

## **ATTACHMENT B**

**AMENDMENTS TO INTEGRATED  
PLANNING AND REPORTING DOCUMENTS  
2016/17 – OPERATIONAL PLAN 2016/17  
AND RESOURCING STRATEGY 2016**



## AMENDMENTS TO INTEGRATED PLANNING AND REPORTING DOCUMENTS 2016/17 – OPERATIONAL PLAN 2016/17 AND RESOURCING STRATEGY 2016

### OPERATIONAL PLAN 2016/17 - DELIVERABLES

As requested by Councillors at the Corporate, Finance, Properties and Tenders Committee held on 9 May 2016, the Operational Plan Key Performance Indicators have been reviewed to assess if additional targets could be included.

The review considered whether a target would be appropriate based on the following factors:

1. there is sufficient reliable and historical data to identify any trends;
2. the indicator directly reflects an outcome or behaviour which the City is actively trying to influence (eg. increase, decrease);
3. the City has significant control or influence over the inputs, processes and actions that impact the behaviour of the indicator or performance of the activity; or
4. there was an industry equivalent benchmark for the measure.

Based on this review, the following changes are recommended:

<b>Key Performance Indicator</b>	<b>Target 2016/17</b>
<b>Add targets:</b>	
Length of Separated cycleways provided annually (km)	0.16
Length of on-road cycleways provided/upgraded annually (km)	0.1
Length of shared paths provided/upgraded annually (km)	2.49
Dog obedience courses held per annum. (No.)	4
<b>Remove targets:</b>	
Attendances at aquatic and leisure centres	↗
Number of meals provided through centre based meals & meals on wheels	(trend)
Total booking by community	(trend)
Total overall attendances at City Spaces	↗

Some of the targets included in the Draft Operational Plan are recommended to be removed, as they do not reflect an expected level of performance or delivery of outputs by the City rather than community behaviours.

In cases where a target has not been deemed appropriate, a trend arrow has been added to those measures where there is an objective to either decrease or increase the outcome or output. In some cases, the measure reflects an activity that is a combination of issues, eg, “animals reclaimed by their owners” where the ultimate outcome is that there are no strays to be impounded and no animal is impounded at all.

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A further review of the measures will be undertaken as part of the Quarter Two review and the preparation of the entire suite of Integrated Planning and Reporting documents for the next cycle.

Additionally, to correct an administrative error and improve clarity on the deliverables, the name of the following items has been amended:

<b>Draft Operational Plan</b>	<b>Amended</b>
Deliver new CCTV infrastructure including new cameras, signage a strategic review of the CCTV system compatibility to improve city centre safety	Maintenance of the CCTV infrastructure including new cameras, signage and ongoing review of the CCTV system compatibility to improve city centre safety
Indigenous Bird species diversity maintained or increased compared to 2009/10 baseline (63 species) (measured annually)	Number of indigenous bird species (2009/10 baseline - 63 species) (measured annually)
Hours per quarter in parks on proactive inspections	Hours per annum in parks on proactive inspections

## **OPERATIONAL PLAN – FEES & CHARGES**

Minor amendments to the information provided in the exhibited documents has been made following further review by staff, in order to correct an administrative error. The amendments, which affect only some of the heading in the document, not the content, are as follows:

<b>Draft Operational Plan</b>	<b>Amended</b>
Direct Services, Food Program	Community Services
LEP amendment	Request to prepare a Planning Proposal
Late Fees - for children not collected by closing time (or end of booked session for ROCC) after one warning	Late fees

Additionally, the Office of Local Government has advised on the change to the statutory fees for Companion Animals from 1 July 2016. The new fees are:

- Entire Animal (not Desexed) - \$195.00
- Desexed animal – \$53.00
- Desexed Animal rehomed by an eligible by Pound/Shelter - \$26.50
- Recognised Breeder - \$53.00
- Non Resident - Pensioner (Desexed) - \$22.00
- Pensioners – City of Sydney Resident
- 1st animal – Free
- Additional animal – Entire - Not Desexed - \$10.00
- Additional animal – Desexed - \$5.00
- Assistant Animal – FREE

## **OPERATIONAL PLAN – RATES**

Supplementary land valuations received while the draft Operational Plan was on public exhibition have altered the total rateable valuations for property. As a result, the ad valorem rates have been adjusted to account for the new valuations and ensure Council still achieves its permissible income.

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The proposed rates for Council adoption are:

<b>Rating Category</b>	<b>Minimum Rate</b>	<b>Ad valorem Rates (in the \$)</b>	<b>Estimated Yield \$M</b>
Residential Rate - Ordinary	\$536.50	0.001218	\$64.7M
Business Rate – Ordinary	\$686.40	0.004625	\$65.8M
Business Rates – CBD	\$686.40	0.010299	\$141.6M

It was noted in the draft Operational Plan that the ad valorem rates and estimated yields may change due to new supplementary valuation received prior to adoption. The draft Operational Plan showed lower estimated yields than was incorporated into the budget discussed within the Council report, and these estimated yields (totalling \$272.1M) have been corrected for Council adoption consistent with the operating income budget.

**OPERATIONAL PLAN - ANNUAL BUDGET AND FINANCIAL STATEMENTS** (also included in the Resourcing Strategy – Long Term Financial Plan)

Since going on exhibition, there has been a change in the proposed timing and budget for the redevelopment of the Jo Sargeant Community Centre, Erskineville. The Centre will become a new multipurpose community facility with potential to include a 50-60 place out of school hours care service at an estimated cost of \$3.2 million, an increase of \$0.9M from the provisional estimate of \$2.3M. The timing of the project has also changed with a reduction of \$0.5M in 2016/17 and an increase of \$0.9M in 2017/18 and \$0.5M in 2018/19.

The overall 2016/17 capital works budget for the City has been adjusted down from \$298.9M to \$298.4M. The Capital Works Expenditure Summary financial schedule, included in the Draft Operational Plan and Resourcing Strategy - Long Term Financial Plan, has been amended accordingly.

In the same schedule, the column showing actual "*Prior Years Total*" expenditure inadvertently only included actual project expenditure for the 2014/15 financial year. This has been amended to include actual expenditure from all prior years and the displayed total project budgets adjusted. The proposed 10 year total project budgets were not affected.

## BUDGETED INCOME STATEMENT

The City's budgeted Income Statement (and future year projections) is prepared with regard to International Financial Reporting Standards (AIFRS) and the NSW Office of Local Governments Code of Accounting Practice and Financial Reporting. The formatting of the statement below reflects this approach.

A major non-cash item that may impact the City's financial results is the incremental increase / decrease arising from the annual market revaluation of the City's investment properties. The recognition of this valuation change will have no impact upon the budgeted funds available for the Council and is therefore excluded from the annual budget and future years' financial estimates.

The accounting treatment of the City's \$220M contribution to the NSW Governments Light Rail project (budgeted within the City's capital works program) is reflected as a separate line item in the statement below. The City's underlying operating result (excluding this item) is in surplus for all years of the Plan.

## City of Sydney Income Statement

	\$'M											
	2016-17	2017-18	2018-19	2019-20	4 Year Total	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	10 Year Total
<b>Income from Continuing Operations</b>												
<b>Revenue:</b>												
Rates & Annual Charges	309.9	320.3	328.4	336.8	1,295.4	345.4	354.4	363.2	372.4	381.9	391.6	3,504.1
Fees	104.5	107.4	109.3	112.2	433.4	115.1	118.2	121.3	124.5	127.8	131.2	1,171.6
Interest Income	14.5	10.9	9.6	8.9	43.9	10.0	9.3	9.4	9.6	9.6	9.1	100.9
Other Income	103.5	107.6	110.9	114.2	436.2	117.6	121.2	124.8	128.5	132.4	136.4	1,197.0
Grants and Contributions provided for Capital Purposes	64.7	71.5	62.5	62.8	261.5	64.0	51.5	56.6	54.5	46.5	40.3	574.8
Grants and Contributions provided for Operating Purposes	12.9	13.0	13.3	13.6	52.9	13.9	14.2	14.5	14.8	15.1	15.5	140.8
<b>Total Income from Continuing Operations</b>	<b>610.1</b>	<b>630.8</b>	<b>634.0</b>	<b>648.4</b>	<b>2,523.4</b>	<b>666.0</b>	<b>668.5</b>	<b>689.7</b>	<b>704.3</b>	<b>713.3</b>	<b>724.0</b>	<b>6,689.3</b>
<b>Expenses from Continuing Operations</b>												
Employee	215.4	223.5	230.4	234.3	903.6	239.8	247.3	255.1	262.8	270.6	279.7	2,459.0
Borrowing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and Contracts	96.8	102.3	108.0	111.2	418.3	114.6	118.0	121.5	125.2	128.9	132.8	1,159.3
Depreciation Expense	109.5	112.4	115.2	117.6	454.6	120.0	122.9	124.4	125.3	126.7	127.7	1,201.7
Other Expenditure	110.8	111.0	114.9	118.2	454.9	122.7	124.9	128.4	132.1	137.0	139.7	1,239.6
Light Rail Contribution to NSW Government	47.1	63.6	38.6	2.3	151.6	0.2	0.0	0.0	0.0	0.0	0.0	151.8
<b>Total Expenses from Continuing Operations</b>	<b>579.5</b>	<b>612.8</b>	<b>607.0</b>	<b>583.6</b>	<b>2,383.0</b>	<b>597.3</b>	<b>613.1</b>	<b>629.5</b>	<b>645.4</b>	<b>663.2</b>	<b>679.8</b>	<b>6,211.4</b>
<b>Net Operating Result for the Year</b>	<b>30.6</b>	<b>18.0</b>	<b>27.0</b>	<b>64.8</b>	<b>140.4</b>	<b>68.7</b>	<b>55.4</b>	<b>60.2</b>	<b>58.9</b>	<b>50.1</b>	<b>44.2</b>	<b>477.9</b>
<b>Net Operating Result (excl Light Rail Contribution)</b>	<b>77.7</b>	<b>81.6</b>	<b>65.6</b>	<b>67.1</b>	<b>292.0</b>	<b>68.9</b>	<b>55.4</b>	<b>60.2</b>	<b>58.9</b>	<b>50.1</b>	<b>44.2</b>	<b>629.7</b>

Colour Key (All Schedules):

Next Year Budget (2016-17)
4 Year Budget (2016-17 to 2019-20 inclusive)
10 Year Budget (2016-17 to 2025-26 inclusive)

Detailed Income and Expenditure

	2016-17	2017-18				2018-19				2019-20				4 Year Total				2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	10 Year Total
		2017-18	2018-19	2019-20	2019-20	2018-19	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20							
<b>OPERATING INCOME</b>																								
Advertising Income	6.3	6.5	6.7	6.9	26.5	7.1	7.3	7.5	7.7	8.0	8.2	72.4												
Annual Charges	42.7	43.9	45.2	46.5	178.3	47.8	49.2	50.6	52.1	53.6	55.2	486.9												
Aquatic Facilities Income	0.9	1.0	0.4	0.4	2.7	0.4	0.4	0.4	0.5	0.5	0.5	5.5												
Building & Development Application Income	7.0	7.2	7.4	7.6	29.3	7.9	8.1	8.3	8.6	8.9	9.1	80.2												
Building Certificate	1.6	1.6	1.7	1.7	6.6	1.8	1.8	1.9	1.9	2.0	2.1	18.0												
Child Care Fees	2.3	2.4	2.5	2.5	9.7	2.6	2.7	2.8	2.8	2.9	3.0	26.5												
Commercial Properties	66.4	69.4	71.5	73.6	280.9	75.8	78.1	80.4	82.9	85.3	87.9	771.4												
Enforcement Income	35.1	36.1	37.2	38.3	146.7	39.5	40.6	41.9	43.1	44.4	45.7	401.9												
Grants and Contributions	12.9	13.0	13.3	13.6	52.9	13.9	14.2	14.5	14.8	15.1	15.5	140.8												
Health Related Income	1.5	1.6	1.6	1.7	6.4	1.7	1.8	1.8	1.9	1.9	2.0	17.5												
Library Income	0.2	0.2	0.2	0.2	0.6	0.2	0.2	0.2	0.2	0.2	0.2	1.8												
Other Building Fees	7.8	8.0	8.2	8.5	32.5	8.7	9.0	9.3	9.6	9.8	10.1	89.1												
Other Fees	3.4	4.1	4.2	4.3	16.0	4.5	4.6	4.7	4.9	5.0	5.2	44.9												
Other Income	0.9	1.0	1.0	1.0	3.9	1.0	1.1	1.1	1.1	1.2	1.2	10.6												
Parking Meter Income	38.3	38.7	39.1	39.9	156.1	40.7	41.5	42.3	43.2	44.1	44.9	412.8												
Parking Station Income	10.1	10.4	10.7	11.0	42.3	11.4	11.7	12.1	12.4	12.8	13.2	115.8												
Private Work Income	6.7	6.9	7.1	7.3	27.9	7.5	7.7	7.9	8.2	8.4	8.7	76.3												
Rates - Business CBD	140.9	144.4	148.0	151.8	585.1	155.5	159.4	163.4	167.5	171.7	176.0	1,578.8												
Rates - Business Other	64.6	66.2	67.8	69.5	268.1	71.3	73.0	74.9	76.7	78.6	80.6	723.2												
Rates - Residential	61.8	65.8	67.4	69.0	264.0	70.7	72.5	74.2	76.1	77.9	79.8	715.2												
Sponsorship Income	1.4	1.4	1.5	1.5	5.7	1.5	1.6	1.6	1.7	1.7	1.8	15.7												
Venue/Facility Income	8.5	8.8	9.0	9.3	35.6	9.6	9.9	10.1	10.5	10.8	11.1	97.4												
Work Zone	7.6	7.8	8.0	8.3	31.6	8.5	8.8	9.0	9.3	9.6	9.9	86.7												
Value in Kind - Revenue	2.1	2.2	2.2	2.3	8.8	2.4	2.4	2.5	2.6	2.7	2.7	24.1												
<b>Total Operating Income</b>	<b>530.8</b>	<b>548.4</b>	<b>561.9</b>	<b>576.8</b>	<b>2,217.9</b>	<b>592.0</b>	<b>607.7</b>	<b>623.8</b>	<b>640.3</b>	<b>657.2</b>	<b>674.6</b>	<b>6,013.6</b>												
<b>OPERATING EXPENDITURE</b>																								
Salaries and Wages	174.4	181.1	186.6	189.1	731.2	193.0	198.9	205.1	211.1	217.1	224.4	1,980.9												
Other Employee Related Costs	1.7	1.7	1.8	1.8	7.0	1.9	1.9	2.0	2.1	2.1	2.2	19.2												
Employee Oncosts	5.2	5.4	5.7	5.9	22.2	6.1	6.4	6.6	6.9	7.2	7.5	62.9												
Agency Contract Staff	7.2	7.5	7.7	7.9	30.3	8.2	8.4	8.7	8.9	9.2	9.5	83.3												
Superannuation	19.8	20.5	21.2	21.9	83.3	22.7	23.5	24.3	25.1	26.0	26.9	231.7												
Travelling	0.3	0.3	0.3	0.4	1.4	0.4	0.4	0.4	0.4	0.4	0.4	3.7												
Workers Compensation Insurance	4.1	4.2	4.3	4.5	17.1	4.6	4.7	4.9	5.0	5.2	5.3	46.7												
Fringe Benefit Tax	0.5	0.6	0.6	0.6	2.3	0.6	0.6	0.7	0.7	0.7	0.7	6.3												
Training Costs (excluding salaries)	2.1	2.2	2.2	2.3	8.8	2.4	2.5	2.5	2.6	2.7	2.8	24.2												
<b>Salary Expense</b>	<b>215.4</b>	<b>223.5</b>	<b>230.4</b>	<b>234.3</b>	<b>903.6</b>	<b>239.8</b>	<b>247.3</b>	<b>255.1</b>	<b>262.8</b>	<b>270.6</b>	<b>279.7</b>	<b>2,459.0</b>												

\$'M

Detailed Income and Expenditure

	\$'M											
	2016-17	2017-18	2018-19	2019-20	4 Year Total	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	10 Year Total
<b>OPERATING EXPENDITURE cont'd</b>												
Bad & Doubtful Debts	0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2	0.2	0.2	0.2	2.0
Consultancies	5.0	5.2	5.3	5.5	21.1	5.7	5.8	6.0	6.2	6.2	6.6	57.8
Enforcement & Infringement Costs	9.7	9.9	10.2	10.6	40.4	10.9	11.2	11.5	11.9	12.2	12.6	110.7
Event Related Expenditure	16.5	17.0	17.5	18.0	68.9	18.5	19.1	19.7	20.3	20.9	21.5	188.9
Expenditure Recovered	(5.5)	(5.6)	(5.8)	(6.0)	(22.9)	(6.2)	(6.3)	(6.5)	(6.7)	(6.9)	(7.1)	(62.7)
Facility Management	1.4	1.5	1.5	1.6	6.0	1.6	1.7	1.7	1.8	1.8	1.9	16.6
General Advertising	2.7	2.8	2.9	3.0	11.4	3.1	3.2	3.3	3.4	3.5	3.6	31.3
Governance	3.9	2.5	2.6	2.6	11.6	3.9	2.7	2.8	2.9	4.2	3.0	31.1
Government Authority Charges	6.5	6.7	6.9	7.1	27.3	7.3	7.6	7.8	8.0	8.3	8.5	74.7
Grants, Sponsorships and Donations	16.6	15.4	15.7	16.0	63.7	16.3	16.7	17.0	17.4	17.7	18.1	167.0
Infrastructure Maintenance	29.3	30.2	32.6	33.6	125.7	34.6	35.6	36.7	37.8	38.9	40.1	349.3
Insurance	2.7	2.7	2.8	2.9	11.1	3.0	3.1	3.2	3.3	3.4	3.5	30.5
Interest Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
IT Related Expenditure	8.7	9.0	9.3	9.5	36.5	9.8	10.1	10.4	10.7	11.1	11.4	100.0
Legal Fees	2.9	3.0	3.1	3.1	12.1	3.2	3.3	3.4	3.5	3.7	3.8	33.0
Operational Contingencies	1.5	1.5	1.5	1.5	6.0	1.5	1.5	1.5	1.5	1.5	1.5	15.0
Other Asset Maintenance	2.0	2.1	2.2	2.2	8.5	2.3	2.4	2.4	2.5	2.6	2.6	23.3
Other Operating Expenditure	8.8	9.1	9.3	9.6	36.8	9.9	10.2	10.5	10.8	11.1	11.5	100.8
Postage & Couriers	1.3	1.4	1.4	1.5	5.6	1.5	1.6	1.6	1.6	1.7	1.7	15.4
Printing & Stationery	3.0	3.1	3.2	3.3	12.5	3.4	3.5	3.6	3.7	3.8	3.9	34.3
Project Management & Other Project Costs	1.8	1.8	1.9	1.9	7.4	2.0	2.1	2.1	2.2	2.3	2.3	20.4
Property Related Expenditure	26.6	28.8	31.6	32.5	119.5	33.5	34.5	35.5	36.6	37.7	38.8	336.1
Service Contracts	13.6	15.5	16.0	16.5	61.7	17.0	17.5	18.0	18.6	19.1	19.7	171.6
Stores & Materials	5.1	5.2	5.4	5.5	21.1	5.7	5.9	6.0	6.2	6.4	6.6	57.9
Surveys & Studies	1.7	1.8	1.8	1.9	7.2	1.9	2.0	2.0	2.1	2.2	2.2	19.6
Telephone Charges	2.6	2.7	2.8	2.9	10.9	2.9	3.0	3.1	3.2	3.3	3.4	29.9
Utilities	11.5	11.8	12.2	12.5	48.0	12.9	13.3	13.7	14.1	14.5	15.0	131.5
Vehicle Maintenance	3.0	3.0	3.1	3.2	12.4	3.3	3.4	3.5	3.6	3.7	3.9	33.9
Waste Disposal Charges	17.6	18.2	18.7	19.3	73.7	19.8	20.4	21.0	21.7	22.3	23.0	202.1
Value in Kind - Expenditure	2.1	2.2	2.2	2.3	8.8	2.4	2.4	2.5	2.6	2.7	2.7	24.1
<b>Expenditure</b>	<b>203.0</b>	<b>208.6</b>	<b>218.0</b>	<b>224.4</b>	<b>853.9</b>	<b>232.1</b>	<b>237.6</b>	<b>244.5</b>	<b>251.6</b>	<b>260.1</b>	<b>266.4</b>	<b>2,346.2</b>
<b>Total Operating Expenditure (Excl Depreciation)</b>	<b>418.4</b>	<b>432.1</b>	<b>448.4</b>	<b>458.7</b>	<b>1,757.6</b>	<b>471.9</b>	<b>484.9</b>	<b>499.6</b>	<b>514.4</b>	<b>530.7</b>	<b>546.1</b>	<b>4,805.2</b>
<b>Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)</b>	<b>112.5</b>	<b>116.3</b>	<b>113.5</b>	<b>118.1</b>	<b>460.4</b>	<b>120.1</b>	<b>122.8</b>	<b>124.2</b>	<b>125.9</b>	<b>126.5</b>	<b>128.5</b>	<b>1,208.4</b>



**Detailed Income and Expenditure**

	2016-17	2017-18	2018-19	2019-20	4 Year Total	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	10 Year Total
\$'M												
<b>Operating Surplus/(Deficit)</b>	<b>112.5</b>	<b>116.3</b>	<b>113.5</b>	<b>118.1</b>	<b>460.4</b>	<b>120.1</b>	<b>122.8</b>	<b>124.2</b>	<b>125.9</b>	<b>126.5</b>	<b>128.5</b>	<b>1,208.4</b>
<i>Add Additional Income:</i>												
Interest	14.5	10.9	9.6	8.9	43.9	10.0	9.3	9.4	9.6	9.6	9.1	100.9
Grants and Contributions provided for Capital Purp	64.7	71.5	62.5	62.8	261.5	64.0	51.5	56.6	54.5	46.5	40.3	574.8
<i>Less Additional Expenses:</i>												
Capital Project Related Costs	4.6	4.7	4.9	5.0	19.2	5.2	5.3	5.5	5.7	5.8	6.0	52.7
Depreciation Expense	109.5	112.4	115.2	117.6	454.6	120.0	122.9	124.4	125.3	126.7	127.7	1,201.7
Light Rail Contribution to NSW Government	47.1	63.6	38.6	2.3	151.6	0.2	0.0	0.0	0.0	0.0	0.0	151.8
<b>Net Operating Surplus/(Deficit)</b>	<b>30.6</b>	<b>18.0</b>	<b>27.0</b>	<b>64.8</b>	<b>140.4</b>	<b>68.7</b>	<b>55.4</b>	<b>60.2</b>	<b>58.9</b>	<b>50.1</b>	<b>44.2</b>	<b>477.9</b>

Operating Budget  
 Organisation Summary - Operating Result (Before Depreciation, Interest, Capital Income and Extraordinary Items)

SM	2016/17		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	10 Year Total
	Income	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)
	0.7	17.1	(16.9)	(16.9)	(13.7)	(14.0)	(14.7)	(15.3)	(16.0)	(16.7)	(17.4)	(158.1)
Chief Operations Office												
Chief Operations Office	0.2	1.2	(1.0)	(1.0)	(1.1)	(1.1)	(1.2)	(1.2)	(1.3)	(1.3)	(1.4)	(11.7)
Sustainability	0.4	2.3	(1.9)	(1.9)	(1.7)	(1.8)	(1.9)	(2.0)	(2.1)	(2.2)	(2.3)	(19.3)
Research, Strategy and Corporate Planning	0.1	6.9	(7.1)	(7.1)	(7.2)	(7.2)	(7.4)	(7.7)	(8.0)	(8.2)	(8.5)	(75.6)
City Design	0.0	2.8	(2.9)	(2.9)	(2.8)	(2.9)	(3.0)	(3.1)	(3.2)	(3.3)	(3.4)	(30.1)
City Renewal	0.0	0.5	(0.6)	(0.6)	0.1	0.1	0.1	0.1	0.0	0.0	0.0	(1.2)
Green Square	0.0	1.2	(1.2)	(1.2)	(0.8)	(0.8)	(0.9)	(0.9)	(1.0)	(1.0)	(1.1)	(10.2)
City Transformation	0.0	1.5	(1.6)	(1.6)	0.1	0.0	(0.0)	(0.1)	(0.2)	(0.2)	(0.3)	(5.5)
Green Infrastructure	0.0	0.7	(0.7)	(0.7)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(4.6)
<b>City Life</b>	<b>14.3</b>	<b>73.7</b>	<b>(61.6)</b>	<b>(63.6)</b>	<b>(65.9)</b>	<b>(66.6)</b>	<b>(68.7)</b>	<b>(70.8)</b>	<b>(73.0)</b>	<b>(75.3)</b>	<b>(77.6)</b>	<b>(682.5)</b>
Creative City	6.3	29.7	(26.2)	(27.3)	(28.5)	(29.4)	(30.4)	(31.3)	(32.3)	(33.4)	(34.4)	(296.7)
Grants and Sponsorship	0.1	16.0	(14.6)	(14.9)	(15.2)	(15.5)	(15.9)	(16.2)	(16.5)	(16.9)	(17.2)	(158.9)
Social Programs and Services	7.3	19.3	(12.5)	(12.9)	(13.4)	(12.6)	(13.1)	(13.6)	(14.1)	(14.6)	(15.2)	(134.0)
City Business & Safety	0.2	3.8	(3.7)	(3.8)	(3.9)	(4.0)	(4.2)	(4.3)	(4.5)	(4.6)	(4.8)	(41.4)
City Life Management	0.0	1.9	(2.0)	(2.0)	(2.1)	(2.1)	(2.3)	(2.3)	(2.4)	(2.5)	(2.6)	(22.4)
Sustainability Programs	0.5	2.9	(2.5)	(2.6)	(2.7)	(2.8)	(2.9)	(3.0)	(3.2)	(3.3)	(3.4)	(29.0)
<b>City Operations</b>	<b>120.3</b>	<b>170.7</b>	<b>(52.9)</b>	<b>(57.5)</b>	<b>(59.5)</b>	<b>(61.4)</b>	<b>(63.2)</b>	<b>(65.5)</b>	<b>(67.8)</b>	<b>(70.1)</b>	<b>(72.6)</b>	<b>(621.0)</b>
Venue Management	8.4	5.0	3.4	3.5	3.6	3.8	3.9	4.0	4.1	4.2	4.3	38.1
Security & Emergency Management	3.2	5.3	(2.1)	(2.2)	(2.3)	(2.3)	(2.3)	(2.4)	(2.4)	(2.4)	(2.5)	(23.0)
City Rangers	34.6	25.2	9.7	10.1	10.5	11.0	11.4	11.9	12.3	12.9	13.4	112.5
Strategy and Assets Group	48.5	17.3	31.3	31.5	32.1	33.0	33.6	34.2	34.7	35.3	35.9	332.7
City Greening and Leisure	1.1	27.4	(27.1)	(29.5)	(30.3)	(31.2)	(32.1)	(33.0)	(34.0)	(35.0)	(36.1)	(314.7)
City Operations Management	0.0	0.5	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)	(5.8)
City Infrastructure and Traffic Operations	23.7	32.5	(9.2)	(10.2)	(10.6)	(10.9)	(11.0)	(11.4)	(11.6)	(11.8)	(12.1)	(107.5)
Cleansing & Waste	0.9	57.4	(58.3)	(60.2)	(62.1)	(64.1)	(66.1)	(68.2)	(70.3)	(72.6)	(74.9)	(653.3)
<b>City Projects and Property</b>	<b>66.7</b>	<b>49.0</b>	<b>17.7</b>	<b>15.5</b>	<b>15.4</b>	<b>15.4</b>	<b>15.3</b>	<b>15.2</b>	<b>15.1</b>	<b>15.0</b>	<b>14.9</b>	<b>157.1</b>
City Property	66.7	41.1	25.8	23.9	24.2	24.4	24.6	24.9	25.1	25.4	25.6	249.3
City Projects	0.0	7.4	(7.6)	(7.9)	(8.2)	(8.5)	(8.8)	(9.1)	(9.4)	(9.8)	(10.1)	(86.8)
Project Management Office	0.0	0.5	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(5.5)
<b>City Planning Development and Transport</b>	<b>17.4</b>	<b>39.1</b>	<b>(22.5)</b>	<b>(23.3)</b>	<b>(24.2)</b>	<b>(25.0)</b>	<b>(25.9)</b>	<b>(26.9)</b>	<b>(27.9)</b>	<b>(28.9)</b>	<b>(30.0)</b>	<b>(256.3)</b>
Health & Building	2.2	13.1	(11.2)	(11.7)	(12.1)	(12.5)	(12.9)	(13.4)	(13.9)	(14.4)	(14.9)	(127.9)
Planning Assessments	7.0	14.2	(7.4)	(7.6)	(7.9)	(8.1)	(8.4)	(8.8)	(9.1)	(9.5)	(9.8)	(83.9)
Strategic Planning and Urban Design	1.2	4.7	(3.6)	(3.7)	(3.9)	(4.0)	(4.2)	(4.3)	(4.5)	(4.6)	(4.8)	(41.0)
City Access	0.1	4.7	(4.7)	(4.9)	(5.1)	(5.2)	(5.4)	(5.6)	(5.7)	(5.9)	(6.1)	(53.3)
Construction & Building Certification Services	6.8	2.4	4.5	4.6	4.8	4.9	5.0	5.2	5.3	5.4	5.6	49.7

Operating Budget  
 Organisation Summary - Operating Result (Before Depreciation, Interest, Capital Income and Extraordinary Items)

	2016/17	2017/18				2018/19				2019/20				2020/21				2021/22				2022/23				2023/24				2024/25				2025/26				10 Year Total			
		Income	Expenditure	Op Surplus / (Deficit)		Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)			
City Engagement	2.1	20.9	(18.8)		(19.3)	(19.8)	(20.4)	(78.3)	(21.0)	(21.7)	(22.3)	(22.9)	(23.6)	(24.4)	(214.2)	(4.7)	(4.8)	(5.0)	(5.1)	(5.2)	(21.0)	(21.7)	(22.3)	(22.9)	(23.6)	(24.4)	(214.2)	(4.7)	(4.8)	(5.0)	(5.1)	(5.2)	(21.0)	(21.7)	(22.3)	(22.9)	(23.6)	(24.4)	(214.2)		
Customer Service	2.0	6.3	(4.3)		(4.4)	(4.5)	(4.6)	(17.8)	(4.7)	(4.8)	(4.9)	(5.0)	(5.1)	(5.2)	(47.5)	(4.7)	(4.8)	(5.0)	(5.1)	(5.2)	(4.7)	(4.8)	(4.9)	(5.0)	(5.1)	(5.2)	(47.5)	(4.7)	(4.8)	(5.0)	(5.1)	(5.2)	(4.7)	(4.8)	(4.9)	(5.0)	(5.1)	(5.2)	(47.5)		
Communications	0.1	14.6	(14.5)		(14.9)	(15.3)	(15.8)	(60.5)	(16.4)	(16.9)	(17.4)	(17.9)	(18.5)	(19.2)	(166.7)	(16.4)	(16.9)	(17.4)	(18.5)	(19.2)	(16.4)	(16.9)	(17.4)	(17.9)	(18.5)	(19.2)	(166.7)	(16.4)	(16.9)	(17.4)	(18.5)	(19.2)	(16.4)	(16.9)	(17.4)	(17.9)	(18.5)	(19.2)	(166.7)		
Chief Executive Office	0.0	12.6	(12.6)		(11.4)	(11.8)	(12.1)	(47.9)	(13.7)	(12.8)	(13.3)	(13.7)	(15.3)	(14.6)	(131.2)	(13.7)	(12.8)	(13.3)	(13.7)	(14.6)	(13.7)	(12.8)	(13.3)	(13.7)	(15.3)	(14.6)	(131.2)	(13.7)	(12.8)	(13.3)	(13.7)	(15.3)	(14.6)	(13.7)	(12.8)	(13.3)	(13.7)	(15.3)	(14.6)	(131.2)	
Office of the Lord Mayor	0.0	3.5	(3.5)		(3.6)	(3.7)	(3.8)	(14.5)	(3.9)	(4.1)	(4.2)	(4.4)	(4.5)	(4.7)	(40.3)	(3.9)	(4.1)	(4.2)	(4.5)	(4.7)	(3.9)	(4.1)	(4.2)	(4.4)	(4.5)	(4.7)	(40.3)	(3.9)	(4.1)	(4.2)	(4.5)	(4.7)	(3.9)	(4.1)	(4.2)	(4.4)	(4.5)	(4.7)	(40.3)		
Chief Executive Office	0.0	1.4	(1.4)		(1.4)	(1.5)	(1.5)	(5.7)	(1.5)	(1.6)	(1.7)	(1.7)	(1.8)	(1.8)	(15.8)	(1.5)	(1.6)	(1.7)	(1.8)	(1.8)	(1.5)	(1.6)	(1.7)	(1.7)	(1.8)	(1.8)	(15.8)	(1.5)	(1.6)	(1.7)	(1.8)	(1.8)	(1.5)	(1.6)	(1.7)	(1.7)	(1.8)	(1.8)	(15.8)		
Council Elections	0.0	5.0	(5.0)		(3.6)	(3.7)	(3.8)	(16.2)	(5.1)	(4.0)	(4.1)	(4.2)	(5.5)	(4.5)	(43.7)	(5.1)	(4.0)	(4.1)	(5.5)	(4.5)	(5.1)	(4.0)	(4.1)	(4.2)	(5.5)	(4.5)	(43.7)	(5.1)	(4.0)	(4.1)	(5.5)	(4.5)	(5.1)	(4.0)	(4.1)	(4.2)	(5.5)	(4.5)	(43.7)		
Secretariat	0.0	2.7	(2.7)		(2.8)	(2.9)	(3.0)	(11.5)	(3.0)	(3.2)	(3.3)	(3.4)	(3.5)	(3.6)	(31.4)	(3.0)	(3.2)	(3.3)	(3.5)	(3.6)	(3.0)	(3.2)	(3.3)	(3.4)	(3.5)	(3.6)	(31.4)	(3.0)	(3.2)	(3.3)	(3.4)	(3.5)	(3.6)	(3.0)	(3.2)	(3.3)	(3.4)	(3.5)	(3.6)	(31.4)	
Chief Financial Office	0.6	8.0	(7.3)		(7.6)	(7.7)	(8.0)	(30.7)	(8.1)	(8.3)	(8.4)	(8.8)	(9.1)	(9.4)	(82.8)	(8.1)	(8.3)	(8.4)	(9.1)	(9.4)	(8.1)	(8.3)	(8.4)	(8.8)	(9.1)	(9.4)	(82.8)	(8.1)	(8.3)	(8.4)	(9.1)	(9.4)	(8.1)	(8.3)	(8.4)	(8.8)	(9.1)	(9.4)	(82.8)		
Workforce and Information Services	0.0	27.4	(27.4)		(28.3)	(29.1)	(30.0)	(114.8)	(31.0)	(32.1)	(33.1)	(34.2)	(35.3)	(36.5)	(317.1)	(31.0)	(32.1)	(33.1)	(34.2)	(35.3)	(31.0)	(32.1)	(33.1)	(34.2)	(35.3)	(36.5)	(317.1)	(31.0)	(32.1)	(33.1)	(34.2)	(35.3)	(31.0)	(32.1)	(33.1)	(34.2)	(35.3)	(36.5)	(317.1)		
Corporate Costs	308.1	(10.0)	318.1		328.7	337.6	346.8	1,331.2	356.2	365.8	375.9	386.7	398.0	408.6	3,622.3	356.2	365.8	375.9	386.7	398.0	356.2	365.8	375.9	386.7	398.0	408.6	3,622.3	356.2	365.8	375.9	386.7	398.0	408.6	356.2	365.8	375.9	386.7	398.0	408.6	3,622.3	
Council	530.8	418.4	112.5		116.3	113.5	118.1	460.4	120.1	122.8	124.2	125.9	126.5	128.5	1,208.4	120.1	122.8	124.2	125.9	126.5	120.1	122.8	124.2	125.9	126.5	128.5	1,208.4	120.1	122.8	124.2	125.9	126.5	128.5	120.1	122.8	124.2	125.9	126.5	128.5	1,208.4	

\$M

### Summary Of Income and Expenditure by Principal Activity

Council has adopted the Strategic Directions from the Sustainable Sydney 2030 vision as its Principal Activities for this Delivery Program. A number of Principal Activities are largely of an advocacy and facilitation role for the City (such as Housing for a Diverse Population) and not one of direct service provision. As a result, the proposed budget does not reflect substantial operational costs (particularly salaries expenditure) incurred in delivering this Principal Activity. The Principal Activity for A City for Walking and Cycling, for example, will be largely achieved via capital works for infrastructure and reflects minimal operational expenditure.

The summary of income and expenditure by Principal Activity below includes both the proposed operational budgets and the capital works program (for 2016/17) to better reflect the allocation of Council funds towards these major directions.

	2016/17			2017/18		2018/19		2019/20		2020/21					2021/22					2022/23					2023/24					2024/25					2025/26				
	Income	Expenditure	Net Surplus/ (Deficit)	Capital	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)	Net Surplus/(Deficit)							
A globally competitive and innovative city	34.8	52.3	(17.5)	0.0	(15.2)	(15.6)	(15.7)	(15.7)	(15.7)	(15.7)	(16.1)	(16.4)	(16.9)	(17.2)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)	(17.7)							
A leading environmental performer	1.7	70.7	(68.9)	49.7	(71.1)	(73.0)	(75.3)	(77.7)	(80.1)	(82.7)	(85.4)	(88.1)	(91.0)	(94.0)	(97.0)	(100.0)	(103.0)	(106.0)	(109.0)	(112.0)	(115.0)	(118.0)	(121.0)	(124.0)	(127.0)	(130.0)	(133.0)	(136.0)	(139.0)	(142.0)	(145.0)	(148.0)	(151.0)						
Integrated transport for a connected city	73.2	46.7	26.5	75.5	26.9	26.2	26.5	27.0	27.6	27.9	28.4	29.0	29.4	29.9	30.4	30.9	31.4	31.9	32.4	32.9	33.4	33.9	34.4	34.9	35.4	35.9	36.4	36.9	37.4	37.9	38.4	38.9	39.4						
A city for walking and cycling	0.0	1.8	(1.8)	14.0	(1.9)	(1.9)	(2.0)	(2.0)	(2.1)	(2.2)	(2.2)	(2.3)	(2.4)	(2.5)	(2.5)	(2.6)	(2.6)	(2.7)	(2.7)	(2.8)	(2.8)	(2.9)	(2.9)	(3.0)	(3.0)	(3.1)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)						
A lively and engaging city centre	0.1	0.9	(0.8)	11.1	(0.9)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)	(1.2)	(1.3)	(1.3)	(1.3)	(1.4)	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)	(1.6)	(1.6)	(1.6)	(1.7)	(1.7)	(1.7)	(1.8)						
Vibrant local communities and economies	19.1	133.8	(114.8)	103.8	(132.1)	(113.8)	(76.3)	(75.4)	(78.3)	(76.0)	(82.0)	(88.9)	(95.1)	(101.3)	(107.5)	(113.7)	(120.0)	(126.2)	(132.4)	(138.6)	(144.8)	(151.0)	(157.2)	(163.4)	(169.6)	(175.8)	(182.0)	(188.2)	(194.4)	(200.6)	(206.8)	(213.0)	(219.2)						
A cultural and creative city	2.9	6.6	(3.7)	6.5	(4.2)	(4.1)	(4.3)	(4.4)	(4.6)	(4.8)	(4.9)	(5.1)	(5.3)	(5.5)	(5.6)	(5.8)	(6.0)	(6.2)	(6.4)	(6.6)	(6.8)	(7.0)	(7.2)	(7.4)	(7.6)	(7.8)	(8.0)	(8.2)	(8.4)	(8.6)	(8.8)	(9.0)	(9.2)						
Housing for a diverse population	0.0	2.0	(2.0)	0.0	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)						
Sustainable development, renewal and design	69.2	37.7	31.5	3.0	30.7	32.2	30.1	29.4	14.8	13.8	12.9	11.8	10.8	9.8	8.8	7.8	6.8	5.8	4.8	3.8	2.8	1.8	0.8	(0.2)	(1.2)	(2.2)	(3.2)	(4.2)	(5.2)	(6.2)	(7.2)	(8.2)	(9.2)						
Implementation through effective governance and partnerships	409.1	221.7	185.6	34.9	188.0	180.1	185.0	190.9	197.7	204.0	212.6	221.2	230.8	240.4	250.0	260.0	270.0	280.0	290.0	300.0	310.0	320.0	330.0	340.0	350.0	360.0	370.0	380.0	390.0	400.0	410.0	420.0	430.0						
<b>Total Council</b>	<b>610.1</b>	<b>574.1</b>	<b>34.1</b>	<b>298.4</b>	<b>19.8</b>	<b>28.8</b>	<b>66.7</b>	<b>70.7</b>	<b>57.3</b>	<b>62.2</b>	<b>61.0</b>	<b>52.2</b>	<b>46.4</b>	<b>40.6</b>	<b>34.8</b>	<b>29.0</b>	<b>23.2</b>	<b>17.4</b>	<b>11.6</b>	<b>5.8</b>	<b>(0.0)</b>	<b>(5.8)</b>	<b>(11.6)</b>	<b>(17.4)</b>	<b>(23.2)</b>	<b>(29.0)</b>	<b>(34.8)</b>	<b>(40.6)</b>	<b>(46.4)</b>	<b>(52.2)</b>	<b>(57.8)</b>	<b>(63.6)</b>	<b>(69.4)</b>						

## Capital Works Expenditure Summary

The City's Capital Works Program is built around a number of significant projects that will expand and/or significantly upgrade the provision of infrastructure and facilities for the community, and Capital Programs that underpin key asset groups such as public domain, roads, footways, pools, open space and community facilities. The proposed program will enable the commencement and completion of many identified priorities and progress a number of Sustainable Sydney 2030 projects. The program prepared is in line with the agreed long term financial parameters and represents the City's capacity to deliver the program each year and expenditure provisions for significant projects which may be delivered by third parties.

Prior Years Total	2016/17				4 Years Total				2020/21 - 2025/26					Total Project Budget	
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	10 Year Total				
<b>\$'M</b>															
<b>Significant Projects (&gt;\$20M)</b>															
Ashmore Estate Trunk Drainage	0.2	4.8	10.0	5.0	20.0										20.0
Barangaroo Integration and Harbour Village North	10.7	2.4	0.7	2.0	12.2										22.5
Childcare Centres	27.7	7.6	16.2		28.4										28.4
Chinatown Public Domain - Program of Works	7.2	0.8	1.0	3.0	6.9										15.4
Green Infrastructure - Program of Works	53.4	8.5	4.9	8.2	30.0										22.7
Green Square Aquatic Centre and Gunyama Park	4.8	37.3	34.6	4.2	83.4										137.3
Green Square Community Facilities and Public Domain Works	18.3	11.2	0.9		30.7										88.2
Green Square Library and Plaza Works	19.2	21.6	10.8		50.4										77.0
Green Square Streets	18.9	34.8	41.7	24.5	116.4										69.6
Green Square Trunk Drainage	35.9	2.3			27.3										153.7
Johnstons Creek Master Plan & Harold Park Works	8.2	3.1	0.1		12.1										63.2
Light Rail - CBD to South East	68.2	47.1	63.6	2.3	151.6										20.3
Major Depots - Program of Works	4.0	11.7	1.1		37.2										220.0
<b>Major Projects Total</b>	<b>276.4</b>	<b>209.7</b>	<b>160.7</b>	<b>49.3</b>	<b>606.7</b>	<b>29.9</b>	<b>13.1</b>	<b>16.7</b>	<b>23.5</b>	<b>24.3</b>	<b>12.0</b>	<b>726.0</b>	<b>1,002.5</b>		





## City of Sydney CASH FLOW FORECAST

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$M									
<b>Revenue:</b>										
Rates and Annual Charges	309.0	319.4	327.5	335.8	344.4	353.2	362.1	371.3	380.8	390.5
Other Operating Income	219.7	226.8	232.2	238.6	245.3	252.1	259.1	266.3	273.8	281.4
<b>Operating Income</b>	<b>528.7</b>	<b>546.2</b>	<b>559.7</b>	<b>574.5</b>	<b>589.7</b>	<b>605.3</b>	<b>621.3</b>	<b>637.7</b>	<b>654.6</b>	<b>671.9</b>
<b>Expenses:</b>										
Salary & Wages Expenditure	215.4	223.5	230.4	234.3	239.8	247.3	255.1	262.8	270.6	279.7
Other Operating Expenditure	200.9	206.4	215.8	222.1	229.7	235.1	242.0	249.0	257.5	263.7
<b>Operating Expenditure</b>	<b>416.3</b>	<b>429.9</b>	<b>446.2</b>	<b>456.4</b>	<b>469.5</b>	<b>482.5</b>	<b>497.1</b>	<b>511.8</b>	<b>528.0</b>	<b>543.4</b>
<b>Operating Surplus</b>	<b>112.5</b>	<b>116.3</b>	<b>113.5</b>	<b>118.1</b>	<b>120.1</b>	<b>122.8</b>	<b>124.2</b>	<b>125.9</b>	<b>126.5</b>	<b>128.5</b>
<b>Other Non Operating:</b>										
Interest income	14.5	10.9	9.6	8.9	10.0	9.3	9.4	9.6	9.6	9.1
Light Rail Contribution to NSW Government	(47.1)	(63.6)	(38.6)	(2.3)	(0.2)	0.0	0.0	0.0	0.0	0.0
Capital Related Project Expenses	(4.6)	(4.7)	(4.9)	(5.0)	(5.2)	(5.3)	(5.5)	(5.7)	(5.8)	(6.0)
Depreciation	(109.5)	(112.4)	(115.2)	(117.6)	(120.0)	(122.9)	(124.4)	(125.3)	(126.7)	(127.7)
<b>Capital Grants and Contributions</b>	<b>64.7</b>	<b>71.5</b>	<b>62.5</b>	<b>62.8</b>	<b>64.0</b>	<b>51.5</b>	<b>56.6</b>	<b>54.5</b>	<b>46.5</b>	<b>40.3</b>
Net Surplus	30.6	18.0	27.0	64.8	68.7	55.4	60.2	58.9	50.1	44.2
Add Back :										
Depreciation	109.5	112.4	115.2	117.6	120.0	122.9	124.4	125.3	126.7	127.7
Non-Cash Asset Adjustments	1.1	1.0	1.1	1.2	1.3	2.1	2.2	2.3	2.4	2.5
<b>Cash Surplus before Capital Expenditure</b>	<b>141.1</b>	<b>131.4</b>	<b>143.2</b>	<b>183.6</b>	<b>190.0</b>	<b>180.3</b>	<b>186.8</b>	<b>186.5</b>	<b>179.1</b>	<b>174.4</b>
<b>Capital Expenditure</b>										
Capital Works (excluding Light Rail Contribution)	(251.3)	(235.3)	(207.1)	(141.9)	(141.8)	(140.9)	(137.4)	(137.3)	(137.1)	(137.1)
Plant and Asset Acquisitions	(29.2)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Property (Acquisitions)/Divestments	18.8	38.9	59.6	(25.0)	(19.0)	(60.0)	(25.0)	(15.0)	(25.0)	(25.0)
<b>Total Capital Expenditure</b>	<b>(261.7)</b>	<b>(221.4)</b>	<b>(172.6)</b>	<b>(191.9)</b>	<b>(185.8)</b>	<b>(225.9)</b>	<b>(187.4)</b>	<b>(177.3)</b>	<b>(187.1)</b>	<b>(187.1)</b>
<b>Net Receivables/Payables Movement</b>	<b>(3.1)</b>	<b>(6.3)</b>	<b>(0.6)</b>	<b>(3.6)</b>	<b>5.1</b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>(0.8)</b>
<b>Cash Surplus / (Deficit)</b>	<b>(123.7)</b>	<b>(96.3)</b>	<b>(29.9)</b>	<b>(12.0)</b>	<b>9.3</b>	<b>(46.3)</b>	<b>(1.4)</b>	<b>8.9</b>	<b>(8.4)</b>	<b>(13.4)</b>
Total Cash at Beginning of Period	513.3	389.6	293.3	263.4	251.4	260.7	214.4	213.0	221.9	213.6
Cash Surplus/ (Deficit)	(123.7)	(96.3)	(29.9)	(12.0)	9.3	(46.3)	(1.4)	8.9	(8.4)	(13.4)
<b>Total Cash at End of Period</b>	<b>389.6</b>	<b>293.3</b>	<b>263.4</b>	<b>251.4</b>	<b>260.7</b>	<b>214.4</b>	<b>213.0</b>	<b>221.9</b>	<b>213.6</b>	<b>200.1</b>



### Asset Replacement and Sales (including Information Services - Capital Projects)

Council holds assets to ensure its financial viability, for commercial and strategic reasons, and to meet the needs of its operations.

Depreciating assets, such as plant, equipment and vehicles, held for Council's operations are changed or replaced in line with Council's current needs and the operational life of the asset. The City replaces its light fleet every two years or 40,000km excluding utility vehicles which are replaced every three years or 60,000km. The City also adopts a replacement program to renew its Personal Computer assets on an average three-yearly cycle.

The City has a program of upgrades and enhancements to information systems. These can include installation and configuration of 3rd party software and development of new in-house solutions.

Where these system developments are deemed to have an enduring benefit to the City, the costs of the project are capitalised as assets within the Fixed Asset Register, and amortised over an appropriate useful life. Capitalisation of costs is consistent with the City's *IPPE ASSET Recognition and Capitalisation Policy*.

### Summary of Expenditure - 2016/17

	Acquisitions	2016-17 Sales	Net Budget
Books	1.3	-	1.3
Equipment	7.5	(0.0)	7.5
Furniture & Fittings	1.5	-	1.5
Information Technology (Equipment)	2.5	-	2.5
Information Services - Capital Projects	8.5	-	8.5
Miscellaneous	1.0	-	1.0
Plant	3.7	(0.2)	3.5
Vehicles	5.0	(1.6)	3.4
<b>Total</b>	<b>31.0</b>	<b>(1.9)</b>	<b>29.2</b>

### Statement of Business or Commercial Activities

The City of Sydney expects to continue with Parking Stations as a Category 1 business activity. These commercial activities provide an additional source of funding that enables the Council to continue to provide enhanced services and infrastructure delivery without placing additional burden on the City's ratepayers.

### Revenue Policy - Charges for Works Carried out on Private Land

Council does not generally carry out works on private land, however if Council were required to undertake such works (e.g. the construction of a private road), then the works would be charged at the appropriate commercial rate.