

Attachment Folder

Item 8.7
Attachment 1
Ordinary Meeting

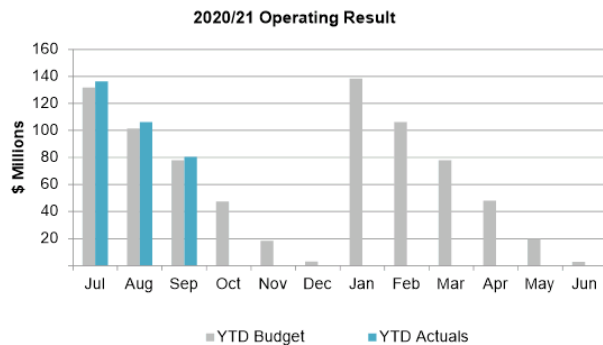
Thursday, 15 October 2020

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Statement of Income and Expenses September 2020



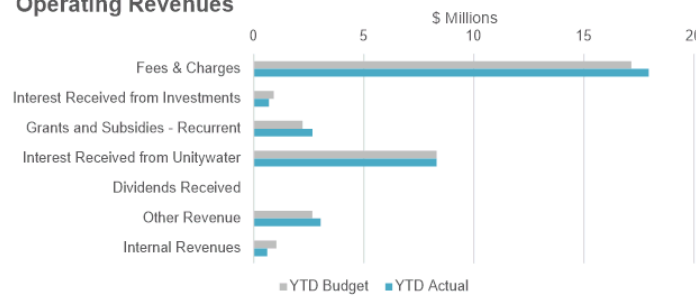
- Council has a positive operating result of \$80.4 million, which is \$2.3 million above the current budget year to date.
- Operating expenditure as at 30 September 2020 was \$108.5 million which is \$1.5 million or 1.4% less than the Current Budget amount of \$110 million.

Sunshine Coast Council

Statement of Income & Expenses for the Period Ending 30 September 2020							
	Annual		YTD				Annual
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	Forecast Budget \$000
Operating Revenue							
Net Rates and Utility Charges	316,806	316,806	155,782	155,612	(170)	(0.1%)	316,806
Fees and Charges	57,125	56,309	17,160	17,945	786	4.6%	56,309
Interest Received from Investments	3,611	3,611	903	696	(207)	(22.9%)	3,611
Operating Grants and Subsidies	12,224	12,532	2,224	2,666	442	19.9%	12,532
Operating Contributions	287	287	152	153	1	0.5%	287
Unitywater Participation	49,838	49,838	8,309	8,309	0	0.0%	49,838
Other Revenue	21,040	20,877	2,660	3,039	379	14.3%	20,877
Internal Sales/Recoveries	4,138	4,138	1,029	613	(416)	(40.5%)	4,138
Total Operating Revenue	465,069	464,398	188,219	189,033	814	0.4%	464,397
Operating Expenses							
Employee Costs	147,973	148,358	37,518	37,641	123	0.3%	148,357
Materials and Services	184,678	184,996	40,282	37,663	(2,618)	(6.5%)	184,997
Finance Costs	12,080	12,080	3,036	3,155	120	3.9%	12,080
Company Contributions	1,554	1,554	1,554	1,562	8	0.5%	1,554
Depreciation Expense	88,276	88,276	22,208	22,208	-	-	88,276
Other Expenses	22,255	22,505	5,010	5,204	194	3.9%	22,504
Recurrent Capital Expenses	3,917	3,917	512	1,134	622	121.5%	3,917
Total Operating Expenses	460,733	461,686	110,119	108,566	(1,552)	(1.4%)	461,685
Operating Result	4,336	2,712	78,100	80,467	2,366	3.0%	2,712
Capital Revenue							
Capital Grants and Subsidies	10,060	42,042	-	10,879	10,879	-	42,042
Capital Contributions - Cash	31,599	31,599	8,811	7,557	(1,254)	(14.2%)	31,599
Capital Contributions - Fixed Assets	60,000	60,000	-	-	-	-	60,000
Total Capital Revenue	101,659	133,641	8,811	18,436	9,625	109.2%	133,641
Non-recurrent Expenses							
Profit/Loss on disposal, revaluation & impairment	-	-	-	42	42	-	-
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	5,583	5,583	1,396	1,438	42	3.0%	5,583
Net Result	100,412	130,770	85,516	97,465	11,949	14.0%	130,770

Operating Result – 30 September 2020

Operating Revenues



Substantial Variances for 30 September 2020

	Annual		YTD			
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %
Operating Revenue						
Fees and Charges	57,125	56,309	17,160	17,945	786	4.6%
Interest Received from Investments	3,611	3,611	903	696	(207)	(22.9%)
Operating Grants and Subsidies	12,224	12,532	2,224	2,666	442	19.9%
Other Revenue	21,040	20,877	2,660	3,039	379	14.3%

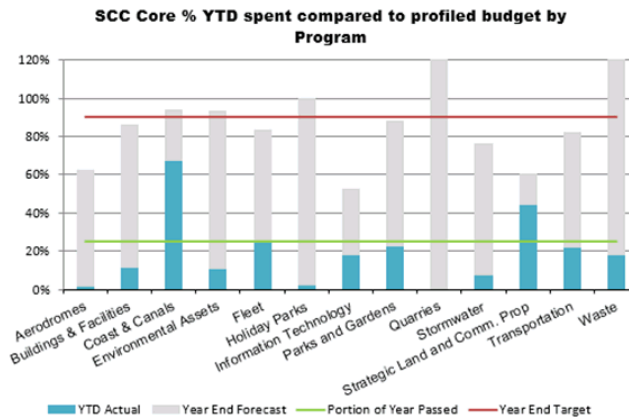
Sunshine Coast Council

Operating Summary - September 2020

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	465,069	464,398	188,219	189,033	814	0.4%
Operating Expenses	456,816	457,769	109,607	107,432	(2,174)	(2.0%)
Recurrent Capital Expenses	3,917	3,917	512	1,134	622	121.5%
Operating Result	4,336	2,712	78,100	80,467	2,366	3.0%
Capital Revenue	101,659	133,641	8,811	18,436	9,625	109.2%
Non-recurrent Expenses	5,583	5,583	1,396	1,438	42	3.0%
Net Result	100,412	130,770	85,516	97,465	11,949	14.0%

- As at September 2020, an \$80 million operating result had been achieved which is \$2.4 million more than current budget for the same period.
- This is largely due to:
 - Fees and Charges** – Parking infringements are below budget by \$859,000 which has been offset by Licensing and Permits which is above budget \$292,000. Ticket Sales are above budget by \$182,000 due to the Sunshine Coast Stadium hosting the Melbourne Storm home games.
 - Operating Grants and Subsidies** – The receipt of the State Government Grants for the Coastal Hazard Adaptation Strategy \$270,000 and the Blue Carbon Trial \$210,000 were the main contributors to the positive variance.
 - Other Revenue** – The positive variance in Other revenue is due to the recoupment of legal fees of \$108,000, certificate revenue from the solar farm \$161,000 and supporting sales at Sunshine Coast Stadium \$64,000.

Capital Expenditure – September 2020

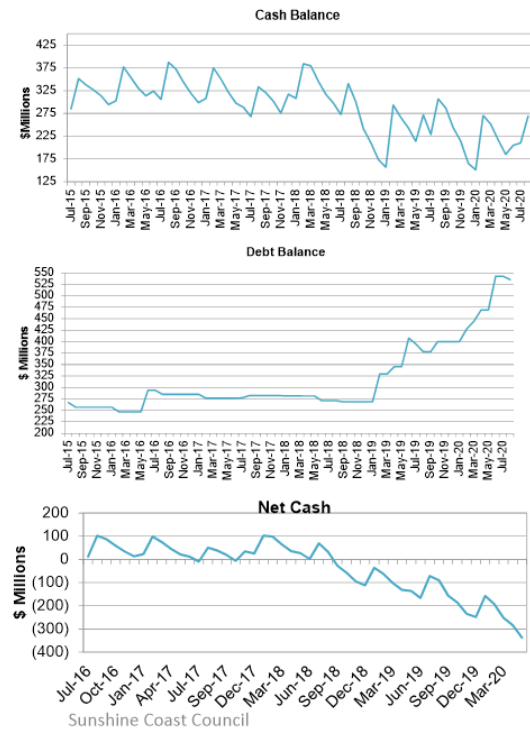


- As at September 2020 \$73 million of Council's \$272 million Capital Works Program was financially expended.
- The Core Capital Program has progressed 20.6% of budget, an actual spend of \$40.5 million.
- Corporate Major Projects progressed 50.2% and The Sunshine Coast Airport Runway Project progressed 46.2% of their respective annual budgets.

Sunshine Coast Council

	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	350	350	4	1.2%	220	(130)
Buildings and Facilities	45,717	37,385	4,139	11.1%	32,217	(5,168)
Coast and Canals	2,830	2,728	1,828	67.0%	2,560	(168)
Minor Works	4,620	5,425	193	3.6%	286	(5,139)
Environmental Assets	1,375	2,695	283	10.5%	2,516	(179)
Fleet	2,000	2,000	507	25.4%	1,667	(333)
Holiday Parks	1,255	1,212	28	2.3%	1,209	(3)
Information Technology	6,275	7,216	1,271	17.6%	3,818	(3,398)
Parks and Gardens	15,141	18,886	4,233	22.4%	16,630	(2,256)
Quarries	480	480	2	0.4%	604	124
Stormwater	6,772	6,712	486	7.2%	5,112	(1,600)
Strategic Land and Commercial Properties	9,949	16,326	7,187	44.0%	9,949	(6,377)
Transportation	65,588	81,813	17,868	21.8%	67,217	(14,596)
Waste	14,723	13,683	2,445	17.9%	17,538	3,855
Total SCC Core Capital Program	177,075	196,911	40,475	20.6%	161,543	(35,368)
Corporate Major Projects	16,733	16,898	8,478	50.2%	15,649	(1,249)
Maroochydore City Centre	11,879	14,156	3,767	26.6%	11,879	(2,277)
Submarine Cable IBN	-	-	-	-	18	18
Sunshine Coast Airport Runway	36,718	44,338	20,466	46.2%	38,601	(5,737)
Total Other Capital Program	65,330	75,392	32,711	43.4%	66,147	(9,245)
TOTAL	242,405	272,303	73,186	26.9%	227,690	(44,613)

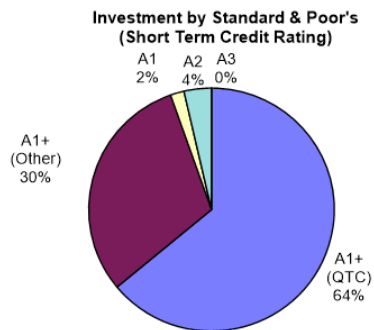
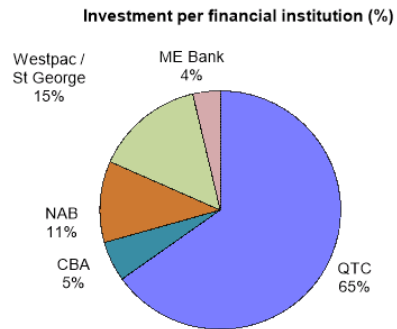
Cash Flows and Balance Sheet



Cash and Balance Sheet - September 2020		
	Original Budget \$000s	Current Budget \$000s
CASH FLOWS		
Opening Cash	229,139	197,632
Net Cash Inflow/(Outflows) from:		
Operating Activities	48,942	42,253
Investing Activities	(149,603)	(145,196)
Financing Activities	90,433	98,104
Net Increase/(decrease) in Cash Held	(10,229)	(4,839)
Cash at year end	218,910	192,793
BALANCE SHEET		
Current Assets	272,962	246,571
Non Current Assets	6,173,956	6,174,143
Total Assets	6,446,918	6,420,714
Current Liabilities	408,307	397,781
Non Current Liabilities	410,419	422,676
Total Liabilities	818,726	820,457
Net Community Assets/Total Community Equity	5,628,192	5,600,257

- Council's cash at 30 September is \$244 million
- Council's debt at 30 September 2020 is \$527 million
- Council's 2020/21 budget forecasts debt to increase to \$655 million by 30 June 2021, predominantly due to the Sunshine Coast Airport Expansion Project. Payment to be received following the completion of the runway in June 2022 will reduce Council's debt by \$267 million.

Investment Performance



Sunshine Coast Council

Investment Performance - September 2020

Liquidity as at:	30/09/2020		Term deposits maturing:	
	\$'000	%	\$'000	Count
At-call accounts			within 30 days	1
QTC + CBA (excl. trust)	169,376	67.10%	30-59 days	3
Maturities within 7 days	-	0.00%	60-89 days	5
Total at-call	169,376	67.10%	90-179 days	-
Investment Policy Target		10.00%	180-364 days	-
			1 year - 3 years	-
			Total	9
				85,000

\$'000	INVESTMENT SUMMARY (including Trust) as at:			Investment Policy				
	30/09/2020	30/06/2020	30/09/2019	Individual Limit	Group Limits			
A1+ (QTC)	147,442	58%	144,493	70.5%	97,942	36.3%	100.0%	100%
A1+ (Other)	99,979	40%	10,361	5.1%	132,081	48.9%	40.0%	100%
A1	5,000	2%	10,000	4.9%	-	0.0%	30.0%	50%
A2	-	0%	40,000	19.5%	40,000	14.8%	30.0%	45%
A3	-	0%	-	0.0%	-	0.0%	5.0%	10%
Total Funds	252,421		204,854		270,023			
FUND SUMMARY								
General Funds	244,376		198,135		261,666			
Trust Funds	8,045		6,719		8,357			
Total Funds	252,421		204,854		270,023			

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 30 September 2020 Council had \$244.4 million cash (excluding Trust Fund) with an average interest rate of 0.81%, being 0.70% above benchmark. This is compared to the same period last year with \$270 million cash (excluding Trust Fund) with an average interest rate of 2.17%, being 1.02% above benchmark.
- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill index (BAUBIL).