 000		49	255	417	(161)	-38.7%	1 000
Municipal Disaster Recovery Grant		6 584	27 432		-	-	11 430	(11 430)	-100.0%	27 432
LG: Bulk Water and Waste Water infrastruc.			2 500		-	-	1 042	(1 042)	-100.0%	2 500
Other transfers and grants [insert description]								-		
<b>Provincial Government:</b>		1 554	2 847	-	-	-	1 186	(1 186)	-100.0%	2 847
Intergrated Transport Planning - PT		604	900		-	-	375	(375)	-100.0%	900
WC FMG Assistance		550					-	-		-
WC Support - Provincial Treasury		400					-	-		-
Rural Roads Asset Management Systems			1 947		-	-	811	(811)	-100.0%	1 947
Other transfers and grants [insert description]								-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Total operating expenditure of Transfers and Grants:</b>		140 947	170 060	-	233	881	70 858	(69 977)	-98.8%	170 060

Performance reporting on grants will be enhanced to ensure compliance with the Division of Revenue Act that stipulates reporting on all grant performance should be done from the receiving officer.

The municipality will ensure that this is done with the next reporting cycle to council and the reporting will be included in the FMR report to ensure the same information is reported to the various reporting structures of council.

## Section 8 – Expenditure on councillor and board members allowances and employee benefits

### Supporting Table C8

DC4 Eden - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November										
Summary of Employee and Councillor remuneration	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		5 199	5 016		433	2 094	2 090	4	0%	5 016
Pension and UIF Contributions		107	135		10	52	56	(5)	-8%	135
Medical Aid Contributions		107	180		15	76	75	1	1%	180
Motor Vehicle Allowance		1 223	1 709		116	610	712	(102)	-14%	1 709
Cellphone Allowance		282	558		26	130	233	(102)	-44%	558
Housing Allowances										
Other benefits and allowances		50	107				45	(45)	-100%	107
<b>Sub Total - Councillors</b>		<b>6 969</b>	<b>7 705</b>	<b>-</b>	<b>601</b>	<b>2 962</b>	<b>3 211</b>	<b>(249)</b>	<b>-8%</b>	<b>7 705</b>
<b>% increase</b>	4		<b>10.6%</b>							<b>10.6%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3 266	3 150		267	1 399	1 313	87	7%	3 150
Pension and UIF Contributions		417	607		44	177	253	(76)	-30%	607
Medical Aid Contributions		61	65		4	18	27	(9)	-33%	65
Overtime										
Performance Bonus		507	485				202	(202)	-100%	485
Motor Vehicle Allowance		369	471		41	204	196	7	4%	471
Cellphone Allowance		12	41		2	27	17	10	58%	41
Housing Allowances		84	84		7	35	35			84
Other benefits and allowances										
Payments in lieu of leave			45		77	77	19	58	310%	45
Long service awards										
Post-retirement benefit obligations	2									
<b>Sub Total - Senior Managers of Municipality</b>		<b>4 716</b>	<b>4 949</b>	<b>-</b>	<b>441</b>	<b>1 937</b>	<b>2 062</b>	<b>(125)</b>	<b>-6%</b>	<b>4 949</b>
<b>% increase</b>	4		<b>4.9%</b>							<b>4.9%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		86 917	111 662		4 453	22 108	46 526	(24 418)	-52%	111 662
Pension and UIF Contributions		18 332	11 604		931	4 572	4 835	(263)	-5%	11 604
Medical Aid Contributions		13 993	6 705		385	2 809	2 794	15	1%	6 705
Overtime		1 460	1 245		66	340	519	(179)	-34%	1 245
Performance Bonus		(147)								
Motor Vehicle Allowance		8 241	6 037		592	2 969	2 515	454	18%	6 037
Cellphone Allowance		133	596				248	(248)	-100%	596
Housing Allowances		823	565		48	239	235	4	2%	565
Other benefits and allowances		2 822	2 372		41	197	988	(791)	-80%	2 372
Payments in lieu of leave		6 511	4 228		3 358	3 452	1 761	1 691	96%	4 228
Long service awards		158	750				313	(313)	-100%	750
Post-retirement benefit obligations	2	2 095	4 324				1 801	(1 801)	-100%	4 324
<b>Sub Total - Other Municipal Staff</b>		<b>141 339</b>	<b>150 086</b>	<b>-</b>	<b>9 873</b>	<b>36 685</b>	<b>62 536</b>	<b>(25 851)</b>	<b>-41%</b>	<b>150 086</b>
<b>% increase</b>	4		<b>6.2%</b>							<b>6.2%</b>
<b>Total Parent Municipality</b>		<b>153 023</b>	<b>162 740</b>	<b>-</b>	<b>10 916</b>	<b>41 584</b>	<b>67 808</b>	<b>(26 224)</b>	<b>-39%</b>	<b>162 740</b>

Salary and wages above reflects the salary related expenditure of Eden as well as councillor remuneration.

Total salary related expenses totals R41,6m for the period ending November 2014. The month of November normally constitutes the month where municipal bonuses are paid. The municipality paid a total of R3.5m towards employee bonuses for November 2014. Various vacancies were also budgeted with the adjustment budget process. These vacancies will be reduce with the January budget process and reduce the council salary expenditure to improve the sustainability.

**Section 9 – Municipal manager’s quality certification**