

Attachment Folder

Late Attachments Item 8.5

Ordinary Meeting

Thursday, 18 January 2024

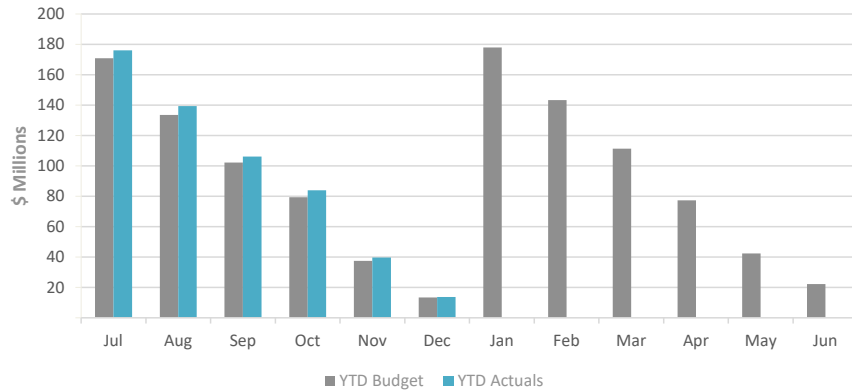
TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
8.5	DECEMBER 2023 FINANCIAL PERFORMANCE REPORT	
ATTACHMENT 1	DECEMBER 2023 FINANCIAL PERFORMANCE REPORT	5
ATTACHMENT 2	CAPITAL GRANT FUNDED PROJECT REPORT DECEMBER 2023.....	15



Statement of Income and Expenses

2023/24 Operating Result

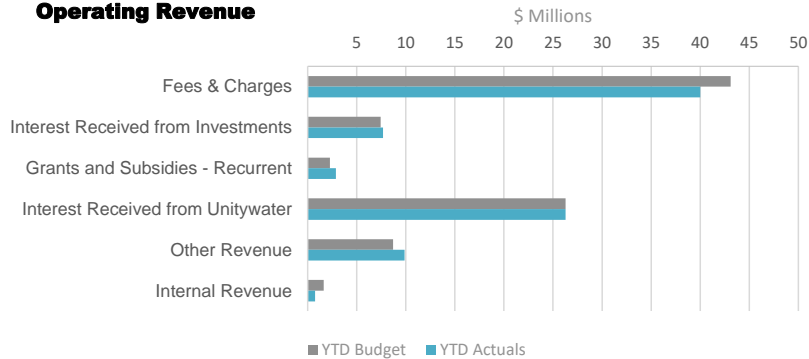


At the end of December 2023, Council has a positive operating result of \$15.4 million, which is \$841,000 above the current budget.

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.

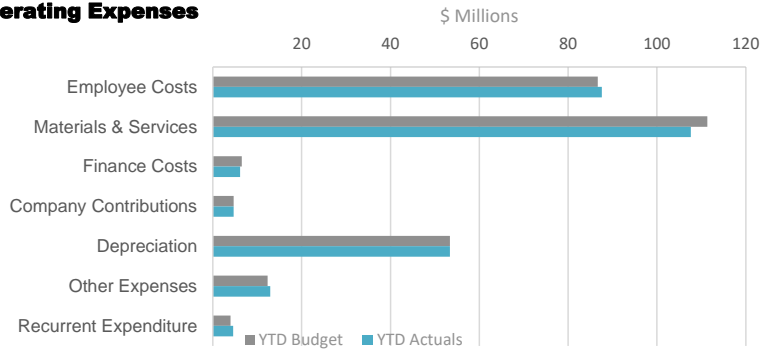
Significant revenue variances:

- **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%)

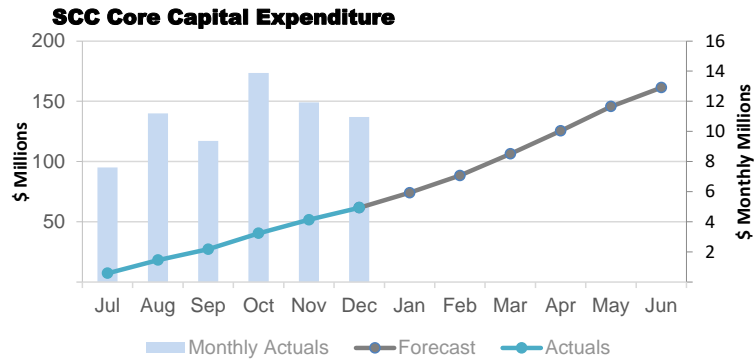
As at 31 December 2023, \$275 million had been expended resulting in a variance of \$2.6 million (0.9%) lower than budget.

- 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

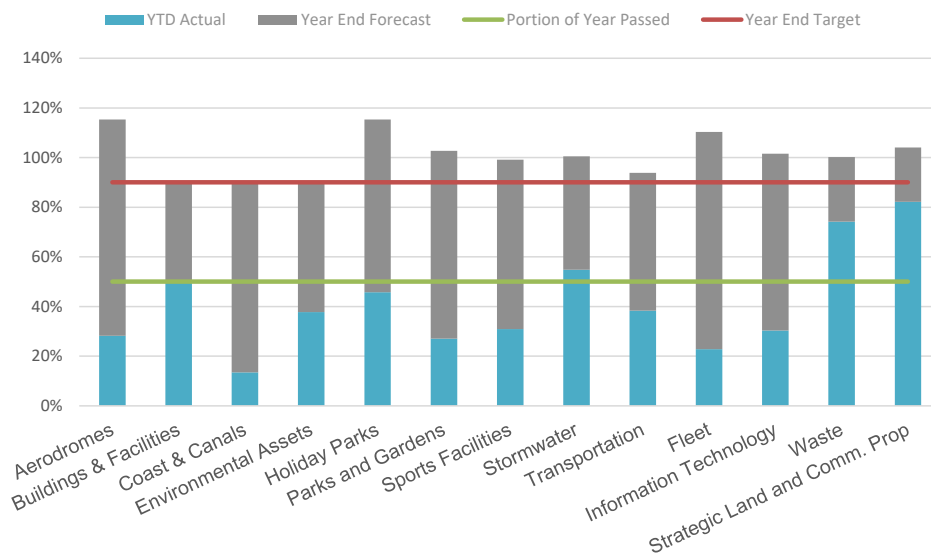


- During December Council adopted Budget Review 2 which slightly increased the Capital budget by \$658,000.
- On 31 December 2023, \$150 million (45%) of Council's \$332.6 million Capital Works Program had been financially expended.
- The Core Capital Program has progressed 38.3% of budget, an actual 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

