

Key Financial Indicators for Relevant Measures of Sustainability : Budget 2019-20

Key financial sustainability metrics	Target	Actual					Budget	Forecast					Forecast				
		Jun-15A	Jun-16A	Jun-17A	Jun-18A	Jun-19A	Jun-20B	Jun-21F	Jun-22F	Jun-23F	Jun-24F	Jun-25F	Jun-26F	Jun-27F	Jun-28F	Jun-29F	
Operating surplus ratio Net operating surplus divided by total operating revenue	0% to 10%	0.6%	-4.9%	2.6%	-7.0%	-6.5%	0.2%	0.7%	1.8%	2.8%	3.8%	4.5%	5.3%	6.1%	6.5%	6.7%	
Cash expense cover ratio Surplus plus Depreciation divided by Interest expense	> 3 months	11.5	18.3	13.1	16.0	19.1	11.6	11.7	12.4	13.5	13.0	13.5	14.0	14.6	14.9	15.2	
Asset sustainability ratio Capital expenditure on replacement assets divided by depreciation expense	> 90%	41.6%	122.4%	64.9%	130.6%	312.3%	325.6%	167.1%	107.8%	108.9%	127.6%	110.2%	111.1%	111.9%	112.7%	113.5%	
Average useful life of depreciable assets Fixed assets (excl Land & WIP) divided by Depreciation expense		30.7	26.4	24.7	28.2	30.0	33.6	36.0	36.0	35.9	36.3	36.1	36.0	36.0	36.0	35.9	
Net financial liabilities ratio Total liabilities less current assets divided by operating revenue	<= 60%	-53.7%	-51.8%	-41.9%	-61.9%	-68.8%	-24.2%	-28.5%	-36.2%	-45.9%	-46.8%	-52.4%	-58.1%	-63.3%	-67.6%	-71.7%	
Council controlled revenue ratio Rates & Charges plus Fees divided by Total Operating Revenue	> 60%	66.1%	67.4%	56.9%	68.8%	68.8%	68.0%	68.7%	68.8%	68.8%	68.9%	69.0%	69.0%	68.9%	69.1%	69.4%	
Total debt service cover ratio Operating Result + Depreciation + Interest Exp / Interest Exp + Prior Yr Borrowing cost	> 2 times	10.78	7.81	10.18	7.78	7.69	7.71	7.58	8.03	8.53	9.03	11.12	12.17	12.94	13.64	14.67	
Capital expenditure ratio Capital Expenditure divided by Depreciation Expense		0.6	2.9	0.8	1.6	2.6	5.1	2.3	1.7	1.7	2.0	1.7	1.7	1.7	1.7	1.7	