



Glossary

Abatements	A term referring to the refund of previously paid property taxes due to over-valuation of property.
Accounting Period	A period at the end of which and for which financial statements are prepared. See <u>Fiscal Year</u> .
Accrual Basis	The basis of accounting under which revenues are recorded when earned and expenditures are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of revenue or the payment of the expenditure may take place, in whole or in part, in another accounting period.
Adopted Budget	Refers to the budget amounts as originally approved by the Board of County Commissioners at the beginning of the year and also the budget document which consolidates all beginning-of-the-year appropriations.
Agency	A governmental or quasi-governmental unit which provides services to residents of the county but is not part of the county government, per se. An agency may be linked to county government by an intergovernmental agreement or may be formed pursuant to an intergovernmental agreement.
Allocations	A part of a lump-sum appropriation which is designated for expenditure by specific organization units and/or for special purposes, activities or objects.
Amended Budget	Budget which includes changes to the Adopted Budget that are approved by the Board of County Commissioners and transfers within the authority of management. Also referred to as the <u>Revised Budget</u> .
Appropriated Reserves	The amount of fund balance used to supplement revenues required to fund appropriated expenditures.
Appropriation	The legal authorization granted by the Board of County Commissioners which allows the departments, offices and agencies of the county to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.
Appropriation Resolution	The appropriation resolution is the means whereby the Board of County Commissioners enacts the appropriation, making it legal. The act of adopting the budget does not include legal authority to spend. In order to spend, an appropriation resolution must also be approved outlining the expenditures proposed in the adopted budget.
Assessed Valuation	A value established by multiplying market values by factors determined by the State of Colorado. Assessed value times the mill levy equals property tax revenue.
Assets	Property owned or held which has monetary value.
Audit	The examination of documents, records, reports, systems of internal control, accounting and financial procedures, and other evidence.
Authorized Position	A position (job) authorized by the Board of County Commissioners as part of the annual adopted budget.
Balanced Budget	As statutorily required the financial plan for operations and for capital projects submitted to the Board of County Commissioners must reflect that



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	projected expenditures do not exceed the combined total of projected revenues plus unreserved and available fund balance for each individual fund subject to appropriation.
BCC	Board of County Commissioners
Benefits	Includes unemployment, medical, life, disability, dental and worker's compensation insurances; Social Security taxes, Employee Assistance Program, retirement, sick leave and vacation leave.
Budget	A plan of financial operation reflecting an estimate of proposed expenditures and the means of financing those expenditures. The term usually refers to the plan for a single year. See <u>Adopted Budget</u> , <u>Amended Budget</u> , <u>Capital Budget</u> , <u>Line Item Budget</u> , <u>Operating Budget</u> , <u>Performance Budget</u> , <u>Proposed Budget</u> , and <u>Requested Budget</u> .
Capital Budget	A plan of proposed capital outlays and the means of financing them for the current fiscal period. It is usually a part of the current budget. If a Capital Improvements Plan is in operation, it will be the first year of that plan.
Capital Improvements Plan	Formal schedule of capital projects including a means of financing them covering a period of at least five years.
Capital Outlay	Any item purchased by the county which has a value of \$5,000 or more and has an anticipated life of more than one year. These expenditures result in the acquisition of or addition to fixed assets.
Capital Projects	Expenditures for purposes of purchasing or constructing capital assets. Typically, a capital project encompasses a purchase of land, the construction of a building or facility and/or the construction of or improvement of infrastructure.
CCI	Colorado Counties, Inc., a statewide organization of counties
Certificates of Participation (COP's)	Financing whereby the investor purchases a portion of the lease revenues secured by an asset or any revenues of the County.
Contingency	A possible future event or condition arising from causes unknown or at present indeterminable.
Cost	Budgeted expenditure or outlay of cash by the county, or a commitment to do so.
Cost Allocation Plan	Identification, accumulation and distribution of costs relative to the provision of those services, along with the methods used.
CRS	Colorado Revised Statutes
Deficit	The excess of expenditures over revenues during an accounting period.
Department	An organizational unit within the county government.
Depreciation	The process of estimating and recording the portion of the cost of property, plant and equipment assets that is properly allocable as expense to the accounting period in which the assets are used.



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Designated Fund Balance (Reserves)	Portions of fund balance that are set aside for a specific purpose and which are, therefore, not available for future appropriation (except for that specific purpose).
Division	A functional sub-unit of a department.
Direct Costs	Costs that have a clearly identifiable beneficial or causal relationship to the services performed.
Discretionary	Available for use with approval and within certain limitations.
Encumbrance	Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when the actual liability is set up.
Enterprise Fund	A fund established to finance and account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. The Rocky Mountain Metropolitan Airport operates as an Enterprise Fund.
Expenditures	The amount paid or to be paid for services received, goods received or an asset purchased. (Note: Encumbrances are not expenditures.)
Expenses	Charges incurred, whether paid or unpaid, for operation, maintenance, interest and other charges which are presumed to benefit the current fiscal period.
Fiscal Period	Any period at the end of which a governmental unit determines its financial position and the results of its operations.
Fiscal Year	A period of any 12 consecutive months to which the budget applies. Jefferson County's fiscal year is January 1 through December 31.
FTE (Full-time Equivalent)	Numeric equivalent of one person occupying one employment position for one year (equivalent of 2,080 hours or 52 forty-hour weeks).
Fund	An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
Fund Balance	Fund balance is the excess of assets over liabilities. Fund balance is accumulated when revenues exceed expenditures and is decreased (a deficit) when revenues are less than expenditures.
General Fund	A fund used to account for all transactions of a governmental unit which are not accounted for in another fund. The General Fund is used to account for the ordinary operations of a governmental unit which are financed from taxes and other general revenues.
General Obligation Bond (GO)	A municipal bond secured by the pledge of the issuer's full faith, credit and taxing power. A significant statement which documents visions, desires, positions or promises.



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Goal	Well-stated goals establish guidance so departments can develop objectives which are targeted to implement the visions or aims reflected by the goal.
Grant	A contribution of assets (usually cash) by one government unit or other organization to another. The contribution is usually made to aid in the support of a specific function (for example, education), but it is sometimes also for general purposes.
Interdepartmental Transfer	A transfer between departments. If within the same fund, it is then an intrafund transfer and eliminated for financial reporting, but not budgetary reporting.
Intergovernmental Expenditures	Grants, entitlements and cost reimbursements from the county to agencies, authorities and other organizations.
Internal Services	Administrative or operational support services provided by one County department/division to another to assist in the provision of direct services to the citizens of the County, for which the receiving department is charged an internal fee.
Internal Service Funds (ISF)	A fund to account for financing of goods or services provided by one department or agency to other departments or agencies within the County on a cost-reimbursement basis.
Internal Transactions	These are charges between funds which collectively add to zero.
Investments	Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or lease payments.
Lease Purchase Agreements	Contractual agreements which are termed "leases," but which in substance amount to purchase contracts for equipment, land or buildings.
Liabilities	Debt or other legal obligations arising out of transactions in the past which must be liquidated renewed or refunded at some future date. (Note: This term does not include encumbrances.)
Line Item	The lowest category of expenditure. See <u>Object</u> .
Line Item Budget	A traditional approach to budgeting which categorizes expenditures and revenues in detail, itemized by object for items such as salaries, supplies, services and so forth.
Mandated Services	Services that the state or federal governments require the county to perform for which no revenue or partial revenue is provided to the county.
Mill Levy (Tax Rate)	Rate applied to assessed valuation to determine property taxes. A mill is 1/10th of a penny or \$1.00 of tax for each \$1,000 of assessed valuation.
Modified Accrual Basis	The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues which should be accrued to reflect properly the taxes levied and the revenues earned.
Non-Departmental	A category established to account for expenses not associated with any specific department, but all departments or many, within a fund.



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Object	As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). See <u>Line Item</u> .
Operating Budget	Budget that accounts for the costs of carrying on activities that do not meet the criteria for capitalization.
Operating Capital	Vehicle, equipment or furniture costing more than \$5,000 but less than \$50,000 with a life of more than one year.
Other Services or Charges	Amounts paid for services, including utilities, rendered by organizations or personnel not on the payroll of the County. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.
Pay for Performance	An employee evaluation system that rewards employees for outstanding effort rather than longevity.
Performance Budget	A budget based on work measurements, which emphasizes the relationship of input and output.
Personal Services	Costs related to compensating employees, including salaries, wages, insurance, payroll taxes and retirement contributions.
Program Budget	A budget wherein expenditures are based primarily on programs of work and secondarily on character and object.
Property Tax	Taxes levied on all real and personal property according to the property's valuation and tax rate, in compliance with state and local statutes.
Proposed Budget	A budget recommended by the County Administrator to the Board of County Commissioners.
Public Hearing	A meeting to which citizens of the county are invited for purposes of providing input and comments.
Purchase Order	A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge.
Rating	The credit-worthiness of the county as evaluated by independent agencies.
Reimbursement	Cash or other assets received as a repayment of the cost of work or services performed or of other expenditures made for or on behalf of another governmental unit or department or for an individual, firm or corporation.
Requested Budget	A budget submitted by each department or agency which identifies needs or desires for the following year.
Resources	Revenue plus fund balance available for appropriation.
Revenue	Revenue comprises all amounts of money received by a governmental unit from external sources — net of refunds and other correcting transactions — other than from the issuance of debt, liquidation of investments, and agency and private trust transactions. Revenue excludes any amounts transferred between funds or agencies for all funds or agencies of the same government.



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Revenue Bond	A bond on which the debt service is payable solely from the revenue generated from the operation of the project being financed or a category of facilities, or from other non-tax sources.
Revised Budget	See <u>Amended Budget</u> .
Self Insurance Fund	An internal service fund that accounts for the proceeds from other funds for the payment of claims and provides a loss reserve for potential future major unanticipated claims.
Supplies	Amounts paid for items that are consumed or deteriorated through use or that lose their identity through fabrication or incorporation into different or more complex units or substances.
TABOR	Taxpayer's Bill of Rights – an amendment to the Colorado Constitution that establishes limits on revenue growth for State political subdivisions.
TANF	Temporary Assistance to Needy Families
Tax Levy	The total amount to be raised by general property taxes.
Tax Rate (Mill Levy)	The amount of tax levied for each \$1,000 of assessed valuation. The tax rate times the assessed valuation equals the tax levy.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.
Transfers	Flow of assets between funds without regard to repayment or an equivalent exchange of value.
Unappropriated Reserves	Fund balances available at the close of the preceding year which are not included as resources in the annual budget. Unappropriated fund balances are designated by the Board of County Commissioners for the following purposes: <ul style="list-style-type: none">• Emergency reserve of 3%• Working capital reserve of 10%• Reserve for capital projects• Reserve for equipment replacement• Reserve for debt service requirements
Unincorporated County	Those portions of the county that are not part of a legal entity such as a city or some towns.
User Fees	The payment of a fee for direct receipt of a public service by the party benefiting from the service.
Voucher	A written document which evidences expenditures and usually indicates the accounts in which they are to be paid.