

GLOSSARY

ABP: An acronym for Alternative Bond Program.

Accrual Accounting: A basis of accounting in which revenues and expenditures are recorded at the time they are earned or incurred as opposed to when cash is actually received or spent. For example, in accrual accounting, revenue that was earned between April 1 and June 30, but for which payment was not received until July 10, is recorded as revenue of June rather than July.

Activity: A specific and distinguishable unit of work or service performed, such as Public Safety.

Adopted Budget: The budget approved by the Board of Commissioners and enacted by budget appropriation ordinance, on or before June 30 of each year.

Appropriation: An authorization made by the County Commission which permits the County to incur obligations and to make expenditures of resources.

Assessed Valuation: An assessment ratio based on the use of property (i.e. commercial, residential and personalty) in the calculate property taxes.

ATODA: Is an acronym for Alcohol, Tobacco, and Other Drug Abuse.

Balanced Budget: A budget where there are sufficient revenues to fund the various expenditure elements.

BHC: An acronym for Birchwood Health Clinic.

BDS: An acronym for Biohazard Detection System.

BLL: An acronym for Blood Lead Level.

Board of Commissioners: The governing body of Hamilton County.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings and infrastructure.

Bond Covenant: A legally enforceable promise made by an issuer of bonds to the bondholders, normally contained in the bond resolution of indenture (e.g. pledged revenues).

Bond Rating: A system of appraising and rating the investment value of individual debt issues.

Budget: A financial plan for a specified period of time (e.g. fiscal year) that balances projected revenues and fund balance appropriations to estimated service expenditures and operating transfer obligations.

Budget Amendment: The increase or transfer of appropriations requiring the approval of the Board of Commissioners, the County Mayor or the Division Administrator depending on the nature of the transfer.

Budget Appropriation Ordinance: The official enactment by the Board of Commissioners establishing the legal authority for County administrative staff to obligate and expend funds.

Budget Calendar: The schedule of key dates or milestones which the County follows in the preparation and adoption of the budget.

Budget Message: The opening section of the budget, which provides the County Commission and the public with a general summary of the most important aspects of the budget.

Budget Resolution: The official enactment by the County Commission to establish legal authority for County officials to obligate and expend resources.

Capital Outlay: Represents expenditures, which result in the acquisition of or addition to, fixed assets, including land, buildings, improvements, machinery or equipment. Most equipment or machinery expenditures are included in the General Fund budget. Capital improvements such as acquisition of land and related construction and engineering fees are included in the Capital Project Funds, which are not included in the budget.

Capital Improvements: Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant, sometimes referred to as infrastructure.

Capital Improvements Program: A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long term needs.

CCA: Acronym for Corrections Corporation of America.

C.E.G. Program: An acronym for Center for Entrepreneurial Growth.

Component Units: Legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Constitutional Offices: Independently elected officials with the exception of Clerk and Master and Judicial Magistrate who are appointed officials of Hamilton County.

Controllable Assets: Those assets that do not meet the criteria for a capital asset, usually because their historical cost is between \$1,000 - \$4,999 (fair market value of donated assets). Controllable assets are maintained for tracking purposes only. Exceptions to this rule are computers and firearms, which should be tracked regardless of historical cost.

CPR: An acronym for Cardio Pulmonary Resuscitation.

Debt: An obligation resulting from the borrowing of money for the purchase of goods and services.

Debt Service: Debt Service expenditures are the result of bonded indebtedness of the County. Debt Service expenditures include principal, interest and administrative cost.

Department: A management unit of closely associated County activities headed by a Director.

Division: A management unit of closely associated County departments headed by an Administrator.

EEOC: An acronym for Employee Equal Opportunity Commission.

Effectiveness Measures: Effectiveness measures, also known as outcome indicators, measure the results, accomplishments, or quality of the item or service provided. They measure the quality of the program outputs-responsiveness, timeliness, compliance, accuracy and customer satisfaction.

Efficiency Measures: Efficiency indicators quantify the relationship between input and output. They measure 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 level of output or outcome.

Employee Benefits: This classification of expense covers fringe benefit cost, such as FICA, Health Insurance, Pension, and any other employee related costs not covered in Employee Compensation.

Employee Compensation: This classification of expense covers salaries and wages, including overtime, which are paid directly to the employees.

EMS DOT: Is an acronym for Emergency Medical Services – Department of Transportation.

Encumbrances: An administrative control under which commitments for the expenditures of money are recorded; thus the money is not available for new expenditure commitments. The use of encumbrances prevents overspending and permits officials to be certain of how much money is available for new commitments.

EPSDT: An acronym for Early Periodical Screening Development and Treatment.

ESIP: An acronym for Enterprise South Industrial Park.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditures: The term refers to the outflow of funds paid, or to be paid, for an asset obtained or goods and services obtained regardless of when the expense is actually paid.

FHC: An acronym for Family Health Clinic.

Fiscal Year: The time period designated by the County signifying the beginning and ending period for recording financial transactions. The fiscal year for Hamilton County is July 1 to June 30.

Fitch, Inc.: A recognized bond rating agency.

Full Time Equivalents (FTE): A method of measuring the equivalent number of full time employees by giving a percentage value to temporary, part time and SKIMP employees based on the percentage of hours worked compared to a permanent full time employee.

Fund: An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or governmental functions. The funds included in this document are General Fund, Debt Services Funds, Special Revenue Funds and The Department of Education Funds.

Fund Accounting: An accounting system organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon purposes for which they are to be spent and the means by which spending activities are controlled.

GAAP: Generally Accepted Accounting Principles (GAAP) are uniform standards and guidelines for financial accounting and reporting which govern the form and content of the basic financial statements of an entity.

GASB: Acronym for the Government Accounting Standards Board. The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

General Fund: The principal fund of the County, the General Fund is used to account for all activities not included in other specified funds. General Fund revenue sources include property and business taxes, licenses and permits, intergovernmental revenues, service charges, fines and forfeitures, and other types of revenue. This fund includes most of the basic operating services, such as Emergency Services, Library, Community Corrections, Health Services, Parks and Recreation, Public Works and General Government Administration.

General Obligation Bonds: This type of bond is backed by the full faith, credit and taxing power of the government.

GFOA: Acronym for Government Finance Officers Association.

Grants and Appropriations: This classification of expense covers funds appropriated to various institutions not directly under the operational control of the County. This classification also includes monies appropriated to the County for Federal and State supported programs.

HHC: An acronym for Home Health Clinic.

HUGS: Is an acronym for Help Us Grow Successfully.

IFAS: An acronym for Intergraded Financial Accounting System.

ITS: An acronym for Information Technology Services.

Intergovernmental Revenue: Revenue received from another government for general purposes or a specific purpose.

Interfund Transfers: Amounts transferred from one fund to another. Transfers are not expenditures and must be appropriated for expenditures in the fund receiving the transfer.

MCO: An acronym for Managed Care Organization.

MMRS: An acronym for Metropolitan Medical Response System.

Modified Accrual: Revenue is recognized in the accounting period when it becomes "susceptible" to accrual; that is, when it becomes measurable and available.

Moody's Investor Service, Inc.: A recognized bond rating agency.

NFPA: Is an acronym for National Fire Protection Association.

NIMS: An acronym for National Incident Management System

OHC: An acronym for Ooltewah Health Clinic.

Organizational Chart: A pictorial depicting the organizations chain of administration regarding services provided.

Operations: The classification of expense that covers all expense other than employee compensation, employee benefits and capital outlay necessary for a department to perform its intended function.

OSHA: Is an acronym for Occupational Safety and Health Administration.

Performance-Based Pay Plan: A performance based evaluation system, which is tied to a market based pay plan.

Performance Goals: A strategic goal identifying program or department priorities used to develop a plan of action.

Performance Measures: A quantitative means of assessing the efficiency and effectiveness of a program or department.

Reserves: Money set aside and restricted for a specific purpose which can only be used for the purpose specified. Any unspent reserves revert back to the appropriate Fund Balance.

Resolution: Any measure adopted by the County Commission that requires a majority vote for passage. Does not include ordinances or emergency ordinances.

Retainage: A reserve held back for contract payments for construction, pending completion and approval of the project.

Revenue: Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

SHC: An acronym for Sequoyah Health Clinic.

SKIMP: A permanent part time employee working an average of 25 hours per week who qualifies for medical and life benefits but who does not qualify for pension benefits.

Special Revenue Funds: These are operating funds which are restricted as to use by the Federal and State governments and special purpose funds established by the County Board Of Commissioners. The special revenue funds included in this document are the Sheriff Fund and the Juvenile Court Clerk Fund.

Statue: A law enacted by the legislative branch of a government.

STCD: An acronym for Sexually Transmitted / Communicable Disease.

TEMA: Is an acronym for Tennessee Emergency Management Agency.

Transfers In / Out: Amounts transferred from one fund to another to assist in financing the services for the recipient funds.

Transmittal Letter: A general discussion of the budget presented by the County Mayor and the Administrator of Finance to the Board of Commissioners as a part of the budget document. The transmittal letter explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the County Mayor and Administrator of Finance.

Tax Levy: The total amount of tax that optimally should be collected based on tax rates and assessed values of personal and real properties.

Tax Rate: The level at which taxes are levied. Hamilton County's tax rate is \$2.894 of assessed value for FY 2007.

Unassigned Department: The departments or functions that do not fall into any specific category of the General Fund.

VAAP: The Volunteer Army Ammunition Plant transferred to the City of Chattanooga and Hamilton County Government for an industrial park. Now known as Enterprise South.

WIC: Is an acronym for Women, Infants, and Children.

WMD-DOJ: Is an acronym for Weapons of Mass Destruction – Department of Justice.

WWTA: An acronym for Wastewater Treatment Authority.



PHOTO IDENTIFICATION

Cover	In the foreground, the water cannons at the foot of The Passage; in the background, the Chief John Ross Bridge undergoing a two-year renovation
Inside front cover	The Waterfront steps leading to the boat docks
Page 2	The 21st Century Waterfront
Page 4	The Hamilton County Courthouse
Pages 8 and 9	Enterprise South Industrial Park, the I-75 Connector, The University of Tennessee's School of Engineering, IFAS web-based financial software implementation
Page 11	The Mayor's reading initiative "Read 20" with Chief Reading Officer Ms. Shawn Kurrelmeier-Lee and guests
Pages 12 and 13	The Walnut Street Pedestrian Bridge
Pages 14 and 15	The Hunter Museum expansion
Page 18	"Inland Sea Fowl" by Evan Lewis – steel, stainless steel and aluminum – at the South entrance to the Walnut Street Bridge
Pages 20 and 21	The entrance to The Passage, The University of Tennessee at Chattanooga gate with McKenzie Arena in the background, Bessie Smith Hall and the Chattanooga African-American Museum, Warner Park, new street signage on Market and Second, Battle Academy playground
Page 23	Statue of Chief John Ross, located on the Courthouse grounds at the corner of Walnut and Sixth
Pages 24 and 25	The Knitting Mill on Manufacturers Road, Renaissance Park, the condos between First and Second on Cherry Street, wildflowers on the banks of Adventure Hill in Renaissance Park, Bluewater Grille on Broad Street, condominiums to be built at One North Shore on the edge of Renaissance Park where Cherokee meets Manufacturers Road
Page 26	The new Electric Power Board Building at M.L. King between Broad and Market
Pages 28 and 29	The Tennessee River from the Olgiate Bridge; the Tennessee Riverwalk: signage, "Red and Black Spiral" by George Sugarman – painted and welded aluminum, metalmen collection in the Bluff View Art District Sculpture Garden, public art in the Hunter Museum Courtyard, blue metalman overlooking the Tennessee River from the Sculpture Garden wall
Page 31	Fourth of July "Pops in the Park" holiday concert with the Chattanooga Symphony Orchestra
Pages 34 and 35	The Museum Bluffs condominiums
Pages 36 and 37	The Waterfront steps leading to the boat docks
Pages 38 and 39	The Southern Belle circling Maclellan Island
Page 41	"Full Count" by John Dreyfus – bronze casting with brown patina – below the Hunter Museum courtyard
Page 42	A Tennessee fan in the Bluff View Art District Sculpture Garden
Inside back cover	Looking Northeast from the Waterfront steps leading to the boat docks
Back cover	The middle span of the Chief John Ross Bridge connecting Downtown Chattanooga with the North Shore



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