

Information on understanding the data in OpenGov reports.

FUND ACCOUNTING

Like most governmental entities, Kittitas County organizes its finances on the basis of "funds". A "Fund" is a self-contained, independent financial entity with its own assets and liabilities. Each Fund is reported separately in the County's financial statements.

For budget purposes, many funds are subdivided into departments. Departments generally correspond to organizational units. In most cases, expenditures are monitored during the year at the department level. However, departments are not distinct financial entities.

FUND TYPES

Funds can be classified according to the accounting conventions that apply to them. "Governmental" funds are governed by standards developed specifically for government activities. "Proprietary" funds, on the other hand, are governed by the same accounting standards that apply to private businesses. Within these categories, there are seven Fund types:

General Fund. A governmental fund used to account for general-purpose revenues. Virtually all local governments have one and only one General Fund.

Special Revenue Funds. These are governmental funds, which account for revenues collected for specific, restricted purposes.

Debt Service Funds. These are governmental funds, which account for payments on County debt.

Capital Project Funds. These are governmental funds that account for the acquisition or construction of major capital assets.

Enterprise Funds. These are proprietary funds that are used to account for County operations that are intended to be financed primarily by fees charged to customers or users in a manner similar to a private business.

Internal Service Funds. These are proprietary funds that account for the activities of operations, which are intended to be financed primarily by fees charged to other County funds or other government entities. They are governed by the same accounting conventions as Enterprise Funds.

Trust Funds. These are funds to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, and other governmental units.

DEFINITION OF TERMS

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year,

Capital Outlays: Annual operating expenditures for the acquisition of, or addition to, fixed

assets. These expenditures must cost more than \$5,000, including construction projects, land acquisition, major renovations or repairs to existing grounds or facilities, and equipment purchases.

Depreciation: The periodic expiration of an asset's useful life. Depreciation is a requirement, in proprietary type funds (such as Enterprise and Internal Service Funds).

Fiscal Year: Any yearly accounting period, without regard to its relationship to a calendar year. The fiscal year for Kittitas County begins on January 1 and ends on December 31.

Function: The expenditure or revenue classified by activity type for reporting purposes as prescribed by the State Auditor Budgeting Accounting and Reporting manual.

Fund Balance: The excess of an entity's assets over its liabilities in a particular fund. A negative fund balance is sometimes called a deficit.

Intergovernmental Revenue: Grants, entitlements, shared revenues and payment for goods and services by one government to another.

Licenses and Permits: Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations and other activities for regulatory purposes. Permits are issued to aid regulation of new business activities.

Non-departmental Expenditures: Expenditures that are not directly related to the operations of a single County department.

Object of Expenditure: Expenditure classifications based upon the types or categories of goods and services purchased. Typical objects of expenditure include personnel services (wages and salaries), contracted services (utilities, maintenance contracts, etc.) supplies and materials, and capital outlays.

Other Services and Charges: A basic classification for services other than personnel services which are needed by the County. This budget item includes professional services, communication, travel, advertising, rentals and leases, insurance, public utility services, repairs and maintenance, and miscellaneous.

Salaries and Wages: Amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and seasonal help.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments, or charges for services rendered only to those who pay, for example, sewer service charges.