

SNO-ISLE LIBRARIES

BUDGET GLOSSARY

ANTICIPATED REVENUE:

Grants and donations not yet committed.

BEGINNING CASH:

The amount of unrestricted cash brought forward from the prior year intended to pay operational costs until the Library receives its first significant revenue in April of each year.

BENEFITS:

Those benefits paid by the Library District as part of the conditions of employment. Examples include insurance and retirement benefits.

BUILDING MAINTENANCE AND EQUIPMENT RESERVE FUND:

Cash set aside to provide for larger building maintenance projects such as roof or carpet replacement and for larger future equipment needs such as the replacement of the mainframe computer.

BUILDING RESERVES:

Reserve funds established by interlocal agreement with specific cities for the sole and exclusive purpose of funding facility needs in the specific city.

CITY CONTRACT FEES:

Income received from cities and towns in payment for library services.

COMMUNICATIONS:

Expenditures for extensive data communications network, telephone and fax costs.

ENDING CASH:

The amount of cash budgeted to be carried unrestricted into the next year (see Beginning Cash). Since the actual revenue and expenses vary somewhat from budget, the ending cash is termed an estimate.

EXPENDITURES:

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

FACILITIES:

Library buildings.

GENERAL FUND:

The fund supported by taxes, fees and other revenues that may be used for any lawful purpose.

GENERAL PROPERTY TAX:

Tax based on the assessed value of taxable real and personal property.

GRANT:

A contribution of assets (usually cash) by one organization to another. Typically, these contributions are made to the Library District from the State and Federal governments. Grants are made for specified purposes.

HEALTH INSURANCE RATE STABILIZATION FUND:

Over the last several years health insurance cost increases have ranged from 11% to as high as 46%. Funds have been set aside to smooth the impact of the rate increase by using reserve fund in years where the increase is unusually high and setting aside funds in years when the increase is less.

INSURANCE:

Property, liability, and errors and omissions insurance costs.

INVESTMENT INTEREST:

Operational funds not immediately needed and cash in reserve accounts are routinely invested through the Snohomish County Treasurer's office in the *Washington State Investment Pool* or certificates of deposit with approved banks. These investments provide interest income.

LAND ACQUISITION RESERVE FUND:

A reserve fund established for future library property purchase prior to passage of a bond measure.

LEASEHOLD EXCISE TAX:

Tax based on the rental value of leased publicly owned property.

LEVY:

- (1) To impose taxes, special assessments or service charges for the support of government activities.
- (2) The total amount of taxes, special assessments or service charges imposed by a government.

MACHINERY AND EQUIPMENT:

Goods and services with a life of more than one year including computers, furniture and facilities improvements.

MATERIALS:

Materials include books, magazines, newspapers, audio and video cassettes, compact disks and subscriptions to electronic databases.

OPERATING EXPENDITURES:

Expenditures for non-durable goods and services plus books and other library materials.

PROFESSIONAL SERVICES:

Outside services such as legal, audit, collection, and vendor processing of materials.

REPAIRS AND MAINTENANCE:

Expenditures for repair and maintenance of equipment, computers, vehicles, and facilities, including items such as diagnostic software, maintenance contract fees, janitorial costs and building repairs.

REVENUE:

Income received by the Library District in support of a program of services to the community. It includes such items as property taxes, fees, grants, fines and interest income and miscellaneous revenue.

REVENUE ESTIMATE

A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

SALARIES AND WAGES:

Amounts paid for personal services rendered by employees in accordance with rates, hours, terms and conditions authorized by law.

SUPPLIES:

A basic classification of expenditures for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas, inventory or resale items, and small tools and equipment.

TIMBER TAX – PRIVATE AND STATE OWNED:

Tax based on the stumpage value of timber at the time of harvest.

TRAINING:

Expenditures for staff training.

