

## Glossary of Budget Terms

<b>Accounting System</b>	The total structure of records and procedures which identify, record, classify, summarize, and report information on the financial position and results of operations of a government.
<b>Accrual Basis</b>	The basis of accounting under which transactions are recognized when they occur, regardless of the timing of estimated cash flows.
<b>Accrued Expenses</b>	Expenses incurred but not due until a later date.
<b>Ad Valorem Tax</b>	A tax collected from all the real property within the City based upon the value of the property.
<b>ALFA</b>	Association Landfill Assurance – An organization of publicly owned Oklahoma landfills.
<b>Annual Budget</b>	The budget authorized by resolution of the City Commission for the fiscal year.
<b>Appropriation</b>	An authorization of the City Commission to incur obligations and spend City funds. Appropriations are usually made for fixed amounts and typically granted for one year.
<b>Appropriation of Fund Balance</b>	Using the existing fund balance for current obligations.
<b>Assets</b>	Resources owned or held by the City which has monetary value.
<b>Assessed Valuation</b>	The value of all real personal property in the City which is used as a basis for <i>ad valorem</i> taxes.
<b>Audit</b>	An examination of an organizations' financial statements and the utilization of resources.
<b>Balance Sheet</b>	A basic financial statement that discloses the assets, liabilities, reserves and equity of specific governmental funds as of a specific date.
<b>Balanced Budget</b>	A budget in which revenues plus appropriated fund balances equal expenditures.
<b>Beginning/Ending Fund Balance</b>	Unencumbered resources available in a fund from the prior/current year after payment of the prior/current year's expenses. This is not necessarily cash on hand.
<b>Bond Proceeds</b>	Funds received from the sale of any bond issue.

<b>Bond Rating</b>	A rating that is received from Standard & Poor's Corporation and Moody's Investors service, Inc. that shows the financial and economic strengths of the City.
<b>Budget</b>	The financial plan for a specific period of time that identifies proposed expenditures and the sources of revenue to pay for them.
<b>Budget Amendment</b>	A legal procedure utilized by the City staff and City Commission to revise a budget appropriation.
<b>Budget Message</b>	The opening section of the budget which provides the City Commission and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, as well as the views and recommendations of the City Manager.
<b>Capital Improvement Project CIP</b>	A "Capital Improvement Project" fund accounts for financial resources segregated for acquisition, construction or other improvement related to capital facilities other than those accounted for in enterprise funds and non-expendable trust funds.
<b>Capital Outlay</b>	Category of expense which include outlays which result in acquisition of or additions to fixed assets which are purchased by the municipality, including machinery and equipment, furniture, land, buildings, improvements other than buildings, and all construction, reconstruction, appurtenances or improvements to real property accomplished according to the conditions of a contract.
<b>Cash Basis</b>	The method of accounting under which transactions are recorded when cash is either received or expended for goods or services.
<b>City Charter</b>	The document of a home rule City similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.
<b>City Code</b>	A book that contains City Commission approved ordinances currently in effect. The Code defines City policy with respect to areas such as planning, business licensing, etc.
<b>Category</b>	A group of object codes that have the same functional characteristics. The City, required by the State of Oklahoma in the Municipal Budget Act, uses the six categories of expenditures: Personal Services, Material & Supplies, Other Charges & Services, Capital Outlay, Debt Services, and Transfers.

---

<b>CodeRed</b>	A computer based telephone notification system that is used to notify the public and City staff of emergencies.
<b>Contingency</b>	A budgetary reserve set aside for emergencies or unforeseen expenditures.
<b>Court Fines and Forfeits</b>	Fines imposed on individuals by the courts for various illegal acts performed within the City.
<b>CDBG</b>	Community Development Block Grant - A general purpose, federal grant primarily used to facilitate the production and preservation of low and moderate income housing.
<b>Debt Limit</b>	The maximum amount of general obligated debt which is legally permitted.
<b>Debt Ratio</b>	Total debt divided by total assets. Used by Finance to assess fiscal health, internal of bonds, notes or loans.
<b>Debt Service</b>	Category of expense which includes outlays in the form of debt principal payments, periodic interest payments, or related service charges for benefits received in part in prior fiscal period as well as in current and future fiscal periods.
<b>Debt Service Funds</b>	These funds account for the payment of principal and interest on outstanding debt for the City.
<b>Department</b>	An organization unit of the City for the purposes of administration and accounting.
<b>Depreciation</b>	That portion of the cost of a capital asset that is charged as an expense during a particular period. This is a process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the loss of usefulness of a fixed asset is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.
<b>Division</b>	An organizational unit within a department. Divisions are responsible for carrying out the specific functions of the department.
<b>Enterprise Fund</b>	A fund that accounts for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing the good and services to the general public be financed or recovered primarily through user charges.

<b>EPA</b>	Environmental Protection Agency - An agency of the federal governmental which addresses environmental regulations.
<b>Expenditure</b>	This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds.
<b>Expenses</b>	A decrease in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.
<b>Fiscal Year</b>	For budgeting purposes the City's fiscal year operates from July 1 to June 30.
<b>Fixed Asset</b>	Purchases of a long-term nature, which are to be held and used. Examples are: land, buildings, machinery, vehicles and equipment.
<b>Franchise Fee</b>	A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include telephone, natural gas and cable TV.
<b>Fund</b>	A separate accounting entity, with a set of self-balancing accounts for recording the collection of revenues and the payment of expenditures to carry out a specific function.
<b>Fund Accounting</b>	A governmental accounting system that is organized and operating on a fund basis.
<b>Fund Balance</b>	The excess of a fund's assets over its liabilities. The term fund balance is used for governmental fund types. The term retained earnings is used in enterprise funds.
<b>General Fund</b>	The largest fund in the City, the General Fund accounts for most of the City's financial resources. General Fund revenues include: Sales & Use Taxes, Licenses & Permits, Intergovernmental, Outside Revenue, Charges for Services, Fines & Forfeits, Transfer from Funds, and other types of Revenues. This is the fund that accounts for the revenues and expenditures necessary to deliver basic operating services: police, fire, finance, parks, planning, library, etc.
<b>GIS</b>	Geographic Information System – A computer system capable of assembling, storing, manipulating, and displaying geographically referenced information, i.e. data identified according to their locations. City personnel can obtain detailed infrastructure information through a single digital map.

<b>GPS</b>	Global Positioning System – A method of navigation that uses 25 satellites in low-earth orbit to provide precise, extremely accurate, worldwide, all-weather navigation information 24 hours a day.
<b>Goals</b>	Specific items to be accomplished during the year. A statement of broad direction, purpose or intent.
<b>Green Fees</b>	Fees charged for playing a round of golf at the Lew Wentz Golf Course.
<b>INCODE</b>	Municipal software used by the city.
<b>Interest Earnings</b>	Interest received from the investment of cash in a fund.
<b>Intergovernmental Revenue</b>	Money received from the state or federal government in the form of grants or shared revenues for various activities.
<b>Internal Service Fund</b>	Fund used to account for services provided by one department to another department on a cost reimbursement basis.
<b>LAN</b>	Local Area Network – Two or more computers connected to a localized central server in order to share server resources.
<b>Liabilities</b>	Debts or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date.
<b>Licenses</b>	Revenues received by the issuance of various licenses that are granted to various business in the City.
<b>Line Item Budget</b>	A budget format that summarizes the object codes of expenditures for goods and services that the City intends to purchase during the fiscal year.
<b>Material &amp; Supplies</b>	Category of expense which includes articles and commodities which are consumed or materially altered when used, such as office supplies, operating supplies and repair and maintenance supplies, and all items of expense to any person, firm or corporation rendering a service in connection with repair, sale or trade of such articles or commodities.
<b>McReady Campaign</b>	A partnership between Oklahoma Emergency Management and McDonalds Restaurants to provide severe weather information to the public through their restaurants.
<b>MESO</b>	Municipal Electric Systems of Oklahoma

<b>Miscellaneous Revenue</b>	Money taken in from various sources generally on a non-recurring or immaterial basis.
<b>Modified Accrual Accounting</b>	An accounting technique that is a combination of cash and accrual accounting. Expenditures are immediately incurred as a liability and revenues are not recorded until they are received or are "measurable" and available for "expenditure." Since this type of account basis is conservative, it is recommended as the standard for most government funds.
<b>NPDES</b>	National Permit Discharge Elimination System
<b>Object Code of Expenditures</b>	The specific type of expenditure used to account for the purchase of goods and services.
<b>Objectives</b>	A statement of specific direction, purpose or intent based on the needs of the community and the goals established for a specific program.
<b>ODEQ</b>	Oklahoma Department of Environment Quality
<b>OMPA</b>	Oklahoma Municipal Power Authority
<b>Ordinance</b>	A formal legislative enactment by the governing body of a municipality. It is not in conflict with any higher form of law, such as a state statute or constitutional provision; it has the full force and effect of law within the boundaries of the municipality to which it applies.
<b>Other Charges &amp; Services</b>	Category of expense which includes all current expenses other than Personal Services, Materials & Supplies, Capital Outlays, Debt Service, and Transfers, such as services or charges for communications, transportation, advertising, printing or binding, insurance, public utility services, repairs and maintenance, rentals, miscellaneous items and all items of expenses to any person, firm, or corporation rendering such services.
<b>Pandemic</b>	A disease or illness prevalent throughout an entire country.
<b>Penalties</b>	Charges to utility customers for late payment of their water, electric, sewer, and solid waste charges.
<b>Performance Measures</b>	Quantitative and/or qualitative objective measurement of results by a unit of program which helps to determine effectiveness in meeting goals and objectives.
<b>Permits</b>	Revenue derived from various permits, as defined by the City Code, for the performance of a specific action. For example, building a house.

---

<b>Personal Services</b>	Category of expense which includes expenses for salaries, wages, per diem or other compensation, fees, allowances or reimbursement for travel expenses, and related employee benefits, paid to any officer or employee for services rendered or for employment. Employee benefits may include employer contributions to a retirement system, insurance, sick leave, terminal pay or similar benefits.
<b>Ponca City Development Authority (PCDA)</b>	A public trust of the City of Ponca City which accounts for activities of the Economic Development Funds.
<b>Ponca City Utility Authority (PCUA)</b>	A public trust of the City of Ponca City which accounts for activities of Water, Light, Solid Waste, Landfill Closing, Solid Waste Depreciation Reserve, Utility Billing, Wastewater, Stormwater and Information Services.
<b>Proprietary Funds</b>	Funds that account for government operations that are financed and operated in a manner similar to a private business.
<b>Sage</b>	Acronym for Sustainable Alternative Green Energy which is a PCDA initiative to grow a renewable energy economy in Ponca City.
<b>Special Assessment</b>	Receipts from assessments places on a property, within the City, for public improvements which have benefited that property.
<b>Special Revenue Fund</b>	A fund used to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.
<b>StormReady</b>	A program by the National Weather Service designed to recognize entities that have reached a high level of severe weather preparedness.
<b>Transfers</b>	Category of expense which includes outlays to other funds in the form of operating transfers and residual equity transfers.
<b>Unencumbered Balance</b>	The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.
<b>User Fee</b>	The payment for the direct receipt of a public service by the user of the service.

