GLOSSARY

AD VALOREM TAX	"Property taxes" levied on the assessed value of real property. A primary source of revenue for the County.
AGGREGATE MILLAGE RATE	Rate obtained by dividing the sum of all ad valorem taxes levied by the governing body (Board of Commissioners for county government) by the taxable value of the County. Expresses an average tax rate.
ASSESSED VALUE	Valuation set on real estate or personal property by the Property Appraiser as a basis for levying taxes.
BALANCED BUDGET	A budget in which revenues and expenditures are equal.
BASE BUDGET	Ongoing expenditures for personnel, operating expenses, and replacement of supplies and equipment required to maintain service levels previously authorized by the Board of County Commissioners.
BOND	Written promise to pay a specified sum of money, called principal or face value at a specified future date, called the maturity date, along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.
BUDGET	Comprehensive financial operating plan that allocates limited revenues among competing expenditure requirements for a given time period. The budget, once adopted, is the legal authorization to expend County funds during the fiscal year. It may be amended during the fiscal year by the governing body and/or management in accordance with procedures, rules and regulations. Seminole County uses the following terms: **Proposed Budget:** County Manager's recommendation to the Board of County Commissioners. **Approved Tentative Budget**: Board's modification to the Manager's recommendation (basis for the first public hearing). **Final Budget:** Board's modification at the first public hearing (basis for the second public hearing). **Adopted Budget:** Board-approved budget adopted by resolution at the second, and final, public hearing.
BUDGET ACCOUNTS	Accounts used to enter the formally adopted annual operating budget into the general ledger as part of the management control technique of formally integrating the budgetary and financial systems.

GLOSSARY

BUDGET DOCUMENT	Official written statement prepared by the budget office and supporting staff, which presents the budget to the Board of County Commissioners and to the citizens.
BUDGET MESSAGE	General discussion of the budget presented by the County Manager in writing as part of or a supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the County Manager.
BUDGET CONSENSUS COMMITTEE	A committee which meets, as required, to assist the County Manager in evaluating budget proposals submitted by departments and other agencies which are funded through the County budget process. The Budget Consensus Committee was established to maintain centralized budgetary control.
CAPITAL IMPROVEMENTS	Physical assets, constructed or purchased, that have a minimum useful life of ten years and a minimum cost of twenty-five thousand dollars ($25,000). These may include buildings, recreational facilities, road and drainage structures, water and wastewater structures, and equipment.
CAPITAL IMPROVEMENTS BUDGET	Includes funding for physical improvements programmed for the first year of the Capital Improvement Program. The capital improvement budget is adopted within the framework of the entire budget adoption process.
CAPITAL IMPROVEMENTS PROGRAMS (CIP)	Multi-year program for planning and financing public facilities improvements. The program is developed from departmental requests and is based on studies of financial resources available and consistency of proposed improvements with adopted Comprehensive Plan policies. The first year of the CIP will be adopted as an integral part of the annual budget. It includes land acquisitions, building improvements, transportation improvements, improvements to other public facilities, and equipment over $25,000.
CAPITAL OUTLAY	Equipment with a value in excess of $1,000 and an expected life of more than one year such as automobiles, computers, and furniture.
CAPITAL PROJECT FUNDS	Used to account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

GLOSSARY

CONTINGENCY	Appropriation of funds set aside to cover unforeseen events that occur during the fiscal year, such as new federal mandates, shortfalls in revenue and unanticipated expenditures.
CONTRACTED SERVICES	Services rendered to the County by private firms, individuals or other County departments on a contract basis. Examples include consulting services and legal services.
COUNTY BUDGET OFFICER	Each Board of County Commissioners, pursuant to Florida Statutes 129.025, may designate a budget officer to carry out budget duties as set forth in Florida Statutes 129. The Seminole County Board of County Commissioners appointed the County Manager as budget officer on March 31, 1979.
DEBT SERVICE	Payment of principal and interest obligations resulting from issuance of bonds.
DEBT SERVICE FUNDS	Used to account for accumulation of resources for, and payment of, general long-term debt principal and interest. Specific revenue sources are pledged to provide repayment of various bond issues.
DEFICIT OR BUDGET DEFICIT	Excess of budget expenditures over revenue receipts.
DEPARTMENT	An organizational unit responsible for carrying out a major governmental function, such as Public Safety or Public Works.
DEPRECIATION	Process of estimating and recording lost usefulness, expired life or decrease of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.
ENCUMBRANCE	An obligation in the form of a purchase order, contract, or formal agreement that is chargeable to an appropriation and for which a part of the appropriation is reserved.
ENTERPRISE FUND	A fund established to account for operations that are financed and operated in a manner similar to private business. The intent is that the full cost of providing the goods or services be financed through charges and fees, thus removing the expense from the tax rate (for example, Water and Sewer).
EXPENDITURES	Amount of money actually paid or obligated for payment from County funds.

GLOSSARY

EXPENSES	Charges incurred for operation, maintenance, interest and other charges.
FISCAL YEAR	The twelve-month financial period used by the County, which begins October 1 and ends September 30 of the following year. A fiscal year is identified by the year in which it ends. For example, October 1, 2003, to September 30, 2004, is identified as fiscal year 2004.
FIXED ASSETS	Assets of a long-term character that are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.
FRANCHISE FEES	User fees charged by the County for use of public rights-of-way by utility companies. The fee is typically a percentage of gross revenues of the utility company.
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.
FUND BALANCE	Represents the excess of fund current assets over its current liabilities. For accounting purposes fund balance is calculated as of year-end and is based on the difference between actual revenues and expenditures for the fiscal year. If revenues exceed expenditures, fund balance is positive and carries forward as revenue to the following year. If expenditures exceed revenues, any existing fund balance from a prior year is reduced. A study of changes in fund balances can indicate financial trends and fiscal health. Extreme quantities of fund balances or large fluctuations may indicate possible policy adjustments by the governing body or changes in budget procedures.
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)	Uniform minimum standard of and guidelines for financial accounting and reporting. They govern the form and content of an entity's basic financial statements. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices at a particular time.
GENERAL FUND	A fund containing revenues, such as property taxes, designated by law for a special purpose and providing general benefit to taxpayers. Some functions that are part of the General Fund include Constitutional Officers, Courts, and Library and Leisure Services.

GLOSSARY

GRANT	Contribution of assets (usually cash) by one government unit or organization to another. Typically, these contributions are made to local governments from State and Federal governments for specified purposes.
GROWTH MANAGEMENT PROGRAM	Serves as the primary guide for the future development of the County. This program is a comprehensive statement of long-range physical development goals, policies, and required actions. As such, it provides the framework within which all development actions may occur.
HOMESTEAD EXEMPTION	Deduction from the total taxable assessed value of owner-occupied property. The current maximum exemption is $25,000. Exemptions must be requested by taxpayers.
INTERFUND TRANSFER	Movement of funds from one accounting entity to another within a single government.
INTERGOVERNMENTAL REVENUES	Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.
INTERNAL SERVICE FUND	A fund established from the financing of goods or services provided by one department or agency to other departments or agencies on a cost reimbursement basis.
LEGALLY ADOPTED BUDGET	Total of the budgets of each County fund including budgeted transactions between funds.
LEVY	To impose taxes, special assessments, or service charges for the support of County activities.
LIABILITY	Debt or other obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.
LINE-ITEM	A specific item or group of similar items defined by detail in a unique account in the financial records. Revenue and expenditure justifications are reviewed, anticipated and appropriated at this level.
LOCAL OPTION SALES TAX	An infrastructure surtax to be levied by local governments as approved by referendum at a rate of ½ cent or 1 cent. Tax may be effective for up to fifteen years from the date of levy. Proceeds must be expended on fixed capital expenditures or fixed capital costs for construction, reconstruction, or improvement of public facilities that have a life expectancy of five or more years and land acquisition, land improvement, and related design and engineering costs.

GLOSSARY

MANDATE	Any responsibility, action or procedure that is imposed by one government on another through constitutional, legislative, administrative, executive, or judicial action as a direct order, or that is required as a condition of aid.
MILLAGE RATE	Rate on real property based on $1 per $1,000 of assessed property value.
MUNICIPAL SERVICES BENEFITS UNIT - MSBU	A special assessment district authorized by Florida Statutes 125.01 to provide for improvements and/or services to a specifically defined area of the county and financed by a special assessment on only those properties receiving benefits of those improvements or services.
MUNICIPAL SERVICES TAXING UNIT - MSTU	A taxing district authorized by State Constitution Article VII and Florida Statute 125.01. The MSTU is a legal and financial mechanism for providing specific services and/or improvements to a defined geographical area. An MSTU may levy ad valorem taxes to provide funds for the improvements.
NON-OPERATING EXPENDITURES	Costs of government services that are not directly attributable to a specific County program or operation. Examples include debt service obligations, contributions to community service organizations, transfers to the Board, and transfers to other funds.
NON-OPERATING REVENUES	Income received by a government not directly attributable to providing a service. An example would be interest on investments.
NON-TAXING REVENUES	Revenue derived from non-tax sources, including licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures, and other miscellaneous revenue.
OPERATING BUDGET	Financial plan that presents proposed expenditures for the fiscal year and estimates of revenue to finance them.
OPERATING EXPENSES	Expenses directly related to a fund's primary service activities on an on-going or regular basis.
OPERATING REVENUES	Revenues directly related to a fund's primary service activities. They consist primarily of user charges for services.
OPERATING TRANSFERS	Legally authorized transfers of money from one fund to another fund from which the resources are to be expended.
PERSONAL SERVICES	Items of expenditures in the operating budget for salaries and wages paid for services by County employees, including fringe benefit costs associated with County employment.

GLOSSARY

PROPERTY TAX	Taxes derived from all non-exempt real and personal property located within the county. Property taxes are computed on the basis of multiplying the millage rate by the value of real or personal property divided by one thousand.
PROPRIETARY FUND	Fund category which often emulates the private sector and focuses on the measurement of net income. Expenditures are funded by user charges and fees.
REBUDGETS	Funds budgeted for specific items or projects that were not completed during the prior budget year and budgeted again in the new fiscal year.
RESERVE	A specified amount of funds set aside to meet future or unanticipated expenses. Expenditure of reserve funds requires approval of the Board of County Commissioners.
REVENUE	Funds that government receives as income, including such items as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.
REVENUE BONDS	Bonds usually sold for constructing or purchasing capital projects. Reliable revenue other than ad valorem taxes is pledged as the source for funding to pay bond principal and interest.
ROLLED-BACK AD VALOREM TAX RATE	Millage rate needed to be levied in the new fiscal year to generate the same amount of tax dollars as adopted in the previous fiscal year. Voter approved debt levies are excluded from the calculation. Value of new construction is excluded from the current year total. Rolled–back rate adjusts prior year for reappraisals based on market value of property and represents "no tax increase." The only source of additional tax revenue, if the rolled-back rate is levied, is the tax on new construction.
SERVICE ENHANCEMENT	An improvement and/or enhancement to the base service level of a program.
SERVICE LEVEL	Services or products which result from actual or anticipated output of a given program. Focus is on results, not measures of workload (for example, for the Sheriff's Office - the number of assaults investigated is a workload measure, while the number of assault cases cleared is a service level).

GLOSSARY

SPECIAL REVENUE FUNDS	Funds used to account for proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.
STATUTE	A written law enacted by a duly organized and constituted legislative body.
TAX RATE	Amount of tax stated in terms of a unit of the tax base. For example, 5.000 mills yield $5 per $1,000 of taxable value.
TAXES	Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. It does not include charges for services such as water and sewer service charges.
TAX RATE LIMIT	Maximum legal property tax rate at which a municipality may levy a tax. It may apply to or for a particular purpose, or for general purposes.
TAXABLE VALUATION	Value used for computing ad valorem taxes levied against property. Taxable value is the assessed value less any exemptions allowed by law. The most common exemption is the $25,000 homestead exemption allowed when the owner uses the property as a principal residence. Exemptions are also granted for disability, government owned and non-profit owned property.
TRUTH IN MILLAGE LAW (TRIM)	A 1980 Florida Law which changed the budget process for local taxing governments. It was designed to keep the public informed about the taxing intentions of various taxing authorities.
TRUST AND AGENCY FUNDS	Funds used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.
USER (FEES) CHARGES	Payment of a fee for receipt of a public service by those individuals benefiting from the service.
UNINCORPORATED AREA	Portion of the County not within the boundaries of any municipality.
UTILITY TAX	A tax levied by the County on consumption of various utilities such as electricity, telephone, gas and water. The basic tax rate may be levied up to 10 % of gross receipts of most utility services or commodities.