



Account Code – Part of a numbering system designating accounts in such a manner that the symbol used quickly reveals certain required information.

Actuarial – A process or methodology that makes future assumptions to determine present contribution requirements to achieve future funding levels that addresses current risk and time.

Ad Valorem Taxes – A tax levied on the assessed value of real property (also known as “property taxes”).

Allocation – The amount approved by legislative action for planned purchases of goods or services.

Anti-Deficiency Act – A 1998 amendment to the City of Miami Code containing regulations to ensure that departments and department directors do not obligate or spend funds in excess of what was approved in the adopted budget.

Appropriation – A legal authorization approved by the City Commission to make expenditures and incur obligations for specific purposes.

Assessed Valuation – A value set upon land, buildings, business inventory and equipment as determined annually by the County Property Appraiser in accordance with State Law and used as a basis for levying taxes.

Balanced Budget – A budget in which estimated recurring revenues equal estimated recurring expenses.

Bond – A written promise to pay a specific sum of money at a specified date or dates in the future, together with the periodic interest at a specified rate.

Budget – A financial plan of programs, services, and construction projects that estimates anticipated revenue and projected expenses within a specific period of time (usually 12 months).

Budget Amendment – A formal action approved by the City Commission to adjust the fiscal year adopted budget. These amendments take two forms: Transfer of an appropriation from one departmental budget to another; or, the appropriation of new sources of revenue.

Budget Message – The opening section of the budget which provides a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Mayor and City Manager.

Budget Monitoring – The evaluation of a governmental unit or fund in accordance with an approved budget for the purpose of keeping expenditures within the limits of available appropriations and available revenues.

Capital Equipment – Equipment with a value in excess of \$500 and an expected life of more than one year such as automobiles, typewriters and office furniture.



Capital Improvement Budget – A plan of proposed capital outlays and the means of financing, including those approved capital projects contained in the six-year Capital Improvement Program.

Capital Improvement Program (CIP) – Annual appropriations in the City's budget for capital purposes such as street improvements, building construction, and some kinds of facility maintenance which are supported by a six-year expenditure plan. This plan details fund sources and expenditure amounts that these large projects will require beyond the one-year period of the annual budget.

Capital Outlay – An expenditure category for acquiring equipment, vehicles or machinery that become additions to the City's fixed assets.

Comprehensive Annual Financial Report – The official annual financial report for the City of Miami. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP.

Community Development Block Grant – A U.S. Department of Housing and Urban Development grant to support economic development projects and social services for designated low-income areas.

Current Taxes – Taxes that are levied and due within one year.

DR-420 – A form entitled "Certification of Taxable Value" that the City submits annually to the State containing specific details about the proposed millage rate and certifying compliance with the provisions of the Florida statutes related to millage.

Debt Service Requirement – The amount of money required to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Delinquent Taxes – Taxes that remain unpaid on and after the date on which a penalty for nonpayment is attached.

Department – A major administrative unit of the City with overall management responsibility for a service or an operation or for a group of related operations.

Disbursement – Payment for goods and services.

Division – The second level in the formal City organization in which a specific function is carried out. Several divisions may comprise a single department.

Encumbrances – An estimated amount of committed funds to purchase a designated item or service or to cover specific contracts that are in the process of being completed.

Estimated Revenue – The amount of projected income to be collected during the fiscal year. The revenue estimate is submitted to the City Commission for approval.



Exemption – A portion of the total property valuation not subject to property taxes. An example is Homestead Exemption.

Expenditure – A transaction involving the exchange of money for payment of present or future obligations.

Expenses – An event which an asset is used up or a liability is incurred.

Fiscal Year – The time period designated as the beginning and ending period for recording financial transactions. The City of Miami fiscal year is from October 1st to September 30th of the following year.

Fixed Assets – Long-term tangible assets such as land, buildings, machinery, furniture and equipment.

Fund – An accounting entity containing a set of self-balancing accounts to record all financial transactions for specific activities or government functions. Seven commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, trust and agency funds, and internal service funds.

Fund Balance – The amount of equity held by the City to support future operations or emergencies. The difference between fund assets and fund liabilities.

General Fund – The general operating fund used to account for most of the City's financial activities.

General Obligation Bonds – Voter approved bonds used to finance a variety of capital improvement projects such as streets, buildings, and improvements. These bonds are backed by the full faith and credit of the issuing government. The repayment of these bonds is usually made from ad valorem taxes based on an approved debt millage rate.

Grant – An agreement made by a governmental unit, foundation, or corporation to provide financial contributions for specified purposes.

Indirect Cost Reimbursement – Elements of costs necessary to produce a product or service which is not directly traceable to the product or service provided. It is typically associated with payments made by grant-funded activities to cover the City's central service costs. In Miami, a cost allocation plan is developed to recoup central service costs from grants and other sources.

Interfund Transfers – Contributions made from one fund to another fund within an organization.

Interlocal Agreement – A contractual agreement between two or more governmental entities.

Levy – To impose taxes, special assessments, or service charges for City activities.



Line-item Budget – A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each category.

Local Government Half Cents Sales Tax – The value of ½ cent of the State sales tax, which is returned to the City on the basis of population.

Local Option Gas Tax – A tax levy of up to six cents on each gallon of motor and special fuels sold, which can be imposed by Dade County in accordance with State law, and which is shared with the cities in the county.

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

Maintenance of Current Level of Service – The resources required to provide the same level of service as provided during the prior year. The estimate takes into account increases in the cost of providing services.

Millage Rate – One mill equals \$1.00 of tax for each \$1,000 of property value. The millage rate is the total number of mills of tax assessed against this value.

Object Code – An account code which identifies a type of asset, liability, revenue, or expense category.

Objective – Specific measurable action that will be taken to achieve a goal.

Operating Budget – A balanced financial plan for providing governmental programs and services for a one year period.

Operating Expenses – Proprietary fund expenses related directly to the fund's primary activities.

Performance Indicator – A measure used to identify departmental achievements in numerical or statistical terms.

Personnel Services – An expenditure category that includes employee costs such as salary, wages, shift differential, holiday pay, etc.

Projections – Estimates of anticipated revenue, expenditures, or other budget amounts for specific time periods, usually fiscal years.

Property Tax Levy – The value derived by multiplying the property tax millage rate by the net taxable assessed value of property in the City.

Property Taxes – Taxes paid on the assessed or "just" value of land, buildings, business inventory or equipment.

Proprietary Agency – Commonly called "self-supporting" or "enterprise", these agencies pay for all or most of their cost of operations from user fees. These agencies receive little or no general tax support.



Rate Of Return - The yield obtainable on a security based on its purchase price or its current market price.

Reconciliation – A detailed explanation of changes in financial activities from one period to another or from one accounting basis to another.

Revenue – An increase in assets of governmental funds that do not increase liability or recovery of expenditure. It includes such items as tax payments, fees for specific services, receipts from other governments, franchise fees, fines, forfeitures, grants, shared revenues and interest income.

Rolled-back Millage Rate – The millage rate which will provide the same property tax levy as was levied during the previous fiscal year, exclusive of levies on new construction, additions to structures, deletions, and property added due to geographic boundary changes.

Source of Revenue – Revenues are classified according to their source or point of origin.

Strategic Objectives – The object or goal of action that is measurable and attainable within a specific time frame within the strategic plan.

Strategic Perspective – The overall vision and strategy utilizing the balanced scorecard methodology.

Strategic Themes – The principal unifying element within a strategic plan.

Tax Reserve – That portion of the property tax levy estimated to be uncollected during the fiscal year and remains uncollected 60 days beyond the close of the fiscal year.

Trim Bill – An acronym referring to House Bill 4D which was an act related to taxation amending Chapter 80-274 of the Florida State Statutes.

Unencumbered Balance – The amount of an appropriation that is neither amended nor encumbered. It is essentially the amount of money still available for future purchases.



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