Glossary



Accrual

An accounting method in which revenues are recognized when earned and expenditures are recorded when goods or services are received, whether or not the corresponding cash is received or disbursed during this same period.

Americans with Disabilities Act of 1990 (ADA)

A federal law providing protection to individuals with disabilities ranging from prohibitions against discrimination in employment to specific requirements for modifications of public facilities and transportation systems.

Appropriation

An authorization made by the City Council, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Arterial Highway Rehabilitation Program (AHRP)

Funded by Measure M, the Arterial Highway Rehabilitation Program helps to improve the condition of pavement in Orange county by funding pavement rehabilitation projects of MPAH (Master Plan Arterial Highways) roadways throughout Orange County.

Assessed Valuation

The estimated value placed upon real and personal property by the County Assessor as the basis for levying property taxes.

Assessment District (A.D.) or Community Facilities District (C.F.D.)

An entity comprised of property owners within a specific geographic boundary, formed to cooperatively provide services or benefits to the district by assessments to the property owners. Assessments are commonly calculated on the property's lot size or the home's square footage in an effort to tie the amount of the assessment to the proportion of the benefit or service received.

Balanced Budget

A budget in which the total of estimated revenues and available fund balance does not exceed proposed expenditures.

Budget

A comprehensive financial plan of operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Cal-Card

Purchasing program for State and local governments used to purchase small dollar goods and services with preprogrammed credit cards.

California Identification Database (Cal-ID)

An automated fingerprint processing system used to store, search, and retrieve fingerprint records.

Capital Expenditures

The amount of cash paid or to be paid for purchases of goods and services related to capital improvements.



Capital Improvement

A permanent major addition to the City's real property assets including the design, construction, purchase, or major renovation of land, buildings or facilities. Examples are the installation or repair of new or existing streets, traffic signals, sewer lines, roads, and parks.

Capital Improvement Plan (CIP)

A plan to provide for the maintenance or replacement of existing public facilities and assets and for the construction or acquisition of new ones. The Capital Improvement Plan identifies capital needs on a 7-year basis.

Capital Outlay

Items of a permanent or semi-permanent nature that cost in excess of \$5,000 but do not qualify as a capital improvement.

CompStat

Short for COMPuter STATistics or COMParative STATistics. CompStat is a management accountability process with a multilayered dynamic approach to crime reduction, quality of life improvement and personnel and resource management. CompStat employs Geographic Information Systems and is intended to map crime, detect patterns and identify hot spots and problem areas.

Capital Project Funds

The Capital Project Funds are used to account for the acquisition or construction of major capital improvements other than those financed by Internal Service, Proprietary or Redevelopment Funds.

Carryover Appropriations

Appropriations approved in a prior fiscal year which were not fully expended within that year and were approved to be carried over to the following fiscal year.

Certificates of Participation (COP)

Obligations of a public entity based on a lease or installment sale agreement. Payments to certificate holders may originate from the general fund (in the case of a lease) or a special fund (in the case of an installment sale).

Combined Transportation Funding Program (CTFP)

The CTFP is funded by the County's Measure M funds. It is administered by Orange County Transportation Authority (OCTA) and provides funding on a bi-annual basis for a variety of County street and road projects including Signal Improvement Program (SIP), Regional Interchange Program (RIP), Intersection Improvement Program (IIP), Master Plan of Arterial Highways (MPAH), Growth Management Area (GMA), Arterial Highway Rehabilitation Program (AHRP), Traffic Demand Management (TDM), and Regional Surface Transportation Program (RSTP).



Community Development Block Grant Funds (CDBG)

A fund to account for grants from Housing and Urban Development (HUD) and expenditures for the block grant program as approved by the City Council.

Comprehensive Annual Financial Report (CAFR)

Debt Service Fund

The annual report of the City's financial condition at the conclusion of the fiscal year, prepared in accordance with GAAP (Generally Accepted Accounting Principles) for governmental units.

Debt Service Payment of interest and repayment of principal to holders of the City's or Redevelopment Agency's debt instruments.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of,

general long-term debt principal and interest.

Department A major organizational unit of the City, which has been

assigned overall management responsibility for an operation, or a group of related operations within a

functional area.

Department Goals Significant continuing results, which the department is

committed to accomplish in support of the department's

mission.

Depreciation An expense that is recorded in the accounting records of

the City in order to recognize the declining value of a

capital asset.

Elected Officials Officials who are voted into office by the electorate of the

City of Orange. In Orange the elected officials are the Mayor, 4 City Council Members, the City Clerk and the

City Treasurer.

Encumbrances A commitment of funds, through a purchase order, for

goods or services for which the expenditure has not yet

occurred.

Enterprise Funds The Enterprise Funds are used to account for City

operations that are financed and operated like private business enterprises. The use of this type of fund permits user charges to finance or recover the costs, including depreciation, of providing the services to the public on a

continuing basis.

Expenditure The amount of cash paid or to be paid for services

rendered, goods received or an asset purchased.

Fiscal Year The beginning and ending period for recording financial

transactions. The City has specified July 1 to June 30 as

its fiscal year.



Franchise Fee

A franchise fee is charged for the privilege of using public rights-of-way and property within the City for public or private purposes. The City currently assesses franchise fees on cable television and electricity and natural gas providers.

Full-Time Equivalent (FTE)

The decimal equivalent of a position converted to a full-time basis. For example, one person working half time would count as 0.5 FTE; one person working full-time would count as 1.0 FTE.

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. (See Fund Descriptions for detailed description of each fund)

Fund Balance

Also known as financial position, fund balance is the excess of current assets over current liabilities and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

Fund Type

A category of funds that are alike in nature and purpose. The fund types in the City of Orange's budget are General Fund, Special Revenue Funds, Debt Service, Capital Project Funds, Enterprise Funds, Internal Service Funds and Redevelopment (Successor Agency) Funds.

General Fund

The primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. General Fund resources can be utilized for any legitimate governmental purpose.

General Government

A category of expenditures, which includes expenditures for administrative, finance, personnel and legal services.

General Obligation Bond

A borrowing of funds where the City pledges its full faith and credit to the repayment of the bonds it issues.

Generally Accepted Accounting Principles (GAAP)

Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.



Governmental Accounting Standards Board (GASB)

Organized in 1984 by the Financial Accounting Foundation, the GASB establishes standards of financial accounting and reporting for state and local governmental entities that guide the preparation of external financial reports.

Governmental Funds

Governmental funds account for most governmental activities and include the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds.

Infrastructure

The physical assets of the City; i.e., streets, sidewalks, water and sewer systems, street lights, traffic signals, public buildings, parks, and the support structures within a development.

Internal Service Funds

The Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

Local Law Enforcement Block Grant (LLEBG)

The Local Law Enforcement Block Grant Program, administered by the Bureau of Justice Assistance of the U.S. Department of Justice, assists local government by providing funds for projects designed to reduce crime and improve public safety.

Maintenance & Operations

An expenditure category used to account for all department costs other than salaries and benefits and capital.

Master Plan of Arterial Highways (MPAH)

Serves as the long range plan to ensure consistent standards and coordinated planning of arterial streets in Orange County. Orange County Transportation Authority is responsible for administering the MPAH, including the review and approval of amendments requested by local agencies.

Mission Statement

A statement that concisely summarizes the overarching purpose and function of the department.

Modified Accrual

The accounting basis used by the City by which revenues and expenditures are recognized as they are earned or incurred, regardless of the timing of cash receipts and disbursements.

NEOGOV

Web based personnel recruitment, tracking, and selection software, designed specifically for government entities to automate the hiring process from requisition to hire.

Non-Departmental

Program costs that do not relate to any one particular department, but represent costs that are general and citywide in nature.



Operating Expenditures Expenditures, which support ongoing program costs,

including employee, services, maintenance, supplies and equipment and exclude capital, debt service and pass

through agreement payments.

Per Capita A measurement that defines a given number (i.e.

expenditure, revenue, etc.) per person in the City of

Orange.

Program An activity or group of activities, which is an organizational

subunit of a department, and is directed toward providing a particular service. Each City department may be

responsible for a number of programs.

Proprietary Funds Funds used to account for a government's activities that

are similar in nature to those found in the private sector. Proprietary funds include both Enterprise and Internal

Service Funds.

Regular Full-Time An employee who is hired on a permanent basis who

works the minimum number of hours to be considered full-

time and who receives full benefits.

Regular Part-Time A person who is hired on a permanent basis who works

less than the minimum number of hours to be considered

full-time and who receives partial benefits.

Redevelopment Agency The governing body created to designate redevelopment

project areas, supervise and coordinate planning for a project area, and implement the development program. In Orange, the City Council serves as the governing body of the Redevelopment Agency. Disillusioned in 2011 by

State mandated (See Successor Agency).

Redevelopment Agency Funds The Redevelopment Agency funds are used to account for

the activities of the Redevelopment Agency, including operations, capital project and debt service. The Agency

was disillusioned in 2011 by State mandate.

Reserve An account used to indicate that a portion of fund equity is

legally restricted for a specific purpose, or set aside for emergencies or unforeseen expenditures that are not

otherwise budgeted.

Revenue Debt Issue A borrowing whereby specific revenues are pledged for

the repayment of the debt.

Salaries and Benefits An expenditure category used to account for employee

salaries and associated fringe benefits.

Service Objective Specific, measurable planned service levels for a program

over the course of the fiscal year.



Special Revenue Funds The Special Revenue Funds are used to account for

revenue sources for which expenditures are restricted, by

law or administrative action, to specific purposes.

Successor Agency In 2011, AB X1 26 dissolved redevelopment agencies

statewide and designated Successor Agencies to "wind-down" activities of the former redevelopment agencies.

Tax Increment The increase in property taxes within a redevelopment

project area that result from increases in the assessed

value over that of the base year.

Taxable Bonds/Notes Bonds or Notes issued for which interest earned by

investors in the bonds/notes is subject to income tax.

Tax-Exempt Bonds/Notes Bonds or Notes issued which qualify under I.R.S.

regulations for exemption from income tax on interest

earned by investors in the bonds/notes.

Temporary/Seasonal An employee who is hired on a temporary or seasonal

basis to work less than 1,000 hours in a fiscal year and

who receives very limited benefits.

Transfers The movement of funds from one fund or account to

another.

Transient Occupancy Tax (TOT) A tax that is levied on occupants of hotels and motels in

the City to defray a portion of the costs incurred to provide City services. This tax is sometimes referred to as a "bed"

tax or "hotel" tax.

Work Plan Defined tasks to be accomplished during the fiscal year.



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