BUDGET TERMINOLOGY

To enhance understanding of the City’s budget, we have provided a list of key terms and acronyms frequently mentioned in the Budget presentations and discussions.

**Budget:** Plan that tells us how much money we will receive and how we will spend it.

**CAFR (Comprehensive Annual Financial Report):** An audited report of financial statements such as balance sheets and statement of revenues, expenditures and changes in fund balances.

**CalPERS (California Public Employees’ Retirement System):** The pension system for city employees who retire from the City.

**CIP (Capital Improvement Program):** A plan for capital expenditures for street, park and traffic improvements and other capital programs. The CIP is adopted with the City’s budget.

**Debt Service:** Payment for principal and interest on a City’s debt obligation such as bonds or other debt instruments.

**Expenses:** Money that goes out (payments).

**Fiscal year:** A 12 month budget calendar which begins July 1 and ends June 30 of the following year.

**Fund:** Checking account where revenues & expenditures are monitored and recorded.

**General Fund:** Account which the City has the most discretion on spending (least restrictions).

**Revenue:** Money that comes in (income).

**Reserves:** Savings account to be used primarily for emergencies.

**UUT (Utility User Tax):** One of the top six major general fund tax revenues. The UUT is a tax on utilities such as gas, electric, and communications.