

**CITY OF COTTAGE GROVE  
BUDGET CALENDAR FOR 2007-2008**

The following list is designed to help plan our budget process for the fiscal year 2007-2008. The key steps in the budget process are shown, along with proposed dates for the completion of each step.

<u>KEY STEPS</u>	<u>PROPOSED DATES</u>
1. Budget Worksheets to Departments	February 19, 2007
2. Submit FY 2006-07 Year-End Estimates	February 28, 2007
3. Departments Submit Proposed Budgets to Finance Department <b>no later than</b>	March 23, 2007
4. Submit Budget to City Manager for Review	March 28, 2007
5. Balance Proposed Budget	April 16, 2007
6. Publish first Notice of Budget Committee Meeting	May 2, 2007 *
7. Distribute Proposed Budgets to Budget Committee	May 8, 2007
8. Publish Second Notice of Budget Committee Meeting <b>and</b> Notice of Public Hearing on Possible uses of State Revenue Sharing Funds	May 9, 2007 **
9. First Budget Committee Meeting Additional Tentative Meeting Dates:	May 15, 2007 (Tuesday, 6:30 pm) May 22, 2007 May 29, 2007
10. Approve Proposed Budget <b>No Later Than</b>	<b>May 29, 2007</b>
11. Publish Budget Hearing Notice <b>and</b> Public Hearing Notice on Proposed uses of State Revenue Sharing Funds	June 6, 2007 **** (Newspaper) June 8, 2007 (Friday Update)
12. Hold Budget Hearing(s); Public Hearing on Proposed uses of State Revenue Sharing Funds; and Adopt Resolutions for State Revenue Sharing Funds and State Shared Revenues	June 25, 2007 (Monday, 7:30 pm)
13. Adopt Budget and Make Appropriations	<b>June 25, 2007 *****</b>
14. Submit Budget to Assessor <b>No Later Than</b>	July 15, 2007 *****

- \* Must be no more than 30 days before the Budget Committee meets
- \*\* Must be no less than 5 days before the Budget Committee meets **and** must be at least 5 days after the first notice of meeting
- \*\*\* Must be 5 to 30 days before the Public Hearing
- \*\*\*\* Must be 5 to 30 days before the Public Hearing
- \*\*\*\*\* Must be no later than June 30, 2007
- \*\*\*\*\* This date is set by law

## **CITY OF COTTAGE GROVE GLOSSARY OF BUDGET TERMS**

**Adopted Budget:** The final draft of the budget document as submitted to the State for filing, which includes Budget Committee and City Council revisions.

**Appropriation:** Legal authorization to make expenditures and to incur obligations. The appropriation is limited in amount and time when it may be expended.

**Approved Budget:** The financial plan agreed upon by the Budget Committee.

**Assessed Valuation:** The value set by the County Assessor on real and personal taxable property as a basis for levying taxes.

**Bond:** A written promise to pay a specific sum of money (principal or face value) at a future date or dates in the future (maturity date) along with periodic interest at a specified rate. Bonds are typically used to finance long-term capital improvements.

**Budget:** A financial operating plan with estimated expenditures and expected revenues for a given period.

**Budget Calendar:** The schedule of key dates or milestones that a government follows in the preparation and adoption of the budget.

**Budget Committee:** A panel of citizens consisting of the Mayor and six councilors plus seven appointed community members responsible for review and recommendation of the annual budget.

**Budget Message:** A general summary, prepared by the Budget Officer, of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy.

**Capital Improvement Program:** A plan for capital expenditures to be incurred each year over a fixed period of several future years.

**Capital Outlay:** Expenditures, which result in the acquisition of or addition to fixed assets. The item must have a value of at least \$250 and have a useful life of at least five years to qualify as a capital outlay expenditure.

**Capital Projects Funds:** Funds created to account for financial resources to be used for the acquisition or construction of major capital facilities, such as the purchase of land and the construction of a building.

**Carryover:** Amount of resources available for use at the beginning of the fiscal year.

**Contingency:** An appropriation of funds to cover emergencies or unforeseen events, which occur during the budget year. City Council must approve all contingency expenditures. Transfers from contingency that exceed 15% of the total appropriations of the fund may be made only by a supplemental budget.

Debt Service: Payment of principal and interest on borrowed funds.

Debt Service Funds: Funds established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Enterprise Funds: Government operations that are financed and operated in a manner similar to private business enterprises. The intention is that the costs of providing goods and services on a continuing basis be financed or recovered primarily through user charges.

Expenditures: The actual outlay of or obligation to pay cash; a decrease in net financial resources.

Fiduciary Fund: A trust fund set up to account for a private donation to the City for a specific purpose for which the principal amount cannot be spent.

Fiscal Year: The twelve month period beginning July 1 and ending the following June 30.

Fund: A division in the budget with independent fiscal and accounting requirements. Budgeted revenues and expenditures must be equal.

General Fund: The major operating fund used to account for all financial resources, except those required to be accounted for in another fund.

Grants: Contributions of assets (usually cash) by a governmental unit or other organization to another. Typically, these contributions are made to local governments from state and federal governments and are for a specified purpose.

Line Item: Numerical classification of revenues and expenditures used in the accounting records. The City uses a six-digit number starting with a four for revenues. The City uses a seven-digit number for expenditures.

Performance Indicators: Statistical measures that are collected to show impact of dollars spent on city services.

Program: A group of activities that seek to accomplish one objective.

Proposed Budget: A draft of the budget document prepared by staff and the Budget Officer, submitted to the Budget Committee for consideration, review and approval.

Requirements: See expenditures. Also includes contingencies and unappropriated ending cash. Total requirements (expenditures) must equal total resources (revenues) for each fund.

Reserve (Fund): Established to accumulate resources from one fiscal year to another for a specific purpose.

Resources: See revenues. Also includes carryover from the following fiscal year. Total requirements (expenditures) must equal total resources (revenues) for each fund.

Revenues: Monies received or anticipated during the year to finance city services.

Serial Levy: A uniform tax levy for two or more years, which is outside the tax base.

Special Revenue Funds: Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Supplemental Budget: Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. The supplemental budget cannot be used to increase a tax levy.

Tax Rate: The amount of property tax paid by property owners for each \$1,000 of their property's value. This rate is now permanently set at \$7.2087 for the City as a result of Measure 50.

Unappropriated Ending Cash: Funds set aside for use in the fiscal year following the current budget year.