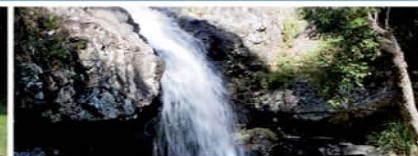


# FINANCIAL PERFORMANCE REPORT



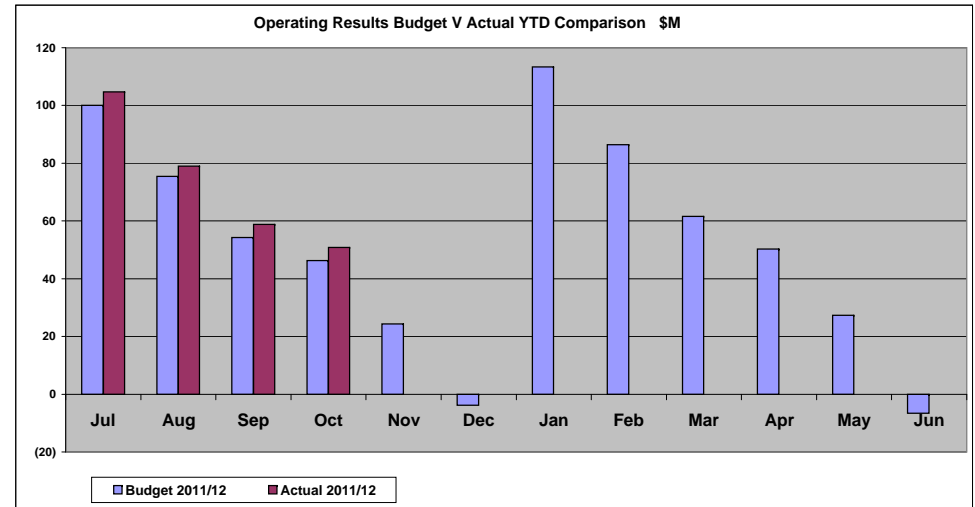
**October 2011**



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SUMMARY OPERATING STATEMENT						
For the Period Ending 31 October 2011						
	Annual Original Budget \$000s	Annual Current Budget \$000s	YTD Current Budget \$000s	YTD Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	418,968	419,038	179,791	180,633	842	0.5%
Operating Expenses	335,519	344,537	106,343	102,674	(3,669)	(3.4%)
Interest Expense	12,495	12,495	4,307	4,262	45	(1.0%)
Depreciation	68,620	68,613	22,873	22,873	(0)	0.0%
Operating Surplus/(Deficit)	2,334	(6,607)	46,268	50,823	4,555	4.7%
Transfer from Reserves	18	9,113	9,113	9,113	0	0.0%
Transfer to Reserves	(352)	(352)	(352)	(352)	0	0.0%
Balance	2,000	2,154	55,029	59,584	4,555	8.3%



**Operating Net Result**

Council's financial results at 31 October 2011 show the organisation tracking closely to budget with a \$4.5 million better than forecasted operating position against the year to date budget. With the 2010/2011 carry-over works being loaded into the 2011/2012 Budget as part of Budget Review 1, the end year result is an operating deficit of \$6.6 million

The 31 October 2011 operating surplus variation of \$4.5 million is made up of higher than budgeted operating revenues of \$0.8 million and lower than anticipated expenses of \$3.7 million.

Reduced revenues and associated decreased expenditure in Waste Management Services are due to a reduction in budgeted volumes of commercial services. This reflects the continuing suppressed commercial market as a result of GFC impacts, successful penetration of Waste's recycling education program, and aggressive market competition. Adjustments will be incorporated into the next Budget Review

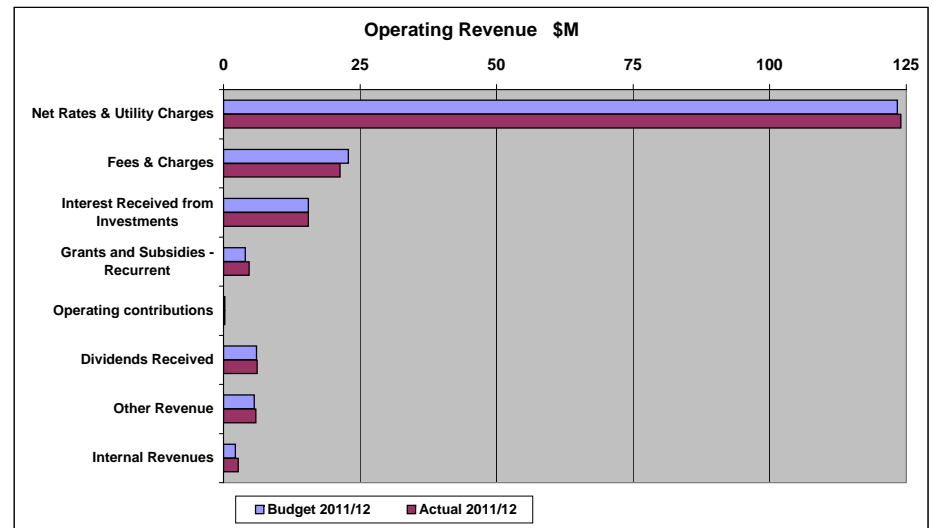
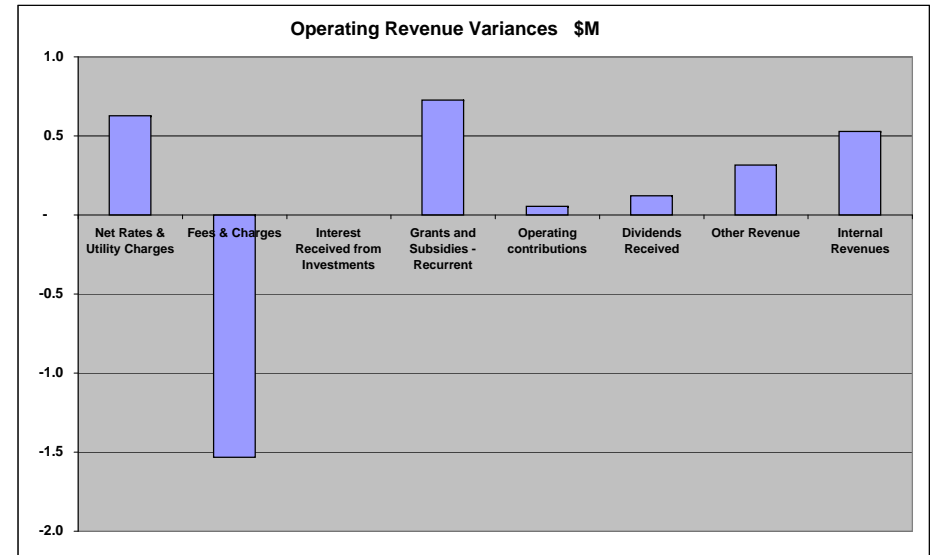
**Operating Revenue**

At 31 October 2011, operating revenues are very closely aligned to budget being \$842,000 or 0.5% over budget.

Embedded in the Net Rates and Utility Charges positive budget variation of \$627,000, general rates are over budget by \$1.012m (prepaid rates), interest over budget by \$147,000, and waste charges are under budget by \$807,000 with this variation within waste charges offset by lower than anticipated expenditure within the unit.

These favourable variations in revenue streams are being offset by a decrease in fees and charges, which are under budget by \$1.5m YTD. \$1.2m of this shortfall in revenue is from a decrease in Development Application Fees. Other fees and charges are also down including property searches and waste fees

Revenue streams will be adjusted as part of the budget review process.



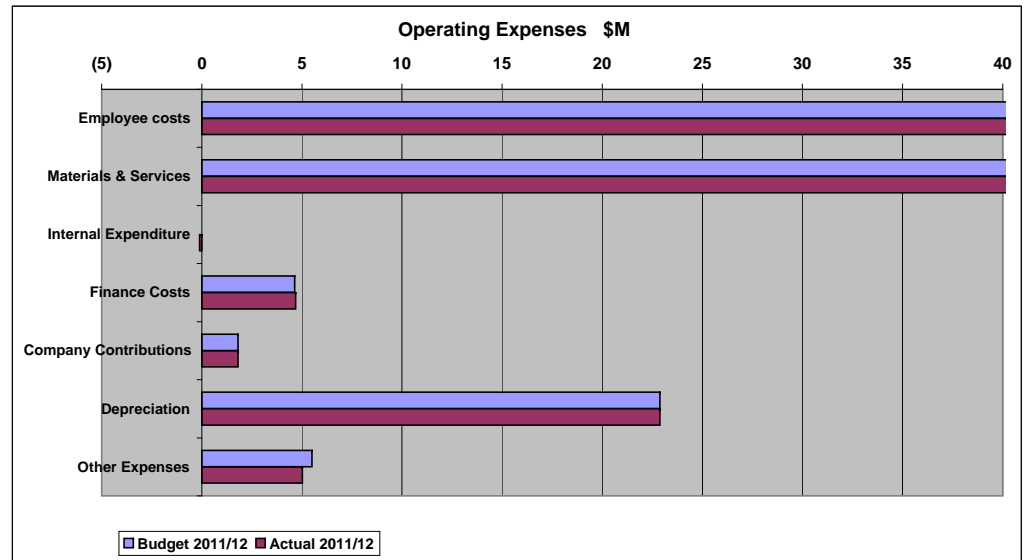
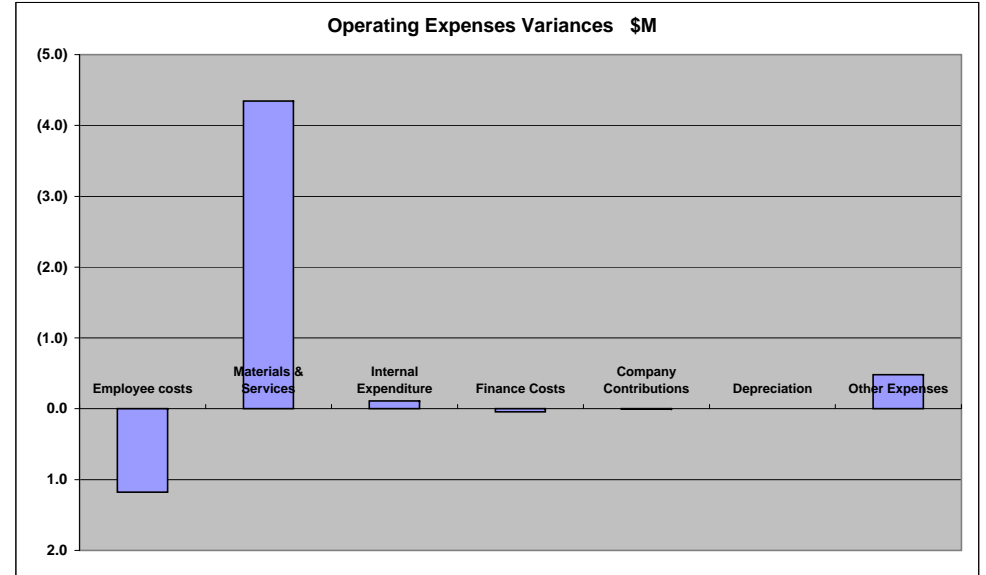
**Operating Expenses**

At 31 October 2011, operating expenses were \$3.7 million or 3.4% under budget with the main contributing factor being a positive variation within materials and services of \$4.5 million.

Spend on materials and services is down by \$4.3m. Of note is the \$2.4m underspend in Waste Management related to reduction in budgeted volumes of commercial services which has also impacted on revenue levels. The remaining underspend is spread across the various departments.

Labour is currently overspent by \$1.2m or 2.6%, which is being driven by VAST savings not yet achieved.

There are no other operating expenditure issues at 31 October 2011.



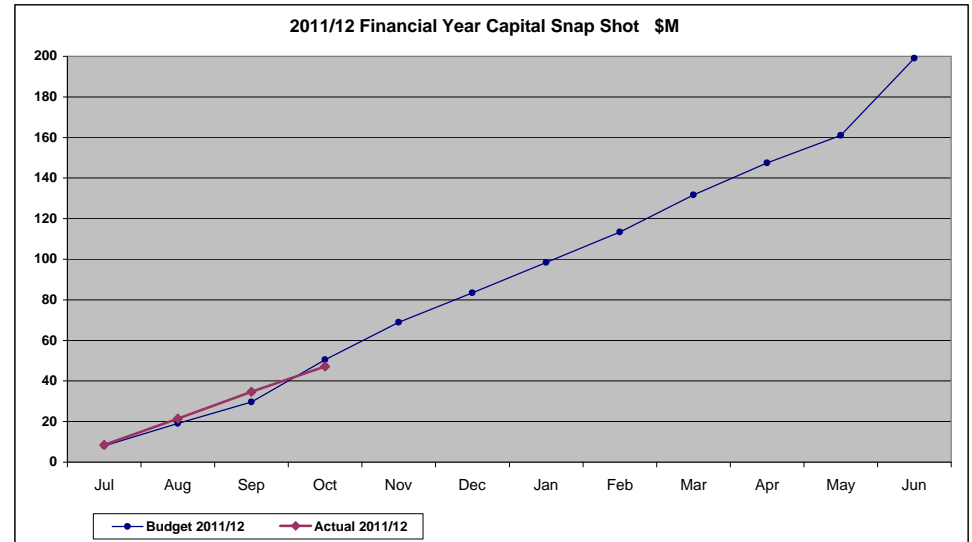
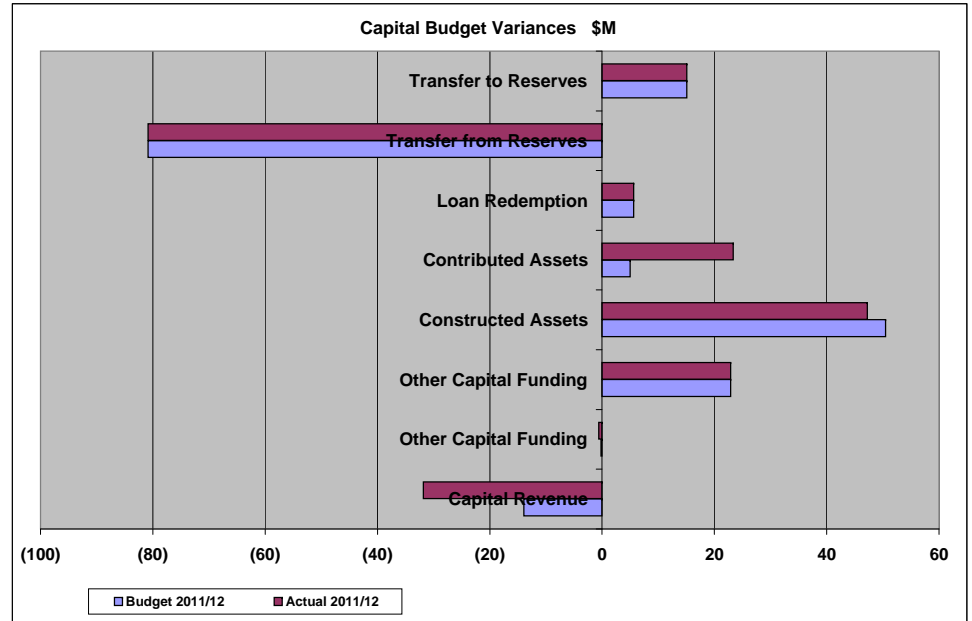
SUMMARY CAPITAL STATEMENT For the Period Ending 31 October 2011						
Annual Original Budget \$000s	Annual Current Budget \$000s	YTD Current Budget \$000s	YTD Actuals \$000s	Variance \$000s	Variance %	
Operating Contribution / Shortfall	2,000	2,154	55,029	59,584	4,555	8.3%
Capital Revenue	(45,646)	(52,143)	(13,933)	(31,849)	(17,916)	128.6%
Other Capital Funding	(110,508)	(110,508)	(23,074)	(23,445)	(372)	1.6%
Constructed Assets	189,732	199,126	50,494	47,219	(3,275)	(6.5%)
Contributed Assets	20,000	20,000	5,000	23,350	18,350	367.0%
Loan Redemptions	11,473	11,473	5,610	5,610	0	0.0%
Net Capital Result	63,051	65,793	(30,931)	(38,700)	(7,768)	25.1%
Transfer from Reserves	(78,130)	(80,872)	(80,872)	(80,872)	0	0.0%
Transfer to Reserves	15,079	15,079	15,079	15,079	0	0.0%
Balance	(0)	(0)	(96,724)	(104,493)	(7,768)	0.0%

**Capital Net Result**

At 31 October 2011, \$47.2 million or 23.7% of council's \$199.0 million 2011/2012 capital works program was financially complete.

October has been a slower than expected month for capital expenditure, resulting in a \$3.3 million underspend as at 31 October 2011.

The transportation program whilst currently underspent by \$4.9m still reflects expenditure of 38% of the full year budget. The cash flow profiling of this program is currently being reviewed as part of the Budget Review 2 process.



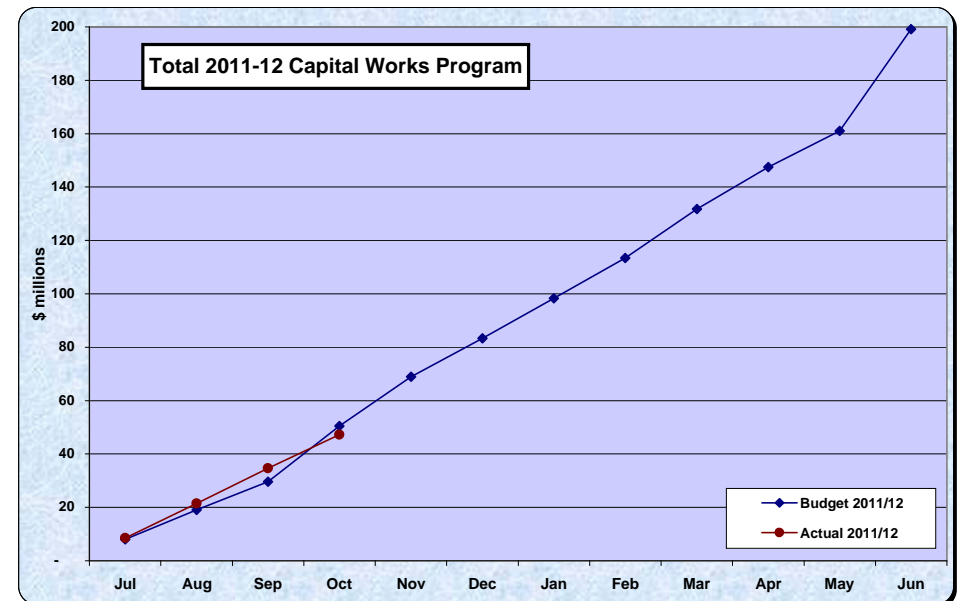
**Capital Expenditure**

AT 31 October 2011, \$47.2 million or 23.7% of council's \$199.0 million 2011/2012 capital works program was financially complete.

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Program	Original Budget \$000s	Current Budget \$000s	Year to Date Actual \$000s	% of Annual Budget Spent
Transportation	63,797	61,150	23,120	37.8%
Strategic Land & Comm Properties	43,942	47,120	4,060	8.6%
Buildings and Facilities	15,329	15,147	2,209	14.6%
Parks and Gardens	14,346	15,598	3,952	25.3%
Coast and Canals	5,720	5,651	1,766	31.3%
Stormwater	5,697	5,832	3,437	58.9%
Information Technology	5,455	7,044	2,159	30.6%
Fleet	3,900	4,051	724	17.9%
Divisional Allocations	3,169	4,384	884	20.2%
Environmental Assets	1,274	1,932	707	36.6%
Aerodromes	450	450	0	0.1%
Waste	13,272	13,678	2,624	19.2%
Sunshine Coast Airport	7,211	9,713	632	6.5%
Quarries	3,565	3,565	23	0.6%
SC Holiday Parks	2,605	3,810	922	24.2%
<b>TOTAL</b>	<b>189,732</b>	<b>199,126</b>	<b>47,219</b>	<b>23.7%</b>



<b>Monthly Budget Amendments - Operating</b>	
<b>Month:</b>	<b>October 2011</b>

Reference	Branch	Operation/Job number & Name	Description	Income & Expense Stmt Line	Amount Dr/(Cr) \$000
IS0401	16 - Fleet Management	O.11516 - Unitywater Clearing Account	reallocate revenue budget	103 - Fees and charges	250
IS0401	93 - Building & Facilities	O.11168 - BM Building & Facilities Servcies	reallocate revenue budget	107 - Other revenue	(125)
IS0401	17 - Environemntal Operations	O.17031 - Plantation Rise	reallocate revenue budgets	107 - Other revenue	(120)
IS0401	17 - Environemntal Operations	O.16926 - Natural Areas Operations	reallocate revenue budgets	107 - Other revenue	(5)
CS0401	51 - Executive Director Community Services	35020 - Community Services Administration	Fund new approved positions	112 - Goods and services	(64)
CS0401	51 - Executive Director Community Services	35020 - Community Services Administration	Fund new approved positions	138 - Other Expenses	(13)
CS0401	87 - Customer Relations	29004 - Media & Public Relations	Fund new approved positions	111 - Employee costs	77
		14600 - Main Roads RMPC		115 - Internal Goods and Services	
IS0402	13 - Civil Works Services		Reallocation if internal charge		(30)
		35202 - Maroochy Multi-Sports Complex		115 - Internal Goods and Services	
IS0402	35 - Community Facilities		Reallocation if internal charge		30
CS0402	35 - Community Facilities	56200 - Sunshine Coast Events Centre	Recognise increased revenue & expense	107 - Other revenue	(30)
CS0402	35 - Community Facilities	56200 - Sunshine Coast Events Centre	Recognise increased revenue & expense	112 - Goods and services	30
CS0403	87 - Customer Relations	29004 - Media & Public Relations	Tfr from Exec Office to fund new Social Media	111 - Employee costs	39
CS0403	83 - Executive Office	29005 - Marketing & Communication Strategy	Tfr to Customer Relations to fund new Social Media	111 - Employee costs	(39)
		11168 - BM Building and Facilities Services		115 - Internal Goods and Services	
IS0402	93 - Building & Facilities		Transfer plant 4887 budget (Forklift)		(10)
		11800 - Supply Operations Unit		115 - Internal Goods and Services	
IS0402	59 - Commercial & Procurement		Transfer plant 4887 budget (Forklift)		10
IS0403	13 - Civil Works Services	15035 - Asset Management Services Manager	Transfer IT Equipment budget C072078	138 - Other Expenses	(1)
IS0403	33 - Human Resources	55541 - Unit Mgt Health and Safety	Transfer IT Equipment budget C072078	138 - Other Expenses	1
IS0404	13 - Civil Works Services	15075 - Caloundra O&M	Transfer IT Equipment budget C101043	138 - Other Expenses	(0)
IS0404	27 - Executive Director - Finance & Business	50067 - Executive Director Finance & Business	Transfer IT Equipment budget C101043	138 - Other Expenses	0
IS0405	13 - Civil Works Services	14181 - Signs Inc	Transfer IT Equipment budget C101062	138 - Other Expenses	(0)
IS0405	54 - Information Communication Technology Services	37035 - Business Support	Transfer IT Equipment budget C101062	138 - Other Expenses	0
IS0406	13 - Civil Works Services	15065 - Landsborough and Maleny O&M	Transfer IT Equipment budget C101153	138 - Other Expenses	(0)
IS0406	43 - Director Development Services	40301 - BM Operational Works Assessment	Transfer IT Equipment budget C101153	138 - Other Expenses	1
CS0404	36 - Community Development	37643 - 09-10 Capital Funding Respite	Reallocate budget to capital	112 - Goods and services	(151)
<b>Total Increase / Decrease to Operating Program for Period</b>					<b>(151)</b>



Monthly Budget Amendments - Capital	
Month:	October 2011

Reference	PROGRAM	SUB-PROGRAM	JOB NUMBER	JOB NUMBER DESCRIPTION	Amount Dr/(Cr)
					\$'000
<b>REALLOCATIONS PER DELEGATED AUTHORITY</b>					
CS0404	1 - Infrastructure Services	16 - Fleet Management	A4101	Replace Fleet - Plant Vehicles	151
Sub-Total					151
<b>COUNCILLOR ALLOCATIONS (Budget under Sealed Road Network with Projects belonging in other Sub-Programs)</b>					
	Divisional Allocations	Minor Emergent Works	A0811	10/11 Councillor Emerg Capital - Div 11	(6)
	Divisional Allocations	Local Parks	A9931	Noosa Woods Noosa Heads - power supply	6
	Divisional Allocations	Local Parks	A5319	Skippy Park Master Plan Implementation	(4)
	Parks and Gardens	PIP Sports Facilities	A6524	Skippy Park Master Plan implementation	4
	Divisional Allocations	Minor Emergent Works	A0723	11/12 Councillor Minor OP Works - Div 10	(5)
	Divisional Allocations	Local Parks	A9952	Memorial Ave Eumundi - bollards	5
	Divisional Allocations	Local Parks	A7596	Graham Stuart Park Currimundi Lscape Design & Imp	(9)
	Parks and Gardens	Recreation Parks & Landscape Amenity	A9345	Graham Stewart Pk Currimundi-Rehab Fence	9
	Divisional Allocations	Local Parks	A7807	Paluma Pk Buderim Site Analysis Detail Design	(16)
	Parks and Gardens	Recreation Parks & Landscape Amenity	A9385	Paluma Pk Buderim - Park upgrade	16
	Divisional Allocations	Minor Emergent Works	A8726	Grey Gum Dve Little Mountain- traffic splitter island	(2)
	Transportation	Pedestrian & Cyclist Enabling Facilities	A8858	Sugarbag Rd Little Mountain Pedestrian Refuge	2
Sub-Total					0
<b>Total Increase / Decrease to Capital Program for Period</b>					<b>151</b>