# **ORGANIZATION OF FUNDS**

## **Basis of Budget**

Leon County's Governmental and Fiduciary Funds are prepared on a modified accrual basis. Revenues are recognized when measurable and available under budgetary basis. The following revenues are considered to be susceptible to accrual: taxes, charges for services, interest, state revenue sharing, federal forestry revenue, insurance agents revenue, 5th & 6th cent gas tax, gas tax trust, federal and state grants, planning and zoning revenue, communication services tax, and special assessments.

Obligations are budgeted as expenses and generally recorded when the related fund liability is incurred. An exception is principal and interest on general long-term debt which is recorded when due.

The budgets of the proprietary funds are prepared on an accrual basis. The revenues are recognized when earned and their expenses are recognized when incurred.

Florida state law requires that receipts from all sources be budgeted at 95% of anticipated receipts.

#### **Funds**

The financial activities of the County are recorded in separate funds. Each fund is considered a separate accounting entity. The operations of each fund are accounted for within a set of self-balancing accounts that include assets, liabilities, fund equity, revenues, and expenditures, or expenses, as necessary. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The various funds are as follows:

# **Governmental Fund Types**

General Fund - The general operating fund of the Board. This fund is used to account for all financial transactions not required to be accounted for in another fund.

Special Revenue Funds - Funds used to account for special assessments and specific governmental revenue sources. Major capital projects that are restricted by law, or administrative action, for expenditures for specific purposes are not considered Special Revenue Funds. Examples of Special Revenue Funds are Transportation Trust, Fine & Forfeiture, and Probation Services.

Debt Service Funds - Funds used to record the funding and payment of principal and interest on debt reported in the General Long-Term Debt Account Group.

Capital Projects Funds - These funds are used to account for the acquisition or construction of major capital facilities other than those financed by the Proprietary Funds. Examples of Capital Projects Funds are Local Option Sales Tax and Governmental Capital.

### **Proprietary Fund Types**

Enterprise Fund - To report operations that provide services financed primarily by user charges. An example of an enterprise fund is the Solid Waste Operatons Fund.

*Internal Service Funds* - To account for goods or services provided by various departments to other departments of the Board on a cost-reimbursement basis. These funds consist of the Motor Pool Fund, the Communication Trust Fund, and the Insurance Service Fund.