

# **GLOSSARY**

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## **OVERVIEW**

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The following pages present specialized acronyms and terminology used throughout this budget document. The Glossary is divided into two sections: 1) Acronyms - defined to aid the reviewer in reading and understanding the 2010-12 Budget; and 2) Terminology – full definitions of the acronyms.

# GLOSSARY

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## ACRONYMS

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**ADA**

Americans with Disabilities Act

**APCD**

Air Pollution Control District

**ARRF**

Aircraft Rescue and Fire Fighting

**ARRA**

American Recovery and Reinvestment Act

**ASES**

After School Education and Safety Program

**CACEO**

The California Association of Code Enforcement Officers

**Cal-ID**

California Identification State-wide automated fingerprint identification program

**CalPERS**

California Public Employee Retirement System

**CAMs**

City Administrative Memorandums (City Internal Procedures)

**CANS**

Community Alert Notification System

**CCWA**

Central Coast Water Authority

**CDBG**

Community Development Block Grant

**CEQA**

California Environmental Quality Act

**CERT**

Community Emergency Response Team

**CLETS**

California Law Enforcement Telecommunication System

**CMEP**

Capital/Maintenance/Equipment Project

**COPs**

Certificates of Participation

**COPLink**

A secure law enforcement software application

**CSMFO**

California Society of Municipal Finance Officers

**CY**

Calendar Year

**DARE**

Drug Abuse Resistance Education

**DWR**

Department of Water Resources

**EOC**

Emergency Operations Center

**EIR**

Environmental Impact Report

**ERAF**

Educational Revenue Augmentation Fund

**FCC**

Federal Communications Commission

**FTA**

Federal Transit Administration

**FTE**

Full-Time Equivalent

**FY**

Fiscal Year

**GAAP**

Generally Accepted Accounting Principles

**GASB**

Government Accounting Standards Board

**GFOA**

Government Finance Officers Association

**GIS**

Geographic Information Systems

**HPRP**

Homelessness Prevention and Rapid Re-Housing Program

**HVAC**

Heating, Ventilation and Air Conditioning

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## ACRONYMS

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**LAFCO**

Local Agency Formation Commission

**LF**

Linear Feet

**LEAF**

Local Economic Augmentation Fund

**LOCC**

League of California Cities

**MDT**

Mobile Data Terminal

**MOE**

Maintenance of Effort

**MOU**

Memorandum of Understanding

**MS4s**

Municipal Separate Storm Sewer System

**MTO**

Mandatory Time Off (a furlough day)

**NHIS**

Non-Hazardous Hydrocarbon Impacted Soils

**NPDES**

National Pollutant Discharge Elimination System

**OPEB**

Other Post Employment Benefits

**OTS**

Office of Traffic Safety

**PARS**

Public Agency Retirement System (PARS)

**PEG**

Public, Education and Government (public access television)

**PLAY**

People for Leisure and Youth, Inc.

**POST**

Peace Officer Standards and Training

**RDA**

Redevelopment Agency

**ROW**

Right-of-Way

**RSTP**

Regional Surface Transportation Plan

**RWQCB**

Regional Water Quality Control Board

**SBCAG**

Santa Barbara County Association of Governments

**SMAT**

Santa Maria Area Transit

**SMBSD**

Santa Maria Bonita School District

**SMCTV**

Santa Maria Community Television

**SRS**

Septage Receiving Station

**STIP**

State Transportation Improvement Plan

**SWPPP**

Storm Water Pollution Prevention Plan

**SWANA**

Solid Waste Association of North America

**TDA**

Transportation Development Act

**TMA**

Twitchell Management Authority

**TOT**

Transient Occupancy Tax

**USR**

Urban, Search and Rescue

**VLf**

Vehicle License Fee

**VTO**

Voluntary Time Off

**WWTP**

Wastewater Treatment Plant

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### **Activities**

Specific services performed in accomplishing program objectives and goals (see Program).

### **Ad Valorem Tax**

A tax assessed based on the dollar-value of an item or activity. Typical examples are property and sales taxes. Ad valorem taxes contrast with per-unit taxes, such as alcoholic beverage and cigarette taxes, which are assessed at a fixed dollar amount per unit purchased.

### **After School Education and Safety Program**

The Recreation and Parks Department partners with the Santa Maria-Bonita Elementary School District to offer . This State-funded program targets youth and teens ages five to 14. The After School Education and Safety Program's mission is to expand on what youth are learning, in school during the day, by providing additional fun and stimulating learning activities.

### **Air Pollution and Control District**

The Air Pollution Control District is a local government agency that works to protect the people and the environment from harmful effects of air pollution.

### **Aircraft Rescue and Fire Fighting**

Airport crash, fire and rescue services are performed for aircraft-type accidents at the Santa Maria Public Airport District.

### **Americans with Disabilities Act**

Enacted on July 26, 1990, the Americans with Disabilities Act gives civil rights protections to individuals with disabilities similar to those provided to individuals on the basis of race, color, sex, national origin, age, and religion. The ADA Americans with Disabilities Act guarantees equal opportunity for individuals with disabilities in public accommodations, employment, transportation, State and local government services, and telecommunications.

### **Appropriation**

An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources for specific purposes.

### **Assessed Valuation**

The value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, assessed value is established by the county for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100 percent of full value. Proposition 13 modified the value of real taxable property for fiscal year 1979 by rolling back values to fiscal year 1976 levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of two percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal. Property taxes for general purposes cannot exceed one percent of assessed value.

### **Audit**

Prepared by an independent certified public accountant, the primary objective of an audit is to determine if the City's financial statements fairly present the City's financial position and results of operations in conformity with Generally Accepted Accounting Principles. In conjunction with performing an audit, independent auditors customarily issue a Management Letter stating the adequacy of the City's internal controls, as well as recommending improvements to the City's financial management practices.

### **Block Grant**

Federal grant allocated according to predetermined formulas and for use within a pre-approved broad functional area such as the Community Development Block Grant.

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### **Bonds**

A form of borrowing (debt financing), that reflects a written promise from the City to repay a sum of money on a specific date at a specified interest rate. Bonds are used to finance large capital projects such as buildings, parking structures, streets, utility infrastructure, and bridges.

### **Breeze**

The Breeze is an intercommunity transit service that began in May, 2005. The transit service provides commuter-based general public transportation connecting Santa Maria, Vandenberg Air Force Base and Lompoc, as mandated under State and Federal regulations for the transit needs of the northern Santa Barbara County urbanized areas.

### **Budget**

A financial plan for a specified period of time that matches projected revenues and planned expenditures to municipal services, goals, and objectives. The City uses a budget covering two fiscal years, with actual budget appropriations made annually.

### **Budget Amendment**

The City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget, at any time, after adoption by majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those adjustments would not have a significant policy impact or affect budgeted year-end fund balances.

### **Budget Manual**

General and specific guidelines that govern budget preparation and administration.

### **Budget Message**

Included in Section A of the budget, the Budget Message provides the City Council and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the City Manager.

### **Business License Tax**

A type of excise tax imposed on businesses for the privilege of conducting business within the City. The tax is most commonly based on gross receipts or levied at a flat rate.

### **Calendar Year**

The calendar year starts January 1<sup>st</sup> and ends December 31<sup>st</sup>.

### **California Association of Code Enforcement Officers**

The California Association of Code Enforcement Officers is a statewide organization that exists to promote and advance the profession of code enforcement.

### **California Environmental Quality Act**

A State law that requires public agencies to review projects before approval to identify possible adverse effects on the environment.

### **California Identification**

The State-wide automated fingerprint identification database. Live scan devices, used to capture fingerprints taken at the time a person is booked, are located in each law enforcement department. These devices transmit fingerprints taken during the booking process and electronically direct them to the State's fingerprint database.

### **California Law Enforcement Telecommunication System**

The California Law Enforcement Telecommunication System is a high-speed message switching system which became operational in 1970. The California Law Enforcement Telecommunication System provides law enforcement and criminal justice agencies access to various databases and the ability to transmit and receive point-to-point administrative messages to other agencies

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### **California Public Employee Retirement System**

The City contributes to the California Public Employee Retirement System, an agent multiple-employer public employee defined benefit pension plan. The California Public Employee Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. California Public Employee Retirement System acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance.

### **California Society of Municipal Finance Officers**

The California Society of Municipal Finance Officers is the statewide organization serving California municipal finance professionals. It promotes excellence in financial management through innovation, continuing education and the professional development of its members. The City strives to create a budget document that meets the California Society of Municipal Finance Officers budget award criteria.

### **Capital Asset**

A tangible, fixed asset that is long-term in nature, of significant value, and obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include land, buildings, equipment, improvements to buildings, and infrastructure such as streets and other immovable assets. A capital asset is defined as an asset with a useful life extending beyond a single accounting period and \$5,000+ in value.

### **Capital Budget**

A plan of capital expenditures and the means of financing capital expenditures. The capital budget is adopted as part of the complete two-year budget cycle, including operating and capital outlays.

### **Capital/Maintenance/Equipment Project**

Major construction, acquisition or renovation activities that add value to the physical assets of the City, or significantly increase their useful life. During the budget preparation process, all City departments are required to submit capital/maintenance/equipment project requests and justifications, assigned by priority, for review. Examples of capital/maintenance/equipment projects are: capital equipment that costs \$5,000 or more; remodels involving office furniture, repairs or alterations to a facility or computer program; communications equipment; and assets including land, structures and improvements. The approved requests are budgeted, as appropriate in the General Fund Capital Projects, Enterprise, or Internal Service Funds.

### **Capital Outlay**

Expenditures that result in an acquisition of or addition to fixed assets.

### **Capital Project Funds**

This fund type is used to account for financial resources used in acquiring or building major capital facilities other than those financed by Proprietary and Trust Funds.

### **Carry-over**

Expenditure originally planned in the current budget year but because of delays is postponed to the following budget year.

### **Central Coast Water Authority**

The Central Coast Water Authority is a public entity duly organized and existing under a Joint Exercise of Powers Agreement, dated as of August 1, 1991. The Central Coast Water Authority is composed of eight public agency members. Members entered into the Joint Exercise of Powers Agreement to exercise the Authorities' common power to acquire, construct, operate, and maintain water works and facilities for the development and use of water resources and water rights including without limitation, works and facilities to divert, store, pump, treat and deliver water for beneficial uses. Central Coast Water Authority's mission is to provide San Luis Obispo and Santa Barbara Counties with reliable, high quality supplemental water.

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### **Certificates of Participation**

Debt instrument, commonly called Certificates of Participation, that provides long-term financing to construct or acquire capital facilities and equipment through a lease (with an option to purchase) or through an installment agreement.

### **City Administrative Memorandums**

City Administrative Memorandums are internal procedures established for all departments to follow as directed by the City Manager. In other organizations, these directives can be found in a policy and procedures manual.

### **Community Alert and Notification System**

The Community Alert and Notification System is a mass communications service that provides City officials with the ability to communicate with all residents via telephone and e-mail regarding time-sensitive and public safety matters, such as unforeseen events or emergencies.

### **Community Emergency Response Team**

The Community Emergency Response Team Program educates people about disaster preparedness for hazards that may impact their area and trains them in basic disaster response skills, such as fire safety, light search and rescue, team organization, and disaster medical operations.

### **Community Development Block Grant**

Grant funds allocated by the Federal government to the City. The Federal government determines the annual grant amount based on a formula that takes into account such factors as population growth, level of poverty, age of housing, and extent of overcrowding. The City has participated as an entitlement community in the Community Development Block Grant program since 1975, which was the first year of funding.

### **Construction Permits**

The Building Division regulates building and associated construction activities to protect public health, safety and welfare pursuant to uniform construction codes governing land use and code enforcement. Construction permits are required for new buildings, additions, and installation or replacement of water heaters, furnaces, water treatment systems, and other appliances.

### **COPLINK**

A secure law enforcement software application that allows officers to view results of complex data searches across multiple agencies' records, uncovering potential relationships and associations, and helping to track offenders.

### **Cost Allocation Transfers**

Payments, by operating departments of the City to the General Fund for central support services such as administration, payroll, and accounts payable support.

### **Coverage**

The margin of safety for payment of debt services, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

### **Debt Financing**

Issuance of bonds and other debt instruments for capital improvements needed today and pledging future revenues to repay principal and interest expenditures (see Debt Service). The City uses debt financing only for one-time capital improvements whose life will exceed the term of financing and where expected revenues are sufficient to cover the long-term debt.

### **Debt Service**

Payments of principal and interest on bonds and other debt instruments according to a pre-determined schedule.

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### **Debt Service Funds**

Debt Service Funds are used to account for the payment and accumulation of resources related to general long-term debt principal and interest; debt service payments related to enterprise operations are directly accounted for in those funds.

### **Department**

A major organizational unit of the City that has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

### **Department of Water Resources**

The Department of Water Resources operates and maintains the State Water Project, including the California Aqueduct. The department provides dam safety and flood control services, assists local water districts in water management and conservation activities, promotes recreational opportunities, and plans for future Statewide water needs.

### **Division**

A sub-operation of a City department.

### **Drug Abuse Resistance Education**

Drug Abuse Resistance Education, better known as DARE, is an education program operated through the Police Department that seeks to prevent use of illegal drugs, membership in gangs, and violent behavior. Officers visit school children on campus to spread this message.

### **Emergency Operations Center**

An Emergency Operations Center is a pre-designated facility established by the City to coordinate its overall response and support to an emergency.

### **Encumbrances**

Resources that are set-aside or committed to a specific use and are no longer available for other expenditures. Encumbrances are also known as obligations.

### **Enterprise Funds**

Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

### **Environmental Impact Report**

Detailed review of a proposed project, its potential adverse environmental effects, possible changes that can be made to reduce adverse effects, and possible alternatives.

### **Expenditures**

The outflow of funds paid or to be paid for an asset, goods and services obtained regardless of when the expense is actually paid. This term applies to all governmental funds. Note: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended.

### **Fee**

A charge to the consumer for the cost of providing a particular service. City fee levies may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged, plus overhead.

### **Federal Communications Commission**

The Federal government department that sets and controls the communications standards in the country.

### **Federal Transit Administration**

The Federal agency that administers formula discretionary grants to support a variety of locally planned, constructed and operated public transportation system throughout the United States.

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### **Fines, Forfeitures and Penalties**

Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

### **Fiscal Year**

The beginning and ending period for recording financial transactions. The City has specified July 1 to June 30 as its fiscal year.

### **Fixed Assets**

Assets of long-term nature such as land, buildings, machinery, furniture, and other equipment. The City has defined fixed assets as those with an expected life in excess of one year and an acquisition cost in excess of \$5,000.

### **Franchise**

Fee paid to a municipality from a franchisee for "rental" or "toll" for the use of City streets and right-of-way.

### **Full Time Equivalent Position**

A part-time or limited-service position converted to a decimal equivalent of a full-time position based on 2,080 hours per year (40-hour work week). For example, an employee budgeted to work six months or 1,040 hours would be equal to 0.5 of a full-time position.

### **Function**

A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal or accomplishing a major service. The six functions in the City's financial plan are: Public Safety; Utilities; Public Ways and Facilities; Leisure and Cultural Services; Community and Economic Development; and General Government.

### **Fund**

A fiscal accounting entity that records all financial transactions for specific activities or government functions. The generic fund types used by the City are: General, Special Revenue, Debt Service, Capital Project, Enterprise, Internal Service, and Trust and Agency Funds.

### **Fund Balance**

Also known as financial position, fund balance for the governmental fund types is the excess of fund assets over liabilities, and represents the cumulative affect of revenues and other financing sources over expenditures and other financing uses. Fund balance is a similar (although not exact) concept as working capital in the Enterprise Funds.

### **Furlough**

See Mandatory Time Off

### **Gasoline Tax**

Currently, \$0.18 per gallon tax on any fuel used to propel a motor vehicle or aircraft. Use of tax is limited to research, planning, construction, improvement, maintenance, and operation of public streets and highways or public mass transit guideways. Also called Highway Users Tax and Motor Vehicle Fuel License Tax.

### **Generally Accepted Accounting Principles**

Uniform minimum standards and guidelines for accounting and reporting. These standards govern the form and content of the annual financial statements of an entity.

### **General Fund**

The primary operating fund of the City, all revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. Except for subvention or grant revenues restricted for specific uses, General Fund resources can be utilized for any legitimate governmental purpose.

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### **General Plan**

The City's General Plan is a blueprint for growth. According to California State Law, the General Plan consists of seven mandatory elements: Circulation, Housing, Land Use, Noise, Safety, Conservation, and Open Space. A General Plan has two main purposes: To provide information about the community and to provide the decision-making bodies with a framework of community goals and objectives by which specific development proposals are gauged.

### **General Revenue**

Those revenues that cannot be associated with a specific expenditure, such as property (other than voter-approved indebtedness), sales, and business license taxes.

### **Geographic Information Systems**

Geographic Information Systems is a computerized system of hardware and software used for storage, retrieval, mapping, analysis of geographic data, and the operating staff and data that go into the system. Geographic Information Systems is used for resource management, plotting City utility lines, street center lines, development planning, and many other uses.

### **Governmental Accounting Standards Board**

The Governmental Accounting Standards Board establishes financial accounting and reporting standards for State and local governmental entities, including the City. The standards guide the preparation of external financial reports of those entities.

### **Government Finance Officers Association**

The Government Finance Officers Association is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. Government Finance Officers Association members are dedicated to the sound management of government financial resources. The City strives to create a budget document that addresses Government Finance Officers Association program criteria as a policy guide, financial plan, operations guide, and communications device.

### **Grants**

Contributions of cash or other assets usually from another governmental agency to be used or expended for a specified purpose, activity, or facility.

### **Highway**

The standard arterial road type in California, varying in width from two lanes to eight. There are three State highways passing through the City: Highway 101, Highway 135 (Broadway) and Highway 166 (Main Street).

### **Homelessness Prevention and Rapid Re-Housing Program**

The American Recovery and Reinvestment Act of 2009, includes \$1.5 billion for the Homelessness Prevention and Rapid Re-Housing Program, distributed on a formula basis to cities, counties, states, and territories. The Homelessness Prevention and Rapid Re-Housing Program provides assistance to households at or below 50 percent of Area Median Income that are in need of temporary assistance to end or prevent homelessness, but whom have the capacity to maintain stable housing upon the conclusion of the assistance.

### **Homeowner's Property Tax Relief**

Revenue from the State to offset City loss of property tax for the State-imposed \$7,000 per dwelling homeowner exemption.

### **Hotel/Bed Tax (also see Transient Occupancy Tax)**

The term Hotel/Bed Tax is commonly used when referring to transient occupancy tax. Transient occupancy tax is a tax levied by cities on persons staying in a room(s) in a hotel, inn, motel, tourist home, non-membership campground, or other lodging facility.

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### **Internal Service Fund**

Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost reimbursement basis.

### **Investment Earnings**

Revenue earned from the investment of idle public funds.

### **League of California Cities (LOCC)**

The League of California Cities is an association of California city officials working together to enhance league member's knowledge, skills, exchange information and combine resources that might influence policy decisions that affect cities. The League of California Cities represents cities' concerns regarding legislation and State finances and provides training for city officials and city council members.

### **Local Economic Augmentation Fund**

The Local Economic Augmentation Fund is a reserve fund, made up of one-time discretionary resources, distinct from the General Fund, that is designed to be used to help balance the General Fund's operating budget during times of economic and/or financial crisis.

### **Local Agency Formation Commission**

A Local Agency Formation Commission exists in each county, with powers to review, approve, or deny proposals for boundary changes and incorporations for cities, counties, and special districts.

### **Licenses and Permits**

Charges designed to reimburse the City for costs of regulating activities being licensed, such as licensing of animals, bicycles, etc.

### **Limited Service Employees**

Limited Service Employees are those employees who work up to 19 hours per week (shown in full-time equivalency – FTE).

### **Line-Item Budget**

A budget that lists detailed expenditure categories (salaries, postage, telephone service, chemicals, travel, etc.) separately, along with the amount budgeted for each specified category. Detail line-item accounts are maintained and recorded for financial reporting and control purposes.

### **Mandate**

Legislation passed by the State or Federal government requiring action or provision of services and/or programs. Examples include the Americans with Disabilities Act, which requires actions such as physical facility improvements and provision of specialized transportation services.

### **Mandatory Time Off**

In an effort to reduce operational costs and due to the severe fiscal crisis caused by declining revenues, the City implemented a Mandatory Time Off program (otherwise referred to as a furlough program) for its employees during calendar year 2010. Under the Mandatory Time Off Program, the majority of all City offices and departments (including City Hall and the Library) are closed for 13 days during 2010, on the third Friday of every month and on Veterans Day, November 11<sup>th</sup>. Police and fire emergency services are not impacted or affected.

### **Measure A**

Measure A was passed by the voters of Santa Barbara County in November 2008. This measure extends, for 30 years, the existing half-cent sales tax used to fund local transportation projects that has been in place since approval of Measure D in 1989.

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### **Measure D**

Measure D was passed by the voters of Santa Barbara County in November, 1989 to improve transportation infrastructure in the County. Measure D provides for a one-half cent sales tax increase over a period of 20 years (April 1990 to April 2010) and dedicates these revenues solely to fund transportation projects and programs.

### **Memorandum of Understanding**

A document providing a general description of the responsibilities that are assumed by two or more parties in pursuit of their goal(s). For example, the cities of Lompoc and Santa Maria signed a memorandum of understanding to operate a media center.

### **Mobile Data Terminals**

A mobile data terminal is a computerized device used in emergency vehicles to communicate with the public safety dispatch center.

### **Motor Vehicle License Fee**

Motor vehicle license fees are assessed for the privilege of operating a vehicle on public streets. A motor vehicle license fee is annually levied at two percent of the market value of motor vehicles and is imposed by the State "in lieu" of local property taxes. A motor vehicle license fee is also called Motor Vehicle In-Lieu Tax.

### **Municipal Code**

The Municipal Code contains all City ordinances as approved by the City Council. The document is arranged by Titles, Chapters and Sections. The City maintains the Municipal Code on its Website for public usage.

### **National Pollutant Discharge Elimination System**

The National Pollutant Discharge Elimination System Permit Program was established by the Federal government to control point-source discharges of water pollution. In California, these programs are administered by the State Water Resources Control Board and by nine regional boards that issue National Pollutant Discharge Elimination System permits and enforce regulations within their respective region.

### **Non-Hazardous Hydrocarbon Impacted Soils**

Non-Hazardous hydrocarbon impacted soils is non-hazardous soil from oil sumps and mining operations, containing oil in levels approved by State regulators, and is used as cover material for the closed sections of the City's Landfill. The generators or owners of non-hazardous hydrocarbon impacted soils pay to have the soil removed, and the City receives revenues to cover the cost of the closure and for staff upgrades and enhancement.

### **Objective**

A statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program.

### **Off-Highway Motor Vehicle License Fee**

A fee imposed for the issuance or renewal of identification for every off-highway motor vehicle.

### **Operating Budget**

The portion of the budget that pertains to daily operations and delivery of basic governmental services. The program budgets in the financial plan form the operating budget.

### **Operating Expenses**

The cost for personnel, materials and equipment required for a department to function.

### **Operating Revenues**

Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings and grant revenues. Operating revenues are used to pay for day-to-day activities.

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### **Operating Transfers**

Payments from one City fund to another City fund for services, supplies, or repayments of expenses made on behalf of the fund.

### **Operations**

A grouping of related programs within a functional area.

### **Ordinance**

A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and affect of law within the boundaries of the City.

### **Other Post Employment Benefits**

The Government Accounting Standards Board requires local governments to account for "Other Post Employment Benefits." Other post employment benefits ligations are primarily for retiree health care costs but may include other benefits such as insurance.

### **Part-Time Employees**

Part-time employees are those employees working up to 32 hours per week in a budgeted position.

### **People for Leisure And Youth, Incorporated**

People for Leisure And Youth, Incorporated is a non-profit public benefit corporation committed to promoting public welfare and education through the acceptance of contributions for use in enhancing, maintaining, and promoting the recreation, leisure, and parks services offered by the City's Recreation and Parks Department.

### **Peace Officer Standards and Training**

The California Commission on Peace Officer Standards and Training sets minimum selection standards for California peace officers employed by Peace Officer Standards and Training-participating agencies.

### **Program**

A grouping of activities organized to accomplish basic goals and objectives. The budget includes various programs grouped into six functions.

### **Property Tax**

An ad valorem tax imposed on real property (land and permanently attached improvements) and tangible personal property (movable property).

### **Proposition 1B**

Proposition 1B, a transportation bond, was approved by California voters in November, 2006, resulting in \$950 million for cities and counties in 2007-08. The funding must be expended by June 30, 2011.

### **Proposition 13**

Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the maximum annual increase of any ad valorem tax on real property to one percent of the full cash value of such property.

### **Proprietary Funds**

The Enterprise Fund account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

### **Provisional Employee**

An employee who has not completed a probationary period and who has not been appointed to his/her present class from an eligible list.

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### **Public Agency Retirement System**

All seasonal and temporary employees, and all other employees not covered by the California Public Employees Retirement System are covered by the Public Agency Retirement System pursuant to the requirements of 3121 (b)(7)(F) of the Internal Revenue Service Code (IRS). The Public Agency Retirement System is a Defined Contribution Plan qualifying under 401(a) and 501 of the IRS code.

### **Public, Education and Government**

Because of its three components, Public Access Television is sometimes referred to as Public, Education and Government programming.

### **Quimby Fees**

The 1975 Quimby Act authorized cities and counties to pass ordinances requiring that developers set aside land, donate conservation easements, or pay fees for park improvements.

### **Redevelopment Agency**

The City Council has the responsibility of serving as the Redevelopment Agency. The Redevelopment Area encompasses an area from Pine Street to the west, Miller Street to the east, Cook Street to the south, and Chapel Street to the north. Established in 1959, the Redevelopment Agency works to alleviate conditions of blight in the City's downtown core, by improving public infrastructure and encouraging projects to bring vitality.

### **Regional Water Quality Control Board**

The Regional Water Quality Control Board's mission is to develop and enforce water quality objectives and implementation plans that will best protect the State's waters, recognizing local differences in climate, topography, geology and hydrology. These tasks include: protecting and enforcing the many uses of water including the needs of industry, agriculture, municipal districts, and the environment.

### **Rental Income**

Revenues received through the rental of public properties, such as recreation and park facilities to private parties.

### **Reserve**

An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

### **Revenue**

Annual income received by the City from external sources for the purpose of financing City operations.

### **Revenue Bonds**

Bonds sold to construct a project that will produce revenues pledged for the payment of related principal and interest.

### **Revenue from Other Agencies**

Revenues received from local, county, state, and federal governments. These funds come in the form of support for programs, such as entitlement programs and one-time grants for which applications must be submitted.

### **Right-of-Way**

The legal right of passage over property owned by another party. A parcel of land granted by deed or easement for construction and maintenance according to a designated use.

### **Sales Tax**

The sales tax is imposed on retailers for the privilege of selling tangible personal property in California. Tax base is the total retail price.

# **GLOSSARY**

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## **TERMINOLOGY**

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### **Santa Barbara County Association of Governments**

The Santa Barbara County Association of Governments is a regional planning agency comprised of Santa Barbara County and all eight incorporated cities within the County. Santa Barbara County Association of Governments distributes local, State, and Federal transportation funds and acts as a forum for addressing regional and multi-jurisdictional issues.

### **Santa Maria Community Television**

Santa Maria Community Television (SMCTV) is a public access television studio with three cable channels for public, educational and government programming. The operation is funded through an annual grant paid by Comcast as a condition of the Franchise Agreement. SMCTV employees are part of the City Manager's Office.

### **Santa Maria Area Transit**

Santa Maria Area Transit provides a regional public transportation service, as mandated under State and Federal regulations for the transit needs of the Santa Maria urban area.

### **Septage Receiving Station**

The septage receiving station at the Wastewater Treatment Plant screens septage offloaded from haul trucks for safe introduction to plant processes.

### **Service Charges**

Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).

### **Solid Waste Association of North America**

The Solid Waste Association of North America is the leading professional association in the solid waste management field. The Solid Waste Association of North America's mission is "to advance the practice of environmentally and economically sound management of municipal solid waste."

### **Special Revenue Funds**

This fund type is used to account for the proceeds from specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

### **Sphere of Influence**

A sphere of influence is a county area that is subject to the influence of City planning because it is destined to become annexed. The Local Agency Formation Commission has sole responsibility for establishing a City's sphere of influence.

### **State Mandated Costs**

Article XIII B, Section 6 of the California Constitution which requires the State to reimburse local agencies for the cost of State-imposed programs. The process is commonly called "SB 90" after its original 1972 legislation.

### **State Water**

State Water is a supplemental, high-quality water source, imported from Northern California by way of a complex system of canals, pipelines, pumps and treatment plants. Deliveries to participating communities within Santa Barbara County began in 1997.

### **Subventions**

Revenues collected by the State (or other level of government), which are allocated to the City on a formula basis. The major subventions received by the City from the State of California include motor vehicle in-lieu and gasoline taxes.

### **Target Budget**

A budget that is based on a specific predetermined allocation of financial resources per department. Operational decisions are made by departments with the intent of not exceeding the department's predetermined financial resources.

# **GLOSSARY**

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## **TERMINOLOGY**

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### **Tax**

Compulsory charge levied by a government for the purpose of financing services performed for the common benefit.

### **Tax Increment Financing**

A tax incentive designed to attract business investment by dedicating to the project area the new property tax revenues generated by redevelopment. The increase in revenues (increment) is used to finance development-related costs in that district.

### **Traffic Safety Fund**

All fines and forfeitures received as a result of arrests by City officers for vehicle code violations must be deposited in a special City "Traffic Safety Fund" to be used for traffic control devices; maintenance of equipment and supplies for traffic law enforcement, traffic accident prevention; maintenance/improvement or construction of public streets, bridges or culverts; and the compensation of school crossing guards who are not regular full-time members of the Police Department.

### **The Transportation Development Act**

The Transportation Development Act is one of the major funding sources for public transit in California. The Transportation Development Act provides two funding sources: The Local Transportation Fund and the State Transit Assistance fund. The Transportation Development Act revenues are allocated to transportation programs, including regional and municipal transit systems, pedestrian and bikeway improvements, and street and road construction.

### **Transient Occupancy Tax - Also see Hotel/Bed Tax**

A tax levied by cities on persons staying in a room(s) in a hotel, inn, motel, tourist home, non-membership campground, or other lodging facility.

### **Triple Flip**

Part of a multibillion-dollar deficit financing plan established by the State of California in 2004 that allowed for the issuance of bonds to balance the State's budget. The bonds were to be repaid through a three part shift of revenues among cities, counties, and schools by way of the following: (1) one-quarter of the one percent local sales and use taxes are shifted to the State to guarantee the bonds; (2) Revenue lost through the shift is backfilled to local agencies with property tax revenue from the County Education Revenue Augmentation Fund, and; (3) Any shortfall in the County Education Revenue Augmentation Fund monies needed to meet the minimum funding requirement for schools is backfilled from the State general fund.

### **Trust and Agency Funds**

Known as Fiduciary Fund types, Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City include expendable trust and agency funds. Expendable trust funds are accounted for in the same manner as Governmental Funds (general, special revenues, debt service, and capital project funds). Agency funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

### **Twitchell Management Authority**

The Twitchell Management Authority is a court-mandated committee formed to administer relevant provisions of a stipulation regarding the groundwater basin in the Santa Maria Valley Management Area.

### **Vehicle License Fee**

Established in 1935 as a uniform statewide tax, the vehicle license fee is a tax on the ownership of a registered vehicle in place of taxing vehicles as personal property. By law, all revenues from the vehicle license fee fund City and County services, but the State Legislature controls the tax rate and the allocation among local governments. In 2004, the Legislature permanently reduced the vehicle license fee tax rate and eliminated State General Fund backfill to cities and counties. Instead, cities and counties receive additional transfers of property taxes in lieu of vehicle license fees.

# **GLOSSARY**

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### **Voluntary Time Off**

A voluntary program to reduce City expenses. Employees who request to participate in the Voluntary Time Off Program may request a maximum of 96 Full-Time hours or 72 Part-Time hours off without pay during the calendar year.

### **Wastewater Treatment Plant**

The Wastewater Treatment Plant, along Black Road, treats and disposes of millions of gallons of wastewater and accepted septage within State and County standards.

### **Working Capital**

Known as financial position in private sector accounting and in enterprise fund accounting in the public sector, working capital is the excess of current assets over current liabilities. For the enterprise funds, this term is a similar (although not exact) concept as fund balance in governmental fund types.

# 2010-12 BUDGET

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## CITY OF SANTA MARIA

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To accommodate the City's growth, the Wastewater Treatment Plant was expanded in 2009, to increase capacity from 9.5 million gallons per day to 13.5 million gallons per day. The \$16.6 million project was completed on time and within budget.

