

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.

BUDGET SUMMARY

	FY 96 <u>Budget</u>	FY 97 <u>Budget</u>
Debt Service	\$1,000,000	\$1,000,000
Innovation	25,000	25,000
Contingency	<u>292,904</u>	<u>317,873</u>
Total	<u>\$1,317,904</u>	<u>\$1,342,873</u>

BUDGET COMMENTS

Contingency is estimated at less than 1 percent of the total budget in an effort to establish a small fund for possible contingent events. A small reserve has been established to provide "seed" money for departments to develop approved innovation projects. The debt service is targeted for the referendum projects - a County library, acquisition and limited development of a District Park, and the renovation and expansion of the James City County-Williamsburg Recreation Center.