

Attachment Folder

Late Attachments Item 8.5 Ordinary Meeting

Thursday, 18 January 2024

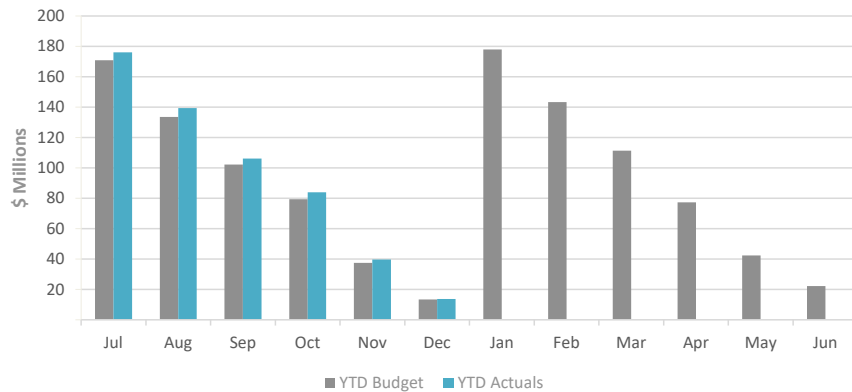
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Statement of Income and Expenses

2023/24 Operating Result

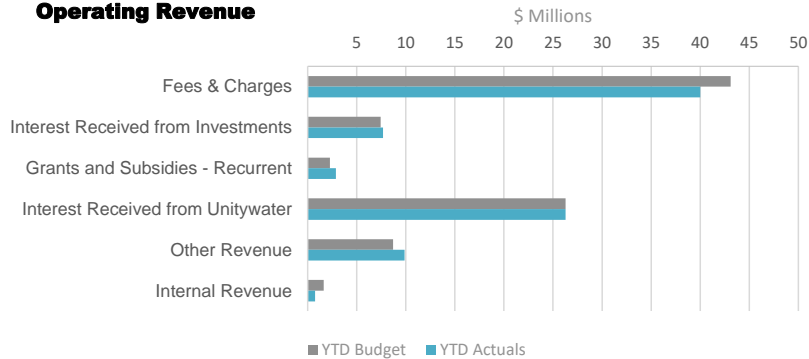


At the end of December 2023, Council has a positive operating result of \$15.4 million, which is \$841,000 above the current budget.

Statement of Income & Expenses							
	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Revenue							
General Rates	298,265	298,265	149,038	149,075	36	0.0%	298,265
Cleansing Charges	78,328	78,328	38,399	38,105	(295)	(0.8%)	78,328
Levies	28,756	30,352	15,157	15,667	510	3.4%	30,352
Fees and Charges	82,335	79,254	43,106	40,013	(3,092)	(7.2%)	79,254
Interest Received from Investments	13,850	15,350	7,425	7,674	249	3.4%	15,350
Operating Grants and Subsidies	14,977	18,537	2,262	2,870	608	26.9%	18,537
Operating Contributions	320	320	298	247	(52)	(17.4%)	320
Unitywater Participation	52,438	52,438	26,279	26,280	1	0.0%	52,438
Other Revenue	17,787	18,436	8,704	9,878	1,173	13.5%	18,436
Internal Sales/Recoveries	3,560	3,977	1,638	744	(895)	(54.6%)	3,977
Total Operating Revenue	590,615	595,258	292,307	290,552	(1,755)	(0.6%)	595,258
Operating Expenses							
Employee Costs	176,203	176,993	86,655	87,565	910	1.0%	176,993
Materials and Services	235,600	242,114	111,358	107,657	(3,701)	(3.3%)	242,114
Finance Costs	13,137	12,809	6,492	6,121	(371)	(5.7%)	12,809
Company Contributions	4,657	4,657	4,657	4,656	(0)	(0.0%)	4,657
Depreciation Expense	105,674	105,674	53,402	53,393	(9)	(0.0%)	105,674
Other Expenses	26,732	26,874	12,328	12,904	576	4.7%	26,874
Recurrent Capital Expenses	4,000	4,000	2,888	2,888	-	-	4,000
Total Operating Expenses	566,003	573,121	277,780	275,184	(2,596)	(0.9%)	573,121
Operating Result	24,612	22,137	14,527	15,368	841	5.8%	22,137
Capital Revenue							
Capital Grants and Subsidies	70,836	99,758	24,725	24,725	-	-	99,758
Capital Contributions - Cash	32,384	32,481	15,266	15,266	0	0.0%	32,481
Capital Contributions - Fixed Assets	82,820	82,820	2,027	2,027	(0)	(0.0%)	82,820
Total Capital Revenue	186,040	215,059	42,018	42,018	0	0.0%	215,059
Non-recurrent Expenses							
Profit/Loss on disposal, revaluation & impairment	-	-	-	942	942	-	-
Movements in landfill and quarry provisions	2,982	2,982	1,491	1,491	-	-	2,982
Recurrent Capital Expenses - Prior Year	-	-	-	4,536	4,536	-	-
Assets Transferred to Third Parties	-	-	-	-	-	-	-
Total Non-recurrent Expenses	2,982	2,982	1,491	6,968	5,478	367.4%	2,982
Net Result	207,671	234,215	55,055	50,418	(4,637)	(8.4%)	234,215

Operating Result – December 2023

Operating Revenue



Operating Summary

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	590,615	595,258	292,307	290,552	(1,755)	(0.6%)
Operating Expenses	562,003	569,121	274,892	272,296	(2,596)	(0.9%)
Recurrent Capital Expenses	4,000	4,000	2,888	2,888	-	-
Operating Result	24,612	22,137	14,527	15,368	841	5.8%
Capital Revenue	186,040	215,059	42,018	42,018	0	0.0%
Recurrent Capital Expenses - Prior Year	-	-	-	4,536	4,536	-
Non-recurrent Expenses	2,982	2,982	1,491	6,968	5,478	367.4%
Net Result	207,671	234,215	55,055	50,418	(4,637)	(8.4%)

As at 31 December 2023, \$290.6 million operating revenue had been achieved which is \$1.7 lower than budget.

Significant revenue variances:

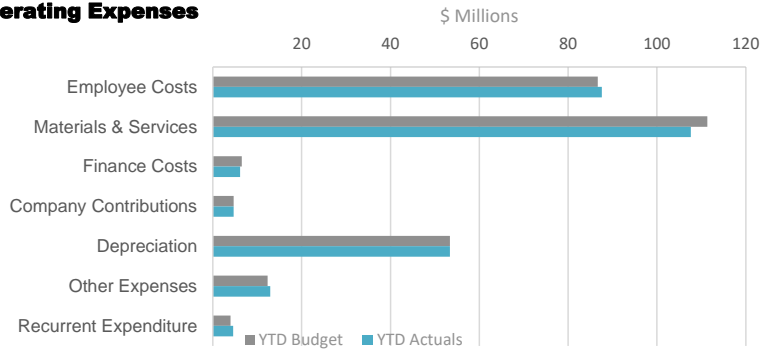
- **Fees and Charges** – Council's Holiday Parks revenue ahead of budget during the month. Plumbing applications, Caloundra Music Festival and Quarry Services fees are all below budget.
- **Other Revenue** – Additional revenue received for environmental offsets and lease revenue for council owned properties is higher than budget

Substantial Revenue Variance for the Period Ending December 2023

	Annual		YTD				Annual
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Forecast Budget \$000
Operating Revenue							
Fees and Charges	82,335	79,254	43,106	40,013	(3,092)	(7.2%)	79,254
Other Revenue	17,787	18,436	8,704	9,878	1,173	13.5%	18,436

Operating Result – December 2023 (continued)

Operating Expenses



Operating Summary						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	590,615	595,258	292,307	290,552	(1,755)	(0.6%)
Operating Expenses	562,003	569,121	274,892	272,296	(2,596)	(0.9%)
Recurrent Capital Expenses	4,000	4,000	2,888	2,888	-	-
Operating Result	24,612	22,137	14,527	15,368	841	5.8%
Capital Revenue	186,040	215,059	42,018	42,018	0	0.0%
Recurrent Capital Expenses - Prior Year	-	-	-	4,536	4,536	-
Non-recurrent Expenses	2,982	2,982	1,491	6,968	5,478	367.4%
Net Result	207,671	234,215	55,055	50,418	(4,637)	(8.4%)

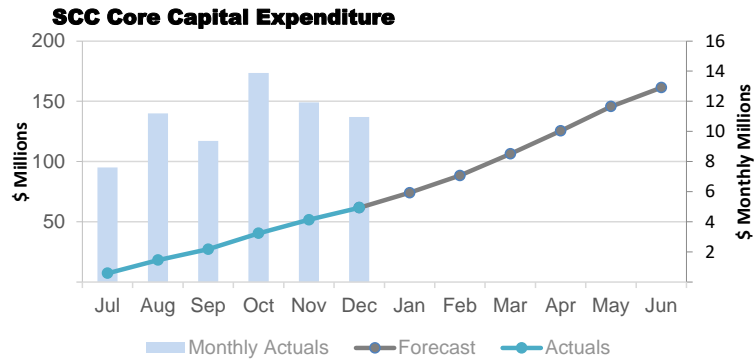
As at 31 December 2023, \$275 million had been expended resulting in a variance of \$2.6 million (0.9%) lower than budget.

- Employee costs are over budget by \$910,000 (1.0%). With the largest impact being the unbudgeted signing bonus for the Enterprise Agreement of \$1.5 million. There will be a clearer understanding of the likely year end result at the end of January when annual leave impacts over the holiday period are known.
- Materials and Services – Lower than expected contractor expenses have been realised throughout various areas in Council including quarry services, Caloundra Music Festival, Waste Management, and road maintenance services.

Substantial Expenditure Variance for the Period Ending December 2023

	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Expenses							
Employee Costs	176,203	176,993	86,655	87,565	910	1.0%	176,993
Materials and Services	235,600	242,114	111,358	107,657	(3,701)	(3.3%)	242,114

Capital Expenditure - December 2023

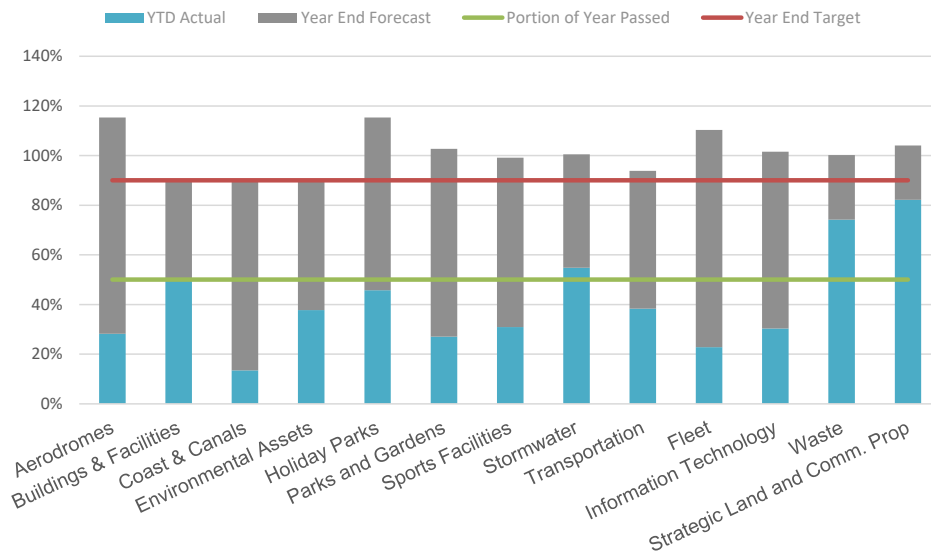


- During December Council adopted Budget Review 2 which slightly increased the Capital budget by \$658,000.
- On 31 December 2023, \$150 million (45%) of Council's \$332.6 million Capital Works Program had been financially expended.
- The Core Capital Program has progressed 38.3% of budget, an actual spend of \$65 million.
- Corporate Major Projects progressed 51.6%
- A range of significant projects will move further into full construction during early 2024 including
 - Caloundra Centre Activation – Library
 - Honey Farm Road Sports and Recreation Precinct works
 - Stringybark Road Pedestrian and Cycle Bridge
 - Kawana Aquatic Centre Staged works

Capital Expenditure						
	Annual		YTD		Year End	
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	% of FY Budget Spent	Forecast Year End Actual	Forecast Year End Variance to Budget
Core Capital Works Program						
Aerodromes	845	995	281	28.2%	1,304	308
Buildings and Facilities	31,331	20,905	10,478	50.1%	18,751	(2,154)
Coast and Canals	2,087	6,267	841	13.4%	5,639	(628)
Environmental Assets	3,497	3,857	1,457	37.8%	3,450	(407)
Minor Works	5,020	5,814	1,553	26.7%	4,492	(1,321)
Holiday Parks	2,556	1,643	752	45.8%	1,895	252
Parks and Gardens	12,176	11,914	3,328	27.9%	12,644	730
Sports Facilities	19,438	11,021	3,279	29.8%	10,525	(496)
Quarries	-	-	41	-	41	41
Stormwater	15,515	11,230	6,150	54.8%	11,289	59
Transportation	87,862	95,963	36,785	38.3%	90,031	(5,932)
Total SCC Core Capital Program	180,328	169,609	64,943	38.3%	160,061	(9,547)
Disaster Recovery Funding Arrangements	40,089	41,553	5,230	12.6%	39,015	(2,538)
Fleet	5,242	4,000	914	22.8%	4,414	414
Information Technology	10,000	9,631	2,920	30.3%	9,779	148
Waste	25,203	49,503	36,745	74.2%	49,616	114
Corporate Major Projects	32,975	28,007	14,466	51.6%	23,131	(4,876)
Strategic Land and Commercial Properties	36,880	30,075	24,713	82.2%	31,290	1,216
Maroochydore City Centre	-	275	34	12.4%	28	(247)
Sunshine Coast Airport Runway	-	-	26	-	1,521	1,521
Total Other Capital Program	150,389	163,044	85,048	52.2%	158,796	(4,249)
TOTAL	330,716	332,653	149,991	45.1%	318,857	(13,796)

Capital Expenditure – December 2023 (continued)

% YTD spent compared to profiled budget by Program



Coast and Canals

- \$2.5 million budget for Charles Clarke Park works to start February 2024
- \$1.6 million budget for Outrigger Boat Ramp works started September 2023, progressed 45%

Building and Facilities

- \$20.9 million budget including community and corporate facilities is well progressed at 50%, with a spend of \$10.5 million

Fleet

- \$5.9 million of orders have been placed for delivery throughout the 2023-24 financial year with \$914,000 of fleet so far received.

Stormwater

- Council's \$7.3 million stormwater management subprogram has progressed significantly to 81%

Strategic Land and Commercial Properties

- Acquisitions and negotiations for land associated with Council's trunk road infrastructure and open space requirements will continue through the new financial year, currently 82% expensed

Transportation

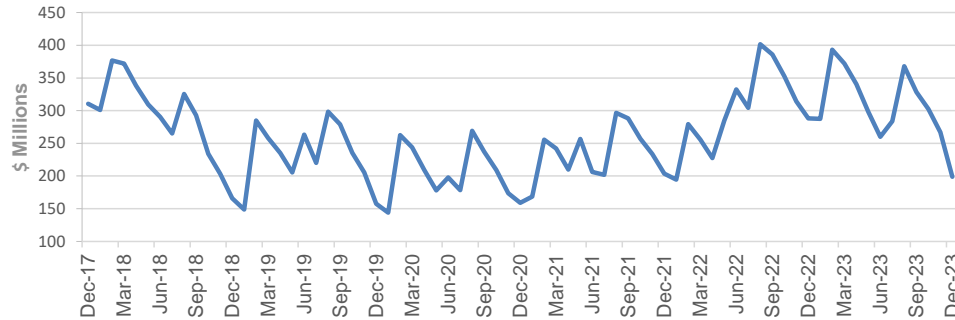
- Council's \$25 million road resurfacing and rehabilitation program has progressed 55% with a spend of \$14 million
- Council's \$9.8 million Unsealed Road Upgrades program has progressed 69% with a spend of \$6.7 million
- Council's \$1.2 million bus stop program has progressed 45% with a spend of \$539,000
- Pedestrian and Cycling Enabling Facilities has progressed 47% with a spend of \$1.8 million

Waste

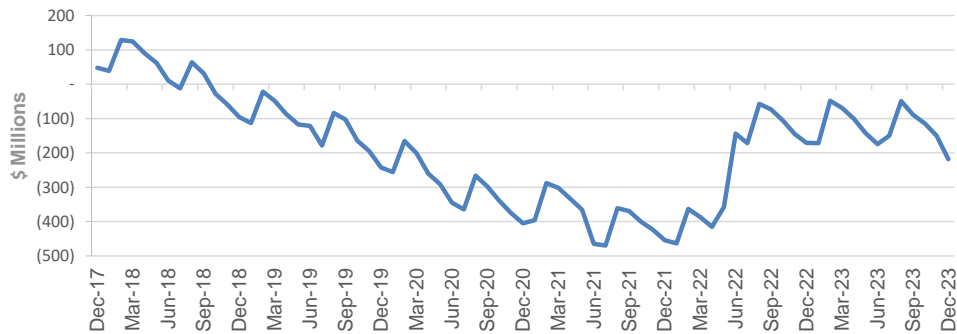
- Construction is complete and the new Material Resource Facility (MRF) became operational at the Nambour Waste Precinct

Cash Flows and Balance Sheet

Cash Balance



Net Cash (Cash Balance less Debt)



Cash and Balance Sheet		2023-24
		Current Budget \$000s
CASH FLOWS		
Opening Cash		260,120
Net Cash Inflow/(Outflows) from:		
Operating Activities		85,682
Investing Activities		(144,892)
Financing Activities		4,457
Net Increase/(decrease) in Cash Held		(54,753)
Cash at year end		205,367
BALANCE SHEET		
Current Assets		279,734
Non Current Assets		7,332,142
Total Assets		7,611,876
Current Liabilities		178,915
Non Current Liabilities		509,749
Total Liabilities		688,664
Net Community Assets/Total Community Equity		6,923,212

- Council's cash at 31 December 2023 is \$200.8 million
- Council's debt at 31 December 2023 is \$425 million

Debt

Sunshine Coast Council's debt program is governed by the 2023/24 Debt Policy, which was adopted with the Original Budget adoption on 22 June 2023.

New borrowings are undertaken in accordance with the Queensland Treasury Corporation Guidelines, the Statutory Bodies Financial Arrangements Act 1982 and Section 192 of the Local Government Regulation 2012.

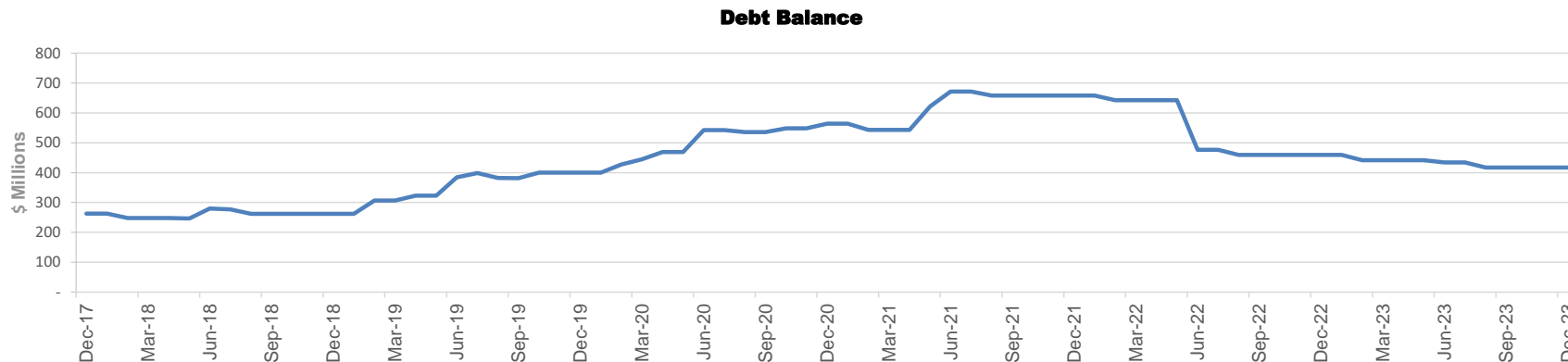
Council's anticipated borrowings for the 2023-24 financial year are forecast at \$28.5 million and relate to:

- \$26.6 million for Waste
- \$1.9 million for Holiday Parks

Council's current debt as at 31 December 2023 is \$425 million.

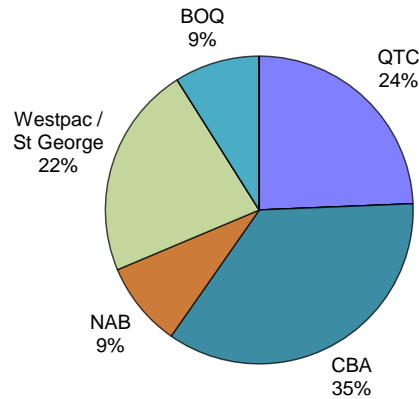
Debt - 2023/24				
	Opening Balance	Debt Redemption	New Borrowings	Closing Balance
	\$000	\$000	\$000	\$000
Sunshine Coast Council Core	335,286	18,103	28,542	345,724
Maroochydore City Centre	106,481	6,042	-	100,439
Total	441,767	24,145	28,542	446,164

Table 1: 2023/24 Adopted Debt Balance

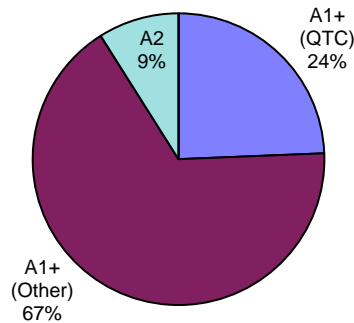


Investment Performance

Investment per financial institution (%)



Investment by Standard & Poor's (Short Term Credit Rating)



Investment Performance - December 2023			
Liquidity as at:		31/12/2023	
	\$'000's		
At-call accounts			
QTC + CBA (excl. trust)	80,823	36.19%	
Maturities within 7 days	-	0.00%	
Total at-call	80,823	36.19%	
Investment Policy Target		10.00%	

Term deposits maturing:		
	\$'000's	Count
within 30 days	30,000	3
30-59 days	60,000	5
60-89 days	20,000	2
90-179 days	10,000	1
180-364 days	-	-
1 year - 3 years	-	-
Total	120,000	11

INVESTMENT SUMMARY (including Trust) as at:							Investment Policy	
	31/12/2023		30/09/2023		31/12/2022		Individual Limit	Group Limits
A1+ (QTC)	54,395	24%	83,831	23%	116,765	39%	100%	100%
A1+ (Other)	148,927	67%	228,907	63%	155,173	51%	40%	100%
A1	-	0%	30,000	8%	10,000	3%	30%	50%
A2	20,000	9%	20,000	6%	20,000	7%	30%	45%
A3	-	0%	-	0%	-	0%	5%	10%
Total Funds	223,322		362,737		301,938			
FUND SUMMARY								
General Funds	200,823		341,382		290,055			
Trust Funds	22,500		21,355		11,883			
Total Funds	223,322		362,737		301,938			

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 31 December 2023 Council had \$200.8 million cash (excluding Trust Fund), with an average interest rate of 5.00%, being 0.57% above benchmark. This is compared to the same period last year with \$290 million cash (excluding Trust Fund) with an average interest rate of 3.7%, being 0.75% above benchmark.
- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill index (BAUBIL).



2023/24 Financial Year Grant Funding							
	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	TOTAL Grant Revenue \$'000	Project Expenditure to date \$'000
Federal Government						*****	\$301,076
1	Roads to Recovery Program					(\$99,758)	\$150,026
<i>Local Road and Community Infrastructure Grant Funding - Round 2 - Agreement end date 30 June 2022</i>						(\$400)	\$429
2	H3799 - LRCIP2 - Zgrajewski Road Gravel Road Upgrade	Division 09	Yandina Creek	January 2022	November 2022	(\$400)	\$429
<i>Local Road and Community Infrastructure Grant Funding - Round 3 - Agreement end date 30 June 2023</i>						(\$770)	\$236
3	H5465 - LRCIP3 Lake Weyba Foreshore Trail Upgrade	Division 09	Lake Weyba			(\$370)	\$56
4	K2732 - LRCIP3 WOR LED Streetlighting Upgrades	Whole of Council			June 2024	(\$400)	\$180
Black Summer Bushfire Recover Grants Program						(\$400)	\$180
5	K3402 - Nambour Showgrounds PA System	Division 10	Nambour			(\$400)	\$180
Urban Congestion Fund						(\$400)	\$180
6	H3747 - Mooloolaba Transport Corridor - D and C	Division 04	Mooloolaba		November 2023	(\$400)	\$180
7 Recycling Modernisation Fund						(\$99,758)	\$150,026
State Government						*****	\$156,662
8	Disaster Recovery Funding Arrangements					(\$99,758)	\$150,026
Blackspot Funding						(\$2,802)	\$180
9	K3443 - Blackspot Old Gympie Road Beerwah to Landsborough	Division 01	Beerwah			(\$66)	\$5
10	K3444 - Blackspot Ilkley Road Ilkley - Hazard Signage and Delineation Upgrade	Division 05	Ilkley			(\$258)	\$1
11	K3445 - Blackspot Brisbane Road Mooloolaba - Signal Upgrade	Division 04	Mooloolaba	February 2024	March 2024	(\$77)	\$1
12	K4894 - Blackspot - Beerburum Street and Cooroy	Division 02	Dicky Beach	March 2024	July 2024	(\$1,305)	\$91
13	K4895 - BlackSpot - Old Gympie Road	Division 01	Beerwah	May 2024	June 2024	(\$1,000)	\$2
14	K2085 - BlackSpot Edmund Street and William Street Intersection	Division 02	Shelly Beach			(\$97)	\$79
Local Government Alliance						(\$11)	\$0
15	B1514 - TMR Local Government Alliance	Whole of Council				(\$11)	\$0
2022-24 Local Government Grants and Subsidies Program						(\$686)	\$667
16	H5637 - Caloundra Headland Coastal Pathway	Division 02	Kings Beach	May 2023	July 2024	(\$686)	\$667
Queensland Transport MOU						(\$1,620)	\$71
17	H8786 - Design and Permits Outrigger Boat Ramp	Division 04	Minyama			(\$1,620)	\$71
Queensland Transport Cycle Network Program						(\$2,819)	\$105
18	H3839 - LGIP Stringybark Rd Footbridge-Pathway	Division 07	Sippy Downs	September 2023	December 2023	(\$2,800)	\$47
19	H4851 - LGIP Ballinger Rd Active Transport Link	Division 07	Buderim			(\$19)	\$58
Community Recreational Assets Recovery Resilience Program						(\$750)	\$428
20	H1977 - CRARRP - Maroochy Multi-Sports Development	Division 07	Maroochydhore			(\$297)	\$73
21	K4238 - CRARRP - Maroochydhore Regional Football	Division 07	Kunda Park			(\$40)	\$1
22	K4240 - CRARRP - Suncoast Hinterland BMX Club	Division 05	Landsborough	September 2023	September 2023	(\$81)	\$42
23	K4243 - CRARRP - Sugar Bag Eastern Trail Repairs	Division 02	Caloundra West			(\$279)	\$313
24	K4244 - CRARRP - Parklands Conservation Park Trails Restoration	Division 09	Bil Bil			(\$52)	\$0
25 Passenger Transport Accessible Infrastructure Program						(\$330)	
26 Passenger Transport Infrastructure Investment Program						(\$250)	
Minor Infrastructure Program						(\$590)	\$678
27	K3519 - Nambour Yandina United Football Club change rooms designs	Division 10	Yandina			(\$590)	\$675
28	K4113 - Lions-Norrie Job Park, Coolum Upgrades	Division 09	Coolum Beach			\$0	\$3
School Transport Infrastructure Program						(\$940)	\$352
29	K4380 - STIP - Chancellor State College - Columbia Street	Division 06	Sippy Downs	November 2023	February 2024	(\$300)	\$320
30	K4382 - STIP - Currimundi State School Buderim	Division 03	Battery Hill			(\$253)	\$6
31	K4383 - STIP - Buderim Mountain State School Lindsay Road	Division 07	Buderim	March 2024	May 2024	(\$205)	\$7
32	K4384 - STIP - Peachester Primary School Peachester	Division 01	Peachester			(\$182)	\$18
Transport Infrastructure Development Scheme						(\$1,964)	\$629
33	H4615 - Sippy Downs School Precinct	Division 06	Sippy Downs			(\$690)	\$22
34	H4617 - Mooloolaba School Precinct	Division 04	Mooloolaba			(\$10)	\$0
35	H8416 - Emu Mountain Road Pathway Construction	Division 09	Coolum Beach			(\$120)	\$95
36	K2723 - Camp Flat Road Upgrade Stage 4	Division 09	Bil Bil	September 2023		(\$1,144)	\$512

2023/24 Financial Year Grant Funding

	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	TOTAL Grant Revenue \$'000	Project Expenditure to date \$'000
South East Queensland Community Stimulus Program - Agreement end date 30 June 2024						(\$1,602)	\$3,475
37	H1670 - SEQCSP First Avenue Streetscape	Division 04	Maroochydore	February 2024	June 2025	\$0	\$0
38	K1618 - SEQCSP Caloundra Indoor Sports Stadium - Roof Replacement	Division 02	Caloundra	July 2023	December 2023	(\$357)	\$2,527
39	K1647 - SEQCSP Outrigger Park - Public Amenity	Division 04	Minyama			(\$178)	\$30
40	H7863 - SEQCSP Coolum Sports Complex Intersection	Division 09	Coolum Beach	September 2023	November 2023	(\$647)	\$664
41	H4602 - SEQCSP Woombye Streetscape Placemaking	Division 05	Woombye	October 2022	April 2024	(\$50)	\$70
42	H4605 - SEQCSP Eumundi Town Centre Placemaking	Division 10	Eumundi	January 2024	June 2024	(\$170)	\$136
43	K1308 - SEQCSP Ocean Street Placemaking Renewal	Division 08	Maroochydore	September 2024	November 2024	(\$200)	\$49
Qcoast 2100						(\$250)	\$52
44	K4295 - Esplanade Golden Beach Foreshore Rehabilitation	Division 02	Golden Beach			(\$250)	\$52
45 Recycling and Jobs Fund						(\$22,000)	

Project Complete