

Glossary of Budget Terms

Accrual: Something that accrues; especially: an amount of money that periodically accumulates for a specific purpose (as payment of taxes or interest).

Adopted Budget: The budget as adopted by the Board of County Commissioners and is effective on July 1st of the fiscal year.

Allocate: To set apart portions of budgeted expenditures that are specifically designated to organizations for special activities or purposes.

Appropriated Fund Balance: Amount of fund balance appropriated as revenue for a given fiscal year, to offset operating expenditures that exceed current revenue. The appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year.

Appropriation: The legal authorization by the Board of County Commissioners to spend money and incur financial obligations as specified in the budget ordinance. An appropriation is limited in the amount and time when it may be expended.

Assessed Valuation: The total value of real estate and personal property (excluding exempt property) as determined by tax assessors and used as a basis for levying property taxes.

Assessment: The process for determining values of real and personal property for taxation purposes.

Assets: Property owned by the County that has monetary value.

Balanced Budget: When planned expenditures equal anticipated revenues. State law requires a balanced budget in North Carolina.

Bond: A written promise to pay a specific amount of money with interest within a specific time period, usually long-term. Bonds are typically issued to fund specific capital improvement expenditures. The County issues general obligation bonds, which require approval by voter referendum before issue and two-thirds, installment financing and revenue bonds, which do not require referendum approval.

Bond Issuance: The sale of government bonds as a means of borrowing money.

Bonds Issued: Bonds that have been sold.

Bond Rating: A grade given by bond rating agencies (Moody's, Standard & Poors (S&P), Fitch, etc.) indicating a government's investment qualities. Ratings range from AAA (highest) to D (lowest) and the higher the rating the lower the interest rate on the bonds.

Budget: A plan of financial operation including an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Message: A written overview of the proposed budget from the County Manager to the Board of County Commissioners that discusses the major budget items and the County's present and future financial condition.

CAMA: Computer Assisted Mass Appraisal.

Capital Budget: A financial plan for capital projects which usually cost more than \$100,000 and have a useful life of more than ten years. However, capital projects for computer equipment and software may have a useful life of more than five years.

Capital Outlay: Vehicles, equipment, facility and land improvements, software, and furniture purchased by the County that cost more than \$5,000, less than \$100,000, and have an expected life of more than one year.

Capital Project Fund: A multi-year fund used to account for revenues and expenditures associated with capital projects.

Capital Improvement Program: A long-range plan of proposed capital improvement projects, which includes estimated project costs and funding sources for a multi-year period.

Cash Basis of Accounting: A method for recording the receipt and expenditure of funds. Under the cash basis of accounting revenue are recorded when they are received and expenditures are recorded when funds are actually spent.

CIP: Capital Improvement Program.



Clerk to the Board: The Clerk to the Board of County Commissioners is the primary administrative assistant to the Board. The Clerk prepares and promulgates meeting agendas, maintains the County's official files, and coordinates the Commissioners' schedules.

Community Partners: Community agencies or organizations that are financial partners with whom the County contracts to provide specific services.

Comprehensive Annual Financial Report (CAFR): Represents and reflects the County's financial operations and condition to the county's residents, its elected officials, management personnel, financial institutions, county bondholders, rating agencies, and all other parties interested in the financial affairs of the county. The CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and includes financial statements audited by an independent public accounting firm.

Contingency: An account in which funds are set aside for unforeseen expenditures which may become necessary during the year and which have not been provided for in the context of the annual operating budget.

Current Budget: Represents the budget of the fiscal year in which the county is presently operating. Unless otherwise noted, the current budget reflects the County's revised budget as of March 31st of the current fiscal year.

Debt: Money or other property lent or borrowed and that must be repaid or returned. Debt may be outstanding for a short term (less than one year) or for a long term (one year or more).

Debt Reduction Bonds: General obligation bonds that can be issued by a local government without voter authorization under a formula set by the State at two-thirds of the previous year's net debt reduction.

Debt Service: Cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Debt Service Fund: A fund used to account for resources dedicated to the payment of principal and interest on general long-term debt.

Deferred Revenue: Resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as

deferred revenue until they are available to liquidate liabilities of the current period.

Deficit: An excess of expenditures over revenues or expense over income.

Depreciation: The decrease in value due to wear and tear of property.

Division: A functional service unit within a County Service Area.

Employee Benefits: For budgeting purposes, fringe benefits include employer payments for items such as separation allowance, 401-K supplemental retirement, retirement, Social Security, Medicare, retirement, group health and dental benefits, unemployment insurance, workers' compensation insurance, life insurance, and other fringe benefits.

EMS: Emergency Medical Services.

Encumbrance: A financial commitment for services, contracts, or goods which have not yet been delivered or performed.

Enterprise Fund: A fund which accounts for operations that are primarily financed through user charges and whose operation resembles a business (e.g., Solid Waste Fund).

Expenditure: Disbursements of cash for the current costs of a program or capital project.

Fiscal Year: A twelve-month period (July 1 through June 30) to which the annual operating and capital budgets apply.

Fund: An accounting entity created to record the financial activity for a selected financial grouping. A fund is set up to carry out a special function or attain objectives in accordance with established laws, policies, and regulations.

Fund Balance: Funds accumulated through the under expenditure of appropriations and /or the act of exceeding anticipated revenue.

Full-time equivalent (FTE): A position count that calculates staffing levels by the number of hours worked relative to a standard working schedule of 2,080 hours per year. For instance, a part-time position for 20 hours per week, or 1,040 hours per year, is considered 0.50 FTE.



GAAP: Generally accepted accounting principles.

General Fund: The principal operating fund which provides for the accounting of most basic governmental services.

General Obligation Bonds: Bonds issued by a government which are backed by the full faith and credit of its taxing authority.

Government Finance Officers Association (GFOA): The GFOA is the professional association of state/provincial and local finance officers in the United States and Canada.

Goal: a strategic result or achievement that the Service Area of Division strives to obtain.

GIS: Geographic Information System.

Governmental Funds: Funds that are used to account for those same functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. Governmental funds financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a current financial resources focus.

Grants: A contribution or gift in cash or other assets from or to another government or non-profit foundation to be used for a specific purpose (e.g., van purchases for transportation program).

GSA: General Services Administration.

Horizon Issues: Operating or capital needs that departments plan to address in future years.

HR: Human Resources.

Indirect Costs: The component of the total cost for a service which is provided by another Service Area or Division (e.g., auditing).

Intergovernmental Revenues: Revenues received from other governments (State, federal, local), typically in the form of grants, shared revenues, or entitlements.

Internal Service Fund: A fund that accounts for the provision of services to County Service Areas by other County Service Areas on a cost reimbursement basis. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the functions of the County. The County uses an internal service fund to account for its risk management activities and central cost allocation activities.

Investment Earnings: Earnings earned, usually interest, on investments entered into by the County.

IT: Information Technology.

Lease-Purchase Agreement: A method of purchasing equipment in which payments are spread over a multi-year period.

Levy: The amount of tax, service charges, and assessments imposed by a government.

Mandate: A legislative command to a local government, generally through State Statutes, to implement or discontinue a selected service or policy.

Modified Accrual Basis of Accounting: An accounting method where revenues are recorded when they become measurable and available and expenditures are recorded when the liability is incurred. This is the primary basis of accounting for the County.

NCDENR: North Carolina Department of Environment and Natural Resources.

NCGS: North Carolina General Statutes.

Non-departmental: Non-departmental appropriations for purposes such as merit, unassigned retiree health benefits, fuel contingency, accident contingency, and other unassigned adjustments. These funds will be distributed to Service Areas once budget decisions and or needs arise.

Object Code: An expenditure classification related to the type of goods and services purchased, such as office supplies.

Operating Budget: The County's financial plan that outlines proposed expenditures for the coming fiscal year and estimated revenue which will be used to finance them.



Operating Expenditures/ Expenses: Recurring expenditures for services, supplies, equipment, and payments to individuals and other agencies.

Ordinance: A legal document adopted by the local governing body setting policy and procedures.

Per Capita: Represents a given quantitative measure (e.g., spending, inspections, ambulance trips) per unit of population.

Performance Measure: A goal-driven estimation of past, present, and future success of the delivery of a given service, program, or function.

Personal Income: Income that is received by persons from all sources. It is calculated as the sum of salary and wage disbursements, supplements to wages and salaries, proprietor's income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

Personal Property Tax Base: All non-household personal value such as automobiles, boats, etc., and all noninventory business items such as equipment, vehicles, materials, and supplies.

Personnel Services: Expenditures for salaries and fringe benefits.

Policy: An established plan of action used to guide decisions and actions.

Project Code: Used to match revenues with expenditures for a particular capital program, capital project, or operating project.

Property Tax Rate: The rate at which property in the County is taxed to produce revenues sufficient to cover necessary governmental activities.

Proprietary Funds: The County has three proprietary funds – *Water and Sewer, Solid Waste, and Storm water. Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses the enterprise fund to account for its solid waste landfill operations and storm water. This fund is the same as the function shown in the business-type activities personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance. in the Statement of Net Assets and the Statement of Activities.

Public Service Companies Tax Base: Non-governmental business entities which delivers public services that are considered essential to the public interest, such as natural gas, pipelines, electricity, telephone and railroads.

Real Property Tax Base: All land and buildings which are taxable.

Revaluation: The periodic reassessment of a jurisdiction's real property in order to adjust the tax value to market value. North Carolina law stipulates that a revaluation must be done at least every eight years.

Reclassification: A change in the classification and corresponding job title of an existing position that results from a major change in assigned responsibilities.

Reserve: An account used either to set aside budgeted revenues that are not required for expenditures in the current budget year, or to earmark revenues for a specific future purpose.

Revenue: All funds that the County receives as income, including items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, shared revenues, and interest income.

ROD: Register of Deeds.

SEIMS: Statewide Election Information Management System.

Service Area: The primary organizational units of County government that provides specific services. A Service area often broken into Divisions which offer a more specific service.

Division (Service Area Division): The secondary organizational unit of a Service Area that provides specific services.

Self-insurance: A risk management method whereby an eligible risk is retained, but a calculated amount of money is set aside to compensate for the potential future loss. The amount is calculated using actuarial and insurance information so that the amount set aside (similar to an insurance premium) is enough to cover the future uncertain loss.

Special Assessment: A levy on certain properties to defray part or all of the costs associated with improvements or services that will benefit those specific properties.



Special Revenue Fund: A fund used to account for the revenues from specific sources which must be used for legally specified expenditures (e.g., Emergency Telephone System Fund.)

Statute: A law enacted by the State Legislature.

TANF: Temporary Assistance to Needy Families.

Transfer In/Out: Reallocating resources between different funds.

Trend: A pattern that emerges from multiple units of data over time.

Taxing Authority: A legislative body that has the legal ability to impose a tax on its citizens.

Unearned Revenue – A type of deferred revenue account used in connection with resources that have not yet been earned.

Unincorporated Area: Area of the county that is not part of any municipality.

Unrealized Revenues: The difference between estimated revenues and actual revenues.

UCPS: Union County Public Schools.

User Fee: A charge assessed each time a customer uses a County service for which fees are charged.

WIC: Women, Infant and Children.

Working Capital: The amount of current assets that is in excess of current liabilities. Used frequently to measure an entity's ability to meet current obligations.

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Acronyms

4-H - Head, Heart, Health and Hands
ACD - Automated Call Distribution
ACS - American Community Survey
ACSP - Agriculture Cost Share Program
ADA - Americans with Disabilities Act.
ADM - Average Daily Membership
AGWRAP - Agriculture Water Resource Assistance Program
ATV - All Terrain Vehicle
BA - Budget Ordinance
BMP - Best Management Practices
BMP - (Position) Building Mechanical Plumbing
BOCC - Board of County Commissioners
BOE - Board of Education
CAD - Computer Aided Dispatch
CAFR - Comprehensive Annual Financial Report
CATS - Charlotte Area Transportation System
CCAP - Community Conservation Assistance Program
C-COM - Union County Department of Emergency Communications
C&D - Construction and Demolition
CDBG - Community Development Block Grant
CDC - Center for Disease Control
CIP - Capital Improvement Plan
CLOMR - Conditional Letter of Map Revision
CMC - Carolinas Medical Center
CMC - Union - Carolinas Medical Center Union Hospital
CMUD - Charlotte Mecklenburg Utility District
COA - Council on Accreditation
COLA - Cost of Living Adjustment
COPS - Certificates of Participation
CPCC - Central Piedmont Community College
CPI - Consumer Price Index
CPO - Capital Project Ordinance
CPS - Child Protective Services
CRWTP - Catawba River Water Treatment Plant
DA - District Attorney
DARE - Drug Abuse Resistance Education
DEA - Drug Enforcement Agency
DENR - Department of Environment and Natural Resources
DHHS - Department of Health and Human Services
DJJDP - Division of Juvenile Justice & Delinquency Prevention
DMV - Division of Motor Vehicles

DOJ - Department of Justice
DOL-BLS - Division of Labor-Bureau of Labor and Statistics (Federal)
DOT - Department of Transportation
DPI - Department of Public Instruction (North Carolina)
DWI - Driving While Intoxicated
ECM - Electronic Content Management
ECP - Education Capital Program
EDG - Monroe Union County Economic Development group
EFNEP - Expanded Food and Nutrition Education Program
EM - Emergency Management
EMMA - Electronic Municipal Market Access Database
EMS - Emergency Medical Services
EMT - Emergency Medical Technical
EOP - Emergency Operation Plan
EPA - Environmental Protection Agency
ESC - Employment Security Commission
ETJ - Extraterritorial Jurisdiction
FCC - Federal Communications Commission
FD - Fire Department
FDIC - Federal Deposit Insurance Corporation
FEMA - Federal Emergency Management Agency
FLSA - Fair Labor Standards Act
FNS - Food and Nutrition Assistance
FSRS - Fire Suppression Rating Schedule
FTE - Full-time Equivalent
FY - Fiscal Year
GAAP - Generally Accepted Accounting Principals
GCP - General Capital Program
GFOA - Government Finance Officers Association
GIS - Geographic Information Systems
GO - General Obligation Bonds
GS - General Statute
GSA - General Services Administration
HAZMAT - Hazardous Materials
HIS - Health Information System
HUBs - Historically Underutilized Businesses
HVAC - Heating, Ventilation, Air Conditioning
I&E - Improvements and Expansion
IBT - Inter-Basin Transfer
ILP - Intelligence-Led Program
IMT - Incident Management Team
ISO - Insurance Services Office, Insurance Service Organization
IT - Information Technology



JCP - Juvenile Crime Prevention
 JJDP - Juvenile Justice Delinquency Provision
 K - Thousand
 LECP - Local Emergency Planning Committee
 LGC - Local Government Commission
 LIEAP - Low Income Energy Assistance Program
 LLEBG - Local Law Enforcement Block Grant
 LOBs - Limited Obligation Bonds
 LOMR - Letter of Map Revision
 LRTP - Long Range Transportation Plan
 LSTA - Library Services Technology Act
 MGD - Million Gallons per Day
 MHZ - Megahertz
 MHI - Median Household Income
 MOE - Maintenance of Effort
 MOU - Memorandum of Understanding
 MSA - Metropolitan Statistical Area
 MSW - Municipal Solid Waste
 MUMPO - Mecklenburg-Union Metropolitan Planning Organization
 MW - Megawatt
 NACO - National Association of Counties
 NAED - National Academy of Emergency Dispatch
 NC - North Carolina
 NCARD - North Carolina Association of Register of Deeds
 NCDOT - North Carolina Department of Transportation
 NC CWRL - North Carolina Clean Water Revolving Loans
 NC FAST - North Carolina Families Accessing Services through Technology
 NC LINKS - North Carolina Foster Care Independence Program
 NCACC - North Carolina Association of County Commissioners
 NC SBOE - North Carolina State Board of Elections
 NCDENR - NC Department of Environmental and Natural Resources
 NCDVA - North Carolina Division of Veterans Affairs
 NCGS - North Carolina General Statutes
 NCSU - North Carolina State University
 OPEB - Other Post-Employment Benefits
 OSBM - Office of State Budget and Management (North Carolina)
 OSFM - Office of State Fire Marshal
 PayGO - Pay as You Go
 PC - Personal Computer
 PSAP - Public Safety Answering Point
 PT - Part-time Positions
 PVC - Polyvinyl Chloride
 PWCP - Public Works Capital Program

R&R - Rehabilitation and Renewal
 REAP - Reaching for Excellence and Accountability in Practice
 RHCBC - Retiree Healthcare Benefits
 RFP - Request for Proposal
 RPO - Rural Planning Organization
 RV - Recreational Vehicle
 SAN - Storage Area Network
 SAP - Small Area Plan
 SARA - Superfund Amendments and Reauthorization Act of 1986
 SAT - Scholastic Aptitude Test
 SCBA - Self Contained Breathing Apparatus
 SD - Subdivision
 SEC - Securities and Exchange Commission
 SF - Square Foot, Square Feet
 SMF - Stormwater Management Facility
 SOP - Standard Operating Procedure
 SPCC - South Piedmont Community College
 SQ - Square
 SRO - School Resource Officer
 SSA - Social Services Administration
 SWCD - Soil Water Conservation Division
 TANF - Temporary Assistance to Needy Families
 TBD - To Be Determined
 TPT - Temporary Part Time
 UCC - Uniform Commercial Code
 UCCIP - Union County Capital Improvement Program
 UCPS - Union County Public Schools
 UCSD - Union County Sheriff's Office
 UDO - Unified Development Ordinance
 UNCC - University of North Carolina at Charlotte
 USDA - United States Department of Agriculture
 VA - Veterans Affairs
 VAD - Voluntary Ag District
 VFD - Volunteer Fire Department
 VOIP - Voice Over Internet Protocol
 VSO - Veterans' Service Office
 WIC - Women, Infants & Children Program
 WWTP - Waste Water Treatment Plant



