

# **Description and Structure of Funds**

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A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Carroll uses the following governmental funds:

The **General Fund** is used to account for all financial resources except those required to be accounted for in another fund.

Revenue for the general fund is generated by taxes such as property, income, and recordation, which account for most (80-90%) of the total revenue. Expenditures for public schools, general government, public safety, roads, bridges, parks, library, and community college account for most of the annually appropriated budgets.

The **Capital Projects Fund** is used to account for financial resources related to the acquisition or construction of major capital facilities of the County Commissioners (other than those financed by proprietary funds). A capital project is generally non-recurring in nature. It may include the purchase of land, site development, engineering and design fees, construction, and equipment. Capital projects produce assets with useful lives longer than one year.

Revenue sources for capital projects can include the issue of bonds (long-term debt), general fund dollars, federal or state grants, developer Impact Fees, and, to a lesser degree, contributions from other funds and donations from other sources.

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The County uses this fund type to account for various grant revenues, developer Impact Fees, and agricultural transfer tax monies. Beginning in FY 15, a portion of the Property Tax will be dedicated to operating expenses relating to stormwater management and compliance with the County's National Pollutant Discharge Elimination System permit and accounted for in the Watershed Protection and Restoration Fund.

The **Proprietary Funds** are used to 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 cost of providing goods or services on a continuing basis be financed or recovered primarily through user charges.

Carroll uses the following **Proprietary Funds**:

## **Enterprise Funds:**

The **Bureau of Utilities** provides water and sewer services in several areas within the County. This fund accounts for the operations of the water and sewer facilities.

The **Solid Waste Enterprise Fund** provides solid waste disposal facilities for residential and commercial use. This fund accounts for the operations of landfill facilities.

The *Airport Enterprise Fund* accounts for airport operations and the corporate hangar facilities.

The *Septage Enterprise Fund* provides septage waste disposal services. This fund accounts for the operations of treatment facilities.

The *Firearms Enterprise Fund* accounts for the operations of the Hap Baker Firearms Facility located at the Northern Landfill.

The *Fiber Network Enterprise Fund* accounts for the operation and infrastructure development of the Carroll County Fiber Network.

The *Internal Service Funds* are used to account for certain risk financing activities. The costs of self-insuring medical coverage for the County are accumulated in this fund. In addition, the funds account for losses relating to the deductibles from property and liability claims filed against the County, as well as workers compensation claims.

The *Fiduciary Funds* are used to account for resources held for the benefit of parties outside the government.

Carroll uses the following *Fiduciary Funds*:

***Trust Funds:***

The *Pension Trust Fund* was established during FY 04 to account for the activities of the Carroll County Employee Retirement Plan, which accumulates resources for pension benefit payments to qualified employees.

The *Length of Service Award Program (LOSAP) Fund* was established during FY 04 to account for the pension system for the volunteer fire personnel serving the various independent volunteer fire companies in the County.

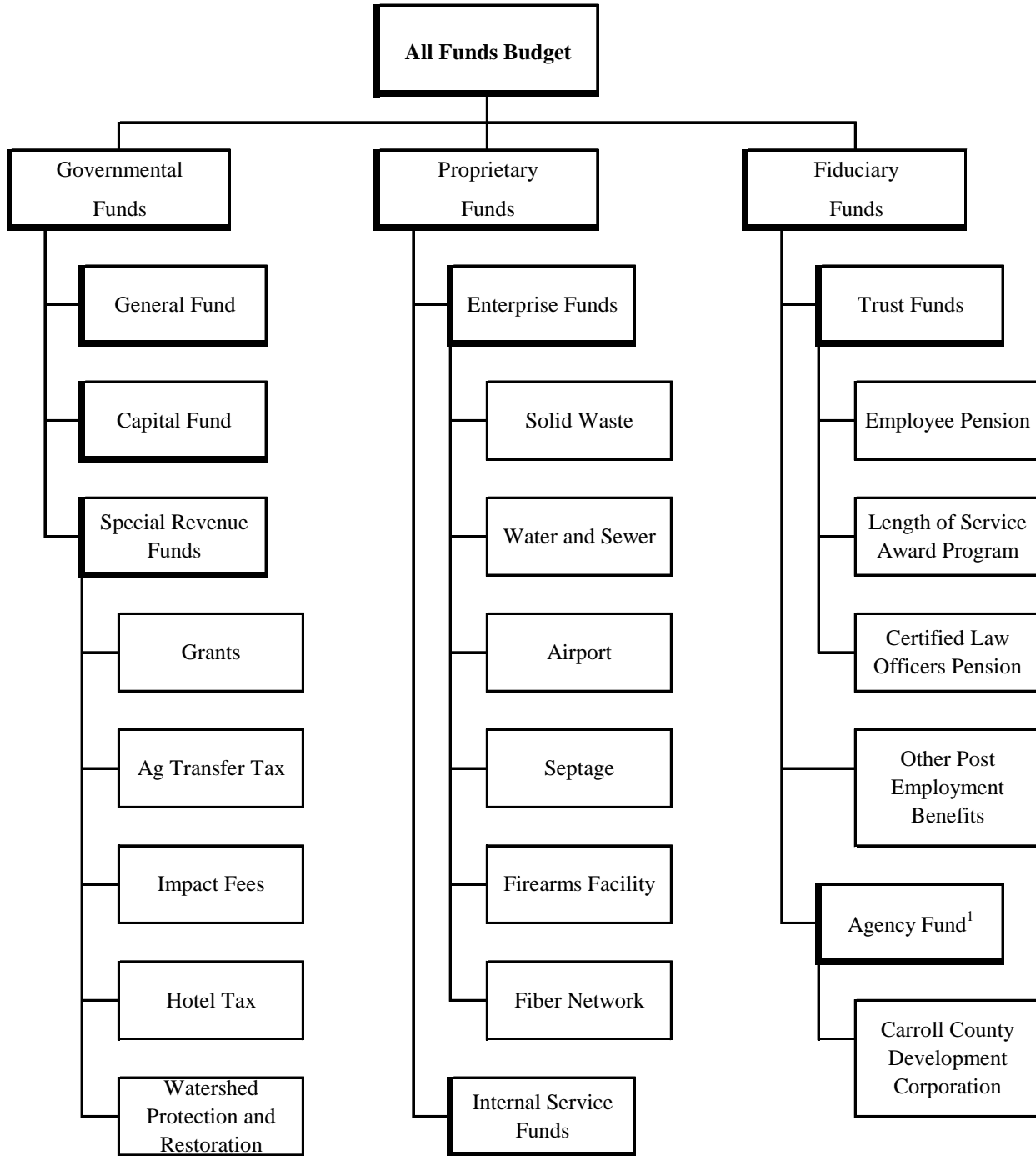
The *Certified Law Officers Pension Trust* was established during FY 10 to hold assets of the Carroll County Certified Law Officers Pension Plan. The assets in the Trust are invested to provide funding for the payment of future pension plan benefits for eligible certified law officers of the Carroll County Sheriff's Office.

The *Other Post Employment Benefits (OPEB) Fund* was established in FY 07 to accumulate resources for medical benefits for retirees.

The *Agency Fund* is used to account for assets that the County holds on behalf of others as their agent. The Agency fund is custodial in nature and does not involve measurement of results of operations. Only the assets and liabilities of the Agency fund are accounted for on the accrual basis of accounting. This fund accounts for the

transactions for Economic Development receivables collected by the County on behalf of a local nonprofit corporation.

## Carroll County Fund Structure



<sup>1</sup>All funds are appropriated except for Agency Fund, which is included in the audited financial statements.