

Sunshine Coast
Council

FINANCIAL PERFORMANCE REPORT
April 2014



FINANCIAL PERFORMANCE REPORT

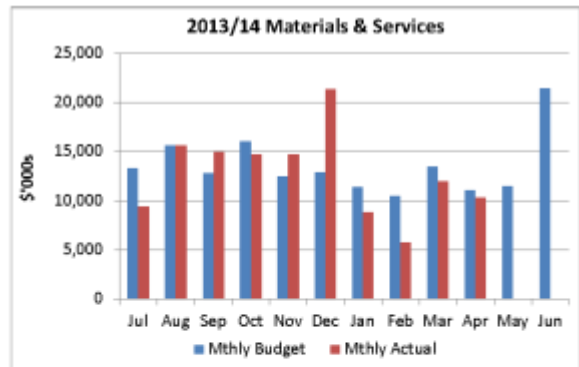
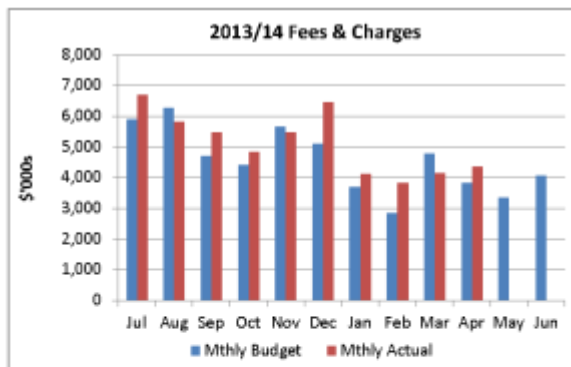
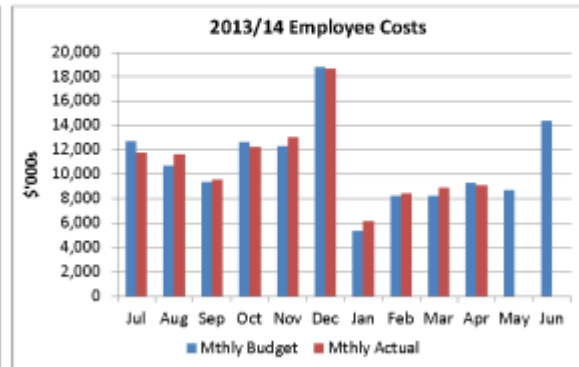
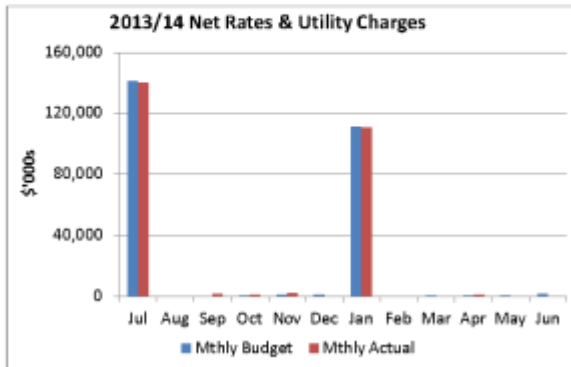
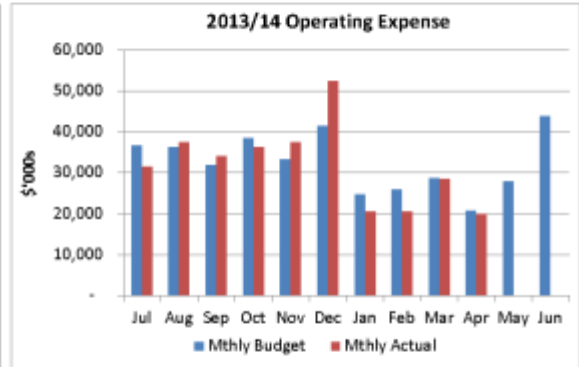
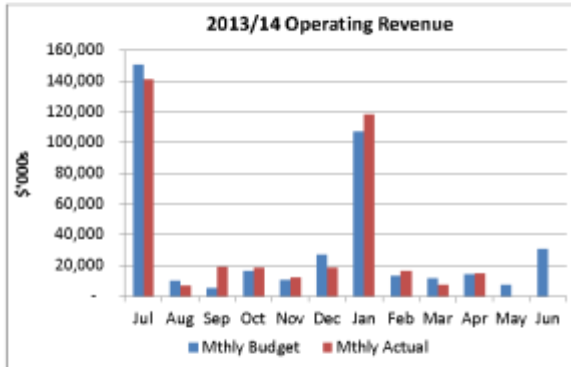
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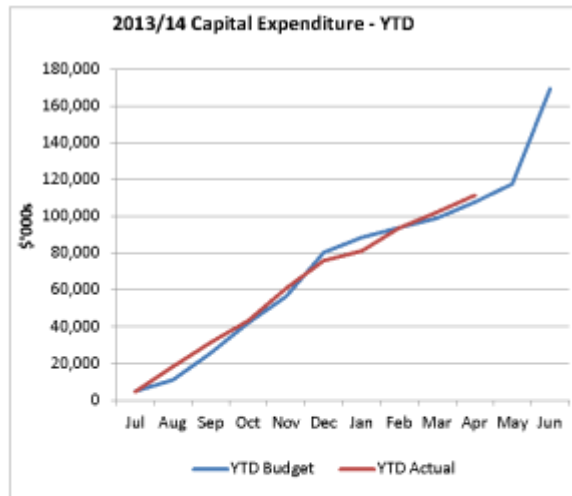
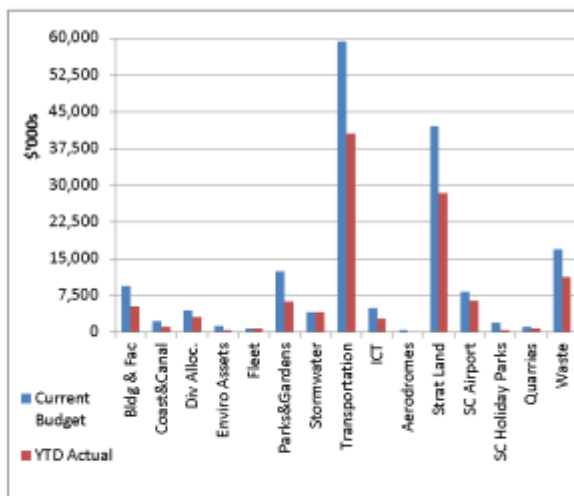
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FINANCIAL PERFORMANCE REPORT April 2014
HEADLINE - OPERATING

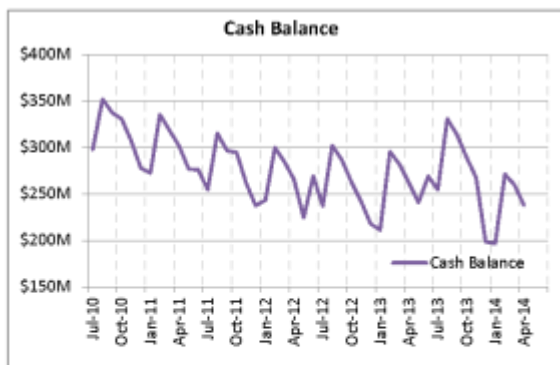
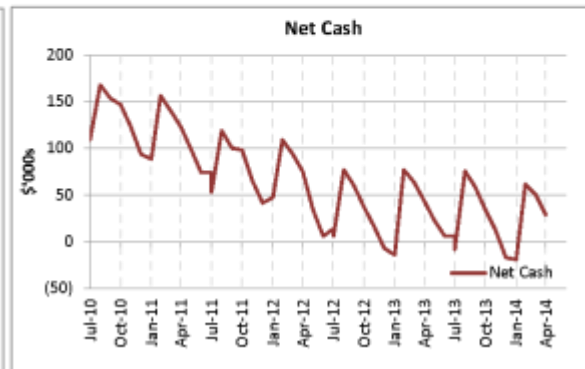
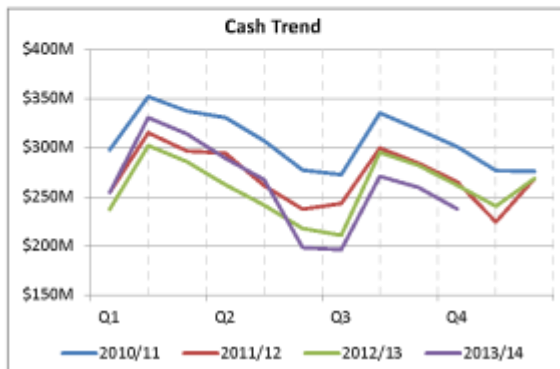
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	400,295	405,457	367,046	372,974	5,928	1.6%
Operating Expenses	387,582	390,434	318,612	319,240	628	0.2%
Operating Result	12,713	15,024	48,433	53,734	5,301	10.9%
NET Result	54,287	58,763	83,441	95,294	11,853	14.2%



FINANCIAL PERFORMANCE REPORT						April 2014
HEADLINE - CAPITAL						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Capital Revenues (included in NET Result)	37,101	39,268	31,681	38,234	6,553	
Other Capital Revenues	86,410	79,018	53,499	55,749	2,250	
Total Capital Revenues	123,511	118,285	85,181	93,983	8,803	
Capital Works Expenditure	109,270	169,569	107,717	111,488	3,770	3.5%
Other Capital Expenditure	41,150	32,916	31,493	34,730	3,237	
Total Capital Expenditure	150,420	202,485	139,210	146,218	7,008	
Funds from General Revenue	26,909	84,200	54,030	52,235	(1,795)	



FINANCIAL PERFORMANCE REPORT				April 2014
HEADLINE - CASH & BALANCE SHEET				
	Annual		YTD	
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	
CASH FLOWS				
Opening Cash	196,241	261,865	261,336	
Net Cash Inflow/(Outflows) from:				
Operating Activities	48,186	50,579	(124,871)	
Investing Activities	(93,697)	(144,352)	42,659	
Financing Activities	476	1,484	(42,052)	
Net Increase/(decrease) in Cash Held	(45,035)	(92,289)	(124,264)	
Cash at year end	151,206	169,576	137,072	
BALANCE SHEET				
Total Current Assets	216,289	234,659	266,305	
Total Non Current Assets	4,511,393	4,489,306	4,302,888	
Total Assets	4,727,682	4,723,965	4,569,194	
Total Current Liabilities	70,183	70,183	987,113	
Total Non Current Liabilities	240,480	240,480	234,734	
Total Liabilities	310,663	310,663	752,379	
Net Community Assets/ Total Community Equity	4,417,019	4,413,302	5,321,572	



FINANCIAL PERFORMANCE REPORT

April 2014

HEADLINE - COMMENTARY

Income & Expense Statement

Council's financial results at 30 April 2014 shows the organisation with a \$5.3 million higher than forecasted operating position against the year to date budget. This operating result variation is made up of operating revenue being \$5.9 million higher than the year to date budget, along with operating expenses being \$628,000 higher than the year to date budget.

Operating Revenues

Fees and Charges - Of the \$4 million favourable variance in fees and charges, \$1.7 million relates to development applications revenue, across all application types. Other fees & charges that are showing favourable variances to budget include;

- Holiday Parks \$675,000
- Change in Ownership/Search Fees \$472,000
- Quarries external sales \$351,000
- Health Licenses \$267,000
- Cemetery Fees \$224,000

Other Revenue - A number of activities are contributing to the \$1.5 million favourable variance in other revenue. These activities are Major venues (Quad Park) – increase in revenue \$368,000, Lease/rental income over budget \$209,000, Waste – sale of recoverable materials \$168,000

Operating Expenses

As at April 2014 month end employee costs were over budget by \$1.8 million. For the 2013/2014 budget \$9.1 million in operational labour savings were built into the budget process:

- Vacancy target of \$4.4 million
- Organisational Review target of \$4.7 million

In addition, \$16 million was excluded from the operational employee costs for the January to June 2014 period as an estimate of the impact of de-amalgamation.

Whilst all labour savings related to the Organisational Review were budgeted as operating, \$1.2 million of the actual savings were related to capital labour. The capital program was not reduced in line with the positions being made redundant.

Similarly, while all de-amalgamation employee cost reductions were made to operational budgets, \$1.5 million of transferred employee costs related to capitalised labour.

As at April 2014 month end, Materials and Services costs were below budget by \$1.7 million.

Within the Infrastructure Department, Civil Works is currently under budget by \$1 million as well as projects and levy expenditure under budget by \$595,000. All other departments have minor under and overspends against budget.

Capital Expenditure

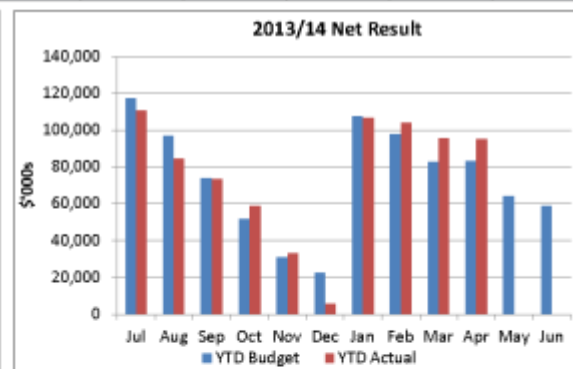
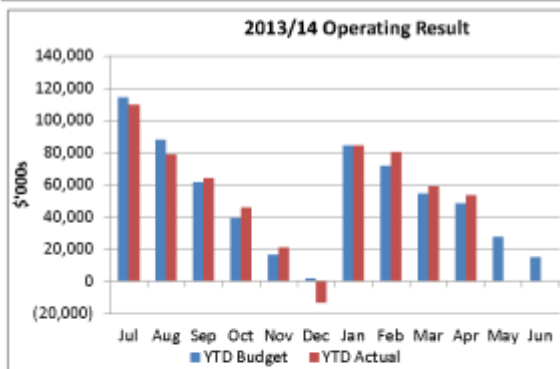
As at 30 April 2014, \$111.5 million (65.7%) of council's \$169.6 million 2013/2014 Capital Works Program was financially expended.

HEADLINE - RISKS

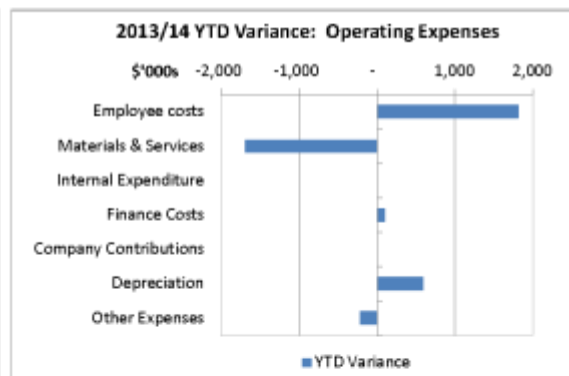
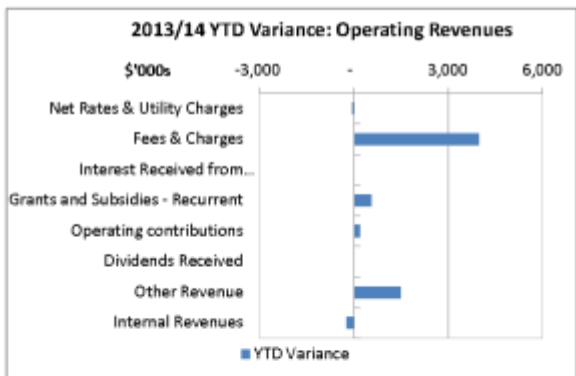
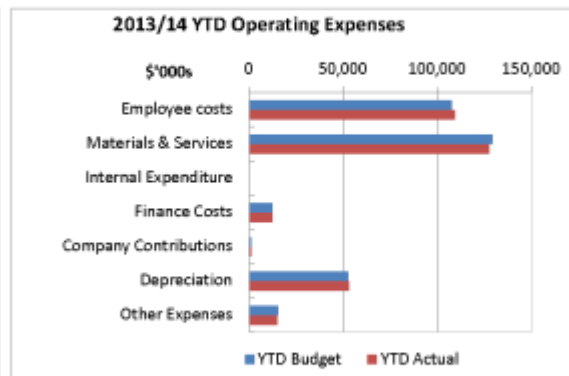
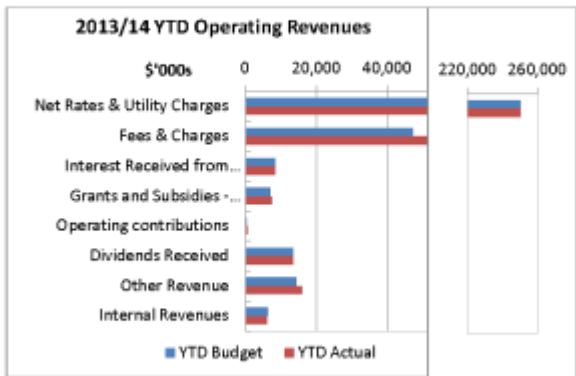
Income & Expense Statement

1. Financial Assistance Grant - during 2012/2013 more than one half of the grant (\$6.3 million) was paid early into June 2012. This prepayment has created a budget impact of \$2.1 million in the current 2013/2014 budget.
2. Organisational Review - \$4.7 million net savings loaded into the budget.
3. De-amalgamation - risk that not all costs associated with the de-amalgamation are being charged to Noosa Shire Council.
4. Employee Vacancy Factor - \$4.4 million loaded in the budget. May be difficult to achieve this saving along with the Organisational Review.
5. the risk that the State Government will transfer SPER debt back to local councils, who will then have to manage their own debt collection

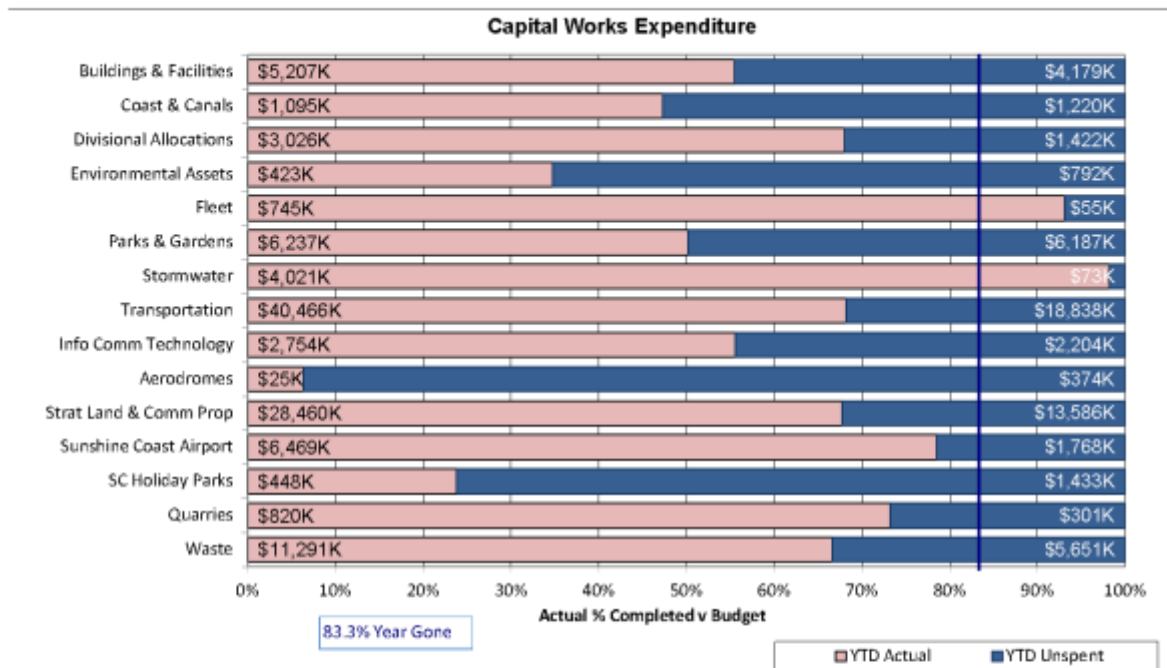
FINANCIAL PERFORMANCE REPORT							April 2014
STATEMENT OF INCOME & EXPENSES							
	Annual		YTD				Annual
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %	Forecast Budget \$000s
Operating Revenue							
Gross Rates & Utility Charges	262,411	262,008	259,771	260,114	343	0.1%	262,008
Interest from Rates & Utilities	2,053	2,053	1,790	1,744	(46)	-2.6%	2,053
Less Discounts, Pensioner Remissions	(11,374)	(11,374)	(11,334)	(11,699)	(365)	3.2%	(11,374)
Net Rates & Utility Charges	253,090	252,687	250,227	250,159	(67)	0.0%	252,687
Fees & Charges	53,274	54,684	47,251	51,225	3,974	8.4%	54,684
Interest Received from Investments	8,512	9,012	8,339	8,339	0	0.0%	9,012
Grants and Subsidies - Recurrent	10,780	11,391	6,992	7,545	553	7.9%	11,391
Operating contributions	570	570	485	685	200	41.3%	570
Interest received from Unitywater	26,205	25,205	19,271	19,268	(3)	0.0%	25,205
Dividends Received	27,001	28,001	13,533	13,532	(1)	0.0%	28,001
Other Revenue	13,249	16,333	14,487	15,994	1,507	10.4%	16,333
Internal Revenues	7,614	7,575	6,461	6,227	(235)	-3.6%	7,575
Community Service Obligations	0	0	0	0	0	0.0%	0
Total Operating Revenue	400,295	405,457	367,046	372,974	5,928	1.6%	405,457
Operating Expenses							
Employee costs	130,879	130,597	107,574	109,398	1,824	1.7%	130,596
Materials & Services	152,860	162,430	129,463	127,773	(1,690)	-1.3%	162,428
Internal Expenditure	0	0	0	0	0	0.0%	0
Finance Costs	14,197	14,564	12,457	12,565	108	0.9%	14,564
Company Contributions	1,152	1,152	1,152	1,152	0	0.0%	1,152
Depreciation	70,510	63,118	52,599	53,198	599	1.1%	63,118
Other Expenses	17,984	18,573	15,368	15,155	(213)	-1.4%	18,575
Competitive Neutrality Adjustments	0	0	(0)	0	0	-100.0%	0
Total Operating Expenses	387,582	390,434	318,612	319,240	628	0.2%	390,433
Operating Result	12,713	15,024	48,433	53,734	5,301	10.9%	15,024
Capital Revenue							
Capital Grants and Subsidies	2,900	12,662	7,244	8,770	1,526	21.1%	12,662
Capital Contributions	7,201	7,206	6,461	8,251	1,790	27.7%	7,206
Contributed Assets	27,000	19,400	17,977	21,214	3,237	18.0%	19,400
Other Capital Revenue	4,472	4,472	3,326	3,326	0	0.0%	4,472
Total Capital Revenue	41,573	43,740	35,007	41,560	6,553	18.7%	43,740
Net Result	54,287	58,763	83,441	95,294	11,853	14.2%	58,764



FINANCIAL PERFORMANCE REPORT April 2014
STATEMENT OF INCOME & EXPENSES



FINANCIAL PERFORMANCE REPORT							April 2014
CAPITAL EXPENDITURE							
Capital Works Program	Annual		YTD			Annual	
	Original Budget \$000s	Current Budget \$000s	Budget \$'000s	Actual \$000s	% of Annual Budget Spent	Forecast Budget \$000s	
Buildings and Facilities	6,548	9,386	5,579	5,207	55.5%	9,386	
Coast and Canals	1,949	2,315	1,705	1,095	47.3%	2,315	
Divisional Allocations	3,100	4,418	2,784	3,026	68.5%	4,418	
Environmental Assets	1,238	1,215	390	423	34.8%	1,215	
Fleet	1,000	800	734	745	93.1%	800	
Parks and Gardens	10,317	12,424	7,201	6,237	50.2%	12,424	
Stormwater	4,161	4,094	2,982	4,021	98.2%	4,094	
Transportation	52,952	59,334	47,254	40,466	68.2%	59,334	
Information Communication Technology	3,927	4,958	2,849	2,754	55.5%	4,958	
Strategic Land & Comm Properties	9,422	42,046	20,123	28,460	67.7%	42,046	
Aerodromes	-	399	31	25	6.3%	399	
Sunshine Coast Airport	3,400	8,237	6,562	6,469	78.5%	8,237	
SC Holiday Parks	1,455	1,880	1,168	448	23.8%	1,880	
Quarries	150	1,121	183	820	73.2%	1,121	
Waste	9,651	16,942	8,174	11,291	66.6%	16,942	
TOTAL	109,270	169,569	107,717	111,488	65.7%	169,569	



FINANCIAL PERFORMANCE REPORT April 2014
INVESTMENT PERFORMANCE

Liquidity as at: 30/04/2014		
\$'000's		
At-call accounts		
QTC + CBA (exc trust)	\$82,037	33.89%
Maturities within 7 days	\$10,000	4.13%
Total at-call	\$92,037	38.02%
Investment Policy Target		10.00%

	INVESTMENT SUMMARY AS AT (including Trust)			Investment Policy				
	30/04/2014		31/03/2014		30/04/2013		Individual Limit	Group Limits
A1+ (QTC)	\$68,083	28.1%	\$82,789	31.6%	\$33,512	12.7%	100%	100%
A1+ (Other)	\$133,980	55.3%	\$139,434	53.2%	\$165,608	62.7%	35%	100%
A1	\$10,000	4.1%	\$0	0.0%	\$30,000	11.4%	30%	30%
A2	\$30,000	12.4%	\$40,000	15.3%	\$35,000	13.3%	10%	30%
TOTAL	\$242,062		\$262,223		\$264,121			

Investment Portfolio

