



Edition 49 JUNE 2021

MUNICIPAL BUDGET 2021/22 IN BRIEF / MUNISIPALE BEGROTING 2021/22 OORSIG

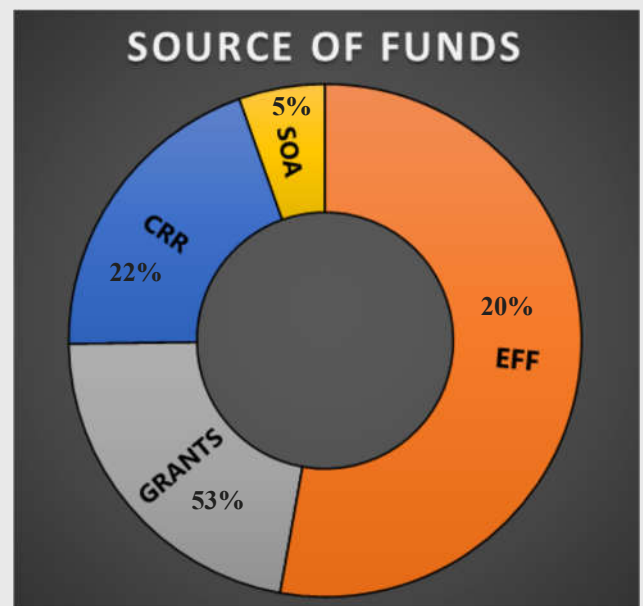
BUDGET TYPE	Original Budget 2020/21 R'000	Feb 2020/21 Adjustment Budget R'000	Original Budget 2021/22 R'000
Capital	387 975	254 924	370 443
Operating Income	2 334 589	2 338 509	2 512 874
Operating Expenditure	2 379 689	2 315 375	2 511 069

2021/22 CAPITAL OVERVIEW AT A GLANCE

Major capital projects planned for 2021/22:

- ◆ Road Reseal & Rebuilding - R19m
- ◆ Stormwater Upgrade Projects - R30m
- ◆ GIPTN Road Rehab - R30.5m
- ◆ Extension of Water Works - R11.5m
- ◆ Water Pipe Network Rehab & Refurbishment - R7m
- ◆ General Sewer Pipe Network Upgrade - R6.5m
- ◆ Thembalethu UISP Sewer Infrastructure - R5.5m
- ◆ Sewer Pumpstation Upgrades - R34m
- ◆ Waste Water Treatment Works Expansion - R77m
- ◆ New Ballots Bay Electrical Substation - R29m
- ◆ Transformer Acquisition & Refurbishment - R6.5m
- ◆ Housing Developments Electricity Reticulation - R9.5m
- ◆ Tartan Sport Track (Rosemoor) - R9.5m

The capital budget is funded from the Capital Replacement Reserve (CRR) with R73.2m, Grants of R81.4m, R195.6m from External Loan Funding (EFF) and the remaining portion from the Housing Separate Operating Account (SOA).



CAPITAL BUDGET PER DIRECTORATE FOR 2021/22

ELECTRICAL



16%

FINANCE



0.1%

PLANNING



0.3%

COMMUNITY



6.5%

MM



0.2%

PROTECTION



2.7%

CORPORATE



0.5%

HUMAN SETTLEMENTS



0.9%

CIVIL



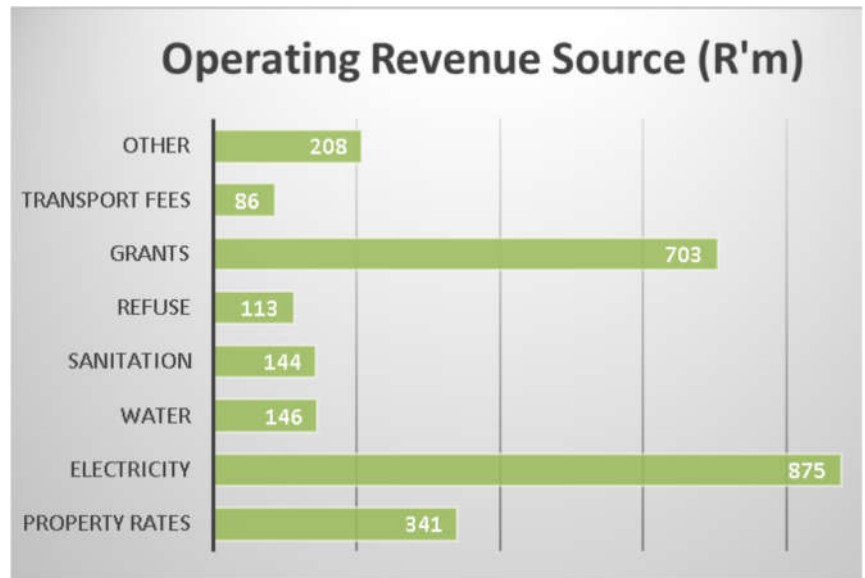
73%

OPERATING BUDGET 2021/22

The graph to the right indicates the split in terms of the operating revenue to be received during the year.

The major Operating Expenditure items can be broken down as follows:

- Employee Related Costs - R606m
- Contracted Services - R594m
- Bulk Purchases - R613m
- Operational Cost - R148m
- Bad Debts Written off - R127m
- Inventory Consumed - R108m
- Depreciation & Amortisation - R158m
- Transfers & Subsidies - R65m
- Other Expenses - R92m



PROPERTY RATES / BELASTING TARIWE

Rates: In terms of the Rates Act, Act no 6 of 2004 the below changes to the Rates were resolved: / **Belasting:** In terme van die Eiendomsbelastingwet, Wet 6 van 2004 word onderstaande wysigings aan die Belastingbeleid aanvaar:

Owners who prefer to pay their property rates annually must please apply in writing/e-mail (accounts@george.gov.za).

All other service charges will only be payable monthly. Skriftelike aansoek/e-pos (accounts@george.gov.za), indien eienaars hul belasting jaarliks wil betaal. **Alle ander dienste heffings is slegs maandeliks betaalbaar.**

Category of property/ Kategorieë van eiendom	Rand rate determined for the relevant property category / Bedrag vasgestel in die Rand koers vir die betrokke eiendoms kategorieë
Residential property	R0.007610
Vacant – Residential property	R0.010341
Business and Commercial property	R0.010737
Industrial & Mining property	R0.010737
Agricultural property	R0.001903
Public Service Infrastructure property (Normal)	R0.001903
Public Benefit Organisation property (100% rebate)	R0.001903
State-owned property (Public Service Purpose)	As per the relevant category above
Other Properties	R0.007610

APPROVED SERVICE TARIFF INCREASES



PROPERTY RATES 6%

ELECTRICITY 14.59%



WATER 6%

OTHER SERVICES 2%



SANITATION 6%

REFUSE 4.5%



Please note: Electricity tariff increases are governed by the National Energy Regulator of South Africa (NERSA). George Municipality will be paying ESKOM 17.8% more for bulk purchases from 01 July 2021, however as per NERSA guidelines a 14.59 % increase will be charged to consumers.

