



**DRAFT OPERATIONAL PLAN AND BUDGET**

**ANGRY BULL MOUNTAIN BIKE TRAILS**

Included in the draft Operational Plan for 2020/21, is, subject to grant funding, an allocation of \$100K in operating expenditure to fund a business case for the Angry Bull Mountain Bike Trails concept.

As mentioned, this is subject to grant funding, so \$100K has been shown as anticipated income to offset this cost - with no net cost to Council (the ratepayers).

If grant funding cannot be sourced for this \$100K, Council (the ratepayers) would need to fund this cost which would increase Council's budgeted operating position deficit from **(\$507,090)** to **(\$607,090)**. Council would not be able to afford this cost as there is only a small cash surplus forecast of \$74K. Indeed any contribution to this project without grant funding would see Council's operating result deteriorate by the amount of the contribution.

Therefore, options to Council which require a decision are:

- 1) Is Council prepared to support the provision of an amount towards the cost of a business case for this project either with or without grant income to fund this expenditure?
- 2) If Council is prepared to support this expenditure on the basis of only doing so if Council is able to source a grant for this purpose, no further decision is required except the amount to be sought – currently \$100K in the draft operational plan.

**Please note there is no option to proceed without grant funding as this is untenable.**

Depending on the answers to the above questions, there may need to be an additional recommendation in the Council report to either remove the project completely from the draft Operational Plan or change the amount provided subject to any grant funding that Council may attract.

Alternatively, it needs to be remembered that this document is a draft that will be going on public exhibition for 28 days so a decision could be made at the end of the public consultation period when the final Operational Plan and Budget for 2020/21 is adopted as to how to treat this matter.