



# George Municipality

## Adjustments Budget 2023/2024

30 November 2023



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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>Virement</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. (3):**

*“(3) If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.”*

#### **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) and the Municipal Budget and Reporting Regulations to accommodate changes in grant funding and the approval of the roll-over application for unspent grants.



### 1.3 Council Resolutions

On 30 November 2023, the Council of George Municipality met to consider the adjustments budget for approval. Council approved the following resolutions:

- (a) That the Operating Budget for 2023/2024 be adjusted to reflect the grant allocations as per table A;
- (b) That the Capital budget for 2023/2024 be adjusted to reflect the grant allocations as per table B;
- (c) that the Service Delivery and Budget Implementation Plan (SDBIP) be amended;

That the formal budget tables be updated with the adjustments and submitted to National and Provincial Government

### 1.4 Executive Summary

#### **MOTIVATION: ADDITIONAL TRANSFERS**

With regards to **Regulation 23. (3)** as defined above George Municipality received a reduced allocation amount of R11 876 000 from the National Treasury on 24 October. See **Annexure “A”** for the Division of Revenue Amendment bill Government Gazette no 49550 of 24 October 2023.

With regards to **Regulation 23. (3)** as defined above, George Municipality applied to the National Treasury to roll-over unspent conditional grants for the 2022/2023 financial year. Permission was granted by National Treasury on 8 November 2023, to utilise these funds in the 2023/2024 budget. See **Annexure “B”** for the official letter of approval.

With regards to **Regulation 23. (3)** as defined above, George Municipality applied to the Provincial Treasury to roll-over unspent conditional grants for the 2022/2023 financial year. Permission was granted by Provincial Treasury on 9 November 2023, to utilise these funds in the 2023/2024 budget. See **Annexure “C”** for the official letter of approval.

**TABLE A: REDUCED ALLOCATIONS ADJUSTMENTS**

DIVISION OF REVENUE ACT 2023/24			
GRANT	MAIN ALLOCATION	ADJUSTMENT	ADJUSTED ALLOCATION
Infrastructure Skills Development Grant	6 500 000	- 283 000	6 217 000
Expanded Public Works Programme	4 420 000	- 247 000	4 173 000
Integrated National Electrification Programme	6 346 000	- 1 346 000	5 000 000
Regional Bulk Infrastructure Grant	375 138 000	- 10 000 000	365 138 000
<b>Total</b>	<b>392 404 000</b>	<b>- 11 876 000</b>	<b>380 528 000</b>

**TABLE B: NATIONAL TREASURY ROLL-OVER GRANTS**

NATIONAL TREASURY ROLL-OVERS 2023/24			
GRANT	MAIN ALLOCATION	ADJUSTMENT	ADJUSTED ALLOCATION
Municipal Infrastructure Grant	0	1 960 308	1 960 308
Disaster Recovery Grant	0	229 095 398	229 095 398
Regional Bulk Infrastructure Grant	365 138 000	129 404 089	494 542 089
Integrated National Electrification Grant	5 000 000	104 578	5 104 578
Public Transport Network Grant	144 823 000	24 304 645	169 127 645

**TABLE C: PROVINCIAL TREASURY ROLL-OVER GRANTS**

PROVINCIAL TREASURY ROLL-OVERS 2023/24			
GRANT	MAIN ALLOCATION	ADJUSTMENT	ADJUSTED ALLOCATION
Development of Sport and Recreation Facilities	750 000	693 491	1 443 491
Community Library Services Grant	11 288 000	312 014	11 600 014

**TABLE D: CAPITAL BUDGET FUNDING**

Description	October adjustment budget 2023/2024	Proposed adjustments	November adjustment budget 2023/2024
Capital replacement reserve (CRR)	616 293 477	-335 818 813	282 153 604
External financing fund (EFF)	396 698 257		396 698 257
Grants	411 199 836	333 326 127	333 326 127
Other	2 550 000		2 550 000
<b>Total</b>	<b>1 426 741 570</b>	<b>- 2 492 686</b>	<b>1 424 248 884</b>

The 2023/24 Capital budget is reduced from R1 426 741 570 to R1 424 248 884.

Please see Annexure “D” attached for the list of capital projects.

## 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**

Description	Budget Year 2023/24									Budget Year	Budget Year
	Original	Prior	Accum	Multi-year	Unfore.	Hat. or	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R. thousands	A	A1	B	C	D	E	F	G	H	I	J
<b>Financial Performance</b>											
Property rates	441576	441576	-	-	-	-	-	-	441576	412 496	500 636
Service charges	1 454 159	1 454 159	-	-	-	-	-	-	1 454 159	1 454 525	1 454 652
Investment revenue	42 485	42 485	-	-	-	-	-	-	42 485	42 485	44 596
Transfers recognised - operational	635 961	635 491	-	-	-	-	(59)	(59)	634 961	744 654	676 895
Other own revenue	544 593	544 593	-	-	-	-	-	-	544 593	579 611	6 46 924
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>3 117 867</b>	<b>3 118 224</b>	-	-	-	-	<b>(60)</b>	<b>(60)</b>	<b>3 117 894</b>	<b>3 619 224</b>	<b>3 626 709</b>
Employee costs	100 321	1 0 335	-	-	-	-	(65)	(65)	1 0 352	139 365	179 494
Remuneration of councillors	30 506	30 506	-	-	-	-	-	-	30 506	32 789	34 995
Depreciation & asset impairment	167 004	167 004	-	-	-	-	-	-	167 004	244 504	221 240
Interest	40 300	40 300	-	-	-	-	-	-	40 300	63 409	66 402
Inventory consumed and bulk purchases	1 020 104	1 31 101	-	-	-	-	(4 85)	(4 85)	1 24 102	144 905	165 955
Transfers and subsidies	40 450	40 764	-	-	-	-	-	-	40 764	35 329	35 354
Other expenditure	1 020 400	1 324 494	-	-	-	-	70	70	1 324 744	1 431 404	1 641 600
<b>Total Expenditure</b>	<b>3 096 095</b>	<b>3 070 622</b>	-	-	-	-	<b>(6 40)</b>	<b>(4 940)</b>	<b>3 096 094</b>	<b>3 366 323</b>	<b>3 679 184</b>
<b>Surplus/(Deficit)</b>	<b>21 772</b>	<b>47 602</b>	-	-	-	-	<b>4 19</b>	<b>4 19</b>	<b>21 799</b>	<b>252 901</b>	<b>147 525</b>
Transfers and subsidies - capital (provisional alloc	462 994	414 964	-	-	-	-	3 111*1	3 111*1	466 115	339 490	47 251
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>174 878</b>	<b>122 640</b>	-	-	-	-	<b>376 229</b>	<b>376 229</b>	<b>388 439</b>	<b>402 997</b>	<b>179 772</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>174 878</b>	<b>122 640</b>	-	-	-	-	<b>376 229</b>	<b>376 229</b>	<b>388 439</b>	<b>402 997</b>	<b>179 772</b>
<b>Capital expenditure &amp; funds sources</b>											
Capital expenditure	1 423 448	1 424 742	-	-	-	-	(4 85)	(4 85)	1 424 240	1 424 599	483 299
Transfers recognised - capital	391 576	409 521	-	-	-	-	333 324	333 324	724 900	261 564	50 306
Borrowing	314 405	399 240	-	-	-	-	-	-	399 240	314 405	2 942 13
Internally generated funds	240 700	6 11 912	-	-	-	-	(33 500)	(33 500)	2 02 404	222 433	900 470
<b>Total sources of capital funds</b>	<b>1 028 049</b>	<b>1 428 742</b>	-	-	-	-	<b>(2 480)</b>	<b>(2 480)</b>	<b>1 426 248</b>	<b>2 224 699</b>	<b>443 288</b>
<b>Financial position</b>											
Total current assets	741 254	335 491	-	-	-	-	(6 40)	(6 40)	324 954	1 94 420	940 491
Total non current assets	4 325 221	4 720 424	-	-	-	-	(4 85)	(4 85)	4 724 333	5 002 339	5 221 520
Total current liabilities	521 420	5 11 492	-	-	-	-	(6 11 42)	(6 11 42)	129 701	55 100	500 404
Total non current liabilities	940 118	940 118	-	-	-	-	-	-	940 118	1 200 110	1 544 459
<b>Community wealth/Equity</b>	<b>3 685 944</b>	<b>3 601 321</b>	-	-	-	-	<b>376 229</b>	<b>376 229</b>	<b>3 677 207</b>	<b>3 226 241</b>	<b>4 096 616</b>
<b>Cash flows</b>											
Net cash from (use of) operating	664 543	664 620	-	-	-	-	(11 10)	(11 10)	674 988	664 620	5 11 270
Net cash from (use of) investing	(1 423 448)	(1 424 742)	-	-	-	-	2 400	2 400	(1 424 240)	(1 424 599)	(483 299)
Net cash from (use of) financing	244 244	244 244	-	-	-	-	-	-	244 244	392 8 5	3 444 40
<b>Cash/cash equivalents at the year end</b>	<b>622 282</b>	<b>112 016</b>	-	-	-	-	<b>(6 280)</b>	<b>(6 280)</b>	<b>1 03 922</b>	<b>644 423</b>	<b>629 382</b>
<b>Cash banking/surplus reconciliation</b>											
Cash and investments available	483 532	49 290	-	-	-	-	(6 40)	(6 40)	59 996	5 11 411	1 14 794
Application of cash and investments	(5 11 950)	(5 1 422)	-	-	-	-	(2 145 10)	(2 145 10)	(6 55 933)	(710 000)	(1 159 121)
<b>Balance - surplus (shortfall)</b>	<b>1 046 470</b>	<b>60 712</b>	-	-	-	-	<b>206 120</b>	<b>206 120</b>	<b>816 040</b>	<b>1 299 419</b>	<b>1 899 620</b>
<b>Asset management</b>											
Asset register summary (R00)	4 214 451	4 470 350	-	-	-	-	(4 85)	(4 85)	4 475 450	4 95 1 663	5 111 452
Depreciation	167 004	167 004	-	-	-	-	-	-	167 004	244 504	221 240
Renewal and Upgrading of Existing Assets	359 400	6 16 305	-	-	-	-	6 0 74	6 0 74	6 21 409	32 122	95 992
Repairs and Maintenance	224 400	224 500	-	-	-	-	-	-	224 500	240 346	241 950
<b>Free services</b>											
Cost of Free Basic Services provided	115 448	115 414	-	-	-	-	-	-	115 448	1 121 2	209 215
Revenue cost of free services provided	54 402	54 402	-	-	-	-	-	-	54 402	50 404	61 930
<b>Households below minimum service level</b>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

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

George Local Municipality - Table B2 Adjustments Budget Financial Performance (functional classification) - 30/11/2023

Standard Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Net or Rev. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Thousands	1, 4	A	5	6	7	8	9	10	11	12	+1 2023/25	+2 2025/26
		A	A1	B	C	D	E	F	G	H		
<b>Revenue - Functional</b>												
Governance and administration		519 525	520 100	-	-	-	-	(247)	(247)	519 553	550 491	552 407
Executive and council		4	4	-	-	-	-	-	-	4	4	5
Finance and administration		519 321	520 096	-	-	-	-	(247)	(247)	519 349	550 486	552 402
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		50 595	50 750	-	-	-	-	3 807	3 807	54 598	218 439	68 394
Community and social services		22 922	22 434	-	-	-	-	3 12	312	22 746	22 688	23 655
Sport and recreation		17 427	17 343	-	-	-	-	3 495	3 495	20 838	8 979	16 14
Public safety		86 582	87 439	-	-	-	-	-	-	87 439	9 1777	97 284
Housing		23 399	23 399	-	-	-	-	-	-	23 399	94 869	35 645
Health		175	175	-	-	-	-	-	-	175	185	197
Economic and environmental services		521 454	521 378	-	-	-	-	2 022	2 022	545 395	524 188	546 237
Planning and development		23 488	23 418	-	-	-	-	(263)	(263)	23 155	23 470	24 417
Road transport		487 932	487 932	-	-	-	-	24 305	24 305	522 237	500 694	52 1855
Environmental protection		24	24	-	-	-	-	-	-	24	24	25
Trading services		2 388 040	2 400 544	-	-	-	-	34 3555	343 555	2 744 410	2 455 388	2 455 700
Energy services		979 286	979 286	-	-	-	-	9 407	9 407	988 693	1 100 141	129 1938
Water management		884 915	887 828	-	-	-	-	136 221	136 221	1 024 048	762 882	829 240
Waste water management		303 074	313 033	-	-	-	-	197 968	197 968	511 001	377 248	305 876
Waste management		220 765	220 397	-	-	-	-	-	-	220 397	225 138	238 645
Other		616	388	-	-	-	-	-	-	333	458	168
<b>Total Revenue - Functional</b>	2	3 579 981	3 593 192	-	-	-	-	371 177	371 077	3 964 370	3 758 725	3 752 955
<b>Expenditure - Functional</b>												
Governance and administration		483 297	483 955	-	-	-	-	(247)	(247)	483 708	508 643	54 288
Executive and council		75 277	75 417	-	-	-	-	-	-	75 417	80 392	86 035
Finance and administration		389 071	389 524	-	-	-	-	(247)	(247)	389 277	408 077	455 107
Internal audit		18 949	19 014	-	-	-	-	-	-	19 014	20 175	2 1682
Community and public safety		301 521	305 830	-	-	-	-	132	132	306 022	389 749	350 095
Community and social services		63 315	63 066	-	-	-	-	-	-	63 066	66 555	70 248
Sport and recreation		38 615	36 835	-	-	-	-	-	-	36 835	41 735	44 798
Public safety		188 191	188 526	-	-	-	-	132	132	188 658	146 953	157 151
Housing		54 256	60 321	-	-	-	-	-	-	60 321	26 947	69 850
Health		7 143	7 143	-	-	-	-	-	-	7 143	7 558	8 054
Economic and environmental services		954 953	955 555	-	-	-	-	(4 533)	(4 533)	952 022	951 354	957 157
Planning and development		46 504	46 524	-	-	-	-	(4 533)	(4 533)	41 991	46 718	49 189
Road transport		513 920	514 530	-	-	-	-	-	-	514 530	510 581	533 671
Environmental protection		4 530	5 502	-	-	-	-	-	-	5 502	4 056	4 318
Trading services		1 695 530	1 694 600	-	-	-	-	-	-	1 694 600	1 875 523	2 072 390
Energy services		892 621	892 651	-	-	-	-	-	-	892 651	999 712	1 128 376
Water management		425 699	425 699	-	-	-	-	-	-	425 699	459 197	495 205
Waste water management		257 703	257 217	-	-	-	-	-	-	257 217	284 483	306 185
Waste management		119 506	119 033	-	-	-	-	-	-	119 033	133 152	142 605
Other		19 758	19 562	-	-	-	-	-	-	19 562	19 589	20 727
<b>Total Expenditure - Functional</b>	3	3 065 058	3 070 568	-	-	-	-	(4 643)	(4 643)	3 065 915	3 355 858	3 573 194
<b>Surplus/ (Deficit) for the year</b>		514 923	522 629	-	-	-	-	375 820	375 826	898 455	402 867	179 722



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

George Local Municipality - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 30/11/2023

Vote Description  (Incl of departments/ structures etc)	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Net or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
<b>Revenue by Vote</b>	1											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporat Services		17 995	17 507	-	-	-	-	312	312	17 819	17 474	18 184
Vote 3 - Corporat Services		4 165	4 036	-	-	-	-	(247)	(247)	3 791	2 708	2 815
Vote 4 - Corporat Services		3 454	3 732	-	-	-	-	-	-	3 732	3 606	3 787
Vote 5 - Community Services		21 270	21 633	-	-	-	-	3 495	3 495	25 128	19 052	5 931
Vote 6 - Community Services		332 248	332 737	-	-	-	-	-	-	332 737	345 305	363 899
Vote 7 - Community Services		1 100	1 100	-	-	-	-	-	-	1 100	1 166	1 236
Vote 8 - Civil Engineering Services		1 199 452	1 212 459	-	-	-	-	334 189	334 189	1 546 648	1 151 408	947 355
Vote 9 - Civil Engineering Services		464 790	464 790	-	-	-	-	24 305	24 305	489 094	466 432	485 513
Vote 10 - Electo-technical Services		981 561	981 561	-	-	-	-	9 407	9 407	990 968	1 102 301	1 294 213
Vote 11 - Financial Services		458 308	458 308	-	-	-	-	-	-	458 308	489 145	518 477
Vote 12 - Financial Services		44 288	44 288	-	-	-	-	-	-	44 288	45 566	47 022
Vote 13 - Human Settlements, Planning and Development		51 340	51 037	-	-	-	-	(283)	(283)	50 754	122 561	645 333
Vote 14 - (NAME OF VOTE 14)		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	3 579 981	3 598 192	-	-	-	-	371 177	371 177	3 969 370	3 758 725	3 752 965
<b>Expenditure by Vote</b>	1											
Vote 1 - Office of the Municipal Manager		28 709	28 709	-	-	-	-	-	-	28 709	30 537	32 720
Vote 2 - Corporat Services		73 920	73 142	-	-	-	-	-	-	73 142	77 518	81 748
Vote 3 - Corporat Services		46 805	46 496	-	-	-	-	(247)	(247)	46 249	48 168	51 361
Vote 4 - Corporat Services		96 483	96 921	-	-	-	-	-	-	96 921	102 735	109 789
Vote 5 - Community Services		72 559	73 184	-	-	-	-	-	-	73 184	77 566	82 777
Vote 6 - Community Services		297 362	297 365	-	-	-	-	132	132	297 498	322 019	344 214
Vote 7 - Community Services		948	948	-	-	-	-	-	-	948	1 031	1 091
Vote 8 - Civil Engineering Services		722 310	722 466	-	-	-	-	-	-	722 466	783 539	843 739
Vote 9 - Civil Engineering Services		489 692	489 692	-	-	-	-	-	-	489 692	496 596	518 863
Vote 10 - Electo-technical Services		926 511	926 511	-	-	-	-	-	-	926 511	1 035 153	1 165 767
Vote 11 - Financial Services		129 198	129 199	-	-	-	-	-	-	129 199	131 206	140 685
Vote 12 - Financial Services		56 965	56 665	-	-	-	-	-	-	56 665	60 533	64 929
Vote 13 - Human Settlements, Planning and Development		119 565	119 262	-	-	-	-	(4 533)	(4 533)	114 729	189 258	65 529
Vote 14 - (NAME OF VOTE 14)		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	3 065 058	3 070 563	-	-	-	-	(4 643)	(4 643)	3 065 915	3 355 838	3 573 194
<b>Surplus/ (Deficit) for the year</b>	2	514 923	527 629	-	-	-	-	375 820	375 820	898 455	402 887	179 772

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

George Local Municipality - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 30/11/2023

Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Net. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
1	A	A1	B	C	D	E	F	G	H			
<b>Thousands</b>												
<b>Revenue</b>												
<b>Exchange Revenue</b>												
Service charges - Electricity	2	916 429	916 429	-	-	-	-	-	-	916 429	1032 615	1215 624
Service charges - Water	2	216 058	216 058	-	-	-	-	-	-	216 058	239 864	263 850
Service charges - Water Management	2	163 193	163 193	-	-	-	-	-	-	163 193	176 349	188 775
Service charges - Water Management	2	156 470	156 470	-	-	-	-	-	-	156 470	167 497	177 603
Sale of Goods and Rendering of Services		113 628	113 628	-	-	-	-	-	-	113 628	129 680	145 325
Agency services		19 734	19 734	-	-	-	-	-	-	19 734	20 918	22 173
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		11 724	11 724	-	-	-	-	-	-	11 724	12 428	13 173
Interest earned from Current and Non Current Assets		42 415	42 415	-	-	-	-	-	-	42 415	43 687	44 998
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		5 231	5 231	-	-	-	-	-	-	5 231	5 545	5 878
License and permits		677	677	-	-	-	-	-	-	677	717	760
Operational Revenue		44 874	44 874	-	-	-	-	-	-	44 874	47 567	50 421
<b>Non-Exchange Revenue</b>												
Property rates		441 578	441 578	-	-	-	-	-	-	441 578	472 468	500 838
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		89 083	89 083	-	-	-	-	-	-	89 083	94 427	100 079
Licences or permits		4 161	4 161	-	-	-	-	-	-	4 161	4 411	4 677
Transfer and subsidies - Operational		635 102	635 491	-	-	-	-	(530)	(530)	634 961	706 654	678 055
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		17 670	17 670	-	-	-	-	-	-	17 670	19 233	21 146
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		237 810	237 810	-	-	-	-	-	-	237 810	244 945	252 293
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>3 117 637</b>	<b>3 118 225</b>					<b>(530)</b>	<b>(530)</b>	<b>3 117 696</b>	<b>3 419 225</b>	<b>3 655 769</b>
<b>Expenditure By Type</b>												
Employee related costs		706 327	713 235	-	-	-	-	(263)	(263)	712 972	739 365	779 486
Remuneration of councillors		30 568	30 548	-	-	-	-	-	-	30 548	32 709	34 955
Bulk purchases - electricity		707 250	707 250	-	-	-	-	-	-	707 250	796 990	910 937
Inventory consumed		321 454	323 024	-	-	-	-	-	-	323 024	343 862	371 320
Debt impairment		95 146	95 146	-	-	-	-	-	-	95 146	99 903	104 886
Depreciation and amortisation		187 804	187 804	-	-	-	-	-	-	187 804	206 584	227 242
Interest		40 388	40 388	-	-	-	-	-	-	40 388	63 409	68 482
Contracted services		694 978	690 381	-	-	-	-	(4 435)	(4 435)	685 946	771 656	750 589
Transfer and subsidies		40 658	40 766	-	-	-	-	-	-	40 766	35 329	35 356
Irrecoverable debts written off		8 772	8 772	-	-	-	-	-	-	8 772	11 290	5 190
Operational costs		181 933	185 487	-	-	-	-	70	70	185 557	203 616	219 464
Losses on disposal of Assets		750	750	-	-	-	-	-	-	750	803	867
Other losses		47 030	47 030	-	-	-	-	-	-	47 030	50 322	54 348
<b>Total Expenditure</b>		<b>3 056 058</b>	<b>3 070 552</b>					<b>(4 645)</b>	<b>(4 645)</b>	<b>3 056 594</b>	<b>3 355 253</b>	<b>3 573 194</b>
<b>Surplus/(Deficit)</b>		<b>52 779</b>	<b>4 764</b>					<b>4 145</b>	<b>4 145</b>	<b>51 763</b>	<b>63 358</b>	<b>112 515</b>
Transfer and subsidies - capital (money allocations)		462 094	474 966	-	-	-	-	37 1707	37 1707	446 673	339 488	67 257
Transfer and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers B</b>		<b>54 873</b>	<b>522 610</b>					<b>375 826</b>	<b>375 826</b>	<b>898 436</b>	<b>402 867</b>	<b>179 772</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>54 873</b>	<b>522 610</b>					<b>375 826</b>	<b>375 826</b>	<b>898 436</b>	<b>402 867</b>	<b>179 772</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>54 873</b>	<b>522 610</b>					<b>375 826</b>	<b>375 826</b>	<b>898 436</b>	<b>402 867</b>	<b>179 772</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>54 873</b>	<b>522 610</b>					<b>375 826</b>	<b>375 826</b>	<b>898 436</b>	<b>402 867</b>	<b>179 772</b>



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

George Local Municipality - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 30/11/2023

Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Ret. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjust.	Adjust.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H	I	J	
<b>Capital expenditure -Vote</b>												
<b>Multi-year expenditure to be adopted</b>												
Vote 1 - Office of the Municipal Manager		60	60	-	-	-	-	-	-	60	25	35
Vote 2 - Corporate Services		6 500	6 530	-	-	-	-	51	51	6 590	2 000	1 000
Vote 3 - Corporate Services		450	450	-	-	-	-	-	-	450	500	500
Vote 4 - Corporate Services		500	510	-	-	-	-	-	-	510	500	-
Vote 5 - Community Services		4 000	2 100	-	-	-	-	600	600	2 100	1 000	4 000
Vote 6 - Community Services		30 000	1 400	-	-	-	-	-	-	1 400	11 000	13 000
Vote 7 - Community Services		-	00	-	-	-	-	-	-	00	1 000	200
Vote 8 - Civil Engineering Services		21 510	9 000	-	-	-	-	(9 500)	(9 500)	14 510	4 100	23 400
Vote 9 - Civil Engineering Services		40	2 000	-	-	-	-	-	-	2 000	2 000	2 000
Vote 10 - Electro-technical Services		141 500	2 000 000	-	-	-	-	(1 000)	(1 000)	2 000 000	2 000 000	1 000 000
Vote 11 - Financial Services		110	440	-	-	-	-	-	-	440	50	200
Vote 12 - Financial Services		120	2 000	-	-	-	-	-	-	2 000	2 000	2 000
Vote 13 - Human Settlements, Planning and Development and Property Management		24 000	20 000	-	-	-	-	4 000	4 000	28 000	30 000	1 000
Vote 14 - [NAME OF UO IE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF UO IE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>		<b>481 860</b>	<b>1 248 380</b>	-	-	-	-	<b>(20 000)</b>	<b>(20 000)</b>	<b>1 228 380</b>	<b>779 340</b>	<b>376 310</b>
<b>Single-year expenditure to be adopted</b>												
Vote 1 - Office of the Municipal Manager		50	50	-	-	-	-	-	-	50	50	50
Vote 2 - Corporate Services		1 000	1 100	-	-	-	-	250	250	1 350	2 000	1 400
Vote 3 - Corporate Services		600	600	-	-	-	-	-	-	600	300	-
Vote 4 - Corporate Services		900	000	-	-	-	-	-	-	000	000	-
Vote 5 - Community Services		20 000	1 000	-	-	-	-	-	-	1 000	1 100	3 000
Vote 6 - Community Services		2 100	30 000	-	-	-	-	-	-	30 000	20 000	11 000
Vote 7 - Community Services		900	000	-	-	-	-	-	-	000	500	900
Vote 8 - Civil Engineering Services		350 000	100 000	-	-	-	-	20 000	20 000	370 000	51 000	46 000
Vote 9 - Civil Engineering Services		5 000	2 000	-	-	-	-	(500)	(500)	2 000	200	-
Vote 10 - Electro-technical Services		10 000	0 000	-	-	-	-	-	-	0 000	0 000	0 000
Vote 11 - Financial Services		100	000	-	-	-	-	-	-	000	000	110
Vote 12 - Financial Services		000	-	-	-	-	-	-	-	-	-	-
Vote 13 - Human Settlements, Planning and Development and Property Management		3 000	000	-	-	-	-	-	-	000	000	000
Vote 14 - [NAME OF UO IE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF UO IE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>641 000</b>	<b>1 70 000</b>	-	-	-	-	<b>20 000</b>	<b>20 000</b>	<b>200 000</b>	<b>100 000</b>	<b>77 400</b>
<b>Total Capital Expenditure - Vote</b>		<b>1 023 000</b>	<b>1 428 700</b>	-	-	-	-	<b>(2 000)</b>	<b>(2 000)</b>	<b>1 428 380</b>	<b>879 340</b>	<b>453 710</b>
<b>Capital Expenditure - Functional</b>												
Beverance and administration		10 000	0 000	-	-	-	-	-	-	0 000	4 000	6 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		1 000	5 000	-	-	-	-	-	-	5 000	4 000	5 000
Internal audit		000	000	-	-	-	-	-	-	000	000	000
Diversity and public safety		70 000	80 000	-	-	-	-	1 000	1 000	81 000	80 000	41 000
Community and social services		0 000	0 000	-	-	-	-	0 000	0 000	0 000	0 000	0 000
Sport and recreation		20 000	20 000	-	-	-	-	000	000	20 000	11 000	5 000
Public safety		30 000	31 000	-	-	-	-	-	-	31 000	000	20 000
Housing		1 000	1 000	-	-	-	-	-	-	1 000	1 000	0 000
Health		1 000	1 000	-	-	-	-	-	-	1 000	2 000	000
Economic and environmental services		120 000	220 000	-	-	-	-	0 000	0 000	220 000	100 000	80 000
Planning and development		20 000	2 000	-	-	-	-	4 000	4 000	24 000	20 000	1 000
Road transport		90 000	200 000	-	-	-	-	4 000	4 000	204 000	14 000	4 000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Travelling services		20 000	1 000 000	-	-	-	-	(12 000)	(12 000)	1 008 000	700 000	300 000
Energy services		20 000	2 11 000	-	-	-	-	(1 000)	(1 000)	21 000	20 000	10 000
Waste management		300 000	5 2 000	-	-	-	-	(1 000)	(1 000)	5 1 000	300 000	0 000
Waste water management		0 000	20 000	-	-	-	-	(000)	(000)	20 000	20 000	0 000
Waste management		1 000	11 000	-	-	-	-	-	-	11 000	2 000	000
Other		000	000	-	-	-	-	-	-	000	100	200
<b>Total Capital Expenditure - Functional</b>		<b>1 023 000</b>	<b>1 428 700</b>	-	-	-	-	<b>(2 000)</b>	<b>(2 000)</b>	<b>1 428 380</b>	<b>879 340</b>	<b>453 710</b>
<b>Funded by:</b>												
National Government		300 000	300 000	-	-	-	-	300 000	300 000	100 000	200 000	50 000
Provincial Government		-	11 000	-	-	-	-	1 000	1 000	0 000	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (mandatory allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognized - capital		380 000	4 000 000	-	-	-	-	380 000	380 000	700 000	200 000	6 000
Borrowing		300 000	300 000	-	-	-	-	-	-	300 000	300 000	2 000
Internally generated funds		200 000	6 000 000	-	-	-	-	(300 000)	(300 000)	200 000	200 000	1 000
<b>Total Capital Funding</b>		<b>1 023 000</b>	<b>1 428 700</b>	-	-	-	-	<b>(2 000)</b>	<b>(2 000)</b>	<b>1 428 380</b>	<b>879 340</b>	<b>453 710</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 2023/24 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**

Municipal Manager of **GEORGE WC044**

Signature  \_\_\_\_\_

Date 07/12/2023