

8.4 AUGUST 2025 FINANCIAL PERFORMANCE REPORT

File No: Council Meetings

Author: Coordinator Financial Services
Finance and Commercial Partnerships

Attachments: Att 1 - August 2025 Financial Performance Report
Att 2 - August 2025 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 August 2025, in terms of the operating result and delivery of the capital program.

Operating Performance

Table 1: Operating Budget as at 31 August 2025

	Original Budget \$000	Current Budget \$000
Total Operating Revenue	711,026	711,026
Total Operating Expenses	710,315	710,315
Operating Result	711	711

	Year to Date Budget August 2025 \$'000	Year to Date Actuals August 2025 \$'000
Total Operating Revenue	272,798	274,466
Total Operating Expenses	110,202	107,292
Operating Result	162,596	167,174
Total Cash Balance (including Trust)	315,746	331,586

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

OFFICER RECOMMENDATION

That Council receive and note the report titled “August 2025 Financial Performance Report”.

FINANCE AND RESOURCING

This report sets out the details of Council's financial performance and investments for the month ending 31 August 2025 and meets Council's legislative reporting requirements.

CORPORATE PLAN

Corporate Plan Goal: *Organisational excellence*

Strategic Pathway: We serve our community by providing this great service

Operational Activity: 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 and asset condition estimates and,
- 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.

Council's operating result includes savings initiatives of \$13.0 million, with \$7.5 million attributed to the Employee Vacancy Rate. 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.

Previous Council Resolution**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 BUDGET

Financial Performance Report

August 2025

Statement of Income and Expenses



As at the 31 August Council had an operating result of \$167.2 million, which is \$4.6 million (2.8%) above current year to date budget.

The reported year end forecast remains aligned with the adopted budget in the early stages of the financial year.

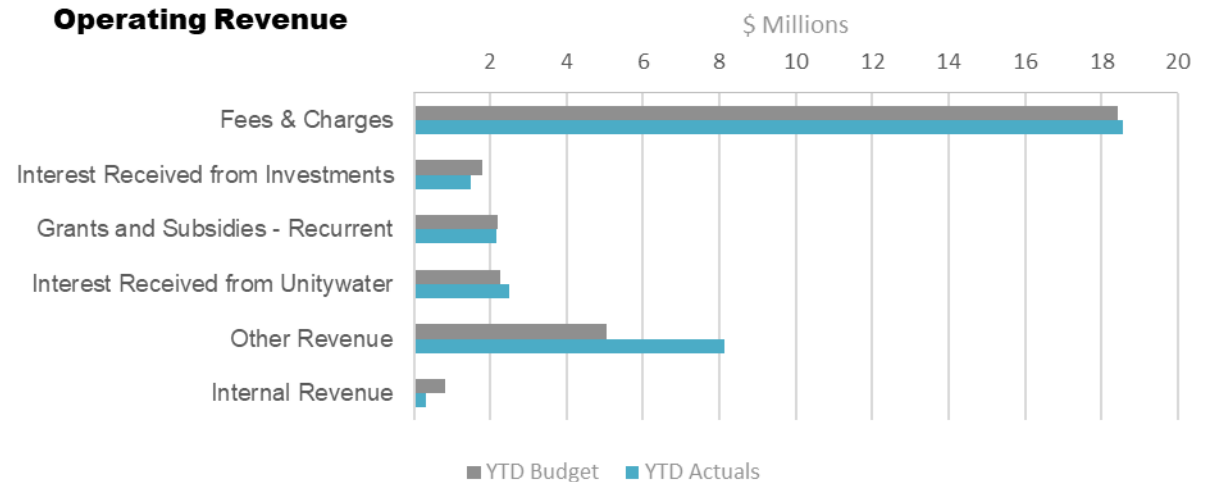
Statement of Income & Expenses							August 2025
	Annual		YTD				Annual
	Original Budget \$'000	Current Budget \$'000	Current Budget \$'000	Actuals \$'000	Variance \$'000	Variance %	Year End Forecast \$'000
Operating Revenue							
General Rates	348,378	348,378	172,418	171,631	(787)	(0.5%)	348,378
Cleansing Charges	121,541	121,541	58,104	57,894	(211)	(0.4%)	121,541
Levies	23,634	23,634	11,733	11,784	51	0.4%	23,634
Fees and Charges	90,134	90,134	18,430	18,563	133	0.7%	90,134
Interest Received from Investments	11,500	11,500	1,780	1,501	(279)	(15.7%)	11,500
Operating Grants and Subsidies	23,230	23,230	2,195	2,149	(47)	(2.1%)	23,230
Operating Contributions	327	327	1	-	(1)	(100.0%)	327
Unitywater Participation	52,500	52,500	2,256	2,506	251	11.1%	52,500
Other Revenue	32,904	32,904	5,060	8,134	3,074	60.8%	32,904
Internal Sales/Recoveries	6,879	6,879	819	303	(516)	(63.0%)	6,879
Total Operating Revenue	711,026	711,026	272,798	274,466	1,669	0.6%	711,026
Operating Expenses							
Employee Costs	203,701	203,701	27,530	27,999	469	1.7%	203,701
Materials and Services	282,480	282,480	44,914	41,228	(3,686)	(8.2%)	282,480
Finance Costs	12,766	12,766	2,261	2,329	68	3.0%	12,766
Company Contributions	4,190	4,190	3,116	3,116	0	0.0%	4,190
Depreciation Expense	170,053	170,053	28,342	28,342	-	-	170,053
Other Expenses	32,125	32,125	4,039	4,032	(7)	(0.2%)	32,125
Recurrent Capital Expenses	5,000	5,000	-	246	246	-	5,000
Total Operating Expenses	710,316	710,316	110,202	107,292	(2,910)	(2.6%)	710,316
Operating Result	711	711	162,596	167,174	4,578	2.8%	711
Capital Revenue							
Capital Grants and Subsidies	47,809	47,809	3,969	9,421	5,452	137.4%	47,809
Capital Contributions - Cash	28,500	28,500	2,066	4,377	2,310	111.8%	28,500
Capital Contributions - Fixed Assets	87,380	87,380	-	-	-	-	87,380
Total Capital Revenue	163,689	163,689	6,035	13,797	7,762	128.6%	163,689
Non-recurrent Expenses							
Profit/Loss on disposal, revaluation & impairment	-	-	-	-	-	-	-
Movements in landfill and quarry provisions	3,056	3,056	509	509	-	-	3,056
Recurrent Capital Expenses - Prior Year	-	-	-	-	-	-	-
Assets Transferred to Third Parties	-	-	-	-	-	-	-
Total Non-recurrent Expenses	3,056	3,056	509	509	-	-	3,056
Net Result	161,344	161,344	168,122	180,462	12,340	7.3%	161,344

Operating Result - Revenue

\$274.5 million in operating revenue has been received which is \$1.7 million (0.6%) higher than year to date budget

- Net Rates \$947,000 below budget
- Interest Received from Investments \$279,000 lower than budget
- Other Revenue \$3.1 million higher than budget
 - Resilient Rivers SEQ Funding \$775,000
 - Revegetation Offset Revenue \$1.0m
 - Palmview Recoupment \$606,000
 - Waste \$317,000
 - Customer Response recoupment \$118,000

Operating Summary				August 2025		
	Annual		YTD			
	Original Budget	Current Budget	Current Budget	Actuals	Variance	Variance
	\$000s	\$000s	\$000s	\$000s	\$000s	%
Operating Revenue	711,026	711,026	272,798	274,466	1,669	0.6%
Operating Expenses	705,316	705,316	110,202	107,046	(3,156)	(2.9%)
Recurrent Capital Expenses	5,000	5,000	-	246	246	-
Operating Result	711	711	162,596	167,174	4,578	2.8%
Capital Revenue	163,689	163,689	6,035	13,797	7,762	128.6%
Non-recurrent Expenses	3,056	3,056	509	509	-	-
Net Result	161,344	161,344	168,122	180,462	12,340	7.3%



Operating Result - Expenses

\$107.3 million in operating expenses has been incurred which is \$2.9 million (2.6%) lower than year to date budget

Core Materials and Services below budget \$3.2 million

- Transport Network Operations \$1.3m
- Property Management \$560,000
- Environmental Operations \$515,000
- Transport Network Management \$386,000
- Digital and Information Services \$234,000
- Customer Response \$168,000

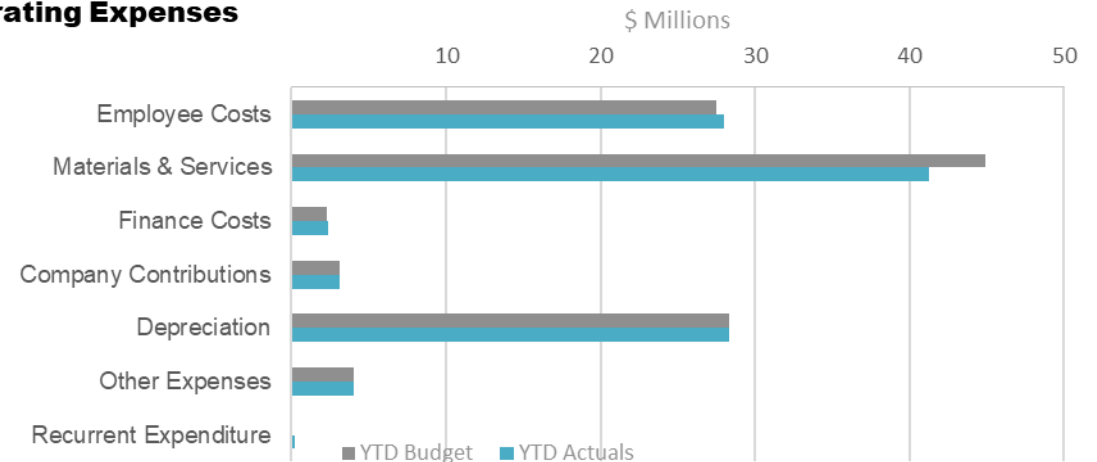
Operating Projects below budget \$33,000

Levy Projects below budget \$471,000

Employee Costs \$469,000 higher than budget

Operating Summary				August 2025		
	Annual		YTD			
	Original Budget	Current Budget	Current Budget	Actuals	Variance	Variance
	\$000s	\$000s	\$000s	\$000s	\$000s	%
Operating Revenue	711,026	711,026	272,798	274,466	1,669	0.6%
Operating Expenses	705,316	705,316	110,202	107,046	(3,156)	(2.9%)
Recurrent Capital Expenses	5,000	5,000	-	246	246	-
Operating Result	711	711	162,596	167,174	4,578	2.8%
Capital Revenue	163,689	163,689	6,035	13,797	7,762	128.6%
Non-recurrent Expenses	3,056	3,056	509	509	-	-
Net Result	161,344	161,344	168,122	180,462	12,340	7.3%

Operating Expenses



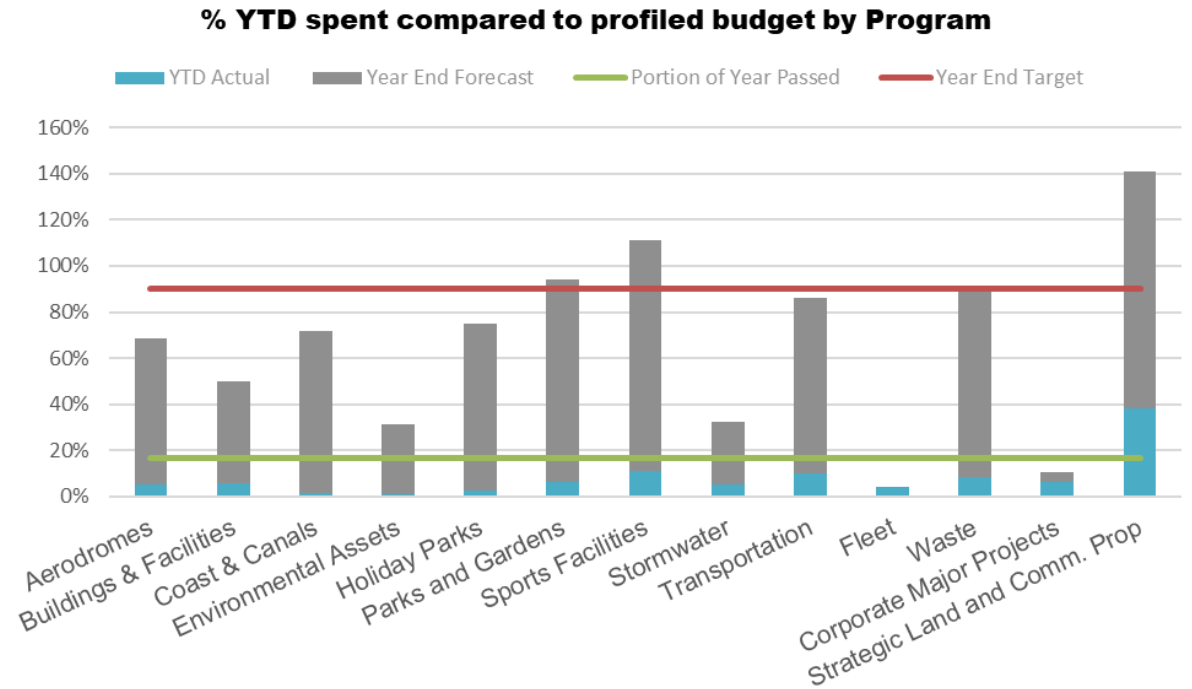
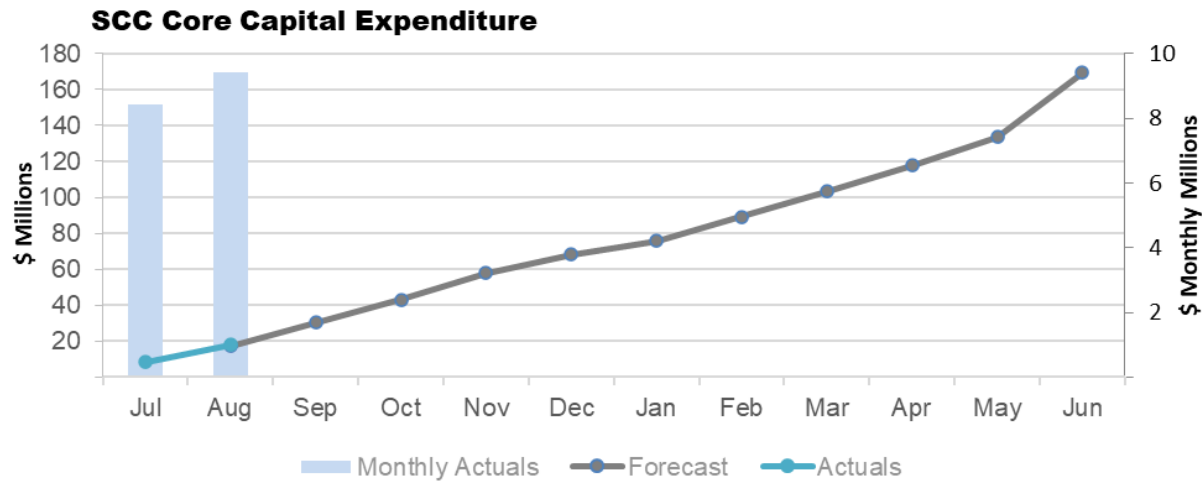
Capital Expenditure

\$26.0 million of Council's total capital works budget has been expensed which is \$4.4 million (14.5%) lower than year to date budget.

The Core Capital Program has expensed \$17.8 million, \$549,000 (3.2%) higher than year to date budget.

Capital Expenditure						August 2025
	Annual		YTD			Annual
	Original Budget \$000s	Current Budget \$000s	Budget \$000s	Actuals \$000s	Variance %	% of Full Year Budget spend
Core Capital Works Program						
Aerodromes	2,274	2,274	150	122	(18.8%)	5.4%
Buildings and Facilities	21,267	21,582	1,059	1,296	22.4%	6.0%
Coast and Canals	9,824	9,899	889	141	(84.2%)	1.4%
Environmental Assets	6,574	6,574	64	65	1.1%	1.0%
Minor Works	5,915	5,390	429	608	41.6%	11.3%
Holiday Parks	4,126	4,126	440	114	(74.1%)	2.8%
Parks and Gardens	11,240	11,305	853	725	(15.0%)	6.4%
Sports Facilities	20,661	20,731	2,541	2,336	(8.1%)	11.3%
Quarries	-	-	-	0	-	-
Stormwater	17,352	17,352	504	865	71.7%	5.0%
Transportation	117,646	117,496	10,345	11,552	11.7%	9.8%
Total SCC Core Capital Program	216,877	216,727	17,274	17,823	3.2%	8.2%
Disaster Recovery Funding Arrangements	3,888	4,038	4,238	3,977	(6.2%)	98.5%
Fleet	3,000	3,000	-	119	-	4.0%
Waste	26,071	26,071	4,874	2,243	(54.0%)	8.6%
Corporate Major Projects	9,085	9,085	3,080	565	(81.7%)	6.2%
Strategic Land and Commercial Properties	3,417	3,417	1,000	1,307	30.7%	38.3%
Sunshine Coast Airport Runway	-	-	-	3	-	-
Total Other Capital Program	45,461	45,611	13,192	8,214	(37.7%)	18.0%
TOTAL	262,338	262,338	30,467	26,037	(14.5%)	9.9%
<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	-	246		
Non-Recurrent Expenses	-	-	-	-		

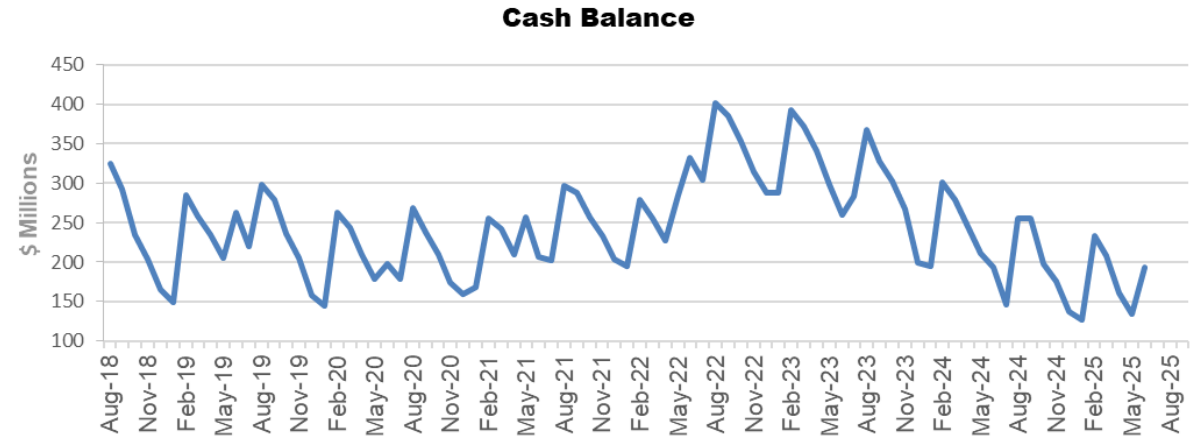
Capital Expenditure



Cash Flows and Balance Sheet

- Cash balance at 31 August was \$306.3 million excluding Trust
- Debt balance at 31 August was \$428.0 million

Cash and Balance Sheet			August 2025		
			Current Budget \$000s	YTD Budget \$000s	YTD Actuals \$000s
CASH FLOWS					
Opening Cash including Trust			205,440	193,186	201,243
Net Cash Inflow/(Outflows) from:					
Operating Activities			131,098	156,188	155,177
Investing Activities			(88,632)	(27,657)	(10,806)
Financing Activities			23,517	(14,027)	(14,027)
Net Increase/(decrease) in Cash Held			65,982	114,504	130,343
Closing Cash including Trust			271,422	307,690	331,586
BALANCE SHEET					
Current Assets			351,233		
Non Current Assets			9,368,968		
Total Assets			9,720,201		
Current Liabilities			241,224		
Non Current Liabilities			508,077		
Total Liabilities			749,301		
Net Community Assets/Total Community Equity			8,970,900		



Debt

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

During August, a debt repayment occurred reducing the debt principal by \$14.0 million

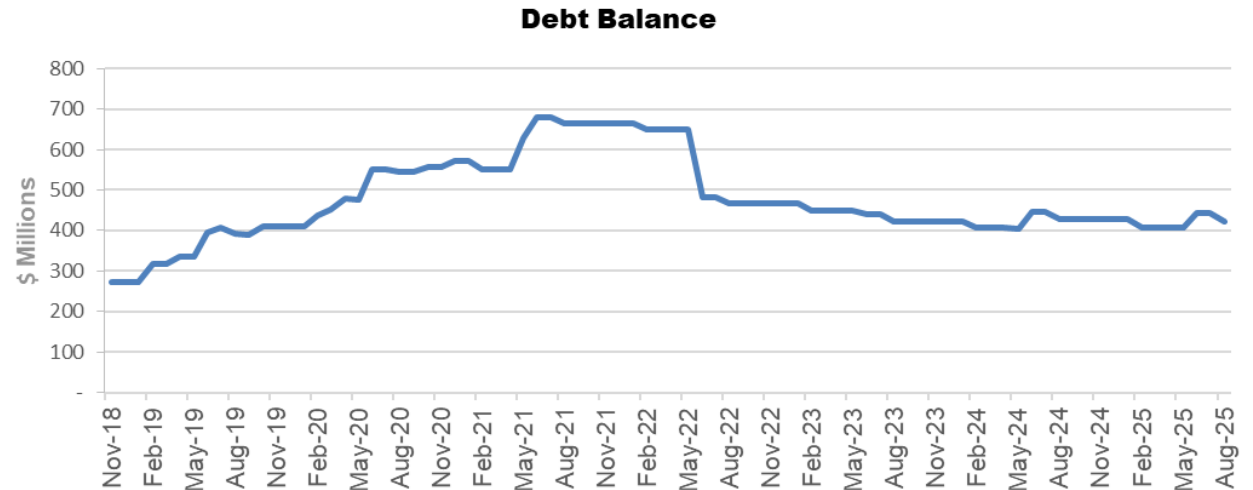
Sunshine Coast Council's debt program is governed by the 2025-26 Debt Policy, which was adopted with the Original Budget adoption on 7 July 2025.

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 borrowings for the 2025-26 financial year total \$51.6 million.

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.

Debt - 2025-26				
	Opening Balance \$000	Debt Redemption \$000	New Borrowings \$000	Closing Balance \$000
Sunshine Coast Council Core	346,649	22,177	51,571	376,043
Maroochydore City Centre	95,504	5,877	-	89,626
Total	442,153	28,054	51,571	465,670



Investment Performance

At 31 August Council has \$306.3 million cash (excluding Trust funds), with an average interest rate of 4.32%, being 0.41% above benchmark. This is compared to the same period last year with \$255.6 million cash (excluding Trust funds) with an average interest rate of 4.96%, being 0.18% 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 - August 2025				
Liquidity as at:		31/08/2025		
	\$'000's			
At-call accounts				
QTC + CBA (excl. trust)	236,271	71.25%		
Maturities within 7 days	-	0.00%		
Total at-call	236,271	71.25%		
Investment Policy Target		10.00%		

Term deposits maturing:		\$'000's	Count
within 30 days		-	-
30-59 days		20,000	1
60-89 days		20,000	1
90-179 days		40,000	1
180-364 days		10,000	1
1 year - 3 years		-	-
Total		90,000	4

INVESTMENT SUMMARY (including Trust) as at:							Investment Policy	
	31/08/2025		31/05/2025		31/08/2024		Individual Limit	Group Limits
A1+ (QTC)	117,490	35%	117,763	34.7%	84,912	30.0%	100%	100%
A1+ (Other)	214,096	65%	42,424	65.3%	185,647	66.0%	100%	100%
A1	-	0%	-	0.0%	-	0.0%	60%	100%
A2	-	0%	-	0.0%	10,000	4.0%	60%	90%
A3	-	0%	-	0.0%	-	0.0%	10%	30%
Total Funds	331,586		160,187		280,559			
FUND SUMMARY								
General Funds	306,271		135,275		255,614			
Trust Funds	25,315		24,913		24,945			
Total Funds	331,586		160,187		280,559			

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
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Council's operating result includes savings initiatives of \$13.0 million, with \$7.5 million attributed to the Employee Vacancy Rate. 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.

Thanks for your time



sunshinecoast.qld.gov.au

	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	TOTAL Grant Revenue \$'000	Project Expenditure to date \$'000
Federal Government						(\$18,966)	\$325
1	Roads to Recovery Program					(\$5,846)	
Local Road and Community Infrastructure Grant Funding - Round 4						(\$200)	\$0
2	K2901 - Solar System Replacement	Whole of Council				(\$200)	\$0
Urban Rivers and Catchments Program						(\$920)	\$5
3	K6643 - Quota Park Fishway Construction	Division 10	Nambour	October 2024		(\$920)	\$5
Growing Regions Fund						(\$7,000)	\$49
4	H1670 - Growing Regions Round 2 - First Avenue Streetscape	Division 04	Maroochydore	June 2025	July 2026	(\$3,000)	\$45
5	K1280 - Honey Farm Rd Clubhouse Construction	Division 03	Meridan Plains	January 2026		(\$4,000)	\$4
Disaster Ready Fund - Round 1						(\$5,000)	\$271
6	K7936 - Mooloolaba Foreshore Stage 2 - Seawall	Division 04	Mooloolaba	July 2025	March 2027	(\$5,000)	\$271
State Government						(\$20,804)	\$4,607
7	Disaster Recovery Funding Arrangements					(\$3,888)	\$3,106
Blackspot Funding						(\$3,547)	\$40
8	K4894 - Blackspot - Beerburrum Street and Cooroy Street Intersection	Division 02	Dicky Beach	February 2026	June 2026	(\$1,050)	\$20
9	K6054 - BlackSpot Sixth Ave Maroochydore - side street Zebra Crossing x 8	Division 04	Maroochydore			(\$1,223)	\$6
10	K8652 - Blackspot - Dulong Road Dulong	Division 10	Dulong		March 2026	(\$595)	\$0
11	K8653 - Blackspot - Vise Road Buderim	Division 07	Forest Glen			(\$170)	\$0
12	H4105 - Blackspot - Bellvista Boulevard - Raised Zebra Crossing on Southern Leg c	Division 01	Caloundra West	January 2026		(\$510)	\$13
Minor Infrastructure and Inclusive Facilities Fund						(\$168)	\$316
13	K7687 - MSSWP3 - Meta Street and Douglas Street - Raised Crossing	Division 04	Mooloolaba	June 2025		(\$18)	\$210
14	K7596 - Maleny Skate Park Upgrade Phase 2	Division 05	Maleny	June 2025	October 2025	(\$150)	\$106
Queensland Transport Cycle Network Program						(\$2,804)	\$33
15	H8416 - Emu Mountain Road Pathway Construction	Division 09	Coolum Beach			(\$690)	\$5
16	H4585 - LGIP Mooloolaba Esplanade Active Transport Link	Division 04	Mooloolaba			(\$100)	\$2
17	H4861 - LGIP Stringybark Road Active Transport Link	Division 07	Buderim			(\$140)	\$15
18	H5950 - LGIP Burke Street Pathway	Division 02	Golden Beach			(\$75)	\$0
19	H5955 - LGIP Karawatha Dr Cycle Lanes	Division 06	Mountain Creek	January 2027	June 2027	(\$1,500)	\$6
20	H6800 - LGIP River Esplanade Active Transport Link	Division 04	Mooloolaba			(\$100)	\$0
21	H5972 - LGIP Caloundra to Currimundi Stage 2 - Bowman Road Active Transport Li	Division 02	Caloundra			(\$75)	\$0
22	K3826 - Jensen Park Golden Beach Coastal Pathway	Division 02	Golden Beach	November 2025	January 2026	(\$124)	\$5
Walking Network Plans						(\$36)	\$0
23	K3037 - Walking Network Plans	Whole of Council				(\$36)	\$0
South East Queensland Community Stimulus Program						(\$4,553)	\$404
24	K2914 - SEQCSP Beerwah Cemetery entrance feature and carparking	Division 01	Beerwah			(\$310)	\$5
25	K6414 - SEQCSP Khancoban Drive Park - District Park Development	Division 06	Buderim			(\$238)	\$3
26	K7394 - SEQCSP Albany Lakes Park - Public Amenity	Division 06	Sippy Downs			(\$350)	\$5
27	H5133 - SEQCSP South Coolum Road Coolum New Pathway	Division 08	Coolum Beach			(\$480)	\$251
28	K7568 - SEQCSP Sundew Street MUDJIMBA - East Section kerb and channel	Division 08	Mudjimba	August 2025	October 2025	(\$400)	\$6
29	K1771 - SEQCSP Petrie Creek Road Shoulder Widening from Paynters Creek Roac	Division 07	Rosemount	September 2025	October 2025	(\$2,175)	\$136
30	K8605 - SEQCSP Namba Ped Crossing	Division 10	Nambour			(\$300)	\$0
31	K7207 - SEQCSP Coolum beach DDA compliant beach access ramp	Division 09	Coolum Beach			(\$300)	(\$1)
Transport Infrastructure Development Scheme						(\$1,225)	\$49
32	B0792 - WOR School Precinct Improvement Planning	Whole of Council				(\$200)	\$0
33	K2723 - Camp Flat Road Upgrade Stage 4	Division 09	Bli Bli			(\$1,025)	\$49
SEQ Liveability Fund						(\$4,333)	\$659
34	H7509 - Alex Bluff Foreshore Coastal Pathway Imp	Division 04	Alexandra Headlands			(\$2,000)	\$7
35	K2838 - Mooloolaba Foreshore Stage 2 - Central Meeting Place	Division 04	Mooloolaba	December 2026	March 2027	(\$2,333)	\$652
Local Government Grants and Subsidies Program						(\$250)	\$0
36	H8778 - Caloundra Centre - Regional Gallery					(\$250)	\$0

Project Complete

Related Report / Additional Information

Meeting:	Ordinary Meeting	Date:	18 September 2025
Requesting Councillor:	Councillor T Bunnag		
Item:	8.4 - August 2025 Financial Performance Report		
Circulation	15/09/2025		
Officer:	Co-ordinator Financial Services	Approving Director:	Chief Financial Officer

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

Question:

With regards to the Quarry which one was planned - have we slowed down operating expenses because we haven't had the internal sales?

Response:

The Quarry is operating in line with the production plan, with efficiencies in production resulting in stockpile of material reaching required target volumes earlier than expected.

Additional efficiency gains have come from the new crushing contract and because production progressed faster than planned, some equipment was able to be shut down ahead of schedule resulting in expenditure savings.

Also, in line with standard accounting practices, we apply monthly inventory adjustments. This means that the cost of producing new material is captured in the value of the stockpile held as inventory. The costs are then recognised when inventory is sold to match the revenue with the cost of production.

In simple terms when we produce more than we sell, we reduce the reported costs for now because those costs haven't yet generated revenue.