

Item 8.4

Attachment 1

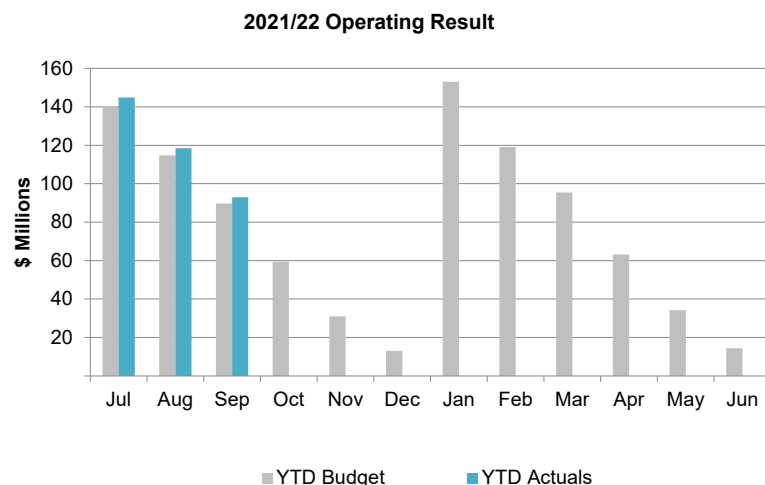
Ordinary Meeting

Thursday, 14 October 2021

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
8.4	SEPTEMBER 2021 FINANCIAL PERFORMANCE REPORT	
	ATTACHMENT 1 SEPTEMBER FINANCIAL PERFORMANCE REPORT ...5	

Statement of Income and Expenses

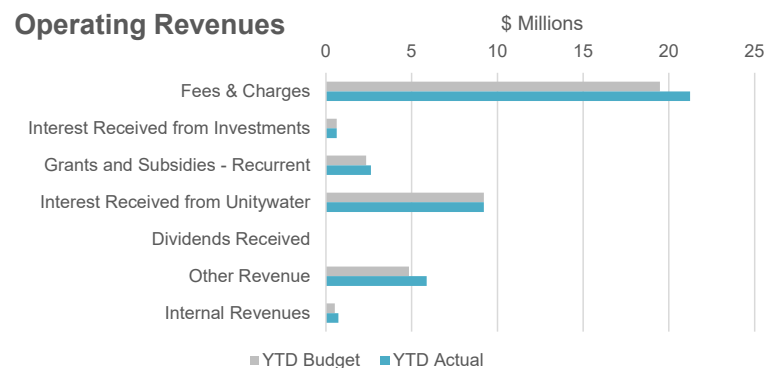


- Council has a positive operating result of \$92.9 million, which is \$3.9 million above the current budget as at 30 September 2021.



	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Revenue							
Net Rates and Utility Charges	343,342	343,342	169,301	169,684	384	0.2%	343,342
Fees and Charges	65,577	65,567	19,479	21,240	1,761	9.0%	65,567
Interest Received from Investments	2,550	2,550	638	636	(1)	(0.2%)	2,550
Operating Grants and Subsidies	15,218	15,397	2,353	2,628	274	11.7%	15,397
Operating Contributions	302	302	263	284	20	7.7%	302
Unitywater Participation	49,838	49,838	9,208	9,208	0	0.0%	49,838
Other Revenue	19,854	19,880	4,844	5,874	1,030	21.3%	19,880
Internal Sales/Recoveries	1,752	1,752	517	722	205	39.7%	1,752
Total Operating Revenue	498,433	498,628	206,603	210,276	3,674	1.8%	498,628
Operating Expenses							
Employee Costs	156,239	156,866	39,403	39,349	(53)	(0.1%)	156,866
Materials and Services	187,077	190,896	41,705	40,889	(816)	(2.0%)	190,896
Finance Costs	12,244	12,244	3,143	3,476	333	10.6%	12,244
Company Contributions	3,615	3,615	3,615	3,615	(0)	(0.0%)	3,615
Depreciation Expense	95,097	95,097	23,774	23,774	(0)	(0.0%)	95,097
Other Expenses	21,884	22,004	4,767	5,088	321	6.7%	22,004
Recurrent Capital Expenses	3,446	3,446	1,177	1,177	(0)	(0.0%)	3,446
Total Operating Expenses	479,602	484,168	117,584	117,368	(216)	(0.2%)	484,168
Operating Result	18,831	14,460	89,019	92,908	3,889	4.4%	14,460
Capital Revenue							
Capital Grants and Subsidies	18,000	22,555	8,500	8,560	60	0.7%	22,555
Capital Contributions - Cash	28,631	28,631	13,000	12,442	(558)	(4.3%)	28,631
Capital Contributions - Fixed Assets	55,000	55,000	-	-	-	-	55,000
Total Capital Revenue	101,631	106,186	21,500	21,002	(498)	(2.3%)	106,186
Non-recurrent Expenses							
Profit/Loss on disposal, revaluation & impairment	7,048	-	-	-	-	-	-
Movements in landfill and quarry provisions	5,583	5,583	1,396	1,396	-	-	5,583
Assets Transferred to Third Parties	-	-	-	-	-	-	-
Total Non-recurrent Expenses	12,631	5,583	1,396	1,396	-	-	5,583
Net Result	107,831	115,063	109,123	112,514	3,391	3.1%	115,063

Operating Result – September 2021



	Annual		YTD			
	Original Budget	Current Budget	Current Budget	Actuals	Variance	Variance
	\$000s	\$000s	\$000s	\$000s	\$000s	%
Operating Revenue	498,433	498,628	206,603	210,276	3,673	1.8%
Operating Expenses	476,156	480,740	116,407	116,191	(216)	(0.2%)
Recurrent Capital Expenses	3,446	3,446	1,177	1,177	(0)	(0.0%)
Operating Result	18,831	14,442	89,019	92,908	3,889	4.4%
Capital Revenue	101,631	106,186	21,500	21,002	(498)	(2.3%)
Non-recurrent Expenses	12,631	5,583	1,396	1,396	-	-
Net Result	107,831	115,045	109,123	112,514	3,391	3.1%

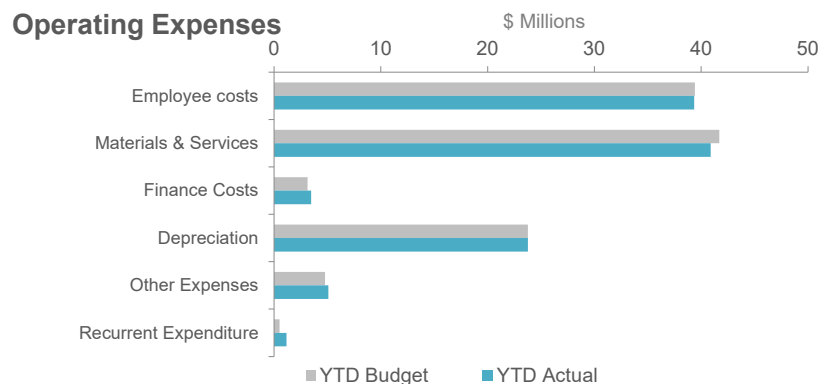
Substantial Revenue Variance for the Period Ending 30 September 2021

	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Revenue							
Fees and Charges	65,577	65,567	19,479	21,240	1,761	9.0%	65,567
Operating Grants and Subsidies	15,218	15,397	2,353	2,628	274	11.7%	15,397
Other Revenue	19,854	19,880	4,844	5,874	1,030	21.3%	19,880



- As at 30 September 2021, \$310.3 million operating revenue had been achieved which is \$3.6 million more than current budget.
- Significant revenue variances:
 - Fees and Charges** – Development services applications and material change of use fees are above budget by \$829,000. Council's holiday parks are below budget by \$495,000, while Sunshine Coast Stadium has achieved revenue of \$1.2 million above budget due to additional NRL games.
 - Other Revenue** – Additional revenue of \$374,000 has been received above budget for the sale of metal materials at Council's resource recovery centres. An environmental offset payment of \$420,000 has also been received from the Department of Transport and Main Roads.

Operating Result – September 2021 (continued)



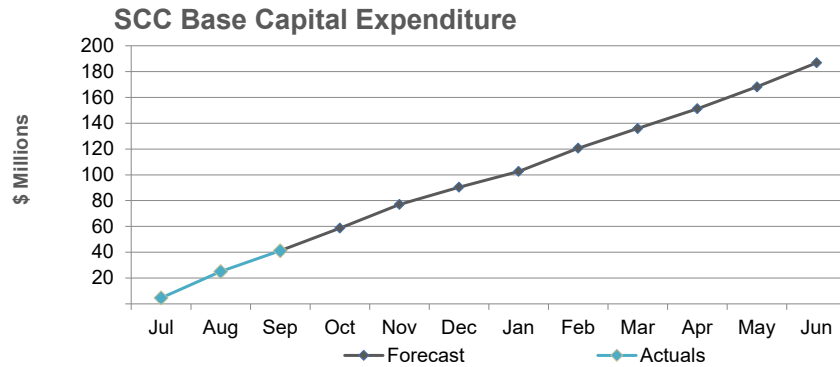
	Annual		YTD			
	Original Budget	Current Budget	Current Budget	Actuals	Variance	Variance
	\$000s	\$000s	\$000s	\$000s	\$000s	%
Operating Revenue	498,433	498,628	206,603	210,276	3,673	1.8%
Operating Expenses	476,156	480,740	116,407	116,191	(216)	(0.2%)
Recurrent Capital Expenses	3,446	3,446	1,177	1,177	(0)	(0.0%)
Operating Result	18,831	14,442	89,019	92,908	3,889	4.4%
Capital Revenue	101,631	106,186	21,500	21,002	(498)	(2.3%)
Non-recurrent Expenses	12,631	5,583	1,396	1,396	-	-
Net Result	107,831	115,045	109,123	112,514	3,391	3.1%

Substantial Expenditure Variance for the Period Ending 30 September 2021							
	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Materials and Services	187,077	190,896	41,705	40,889	(816)	(2.0%)	190,896
Other Expenses	21,884	22,004	4,767	5,088	321	6.7%	22,004

- As at 30 September 2021, \$117.4 million of the \$117.5 million budget year to date had been expended which resulted in an underspend of \$216,000
- Employee expenses are on budget for September, with an underspend in materials and services relating to timing of contractor payments.



Capital Expenditure - September 2021



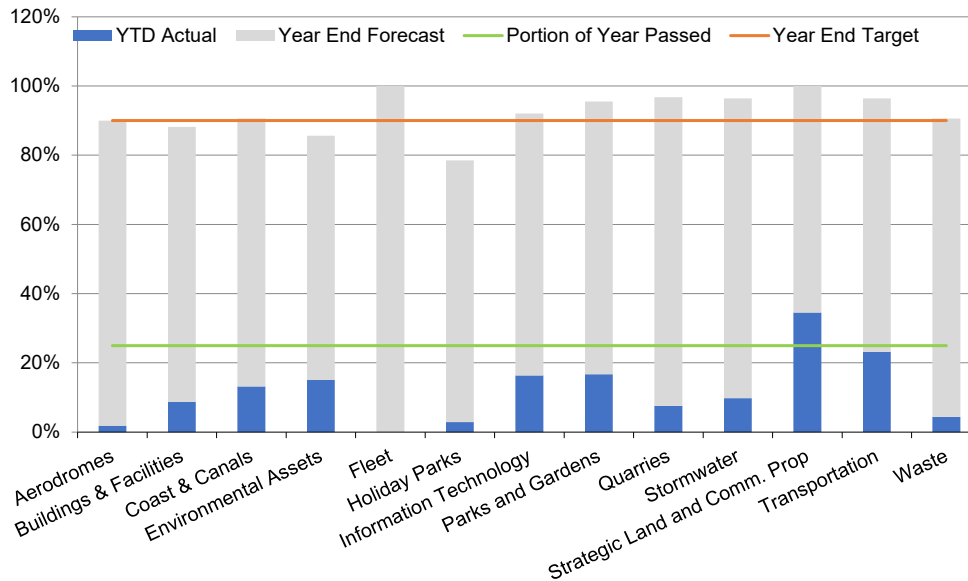
- As at 30 September 2021, \$49.3 million of Council's \$315.2 million Capital Works Program was financially expended.
- The Core Capital Program has progressed 15.6% of budget, an actual spend of \$30.7 million.
- Corporate Major Projects progressed 9.4%



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
Aerodromes	200	225	4	1.7%	187	(38)
Buildings and Facilities	12,459	13,045	1,136	8.7%	11,501	(1,544)
Coast and Canals	3,125	3,545	456	12.9%	3,130	(415)
Environmental Assets	1,800	1,579	238	15.0%	1,352	(227)
Minor Works	4,620	4,160	648	15.6%	3,982	(178)
Fleet	3,250	3,250	-	-	3,250	-
Holiday Parks	2,540	2,544	73	2.9%	1,997	(547)
Information Technology	6,620	8,522	1,392	16.3%	7,842	(680)
Parks and Gardens	17,587	19,403	3,246	16.7%	18,530	(873)
Quarries	635	657	50	7.6%	636	(21)
Stormwater	8,201	7,525	735	9.8%	7,256	(269)
Transportation	86,876	90,268	20,912	23.2%	87,046	(3,222)
Waste	40,641	42,952	1,884	4.4%	38,907	(4,045)
Total SCC Core Capital Program	188,554	197,675	30,773	15.6%	185,617	(12,058)
Corporate Major Projects	60,425	72,661	6,817	9.4%	72,000	(661)
Strategic Land and Commercial Properties	19,383	31,900	11,018	34.5%	31,900	-
Maroochydhore City Centre	553	1,470	319	21.7%	1,100	(370)
Sunshine Coast Airport Runway	-	11,461	400	3.5%	7,681	(3,780)
Total Other Capital Program	80,361	117,492	18,553	15.8%	112,681	(4,811)
TOTAL	268,915	315,167	49,326	15.7%	298,298	(16,869)

Capital Expenditure - September 2021 (continued)

SCC Core % YTD spent compared to profiled budget by Program



Buildings and Facilities

- The \$1.4 million cricket and AFL clubhouse and change room upgrade was opened at G Rae Oval in Palmwoods in September. The new \$1.65 million Community meeting place in Beerwah was also opened in September.

Coast & Canals

- A contract has been awarded for the replacement of locks at the Parrearra canal.

Holiday Parks

- Design is currently underway for the replacement of amenities for Mudjimba and Coolum Beach holiday parks.

Parks and Gardens

- The \$1.6 million Dicky Beach skate park upgrade was opened in September

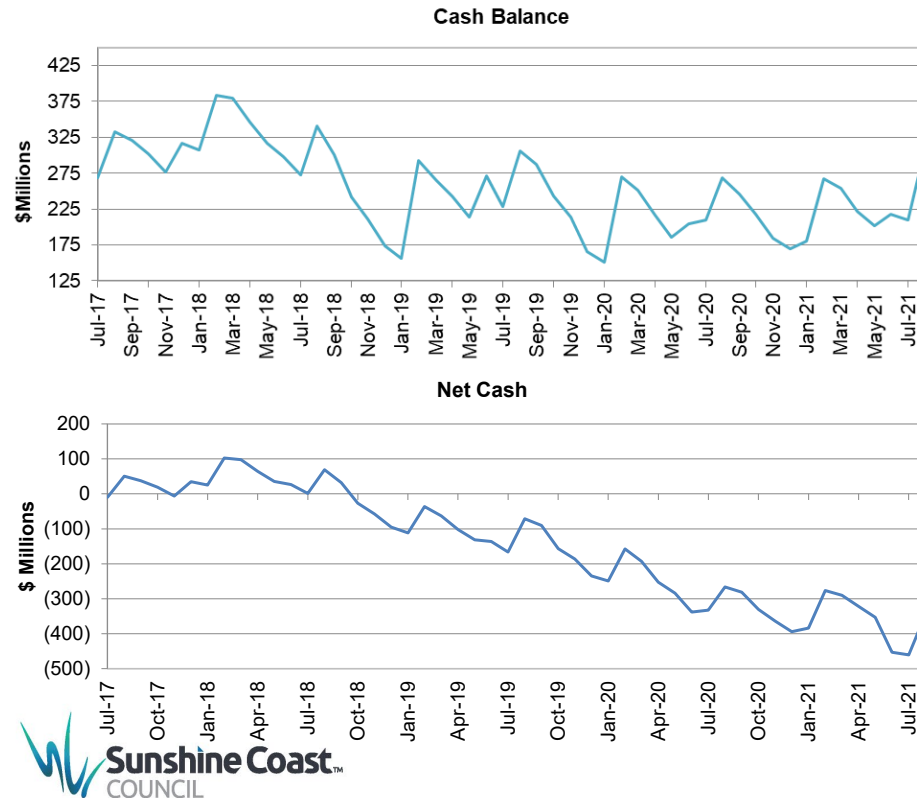
Stormwater

- The Procurement of the civil contractor for the \$2.8 million project for the stormwater pipe relining program has been finalised with the program of works scheduled to begin in November.

Transportation

- Council's \$23.1 million road resurfacing and rehabilitation program has progressed 20% for September with a total expenditure of \$4.6 million.
- Construction continues for Council's major transport corridor upgrade at Brisbane Road Mooloolaba

Cash Flows and Balance Sheet



Cash and Balance Sheet - August 2021		Original Budget \$000s
CASH FLOWS		
Opening Cash		186,095
Net Cash Inflow/(Outflows) from:		
Operating Activities		66,159
Investing Activities		126,453
Financing Activities		(187,393)
Net Increase/(decrease) in Cash Held		5,219
Cash at year end		191,314
BALANCE SHEET		
Current Assets		246,160
Non Current Assets		6,290,967
Total Assets		6,537,127
Current Liabilities		120,894
Non Current Liabilities		537,476
Total Liabilities		658,370
Net Community Assets/Total Community Equity		5,878,757

- Council's cash at 30 September 2021 is \$288.2 million
- Council's debt at 30 September 2021 is \$657 million

Debt

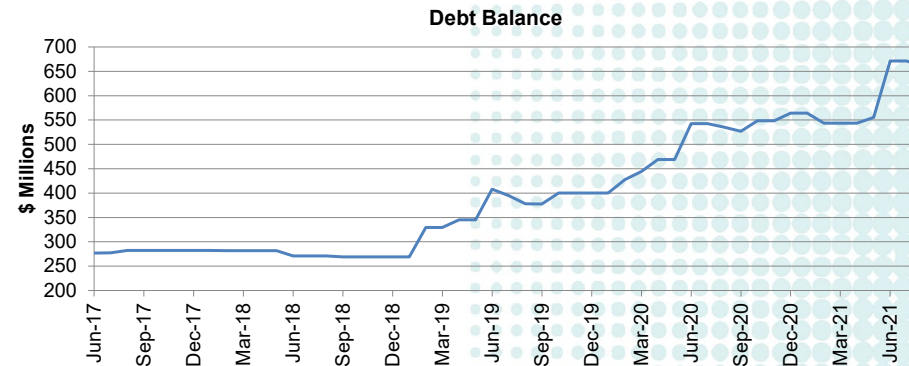
Sunshine Coast Council's debt program is governed by the 2021/22 Debt Policy, which was adopted with the Original Budget adoption on 24 June 2021 and revised at the 16 September 2021 Ordinary Meeting.

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.

Table 1 includes Sunshine Coast Council's budgeted debt balance for 2021/22 following Budget Review 1 adoption in September 2021.

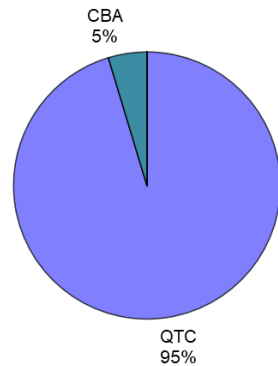
Debt - 2021/22				
	Opening Balance	Debt Redemptions	New Borrowings	Closing Balance
	\$000	\$000	\$000	\$000
Sunshine Coast Council Core	257,375	11,672	96,461	342,164
Sunshine Coast Airport Expansion Project	265,004	265,004	-	-
Maroochydore City Centre	144,034	6,701	-	137,333
Sunshine Coast International Broadband Network	10,328	922	-	9,406

Table 1: 2021/22 Adopted Debt Balance

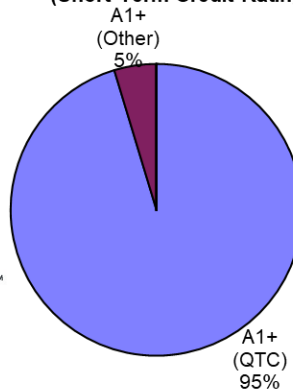


Investment Performance

Investment per financial institution (%)



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



Investment Performance - September 2021

Liquidity as at:		30/09/2021		Term deposits maturing:		
		\$'000's				Count
At-call accounts						
QTC + CBA (excl. trust)		288,170	95.92%	within 30 days	-	-
				30-59 days	-	-
				60-89 days	-	-
				90-179 days	-	-
Maturities within 7 days		-	0.00%	180-364 days	-	-
Total at-call		288,170	95.92%	1 year - 3 years	-	-
Investment Policy Target			10.00%	Total	-	-

INVESTMENT SUMMARY (including Trust) as at:							Investment Policy	
\$'000	30/09/2021		30/06/2021		30/09/2020		Individual Limit	Group Limits
A1+ (QTC)	284,140	95%	206,666	94.9%	147,438	58.4%	100%	100%
A1+ (Other)	16,277	5%	11,080	5.1%	99,979	39.6%	40%	100%
A1	-	0%	-	0.0%	5,000	2.0%	30%	50%
A2	-	0%	-	0.0%	-	0.0%	30%	45%
A3	-	0%	-	0.0%	-	0.0%	5%	10%
Total Funds	300,417		217,746		252,418			
FUND SUMMARY								
General Funds	288,170		206,121		244,376			
Trust Funds	12,246		11,625		8,042			
Total Funds	300,417		217,746		252,418			

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 30 September 2021 Council had \$288.2 million cash (excluding Trust Fund) with an average interest rate of 0.67%, being 0.64% above benchmark. This is compared to the same period last year with \$244.3 million cash (excluding Trust Fund) with an average interest rate of 0.81%, being 0.70% above benchmark.
- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill index (BAUBIL).



© Sunshine Coast Regional Council 2009-current.
Sunshine Coast Council™ is a registered trademark of Sunshine Coast Regional Council.

sunshinecoast.qld.gov.au
Sunshine Coast Council Budget 2021/22