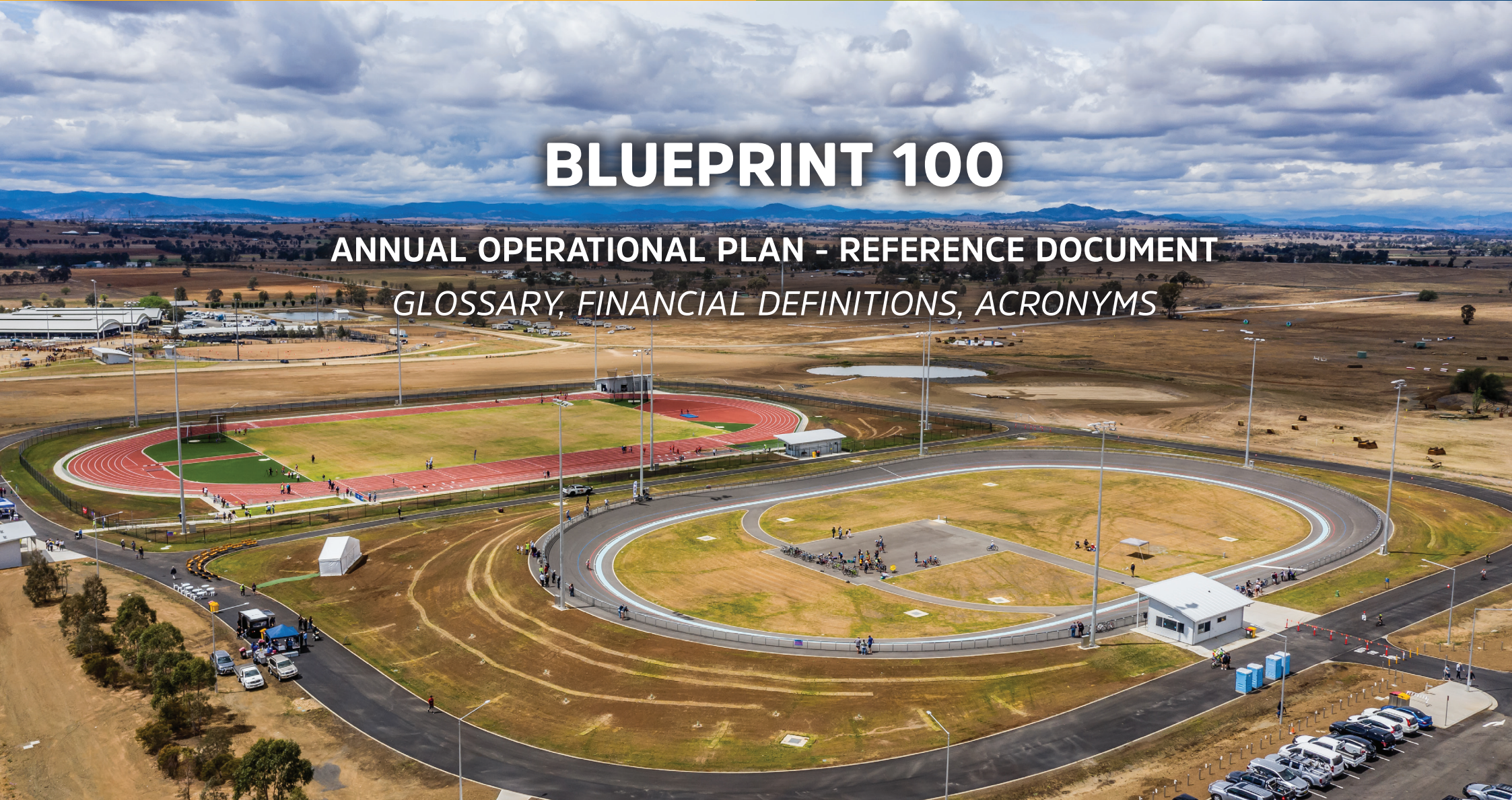


# BLUEPRINT 100

ANNUAL OPERATIONAL PLAN - REFERENCE DOCUMENT

*GLOSSARY, FINANCIAL DEFINITIONS, ACRONYMS*





### KEY PERFORMANCE INDICATORS - DEFINITIONS

Performance Indicator (ratio)	Description
Operating Performance	Shows the degree that income is below or above the amount required to achieve a balanced budget. The benchmark is greater than 0%.
Debt Service	Shows the % of discretionary revenue required to repay the principal and interest on loans. <ul style="list-style-type: none"><li>• Satisfactory – a ratio of less than 10%;</li><li>• Fair – a ratio between 10% and 20%; and</li><li>• Of concern – a ratio greater than 20%.</li></ul>
Debt Cover	Shows the availability of operating cash to repay the principal and interest on loans. The benchmark is greater than 2.
Own Source Operating Revenue	Shows the degree of dependence on external funding sources such as grants. The benchmark is greater than 60%.
Buildings and Infrastructure Renewals	Shows the rate that assets are being renewed compared to the estimated annualised rate of decline. The benchmark is expected to be 100% over time, but will vary year to year depending on the schedule of works required.

### OUR FORECAST BUDGET - DEFINITIONS

COLUMN HEADING	DESCRIPTION
Operating Expenses	Expenses generated from the regular business of Council. Includes wages and salaries, materials and contracts, interest on borrowings, depreciation and other expenses
Operating Income	Income generated from the regular business of Council. Includes rates, annual charges, user charges and fees for facilities and services, investment income, grants not for capital purposes and other revenue.
Net Operating Result	Shows the reliance on General Purpose Income to cover expenses.
Capital Income	Grants and Contributions for Capital Works and Assets 'Gifted' to Councils
Capital Expenditure	Expenditure for the purposes of acquiring, constructing or replacing/upgrading infrastructure and other assets

## GLOSSARY

Term	Definition
AELEC	Australian Equine and Livestock Events Centre
Annual budget	Council's annual budget identifies the planned expenditure and revenue approved by Council for a financial year. This includes any specific activities identified as a priority under the Operational Plan
Annual Operating Plan (AOP)	This annual operating plan provides details of projects and activities contained in the Delivery Program
Asset	An economic resource owned or controlled by Council that enables services to be provided and that has a used life of greater than 12 months
Asset management	A systematic approach through which Council optimally and sustainably manages its assets and asset systems, their associated performance, risks and expenditures over all phases of their life cycles
Balance Sheet	This discloses the assets, liabilities and equity of Council
Biodiversity	The variety of life in all its forms, levels and combinations
Capital income	This shows the degree to which operating revenues can cover commitments for operating costs and asset renewals
Capital Works Program	Council's major works program assigned to 'capital' budgets (usually achieved over a four year period). It should be noted that not all expenditure within Council's Capital Works Program is capitalised Corporate Finance
Cash Flow Statement	This statement presents the cash flows associated with Council's operating, financing and investing activities
Catchment	Area of land that drains rainfall into a river or lake
Community engagement	Refers to the level of public participation in the development of the Community Strategic Plan. Council is required to adopt a community engagement strategy prior to preparation of the Plan to ensure that, at a minimum, Council has worked directly with the community and that community concerns and aspirations have been consistently understood and considered
Community Strategic Plan (CSP)	Identifies the community's main priorities and aspirations for the future and sets out strategies to achieve them. Council's role is to initiate, prepare and maintain the Plan on behalf of the area but other partners such as state agencies and community groups also play a role in delivering the long term objectives of the plan
Debt servicing ratio	Principal and interest on debt divided by available revenue to fund debt
Delivery Program	This is a statement of a commitment to the community. It outlines what Council intends to do towards achieving its long term objectives and priorities

## GLOSSARY

Term	Definition
Destination Tamworth	Is a brand developed by Council to promote the region as a destination to live, work, play & invest.
Fair Value	This is a rational and unbiased estimate of the potential market price of a good, service, or asset. It takes into account such objective factors as: acquisition/production/distribution costs, replacement costs, or costs of close substitutes
Goals	Statement detailing what Council would like to achieve
Governance	Governance comprises the traditions, institutions and processes that determine how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern
Heritage	Refers to the extensive aboriginal, natural, social and built history of the Tamworth Region. It consists of those places and objects, including houses, public and commercial buildings, parks and monuments, that we as a community have inherited from the past and want to hand on to future generations. In a planning context, heritage refers to things in our built and natural environment that we want to preserve for future generations to enjoy
Income Statement	This statement shows the operating result and change in net assets from operations for the year
Infrastructure	Roads, buildings, bridges, pavements, cycle ways and other constructions
Intangible assets	Acquisitions that provide long term benefits but do not have a physical form, e.g. licences
IP&R Framework	All councils in NSW work within the framework specified in the Office of Local Government's (OLG's) Integrated Planning and Reporting (IP&R) Manual. It addresses the minimum requirements to meet the intent of the Act and outlines processes and activities to achieve an integrated strategic plan at the individual local government level
IPART	Independent Pricing and Regulatory Tribunal of NSW. The tribunal sets the local government rate peg and assesses applications for special rate variations and council contributions plans
Issue	A key area of concern or priority identified by the community and Council that needs to be addressed
Key strategies/plans	Key documents developed to articulate what steps will be taken to achieve the goals
Local Environmental Plan (LEP)	An environmental planning instrument that contains legally binding provisions relating to development
Mission	A brief description of organisation's fundamental purpose
Namoi Joint Regional Organisation of Councils (NROC)	Comprising the Councils of Gwydir Shire, Gunnedah Shire, Liverpool Plains Shire, Tamworth Regional, Walcha Council
Net financial liabilities ratio	Liabilities less assets divided by operating revenue
Operating surplus ratio	Operating result divided by total operating revenue excluding capital items

## GLOSSARY

Term	Definition
Performance measures	A set of measurements to help the organisation reach its goals
Performance statement	The Performance Statement outlines the Key Strategic Activities and how the organisation has performed against the set performance targets. This statement is independently audited and printed in the Annual Report
Program	A program is an endeavour to deliver a particular strategic outcome and related benefits, and in doing so, coordinates a group of related projects, activities and work streams. Programs of services are natural groupings of services e.g. Waste Management Program includes waste collection, waste disposal, waste recycling and city cleaning services
Resourcing Strategy	Identifies who is responsible for the issues determined in the Community Strategic Plan. Some will be the responsibility of Council, some will be other levels of Government and some will be community groups or individuals. The Resourcing Strategy consists of three components: <ul style="list-style-type: none"> <li>• Long Term Financial Plan</li> <li>• Workforce Management Plan</li> <li>• Asset Management Plan</li> </ul>
Risk management	Good management which operates to minimise the incidence of injury, damage, or loss to persons or property and to the good reputation of Council
Section 64 Contributions	Cash contributions towards network assets from developers for water and sewer funds
Section 94 contributions	Cash contributions towards community assets from developers for general fund
Service charges	Annual charges for availability of waste, water and sewer services
Social justice principles	Measures that decrease or eliminate inequity; promoting inclusiveness of diversity; and establishing environments that is supportive of all people
Stakeholder	Any individual or group having a particular interest in a project or action
Tamworth Tomorrow	Council's Economic Development Strategy to 2021
The Long Term Financial Plan (LTFP)	Is one of the three components which make up the Resourcing Strategy that informs the Community Strategic Plan and Delivery Program
Themes	Recurring priorities guiding Council's strategic planning into a common area
TRECC	Tamworth Regional Entertainment and Conference Centre
Values	A principle, standard, or quality considered worthwhile or desirable
Vision	An aspirational description of what an organisation would like to achieve or accomplish in the mid-term or long-term future
Workforce Management Plan	This strategy enables Council to plan its future workforce needs against the CSP and DP

## ACRONYMS

AOP	Annual Operating Plan
ABS	Australian Bureau Statistics
AELEC	Australian Equine and Livestock Events Centre
AMP	Asset Management Plan
AOP	Annual Operating Plan
BAE	Business Name - BAE Systems
CBD	Central Business District
CCTV	Closed Circuit Television
CNRL	Central Northern Regional Library
CPI	Consumer Price Index
CSP	Community Strategic Plan
CRC	Community Recycling Centre
DP	Development Plan
EMT	Council's Executive Management Team
EPA	Environment Protection Authority
GA	General Aviation
IDAL	Intermittently Decanted Aerated Lagoon
IP&R	Integrated planning & reporting framework
IPART	Independent Pricing and Regulatory Authority
LEP	Local Environmental Plan
LG	Local Government

LTFP	Long Term Financial Plan
ML	Megalitre
NAIDOC	National Aborigines and Islanders Day Observance Committee
NICSE	Northern Inland Centre for Sporting Excellence
RMS	Roads and Maritime Services
SES	State Emergency Service
SEST	Surface Enrichment Spray Treatment
SPS	Sewer Pump Station
TRECC	TamworthRegional Entertainment and Conference Centre
TRC	Tamworth Regional Council
WWTP	Wastewater Treatment Plant
WFP	Work Force Plan