



AGENDA

**Notice is hereby given
for the ORDINARY Meeting of Council
commencing at 7:00PM**

on

8 APRIL, 2019

at the

Kalgoorlie Town Hall

5 April 2019



NOTICE OF MEETING

An Ordinary Council meeting, of the City of Kalgoorlie-Boulder will be held in the **Kalgoorlie Town Hall** on **Monday, 8 April 2019** commencing at **7:00pm**.

Regards

A handwritten signature in black ink, appearing to be "John Walker", written over a horizontal line.

JOHN WALKER
Chief Executive Officer

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1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**2 OPENING PRAYER**

To be conducted by Pastor Joel Tardo of Goldfields Alliance.

3 DISCLAIMER READING

The Mayor will read the disclaimer to those present.

The recommendations contained in this Agenda are Officer's Recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the Minutes of the Council Meeting at which these recommendations were considered.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

4 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)**IN ATTENDANCE:****MEMBERS OF STAFF:****VISITORS:****PRESS:****APOLOGIES – ELECTED MEMBERS:**

Cr Deborah Botica

APOLOGIES – MEMBERS OF STAFF:**LEAVE OF ABSENCE:**

Cr Allan Pental

Cr Mandy Reidy

Cr Glenn Wilson

5 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**6 PUBLIC ACCESS AND PUBLIC QUESTION TIME****7 PETITIONS/DEPUTATIONS/PRESENTATIONS****8 NOTATIONS OF INTEREST****8.1 INTEREST AFFECTING IMPARTIALITY CITY OF KALGOORLIE-BOULDER CODE OF CONDUCT****8.2 FINANCIAL INTEREST LOCAL GOVERNMENT ACT SECTION 5.60A****8.3 PROXIMITY INTEREST LOCAL GOVERNMENT ACT SECTION 5.60B****9 APPLICATIONS FOR LEAVE OF ABSENCE****10 ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSIONS****11 CONFIRMATION OF MINUTES**

[Minutes of Ordinary Council Meeting held on 25 March 2019](#)

That the minutes of the **Ordinary** meeting held on 25 March 2019 be confirmed as a true record of that meeting.

12 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

13 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**14 REPORTS OF COMMITTEES**

Nil.

15 REPORTS OF OFFICERS

15.1 GENERAL MANAGER – INFRASTRUCTURE AND ENVIRONMENT

15.1.1 ADOPTION OF NEW TYRE DISPOSAL CHARGES FOR YARRI ROAD REFUSE FACILITY

Responsible Officer:	Stuart Devenish General Manager Infrastructure & Environment
Author:	Shamiso Chadyiwa Waste Management & Compliance Coordinator
Disclosure of Interest:	Nil

VOTING REQUIREMENTS

Absolute

OFFICER RECOMMENDATION

That the Council adopt the following tyre charges without modification in accordance with section 6.16 of the *Local Government Act 1995*;

Title of Fee/Charge	Fee & Charge 2018/19	Fee & Charge for 2018/19 Inc. GST
Commercial tyre charge (cut or shredded) – local businesses	\$227.28	\$250 per tonne
Commercial tyre charge (cut or shredded) – businesses based outside the City of Kalgoorlie-Boulder	\$322.73	\$355 per tonne
Commercial tyre charge (cut or shredded) – originating from the Perth Metropolitan Area	\$386.36	\$425 per tonne

EXECUTIVE SUMMARY

On 25 March 2019, Council resolved to give notice of new tyre disposal charges at the Yarri Road Refuse Facility. The proposed charges were set to ensure:

1. Charges are sufficiently high to deter tyres from outside the City coming to the Yarri Road facility;
2. Local businesses are provided with a competitive price – substantially less than

alternative options; and

3. Residents retain ability to dispose a limited number of tyres free of cost.

Two submissions were received during the public notice period, one of which contains signatures of support from 35 businesses in addition to the author. The submissions raise general concern around the impact of the increases on local businesses, and address various issues associated with tyre disposal.

The proposed charges are recommended on the basis of providing a suitably competitive rate for local business while discouraging importing of tyres from outside the region. Adoption is recommended accordingly.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles to support diverse and growing industries.

BUDGET IMPLICATIONS

The proposed charges will increase revenue per tonne of used tyres. Tonnage received is expected to reduce, reducing operating costs and increasing longevity of the land fill facility.

REPORT

Purpose

The purpose of this report is to consider adoption of the proposed new charges for tyre disposal at the City's Yarri Road facility.

Background

On 25 March 2019, Council considered two objectives:

1. To maintain ongoing tyre disposal services; and
2. Establish an equitable charge structure that maintains affordable services for local business.

The high cost of transporting tyres away from Kalgoorlie brings the need for a local disposal service for local residents and business. At present, tyre recycling is cost prohibitive leading to the need for disposal via landfill. The City's strategy is to bury cut or shredded tyres within single cells, thereby enabling extraction at a later time if and when recycling is viable.

Many local governments have elected not to receive commercial quantities of tyres. Of those that do, the charge rates are very high.

Charge rates adopted by the City must ensure adequate disincentive for tyres to be brought from outside the City to the Yarri Road facility. This is necessary to avoid the costs of processing the extra tyres and the loss of landfill space that shortens the life of the facility for local residents and businesses.

A charge of \$250 per tonne (incl GST) for local business will provide a balance between a competitive rate while discouraging tyre importing. Higher costs are proposed for tyres originating from outside the City (\$355 per tonne incl GST) and higher again for tyres originating from Perth (\$425 per tonne incl GST).

On 25 March 2019, Council resolved to adopt the amended commercial tyre charges for the purposes of providing public notice. Notice of the proposed charges has been given in accordance with the requirements of the *Local Government Act 1995*. Details of submissions received during this period are set out below.

STATUTORY IMPLICATIONS

Section 6.16 of the *Local Government Act 1995* allows local government to impose and recover a fee or charge for any goods or service it provides.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY ENGAGEMENT CONSULTATION

A public notice was advertised in the Kalgoorlie Miner on 27 March 2019 in addition to the City's website for a period of eight (8) days ending 4 April 2019. In addition, City officers made direct phone contact with 18 businesses within the City to advise of the proposed charges. Businesses comprised tyre disposal contractors, tyre companies and tyre recyclers. All calls were made between 27 and 29 March 2019.

The notice period resulted in two submissions being received raising concerns about the rates. One submission was supported by 35 other businesses of varying types. The submissions are summarised within an attachment to this report.

CONCLUSION

The submissions received do not warrant modification to the proposed new commercial tyre disposal charges. While the various comments are noted, the pricing remains competitive for local businesses in comparison to alternative disposal methods and are below those imposed by other local governments across the State.

Lower charge rates expose the City to an influx of tyres from other regions, thereby compromising the facility for local residents and businesses. Adoption of the proposed charges are recommended accordingly. Upon adoption, the charges will take effect on the re-acceptance of tyres at the Yarri Road facility.

ATTACHMENTS

Schedule of Submissions - Tyre Charges 

15.2 CHIEF FINANCIAL OFFICER

15.2.1 APPOINTMENT OF AUDITORS BY OFFICE OF THE AUDITOR GENERAL

Responsible Officer:	Ivana Castle Chief Financial Officer
Author:	Casey Radford Finance and Compliance Coordinator
Disclosure of Interest:	Nil

VOTING REQUIREMENTS

Simple

OFFICER RECOMMENDATION

That Council be advised that the Office of the Auditor General has appointed Grant Thornton as the City's Auditor. The term of the contract is for three (3) financial years beginning 2018-19, with an option to extend.

EXECUTIVE SUMMARY

The purpose of this report is to advise Elected Members that the Office of the Auditor General has concluded their tender process and have appointed an auditor for the City. Grant Thornton has been appointed for three (3) years, beginning in 2018/19.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles to demonstrate a transparent and inclusive local government.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

REPORT

The City has been advised by the Office of the Auditor General that Grant Thornton has been appointed the City of Kalgoorlie Boulder's contracted Auditor for the three (3) years beginning 2018/19.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

ATTACHMENTS

Office of the Auditor General Letter 

15.2.2 STATEMENT OF FINANCIAL ACTIVITY FEBRUARY 2019

Responsible Officer: Ivana Castle
Chief Financial Officer

Author: Ishani Subaharan
Corporate Accountant

Disclosure of Interest: Nil

VOTING REQUIREMENTS

Absolute

OFFICER RECOMMENDATION

That Council in accordance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, receive the Statement of Financial Activity for the period ending 28 February 2019.

EXECUTIVE SUMMARY

In accordance with regulation 34 of the *Local Government (Financial Management) Regulations 1996* (“**the Regulations**”), the City is to prepare a monthly Statement of Financial Activity for approval by Council. Attached for consideration is the completed Statement of Financial Activity for the period ending 28 February 2019.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles to demonstrate a transparent and inclusive local government.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

REPORT

The Statement of Financial Activity was introduced by the Department of Local Government from 1 July 2005; the change was implemented to provide elected members with a better idea of operating and capital revenues and expenditures. It was also intended to link operating results with balance sheet items and reconcile with the end of month balances.

In accordance with the Regulations, a report must be compiled on variances greater than the percentage agreed by Council which is currently plus (+) or minus (-) 10% or \$50,000, whichever is the greater.

For the year to date to 28 February 2019, income is over budget by 0.33% and expenditure is under budget by 3.64%, commentary is provided at sub program level. A nil variance means that the year to date actual value is identical to the year to date budget estimate. Comments are therefore provided where the variances value is > 10% and > \$50,000 under or over budget.

INCOME CATEGORIES

Overall stated income is within the allowable variance as dictated by Council, being 0.33%, \$211,725 over budget. Sub programs which are outside the allowable variance are as follows.

Other Culture

Description	YTD Budget	YTD Actual	YTD Variance
Other Culture	\$556,470	\$351,011	-\$205,459

The main variance in this subprogram relates to lower than budgeted Goldfields Arts Centre income, due to less shows being booked. This should improve now that the City has a contract with Perth Theatre Trust, and the Arts Centre's future is secure.

Construction Roads Bridges Depots

Description	YTD Budget	YTD Actual	YTD Variance
Construction Roads Bridges Depots	\$1,614,889	\$1,018,790	-\$596,099

The main variances in this subprogram relates to Wandraa (\$233K) funding, this represents unrealised revenue relating to an accrued amount in 2017-18. In addition, \$74K of Blackspot Federal funding was returned, and a further \$76K in Blackspot State funding is yet to be received. This will be adjusted at Midyear budget review. The remaining variance relates to timing differences between expected funding and actual funding.

Aerodromes

Description	YTD Budget	YTD Actual	YTD Variance
Aerodromes	\$6,840,139	\$8,060,221	\$1,220,082

The variance in this subprogram relates to record passenger numbers and a catch up of YTD Revenue from Airport leases of \$62K.

Economic Development

Description	YTD Budget	YTD Actual	YTD Variance
Economic Development	\$403,500	\$321,200	-\$82,300

The variance in this subprogram relates to the Sale of Effluent Water, this is unrealised revenue. This is a factor of market conditions in relation to expected water sales to mining.

Salaries and Wages

Description	YTD Budget	YTD Actual	YTD Variance
Salaries and Wages	\$86,800	\$150,832	\$64,031

The variance in this subprogram relates to the reimbursement of paid parental leave being greater than budgeted, this is offset with additional expenses.

EXPENSE CATEGORIES

Overall stated expenditure is within the allowable variance as dictated by Council, being 3.64% \$1,669,454 under budget. Sub programs which are outside the allowable variance are as follows.

HACC

Description	YTD Budget	YTD Actual	YTD Variance
HACC	\$987,245	\$810,111	-\$177,134

The variance in this subprogram largely relates to savings made due to vacant positions, (\$134K), lower than expected Administration overhead costs (\$16K), and unspent operational costs YTD (\$27K), these are not savings.

Other Welfare

Description	YTD Budget	YTD Actual	YTD Variance
Other Welfare	\$494,355	\$350,572	-\$143,783

The main variance in this subprogram relates to lower than budgeted YTD costs for Youth events and programs (\$78K), operational costs (\$19K) and wages (\$47K) due to a restructure. The budget will be adjusted at mid-year review to re-align wage costs to the correct schedule(s).

Libraries

Description	YTD Budget	YTD Actual	YTD Variance
Libraries	\$693,507	\$555,010	-\$138,497

The main variances in this subprogram relate to an internal re-structure which has caused a misalignment of budget with actuals (\$99K) in employment costs and lower than expected Maintenance costs (\$19K) and Administration overhead costs (\$15K).

Other Culture

Description	YTD Budget	YTD Actual	YTD Variance
Other Culture	\$1,536,829	\$1,353,431	-\$183,398

The variance in this subprogram relates to lower than expected Goldfields Arts Centre expenses due to less shows than originally budgeted, this offsets with lower revenue. This does not represent savings.

Parking Facilities

Description	YTD Budget	YTD Actual	YTD Variance
Parking Facilities	\$183,393	\$304,868	\$121,474

The variance in this subprogram relates to an adjustment to depreciation which is due to a change to the asset values upon finalisation of the Annual Statements for 2017-18. The estimated useful life was reduced, resulting in a higher depreciation rate than budgeted. This will be adjusted at the Mid-year budget review.

Building Control

Description	YTD Budget	YTD Actual	YTD Variance
Building Control	\$606,937	\$414,923	-\$192,014

The variance in this subprogram relates to vacant positions, \$107K, Administration overhead costs and professional services costs are lower than budgeted by \$29K and \$25K respectively. This is a timing difference.

Public Works Overheads

Description	YTD Budget	YTD Actual	YTD Variance
Public Works Overheads	-\$5,107	\$276,388	\$281,495

The variance in this sub program is due to an under recovery of labour costs, this relates to the capital works program being delayed, and Sick leave and Holiday pay, which is non-chargeable. This will be reviewed at the Midyear Budget Review.

Plant Operation Costs

Description	YTD Budget	YTD Actual	YTD Variance
Plant Operation Costs	\$58,076	\$217,559	\$159,483

The variance in this sub program is due to an under recovery of plant operating costs, rates will be reviewed at the Mid-year Budget review. This would have been affected by increased depreciation rates for light vehicles.

Salaries and Wages

Description	YTD Budget	YTD Actual	YTD Variance
Salaries and Wages	\$87,026	\$137,919	\$50,893

The variance in this subprogram relates to the reimbursement of paid parental leave being greater than budgeted, this offsets with higher revenue. This does not represent savings.

CAPITAL CATEGORIES

February 2019 capital expenditure is under budget by \$8,883,266 YTD. Actual YTD is \$5,731,912 versus budgeted YTD spend of \$14,615,178.

The main variance is in Roads infrastructure, and is due to delays in budgeted works programs of \$4.11 million, in total. All projects have been reviewed and re-prioritised, with adjustments due to be made at the Mid-year budget review.

Some Land and Building works projects have also experienced delays (\$1.6 million). This variance is largely made up for the following projects:

- CBD Transformation Project (\$144K)
- War Museum Fit out renewal (\$177K) – this is due to be finalised.
- Various Town Hall renewal projects (\$268K)
- Fencing of Landfill Facility (\$65K)
- Replacement Roof of EGCC Hall (\$390K)
- Hannan Street Improvements Project (\$110K)

The overall variance is due to timing differences in the budgeted capital programs no savings have been identified.

STATUTORY IMPLICATIONS

The Statement of Financial Activity has been prepared in accordance with the requirements of the Regulations.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

ATTACHMENTS

Statement of Financial Activity - February 2019 

15.2.3 EXPRESSION OF INTEREST - GOLDFIELDS OASIS KIOSK

Responsible Officer:	Ivana Castle Chief Financial Officer
Author:	Jill O'Brien Recreation Centre Manager
Disclosure of Interest:	Nil

VOTING REQUIREMENTS

Simple

OFFICER RECOMMENDATION**That Council:**

- 1. Authorise the CEO to Award the Lease Agreement for Goldfields Oasis Kiosk to Flavour 3015 for a three (3) year period with a two (2) year option, at a rental of \$9,000 pa (excluding GST), subject to no adverse submissions being received during the Local Public Notice period of 14 days.**
- 2. Provided there are no submissions received, authorise the Chief Executive Officer to enter into the new lease agreement between Flavour 3015 and the City of Kalgoorlie-Boulder.**

EXECUTIVE SUMMARY

The current tenants of the Goldfields Oasis Kiosk have formally notified the City of their intentions to vacate the property when the lease expires on 7 April 2019.

As a result of receiving the notification, on 13 March 2019 the City called for potential operators of the Kiosk to submit an Expression of Interest (EOI). The EOI closing date was Thursday 28 March 2019 at 2.00pm, with one submission received for Council's consideration within this time.

A current market valuation was received for \$9,000 plus GST per annum.

The delegated authority to the CEO enables the CEO to negotiate and approve lease agreements between existing commercial tenants for the Goldfields Oasis leased rooms provided specified conditions are met. Flavour 3015 is not an existing commercial tenant.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles:

- Support diverse and growing industries

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

REPORT

On 13 March 2019 the City issued notice requesting Expressions of Interest from potential operators of the Goldfields Oasis Kiosk. One submission was received before the EOI's closing date of 28 March 2019 at 2.00pm, from the business owner of Flavour 3015. The submission met the following selection criteria requested within the EOI:

- Include the full details (name, address and contact details) of all parties involved in the Expression of Interest;
- The market valuation on the rent is \$9,000 plus GST pa, interested parties may provide a different figure that they are willing to pay per annum;
- Detail any previous business experience;
- Provide contact details of no less than 2 suitable referees that are able to provide independent feedback;
- Demonstrate a financial capacity to operate a business;
- Detail the proposed business operation;
- Details of personal and public insurance cover as well as Workers Compensation;
- Acknowledgement of the need to obtain and maintain appropriate licences including payment of any fees; and
- Acknowledge the length of lease being offered is two (2) years plus a three year option (3) however this can be made up with the preferred combination of options. (I.e. a 3-year lease with a 2-year option term).

The candidate has proposed:

- Three (3) year term with a two (2) year option; and
- Agreed to market rate rent of \$9,000 plus GST per annum.

Due diligence of the submission by the reporting officer supports the recommendation to Council.

STATUTORY IMPLICATIONS

Under the Local Government Act 1995 the disposal of property is required to be undertaken as follows:-

3.58 Disposing of property

- (1) *In this section-
‘dispose’ includes to sell, lease or otherwise dispose of whether absolutely or not;*
- ‘property’ includes the whole or part of any part of the interest of a local government in Property, but does not include money.*
- (2) *Except as stated in this section, a local government can only dispose of the property to-*
- (a) *the highest bidder at public auction; or*
 - (b) *the person who at public tender called by the local government make what is, in its opinion of the local government, the most acceptable tender whether or not it is the highest tender.*
- (3) *A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property-*
- (a) *It gives local public notice of the proposed disposition*
 - (i) *describing the property concerned*
 - (ii) *giving details of the proposed disposition; and*
 - (iii) *inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;*

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

15.2.4 ACCOUNTS PAYABLE FOR MARCH 2019

Responsible Officer:	Ivana Castle Chief Financial Officer
Author:	Ange Ndayikengurukiye Transactional Team Leader
Disclosure of Interest:	Nil

VOTING REQUIREMENTS

Simple

OFFICER RECOMMENDATION

That Council receive the list of payments totalling \$3,846,023.92 as presented for the month of March 2019.

• Municipal EFT	98261 – 98366	\$ 3,425,139.14
• Municipal Cheque	55535	\$ 103,655.11
• Direct Debits	57454 - 57603	\$ 208,595.86
• Trust EFT	98250 – 89745	\$ 83,627.26
• Trust Cheques	3065	\$ 684.75
• Credit Cards	1 Mar 19 to 31 Mar 19	\$ 24,321.80

EXECUTIVE SUMMARY

The purpose of this report is to receive the list of payments made from the Municipal and Trust funds including a summary report of the Corporate Credit Card transactions incurred by authorised card holders.

The Chief Executive Officer has been delegated the power to make payments from the Municipal and Trust funds in accordance with budget allocations. The City provides payment facilities to suppliers either by cheque, electronic funds transfer (EFT), and credit card.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles to demonstrate a transparent and inclusive local government.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

REPORT

Attached to this report are the lists of all cheques and EFT payments made during the month of March 2019 and a list of corporate credit card transactions by card holder of the same period totalling \$3,846,023.92.

• Municipal EFT	98261 – 98366	\$ 3,425,139.14
• Municipal Cheque	55535	\$ 103,655.11

• Direct Debits	57454 - 57603	\$ 208,595.86
• Trust EFT	98250 – 89745	\$ 83,627.26
• Trust Cheques	3065	\$ 684.75
• Credit Cards	1 Mar 19 to 31 Mar 19	\$ 24,321.80

STATUTORY IMPLICATIONS

The Accounts Payable for the Month of March 2019 has been prepared in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*.

POLICY IMPLICATIONS

All purchases by authorised officers are to be completed in accordance with Policy CORP AP 001– Purchasing.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

ATTACHMENTS

Muni EFT Payments - March 2019 

Muni Cheque Payments - March 2019 

Direct Debit Payments - March 2019 

Trust EFT Payments - March 2019 

Trust Cheque Payments - March 2019 

Credit Card Payments - March 2019 

15.2.5 MID YEAR BUDGET REVIEW 2018/19

Responsible Officer:	Ivana Castle Chief Financial Officer
Author:	Ivana Castle Chief Financial Officer
Disclosure of Interest:	Nil

VOTING REQUIREMENTS

Absolute

OFFICER RECOMMENDATION

That Council:

- 1. Receive the mid-year budget review for the period ending 31 December 2018; and**
- 2. Approve the list of budget amendments as presented.**

EXECUTIVE SUMMARY

The purpose of this report is to review the City's 2018/2019 annual budget as at the period ending 31 December 2018 and to authorise a number of budget amendments that fall outside the CEO's delegations.

The forecast cash position for the year ending 30 June 2019 is \$3,096,181 versus a budgeted \$1,770,700.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles to demonstrate a transparent and inclusive local government.

BUDGET IMPLICATIONS

The proposed adjustments to the budget will result in surplus funds of \$1,325,481.

REPORT

The position to 31 December 2018, as outlined in the Statement of Financial Activity identifies an Actual Closing Funding Position of \$29,936,702 versus a budgeted \$24,343,883. The variance is due to misalignment of project scheduling and the timing of budgets, and the re-prioritisation of some capital projects.

The mid-year budget review is an opportunity to realign the budget with re-forecasted actuals, and thus explain any significant changes that will impact the City's position for the financial year ending 30 June 2019.

The mid-year position is an improved cash position of \$1.3 million versus budget, highlighting the City's strong financial position. Whilst forecast cash is positive, and operational costs are measured and controlled, there has been a significant projected reduction in capital grants for the 2018-19 financial year. This is largely due to changes to the State and Federal grants program, which is yet to be communicated.

Operational Revenue

Operational revenue is forecast to be over budget by **\$1.1 million**, and is due to the following:

- Airport income has contributed an additional \$1.6 million in revenue, due to increased passenger numbers.
- Tip fees are projected to be lower than budget by (\$297K), due to a reduced in-take of tyres at the Yarri Rd facility.
- The Oasis is projecting a reduction in revenue of (\$306K), which is a result of continued stretch targets in the face of lower memberships.
- The sale of effluent water to industry has halted, and resulted in reduced revenue of (\$156K).
- Endowment Block Rental Income is reduced by (\$63K) due to a number of vacant tenancies.
- A (\$200K) bad debt write off has been raised, in the 2018/19 financial year, due to a number of delinquent dead tenements.

Operational Expenditure

Operational expenditure is over budget by **\$2.106 million** which is a factor of the following:

- An increase to depreciation expenses of (\$1.16 million) due to the re-valuation of infrastructure assets in financial year ending 30 June 18.
- Additional materials and contract costs (\$407K) which is in due to a number of projects which are an advancing, an example of which is the Industrial land project (\$190K) and Yilkarn (\$100K) which were both unbudgeted.
- Contributions and Donations are higher due to an additional contribution to the Goldfields Childcare Centre of (\$173K).

Forecast Operational Revenue is \$74,321,849 versus Budgeted Revenue of \$73,209,792, the total variance being \$1,112,057.

Forecast Operational Expenses is \$71,403,645 versus Budgeted Expenses - \$69,787,383, the total variance being \$1,616,262.

The variance amount attributable to operating activities, is **(\$1,243,930)**, most of which relates to a change to depreciation (\$1,164,003), which is an accounting adjustment.

Capital Expenditure

The variance amount attributable to investing activities is **(\$7,005,489)**, which is made up of the following:

- A reduced total capital spend of (\$579,001), most of which is in relation to re-scheduling of a portion of the Waste Water Treatment Plant (\$375K) projects. Additionally, Plant and Equipment purchases of (\$200K) is being carried forward.

Capital Income

- A deferral of (\$4,486,909) in grant funding that relates to the CBD Transformation project, which is forecast to begin in 2019-20.
- A reduction in non-operating grants of (\$3,210,710) due partially to a timing difference and a reduced allocation of funds from the State and Federal government.

Finance

The variance amount attributable to financing activities is **(\$2,070,431)**, which is made up of the following:

- An increase in transfers from reserves of 786,932, which is directly related to Unspent Road Grants \$1,051,329, offset by SES Building Reserves of (\$367,120), which was not realised.
- A decrease to Transfers to reserves of \$1,159,712, which is made up of \$4,454,245 draw down of funds for the CBD Transformational Project, and a further \$1,341,582 and \$1,919,828 transferred to the Sewerage and Future projects reserve, respectively.

A list of recommended balanced budget amendments is attached to this report. Detailed explanations of each request has been included.

STATUTORY IMPLICATIONS

This review is required to comply with regulation 33A of the Local Government (Financial Management) Regulations 1996. The Budget Review is to be lodged with the Department of Local Government and Communities within 30 days of adoption.

POLICY IMPLICATIONS


There are no policy implications resulting from the recommendations of this report.

COMMUNITY ENGAGEMENT CONSULTATION


No community consultation was considered necessary in relation to the recommendations of the report.

ATTACHMENTS

Mid-year Budget 2019 by Reporting Program 

Mid-year Budget 2019 by Nature & Type 

Mid-year Budget 2019 Budget Amendments 

Mid-year Budget 2019 Explanations of Material Variance by Program 

Mid-year Budget 2019 Net Current Funding Position 

16 QUESTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN

17 INFORMATION BULLETIN**17.1 CHIEF EXECUTIVE OFFICER****17.1.1 INFORMATION ITEM 8 APRIL 2019**

Responsible Officer: John Walker
Chief Executive Officer

Author: Karen Theaker
Governance Officer

Disclosure of Interest: Nil

VOTING REQUIREMENTS

Simple

OFFICER RECOMMENDATION

That Council receive the information.

EXECUTIVE SUMMARY

The purpose of this report is to keep Elected Members information on items for Information received by the City.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles to demonstrate a transparent and inclusive local government.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

REPORT

The City of Kalgoorlie-Boulder regularly receives and produces information for receipt by the Elected Members.

INFORMATION ITEM:	DATE:
Seal Register	March 2019
Facebook Statistics	March 2019
Minor Community Grants	March 2019
EGCC Meals Statistics	March 2019
Graffiti Report	March 2019
Contract Variations	NIL
PDRS Report	March 2019
RoadWise Minutes	March 2019 February 2019
Certificate of Appreciation: Variety the Children's Charity	

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.


COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

ATTACHMENTS

Seal Register 

Facebook Statistics 

Minor Community Grants 

EGCC Meals Statistics 

Graffiti Report 

RoadWise Minutes March 2019 

RoadWise Minutes February 2019 

Certificate of Appreciation 

PDRS Report 

18 CONFIDENTIAL ITEMS

Nil.

19 DATE OF NEXT MEETING

The next Ordinary Council Meeting will be on Monday 13 May 2019.

20 CLOSURE