



TOWN OF GAWLER MONTHLY FINANCE REPORT 30 NOVEMBER 2016 FOR YEAR ENDING 30 JUNE 2017

CONTENTS

	Page
Executive Summary	2-4
Statement of Comprehensive Income	5
Income Statement by Service Provided	6-12

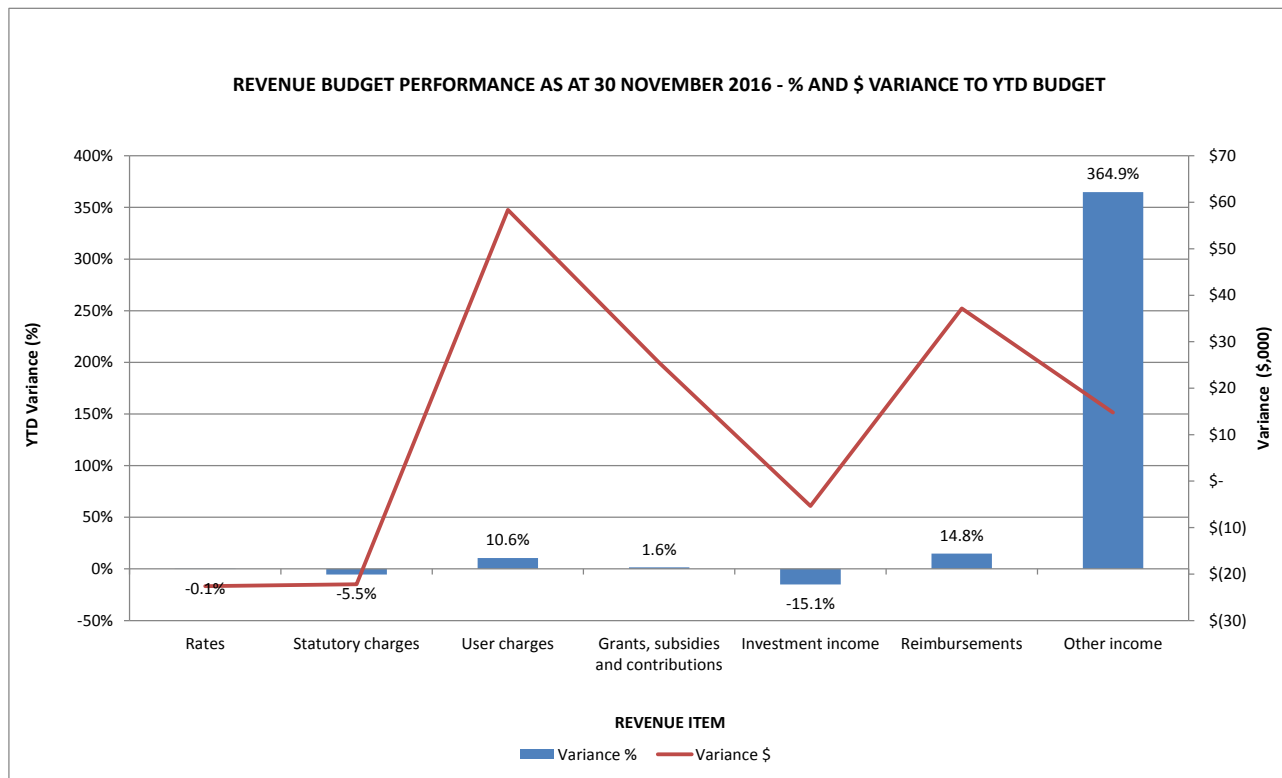
Executive Summary

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 \$23.539M is \$86K higher than the YTD budget of \$23.454M. Details of significant YTD variances at income statement level are provided below:

- 1. Statutory Charges** – The \$22K unfavourable variance is due to a reduction in development application fees collected YTD (\$16K). Such fees are determined by type and size of development application, which can fluctuate on an annual basis dependent on the volume of development activity undertaken.

Dog & Cat Management is reporting an unfavourable variance of \$15K for the collection of dog registrations fees and the issue of expiations for unregistered dogs. At the time of reporting, 267 dogs are recorded on Councils database as unregistered. Processes are in place to manage this within in the coming months.

To partly offset these unfavourable variances, Parking expiations issued have exceeded YTD budget by \$8K.

2. User Charges – Additional revenue has been generated over a range of business units within Council over the first five months of the year. All of these charges are due to activities that can fluctuate during the financial year and will be managed appropriately by managers, team leaders and respective staff members. Below are a list of the fees collected that have contributed to the YTD favourable result:

- Cemetery - Burials, Cremations and Lease Fees (\$18K)
- Gawler Sport and Community Centre - Hire Fees (\$12K)
- Gawler Sport and Community Centre - Skating (\$11K)
- Gawler Aquatic Centre – Hire Fees & Pool Entry (\$7K)
- Waste Management Bin Collection Fees for the Gawler Community Retirement Homes (offset by reduced rate revenue) (\$7K)
- Institute Hall Hire (\$6K)

3. Investment Income – As at the reporting date, Council was reporting an unfavourable variance of \$5K for investment income generated by investments held by the Local Government Finance Authority and Council's operating account. The unfavourable variance is partly offset by a favourable variance of \$3K in Finance costs as at the reporting date.

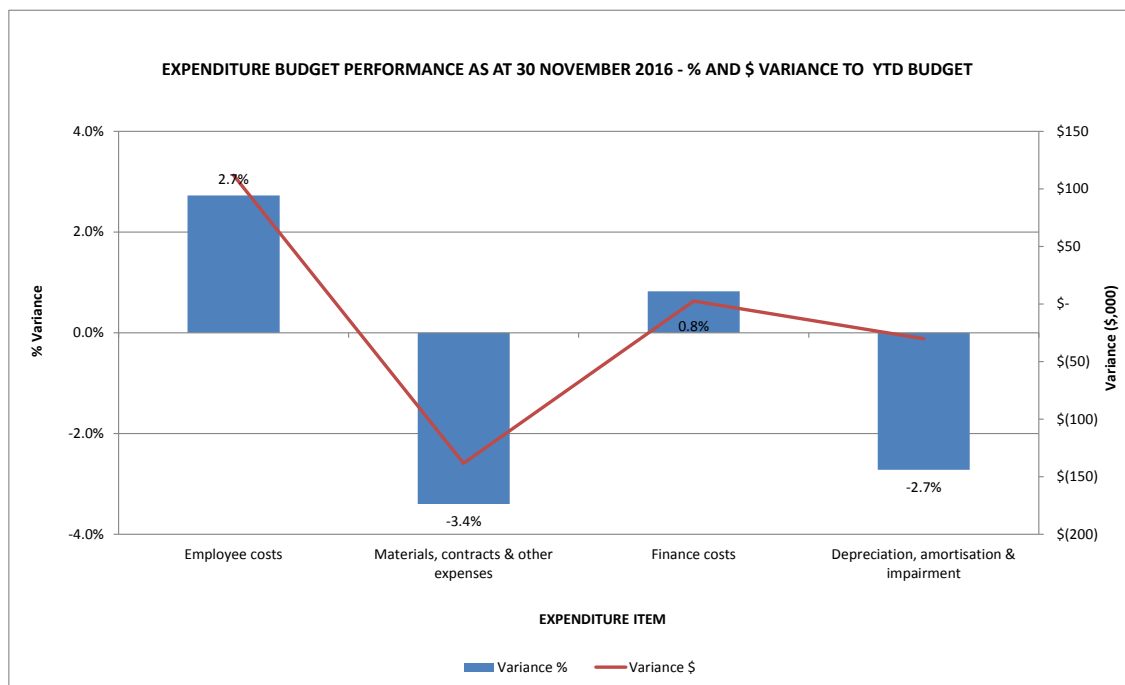
4. Other Income – Council has generated additional income as follows:

- Income generated from developers towards expenses associated with Evanston Gardens DPA (\$6K)
- Revenue from participants of Youth Programs (\$5K)

(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 \$9.652M is \$54K higher than the YTD budget of \$9.598M. There are no variances greater than \$5K and 5% to disclose.

(c) Overall Analysis

Overall, there is a **favourable YTD variance of \$31K** at the reporting date as disclosed in the Statement of Comprehensive Income, which is immaterial in the context of an annual budget of \$26M.

Erin McGarry
Financial Accountant

TOWN OF GAWLER
STATEMENT OF COMPREHENSIVE INCOME
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

Annual Adopted Budget	Annual Revised Budget		Year To Date			
			Actual	Budget	Variance fav/(unfav)	
\$'000s	\$'000s		\$'000s	\$'000s	\$'000s	%
INCOME						
(20,654)	(20,656)	Rates	(20,568)	(20,591)	(23)	-0.1%
(740)	(740)	Statutory charges	(385)	(407)	(22)	-5.5%
(1,432)	(1,432)	User charges	(611)	(552)	58	10.6%
(2,961)	(2,961)	Grants, subsidies and contributions	(1,638)	(1,612)	25	1.6%
(64)	(64)	Investment income	(30)	(35)	(5)	-15.1%
(415)	(415)	Reimbursements	(289)	(252)	37	14.8%
(30)	(30)	Other income	(19)	(4)	15	364.9%
(26,297)	(26,299)	Total Income	(23,539)	(23,454)	86	0.4%
EXPENDITURE						
9,947	9,789	Employee costs	3,989	4,101	112	2.7%
10,991	10,988	Materials, contracts & other expenses	4,209	4,071	(138)	-3.4%
596	596	Finance costs	310	313	3	0.8%
4,454	4,454	Depreciation, amortisation & impairment	1,144	1,114	(30)	-2.7%
88	88	Net loss - Joint ventures & associates	-	-	-	
26,076	25,916	Total Expenditure	9,652	9,598	(54)	0.6%
(220)	(383)	OPERATING (SURPLUS) / DEFICIT	(13,888)	(13,856)	31	
OTHER COMPREHENSIVE INCOME						
3	3	Asset disposal & fair value adjustments	-	-	-	
4,765	4,765	Amounts specifically for new or upgraded assets	600	600	-	0%
14,000	14,000	Physical resources received free of charge	-	-	-	
18,548	18,385	NET (SURPLUS) / DEFICIT	(13,288)	(13,256)	31	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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						
(62,600)	(62,600)	Building Control	(20,843)	(21,208)	(365)	-2%	Building Assessment Fees	
(111,717)	(111,717)	Caravan Park	(46,853)	(46,545)	308	1%	Lease fees	
(170,500)	(170,500)	Cemeteries	(89,180)	(71,035)	18,145	26%	Burial, Lease, Cremation etc. Fees	Increase in volume of burials
-	-	Children & Youth Services	(9,720)	-	9,720			Youth Network Grant (\$5K) & amounts received for youth programs (\$5K)
-	-	Communication & Marketing	6,029	-	(6,029)			Correction of funding relating to the Gawler Farmers Market
(1,009)	(1,009)	Community Centres & Halls	(500)	(252)	248	98%		
(13,726)	(13,726)	Community Support	(4,331)	(4,040)	291	7%	Vehicle Contribution. Property Reimbursements	
(46,000)	(46,000)	Customer Service	(23,249)	(19,165)	4,084	21%	Property Search Fees	
(10,000)	(10,000)	Depot	(3,846)	(3,332)	514	15%	Vehicle Contribution	
(280,000)	(280,000)	Dog and Cat Control	(210,527)	(225,995)	(15,468)	-7%	Registrations, Expiation fees	At the time of reporting, Council recognised 267 unregistered dogs
(45,000)	(45,000)	Elderly Citizens Facilities	(17,513)	(18,750)	(1,237)	-7%	Hire of Elderly Centre	
(10,000)	(10,000)	Elected Member Services	(4,583)	(4,582)	1	0%	Mayoral vehicle contribution	
(3,360)	(3,360)	Emergency Services	(363)	(1,110)	(747)	-67%	Inflammable undergrowth slashing / expiations	
(205,000)	(205,000)	Engineering Services	(7,222)	(6,060)	1,162	19%		
(1,236,389)	(1,236,389)	Finance	(617,497)	(620,522)	(3,025)	0%	Investment income, Financial Assistance Grant	
(304,000)	(304,000)	Gawler Aquatic Centre	(136,135)	(126,280)	9,855	8%		Income generated from pool hire & entry fees YTD more than anticipated

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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)			
					\$	\$		
\$	\$		\$	\$	\$	%		
(304,500)	(304,500)	General Administration	(248,372)	(190,252)	58,120	31%	Various insurance scheme rebates etc.	Special Distributions received from the LGA Insurance schemes (\$44K) and user charges from hire of institute (\$6K) not included in adopted budget.
(628,207)	(628,207)	Home Assistance Scheme	(311,453)	(302,876)	8,577	3%	Grant Funding	
(23,000)	(23,000)	Human Resources	(364)	(1,500)	(1,136)	-76%	Traineeship rebates	
(11,743)	(11,743)	Immunisation	(846)	(1,343)	(497)	-37%	Grant funding, user contributions	
(7,500)	(7,500)	Information Technology	(2,163)	(3,031)	(868)	-29%	Vehicle contribution, etc.	
(139,545)	(139,545)	Investment Properties	(59,626)	(57,805)	1,821	3%	Various Property Rentals	
(84,550)	(84,550)	Library	(85,181)	(70,895)	14,286	20%	Shared Resources Reimbursement, State Govt Subsidy	Library grant received \$10K more than anticipated.
(23,000)	(23,000)	Occupancy	(4,269)	(7,940)	(3,671)	-46%	Vehicle Contribution	
(333,548)	(333,548)	Other Environmental Services	(333,837)	(333,548)	289	0%	State Govt NRM levy funds collected	
-	-	Other Regulatory Services	(203)	-	203		Busking Permits	
(140,000)	(140,000)	Parking Control	(58,991)	(50,580)	8,411	17%	Expiation Fees Collected	Additional expiations issued YTD
(11,750)	(11,750)	Plant & Machinery	(5,417)	(3,916)	1,501	38%	Fuel Tax Credits Received from ATO, vehicle registration cancellation reimbursements	
(20,525)	(20,525)	Preventive Health Services	(7,191)	(8,550)	(1,360)	-16%	Food inspections, audits	
(18,238,240)	(18,240,011)	Rates Administration	(18,131,937)	(18,139,011)	(7,074)	0%	General Rates/Fines, etc.	
(100)	(100)	Records Management	(34)	(40)	(7)	-16%	FOI Requests	
(796,655)	(796,655)	Roads	(650,225)	(648,393)	1,832	0%	Grant funding	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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)			
\$	\$		\$	\$	\$	%		
(440,750)	(440,750)	Sports Facilities - Indoor	(199,865)	(183,582)	16,283	9%	Sport & Community Centre	Hiring of Council owned facilities has exceed YTD budget (\$13K)
(52,768)	(52,768)	Sports Facilities - Outdoor	(16,558)	(20,129)	(3,571)	-18%		
(167,727)	(167,727)	Support to Local Businesses (Gawler Bus Dev Board)	(167,726)	(167,727)	(1)	0%	Separate Rate Revenue	
(72,400)	(72,400)	Tourism (Visitor Information Centre)	(33,421)	(32,195)	1,226	4%	Souvenirs sales, various commissions	
(333,690)	(333,690)	Town Planning	(83,037)	(93,205)	(10,168)	-11%	Development Application fees, etc.	Reduced volume of development applications
(26,296,773)	(26,298,544)	Total Income	(23,539,049)	(23,452,668)	86,381	0%		

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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						
251,509	251,509	Building Control	100,029	99,605	(424)	0%	Building Assessment	
122,261	122,261	Car Parks	45,880	48,391	2,511	5%		
21,288	21,288	Caravan Park	5,290	6,789	1,499	22%		
118,955	118,955	Cemeteries	50,614	44,622	(5,992)	-13%		Additional Burials has resulted in increase in staff resources at the Cemetery
173,830	173,830	Children & Youth Services	75,837	73,406	(2,431)	-3%	Youth Activities	
213,098	213,098	Communication & Marketing	57,987	73,882	15,895	22%	Council Communications and Marketing to public and Murray St Banners	Vacant Position (\$10K)
170,985	170,985	Community Assistance (Volunteer Services)	28,902	57,088	28,186	49%	Volunteer Resource Centre, Graffiti removal team	Vacant Position (\$26K)
94,606	94,606	Community Centres & Halls	38,232	41,993	3,761	9%		
744,141	744,141	Community Support	258,535	262,712	4,177	2%	Support of various Community events/grants	
22,252	22,252	Crime Prevention (CCTV)	4,962	6,297	1,335	21%	CCTV operating expenses	
617,085	617,085	Customer Service	237,000	262,213	25,213	10%	Staff Salaries	Vacant Position (\$25K)
(402,572)	(422,610)	Depot	(154,998)	(169,208)	(14,210)	-9%	Budget includes wages overhead costs recovered	Consultants engaged to continue Depot Operations Review not included in adopted budget (\$14K)
262,353	262,353	Dog and Cat Control	79,832	82,033	2,201			
96,669	96,669	Elderly Citizens Facilities	26,840	31,572	4,732	15%	Elderly Centre	
292,206	292,206	Elected Member Services	119,305	123,316	4,011	3%	Allowances & expenses	
9,893	9,893	Emergency Services	8,759	5,281	(3,478)	-66%	Inflammable undergrowth management	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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)			
					\$	\$		
\$	\$		\$	\$	\$	%		
1,143,619	1,095,119	Engineering Services	288,711	285,562	(3,149)	-1%		
1,229,781	1,229,781	Finance	575,561	583,231	7,670	1%	Accounting services, Audit Committee, Loan repayments	
702,443	702,443	Gawler Aquatic Centre	240,703	230,532	(10,171)	-4%		
1,651,963	1,614,266	General Administration	681,841	672,415	(9,426)	-1%	General admin, WHS, Agenda/Minutes preparation	
111,872	111,872	Heritage	39,132	34,630	(4,502)	-13%	Heritage collection maintenance, Heritage Walls Grants	
631,512	631,512	Home Assistance Scheme	285,139	267,659	(17,480)	-7%	Community Services	The engagement of contractors used YTD has exceeded budget although expenditure will fluctuate during the year (\$18K).
562,656	562,656	Human Resources	273,812	260,795	(13,017)	-5%	Employee related activities	Recruitment advertising has exceed annual budget by \$13K.
44,326	44,326	Immunisation	13,543	17,566	4,023	23%	Immunisation services	
1,093,470	1,093,470	Information Technology	481,473	493,023	11,550	2%		
8,484	8,484	Investment Properties	3,833	4,312	479	11%		
910,884	910,884	Library	368,955	383,982	15,027	4%		
85,600	85,600	Litter Control	24,984	34,715	9,731	28%	Programmed collection of litter/rubbish from litter bins	Variance due to reduction in labour expenses YTD
549,422	526,558	Occupancy	218,042	195,379	(22,663)	-12%	Property Management admin, Town Hall maintenance	Various Operating Expenses incurred at the new Administration Centre not included in adopted budget (\$32K)

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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)			
					\$	\$		
\$	\$		\$	\$	\$	%		
548,474	548,474	Other Activities NEC	236,236	223,734	(12,502)	-6%	Road Reserves maintenance, Rapid Response Team expenses	Additional labour expense required YTD (\$10K)
589,721	622,121	Other Environmental Services	170,908	177,305	6,397	4%	Includes payment of State Govt NRM board levy collected	
7,093	7,093	Other Regulatory Services	2,048	2,838	790	28%		
244,175	244,175	Parking Control	78,531	93,640	15,109	16%		Adjustment to employee budget required in 2nd Qtr. Budget Review due to allocation changes implemented after budget adoption
1,368,525	1,360,826	Parks & Gardens	439,436	438,403	(1,033)	0%	Programmed maintenance of parks, gardens & reserves	
2,900	2,900	Pest Control	152	1,181	1,029	87%		
23,750	23,750	Plant & Machinery	47,945	121,265	73,320	60%	Includes internal plant hire costs recovered	Over-recovered plant hire (\$63K) Reduction in Fuel Expenses (\$10K)
138,489	138,489	Preventive Health Services	61,033	60,528	(505)	-1%		
115,039	115,039	Public Conveniences	45,959	44,367	(1,592)	-4%	Routine cleaning maintenance of 7 sites	
271,447	271,447	Rates Administration	128,287	131,674	3,387	3%		
319,196	299,196	Records Management	135,281	129,293	(5,988)	-5%		Overtime and additional employee expenses incurred in the short-term in preparation for the relocation
79,783	79,783	Regional Development	3,919	3,919	-	0%	Staff Salaries	
3,908,543	3,870,049	Roads	1,257,282	1,209,860	(47,422)	-4%		
581,069	581,069	Sports Facilities - Indoor	233,234	224,931	(8,303)	-4%	Programmed ovals maintenance	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 NOVEMBER 2016
FOR THE YEAR ENDING 30 JUNE 2017

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)			
					\$	\$		
\$	\$		\$	\$	\$	%		
754,408	754,408	Sports Facilities - Outdoor	173,355	175,449	2,094	1%		
785,801	785,801	Stormwater Drainage	306,787	223,022	(83,765)	-38%	Drain cleaning, repairs & maintenance	Unplanned stormwater repairs (\$26K) and an increase in depreciation YTD not included in adopted budget (\$63K)
158,000	158,000	Street Cleaning	45,201	49,085	3,884	8%	Programmed Cleaning of CBD and Urban Streets	
391,202	391,202	Street Lighting	125,888	130,348	4,460	3%		
339,733	339,733	Streetscaping	129,276	126,554	(2,722)	-2%	Tree replacement / removal and maintenance, Garden beds maintenance	
167,727	167,727	Support to Local Businesses (Gawler Bus Dev Board)	83,864	83,864	1	0%	Gawler Business Development Group contribution	
229,143	229,143	Tourism (Visitor Information Centre)	81,935	86,796	4,861	6%		
1,285,184	1,287,784	Town Planning	451,298	461,981	10,683	2%	Development assessment, various studies, DAP committee	
164,355	164,355	Traffic Management	59,489	59,865	376	1%	Street/traffic control signs maintenance	
12,346	12,346	Transfer Station	6,941	4,442	(2,499)	-56%	Utility Costs associated with former Transfer Station Site	
2,055,579	2,055,579	Waste Management	868,835	819,665	(49,170)	-6%	Kerbside waste collection & disposal	Increase partly due to increase in State Govt Waste Levy
26,076,273	25,915,981	Total Expenditure	9,651,854	9,597,802	(54,052)	1%		
(220,500)	(382,563)	NET OPERATING RESULT	(13,887,195)	(13,854,866)	32,329			

*Annual Adopted Budget - This is the Original Budget adopted by Council on 28 June 2016

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