

GLOSSARY OF BUDGET TERMS

Accrual Basis – The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Ad Valorem – Property Taxes

Adopted Budget – The annual budget document as approved by the Board of County Commissioners before the beginning of each fiscal year.

Appropriation – Specific expenditures and obligations authorized by the Board of County Commissioners.

Assessed Valuation – The value placed upon real estate or other property by the County Assessor as a basis for levying taxes.

Base Budget – Ongoing expense for personnel, contractual services, and the replacement of supplies and equipment required to maintain service levels previously authorized by the Board of County Commissioners.

Beginning Fund Balance – A revenue classification indicating those financial resources which, because they were not expended in one fiscal year, are available in the following year.

Bond – A written promise to pay a specified sum of money (face value or principal amount) at a specified date or dates in the future (maturity date), together with periodic interest at a specified rate.

Budget – The County's plan for the accomplishment of stated goals within a particular fiscal year, including estimates of required expenditures and anticipated revenues to carry out the stated goals.

Capital Outlay – Expenditures for the acquisition or improvement of tangible fixed assets; e.g. land, buildings and furniture or equipment, with a cost of \$10,000 or more.

Capital Project – Those activities resulting in the acquisition or improvement of major capital items, such as land, buildings and county facilities.

Category – A major division of the program budget that contains programs and activities.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Debt Service – Payment of interest and principal on an obligation resulting from the issuance of bonds.

Department Request – The annual budgetary alternative prepared by department directors indicating an appropriate, justified and needed level of service for their departments, together with associated expenditures and revenues.

Encumbrance – Funds not yet expended, but are obligated or set aside in anticipation of expenditure. Encumbered funds may not be used for any other purpose.

Expenditures – A fund liability incurred for operations, capital outlay, or other requirements during a budgetary period.

Fiscal Year – The twelve month period beginning July 1 and ending the following June 30.

Fund – A fiscal entity consisting of a self-balancing set of accounts that are segregated from other funds for the purpose of fulfilling specific activities or attaining specific objectives in accordance with regulations, restrictions, or limitations. A fund is also an available quantity of financial resources.

General Fund – A fund established for the purpose of accounting for all financial resources and liabilities of the County except those required to be accounted for in other funds by special regulations, restrictions or limitations.

Infrastructure – Physical assets of the county (streets, water, sewer, public buildings and parks.)

Liability – Debt or other legal obligations arising out of transactions for items received, services rendered, assets purchased, etc., and for amounts received but not yet earned. Does not include encumbrances.

Modified Accrual Basis – The accrual basis of accounting where revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred with certain exceptions.

Other Uses – An expenditure classification encompassing all miscellaneous expenditures that cannot be appropriately classified as personal services, materials and services, or capital outlay. This includes transfers to other funds and contingencies.

Personal Services – An expenditure classification encompassing all expenditures relating to county employees. This includes union and non-union labor costs, employee benefits, and payroll tax expenses.

Program – A group of related activities performed by one or more organized units for the purpose of accomplishing a function for which the county is responsible.

Program Budget – Budget that allocates money to the functions or activities of the county, rather than to specific items of cost.

Revenue – Income for the fiscal year, including transfers and excluding proceeds from the sale of bonds and notes. The major categories of revenue include property taxes, sales taxes, intergovernmental revenues, fees and charges, interest on investments, and fines and forfeitures.

Revenue Bond – A written bond backed by the revenue generated by a specific fund.

Services and Supplies – An expenditure category encompassing major non-capital, non-personnel expenditures. These include expenses for travel and training, operations, data processing, property, equipment and contracted services.

Tax Levy – The total amount eligible to be raised by general property taxes.

Tax Rate – The amount of tax levied for each \$100 of taxable valuation.

Taxable Valuation – 35% of assessed valuation.

Unappropriated Ending Fund Balance – An expenditure classification for those funds not appropriated for any purpose and reserved for ensuing fiscal years. This may include specific reserves for buildings or equipment or may be generally reserved funds for cash flow purposes.