

FINANCIAL PERFORMANCE REPORT



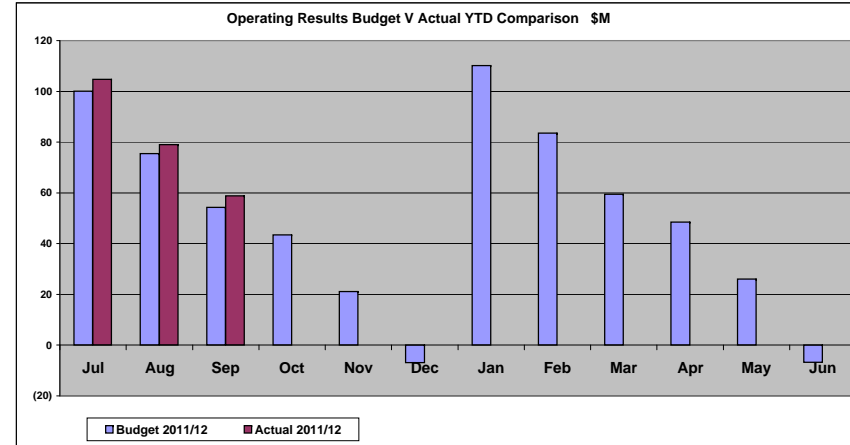
September 2011



Contents

| | |
|---------------------------------------|----------|
| Table of Contents | |
| Summary Operating Statement | 3 |
| Operating Revenue | 4 |
| Operating Expenses | 5 |
| Summary Capital Statement | 6 |
| Capital Expenditure by Program | 7 |
| Operating Budget Adjustments | 8 |
| Capital Budget Adjustments | 9 |

| SUMMARY OPERATING STATEMENT | | | | | | |
|---|-------------------------------|------------------------------|---------------------------|--------------------|-----------------|------------|
| For the Period Ending 30 September 2011 | | | | | | |
| | Annual Original Budget \$000s | Annual Current Budget \$000s | YTD Current Budget \$000s | YTD Actuals \$000s | Variance \$000s | Variance % |
| Operating Revenue | 418,968 | 419,008 | 153,226 | 154,893 | 1,667 | 1.1% |
| Operating Expenses | 335,519 | 344,659 | 78,636 | 75,600 | (3,036) | (3.9%) |
| Interest Expense | 12,495 | 12,495 | 3,246 | 3,309 | (63) | 1.9% |
| Depreciation | 68,620 | 68,613 | 17,155 | 17,155 | (0) | 0.0% |
| Operating Surplus/(Deficit) | 2,334 | (6,759) | 54,189 | 58,829 | 4,640 | 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 | 2,003 | 62,951 | 67,590 | 4,640 | 7.4% |



Operating Net Result

Council's financial results at 30 September 2011 show the organisation tracking closely to budget with a \$4.6 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 \$6.8 million. The funds to cover this result were collected in the previous financial year.

The 30 September 2011 operating surplus variation of \$4.6 million is made up of higher than budgeted operating revenues of \$1.7 million and lower than anticipated expenses of \$3.0 million. The lower than anticipated expenditure is mainly linked to underspending in Waste Resources Management with this underspend linked to lower than anticipated Waste Rates and Utility Charges. Analysis is underway comparing the budgeted services versus actuals services to date, with further information to be available for the October report.

There are no major operating issues at 30 September 2011.

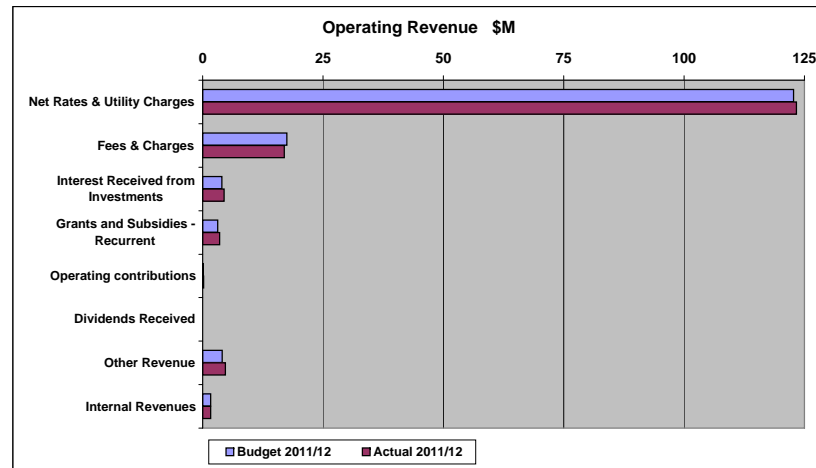
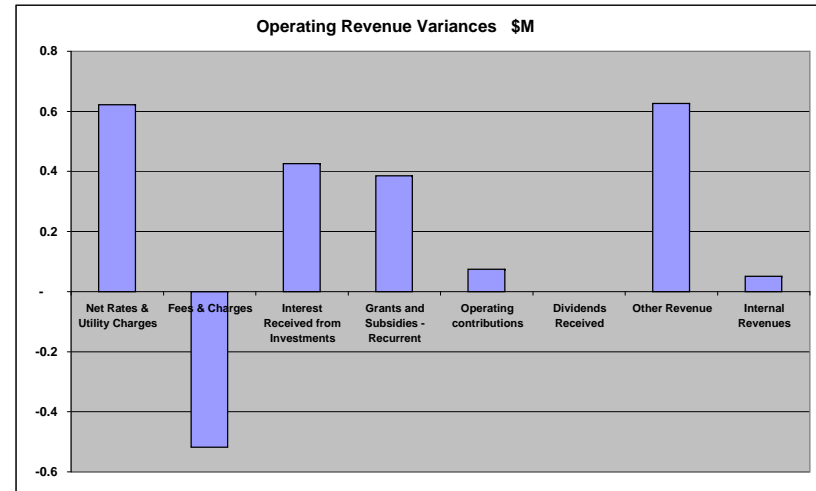
Operating Revenue

At 30 September 2011, operating revenues are very closely aligned to budget being \$1.7 million or 1.0% over budget.

This variation is mainly attributable to higher than anticipated other revenue of \$626,000 associated with Unitywater Recoverable Works \$487,000, and Main Roads Recoverable Works of \$246,000.

It should be noted that the recoverable works revenue streams identified above are mostly offset by additional operational expenditure.

Imbedded in the Net Rates and Utility Charges positive budget variation of \$622,000, general rates are over budget by \$931,000 (prepaid rates), interest over budget by \$315,000, and waste charges are under budget by \$811,000 with this variation within waste charges offset by lower than anticipated expenditure within the unit. Analysis is underway comparing the budgeted services versus actual services to date, with further information to be available for the October report.



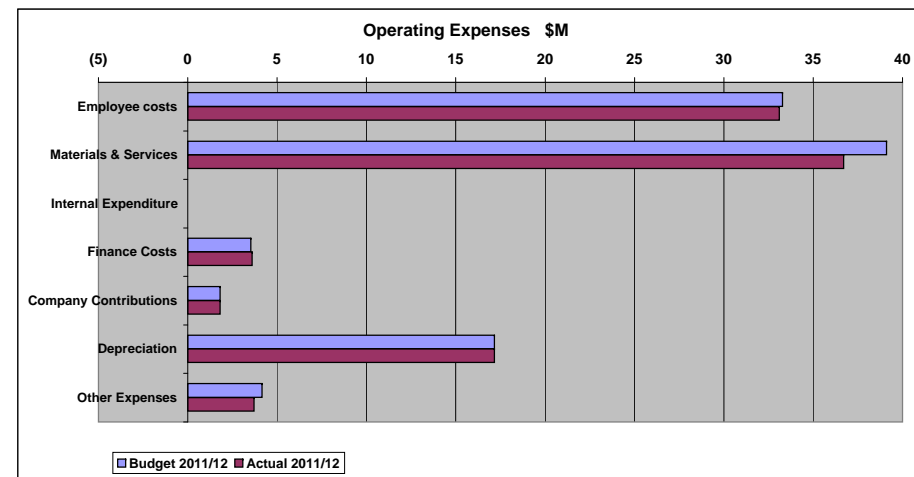
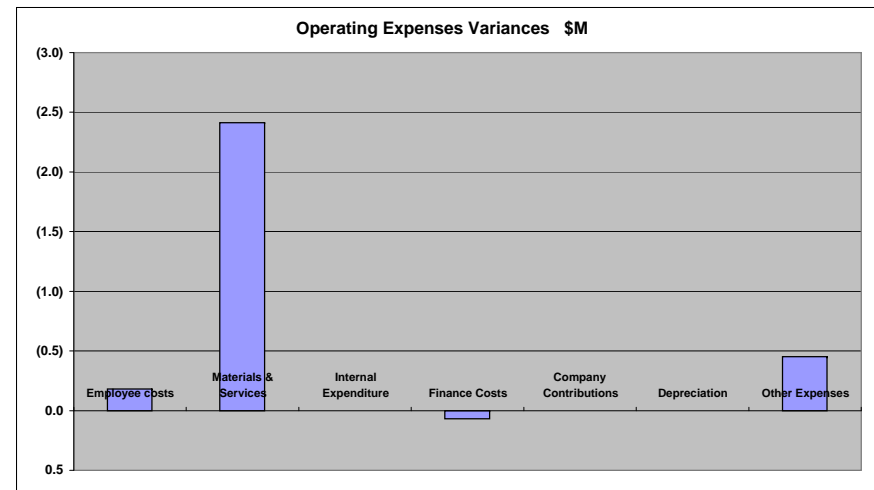
Operating Expenses

At 30 September 2011, operating expenses were \$3.0 million or 3.0% under budget with the main contributing factor being a positive variation within materials and services of \$2.4 million.

Within materials and services Waste Resources Management branch is \$2.0 million under budget, with the variation linked to the offsetting service issue discussed in operating revenue and the timing of waste provision expenditure.

Civil Works are currently over budget within materials and services due to increased road maintenance works both in-house and Main Roads, with Main Roads works offset by higher than expected recoverable works revenue.

There are no other operating expenditure issues at 30 September 2011.



| SUMMARY CAPITAL STATEMENT For the Period Ending 30 September 2011 | | | | | | |
|--|-------------------------------|------------------------------|---------------------------|--------------------|-----------------|------------|
| | Annual Original Budget \$000s | Annual Current Budget \$000s | YTD Current Budget \$000s | YTD Actuals \$000s | Variance \$000s | Variance % |

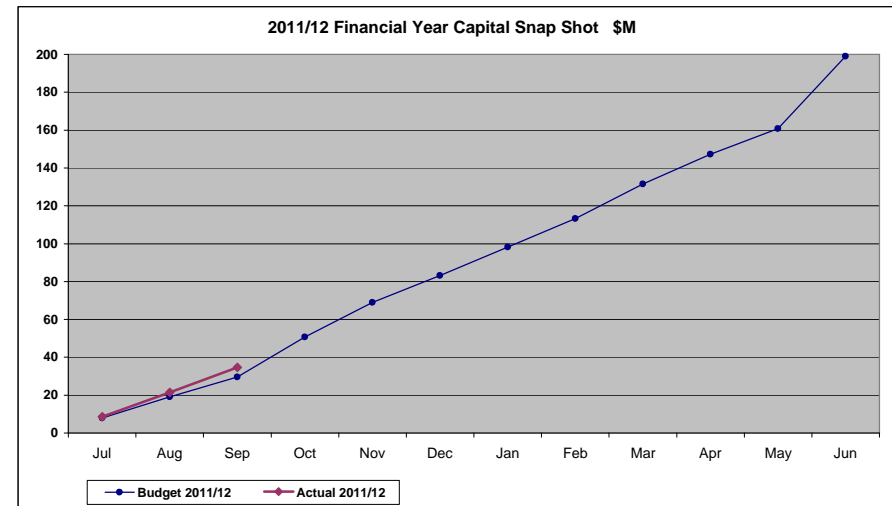
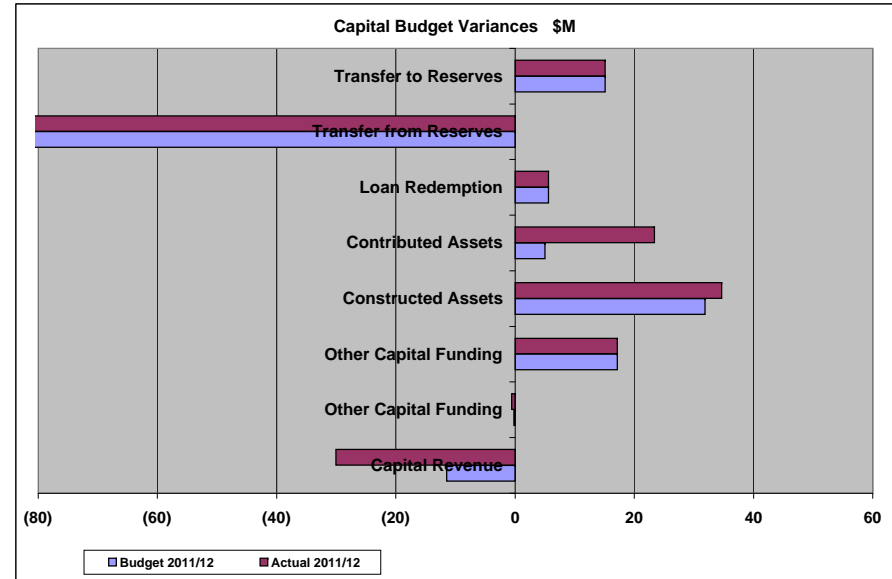
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|------------------------------------|-----------|-----------|-----------|-----------|----------|--------|
| Operating Contribution / Shortfall | 2,000 | 2,003 | 62,951 | 67,590 | 4,640 | 7.4% |
| Capital Revenue | (45,646) | (52,143) | (11,451) | (30,053) | (18,602) | 162.5% |
| Other Capital Funding | (110,508) | (110,508) | (17,355) | (17,728) | (372) | 2.1% |
| Constructed Assets | 189,732 | 198,975 | 31,863 | 34,629 | 2,766 | 8.7% |
| 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 | (49,283) | (51,781) | (2,498) | 5.1% |
| 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) | (115,076) | (117,574) | (2,498) | 0.0% |

Capital Net Result

At 30 September 2011, \$34.6 million or 17.4% of council's \$199.0 million 2011/2012 capital works program was financially complete.

The 2010/2011 carry-over works have been loaded into the 2011/2012 Budget as part of Budget Review 1.

There are no capital expenditure issues at 30 September 2011.



Capital Works by Program - September 2011

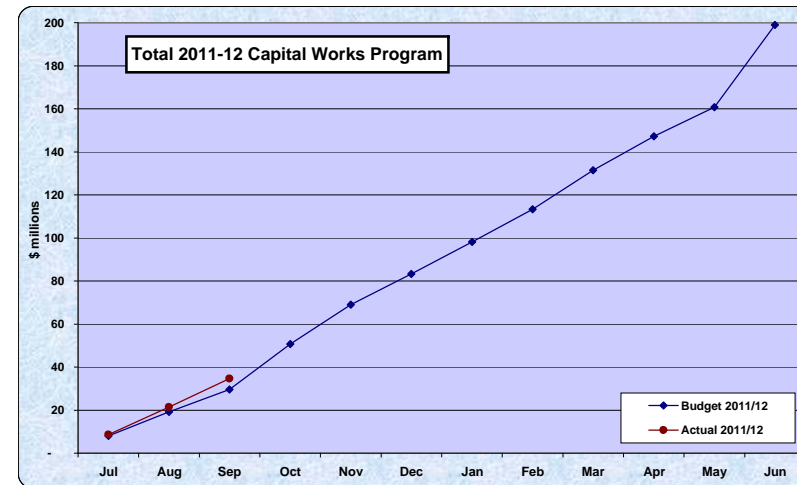
Capital Expenditure

At 30 September 2011, \$34.6 million or 17.4% of council's \$199.0 million 2011/2012 capital works program was financially complete.

The 2010/2011 carry-over works have been loaded into the 2011/2012 Budget as part of Budget Review 1.

There are no capital expenditure issues at 30 September 2011..

| Program | Original Budget \$000s | Current Budget \$000s | Year to Date Actual \$000s | % of Annual Budget Spent |
|----------------------------------|------------------------|-----------------------|----------------------------|--------------------------|
| Transportation | 63,797 | 61,150 | 15,916 | 26.0% |
| Strategic Land & Comm Properties | 43,942 | 47,120 | 3,025 | 6.4% |
| Buildings and Facilities | 15,329 | 15,147 | 2,180 | 14.4% |
| Parks and Gardens | 14,346 | 15,570 | 3,608 | 23.2% |
| Coast and Canals | 5,720 | 5,651 | 1,401 | 24.8% |
| Stormwater | 5,697 | 5,832 | 2,604 | 44.7% |
| Information Technology | 5,455 | 7,044 | 1,380 | 19.6% |
| Fleet | 3,900 | 3,900 | 613 | 15.7% |
| Divisional Allocations | 3,169 | 4,412 | 541 | 12.3% |
| Environmental Assets | 1,274 | 1,932 | 646 | 33.4% |
| Aerodromes | 450 | 450 | 0 | 0.1% |
| Waste | 13,272 | 13,678 | 1,988 | 14.5% |
| Sunshine Coast Airport | 7,211 | 9,713 | 544 | 5.6% |
| Quarries | 3,565 | 3,565 | 23 | 0.6% |
| SC Holiday Parks | 2,605 | 3,810 | 162 | 4.3% |
| TOTAL | 189,732 | 198,975 | 34,629 | 17.4% |



| Monthly Budget Amendments - Operating | |
|---------------------------------------|----------------|
| Month: | September 2011 |

| Reference | Branch | Operation/Job number & Name | Description | Income & Expense Stmt Line | Amount Dr/(Cr) \$000 |
|--|---------------------------------|--|---|----------------------------|-------------------------|
| FB02001 | 5-Finance and Business | 57974-Economic Development Grant - NFP Org | Relink Operation to Dept 3 Small grants progr | 112 - Goods and services | (200) |
| FB02001 | 3-Community Services Department | 57974-Economic Development Grant - NFP Org | Relink Operation to Dept 3 Small grants progr | 112 - Goods and services | 200 |
| CS03001 | 3-Community Services Department | 37487-Heritage Advisory Service SCC | Move operation to area responsible for expen | 112 - Goods and services | (30) |
| CS03001 | 4-Regional Strategy & Planning | 37487-Heritage Advisory Service SCC | Move operation to area responsible for expen | 112 - Goods and services | 30 |
| CS03002 | 3-Community Services Department | 37362-Animal Management Legislation Surplus | Tfr budget to cover vehicles for animal control | 112 - Goods and services | (92) |
| CS03002 | 3-Community Services Department | 44304-Animal Control | Tfr budget to cover vehicles for animal control | 138 - Other Expenses | 92 |
| CS03003 | 3-Community Services Department | Various | Tfr budget from materials & services to cover | 112 - Goods and services | (95) |
| CS03003 | 3-Community Services Department | 37195-Unit Mgt Cultural Heritage & Collections | Tfr budget from materials & services to cover | 111 - Employee costs | 95 |
| FB03002 | 5-Finance and Business | 80115 - Energy Efficiency Measures | Reallocate operation to S&I | 112 - Goods and services | (120) |
| FB03002 | 8 - Executive Office | 80115 - Energy Efficiency Measures | Reallocate operation to S&I | 112 - Goods and services | 120 |
| EO08001 | 8 - Executive Office | 88207 - Workplace Relations | Reallocate pos 3580 and 10587 and associat | 111 - Employee costs | (242) |
| EO08001 | 8 - Executive Office | 88207 - Workplace Relations | Reallocate pos 3580 and 10587 and associat | 112 - Goods and services | (8) |
| EO08001 | 8 - Executive Office | 88207 - Workplace Relations | Reallocate pos 3580 and 10587 and associat | 138 - Other Expenses | (9) |
| EO08001 | 3-Community Services Department | 32500 - Human Resources | Reallocate pos 3580 and 10587 and associat | 111 - Employee costs | 242 |
| EO08001 | 3-Community Services Department | 32500 - Human Resources | Reallocate pos 3580 and 10587 and associat | 112 - Goods and services | 8 |
| EO08001 | 3-Community Services Department | 32500 - Human Resources | Reallocate pos 3580 and 10587 and associat | 138 - Other Expenses | 9 |
| Total Increase / Decrease to Operating Program for Period | | | | | (0) |

Monthly Budget Amendments - Capital

Month: September 2011

| Reference | PROGRAM | SUB-PROGRAM | JOB NUMBER | JOB NUMBER DESCRIPTION | Amount Dr/(Cr) |
|-----------|------------------------|--------------------------------------|------------|---|----------------|
| | | | | | \$'000 |
| | Divisional Allocations | Minor Emergent Works | A0802 | 10/11 Councillor Emerg Capital - Div 2 | (1) |
| | Divisional Allocations | Local Pathways | A9811 | Omrah St Caloundra - footpath works | 1 |
| | Divisional Allocations | Local Pathways | A6624 | 09/10 Local Pathway Network Alloc Div 09 | (42) |
| | Divisional Allocations | Local Pathways | A0849 | 10/11 Local Pathway Network - Div 09 | (31) |
| | Divisional Allocations | Minor Emergent Works | A0809 | 10/11 Councillor Emerg Capital - Div 9 | (53) |
| | Divisional Allocations | Minor Emergent Works | A0709 | 10/11 Councillor Minor OP Works - Div 9 | (37) |
| | Divisional Allocations | Minor Emergent Works | A6009 | 09/10 Councillor Minor OP Works - Div 9 | (18) |
| | Divisional Allocations | Minor Emergent Works | A6795 | 09/10 Councillor Emerg Capital - Div 9 | (62) |
| | Transport Management | Streetscapes - Major Centres | A9506 | Coolum Village Streetscape roundabouts Birtwill & Elizabeth Sts | 42 |
| | Transport Management | Streetscapes - Major Centres | A9506 | Coolum Village Streetscape roundabouts Birtwill & Elizabeth Sts | 31 |
| | Transport Management | Streetscapes - Major Centres | A9506 | Coolum Village Streetscape roundabouts Birtwill & Elizabeth Sts | 53 |
| | Transport Management | Streetscapes - Major Centres | A9506 | Coolum Village Streetscape roundabouts Birtwill & Elizabeth Sts | 37 |
| | Transport Management | Streetscapes - Major Centres | A9506 | Coolum Village Streetscape roundabouts Birtwill & Elizabeth Sts | 18 |
| | Transport Management | Streetscapes - Major Centres | A9506 | Coolum Village Streetscape roundabouts Birtwill & Elizabeth Sts | 62 |
| | Divisional Allocations | Minor Emergent Works | A6012 | 09/10 Councillor Minor OP Works - Div 12 | (6) |
| | Divisional Allocations | Local Pathways | A9817 | Furness Dve Tewartin - footpath | 6 |
| | Divisional Allocations | Minor Emergent Works | A0703 | 10/11 Councillor Minor OP Works - Div 3 | (2) |
| | Divisional Allocations | Local Parks | A9812 | Buderim St Currimundi-drainage opp shops | 2 |
| | Divisional Allocations | Minor Emergent Works | A0703 | 10/11 Councillor Minor OP Works - Div 3 | (46) |
| | Divisional Allocations | Minor Emergent Works | A0803 | 10/11 Councillor Emerg Capital - Div 3 | (32) |
| | Parks & Gardens | Recreation Parks & Landscape Amenity | A9345 | Graham Stewart Pk Currimundi-Rehab Fence | 46 |
| | Parks & Gardens | Recreation Parks & Landscape Amenity | A9345 | Graham Stewart Pk Currimundi-Rehab Fence | 32 |
| | Divisional Allocations | Local Parks | A0837 | 11/12 Local Parks Allocation - Div 5 | (21) |
| | Divisional Allocations | Minor Emergent Works | A9908 | Barts St-survey,design,construct carpark | 21 |
| | Divisional Allocations | Minor Emergent Works | A0705 | 10/11 Councillor Minor OP Works - Div 5 | (6) |
| | Divisional Allocations | Local Pathways | A9829 | Karanne Dve Mooloolah Valley - footpath | 6 |
| | Divisional Allocations | Minor Emergent Works | A0707 | 10/11 Councillor Minor OP Works - Div 7 | (5) |
| | Divisional Allocations | Minor Emergent Works | A0807 | 10/11 Councillor Emerg Capital - Div 7 | (15) |
| | Transportation | Transport Management | A9889 | Tindale Ave-Elizabeth St Kerb Build out | 5 |
| | Transportation | Transport Management | A9889 | Tindale Ave-Elizabeth St Kerb Build out | 15 |
| | Divisional Allocations | Local Parks | A0825 | 10/11 Local Parks Allocation - Div 05 | (16) |
| | Divisional Allocations | Local Parks | A0837 | 11/12 Local Parks Allocation - Div 5 | (29) |
| | Parks & Gardens | PIP Recreation Parks | A9330 | McCarthy Dr Pk Woombye Implement M/Plan | 16 |
| | Parks & Gardens | PIP Recreation Parks | A9330 | McCarthy Dr Pk Woombye Implement M/Plan | 29 |
| | Divisional Allocations | Minor Emergent Works | A0710 | 10/11 Councillor Minor OP Works - Div 10 | (7) |
| | Divisional Allocations | Minor Emergent Works | A0810 | 10/11 Councillor Emerg Capital - Div 10 | (5) |
| | Divisional Allocations | Local Parks | A8223 | Jasper Bently Pk Netherton St-new shelter | 7 |
| | Divisional Allocations | Local Parks | A8223 | Jasper Bently Pk Netherton St-new shelter | 5 |
| | Divisional Allocations | Minor Emergent Works | A0812 | 10/11 Councillor Emerg Capital - Div 12 | (10) |
| | Divisional Allocations | Local Parks | A9883 | Prince St Cooran survey/design service rd | 10 |
| | Divisional Allocations | Local Parks | A0832 | 10/11 Local Parks Allocation - Div 12 | (1) |
| | Divisional Allocations | Local Parks | A0868 | 11/12 Local Parks Allocation - Div 12 | (6) |
| | Divisional Allocations | Minor Emergent Works | A9913 | Tewartin Sports Complex-access road to softball area | 1 |
| | Divisional Allocations | Minor Emergent Works | A9913 | Tewartin Sports Complex-access road to softball area | 6 |

| Monthly Budget Amendments - Capital | |
|-------------------------------------|----------------|
| Month: | September 2011 |

| Reference | PROGRAM | SUB-PROGRAM | JOB NUMBER | JOB NUMBER DESCRIPTION | Amount Dr/(Cr) |
|--|------------------------|----------------------------|------------|--|----------------|
| | | | | | \$'000 |
| | Divisional Allocations | Minor Emergent Works | A0806 | 10/11 Councillor Emerg Capital - Div 06 | (20) |
| | Divisional Allocations | Local Pathways | A9923 | Paluma Tce Buderim - footpath | 20 |
| | Divisional Allocations | Minor Emergent Works | A0707 | 10/11 Councillor Minor OP Works - Div 7 | (15) |
| | Divisional Allocations | Minor Emergent Works | A0807 | 10/11 Councillor Emerg Capital - Div 07 | (7) |
| | Divisional Allocations | Minor Emergent Works | A0820 | 11/12 Councillor Emerg Capital - Div 07 | (28) |
| | Parks & Gardens | PIP Recreation Parks | A6473 | Lions Pk Maroochydore Masterplan Review-Park Upgrade | 15 |
| | Parks & Gardens | PIP Recreation Parks | A6473 | Lions Pk Maroochydore Masterplan Review-Park Upgrade | 7 |
| | Parks & Gardens | PIP Recreation Parks | A6473 | Lions Pk Maroochydore Masterplan Review-Park Upgrade | 28 |
| | Divisional Allocations | Minor Emergent Works | A0723 | 11/12 Councillor Minor OP Works - Div 10 | (5) |
| | Transportation | Minor Emergent Works | A9925 | Currie St Nambour - Garden Show banners | 5 |
| | Divisional Allocations | Minor Emergent Works | A0712 | 10/11 Councillor Minor OP Works - Div 12 | (44) |
| | Divisional Allocations | Local Parks | A9928 | Kin Kin Sports Reserve Tewantin-Skate Pk | 44 |
| | Divisional Allocations | Minor Emergent Works | A0812 | 10/11 Councillor Emerg Capital - Div 12 | (35) |
| | Transportation | Reseals and Rehabilitation | A8381 | McKinnon Drive Tewantin 085629A from Butler St to Tennis Club | 35 |
| | Divisional Allocations | Minor Emergent Works | A0719 | 11/12 Councillor Minor OP Works - Div 6 | (3) |
| | Transportation | Minor Emergent Works | A9933 | Syd Lingard Dve Buderim-Geotechnical Investigation | 3 |
| | 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 | Minor Emergent Works | A0802 | 10/11 Councillor Emerg Capital - Div 02 | (8) |
| | Divisional Allocations | Local Parks | A9930 | Caloundra Cricket Club - upgrade toilets to water saving devices | 8 |
| Total Increase / Decrease to Capital Program for Period | | | | | 0 |