

City of Kalgoorlie-Boulder

KALGOORLIE-BOULDER AIRPORT

COMMERCIAL BUSINESS COMMITTEE REPORT

JULY 2019 to DECEMBER 2019

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Performance Summary

Passenger Statistics

Passenger numbers are increasing, continuing on a similar trajectory as 2018/19. Charter passenger movements have increased substantially since the same time last year.

The year to date actuals for passenger numbers have increased by nearly 2% for the same period last year and passenger charges revenue is nearly 5% above budget.

Aircraft Landing Fees

The year to date actuals for aircraft movements are slightly less than 5% for the same period last year whilst revenue is on par with budget.

Hire Car Revenue

Hire car revenue receipts are regarded as a useful tool to assess the strength of not only airport operations but also the state and regional economies in general.

The year to date actuals for hire car fees have increased by over 18% for the same period last year and revenue is over 15% above budget.

Car Parking Income

The car park facility plays more of a parking management function than a major source of revenue generation.

Having said that, year to date actuals are 14% up on figures for the same time last year and revenue is over 15% above budget.

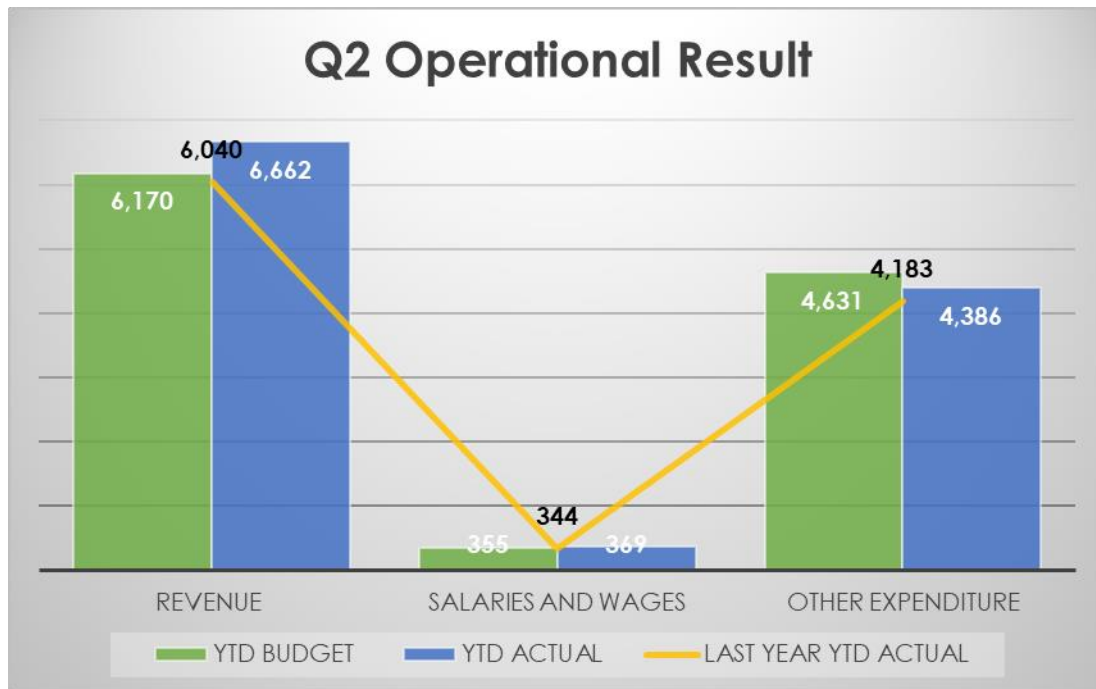
Sale Advertising Space

The actuals for the sale of advertising space is above budget and better than that achieved in the previous quarter by 31%.

In the last quarter, advertising on 30% of the baggage trolleys was undertaken. There is 80% of advertising space occupied currently.



Financial Performance



Graph - Depreciation & Corporate O/H Inclusive

Financial Commentary

The Airport continues to perform above expectation. Surplus funds for the period ending 31 December 2019 are \$1,907K, which is above the YTD budget of \$1,183K. A positive result for the first half of the year.



Profit & Loss Statement

Kalgoorlie-Boulder Airport PROFIT AND LOSS STATEMENT

July 2019 - December 2019

CATEGORY	FULL YEAR CURRENT BUDGET 2019/20	YTD ACTUAL 2018/19	YTD CURRENT BUDGET 2019/20	YTD ACTUAL 2019/20	BUDGET VS ACTUAL 2019/20
Passenger Numbers	335,990	158,136	173,950	161,265	
Operating Revenue					
Sale Advertising Space	102,000	51,199	51,000	67,349	
Charges - Aircraft Landings	1,364,000	711,416	681,996	682,211	
Charges - Compliance Coordinator Employment	88,740	50,934	44,370	48,594	
Charges - Passenger Fees	7,341,600	3,706,862	3,670,800	3,846,019	
Passenger Screening Fee (Income)	1,357,500	596,530	678,750	707,753	
Residential Fares Discount	(50,000)	0	(24,996)	0	
Charges - Hire Car Fees	600,000	293,283	300,000	346,081	
Common Use Licence Fees	750,000	387,288	375,000	385,060	
Leases Rental	420,000	73,659	210,000	143,240	
Recoup Outgoings	164,220	79,517	82,110	92,786	
Grants	150,000	0	0	231,818	
Other Income	10,200	4,760	5,100	3,871	
Reimbursements - Aerodromes	46,920	11,790	23,460	23,513	
Car Parking Income	145,000	72,766	72,498	83,324	
Operating Revenue Total	12,490,180	6,040,004	6,170,088	6,661,618	● 491,530
Operating Expenditure					
Communications	3,360	3,291	1,680	3,140	
Corporate Overhead	373,806	165,540	186,882	157,947	
Depreciation	690,175	350,170	345,072	353,153	
Employment Costs	711,040	343,897	355,488	368,936	
Insurance	63,500	33,065	31,746	24,472	
Loss on Sale of Asset	0	0	0	14,133	
Maintenance	624,214	156,537	312,054	297,686	
Office	79,200	71,641	59,072	32,338	
Passenger Screening Fee (Expenditure)	1,350,000	603,416	674,994	527,716	
Rates	167,475	0	167,475	81,015	
Return on Investment (ROI)	5,300,000	2,650,000	2,649,996	2,650,000	
Security	24,500	12,820	12,494	10,874	
Sponsorships and Donations	170,000	8,251	70,000	133,448	
Utilities	240,000	127,965	120,000	99,800	
Operating Expenditure Total	9,797,269	4,526,593	4,986,953	4,754,658	● 232,295
NET PROFIT / LOSS	2,692,911	1,513,412	1,183,135	1,906,961	● 723,826
Add Back:					
Depreciation	690,175	350,170	345,072	353,153	
Corporate Overhead	373,806	165,540	186,882	157,947	
Return on Investment (ROI)	5,300,000	2,650,000	2,649,996	2,650,000	
NET PROFIT / LOSS (Excl Depreciation, Corporate O/H & ROI)	9,056,891	4,679,122	4,365,085	5,068,060	● 702,975

Nature & Type Analysis

Kalgoorlie-Boulder Airport

Nature & Type Breakdown

July 2019 - December 2019


Description	FULL YEAR ORIGINAL BUDGET	YTD BUDGET	YTD ACTUAL	YTD BUDGET VS ACTUAL	LAST YEAR YTD ACTUAL
	2019/20	2019/20	2019/20	2019/20	2018/19
Income					
Fees & Charges	12,030,100	6,015,048	6,238,851	223,803	5,893,003
Non-Operating Grants, Subsidies & Contributions	150,000	0	231,818	231,818	0
Operating Grants, Subsidies & Contributions	88,740	44,370	70,779	26,409	50,934
Other Income	221,340	110,670	120,170	9,500	96,068
	12,490,180	6,170,088	6,661,618	491,530	6,040,004
Expenditure					
Contributions, Donations & Subsidies	161,500	65,750	126,939	(61,189)	8,251
Depreciation	690,175	345,072	353,153	(8,081)	350,170
Employee Costs	711,040	355,488	370,957	(15,469)	349,557
Insurance Expenses	63,500	31,746	24,472	7,274	33,065
Interest Expense	0	0	1,568	(1,568)	0
Materials & Contracts	2,045,549	1,042,452	843,862	198,590	817,480
Other Expenses	5,885,505	3,026,445	2,919,775	106,670	2,839,716
Utilities	240,000	120,000	99,800	20,200	128,354
	9,797,269	4,986,953	4,754,658	232,295	4,526,593
NET PROFIT / LOSS	2,692,911	1,183,135	1,906,961	723,826	1,513,412

















Capital Expenditure Analysis

Kalgoorlie-Boulder Airport

Capital Expenditure Breakdown

July 2019 - December 2019

 Level of completion indicator

Description	FULL YEAR BUDGET	YTD BUDGET	YTD ACTUAL	
	2019/20	2019/20	2019/20	
Reverse Cycle Inverter Split System Air Conditioner	8,000	8,000	0	
Terminal And Freighthandling Steel Repaint	254,875	0	0	
Internal Roads - Rebuild	323,025	161,400	0	
Reticulation System - Terminal Surrounds	30,000	18,000	0	
Floor Coverings - Sir Wallace Kyle Terminal	9,000	9,000	0	
Airport House - Floor Coverings Replacement	9,000	9,000	0	
Airport House - Replace Kitchen Cupboards	8,000	8,000	0	
Security And Detection Systems Cbs & Etd Machines	0	0	6,864	
Replacement Of Terminal Seating Including Kiosk Chairs And Tables	60,000	60,000	59,590	
Linemarking Machine	35,000	35,000	30,319	
Crack Patching Machine	20,000	20,000	0	
Stump Grinder Attachment	6,600	6,600	6,342	
Landscaping	60,000	0	0	
Aerodromes - Furniture & Equipment Purchase	0	12,000	5,880	
Cctv Upgrade	160,000	160,000	0	
Total Capital Expenditure	983,500	507,000	108,995	

The reverse cycle inverter split system air conditioner, security and detection systems CBS and ETD machines, replacement of terminal seating including kiosk chairs and tables, line marking machine, stump grinder attachment and aerodrome furniture and equipment purchase have all be purchased.

Request for tender processes for the terminal and freight handling steel repaint and CCTV

upgrade have commenced.

Capital expenditure from the airport house improvements, crack patching machine and reticulation system for terminal surrounds will be redirected during midyear budget review to help cover the terminal and freight handling steel repaint.

The internal roads rebuild is set for completion in the fourth quarter of the current financial year and the floor coverings at the Sir Wallace Kyle terminal are to be suspended pending occupancy interest.

The unbudgeted expense relating to the security and detection systems are commissioning costs related to the purchase of 2 new machines last financial year.

Key Statistics

Passenger Statistics



The year to date actuals for passenger numbers have increased by nearly 2% for the same period last year and revenue is nearly 5% above budget.

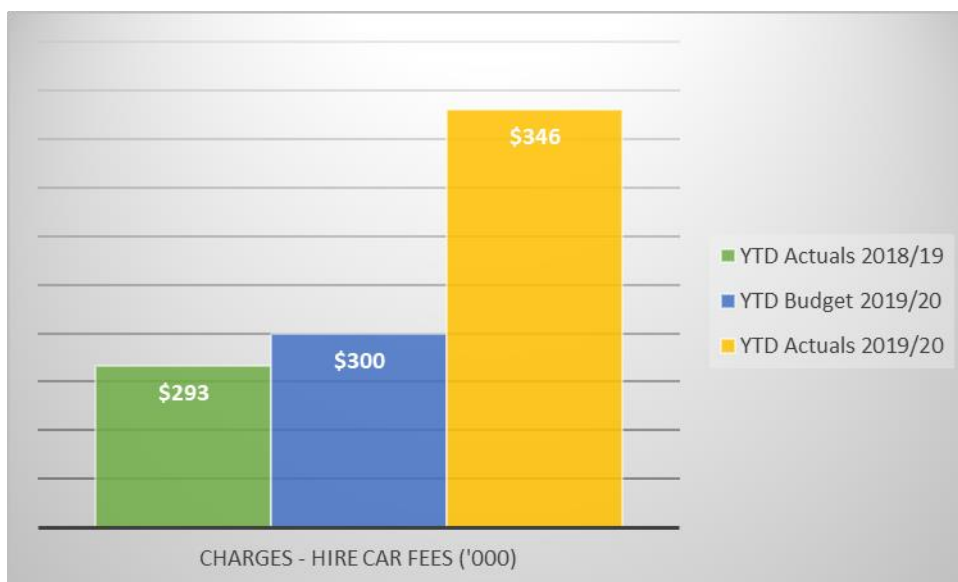


Aircraft Landing Fees



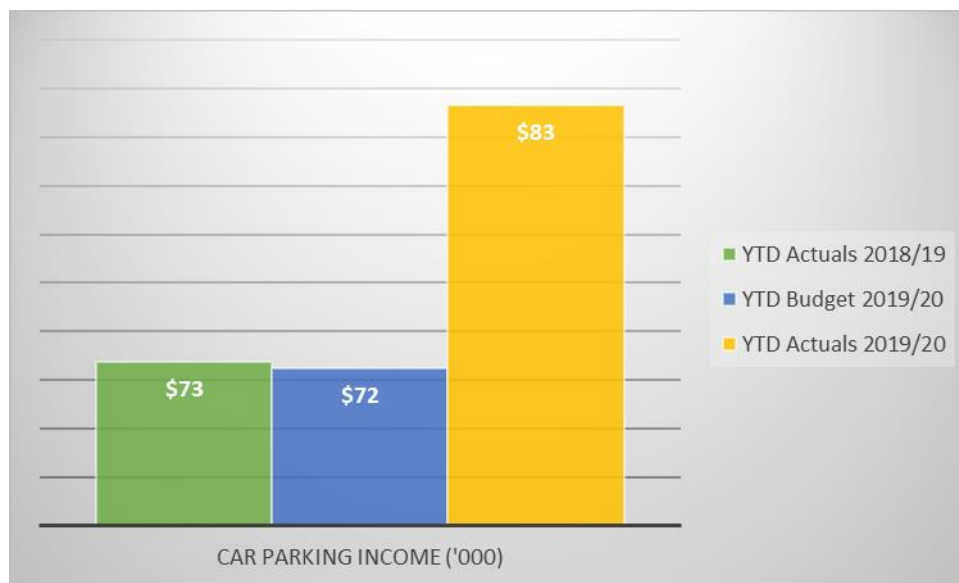
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Hire Car Fees



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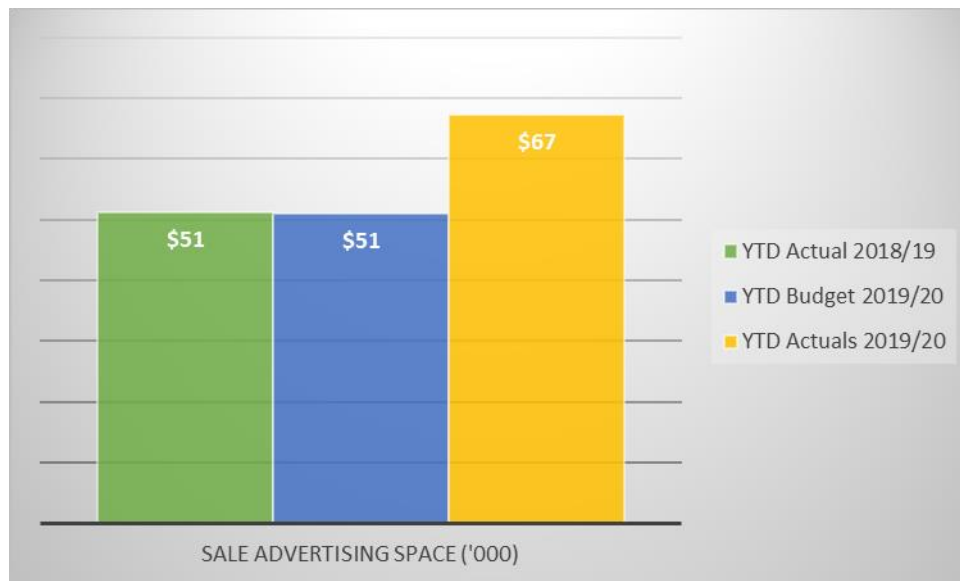
Car Parking Income



The year to date actuals are up by almost 14% on figures for the same time last year and revenue is over 15% above budget.



Sale Advertising Space



The actuals for sale of advertising space were above budget and better than that achieved in the previous quarter by nearly 31%.



Highlights

The most pleasing aspects in this report are that passenger fees continue largely along the same track as the record 2018/19 performance.

The landing fee revenue also shows a healthy increase; the result of an increased number of services in heavier aircraft.

The \$255,000.00 funding from the regional airport security screening fund (RASSF) was received on 17 December 2019 for the supply and installation of a body scanner as per the Department of Home Affairs' dictation for aviation security. The body scanner RFT is prepared and will be released in the second quarter of 2020 with the procurement taking place at the start of the next financial year.

Mr. Darryl Tonkin, airport manager has after 29 years tendered his resignation/retirement from the Kalgoorlie-Boulder Airport as from 30 June 2020.

The position of airport administration assistant was created in the first quarter of financial year 2019/2020 with the position filled in the second quarter. The position has provided much needed support for airport staff in relation to statistical reporting and administration activities. This brings the amount of employees at the airport to eight:

1. Airport Manager
2. Airport Compliance Coordinator
3. Airport Supervisor
4. Senior Airport Grounds man
5. Airport Operations Officer x 2
6. Airport Terminal Caretaker
7. Airport Administration Assistant



Strategic Opportunities

The following projects are foreseen as current and future strategic opportunities for the airport:

- Internal roads rebuild
- Supply and install body scanner
- Drainage revetment
- Light vehicle purchase
- Landscaping northern GA area
- Runway lighting upgrade from AT-VASIS to PAPI
- New CCTV system
- Runway microsurfacing overlay
- Replacement of terminal luggage trolleys
- Replacement of terminal floor and wall tiles
- Airport house improvements
- Purchase crack patching machine

