

GLOSSARY OF TERMS

ADA: The commonly used acronym for the Americans with Disabilities Act.

ACCRUAL ACCOUNTING: A basis of accounting in which revenues and expenses are recorded at the time they are earned or incurred, instead of when cash is actually received or disbursed. For example, in accrual accounting, revenue earned between June 1 and June 30, but for which payment was not received until July 12, is recorded as earned on June 30, rather than on July 12.

ADOPTED BUDGET: Term used to describe revenues and expenditures for the upcoming year beginning July 1 as adopted by the City Council.

AMR: Acronym for Automated Meter Reading. Refers to the reading of meters using a system of communication to communicate between the meter and the unit performing the “read”.

APPROPRIATION (BUDGETING): An authorization granted by the City Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinances.

ASE: Acronym for Automotive Service Excellence.

ASSESSED VALUATION: A value established for real property for use as a basis for levying property taxes.

BALANCED BUDGET: Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is a requirement that the budget submitted to the City Council be balanced.

BOND FUNDS: Resources derived from issuance of bonds for specific purposes and related Federal project grants used to finance capital expenditures.

BOND REFERENDUM: An election in which registered voters vote on whether the City will be allowed to issue debt in the form of interest-bearing bonds.

BROADBANDING COMPENSATION PROGRAM: A classification and pay system that allows similar jobs to be grouped into bands with wide pay ranges. The program creates more organizational flexibility, fosters a flatter organization, and encourages skill development.

BUDGET: A comprehensive financial plan of operation for a specified period of time that matches all planned revenues and expenditures with various municipal services.

BUDGET CALENDAR: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT (PROGRAM AND FINANCIAL PLAN): The official written statement prepared by the City staff reflecting the decisions made by the City Council in their deliberations.

BUDGET MESSAGE: A general discussion of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget changes from previous fiscal years, City Council goals, and the views and recommendations of the City Manager.

BUDGET ORDINANCE: The schedule of revenues and expenditures for the upcoming fiscal year by fund which is adopted by the City Council each year.

CAPITAL EQUIPMENT: Vehicles, equipment, software, and furniture purchased by the City which individually amount to a value in excess of \$5,000 and an expected life of more than one year.

CAPITAL EXPENDITURES: Facilities maintenance and the purchase of vehicles, equipment, and software which individually amounts to a value in excess of \$2,000 for budgetary purposes (\$5,000 for financial purposes) and an expected life of more than one year.

CAPITAL IMPROVEMENTS: Major construction, repair of or addition to buildings, parks, streets, bridges and other City facilities. Capital Improvements projects cost \$10,000 or more and have a useful life of more than three years.

CAPITAL IMPROVEMENTS BUDGET: The schedule of project expenditures for the acquisition and construction of capital assets for the current fiscal year.

CAPITAL IMPROVEMENTS PROGRAM (CIP): The annually updated plan or schedule of project expenditures for public facilities and infrastructure (buildings, roads, etc.), with estimated project costs, sources of funding, and timing of work over a five year period.

CAPITAL OUTLAY: A classification consisting of Capital Equipment and Capital Improvement.

CAPITAL RESERVE FUND: A special fund (also known as Equipment Replacement Fund) used as a clearing house for monies being transferred from General Fund and Water and Sewer Fund operations. Amounts based on the type, estimated life, and replacement costs of each piece of equipment are transferred from every department/division. From this fund, the City purchases equipment based on a replacement schedule and recommendations from Fleet Management, Information Technologies and Purchasing Divisions.

CCF: Acronym for cubic feet of water.

CD: Acronym for construction documents.

CDBG: Acronym for Community Development Block Grant. A program that provides communities with resources to address a wide range of unique community development needs.

CMAQ: Acronym for Congestion Mitigation and Air Quality. Improvement program designed to assist nonattainment and maintenance areas in attaining the national ambient air quality standards by funding transportation projects and programs that will improve air quality.

CMW: Acronym for certificate of minor works.

COA: Acronym for certificate of appropriateness.

COD: Acronym for chemical oxygen demand.

COST CENTER: The smallest unit of activity or area of responsibility for which costs are accumulated.

CRM: Acronym for Citizen Resource Management. A type of software that will allow citizens to have an improved method of interacting with the City of Salisbury.

DARE: Acronym for Drug Abuse Resistance Education. A police-led series of classroom lessons that teaches children how to resist peer pressure and live productive, drug and violence-free lives.

DEBT SERVICE: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

DEPARTMENT: A major administrative division of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area. A department usually has more than one program and may have more than one fund.

DSI: Acronym for Downtown Salisbury Incorporated. A component unit that promotes, enhances and manages the development of the central business for the City of Salisbury.

ENCUMBRANCE ACCOUNTING: The system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

ENTERPRISE FUND: A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees or charges.

EPA: Acronym for Environmental Protection Agency. US agency that is charged with protecting human health and the environment.

FERC: Acronym for Federal Energy Regulatory Commission. Independent agency that regulates and oversees energy industries in the economic, environmental and safety interests of the American public.

FISCAL YEAR: The time period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year. Budgeting is carried out on a fiscal year schedule.

FIXED ASSETS: Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FOG: Acronym for Fats, Oils and Grease. Program that addresses the issue of blockages causing Sanitary Sewer Overflows.

FTE: Acronym for Full-Time Equivalent. The number of total hours worked divided by the maximum number of compensable hours in a work year as defined by law.

FTTH: Acronym for Fiber to the Home. A new enterprise fund implemented in FY2009 that will provide high speed broadband services to the citizens of Salisbury.

FUNCTION: A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or major service.

FUND BALANCE: Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statutes dictate that a portion of fund balance is not available for appropriation in the following fiscal year.

FUND: A fund is a fiscal and accounting entity with a self-balancing set of accounts.

GAAP: Acronym for Generally Accepted Accounting Principles which are the conventions, rules, and procedures necessary to describe accepted practice at a particular time.

GCWWTP: Acronym for Grant Creek Wastewater Treatment Plant.

GDP: Acronym for Group Development Plans.

GENERAL FUND: The general operating fund of the city used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION (G.O.) BONDS: Debt issued by the City, repayment of which is backed by full taxing power.

GIS: Acronym for Geographic Information System. A project which will link the City to a city-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by City departments.

GFOA: Acronym for Government Finance Officers Association.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

GPON: Acronym for Gigabit Passive Optical Networking.

HOME: Acronym for Home Investment Partnership. A program that provides communities with resources to address a wide range of unique community development needs.

HPO: Acronym for High Performance Organization. A government working model.

HRC: Acronym for Human Relations Council.

I&I: Acronym for Inflow and Infiltration.

INVESTMENT REVENUE: Revenue earned on investments with a third party. The City uses a pooled cash system. We pool cash from all funds and invest it in total. The interest earned is then allocated back to the individual funds by the average cash balance in that fund.

INTERFUND TRANSFERS: Amounts transferred from one fund to another.

IRT: Acronym for Involvement and Response Team. A system for empowering all employees into functional decision-making teams for operational improvements.

ISO: Acronym for Insurance Services Office. An agency which rates fire protection and suppression abilities/capabilities of fire departments.

LCP: Acronym for Local Convergence Point.

LEASE PURCHASE: Method of financing used for the acquisition or improvements. Title to the property transfers to the City at the expiration of the lease terms.

MGD: Acronym for Millions of Gallons per Day.

MODIFIED ACCRUAL: The basis of accounting for the City. Under this system, expenditures are recognized when encumbered, and revenues are recognized when they are collected.

NCBCC: Acronym for North Carolina Building Codes Council. A board appointed by the Governor that adopts and amends the NC State Building Codes as authorized by G.S. 143-138.

NCDENR: Acronym for North Carolina Department of Environment and Natural Resources.

NCDOT: Acronym for North Carolina Department of Transportation.

NCDOL: Acronym for North Carolina Department of Labor.

NCLM: Acronym for NC League of Municipalities. A nonpartisan association of municipalities in North Carolina that strives to enhance the quality of life in municipalities through excellent municipal governance.

NET ASSETS: The difference between the City's total assets and total liabilities. Measuring net assets is one way to gauge the City's financial condition.

NIOSH: Acronym for National Institute for Occupational Safety and Health.

NPDES: Acronym for National Pollutant Discharge Elimination System. Permit program authorized by the Clean Water Act that controls water pollution by regulating point sources that discharge pollutants into waters of the US.

NTU: Acronym for Nephelometric Turbidity Unit. A measure of the cloudiness of a liquid.

OBJECTIVE: A statement of specific direction, purpose or intent to be accomplished by staff within a program.

OPERATING BUDGET: The City's financial plan which outlines proposed expenditures for the coming fiscal year and estimates the revenues which will be used to finance them.

OPERATING FUNDS: Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

OSHA: Acronym for Occupational Safety and Health Administration. An agency of the US Department of Labor to prevent work-related injuries, illnesses and deaths by issuing and enforcing standards for workplace safety and health.

PARTF: Acronym for Parks and Recreation Trust Fund. A grant to local governments for parks and recreation projects to serve the public.

PFT: Acronym for Permanent Full-time. Full-time employee with benefits.

PERFORMANCE MEASURES: Descriptions of a program's effectiveness or efficiency.

POWELL BILL FUND: Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

PPT: Acronym for Permanent Part-time. Part-time employee working <1000 hours annually with benefits.

PRODUCTIVITY: A measure of the increase of service output of City programs compared to the per unit of resource input invested.

PROGRAM: An organized set of related work activities, which are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

PROPERTY TAX RATE: The rate at which real and personal property in the City is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

PROPERTY TAXES (AD VALOREM TAXES): Taxes paid by those owning property in the City. These taxes are based on assessed value.

RESERVE: A portion of fund balance earmarked to indicate 1) that it is not available for expenditure, or 2) is legally segregated for a specific future use.

RESOURCES: Assets that can be used to fund expenditures. These can be such things as Property Taxes, Charges for Service, Beginning Fund Balance or Working Capital.

REVENUE: Income received from various sources used to finance government services; for example, sales tax revenue.

REVENUE BONDS: Bonds payable from a specific source of revenue and which do not pledge the full faith and credit of the issuer.

ROW: Acronym for Right of Way.

SCADA: Acronym for Supervisory Control and Data Acquisition.

SERVICE LEVEL: Measurement of services provided by the City to the public.

TCWWTP: Acronym for Town Creek Wastewater Treatment Plant.

TDA: Acronym for Tourism Development Authority.

TFT: Acronym for Temporary Full-time. Temporary employee working 40 hours per week seasonally with no benefits. Generally summer employees.

TKN: Acronym for total kjeldahl nitrogen.

TMDL: Acronym for Total Maximum Daily Loads.

TPT: Acronym for Temporary Part-time. Part-time employee working <1000 hours annually with no benefits.

TSS: Acronym for total suspended solids.

USDOJ: Acronym for United States Department of Justice.

VENTURIS: A short tube with a constricted throat used to determine fluid pressures and velocities by measurement of differential pressures generated at the throat as a fluid traverses the tube.

WWTP: Acronym for Wastewater Treatment Plant.

