

GLOSSARY

GLOSSARY OF BUDGET TERMS

A-87 – This alpha/numeric designation refers to those costs allocated to County departments under the Countywide Cost Allocation Plan to cover central administrative and overhead expenses.

ACCOUNT – A classification of expenditure or revenue. Example: “Office Expense” is an account in “Services and Supplies.”

APPROPRIATION – An authorization granted by the Board of Supervisors to make expenditures and to incur obligations for specific purposes. An appropriation expires at the end of the fiscal year.

APPROPRIATION LIMITS – Proposition 4 (November 1979) limited County-allowable expenditures to those budgeted in FY 1979 with annual increases for population and cost of living. Also known as the “Gann limit.”

ASSESSED VALUATION – A valuation set upon real estate or other property by the County or State Board of Equalization as a basis for levying taxes.

AUTHORIZED POSITIONS – Positions approved by the Board of Supervisors and included in the County’s Salary Resolution.

AVAILABLE FINANCING – All the components of financing a budget, including available fund balance, revenues, equity transfers and reductions of reserves.

AVAILABLE FUND BALANCE – The amount of fund equity available to finance the budget after deducting encumbrances, reserves and designations which identify limitations of its availability.

BUDGET – The planning and controlling document for financial operation with estimates of proposed expenditures and revenues for the fiscal year.

BUDGET UNIT – An organizational unit that includes all accounts for which the Board of Supervisors approves a legal appropriation. A department or system may have one or more budget units assigned to it.

CALWORKS – California’s version of welfare reform adopted under Assembly Bill 1542.

CAPITAL PROJECT – A program itemizing the County’s acquisitions, additions and improvement to fixed assets, including buildings, building improvements and land purchases.

CHARGES FOR SERVICES – Revenues resulting from fees for services provided to businesses, individuals and other governmental agencies.

COLA – Cost of living adjustment.

CONTINGENCY – An amount not to exceed 15 percent of specified appropriations of the fund in which it is allocated, appropriated for unforeseen expenditure requirements.

CONTRACTED SERVICES – Expense of services rendered under contract by personnel who are not on the payroll of the County, including all related expenses covered by the contract.

NON-DEPARTMENTAL REVENUES – The main operating funds of the County’s General Fund accounting for expenditures and revenues for Countywide activities.

DEPARTMENT – An organizational device used by County management to group programs of like nature.

DESIGNATION – For government fund types, a segregation of a portion of the unreserved fund balance to indicate tentative plans for financial resource utilization in a future period, such as for general contingencies, equipment replacement or financing receivables.

EMPLOYEE BENEFITS – Amounts paid on behalf of employees; these amounts are not included in the gross salary. Fringe benefit payments, while not paid directly to employees, are a part of the cost of salaries and benefits. Examples are group health or life insurance payments, contributions to employee retirement, Social Security taxes, workers' compensation payments and unemployment insurance payments.

ENTERPRISE FUND – A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the government body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

E.R.A.F. – Refers to the Educational Revenue Augmentation Fund was first established by the State of California in FY 1992-93. This fund was established by the State to allow distribution of property tax funds that were shifted from cities, special districts and the County to offset cuts in State revenues to schools. For FY 2004-05 an additional ERAF is proposed.

EXPENDITURE – The payment for the cost of goods delivered or services rendered during the fiscal year.

FINAL BUDGET – Approved legal spending plan for a fiscal year. By statute, the Board of Supervisors must approve a Final Budget by October 2 each year.

FISCAL YEAR – Twelve-month period for which a budget is prepared. The fiscal year for Fresno County is July 1 through June 30.

FIXED ASSET – A tangible item of a long-term character such as land, buildings, furniture and other equipment with a unit cost in excess of \$5,000.

FUNCTION – A group of related budget units aimed at accomplishing a major service for which a governmental unit is responsible. The State Controller specifies these designations. Example: "Public Protection" is a function.

FUND – An independent fiscal and accounting entity with a self-balancing set of accounts. Revenue from the Countywide property tax as well as other sources are deposited in the General Fund for the support of a wide variety of activities. Other revenues are deposited in special funds which support appropriations for limited purposes. Examples are the Road and Library funds which exist to segregate money that is legally required to be expended for specific purposes.

FUND BALANCE – The excess of assets of a fund over its liabilities. A portion of this balance may be available to finance the succeeding year's budget. "Carryover" or "Carryover Funds" are terms synonymous with Fund Balance.

GA or GR – General Assistance (GA) or General Relief (GR), a state mandated local program funded entirely by counties, which provides cash assistance to indigent individuals who are not eligible for other forms of public assistance.

GENERAL FUND – The main operating fund of the County. The bulk of the property tax rate is represented by this fund.

GENERAL RESERVE – An amount in a fund used to meet cash requirements, emergency expenditures, or future defined requirements. A reserve is not an appropriation, and there is no limitation on the amount of reserve that can be established.

GRANT – A contribution from one governmental unit to another, usually made for a specific purpose and time period.

HUMAN SERVICES SYSTEM – A system of four departments established by the Board of Supervisors in 1997-98 which integrates health, mental health and social services functions under one administrative hierarchy. These functions were decentralized by Board of Supervisors action on May 18, 2004.

IHSS – In-Home Supportive Service (IHSS) provides services to eligible elderly and disabled persons who are unable to remain safely in their own homes without assistance.

INTERNAL SERVICE FUND – An organization created to perform specified services for other County departments. The services performed are charged to the user department. Example: Data Processing services.

INTRAFUND TRANSFER – An account used to budget for transfers of costs between budget units in the same fund. Intrafund transfers are used to distribute staff costs for budgetary and internal operating statement purposes.

MANDATED PROGRAMS – Mandated programs are those programs and services which the County is required to provide under specific State and/or Federal law.

MATCH – The term “match” refers to the percentage of local discretionary County monies in the General Fund which, by law, must be used to match a certain amount of State and/or Federal funds.

MEASURE B – A ⅛ of 1% sales tax to provide needed funding to maintain local public libraries; to restore operating hours; and to provide literacy and other library services for children, adults, and seniors.

MEASURE C – A ½ cent Fresno County sales tax revenue for highway, capital improvements and local transportation purposes determined to be priority projects by local governments to which the funds are allocated.

MEDI-CAL – Medi-Cal, California’s Medicaid program, is a Federal-State cooperative medical care financing program for low-income elderly, disabled, children and families.

MOE – A Maintenance-of-Effort (MOE) requirement is the amount of money that the County must spend for services it is required to provide to be eligible for Federal or State program funds.

NET COUNTY COST – Costs within General Fund departments financed with the County’s non-departmental (discretionary) revenues.

NEGOTIATED SALARY ADJUSTMENTS – Employee salary adjustments as approved by the Board of Supervisors under contracts (Memorandum of Understanding) with the County’s 21 bargaining units.

OBJECT LEVEL – A major category of appropriation. Examples: “Salaries and Employee Benefits” and “Services and Supplies”.

OTHER CHARGES – A category of appropriations for payment to an agency, institution or person outside the County government.

PCSP – Personal Care Services Program which provides in-home services for Medi-Cal eligible clients.

PROGRAM REVENUE – Revenue which is derived from and dedicated to specific program operations.

PROPOSED BUDGET – The County Administrative Office’s annual recommended budget to the Board of Supervisors.

PROPOSITION 172 – Proposition 172, passed in November 1993, established a ½ cent sales tax to be used to fund eligible public safety activities. The Sheriff, District Attorney and Probation Departments are eligible for funding under this proposition. The Board of Supervisors approved, beginning in FY 2004-05, sharing a portion of the actual growth in Prop. 172 with all fire districts that suffer a net loss due to the ERAF shift to the State.

REAL PROPERTY – Land and the structures attached to it.

REALIGNMENT REVENUE – State revenues allocated to counties by law that are derived from statewide sales tax collections and vehicle license fees. These revenues are allocated yearly and are dedicated to County operated social services, health, mental health and juvenile justice delinquency prevention programs. The name of the revenues is derived from the State's 1991 budget package which shifted the State's responsibility for non-federal funding for health and social services programs to counties.

REIMBURSEMENT – Payment received for services/supplies expended for another institution, agency or person.

RESERVE – An account used to earmark a portion of fund equity which is legally or contractually restricted for future use, or not available for expenditure.

RESIDUAL EQUITY TRANSFER – An account used to transfer equity between funds primarily for the purchase of computer and communications equipment and fleet vehicles.

RETAINED EARNINGS – An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

REVENUE – Money received to finance ongoing County services. Examples: property taxes, sales taxes, fees and State and Federal grants.

SALARIES AND EMPLOYEE BENEFITS – An object of expenditure which establishes all expenditures for employee related costs.

SALARY SAVINGS – The dollar amount of salaries which can be expected to be saved due to vacancies and turnover of employees.

SECURED TAXES – Taxes levied on real properties in the County which are “secured” by a lien on the properties.

SERVICES AND SUPPLIES – An object of expenditure which establishes expenditures for the operating expenses of County departments and programs.

SPECIAL DISTRICT – Independent unit of local government generally organized to perform a function(s) for a specific area. Examples: street lighting, waterworks and libraries.

SPENDING LIMITS – Refers to the Gann Initiative (Proposition 4 on the November 1979 ballot) which imposed limits on the allowable annual appropriations of the State, schools, and most local agencies. The limit is generally prior year appropriations factored by Consumer Price Index and population changes.

SSI/SSP – Supplemental Security Income/State Supplementary Program (SSI/SSP) provides cash assistance to eligible aged, blind and disabled persons. The program in California consists of a Federal SSI payment and a State supplement, the SSP payment. Federal law establishes minimum grant payment levels.

SUBVENTION – Payments by an outside agency (usually from a higher governmental unit) for costs which originate in the County.

TANF – Temporary Assistance for Needy Families (TANF), was created by the new welfare reform law to replace Aid to Families with Dependent Children, Employee Assistance and GAIN. It provides a block grant to states to assist needy families and creates new work requirements and time limits.

TEETER PLAN – A plan whereby 100% of the secured property taxes levied are apportioned to eligible agencies instead of the historical practice of apportioning 100% of taxes that have been collected.

TRANSITIONAL BENEFITS – Usually used in reference to childcare or Medi-Cal, transitional benefits provide continued support after cash assistance ends. For example, in California, a family that leaves TANF for work continues to be eligible for Medi-Cal for a set period of time after leaving the TANF program.

UNINCORPORATED AREA – The areas of the County outside city boundaries.

UNREIMBURSED COST – The difference between total appropriations and total revenues for a given department.