

**8.2.1 APRIL 2016 FINANCIAL PERFORMANCE REPORT**

**File No:** Financial Reporting  
**Author:** Coordinator Financial Services  
 Corporate Services Department  
**Attachments:** Att 1 - April 2016 Financial Performance Report

**PURPOSE**

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

**EXECUTIVE SUMMARY**

The monthly financial performance report provides Council with a summary of performance against budget at the end of each month in terms of the operating result and delivery of the capital program.

**Operating Performance**

The operating result at 30 April 2016 of \$72.7 million shows a positive variance of \$12.1 million compared to the YTD current budget.

**Table 1: Operating Result as at 30 April 2016**

April 2015	Current Budget \$000	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Operating Revenue	395,974	360,061	366,037	5,976	1.7
Operating Expenses	371,661	299,423	293,341	(6,081)	2.0
<b>Operating Result</b>	<b>24,313</b>	<b>60,639</b>	<b>72,696</b>	<b>12,057</b>	<b>19.9</b>

**Capital Performance**

As at 30 April 2016, \$114.4 million (72.0%) of Council's \$158.8 million 2015/16 Capital Works Program was financially expended (including region making projects). The year to date anticipated spend was \$123.8 million, with financial expenditure 7.6% behind budget.

The core Capital program has actual spend of \$94.9 million against a target of \$104.4 million, 9.1% behind budget.

**Write-off unrecoverable income**

This report also contains a recommendation to write off two unrecoverable debts for a total of \$30,439.54 (GST inclusive) with further detail contained in the proposal section of the report.

The "Credit Accounts, Debt Collection & Write off Policy" states that to write off any debt greater than \$10,000, a report is to be submitted to Council for approval. This limit is stipulated in the delegation of authority under Council Resolution OM5.1.3 on the 23<sup>rd</sup> of April 2008.

**Investment Performance & Cash holdings**

Council's investment portfolio remains within the guidelines established under the Investment Policy.

For the month ending 30 April 2016 Council had \$324.1 million in investment cash (excluding Trust Fund) with an average interest rate of 3.1%, being 0.64% above benchmark.

## OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “April 2016 Financial Performance Report” and
- (b) write-off unrecoverable income of \$10,247.07 GST exclusive (\$11,271.78 GST inclusive) in relation to Dynamic Road Maintenance Services (DRMS) and
- (c) write-off unrecoverable income of \$17,425.24 GST exclusive (\$19,167.76 GST inclusive) in relation to Robert Keys.

## FINANCE AND RESOURCING

There are no financing implications as a result of this report.

## CORPORATE PLAN

**Corporate Plan Goal:** *A public sector leader*  
**Outcome:** 5.2 - A financially sustainable organisation  
**Operational Activity:** 5.2.2 - Ensure council's finances are well managed and systems are in place to analyse performance, generate revenue, reduce costs and manage contracts

## CONSULTATION

### Internal Consultation

All departments or branches participated in the formation of the recommendations associated with this report.

### External Consultation

No external consultation is required for this report.

### Community Engagement

No community engagement is required for this report.

## PROPOSAL

The operating result at 30 April 2016 of \$72.7 million shows a positive variance of \$12.1 million compared to the YTD current budget.

Achievement of the full year budgeted operating result will allow Council to meet its debt repayments and capital expenditure commitments.

### Operating Revenue

Year to Date (YTD) actual revenues as at 30 April 2016 of \$366.0 million shows a positive variance of \$6.0 million.

**Table 2: Substantial Revenue variances as at 30 April 2016**

Operating Revenue Large Variances	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Net Rates and Utility Charges	241,635	242,535	901	0.4
Fees and Charges	51,324	54,076	2,752	5.4
Other Revenue	11,888	13,423	1,535	12.9
Interest Received from Investments	7,277	7,946	669	9.2

### Net Rates & Utilities Charges

The favourable variance of \$900,000 has reduced by \$400,000 from March 2016 month end. This is in line with previous comments that the additional income was a timing difference due to the movement in prepaid rates.

### Fees & Charges

The April 2016 results are showing a favourable variance of \$2.8 million which relates to:

- \$980,000 for development services fees and charges, 7% favourable to budget
- \$920,000 for increased holiday park fees (mainly Coolum, Maroochydore & Cotton Tree), overall the Holiday Parks are \$856,000 favourable to budget
- \$451,000 favourable variance in waste tip fees due to the higher development activity in the region
- \$125,000 for increased revenue at cemeteries
- \$107,000 for increased licensing and permits revenue.

### Other Revenue

The favourable variance of \$1.5 million related to:

- \$280,000 favourable variance due to increased rebates in Fleet and Recoverable Civil Works
- \$230,000 for a milestone payment for Doonan Creek DTMR Koala offset, not anticipated to be received this financial year
- Sundry Recoupment across all major venues has exceeded budget by \$329,000.

### Interest Received from Investments

The favourable variance of \$669,000 is due to higher than anticipated cash levels. Cash levels have increased from Budget Review 2 due to \$25.0 million in capital works being deferred until 2016/17 and favourable variances on the operating statement.

### Operating Expenses

Year to Date (YTD) actual expenditure as at 30 April 2016 of \$293.3 million shows a positive variance of \$6.1 million.

**Table 3: Substantial Expenditure variances as at 30 April 2016**

Operating Expenditure Large Variances	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Employee Costs	100,348	100,040	(309)	(0.3)
Materials and Services	120,406	114,332	(6,074)	(5.0)

### Employee Costs

Employee costs are currently showing a favourable variance of \$309,000, or 0.3%. This has decreased slightly from March 2016 due to a number of vacancies being filled.

### **Materials and Services**

Materials and Services are \$6.1 million favourable to budget at the end of April 2016 (5.0%). There is a general underspend at the end of April across all departments with some more significant areas being:

- timing variance on new waste contracts yet to incur actual costs \$885,000
- reduced internal asphalt sales from the Quarry resulting in a reduction in materials required to produce goods and a favourable material spend of \$543,000
- \$474,000 for timing differences on maintenance activities in the Civil Asset Management
- Property Branch \$446,000 favourable due to a range of timing differences including electricity and water and sewerage costs.
- Lower prices of fuel have resulted in a favourable variance of \$273,000
- \$230,000 for insurance claims lower than budget
- operating projects and levies are \$2.1 million favourable to budget, with these funds quarantined for the delivery of Council approved projects and levies.

### **Capital Revenue**

Capital revenues, at \$88.4 million, are favourable \$3.7 million to the YTD current budget. Cash grants and cash contributions are ahead of budget by \$7.5 million. Constructed assets are \$3.9 million below budget, however constructed assets for the quarter will not be recognised until June 2016.

**Table 4: Capital revenue variances as at 30 April 2016**

Capital Revenue	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Capital Grants and Subsidies	7,365	9,175	1,810	24.6
Capital Contributions - Cash	21,010	26,756	5,745	27.3
Contributed Assets	56,374	52,476	(3,899)	(6.9)

### **Capital Expenditure**

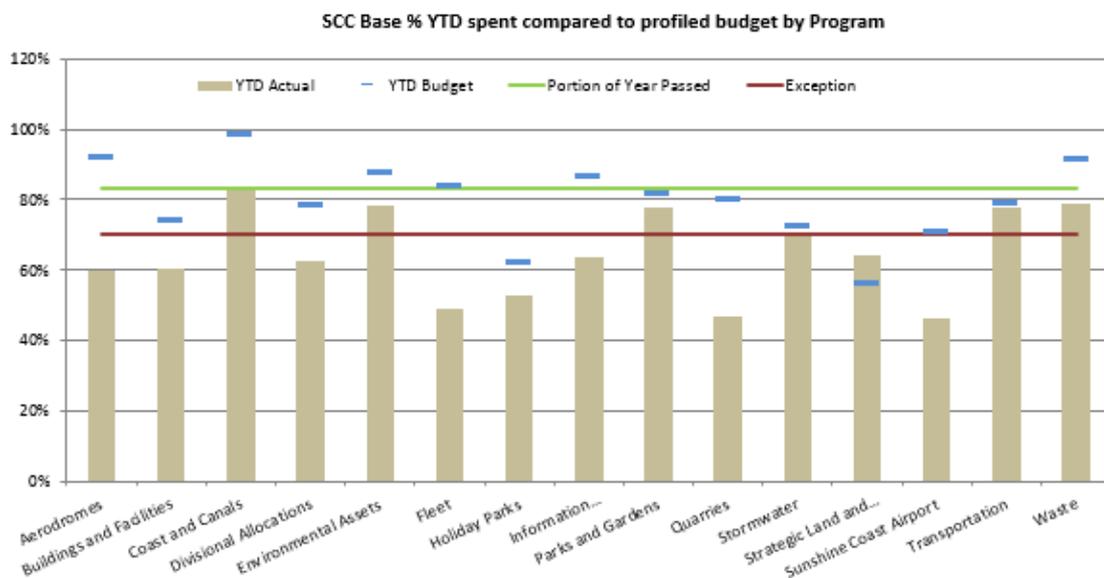
As at 30 April 2016, \$114.4 million (72.0%) of Council's \$158.8 million 2015/16 Capital Works Program was financially expended (including region making projects). The year to date anticipated spend was \$123.8 million, with financial expenditure 7.6% behind budget.

The core Capital program has actual spend of \$94.9 million against a target of \$104.4 million, 9.1% behind budget.

**Table 5: Capital expenditure variances by program as at 30 April 2016**

Capital Works Program	Forecast Budget \$000	YTD Current Budget \$000	YTD Actual \$000	YTD Variance	% Variance on YTD budget
Aerodromes	548	507	327	(180)	(35.5)
Buildings and Facilities	8,746	6,534	5,272	(1,263)	(19.3)
Coast and Canals	2,042	2,022	1,688	(334)	(16.5)
Divisional Allocations	3,560	2,800	2,230	(570)	(20.4)
Environmental Assets	1,669	1,476	1,306	(169)	(11.5)
Fleet	3,935	3,323	1,922	(1,402)	(42.2)
Holiday Parks	792	495	420	(75)	(15.2)
Information Technology	5,032	4,372	3,192	(1,181)	(27.0)
Parks and Gardens	15,328	12,622	11,944	(678)	(5.4)
Quarries	496	400	233	(167)	(41.7)
Stormwater	6,802	4,952	4,729	(222)	(4.5)
Strategic Land and Commercial Properties	6,658	3,780	4,273	493	13.0
Sunshine Coast Airport	5,792	4,132	2,665	(1,466)	(35.5)
Transportation	62,596	49,807	48,578	(1,229)	(2.5)
Waste	7,818	7,171	6,154	(1,017)	(14.2)
<b>Total SCC Core Capital Program</b>	<b>131,814</b>	<b>104,393</b>	<b>94,933</b>	<b>(9,460)</b>	<b>(9.1)</b>
Corporate Major Projects	100	87	50	(36)	-
Maroochydore City Centre - Council delivery	8,044	6,728	6,695	(33)	(0.5)
Maroochydore City Centre - SunCentral delivery	7,754	4,610	3,694	(916)	(19.9)
Solar Farm	9,866	7,438	8,412	974	-
Sunshine Coast Airport Runway	1,225	528	631	103	19.4
<b>Total Other Capital Program</b>	<b>26,990</b>	<b>19,391</b>	<b>19,482</b>	<b>91</b>	<b>0.5</b>
<b>TOTAL</b>	<b>158,804</b>	<b>123,784</b>	<b>114,415</b>	<b>(9,369)</b>	<b>(7.6)</b>

The following Base Capital Projects have further information provided due to YTD spend of less than 70%.



**Aerodromes**

The two major projects which account for 46% of the Aerodrome’s program are both in progress and nearing completion scheduled for May 2016. Other vegetation works will also continue to the end of financial year.

**Buildings & Facilities**

The YTD profiled budget of 75% expected completion is a reflection that the projects scheduled for the latter half of the financial year are well underway:

- the construction of the Sippy Creek Animal Pound/ Refuge (\$1.8 million), being managed by Project Delivery Branch, continues to be delivered on schedule. This project has a 70% financial completion rate. This is a multiyear project, with completion expected next financial year
- various works for The Events Centre, totalling \$1.1million were scheduled towards the final quarter to accommodate centre programming. They are now 66% financially completed with the remaining major works anticipating completion by mid-June.
- the \$850,000 Aquatic Facilities capital program is 60% financially complete. Remaining contracts for projects totalling \$340,000 are in place and on track for completion this financial year.
- the Roys Road Depot Master Plan is a multi-year staged project, with the design and early site preparation works scheduled for April – June this financial year. This is progressing as scheduled with a financial completion to date of 50%.

### **Fleet**

This \$3.9 million program is currently 49% financial complete. A further 45% of the program has been committed with a significant portion relating to large roads maintenance trucks that require a seven month build time. The first round of trucks have been delivered to the Coast, with expected payment in May 2016. These trucks arrived a week later than expected and did not meet the April close off period. June 2016 will see delivery and payment for all remaining orders, which remain on schedule.

### **Holiday Parks**

There are two significant projects amounting to 63% of the program, both are in progress and expect to expend current year funds by June 2016:

- Maroochy Beach Camp Kitchen – the contract has been awarded, with construction to commence following the Australian National Titles in April. Completion still anticipated in Mid-June 2016; and
- Mudjimba Expansion is a two year project that commenced in April 2016, with further funds available in the 2016/17 program. The contract to complete the works required to the onsite services is underway, reflected in the 68% financial spend to date.

### **Information Technology**

The Information Technology program has expended 63% of full year budget at the end of April 2016, \$1.2 million behind forecasted spend. The only identified risk to financial completion of this program is a final payment for the Events Management software. This payment will not take place until any post implementation issues have been resolved, and with a scheduled implementation in mid-June 2016, this is unlikely to take place in this financial year.

### **Quarries**

The \$500,000 Quarry Program is currently 47% financially complete. A significant portion of the program is attributable to Quarry Development Works which will be informed by a Geotechnical report currently underway. This report is due to be finalised in June and allocated funds are expected to be delivered this financial year. The other major allocation relates to a staged electrical and computer system upgrade for the asphalt plant. Technical work has been finalised, with installation scheduled for early June 2016, however the reseal program is now looking like continuing on to year end and the computer upgrade may now be delayed.

### **Strategic Land & Commercial Properties**

Major projects within the Strategic Land, Economic Development and Land Re-Development sub-programs are substantially complete with over 85% financially completed to date. Settlements for Environmental Land are also progressing well, following the recognition of some deferrals last month and two of the three acquisitions being finalised to date and the third planned for June. Negotiations for acquisitions within the LGIP Transport Corridors sub-program continue with five settlements anticipated in May/June 2016, and a further three to be confirmed, however may not occur until early next financial year.

### Sunshine Coast Airport

Projects totaling 43% of the \$5.79 million Airport Program are substantially complete, with an associated 70% financial spend and a further 26% recognised as savings on the finalised Aerospace precinct Stage 3 project. This saving will however be reallocated to the international terminal upgrade, where tenders for the upgrade came in over initial estimates. This upgrade is now scheduled to be a multiyear project due to time constraints with international flights.

**Table 6: Capital job quantities and budgeted value by status as at 30 April 2016 (excluding region making projects):**

Project summary by Job status (SCC Base only)	Number of Capital Jobs	%	Current Budget \$000	%
Not Started	63	4.5%	1,582	1.2%
Works in Progress	600	42.8%	73,964	56.1%
Complete	682	48.6%	53,997	41.0%
On Hold	58	4.1%	2,271	1.7%
<b>Total</b>	<b>1,403</b>		<b>131,814</b>	

The total number of jobs increased by 42 in the month of April, to recognise the design projects for 2016/17 budget, introduced at a high level in Budget Review 2 2016/17. The status of the design jobs are still to be updated, and therefore there has been a significant increase to the Not Started category. It is expected that a large number of these jobs will move into a work in progress status in the month of May.

Jobs completed went from 593 in March 2016 (\$45.0 million) to 682 in April 2016 (\$54.0 million).

### Write-off of unrecoverable income

Dynamic Road Maintenance Services (DRMS) purchased 345.60 tonnes of type 2.5 road base on 21 and 23 October 2014. The product was delivered but not utilised as DRMS considered it to be unsuitable. Several attempts to recover the debt have been undertaken.

A debt of \$10,247.07 GST exclusive (\$11,271.78 GST inclusive) remains and is recommended for write-off in this report.

An Embraer aeroplane owned by Robert Keys was parked at Sunshine Coast Airport from May 2012 to January 2014 and consequently incurred airport usage charges. These charges amounted to \$17,425.24 GST exclusive (\$19,167.76 GST inclusive). Several attempts to recover this debt, including engaging with a solicitor, have been made with no success.

A debt of \$17,425.24 GST exclusive (\$19,167.76 GST inclusive) remains and is recommended for write-off in this report.

The "Credit Accounts, Debt Collection & Write off Policy" states that to write off any debt greater than \$10,000, a report is to be submitted to Council for approval. This limit is stipulated in the delegation of authority under Council Resolution OM5.1.3 on the 23<sup>rd</sup> of April 2008.

### **Investment Performance & Cash Holdings**

Council's investment portfolio remains within the guidelines established under the Investment Policy.

For the month ending 30 April 2016 Council had \$324.1 million in investment cash (excluding Trust Fund) with an average interest rate of 3.10%, being 0.64% above benchmark.

Comparing these results to the same period last year, Council held \$269.3 million in cash (excluding Trust Fund) and the average interest rate was 2.92%, being 0.71% above benchmark.

The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill Index (BAUBIL) and the Bank Bill Swap Rate (BBSW) for term deposits.

**Table 7: Cash Flow variances as at 30 April 2016**

<b>Net Cash Flows</b>	<b>YTD Current Budget \$000</b>	<b>YTD Actual \$000</b>	<b>YTD Variance \$000</b>	<b>Variance %</b>
Operating Activities	112,633	141,952	29,319	0.3
Investing Activities	(94,498)	(90,809)	3,689	(0.0)
Financing Activities	(13,746)	(13,746)	-	-
<b>Closing Cash Balance</b>	291,775	324,783	<b>33,008</b>	<b>0.1</b>

The financial ledger cash balance at the end of April 2016 was \$324.7 million, which was \$33.0 million above forecasted cash holdings. This higher cash holding is made up of lower than anticipated spend on capital and operating projects and higher than anticipated revenues.

### **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**

Council's 2015/16 Investment Policy, 2015/16 Debt Policy, 2015/16 Revenue Policy and Revenue Statement.

Corporate Services Credit Accounts, Debt Collection and Write Off Policy.

### **Risk**

Failure to achieve the budgeted operating result will negatively impact Council's capacity to complete its capital expenditure program.

### **Previous Council Resolution**

**Special Meeting Budget 25 June 2015, Council adopted the 2015/2016 Budget - Council Resolution (SM15/20)**

*That Council:*

- (a) *receive and note the report titled “Adoption of the 2015/2016 Budget and Forward Estimates for the 2016/2017 to 2024/2025 Financial Years”*
- (b) *adopt the 2015/2016 Capital Works Program, endorse the indicative four-year program for the period 2016/2017 to 2019/2020, and note the five-year program for the period 2020/2021 to 2024/2025 (Appendix A) and*
- (c) *adopt the 2015/2016 Budget Schedules (Appendix B) including Forward Estimates.*

**Ordinary Meeting 17 September 2015, Council adopted the Budget Review 1 2015/16 (OM15/151)**

*That Council:*

- (a) *receive and note the report titled “Budget Review 1 2015/16”*
- (b) *adopt the amended 2015/16 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A)*
- (c) *establish a Natural Disaster Restricted Cash Component of \$5 million, funded from the 2014/15 operating result and*
- (d) *in addition to (b) and (c), amend the budget to include the sum of \$90,000 in 2015/16 budget for Caloundra Skate Park as part of the Aquatic Centre complex.*

**Ordinary Meeting 28 January 2016, Council adopted the Budget Review 2 2015/16 (OM16/3)**

*That Council:*

- (a) *receive and note the report titled “Budget Review 2 2015/16” and*
- (b) *adopt the amended 2014/15 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A).*

**Ordinary Meeting 28 January 2016, Council adopted the Mary Cairncross Scenic Reserve Building Renewal Project – Construction Funding (OM16/8)**

*That Council:*

- (a) *receive and note the report titled “**Mary Cairncross Scenic Reserve Building Renewal Project - Construction Funding**”, including the artists impressions for the final design*
- (b) *note the Queensland Tourism Infrastructure Fund \$1 million funding offer and the associated funding agreement conditions stating that Council is required to provide evidence on or before 31 January 2016 that it has (or has secured) sufficient funding (in addition to the Grant) required to complete the Activity and entering into a building contract with the successful tenderer on or before 15 April 2016*
- (c) *authorise the Chief Executive Officer to enter into contract with the successful tenderer*
- (d) *endorse the bringing forward of \$2,768,650 from 2017/18 – 2020/21 to the 2016/17 capital forecasts for the Environmental Visitor Education Facilities Sub Program to bring the budget to \$3,218,650 for approval during the 2016/17 budget adoption and*
- (e) ***note that there is a proposed increase in the 2015/16 adopted capital budget for the Environmental Visitor Education Facilities Sub Program of \$266,350 as part of Budget Review 2***
- (f) *allocate a maximum of \$20,000 from existing budgets for twelve months commencing April 2016 to assist in the establishment of temporary facilities to provide continuity in*

*the provision of hospitality services at the reserve during the demolition and construction phase of the building renewal project.*

**Ordinary Meeting 21 April 2016, February 2016 Financial Performance Report (OM16/51)**

*That Council:*

- (a) receive and note the report titled "February 2016 Financial Performance Report" and*
- (b) adopt the amended 2015/16 Capital Program to include the identified capital budget adjustments (Appendix A).*

**Ordinary Meeting 19 May 2016, March 2016 Financial Performance Report (OM16/71)**

*That Council:*

- (a) receive and note the report titled "March 2016 Financial Performance Report" and*
- (b) adopt the amended 2015/16 Capital Program to include the identified capital budget adjustments (Appendix A).*

**Related Documentation**

There is no related documentation for this report.

**Critical Dates**

There are no critical dates for this report.

**Implementation**

There are no implementation details to include in this report.



## Financial Performance Report

April 2016



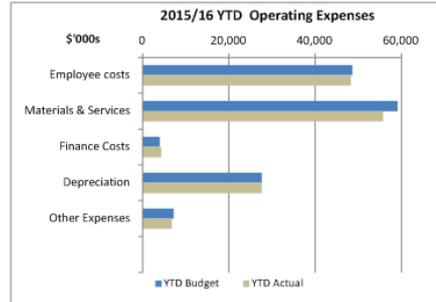
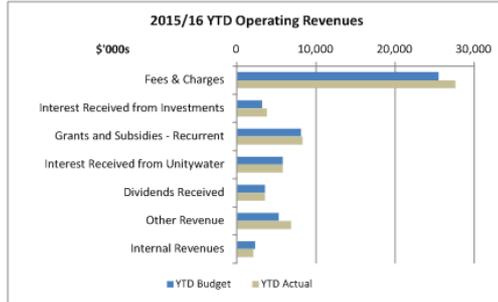
**Item 8.2.1 April 2016 Financial Performance Report**  
**April 2016 Financial Performance Report**

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FINANCIAL PERFORMANCE REPORT		April 2016
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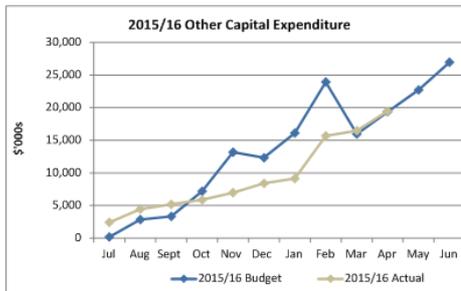
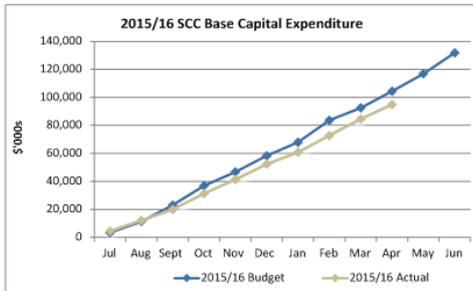
**FINANCIAL PERFORMANCE REPORT** April 2016  
**HEADLINE - OPERATING**

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	386,107	395,974	360,061	366,037	5,976	1.7%
Operating Expenses	364,650	371,661	299,423	293,341	(6,081)	(2.0%)
<b>Operating Result</b>	<b>21,457</b>	<b>24,313</b>	<b>60,639</b>	<b>72,696</b>	<b>12,057</b>	<b>19.9%</b>
<b>NET Result</b>	<b>62,975</b>	<b>126,281</b>	<b>145,389</b>	<b>160,920</b>	<b>15,531</b>	<b>10.7%</b>

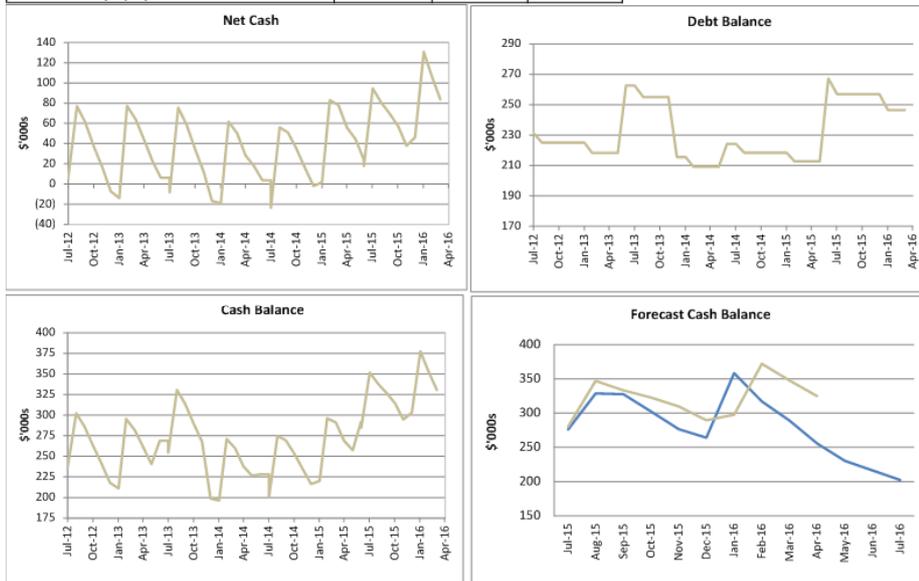


**HEADLINE - CAPITAL**

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Capital Revenue	41,518	101,968	84,750	88,224	(3,474)	
Other Capital Revenues	111,768	111,903	65,817	57,614	8,202	
<b>Total Capital Revenues</b>	<b>153,286</b>	<b>213,871</b>	<b>150,566</b>	<b>145,838</b>	<b>4,728</b>	
Capital Works Expenditure	183,368	158,804	123,784	114,398	9,386	(7.58%)
Other Capital Expenditure	40,156	83,156	36,052	73,110	(37,059)	
<b>Total Capital Expenditure</b>	<b>223,524</b>	<b>241,960</b>	<b>159,836</b>	<b>187,508</b>	<b>(27,673)</b>	
Funds from General Reserve	70,238	28,089	9,269	41,670	(32,401)	

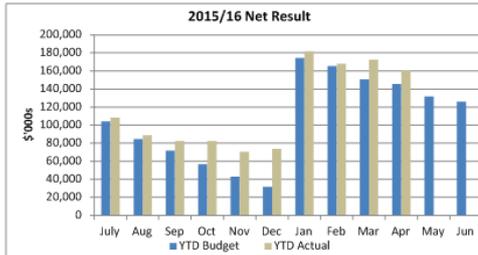
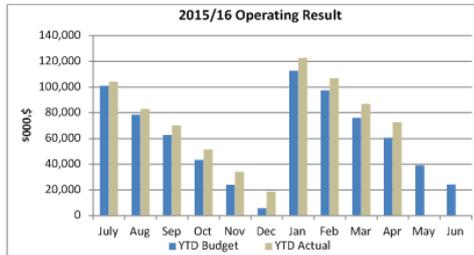


FINANCIAL PERFORMANCE REPORT						April 2016
HEADLINE - CASH AND BALANCE SHEET						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	Forecast Budget \$000s	Variance \$000s	
<b>CASH FLOWS</b>						
Opening Cash	229,692	287,386	287,386	287,386	0	
Net Cash Inflow/(Outflows) from:						
Operating Activities	82,091	100,195	141,952	112,633	29,319	
Investing Activities	(141,850)	(123,661)	(90,809)	(94,498)	3,689	
Financing Activities	29,179	27,488	(13,746)	(13,746)	0	
<b>Net Increase/(decrease) in Cash Held</b>	<b>(30,581)</b>	<b>4,022</b>	<b>37,397</b>	<b>4,389</b>	<b>33,008</b>	
Cash at year end	199,111	291,408	324,783	291,775	33,008	
<b>BALANCE SHEET</b>						
Current Assets	223,040	346,475	351,238			
Non Current Assets	4,471,353	4,777,975	4,625,191			
<b>Total Assets</b>	<b>4,694,394</b>	<b>5,124,450</b>	<b>4,976,429</b>			
Current Liabilities	92,112	94,765	56,089			
Non Current Liabilities	311,641	305,091	288,240			
<b>Total Liabilities</b>	<b>403,753</b>	<b>399,856</b>	<b>344,329</b>			
<b>Net Community Assets/</b>						
<b>Total Community Equity</b>	<b>4,290,641</b>	<b>4,724,594</b>	<b>4,632,100</b>			

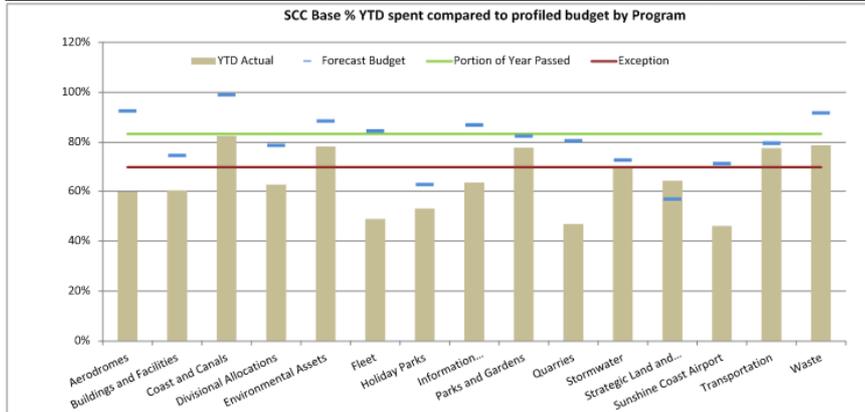


**Item 8.2.1 April 2016 Financial Performance Report  
April 2016 Financial Performance Report**

FINANCIAL PERFORMANCE REPORT							April 2016
STATEMENT OF INCOME & EXPENSES							
	Annual		YTD				Annual
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %	Forecast Budget \$000s
<b>Operating Revenue</b>							
Net Rates and Utility Charges	243,381	244,090	241,635	242,535	901	0.4%	244,090
Fees and Charges	54,733	59,878	51,324	54,076	2,752	5.4%	59,878
Interest Received from Investments	7,700	8,530	7,277	7,946	669	9.2%	8,530
Operating Grants and Subsidies	11,946	12,115	10,498	10,806	308	2.9%	12,115
Operating Contributions	696	1,136	953	861	(92)	(9.7%)	1,136
Interest Received from Unity Water	23,933	23,933	17,629	17,463	(165)	(0.9%)	23,933
Dividends Received	26,162	26,162	13,819	14,021	202	1.5%	26,162
Other Revenue	11,132	13,673	11,888	13,423	1,535	12.9%	13,673
Internal Sales/Recoveries	6,424	6,458	5,039	4,905	(133)	(2.6%)	6,458
Community Service Obligations	(0)	(0)	0	0	(0)	(100.0%)	(0)
<b>Total Operating Revenue</b>	<b>386,107</b>	<b>395,974</b>	<b>360,061</b>	<b>366,037</b>	<b>5,976</b>	<b>1.7%</b>	<b>395,974</b>
<b>Operating Expenses</b>							
Employee Costs	121,667	123,264	100,348	100,040	(309)	(0.3%)	123,264
Materials and Services	148,334	152,039	120,406	114,332	(6,074)	(5.0%)	152,039
Internal Materials and Services	(0)	0	0	0	0	0.0%	0
Finance Costs	9,505	9,618	8,045	8,564	518	6.4%	9,618
Company Contributions	1,218	1,218	1,218	1,218	0	0.0%	1,218
Depreciation Expense	67,058	66,773	55,608	55,753	145	0.3%	66,773
Other Expenses	16,868	18,749	13,798	13,436	(362)	(2.6%)	18,749
Competitive Neutrality Adjustments	0	0	0	0	(0)	(100.0%)	0
<b>Total Operating Expenses</b>	<b>364,650</b>	<b>371,661</b>	<b>299,423</b>	<b>293,341</b>	<b>(6,081)</b>	<b>(2.0%)</b>	<b>371,661</b>
<b>Operating Result</b>	<b>21,457</b>	<b>24,313</b>	<b>60,639</b>	<b>72,696</b>	<b>12,057</b>	<b>19.9%</b>	<b>24,313</b>
<b>Capital Revenue</b>							
Capital Grants and Subsidies	4,894	11,343	7,365	9,175	1,810	24.6%	11,343
Capital Contributions - Cash	12,000	23,000	21,010	26,756	5,745	27.3%	23,000
Capital Contributions - Fixed Assets	24,624	67,624	56,374	52,476	(3,899)	(6.9%)	67,624
<b>Total Capital Revenue</b>	<b>41,518</b>	<b>101,968</b>	<b>84,750</b>	<b>88,406</b>	<b>3,657</b>	<b>4.3%</b>	<b>101,968</b>
<b>Net Result</b>	<b>62,975</b>	<b>126,281</b>	<b>145,389</b>	<b>161,102</b>	<b>15,713</b>	<b>10.8%</b>	<b>126,281</b>



FINANCIAL PERFORMANCE REPORT							April 2016
CAPITAL EXPENDITURE							
Capital Works Program	Annual		YTD			% of FY budget spent	YTD Variance \$000s
	Original Budget \$000s	Current Budget \$000s	Budget \$000s	Actuals \$000s	Variance on YTD budget		
Aerodromes	215	548	507	327	-35.5%	59.7%	(180)
Buildings and Facilities	6,422	8,746	6,534	5,272	-19.3%	60.3%	(1,263)
Coast and Canals	1,900	2,042	2,022	1,688	-16.5%	82.7%	(334)
Divisional Allocations	3,590	3,560	2,800	2,230	-20.4%	62.7%	(570)
Environmental Assets	975	1,669	1,476	1,306	-11.5%	78.3%	(169)
Fleet	3,118	3,935	3,323	1,922	-42.2%	48.8%	(1,402)
Holiday Parks	770	792	495	420	-15.2%	53.0%	(75)
Information Technology	3,620	5,032	4,372	3,192	-27.0%	63.4%	(1,181)
Parks and Gardens	9,975	15,328	12,622	11,944	-5.4%	77.9%	(678)
Quarries	630	496	400	233	-41.7%	47.0%	(167)
Stormwater	5,972	6,802	4,952	4,729	-4.5%	69.5%	(222)
Strategic Land and Commercial Properties	1,350	6,658	3,780	4,273	13.0%	64.2%	493
Sunshine Coast Airport	5,056	5,792	4,132	2,665	-35.5%	46.0%	(1,466)
Transportation	45,200	62,596	49,807	48,578	-2.5%	77.6%	(1,229)
Waste	4,387	7,818	7,171	6,154	-14.2%	78.7%	(1,017)
<b>Total SCC Base Capital Program</b>	<b>93,180</b>	<b>131,814</b>	<b>104,393</b>	<b>94,933</b>	<b>-9.1%</b>	<b>72.0%</b>	<b>(9,460)</b>
Corporate Major Projects	9,300	100	87	50	-42.1%	50.2%	(36)
Maroochydhore City Centre - Council delivery	9,904	8,044	6,728	6,695	-0.5%	83.2%	(33)
Maroochydhore City Centre - SunCentral delivery	24,156	7,754	4,610	3,694	-19.9%	47.6%	(916)
Solar Farm	49,228	9,866	7,438	8,412	13.1%	85.3%	974
Sunshine Coast Airport Runway	0	1,225	528	631	19.4%	51.5%	103
<b>Total Region Making Capital Program</b>	<b>92,588</b>	<b>26,990</b>	<b>19,391</b>	<b>19,482</b>	<b>0.5%</b>	<b>72.2%</b>	<b>91</b>
<b>TOTAL</b>	<b>185,768</b>	<b>158,804</b>	<b>123,784</b>	<b>114,415</b>	<b>-7.6%</b>	<b>72.0%</b>	<b>(9,369)</b>



Project summary by Job status (SCC Base only)	Number of Capital Jobs	%	Current Budget \$000	%
Not Started	63	4.5%	1,582	1.2%
Works in Progress	600	42.8%	73,964	56.1%
Complete	682	48.6%	53,997	41.0%
On Hold	58	4.1%	2,271	1.7%
<b>Total</b>	<b>1,403</b>		<b>131,814</b>	

**FINANCIAL PERFORMANCE REPORT** April 2016  
**INVESTMENT PERFORMANCE**

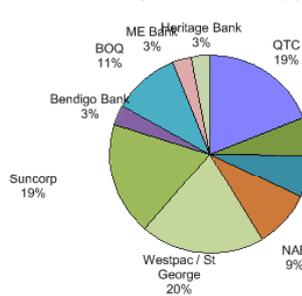
Liquidity as at:	30/04/2016 \$'000's	
<b>At-call accounts</b>		
QTC + CBA (excl. trust)	\$84,148	25.96%
Maturities within 7 days	\$10,000	3.09%
<b>Total at-call</b>	<b>\$94,148</b>	<b>29.04%</b>
Investment Policy Target		10.00%

Term deposits maturing:	\$'000's	Count
within 30 days	\$40,000	4
30-59 days	\$30,000	3
60-89 days	\$30,000	3
90-179 days	\$140,000	15
180-364 days	\$0	0
1 year - 3 years	\$0	0
<b>Total</b>	<b>\$240,000</b>	<b>25</b>

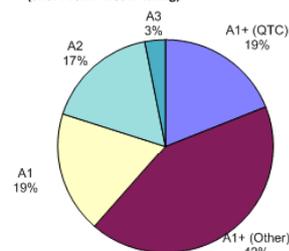
	INVESTMENT SUMMARY (including Trust) as at:			Investment Policy	
	30/04/2016	1/01/2016	30/04/2015	Individual Limit	Group Limits
A1+ (QTC)	\$61,452	\$54,417	\$138,782	100%	100%
A1+ (Other)	\$137,696	\$167,628	\$50,492	35%	100%
A1	\$60,000	\$30,000	\$30,000	30%	40%
A2	\$55,000	\$50,000	\$50,000	15%	35%
A3	\$10,000	\$0	\$0	0.0%	
<b>Total Funds</b>	<b>\$324,148</b>	<b>\$302,045</b>	<b>\$269,274</b>		
<b>FUND SUMMARY</b>					
General Funds	\$324,148	\$296,662	\$265,232		
Trust Funds	\$5,622	\$5,382	\$4,042		
<b>Total Funds</b>	<b>\$329,770</b>	<b>\$302,045</b>	<b>\$269,274</b>		

**Investment Portfolio**

Investment per financial institution (%)

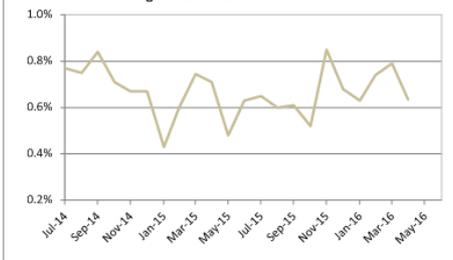


Investment by Standard & Poor's (Short Term Credit Rating)



**Investment Performance**

Margin Above Benchmark



Investment Performance

