GLOSSARY

Accounting System - The total structure of records and procedures which identify, record, classify, summarize, and report information on the financial position and results of operations of a government.

Adjusted Budget - The Adopted Budget plus/minus any mid-year Council action.

Adopted Budget - The final budget document in which formal action is taken by the City Council to set the spending plan for the fiscal year.

Adoption - Formal action by the City Council to accept a document.

Annual Budget - The total budget for a given fiscal year as approved by City Council.

Appropriation - A legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

Assessed Valuation - A value established by the County Assessor which approximates fair market value of real or personal property. By state law, one hundred percent of the property value is used for determining the basis for levying property taxes.

Bonds - A written promise to pay a sum of money on a specific date at a specified interest rate.

Budget - A financial plan identifying estimated revenues, planned expenditures and levels of service.

Budget Adjustment - Any change approved by council after the formal adoption of the budget.

Capital Improvement Program (CIP) - Annual appropriations for capital projects such as City buildings, general plan update, park renovations, etc. These projects are usually multi-year, and thus extend beyond the annual budget. The CIPs are supported by a five-year expenditure plan detailing funding sources and expenditure amounts.

Capital Outlay - Expenditures that result in the acquisition of assets with an estimated useful life of more than two years and a unit cost of $3,000 or more (account classification 56100's).

COLA - Cost of living adjustment.

Contingency - A budgeted reserve set aside for emergency or unanticipated expenditures and revenue shortfalls.

Consumer Price Index (CPI) - A statistical measure of price levels provided by the U.S. Department of Labor signifying the cost of living and economic inflation.

Certificates of Participation (C.O.P.)- Provides long term financing through a lease, installment of sale agreement or loan agreement.

Debt Retirement Costs - Costs associated with the retirement of debt.

Debt Service - The payment of principal and interest on borrowed funds such as bonds.

Debt Service Fund - An account used to track the monies set aside for debt service.

Department - The highest organizational unit which is responsible for managing divisions within a functional area.

Division - An organizational unit that provides a specific service within a department.

Ending Balance - The excess of a fund's accumulation of revenues over its expenditures.

Estimated Revenue - The amount of revenue expected in some period.

Expenditure - The use of financial resources typically spent for goods or services.

Fiscal Year - A 12-month period specified for recording financial transactions. The City of Mountain View's fiscal year starts on July 1 and ends on the following June 30.

Full-Time Equivalent (FTE) - Part-Time and Hourly positions expressed as a fraction of Full-Time Positions (2080 hours per year). Example: 3 positions working 1/2 time equal 1 1/2 FTEs.

Fund - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

General Fund - Accounts for the operations of the City which are not recorded in other funds.

General Government - A grouping of departments that support those which give direct service to the public.

Goals - A set of criteria to be achieved within a certain time period.

Grant Funds - Monies received from another government such as the State or Federal Government, usually restricted to a specific purpose.

Gross - Amount prior to any deductions.

IFAS - The accounting and budgetary system used by the City of Mountain View.

Infrastructure - A substructure or underlying foundation on which the continuance or growth of a community depends: roads, schools, transportation systems, etc.

Interdepartmental Charges - Charges from one department or fund to another department or fund within the City of Mountain View.

Interfund Expenditure - An expenditure reported in one department or fund that is generated by another department or fund within the governmental entity.

Interfund Transfers - Movement of money from one fund to another within the City of Mountain View.

Intergovernmental Revenue - Grants, entitlements and cost reimbursements from another federal, state or local governmental unit.

Labor Chargeback- An account used to credit salaries and benefits when time is charged to a capital improvement project or another fund or department for services provided.

Maintenance and Operations - Cost of upkeep and running of property or equipment (account classification 55200's).

Materials and Supplies - Expenditures for goods used to support operations (account classification 55100's).

Mission Statement - A broad direction based on the needs of the community. A mission is general and timeless; it is not concerned with a specific achievement in a given time period.

Net - Amount after consideration of any adjustments.

Objective - Something aimed at or strived for.

Operating Budget - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled.

Other Expenses - All expenditures not recorded in other major account classifications (account classification 55500's).

Other Fund - A fund which accounts for resources that are legally restricted to expenditures for specific operational purposes.

Overhire Position - A position created for temporary use above the approved budgeted number of positions. This is used as an overlap when someone is retiring, out on disability, etc.

Performance/Workload Measures - Number or percentage of work category completed or performed. The performance/workload measures provide an indicator of the amount of work performed or measures the quality of effectiveness of work performed by a department or program from year to year.

PERS - Public Employees Retirement System.

Personnel Services - Salaries and benefits paid to City employees (account classification 54100-54300's).

Position Classification - Includes job titles, job grades, and job families for an overall job level.

Professional/Technical Services - Expertise purchased from external sources (account classification 55400's).

Property Tax Apportionment - The allotment of direct taxes on the basis of population.

Proposed Budget - The initial spending plan for the fiscal year presented to the City Council before adoption.

Proposition 4/GANN Initiative Limit - The City is required, under Article XIIIB of the State Constitution, to limit appropriations from proceeds of taxes. The annual appropriation limit is based on data received from the State, including various growth measures such as population, CPI, and non-residential construction changes.

Reserves - An account classification used to indicate that a portion of fund resources is not available for appropriation and subsequent spending.

Revenue Enhancements - Any action that increases current revenue sources or creates new ones.

Section 1103 of City Charter - Mandates that the City Manager will send a careful estimate, in writing detailing the amount of expenditures required to ensure the proper conduct of business at all levels the City Manager has control of, and an estimate of incomes expected.

Secured Debt - Debt guaranteed by the pledge of assets or other collateral.

Services to Other Departments - Includes interdepartmental charges and credits received for work performed for another department or fund (account classification 54100).

Significant Changes - Any change resulting in an increase in the budget of more than the expense guidelines provided by the City Manager. The expense guideline for Fiscal Year 2002-03 is a 0% increase over Fiscal Year 2001-02.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Unsecured Debt - Obligation not backed by the pledge of specific collateral.

Utilities - A public service such as gas, electricity, or water. Also used to account for expenditures for services such as gas, electricity, water, refuse collection, etc. (account classification 55300's).

Utility Rolls - Utility property assessed by the State Board of Equalization.