

**1995-1996 BUDGET
GENERAL OPERATING FUND
REVENUE FROM USE OF MONEY AND PROPERTY**

PURPOSE

This budget provides for revenues earned by the County from investment of funds and the rental of property. The County Treasurer invests funds that are available but not needed for immediate disbursement. The investment of temporarily idle cash is a priority as are the appropriate steps to ensure liquidity of funds. Therefore, investments are made for periods ranging from a single weekend to 90 and 120 days.

Prior to FY 95, rent was paid by the Williamsburg-James City County School Board for the space it occupies at the Government Center. Beginning in FY 95, no rent was charged to the school system, which became part of the County's Contribution to Schools. The James City County Health and Social Services Departments pay rent to the County for space at the Human Services Building. This revenue is shown as an offset to the expenses of Facilities Management.

BUDGET SUMMARY

	<u>FY 95 Budget</u>	<u>FY 96 Budget</u>
Interest on Short-Term Investments	<u>\$804,000</u>	<u>\$1,000,000</u>

BUDGET COMMENTS

This budget shows an increase in investment income. The major factor that has contributed to this increase is the anticipation that interest rates for those investment vehicles authorized by the State, principally low-risk, low-return instruments, will increase as a result of recent increases in the Prime Rate. In addition, the Treasurer invests idle funds in the State's Local Government Investment Pool, which provides for increased liquidity and flexibility in investment income at somewhat higher interest rates than the County could get on its own.

Rental income from the Human Services Building is not shown in this budget, but is reflected as reimbursements to the costs of providing janitorial, utilities, phone and other expenses of Facilities Management.