



Monthly Financial Report

October 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 October 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.

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)	46,525	46,487	(38)	0%	✗
Recurrent Revenue	383,076	171,005	170,824	(181)	0%	✗
Recurrent Expenditure	384,073	124,480	124,337	(143)	0%	✓
Capital Works Expenditure	140,442	32,225	24,941	(7,284)	-23%	✓
Closing Cash & Cash Equivalents	175,358	219,506	197,445	(22,061)	-10%	✗
Short-Term Investment	50,000	50,000	50,000	-	0%	✓

Council reported a year to date operating surplus of \$46.49M which is unfavourable to budget by \$38K. This is mainly due to higher than budgeted depreciation and lower than budgeted levies and utility charges, partially offset by lower materials and services expenses and higher than budgeted fees.

Council's capital works expenditure is behind budget by \$7.28M 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 62% of the cash balance.

A decision was made based on no risk investment and cash balances to reduce the burden on the Redland ratepayer by increasing the interest revenue to cover escalating operational and capital costs. Council reinvested \$50M in a term deposit with Commonwealth Bank of Australia for a term of 365 days at a rate of 4.80%.

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%	92.56%	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%	27.21%	✓
	Operating Cash Ratio	Greater than 0%	20.28%	44.33%	✓
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	8.73	10.41	✓
Asset Management	Asset Sustainability Ratio	Greater than 60%	90.90%	31.57%	✗
	Asset Consumption Ratio	Greater than 60%	62.27%	61.82%	✓
	Asset Renewal Funding Ratio*	Contextual - No target specified	100.00%	100.00%	N/A
Debt Servicing Capacity	Leverage Ratio	0 - 4 times	1.15	0.81	✓
Level of Debt	Net Financial Liabilities Ratio**	Less than 60% (on average over the long-term)	-21.91%	-97.91%	✓

* 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 October 2024					
	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Recurrent revenue					
Rates charges	132,519	132,519	66,418	66,215	(203)
Levies and utility charges	202,583	202,583	86,134	84,427	(1,707)
Less: Pensioner remissions and rebates	(3,896)	(3,896)	(1,878)	(1,887)	(9)
Fees	20,936	20,936	7,690	9,365	1,675
Rental income	1,128	1,128	331	400	69
Interest received	13,583	13,583	4,409	4,527	118
Sales revenue	4,990	4,990	1,793	1,847	54
Other income	935	935	498	733	235
Grants, subsidies and contributions	9,534	10,298	5,610	5,197	(413)
Total recurrent revenue	382,312	383,076	171,005	170,824	(181)
Recurrent expenses					
Employee benefits	117,020	117,182	40,291	40,304	13
Materials and services	185,222	185,358	57,192	54,902	(2,290)
Finance costs	3,995	3,995	1,141	1,109	(32)
Depreciation and amortisation	78,067	78,067	26,022	28,351	2,329
Other expenditure	620	620	217	242	25
Net internal costs	(1,148)	(1,148)	(383)	(571)	(188)
Total recurrent expenses	383,777	384,073	124,480	124,337	(143)
OPERATING SURPLUS / (DEFICIT)	(1,465)	(997)	46,525	46,487	(38)
Capital revenue					
Grants, subsidies and contributions	20,232	26,988	6,162	4,775	(1,387)
Non-cash contributions	121,013	121,013	-	-	-
Total capital revenue	141,244	148,001	6,162	4,775	(1,387)
Capital expenses					
(Gain) / loss on disposal of non-current assets	9,603	9,603	2,911	(112)	(3,023)
Total capital expenses	9,603	9,603	2,911	(112)	(3,023)
TOTAL INCOME	523,556	531,077	177,167	175,599	(1,568)
TOTAL EXPENSES	393,380	393,676	127,391	124,225	(3,166)
NET RESULT	130,177	137,401	49,776	51,374	1,598
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	49,776	51,374	1,598

3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

LEVIES AND UTILITY CHARGES ANALYSIS For the period ending 31 October 2024

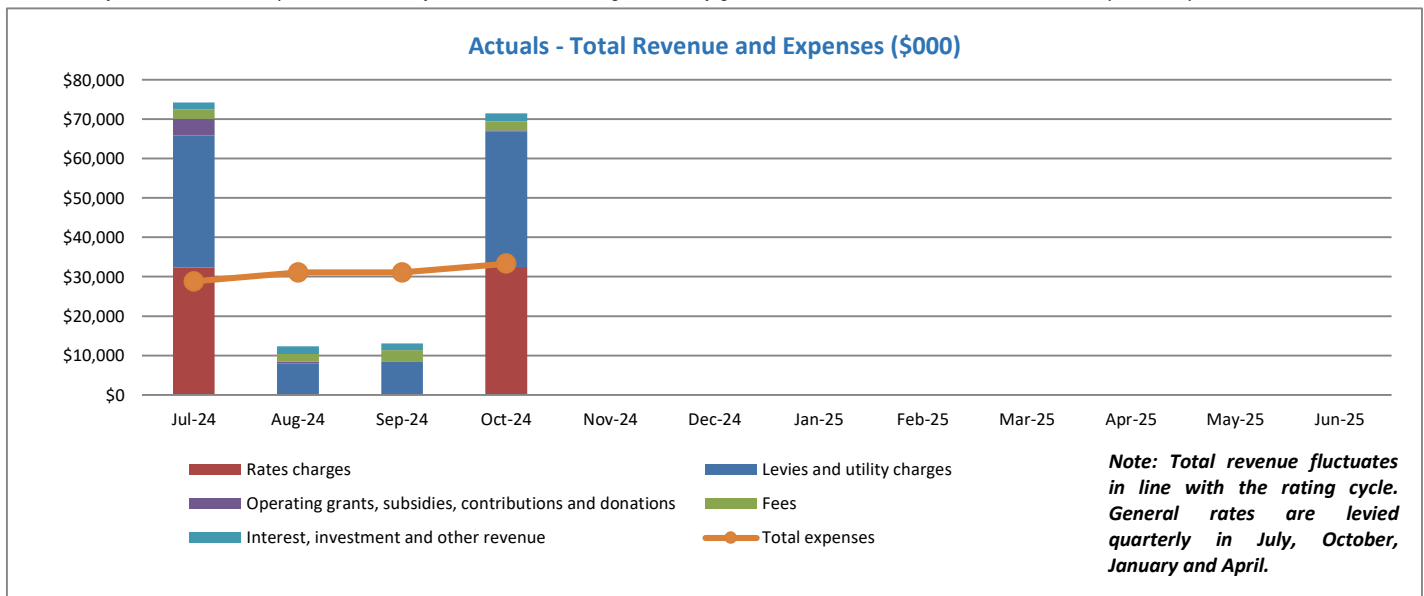
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Levies and utility charges					
Refuse collection rate charge	38,288	38,288	12,696	12,874	178
SES separate charge	479	479	239	240	1
Environment & Coastal Management Separate Charge	14,970	14,970	7,303	7,499	196
Separate charge landfill remediation	3,096	3,096	1,542	1,552	10
Wastewater charges	60,831	60,831	30,121	30,563	442
Water access charges	24,845	24,845	12,385	12,467	82
Water consumption charges	60,074	60,074	21,848	19,232	(2,616)
Total levies and utility charges	202,583	202,583	86,134	84,427	(1,707)

MATERIALS AND SERVICES ANALYSIS For the period ending 31 October 2024

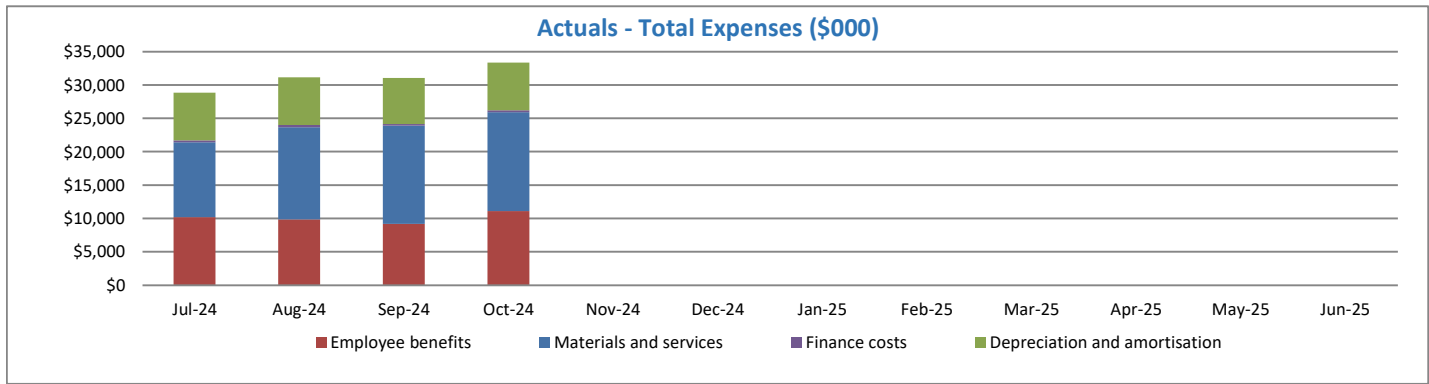
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Materials and services					
Contractors	54,322	54,339	11,859	13,674	1,815
Consultants	6,593	6,961	2,578	1,245	(1,333)
Other Council outsourcing costs*	32,430	31,594	9,961	8,480	(1,481)
Purchase of materials	64,458	65,092	23,085	20,224	(2,861)
Office administration costs	5,028	4,972	1,964	3,025	1,061
Electricity charges	5,550	5,550	1,850	1,925	75
Plant operations	4,111	4,111	1,528	1,292	(236)
Information technology resources	7,964	7,966	2,673	2,877	204
General insurance	2,158	2,158	719	1,071	352
Community assistance**	1,863	1,863	688	824	136
Other material and service expenses	746	752	287	265	(22)
Total materials and services	185,222	185,358	57,192	54,902	(2,290)

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

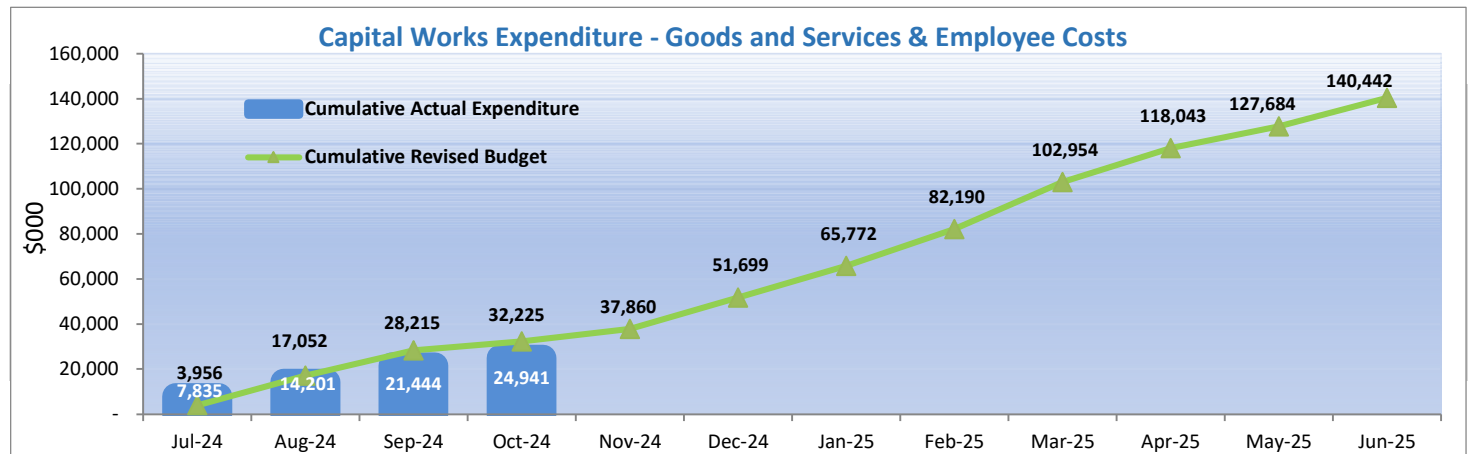
** Community assistance costs represent community related costs including community grants, exhibitions and awards, donations and sponsorships.



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	30,887	22,155	(8,732)
Capitalised employee costs	10,270	1,338	2,786	1,448
Total	140,442	32,225	24,941	(7,284)

* Excludes capital prepayments.

Notable Programs and Projects

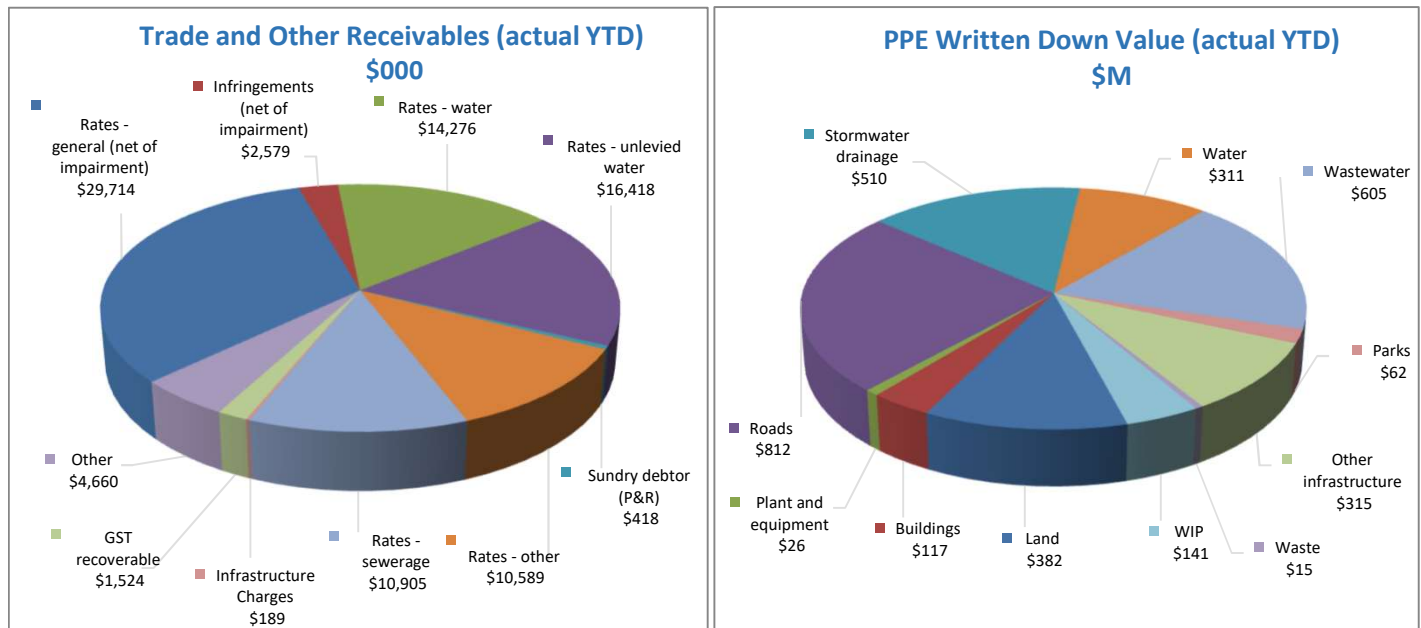
The table below lists Council's capital expenditure on major programs and projects.

Capital Investment		YTD Actual \$000
Wellington St / Panorama Dr upgrade	Road widening / lane duplication of Wellington St / Panorama Dr.	4,710
Kinross Road sewerage trunk	New sewage pump station (Lorikeet Dr) and trunk sewer main to Cleveland WWTP.	3,027
Weinam Creek development	Continuation of works at Weinam Creek Priority Development Area.	2,421
Willard's Farm restoration program	Make the building safe and preserve the heritage values.	1,556
Fleet replacement	Current fleet replacement program.	964

5. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION				
As at 31 October 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	219,506	197,445
Short-term investment - CBA	50,000	50,000	50,000	50,000
Trade and other receivables	52,508	47,954	86,787	91,272
Inventories	1,123	1,042	1,042	1,052
Other current assets	3,052	5,853	5,853	8,576
Total current assets	297,038	280,207	363,188	348,345
NON-CURRENT ASSETS				
Investment property	1,403	1,474	1,474	1,474
Property, plant and equipment	3,266,103	3,474,880	3,304,591	3,296,269
Intangible assets	294	304	534	536
Right-of-use assets	2,469	2,479	3,108	3,154
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	3,322,901	3,316,106
TOTAL ASSETS	3,578,737	3,772,539	3,686,089	3,664,451
CURRENT LIABILITIES				
Trade and other payables	38,992	49,383	57,566	41,216
Borrowings - current	5,252	6,391	6,391	6,391
Lease liability - current	781	781	1,144	901
Provisions - current	10,540	11,234	16,347	20,247
Other current liabilities	6,080	2,839	15,155	12,913
Total current liabilities	61,645	70,628	96,603	81,668
NON-CURRENT LIABILITIES				
Borrowings - non-current	85,169	84,052	54,327	54,314
Lease liability - non-current	2,112	2,051	2,456	2,402
Provisions - non-current	22,036	34,527	34,027	32,984
Other non-current liabilities	4,368	5,026	10,046	9,717
Total non-current liabilities	113,685	125,656	100,856	99,417
TOTAL LIABILITIES	175,331	196,284	197,459	181,085
NET COMMUNITY ASSETS	3,403,407	3,576,255	3,488,630	3,483,366
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	1,756,540	1,749,241
Constrained cash reserves	90,184	111,569	119,887	121,922
TOTAL COMMUNITY EQUITY	3,403,407	3,576,255	3,488,630	3,483,366

5. STATEMENT OF FINANCIAL POSITION - CONTINUED



RIGHT-OF-USE ASSETS As at 31 October 2024

	Annual Original Budget \$'000	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual Balance \$'000
Right-of-use asset				
Buildings	382	363	713	759
Land	1,884	1,913	2,165	2,165
Plant and equipment	203	203	230	230
Closing balance	2,469	2,479	3,108	3,154

PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT*

For the period ending 31 October 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	32,225	24,941
Depreciation in year	(76,779)	(76,779)	(25,593)	(27,926)
Disposals	(11,196)	(11,196)	(3,442)	(345)
Closing balance	3,266,103	3,474,880	3,304,591	3,296,269

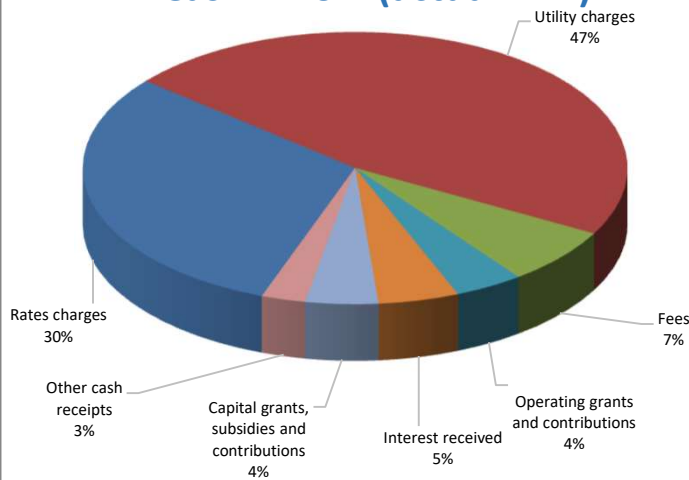
* This table includes movement relating to property, plant and equipment only and is exclusive of intangible assets.

6. STATEMENT OF CASH FLOWS

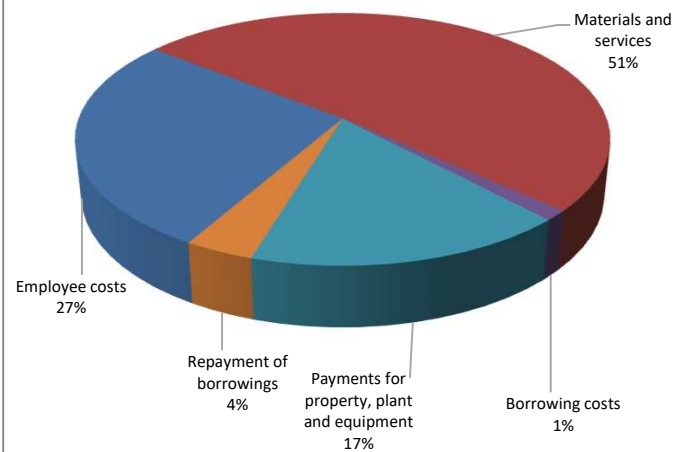
STATEMENT OF CASH FLOWS For the period ending 31 October 2024

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	344,411	344,411	121,803	113,114
Payments to suppliers and employees	(317,872)	(318,168)	(96,099)	(116,854)
	26,539	26,243	25,704	(3,740)
Interest received	13,583	13,583	4,409	6,274
Rental income	1,128	1,128	331	400
Non-capital grants and contributions	9,658	10,751	6,026	5,330
Borrowing costs	(1,823)	(1,823)	(1,824)	(1,815)
Right-of-use assets interest expense	(316)	(316)	(105)	(105)
Net cash inflow / (outflow) from operating activities	48,769	49,565	34,541	6,344
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(118,283)	(140,442)	(32,225)	(24,999)
Proceeds from sale of property, plant and equipment	1,593	1,593	531	457
Capital grants, subsidies and contributions	20,232	26,988	6,162	5,667
Net cash inflow / (outflow) from investing activities	(96,459)	(111,860)	(25,532)	(18,875)
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)	(202)	(712)
Net cash inflow / (outflow) from financing activities	22,271	22,271	(4,883)	(5,404)
Net increase / (decrease) in cash held	(25,419)	(40,024)	4,126	(17,935)
Cash and cash equivalents at the beginning of the year	215,774	215,381	215,380	215,380
Cash and cash equivalents at the end of the financial year / period	190,355	175,358	219,506	197,445

Cash Inflow (actual YTD)



Cash Outflow (actual YTD)

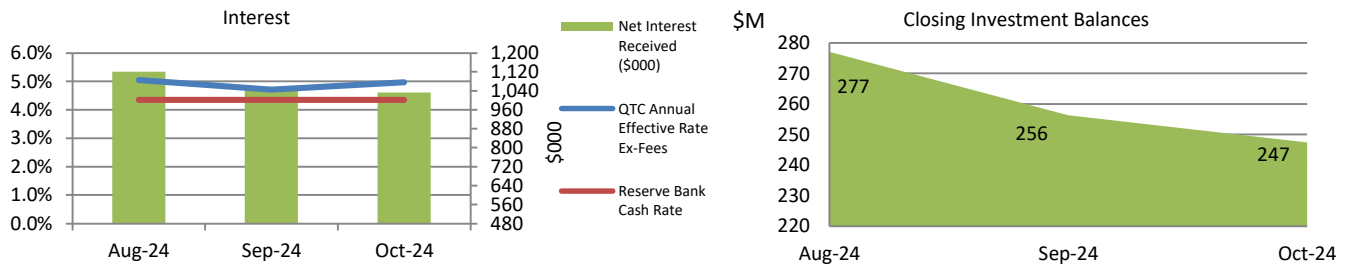


Total Cash Funding (Actual YTD)	131,242	Total Cash Expenditure (Actual YTD)	149,177
Total Cash Funding (Annual Revised Budget)	426,376	Total Cash Expenditure (Annual Revised Budget)	466,400
% of Budget Achieved YTD	31%	% of Budget Achieved YTD	32%

7. INVESTMENT & BORROWINGS REPORT

For the period ending 31 October 2024

INVESTMENT RETURNS



Total Investment at End of Month was \$247.44M

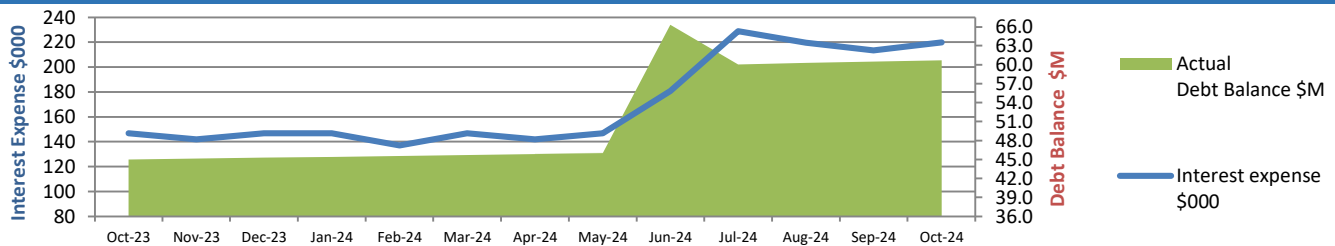
Council investments are currently held predominantly in the Capital Guaranteed Cash Fund, which is a fund operated by the Queensland Treasury Corporation (QTC). In October 2024 \$50M was reinvested in a term deposit of Commonwealth Bank of Australia (CBA) for a term of 365 days at a rate of 4.80% to 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 September to October mainly due to the 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 \$60.71M

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

BORROWINGS

For the period ending 31 October 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)	(893)	(882)
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)	(60,718)	(60,705)

8. CONSTRAINED CASH RESERVES

Reserves as at 31 October 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	66	-	197
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	1,869	(1,926)	-
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	2,556	1,675	(832)	3,399
		4,564	3,756	(2,758)	5,562
Constrained Works Reserve:					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	6,987	954	(227)	7,714
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	34	-	5,541
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	16,202	38	-	16,240
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	16,269	1,264	(2,422)	15,111
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	36,271	1,464	(2,362)	35,373
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	15,048	511	(2)	15,557
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	11,739	119	-	11,858
Tree Planting Reserve	Acquisition and planting of trees on footpaths	428	25	(18)	435
Special Property Reserve	Acquisition of property in line with the strategic property framework	3,835	304	-	4,139
		112,469	4,713	(5,031)	112,151
Separate Charge Reserve:					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	-	7,499	(3,628)	3,871
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	105	240	(7)	338
		105	7,739	(3,635)	4,209
TOTALS		117,138	16,208	(11,424)	121,922
Closing cash and cash equivalents					197,445
Reserves as percentage of cash balance					62%

9. CITY WATER STATEMENTS

CITY WATER SUMMARY OPERATING STATEMENT

For the period ending 31 October 2024

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	Budget	Actual	Variance
	\$000	\$000	\$000	\$000	\$000
Total revenue	155,848	155,848	67,700	66,408	(1,292)
Total expenses	90,377	90,377	30,907	27,561	(3,346)
Earnings before interest, tax and depreciation (EBITD)	65,471	65,471	36,793	38,847	2,054
External interest expense	648	648	213	210	(3)
Internal interest expense	19,061	19,061	6,353	6,353	-
Depreciation	30,585	30,585	10,195	10,412	217
Operating surplus / (deficit)	15,177	15,177	20,032	21,872	1,840

CITY WATER CAPITAL FUNDING STATEMENT

For the period ending 31 October 2024

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	Budget	Actual	Variance
	\$000	\$000	\$000	\$000	\$000
Capital contributions, donations, grants and subsidies	3,196	3,196	1,065	1,302	237
Net transfer (to) / from constrained capital reserves	2,580	4,386	1,736	1,119	(617)
Non-cash contributions	110,434	110,434	-	-	-
New loans	7,195	7,195	-	-	-
Funding from utility revenue	8,423	14,350	5,055	3,136	(1,919)
Total sources of capital funding	131,827	139,560	7,856	5,557	(2,299)
Contributed assets	110,434	110,434	-	-	-
Capitalised expenditure	21,106	28,839	7,315	4,517	(2,798)
Loan redemption	287	287	541	1,040	499
Total application of capital funds	131,827	139,560	7,856	5,557	(2,299)

10. CITY WASTE STATEMENTS

CITY WASTE OPERATING STATEMENT

For the period ending 31 October 2024

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	Budget	Actual	Variance
	\$000	\$000	\$000	\$000	\$000
Total revenue	41,577	41,577	13,794	14,125	331
Total expenses	32,408	32,408	10,768	10,974	206
Earnings before interest, tax and depreciation (EBITD)	9,169	9,169	3,026	3,151	125
External interest expense	5	5	2	2	-
Depreciation	486	486	162	154	(8)
Operating surplus / (deficit)	8,678	8,678	2,862	2,995	133

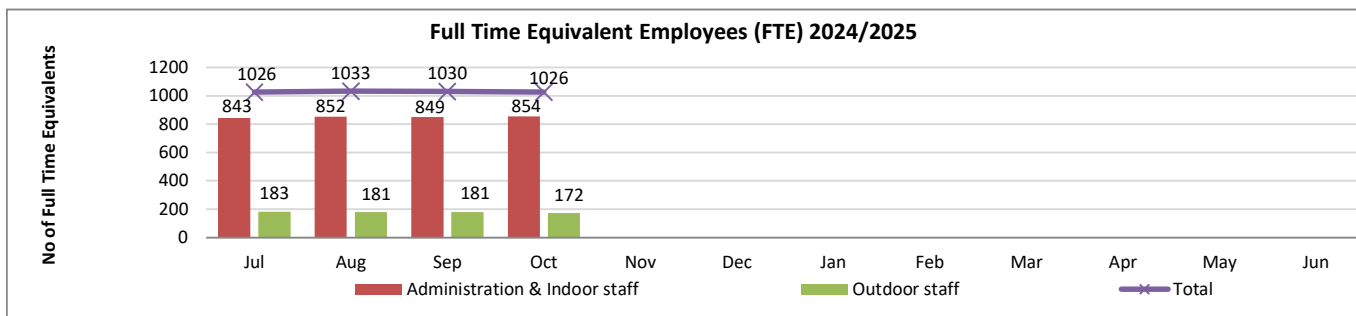
CITY WASTE CAPITAL FUNDING STATEMENT

For the period ending 31 October 2024

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	Budget	Actual	Variance
	\$000	\$000	\$000	\$000	\$000
Funding from utility revenue	6,167	6,167	792	92	(700)
Total sources of capital funding	6,167	6,167	792	92	(700)
Capitalised expenditure	6,131	6,131	780	94	(686)
Loan redemption	36	36	12	(2)	(14)
Total application of capital funds	6,167	6,167	792	92	(700)

11. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

Workforce Reporting



October 2024: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People, Culture and Organisational Performance	6	51	9	66
Organisational Services	6	204	26	236
Community and Customer Services	68	298	74	440
Infrastructure and Operations	3	350	16	369
Advocacy, Major Projects and Economic Development	-	34	3	37
Total	83	937	128	1,148

Note: FTE employees includes all full time employees at a value of 1 and all other employees, at a value less than 1. During October 2024 there was a change to the methodology to calculate the number of FTE employees. 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 October 2024 to October 2023									
Days Overdue	Oct-24	% Overdue	Oct-23	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	Oct-24	Oct-23
0 - 30	\$0	0.0%	\$0	0.0%	\$0	0.0%	Levied (Billed) Rates & Charges since 1 July 2024	\$173,955,905	\$164,645,278
31 - 60	\$10,808	0.0%	\$790	0.0%	\$10,018	0.0%	Rate arrears b/fwd 1 July 2024	\$9,598,398	\$9,226,293
61 - 90	\$2,762,219	1.5%	\$3,211,869	1.8%	-\$449,650	-0.3%	Total	\$183,554,303	\$173,871,571
91 - 180	\$1,405,674	0.8%	\$1,477,943	0.9%	-\$72,269	-0.1%	Balance of overdue rates & charges	\$7,417,161	\$7,619,879
>180	\$3,238,460	1.7%	\$2,929,277	1.7%	\$309,183	0.0%	Percentage Overdue	4.0%	4.4%
Total	\$7,417,161	4.0%	\$7,619,879	4.4%	-\$202,718	-0.4%			

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

Net Rates, Levies and Charges add Fees and Charges

Total Operating Revenue

Population Growth:

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

Prior year estimated population

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

Operating Result

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

Operating Result add Depreciation and Amortisation add Finance Costs*

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

(Total Cash and Cash Equivalents add Current Investments add Available Ongoing QTC Working Capital Facility Limit less Externally Restricted Cash)

(Total Operating Expenditure less Depreciation and Amortisation less Finance Costs*) x 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

Capital Expenditure on Replacement of Infrastructure Assets (Renewals)

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

Written Down Replacement Cost of Depreciable Infrastructure Assets

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

Total of **Planned** Capital Expenditure on Asset Renewals over 10 years

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

Book Value of Debt**

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

Total Liabilities - Current Assets

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