

2.5: REQUEST TO ADOPT THIRD QUARTER 2010-11 BUDGET REVIEW

Attachments : Third Quarter 2010-11 Budget Review
Responsible Officer : Acting Executive Director Corporate Services (P Wignall)

IN BRIEF

- Adoption of the Third Quarter 2010-11 Budget Review.

**ITEM 2.5: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council ADOPT the Third Quarter 2010-11 Budget Review.

BACKGROUND

1. At the Special Council Meeting held on 29th June 2010, Council resolved at Item 6.1 (xii):
One month before the scheduled quarterly review, council convene a meeting for the purpose of managing the budget and overseeing its progressive implementation.
2. The Audit Committee met on 12 April 2011.
3. The Third Quarter Review of the 2010-11 Budget was presented and discussed at the 12 April 2011 Audit Committee meeting.

DISCUSSION

4. The net position of the Budget following the first quarterly 2010-11 Budget review is a surplus of **\$29,230**.
5. There were a number of required amendments resulting from changed circumstances since the Second Quarterly Review **was adopted**.

GOVERNMENT CONSULTATION

6. Nil

PUBLIC CONSULTATION / ENGAGEMENT

7. Nil

CEO:

RESPONSIBLE OFFICER:

STATUTORY IMPLICATIONS

8. Under the Local Government Act, Section 6.8, a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure:
- a. is incurred in a financial year before the adoption of the annual budget by the local government
 - b. is authorised in advance by a resolution (absolute majority required) or
 - c. is authorised in advance by the mayor in an emergency

STRATEGIC IMPLICATIONS

9. This item relates to the following elements from the Albany Insight – Beyond 2010 Corporate Plan...

Community Vision:
Nil

Priority Goals and Objectives:

Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.2 The City of Albany will manage the Municipal Assets to ensure they are capable of supporting our growing community.

City of Albany Mission Statement:

At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

10. Nil

RISK IDENTIFICATION & MITIGATION

Risk	Likelihood	Consequence	Risk Rating	Mitigation
Council does not approve the Third Quarter 2010-11 Budget Review	Unlikely	Moderate	Medium	The existing Current Budget (Second Quarterly Review) would apply and proposed amendments would not apply.

FINANCIAL IMPLICATIONS

11. A summary of the proposed Third Quarter 2011-11 Budget Review follows:

	Original Budget	Current Budget	Proposed Q3 Budget	Variance from Current Budget
General Management	1,322,458	1,322,458	1,276,695	(45,763)
Corporate & Community Serv.	7,558,921	7,813,481	9,502,741	1,679,260
Development Services	1,751,112	1,769,612	1,859,119	89,507
Works & Services	13,799,472	13,740,471	13,557,541	(182,930)
General Purpose Income	(27,665,689)	(27,924,548)	(27,959,052)	(34,504)
Loans	3,233,726	3,233,726	1,733,726	(1,500,000)
Total (Surplus)/Deficit	0	(34,800)	(29,230)	5,570

LEGAL IMPLICATIONS

12. Nil

ALTERNATE OPTIONS

13. The Third Quarter 2010-11 Budget Review is not adopted by Council and the proposed re-allocation of budget line items therefore could not be applied.

14. The Third Quarter 2010-11 Budget Review may be adopted subject to specific changes directed by Council. The proposed small surplus would be affected by any changes directed by Council.

SUMMARY CONCLUSION

15. Nil

Consulted References	Adopted Budget 2010-11 Adopted Second Quarter 2010-11 Budget Review Local Government Act 1995
File Number (Name of Ward)	FM.BUG.2
Previous Reference	<ul style="list-style-type: none"> • Annual Budget – OCM 29th June 2010 • 1st Quarter 2010-11 Budget Review - OCM 12th October 2010 Item 2.3 • 2nd Quarter 2010-11 Budget Review - OCM 15th February 2011 Item 15.1