

GLOSSARY OF TERMS

ACCRUAL BASIS OF ACCOUNTING	The method of accounting under which debits and credits are recorded at the time they are incurred. The accrual basis of accounting is used for Enterprise Funds such as the Water and Sewer Fund.
AD VALOREM	Latin term meaning "from the value". It is used to refer to property taxes.
AD VALOREM TAXES _ CURRENT	Taxes on real and personal property, except motor vehicles. Calculated by multiplying the assessed value by the mill levy.
AD VALOREM TAXES _ DELINQUENT	Property taxes that are not paid by either December 20th or June 20th. Kansas statutes allows property owners the right to pay half their tax on December 20th and the second half on June 20th.
APPRAISED VALUE	An amount determined by the County Appraiser's office as to what a property is worth. In Kansas, property is appraised at 100% of market value.
AQUATIC PROGRAMS	All fees collected for programs conducted at the outdoor and indoor aquatic centers in Fund 211, the Recreation Fund.
ASSESSED VALUATION	A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying ad valorem property taxes. In Kansas, the percentages are: Residential (11.5%); Commercial (30%); and Personal (20%).
BONDS	Debt instruments representing a promise to pay a specified amount of money at a specified time and at a specified periodic interest rate. Bonds are used to finance major capital projects or adverse judgments.
BUDGET	A financial plan for a specified period of time of the governmental operation that matches all planned revenues and expenditures with the services provided to the residents of the city.
BUDGET MESSAGE	A general outline of the proposed budget which includes comments regarding the financial status of the government at the time of the message and recommendations regarding the financial policy for the coming period.
BUILDING RENTAL	All fees collected for the use of community centers and outdoor park shelters in Fund 211, the Recreation Fund.
CAPITAL IMPROVEMENT PROGRAM (CIP)	A multi-year plan for capital expenditures needed to maintain and expand the public infrastructure. It projects the infrastructure needs for a set number of years and is updated annually to reflect the latest priorities, cost estimates, or changing financial strategies.
CAPITAL IMPROVEMENTS	Expenditures related to the acquisition, expansion or rehabilitation of an element of the City's infrastructure.
CAPITAL OUTLAY	Equipment valued at more than \$1,000 and having a useful life of more than one year.

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CASH BASIS RESERVE	An amount of funds set aside to insure that sufficient cash is available to pay principal and interest payments in case the receipt of property taxes is delayed in Fund 301, the Bond and Interest Fund.
CLASS ENROLLMENT	Revenue collected for providing class instruction in Fund 211, the Recreation Fund.
COMMISSION / POSTAGE	Expenses related to bond issuance including attorney fees, printing fees, and financial advising in Fund 301, the Bond and Interest Fund.
COMMODITIES	Consumable goods, such as office supplies, that are used by the City.
CONCESSIONS	Revenues generated from the sale of concession products at parks and recreation facilities in Fund 211, the Recreation Fund.
CONTRACTUAL SERVICES	Services provided to the City by firms, individuals, or other City departments.
DEBT SERVICE	Payment of interest and principal on an obligation resulting from the issuance of bonds.
ENTERPRISE FUNDS	Funds which are accounted for in a manner similar to a private business enterprise. Usually the governmental entity intends for enterprise funds to fully recover their costs through user fees.
EXPENDITURES	Current cash operating expenses and encumbrances.
EXTRA PICKUPS, MISCELLANEOUS	Fees for service to the University of Kansas, polycart rental fees, and revenue from the sale of collected newspaper and cardboard in Fund 502, the Solid Waste Fund.
FARE BOX RECEIPTS	Fares collected from transit system users placed in Fund 210, the Public Transportation Fund.
FEES	Revenues collected for Adult and Youth Sports Programs as well as fees for programs and classes at the Nature Center in Fund 211, the Recreation Fund.
FIELD RENT	Fees collected from rental of ball diamonds, soccer fields, and multipurpose field to the public in Fund 211, the Recreation Fund.
FISCAL YEAR	A twelve-month period to which the operating budget applies. In the City of Lawrence this period is from January 1 to December 31.
FRANCHISE FEES	An amount charged to a utility in exchange for the rights to provide utility services within the City and to operate within the public right-of-way.
FUND	An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities, and fund balances.

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FUND BALANCE	The excess of fund's assets over its liabilities and reserves.
GENERAL FUND	The general operating fund accounts for the revenues and expenditures associated with all services traditionally associated with local governments, except for those services that are required to be accounted for in some other fund.
GENERAL OBLIGATION BOND	Long-term debt payable from the full faith and credit of the City. Typically such bonds are payable from property taxes.
GENERAL OBLIGATION BOND - PRINCIPAL	The money owed as long-term debt payable from the full faith and credit of the City.
GENERAL OBLIGATION BOND - INTEREST	The charge for issuing long-term debt payable from the full faith and credit of the City.
GOAL	A statement of broad direction, purpose, or intent based on the needs of the community.
GRANTS	Contributions or gifts of cash or other assets from another governmental unit (typically state or federal) to be used or expended for a specified purpose, activity, or facility.
INFRASTRUCTURE	The physical assets of the city (e.g. streets, water/sewer lines, public buildings, and parks).
INTEREST ON INVESTMENTS	Revenue received from the purchase of securities including certificates of deposit, treasury notes and federal agency notes.
INTERFUND TRANSFER	Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.
INTERGOVERNMENTAL REVENUE	Grants or distributions received from other governments including distributions from the countywide sales tax as well as statutory transfers from the State.
LAVTR	"Local Ad Valorem Tax Reduction". Revenues received from the State to help reduce local property taxes.
LINE ITEM	An individual expenditure category listing in the budget (personal services, commodities, contractual services, etc.)
MILL LEVY	The tax rate to apply when calculating property taxes. A mill represents 1/10 of 1 cent. The mill levy is typically expressed as an amount per \$1000 of assessed valuation, (i.e., a mill levy of 1.00 would result in a tax of \$1.00 per each \$1,000 in assessed valuation.)
MODIFIED ACCRUAL BASIS OF ACCOUNTING	Under this method of accounting, revenues are recognized when they are both measurable and available within a certain time period. Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. The General Fund and Special Revenue Funds follow this method of accounting.
PAYMENT-IN-LIEU-OF TAXES	An amount charged enterprise operations equivalent to the City property taxes that would be due on a plant or equipment if the enterprise operations were for profit companies.
PERSONAL SERVICES	Cost of wages, salaries, retirement, and other fringe benefits for City employees.

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PROGRAM	A group of related activities performed by one or more organizational unit for the purpose of accomplishing a function for which the City is responsible.
RESERVES	An account used to indicate that a portion of a fund balance is restricted or set aside for emergencies or unforeseen expenditures not otherwise budgeted for.
REVENUE	Income for the fiscal year. The major categories of revenue include taxes, state shared revenues, fees and charges, interest on investments, and fines and forfeits.
REVENUE BONDS	Long-term debt payable from a designated revenue source such as water revenue or sales tax revenue.
ROLL OFF	Fees for roll-off services including container charges, delivery and pick up fees, as well as landfill charges in Fund 502, the Solid Waste Fund.
SANITATION SERVICE CHARGE	Normal solid waste collection fees for industrial and commercial dumpster services and residential solid waste collection in Fund 502, the Solid Waste.
SPECIAL ASSESSMENTS	Property taxes incurred by property owners within a designated area for improvements that benefit the area. A majority of the affected property owners must approve the formation of the benefit district.
SPECIAL POPULATIONS	Fees collected for recreation programs provided for special needs populations in Fund 211, the Recreation Fund.
STATE GRANTS	Moneys received through the Kansas Department of Health and Environment Solid Waste Implementation Grant awarded on a project specific basis in Fund 502, the Solid Waste Fund.
STATE-SHARED REVENUES	Revenues levied and collected by the State but shared on a predetermined basis with local governments.
TAX LEVY	The total amount to be raised by general property taxes for the purposes specified in the approved city budget.
TAX RATE	The amount of tax levied for each \$1,000 of assessed valuation.
USER FEES	The payment of a fee for direct receipt of a public service by the party benefiting from the service.
WATER AND SEWER CHARGES	The charge to customers receiving water and sewer services provided by the city's treatment, distribution, and collection systems that pays for operational and capital costs in Fund 501, the Water and Wastewater Fund.
WATER TAPS	Charges paid, according to size of connection, by developers / property owners for connection to the city's existing water mains in Fund 501, the Water and Wastewater Fund.
WATER MAIN EXTENSIONS	Charges for materials, labor, and equipment related to the extension of the city's water distribution system (up to and including twelve inch water mains), typically paid by developers and/or property owners in Fund 501, the Water and Wastewater Fund.
DEVELOPMENT CHARGES	Charges levied at the time building permits are required, to help offset the costs for increased capacity in the water and/or wastewater systems in Fund 501, the Water and Wastewater Fund.