

8.2.1 FEBRUARY 2016 FINANCIAL PERFORMANCE REPORT

File No:	Financial Reporting
Author:	Samantha Pittard, Coordinator Financial Services Corporate Services Department
Appendices:	App A - 2015/16 Capital Program Adjustments
Attachments:	Att 1 - February 2016 Financial Performance Report

PURPOSE

To meet Council's legislative obligations, a monthly report is to be presented to Council on its financial performance and investments.

EXECUTIVE SUMMARY

The monthly financial performance report provides Council with a summary of performance against budget at the end of each month in terms of the operating result and delivery of the capital program.

Operating Performance

The operating result at 29 February 2016 of \$107.1 million shows a positive variance of \$9.7 million compared to the YTD current budget.

Table 1: Operating Result as at 29 February 2016

February 2015	Current Budget \$000	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Operating Revenue	395,974	337,623	341,743	4,120	1.2
Operating Expenses	371,661	240,219	234,656	(5,563)	2.3
Operating Result	24,313	97,404	107,087	9,683	9.9

Capital Performance

As at 29 February 2016, \$88.4 million (48%) of Council's \$186.6 million 2015/16 Capital Works Program was financially expended (including region making projects). The year to date anticipated spend was \$107.6 million, with financial expenditure 17.8% behind budget.

The core Capital program has actual spend of \$72.8 million against a target of \$83.7 million, 13.0% behind budget.

The program has been updated at a sub program level to account for:

- at Budget Review 2 2015/16, \$2.1 million was brought forward to initiate design works for 2016/17. At the time of adoption the individual projects were not identified and as such an estimate was made by sub program. As the projects have now been identified, the budgets need to be moved to the appropriate sub programs (no change to overall capital program expenditure)
- Divisional funds, where projects have been identified and the funds have moved out of the divisional allocation sub program, and into the sub program where the project is being delivered from (no change to overall capital program expenditure) and
- creation of a new program called Corporate Major Projects to cover projects that are not in the normal course of Council business, however are not significant enough to be

included in the Region Making Program (no change to overall capital program expenditure).

The February Financial Performance Report will amend the capital program, with a \$20.5 million reduction:

- reduction of the Palmview program, from \$2.5 million to zero spend anticipated in this financial year, and the budget deferred to 2016/17
- increase to the Environmental Visitor Education Sub Program as per Council Resolution OM16/8 by \$221,000, not adjusted during Budget Review 2 2015/16
- reduction of the Information Technology Program by \$159,200 relating to the deferral of Stage 2 of the Digital Connect Platform due to contract being terminated in February 2016 after Budget Review 2
- reduction of the Sunshine Coast Airport Capital program by \$1.1 million due to delays in land acquisitions
- revision of the Maroochydore City Centre Capital Program has a decrease of \$17 million reduction to the 2015/16 program and this will be carried forward to the 2016/17 program. Comments from SunCentral:

“Based on our estimates around the timing of the delivery of development services and the corresponding cashflows, total development costs are forecasted to come in around \$7,754,000 for the financial year. Therefore we wish to carry forward \$17,285,000 into the financial year 2016/17 budget.

It is worth noting that approximately \$14 million of the carry forward figure relates to civil works for Stage 1A. The prominent reason for the carry forward was due to the unforeseen necessity to seek amendments to the development scheme by Economic Development Queensland...the amended scheme has been approved by the Minister and is expected to be gazetted in April. Clearly the project program has now been modified to take account of this. The tendering for the major civil works which is currently underway, with a contract award due in May/June.”

Investment Performance & Cash holdings

Council’s investment portfolio remains within the guidelines established under the Investment Policy.

For the month ending 29 February 2016 Council had \$372.0 million in investment cash (excluding Trust Fund) with an average interest rate of 3.04%, being 0.74% above benchmark.

OFFICER RECOMMENDATION

That Council:

(a) receive and note the report titled “February 2016 Financial Performance Report” and

(b) adopt the amended 2015/16 Capital Program to include the identified capital budget adjustments (Appendix A).

FINANCE AND RESOURCING

This report will amend the current capital expenditure budget by reducing the Palmview sub program by \$2.5 million and increasing the Environmental Visitor Education Sub Program by \$221,000.

CORPORATE PLAN

Corporate Plan Goal:	<i>A public sector leader</i>
Outcome:	5.2 - A financially sustainable organisation
Operational Activity:	5.2.2 - Ensure council's finances are well managed and systems are in place to analyse performance, generate revenue, reduce costs and manage contracts

CONSULTATION

Internal Consultation

All departments or branches participated in the formation of the recommendations associated with this report.

External Consultation

No external consultation is required for this report.

Community Engagement

No community engagement is required for this report.

PROPOSAL

The operating result at 29 February 2016 of \$107.1 million shows a positive variance of \$9.6 million compared to the YTD forecast position.

Achievement of the full year budgeted operating result will allow Council to meet its debt repayments and capital expenditure commitments.

Operating Revenue

Year to Date (YTD) actual revenues as at 29 February 2016 of \$341.7 million shows a positive variance of \$4.1 million.

Table 2: Substantial Revenue variances as at 29 February 2016

Operating Revenue Large Variances	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Net Rates and Utility Charges	239,582	240,836	1,254	0.5
Fees and Charges	42,002	44,059	2,057	4.9
Other Revenue	10,265	10,979	714	7.0

Net Rates & Utilities Charges

Following the January 2016 rates run there is a favourable variance in general rates of \$1.2 million of which all relates to prepaid rates. This is expected to be a timing difference, which will reduce over the remainder of the financial year.

Fees & Charges

The February 2016 results are showing a favourable variance of \$2.1 million which relates to:

- \$780,000 for development services fees and charges including application fees (\$326,000), operational works application fees (\$81,000). The development activity remains strong, with activity 25.6% up on this time last year
- \$450,000 for increased Holiday Park fees (mainly Coolum & Cotton Tree), offset by additional costs of \$104,000

- \$205,000 in increased ticket sales for the 2015 Caloundra Music Festival, offset by increased payments for performance fees of \$203,000. Overall the festival came in on budget
- \$235,000 favourable variance in Waste tip fees and
- \$77,000 Sunshine Coast Airport favourable variance on car parking fees. This is a result of higher passenger spend rate than forecast.

Other Revenue

The favourable variance of \$714,000 related to:

- \$99,000 in higher recoveries for the Waste retail facility and sale of metal due to higher prices than anticipated during Budget Review 2 2015/16
- \$72,000 favourable variance for the sale of minor plant
- \$96,000 in increased lease revenue and electricity recoupment and
- Community Services favourable other revenue of \$169,000, which relates to Sundry recoupment at the Sunshine Coast Stadium (offset by increased expenditure of \$107,000) and other miscellaneous revenue

Operating Expenses

Year to Date (YTD) actual expenditure as at 29 February 2016 of \$223.6 million shows a positive variance of \$5.6 million.

Table 3: Substantial Expenditure variances as at 29 February 2016

Operating Expenditure Large Variances	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Employee Costs	81,104	80,591	(513)	(0.6)
Materials and Services	96,404	91,074	(5,329)	(5.5)

Employee Costs

Employee costs are currently showing a favourable variance of \$513,000, or 0.6%. This has decreased slightly from January 2016 due to a number of vacancies being filled.

Materials and Services

Materials and Services are \$5.3 million favourable to budget at the end of February 2016. There is a general underspend at the end of February across all departments with some more significant areas being:

- timing variance on new waste contracts yet to incur actual costs \$915,000, reduced from January
- lower prices of fuel have resulted in a favourable variance of \$268,000
- reduced internal asphalt sales from the Quarry resulting in a reduction in materials required to produce goods and a favourable material spend of \$458,000
- operating projects are \$1.3 million favourable to budget, with these funds quarantined for the delivery of Council approved projects and
- Property Branch \$402,000 favourable due to a range of timing differences including electricity and water and sewerage costs.

Capital Revenue

Capital revenues, at \$61.2 million, are below the YTD current Budget of \$68.2 million. Cash grants and cash contributions are ahead of budget by \$3.9 million. This is being offset by constructed assets \$10.9 million below budget. Constructed assets are currently being written on quarterly, and therefore this variance is a timing difference only at this stage.

Table 4: Capital revenue variances as at 29 February 2016

Capital Revenue	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Capital Grants and Subsidies	4,048	4,390	342	8.5
Capital Contributions - Cash	19,003	22,586	3,583	18.9
Contributed Assets	45,125	34,230	(10,895)	(24.1)

Capital Expenditure

As at 29 February 2016, \$88.4 million (48%) of Council's \$186.6 million 2015/16 Capital Works Program was financially expended (including Region Making Projects). The year to date anticipated spend was \$107.6 million, with financial expenditure 17.8% behind schedule.

The Core Sunshine Coast Capital Program has expended \$72.8 million against a target of \$83.7 million (-13.0%) as at 29 February 2016.

The region making projects have expended \$15.7 million. A full review of the Maroochydoore City Centre Capital Program has resulted in a reduction of \$17 million in the 2015/16 program, to be deferred into 2016/17.

The program has been updated at a sub program level to account for:

- at Budget Review 2 2015/16, \$2.1 million was brought forward to initiate design works for 2016/17. At the time of adoption the individual projects were not identified and as such an estimate was made by sub program. As the projects have now been identified, the budgets need to be moved to the appropriate sub programs (no change to overall capital program expenditure)
- Divisional funds, where projects have been identified and the funds have moved out of the divisional allocation sub program, and into the sub program where the project is being delivered from (no change to overall capital program expenditure) and
- creation of a new program called Corporate Major Projects to cover projects that are not in the normal course of Council business, however are not significant enough to be included in the Region Making Program (no change to overall capital program expenditure).

The February Financial Performance Report will amend the capital program, with a \$20.5 million reduction. Details of the changes by sub program are detailed in Appendix A.

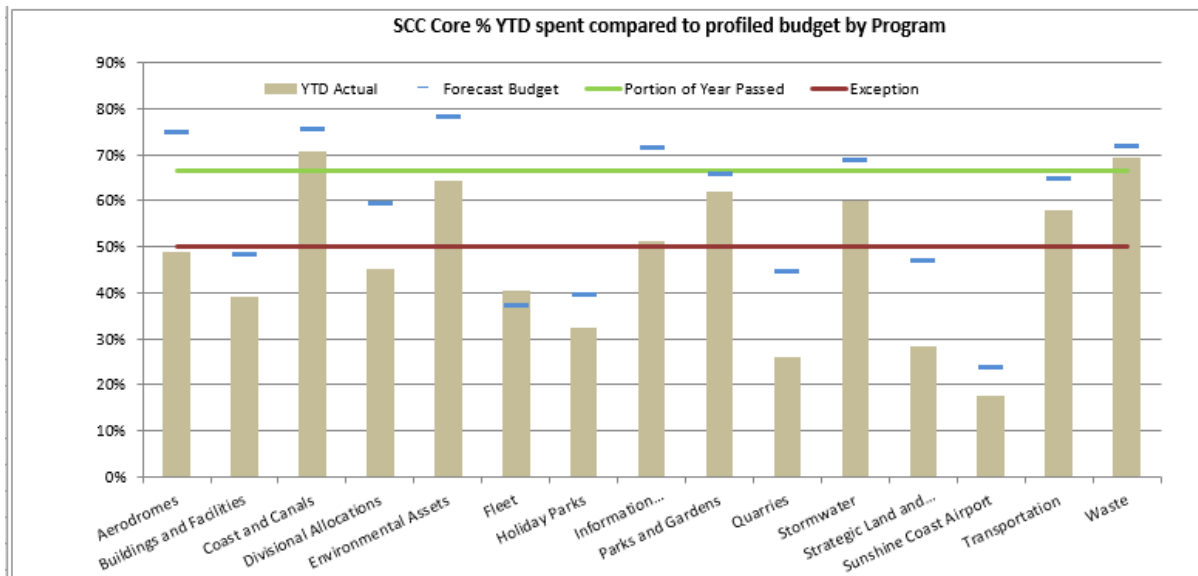
- reduction of the Palmview program, from \$2.5 million to zero spend anticipated in this financial year, and the budget deferred to 2016/17
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- reduction of the Information Technology Program by \$159,200 relating to the deferral of Stage 2 of the Digital Connect Platform due to contract being terminated in February 2016 after Budget Review 2
- reduction of the Sunshine Coast Airport Capital program by \$1.1 million due to delays in land acquisitions and

- revision of the Maroochydore City Centre Capital Program has a decrease of \$17 million reduction to the 2015/16 program and this will be carried forward to the 2016/17 program. Comments from SunCentral:
 “Based on our estimates around the timing of the delivery of development services and the corresponding cashflows, total development costs are forecasted to come in around \$7,754,000 for the financial year. Therefore we wish to carry forward \$17,285,000 into the financial year 2016/17 budget.
 It is worth noting that approximately \$14 million of the carry forward figure relates to civil works for Stage 1A. The prominent reason for the carry forward was due to the unforeseen necessity to seek amendments to the development scheme by Economic Development Queensland...the amended scheme has been approved by the Minister and is expected to be gazetted in April. Clearly the project program has now been modified to take account of this. The tendering for the major civil works which is currently underway, with a contract award due in May/June.”

Table 5: Capital expenditure variances by program as at 29 February 2016

Capital Works Program	Current Budget \$000	YTD Current Budget \$000	YTD Actual \$000	YTD Variance	% Variance on YTD budget
Aerodromes	548	410	269	(141)	(34.5)
Buildings and Facilities	8,781	4,219	3,428	(791)	(18.8)
Coast and Canals	2,067	1,542	1,441	(101)	(6.6)
Divisional Allocations	3,115	2,141	1,628	(513)	(24.0)
Environmental Assets	1,523	1,131	929	(202)	(17.9)
Fleet	3,935	1,463	1,589	126	8.6
Holiday Parks	791	312	256	(56)	(17.8)
Information Technology	5,192	3,699	2,654	(1,046)	(28.3)
Parks and Gardens	15,563	10,034	9,492	(542)	(5.4)
Quarries	496	221	128	(93)	(42.0)
Stormwater	6,478	4,663	4,086	(577)	(12.4)
Strategic Land and Commercial Properties	11,340	5,395	3,258	(2,137)	(39.6)
Sunshine Coast Airport	6,886	1,631	1,217	(414)	(25.4)
Transportation	64,466	41,206	36,962	(4,244)	(10.3)
Waste	7,818	5,608	5,423	(185)	(3.3)
Total SCC Core Capital Program	138,997	83,676	72,759	(10,917)	(13.0)
Corporate Major Projects	2,500	57	41	(16)	-
Maroochydore City Centre - SCC Delivery	9,904	3,379	6,111	2,732	80.8
Maroochydore City Centre - Suncentral Delivery	24,156	15,074	3,049	(12,025)	(79.8)
Solar Farm	9,866	5,022	5,995	972	-
Sunshine Coast Airport Runway	1,225	408	487	79	19.3
Total Other Capital Program	47,652	23,941	15,683	(8,258)	(34.5)
TOTAL	186,648	107,617	88,442	(19,175)	(17.8)

The following Base Capital Projects have further information provided due to YTD spend of less than 50%.



Buildings & Facilities

The year to date anticipated spend of \$4.2 million or 48.2% is due to timing constraints around a number of large projects:

- the construction of the Sippy Creek Animal Pound/Refuge (\$1.8 million), being managed by Project Delivery Branch, represents 34% of the total Sub Program and commenced as scheduled. This is a two year staged project
- of the \$850,000 Aquatic Facilities capital program, \$350,000 cannot commence until the end of the summer swimming season and have planned and spending forecasted accordingly and
- a number of new projects for the Events Centre have been scheduled to commence in March due to pre-existing bookings. The theatre seating replacement project of \$500,000 has been delivered as scheduled and installation will be complete by 31 March.

Another significant project for this program is the Roys Road Depot Master Plan. There is a \$380,000 shortfall in year to date spend due to the project requiring a scope redesign. This value engineering exercise has resulted in a saving of over \$300,000 in the total project value. This is a multi-year staged project, with the design and early site preparation works still anticipated to be completed by the end of the financial year.

Additionally \$560,000 worth of projects have had the designs completed and are moving to procurement/delivery phases.

Fleet

This \$3.9 million program is currently 40.4% spent. A further 45% of the program has been committed with a significant portion relating to large roads maintenance trucks that require seven month build time and therefore is expected to be delivered in May/June 2016. The remaining program has orders in progress for smaller plant that also expect delivery May/June 2016.

Holiday Parks

There are two significant projects amounting to 63% of the program, both have started to incur costs and expect to expend current year funds by June:

- Maroochy Beach Camp Kitchen is currently moving through the procurement process with construction anticipated between April and June 2016 and
- Mudjimba Expansion is a two year project that will commence in April, with further funds available in the 2016/17 program.

Quarries

The \$500,000 Quarry Program is currently 25.9% spent. A significant portion of the program is attributable to Quarry Development Works which will be informed by a Geotechnical report currently underway. Allocated funds are expected to be delivered this financial year. The other major allocation relates to a staged electrical & computer system upgrade for the asphalt plant. A second progress payment will fall due in the coming months and the full upgrade is still on track for this financial year.

Strategic Land & Commercial Properties

The \$11.5 million land program is predominantly made up of acquisitions associated with the LGIP Transport Corridors and Environmental Land (80%). It is difficult to forecast when expenditure will occur due to the uncertainty associated with negotiations and resumptions. Both of these sub-programs had significant increases at Budget Review 2 2015/16. Settlements have been reached on six of the eleven projects in these programs, with payments soon to follow. Negotiations will continue on others.

Sunshine Coast Airport

Of the \$6.8 million program 61% is under construction/acquisition. The most significant projects are Aerospace Precinct Stage 3 (\$1.0 million) currently under construction and due for completion in April; GA Aprons overlays & repairs (\$1.1 million) underway with 57% expenditure to date. Procurement of the terminal modifications was completed in March with a view to completion of works in June.

Information Technology

The Information Technology program has expended 51.1% of full year budget expended at the end of February 2016, however this is \$1 million behind forecasted spend. Three major projects make up \$2.4 million or 46% of the ICTS program and these have currently expended 60% of current budget. A full expenditure of the 2015/16 revised budget is on track, following the minor reduction detailed in this report.

Transportation

The transportation is progressing well with 57.3% of full year budget expended at the end of February, however a comment is being provided due to the significant size of this program. The variance at the end of February 2016 is \$4.2 million behind schedule or 10.3%.

Highlights

- the sub-programs of Bridges, Carparks, Gravel Roads, Pedestrian/Cycling Facilities, Road Safety, Local Streetscapes and Active Transport total \$15.0 million, and is at 79% spend. All these sub-programs make up 38% of the Transportation Budget, with all running above 64% to date
- \$11.4 million in construction for Evans Street with 61% spent to date, with all funds required to complete the works committed. There is approximately \$1.0 million in contingency which is not anticipated to be spent at this point in time, and
- \$12.8 million of the \$21.1 million reseal and rehabilitation program financially completed (121 completed jobs against 293 jobs profiled).

Risks

- \$2 million in 2016/17 design works were brought forward to this financial year during Budget Review 2 2015/16. There are 65 projects identified for completion by end of June 2016, of which 23 (35%) are planned to be completed externally. Additional temporary resources have been provided to facilitate delivery of the design program by the end of the financial year, and
- the Transportation program includes \$2.5 million in land acquisitions which are difficult to forecast.

Table 6: Capital job quantities and budgeted value by status as at 29 February 2016 (excluding region making projects):

Project summary by Job status (SCC Base only)	Number of Capital Jobs	%	Current Budget \$000	%
Not Started	49	3.7%	2,888	2.1%
Works in Progress	689	51.7%	94,377	67.9%
Complete	549	41.2%	38,316	27.6%
On Hold	46	3.5%	3,417	2.5%
Total	1,333		138,997	

The number of jobs in a not started status in the month of February reduced from 79 to 49 jobs.

Jobs completed went from 453 in January (\$33.9 million) to 549 in February (\$38.3 million).

It is anticipated that 99 jobs worth \$10.6 million will remain in a works in progress or not started status at the end of the financial year. This is due to the projects being:

- multi-year projects
- divisional allocation funds not yet allocated and
- whole of region emergent works not yet allocated.

Investment Performance & Cash Holdings

Council's investment portfolio remains within the guidelines established under the Investment Policy.

For the month ending 29 February 2016 Council had \$372.0 million in investment cash (excluding Trust Fund) with an average interest rate of 3.04%, being 0.74% above benchmark.

Comparing these results to the same period last year, Council held \$307.6 million in cash (excluding Trust Fund) and the average interest rate was 2.8%, being 0.63% above benchmark.

The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill Index (BAUBIL) and the Bank Bill Swap Rate (BBSW) for term deposits.

Table 7: Cash Flow variances as at 29 February 2016

Net Cash Flows	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Operating Activities	138,416	165,469	27,053	0.2
Investing Activities	(81,682)	(67,126)	14,556	(0.2)
Financing Activities	(13,746)	(13,746)	-	-
Closing Cash Balance	330,374	371,983	41,609	0.1

The financial ledger cash balance at the end of February 2016 was \$372.0 million, which was \$41.6 million above forecasted cash holdings. This higher cash holding is made up of lower

than anticipated spend on capital and operating projects and higher than anticipated revenues.

Legal

This report ensures that Council complies with its legislative obligations with respect to financial reporting in accordance with Section 204 of the *Local Government Regulation 2012*.

Investment of funds is in accordance with the provisions of the *Statutory Bodies Financial Arrangements Act 1982* and the associated Regulations and the *Local Government Act 2009*.

Policy

Council's 2015/16 Investment Policy, 2015/16 Debt Policy, 2015/16 Revenue Policy and Revenue Statement.

Corporate Services Credit Accounts, Debt Collection and Write Off Policy.

Risk

Failure to achieve the budgeted operating result will negatively impact Council's capacity to complete its capital expenditure program.

Previous Council Resolution

Special Meeting Budget 25 June 2015, Council adopted the 2015/2016 Budget - Council Resolution (SM15/20)

That Council:

- (a) *receive and note the report titled "Adoption of the 2015/2016 Budget and Forward Estimates for the 2016/2017 to 2024/2025 Financial Years"*
- (b) *adopt the 2015/2016 Capital Works Program, endorse the indicative four-year program for the period 2016/2017 to 2019/2020, and note the five-year program for the period 2020/2021 to 2024/2025 (Appendix A) and*
- (c) *adopt the 2015/2016 Budget Schedules (Appendix B) including Forward Estimates.*

Ordinary Meeting 17 September 2015, Council adopted the Budget Review 1 2015/16 (OM15/151)

That Council:

- (a) *receive and note the report titled "Budget Review 1 2015/16"*
- (b) *adopt the amended 2015/16 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A)*
- (c) *establish a Natural Disaster Restricted Cash Component of \$5 million, funded from the 2014/15 operating result and*
- (d) *in addition to (b) and (c), amend the budget to include the sum of \$90,000 in 2015/16 budget for Caloundra Skate Park as part of the Aquatic Centre complex.*

Ordinary Meeting 28 January 2016, Council adopted the Budget Review 2 2015/16 (OM16/3)

That Council:

- (a) *receive and note the report titled "Budget Review 2 2015/16" and*
- (b) *adopt the amended 2014/15 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A).*

Ordinary Meeting 28 January 2016, Council adopted the Mary Cairncross Scenic Reserve Building Renewal Project – Construction Funding (OM16/8)

That Council:

- (a) *receive and note the report titled “**Mary Cairncross Scenic Reserve Building Renewal Project - Construction Funding**”, including the artists impressions for the final design*
- (b) *note the Queensland Tourism Infrastructure Fund \$1 million funding offer and the associated funding agreement conditions stating that Council is required to provide evidence on or before 31 January 2016 that it has (or has secured) sufficient funding (in addition to the Grant) required to complete the Activity and entering into a building contract with the successful tenderer on or before 15 March 2016*
- (c) *authorise the Chief Executive Officer to enter into contract with the successful tenderer*
- (d) *endorse the bringing forward of \$2,768,650 from 2017/18 – 2020/21 to the 2016/17 capital forecasts for the Environmental Visitor Education Facilities Sub Program to bring the budget to \$3,218,650 for approval during the 2016/17 budget adoption and*
- (e) ***note that there is a proposed increase in the 2015/16 adopted capital budget for the Environmental Visitor Education Facilities Sub Program of \$266,350 as part of Budget Review 2***
- (f) *allocate a maximum of \$20,000 from existing budgets for twelve months commencing March 2016 to assist in the establishment of temporary facilities to provide continuity in the provision of hospitality services at the reserve during the demolition and construction phase of the building renewal project.*

Related Documentation

There is no related documentation for this report.

Critical Dates

There are no critical dates for this report.

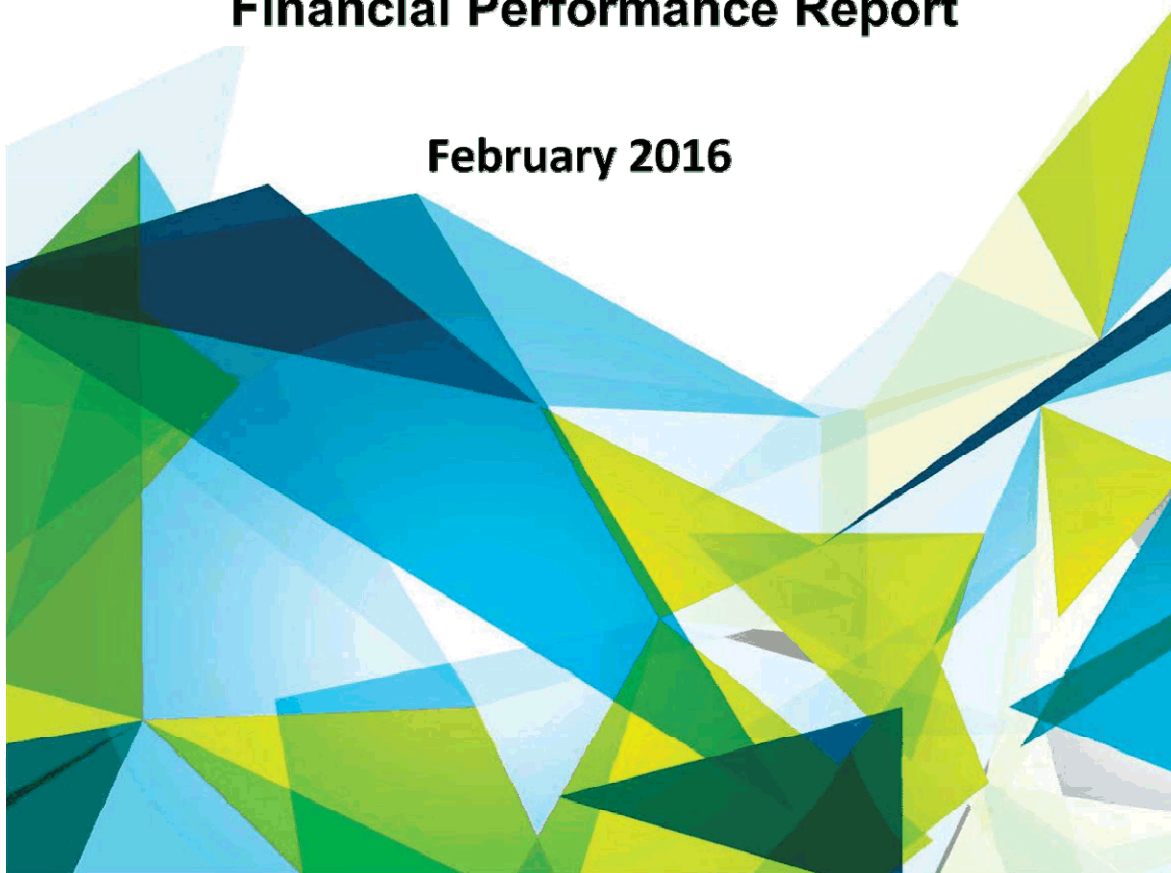
Implementation

There are no implementation details to include in this report.



Financial Performance Report

February 2016



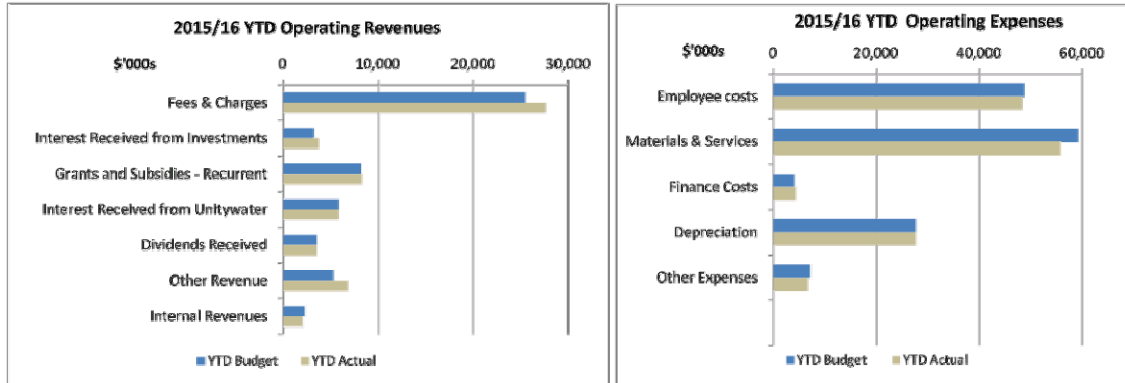
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February 2016 Financial Performance Report

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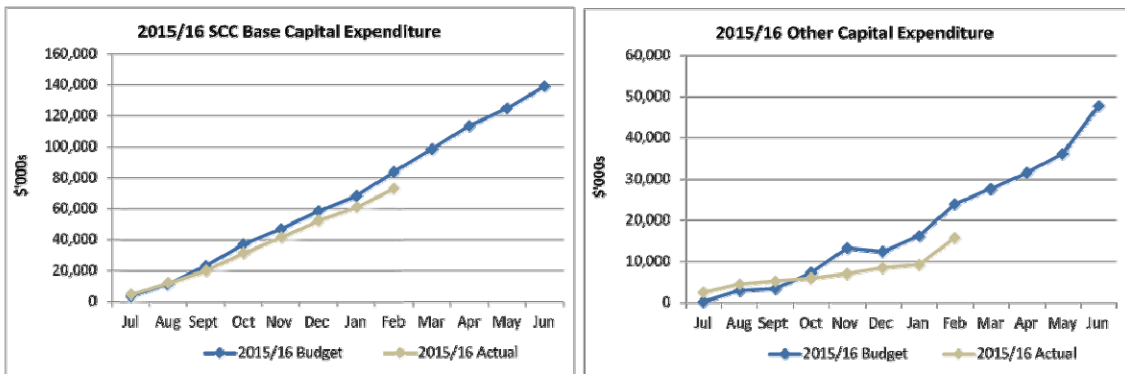
FINANCIAL PERFORMANCE REPORT February 2016
HEADLINE - OPERATING

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	386,107	395,974	337,623	341,743	4,120	1.2%
Operating Expenses	364,650	371,661	240,219	234,656	(5,563)	(2.3%)
Operating Result	21,457	24,313	97,404	107,087	9,683	9.9%
NET Result	62,975	126,281	165,580	168,293	2,713	1.6%



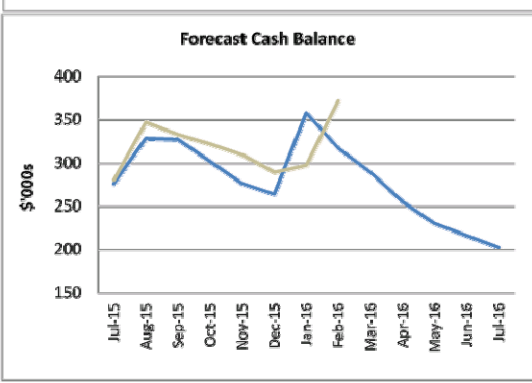
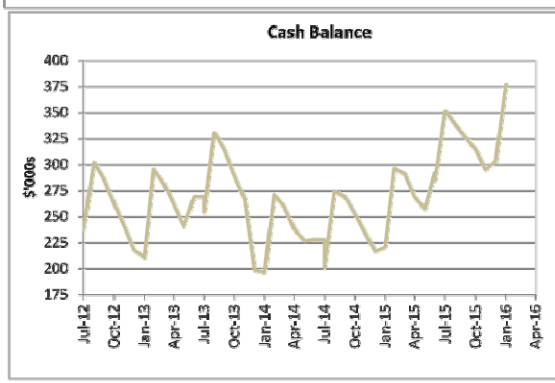
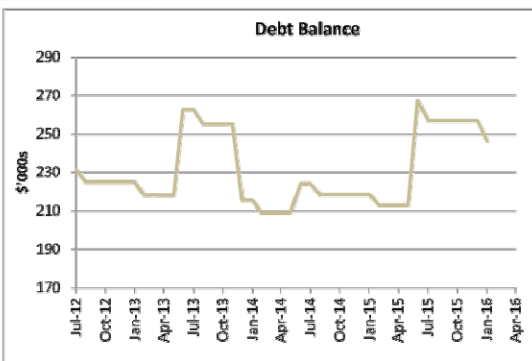
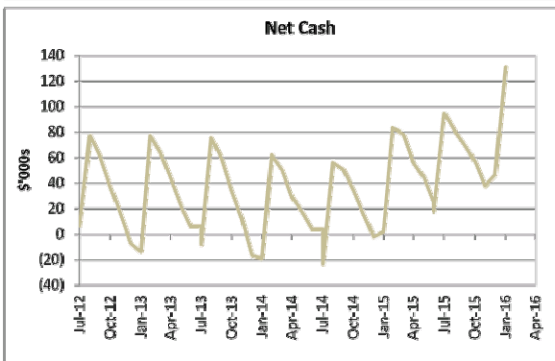
HEADLINE - CAPITAL

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Capital Revenue	41,518	101,968	68,176	61,206	6,970	
Other Capital Revenues	111,768	111,903	51,248	46,332	4,917	
Total Capital Revenues	153,286	213,871	119,424	107,538	11,887	
Capital Works Expenditure	183,368	186,649	107,617	88,442	19,175	(17.82%)
Other Capital Expenditure	40,156	83,156	31,948	54,864	(22,917)	
Total Capital Expenditure	223,524	269,804	139,565	143,306	(3,742)	
Funds from General Reserve	70,238	55,933	20,140	35,769	(15,629)	



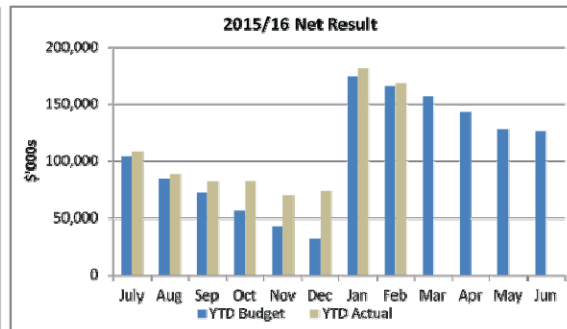
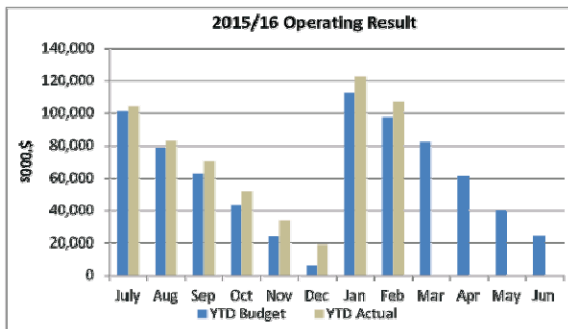
FINANCIAL PERFORMANCE REPORT February 2016
HEADLINE - CASH AND BALANCE SHEET

	Annual		YTD		
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	Forecast Budget \$000s	Variance \$000s
CASH FLOWS					
Opening Cash	229,692	287,386	287,386	287,386	0
Net Cash Inflow/(Outflows) from:					
Operating Activities	71,561	100,195	165,469	138,416	27,053
Investing Activities	(153,590)	(151,505)	(67,126)	(81,682)	14,556
Financing Activities	29,181	27,488	(13,746)	(13,746)	0
Net Increase/(decrease) in Cash Held	(52,848)	(23,822)	84,597	42,988	41,609
Cash at year end	176,844	263,564	371,983	330,374	41,609
BALANCE SHEET					
Current Assets	223,040	251,180	413,619		
Non Current Assets	4,471,353	4,814,052	4,592,112		
Total Assets	4,694,394	5,065,233	5,005,731		
Current Liabilities	92,112	94,668	78,142		
Non Current Liabilities	311,641	310,037	288,104		
Total Liabilities	403,753	404,705	366,246		
Net Community Assets/ Total Community Equity	4,290,641	4,660,528	4,639,485		



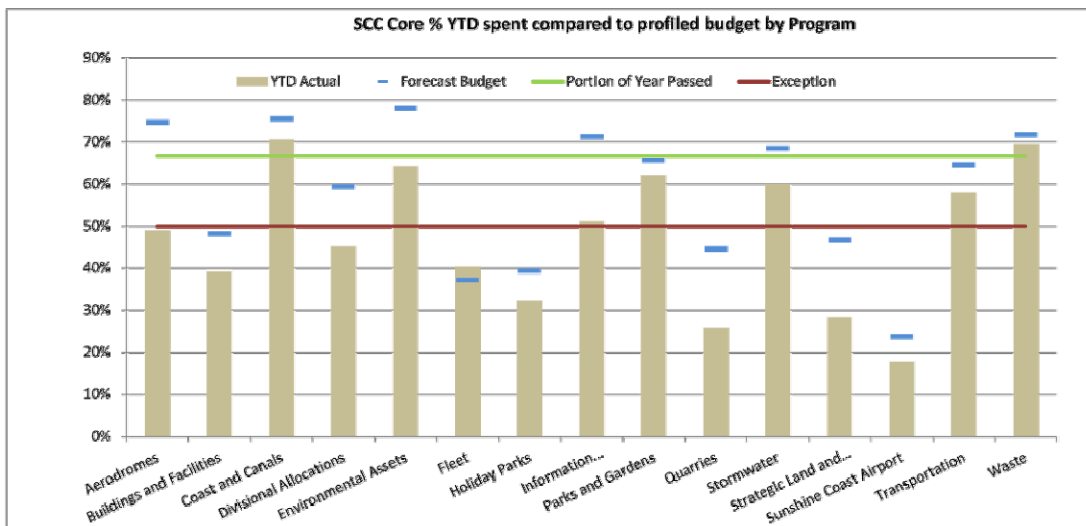
Item 8.2.1 February 2016 Financial Performance Report
February 2016 Financial Performance Report

FINANCIAL PERFORMANCE REPORT							February 2016
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							
Net Rates and Utility Charges	243,381	244,090	239,582	240,836	1,254	0.5%	244,090
Fees and Charges	54,733	59,878	42,002	44,059	2,057	4.9%	59,878
Interest Received from Investments	7,700	8,530	5,953	6,077	124	2.1%	8,530
Operating Grants and Subsidies	11,946	12,115	10,190	10,403	213	2.1%	12,115
Operating Contributions	696	1,136	770	719	(51)	(6.6%)	1,136
Interest Received from Unity Water	23,933	23,933	11,645	11,642	(3)	(0.0%)	23,933
Dividends Received	26,162	26,162	13,536	13,307	(229)	(1.7%)	26,162
Other Revenue	11,132	13,673	10,265	10,979	714	7.0%	13,673
Internal Sales/Recoveries	6,424	6,458	3,678	3,720	42	1.1%	6,458
Community Service Obligations	(0)	(0)	0	0	(0)	(100.0%)	(0)
Other Capital Revenue	0	0	0	0	0	0.0%	0
Total Operating Revenue	386,107	395,974	337,623	341,743	4,121	1.2%	395,974
Operating Expenses							
Employee Costs	121,667	123,264	81,104	80,591	(513)	(0.6%)	123,264
Materials and Services	148,334	152,081	96,404	91,074	(5,329)	(5.5%)	152,081
Internal Materials and Services	(0)	0	0	0	0	0.0%	0
Finance Costs	9,505	9,618	6,355	6,833	477	7.5%	9,618
Company Contributions	1,218	1,218	1,218	1,218	0	0.0%	1,218
Depreciation Expense	67,058	66,773	44,442	44,453	10	0.0%	66,773
Other Expenses	16,868	18,706	10,696	10,488	(208)	(1.9%)	18,706
Competitive Neutrality Adjustments	0	0	0	0	(0)	(100.0%)	0
Total Operating Expenses	364,650	371,661	240,219	234,656	(5,563)	(2.3%)	371,661
Operating Result	21,457	24,313	97,404	107,087	9,683	9.9%	24,313
Capital Revenue							
Capital Grants and Subsidies	4,894	11,343	4,048	4,390	342	8.5%	11,343
Capital Contributions - Cash	12,000	23,000	19,003	22,586	3,583	18.9%	23,000
Capital Contributions - Fixed Assets	24,624	67,624	45,125	34,230	(10,895)	(24.1%)	67,624
Total Capital Revenue	41,518	101,968	68,176	61,206	(6,970)	(10.2%)	101,968
Net Result	62,975	126,281	165,580	168,293	2,713	1.6%	126,281



Item 8.2.1 February 2016 Financial Performance Report
February 2016 Financial Performance Report

FINANCIAL PERFORMANCE REPORT							February 2016
CAPITAL EXPENDITURE							
Capital Works Program	Annual		YTD			% of FY budget spent	YTD Variance \$000s
	Current Budget \$000s	Forecast Budget \$000s	Budget \$000s	Actuals \$000s	Variance on YTD budget		
Aerodromes	548	548	410	269	-34.5%	49.0%	(141)
Buildings and Facilities	8,781	8,746	4,219	3,428	-18.8%	39.0%	(791)
Coast and Canals	2,067	2,042	1,542	1,441	-6.6%	69.7%	(101)
Divisional Allocations	3,115	3,560	2,141	1,628	-24.0%	52.3%	(513)
Environmental Assets	1,523	1,669	1,131	929	-17.9%	61.0%	(202)
Fleet	3,935	3,935	1,463	1,589	8.6%	40.4%	126
Holiday Parks	791	792	312	256	-17.8%	32.4%	(56)
Information Technology	5,192	5,032	3,699	2,654	-28.3%	51.1%	(1,046)
Parks and Gardens	15,563	15,328	10,034	9,492	-5.4%	61.0%	(542)
Quarries	496	496	221	128	-42.0%	25.9%	(93)
Stormwater	6,478	6,802	4,663	4,086	-12.4%	63.1%	(577)
Strategic Land and Commercial Properties	11,340	11,540	5,395	3,258	-39.6%	28.7%	(2,137)
Sunshine Coast Airport	6,886	5,792	1,631	1,217	-25.4%	17.7%	(414)
Transportation	64,466	63,796	41,206	36,962	-10.3%	57.3%	(4,244)
Waste	7,818	7,818	5,608	5,423	-3.3%	69.4%	(185)
Total SCC Core Capital Program	138,997	137,895	83,676	72,759	-13.0%	52.8%	(10,917)
Corporate Major Projects	2,500	100	57	41	-28.1%	1.6%	(16)
Maroochydore City Centre - Council delivery	9,904	9,304	3,379	6,111	80.8%	61.7%	2,732
Maroochydore City Centre - SunCentral delivery	24,156	7,754	15,074	3,049	-79.8%	12.6%	(12,025)
Solar Farm	9,866	9,866	5,022	5,995	19.4%	60.8%	972
Sunshine Coast Airport Runway	1,225	1,225	408	487	19.3%	39.7%	79
Total Region Making Capital Program	47,652	28,250	23,941	15,683	-34.5%	55.5%	(8,258)
TOTAL	186,648	166,145	107,617	88,442	-17.8%	53.2%	(19,175)



Project summary by Job status (SCC Base only)	Number of Capital Jobs	%	Current Budget \$000	%
Not Started	49	3.7%	2,888	2.1%
Works in Progress	689	51.7%	94,377	67.9%
Complete	549	41.2%	38,316	27.6%
On Hold	46	3.5%	3,417	2.5%
Total	1,333		138,997	

FINANCIAL PERFORMANCE REPORT February 2016
INVESTMENT PERFORMANCE

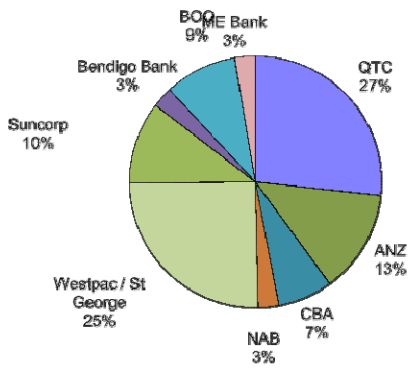
Liquidity as at:		29/02/2016	
		\$'000's	
At-call accounts			
QTC + CBA (excl. trust)	\$122,038	32.33%	
Maturities within 7 days	\$10,000	2.65%	
Total at-call	\$132,038	34.98%	
Investment Policy Target		10.00%	

Term deposits maturing:		
	\$'000's	Count
within 30 days	\$40,000	4
30-59 days	\$40,000	4
60-89 days	\$40,000	4
90-179 days	\$115,000	12
180-364 days	\$15,000	2
1 year - 3 years	\$0	0
Total	\$250,000	26

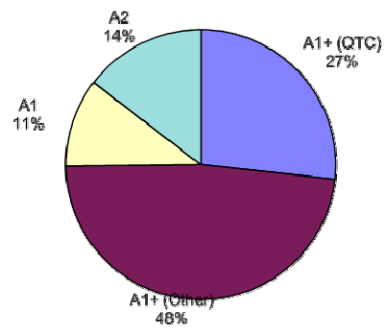
INVESTMENT SUMMARY (including Trust) as at:						Investment Policy		
	29/02/2016		30/11/2015		28/02/2015		Individual Limit	Group Limits
	\$,000		\$,000		\$,000			
A1+ (QTC)	\$100,855	26.7%	\$88,310	28.0%	\$132,541	43.1%	100%	100%
A1+ (Other)	\$181,597	48.1%	\$166,707	52.9%	\$105,082	34.2%	35%	100%
A1	\$40,000	10.6%	\$20,000	6.3%	\$30,000	9.8%	30%	40%
A2	\$55,000	14.6%	\$40,000	12.7%	\$40,000	13.0%	15%	35%
Total Funds	\$377,453		\$315,017		\$307,622			
FUND SUMMARY								
General Funds	\$372,038		\$310,598		\$303,414			
Trust Funds	\$5,414		\$4,419		\$4,209			
Total Funds	\$377,452		\$315,017		\$307,622			

Investment Portfolio

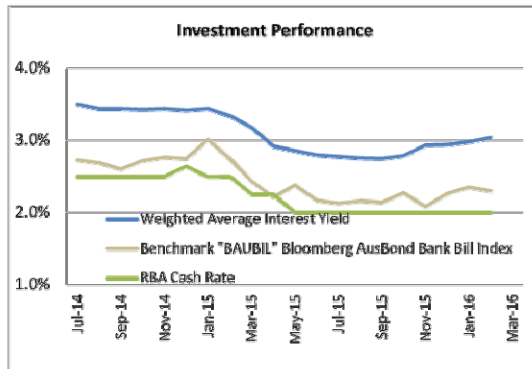
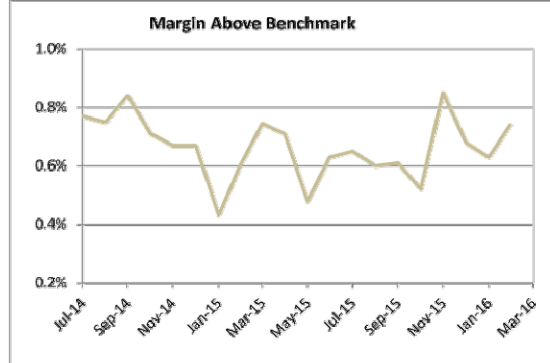
Investment per financial institution (%)



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



Investment Performance



APPENDIX A

CAPITAL WORKS PROGRAM

For the period ending 30 June 2016

TOTAL SUNSHINE COAST COUNCIL

		Current Budget 2016 \$000	Adjustments 2016 \$000	Revised Budget 2016 \$000
Sunshine Coast Council Base Capital Program				
BUILDINGS & FACILITIES	Community Facilities	5,675	(35)	5,640
	Corporate Buildings	3,106	-	3,106
BUILDINGS & FACILITIES Total		8,781	(35)	8,746
COAST AND CANALS	Coast, Canals and Waterways	2,067	(25)	2,042
COAST AND CANALS Total		2,067	(25)	2,042
DIVISIONAL ALLOCATIONS	Divisional Allocation	3,115	445	3,560
DIVISIONAL ALLOCATIONS Total		3,115	445	3,560
ENVIRONMENTAL ASSETS	Environmental Tracks Trails and Infrastructure	724	(75)	649
	Environmental Visitor and Education Facilities	799	221	1,020
ENVIRONMENTAL ASSETS Total		1,523	146	1,669
FLEET	Plant Replacement	3,935	-	3,935
FLEET Total		3,935	-	3,935
PARKS AND GARDENS	Beach Accesses & Dunal Areas Development	328	(64)	264
	Cemeteries	118	12	130
	LGIP Recreation Parks	2,353	8	2,361
	LGIP Sports Facilities	3,730	32	3,762
	Recreation Park and Landscape Amenity	5,899	45	5,944
	Recreational Sports Facilities	2,386	(218)	2,168
	Recreational Tracks & Trails	748	(50)	698
PARKS AND GARDENS Total		15,563	(235)	15,328
STORMWATER	LGIP Stormwater	1,369	-	1,369
	Stormwater Management	4,616	-	4,616
	Stormwater Quality Management	493	324	817
STORMWATER Total		6,478	324	6,802
TRANSPORTATION	Bridges	4,208	-	4,208
	Car parks	545	71	616
	Gravel Road Network	4,916	(83)	4,833
	Pedestrian & Cyclist Enabling Facilities	1,108	42	1,150
	LGIP Active Transport	3,177	132	3,309
	LGIP Transportation	15,900	(251)	15,649
	Public Transport Infrastructure	1,778	-	1,778
	Reseals and Rehabilitation	21,115	-	21,115
	Road Safety	720	-	720
	Sealed Road Network	3,180	(190)	2,990
	Strategic Pathway & On Road Cycle Networks	1,063	(210)	853
	Street lighting	231	(101)	130
	Streetscapes - Corridors	265	-	265
	Streetscapes - Local Centres	1,219	-	1,219
	Streetscapes - Major Centres	3,367	-	3,367
	Transport Management	350	-	350
	Transport Renewals	1,326	(80)	1,246
TRANSPORTATION Total		64,466	(670)	63,796
INFORMATION COMMUNICATION TECHNOLOGY	Information Communication Technology	5,192	(159)	5,032
INFORMATION COMMUNICATION TECHNOLOGY Total		5,192	(159)	5,032
STRATEGIC LAND & COMMERCIAL PROPERTIES	Environmental Land	3,250	-	3,250
	Land Re-Development	316	-	316
	LGIP Transport Corridors	5,981	-	5,981
	LGIP Social Land	266	-	266
	Commercial Property	150	-	150
	Strategic Land, Economic Development & Innovation	1,377	200	1,577
STRATEGIC LAND & COMMERCIAL PROPERTIES Total		11,340	200	11,540

APPENDIX A

CAPITAL WORKS PROGRAM

For the period ending 30 June 2016

TOTAL SUNSHINE COAST COUNCIL

		Current Budget 2016 \$000	Adjustments 2016 \$000	Revised Budget 2016 \$000
AERODROMES	Caloundra Aerodrome - Airside	186	-	186
	Caloundra Aerodrome - Landside	362	-	362
AERODROMES Total		548	-	548
SUNSHINE COAST AIRPORT	Airside	1,369	(97)	1,272
	Landside	5,517	(996)	4,521
SUNSHINE COAST AIRPORT Total		6,886	(1,093)	5,792
HOLIDAY PARKS	Holiday Parks	791	1	792
HOLIDAY PARKS Total		791	1	792
QUARRIES	Quarries	496	-	496
QUARRIES Total		496	-	496
WASTE	Waste Avoidance and Minimisation	412	(15)	397
	Waste Collection	877	-	877
	Waste Disposal	6,528	15	6,543
WASTE Total		7,818	-	7,818
Total Sunshine Coast Council Core Capital Program		138,997	(1,102)	137,895
STREETLIGHTING	Streetlighting	-	100	100
PALMVIEW	Sealed Road Network	2,500	(2,500)	-
CORPORATE MAJOR PROJECTS Total		2,500	(2,400)	100
Region Making Capital Program				
SCC DELIVERY	Multiple Sub Programs	9,904	(600)	9,304
SUNCENTRAL DELIVERY	Multiple Sub Programs	24,156	(16,401)	7,754
MAROOCHYDORE PRIORITY DEVELOPMENT AREA Total		34,060	(17,001)	17,059
SOLAR FARM Total		9,866	-	9,866
SUNSHINE COAST AIRPORT RUNWAY TOTAL		1,225	-	1,225
Total Region Making Capital Program		45,152	(17,001)	28,150
Total Capital Works Program		186,648	(20,503)	166,145