GLOSSARY OF SIGNIFICANT TERMS

ACCRUAL BASIS OF ACCOUNTING
A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

ACTIVITIES
The major programs and projects performed by a department.

ACTIVITY AND PROGRAM DATA STATISTICS
Data that reflects the volume (quantitative measure) of work performed in the significant activities of a department/program. As the County implements its strategic planning process, this information will be transitioned into performance measures (see performance measures).

AMORTIZATION
The gradual elimination of a liability.

APPROPRIATION
The legal authorization to make expenditures or incur financial obligations for goods or services during the budget year. Appropriations are authorized in department budgets by fund.

APPROPRIATION UNIT
An expenditure account grouped by purpose, including:

1. Personnel Costs
2. Operating Expenses
3. Interdepartmental Charges
4. Fixed Assets/Improvements
5. Debt Service

ADOPTED BUDGET
The budget that is approved by the County Board in November for the following fiscal year beginning January 1.

ASSESSED VALUATION
A valuation set upon real estate and certain personal property, by the municipal assessor, as a basis for levying property taxes. (See equalized value)

ASSETS
Resources with present service capacity that the government presently controls.

AUTHORIZED POSITIONS
Regular full-time or regular part-time positions as authorized by a County Board approved ordinance.

BADGERCARE
A state medical assistance program providing health benefits to children and parents in working families with income below 185% of the federal poverty level, who do not have access to health insurance.

BALANCE SHEET
A statement that discloses the financial condition of an entity by assets, liabilities, reserves, and equities of a fund or account group at a specific date to exhibit financial position.

BALANCED BUDGET
A budget in which revenues and expenditures are equal. Waukesha County's budget is balanced, as county budgeted total expenditures are funded by a combination of various external revenue sources (e.g., intergovernmental grants, licenses fees, or fines), property taxes, and funds available for appropriation in fund balances as identified in the prior year Comprehensive Annual Financial Report.

BASIC COUNTY ALLOCATION (BCA)
The major state funding source for County Human Service Department programs. These funds can be broadly used to pay for social services and services for mentally disabled persons.

BOND OR PROMISSORY NOTES
A fixed interest financial asset issued for a period of time with the purpose of raising capital by borrowing.

GLOSSARY OF SIGNIFICANT TERMS

BOND RATING
A level of risk assigned to general obligation promissory notes assessed by a rating agency. The higher the rating, the less risky the notes are to the entity borrowing the funds. Waukesha County has a Aaa bond rating, which represents the lowest risk possible to obtain. Waukesha County is one of less than thirty counties in the nation with a Aaa bond rating.

BONDED DEBT
The portion of indebtedness represented by outstanding bonds, which include general obligation promissory notes that are backed by approved, irrevocable future tax levies for debt service.

BUDGET
A plan of financial operation embodying an estimate of proposed expenditures and revenues for a given calendar year. It specifies the type and level of county services to be provided, while limiting through the appropriation process the amount of money that can be spent. Budgets are adopted for the following fiscal year, but they can be modified. Most local governments have two types of budgets, an "operating" budget and a "capital" budget.

BUDGET BOOK
The official written document prepared by the budget office and supporting staff, which presents the Executive's proposed budget to the County Board for review and the final adopted document, subsequent to County Board approval and Executive veto (if necessary).

BUDGET MESSAGE
The opening section of the budget prepared by the County Executive, that provides the County Board of Supervisors and the public with a general summary of important aspects of budget policy, including changes from the current and previous fiscal years.

BUDGETARY CONTROL
The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorization. Waukesha County controls at the appropriation unit level (see appropriation unit).

BUDGETED POSITIONS
Authorized positions that are funded in the current or ensuing budget year.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)
The official annual financial report for the County. This report is prepared in conformity with Generally Accepted Accounting Principles, and is subject to review by a public accounting firm. The report provides information used by bond rating agencies, prospective investors, regulatory and funding agencies, and other interested parties.

CAPITAL BUDGET
A budget of approved capital projects contained in the first year of the five-year capital projects plan.

CAPITAL EXPENDITURES
The cost of acquisition of operating equipment items, which includes expenditures for fixed assets and capital projects.

CAPITAL OUTLAY
The cost of acquisition of operating equipment items such as vehicles and office equipment greater than $5,000. These items generally have a useful life greater than one year, but less than ten years, and are included in an organization's operating budget.

CAPITAL PROJECT
An active or proposed nonrecurring expenditure that is in excess of one hundred thousand dollars ($100,000) for costs associated with a permanent fixed asset (e.g. building, land, highway and technology improvements, or equipment), and has a useful life or extends the useful life of and existing fixed asset, usually in excess of seven (7) years.

CAPITAL PROJECTS PLAN
A five-year plan for capital expenditures. The first year in the plan is the adopted Capital Budget.

GLOSSARY OF SIGNIFICANT TERMS

COMMISSIONS AND BOARDS
Members consist of both County Board of Supervisors and citizens. Most commission and board members are appointed by the County Executive and approved by the County Board. Responsibilities include making policy recommendations to the Executive on decisions that affect county government services and operations.

COMMUNITY OPTIONS PROGRAM WAIVER (COP-Waiver; COP-W)
Provides Medical Assistance funding for home and community-based care for elderly and physically disabled citizens who have long-term care needs, and who would otherwise be eligible for Medical Assistance reimbursement in a nursing home. County participation was mandated effective January 1, 1990.

COMMUNITY INTEGRATION PROGRAM IA (CIP I A)
A Medical Assistance funded program to provide community services to persons who are relocated from the State Centers for the Developmentally Disabled. County participation was mandated effective January 1, 1996.

COMMUNITY INTEGRATION PROGRAM II (CIP II)
A Medical Assistance funded program to provide community services to elderly and physically disabled persons after a nursing home bed is closed. County participation was mandated effective January 1, 1990.

CONTINGENCY FUNDS
Assets or other resources set aside to provide for unforeseen expenditures or for anticipated expenditures of uncertain amounts.

COUNTY BOARD CHAIRMAN
A County Board member elected by the County Board. This full-time position refers all matters directed to the County Board to the appropriate standing committees of the Board, and is responsible for determining the meeting agendas and for conducting the proceedings of the Board at its meeting. The County Board Chairman serves as Chairman of the Executive Committee and at any joint meeting of County Board Committees.

COUNTY BOARD OF SUPERVISORS
The acting County legislative body. Comprised of thirty-five (35) supervisors (twenty-five (25) beginning in April 2008) elected from separate districts. Supervisors are elected for two-year terms in April of even numbered years.

COUNTY EXECUTIVE
A non-partisan position who is elected at large for a four-year term. The Executive is responsible for coordinating and directing all administrative and management functions for the County, which are not vested in other elected officials. The Executive has the power to appoint the heads of all County departments, except those headed by elected officials or State statutory boards and commissions. The Executive appoints the members of most boards and commissions. Appointments are subject to County Board confirmation. A major responsibility of the County Executive is budget preparation and its submission to the County Board. The County Executive may veto a resolution or ordinance passed by the County Board, and the Executive may exercise a partial veto of legislation that involves an appropriation. A two-thirds vote of the members elect of the County Board is necessary to override a County Executive veto.

COUNTY-WIDE KEY STRATEGIC OUTCOMES
Seven strategic planning outcomes that are identified as significant priorities of the County. Departments assign each programmatic area to one outcome.

COMMUNITY SERVICES DEFICIT REDUCTION (CSDR)
A federal funding source that reimburses counties for a portion of Medical Assistance eligible costs

DEBT
An obligation resulting from borrowing money. Debts of school systems include bonds, time warrants, notes, and floating debt.

DEBT LIMIT
The maximum amount of gross or net debt legally permitted.

DEBT RATE LIMIT
The maximum debt rate that the County may levy a tax, which is imposed by the state legislature based on the 1993 debt rate limit.

GLOSSARY OF SIGNIFICANT TERMS

DEBT SERVICE
Cost of principal, interest, and service costs pertaining to long-term notes or bonds, which are issued to finance capital projects.

DEFEASANCE
The pay-down of debt by setting aside asset/funding in a fund to fulfill future principal and interest payments.

DEFICIT
The excess of expenditures/uses over revenues/resources.

DEPARTMENT
A major county office (agency) that administers programs and operations.

DEPRECIATION
A business operating expense, which reflects the annual benefit derived from capitalized fixed asset purchases. These costs are calculated for proprietary funds (i.e., internal service and enterprise funds only) in accordance with Generally Accepted Accounting Principals.

DESIGNATED FOR SUBSEQUENT YEAR
A portion of this year's unreserved fund balance to provide for the excess of expenditures, other financing uses over revenues, and other financing sources budgeted in the next year.

EFFECTIVENESS INDICATOR
A type of performance measure including effectiveness, quality, cycle time and citizen satisfaction that measures results and accomplishments of the service provided.

EFFICIENCY INDICATOR
A performance measure that measures how much output or outcome can be produced or provided by a given resource level, or how much input it takes to produce a given outcome level. Indicators quantify the relationship between inputs and outputs and can be expressed as productivity ratios or as unit-cost ratios.

EMPLOYEE BENEFITS
Compensation in addition to regular salary or wages provided to an employee. This includes health insurance, life insurance, dental insurance, Social Security, Wisconsin Retirement, and salary continuance (disability insurance).

ENCUMBRANCE
Obligations in the form of purchase orders, contracts, or salary commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when the actual liability is established.

EQUALIZED PROPERTY VALUATION
Equalized value is the statutory full market value of all taxable property within each jurisdiction (except agricultural land, which is valued based on income). The State Department of Revenue analyzes market sales statewide to estimate the full market (or equalized) value of each jurisdiction. Equalized values provide a means of comparing different jurisdictions, even if they are assessed at different percentages of market value. Equalized values are used to apportion the levies of overlying districts (e.g., schools and counties) to the municipalities within them. Also, they are used in distribution formulas for certain types of state aid to local governments. The state values are needed because municipalities assess property at varying percentages of market value.

EQUITY
The excess of assets over liabilities generally referred to as fund balance.

END USER TECHNOLOGY FUND (EUTF)
The End User Technology Fund is an internal service fund established to finance common technology infrastructure for county users. The fund is managed on a total cost of ownership basis and includes the following costs: the replacement and maintenance of personal computers, printers, and copiers; software licensing and support; help desk and training; maintenance of county network hardware and software; backup and recovery functions; and other costs related to making technology available to users.

GLOSSARY OF SIGNIFICANT TERMS

EXPENDITURE
The outflow of funds paid, or to be paid, for an asset or service obtained, regardless of when the expense is actually paid. NOTE: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended.

FINANCIAL STATEMENTS
Presentation of financial data that shows the financial position and the results of financial operations of a fund, a group of accounts, or an entire entity for a particular accounting period.

FISCAL YEAR
A twelve-month period to which the annual operating budget applies, and at the end of which a governmental unit determines its financial position and the results of its operations. Waukesha County uses a January 1 to December 31 calendar year as its fiscal year.

FIXED ASSETS/IMPROVEMENTS
Costs of all equipment items (over $5,000) used by agencies. This category includes capital outlay, small office equipment items, large automotive equipment, and major maintenance projects. Capital projects as defined by County Code and indicated above are excluded.

FULL TIME EQUIVALENT (FTE)
Used to compare the hours budgeted for regular full-time, regular part-time, temporary part-time, and overtime based on 2,080 hours annually of a full-time position.

FUNCTIONAL AREA
Departments are grouped in the annual budget according to the related functions that they perform. The budget has eight functional areas including: Justice & Public Safety, Health & Human Services, Parks, Environment, Education and Land Use, Public Works, General Administration, Capital Projects, Debt Service, and Non-Departmental.

FUND BALANCE
The excess of assets over liabilities (Fund Equity), which are defined as:

Reserved Fund Balance – A portion of fund balance that is legally segregated for a specific use.

Unreserved Fund Balance

- *Designated* – A portion of fund balance established to indicate tentative plans for financial resource utilization in a future period. Such plans are subject to change and may never be legally authorized or result in expenditures such as designations for operations and for subsequently budgeted expenditures.

- *Undesignated* – The remainder of fund balance which is neither reserved nor designated.

FUNDS
A fiscal entity that is segregated for the purpose of accounting and budget reporting. The following is a brief definition of the major types of funds used by Waukesha County.

1. Capital Projects: to account for financial resources to be used for the acquisition or construction of major facilities or equipment.

2. Debt Service: to account for the accumulation of resources for, and the payment of, general long-term debt and interest (other than enterprise and internal service fund debt).

3. General: to account for all financial resources used to fund general government operations not accounted for by other funds.

4. Proprietary: an account that uses the accrual basis of accounting.
    a. Enterprise: to account for operations that are financed and operated similar to private businesses with the intention that the costs of providing goods or services to the general public is to be financed or recovered primarily through user charges (e.g. golf courses).
    b. Internal Service: to account for the cost of providing goods or services by one department to another department on a cost-reimbursement basis (e.g. Central Fleet).

5. Special Revenue: to account for the proceeds of specific revenue sources that are legally restricted for specified purposes (e.g. library funds).

GLOSSARY OF SIGNIFICANT TERMS

FUND PURPOSE
A statement that describes the reasons why the fund exists. It is mainly used to describe the purpose of certain special revenues and proprietary (Internal Services and Enterprises) funds.

GENERAL OBLIGATION BONDS
Bonds in which the government pledges its full faith and credit to the repayment of bonds that it issues. The County is authorized by law (section 67.05 (10)) to levy on all taxable property, such advolorem taxes, without limitation as to rate or amount that may be necessary to pay the notes.

INCOME MAINTENANCE (IM)
Used to describe services and associated funding related to the providing of economic support services, such as food stamps, low income child care, and medical benefits.

INPUT INDICATORS
A type of performance measure indicating the volume of resources used in delivering a program or service.

INTERDEPARTMENTAL CHARGES
Costs of all supplies, materials, or services purchased by one county department from another county department (mainly Internal Service funds).

KEY OUTCOME INDICATOR (KOI)
Used to identify and justify how the performance measure is an indicator of success. KOIs link the performance measure to the outcomes and objectives and explain why the measure is important in determining success.

LIABILITIES
Amounts that are owed for assets received, services rendered, or any other obligation.

LAND INFORMATION SYSTEM (LIS)
An integrated computerized system that links land parcel locations to digital mapping and databases concerning property information (e.g., address, zoning, or civil boundaries).

MEDICAL ASSISTANCE (MA)
A Medicaid (Title XIX) program that pays for necessary health care services for persons whose financial resources are not adequate to provide for their health care needs.

MAJOR FUNDS DEFINITIONS
A fund is considered major if it is the primary operating fund of the County or meets the following criteria: (1) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type. (2) The same element of the individual governmental fund or enterprise fund that met the 10 percent test, is at least five percent of the corresponding total for all governmental and enterprise funds combined. In addition, any other governmental or proprietary fund that the County believes is particularly important to financial statement users may be reported as a major fund. The County has five major funds: General, Human Services, Long Term Care, Debt Service, and Airport.

MISSION
A statement defining the major reasons for the existence, including the purpose of the County.

MODIFIED ACCRUAL BASIS OF ACCOUNTING
Basis of accounting in which (1) revenues are recognized in the accounting period when they become available and measurable, and (2) expenditures are recognized in the accounting period when the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which are recognized when due.

MODIFIED BUDGET
An ordinance and fund transfer as a result of unanticipated revenues and/or expenditures that change the adopted budget; it then becomes a modified budget.

GLOSSARY OF SIGNIFICANT TERMS

NET ASSETS
The residual of all other elements presented in a statement of financial position.

OBJECTIVES
Goal statement that focuses on achieving the county-wide key strategic outcome. The level of services or specific achievement an agency expects to, or plans to accomplish in the budget year. Objectives should reflect desired outcomes or results as identified in the strategic plan.

OBLIGATIONS
Amounts that a governmental unit may be required to legally meet out of its resources, including both liabilities and unliquidated encumbrances.

OPERATING BUDGET
A plan of current expenditures and the proposed means of financing them. The annual operating budget is the primary means in which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets for governments is usually required by law. Even when not required by law, annual operating budgets are essential for sound financial management.

OPERATING EXPENSES
Cost of all utilities, supplies, materials, travel, and tuition expenses necessary for the operation of a department. Also includes costs of all services purchased from outside vendors.

OPERATING TRANSFERS
All interfund (between fund) and intrafund (within funds) appropriation transfers other than residual equity transfers, (Fund Balance) to the appropriation unit of the fund through which the resources are to be expended.

OTHER FINANCING SOURCES
Funds received from general long-term debt proceeds, operating transfers in, and material proceeds of fixed asset dispositions. Such amounts are classified separately from operating revenues.

OTHER FINANCING USES
Funds used for operating transfers out. Such amounts are classified separately from expenditures.

OUTPUT INDICATOR
A type of performance measure that reports the quantity or volume of products and services provided by the program.

OVERLAPPING DEBT
The proportionate share of the debts of local governments located in whole or in part within the limits of the reporting government, which must be borne by property within each government.

PER CAPITA INCOME
The total county income divided by the total county population.

PER DIEM
Compensation that is paid on a per day basis.

PERFORMANCE MEASURE
A measure used to determine success by indicating how well a program or service is accomplishing its mission and goals, by linking program area results to the County-Wide Key Strategic Outcomes and Objectives.

PERSONNEL COSTS
Costs of all salary and non-salary compensation incurred in accordance with County policy. Includes wages, longevity, and overtime compensation paid to County employees. This also includes compensation for sick leave, holiday, vacation, and education leaves. Major employee benefits include: County pension and Social Security contributions, health, life, dental, and disability insurance.

POSITION SUMMARY
The list of budgeted full-time positions within each program. Positions are expressed in terms of full-time work year equivalents (FTE); which is approximately 2,080 hours per year.

GLOSSARY OF SIGNIFICANT TERMS

PROGRAM
The primary identifiable financial unit of a department, which groups department functions and activities that have a common purpose.

PROGRAM BUDGET
A budget that focuses upon the mission, function, and objectives of a department rather than upon its detailed (line item) object classes of expenditures.

PROMISSORY NOTE
A written promise to pay (debt) a specific sum of money (called principal or face value) at a specified future date (called the maturity date(s)) along with periodic interest paid at a specified percentage of the principal (interest rate).

PROPERTY TAX
Taxes levied on both real and personal property according to the property's equalized valuation and tax rate.

RESERVE
An account used to earmark a specific portion of fund balance for a specific purpose.

RETAINED EARNINGS
An equity account reflecting the accumulated earnings of a proprietary (enterprise) fund.

REVENUES
Financial resources received from tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income. There are several budget categories of revenue that the County receives, including:

1. General Government Revenues: contracts or grant funds mainly from state and/or federal sources for the support of programs.

2. Fines and Licenses: funds received as a result of penalties paid by persons having been found in violation of state laws and/or county ordinances. Fees received from the sale of county issued licenses and permits to citizens and business entities to enable them to carry out regulated activities.

3. Charge for Services: funds received as payment for services performed by county agencies.

4. Interdepartmental Revenues: funds received for payments made or services performed by county agencies for other county agencies.

5. Other Revenues: funds received for rents, commissions, and other commercial-type income. Also includes transfers from other funds and proceeds from borrowing.

STANDING COMMITTEES
There are seven standing committees of the County Board organized on functional lines. The Executive, Finance, and Personnel committees deal with administrative policy matters; whereas, the remaining four standing committees (Judiciary and Law Enforcement; Health and Human Services; Land Use, Parks, and Environment: and Public Works) are concerned with policy matters affecting public services. Committees make recommendations to the Board on all budget and legislative matters that have been referred to them.

STATE AID
Funds made available by the legislature for distribution to each local unit of government based on a prescribed formula of distribution to offset some expenses.

STATEMENT OF PURPOSE
A statement defining the major reasons for the existence of the department, including its purpose in the County government.

STATUTE
A written law enacted by a duly organized and constituted legislative body.

GLOSSARY OF SIGNIFICANT TERMS

STRATEGIC PLANNING
The process of determining long-term goals and then identifying the best approach for achieving those goals.

SUNSET CLAUSE POSITIONS
Authorized positions created by County Board approved ordinances, which include a clause to reduce or eliminate a position or budget appropriation for that position if the designated funding source is subsequently reduced or terminated.

TAX LEVY
The total amount of revenues to be raised by property taxes to support County activities. Property taxes are levied in the current year for subsequent year appropriations.

TAX LEVY BUDGET BASE
The amount of tax levy included in the current year adopted budget.

TAX LEVY RATE (MILL RATE)
The amount of taxes levied for each $1,000 (mill) of equalized property valuation at the current tax rate.

TAX RATE LIMIT
The maximum rate in which the County may levy a tax. It is imposed by the state legislature based on the 1993 tax rate limit.

TAX INCREMENTAL FINANCING DISTRICT (TID)
Areas of redevelopment within a municipality, designated to finance public projects that stimulates development or redevelopment that would not otherwise occur. The area involved is designated a TIF district. To finance the cost of improvements, property taxes levied on any increased property value within the TID are diverted from the overlying taxing jurisdictions (municipal, school district, vocational district, and county) and, are placed in a special account to be used to pay the project costs.

TRUE NON-RESIDENT (TNR)
Resident in a non-library community.

UNFUNDED POSITIONS
An authorized position with no funding appropriation provided for the current or ensuing budget year.

VETO
A power of the County Executive to delete or stop approval on a resolution or ordinance passed by the County Board. The County Executive may exercise a partial veto of legislation that involves an appropriation. A two-thirds vote of the members elect of the County Board is necessary in order to override a County Executive veto action.

WISCONSIN WORKS (W-2)
A State program that replaced Aid to Families with Dependent Children (AFDC). Cash benefits are limited to 60 months and are contingent upon recipients taking a job or engaging in job training.

YOUTH AIDS
A funding source distributed by the State of Wisconsin Department of Corrections to pay for state correctional services for youths found by the courts to be delinquent, and to fund correctional alternative programs and services at the county level.