

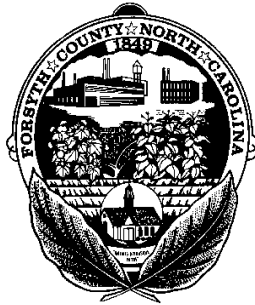
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# 2015 – 2016 Annual Budget Forsyth County, North Carolina

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## BOARD OF COUNTY COMMISSIONERS



**David R. Plyer, Chairman**  
Kernersville, N.C.

**Don Martin, Vice Chair**  
Tobaccoville, N.C.

**Gloria Whisenhunt**  
Winston-Salem, N.C.

**Ted Kaplan**  
Lewisville, N.C.

**Walter Marshall**  
Winston-Salem, N.C.

**Everette Witherspoon**  
Winston-Salem, N.C.

**Richard Linville**  
Kernersville, N.C.

### **COUNTY OFFICIALS:**

**J. Dudley Watts, Jr.**, County Manager  
**Damon Sanders-Pratt**, Deputy County Manager  
**Ronda D. Tatum**, Assistant County Manager  
**Jane F. Cole**, Director, External Communications  
**Carla D. Holt**, Clerk to Board  
**Paul L. Fulton, Jr.**, Chief Financial Officer  
**William T. Schatzman**, Sheriff  
**Norman Holleman**, Register of Deeds  
**Davida Martin**, County Attorney

### **BUDGET & MANAGEMENT STAFF:**

**Kyle W. Wolf**, Senior Analyst  
**Adam J. Fernbach**, Analyst  
**J. Kyle Haney**, Analyst  
**Patrice Y. Toney**, Analyst  
**D. Adam Pendlebury**, Office Administrator

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**G.F.O.A. Distinguished Budget Presentation Award**

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The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to Forsyth County for its annual budget for the fiscal year beginning July 1, 2014.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

This award, along with the Certificate of Achievement for Excellence in Financial Reporting, helps Forsyth County present a quality image to bond rating agencies and their outside organizations.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Forsyth County  
North Carolina**

For the Fiscal Year Beginning

**July 1, 2014**

Executive Director

# READER'S GUIDE

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The Annual Budget Document for Forsyth County is grouped into nine sections, each with a specific theme & purpose. Taken together they comprise a document designed to meet the information needs of all users - from the casual reader to those appraising the financial stability of the County.

## **Manager's Message**

The Manager's message describes the objectives for the County based on priorities previously agreed upon by the Board of Commissioners. It covers important issues such as tax rate, budget issues and objectives, changes to the budget, changes in services, fund balance, personnel, schools, and other operating improvements and capital improvements when they are incorporated into the annual budget. Also included are future considerations for issues to be addressed in subsequent budget years.

## **Policies and Goals**

In this section the reader will find the following:

- Policies, Goals & Basis for Future General Fund Budget Projections
- Summary sheet and detailed data for Future General Fund Budget Projections
- County's Mission Statement
- Information on county government in North Carolina
- Operating Policies and Goals
- Financial Policies and Goals
- Basis of budgeting and budgetary amendments
- Debt Management Policies
- Balanced Budget definition
- Fund Balance definition

## **Financial Section**

This section starts with a summary of annually budgeted funds, followed by a combined summary of all funds. In addition to the General Fund, the County has four annually budgeted special revenue funds.

The Summary of Annually Budgeted Funds provides summary totals for expenditures, revenues and fund balances appropriated for the upcoming budget year. The combined summary of all funds shows revenues by source, expenditures by service area and total commitments and fund balances. This summary sheet is followed by separate sheets for each fund in the same format as the summary.

The next section begins with a one-page summary of revenue sources and expenditure uses. It is followed by descriptions of revenue sources that show history, trends and projections for the upcoming fiscal year. This is followed by descriptions and trends for expenditure uses.

In order to ensure a consistent format, and to provide a crosswalk between revenues and expenditures, the following reports are also included in this section:

1. General Fund expenditures and revenues by Service Area/Department
2. General Fund expenditures and revenues by Object Level 1/Department

## **General Fund**

An organization chart shows the relationships between the Board of Commissioners, other related Boards, the County Manager and operating departments in the General Fund.

Data on personnel positions by service area follows trends in staffing from prior year actual through the adopted budget for the new fiscal year.

Summary sheets are included at the beginning of each service area (for example, Public Safety) that show the relative costs for the function compared to the total budget. Overall goals and objectives for the service area are also shown. Service area organization charts and personnel position data are also shown in the summaries.

## READER'S GUIDE

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Sheets are then provided for each County department and joint City-County department. There are separate sheets for thirty-three County departments and three joint City-County departments administered by the City of Winston-Salem (Emergency Management, Inspections/Planning, and Purchasing). The sheets for each department include: a mission statement, budget highlights, performance and workload measures, a program summary, expenditure and revenue data and (with the exception of joint City-County departments) trends for budgeted positions from Prior Year Actual through Adopted.

### Special Revenue Funds

The **Emergency Telephone System Special Revenue Fund** is used to account for the sixty-cents per month E911 surcharge. The funds are to be used exclusively for costs associated with the Emergency Telephone System.

The **Law Enforcement Equitable Distribution Fund** is used to provide funds from drug seizure revenue for the eradication of drug trafficking in Forsyth County. These monies are to be used exclusively for equipment, personnel, and training as designated by the Sheriff in accordance with Federal law.

One of the County's multi-year special revenue funds is school-related. The sheets for these funds show the projected flow of state and county funds for these projects. The County's match for the **State Public School Building Capital Fund** comes from bond funds and ADM funds rather than the General Fund.

The **Housing GPOs** include transfers from the General Fund for local matching funds, plus expenditures and revenues from various grant-funded housing programs.

The **Justice Assistance Trust Grant Funds** are used to account for the Federal Justice Assistance Grant shared with the City of Winston-Salem and/or the Town of Kernersville.

The **Special Fire Tax District Fund** is used to account for property tax collections and other revenue sources for distribution to the County's twenty-two fire tax districts & three service districts. Information is included for each district on the appropriation, fund balance and tax rate for the current year; the requested and recommended tax rate; and the tax rate revenue, fund balance appropriation and total appropriation for the new fiscal year.

The **O. Moser Special Revenue Fund** was provided from the estate of Odis Moser to provide assistance and special requests from the elderly population of Forsyth County.

### Capital Project Ordinances

These are described in detail, showing all revenue sources, the original and current budgets and projected activity for the current year, upcoming year and further into the future. This section concludes the currently established funds in our document. The next section describes projects that are in the planning stages.

### Capital Improvements Plan

This section describes projects that are in the **planning** stage. The Capital Improvements Plan is the result of an ongoing process by County officials to assess the need for major capital expenditures, assess the feasibility of funding these projects, and establish an orderly plan for implementation. Operating expenses for the General Fund are also shown by project and year on the Annual General Fund Requirements by project and Annual General Fund Requirements by Department sheets.

Projects are distributed through the multi-year plan based on need, and in keeping with the County's debt-ceiling policy. As mentioned above, this section describes projects that are in the **planning** stages while the previous sections describe established funds.

### Appendices

Historic, financial, demographic and statistical information is included in this section to allow the reader to become more familiar with the assets of Forsyth County. A list of acronyms is included in the glossary.

# READER'S GUIDE

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## **Budget Ordinance.**

A copy of the newly adopted budget ordinance for the County includes revenue and expenditure information for the General Fund, and the four annually-budgeted special revenue funds. The ordinance also delineates the authority of the County Manager and Clerk to the Board to enter into certain agreements and perform specific other functions related to the annual budget.

The Ordinance establishes the ad valorem tax levy and license tax levies. Other provisions cover restrictions on contingency funds, compensation/allowances of the County Commissioners, and concerns/restrictions related to Contingency and grantee agencies.

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## **Budget Preparation Calendar For FY 2015-16**

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### **November**

- ◆ Budget & Management Department prepares budget guidelines and preparation package.
- ◆ Schedule for budget preparation process approved by Manager.

### **December**

- ◆ Budget & Management Department distributes Budget Preparation Package to departments.

### **January**

- ◆ New position requests & other requests for additional resources submitted from departments.
- ◆ Budget & Management and Finance Departments prepare County Mid-Year Report on the first six months of operation (expenditures, revenues and projects) and projections for year-end.
- ◆ Capital Improvements Program prepared for Winter Work Session with Board of County Commissioners.

### **February**

- ◆ Current Year Estimates (thru 6/30) & Budget Requests (Continuation & Alternate Service Level) submitted from departments.
- ◆ Winter Work Session for County Commissioners, County Manager, and Management staff.

### **March-April**

- ◆ Staff reviews budget estimates and requests from departments and prepares work papers.
- ◆ Current year estimates and preliminary request totals to County Manager from Budget & Management Department.
- ◆ County Manager's meetings with Budget staff and departments regarding budget requests.

### **April/May**

- ◆ Winston-Salem/Forsyth County Schools & Forsyth Technical Community College's presentations of budget requests to Board of County Commissioners.
- ◆ County Manager and Budget staff finalize preliminary budget document.

### **May**

- ◆ Preliminary budget document presented to Board of Commissioners by County Manager.
- ◆ Public Hearing on proposed budget.
- ◆ Board of Commissioners holds work sessions on budget proposals.
- ◆ Budget Ordinance adopted by Board of County Commissioners.

### **June**

- ◆ Adopted budget ordinance finalized, printed and distributed.

### **July**

- ◆ New fiscal year begins.
- ◆ Budget implementation.

# READER'S GUIDE

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## Process For Preparing, Reviewing and Adopting the Annual Budget

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### November/December

The Budget & Management Department prepares budget guidelines and the preparation package that is sent to the departments. The packages are sent to the departments in December and include:

1. Cover letter from the County Manager describing the fiscal climate, priorities, major funding issues and budget guidelines for the coming year;
2. Percentage changes for utility and telephone costs;
3. Vehicle mileage rates;
4. Schedule showing the dates by which the estimated and requested figures are to be entered into the budget system;
5. Space costs for Hall of Justice and Forsyth County Government Center.

### January

Departments prepare their requests for new positions and other additional resources and submit these requests to the Budget and Management Department. The Position Classification Distribution (PCD) report is sent to the departments and is updated to show any changes in the distribution of salaries among the department's cost centers. Requested new positions are given position control numbers (PCN) and are added to the requested version of the Position Classification Distribution report, only if they will be a part of the Continuation budget.

Budget & Management staff reviews the requests from their assigned departments, asks for additional information as needed, and begins the preliminary recommendation process. Staff frequently does statistical analysis independent of the departments to clarify the need for the additional resources.

The Budget System is updated to show the six month's amended budget, and six month's actual to date figures. The departments order reports with the updated figures and begin the process of entering their estimates into the Budget system.

The Capital Improvements Program is prepared for the Winter Work Session with the Board of County Commissioners. Forms are requested from the departments for major improvements/additions to their facilities or equipment. These requests are discussed by management staff, and if approved, are put in priority order. The projects are then included in the Capital Improvements Plan by year, along with anticipated operating costs and potential debt service implications, if applicable.

### February - March

Current Year Estimates (through 6/30) and Budget Requests (Continuation and Alternate Service Level) are entered into the Budget system by the departments. Supplemental data detailing descriptions and amounts for each Object Level 3 are submitted to the Budget & Management Department.

The Planning Work Session is held with the County Commissioners, County Manager and management staff. Expenditure and revenue projections and the Capital Improvements Plan are presented for consideration by the Board. Major factors driving the budget are discussed. The Commissioners provide feedback and direction to the County Manager and Staff related to the Board's priorities and preferences for the upcoming budget.

The Budget & Management Staff checks the estimates provided by their assigned departments and makes adjustments as needed. Staff enters estimates and requests for Non-Departmental, Community Grants, Debt Service, Economic Development, joint County/City departments and other outside agencies. Staff also enters salary and fringe benefit figures for each cost center using data from the updated Position Classification Distribution report and the fringe benefit ratios calculated in December.

Budget requests are discussed with the departments, and the Budget staff begins to formulate and enter preliminary recommendations into the Budget System.

Community agencies submit application for county funding. These are due by the end of January.



# READER'S GUIDE

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## Process For Preparing, Reviewing and Adopting The Annual Budget (continued)

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### March/April

The Budget & Management Staff completes preliminary recommendations for their assigned departments. Document sheets, an explanation of issues and selected reports and back up material are sent to the County Manager, the Deputy County Manager assigned to the affected department, the Budget Director and the Department Manager in preparation for scheduled budget meetings. Meetings are then held with the County Manager, a Deputy County Manager, the Department Manager and key staff, the Budget Director and the Budget Analyst responsible for the given department's preliminary budget recommendations. Issues are discussed and changes made by the County Manager are entered into the system by Budget Staff.

### April/May

Winston-Salem/Forsyth County Schools and Forsyth Technical Community College make their budget presentations to the Board of County Commissioners. Detail is provided on their requested funding levels and programs and both respond to questions from the Commissioners on any issues that need clarification.

Final decisions are made for the Continuation Recommended budget and the Manager makes recommendations regarding Alternate Service Level requests. Revenue sources and expenditures are rechecked for accuracy. The recommended tax rate is calculated for the upcoming year. The budget is balanced in the system. Pages for the document are updated through the Continuation Recommend column. Sheets with supporting data are finalized and both the Preliminary document is sent to the Print Shop.

### May

The Preliminary and Alternate Service Level Documents are formally presented to the Board of Commissioners at their regularly scheduled Thursday afternoon briefing. The County Manager goes over highlights of the recommended budget and responds to questions by the Commissioners. The Budget Staff attends this briefing to provide backup information if necessary.

A notice for the Public Hearing on the Recommended Budget is printed in local newspapers showing the date, time and location for the meeting.

The Preliminary Budget and Alternate Service Level Documents are placed on the County's website for the public and departments. All Library locations receive CD versions of the document for public viewing.

A Public Hearing is held on a Monday (or Tuesday if a holiday) night at a regularly held meeting of the County Commissioners for public comment on the upcoming budget. Agencies and individuals express their concerns on issues related to the budget. The Commissioners do not respond to questions or debate the issues at this meeting, but listen to the input provided by the community. The Commissioners continue this meeting to the following Thursday in order to adopt the budget.

Workshops are held with the County Commissioners, County Manager, Management Staff, and Budget Staff to discuss the recommended budget. These workshops are on the Tuesday and Wednesday (or Wednesday/Thursday morning if Memorial Day holiday disrupts schedule) following the Public Hearing. The Commissioners make their desired adjustments and these changes are entered into the budget system. A new tax rate is calculated and the adopted budget is balanced. A Budget Ordinance is prepared for adoption by the Commissioners on Thursday at their continued meeting.

### June

The adopted Budget Document is finalized, printed and distributed.

## GLOSSARY OF BUDGET-RELATED TERMS & ACRONYMS

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### **ABC Funds**

County share of "profits" received from the local Alcoholic Beverage Control Commission.

### **Ad Valorem Tax**

A tax levied on the assessed value of real estate or personal property also known as the "property tax"

### **Accounts**

County expenditure accounts listed on departmental sheets:

#### ***Salaries & Wages***

(FT, PT and temporary salaries; overtime; longevity; general adjustments; step adjustments, reclassifications)

#### ***Employee Benefits***

(life/health/dental insurance; retirement; FICA; separation allowance contribution, employer share of 401K and deferred compensation; unemployment; retiree hospitalization; LEO separation allowance)

#### ***Professional Fees***

(medical fees; autopsies; laboratory fees; physical, speech & occupational therapist fees; legal, audit and engineering fees; security service & veterinary fees; temporary help-outside agency fees)

#### ***Maintenance Service***

(elevator maintenance; janitorial, linen/laundry and exterminating service; solid waste disposal; equipment and auto repair; software and communication equipment maintenance)

#### ***Rent***

(space, equipment, auto and software rental)

#### ***Utility Services***

(water and sewer)

#### ***Construction Services***

(contracted buildings and building improvements)

#### ***Communications***

(telephone and teleprocessing; communication circuits)

#### ***Travel***

(training & conference; registration & course fees; required travel; personal mileage and parking)

#### ***Other Purchased Services***

(contract printing; collection costs and book processing; ordinance codification; food services; software licensing fees; food stamp and bank service charges; inmate housing; towing charges; advertising; client transportation)

#### ***General Supplies***

(miscellaneous office supplies; postage; small equipment; janitorial supplies; construction supplies; uniforms; books and subscriptions)

#### ***Energy***

(electricity; fuel oil; natural gas; gasoline)

#### ***Operating Supplies***

(auto repair parts; tires; library books and periodicals; audio-visual, software, medical and microfilm supplies)

#### ***Inventory Purchases***

(merchandise for resale and pharmacy inventory)

#### ***Support & Assistance***

(public assistance such as Food & Nutrition Services; Work First Assistance aid to the blind; family planning medical services; adoption assistance payments; emergency assistance; food stamp refunds; court ordered payments; pauper burials; special service expense; JOBS training, support, work-related expense & transportation; foster care payments; special service expense; adult day care; Work First transportation and vendor payments; Child Care Development Fund (CCDF) child care; KBR Trust & Title XX vendor payments; crisis intervention energy assistance)

#### ***Other General & Administration***

(memberships & dues; refunds & releases; informants pay; survivor benefits; legal and costs; rewards and incentives; tuition reimbursement; housing acquisition, construction, deferred payment loans & rehabilitation costs; assessments and property tax; document recording costs; interlibrary loan costs; non-employee expense reimbursements; deferred payment loans; fines & penalties; LSCA, Kiger Fund, Chatham Fund & special gift budget-only accounts)

#### ***Vehicles***

(trucks & autos; emergency vehicles; motive equipment)

#### ***Equipment***

(equipment and computer software)

## GLOSSARY OF BUDGET-RELATED TERMS & ACRONYMS

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### Acronyms

**ABC** - Alcoholic Beverage Control  
**ACA** - Affordable Care Act  
**ACE** - Adult Continuing Education  
**ADA** - Americans with Disabilities Act  
**ADM** - Average Daily Membership  
**AHEC-NC** - Area Health Education Center-North Carolina  
**AIDS** - Acquired Immune Deficiency Syndrome  
**ARCA** - Addiction Recovery Care Association  
**AVL** - Automated Vehicle Locator  
**BABs** - Build America Bonds  
**BCCCCP** - Breast & Cervical Cancer Control Program  
**BOCC** - Board of County Commissioners  
**CAD** - Computer Aided Dispatch  
**CBA** - Community Based Alternatives  
**CCDF** - Child Care Development Fund  
**CDBG** - Community Development Block Grant  
**CDC** - Center for Disease Control  
**CFR** - Crash/Fire/Rescue  
**CIP** - Capital Improvements Program  
**COLA** - Cost of Living Adjustment  
**COPS** - Certificates of Participation/ or Community Oriented Policing Services  
**CPI** - Consumer Price Index  
**CPO** - Capital Project Ordinance  
**CRP** - Capital Repair Plan  
**CPS** - Child Protective Services  
**CRS** - Community Rating System  
**CSHS** - Children's Special Health Services  
**CYO** - Current Year Original  
**DA** - District Attorney  
**DEA** - Drug Enforcement Agency  
**DENR** - Department of Environment & Natural Resources  
**DOJ** - Department of Justice  
**DOT** - Department of Transportation  
**DP** - Data Processing  
**DSS** - Department of Social Services  
**EDLP** - Education Debt Leveling Plan  
**EMS** - Emergency Medical Services Department  
**EMT** - Emergency Medical Technician  
**EPA** - Environmental Protection Act  
**ESC** - Employment Security Commission  
**FAMIS** - Financial and Management Information System  
**FDIC** - Federal Deposit Insurance Corporation  
**FLSA** - Fair Labor Standards Act  
**FT** - Full time  
**FTCC** - Forsyth Technical Community College  
**FY** - Fiscal Year  
**GCC** - Governor's Crime Commission  
**GFOA** - Government Finance Officers Association  
**GHSP** - Governor's Highway Safety Program  
**GIS** - Geographic Information System  
**GPO** - Grant Project Ordinance  
**GS** - General Statute  
**HAVA** - Help America Vote Act  
**HAZMAT** - Hazardous Material  
**HCFA** - Health Care Financing Agency  
**HOJ** - Hall of Justice  
**HUD** - Housing and Urban Development

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## GLOSSARY OF BUDGET-RELATED TERMS & ACRONYMS

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### Acronyms (Contd.)

**HVAC** - Heating, Ventilating and Air Conditioning  
**IDA** - Individual Development Account  
**INS** - Immigration & Naturalization Services  
**IV-D** - Child Support  
**IV-E** - Public Assistance Eligible  
**JAG** - Justice Assistance Grant  
**JCP** - Juvenile Crime Prevention  
**K** - Thousand  
**KBR** - Kate Bitting Reynolds Foundation  
**KVL** - Kernersville  
**LEDC** - Law Enforcement Detention Center  
**LEED** - Law Enforcement Equitable Distribution Fund  
**LIEAP** - Low Income Energy Assistance Program  
**LLEBG** - Local Law Enforcement Block Grant  
**LSCA** - Library Services Construction Act  
**LSTA** - Library Services Technology Act  
**LT** - Long Term  
**M/WBE** - Minority/Women Based Enterprises  
**MIS** - Management Information Services  
**NACO** - National Association of Counties  
**NC** - North Carolina  
**NC A&T** - North Carolina Agriculture & Technical State University  
**NC DOT W/F** - North Carolina Department of Transportation Work First  
**NCACC** - North Carolina Association of County Commissioners  
**NCEM WMD** - North Carolina Emergency Management Weapons of Mass Destruction  
**NCGS** - North Carolina General Statutes  
**NCHFA** - North Carolina Housing Finance Act  
**NCPTS** - NCACC Collaborative Property Tax System  
**NCVTS** - North Carolina Vehicle System  
**NESHAP** - National Emission Standards for Hazardous Air Pollution  
**PART** - Piedmont Area Regional Transportation  
**OVW** - Office of Violence Against Women  
**PC** - Personal Computer  
**PT** - Part time  
**PYA** - Prior Year Actual  
**QSCBs** - Qualified School Construction Bonds  
**RJR** - R.J. Reynolds Industries, Inc.  
**SMCP** - State Misdemeanant Confinement Program  
**SORT** - Special Operations Response Team  
**SOS** - Safe on Seven  
**SSA** - Social Services Administration  
**STD** - Sexually Transmitted Disease  
**SWCD** - Soil and Water Conservation District  
**T/O** - "To outside" as in payments to outside agencies  
**TANF** - Temporary Assistance to Needy Families  
**TANF/WFFA** - Temporary Assistance to Needy Families/Work First Family Assistance  
**TB** - Tuberculosis  
**TFR** - Transfer  
**UCC** - Uniform Commercial Code  
**USDA** - United States Department of Agriculture  
**WFU** - Wake Forest University  
**WIC** - Women, Infants & Children Program  
**W-S** - Winston-Salem  
**WS/FC** - Winston-Salem/Forsyth County  
**WSSU** - Winston-Salem State University  
**YWCA** - Young Women's Christian Association

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## **GLOSSARY OF BUDGET-RELATED TERMS & ACRONYMS**

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### **Appropriation**

The legal authorization made by the Board of County Commissioners to departments and agencies of the County to expend certain funds and incur obligations for specific purposes. The appropriations are set for specific timelimits in which fund may be expended.

### **Assessed Valuation**

An estimated value placed upon real and personal property by the County Tax Assessing Office as the basis for levying property taxes.

### **Arbitrage**

The ability to invest proceeds from the sale of tax-exempt securities in high yielding taxable securities which results in interest revenue in excess of interest costs.

### **Budget Calendar**

The schedule of key dates or milestones which the County follows in the preparation and adoption of the budget.

### **Budget Implementation**

Adopted budget is rolled into the financial system so that appropriations are in place for the departments to conduct their operations.

### **Budget Message**

The opening section of the budget document which provides the Board of County Commissioners 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 County Manager.

### **Budget Ordinance**

The official enactment by the Board of County Commissioners that makes appropriations and levies taxes for the budget year. The ordinance may be in any form that the Board considers most efficient in enabling it to make the fiscal policy decisions embodied therein, but it shall make appropriations by department, functions, or project and show revenues by major source. The Board shall adopt a budget ordinance no earlier than 10 days after the day the budget is presented to the Board and no later than July 1. (See Interim Budget)

### **Budget Preparation Package**

The set of instructions and forms sent by the Budget & Management Office to the departments & agencies of the County for them to prepare their operating budget requests for the upcoming year.

### **Capital Improvement Program (CIP)**

A plan for capital expenditures to be incurred each year over a fixed period of years that sets forth for each capital project; the total estimated cost, the expected beginning and ending date, the amount to be expended in each year, and the method of financing those expenditures, if appropriate. The Plan also provides for any related increased/decreased General Fund operating expenses which may be incurred as a result of implementing the project.

### **Capital Assets**

Assets with an initial, individual cost of \$20,000 or more for buildings, building improvement and improvements other than buildings; and \$5,000 or more and an estimated useful life of more than three years for all other assets.

### **Capital Outlay**

The cost for acquisition, construction, improvement, replacement, or renovation of land, structures and improvements thereon. (Expenditures to replace parts or otherwise to restore assets to their previously efficient operating condition, are regarded as repairs.) Equipment is physical property, other than land and buildings, having a useful life of more than three years and a cost of \$5,000 or more.

### **Contingency**

A budgetary account set aside for emergencies or unforeseen expenditures.

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## **GLOSSARY OF BUDGET-RELATED TERMS & ACRONYMS**

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### **Cost Sharing Data**

Cost Sharing Data is used as a management tool to capture the value of labor, materials and overhead for services that are provided to County departments by other County departments. Examples are grounds maintenance & management information services. These entries do not constitute actual appropriations of funds.

Contra Expenses are the negative or offsetting entries that are included in the budget of the department that provides the service.

Cost Sharing Expenses are the entries shown in the budgets of the departments that receive the service, and are offset by negative entries in the provider department's budget as described above.

### **Current Year Estimates**

Projected Estimates for amounts to be expended by the end of the fiscal year (June 30) made as of March 30.

### **Debt Service**

The County's obligation to pay the principal, interest, and related fees on the indebtedness of the County for existing bonds, notes, or installment purchases according to a pre-determined payment schedule.

### **Encumbrance**

An amount of money committed and set aside, but not yet expended, for the purchase of a specific good or service.

### **Fund Balance**

The equity (excess of assets over liabilities) in a governmental fund.

### **General Fund**

The fund used to account for all activities of a government except those required to be accounted for in another fund. It is the general operating fund of the County.

### **Grant**

A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments or local foundations. Grants are usually made for specified purposes.

### **Intangible Taxes**

Taxes that were levied and collected by the State on certain personal property on behalf of local governments. The proceeds were distributed to the County and all municipalities within the County. Since the tax was repealed, the State payments in lieu of the taxes are shown.

### **Interfund Transfers**

Amounts transferred from one fund to another.

### **Interim Budget**

If the adoption of the budget ordinance is delayed until after July 1, the governing board shall make interim appropriations for the purpose of paying salaries, debt service, and the usual and ordinary expenses of the local government for the interval between the beginning of the budget year and the adoption of the budget ordinance.

### **Modified Accrual**

The County follows the modified accrual basis of accounting for all funds, under which revenues are recorded as the amount becomes susceptible to accrual by becoming measurable and available to pay current period liabilities. Expenditures, other than interest on general long-term obligations and vacation pay are recorded when the liability is incurred, if measurable. Interest on general long-term obligations is recorded when due.

## **GLOSSARY OF BUDGET-RELATED TERMS & ACRONYMS**

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### **Modified Accrual (Contd.)**

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amount will be reimbursed to the County; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure & are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Charges for services (other than health-related) and intangibles and sales taxes are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest on investments is recorded as earned since it is both measurable and available.

### **Occupancy Tax**

A percentage tax levied by the Board of Commissioners on certain accommodations, the proceeds of which are appropriated to the Tourism Development Authority.

### **OPEB - Other Post Employment Benefit**

Trust fund that accumulates resources to pay other post employment benefits for qualified retired County employees, primarily healthcare benefits. Forsyth County budgets \$1.6 million per year to transfer to this fund.

### **Preliminary Budget**

The proposed recommended County budget is submitted by the County Manager to the Board of County Commissioners in late May each year.

### **Prior Year Encumbrance**

Funds budgeted in the current fiscal year for items/services budgeted for and encumbered but not purchased in the previous fiscal year.

### **Property Tax**

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

### **Source Of Revenue**

Revenues are classified according to their source or point of origin.

### **Special Revenue Fund**

Accounts for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specific purposes.

### **Tax Collection Rate**

The percentage of the tax levy that is expected to be collected in a fiscal year. The budgeted collection rate cannot exceed the actual collection rate for the previous year.

### **Tax Levy**

The total amount to be raised by general property taxes for operating and debt service purposes specified in the annual budget ordinance.

### **Tax Rate**

The amount of tax levied for each \$100 of assessed valuation.

### **Service Area**

The major categories of County government: Public Safety, Environmental Management, Health, Social Services, Education, Community & Economic Development, Administration & Support, and General Government.