

Redland
CITY COUNCIL

AGENDA

LATE REPORT

ITEM 13.1 JULY 2024 MONTHLY FINANCIAL REPORTS

GENERAL MEETING

**Wednesday, 21 August 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 JULY 2024 MONTHLY FINANCIAL REPORT

Objective Reference: A11341814

Authorising Officer: Peter Paterson, Acting Executive Group Manager Financial Services & Chief Financial Officer

Responsible Officer: Peter Paterson, Acting Executive Group Manager Financial Services & Chief Financial Officer

Report Author: Udaya Panambala Arachchilage, Corporate Financial Reporting Manager

Attachments: 1. July 2024 Monthly Financial Report [↓](#)

PURPOSE

To note the year to date financial results as at 31 July 2024.

BACKGROUND

Council adopts an annual budget and then reports on performance against the budget on a monthly basis. This is not only a legislative requirement but enables the organisation to periodically review its financial performance and position and respond to changes in community requirements, market forces or other outside influences.

ISSUES

Opening balances for 2024-25 financial year

The opening balances for the current financial year are still to be finalised and audited. As such, the financial position for the month of July may adjust over the coming months until Council receives Queensland Audit Office certification, expected in September 2024.

STRATEGIC IMPLICATIONS

Council has either achieved or favourably exceeded the following key financial sustainability ratios as at the end of July 2024.

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

The Asset Sustainability Ratio did not meet the target at the end of July 2024 and continues to be a stretch target for Council with renewal spends of \$3.45M and depreciation expense of \$6.73M year to date on infrastructure assets. This ratio is an indication of how Council currently maintains, replaces and renews its existing infrastructure assets as they reach the end of their useful lives. Capital spend on non-renewal projects increases the asset base and therefore increases depreciation expense, resulting in a lower asset sustainability ratio.

The Council-Controlled Revenue, Population Growth, and Asset Renewal Funding Ratios are reported for contextual purposes only. Population Growth and Asset Renewal Funding Ratios will not materially change from month to month.

Legislative Requirements

The July 2024 financial report 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 July 2024 financial report has been noted by the Executive Leadership Team and 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 report, however it provides an indication of financial outcomes at the end of July 2024.

People

Nil impact expected as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

Environmental

Nil impact expected as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

Social

Nil impact expected as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

Human Rights

There are no human rights implications from this report as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

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 31 July 2024	Consulted on financial results and outcomes.
Financial Services Group officers	Year to date 31 July 2024	Consulted on financial results and outcomes.
Executive Leadership Team and Senior Leadership Team	Year to date 31 July 2024	Recipients of variance analysis between actual and budget. Consulted as required.

OPTIONS**Option One**

That Council resolves to note the financial position, results and ratios for July 2024 as presented in the attached Monthly Financial Report.

Option Two

That Council resolves to request additional information.

OFFICER'S RECOMMENDATION

That Council resolves to note the financial position, results and ratios for July 2024 as presented in the attached Monthly Financial Report.



Monthly Financial Report

July 2024



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1. EXECUTIVE SUMMARY

This monthly report illustrates the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the period ended 31 July 2024. The year to date annual budget referred to in this report reflects the 2024/2025 annual budget as adopted by Council on 27 June 2024.

The opening balances for the current year are still to be finalised and audited. As such, the financial position for the month of July may adjust over the coming months until Council receives Queensland Audit Office (QAO) certification, expected in September 2024.

Key Financial Highlights and Overview

Key Financial Results (\$000)	Annual Original Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	(1,465)	44,026	45,337	1,311	3%	✓
Recurrent Revenue	382,312	75,393	74,173	(1,220)	-2%	✗
Recurrent Expenditure	383,777	31,367	28,836	(2,531)	-8%	✓
Capital Works Expenditure	118,283	3,956	7,835	3,879	98%	✗
Closing Cash & Cash Equivalents	190,355	235,704	185,065	(50,639)	-21%	✗
Short-Term Investment	50,000	50,000	50,000	-	0%	✓

Council reported a year to date operating surplus of \$45.34M which is favourable to budget by \$1.31M. This is mainly due to lower than budgeted materials and services expenses, combined with higher than budgeted fees, offset by lower levies and utility charges, higher depreciation and lower grants, subsidies and contributions.

During the month, Council made a debt repayment of \$6.51M, being \$4.69M principal and \$1.82M interest.

Council's capital works expenditure is ahead of budget by \$3.88M due to timing of works for a number of infrastructure projects.

Council's cash balance is behind budget mainly due to higher payments to suppliers, lower than budgeted receipts from customers, higher payments for property, plant and equipment, and lower non-capital and capital grants, subsidies and contributions. Constrained cash reserves represent 65% of the cash balance.

2. KEY PERFORMANCE INDICATORS

During 2024, a new Financial Management (Sustainability) Guideline (the Guideline) was developed by the Department of Housing, Local Government, Planning and Public Works following consultation with local governments and other stakeholders which supersedes the Financial Management (Sustainability) Guideline 2013. The Guideline applies to all Queensland local governments for calculating the relevant financial sustainability measures detailed in the *Local Government Regulation 2012* and are presented below.

Type	Financial Sustainability Measures	Target	Annual Original Budget	YTD Actual	Status Achieved ✓ Not achieved ✗
Financial Capacity	Council-Controlled Revenue*	Contextual - No target specified	90.78%	91.93%	N/A
	Population Growth Ratio*	Contextual - No target specified	1.25%	1.25%	N/A
Operating Performance	Operating Surplus Ratio	Greater than 0%	-0.38%	61.12%	✓
	Operating Cash Ratio	Greater than 0%	20.19%	71.08%	✓
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	9.32	10.96	✓
Asset Management	Asset Sustainability Ratio	Greater than 60%	82.30%	51.21%	✗
	Asset Consumption Ratio	Greater than 60%	67.95%	62.28%	✓
	Asset Renewal Funding Ratio*	Contextual - No target specified	100.00%	100.00%	N/A
Debt Servicing Capacity	Leverage Ratio	0 - 4 times	1.15	1.14	✓
Level of Debt	Net Financial Liabilities Ratio**	Less than 60% (on average over the long-term)	-31.83%	-212.64%	✓

* The Council-Controlled Revenue, Population Growth, and Asset Renewal Funding Ratio measures are reported for contextual purposes only. Population Growth and Asset Renewal Funding Ratios will not materially change from month to month.

** The Net Financial Liabilities Ratio is negative as current assets are greater than total liabilities. This measure is presented in addition to the nine financial sustainability measures required to provide more information to the community.

3. STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME				
For the period ending 31 July 2024				
	Annual	YTD	YTD	YTD
	Original Budget \$'000	Budget \$'000	Actual \$'000	Variance \$'000
Recurrent revenue				
Rates charges	132,519	33,249	33,260	11
Levies and utility charges	202,583	35,178	33,642	(1,536)
Less: Pensioner remissions and rebates	(3,896)	(901)	(1,039)	(138)
Fees	20,936	1,521	2,327	806
Rental income	1,128	73	148	75
Interest received	13,583	1,064	1,116	52
Sales revenue	4,990	435	413	(22)
Other income	935	127	82	(45)
Grants, subsidies and contributions	9,534	4,647	4,224	(423)
Total recurrent revenue	382,312	75,393	74,173	(1,220)
Recurrent expenses				
Employee benefits	117,020	10,384	10,176	(208)
Materials and services	185,222	14,263	11,185	(3,078)
Finance costs	3,995	281	276	(5)
Depreciation and amortisation	78,067	6,506	7,154	648
Other expenditure	620	30	142	112
Net internal costs	(1,148)	(97)	(97)	-
Total recurrent expenses	383,777	31,367	28,836	(2,531)
OPERATING SURPLUS / (DEFICIT)	(1,465)	44,026	45,337	1,311
Capital revenue				
Grants, subsidies and contributions	20,232	1,419	785	(634)
Non-cash contributions	121,013	-	-	-
Total capital revenue	141,244	1,419	785	(634)
Capital expenses				
(Gain) / loss on disposal of non-current assets	9,603	510	(145)	(655)
Total capital expenses	9,603	510	(145)	(655)
TOTAL INCOME	523,556	76,812	74,958	(1,854)
TOTAL EXPENSES	393,380	31,877	28,691	(3,186)
NET RESULT	130,177	44,935	46,267	1,332
Other comprehensive income / (loss)				
Items that will not be reclassified to a net result				
Revaluation of property, plant and equipment	-	-	-	-
TOTAL COMPREHENSIVE INCOME	130,177	44,935	46,267	1,332

3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

LEVIES AND UTILITY CHARGES ANALYSIS

For the period ending 31 July 2024

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Levies and utility charges				
Refuse collection rate charge	38,288	3,170	3,212	42
SES separate charge	479	120	120	-
Environment & Coastal Management Separate Charge	14,970	3,561	3,744	183
Separate charge landfill remediation	3,096	771	776	5
Wastewater charges	60,831	15,045	15,190	145
Water access charges	24,845	6,183	6,227	44
Water consumption charges	60,074	6,328	4,373	(1,955)
Total levies and utility charges	202,583	35,178	33,642	(1,536)

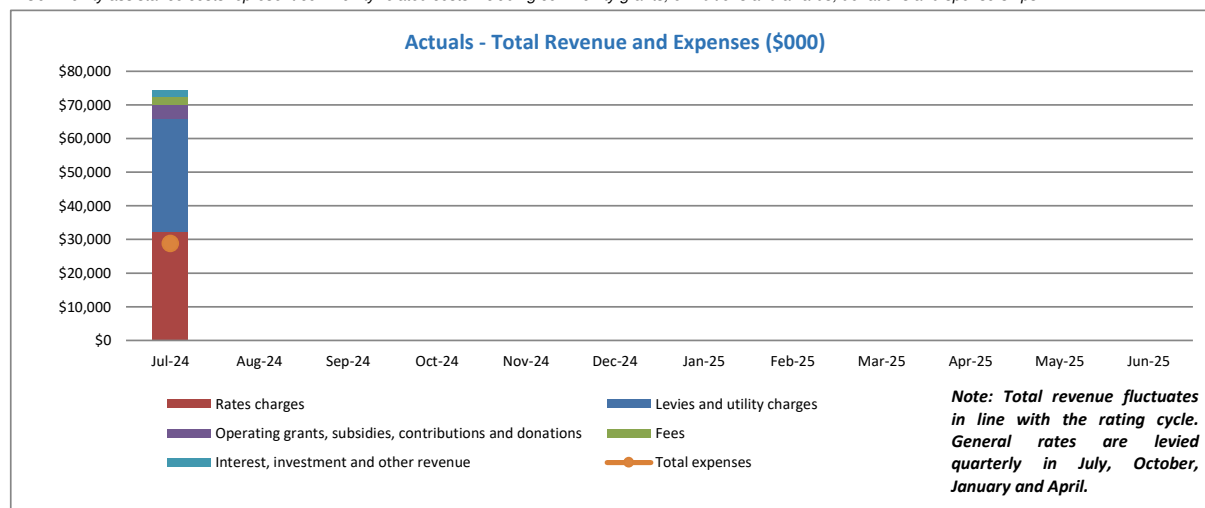
MATERIALS AND SERVICES ANALYSIS

For the period ending 31 July 2024

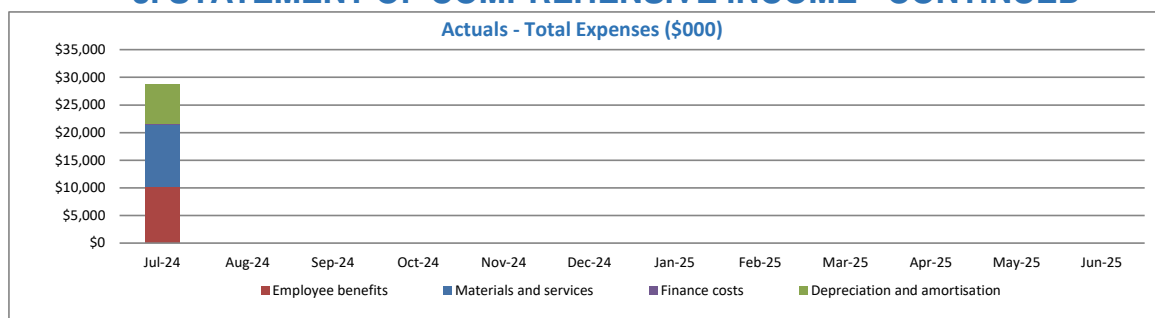
	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Materials and services				
Contractors	54,322	2,117	2,326	209
Consultants	6,593	826	151	(675)
Other Council outsourcing costs*	32,430	2,334	1,858	(476)
Purchase of materials	64,458	6,567	4,424	(2,143)
Office administration costs	5,028	551	650	99
Electricity charges	5,550	463	412	(51)
Plant operations	4,111	297	209	(88)
Information technology resources	7,964	672	663	(9)
General insurance	2,158	180	180	-
Community assistance**	1,863	198	215	17
Other material and service expenses	746	58	97	39
Total materials and services	185,222	14,263	11,185	(3,078)

* Other Council outsourcing costs are various outsourced costs including refuse collection and disposal, waste disposal, legal services, traffic control, external training, valuation fees, etc.

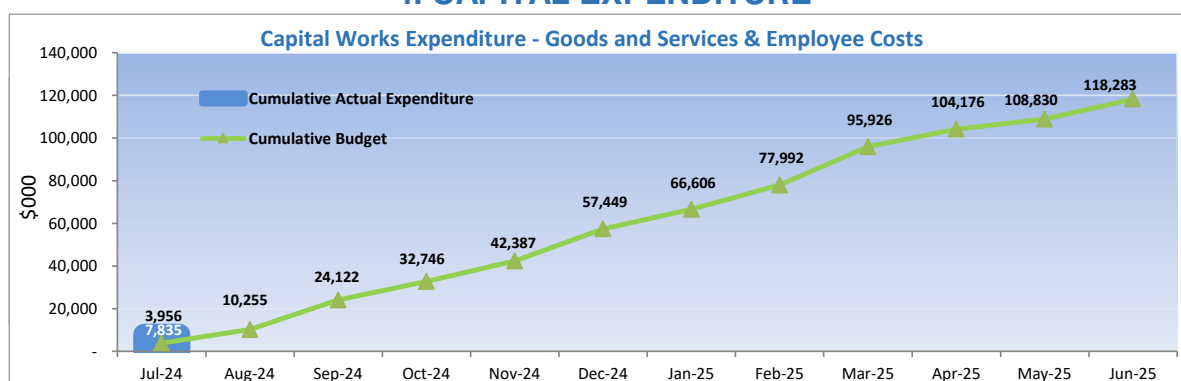
** Community assistance costs represent community related costs including community grants, exhibitions and awards, donations and sponsorships.



3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED



4. CAPITAL EXPENDITURE



	Annual Original Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services*	108,413	3,136	7,133	3,997
Capitalised employee costs	9,870	820	702	(118)
Total	118,283	3,956	7,835	3,879

* Excludes capital prepayments.

Notable Programs and Projects

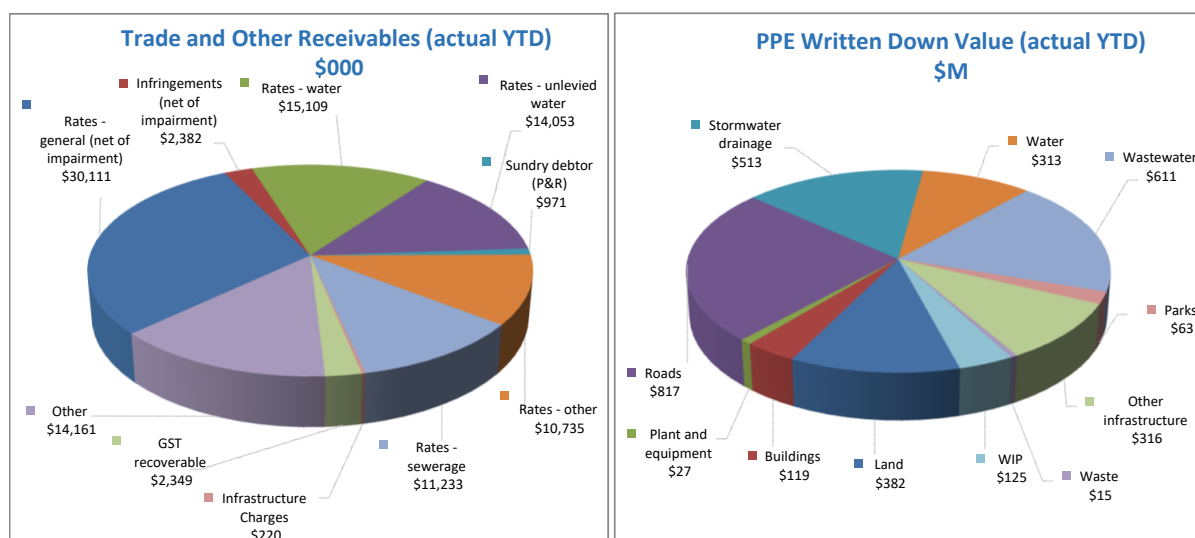
The table below lists Council's capital expenditure on major programs and projects.

Capital Investment		YTD Actual \$'000
Wellington St / Panorama Dr upgrade	Road widening / lane duplication of Wellington St / Panorama Dr.	3,020
Park renewal – Point Talburpin Park	Renewal to include recreational activities as per the Open Space Strategy.	590
Willard's Farm restoration program	Make the building safe and preserve the heritage values.	544
Kinross Road sewerage trunk	New sewage pump station (Lorikeet Dr) and trunk sewer main to Cleveland WWTP.	391
Revetment walls renewal	Revetment wall renewal works across the City.	339

5. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION As at 31 July 2024			
	Annual	YTD	YTD
	Original Budget \$000	Budget \$000	Actual \$000
CURRENT ASSETS			
Cash and cash equivalents	190,355	235,704	185,065
Short-term investment - CBA	50,000	50,000	50,000
Trade and other receivables	52,508	96,487	101,324
Inventories	1,123	1,042	1,103
Other current assets	3,052	5,838	8,521
Total current assets	297,038	389,071	346,013
NON-CURRENT ASSETS			
Investment property	1,403	1,474	1,474
Property, plant and equipment	3,266,103	3,296,722	3,300,596
Intangible assets	294	620	620
Right-of-use assets	2,469	3,388	3,388
Other financial assets	73	73	73
Investment in other entities	11,357	11,769	11,769
Equity investment	-	2,831	2,831
Total non-current assets	3,281,699	3,316,877	3,320,751
TOTAL ASSETS	3,578,737	3,705,948	3,666,764
CURRENT LIABILITIES			
Trade and other payables	38,992	69,173	39,323
Borrowings - current	5,252	6,391	6,391
Lease liability - current	781	900	901
Provisions - current	10,540	20,999	21,389
Other current liabilities	6,080	32,801	21,498
Total current liabilities	61,645	130,264	89,502
NON-CURRENT LIABILITIES			
Borrowings - non-current	85,169	53,666	53,661
Lease liability - non-current	2,112	3,064	3,086
Provisions - non-current	22,036	32,103	32,329
Other non-current liabilities	4,368	9,717	9,717
Total non-current liabilities	113,685	98,550	98,793
TOTAL LIABILITIES	175,331	228,814	188,295
NET COMMUNITY ASSETS	3,403,407	3,477,134	3,478,469
COMMUNITY EQUITY			
Asset revaluation surplus	1,441,319	1,612,202	1,612,203
Retained surplus	1,871,903	1,743,076	1,746,717
Constrained cash reserves	90,184	121,856	119,549
TOTAL COMMUNITY EQUITY	3,403,407	3,477,134	3,478,469

5. STATEMENT OF FINANCIAL POSITION - CONTINUED



RIGHT-OF-USE ASSETS As at 31 July 2024

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
Right-of-use asset			
Buildings	382	889	889
Land	1,884	2,259	2,259
Plant and equipment	203	240	240
Closing balance	2,469	3,388	3,388

PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT* For the period ending 31 July 2024

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
PPE movement			
Opening balance (includes WIP from previous years)	3,114,783	3,299,808	3,299,808
Acquisitions and WIP in year movement	239,295	3,956	7,835
Depreciation in year	(76,779)	(6,398)	(7,047)
Disposals	(11,196)	(644)	-
Closing balance	3,266,103	3,296,722	3,300,596

* This table includes movement relating to property, plant and equipment only and is exclusive of intangible assets.

6. STATEMENT OF CASH FLOWS

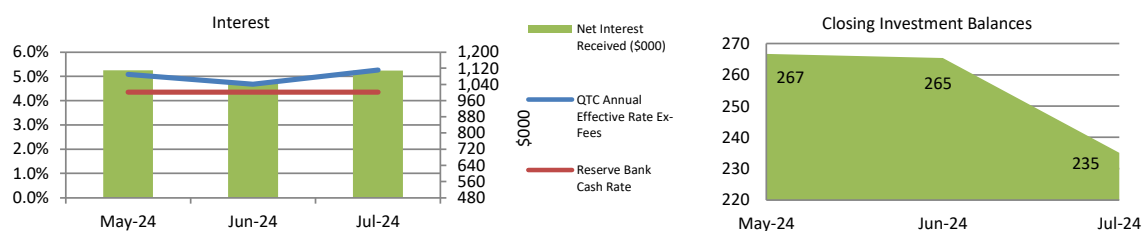
STATEMENT OF CASH FLOWS For the period ending 31 July 2024			
	Annual	YTD	YTD
	Original Budget \$'000	Budget \$'000	Actual \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	344,411	38,866	21,029
Payments to suppliers and employees	(317,872)	(15,329)	(43,397)
	26,539	23,537	(22,368)
Interest received	13,583	1,064	893
Rental income	1,128	73	148
Non-capital grants and contributions	9,658	4,636	4,214
Borrowing costs	(1,823)	(1,824)	(1,815)
Right-of-use assets interest expense	(316)	(26)	(25)
Net cash inflow / (outflow) from operating activities	48,769	27,460	(18,953)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	(118,283)	(3,956)	(7,835)
Proceeds from sale of property, plant and equipment	1,593	133	145
Capital grants, subsidies and contributions	20,232	1,419	1,049
Net cash inflow / (outflow) from investing activities	(96,459)	(2,404)	(6,641)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of borrowings	27,922	-	-
Repayment of borrowings	(5,044)	(4,681)	(4,692)
Right-of-use lease payment	(607)	(51)	(29)
Net cash inflow / (outflow) from financing activities	22,271	(4,732)	(4,721)
Net increase / (decrease) in cash held	(25,419)	20,324	(30,315)
Cash and cash equivalents at the beginning of the year	215,774	215,380	215,380
Cash and cash equivalents at the end of the financial year / period	190,355	235,704	185,065

Cash Inflow (actual YTD) 		Cash Outflow (actual YTD) 	
Total Cash Funding (Actual YTD)	27,478	Total Cash Expenditure (Actual YTD)	57,793
Total Cash Funding (Annual Original Budget)	418,527	Total Cash Expenditure (Annual Original Budget)	443,946
% of Budget Achieved YTD	7%	% of Budget Achieved YTD	13%

7. INVESTMENT & BORROWINGS REPORT

For the period ending 31 July 2024

INVESTMENT RETURNS



Total Investment at End of Month was \$235.07M

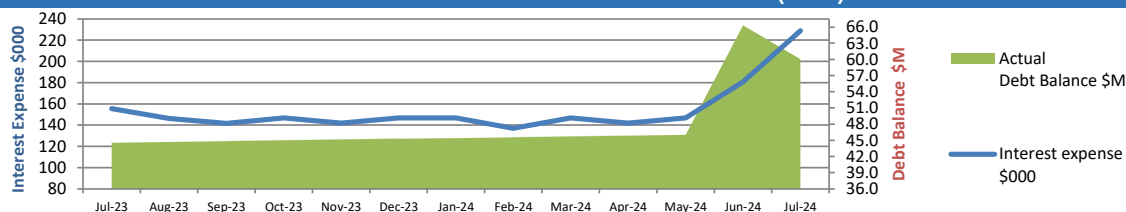
Council investments are currently held predominantly in the Capital Guaranteed Cash Fund, which is a fund operated by the Queensland Treasury Corporation (QTC). In October 2023 \$50M was invested in a term deposit of Commonwealth Bank of Australia (CBA) for a term of 365 days at a rate of 5.25% to maximise risk free interest earnings.

The movement in interest earned is indicative of both the interest rate and the surplus cash balances held with QTC, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle. The interest income increased from June to July mainly due to increase in QTC annual effective rate (excluding fee) from 4.68% to 5.27%.

Note: the Reserve Bank cash rate of 4.35% remains unchanged since November 2023.

Council adopted its Investment Policy (FIN-001-P) in June 2024 for the 2024/2025 financial year

BORROWINGS AND BORROWING COSTS (QTC)



The debt balance increased in June 2024 due to new borrowings of \$20.16M as part of Council's Capital Works Plan.

In July 2024 the debt balance showed a decrease due to the \$6.51M Annual Debt Service Payment (ADSP), being \$4.69M principal and \$1.82M interest. Interest will accrue monthly on a daily balance until next ADSP in July 2025 which is reflected in the increasing debt balance.

Total Borrowings at End of Month were \$60.05M

Council adopted its Debt Policy (FIN-009-P) in June 2024 for the 2024/2025 financial year

BORROWINGS

For the period ending 31 July 2024

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
Borrowings			
Opening balance	(66,308)	(66,330)	(66,330)
Accrued interest on borrowings	(2,696)	(232)	(229)
Interest paid on borrowings	1,824	1,824	1,815
Principal repaid	4,681	4,681	4,692
Loan drawdown	(27,922)	-	-
Closing balance	(90,421)	(60,057)	(60,052)

8. CONSTRAINED CASH RESERVES

Reserves as at 31 July 2024	Purpose of reserve	Opening Balance \$000	To Reserve \$000	From Reserve \$000	Closing Balance \$000
Special Projects Reserve:					
Aquatic Paradise Revetment Wall Reserve	To fund Aquatic Paradise revetment wall works program	131	33	-	164
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	1,820	-	-	1,820
Waste Levy Reserve	To fund Waste Levy Program	57	467	(524)	-
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	2,556	838	(8)	3,386
		4,564	1,338	(532)	5,370
Constrained Works Reserve:					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	6,987	220	(2)	7,205
Marine Trunk Infrastructure Reserve	Provision of marine facilities south of Redland Bay	183	-	-	183
Land for Community Facilities Trunk Infrastructure Reserve	Land for community facilities trunk infrastructure	5,507	7	-	5,514
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	16,202	7	-	16,209
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	16,269	118	(313)	16,074
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	36,271	283	(2,187)	34,367
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	15,048	118	-	15,166
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	11,739	32	-	11,771
Tree Planting Reserve	Acquisition and planting of trees on footpaths	428	5	(8)	425
Special Property Reserve	Acquisition of property in line with the strategic property framework	3,835	75	-	3,910
		112,469	865	(2,510)	110,824
Separate Charge Reserve:					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	-	3,744	(614)	3,130
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	105	120	-	225
		105	3,864	(614)	3,355
TOTALS		117,138	6,067	(3,656)	119,549
		Closing cash and cash equivalents			185,065
		Reserves as percentage of cash balance			65%

9. CITY WATER STATEMENTS

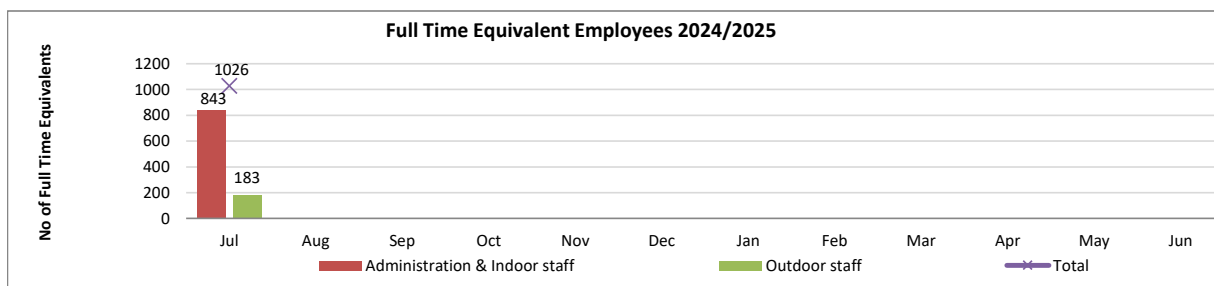
CITY WATER SUMMARY OPERATING STATEMENT				
For the period ending 31 July 2024				
	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	155,848	28,412	26,805	(1,607)
Total expenses	90,377	8,258	5,786	(2,472)
Earnings before interest, tax and depreciation (EBITD)	65,471	20,154	21,019	865
External interest expense	648	54	53	(1)
Internal interest expense	19,061	19,061	19,061	-
Depreciation	30,585	2,549	2,624	75
Operating surplus / (deficit)	15,177	(1,510)	(719)	791
CITY WATER CAPITAL FUNDING STATEMENT				
For the period ending 31 July 2024				
	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	3,196	266	126	(140)
Net transfer (to) / from constrained capital reserves	2,580	-	187	187
Non-cash contributions	110,434	9,203	-	(9,203)
New loans	7,195	-	-	-
Funding from utility revenue	8,423	774	1,178	404
Total sources of capital funding	131,827	10,243	1,491	(8,752)
Contributed assets	110,434	9,203	-	(9,203)
Capitalised expenditure	21,106	409	883	474
Loan redemption	287	631	608	(23)
Total application of capital funds	131,827	10,243	1,491	(8,752)

10. CITY WASTE STATEMENTS

CITY WASTE OPERATING STATEMENT				
For the period ending 31 July 2024				
	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	41,577	3,452	3,531	79
Total expenses	32,408	2,705	2,680	(25)
Earnings before interest, tax and depreciation (EBITD)	9,169	747	851	104
External interest expense	5	-	-	-
Depreciation	486	40	39	(1)
Operating surplus / (deficit)	8,678	707	812	105
CITY WASTE CAPITAL FUNDING STATEMENT				
For the period ending 31 July 2024				
	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Funding from utility revenue	6,167	31	(6)	(37)
Total sources of capital funding	6,167	31	(6)	(37)
Capitalised expenditure	6,131	28	(6)	(34)
Loan redemption	36	3	-	(3)
Total application of capital funds	6,167	31	(6)	(37)

11. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

Workforce Reporting



July 2024: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People, Culture and Organisational Performance	5	47	9	61
Organisational Services	4	202	28	234
Community and Customer Services	69	298	68	435
Infrastructure and Operations	2	339	14	355
Advocacy, Major Projects and Economic Development	-	36	4	40
Total	80	922	123	1,125

Note: Full Time Equivalent Employees includes all full time employees at a value of 1 and all other employees, at a value less than 1. The table above demonstrates the headcount by department. Following Ourspace, the table includes contract of service and temporary personnel. It includes casual staff in their non-substantive roles as at the end of the period where relevant.

Overdue Rates Debtors & Statistics

Comparison July 2024 to July 2023									
Days Overdue	Jul-24	% Overdue	Jul-23	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	Jul-24	Jul-23
0 - 30	\$0	0.0%	\$1,286	0.0%	-\$1,286	0.0%	Levied (Billed) Rates & Charges since 1 July 2024	\$87,472,228	\$83,878,780
31 - 60	\$3,534	0.0%	\$983	0.0%	\$2,551	0.0%	Rate arrears b/fwd 1 July 2024	\$9,598,398	\$9,226,293
61 - 90	\$2,571,593	2.7%	\$2,771,003	3.0%	-\$199,410	-0.3%	Total	\$97,070,626	\$93,105,073
91 - 180	\$1,494,253	1.5%	\$1,431,196	1.5%	\$63,057	0.0%	Balance of overdue rates & charges	\$7,561,340	\$7,367,843
>180	\$3,491,960	3.6%	\$3,163,375	3.4%	\$328,585	0.2%	Percentage Overdue	7.8%	7.9%
Total	\$7,561,340	7.8%	\$7,367,843	7.9%	\$193,497	-0.1%			

12. GLOSSARY

Key Terms

Written Down Value:

This is the value of an asset after accounting for depreciation or amortisation, and it is also called book value or net book value.

Work In Progress (WIP):

This represents an unfinished project that costs are still being added to. When a project is completed, the costs will be either capitalised (allocated to relevant asset class) or written off.

Current Replacement Cost:

The amount of money required to replace an existing asset with an equally valued or similar asset at the current market price.

Written Down Replacement Cost:

An asset's current replacement cost less accumulated depreciation.

Book Value of Debt:

The book value of Council's debt (QTC or other loans) as at the reporting date (i.e. 30 June).

Infrastructure Assets:

Those significant, long-life assets that provide ratepayers with access to social and economic facilities. Examples include water and sewerage treatment plants, roads, bridges, drainage, buildings, and other community assets (does not include right of use assets).

Definition of Ratios

Council Controlled Revenue Ratio:

This is an indicator of a Council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks

$$\frac{\text{Net Rates, Levies and Charges add Fees and Charges}}{\text{Total Operating Revenue}}$$

Population Growth:

This is a key driver of a Council's operating income, service needs, and infrastructure requirements into the future

$$\frac{\text{Prior year estimated population}}{\text{Previous year estimated population}} - 1$$

Operating Surplus Ratio*:

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes

$$\frac{\text{Operating Result}}{\text{Total Operating Revenue}}$$

Operating Cash Ratio:

This measures the ability to cover core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs

$$\frac{\text{Operating Result add Depreciation and Amortisation add Finance Costs*}}{\text{Total Operating Revenue}}$$

Unrestricted Cash Expense Cover Ratio:

This is an indicator of the unconstrained liquidity available to meet ongoing and emergent financial demands. It represents the number of months Council can continue operating based on current monthly expenses

$$\frac{(\text{Total Cash and Cash Equivalents add Current Investments add Available Ongoing QTC Working Capital Facility Limit less Externally Restricted Cash})}{(\text{Total Operating Expenditure less Depreciation and Amortisation less Finance Costs*})} \times 12$$

Asset Sustainability Ratio:

This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing

$$\frac{\text{Capital Expenditure on Replacement of Infrastructure Assets (Renewals)}}{\text{Depreciation Expenditure on Infrastructure Assets}}$$

Asset Consumption Ratio:

This measures the extent to which Council's infrastructure assets have been consumed to what it would cost to build a new asset with the same benefit to the community

$$\frac{\text{Written Down Replacement Cost of Depreciable Infrastructure Assets}}{\text{Current Replacement Cost of Depreciable Infrastructure Assets}}$$

Asset Renewal Funding Ratio:

This ratio measures the ability of a Council to fund its projected asset renewal/replacements in the future

$$\frac{\text{Total of Planned Capital Expenditure on Asset Renewals over 10 years}}{\text{Total of Required Capital Expenditure on Asset Renewals over 10 years}}$$

Leverage Ratio:

This is an indicator of a Council's ability to repay its existing debt. It measures the relative size of the Council's debt to its operating performance

$$\frac{\text{Book Value of Debt**}}{\text{Total Operating Revenue less Total Operating Expenditure add Depreciation and Amortisation}}$$

Net Financial Liabilities:

This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues

$$\frac{\text{Total Liabilities - Current Assets}}{\text{Total Operating Revenue}}$$

* Finance costs only include interest charged on Council's existing QTC debt balances and any other Council loans

** Book Value of Debt only includes the book value of the Council's debt (QTC or other loans) as at the reporting date