

# GLOSSARY OF BUDGET TERMINOLOGY

<b>AB 1600 Study</b>	An analysis of the City's fees for capital improvements such as water, roads, municipal facilities and parks (also called "impact" fees) that are charged to developers and builders when building permits are issued. The name refers to the State legislation (Assembly Bill 1600, passed in 1988) that specifies the rules for determining the rate and use of these fees. The study must document the relationship of the fee to the demands (impacts) placed on the city's infrastructure by new development.
<b>AB 939</b>	State legislation (Assembly Bill 939) that calls for a 50% reduction in waste disposed at landfills.
<b>Appropriation</b>	An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific timeframe.
<b>Assessed Valuation</b>	A dollar value placed on real estate or other property by Solano County as a basis for levying property taxes.
<b>Assessment District</b>	Defines area of land that is benefited by the acquisition, construction, or maintenance of a public improvement. An assessment is levied and collected in the regular property tax bill to fund the improvements.
<b>ATOD</b>	Alcohol, Tobacco and Other Drugs (ATOD) is a City program to provide an after school program for children and is funded by a grant from Solano County.
<b>Audit</b>	Scrutiny of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented in conformity with generally accepted accounting principles. An independent audit is performed annually.
<b>Bond</b>	Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.
<b>Budget</b>	A fiscal plan of financial operation, listing an estimate of proposed applications or expenditures and the proposed means of financing them.
<b>CIP</b>	The five-year financial plan for improving assets and integrating debt service and capital assets maintenance, adopted in a separate budget document and updated annually.
<b>Capital Outlay Funds</b>	Funds used to account for the financial resources available for the acquisition or construction of major capital facilities and infrastructure.
<b>CDBG</b>	Community Development Block Grant -- a program designed by the U.S. Department of Housing and Urban Development to revitalize low- and moderate-income areas within a City.
<b>CEQA</b>	California Environmental Quality Act.
<b>CIP</b>	See Capital Improvement Program.
<b>Debt Service Fund</b>	A self balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual balances regarding the 1977 General Obligation Firehouse Bonds.
<b>Deficit</b>	An excess of expenditures over revenues (resources).
<b>Department</b>	An organizational unit comprised of divisions or functions. It is a basic unit of service responsibility encompassing a broad mandate of related activities.

<b>Expenditure</b>	The actual cost of goods and services.
<b>Fiscal Year</b>	The period designed by the City for the beginning and ending of financial transactions. The City of Rio Vista's fiscal year begins July 1 <sup>st</sup> and ends June 30 <sup>th</sup> of each year.
<b>Full Time Equivalent</b>	A measurement equal to one person working a full-time schedule for one year.
<b>Fund</b>	A fund is a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances. Funds are used to segregate the City's financial activities in categories that attain certain objectives in accordance with special regulations, restrictions, and limitations. Governmental accounting systems are organized and operated on a fund basis.
<b>Fund Balance</b>	Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.
<b>FTE</b>	See Full Time Equivalent.
<b>FY</b>	See Fiscal Year.
<b>GASB 34</b>	Governmental Accounting Standards Board Statement No. 34 requires governmental agencies to report the historical cost value, less depreciation, of all material public assets. Historically these assets were expensed when purchased or otherwise acquired. Additionally, GASB 34 requires a change in the format of the City's Annual Financial Report requiring an in-depth Management Discussion and Analysis section (similar to a public corporation's Annual Report) and Financial Statements prepared under both the traditional methods of governmental accounting and the traditional methods of non-governmental accounting.
<b>Gas Tax</b>	Administered by the State Board of Equalization, this is an 18 cents per gallon tax on fuel used to propel a motor vehicle or aircraft. Use of revenue is for research, planning, construction, improvement, maintenance, and operation of public streets and highways or public mass transit.
<b>General Fund</b>	The fund used to account for all financial resources except those required to be accounted for in another fund.
<b>General Plan</b>	California State Law requires each city to adopt a General Plan that describes the direction the city will take concerning its future development.
<b>Infrastructure</b>	Facilities on which the continuance and growth of the community depend, such as roads, water lines, sewers, public buildings, etc.
<b>Master Plan</b>	A long-range plan for capital improvement projects that provide for the infrastructure needs of the community. A master plan typically focuses on a particular type of facility (water, transportation, etc.) and identifies the necessary projects, a phasing schedule for construction, and financial resources. A master plan may also include all of the infrastructure needs of a particular area or development, such as the waterfront or Business Park.
<b>MOU</b>	A written, negotiated contract or <b>Memorandum of Understanding</b> between the employer and the employee bargaining unit that sets out conditions of employment (wages, hours, fringe benefits, etc.) for a stated period of time.
<b>Motor Vehicle in-Lieu</b>	A state vehicle fee imposed on motorists for the privilege of operating a motor vehicle on the public highways. It is imposed "in-lieu" of a local property tax.
<b>Property Tax</b>	Property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property located within the City. The tax is one percent of the assessed value of the property.

<b>Proprietary Funds</b>	These funds account for City activities that operate as public enterprises. These funds receive revenues from fees charged to programs or other department users. The programs are largely cost-covering.
<b>RDA</b>	See Redevelopment Agency.
<b>Redevelopment Agency</b>	A separate legal entity charged with the responsibility for elimination of blight through the process of redevelopment.
<b>Reserved Fund Balance</b>	Accounts used to record a portion of the fund balance legally segregated for a specific use or not available for appropriation.
<b>Resolution</b>	A special order of the City Council which has a lower legal standing than an ordinance.
<b>Revenue</b>	Annual income earned or received by the City.
<b>Risk Management</b>	The process for conserving the earning power and assets of the City by minimizing the financial effect of accidental losses.
<b>Salaries and Benefits</b>	A budget category which generally accounts for full-time and temporary employees, overtime, and all employee benefits such as medical, dental, and retirement.
<b>SCADA</b>	The Supervisory Control and Data Acquisition (SCADA) system controls and monitors the City's water and wastewater systems.
<b>Solano EDC</b>	Solano Economic Development Corporation, formerly known as SEDCORP.
<b>Special Revenue Funds</b>	These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.
<b>Taxes</b>	Compulsory charges levied by a government to finance services performed for the common benefit.
<b>Transient Occupancy Tax</b>	A tax imposed on travelers who stay in temporary lodging facilities within the City. Also referred to as a Hotel/Motel tax.