



Monthly Financial Report

February 2025



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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 28 February 2025. The year to date annual revised budget referred to in this report incorporates the changes from the budget review adopted by Council on 18 December 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)	2,684	28,918	26,150	(2,768)	-10%	✗
Recurrent Revenue	386,699	279,804	277,241	(2,563)	-1%	✗
Recurrent Expenditure	384,015	250,886	251,091	205	0%	✗
Capital Works Expenditure	140,083	74,499	52,964	(21,535)	-29%	✓
Closing Cash & Cash Equivalents	181,048	227,948	234,286	6,338	3%	✓
Short-Term Investment	50,000	50,000	50,000	-	0%	✓

Council reported a year to date operating surplus of \$26.15M which is unfavourable to budget by \$2.77M. This is mainly due to lower than budgeted levies and utility charges, lower than budgeted grants subsidies and contributions revenue, lower than budgeted fees, and higher than budgeted depreciation expense, partially offset by higher than budgeted other income. Variances to budget are closely monitored and will be addressed within the appropriate budget review as required.

Council's capital works expenditure is behind budget by \$21.54M due to timing of works for a number of infrastructure projects.

Council's cash balance is ahead of budget at 28 February mainly due to timing of cash flows, with lower than budgeted payments for property, plant and equipment and higher than budgeted interest income. This is partially offset by lower than budgeted receipts from customers, higher than budgeted payments to suppliers, and lower than budgeted receipt of capital and operating grants, subsidies and contributions. Constrained cash reserves represent 53% 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	90.15%	91.26%	N/A
	Population Growth Ratio*	Contextual - No target specified	1.88%	1.88%	N/A
Operating Performance	Operating Surplus Ratio	Greater than 0%	0.70%	9.31%	✓
	Operating Cash Ratio	Greater than 0%	21.03%	28.37%	✓
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	8.95	11.30	✓
Asset Management	Asset Sustainability Ratio	Greater than 60%	92.87%	40.12%	✗
	Asset Consumption Ratio	Greater than 60%	67.40%	61.33%	✓
	Asset Renewal Funding Ratio*	Contextual - No target specified	100.00%	100.00%	N/A
Debt Servicing Capacity	Leverage Ratio	0 - 4 times	1.10	0.77	✓
Level of Debt	Net Financial Liabilities Ratio**	Less than 60% (on average over the long-term)	-21.41%	-52.77%	✓

* 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 28 February 2025					
	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	99,442	99,772	330
Levies and utility charges	202,583	202,583	145,581	144,167	(1,414)
Less: Pensioner remissions and rebates	(3,896)	(3,896)	(2,884)	(2,886)	(2)
Fees	20,936	22,442	16,234	15,370	(864)
Rental income	1,128	1,239	833	795	(38)
Interest received	13,583	13,583	8,989	9,203	214
Sales revenue	4,990	4,990	3,351	3,450	99
Other income	935	935	658	1,101	443
Grants, subsidies and contributions	9,534	12,305	7,600	6,269	(1,331)
Total recurrent revenue	382,312	386,699	279,804	277,241	(2,563)
Recurrent expenses					
Employee benefits	117,020	117,084	78,905	79,061	156
Materials and services	185,222	186,266	118,051	117,905	(146)
Finance costs	3,995	3,995	2,262	2,200	(62)
Depreciation and amortisation	78,067	78,067	52,045	52,452	407
Other expenditure	620	(249)	389	518	129
Net internal costs	(1,148)	(1,148)	(766)	(1,045)	(279)
Total recurrent expenses	383,777	384,015	250,886	251,091	205
OPERATING SURPLUS / (DEFICIT)	(1,465)	2,684	28,918	26,150	(2,768)
Capital revenue					
Grants, subsidies and contributions	20,232	28,409	18,404	9,374	(9,030)
Non-cash contributions	121,013	121,013	-	6	6
Total capital revenue	141,244	149,421	18,404	9,380	(9,024)
Capital expenses					
(Gain) / loss on disposal of non-current assets	9,603	9,603	5,822	(206)	(6,028)
Total capital expenses	9,603	9,603	5,822	(206)	(6,028)
TOTAL INCOME	523,556	536,121	298,208	286,621	(11,587)
TOTAL EXPENSES	393,380	393,618	256,708	250,885	(5,823)
NET RESULT	130,177	142,503	41,500	35,736	(5,764)
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	142,503	41,500	35,736	(5,764)

3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

LEVIES AND UTILITY CHARGES ANALYSIS For the period ending 28 February 2025

	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	25,462	25,827	365
SES separate charge	479	479	359	361	2
Environment & Coastal Management Separate Charge	14,970	14,970	11,137	11,258	121
Separate charge landfill remediation	3,096	3,096	2,320	2,329	9
Wastewater charges	60,831	60,831	45,502	46,084	582
Water access charges	24,845	24,845	18,607	18,716	109
Water consumption charges	60,074	60,074	42,194	39,592	(2,602)
Total levies and utility charges	202,583	202,583	145,581	144,167	(1,414)

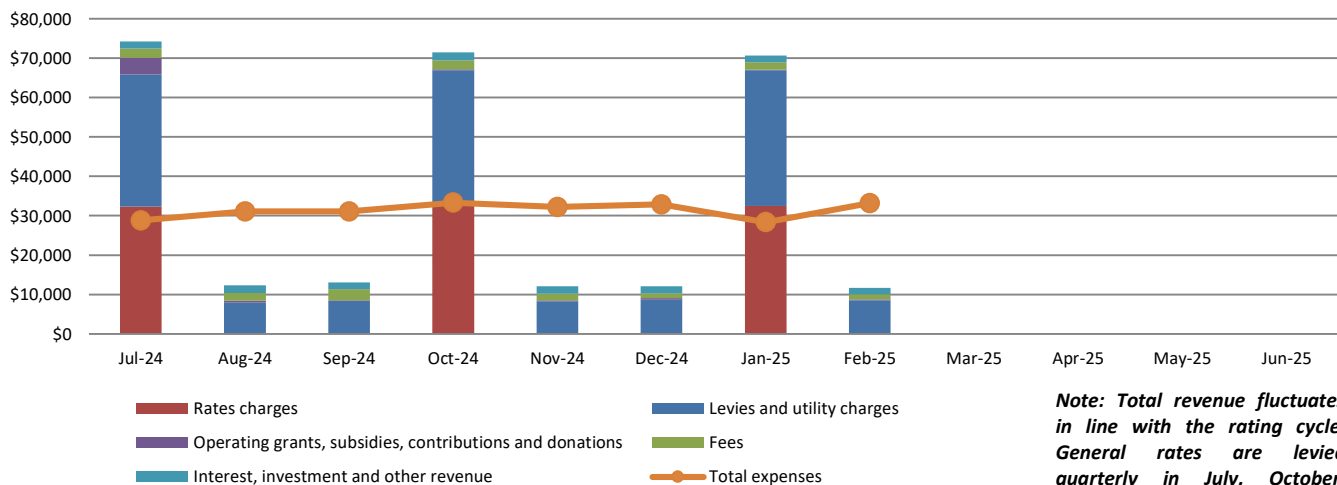
MATERIALS AND SERVICES ANALYSIS For the period ending 28 February 2025

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Materials and services					
Contractors	54,322	55,855	30,627	32,277	1,650
Consultants	6,593	7,312	4,637	3,200	(1,437)
Other Council outsourcing costs*	32,430	31,012	19,787	17,625	(2,162)
Purchase of materials	64,458	65,046	44,697	42,226	(2,471)
Office administration costs	5,028	3,020	2,454	6,163	3,709
Electricity charges	5,550	6,547	4,125	4,222	97
Plant operations	4,111	4,111	2,772	2,864	92
Information technology resources	7,964	7,966	5,325	5,802	477
General insurance	2,158	2,804	1,912	1,909	(3)
Community assistance**	1,863	1,843	1,197	1,193	(4)
Other material and service expenses	746	750	518	424	(94)
Total materials and services	185,222	186,266	118,051	117,905	(146)

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

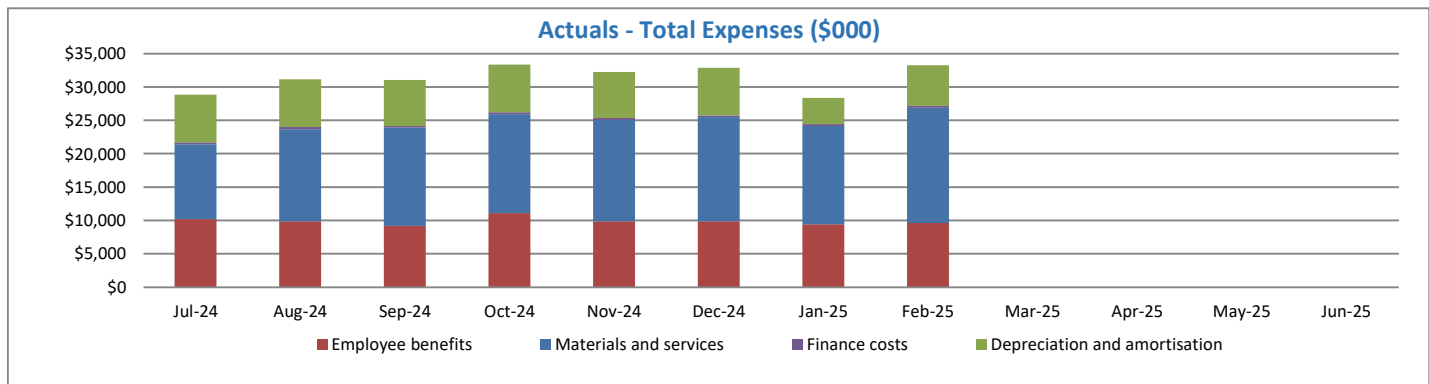
** Community assistance costs represent community related costs including community grants, exhibitions and awards, donations and sponsorships.

Actuals - Total Revenue and Expenses (\$000)

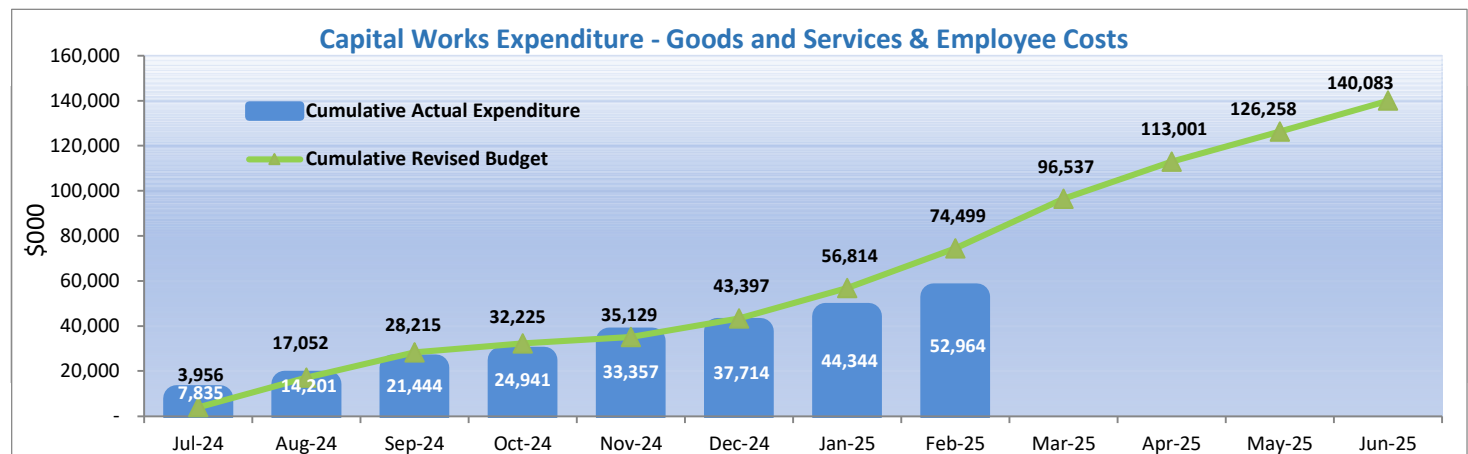


Note: Total revenue fluctuates in line with the rating cycle. General rates are levied quarterly in July, October, January and April.

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*	130,796	69,706	47,553	(22,153)
Capitalised employee costs	9,287	4,793	5,411	618
Total	140,083	74,499	52,964	(21,535)

* Excludes capital prepayments.

Notable Programs and Projects

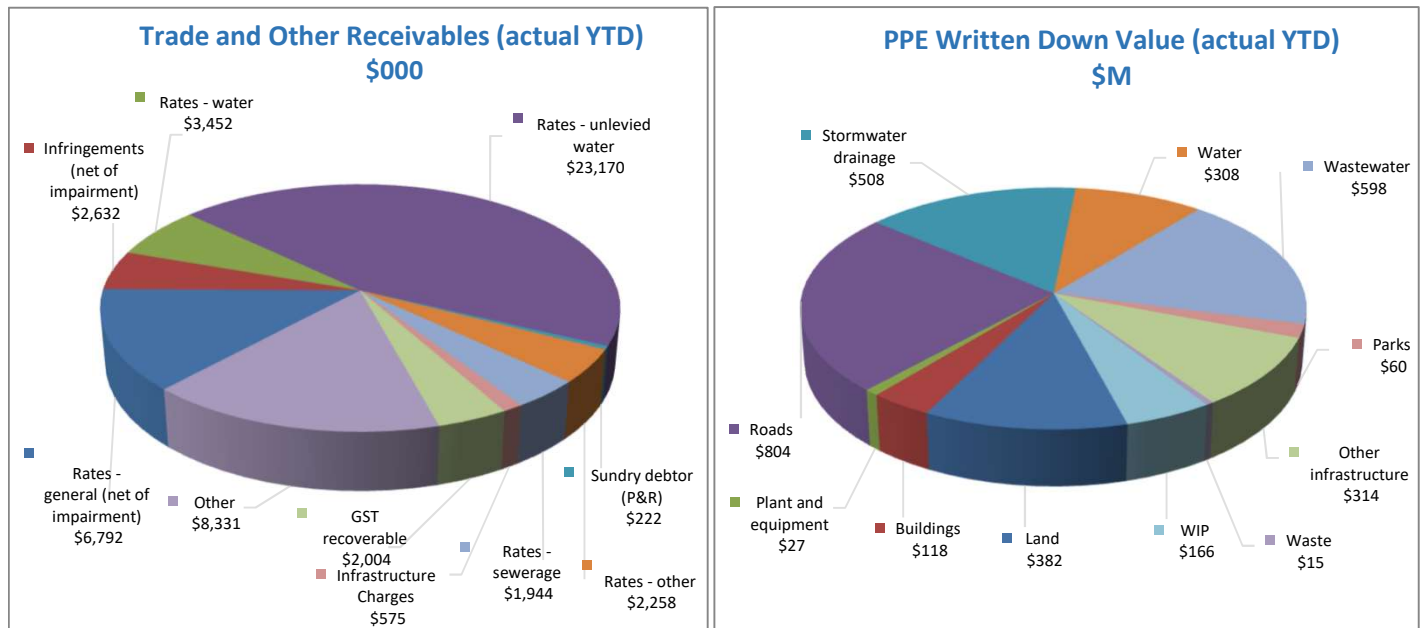
The table below lists Council's capital expenditure on major programs and projects.

Capital Investment		YTD Actual \$'000
Wellington St / Panorama Dr upgrade	Road widening / lane duplication of Wellington St / Panorama Dr.	7,752
Kinross Road sewerage trunk	New sewage pump station (Lorikeet Dr) and trunk sewer main to Cleveland WWTP.	4,362
Weinam Creek development	Continuation of works at Weinam Creek Priority Development Area.	3,663
Fleet replacement	Current fleet replacement program.	2,933
Willard's Farm restoration program	Make the building safe and preserve the heritage values.	1,830

5. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION As at 28 February 2025				
	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000
CURRENT ASSETS				
Cash and cash equivalents	190,355	181,048	227,948	234,286
Short-term investment - CBA	50,000	50,000	50,000	50,000
Trade and other receivables	52,508	50,791	45,256	51,380
Inventories	1,123	1,042	1,042	1,134
Other current assets	3,052	5,838	5,838	4,956
Total current assets	297,038	288,720	330,084	341,756
NON-CURRENT ASSETS				
Investment property	1,403	1,474	1,474	1,474
Property, plant and equipment	3,266,103	3,472,720	3,316,027	3,300,044
Intangible assets	294	304	419	427
Right-of-use assets	2,469	2,523	2,838	2,849
Other financial assets	73	73	73	73
Investment in other entities	11,357	11,769	11,769	11,769
Equity investment	-	2,831	2,831	2,831
Total non-current assets	3,281,699	3,491,694	3,335,431	3,319,467
TOTAL ASSETS	3,578,737	3,780,413	3,665,515	3,661,223
CURRENT LIABILITIES				
Trade and other payables	38,992	56,810	57,510	50,770
Borrowings - current	5,252	6,391	6,391	6,391
Lease liability - current	781	537	900	900
Provisions - current	10,540	13,742	15,686	16,871
Other current liabilities	6,080	4,250	11,488	17,568
Total current liabilities	61,645	81,730	91,975	92,500
NON-CURRENT LIABILITIES				
Borrowings - non-current	85,169	84,052	55,189	55,165
Lease liability - non-current	2,112	2,508	2,710	2,278
Provisions - non-current	22,036	32,603	32,103	33,835
Other non-current liabilities	4,368	5,026	10,046	9,717
Total non-current liabilities	113,685	124,189	100,048	100,995
TOTAL LIABILITIES	175,331	205,918	192,023	193,495
NET COMMUNITY ASSETS	3,403,407	3,574,495	3,473,492	3,467,728
COMMUNITY EQUITY				
Asset revaluation surplus	1,441,319	1,612,203	1,612,203	1,612,203
Retained surplus	1,871,903	1,850,722	1,746,020	1,732,167
Constrained cash reserves	90,184	111,570	115,269	123,358
TOTAL COMMUNITY EQUITY	3,403,407	3,574,495	3,473,492	3,467,728

5. STATEMENT OF FINANCIAL POSITION - CONTINUED



RIGHT-OF-USE ASSETS As at 28 February 2025

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
Right-of-use asset				
Buildings	382	407	582	593
Land	1,884	1,913	2,040	2,040
Plant and equipment	203	203	216	216
Closing balance	2,469	2,523	2,838	2,849

PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT*

For the period ending 28 February 2025

	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	3,299,599	3,299,599	3,299,599
Acquisitions and WIP in year movement	239,295	261,095	74,499	52,970
Depreciation in year	(76,779)	(76,779)	(51,186)	(51,612)
Disposals	(11,196)	(11,195)	(6,885)	(913)
Closing balance	3,266,103	3,472,720	3,316,027	3,300,044

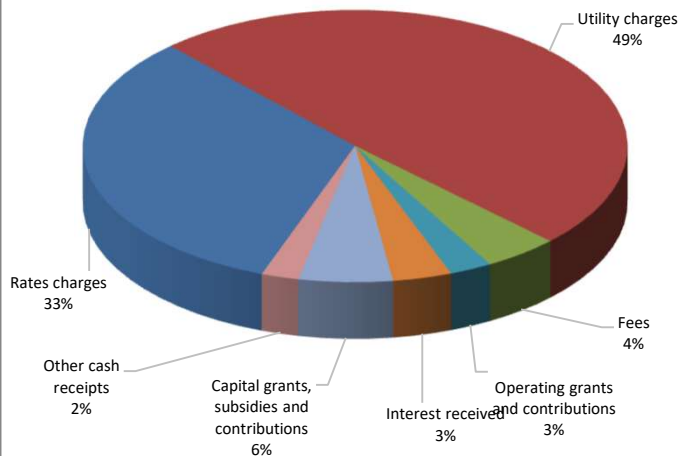
* This table includes movement relating to property, plant and equipment only and is exclusive of intangible assets.

6. STATEMENT OF CASH FLOWS

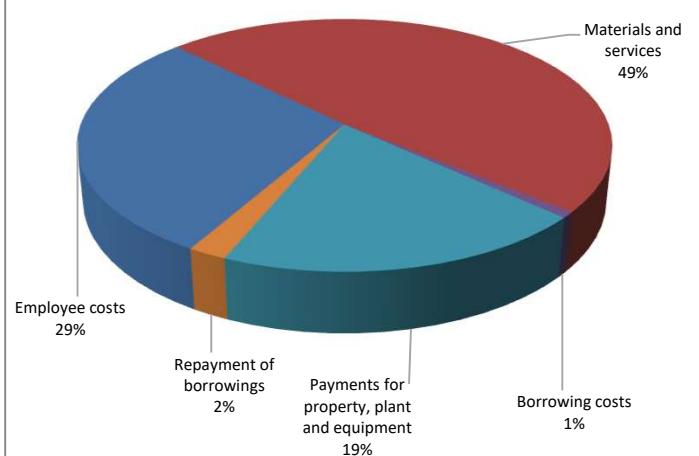
STATEMENT OF CASH FLOWS For the period ending 28 February 2025

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	344,411	345,917	264,774	254,803
Payments to suppliers and employees	(317,872)	(317,879)	(207,850)	(210,928)
	26,539	28,038	56,924	43,875
Interest received	13,583	13,583	8,989	10,161
Rental income	1,128	1,239	833	795
Non-capital grants and contributions	9,658	12,757	7,974	7,326
Borrowing costs	(1,823)	(1,823)	(1,824)	(1,815)
Right-of-use assets interest expense	(316)	(316)	(210)	(210)
Net cash inflow / (outflow) from operating activities	48,769	53,478	72,686	60,132
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(118,283)	(140,083)	(74,499)	(52,964)
Proceeds from sale of property, plant and equipment	1,593	1,593	1,062	1,119
Capital grants, subsidies and contributions	20,232	28,409	18,404	16,147
Net cash inflow / (outflow) from investing activities	(96,459)	(110,082)	(55,033)	(35,698)
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)	(404)	(836)
Net cash inflow / (outflow) from financing activities	22,271	22,271	(5,085)	(5,528)
Net increase / (decrease) in cash held	(25,419)	(34,332)	12,568	18,906
Cash and cash equivalents at the beginning of the year	215,774	215,380	215,380	215,380
Cash and cash equivalents at the end of the financial year / period	190,355	181,048	227,948	234,286

Cash Inflow (actual YTD)



Cash Outflow (actual YTD)



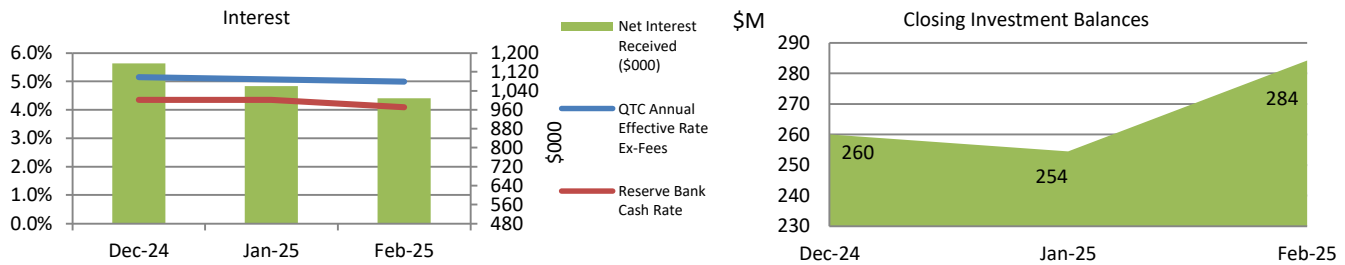
Total Cash Funding (Actual YTD)	290,351
Total Cash Funding (Annual Revised Budget)	431,420
% of Budget Achieved YTD	67%

Total Cash Expenditure (Actual YTD)	271,445
Total Cash Expenditure (Annual Revised Budget)	465,752
% of Budget Achieved YTD	58%

7. INVESTMENT & BORROWINGS REPORT

For the period ending 28 February 2025

INVESTMENT RETURNS



Total Investment at End of Month was \$284.29M

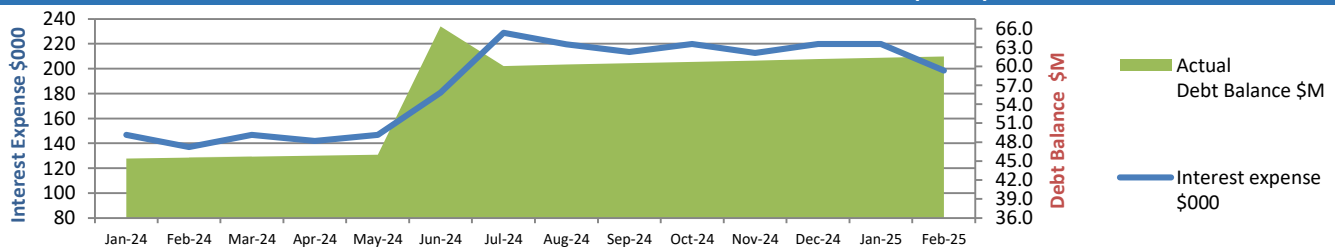
Council investments are currently held predominantly in the Capital Guaranteed Cash Fund, which is a fund operated by the Queensland Treasury Corporation (QTC).

The movement in interest earned is indicative of both the interest rate and the surplus cash balances held 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 January to February mainly due to decrease in QTC annual effective rate (excluding fee) from 5.07% to 5.00%.

Note: the Reserve Bank reduced the cash rate down to 4.10% during February 2025.

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 \$61.56M

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

BORROWINGS

For the period ending 28 February 2025

	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)	(1,755)	(1,733)
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)	(61,580)	(61,556)

8. CONSTRAINED CASH RESERVES

Reserves as at 28 February 2025	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	99	(9)	221
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	1,820	290	(1,002)	1,108
Waste Levy Reserve	To fund Waste Levy Program	57	3,738	(3,795)	-
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	2,556	2,513	(1,372)	3,697
		4,564	6,640	(6,178)	5,026
Constrained Works Reserve:					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	6,987	2,174	(481)	8,680
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	78	-	5,585
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	16,202	83	-	16,285
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	16,269	2,025	(3,490)	14,804
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	36,271	3,142	(2,940)	36,473
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	15,048	1,165	(26)	16,187
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	11,739	316	-	12,055
Tree Planting Reserve	Acquisition and planting of trees on footpaths	428	53	(26)	455
Special Property Reserve	Acquisition of property in line with the strategic property framework	3,835	596	-	4,431
		112,469	9,632	(6,963)	115,138
Separate Charge Reserve:					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	-	11,257	(8,522)	2,735
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	105	361	(7)	459
		105	11,618	(8,529)	3,194
TOTALS		117,138	27,890	(21,670)	123,358
		Closing cash and cash equivalents			234,286
		Reserves as percentage of cash balance			53%

9. CITY WATER STATEMENTS

CITY WATER SUMMARY OPERATING STATEMENT

For the period ending 28 February 2025

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Total revenue	155,256	155,270	112,603	110,666	(1,937)
Total expenses	89,785	89,915	60,698	57,181	(3,517)
Earnings before interest, tax and depreciation (EBITD)	65,471	65,355	51,905	53,485	1,580
External interest expense	648	648	421	416	(5)
Internal interest expense	19,061	19,061	12,707	12,707	-
Depreciation	30,585	30,585	20,390	20,547	157
Operating surplus / (deficit)	15,177	15,061	18,387	19,815	1,428

CITY WATER CAPITAL FUNDING STATEMENT

For the period ending 28 February 2025

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Capital contributions, donations, grants and subsidies	3,196	3,196	2,131	2,109	(22)
Net transfer (to) / from constrained capital reserves	2,580	5,511	2,867	1,381	(1,486)
Non-cash contributions	110,434	110,434	-	-	-
New loans	7,195	7,195	-	-	-
Funding from utility revenue	8,423	11,177	6,146	6,501	355
Total sources of capital funding	131,827	137,512	11,144	9,991	(1,153)
Contributed assets	110,434	110,434	-	-	-
Capitalised expenditure	21,106	26,791	10,721	9,163	(1,558)
Loan redemption	287	287	423	828	405
Total application of capital funds	131,827	137,512	11,144	9,991	(1,153)

10. CITY WASTE STATEMENTS

CITY WASTE OPERATING STATEMENT

For the period ending 28 February 2025

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Total revenue	41,369	41,608	27,525	27,880	355
Total expenses	32,200	32,439	21,348	22,867	1,519
Earnings before interest, tax and depreciation (EBITD)	9,169	9,169	6,177	5,013	(1,164)
External interest expense	5	5	3	3	-
Depreciation	486	486	324	306	(18)
Operating surplus / (deficit)	8,678	8,678	5,850	4,704	(1,146)

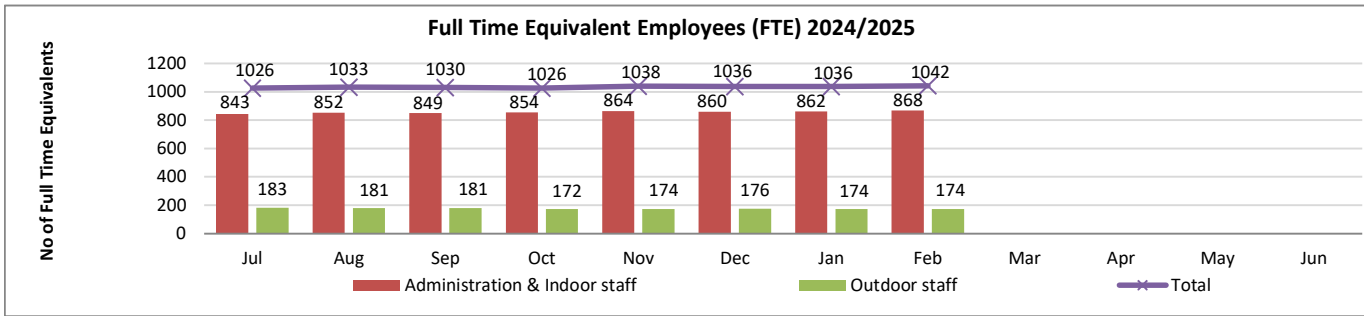
CITY WASTE CAPITAL FUNDING STATEMENT

For the period ending 28 February 2025

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Funding from utility revenue	6,167	6,167	2,832	188	(2,644)
Total sources of capital funding	6,167	6,167	2,832	188	(2,644)
Capitalised expenditure	6,131	6,131	2,808	191	(2,617)
Loan redemption	36	36	24	(3)	(27)
Total application of capital funds	6,167	6,167	2,832	188	(2,644)

11. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

Workforce Reporting



February 2025: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People, Culture and Organisational Performance	5	52	9	66
Organisational Services	3	204	28	235
Community and Customer Services	69	305	71	445
Infrastructure and Operations	4	356	17	377
Advocacy, Major Projects and Economic Development	-	34	4	38
Total	81	951	129	1,161

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 February 2025 to February 2024									
Days Overdue	Feb-25	% Overdue	Feb-24	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics		
0 - 30	\$7,539,846	2.8%	\$7,198,209	2.8%	\$341,637	0.0%	Levied (Billed) Rates & Charges since 1 July 2024	\$261,992,128	\$249,448,153
31 - 60	\$0	0.0%	\$773	0.0%	-\$773	0.0%	Rate arrears b/fwd 1 July 2024	\$9,598,398	\$9,226,293
61 - 90	\$0	0.0%	\$1,502	0.0%	-\$1,502	0.0%	Total	\$271,590,526	\$258,674,446
91 - 180	\$2,481,436	0.9%	\$2,309,947	0.9%	\$171,489	0.0%	Balance of overdue rates & charges	\$14,507,870	\$13,933,926
>180	\$4,486,588	1.6%	\$4,423,495	1.7%	\$63,093	-0.1%	Percentage Overdue	5.3%	5.4%
Total	\$14,507,870	5.3%	\$13,933,926	5.4%	\$573,944	-0.1%			

12. GLOSSARY

Key Terms

Written Down Value:

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

Work In Progress (WIP):

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

Current Replacement Cost:

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

Written Down Replacement Cost:

An asset's current replacement cost less accumulated depreciation.

Book Value of Debt:

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

Infrastructure Assets:

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

Definition of Ratios

Council Controlled Revenue Ratio:

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

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

Population Growth:

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

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

Operating Surplus Ratio*:

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

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

Operating Cash Ratio:

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

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

Unrestricted Cash Expense Cover Ratio:

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

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

Asset Sustainability Ratio:

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

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

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