

GLOSSARY

Accrue - To increase or accumulate as a result of growth

Account Number - An expenditure category such as salaries, supplies or vehicles

Appraised Value - An estimate of value for the purpose of taxation (Note: Property Values are established by the Dallas and Ellis County Appraisal Districts.)

Appropriations - An authorization made by the City Council which permits the City to incur obligations and expend resources

Assessed Valuation - A value that is established for real or personal property to be used as a basis for levying property taxes (Note: Property values are established by the Dallas and Ellis County Appraisal Districts.)

Bond - A written promise to pay a specific sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects such as buildings, streets and bridges.

Bonded Debt - That portion of indebtedness represented by outstanding bonds

Budget - A financial plan for a specified period of time (fiscal year) that matches all planned revenues and expenditures with various municipal services

Budget Calendar - The schedule of key dates or milestones which the City departments follow in the preparation, adoption and administration of the Budget

Budget Document - The instrument used by City staff to formulate a comprehensive financial program for the City Council

Budget Ordinance - The official enactment by the City Council to establish legal authority for City officials to allocate and appropriate resources

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved Budget for the purpose of keeping expenditures within the limits of available appropriations and revenues

Capital Expenditures - Resources used for the acquisition of construction and/or large purchases

Capital Improvement Project - An expenditure plan that provides long-lasting physical improvements to the City. Expenditures are incurred over a fixed period of several years.

Capital Outlay - Expenditures that result in the acquisition of or addition to fixed assets

CDC - Community Development Corporation

Cell - A planning term used to define 36 specific areas in the Parks Master Plan. Cells are areas where neighborhood park facilities must be placed. Cells vary in size, depending on projected housing density, population and topography.

Certificate of Obligation - A debt instrument that may or may not involve an election; Following a published notice of intent to issue C.O. debt, voters may petition the City Council to conduct an election. If no election is called, the City Council may issue C.O. debt.

CHISD - Cedar Hill Independent School District

Current Taxes - Taxes that are levied and due within one year

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

Debt Service Funds - Funds used to account for the accumulation of resources, for the payment of principal and interest on debt instruments issued by the City

Delinquent Taxes - Taxes that remain unpaid after the tax due date. A penalty for non-payment of taxes is attached to the assessment.

Department - A subdivision of the City government organization responsible for specific services. All departments are singular units grouped by category under one of four divisions. An example would be the Parks Department under the Community Services Division.

Depreciation - The loss of value, as a result of time and/or usage

EEOC - Equal Employment Opportunity Commission

EMS - Emergency Medical Services

EMT - Emergency Medical Technician

Encumbrance - The commitment of appropriated funds to purchase an item or service; To encumber funds means to set aside or commit monies for future expenditures. (Note: an encumbrance is not an expenditure.)

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. An example of an Enterprise Fund is the Water and Sewer Fund.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the City Council.

Executive Summary - The opening section 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 the current and previous fiscal years and the views and recommendations of the City Manager

Expenditure - Outflow of funds paid for an asset or goods and services. This term applies to all funds.

Financial Depository - The banking institution where the City deposits its funds

Fiscal Policy - The City's policies with respect to taxes, spending and debt management as they relate to government services, programs and capital investment; reflects a set of principals for the planning and programming of government budgets

Fiscal Year - The time period designated by the City signifying the beginning and ending period for recording financial transactions. Cedar Hill has specified October 1st to September 30th as its fiscal year.

Fixed Assets - Assets of long-term character intended to be held or used, such as land, buildings, machinery, furniture and other equipment

Franchise Fee - A fee levied by the City Council on businesses that use City property or right-of-way. This fee is usually charged as a percentage of gross receipts.

Full Funding - This term designates full-year payment for personnel or other budgeted items.

Fund - A set of self-balancing accounts that has the recordings of all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund, Enterprise Fund, Trust and Agency Funds, Internal Service Fund and Special Assessment Fund.

Fund Balance - The excess of assets over liabilities, also known as surplus funds

Full-Accrual Accounting Basis - Accounting method where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred

FY - Fiscal Year

General Fund - The largest fund within the City. The General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges and other types of revenue. This fund usually includes most of the basic operating services such as fire and police protection, finance, data processing, parks and recreation, libraries, public works and general administration.

General Obligation Bonds - Bonds that finance a variety of public projects such as streets, building, and improvements. The repayment of these bonds is usually made from the General Fund and these bonds are backed by the full faith and credit of the issuing government.

GIS - Geographic Information System is a computerized database system utilizing maps, aerial photos and blueprints that are scanned into the system. The database allow more precise pinpointing of water mains, sewer lines, etc.

Grants - Contributions from another government to be used or expended for a specific purpose, activity or facility

I and I - Inflow and Infiltration is ground water that enters the City's wastewater system. I and I occur at cracks and bad joints in the sewer lines and manholes. Another source of I and I is missing clean outs on service lines. A large amount of I and I leads to Sanitary Sewer Overflows (SSOs).

I and S - Interest and Sinking is the portion of the tax rate that is dedicated to the payment of outstanding debt.

Impact Fees - A fee charged to new development to help defray the cost of expanding or building infrastructure to support the new development.

Inter-Fund Transfers - Amounts transferred from one fund to another fund

Internal Service Funds - A fund that is used to account for the purchases of equipment that costs in excess of \$1,000 per unit. The equipment is leased to the City's operating department which is equal to the City's yield on investments.

ISTEA - Intermodal Surface Transportation Enhancement Act that provides matching federal funding for street, road and bridge projects

ITB - Invitation to Bid is extended by the City to vendors for the purchase of goods and/or services over \$25,000. State law requires that the bid be awarded to the most responsible vendor producing the lowest price.

LAN - Local Area Network is a computer software program that connects several computers in one building.

Levy - To impose taxes, a special assessments or service charges for the support of city activities

Line-Item Budget - A budget that lists each expenditure category (salary, materials, telephone service travel, etc.) separately, along with the dollar amount budgeted for each specified category

Long-Term Debt - Debt with a maturity of more than once a year after the date of issuance

Mgd - Millions of gallons of water per day

M.I.C.U. - Mobile Intensive Care Unit

Modified Accrual Basis of Accounting - Accounting method where revenues are recognized when they are available and expenditures are recognized at the time they are paid

Municipal - Pertaining to a city or its government

MUTCD - Manual on Uniform Traffic Control Devices

NCTCOG - North Central Texas Council of Governments

NYSCA - National Youth Sports Coaching Association

O and M - Operations and maintenance costs of daily activities

OPAC - Online Public Access Catalog is a computerized library card catalog database

Operating Budget - The portion of the Budget which pertains to daily operations that provide basic governmental services. The operating Budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel and fuel.

Ordinance - An authoritative command or order

Property Tax - Ad-valorem taxes are levied on both real and personal property according to the property's valuation and the tax rate.

Proprietary Funds - Funds that must conform to existing conditions and/or restrictions

PSO - Public Safety Officer is a civilian City employee who helps with administrative duties at the Police Department.

Reserve - An account used to indicate that a portion of a fund balance is restricted for a specific purpose and is, therefore, not available for general appropriations

Revenue - Funds that the government receives as income. Revenue includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Revenue Bonds - Bonds usually sold for constructing a project that will produce revenue for the government. The revenue is used to pay the principal and interest of the bond.

RFP - Request for Proposal (s) from vendors. This procurement method differs from a bid procedure in that it is typically used to procure professional services. This method allows for negotiation of price and a term before a contract for goods and/or services is signed.

ROFC - Rate of Flow Controller is the rate of water the City of Dallas (the City's potable water supplier) will deliver in one day. The City's current ROFC setting is 8.4 mgd. When the City's ground storage is full, the valve closes until the tank is four feet below the top, and then the valve will reopen. When more water is needed, the City may request an increase to the ROFC from the City of Dallas.

SCADA - Supervisory Control and Data Acquisition is a water and sewer monitoring device that alerts the main computer via radio frequency that monitors the water level in the water tanks and reports any problem with the sewer lift stations located within the City

Special Revenue Funds - Funds that account for proceeds of specific revenue sources that are restricted to expenditures for specific purposes

Tax Levy - The total revenues to be raised by ad-valorem taxes for expenditures as authorized by the City Council

Tax Ordinance - The official enactment by the City Council to establish legal authority for city officials to levy property taxes

Tax Rate - The amount of tax levied for each \$100 of valuation

TMPRA - Texas Municipal Parks and Recreation Association

TNRCC - Texas Natural Resource Conservation Commission

TRA - Trinity River Authority

TRAPS - Texas Recreation and Parks Society

Unencumbered Balance - Available funds for future purchases

WAN - Wide Area Network is a computer software program that connects computers between buildings.

Water and Sewer Fund - A fund established to account for operations of the water and sewer system. It is operated similarly to private business enterprises, focusing on cost recovery.

Water/Wastewater Ordinance - The official enactment by the City Council to establish the legal authority for City officials to adjust the water rate and wastewater services

ZTR - A lawn mower that is able to turn in zero degrees

