

**TOWN OF GAWLER
MONTHLY FINANCE REPORT
31 MARCH 2019
FOR YEAR ENDING 30 JUNE 2019**

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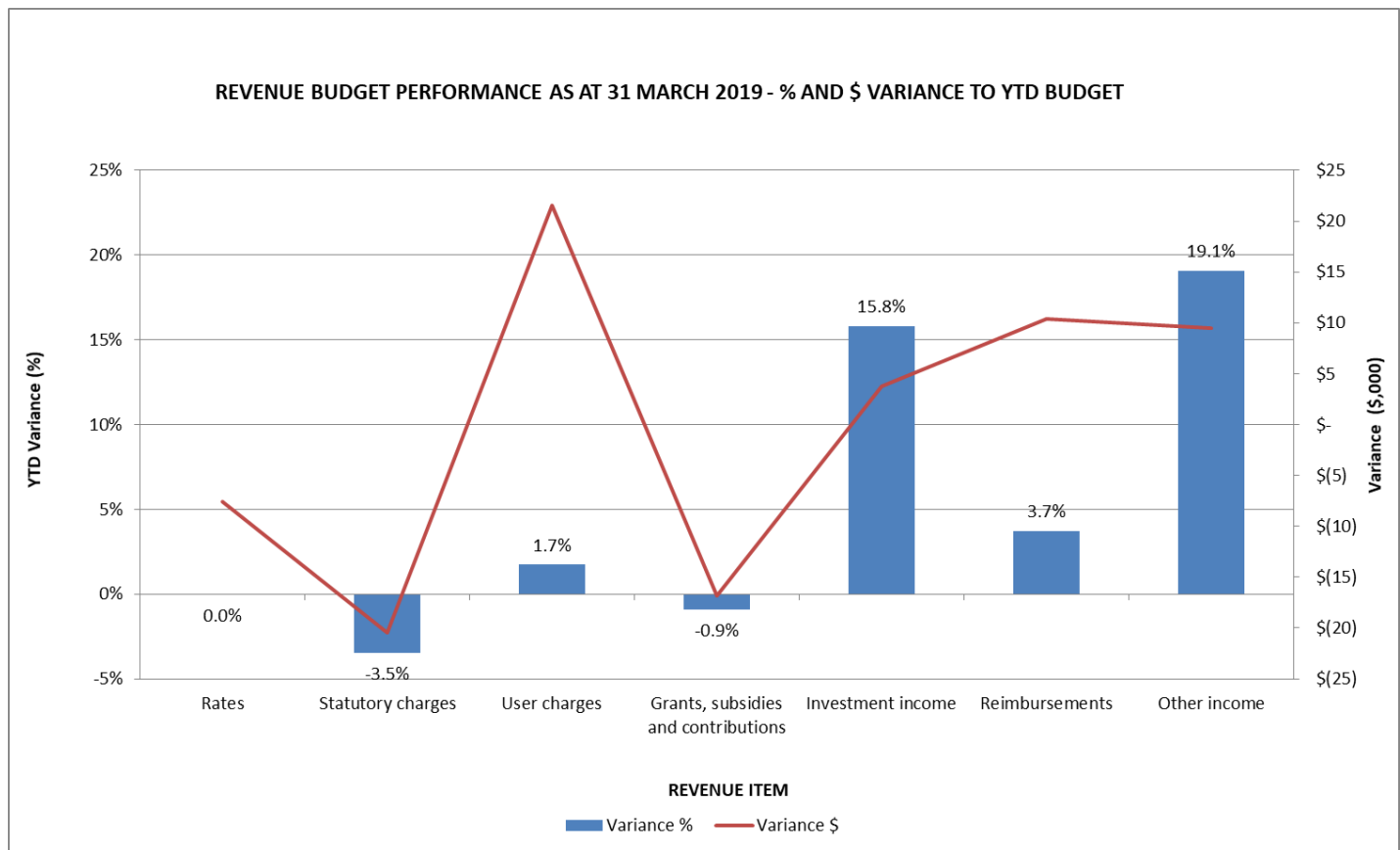
Executive Summary

The following report details the Town of Gawler's year to date (YTD) operating performance. All variances exceeding both \$10,000 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

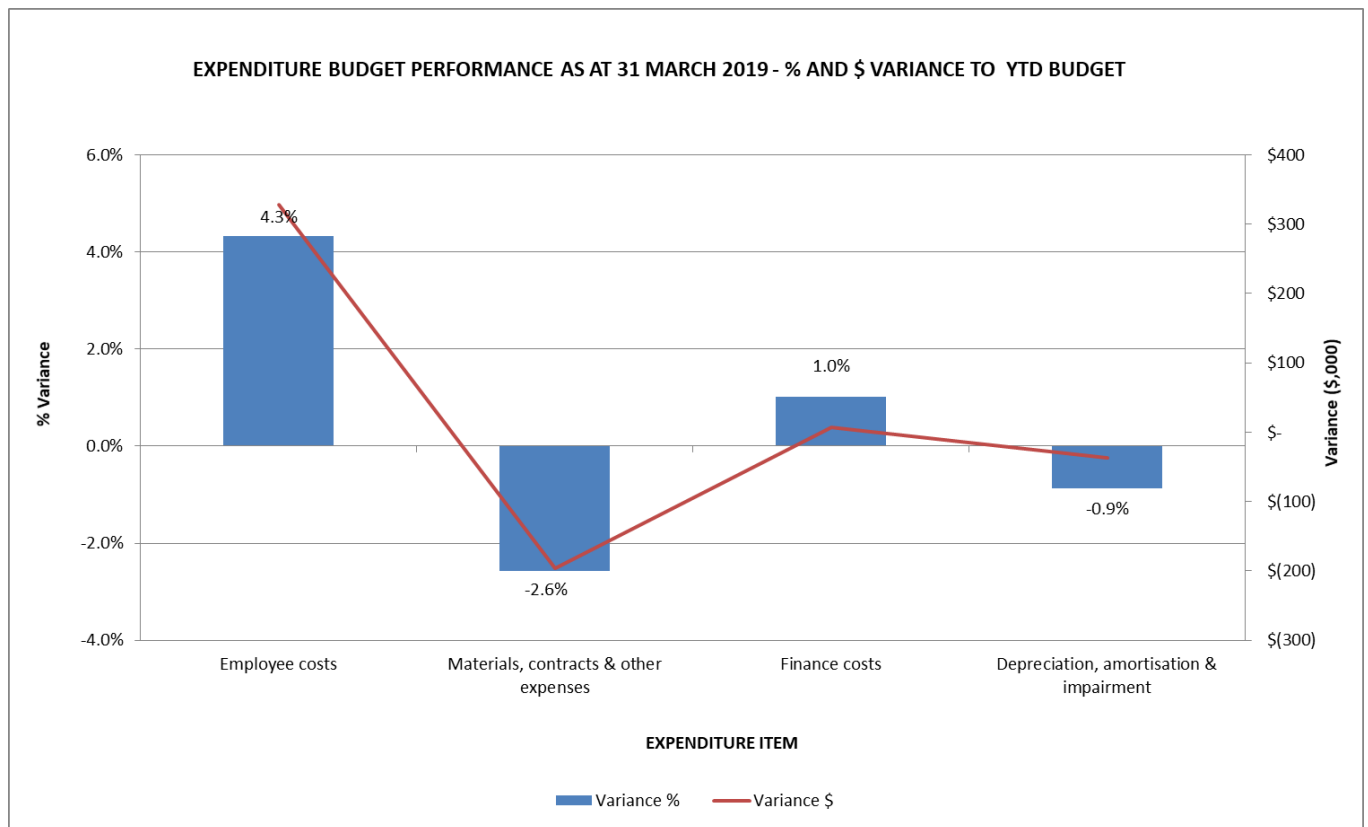


Overall, the YTD actual operating income of \$26.527M is \$1K higher than the YTD budget of \$26.526M. There are no variances that are greater than \$10K and 5% to be disclosed.

(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 \$20.049M is \$103K lower than the YTD budget of \$20.152M. There are no individual variances greater than 5% and \$10K to disclose:

(c) Overall Analysis

Overall, there is a **favourable YTD variance of \$103K** at the reporting date as disclosed in the Statement of Comprehensive Income.

The net favourable YTD variance, will be considered within the preparation of the 3rd Quarter Budget Review to be tabled to the Audit Committee and Council in May 2019, towards minimising any operating deficit ultimately incurred as at 30 June 2019 (noting that the 2nd Quarter Budget Review provided for a revised operating result of a \$301K underlying deficit).

Erin McGarry
Financial Accountant

TOWN OF GAWLER
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDING 31 MARCH 2019
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget	Annual Revised Budget		Year To Date			
			Actual	Budget	Variance fav/(unfav)	
\$'000s	\$'000s		\$'000s	\$'000s	\$'000s	%
INCOME						
(22,471)	(22,471)	Rates	(22,451)	(22,458)	(8)	0.0%
(714)	(719)	Statutory charges	(570)	(590)	(20)	-3.5%
(1,623)	(1,596)	User charges	(1,266)	(1,244)	22	1.7%
(2,745)	(2,369)	Grants, subsidies and contributions	(1,863)	(1,879)	(17)	-0.9%
(29)	(29)	Investment income	(27)	(24)	4	15.8%
(253)	(374)	Reimbursements	(291)	(281)	10	3.7%
(12)	(50)	Other income	(59)	(50)	9	19.1%
(1)	(1)	Net gain - Equity Accounted Council Business	-	-	-	
(27,848)	(27,609)	Total Income	(26,527)	(26,526)	0	0.0%
EXPENDITURE						
10,810	10,784	Employee costs	7,269	7,598	328	4.3%
11,727	11,410	Materials, contracts & other expenses	7,840	7,644	(196)	-2.6%
887	887	Finance costs	705	712	7	1.0%
5,159	5,645	Depreciation, amortisation & impairment	4,235	4,199	(36)	-0.9%
39	39	Net gain - Equity Accounted Council Business	-	-	-	
28,622	28,765	Total Expenditure	20,049	20,152	103	-0.5%
774	1,156	OPERATING (SURPLUS) / DEFICIT	(6,478)	(6,374)	103	
OTHER COMPREHENSIVE INCOME						
28	28	Asset disposal & fair value adjustments	-	-	-	
(6,777)	(6,316)	Amounts received specifically for new or upgraded assets	(4,351)	(3,996)	355	9%
(5,000)	(3,180)	Physical resources received free of charge	-	-	-	
(10,975)	(8,312)	NET (SURPLUS) / DEFICIT	(10,829)	(10,370)	458	
47	(301)	ADJUSTED OPERATING RESULT with distortion from advance Federal Government grant payments removed - SURPLUS / (DEFICIT)				

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

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$10,000 <u>AND</u> 5%)
				Adopted Budget**	Variance fav/(unfav)			
			Actual					
\$	\$		\$	\$	\$	%		
		INCOME						
(252,846)	(262,846)	Animal & Pest Control	(255,528)	(256,343)	(815)	0%	Dog Registrations, Expiation fees	
(58,260)	(58,260)	Building Control Services	(36,335)	(42,996)	(6,661)	-15%	Building Assessment Fees, Vehicle Contributions	
(196,700)	(181,700)	Cemetery Operations	(143,896)	(135,725)	8,171	6%	Burial, Lease, Cremation etc. Fees	
(13,000)	(13,000)	CEO Office	(9,500)	(10,002)	(502)	-5%	Vehicle Contribution	
(10,000)	(20,000)	Civic Centre Operations	(651)	(5,000)	(4,349)	-87%	Business Innovation Hub	
(694,984)	(700,353)	Community Home Support Program	(513,650)	(516,607)	(2,957)	-1%	Grant Funding & Client Contributions	
(10,000)	(10,000)	Community Services Management	(7,308)	(7,693)	(385)	-5%	Vehicle Contribution	
-	-	Community Support	(1,227)	-	1,227			Sponsorship Contribution received.
(510,947)	(510,947)	Council Buildings	(371,942)	(363,706)	8,236	2%	Various Property Rentals	
(48,000)	(48,000)	Customer Services	(34,198)	(36,000)	(1,802)	-5%	Property Search Fees	
(10,500)	(10,500)	Depot Operations	(7,308)	(8,071)	(763)	-9%	Vehicle Contribution	
(10,000)	(10,000)	Development & Regulatory Services Administration	(8,039)	(7,693)	346	4%	Vehicle Contribution	
(10,000)	(22,746)	Economic Development, Marketing & Comm M	(20,053)	(20,439)	(386)	-2%	Vehicle Contribution	
(69,400)	(63,400)	Elderly Citizen Facilities	(29,451)	(35,042)	(5,591)	-16%	Hire of Elderly Centre	
(10,000)	(10,000)	Elected Member Services	(7,705)	(7,918)	(213)	-3%	Mayoral vehicle contribution	
(71,500)	(71,500)	Engineering Services	(29,634)	(16,881)	12,753	76%	Vehicle Contributions, Contributions to Various Projects & other Misc. Income	Insurance reimbursement for damaged bus shelter repaired in 2017/18.

TOWN OF GAWLER
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FOR THE PERIOD ENDING 31 MARCH 2019
FOR THE YEAR ENDING 30 JUNE 2019

Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$10,000 <u>AND</u> 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
(690,499)	(737,170)	Financial Services	(561,199)	(557,254)	3,945	1%	Investment income, Financial Assistance Grant	
(373,500)	(376,500)	Gawler Aquatic Centre	(386,076)	(375,356)	10,720	3%		
(173,591)	(173,591)	Gawler Business Development Group	(172,524)	(172,591)	(67)		Separate Rate Revenue	
(44,100)	(69,336)	General Administration	(73,538)	(69,300)	4,238	6%	Various insurance scheme rebates etc.	
(15,969)	(15,969)	Health Control Services	(12,604)	(11,979)	625	5%	Food inspections, audits	
-	(20,000)	Heritage	(1,480)	(20,000)	(18,520)	-93%		Donations towards the Gawler Heritage opening at the Civic Centre not achieved.
(72,167)	(119,623)	Human Resources	(93,099)	(83,702)	9,397	11%	Traineeship rebates and WHS Special Distribution payment	
-	-	IES, Depot & Property Management	(3,462)	-	3,462		Vehicle Contribution	
(13,290)	(13,290)	Immunisation	(7,640)	(9,963)	(2,323)	-23%	Grant funding, user contributions	
(2,000)	(7,000)	Inflammable Undergrowth Services	(8,018)	(7,000)	1,018	15%		
(7,500)	(7,500)	Information Technology Services	(5,192)	(5,769)	(577)	-10%	Vehicle contribution	
(85,550)	(90,257)	Libraries	(82,317)	(85,310)	(2,993)	-4%	Shared Resources Reimbursement, State Govt Subsidy	
-	-	Litter Control	(3,464)	-	3,464			Insurance reimbursement for damaged bins in 2017/2018.
(366,832)	(366,832)	Other Environmental & Regulatory Service	(366,444)	(366,729)	(285)	0%	NRM Levy	

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			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
(145,000)	(145,000)	Parking Control	(94,934)	(104,997)	(10,063)	-10%	Expiation Fees Collected	Work has been completed to assess outstanding expiations debtors and write off if applicable
(14,500)	(14,500)	Plant Operations	(8,549)	(9,664)	(1,115)	-12%	Fuel Tax Credits Received from ATO, vehicle registration cancellation reimbursements	
(10,000)	(10,000)	Property Management Administration	(7,308)	(7,693)	(385)	-5%	Vehicle contribution	
(19,965,260)	(19,965,260)	Rates Administration	(19,934,175)	(19,949,004)	(14,829)	0%	General Rates/Fines, etc.	
(300)	(300)	Records Management	(184)	(225)	(41)	-18%	FOI Requests	
(524,180)	(540,617)	Roads	(496,771)	(496,865)	(94)	0%		
(411,500)	(385,910)	Sports Facilities Indoor	(267,789)	(274,639)	(6,850)	-2%	Sport & Community Centre	
(10,000)	(13,500)	Sports Facilities Outdoor	(8,522)	(7,000)	1,522	22%	Hire of Princes Park	
-	(5,373)	Street Beautification	(5,373)	(5,373)	-	0%	Reimbursements for tree removals and relocation	
-	(4,000)	Town Maintenance	-	-	-		Reimbursement for engagement of trainee	
(877,920)	(385,218)	Town Planning Services	(328,267)	(330,479)	(2,212)	-1%	Development Application fees, etc.	
(53,025)	(73,025)	Visitors Information Centre	(61,411)	(40,807)	20,604	50%	Souvenirs sales, various commissions	The additional income generated YTD will be predominantly offset by an associated expense. Council only recoups a nominal commission through the sale of goods or services.
(2,007,506)	(2,007,506)	Waste Management	(1,997,609)	(2,001,579)	(3,970)	0%	Waste Management Service Charge revenue	

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Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$10,000 <u>AND</u> 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		

(7,500)	(68,250)	Youth Services	(62,172)	(62,875)	(703)		Youth Activities	
(27,847,826)	(27,608,779)	Total Income	(26,526,542)	(26,526,269)	273	0%		

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			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		

		EXPENDITURE						
297,138	299,538	Animal & Pest Control	148,268	203,668	55,400	27%		Employee on extended leave
137,212	137,212	Bridges	102,909	102,909	-	0%	Depreciation	
234,295	231,295	Building Control Services	149,625	153,755	4,130	3%	Building Assessment	
102,475	93,575	Car Parks	67,761	68,954	1,193	2%		
178,212	178,212	Cemetery Operations	92,562	128,293	35,731	28%		Reduced costs incurred as a result of reduced burials YTD
422,323	428,323	CEO Office	312,984	314,337	1,353	0%		
297,097	306,612	Civic Centre Operations	201,918	211,692	9,774	5%		
163,280	158,464	Communication & Marketing	120,145	111,697	(8,448)	-8%	Communications and Marketing to	
695,170	700,539	Community Home Support Program	438,529	474,957	36,428	8%	Home Assist Program	Staff within program seconded out to other departments within Council
249,869	348,834	Community Services Management	221,715	223,791	2,076	1%	Administration of Community Services departments	
308,643	318,643	Community Support	242,645	250,611	7,966	3%	Support of various Community events/grants	

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Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$10,000 AND 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
989,896	1,188,902	Council Buildings	1,007,085	851,806	(155,279)	-18%	Building maintenance	The unfavourable variance is solely due to depreciation. This is a result of works required within system on various assets that has not yet occurred. This will be completed in the coming months which will reduce the amount of depreciation that has been generated YTD. Refer Audit Committee Report 6.8 from the 12 December 2018 meeting.
27,472	27,472	Crime Prevention	8,593	7,354	(1,239)	-17%	CCTV operating expenses	
257,608	257,608	Customer Services	159,900	182,845	22,945	13%	Staff Salaries	Vacant Position
348,684	348,529	Depot Operations	200,425	189,606	(10,819)	-6%		This unfavourable variance is as a result of timing of capital works and the salary allocation timing during the year.
1,021,644	905,653	Development & Regulatory Services Administration	622,639	607,572	(15,067)	-2%		
426,901	439,334	Economic Development, Marketing & Comm M	303,680	309,437	5,757	2%		
11,116	11,116	Elderly Citizen Facilities	3,593	8,337	4,744	57%	Elderly Centre	
414,872	414,872	Elected Member Services	337,579	341,904	4,325	1%	Allowances & expenses	
900,197	953,397	Engineering Services	562,717	586,578	23,861	4%		
280,114	277,587	Finance & Corporate Services Management	175,630	199,531	23,901	12%		Vacant Position for a period of time - since filled.

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			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
1,408,560	1,422,810	Financial Services	1,109,511	1,107,454	(2,057)	0%	Accounting services, Audit Committee, Loan interest	
462,286	462,286	Footpaths	346,626	346,682	56	0%	Depreciation	
813,159	787,650	Gawler Aquatic Centre	675,798	665,480	(10,318)	-2%		
172,591	172,591	Gawler Business Development Group	172,591	172,591	-	0%	Gawler Business Development Group contribution	
456,468	435,804	General Administration	327,720	315,231	(12,489)	-4%	General admin, WHS, Agenda/Minutes preparation	
140,095	140,095	Governance Services	93,606	98,611	5,005	5%		
147,304	147,304	Health Control Services	106,885	106,655	(230)	0%		
95,734	95,734	Heritage	79,012	74,792	(4,220)	-6%	Heritage collection maintenance, Heritage Walls Grants	
510,237	575,817	Human Resources	372,679	384,402	11,723	3%	HR admin expenses, recruitment costs	
237,337	237,337	IES, Depot & Property Management	176,001	167,548	(8,453)	-5%		
49,915	49,915	Immunisation	31,040	35,948	4,908	14%	Immunisation services	
38,904	33,904	Inflammable Undergrowth Services	17,691	24,262	6,571	27%		
1,161,844	1,135,575	Information Technology Services	795,541	795,917	376	0%		
599,998	599,998	Kerb & Gutter	450,000	450,000	-	0%	Depreciation Only	
1,003,114	1,007,722	Libraries	688,712	714,168	25,456	4%		
57,850	57,850	Litter Control	39,912	41,440	1,528	4%	Programmed collection of litter/rubbish from litter bins	

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Annual Adopted Budget*	Annual Revised Budget**		Year To Date				Service Description	Variance Comments (if > \$10,000 <u>AND</u> 5%)
			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
(864,746)	(864,746)	Oncosts Recovered	(524,438)	(615,958)	(91,520)		Wages overhead costs recovered	On-costs have been under-recovered due to vacant positions being filled by agency staff
378,791	378,791	Other Environmental & Regulatory Service	289,648	285,350	(4,298)	-2%	NRM Levy payments	
177,530	190,530	Parking Control	128,020	126,787	(1,233)	-1%		
1,641,869	1,670,920	Parks & Gardens	866,306	1,006,799	140,493	14%	Programmed maintenance of parks, gardens & reserves	YTD savings from wages, internal plant hire and water consumption due to the timing of works and seasonal influences.
(78,762)	(74,462)	Plant Operations	169,499	190,546	21,047	11%	Includes internal plant hire costs recovered	Plant Hire under-recovered YTD
264,762	264,762	Property Management Administration	179,987	173,532	(6,455)	-4%		
78,578	80,378	Public Conveniences	62,990	56,346	(6,644)	-12%	Routine cleaning maintenance of 7 sites	
256,858	291,363	Rates Administration	210,077	215,152	5,075	2%		
272,971	260,476	Records Management	199,402	187,813	(11,589)	-6%		Additional support within the team due to a recent retirement has resulted in unfavourable variance
22,318	65,318	Recreation Services Administration	28,239	31,740	3,501	11%	Karbeethan Master Plan & assistance to Karbeethan Sporting association with Governance	
2,898,402	3,218,732	Roads	2,445,289	2,353,520	(91,769)	-4%		
30,514	30,514	Roundabouts	22,884	22,884	-	0%	Depreciation	
452,001	475,470	Sports Facilities Indoor	292,544	302,961	10,417	3%	Sport & community Centre	

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				Adopted Budget**	Variance fav/(unfav)			
			Actual					
\$	\$		\$	\$	\$	%		
736,958	736,865	Sports Facilities Outdoor	357,672	388,064	30,392	8%	Programmed ovals maintenance	Variance due to staff time spent on other functions within Council
1,085,342	1,085,342	Stormwater Drainage	845,677	787,200	(58,477)	-7%	Drain cleaning, repairs & maintenance	This variance is due to unplanned works required.
377,101	392,474	Street Beautification	340,174	289,889	(50,285)	-17%	Tree replacement / removal and maintenance, Garden beds maintenance	Additional external 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	110,024	107,314	(2,710)	-3%	Programmed Cleaning of CBD and Urban Streets	
486,973	486,973	Street Lighting	313,239	332,717	19,478	6%		This variance is due to timing of the electricity invoices.
895,049	773,412	Town Maintenance	465,637	515,650	50,013	10%	Linemarking, Weedspraying and other various services	Variance due to staff time spent on other functions within Council
1,596,319	1,100,869	Town Planning Services	613,213	630,765	17,552	3%	Development assessment, various studies, DAP committee	
29,409	29,409	Traffic Management	3,573	13,306	9,733	73%	Street/traffic control signs maintenance	
178,048	178,048	Visitors Information Centre	130,224	133,590	3,366	3%		
188,344	148,215	Volunteer Services	65,125	97,024	31,899	33%	Volunteer Resource Centre, Graffiti removal team	Vacant Position
2,051,845	2,051,845	Waste Management	1,338,732	1,353,195	14,463	1%	Kerbside waste collection & disposal	

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			Actual	Adopted Budget**	Variance fav/(unfav)			
					\$	\$		
\$	\$		\$	\$	\$	%		
195,414	254,720	Youth Services	131,318	135,383	4,065	3%	Youth Activities	
28,622,002	28,764,827	Total Expenditure	20,049,283	20,152,384	103,101	-1%		
774,176	1,156,048	NET OPERATING RESULT	(6,477,260)	(6,373,885)	103,375			

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

** Annual Revised Budget - This is the revised budget for the whole year incorporating changes included as part of Quarterly Budget Reviews.

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