

**ITEM 13 APRIL 2020 FINANCIALS**

The actual results for April are the first compared against the phased budget adjusted at the March Quarterly Review inclusive of the anticipated impacts of COVID-19. The results at this stage are favourable over the key performance indicators, although this is in keeping with results prior to the adjustments and will in part reflect the timing of delivery against phased budgets, rather than significant positive results expected at year end.

The Operating Result [pre-capital] and the Funds Available from Operations show favourable variances of \$4.8M and \$4.3M respectively, while the Funds Result shows a favourable variance of \$4.3M.

The balance sheet at the end of the period indicates that there is enough cash to support external restrictions.

Council has expended \$68.6M on its capital works program representing 69% of the annual budget. The year to date budget for the same period was \$73.5M.

**RECOMMENDATION**

- 1 The financials be received and noted.
- 2 Council approves the proposed changes to the Capital Budget.

**REPORT AUTHORISATIONS**

Report of: Brian Jenkins, Chief Financial Officer

Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

**ATTACHMENTS**

- 1 Income and Funding Statement - April 2020
- 2 Capital Project Report - April 2020
- 3 Balance Sheet - April 2020
- 4 Cash Flow Statement - April 2020

**BACKGROUND**

This report presents the Income and Expense Statement, Balance Sheet and Cash Flow Statement for April 2020. Council's current budget has a Net Funding (cash) deficit of \$18.6M, an Operating Deficit [pre capital] of \$18.2M and a capital expenditure of \$99.4M.

The following table provides a summary view of the organisation's overall financial results for the year to date.

| FORECAST POSITION                      | Original Budget | Revised Budget | YTD Forecast  | YTD Actual    | Variation    |
|--|-----------------|----------------|---------------|---------------|--------------|
|  | \$M             | \$M            | \$M           | \$M           | \$M          |
| <b>KEY MOVEMENTS</b>                   | <b>1-Jul</b>    | <b>24-Apr</b>  | <b>24-Apr</b> | <b>24-Apr</b> |              |
| Operating Revenue                      | 273.0           | 265.7          | 221.3         | 220.5         | (0.8)        |
| Operating Costs                        | (282.4)         | (283.9)        | (234.3)       | (228.8)       | 5.5          |
| <b>Operating Result [Pre Capital]</b>  | <b>(9.4)</b>    | <b>(18.2)</b>  | <b>(13.0)</b> | <b>(8.2)</b>  | <b>4.8</b>   |
| Capital Grants & Contributions         | 42.9            | 30.4           | 19.0          | 13.1          | (5.8)        |
| <b>Operating Result</b>                | <b>33.5</b>     | <b>12.2</b>    | <b>6.0</b>    | <b>4.9</b>    | <b>(1.1)</b> |
| <b>Funds Available from Operations</b> | <b>56.7</b>     | <b>48.8</b>    | <b>41.4</b>   | <b>45.7</b>   | <b>4.3</b>   |
| <b>Capital Works</b>                   | <b>99.8</b>     | <b>99.4</b>    | <b>73.5</b>   | <b>68.6</b>   | <b>4.9</b>   |
| <b>Contributed Assets</b>              | <b>6.7</b>      | <b>6.7</b>     | <b>-</b>      | <b>-</b>      | <b>-</b>     |
| Transfer to Restricted Cash            | 1.4             | 5.4            | 5.3           | 5.3           | -            |
| Borrowings Repaid                      | 7.9             | 7.9            | 6.7           | 6.7           | -            |
| Funded from:                           |                 |                |               |               |              |
| - Operational Funds                    | 56.7            | 48.8           | 34.7          | 39.0          | 4.3          |
| - Other Funding                        | 49.5            | 52.1           | 34.0          | 29.1          | (4.9)        |
| <b>Total Funds Surplus/(Deficit)</b>   | <b>(9.7)</b>    | <b>(18.6)</b>  | <b>(10.2)</b> | <b>(5.9)</b>  | <b>4.3</b>   |

## Financial Performance

In response to the anticipated impact of COVID-19, budget adjustments have been proposed as part of the March Quarterly Review to recognise the potential impacts on Council's forecasts for the remaining quarter of this financial year. Impacts are primarily in income with a forecast reduction for the quarter of \$6.23M in User Charges & Fees and Other Revenue, interest on overdue rates \$0.3M that are partially offset by a reduction in associated expenditure (EPA levy at Waste Facility) of \$0.5M.

The April 2020 Operating Result [pre-capital] shows a favourable variance compared to phased budget of \$4.8M that is largely due to lower than anticipated expenditure trends across a range of areas (\$6.8M) and depreciation (\$1.8M). These positive variations are partially offset by lower levels of operational labour applied to capital that reflects as an under recovery of internal charges of \$3.0M and loss on disposal of assets (\$0.7M).

The Operating Result shows a negative variance of \$1.1M compared to budget. This includes the net variation above decreased by a lower level of capital income of \$5.8M. This is mainly due to receipts relating to West Dapto Developer Contributions and the timing of invoices for Local Infrastructure Grant Scheme Funding. \$6.6M has been approved for payment and raised in the May reporting period.

The Funds Available from Operations indicate a favourable variation of \$4.3M. This result excludes variations in non-cash transactions and transfers to and from Restricted Assets but includes the cash payments for Employee Entitlements to represent the operational budget variations that may impact our funding.

## Funds Result

The Total Funds result as at 24 April 2020 shows a favourable variance of \$4.3M compared to phased budget.

## Capital Budget

At the end of April, the capital program shows an expenditure of \$68.6M compared to a phased budget of \$73.5M. The April review of capital proposes a reduction of \$2.1M that largely relates to the timing of works and is fully offset by a corresponding decrease in funding.

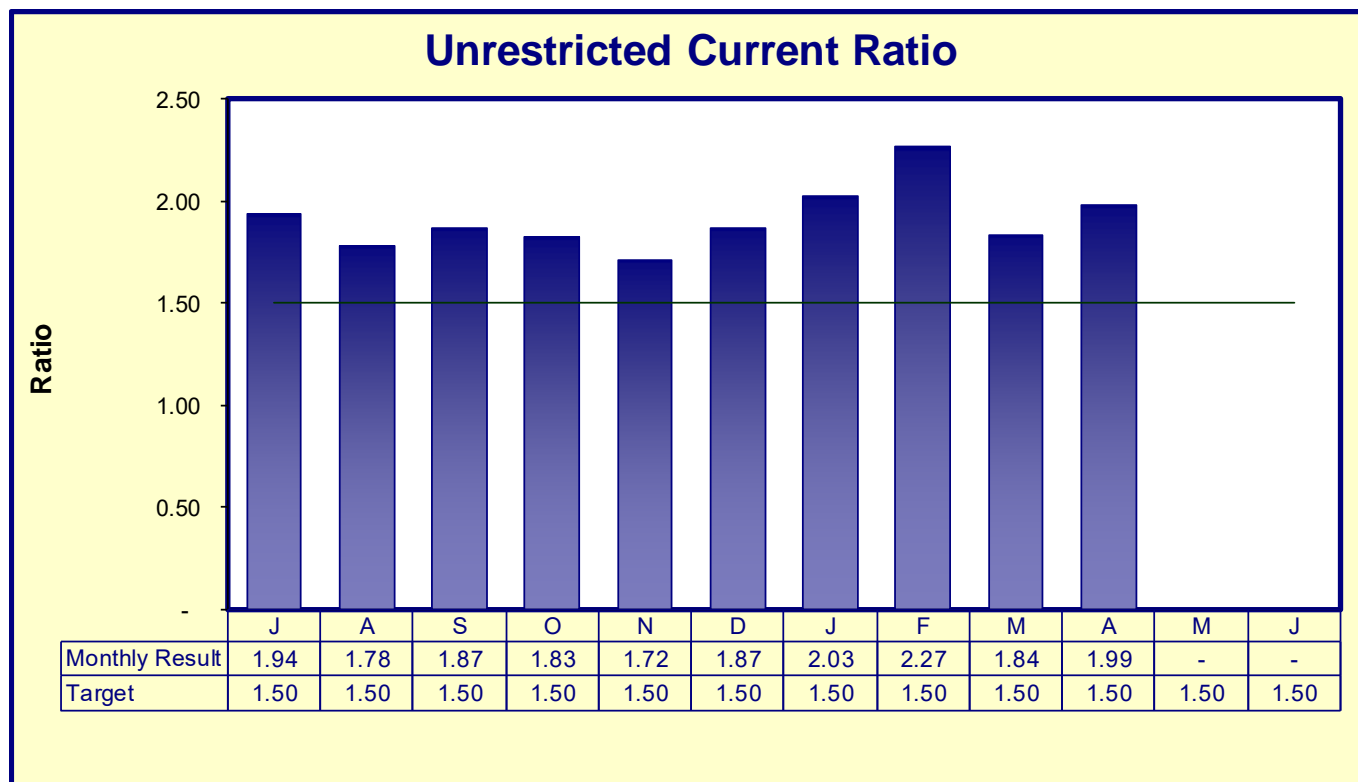
## Available Cash

| CASH, INVESTMENTS & AVAILABLE FUNDS |                            |                        |                     |                          |
|-------------------------------------|----------------------------|------------------------|---------------------|--------------------------|
|                                     | Original Budget<br>2019/20 | December QR<br>2019/20 | March QR<br>2019/20 | Actual Ytd<br>April 2020 |
|                                     | \$M                        | \$M                    | \$M                 | \$M                      |
| Total Cash and Investments          | 130.0                      | 138.1                  | 129.0               | 137.7                    |
| Less Restrictions:                  |                            |                        |                     |                          |
| External                            | 78.0                       | 78.8                   | 70.8                | 68.5                     |
| Internal                            | 46.7                       | 54.3                   | 57.0                | 64.6                     |
| Total Restrictions                  | 124.7                      | 133.1                  | 127.9               | 133.1                    |
| Available Cash                      | 5.3                        | 5.0                    | 1.1                 | 4.6                      |
| Adjusted for :                      |                            |                        |                     |                          |
| Payables                            | (25.4)                     | (25.7)                 | (25.5)              | (26.6)                   |
| Receivables                         | 24.6                       | 23.8                   | 23.1                | 33.4                     |
| Other                               | 11.2                       | 12.2                   | 12.2                | 12.3                     |
| Net Payables & Receivables          | 10.5                       | 10.3                   | 9.7                 | 19.0                     |
| <b>Available Funds</b>              | <b>15.7</b>                | <b>15.3</b>            | <b>10.9</b>         | <b>23.6</b>              |

Council's cash and investments decreased during April 2020 to holdings of \$137.7M compared to \$157.7M at the end of March 2020. This reflects general trends for this time of the year and whilst the level of cash holding is normally increased at the end of May with the final rate instalment, the proposed COVID-19 relief package allowing rate payers to postpone this payment will result in lower levels of cash holdings than previous years.

The Available Funds position excludes restricted cash. External restrictions are funds that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose.

This ratio is intended to disclose the ability of an organisation to satisfy payment obligations in the short term from the unrestricted activities of Council. Council's current ratio exceeds the Local Government Benchmark of >1.5:1.



#### Receivables

Receivables are the amount of money owed to Council or funds that Council has paid in advance. At April 2020, receivables totalled \$33.4M compared to receivables of \$27.4M at March 2020.

#### Payables

Payables (the amount of money owed to suppliers) of \$26.6M were owed at April 2020 compared to payables of \$39.7M at March 2020. The decrease in the amount payables relates to some degree to earlier payment of goods and services delivered and due to monthly accounting treatments for payments in advance for rates and the Financial Assistance Grant payments.

#### Debt

Council continues to have financial strength in its low level of borrowing. The industry measure of debt commitment is the Debt Service Ratio that measures the proportion of revenues that are required to meet annual loan repayments.

Council’s Financial Strategy includes provision for additional borrowing in the future and Council will consider borrowing opportunities from time to time to bring forward the completion of capital projects where immediate funding is not available. Council currently has borrowings through an interest free loan and the subsidised Local Government Infrastructure Renewal Scheme (LIRS). The LIRS program provides a loan subsidy of 4% for Round 1 and 3% for the subsequent rounds. Loan funds have been used to accelerate the Citywide Footpaths, Shared Path Renewal, Missing Links Construction Program, building refurbishment works for Berkeley Community Centre, Corrimal Library and Community Centre, Thirroul Pavilion and Kiosk and to support the West Dapto Access – Fowlers Road project respectively.

Council’s Debt Service Ratio forecast for 2019-2020 is a target of <4% and remains low in comparison to the Local Government’s benchmark ratio of <10%. It is noted that non-cash interest expense relating to the amortisation of the income recognised on the West Dapto Access Plan Loan is not included when calculating the Debt Service Ratio.

#### Assets

The Balance Sheet shows that \$2.8B of assets (written down value) are controlled and managed by Council for the community as at 24 April 2020. The 2019-2020 capital works program includes projects

such as the West Dapto Access strategy, civil asset renewals including roads, car parks and buildings and purchase of library books. Council has expended \$68.6M on its capital works program representing 69% of the Annual Budget. The year to date budget for the same period was \$73.5M.

### PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal ‘*We are a connected and engaged community*’. It specifically delivers on the following:

| Community Strategic Plan Strategy   | Delivery Program 2018-2021 3 Year Action                                    | Operational Plan 2019-20 Operational Plan Actions   |
|---|---|---|
| 4.3.2 Resources (finance, technology, assets and people) are effectively managed to ensure long term financial sustainability | 4.3.2.1 Effective and transparent financial management systems are in place | Monitor and review achievement of Financial Strategy  |
|   |   | Continuous budget management is in place, controlled and reported   |
|   |   | Provide accurate and timely financial reports monthly, quarterly and via the annual statement   |
|   |   | Manage and further develop a compliance program to promote awareness and compliance with Council’s procurement policies and procedures and other related policies |

### CONCLUSION

The financial result at the end of April is positive across the leading indicators. Included in this is recognition of the impact of the COVID-19 pandemic and the resultant suspension of income generating services, closure of facilities and proposed relief package.

| <b>WOLLONGONG CITY COUNCIL</b>   |  |                                       |                                   |                                   |                                 |
|--|--|---------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|
| 1 July 2019 to 24 April 2020   |  |                                       |                                   |                                   |                                 |
|  | 2019/2020<br>Original Budget<br>\$'000 | 2019/2020<br>Current Budget<br>\$'000 | 2019/2020<br>YTD Budget<br>\$'000 | 2019/2020<br>Actual YTD<br>\$'000 | 2019/2020<br>Variance<br>\$'000 |
| <b>Income Statement</b>  |  |                                       |                                   |                                   |                                 |
| <b>Income From Continuing Operations</b>   |  |                                       |                                   |                                   |                                 |
| <b>Revenue:</b>  |  |                                       |                                   |                                   |                                 |
| Rates and Annual Charges   | 202,991                                | 202,996                               | 165,836                           | 166,002                           | 167                             |
| User Charges and Fees  | 33,665                                 | 27,039                                | 25,075                            | 25,565                            | 489                             |
| Interest and Investment Revenues   | 4,882                                  | 3,512                                 | 3,047                             | 2,732                             | (315)                           |
| Other Revenues   | 10,598                                 | 10,044                                | 8,622                             | 8,871                             | 249                             |
| Grants & Contributions provided for Operating Purposes   | 20,840                                 | 22,423                                | 19,059                            | 18,464                            | (595)                           |
| Grants & Contributions provided for Capital Purposes   | 42,927                                 | 30,358                                | 18,969                            | 13,117                            | (5,853)                         |
| Profit/Loss on Disposal of Assets  | 0                                      | (347)                                 | (347)                             | (1,094)                           | (747)                           |
| <b>Total Income from Continuing Operations</b>   | <b>315,903</b>                         | <b>296,026</b>                        | <b>240,261</b>                    | <b>233,657</b>                    | <b>(6,604)</b>                  |
| <b>Expenses From Continuing Operations</b>   |  |                                       |                                   |                                   |                                 |
| Employee Costs   | 134,742                                | 136,823                               | 112,846                           | 111,497                           | 1,349                           |
| Borrowing Costs  | 2,722                                  | 3,012                                 | 2,461                             | 2,515                             | (54)                            |
| Materials, Contracts & Other Expenses  | 97,916                                 | 101,429                               | 83,218                            | 77,803                            | 5,416                           |
| Depreciation, Amortisation + Impairment  | 66,276                                 | 62,198                                | 51,831                            | 49,986                            | 1,845                           |
| Internal Charges (labour)  | (17,558)                               | (17,901)                              | (14,624)                          | (11,814)                          | (2,810)                         |
| Internal Charges (not labour)  | (1,694)                                | (1,696)                               | (1,386)                           | (1,219)                           | (167)                           |
| <b>Total Expenses From Continuing Operations</b>   | <b>282,404</b>                         | <b>283,864</b>                        | <b>234,347</b>                    | <b>228,768</b>                    | <b>5,580</b>                    |
| <b>Operating Results From Continuing Operations</b>  | <b>33,499</b>                          | <b>12,161</b>                         | <b>5,914</b>                      | <b>4,890</b>                      | <b>(1,024)</b>                  |
| <b>Net Operating Result for the Year</b>   | <b>33,499</b>                          | <b>12,161</b>                         | <b>5,914</b>                      | <b>4,890</b>                      | <b>(1,024)</b>                  |
| <b>Net Operating Result for the Year before Grants &amp; Contributions provided for Capital Purposes</b> | <b>(9,429)</b>                         | <b>(18,197)</b>                       | <b>(13,055)</b>                   | <b>(8,227)</b>                    | <b>4,828</b>                    |
| <b>NET SURPLUS (DEFICIT) [Pre capital] %</b>   | <b>10.6%</b>                           | <b>4.1%</b>                           | <b>2.5%</b>                       | <b>2.1%</b>                       | <b>15.5%</b>                    |
| <b>Funding Statement</b>   |  |                                       |                                   |                                   |                                 |
| <b>Net Operating Result for the Year</b>   | <b>33,499</b>                          | <b>12,161</b>                         | <b>5,914</b>                      | <b>4,890</b>                      | <b>(1,024)</b>                  |
| Add back:  |  |                                       |                                   |                                   |                                 |
| - Non-cash Operating Transactions  | 84,272                                 | 84,559                                | 70,984                            | 69,549                            | (1,435)                         |
| - Restricted cash used for operations  | 16,491                                 | 19,653                                | 15,260                            | 14,843                            | (417)                           |
| - Income transferred to Restricted Cash  | (63,420)                               | (53,238)                              | (39,086)                          | (32,165)                          | 6,921                           |
| - Payment of Accrued Leave Entitlements  | (14,162)                               | (14,331)                              | (11,708)                          | (11,453)                          | 255                             |
| Net Share Joint Venture using Equity Method  |  |                                       |                                   |                                   |                                 |
| <b>Funds Available from Operations</b>   | <b>56,680</b>                          | <b>48,804</b>                         | <b>41,364</b>                     | <b>45,663</b>                     | <b>4,300</b>                    |
| Borrowings repaid  | (7,913)                                | (7,913)                               | (6,653)                           | (6,653)                           | 0                               |
| Advances (made by) / repaid to Council   | 0                                      | 0                                     | 0                                 | 0                                 | 0                               |
| <b>Operational Funds Available for Capital Budget</b>  | <b>48,767</b>                          | <b>40,892</b>                         | <b>34,711</b>                     | <b>39,011</b>                     | <b>4,300</b>                    |
| <b>CAPITAL BUDGET</b>  |  |                                       |                                   |                                   |                                 |
| Assets Acquired  | (99,795)                               | (99,398)                              | (73,536)                          | (68,644)                          | 4,892                           |
| Contributed Assets   | (6,726)                                | (6,726)                               | 0                                 | 0                                 | 0                               |
| Transfers to Restricted Cash   | (1,431)                                | (5,431)                               | (5,312)                           | (5,312)                           | 0                               |
| Funded From :-   |  |                                       |                                   |                                   |                                 |
| - Operational Funds  | 48,767                                 | 40,892                                | 34,711                            | 39,011                            | 4,300                           |
| - Sale of Assets   | 1,292                                  | 2,078                                 | 1,569                             | 665                               | (904)                           |
| - Internally Restricted Cash   | 14,029                                 | 9,060                                 | 4,888                             | 3,649                             | (1,239)                         |
| - Borrowings   | 0                                      | 0                                     | 0                                 | 0                                 | 0                               |
| - Capital Grants   | 7,353                                  | 9,393                                 | 6,663                             | 6,142                             | (521)                           |
| - Developer Contributions (Section 94)   | 16,867                                 | 21,463                                | 17,698                            | 15,500                            | (2,198)                         |
| - Other Externally Restricted Cash   | 3,490                                  | 3,872                                 | 2,147                             | 2,103                             | (44)                            |
| - Other Capital Contributions  | 6,483                                  | 6,215                                 | 1,000                             | 1,021                             | 21                              |
| <b>TOTAL FUNDS SURPLUS / (DEFICIT)</b>   | <b>(9,672)</b>                         | <b>(18,582)</b>                       | <b>(10,171)</b>                   | <b>(5,865)</b>                    | <b>4,306</b>                    |

### Manager Project Delivery Division Commentary on April 2020 Capital Budget Report

On 24 June 2019, Council approved a Capital budget for 2019-2020 of \$98.8M which has been adjusted each month since then as previously reported. As of the end of April 2020, the approved Capital Budget has been decreased from previously adjusted \$99.4M to \$97.3M due primarily to the re-phasing funding and budget from 2019-2020 till 2020-2021 in the Footpaths Program and Waste Services Capital Projects Program. Council achieved expenditure at the end of April 2020 of \$68.6M compared to the phased budget expenditure of \$73.5M.

| Program  | Major Points of change to Capital Budget   |
|--|--|
| Traffic Facilities                                   | Reallocate budget from Traffic Facilities Programs to Capital Budget Contingency.<br>Rephase funding for existing project till 20/21.  |
| Roadworks  | Reallocate budget from Cycle/Shared Paths Program to Roadworks Program.<br>Rephase Section 94 funding till 20/21.  |
| West Dapto Infrastructure Expansion                  | Reallocate Loan Infrastructure Funding and Sect 94 West Dapto funding to Property Acquisition Program for proposed land parcel acquisitions from Wollongong Coal.  |
| Bridges, Boardwalks & Jetties                        | Reallocate budget from Bridges, Boardwalks & Jetties Program to Roadworks Program and Capital Budget Contingency.  |
| Footpaths  | Rephase Strategic Projects Reserve funding and budget from 2019/20 till 2020/21.   |
| Cycle/Shared Paths                                   | Rephase budget and Strategic Projects Reserve funding for existing projects in Cycle/Shared Paths Program from 19/20 to 20/21.   |
| Commercial Centre Upgrades – Footpaths and Cycleways | Rephase Strategic Projects Reserve funding for existing project.   |
| Carpark Construction/ Formalising                    | Reallocate budget from Carpark Construction/Formalisation Programs to Carpark Reconstruction or Upgrading.   |
| Carpark Reconstruction or Upgrading                  | Reallocate budget from Carpark Reconstruction or Upgrading Program to Carpark Construction/Formalisation Program.  |
| Floodplain Management                                | Rephase OEH funding for existing project till 20/21.   |
| Stormwater Management                                | Rephase Stormwater Management Services Levy funding for existing projects to 20/21.  |
| Community Buildings                                  | Reallocate budget from Community Buildings Program to Capital Budget Contingency.<br>Rephase Section 94 funding for existing project till 20/21.   |
| Play Facilities                                      | Reallocate budget from Play Facilities Program to Capital Budget Contingency.  |
| Recreation Facilities                                | Reallocate Budget from Recreation Facilities Program to Capital Budget Contingency.<br>Reallocate Sports Priority Reserve funding from Sporting Facilities Program for new project.                                |
| Sporting Facilities                                  | Reallocate Sports Priority Reserve funding from Sporting Facilities Program to Recreation Facilities Program for new project.  |
| Whytes Gully New Cells                               | Rephase Waste Reserve Funding for existing projects till 20/21.  |
| Whytes Gully Renewal works                           | Rephase Waste Reserve Funding for existing projects till 20/21.  |
| Land Acquisitions                                    | Reallocate Loan Infrastructure Funding and Sect 94 West Dapto funding from West Dapto Infrastructure Expansion Program to Property Acquisition Program for proposed land parcel acquisitions from Wollongong Coal. |
| Contingency  | Reallocate budget from various Capital programs detailed above to Capital Budget Contingency.  |

| <b>WOLLONGONG CITY COUNCIL</b>               |                             |                             |
|--|-----------------------------|-----------------------------|
|  | Actual<br>2019/20<br>\$'000 | Actual<br>2018/19<br>\$'000 |
| <b>Balance Sheet<br/>As at 24 April 2020</b> |                             |                             |
| <b>Current Assets</b>                        |                             |                             |
| Cash Assets                                  | 23,409                      | 25,187                      |
| Investment Securities                        | 108,249                     | 114,579                     |
| Receivables                                  | 33,365                      | 36,620                      |
| Inventories                                  | 392                         | 337                         |
| Other  | 12,687                      | 11,879                      |
| Assets classified as held for sale           | 0                           | 0                           |
| <b>Total Current Assets</b>                  | <b>178,101</b>              | <b>188,602</b>              |
| <b>Non-Current Assets</b>                    |                             |                             |
| Non Current Cash Assets                      | 6,000                       | 15,000                      |
| Non Current Investment Securities            | 0                           | 56                          |
| Non-Current Receivables                      | 0                           | 0                           |
| Non-Current Inventories                      | 5,948                       | 5,948                       |
|  | 0                           | 0                           |
| Property, Plant and Equipment                | 2,575,846                   | 2,565,095                   |
| Investment Properties                        | 6,998                       | 5,000                       |
| Westpool Equity Contribution                 | 2,929                       | 2,929                       |
| Intangible Assets                            | 285                         | 440                         |
| <b>Total Non-Current Assets</b>              | <b>2,598,005</b>            | <b>2,594,468</b>            |
| <b>TOTAL ASSETS</b>                          | <b>2,776,106</b>            | <b>2,783,070</b>            |
| <b>Current Liabilities</b>                   |                             |                             |
| Current Payables                             | 26,621                      | 35,020                      |
| Current Provisions payable < 12 months       | 16,489                      | 14,697                      |
| Current Provisions payable > 12 months       | 43,517                      | 43,517                      |
| Current Interest Bearing Liabilities         | 7,934                       | 7,934                       |
| <b>Total Current Liabilities</b>             | <b>94,560</b>               | <b>101,168</b>              |
| <b>Non-Current Liabilities</b>               |                             |                             |
| Non Current Payables                         | 0                           | 385                         |
| Non Current Interest Bearing Liabilities     | 11,013                      | 17,497                      |
| Non Current Provisions                       | 48,670                      | 47,054                      |
| <b>Total Non-Current Liabilities</b>         | <b>59,683</b>               | <b>64,936</b>               |
| <b>TOTAL LIABILITIES</b>                     | <b>154,243</b>              | <b>166,104</b>              |
| <b>NET ASSETS</b>                            | <b>2,621,863</b>            | <b>2,616,966</b>            |
| <b>Equity</b>                                |                             |                             |
| Accumulated Surplus                          | 1,329,466                   | 1,324,988                   |
| Asset Revaluation Reserve                    | 1,159,325                   | 1,153,123                   |
| Restricted Assets                            | 133,072                     | 138,856                     |
| <b>TOTAL EQUITY</b>                          | <b>2,621,863</b>            | <b>2,616,966</b>            |



| <b>WOLLONGONG CITY COUNCIL</b>                                    |                                  |                              |
|---|----------------------------------|------------------------------|
| <b>CASH FLOW STATEMENT</b>  |                                  |                              |
| <b>as at 24 April 2020</b>  |                                  |                              |
|   | YTD Actual<br>2019/20<br>\$ '000 | Actual<br>2018/19<br>\$ '000 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                       |                                  |                              |
| <i>Receipts:</i>  |                                  |                              |
| Rates & Annual Charges  | 160,797                          | 198,536                      |
| User Charges & Fees   | 23,925                           | 35,009                       |
| Interest & Interest Received                                      | 3,460                            | 4,859                        |
| Grants & Contributions  | 40,769                           | 74,808                       |
| Other   | 8,270                            | 28,663                       |
| <i>Payments:</i>  |                                  |                              |
| Employee Benefits & On-costs                                      | (98,101)                         | (116,018)                    |
| Materials & Contracts   | (46,652)                         | (76,382)                     |
| Borrowing Costs   | (730)                            | (1,096)                      |
| Other   | (27,247)                         | (34,751)                     |
| <b>Net Cash provided (or used in) Operating Activities</b>        | <b>64,491</b>                    | <b>113,628</b>               |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                       |                                  |                              |
| <i>Receipts:</i>  |                                  |                              |
| Sale of Investments   | 730                              | -                            |
| Sale of Infrastructure, Property, Plant & Equipment               | 665                              | 1,920                        |
| Deferred Debtors Receipts   | -                                | -                            |
| <i>Payments:</i>  |                                  |                              |
| Purchase of Investments   | -                                | -                            |
| Purchase of Investment Property                                   | (1,997)                          | -                            |
| Purchase of Infrastructure, Property, Plant & Equipment           | (74,400)                         | (110,976)                    |
| Purchase of Interests in Joint Ventures & Associates              | -                                | -                            |
| <b>Net Cash provided (or used in) Investing Activities</b>        | <b>(75,002)</b>                  | <b>(109,056)</b>             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                       |                                  |                              |
| <i>Receipts:</i>  |                                  |                              |
| Proceeds from Borrowings & Advances                               | -                                | -                            |
| <i>Payments:</i>  |                                  |                              |
| Repayment of Borrowings & Advances                                | (6,653)                          | (7,715)                      |
| Repayment of Finance Lease Liabilities                            | -                                | -                            |
| Other Financing Activity Payments                                 | -                                | -                            |
| <b>Net Cash Flow provided (used in) Financing Activities</b>      | <b>(6,653)</b>                   | <b>(7,715)</b>               |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>     | <b>(17,164)</b>                  | <b>(1,304)</b>               |
| plus: Cash & Cash Equivalents and Investments - beginning of year | 154,822                          | 156,126                      |
| <b>Cash &amp; Cash Equivalents and Investments - year to date</b> | <b>137,658</b>                   | <b>154,822</b>               |

| <b>WOLLONGONG CITY COUNCIL</b>  |                                  |                              |
|---|----------------------------------|------------------------------|
| <b>CASH FLOW STATEMENT</b>  |                                  |                              |
| <b>as at 24 April 2020</b>  |                                  |                              |
|   | YTD Actual<br>2019/20<br>\$ '000 | Actual<br>2018/19<br>\$ '000 |
| <b>Total Cash &amp; Cash Equivalents and Investments - year to date</b> | <b>137,658</b>                   | <b>154,822</b>               |
| <i>Attributable to:</i>   |                                  |                              |
| External Restrictions (refer below)                                     | 68,456                           | 77,657                       |
| Internal Restrictions (refer below)                                     | 64,616                           | 61,203                       |
| Unrestricted  | 4,586                            | 15,962                       |
|   | <b>137,658</b>                   | <b>154,822</b>               |
| <b>External Restrictions</b>  |                                  |                              |
| Developer Contributions   | 26,993                           | 36,768                       |
| RMS Contributions   | 57                               | 46                           |
| Specific Purpose Unexpended Grants                                      | 4,820                            | 3,354                        |
| Special Rates Levy Wollongong Mall                                      | 214                              | 135                          |
| Special Rates Levy Wollongong City Centre                               | (11)                             | 40                           |
| Local Infrastructure Renewal Scheme                                     | 790                              | 1,867                        |
| Unexpended Loans  | 2,788                            | 3,470                        |
| Domestic Waste Management   | 14,093                           | 13,763                       |
| Private Subsidies   | 5,752                            | 5,761                        |
| West Dapto Home Deposit Assistance Program                              | 10,943                           | 10,785                       |
| Stormwater Management Service Charge                                    | 2,017                            | 1,668                        |
| West Dapto Home Deposits Issued   | -                                | -                            |
| Carbon Price  | -                                | -                            |
| <b>Total External Restrictions</b>                                      | <b>68,456</b>                    | <b>77,657</b>                |
| <b>Internal Restrictions</b>  |                                  |                              |
| Property Investment Fund  | 8,505                            | 8,416                        |
| Strategic Projects  | 43,961                           | 44,015                       |
| Sports Priority Program   | 1,007                            | 644                          |
| Car Parking Strategy  | 2,037                            | 1,629                        |
| MacCabe Park Development  | 1,415                            | 1,290                        |
| Darcy Wentworth Park  | 171                              | 171                          |
| Garbage Disposal Facility   | 789                              | (638)                        |
| West Dapto Development Additional Rates                                 | 6,173                            | 5,076                        |
| Southern Phone Natural Areas  | 186                              | 267                          |
| Lake Illawarra Estuary Management Fund                                  | 372                              | 333                          |
| <b>Total Internal Restrictions</b>                                      | <b>64,616</b>                    | <b>61,203</b>                |