



**Redland**  
CITY COUNCIL

# AGENDA

**LATE REPORT**

**GENERAL MEETING**

**Wednesday, 6 March 2024**  
**commencing at 9:30am**

The Council Chambers  
91 - 93 Bloomfield Street  
CLEVELAND QLD

**Order Of Business**

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## 13 REPORTS FROM ORGANISATIONAL SERVICES

### 13.1 FEBRUARY 2024 MONTHLY FINANCIAL UPDATE

**Objective Reference:** A8207012

**Authorising Officer:** Deborah Corbett-Hall, Executive Group Manager Financial Services & Chief Financial Officer

**Responsible Officer:** Deborah Corbett-Hall, Executive Group Manager Financial Services & Chief Financial Officer

**Report Author:** Udaya Panambala Arachchilage, Corporate Financial Reporting Manager

**Attachments:** Nil

#### PURPOSE

The purpose is to note the anticipated financial results as at 29 February 2024.

#### BACKGROUND

Council adopts an annual budget and then reports on performance against the budget on a monthly basis as required by legislation.

#### ISSUES

##### ***Timing of general meeting in March 2024***

There is only one General Meeting in March where the actual financial performance for the financial year up to the end of February 2024 can be reviewed; however, Council's monthly close-out processes and required accruals and deferrals were not completed by the agenda cut-off for this meeting. The monthly financial report for February 2024 will be presented to Council at the next general meeting on 17 April 2024.

##### ***Queensland Audit Office (QAO) planning visit 2023-2024***

QAO commenced the 2023-2024 planning visit of the external audit on 12 February 2024 and completed on 16 February 2024. The key focus of the planning visit was to confirm the QAO's understanding of the key controls at Council, identify and assess the risk of misstatement associated with the financial statements, and develop an audit strategy to address the risk of material misstatement.

##### ***Development of Budget 2024-2025***

Council officers are currently compiling submissions for the 2024-2025 budget.

##### ***2023-2024 budget review***

Council adopted its revised budget at the General Meeting on 13 December 2023 and the updated budget numbers are reflected in this update. The capital portfolio continues to be reprioritised and delivered.

##### ***Capital program progress***

The Executive Leadership Team reviews the progress of the capital program on a regular basis. Council's capital works expenditure is ahead of budget by \$12.07M, due to the early and pro-active engagement with the market and the active management of contracts.

The program is frequently and actively re-prioritised and managed to ensure that projects continue to be delivered on behalf of the community. Council is on track to deliver the largest annual capital expenditure program to date.

### STRATEGIC IMPLICATIONS

It is anticipated that Council will report a strong financial position and favourable operating result at the end of February 2024. It is anticipated that Council will either achieve or favourably exceed the following key financial sustainability ratios as at the end of February 2024:

- Operating Surplus Ratio
- Operating Cash Ratio
- Unrestricted Cash Expense Cover Ratio
- Asset Sustainability Ratio
- Asset Consumption Ratio
- Leverage Ratio
- Net Financial Liabilities Ratio

### Legislative Requirements

The February 2024 financial update is presented in accordance with the legislative requirement of section 204(2) of the *Local Government Regulation 2012*, requiring the Chief Executive Officer to present the financial report to a monthly Council meeting.

### Risk Management

The February 2024 financial update has been reviewed by the Executive Leadership Team and the relevant officers who can provide further clarification and advice around actual to budget variances.

### Financial

There is no direct financial impact to Council as a result of this update; however it provides indicative Key Performance Indicators (KPIs) as an interim measure before the February 2024 monthly financial report is complete.

The following interim information is provided before the full monthly report is complete for February 2024:

Key Financial Results	YTD Budget (\$000)	YTD Actual (\$000)	YTD Variance (\$000)	YTD Variance %	Status
Operating Surplus / (Deficit)	17,598	25,752	8,154	46%	Favourable
Recurrent Revenue	252,568	252,812	244	0%	Favourable
Recurrent Expenditure	234,970	227,060	(7,910)	-3%	Favourable
Capital Works Expenditure	71,371	83,438	12,067	17%	Unfavourable
Closing Cash & Cash Equivalent	283,933	228,674	(55,259)	-19%	Unfavourable
Short-Term Investment	10,122	50,000	39,878	394%	Favourable

### People

Nil impact expected as the purpose of this update is to note anticipated financial results as an interim measure before the monthly financial report is complete.

**Environmental**

Nil impact expected as the purpose of this update is to note anticipated financial results as an interim measure before the monthly financial report is complete.

**Social**

Nil impact expected as the purpose of this update is to note anticipated financial results as an interim measure before the monthly financial report is complete.

**Human Rights**

There are no human rights implications for this update as the purpose of this update is to provide interim financial information to Council based upon actual versus budgeted financial activity, before the February 2024 monthly financial report is complete.

**Alignment with Council's Policy and Plans**

This report has a relationship with the following items of Council's *Our Future Redlands – A Corporate Plan to 2026 and Beyond*:

Efficient and effective organisation objectives

7.1 Improve the efficiency and effectiveness of Council's service delivery to decrease costs, and enhance customer experience and community outcomes.

7.4 Demonstrate good governance through transparent, accountable processes and sustainable practices and asset management.

**CONSULTATION**

Consulted	Date	Comment
Council departmental officers	Year to date 29 February 2024	Consulted on financial results and outcomes
Financial Services Group officers	Year to date 29 February 2024	Consulted on financial results and outcomes
Executive Leadership Team and Senior Leadership Team	Year to date 29 February 2024	Recipients of variance analysis between actual and budget. Consulted as required

**OPTIONS****Option One**

That Council resolves to note the anticipated financial results for the period ending 29 February 2024 before the monthly financial report is complete.

**Option Two**

That Council requests additional information.

**OFFICER'S RECOMMENDATION**

**That Council resolves to note the anticipated financial results for the period ending 29 February 2024 before the monthly financial report is complete.**