

Glossary of Terms

Ad Valorem – Also known as property tax, this is a tax levied on the assessed value of both real and Personnel property in proportion to the value of the property.

Appropriation – An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

Appraised Value – The value of real estate or other property as determined by the marketplace. The Phillips County Assessor determines this value in Phillips County.

Assessed Value – Represents the official value placed on real estate, Personnel property, and utilities as a basis for levying taxes. By Kansas statute, the assessed value for residential property is 11.5% of the appraised value and the assessed value for commercial/industrial property is 25% of the appraised value.

Balanced Budget – Annual financial plan in which expenditures do not exceed revenues. Kansas statute requires that each fund supported by a property tax levy be balanced.

Bonds – Debt instruments that require repayment of specified principal amount on a certain date (maturity date), together with interest at a stated rate, or according to a formula for determining the interest rate. General Obligation Bonds are bonds which payment has been guaranteed by the taxing authority of the government entity. Revenue Bonds are bonds which payment has been guaranteed by a revenue earning source such as water fees.

Capital Outlay – Expenditure category used for new equipment purchases, facility improvements, and other non-routine capital items.

Commodities – Expenditure category used for routing, consumable goods such as office supplies, small tools, fuel, etc. Commodities also include repair or replacement parts and non-capital materials.

Contractual Services – Expenditure category used for services provided by firms, individuals or other departments.

Encumbrance – A reservation of funds to cover purchase orders, contracts, or other funding commitments which are yet to be fulfilled.

Expenditures – Refers to current cash operating expenses and encumbrances.

Fund Balance – Refers to the difference between a fund's revenues and expenditures.

Grant – A contribution from one government unit, foundation, or funding source to another. The contribution is usually made to aid in the support of a specified function or project, but it is sometimes used for general purposes.

Mill - A monetary unit used to express the property tax rate. It is equivalent to one-thousandth of a dollar, or \$1 of tax per \$1,000 of assessed valuation.

Mill Levy - Represents a taxing entity's total property tax rate.

Neighborhood Revitalization Rebate – In 2012, the Phillips County Commissioners adopted the Phillips County Economic Development Neighborhood Revitalization Act Revitalization Plan. This plan allows approved applicants who construct qualifying improvements to receive a sliding scale rebate on the property taxes for the improvement. For additional information on this program, contact the Phillips County Appraiser's Office. This rebate is recorded as a negative receipt for property taxes for the City of Phillipsburg. For additional information on this program, contact the Phillips County Appraiser's Office.

Personnel Services – Expenditure category used to account for salaries, wages, and other benefits paid to City employees.

Revenue Forward – Revenue carried over from previous years (also known as "cash carryover").

Resources – Total funds available for appropriation including estimated revenues, fund transfers, and beginning balances from revenue forward.

Transfers – Authorized exchanges of cash or other resources between funds.

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