



TOWN OF GAWLER MONTHLY FINANCE REPORT 31 AUGUST 2018 FOR YEAR ENDING 30 JUNE 2019

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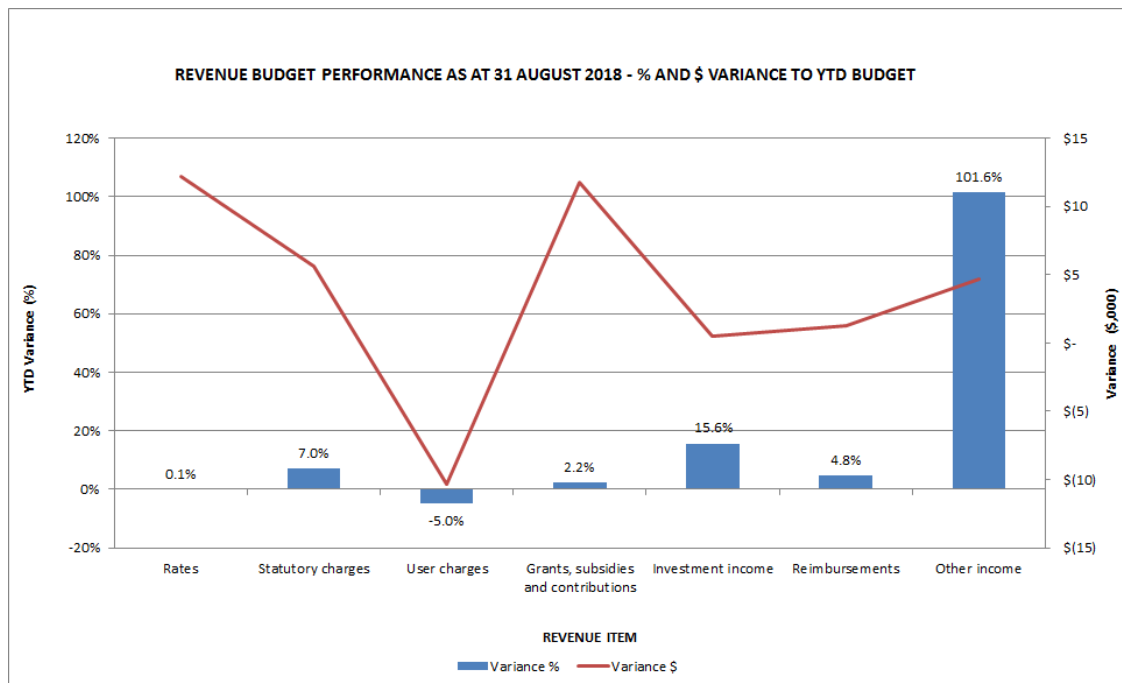
Executive Summary

The following report details the Town of Gawler's year to date (YTD) operating performance. All variances exceeding both \$5,000 and 5% have been identified and explanatory notes have been provided. All variances are closely monitored by budget managers and finance staff.

(a) Income

Graph 1 below shows a summary of the YTD actual operating income performance against the YTD budget.

Graph 1 – YTD Operating Income Performance against YTD Budget



Overall, the YTD actual operating income of \$23.298M is \$26K higher than the YTD budget of \$22.272M. The variances that are greater than \$5K and 5% are disclosed below:

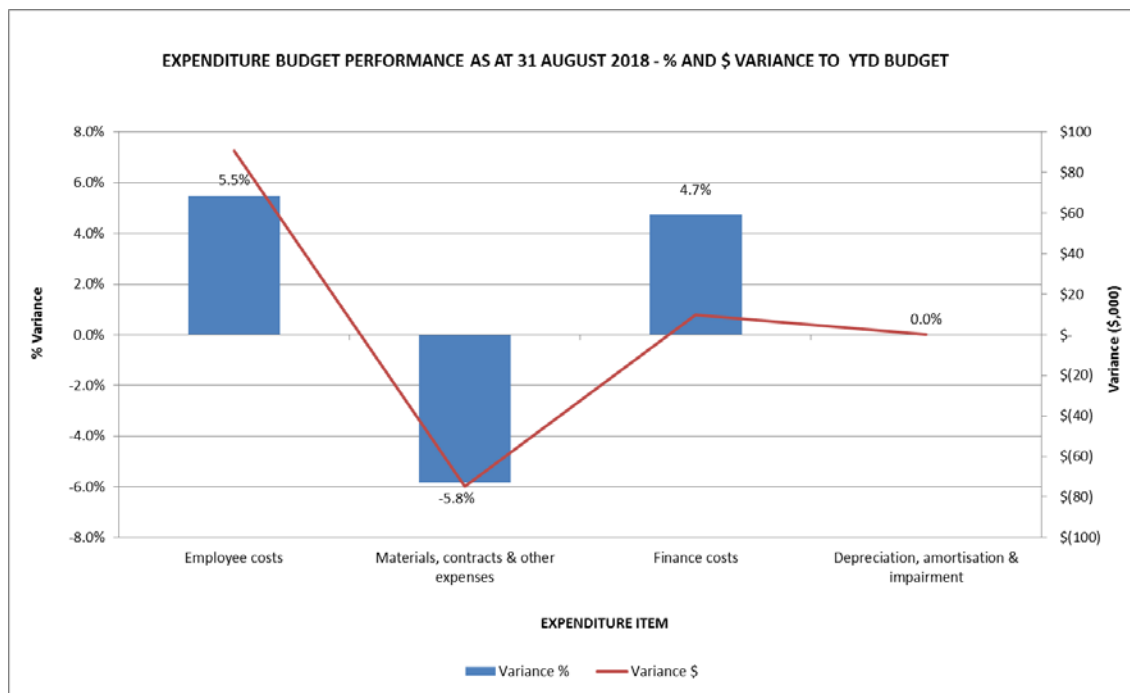
Statutory Charges – The favourable variance is as a result of additional parking expiations YTD (\$13K). This amount has been offset by a range of business functions throughout Council that are slightly behind YTD budget.

User Charges - This unfavourable variance is a direct result of less burials at Willaston Cemetery than forecasted in the Adopted Budget YTD (\$10K).

(b) Expenditure

Graph 2 below shows a summary of the YTD actual operating expenditure performance against the YTD budget.

Graph 2 – YTD Operating Expenditure Performance against YTD Budget



Overall, the YTD actual operating expenditure of \$3.121K is \$26K lower than the YTD budget of \$3.147M. The individual variances higher than 5% and \$5K are listed below:

- 1. Employee Costs** – There are a number of positions throughout Council that are vacant. These positions are either in the process of being filled or being back filled temporarily by agency staff (which is currently over budget by \$36K). In cases where there is savings that have been generated by vacant positions, there is in the majority of these instances, expenses incurred for the recruitment and backfilling of these positions.
- 2. Materials, Contracts & Other Expenses** – The unfavourable variance of \$70K variance is a primarily a result of Waste Collection charges incurred YTD (\$36K) and Agency Staff used throughout Council YTD (\$36K).

Northern Adelaide Waste Management Authority charges Council in advance for the collection of waste. Based on historical trends, this amount can fluctuate substantially throughout the year and therefore no longer-term assumptions can be made this early in the year.

Agency staff have been utilised where there are vacant positions or staff members are on extended leave (only when essential to the function). This amount is offset by associated savings in employee expenses.

(c) Overall Analysis

Overall, there is a **favourable YTD variance of \$51K** at the reporting date as disclosed in the Statement of Comprehensive Income.

Erin McGarry
Financial Accountant

TOWN OF GAWLER
STATEMENT OF COMPREHENSIVE INCOME
FOR THE MONTH ENDING 31 AUGUST 2018
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget		Year To Date			
		Actual	Budget	Variance fav/(unfav)	
\$'000s		\$'000s	\$'000s	\$'000s	%
INCOME					
(22,471)	Rates	(22,441)	(22,429)	12	0.1%
(714)	Statutory charges	(85)	(80)	6	7.0%
(1,623)	User charges	(196)	(206)	(10)	-5.0%
(2,745)	Grants, subsidies and contributions	(535)	(523)	12	2.2%
(29)	Investment income	(4)	(3)	0	15.6%
(253)	Reimbursements	(28)	(26)	1	4.8%
(12)	Other income	(9)	(5)	5	101.6%
(1)	Net gain - Equity Accounted Council Business	-	-	-	
(27,848)	Total Income	(23,298)	(23,272)	26	0.1%
EXPENDITURE					
10,810	Employee costs	1,561	1,652	91	5.5%
11,727	Materials, contracts & other expenses	1,359	1,284	(75)	-5.8%
887	Finance costs	201	211	10	4.7%
5,159	Depreciation, amortisation & impairment	-	-	-	
39	Net gain - Equity Accounted Council Business	-	-	-	
28,622	Total Expenditure	3,121	3,147	26	-0.8%
774	OPERATING (SURPLUS) / DEFICIT	(20,178)	(20,125)	51	
OTHER COMPREHENSIVE INCOME					
28	Asset disposal & fair value adjustments	-	-	-	
(6,777)	Amounts received specifically for new or upgraded assets	(1,897)	(1,897)	-	0%
(5,000)	Physical resources received free of charge	-	-	-	
(10,975)	NET (SURPLUS) / DEFICIT	(22,075)	(22,022)	51	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 31 AUGUST 2018
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
			Actual	Adopted Budget**	Variance			
					fav/(unfav)			
\$	\$		\$	\$	\$	%		
		INCOME						
(252,846)	(252,846)	Animal & Pest Control	(1,985)	(3,666)	(1,681)	-46%	Registrations, Expiation fees	
(58,260)	(58,260)	Building Control Services	(5,211)	(9,018)	(3,807)	-42%	Building Assessment Fees, Vehicle Contributions	
(196,700)	(196,700)	Cemetery Operations	(24,226)	(32,245)	(8,019)	-25%	Burial, Lease, Cremation etc. Fees	Burial fees collected are less than expected YTD
(13,000)	(13,000)	CEO Office	(2,000)	(2,002)	(2)	0%	Vehicle Contribution	
(10,000)	(10,000)	Civic Centre Operations	-	-	-		Business Innovation Hub	
(694,984)	(694,984)	Community Home Support Program	(154,205)	(155,958)	(1,753)	-1%	Grant Funding & Client Contributions	
(10,000)	(10,000)	Community Services Management	(1,538)	(1,540)	(2)	0%	Vehicle Contribution	
(510,947)	(510,947)	Council Buildings	(77,259)	(79,486)	(2,227)	-3%	Various Property Rentals	
(48,000)	(48,000)	Customer Services	(9,650)	(8,000)	1,650	21%	Property Search Fees	
(10,500)	(10,500)	Depot Operations	(1,538)	(1,624)	(86)	-5%	Vehicle Contribution	
(10,000)	(10,000)	Development & Regulatory Services Administration	(1,692)	(1,540)	152	10%	Vehicle Contribution	
(10,000)	(10,000)	Economic Development, Marketing & Comm M	(3,201)	(1,540)	1,661	108%	Vehicle Contribution	
(69,400)	(69,400)	Elderly Citizen Facilities	(5,091)	(5,066)	25	0%	Hire of Elderly Centre	
(10,000)	(10,000)	Elected Member Services	(2,083)	(1,540)	543	35%	Mayoral vehicle contribution	
(71,500)	(71,500)	Engineering Services	(4,085)	(3,330)	755	23%	Vehicle Contribution & other misc. income	
(690,499)	(690,499)	Financial Services	(178,603)	(168,575)	10,028	6%	Investment income, Financial Assistance Grant	Financial Assistance Grant received was more than anticipated YTD.
(373,500)	(373,500)	Gawler Aquatic Centre	(7,429)	(7,500)	(71)	-1%		
(172,591)	(172,591)	Gawler Business Development Group	(172,591)	(172,591)	0	0%	Separate Rate Revenue	
(45,100)	(45,100)	General Administration	0	(8)	(8)	-102%	Various insurance scheme rebates etc.	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 31 AUGUST 2018
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$5,000 AND 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
(15,969)	(15,969)	Health Control Services	(1,946)	(2,662)	(716)	-27%	Food inspections, audits	
(72,167)	(72,167)	Human Resources	(6,818)	(3,042)	3,776	124%	Traineeship rebates and WHS Special Distribution payment	
(13,290)	(13,290)	Immunisation	(84)	(2,214)	(2,130)	-96%	Grant funding, user contributions	
(2,000)	(2,000)	Inflammable Undergrowth Services	-	-	-			
(7,500)	(7,500)	Information Technology Services	-	(1,154)	(1,154)	-100%	Vehicle contribution	
(85,550)	(85,550)	Libraries	(3,215)	(4,884)	(1,669)	-34%	Shared Resources Reimbursement, State Govt Subsidy	
(366,832)	(366,832)	Other Environmental & Regulatory Service	(361,465)	(362,332)	(867)	0%	NRM Levy	
(145,000)	(145,000)	Parking Control	(37,377)	(24,166)	13,211	55%	Expiation Fees Collected	Additional expiations generated YTD
(14,500)	(14,500)	Plant Operations	-	(83)	(83)	-100%	Fuel Tax Credits Received from ATO, vehicle registration cancellation reimbursements	
(10,000)	(10,000)	Property Management Administration	(1,538)	(1,540)	(2)	0%	Vehicle contribution	
(19,965,260)	(19,965,260)	Rates Administration	(19,923,343)	(19,911,092)	12,251	0%	General Rates/Fines, etc.	
(300)	(300)	Records Management	-	(50)	(50)	-100%	FOI Requests	
(524,180)	(524,180)	Roads	(203,624)	(199,252)	4,372	2%	Grant funding Sport & Community Centre	
(411,500)	(404,500)	Sports Facilities Indoor	(64,842)	(64,914)	(72)	0%		
(10,000)	(17,000)	Sports Facilities Outdoor	(742)	(1,166)	(424)	-36%	Hire of Princes Park	
-	-	Street Beautification	(4,958)	-	4,958		Reimbursements for tree removals	
(877,920)	(877,920)	Town Planning Services	(29,356)	(33,138)	(3,782)	-11%	Development Application fees, etc.	
(53,025)	(53,025)	Visitors Information Centre	(14,686)	(11,754)	2,932	25%	Souvenirs sales, various commissions	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 31 AUGUST 2018
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
				Adopted	Variance			
			Actual	Budget**	fav/(unfav)			
\$	\$		\$	\$	\$	%		
(2,007,506)	(2,007,506)	Waste Management	(1,987,643)	(1,989,910)	(2,268)	0%	Waste Management Service Charge revenue	
(7,500)	(7,500)	Youth Services	(3,928)	(3,750)	178	5%	Youth Activities	
(27,847,826)	(27,847,826)	Total Income	(23,297,955)	(23,272,332)	25,623	0%		

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 31 AUGUST 2018
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
		EXPENDITURE						
297,138	297,138	Animal & Pest Control	21,712	28,410	6,698	24%		Employee on extended leave
137,212	137,212	Bridges	-	-	-		Maintenance & Depreciation	
234,295	234,295	Building Control Services	32,346	33,756	1,410	4%	Building Assessment	
								Unplanned works at the Multi Level Car Park (\$7K)
102,475	102,475	Car Parks	21,530	10,758	(10,772)	-100%		
178,212	178,212	Cemetery Operations	17,740	21,782	4,042	19%		
422,323	422,323	CEO Office	88,189	90,194	2,005	2%		
297,097	297,097	Civic Centre Operations	27,131	29,741	2,610	9%		
							Council Communications and Marketing to public and Murray St Banners	
163,280	163,280	Communication & Marketing	18,822	22,048	3,226	15%	Home Assist Program	
695,170	695,170	Community Home Support Program	86,126	89,571	3,445	4%		
							Administration of Community Services departments	Additional resource to be funded by vacant position within department
249,869	249,869	Community Services Management	45,273	36,278	(8,995)	-25%		
							Support of various Community events/grants	
308,643	308,643	Community Support	38,371	35,542	(2,829)	-8%		
989,896	989,896	Council Buildings	73,463	69,377	(4,086)	-6%	Building maintenance	
							CCTV operating expenses	
27,472	27,472	Crime Prevention	1,750	1,284	(466)	-36%		
257,608	257,608	Customer Services	33,141	37,865	4,724	12%	Staff Salaries	Vacant Position
								Internal Plant Hire exceeded YTD budget.
348,684	348,684	Depot Operations	45,860	41,001	(4,859)	-12%		
1,021,644	1,021,644	Development & Regulatory Services Administration	131,759	154,290	22,531	15%		Vacant Position
426,901	426,901	Economic Development, Marketing & Comm M	43,182	46,202	3,020	7%		
11,116	11,116	Elderly Citizen Facilities	617	1,117	500	45%	Elderly Centre	
							Allowances & expenses	
414,872	414,872	Elected Member Services	50,019	47,979	(2,040)	-4%		
900,197	900,197	Engineering Services	152,847	157,500	4,653	3%		

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FOR THE MONTH ENDING 31 AUGUST 2018
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			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
280,114	280,114	Finance & Corporate Services Management	49,576	53,754	4,178	8%		
1,408,560	1,408,560	Financial Services	275,206	286,223	11,017	4%	Accounting services, Audit Committee, Loan interest	
462,286	462,286	Footpaths	106	95	(11)	-11%		
813,159	813,159	Gawler Aquatic Centre	33,436	34,223	787	2%		
172,591	172,591	Gawler Business Development Group	43,148	43,148	0	0%	Gawler Business Development Group contribution	
456,468	456,468	General Administration	67,182	69,279	2,097	3%	General admin, WHS, Agenda/Minutes preparation	
140,095	140,095	Governance Services	21,845	20,891	(954)	-5%		
147,304	147,304	Health Control Services	25,797	28,301	2,504	9%		
95,734	95,734	Heritage	1,258	1,608	350	22%	Heritage collection maintenance, Heritage Walls Grants	
510,237	510,237	Human Resources	58,393	63,178	4,785	8%	HR admin expenses, recruitment costs	
237,337	237,337	IES, Depot & Property Management	36,907	36,492	(415)	-1%		
49,915	49,915	Immunisation	4,602	7,986	3,384	42%	Immunisation services	
38,904	38,904	Inflammable Undergrowth Services	2,842	5,427	2,585	48%		
1,161,844	1,161,844	Information Technology Services	135,578	144,068	8,490	6%		Vacant Position
599,998	599,998	Kerb & Gutter	-	-	-		Depreciation Only	
1,003,114	1,003,114	Libraries	140,685	142,549	1,864	1%		
57,850	57,850	Litter Control	7,833	8,062	229	3%	Programmed collection of litter/rubbish from litter bins	
(864,746)	(864,746)	Oncosts Recovered	(109,884)	(118,470)	(8,586)		Wages overhead costs recovered	Oncosts have been unrecovered due to vacant positions being filled by agency staff
378,791	378,791	Other Environmental & Regulatory Service	90,358	90,901	543	1%	NRM Levy payments	
177,530	177,530	Parking Control	22,720	22,951	231	1%		

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 31 AUGUST 2018
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
1,641,869	1,641,869	Parks & Gardens	173,731	172,282	(1,449)	-1%	Programmed maintenance of parks, gardens & reserves	
(78,762)	(78,762)	Plant Operations	(76,505)	(16,648)	59,857		Includes internal plant hire costs recovered	This favourable variance is in relation to hire of internal plant across Council. This favourable variance is partly due to the timing of operating and capital works scheduled during the year.
264,762	264,762	Property Management Administration	42,640	36,572	(6,068)	-17%		Additional resources required for a range of short-term functions. Alternate savings have been identified and budget transfer is required
78,578	78,578	Public Conveniences	10,512	9,947	(565)	-6%	Routine cleaning maintenance of 7 sites	
256,858	256,858	Rates Administration	74,695	76,919	2,224	3%		
272,971	272,971	Records Management	44,966	47,948	2,982	6%		
22,318	22,318	Recreation Services Administration	3,934	3,334	(600)	-18%	Karbeethan Master Plan & assistance to Karbeethan Sporting association with Governance	
2,898,402	2,898,402	Roads	256,634	185,955	(70,679)	-38%		Agency staff have been used where there is a staff member on extended leave & additional internal plant hire expense has been incurred YTD. As majority of capital works are completed in the 2nd half of the year, these variances are likely to be timing related.
30,514	30,514	Roundabouts	-	-	-		Depreciation	
452,001	452,001	Sports Facilities Indoor	60,290	64,947	4,657	7%		

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 31 AUGUST 2018
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Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
				Adopted Budget**	Variance fav/(unfav)			
			Actual		\$	%		
\$	\$		\$	\$	\$	%		
736,958	736,958	Sports Facilities Outdoor	37,716	41,141	3,425	8%	Programmed ovals maintenance	
1,085,342	1,085,342	Stormwater Drainage	43,330	38,645	(4,685)	-12%	Drain cleaning, repairs & maintenance	
377,101	377,101	Street Beautification	64,005	47,661	(16,344)	-34%	Tree replacement / removal and maintenance, Garden beds maintenance	Additional plant hire expense and wages incurred YTD. This is partly a timing issue due to the type of works required.
150,500	150,500	Street Cleaning	12,595	12,563	(32)	0%	Programmed Cleaning of CBD and Urban Streets	
486,973	486,973	Street Lighting	45,164	40,368	(4,796)	-12%		
895,049	895,049	Town Maintenance	91,370	120,318	28,948	24%	Linemarking, Weedspraying and other various services	Variance due to staff time on other functions within Council
1,596,319	1,596,319	Town Planning Services	135,089	132,334	(2,755)	-2%	Development assessment, various studies, DAP committee	
29,409	29,409	Traffic Management	11,267	4,166	(7,101)	-170%	Street/traffic control signs maintenance	Internal plant hire adjustment required
178,048	178,048	Visitors Information Centre	25,253	26,122	869	3%		
188,344	188,344	Volunteer Services	14,068	26,490	12,422	47%	Volunteer Resource Centre, Graffiti removal team	Vacant Position
2,051,845	2,051,845	Waste Management	191,512	154,953	(36,559)	-24%	Kerbside waste collection & disposal	The invoices provided by NAWMA are issued in advance and therefore are not always a true representation of actual activity.
195,414	195,414	Youth Services	21,599	25,622	4,023	16%	Youth Activities	
28,622,002	28,622,002	Total Expenditure	3,121,329	3,147,000	25,671	-1%		
774,176	774,176	NET OPERATING RESULT	(20,176,626)	(20,125,332)	51,294			

*Annual Adopted Budget - This is the Original Budget adopted by Council on 26 June 2018

**YTD Adopted Budget - This represents the expected revenue/expenditure as at the reporting date based on the Annual Adopted Budget.