

## FINANCIAL STRUCTURE

The Lewis County accounting and budget structure is based upon Governmental Fund Accounting to ensure legal compliance and financial management for various restricted revenues and program expenditures. Fund accounting segregates certain functions and activities into separate self-balancing 'funds' created and maintained for specific purposes (as described below). Resources from one fund used to offset expenditures in a different fund are budgeted as a transfer. Transfers out being expenditures and transfers in revenue.

The Lewis County budget is organized in a hierarchy of levels, each of which is defined below:

- Fund** A fund is an accounting entity used to record the revenues and expenditures of a governmental unit which is designated for the purpose of carrying on specific activities or attaining certain objectives. For example Fund 121, the Community Development Fund, is designated for the purposes of planning, building and permitting projects in the County.
- Department** Department designates a department of County operations, e.g., Central Services or Human Resources.
- Program** A specific distinguishable line of work performed by the department, for the purpose of accomplishing a function for which government is responsible. For example, "Traffic Control" is included within the Sheriff's Office.
- Object** The appropriation unit (object of expenditure) is the level of detail used in the budget to sort and summarize objects of expenditure according to the type of goods or services being purchased, e.g., salaries, supplies.

## FUND DESCRIPTIONS

### Governmental Fund Types

**General Fund/Current Expense** – The General Fund is the County's primary fund that accounts for current government operations. This fund is used to account for all resources not required to be accounted for in another fund. The General Fund supports departments and offices such as the BOCC, Auditor, Treasurer, Sheriff, Jail, Prosecutor, District and Superior Courts, general administration of the County, and many other activities for which another type of fund is not required.

**Special Revenue Funds** – Special Revenue Funds are used to account for revenues which are legally or administratively restricted for special purposes. These funds receive revenues from a variety of sources, including Federal and State grants, taxes, and service fees. These revenues are dedicated to carrying out the purposes of the individual special revenue fund. The County currently has 28 Special Revenue Funds. Examples of revenue that must be spent on specific purposes and are in restricted funds include roads, community development, veterans' relief, emergency management, public health, etc.

**Debt Service Funds** – Debt Service Funds account for resources used to repay the principal and interest on long-term debt not serviced by the enterprise funds.

**Capital Project Funds** – Capital Funds pay for major improvements and construction projects. Revenues for capital funds consist of contributions from operating funds, bond proceeds and Real Estate Excise Tax (REET). These revenues are dedicated to capital purposes and are not available to support operating costs.

### **Proprietary Fund Types**

**Enterprise Funds** – Enterprise Funds are used to account for operations that are financed and operated in a manner similar to business enterprises. They are established as fully self-supporting operations with revenues provided primarily from fees, charges, or contracts for services. The County maintains five Enterprise Funds to account for the operations of Solid Waste, Water/Sewer, and the Airports.

**Internal Service Funds** – Internal Service Funds are used to account for operations similar to those accounted for in Enterprise Funds, but these funds provide goods or services to other departments on a cost reimbursement basis. The County maintains Internal Service Funds to account for Information Technology, Fleet Management, Facilities and Risk Management activities.

### **Fiduciary Fund Types**

**Fiduciary Funds** – Agency, or Trust Funds, are used to account for assets held by the County in a trustee capacity and cannot be used to support the County operations or programs. The Treasurer is responsible for 64 taxing and assessment districts.