

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 10 Adopted	FY 11 Adopted	FY 12 Plan
Debt Service	\$ 3,760,000	\$ 3,760,000	\$ 3,760,000
Contingency	859,814	937,308	914,638
Personnel Contingency	(700,000)	(600,000)	(700,000)
VDOT Road Match	160,100	0	0
Economic Development Incentives	110,000	105,000	50,000
Matching Funds - Grants	200,000	200,000	200,000
Housing Development Fund	100,000	200,000	100,000
Local Aid to State Government	107,894	98,248	98,248
Peninsula Metropolitan YMCA	50,000	50,000	0
Total	\$ 4,647,808	\$ 4,750,556	\$ 4,422,886

BUDGET COMMENTS

Contingency is continued to be budgeted at a much higher level than normal, in order to guard against the uncertainties of the present economy. Personnel contingency is lower in FY11, to account for any transitional expenses associated with turnover at the County Administrator position. VDOT Road Match is eliminated as the State program has also been eliminated. Economic Development Incentives are funded for commitments for Enterprise Zone Grants and funding is provided in Housing Development fund for the match for the Forest Heights proposed CDBG project. Also included is the amount that will be returned to the State of Virginia that is not allocated specifically to a department. This decreases due to the allocation of a portion of the amount to the Colonial Community Corrections program.