GLOSSARY

ADA - Americans with Disabilities Act. This Federal law requires that public facilities be accessible to individuals with physical limitations.

Appropriation - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinances. Three appropriation ordinances are adopted each year: 1) the operating funds ordinance, 2) the capital funds ordinance, and 3) the re-appropriated funds ordinance.

Bonds - Debt instruments that require repayment of principle on a specified date (the maturity date) and interest at a stated rate or formula rate.

CAD - Computer-aided dispatch.

Capital Budget - See Capital Improvement Program.

Capital Funds - Funds restricted to financing the acquisition or construction of capital facilities. Resources of capital funds may be derived from bonds, contributions or capital grants.

Capital Improvement Program (CIP) - A plan for capital expenditures needed to maintain and expand the public infrastructure; for example, roads, sewers, water lines or parks. The City's CIP includes a plan to meet these needs for five years and is updated annually to reflect changes in priorities, cost estimates and changing financial strategies. The first year of the adopted CIP becomes the City's Annual Capital Budget.

Carryover - A project that was originally appropriated in an earlier year, but due to delays was re-appropriated in a later year.

CDBG - See Community Development Block Grant.

CGP - See Comprehensive Grant Program.

CIP - See Capital Improvement Program

CNG - Compressed natural gas, an alternative fuel used to improve air quality.

Community Development Block Grant (CDBG) - Grant funds allocated by the federal government to the City of Phoenix to use for the prevention and removal of slum and blight and to benefit low- and moderate-income persons. The City disburses these funds through an annual application process open to nonprofit organizations and City departments.

Comprehensive Grant Program - These HUD grant funds are used for modernizing City-owned public housing units.

Contingency - An appropriation of funds to cover unforeseen events may that occur, such as federal mandates, higher-than-expected inflation and similar eventualities.

Development Fees - See Impact Fees.

Encumbrance - A reservation of funds to cover purchase orders, contracts or other financial commitments that have not been met. The budget basis of accounting considers an encumbrance to be the equivalent of an expenditure.

Enterprise Funds - Funds that are accounted for in a manner similar to a private business. Enterprise funds usually recover their costs (including depreciation) through user fees. The City has five such self-supporting funds: Aviation, Water, Wastewater, Golf and Solid Waste. In addition, the Civic Plaza fund, which is primarily supported by earmarked excise taxes, uses enterprise fund accounting to determine net income.

Estimate - As used throughout the budget document, represents the most recent estimate for project expenditures. Estimates are based upon engineering estimates, real estate appraisals or other systematic and rational data.

Expenditure Limit - See State Expenditure Limit

Fiscal Year - The City of Phoenix has designated July 1 to June 30 as its fiscal year.

Five-Year Major Street Program - A comprehensive plan to improve the City's arterial streets developed by the Street Transportation Department.

FTA – Federal Transit Administration.

Function – A group of related projects the construction of which will achieve a principal purpose within a program; i.e., Bridges is a function of the Major Streets and Bridges program.

Fund - An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities and fund balance, that record all financial transactions for specific activities of government functions. See the fund legend in this document for information about funds used to finance the CIP.

General Obligation Bonds (G.O. Bonds) - Bonds that require voter approval and finance a variety of public capital projects such as streets, buildings, parks and improvements. These bonds are backed by the full faith and credit of the issuing government.

G. O. Bonds - See General Obligation Bonds

Grant - A contribution by one government unit or funding source to another. The contribution is usually made to help support a specified program (i.e., Public Housing or Public Transit), but may be for more general purposes.

HUD - U.S. Department of Housing and Urban Development.

Infrastructure - Facilities that support the daily life and growth of the city, for example, roads, water lines, sewers, public buildings, parks and airports.

Impact Fees - Fees adopted by the City Council in 1987 requiring new development in the City's outlying planning areas to pay its proportional share of the costs associated with providing the necessary public infrastructure.

Improvement Districts - Special assessment districts formed by property owners who desire and are willing to pay for mutually beneficial improvements such as streets, sidewalks, sewers and lighting.

Levy - See Tax Levy.

Lift Station - A pumping station that is used to raise flows to ensure the efficient operation of gravity-operated sewers.

LNG – Liquefied natural gas, an alternative fuel used to improve air quality.

Major Streets – Arterial streets that provide for traffic movement over longer distances. Access to major streets is usually controlled by frontage roads, raised medians, and driveway and intersection spacing.

Mandate - Legislation passed by the state or federal government requiring action or provision of services and/or programs. The Americans with Disabilities Act is an example.

MAG - Maricopa Association of Governments.

MG - Million gallons.

MGD - Million gallons per day.

MHz - Megahertz.

Microseal – A pavement treatment composed of liquefied asphalt, course sand and a polymer additive (to improve durability). Microseal treatments are applied to local and collector streets to improve pavement quality and extend pavement life.

NPDES - National Pollution Discharge Elimination System. This Federal regulation sets standards for the quality of storm water discharged into rivers and streams.

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 effect of law within the boundaries of the city.

Other Streets – These streets include collector streets and local streets. Collector streets collect and distribute traffic between local and major streets. Local streets provide for direct access to residential, commercial, industrial or other property and connect to collector and/or major streets.

Overlay - A pavement resurfacing treatment consisting of asphalt concrete modified with ground tire rubber or polymer. This treatment is applied to major, collector and local streets to improve pavement quality and extend pavement life.

Pay-As-You-Go Capital Projects - Capital projects whose funding comes from day-to-day city operating revenue sources.

Percent for Art - An ordinance that allocates up to one percent of the budget for capital-funded projects to fund public art projects.

Plan Six Agreements - Agreements to provide funding to accelerate the construction of the Waddell and Cliff dams, and modification of the Roosevelt and Stewart dams, for the benefit of the City of Phoenix. These benefits include the use of additional unappropriated water, controlling floods, improving the safety of existing dams, and providing new and improved recreational facilities.

Program - A group of related projects directed at achieving a broad objective; i.e., the Water program includes capital projects to procure, treat and distribute water to the City's water customers.

Property Tax - A levy upon each $100 of assessed valuation of property within the City of Phoenix. Arizona has two types of property taxes. Primary property taxes support the City's general fund, and secondary property taxes pay general obligation debt.

RPTA - Regional Public Transportation Authority

Resources - Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.

Restricted Funds - See Special Revenue Fund.

Scalloped Street – A street that widens and narrows abruptly, giving the street a "scalloped" appearance and causing traffic bottlenecks and safety hazards.

Secondary Property Tax - A tax levy restricted to the payment of debt service on bonded debt. The secondary property tax, when combined with the primary property tax levy, produces a total rate of $1.82 per $100 of assessed valuation.

Slurry Seal – A pavement treatment composed of emulsified asphalt and course sand applied to local streets to improve pavement quality and extend pavement life.

Special Revenue Fund - A fund used to account for receipts from revenue sources that have been earmarked for specific activities and related expenditures. Examples include Arizona Highway User Revenue funds, which must be used for street and highway

purposes, and secondary property tax, which is restricted to general bonded debt obligations.

SPRR – Southern Pacific Railroad.

SROG – Sub-regional Operating Group. SROG member cities (Phoenix, Mesa, Glendale, Scottsdale and Tempe) participate in the construction, use and operation of the 91st Avenue Wastewater Treatment Plant.

Tax Levy - The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

User Fees or User Charges - A fee paid for a public service or use of a public facility by the individual or organization benefiting from the service.

Warranted Traffic Signals – Traffic signals required by traffic conditions to promote safety and the efficient movement of vehicles.

WTP – Water treatment plant.

WWTP – Wastewater treatment plant.