

## 8.5 JANUARY 2026 FINANCIAL PERFORMANCE REPORT

**File No:** Council Meetings

**Author:** Coordinator Financial Services  
Finance and Commercial Partnerships

**Attachments:** Att 1 - January 2026 Financial Performance Report  
Att 2 - January 2026 Capital Grant Funded Project Report  
Att 3 - Additional Information (*Additional Information*)

### PURPOSE

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

### EXECUTIVE SUMMARY

This monthly financial performance report provides Council with a summary of performance against budget as at 31 January 2026, in terms of the operating result and delivery of the capital program.

### Operating Performance

**Table 1: Operating Budget as at 31 January 2026**

	<b>Original Budget \$'000</b>	<b>Current Budget \$'000</b>	<b>Year to Date Budget \$'000</b>	<b>Year to Date Actuals \$'000</b>	<b>Year to Date Variance \$'000</b>
Total Operating Revenue	711,026	714,209	612,312	611,979	(333)
Total Operating Expenses	710,315	713,498	400,437	399,615	(822)
<b>Operating Result</b>	<b>711</b>	<b>711</b>	<b>214,619</b>	<b>212,364</b>	<b>489</b>
Capital Revenue	163,689	174,723	49,969	57,409	7,440
Non-Recurrent Expenses	3,056	3,056	1,783	14,986	13,203
<b>Net Result</b>	<b>161,345</b>	<b>172,378</b>	<b>260,061</b>	<b>254,787</b>	<b>(5,274)</b>
<b>Capital Expenditure</b>	<b>262,388</b>	<b>289,451</b>	<b>117,163</b>	<b>115,212</b>	<b>(1,951)</b>
<b>Total Cash Balance (including Trust)</b>	<b>271,422</b>	<b>298,498</b>	<b>180,202</b>	<b>216,988</b>	<b>36,786</b>

Details of the monthly financial report are contained in **Attachment 1**.

## OFFICER RECOMMENDATION

**That Council receive and note the report titled “January 2026 Financial Performance Report”.**

## FINANCE AND RESOURCING

This report sets out the details of Council’s financial performance and investments for the month ending 31 January 2026 and meets Council’s legislative reporting requirements.

## CORPORATE PLAN

<b>Corporate Plan Goal:</b>	<b><i>Organisational excellence</i></b>
<b>Strategic Pathway:</b>	We serve our community by providing this great service
<b>Operational Activity:</b>	S31 - Financial Management - Strategic management of Council's finances, assets, procurement and contracts that support effective supplier relationship, resource allocation and financial sustainability.

## CONSULTATION

### Councillor Consultation

Consultation has been undertaken with the Organisational Excellence Portfolio Councillors, E Hungerford and J Broderick.

### Internal Consultation

This report has been written in conjunction with advice from:

- Chief Financial Officer
- Executive Leadership Team

### External Consultation

No external consultation is required for this report.

### Community Engagement

No community engagement is required for this report.

### 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

Sunshine Coast Council’s 2025-26 Investment Policy, and  
Sunshine Coast Council’s 2025-26 Debt Policy.

**Risk**

The 2025-26 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 key elements of the 2025-26 budget are based on management estimates and assumptions:

- Rates and charges revenue includes population and property growth forecasts
- Interest revenue and finance costs includes interest rate forecasts
- Depreciation includes asset valuation, useful life, asset condition estimates
- Recurrent capital expenditure includes capitalisation estimates

Management has used its best endeavours and judgment to determine suitable estimates and assumptions based on the available data, with reference to independent sources and relevant historic information where possible. There is a risk that the actual results may vary from the estimates. Material variances will be monitored and reported to Council through the Monthly Financial Performance Report and periodic budget reviews.

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

**Previous Council Resolution****Ordinary Meeting 18 September 2025 (OM25/82)**

*That Council:*

- (a) *receive and note the report titled "Budget Review 1" and*
- (b) *adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's amended budget for 2025-26 financial year incorporating:*
  - (i) *the statement of income and expense*
  - (ii) *the statement of financial position*
  - (iii) *the statement of changes in equity*
  - (iv) *the statement of cash flow*
  - (v) *the relevant measurers of financial sustainability*
  - (vi) *the long term financial forecast*
  - (vii) *Council's 2025-26 Capital Works Program, endorse the indicative four-year program for the period 2027 to 2030, and note the five-year program for the period 2031 to 2035.*
  - (viii) *Debt Policy*
- (c) *note the following documentation applies as adopted 7 July 2025*
  - (i) *Revenue Policy*
  - (ii) *the total value of change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget*

- (iii) *the Revenue Statement*
  - (iv) *the rates and charges to be levied for the 2025-26 financial year and other matters as adopted 7 July 2025*
  - (v) *the Strategic Environment Levy Policy*
  - (vi) *the Strategic Arts and Heritage Levy Policy*
  - (vii) *the Strategic Transport Levy Policy*
  - (viii) *Prescribed Services Charge Plan (No. 2) 2025-26 Financial Year and*
- (d) *endorse the Minor Capital Works Program (Appendix B).*

**Special Meeting 7 July 2025 (SM25/4) in part**

**1. STATEMENT OF ESTIMATED FINANCIAL POSITION**

*That Council receive and note the statement of estimated financial operations and financial position of the Council in respect to the 2024-25 financial year as set out in Attachment 1 pursuant to section 205 of the Local Government Regulation 2012.*

**10. ADOPTION OF BUDGET**

That Council adopt Appendix A as tabled, pursuant to sections 169 and 170 of the *Local Government Regulation 2012*, as Council's budget for 2025-26 financial year incorporating:

- i. the statement of income and expenditure
- ii. the statement of financial position
- iii. the statement of changes in equity
- iv. the statement of cash flow
- v. the relevant measures of financial sustainability
- vi. the significant business activity statement
- vii. the long-term financial forecast, as detailed in items 10(i) to 10(iv) above
- viii. the Revenue Policy (adopted by Council resolution on 21 May 2025)
- ix. the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget
- x. the Revenue Statement for the period 1 July 2025 to 30 June 2026
- xi. Council's 2025-26 Capital Works Program, endorsing the indicative four-year program for the period 2027 to 2030, and noting the five-year program for the period 2031 to 2035
- xii. the rates and charges to be levied for the 2025-26 financial year and other matters as detailed above in clauses 2 to 9; and
- xiii. the 2025-26 Minor Capital Works Program.

**Related Documentation**

2025-26 Adopted Budget

**Critical Dates**

There are no critical dates for this report.

**Implementation**

There are no implementation details to include in this report.

2025-26 Financial Year Grant Funding

	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	Grant Revenue Budget \$'000	Project Expenditure to date \$'000
<b>Federal Government</b>						<b>(\$19,165)</b>	<b>\$8,100</b>
1	<b>Roads to Recovery Program</b>					<b>(\$5,846)</b>	
	<b>Urban Rivers and Catchments Program</b>					<b>(\$920)</b>	<b>\$1,085</b>
2	K6643 - Quota Park Fishway Construction	Division 10	Nambour	October 2024	January 2026	(\$920)	\$1,085
	<b>Growing Regions Fund</b>					<b>(\$7,000)</b>	<b>\$979</b>
3	H1670 - Growing Regions Round 2 - First Avenue Streetscape	Division 04	Maroochydore	June 2025	August 2026	(\$3,000)	\$859
4	K1280 - Honey Farm Rd Clubhouse Construction	Division 03	Meridan Plains	May 2026	March 2027	(\$4,000)	\$120
	<b>Disaster Ready Fund - Round 1</b>					<b>(\$5,000)</b>	<b>\$6,036</b>
5	K7936 - Mooloolaba Foreshore Stage 2 - Seawall	Division 05	Mooloolaba	July 2025	March 2027	(\$5,000)	\$6,036
	<b>Play Our Way</b>					<b>(\$399)</b>	<b>\$76</b>
6	K8846 - Reserve 1000 Outdoor Amenities Facility	Division 02	Golden Beach	April 2026	October 2026	(\$399)	\$76
<b>State Government</b>						<b>(\$36,927)</b>	<b>\$20,882</b>
7	<b>Disaster Recovery Funding Arrangements</b>					<b>(\$14,560)</b>	<b>\$11,161</b>
	<b>Blackspot Funding</b>					<b>(\$3,368)</b>	<b>\$1,514</b>
8	K4894 - Blackspot - Beerburrum Street and Cooroy Street Intersection	Division 02	Dicky Beach	February 2026	June 2026	(\$525)	\$160
9	K4895 - Blackspot - Old Gympie Road Beerburrum	Division 01	Beerburrum	April 2025	September 2025	(\$500)	\$952
10	K6054 - BlackSpot Sixth Ave Maroochydore - side street Zebra Crossing x 8	Division 04	Maroochydore	November 2025	June 2026	(\$886)	\$106
11	K6056 - BlackSpot - Mons Road Forest Glen	Division 07	Forest Glen	March 2026	April 2026	(\$134)	\$43
12	K8652 - Blackspot - Dulong Road Dulong	Division 10	Dulong	May 2026	June 2026	(\$595)	\$1
13	K8653 - Blackspot - Vise Road Buderim	Division 07	Forest Glen	April 2026	May 2026	(\$170)	\$4
14	H4105 - Blackspot - Bellivista Boulevard - Raised Zebra Crossing on Southern Leg of Roundabout	Division 01	Caloundra West	December 2025	January 2026	(\$558)	\$248
	<b>Minor Infrastructure and Inclusive Facilities Fund</b>					<b>(\$518)</b>	<b>\$1,148</b>
15	K7687 - MSSWP3 - Meta Street and Douglas Street - Raised Crossing	Division 04	Mooloolaba			(\$18)	\$233
16	K7596 - Maleny Skate Park Upgrade Phase 2	Division 05	Maleny	July 2025	December 2025	(\$150)	\$508
17	H9184 - Caloundra South Sports Clubhouse DS1	Division 01	Baringa			(\$350)	\$407
	<b>Queensland Transport Cycle Network Program</b>					<b>(\$2,873)</b>	<b>\$156</b>
18	H8416 - Emu Mountain Road Pathway Construction	Division 09	Coolool Beach			(\$899)	\$73
19	H4585 - LGIP Mooloolaba Esplanade Active Transport Link	Division 04	Mooloolaba			(\$100)	\$10
20	H5950 - LGIP Burke Street Pathway	Division 02	Golden Beach			(\$75)	\$5
21	H5955 - LGIP Karawatha Dr Cycle Lanes	Division 06	Mountain Creek	January 2027	June 2027	(\$1,500)	\$40
22	H6800 - LGIP River Esplanade Active Transport Link	Division 04	Mooloolaba			(\$100)	\$0
23	H5972 - LGIP Caloundra to Currumbundi Stage 2 - Bowman Road Active Transport Link	Division 02	Caloundra			(\$75)	\$2
24	K3826 - Jensen Park Golden Beach Coastal Pathway	Division 02	Golden Beach	March 2026	April 2026	(\$124)	\$26
	<b>Walking Network Plans</b>					<b>(\$518)</b>	<b>\$19</b>
25	K3037 - Walking Network Plans	Whole of Council				(\$18)	\$0
26	K8298 - WNP - Buddina - Illuka Avenue Lowana Dr	Division 04	Buddina			(\$500)	\$19
	<b>South East Queensland Community Stimulus Program</b>					<b>(\$4,136)</b>	<b>\$3,193</b>
27	K2914 - SEQCSP Beerwah Cemetery entrance feature and carparking	Division 01	Beerwah	April 2026	June 2026	(\$310)	\$83
28	K6414 - SEQCSP Khancoban Drive Park - District Park Development	Division 06	Buderim			(\$238)	\$7
29	K7394 - SEQCSP Albany Lakes Park - Public Amenity	Division 06	Sippy Downs	November 2025	January 2026	(\$350)	\$290
30	H5133 - SEQCSP South Coolool Road Coolool New Pathway	Division 08	Coolool Beach	July 2025	January 2026	(\$480)	\$1,214
31	K7568 - SEQCSP Sundew Street MUDJIMBA - East Section kerb and channel	Division 08	Mudjimba	September 2025		(\$320)	\$731
32	K1771 - SEQCSP Petrie Creek Road Shoulder Widening from Paynters Creek Road to Celestine Place	Division 07	Rosemount	September 2025	October 2025	(\$1,718)	\$781
33	H4604 - SEQCSP Nambour Namba Place Revitalisation Project	Division 10	Nambour	March 2026	November 2026	(\$120)	\$76
34	K7207 - SEQCSP Coolool beach DDA compliant beach access ramp	Division 09	Coolool Beach	June 2026	September 2026	(\$300)	\$11
35	K8605 - SEQCSP Namba Ped Crossing	Division 10	Nambour			(\$300)	\$0
	<b>Transport Infrastructure Development Scheme</b>					<b>(\$1,581)</b>	<b>\$490</b>
36	B0792 - WOR School Precinct Improvement Planning	Whole of Council				(\$200)	\$0
37	K8425 - TIDS Roys Road BEERWAH - widening and overlay	Division 01	Beerwah	December 2025	March 2026	(\$1,381)	\$490
	<b>SEQ Liveability Fund</b>					<b>(\$4,333)</b>	<b>\$3,202</b>
38	H7509 - Alex Bluff Foreshore Coastal Pathway Imp	Division 04	Alexandra Headlands	January 2026	September 2026	(\$2,000)	\$113
39	K2838 - Mooloolaba Foreshore Stage 2 - Central Meeting Place	Division 04	Mooloolaba	July 2025	March 2027	(\$2,333)	\$3,089
	<b>School Transport Infrastructure Program</b>					<b>(\$2,290)</b>	<b>\$588</b>
40	K8474 - STIP - Montville State School Pathway Upgrade	Division 05	Montville	January 2026	February 2026	(\$105)	\$30
41	K8475 - STIP - Palmview State School Raised Pedestrian Crossings	Division 06	Palmview	June 2026	July 2026	(\$224)	\$3
42	K8478 - STIP - Golden Beach State School Pathway Upgrade	Division 02	Golden Beach	September 2025	January 2026	(\$208)	\$369
43	K8480 - STIP - Peregrin Springs State School Raised Pedestrian Crossing	Division 09	Peregrin Springs			(\$108)	\$27
44	K8481 - STIP - Yandina State School Stop Drop and Go	Division 10	Yandina	January 2026	January 2026	(\$30)	\$84
45	K8832 - STIP - Kuluin State School Raised Pedestrian Crossing	Division 07	Kuluin			(\$281)	\$20
46	K8833 - STIP - Chancellor State College Primary Stop Drop and Go Zone	Division 06	Sippy Downs	January 2026	January 2026	(\$34)	\$30
47	K9089 - STIP - Maroochydore State High School - Bus Zone Upgrade	Division 08	Maroochydore			(\$1,200)	\$12
48	H7363 - North Arm School Parking Improvements	Division 10	North Arm			(\$100)	\$12
	<b>Election Promises</b>					<b>(\$2,000)</b>	<b>\$411</b>
50	H8775 - Caloundra Centre Activation - Precinct	Division 02	Caloundra			(\$2,000)	\$411
	<b>Housing Investment Fund</b>					<b>(\$750)</b>	<b>\$569</b>
51	K7620 - Marcoola Affordable Housing Prefabricate	Division 08	Marcoola	September 2024	August 2025	(\$750)	\$569

Project Complete

## Related Report / Additional Information

<b>Meeting:</b>	<b>Ordinary Meeting</b>	<b>Date:</b>	<b>26 February 2026</b>
<b>Requesting Councillor:</b>	<b>Councillor W Johnston</b>		
<b>Item:</b>	<b>8.5 Financial Performance Report</b>		
<b>Circulation</b>	<b>Tuesday 24 February 2026</b>		
<b>Officer:</b>	<b>Co-ordinator Financial Services</b>	<b>Approving Director:</b>	<b>Chief Financial Officer</b>

In response to a question raised by Councillor W Johnston, please note the following additional information for your consideration.

### Question:

Can you please provide information on all rate levies; and general rates; impacts on the lesser number of properties; higher than normal unpaid rates and what impact that has?

### Response:

<b>Category</b>	<b>2025-26 Full Budget</b>	<b>2025-26 YTD Budget</b>	<b>2025-26 YTD Actuals</b>	<b>2025-26 YTD Variance</b>
General Rates	348,378	347,478	344,237	(3,242)
Levies	23,634	23,550	23,633	82

As at 31 January 2026, general rate revenue was below budget, while levies remain on track.

The general rates variation reflects, in part, a lower level of growth in rateable properties than forecast in the long-term plan.

Levy income has not been materially impacted as it was calculated using rateable property numbers provided early in the budget cycle, January 2025, index by a 1.5% growth rate rather than the final budget growth rate of 1.7%.

The budget assumptions for price and growth assume that all new properties are rated for a full year and that growth occurs evenly across all rating categories. In practice, this doesn't always occur.

The components for the general rate variance are:

<b>Base figures (pre-price and growth)</b>	<b>\$'000</b>
2025-26 Budget Base assumed in financial plan	\$323,546
2024-25 General Rate Revenue actuals @ 30 June	\$321,800
<b>Impact</b>	<b>\$1,746</b>

	<b>\$'000</b>
Full Year Budget	\$353,395
Average Growth not achieved (1.7% vs 1.36%)	0.34%
<b>Impact</b>	<b>\$1,202</b>

The actual growth by category shown below reflects growth over a full 12-month period. The residential category achieving growth below the average rate of 1.36% resulted in an estimated impact of \$294,000

<b>Category</b>	<b>Actual Growth</b>	<b>No. of Properties Impact</b>
Residential	1.02%	918

### **Impact of unpaid rates**

Council recognises revenue on an accrual basis. We recognise all the rates revenue at the time the rates notices are issued, not when the cash is actually paid.

The impact on unpaid rates is on the balance sheet, as a debtor reflecting the outstanding amounts, and in the cash balances.

Rate payment trends at this point in the payment cycle for the January 2026 Rate Notice are as expected and in line with the prior year. Rate payment plans are also in line with the prior year with 4% of all properties with a rate account balance having established a payment arrangement.

<b>Year</b>	<b>Month</b>	<b>% outstanding (incl properties on payment plan)</b>	<b>% of Payment plans</b>
2026	January	66.1%	4.0%
2025	January	66.6%	4.1%
2024	January	64.1%	3.6%

# 2025-26 BUDGET

Financial Performance Report

January 2026

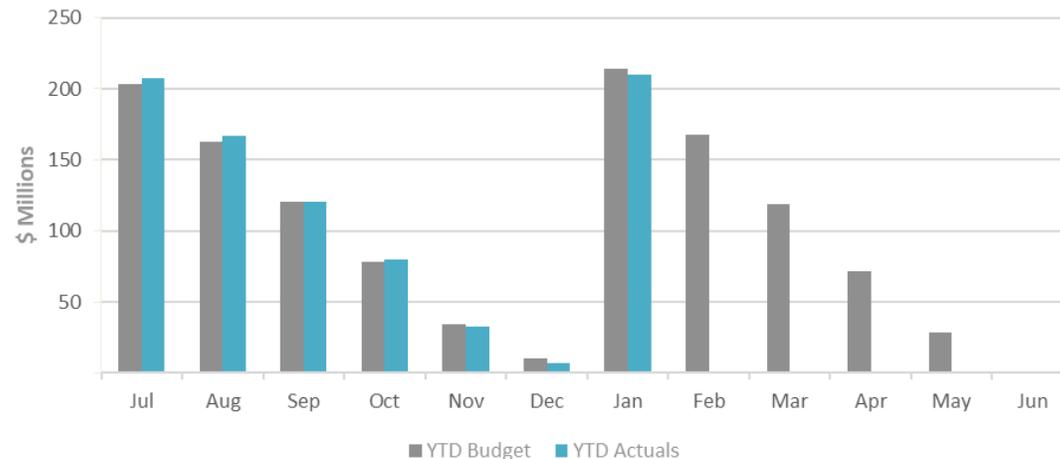
# Statement of Income and Expenses Summary

Statement of Income & Expenses Summary			January 2026			
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	711,026	714,209	612,312	611,979	(333)	(0.1%)
Operating Expenses	705,315	708,498	398,146	395,846	(2,299)	(0.6%)
Recurrent Capital Expenses	5,000	5,000	2,291	3,769	1,478	64.5%
<b>Operating Result</b>	<b>711</b>	<b>711</b>	<b>211,874</b>	<b>212,364</b>	<b>489</b>	<b>0.2%</b>
Capital Revenue	163,689	174,723	49,969	57,409	7,440	14.9%
Non-recurrent Expenses	3,056	3,056	1,783	14,986	13,203	740.6%
<b>Net Result</b>	<b>161,345</b>	<b>172,378</b>	<b>260,061</b>	<b>254,787</b>	<b>(5,274)</b>	<b>(2.0%)</b>

As at the 31 January Council had an operating result of \$212.4 million, which is \$489,000 (0.2%) above current year to date budget.

The reported year end forecast has been updated to align with Budget Review 2 for adoption at the February Ordinary Meeting.

**2025-26 Operating Result**

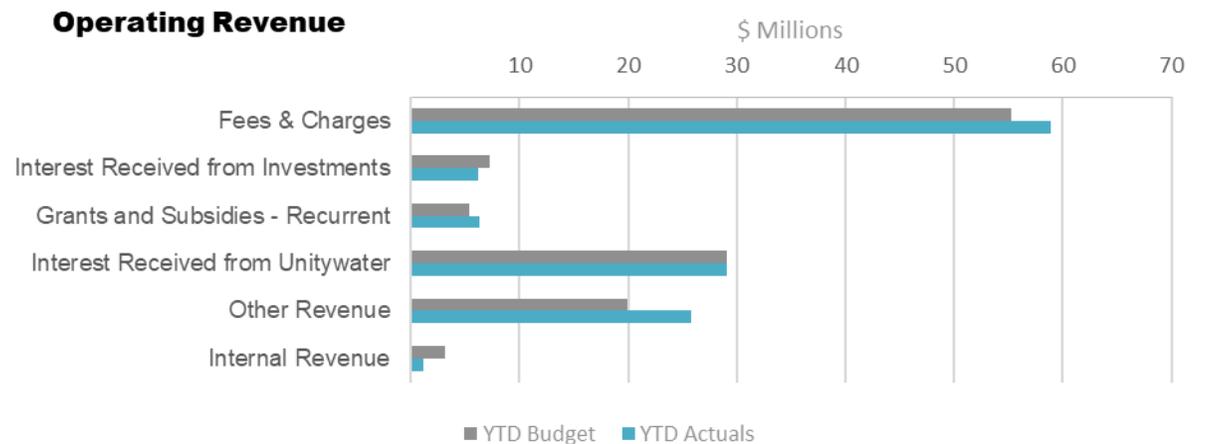


# Operating Result - Revenue

\$612 million in operating revenue has been received which is \$333,000 (0.1%) lower than year to date budget

- Net General Rates \$3.2 million below budget
- Cleansing Charges \$4.5 million below budget
- Fees and Charges higher than budget \$3.5 million
  - Holiday Parks \$1.5 million
  - Sports Venues \$320,000
  - Venue 114 \$263,000
  - Park Smart Parking Infringements \$798,000
  - Community Land Permits \$331,000
  - Animal Registrations \$168,000
  - Quarry Sales \$475,000
- **lower than budget**
  - Parking Fees \$291,000 (*offset by expenditure lower than budget \$221,000*)
  - Beach Patrol Infringements \$261,000

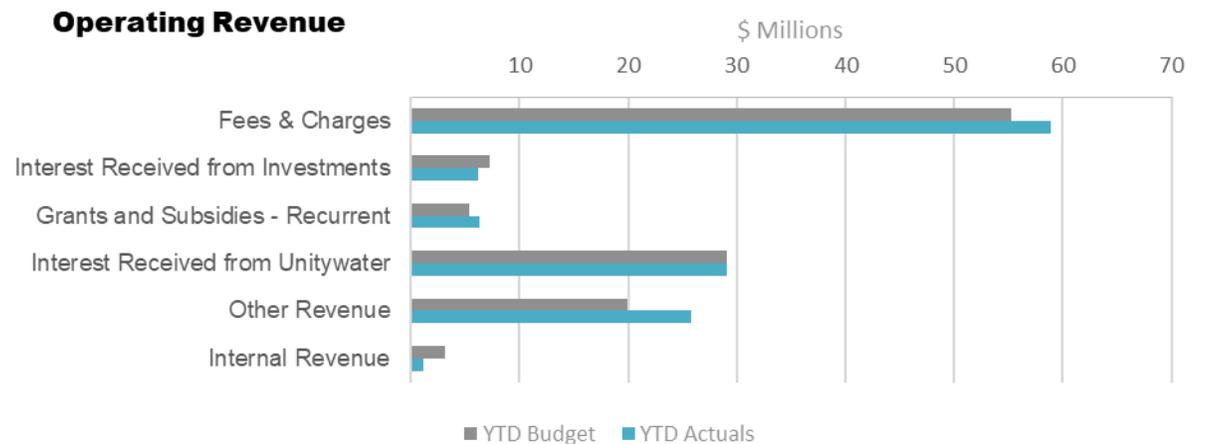
Operating Revenue							January 2025
	Annual		YTD				Annual
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Year End Forecast \$000
<b>Operating Revenue</b>							
General Rates	348,378	348,378	347,478	344,237	(3,242)	(0.9%)	345,088
Cleansing Charges	121,541	121,541	121,012	116,513	(4,499)	(3.7%)	117,041
Levies	23,634	23,634	23,550	23,633	82	0.4%	23,634
Fees and Charges	90,134	90,134	55,307	58,868	3,561	6.4%	93,559
Interest Received from Investments	11,500	11,500	7,216	6,139	(1,078)	(14.9%)	9,800
Operating Grants and Subsidies	23,230	23,800	5,346	6,323	977	18.3%	20,165
Operating Contributions	327	327	304	279	(25)	(8.2%)	327
Unitywater Participation	52,500	52,500	29,049	29,049	-	-	52,500
Other Revenue	32,904	35,517	19,891	25,815	5,923	29.8%	31,811
Internal Sales/Recoveries	6,879	6,879	3,156	1,123	(2,033)	(64.4%)	3,593
<b>Total Operating Revenue</b>	<b>711,026</b>	<b>714,209</b>	<b>612,312</b>	<b>611,979</b>	<b>(333)</b>	<b>(0.1%)</b>	<b>697,517</b>



# Operating Result – Revenue (con't)

- Interest Received from Investments \$1.1 million lower than budget
- Operating Subsidies \$977,000 higher than budget
  - Tropical Cyclone Alfred reimbursement \$713,000
- Other Revenue \$5.9 million higher than budget
  - Revegetation Offset Revenue \$2.5 million
  - Transport Main Roads reimbursement \$1.2 million
  - Waste Carbon Credits Revenue \$226,000
  - Waste Miscellaneous \$347,000
  - Stadium Events \$286,000
  - Aquatic Centre recoupment \$67,000
  - Customer Response SPER recoupment \$296,000
  - Bond Recall \$221,000
  - Lease Revenue \$345,000
- Internal Sales Quarry below budget \$2.0 million  
 - offset some by \$475,000 in external sales and \$869,000 underspent in Materials and services

Operating Revenue							January 2025
	Annual		YTD				Annual
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Year End Forecast \$000
<b>Operating Revenue</b>							
General Rates	348,378	348,378	347,478	344,237	(3,242)	(0.9%)	345,088
Cleansing Charges	121,541	121,541	121,012	116,513	(4,499)	(3.7%)	117,041
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Other Revenue	32,904	35,517	19,891	25,815	5,923	29.8%	31,811
Internal Sales/Recoveries	6,879	6,879	3,156	1,123	(2,033)	(64.4%)	3,593
<b>Total Operating Revenue</b>	<b>711,026</b>	<b>714,209</b>	<b>612,312</b>	<b>611,979</b>	<b>(333)</b>	<b>(0.1%)</b>	<b>697,517</b>



# Operating Result - Expenses

\$399.6 million in operating expenses has been incurred which is \$822,000 (0.2%) lower than year to date budget

Employee Costs \$2.6 million lower than year to date budget due to vacancies across Council.

Core Materials and Services below budget \$910,000

- Quarry \$869,000
- Property Management \$834,000
- Council Fuel \$401,000
- Transport Network Management \$396,000
- **higher than budget**
  - Appeals Legal Fees \$634,000
  - Waste \$829,000

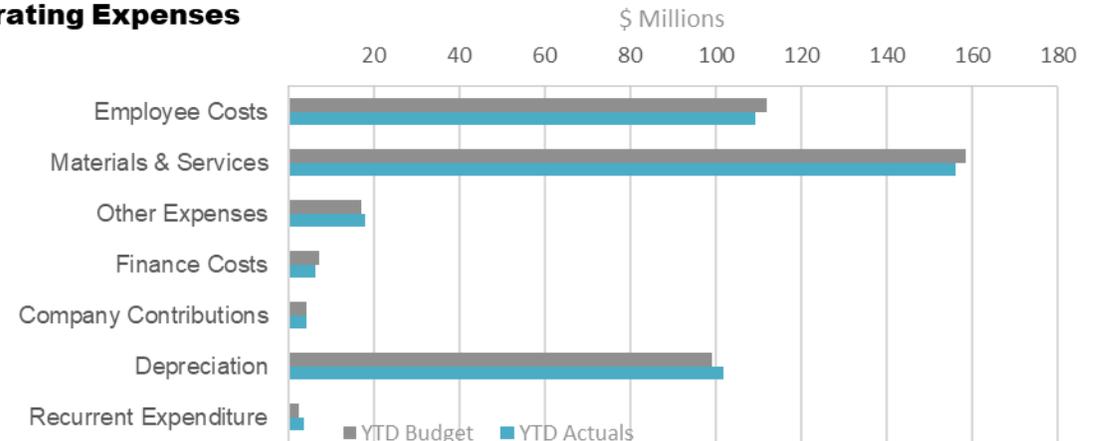
Levy Programs below budget \$1.3 million

- Transport Levy \$637,000
- Environment Levy \$508,000

Depreciation \$2.7 million higher than year to date budget

Operating Expenses						January 2025	
	Annual		YTD			Annual	
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Year End Forecast \$000
<b>Operating Expenses</b>							
Employee Costs	203,701	203,973	112,017	109,399	(2,618)	(2.3%)	201,782
Materials and Services	282,455	285,397	158,637	156,223	(2,414)	(1.5%)	281,170
Other Expenses	32,150	32,120	16,949	17,843	894	5.3%	32,523
Finance Costs	12,766	12,766	7,157	6,289	(868)	(12.1%)	11,946
Company Contributions	4,190	4,190	4,190	4,190	0	0.0%	4,190
Depreciation Expense	170,053	170,053	99,197	101,903	2,706	2.7%	174,234
Recurrent Capital Expenses	5,000	5,000	2,291	3,769	1,478	64.5%	5,000
<b>Total Operating Expenses</b>	<b>710,315</b>	<b>713,498</b>	<b>400,437</b>	<b>399,615</b>	<b>(822)</b>	<b>(0.2%)</b>	<b>710,846</b>

Operating Expenses



# Operating Result – Expenses (con't)

Loss on Disposal \$9.2 million predominantly relates to land parcels that have been reclassified as road reserve and written off as assets.

Recurrent Capital Expenses – Prior Year \$4.0 million relating to prior-year capital project costs that are operational in nature.

Non-recurrent Expenses						January 2025	
	Annual		YTD			Annual	
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Year End Forecast \$000
<b>Non-recurrent Expenses</b>							
Profit/Loss on disposal, revaluation & impairment provisions	-	-	-	9,166	9,166	-	9,166
Recurrent Capital Expenses - Prior Year	3,056	3,056	1,783	1,783	-	-	3,056
Assets Transferred to Third Parties	-	-	-	-	-	-	-
<b>Total Non-recurrent Expenses</b>	<b>3,056</b>	<b>3,056</b>	<b>1,783</b>	<b>14,986</b>	<b>13,203</b>	<b>740.6%</b>	<b>39,222</b>

# Capital Expenditure

The overall program has reached 39.8% completion.

\$115.2 million of Council's total capital works budget has been expensed which is \$2.0 million (1.7%) lower than year to date budget.

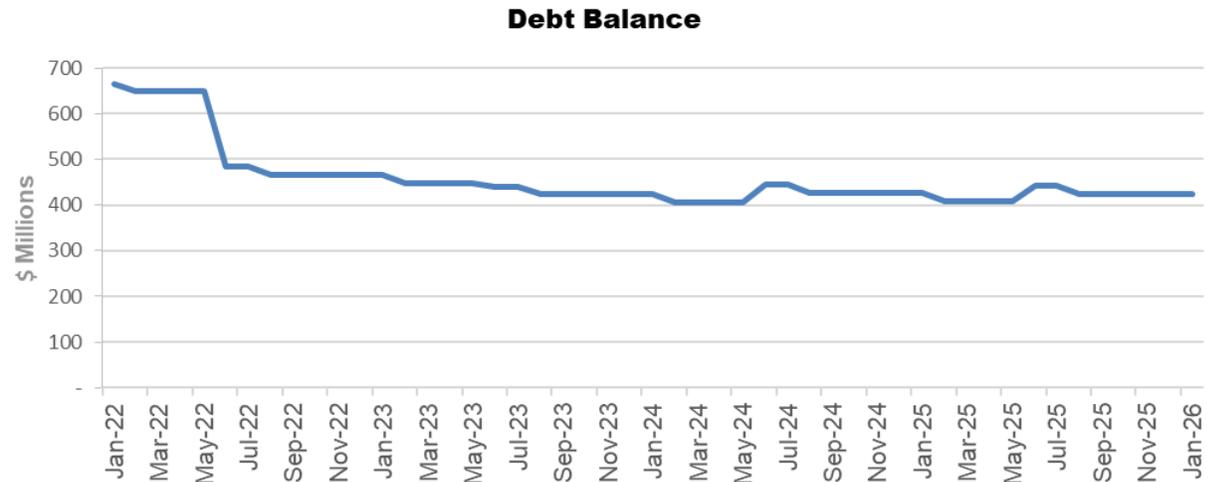
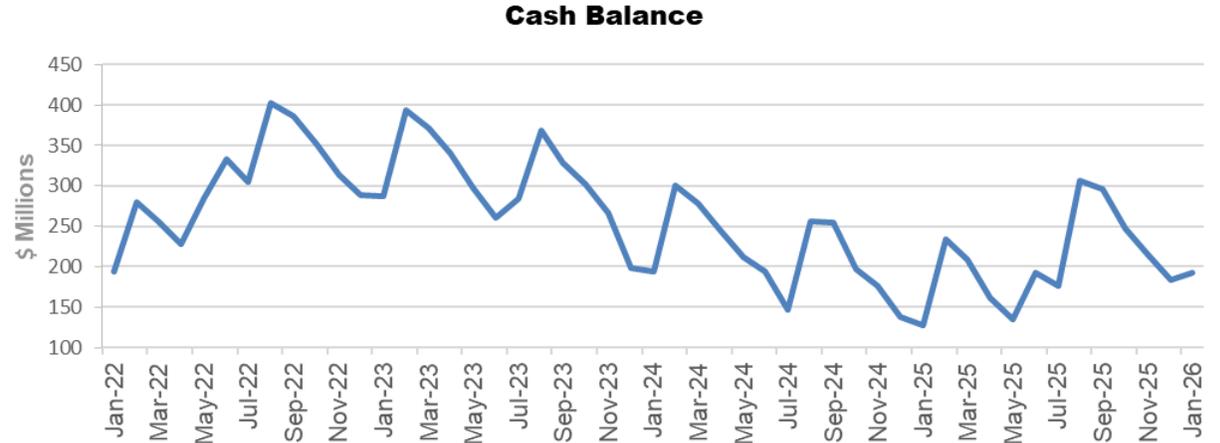
The Core Capital Program has expensed \$78.0 million, \$923,000 (1.2%) higher than year to date budget.

Capital Expenditure						January 2026		
	Annual		YTD			Annual		
	Original Budget \$000s	Current Budget \$000s	Budget \$000s	Actuals \$000s	Variance %	% spend Annual Budget	Forecast Year End Actual	Forecast Year End Variance to Budget
<b>Core Capital Works Program</b>								
Aerodromes	2,274	2,389	400	408	102.0%	17.1%	603	(1,786)
Buildings and Facilities	21,267	16,800	3,481	4,295	123.4%	25.6%	12,131	(4,669)
Coast and Canals	9,824	9,557	4,496	3,722	82.8%	38.9%	8,001	(1,556)
Environmental Assets	6,574	3,094	322	305	94.7%	9.9%	2,632	(462)
Minor Works	5,915	6,906	1,717	2,303	134.1%	33.3%	6,395	(511)
Holiday Parks	4,126	3,410	676	547	81.0%	16.0%	3,065	(345)
Parks and Gardens	11,240	11,588	3,500	3,382	96.6%	29.2%	14,097	2,509
Sports Facilities	20,661	24,929	11,757	11,809	100.4%	47.4%	24,551	(378)
Quarries	-	-	-	0	-	-	0	0
Stormwater	17,352	16,616	4,464	4,601	103.1%	27.7%	7,839	(8,777)
Transportation	117,646	119,515	46,216	46,580	100.8%	39.0%	105,226	(14,289)
<b>Total SCC Core Capital Program</b>	<b>216,877</b>	<b>214,802</b>	<b>77,029</b>	<b>77,952</b>	<b>101.2%</b>	<b>36.3%</b>	<b>184,539</b>	<b>(30,263)</b>
Disaster Recovery Funding Arrangements	3,888	13,708	12,840	11,738	91.4%	85.6%	13,263	(445)
Fleet	3,000	6,000	-	982	-	16.4%	5,580	(420)
Waste	26,071	28,310	13,797	11,020	79.9%	38.9%	26,420	(1,890)
Corporate Major Projects	9,085	7,897	3,497	3,373	96.4%	42.7%	5,016	(2,881)
Strategic Land and Commercial Properties	3,417	18,732	10,000	10,146	101.5%	54.2%	18,834	102
<b>Total Other Capital Program</b>	<b>45,461</b>	<b>74,648</b>	<b>40,134</b>	<b>37,260</b>	<b>92.8%</b>	<b>49.9%</b>	<b>69,113</b>	<b>(5,535)</b>
<b>TOTAL</b>	<b>262,338</b>	<b>289,451</b>	<b>117,163</b>	<b>115,212</b>	<b>98.3%</b>	<b>39.8%</b>	<b>253,652</b>	<b>(35,798)</b>
<i>The above program of works includes recurrent and non-recurrent expenditure, as reporting in the operating statement</i>								
Recurrent Expenses	5,000	5,000	2,291	3,769	164.5%			
Non-Recurrent Expenses	-	-	-	4,037	-			

# Cash Flows and Balance Sheet

- Cash balance at 31 January was \$192.1 million excluding Trust
- Debt balance at 31 January was \$428.0 million

Cash and Balance Sheet		January 2026	
	Current Budget \$000s	YTD Budget \$000s	YTD Actuals \$000s
<b>CASH FLOWS</b>			
Opening Cash including Trust	216,764	185,806	210,016
Net Cash Inflow/(Outflows) from:			
Operating Activities	128,046	46,584	49,989
Investing Activities	(84,910)	(38,085)	(28,913)
Financing Activities	38,598	(14,104)	(14,104)
<b>Net Increase/(decrease) in Cash Held</b>	<b>81,734</b>	<b>(5,604)</b>	<b>6,973</b>
<b>Closing Cash including Trust</b>	<b>298,498</b>	<b>180,202</b>	<b>216,988</b>
<b>BALANCE SHEET</b>			
Current Assets	378,413		
Non Current Assets	9,369,274		
<b>Total Assets</b>	<b>9,747,687</b>		
Current Liabilities	242,957		
Non Current Liabilities	522,193		
<b>Total Liabilities</b>	<b>765,150</b>		
<b>Net Community Assets/Total Community Equity</b>	<b>8,982,537</b>		



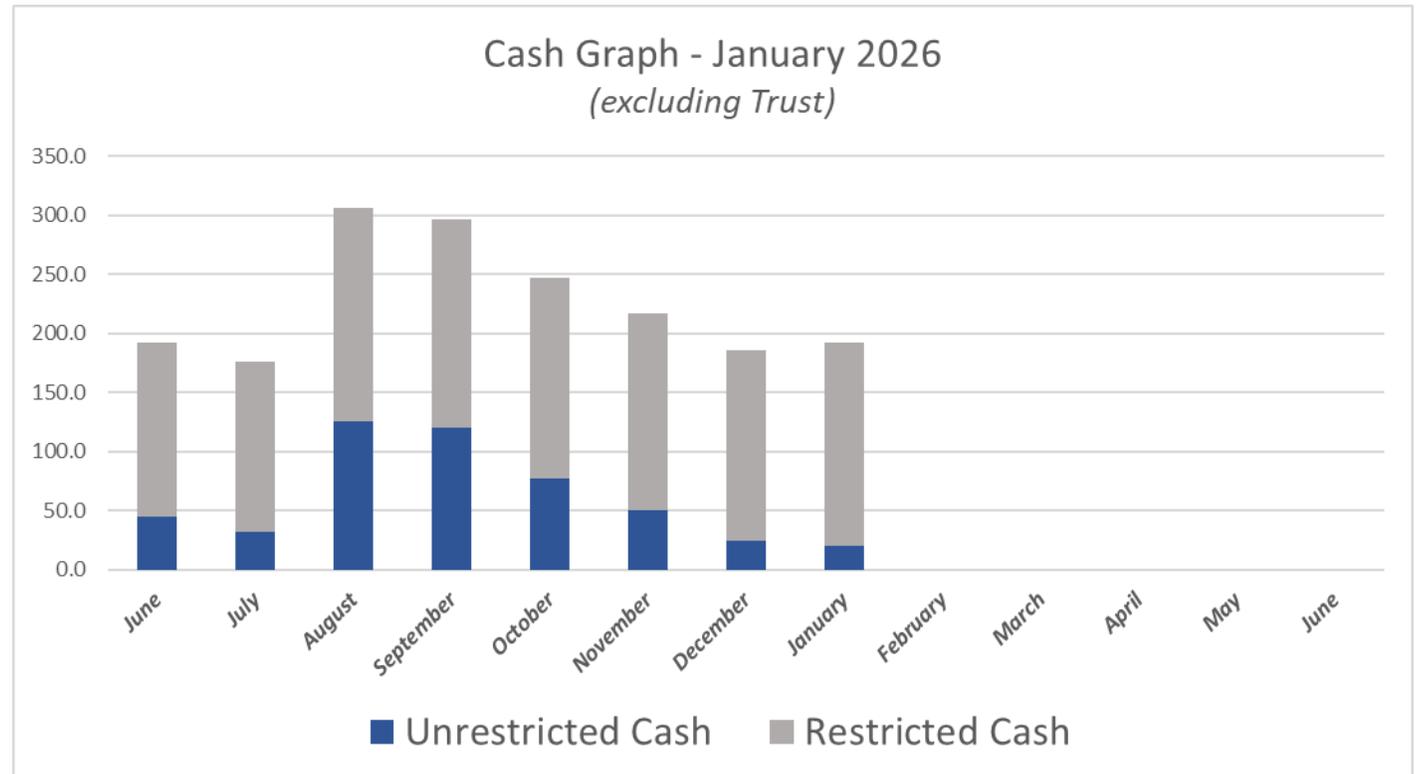
# Cash Flows

## Council Cash

- Council's cash at 31 January \$192.1 million  
*(excluding Trust)*

- *Unrestricted cash \$20.4 million*

- *Restricted cash \$171.7 million*



# Debt

Council's current debt balance is \$428 million.

Sunshine Coast Council's debt program is governed by the 2025-26 Debt Policy, which was adopted with the Original Budget adoption on 7 July 2025.

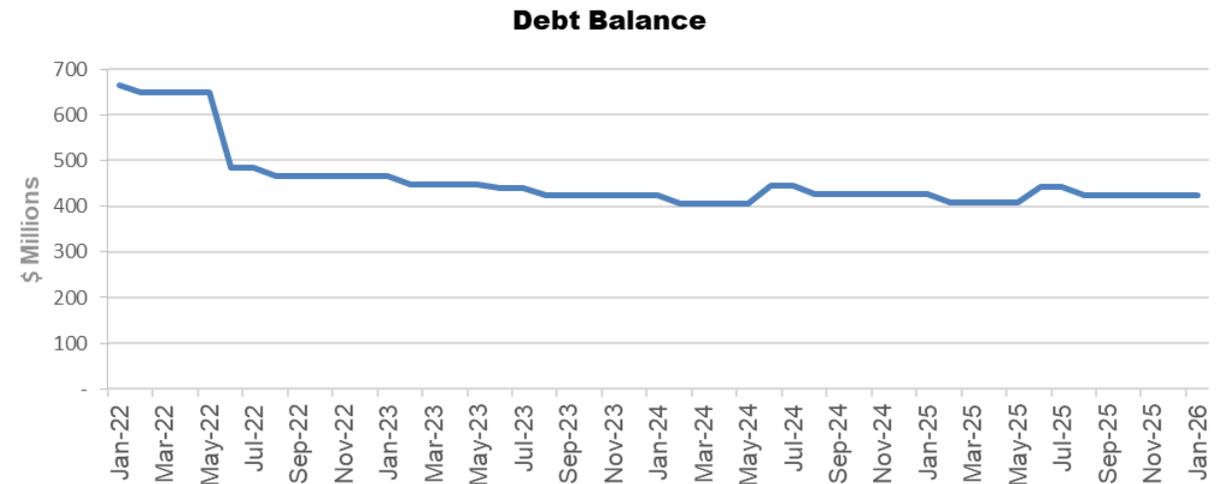
Planned new borrowings are undertaken in accordance with the Queensland Treasury Corporation Guidelines, the Statutory Bodies Financial Arrangements Act 1982 and Section 192 of the Local Government Regulation 2012.

Council's planned new borrowings for the 2025-26 financial year totalling \$66.8 million will be drawn down later in the financial year.

Council operates a central treasury model and as such does not generally provide debt funding for specific projects or assets but rather uses debt funding to finance Council's balance sheet, with the exception being for strategic projects.

Council's borrowing application has been submitted.

Debt - 2025-26				
	Opening Balance	Debt Redemption	Planned New Borrowings	Forecast Closing Balance
	\$000	\$000	\$000	\$000
Sunshine Coast Council Core	346,649	22,330	66,805	391,124
Maroochydore City Centre	95,504	5,877	-	89,627
<b>Total</b>	<b>442,153</b>	<b>28,207</b>	<b>66,805</b>	<b>480,751</b>





# Savings Initiatives

Achieved savings in employee costs and materials and services will be formally recognised in Budget Review 2. Materials and services savings have been identified across a range of Council report codes.

The targeted vacancy rate remains on track to be achieved by 30 June 2026.

	Full Year Budget \$'000	YTD Budget \$'000	Achieved YTD \$'000	On Target
Vacancy Rate	7,536	4,162	4,162	✓
Employee Costs Savings Initiative	1,100	489	1,636	✓
Materials and Services Savings Initiative	4,400	1,467	4,309	✓
<b><i>TOTAL Savings Initiative</i></b>	<b><i>13,036</i></b>	<b><i>6,118</i></b>	<b><i>10,107</i></b>	

# Risks

The 2025-26 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 key elements of the 2025-26 budget are based on management estimates and assumptions:

- Rates and charges revenue includes population and property growth forecasts
- Interest revenue and Finance costs includes interest rate forecasts
- Depreciation includes asset valuation, useful life and asset condition estimates and,
- Recurrent capital expenditure includes capitalisation estimates.

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

Thanks for your time



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