

BUDGET TERMINOLOGY

To enhance understanding of the City's budget, we have provided a list of key terms and acronyms frequently mentioned in the Budget presentations and discussions.

Budget: Plan that tells us how much money we will receive and how we will spend it.

CAFR (Comprehensive Annual Financial Report): An audited report of financial statements such as balance sheets and statement of revenues, expenditures and changes in fund balances.

CalPERS (California Public Employees' Retirement System): The pension system for city employees who retire from the City.

CIP (Capital Improvement Program): A plan for capital expenditures for street, park and traffic improvements and other capital programs. The CIP is adopted with the City's budget.

Debt Service: Payment for principal and interest on a City's debt obligation such as bonds or other debt instruments.

Expenses: Money that goes out (payments).

Fiscal year: A 12 month budget calendar which begins July 1 and ends June 30 of the following year.

Fund: Checking account where revenues & expenditures are monitored and recorded.

General Fund: Account which the City has the most discretion on spending (least restrictions).

Revenue: Money that comes in (income).

Reserves: Savings account to be used primarily for emergencies.

UUT (Utility User Tax): One of the top six major general fund tax revenues. The UUT is a tax on utilities such as gas, electric, and communications.