



# **TOWN OF GAWLER MONTHLY FINANCE REPORT 31 AUGUST 2017 FOR YEAR ENDING 30 JUNE 2018**

## **CONTENTS**

	<b>Page</b>
<b>Executive Summary</b>	<b>2-3</b>
<b>Statement of Comprehensive Income</b>	<b>4</b>
<b>Income Statement by Service Provided</b>	<b>5-10</b>

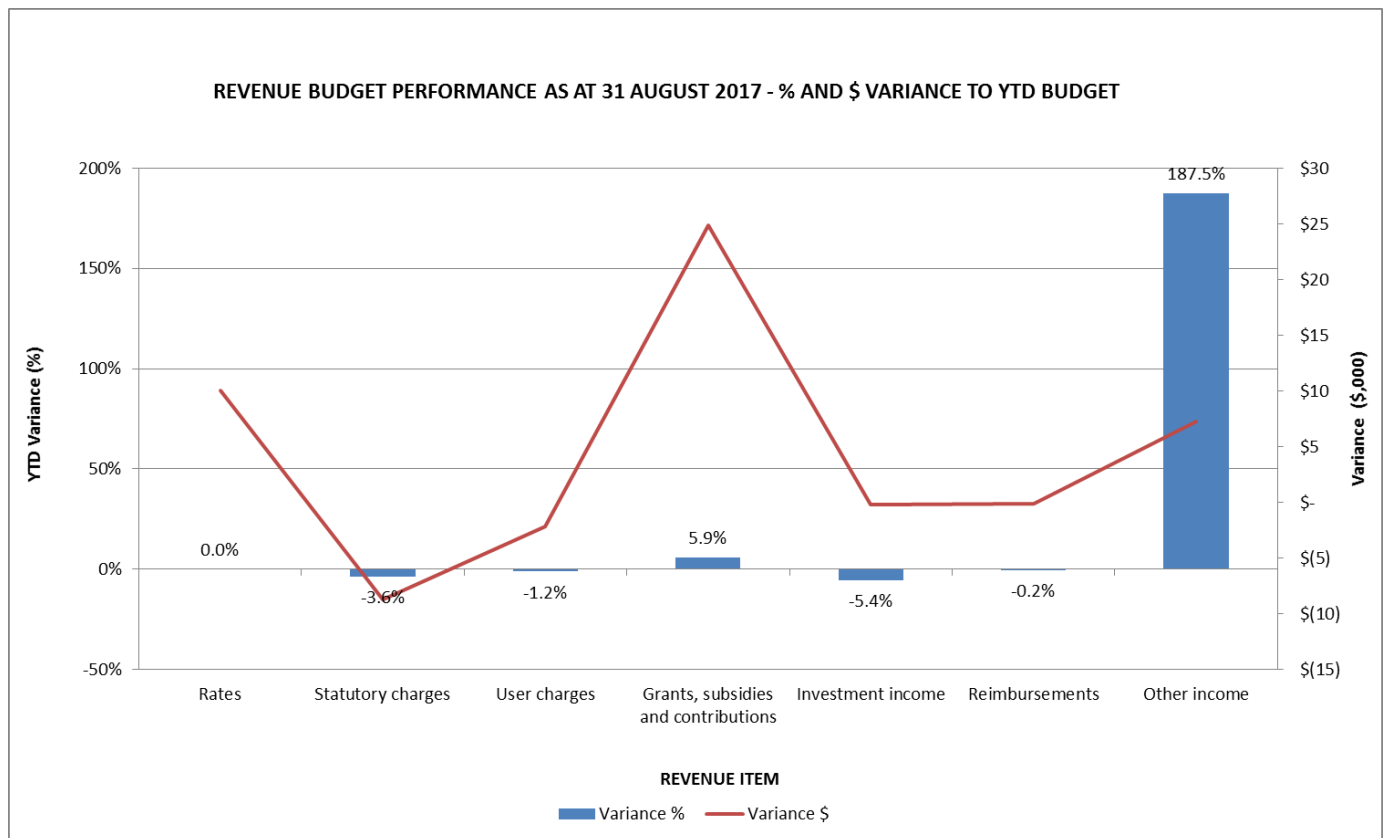
## **Executive Summary**

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**



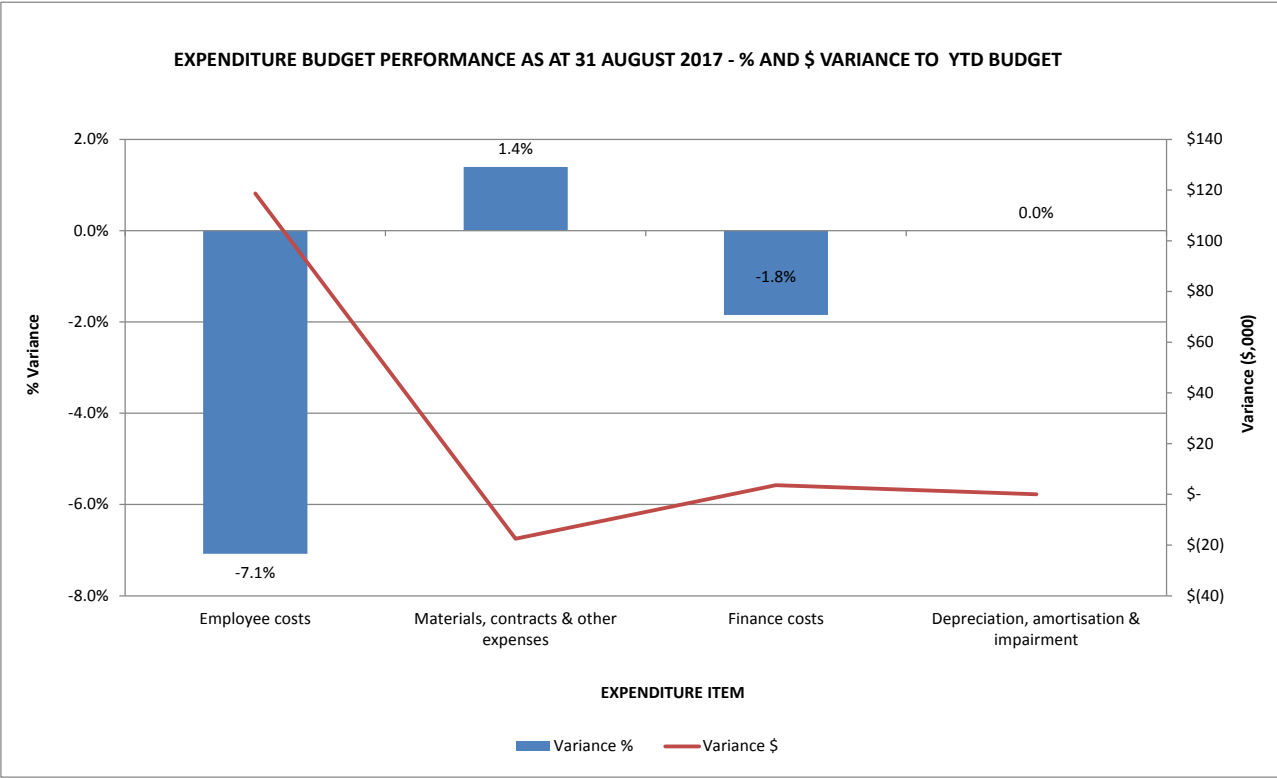
Overall, the YTD actual operating income of \$22.501M is \$31K higher than the YTD budget of \$22,470M. Details of significant YTD variances at income statement level are provided below:

1. **Grants, Subsidies and Contributions** - Council has been advised that the annual Federal Government Grant (i.e. Financial Assistance, Local Roads and Supplementary Local Roads Grant) for 2017-2018 will exceed the budget estimate by \$100K. As the payments are received on a quarterly basis, Council is currently reporting a favourable YTD variance of \$23K.
2. **Other Income** – Council received a payment of \$9K from a developer as compensation for the removal of a tree that was not approved by Council. This amount will be included in a future budget review.

(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 \$3.023M is \$105K lower than the YTD budget of \$3.128M. Details of significant YTD variances at income statement level are provided below:

- 1. **Employee Costs** – Various vacant positions throughout Council during the month of July have contributed to this favourable variance. It is anticipated that these positions will be filled in the coming months.

Savings from employee costs will be used to offset any temporary resources (such as agency staff or casuals) engaged whilst the positions were vacant in addition to any recruitment costs incurred.

(c) Overall Analysis

Overall, there is a **favourable YTD variance of \$136K** 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 2017**  
**FOR THE YEAR ENDING 30 JUNE 2018**

Annual Adopted Budget		Year To Date			
		Actual	Budget	Variance fav/(unfav)	
\$'000s		\$'000s	\$'000s	\$'000s	%
<b>INCOME</b>					
(21,595)	Rates	(21,583)	(21,573)	10	0.0%
(725)	Statutory charges	(235)	(243)	(9)	-3.6%
(1,623)	User charges	(181)	(183)	(2)	-1.2%
(2,768)	Grants, subsidies and contributions	(448)	(423)	25	5.9%
(37)	Investment income	(4)	(4)	(0)	-5.4%
(478)	Reimbursements	(39)	(39)	(0)	-0.2%
(26)	Other income	(11)	(4)	7	187.5%
(75)	Net gain - Joint ventures & associates	-	-	-	
<b>(27,327)</b>	<b>Total Income</b>	<b>(22,501)</b>	<b>(22,470)</b>	<b>31</b>	<b>0.1%</b>
<b>EXPENDITURE</b>					
10,158	Employee costs	1,558	1,677	119	-7.1%
11,617	Materials, contracts & other expenses	1,273	1,255	(18)	1.4%
786	Finance costs	192	196	4	-1.8%
4,843	Depreciation, amortisation & impairment	-	-	-	
-	Net loss - Joint ventures & associates	-	-	-	
<b>27,404</b>	<b>Total Expenditure</b>	<b>3,023</b>	<b>3,128</b>	<b>105</b>	<b>-3.3%</b>
<b>78</b>	<b>OPERATING (SURPLUS) / DEFICIT</b>	<b>(19,479)</b>	<b>(19,342)</b>	<b>136</b>	
<b>OTHER COMPREHENSIVE INCOME</b>					
-	Asset disposal & fair value adjustments	-	-	-	
6,646	Amounts specifically for new or upgraded assets	(75)	(75)	-	0%
5,000	Physical resources received free of charge	-	-	-	
<b>11,724</b>	<b>NET (SURPLUS) / DEFICIT</b>	<b>(19,554)</b>	<b>(19,417)</b>	<b>136</b>	

**TOWN OF GAWLER**  
**MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE**  
**FOR THE MONTH ENDING 31 AUGUST 2017**  
**FOR THE YEAR ENDING 30 JUNE 2018**

Annual Adopted Budget*		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
			Adopted Budget**	Variance fav/(unfav)			
		Actual		\$	%		
\$		\$	\$	\$	%		
	INCOME						
(281,000)	Animal & Pest Control	(149,298)	(169,234)	(19,936)	-12%	Registrations, Expiation fees	At the time of reporting 1,112 dogs were recorded as being unregistered. The due date of registrations was the 31st August 2017. <i>At the time of going to print, only 672 dogs were unregistered.</i>
(73,770)	Building Control Services	(8,937)	(11,912)	(2,975)	-25%	Building Assessment Fees	
(192,273)	Cemetery Operations	(37,025)	(32,044)	4,981	16%	Burial, Lease, Cremation etc. Fees	
(13,000)	CEO Office	(2,000)	(2,002)	(2)	0%	Vehicle Contribution	
(662,125)	Community Home Support Program	(149,649)	(150,153)	(504)	0%	Grant Funding & Client Contributions	
(10,000)	Community Services Management	(1,538)	(1,350)	188	14%	Vehicle Contribution	
(1,500)	Community Support	-	(250)	(250)	-100%	Misc. Income generated from Gawler Activation Program	
(516,074)	Council Buildings	(54,535)	(59,184)	(4,649)	-8%	Various Property Rentals	
(47,000)	Customer Services	(8,870)	(7,834)	1,036	13%	Property Search Fees	
(10,500)	Depot Operations	(1,538)	(1,750)	(212)	-12%	Vehicle Contribution	
(11,000)	Economic Development, Marketing & Comm Management	(1,538)	(1,694)	(156)	-9%	Vehicle Contribution	
(61,500)	Elderly Citizen Facilities	(4,720)	(5,123)	(403)	-8%	Hire of Elderly Centre	
(10,000)	Elected Member Services	(1,667)	(1,666)	1	0%	Mayoral vehicle contribution	
(16,000)	Engineering Services	(3,143)	(2,476)	667	27%	Vehicle Contribution	
(643,273)	Financial Services	(176,436)	(155,669)	20,767	13%	Investment income, Financial Assistance Grant	Financial Assistance Grant - Confirmed amount greater than initial budget estimate
(334,500)	Gawler Aquatic Centre	(3,125)	(3,900)	(775)	-20%		
(172,759)	Gawler Business Development Group	(172,759)	(172,759)	(0)	0%	Separate Rate Revenue	
(232,050)	General Administration	(1,775)	(1,548)	227	15%	Various insurance scheme rebates etc.	
(50)	Governance Services	-	(8)	(8)	-100%		

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Annual Adopted Budget*		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
			Adopted	Variance			
		Actual	Budget**	fav/(unfav)			
\$		\$	\$	\$	%		
(15,729)	Health Control Services	(1,868)	(2,622)	(755)	-29%	Food inspections, audits	
(43,500)	Human Resources	(16,122)	(16,000)	122	1%	Traineeship rebates	
(12,961)	Immunisation	(132)	(484)	(352)	-73%	Grant funding, user contributions	
(2,000)	Inflammable Undergrowth Services	135	(334)	(469)	-140%		
(7,500)	Information Technology Services	(1,154)	(1,154)	(0)	0%	Vehicle contribution	
(84,550)	Libraries	(2,581)	(3,840)	(1,259)	-33%	Shared Resources Reimbursement, State Govt Subsidy	
(357,594)	Other Environmental & Regulatory Services	(357,507)	(352,427)	5,080	1%	NRM Levy	
(141,000)	Parking Control	(14,827)	(23,500)	(8,673)	-37%	Expiation Fees Collected	170 expiations issued YTD compared to a YTD estimate of 300.
(12,750)	Plant Operations	(4,677)	(2,124)	2,553	120%	Fuel Tax Credits Received from ATO, vehicle registration cancellation reimbursements	
-	Property Management Administration	(1,245)	-	1,245		Vehicle contribution	
(19,183,546)	Rates Administration	(19,144,022)	(19,136,349)	7,673	0%	General Rates/Fines, etc.	
(300)	Records Management	(98)	(50)	48	96%	FOI Requests	
(735,710)	Roads	(121,223)	(119,177)	2,046	2%	Grant funding	
(452,000)	Sports Facilities Indoor	(65,025)	(67,662)	(2,637)	-4%	Sport & Community Centre	
-	Sports Facilities Outdoor	(346)	-	346			
(901,256)	Town Planning Services	(61,566)	(34,192)	27,374	80%	Development Application fees, etc.	Fee Received (\$13K), Compensation for unapproved tree removal (\$9K) and additional miscellaneous Development Application fees collected.
(75,400)	Visitors Information Centre	(12,023)	(12,562)	(539)	-4%	Souvenirs sales, various commissions	
(2,012,418)	Waste Management	(1,917,416)	(1,917,023)	393	0%	Waste Management Service Charge revenue	
-	Youth Services	(812)	-	812		Youth Activities	
(27,326,588)	Total Income	(22,501,060)	(22,470,056)	31,004	0%		

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Annual Adopted Budget*		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
		Actual	Adopted Budget**	Variance fav/(unfav)			
		\$	\$	\$	%		
\$		\$	\$	\$	%		
	EXPENDITURE						
301,360	Animal & Pest Control	38,864	38,745	(119)	0%		
128,600	Bridges	-	154	154	100%	Maintenance & Depreciation	
278,158	Building Control Services	38,435	42,604	4,169	10%	Building Assessment	
118,757	Car Parks	20,398	18,289	(2,109)	-12%		
145,437	Cemetery Operations	14,292	16,268	1,976	12%		
446,033	CEO Office	93,424	96,017	2,593	3%		
164,117	Communication & Marketing	18,102	19,184	1,082	6%	Council Communications and Marketing to public and Murray St Banners	
661,625	Community Home Support Program	89,071	88,564	(507)	-1%	Home Assist Program	
255,268	Community Services Management	35,890	38,661	2,771	7%	Administration of Community Services departments	
415,678	Community Support	44,934	45,418	484	1%	Support of various Community events/grants	
889,559	Council Buildings	73,045	73,505	460	1%	Property Management admin, Town Hall maintenance	
7,308	Crime Prevention	-	1,600	1,600		CCTV operating expenses	
614,925	Customer Services	78,128	97,442	19,314	20%	Staff Salaries	Vacant Positions
327,822	Depot Operations	67,753	65,130	(2,623)	-4%		
359,282	Development & Regulatory Services Administration	38,792	60,876	22,084	36%		Vacant Position
450,566	Economic Development, Marketing & Communication Management	44,817	73,336	28,519	39%		Vacant Positions
12,456	Elderly Citizen Facilities	1,458	2,032	574	28%	Elderly Centre	
283,442	Elected Member Services	41,803	44,096	2,293	5%	Allowances & expenses	
737,249	Engineering Services	149,003	144,349	(4,654)	-3%		
34,198	Finance & Corporate Services Management	6,868	7,081	213	3%		
1,442,639	Financial Services	287,164	291,408	4,244	1%	Accounting services, Audit Committee, Loan repayments	
439,800	Footpaths	155	-	(155)			
703,834	Gawler Aquatic Centre	38,609	43,409	4,800	11%		

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			Adopted	Variance			
		Actual	Budget**	fav/(unfav)			
\$		\$	\$	\$	%		
172,759	Gawler Business Development Group	43,148	43,190	42	0%	Gawler Business Development Group contribution	
801,934	General Administration	103,848	102,682	(1,166)	-1%	General admin, WHS, Agenda/Minutes preparation	
105,509	Governance Services	16,180	17,605	1,425	8%		
142,920	Health Control Services	21,790	22,376	586	3%		
169,519	Heritage	1,258	1,619	361	22%	Heritage collection maintenance, Heritage Walls Grants	
575,857	Human Resources	100,335	97,041	(3,294)	-3%	HR admin expenses	
130,585	IES, Depot & Property Management	23,363	22,296	(1,067)	-5%		
51,085	Immunisation	5,838	7,854	2,016	26%	Immunisation services	
35,221	Inflammable Undergrowth Services	4,191	5,464	1,273	23%		
1,081,491	Information Technology Services	133,079	132,229	(850)	-1%		
598,000	Kerb & Gutter	-	-	-		Depreciation Only	
913,447	Libraries	134,339	132,752	(1,587)	-1%		
82,800	Litter Control	9,054	12,832	3,778	29%	Programmed collection of litter/rubbish from litter bins	
(869,484)	Oncosts Recovered	(107,703)	(123,380)	(15,677)		Wages overhead costs recovered	Oncosts under-recovered due to the use of agency staff during the 1st two months of the financial year.
367,095	Other Environmental & Regulatory Service	88,098	88,264	166	0%	NRM Levy	
159,021	Parking Control	16,499	20,552	4,053	20%		
1,691,393	Parks & Gardens	173,338	150,133	(23,205)	-15%	Programmed maintenance of parks, gardens & reserves	Unplanned vandalism Repairs to Urban Rivers Pathway (\$7K), Additional Weedspraying as a result of above average rainfall (\$8K) and works not included in adopted budget (\$5K)
(72,469)	Plant Operations	66,797	63,068	(3,729)	-6%	Includes internal plant hire costs recovered	



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			Adopted	Variance			
		Actual	Budget**	fav/(unfav)			
\$		\$	\$	\$	%		
264,959	Property Management Administration	32,588	39,368	6,780	17%		Vacant Position. This position has since been filled.
97,578	Public Conveniences	14,028	14,322	294	2%	Routine cleaning maintenance of 7 sites	
263,494	Rates Administration	29,639	31,872	2,233	7%		
321,092	Records Management	48,091	49,071	980	2%		
108,000	Recreation Services Administration	-	4,000	4,000	100%		
2,813,536	Roads	188,887	148,158	(40,729)	-27%		Additional employee expenses due to timing of capital works
30,500	Roundabouts	-	-	-		Depreciation	
438,787	Sports Facilities Indoor	71,542	68,002	(3,540)	-5%		
809,452	Sports Facilities Outdoor	24,687	32,680	7,993	24%	Programmed ovals maintenance	Unspent wages due to time allocated to resources allocated to other functions within Council YTD.
936,543	Stormwater Drainage	35,397	30,800	(4,597)	-15%	Drain cleaning, repairs & maintenance	
396,354	Street Beautification	53,438	58,280	4,842	8%	Tree replacement / removal and maintenance, Garden beds maintenance	
140,500	Street Cleaning	33,539	35,124	1,585	5%	Programmed Cleaning of CBD and Urban Streets	
445,173	Street Lighting	41,434	36,661	(4,773)	-13%		
672,150	Town Maintenance	77,063	77,425	362	0%	Linemarking, Weedspraying and other various services	
1,657,190	Town Planning Services	124,406	158,202	33,796	21%	Development assessment, various studies, DAP committee	Vacant Position
141,698	Traffic Management	5,870	14,943	9,073	61%	Street/traffic control signs maintenance	Unspent wages due to time allocated to other functions within Council YTD.
187,158	Visitors Information Centre	19,955	24,568	4,613	19%		
204,236	Volunteer Services	13,669	27,560	13,891	50%	Volunteer Resource Centre, Graffiti removal team	Vacant Position

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Annual Adopted Budget*		Year To Date				Service Description	Variance Comments (if > \$5,000 <u>AND</u> 5%)
			Adopted Budget**	Variance			
		Actual		fav/(unfav)			
\$		\$	\$	\$	%		
							Favourable variance due to a combination of timing and calculation of invoice by NAMWA based on previous month actuals and budgeted amount
1,935,272	Waste Management	135,291	148,257	12,966	9%	Kerbside waste collection & disposal	
185,964	Youth Services	19,453	24,180	4,727	20%	Youth Activities	
27,404,432	Total Expenditure	3,023,431	3,128,218	104,787	-3%		
77,844	NET OPERATING RESULT	(19,477,630)	(19,341,838)	135,792			

\*Annual Adopted Budget - This is the Original Budget adopted by Council on 27 June 2017

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