

# HOW TO USE THE BUDGET DOCUMENT

## FORMAT OF THE BUDGET

To assist the reader in understanding the contents of this financial document, the following is a brief description of the main sections.

- **Budget Message and Calendar** - The County Executive's budget message provides an overview of the FY 07/08 Operating Budget. The major financial aspects of the budget are highlighted and the conditions which guided its formation are provided. The calendar of events for the budget process is also in this section.
- **Strategic Directions and Business Plan** - These sections provide general information about the County, including economic and demographic characteristics and a brief County history. It also describes the strategic planning process and outlines the major priorities of the Board of Supervisors. The Business Plan highlights funding for major initiatives in support of the Strategic Plan.
- **Budget Summary** - This section provides summary expenditure and revenue data for the County. This section contains information related to the total County budget, as well as the General Fund.
- **General Fund Revenue/Expenditure Data** - These sections contain financial data related to the County's General Fund.
- **Department Budgets** - These sections, organized by functional area, contain an overview of individual department budgets, and provide summary information of operational accounts. The School Division produces their own budget document and that information is available from the School Superintendent's office.
- **Non-Departmental** - This section provides information on the revenue sharing agreement with the City of Charlottesville, the FY 07/08 payment to the City and on various transfers of funds made from the County General Fund to other County funds and programs, including to the School Operations Fund.
- **Capital Improvements Program (CIP)** - This section provides a summary of the existing CIP and describes the FY08-FY17 capital budget adopted for funding.
- **Debt Management** - This section provides information on the County's debt management strategy, including information on current indebtedness, the debt service requirements on existing and proposed debt, and a brief summary of the County's debt management policies.
- **Other Funds** - This section provides information on County funds other than the General Fund and those covered in the Department budget sections.
- **Budget Process and Policies** - This section provides the background information necessary to understand the budget process, including a description of the County's long-range Financial Management Policies approved by the Board of Supervisors.
- **Glossary** - This section provides a description of terms frequently used in budgeting.

## HOW TO READ DEPARTMENT BUDGETS

Operational budgets are divided into two general categories: department budgets and budgets for community agencies to which the County contributes funding. Departments are actual parts of County Government. Agencies are autonomous community or multi-jurisdictional organizations which the County provides funds to support their services.

For each department and agency, the budget document includes:

- The mission and description of the department or agency;
- A summary of financial data on the department as a whole;
- An overview of the department or agency and major budget changes;
- A listing of the department's goals, Key Performance Indicators (KPIs) and targets for the upcoming fiscal year.

The following terminology is used to classify the key performance indicators identified in this document.:

- **Outcome:** The ultimate impact / effect of a program. External forces often limit County's control of outcomes, so "Contributing Outcomes" (outcomes that can be more significantly influenced) are often identified.
- **Input:** Resources used to obtain results.
- **Output:** Quantity or number of units produced or managed by inputs.

- *Efficiency*: Inputs per Outputs or Outputs per Inputs; the amount of work performed in relation to the amount of resources used.
- *Service Quality*: The degree to which customers are satisfied or how accurately or timely a service is provided.
- A summary of the requested baseline budget, major increases or decreases for each program as well as any new initiative requests, including use of one-time funds; and
- A brief description of each of the department's major program areas with the FY 07/08 budget and FY 08/09 recommended levels.

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## HOW TO READ FINANCIAL DATA

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Virtually all financial data within this budget is presented in fiscal year terms. The County budgets from July 1 of each year to June 30 of the following calendar year, i.e. from July 1, 2008 to June 30, 2009.

The data that is presented in this document generally includes:

- FY 06/07 actual revenues and expenditures;
- FY 07/08 budgeted revenues and expenditures (from the initial budget formally appropriated at the beginning of FY 07/08);
- FY 07/08 revised revenues and expenditures (which reflect any additional funds appropriated by the Board of Supervisors during the current fiscal year);
- FY 08/09 requested expenditures, which include the total request of each department; and
- FY 08/09 recommended revenues and expenditures, which comprise the County Executive's recommended budget. FY 08/09 recommended revenues reflect the January, 2007 General Fund revenue projections, plus any adjustments or additions recommended by the County Executive.