



# Monthly Financial Report

April 2016

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## 1. EXECUTIVE SUMMARY

This monthly report is designed to illustrate the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the period ended 30 April 2016. The year to date and annual revised budget referred to in this report reflects the revised budget as adopted by Council on 18 November 2015. Note: all amounts are rounded to the nearest thousand dollars.

### Key financial highlights and overview

Key Financial Results	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000	YTD Variance %	Status
Operating Surplus/(Deficit)	263	18,331	16,082	(2,249)	-12%	✘
Recurrent Revenue	240,509	216,064	213,040	(3,024)	-1%	🔔
Recurrent Expenditure	240,247	197,733	196,958	(775)	0%	✔
Capital Works Expenditure	84,050	53,559	45,947	(7,612)	-14%	✔
Closing Cash & Cash Equivalents	97,201	141,641	140,640	(1,001)	-1%	🔔

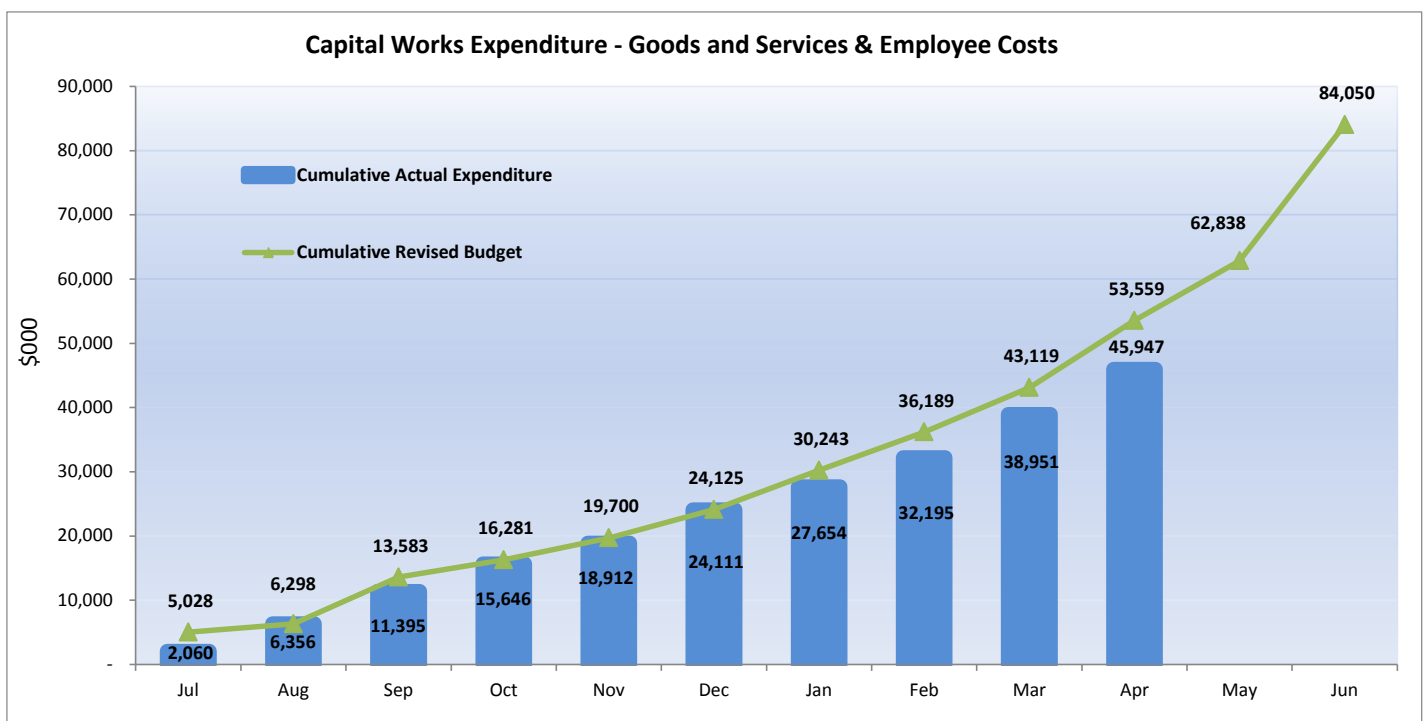
#### Status Legend:

Above budgeted revenue or under budgeted expenditure	✔
Below budgeted revenue or over budgeted expenditure <10%	🔔
Below budgeted revenue or over budgeted expenditure >10%	✘

The year to date operating result shows an unfavourable variance of \$2.25M to the year to date revised budget. Lower than anticipated water consumption is the main contributor towards the unfavourable variance. Increased development activities continue to boost related fees and charges revenue and the favourable variances in employee costs and material and services expenses partially offset the unfavourable revenue result. The final budget review will amend the anticipated investment returns from Redland Investment Corporation.

Capitalised works expenditure is behind budget by \$7.61M due to timing of works for a number of projects which are delayed or are still in the early stages of being progressed. Capital works that are no longer expected to be undertaken in this financial year will be addressed during the final budget review for financial year ended 30 June 2016.

Council's cash balance was under budget due to lower than anticipated receipts from customers.



## 2. KEY PERFORMANCE INDICATORS

### Key performance indicators

Financial Stability Ratios and Measures of Sustainability	Target	Annual Revised Budget 2015/2016	YTD April 2016	Status
Operating Surplus Ratio (%)	Target between 0% and 10% (on average over the long-term)	0.11%	7.55%	✓
Asset Sustainability Ratio (%)	Target greater than 90% (on average over the long-term)	73.06%	53.02%	✗
Net Financial Liabilities (%)	Target less than 60% (on average over the long-term)	-13.07%	-42.22%	✓
Level of Dependence on General Rate Revenue (%)	Target less than 37.5%	33.54%	37.56%	✗
Ability to Pay Our Bills - Current Ratio	Target between 1.1 & 4.1	3.44	3.76	✓
Ability to Repay Our Debt - Debt Servicing Ratio (%)	Target less than or equal to 10%	3.31%	3.11%	✓
Cash Balance \$M	Target greater than or equal to \$40M	\$97.201M	\$140.640M	✓
Cash Balances - Cash Capacity in Months	Target 3 to 4 months	5.89	8.93	✓
Longer Term Financial Stability - Debt to Asset Ratio (%)	Target less than or equal to 10%	2.06%	2.06%	✓
Operating Performance (%)	Target greater than or equal to 20%	16.81%	20.80%	✓
Interest Cover Ratio (%)	Target between 0% and 5%	-0.12%	-0.46%	✓

#### Status Legend

KPI target achieved or exceeded	✓	KPI target not achieved	✗
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### 3. STATEMENT OF COMPREHENSIVE INCOME

#### STATEMENT OF COMPREHENSIVE INCOME

For the period ending 30 April 2016

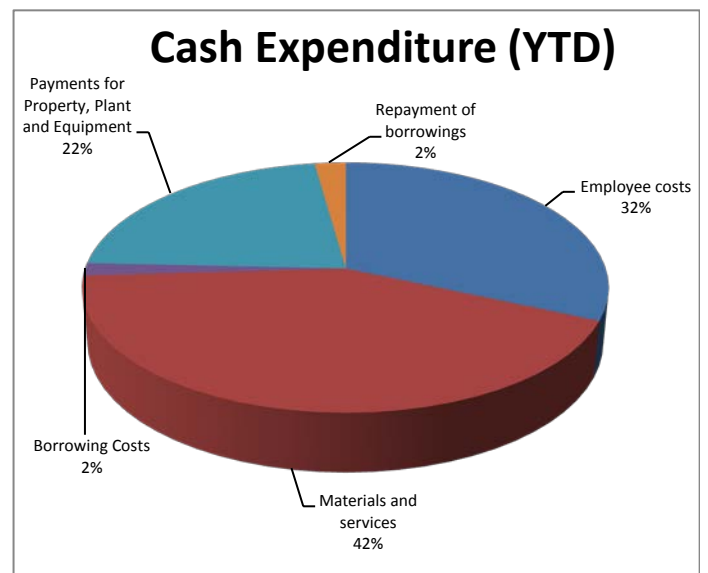
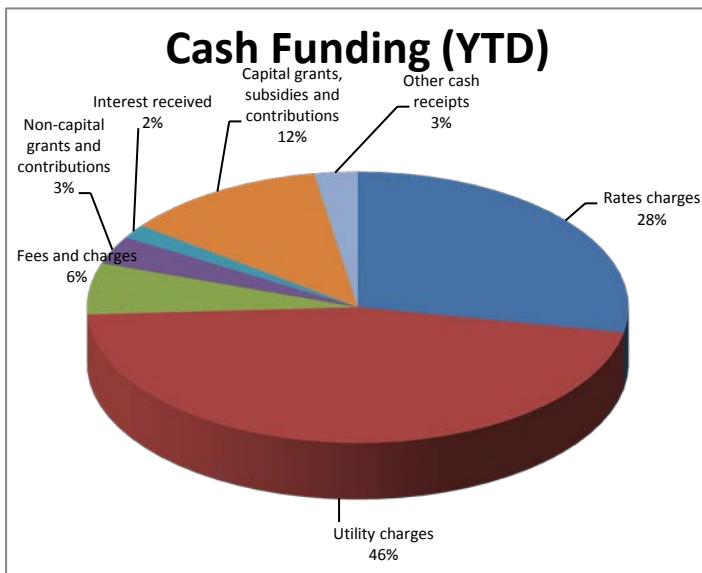
	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Revised	Actual	Variance
	Budget	Budget	Budget	\$000	\$000
	\$000	\$000	\$000		
<b>Recurrent revenue</b>					
Rates, levies and charges	207,421	208,121	189,238	185,860	(3,378)
Fees and charges	11,638	12,335	10,347	11,467	1,120
Rental income	890	975	829	666	(163)
Interest received	3,355	3,555	3,013	3,713	700
Investment returns	3,234	3,234	2,500	-	(2,500)
Sales revenue	3,385	3,685	3,139	3,325	186
Other income	645	645	557	1,021	464
Grants, subsidies and contributions	7,584	7,959	6,441	6,988	547
<b>Total recurrent revenue</b>	<b>238,152</b>	<b>240,509</b>	<b>216,064</b>	<b>213,040</b>	<b>(3,024)</b>
<b>Capital revenue</b>					
Grants, subsidies and contributions	13,176	19,634	17,810	27,629	9,819
Non-cash contributions	3,079	3,079	66	4,015	3,949
<b>Total capital revenue</b>	<b>16,256</b>	<b>22,713</b>	<b>17,876</b>	<b>31,644</b>	<b>13,768</b>
<b>TOTAL INCOME</b>	<b>254,407</b>	<b>263,222</b>	<b>233,940</b>	<b>244,684</b>	<b>10,744</b>
<b>Recurrent expenses</b>					
Employee benefits	77,404	78,398	66,448	65,756	(692)
Materials and services	106,010	108,054	86,662	85,494	(1,168)
Finance costs	4,657	3,820	2,977	3,064	87
Depreciation and amortisation	49,975	49,975	41,646	42,644	998
<b>Total recurrent expenses</b>	<b>238,046</b>	<b>240,247</b>	<b>197,733</b>	<b>196,958</b>	<b>(775)</b>
<b>Capital expenses</b>					
(Gain)/Loss on disposal of non-current assets	412	412	328	1,877	1,549
<b>Total capital expenses</b>	<b>412</b>	<b>412</b>	<b>328</b>	<b>1,877</b>	<b>1,549</b>
<b>TOTAL EXPENSES</b>	<b>238,458</b>	<b>240,659</b>	<b>198,061</b>	<b>198,835</b>	<b>774</b>
<b>NET RESULT</b>	<b>15,949</b>	<b>22,563</b>	<b>35,879</b>	<b>45,849</b>	<b>9,970</b>
<b>Other comprehensive income/(loss)</b>					
Items that will not be reclassified to a net result					
Revaluation of property, plant and equipment	-	-	-	28	28
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>15,949</b>	<b>22,563</b>	<b>35,879</b>	<b>45,877</b>	<b>9,998</b>



## 4. STATEMENT OF CASH FLOWS

### STATEMENT OF CASH FLOWS For the period ending 30 April 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	223,088	224,738	203,233	186,771
Payments to suppliers and employees	(189,184)	(194,815)	(155,653)	(154,098)
	<b>33,905</b>	<b>29,923</b>	<b>47,580</b>	<b>32,673</b>
Interest received	3,355	3,555	3,013	3,713
Rental income	890	975	829	666
Non-capital grants and contributions	7,584	8,840	7,323	7,641
Borrowing costs	(3,257)	(3,257)	(2,714)	(3,337)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>42,477</b>	<b>40,037</b>	<b>56,031</b>	<b>41,356</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	(77,998)	(84,051)	(53,559)	(45,914)
Payments for intangible assets	(100)	-	-	(32)
Proceeds from sale of property, plant and equipment	1,716	1,716	1,445	891
Capital grants, subsidies and contributions	13,176	19,634	17,810	27,629
Other cash flows from investing activities	3,234	3,234	2,500	-
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(59,972)</b>	<b>(59,467)</b>	<b>(31,804)</b>	<b>(17,427)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds of borrowings	-	-	-	-
Repayment of borrowings	(4,696)	(4,696)	(3,913)	(4,616)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(4,696)</b>	<b>(4,696)</b>	<b>(3,913)</b>	<b>(4,616)</b>
<b>Net increase / (decrease) in cash held</b>	<b>(22,191)</b>	<b>(24,127)</b>	<b>20,314</b>	<b>19,313</b>
Cash and cash equivalents at the beginning of the year	84,087	121,327	121,327	121,327
<b>Cash and cash equivalents at the end of the financial year / period</b>	<b>61,896</b>	<b>97,201</b>	<b>141,641</b>	<b>140,640</b>



Total Cash Funding (Actual YTD)	227,311
Total Cash Funding (Annual Revised Budget)	262,692
% of Budget Achieved YTD	87%

Total Cash Expenditure (Actual YTD)	207,997
Total Cash Expenditure (Annual Revised Budget)	286,819
% of Budget Achieved YTD	73%

## 5. STATEMENT OF FINANCIAL POSITION

### STATEMENT OF FINANCIAL POSITION As at 30 April 2016

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual Balance \$000
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	61,896	97,201	141,641	140,639
Trade and other receivables	26,046	25,017	25,017	53,795
Inventories	845	774	779	752
Non-current assets held for sale	354	1,309	2,793	5,997
Other current assets	1,154	1,104	1,104	2,842
<b>Total current assets</b>	<b>90,295</b>	<b>125,403</b>	<b>171,334</b>	<b>204,025</b>
<b>NON-CURRENT ASSETS</b>				
Investment property	893	956	956	956
Property, plant and equipment	2,118,731	2,277,059	2,252,110	2,246,451
Intangible assets	916	2,839	2,967	2,986
Other financial assets	73	73	73	73
Investment in other entities	10,063	10,063	8,579	5,333
<b>Total non-current assets</b>	<b>2,130,676</b>	<b>2,290,990</b>	<b>2,264,685</b>	<b>2,255,799</b>
<b>TOTAL ASSETS</b>	<b>2,220,971</b>	<b>2,416,395</b>	<b>2,436,019</b>	<b>2,459,824</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	15,369	20,050	20,307	22,712
Borrowings	5,559	4,482	4,482	4,482
Provisions	8,053	8,422	13,602	10,363
Other current liabilities	1,282	3,529	3,529	16,724
<b>Total current liabilities</b>	<b>30,263</b>	<b>36,479</b>	<b>41,920</b>	<b>54,281</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	44,200	45,277	46,060	46,081
Provisions	10,769	12,209	12,291	13,717
<b>Total non-current liabilities</b>	<b>54,969</b>	<b>57,488</b>	<b>58,351</b>	<b>59,798</b>
<b>TOTAL LIABILITIES</b>	<b>85,232</b>	<b>93,967</b>	<b>100,271</b>	<b>114,079</b>
<b>NET COMMUNITY ASSETS</b>	<b>2,135,739</b>	<b>2,322,428</b>	<b>2,335,748</b>	<b>2,345,745</b>
<b>COMMUNITY EQUITY</b>				
Asset revaluation surplus	668,685	827,411	827,411	827,439
Retained surplus	1,415,250	1,426,496	1,417,754	1,424,427
Constrained cash reserves	51,804	68,521	90,583	93,879
<b>TOTAL COMMUNITY EQUITY</b>	<b>2,135,739</b>	<b>2,322,428</b>	<b>2,335,748</b>	<b>2,345,745</b>

## 6. OPERATING STATEMENT

### OPERATING STATEMENT For the period ending 30 April 2016

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
<b>Revenue</b>					
Rates charges	82,760	83,460	83,460	82,760	(700)
Levies and utility charges	128,121	128,121	109,121	106,228	(2,893)
<i>Less: Pensioner remissions and rebates</i>	(3,461)	(3,461)	(3,344)	(3,128)	216
Fees and charges	11,638	12,335	10,347	11,467	1,120
Operating grants and subsidies	7,053	7,427	6,026	6,564	538
Operating contributions and donations	531	531	415	424	9
Interest external	3,355	3,555	3,013	3,713	700
Investment returns	3,234	3,234	2,500	-	(2,500)
Other revenue	4,919	5,305	4,526	5,012	486
<b>Total revenue</b>	<b>238,152</b>	<b>240,509</b>	<b>216,064</b>	<b>213,040</b>	<b>(3,024)</b>
<b>Expenses</b>					
Employee benefits	77,404	78,398	66,448	65,756	(692)
Materials and services	106,542	108,586	87,144	85,921	(1,223)
Finance costs other	1,400	563	263	329	66
Other expenditure	347	347	251	460	209
Net internal costs	(879)	(879)	(733)	(887)	(154)
<b>Total expenses</b>	<b>184,814</b>	<b>187,014</b>	<b>153,373</b>	<b>151,579</b>	<b>(1,794)</b>
<b>Earnings before interest, tax and depreciation (EBITD)</b>	<b>53,338</b>	<b>53,495</b>	<b>62,691</b>	<b>61,461</b>	<b>(1,230)</b>
Interest expense	3,257	3,257	2,714	2,735	21
Depreciation and amortisation	49,975	49,975	41,646	42,644	998
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>106</b>	<b>263</b>	<b>18,331</b>	<b>16,082</b>	<b>(2,249)</b>

### Levies and utility charges breakup For the period ending 30 April 2016

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
<b>Levies and utility charges</b>					
Refuse charges	20,051	20,051	16,709	16,538	(171)
Special charges	3,874	3,874	3,874	3,945	71
Environment levy	5,830	5,830	5,830	5,942	112
Landfill remediation charge	2,677	2,677	2,231	2,270	39
Wastewater charges	40,114	40,114	33,428	35,057	1,629
Water access charges	17,817	17,817	14,847	14,961	114
Water consumption charges	37,759	37,759	32,202	27,515	(4,687)
<b>Total Levies and utility charges</b>	<b>128,121</b>	<b>128,121</b>	<b>109,121</b>	<b>106,228</b>	<b>(2,893)</b>



## 7. CAPITAL FUNDING STATEMENT

### CAPITAL FUNDING STATEMENT For the period ending 30 April 2016

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
<b>Sources of capital funding</b>					
Capital contributions and donations	6,133	9,993	10,249	20,052	9,803
Capital grants and subsidies	7,043	9,641	7,560	7,577	17
Proceeds on disposal of non-current assets	1,716	1,716	1,445	891	(554)
Capital transfers (to)/ from reserves	14,566	9,341	(9,201)	(11,068)	(1,867)
Non-cash contributions	3,079	3,079	66	4,015	3,949
Funding from general revenue	53,336	58,056	47,418	32,387	(15,031)
<b>Total sources of capital funding</b>	<b>85,873</b>	<b>91,825</b>	<b>57,538</b>	<b>53,854</b>	<b>(3,684)</b>
<b>Application of capital funds</b>					
Contributed assets	3,079	3,079	66	4,015	3,949
Capitalised goods and services	72,366	79,411	49,608	41,636	(7,972)
Capitalised employee costs	5,732	4,639	3,951	4,311	360
Loan redemption	4,696	4,696	3,913	3,892	(21)
<b>Total application of capital funds</b>	<b>85,873</b>	<b>91,825</b>	<b>57,538</b>	<b>53,854</b>	<b>(3,684)</b>
<b>Other budgeted items</b>					
Transfers to constrained operating reserves	(11,131)	(11,131)	(10,980)	(11,161)	(181)
Transfers from constrained operating reserves	10,509	11,101	7,430	6,183	(1,247)
WDV of assets disposed	2,128	2,128	1,773	2,768	995

## 8. REDLAND WATER & REDWASTE STATEMENTS

### REDLAND WATER SUMMARY OPERATING STATEMENT For the Period Ending 30 April 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	97,659	97,959	82,418	79,715	(2,703)
Total expenses	53,982	53,304	44,546	42,048	(2,498)
Earnings before interest, tax and depreciation (EBITD)	43,677	44,655	37,872	37,667	(205)
Depreciation	17,081	17,081	14,234	14,113	(121)
<b>Operating surplus/(deficit)</b>	<b>26,596</b>	<b>27,574</b>	<b>23,638</b>	<b>23,554</b>	<b>(84)</b>

### REDLAND WATER CAPITAL FUNDING STATEMENT For the Period Ending 30 April 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	3,500	3,500	3,516	6,390	2,874
Net transfer (to)/from constrained capital reserves	(2,714)	5,812	2,241	(633)	(2,874)
Other	3,000	3,000	-	1,542	1,542
Funding from utility revenue	17,680	11,229	6,639	5,727	(912)
<b>Total sources of capital funding</b>	<b>21,466</b>	<b>23,541</b>	<b>12,396</b>	<b>13,026</b>	<b>630</b>
Contributed assets	3,000	3,000	-	1,542	1,542
Capitalised expenditure	18,466	20,541	12,396	11,484	(912)
<b>Total applications of capital funds</b>	<b>21,466</b>	<b>23,541</b>	<b>12,396</b>	<b>13,026</b>	<b>630</b>

### REDWASTE OPERATING STATEMENT For the Period Ending 30 April 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	21,810	21,710	18,097	18,044	(53)
Total expenses	15,678	15,662	13,188	12,554	(634)
Earnings before interest, tax and depreciation (EBITD)	6,131	6,047	4,909	5,490	581
Interest expense	42	42	35	33	(2)
Depreciation	553	553	461	441	(19)
<b>Operating surplus/(deficit)</b>	<b>5,537</b>	<b>5,453</b>	<b>4,413</b>	<b>5,016</b>	<b>603</b>

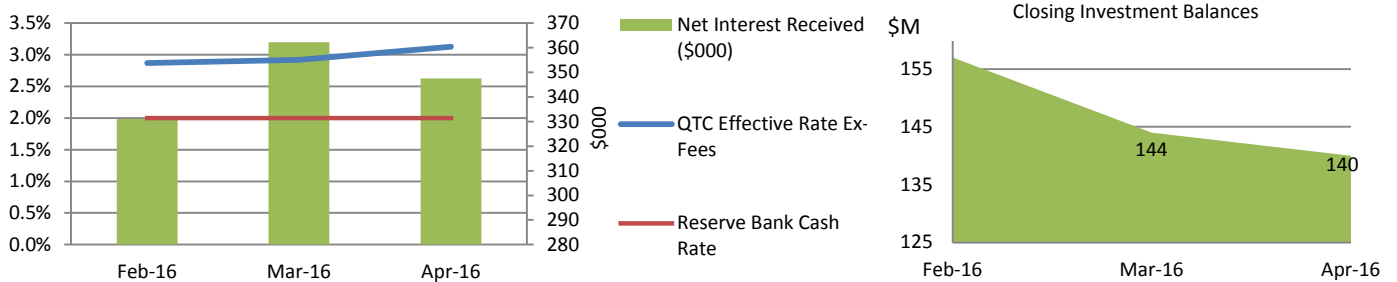
### REDWASTE CAPITAL FUNDING STATEMENT For the Period Ending 30 April 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Funding from utility revenue	1,639	2,226	1,560	814	(746)
<b>Total sources of capital funding</b>	<b>1,639</b>	<b>2,226</b>	<b>1,560</b>	<b>814</b>	<b>(746)</b>
Capitalised expenditure	1,570	2,157	1,503	755	(748)
Loan redemption	69	69	57	59	2
<b>Total applications of capital funds</b>	<b>1,639</b>	<b>2,226</b>	<b>1,560</b>	<b>814</b>	<b>(746)</b>

## 9. INVESTMENT & BORROWINGS REPORT

For the Period Ending 30 April 2016

### INVESTMENT RETURNS



**Total Investment at End of Month was \$139.64M**

#### Current Position

All Council investments are currently held in the Capital Guaranteed Cash Fund which is a fund operated by the Queensland Treasury Corporation (QTC).

The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis. The movement in investment balance is reflective of the rating cycle.

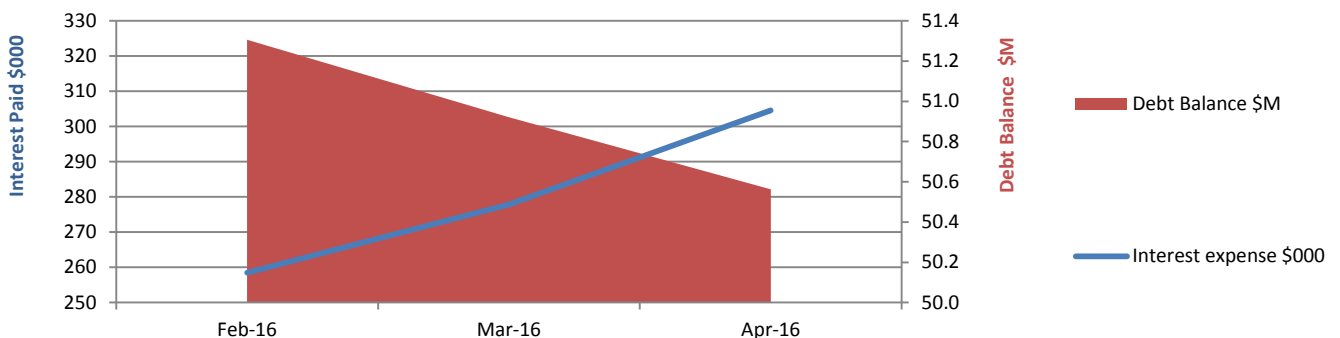
Note: the Reserve Bank reduced the cash rate down to 2.00% in the April 2015 sitting, however effective from 4 May 2016 this has been revised and further reduced to 1.75%.

The Tax and Treasury team's recommendation that Council diversify its investments outside of QTC to maximise returns has received approval from management. The team is working through the guidelines and will commence reviewing term deposit rates in the market to take advantage of any opportunities.

Where such opportunities are not identified, the team ensures Council maximises its interest earnings on a daily basis by depositing surplus funds at QTC for a higher rate than is achieved from the bank transaction account.

Council adopted its revised Investment Policy in April 2015 for the 2015-16 financial year

### BORROWING COSTS



**Total Borrowings at End of Month was \$50.56M**



#### Current Position

The existing loan accounts were converted to a Fixed Rate Loan on 1 April 2016 in line with QTC policies.

Debt repayment has been made *annually* in advance for 2015-16.

By prepaying the interest annually in 2015-16, it is expected that Council will save in excess of \$50,000 in interest over the financial year.

Council adopted its revised Debt Policy in June 2015 for the 2015-16 financial year

## 10. CONSTRAINED CASH RESERVES

Reserves as at 30 April 2016	Opening Balance	To Reserve	From Reserve	Closing Balance
	\$000	\$000	\$000	\$000
<b>Special Projects Reserve:</b>				
Weinam Creek Reserve	2,492	394	(472)	2,414
Red Art Gallery Commissions & Donations Reserve	2	-	-	2
	<b>2,494</b>	<b>394</b>	<b>(472)</b>	<b>2,416</b>
<b>Utilities Reserve:</b>				
Redland Water Reserve	8,300	-	-	8,300
Redland WasteWater Reserve	1,600	-	-	1,600
	<b>9,900</b>	<b>-</b>	<b>-</b>	<b>9,900</b>
<b>Constrained Works Reserve:</b>				
Tree Planting Reserve	23	62	-	85
Parks Reserve	6,006	3,471	(1,098)	8,379
East Thornlands Road Infrastructure Reserve	674	-	-	674
Community Facility Infrastructure Reserve	979	536	-	1,515
Retail Water Renewal & Purchase Reserve	7,478	1,097	(205)	8,370
Sewerage Renewal & Purchase Reserve	9,500	4,278	(4,537)	9,241
Constrained Works Reserve-Cap Grants & Contributions	1,410	584	(784)	1,210
Transport Trunk Infrastructure Reserve	13,565	6,391	(120)	19,836
Cycling Trunk Infrastructure Reserve	3,099	2,625	(72)	5,652
Stormwater Infrastructure Reserve	3,722	1,435	-	5,157
Constrained Works Reserve-Opr Grants & Contributions	1,246	-	(103)	1,143
	<b>47,702</b>	<b>20,479</b>	<b>(6,919)</b>	<b>61,262</b>
<b>Separate Charge Reserve - Environment:</b>				
Environment Charge Acquisition Reserve	6,878	-	(66)	6,812
Environment Charge Maintenance Reserve	1,729	5,942	(4,187)	3,484
	<b>8,607</b>	<b>5,942</b>	<b>(4,253)</b>	<b>10,296</b>
<b>Special Charge Reserve - Other:</b>				
Bay Island Rural Fire Levy Reserve	-	184	(167)	17
SMBI Translink Reserve	2	960	(714)	248
	<b>2</b>	<b>1,144</b>	<b>(881)</b>	<b>265</b>
<b>Special Charge Reserve - Canals:</b>				
Raby Bay Canal Reserve	5,806	2,727	(2,956)	5,577
Aquatic Paradise Canal Reserve	2,834	898	(50)	3,682
Sovereign Waters Lake Reserve	487	56	(62)	481
	<b>9,127</b>	<b>3,681</b>	<b>(3,068)</b>	<b>9,740</b>
<b>TOTALS</b>	<b>77,832</b>	<b>31,640</b>	<b>(15,593)</b>	<b>93,879</b>

Closing Cash and Cash Equivalents	<b>140,639</b>
Reserves as percentage of cash balance	<b>67%</b>

## 11. GLOSSARY

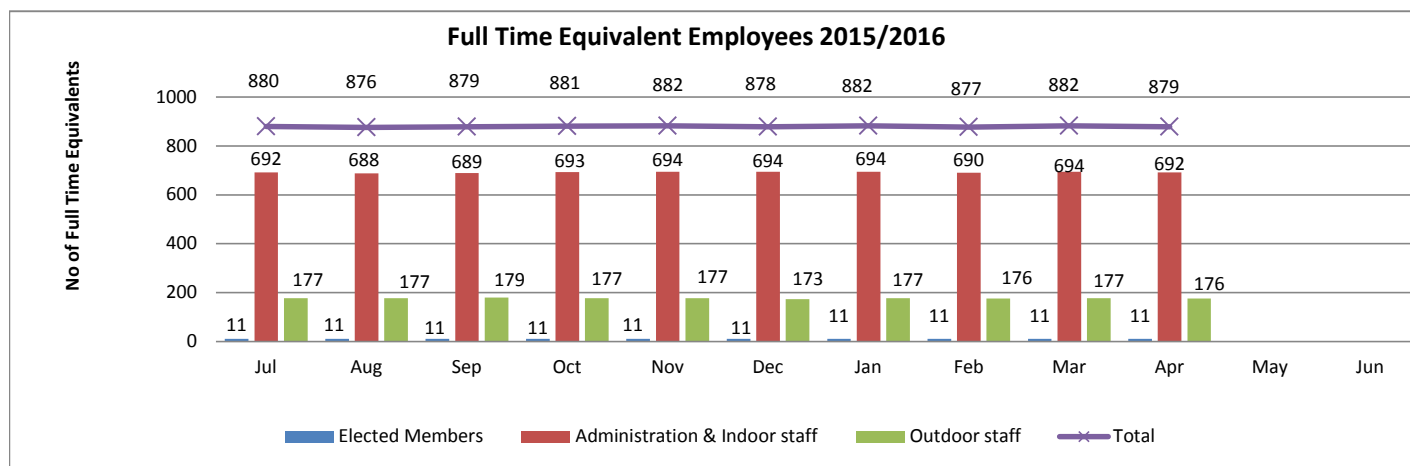
### Definition of ratios

<b>Operating Surplus Ratio*:</b> <i>This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes</i>	$\frac{\text{Net Operating Surplus}}{\text{Total Operating Revenue}}$
<b>Asset Sustainability Ratio*:</b> <i>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</i>	$\frac{\text{Capital Expenditure on Replacement of Infrastructure Assets (Renewals)}}{\text{Depreciation Expenditure on Infrastructure Assets}}$
<b>Net Financial Liabilities*:</b> <i>This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues</i>	$\frac{\text{Total Liabilities - Current Assets}}{\text{Total Operating Revenue}}$
<b>Level of Dependence on General Rate Revenue:</b> <i>This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)</i>	$\frac{\text{General Rates - Pensioner Remissions}}{\text{Total Operating Revenue - Gain on Sale of Developed Land}}$
<b>Current Ratio:</b> <i>This measures the extent to which Council has liquid assets available to meet short term financial obligations</i>	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
<b>Debt Servicing Ratio:</b> <i>This indicates Council's ability to meet current debt instalments with recurrent revenue</i>	$\frac{\text{Interest Expense + Loan Redemption}}{\text{Total Operating Revenue - Gain on Sale of Developed Land}}$
<b>Cash Balance - \$M:</b>	Cash Held at Period End
<b>Cash Capacity in Months:</b> <i>This provides an indication as to the number of months cash held at period end would cover operating cash outflows</i>	$\frac{\text{Cash Held at Period End}}{[(\text{Cash Operating Costs} + \text{Interest Expense}) / \text{Period in Year}]}$
<b>Debt to Asset Ratio:</b> <i>This is total debt as a percentage of total assets, i.e. to what extent will our long term debt be covered by total assets</i>	$\frac{\text{Current and Non-current loans}}{\text{Total Assets}}$
<b>Operating Performance:</b> <i>This ratio provides an indication of Redland City Council's cash flow capabilities</i>	$\frac{\text{Net Cash from Operations + Interest Revenue and Expense}}{\text{Cash Operating Revenue + Interest Revenue}}$
<b>Interest Cover Ratio:</b> <i>This ratio demonstrates the extent which operating revenues are being used to meet the financing charges</i>	$\frac{\text{Net Interest Expense on Debt Service}}{\text{Total Operating Revenue}}$

\* These targets are set to be achieved on average over the longer term and therefore are not necessarily expected to be met on a monthly basis.

## 12. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

### Workforce reporting



Workforce reporting - YTD April 2016: Headcount	Employee Type						Grand Total
	Casual	Contract of Service	Perm Full	Perm Part	Temp Full	Temp Part	
Office of CEO	14	3	84	10	10	3	124
Organisational Services	3	5	105	10	6	5	134
Community and Customer Service	38	5	244	56	19	6	368
Infrastructure and Operations	17	7	305	11	10	0	350
<b>Total</b>	<b>72</b>	<b>20</b>	<b>738</b>	<b>87</b>	<b>45</b>	<b>14</b>	<b>976</b>

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 (excluding agency staff) and does not include a workload weighting. It includes casual staff in their non-substantive roles as at the end of the period where relevant.

### Overdue rates debtors

#### Comparison April 2015 to April 2016

Total							Mainland						
Days Overdue	Apr-15	% Overdue	Apr-16	% Overdue	\$ Variance	% Variance	Days Overdue	Apr-15	% Overdue	Apr-16	% Overdue	\$ Variance	% Variance
<90	\$2,227,009	0.97%	\$2,121,618	0.9%	-\$105,392	-0.06%	<90	\$1,594,233	0.70%	\$1,547,451	0.7%	-\$46,781	-0.03%
90 - 180 days	\$1,050,998	0.46%	\$893,366	0.4%	-\$157,632	-0.08%	90 - 180 days	\$712,037	0.31%	\$571,234	0.2%	-\$140,803	-0.07%
>180 days	\$2,500,700	1.09%	\$2,432,006	1.0%	-\$68,693	-0.05%	>180 days	\$1,257,110	0.55%	\$1,359,823	0.6%	\$102,713	0.03%
<b>Total</b>	<b>\$5,778,706</b>	<b>2.53%</b>	<b>\$5,446,990</b>	<b>2.34%</b>	<b>-\$331,716</b>	<b>-0.19%</b>	<b>Total</b>	<b>\$3,563,379</b>	<b>1.56%</b>	<b>\$3,478,508</b>	<b>1.49%</b>	<b>-\$84,871</b>	<b>-0.07%</b>

Nth Stradbroke Is / Coochiemudlo Is / Garden Is							SMBI						
Days Overdue	Apr-15	% Overdue	Apr-16	% Overdue	\$ Variance	% Variance	Days Overdue	Apr-15	% Overdue	Apr-16	% Overdue	\$ Variance	% Variance
<90	\$76,983	0.03%	\$62,292	0.0%	-\$14,692	-0.01%	<90	\$555,793	0.24%	\$511,875	0.2%	-\$43,918	-0.02%
90 - 180 days	\$46,252	0.02%	\$33,114	0.0%	-\$13,137	-0.01%	90 - 180 days	\$292,709	0.13%	\$289,018	0.1%	-\$3,691	0.00%
>180 days	\$66,068	0.03%	\$68,900	0.0%	\$2,832	0.00%	>180 days	\$1,177,522	0.51%	\$1,003,284	0.4%	-\$174,239	-0.08%
<b>Total</b>	<b>\$189,303</b>	<b>0.08%</b>	<b>\$164,306</b>	<b>0.07%</b>	<b>-\$24,997</b>	<b>-0.01%</b>	<b>Total</b>	<b>\$2,026,024</b>	<b>0.89%</b>	<b>\$1,804,176</b>	<b>0.77%</b>	<b>-\$221,848</b>	<b>-0.11%</b>