

PURPOSE

This budget 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 11 Adopted		FY 12 Plan		FY 12 Adopted
Contingency	\$	708,944	\$	914,638	\$	887,023
Personnel Contingency		(600,000)		(700,000)		(600,000)
Economic Development Incentives		105,000		50,000		50,000
Matching Funds - Grants		200,000		200,000		200,000
Archaeological Studies		8,810		-		-
Local Aid to State Government		98,248		98,248		98,200
Peninsula Metropolitan YMCA		50,000		-		-
Total	\$	<u>571,002</u>	\$	<u>562,886</u>	\$	<u>635,223</u>

BUDGET COMMENTS

Contingency continues to be budgeted at a much higher level than normal, in order to guard against the uncertainties of the present economy. Personnel contingency is budgeted at an amount equal to FY 2011 as turnover has decreased. Economic Development Incentives are funded for commitments for Enterprise Zone Grants. Also included is the amount that will be returned to the State of Virginia that is not allocated specifically to a department.