

Attachments

Item 8.1

Ordinary Meeting

Thursday, 7 March 2024

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Statement of Income and Expenses

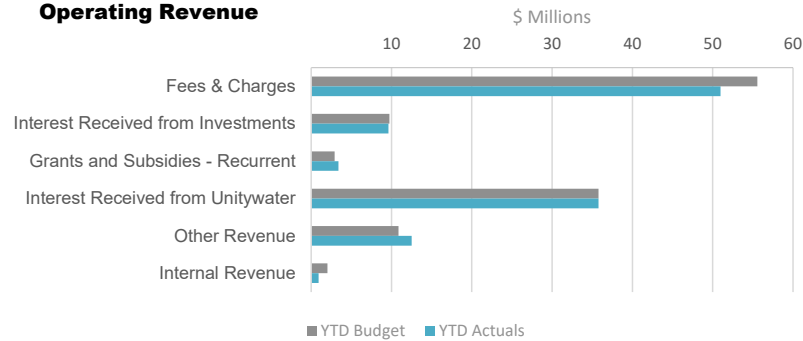


At the end of February 2024, Council has a positive operating result of \$150.6 million, within current budget.

Statement of Income & Expenses							
	Annual		YTD				Annual
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Forecast Budget \$000
Operating Revenue							
General Rates	298,265	298,265	297,503	297,498	(6)	(0.0%)	298,265
Cleansing Charges	78,328	78,328	78,328	78,488	160	0.2%	78,328
Levies	28,756	30,352	27,908	27,863	(45)	(0.2%)	30,352
Fees and Charges	82,335	79,254	55,549	50,960	(4,589)	(8.3%)	79,254
Interest Received from Investments	13,850	15,350	9,733	9,624	(109)	(1.1%)	15,350
Operating Grants and Subsidies	14,977	18,537	2,914	3,395	481	16.5%	18,537
Operating Contributions	320	320	306	247	(59)	(19.2%)	320
Unitywater Participation	52,438	52,438	35,770	35,770	0	0.0%	52,438
Other Revenue	17,787	18,436	10,877	12,514	1,637	15.0%	18,436
Internal Sales/Recoveries	3,560	3,977	2,030	911	(1,119)	(55.1%)	3,977
Total Operating Revenue	590,615	595,258	520,920	517,270	(3,650)	(0.7%)	595,258
Operating Expenses							
Employee Costs	176,203	176,993	114,192	114,294	102	0.1%	176,993
Materials and Services	235,600	242,232	151,289	147,183	(4,106)	(2.7%)	242,232
Finance Costs	13,137	12,809	8,575	8,160	(415)	(4.8%)	12,809
Company Contributions	4,657	4,657	4,657	4,656	(0)	(0.0%)	4,657
Depreciation Expense	105,674	105,674	71,641	71,641	0	0.0%	105,674
Other Expenses	26,732	26,876	15,853	16,695	842	5.3%	26,876
Recurrent Capital Expenses	4,000	4,000	4,000	3,997	(3)	(0.1%)	4,000
Total Operating Expenses	566,003	573,241	370,207	366,626	(3,581)	(1.0%)	573,241
Operating Result	24,612	22,017	150,713	150,644	(69)	(0.0%)	22,017
Capital Revenue							
Capital Grants and Subsidies	70,836	99,758	29,497	29,497	-	-	99,758
Capital Contributions - Cash	32,384	32,481	19,754	19,754	-	-	32,481
Capital Contributions - Fixed Assets	82,820	82,820	14,396	14,396	-	-	82,820
Total Capital Revenue	186,040	215,059	63,648	63,648	-	-	215,059
Non-recurrent Expenses							
Profit/Loss on disposal, revaluation & impairment	-	-	-	2,442	2,442	-	-
Movements in landfill and quarry provisions	2,982	2,982	1,988	1,988	-	-	2,982
Recurrent Capital Expenses - Prior Year	-	-	-	5,262	5,262	-	-
Assets Transferred to Third Parties	-	-	-	-	-	-	-
Total Non-recurrent Expenses	2,982	2,982	1,988	9,692	7,704	387.6%	2,982
Net Result	207,671	234,095	212,373	204,600	(7,773)	(3.7%)	234,095

Operating Result – February 2024

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	520,920	517,270	(3,650)	(0.7%)
Operating Expenses	562,003	569,241	366,207	362,630	(3,577)	(1.0%)
Recurrent Capital Expenses	4,000	4,000	4,000	3,997	(3)	(0.1%)
Operating Result	24,612	22,017	150,713	150,644	(69)	(0.0%)
Capital Revenue	186,040	215,059	63,648	63,648	-	-
Non-recurrent Expenses	2,982	2,982	1,988	9,692	7,704	387.6%
Net Result	207,671	234,095	212,373	204,600	(7,773)	(3.7%)

Substantial Revenue Variance for the Period Ending February 2024

	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Revenue							
Fees and Charges	82,335	79,254	55,549	50,960	(4,589)	(8.3%)	79,254
Other Revenue	17,787	18,436	10,877	12,514	1,637	15.0%	18,436

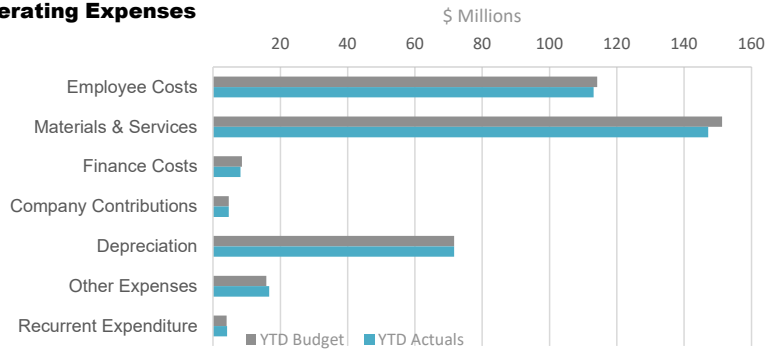
As at 29 February 2024, \$517 million operating revenue has been achieved resulting in a variance of \$3.65 million (0.7%) below budget.

Significant revenue variances:

- **Fees and Charges** – Plumbing applications and inspections \$1.8 million below budget, Quarry Services sales \$1.7 million below budget, Caloundra Music Festival \$1.6 million below budget.
- **Other Revenue** – Additional revenue received for environmental offsets and council owned properties lease revenue is higher than budget. Sale of an easement to Energex assisting bottom line.

Operating Result – February 2024 (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	520,920	517,270	(3,650)	(0.7%)
Operating Expenses	562,003	569,241	366,207	362,630	(3,577)	(1.0%)
Recurrent Capital Expenses	4,000	4,000	4,000	3,997	(3)	(0.1%)
Operating Result	24,612	22,017	150,713	150,644	(69)	(0.0%)
Capital Revenue	186,040	215,059	63,648	63,648	-	-
Non-recurrent Expenses	2,982	2,982	1,988	9,692	7,704	387.6%
Net Result	207,671	234,095	212,373	204,600	(7,773)	(3.7%)

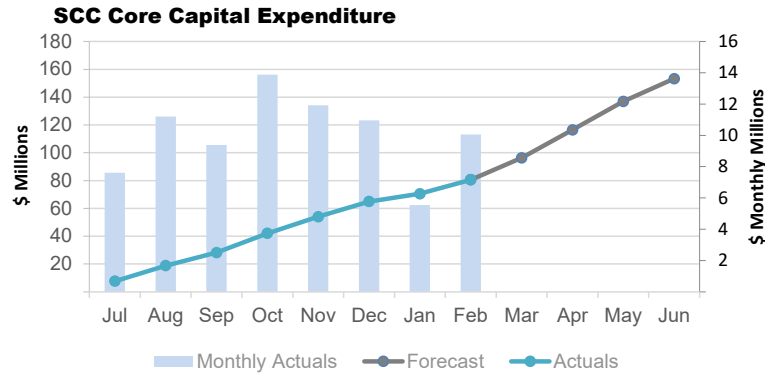
Substantial Expenditure Variance for the Period Ending February 2024

	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	114,192	114,294	102	0.1%	176,993
Materials and Services	235,600	242,232	151,289	147,183	(4,106)	(2.7%)	242,232

As at 29 February 2024, \$363 million had been expended resulting in a variance of \$3.6 million (1.0%) lower than budget.

- **Materials and Services** – Lower than expected contractor expenses have been realised throughout various areas of Council including Waste \$1.7 million lower than budget. Solar Farm energy charges \$921,000 lower than budget. Quarry Services \$947,000 lower than budget. Caloundra Music Festival \$645,000 under budget.

Capital Expenditure - February 2024

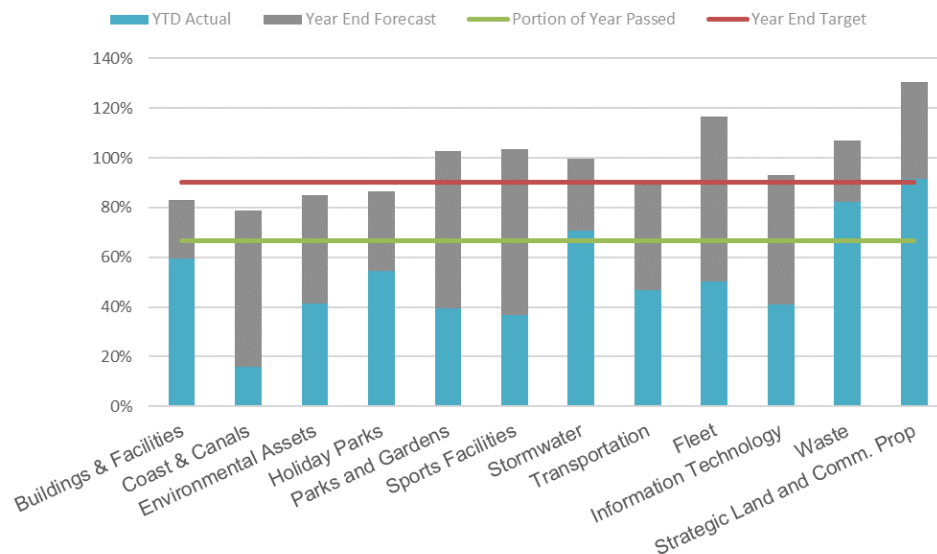


- On 29 February 2024, \$182 million (54.8%) of Council's \$332.6 million Capital Works Program had been financially expended.
- The Core Capital Program has progressed 47.5% of budget, an actual spend of \$80.6 million.
- Corporate Major Projects has progressed 62.7%
- A range of significant projects 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
 - Charles Clarke Park Revetment Wall
 - Outrigger Park Boat Ramp and Carpark

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	1,003	100.8%	1,155	160
Buildings and Facilities	31,331	20,905	12,411	59.4%	17,356	(3,548)
Coast and Canals	2,087	6,523	1,030	15.8%	5,151	(1,372)
Environmental Assets	3,497	3,857	1,602	41.5%	3,274	(583)
Minor Works	5,020	5,761	2,099	36.4%	4,469	(1,292)
Holiday Parks	2,556	1,643	893	54.4%	1,423	(220)
Parks and Gardens	12,176	12,058	4,739	39.3%	12,364	306
Sports Facilities	19,438	10,621	3,892	36.6%	10,981	360
Quarries	-	-	41	-	41	41
Stormwater	15,515	11,230	7,941	70.7%	11,168	(62)
Transportation	87,862	96,015	44,901	46.8%	85,666	(10,349)
Total SCC Core Capital Program	180,328	169,609	80,552	47.5%	153,048	(16,560)
Disaster Recovery Funding Arrangements	40,089	41,553	8,551	20.6%	47,025	5,472
Fleet	5,242	4,000	2,003	50.1%	4,659	659
Information Technology	10,000	9,631	3,966	41.2%	8,960	(671)
Waste	25,203	49,503	40,787	82.4%	52,984	3,482
Corporate Major Projects	32,975	28,007	17,557	62.7%	26,093	(1,914)
Strategic Land and Commercial Properties	36,880	30,075	27,543	91.6%	39,271	9,196
Maroochydore City Centre	-	275	42	15.1%	42	(233)
Sunshine Coast Airport Runway	-	-	1,351	-	1,526	1,526
Total Other Capital Program	150,389	163,044	101,799	62.4%	180,560	17,516
TOTAL	330,716	332,653	182,352	54.8%	333,608	955

Capital Expenditure – February 2024 (continued)

% YTD spent compared to profiled budget by Program



Coast and Canals

- \$2.5 million budget for Charles Clarke Park, works started February 2024, 10% expensed
- \$1.6 million budget for Outrigger Boat Ramp, works started September 2023 with completion in April 2024.

Building and Facilities

- \$20.9 million budget including community and corporate facilities is has progressed 59%, with a spend of \$12.4 million

Fleet

- \$5.1 million on order, expecting \$4 million budget to be expended by the end of the 2023/24 financial year with \$2 million of fleet received so far.

Parks and Gardens

- \$3.6 million Coastal Pathways has progressed to 43% with a spend of \$1.567 million
- \$7.3 million Recreational Parks program has progressed 34% with a spend of \$2.5 million

Sports Facilities

- \$4.2 million Honey Farm Road Bulk Earthworks has progressed 6% with a spend of \$269,000

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 financial year, currently 91% expensed

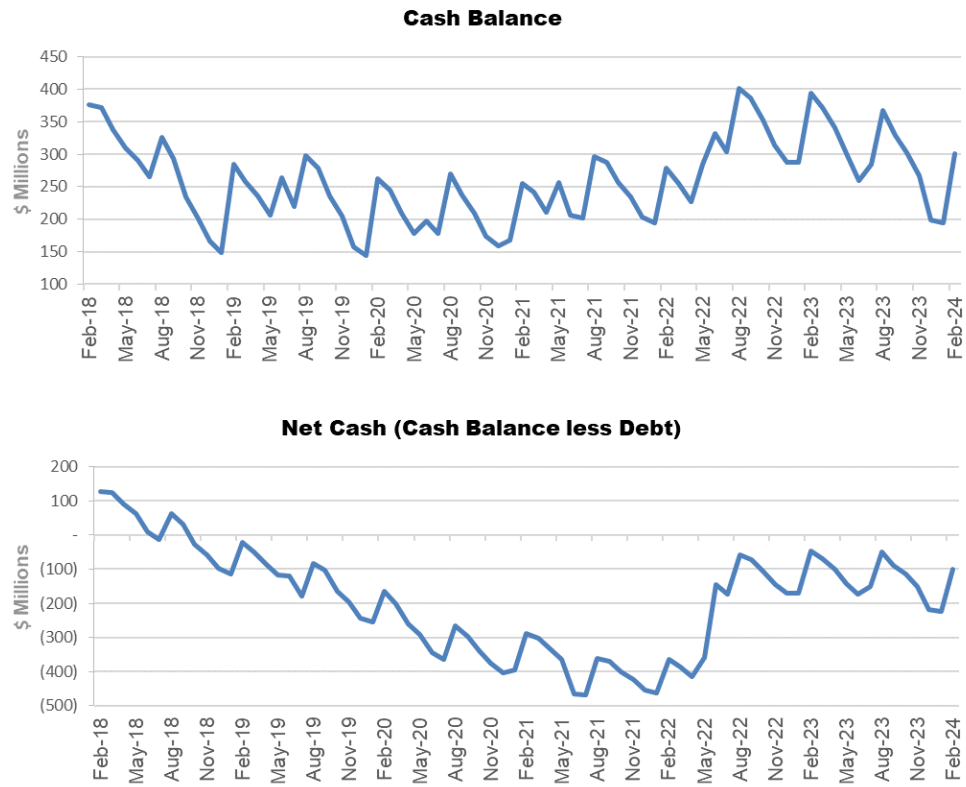
Transportation

- Council's \$25 million road resurfacing and rehabilitation program has progressed 66% with a spend of \$16.6 million
- Council's \$9.8 million Unsealed Road Upgrades program has progressed 79% with a spend of \$7.7 million
- Council's \$1.2 million bus stop program has progressed 49% with a spend of \$597,000
- Pedestrian and Cycling Enabling Facilities has progressed 69% with a spend of \$2.7 million

Waste

- Construction is complete on the new Material Resource Facility (MRF) and the facility is now operational at the Nambour Waste Precinct
- The Landfill Expansion liner component of the works are underway

Cash Flows and Balance Sheet



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 29 February 2024 is \$301 million
- Council's debt at 29 February 2024 is \$418 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.

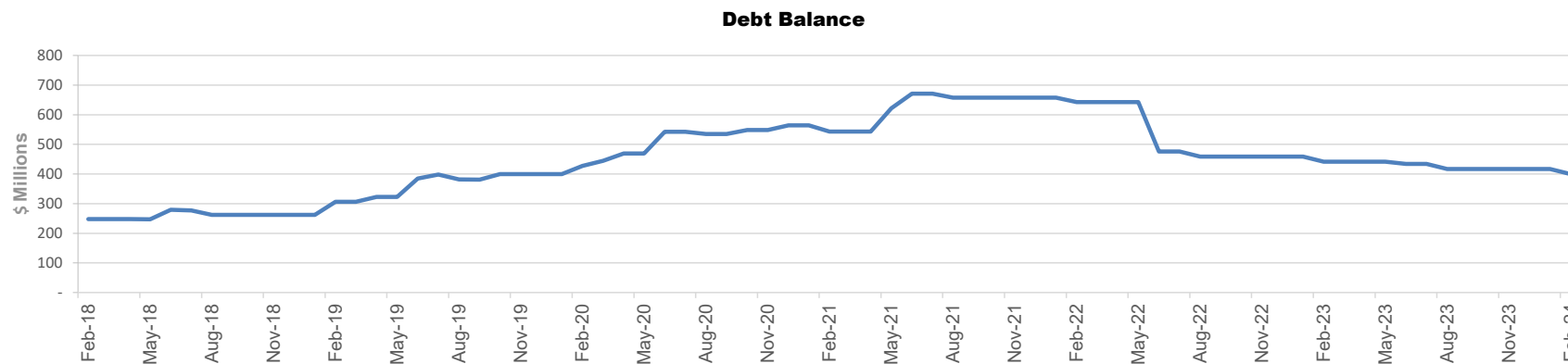
Council's anticipated borrowings for the 2023-24 financial year are forecast at \$28.5 million and relate to:

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

Council's current debt as at 29 February 2024 is \$418 million. Council repays debt twice yearly in August and February.

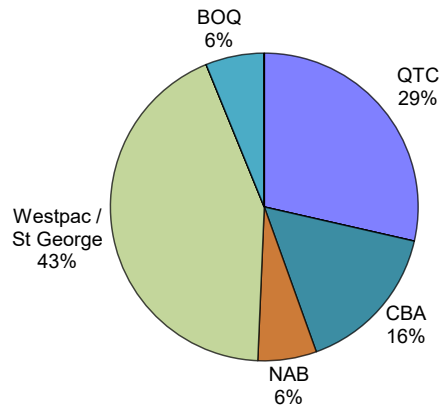
Debt - 2023/24				
	Opening Balance	Debt Redemption	New Borrowings	Closing Balance
	\$000	\$000	\$000	\$000
Sunshine Coast Council Core	335,286	18,103	28,542	345,724
Maroochydore City Centre	106,481	6,042	-	100,439
Total	441,767	24,145	28,542	446,164

Table 1: 2023/24 Adopted Debt Balance

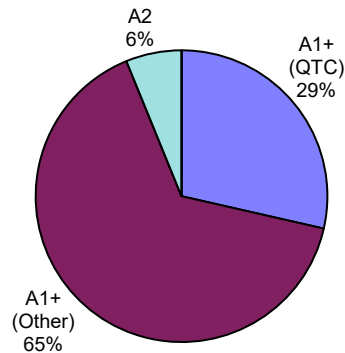


Investment Performance

Investment per financial institution (%)



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



Investment Performance - February 2024			
Liquidity as at:	29/02/2024		Term deposits maturing:
	\$'000's		\$'000's
			Count
At-call accounts			
QTC + CBA (excl. trust)	111,382	34.3%	
Maturities within 7 days	-	0.0%	
Total at-call	111,382	34.3%	
Investment Policy Target		10.0%	
Total	190,000		19

INVESTMENT SUMMARY (including Trust) as at:				Investment Policy				
	29/02/2024		30/11/2024		28/02/2023		Individual Limit	Group Limits
A1+ (QTC)	92,662	28.6%	88,719	30.6%	154,135	38.0%	100%	100%
A1+ (Other)	211,712	65.3%	181,482	62.5%	201,964	49.7%	100%	100%
A1	-	0.0%	-	0.0%	30,000	7.4%	60%	100%
A2	20,000	6.2%	20,000	6.9%	20,000	4.9%	60%	90%
A3	-	0.0%	-	0.0%	-	0.0%	10%	30%
Total Funds	324,374		290,201		406,099			
FUND SUMMARY								
General Funds	301,382		268,507		394,092			
Trust Funds	22,991		21,694		12,006			
Total Funds	324,374		290,201		406,099			

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 29 February 2024 Council had \$301 million cash (excluding Trust Fund), with an average interest rate of 5.06%, being 0.59% above benchmark. This is compared to the same period last year with \$394 million cash (excluding Trust Fund) with an average interest rate of 4.35%, being 1.27% 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						(\$14,623)	\$5,198
1	Roads to Recovery Program					(\$3,644)	
Local Road and Community Infrastructure Grant Funding - Round 2 - Agreement end date 30 June 2022						(\$400)	\$429
2	H3799 - LRCIP2 - Zgrajewski Road Gravel Road Upgrade	Division 09	Yandina Creek	January 2022	November 2022	(\$400)	\$429
Local Road and Community Infrastructure Grant Funding - Round 3 - Agreement end date 30 June 2023						(\$770)	\$436
3	H5465 - LRCIP3 Lake Weyba Foreshore Trail Upgrade	Division 09	Lake Weyba			(\$370)	\$141
4	K2732 - LRCIP3 WOR LED Streetlighting Upgrades	Whole of Council			June 2024	(\$400)	\$295
Black Summer Bushfire Recover Grants Program						(\$400)	\$295
5	K3402 - Nambour Showgrounds PA System	Division 10	Nambour			(\$400)	\$295
Urban Congestion Fund						(\$4,337)	\$4,038
6	H3747 - Mooloolaba Transport Corridor - D and C	Division 04	Mooloolaba		November 2023	(\$4,337)	\$4,038
7	Recycling Modernisation Fund					(\$5,072)	
State Government						(\$79,581)	\$8,594
8	Disaster Recovery Funding Arrangements					(\$41,806)	
Blackspot Funding						(\$2,802)	\$356
9	K3443 - Blackspot Old Gympie Road Beerwah to Landsborough	Division 01	Beerwah			(\$66)	\$7
10	K3444 - Blackspot Ilkley Road Ilkley - Hazard Signage and Delineation Upgrade	Division 05	Ilkley			(\$258)	\$5
11	K3445 - Blackspot Brisbane Road Mooloolaba - Signal Upgrade	Division 04	Mooloolaba	February 2024	March 2024	(\$77)	\$2
12	K4894 - Blackspot - Beerburum Street and Cooroy	Division 02	Dicky Beach	March 2024	July 2024	(\$1,305)	\$142
13	K4895 - BlackSpot - Old Gympie Road	Division 01	Beerwah	May 2024	June 2024	(\$1,000)	\$25
14	K2085 - BlackSpot Edmund Street and William Street Intersection	Division 02	Shelly Beach			(\$97)	\$175
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)	\$1,327
16	H5637 - Caloundra Headland Coastal Pathway	Division 02	Kings Beach	May 2023	July 2024	(\$686)	\$1,327
Queensland Transport MOU						(\$1,620)	\$99
17	H8786 - Design and Permits Outrigger Boat Ramp	Division 04	Minyama			(\$1,620)	\$99
Queensland Transport Cycle Network Program						(\$2,819)	\$318
18	H3839 - LGIP Stringybark Rd Footbridge-Pathway	Division 07	Sippy Downs	September 2023	December 2023	(\$2,800)	\$254
19	H4851 - LGIP Ballinger Rd Active Transport Link	Division 07	Buderim			(\$19)	\$63
Community Recreational Assets Recovery Resilience Program						(\$750)	\$620
20	H1977 - CRARRP - Maroochy Multi-Sports Development	Division 07	Maroochydhore			(\$297)	\$251
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)	\$322
24	K4244 - CRARRP - Parklands Conservation Park Trails Restoration	Division 09	Bli Bli			(\$52)	\$5
25	Passenger Transport Accessible Infrastructure Program					(\$330)	
26	Passenger Transport Infrastructure Investment Program					(\$250)	
Minor Infrastructure Program						(\$840)	\$667
27	K3519 - Nambour Yandina United Football Club change rooms designs	Division 10	Yandina			(\$590)	\$631
28	H3892 - Lions-Norrie Job Park, Coolum Landscape Plan	Division 09	Coolum Beach			(\$250)	\$35
School Transport Infrastructure Program						(\$940)	\$709
29	K4380 - STIP - Chancellor State College - Columbia Street	Division 06	Sippy Downs	November 2023	February 2024	(\$300)	\$394
30	K4382 - STIP - Currimundi State School Buderim	Division 03	Battery Hill			(\$253)	\$264
31	K4383 - STIP - Buderim Mountain State School Lindsay Road	Division 07	Buderim	March 2024	May 2024	(\$205)	\$13
32	K4384 - STIP - Peachester Primary School Peachester	Division 01	Peachester			(\$182)	\$38
Transport Infrastructure Development Scheme						(\$1,964)	\$681
33	H4615 - Sippy Downs School Precinct	Division 06	Sippy Downs			(\$690)	\$26
34	H4617 - Mooloolaba School Precinct	Division 04	Mooloolaba			(\$10)	\$0
35	H8416 - Emu Mountain Road Pathway Construction	Division 09	Coolum Beach			(\$120)	\$101
36	K2723 - Camp Flat Road Upgrade Stage 4	Division 09	Bli Bli	September 2023		(\$1,144)	\$553

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						(\$2,512)	\$3,761
37	H1670 - SEQCSP First Avenue Streetscape	Division 04	Maroochydore	February 2024	June 2025	(\$910)	\$195
38	K1618 - SEQCSP Caloundra Indoor Sports Stadium - Roof Replacement	Division 02	Caloundra	July 2023	December 2023	(\$357)	\$2,547
39	K1647 - SEQCSP Outrigger Park - Public Amenity	Division 04	Minyama			(\$178)	\$49
40	H7863 - SEQCSP Coolum Sports Complex Intersection	Division 09	Coolum Beach	September 2023	November 2023	(\$647)	\$653
41	H4602 - SEQCSP Woombye Streetscape Placemaking	Division 05	Woombye	October 2022	April 2024	(\$50)	\$73
42	H4605 - SEQCSP Eumundi Town Centre Placemaking	Division 10	Eumundi	January 2024	June 2024	(\$170)	\$191
43	K1308 - SEQCSP Ocean Street Placemaking Renewal	Division 08	Maroochydore	September 2024	November 2024	(\$200)	\$53
Qcoast 2100						(\$250)	\$57
44	K4295 - Esplanade Golden Beach Foreshore Rehabilitation	Division 02	Golden Beach			(\$250)	\$57
45	Recycling and Jobs Fund					(\$22,000)	
Project Complete							