

MINUTES OF STATUTORY BUDGET MEETING HELD ON FRIDAY, 23RD NOVEMBER, 2018 AT 3.00 P.M.

Chair: Cllr. Peter 'Chap' Cleere

Cllrs: John Brennan, Michael Delaney, Pat Fitzpatrick, Denis Hynes, Deirdre Cullen, Michael Doyle, Joe Lyons, Patrick O'Neill, Martin Brett, John Coonan, David Fitzgerald, Joe Malone, Andrew McGuinness, Eugene McGuinness, Malcolm Noonan, Eamon Aylward, Tomás Breathnach, Fidelis Doherty, Pat Dunphy, Ger Frisby.

Officials: Colette Byrne, Martin Prendiville, Tim Butler, Mary J. Mulholland, Sean McKeown, Declan McDonnell, Adrian Waldron, Sheasky McGuire, Mary Cashin & Catherine Cooney.

Apologies: Cllrs. Mary Hilda Cavanagh, Matt Doran and Michael McCarthy.

Cllr. Peter 'Chap' Cleere opened the Statutory Budget Meeting and advised that there has been a Workshop and a Special Meeting held In-Committee on the draft Budget 2020.

Chief Executive, Colette Byrne, welcomed everyone to the meeting stating that the purpose of the meeting is to set a Budget for the coming year. Ms. Byrne gave an update on the following projects being undertaken by the Council:

- Abbey Quarter Development, Kilkenny City.
- LIHAF Development at Breagagh Valley, Kilkenny City.
- Upgrading of Nation Roads and New Ross Bye Pass.
- Redevelopment of Evans Home – Butler Gallery.
- Capital Housing Programme.
- Ferrybank Park.
- Kilkenny Greenway 2020.
- Pedestrian Bridge at Castlecomer.
- Fairgreen and Friary Complex at Callan.
- Thomastown Carpark and Community Hall.
- Playgrounds – 30 across the City and County.
- Looped Walk at Slieverue.
- Woodstock.
- Remediation of Landfill Sites.
- New Fire Station in Urlingford.
- Climate Change Strategy.

Ms. Byrne thanked the Elected Members for their engagement through the process and staff across the Organisation for their cooperation, in particular, the Management Team and staff of the Finance Department.

Cllr. Cleere invited Mr. Martin Prendiville, Head of Finance to give an overview on the Draft Budget.

Mr. Prendiville advised that work commenced on the draft Budget three months ago. Several Workshops/Meetings have been held with the Members. Mr. Prendiville explained that an increase in the Local Property Tax was essential to achieve a balanced budget.

He referred to a number of issues which relate to the work on the Budget:

(a) **Capital Budget**

Mr. Prendiville advised that the Balance Sheet is in a reasonable position. Reserves have been reduced. He outlined that the Council continues to have commitments to a Term Loan drawn down in 2016 and a further drawdown of €5 million will be coming before the Members at the December Meeting for approval. The estimated funding requirement in the current draft in the Capital Budget is €55 million. Income of €25 million from development contributions is required plus income from sale of assets and a contribution from Irish Public Bodies. This results in a funding shortfall of €30 million. Projects currently being funded by the Capital Budget are Abbey Quarter Public Realm, Breagh Valley and Butler Gallery. Outstanding balances on completed Capital Projects amount to €10 million and will continue to be paid off over a period of eight years from provisions made in the Revenue Budget.

(b) **Arrears Management**

The arrears on Rates, Housing Loans and Rents have been reduced by €3 million up to 2018. Arrears on Rates Accounts have increased in 2018 due to the Revaluation of Commercial Properties by the Valuation Office.

(c) **Insurances**

The Council's annual insurance premium totals €2.5 million with a €1.5 million premium for Public Liability Claims. The number of public liability claims per quarter average at 15.

(d) **Local Property Tax**

There has been no increase in the local property tax since 2014 and Members made a decision in September this year to increase the Local Property Tax by 15% which will result in €1.1 million additional income for the Council.

(e) **Rates**

24% of Rate Demands are currently under appeal and the Valuation Tribunal are in the process of assessing these applications. This has the potential to result in an estimated income loss of €1 million. Irish Water Assets have now been valued which along with other properties will bring in additional income of €900,000. This will therefore result in a net loss of €130,000 in income from Rates. The annual rate and valuation remains at .2 and the Vacancy Refund remains at 90%.

(e) **General Municipal Allocation.**

The increase in the Local Property Tax has allowed for the Council to include a provision in the 2020 Budget for a General Municipal Allocation for each Municipal District in the amount of €120,000 discretionary funding.

(f) **Challenges**

- Pay Restoration - Department paying 80% of cost.
- Matching Funding required for a variety of grant schemes.
- Pension costs are increasing every year. Currently paying over 400 pensioners. Increase in Service Support Costs as a result of Pension Costs.

The total draft budget as presented is €83.54 m and was issued to Members last week.

Mr. Prendiville thanked all his staff and the Executive for the work in preparing the draft budget. He also thanked all the Members for their contributions and discussions on the various issues during the meetings held on the budget.

Cllr. Cleere thanked Mr. Prendiville for the overview.

Cllr. Andrew McGuinness commended Mr. Prendiville and his Team on the preparation of the Draft Budget and stated that there is a lot of positives in this Budget such as: increase in Housing Maintenance Budget, funding provided for various Projects focused on Young People, i.e. Garda Youth Project and Ossory Youth, Animal Welfare and funding for Community projects. Cllr. McGuinness proposed the following amendments to the budget:

- Additional €50,000 for the provision of CCTV.
- Additional €13,000 for Amenity Grants.
- Additional €17,000 for support of Festivals and Events.
- Additional €6,000 for Graveyard Grants Scheme.
- Additional €5,000 Arts Contribution for Barnstorm Theatre Project.
- Provision of €5,000 for War Memorial.
- Additional €1,000 for Sports Partnership Community Games Project.
- Reduction of €60,000 from Town and Village Renewal Scheme.
- Reduction of €20,000 from Unfinished Housing Estate.
- Reduction of €5,000 from Parks and Open Spaces.
- Reduction of €2,000 from Regional Assembly.
- Reduction of €10,000 from Recycling.

He further stated that an extra €90,000 has been included for roads for Municipal Districts giving Members the opportunity to decide where funds will can be allocated. The extra €50,000 provision for CCTV will be matched by additional funding of €50,000 from the Municipal District.

Cllr. Martin Brett seconded the amendments as outlined and reiterated the positives contained in the Budget.

Cllr. Peter 'Chap' Cleere thanked all for their contributions and requested Members to proceed to the statutory process in the adoption of the Budget for 2020. He advised that a number of resolutions are to be considered in relation to Rates.

It was proposed by Cllr. Martin Brett, seconded by Cllr. Pat Fitzpatrick and agreed:

"That for the financial year ending 31st December 2022, in accordance with Section 31 of the Local Government Reform Act 2014 and SI 226 of the Local Government (Financial and Audit Procedures) Regulations 2014, the owners of vacant premises in all local electoral areas within the Council's administrative area shall be entitled to avail of a strike off up to a maximum of 90% of the total rates due (less arrears) for 2020".

It was proposed by Cllr. Martin Brett, seconded by Cllr. John Brennan and agreed:

"That for the financial year ending 31st December 2020, Kilkenny County Council revises the Rates Incentive Grants Scheme to a grant of 3% of the 2020 rate demand (excluding arrears) up to a maximum value of €250 subject to the satisfying of existing terms and conditions."

At this stage Cllr. Cleere requested Mr. Prendiville to highlight some of the major items in each Service Division and referred Members attention to the first Service Area.

1. Service Division A: Housing & Building

Total Budget €17.6m

On the proposal of Cllr. Joe Malone, seconded by Cllr. Eamon Alyward and agreed:

"That the expenditure and income in Service Division A was considered and noted."

2. Service Division B: Road Transportation Safety

Total Budget €22.6m

On the proposal of Cllr. Michael Delaney, seconded by Cllr. Fidelis Doherty and agreed:

"That expenditure as amended and income in Service Division B was considered and noted."

3. Service Division C: Water Services

Total Budget €6.57m.

On the proposal of Cllr. John Brennan, seconded by Cllr. Joe Lyons and agreed:

"That the expenditure and income in Service Division C was considered and noted."

4. Service Division D: Development Management

Total Budget €10.6m

On the proposal of Cllr. John Coonan, seconded by Cllr. Pat Fitzpatrick and agreed:

"That expenditure as amended and income in Service Division D was considered and noted."

5. Service Division E: Environmental Services

Total Budget 11.5m

On the proposal of Cllr. Pat Fitzpatrick, seconded by Cllr. Ger Frisay and agreed:

"That the expenditure as amended and income in Service Division E was considered and noted."

6. Service Division F: Recreation & Amenity

Total Budget €6.4m

On the proposal of Cllr. Fidelis Doherty, seconded by Cllr. Ger Frisby and agreed:

"That expenditure as amended and income in Service Division F was considered and noted."

7. Service Division G: Agriculture, Education, Health & Welfare

Total Budget €639,000

On the proposal of Cllr. Michael Delaney, seconded by Cllr. Eugene McGuinness and agreed:

"That expenditure and income in Service Division G was considered and noted."

8. Service Division H - Miscellaneous Services

Total Budget €7.6m

On the proposal of Cllr. Joe Malone, seconded by Cllr. Joe Lyons and agreed:

"That the expenditure and income in Service Division H was considered and noted."

It was proposed by Cllr. Andrew McGuinness, seconded by Cllr. Martin Brett and agreed:

"That the following amendments be made to the 2019 Draft Budget"

EXPENDITURE

Service Division	Code	Description	Expenditure Budgeted by Manager	Expenditure Adopted by Council	Net Change
B0406	22518003	CCTV	€9,496,000	€9,546,000	€50,000
F0301	63306001	Amenity Grants	€127,000	€140,000	€13,000
F0501	43617003	Festivals/Events	€95,000	€112,000	€17,000
E0901	52111005	Graveyard Grants	€17,000	€23,000	€6,000
F0502	64422014	Arts Contribution (Barnstorm)	€125,000	€130,000	€5,000
F0301	28703137	War Memorial	€0,000	€5,000	€5,000

Service Division	Code	Description	Expenditure Budgeted by Manager	Expenditure Adopted by Council	Net Change
F0404	63206006	Sports Partnership (Community Games)	€75,000	€76,000	€1,000
D0901	43406071	Town and Village	€145,000	€85,000	-€60,000
D0701	41324017	Unfinished Housing Estates	€40,000	€20,000	-€20,000
F0301	63106015	Parks/Open Spaces	€720,000	€715,000	-€5,000
D0901	43517003	Regional Assembly	€105,000	€103,000	-€2,000
E0201	51111042	Recycling	€64,000	€54,000	-€10,000

It was proposed by Cllr. Ger Frisby, seconded by Cllr. Pat Fitzpatrick and agreed:

“That the Budget of Kilkenny County Council for the financial year ending 31st December, 2020 as set out in Table B, be adopted as amended”.

It was proposed by Cllr. Martin Brett, seconded by Cllr. Malcolm Noonan and agreed:

“That the rates set in Table A, of the Draft Budget of Kilkenny County Council for the year ending 31st December, 2020 be determined in accordance with the said Budget to the Annual Rate on Valuation to be levied for that year for the purposes set out in Table A as amended”.

Cllr. Tomás Breathnach thanked the staff involved in preparing the Budget and Cllr. Andrew McGuinness and Cllr. Martin Brett for their work in getting agreement.

Cllr. Peter ‘Chap’ Cleere thanked the management and staff for all their work in preparing this budget and for facilitating all the meetings with members and acknowledged the difficult and challenges decision the Elected Members had to make during the process. He welcomed the additional funds for community projects which will contribute to maintaining and improving towns and villages across the County.

Ms. Colette Byrne, Chief Executive welcomed the adoption of the Budget for 2020. She spoke about the many challenges that the Council has in delivering many worthwhile projects for the City & County. Ms. Byrne acknowledged the fact that the general public are not aware of the full range of services and support the Council provide and committed to getting that message out 2020 particularly in light of the recent increase in the LPT as it is important that the public understand where money is being spent.

Ms. Byrne thanked the Members for their input into the budget. This is an important reserved function for Members. She thanked Cllr. Cleere for his wisdom and steady hand in delivering a balanced budget.

Ms. Byrne thanked the Head of Finance, his staff, the Directors of Services and their staff for their work in presenting a balanced budget. She also thanked the Cathaoirleach for guiding the Executive and Members through all the meetings and workshops on the Budget.

Finally, the Cathaoirleach thanked all the Members for their input and consideration of the annual budget.

That concluded the business of the meeting.

CATHAOIRLEACH

DATE