

# George Municipality

## Adjustments Budget 2022/2023

24 November 2022



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## Glossary

<b>Act</b> – means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
<b>Adjustments Budget</b> – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget Related Policy</b> – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
<b>Capital Expenditure</b> - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
<b>Cash flow statement</b> – 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 scores as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
<b>Equitable Share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>GFS</b> – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality
<b>KPI's</b> – Key Performance Indicators. Measures of service output and/or outcome.
<b>MFMA</b> – The Municipal Finance Management Act – no 53 of 2003. The principal piece of legislation relating to municipal financial management.
<b>MTREF</b> – 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.
<b>Operating Expenditure</b> – Spending on the day-to-day expenses of the Municipality such as salaries and wages.
<b>Own Revenue</b> – Means total revenue as reflected in the municipality's financial performance budget less national and provincial conditional transfers.

<b>Rates</b> – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
<b>Strategic Objectives</b> – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Vehement</b> – A transfer of budget.
<b>Virement Policy</b> - The policy that sets out the rules for budget transfers. Varmints are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget is divided, usually at directorate / department level.

# **Part 1 – Adjustments Budget**

## **Mayor's Report**

### **1.1 Foreword**

#### **Municipal Finance Management Act (MMFA)**

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Section 28(2)(e) prescribes as follows:

*“An adjustment budget-*

*may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council.”*

#### **Municipal Budget and Reporting Regulations (MBRR)**

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations stipulates in:

#### **Regulation 23. (5)**

*“(5) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.”*

### **1.2 Background**

To submit to Council an Adjustments Budget for approval as prescribed in Section 28(2)(e) of the Local Government: Municipal Finance Management Act (Act No. 56 of 2003) read together with the Municipal Budget and Reporting Regulations (MBRR) 23(5).

### 1.3 Council Resolutions

On 24 November 2022, the Council of George Municipality met to consider the adjustments budget for approval. Council approved the following resolutions:

- (a) That the Operating Budget and Capital Budget for 2022/2023 be adjusted to reflect the grant allocations as per table A, B and C;
- (b) that the Service Delivery and Budget Implementation Plan (SDBIP) be amended;
- (c) That the formal budget tables be updated with the adjustments and submitted to National and Provincial Government.

### 1.4 Executive Summary

#### **MOTIVATION**

#### **MOTIVATION: ROLL-OVER APPROVAL**

With regards to **Regulation 23. (5)** as defined above George Municipality applied to the Provincial Treasury to roll-over unspent conditional grants for the 2021/2022 financial year. Permission was granted by Provincial Treasury on 18 August 2022 and 26 October 2022 respectively, to utilise these funds in the 2022/2023 budget. See **Annexure “A” & “B”** for the official letters of approval. See **Annexure “C”** for the Memorandum of Agreement with Garden Route District Municipality.

The grants approved are as follows:

**1. Western Cape Financial Management Capacity Building Grant:**

The amount of R 124 534 will be used to fund study bursaries.

**2. Municipal Accreditation and Capacity Building Grant:**

The amount of R 255 395 relates to the following:

The Human Settlements Plan has been completed and an expansion on the tender has been approved by the Municipal Manger to conduct a public participation process before the final plan can be approved by Council. The balance of the funding will be utilised for this purpose.

**3. George Integrated Public Transport Network – Operations Grant**

The amount of R 12 671 346 will be utilised for the following:

- Marketing and communication expenditure;
- Infrastructure maintenance expenditure;
- Roll-out of Phase 4A.

**4. Development of Sport and Recreation Facilities**

The amount of R 700 000 will be utilised to upgrade the netball infrastructure.

**5. Municipal Library Support Grant,**

The amount of R 467 205 is for the funding of temporary library personnel.

**6. Community Development Workers (CDW) Operational Support Grant**

The amount of R 94 000 is for the procurement of an electronic wheelchair as well as for the equipment for the filming project.

**7. Local Government Public Employment Support Grant**

The amount of R1 440 695 will be utilised so that the appointees can work the remainder months as per the approved business plan for the Local Government Public Employment Support Grant:

**8. Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)**

The unspent amount of R2 715 969 is for planning fees received upfront from the Provincial Department of Human Settlements for the Upgrading of Informal Settlements and Interim Basic Services projects which is ongoing.

**TABLE A – PROPOSED ROLL-OVER ADJUSTMENTS**

<b>Grant</b>	<b>Original Budget</b>	<b>Roll-over Approval</b>	<b>Adjusted Budget</b>
<b>Western Cape Financial Management Capacity Building Grant</b>			
- Human Resources	-	124 534	124 534
<b>Municipal Accreditation and Capacity Building Grant</b>			
- Housing Administration	-	255 395	255 395
<b>George Integrated Public Transport Network – Operations Grant</b>			
- GIPTN Auxiliary	-	12 671 346	12 671 346
<b>Development of Sport and Recreation Facilities</b>			
- Sport Development	-	700 000	800 000
<b>Municipal Library Support Grant</b>			
- George Library	4 886 710	125 205	5 011 915
- Branch Libraries	7 034 290	342 000	7 376 290
	<b>11 921 000</b>	<b>467 205</b>	<b>12 388 205</b>
<b>Community Development Workers (CDW) Operational Support Grant</b>			
- Client Services	94 000	94 000	188 000
<b>Local Government Public Employment Support Grant</b>			

<b>Grant</b>	<b>Original Budget</b>	<b>Roll-over Approval</b>	<b>Adjusted Budget</b>
- Traffic Law Enforcement	-	97 752	97 752
- Tourism	-	84 000	84 000
- Dumping Site	-	36 005	36 005
- HIV Projects	-	58 651	58 651
- Electricity Distribution	-	74 291	74 291
- Parks and Gardens	-	124 859	124 859
- Environmental Administration	-	98 119	98 119
- Refuse Removal	-	123 819	123 819
- Civil Administration	-	156 403	156 403
- Social Services	-	414 753	414 753
- Security Services	-	74 292	74 292
- Housing Administration	-	97 752	97 752
		<b>1 440 695</b>	<b>1 440 695</b>
<b>Informal Settlements Upgrading Partnership Grant</b>			
- Housing Administration	1 000 000	2 715 969	3 715 969
<b>Western Cape Department of Community Safety</b>			
- Security Services	-	120 000	120 000
<b>Total</b>	<b>13 015 000</b>	<b>18 589 144</b>	<b>31 604 144</b>

**TABLE B – PROPOSED CAPITAL ADJUSTMENTS**

Department	Capital Project	Ukey	Revised Budget	Roll-Over Request	Adjusted Budget	Funding
<b>AUGUST 2022 ADJUSTMENT BUDGET</b>						
<b>802 259 788</b>						
<b>COMMUNITY SERVICES</b>						
Sport Development	Netball Fields Infrastructure	New	-	700 000	700 000	Development of Sport and Recreation Facilities
Branch Libraries	Furniture & Fittings: Blanco Library	20220224122407	-	129 200	129 200	Municipal Library Support Grant
Branch Libraries	Fencing: Blanco Library	20220224122446	-	170 800	170 800	Municipal Library Support Grant
<b>Total</b>			<b>-</b>	<b>1 000 000</b>	<b>1 000 000</b>	

The total 2022/2023 Capital Adjustments Budget increases to R 803 259 788.

**TABLE C – FUNDING**

See Table C below for the funding mix of the Capital Adjustments Budget for November 2022:

DESCRIPTION	AMENDED BUDGET AUGUST 2022	PROPOSED ADJUSTMENTS	AMENDED BUDGET NOVEMBER 2022
		NOVEMBER 2022	
Capital Replacement Reserve (CRR)	166 859 940		166 859 940
External Financing Fund (EFF)	308 135 257		308 135 257
Grants	323 087 917	1 000 000	324 087 917
Separate Operating Account (SOA)	4 176 674		4 176 674
<b>TOTAL</b>	<b>802 259 788</b>	<b>1 000 000</b>	<b>803 259 788</b>

## Part 2 – Adjustments Budget Schedules

### 2.1 – Legislative Framework

The Municipal Budget and Reporting Regulations (MBRR) stipulates that,

21. “An adjustments budget and supporting documentation of a Municipality must be in the format specified in Schedule B ...”

The objective of the MBRR is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

### 2.2 – Adjustments Budget Schedules

Only those schedules that are affected by the adjustments budget is included in this document.

**Table 1 – B1: Budget Summary**

WC044 George - Table B1 Adjustments Budget Summary - 24/11/2022											
Description	Budget Year 2022/23									Budget Year	Budget Year
	Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjus.	Adjus.	Budget	Budget	Budget
	1	2	3	4	5	6	7	8			
	A	A1	B	C	D	E	F	G	H		
<b>R thousands</b>											
<b>Financial Performance</b>											
Property rates	370 853	370 853	-	-	-	-	-	-	370 853	400 520	432 562
Service charges	1 417 689	1 417 689	-	-	-	-	-	-	1 417 689	1 508 524	1 598 297
Investment revenue	57 219	57 219	-	-	-	-	-	-	57 219	58 239	60 692
Transfers recognised - operational	553 091	553 091	-	-	-	-	17 589	17 589	570 680	586 635	580 634
Other own revenue	479 053	479 053	-	-	-	-	-	-	479 053	504 256	508 301
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 877 904</b>	<b>2 877 904</b>	-	-	-	-	<b>17 589</b>	<b>17 589</b>	<b>2 895 494</b>	<b>3 058 173</b>	<b>3 180 486</b>
Employee costs	727 721	728 038	-	-	-	-	6 532	6 532	734 569	759 714	799 438
Remuneration of councillors	26 171	26 171	-	-	-	-	-	-	26 171	27 479	28 853
Depreciation & asset impairment	158 810	158 810	-	-	-	-	-	-	158 810	172 365	160 124
Finance charges	40 950	40 950	-	-	-	-	-	-	40 950	46 307	63 580
Inventory consumed and bulk purchases	940 013	939 222	-	-	-	-	36	35	939 257	1 015 872	1 086 181
Transfers and grants	42 636	43 826	-	-	-	-	219	219	44 045	19 800	17 833
Other expenditure	931 723	937 779	-	-	-	-	10 791	10 791	948 570	999 632	1 002 559
<b>Total Expenditure</b>	<b>2 868 024</b>	<b>2 874 795</b>	-	-	-	-	<b>17 576</b>	<b>17 576</b>	<b>2 892 372</b>	<b>3 041 169</b>	<b>3 158 568</b>
<b>Surplus/(Deficit)</b>	9 881	3 109	-	-	-	-	13	13	3 122	17 004	21 918
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and	370 399	370 399	-	-	-	-	1 000	1 000	371 399	579 536	345 927
	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>380 280</b>	<b>373 508</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>374 521</b>	<b>596 540</b>	<b>367 845</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>380 280</b>	<b>373 508</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>374 521</b>	<b>596 540</b>	<b>367 845</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	787 983	809 595	-	-	-	-	(6 335)	(6 335)	803 260	943 982	747 286
Transfers recognised - capital	323 088	323 088	-	-	-	-	1 000	1 000	324 088	505 249	302 110
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	307 044	312 312	-	-	-	-	-	-	312 312	306 532	304 375
Internally generated funds	157 851	166 860	-	-	-	-	-	-	166 860	132 201	140 801
<b>Total sources of capital funds</b>	<b>787 983</b>	<b>802 260</b>	-	-	-	-	<b>1 000</b>	<b>1 000</b>	<b>803 260</b>	<b>943 982</b>	<b>747 286</b>
<b>Financial position</b>											
Total current assets	1 508 896	1 495 310	-	-	-	-	820 858	820 858	2 316 168	2 522 340	2 334 067
Total non current assets	4 211 513	4 225 789	-	-	-	-	1 000	1 000	4 226 789	4 983 129	5 570 292
Total current liabilities	979 193	986 796	-	-	-	-	820 819	820 819	1 807 615	1 951 026	1 781 589
Total non current liabilities	922 944	922 944	-	-	-	-	-	-	922 944	1 139 632	1 340 114
<b>Community wealth/Equity</b>	<b>3 818 271</b>	<b>3 811 344</b>	-	-	-	-	<b>933 888</b>	<b>933 888</b>	<b>4 745 232</b>	<b>5 352 622</b>	<b>5 649 361</b>
<b>Cash flows</b>											
Net cash from (used) operating	459 237	459 207	-	-	-	-	11 977	11 977	471 184	658 129	281 845
Net cash from (used) investing	(781 883)	6 140	-	-	-	-	40	40	6 180	6 100	6 100
Net cash from (used) financing	223 227	223 227	-	-	-	-	-	-	223 227	211 027	194 785
<b>Cash/cash equivalents at the year end</b>	<b>1 078 307</b>	<b>1 866 300</b>	-	-	-	-	<b>12 017</b>	<b>12 017</b>	<b>1 878 318</b>	<b>1 953 563</b>	<b>1 499 370</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	1 078 307	1 064 000	-	-	-	-	813 904	813 904	1 877 905	1 952 813	1 498 620
Application of cash and investments	3 938 788	3 939 790	-	-	-	-	815 074	815 074	4 754 864	5 235 983	5 064 978
<b>Balance - surplus (shortfall)</b>	<b>(2 860 481)</b>	<b>(2 875 789)</b>	-	-	-	-	<b>(1 170)</b>	<b>(1 170)</b>	<b>(2 876 959)</b>	<b>(3 283 170)</b>	<b>(3 566 358)</b>
<b>Asset Management</b>											
Asset register summary (WDV)	4 175 125	4 189 402	-	-	-	-	1 000	1 000	4 190 402	4 946 742	5 533 904
Depreciation	158 810	158 810	-	-	-	-	-	-	158 810	172 365	160 124
Renewal and Upgrading of Existing Assets	82 577	96 152	-	-	-	-	700	700	96 852	77 340	52 760
Repairs and Maintenance	212 873	211 030	-	-	-	-	1 894	1 894	212 924	194 959	202 014
<b>Free services</b>											
Cost of Free Basic Services provided	(158 701)	(158 701)	-	-	-	-	-	-	(158 701)	(173 116)	(188 847)
Revenue cost of free services provided	(46 641)	(46 641)	-	-	-	-	-	-	(46 641)	(50 373)	(54 402)
<b>Households below minimum service level</b>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

**Table 2 – B2: Financial Performance (Functional classification)**

WC044 George - Table B2 Adjustments Budget Financial Performance (functional classification) - 24/11/2022

Standard Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2023/24	+2 2024/25
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
<b>Revenue - Functional</b>												
<b>Governance and administration</b>		454 694	454 694	-	-	-	-	473	473	455 167	485 688	519 442
Executive and council		4	4	-	-	-	-	-	-	4	4	2
Finance and administration		454 690	454 690	-	-	-	-	473	473	455 163	485 684	519 440
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		124 134	124 134	-	-	-	-	5 127	5 127	129 261	194 849	143 896
Community and social services		20 631	20 631	-	-	-	-	941	941	21 571	17 652	16 490
Sport and recreation		3 698	3 698	-	-	-	-	825	825	4 523	12 551	4 359
Public safety		80 770	80 770	-	-	-	-	292	292	81 062	82 396	83 884
Housing		18 870	18 870	-	-	-	-	3 069	3 069	21 939	82 081	39 069
Health		165	165	-	-	-	-	-	-	165	170	95
<b>Economic and environmental services</b>		497 858	497 858	-	-	-	-	12 671	12 671	510 530	439 712	470 767
Planning and development		12 727	12 727	-	-	-	-	-	-	12 727	13 309	19 107
Road transport		485 128	485 128	-	-	-	-	12 671	12 671	497 799	426 399	451 658
Environmental protection		4	4	-	-	-	-	-	-	4	4	2
<b>Trading services</b>		2 171 270	2 171 270	-	-	-	-	234	234	2 171 504	2 517 313	2 392 163
Energy sources		1 042 224	1 042 224	-	-	-	-	74	74	1 042 298	1 065 607	1 119 829
Water management		647 206	647 206	-	-	-	-	-	-	647 206	940 904	633 894
Waste water management		305 629	305 629	-	-	-	-	-	-	305 629	319 356	430 185
Waste management		176 212	176 212	-	-	-	-	160	160	176 372	191 447	208 255
<b>Other</b>		347	347	-	-	-	-	84	84	431	147	145
<b>Total Revenue - Functional</b>	2	3 248 303	3 248 303	-	-	-	-	18 589	18 589	3 266 893	3 637 709	3 526 413
<b>Expenditure - Functional</b>												
<b>Governance and administration</b>		457 468	458 326	-	-	-	-	450	450	458 776	489 683	533 259
Executive and council		74 652	74 652	-	-	-	-	-	-	74 652	79 836	83 141
Finance and administration		363 877	364 734	-	-	-	-	450	450	365 184	390 025	429 373
Internal audit		18 940	18 940	-	-	-	-	-	-	18 940	19 823	20 745
<b>Community and public safety</b>		305 171	310 940	-	-	-	-	4 137	4 137	315 077	373 615	338 450
Community and social services		63 143	62 221	-	-	-	-	651	651	62 872	62 043	63 645
Sport and recreation		37 270	37 449	-	-	-	-	125	125	37 574	38 178	38 348
Public safety		146 121	145 142	-	-	-	-	292	292	145 434	151 847	157 566
Housing		52 514	60 006	-	-	-	-	3 069	3 069	63 075	115 897	72 982
Health		6 123	6 123	-	-	-	-	-	-	6 123	5 650	5 908
<b>Economic and environmental services</b>		520 745	520 100	-	-	-	-	12 671	12 671	532 771	493 847	523 721
Planning and development		43 528	41 812	-	-	-	-	-	-	41 812	43 385	49 801
Road transport		473 619	474 729	-	-	-	-	12 671	12 671	487 400	446 712	470 003
Environmental protection		3 598	3 559	-	-	-	-	-	-	3 559	3 749	3 917
<b>Trading services</b>		1 567 278	1 568 012	-	-	-	-	234	234	1 568 246	1 665 643	1 743 875
Energy sources		839 398	839 383	-	-	-	-	74	74	839 458	898 856	978 135
Water management		392 324	392 324	-	-	-	-	-	-	392 324	405 711	398 615
Waste water management		234 226	234 294	-	-	-	-	-	-	234 294	257 264	259 951
Waste management		101 329	102 011	-	-	-	-	160	160	102 171	103 813	107 174
<b>Other</b>		17 361	17 417	-	-	-	-	84	84	17 501	18 381	19 263
<b>Total Expenditure - Functional</b>	3	2 868 024	2 874 795	-	-	-	-	17 576	17 576	2 892 372	3 041 169	3 158 568
<b>Surplus/ (Deficit) for the year</b>		380 280	373 508	-	-	-	-	1 013	1 013	374 521	596 540	367 845

**Table 3 – B3: Financial Performance (revenue and expenditure by municipal vote)**

WC044 George - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 24/11/2022

Vote Description  <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		3	4	5	6	7	8	9	10			
		A	A1	B	C	D	E	F	G	H		
<b>Revenue by Vote</b>	1											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		16 192	16 192	-	-	-	-	941	941	17 133	13 016	13 353
Vote 3 - Corporate Services		2 930	2 930	-	-	-	-	125	125	3 054	2 316	2 210
Vote 4 - Corporate Services		2 520	2 520	-	-	-	-	-	-	2 520	3 393	3 166
Vote 5 - Community Services		7 365	7 365	-	-	-	-	923	923	8 288	16 366	6 459
Vote 6 - Community Services		277 788	277 788	-	-	-	-	546	546	278 333	295 890	315 502
Vote 7 - Community Services		1 038	1 038	-	-	-	-	-	-	1 038	1 093	953
Vote 8 - Civil Engineering Services		786 857	786 857	-	-	-	-	156	156	787 014	1 038 924	851 342
Vote 9 - Civil Engineering Services		401 295	401 295	-	-	-	-	12 671	12 671	413 967	393 083	417 175
Vote 10 - Electro-technical Services		1 044 462	1 044 462	-	-	-	-	74	74	1 044 537	1 067 619	1 122 102
Vote 11 - Financial Services		384 537	384 537	-	-	-	-	-	-	384 537	414 242	445 987
Vote 12 - Financial Services		52 833	52 833	-	-	-	-	-	-	52 833	53 908	55 996
Vote 13 - Human Settlements, Planning and Development		39 492	39 492	-	-	-	-	3 153	3 153	42 645	103 194	66 057
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>3 017 309</b>	<b>3 017 309</b>	-	-	-	-	<b>18 589</b>	<b>18 589</b>	<b>3 035 899</b>	<b>3 403 043</b>	<b>3 300 302</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - Office of the Municipal Manager		28 410	28 410	-	-	-	-	-	-	28 410	29 660	30 930
Vote 2 - Corporate Services		72 286	71 584	-	-	-	-	641	641	72 225	71 907	73 885
Vote 3 - Corporate Services		40 102	40 999	-	-	-	-	135	135	41 133	41 201	43 164
Vote 4 - Corporate Services		94 136	93 836	-	-	-	-	-	-	93 836	101 029	105 173
Vote 5 - Community Services		68 661	68 737	-	-	-	-	210	210	68 947	70 595	72 015
Vote 6 - Community Services		291 551	291 455	-	-	-	-	546	546	292 001	301 962	312 905
Vote 7 - Community Services		880	900	-	-	-	-	-	-	900	914	951
Vote 8 - Civil Engineering Services		683 084	681 885	-	-	-	-	156	156	682 041	697 482	694 521
Vote 9 - Civil Engineering Services		436 054	437 253	-	-	-	-	12 671	12 671	449 925	430 525	453 202
Vote 10 - Electro-technical Services		870 685	870 685	-	-	-	-	74	74	870 759	931 201	1 012 123
Vote 11 - Financial Services		104 050	110 967	-	-	-	-	-	-	110 967	105 933	106 709
Vote 12 - Financial Services		72 533	72 543	-	-	-	-	(10)	(10)	72 533	89 576	121 919
Vote 13 - Human Settlements, Planning and Development		105 593	105 543	-	-	-	-	3 153	3 153	108 696	169 184	131 069
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>2 868 024</b>	<b>2 874 795</b>	-	-	-	-	<b>17 576</b>	<b>17 576</b>	<b>2 892 372</b>	<b>3 041 169</b>	<b>3 158 568</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>149 286</b>	<b>142 514</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>143 527</b>	<b>361 874</b>	<b>141 734</b>

**Table 4 – B4: Financial Performance (revenue and expenditure)**

WC044 George - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 24/11/2022

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2023/24 Adjusted Budget	+2 2024/25 Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
Property rates	2	370 853	370 853	-	-	-	-	-	-	370 853	400 520	432 562
Service charges - electricity revenue	2	962 607	962 607	-	-	-	-	-	-	962 607	1 011 335	1 061 648
Service charges - water revenue	2	167 445	167 445	-	-	-	-	-	-	167 445	184 042	195 697
Service charges - sanitation revenue	2	159 335	159 335	-	-	-	-	-	-	159 335	173 675	189 306
Service charges - refuse revenue	2	128 302	128 302	-	-	-	-	-	-	128 302	139 472	151 646
Service charges - other		-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		4 741	4 741	-	-	-	-	-	-	4 741	5 025	5 326
Interest earned - external investments		57 219	57 219	-	-	-	-	-	-	57 219	58 239	60 692
Interest earned - outstanding debtors		9 061	9 061	-	-	-	-	-	-	9 061	9 837	10 681
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		83 680	83 680	-	-	-	-	-	-	83 680	85 548	87 468
Licences and permits		3 863	3 863	-	-	-	-	-	-	3 863	4 094	4 339
Agency services		16 617	16 617	-	-	-	-	-	-	16 617	17 614	18 671
Transfers and subsidies		553 091	553 091	-	-	-	-	17 589	17 589	570 680	586 635	580 634
Other revenue	2	130 097	130 097	-	-	-	-	-	-	130 097	147 472	155 705
Gains		230 994	230 994	-	-	-	-	-	-	230 994	234 666	226 111
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>2 877 904</b>	<b>2 877 904</b>	-	-	-	-	<b>17 589</b>	<b>17 589</b>	<b>2 895 494</b>	<b>3 058 173</b>	<b>3 180 486</b>
<b>Expenditure By Type</b>												
Employee related costs		727 721	728 038	-	-	-	-	6 532	6 532	734 589	759 714	799 438
Remuneration of councillors		26 171	26 171	-	-	-	-	-	-	26 171	27 479	28 853
Debt impairment		122 257	122 257	-	-	-	-	-	-	122 257	125 924	129 702
Depreciation & asset impairment		158 810	158 810	-	-	-	-	-	-	158 810	172 365	160 124
Finance charges		40 950	40 950	-	-	-	-	-	-	40 950	46 307	63 580
Bulk purchases - electricity		667 159	667 159	-	-	-	-	-	-	667 159	731 377	801 667
Inventory Consumed		272 853	272 062	-	-	-	-	35	35	272 097	284 495	284 514
Contracted services		587 110	592 878	-	-	-	-	10 586	10 586	603 464	640 830	631 068
Transfers and subsidies		42 636	43 826	-	-	-	-	219	219	44 045	19 800	17 833
Other expenditure		176 185	176 473	-	-	-	-	205	205	176 678	186 847	199 189
Losses		46 171	46 171	-	-	-	-	-	-	46 171	46 031	42 600
<b>Total Expenditure</b>		<b>2 868 024</b>	<b>2 874 795</b>	-	-	-	-	<b>17 576</b>	<b>17 576</b>	<b>2 892 372</b>	<b>3 041 169</b>	<b>3 158 568</b>
<b>Surplus/(Deficit)</b>		<b>9 881</b>	<b>3 109</b>	-	-	-	-	<b>13</b>	<b>13</b>	<b>3 122</b>	<b>17 004</b>	<b>21 918</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		370 399	370 399	-	-	-	-	1 000	1 000	371 399	579 536	345 927
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>380 280</b>	<b>373 508</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>374 521</b>	<b>596 540</b>	<b>367 845</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>380 280</b>	<b>373 508</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>374 521</b>	<b>596 540</b>	<b>367 845</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>380 280</b>	<b>373 508</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>374 521</b>	<b>596 540</b>	<b>367 845</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>380 280</b>	<b>373 508</b>	-	-	-	-	<b>1 013</b>	<b>1 013</b>	<b>374 521</b>	<b>596 540</b>	<b>367 845</b>

**Table 5 – B5: Capital Expenditure Budget by vote and funding**

WC044 George - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 24/11/2022

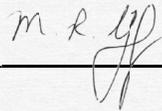
Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	+1 2023/24	+2 2024/25
<b>R thousands</b>												
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>												
Vote 1 - Office of the Municipal Manager	2	215	215	-	-	-	-	-	-	215	20	110
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	500	500
Vote 4 - Corporate Services		280	320	-	-	-	-	(40)	(40)	280	10	10
Vote 5 - Community Services		2 050	9 860	-	-	-	-	(3 865)	(3 865)	5 994	15 503	8 395
Vote 6 - Community Services		13 540	13 563	-	-	-	-	100	100	13 663	12 415	10 045
Vote 7 - Community Services		2 121	2 364	-	-	-	-	-	-	2 364	643	250
Vote 8 - Civil Engineering Services		429 155	425 012	-	-	-	-	-	-	425 012	591 355	424 377
Vote 9 - Civil Engineering Services		1 300	1 300	-	-	-	-	-	-	1 300	-	-
Vote 10 - Electro-technical Services		40 805	41 573	-	-	-	-	-	-	41 573	47 461	12 650
Vote 11 - Financial Services		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Financial Services		1 250	1 250	-	-	-	-	-	-	1 250	250	250
Vote 13 - Human Settlements, Planning and Development and Property Management		10 569	10 487	-	-	-	-	-	-	10 487	22 618	6 968
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>3</b>	<b>501 284</b>	<b>505 945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 805)</b>	<b>(3 805)</b>	<b>502 139</b>	<b>690 774</b>	<b>463 555</b>
<b>Single-year expenditure to be adjusted</b>												
Vote 1 - Office of the Municipal Manager	2	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		4 415	4 520	-	-	-	-	300	300	4 820	2 870	4 026
Vote 3 - Corporate Services		1 909	1 804	-	-	-	-	-	-	1 804	610	320
Vote 4 - Corporate Services		26	26	-	-	-	-	-	-	26	405	400
Vote 5 - Community Services		13 016	12 855	-	-	-	-	(2 730)	(2 730)	10 125	5 126	1 272
Vote 6 - Community Services		31 483	32 303	-	-	-	-	(100)	(100)	32 203	24 408	27 268
Vote 7 - Community Services		1 835	1 976	-	-	-	-	-	-	1 976	960	1 010
Vote 8 - Civil Engineering Services		116 421	131 523	-	-	-	-	-	-	131 523	88 230	84 310
Vote 9 - Civil Engineering Services		1 754	1 754	-	-	-	-	-	-	1 754	20	20
Vote 10 - Electro-technical Services		111 281	111 824	-	-	-	-	-	-	111 824	127 484	158 945
Vote 11 - Financial Services		1 417	1 417	-	-	-	-	-	-	1 417	180	180
Vote 12 - Financial Services		100	100	-	-	-	-	-	-	100	-	500
Vote 13 - Human Settlements, Planning and Development and Property Management		3 042	3 549	-	-	-	-	-	-	3 549	2 916	5 480
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	<b>2</b>	<b>286 699</b>	<b>303 651</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 530)</b>	<b>(2 530)</b>	<b>301 121</b>	<b>253 208</b>	<b>283 731</b>
<b>Total Capital Expenditure - Vote</b>		<b>787 983</b>	<b>809 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 335)</b>	<b>(6 335)</b>	<b>803 260</b>	<b>943 982</b>	<b>747 286</b>
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>												
Executive and council		9 114	10 066	-	-	-	-	-	-	10 066	6 776	4 547
Finance and administration		-	-	-	-	-	-	-	-	-	-	-
Internal audit		9 039	9 991	-	-	-	-	-	-	9 991	6 766	4 467
		75	75	-	-	-	-	-	-	75	10	80
<b>Community and public safety</b>												
Community and social services		50 175	51 225	-	-	-	-	1 000	1 000	52 225	52 704	41 664
Sport and recreation		7 721	7 228	-	-	-	-	300	300	7 528	5 135	5 066
Public safety		11 348	11 752	-	-	-	-	700	700	12 452	16 703	9 495
Housing		25 125	25 766	-	-	-	-	-	-	25 766	24 415	20 325
Health		4 182	4 679	-	-	-	-	-	-	4 679	6 187	6 778
		1 800	1 800	-	-	-	-	-	-	1 800	265	-
<b>Economic and environmental services</b>												
Planning and development		141 333	143 024	-	-	-	-	-	-	143 024	121 055	103 345
Road transport		10 238	10 350	-	-	-	-	-	-	10 350	19 885	4 305
Environmental protection		131 095	132 673	-	-	-	-	-	-	132 673	101 170	99 040
		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>												
Energy sources		587 124	597 774	-	-	-	-	-	-	597 774	762 917	596 875
Water management		151 116	151 957	-	-	-	-	-	-	151 957	174 125	170 505
Waste water management		256 052	263 574	-	-	-	-	-	-	263 574	470 857	204 035
Waste management		161 758	163 793	-	-	-	-	-	-	163 793	106 628	206 396
		18 198	18 450	-	-	-	-	-	-	18 450	11 308	15 938
<b>Other</b>		237	171	-	-	-	-	-	-	171	530	855
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>787 983</b>	<b>802 260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>1 000</b>	<b>803 260</b>	<b>943 982</b>	<b>747 286</b>
<b>Funded by:</b>												
National Government		320 468	320 468	-	-	-	-	-	-	320 468	505 249	302 110
Provincial Government		1 620	1 620	-	-	-	-	1 000	1 000	2 620	-	-
District Municipality		1 000	1 000	-	-	-	-	-	-	1 000	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>4</b>	<b>323 088</b>	<b>323 088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>1 000</b>	<b>324 088</b>	<b>505 249</b>	<b>302 110</b>
Borrowing		307 044	312 312	-	-	-	-	-	-	312 312	306 532	304 375
Internally generated funds		157 851	166 860	-	-	-	-	-	-	166 860	132 201	140 801
<b>Total Capital Funding</b>		<b>787 983</b>	<b>802 260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>1 000</b>	<b>803 260</b>	<b>943 982</b>	<b>747 286</b>

**Municipal Manager’s Quality Certificate**

I, **DR MICHELE GRATZ**, the Municipal Manager of George Municipality hereby certify that the adjustments budget and supporting documentation for the 2022/23 Financial Year have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print Name **DR MICHELE GRATZ**

Acting Municipal Manager of **GEORGE WC044**

Signature   
\_\_\_\_\_

Date 02/12/2022