

Related Documentation

Ordinary Meeting

Thursday, 27 March 2025

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Financial Performance Report

February 2025



February 2025 Operating Result

- Council's operating result at the end of February 2025 of \$164.6 million is above the current budget by \$247,000.
- The variance consists of:
 - Revenue below budget by \$330,000
 - Expenses below budget by \$577,000

February 2025 Operating Result

Revenue

General Rates \$1.2 million lower than year-to-date budget

Cleansing charges \$890,000 higher than year-to-date budget

Resource Recovery Recyclables \$1.2 million higher than budget

Interest Received from Investments \$1.1 million lower than budget

February 2025 Operating Result

Expenditure

Contracts for Waste \$727,000 and Digital and Information Services \$682,000 under budget

Levy Projects **below budget** for Environment Levy and Transport Levy

Finance costs below budget \$672,000 due to accounting treatment for capitalised interest

February 2025 Capital Program Result

Capital Works Program has progressed 63.1%

- \$164.2 million of Council's \$260.1 million Capital Works Program has been financially expended.
- \$98.3 million of the \$152.4 million Core Capital Works Program has been spent which is 64.5% of the budget

Cash Flows and Balance Sheet

Council Cash

- Council's cash at 28 February is **\$233.8 million**

Council Debt

- Council's debt at 28 February is **\$421 million**
 - *Debt repayment made during February \$12.8 million*
- Anticipated new borrowings for 2024-25 are **\$23.2 million**

Investment Performance

Investments

- Council currently has 3 term deposits totalling \$70 million
- Term deposits mature within 179 days
- Weighted average interest rate return of 4.9%

Financial Performance Report

Risk

The 2024-25 budget has been developed to ensure long term financial sustainability for the Sunshine Coast region. A key element to long term financial sustainability is achieving the targeted operating result.

The following items need continued attention:

- The achievement of revenue targets
- The delivery of the \$9.9 million in savings initiatives included in the operating result, of which \$8.1 million is attributed to the Employee Vacancy Rate.

Failure to achieve the budgeted operating result will negatively impact Council's financial sustainability both in the short term and long term.

Continued monitoring of the delivery of the capital works program within budgeted scope and cost.



Officer Recommendation

That Council receive and note the report titled “February 2025 Financial Performance Report”

Thanks for your time



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2024-25 Budget Review 3

27 March 2025



Budget Review 3



Section 170 of the Local Government Regulation 2012 allows Council to amend its budget by resolution at any time before the end of the financial year.

Major budget reviews are undertaken on a periodic basis to reflect management's best estimate of its financial position at the end of a financial year.

Budget reviews are governed by the following Budget Principles endorsed during Budget Development Process:

- Service levels set by Council and aligned to the Corporate Plan
- Maintain cash levels
- Maintain or decrease debt levels
- Achieve an operating result to fund debt redemptions and capital expenditure

Budget Review 3 - Summary



SCC TOTAL	2024-25	2024-25	2024-25	2024-25	Change
	Adopted Budget	Budget Review 1	Budget Review 2	Budget Review 3	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenue	610,085	611,533	620,020	624,963	4,943
Operating Expenditure	587,086	589,838	616,224	613,910	(2,314)
Operating Result	22,999	21,696	3,796	11,053	7,257
Capital Revenue	133,167	151,405	154,201	148,984	(5,217)
Capital Expenditure - SCC Core	193,624	143,458	152,386	152,386	Nil
Capital Expenditure – Other Capital Program	89,694	101,456	107,735	115,994	8,260
Total Capital Expenditure	283,318	244,914	260,120	268,380	8,260
Total Cash balance as at 30 June 2025	187,980	198,279	182,004	161,503	(20,501)

Budget Review 3 – Operating Summary



Major variations:

- Waste Cleansing Charges increase \$1.3 million
- Waste Interest Expense decrease \$1.7 million
- Waste Resource Recovery Recyclables increase \$1.4 million
- Holiday parks net revenue increase \$350,000
- Commercial Agreement Revenue increase \$1 million
- Employee Cost Savings \$1.7 million
- Recruitment Pause Savings \$800,000
- Materials and Services Cost Savings \$2.5 million
- Quarry Business Unit net \$731,000
- General Rates decrease (\$1.3 million)
- Recurrent Expenses increase (\$3.8 million)

Budget Review 3 - Capital



- Total Capital Works Program has increased by \$8.3 million
- Capital Revenue has decreased by \$5.2 million

Major variations:

- Land Acquisition on behalf of State \$2.4 million
- Land Acquisition Environment Land \$2.3 million

- Bring Forward Projects Identified: **\$12.8 million**
 - *Caloundra Library+* \$3.0 million
 - *Nambour RRC* \$5.9 million
 - *Lakewood Drive* \$1.2 million

- Deferred projects identified **(\$16.1 million)**
 - *Building & Facilities* (\$3.2 million)
 - *Transportation* (\$4.1 million)
 - *Waste* (\$4.7 million)
 - *Corporate Major Projects* (\$1.4 million)

Budget Review 3 - Capital



Minor Works Program

Appendix B contains a list of projects for Council's consideration under the Minor Works Program.

Budget Review 3 - Risk



The 2024-25 budget was developed to ensure long term financial sustainability for the Sunshine Coast region.

A key element to long term financial sustainability is achieving the targeted operating result. The failure to achieve the original budgeted operating result negatively impacts Council's financial sustainability both in the short term and long term.

Continued monitoring of the delivery of the capital works program within budgeted scope and cost. Capital works deferrals will need to be continually addressed during future budget review processes.

Whilst Budget Review 3 focuses on the estimated financial position at the end of the current financial year, it is important to acknowledge that significant work is still required for both the capital and operating budgets to ensure there is no impact to Council's long-term financial sustainability. Financial targets set for the 2025-26 financial year will need to be closely monitored during next year's budget development.



Budget Review 3



Officer Recommendation

As tabled in the report.

Thanks for your time



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Disposal (leases) over various Telecommunication sites located at 52 Warran Road, Yaroomba and 5 Palm Street, Maleny

Item 8.3

Ordinary Meeting
24 March 2025

Overview



- Amplitel Pty Ltd ('Amplitel') and Telstra Corporation Ltd ('Telstra') have requested new leases over two sites for a period of up to 20 years. Council are recommending 10-year leases be implemented to ensure that its planning and regulatory requirements are met.
- 52 Warran Road, Yaroomba - Amplitel currently hold a lease agreement with Council for a tower and associated communication shelter and equipment which is due for renewal on 3 April 2025.
- 5 Palm Street, Maleny – Telstra currently hold a lease agreement with Council for an existing communication shelter only. The tower equipment is currently erected on the Unitywater tower that sits within the same land parcel and is managed by Unitywater.
- The Lease Area Plans for each of the sites are detailed in **Attachment 1 – Lease Area Plans**

Aerial Maps

Lot 286 on RP85976



Lot 1 RP RP78427



Proposal



- It is proposed to obtain an exception to lease the Telecommunication Sites to Telstra and Amplitel for 10 years.
- The proposed leases will be ground (land) leases as the Telecommunications Companies are the owners of the built infrastructure at the site.
- Under the terms of a ground lease they will be responsible for all costs relating to repair, maintenance and capital replacement of the assets.
- It is considered appropriate to grant an exception under the Regulation for new leases as two of the applicants have an already established operation on the land and all are providing an essential local service to the Sunshine Coast Community

Officer Recommendation

That Council:

- (a) receive and note the report titled “Disposal (Lease) to Various Telecommunication Sites located at 52 Warran Road, Yaroomba and 5 Palm Street, Maleny” and**
- (b) resolve in accordance with section 236(2) of the Local Government Regulation 2012, that an exception to dispose of an interest in land (lease) other than by tender or auction applies, as the disposal is pursuant to section 236(1)(c)(vi) related to a telecommunications tower over:-**
 - (i) Part of Lot 286 on RP85976 to Amplitel Infrastructure Pty Ltd (Lease T)**
 - (ii) Part of Lot 1 on RP78427 to Telstra Corporation Ltd (Lease A).**

Thanks for your time



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Disposal (easement) of Part of Council Freehold Land within Lot 9 on SP248469 being Milieu Place, Birtinya

Item 8.4

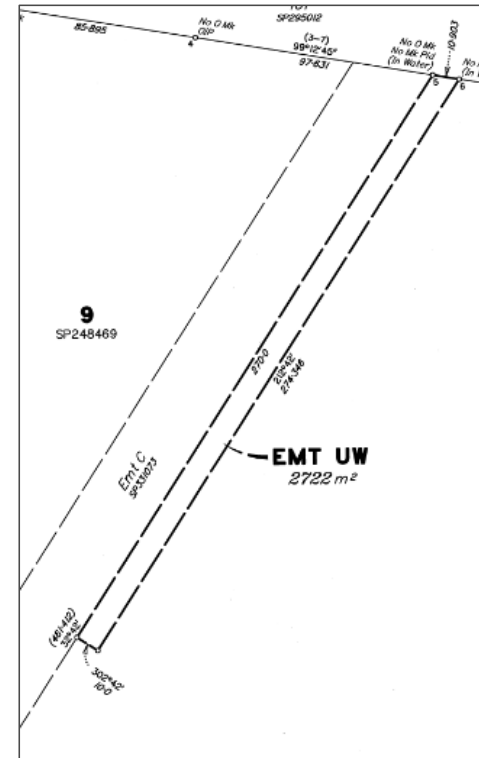
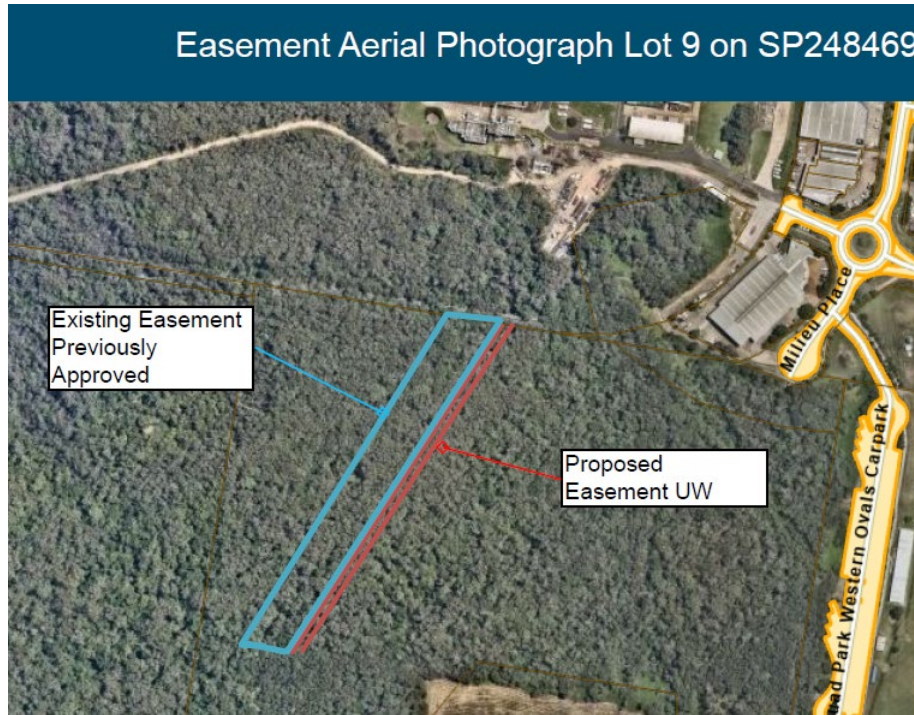
Ordinary Meeting
24 March 2025

Overview



- There is a requirement for the registration of a water supply easement in favour of Unitywater, as part of Unitywater's Aura Sewer Rising Main project within Council's Freehold Land at Lot 9 on SP248469.
- There is an existing easement in place for sewer purposes however during construction Unitywater have experienced constructability issues and have requested Council's consent to redrill approximately 300 metres east of the original alignment.
- To ensure the Sewer Rising Main is protected an additional 10-metre-wide easement is required within Lot 9 on SP248469. The proposed easement is some 2722m² in area.
- The location of the proposed water supply easement is identified as easement UW as shown in **Attachment 1 – Easement Survey Plan**.

Lot Aerial Map and Easement UW SP 353722



Officer Recommendation

That Council:

- (a) receive and note the report titled "Disposal (Easement) of part of Council owned land at Lot 9 on SP248469 being Milieu Place, Birtinya"
- (b) resolve, pursuant to section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of an interest in land (by way of Easement) over part of Council owned Lot 9 on SP248469 other than by tender or auction applies, as Unitywater is a government agency and therefore the disposal is in accordance with an exception under section 236(1)(b)(i).

Thanks for your time



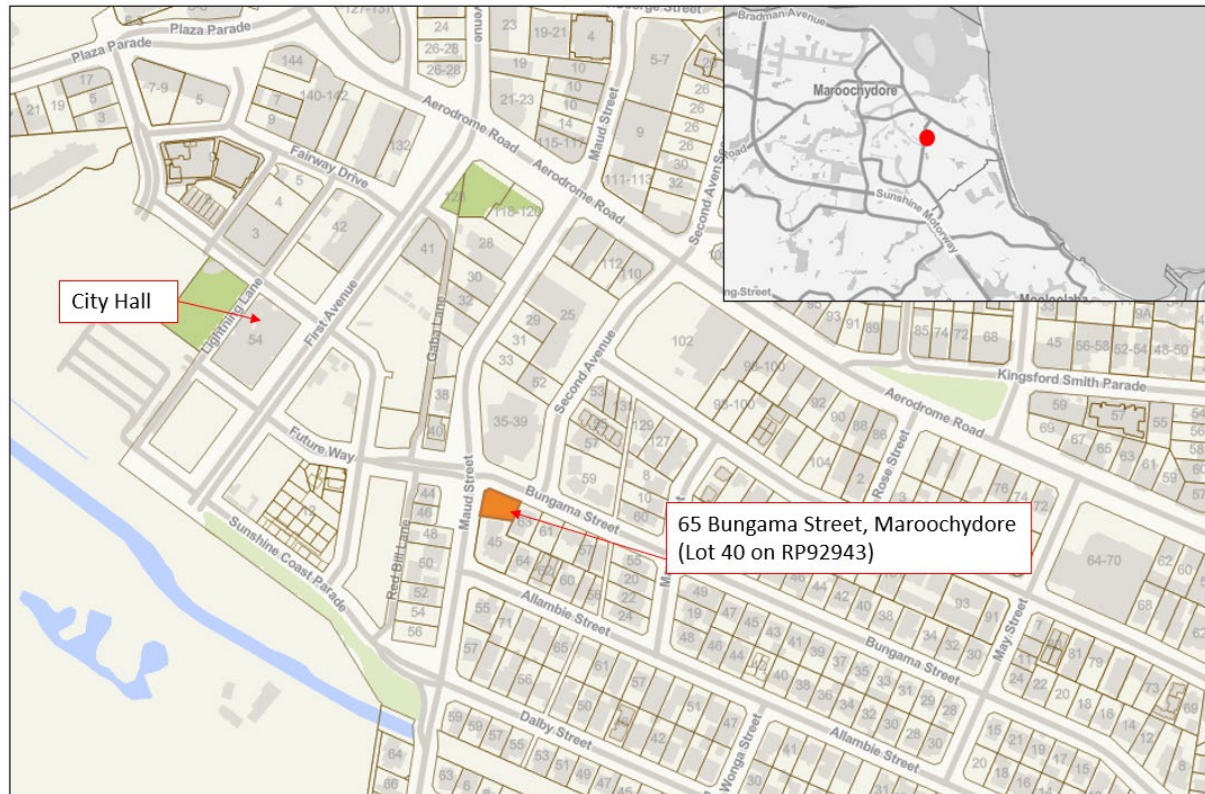
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Exception for Disposing of an Interest in Land (Lease) – 65 Bungama St, Maroochydore

Item 8.5

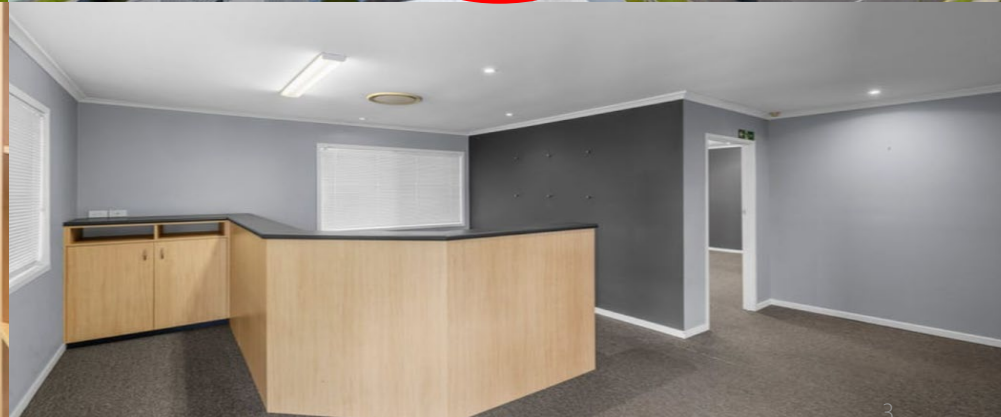
Ordinary Meeting
24 March 2025

65 Bungama St, Maroochydore





65 Bungama St, Maroochydore



OFFICER RECOMMENDATION

That Council:

- a) receive and note the report titled “Exception to Disposing of an Interest in Land (Lease) by Tender - 65 Bungama Street, Maroochydore” and
- b) Resolve that, in accordance with sections 236(1)(e) and (2) of the *Local Government Regulations 2012*, an exception applies to disposing of a valuable non-current asset (described as grant of lease over premises at 65 Bungama Street, Maroochydore - Lot 40 on RP92943) on the basis that it has previously been offered to be disposed of by tender and a lease has failed to be entered into.

Thank you



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