

# **Attachment B**

**Revised Financial Schedules**

## City of Sydney Income Statement

	\$'M	2021/22	2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
<b>Income from Continuing Operations</b>													
Rates & Annual Charges		378.2	387.5	397.3	407.3	1,570.2	417.6	428.3	439.2	450.6	462.2	474.1	4,242.3
Fees		117.1	127.0	126.5	129.5	500.1	132.6	135.9	139.3	143.0	146.7	150.6	1,348.3
Interest Income		2.4	1.7	2.7	2.7	9.5	3.2	2.9	2.6	3.1	2.9	2.8	27.1
Other Income		110.7	123.6	131.5	136.7	502.6	140.0	145.8	149.7	154.1	158.6	163.3	1,414.0
Grants and Contributions provided for Capital Purposes		37.5	48.0	49.8	50.0	185.3	48.5	47.9	59.1	40.7	39.0	39.3	459.7
Grants and Contributions provided for Operating Purposes		18.6	15.6	16.0	16.3	66.5	16.6	17.0	17.4	17.9	18.3	18.8	172.6
<b>Total Income from Continuing Operations</b>		<b>664.4</b>	<b>703.4</b>	<b>723.8</b>	<b>742.6</b>	<b>2,834.2</b>	<b>758.6</b>	<b>777.8</b>	<b>807.4</b>	<b>809.4</b>	<b>827.8</b>	<b>848.8</b>	<b>7,663.9</b>
<b>Expenses from Continuing Operations</b>													
Employee		247.7	251.8	257.6	264.1	1,021.2	270.6	277.6	284.6	292.2	301.5	312.0	2,759.8
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		137.5	134.8	140.8	143.2	556.3	146.8	151.6	155.9	160.4	165.2	169.8	1,506.2
Depreciation Expense		113.9	115.9	118.8	120.1	468.7	121.3	123.0	124.3	125.5	126.3	129.6	1,218.6
Other Expenditure		138.0	140.5	141.8	148.5	568.8	149.0	150.7	154.7	163.4	163.7	168.3	1,518.6
<b>Total Expenses from Continuing Operations</b>		<b>637.1</b>	<b>643.0</b>	<b>659.0</b>	<b>676.0</b>	<b>2,615.0</b>	<b>687.7</b>	<b>702.9</b>	<b>719.5</b>	<b>741.5</b>	<b>756.7</b>	<b>779.8</b>	<b>7,003.2</b>
<b>Net Operating Result for the Year</b>		<b>27.3</b>	<b>60.4</b>	<b>64.8</b>	<b>66.6</b>	<b>219.2</b>	<b>70.8</b>	<b>74.9</b>	<b>87.9</b>	<b>67.8</b>	<b>71.1</b>	<b>69.1</b>	<b>660.8</b>

### Budgeted Income Statement

The above Income Statement (and other financial schedules) reflect the City's "base case" Net Operating Result, incorporating ongoing financial impacts of Covid-19 (and subsequent recovery) on the City's operations as detailed in the Long Term Financial Plan. Scenarios reflecting extended impacts of Covid-19 on key income streams have also been modelled and are included after the "base case" scenario financial schedules.

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 Government's Code of Accounting Practice and Financial Reporting. The formatting of the statement above reflects this approach.

Major non-cash items that may impact the City's financial results include:

- the incremental increase / decrease arising from the annual market revaluation of the City's investment properties
- the initial recognition of transferable Heritage Floor Space (HFS) rights (upon initial award of HFS)

These items will have no initial impact upon the budgeted funds available for the Council and are therefore excluded from the annual budget and future years' financial estimates. Expected realisation of these assets through anticipated sale/divestment is reflected in forward estimates as applicable.

# City of Sydney

## Detailed Income and Expenditure

	\$'M	2021/22	2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
<b>Operating Income</b>													
Advertising Income		9.2	17.0	17.4	17.8	61.3	18.2	18.7	19.1	19.6	20.1	20.6	177.7
Annual Charges		63.0	64.4	66.1	67.9	261.3	69.7	71.7	73.7	75.9	78.2	80.6	711.0
Aquatic Facilities Income		0.1	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.1	0.2	0.2	1.4
Building & Development Application Income		5.4	5.5	5.7	5.8	22.5	6.0	6.1	6.3	6.5	6.7	6.9	61.0
Building Certificate		1.2	1.2	1.3	1.3	5.0	1.3	1.4	1.4	1.4	1.5	1.5	13.5
Child Care Fees		1.5	1.6	1.6	1.7	6.4	1.7	1.7	1.8	1.8	1.9	2.0	17.3
Commercial Properties		61.2	71.6	76.7	80.6	290.0	82.6	86.8	89.2	91.9	94.7	97.5	832.7
Community Properties		10.2	10.4	10.6	10.9	42.1	11.2	11.5	11.8	12.2	12.5	12.9	114.1
Enforcement Income		39.0	39.8	40.7	41.8	161.2	42.8	44.0	45.2	46.6	48.0	49.4	437.1
Footway Licences		0.0	1.5	3.0	3.0	7.5	3.0	3.0	3.0	3.0	3.0	3.0	25.5
Grants and Contributions		12.3	9.3	9.5	9.6	40.7	9.8	10.0	10.2	10.4	10.7	10.9	102.8
Grants - Financial Assistance Grants		6.2	6.4	6.5	6.7	25.8	6.8	7.0	7.2	7.4	7.7	7.9	69.9
Health Related Income		1.8	1.8	1.9	1.9	7.5	2.0	2.0	2.1	2.2	2.2	2.3	20.2
Library Income		0.2	0.2	0.2	0.2	0.7	0.2	0.2	0.2	0.2	0.2	0.2	1.8
Other Building Fees		11.4	11.7	11.5	11.7	46.3	12.0	12.4	12.7	13.1	13.5	13.9	123.8
Other Fees		3.5	3.5	3.6	3.7	14.3	3.8	3.9	4.0	4.1	4.3	4.4	38.8
Other Income		0.7	0.7	0.8	0.8	3.0	0.8	0.8	0.8	0.9	0.9	0.9	8.1
Parking Meter Income		38.4	39.2	40.0	40.8	158.3	41.6	42.4	43.2	44.1	45.0	45.9	420.5
Parking Station Income		10.2	10.4	10.7	11.0	42.4	11.4	11.7	12.1	12.4	12.8	13.2	115.9
Private Work Income		6.6	6.7	6.9	7.0	27.2	7.2	7.4	7.6	7.8	8.1	8.3	73.6
Rates - Business CBD		168.7	173.2	177.5	182.0	701.4	186.5	191.2	196.0	200.9	205.9	211.1	1,892.9
Rates - Business Other		68.2	69.6	71.3	73.1	282.1	74.9	76.8	78.7	80.7	82.7	84.8	760.6
Rates - Residential		78.4	80.3	82.3	84.4	325.4	86.5	88.7	90.9	93.1	95.4	97.8	877.8
Sponsorship Income		0.2	0.2	0.2	0.3	1.0	0.3	0.3	0.3	0.3	0.3	0.3	2.6
Venue/Facility Income		8.9	9.1	9.3	9.5	36.8	9.8	10.0	10.3	10.6	11.0	11.3	99.9
Work Zone		16.3	16.7	14.1	14.4	61.5	14.8	15.2	15.6	16.1	16.6	17.0	156.7
Value in Kind - Revenue		1.8	1.8	1.9	1.9	7.4	2.0	2.0	2.1	2.1	2.2	2.3	20.1
<b>Total Operating Income</b>		<b>624.5</b>	<b>653.7</b>	<b>671.3</b>	<b>689.9</b>	<b>2,639.4</b>	<b>706.9</b>	<b>727.0</b>	<b>745.7</b>	<b>765.5</b>	<b>785.9</b>	<b>806.8</b>	<b>7,177.2</b>
<b>Operating Expenditure</b>													
Salaries and Wages		196.7	201.6	206.1	211.1	815.5	216.3	222.9	228.2	235.2	242.8	251.4	2,212.3
Other Employee Related Costs		1.5	1.6	1.6	1.6	6.3	1.7	1.7	1.8	1.8	1.9	1.9	17.1
Employee Oncosts		7.1	7.3	7.5	7.7	29.5	7.9	8.2	8.4	8.7	9.0	9.3	81.1
Agency Contract Staff		10.1	8.4	8.6	8.9	36.0	9.0	9.3	9.5	9.9	10.1	10.4	94.3
Superannuation		23.4	24.0	24.6	25.3	97.3	26.0	25.6	26.4	26.0	26.9	27.7	255.8
Travelling		0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2	0.2	0.2	0.2	2.1
Workers Compensation Insurance		6.4	6.5	6.7	6.8	26.4	7.0	7.2	7.4	7.6	7.8	8.1	71.5
Fringe Benefit Tax		0.7	0.7	0.7	0.8	2.9	0.8	0.8	0.8	0.8	0.9	0.9	7.9
Training Costs (excluding salaries)		1.6	1.6	1.7	1.7	6.6	1.8	1.8	1.8	1.9	2.0	2.0	17.9
<b>Salary Expense</b>		<b>247.7</b>	<b>251.8</b>	<b>257.6</b>	<b>264.1</b>	<b>1,021.2</b>	<b>270.6</b>	<b>277.6</b>	<b>284.6</b>	<b>292.2</b>	<b>301.5</b>	<b>312.0</b>	<b>2,759.8</b>

# City of Sydney

## Detailed Income and Expenditure

	\$'M	2021/22	2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
<b>Operating Expenditure</b> (continued)													
Bad & Doubtful Debts		1.5	1.5	1.5	1.5	6.0	1.5	1.5	1.5	1.5	1.5	1.5	15.0
Consultancies		5.9	6.0	6.1	6.3	24.2	6.4	6.6	6.8	7.0	7.2	7.4	65.6
Enforcement & Infringement Costs		8.5	8.6	8.9	9.1	35.1	9.3	9.6	9.8	10.1	10.4	10.7	95.0
Event Related Expenditure		11.3	11.4	11.7	12.0	46.5	12.3	12.7	13.0	13.4	13.8	14.2	125.9
Expenditure Recovered		(5.6)	(4.5)	(4.6)	(4.8)	(19.6)	(4.9)	(5.0)	(5.2)	(5.3)	(5.5)	(5.6)	(51.1)
Facility Management		10.8	11.0	11.0	10.0	42.8	10.1	10.1	10.1	10.1	10.2	10.2	103.6
General Advertising		1.3	1.3	1.3	1.3	5.2	1.4	1.4	1.5	1.5	1.5	1.6	14.0
Governance		3.0	1.8	1.8	3.2	9.8	1.9	2.0	2.0	3.4	2.1	2.2	23.4
Government Authority Charges		7.3	7.9	8.1	8.3	31.6	8.5	8.7	9.0	9.2	9.5	9.8	86.4
Grants, Sponsorships and Donations		21.2	21.6	20.2	22.8	85.7	21.4	22.0	22.7	26.5	24.2	25.0	227.6
Infrastructure Maintenance		45.3	42.9	45.0	46.1	179.2	47.2	49.1	50.4	51.9	53.7	55.3	486.9
Insurance		5.1	5.2	5.4	5.5	21.2	5.7	5.9	6.1	6.2	6.4	6.6	58.1
IT Related Expenditure		14.2	14.4	14.8	15.2	58.6	15.6	16.0	16.4	16.9	17.4	17.9	158.9
Legal Fees		3.3	3.4	3.5	3.6	13.8	3.7	3.8	3.9	4.0	4.1	4.2	37.3
Operational Contingencies		7.0	7.0	7.0	7.0	28.0	7.0	7.0	7.0	7.0	7.0	7.0	70.0
Other Asset Maintenance		3.1	3.2	3.3	3.4	13.0	3.4	3.5	3.6	3.7	3.9	4.0	35.2
Other Operating Expenditure		12.1	12.3	12.6	13.0	50.1	13.3	11.4	11.7	12.1	12.4	12.8	123.7
Postage & Couriers		1.3	1.3	1.3	1.4	5.2	1.4	1.4	1.5	1.5	1.6	1.6	14.2
Printing & Stationery		1.5	1.5	1.6	1.6	6.2	1.6	1.7	1.7	1.8	1.8	1.9	16.8
Project Management & Other Project Costs		1.1	1.2	1.2	1.2	4.7	1.3	1.3	1.3	1.4	1.4	1.4	12.8
Property Related Expenditure		36.3	37.1	38.5	39.4	151.3	40.4	41.8	42.9	44.2	45.7	47.1	413.4
Service Contracts		23.7	20.9	22.9	23.7	91.3	24.6	25.6	26.9	28.0	28.8	29.6	254.8
Stores & Materials		4.5	4.6	4.7	4.8	18.7	5.0	5.1	5.2	5.4	5.6	5.7	50.8
Surveys & Studies		1.8	1.8	1.9	1.9	7.4	2.0	2.0	2.1	2.1	2.2	2.3	20.2
Telephone Charges		2.6	2.6	2.7	2.7	10.6	2.8	2.9	3.0	3.0	3.1	3.2	28.6
Utilities		11.9	12.2	12.5	12.8	49.4	13.1	13.5	13.8	14.3	14.7	15.1	133.9
Vehicle Maintenance		2.6	2.7	2.7	2.8	10.9	2.9	3.0	3.0	3.1	3.2	3.3	29.5
Waste Disposal Charges		22.5	23.0	23.7	24.4	93.7	25.2	25.9	26.7	27.5	28.3	29.2	256.5
Value in Kind - Expenditure		1.8	1.8	1.9	1.9	7.4	2.0	2.0	2.1	2.1	2.2	2.3	20.1
<b>Expenditure</b>		<b>266.8</b>	<b>265.8</b>	<b>273.1</b>	<b>282.2</b>	<b>1,087.9</b>	<b>286.1</b>	<b>292.4</b>	<b>300.7</b>	<b>313.8</b>	<b>318.6</b>	<b>327.7</b>	<b>2,927.2</b>
<b>Total Operating Expenditure (Excl Depreciation)</b>		<b>514.5</b>	<b>517.6</b>	<b>530.7</b>	<b>546.3</b>	<b>2,109.1</b>	<b>556.7</b>	<b>570.0</b>	<b>585.3</b>	<b>606.0</b>	<b>620.2</b>	<b>639.8</b>	<b>5,687.1</b>
<b>Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)</b>		<b>110.0</b>	<b>136.1</b>	<b>140.6</b>	<b>143.5</b>	<b>530.2</b>	<b>150.2</b>	<b>157.0</b>	<b>160.4</b>	<b>159.6</b>	<b>165.7</b>	<b>167.0</b>	<b>1,490.2</b>

# City of Sydney

## Detailed Income and Expenditure

	\$'M	2021/22	2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
<b>Operating Result</b>		<b>110.0</b>	<b>136.1</b>	<b>140.6</b>	<b>143.5</b>	<b>530.2</b>	<b>150.2</b>	<b>157.0</b>	<b>160.4</b>	<b>159.6</b>	<b>165.7</b>	<b>167.0</b>	<b>1,490.2</b>
<b>Add Additional Income:</b>													
Interest		2.4	1.7	2.7	2.7	9.5	3.2	2.9	2.6	3.1	2.9	2.8	27.1
Grants and Contributions provided for Capital Purposes		37.5	48.0	49.8	50.0	185.3	48.5	47.9	59.1	40.7	39.0	39.3	459.7
<b>Less Additional Expenses:</b>													
Capital Project Related Costs		8.7	9.5	9.5	9.5	37.2	9.8	9.8	10.0	10.1	10.3	10.5	97.5
Depreciation Expense		113.9	115.9	118.8	120.1	468.7	121.3	123.0	124.3	125.5	126.3	129.6	1,218.6
<b>Net Operating Result - Surplus/(Deficit)</b>		<b>27.3</b>	<b>60.4</b>	<b>64.8</b>	<b>66.6</b>	<b>219.2</b>	<b>70.8</b>	<b>74.9</b>	<b>87.9</b>	<b>67.8</b>	<b>71.1</b>	<b>69.1</b>	<b>660.8</b>

# City of Sydney

## Operating Budget

### Organisation Summary - Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)

	2021/22			2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
	\$M	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)
<b>City Life</b>	<b>22.8</b>	<b>91.9</b>	<b>(69.1)</b>	<b>(70.1)</b>	<b>(70.0)</b>	<b>(71.9)</b>	<b>(281.1)</b>	<b>(73.9)</b>	<b>(76.1)</b>	<b>(78.4)</b>	<b>(80.9)</b>	<b>(83.5)</b>	<b>(86.2)</b>	<b>(760.1)</b>
Creative City	4.6	33.5	(28.9)	(29.6)	(30.3)	(31.1)	(120.0)	(31.9)	(32.9)	(33.8)	(34.9)	(35.9)	(37.1)	(326.4)
Grants and Sponsorship	0.1	22.4	(22.3)	(22.4)	(21.0)	(21.6)	(87.2)	(22.2)	(22.9)	(23.6)	(24.4)	(25.2)	(26.0)	(231.4)
Social Programs and Services	7.4	20.1	(12.7)	(13.0)	(13.3)	(13.7)	(52.6)	(14.1)	(14.5)	(14.9)	(15.4)	(15.9)	(16.5)	(144.0)
City Business & Safety	3.2	6.4	(3.3)	(3.3)	(3.4)	(3.4)	(13.3)	(3.5)	(3.6)	(3.7)	(3.9)	(4.0)	(4.1)	(36.2)
City Life Management	0.0	1.7	(1.7)	(1.7)	(1.8)	(1.8)	(7.0)	(1.8)	(1.9)	(1.9)	(1.9)	(2.0)	(2.1)	(18.6)
Sustainability Programs	0.2	2.9	(2.6)	(2.7)	(2.8)	(2.8)	(10.9)	(2.9)	(3.0)	(3.1)	(3.2)	(3.3)	(3.4)	(29.9)
Venue Management	7.2	4.8	2.4	2.4	2.5	2.5	9.8	2.6	2.7	2.7	2.8	2.9	3.0	26.5
<b>City Services</b>	<b>128.6</b>	<b>199.4</b>	<b>(70.8)</b>	<b>(63.1)</b>	<b>(69.7)</b>	<b>(70.4)</b>	<b>(274.0)</b>	<b>(72.3)</b>	<b>(72.7)</b>	<b>(75.1)</b>	<b>(77.6)</b>	<b>(80.7)</b>	<b>(83.7)</b>	<b>(736.1)</b>
Security & Emergency Management	3.2	6.6	(3.3)	(3.4)	(3.5)	(3.6)	(13.8)	(3.7)	(3.8)	(3.9)	(4.0)	(4.2)	(4.3)	(37.7)
City Rangers	38.6	26.1	12.5	12.7	13.0	13.3	51.6	13.6	13.9	14.3	14.6	15.0	15.4	138.5
Parking and Fleet Services	48.9	16.7	32.2	32.8	33.5	34.2	132.6	34.8	35.5	36.2	36.8	37.5	38.1	351.6
City Greening and Leisure	1.2	38.7	(37.5)	(38.3)	(40.5)	(40.3)	(156.7)	(41.1)	(42.2)	(43.4)	(44.4)	(45.6)	(46.7)	(420.1)
City Services Management	0.0	0.5	(0.5)	(0.5)	(0.2)	(0.0)	(1.3)	0.2	0.4	0.6	0.8	0.8	0.8	2.2
City Infrastructure and Traffic Operations (CITO)	35.3	42.2	(6.9)	2.3	(1.2)	(1.3)	(7.1)	(1.5)	0.4	0.2	0.0	(0.3)	(0.5)	(8.7)
Cleansing & Waste	1.4	68.0	(66.5)	(68.0)	(69.9)	(71.8)	(276.2)	(73.8)	(75.9)	(78.1)	(80.5)	(83.0)	(85.5)	(752.9)
City Services Strategy	0.0	0.8	(0.8)	(0.8)	(0.8)	(0.8)	(3.2)	(0.9)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(8.8)
<b>City Projects and Property</b>	<b>71.8</b>	<b>74.5</b>	<b>(2.7)</b>	<b>8.2</b>	<b>12.7</b>	<b>14.9</b>	<b>33.2</b>	<b>15.1</b>	<b>17.1</b>	<b>17.5</b>	<b>17.9</b>	<b>18.1</b>	<b>18.5</b>	<b>137.3</b>
City Property	71.8	64.0	7.8	18.6	23.4	25.8	75.6	26.4	28.7	29.4	30.2	30.9	31.7	253.0
CPP - Infrastructure Delivery	0.0	1.2	(1.2)	(0.9)	(0.9)	(1.0)	(4.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	(1.2)	(10.6)
CPP - Development and Strategy	0.0	3.8	(3.8)	(3.9)	(4.0)	(4.1)	(15.7)	(4.2)	(4.3)	(4.4)	(4.6)	(4.7)	(4.9)	(42.8)
CPP - Professional Services	0.0	5.5	(5.5)	(5.6)	(5.7)	(5.9)	(22.7)	(6.1)	(6.3)	(6.5)	(6.7)	(6.9)	(7.1)	(62.2)
<b>City Planning Development and Transport</b>	<b>19.4</b>	<b>42.6</b>	<b>(23.2)</b>	<b>(23.6)</b>	<b>(24.8)</b>	<b>(25.5)</b>	<b>(97.1)</b>	<b>(26.2)</b>	<b>(27.1)</b>	<b>(27.9)</b>	<b>(28.8)</b>	<b>(29.8)</b>	<b>(30.8)</b>	<b>(267.7)</b>
Health & Building	2.5	15.4	(12.9)	(13.2)	(13.6)	(14.0)	(53.7)	(14.4)	(14.8)	(15.2)	(15.7)	(16.3)	(16.8)	(146.9)
Planning Assessments	5.2	14.2	(9.0)	(9.1)	(9.3)	(9.6)	(37.0)	(9.9)	(10.2)	(10.5)	(10.8)	(11.2)	(11.6)	(101.0)
Strategic Planning and Urban Design	0.7	5.7	(5.1)	(5.2)	(5.3)	(5.5)	(21.1)	(5.6)	(5.8)	(6.0)	(6.2)	(6.4)	(6.6)	(57.6)
City Access	0.2	4.5	(4.3)	(4.4)	(4.5)	(4.6)	(17.8)	(4.7)	(4.9)	(5.0)	(5.2)	(5.3)	(5.5)	(48.3)
Construction & Building Certification Services	10.9	2.8	8.1	8.3	8.0	8.1	32.5	8.3	8.6	8.8	9.0	9.3	9.6	86.1

# City of Sydney

## Operating Budget

### Organisation Summary - Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)

	2021/22			2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	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)
<b>Chief Executive Office</b>	<b>0.0</b>	<b>9.1</b>	<b>(9.1)</b>	<b>(9.3)</b>	<b>(9.5)</b>	<b>(9.8)</b>	<b>(37.8)</b>	<b>(10.1)</b>	<b>(10.4)</b>	<b>(10.7)</b>	<b>(11.0)</b>	<b>(11.4)</b>	<b>(11.7)</b>	<b>(102.9)</b>
Office of the Lord Mayor	0.0	3.7	(3.7)	(3.8)	(3.9)	(4.0)	(15.3)	(4.1)	(4.2)	(4.3)	(4.5)	(4.6)	(4.7)	(41.6)
Chief Executive Office	0.0	2.3	(2.3)	(2.3)	(2.4)	(2.4)	(9.4)	(2.5)	(2.6)	(2.7)	(2.7)	(2.8)	(2.9)	(25.6)
Secretariat	0.0	1.0	(1.0)	(1.0)	(1.0)	(1.0)	(4.0)	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)	(1.2)	(10.8)
Councillor Support	0.0	2.2	(2.2)	(2.3)	(2.3)	(2.4)	(9.1)	(2.4)	(2.5)	(2.6)	(2.7)	(2.7)	(2.8)	(24.9)
<b>Chief Operations Office</b>	<b>0.8</b>	<b>24.6</b>	<b>(23.8)</b>	<b>(23.5)</b>	<b>(24.1)</b>	<b>(24.7)</b>	<b>(96.0)</b>	<b>(25.4)</b>	<b>(26.8)</b>	<b>(26.9)</b>	<b>(27.8)</b>	<b>(28.7)</b>	<b>(30.4)</b>	<b>(262.2)</b>
Chief Operations Office	0.5	2.0	(1.5)	(1.5)	(1.5)	(1.5)	(6.1)	(1.6)	(1.7)	(1.7)	(1.8)	(1.9)	(1.9)	(16.7)
Sustainability	0.0	1.7	(1.7)	(1.7)	(1.7)	(1.8)	(6.9)	(1.8)	(1.9)	(2.0)	(2.0)	(2.1)	(2.1)	(18.8)
Strategy, Urban Analytics & Communications	0.1	12.9	(12.9)	(12.5)	(12.9)	(13.2)	(51.5)	(13.6)	(14.7)	(14.4)	(14.8)	(15.3)	(16.6)	(140.8)
City Design	0.1	2.7	(2.6)	(2.6)	(2.6)	(2.7)	(10.6)	(2.8)	(2.9)	(3.0)	(3.1)	(3.2)	(3.3)	(28.7)
Green Square	0.0	0.7	(0.7)	(0.7)	(0.7)	(0.8)	(2.9)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)	(8.0)
City Transformation	0.1	0.2	(0.1)	(0.0)	(0.0)	(0.0)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.6)
Green Infrastructure	0.0	0.7	(0.7)	(0.7)	(0.7)	(0.7)	(2.9)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(7.8)
Project Management Office	0.0	0.4	(0.4)	(0.4)	(0.4)	(0.4)	(1.6)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(4.3)
Strategic Community Engagement	0.0	1.2	(1.2)	(1.2)	(1.2)	(1.3)	(4.9)	(1.3)	(1.3)	(1.4)	(1.4)	(1.5)	(1.5)	(13.3)
Indigenous Leadership and Engagement	0.1	1.0	(0.9)	(1.0)	(1.0)	(1.0)	(3.9)	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)	(1.2)	(10.8)
City Conversations	0.0	1.1	(1.1)	(1.1)	(1.1)	(1.2)	(4.5)	(1.2)	(1.2)	(1.3)	(1.3)	(1.4)	(1.4)	(12.4)
<b>People Performance and Technology</b>	<b>2.5</b>	<b>46.8</b>	<b>(44.2)</b>	<b>(43.9)</b>	<b>(45.1)</b>	<b>(46.2)</b>	<b>(179.5)</b>	<b>(47.4)</b>	<b>(48.7)</b>	<b>(50.1)</b>	<b>(51.7)</b>	<b>(53.4)</b>	<b>(55.0)</b>	<b>(485.8)</b>
Customer Service	2.5	6.9	(4.4)	(4.5)	(4.6)	(4.7)	(18.1)	(4.9)	(5.0)	(5.2)	(5.3)	(5.5)	(5.7)	(49.6)
Workforce Services	0.0	10.3	(10.3)	(10.5)	(10.7)	(11.0)	(42.5)	(11.2)	(11.5)	(11.8)	(12.2)	(12.6)	(13.0)	(114.8)
Technology and Digital Services	0.0	20.5	(20.5)	(19.7)	(20.2)	(20.7)	(81.1)	(21.3)	(21.9)	(22.5)	(23.2)	(23.9)	(24.7)	(218.5)
Data and Information Management Services	0.0	7.6	(7.6)	(7.8)	(8.0)	(8.2)	(31.5)	(8.4)	(8.6)	(8.9)	(9.2)	(9.5)	(9.8)	(85.9)
Business and Service Improvement	0.0	1.2	(1.2)	(1.2)	(1.3)	(1.3)	(5.0)	(1.3)	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)	(13.6)
Internal Office Services	0.0	0.3	(0.3)	(0.3)	(0.3)	(0.3)	(1.2)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(3.3)
<b>Chief Financial Office</b>	<b>0.5</b>	<b>10.7</b>	<b>(10.2)</b>	<b>(10.4)</b>	<b>(10.5)</b>	<b>(10.8)</b>	<b>(42.0)</b>	<b>(11.1)</b>	<b>(11.4)</b>	<b>(11.8)</b>	<b>(12.2)</b>	<b>(12.5)</b>	<b>(12.9)</b>	<b>(113.9)</b>
<b>Legal and Governance</b>	<b>1.7</b>	<b>15.8</b>	<b>(14.1)</b>	<b>(13.1)</b>	<b>(13.4)</b>	<b>(15.2)</b>	<b>(55.7)</b>	<b>(14.2)</b>	<b>(14.6)</b>	<b>(15.0)</b>	<b>(16.9)</b>	<b>(16.0)</b>	<b>(16.5)</b>	<b>(148.9)</b>
<b>Corporate Costs</b>	<b>376.4</b>	<b>(0.7)</b>	<b>377.1</b>	<b>385.0</b>	<b>395.0</b>	<b>403.2</b>	<b>1,560.3</b>	<b>415.7</b>	<b>427.7</b>	<b>438.8</b>	<b>448.6</b>	<b>463.6</b>	<b>475.8</b>	<b>4,230.5</b>
<b>Council</b>	<b>624.5</b>	<b>514.5</b>	<b>110.0</b>	<b>136.1</b>	<b>140.6</b>	<b>143.5</b>	<b>530.2</b>	<b>150.2</b>	<b>157.0</b>	<b>160.4</b>	<b>159.6</b>	<b>165.7</b>	<b>167.0</b>	<b>1,490.2</b>





# City of Sydney

## 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.

\$'M	Prior Years Total	2021/22	2022/23	2023/24	2024/25	4 Years Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total	Total Project Budget
<b>Asset Enhancement</b>														
Bicycle Related Works	30.2	19.6	14.7	11.6	13.5	59.4	4.6	5.5	1.5	2.0	0.1		73.2	103.5
Green Infrastructure	41.2	6.0	3.0	1.8	1.5	12.4	1.1	1.1					14.6	55.9
Open Space and Parks	99.9	21.6	29.5	29.6	8.1	88.7	12.0	21.1	21.6	22.9	24.1	24.1	214.4	314.3
Properties - Community, Cultural and Recreational	176.5	11.0	28.6	34.0	7.1	80.7	9.5	8.1	10.7	12.0	12.0	12.0	145.1	321.6
Properties - Investment and Operational	2.6	3.2	0.0	0.7	0.5	4.5	1.0	2.0	3.0	3.0	4.0	4.0	21.5	24.0
Public Art	5.0	4.4	3.0	1.2	1.6	10.2	0.5	1.3		1.0		1.0	14.0	19.0
Public Domain	372.6	65.8	23.2	26.2	25.3	140.5	20.9	15.8	17.7	19.2	15.9	13.3	243.3	615.9
Stormwater Drainage	80.5	15.2	8.6	1.5	1.7	27.0	4.2	5.5	6.7	6.2	6.6	6.6	62.7	143.2
<b>Asset Enhancement Projects Total</b>	<b>808.6</b>	<b>147.0</b>	<b>110.6</b>	<b>106.4</b>	<b>59.3</b>	<b>423.4</b>	<b>53.8</b>	<b>60.5</b>	<b>61.2</b>	<b>66.3</b>	<b>62.7</b>	<b>61.0</b>	<b>788.8</b>	<b>1,597.4</b>
<b>Asset Renewal (Rolling Programs)</b>														
Infrastructure - Roads Bridges Footways		11.4	11.7	12.5	12.6	48.1	14.2	15.0	16.5	18.3	19.4	19.4	150.9	150.9
Open Space and Parks		20.0	18.1	23.5	25.1	86.6	24.9	24.1	25.5	23.8	25.2	25.3	235.5	235.5
Properties Assets		31.3	38.4	37.6	40.6	147.9	39.0	31.9	27.6	24.7	23.9	26.0	321.0	321.0
Public Art		1.0	0.8	0.8	0.8	3.3	0.8	0.7	0.8	0.8	0.7	0.7	7.8	7.8
Public Domain		22.2	12.1	11.9	11.9	58.1	15.4	17.3	16.2	14.0	12.3	11.6	145.0	145.0
Stormwater Drainage		3.5	4.5	5.5	5.5	19.0	5.5	3.5	3.5	3.5	3.5	3.5	42.0	42.0
<b>Asset Renewal Programs Total</b>		<b>89.3</b>	<b>85.5</b>	<b>91.7</b>	<b>96.5</b>	<b>363.0</b>	<b>99.8</b>	<b>92.6</b>	<b>90.1</b>	<b>85.1</b>	<b>85.0</b>	<b>86.5</b>	<b>902.2</b>	<b>902.2</b>
<b>TOTAL CAPITAL WORKS</b>	<b>808.6</b>	<b>236.3</b>	<b>196.2</b>	<b>198.1</b>	<b>155.8</b>	<b>786.4</b>	<b>153.5</b>	<b>153.1</b>	<b>151.3</b>	<b>151.4</b>	<b>147.7</b>	<b>147.5</b>	<b>1,691.0</b>	<b>2,499.5</b>
<b>Contingency</b>														
Capital Works Contingency		8.0				8.0							8.0	8.0
<b>Total Contingency</b>		<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.0</b>	<b>8.0</b>

**City of Sydney**  
Balance Sheet

	\$'M	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Investments		313.2	298.1	363.0	314.2	284.2	256.3	234.6	235.3	202.4	212.7
Receivables		100.5	102.8	103.5	104.3	105.0	105.9	106.6	107.4	108.2	109.1
Prepayments		6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Inventory		0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
<b>Current Assets Total</b>		<b>420.3</b>	<b>407.5</b>	<b>473.1</b>	<b>425.1</b>	<b>395.8</b>	<b>368.8</b>	<b>347.8</b>	<b>349.3</b>	<b>317.2</b>	<b>328.4</b>
<b>Non-Current Assets</b>											
Capital Works, Infrastructure, Investment Properties and P&A		14,196.9	14,264.1	14,267.5	14,379.1	14,482.4	14,588.5	14,701.5	14,773.4	14,880.8	14,944.7
<b>Non Current Assets</b>		<b>14,196.9</b>	<b>14,264.1</b>	<b>14,267.5</b>	<b>14,379.1</b>	<b>14,482.4</b>	<b>14,588.5</b>	<b>14,701.5</b>	<b>14,773.4</b>	<b>14,880.8</b>	<b>14,944.7</b>
<b>Total Assets</b>		<b>14,617.1</b>	<b>14,671.6</b>	<b>14,740.6</b>	<b>14,804.3</b>	<b>14,878.2</b>	<b>14,957.2</b>	<b>15,049.3</b>	<b>15,122.7</b>	<b>15,198.1</b>	<b>15,273.1</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables		158.3	152.3	156.5	153.6	156.7	160.8	165.0	170.6	174.8	180.9
Provisions		74.1	74.1	74.1	74.1	74.1	74.1	74.1	74.1	74.1	74.1
<b>Current Liabilities Total</b>		<b>232.4</b>	<b>226.4</b>	<b>230.6</b>	<b>227.7</b>	<b>230.8</b>	<b>234.9</b>	<b>239.1</b>	<b>244.7</b>	<b>248.9</b>	<b>255.0</b>
<b>Non-Current Liabilities</b>											
Provisions		22.8	22.8	22.8	22.8	22.8	22.8	22.8	22.8	22.8	22.8
<b>Non-Current Liabilities Total</b>		<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>
<b>Total Liabilities</b>		<b>255.2</b>	<b>249.2</b>	<b>253.4</b>	<b>250.5</b>	<b>253.6</b>	<b>257.7</b>	<b>261.9</b>	<b>267.5</b>	<b>271.7</b>	<b>277.8</b>
<b>Net Assets</b>		<b>14,361.9</b>	<b>14,422.4</b>	<b>14,487.2</b>	<b>14,553.8</b>	<b>14,624.6</b>	<b>14,699.5</b>	<b>14,787.4</b>	<b>14,855.2</b>	<b>14,926.3</b>	<b>14,995.4</b>
<b>EQUITY</b>											
<b>Equity</b>		<b>14,361.9</b>	<b>14,422.4</b>	<b>14,487.2</b>	<b>14,553.8</b>	<b>14,624.6</b>	<b>14,699.5</b>	<b>14,787.4</b>	<b>14,855.2</b>	<b>14,926.3</b>	<b>14,995.4</b>

# City of Sydney

## Cash Flow Forecast

\$M	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Revenue:</b>										
Rates and Annual Charges	378.2	387.5	397.3	407.3	417.6	428.3	439.2	450.6	462.2	474.1
Other Operating Income	244.6	264.4	272.2	280.6	287.3	296.7	304.4	312.8	321.5	330.4
<b>Operating Income</b>	<b>622.7</b>	<b>651.9</b>	<b>669.4</b>	<b>687.9</b>	<b>704.9</b>	<b>725.0</b>	<b>743.6</b>	<b>763.4</b>	<b>783.7</b>	<b>804.5</b>
<b>Expenses:</b>										
Salary & Wages Expenditure	247.7	251.8	257.6	264.1	270.6	277.6	284.6	292.2	301.5	312.0
Other Operating Expenditure	265.0	263.9	271.2	280.3	284.1	290.4	298.6	311.6	316.4	325.5
<b>Operating Expenditure</b>	<b>512.7</b>	<b>515.7</b>	<b>528.8</b>	<b>544.4</b>	<b>554.7</b>	<b>568.0</b>	<b>583.2</b>	<b>603.8</b>	<b>618.0</b>	<b>637.5</b>
<b>Operating Surplus</b>	<b>110.0</b>	<b>136.1</b>	<b>140.6</b>	<b>143.5</b>	<b>150.2</b>	<b>157.0</b>	<b>160.4</b>	<b>159.6</b>	<b>165.7</b>	<b>167.0</b>
<b>Other Non Operating:</b>										
Interest income	2.4	1.7	2.7	2.7	3.2	2.9	2.6	3.1	2.9	2.8
Capital Related Project Expenses*	(8.7)	(9.5)	(9.5)	(9.5)	(9.8)	(9.8)	(10.0)	(10.1)	(10.3)	(10.5)
Depreciation	(113.9)	(115.9)	(118.8)	(120.1)	(121.3)	(123.0)	(124.3)	(125.5)	(126.3)	(129.6)
Capital Grants and Contributions	37.5	48.0	49.8	50.0	48.5	47.9	59.1	40.7	39.0	39.3
<b>Net Surplus/(Deficit)</b>	<b>27.3</b>	<b>60.4</b>	<b>64.8</b>	<b>66.6</b>	<b>70.8</b>	<b>74.9</b>	<b>87.9</b>	<b>67.8</b>	<b>71.1</b>	<b>69.1</b>
<b>Add Back:</b>										
Depreciation	113.9	115.9	118.8	120.1	121.3	123.0	124.3	125.5	126.3	129.6
Non-Cash Asset Adjustments	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<b>Cash Surplus before Capital Expenditure</b>	<b>143.4</b>	<b>176.3</b>	<b>183.6</b>	<b>186.7</b>	<b>192.1</b>	<b>197.9</b>	<b>212.2</b>	<b>193.3</b>	<b>197.4</b>	<b>198.7</b>
<b>Capital Expenditure</b>										
Capital Works	(244.3)	(196.2)	(198.1)	(155.8)	(153.5)	(153.1)	(151.3)	(151.4)	(147.7)	(147.5)
Plant and Asset Acquisitions/ICT Projects	(27.5)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)
Property (Acquisitions)/Divestments	(131.9)	39.0	102.0	(50.0)	(45.0)	(50.0)	(60.0)	(20.0)	(60.0)	(20.0)
<b>Total Capital Expenditure</b>	<b>(403.7)</b>	<b>(183.2)</b>	<b>(122.1)</b>	<b>(231.8)</b>	<b>(224.5)</b>	<b>(229.1)</b>	<b>(237.3)</b>	<b>(197.4)</b>	<b>(233.7)</b>	<b>(193.5)</b>
<b>Net Receivables/Payables Movement</b>	<b>19.2</b>	<b>(8.2)</b>	<b>3.5</b>	<b>(3.8)</b>	<b>2.5</b>	<b>3.2</b>	<b>3.4</b>	<b>4.8</b>	<b>3.4</b>	<b>5.2</b>
<b>Cash Surplus/(Deficit)</b>	<b>(241.1)</b>	<b>(15.1)</b>	<b>64.9</b>	<b>(48.8)</b>	<b>(30.0)</b>	<b>(27.9)</b>	<b>(21.7)</b>	<b>0.7</b>	<b>(33.0)</b>	<b>10.3</b>
<b>Total Cash at Beginning of Period</b>	<b>554.3</b>	<b>313.2</b>	<b>298.1</b>	<b>363.0</b>	<b>314.2</b>	<b>284.2</b>	<b>256.3</b>	<b>234.6</b>	<b>235.3</b>	<b>202.4</b>
Cash Surplus/(Deficit)	(241.1)	(15.1)	64.9	(48.8)	(30.0)	(27.9)	(21.7)	0.7	(33.0)	10.3
<b>Total Cash at End of Period</b>	<b>313.2</b>	<b>298.1</b>	<b>363.0</b>	<b>314.2</b>	<b>284.2</b>	<b>256.3</b>	<b>234.6</b>	<b>235.3</b>	<b>202.4</b>	<b>212.7</b>

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement

# City of Sydney

## 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 *Asset Recognition and Capitalisation Policy*.

## Summary of Expenditure - 2021/22

\$M	2021/22		Net Budget
	Acquisitions	Sales	
Books & Library Resources	0.9	0.0	0.9
Information Technology (Equipment)	2.0	0.0	2.0
Technology and Digital Services - Capital Projects	18.3	0.0	18.3
Vehicles and Plant	4.7	(0.5)	4.2
Equipment, Furniture & Fittings and Miscellaneous	2.0	0.0	2.0
<b>Total</b>	<b>28.0</b>	<b>(0.5)</b>	<b>27.5</b>

## Statement of Business or Commercial Activities

The City of Sydney expects to continue with Parking Stations as a Category 1 business activity. In a typical operating environment, 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.

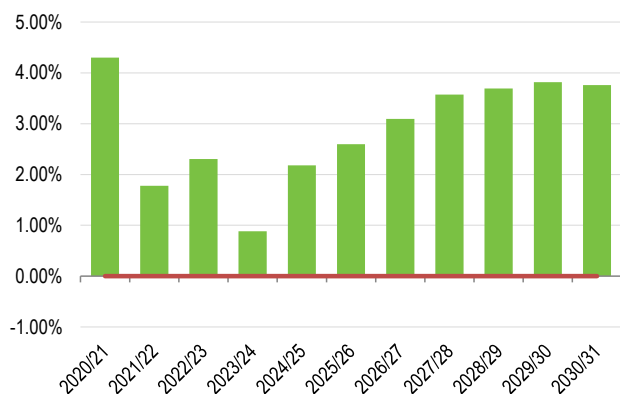
The City's performance in respect of the mandated Office of Local Government Performance measures is detailed below. The charts demonstrate performance trends on the basis of forward projections contained in the Long Term Financial Plan, and estimates related to future asset maintenance and renewal requirements (per the Asset Management Plan) and infrastructure backlog.

The formulas used in the calculations, as provided by the NSW Office of Local Government, are also included.

The graphs plot the 3-year average performance for each year shown (with the exception of the Infrastructure Backlog Ratio and the Real Operating Expenditure per Capita, shown as 'snapshot' performance). e.g. 2021/22 will show average performance for the 3 years to 2021/22 (2019/20, 2020/21, 2021/22).

Sustainability

Operating Performance Ratio



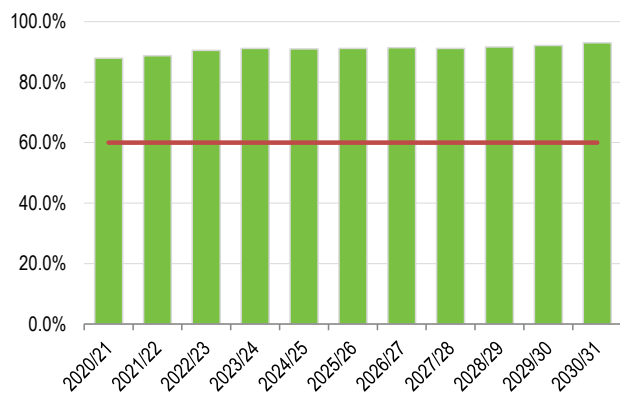
$$\frac{\text{Operating Revenue (excl Capital Grants \& Contributions)}}{\text{less Operating Expenses}}$$

$$\text{Operating Revenue (excl Capital Grants \& Contributions)}$$

The City's Operating Performance projections reflect the impact of the Covid-19 pandemic on the City's operations, and subsequent recovery in later years. A one-off income item related to the award of Heritage Floor Space rights on City properties has (temporarily) skewed earlier years' results, due to the effect of reporting a rolling average ratio result.

Forward estimates anticipate a financial recovery reflecting a return to long term averages over time. The base case of the model relies upon the recovery of key income sources by 2022/23, and scenarios have been provided within this Long Term Financial Plan modelling financial impacts of an extended period of recovery.

Own Source Revenue



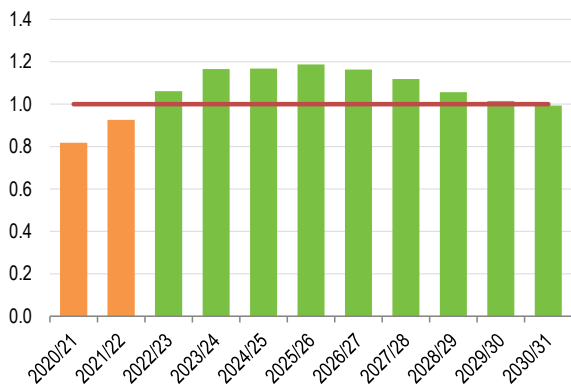
$$\text{Total continuing operating revenue less all grants and contributions}$$

$$\frac{\text{Total Operating Revenue}}{\text{(inclusive of Capital Grants and Contributions)}}$$

The City's Own Source Operating Revenue is already well above the required benchmark level and is forecast to continue to grow as a proportion of total operating revenue.

As detailed in the Long Term Financial Plan document, minor incremental growth in the City's rates base and the assumed continuation of the "cap" on developer contributions per new dwelling will result in capital income representing a declining proportion of the City's income base, reflected in the gradual increase in the Own Source Revenue ratio. The ratio may be impacted in any given year by higher-than-expected capital income receipts.

Building and Infrastructure Asset Renewal Ratio



$$\text{Actual Asset Renewals}$$

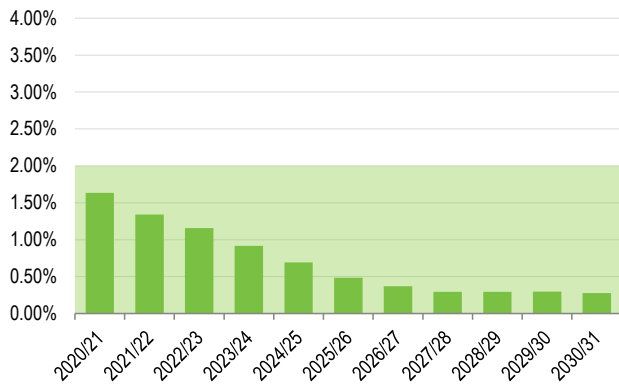
$$\text{Required Renewal* of Building and Infrastructure Assets}$$

Rather than utilise depreciation expense as an arbitrary proxy, the required renewal of building and infrastructure assets is instead sourced from the Asset Management Plan within the City's Integrated Planning and Reporting documents. Depreciation rates are also re-assessed regularly to reflect appropriate useful lives for assets, but the straight line methodology inevitably presents a limitation.

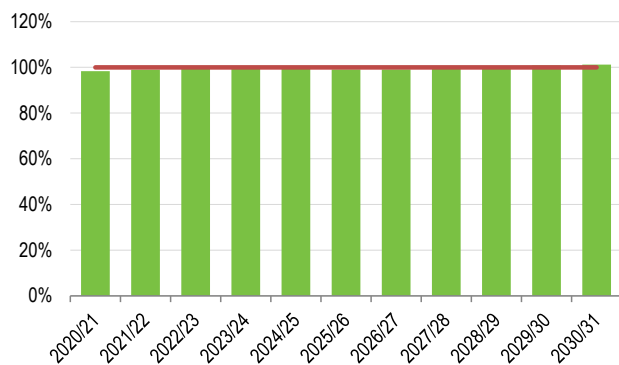
Ratio performance is forecast to exceed benchmark in the middle years of the plan, as capital works delivery transitions from the completion of new infrastructure in Green Square, and identified asset backlog is addressed. Ratio performance is projected to return to benchmark levels in the later years of the plan, in line with long term aims.

Infrastructure and Service Management

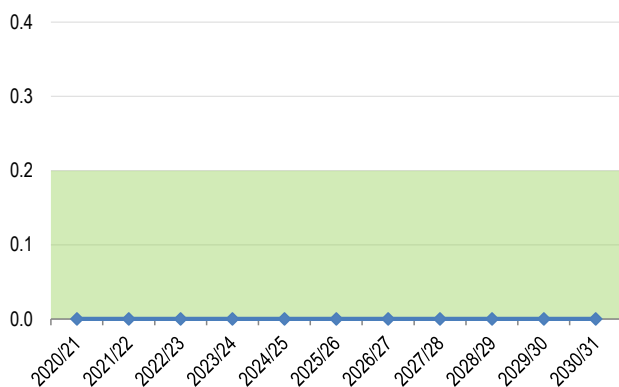
Infrastructure Backlog Ratio



Asset Maintenance Ratio

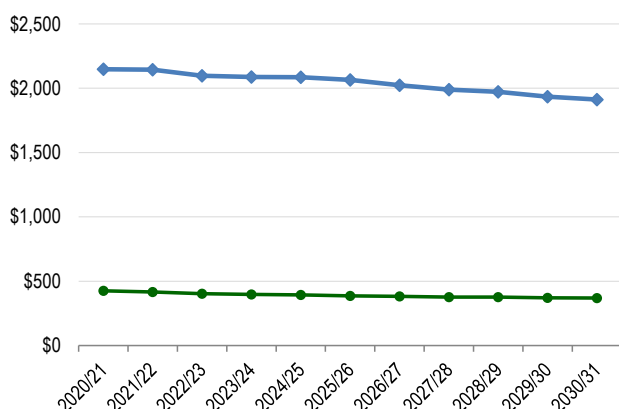


Debt Service Ratio



Efficiency

Real Operating Expenditure per capita



Estimated Costs to Bring Assets to a Satisfactory Standard

Written Down Value of Infrastructure  
(incl roads and drainage assets), Building, Other Structures and Depreciable Land Improvements Assets

The City holds the view that the vast majority of its buildings and infrastructure are currently maintained at or above a "satisfactory standard". The identified infrastructure backlog is subject to ongoing review, to ensure that backlog levels reported are reflective of those assets deemed to be at less than "satisfactory standard".

The City's projected Infrastructure Backlog ratio is subject to future assessments of asset condition, and therefore difficult to predict. However, the ratio result is expected to improve as targeted renewal works (per the City's asset management plans) are completed. Condition assessments of assets are also completed periodically, in order to better prioritise works.

Actual Asset Maintenance

Required Asset Maintenance

In line with the City's Asset Management Plan, asset maintenance is forecast to remain at (or near to) benchmark over the life of the plan.

Whilst gross expenditure on asset maintenance will continue to grow over time, so to will the "required" level of annual maintenance, as the City's asset base continues to grow. Resourcing of asset maintenance and operating expenditure is considered in conjunction with capital renewal, as part of a holistic approach to asset management.

Over the longer term, increases to asset maintenance expenditure will continue to be 'matched' to growth in the City's asset base.

Principal Repayments (from Statement of Cash Flows) plus Borrowing Interest Costs (from the income statement)

Operating Results before Interest and Depreciation (EBITDA)

Historically strong financial management has alleviated the need for the City to borrow funds, and the Long Term Financial Plan projects that this trend will continue over the next 10 years.

In addition to cash and investment reserves accumulated over a period of 15 years, the City has access to considerable capital income (in the form of developer contributions and interest on cash and investments) that will facilitate the delivery of new capital projects without the use of borrowings. Should funding circumstances change, the City will review the appropriateness of debt financing accordingly.

Real Operating Expenditure  
Residential Population of Local Government Area

A declining trend over time is in line with OLG requirements, and reflects the City's commitment to targeting efficiencies in service delivery.

Whilst gross Operating Expenditure is forecast to increase over time, the residential population of the LGA is projected to grow more rapidly, representing a declining level of Real Operating Expenditure per capita. Service levels are reviewed as part of the Integrated Planning and Reporting process, and will reflect ratepayer priorities within tight budgetary controls.

Note that the green line reflects the inclusion of all users of the City, currently over 1.2M per day (in a business-as-usual environment)

## City of Sydney

### Income Statement - Alternative Scenario 1 (extended post-Covid-19 recovery period for key income sources)

	\$'M	2021/22	2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
<b>Income from Continuing Operations</b>													
Rates & Annual Charges		378.2	387.5	397.3	407.3	1,570.2	417.6	428.3	439.2	450.6	462.2	474.1	4,242.3
Fees		117.1	123.2	122.7	125.6	488.6	130.6	133.9	137.2	143.0	146.7	150.6	1,330.6
Interest Income		2.4	1.7	2.6	2.6	9.3	2.9	2.6	2.3	2.6	2.4	2.3	24.3
Other Income		110.7	120.8	126.2	131.3	488.9	137.2	143.0	146.8	154.1	158.6	163.3	1,392.0
Grants and Contributions provided for Capital Purposes		37.5	48.0	49.8	50.0	185.3	48.5	47.9	59.1	40.7	39.0	39.3	459.7
Grants and Contributions provided for Operating Purposes		18.6	15.6	16.0	16.3	66.5	16.6	17.0	17.4	17.9	18.3	18.8	172.6
<b>Total Income from Continuing Operations</b>		<b>664.4</b>	<b>696.8</b>	<b>714.5</b>	<b>733.1</b>	<b>2,808.7</b>	<b>753.5</b>	<b>772.6</b>	<b>802.1</b>	<b>808.9</b>	<b>827.3</b>	<b>848.3</b>	<b>7,621.4</b>
<b>Expenses from Continuing Operations</b>													
Employee		247.7	251.8	257.6	264.1	1,021.2	270.6	277.6	284.6	292.2	301.5	312.0	2,759.8
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		137.5	134.8	140.8	143.2	556.3	146.8	151.6	155.9	160.4	165.2	169.8	1,506.2
Depreciation Expense		113.9	115.9	118.8	120.1	468.7	121.3	123.0	124.3	125.5	126.3	129.6	1,218.6
Other Expenditure		138.0	140.5	141.8	148.5	568.8	149.0	150.7	154.7	163.4	163.7	168.3	1,518.6
<b>Total Expenses from Continuing Operations</b>		<b>637.1</b>	<b>643.0</b>	<b>659.0</b>	<b>676.0</b>	<b>2,615.0</b>	<b>687.7</b>	<b>702.9</b>	<b>719.5</b>	<b>741.5</b>	<b>756.7</b>	<b>779.8</b>	<b>7,003.2</b>
<b>Net Operating Result for the Year</b>		<b>27.3</b>	<b>53.8</b>	<b>55.5</b>	<b>57.1</b>	<b>193.7</b>	<b>65.8</b>	<b>69.7</b>	<b>82.6</b>	<b>67.3</b>	<b>70.6</b>	<b>68.5</b>	<b>618.2</b>

#### Impacts of Covid-19 on Net Operating Result

The base case of this Long Term Financial Plan anticipates that a number of key income streams will continue a recovery during 2021/22, before returning to an expected long term average from 2022/23. However, these income streams remain at risk, depending on prevailing market conditions post-Covid-19. Accordingly, scenarios have been modelled to demonstrate potential additional impacts over the period of the Long Term Financial Plan.

This income statement reflects a scenario whereby the recovery described above occurs over a period of 6 years (i.e. a prolonged recovery period), before returning to the expected long term average from 2028/29. The adjustments under this scenario affect the following income items:

1. Commercial Property income (cumulative impact: \$16.1M)
2. Advertising Space income (cumulative impact: \$17.7M)
3. Licences income (cumulative impact: \$6.0M)
4. Interest income (cumulative impact: \$2.8M)

# City of Sydney

## Cash Flow Forecast - Alternative Scenario 1 (extended post-Covid-19 recovery period for key income sources)

	\$M	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Revenue:</b>											
Rates and Annual Charges		378.2	387.5	397.3	407.3	417.6	428.3	439.2	450.6	462.2	474.1
Other Operating Income		244.6	257.8	262.9	271.3	282.5	291.9	299.4	312.8	321.5	330.4
<b>Operating Income</b>		<b>622.7</b>	<b>645.2</b>	<b>660.2</b>	<b>678.6</b>	<b>700.2</b>	<b>720.2</b>	<b>738.7</b>	<b>763.4</b>	<b>783.7</b>	<b>804.5</b>
<b>Expenses:</b>											
Salary & Wages Expenditure		247.7	251.8	257.6	264.1	270.6	277.6	284.6	292.2	301.5	312.0
Other Operating Expenditure		265.0	263.9	271.2	280.3	284.1	290.4	298.6	311.6	316.4	325.5
<b>Operating Expenditure</b>		<b>512.7</b>	<b>515.7</b>	<b>528.8</b>	<b>544.4</b>	<b>554.7</b>	<b>568.0</b>	<b>583.2</b>	<b>603.8</b>	<b>618.0</b>	<b>637.5</b>
<b>Operating Surplus</b>		<b>110.0</b>	<b>129.5</b>	<b>131.4</b>	<b>134.1</b>	<b>145.4</b>	<b>152.1</b>	<b>155.5</b>	<b>159.6</b>	<b>165.7</b>	<b>167.0</b>
<b>Other Non Operating:</b>											
Interest income		2.4	1.7	2.6	2.6	2.9	2.6	2.3	2.6	2.4	2.3
Capital Related Project Expenses*		(8.7)	(9.5)	(9.5)	(9.5)	(9.8)	(9.8)	(10.0)	(10.1)	(10.3)	(10.5)
Depreciation		(113.9)	(115.9)	(118.8)	(120.1)	(121.3)	(123.0)	(124.3)	(125.5)	(126.3)	(129.6)
Capital Grants and Contributions		37.5	48.0	49.8	50.0	48.5	47.9	59.1	40.7	39.0	39.3
<b>Net Surplus/(Deficit)</b>		<b>27.3</b>	<b>53.8</b>	<b>55.5</b>	<b>57.1</b>	<b>65.8</b>	<b>69.7</b>	<b>82.6</b>	<b>67.3</b>	<b>70.6</b>	<b>68.5</b>
<b>Add Back:</b>											
Depreciation		113.9	115.9	118.8	120.1	121.3	123.0	124.3	125.5	126.3	129.6
Non-Cash Asset Adjustments		2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<b>Cash Surplus before Capital Expenditure</b>		<b>143.4</b>	<b>169.7</b>	<b>174.3</b>	<b>177.2</b>	<b>187.1</b>	<b>192.8</b>	<b>206.9</b>	<b>192.8</b>	<b>196.9</b>	<b>198.2</b>
<b>Capital Expenditure</b>											
Capital Works		(244.3)	(196.2)	(198.1)	(155.8)	(153.5)	(153.1)	(151.3)	(151.4)	(147.7)	(147.5)
Plant and Asset Acquisitions/ICT Projects		(27.5)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)
Property (Acquisitions)/Divestments		(131.9)	39.0	102.0	(50.0)	(45.0)	(50.0)	(60.0)	(20.0)	(60.0)	(20.0)
<b>Total Capital Expenditure</b>		<b>(403.7)</b>	<b>(183.2)</b>	<b>(122.1)</b>	<b>(231.8)</b>	<b>(224.5)</b>	<b>(229.1)</b>	<b>(237.3)</b>	<b>(197.4)</b>	<b>(233.7)</b>	<b>(193.5)</b>
<b>Net Receivables/Payables Movement</b>		<b>19.2</b>	<b>(7.9)</b>	<b>3.6</b>	<b>(3.8)</b>	<b>2.2</b>	<b>3.2</b>	<b>3.4</b>	<b>4.5</b>	<b>3.4</b>	<b>5.2</b>
<b>Cash Surplus/(Deficit)</b>		<b>(241.1)</b>	<b>(21.3)</b>	<b>55.8</b>	<b>(58.3)</b>	<b>(35.3)</b>	<b>(33.1)</b>	<b>(27.0)</b>	<b>(0.1)</b>	<b>(33.5)</b>	<b>9.8</b>
<b>Total Cash at Beginning of Period</b>		<b>554.3</b>	<b>313.2</b>	<b>291.9</b>	<b>347.6</b>	<b>289.3</b>	<b>254.0</b>	<b>220.9</b>	<b>193.9</b>	<b>193.8</b>	<b>160.3</b>
Cash Surplus/(Deficit)		(241.1)	(21.3)	55.8	(58.3)	(35.3)	(33.1)	(27.0)	(0.1)	(33.5)	9.8
<b>Total Cash at End of Period</b>		<b>313.2</b>	<b>291.9</b>	<b>347.6</b>	<b>289.3</b>	<b>254.0</b>	<b>220.9</b>	<b>193.9</b>	<b>193.8</b>	<b>160.3</b>	<b>170.2</b>

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement



## City of Sydney

### Income Statement - Alternative Scenario 2 (extended post-Covid-19 recovery period for key income sources - additional impact)

	\$'M	2021/22	2022/23	2023/24	2024/25	4 Year Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	10 Year Total
<b>Income from Continuing Operations</b>													
Rates & Annual Charges		378.2	387.5	397.3	407.3	1,570.2	417.6	428.3	439.2	450.6	462.2	474.1	4,242.3
Fees		117.1	121.3	120.7	123.6	482.8	128.6	131.8	135.2	143.0	146.7	150.6	1,318.6
Interest Income		2.4	1.7	2.5	2.5	9.2	2.8	2.4	2.0	2.3	2.0	1.9	22.5
Other Income		110.7	119.3	123.5	128.6	482.1	134.5	140.2	144.0	154.1	158.6	163.3	1,376.8
Grants and Contributions provided for Capital Purposes		37.5	48.0	49.8	50.0	185.3	48.5	47.9	59.1	40.7	39.0	39.3	459.7
Grants and Contributions provided for Operating Purposes		18.6	15.6	16.0	16.3	66.5	16.6	17.0	17.4	17.9	18.3	18.8	172.6
<b>Total Income from Continuing Operations</b>		<b>664.4</b>	<b>693.4</b>	<b>709.8</b>	<b>728.3</b>	<b>2,796.0</b>	<b>748.6</b>	<b>767.6</b>	<b>796.9</b>	<b>808.5</b>	<b>826.9</b>	<b>848.0</b>	<b>7,592.5</b>
<b>Expenses from Continuing Operations</b>													
Employee		247.7	251.8	257.6	264.1	1,021.2	270.6	277.6	284.6	292.2	301.5	312.0	2,759.8
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		137.5	134.8	140.8	143.2	556.3	146.8	151.6	155.9	160.4	165.2	169.8	1,506.2
Depreciation Expense		113.9	115.9	118.8	120.1	468.7	121.3	123.0	124.3	125.5	126.3	129.6	1,218.6
Other Expenditure		138.0	140.5	141.8	148.5	568.8	149.0	150.7	154.7	163.4	163.7	168.3	1,518.6
<b>Total Expenses from Continuing Operations</b>		<b>637.1</b>	<b>643.0</b>	<b>659.0</b>	<b>676.0</b>	<b>2,615.0</b>	<b>687.7</b>	<b>702.9</b>	<b>719.5</b>	<b>741.5</b>	<b>756.7</b>	<b>779.8</b>	<b>7,003.2</b>
<b>Net Operating Result for the Year</b>		<b>27.3</b>	<b>50.5</b>	<b>50.9</b>	<b>52.3</b>	<b>181.0</b>	<b>60.9</b>	<b>64.7</b>	<b>77.4</b>	<b>67.0</b>	<b>70.3</b>	<b>68.2</b>	<b>589.3</b>

#### Impacts of Covid-19 on Net Operating Result

The base case of this Long Term Financial Plan anticipates that a number of key income streams will continue a recovery during 2021/22, before returning to an expected long term average from 2022/23. However, these income streams remain at risk, depending on prevailing market conditions post-Covid-19. Accordingly, scenarios have been modelled to demonstrate potential additional impacts over the period of the Long Term Financial Plan.

This income statement reflects a scenario extending the impact of Scenario 1. The recovery described above occurs over a period of 6 years (i.e. as per Scenario 1), however, the extent of the impact upon the income streams in the recovery years is greater (i.e. larger reduction on base case before returning to the expected long term average from 2028/29). The adjustments under this scenario affect the following income items:

1. Commercial Property income (cumulative impact: \$27.2M)
2. Advertising Space income (cumulative impact: \$29.6M)
3. Licences income (cumulative impact: \$10.1M)
4. Interest income (cumulative impact: \$4.6M)

# City of Sydney

## Cash Flow Forecast - Alternative Scenario 2 (extended post-Covid-19 recovery period for key income sources - additional impact)

\$M	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Revenue:</b>										
Rates and Annual Charges	378.2	387.5	397.3	407.3	417.6	428.3	439.2	450.6	462.2	474.1
Other Operating Income	244.6	254.5	258.3	266.6	277.8	287.0	294.5	312.8	321.5	330.4
<b>Operating Income</b>	<b>622.7</b>	<b>641.9</b>	<b>655.6</b>	<b>673.9</b>	<b>695.4</b>	<b>715.3</b>	<b>733.7</b>	<b>763.4</b>	<b>783.7</b>	<b>804.5</b>
<b>Expenses:</b>										
Salary & Wages Expenditure	247.7	251.8	257.6	264.1	270.6	277.6	284.6	292.2	301.5	312.0
Other Operating Expenditure	265.0	263.9	271.2	280.3	284.1	290.4	298.6	311.6	316.4	325.5
<b>Operating Expenditure</b>	<b>512.7</b>	<b>515.7</b>	<b>528.8</b>	<b>544.4</b>	<b>554.7</b>	<b>568.0</b>	<b>583.2</b>	<b>603.8</b>	<b>618.0</b>	<b>637.5</b>
<b>Operating Surplus</b>	<b>110.0</b>	<b>126.2</b>	<b>126.8</b>	<b>129.5</b>	<b>140.7</b>	<b>147.3</b>	<b>150.5</b>	<b>159.6</b>	<b>165.7</b>	<b>167.0</b>
<b>Other Non Operating:</b>										
Interest income	2.4	1.7	2.5	2.5	2.8	2.4	2.0	2.3	2.0	1.9
Capital Related Project Expenses*	(8.7)	(9.5)	(9.5)	(9.5)	(9.8)	(9.8)	(10.0)	(10.1)	(10.3)	(10.5)
Depreciation	(113.9)	(115.9)	(118.8)	(120.1)	(121.3)	(123.0)	(124.3)	(125.5)	(126.3)	(129.6)
Capital Grants and Contributions	37.5	48.0	49.8	50.0	48.5	47.9	59.1	40.7	39.0	39.3
<b>Net Surplus/(Deficit)</b>	<b>27.3</b>	<b>50.5</b>	<b>50.9</b>	<b>52.3</b>	<b>60.9</b>	<b>64.7</b>	<b>77.4</b>	<b>67.0</b>	<b>70.3</b>	<b>68.2</b>
<b>Add Back:</b>										
Depreciation	113.9	115.9	118.8	120.1	121.3	123.0	124.3	125.5	126.3	129.6
Non-Cash Asset Adjustments	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<b>Cash Surplus before Capital Expenditure</b>	<b>143.4</b>	<b>166.4</b>	<b>169.6</b>	<b>172.4</b>	<b>182.2</b>	<b>187.7</b>	<b>201.7</b>	<b>192.4</b>	<b>196.5</b>	<b>197.8</b>
<b>Capital Expenditure</b>										
Capital Works	(244.3)	(196.2)	(198.1)	(155.8)	(153.5)	(153.1)	(151.3)	(151.4)	(147.7)	(147.5)
Plant and Asset Acquisitions/ICT Projects	(27.5)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)
Property (Acquisitions)/Divestments	(131.9)	39.0	102.0	(50.0)	(45.0)	(50.0)	(60.0)	(20.0)	(60.0)	(20.0)
<b>Total Capital Expenditure</b>	<b>(403.7)</b>	<b>(183.2)</b>	<b>(122.1)</b>	<b>(231.8)</b>	<b>(224.5)</b>	<b>(229.1)</b>	<b>(237.3)</b>	<b>(197.4)</b>	<b>(233.7)</b>	<b>(193.5)</b>
<b>Net Receivables/Payables Movement</b>	<b>19.2</b>	<b>(7.7)</b>	<b>3.7</b>	<b>(3.8)</b>	<b>2.2</b>	<b>3.2</b>	<b>3.5</b>	<b>4.2</b>	<b>3.4</b>	<b>5.2</b>
<b>Cash Surplus/(Deficit)</b>	<b>(241.1)</b>	<b>(24.4)</b>	<b>51.2</b>	<b>(63.1)</b>	<b>(40.2)</b>	<b>(38.2)</b>	<b>(32.2)</b>	<b>(0.7)</b>	<b>(33.8)</b>	<b>9.5</b>
<b>Total Cash at Beginning of Period</b>	<b>554.3</b>	<b>313.2</b>	<b>288.8</b>	<b>339.9</b>	<b>276.8</b>	<b>236.7</b>	<b>198.5</b>	<b>166.3</b>	<b>165.6</b>	<b>131.8</b>
Cash Surplus/(Deficit)	(241.1)	(24.4)	51.2	(63.1)	(40.2)	(38.2)	(32.2)	(0.7)	(33.8)	9.5
<b>Total Cash at End of Period</b>	<b>313.2</b>	<b>288.8</b>	<b>339.9</b>	<b>276.8</b>	<b>236.7</b>	<b>198.5</b>	<b>166.3</b>	<b>165.6</b>	<b>131.8</b>	<b>141.2</b>

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement