

**CITY OF KALGOORLIE BOULDER**  
**NOTES TO THE MIDYEAR BUDGET REVIEW 2020**  
**For the Period Ended 31 December 2019**

Reporting Program	Variance \$	Variance %	Variance	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>					
Governance	46	0%			
General Purpose Funding	187,981	1%	▲	Permanent	\$205k re Interim Rates higher than budgeted expectations due to increase in mining activity.
General Purpose Funding - Other	72,715	2%	▼	Timing	
Law, Order & Public Safety	( 52,840)	-21%	▼	Permanent	Reduction in income projections for Shared Services (\$22k), Operating Grants (\$21k) and Fees & Charges (\$8k)
Health	( 25,001)	-5%	▼	Permanent	Reduction in income projections for Shared Services
Housing	27,279	74%	▲	Permanent	Increase in income projections for Fees & Charges
Community Amenities	( 101,959)	-1%	▼	Permanent	Reduction in income projections for fees & charges
Education & Welfare	( 373,412)	-27%	▼	Permanent	Operating grant over budgeted by (\$407k), partially offset by increase in Fees and Charges \$34k
Recreation & Culture	( 83,357)	-1%	▼	Permanent	Reduction in income projections for GAC (Theatre income, Community Bookings, General bookings)
Transport	648,644	5%	▲	Permanent	Increase in operating Grants \$387k plus Fees and Charges \$268k
Economic Services	94,832	15%	▲	Permanent	Increase in Fees and Charges projected income
Other Property & Services	67,884	5%	▲	Permanent	Increase in property lease income \$309k, due to all Endowment Block properties being leased, partially offset by reduction in Fees and Charges and Reimbursements (\$242k)
	<b>462,812</b>				
<b>Operating Expenses</b>					
Governance	( 100,822)	3%	▲	Permanent	Audit fees budgeted for in 2020 financial year \$62k, extraordinary election costs estimated to be \$50k
General Purpose Funding	( 14,906)	1%	▲	Permanent	Increase in legal advice \$10k and valuation expenses \$4k
Law, Order & Public Safety	( 155,977)	9%	▲	Permanent	Increase in Employee Costs
Health	70,091	-6%	▼	Permanent	Reduction in Employee Costs
Housing	( 180)	0%			
Community Amenities	( 325,891)	3%	▲	Permanent	Increase in Employee costs (\$284k), Depreciation on Sewerage equipment (\$41k)
Education & Welfare	178,450	-7%	▼	Permanent	Reduction in Employee Costs \$212k, materials and contractors \$12k, partially offset by Loss on sale of assets (\$46k)
Recreation & Culture	( 431,048)	2%	▲	Permanent	Increase in loss on sale of assets (\$200k), Parks depreciation (193k), Utilities (\$110k), partially offset by reduction in Employee costs \$75k
Transport	( 323,881)	1%	▲	Permanent	Increase in Depreciation (\$266k), Employee costs (\$26k) and loss on sale of assets (\$33k)
Economic Services	680	0%			
Other Property & Services	562,227	-26%	▼	Permanent	Decrease in Depreciation \$1.1m and employee costs \$315k, partially offset by increase in labour overhead of (\$567k), interest on loans (\$177k) and materials and contracts (\$83k) due to more maintenance than capital
	<b>( 541,258)</b>				
<b>Capital Revenues</b>					
Non-operating Grants, Subsidies and Contributions	( 2,681,174)	-32%	▼	Timing	(\$3.6m) re Hannan St CBD revitalisation deferred to 2020-21. \$686k increase in Roads and \$231k in Airport Grants
Proceeds from Disposal of Assets	( 178,000)	-43%	▼	Permanent	Reduction in sale of assets, less proceeds than expected
	<b>( 2,859,174)</b>				
<b>Capital Expenditures</b>					
Development Costs	130,817	-21%	▼	Permanent	\$100k transferred to restoration of Parapets and Facades. \$30k reduction due to \$5k asset rule, more maintenance expenditure expected.
Land and Buildings	2,915,796	-41%	▼	Timing	\$2.85m of the reduction relates to CBD revitalisation project being delayed.
Infrastructure - Roads	( 1,137,424)	15%	▲	Permanent	As per Nov 2019 Council resolution, spending of RRG funding, resurfacing of roads.
Infrastructure - Airport	0	0%			
Infrastructure - Footpaths	( 163,000)	27%	▲	Permanent	As per November 2019 council Resolution. Additional spend on Footpaths.
Infrastructure - Drainage	( 800,793)	38%	▲	Permanent	(\$801k) extra spend on Boulder Rd and Charles St Drainage as per Nov 2019 council resolution
Infrastructure - Laneways	0	0%			
Infrastructure - Effluent	0	0%			
Infrastructure - Parking	0	0%			
Infrastructure - Sewerage	( 50,000)	2%	▲	Permanent	New capex - Assessment of Recycled Water System to supply future customers (\$50k)
Infrastructure - Parks	400,550	-64%	▼	Permanent	\$400k transferred to roads as per Nov 2019 council resolution for resurfacing
Work in Progress	62,365	-2%	▼	Permanent	\$88k re delays in Altus project, plus additional (\$25k) for test panels re CBD repaving
Light Vehicles	( 483,526)	100%	▲	Permanent	No original budget for purchase of light vehicles. Funds transferred from reserves to cover spend.
Plant & Equipment	( 160,412)	19%	▲	Permanent	\$70k re Road plant and equipment purchases, as per Nov 2019 Council Resolution, \$115k re capitalisation of IT equipment at 1.7.2019 as per new AASB 16, not budgeted for. Partially offset by other capex jobs completed slightly under budgeted.
Furniture & Equipment	2,120	-1%	▼	Permanent	
	<b>716,493</b>				
<b>Financing Activities</b>					
Self-Supporting Loan Principal	( 15,680)	-15%	▲	Timing	Increased repayments from Kalgoorlie Bowling Club SSL
Transfer from Reserves	331,324	3%	▲	Permanent	Due to additional roof works (\$198k), FIFO report completed by PWC (\$110k) and (\$23k) re HACC asset management reserve being fully spent
Repayment of Debentures	( 382,740)	32%	▼	Permanent	Adjusting budgeted Loan repayments in line with actual loan agreements.
Transfer to Reserves	( 2,042,756)	26%	▼	Timing	Transfer to Future Projects Reserve (\$1m) and COVID-19 Reserve (\$1m)
	<b>( 2,109,852)</b>				