

Table 1 Accuracy of NSW Municipal Budget Projections (Deviance of Actual Result to Budgeted Item)¹.

Budget Item	Smallest	Largest	Quartile 1	Median	Quartile 3
Entire State 2013					
Operating Revenue Budget Error	-29.903	68.282	3.768	9.958	18.353
Operating Expenditure Budget Error	-24.513	60.798	-1.873	2.059	7.927
Operating Result Budget Error*	0.006	60.017	3.646	7.487	16.029
Entire State 2014					
Operating Revenue Budget Error	-32.337	40.563	-0.890	4.931	11.414
Operating Expenditure Budget Error	-31.788	41.738	-3.341	0.799	6.096
Operating Result Budget Error*	0.105	76.412	4.003	8.273	13.862

* This budget error is expressed as a percentage of actual revenue and is reported in absolute terms.

¹ All items are expressed as a percentage of the deviance of actual result from budgeted result except for Operating Result Budgeted error which is expressed in terms of actual revenue to reduce the occurrence of three figure deviances.

Figure 2 Willoughby 'Efficiency' Ratio

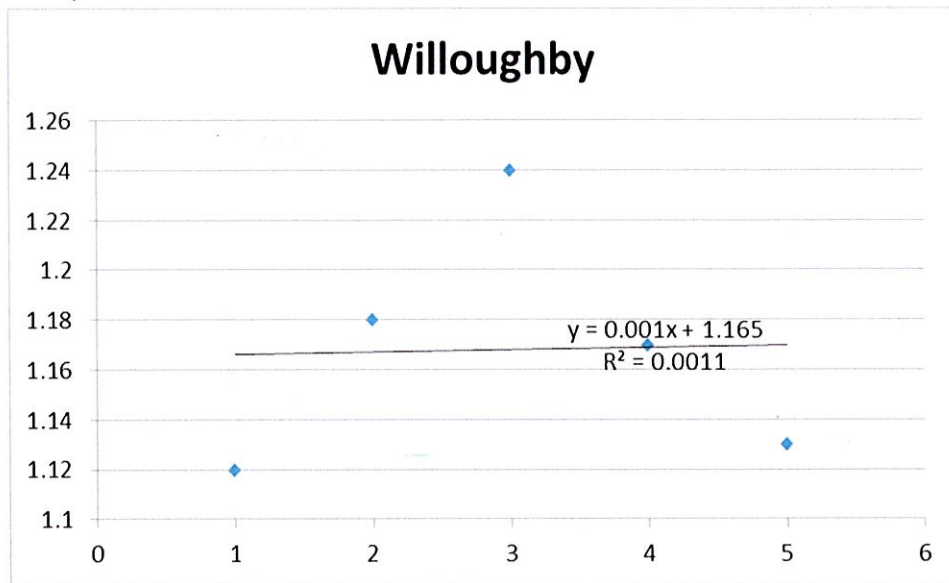


Figure 3 Willoughby 'Efficiency' Ratio with Changes Demonstrating the Sensitivity of High Leverage Points

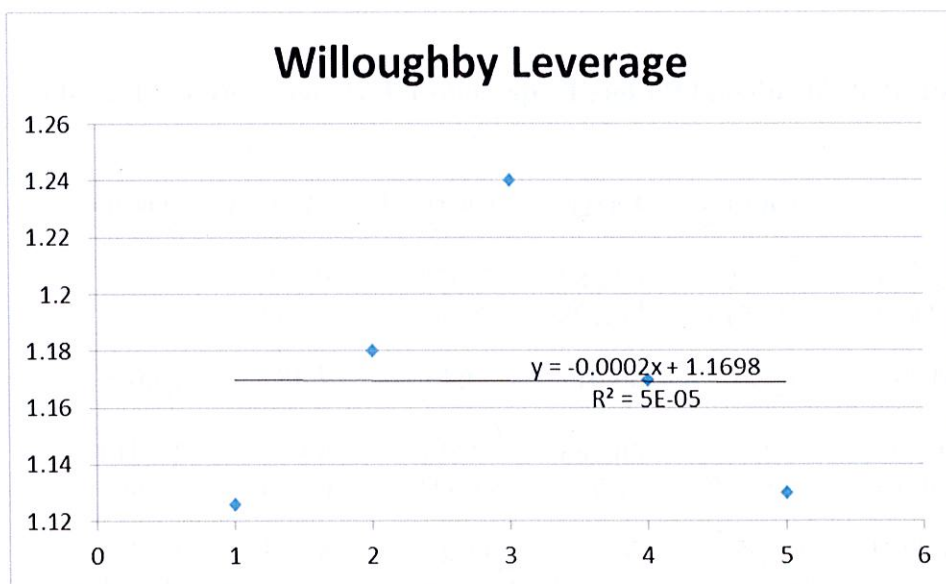


Figure 4 Willoughby ‘Efficiency’ Ratio Demonstrating the Perverse Results Possible

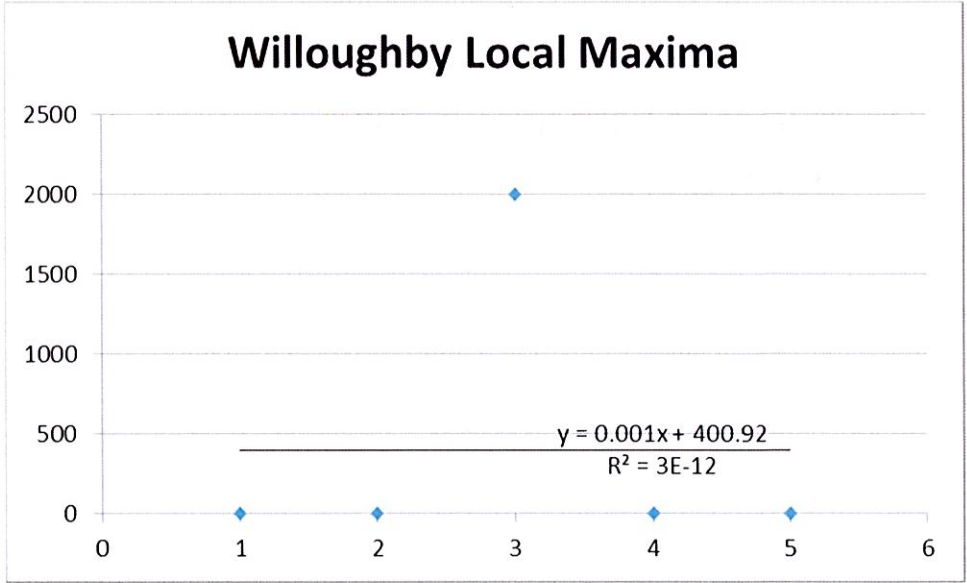


Figure 5 Hunters Hill ‘Efficiency’ Ratio

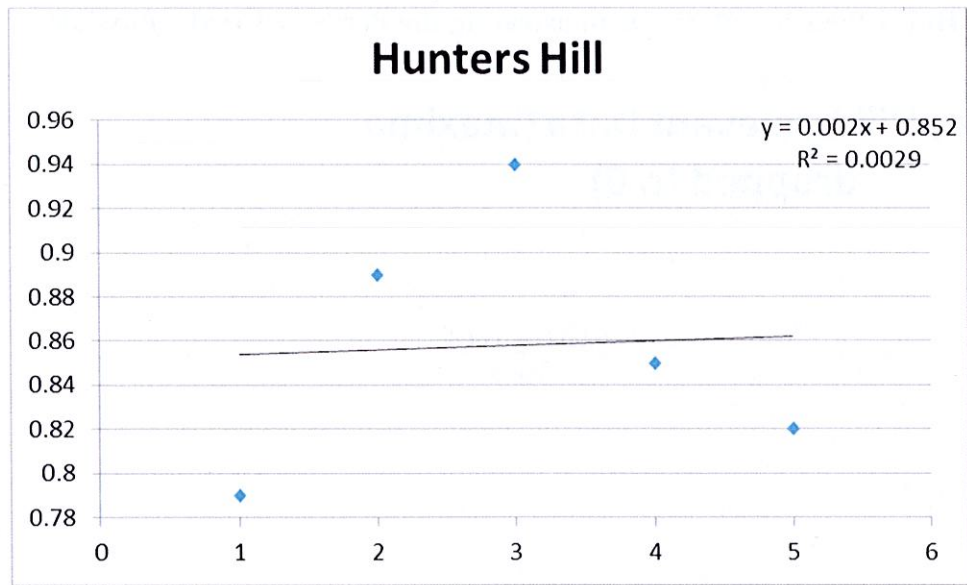


Figure 6 Hunters Hill 'Efficiency' Ratio with Changes Demonstrating the Sensitivity of High Leverage Points

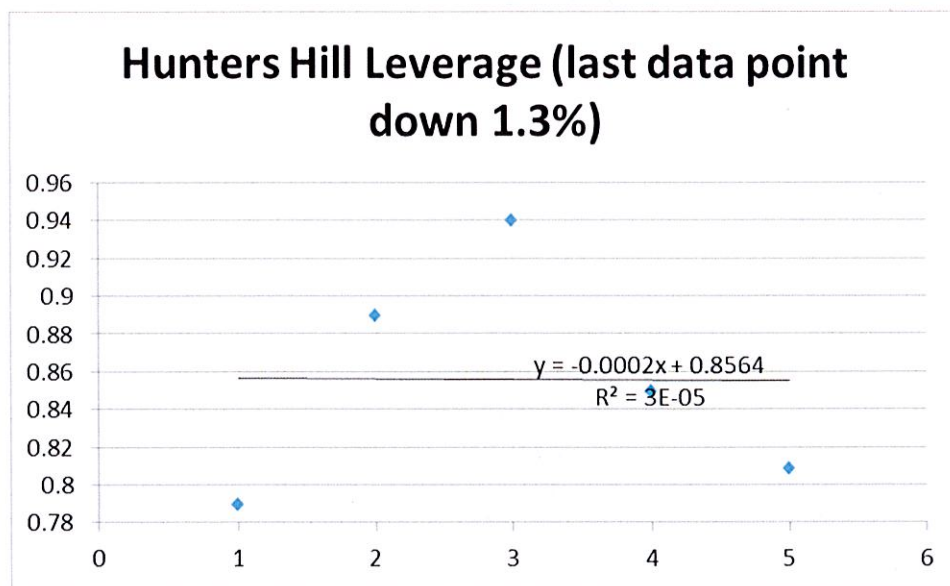


Figure 7 Hunters Hill 'Efficiency' Ratio Demonstrating the Perverse Results Possible

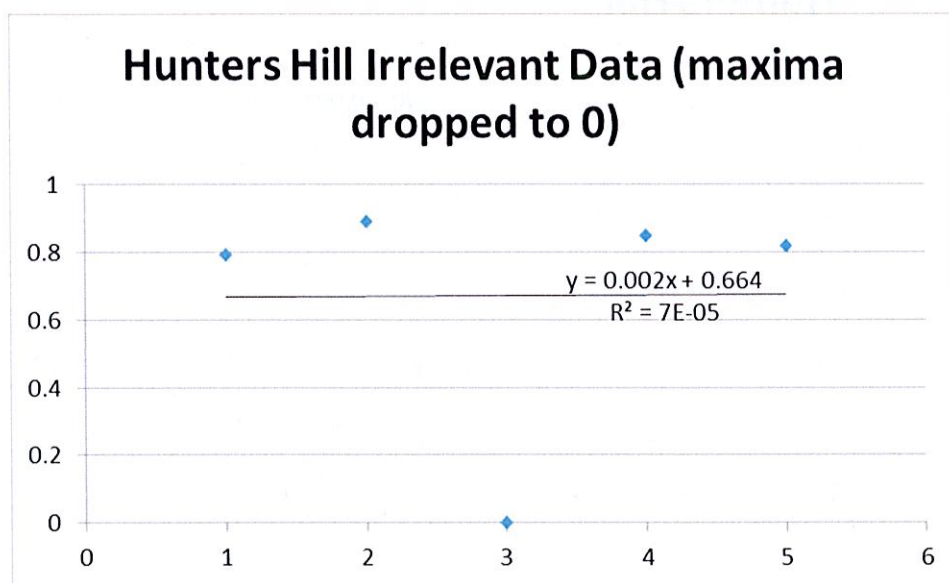


Figure 8 Hunters Hill 'Efficiency' Ratio Demonstrating the Perverse Results Possible

