



**EDEN DISTRICT MUNICIPALITY**

**FINANCIAL YEAR 2014 - 2015**

**SECTION 72 - MID YEAR BUDGET AND  
PERFORMANCE REPORT**

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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 72 -Mid-year budget and performance assessment.

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

## **PART 1 – IN-YEAR REPORT**

### **SECTION 1 – MAYORAL SPEECH**

Honourable Speaker, leaders of the Opposition, honourable members of the Eden District Council on both sides of the house, The Municipal Manager and his Executive Management Team, the Members of the Media, interest groups and the citizens of the Eden District Municipality. I would like to express a hearty warm welcome to you all and express my warm wishes to you and your families for 2015. We trust that 2015 will be a great year for us all and especially for the Council and the citizens of the region.

I trust that the festive season was a pleasant time spent with loved ones and family; as we start the New Year all of us have come back and none have fallen victim to the carnage of the many senseless road deaths on our national roads. It is a warm feeling to be able to see the many faces around me and to know that we can continue to walk together this path.

I am not aware if there have been birthdays of fellow councillors in the recess period and if there was any, then let me wish you happy belated birthday and trust that the Almighty would honour you with your wishes.

I would also like to take time to congratulate the Matriculates of the class of 2014 for having done extremely well in their Matric exams, and we trust that the doors of Higher Learning will be opened to allow them to shape their destiny. Those that have not done well in this year, we wish to encourage them to take on the year with much vigour and excitement; they must know that they still have an opportunity to learn and improve their lives and those of your communities. We wish the class of 2015 well and say to them, this is the time to start ploughing the fields of education, remember time waits for no man and therefore we encourage you to start early with the year so that you will reap the benefits of success at the end of the year.

Although this is a new year, 2015, and feels like a new beginning, in terms of our fiscal year we are half way through the 2014/15 financial year already; therefore like any House that has intentions to prosper we need to do some introspections on the 6 months gone to ensure that we can rectify the errors of the past and improve on the success we have achieved thus far.

Let me take this time to congratulate the Municipal Manager, Executive Management Team and the rest of personnel for a Job well done with regard to the Audit outcomes of 2013/14 Financial year for the Clean Audit Report. We take special recognition of the efforts of office to the Chief Financial Officer for the effort invested for this.

The municipality is in the process of addressing the findings of the Auditor General and regular reporting to council and the governing bodies will ensure that council is informed of the progress to solve these issues and improve the operational aspects of council.

As we look forward to new year and the second half of the Fiscal year we remain conscious of the task at hand and service delivery remains as the key objective of Council. That being said, one of our key priorities as council would be to see the establishment of the Regional Land fill site for the region. Our immediate major obligation in the current phase of the project in terms of the capital spending is the purchasing of the land for the Regional Landfill Site.

Various other expenditure adjustments were required to ensure optimal use of the municipal resources and the execution of the mandate of council to enhance operational activities and an adjustment budget will be tabled today before council for approval.

This process is part of the overall Turnaround Strategy (TAS) that will seek to put council in a position to be able to realise the objectives of the Integrated Development Plan (IDP).

## **Revenue by source**

The total Council funded revenue budget as approved during the May budget totals R202 816 882. Performance for the mid-year ending 31 December 2014 totals R145 426 663. This represents a total of 72% of the revenue budgeted. The majority of these revenues is the Equitable Share allocation received to date of R 97 720 000 and other grant allocations.

## **Operating expenditure**

Operational performance in terms of spending totals R69,776,724 for the mid-year ending 31 December 2014. This represents a 34.3% spending based on the budgeted amounts.

More detailed information will be provided in the Adjustment Budget Report which will be tabled in January 2015.

## **Capital Budget performance**

Council approved a capital budget of R8,300,000 during the May budget process. The biggest budget item was the Regional Landfill Site of R5,800,000. This project is in process and the municipality secured the bank guarantees in November as required by the third parties.

Spending levels of the existing capital budget totals 1.2% and various adjustments to the capital budget was requested during the January adjustment budget process to ensure that more service delivery projects are been implemented.

## **SDBIP:**

### **Highlights**

The Top Level SDBIP was approved by the Mayor within the legislative required timeframe, thus being the 20<sup>th</sup> of June 2014. The Departmental SDBIP was approved by the Municipal Manager also within legislative required timeframe, thus being 30<sup>th</sup> June 2014.

Adhering to all legislative requirements as stipulated below:

- Approval of the Top Level SDBIP
- Publication of the Top Level - website
- Approval of the Departmental SDBIP
- All sec 56/57 contracts entered into and signed within the required timeframes
- Submission of the Section 72 and the adjusted Top Level SDBIP
- Started with the basis for the compilation of System Descriptions for the SDBIP

### **Challenges**

- Individual performance management not yet implemented due to the following:
  - Budget constraint
  - Not enough delegates/employees within the PMS Unit to enforce the process without appointing a service provider

I wish you a great 2015 ahead and trust that the second half of the Fiscal will be nothing short of success.

I would therefore like to recommend to council the following:

- i. That Council take note of the Mid-year Budget and Performance Assessment for the six months ending 31 December 2014 in terms of section 72 of the Municipal Finance Management Act.
- ii. That council take note of the recommendations in terms of 72 (3) (a) of the MFMA.



## **SECTION 2 – RESOLUTIONS**

### **Municipal Financial Management Act, 56 of 2003 - SECTION 72 Mid- year budget and performance assessment report.**

These are the resolutions being presented to Council in the mid- year report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of section 72 of the Municipal Finance Management Act 56 of 2003

#### **RECOMMENDATION:**

- (i) That Council take note of the Mid-year Budget and Performance Assessment for the six months ending 31 December 2014 in terms of section 72 of the Municipal Finance Management Act.
- (ii) That council take note of the recommendations in terms of 72 (3) (a) of the MFMA.

## **Section 3 – Executive Summary**

### **3.1 Introduction**

These figures are presented in terms of section 72 of the MFMA. The information is presented for the mid-year period ending 31 December 2014.

### **3.2 Consolidated performance**

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

##### **Revenue by source**

The total Council funded revenue budget as approved during the May budget totals R202 816 882. Performance for the mid-year ending 31 December 2014 totals R145 426 663. This represents a total of 72% of the revenue budgeted. The majority of these revenue is the Equitable Share allocation received to date of R 97 720 000 and other grant allocations.

#### **3.2.2 Operating expenditure**

Operational performance in terms of spending totals R69,776,724 for the mid-year ending 31 December 2014. This represents a 34.3% spending based on the budgeted amounts.

More detailed information will be provided in the Adjustment Budget Report which will be tabled in January 2015.

### **3.3 Capital Budget performance**

Council approved a capital budget of R8,300,000 during the May budget process. The biggest budget item was the Regional Landfill Site of R5,800,000. This project is in process and the municipality secured the bank guarantees in November as required by the third parties.

Spending levels of the existing capital budget totals 1.2% and various adjustments to the capital budget was requested during the January adjustment budget process to ensure that more service delivery projects are been implemented.

More details further in the document.

### **3.4 Material variances from SDBIP (Service Delivery and Budget Implementation Plan)**

The Service Delivery and Budget Implementation Plan(SDBIP) performance of the municipality is attached as Part 3 to this report. This report reflects the municipal performance on the non-financial information for the period 1 July 2014 to 31 December 2014.

### **3.5 Annual Report**

The Annual Report 2013/2014 is in the process of being finalised by the Integrated Development Planning (IDP) unit which will be tabled at the council meeting during in January 2015 as per legislation.

### **3.6 Long-term financial sustainability**

The long term financial plan of council was approved and finalised by council. Part of the long term financial sustainability plan, was the revising of the organigram to align the personnel to their specific functions. The Excellent Enhancement Initiative Task Team (*EEITT*) is a project run by the Office of the Municipal Manager in collaboration with a tertiary institution and the aim is to improve the service delivery potential of the municipality. This project will also contribute to the enhancement and improvement of the long-term financial sustainability of the municipality.

Various policies as required by the Municipal Budget and Reporting Regulations also need to be drafted and this should enhance in ensuring long term financial sustainability when implemented. The Funding and Reserve Policy governs the funding strategy of the municipality which will be drafted and submitted to the policy committee and the council meeting in June 2015 for approval with the Final 2015/2016 MTREF Budget.

### **3.7 Remedial or corrective steps**

This will be dealt with during the adjustment budget process in January 2015. Detailed explanation of the remedial or corrective steps will be provided as part of the budget report to Council.

A report will be tabled with the adjustments required to the Service Delivery and Budget Implementation Plan. (SDBIP) As explained above adjustments to the Operational Revenue and Expenditure budgets will be dealt with in the budget report.

### **3.8 Conclusion**

Detailed analysis of the municipal performance for the mid-year ending 31 December 2014 will be presented under the different sections of the report. More information regarding the performance and explanations will be provided below.

## Section 4 – In-year budget statement tables

### 4.1 Monthly budget statements

#### 4.1.1 Table C1: s71 Monthly Budget Statement Summary

DC4 Eden - Table C1 Monthly Budget Statement Summary - M06 December									
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	-	250	2 975	2 250	725	32%	4 500
Transfers recognised - operational	141 197	170 060	-	44 640	128 936	85 030	43 906	52%	170 060
Other own revenue	131 931	134 257	-	3 347	13 515	67 128	(53 613)	-80%	134 257
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>275 728</b>	<b>308 817</b>	<b>-</b>	<b>48 237</b>	<b>145 427</b>	<b>154 408</b>	<b>(8 982)</b>	<b>-6%</b>	<b>308 817</b>
Employee costs	146 056	95 117	-	7 965	46 588	47 559	(971)	-2%	95 117
Remuneration of Councillors	6 969	7 705	-	585	3 547	3 853	(306)	-8%	7 705
Depreciation & asset impairment	8 136	8 322	-	-	1 705	4 161	(2 456)	-59%	8 322
Finance charges	485	530	-	-	80	265	(185)	-70%	530
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	4 244	36 253	-	98	980	18 127	(17 147)	-95%	36 253
Other expenditure	107 893	158 385	-	3 414	16 876	79 192	(62 316)	-79%	158 385
<b>Total Expenditure</b>	<b>273 782</b>	<b>306 313</b>	<b>-</b>	<b>12 062</b>	<b>69 776</b>	<b>153 157</b>	<b>(83 380)</b>	<b>-54%</b>	<b>306 313</b>
<b>Surplus/(Deficit)</b>	<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>36 175</b>	<b>75 651</b>	<b>1 252</b>	<b>74 399</b>	<b>5943%</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>36 175</b>	<b>75 651</b>	<b>1 252</b>	<b>74 399</b>	<b>5943%</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>36 175</b>	<b>75 651</b>	<b>1 252</b>	<b>74 399</b>	<b>5943%</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>17</b>	<b>101</b>	<b>4 150</b>	<b>(4 049)</b>	<b>-98%</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	-	36 175	75 651	4 510	(71 141)	-1577%	9 020
Net cash from (used) investing	1 399	(5 766)	-	(40 076)	(40 160)	-	40 160	#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>152 119</b>	<b>99 092</b>	<b>(53 027)</b>	<b>-54%</b>	<b>127 532</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	424	480	425	9 614	-	-	-	-	10 943
<b>Creditors Age Analysis</b>									
Total Creditors	3 091	-	-	-	-	-	-	-	3 091

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

DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

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>Revenue - Standard</b>										
<b>Governance and administration</b>		170 532	196 577	-	47 088	142 073	98 288	43 784	45%	196 577
Executive and council		169 420	195 274	-	46 876	140 909	97 637	43 271	44%	195 274
Budget and treasury office		-	-	-	-	-	-	-	-	-
Corporate services		1 112	1 302	-	212	1 164	651	513	79%	1 302
<b>Community and public safety</b>		5 122	6 024	-	491	2 597	3 012	(415)	-14%	6 024
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		4 962	5 855	-	477	2 490	2 927	(437)	-15%	5 855
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		160	169	-	15	107	84	23	27%	169
<b>Economic and environmental services</b>		99 994	106 132	-	18	27	53 066	(53 039)	-100%	106 132
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		99 869	106 000	-	-	-	53 000	(53 000)	-100%	106 000
Environmental protection		125	132	-	18	27	66	(39)	-59%	132
<b>Trading services</b>		80	84	-	640	730	42	687	1627%	84
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	90	-	90	#DIV/0!	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		80	84	-	640	640	42	597	1414%	84
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	275 728	308 817	-	48 237	145 427	154 408	(8 982)	-6%	308 817
<b>Expenditure - Standard</b>										
<b>Governance and administration</b>		90 585	117 701	-	5 741	35 158	58 851	(23 693)	-40%	117 701
Executive and council		47 138	63 639	-	2 718	12 729	31 820	(19 091)	-60%	63 639
Budget and treasury office		16 295	24 699	-	1 137	9 246	12 349	(3 103)	-25%	24 699
Corporate services		27 152	29 363	-	1 886	13 182	14 682	(1 499)	-10%	29 363
<b>Community and public safety</b>		61 059	65 305	-	4 789	28 982	32 653	(3 670)	-11%	65 305
Community and social services		2 312	2 918	-	223	1 328	1 459	(131)	-9%	2 918
Sport and recreation		8 305	9 743	-	788	4 138	4 871	(733)	-15%	9 743
Public safety		26 839	25 179	-	1 501	10 179	12 590	(2 411)	-19%	25 179
Housing		-	-	-	-	-	-	-	-	-
Health		23 604	27 465	-	2 277	13 338	13 732	(395)	-3%	27 465
<b>Economic and environmental services</b>		117 747	118 237	-	581	3 924	4 673	(749)	-16%	118 237
Planning and development		8 456	6 909	-	437	3 066	3 455	(389)	-11%	6 909
Road transport		101 020	108 891	-	-	-	-	-	-	108 891
Environmental protection		8 272	2 436	-	144	859	1 218	(360)	-30%	2 436
<b>Trading services</b>		4 391	5 070	-	952	1 712	2 535	(823)	-32%	5 070
Electricity		-	-	-	-	-	-	-	-	-
Water		2 074	3 708	-	-	97	1 854	(1 757)	-95%	3 708
Waste water management		11	-	-	-	-	-	-	-	-
Waste management		2 305	1 362	-	952	1 615	681	934	137%	1 362
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	273 782	306 313	-	12 062	69 776	98 711	(28 935)	-29%	306 313
<b>Surplus/ (Deficit) for the year</b>		1 945	2 504	-	36 175	75 651	55 698	19 953	36%	2 504

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 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:**

Table C2 reflects the financial performance per Standard Classification and shows that most of the municipal funds are received under the Executive and Council classification. This is because the municipality budgets most of its income under the Governance and Administration function of the Government Financial Statistics (GFS) classification.

The municipality reported a 72% performance for Revenue for the 6 months ending 31 December 2014. This is mainly due to the Equitable share allocation that represents a total of 67% or R97 720 000 of the total income to date of R145 426 663.

The municipality as part of the National DORA Division of Revenue Act, 2015 also received the Disaster Recovery Grant allocations on behalf of the local municipalities within the Eden district to amount of R 27 432 000 during November 2014. These funds will be paid over to the local municipalities within the district on receipt of their respective expenditure claim forms as stipulated in the signed Memorandum of Agreements (MOU) with the respective municipalities.

Other own funded council income reflects a performance of 48% or R13.5m based on a budget of R28.2m.

## **Operating Expenditure**

Council's own funded budget for the financial year totals R202 816 881. This totals excludes the Roads Agency function of R106 000 000 approved during the May council budget. Performance based on these expenditure reflects a 34.3% or R 69 766 724 for the period ending 31 December 2014. Non-cash items budgeted are only accounted for at the end of the financial year. This includes the following:

- Provision for Bad Debts
- Depreciation / Amortization
- Actuarial Loss
- Contributions to provisions.

Adjustments to the budget will be tabled to council to improve performance and enhance service delivery. More details on the detailed cost items provided below.

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

DC4 Eden - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

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	-	46 876	140 909	97 637	43 271	44.3%	195 274
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 112	1 302	-	212	1 164	651	513	78.8%	1 302
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		160	169	-	15	107	84	23	26.8%	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		4 962	5 855	-	477	2 490	2 927	(437)	-14.9%	5 855
Vote 9 - Waste Management		80	84	-	640	640	-	640	#DIV/0!	84
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	90	-	90	#DIV/0!	-
Vote 13 - Environmental Protection		125	132	-	18	27	66	(39)	-58.8%	-
Vote 14 - Roads Agency Function		99 869	106 000	-	-	-	53 000	(53 000)	-100.0%	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>275 728</b>	<b>308 817</b>	<b>-</b>	<b>48 237</b>	<b>145 427</b>	<b>154 366</b>	<b>(8 940)</b>	<b>-5.8%</b>	<b>202 516</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive & Council		45 505	63 639	-	2 718	12 729	31 820	(19 091)	-60.0%	63 639
Vote 2 - Budget and Treasury Office		17 928	24 699	-	1 137	9 246	12 349	(3 103)	-25.1%	24 699
Vote 3 - Corporate Services		27 152	29 363	-	1 886	13 182	14 682	(1 499)	-10.2%	29 363
Vote 4 - Planning and Development		8 456	6 909	-	437	3 066	3 455	(389)	-11.3%	6 909
Vote 5 - Public Safety		26 838	25 179	-	1 501	10 179	12 590	(2 411)	-19.1%	25 179
Vote 6 - Health		23 604	27 465	-	2 277	13 338	13 732	(395)	-2.9%	27 465
Vote 7 - Community and Social Services		2 312	2 918	-	223	1 328	1 459	(131)	-9.0%	2 918
Vote 8 - Sport and Recreation		8 305	9 743	-	788	4 138	4 871	(733)	-15.0%	9 743
Vote 9 - Waste Management		2 305	1 362	-	952	1 615	681	934	137.2%	1 362
Vote 10 - Road Transport		1 152	2 891	-	-	-	1 446	(1 446)	-100.0%	2 891
Vote 11 - Waste Water Management		11	-	-	-	-	-	-	-	-
Vote 12 - Water		2 074	3 708	-	-	97	1 854	(1 757)	-94.8%	3 708
Vote 13 - Environmental Protection		8 272	2 437	-	144	859	1 218	(360)	-29.5%	2 437
Vote 14 - Roads Agency Function		99 869	106 000	-	-	-	53 000	(53 000)	-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>12 062</b>	<b>69 776</b>	<b>153 157</b>	<b>(83 381)</b>	<b>-54.4%</b>	<b>306 313</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>1 946</b>	<b>2 504</b>	<b>-</b>	<b>36 175</b>	<b>75 651</b>	<b>1 210</b>	<b>74 441</b>	<b>6154.3%</b>	<b>(103 797)</b>

Revenue and expenditure reflects the operating performance per municipal vote. This is in accordance with the Government Financial Statistics (GFS) classification of the National Treasury.

Most of the municipal income is budgeted under the Executive and Council functions. Sport and Recreation (Resorts) is the other main municipal function where income budgeting is recorded.

Expenditure per municipal vote is distributed to ensure that the municipal expenditure reflects the functions where expenditure is allocated. This is done to ensure implementation of the Integrated Development Plan (IDP) and for Annual Reporting.

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

DC4 Eden - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
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		39	(616)	1 178	(1 795)	-152%	2 357
Interest earned - external investments		2 601	4 500		250	2 975	2 250	725	32%	4 500
Interest earned - outstanding debtors					88	513	-	513	#DIV/0!	
Dividends received					-	-	-	-		
Fines					-	-	-	-		
Licences and permits					-	-	-	-		
Agency services		11 280	12 671		1 010	6 059	6 335	(277)	-4%	12 671
Transfers recognised - operational		141 197	170 060		44 640	128 936	85 030	43 906	52%	170 060
Other revenue		119 403	119 229		2 209	7 560	59 615	(52 054)	-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>48 237</b>	<b>145 427</b>	<b>154 408</b>	<b>(8 982)</b>	<b>-6%</b>	<b>308 817</b>
<b>Expenditure By Type</b>										
Employee related costs		146 056	95 117		7 965	46 588	47 559	(971)	-2%	95 117
Remuneration of councillors		6 969	7 705		585	3 547	3 853	(306)	-8%	7 705
Debt impairment		650	800		-	-	400	(400)	-100%	800
Depreciation & asset impairment		8 136	8 322		-	1 705	4 161	(2 456)	-59%	8 322
Finance charges		485	530		-	80	265	(185)	-70%	530
Bulk purchases					-	-	-	-		
Other materials					-	-	-	-		
Contracted services		10 372	9 975		313	3 648	4 988	(1 340)	-27%	9 975
Transfers and grants		4 244	36 253		98	980	18 127	(17 147)	-95%	36 253
Other expenditure		96 871	147 610		3 100	13 228	73 805	(60 576)	-82%	147 610
Loss on disposal of PPE					-	-	-	-		
<b>Total Expenditure</b>		<b>273 782</b>	<b>306 313</b>	<b>-</b>	<b>12 062</b>	<b>69 776</b>	<b>153 157</b>	<b>(83 380)</b>	<b>-54%</b>	<b>306 313</b>
<b>Surplus/(Deficit)</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>36 175</b>	<b>75 651</b>	<b>1 252</b>	<b>74 399</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>36 175</b>	<b>75 651</b>	<b>1 252</b>			<b>2 504</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>		<b>1 947</b>	<b>2 504</b>	<b>-</b>	<b>36 175</b>	<b>75 651</b>	<b>1 252</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>36 175</b>	<b>75 651</b>	<b>1 252</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>36 175</b>	<b>75 651</b>	<b>1 252</b>			<b>2 504</b>

#### Revenue by Source

Revenue by sources explains the types of incomes budgeted for and the performance of their items individually.

#### Rental of facilities and equipment:

Corrective entries are required to improve the performance on rental of facilities that's currently reflecting a negative balance for the reporting period ending 31 December 2014. These entries will be processed and the corrections reported during the monthly Financial Management Reports as per the MFMA requirements.

#### Interest earned – External Investments:

Interest earned totals 66% for the mid-year ending 31 December 2014.



Adjustments were processed to ensure that the interest income levels represent a more complete picture as per council approved policy. Access funds are invested on short-term investments with the major banks to ensure that council optimise funds not required for operations.

#### Transferred recognised – operational

Transfers recognised consist of the funds allocated to the municipality in terms of the National and Provincial Division of Revenue Acts yearly. The municipality was allocated a total of

- Equitable Share RSC Replacements - R134,097,000
- Other grants R 36,253,000

Income levels received year to date totals R97,72 m for equitable share and R32,9m for other grants. Included in the other grants is the total of R 27.4 for Disaster Recovery Relief Grant which was received in November 2014 and will be paid out to the different municipalities in the region on receipt of their respective expenditure claim forms for the flood damages incurred.

#### Other revenue

Other revenue totals R13.5m for the period ending 31 December 2014. Various amendments and corrections were processed to this category to ensure achievement of the collection of the budgeted amounts.

Included in other revenue are the following:

- Agency Fees
- Fire fighting income
- Rental income / Sundry income.

#### Expenditure by Type

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

#### Employee Related cost / Remuneration of councillors

See explanation under section 8 of the document.

#### Debt Impairment / Depreciation and asset impairment

As explained above this in non-cash items of council.

#### Finance charges

Loan repayments are processed in March and September yearly. A separate report is tabled to council in terms of Section 46 of the MFMA. No new loans will be taken up for the 2014/2015 financial year.

The outstanding loan balance at the end of December 2014 totals R1 178 882.

#### Contracted services

Year to date performance for contracted services totals R3 647 657 of a total budget of R9 975 303 which represents a total spending of 37% for the mid- year ending 31 December 2014. Salary related expenditure for fire services was budgeted under this line item. Correction of this budgeting will be done during the January 2015 budget and this will ensure more accurate reflecting of the category.

### Other expenditure

Amendments are proposed to other expenditures to ensure the budget is responsive and the implementation will be achieved by 30 June 2015. This detail will be presented in the budget report that will be tabled 30 January to council. Performance for the six months ending 31 December 2014 reflects a spending of R16.876m of a total budget of R52.385m.

#### 4.1.5 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) - M06 December										
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	500	(416)	-83%	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		400	1 300	-	-	-	650	(650)	-100%	-
Vote 6 - Health		250	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		-	200	-	17	17	100	(83)	-83%	-
Vote 9 - Waste Management		5 800	5 800	-	-	-	2 900	(2 900)	-100%	-
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	6 935	8 300	-	17	101	4 150	(4 049)	-98%	-

#### Variances explained in Supporting Table C1

The total capital budget of R8,300,000 was approved in the May 2014 budget process. The biggest project was the purchase of the land for the Regional Landfill Site to the value of R5 800 000. Year to date spending up to 31 December 2014 amounts to 1.2% of the total capital budget. Bank guarantees have been issued to the third parties for the purchase of the land.

The other capital projects approved also requires SCM processes and this will be done in the third quarter of the financial year. Projects include the following:

- Fire Fighting vehicles R1 300 000
- De Hoek Project R 100 000
- Swartvlei Capital Project R 100 000
- IT Equipment R1 000 000

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

DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M06 December

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>-</b>	<b>-</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>-</b>	<b>-</b>	<b>532 282</b>
<b>TOTAL ASSETS</b>		<b>645 419</b>	<b>645 666</b>	<b>-</b>	<b>-</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>-</b>	<b>-</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>-</b>	<b>-</b>	<b>117 570</b>
<b>TOTAL LIABILITIES</b>		<b>187 360</b>	<b>185 103</b>	<b>-</b>	<b>-</b>	<b>185 103</b>
<b>NET ASSETS</b>	2	<b>458 059</b>	<b>460 563</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>	<b>460 563</b>

Table C6 reflects the effect of the combination of the capital and operating implementation of the budget on council's Financial Position.

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

DC4 Eden - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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		3 347	12 785	62 718	(49 933)	-80%	125 436
Government - operating		141 097	170 060		44 640	129 666	85 030	44 636	52%	170 060
Government - capital							-	-		-
Interest		2 601	4 500		250	2 975	2 250	725	32%	4 500
Dividends								-		-
<b>Payments</b>										
Suppliers and employees		(248 119)	(286 362)		(10 898)	(67 465)	(143 181)	(75 716)	53%	(286 362)
Finance charges		(485)	(530)			(80)	(265)	(185)	70%	(530)
Transfers and Grants		(4 144)	(4 084)		(1 165)	(2 231)	(2 042)	189	-9%	(4 084)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>20 820</b>	<b>9 020</b>	<b>-</b>	<b>36 175</b>	<b>75 651</b>	<b>4 510</b>	<b>(71 141)</b>	<b>-1577%</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					(40 059)	(40 059)		(40 059)	#DIV/0!	-
<b>Payments</b>										
Capital assets		(1 135)	(8 300)		(17)	(101)		101	#DIV/0!	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>1 399</b>	<b>(5 766)</b>	<b>-</b>	<b>(40 076)</b>	<b>(40 160)</b>	<b>-</b>	<b>40 160</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>(3 902)</b>	<b>35 491</b>	<b>4 510</b>			<b>10 904</b>
Cash/cash equivalents at beginning:		72 984	94 582			116 628	94 582			116 628
Cash/cash equivalents at month/year end:		94 581	97 186			152 119	99 092			127 532

Municipal cash flow position totalled R152m for the period ending 31 December 2014. Finance is continuously improving the cash flow reporting to ensure more detailed and accurate figures are presented. The cash flow balance represents the actual bank balance at 31 December as well as all investments.

More information regarding this is reported under section 6 below.

## RECALCULATION OF CASH BALANCE AS AT 31 DECEMBER 2014

<b>Cash and Cash equivalents</b>	151,620,217.00
<b>LESS:</b>	104,205,313.00
RSC Replacement Grant received in advance	22,320,000.00
Unspent Conditional Grants	38,386,807.00
Current portion long term liabilities	1,904,452.00
Provision for staf leave	4,756,311.00
Current portion: Post Retirement Benefits	3,155,155.00
Current Portion: Alien Vegetations	2,623,859.00
Performance bonus	509,294.00
Backlog on spending of budget	19,952,000.00
Trade Payables	6,983,685.00
Capital Budget	3,613,750.00
	<u>47,414,904.00</u>
<b>PLUS:</b>	3,227,620.00
VAT Receivable	997,241.00
Receivables Exchange 50%	2,230,379.00
	<u>50,642,524.00</u>
<b>LESS OTHER MATTERS:</b>	18,068,623.00
Capital Replacement Reserve	18,068,623.00
	32,573,901.00
<b>LESS: CONTIGENT LIABILITIES</b>	23,884,471.00
F du Toit (Vicbay Theft)	376,750.00
Claim from Lefatshe Computer Systems	14,007,721.00
Claim from Department of Public Works (Correctional Services Uniondale)	8,300,000.00
A Lamont	1,200,000.00
<b>NET CASH</b>	<u>8,689,430.00</u>

## PART 2 – SUPPORTING DOCUMENTATION

### Section 5 – Debtors' analysis

#### Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December							
Description	NT Code	Budget Year 2014/15				Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days		
<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	37	19	103	2 590	2 747	2 590
Interest on Arrear Debtor Accounts	1810					–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820					–	–
Other	1900	387	461	323	7 024	8 196	7 024
<b>Total By Income Source</b>	<b>2000</b>	<b>424</b>	<b>480</b>	<b>425</b>	<b>9 614</b>	<b>10 943</b>	<b>9 614</b>
<b>2013/14 - totals only</b>							
<b>Debtors Age Analysis By Customer Group</b>							
Organs of State	2200					–	–
Commercial	2300					–	–
Households	2400	75	47	89	1 098	1 309	1 098
Other	2500	349	433	337	8 516	9 635	8 516
<b>Total By Customer Group</b>	<b>2600</b>	<b>424</b>	<b>480</b>	<b>425</b>	<b>9 614</b>	<b>10 943</b>	<b>9 614</b>

Outstanding debtor balance at the end of 31 December 2014 totals R10.9m. This total mostly represents outstanding accounts for longer than 365 days. Finance is in the process of compiling a report to table to council for the write-off of outstanding debtors balances not feasible to recover. Administration is also in the process of capacitating the Debtors section with an additional clerk to ensure that debtor management as per the approved policy are implemented.

## Section 6 – Creditors' analysis

### Supporting Table C4

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December					
Description	NT Code	Budget Year 2014/15			Prior year totals for chart (same period)
		0 - 30 Days	Over 1 Year	Total	
R thousands					
<b>Creditors Age Analysis By Customer Type</b>					
Bulk Electricity	0100			-	
Bulk Water	0200			-	
PAYE deductions	0300	1 188		1 188	
VAT (output less input)	0400			-	
Pensions / Retirement deductions	0500	1 164		1 164	
Loan repayments	0600			-	
Trade Creditors	0700			-	
Auditor General	0800	739		739	
Other	0900			-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>3 091</b>	<b>-</b>	<b>3 091</b>	<b>-</b>

The Creditors analysis is the reflection of outstanding creditors not paid. Due to lack of an integrated financial System there is an element for adjustments to be in order to provide an accurate account of the state of council's affairs. This is being addressed and we hope to implement measures soon in future to ensure that reporting to council is improved.

Council adheres to the MFMA requirement of paying creditors within 30 days of invoice or statement date where applicable.



## Section 7 – Investment portfolio analysis

		Movements for the month				
	Balance as at 01 Dec 2014	Investments matured	Investments made	Balance as at 31 Dec 2014	Interest earned	Interest earned
					Month	Year to date
<b>Eden district municipality</b>						
<i>Interest Received YTD</i>				-		1 666 942.15
<i>Standard Bank</i>	24 000 000.00		-10 500 000.00	34 500 000.00		-
<i>FNB</i>	24 000 000.00		-10 500 000.00	34 500 000.00		-
<i>ABSA</i>	24 000 000.00		-10 500 000.00	34 500 000.00		-
<i>Nedbank</i>	24 000 000.00		-10 500 000.00	34 500 000.00		-
<i>Standard Bank - Bank Guarantee investment</i>	-		-6 378 762.00	6 378 762.00		-
<b>BANK DEPOSITS</b>	<b>96 000 000.00</b>	<b>-</b>	<b>-48 378 762.00</b>	<b>144 378 762.00</b>	<b>-</b>	<b>1 666 942.15</b>
<i>Investments made in November will only mature on the 19th January 2015 - R96m</i>						

### 7.1 Investment monitoring information

Total invested funds at the end of 31 December 2014 totals R144 378 762 as reflected above. The municipality also approved the Investment of the bank guarantee funds into a separate bank account as requested by the third party.

Municipal practice is to invest only with the 4 major banks in South Africa and no more than 25% of funds are invested at any institution as per approved Cash Management and Investment Policy by council.

## Section 8 – Allocation and grant receipts and expenditure

### 8.1 Supporting Table C6

DC4 Eden - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December										
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>		139 997	168 113	-	44 640	128 936	84 057	29 872	35.5%	168 113
Local Government Equitable Share		129 669	134 097		44 640	97 720	67 049	30 672	45.7%	134 097
Finance Management		1 250	1 250		-	1 250	625			1 250
Municipal Systems Improvement		890	934		-	934	467			934
EPWP Incentive		1 000	1 000		-	700	500			1 000
Municipal Disaster Recovery Grant		6 584	27 432		-	27 432	13 716			27 432
LG: Bulk Water and Waste Water infrastruct.	3		2 500		-	-	1 250	(1 250)	-100.0%	2 500
Intergrated Transport Planning - PT		604	900			900	450	450	100.0%	900
Other transfers and grants [insert description]										
<b>Provincial Government:</b>		1 100	1 947	-	730	730	974	(244)	-25.0%	1 947
Intergrated Transport Planning - PT					-		-			-
Nelson Mandela Memorial		150								
WC FMG Assistance		550			730	730		730	#DIV/0!	
WC Support - Provincial Treasury	4	400								
Rural Roads Asset Management Systems			1 947				974	(974)	-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	-	45 370	129 666	85 030	29 628	34.8%	170 060

The report reflects the allocation of grant received as legislated in the yearly Division of Revenue Act.

Currently the municipality received funds in terms of the following grants:

- RSC Replacement of levy EQS
- Finance Management grant (FMG)
- Municipal Systems Improvement Grant (MSIG)
- Expanded Public Works Programme (EPWP)
- Integration Transport Grant
- Disaster Recovery Grant

### 8.2 Supporting Table C7

DC4 Eden - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
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	-	98	980	83 607	(82 627)	-98.8%	167 213
Local Government Equitable Share		129 669	134 097		-	-	67 049	(67 049)	-100.0%	134 097
Finance Management		1 250	1 250		57	346	625	(279)	-44.7%	1 250
Municipal Systems Improvement		890	934		5	342	467	(125)	-26.8%	934
EPWP Incentive		1 000	1 000		36	292	500	(208)	-41.6%	1 000
Municipal Disaster Recovery Grant		6 584	27 432		-	-	13 716	(13 716)	-100.0%	27 432
LG: Bulk Water and Waste Water infrastruc.			2 500		-	-	1 250	(1 250)	-100.0%	2 500
Other transfers and grants [insert description]								-		
<b>Provincial Government:</b>		1 554	2 847	-	-	-	1 424	(1 424)	-100.0%	2 847
Intergrated Transport Planning - PT		604	900		-	-	450	(450)	-100.0%	900
WC FMG Assistance		550					-	-		-
WC Support - Provincial Treasury		400					-	-		-
Rural Roads Asset Management Systems			1 947		-	-	974	(974)	-100.0%	1 947
Other transfers and grants [insert description]								-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
[insert description]								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
[insert description]								-		
<b>Total operating expenditure of Transfers and Grants:</b>		140 947	170 060	-	98	980	85 030	(84 050)	-98.8%	170 060

This report reflects the operational expenditure on these grants. The municipality also reports on these grants individually to National and Provincial Treasury.

Finance is in the process of enhancing the Division of Revenue Act (DORA) reporting with the compilation of a comprehensive report to strengthen the oversight role of council. This report will be implemented within the next reporting cycle and should improve reporting on grant funds.

## Section 9 – 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 - M06 December										
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		A	B	C					%	D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		5 199	5 016		418	2 512	2 508	4	0%	5 016
Pension and UIF Contributions		107	135		10	62	67	(6)	-8%	135
Medical Aid Contributions		107	180		15	91	90	1	1%	180
Motor Vehicle Allowance		1 223	1 709		115	725	855	(129)	-15%	1 709
Cellphone Allowance		282	558		26	157	279	(123)	-44%	558
Housing Allowances										
Other benefits and allowances		50	107				54	(54)	-100%	107
<b>Sub Total - Councillors</b>		<b>6 969</b>	<b>7 705</b>	<b>-</b>	<b>585</b>	<b>3 547</b>	<b>3 853</b>	<b>(306)</b>	<b>-8%</b>	<b>7 705</b>
% increase	4		10.6%							10.6%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	3 266	3 150		267	1 604	1 575	29	2%	3 150
Pension and UIF Contributions		417	607		43	263	304	(41)	-13%	607
Medical Aid Contributions		61	65		4	22	33	(11)	-33%	65
Overtime										
Performance Bonus		507	485				243	(243)	-100%	485
Motor Vehicle Allowance		369	471		41	244	236	9	4%	471
Cellphone Allowance		12	41		2	29	21	8	41%	41
Housing Allowances		84	84		7	42	42			84
Other benefits and allowances										
Payments in lieu of leave			45				23	(23)	-100%	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>364</b>	<b>2 204</b>	<b>2 474</b>	<b>(271)</b>	<b>-11%</b>	<b>4 949</b>
% increase	4		4.9%							4.9%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		86 917	111 662		4 672	26 842	55 831	(28 989)	-52%	111 662
Pension and UIF Contributions		18 332	11 604		920	5 450	5 802	(352)	-6%	11 604
Medical Aid Contributions		13 993	6 705		820	3 628	3 353	276	8%	6 705
Overtime		1 460	1 245		47	387	623	(236)	-38%	1 245
Performance Bonus		(147)								
Motor Vehicle Allowance		8 241	6 037		598	3 567	3 019	548	18%	6 037
Cellphone Allowance		133	596				298	(298)	-100%	596
Housing Allowances		823	565		48	287	282	5	2%	565
Other benefits and allowances		2 822	2 372		45	241	1 186	(944)	-80%	2 372
Payments in lieu of leave		6 511	4 228		453	3 982	2 114	1 868	88%	4 228
Long service awards		158	750				375	(375)	-100%	750
Post-retirement benefit obligations	2	2 095	4 324				2 162	(2 162)	-100%	4 324
<b>Sub Total - Other Municipal Staff</b>		<b>141 339</b>	<b>150 086</b>	<b>-</b>	<b>7 603</b>	<b>44 384</b>	<b>75 043</b>	<b>(30 659)</b>	<b>-41%</b>	<b>150 086</b>
% increase	4		6.2%							6.2%
<b>Total Parent Municipality</b>		<b>153 023</b>	<b>162 740</b>	<b>-</b>	<b>8 551</b>	<b>50 135</b>	<b>81 370</b>	<b>(31 235)</b>	<b>-38%</b>	<b>162 740</b>

Salary and remuneration of councillors expenditure totals 72% of all operational expenditures for the period ending 31 December 2014. The municipality budget for various vacancies during the May budget and this list of vacancies will be amended during the January adjustment budget process with the latest outstanding vacancies. A critical position that became vacant during the 2<sup>nd</sup> quarter of the financial year – Chief Audit Executive is in the advertisement process and the shortlist for successful candidates are being finalised. Appointment is envisaged to be done within the 3<sup>rd</sup> quarter of the financial year.

## **Section 10 – Material variances to the service delivery and budget implementation plan**

The measurement of the performance of the municipality in terms of the implementation of the Service Delivery and Budget Implementation plan are dealt with separately.

Information regarding this is not dealt with under this section of the report.

The IDP manager developed a IDP template which addresses the alignment of the IDP, Budget and Performance Management Systems which will be implemented during the 2015/2016 financial year.

## **Section 11 – Capital programme performance**

Capital expenditure for the mid-year ending 31 December 2014 amounts to 1.2% of the total capital budget of R 8 300 000. The main capital project, the purchase of the land for the Regional Landfill site is on track and spending should be achieved by 30 June 2015.

Amendments to the capital budget were requested during the January 2015 adjustment budget process and these amendments will be finalised with the drafting of the January adjustment budget and report to council.

## Section 12 – Municipal manager’s quality certification

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR  
CONTACT NO 044 803 1343

VERW:  
REF: 6/18/7/2014-2015

KANTOOR:  
OFFICES: George

DATUM  
DATE 21 Janaury 2015



### QUALITY CERTIFICATE

I, ... G W LOUW ....., the accounting officer / chief financial officer of **EDEN DISTRICT MUNICIPALITY DC4** (name of municipality), hereby certify that –

(mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid- year budget and performance assessment**

For the six months up to **31 DECEMBER 2014** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name ----- *G.W. Louw* -----

Accounting Officer / Chief Financial Officer of **EDEN DISTRICT MUNICIPALITY DC4**  
(name and demarcation of municipality)

Signature ----- *[Handwritten Signature]* -----

Date ----- *21/01/2015* -----



# EDEN

DISTRICT MUNICIPALITY  
UMASIPALA WESITHILI  
DISTRKSMUNISIPALITEIT

## PERFORMANCE MANAGEMENT

### SECTION 72 REPORT

**2014/2015**

# INDEX

## *Purpose of Report*

### **KPI Monitoring -and Evaluation Graphs:**

1. Municipality
2. Office of the Municipal Manager
3. Financial Services
4. Support Services
5. Roads Services
6. Management Services
7. Attached Annexure: **Performance Report on the Top Level SDBIP 2014/2015**

**(July 2014 – Dec 2014)**

## *Recommendation*



# MID-YEAR PERFORMANCE ASSESSMENT FOR EDEN DISTRICT MUNICIPALITY

## Purpose of report

To submit to the Executive Mayor an assessment report on the Municipality's Performance covering the period 1 July 2014 to 31 December 2014.

### 1. Summary

In terms of Section 72 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the accounting officer of a municipality must, by 25 January of each financial year, assess the performance of the municipality during the first half of the financial year and submit a report on such an assessment to the Mayor of the municipality, the National Treasury and the relevant provincial treasury. The Mayor must in turn, comply with the provisions of Section 54, which includes submitting the report to Council by 31 January of each year.

### 2. Constitutional and Policy Implications

The process is currently driven by legislation. A reviewed policy is being compiled for approval.

### 3. Legal Implications

3.1 Section 72 (1), Local Government: Municipal Finance Management Act, 2003 (Act 55 of 2003), **referred to as the MFMA**

3.2 Local Government: Municipal Systems Act, 2000 (Act 32 of 200) (Chapter 6 and sections 16 and 26 of Chapters 4 and 5, respectively), as read with the Local Government: Municipal Systems Amendment Act, 2003 (Act 44 of 2003)

### 4. Background

4.1 In terms of Section 72 (1) of the MFMA, the accounting officer of a Municipality must by 25 January of each year;

- (a) assess the performance of the municipality during the first half of the financial year, taking into account-
  - (i) the monthly statements referred to in section 71 for the first half of the financial year;
  - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and the performance indicators set in the service delivery and budget implementation plan;
  - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
  - (iv) the performance of every municipal entity under the sole and shared control of the municipality, taking into account report in terms of section 88 from any such entity; and
  
- (b) submit a report on such assessment to-
  - (i) the Mayor of the municipality
  - (ii) the National Treasury; and
  - (iii) the relevant Provincial Treasury

4.2 Thereafter, the mayor must, in terms of Section 54 (1)-

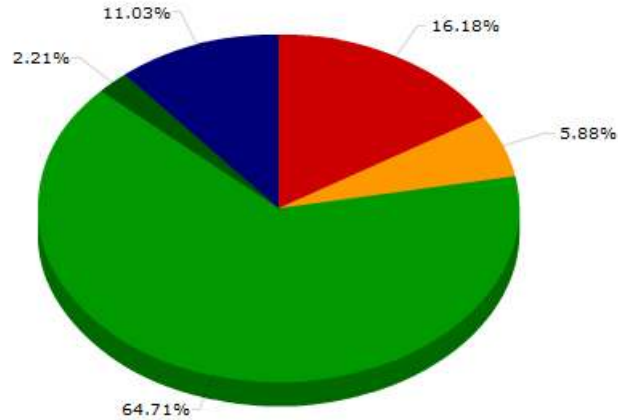
- (a) consider the report
- (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget;
- (d) issue any appropriate instructions to the accounting officer to ensure-
  - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and
  - (ii) that spending of funds and revenue collection proceed in accordance with the budget;
- (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) submit the report to the council by 31 January of each year

# KPI Monitoring - and Evaluation Graphs

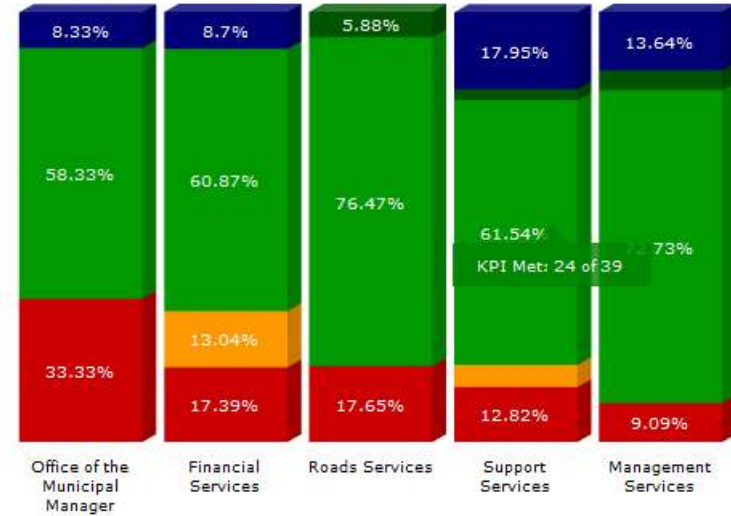
## Entire Municipality 14/15

Report drawn on 20 January 2015 at 08:17  
for the months of July 2014 to December 2014.

**Eden District Municipality**



**Directorate**

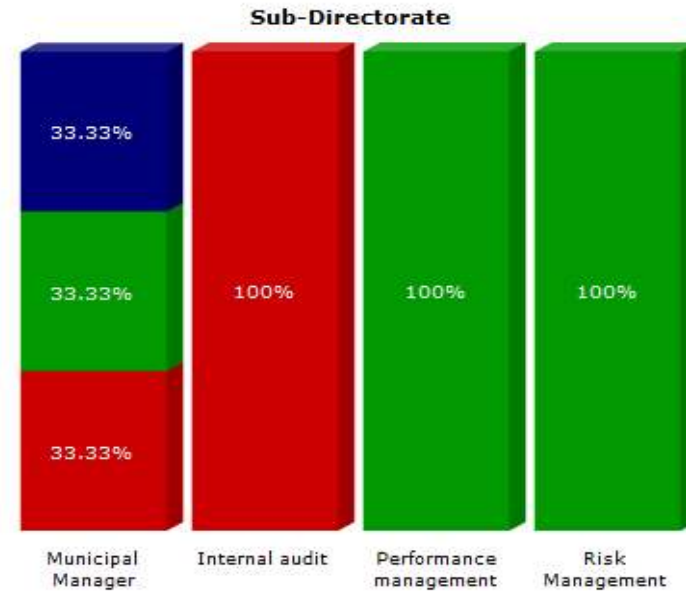
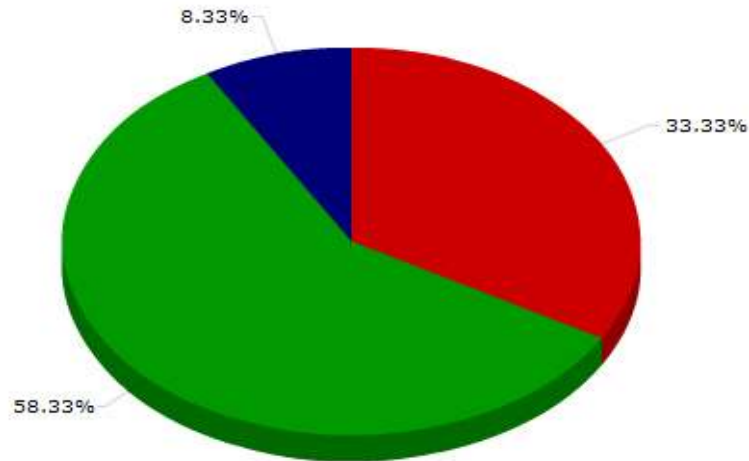


	Eden District Municipality	Directorate				
		Office of the Municipal Manager	Financial Services	Roads Services	Support Services	Management Services
<b>KPI Not Met</b>	22 (16.2%)	4 (33.3%)	8 (17.4%)	3 (17.6%)	5 (12.8%)	2 (9.1%)
<b>KPI Almost Met</b>	8 (5.9%)	-	6 (13%)	-	2 (5.1%)	-
<b>KPI Met</b>	88 (64.7%)	7 (58.3%)	28 (60.9%)	13 (76.5%)	24 (61.5%)	16 (72.7%)
<b>KPI Well Met</b>	3 (2.2%)	-	-	1 (5.9%)	1 (2.6%)	1 (4.5%)
<b>KPI Extremely Well Met</b>	15 (11%)	1 (8.3%)	4 (8.7%)	-	7 (17.9%)	3 (13.6%)
<b>Total:</b>	<b>136</b>	<b>12</b>	<b>46</b>	<b>17</b>	<b>39</b>	<b>22</b>

# Office of the Municipal Manager

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for the months of July 2014 to December 2014.

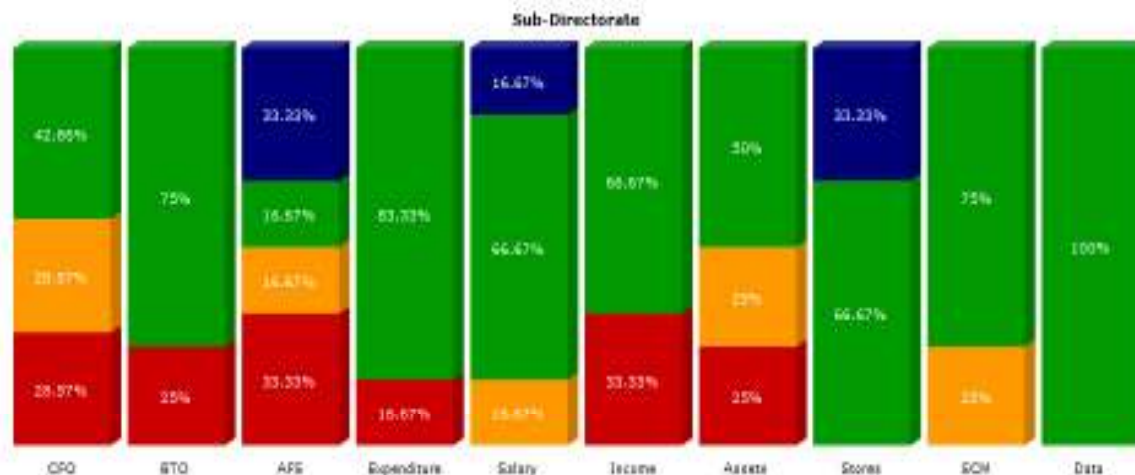
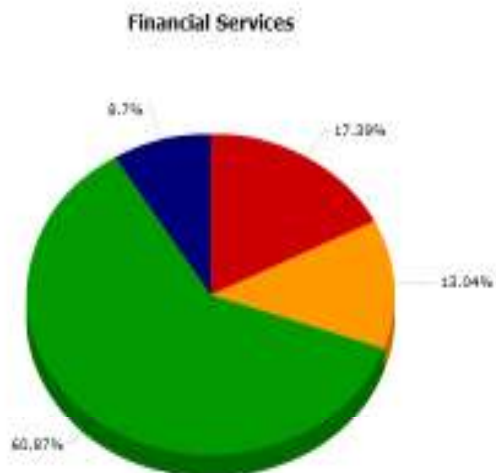
## Office of the Municipal Manager



	Office of the Municipal Manager	Sub-Directorate			
		Municipal Manager	Internal audit	Performance management	Risk Management
KPI Not Met	4 (33.3%)	1 (33.3%)	3 (100%)	-	-
KPI Almost Met	-	-	-	-	-
KPI Met	7 (58.3%)	1 (33.3%)	-	3 (100%)	3 (100%)
KPI Well Met	-	-	-	-	-
KPI Extremely Well Met	1 (8.3%)	1 (33.3%)	-	-	-
<b>Total:</b>	<b>12</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

# Financial Services

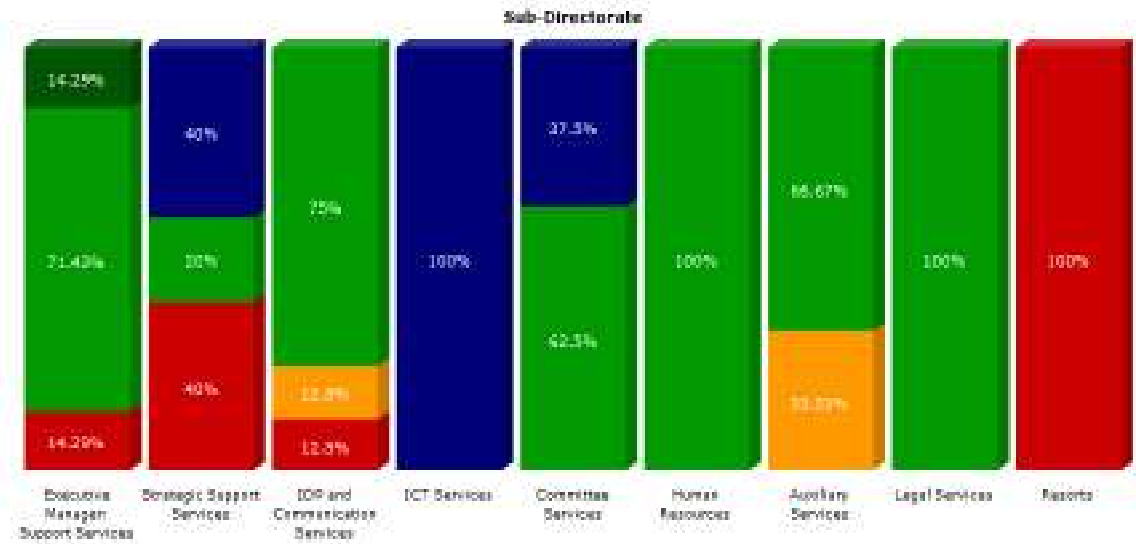
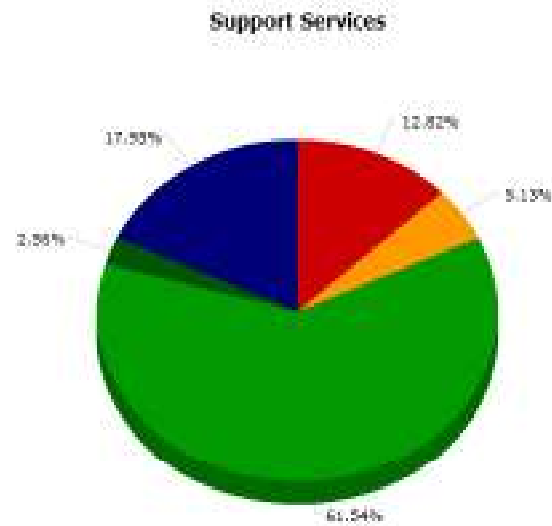
Report drawn on 20 January 2015 at 08:19  
for the months of July 2014 to December 2014.



	Financial Services	Sub-Directorate									
		CFO	BTO	AFS	Expenditure	Salary	Income	Assets	Stores	SCM	Data
KPI Not Met	8 (17.4%)	2 (28.6%)	1 (25%)	2 (33.3%)	1 (16.7%)	-	1 (33.3%)	1 (25%)	-	-	-
KPI Almost Met	8 (17.3%)	1 (28.6%)	-	1 (16.7%)	-	1 (16.7%)	-	1 (25%)	-	1 (25%)	-
KPI Met	28 (60.4%)	3 (42.9%)	3 (75%)	1 (16.7%)	5 (83.3%)	4 (66.7%)	2 (66.7%)	2 (50%)	2 (66.7%)	2 (75%)	3 (100%)
KPI Well Met	-	-	-	-	-	-	-	-	-	-	-
KPI Extremely Well Met	4 (8.7%)	-	-	2 (33.3%)	-	1 (16.7%)	-	-	1 (33.3%)	-	-
<b>Total:</b>	<b>46</b>	<b>7</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>

# Support Services

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for the months of July 2014 to December 2014.

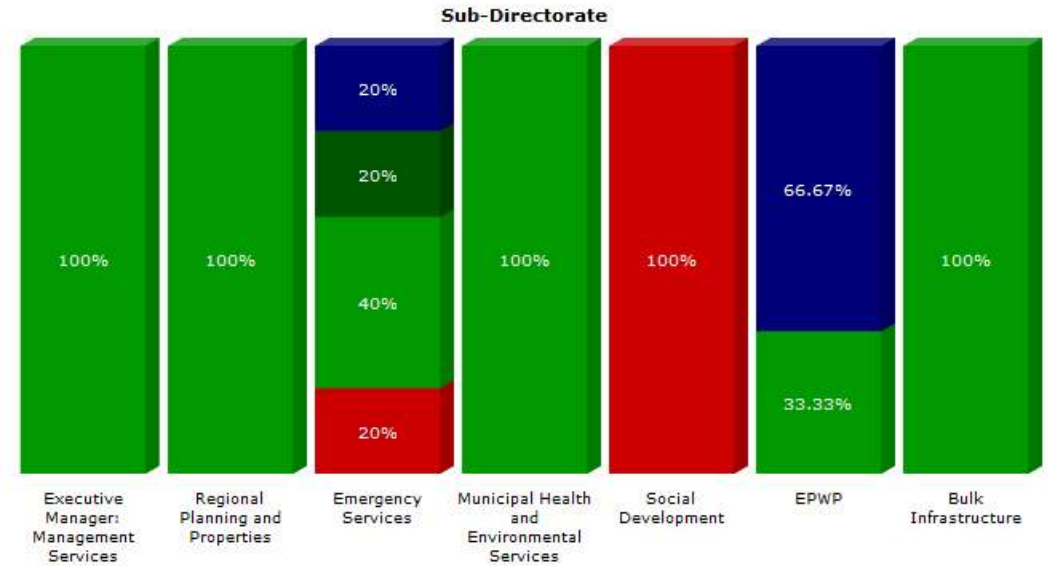
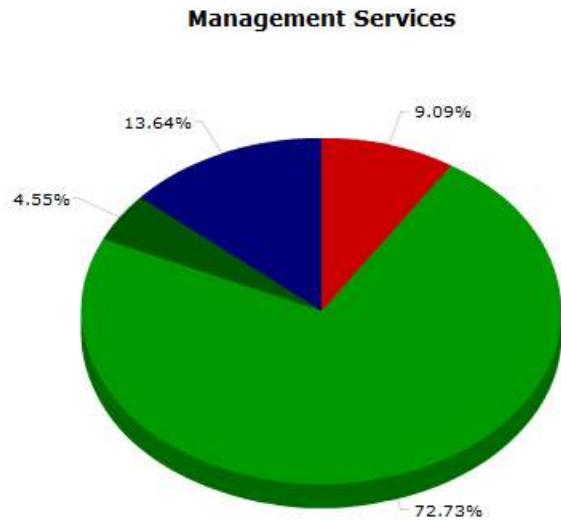


	Support Services	Sub-Directorate								
		Executive Manager Support Services	Strategic Support Services	IDP and Communication Services	ICT Services	Committee Services	Human Resources	Auxiliary Services	Legal Services	Resorts
KPI Not Met	2 (12.8%)	1 (14.3%)	1 (40%)	1 (12.5%)	-	-	-	-	-	1 (100%)
KPI Almost Met	1 (5.1%)	-	-	1 (12.5%)	-	-	-	1 (33.3%)	-	-
KPI Met	24 (61.5%)	5 (71.4%)	1 (20%)	6 (75%)	-	5 (62.5%)	4 (100%)	2 (66.7%)	1 (100%)	-
KPI Well Met	1 (2.82%)	1 (14.3%)	-	-	-	-	-	-	-	-
KPI Extremely Well Met	2 (12.82%)	-	1 (40%)	-	2 (100%)	1 (37.5%)	-	-	-	-
<b>Total</b>	<b>39</b>	<b>7</b>	<b>5</b>	<b>8</b>	<b>2</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>1</b>

# Management Services

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for the months of July 2014 to December 2014.

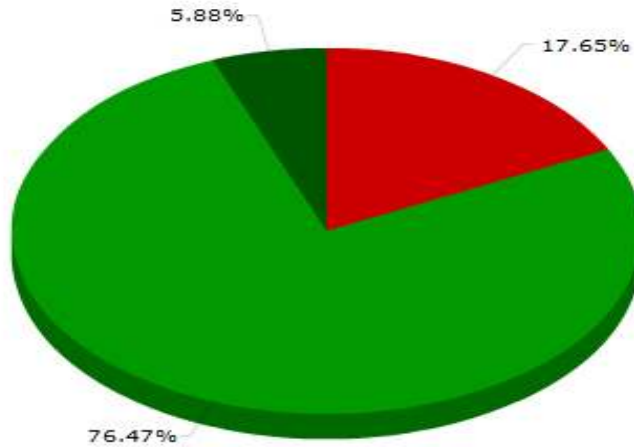


	Management Services	Sub-Directorate						
		Executive Manager: Management Services	Regional Planning and Properties	Emergency Services	Municipal Health and Environmental Services	Social Development	EPWP	Bulk Infrastructure
<b>KPI Not Met</b>	<u>2 (9.1%)</u>	-	-	<u>1 (20%)</u>	-	<u>1 (100%)</u>	-	-
<b>KPI Almost Met</b>	-	-	-	-	-	-	-	-
<b>KPI Met</b>	<u>16 (72.7%)</u>	<u>6 (100%)</u>	<u>1 (100%)</u>	<u>2 (40%)</u>	<u>5 (100%)</u>	-	<u>1 (33.3%)</u>	<u>1 (100%)</u>
<b>KPI Well Met</b>	<u>1 (4.5%)</u>	-	-	<u>1 (20%)</u>	-	-	-	-
<b>KPI Extremely Well Met</b>	<u>3 (13.6%)</u>	-	-	<u>1 (20%)</u>	-	-	<u>2 (66.7%)</u>	-
<b>Total:</b>	<b>22</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>1</b>

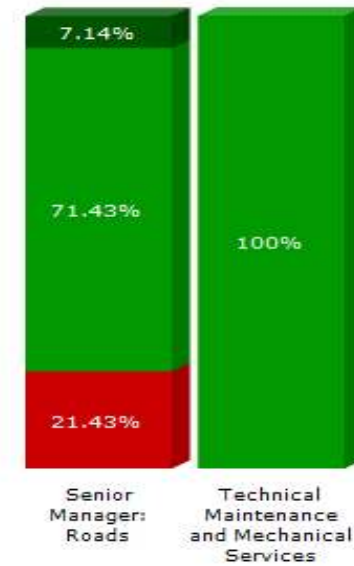
# Roads Services

Report drawn on 20 January 2015 at 08:21  
for the months of July 2014 to December 2014.

**Roads Services**



**Sub-Directorate**



	Roads Services	Sub-Directorate	
		Senior Manager: Roads	Technical Maintenance and Mechanical Services
KPI Not Met	<u>3 (17.6%)</u>	<u>3 (21.4%)</u>	-
KPI Almost Met	-	-	-
KPI Met	<u>13 (76.5%)</u>	<u>10 (71.4%)</u>	<u>3 (100%)</u>
KPI Well Met	<u>1 (5.9%)</u>	<u>1 (7.1%)</u>	-
KPI Extremely Well Met	-	-	-
<b>Total:</b>	<b>17</b>	<b>14</b>	<b>3</b>



**7. Attached Annexure: Performance Report on the Top Level SDBIP 2014/2015(July 2014 – Dec 2014)**

## **Recommendations**

The following recommendations are made with regards to the performance management of Eden District Municipality:

1. The Departmental SDBIP be revised
2. The Top Level SDBIP be revised
3. All adjustments to the SDBIP commence after the adjustment budget has been approved and submitted as follows;
  - Top Level SDBIP – The Executive Mayor for approval
  - Departmental SDBIP – The Municipal Manager for approval
4. That the content of this report be approved by the Executive Mayor and forwarded to the relevant Governmental Departments

# Eden District Municipality

## Performance Report on the Top Level SDBIP 2014/2015(July 2014 - Dec 2014)

Ref	Directorate	Provincial Strategic Outcome	GFS Classification	National Outcome	National KPA	Pre-determined Objectives	NDP Objectives
TL1	Office of the Municipal Manager	N/A	Executive and council	A responsive and accountable, effective and efficient local government system	Good Governance and Public Participation	To implement municipal transformation and institutional development	Developing a capable and Development State
TL2	Roads Services	Increasing access to safe and efficient transport	Road transport	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	Reduce road infrastructure maintenance backlog by 15%	Economy and Development
TL3	Roads Services	Increasing access to safe and efficient transport	Road transport	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	Reduce road infrastructure maintenance backlog by 15%	Economy and Development
TL4	Financial Services	N/A	Budget and treasury office	A responsive and accountable, effective and efficient local government system	Municipal Financial Viability and Management	Institutionalising effective and cost efficient financial	Economy and Development
TL5	Financial Services	N/A	Budget and treasury office	A responsive and accountable, effective and efficient local government system	Municipal Financial Viability and Management	Institutionalising effective and cost efficient financial	Economy and Development

## Eden District Municipality

### Performance Report on the Top Level SDBIP 2014/2015(July 2014 - Dec 2014)

Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Wards	Area	KPI Owner	Baseline	Source of Evidence
Promote good governance	Good Governance	Completed the Risk based audit plan and submit to the Audit Committee by 30 June	RBAP completed and submitted to the Audit Committee	All	All	Municipal Manager	1	Minutes of audit committee
Conduct regional bulk infrastructure planning and implement projects, roads maintenance and public transport; manage and develop council fixed assets	Bulk services, roads and public transport	Spent 100% of roads maintenance conditional grant [(Actual expenditure divided by approved allocation received)x100]	Actual expenditure divided by approved allocation received)x100	All	All	Senior Manager: Roads	100%	Financial statements
Conduct regional bulk infrastructure planning and implement projects, roads maintenance and public transport; manage and develop council fixed assets	Bulk services, roads and public transport	Submit revised District Integrated Transport Master plan (DITP) to council by 30 June	Revised District Integrated Transport Master plan (DITP) submitted to council by 30 June	All	All	Senior Manager: Roads	1	Minutes of council meeting
Ensure financial viability of the Eden District Municipality	Financial viability	Financial viability measured in terms of the municipality's ability to meet its service debt	Service debt achieved	All	All	CFO	20.4	Annual Financial Statements 2013-14
Ensure financial viability of the Eden District Municipality	Financial viability	Achieve a current ratio of 1 (Current assets : Current liabilities)	Ratio achieved	All	All	CFO	Norm 2:1	Annual Financial Statements 2013-14

# Eden District Municipality

## Performance Report on the Top Level SDBIP 2014/2015(July 2014 - Dec 2014)

Reporting Category	Annual Target	Revised Target	KPI Calculation Type	Q1 Quarter 30 September 2014				
				Target	Actual	R	Departmental SDBIP Comments	Departmental Proof of Evidence
Internal	1	1	Carry Over	0	0	N/A		
Internal	100%	100%	Carry Over	35%	49.92%	G2	[D 114] Senior Manager: Roads: Spending according to Roads Services (PGWC)Financial year (April - Sept 2014) is 49.92%.(September 2014)	
Internal	1	1	Carry Over	0	0	N/A		
Internal	30	30	Carry Over	0	0	N/A		
Internal	1	1	Carry Over	0	0	N/A		

# Eden District Municipality

## Performance Report on the Top Level SDBIP 2014/2015(July 2014 - Dec 2014)

			Q2 Quarter 31 December 2014			Overall Performance		
Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures	Departmental Proof of Evidence	Target	Actual	R
0	0	N/A				0	0	N/A
0%	0%	N/A				35%	49.92%	G2
0	0	N/A				0	0	N/A
30	86.65	B	[D68] CFO: Service debt ratio achieved(December 2014)			30	86.65	B
1	2.5	B	[D69] CFO: Current ratio achieved as per the AFS 13/14(December 2014)			1	2.5	B

TL6	Financial Services	N/A	Budget and treasury office	A responsive and accountable, effective and efficient local government system	Municipal Financial Viability and Management	Institutionalising effective and cost efficient financial	Economy and Development
TL7	Financial Services	Integrating service delivery for maximum impact	Budget and treasury office	A responsive and accountable, effective and efficient local government system	Basic Service Delivery	Execute regional bulk infrastructure planning, and implementation of projects	Economy and Development
TL8	Management Services	Increasing wellness	Health	All people in south Africa protected and feel safe	Basic Service Delivery	Establish healthy communities by assisting to reduce child mortality and increase life expectancy in the district	Economy and Development
TL9	Management Services	Creating opportunities for growth and jobs	Planning and development	Decent employment through inclusive economic growth	Local Economic Development	Facilitate a conducive environment to stimulate Local Economic Development (LED) in the District	Economy and Development
TL10	Support Services	Mainstreaming sustainability and optimising resource-use efficiency	Corporate services	A skilled and capable workforce to support inclusive growth	Municipal Transformation and Institutional Development	To contribute towards the human resource development of Eden DM staff and the broader community through training programmes, internships and mentorships	Developing a capable and Development State

Ensure financial viability of the Eden District Municipality	Financial viability	Financial viability measured in terms of the available cash to cover fixed operating	Cost coverage achieved	All	All	CFO	0.4	Annual Financial Statements 2013-14
Conduct regional bulk infrastructure planning and implement projects, roads maintenance and public transport; manage and develop council fixed assets	Bulk services, roads and public transport	The percentage of the municipal capital budget actually spent on capital projects identified in terms of the IDP ((Actual amount spent on capital projects /Total amount budgeted for capital projects)X100 )	% of the capital budget spent ((Actual amount spent on capital projects /Total amount budgeted for capital projects)X100 )	All	All	CFO	70%	Monthly Section 71 FMR Report
Healthy and socially stable communities	Social/Municipal Health	Report monthly by the 15th of every month to the National Department of Health (Sinjani)	Number of reports submitted	All	All	Executive Manager: Management Services	12	Copy of the report submitted on the Sinjani website
Grow the district economy	LED	Create FTE's (temporary work) as per yearly EPWP incentive agreement (Person days / FTE (230 days))	Number of FTE's created	All	All	Executive Manager: Management Services	21	Copy of attendance register per project submitted to Finance
Build a capacitated workforce and communities	Capacity Building	Spent 0.5% of operational budget on training ((Actual total training expenditure divided by total operational budget)x100)	(Actual total training expenditure divided by total operational budget)x100	All	All	Executive Manager: Support Services	0.50%	Report from the financial system

Internal	5.2	5.2	Carry Over	0	0	N/A		
Internal	90%	90%	Carry Over	0%	0%	N/A		
Internal	12	12	Accumulative	3	3	G	[D96] Executive Management Services: Target reached (July 2014)	[D96] Executive Management Services:
							[D96] Executive Management Services: Target reached (August 2014)	- D96.doc (July 2014)
							[D96] Executive Management Services: Target reached (September 2014)	[D96] Executive Management Services:
								- D96.doc (August 2014)
								[D96] Executive Management Services:
		- D96.doc (September 2014)						
Internal	21	21	Accumulative	0	0	N/A	[D97] Executive Management Services: 61W/O created for the period 01/07/2014 to 28/10/14 (September 2014)	[D97] Executive Management Services: See copies of each work opportunity created. Available in POE (September 2014)
Internal	0.50%	0.50%	Carry Over	0%	0%	N/A		



5.2	3.05	R	[D70] CFO: Cost coverage ratio as per the AFS 13/14 (December 2014)	[D70] CFO: Cost coverage ratio as per the AFS 13/14 (December 2014)		5.2	3.05	R
0%	0%	N/A				0%	0%	N/A
3	3	G	[D96] Executive Manager: Management Services: Target reached (October 2014)	[D96] Executive Manager: Management Services:	[D96] Executive Manager: Management Services:	6	6	G
			[D96] Executive Manager: Management Services: Target achieved (November 2014)		- D96.doc (October 2014)			
			[D96] Executive Manager: Management Services: Target reached (December 2014)		[D96] Executive Manager: Management Services:			
					- D96.doc (November 2014)			
					[D96] Executive Manager: Management Services:			
					- D96.doc (December 2014)			
0	0	N/A				0	0	N/A
0%	0%	N/A				0%	0%	N/A

Build a capacitated workforce and communities	Capacity Building	Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (appointed during 2014/15)	Number of people employed in the three highest levels of management	All	All	Executive Manager: Support Services	1	Letter of appointment
Promote good governance	Good Governance	Compile HR Master Plan and submit Council by end of June	HR Master Plan submitted to Council by end of June	All	All	Executive Manager: Support Services	New Key Performance KPI for 2014/15	Proof of submission and Minutes of Council Meetings
Promote good governance	Good Governance	Compile Legal Services Master Plan and submit Council by end of June	Legal Services Master Plan submitted to Council by end of June	All	All	Executive Manager: Support Services	New Key Performance KPI for 2014/15	Proof of submission and Minutes of Council Meetings
Promote good governance	Good Governance	Compile Committee Services Master Plan and submit Council by end of June	Committee Services Master Plan submitted to Council by end of June	All	All	Executive Manager: Support Services	New Key Performance KPI for 2014/15	Proof of submission and Minutes of Council Meetings

Internal	1	1	Accumulative	0	0	N/A		
Internal	1	1	Carry Over	0	0	N/A		
Internal	1	1	Carry Over	0	0	N/A		
Internal	1	1	Carry Over	0	80	B	<p><b>[D 176] Executive Manager: Support Services:</b> Due at end of June 2015.(August 2014)</p> <p><b>[D 176] Executive Manager: Support Services:</b> A draft plan will be submitted in January 2015.(September 2014)</p>	

0	0	N/A				0	0	N/A
0	0	N/A				0	0	N/A
0	0	N/A				0	0	N/A
0	80	B	<p><b>[D 176] Executive Manager: Support Services:</b> Due in June 2015.(October 2014)</p>	<p><b>[D 176] Executive Manager: Support Services:</b> A draft Plan will be submitted the portfolio committee during March 2015. (November 2014)</p>	<p><b>[D 176] Executive Manager: Support Services:</b> Proof of council resolution.(October 2014)</p>	0	80	B
			<p><b>[D 176] Executive Manager: Support Services:</b> Not due yet. (November 2014)</p>	<p><b>[D 176] Executive Manager: Support Services:</b> Draft to be submitted during March.(December 2014)</p>	<p><b>[D 176] Executive Manager: Support Services:</b> Council resolution.(November 2014)</p>			
			<p><b>[D 176] Executive Manager: Support Services:</b> Not due yet. (December 2014)</p>		<p><b>[D 176] Executive Manager: Support Services:</b> Council resolution.(December 2014)</p>			

