

CITY OF

PORT PHILLIP

STRATEGIC RESOURCE PLAN 2014 - 2018



Overview

The Strategic Resource Plan (SRP) is a four year plan of the financial and human resources Council requires to implement the actions and deliver the objectives set out in the Council Plan 2013 – 2017.

Objectives & Strategies

In pursuit of its objectives, Council holds central the need for sustainability by ensuring continued operating viability, a positive cash flow, a growing asset base, support of its human resources and strengthening of its service culture. The SRP embodies five objectives and various strategies as detailed below:

Objective	Strategies
1. CoPP will have an ongoing balanced budget and ideally a small surplus.	1 Expenditure on operating activities will be in line with or lower than income from operating activities, producing a surplus. Any surplus achieved will be carried over to subsequent years.
	2 Rate revenue will remain at a constant percentage of total revenue (target less than 60% of total revenue) and other revenue will be strengthened over the medium term to reduce reliance on rate revenue.
	3 Services will be expanded where the expansions are sustainable within operating revenue, or funded by extra revenue.
2. The CoPP asset base will be maintained, enhanced and expanded.	4 The total pool of assets will increase in value each year – excluding the effect of any revaluation adjustments.
	5 Assets will be managed in accordance with community need, optimum utilisation and long-term efficiency.
	6 Capital expenditure on existing assets (asset renewals) will be higher than depreciation.
	7 Debt will be managed prudently so that the cost of debt servicing can be redirected into service delivery, where appropriate.
3. Liquidity will be maintained at levels that assure adequate working capital without the need to resort to borrowings or a bank overdraft.	8 General reserves will be maintained at levels sufficient to ensure operational liquidity.
	9 Council will consider new loans for strategic property acquisitions and funding community capital works projects that will be supported by other cost efficiencies, supplemented by revenue streams, enhanced service delivery, or provide benefits to future generations.
	10 Investments will be based on increasing reserves to fund periodic large capital expenditure items.
4. Capital works will address community needs without ignoring long term financial impacts.	11 CoPP's capital assets will be enhanced and preserved to ensure that Council's service delivery capabilities are maintained and improved where possible.
	12 CoPP will provide new assets in a way that assists in clustering community assets for social, service delivery and financial effectiveness.
5. CoPP will proactively lead, develop and build organisational culture whilst promoting a work life balance.	13 CoPP will provide leadership and learning to its staff that builds relationships and where core learning objectives will focus on customer service, the provision of excellent service, technical skills, leadership and innovation.
	14 CoPP will support the development of policy and practice in the workplace and community to increase organisational effectiveness.

Non Financial Resources

Our Culture

At the City of Port Phillip we place a high importance on developing relationships with our customers, stakeholders and each other to assist us to achieve the goal of providing the community with service excellence.

Our culture is based on the following five key staff values which are intended to provide a framework that reinforces and supports this goal.

- **Working together**
- **Creative and Strategic thinking**
- **Personal Growth and Performance**
- **Accountability**
- **Courage and Integrity**

Our People

Our people are our most valued resource. We have a diverse workforce of committed individuals with an extensive range of skills and experience. We aspire to be an employer of choice and to operate collectively as one organisation focused on the achievement of the Council Plan initiatives. Our commitment to professional development, mentoring, open communication, feedback and a safe and respectful working environment enables us to do this. Through our Enterprise Agreement we are committed to a work and life balance where the needs of our people are maintained and embedded in the way we work.

The Summary of Planned Human Resources detailed on page 14 shows the Full Time Equivalent (FTE) staff Council employs to deliver services by Division along with the associated employee costs.

Financial Resources

The Strategic Resource Plan achieves a sustainable financial position for the Council. The plan generates a neutral budget position which shows that Council can meet its day to day expenditure from recurrent income. The Plan includes the following assumptions:

Income Statement

- CPI of 2.5% each year.
- Rates revenue increases by 6.25% each year with price movements of 4.75% and growth of 1.5% each year.
- Parking revenue from ticket machines will increase in line with CPI of 2.5% and volume movements.
- Parking revenue from fines will increase by 2% each year.
- User fees and charges will increase by CPI of 2.5%.
- Open space contributions will increase by CPI of 2.5%
- Government grants (operating) will increase by CPI of 2.5%.
- Government grants (capital) will match the 5 year Capital Works Program. An amount of \$1.4 million has been projected in 2014/15 and \$1.5 million thereafter.
- Interest earned at 4.2% on the cash reserves that are forecast to be available for investment.
- Other income will increase by CPI of 2.5%.
- Employee benefits will increase by 4.0% (plus the additional statutory superannuation contributions) associated with an EBA increase of 3.5% and growth in staffing and banding movements of 0.5%.
- Contract services will increase by CPI of 2.5%.
- Utility costs will increase by 5% each year.
- Materials and other costs will increase by CPI of 2.5%.
- Professional services will increase by CPI of 2.5%.
- Borrowing costs and loan repayments increased in 2013/14 in line with Council's decision to borrow \$7.5 million.
- Depreciation will increase by \$400,000 each year to cover new assets constructed and vested in Council.
- Capital expenditure will match the 10 year Capital Program.

Balance Sheet

- Payables, trust funds and provisions are not expected to change significantly over the life of the Strategic resource plan.
- \$7.5 million was borrowed in 2013/14 and is to be repaid over ten years.

Rating Strategy

Council's rating strategy is supported by the following principles:

- Local government taxes (rates) are levied in accordance with a ratepayer's capacity to pay as measured by the Net Annual Value (NAV) of property owned within the municipality. Rates levied are therefore directly proportional to the NAV of individual properties. Other measures such as concessions, deferral of rate payments and other discounts to fees and charges will be applied by Council to address equity and access issues.
- Universal services are funded from the broadest forms of income; rates and parking revenue.
- Fees for broadly used subsidised services provided by Council in a market such as childcare and aged care will be based on a clearly articulated policy position. To achieve equitable outcomes, these services will be funded through a mix of user charges, government grants and rates.
- Specific individual regulatory services such as but not limited to animal licences, parking permits and planning permits will be funded, where possible, through user charges (some may be set by statute) and otherwise through rates.
- Special rates are levied against retail tenants in various shopping precincts and this rate income is then distributed to centralised trader associations to spend on the improvement of the shopping strip for the benefit of all traders.

Council's main revenue source is derived from assessment rates on properties in the municipality. Given the magnitude of council's rates revenue (approximately 59% of total revenue) it is vital that it plans properly for future rate increases.

The current forward financial plan has assumed an annual growth of 6.25% in rates revenue which is made up of two components, price – 4.75% and growth arising from new properties – 1.5%. In addition to this the current and future budgets have made provision for supplementary rate revenue of \$600,000 per annum.

Port Phillip has adopted the Net Annual Value (NAV) rating system. Municipalities which have a relatively large commercial property base (i.e. inner city councils) have tended to remain on NAV due to the fact that it offers protection to residential ratepayers through an in built differential and this avoids the need for differential rates for commercial properties.

Under NAV rating, property rates are determined in accordance with the rental yield and this is always assessed as being 5% of the Capital Improved Value (CIV) for residential properties and at a higher rate (typically 7% to 9%) for commercial and industrial properties. Councils that use CIV rating typically have differential rates in place for commercial and industrial properties.

Council provides for rate concessions for recreational land. Under the Cultural and Recreational Lands Act 196, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Act. There are 27 recreational properties in Port Phillip that are rated under the Cultural and Recreational Lands Act and rate concessions ranging from 25% to 85% are provided.

Council provides rate concessions to pensioners. Port Phillip is one of a few councils that provide a Council pensioner rate rebate in addition to the State Government pensioner rate rebate. The Draft Budget 2014/15 proposes an increase in the Council pensioner rate rebate to \$148 (\$144 in 2013/14) which may be claimed on top of the current State Government rebate of \$258 (which includes \$50 for the fire services property levy).

Furthermore, self-funded retirees are entitled to request Council to defer their rates indefinitely at a discounted interest rate of 5.75 per cent per annum. Persons experiencing financial hardship may also, subject to application and financial assessment, access this benefit.

Borrowings Strategy

Council's borrowings strategy is supported by the following principles:

- Borrowings will not be used to fund ongoing operations.
- A prudent and fiscally responsible approach will be applied in considering any proposals for new debt to deliver Council objectives.
- Where debt is increased, the servicing costs ideally need to be funded from future revenue streams or cost savings that can be expected from the investment of the funds raised.
- Borrowings are also appropriate for the purpose of funding large non-recurrent capital works projects that can be expected to provide benefits to future generations.
- Debt levels will be reduced progressively to enable the cost of debt servicing to be redirected into service delivery or building up cash backed reserves.

Details of current and proposed loan borrowings by Council are provided below.

- Council borrowed \$6.400 million in June 1999 to assist in funding its defined benefits superannuation liability. This loan was taken out at a fixed interest rate of 6.15% and was fully repaid in April 2014.
- Council borrowed \$7.5 million in 2013/14 to fund capital works.

Infrastructure and Asset Management Strategy

Council's infrastructure and asset management strategy is supported by the following principles:

- Council is committed to spending between 15 and 20 per cent of its total revenue budget on capital expenditure. This represents the baseline or floor that is required for Council to renew and enhance its asset base to ensure their ongoing fitness for use. It takes into account expected asset deterioration, increased asset utilisation (capacity requirements) and technology development.
- Replenishment (renewal) of existing assets is generally funded from the depreciation expense that is provided each year. This needs to be applied to the different asset subsets (drainage, roads, buildings and land improvements) to ensure consistency across the entire network of assets that Council manages.
- Maintenance of capital expenditure at levels that will replenish existing assets is a higher priority than debt reduction and investment in new assets, as asset funding shortfalls will transfer the liability to future generations.
- Asset acquisitions and capital works projects are funded from either rate revenue, reserves, sales of existing assets, government grants or external borrowings.
- Council's investment and asset management strategies, purchasing arrangements and other financial tools should encourage environmental responsibility.

Financial Statements

Budgeted Income Statement converted to Cash

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	100,496	107,080	113,735	120,806	128,319
Parking revenue	25,728	28,110	28,742	29,389	30,050
User fees & charges	14,547	15,034	15,410	15,795	16,190
Statutory fees & fines	2,700	2,390	2,450	2,511	2,574
Open space contributions	2,530	2,563	2,627	2,693	2,760
Grants - operating	10,628	9,979	10,228	10,484	10,746
Grants - capital	1,205	1,400	1,500	1,500	1,500
Interest received	1,716	1,260	1,600	1,723	1,985
Rent	7,587	8,028	8,229	8,434	8,645
Other income	3,910	3,415	3,500	3,588	3,678
Total Income	171,047	179,259	188,022	196,924	206,447
Expenses					
Employee benefits	72,247	75,133	78,495	82,006	85,672
Contract services	41,060	43,493	44,580	45,695	46,837
Materials & other expenses	19,703	19,964	20,963	21,487	22,024
Professional services	4,484	5,998	6,148	6,302	6,459
Utilities	2,976	3,219	3,380	3,549	3,726
Bad and doubtful debts	157	151	151	151	151
Borrowing costs	220	507	469	428	383
Depreciation	18,162	18,244	18,644	19,044	19,444
Total Expenses	159,009	166,709	172,830	178,662	184,697
Operating surplus (deficit) for the year	12,038	12,550	15,191	18,262	21,750
CONVERSION TO CASH					
Less cash items not included in the operating result					
Capital expenditure	39,431	32,731	34,677	35,050	35,903
Loan repayments	632	537	575	617	662
Borrowings	(7,500)	0	0	0	0
Southport Nursing home Contribution drawdown	3,000	0	0	0	0
Payment of Superannuation Liability Charge	10,873	0	0	0	0
Transfers to/(from) statutory reserves	500	(641)	127	193	1,560
Transfers to/(from) general reserves	(8,594)	(310)	(567)	1,446	3,069
	38,342	32,317	34,812	37,306	41,194
Plus non cash items included in operating result					
Depreciation	18,162	18,244	18,644	19,044	19,444
Surplus/(deficit) for the year	(8,142)	(1,523)	(977)	0	(0)
Accumulated position brought forward					
Carry Over Surplus/(Deficit)	4,748	2,500	977	0	0
Brought forward surplus to fund capital carry over	5,896	0	0	0	0
Surplus/(Deficit) Carried Forward	2,500	977	0	0	0

Financial Statements

Budgeted Comprehensive Income Statement

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	100,496	107,080	113,735	120,806	128,319
Parking revenue	25,728	28,110	28,742	29,389	30,050
User fees & charges	14,547	15,034	15,410	15,795	16,190
Statutory fees & fines	2,700	2,390	2,450	2,511	2,574
Open space contributions	2,530	2,563	2,627	2,693	2,760
Grants - operating	10,628	9,979	10,228	10,484	10,746
Grants - capital	1,205	1,400	1,500	1,500	1,500
Interest received	1,716	1,260	1,600	1,723	1,985
Rent	7,587	8,028	8,229	8,434	8,645
Other income	3,910	3,415	3,500	3,588	3,678
Fair value adjustments for investment property	0	0	0	0	0
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	0	0	0	0	0
Total income	171,047	179,259	188,022	196,924	206,447
Expenses					
Employee benefits	72,247	75,133	78,495	82,006	85,672
Contract services	41,060	43,493	44,580	45,695	46,837
Materials & other expenses	19,703	19,964	20,963	21,487	22,024
Professional services	4,484	5,998	6,148	6,302	6,459
Utilities	2,976	3,219	3,380	3,549	3,726
Bad and doubtful debts	157	151	151	151	151
Borrowing costs	220	507	469	428	383
Depreciation	18,162	18,244	18,644	19,044	19,444
Total Expenses	159,009	166,709	172,830	178,662	184,697
Surplus (deficit) for the year	12,038	12,550	15,191	18,262	21,750
Other comprehensive income					
<i>Items that will not be reclassified to surplus or deficit:</i>					
Impairment of fire impacted infrastructure	0	0	0	0	0
Net asset revaluation increment /(decrement)	0	0	0	0	0
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	0	0	0	0	0
Comprehensive result	12,038	12,550	15,191	18,262	21,750

Financial Statements

Budgeted Balance Sheet

For the four years ending 30 June 2018

	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Strategic Resource Plan Projections		
			2015/16 \$'000	2016/17 \$'000	2017/18 \$'000
ASSETS					
Current Assets					
Cash and cash equivalents	39,552	37,078	35,660	37,298	41,929
Trade & other receivables	10,773	10,773	10,773	10,773	10,773
Other assets	656	656	656	656	656
Total current assets	50,981	48,507	47,089	48,727	53,358
Non Current Assets					
Financial assets	235	235	235	235	235
Property, infrastructure, plant and equipment	1,962,797	1,977,284	1,993,317	2,009,323	2,025,782
Total non current assets	1,963,032	1,977,519	1,993,552	2,009,558	2,026,017
Total assets	2,014,013	2,026,026	2,040,641	2,058,285	2,079,375
LIABILITIES					
Current Liabilities					
Trade and other payables	13,507	13,507	13,507	13,507	13,507
Trust funds and deposits	2,698	2,698	2,698	2,698	2,698
Provisions	9,358	9,358	9,358	9,358	9,358
Interest bearing liabilities	537	575	617	662	709
Total current liabilities	26,100	26,138	26,180	26,225	26,272
Non Current Liabilities					
Provisions	1,548	1,548	1,548	1,548	1,548
Interest bearing loans and borrowings	8,181	7,606	6,989	6,327	5,618
Total non current liabilities	9,729	9,154	8,537	7,875	7,166
Total liabilities	35,829	35,292	34,717	34,100	33,438
Net assets	1,978,184	1,990,734	2,005,924	2,024,185	2,045,937
Equity					
Accumulated surplus	602,822	616,323	631,953	648,575	665,698
Asset revaluation reserve	1,354,770	1,354,770	1,354,770	1,354,770	1,354,770
Other reserves	20,592	19,641	19,201	20,840	25,469
Total equity	1,978,184	1,990,734	2,005,924	2,024,185	2,045,937

Financial Statements

Budgeted Statement of Changes in Equity

For the four years ending 30 June 2018

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2015				
Balance at beginning of the financial year	1,978,184	602,822	1,354,770	20,592
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	12,550	12,550	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	641	-	(641)
Transfer from reserves	-	310	-	(310)
Balance at end of the financial year	1,990,734	616,323	1,354,770	19,641
2016				
Balance at beginning of the financial year	1,990,734	616,323	1,354,770	19,641
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	15,191	15,191	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(127)	-	127
Transfer from reserves	-	567	-	(567)
Balance at end of the financial year	2,005,924	631,953	1,354,770	19,201
2017				
Balance at beginning of the financial year	2,005,924	631,953	1,354,770	19,201
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	18,262	18,262	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(193)	-	193
Transfer from reserves	-	(1,446)	-	1,446
Balance at end of the financial year	2,024,185	648,575	1,354,770	20,840
2018				
Balance at beginning of the financial year	2,024,185	648,575	1,354,770	20,840
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	21,750	21,750	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(1,560)	-	1,560
Transfer from reserves	-	(3,069)	-	3,069
Balance at end of the financial year	2,045,937	665,698	1,354,770	25,469

Financial Statements

Budgeted Statement of Cash Flows

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Rates and garbage charges	100,496	107,080	113,735	120,806	128,319
Parking fees and fines	25,728	28,110	28,742	29,389	30,050
User charges and other fines	14,547	15,034	15,410	15,795	16,190
Statutory fees and fines	2,700	2,390	2,450	2,511	2,574
Grants - operating	10,628	9,979	10,228	10,484	10,746
Grants - capital	1,205	1,400	1,500	1,500	1,500
Contributions - cash	2,530	2,563	2,627	2,693	2,760
Interest	1,716	1,260	1,600	1,723	1,985
Rent	7,587	8,028	8,229	8,434	8,645
Other receipts	3,910	3,415	3,500	3,588	3,678
Employee costs	(83,120)	(75,133)	(78,495)	(82,006)	(85,672)
Payments to suppliers	(41,060)	(43,493)	(44,580)	(45,695)	(46,837)
Other payments	(27,320)	(29,332)	(30,642)	(31,489)	(32,360)
Net cash provided by operating activities	19,547	31,301	34,304	37,733	41,578
Cash flows from investing activities					
Payments for property, plant and equipment	(39,431)	(32,731)	(34,677)	(35,050)	(35,903)
Proceeds from the sale of property, plant and equipment	0	0	0	0	0
Trust funds and deposits	0	0	0	0	0
Repayment of loans and advances	0	0	0	0	0
Net cash used in investing activities	(39,431)	(32,731)	(34,677)	(35,050)	(35,903)
Cash flows from financing activities					
Finance costs	(220)	(507)	(469)	(428)	(383)
Repayment of borrowings	(563)	(537)	(575)	(617)	(662)
Proceeds from borrowings	7,431	0	0	0	0
Net cash provided by (used in) financing activities	6,648	(1,044)	(1,044)	(1,045)	(1,045)
Net increase (decrease) in cash and cash equivalent	(13,236)	(2,474)	(1,417)	1,638	4,630
Cash & cash equivalents at beginning of year	52,788	39,552	37,078	35,660	37,298
Cash & cash equivalents at end of year	39,552	37,078	35,660	37,298	41,929

Financial Statements

Budgeted Statement of Capital Works

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Buildings	15,618	8,739	6,503	7,647	7,174
Total property	15,618	8,739	6,503	7,647	7,174
Plant and equipment					
Plant, machinery and equipment	2,383	1,786	1,914	1,962	2,010
Computers and telecommunications	1,205	1,649	1,743	1,786	1,831
Library books	849	766	785	805	825
Total plant and equipment	4,437	4,201	4,442	4,553	4,666
Infrastructure					
Roads	9,747	9,143	11,347	10,406	11,178
Footpaths and cycleways	2,697	2,425	2,615	2,731	2,847
Drainage	1,510	1,455	1,540	1,580	1,620
Parks, open space and streetscapes	4,323	6,152	7,530	7,133	7,078
Other infrastructure	1,099	616	700	1,000	1,340
Total infrastructure	19,376	19,791	23,732	22,850	24,063
Total capital works expenditure	39,431	32,731	34,677	35,050	35,903
Represented by:					
Asset renewal expenditure	15,672	18,545	19,652	19,862	20,343
New asset expenditure	17,757	9,554	10,118	10,229	10,480
Asset expansion expenditure	5,245	4,341	4,598	4,647	4,761
Asset upgrade expenditure	757	291	309	312	319
Total capital works expenditure	39,431	32,731	34,677	35,050	35,903

Financial Statements

Budgeted Statement of Human Resources

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	72,247	75,133	78,495	82,006	85,672
Employee costs - capital	0	0	0	0	0
Total staff expenditure	72,247	75,133	78,495	82,006	85,672
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employees	759.8	795.1	799.1	803.1	807.1
Total staff numbers	759.8	795.1	799.1	803.1	807.1

Note:

Council's 2014/15 budgeted staffing levels have been impacted by the transfer in-house of 40 staff previously employed by an external contractor "Streetsahead" which is being wound up with effect from 1 July 2014.

Other Financial Information

Summary of Planned Human Resources

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Chief Executive Officer	482	441	460	481	502
Community Development	25,089	25,865	27,023	28,231	29,494
Governance & Culture	5,902	6,721	7,022	7,336	7,664
Infrastructure & Amenity	12,891	17,396	18,175	18,988	19,837
Organisational Performance	13,199	10,145	10,599	11,073	11,568
Place Strategy & Development	9,217	10,774	11,256	11,759	12,285
	66,781	71,342	74,535	77,869	81,350
Casual labour	1,146	880	919	961	1,003
Other labour (agency staff, maternity leave, FBT)	3,820	2,910	3,040	3,176	3,318
Total staff expenditure	71,747	75,133	78,495	82,006	85,672
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Chief Executive Officer					
- Full time	2.0	2.0	2.0	2.0	2.0
- Part time	-	-	-	-	-
- Casuals	-	-	-	-	-
	2.0	2.0	2.0	2.0	2.0
Community Development					
- Full time	173.0	186.0	186.9	187.9	188.8
- Part time	155.8	136.5	137.2	137.9	138.6
- Casuals	10.4	8.4	8.4	8.5	8.5
	339.2	330.9	332.5	334.2	335.9
Governance & Culture					
- Full time	57.0	62.2	62.5	62.8	63.1
- Part time	9.7	9.5	9.5	9.6	9.6
- Casuals	1.0	1.1	1.1	1.1	1.1
	67.7	72.8	73.1	73.5	73.9
Infrastructure & Amenity					
- Full time	136.0	180.0	180.9	181.8	182.7
- Part time	14.3	12.8	12.9	13.0	13.0
- Casuals	0.6	0.8	0.8	0.8	0.9
	150.9	193.7	194.6	195.6	196.6
Organisational Performance					
- Full time	77.0	77.0	77.4	77.8	78.2
- Part time	16.9	14.7	14.7	14.8	14.9
- Casuals	-	-	-	-	-
	93.9	91.7	92.1	92.6	93.0
Place Strategy & Development					
- Full time	93.0	90.6	91.1	91.5	92.0
- Part time	13.1	13.0	13.1	13.2	13.2
- Casuals	0.0	0.4	0.4	0.4	0.4
	106.1	104.1	104.6	105.1	105.7
Total staff numbers (FTE)	759.8	795.1	799.1	803.1	807.1

Financial Performance Indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast	Budget	Strategic Resource Plan			Trend
			Actual 2013/14	2014/15	Projections			
			2015/16	2016/17	2017/18	+/-		
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	5.0%	4.9%	6.0%	7.3%	8.7%	+
Liquidity								
Working Capital	Current assets / current liabilities	2	195.3%	185.6%	179.9%	185.8%	203.1%	+
Unrestricted cash	Unrestricted cash / current liabilities		72.6%	66.7%	62.9%	62.8%	62.7%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	8.7%	7.6%	6.7%	5.8%	4.9%	+
Loans and borrowings	Interest and principal repayments / rate revenue		0.8%	1.0%	0.9%	0.9%	0.8%	o
Indebtedness	Non-current liabilities / own source revenue		6.1%	5.5%	4.8%	4.3%	3.7%	+
Asset renewal	Asset renewal expenditure / depreciation	4	86.3%	101.6%	105.4%	104.3%	104.6%	o
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	63.1%	63.8%	64.5%	65.3%	66.1%	-
Rates effort	Rate revenue / property values (CIV)		0.22%	0.22%	0.23%	0.23%	0.24%	o
Efficiency								
Expenditure level	Total expenditure / no. of assessments		\$2,398	\$2,439	\$2,491	\$2,537	\$2,584	o
Expenditure level	Specific purpose grants expended / Specific purpose grants received		90.0%	95.0%	100.0%	100.0%	100.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,324	\$1,372	\$1,437	\$1,505	\$1,576	o
Workforce turnover	No. of resignations & terminations / average no. of staff		10.28%	10.25%	10.00%	10.00%	10.00%	o

Key to Forecast Trend:

+ Forecast improvement in Council's financial performance/financial position indicator

o Forecasts that Council's financial performance/financial position indicator will be steady

- Forecast deterioration in Council's financial performance/financial position indicator

Notes to indicators

1 Adjusted underlying result – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance is expected over the period due to a combination of factors including steady rates growth and constrained spending on employee costs.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to increase significantly over the life of the plan from 185.6% in 2014/15 to 203.1% in 2017/18.

3 Debt compared to rates - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

4 Asset renewal - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

5 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.