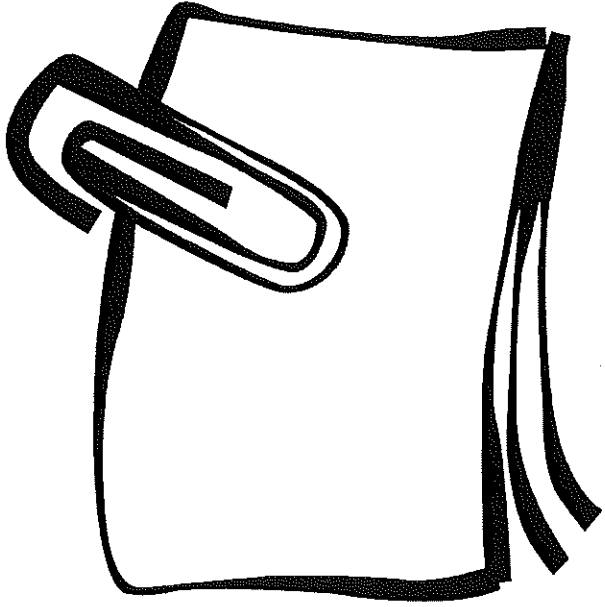




## *Appendix*



**City of Columbia City  
2011-12 Annual Budget**

**GLOSSARY OF TERMS**

**A**

**Accrual Basis of Accounting:** The 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.

**Accrued:** Earned but not received.

**Ad Valorem Tax:** A tax based on the assessed value of taxable property.

**Adoption:** Formal action by the City Council which sets the spending limits for the fiscal year.

**Amortized:** To reduce a debt by making payments against the principal balance in installments or regular transfers.

**Appropriation:** The legal authorization granted by the City Council to make expenditures and incur obligations. An appropriation is usually limited in amount and as to the time when it may be expended.

**Approved Budget:** The financial plan agreed upon by the Budget Committee.

**Assessed Valuation:** The value set by the County Assessor on real and personal taxable property as a basis for levying taxes.

**Available (Undesignated) Fund Balance:** This refers to the funds remaining from the prior year which are available for appropriation and expenditures in the current year.

**B**

**Balanced Budget:** A budget in which planned funds available equal planned expenditures, and operating revenues are equal to, or exceed, operating expenditures.

**Basis of Accounting:** The technical term that describes the criteria governing the timing of the recognition of transactions and events.

**Beginning Fund Balance:** The amount of unexpended funds carried forward from one fiscal year to another.

**Bond:** A written promise to pay a sum of money (principal or face value) at a future date (maturity date) along with periodic interest paid at a specified percentage of the principal

(interest rate). Bonds are typically used to finance long-term capital improvements.

**Bond Anticipation Note (BAN):** Interim financing in anticipation of the issuance of a bond which matures at a future date. Accrued interest is paid at the time of maturity.

**Budget:** A financial operating plan with estimated expenditures and expected revenues for a given period.

**Budget Message:** The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the coming period.

**Budgetary Basis:** Actual expenditures adjusted by the change in the end reserve for encumbrances.

**Budgetary Control:** The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

## **C**

**Capital Improvement Program:** A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years.

**Capital Outlays:** Expenditures which result in the acquisition of, or addition to, fixed assets.

**Capital Projects Funds:** A fund used to report major capital acquisition and construction separately from ongoing operating activities. Separate reporting enhances an understanding of the government's capital activities, and it helps to avoid the distortions in financial resources tend information that can arise when capital and operating activities are mixed.

**Consumer Price Index (CPI):** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living, i.e., economic inflation.

**Contingency:** An appropriation of funds to cover unforeseen events which occur during the budget year. City Council must approve all contingency expenditures.

**Cost of Living Adjustment (COLA):** A wage increase based upon the change in the consumer price index intended to keep the wage in line with the rate of inflation.

## **D**

**DAR:** Daughter's of the American Revolution - a national society, founded by women in

1890, for historical, educational and patriotic purposes. They own and operate libraries, schools and museums, give scholarships, mark historical sites, copy genealogical and historical records, sponsor essay contests for youth and children, and undertake numerous other worthwhile projects.

**Debt Limit:** The maximum amount of gross or net debt which is legally permitted.

**Debt Service:** Payment of principal and interest on borrowed funds.

**Debt Service Fund:** The fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit:** An excess of liabilities and reserves of a fund over its assets.

**DEQ:** Oregon Department of Environmental Quality.

**Depreciation:** The amount or percentage by which something decreases in value over time, usually one year.

**Direct and Indirect Costs:** Costs attributable directly and indirectly with a program. For example, the supplies used solely by a specific program would be direct costs, while a portion of the entities' liability insurance premiums would be attributable to the program as indirect costs.

## **E**

**Encumbrances:** The formal accounting recognition of commitments to expend resources in the future.

**Enterprise Fund:** A fund established to finance and account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. An enterprise fund is also used when the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**EDU:** Equivalent dwelling unit.

**Expenditures:** Decreases in net financial resources, including current operating expenses, debt service and capital outlays.

## **F**

**Fiscal Year:** The time period designated by the City signifying the beginning and ending period for recording financial transactions. The fiscal year begins July 1 and ends June

30.

**Fixed Asset:** A long-lived tangible asset obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, improvements other than buildings, and land. These assets are also referred to as property, plant and equipment.

**Franchise:** A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

**Full-Time Equivalent (FTE):** Equates part-time and temporary positions to full-time positions based upon a 2,080-hour work year. A position which works 20 hours per week (1,040 per year) is equal to 0.50 FTE.

**Fund:** A division in the budget with independent fiscal and accounting requirements.

**Fund Balance:** The fund equity (excess of assets over liabilities) of governmental funds and trust funds.

**Fund Type:** In governmental accounting, all funds are classified into eight generic fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

## **G**

**GAAP:** Generally accepted accounting principles as determined through common practice or as promulgated by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.

**General Fund:** The general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**General Obligation Bonds:** Bonds for whose payment the full faith and credit of the issuing body are pledged. More commonly but not necessarily, general obligation bonds are considered to be those payable from taxes and other general revenues.

**Governmental Funds:** Governmental generally used to account for tax-supported activities.

**gpm:** Gallons per minute.

**Grant:** A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function (for example, road construction), but it is sometimes also for general purposes.

## I

**Infrastructure:** Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

**Intergovernmental Revenue:** Revenues from other governments in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

**Interfund Transfer:** Amounts transferred from one fund to another, shown as an expenditure in the originating fund and a revenue in the receiving fund.

## L

**Levy:** *Verb:* To impose taxes, special assessments or service charges for the support of governmental activities. *Noun:* The total amount of taxes, special assessments or service charges imposed by a government.

**Liabilities:** Debts or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. This term does not include encumbrances.

**Line Item:** A specific item or group of similar items defined by detail in a unique account in the financial records.

**Local Option Levy:** A short-term levy (up to five years for operating purposes and up to ten years for capital improvements) outside of the permanent tax rate limit which must be approved by the voters in a manner consistent with Measure 50 requirements.

**Long-Term Debt:** Debt with a maturity of more than one year after date of issuance.

## M

**MDT:** Mobile data terminal.

**Measure 5:** A ballot measure approved by Oregon voters on November 6, 1990. The measure placed a declining rate limit on taxes for schools and a rate limit of \$10.00 per \$1,000 assessed valuation on the consolidated taxes of all other governments.

**Measure 50:** A ballot measure approved by Oregon voters at the special election held on May 20, 1997, and contained in Article XI, Section 11 of the Oregon Constitution. Measure 50 repeals a previously approved property tax reduction measure known as Measure 47 and replaces it with a new ad valorem property tax limitation. In short, Measure 50 cuts district levies, rolls back assessed values, limits future taxable value increases, establishes permanent tax rate limits, allows for local option levies, and retains Measure 5 limits.

**Modified Accrual Basis of Accounting:** Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period in which the fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due.

## **N**

**NIMS:** The National Incident Management System developed and administered by the Secretary of Homeland Security.

## **O**

**ODOT:** The Oregon Department of Transportation.

**Operating Budget:** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled. The use of an annual operating budget is usually required by law.

**Operating Costs:** Outlays for such current period items as expendable supplies, contractual services, and utilities.

**Ordinance:** A formal legislative enactment by the governing board of a municipality. If 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. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution.

## **P**

**Performance Indicators:** Statistical measures which are collected to show impact of dollars spent on City services.

**Permanent Tax Rate Limit:** The tax rate limit established as a result of Measure 50, which can only be increased with the approval of short-term local option levies.

**PERS:** The State of Oregon Public Employees Retirement System.

**Personnel Costs:** Refers to all costs directly associated with employees, including salaries and fringe benefits.

**Property Tax:** A tax levied on the assessed value of real property. This tax is also known as ad valorem tax.

**Proprietary Funds:** A fund used to account for a government's business-type activities. These funds focus on the determination of operating income, changes in net assets or cost recovery, financial position, and cash flows.

**Proposed Budget:** Financial and operating program prepared by the budget officer, submitted to the Budget Committee for consideration.

## **R**

**Reserve Funds:** Established to accumulate resources from one fiscal year to another for a specific purpose.

**Resolution:** A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

**Resources:** The actual assets of the City such as cash, taxes receivable, land, buildings, etc., plus contingent assets such as estimated revenues applying to the current fiscal period not accrued or collected and bonds authorized and unissued.

**Revenue:** Monies received or anticipated during the year to finance City services.

## **S**

**Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

**Supplemental Budget:** Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. The supplemental budget cannot be used to increase a tax levy.

**System Development Charge (SDC):** A fee imposed at the time development occurs which is designed to finance the construction, extension or enlargement of a street, community water supply, storm sewer or sewerage or disposal system, or public park.

## **T**

**Tax Rate:** The amount of tax stated in terms of a unit of the tax base; for example, \$3.00 per \$1,000 assessed valuation of taxable property.

## **U**

**Unappropriated Ending Fund Balance:** Funds set aside for use in the fiscal year following the current budget year.

RESOLUTION NO. 11-1013-R

**A RESOLUTION ADOPTING THE BUDGET, MAKING  
APPROPRIATIONS AND LEVYING TAXES FOR THE 2011-12 FISCAL YEAR.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF  
COLUMBIA CITY, OREGON.**

**BE IT RESOLVED** that the City Council hereby adopts the budget approved by the Budget Committee of the City of Columbia City on May 4, 2011, and as presented for public input at the Public Hearing on June 16, 2011, with the amendments as allowed under ORS 294.435, and now on file in the office of the City Recorder.

**BE IT FURTHER RESOLVED** that the amounts for the fiscal year beginning July 1, 2011 and for the purposes shown below are hereby appropriated as follows:

**GENERAL FUND**

**ADMINISTRATION DEPARTMENT**

Personal Services	\$	126,313
Materials and Services		79,412
Capital Outlay		10,370
<b>Total Administration Department</b>	<b>\$</b>	<b>216,095</b>

**POLICE DEPARTMENT**

Personal Services	\$	213,067
Materials and Services		37,229
Capital Outlay		10,000
<b>Total Police Department</b>	<b>\$</b>	<b>260,296</b>

**BUILDING DEPARTMENT**

Personal Services	\$	14,838
Materials and Services		11,465
<b>Total Building Department</b>	<b>\$</b>	<b>26,303</b>

**PARK MAINTENANCE DEPARTMENT**

Personal Services	\$	19,820
Materials and Services		5,015
Capital Outlay		2,250
<b>Total Park Maintenance Department</b>	<b>\$</b>	<b>27,085</b>

**NON-DEPARTMENTAL**

Contingency	\$	50,941
Unappropriated Ending Fund Balance		95,069
<b>Total Non-Departmental</b>	<b>\$</b>	<b>146,010</b>

<b>Grand Total - General Fund</b>	<b>\$</b>	<b>675,789</b>
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**EQUIPMENT RESERVE FUND**

Interfund Transfers Out	\$	15,000
Reserve		51,937
<b>Total Equipment Reserve Fund</b>	<b>\$</b>	<b>66,937</b>

**STREET FUND**

Personal Services	\$	34,367
Materials and Services		84,400
Capital Outlay		2,250
Capital Construction		80,000
Contingency		12,102
Unappropriated Ending Fund Balance		27,933
<b>Total Street Fund</b>	<b>\$</b>	<b>241,052</b>

**STREET DEVELOPMENT FUND**

Contingency	\$	10,000
Unappropriated Ending Fund Balance		18,790
<b>Total Street Development Fund</b>	<b>\$</b>	<b>28,790</b>

**PARK DEVELOPMENT FUND**

Contingency	\$	10,000
Unappropriated Ending Fund Balance		66,575
<b>Total Park Development Fund</b>	<b>\$</b>	<b>76,575</b>

**STORM DRAIN DEVELOPMENT FUND**

Contingency	\$	258
<b>Total Storm Drain Development Fund</b>	<b>\$</b>	<b>258</b>

**WATER FUND**

Personal Services	\$	181,126
Materials and Services		149,257
Capital Outlay		23,000
Debt Service		144,149
Contingency		70,993
Unappropriated Ending Fund Balance		85,376
<b>Total Water Fund</b>	<b>\$</b>	<b>653,901</b>

**WATER DEVELOPMENT FUND**

Contingency	\$ 20,000
Unappropriated Ending Fund Balance	188,307
<b>Total Water Development Fund</b>	<b>\$ 208,307</b>

**SEWER FUND**

Personal Services	\$ 101,712
Materials and Services	208,152
Capital Outlay	13,500
Contingency	30,986
Unappropriated Ending Fund Balance	42,579
<b>Total Sewer Fund</b>	<b>\$ 396,929</b>

**SEWER DEBT SERVICE FUND**

Debt Service	\$ 128,503
<b>Total Debt Service Fund</b>	<b>\$ 128,503</b>

**SEWER DEVELOPMENT FUND**

Contingency	\$ 5,000
Unappropriated	25,396
<b>Total Sewer Development Fund</b>	<b>\$ 30,396</b>

<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,695,195</b>
<b>TOTAL CONTINGENCY APPROPRIATED</b>	<b>210,280</b>
<b>TOTAL UNAPPROPRIATED AND RESERVE</b>	<b>601,962</b>
 <b>GRAND TOTAL 2010-11 BUDGET</b>	 <b>\$ 2,507.437</b>


**BE IT FURTHER RESOLVED** that the City Council of the City of Columbia City hereby imposes the taxes provided for in the adopted budget at the rate of \$1.1346 per \$1,000 assessed value for operations, and in the amount of \$40,559.00 for bonded indebtedness, and that these taxes are hereby imposed and categorized for tax year 2011-2012 upon the assessed value of all taxable property within the City as of 1:00 a.m. January 1, 2011. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution make up the above aggregate levy:

	<b>Subject to the General Government Limitation</b>	<b>Excluded from the Limitation</b>
<b>General Fund</b>	<b>\$1.1346 per \$1,000 assessed valuation</b>	
<b>Sewer Bond Levy</b>		<b>\$40,559.00</b>

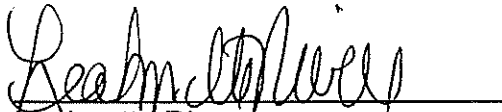
Passed by the City Council this 16th day of June 2011 by the following  
vote:

AYES: 5    NAYS: 0    ABSENT: 0    ABSTAIN: 0

Approved by the Mayor this 17th day of June 2011.

  
\_\_\_\_\_  
Cheryl A. Young  
Mayor

ATTEST:

  
\_\_\_\_\_  
Leahnette Rivers  
City Administrator/Recorder

