

Redland
CITY COUNCIL

AGENDA

LATE REPORT

ITEM 13.1 SEPTEMBER 2024 MONTHLY FINANCIAL REPORT

GENERAL MEETING

**Wednesday, 16 October 2024
commencing at 9:30am**

The Council Chambers
91 - 93 Bloomfield Street
CLEVELAND QLD

Order Of Business

13 Reports from Organisational Services 3

 13.1 September 2024 Monthly Financial Report 3

13 REPORTS FROM ORGANISATIONAL SERVICES

13.1 SEPTEMBER 2024 MONTHLY FINANCIAL REPORT

Objective Reference: A11484584

Authorising Officer: Sandra Bridgeman, Executive Group Manager Financial Services & Chief Financial Officer

Responsible Officer: Peter Paterson, Financial Controller

Report Author: Udaya Panambala Arachchilage, Corporate Financial Reporting Manager

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

PURPOSE

To note the year to date financial results as at 30 September 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

2023-2024 to 2024-2025 carryover budget review

Council adopted a carryover budget on 21 August 2024 to accommodate capital works straddling two financial years. The attached monthly financial report for September includes the carryover budget adopted by Council.

STRATEGIC IMPLICATIONS

Council has either achieved or favourably exceeded the following key financial sustainability ratios as at the end of September 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 September 2024 and continues to be a stretch target for Council with renewal spends of \$8.03M and depreciation expense of \$19.97M 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 September 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 September 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 September 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 30 September 2024	Consulted on financial results and outcomes.
Financial Services Group officers	Year to date 30 September 2024	Consulted on financial results and outcomes.
Executive Leadership Team and Senior Leadership Team	Year to date 30 September 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 September 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 September 2024 as presented in the attached Monthly Financial Report.



Monthly Financial Report

September 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 30 September 2024. The year to date annual revised budget referred to in this report incorporates the changes from budget capital carryovers adopted by Council on 21 August 2024.

The Queensland Audit Office audited Council's 2023-2024 financial statements and issued an unmodified audit opinion on 20 September 2024.

Key Financial Highlights and Overview

Key Financial Results (\$000)	Annual Revised Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	(997)	7,949	8,386	437	5%	✓
Recurrent Revenue	383,076	101,104	99,398	(1,706)	-2%	✗
Recurrent Expenditure	384,073	93,155	91,012	(2,143)	-2%	✓
Capital Works Expenditure	140,442	28,215	21,444	(6,771)	-24%	✓
Closing Cash & Cash Equivalents	175,358	225,110	206,330	(18,780)	-8%	✗
Short-Term Investment	50,000	50,000	50,000	-	0%	✓

Council reported a year to date operating surplus of \$8.39M which is favourable to budget by \$437K. This is mainly due to lower than budgeted materials and services expenses, lower employee expenses, and higher than budgeted fees, partially offset by lower levies and utility charges, lower grants, subsidies and contributions, and higher depreciation.

Council's capital works expenditure is behind budget by \$6.77M due to timing of works for a number of infrastructure projects.

Council's cash balance is behind budget mainly due to higher than budgeted payments to suppliers, lower than budgeted receipts from customers, partially offset by lower payments for property, plant and equipment. Constrained cash reserves represent 58% 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 Revised Budget	YTD Actual	Status Achieved ✓ Not achieved ✗
Financial Capacity	Council-Controlled Revenue*	Contextual - No target specified	90.60%	89.54%	N/A
	Population Growth Ratio*	Contextual - No target specified	1.25%	1.25%	N/A
Operating Performance	Operating Surplus Ratio	Greater than 0%	-0.26%	8.44%	✓
	Operating Cash Ratio	Greater than 0%	20.28%	30.44%	✓
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	8.73	11.12	✓
Asset Management	Asset Sustainability Ratio	Greater than 60%	90.90%	40.21%	✗
	Asset Consumption Ratio	Greater than 60%	62.27%	61.97%	✓
	Asset Renewal Funding Ratio*	Contextual - No target specified	100.00%	100.00%	N/A
Debt Servicing Capacity	Leverage Ratio	0 - 4 times	1.15	2.04	✓
Level of Debt	Net Financial Liabilities Ratio**	Less than 60% (on average over the long-term)	-21.91%	-124.72%	✓

* 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 30 September 2024					
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Recurrent revenue					
Rates charges	132,519	132,519	33,183	33,045	(138)
Levies and utility charges	202,583	202,583	52,190	49,958	(2,232)
Less: Pensioner remissions and rebates	(3,896)	(3,896)	(968)	(1,100)	(132)
Fees	20,936	20,936	6,192	7,095	903
Rental income	1,128	1,128	257	272	15
Interest received	13,583	13,583	3,314	3,501	187
Sales revenue	4,990	4,990	1,317	1,270	(47)
Other income	935	935	205	431	226
Grants, subsidies and contributions	9,534	10,298	5,414	4,926	(488)
Total recurrent revenue	382,312	383,076	101,104	99,398	(1,706)
Recurrent expenses					
Employee benefits	117,020	117,182	30,037	29,210	(827)
Materials and services	185,222	185,358	42,905	39,872	(3,033)
Finance costs	3,995	3,995	870	844	(26)
Depreciation and amortisation	78,067	78,067	19,517	21,211	1,694
Other expenditure	620	620	114	229	115
Net internal costs	(1,148)	(1,148)	(288)	(354)	(66)
Total recurrent expenses	383,777	384,073	93,155	91,012	(2,143)
OPERATING SURPLUS / (DEFICIT)	(1,465)	(997)	7,949	8,386	437
Capital revenue					
Grants, subsidies and contributions	20,232	26,988	4,744	3,272	(1,472)
Non-cash contributions	121,013	121,013	-	-	-
Total capital revenue	141,244	148,001	4,744	3,272	(1,472)
Capital expenses					
(Gain) / loss on disposal of non-current assets	9,603	9,603	2,401	(168)	(2,569)
Total capital expenses	9,603	9,603	2,401	(168)	(2,569)
TOTAL INCOME	523,556	531,077	105,848	102,670	(3,178)
TOTAL EXPENSES	393,380	393,676	95,556	90,844	(4,712)
NET RESULT	130,177	137,401	10,292	11,826	1,534
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	137,401	10,292	11,826	1,534

3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

LEVIES AND UTILITY CHARGES ANALYSIS For the period ending 30 September 2024

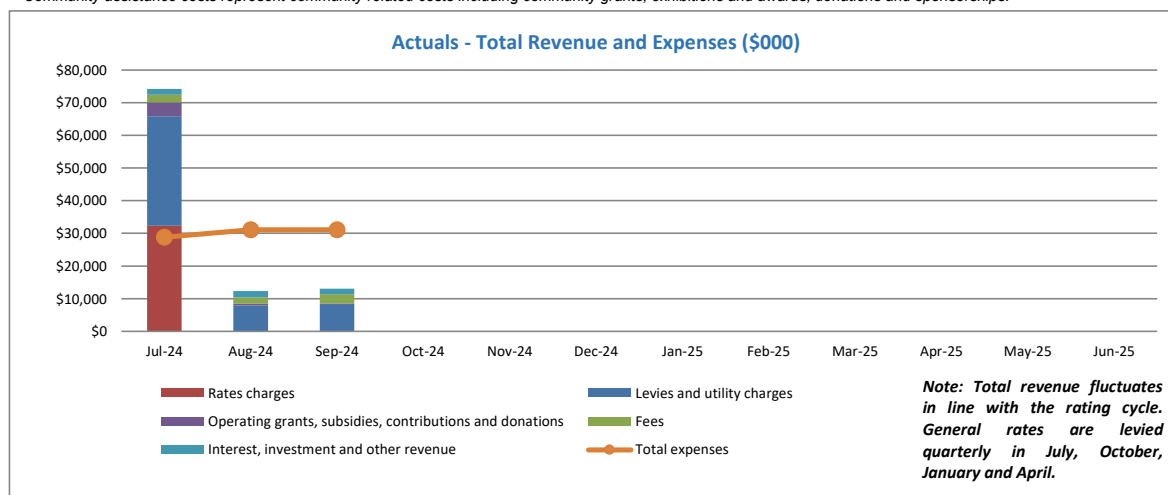
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Levies and utility charges					
Refuse collection rate charge	38,288	38,288	9,522	9,624	102
SES separate charge	479	479	119	120	1
Environment & Coastal Management Separate Charge	14,970	14,970	3,742	3,740	(2)
Separate charge landfill remediation	3,096	3,096	771	775	4
Wastewater charges	60,831	60,831	15,210	15,154	(56)
Water access charges	24,845	24,845	6,178	6,201	23
Water consumption charges	60,074	60,074	16,648	14,344	(2,304)
Total levies and utility charges	202,583	202,583	52,190	49,958	(2,232)

MATERIALS AND SERVICES ANALYSIS For the period ending 30 September 2024

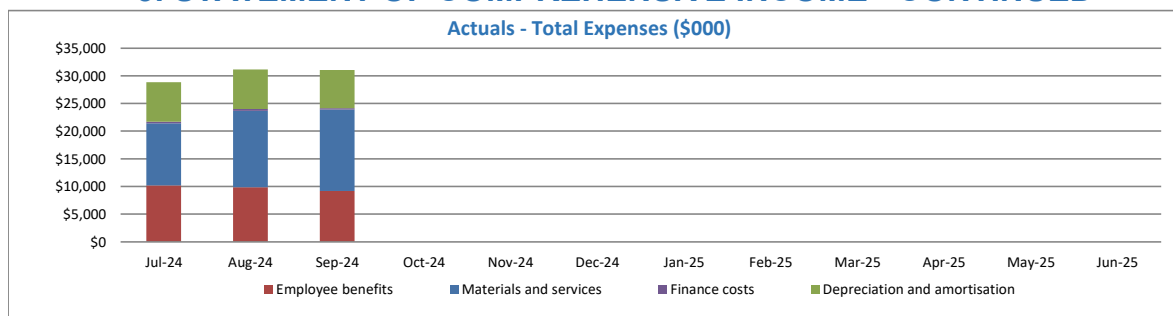
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Materials and services					
Contractors	54,322	54,207	8,837	9,705	868
Consultants	6,593	6,948	1,977	843	(1,134)
Other Council outsourcing costs*	32,430	31,673	7,420	6,148	(1,272)
Purchase of materials	64,458	65,077	17,624	15,070	(2,554)
Office administration costs	5,028	5,056	1,565	2,209	644
Electricity charges	5,550	5,550	1,388	1,608	220
Plant operations	4,111	4,111	943	885	(58)
Information technology resources	7,964	7,966	2,017	2,123	106
General insurance	2,158	2,158	539	802	263
Community assistance**	1,863	1,864	413	323	(90)
Other material and service expenses	746	748	182	156	(26)
Total materials and services	185,222	185,358	42,905	39,872	(3,033)

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

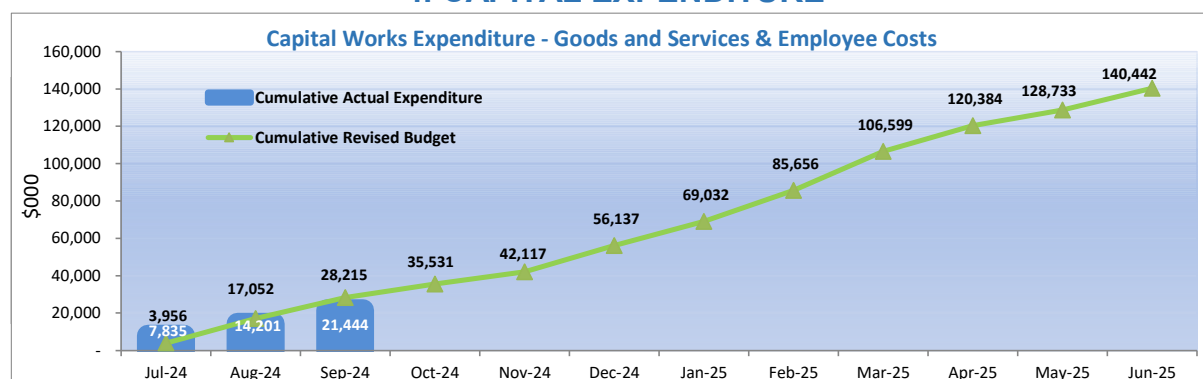
** Community assistance costs represent community related costs including community grants, exhibitions and awards, donations and sponsorships.



3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED



4. CAPITAL EXPENDITURE



	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services*	130,172	27,158	19,460	(7,698)
Capitalised employee costs	10,270	1,057	1,984	927
Total	140,442	28,215	21,444	(6,771)

* Excludes capital prepayments.

Notable Programs and Projects

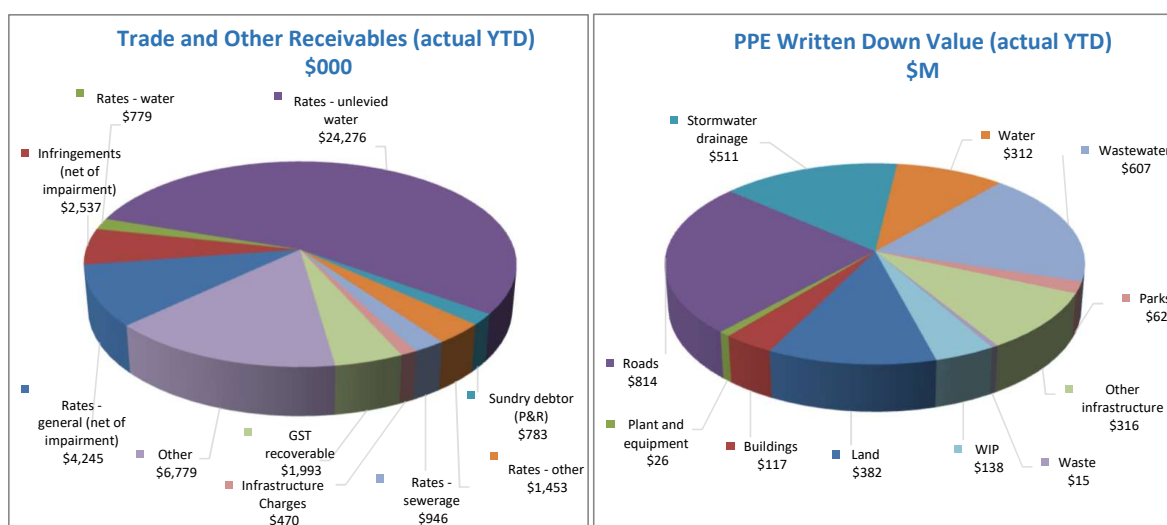
The table below lists Council's capital expenditure on major programs and projects.

Capital Investment		YTD Actual \$'000
Wellington St / Panorama Dr upgrade	Road widening / lane duplication of Wellington St / Panorama Dr.	6,178
Kinross Road sewerage trunk	New sewage pump station (Lorikeet Dr) and trunk sewer main to Cleveland WWTP.	2,156
Weinam Creek development	Continuation of works at Weinam Creek Priority Development Area.	1,606
Willard's Farm restoration program	Make the building safe and preserve the heritage values.	1,423
Fleet replacement	Current fleet replacement program.	835

5. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION As at 30 September 2024				
	Annual	Annual	YTD	YTD
	Original Budget \$'000	Revised Budget \$'000	Budget \$'000	Actual \$'000
CURRENT ASSETS				
Cash and cash equivalents	190,355	175,358	225,110	206,330
Short-term investment - CBA	50,000	50,000	50,000	50,000
Trade and other receivables	52,508	47,954	39,091	44,261
Inventories	1,123	1,042	1,042	1,059
Other current assets	3,052	5,853	5,853	7,082
Total current assets	297,038	280,207	321,096	308,732
NON-CURRENT ASSETS				
Investment property	1,403	1,474	1,474	1,474
Property, plant and equipment	3,266,103	3,474,880	3,307,622	3,299,904
Intangible assets	294	304	563	564
Right-of-use assets	2,469	2,479	3,186	3,231
Other financial assets	73	73	73	73
Investment in other entities	11,357	13,121	13,121	11,769
Equity investment	-	-	-	2,831
Total non-current assets	3,281,699	3,492,332	3,326,039	3,319,846
TOTAL ASSETS	3,578,737	3,772,539	3,647,135	3,628,578
CURRENT LIABILITIES				
Trade and other payables	38,992	49,383	63,218	47,176
Borrowings - current	5,252	6,391	6,391	6,391
Lease liability - current	781	781	1,144	900
Provisions - current	10,540	11,234	17,139	20,617
Other current liabilities	6,080	2,839	9,414	10,698
Total current liabilities	61,645	70,628	97,306	85,782
NON-CURRENT LIABILITIES				
Borrowings - non-current	85,169	84,052	54,104	54,094
Lease liability - non-current	2,112	2,051	2,506	2,429
Provisions - non-current	22,036	34,527	34,027	32,739
Other non-current liabilities	4,368	5,026	10,046	9,717
Total non-current liabilities	113,685	125,656	100,683	98,979
TOTAL LIABILITIES	175,331	196,284	197,989	184,761
NET COMMUNITY ASSETS	3,403,407	3,576,255	3,449,146	3,443,817
COMMUNITY EQUITY				
Asset revaluation surplus	1,441,319	1,612,203	1,612,203	1,612,203
Retained surplus	1,871,903	1,852,483	1,720,479	1,712,425
Constrained cash reserves	90,184	111,569	116,464	119,189
TOTAL COMMUNITY EQUITY	3,403,407	3,576,255	3,449,146	3,443,817

5. STATEMENT OF FINANCIAL POSITION - CONTINUED



RIGHT-OF-USE ASSETS As at 30 September 2024				
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
Right-of-use asset				
Buildings	382	363	757	801
Land	1,884	1,913	2,196	2,197
Plant and equipment	203	203	233	233
Closing balance	2,469	2,479	3,186	3,231

PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT* For the period ending 30 September 2024				
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
PPE movement				
Opening balance (includes WIP from previous years)	3,114,783	3,301,401	3,301,401	3,299,599
Acquisitions and WIP in year movement	239,295	261,454	28,215	21,444
Depreciation in year	(76,779)	(76,779)	(19,195)	(20,891)
Disposals	(11,196)	(11,196)	(2,799)	(248)
Closing balance	3,266,103	3,474,880	3,307,622	3,299,904

* 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 30 September 2024				
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	344,411	344,411	94,705	90,429
Payments to suppliers and employees	(317,872)	(318,168)	(64,571)	(83,137)
	26,539	26,243	30,134	7,292
Interest received	13,583	13,583	3,314	2,841
Rental income	1,128	1,128	258	272
Non-capital grants and contributions	9,658	10,751	5,832	4,962
Borrowing costs	(1,823)	(1,823)	(1,824)	(1,815)
Right-of-use assets interest expense	(316)	(316)	(79)	(79)
Net cash inflow / (outflow) from operating activities	48,769	49,565	37,635	13,473
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(118,283)	(140,442)	(28,215)	(21,444)
Proceeds from sale of property, plant and equipment	1,593	1,593	398	415
Capital grants, subsidies and contributions	20,232	26,988	4,744	3,883
Net cash inflow / (outflow) from investing activities	(96,459)	(111,860)	(23,073)	(17,146)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds of borrowings	27,922	27,922	-	-
Repayment of borrowings	(5,044)	(5,044)	(4,681)	(4,692)
Right-of-use lease payment	(607)	(607)	(152)	(685)
Net cash inflow / (outflow) from financing activities	22,271	22,271	(4,833)	(5,377)
Net increase / (decrease) in cash held	(25,419)	(40,024)	9,729	(9,050)
Cash and cash equivalents at the beginning of the year	215,774	215,381	215,381	215,380
Cash and cash equivalents at the end of the financial year / period	190,355	175,358	225,110	206,330

Cash Inflow (actual YTD)

Category	Percentage
Utility charges	48%
Rates charges	31%
Fees	7%
Operating grants and contributions	5%
Interest received	3%
Capital grants, subsidies and contributions	4%
Other cash receipts	2%

Cash Outflow (actual YTD)

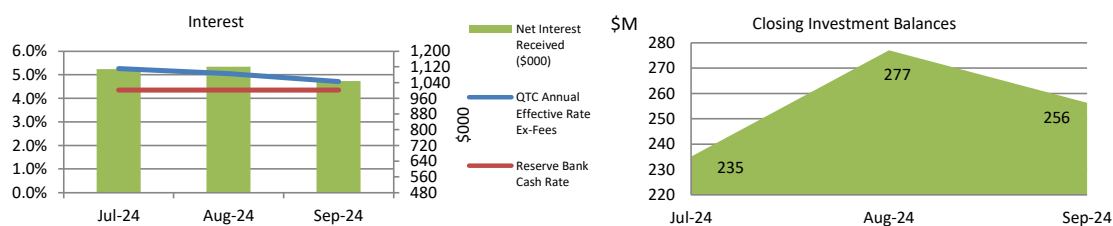
Category	Percentage
Materials and services	50%
Employee costs	24%
Payments for property, plant and equipment	19%
Repayment of borrowings	5%
Borrowing costs	2%

Total Cash Funding (Actual YTD)	102,802	Total Cash Expenditure (Actual YTD)	111,852
Total Cash Funding (Annual Revised Budget)	426,376	Total Cash Expenditure (Annual Revised Budget)	466,400
% of Budget Achieved YTD	24%	% of Budget Achieved YTD	24%

7. INVESTMENT & BORROWINGS REPORT

For the period ending 30 September 2024

INVESTMENT RETURNS



Total Investment at End of Month was \$256.33M

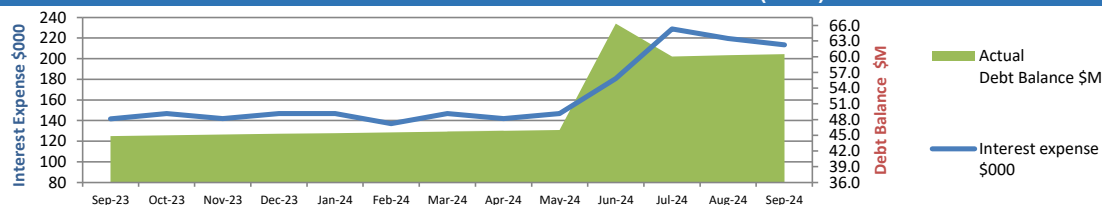
Council investments are currently held predominantly in the Capital Guaranteed Cash Fund, which is a fund operated by the Queensland Treasury Corporation (QTC). In October 2023 \$50M was invested in a term deposit of Commonwealth Bank of Australia (CBA) for a term of 365 days at a rate of 5.25% to maximise 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 decreased from August to September mainly due to decrease in QTC annual effective rate (excluding fee) from 5.05% to 4.71% and lower average investment balance.

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 \$60.49M

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

BORROWINGS

For the period ending 30 September 2024

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
Borrowings				
Opening balance	(66,308)	(66,330)	(66,330)	(66,330)
Accrued interest on borrowings	(2,696)	(2,696)	(670)	(662)
Interest paid on borrowings	1,824	1,824	1,824	1,815
Principal repaid	4,681	4,681	4,681	4,692
Loan drawdown	(27,922)	(27,922)	-	-
Closing balance	(90,421)	(90,443)	(60,495)	(60,485)

8. CONSTRAINED CASH RESERVES

Reserves as at 30 September 2024	Purpose of reserve	Opening Balance	To Reserve	From Reserve	Closing Balance
		\$000	\$000	\$000	\$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	146	-	1,966
Waste Levy Reserve	To fund Waste Levy Program	57	1,402	(1,459)	-
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	2,556	838	(25)	3,369
		4,564	2,419	(1,484)	5,499
Constrained Works Reserve:					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	6,987	875	(227)	7,635
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	31	-	5,538
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	16,202	32	-	16,234
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	16,269	493	(1,724)	15,038
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	36,271	1,267	(1,743)	35,795
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	15,048	469	(3)	15,514
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	11,739	103	-	11,842
Tree Planting Reserve	Acquisition and planting of trees on footpaths	428	18	(9)	437
Special Property Reserve	Acquisition of property in line with the strategic property framework	3,835	228	-	4,063
		112,469	3,516	(3,706)	112,279
Separate Charge Reserve:					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	-	3,740	(2,547)	1,193
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	105	120	(7)	218
		105	3,860	(2,554)	1,411
TOTALS		117,138	9,795	(7,744)	119,189
		Closing cash and cash equivalents		206,330	
		Reserves as percentage of cash balance		58%	

9. CITY WATER STATEMENTS

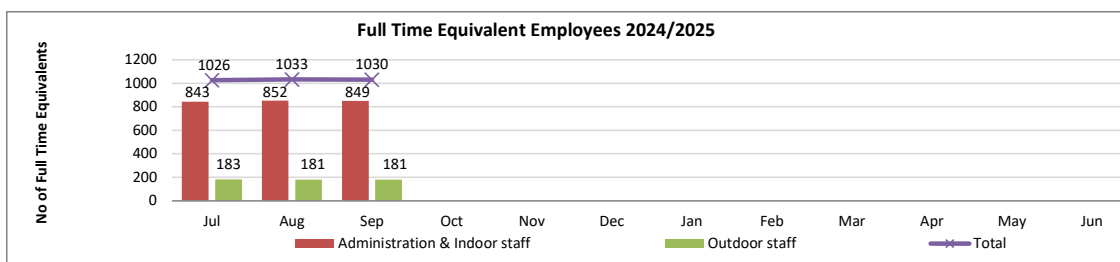
CITY WATER SUMMARY OPERATING STATEMENT					
For the period ending 30 September 2024					
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	155,848	155,848	40,504	38,746	(1,758)
Total expenses	90,377	90,377	23,679	20,569	(3,110)
Earnings before interest, tax and depreciation (EBITD)	65,471	65,471	16,825	18,177	1,352
External interest expense	648	648	159	156	(3)
Internal interest expense	19,061	19,061	4,765	4,765	-
Depreciation	30,585	30,585	7,646	7,787	141
Operating surplus / (deficit)	15,177	15,177	4,255	5,469	1,214
CITY WATER CAPITAL FUNDING STATEMENT					
For the period ending 30 September 2024					
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	3,196	3,196	799	527	(272)
Net transfer (to) / from constrained capital reserves	2,580	4,386	1,485	1,197	(288)
Non-cash contributions	110,434	110,434	-	-	-
New loans	7,195	7,195	-	-	-
Funding from utility revenue	8,423	14,350	5,221	2,670	(2,551)
Total sources of capital funding	131,827	139,560	7,505	4,394	(3,111)
Contributed assets	110,434	110,434	-	-	-
Capitalised expenditure	21,106	28,839	6,934	3,302	(3,632)
Loan redemption	287	287	571	1,092	521
Total application of capital funds	131,827	139,560	7,505	4,394	(3,111)

10. CITY WASTE STATEMENTS

CITY WASTE OPERATING STATEMENT					
For the period ending 30 September 2024					
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	41,577	41,577	10,352	10,565	213
Total expenses	32,408	32,408	8,063	8,129	66
Earnings before interest, tax and depreciation (EBITD)	9,169	9,169	2,289	2,436	147
External interest expense	5	5	1	1	-
Depreciation	486	486	121	116	(5)
Operating surplus / (deficit)	8,678	8,678	2,167	2,319	152
CITY WASTE CAPITAL FUNDING STATEMENT					
For the period ending 30 September 2024					
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Funding from utility revenue	6,167	6,167	789	61	(728)
Total sources of capital funding	6,167	6,167	789	61	(728)
Capitalised expenditure	6,131	6,131	780	62	(718)
Loan redemption	36	36	9	(1)	(10)
Total application of capital funds	6,167	6,167	789	61	(728)

11. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

Workforce Reporting



September 2024: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People, Culture and Organisational Performance	8	48	9	65
Organisational Services	5	204	26	235
Community and Customer Services	65	296	73	434
Infrastructure and Operations	3	350	15	368
Advocacy, Major Projects and Economic Development	-	33	3	36
Total	81	931	126	1,138

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 September 2024 to September 2023									
Days Overdue	Sep-24	% Overdue	Sep-23	% Overdue	\$	%	Rates & Charges Statistics		
0 - 30	\$0	0.0%	\$5,448	0.0%	-\$5,448	0.0%	Levied (Billed) Rates & Charges since 1 July 2024	\$86,981,597	\$83,973,928
31 - 60	\$3,798,096	3.9%	\$4,299,256	4.6%	-\$501,160	-0.7%	Rate arrears b/fwd 1 July 2024	\$9,598,398	\$9,226,293
61 - 90	\$0	0.0%	\$1,430	0.0%	-\$1,430	0.0%	Total	\$96,579,995	\$93,200,221
91 - 180	\$1,686,155	1.8%	\$1,731,242	1.9%	-\$45,087	-0.1%	Balance of overdue rates & charges	\$9,265,281	\$9,504,404
>180	\$3,781,030	3.9%	\$3,467,028	3.7%	\$314,002	0.2%	Percentage Overdue	9.6%	10.2%
Total	\$9,265,281	9.6%	\$9,504,404	10.2%	-\$239,123	-0.6%			

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 out

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

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