

## 8.6 JULY 2024 FINANCIAL PERFORMANCE REPORT

**File No:** Council Meetings  
**Author:** Acting Coordinator Financial Services  
 Business Performance Group  
**Attachments:** Att 1 - July 2024 Financial Performance Report  
 Att 2 - Capital Grant Funded Project Report July 2024

### 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 July 2024, in terms of the operating result and delivery of the capital program.

#### Operating Performance

**Table 1: Operating Budget as at 31 July 2024**

	<b>Original Budget \$000</b>	<b>Current Budget \$000</b>
Total Operating Revenue	610,085	610,085
Total Operating Expenses	587,086	587,086
<b>Operating Result</b>	<b>22,999</b>	<b>22,999</b>

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

### OFFICER RECOMMENDATION

**That Council receive and note the report titled “July 2024 Financial Performance Report”.**

### FINANCE AND RESOURCING

This report sets out the details of Council’s financial performance and investments for the month ending 31 July 2024, and meets Council’s legislative reporting requirements.

### CORPORATE PLAN

**Corporate Plan Goal:** *Our outstanding organisation*  
**Outcome:** We serve our community by providing this great service  
**Operational Activity:** S28 - Financial and procurement services – financial and procurement management and governance, ensuring effective

business management and legislative compliance, coordination and development of Council's budget process, administration of financial systems, sundry debtors, accounts payable, financial and asset accounting, treasury, procurement, contract and supply functions.

## **CONSULTATION**

### **Councillor Consultation**

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

### **Internal Consultation**

This report has been written in conjunction with advice from:

- Acting Group Executive Business Performance
- Chief Financial Officer

### **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 2024-25 Investment Policy, and  
Sunshine Coast Council's 2024-25 Debt Policy.

### **Risk**

The 2024-25 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.

Council's operating result includes savings initiatives of \$14.7 million. Failure to achieve the budgeted operating result will negatively impact Council's financial sustainability both in the short term and long term.

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

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**Previous Council Resolution****Special Meeting 20 June 2024 (OM24/4)**

*That Council:*

**1. STATEMENT OF ESTIMATED FINANCIAL POSITION**

*receive and note Appendix A, pursuant to section 205 of the Local Government Regulation 2012, the statement of the financial operations and financial position of the Council in respect to the 2023-24 financial year.*

**2. ADOPTION OF BUDGET**

*adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's budget for 2024-25 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 long-term financial forecast*
- vii. the Debt Policy (adopted by Council resolution on 30 May 2024)*
- viii. the Revenue Policy (adopted by Council resolution on 30 May 2024)*
- 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*
- xi. Council's 2024-25 Capital Works Program, endorsing the indicative four-year program for the period 2026 to 2029, and noting the five-year program for the period 2030 to 2034*
- xii. the rates and charges to be levied for the 2024-25 financial year and other matters as detailed below in clauses 3 to 10*
- xiii. the 2024-25 Minor Capital Works Program*
- xiv. the Strategic Environment Levy Policy*
- xv. the Strategic Arts and Heritage Levy Policy*
- xvi. the Strategic Transport Levy Policy and*
- xvii. Prescribed Services Charge Plan (No. 2) 2024-25 Financial Year.*

**Related Documentation**

2024-25 Adopted Budget

**Critical Dates**

There are no critical dates for this report.

**Implementation**

There are no implementation details to include in this report.

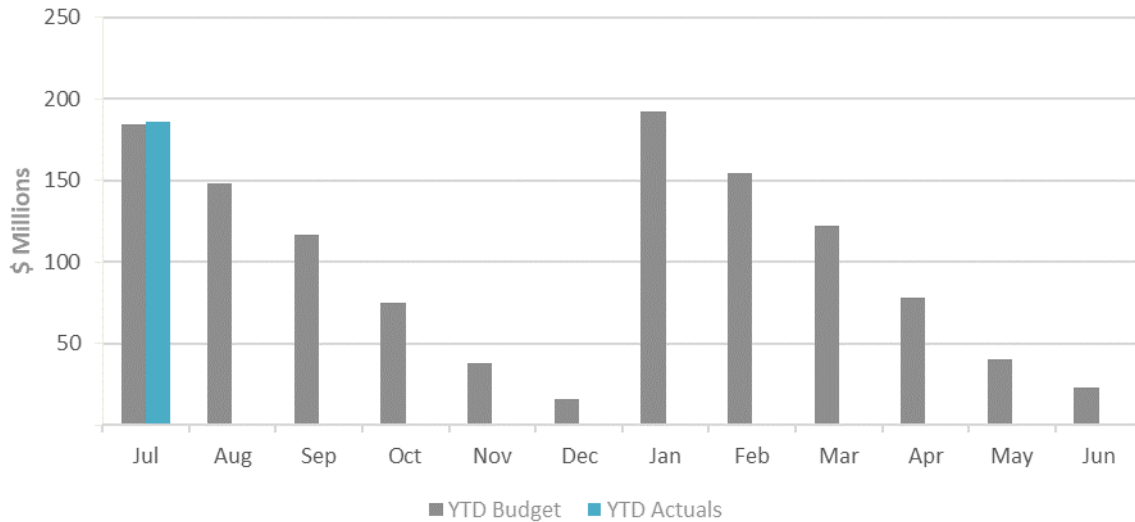
# 2024-25 BUDGET

Financial Performance Report

July 2024

# Statement of Income and Expenses

## 2024/25 Operating Result



31 July 2024

Council had an operating result of \$183.3 million, which was \$4.8 million (2.7%) above current budget

Statement of Income & Expenses							
	Annual		YTD				Annual
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Forecast Budget \$000
<b>Operating Revenue</b>							
General Rates	319,728	319,728	156,826	157,236	410	0.3%	319,728
Cleansing Charges	78,328	78,328	39,162	42,503	3,340	8.5%	78,328
Levies	29,552	29,552	14,446	14,147	(299)	(2.1%)	29,552
Fees and Charges	77,152	77,152	7,599	7,198	(400)	(5.3%)	77,152
Interest Received from Investments	14,883	14,883	1,215	1,020	(195)	(16.1%)	14,883
Operating Grants and Subsidies	16,129	16,129	9,279	9,159	(120)	(1.3%)	16,129
Operating Contributions	320	320	27	-	(27)	(100.0%)	320
Unitywater Participation	52,500	52,500	875	875	-	-	52,500
Other Revenue	18,775	18,775	1,319	1,711	393	29.8%	18,775
Internal Sales/Recoveries	2,719	2,719	208	52	(156)	(75.0%)	2,719
<b>Total Operating Revenue</b>	<b>610,085</b>	<b>610,085</b>	<b>230,957</b>	<b>233,902</b>	<b>2,945</b>	<b>1.3%</b>	<b>610,085</b>
<b>Operating Expenses</b>							
Employee Costs	186,081	186,081	12,660	12,859	198	1.6%	186,081
Materials and Services	234,321	234,321	19,925	18,167	(1,757)	(8.8%)	234,321
Finance Costs	13,284	13,284	1,107	1,109	2	0.2%	13,284
Company Contributions	4,149	4,149	4,149	4,149	0	0.0%	4,149
Depreciation Expense	115,664	115,664	9,639	9,639	-	-	115,664
Other Expenses	29,587	29,587	2,130	1,821	(309)	(14.5%)	29,587
Recurrent Capital Expenses	4,000	4,000	2,857	2,857	-	-	4,000
<b>Total Operating Expenses</b>	<b>587,086</b>	<b>587,086</b>	<b>52,467</b>	<b>50,601</b>	<b>(1,866)</b>	<b>(3.6%)</b>	<b>587,086</b>
<b>Operating Result</b>	<b>22,999</b>	<b>22,999</b>	<b>178,490</b>	<b>183,301</b>	<b>4,811</b>	<b>2.7%</b>	<b>22,999</b>
<b>Capital Revenue</b>							
Capital Grants and Subsidies	25,000	25,000	-	-	-	-	25,000
Capital Contributions - Cash	33,629	33,629	-	111	111	-	33,629
Capital Contributions - Fixed Assets	74,538	74,538	-	-	-	-	74,538
<b>Total Capital Revenue</b>	<b>133,167</b>	<b>133,167</b>	<b>-</b>	<b>111</b>	<b>111</b>	<b>-</b>	<b>133,167</b>
<b>Non-recurrent Expenses</b>							
Profit/Loss on disposal, revaluation & impairment	-	-	-	-	-	-	-
Movements in landfill and quarry provisions	2,982	2,982	248	248	-	-	2,982
Recurrent Capital Expenses - Prior Year	-	-	-	-	-	-	-
Assets Transferred to Third Parties	-	-	-	-	-	-	-
<b>Total Non-recurrent Expenses</b>	<b>2,982</b>	<b>2,982</b>	<b>248</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>2,982</b>
<b>Net Result</b>	<b>153,185</b>	<b>153,185</b>	<b>178,241</b>	<b>183,164</b>	<b>4,923</b>	<b>2.8%</b>	<b>153,185</b>

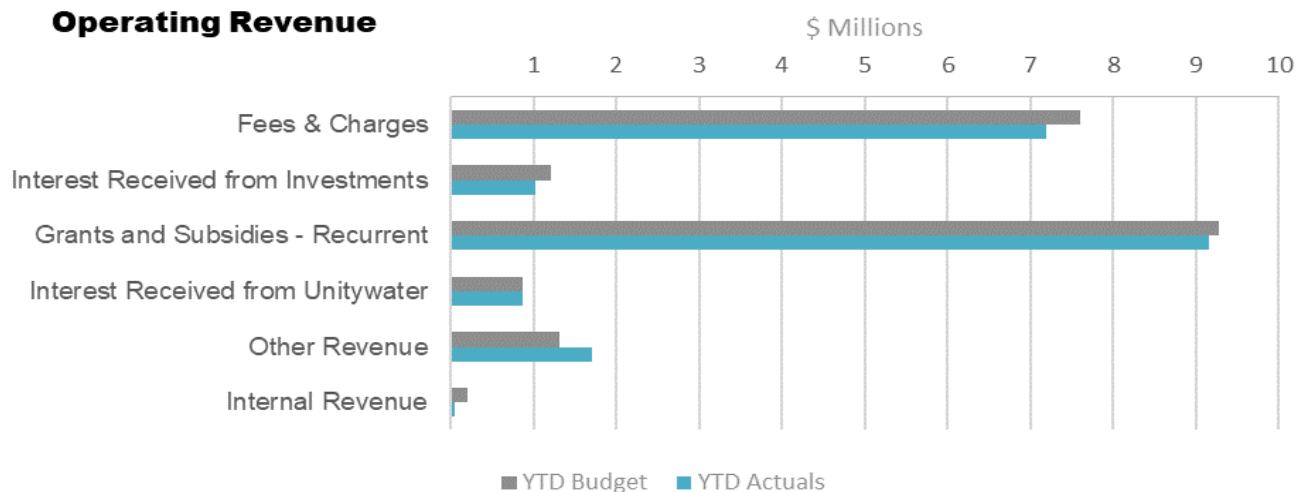
# Operating Result - Revenue

31 July 2024

\$233.9 million in operating revenue received which is \$2.9 million more than budget

- Waste collections revenue higher than budget for domestic bulk collections \$1.9 million and domestic wheelie bin collections \$936,000

Operating Summary						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	610,085	610,085	230,957	233,902	2,945	1.3%
Operating Expenses	583,086	583,086	49,610	47,743	(1,866)	(3.8%)
Recurrent Capital Expenses	4,000	4,000	2,857	2,857	-	-
<b>Operating Result</b>	<b>22,999</b>	<b>22,999</b>	<b>178,490</b>	<b>183,301</b>	<b>4,811</b>	<b>2.7%</b>
Capital Revenue	133,167	133,167	-	111	111	-
Non-recurrent Expenses	2,982	2,982	248	248	-	-
<b>Net Result</b>	<b>153,185</b>	<b>153,185</b>	<b>178,241</b>	<b>183,164</b>	<b>4,923</b>	<b>2.8%</b>



# Operating Result - Expenses

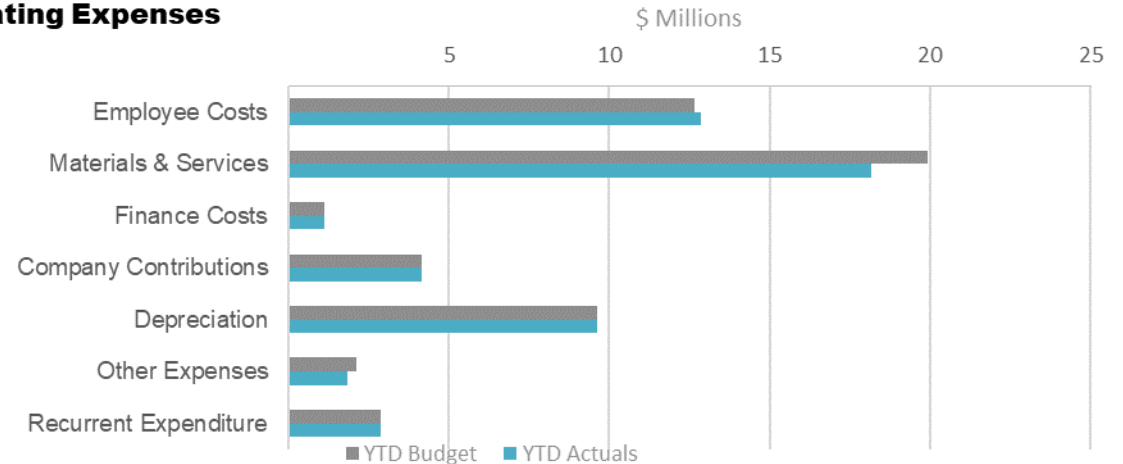
31 July 2024

\$47.7 million in operating expenses incurred which is \$1.9 million (3.8%) less than budget

- Materials and Services under budget \$1.8 million (8.8%)
  - Waste contracts, Civil Operations and Parks and Gardens expenditure all below budget

Operating Summary						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	610,085	610,085	230,957	233,902	2,945	1.3%
Operating Expenses	583,086	583,086	49,610	47,743	(1,866)	(3.8%)
Recurrent Capital Expenses	4,000	4,000	2,857	2,857	-	-
<b>Operating Result</b>	<b>22,999</b>	<b>22,999</b>	<b>178,490</b>	<b>183,301</b>	<b>4,811</b>	<b>2.7%</b>
Capital Revenue	133,167	133,167	-	111	111	-
Non-recurrent Expenses	2,982	2,982	248	248	-	-
<b>Net Result</b>	<b>153,185</b>	<b>153,185</b>	<b>178,241</b>	<b>183,164</b>	<b>4,923</b>	<b>2.8%</b>

## Operating Expenses





# Capital Expenditure

31 July 2024

\$23.1 million (8.2%) of Council's \$283.3 million capital works budget has been expended

The Core Capital Program has expended \$9.5 million, 4.9% of budget

Corporate Major Projects

- Caloundra Centre Activation – Library \$4.9 million

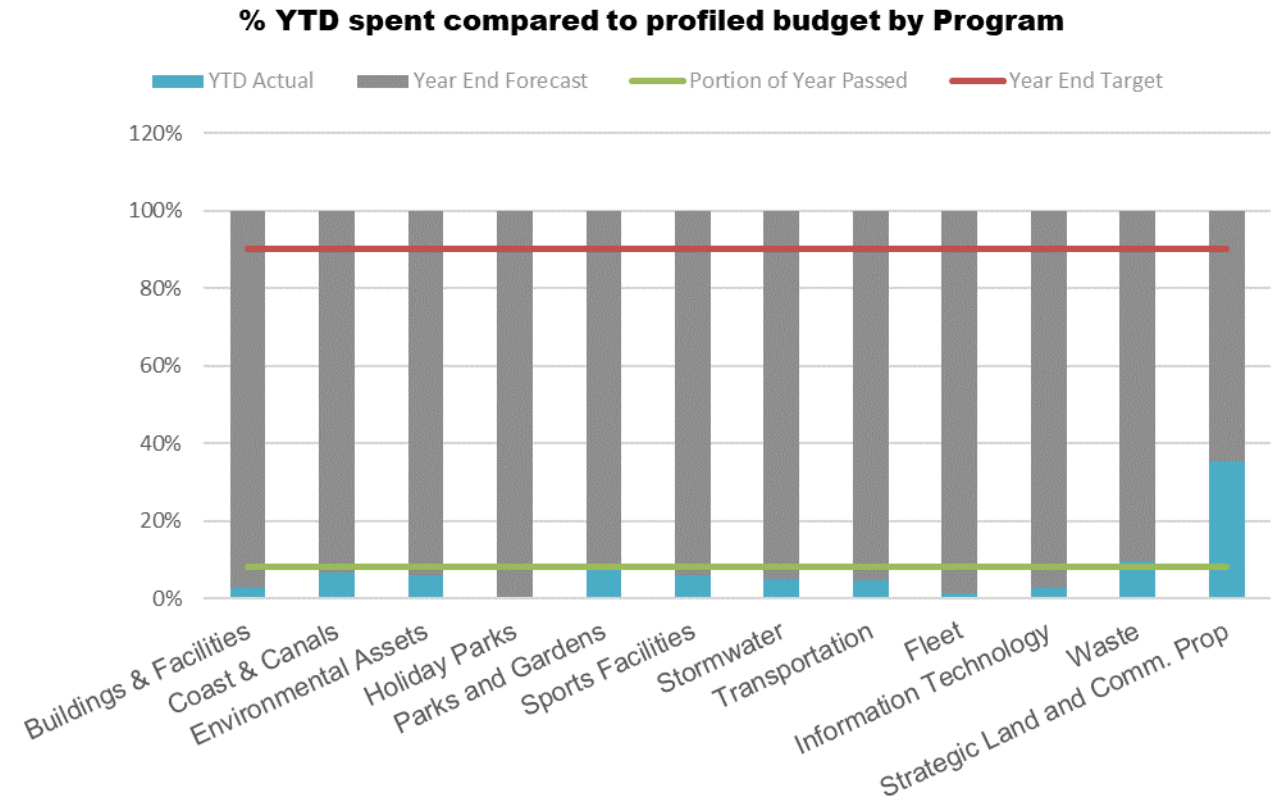
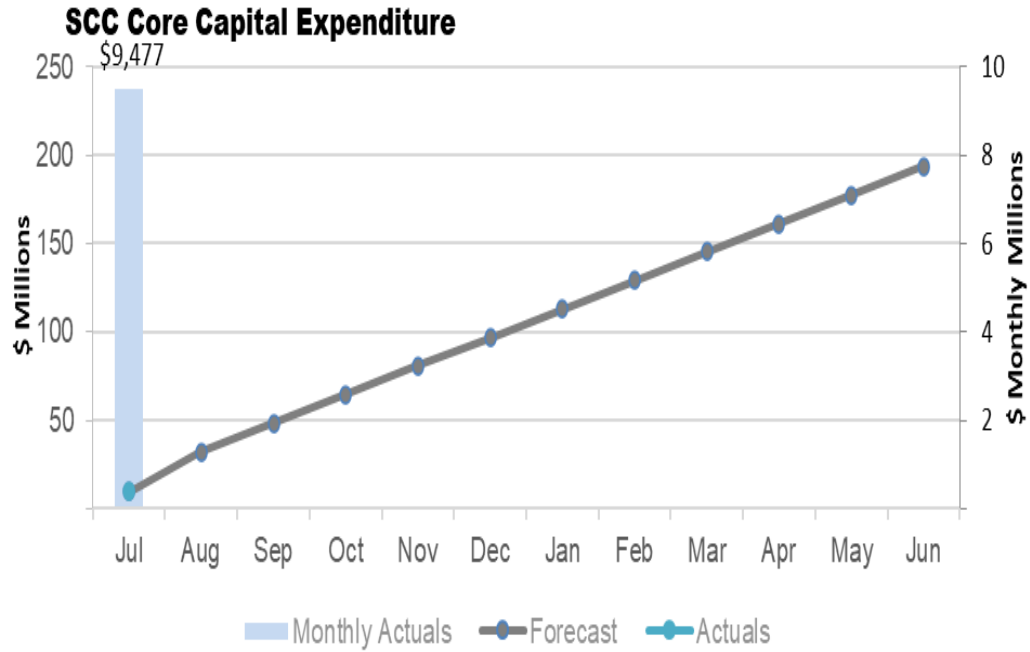
Strategic Land and Commercial Properties

- Brisbane 2032 MTB Centre Land Acquisition \$6.2 million

Capital Expenditure						
	Annual		YTD		Year End	
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	% of FY Budget Spent	Forecast Year End Actual	Forecast Year End Variance to Budget
<b>Core Capital Works Program</b>						
Aerodromes	1,525	1,525	6	0.4%	709	(816)
Buildings and Facilities	28,286	28,286	769	2.7%	13,056	(15,230)
Coast and Canals	6,200	6,200	416	6.7%	2,621	(3,579)
Environmental Assets	4,120	4,120	255	6.2%	3,109	(1,011)
Minor Works	5,862	5,862	613	10.5%	1,916	(3,946)
Holiday Parks	2,881	2,881	12	0.4%	1,436	(1,446)
Parks and Gardens	10,480	10,480	874	8.3%	5,027	(5,453)
Sports Facilities	20,738	20,738	1,224	5.9%	23,247	2,509
Quarries	-	-	-	-	-	-
Stormwater	14,318	14,318	727	5.1%	8,963	(5,356)
Transportation	99,213	99,213	4,581	4.6%	68,250	(30,963)
<b>Total SCC Core Capital Program</b>	<b>193,624</b>	<b>193,624</b>	<b>9,477</b>	<b>4.9%</b>	<b>128,334</b>	<b>(65,290)</b>
Disaster Recovery Funding Arrangements	4,590	4,590	285	6.2%	4,650	60
Fleet	3,500	3,500	55	1.6%	1,844	(1,656)
Information Technology	10,000	10,000	276	2.8%	10,511	511
Waste	12,882	12,882	1,254	9.7%	27,494	14,612
Corporate Major Projects	39,730	39,730	5,060	12.7%	31,687	(8,043)
Strategic Land and Commercial Properties	18,992	18,992	6,713	35.3%	19,000	8
<b>Total Other Capital Program</b>	<b>89,694</b>	<b>89,694</b>	<b>13,643</b>	<b>15.2%</b>	<b>95,185</b>	<b>5,491</b>
<b>TOTAL</b>	<b>283,318</b>	<b>283,318</b>	<b>23,120</b>	<b>8.2%</b>	<b>223,518</b>	<b>(59,799)</b>

The above program of works includes recurrent and non-recurrent expenditure, as reporting in the operating statement

# Capital Expenditure



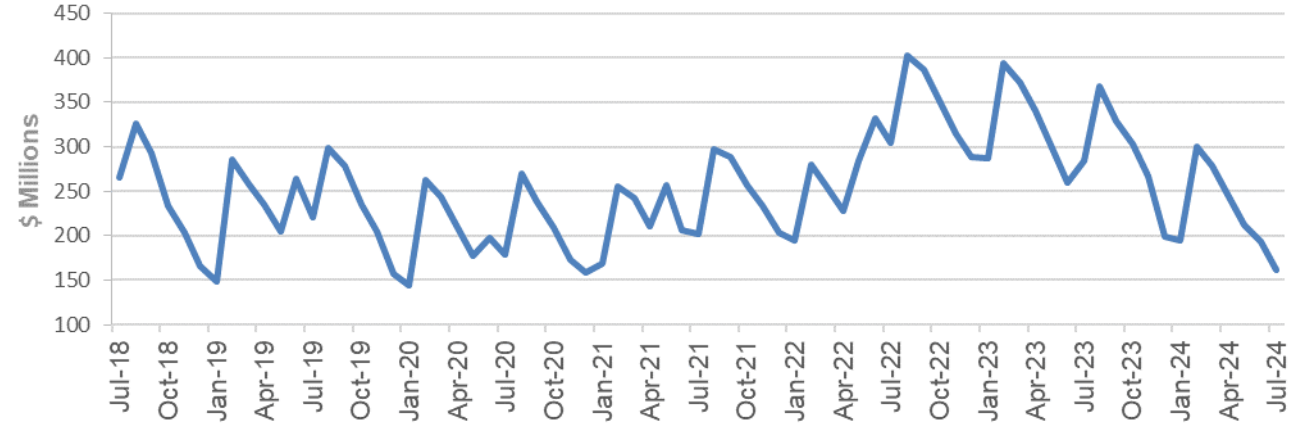
# Cash Flows and Balance Sheet

31 July 2024

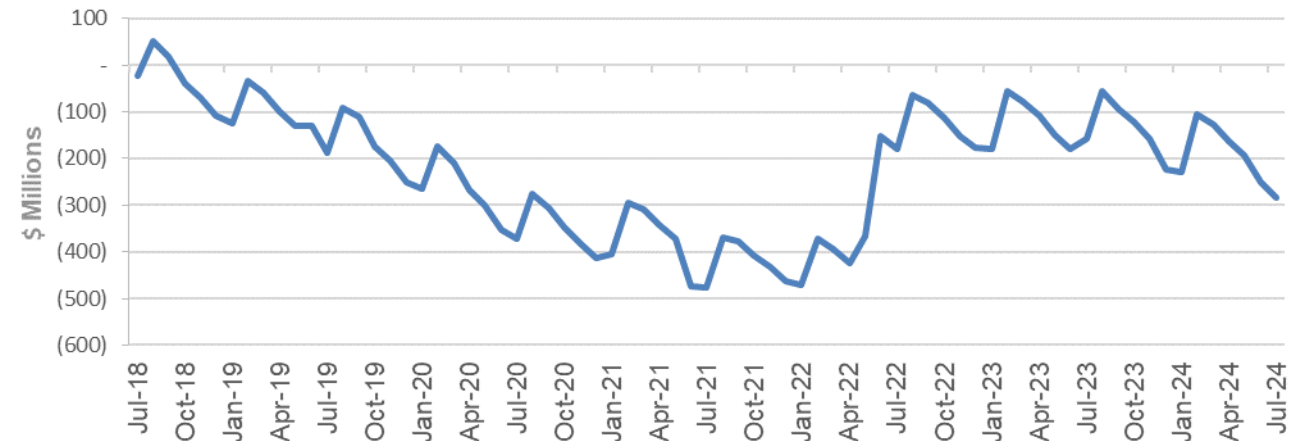
- Cash balance was \$162 million excluding Trust
- Debt balance was \$446 million

Cash and Balance Sheet		2024-25
		Current Budget \$'000s
<b>CASH FLOWS</b>		
Opening Cash		245,121
Net Cash Inflow/(Outflows) from:		
Operating Activities		85,130
Investing Activities		(136,590)
Financing Activities		(5,681)
<b>Net Increase/(decrease) in Cash Held</b>		<b>(57,141)</b>
<b>Cash at year end</b>		<b>187,980</b>
<b>BALANCE SHEET</b>		
Current Assets		253,629
Non Current Assets		7,669,433
<b>Total Assets</b>		<b>7,923,061</b>
Current Liabilities		184,143
Non Current Liabilities		505,082
<b>Total Liabilities</b>		<b>689,224</b>
<b>Net Community Assets/Total Community Equity</b>		<b>7,233,837</b>

**Cash Balance**



**Net Cash**



# Debt

31 July 2024

Council’s current debt balance is \$446 million.

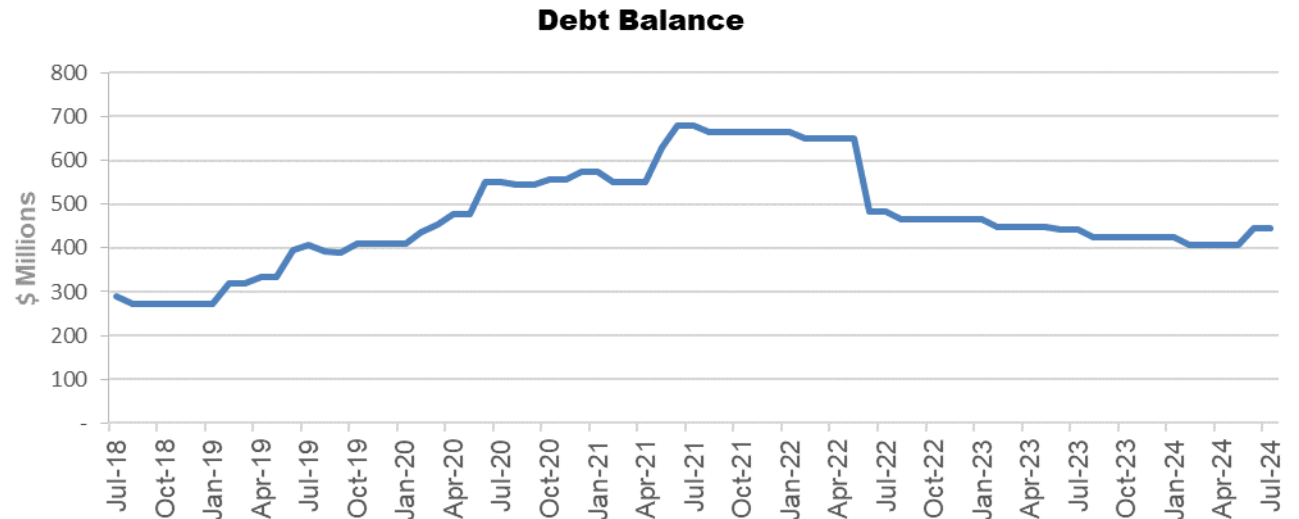
Sunshine Coast Council’s debt program is governed by the 2024-25 Debt Policy, which was adopted with the Original Budget adoption on 20 June 2024.

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 forecast borrowings for the 2024-25 financial year are \$20.3 million and relate to:

- \$10.5 million for Waste
- \$1.5 million for Holiday Parks
- \$7 million for Sunshine Coast Stadium
- \$1.3 million for Caloundra Aerodrome Master Plan

Debt - 2024/25				
	Opening Balance	Debt Redemption	New Borrowings	Closing Balance
	\$000	\$000	\$000	\$000
Sunshine Coast Council Core	345,795	20,064	20,294	346,025
Maroochydore City Centre	100,213	5,784	-	94,429
<b>Total</b>	<b>446,008</b>	<b>25,847</b>	<b>20,294</b>	<b>440,455</b>



# Investment Performance

31 July 2024

At month end Council has \$162 million cash (excluding Trust funds), with an average interest rate of 5.1%, being 0.73% above benchmark. This is compared to the same period last year with \$280 million cash (excluding Trust funds) with an average interest rate of 4.86%, being 0.21% above benchmark.

The benchmark used to measure performance of cash funds is the Bloomberg AusBond Bank Bill Index (BAUBIL).

All investment parameters remain within the guidelines established by the Investment Policy.

Investment Performance - July 2024				
Liquidity as at:			31/07/2024	
	\$'000's			
<b>At-call accounts</b>				
QTC + CBA (excl. trust)	101,951	54.47%		
Maturities within 7 days	-	0.00%		
<b>Total at-call</b>	<b>101,951</b>	<b>54.47%</b>		
Investment Policy Target		10.00%		

Term deposits maturing:			\$'000's	Count
within 30 days			-	-
30-59 days			30,000	3
60-89 days			10,000	1
90-179 days			20,000	2
180-364 days			-	-
1 year - 3 years			-	-
<b>Total</b>			<b>60,000</b>	<b>6</b>

INVESTMENT SUMMARY (including Trust) as at:							Investment Policy	
	31/07/2024		30/04/2024		31/07/2023		Individual Limit	Group Limits
A1+ (QTC)	82,782	44%	78,230	29.1%	90,525	30.5%	100%	100%
A1+ (Other)	94,394	50%	170,556	63.5%	156,293	52.7%	100%	100%
A1	-	0%	-	0.0%	30,000	10.1%	60%	100%
A2	10,000	5%	20,000	7.4%	20,000	6.7%	60%	90%
A3	-	0%	-	0.0%	-	0.0%	10%	30%
<b>Total Funds</b>	<b>187,176</b>		<b>268,787</b>		<b>296,818</b>			
FUND SUMMARY								
General Funds	161,951		244,680		285,466			
Trust Funds	25,225		24,106		11,352			
<b>Total Funds</b>	<b>187,176</b>		<b>268,787</b>		<b>296,818</b>			



[sunshinecoast.qld.gov.au](http://sunshinecoast.qld.gov.au)

2024-25 Financial Year Grant Funding

	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	TOTAL Grant Revenue \$'000	Project Expenditure to date \$'000
<b>Federal Government</b>						<b>(\$10,046)</b>	<b>\$927</b>
1	<b>Roads to Recovery Program</b>					<b>(\$4,800)</b>	
<b>Local Road and Community Infrastructure Grant Funding - Round 4</b>						<b>(\$4,746)</b>	<b>\$927</b>
2	H4607 - LRCIP4 Maple Street - Maleny Streetscape	Division 05	Maleny	July 2024	June 2025	(\$600)	\$11
3	H7584 - LRCIP4 Mountain View Road Maleny Lookout	Division 05	Maleny	March 2024		(\$500)	\$247
4	H7797 - LRCIP4 Kawana Waters Regional Aquatic Ce	Division 03	Bokarina	March 2023	June 2025	(\$939)	\$284
5	K3827 - LRCIP4 Charles Clarke Park Revetment Wal	Division 04	Mooloolaba	February 2024	August 2024	(\$500)	\$103
6	K4113 - LRCIP4 Lions and Norrie Job Cooloom Park	Division 09	Cooloom Beach	May 2024	August 2024	(\$250)	\$21
7	H3732 - Oval Avenue and Gosling St Upgrade	Division 02	Caloundra	July 2024	June 2026	(\$1,758)	\$252
8	K2901 - Solar System Replacement	Whole of Council				(\$200)	\$10
<b>Disaster Ready Fund - Round 1</b>						<b>(\$500)</b>	<b>\$0</b>
9	H7884 - Mooloolaba Foreshore Central Meeting Pla	Division 04	Mooloolaba			(\$500)	\$0
<b>State Government</b>						<b>(\$9,243)</b>	<b>\$16,330</b>
10	<b>Disaster Recovery Funding Arrangements</b>					<b>(\$4,590)</b>	<b>\$16,007</b>
<b>Blackspot Funding</b>						<b>(\$668)</b>	<b>\$0</b>
11	K6053 - BlackSpot Cotton Tree Area - Speed Reduc	Division 04	Maroochydore			(\$50)	\$0
12	K6054 - BlackSpot Sixth Ave Maroochydore - side	Division 04	Maroochydore			(\$350)	\$0
13	K6056 - Blackspot - Mons Road Forest Glen	Division 07	Forest Glen			(\$268)	\$0
<b>Queensland Transport Cycle Network Program</b>						<b>(\$2,540)</b>	<b>\$323</b>
14	H3839 - LGIP Stringybark Rd Footbridge-Pathway	Division 07	Sippy Downs	September 2023	December 2023	(\$700)	\$42
15	H8416 - Emu Mountain Road Pathway Construction	Division 09	Cooloom Beach			(\$690)	\$7
16	K2705 - Coastal Pathway BA 233 to 229 Warana	Division 04	Warana			(\$1,150)	\$274
<b>Walking Network Plans</b>						<b>(\$36)</b>	<b>\$0</b>
17	K3037 - Walking Network Plans	Whole of Council				(\$36)	\$0
18	<b>Passenger Transport Accessible Infrastructure Program</b>					<b>(\$422)</b>	
<b>Transport Infrastructure Development Scheme</b>						<b>(\$987)</b>	<b>\$7</b>
19	H4617 - Mooloolaba School Precinct	Division 04	Mooloolaba			(\$190)	\$0
20	H4613 - Cotton Tree Precinct Improvements	Division 04	Maroochydore			(\$150)	\$0
21	K1719 - Ridgeview Drive and Havana Road West Junction	Division 09	Peregian Springs			(\$190)	\$0
22	K1771 - Petrie Creek Road Shoulder Widening from Paynters Creek Road to Celest	Division 07	Rosemount			(\$457)	\$7
<b>Project Complete</b>							