

**CSF018: ADOPTION OF THE BUDGET REVIEW FOR THE PERIOD
ENDING 31 JULY 2013**

Attachments : Budget Review for the period ending 31 July 2013
Responsible Officer(s): : Executive Director Corporate Services (G Adams)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the [City of Albany Strategic Community Plan 2023](#) and [Corporate Business Plan 2013-2017](#):
 - a) **Key Theme:** 5. Civic Leadership.
 - b) **Strategic Objective:** 5.1. To establish and maintain sound business and governance structures.
 - c) **Strategic Initiative:** 5.1.3_Integrated Planning Framework.

IN BRIEF

- Local governments are required to conduct a budget review between 1 January and 31 March each financial year which is a requirement covered by regulation 33A of the Local Government (Financial Management) Regulations 1996. The Department recommends a review of the budget early in the financial year to amend carry forward projects from forecast to actual.
- This review is for the period ending 31 July 2013 and will be followed by a proposed further review for the period ending 31 January 2013. Budget adjustments of an urgent nature will be brought to a Council Meeting as an item to be discussed when required and actioned outside of these reviews.

RECOMMENDATION

**CSF018: COMMITTEE RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council ADOPT the Budget Review for the period ending 31 July 2013

CSF018: COMMITTEE RECOMMENDATION

MOVED: MAYOR WELLINGTON
SECONDED: COUNCILLOR CALLEJA

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 9-0

CSF018: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council ADOPT the Budget Review for the period ending 31 July 2013

BACKGROUND

2. Council adopted the 2013/2014 Budget on 16 July 2013 (total budget of \$102.5M comprising \$45M capital works, \$2.6M debt reduction and \$54.9M in operating expenditure).

DISCUSSION

3. This Budget Review identifies expenditure of \$292,544 for general works, variations and new projects. Funding of \$292,544 inclusive of reduction in expenditures, adjustment of grant funding, additional revenue, reserve funding and increase in opening funds has been identified in this review to maintain a surplus budget.

This budget review shows the 2013-14 budget in a surplus position of \$60,805.

Executives, managers and officers with budget responsibility were consulted in the preparation of the Budget Review.

A copy of the Budget Review for the period ending 31 July 2013 is attached.

GOVERNMENT & PUBLIC CONSULTATION

4. Nil

STATUTORY IMPLICATIONS

5. Under the *Local Government Act 1995*, 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 authorized in advance by a resolution (absolute majority required) or;
 - c) is authorized in advance by the mayor in an emergency.

POLICY IMPLICATIONS

6. Nil

RISK IDENTIFICATION & MITIGATION

7. The risk identification and categorisation relies on the City's [Enterprise Risk Management Framework](#).

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Council does not approve the Budget Review	Unlikely	Moderate	Medium	The existing Annual Budget would apply and proposed amendments would not apply.

FINANCIAL IMPLICATIONS

BUDGET REVIEW FOR THE PERIOD ENDING 31 JULY 2013

This Review Maintains Council's Budget in a Surplus Position

GENERAL WORKS/VARIATIONS. (Additional Funds Required)		\$ (292,544)
FUNDED BY		
- Reduction in Expenditure	90,278	
- Adjustment in Grant Funding	(80,355)	
- Funding from Restricted Cash	245,000	<u>254,923</u>
Balance		<u>(37,621)</u>
- Adjustment to opening funds from forecast to actual 30 June 13	2,155,141	
- Carry Forward Adjustment From 2012/13 Financial Year	(2,195,410)	
- Original 13/14 Budgeted closing funds	138,695	
- Amended 13/14 Budgeted closing funds		<u>60,805</u>

LEGAL IMPLICATIONS

8. Nil

ENVIRONMENTAL CONSIDERATIONS

9. Nil

ALTERNATE OPTIONS

10. Adopt the Budget Review for the period ending 31 July 2013 with amendments (as specified by Council).

SUMMARY CONCLUSION

Consulted References	:	Adopted Budget 2012-13 Local Government Act 1995
File Number (Name of Ward)	:	FM.BUG.2
Previous Reference	:	• Annual Budget – Special Council Meeting 16 th July 2013