

Fit for the Future Criteria Results

Narrabri Shire Council



BENCHMARK

Operating Performance Ratio (greater or equal to break-even average over 3 years)
Own Source Revenue Ratio (greater than 60% average over 3 years)
Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)

Infrastructure Backlog Ratio (less than 2%)
Asset Maintenance Ratio (greater than 100% average over 3 years)
Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)

A decrease in Real Operating Expenditure per capita over time

RESULT
MEETS FFTF BENCHMARK

-0.076	NO	✗
80.08%	YES	✓
32.24%	NO	✗
3.32%	NO	✗
108.49%	YES	✓
6.60%	YES	✓
Decreasing	YES	✓

OVERALL RESULT



The Council does not meet all seven of the Fit for the Future Criteria

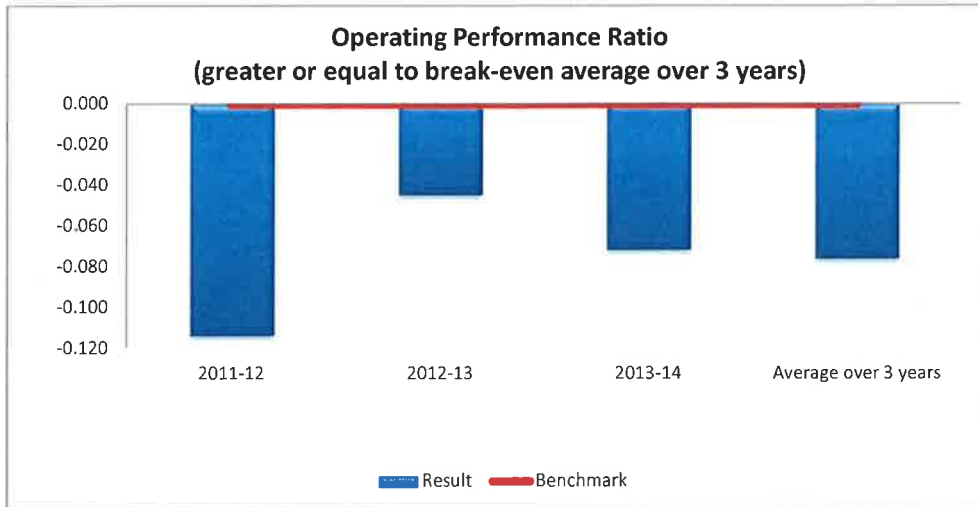
GENERAL FUND - OPERATING PERFORMANCE RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- *Greater or equal to break-even average over 3 years*

	2011-12	2012-13	2013-14	Average over 3 years
Result	-0.113	-0.045	-0.071	-0.076
Benchmark	0	0	0	0



MEETS THE FFTF BENCHMARK ?

NO

This is how we calculated the council's result....

(Figures are carried over from the data sheet and are in \$000)

	<i>Total continuing operating revenue (exc. capital grants and contributions) less operating expenses</i>			
	<i>Total continuing operating revenue (exc. capital grants and contributions)</i>			
2011-12	$\frac{(31226-1942-7-7-35-0-0-0)-(32787-239-0-0)}{31226-1942-7-7-35-0-0-0}$	=	$\frac{-3,313}{29,235}$	= -0.113
2012-13	$\frac{(32048-1077-0-3-285-0-0-0)-(32156-106-0-0)}{32048-1077-0-3-285-0-0-0}$	=	$\frac{-1,367}{30,683}$	= -0.045
2013-14	$\frac{(43593-9857-86-41-191-0-0-0)-(35806-0-0-0)}{43593-9857-86-41-191-0-0-0}$	=	$\frac{-2,388}{33,418}$	= -0.071

Note: Both numerator and denominator in this calculation excludes fair value adjustments, reversal of revaluation decrements, net gain/losses on sale of assets and net share/loss of interests in joint ventures

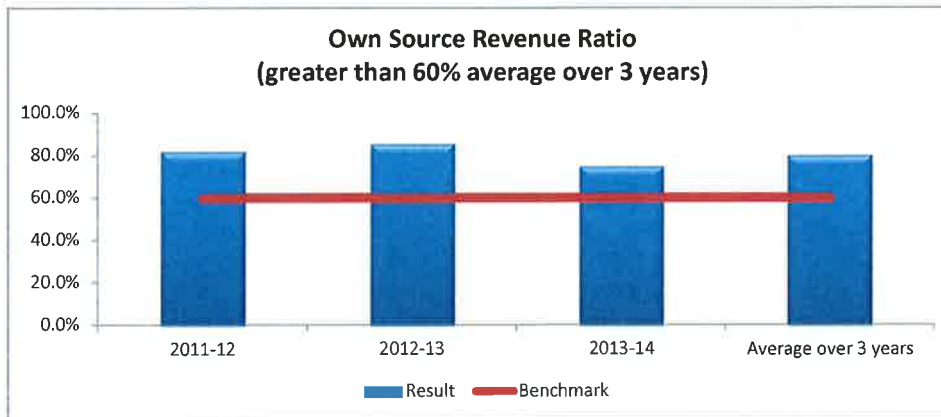
GENERAL FUND - OWN SOURCE REVENUE RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- *Greater than 60% average over 3 years*

	2011-12	2012-13	2013-14	Average over 3 years
Result	81.9%	85.5%	74.8%	80.1%
Benchmark	60%	60%	60%	60%



MEETS THE FFTF
BENCHMARK



YES

This is how we calculated the council's result....

(Figures are carried over from the data sheet and are in \$000)

	<i>Total continuing operating revenue less all grants and contributions</i>			<i>Total continuing operating revenue inclusive of capital grants and contributions</i>		
2011-12	<u>31226-3695-1942-7-7-35-0-0-0</u>	=	<u>25,540</u>	=	<u>31,177</u>	81.9%
	31226-7-7-35-0-0-0					
2012-13	<u>32048-3536-1077-0-3-285-0-0-0</u>	=	<u>27,147</u>	=	<u>31,760</u>	85.5%
	32048-0-3-285-0-0-0					
2013-14	<u>43593-1048-9857-86-41-191-0-0-0</u>	=	<u>32,370</u>	=	<u>43,275</u>	74.8%
	43593-86-41-191-0-0-0					

Note: Both numerator and denominator in this calculation excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets and net share of interests in joint ventures

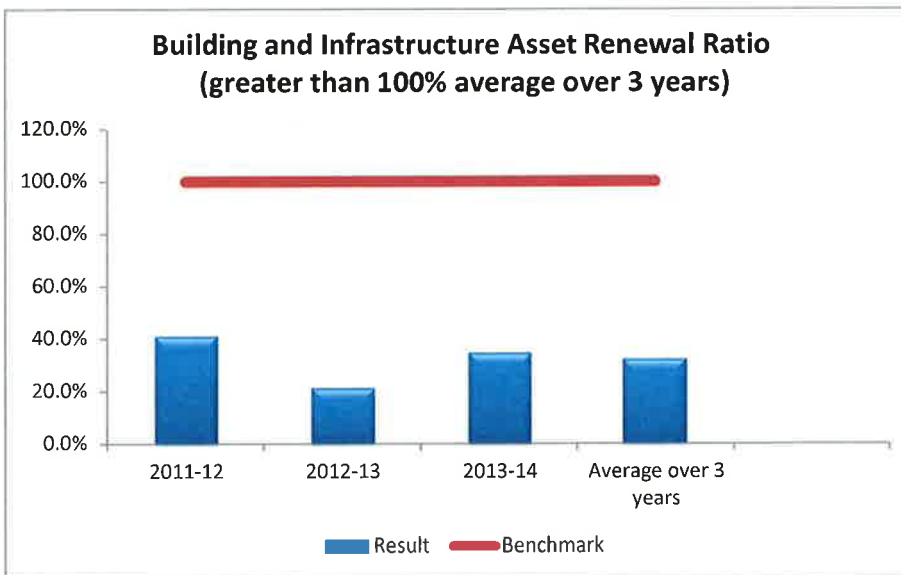
GENERAL FUND - BUILDING AND INFRASTRUCTURE ASSET RENEWAL RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- Greater than 100% average over 3 years

	2011-12	2012-13	2013-14	Average over 3 years
Result	41.2%	21.2%	34.6%	32.2%
Benchmark	100%	100%	100%	100%




**MEETS THE FFTF
BENCHMARK**
NO

This is how we calculated the council's result.....
(Figures are carried over from the data sheet and are in \$000)

	Asset renewals (building and infrastructure)			
	Depreciation, amortisation and impairment (building and infrastructure)			
2011-12	<u>2,509</u>	=		41.2%
	6,096			
2012-13	<u>1,319</u>	=		21.2%
	6,210			
2013-14	<u>2,054</u>	=		34.6%
	5,936			

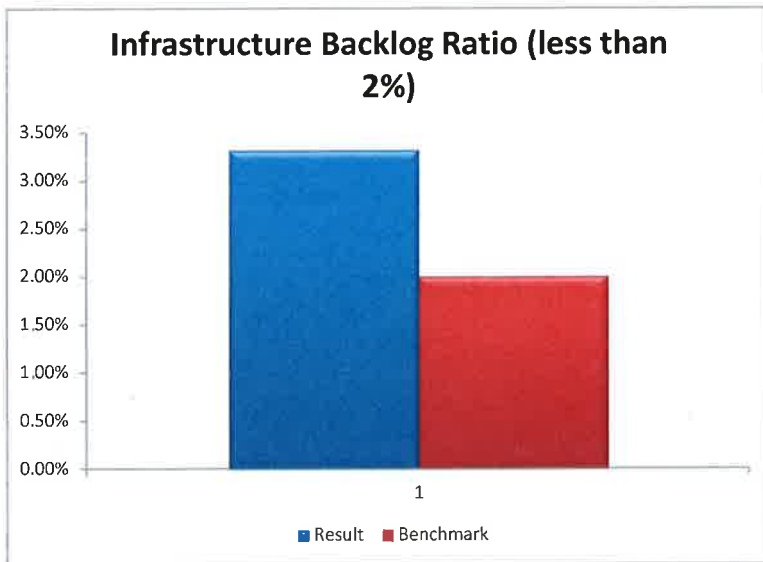
GENERAL FUND - INFRASTRUCTURE BACKLOG RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- Less than 2%

	2013-14
Result	3.32%
Benchmark	2%



MEETS THE FFTF
BENCHMARK



NO

This is how we calculated the council's result.....

(Figures are carried over from the data sheet and are in \$000)

Estimated cost to bring assets to a satisfactory condition

Total (WDV) of infrastructure, buildings, other structures and depreciable land improvement assets

$$2013-14 \quad \frac{10,143}{305,503} = 3.32\%$$

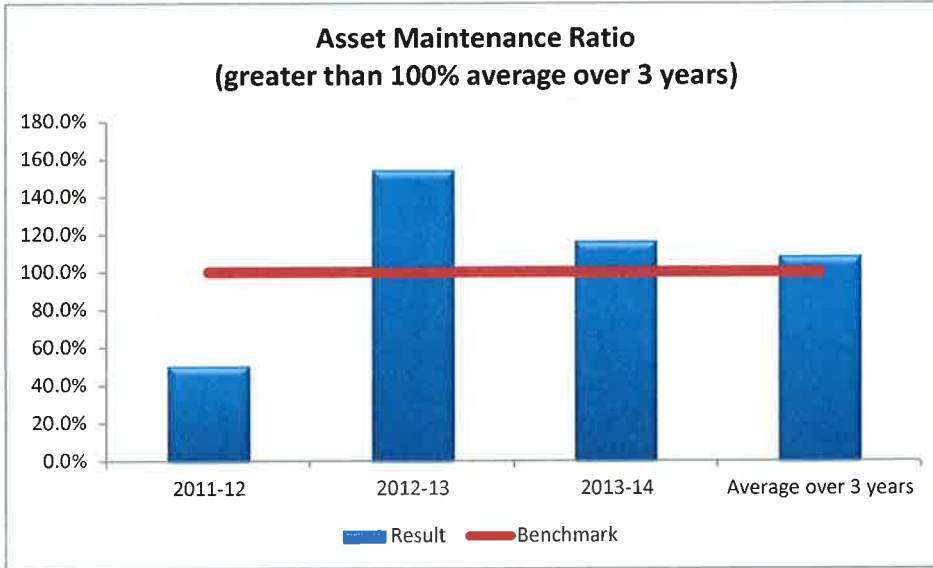
GENERAL FUND - ASSET MAINTENANCE RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- Greater than 100% average over 3 years

	2011-12	2012-13	2013-14	Average over 3 years
Result	50.6%	154.4%	116.6%	108.5%
Benchmark	100%	100%	100%	100%



MEETS THE FFTF BENCHMARK

YES

This is how we calculated the council's result.....

(Figures are carried over from the data sheet and are in \$000)

	<u>Actual asset maintenance</u>	=	
	<u>Required asset maintenance</u>		
2011-12	$\frac{3,242}{6,413}$	=	50.6%
2012-13	$\frac{10,531}{6,819}$	=	154.4%
2013-14	$\frac{8,421}{7,225}$	=	116.6%

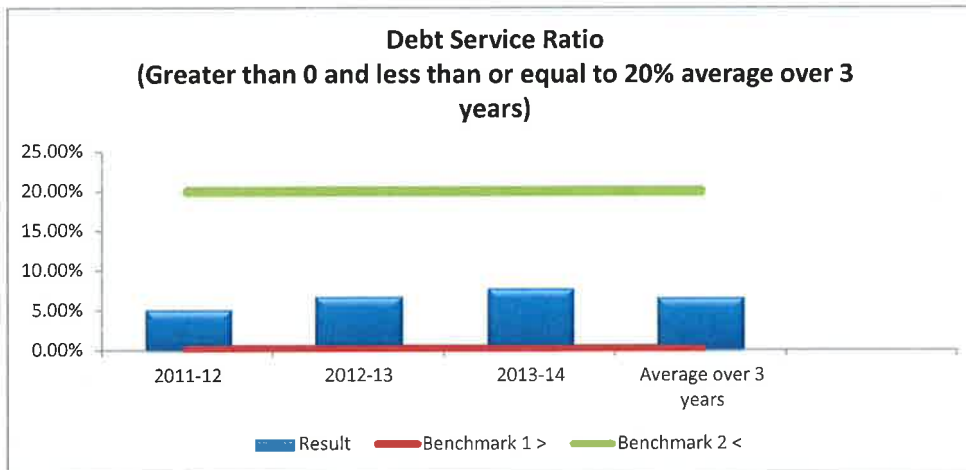
GENERAL FUND - DEBT SERVICE RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- Greater than 0 and less than or equal to 20% average over 3 years

	2011-12	2012-13	2013-14	Average over 3 years
Result	5.13%	6.75%	7.76%	6.60%
Benchmark 1 >	0%	0%	0%	0%
Benchmark 2 <	20%	20%	20%	20%



MEETS THE FFTF BENCHMARK



YES

This is how we calculated the council's result.....

(Figures are carried over from the data sheet and are in \$000)

	Cost of debt service (interest expense & principal repayments)		Total continuing operating revenue (exc. capital grants and contributions)	
2011-12	$\frac{872+628}{31226-1942-7-7-35-0-0}$	=	$\frac{1,500}{29,235}$	= 5.13%
2012-13	$\frac{1102+970}{32048-1077-0-3-285-0-0}$	=	$\frac{2,072}{30,683}$	= 6.75%
2013-14	$\frac{1725+867}{43593-9857-86-41-191-0-0}$	=	$\frac{2,592}{33,418}$	= 7.76%

Note: The denominator in this calculation excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets and net share of interests in joint ventures

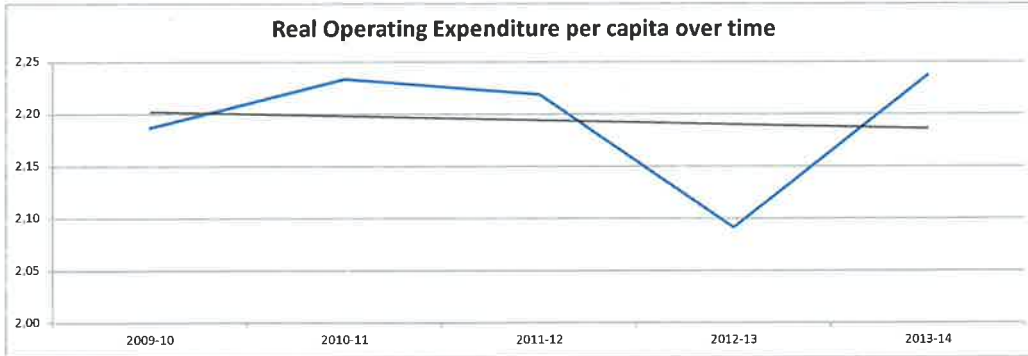
GENERAL FUND - REAL OPERATING EXPENDITURE PER CAPITA RESULT

Narrabri Shire Council

BENCHMARK AND RESULT

Benchmark:- A decrease in Real Operating Expenditure per capita over time

	2009-10	2010-11	2011-12	2012-13	2013-14
Result	2.19	2.23	2.22	2.09	2.24



MEETS THE FFTF
BENCHMARK
Yes

*This is how we calculated the council's result....
(Figures are carried over from the data sheet and are in \$000)*

Expenditure deflated by:	CPI:-	2009-10	2010-11	LGCI:-	2011-12	2012-13	2013-14
		2.3%	3%		3.0%	3.4%	3.7%
2009-10	$\frac{30097-154-9-0 \times (1-.023)}{13371.5}$	=		$\frac{29,246}{13371.5}$	=		2.19
2010-11	$\frac{31864-236-7-0 \times (1-.023) \times (1-.03)}{13416}$	=		$\frac{29,967}{13,416}$	=		2.23
2011-12	$\frac{32787-239-0-0 \times (1-.023) \times (1-.03) \times (1-.03)}{13483.5}$	=		$\frac{29,920}{13,484}$	=		2.22
2012-13	$\frac{32156-106-0-0 \times (1-.023) \times (1-.03) \times (1-.03) \times (1-.034)}{13607}$	=		$\frac{28,461}{13,607}$	=		2.09
2013-14	$\frac{35806-0-0-0 \times (1-.023) \times (1-.03) \times (1-.03) \times (1-.034) \times (1-.037)}{13685}$	=		$\frac{30,619}{13,685}$	=		2.24

Note: The numerator in this calculation excludes revaluation decrements, net loss from disposal of assets and net loss of interests in joint ventures.