

Accrual Basis	The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.
Ad Valorem Tax	Meaning “according to value”, an ad valorem tax is levied in proportion to the assessed value of real property (taxable land and improvements thereon). This tax is also known as property tax.
Adopted Budget	The financial plan for the fiscal year beginning October 1. Required to be approved by the City Council at the second of two public hearings in September.
Amendment 1	Legislation adopted by the citizens of Florida in January 2009 providing: <ul style="list-style-type: none">• An additional \$25,000 homestead exemption for home owners with assessed values between \$50,000 and \$75,000,• The ability for homesteaded property owners to transfer up to \$500,000 of the Save Our Homes benefit to a new homestead upon certain conditions,• A \$25,000 exemption for each tangible personal property return,• A 10% assessment cap for non-homestead properties, which will take effect with the 2009 tax roll.
Annual Financial Report	Financial compendium published subsequent to the close of each fiscal year, encompassing all funds and financial activities of the City during the previous year, including balance sheets, comparative listing of revenues and expenditures and statements of bonded indebtedness.
Appropriation	Legal authorization granted by a legislative body (City Council) to make expenditures and incur financial obligations for specific purposes.
Assessed Value	Dollar value given to real estate, utilities and personal property, on which taxes are levied.
Assets	Resources owned or held which have monetary value.
Attrition	A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.
Authorized Positions	Employee positions, which are authorized in the adopted budget, to be filled during the fiscal year.
Balanced Budget	A budget in which estimated revenues equal estimated expenditures.
Bond (Debt Instrument)	A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.
Bonded Indebtedness	That portion of a governmental unit's indebtedness that is represented by outstanding bonds.
Brownfields Program	Brownfields are sites that are generally abandoned, idled, or underused industrial or commercial properties where expansion or redevelopment is complicated by actual or perceived environmental contamination. The Clearwater Brownfields program seeks to turn these sites into productive Economic Development or Community Development Projects.
Budget	Financial plan consisting of estimated revenues and expenditures (and purposes) for a specified time. The operating budget provides for direct services and support functions of the City (e.g. Police, Fire, Public Services, etc.). The capital budget (Capital Improvement Program) provides for improvements to the City's infrastructure and facilities, and utilizes long-term financing instruments as well as operating revenues.

Budget Amendment	Legal means by which an adopted expenditure authorization or limit is increased; includes publication, public hearing and Council approval.
Budgetary Basis	This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.
Budget and Finance Policies	The City's policies with respect to budgeting, taxation, spending, reserve requirements, asset maintenance, and debt management as these relate to government services, programs, and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.
Budget Calendar	The schedule of key dates which a government follows in the preparation and adoption of the budget.
Capital Expenditures	An expenditure which leads to the acquisition of a physical asset with a cost of at least \$5,000 up to \$25,000, with a useful life of at least one year. Such expenditures are charged through an individual department's operating budget and do not include those provided for in the Capital Improvement Project Budget.
Capital Improvement Project Budget	A long-range plan for the purchase or construction of physical assets such as buildings, streets and sewers. Capital Improvement Projects (CIP) cost in excess of \$25,000 and have a useful life of at least five years.
Cash Basis	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
Charge for Services	Charges for a specific governmental service which cover the cost of providing that service to the user (e.g. – building permits, parking fees).
CIP	Acronym for “Capital Improvement Program”.
City Council	Elected representatives that set policy, approve budget, determine ad valorem tax rates on property within City limits, and evaluate job performance of City Manager and City Attorney.
City Manager	The City Manager is a professional administrator appointed by the City Council and serves as chief executive officer. The City Manager carries out policies determined by the City Council.
Community Redevelopment Agency	The Community Redevelopment Agency (CRA) is a public agency created for the purpose of undertaking activities and projects in a designated redevelopment area. Incremental tax revenues raised in the designated area are mandated for use in the Community Redevelopment Agency district only.
Comprehensive Plan	A method to utilize and strengthen the existing role, processes and powers of local governments to establish and implement comprehensive planning programs which guide and control future development.
Contingency	A budgetary reserve set aside for emergency or unanticipated expenditures. The City Council must approve all contingency expenditures.
Contractual Services	Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.
Cost Center	An organizational budget/operating unit within each City department or program, i.e., Traffic Enforcement Unit is a cost center within the Police Department's Patrol program.
Cost-of-Living Adjustment	An increase in salaries to offset the adverse effect of inflation on compensation.
CDBG	Acronym for “Community Development Block Grant”.

COLA	Acronym for “Cost of Living Adjustment”.
CPD	Acronym for “Clearwater Police Department”.
CPI	Acronym for “Consumer Price Index”.
CRA	Acronym for “Community Redevelopment Agency”.
CWA	Acronym for “Communications Workers of America”.
DDB	Acronym for “Downtown Development Board”.
Debt	An obligation resulting from the borrowing of money for the purchase of goods and services.
Debt Service	The payment of principal and interest on borrowed funds and required contributions to accumulate monies for future retirement of bonds.
Department	Organizational unit of government that is functionally unique in delivery of services.
Distinguished Budget Award	A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.
Downtown Development Board	The Downtown Development Board (DDB) is an independent special taxing district. The board is an aid to the City, the Clearwater Redevelopment Agency and the citizens to see that city services are properly planned for the downtown area. The board assists in preparing and maintaining an analysis of the economic condition and changes; assists in formulating short and long range plans for improving and developing Clearwater downtown and advises on policies and procedures which succeed in bringing business and residents into the downtown district, improving its tax base and overall economic condition.
EMS	Acronym for “Emergency Medical Services”.
Encumbrance	An amount of money committed for the payment of goods and services not yet received.
Enterprise Funds	Funds established to account for operations that are financed and operated in a manner similar to private enterprises. The independent funds used to account for ongoing organizations and activities, which are supported primarily by user charges. The Enterprise Funds of the City are: Gas, Marina, Airpark, Parking, Clearwater Harbor Marina, Solid Waste and Recycling, Stormwater, and the Water and Sewer fund.
Enterprise Zone	An Enterprise Zone is a geographic area targeted for economic revitalization. The Clearwater Enterprise Zone program provides incentives and assistance to business and property owners in this area to assist them to redevelop the area.
Expenditure	Payment for goods and/or services provided including operating expenses, capital outlays, and debt service.
Expenditure Categories	<p>Clearwater's expenditure categories encompass the following:</p> <p>Personal Services: Expenditures relating to personnel and associated costs (e.g., medical insurance, life insurance, pension, social security, workers' compensation).</p> <p>Operating Expenses: Various costs incurred in the operation of a unit of government, including utility charges, office supplies, travel, postage, equipment rental, subscriptions, etc.</p> <p>Internal Services: Internal support services performed by the Information Technology, Finance, Human Resources and General Support Services Departments, and charged to the various operating and staff departments. These charges include: Information Services, telephone, and building maintenance.</p>

Expenditure Categories (continued)	Capital: Expenditures for the acquisition of capital equipment, machinery, and construction materials and services. These items have a cost of \$5,000-\$25,000 each. Items costing more than \$25,000 are budgeted as Capital Improvement Projects. Debt Service: Principal and interest on indebtedness and bond sinking fund requirements. Transfer: Payments from one department or fund to another, generally for Capital Improvement Projects.
FBO	Acronym for “Fixed Base Operator”.
FDLE	Acronym for “Florida Department of Law Enforcement”.
FDOT	Acronym for “Florida Department of Transportation”.
Fiduciary Funds	Used to account for resources that are managed in a trustee capacity or as an agent for other parties or funds. These funds are the Employee’s Pension Fund, Firemen's Pension Fund, Police Supplemental Pension Fund, Firemen's Supplemental Pension, Deferred Compensation Fund, Rehabilitation Loan Fund, and Treasurer's Escrow Fund.
Fiscal Year	Any consecutive twelve-month period designated as the official budget year, and at the end of which a government determines its financial position and results of operation. The fiscal year (FY) for the City of Clearwater begins on October 1 and ends the next September 30th.
FOP	Acronym for “Fraternal Order of Police”.
Franchise Taxes/Fees	Charges levied against a corporation or individual by a local government in return for granting a privilege or permitting the use of public property.
Fringe Benefits	Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included is the government’s share of costs for Social Security, retirement pension, medical, and life insurance plans.
Full Time Equivalent	Term used to convert the part-time employee positions to equate to full-time positions by dividing the total annual hours worked of the part-time employee by the total annual hours worked by the full-time employee (FTE).
Fund	A fiscal/accounting entity that is established to accomplish specific objectives and carry out specific activities. The operation of each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. 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 & Agency.
Fund Balance	Fund equity for governmental and trust funds which reflect the accumulated excess of revenues and other financing sources over expenditures and other uses for general governmental functions
FTE	Acronym for “Full Time Equivalent”.
FY	Acronym for “Fiscal Year”.
GAAP	Acronym for “Generally Accepted Accounting Principles”.
GASB	Acronym for “Government Accounting Standards Board”.
General Fund	Fund used to account for resources, such as property taxes, which are not designated or dedicated for a specific purpose.
General Fund Reserve	City Council policy requires that the unappropriated retained earnings of the General Fund be maintained at no less than 8.5% of the subsequent year’s budgeted expenditures.

General Obligation Bonds	When the City pledges its full faith and credit to the repayment of the bonds it issues, than those bonds are general obligation bonds (GOB). In Florida, general obligation bonds must be authorized by public referendum.
Generally Accepted Accounting Principles	Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
GFOA	Acronym for “Government Finance Officers Association”.
GIS	Acronym for “Geographical Information System”.
Goal	A statement of a department/program's direction, purpose or intent based on the needs of the community. The City's established goals are specific and have a designated time for achievement.
GOB	Acronym for “General Obligation Bonds”.
Governmental Funds	Funds primarily used to account for tax-supported services (as distinguished from those services supported primarily from user charges). The five governmental fund types are the general, special revenue, debt service, capital projects, and special assessment funds.
Grant	A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the intended usage of the grant proceeds.
Homestead Exemption	Pursuant to the Florida State Constitution, the first \$25,000 of assessed value of a home, which the owner occupies as principal residence, is exempt from property tax. With the approval of Amendment 1 in January 2008, home owners now have an additional \$25,000 exemption based on the assessed value between \$50,000 and \$75,000.
IAFF	Acronym for “International Association of Fire Fighters”.
Infrastructure	The physical assets of a government (e.g., streets, water and sewer systems, public buildings, parks, etc.).
Infrastructure Tax	Commonly referred to as “Penny for Pinellas”, this one-cent sales tax was initially approved by Pinellas County voters for a ten-year period starting in 1990. Since that time, citizens have voted twice to extend the infrastructure tax for two additional ten-year periods ending in 2020. The funds may be spent only on capital infrastructure and specific public safety vehicle expenditures.
Interfund Transfers	Legally authorized transfer of monies between funds of the same governmental entity.
Intergovernmental Revenues	A major revenue category that includes all revenues received from federal, state, and other local government sources in the form of grants, shared revenues, and payment in lieu of taxes.
Internal Service Funds	Funds established to finance and account for services and commodities furnished by a designated department to other departments within the City or to other governmental entities on a cost basis. Internal Service Funds include: Garage Fund, Administrative Service Fund, General Service Fund, and Central Insurance Fund.
IT	Acronym for “Information Technology”.
JWB	Acronym for “Juvenile Welfare Board”.
Levy	To impose taxes for the support of government activities.
Line Item	The smallest expenditure detail provided in department budgets. The line item also is referred to as an "object", with numerical "object codes" used to identify expenditures in the accounting system.
Long-Term Debt	Debt with a maturity of more than one year including General Obligation Bonds, revenue bonds, special assessment bonds, notes, leases and contracts.

Mandate	A requirement imposed by a legal act of the federal, state, or local government.
Main Street Program	The program is a joint venture between the Community Redevelopment Agency (CRA), the Downtown Development Board (DDB) and interested community groups to direct participation in projects and public improvements in the downtown revitalization area.
MGD	Acronym for “Million Gallons per Day”.
Millage Rate	The tax rate on real property, which generates ad valorem revenue. The millage rate is established annually and is based on \$1 per \$1,000 of taxable value. See also “Taxing Authorities”.
Modified Accrual Accounting	Accounting method where expenditures are recognized in the accounting period when the liability is incurred, if measurable, but revenues and other resources are recognized in the accounting period when they become available and measurable.
MPO	Acronym for “Metropolitan Planning Organization”.
MSB	Acronym for “Municipal Services Building”.
Net Budget	The legally adopted budget less all interfund transfers and inter-departmental charges.
Operating Budget	Plan of current expenditures and the proposed means of financing them. Operating expenditures include salaries, supplies, employee travel, postage, current debt service and transfers. (See Expenditure Categories)
Ordinance	<p>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.</p> <p>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>
Overlapping Debt	The proportionate share of the debts of local governmental units located wholly or in part within the limits of the City (such as the County and School Board) that must be borne by the property owners within the City.
Payment in Lieu of Taxes	Charges to an Enterprise Fund which are intended to replace General Fund revenues that the City would receive if the Enterprise were a private sector operation. The rate is 5.5% of prior year gross revenues. These charges are a result of Council policy and details are addressed in Budget and Financial Policies section of this document under City Council Policy “I”.
Penny for Pinellas	Florida State Sales Tax was increased from 6% to 7% in Pinellas County effective in February 1990. Initially approved for a ten-year period, the tax has been extended by the voters for two additional ten-year periods ending in 2020. This revenue is also known as “Infrastructure Tax” and may be used only for capital infrastructure and specific public safety vehicle expenditures.
Per Capita	Cost per unit of population to provide a particular service in the community.
Performance Measure	Data collected to measure how effective or efficient a program is in achieving its objectives (performance indicators).
PILOT	Acronym for “Payment in Lieu of Taxes”.
Prior Year Encumbrances	Obligations from previous fiscal years in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program	A distinct function of city government provided to the public or a function providing support to the direct services of other city departments.
Program Based Budget	A budget which accounts for revenues and expenditures by specific program (activity or service) rather than by department or division.
Property Tax	A tax levied in proportion to the assessed value of real property (taxable land and improvements thereon). Also known as ad valorem tax.
Property Tax Levy	The total amount of taxes authorized by local government. (Total taxable property value x millage rate = total tax levy) Local government cannot budget less than 95% of the proposed levy.
Proprietary Funds	Used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector operating on a "for profit" basis. These include the Enterprise and Internal Service Funds.
PSTA	Acronym for "Pinellas Suncoast Transit Authority".
REH	Acronym for "Ruth Eckerd Hall".
Revenue	Money that flows into the local government. It is recurring if it is received on a consistent basis (e.g. sales taxes and property taxes) and nonrecurring if it is received irregularly (e.g. federal and state grants). The four main types of local revenue are taxes, user fees, licenses and permits, and intergovernmental revenue.
Revised Budget	A department's authorized budget as modified by Council action, through appropriation transfers from contingency, or transfers from or to another department or fund.
Rolled-Back Millage Rate	The millage rate which when applied to the tax base, exclusive of new construction, would provide the same tax revenue to the City as was levied in the prior year.
R&R	Acronym for "Repair and Replacement".
Ruth Eckerd Hall	A performing arts venue which is part of the Richard B. Baumgardner Center for the Performing Arts. The concert hall seats 2,180 for concerts, recitals, plays and special events and the Marcia P. Hoffman Performing Arts Institute accommodates the center's on-site educational programs.
SAMP	Supervisory, Administrative, Management, and Professional employees. These are all positions outside of the City union contracts.
Save Our Homes (SOH)	State constitutional amendment that limits annual growth in homesteaded residential property value for tax purposes by a maximum of 3% or the annual change in the Consumer Price Index.
SCBA	Acronym for "Self Contained Breathing Apparatus".
Special Assessment	A special tax on property owners benefited by specific public improvements (paving, drainage, etc.) to defray costs of such improvements. Costs are apportioned according to the presumed relative benefits to the property.
Special Development Fund	A special revenue fund established to account for: all types of impact fees; proceeds from the sale and leasing of land (except land accounted for in the Proprietary Funds); property taxes restricted by City policy to be used for road maintenance and improvements; infrastructure sales tax; local option tax; and any revenue resources that are restricted legally, or by Council policy, to be used only for certain Capital Improvement Projects.
Strategic Direction	A description of what strategy is needed to fulfill the Strategic Vision. The two strategies are 1) Facilitate development of the economy and 2) Provide cost effective municipal services and infrastructure.

Strategic Vision	A description of the desired future state of an organization. The vision represents a consensus of what the organization should become in order to be successful.
Surplus	An excess of the assets of a fund over its liabilities and reserved equity.
Tax	Compulsory charge levied by a government to finance services performed for the common benefit.
Taxing Authorities	<p>There are numerous entities authorized to collect tax revenue from residents of Pinellas County for specific areas of services. These taxing authorities include:</p> <p>Aggregate County - Several Pinellas County responsibilities are grouped under the “county aggregate” millage rate. The 2015/16 millage rate for Pinellas County’s operations, Pinellas County Health Department and Emergency Management Services (EMS) is 6.2535 mills.</p> <p>Clearwater Millage – The City is an authorized taxing entity and adopted a millage rate in 2015/16 of 5.1550 mills to fund city general fund services.</p> <p>Fire Districts – County residents of unincorporated areas pay a fire district millage to provide for fire protection services. A rate of 3.2092 mils was levied for the fiscal year 2015/16. The county pays a portion back to Clearwater in exchange for the City providing service to nearby unincorporated areas.</p> <p>Juvenile Welfare Board (JWB) – A rate of .8981 mills was levied on Clearwater residents for the continued operation of the JWB for the 2015/16 fiscal year. The JWB contracts with public and not-for-profit agencies to provide positive focus programs for children and families.</p> <p>Municipal Service Taxing Units (MSTU) – This is a levy on residents in unincorporated areas for various county services. A rate of 2.0857 mils was levied for fiscal year 2015/16.</p> <p>Pinellas Planning Council – The Council provides countywide planning services and coordinates with the Tampa Bay Regional Planning Council and Florida Department of Community Affairs to provide for orderly growth in the county. The rate has been set at .0160 mills for the current year.</p> <p>School Board – A rate of 7.770 mills was adopted for fiscal year 2015/16 to allow for operation of Pinellas County’s public school system.</p> <p>Southwest Florida Water Management District (SWFWFD) – The district, commonly referred to as “Swift Mud”, is one of five regional water districts charged by the state to preserve and protect Florida’s water resources and maintain flood control, water quality and the water supply. A rate of .3488 mills is levied on all county residents for this purpose.</p> <p>Transit District – District advocates mass transportation and administers the countywide system. A rate of .7500 mills is charged for this service for 2015/16.</p>
Tax Base	The total taxable value of property within the local government’s legal boundaries.
Tax Roll	The master list of the assessed value of all taxable property within the government’s jurisdiction. The list is certified to all local taxing authorities by the property appraiser by July 1 of each year.
Taxable Value	The assessed value of property minus the homestead exemption and any other exemptions which may be applicable.
Tax Collection Ratio	Ratio of ad valorem taxes collected to total ad valorem taxes levied.
TIF	Acronym for “Tax Increment Financing”.
Trend	A systematic, measurable drift in a series of data, either positively or negatively, over a sustained period of time.
TRIM Act	The "Truth in Millage" Act, incorporated in Florida Statutes 200.065, requires that property owners be notified by mail of the proposed property taxes for the next fiscal year based on "tentative" budgets approved by the City, County, School Board, and other taxing districts. The TRIM Act also includes specific requirements for newspaper advertisements of budget public hearings, and the content and order of business of the hearings.

Trust and Agency Funds	These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Use of these funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other similar authority.
ULI	Acronym for “Urban Land Institute”
Unassigned Fund Balance	The funds remaining from prior years that are available for appropriation and expenditure in the current year in Governmental Funds.
Unrestricted Net Assets	An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.
User Fee	Charges for specific services provided only to those using such services. Examples would be sewer service charges and dock fees.
Utility Tax	A tax levied on the consumers on various utilities such as electricity, gas, water, etc.
User Fees	The payment of a fee for a direct receipt of a public service by the party benefiting from the service. Also known as Charges for Service.
WPC	Acronym for “Water Pollution Control”.
WWTP	Acronym for “Waste Water Treatment Plant”.

