

## CHARACTER AND OBJECT CLASSIFICATIONS AND DEFINITIONS

**Object Classification:** This classification is used to describe the service or commodity obtained as the result of a specific expenditure.

### **410 Personal Services:**

411 **Salaries and Wages** - all full-time and part-time salaries and wages paid to employees, except wages paid for vacation and/or sick leave upon termination which is classified under object 417). Subcodes could be created locally for various amounts such as regular employees, temporary employees, overtimes, etc.

### **412-419 Employee Benefits:**

#### **412 Social Security/Medicare**

412.1 **Social Security** - employer's share of Social Security on employees' salaries and wages.

412.2 **Medicare** - Employer's share of Medicare on employees' salaries and wages.

413 **Retirement** - employer's share of retirement premiums for employees.

414 **Workmen's Compensation** - premium paid for workmen's compensation insurance.

415 **Group Insurance** - employer's share of any insurance plan for employees.

416 **Unemployment Compensation** - employer's contribution to provide employees with unemployment insurance benefits.

417 **Unused Compensated Absences** - amount paid to employees for accumulated annual and/or sick leave upon termination.

419 **Other Employee Benefits** – other benefits not listed above.

### **420 Other Current Expense:**

421 **Insurance** - all insurance premiums paid by the municipality other than employee benefits which are not classified elsewhere should be included here. This includes property, liability, and fidelity.

422 **Services and Fees** - accounting and auditing services; management consulting services; professional marketing and advertising or public relations; website development; engineering and architectural services; special legal services; medical, dental and hospital services; and other services including DENR fees. This includes purchased professional and technical services and purchased property services such as cleaning services, snow removal, custodial and lawn care.

423 **Publishing** - newspaper publication costs.

- 424 **Rentals** - land, buildings, machinery and equipment.
- 425 **Repairs and Maintenance** - repair and maintenance of buildings, structures and equipment performed by a party outside the municipal department. The outside party might be an individual, a company or another department of the municipality.
- 426 Supplies and Materials**
- 426.1 Supplies** - articles or commodities which were consumed or materially altered when used such as office supplies, forms, cleaning supplies, gas, oil, energy services, minor equipment, postage, etc. Subcodes could be created locally for various supply items (examples listed below).
- 426.11 **General Supplies** – all supplies (other than those listed below) for the operation of a government, including freight.
- 426.12 **Energy** – expenditures for energy, including natural gas, electricity, bottled gas, oil, coal, gasoline, and services received from public or private utility companies.
- 426.13 **Books and Periodicals**- books, textbooks, and periodicals available for general use, including reference books. These expenditures include the cost of workbooks, textbook binding or repairs, as well as textbooks that are purchased to be resold or rented.
- 426.14 \_\_\_\_\_
- 426.2 Materials** - the cost of items which were purchased and resold through an enterprise operation such as liquor, water, etc.
- 426.21 **On-Sale Liquor**
- 426.22 **Off-Sale Liquor**
- 426.23 **On-Sale Wine**
- 426.24 **Off-Sale Wine**
- 426.25 **On-Sale Beer**
- 426.26 **Off-Sale Beer**
- 426.27 **Lottery Tickets**
- 426.28 **Water**
- 426.29 **Other Materials for Resale**
- 427 **Travel and Conference** - meals, lodging, registration fees and mileage or fares.
- 428 **Utility Services** – Expenditures for utility services, other than energy services, supplied by public or private organizations which are classified under object 426.1. Telephone, internet, cable, water and waste disposal services.
- 429 **Other** - all other current expenses not otherwise classified. (transfers)
- 430 Capital Assets:**
- 431 **Land** - all costs involved in land purchases.
- 432 **Buildings** - new buildings and major improvements to buildings.

433 **Improvements Other Than Buildings** - new structures or improvements which add value to land. This includes fences and retaining walls.

**434 Machinery and Equipment**

434.1 **Computer Software** - expenditure for computer programming.

434.2 **Books** - library books and office reference books to be used longer than one year.

434.3 **Animals** - animals purchased for zoos or other city purposes.

434.4 **Machinery** – Expenditures for equipment usually composed of complex combinations of parts (excluding vehicles).

434.5 **Vehicles** – Expenditures for equipment used to transport persons or objects. Examples include automobiles, trucks, and buses.

434.6 **Equipment and Furnishings** – less complex equipment, furniture, and fixtures.

435 **Infrastructure** – Expenditures for acquiring existing infrastructure.

436 **Intangibles** – expenditures for acquiring items that lack physical substance and that are neither financial in nature nor primarily held for directly obtaining income or profit.

**440 Debt Service:**

441 **Principal** - bond or note principal.

442 **Interest** - interest on indebtedness.

449 **Other** - debt handling and other related costs.

**450 Other Objects:**

451 **Depreciation** - allocation of capital asset cost chargeable to the current period.

452 **Depletion** - allocation of wasting asset cost (i.e., gravel pit) chargeable to the current period.

453 **Amortization** – amounts charged to reflect the current period cost of depreciable intangible assets.

454 **Loss on Disposition of Capital Assets**

455 **Grants to Other Entities** – grants to other local governments or to other organizations.

456 **Pensions Payments and Refunds** - payments to retirees.