

**SERVICE
DIRECTORATE
REPORTS**

**PREPARED BY EACH
DIRECTOR OF
SERVICES**

**INTRODUCTION &
CONCLUSION**

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A/Head of Finance

INTRODUCTION BY A/HEAD OF FINANCE

In the following pages are reports for each Directorate as prepared by the Director of Services setting out the many issues for their areas and including amounts for planned day to day revenue expenditures for 2010

In preparing an operational Budget for 2010 Donegal County Council is faced with many funding difficulties at a scale not experienced for many years. In addition to reduction in monies available through the Local Government Fund Allocation the impacts of the decline in economic activity in the county is causing income difficulties in many other areas directly and indirectly. Examples directly in these respects are Planning Fees down €726,000 (60.5%), Fees in respect of connection to Council services down €237,800 (65.5%), Fire Certificates down €250,000 (71.4%) and indirectly in respect of our need to increase requirements for Bad/Doubtful Debts e.g. Commercial Rates up from 11% to 15%.

In recognition of the economic realities facing the County the Budget as drafted does not include any proposals for increases in Commercial Rates and provides for reductions in Non Domestic Water Charges. Nevertheless the Draft Budget as far as is possible attempts to provide for essential services including emergency, as well as meeting increasing unavoidable costs.

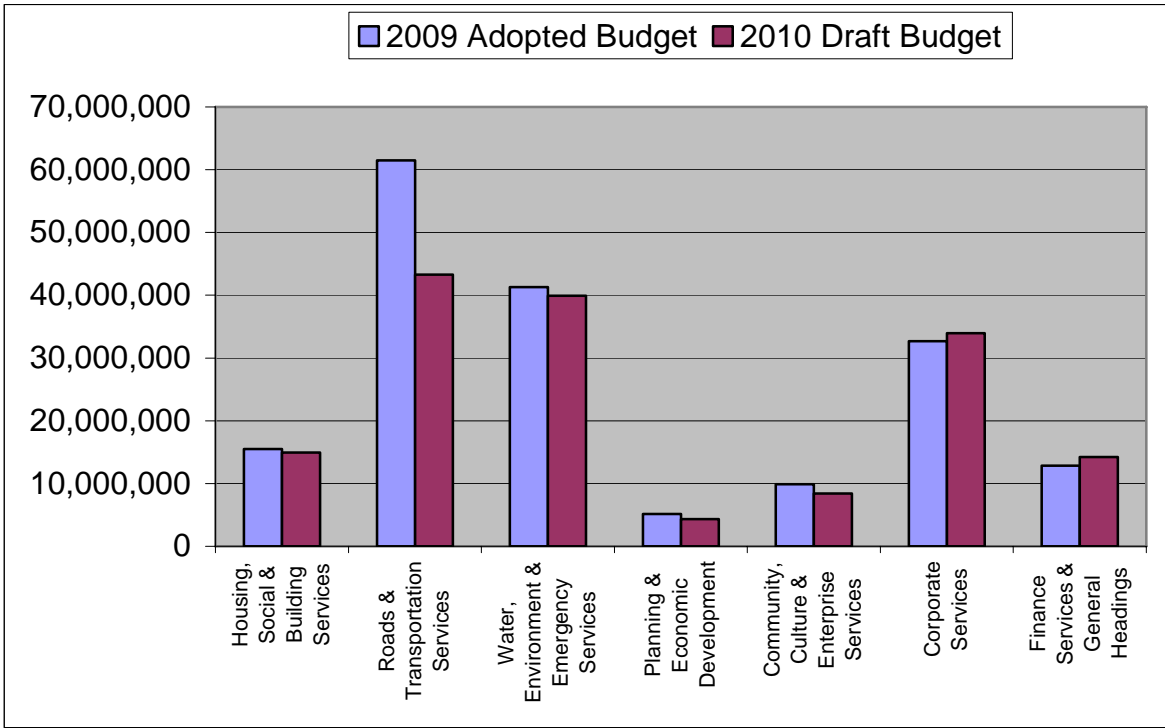
2010 will represent a very challenging year in many respects and not least in the area of Financing Local Government generally and for Donegal County Council specifically. The actions by Government in terms of its Economic Plan initiative and what is ultimately actioned will no doubt have a significant bearing for Financial Planning and Decision making for all local authorities.

At this juncture also I wish to state that there is a compelling need in the context of the 2010 Draft Budget for us to maintain even stricter controls on our cash flow through enhanced recoupments, resolution of issues of unfunded and potentially unfunded Capital Balances as well as targeting greater collection rates of our own income sources both Revenue and Capital.

In this introduction as for previous years I am including some graphical representations of:

- (a) The 2009 Adopted Gross Expenditure and the 2009 Draft Gross Expenditure and the changes therein as set out in the following table.
- (b) Sources of Revenue Funding for 2010 Requirement.
- (c) It is intended at the Statutory Budget Meeting to present additional Graphical analysis as in previous years.

Gross Revenue Expenditure			
Directorate	2009 Adopted Budget	2010 Draft Budget	Change
Housing, Social & Building Services	15,473,702	14,927,943	(545,759)
Roads & Transportation Services	61,470,085	43,281,604	(18,188,481)
Water, Environment & Emergency Services	41,315,342	39,913,294	(1,402,048)
Planning & Economic Development	5,145,496	4,314,594	(830,902)
Community, Culture & Enterprise Services	9,902,634	8,393,164	(1,509,470)
Corporate Services	32,667,887	33,941,968	1,274,081
Finance Services & General Headings	12,843,142	14,248,319	1,405,177
Total	178,818,288	159,020,886	(19,797,402)



Sources of Funding 2010

