

Glossary

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BORROWING - Includes the sale of bonds and notes, certificates of indebtedness, and tax anticipation certificates. Cities are restricted by law from borrowing for current expenses.

CAPITAL OUTLAY - The purchase or construction of buildings, permanent improvements, equipment, machinery, and land. Capital outlay varies from year to year based on the needs and resources of the cities.

CAPITAL OUTLAY FOR ENTERPRISE FUNDS - Expenditures from governmental funds for improvements to public service enterprises, such as sewer and water mains.

CAPITAL PROJECTS FUND - A fund created to account for the financial resources that are used for the acquisition or construction of a fixed asset. An example of this fund type is a street improvement fund.

CHARGES FOR SERVICES - Fees for activities of the governmental funds. These include rent of city hall by individuals or organizations, police and fire contracts, fire calls, recreation fees, park dedication fees, etc.

CURRENT EXPENDITURES - Expenditures which benefit the current fiscal period. Expenditures included in this definition are salaries, pension contributions, operating expenses, etc.

DEBT SERVICE FUND - A fund to account for the collection of resources and payment of long-term debt principal and interest.

ENTERPRISE FUND - A fund established to account for operations financed and operated in a manner similar to private business, e.g., water, sewer, electric utilities, hospitals. The expenses of providing services are primarily financed by user charges.

FINES AND FORFEITS - Receipts from the payment of penalties for law violations, non-observance of contracts, and forfeited deposits.

FRANCHISE TAXES - Proceeds from taxes imposed on public utilities, usually involving elements of a monopoly, (e.g., electric utilities, gas utilities, cable TV) for use of public property.

GENERAL FUND - The fund used to account for all financial resources not required to be accounted for in another fund. This fund is the main operating fund.

GENERAL GOVERNMENT - Expenditures related to the administration of the governmental unit.

GOVERNMENTAL FUNDS - The funds through which most governmental activities are financed. The four governmental fund types are: general, special revenue, debt service, and capital projects.

GRAVEL TAX - A tax imposed by the county for aggregate material removal. A percentage is shared with towns and cities to be expended for streets and highways.

Glossary

HRA AND ECONOMIC DEVELOPMENT - Expenditures associated with planning and providing adequate housing and redevelopment of substandard physical facilities. Expenditures are directed toward developing an area or providing assistance and opportunity to persons and business for such development.

INTEREST EARNINGS - Includes interest earned on checking and savings accounts, CDs, money market funds, and Treasury bonds and bills.

LICENSES AND PERMITS - Includes receipts from liquor licenses, cigarette licenses, other business licenses, street use permits, buildings permits, and other non-business licenses and permits.

MISCELLANEOUS EXPENDITURES - Expenditures include all expenditures that were not allocated to a specific function. Some of the expenditures are for mass transit, cemetery, and contributions.

MISCELLANEOUS REVENUES - Includes refunds, reimbursements, donations, and lease payments.

NET TAX LEVY - The city property taxes, net of state property tax relief aids or grants, required to be paid by the property owners of the city.

OTHER FINANCING SOURCES - Long-term debt proceeds, sale of fixed assets, and transfers in from other funds.

OTHER FINANCING USES - Transfers out to other funds, refunding bond proceeds deposited with escrow agent, and remittance to other agencies.

PARKS AND RECREATION - Expenditures for park maintenance, mowing, planting, and removal of trees. Recreation expenditures include festivals, bands, museums, community centers, cable TV, baseball fields, organized recreation activities, etc.

SANITATION - Expenditures include refuse collection and disposal, recycling, street cleaning, and weed and pest control.

SPECIAL ASSESSMENTS - A levy made against certain properties to defray all or part of the costs of a specific improvement, such as new sewer and water mains, deemed to benefit primarily those properties. The amount includes the penalties and interest paid on the assessments.

SPECIAL REVENUE FUNDS - A fund used to account for the proceeds of specific revenue sources that are restricted to expenditures for a specific purpose.

STREETS AND HIGHWAYS - Expenditures include maintenance of streets, patching, seal coating, and snow removal. Street lighting, street construction, bridge repair and construction, and purchase and maintenance of street equipment are also included. Includes expenditures on all city streets, including municipal state-aid streets.

Glossary

TAXABLE TAX CAPACITY - The tax capacity less the tax increment district value, less the fiscal disparities contribution value, plus the fiscal disparities distribution value.

TAX CAPACITY - The value assigned to the property used to calculate the property taxes.

TAX INCREMENTS - Taxes collected on tax increment financing projects. Tax increment financing is a tool which cities use to develop or redevelop a portion of the city. The increase in taxes on the redeveloped area is used to cover the city costs associated with the project.

TOTAL EXPENDITURES - Includes current operating expenses, capital outlays, and debt service principal and interest payments.

TOTAL REVENUES - Receipts of monies that increase the amount of available resources without creating a liability or a future payment. Borrowing and transfers between funds are not included in total revenues.

TRANSFERS - ENTERPRISE FUNDS - The transfer of available resources to or from public service enterprises. An example of this transfer is the water utility transferring money to the general fund. It is shown separately because the water enterprise fund is not included in the governmental funds.

TRANSFERS - GOVERNMENTAL FUNDS - The transfer of money between governmental fund types. The revenues and expenditures for these funds are always shown in the same tables.

UNALLOCATED INSURANCE - Expenditures for insurance premiums that were not allocated to a specific function of government.

UNALLOCATED PENSION CONTRIBUTIONS - Expenditures for contributions to pension plans that were not allocated to a specific function of government.