Citizens' Guide to the Budget

Budget Terms

Ad Valorem Tax
Also Property Tax. A tax levied in proportion to the value of the property against which it is levied.

Adopted Budget
The financial plan for the fiscal year beginning October 1. Required by law to be approved by the Board of County Commissioners at the second of two public hearings in September.

Appropriation
The legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in the amount and as to the time when it may be expended. It is the act of appropriation that funds the budget.

Assessed Value
A valuation set upon real estate or other property by a government as basis for levying taxes. Taxable valuation is calculated from an assessed valuation. The assessed value is set by the Property Appraiser.

Beginning Fund Balance
The Ending Fund Balance of the previous period. (See Ending Fund Balance definition).

Board of County Commissioners (BCC)
The Board of County Commissioners is the seven (7) member legislative and governing body for Pinellas County.

Bond
Written evidence of the issuer's obligation to repay a specified principal amount on a certain date (maturity date), together with interest at a stated rate, or according to a formula for determining that rate.

Budget
A financial plan containing an estimate of proposed revenues and expenditures for a given period (typically a fiscal year).

Capital Budget
The financial plan of capital project expenditures for the fiscal year beginning October 1. It incorporates anticipated revenues and appropriations included in the first year of the ten year Capital Improvements Program (CIP), and any anticipated unspent appropriation balances from the previous fiscal year. The Capital Budget is adopted by the Board of County Commissioners as a part of the annual County Budget.

Capital Improvement Program (CIP)
A proposed plan, covering each year of a fixed period of years, for financing long-term work projects that lead to the physical development of the County.

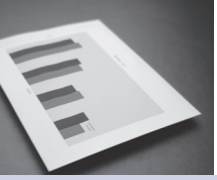
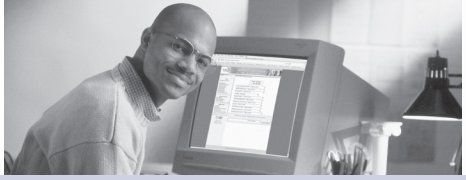
Capital Outlay or Capital Equipment
Items such as office furniture, fleet equipment, data processing equipment, and other operating equipment with a unit cost of $1,000 or more.

Capital Project
An improvement or acquisition of major facilities, roads, bridges, buildings, or land with a useful life of at least five years.

Charge for Services
Charges for a specific governmental service which cover the cost of providing that service to the user (e.g.- building permits, animal licenses, park fees).

Constitutional Officers
Elected officials whose positions are created in the Florida State Constitution for all counties. They administer a specific function of County government and are directly accountable to the public for its proper operation. Constitutional Officers include the Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections & the Tax Collector. Not all elected officials are Constitutional Officers.

Pinellas County

BUDGET **TERMS** continued

Cost Center
A budgeting entity which encompasses object level accounts (appropriations) that are used to monitor organization or program level expenditures.

Debt Service
The dollars required to repay funds borrowed by means of an issuance of bonds or a bank loan. The components of the debt service payment typically include an amount to retire a portion of the principal amount borrowed (i.e., amortization), as well as interest on the remaining outstanding unpaid principal balance.

Debt Service Fund
An account into which the issuer makes periodic deposits to assure the timely availability of sufficient monies for the payment of debt service requirements (i.e., principal and interest). The revenues to be deposited into the debt service fund and payments therefrom are determined by terms of the bond covenants.

Dependent Special District
A special district, whose governing body or whose budget is established by the governing body of the County or municipality to which it is dependent.

Designated Funds
Funds that are set apart for a specific purpose to fund on-going or one-time expenditures. Examples are bond proceeds, reserves for fund balance, reserve for contingencies ("Rainy Day Fund) and "pay as you go" reserves for future facility renewal & replacement found mostly in the Enterprise Funds.

Elected Officials
Elected Officials include the Board of County Commissioners, the Judiciary, the State Attorney, the Public Defender and five Constitutional Officers: the Clerk of the Circuit Court, the Property Appraiser, the Sheriff, the Supervisor of Elections and the Tax Collector.

Ending Fund Balance
Funds carried over at the end of the fiscal year. Within the fund, the revenue on hand at the beginning of the fiscal year, plus revenues received during the year, less expenses equals ending fund balance. The Ending Fund Balance becomes the Beginning Fund balance in the next fiscal year.

Enterprise Fund
A fund used to account for operations that are financed and operated in a manner similar to private business enterprises - - where the in-tent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fire Protection District
A designated area in the County where ad valorem revenues are collected from property owners and distributed to local cities and other agencies to finance fire suppression services to the area.

Fiscal Year
A twelve-month period of time to which the annual budget applies. At the end of this time, a governmental unit determines its financial position and the results of its operations. The Pinellas County fiscal year begins on October 1 and ends on September 30 of the subsequent calendar year.

Fund
An accounting entity with a complete set of self balancing accounts established to account for finances of a specific function or activity. The resources and uses are segregated from other resources and uses for the purpose of carrying on specific activities or attaining specific objectives in accordance with special regulations, restrictions, or limitations.

Funding Sources
The type or origination of funds to finance ongoing or one-time expenditures. Examples are ad valorem taxes, user fees, licenses, permits, and grants.

General Fund
This fund accounts for all financial transactions except those required to be accounted for in other funds. The fund's resources, ad valorem taxes, and other revenues provide services or benefits to all residents of Pinellas County.

Independent Agencies
A variety of agencies, councils, and other organizational entities responsible for administering public policy functions independently of the Constitutional Officers and County Administrator. These entities are subject to Board of County Commissioner appropriation, but operate under the purview of a legislative/policy making body other than the Board of County Commissioners.

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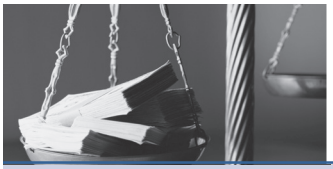

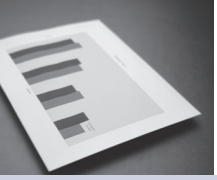
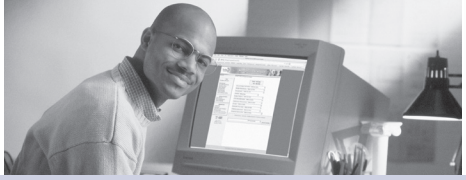

BUDGET **TERMS** continued

Infrastructure
Infrastructure is a permanent installation-such as a building, road, or water transmission system that provides public services.

Intergovernmental Revenue
Revenue collected by one government and distributed (usually through some predetermined formula) to another level of government.

Internal Service Fund
A fund established to finance and account for services and commodities furnished by one department to other departments on a cost reimbursement basis.

Mandate
A requirement imposed by a legal act of the federal, state, or local government.

Millage Rate
A rate applied to a property's taxable value to determine property tax due. As used with ad valorem (property) taxes, the rate expresses the dollars of tax per one thousand dollars of taxable value (e.g.- a 5 mill tax on $1,000 equals $5.00).

Mission Statement
A broad statement of purpose which is derived from organization and/or community values and goals.

Municipal Services Taxing Unit (MSTU)
A special district authorized by the State Constitution Article VI1 and Florida Statutes 125.01. The legal and financial mechanism for providing specific services and/or improvements to a defined geographical area. An MSTU may levy ad valorem taxes without a referendum. An MSTU may also use assessments, service charges, or other revenue to provide its sources of income. In Pinellas County, the MSTU is all the unincorporated areas of the County.

Operating Budget
The operating budget includes appropriations for recurring and certain one-time expenditures that will be consumed in a fixed period of time to provide for day-to-day operations (e.g., salaries and related benefits; operating supplies; contractual and maintenance services; professional services, and software).

Personal Services
Expenses for salaries, wages and related employee benefits provided for all persons, whether full-time, part-time, temporary, or seasonal.

Pro-rate
A budgetary convention (used in Community Development and Fire Administration) that allows for centralized departmental services to be budgeted for in one cost center, with the actual costs being allocated to the specific users of the service in other cost centers. This is technically accomplished by appropriating a negative amount for the total central departmental service. An allocation of the central service's total appropriation is then budgeted in each of the user cost centers, thereby reflecting the total cost to that particular function.

Reserves
Included in this category are funds required to meet both anticipated and unanticipated needs; the balance of anticipated earmarked revenues not required for operation in the budget year; those required to be set aside by bond covenants, and accumulated funds set aside to finance capital construction on a pay-as-you-go basis.

Revenue
The amount estimated to be received from taxes, fees, permits, or other sources during a fiscal year.

Revised Budget
The current year adopted budget adjusted to reflect all budget amendments approved by the Board of County Commissioners as of a certain date.

Rolled-Back Rate
The "rolled-back rate" is that millage rate which, when applied to the total amount of taxable value of property (excluding new construction), produces the same amount of tax dollars as the previous year.

Special Assessment Fund
A fund used to account for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied.

Special Revenue Fund
A fund used to account for the proceeds of specific revenue sources (other than 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.

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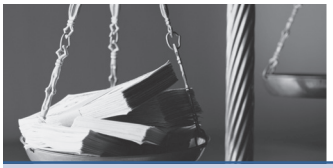
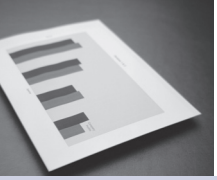
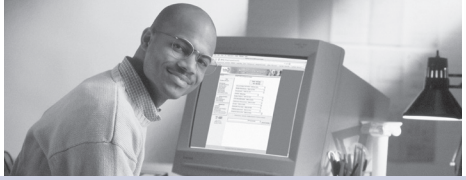


BUDGET **TERMS** continued

Support Funding

Support funding is provided by the Board of County Commissioners for those activities for which costs do not apply solely to any specific county department's function, but are either applicable to the operation of county government as a whole, or are provided for the public good.

Taxes

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

Taxable Value

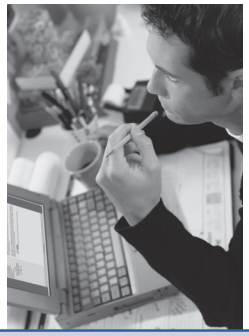
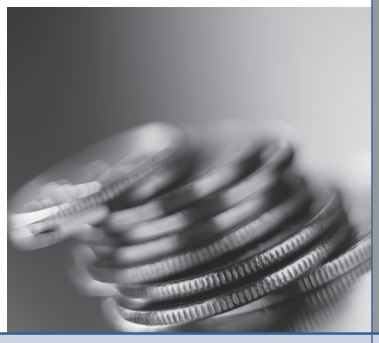
The assessed value of property minus any authorized exemptions (e.g.- agricultural, homestead exemption, Save Our Homes). This value is used to determine the amount of property (ad valorem) tax to be levied.

Transfers

Because of legal or other restrictions, monies collected in one fund may need to be expended in other funds, This is accomplished through Transfer-In (a source of funds) for the recipient fund and an equal Transfer-Out (a use of funds) for the donor fund. When this movement occurs between different funds, it is known as the Interfund Transfer.

Unincorporated Area

That portion of the County which is not within the boundaries of any municipality.

For more information please contact us at (727) 464-4600
333 Chestnut Street, Clearwater, FL 33756
www.pinellascounty.org/budget

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