



A/322 (2014)

10th December 2013

TO EACH MEMBER OF DONEGAL COUNTY COUNCIL

I hereby give notice in accordance with Section 103 and Paragraph 5 of Schedule 10 of the Local Government Act, 2001 that the Budget Meeting of Donegal County for the financial year 1st January – 31st December 2014 will be held at **10.00am on Wednesday 18th December, 2013** in the Training Room, County House, Lifford.

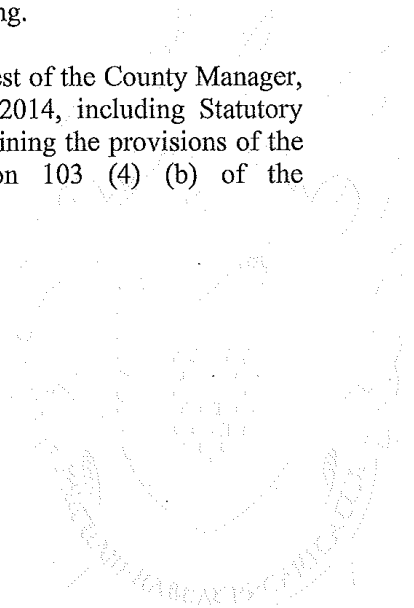
You are hereby summoned to attend this meeting.

Furthermore, please find enclosed, at the request of the County Manager, copy of the Draft Local Authority Budget 2014, including Statutory Tables A, B, and C, together with reports outlining the provisions of the Draft Budget, in compliance with Section 103 (4) (b) of the aforementioned act.

Yours sincerely,



L. Ward
Meetings Administrator



MINUTES OF BUDGET MEETING OF DONEGAL COUNTY COUNCIL
HELD IN THE COUNTY HOUSE LIFFORD ON 18TH DECEMBER, 2013

C/643/13 MEMBERS PRESENT

Clrs Ian Mc Garvey, Mayor, Alcorn, Blaney, Boyle, Brogan, Byrne, Campbell, Canning, Crawford, G. Doherty, M. Doherty, P. Doherty, Donaghey, Farren, Gallagher, Harley, Larkin, Mc Brearty, M Mc Bride, N Mc Bride, Mc Eniff, Mc Gowan, Mc Guinness, Murray, O' Domhnaill, O' Neill, Quinn, and Ryan,

C/644/13 OFFICIALS IN ATTENDANCE

Mr. Seamus Neely, County Manager, Mr. Garry Martin, Head of Finance and Director of Emergency Services, Mr Liam Ward, Director Housing and Corporate, Meetings Administrator, Mr. Joe Peoples, A/Director Water and Environment, Mr. John Mc Laughlin, Director Roads and Transportation, Mr. Michael Heaney, Director Community, Culture and Planning, Mr. Bartley Mc Glynn, Senior Executive Officer, Finance, Ms Anne Marie Quinn, Administrative Officer, Finance, Ms Pauline Smyth, Assistant Staff Officer, Finance, Ms Miriam Bonner, Assistant Staff Officer, Finance, Ms Marie Guthrie, Clerical Officer, Finance, Ms Anne Marie Crawford, Staff Officer, Corporate Services.

C/645/13 APOLOGIES

Apologies were received from Clr Slowey who was unable to attend the meeting.

C/646/13 CONSIDERATION OF THE 2014 DRAFT REVENUE BUDGET - COUNTY MANAGER'S ADDRESS

The Mayor welcomed all present to the 2014 Budget Meeting and called on the County Manager to proceed with his presentation.

County Manager's Presentation

The County Manager provided an overview of the 2014 Draft Revenue Budget, acknowledging that a number of major developments had impacted on the budgetary preparations, namely the Town Councils Mergers and Municipal Districts arrangements, the Local Government Reform Agenda, the transfer of the water function to Irish Water, payroll charge limitations and an anticipated positive outcome for the Local Government Fund in 2014. The overall aim, he affirmed, was to maintain maximum spending capacity whilst sustaining affordability. He alluded to the

fact that all the most critical needs had been provided for in the 2014 Budget Book.

He urged Members to look on the Irish Water transfer as a positive rather than a negative.

The net cost of water service provision had, he noted, increased significantly over the past number of years, yet income from this sector had shown considerable decline.

C/647/13 CONSIDERATION OF THE 2014 DRAFT REVENUE
BUDGET – PRESENTATION BY HEAD OF FINANCE
AND DIRECTORS OF SERVICE

Members considered the report from Mr Garry Martin, Head of Finance, Director Emergency Services circulated during the meeting.

The Head of Finance in his report provided an overview of the financial issues involved in balancing the 2014 income and expenditure account, including details of how the 2014 figures related to 2013 and the changes therein, and the strategies implemented to balance the 2014 requirement, taking cognisance of the efforts made to manage costs and deal with income shortfalls and adjustments. The Draft Revenue Budget included for an estimated amount of €23,500,000 for the Local Government Fund. Circular letter Fin 6/2013 of 12th December, 2013 notified an actual allocation of €2,720,760 leaving a shortfall of €79,240. This shortfall is to be funded from:-

- | | | |
|----|---|-----------|
| a) | Emerging Rechargeable Payroll | €350,000. |
| b) | Emerging Reallocation of Payroll/Non Payroll Cost (Irish Water) | €175,000. |
| c) | Emerging P.E.L.'s Irish Water | €255,000. |

Members were informed that the Budget had been prepared in accordance with Section 102 (3) of the Local Government Act, 2001, with attention being drawn to the fact that the prescribed period for the adoption of the Draft Revenue Budget 2013

extended from the 24th November 2013 until the 13th January, 2014.

It was confirmed that the report on the Three Year Capital Budget 2014 – 2016 would be presented to the Council for consideration during 2014, as provided for under Section 135 of the Local Government Act, 2001.

He informed Members that the expected budget deficit for 2013 was of the order of €3.78 million, though it was expected that this figure would improve as further work was carried out in relation to the 2013 AFS. Outlining the main aspects of his report, he alluded, also to the various notifications forwarded to Members regarding the Local Government Fund Allocation for 2014.

An update was provided in relation to the 2013 Outturn together with a summary of the key financial figures relating to income and expenditure in 2014.

He thanked all staff who had been involved in the income collection process acknowledging also all customers who had contributed to and worked with the Council over the past year.

C/648/13

PRESENTATIONS – DIRECTORS OF SERVICE

Presentations were then made successively by the Directors of Housing & Corporate, Water & Environment, Community, Culture & Planning, Finance & Emergency Services, and Roads & Transportation and Housing Capital.

A detailed overview of the budgetary provision for each service was provided.

The County Manager thanked Members for their co-operation and the Senior Management Team for their presentations. The Mayor acknowledged also the comprehensive overview provided in relation to service provisions for 2014.

C/649/13

ADJOURNMENT OF MEETING

On the proposal of Clr Mc Garvey, seconded by, Clr M Mc Bride it was resolved to adjourn the meeting until 2.30pm

C/650/13

CONSIDERATION OF THE 2014 DRAFT REVENUE BUDGET

On resumption Clr Crawford enquired if there was any update in relation to the recently announced severe weather alert.

Members were informed that all services were on standby to deal with the situation as it developed.

A lengthy debate took place during which a wide range of issues were discussed and additional clarity sought in relation to a wide variety of issues. (Vide Appendix 1)

ADJOURNMENT OF MEETING

C/651/13 Clr Brogan proposed, seconded by, Clr McGowan to adjourn the meeting for a short period following a heated exchange between Clr McBrearty and Clr Alcorn.

C/652/13 CONSIDERATION OF THE 2014 DRAFT REVENUE BUDGET
The Mayor opening the meeting again to the floor asked Clr Alcorn to continue with his deliberations advising of the need to conduct business in a fair and respectful manner.

Clr Alcorn alluded to remarks made earlier in the meeting by Clr McBrearty, and stated that the situation in question had been dealt with by SIPO and he himself subsequently vindicated.

At this juncture Clr McBrearty said that he could not allow unchallenged statements to be made which undermined his good name.

The Mayor adjourned the meeting at this juncture for a ten minute recess.

C/653/13 CONSIDERATION OF THE 2014 DRAFT REVENUE BUDGET
Returning to the meeting Members continued to raise a variety of issues pertaining to the 2014 budgetary process.

Clr McBrearty enquired as to whether comments made by members of the Fianna Fail Party had been recorded in their entirety and his own comments noted word for word. There were, he noted, ongoing legal issues which both the Council and the Fianna Fail Party were aware of. He asked that the matter be fully recorded.

The Mayor alluded to the dangers involved in getting involved in matters of a legal nature.

Clr McBrearty, said that he had at this juncture no option but to leave the meeting for his own protection. He stated that a person who made allegations against him had made further comments in the chamber.

He withdrew from the chamber citing his right to protection and the retention of his good name.

Clr Brogan said he was concerned as to where Donegal County Council was going. He stated that the needs of the people had not been addressed in the 2014 Budget Book and that the general public were looking at this point for clear and concise direction.

He noted that the Fianna Fail party had stepped up to the mark in supporting a number of successive budgets and expressed disappointment with some of the earlier remarks directed at his Fianna Fail colleagues.

The Irish Water issue, he noted, had been railroaded through, with many aspects still to be resolved and no clear guidance for either Council Staff or the wider public. He thus proposed, seconded by, Clr McGowan that the meeting be adjourned until the week beginning 7th January, 2014.

Clr Murray contended that the 25% rate reduction alluded to earlier in the meeting did not make economic sense given that Irish Water were set to be one of the largest rate payers in the County.

Clr O' Neill thanked the County Manager the Head of Finance, and all involved in the budget preparations. He acknowledged the excellent quality of service provided by all staff in Donegal County Council despite the phased reduction in staffing levels. He thus proposed the implementation of the following initiatives:-

1. The initiation of a Rates Initiative Scheme for New Small Business Creation to assist Towns and Villages throughout the County.
2. Donegal County Council to create a recognition scheme to protect the County's commercial and service sectors through

the introduction of an official Donegal Brand “Made in Donegal”. This to be done through the creation of an online database website, the introduction of a visible logo on Donegal produced products backed by a dedicated awareness campaign.

3. The provision of additional monies so as to increase the €200,000 additional funding identified for Tourism , and that Failte Ireland be contacted to 50% match fund the increase so as to assist Tourism related businesses, attractions, initiatives and events that demonstrate an ability to attract overseas visitors and increase tourism in 2014.
4. The Development Fund Initiative be increased by a further €200,000.

He proceeded to raise a number of general queries.

Clr Quinn said he was of the opinion that the Council was being asked today to take part in crystal ball economics, and indicated that he was at a loss as to where the further efficiencies alluded to by the County Manager could be found. The search for such efficiencies, he noted, had been ongoing for over three years with the public at large now pushed to breaking point.

Clr Brogan again called for an adjournment, noting that the executive needed to have sufficient time to reflect on the numerous issues raised. Responding to the Mayor’s suggestion that the meeting be extended to consider same, he contended that an extension of twenty minutes to half an hour was insufficient given the gravity of the situation and the wide ranging nature of the clarifications sought.

On the proposal of Clr M Doherty, seconded by, Clr Ryan it was resolved in accordance with Standing Order No 29 to suspend Standing Order No 3 so as to allow the meeting continue beyond 6pm and allow for further consideration of the Draft Revenue Budget 2014.

The Meetings Administrator informed Members that in accordance with Standing Orders, a show of hands would be taken firstly in relation to the amendment. This resulted in the majority of

members voting against the amendment and thus the motion to extend the meeting beyond 6pm was defeated.

It was unanimously agreed to adjourn the meeting until 10.00am on Monday 6th January, 2014.