



TOWN OF GAWLER MONTHLY FINANCE REPORT 30 SEPTEMBER 2017 FOR YEAR ENDING 30 JUNE 2018

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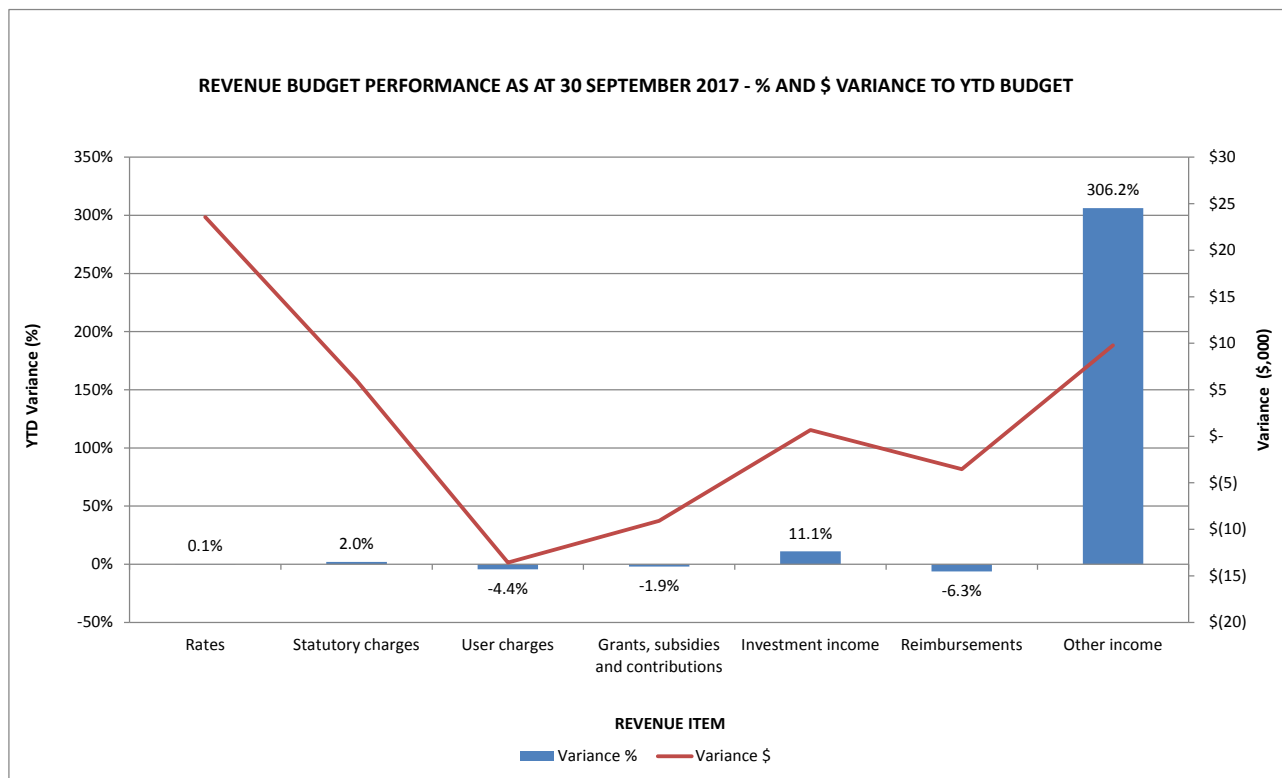
Executive Summary

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



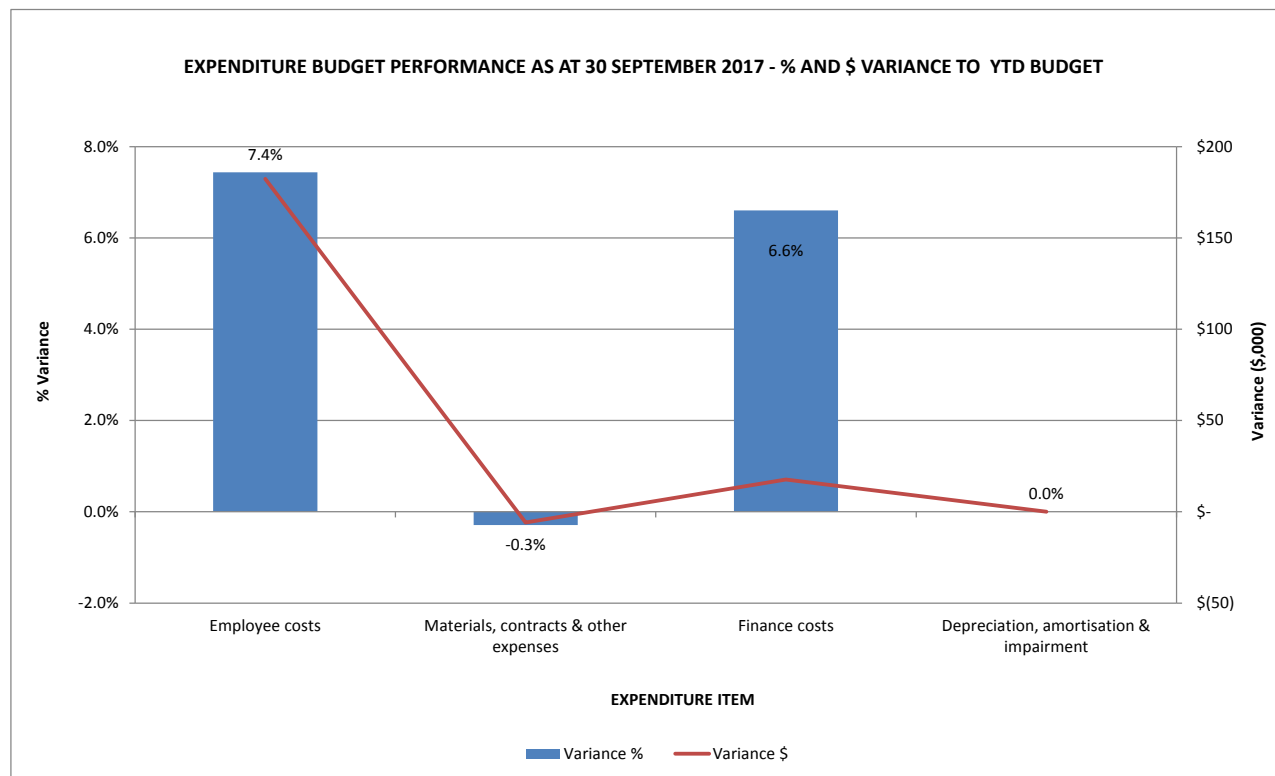
Overall, the YTD actual operating income of \$22.737M is \$14K higher than the YTD budget of \$22.723M. Details of significant YTD variances at income statement level are provided below:

1. **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 \$4.525M is \$194K lower than the YTD budget of \$4.719M. Details of significant YTD variances at income statement level are provided below:

1. **Employee Costs** – Various vacant positions throughout Council during the first three months of the financial year have contributed to this favourable variance. It is anticipated that these positions will be filled before the end of the calendar year.

Savings from employee costs, may in some cases, 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.

2. **Finance Costs** – Council is currently reporting a favourable variance for overdraft interest paid to date. This favourable variance is expected to be incrementally exhausted in the coming months.

(c) Overall Analysis

Overall, there is a **favourable YTD variance of \$208K** 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 30 SEPTEMBER 2017
FOR THE YEAR ENDING 30 JUNE 2018

Annual Adopted Budget		Year To Date			
		Actual	Budget	Variance fav/(unfav)	
\$'000s		\$'000s	\$'000s	\$'000s	%
INCOME					
(21,595)	Rates	(21,597)	(21,573)	24	0.1%
(725)	Statutory charges	(313)	(307)	6	2.0%
(1,623)	User charges	(295)	(309)	(14)	-4.4%
(2,768)	Grants, subsidies and contributions	(460)	(469)	(9)	-1.9%
(37)	Investment income	(7)	(6)	1	11.1%
(478)	Reimbursements	(53)	(56)	(4)	-6.3%
(26)	Other income	(13)	(3)	10	306.2%
(75)	Net gain - Joint ventures & associates	-	-	-	
(27,327)	Total Income	(22,737)	(22,723)	14	0.1%
EXPENDITURE					
10,158	Employee costs	2,269	2,452	182	7.4%
11,617	Materials, contracts & other expenses	2,005	2,000	(6)	-0.3%
786	Finance costs	251	268	18	6.6%
4,843	Depreciation, amortisation & impairment	-	-	-	
-	Net loss - Joint ventures & associates	-	-	-	
27,404	Total Expenditure	4,525	4,719	194	-4.1%
78	OPERATING (SURPLUS) / DEFICIT	(18,213)	(18,003)	208	
OTHER COMPREHENSIVE INCOME					
-	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	-	-	-	
11,724	NET (SURPLUS) / DEFICIT	(18,288)	(18,078)	208	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 SEPTEMBER 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%)
		Actual	Adopted Budget**	Variance fav/(unfav)			
				\$	\$		
\$		\$	\$	\$	%		
	INCOME						
(281,000)	Animal & Pest Control	(191,679)	(195,780)	(4,101)	-2%	Registrations, Expiation fees	
(58,770)	Building Control Services	(12,379)	(16,208)	(3,829)	-24%	Building Assessment Fees, Vehicle Contributions	
(192,273)	Cemetery Operations	(50,414)	(48,066)	2,348	5%	Burial, Lease, Cremation etc. Fees	
(13,000)	CEO Office	(3,000)	(3,003)	(3)	0%	Vehicle Contribution	
(662,125)	Community Home Support Program	(156,927)	(158,025)	(1,098)	-1%	Grant Funding & Client Contributions	
(10,000)	Community Services Management	(2,308)	(2,120)	188	9%	Vehicle Contribution	
(1,500)	Community Support	-	(375)	(375)	-100%	Misc. Income generated from Gawler Activation Program	
(516,074)	Council Buildings	(91,631)	(88,273)	3,358	4%	Various Property Rentals	
(47,000)	Customer Services	(13,138)	(11,751)	1,387	12%	Property Search Fees	
(10,500)	Depot Operations	(3,836)	(2,625)	1,211	46%	Vehicle Contribution	
(11,000)	Economic Development, Marketing & Comm M	(2,308)	(2,541)	(233)	-9%	Vehicle Contribution	
(61,500)	Elderly Citizen Facilities	(7,612)	(10,246)	(2,634)	-26%	Hire of Elderly Centre	
(10,000)	Elected Member Services	(2,917)	(2,499)	418	17%	Mayoral vehicle contribution	
(16,000)	Engineering Services	(5,010)	(3,714)	1,296	35%	Vehicle Contribution	
(643,273)	Financial Services	(179,279)	(157,628)	21,651	14%	Investment income, Financial Assistance Grant	Financial Assistance Grant - Confirmed amount greater than initial budget estimate
(334,500)	Gawler Aquatic Centre	(24,493)	(26,900)	(2,407)	-9%		
(172,759)	Gawler Business Development Group	(172,759)	(172,759)	(0)	0%	Separate Rate Revenue	
(232,050)	General Administration	(7,457)	(7,322)	135	2%	Various insurance scheme rebates etc.	
(50)	Governance Services	-	(12)	(12)	-100%		
(15,729)	Health Control Services	(4,089)	(3,933)	156	4%	Food inspections, audits	
(43,500)	Human Resources	(16,122)	(16,000)	122	1%	Traineeship rebates	
(12,961)	Immunisation	(132)	(745)	(613)	-82%	Grant funding, user contributions	

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 SEPTEMBER 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%)
		Actual	Adopted Budget**	Variance fav/(unfav)			
		\$	\$	\$	%		
\$		\$	\$	\$	%		
(2,000)	Inflammable Undergrowth Services	135	(501)	(636)	-127%		
(7,500)	Information Technology Services	(1,731)	(1,731)	(0)	0%	Vehicle contribution	
(84,550)	Libraries	(1,908)	(5,510)	(3,602)	-65%	Shared Resources Reimbursement, State Govt Subsidy	
(357,594)	Other Environmental & Regulatory Service	(357,514)	(357,445)	69	0%	NRM Levy	
(141,000)	Parking Control	(27,840)	(35,250)	(7,410)	-21%	Expiation Fees Collected	371 expiations issued YTD compared to a YTD estimate of 450.
(12,750)	Plant Operations	(2,494)	(3,186)	(692)	-22%	Fuel Tax Credits Received from ATO, vehicle registration cancellation reimbursements	
(15,000)	Property Management Administration	(2,014)	(2,015)	(1)	0%	Vehicle contribution	
(19,183,546)	Rates Administration	(19,158,091)	(19,136,349)	21,742	0%	General Rates/Fines, etc.	
(300)	Records Management	(98)	(75)	23	31%	FOI Requests	
(735,710)	Roads	(121,224)	(156,677)	(35,454)	-23%	Grant funding	Financial Assistance Grant - Local Road component confirmed amount less than initial budget estimate but offset by additional finance component
(452,000)	Sports Facilities Indoor	(97,968)	(107,997)	(10,029)	-9%	Sport & Community Centre	Less income generated due to water leak issue stadium floor and roof issues.
-	Sports Facilities Outdoor	(669)	-	669			
(901,256)	Town Planning Services	(75,108)	(48,788)	26,320	54%	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	(17,185)	(18,843)	(1,658)	-9%	Souvenirs sales, various commissions	

TOWN OF GAWLER
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			Adopted Budget**	Variance fav/(unfav)			
		Actual		\$	%		
\$		\$	\$	\$	%		
(2,012,418)	Waste Management	(1,917,036)	(1,918,023)	(987)	0%	Waste Management Service Charge revenue	
-	Youth Services	(8,526)	-	8,526		Youth Activities	State grant received for Child & Youth Friendly Action Group (\$7K) and misc. income generated from youth programs.
(27,326,588)	Total Income	(22,736,759)	(22,722,915)	13,844	0%		

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

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			Adopted Budget**	Variance fav/(unfav)			
		Actual					
\$		\$	\$	\$	%		
	EXPENDITURE						
301,360	Animal & Pest Control	53,746	55,727	1,981	4%		
128,600	Bridges	-	236	236	100%	Maintenance & Depreciation	
278,158	Building Control Services	56,020	60,119	4,099	7%	Building Assessment	
118,757	Car Parks	28,666	27,967	(699)	-3%		
							Reduction in employee costs due to timing of works at the Cemetery
145,437	Cemetery Operations	19,899	31,396	11,497	37%		
446,033	CEO Office	122,174	126,526	4,352	3%		
						Council Communications and Marketing to public and Murray St Banners	
164,117	Communication & Marketing	29,196	32,933	3,737	11%		
661,625	Community Home Support Program	135,453	139,925	4,472	3%	Home Assist Program	
						Administration of Community Services departments	
255,268	Community Services Management	48,168	52,763	4,595	9%		
						Support of various Community events/grants	
415,678	Community Support	94,326	89,511	(4,815)	-5%		
						Property Management admin, Town Hall maintenance	
889,559	Council Buildings	115,589	115,571	(18)	0%		
						CCTV operating expenses	
7,308	Crime Prevention	-	2,171	2,171			
614,925	Customer Services	110,278	143,509	33,231	23%	Staff Salaries	Vacant Positions
							Purchase of remote access devices to facilitate more effectiver CRM management and field operations - to be funded by LG Risk Schemes Special Distribution payment
327,822	Depot Operations	94,750	67,910	(26,840)	-40%		
359,282	Development & Regulatory Services Administration	65,351	75,123	9,772	13%		Vacant Position
450,566	Economic Development, Marketing & Comm M	64,083	107,634	43,551	40%		Vacant Positions
12,456	Elderlv Citizen Facilities	1,458	2,389	931	39%	Elderlv Centre	

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		Actual	Adopted Budget**	Variance fav/(unfav)			
		\$	\$	\$	%		
\$		\$	\$	\$	%		
283,442	Elected Member Services	72,772	70,760	(2,012)	-3%	Allowances & expenses	
737,249	Engineering Services	213,954	223,885	9,931	4%		
34,198	Finance & Corporate Services Management	8,500	8,694	194	2%		
1,442,639	Financial Services	389,646	411,693	22,047	5%	Accounting services, Audit Committee, Loan repayments	Overdraft Interest YTD is less than anticipated
439,800	Footpaths	217	-	(217)			
703,834	Gawler Aquatic Centre	65,156	60,371	(4,785)	-8%		
172,759	Gawler Business Development Group	43,148	43,190	42	0%	Gawler Business Development Group contribution	
801,934	General Administration	164,000	167,570	3,570	2%	General admin, WHS, Agenda/Minutes preparation	
105,509	Governance Services	23,217	25,603	2,386	9%		
142,920	Health Control Services	31,652	32,872	1,220	4%		
169,519	Heritage	1,295	4,580	3,285	72%	Heritage collection maintenance, Heritage Walls Grants	
575,857	Human Resources	138,862	137,594	(1,268)	-1%	HR admin expenses	
130,585	IES, Depot & Property Management	33,913	31,523	(2,390)	-8%		
51,085	Immunisation	8,297	10,999	2,702	25%	Immunisation services	
35,221	Inflammable Undergrowth Services	6,512	8,345	1,833	22%		
1,081,491	Information Technology Services	242,723	232,374	(10,349)	-4%		
598,000	Kerb & Gutter	-	-	-		Depreciation Only	
913,447	Libraries	194,344	198,312	3,968	2%		
82,800	Litter Control	13,834	19,590	5,756	29%	Programmed collection of litter/rubbish from litter bins	Reduction in employee costs due to efficiencies & timing of works
(869,484)	Oncosts Recovered	(160,788)	(204,937)	(44,149)		Wages overhead costs recovered	Oncosts under-recovered due to the use of agency staff during the 1st three months of the financial year.
367,095	Other Environmental & Regulatory Service	88,208	88,347	139	0%	NRM Levy	
159,021	Parking Control	28,312	31,332	3,020	10%		

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 SEPTEMBER 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					
\$		\$	\$	\$	%		
1,691,393	Parks & Gardens	242,478	239,557	(2,921)	-1%	Programmed maintenance of parks, gardens & reserves	
(72,469)	Plant Operations	(43,616)	(20,460)	23,156		Includes internal plant hire costs recovered	
264,959	Property Management Administration	47,584	57,942	10,358	18%		Vacant Position. This position has since been filled.
97,578	Public Conveniences	25,793	21,971	(3,822)	-17%	Routine cleaning maintenance of 7 sites	
263,494	Rates Administration	87,919	89,033	1,114	1%		
321,092	Records Management	63,868	66,797	2,929	4%		
108,000	Recreation Services Administration	-	-	-		Karbethan Master Plan & assistance to association with Governance	
2,813,536	Roads	328,892	257,709	(71,183)	-28%		Additional employee expenses due to timing of capital works
30,500	Roundabouts	-	-	-		Depreciation	
438,787	Sports Facilities Indoor	100,243	102,226	1,983	2%		
809,452	Sports Facilities Outdoor	60,303	64,857	4,554	7%	Programmed ovals maintenance	
936,543	Stormwater Drainage	54,224	49,284	(4,940)	-10%	Drain cleaning, repairs & maintenance	
396,354	Street Beautification	92,445	94,051	1,606	2%	Tree replacement / removal and maintenance, Garden beds maintenance	
140,500	Street Cleaning	34,718	35,124	406	1%	Programmed Cleaning of CBD and Urban Streets	
445,173	Street Lighting	61,237	73,322	12,085	16%		Favourable variance due to the timing of invoices
672,150	Town Maintenance	127,410	133,198	5,788	4%	Linemarking, Weedspraying and other various services	
1,657,190	Town Planning Services	206,661	250,483	43,822	17%	Development assessment, various studies, DAP committee	Vacant Position
141,698	Traffic Management	9,275	31,577	22,302	71%	Street/traffic control signs maintenance	Unspent wages due to time allocated to other functions within Council YTD.

TOWN OF GAWLER
MONTHLY FINANCE REPORT - INCOME/EXPENDITURE BY SERVICE
FOR THE MONTH ENDING 30 SEPTEMBER 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		\$	%		
\$		\$	\$	\$	%		
187,158	Visitors Information Centre	30,062	34,863	4,801	14%		
204,236	Volunteer Services	19,363	46,715	27,352	59%	Volunteer Resource Centre, Graffiti removal team	Vacant Position
1,935,272	Waste Management	301,158	320,776	19,618	6%	Kerbside waste collection & disposal	Favourable variance due to a combination of timing and calculation of invoice by NAMWA based on previous month actuals and budgeted amount
185,964	Youth Services	28,227	36,295	8,068	22%	Youth Activities	Youth Officer returned from maternity leave in a part time capacity, whereas as budget was predicated on a 1 FTE.
27,404,432	Total Expenditure	4,525,175	4,719,427	194,252	-4%		
77,844	NET OPERATING RESULT	(18,211,584)	(18,003,488)	208,096			

*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.