

# Performance ratios

| PERFORMANCE RATIOS | Annual Plan<br>Forecast<br>Year 1<br>2009/10 | LTCCP<br>Forecast<br>Year 2<br>2010/11 | Annual Plan<br>Forecast<br>Year 2<br>2010/11 |
|--------------------|--|--|--|
|--------------------|--|--|--|

## Liquidity Ratios:

These ratios measures the Council's ability to meet its maturing short term obligations

|                       |       |        |        |        |
|-----------------------|-------|--------|--------|--------|
| <b>-Current Ratio</b> | Times | 1.5 :1 | 1.4 :1 | 1.7 :1 |
|-----------------------|-------|--------|--------|--------|

This ratio measures the Council ability to pay off short term obligations.

## Leverage Ratios:

This ratio measures the extent to which the Council has been financed by debt.

|                    |   |      |      |      |
|--------------------|---|------|------|------|
| <b>-Debt Ratio</b> | % | 5.0% | 5.2% | 5.3% |
|--------------------|---|------|------|------|

This ratio, of total debt to total assets, measures the percentage of total funds provided by liabilities

## Activity Ratios:

This ratio measures how effectively the Council is using its resources.

|                                   |      |    |    |    |
|-----------------------------------|------|----|----|----|
| <b>-Average Collection Period</b> | Days | 28 | 28 | 27 |
|-----------------------------------|------|----|----|----|

This represents the average length of time the Council must wait after making a charge before receiving payment.

## Borrowing and Investment Policy Ratios:

|   |   |      |      |      |
|---|---|------|------|------|
| -Total interest expense will not exceed 10% of Annual Rates | % | 5.9% | 5.7% | 6.0% |
|---|---|------|------|------|

|   |       |       |       |       |
|---|-------|-------|-------|-------|
| -Ratio of Public Debt to Annual Rates and Levies will not exceed 150% | Times | 50.8% | 51.3% | 52.6% |
|---|-------|-------|-------|-------|

|  |    |         |         |         |
|--|----|---------|---------|---------|
| -Public Debt per assessable ratepayer properties will not exceed \$2,500 | \$ | \$1,227 | \$1,273 | \$1,350 |
|--|----|---------|---------|---------|

|  |    |       |       |       |
|--|----|-------|-------|-------|
| -Public debt per capita will not exceed \$1,000. | \$ | \$479 | \$499 | \$529 |
|--|----|-------|-------|-------|