



# SUPPORTING INFORMATION

**for respective items considered at**

**Coordination Committee Meeting**

**18 June 2019**

***SUPPORTING INFORMATION***

**Ref: [A18673355](#)**

The following list of supporting information is provided for:

**ITEM 3.1  
MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL**

***#1 Monthly Financial Report - 31 May 2019***

ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)

**#1 Monthly Financial Report - 31 May 2019**

**Moreton Bay Regional Council**

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**Monthly Financial Report**

**Year to date result as at: 31 May 2019**

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# Moreton Bay Regional Council

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*ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)*

## Moreton Bay Regional Council STATEMENT OF COMPREHENSIVE INCOME For the period ended 31 May 2019

92% of the  
year elapsed

	2018/19 Original Budget \$'000	2018/19 Amended Budget \$'000	2018/19 YTD Actuals \$'000	Actuals to Revised Budget 2018/19
<b>Revenue</b>				
<b>Operating Revenue</b>				
Rates and utility charges	307,250	307,264	308,277	100.33%
Fees and charges	35,382	36,723	33,737	91.87%
Grants, subsidies and contributions	19,749	35,709	13,261	37.13%
Interest revenue	47,067	46,790	40,688	86.96%
Other revenue	30,569	32,840	33,549	102.16%
Share of profit of associate - Operating Cash	25,558	25,558	23,428	91.67%
<b>Total Operating Revenue</b>	<b>465,576</b>	<b>484,884</b>	<b>452,941</b>	<b>93.41%</b>
<b>Expenses</b>				
<b>Operating Expenses</b>				
Employee benefits	(134,362)	(133,990)	(113,357)	84.60%
Materials and services	(162,929)	(167,479)	(135,767)	81.06%
Depreciation and amortisation	(91,236)	(91,571)	(90,451)	98.78%
Finance costs	(23,102)	(23,102)	(21,734)	94.08%
<b>Total Operating Expenses</b>	<b>(411,629)</b>	<b>(416,143)</b>	<b>(361,309)</b>	<b>86.82%</b>
<b>Operating Result</b>	<b>53,947</b>	<b>68,741</b>	<b>91,631</b>	<b>133.30%</b>
<b>Share of Profit of Associate - Capital Non-cash</b>	52,000	52,000	47,667	91.67%
<b>Capital Revenue</b>	77,651	85,102	144,011	169.22%
<b>Capital Expenses</b>	-	-	(18,142)	No Budget
<b>NET RESULT</b>	<b>183,598</b>	<b>205,843</b>	<b>265,167</b>	<b>128.82%</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to net result</b>				
Increase/(decrease) in asset revaluation surplus	-	-	13,258	No Budget
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	(349)	No Budget
<b>Total other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>12,910</b>	<b>No Budget</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>183,598</b>	<b>205,843</b>	<b>278,077</b>	<b>135.09%</b>

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ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)

### Moreton Bay Regional Council STATEMENT OF FINANCIAL POSITION As at 31 May 2019

	2018/19 Amended Budget as at 30 June 2019 \$'000	2018/19 YTD Actual \$'000
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	306,651	391,555
Trade and other receivables	47,914	31,173
Inventories	1,081	1,246
	355,646	423,974
Non-current assets held for sale	-	-
<b>Total Current Assets</b>	<b>355,646</b>	<b>423,974</b>
<b>Non-Current Assets</b>		
Trade and other receivables	677,576	677,544
Other financial assets	-	102,710
Investments	15	15
Investment property	44,970	28,635
Investment in associate	1,152,611	1,187,130
Property, plant and equipment	4,594,904	4,794,306
Intangible assets	280	44
<b>Total Non-Current Assets</b>	<b>6,470,356</b>	<b>6,790,384</b>
<b>Total Assets</b>	<b>6,826,002</b>	<b>7,214,358</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	40,534	33,630
Borrowings	33,881	8,731
Provisions	12,889	13,891
Other	1,673	319
<b>Total Current Liabilities</b>	<b>88,977</b>	<b>56,571</b>
<b>Non-Current Liabilities</b>		
Trade and other payables	213	-
Borrowings	345,187	378,463
Provisions	33,712	43,206
<b>Total Non-Current Liabilities</b>	<b>379,112</b>	<b>421,669</b>
<b>Total Liabilities</b>	<b>468,089</b>	<b>478,239</b>
<b>NET COMMUNITY ASSETS</b>	<b>6,357,913</b>	<b>6,736,119</b>
<b>Community Equity</b>		
Retained surplus	5,459,623	5,799,361
Asset revaluation surplus	898,290	936,757
<b>TOTAL COMMUNITY EQUITY</b>	<b>6,357,913</b>	<b>6,736,119</b>

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ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)

## Moreton Bay Regional Council STATEMENT OF CASH FLOWS For the period ended 31 May 2019

	2018/19 Amended Budget as at 30 June 2019 \$'000	2018/19 YTD Actuals \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	395,182	416,816
Payments to suppliers and employees	(294,315)	(293,586)
Interest received	46,790	43,791
Non capital grants and contributions	33,965	13,261
Borrowing costs	(21,322)	(19,873)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>160,300</b>	<b>160,408</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(266,145)	(155,455)
Proceeds from sale of property, plant and equipment	21,800	1,368
Net movement in loans to community organisations	-	32
Grants, subsidies and contributions	44,875	70,151
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(199,470)</b>	<b>(83,903)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	24,518	24,000
Repayment of borrowings	(30,771)	(22,802)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(6,253)</b>	<b>1,198</b>
Net increase/(decrease) in cash held	<b>(45,423)</b>	<b>77,703</b>
Cash and cash equivalents at the beginning of the financial year	352,074	313,852
<b>Cash and cash equivalents at the end of the period</b>	<b>306,651</b>	<b>391,555</b>

## Moreton Bay Regional Council

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ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)

### Moreton Bay Regional Council STATEMENT OF SOURCES AND APPLICATIONS OF CAPITAL FUNDING For the period ended 31 May 2019

	Original Budget 2018/19 \$'000	Amended Budget 2018/19 \$'000	YTD Actuals 2018/19 \$'000
<b><u>Capital Funding Sources</u></b>			
Cash Utilised	222,319	251,023	138,264
Capital Grants and Subsidies received	13,924	21,375	19,312
Contributed Assets and assets not previously recognised	40,227	40,227	81,231
Loans received	24,518	24,518	24,000
<b>Total Capital Funding Sources</b>	<b>300,988</b>	<b>337,143</b>	<b>262,807</b>
<b><u>Capital Funding Applications</u></b>			
Capital Expenditure	229,990	266,145	158,774
Contributed Assets and assets not previously recognised	40,227	40,227	81,231
Loan Redemption	30,771	30,771	22,802
<b>Total Capital Funding Applications</b>	<b>300,988</b>	<b>337,143</b>	<b>262,807</b>

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### Analysis of Results by Operational Plan

For the period ended 31 May 2019						
Operational Plan	Operating Revenue \$'000	Operating Expenses \$'000	Operating Result \$'000	Capital Revenue \$'000	Capital Expenses \$'000	Net Result \$'000
Engineering, Construction & Maintenance	53,897	(129,989)	(76,092)	8,319	206	(67,566)
Community & Environmental Services	28,403	(50,703)	(22,300)	5	-	(22,295)
Governance	360,933	(170,661)	190,272	183,354	(18,348)	355,278
Planning and Economic Development	9,707	(9,957)	(250)	-	-	(250)
<b>Total Council</b>	<b>452,941</b>	<b>(361,309)</b>	<b>91,631</b>	<b>191,678</b>	<b>(18,142)</b>	<b>265,167</b>

### Analysis of Results by Entity

For the period ended 31 May 2019						
Entity	Operating Revenue \$'000	Operating Expenses \$'000	Operating Result \$'000	Capital Revenue \$'000	Capital Expenses \$'000	Net Result \$'000
General	403,392	(327,132)	76,261	191,515	(16,989)	250,787
Waste	49,548	(34,178)	15,371	163	(1,153)	14,380
<b>Total Council</b>	<b>452,941</b>	<b>(361,309)</b>	<b>91,631</b>	<b>191,678</b>	<b>(18,142)</b>	<b>265,167</b>

## **The Performance at a Glance** **as at 31 May 2019**

### **Synopsis**

- \* 92% of the financial year is complete.
- \* The operating surplus is \$91.63 million.

### **Operating Revenue**

- \* Rates and Utility Charges are tracking slightly above budget after the fourth quarter rates levy.
- \* Operating Grants and Subsidies is tracking under budget, however the budget will be met as half the 2019/20 Financial Assistance Grant will be paid in June 2019 along with the Waste Levy abatement payment.
- \* Interest Revenue is tracking below budget while Other Revenue is above budget at this stage.
- \* In total all other revenue categories are performing closely to the revised budget target at this time of the year.

### **Operating Expenditure**

- \* Employee Expenses and Materials and Services are tracking below budget.
- \* Depreciation and Amortisation are tracking over budget and it is expected that Depreciation will continue to exceed budget.
- \* All other expenditure is on track for this stage of the financial year.

### **Capital Revenue**

- \* Infrastructure Cash Contributions have exceeded budget.
- \* Contributed Assets are above budget and it is expected this will continue to exceed budget.
- \* Capital grants and subsidies is tracking close to budget as most grants have been received.

### **Capital Expenditure**

- \* To date \$140.72 million has been spent on capital works, (which represents 71.74% of all capital projects), excluding the University project.

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*ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)*

## Moreton Bay Regional Council

### Comparative Table 2016/17 and 2017/18 to 2018/19\*

Year to date result as at: 31 May 2019

92% of the year elapsed

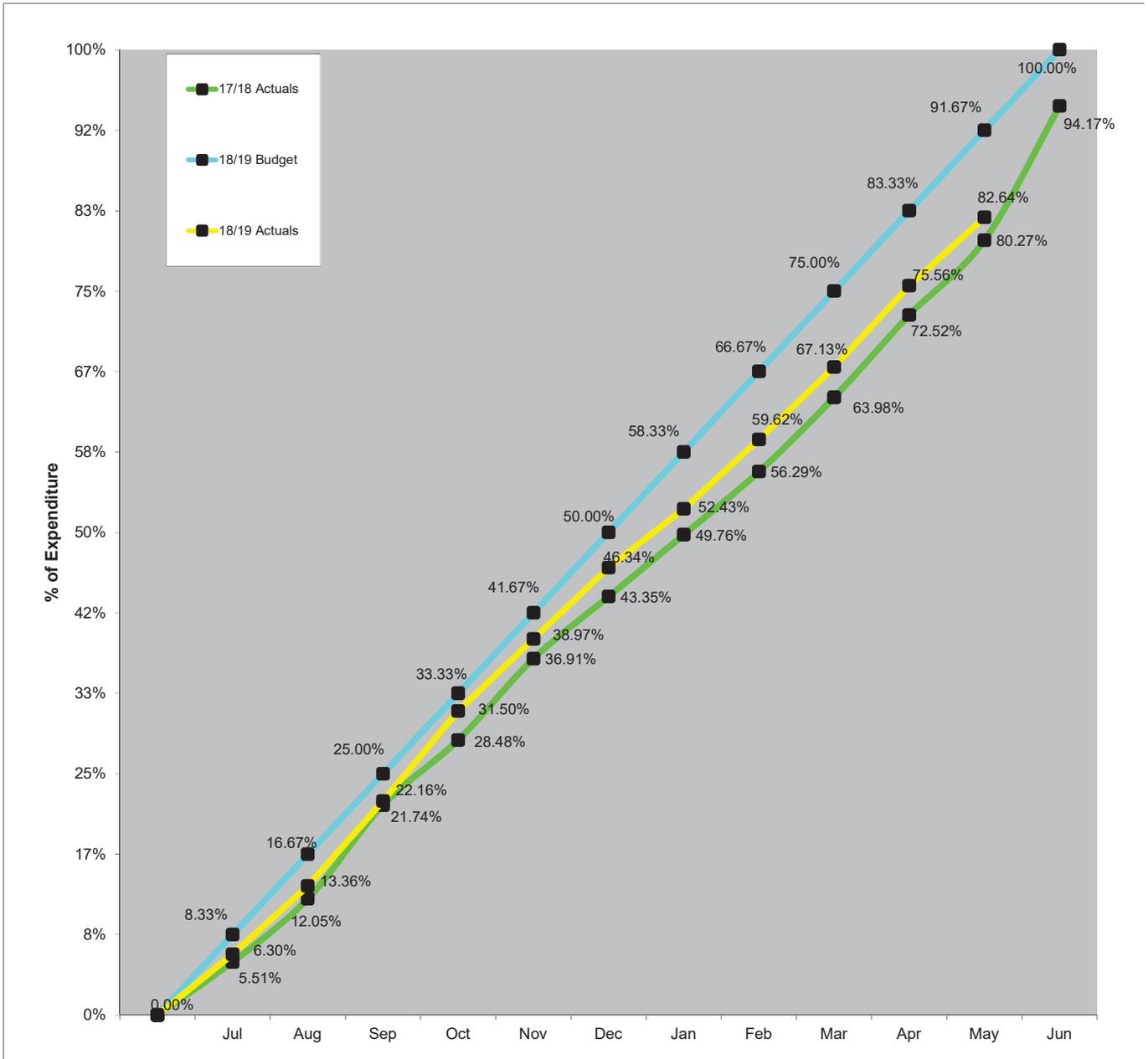
	Amended Budget 2018/19 \$'000	YTD Actuals 2018/19 \$'000	Actuals to Amended Budget 2018/19 %	Actuals to Amended Budget 2017/18 %	Actuals to Amended Budget 2016/17 %	Comments
<b>Operating Revenue</b>						
Rates & Utility Charges	307,264	308,277	100%	101%	101%	Revenue is slightly above target after the fourth quarter rates levy.
User Fees & Charges	36,723	33,737	92%	96%	94%	Revenue is tracking to budget but is below the previous years.
Interest Revenue	46,790	40,688	87%	95%	92%	The % for 2018/19 is tracking below budget and is below the previous years.
<b>Operating Expenses</b>						
Employee Expenses & Material and Services	301,469	249,124	83%	80%	82%	Expenditure is tracking below budget but is slightly above the previous years.
External Loan Interest Expense	21,322	19,860	93%	93%	91%	Expenditure is tracking slightly above budget and is comparable to the previous year.
<b>Capital Revenues</b>						
Infrastructure Cash Contributions	23,500	41,665	177%	150%	118%	Infrastructure cash contributions are tracking above the previous years and exceeding budget.
Contributed Assets	40,227	81,231	202%	223%	118%	All contributed assets have been recognised to date.
Grants & Subsidies	21,375	19,312	90%	60%	83%	The % of grants and subsidies received is tracking slightly below budget but is above the previous years.
<b>Capital Expenditure</b>						
Total Capital Expenditure**	196,145	140,716	72%	68%	73%	Capital expenditure remains behind budget.
<p>* The data presented reflects the position of Council as at 31 May 2019 compared to the position of Council as at 31 May 2018 and 31 May 2017.</p> <p>** Capital Expenditure excludes the University Project.</p> <p>The table focuses on key items of revenue and expenses across the comparative period and is useful guide in understanding what may have changed with regard to revenue and expense streams across the three financial years.</p>						

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**Operating Expenditure**

This graph compares the major components of operating expenditure (being employee expenses plus materials and services) on a percentage expended basis for the 2018/19 and 2017/18 years. The graph includes continuing service delivery expenses and operating initiative expenses.

The budgeted expenditure trend is set at 8.33% for each month. The cumulative actual expenditure trend for each month is graphed alongside the budget expenditure.



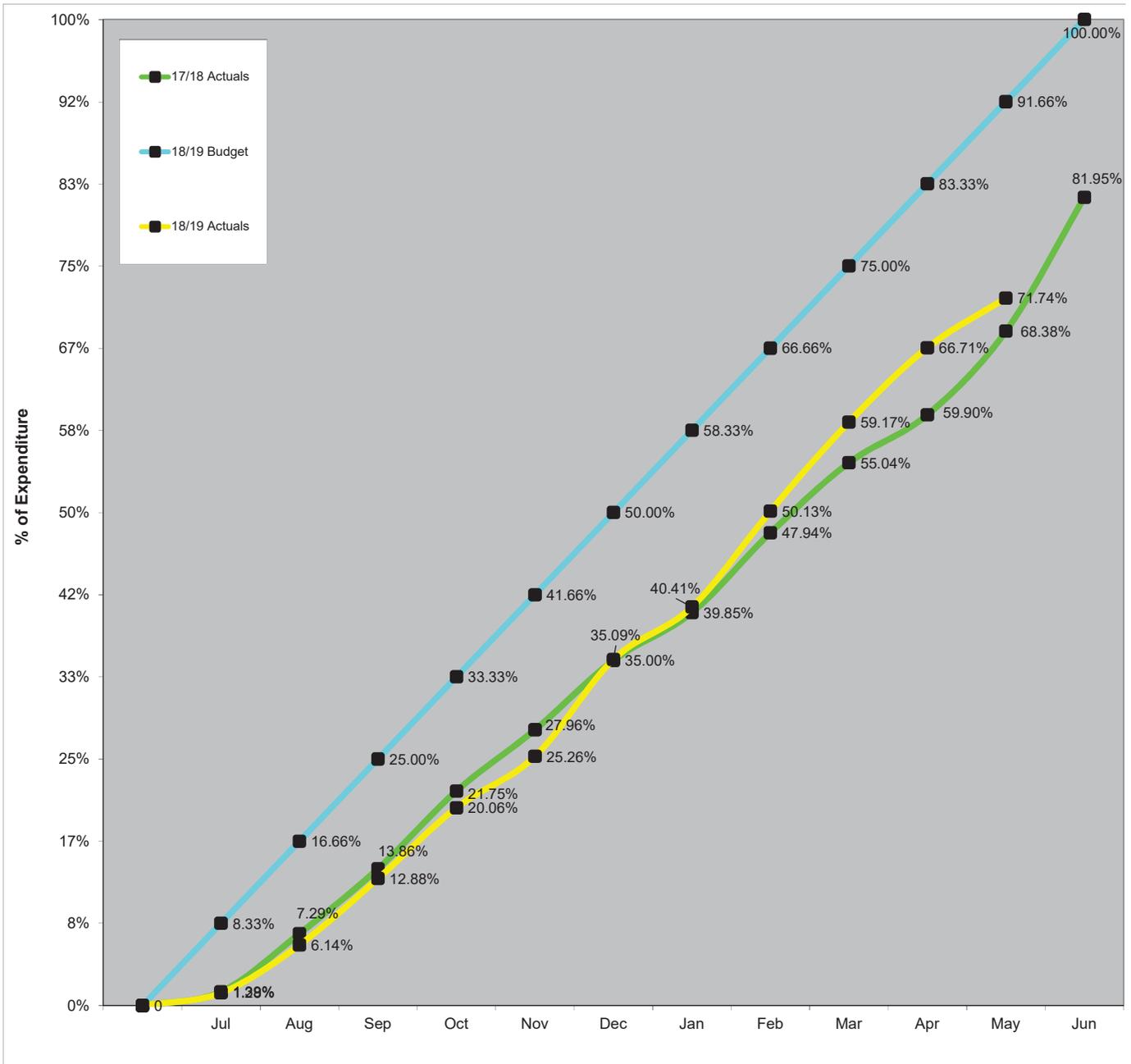
	Annual Amended Budget \$'000	Actuals to May \$'000	Actuals to Budget % spent
<b>2017/18</b>	293,140	235,309	80.27%
<b>2018/19</b>	301,469	249,124	82.64%

ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)

**Capital Expenditure**

This graph compares the capital percentage expended for the 2018/19 and 2017/18 years.

The budgeted expenditure trend is set at 8.33% for each month. The cumulative actual expenditure trend for each month is graphed alongside the budget expenditure.



	Annual Amended Budget \$'000	Actuals to May \$'000	Actuals to Budget % spent
2017/18	177,378	121,294	68.38%
2018/19	196,145	140,716	71.74%

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*ITEM 3.1 - MONTHLY REPORTING PACKAGE - MAY 2019 - REGIONAL - A1867340 (Cont.)*

## TREASURY REPORT

The Treasury Report highlights key areas of performance and compliance relating to Council's cash, investments and borrowings.

### Investments

At 31 May 2019 all of Council's investments are in accordance with the approved Investment Policy. As at this date Council held 66.77% of funds outside of the Queensland Treasury Corporation (QTC). Term Deposit rates have increased slightly in recent times, providing better returns.

#### Investment Portfolio - Summary of Cash and Investments Held

Current Cash Investments					
Short Term Rating	Institution	Return	Term	Cash and Investment balance as at 31 May 2019	Interest earned YTD
A1+	Qld Treasury Corp*	2.53%	Short Term (45 days)	130,285,546	1,634,663
A1+	ANZ	1.97%	At Call	11,439,692	206,035
A1+	National Australia Bank	2%	At Call	24,830,118	512,950
A1+	ANZ	2.7% to 2.75%	364 to 365 days	30,000,000	855,652
A1+	Bankwest	2.65%	182 days	20,000,000	480,192
A1+	National Australia Bank	2.75% to 2.77%	357 to 363 days	30,000,000	888,427
A1+	Westpac	2.65% to 2.77%	210 to 365 days	70,000,000	1,634,205
A1	Suncorp	2.65% to 2.81%	154 to 188 days	30,000,000	807,005
A2	Bank of Queensland	2.7% to 2.75%	182 to 279 days	30,000,000	481,863
A2	Bendigo and Adelaide Bank				394,808
A2	IMB	2.65%	363 days	5,000,000	119,925
A2	AMP Bank	2.8%	183 to 272 days	10,000,000	69,808
	Petrie Paper Mill Site Funds				245,000
	Trust Investments				231,004
				*	
				<b>391,555,357</b>	<b>8,561,537</b>

\* The QTC rate presented is the annualised interest rate for the month as provided by the Queensland Treasury Corporation.

Council has achieved a weighted average interest rate on all cash held of 2.40% pa in 2018/19.

Non-Current Investments				
Institution	Product	Term	Invested Value \$'000	Realisable Value \$'000
Queensland Investment Corporation	QIC Growth Fund	Greater than 5 years	100,000	102,710

#### Performance to Budget - Year to Date (YTD) Summary

92% of the year has elapsed

	Original Budget \$'000	Amended Budget \$'000	Actual YTD \$'000	Actual % Achieved \$'000	Comments
Interest Revenue on Investments	9,962	9,685	8,562	88%	Higher cash balance than expected
Interest on Debt held in Unitywater	36,085	36,085	31,154	86%	Tracking as per Budget
<b>Total Investment Income</b>	<b>46,047</b>	<b>45,770</b>	<b>39,716</b>	<b>87%</b>	

### Borrowings

Debt Position	\$ '000
Debt held as at 1 July 2018	385,996
New borrowings	24,000
Borrowings repaid	(22,802)
<b>Debt held as at 31 May 2019</b>	<b>387,194</b>

As at 31 May 2019 the weighted average interest rate of all Council debt is 5.45%

**SUPPORTING INFORMATION**

**Ref: A18578553**

The following list of supporting information is provided for:

**ITEM 5.1**

**OUTCOME OF EXPRESSION OF INTEREST - 25 CALALA DRIVE STRATHPINE - DIVISION 9**

***#1 Vacant building and proposed lease area***

ITEM 5.1 - OUTCOME OF EXPRESSION OF INTEREST - 25 CALALA DRIVE, STRATHPINE (Cont.)

**#1 25 Calala Drive Strathpine - Vacant building and proposed lease area**

