

Description and Structure of Funds

A fund is a grouping of related accounts that is 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 the private sector.

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 07, monies collected from the newly adopted Hotel Rental Tax will be collected in a special revenue fund and will be used to support the tourism budget and to promote the County.

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

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

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

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

The *Internal Service Fund* is 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 fund accounts for losses relating to the deductibles from property and liability claims filed against the County.

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:

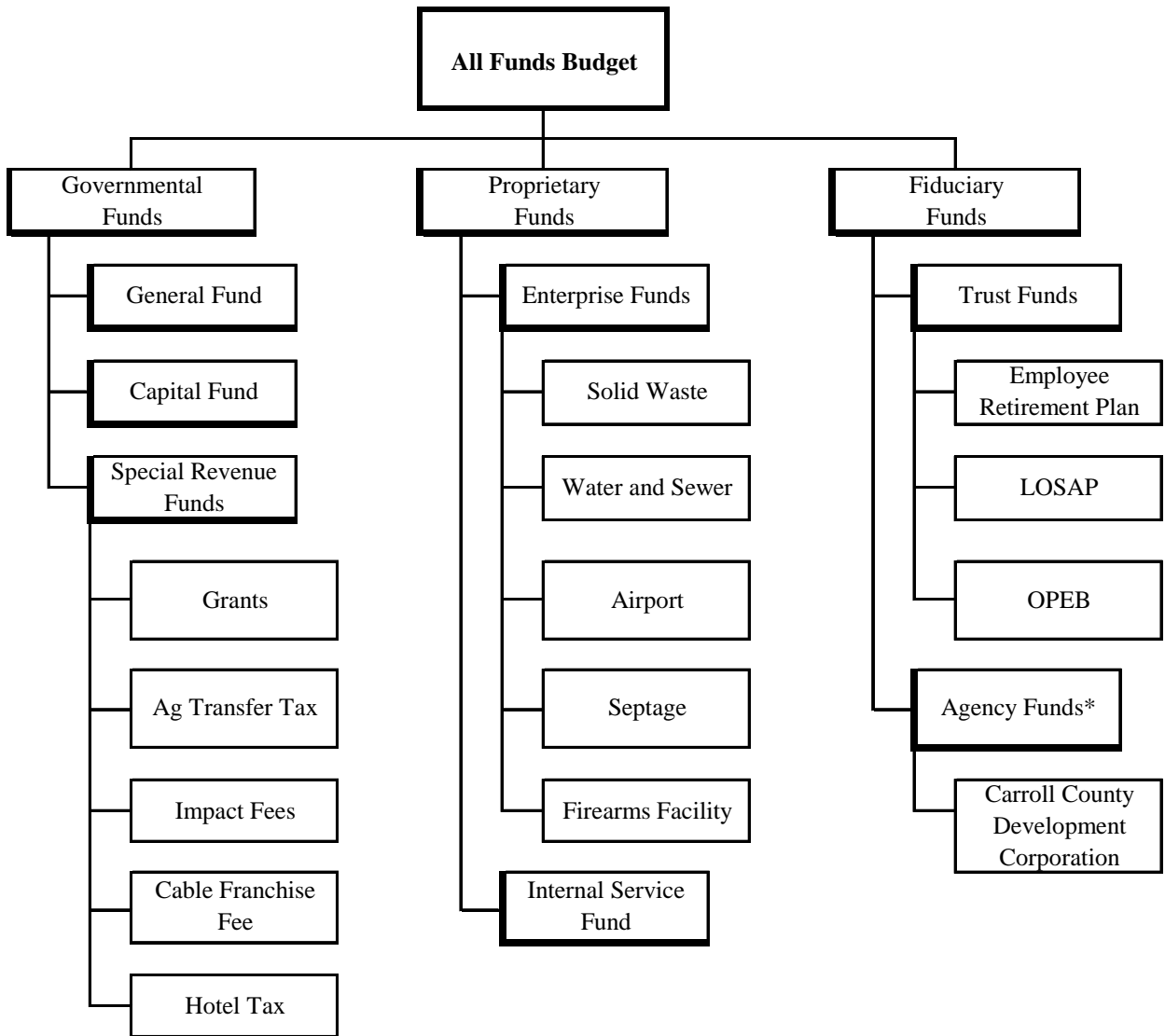
The *Length of Service Award Program (LOSAP) Fund* was established during FY 04 to account for the pension system for the volunteer fire personnel serving the various independent volunteer fire companies in the County.

The *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 *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



*All funds are appropriated except for Agency Funds. The Agency fund is included in the audited financial statements.