

PURPOSE

This budget provides funding for debt service payments, including bonds and lease-purchase agreements, for nonschool projects. It also provides for a contingency reserve to pay for needs caused by unforeseen events falling into three categories: 1) Catastrophic reserves, to provide limited emergency funds in the event of natural or man-made disasters; 2) Operational reserves, to provide additional funds for limited unexpected service needs; and 3) Revenue reserves, to provide limited funds to smooth fluctuations in revenues caused by changes in economic conditions. A negative contingency captures savings created by personnel turnover.

BUDGET SUMMARY

	FY 04		FY 05		FY 06
	<u>Budget</u>		<u>Adopted</u>		<u>Adopted</u>
Debt Service	\$ 1,753,000	\$	2,000,000	\$	2,250,000
Innovation/Process Improvement	15,000		25,000		25,000
Contingency	23,476		241,723		407,865
Contributions/Escrows:					
Economic Development Incentives	0		318,500		331,000
VDOT Road Match	500,000		485,000		500,000
Road Improvements	150,000		20,000		20,000
Underground Utilities	369,500		230,000		270,000
Matching Funds - Grant	255,000		235,000		257,000
Housing Development Fund	100,000		100,000		100,000
Water Quality Improvements	150,000		300,000		0
Chickahominy Resource Center	50,000		0		0
Neighborhood Parks	25,000		0		0
Personnel Contingency	<u>(436,231)</u>		<u>(500,000)</u>		<u>(550,000)</u>
Total	\$ <u>2,954,745</u>	\$	<u>3,455,223</u>	\$	<u>3,610,865</u>

BUDGET COMMENTS

A small contingency amount has been set aside for possible contingent events. A small reserve is continued to provide “seed” money for Departments to develop approved innovation projects and process improvement. A negative personnel contingency is established to capture turnover savings. The Water Quality Improvement Account contains funding for the Stormwater Utility Study in FY 2005. In FY 2006, it is anticipated that spending for Stormwater will be funded from non-tax sources. Matching funds include possible local match for State/Federal bike paths.