

Glossary of Budget Terms

2/3rds General Obligation Bonds: GO Bonds that can be issued without referendum, which are limited in size to 2/3rds of the amount of GO bonds the issuing entity retired the prior fiscal year, assuming the entity does not issue new debt during the current fiscal year.

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 & Poor's (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.

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.

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.

Coronavirus/COVID-19: A respiratory illness, not previously seen in humans, that resulted in a worldwide outbreak beginning in 2019 as it began spreading from human to human.

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.

Department/Division: A functional service unit (that may exist within a County Service Area) that provides specific services.

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

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

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.

Function: A group of service units that serve similar purposes.

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.

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

General Obligation Bonds (GO 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 or Department/Division strives to obtain.

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).

Horizon Issues: Operating or capital needs that Departments/Divisions plan to address in future years.

Indirect Costs: The component of the total cost for a service which is provided by another Service Area or Department/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 or Departments/Divisions by other County Service Areas or Departments/Divisions 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.

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.

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 or Departments/Divisions 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, and 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 non-inventory 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.

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.

Service Area: An organizational unit of County government that provides specific services. A Service Area may be broken into Departments/Divisions which offer a more specific service.

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.

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.

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

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
ABAWDs	Able Bodied Adults without Dependents
ABC	About Breast Cancer
ACD	Automated Call Distribution
ACS	American Community Survey
ACSP	Agriculture Cost Share Program
ADA	Americans with Disabilities Act.
ADC	Accelerant Detection Canine
ADM	Average Daily Membership
AED	Automated External Defibrillator
AEPF	Automation Enhancement and Preservation Fund
AGWRAP	Agriculture Water Resource Assistance Program
ATF	Alcohol, Tobacco, Firearms
ATV	All-Terrain Vehicle
BA	Budget Amendment
BO	Budget Ordinance
BMP	Best Management Practices
BMP	Building Mechanical Plumbing (Position)
BOCC	Board of County Commissioners
BOE	Board of Education
BOE	Board of Elections
CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CAMA	Computer Assisted Mass Appraisal
CARS	Contractual Agreement for Continuing Residential Support
CATA	Central Academy of Technology and Arts
CATS	Charlotte Area Transportation System
CC4C	Care Coordination for Children
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
CEH	Children's Environmental Health Program
CFPB	Consumer Finance Protection Bureau
CFSR	Child Family State Review
CIP	Capital Improvement Plan/Program
CLOMR	Conditional Letter of Map Revision
CMUD	Charlotte Mecklenburg Utility District
COA	Council on Accreditation

COBRA	Consolidated Omnibus Budget Reconciliation Act
COLA	Cost of Living Adjustment
COPs	Certificates of Participation
COVID-19	Coronavirus Disease 2019
CP	Capital Program
CPCC	Central Piedmont Community College
CPI	Consumer Price Index
CPO	Capital Project Ordinance
CPS	Child Protective Services
CREP	Conservation Reserve Enhancement Program
CRTPO	Charlotte Regional Transportation Planning Organization
CRWTP	Catawba River Water Treatment Plant
CSO	Community Support & Outreach
CWS	Child Welfare Services
DA	District Attorney
DARE	Drug Abuse Resistance Education
DEA	Drug Enforcement Agency
DENR	Department of Environment and Natural Resources
DFAS	Defense Finance and Accounting Service
DHHS	Department of Health and Human Services
DJJDP	Division of Juvenile Justice and 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)
DPR	Domestic Preparedness Region
DSWC	Division of Soil & Water Conservation (North Carolina)
DWI	Driving While Intoxicated
EBT	Electronic Benefit Transfer
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
EMPG	Emergency Management Performance Grants
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
FERC	Federal Energy Regulatory Commission
FLI	Food, Lodging and Institutions Program
FLSA	Fair Labor Standards Act
FMLA	Family and Medical Leave Act
FNS	Food and Nutrition Assistance
FRR	Facilities Repair and Renovation
FSRS	Fire Suppression Rating Schedule
FTA	Federal Transit Administration
FTE	Full-time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GCP	General Capital Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
GO	General Obligation Bonds
GPM	Gallons Per Minute
GS	General Statute
GSA	General Services Administration
HAZMAT	Hazardous Materials
HIS	Health Information System
HIPPA	Health Information Privacy & Portability Act
HMO	Health Maintenance Organization
HR	Human Resources
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
LEPC	Local Emergency Planning Committee
LGC	Local Government Commission
LIEAP	Low Income Energy Assistance Program
LINKS	Independent Living Services for Foster Children

LLEBG	Local Law Enforcement Block Grant
LOBs	Limited Obligation Bonds
LOMR	Letter of Map Revision
LMI	Low and Moderate Income
L RTP	Long Range Transportation Plan
LSTA	Library Services Technology Act
MCO	Managed Care Organization
MGD	Million Gallons per Day
MHZ	Megahertz
MHI	Median Household Income
MM	Million
MOE	Maintenance of Effort
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MRS	Multiple Response System
MSA	Metropolitan Statistical Area
MSRB	Municipal Securities Rulemaking Board
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	NC Families Accessing Services through Technology
NC LINKS	North Carolina Foster Care Independence Program
NCACC	North Carolina Association of County Commissioners
NC A & T	North Carolina Agricultural & Technical State University
NC SBOE	North Carolina State Board of Elections
NCDEQ	North Carolina Department of Environmental Quality
NCDVA	North Carolina Division of Veterans Affairs
NCGS	North Carolina General Statutes
NCSU	North Carolina State University
NCVTS	North Carolina Vehicle Tax System
OCR	Optical Character Recognition
OPEB	Other Post-Employment Benefits
OSBM	Office of State Budget and Management (North Carolina)
OSFM	Office of State Fire Marshal
OSHA	Occupational Safety and Health Act
OSWP	On-Site Water Protection Program
PayGO	Pay as You Go

PC	Personal Computer
PCM	Pregnancy Care Management
PPE	Personal Protective Equipment (for firefighters)
PS	Pump Station
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
RFID	Radio Frequency Identification
RHCB	Retiree Healthcare Benefits
RFP	Request for Proposal
RFQ	Request for Qualifications
RIT	Rapid Intervention Team (air packs for rescuing a downed firefighter)
ROD	Register of Deeds (Union County)
RPO	Rural Planning Organization
RRP	Renovation, Repair and Painting
RRRPO	Rocky River Rural Transportation 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
SBP	Survivor Benefits Program
SCBA	Self Contained Breathing Apparatus
SD	Subdivision
SEC	Securities and Exchange Commission
SEIMS	Statewide Election Information Management System
SF	Square Foot, Square Feet
SFD	Single Family Dwelling
SHAC	School Health Advisory Committee
SL	Session Law
SMF	Stormwater Management Facility
SNS	Strategic National Stockpile
SOP	Standard Operating Procedure
SPCC	South Piedmont Community College
SQ	Square
SRO	School Resource Officer
SSA	Social Services Administration
SWCD	Soil Water Conservation Division
SWMF	Solid Waste Management Facility

TANF	Temporary Assistance to Needy Families
TBD	To Be Determined
TCC	Technical Coordinating Committee
TIC	True Interest Cost
TIP	Transportation Improvement Program
TPT	Temporary Part Time
UCC	Uniform Commercial Code
UCCIP	Union County Capital Improvement Program
UCPS	Union County Public Schools
UCSO	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
VITA	Volunteer Income Tax
VoIP	Voice over Internet Protocol
VSO	Veterans Service Office
WIC	Women, Infants & Children Program
WRF	Water Reclamation Facility
WTF	Water Treatment Facility
WWTP	Waste Water Treatment Plant

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