



# Monthly Financial Report

## Interim June 2022

Note: This interim report is prepared at year end pending finalisation of statutory financial statements due 8 September 2022.



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## 1. EXECUTIVE SUMMARY

This interim monthly report illustrates the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the year ended 30 June 2022. The year to date annual revised budget referred to in this report incorporates the changes from budget review adopted by Council on 16 February 2022.

The June 2022 Monthly Financial Report is prepared based on interim financial results for the year ended 30 June 2022 (prior to the finalisation of the end of year accounts) and significant movement is expected through the finalisation of accruals, deferrals and other year-end adjustments. The final results for the year ended 30 June 2022 will be reflected in the audited financial statements.

### Key Interim Financial Highlights and Overview

Key Interim Financial Results (\$000)	Annual Revised Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	(386)	(386)	<b>6,198</b>	6,584	1706%	✓
Recurrent Revenue	314,224	314,224	<b>312,473</b>	(1,751)	-1%	✗
Recurrent Expenditure	314,610	314,610	<b>306,275</b>	(8,335)	-3%	✓
Capital Works Expenditure	106,621	106,621	<b>68,631</b>	(37,990)	-36%	✓
Closing Cash & Cash Equivalents	195,979	185,979	<b>248,667</b>	62,688	34%	✓

Council reported a year to date operating surplus of \$6.20M which is favourable to budget by \$6.58M mainly on account of lower than budgeted expenditure on materials and services, lower depreciation expenses and higher operating grants, offset by lower levies and utility charges.

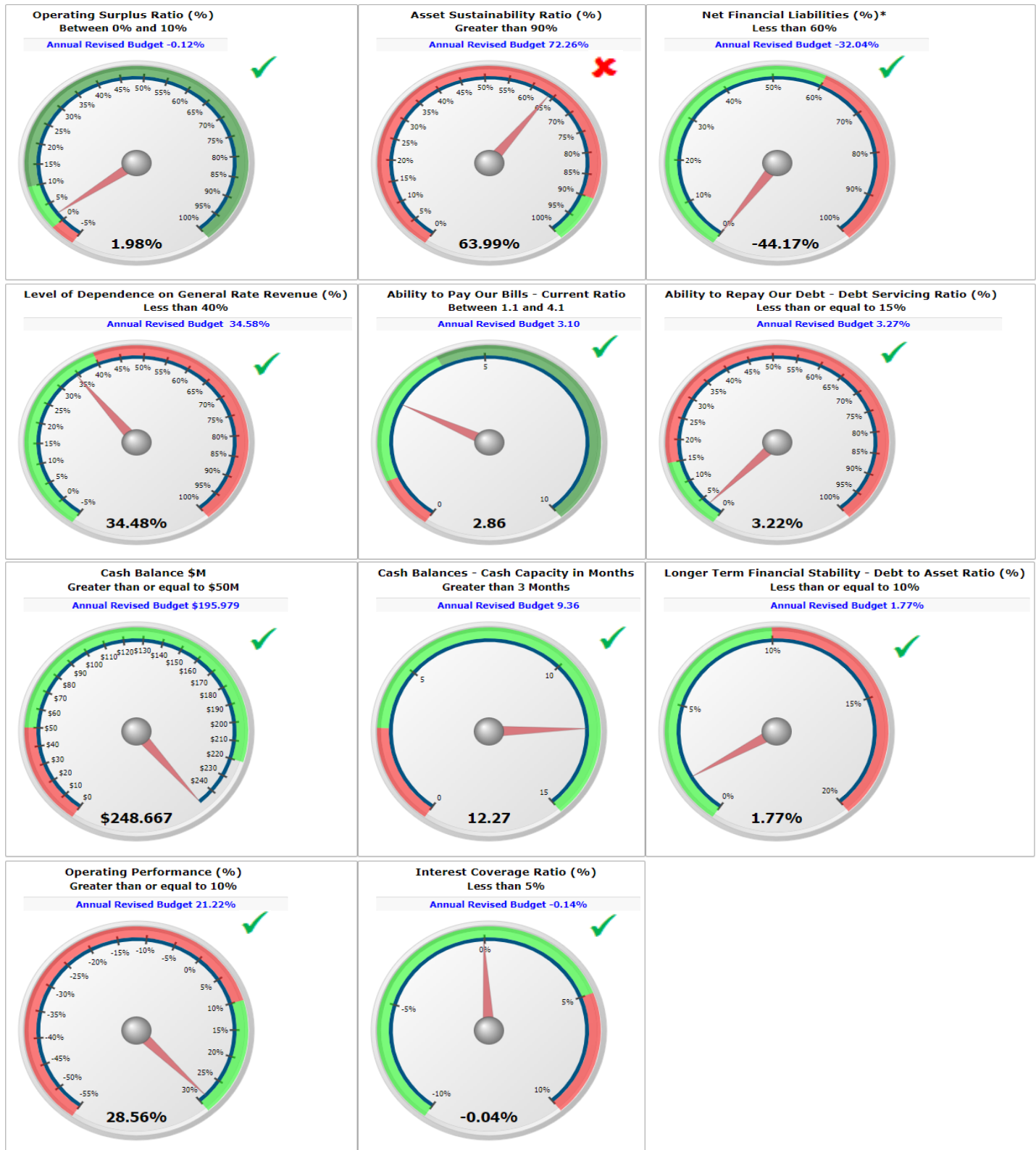
The Infrastructure and Operations (I&O) Department presented a briefing to Council that addressed the supply chain issues that are contributing to forecast underspends to the FY2021-22 capital works portfolio. This briefing included mitigation strategies that addressed the risks to delivering the capital works which was agreed to and resolved by Council at the General Meeting held on 20 October 2021.

Council's cash balance is over budget mainly due to lower payments for property, plant and equipment and the receipt of \$21.95M advance waste levy payment from the State Government for next four financial years. Constrained cash reserves represent 47% of the cash balance.



## 2. INTERIM KEY PERFORMANCE INDICATORS

■ Target met 
 ■ Target exceeded 
 ■ Target not met



\* The net financial liabilities ratio is negative as current assets are greater than total liabilities.

### 3. INTERIM STATEMENT OF COMPREHENSIVE INCOME

#### INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period ending 30 June 2022

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
<b>Recurrent revenue</b>					
Rates charges	111,574	111,650	111,650	110,803	(847)
Levies and utility charges	170,378	170,378	170,378	165,851	(4,527)
Less: Pensioner remissions and rebates	(3,486)	(3,486)	(3,486)	(3,569)	(83)
Fees	15,337	17,797	17,797	18,508	711
Rental income	1,067	1,214	1,214	1,335	121
Interest received	2,037	2,016	2,016	1,716	(300)
Sales revenue	3,682	4,147	4,147	4,807	660
Other income	469	546	546	977	431
Grants, subsidies and contributions	9,496	9,962	9,962	12,045	2,083
<b>Total recurrent revenue</b>	<b>310,554</b>	<b>314,224</b>	<b>314,224</b>	<b>312,473</b>	<b>(1,751)</b>
<b>Recurrent expenses</b>					
Employee benefits	97,172	97,872	97,872	98,366	494
Materials and services	145,459	148,858	148,858	140,411	(8,447)
Finance costs	2,007	2,007	2,007	2,545	538
Depreciation and amortisation	67,563	67,563	67,563	66,702	(861)
Other expenditure	522	522	522	448	(74)
Net internal costs	(2,213)	(2,213)	(2,213)	(2,197)	16
<b>Total recurrent expenses</b>	<b>310,511</b>	<b>314,610</b>	<b>314,610</b>	<b>306,275</b>	<b>(8,335)</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>43</b>	<b>(386)</b>	<b>(386)</b>	<b>6,198</b>	<b>6,584</b>
<b>Capital revenue</b>					
Grants, subsidies and contributions	22,133	30,721	30,721	24,566	(6,155)
Non-cash contributions	2,461	2,461	2,461	(574)	(3,035)
<b>Total capital revenue</b>	<b>24,594</b>	<b>33,182</b>	<b>33,182</b>	<b>23,992</b>	<b>(9,190)</b>
<b>Capital expenses</b>					
(Gain) / loss on disposal of non-current assets	289	(50)	(50)	2,548	2,598
<b>Total capital expenses</b>	<b>289</b>	<b>(50)</b>	<b>(50)</b>	<b>2,548</b>	<b>2,598</b>
<b>TOTAL INCOME</b>	<b>335,148</b>	<b>347,407</b>	<b>347,407</b>	<b>336,465</b>	<b>(10,941)</b>
<b>TOTAL EXPENSES</b>	<b>310,799</b>	<b>314,560</b>	<b>314,560</b>	<b>308,823</b>	<b>(5,737)</b>
<b>NET RESULT</b>	<b>24,349</b>	<b>32,847</b>	<b>32,848</b>	<b>27,642</b>	<b>(5,204)</b>
<b>Other comprehensive income / (loss)</b>					
Items that will not be reclassified to a net result					
Revaluation of property, plant and equipment	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>24,349</b>	<b>32,847</b>	<b>32,848</b>	<b>27,642</b>	<b>(5,204)</b>

The interim Statement of Comprehensive Income will adjust over coming weeks as the accounts are being finalised and final results will be reflected in the audited financial statements for the year ended 30 June 2022. Other Comprehensive Income will change as a result of asset revaluations. The audited financial statements for the year ended 30 June 2022 will reflect the final revalued position and impact and will be presented as part of the 2021/2022 Annual Report.

### 3. INTERIM STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

#### INTERIM LEVIES AND UTILITY CHARGES ANALYSIS

For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
<b>Levies and utility charges</b>					
Refuse collection rate charge	30,931	30,931	30,931	<b>30,991</b>	60
SES separate charge	514	514	514	<b>513</b>	(1)
Environment & Coastal Management Separate Charge	10,802	10,802	10,802	<b>10,750</b>	(52)
Separate charge landfill remediation	3,473	3,473	3,473	<b>3,456</b>	(17)
Wastewater charges	50,354	50,354	50,354	<b>50,447</b>	93
Water access charges	20,949	20,949	20,949	<b>20,878</b>	(71)
Water consumption charges	53,355	53,355	53,355	<b>48,816</b>	(4,539)
<b>Total levies and utility charges</b>	<b>170,378</b>	<b>170,378</b>	<b>170,378</b>	<b>165,851</b>	<b>(4,527)</b>

#### INTERIM MATERIALS AND SERVICES ANALYSIS

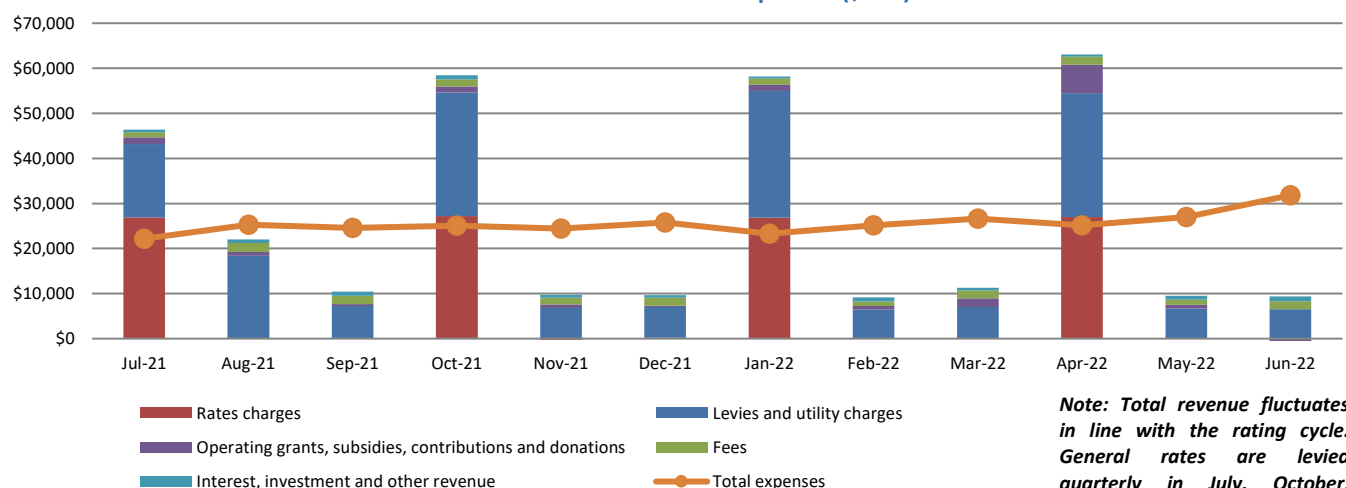
For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
<b>Materials and services</b>					
Contractors	37,448	40,053	40,007	<b>35,525</b>	(4,482)
Consultants	2,775	4,748	4,729	<b>4,823</b>	94
Other Council outsourcing costs*	26,444	23,736	23,817	<b>23,238</b>	(579)
Purchase of materials	54,490	55,818	55,813	<b>52,189</b>	(3,624)
Office administration costs	7,194	7,366	7,356	<b>6,841</b>	(515)
Electricity charges	5,723	5,755	5,754	<b>5,660</b>	(94)
Plant operations	3,458	3,481	3,481	<b>3,897</b>	416
Information technology resources	3,686	3,698	3,698	<b>4,230</b>	532
General insurance	1,467	1,399	1,399	<b>1,398</b>	(1)
Community assistance**	1,716	1,736	1,736	<b>1,597</b>	(139)
Other material and service expenses	1,058	1,068	1,068	<b>1,013</b>	(55)
<b>Total materials and services</b>	<b>145,459</b>	<b>148,858</b>	<b>148,858</b>	<b>140,411</b>	<b>(8,447)</b>

\* 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.

Actuals - Total Revenue and Expenses (\$000)



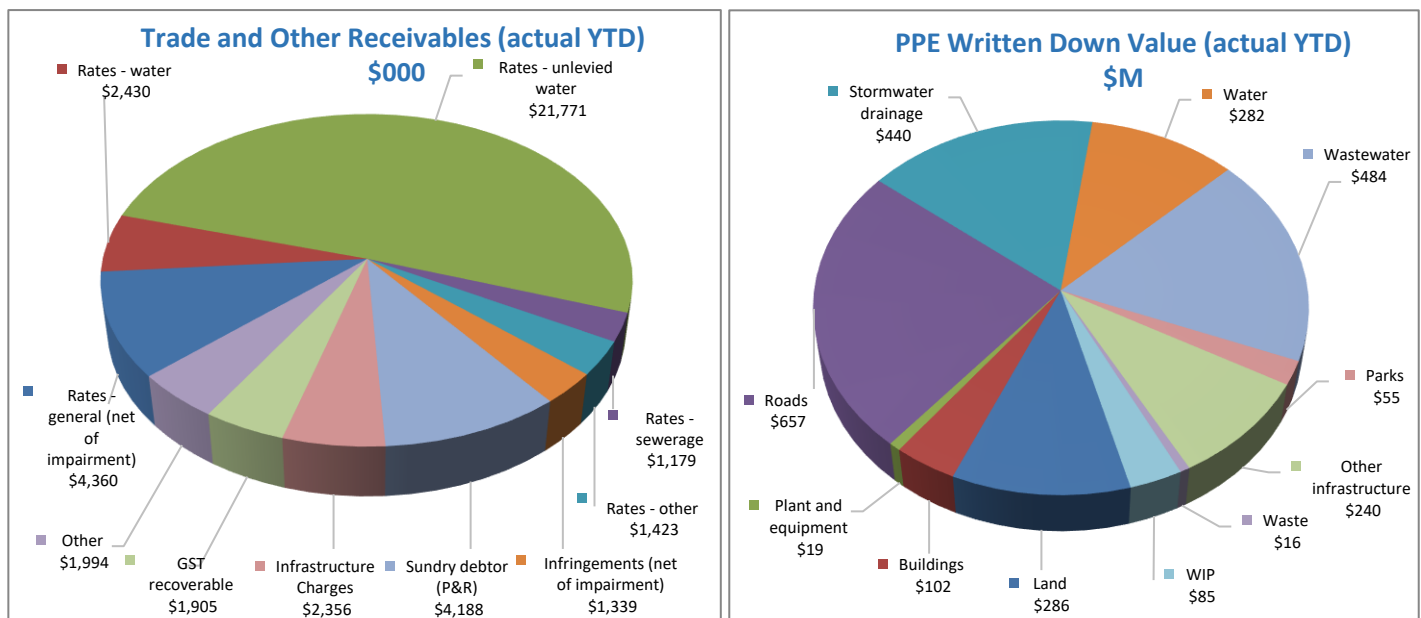
The interim income and expenses will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2022. The financial statements will be presented as part of the 2021/2022 Annual Report.

## 4. INTERIM STATEMENT OF FINANCIAL POSITION

INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2022				
	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	198,990	195,979	185,979	248,667
Short-term investment - CBA	-	-	10,000	10,068
Trade and other receivables	42,672	43,012	43,012	42,945
Inventories	916	1,024	1,024	566
Other current assets	1,810	4,967	4,967	5,486
<b>Total current assets</b>	<b>244,389</b>	<b>244,982</b>	<b>244,982</b>	<b>307,732</b>
<b>NON-CURRENT ASSETS</b>				
Investment property	1,225	1,225	1,225	1,225
Property, plant and equipment	2,619,909	2,709,572	2,709,572	2,666,565
Intangible assets	1,135	1,160	1,160	1,612
Right-of-use assets	4,723	4,984	4,984	4,972
Other financial assets	73	73	73	73
Investment in other entities	12,657	12,657	12,657	12,657
<b>Total non-current assets</b>	<b>2,639,722</b>	<b>2,729,671</b>	<b>2,729,671</b>	<b>2,687,104</b>
<b>TOTAL ASSETS</b>	<b>2,884,111</b>	<b>2,974,652</b>	<b>2,974,652</b>	<b>2,994,836</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	37,171	45,927	45,927	46,769
Borrowings - current	8,326	8,919	8,919	9,355
Lease liability - current	1,294	1,130	1,130	1,130
Provisions - current	15,270	17,207	17,207	19,016
Other current liabilities *	1,911	5,758	5,758	31,320
<b>Total current liabilities</b>	<b>63,972</b>	<b>78,941</b>	<b>78,941</b>	<b>107,590</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings - non-current	38,659	37,990	37,990	37,583
Lease liability - non-current	4,377	4,704	4,704	4,908
Provisions - non-current	21,539	22,675	22,675	19,619
<b>Total non-current liabilities</b>	<b>64,576</b>	<b>65,370</b>	<b>65,370</b>	<b>62,110</b>
<b>TOTAL LIABILITIES</b>	<b>128,547</b>	<b>144,311</b>	<b>144,311</b>	<b>169,700</b>
<b>NET COMMUNITY ASSETS</b>	<b>2,755,563</b>	<b>2,830,341</b>	<b>2,830,341</b>	<b>2,825,136</b>
<b>COMMUNITY EQUITY</b>				
Asset revaluation surplus	1,035,840	1,106,353	1,106,353	1,106,353
Retained surplus	1,619,513	1,620,669	1,620,669	1,601,896
Constrained cash reserves	100,210	103,319	103,319	116,887
<b>TOTAL COMMUNITY EQUITY</b>	<b>2,755,563</b>	<b>2,830,341</b>	<b>2,830,341</b>	<b>2,825,136</b>

\* YTD actual Other current liabilities includes \$21.95m advance waste levy payment received from the State Government in June 2022 for next four financial years.

## 4.INTERIM STATEMENT OF FINANCIAL POSITION - CONTINUED



### INTERIM RIGHT-OF-USE ASSETS For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
<b>Right-of-use asset</b>				
Buildings	2,109	2,152	2,152	2,139
Land	2,435	2,508	2,508	2,512
Plant and Equipment	179	324	324	321
<b>Closing balance</b>	<b>4,723</b>	<b>4,984</b>	<b>4,984</b>	<b>4,972</b>

### INTERIM PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT\* For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
<b>PPE movement</b>				
Opening balance (includes WIP from previous years)	2,614,439	2,667,979	2,667,979	2,667,979
Acquisitions and WIP in year movement	72,958	109,081	109,081	67,317
Depreciation in year	(65,977)	(65,977)	(65,977)	(64,815)
Disposals	(1,511)	(1,511)	(1,511)	(4,057)
Other adjustments**	-	-	-	141
<b>Closing balance</b>	<b>2,619,909</b>	<b>2,709,572</b>	<b>2,709,572</b>	<b>2,666,565</b>

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

\*\* Other adjustments include transfers between asset classes, revaluation adjustments, prior period adjustments and depreciation thereon.

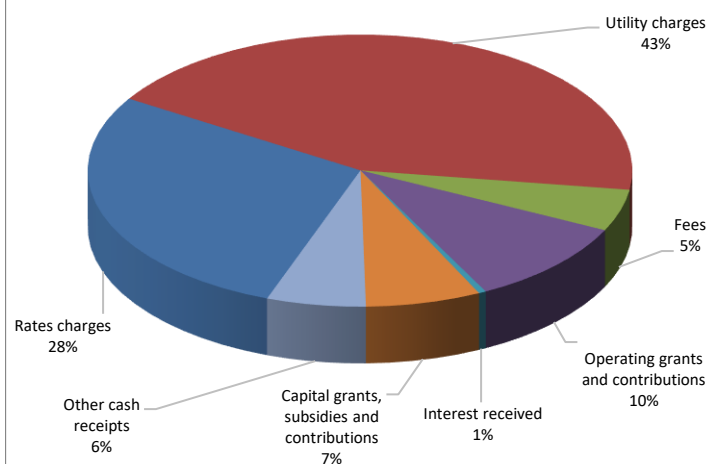
The interim Statement of Financial Position will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2022. The financial statements will be presented as part of the 2021/2022 Annual Report.

## 5. INTERIM STATEMENT OF CASH FLOWS

### INTERIM STATEMENT OF CASH FLOWS For the period ending 30 June 2022

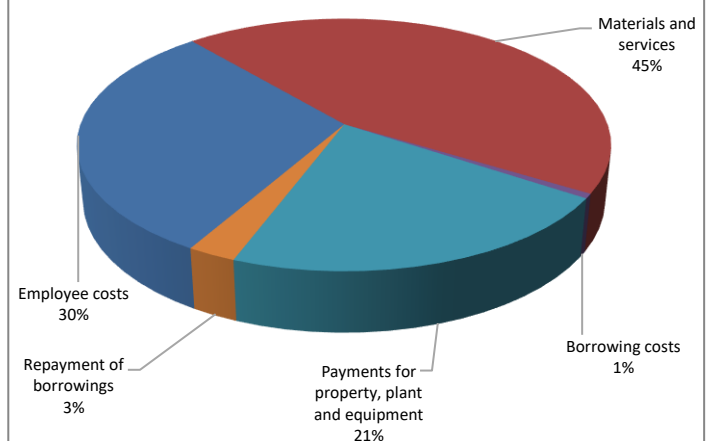
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	297,941	301,019	301,019	<b>298,600</b>
Payments to suppliers and employees	(246,606)	(249,290)	(249,290)	<b>(241,330)</b>
	<b>51,334</b>	<b>51,729</b>	<b>51,729</b>	<b>57,270</b>
Interest received	2,037	2,016	2,016	<b>1,658</b>
Rental income	1,067	1,214	1,214	<b>1,335</b>
Non-capital grants and contributions*	14,109	14,575	14,575	<b>38,847</b>
Borrowing costs	(1,763)	(1,763)	(1,763)	<b>(1,770)</b>
Right-of-use assets interest expense	(131)	(131)	(131)	<b>(117)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>66,654</b>	<b>67,641</b>	<b>67,640</b>	<b>97,223</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	(70,498)	(106,620)	(106,620)	<b>(68,289)</b>
Payments for intangible assets	-	-	-	<b>(740)</b>
Proceeds from sale of property, plant and equipment	1,222	1,562	1,562	<b>1,509</b>
Capital grants, subsidies and contributions	22,133	30,721	30,721	<b>26,094</b>
Other cash flows from investing activities**	3,500	3,500	3,500	<b>3,500</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(43,642)</b>	<b>(70,838)</b>	<b>(70,837)</b>	<b>(37,926)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds of borrowings	10,324	10,324	10,324	<b>10,301</b>
Repayment of borrowings	(7,243)	(7,243)	(7,243)	<b>(7,230)</b>
Right-of-use lease payment	(1,145)	(1,145)	(1,145)	<b>(941)</b>
<b>Net cash inflow / (outflow) from financing activities</b>	<b>1,936</b>	<b>1,936</b>	<b>1,936</b>	<b>2,130</b>
<b>Net increase / (decrease) in cash held</b>	<b>24,947</b>	<b>(1,261)</b>	<b>(1,261)</b>	<b>61,427</b>
Cash and cash equivalents at the beginning of the year	174,043	197,240	187,240	<b>187,240</b>
<b>Cash and cash equivalents at the end of the financial year / period</b>	<b>198,990</b>	<b>195,979</b>	<b>185,979</b>	<b>248,667</b>

#### Cash Inflow (actual YTD)



<b>Total Cash Funding (Actual YTD)</b>	<b>381,844</b>
Total Cash Funding (Annual Revised Budget)	364,931
<b>% of Budget Achieved YTD</b>	<b>105%</b>

#### Cash Outflow (actual YTD)



<b>Total Cash Expenditure (Actual YTD)</b>	<b>320,417</b>
Total Cash Expenditure (Annual Revised Budget)	366,192
<b>% of Budget Achieved YTD</b>	<b>87%</b>

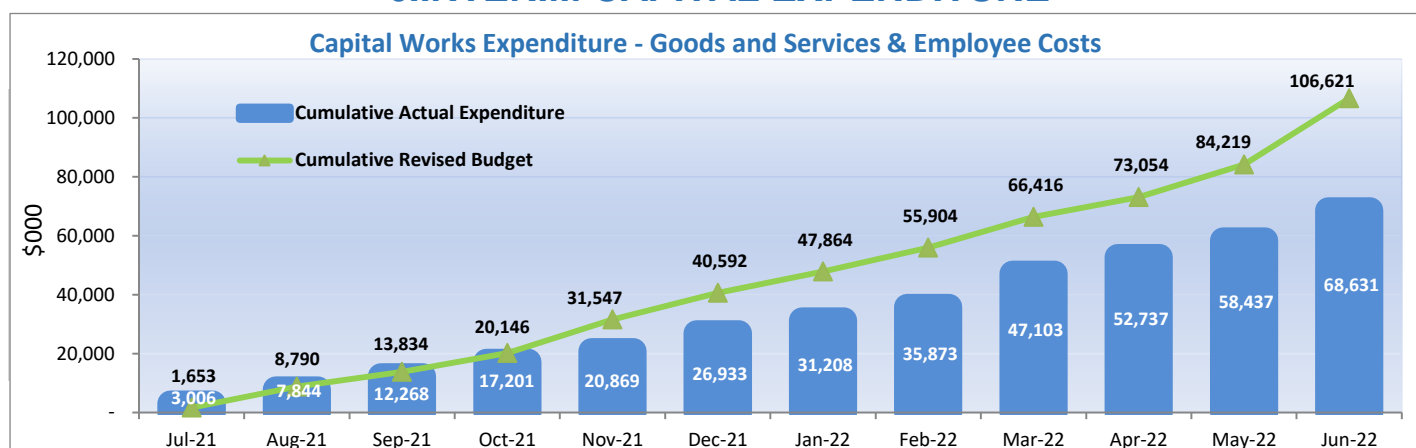
\* YTD actual Non - capital grants & contributions includes \$21.95m advance waste levy received from the State Government in June 2022 for next four financial years.

\*\* Loan drawn down by RIC from February to June 2021 has been repaid in July 2021.

The interim Statement of Cash Flows will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2022. The financial statements will be presented as part of the 2021/2022 Annual Report.



## 6. INTERIM CAPITAL EXPENDITURE

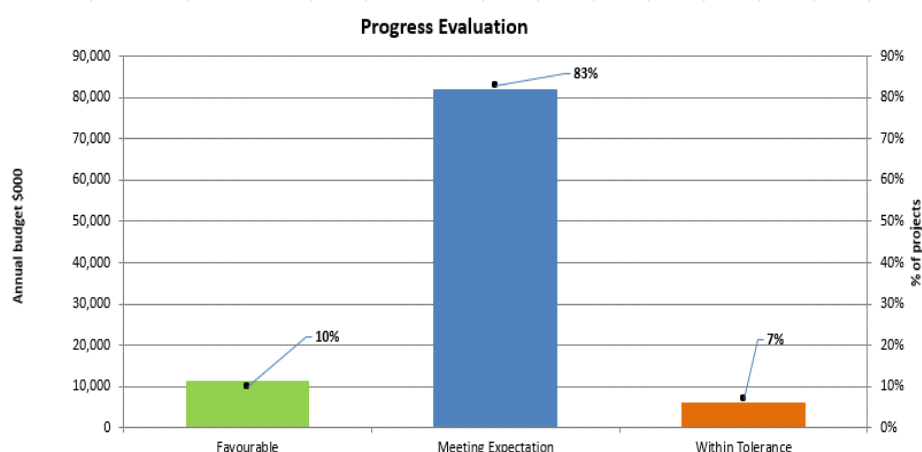


	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services*	98,763	98,763	61,000	(37,763)
Capitalised employee costs	7,858	7,858	7,631	(227)
<b>Total</b>	<b>106,621</b>	<b>106,621</b>	<b>68,631</b>	<b>(37,990)</b>

\* Excludes capital prepayments.

## 7. INTERIM PROGRAM AND PROJECT UPDATE

<span style="color: green;">■</span> <b>Favourable</b> (budget under/schedule on track)	<span style="color: blue;">■</span> <b>Meeting expectations</b> (budget and schedule on track)	<span style="color: orange;">■</span> <b>Within tolerance</b> (either budget and schedule not on track)
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- Programs and projects are what Council uses to introduce change to achieve corporate outcomes. They allow new infrastructure, products, systems, procedures and services to be delivered. Projects may be undertaken on a standalone basis or as part of a program. Programs and projects may span multiple financial years.
- Council is currently progressing more than 100 programs and projects.

### Notable Projects

The status of two notable projects are as follows:

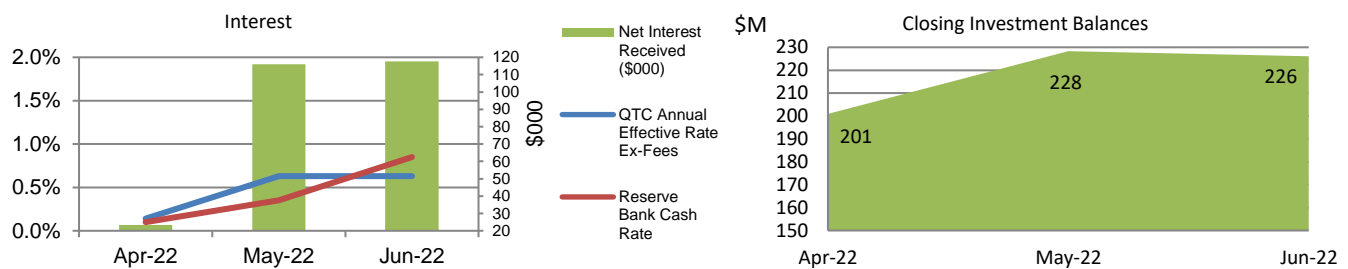
Project description	Progress
<p>Bus Shelter &amp; Seat Renewal Program - This provides following benefits:</p> <ul style="list-style-type: none"> <li>• easy and convenient access to public transport, and</li> <li>• public transport stops within approx. 400m for each dwelling in an urban area.</li> </ul> <p>All bus stops are planned to build in accordance with the Disability for Accessible Public Transport Act 2002.</p>	Favourable
<p>Road Upgrade &amp; Expansion Program (SMBI Greenseal) - This provides following benefits:</p> <ul style="list-style-type: none"> <li>• easy movement of vehicles, and</li> <li>• drainage infrastructure to provide an appropriate level of flood immunity.</li> </ul>	Meeting Expectations

The interim Capital Funding Statement will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2022. The financial statements will be presented as part of the 2021/2022 Annual Report.

## 8. INTERIM INVESTMENT & BORROWINGS REPORT

For the period ending 30 June 2022

### INVESTMENT RETURNS - QUEENSLAND TREASURY CORPORATION (QTC)



#### Total QTC Investment at End of Month was \$226.13M

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 2021 \$10.068M was re-invested in a term deposit of Commonwealth Bank of Australia (CBA) to maximise interest earnings.

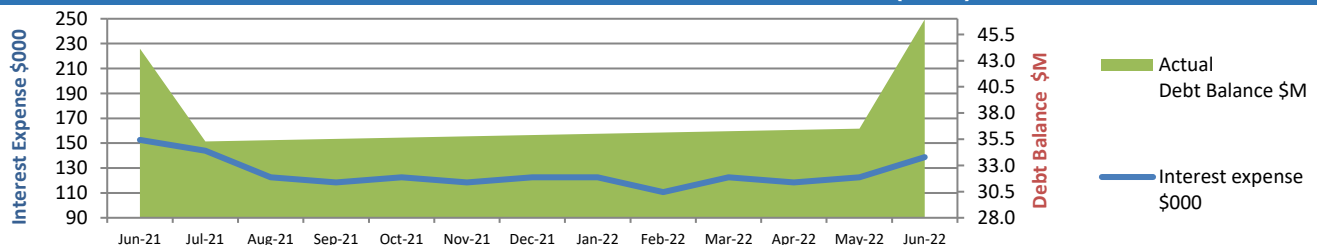
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle. The interest income increased from April to June due to increase in QTC annual effective rate (excluding fee) from 0.14% to 0.63%.

Note: the Reserve Bank increased the cash rate to 0.85% during June 2022.

On a daily basis, cash surplus to requirements is deposited with QTC to earn higher interest as QTC is offering a higher rate than what is achieved from Council's transactional bank accounts. The current annual effective interest rate paid by QTC is 0.63%. Term deposit rates are being monitored to identify investment opportunities to ensure Council maximises its interest earnings.

Council adopted its Investment Policy (FIN-001-P) in June 2021 for the 2021/2022 financial year

### BORROWINGS AND BORROWING COSTS (QTC)



The existing loan accounts were converted to fixed rate loans on 1 April 2016 following a QTC restructure of loans and policies. In line with Council's debt policy, debt repayment of \$9.00M, being \$7.23M principal and \$1.77M interest has been made in July 2021 for 2021/2022, which will result in the loans being repaid approximately one year earlier.

The debt balance increased in June 2022 due to new borrowings of \$10.30M as part of Council's Capital Works Plan.

In July 2021 the debt balance showed a decrease due to the Annual Debt Service Payment (ADSP). Interest will accrue monthly on a daily balance until next ADSP in July 2022 which is reflected in the increasing debt balance.

#### Total Borrowings at End of Month were \$46.94M

Council adopted its Debt Policy (FIN-009-P) in June 2021 for the 2021/2022 financial year

### BORROWINGS

For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
<b>Borrowings</b>				
Opening balance	(44,228)	(44,153)	(44,153)	(44,153)
Accrued interest on borrowings	(1,439)	(1,438)	(1,438)	(1,484)
Interest paid on borrowings	1,763	1,763	1,763	1,769
Principal repaid	7,243	7,243	7,243	7,231
Loan drawdown	(10,324)	(10,324)	(10,324)	(10,301)
<b>Closing balance</b>	<b>(46,985)</b>	<b>(46,909)</b>	<b>(46,909)</b>	<b>(46,938)</b>

## 9. INTERIM CONSTRAINED CASH RESERVES

Reserves as at 30 June 2022	Purpose of reserve	Opening Balance	To Reserve	From Reserve	Closing Balance
		\$000	\$000	\$000	\$000
<b>Special Projects Reserve:</b>					
Aquatic Paradise Revetment Wall Reserve	To fund Aquatic Paradise revetment wall works program	-	26	(26)	0
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	-	653	(1)	652
Waste Levy Reserve	To fund Waste Levy Program	-	5,259	(5,117)	142
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	4,265	2,749	(3,276)	3,738
Fleet Plant & Capital Equipment Reserve	To support the long term fleet replacement program	3,716	2,719	(1,836)	4,599
		<b>7,981</b>	<b>11,406</b>	<b>(10,256)</b>	<b>9,131</b>
<b>Constrained Works Reserve:</b>					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	6,148	3,898	(5,824)	4,222
Land for Community Facilities Trunk Infrastructure Reserve	Land for community facilities trunk infrastructure	4,829	468	-	5,297
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	14,760	192	-	14,952
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	11,165	3,682	(1,506)	13,341
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	36,517	5,754	(840)	41,431
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	13,288	2,092	(561)	14,819
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	9,898	660	-	10,558
Tree Planting Reserve	Acquisition and planting of trees on footpaths	169	100	(10)	259
Koala Tree off-set Planting Reserve	Acquisition and planting of trees for koala habitat	226	22	(119)	129
Special Property Reserve	Acquisition of property in line with the strategic property framework	-	1,771	-	1,771
		<b>97,000</b>	<b>18,639</b>	<b>(8,860)</b>	<b>106,779</b>
<b>Separate Charge Reserve:</b>					
Environment & Coastal management Separate Charge Reserve	Ongoing conservation and maintenance operations	-	10,751	(10,751)	-
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	70	513	(463)	120
		<b>70</b>	<b>11,264</b>	<b>(11,214)</b>	<b>120</b>
<b>Special Charge Reserve - Canals:</b>					
Aquatic Paradise Canal Reserve*	Maintenance and repairs of Aquatic Paradise canals	758	-	-	758
Sovereign Waters Lake Reserve*	Maintenance and repairs of Sovereign Lake	431	-	-	431
1718 Raby Bay Canal Reserve	Service, facility or activity of works in respect of the canals of the Raby Bay canal estate	219	-	-	219
1718 Aquatic Paradise Canal Reserve	Service, facility or activity of works in respect of the canals of the Aquatic Paradise canal estate	(495)	-	-	(495)
1718 Sovereign Waters Lake Reserve	Service, facility or activity of works in respect of the lake	(56)	-	-	(56)
		<b>857</b>	<b>-</b>	<b>-</b>	<b>857</b>
<b>TOTALS</b>		<b>105,908</b>	<b>41,309</b>	<b>(30,330)</b>	<b>116,887</b>
		Closing cash and cash equivalents			<b>248,667</b>
		Reserves as percentage of cash balance			<b>47%</b>

\*No interest charged for these reserves in June 2022 year to date due to low prevailing interest rate.

## 10.INTERIM CITY WATER STATEMENTS

### INTERIM CITY WATER SUMMARY OPERATING STATEMENT

For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	128,167	128,331	128,331	123,726	(4,605)
Total expenses	75,785	76,235	76,235	70,859	(5,376)
Earnings before interest, tax and depreciation (EBITD)	52,382	52,096	52,096	52,867	771
External interest expense	224	224	224	231	7
Internal interest expense	15,139	15,139	15,139	15,139	-
Depreciation	24,711	24,711	24,711	24,756	45
<b>Operating surplus / (deficit)</b>	<b>12,309</b>	<b>12,022</b>	<b>12,022</b>	<b>12,741</b>	<b>719</b>

### INTERIM CITY WATER CAPITAL FUNDING STATEMENT

For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	2,956	2,956	2,956	3,874	918
Net transfer (to) / from constrained capital reserves	1,019	(1,498)	(1,498)	(3,781)	(2,283)
Non-cash contributions	2,379	2,379	2,379	36	(2,343)
New loans	3,368	3,368	3,368	-	(3,368)
Funding from utility revenue	(2,699)	7,529	7,529	4,327	(3,202)
<b>Total sources of capital funding</b>	<b>7,023</b>	<b>14,733</b>	<b>14,733</b>	<b>4,456</b>	<b>(10,277)</b>
Contributed assets	2,379	2,379	2,379	36	(2,343)
Capitalised expenditure	3,982	11,692	11,692	3,796	(7,896)
Loan redemption	662	662	662	624	(38)
<b>Total application of capital funds</b>	<b>7,023</b>	<b>14,733</b>	<b>14,733</b>	<b>4,456</b>	<b>(10,277)</b>

## 11.INTERIM CITY WASTE STATEMENTS

### INTERIM CITY WASTE OPERATING STATEMENT

For the period ending 30 June 2022

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	32,893	32,904	32,904	33,190	286
Total expenses	23,973	24,033	24,033	24,303	270
Earnings before interest, tax and depreciation (EBITD)	8,920	8,870	8,871	8,887	16
External interest expense	7	7	7	7	-
Depreciation	423	423	423	562	139
<b>Operating surplus / (deficit)</b>	<b>8,490</b>	<b>8,440</b>	<b>8,441</b>	<b>8,318</b>	<b>(123)</b>

### INTERIM CITY WASTE CAPITAL FUNDING STATEMENT

For the period ending 30 June 2022

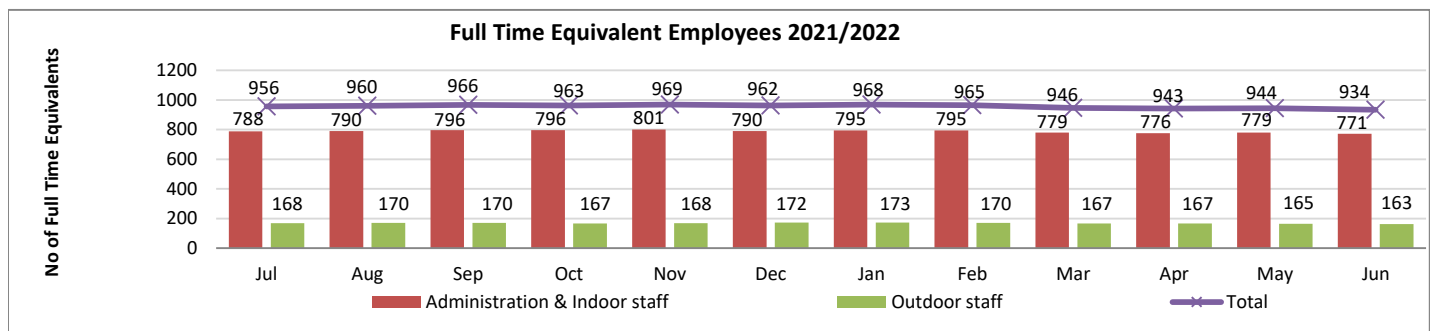
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Funding from utility revenue	755	1,329	1,329	557	(772)
<b>Total sources of capital funding</b>	<b>755</b>	<b>1,329</b>	<b>1,329</b>	<b>557</b>	<b>(772)</b>
Capitalised expenditure	600	1,174	1,174	448	(726)
Loan redemption	155	155	155	109	(46)
<b>Total application of capital funds</b>	<b>755</b>	<b>1,329</b>	<b>1,329</b>	<b>557</b>	<b>(772)</b>

The interim Water and Waste Statements will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2022. The financial statements will be presented as part of the 2021/2022 Annual Report.



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

### Workforce Reporting



June 2022: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People and Culture	3	40	10	53
Organisational Services	3	201	21	225
Community and Customer Services	51	273	61	385
Infrastructure and Operations	8	343	16	367
<b>Total</b>	<b>65</b>	<b>857</b>	<b>108</b>	<b>1,030</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. 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 June 2022 to June 2021									
Days Overdue	Jun-22	% Overdue	Jun-21	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	Jun-22	Jun-21
0 - 30	\$1,580	0.0%	\$444	0.0%	\$1,136	0.0%	Levied (Billed) Rates & Charges	\$294,692,311	\$282,705,701
31 - 60	\$3,784,333	1.2%	\$4,147,672	1.4%	-\$363,339	-0.2%	Rate arrears b/fwd	\$10,693,344	\$12,988,652
61 - 90	\$836	0.0%	\$0	0.0%	\$836	0.0%	<b>Total</b>	<b>\$305,385,655</b>	<b>\$295,694,353</b>
91 - 180	\$1,713,099	0.6%	\$1,790,975	0.6%	-\$77,876	0.0%	Balance of overdue rates & charges	\$9,031,746	\$10,693,344
>180	\$3,531,898	1.2%	\$4,754,253	1.6%	-\$1,222,355	-0.4%	Percentage Overdue	3.0%	3.6%
<b>Total</b>	<b>\$9,031,746</b>	<b>3.0%</b>	<b>\$10,693,344</b>	<b>3.6%</b>	<b>-\$1,661,597</b>	<b>-0.6%</b>			

## 13. 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:**

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.

### 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>	Net Operating Surplus
	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>	Capital Expenditure on Replacement of Infrastructure Assets (Renewals)
	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>	Total Liabilities - Current Assets
	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>	General Rates - Pensioner Remissions
	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>	Current Assets
	Current Liabilities
<b>Debt Servicing Ratio:</b> <i>This indicates Council's ability to meet current debt instalments with recurrent revenue</i>	Interest Expense*** + Loan Redemption^
	Total Operating Revenue - Gain on Sale of Developed Land
<b>Cash Balance - \$M:</b> <i>Cash balance includes cash on hand, cash at bank and other short term investments.</i>	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>	Cash Held at Period End
	[[Cash Operating Costs + Interest Expense] / Period in Year]
<b>Longer Term Financial Stability - 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>	Current and Non-current Debt**
	Total Assets
<b>Operating Performance:</b> <i>This ratio provides an indication of Council's cash flow capabilities</i>	Net Cash from Operations + Interest Revenue and Expense
	Cash Operating Revenue + Interest Revenue
<b>Interest Coverage Ratio:</b> <i>This ratio demonstrates the extent to which operating revenues are being used to meet the financing charges</i>	Net Interest Expense on Debt Service***
	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.

\*\* Debt includes lease liabilities.

\*\*\* Interest expense includes interest on leases.

^ Loan redemption includes lease redemption.