SIMPLIFIED FINANCIAL MANAGEMENT MANUAL FOR ILLINOIS PARK DISTRICTS

DEPARTMENT OF LOCAL GOVERNMENT AFFAIRS
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PREFACE

The Illinois Department of Local Government Affairs, Office of Community Services, helps local governments improve their administration through sound financial and general management procedures. Manuals, handbooks, and pamphlets, as well as informational conferences and training workshops, are provided as the most efficient use of limited resources for the benefit of the largest number of local governments. This serves to increase local government's capacity to help themselves.

This Simplified Financial Management Manual for Illinois Park Districts will enable Park District administrators to do a better job on their own without expensive outside assistance. Good fiscal management is essential to the efficient and economical operation of Illinois' local park and recreation systems. The Department anticipates continued assistance to Park Districts through informational conferences and training workshops, as well as direct technical assistance.

Questions about fiscal and general management, and about the Department's technical assistance, publications, and conference/workshop programs may be addressed to:

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INTRODUCTION

This manual is a financial management tool for Illinois Park Districts. It describes the methods to be used in management of a Park District's income and spending program.

The manual is divided into seven Chapters and an Appendix. Chapter I introduces the subject of Financial Management in general. Rules for the conduct of Financial Operation are discussed in Chapter II. Budgeting as related to Park Districts is reviewed in Chapter III. Chapter IV deals with the Accounting Structure. Chapter V considers the Reporting System and Chapter VI - the Auditing System. Chapter VII shows a complete Budget and Accounting System. Included in the Appendix is a Glossary of Terms along with a listing of reference material.

There is a great need today for uniformity of procedures at every level of local government. It is our hope that this manual will encourage improved and uniform fiscal management procedures among Illinois Park Districts.

CHAPTER I

AN OVERVIEW OF FINANCIAL MANAGEMENT

Financial management can be defined as the process by which a Park District obtains money and by which it seeks to make effective and efficient use of that money. A sound program of financial management should seek to achieve three objectives:

1. Use the money which is available from levies and charges in a manner that will best serve the public's interest and welfare. Since there are competing demands for use of this money, the competition must be resolved in a way that will produce the greatest public benefit. To accomplish this, two things should be done. First, a Park District should identify its needs. Second, a Park District should rank these needs in terms of priorities that will meet the public's interest and desires. The analysis that is required to do these two steps should be a continuing part of a Park District's financial management program.

2. Operate each service program in the most efficient manner. A service program is being operated efficiently when a maximum level of service is being produced from each dollar spent to operate the program. Maximum efficiency is achieved when the level of service of a program cannot be further increased without additional money. Further, the cost of producing this level of service cannot be reduced without reducing the level of service. Maximum efficiency does not exist when a given level of service can be obtained for less money than it presently costs.

3. Insure that a Park District's money will not be misappropriated or diverted for the private gain of public employees. When money is used for illegal purposes, or when it is diverted for private gain, it does not benefit the public. The money lost either must be replaced by tax increases, or service programs must suffer because adequate money is not available.

To accomplish the objectives listed above, a sound financial management program should contain the following elements:

Rules for the Conduct of Financial Operation
A Realistic Budget
Efficient Accounting System
Effective Reporting System
An Annual Certified Audit

The next five chapters will deal with these items.

CHAPTER II

RULES FOR THE CONDUCT OF FINANCIAL OPERATION

QUESTIONS PARK DISTRICT OFFICIALS SHOULD ANSWER.

A Park District should establish formal rules for the conduct of its various financial operations. These rules should serve as guides to those who administer the Park District's financial activities. They should cover such matters as purchasing, receiving and disbursing money, bookkeeping, income or revenue administration, the budget program, etc.

In terms of the budget program, the rules should cover such questions as:

1. When will the operating year for the Park District begin and end?

2. What time schedule will be followed in preparing the budget?

3. Who will be responsible for preparing the budget?

4. Who will determine the anticipated revenue for the budget?

5. How will the spending program be presented in the budget?

6. When must the budget be adopted?

For details on budget procedures please refer to Chapter III.

Pertaining to accounting and reporting, the rules should cover such questions as:

1. What kinds of financial records will be maintained?

2. How will financial information be classified and reported?

3. Who will be responsible for maintaining the financial reports?

4. What kinds of financial reports will be prepared and how often will these be prepared?

For details on accounting and reporting see Chapters IV and V.

Regarding purchasing, the rules should cover such questions as:

1. Who will be authorized to make purchases?

2. On what basis will purchases be made? Will they be made on a competitive bid basis? If so, under what conditions will bids be taken?

3. What controls will be followed to insure that money will be available to pay for a purchase?

4. Are the board members free of conflict of interest when purchases are made?

Purchasing in the early days of Park Districts was handled by each official or program supervisor as a sideline to his professional duties. However, as budgets have grown to thousands of dollars and in some instances multi-million dollar businesses, the need has grown for a specialized activity of purchasing in one central place. Even the smallest Park District needs centralized purchasing as a control on expenditures and assurance that no item appropriation in the budget is exceeded.

There are, of course, many benefits to centralized purchasing. This manual herewith lists a few:

(1) Lower costs due to quantity purchasing. (Eliminate different divisions or programs from purchasing like materials in smaller quantities in competition one with the other.)

(2) Standardization of procedures and processes. (Develop a system that is easy for all employees to follow and all vendors to understand.)

(3) Elimination or reduction of small orders and emergency orders. (Group all division or program needs and scheduling requirements to maintain inventory.)

(4) Less "rush orders" or late delivery. (Anticipate needs through advanced planning.)

(5) Reduction of paperwork. (Combined purchasing reduces the number of purchase orders, bid forms, vendor notices, invoices, vouchers, checks, etc.)

(6) Uniform prices. (Standardization of commodity results in uniform costs in all divisions or programs.)

(7) Control of budget. (Person responsible for issuing orders can check desired purchase against amount budgeted.)

(8) Net result: Citizens will receive more value for tax dollars expended.

Individual division heads or program supervisors should complete the first two columns of a requisition to purchase and forward it to the person responsible for centralized purchasing. A sample of this type of form is shown in Illustration #1, p. 11)

If the amount of the needed purchase requires a formal bid, the matter must be referred to the Board.

If the amount of the purchase does not exceed the size of the purchase requiring formalized bidding, then the person responsible for purchasing may either:

(1) Advertise for bids anyway

(2) Circulate a Price Inquiry form to known vendors (Sample of this type form is shown in Illustration #2, p. 12)

(3) Issue Purchase Order (Sample of this type form is shown in Illustration #3, p. 13)

The Park District Board should establish a policy for an imprest petty cash system for nominal emergency purchases. Usually these purchases do not exceed $10 or $15. Care must be taken that these funds are not used to circumvent the established centralized purchasing procedures. The following should be prohibited from payment out of petty cash:

(1) Items regularly warehoused

(2) Items costing in excess of stated amount ($10 or $15)

(3) Payment for personal services

(4) Cash advances to employees

(5) Cashing of personal or payroll checks

All petty cash receipts should be prenumbered, require an authorized signature and should be marked "paid", or otherwise indicate a cash payment was made. The name of the vendor along with the vendor's signature should appear on the receipt or on the petty cash voucher. Cash reimbursement can be made to the purchaser from the fund. Petty cash funds are replenished from time to time as the need arises in the following manner:

Amounts expended are recapped in account number order on the petty cash envelope. The envelope with the receipts inside is submitted for processing as needed, but in any case at least once each month. A check is made out to "petty cash" to reimburse the fund.

For more detailed information on both informal and formal buying procedures, refer to the State of Illinois, Department of Local Government Affairs Manual on Purchasing.

In terms of the Income Program, the rules should cover such questions as:

1. From what source(s) will the Park District obtain money?

2. What charge rate(s) will be applied to each source?

Investments:

According to the Illinois Revised Statutes, Chapter 85, Par.902, all Park Districts are required to invest all surplus funds not needed for one month's current operating expenditures. Funds should be invested in the following types of securities: bonds, notes, certificate of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest, or on certificates of deposit or time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act. Investments may be made only in securities which are insured by the Federal Deposit Insurance Corporation.

Park Districts should maintain an investment control card for each fund. A subsidiary ledger should be used to back up each control card. The subsidiary ledger cards should be totaled monthly and checked against the investment control card in each fund for verification.

It is possible to pool temporarily idle funds from several different funds in the purchase of a single investment. The principal from the investment as well as the interest earned at maturity must be pro-rated and returned to the fund from which it originated.

Since investment of funds is a specialized field, officials should seek advice and assistance from local bankers and other investment institutions to assure procuring the best program for the Park District.

In terms of receiving money, the rules should cover such questions as:

1. Who will be authorized to collect money?

2. What controls will be used to insure that all the money paid to the Park District is deposited in the bank accounts?

3. Who will maintain the records of the money collected by the Park District? What kind of records will be maintained?

4. How should taxes be allocated?

5. Are fiscal responsibilities separated for proper internal control?

Cash Receipts

The function of collecting monies is very important. Good financial procedures must be used to insure that receipts are not misappropriated for private gain. Monies collected should be deposited daily. One person should not collect, deposit and record the receipt of revenues. Also, adequate bonding should be maintained for all persons involved in the handling of cash. Revenues should be allocated by funds and identified by source and type. Itemized deposit tickets are recommended to insure an adequate audit trail.

Many local officials will have some difficulty in the allocation of taxes. The following example will show the basic procedures to be used in allocating tax monies to the various funds based upon the tax extensions.

Example of Tax Allocation Procedure

Assume a Park District made a levy for the year 1974 in the following amounts:

1974 TAX LEVY

ASSESSED VALUATION $40,000,000.00

TAX LEVIED	1974 LEVY	PERCENTAGE EXTENDED	AMOUNT EXTENDED	PERCENTAGE
Corporate	$ 43,000	.10	$ 40,000	40
Recreation	32,000	.075	30,000	30
Audit	2,100	.005	2,000	2
Social Security	4,000	.01	4,000	4
Liability Insurance	4,000	.01	4,000	4
Paving & Lighting	2,000	.005	2,000	2
Bond & Interest	18,000	.045	18,000	18
	$105,100	.25	$100,000	100.0%

Prior year's taxes should be allocated according to their respective percentages established for the year levied. Remember that according to the Illinois Revised Statutes, a fund should be established for each tax levy made.

Concerning the disbursement of money, the rules should cover such questions as:

1. Who will be authorized to disburse money?

2. How will money be disbursed?

3. What evidence will be required to verify the basis for this disbursement?

4. Who will maintain the records on disbursements?

Cash Disbursement

The process of disbursing monies is a very important function. Care should be taken to insure that mismanagement does not arise due to unauthorized checks being drawn. Bills should be paid promptly, preferably within one month of receipt. Each check drawn should require at least two signatures. Care must be taken to insure that all disbursements are charged to the correct budget categories. If expenditures are not consistently classified correctly, the historical information used in the budgeting process will be unsuitable for future projections. When funds are disbursed, care should also be taken to avoid overdrafts at local financial institutions. Sufficient data should be available to support all checks drawn for payment. The person maintaining the disbursement records should not be the person also authorized to sign the checks.

Relating to debt administration, the rules should cover such questions as:

1. Who is to establish control records?

2. Who should invest bond proceeds?

3. Who is responsible for paying maturities and cancelling bonds and coupons?

Park Districts may issue bonds in an amount up to .5% of the assessed valuation without referendum. Even with voter approval, general obligation debt cannot exceed 5% of the District's assessed valuation.

Revenue bonds, without limitation, may be issued by the Board for revenue producing programs such as swimming pools, golf courses, ice skating rinks and the like, where retirement of bonds is made from revenues produced by the activity. By petition of the electors a referendum on the issue can be forced.

Establishing Control Records

Prior to the delivery of bonds to the successful bidder, the following records should be made:

(1) The number, denomination and date of maturity of each bond.

(2) The number of coupons attached to each bond, the value of each coupon and its due date.

(3) A schedule of the dates that any portion of the bonds are to mature and the total amount due at each date. (Illustration #4 & #5, pp. 14 & 15)

(4) A schedule of the dates that any coupons are to mature and the total amount due at each date.

Investing of Bond Proceeds

The total of all proceeds received from sale of bonds not immediately needed to meet the expenses of the project for which the bonds were issued should be invested in securities which will bring in the greatest yield. Often a program of investment can be worked out in advance of the bond delivery date so that immediately upon receipt of the buyer's check, the proceeds can be invested in the selected securities.

Payment of Maturities

In order to retain the best possible bond rating, the Park District must pay bonds and interest promptly when due. If bonds are registered, the interest coupon should automatically be paid to the registered owner. The bonds should only be paid on surrender.

If a paying agent is used, the payment of bonds and interest maturing should be in the hands of the paying agent several days in advance of due date. The remittance should be in the funds of a metropolitan banking center. If a check is written on a local bank, and the bank is distant from the city of the paying agent, sufficient time must be allowed for check clearance so funds will be on hand for the paying agent in advance of due date. A certified or cashier's check is an acceptable method of remitting. A remittance advice should accompany the check. The name of the government, the name of bond issue, number and date of the bonds and the coupons should be stated. The amount of the paying agent's fee must also be included in the total remittance.

Cancellation of Matured Bonds and Coupons

Matured bonds or coupons should be immediately cancelled by stamping them "cancelled" or "paid", or by perforating the bonds or coupons.

It has customarily been the practice to paste cancelled bonds and coupons in a scrapbook and filing it in the vaults of the issuing government. A government with a large amount of debt finding this procedure cumbersome may decide to keep them for a required length of time and then cremate them. If cremation is used, a certificate of cremation listing the number of all bonds and coupons destroyed should be prepared.

Budgeting for Park District Debt Service

Included in the Park District budget should be the amounts necessary for payment of maturing bonds and coupons of the Park District, as well as the amount needed for normal operational expenses.

When analyzing anticipated revenue several sources should be considered:

(1) Revenue received from a tax levy for the specific purpose of debt service.

(2) Net earnings of a revenue producing facility. (Where the bond issue is for such a facility)

(3) Rentals derived from use of the facility.

(4) Revenue from general sources.

Where the obligation is for revenue bonds, consideration must be given to establishing rates that will produce enough revenue to satisfy the obligation. The retirement schedule of revenue bonds should also take into consideration fiscal officers fees, paying agents' fees, sinking fund requirements as well as the maturing bonds and coupons. These factors should be included in the District's budget.

Where the obligation is retired by a special tax levy, a sufficient amount should be levied to pay for the maturing bonds and coupons. (See Illustrations #4 and #5, pp. 14 & 15)

Illustration #1

PARK DISTRICT OF _____ ADDRESS _____

_____

PURCHASE REQUISITION

Division _____ DATE _____

Appropriation _____ Code No. _____ Requisition No._____

Date Wanted _____ Order No. _____

QUANTITY	FULL DESCRIPTION OF REQUIRED PURCHASE	UNIT PRICE	TOTAL

Suggested Vendor _____ _____
Name Address

Ship Prepaid To: _____ _____
City and State

These items listed above are a proper charge against the appropriation shown hereon and the services or materials are to be used exclusively for the purpose against which said items are charged.

Approved: _____
Division Head

_____
Director or Superintendent

Illustration #2

PARK DISTRICT OF _____ ADDRESS_____

_____

PRICE INQUIRY ONLY

(Not an Order)

TO: _____

_____

_____

Please quote the delivered price on all or any part of the material listed herein. Enter your NET prices, terms, etc. on this sheet. Quotation MUST be received within _____days of the above date. Unit price and extension must be shown. Quotation will not be considered unless signed by authorized person.

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL

I (we) hereby agree to furnish the above materials on which prices are quoted delivered to _____in accordance with your requirements and at the prices and times specified. Delivery can be made _____ days after receipt of order.

TERMS: _____ _____

Signature

INSTRUCTIONS TO VENDOR
Return original of this form to: _____

Title

_____Park District

_____

Address

Illustration #3

PARK DISTRICT OF _____ ADDRESS _____

_____

PURCHASE ORDER

TO: _____

_____ Order Date _____

_____ Order Number _____

TERMS: _____ DISCOUNT _____ Code Number _____

Please furnish the following material or perform the following services:

Deliver Prepaid to: _____ Ship Via _____

DATE SHIPPED	QUANTITY AND UNIT	DESCRIPTION	UNIT PRICE	TOTAL

ORDERED BY _____ Approved _____

Division Director or Supervisor

REMARKS: _____

INSTRUCTIONS TO VENDOR:
Retain this copy for your file

Illustration #4

BUILDING BONDS (G.O.)

DEBT RETIREMENT SCHEDULE - BONDS DATED 7/15/68

Fiscal Year Ending 6-30	Bonds Maturing	Principal Payment Due	Interest Payment Due 1/15 - 7/15		Total
1969	—	$ —	$ 6,000	$ —	$ 6,000
1970	1-10	10,000	5,700	6,000	21,700
1971	11-20	10,000	5,400	5,700	21,100
1972	21-30	10,000	5,100	5,400	20,500
1973	31-40	10,000	4,800	5,100	19,900
1974	41-50	10,000	4,500	4,800	19,300
1975	51-60	10,000	4,200	4,500	18,700
1976	61-70	10,000	3,900	4,200	18,100
1977	71-80	10,000	3,600	3,900	17,500
1978	81-90	10,000	3,300	3,600	16,900
1979	91-100	10,000	3,000	3,300	16,300
1980	101-110	10,000	2,700	3,000	15,700
1981	111-120	10,000	2,400	2,700	15,100
1982	121-130	10,000	2,100	2,400	14,500
1983	131-140	10,000	1,800	2,100	13,900
1984	141-150	10,000	1,500	1,800	13,300
1985	151-160	10,000	1,200	1,500	12,700
1986	161-170	10,000	900	1,200	12,100
1987	171-180	10,000	600	900	11,500
1988	181-190	10,000	300	600	10,900
1989	191-200	10,000	--	300	10,300
		$200,000	$63,000	$63,000	$326,000

*DEBT RETIREMENT SCHEDULE EXAMPLE

Assume a $200,000 6% General Obligation Building Bond issue dated July 15, 1968 with a 20 year maturity. The Park District fiscal year ends on June 30. Bonds were issued in $1,000.00 denominations #1-200, and began maturing on July 15, 1969. Interest is payable on January 15th and July 15th of each year.

Illustration #5

PARK DISTRICT OF _____ ADDRESS _____

_____

BOND AND NOTE REGISTER

PAYABLE FROM _____ FUND

Date of Issue _____
Date of Sale _____
Type of Issue _____
Purpose of Issue _____

Date of Authorization _____
Purchaser _____
Principal of Issue _____
Premium on Issue _____

Accrued Interest on Issue _____
Interest Rate _____
Interest Maturity Dates _____
Place of Payment _____

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	PRINCIPAL				INTEREST					
Number	Amount of Principal	Date Of Maturity	Date Of Payment	Balance of Principal Due	Amount of Interest	Date Payable	Date Paid	Amount Of Interest	Date Payable	Date Paid

CHAPTER III

THE BUDGET SYSTEM

A. BUDGET CALENDAR

Because the Park District's budget is very vital to its operation, adequate time must be provided to properly prepare, review, evaluate and adopt the budget prior to the beginning of the new fiscal year. Even though Illinois Revised Statute Ch. 105 Par. 4-4 states the combined annual budget and appropriation ordinance must be prepared within or before the first quarter of each year, prudent planning suggests a plan of action be adopted prior to the beginning of each fiscal year. Unfortunately, the initial estimates of revenues and proposed expenditures will precede, by several months, any real understanding as to how the Park District will finish the current year. Good record-keeping, coupled with a cautious estimation of revenue based on incomplete information, will help reduce errors in the early phase of budget preparation.

To insure that proper time is allocated for each phase of the budget process, it is recommended that park district officials adopt a budget calendar. A review of the strengths and weaknesses of local procedures suggests that more planning with respect to the scheduling phases of the process would help to alleviate later difficulties. It is not necessary to maintain strict adherence to such a calendar, yet simply going through the process of thinking through the various steps and scheduling them to allow for sufficient time for each phase can facilitate budget preparation.

Utilization of a budget calendar should produce several tangible results. Setting and maintaining individual work schedules should prove beneficial to program supervisors in the management of budget development. Also, the person responsible for the budget preparation will find the calendar of assistance in establishing the time frame of the process, including the various milestones and deadlines involved in it. A budget calendar could serve as an information device concerning the progress of the drafting of the document, as well as providing a date the Board can reasonably expect to receive the draft.

In summary, while various benefits would probably arise from the institution of such a calendar, the primary objective would remain that of providing adequate time and notice for the different phases of the budget preparation process. As a Park District grows, and the budgeting process becomes more complicated and time-consuming, it will become more apparent that planning with respect to schedule is imperative for a smooth budget preparation process. (See Illustration #6, p. 22)

B. THE BUDGET

The annual budget is basically a plan for spending money during a fiscal year. A budget contains the spending plan and an estimate of the money which will be collected during the fiscal year to finance this spending plan.

The budget serves three functions in financial management. First, it is a device by which the Park District can show the public how it proposes to spend the public's money. Second, the budget serves as a device for controlling expenditures by placing limits on the amount of money which can be spent for various purposes. These limits provide a yardstick by which the progress of program spending can be measured. Also, because it contains an estimate of the amount of money which the Park District expects to collect during a fiscal year, the budget serves as a measure of the collection process during the year.

According to law, the budget must contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received from all sources during the fiscal year, a statement of estimated expenditures, and an estimate of cash expected to be on hand at the end of the fiscal year. Since legal requirements and generally accepted governmental accounting practices require fund accounting, the cash balance as well as anticipated revenues and expenditures should be included on a fund basis in the budget.

A balanced budget is essential and can readily be achieved since Illinois statutes require the listing of starting cash balances, revenues and expenditures, and estimated ending cash balance. If a balanced budget does not result, decisions should be made by the Park Board to cut expenditures or contemplate borrowing.

Legal requirements in the statutes are not clearly defined as to the exact type of itemization of proposed expenditures. However, efficiency presupposes a detailed breakdown. The more articulate the budget, the more information a reporting system will furnish to interested parties, lending greater reliability to budget forecasting in future years.

Citizens are becoming better informed and thus more sophisticated in the evaluation of governmental spending. Therefore, it behooves administrators to do a responsible job in the budget procedure.

Since the budget is the "bible" and legal basis of all programs to be undertaken during the year, a comprehensive division of expenditures by major classifications is essential. For illustration purposes, consult the Chart of Accounts in Exhibit I.

C. BUDGET INSTRUCTIONS

Formal consideration of the new budget cycle should begin with budget instructions from either the budget officer or the chief executive officer of the Park District. Simply stated, the basic objective of the instructions is to communicate the official position of the Park District, and thus the tone for drafting the budget.

Given the fact that several individuals will be contributing to the initial draft, a clear basic assessment of the financial position of the government, through a stated framework will save time during the later phases of budget preparation.

The specific primary content of a set of budget instructions will probably vary according to economic expectations in the ensuing fiscal year. Special conditions which affect the entire budget or special instructions for preparing the document should be stated.

Other topics to be considered might include the following:

(1) A basic overall appraisal of the current year's operation to date;

(2) General remarks on unusual forces or factors affecting the current year and whether or not they are expected to continue their effects during the next fiscal year;

(3) Basic information upon which to plan with respect to expected revenue levels;

(4) Legal or other constraints which might affect the budget in a special way.

If there are to be any particular changes in responsibilities or procedures concerning the budget preparation, they should also be included in the budget instructions. Clear and concise statements for proposing expenditure levels, coupled with a timetable for the entire process, will yield numerous benefits.

Revenue Estimating

One of the most difficult tasks in preparing a budget is that of estimating revenues for the new fiscal year. Several conditions tend to affect the process:

(1) Economic indicators, to be useful, should be carefully analyzed.

(2) Economic conditions at the national, state and local levels can change in short periods of time, especially between the beginning of budget preparation and the time it is adopted by the Park Board.

(3) Estimating revenues for the next fiscal year begins well before delivery of the final report on last year's estimates.

Estimating revenue can be greatly facilitated if adequate information and data are available. Given the fact that some information from the state or national level might require additional time to be delivered, sources of information should be pursued well in advance.

A good system of local record-keeping, financial and otherwise, is indispensable for the task of estimating revenues. The time involved in projecting revenues as well as the accuracy of the projections will depend heavily upon the information available with respect to past

revenue collections. Reliable statistics should be available which show the amount of revenue by source collected annually. This information should be complemented by revenue collections by source for the year to date. Availability of adequate information does not make revenue estimates easy. Generally speaking, it is a task which requires a combination of knowledge, experience and a great deal of reasoning.

Program Budget Requests

In the early phase of a Park District budget preparation, budget forms should be distributed to each program supervisor. These forms should be accompanied by budget instructions from the budget officer. A meeting of program supervisors will facilitate the explanation of instructions for obtaining the necessary information, compiling the data and drafting the program budgets. Regardless of the procedures followed, each supervisor should fully understand the forms and the information necessary to adequately complete them.

Following the preparation of drafts, the budget officer should schedule separate meetings with each program supervisor to permit presentation of their budget proposals. Since it is often impractical for each manager to make an oral presentation to the full Board, the meetings between program managers and the budget officer are extremely important in terms of final allocations for various services or programs. Where possible, completed forms should be supplied to the budget officer for familiarization purposes prior to the meeting. During the meeting, the program supervisor should explain his proposal as concisely as possible. The degree of detail entailed will emerge in the question and answer portion. It is incumbent upon the person making the presentation to provide copies of necessary background information and data to others present. Documentation should be as complete as possible with respect to each item in the draft. Proper preparation by the supervisor plus prior review by the budget officer should result in an effective meeting. Additional information or documentation requested should be submitted as soon as possible. (See Illustration #7 & #8, pp. 25 & 26)

Preparing the Initial Draft

Once individual budget requests have been orally reviewed, the next step is that of assembling the information and developing the initial draft for the entire operation of the Park District. If prescribed procedures and processes have been executed correctly, the budget officer should have available all relevant budget information.

In attempting to arrive at a balance between expenditures and revenues, it is necessary to be prudent as possible estimating the costs for service levels and expense categories. Where it is possible to verify the accuracy of figures presented in the different requests, reason suggests that the effort be expended.

Technical review is that process whereby attention is devoted to checking the accuracy of figures for "known" costs or items. For example, salary totals of Park District employees can be developed accurately, as

well as the cost of insurance, retirement, etc. Checking the accuracy of these figures must be done to avoid unnecessary errors. Where employees are to be promoted or upgraded during the year, probable changes in their social security withholding, retirement, etc., should be taken into consideration.

Substantive review or scrutiny of individual budget requests refers to "what the Park District is getting for its tax dollars". This type of review involves subjective judgement.

Although technical review can be undertaken without regard for revenue estimates, substantive review is integrally related to such estimates. In effect, the process is one of examining proposed expenditures by objects and levels in light of the projected revenue available during the next fiscal year. Since decisions must be made with respect to the elimination, modification, or implementation of proposed expenditures, the budget officer should carefully weigh the program supervisors' assessment of the current and proposed levels of service. In dealing with requests for new services or higher service levels, the budget officer should examine in detail the cost-benefit ratio for such requests, plus the long-range ramifications or investment entailed in approving or supporting such requests. The more objective and analytical the officer can be, the better able he will be to present and support his final recommendations to the Park Board.

The statutory requirement that local budgets be balanced adds an additional burden to local budgeting personnel. If estimated revenues are less than proposed expenditures,revenues will have to be increased or expenditures must be reduced. If changes in funding levels are proposed, either by members of the governing board or citizens, additional modifications will probably be required to bring the budget into balance. Insofar as the budget reflects policy preferences and priorities, proposals to increase funding require an accompanying policy consideration of sufficient funding by source. Balancing the budget politically may be more difficult than balancing revenues and expenditures.

The Budget Message: Presentation to the Park Board

Following completion and review of the draft by the budget officer, the next step is formal presentation to the Board.

The budget message which accompanies the budget may be transmitted orally or in writing. The message should summarize the major budget items discussed and significant changes from previous budgets. Basic assumptions and philosophical framework which were utilized to prepare portions of the draft should be explained for a better understanding of the draft.

The overall financial picture of the Park District should be described as it relates to the proposed budget. Possible loss in revenue collections for the current fiscal year or for the next fiscal year should be considered. Any special factors affecting the operation of the Park District (legal requirements, litigation, etc.) should be identified. If the proposed budget document necessitates an increase in taxes, special remarks should address this issue including the identification of the particular taxes which are to provide the revenue increase.

In preparing and presenting the budget message, concern should be given for the political ramifications of the message. Care should be taken to document the major priorities which the draft reflects since the Park Board represents different interests. Initial impressions are often very important, therefore, the manner in which the budget is presented and explained may either facilitate or hinder its consideration and adoption by the Board.

Budget Hearings and Adoption

Presentation of the proposed budget to the Park Board should be done early enough to allow time for a thorough review by the elected officials. Supportive documents and information should accompany the draft for a fuller understanding and more complete examination. Summary forms can be prepared in advance to denote (a) recent budget requests and funding levels and (b) to what degree current requests were trimmed or omitted completely. At this point, the responsibility for adoption of the budget rests solely on the shoulders of the Park Board.

The policy decisions involving priorities, and the order of these priorities are the responsibility of the Board. Statutes demand that at least one public hearing on the budget be held for public response.

Budgets which entail a cutback in spending levels or a reordering of priority levels may generate a considerable degree of controversy, thus the need for supportive documentation. Some elected officials will examine the issues in depth while others will only be interested in a cursory review of the budget. As suggested earlier, sufficient consideration should be given by all officials to every aspect of the Park District's plan. Every opportunity should be provided to the public to suggest changes or alterations in the budget. Operating policy to this effect not only meets the requirements of the law, but also makes good political sense, for the manner in which the budget is dealt with can be a political liability as well as a political asset.

Summary

While the final budget is a result of many factors, one of the most significant is the process by which the document is drafted, reviewed and adopted. The quality of the final product is dependent on the methods of preparation. The greater the effort which goes into the drafting and review of the operating budget, the higher the quality of the final budget. A more detailed process will not make difficult decisions any easier, but will allow more time for reflection and data gathering. Obviously, a better planned budget process will not increase revenues or limit demands for services. It will, however, provide for more careful deliberation and thus increase the probability of providing maximum service within the Park District's financial means.

ILLUSTRATION #6

SUGGESTED PARK DISTRICT BUDGET CALENDAR

Park District Fiscal Year Ending December 31	Park District Fiscal Year Ending June 30	Whose Responsibility	Duty
January 10-15	July 10-15	Designated Person or Persons	Prepare your own Budget Calendar and schedule for next year.
February 1-15	August 1-15	Designated Person or Persons	Review prior year budget forms and plan revisions and order form typing or printing.
February 20-28	August 20-28	Designated Person or Persons	Prepare work sheets entering in prior years revenue figures and preliminary revenue estimates.
March 1- April 30	September 1 - October 31	Designated Person or Persons	Revise revenue estimates, after meeting of finance committee and enter final estimates on departmental forms.
May 1 - June 15	November 1 - December 15	Designated Person or Persons	Estimate forecast of revenues and expenditures for balance of present fiscal year and anticipated ending surplus, by funds.
June 15-30	December 15-31	Designated Person or Persons	Write out instructions for preparing division budgets.
July 1-15	January 1-15	Designated Person or Persons	Enter last 2 years actual and present year estimates of financial data on division estimate forms.
July 1-15	January 1-15	Designated Person or Persons	Assemble instructions and estimate forms for distribution to divisions.

Park District Fiscal Year Ending December 31	Park District Fiscal Year Ending June 30	Whose Responsibility	Duty
July 1 - August 15	January 1 - February 15	Designated Person or Persons	Prepare long-range program of capital improvements and services.
July 15	January 15	Designated Person or Persons	Issue instructions and budget forms to Division Heads
July 15 - October 15	January 15 - April 15	Designated Person or Persons	Prepare work programs and budget estimates.
October 15 - November 1	April 15 - May 15	Designated Person or Persons	Investigate and review requests; Determine final recommendations.
November 1-15	May 1-15	Designated Person or Persons	Submit budget to Park Board.
November 15 - December 15	May 15 - June 15	Park Board	Consideration of Budget.
December 1-15	June 1-15	Park Board	Public Budget Hearings.
By January 1	By July 1	Park Board	Adopt budget by adoption of a combined budget and appropriation ordinance.
December 15 - January 5	June 15 - July 5	Designated Person or Persons	Prepare, review and establish budget allotments.
Continuous	Continuous	Designated Person or Persons	Budget Administration.
February 1-15	July 1-15	Designated Person or Persons	Prepare Tax Levy.

Park District Fiscal Year Ending December 31	Park District Fiscal Year Ending June 30	Whose Responsibility	Duty
February 15	July 15	Designated Person or Persons	Present tax levy to Director or Supervisor for review
March 1	August 1	Designated Person or Persons	Present tax levy to Park Board.
March 15 - August 15	August 15	Park Board	Pass tax levy ordinance.
Before September 1	Before September 1	Park Board	File certified copy of tax levy with County Clerk.

NOTE: This suggested budget calendar has been prepared for fiscal year (July 1 - June 30) and calendar year districts. Districts with dissimilar fiscal years should adjust dates accordingly.

Use of this calendar is not mandatory, but the budget and appropriation ordinance should be passed before the start of the fiscal year and no later than the end of the first quarter. The tax levy must be passed and on file with the County Clerk by the third Tuesday in September. Remember, the first responsibility of a Park District is to prepare its budget calendar.

ILLUSTRATION #7

BUDGET REQUEST

FUND Corporate PREPARED BY Tom Smith

DIVISION Administration DATE May 10, 1975

Acct. #	Account Name	Actual Year Ending June 30 1973	Actual Year Ending June 30 1974	Estimated Year Ending June 30 1975	Budget Request Year Ending June 30 1976	Budget Adopted Year Ending June 30 1976
400	Salaries	$11,000	$12,000	$14,000	$16,000	$15,000
403	Hospitalization Ins.	-0-	-0-	2,500	2,900	3,000
404	Other Employees Ins.	-0-	-0-	600	800	800
434	Telephone-Telegraph	200	350	375	510	500
444	Travel Expense	40	55	75	200	100
446	Postage	250	275	300	325	300
447	Printing-Publishing	287	300	350	400	400
451	Legal Fees	2,000	1,900	2,100	2,500	2,000
469	Dues-Subscriptions	90	88	97	110	100
471	Office Supplies	573	600	593	575	600
482	Interest Expense (TAW)	-0-	-0-	-0-	300	300
487	Sundry Expense	190	175	200	250	100
490	Tax Warrants	-0-	-0-	-0-	20,000	20,000
		$14,630	$15,743	$21,190	$44,870	$43,200

ILLUSTRATION #8

BUDGET REQUEST

FUND Recreation PREPARED BY Robert Jones

DIVISION Programs DATE May 10, 1975

Acct. #	Account Name	Actual Year Ending June 30 1973	Actual Year Ending June 30 1974	Estimated Year Ending June 30 1975	Budget Request Year Ending June 30 1976	Budget Adopted Year Ending June 30 1976
	ARTS & CRAFTS					
400	Salaries	$ 40	$ 45	$ 50	$ 60	$ 50
472	Other Supplies	190	210	225	240	225
		$230	$255	$275	$300	$275
	BELLY DANCING					
400	Salaries	$275	$325	$340	$375	$350
	DAY CAMP					
400	Salaries	$200	$250	$290	$350	$300
472	Other Supplies	210	285	345	375	400
		$410	$535	$635	$725	$700
	TENNIS-ADULT					
454	Other Professional Services	$1,500	$1,800	$1,900	$2,000	$2,000
	WEAVING					
400	Salaries	$100	$150	$170	$200	$175
472	Other Supplies	125	147	178	200	190
		$225	$297	$348	$400	$365

CHAPTER IV

THE ACCOUNTING SYSTEM

A. ACCOUNTING PRINCIPLES

Listed below are generally accepted accounting principles which deal with governmental units as prescribed by the National Committee on Governmental Accounting. Also listed are modifications to these principles. Deviations from nationally recognized accounting principles are provided in this manual to insure usability by the smaller park districts in Illinois. If your park district is satisfactorily operating in conformity with the National Committee, continue to do so and disregard the modifications shown as well as the accounting system recommended in Chapter VII of this manual.

1. Legal Compliance and Financial Operations

A governmental accounting system must make it possible: (a) to show that all applicable legal provisions have been complied with; and (b) to determine fairly and with full disclosure the financial position and results of financial operations of the constituent funds and self-balancing account groups of the governmental unit.

Deviation: The financial position and the results of financial operation of each fund will be handled at the close of each fiscal year by an independent certified public accountant in the year-end financial audit. To obtain a financial picture on a monthly basis, various reporting forms are designed and are included in Chapter VII, Exhibit XVI and Exhibit XVIII.

2. Conflicts Between Accounting Principles and Legal Provisions

If there is a conflict between legal provisions and generally accepted accounting principles applicable to governmental units, legal provisions must take precedence. Insofar as possible, however, the governmental accounting system should make possible the full disclosure and fair presentation of financial position and operating results in accordance with generally accepted principles of accounting applicable to governmental units.

3. The Budget and Budgetary Accounting

An annual budget should be adopted by every governmental unit, whether required by law or not, and the accounting system should provide budgetary control over general governmental revenues and expenditures.

Deviation: Budgetary control will be handled outside the actual accounting system through the monthly Park Board's reports, showing actual expenditures, unpaid bills and unbilled obligations against the budget document. See Chapter VII - Exhibit XVI.

4. Fund Accounting

Governmental accounting systems should be organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

5. Types of Funds

The following types of funds are recognized and should be used in accounting for governmental financial operations as indicated.

(1) The General Fund to account for all financial transactions not properly accounted for in another fund;

(2) Special Revenue Funds to account for the proceeds of specific revenue sources (other than special assessments) or to finance specified activities as required by law or administrattive regulation;

(3) Debt Service Funds to account for the payment of interest and principal on long-term debt other than special assessment and revenue bonds;

(4) Capital Projects Funds to account for the receipt and disbursement of monies used for the acquisition of capital facilities other than those financed by special assessment and enterprise funds;

(5) Enterprise Funds to account for the financing of services to the general public where all or most of the costs involved are paid in the form of charges by users of such services;

(6) Trust and Agency Funds to account for assets held by a governmental unit as trustee or agent for individuals, private organizations, and other governmental units;

(7) Intragovernmental Service Funds to account for the financing of special activities and services performed by a designated organization unit within a governmental jurisdiction for other organization units within the same governmental jurisdiction;

(8) Special Assessment Funds to account for special assessments levied to finance public improvements or services deemed to benefit the properties against which the assessments are levied. (Not applicable to Park Districts).

6. Number of Funds

Every governmental unit should establish and maintain those funds required by law and sound financial administration. Since numerous funds make for inflexibility, undue complexity, and unnecessary expense in both the accounting system and the over-all financial administration, however, only the minimum number of funds consistent with legal and operating requirements should be established.

7. Fund Accounts

A complete self-balancing group of accounts should be established and maintained for each fund. This group should include all general ledger accounts and subsidiary records necessary to reflect compliance with legal provisions and to set forth the financial position and the results of financial operations of the fund. A clear distinction should be made between the accounts relating to current assets and liabilities and those relating to fixed assets and liabilities. With the exception of Intragovernmental Service Funds, Enterprise Funds, and certain Trust Funds, fixed assets should not be accounted for in the same fund with the current assets, but should be set up in a separate, self-balancing group of accounts called the General Fixed Asset Group of Accounts. Similarly, except in Special Assessment, Enterprise and certain Trust Funds, long-term liabilities should not be carried with the current liabilities of any fund, but should be set up in a separate, self-balancing group of accounts known as the General Long-Term Debt Group of Accounts.

8. Valuation of Fixed Assets

The fixed asset accounts should be maintained on the basis of original cost, or the estimated cost if the original cost is not available, or, in the case of gifts, the appraised value at the time received.

9. Depreciation

Depreciation on general fixed assets should not be recorded in the general accounting records. Depreciation charges on such assets may be computed for unit cost purposes, provided such charges are recorded only in memorandum form and do not appear in the fund accounts.

10. Basis of Accounting

The accrual basis of accounting is recommended for Enterprise, Trust, Capital Projects, Special Assessment and Intragovernmental Service Funds. For the General, Special Revenue, and Debt Service Funds, the modified accrual basis of accounting is recommended. The modified accrual basis of accounting is defined as that method of accounting in which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material or

available revenues which should be accrued to reflect properly the taxes levied and the revenues earned. (Special Assessments Funds not applicable to Park Districts)

Deviation: For the example shown of a Budget and Accounting System in Chapter VII, the system is strictly cash basis. However, our month-end Park District Financial Reports take unpaid bills and unbilled obligations into account. At the close of each year, your independent certified public accountant should change your system to accrual or modified accrual as necessary.

11. Classification of Accounts

Governmental revenues should be classified by fund and source. Expenditures should be classified by fund, function, organization unit, activity, character, and principal classes or objects in accordance with standard recognized classification.

Deviation: The system shown lists expenditures by fund, division, and object.

12. Common Terminology and Classification

A common terminology and classification should be used consistently throughout the budget, the accounts, and the financial reports.

13. Financial Reporting

Financial statements and reports showing the current condition of budgetary and proprietary accounts should be prepared periodically to control financial operations. At the close of each fiscal year, a comprehensive annual financial report covering all funds and financial operations of the governmental unit should be prepared and published.

B. ACCOUNTING OVERVIEW

Accounting may be defined simply as the collection, classification and interpretation of financial information. It is an indispensible tool in the effective management of all governments involved in the receiving and spending of money, regardless of size. The accounting process is the means by which data is transformed into intelligent information.

The primary objective of the accounting process is to bring order out of a mass of data by classifying them into pertinent categories and then compressing them into understandable financial statements. Because it is neither desirable nor feasible to prepare financial statements following each transaction, the government must have a means of compressing data and storing it until it is needed. The device employed for this purpose is known as an account. If you will refer to our "Chart of Accounts" in Chapter VII, Exhibit I, you will find a code number assigned to each ledger account. Accounts are the heart of the bookkeeping system. A separate account is created for each item of financial information which is of interest. (See Illustration #9, p. 36)

The most important step in the bookkeeping process is that of recording information in the accounts. Each time a transaction occurs, a financial change takes place in the accounts.

Each transaction affects two or more accounts. Each time a transaction occurs, some amount of value, measued in monetary terms is added to or deducted from one or more accounts. Each account is designed to show both increases and decreases in value. For example, the cash account is designed to show both increases and decreases in the amount of cash which the Park District receives and expends.

In other words, double-entry bookkeeping assumes every transaction represents a value given in exchange for some value received. A double-entry system of bookkeeping involves the maintaining of a balance between asset accounts and liabilities, and fund accounts. To maintain this balance, every entry made to the debit side of an account or accounts, requires a corresponding credit to another account or accounts.

A) Each transaction when properly analyzed, will always reveal a two-fold exchange of values. The fundamental rule of debits equal credits may never be violated, regardless of how complex the transaction.

B) An account permits debit and credit entries for increases and decreases to the account.

C) The nature of an account (i.e. asset, liability, or fund) determines whether the debit or credit results in an increase or decrease to the account.

Account	Debit	Credit	Normal Account Balance
Assets	Increase	Decrease	Debit
Liabilities	Decrease	Increase	Credit
Fund	Decrease	Increase	Credit
Revenues	Decrease	Increase	Credit
Expenses	Increase	Decrease	Debit

C. BOOKS OF ORIGINAL ENTRY

To link together the debits and credits of each transaction and to provide in one place a complete record of each transaction, it is universal practice to record all transactions in a "journal". A journal is a "Book of Original Entry". The information contained in the journal is then transferred to ledger accounts. In any accounting system, the number of journals depends upon the type and volume of transactions to be recorded. The system illustrated in Chapter VII uses the following journals:

1. Cash Receipts
2. Cash Disbursements
3. Payroll Cash Disbursement
4. General

All of the above are self-explanatory except the General Journal. The General Journal contains all transaction data which cannot be recorded in any of the other books of original entry employed in the accounting system. For example, any transaction which does not represent a receipt or payment of cash must be recorded in the General Journal.

The process of transferring the data from a book of original entry to the ledger is called posting. The transfer is cross-referenced in a way that anyone can look at a ledger account and determine from which book of original entry a given debit or credit came; a look at the book of original entry will likewise disclose which ledger account was posted. Posting should be done at the close of each month.

D. FIXED ASSETS

A Park District should maintain adequate control of their property, plant and equipment. A specific piece of property (fixed asset) must possess three characteristics: (1) be tangible (2) have a useful life greater than one year, and (3) of more than nominal value. Adequate accounting procedures and records for fixed assets are essential to the protective custody of governmental property.

Accounting for General Fixed Assets

All general fixed assets of a Park District would be carried in one place, the General Fixed Asset Group of Accounts. The sources through which General Fixed Assets were acquired are recorded

in the accounts and expressed as "Investment in General Fixed Assets". Keeping these general ledger accounts is recommended as a means of:

(1) Maintaining a physical inventory of assets
(2) Fixing accountability
(3) Establishing replacement costs
(4) Determining adequate insurance coverage
(5) Preparing a capital budget

Fixed assets should be classified in one of the following major control groups in a separate section of the general ledger. The below group may be further subdivided if desired.

Land
Buildings
Improvements Other than Buildings
Machinery and Equipment

Internal control over fixed assets should be maintained in the following ways:

1. DETAILED RECORDS of fixed assets by funds should be maintained. They should be reconciled periodically with the control. Equipment items should be identified by property numbers attached to them, which correspond to numbers in the control records.

2. WRITTEN POLICIES relative to the capitalization of additions, freight, installation costs, replacements, and maintenance expenditures should be established to insure accurate accounting. In funds where depreciation must be computed (enterprise funds), procedures should be clearly stated. For non-enterprise funds, a memo entry could be made showing the amount of depreciation incurred to allow management to plan for future acquisition.

3. PURCHASES AND RETIREMENTS - Actual cost of the property or equipment should be compared to the budgeted amount. On sales or retirement of fixed assets, care must be taken to record proceeds in the proper funds. Assets will be carried at cost of purchase or at the appraised value at the time of gift. No provision is made for depreciation of assets in the actual accounting system. A separate property card should be prepared for each piece of property and the total of all cards in a classification should serve as a subsidiary record for the control account. Physical inventories should be taken annually and reconciled with the property record cards. (See Illustration #10, p. 37)

4. PERIODIC INVENTORIES should be taken to verify the existence and the condition of the assets.

Accounting for Fixed Assets in the Enterprise Fund

Assets belonging to an Enterprise Fund should be recorded in the fund acquiring the asset, and annual depreciation should be established. For example the capital outlay for a swimming pool would be carried in that fund rather than in the General Fixed Assets Group of Accounts of the District. An account showing total accumulated depreciation should be maintained in the General Ledger.

E. PAYROLL PROCEDURES

All checks issued to employees should be issued from one bank account and/or one fund. In the example illustrated in Chapter VII, the General Fund is used. Other funds would be required to reimburse the Corporate Fund on a monthly basis for the gross amount owed for wages each month. All deductions from the employee's wages such as social security, federal and state withholding and insurance, if applicable, would then be centralized.

It is also recommended that a separate payroll disbursement journal be used to show each employee's name, check number, the net and gross salary paid, and various deductions.

In addition, an earning record card should be maintained for each employee showing all information as well as accumulative totals from pay period to pay period.

Some basic information included in the individual earning record would be:

a. The employee's name, address and social security number.

b. The total gross and net cash and non-cash amounts to the individual each pay day.

c. The amount of the individual's pay to be reported as wages for social security purposes or Illinois Municipal Retirement. Employees are subject to social security contributions only if the District is a member of IMRF or if the District has negotiated an agreement with the State Employee's Retirement System, Social Security Unit.

d. The date on which the employee is paid and the period covered by the pay.

e. The amount of social security or Illinois Municipal Retirement contribution withheld from each pay, if applicable.

f. The amount withheld for Federal and State withholding.

g. The amount withheld for any other deductions.

The records should indicate when an employee's wages reach the maximum cut-off for social security purposes. You need this information to determine when no further contributions are due on the employee's wages.

Also remember that when figuring total wages reported for social security purposes for each employee:

1. Include the total amount of the individual's pay before deductions are made for income tax, social security contributions, insurance, etc.

2. Include the fair value of non-cash wages such as meals or lodging furnished the employee.

3. Include dismissal pay, vacation pay, payments from a regular salary account and from an appropriation directed solely to salary purposes during periods of sickness, and wage payments made after the employee's death.

4. Include wage payments to covered employees regardless of their age or whether or not they are getting social security or other retirement benefits, and include wages paid an employee for covered services even though the total may be less than $50.00 in a quarter.

5. Do not include travel expenses specifically identified as such at the time of payment, or payments from a pension or retirement system.

6. If your political subdivision and another political subdivision jointly employ an individual, do not include any wages you pay the employee for which the other organization reimburses you. If you have employees working under a program such as C.E.T.A., handle these employees the same as "regular employees" for social security purposes, even though the District may be reimbursed for wage payments.

ILLUSTRATION #9

ACCOUNT EXAMPLES

CASH IN BANK

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

SALARIES

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

OFFICE SUPPLIES

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

ILLUSTRATION # 10

PROPERTY RECORD CARD

P R O P E R T Y R E C O R D
Machinery, Tools and Equipment

_____
Identification No.

Description _____

_____ Model _____

Make _____ Year _____ Serial No. _____

Dept. _____ Location _____

Purchased from _____ Date _____

Purchase Order No. _____	Cost $ _____ Voucher No. _____
Estimated Life _____	Freight $ _____ Voucher No. _____
Condition _____	_____ $ _____ Voucher No. _____
_____	

Front

Source of Funds:
Current Revenues _____ Bonds _____ Notes _____ Gifts _____

Other _____

REVISED COST	DISPOSITION
Additions _____	Sold _____ Traded _____ Junked _____
_____	Amount $ _____ Date _____
_____	Trade-in Purchase Order No. _____
Deductions _____	Year | Memo Depreciation
_____	_____ | _____
Remarks _____	_____ | _____
	_____ | _____

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CHAPTER V

THE REPORTING SYSTEM

There are many types of financial reports. Some are designed to aid the director or administrator in the performance of his responsibilities, others are designed to aid the Board in their deliberation or to aid the citizenry in understanding the fiscal aspects of the Park District. It is extremely important that one report does not contradict another report. It is also important that each report is complete and that necessary information is not omitted. Reports should always be neat, clear, and brief in the presentation of information. If releases are made periodically, care should be taken that the timing and terminology are consistent from one report to another.

The Officers Act, Chapter 102, Par. 5 of the Illinois Revised Statutes requires treasurers to file a financial statement with the County Clerk 30 days after the end of the fiscal year. This report must list revenue received by source and expenditures by vendor, account and amount. This report must also be published in a newspaper.

Even though not mandated, for good fiscal accountability, this manual depicts several recommended reports which will aid in the decision-making process of the board. It is recommended that reports (Exhibit XVI - Park Board Monthly Budgetary Report and Exhibit XVIII - Monthly Treasurer's Report) be given to the Park Board each month. Exhibit XVI is a report of actual and budgeted revenues and should be prepared for all funds. This statement will show when actual revenues deviate from the budget so that the causes can be explained and action, if necessary, be taken.

Also, Exhibit XVI is a report of actual expenditures, unpaid bills and obligations, and budgeted expenditures. This statement should be prepared for all funds and divisions to permit the Park Board to keep expenditures within the budget authorization for these funds as a whole. Current balances are provided for these funds at all times so that decisions can be made as to whether the budget should be revised or continued as it is. Accounts payable and unbilled obligations even though not recorded in the books of record are included in the report to provide an accurate account of outstanding obligations.

Exhibit XVIII is a report of all cash balances and investments by funds. This report will provide the Park Board with the necessary information to determine if additional expenditures can be made and what monies could be invested. An additional note on the end of the report shows the total unpaid bills and obligations by funds.

For the more sophisticated Park Districts, additional reports would be warranted. Such reports would include a Balance Sheet, Statement of Financial Position, and Statement of Changes in Equity.

CHAPTER VI

AUDITING

Auditing is the process of examining documents, records, reports, systems of internal control, and accounting and financial procedures.

There are two classifications of audits; pre-audits and post-audits. A pre-audit is an examination of financial transactions prior to their completion, whereas the post-audit covers transactions that have been consumated or those in various stages of completion at the end of an accounting period.

Audits based upon organizational application are referred to as internal and external. Internal audits are those examinations performed by a member of the administrative branch of the governmental unit. External audits are those made by an auditor who is independent of the governmental agency.

In Illinois, the Revised Statutes, Chapter 85, Sections 701-710, require that the governing body of each Park District appropriating $100,000 or more shall require an audit of its accounts by a licensed public accountant. This audit must be made annually at the close of the fiscal year and shall cover the immediately preceding fiscal year of the unit. The auditor must complete his work within six months of the close of the fiscal year and must furnish the Park District with at least 3 copies of the audit report. The Park District in turn shall furnish the State Comptroller with a copy of said report and Comptroller's Supplementary Report. Park Districts appropriating less than $100,000 must furnish a report to the Comptroller in lieu of an audit. However, it is recommended that every Park District in Illinois have a certified audit even though not required by law.

The Internal Audit

The treasurer, or fiscal officer of the Park District should check the receipts and deposits of the District each day. He should further check the validity of all claims for payment.

The fiscal officer should make all necessary adjustments to records before year-end and certify that the minutes of the Park Board are current and complete. Bank reconciliations should be made for all funds and trial balances for all funds should be prepared. Any old outstanding checks should be written off.

In further preparation for the external audit, files should be readily available on insurance policies, lease agreements and contracts. A schedule of the Park District's investments should be prepared, segregated by fund ownership. A copy of the Budget-Appropriation Ordinance, as well as any amendments thereto, and copy of the Tax Levy should be available in preparation for the external auditor.

If Tax Anticipation Warrants were issued during the year, information on these should be available for the auditor's inspection. A schedule of all unpaid bills and unbilled obligations should be prepared. Additions or deletions from the fixed assets should be listed and available for inspection. Certain routine confirmations could be typed up and ready for auditors signature to send to County Treasurers, State and Federal governments (if grants or loans were received during the year). Any other statistical information that the District may feel pertinent to the audit should be available.

What Should the Park District Expect from an Independent Audit?

A good audit should cover a number of general areas:

(1) Review of Internal Controls
(2) Explanation of the Audit Plan
(3) Sampling of Fiscal and Statistical Transactions
(4) Evaluation of Controls
(5) Keeping Verifications Independent
(6) Perpetual Maintenance of Work Papers
(7) Issuance of Financial Report
(8) Preparing Comments and Managerial Advice

First, the auditor should ascertain that the responsibility of control is so divided that only collusion will result in a misappropriation of assets. An auditor should prepare some type of questionnaire for employees to complete as to their procedures. He should then check to see whether their answers are correct and if the transactions are handled in the manner stated in the questionnaire.

The auditor should explain to the Park Board the areas and scope of the audit. For his own benefit, he should list the things he is going to do and if he does not use this check-list, he runs the risk of possible omissions.

The statistical sampling is important because there is no way an auditor can check every transaction. He should not use the block method, but should make spot checks and in this way evaluate the validity of each area.

If electronic data processing is used for the accounting system, the auditor should test the computer programs.

The auditor must maintain his independence. He must "tell it like it is" when filing the supplementary report with the State Comptroller and not answer the way the Park Board wishes him to answer. The financial report should conform to C.P.A. guidelines and be complete.

The comments and advice to management is often the most valuable part of the audit. The Park Board should study the recommendations very carefully and implement them where feasible.

The Board should consider the importance of the independent audit and require it even if State law does not mandate it.

CHAPTER VII

CASH BASIS BUDGET AND ACCOUNTING SYSTEM

A. SYSTEM EXPLANATION

The system shown is set up on the cash basis of accounting and requires only the recording of cash receipts and cash disbursements. It is recommended that the independent auditor of the Park District make the necessary adjustments at the time of the audit to present the data on the accrual or modified accrual basis:

Records required to maintain this system consist of:

1. CHART OF ACCOUNTS - Numeric classification of all funds, divisions, assets, liabilities, fund balance, revenues and expenditures. (Exhibit I)

2. COMBINED BUDGET AND APPROPRIATION ORDINANCE - Annual comprehensive financial plan. (Exhibit II)

3. TAX LEVY ORDINANCE - Annual document filed to obtain property tax dollars to support government activities. (Exhibit III)

4. CASH RECEIPTS JOURNAL - The Book of Original entry for recording all cash received by fund segregation. (Exhibit IV)

5. CASH DISBURSEMENTS JOURNAL - The Book of Original Entry for recording all cash disbursements by fund segregation. (Exhibit V)

6. CORPORATE FUND PAYROLL DISBURSEMENT JOURNAL - The Book of Original Entry for recording all cash payments for payroll expenditures. (OPTIONAL) (Exhibit VI)

7. GENERAL LEDGERS - Records for accumulating information by account which is used to determine financial condition and to analyze its various financial operations. (Exhibits VII thru XIII, XXI, and XXII)

8. GENERAL JOURNALS - Records for recording entries not normally involving cash transactions. Used to void checks, adjusting entries, closing entries, etc. (Exhibit XIV)

9. TRIAL BALANCE - Report to prove debits equal credits in General Ledger Accounts by fund segregation. (Exhibit XV)

10. MONTHLY BUDGETARY REPORTS - Reports to provide information on all revenues and expenditures compared to the budget document. (Exhibit XVI)

11. BANK RECONCILIATIONS - Report to prove book balances of cash in bank for each fund to the bank statements. (Exhibit XVII)

12. MONTHLY TREASURER'S REPORT - Report to show cash balances and investments by fund segregation. (Exhibit XVIII)

13. DAILY CASH COLLECTION SHEETS - PROGRAM FEES - Form for recording daily collection of program fees by each individual program to provide information for program cost control. (OPTIONAL) (Exhibit XIX)

14. PROGRAM COST CONTROL - Records to provide a numeric coding of each individual program with detail information concerning total revenues and expenditures. This data will provide the commissioners with the necessary information to determine the feasibility of maintaining specific programs. (OPTIONAL) (Exhibit XX)

B. NUMBERING OF ACCOUNTS

1. Assets, Liabilities, Fund Balance

The above are designated by 100 and 200 series. The same account numbers will be used in all funds. The list provided can be modified according to need.

2. Revenue Accounts

Revenue accounts are numbered 300 to 399. They are arranged by source and in considerable detail so as to provide Park District officials with adequate information. The same account numbers will be used in all funds. The list provided in the Chart of Accounts can be modified according to need.

3. Expense Accounts

Expense accounts run from 400 to 499 and will be classified by line-item. If need be, the 500 series may be used. The same account number will be used in all funds.

4. Fund Identification

Each fund will be identified with numbers from 1 through 47.

5. Group Identification

Use #48 for General Fixed Assets Group of Accounts and #49 for General Long Term Debt Group of Accounts.

6. Division Identification

Division codes are numbered 50 thru 99.

7. Code System Example

First unit code identifies the fund, second unit code identifies the division if applicable; if not applicable, use two zeros for this unit placement. The third unit code identifies the asset, liability, income, expense, or fund balance.

EXAMPLE: 1-50-400	1	General Fund
	50	Administration Division
	400	Salaries

C. PROCEDURES TO BALANCE BOOKS

1. Total all journal columns as shown in Exhibits IV, V, VI.

2. Prove for each journal that debits equal credits.

3. Recapitulate individual columns on each journal as shown in Exhibits IV, V, VI.

4. Post all recapped figures to general ledger, using a (√) as a guide, beginning with the Cash Receipts Journal, Cash Disbursements Journal, Payroll Disbursements Journal and General Journals if applicable.

5. Balance debits against credits in general ledger accounts. Use pencil when writing balance figure in ledger.

6. Prepare a trial balance of all ledger accounts or run a tape trial balance as shown in Exhibit XV.

D. COMBINED BUDGET AND APPROPRIATION ORDINANCE AND TAX LEVY ORDINANCE INSTRUCTION SHEET (To be used in Budget and Levy preparation) (See Exhibits II and III)

1. The Park District Code (Chapter 105, Paragraph 4-4 Illinois Revised Statutes) requires the Board of every Park District to annually adopt a Combined Budget and Appropriation Ordinance for all corporate purposes within or before the first quarter of the fiscal year. An Ordinance is required even when a levy will not be made.

2. The illustrations are intended to meet the needs of any Park District. ITEMS THAT ARE NOT APPLICABLE TO YOUR PARK DISTRICT SHOULD BE OMITTED. If you have revenues or expenditures in addition to those shown, add to your document. Large Park Districts should estimate their expenditures in more detail and should appropriate for objects and purposes more specifically than small Park Districts. (This is explained below - See Paragraph 9)

3. The Board or a person designated by it, shall prepare a tentative combined Budget and Appropriation Ordinance. The secretary shall make this tentative ordinance conveniently

available for public inspection thirty days prior to final action thereon. This ordinance would include all funds used in the Park District's operation. Be sure to have a separate fund for each purpose for which a tax levy is made. List estimates of receipts and expenditures of each fund. State all dates, etc., in the tentative ordinance, even though some of the dates and acts mentioned (such as public hearing) are still in the future. Do not sign the tentative ordinance. (If there is no change in it before adoption, it can be used as one copy of the final ordinance.)

4. FISCAL YEAR - The Board shall fix the fiscal year. The dates fixed by the Board shall be inserted in the appropriate spaces in the forms. Be sure that they appear in every proper place.

5. DRAWING UP COMBINED BUDGET AND APPROPRIATION ORDINANCE - The recommended examples call for an estimate of cash receipts and cash disbursements. Where an accrual system is used, the forms may be adapted to that basis or more suitable forms may be specially prepared.

6. BEGINNING CASH ON HAND - This item should include all cash, bank accounts and investments, by fund.

7. ESTIMATED RECEIPTS - The estimates of receipts should be in detail. If any receipts shown in the illustration are not applicable to your Park District, of course you will not use them. Any sources of revenue you have in addition to those shown should be included in your ordinance.

   Make estimates carefully, on the basis of experience during the last year, modified by changes that can reasonably be expected for the coming year.

   If you expect to borrow on tax anticipation warrants, show this under estimated receipts. If you expect to borrow from some other source, show this also under estimated receipts. If you expect to transfer money from one fund that will now receive the transfer, show this as an expected receipt.

8. TOTAL FUNDS AVAILABLE - This item includes the beginning cash on hand, plus total estimated receipts.

9. ESTIMATED EXPENDITURES - The problem in setting up expenditure estimates is to give enough detail to satisfy all legal requirements, yet avoid dividing the appropriations into amounts too small for flexible administration. The Department has tried to prepare examples that will avoid excessive itemization. When it seems impossible to combine flexibility with legal safety, the recommended forms favor legal safety. It is better to put in more detail than might be required than to show too little detail and be subject to uncertainty about the validity of the ordinance. What

is acceptable will vary for each Park District, probably in rough proportion to the total amount of money involved in each fund. Also, the amount of detail can properly vary for different items in the same Park District and for similar items in different funds. The degree of detail should be determined with adequate regard to the fact that the taxpayer has a right to specific information.

In the Budget and Appropriation Ordinance, payment of tax anticipation warrants, interest expense and other debt retirement should be accounted for. Payment of bonds and interest is handled as a separate fund.

10. CONTINGENCIES - Some provisions for contingencies may be included in the estimated expenditures of every fund. These amounts would be available to meet unexpected shortages. However, the amount designated as "provision for contingencies" must be a small proportion of the total estimated expenditures of the fund. To be on the safe side, limit the provision for contingencies to five percent of the total appropriation or levy for any fund. Bear in mind that "contingencies" are unforeseeable occurrences; the provision for contingencies thus is not to be used to cover expenses of a miscellaneous or unclassifiable nature.

11. ENDING CASH ON HAND - This item would be an estimate and would include cash, bank accounts and investments, by fund.

12. TOTAL FUNDS ALLOCATED - This item would be the total of Estimated Expenditures plus the Ending Cash on Hand and this total should agree exactly with the Total Funds Available of the same fund. To the extent that the total funds available are short, it will be necessary to show that borrowing (or a greater levy) is contemplated. To the extent that the total funds available are above the sum of estimated expenditure and Ending Cash on Hand, it will be necessary to revise the expected Ending Cash on Hand.

    There should not be a minus figure, or deficit shown, as the expected Ending Cash on Hand. When it is expected there will be a deficit in some fund, this deficit will have to be covered in some way. Whatever the way of covering the deficit, it is a matter of borrowing or paring expenditures and should be shown as such in the estimated receipts or expenditures of the same fund - not by a minus figure for the expected Ending Cash on Hand.

13. NOTICE OF HEARING - At least one public hearing shall be held on the tentative Budget and Appropriation Ordinance, notice of which must be given at least one week prior to the hearing. This notice must be given by publication in a newspaper published in the Park District, and by

posting notices thereof in five of the most public places in the Park District.

14. HEARING - The secretary should arrange to have a public hearing at the date, hour and place stated in the notice.

15. ADOPTION OF BUDGET - The Board in meeting should take up the combined Budget and Appropriation Ordinance and vote on it. Consideration of the ordinance should end with a vote on the ordinance as a whole. If it is rejected, there should be further discussion and revision until the ordinance is in a form that will win a majority vote. The vote on the ordinance as a whole, must be taken, and this action should be completed before the tax levy is voted.

16. RECORD OF COMBINED BUDGET AND APPROPRIATION ORDINANCE - One copy of the combined Budget and Appropriation Ordinance, as approved by the Board, should be signed by the president and the secretary of the meeting and bound into the record book of the meeting, as part of the minutes. Be very careful to see that the ordinance states the date of passage and the dates of the fiscal year and that it is properly signed.

17. TAX LEVY ORDINANCE - The Board must make an annual tax levy. A copy of the Levy Ordinance, properly filled in and signed, should be bound into the official record of the meeting. A certified copy of the Tax Levy Ordinance shall be filed with the County Clerk on or before the third Tuesday in September.

18. RELATIONSHIP BETWEEN LEVY AND COMBINED BUDGET AND APPROPRIATION ORDINANCE - There is no direct relationship between the amount budgeted and appropriated and the amount levied. The Tax Levy Ordinance shows only total categorical breakdown of expenditures, in lieu of specific line items. More detail may be desired.

19. TRANSFERS BETWEEN APPROPRIATION ITEMS - The Board of Commissioners can make transfers between the various line items within any fund in the Appropriation Ordinance, not exceeding in the aggregate ten percent of the total amount appropriated in such fund. A transfer can be made after the first six months of any fiscal year have elapsed by a two-thirds vote of the Board from any unexpended balance of an appropriation item to any other appropriation item. Do not make transfers between appropriation items in different funds. The act of making a transfer should be duly recorded in the minutes of the meeting of the Board of Commissioners.

20. AMENDMENTS TO COMBINED BUDGET AND APPROPRIATION ORDINANCE - The Park District Code also provides that the Board of Commissioners may amend the combined Budget and Appropriation Ordinance during the year by the same procedure as is provided for original adoption.

21. EFFECT OF FAILURE TO COMPLY - The failure of the governing body of any Park District to adopt an annual Budget and Appropriation Ordinance, or to comply in any respect with the provisions of the Park District Code, shall not affect the validity of any tax levy of any such Park District, otherwise in conformity with the law. The Budget and Appropriation Ordinance for any fiscal year is not intended or required to be in support of or in relation to any tax levy made during that fiscal year. However, there can be no legal expenditure of funds unless the Budget and Appropriation Ordinance is adopted. The levy is merely the means used to obtain, by taxation, the money to be spent.

E. PROGRAM COST CONTROL (OPTIONAL)

The commissioners, directors, and program supervisors may want to know at all times the status of every recreational program being offered by their District. To provide this information, a good Cost Control Program is needed.

The first step in maintaining a Cost Control Program is the budget process. Each program should be budgeted on an individual basis and submitted to the budget officer. The budget officer in turn will make a combined budget of all programs for submission to the board of commissioners. If revenue projections are insufficient, it may be necessary to trim or even eliminate some programs.

The next step is the accounting process. Each program should be assigned a numeric classification. (See Exhibit I). For the recording of revenues, a daily cash collection sheet has been devised. (See Exhibit XIX). The information from these sheets is transferred to the individual program subsidiary sheet. (See Exhibit XX). Program expenditures are recorded in the Cash Disbursements Journal (See Exhibit V) and they are coded with the special numeric code provided for programs. From the Cash Disbursement Journal this information is transferred to the individual sheets for each program. Salaries are recorded and coded in the Payroll Disbursements Journal (See Exhibit VI). From the Payroll Disbursements Journal this information is transferred to the individual program sheets.

After all the information has been recorded for each month, an analysis of each program can be furnished to the commissioners, director, and program supervisors. This would provide the administrators with adequate data to determine the feasibility of continuing each program.

CHART OF ACCOUNTS

FUNDS

1 Corporate

2 Recreation

3 Audit

4 Social Security

5 Liability Insurance

6 Paving and Lighting

7 Workmen's Compensation

10 Building Bond & Interest (G.O.)

20 Construction

RECREATION AND CORPORATE FUND DIVISIONS

50 Administration

51 Buildings and Grounds

52 Development

53 Programs

GROUP OF ACCOUNTS

48 General Fixed Assets

49 General Long-Term Debt

CHART OF ACCOUNTS EXPLANATION

NUMBER CODE

FUND CODE	1 thru 47
GROUP OF ACCOUNTS	48 and 49
DIVISION CODE	50 thru 99
ASSET CODE	100's
LIABILITY CODE	200's
EQUITY CODE	200's
REVENUE CODE	300's
EXPENSE CODE	400's

Each transaction must be coded first by Fund, then by Division Code (if applicable), and then by Line Object.

EXAMPLE: (1-50-434) Indicating Corporate Fund (1), Administration Division (50) and Telephone-Telegraph Expense (434).

EXAMPLE: (2-00-301) Indicating Recreation Fund (2) and Property Tax - Current (301). Division Code (00) not applicable for Revenues.

PROGRAM COST CONTROL (OPTIONAL) Use with Division 53 only (Programs)

Program #	Program
.1	Arts & Crafts
.2	Belly Dancing
.3	Day Camp
.4	Sewing
.5	Slim & Trim
.6	Tennis - Adult
.7	Tennis - Children
.8	Weaving
.9	Yoga

Program numbers would remain the same from year to year with additional numbers added for new program.

Code Example: 53.1 Arts and Crafts Program Division

ASSETS - OTHER THAN FIXED

101 Cash on Hand

103 Petty Cash

105 Cash in Bank

106 Investments - Savings Account

107 Investments - Certificates of Deposit

108 Due from _____ Fund

111 Property Tax Receivable - Current

113 Estimated Uncollectible Current Property Tax

115 Property Tax Receivable - Delinquent

117 Estimated Uncollectible Delinquent Property Tax

123 Accounts Receivable

125 Estimated Uncollectible Accounts Receivable

127 Interest Receivable

137 Inventory

ASSETS - FIXED

151 Land

153 Buildings

154 Allowance for Depreciation - Buildings (Enterprise Funds Only)

157 Improvements other than Buildings

158 Allowance for Depreciation - Improvements other than Buildings (Enterprise Funds Only)

161 Equipment

162 Allowance for Depreciation - Equipment (Enterprise Funds Only)

165 Vehicles

166 Allowance for Depreciation - Vehicles (Enterprise Fund Only)

181 Construction in Progress

LIABILITIES - OTHER THAN LONG-TERM

201 Accounts Payable

209 Interest Payable

210 Due to _____ Fund

213 Social Security Tax Reserve

215 Federal Withholding Tax Reserve

217 State Withholding Tax Reserve

219 Illinois Municipal Retirement Reserve

221 Payroll Transfers

223 Tax Warrants Payable

LIABILITIES - LONG-TERM

251 General Obligation Bonds Payable

253 Revenue Bonds Payable

EQUITY

280 Fund Balance

281 Investment in General Fixed Assets

282 Retained Earnings (Enterprise Funds Only)

REVENUES

TAXES

301 Property Tax - Current

303 Property Tax - Delinquent

REVENUE FROM USE OF MONEY AND PROPERTY

311 Swimming Pool Receipts

311.1 Swimming Pool Receipts (Season Passes-Resident)

311.2 Swimming Pool Receipts (Season Passes-Non-resident)

311.3 Swimming Pool Receipts (Daily Fees-Resident)

311.4 Swimming Pool Receipts (Daily Fees-Non-resident)

313 Ice Skating Receipts

313.1 Ice Skating Receipts (Season Passes-Resident)

313.2 Ice Skating Receipts (Season Passes-Non-resident)

313.3 Ice Skating Receipts (Daily Fees-Resident)

313.4 Ice Skating Receipts (Daily Fees-Non-resident)

315 Golf Course Receipts

315.1 Golf Course Receipts (Season Passes-Resident)

315.2 Golf Course Receipts (Season Passes-Non-resident)

315.3 Golf Course Receipts (Daily Fees-Resident)

315.4 Golf Course Receipts (Daily Fees-Non-resident)

317 Concession Sales

319 Rental Income

321 Interest Income

REVENUES FROM OTHER AGENCIES

331 State Grants

333 Federal Grants

OTHER INCOME

351 Donations

353 Program Fees (See Page 51)

397 Transfers

399 Miscellaneous Income

EXPENDITURES

PERSONAL SERVICES

400 Salaries

401 Social Security Tax

402 Illinois Municipal Retirement

403 Hospitalization Insurance

404 Other Employees' Insurance

405 Unemployment Compensation Insurance

CONTRACTUAL SERVICES

410 Maintenance-Buildings

411 Maintenance-Equipment

412 Maintenance-Vehicles

413 Maintenance-Grounds

416 Maintenance-Driveways

418 Snow Removal

420 Liability Insurance

421 Workmen's Compenation Insurance

426 Garbage Disposal

433 General Insurance

434 Telephone

438 Utilities

443 Rental

444 Travel Expense

445 Car Allowance

446 Postage

447 Printing-Publishing

448 Publications

451 Legal Fees

CONTRACTUAL SERVICES (Contd.)

452 Accounting Services

453 Engineering

454 Other Professional Services

457 Training

469 Dues

470 Service Charges

COMMODITIES

471 Office Supplies

472 Maintenance Supplies

473 Uniforms

474 Operating Supplies

476 Gas and Oil

OTHER EXPENSES

482 Interest Expense

483 Claims-Judgements

485 Depreciation

486 Transfers

487 Sundry Expense

SHORT-TERM DEBT RETIREMENT

490 Tax Warrants

LONG-TERM DEBT RETIREMENT

491 Debt Retirement

CAPITAL OUTLAY

492 Land Purchases

493 Building and Permanent Improvements

494 Improvements other than Buildings

495 Equipment

496 Vehicles

GUIDE TO EXPENSE ACCOUNT CLASSIFICATIONS

PERSONAL SERVICES

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
400	Salaries	All W-2 Wages (Permanent, Temporary, Overtime).
401	Social Security Taxes	To record payment of the Park District's share of Social Security Taxes.
402	Illinois Municipal Retirement	To record payment of the Park District's share of Illinois Municipal Retirement.
403	Hospitalization Insurance	To record expenses incurred for medical insurance premiums paid by the Park District as its participating share. This account is also used to record employees' payroll deductions, which are credited to this account during the year. Year-end adjustments may be necessary to set up reserve accounts.
404	Other Employees' Insurance	To record expenses incurred for employees' insurance premiums (other than hospitalization) paid by the Park District as its participating share. This account is also used to record employees' payroll deductions, which are credited to this account during the year. Year-end adjustments may be necessary to set up reserve accounts.
405	Unemployment Compensation Insurance	For expenses incurred for unemployment compensation insurance paid by the Park District for their employees.

CONTRACTUAL SERVICES

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
410	Maintenance - Buildings	For recording expenses incurred for repairs and maintenance of Park District's buildings. Such expenses may include labor (contract-not payroll); materials. DOES NOT INCLUDE SUPPLIES USED BY PARK DISTRICT EMPLOYEES.
411	Maintenance - Equipment	For recording expenses incurred for repair and maintenance of Park District's equipment and machinery. Such expenses may include labor (contract-not payroll); materials. DOES NOT INCLUDE SUPPLIES USED BY PARK DISTRICT EMPLOYEES.
412	Maintenance - Vehicles	For repair and maintenance of Park District's vehicles such as: automobiles, trucks, tractors, graders, ditching machines and all other mobile equipment. Such expenses may include labor (contract-not payroll); materials. DOES NOT INCLUDE SUPPLIES USED BY PARK DISTRICT EMPLOYEES.
413	Maintenance - Grounds	To record expenses incurred for the maintenance of park grounds. Such expenses may include labor (contract-not payroll); materials. DOES NOT INCLUDE SUPPLIES USED BY PARK DISTRICT EMPLOYEES.
416	Maintenance - Driveways	To record expenses incurred for the repair and maintenance of Park District's driveways and roads. Such expenses may include labor (contract-not payroll); materials. DOES NOT INCLUDE SUPPLIES USED BY PARK DISTRICT EMPLOYEES.
418	Snow Removal	To record expenses incurred for the removal of snow and ice. Such expenses may include labor (contract-not payroll); materials. DOES NOT INCLUDE SUPPLIES USED BY PARK DISTRICT EMPLOYEES.

CONTRACTUAL SERIVCES (Contd.)

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
420	Liability Insurance	For expenses incurred for liability insurance premiums paid by the Park District.
421	Workmen's Compensation Insurance	For expenses incurred for Workmen's Compenation Insurance premiums paid by the Park District.
426	Garbage Disposal	To record expenses incurred for contractual services obtained for waste removal.
433	General Insurance	To record insurance premium costs for general insurance. Do not include hospitalization insurance, workmen's compensation, liability insurance or other employees' insurance.
434	Telephone	To record all expenses for telephone charges incurred by the Park District.
438	Utilities	For recording expenses incurred for services for heat, light, water and power. DOES NOT INCLUDE TELEPHONE.
443	Rental	To record expenses incurred for the rent or lease of equipment, furniture, building, land, vehicle or other items.
444	Travel Expense	For recording expenses incurred for Park District personnel while on official business of the Park District. This account includes: 1) mileage, 2) meals, 3) lodging, 4) other reasonable items. DOES NOT INCLUDE TRAVEL EXPENSE FOR EDUCATION AND TRAINING.

CONTRACTUAL SERVICES (Contd.)

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
445	Car Allowance	To record expenses incurred by Park District officials for use of their own personal vehicle. DO NOT CONFUSE WITH TRAVEL EXPENSE.
446	Postage	For recording expenses incurred for and incidental to: 1) Purchase of postage stamps, post cards, stamped envelopes, or any other postage purchase; 2) Money order fees, postage due amounts or any other incidental charges; 3) Any other expenses incurred for or incidental to postage.
447	Printing	To record expenses incurred for the printing and/or binding of forms, notices, catalogs, literature, ballots, pamphlets, publications, letterheads, programs, bulletins, books, cards, envelopes, manuals where printing and/or binding is the major item contracted.
448	Publications	For the purchase of books, magazines, legislative bills, periodicals, pamphlets, maps, etc.
451	Legal Fees	To record the costs of legal service of an individual or group, which person or persons are not Park District employees.
452	Accounting Services	For recording expenses incurred for any accounting function such as: audit, data processing, and/or any other related operation. Such services would be performed by an independent person or firm.
453	Engineering	To record the cost of engineering, advice and for services of an individual of which person or persons are not Park District employees.

CONTRACTUAL SERVICES (Contd.)

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
454	Other Professional Services	To record the expense of expert professional advice and/or services of an individual or group not employed by the Park District. This account shall not include those expenses which may be properly classified to accounts 451, 452, or 453.
457	Training	To record educational and training expenses for Park District personnel. Includes travel, lodging, meals, etc.
469	Dues	For recording memberships in organizations incurred by Park District personnel.
470	Service Charges	For charges made by banks and lending companies for services rendered.

COMMODITIES

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
471	Office Supplies	For recording general office supplies expense such as stationery, paper clips, scotch tape, coffee, etc., used by the Park District.
472	Maintenance Supplies	For the purchase of building supplies, paints and painting supplies, structural steel, iron and related metals, plumbing supplies, electrical supplies, motor vehicle repair materials and supplies, and other repair and maintenance supplies used by the Park District employees.
473	Uniforms	Includes the cost of clothing, uniforms and all accessories purchased by the Park District for their employees or programs.

COMMODITIES (Contd.)

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
474	Operating Supplies	For the purchase of agricultural supplies; chemicals, drugs, medicines, and laboratory supplies; cleaning and sanitation supplies, household and institutional supplies; firearm supplies; traffic control supplies; recreation supplies; and other related operational supplies used by Park District employees.
476	Gas and Oil	To record expenses for the purchase of gasoline and oil for park vehicles.

OTHER EXPENSES

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
482	Interest Expense	To record periodic expenses incurred by the Park District for the use of money or capital, paid at agreed rate by the Park District and commonly expressed and applied as an annual percentage of the principal.
483	Claims - Judgements	To record payment of legal claims and judgements against the Park District.
485	Depreciation	To record all expenses incurred by a Park District for depreciation of capital items. (For Enterprise Funds only)
486	Transfers	To record the legal transfer of money from one fund to another. If the amount transferred is to be repaid, close out at the end of the year and adjust to loans due to or from the required fund.
487	Sundry Expense	For expenses which have not already been provided for in other accounts. Keep to a minimum.

SHORT-TERM DEBT RETIREMENT

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
490	Tax Warrants	To record the retirement of short-term debt. (i.e. Tax Anticipation Warrants)

LONG-TERM DEBT RETIREMENT

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
491	Debt	To record the retirement of long-term debt. (1) Bond Principal Payments (2) Tax Anticipation Notes

NOTE: The Tax Warrants and debt retirement balances should be closed at the end of each year to proper liability accounts in the appropriate funds.

CAPITAL OUTLAY

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
492	Land Purchases	To record the cost incurred for the acquisition of land.
493	Building and Permanent Improvements	To record the cost incurred for the acquisition of buildings and structures. This account also includes costs incurred for the improvement of park-owned buildings not considered to be repair and/or maintenance items.
494	Improvements other than Buildings	To record the cost incurred for the acquisition of permanent improvements, other than buildings. This account may include fencing, retaining walls, sidewalks, pavements, gutters, tunnels, bridges, viaducts, sewers, drainage utility system, tennis courts, parking lots, ice skating rink and lighting systems.

CAPITAL OUTLAY (Contd.)

EXPENSE CODE	DESCRIPTION	EXPLANATION OF ACCOUNTS
495	Equipment	To record the acquisition of all physical equipment, excluding land, buildings and improvements. Examples are machinery, tools, furniture and furnishings.
496	Vehicles	For acquisition of vehicles. Items include: automobiles, trucks, tractors, ditching machines, sweepers, graders, and other self-propelled vehicles.

The following qualifications must exist for all types of Capital Outlay:

(1) Life of property acquired should be two or more years and the cost of personal property should exceed $200.00

(2) Replacement or betterment of asset would extend life and significantly increase the value of the original asset.

NOTE: The above general government assets should be closed at the end of each year to the General Fixed Asset Group of Accounts.

ANNUAL COMBINED BUDGET

AND

APPROPRIATION ORDINANCE

ORDINANCE #200

THE COMBINED BUDGET AND APPROPRIATION ORDINANCE OF THE BLUE LAKE PARK DISTRICT, LINCOLN COUNTY, ILLINOIS FOR THE FISCAL YEAR BEGINNING ON THE 1st DAY OF JULY A.D. 19 75 AND ENDING ON THE 30th DAY OF JUNE A.D. 19 76.

WHEREAS, the Board of Commissioners of the BLUE LAKE Park District, LINCOLN County, Illinois, caused to be prepared in tentative form a combined Budget and Appropriation Ordinance, and the Secretary of this Board has made the same conveniently available to public inspection for at least thirty days prior to final action thereon, and

WHEREAS, a public hearing was held as to such Budget and Appropriation Ordinance on the 15th day of JUNE 19 75, and notice of said hearing was given at least one week prior thereto as required by law, and all other legal requirements have been complied with.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF PARK COMMISSIONERS OF THE BLUE LAKE PARK DISTRICT, LINCOLN COUNTY, ILLINOIS AS FOLLOWS:

SECTION 1: That the amounts herein set forth, or so much thereof as may be authorized by law and as may be needed are hereby budgeted and appropriated for the corporate purposes of the BLUE LAKE Park District, LINCOLN County, Illinois to defray all necessary expenses of said Park District, as specified in Section 2 for the fiscal year.

SECTION 2: The amounts budgeted and appropriated for each object or purpose are as follows:

I. CORPORATE FUND

BEGINNING CASH ON HAND			$11,000
ESTIMATED REVENUES			
Property Taxes		$ 40,000	
Money to be borrowed: Sale of tax anticipation warrants (1975 Levy)		9,000	
Other Receipts			
Rental Income	$ 1,000		
Interest Income	200		
Donations	500		
Miscellaneous Income	100		
Federal Grant	9,000		
		10,800	
TOTAL ESTIMATED REVENUES			59,800
TOTAL FUNDS AVAILABLE			$70,800

CORPORATE FUND

ESTIMATED EXPENDITURES

1. ADMINISTRATION

PERSONAL SERVICES			
Salaries	$15,000		
Hospitalization Insurance	3,000		
Other Employees Insurance	800		
		$18,800	
CONTRACTUAL SERVICES			
Telephone-Telegraph	500		
Travel Expense	100		
Postage	300		
Printing-Publishing	400		
Legal Fees	2,000		
Dues-Suscriptions	100		
		3,400	
COMMODITIES			
Office Supplies		600	
OTHER EXPENSES			
Interest Expense (TAW)	300		
Sundry Expense	100		
		400	
DEBT RETIREMENT			
Tax Warrants		20,000	
TOTAL FOR ADMINISTRATION			$43,200

2. BUILDINGS & GROUNDS

PERSONAL SERVICES			
Salaries		7,200	
CONTRACTUAL SERVICES			
Maintenance-Buildings	500		
Maintenance-Equipment	500		
Maintenance-Grounds	1,000		
Utilities	2,400		
Rental	100		
Other Professional Services	500	5,000	
COMMODITIES			
Other Supplies	100		
Gas & Oil	250		
		350	
TOTAL FOR BUILDINGS & GROUNDS			12,550

CORPORATE FUND

3.	DEVELOPMENT		
	CAPITAL OUTLAY		
	Land Purchases		12,000
4.	PROVISIONS FOR CONTINGENCIES		3,000
TOTAL ESTIMATED EXPENDITURES CORPORATE FUND			70,750
ENDING CASH ON HAND			50
TOTAL FUNDS ALLOCATED			$70,800

II. RECREATION FUND

BEGINNING CASH ON HAND			$12,000
ESTIMATED REVENUES			
Property Taxes		30,000	
Other Receipts			
Concessions	1,000		
Interest Income	400		
Donations	1,000		
Program fees	25,000		
Miscellaneous income	100		
		27,500	
TOTAL ESTIMATED REVENUES			57,500
TOTAL FUNDS AVAILABLE			$69,500

ESTIMATED EXPENDITURES

1.	ADMINISTRATION		
	PERSONAL SERVICES		
	Salaries	18,000	
	CONTRACTUAL SERVICES		
	Telephone-Telegraph	500	
	Travel expense	100	
	Postage	1,000	
	Printing-Publishing	800	
	Dues-Subscriptions	100	
		2,500	

RECREATION FUND

COMMODITIES			
Office Supplies		1,000	
OTHER EXPENSES			
Sundry Expense		100	
TOTAL FOR ADMINISTRATION			$21,600
2. BUILDINGS & GROUNDS			
PERSONAL SERVICES			
Salaries		7,200	
CONTRACTUAL SERVICES			
Maintenance-Buildings	500		
Maintenance-Equipment	500		
Maintenance-Grounds	1,000		
Utilities	2,400		
Rental	100		
Other Professional Services	500		
		5,000	
COMMODITIES			
Other Supplies	100		
Gas & Oil	250		
		350	
TOTAL FOR BUILDINGS & GROUNDS			12,550
3. DEVELOPMENT			
CAPITAL OUTLAY			
Equipment		2,000	
TOTAL FOR DEVELOPMENT			2,000
4. PROGRAMS			
PERSONAL SERVICES			
Salaries		15,000	
CONTRACTUAL SERVICES			
Other Professional Services	9,000		
Dues-Subscriptions	300		
		9,300	
COMMODITIES			
Other Supplies		5,700	
TOTAL FOR PROGRAMS			30,000

RECREATION FUND

5. PROVISIONS FOR CONTINGENCIES	3,000
TOTAL ESTIMATED EXPENDITURES RECREATION FUND	$69,150
ENDING CASH ON HAND	350
TOTAL FUNDS ALLOCATED	$69,500

AUDIT FUND

BEGINNING CASH ON HAND	$ 200
ESTIMATED REVENUES	
Property Taxes	2,000
TOTAL FUNDS AVAILABLE	$2,200
ESTIMATED EXPENDITURES	
Accounting Services	$2,100
ENDING CASH ON HAND	100
TOTAL FUNDS ALLOCATED	$2,200

IV. SOCIAL SECURITY FUND

BEGINNING CASH ON HAND	$1,800
ESTIMATED REVENUES	
Property Taxes	4,000
TOTAL FUNDS AVAILABLE	$5,800
ESTIMATED EXPENDITURES	
PERSONAL SERVICES	
Social Security Tax	$4,200
ENDING CASH ON HAND	1,600
TOTAL FUNDS ALLOCATED	$5,800

V. LIABILITY INSURANCE FUND

BEGINNING CASH ON HAND	$ 400
ESTIMATED REVENUES	
Property Taxes	4,000
TOTAL FUNDS AVAILABLE	$ 4,400
ESTIMATED EXPENDITURES	
CONTRACTUAL SERVICES	
General Insurance	$ 4,200
ENDING CASH ON HAND	200
TOTAL FUNDS ALLOCATED	$ 4,400

VI. PAVING AND LIGHTING FUND

BEGINNING CASH ON HAND		$ 100
ESTIMATED REVENUES		
Property Taxes		2,000
TOTAL FUNDS AVAILABLE		$ 2,100
ESTIMATED EXPENDITURES		
Maintenance-Driveways	1,500	
Utilities	600	
		$ 2,100
ENDING CASH ON HAND		- 0 -
TOTAL FUNDS ALLOCATED		$ 2,100

VII. BUILDING BOND AND INTEREST FUND (G.O.)

BEGINNING CASH ON HAND		$15,000
ESTIMATED REVENUES		
Property Taxes	18,000	
OTHER RECEIPTS		
Interest Income	100	
		18,100
TOTAL FUNDS AVAILABLE		$33,100

BUILDING BOND AND INTEREST FUND (G.O.)

ESTIMATED EXPENDITURES

DEBT RETIREMENT		
Debt Retirement (Bond Principal)	10,000	
OTHER EXPENSES		
Interest Expense	8,100	
		$18,100
ENDING CASH ON HAND		15,000
TOTAL FUNDS ALLOCATED		$33,100

SUMMARY OF BUDGET AND APPROPRIATION
FOR
FISCAL YEAR
ENDING JUNE 30 19 76

BY FUNDS

CORPORATE FUND		
Administration	$43,200	
Buildings and Grounds	12,550	
Development	12,000	
Contingencies	3,000	
TOTAL CORPORATE FUND		$ 70,750
RECREATION FUND		
Administration	$21,600	
Buildings and Grounds	12,550	
Development	2,000	
Programs	30,000	
Contingencies	3,000	
TOTAL RECREATION FUND		69,150
AUDIT FUND		2,100
SOCIAL SECURITY FUND		4,200
LIABILITY INSURANCE FUND		4,200
PAVING & LIGHTING FUND		2,100
BOND & INTEREST FUND (G.O.)		18,100
GRAND TOTAL ALL FUNDS		$170,600

SECTION 3: That all sums of money not needed for immediate specific purposes may be invested in the purchase of tax anticipation warrants issued by this District, in the purchase of municipal bonds issued by the District, and other interest bearing obligations of the United States or of the State of Illinois, including savings certificates of deposit of any State or National Bank, provided that they are fully insured by the Federal Deposit Corporation.

SECTION 4: This Ordinance shall be in full force and effect from and after ten days following the date of publication or posting as required by law.

ADOPTED THIS 30th DAY OF June.

19 75, PURSUANT TO A ROLL CALL VOTE AS FOLLOWS:

AYES 5

NAYS 0

RICHARD LINCOLN PRESIDENT

BOARD OF COMMISSIONERS

BLUE LAKE PARK DISTRICT

ATTEST:

SAM JONES, SECRETARY

ANNUAL LEVY ORDINANCE

ORDINANCE #201

ANNUAL LEVY ORDINANCE

STATE OF ILLINOIS

Park District of Blue Lake

County of Lincoln

In pursuance of authority vested in them by the Park District Code, Article five, the Commissioners of the Park Board in meeting assembled, do hereby find and declare that there will be required to be raised by general taxation the amounts hereinafter set down, to be levied upon all the taxable property in said Park District, in order to meet and defray all the necessary expenses and liabilities of the Park District as required by statute or voted by people in accordance with law, and the amounts so required are itemized and needed for uses and purposes as follows to-wit:

		Amount to be Raised by Taxation
I. CORPORATE FUND		
1. ADMINISTRATION		
Personal Services	$ 19,000	
Contractual Services	4,000	
Commodities	700	
Other Expenses	200	
TOTAL FOR ADMINISTRATION		$ 23,900
2. BUILDINGS & GROUNDS		
Personal Services	$ 8,000	
Contractual Services	6,000	
Commodities	500	
TOTAL FOR BUILDINGS AND GROUNDS		14,500

		Amount to be Raised by Taxation
3. DEVELOPMENT		
Capital Outlay		$ 10,000
4. PROVISIONS FOR CONTINGENCIES		4,000
TOTAL FOR CORPORATE FUND		$ 52,400

Said amounts are hereby levied as the General Corporate Fund Tax.

II. RECREATION FUND

1. ADMINISTRATION		
Personal Services	$ 19,000	
Contractual Services	3,000	
Commodities	1,200	
Other Expenses	200	
TOTAL FOR ADMINISTRATION		$ 23,400
2. BUILDINGS & GROUNDS		
Personal Services	$ 8,000	
Contractual Services	6,000	
Commodities	500	
TOTAL FOR BUILDINGS & GROUNDS		14,500
3. DEVELOPMENT		
Capital Outlay		2,500
4. PROGRAMS		
Personal Services	$ 2,000	
Contractual Services	3,000	
Commodities	1,000	
TOTAL FOR PROGRAMS		6,000
5. PROVISIONS FOR CONTINGENCIES		3,000
TOTAL RECREATION FUND		$ 49,400

Said amounts are hereby levied as the Recreation Fund Tax.

	Amount to be Raised by Taxation

III. AUDIT FUND

Contractual Services	$ 2,500

Said amounts are hereby levied as the Audit Fund Tax.

IV. SOCIAL SECURITY FUND

Personal Services	$ 6,000

Said amounts are hereby levied as the Social Security Fund Tax

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V. LIABILITY INSURANCE FUND

Contractual Services	$ 5,000

Said amounts are hereby levied as the Liability Insurance Fund

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VI. PAVING AND LIGHTING FUND

Contractual Services	$ 2,500

Said amounts are hereby levied as the Paving and Lighting Fund Tax.

VII. BOND AND INTEREST FUND (G.O.)

Debt Retirement	$ 10,000	
Interest Expense	7,500	
TOTAL BOND AND INTEREST FUND (G.O.)		$ 17,500

Said amounts are hereby levied as the Bond and Interest Fund Tax.

RECAPITULATION

The following are the total taxes to be levied for:

CORPORATE FUND	$ 52,400
RECREATION FUND	49,400
AUDIT FUND	2,500
SOCIAL SECURITY FUND	6,000
LIABILITY INSURANCE FUND	5,000
PAVING AND LIGHTING FUND	2,500
BOND AND INTEREST FUND (G.O.)	17,500
TOTAL TAXES LEVIED	$135,300

Making the aggregate sum of One Hundred Thirty Five Thousand Three Hundred Dollars ($135,300) to be raised by taxation and levied on all the taxable property in said Park District, in order to meet and defray all the necessary expenses and liabilities of the Park District as required by statute or voted by the people in accordance with law.

That the Secretary of Blue Lake Park District shall file with the County Clerk of the County of Lincoln, State of Illinois, a certified copy of this Ordinance, no later than the third Tuesday in September 1975.

This Ordinance shall be in full force and effect from and after its passage and approval.

Adopted this 30th day of July 19 75 pursuant to a roll call vote as follows:

AYES 5

NAYS 0

Richard Lincoln PRESIDENT

BOARD OF COMMISSIONERS

Blue Lake PARK DISTRICT

ATTEST:

Sam Jones SECRETARY

CASH RECEIPTS JOURNAL

RECORD THE FOLLOWING TRANSACTIONS IN THE CASH RECEIPTS JOURNAL

FOR THE MONTH OF JULY 1975:

JULY 3	RECEIVED $4,000.00 FOR PROGRAM FEES. (RECREATION FUND)
JULY 8	RECEIVED $500.00 FOR PROGRAM FEES AND $75.00 FOR CONCESSION SALES. (RECREATION FUND)
JULY 9	RECEIVED $1,000.00 DONATION FROM THE LIONS CLUB FOR RECREATIONAL PURPOSES. (RECREATION FUND)
JULY 11	RECEIVED $400.00 FOR PROGRAM FEES. (RECREATION FUND)
JULY 14	RECEIVED $10,000.00 FEDERAL GRANT FOR LAND DEVELOPMENT. (CORPORATE FUND)
JULY 15	RECEIVED $40,000.00 TAX DISTRIBUTION FROM COUNTY COLLECTOR. (SEE CHAPTER II, E. FOR PERCENTAGE ALLOCATION).
JULY 16	RECEIVED $50.00 FROM SALE OF TEE SHIRTS. (CORPORATE FUND) RECEIVED $100.00 FROM CONCESSION SALES. (RECREATION FUND)
JULY 18	RECEIVED $200.00 FOR PROGRAM FEES. (RECREATION FUND) RECEIVED $300.00 DONATION FROM WOMEN'S CLUB. (CORPORATE FUND)
JULY 22	REDEEMED $10,000.00 TREASURY BILL DATED 4/22/75 DUE 7/22/75, ORIGINAL COST $9,872.00. (CORPORATE FUND)
JULY 25	RECEIVED $100.00 FOR GYM RENTAL. (CORPORATE FUND) RECEIVED $50.00 FOR CONCESSION SALES. (RECREATION FUND)
JULY 28	RECEIVED $300.00 INTEREST ON CD#1892 PURCHASED 1/28/75 FOR $10,000.00 AT 6% (RECREATION FUND)
JULY 31	RECEIVED $100.00 FOR PROGRAM FEES, $50.00 FOR CONCESSION SALES. (RECREATION FUND). RECEIVED FROM SALE OF TEE SHIRTS $25.00. (CORPORATE FUND)
JULY 31	PAYROLL TRANSFER FROM RECREATION FUND FOR JULY $2,650.00 (CORPORATE FUND)

MULTIPLEX COLUMNAR #1

MADE IN U.S.A.

DATE 1975			CORPORATE ACCT. #	CORPORATE CREDIT	D & INT. CREDIT	MISC. ACCOUNTS ACCT. #	MISC. ACCOUNTS CREDIT
JULY	3	Pr					
	8	Pr					
	8	Co					
	9	LI					
	11	Pr					
	14	U.	333	10000 00			
	15	CO	301	16000 00	7200 00	3-301 5-301	8000 00 16000 00
	16	Sa	399	50 00			
	16	Co					
	18	Pr					
	18	WO	351	300 00			
	22	BL	107 321	9872 00 128 00			
	25	Gy	319	100 00			
	25	Co					
	28	BL					
	31	Pr					
	31	Co					
	31	Sa	399	25 00			
	31	PA	221	2650 00			
				39125 00	7200 00		2400 00

RECAP

✓ 107	9872 00 ✓	7200 00 ✓	3-301 800 00 ✓
✓ 221	2650 00 ✓		5-301 1600 00 ✓
301	16000 00 ✓		
319	100 00 ✓		
321	128 00 ✓		
333	10000 00 ✓		
351	300 00 ✓		
399	75 00 ✓		

CASH RECEIPTS JOURNAL - JULY 1975

CASH IN BANK

	DATE 1975		RECEIVED FROM	RECEIPT NUMBER	#1-105 CORPORATE DEBIT	#2-105 RECREATION DEBIT	#4-105 SOCIAL SECURITY DEBIT	#6-105 PAVING & LIGHTING DEBIT	#10-105 BUILDING BOND & INT. DEBIT	MISC. ACCOUNTS ACCT. #	MISC. ACCOUNTS DEBIT
1	JULY	3	Program Fees	500-650		4000 00					
2		8	Program Fees	651-675 677-684		500 00					
3		8	Concession Sales	676		75 00					
4		9	LIONS CLUB (Donation)	685		1000 00					
5		11	Program Fees	686-715		400 00					
6		14	U. S. TREASURY (Grant)	716	1000 00						
7		15	COUNTY COLLECTOR (Taxes)	717	1600 00	12000 00	1600 00	800 00	7200 00	3-105 5-105	800 00 1600 00
8		16	Sale of Tee Shirts	718	50 00						
9		16	Concession Sales	719		100 00					
10		18	Program Fees	720-731		200 00					
11		18	WOMENS CLUB (Donation)	732	300 00						
12		22	BLUE LAKE STATE BANK (Redeemed Treasury Bills)	733	1000 00						
13		25	Gymn Rental	734	100 00						
14		25	Concession Sales	735		50 00					
15		28	BLUE LAKE NATIONAL BANK (Int. CD# 1892)	736		300 00					
16		31	Program Fees	739-748		100 00					
17		31	Concession Sales	737		50 00					
18		31	Sale of Tee Shirts	738	25 00						
19		31	PAYROLL TRANSFER (RECREATION FUND)	749	2650 00						
20			TOTALS		3125 00	1875 00	1600 00	800 00	7200 00		2400 00
21					✓	✓	✓	✓	✓		
22										RECAP	
23										3-105	800 00 ✓
24										5-105	1600 00 ✓
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											

	BUSINESS COLUMNS #1 CORPORATE ACCT. #	CORPORATE CREDIT	#2 RECREATION ACCT. #	RECREATION CREDIT	#4 SOCIAL SECURITY ACCT. #	SOCIAL SECURITY CREDIT	#6 PAVING & LIGHTING ACCT. #	PAVING & LIGHTING CREDIT	#10 BUILDING BOND & INT. ACCT. #	BUILDING BOND & INT. CREDIT	MISC. ACCOUNTS ACCT. #	MISC. ACCOUNTS CREDIT
1			353	4000 00								
2			353	500 00								
3			317	75 00								
4			351	1000 00								
5			353	400 00								
6	333	10000 00										
7	301	16000 00	301	12000 00	301	1600 00	301	800 00	301	7200 00	3-301 5-301	800 00 1600 00
8	399	50 00										
9			317	100 00								
10			353	200 00								
11	351	300 00										
12	107 321	9872 00 128 00										
13	319	100 00										
14			317	50 00								
15			321	300 00								
16			353	100 00								
17			317	50 00								
18	399	25 00										
19	221	2650 00										
20		39125 00		18775 00		1600 00		800 00		7200 00		2400 00
21												
22	RECAP		RECAP		RECAP		RECAP		RECAP		RECAP	
23	107	9872 00 ✓	301	12000 00 ✓	301	1600 00 ✓	301	800 00 ✓	301	7200 00 ✓	3-301	800 00 ✓
24	221	2650 00 ✓	317	275 00 ✓							5-301	1600 00 ✓
25	301	16000 00 ✓	321	300 00 ✓								
26	319	100 00 ✓	351	1000 00 ✓								
27	321	128 00 ✓	353	5200 00 ✓								
28	333	10000 00 ✓										
29	351	300 00 ✓										
30	399	75 00 ✓										
31												
32												
33												
34												
35												
36		82										

EXHIBIT V

CASH DISBURSEMENTS JOURNAL

RECORD THE FOLLOWING TRANSACTIONS IN THE CASH DISBURSEMENTS JOURNAL

FOR THE MONTH OF JULY 1975:

JULY 7 ISSUED CHECK #103 TO STATE EMPLOYEES RETIREMENT SYSTEM $1,581.08 FOR PAYMENT OF SOCIAL SECURITY TAXES (EMPLOYEE'S DEDUCTIONS $790.54 AND EMPLOYER SHARE $790.54). (SOCIAL SECURITY FUND)

JULY 10 ISSUED CHECK #1001 TO LINCOLN NATIONAL BANK $14,200.00 FOR PAYMENT OF BOND PRINCIPAL $10,000.00 AND INTEREST $4,200.00 DUE JULY 15, 1975. (BUILDING BOND & INTEREST FUND)

JULY 16 ISSUED CHECK #109 TO BLUE LAKE STATE BANK $15,000.00 FOR PARTIAL PAYMENT OF TAX ANTICIPATION WARRANTS. (CORPORATE FUND)

JULY 22 ISSUED CHECK #110 TO AL'S OFFICE SUPPLY CO. $198.57 FOR PAYMENT OF INVOICE #173 FOR PAPER, FOLDERS, AND PENCILS. (CORPORATE FUND $98.50) (RECREATION FUND $100.07)

JULY 22 ISSUED CHECK #111 TO ROBERT SMITH ATTORNEY $175.00 FOR LEGAL FEES. (CORPORATE FUND)

JULY 22 ISSUED CHECK #112 TO ILLINOIS BELL TELEPHONE CO. $75.00 FOR BILLING 6/15 - 7/15 (CORPORATE FUND $50.00) (RECREATION FUND $25.00)

JULY 22 ISSUED CHECK #113 TO TOM'S BUILDING SUPPLIES $201.78 FOR PAYMENT OF INVOICE #785 FOR LUMBER.(CORPORATE FUND)

JULY 22 ISSUED CHECK #114 TO SAM'S NURSERY SERVICE $302.50 FOR PAYMENT OF INVOICE #123 FOR GRASS SEED. (RECREATION FUND)

JULY 22 ISSUED CHECK #115 TO ILLINOIS POWER CO. $410.75 FOR BILLING 6/15 - 7/15. (CORPORATE FUND)

JULY 22 ISSUED CHECK #116 TO ILLINOIS RECREATION SUPPLY CO. $2,000.00 FOR PAYMENT OF INVOICE #687 FOR SWING SET. (RECREATION FUND)

JULY 22 ISSUED CHECK #117 TO FARM INSURANCE AGENCY $2,110.69 FOR PAYMENT OF INVOICE #276 FOR BLANKET INSURANCE PREMIUM. (LIABILITY INSURANCE FUND)

JULY 22 ISSUED CHECK #118 TO INDIAN LAKES TENNIS CLUB $2,970.00 FOR PAYMENT OF INVOICE #1002 (TENNIS PROGRAMS) (ADULT - $2,000.00 CHILDREN - $970.00) (RECREATION FUND)

JULY 22 ISSUED CHECK #119 TO GREENVIEW SUPPLY CO. $751.62 FOR PAYMENT OF INVOICE #659 FOR PROGRAM SUPPLIES. (RECREATION FUND) (ARTS & CRAFTS $201.50) (DAY CAMP $375.60) (WEAVING $174.52)

JULY 27 ISSUED CHECK #132 TO FRANCIS JONES $30.00 REFUND ON TENNIS - ADULT PROGRAM.

JULY 31 PAYROLL TRANSFER - RECREATION FUND TO CORPORATE FUND FOR SALARIES IN THE FOLLOWING DIVISIONS:

ADMINISTRATION	$1,225.00
BUILDINGS & GROUNDS	600.00
PROGRAMS	825.00
	$2,650.00

MULTIPLEX COLUMNAR #1

DATE 1975			CORPORATE ACCT. #	CORPORATE DEBIT	BOND & INT. DEBIT	MISC. ACCOUNTS ACCT.#	MISC. ACCOUNTS DEBIT
JULY	7	St					
	10	Li			10000 00		
	16	Bl			4200 00		
	22	Al	50-490	15000 00			
	22	Ro	50-471	98 50			
	22	Il	50-451	175 00			
	22	To	50-434	50 00			
	22	Sa	51-410	201 78			
	22	Il					
	22	Il	51-438	410 75			
	22	Fa					
	22	In				5-433	2110 69
	22	Gr					
	27	Fr					
	31	Pa				2-353 (6)	30 00
				15936 03	14200 00		2140 69

RECAP

50-434	50 00	5	
50-451	175 00	5	
50-471	98 50	5	
50-490	15000 00	5	
51-410	201 78	5	
51-438	410 75	5	

RECAP

10000 00	5-433	2110 69	
4200 00	2-353	30 00	

CASH DISBURSEMENTS JOURNAL - JULY 1975

CASH IN BANK

CASH DISBURSEMENTS JOURNAL - JULY 1975

CD - 1

	DATE 1975	TO WHOM PAID	CK#	TOTAL CHECKS ISSUED	#1-105 CORPORATE CREDIT	#2-105 RECREATION CREDIT	#4-105 SOCIAL SECURITY CREDIT	#6-105 PAVING AND LIGHTING CREDIT	#10-105 BUILDING BOND & INT. CREDIT	MISC. ACCOUNTS ACCT. #	MISC. ACCOUNTS CREDIT
1	JULY 7	State Employees' Retirement System	103	1581 08			1581 08				
2	10	Lincoln National Bank	1001	14200 00					14200 00		
3	16	Blue Lake State Bank	109	15000 00	15000 00						
4	22	Al's Office Supply Company	110	198 57	98 50	100 07					
5	22	Robert Smith	111	175 00	175 00						
6	22	Illinois Bell Telephone Company	112	75 00	50 00	25 00					
7	22	Tom's Building Supplies	113	201 78	201 78						
8	22	Sam's Nursery Service	114	302 50		302 50					
9	22	Illinois Power Company	115	410 75	410 75						
10	22	Illinois Recreation Supply Company	116	2000 00		2000 00					
11	22	Farm Insurance Agency	117	2110 69							
12	22	Indian Lakes Tennis Club	118	2970 00		2970 00				5-105	2110 69
13	22	Greenview Supply Company	119	751 62		751 62					
14	27	Francis Jones	132	30 00		30 00					
15	31	Payroll Transfer (Corporate Fund)		2650 00		2650 00					
16											
17		TOTALS		42656 99	159 36 03	8829 19	1581 08		142 00 00		2110 69
18				Do Not Post Above Amount To Ledger	✓	✓	✓		✓		
19											
20										RECAP	
21										5-105	2110 69 ✓
22											
23											
24											
25											
26											
27											
28											
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31											
32											
33											
34											
35											
36											

	#1 CORPORATE ACCT. #	#1 CORPORATE DEBIT	#2 RECREATION ACCT. #	#2 RECREATION DEBIT	#4 SOCIAL SECURITY ACCT. #	#4 SOCIAL SECURITY DEBIT	#6 PAVING & LIGHTING ACCT. #	#6 PAVING & LIGHTING DEBIT	#10 BUILDING BOND & INT. ACCT. #	#10 BUILDING BOND & INT. DEBIT	MISC. ACCOUNTS ACCT.#	MISC. ACCOUNTS DEBIT
1												
2					213	1581 08						
3									491 482	10000 00 4200 00		
4	50-490	15000 00										
5	50-471	98 50	50-471	100 07								
6	50-451	175 00										
7	50-434	50 00	50-434	25 00								
8	51-410	201 78										
9			51-413	302 50								
10	51-438	410 75										
11			52-495	2000 00								
12			53-454 (6)	2000 00							5-433	2110 69
13			53-454 (7)	970 00								
14			53-472 (4)	201 50								
15			53-472 (5)	372 60								
16			53-472 (8)	174 52							2-353 (6)	30 00
17			50-400	1225 00								
18			51-400	600 00								
19			53-400	825 00								
20		159 36 03		8799 19		1581 08				142 00 00		2140 69
21	RECAP		RECAP		RECAP		RECAP		RECAP		RECAP	
22	50-434	50 00 ✓	50-400	1225 00 ✓	213	1581 08 ✓			491	10000 00 ✓	5-433	2110 69 ✓
23	50-451	175 00 ✓	50-434	25 00 ✓					482	4200 00 ✓	2-353	30 00 ✓
24	50-471	98 50 ✓	50-471	100 07 ✓								
25	50-490	15000 00 ✓	51-400	600 00 ✓								
26	51-410	201 78 ✓	51-413	302 50 ✓								
27	51-438	410 75 ✓	52-495	2000 00 ✓								
28			53-400	825 00 ✓								
29			53-454	2970 00 ✓								
30			53-472	751 62 ✓								
31												
32												
33												
34												
35												
36												

CORPORATE FUND

PAYROLL DISBURSEMENTS JOURNAL

RECORD THE FOLLOWING TRANSACTIONS IN THE PAYROLL DISBURSEMENTS JOURNAL

FOR THE MONTH OF JULY 1975

PAYROLL JULY 11, 1975

NAME	CHECK #	NET PAY	FEDERAL WITH-HOLDING	STATE WITH-HOLDING	SOCIAL SECURITY	GROSS PAY	FUND & DIVISION
Joe Long	104	492.91	83.90	11.63	36.56	625.00	Corporate Adm.
Gary Ford	105	242.25	34.70	5.50	17.55	300.00	Corporate Building
Tom Schultz	106	227.35	47.60	7.50	17.55	300.00	Corporate Building
Lois Richards	107	248.25	29.70	4.50	17.55	300.00	Corporate Admin.
Carol Pulaski	108	242.25	34.70	5.50	17.55	300.00	Recreation Admin.
		PAYROLL JULY 25, 1975					
Joe Long	120	492.91	83.90	11.63	36.56	625.00	Recreation Admin.
Gary Ford	121	242.25	34.70	5.50	17.55	300.00	Recreation Building
Tom Schultz	122	227.35	47.60	7.50	17.55	300.00	Recreation Building
Lois Richards	123	248.25	29.70	4.50	17.55	300.00	Corporate Admin.
Carol Pulaski	124	242.25	34.70	5.50	17.55	300.00	Recreation Admin.
Judy Miller	125	45.82	-0-	1.25	2.93	50.00	Recreation Program
Betty Small	126	122.27	15.20	3.75	8.78	150.00	Recreation Program
Dick Long	127	157.80	25.50	5.00	11.70	200.00	Recreation Program
Joan Walsh	128	45.82	-0-	1.25	2.93	50.00	Recreation Program
Carolyn Reed	129	103.76	10.80	3.13	7.31	125.00	Recreation Program
Wendy Price	130	122.27	15.20	3.75	8.78	150.00	Recreation Program
Lewis Johnson	131	85.05	6.60	2.50	5.85	100.00	Recreation Program

MULTIPLEX COLUMNAR

MADE IN U.S.A.

DATE 1975			#1-50-400 CORPORATE ADMIN. DEBIT	#1-00-221 RECREATION PROGRAM DEBIT
JULY	11	J	625 00	
	11	G		
	11	T		
	11	L	300 00	
	11	C		
	25	J		
	25	G		
	25	T		
	25	L	300 00	
	25	C		
	25	J		500 00 (1)
	25	B		150 00 (2)
	25	D		200 00 (3)
	25	J		500 00 (4)
	25	C		125 00 (5)
	25	W		150 00 (8)
	25	L		100 00 (9)
			1225 00 ✓	825 00 ✓

PAYROLL DISBURSEMENTS JOURNAL - JULY 1975

PAYROLL DISBURSEMENTS JOURNAL - JULY 1975

	DATE 1975	TO WHOM PAID	CHECK #	CASH IN BANK #1-105 CORPORATE CREDIT	#1-213 SOC. SECURITY CREDIT	#1-215 FED. WITHHOLD CREDIT	#1-217 STATE WITHHOLD CREDIT	MULTIPLE COLUMNS #1-50-400 CORPORATE ADMIN. DEBIT	#1-51-700 CORPORATE BUILDINGS & GROUNDS DEBIT	#1-00-771 RECREATION ADMIN. DEBIT	#1-00-771 RECREATION BUILDINGS & GROUNDS DEBIT	#1-00-771 RECREATION PROGRAM DEBIT	
1	JULY 11	Joe Long	104	492.91	36.56	83.90	11.63	625.00					1
2	11	Gary Ford	105	242.25	17.55	34.70	5.50		300.00				2
3	11	Tom Schultz	106	227.35	17.55	47.60	7.50		300.00				3
4	11	Lois Richards	107	248.25	17.55	29.70	4.50	300.00					4
5	11	Carol Pulaski	108	242.25	17.55	34.70	5.50			300.00			5
6	25	Joe Long	120	492.91	36.56	83.90	11.63			625.00			6
7	25	Gary Ford	121	242.25	17.55	34.70	5.50				300.00		7
8	25	Tom Schultz	122	227.35	17.55	47.60	7.50				300.00		8
9	25	Lois Richards	123	248.25	17.55	29.70	4.50	300.00					9
10	25	Carol Pulaski	124	242.25	17.55	34.70	5.50			300.00			10
11	25	Judy Miller	125	45.82	2.93	-0-	1.25					50.00 (1)	11
12	25	Betty Small	126	122.27	8.78	15.20	3.75					150.00 (2)	12
13	25	Dick Long	127	157.80	11.70	25.50	5.00					200.00 (3)	13
14	25	Joan Walsh	128	45.82	2.93	-0-	1.25					50.00 (4)	14
15	25	Carolyn Reed	129	103.76	7.31	10.80	3.13					125.00 (5)	15
16	25	Wendy Price	130	122.27	8.78	15.20	3.75					150.00 (8)	16
17	25	Lewis Johnson	131	85.05	5.85	6.60	2.50					100.00 (9)	17
18													18
19		TOTAL PAYROLL - JULY 1975		3588.81	261.80	534.50	89.89	1225.00	600.00	1225.00	600.00	825.00	19
20				✓	✓	✓	✓	✓	✓	✓	✓	✓	20

GENERAL LEDGER

CORPORATE FUND

CORPORATE FUND

PETTY CASH — ACCOUNT NO. 1-00-103

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	50 00

CASH IN BANK — ACCOUNT NO. 1-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	1 078 00
	31		CR-1	3 912 5 00			
	31		CD-1		1 593 6 03		
	31		P-1		3 588 81	DR.	2 067 8 16

INVESTMENTS — ACCOUNT NO. 1-00-107

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	98 72 00
	31		CR-1		98 72 00		-0-

CORPORATE FUND

SOCIAL SECURITY TAX RESERVE — ACCOUNT NO. 1-00-213

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		P-1		2 6 1 80	CR.	2 6 1 80

FEDERAL WITHHOLDING TAX RESERVE — ACCOUNT NO. 1-00-215

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		P-1		5 3 4 50	CR.	5 3 4 50

STATE WITHHOLDING TAX RESERVE — ACCOUNT NO. 1-00-217

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		P-1		8 9 89	CR.	8 9 89

CORPORATE FUND

PAYROLL TRANSFERS — ACCOUNT NO. 1-00-221

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		2650 00		
	31		P-1	1225 00			
	31		P-1	600 00			
	31		P-1	825 00			-0-

TAX WARRANTS PAYABLE — ACCOUNT NO. 1-00-223

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR.	2000000

FUND BALANCE — ACCOUNT NO. 1-00-280

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	9000 00

CORPORATE FUND

PROPERTY TAX - CURRENT ACCOUNT NO. 1-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		16000 00	CR.	16000 00

RENTAL INCOME ACCOUNT NO. 1-00-319

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		100 00	CR.	100 00

INTEREST INCOME ACCOUNT NO. 1-00-321

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		128 00	CR.	128 00

CORPORATE FUND

FEDERAL GRANTS — ACCOUNT NO. 1-00-333

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		100 00	CR.	100 00

DONATIONS — ACCOUNT NO. 1-00-351

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		300 00	CR.	300 00

MISCELLANEOUS INCOME — ACCOUNT NO. 1-00-399

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		75 00	CR.	75 00

CORPORATE FUND - ADMINISTRATION DIVISION

SALARIES — ACCOUNT NO. 1-50-400

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		P-1	1 2 2 5 00		DR.	1 2 2 5 00

TELEPHONE - TELEGRAPH — ACCOUNT NO. 1-50-434

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	5 0 00		DR.	5 0 00

LEGAL FEES — ACCOUNT NO. 1-50-451

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	1 7 5 00		DR.	1 7 5 00

CORPORATE FUND - ADMINISTRATION DIVISION

OFFICE SUPPLIES — ACCOUNT NO. 1-50-471

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	9 8 50		DR.	9 8 50

TAX WARRANTS — ACCOUNT NO. 1-50-490

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	1 5 0 0 0 00		DR.	1 5 0 0 0 00

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

CORPORATE FUND - BUILDINGS & GROUNDS DIVISION

SALARIES — ACCOUNT NO. 1-51-400

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		P-1	6000 00		DR.	6000 00

MAINTENANCE - BUILDINGS — ACCOUNT NO. 1-51-410

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	201 78		DR.	201 78

UTILITIES — ACCOUNT NO. 1-51-438

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	410 75		DR.	410 75

GENERAL LEDGER

RECREATION FUND

RECREATION FUND

CASH IN BANK — ACCOUNT NO. 2-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	2,000.00
	31		CR-1	1,877.50			
	31		CD-1		882.19	DR.	1,194.81

INVESTMENTS — ACCOUNT NO. 2-00-107

Date 1975		ITEMS	POST. REF.	DEBT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	1,000.00

FUND BALANCE — ACCOUNT NO. 2-00-280

Date 1975		ITEMS	POST REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR.	1,200.00

RECREATION FUND

PROPERTY TAX - CURRENT ACCOUNT NO. 2-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		12000 00	CR.	12000 00

CONCESSION SALES ACCOUNT NO. 2-00-317

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		275 00	CR.	275 00

INTEREST INCOME ACCOUNT NO. 2-00-321

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		300 00	CR.	300 00

RECREATION FUND

DONATIONS — ACCOUNT NO. 2-00-351

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		1000 00	CR.	1000 00

PROGRAM FEES — ACCOUNT NO. 2-00-353

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. OR CR.	BALANCE
July	31		CR-1		5200 00		
	31		CD-1	30 00		CR.	5170 00

RECREATION FUND - ADMINISTRATION DIVISION

SALARIES — ACCOUNT NO. 2-50-400

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	1225.00		DR.	1225.00

TELEPHONE - TELEGRAPH — ACCOUNT NO. 2-50-434

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	25.00		DR.	25.00

OFFICE SUPPLIES — ACCOUNT NO. 2-50-471

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	100.07		DR.	100.07

RECREATION FUND - BUILDINGS & GROUNDS DIVISION

SALARIES — ACCOUNT NO. 2-51-400

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	600 00		DR	600 00

MAINTENANCE - GROUNDS — ACCOUNT NO. 2-51-413

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	302 50		DR	302 50

RECREATION FUND - DEVELOPMENT DIVISION

EQUIPMENT — ACCOUNT NO. 2-52-495

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	200 00		DR	200 00

RECREATION FUND - PROGRAMS DIVISION

SALARIES — ACCOUNT NO. 2-53-400

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	8250 00		DR.	8250 00

OTHER PROFESSIONAL SERVICES — ACCOUNT NO. 2-53-454

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	2970 00		DR.	2970 00

OTHER SUPPLIES — ACCOUNT NO. 2-53-472

Date 1975		ITEMS	POST REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	751 62		DR.	751 62

GENERAL LEDGER

AUDIT FUND

AUDIT FUND

CASH IN BANK — ACCOUNT NO. 3-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR.	200 00
	31		CR-1	800 00		DR.	1 000 00

FUND BALANCE — ACCOUNT NO. 3-00-280

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR.	200 00

PROPERTY TAX - CURRENT — ACCOUNT NO. 3-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		800 00	CR.	800 00

GENERAL LEDGER

SOCIAL SECURITY FUND

SOCIAL SECURITY FUND

CASH IN BANK

ACCOUNT NO. 4-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	18000 00
	31		CR-1	16000 00			
	31		CD-1		15811 08	DR	18188 92

SOCIAL SECURITY TAX RESERVE ACCOUNT NO. 4-00-213

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR	15811 08
	31		CD-1	15811 08			-0-

FUND BALANCE ACCOUNT NO. 4-00-280

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR	21892

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

SOCIAL SECURITY FUND

PROPERTY TAX - CURRENT

ACCOUNT NO. 4-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		1600 00	CR	1600 00

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

GENERAL LEDGER

LIABILITY INSURANCE FUND

LIABILITY INSURANCE FUND
CASH IN BANK

ACCOUNT NO. 5-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
JULY	1	BALANCE FORWARDED				DR	4 0 0 00
	31		CR-1	1 6 0 0 00			
	31		CD-1		2 1 1 0 69	CR	1 1 0 69

FUND BALANCE

ACCOUNT NO. 5-00-280

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
JULY	1	BALANCE FORWARDED				CR	4 00 00

PROPERTY TAX - CURRENT

ACCOUNT NO. 5-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		1 6 0 0 00	CR	1 6 0 0 00

LIABILITY INSURANCE FUND

GENERAL INSURANCE ACCOUNT NO. 5-00-433

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
JULY	31		CD-1	2,110.69		DR	2,110.69

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

GENERAL LEDGER

PAVING & LIGHTING FUND

PAVING & LIGHTING FUND

CASH IN BANK — ACCOUNT # 6-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	1000 00
	31		CR-1	800 00		DR	900 00

FUND BALANCE — ACCOUNT # 6-00-280

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR	1000 00

PROPERTY TAX - CURRENT — ACCOUNT NO. 6-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		800 00	CR	800 00

GENERAL LEDGER

BUILDING BOND & INTEREST FUND (G.O.)

BUILDING BOND AND INTEREST FUND (G.O.)

CASH IN BANK

ACCOUNT NO. 10-00-105

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	15000 00
	31		CR-1	7200 00			
	31		CD-1		1420 00 00	DR	800 00 00

FUND BALANCE

ACCOUNT NO. 10-00-280

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR	15000 00

PROPERTY TAX - CURRENT

ACCOUNT NO. 10-00-301

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CR-1		7200 00	CR	7200 00

BUILDING BOND AND INTEREST FUND (G.O.)

INTEREST EXPENSE

ACCOUNT NO. 10-00-482

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	420 00		DR	420 00

DEBT RETIREMENT (BOND PRINCIPAL) ACCOUNT NO. 10-00-491

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31		CD-1	100 00		DR	100 00

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

GENERAL JOURNAL

CORPORATE FUND

GENERAL JOURNAL

GENERAL FUND

	DATE 1975	DESCRIPTION	1 ACCT #	2 DEBIT	3 CREDIT
1	July 10	Cash In Bank - Corporate Fund	1-00-105	100 00	
2		Legal Fees - Administration Division	1-50-451		100 00
3		To void check #52 dated June 10, 1975 written in error.			
4					
5					
6	July 27	Salaries - Administration Division	1-50-400	300 00	
7		Salaries - Building and Grounds Division	1-51-400		300 00
8		To correct classification of entry dated June 11, 1975			
9		P #100. Originally charged to Building & Grounds			
10		Division should be charged to Administration Division.			
11		NOTE:			
12		(1) The above entries are examples only and do not			
13		pertain to the accounting system shown.			
14		(2) A separate General Journal should be established			
15		for each fund if needed.			
16					
17					
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EXHIBIT XV

TRIAL BALANCE

CORPORATE FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION	DEBIT	CREDIT
1-00-103	Petty Cash	50.00	
1-00-105	Cash in Bank	20,678.16	
1-00-107	Investments	- 0 -	
1-00-213	Social Security Tax Reserve		261.80
1-00-215	Federal Withholding Tax Reserve		534.50
1-00-217	State Withholding Tax Reserve		89.89
1-00-223	Tax Warrants Payable		20,000.00
1-00-280	Fund Balance	9,000.00	
1-00-301	Property Tax - Current		16,000.00
1-00-319	Rental Income		100.00
1-00-321	Interest Income		128.00
1-00-333	Federal Grants		10,000.00
1-00-351	Donations		300.00
1-00-399	Miscellaneous Income		75.00
1-50-400	Salaries	1,225.00	
1-50-434	Telephone-Telegraph	50.00	
1-50-451	Legal Fees	175.00	
1-50-471	Office Supplies	98.50	
1-50-490	Tax Warrants	15,000.00	
1-51-400	Salaries	600.00	
1-51-410	Maintenance - Building	201.78	
1-51-438	Utilities	410.75	
		47,489.19	47,489.19

RECREATION FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION		DEBIT	CREDIT		
2-00-105	Cash in Bank		11,945.81			
2-00-107	Investments		10,000.00			
2-00-280	Fund Balance			12,000.00		
2-00-301	Property Tax - Current			12,000.00		
2-00-317	Concession Sales			275.00		
2-00-321	Interest Income			300.00		
2-00-351	Donations			1,000.00		
2-00-353	Program Fees			5,170.00		
2-50-400	Salaries		1,225.00			
2-50-434	Telephone - Telegraph		25.00			
2-50-471	Office Supplies		100.07			
2-51-400	Salaries		600.00			
2-51-413	Maintenance - Grounds		302.50			
2-52-495	Equipment		2,000.00			
2-53-400	Salaries		825.00			
2-53-454	Other Professional Services		2,970.00			
2-53-472	Other Supplies		751.62			
			30,745.00	30,745.00		

AUDIT FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION		DEBIT	CREDIT		
3-00-105	Cash in Bank		1,000.00			
3-00-280	Fund Balance			200.00		
3-00-301	Property Tax - Current			800.00		
			1,000.00	1,000.00		

SOCIAL SECURITY FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION		DEBIT	CREDIT		
4-00-105	Cash in Bank		1,818.92			
4-00-280	Fund Balance			218.92		
4-00-301	Property Tax - Current			1,600.00		
			1,818.92	1,818.92		

LIABILITY INSURANCE FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION		DEBIT	CREDIT		
5-00-105	Cash in Bank			110.69		
5-00-280	Fund Balance			400.00		
5-00-301	Property Tax - Current			1,600.00		
5-00-433	General Insurance		2,110.69			
			2,110.69	2,110.69		

PAVING & LIGHTING FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION		DEBIT	CREDIT		
6-00-105	Cash in Bank		900.00			
6-00-280	Fund Balance			100.00		
6-00-301	Property Tax - Current			800.00		
			900.00	900.00		

BUILDING BOND & INTEREST FUND

TRIAL BALANCE

JULY 31, 1975

ACCT. #	DESCRIPTION		DEBIT	CREDIT		
10-00-105	Cash in Bank		8,000.00			
10-00-280	Fund Balance			15,000.00		
10-00-301	Property Tax - Current			7,200.00		
10-00-482	Interest Expense		4,200.00			
10-00-491	Debt Retirement (Bond Principal)		10,000.00			
			22,200.00	22,200.00		

TAPE TRIAL BALANCE
7-31-75

```
          0 T
     50.00
 20.678.16
    261.80 -
    534.50 -
     89.89 -
 20.000.00 -
  9.000.00
 16.000.00 -
    100.00 -
    128.00 -
 10.000.00 -
    300.00 -
     75.00 -
  1.225.00
     50.00
    175.00
     98.50
 15.000.00
    600.00
    201.78
    410.75
          0 T
```

CORPORATE FUND

```
          0 T
 11.945.81
 10.000.00
 12000.00 -
 12000.00 -
    275.00 -
    300.00 -
  1.000.00 -
  5.170.00 -
  1.225.00
     25.00
    100.07
    600.00
    302.50
  2000.00
    825.00
  2970.00
    751.62
          0 T
```

RECREATION FUND

```
          0 T
    900.00
    100.00 -
    800.00 -
          0 T
```

PAVING & LIGHTING FUND

```
          0 T
  1.818.92
    218.92 -
  1.600.00 -
          0 T
```

SOCIAL SECURITY FUND

```
          0 T
  8.000.00
 15.000.00 -
  7.200.00 -
  4.200.00
 10.000.00
          0 T
```

UILDING BOND & INTEREST FUND

```
          0 T
    110.69 -
    400.00 -
  1.600.00 -
  2110.69
          0 T
```

LIABILITY INSURANCE FUND

```
          0 T
  1.000.00
    200.00 -
    800.00 -
          0 T
```

AUDIT FUND

MONTHLY

BUDGETARY REPORT

BUDGETARY REPORT

REVENUES

FOR THE MONTH OF JULY 1975

ACCT.#		INCOME FOR THE MONTH	INCOME YEAR TO DATE	ESTIMATED INCOME PER BUDGET	UNCOLLECTED ANTICIPATED REVENUE
	CORPORATE FUND				
1-00-301	Property Tax-Current	16,000.00	16,000.00	40,000.00	24,000.00
1-00-319	Rental Income	100.00	100.00	1,000.00	900.00
1-00-321	Interest Income	128.00	128.00	200.00	72.00
1-00-333	Federal Grant	10,000.00	10,000.00	9,000.00	(1,000.00)
1-00-351	Donations	300.00	300.00	500.00	200.00
1-00-399	Miscellaneous Income	75.00	75.00	100.00	25.00
	Tax Anticipation Warrants 1975 Levy	-0-	-0-	9,000.00	9,000.00
	TOTAL	26,603.00	26,603.00	59,800.00	33,197.00
	RECREATION FUND				
2-00-301	Property Tax-Current	12,000.00	12,000.00	30,000.00	18,000.00
2-00-317	Concession Sales	275.00	275.00	1,000.00	725.00
2-00-321	Interest Income	300.00	300.00	400.00	100.00
2-00-351	Donations	1,000.00	1,000.00	1,000.00	-0-
2-00-353	Program Fees	5,170.00	5,170.00	25,000.00	19,830.00
2-00-399	Miscellaneous Income	-0-	-0-	100.00	100.00
	TOTAL	18,745.00	18,745.00	57,500.00	38,755.00
	AUDIT FUND				
3-00-301	Property Tax-Current	800.00	800.00	2,000.00	1,200.00
	SOCIAL SECURITY FUND				
4-00-301	Property Tax-Current	1,600.00	1,600.00	4,000.00	2,400.00
	LIABILITY INSURANCE FUND				
5-00-301	Property Tax-Current	1,600.00	1,600.00	4,000.00	2,400.00
	PAVING & LIGHTING FUND				
6-00-301	Property Tax-Current	800.00	800.00	2,000.00	1,200.00
	BUILDING BOND & INT. FUND				
10-00-301	Property Tax-Current	7,200.00	7,200.00	18,000.00	10,800.00
10-00-321	Interest Income	- 0 -	- 0 -	100.00	100.00
	TOTAL	7,200.00	7,200.00	18,100.00	10,900.00

BUDGETARY REPORT

EXPENDITURES

FOR THE MONTH ENDING JULY 1975

ACCT. #		EXPENSE FOR THE MONTH	EXPENSE YEAR TO DATE	UNPAID BILLS & UNBILLED OBLIGATIONS	BUDGET FOR THE YEAR	UNEXPENDED TO DATE
	CORPORATE FUND					
	ADMINISTRATION DIVISION					
1-50-400	Salaries	1,225.00	1,225.00	- 0 -	15,000.00	13,775.00
1-50-403	Hospitalization Ins.	- 0 -	- 0 -	200.00	3,000.00	2,800.00
1-50-404	Other Employees' Ins.	- 0 -	- 0 -	100.00	800.00	700.00
1-50-434	Telephone-Telegraph	50.00	50.00	25.00	500.00	425.00
1-50-444	Travel Expense	-0-	- 0 -	10.00	100.00	90.00
1-50-446	Postage	-0-	- 0 -	25.00	300.00	275.00
1-50-447	Printing-Publishing	-0-	- 0 -	50.00	400.00	350.00
1-50-451	Legal Fees	175.00	175.00	- 0 -	2,000.00	1,825.00
1-50-469	Dues-Subscriptions	-0-	- 0 -	50.00	100.00	50.00
1-50-471	Office Supplies	98.50	98.50	25.00	600.00	476.50
1-50-482	Interest Expense (TAW)	-0-	- 0 -	- 0 -	300.00	300.00
1-50-487	Sundry Expense	-0-	- 0 -	- 0 -	100.00	100.00
1-50-490	Tax Warrants	15,000.00	15,000.00	5,000.00	20,000.00	- 0 -
		16,548.50	16,548.50	5,485.00	43,200.00	21,166.50
	BUILDINGS & GROUNDS DIVISION					
1-51-400	Salaries	600.00	600.00	- 0 -	7,200.00	6,600.00
1-51-410	Maintenance-Buildings	201.78	201.78	- 0 -	500.00	298.22
1-51-411	Maintenance-Equipment	- 0 -	- 0 -	100.00	500.00	400.00
1-51-413	Maintenance-Grounds	- 0 -	- 0 -	150.00	1,000.00	850.00
1-51-438	Utilities	410.75	410.75	50.00	2,400.00	1,939.25
1-51-443	Rental	- 0 -	- 0 -	- 0 -	100.00	100.00
1-51-454	Other Professional Services	- 0 -	- 0 -	100.00	500.00	400.00
1-51-472	Other Supplies	- 0 -	- 0 -	- 0 -	100.00	100.00
1-51-476	Gas & Oil	- 0 -	- 0 -	40.00	250.00	210.00
		1,212.53	1,212.53	440.00	12,550.00	10,897.47
	DEVELOPMENT DIVISION					
1-52-492	Land Purchases	- 0 -	- 0 -	6,000.00	12,000.00	6,000.00
	Contingencies	- 0 -	- 0 -	- 0 -	3,000.00	3,000.00
	TOTAL CORPORATE FUND	17,761.03	17,761.03	11,925.00	70,750.00	41,063.97

BUDGETARY REPORT

EXPENDITURES

FOR THE MONTH ENDING JULY 1975

ACCT.#		EXPENSE FOR THE MONTH	EXPENSE YEAR TO DATE	UNPAID BILLS & UNBILLED OBLIGATIONS	BUDGET FOR THE YEAR	UNEXPENDED TO DATE
	RECREATION FUND					
	ADMINISTRATION DIVISION					
2-50-400	Salaries	1,225.00	1,225.00	- 0 -	18,000.00	16,775.00
2-50-434	Telephone-Telegraph	25.00	25.00	- 0 -	500.00	475.00
2-50-444	Travel Expense	- 0 -	- 0 -	10.00	100.00	90.00
2-50-446	Postage	- 0 -	- 0 -	250.00	1,000.00	750.00
2-50-447	Printing-Publishing	- 0 -	- 0 -	200.00	800.00	600.00
2-50-469	Dues-Subscriptions	- 0 -	- 0 -	- 0 -	100.00	100.00
2-50-471	Office Supplies	100.07	100.07	100.00	1,000.00	799.93
2-50-487	Sundry Expense	- 0 -	- 0 -	- 0 -	100.00	100.00
		1,350.07	1,350.07	560.00	21,600.00	19,689.93
	BUILDINGS & GROUNDS DIVISION					
2-51-400	Salaries	600.00	600.00	- 0 -	7,200.00	6,600.00
2-51-410	Maintenance-Buildings	- 0 -	- 0 -	50.00	500.00	450.00
2-51-411	Maintenance-Equipment	- 0 -	- 0 -	50.00	500.00	450.00
2-51-413	Maintenance-Grounds	302.50	302.50	- 0 -	1,000.00	697.50
2-51-438	Utilities	- 0 -	- 0 -	400.00	2,400.00	2,000.00
2-51-443	Rental	- 0 -	- 0 -	- 0 -	100.00	100.00
2-51-454	Other Professional Services	- 0 -	- 0 -	100.00	500.00	400.00
2-51-472	Other Supplies	- 0 -	- 0 -	- 0 -	100.00	100.00
2-51-476	Gas & Oil	- 0 -	- 0 -	25.00	250.00	225.00
		902.50	902.50	625.00	12,550.00	11,022.50
	DEVELOPMENT DIVISION					
2-52-495	Equipment	2,000.00	2,000.00	- 0 -	2,000.00	- 0 -
	PROGRAMS DIVISION					
2-53-400	Salaries	825.00	825.00	- 0 -	15,000.00	14,175.00
2-53-454	Other Professional Services	2,970.00	2,970.00	1,000.00	9,000.00	5,030.00
2-53-469	Dues-Subscriptions	- 0 -	- 0 -	- 0 -	300.00	300.00
2-53-472	Other Supplies	751.62	751.62	500.00	5,700.00	4,448.38
		4,546.62	4,546.62	1,500.00	30,000.00	23,953.38
	Contingencies	- 0 -	- 0 -	- 0 -	3,000.00	3,000.00
	TOTAL RECREATION FUND	8,799.19	8,799.19	2,685.00	69,150.00	57,665.81

BUDGETARY REPORT

EXPENDITURES

FOR THE MONTH ENDING JULY 1975

ACCT. #		EXPENSE FOR THE MONTH	EXPENSE YEAR TO DATE	UNPAID BILLS & UNBILLED OBLIGATIONS	BUDGET FOR THE YEAR	UNEXPENDED TO DATE
	AUDIT FUND					
3-00-452	Accounting Services	- 0 -	- 0 -	- 0 -	2,100.00	2,100.00
	SOCIAL SECURITY FUND					
4-00-401	Social Security Tax	- 0 -	- 0 -	- 0 -	4,200.00	4,200.00
	LIABILITY INSURANCE FUND					
5-00-433	General Insurance	2,110.69	2,110.69	- 0 -	4,200.00	2,089.31
	PAVING & LIGHTING FUND					
6-00-416	Maintenance-Driveways	- 0 -	- 0 -	500.00	1,500.00	1,000.00
6-00-439	Lighting	- 0 -	- 0 -	- 0 -	600.00	600.00
		- 0 -	- 0 -	500.00	2,100.00	1,600.00
	BUILDING BOND & INTEREST FUND					
10-00-482	Interest Expense	4,200.00	4,200.00	3,900.00	8,100.00	- 0 -
10-00-491	Debt Retirement (Bond Principal)	10,000.00	10,000.00	- 0 -	10,000.00	- 0 -
		14,200.00	14,200.00	3,900.00	18,100.00	- 0 -

BANK RECONCILIATIONS

CORPORATE FUND

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975			$ 1,078.00
Deposits: (Cash Receipts Journal)	$39,125.00		
Adjustments	-0-	+	39,125.00
Sub-total			$40,203.00
Checks Issued: (Cash Disbursements Journal)	$15,936.03		
Checks Issued: (Payroll Disbursements Journal)	3,588.81		
Adjustments	-0-	-	19,524.84
Balance per Books July 31, 1975			$20,678.16
Deduct: (Deposits in Transit)		-	25.00
Balance per Bank Statement July 31, 1975			$20,653.16

RECREATION FUND

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975			$ 2,000.00
Deposits: (Cash Receipts Journal)	$18,775.00		
Adjustments	-0-	+	18,775.00
Sub-total			$20,775.00
Checks Issued (Cash Disbursements Journal)	8,829.19		
Adjustments	-0-	-	8,829.19
Balance per Books July 31, 1975			$11,945.81
Add: Outstanding Checks		+	30.00
Sub-total			$11,975.81
Deduct: Deposits in Transit		-	150.00
Balance per Bank Statement July 30, 1975			$11,825.81

Outstanding Checks

Number	Amount
132	$30.00
TOTAL	$30.00

AUDIT FUND

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975		$ 200.00
Deposits: (Cash Receipts Journal)	+	800.00
Sub-total		$ 1,000.00
Checks Issued (Cash Disbursements Journal)	-	- 0 -
Balance per Books and Bank Statement July 31, 1975		$ 1,000.00

SOCIAL SECURITY FUND

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975		$ 1,800.00
Deposits (Cash Receipts Journal)	+	1,600.00
Sub-total		$ 3,400.00
Checks Issued (Cash Disbursements Journal)	-	1,581.08
Balance per Books and Bank Statement July 31, 1975		$ 1,818.92

LIABILITY INSURANCE FUND

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975		$ 400.00
Deposits (Cash Receipts Journal)	+	1,600.00
Sub-total		$ 2,000.00
Checks Issued (Cash Disbursements Journal)	-	2,110.69
Balance per Books and Bank Statement July 31, 1975		$ (110.69)

PAVING & LIGHTING FUND

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975		$ 100.00
Deposits (Cash Receipts Journal)	+	800.00
Sub-total		$ 900.00
Checks Issued (Cash Disbursements Journal)	-	-0-
Balance per Books and Bank Statement July 31, 1975		$ 900.00

BANK RECONCILIATION RECAP FOR THE MONTH OF JULY 1975

(Corporate, Recreation, Audit, Social Security, Liability Insurance and Paving & Lighting Funds)

Balances per Books July 1, 1975			$ 5,578.00
Deposits: (Cash Receipts Journal)	$62,700.00		
Adjustments	-0-	+	62,700.00
Sub-total			$68,278.00
Checks Issued: (Cash Disbursements Journal)	$28,456.99		
Checks Issued: (Payroll Disbursements Journal)	3,588.81		
Adjustments	-0-	-	32,045.80
Balances per Book July 31, 1975			$36,232.20
Add: Outstanding Checks		+	30.00
Sub-total			36,262.20
Deduct: Deposits in Transit		-	175.00
Balance per Bank Statement July 31, 1975			$36,087.20

Outstanding Checks

Number	Amount
132	$30.00
TOTAL	$30.00

BUILDING BOND & INTEREST FUND (G.O.)

Bank Reconciliation for the Month of July 1975

Balance per Books July 1, 1975			$15,000.00
Deposits (Cash Receipts Journal)	$ 7,200.00		
Adjustments	-0-	+	7,200.00
Sub-total			$22,200.00
Checks Issued (Cash Disbursements Journal)	$14,200.00		
Adjustments	-0-	-	$14,200.00
Balance per Books July 31, 1975			$ 8,000.00
Add: Outstanding Checks			-0-
Sub-total			$ 8,000.00
Deduct: Deposits in Transit			-0-
Balance per Bank Statement July 31, 1975			$ 8,000.00

MONTHLY

TREASURER'S REPORT

TREASURER'S REPORT

FOR THE MONTH ENDING JULY 31, 1975

FUND	CASH IN BANK	INVESTMENTS	TOTAL
Corporate	$20,678.16	$ - 0 -	$20,678.16
Recreation	11,945.81	10,000.00	21,945.81
Audit	1,000.00	- 0 -	1,000.00
Social Security	1,818.92	- 0 -	1,818.92
Liability Insurance	(110.69)	- 0 -	(110.69)
Paving and Lighting	900.00	- 0 -	900.00
Building Bond & Interest	8,000.00	- 0 -	8,000.00
TOTALS	$44,232.20	$10,000.00	$54,232.20

RESPECTFULLY SUBMITTED BY

LOIS RICHARDS, TREASURER

Informational Only:

Unpaid Bills and Unbilled Obligations
Outstanding July 31, 1975

Corporate Fund	$11,925.00
Recreation Fund	2,685.00
Paving & Lighting Fund	500.00
Building Bond & Interest Fund	3,900.00

DAILY CASH COLLECTION SHEET

PROGRAM FEES

BLUE LAKE PARK DISTRICT

DAILY CASH COLLECTION SHEET

PROGRAM FEES

JULY 3, 1975

PROGRAM #	PROGRAM	RECEIPT #	AMOUNT
1	Arts & Crafts	500-504	$ 50.00
2	Belly Dancing	591-600	200.00
3	Day Camp	550-560	220.00
4	Sewing	541-545	50.00
5	Slim & Trim	600-609	100.00
6	Tennis-Adult	505-540 546-549 561-574	2,000.00
7	Tennis-Children	575-593 610-611 641-650	1,000.00
8	Weaving	612-629	180.00
9	Yoga	630-640	200.00
			$4,000.00

BLUE LAKE PARK DISTRICT

DAILY CASH COLLECTION SHEET

PROGRAM FEES

JULY 8, 1975

PROGRAM #	PROGRAM	RECEIPT #	AMOUNT
1	Arts & Crafts	680-684	$ 50.00
2	Belly Dancing	656-662 664-665	100.00
3	Day Camp	666-675	200.00
4	Sewing	677-679	40.00
5	Slim & Trim	651-654	60.00
9	Yoga	660-663 655	50.00
			$500.00

BLUE LAKE PARK DISTRICT

DAILY CASH COLLECTION SHEET

PROGRAM FEES

JULY 11, 1975

PROGRAM #	PROGRAM	RECEIPT #	AMOUNT
2	Belly Dancing	686-688	$ 40.00
3	Day Camp	689 695-697	100.00
4	Sewing	698-699 704-706	60.00
5	Slim & Trim	707-715	90.00
8	Weaving	690-694	80.00
9	Yoga	700-703	30.00
			$400.00

BLUE LAKE PARK DISTRICT

DAILY CASH COLLECTION SHEET

PROGRAM FEES

JULY 18, 1975

PROGRAM #	PROGRAM	RECEIPT #	AMOUNT
2	Belly Dancing	720-722	$ 60.00
3	Day Camp	725-727	80.00
4	Sewing	728-731	40.00
9	Yoga	723-724	20.00
			$200.00

BLUE LAKE PARK DISTRICT

DAILY CASH COLLECTION SHEET

PROGRAM FEES

JULY 31, 1975

PROGRAM #	PROGRAM	RECEIPT #	AMOUNT
4	Sewing	739	$ 10.00
5	Slim & Trim	740-742 745-746	50.00
8	Weaving	743-744 747-748	40.00
			$100.00

PROGRAM COST CONTROL

ARTS AND CRAFTS — PROGRAM NO. 1

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		1000 00		
	31	Other Supplies	CD-1	201 50			
	31	Salaries	P-1	50 00		DR	151 50

BELLY DANCING — PROGRAM NO. 2

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		400 00		
	31	Salaries	P-1	150 00		CR	250 00

DAY CAMP — PROGRAM NO. 3

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		600 00		
	31	Other Supplies	CD-1	375 60			
	31	Salaries	P-1	200 00		CR	24 40

DCCS = Daily Cash Collection Sheet

SEWING

PROGRAM NO. 4

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		200 00		
	31	Salaries	P-1	50 00		CR	150 00

SLIM AND TRIM

PROGRAM NO. 5

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		300 00		
	31	Salaries	P-1	125 00		CR	175 00

TENNIS-ADULT

PROGRAM NO. 6

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		2000 00		
	31	Other Professional Services	CD-1	2000 00			- 0 -

DCCS = Daily Cash Collection Sheet

TENNIS - CHILDREN PROGRAM NO. 7

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		1000 00		
	31	Other Professional Services	CD-1	970 00			
	31	Program Fees (Refund)	CD-1	30 00			- 0 -

WEAVING PROGRAM NO. 8

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		300 00		
	31	Other Supplies	CD-1	174 52			
	31	Salaries	P-1	150 00		DR	24 52

YOGA PROGRAM NO. 9

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	31	Program Fees	DCCS		300 00		
	31	Salaries	P-1	100 00		CR	200 00

DCCS = Daily Cash Collection Sheet

GENERAL LEDGER

GENERAL FIXED ASSETS

GROUP OF ACCOUNTS

GENERAL FIXED ASSETS GROUP

LAND

ACCOUNT NO. 48-00-151

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	2000000

BUILDING

ACCOUNT NO. 48-00-153

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	2000000

IMPROVEMENTS OTHER THAN BUILDINGS

ACCOUNT NO. 48-00-157

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	300000

GENERAL FIXED ASSETS GROUP

EQUIPMENT

ACCOUNT NO. 48-00-161

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	2000000

INVESTMENT IN GENERAL FIXED ASSETS

ACCOUNT NO. 48-00-281

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR	2700000

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

GENERAL LEDGER

GENERAL LONG-TERM DEBT

GROUP OF ACCOUNTS

GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS

AMOUNT TO BE PROVIDED FOR PAYMENT OF SERIAL BONDS

ACCOUNT NO. 49-00-185

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				DR	15000000

GENERAL OBLIGATION BONDS PAYABLE

ACCOUNT NO. 49-00-251

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE
July	1	BALANCE FORWARDED				CR	15000000

Date 1975		ITEMS	POST. REF.	DEBIT	CREDIT	DR. or CR.	BALANCE

APPENDIX

GLOSSARY OF FINANCIAL TERMS

ABATEMENT. A complete or partial cancellation of a levy imposed by a governmental unit. Abatements usually apply to tax levies, special assessments, and service charges.

ACCOUNTING PERIOD. A period at the end of which and for which financial statements are prepared. See also FISCAL PERIOD.

ACCOUNTING SYSTEM. The total structure of records and procedures which discover, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, balanced account groups, and organizational components.

ACCOUNTS PAYABLE. Liabilities on open account owing to private persons, firms, or corporations for goods and services received by a governmental unit (but not including amounts due to other funds of the same governmental unit or to other governmental units).

ACCOUNTS RECEIVABLE. Amounts owing on open account from private persons, firms, or corporations for goods and services furnished by a governmental unit (but not including amounts due from other funds of the same governmental unit).

ACCRUAL BASIS. The basis of accounting under which revenues are recorded when earned and expenditures are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of the revenue or the payment of the expenditure may take place, in whole or in part, in another accounting period. See also ACCRUE and LEVY.

ACCRUE. To record revenues when earned and to record expenditures as soon as they result in liabilities for benefits received, notwithstanding that the receipt of the revenue or payment of the expenditure may take place, in whole or in part, in another accounting period. See also ACCRUAL BASIS, ACCRUED ASSETS, ACCRUED EXPENSES, ACCRUED LIABILITIES, and ACCRUED REVENUE.

ACCRUED ASSETS. Assets arising from revenues earned but not yet due, such as accrued interest receivable on investments.

ACCRUED EXPENSES. Expenses incurred during the current accounting period but which are not payable until a subsequent accounting period. See also ACCRUAL BASIS and ACCRUE.

ACCRUED INTEREST ON INVESTMENTS PURCHASED. Interest accrued on investments between the last interes payment date and the date of purchase. The account is carried as an asset until the first interest payment date after date of purchase. At that time an entry is made debiting Cash and crediting the Accrued Interest on Investments Purchased account for the amount of interest purchased and an Interest Earnings account for the balance.

ACCRUED INTEREST PAYABLE. A liability account which represents the amount of interest accrued at the balance sheet date but which is not due until a later date.

ACCRUED LIABILITIES. Amounts owed but not yet due, such as accrued interest on utility revenue bonds. See also ACCRUE.

ACCRUED REVENUE. Revenue earned during the current accounting period but which is not collected until a subsequent accounting period. See also ACCRUAL BASIS and ACCRUE.

ACCRUED TAXES PAYABLE. A liability for taxes which have accrued since the last payment date but which are not yet due. Normally, this liability will be found only in the Enterprise Fund of a governmental unit.

ACCRUED WAGES PAYABLE. A liability for wages earned by employees between the last payment date and the balance sheet date but which are not yet due.

ACCUMULATED DEPRECIATION. See ALLOWANCE FOR DEPRECIATION.

ACTUARIAL BASIS. A basis used in computing the amount of contributions to be made periodically to a fund so that the total contributions plus the compounded earnings thereon will equal the required payments to be made out of the fund. The factors taken into account in arriving at the amount of these contributions include the length of time over which each contribution is to be held and the rate of return compounded on such contribution over its life. A Trust Fund for a public employee retirement system is an example of a fund set up on an actuarial basis.

ADVANCE FROM GOVERNMENTAL UNIT - GENERAL OBLIGATION BONDS. An account in an Enterprise or Intragovernmental Service Fund which represents the fund's liability for general obligation bonds which have been issued by a governmental unit but whose proceeds have been used to finance facilities and operations of such a fund.

ADVANCE FROM _____ FUND. A liability account used to record a long-term debt owed by one fund to another fund in the same governmental unit. See also DUE TO _____ FUND.

ADVANCE TO _____ FUND. An asset account used to record a long-term loan by one fund to another fund in the same governmental unit. See also DUE FROM _____ FUND.

AGENCY FUND. A fund consisting of resources received and held by the governmental unit as an agent for others: for example, taxes collected and held by a municipality for a school district.

Note. Sometimes resources held by one fund of a governmental unit for other funds of the unit are handled through an Agency Fund. An example is taxes held by an Agency Fund for redistribution among other funds.

ALLOWANCE FOR DEPRECIATION - BUILDINGS (Credit). The accumulation of periodic credits made to record the expiration in the service life of buildings which is attributable to wear and tear through use and lapse of time, obsolescence, inadequacy, or other physical or functional cause. The account is shown in the balance sheets of Enterprise and Intragovernmental Service Funds as a deduction from Buildings in order to arrive at the net book value of buildings. Buildings carried in the accounts of Trust and Agency Funds may or may not be depreciated depending on the conditions prevailing in each case.

ALLOWANCE FOR DEPRECIATION - EQUIPMENT (Credit). An account which is of the same nature and is used in the same manner as the account Allowance for Depreciation-Buildings (q.v.).

ALLOWANCE FOR DEPRECIATION - IMPROVEMENTS OTHER THAN BUILDINGS (Credit). An account which is of the same nature and is used in the same manner as the account Allowance for Depreciation - Buildings (q.v.).

ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS. See ESTIMATED UNCOLLECTIBLE ACCOUNTS RECEIVABLE.

ALLOWANCE FOR UNCOLLECTIBLE TAXES. An account in which is recorded the amount of taxes estimated to be uncollectible. The balance of this account is shown as a deduction from the Taxes Receivable account to which it relates.

ANNUAL BUDGET. A budget applicable to a single fiscal year. See BUDGET and CAPITAL BUDGET.

ANNUITIES PAYABLE. A liability account which records the amount of annuities due and payable to retired employees in a public employee retirement system.

APPRAISE. To make an estimate of value, particularly of the value of property.

Note. If the property is valued for purposes of taxation, the less-inclusive term "assess" (q.v.) is substituted for the above term.

APPROPRIATION. An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

Note. An appropriation is usually limited in amount and as to the time when it may be expended. See, however, INDETERMINATE APPROPRIATION.

APPROPRIATION ACCOUNT. A budgetary account set up to record specific authorizations to spend. The account is credited with original and any supplemental appropriations and is charged with expenditures and encumbrances.

APPROPRIATION BILL, ORDINANCE, RESOLUTION, or ORDER. A bill (q.v.), ordinance (q.v.), resolution (q.v.), or order (q.v.) by means of which appropriations are given legal effect. It is the method by which the expenditure side of the budget (q.v.) is enacted into law by the legislative body. In many governmental jurisdictions appropriations cannot be enacted into law by resolution but only by a bill, ordinance, or order.

APPROPRIATION EXPENDITURE. An expenditure chargeable to an appropriation.

Note. Since virtually all expenditures of governmental units are chargeable to appropriations, the term EXPENDITURES by itself is widely and properly used.

APPROPRIATION LEDGER. A subsidiary ledger containing an account for each appropriation. Each account usually shows the amount originally appropriated, transfers to or from the appropriation, amounts charged against the appropriation, the net balance, and other related information.

ASSESSED VALUATION. A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSETS. Property owned by a governmental unit which has a monetary value.

Note. Conventionally, debit balances subject to final disposition, such as deferred charges and prepaid expenses, are classified as assets at closing periods, even though the stated values may not represent the realizable values.

AUDIT. The examination of documents, records, reports, systems of internal control, accounting and financial procedures, and other evidence for one or more of the following purposes:

(a) To ascertain whether the statements prepared from the accounts present fairly the financial position and the results of financial operations of the constituent funds and balanced account groups of the governmental unit in accordance with generally accepted accounting principles applicable to governmental units and on a basis consistent with that of the preceding year;

(b) To determine the propriety, legality, and mathematical accuracy of a governmental unit's financial transactions;

(c) To ascertain whether all financial transactions have been properly recorded; and

(d) To ascertain the stewardship of public officials who handle and are responsible for the financial resources of a governmental unit.

AUDIT REPORT. The report prepared by an auditor covering the audit or investigation made by him. As a rule, the report should include: (a) a statement of the scope of the audit; (b) explanatory comments (if any) concerning exceptions by the auditor as to application of generally accepted auditing standards; (c) opinions; (d) explanatory comments (if any) concerning verification procedures; (e) financial statements and schedules; and (f) sometimes statistical tables, supplementary comments, and recommendations. The auditor's signature follows items (c) or (d).

AUDITOR'S OPINION. A statement signed by an auditor in which he states that he has examined the financial statements in accordance with generally accepted auditing standards (with exceptions, if any) and in which he expresses his opinion on the financial condition and results of operations of some or all of the constituent funds and balanced account groups of the governmental unit, as appropriate.

BALANCE SHEET. A statement which discloses the assets, liabilities, reserves, and equities of a fund or governmental unit at a specified date properly classified to exhibit financial position of the fund or unit at that date.

Note. If a single balance sheet is prepared for several funds, it must be in columnar or sectional form so as to exhibit the accounts of each fund and balanced account group individually.

BOND. A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Note. The difference between a note and a bond is that the latter runs for a longer period of time and requires greater legal formality.

BOND ANTICIPATION NOTES. Short-term interest-bearing notes issued by a governmental unit in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

BOND DISCOUNT. The excess of the face value of a bond over the price for which it is acquired or sold.

Note. The price does not include accrued interest at the date of acquisition or sale.

BOND PREMIUM. The excess of the price at which a bond is acquired or sold over its face value.

Note. The price does not include accrued interest at the date of acquisition or sale.

BOOKS OF ORIGINAL ENTRY. The record in which the various transactions are formally recorded for the first time, such as the cash journal, check register, or general journal. Where mechanized bookkeeping methods are used, it may happen that one transaction is recorded simultaneously in several records, one of which may be regarded as the book of original entry.

Note. Memorandum books, check stubs, files of duplicate sales invoices, etc., whereon first or prior business notations may have been made, are not books of original entry in the accepted meaning of the term, unless they are also used as the media for direct posting to the ledgers.

BOOK VALUE. Value (q.v.) as shown by books of account.

Note. In the case of assets which are subject to reduction by valuation allowances, "book value" refers

to cost or stated value less the appropriate allowance. Sometimes a distinction is made between "gross book value" and "net book value", the former designating value before deduction of related allowances and the latter after their deduction. In the absence of any modifier, however, the term "book value" is understood to be synonymous with "net book value."

BUDGET. A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

Note. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the appropriating body. See also ANNUAL BUDGET, CURRENT BUDGET, CAPITAL BUDGET, CAPITAL PROGRAM, and LONG-TERM BUDGET.

BUDGET DOCUMENT. The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of three parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to past years' actual revenues, expenditures, and other data used in making the estimates. The third part is composed of drafts of the appropriation, revenue, and borrowing measures necessary to put the budget into effect.

BUDGET MESSAGE. A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body. The budget message should contain an explanation of the principal budget items, an outline of the governmental unit's experience during the past period and its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

BUDGETARY ACCOUNTS. Those accounts which reflect budgetary operations and condition, such as estimated revenues, appropriations, and encumbrances, as distinguished from proprietary accounts. See also PROPRIETARY ACCOUNTS.

BUDGETARY CONTROL. The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

BUILDINGS. A fixed asset account which reflects the acquisition value of permanent structures used to house persons and property owned by a governmental unit. If buildings are purchased or constructed, this account includes the purchase or contract price of all permanent buildings and fixtures attached to and forming a permanent part of such buildings. If buildings are acquired by gift, the account reflects their appraised value at time of acquisition.

CALLABLE BOND. A type of bond which permits the issuer to pay the obligation before the stated maturity date by giving notice of redemption in a manner specified in the bond contract. Synonym: OPTIONAL BOND.

CAPITAL BUDGET. A plan of proposed capital outlays and the means of financing them for the current fiscal period. It is usually a part of the current budget. If a Capital Program is in operation, it will be the first year thereof. A Capital Program is sometimes referred to as a Capital Budget. See also CAPITAL PROGRAM.

CAPITAL OUTLAYS. Expenditures which result in the acquisition of or addition to fixed assets.

CAPITAL PROGRAM. A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CAPITAL PROJECTS FUND. A fund created to account for all resources used for the acquisition of designated fixed assets by a governmental unit except those financed by special assessment and enterprise funds.

CAPITAL RESOURCES. Resources of a fixed or permanent character, such as land and buildings, which cannot ordinarily be used to meet current expenditures.

CASH. Currency, coin, checks, postal and express money orders, and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Note. All cash must be accounted for as a part of the fund to which it belongs. Any restrictions or limitations as to its availability must be indicated in the records and statements. It is not necessary, however, to have a separate bank account for each fund unless required by law.

CASH AUDIT. An audit of the cash transactions for a stated period for the purpose of determining that all cash received has been recorded, that all disbursements have been properly authorized and vouchered, and that the balance of cash is either on hand or on deposit. A cash audit can range from a complete inquiry into all cash transactions to one involving only some of them.

CASH BASIS. The basis of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

CASH DISCOUNT. An allowance received or given if payment is completed within a stated period of time.

Note. The term is not to be confused with "trade discount" (q.v.).

CASH WITH FISCAL AGENT. Deposits with fiscal agents, such as commercial banks, for the payment of matured bonds and interest.

CERTIFIED PUBLIC ACCOUNTANT. An accountant to whom a state has granted a certificate showing that he has met prescribed educational, experience, and examination requirements designed to insure competence in the practice of public accounting. The accountant holding such a certificate is permitted to use the designation Certified Public Accountant, commonly abbreviated to "C.P.A.

CHECK. A bill of exchange drawn on a bank and payable on demand: a written order on a bank to pay on demand a specified sum of money to a named person, to his order, or to bearer out of money on deposit to the credit of the maker.

Note. A check differs from a warrant in that the latter is not necessarily payable on demand and may not be negotiable. It differs from a voucher in that the latter is not an order to pay. A voucher-check combines the distinguishing marks of a voucher and a check; it shows the propriety of a payment and is an order to pay.

CLEARING ACCOUNT. An account used to accumulate total charges or credits for the purpose of distributing them later among the accounts to which they are allocable or for the purpose of transferring the net differences to the proper account.

COMBINED BALANCE SHEET. A single balance sheet which displays the individual balance sheets of each

class of funds and the balanced account groups of a governmental unit in separate, adjacent columns.

Note. There are no inter-fund eliminations or consolidations in a combined balance sheet for a governmental unit.

CONSTRUCTION WORK IN PROGRESS. The cost of construction work undertaken but not yet completed.

CONTRACTS PAYABLE. Amounts due on contracts for assets, goods, and services received by a governmental unit.

Note. Amounts withheld as guarantees on contracts should be shown separately in an account entitled CONTRACTS PAYABLE - RETAINED PERCENTAGE. See also ACCOUNTS PAYABLE.

CONTRIBUTION FROM CUSTOMERS. An equity account in an Enterprise Fund which shows the amount of permanent fund capital contributed to the enterprise by its customers.

CONTRIBUTION FROM GOVERNMENTAL UNIT. An equity account in an Enterprise Fund which shows the amount of permanent fund capital contributed to the enterprise by the governmental unit from general government revenues and resources. A similar account may be used in an Intragovernmental Service Fund.

CONTRIBUTION FROM SUBDIVIDERS. An equity account in an Enterprise Fund which shows the amount of permanent fund capital contributed to a municipally owned utility or other enterprise by subdivision developers and builders.

CONTRIBUTION FROM _____ FUND. This account is identical to CONTRIBUTION FROM GOVERNMENTAL UNIT (q.v.) except that the specific fund of origin is indicated.

CONTROL ACCOUNT. An account in the general ledger in which are recorded the aggregate of debit and credit postings to a number of identical or related accounts called subsidiary accounts. For example, the Taxes Receivable account is a control account supported by the aggregate of individual balances in individual property taxpayers' accounts. See also GENERAL LEDGER and SUBSIDIARY ACCOUNT.

COST ACCOUNTING. That method of accounting which provides for assemblying and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operation, or to complete a unit of work or a specific job.

COST LEDGER. A subsidiary record wherein each project, job, production center, process, operation, product, or service is given a separate account to which all items entering into its cost are posted in the required detail. Such accounts should be so arranged and kept that the results shown in them may be reconciled with and verified by a control account or accounts in the general books.

CURRENT. A term which, applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods.

CURRENT ASSETS. Those assets which are available or can be made readily available to meet the cost of operations or to pay current liabilities. Some examples are cash, temporary investments, and taxes receivable which will be collected within about a year from the balance sheet date.

CURRENT BUDGET. The annual budget prepared for and effective during the present fiscal year; or, in the case of some state governments, the budget for the present biennium.

CURRENT FUNDS. Funds, the resources of which are expended for operating purposes during the current fiscal period. In its usual application in plural form, it refers to general, special revenue, debt service, and enterprise funds of a governmental unit. In the singular form, the current fund is synonymous with the General Fund. See also GENERAL FUND.

CURRENT LIABILITIES. Liabilities which are payable within a relatively short period of time, usually no longer than a year.

CURRENT SPECIAL ASSESSMENTS. (1) Special assessments levied and becoming due during the current fiscal period, from the date special assessment rolls are approved by the proper authority to the date on which a penalty for non-payment is attached. (2) Special assessments levied in a prior fiscal period but becoming due in the current fiscal period, from the time they become due to the date on which a penalty for non-payment is attached.

CURRENT TAXES. (1) Taxes levied and becoming due during the current fiscal period, from the time the amount of the tax levy is first established to the date on which a penalty for non-payment is attached. (2) Taxes levied in the preceding fiscal period but becoming due in the current fiscal period, from the time they become due until a penalty for non-payment is attached.

CURRENT YEAR'S TAX LEVY. Taxes levied for the current fiscal period.

CUSTOMER DEPOSITS. The liability of an Enterprise Fund for deposits made by customers as a prerequisite to receiving services and/or goods provided by the enterprise.

DATA PROCESSING. (1) The preparation and handling of information and data from source media through prescribed procedures to obtain such end results as classification, problem solution, summarization, and reports. (2) Preparation and handling of financial information wholly or partially by mechanical or electronic means.

DEBT. An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governmental units include bonds, time warrants, notes, and floating debt. See also BOND, NOTE PAYABLE.

DEBT LIMIT. The maximum amount of gross or net debt which is legally permitted.

DEBT SERVICE FUND. A fund established to finance and account for the payment of interest and principal on all general obligation debt, serial and term, other than that payable exclusively from special assessments and revenue debt issued for and serviced by a governmental enterprise. Formerly called a SINKING FUND.

DEFERRED CHARGES. Expenditures which are not chargeable to the fiscal period in which made but are carried on the asset side of the balance sheet pending amortization or other disposition. An example is Discount on Bonds Issued.

Note. Deferred charges differ from prepaid expenses in that they usually extend over a long period of time (more than five years) and are not regularly recurring costs of operation. See also PREPAID EXPENSES.

DEFERRED CREDITS. Credit balances or items which will be spread over following accounting periods either as additions to revenue or as reductions of expenses. Examples are taxes collected in advance and premiums on bonds issued.

DEFICIT. (1) The excess of the liabilities and reserves of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of Enterprise and Intragovernmental Service Funds, the excess of expense over income during an accounting period.

DELINQUENT SPECIAL ASSESSMENTS. Special assessments remaining unpaid on and after the date on which a penalty for non-payment is attached.

DELINQUENT TAXES. Taxes remaining unpaid on and after the date on which a penalty for non-payment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or cancelled, the unpaid balances continue to be delinquent taxes until abated, cancelled, paid, or converted into tax liens.

DEPOSIT. (1) Money placed with a banking or other institution or with a person either as a general deposit subject to check or as a special deposit made for some specified purpose. (2) Securities lodged with a banking or other institution or with a person for some particular purpose. (3) Sums deposited by customers for electric meters, water meters, etc., and by contractors and others to accompany and guarantee their bids.

DEPRECIATION. (1) Expiration in the service life of fixed assets, other than wasting assets (q.v.) attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence. (2) The portion of the cost of a fixed asset other than a wasting asset which is charged as an expense during a particular period.

Note. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

DISBURSEMENTS. Payments in cash.

DOUBLE ENTRY. A system of bookkeeping which requires for every entry made to the debit side of an account or accounts an entry for a corresponding amount or amounts to the credit side of another account or accounts.

Note. Double entry bookkeeping involves the maintaining of a balance between assets on the one hand and liabilities, reserves, and fund equities on the other. To maintain this balance, it is necessary that entries for equal amounts be made in each group. Moreover, if a transaction affects only one group of accounts, such as assets, the amount or amounts debited to an account or accounts within the group must be offset by a credit to another account or accounts within the group for a corresponding amount or amounts. For example, a debit to Cash would be offset by a credit for a corresponding amount to Taxes Receivable or some other asset.

DUE FROM _____ FUND. An asset account used to indicate amounts owed to a particular fund by another fund in the same governmental unit for goods sold or services rendered. This account includes only short-term obligations on open account and not long-term loans. See ADVANCE TO _____ FUND.

DUE FROM _____ GOVERNMENT. Amounts due to the reporting governmental unit from another governmental unit. These amounts may represent grants-in-aid, shared taxes, taxes collected by another unit, loans, and charges for services rendered by the reporting unit for another government.

DUE TO FISCAL AGENT. Amounts due to fiscal agents, such as commercial banks, for servicing a governmental unit's maturing interest and principal payments on indebetedness.

DUE TO _____ FUND. A liability account used to indicate amounts owed by a particular fund to another fund in the same governmental unit for goods sold or services rendered. These amounts include only short-term obligations on open account and not long-term loans. See ADVANCE FROM _____ FUND.

DUE TO _____ GOVERNMENT. Amounts owed by the reporting governmental unit to the named governmental unit.

DUE TO RESIGNED EMPLOYEES. A liability account in a Trust Fund for an employee retirement system which represents amounts due to employee members of the system who have resigned or left the system prior to retirement.

ENCUMBRANCES. Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when the actual liability is set up.

ENDOWMENT FUND. A fund whose principal must be maintained inviolate but whose income may be expended. An endowment fund is accounted for as a Trust Fund.

ENTERPRISE FUND. A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. Examples of enterprise funds are those for water, gas, and electric utilities; swimming pools, airports; parking garages; and transit systems.

ENTRY. (1) The record of a financial transaction in its appropriate book of account. (2) The act of recording a transaction in the books of account.

EQUIPMENT. Tangible property of a more or less permanent nature, other than land, buildings, or improvements other than buildings, which is useful in carrying on operations. Examples are machinery, tools, trucks, cars, furniture, and furnishings.

ESTIMATED REVENUE. For revenue accounts kept on an accrual basis (q.v.), this term designates the amount of revenue estimated to accrue during a given period regardless of whether or not it is all to be collecting during the period. For revenue accounts kept on a cash basis (q.v.) the term designates the amount of revenue estimated to be collected during a given period. Under the modified accrual basis (q.v.) recommended for some funds by the Committee, estimated revenues for many governmental revenues will include both cash and accrual basis revenues. See also REVENUE, REVENUE RECEIPTS, CASH BASIS, ACCRUAL BASIS, and MODIFIED ACCRUAL BASIS.

ESTIMATED UNCOLLECTIBLE ACCOUNTS RECEIVABLE (Credit). That portion of accounts receivable which it is estimated will never be collected. The account is deducted from the Accounts Receivable account on the balance sheet in order to arrive at the net amount of accounts receivable.

ESTIMATED UNCOLLECTIBLE CURRENT TAXES (Credit). A provision out of tax revenues for that portion of current taxes receivable which it is estimated will never be collected. The amount is shown on the balance sheet as a deduction from the Taxes Receivable - Current account in order to arrive at the net taxes receivable.

ESTIMATED UNCOLLECTIBLE DELINQUENT TAXES (Credit). That portion of delinquent taxes receivable which it is estimated will never be collected. The account is shown on the balance sheet as a deduction from the Taxes Receivable - Delinquent account to arrive at the net delinquent taxes receivable.

ESTIMATED UNCOLLECTIBLE INTEREST AND PENALTIES ON TAXES (Credit). A provision out of interest and penalties receivable which it is estimated will never be collected. The account is shown as a deduction from the Interest and Penalties Receivable account on the balance sheet in order to arrive at the net interest and penalties receivable.

EXPENDABLE FUND. A fund whose resources, including both principal and earnings, may be expended. See also NON-EXPENDABLE FUND.

ESTIMATED UNCOLLECTIBLE TAX LIENS. That portion of tax liens receivable which it is estimated will never be collected. The account is shown as a deduction from

the Tax Liens Receivable account on the balance sheet in order to arrive at the net amount of tax liens receivable.

EXPENDITURES. Where the accounts are kept on the accrual basis (q.v.) or the modified accrual basis (q.v.), this term designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlays. Where the accounts are kept on the cash basis (q.v.), the term designates only actual cash disbursements for these purposes.

Note. Encumbrances are not expenditures.

EXPENSES. Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which are presumed to benefit the current fiscal period.

Note. Legal provisions sometimes make it necessary to treat as expenses some charges whose benefits extend over future periods. For example, purchases of materials and supplies which may be used over a period of more than one year and payments for insurance which is to be in force for a period longer than one year frequently must be charged in their entirety to the appropriation of the year in which they are incurred and classified as expenses of that year even though their benefits extend also to other periods.

FISCAL PERIOD. Any period at the end of which a governmental unit determines its financial position and the results of its operations.

FISCAL YEAR. A twelve-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations.

FIXED ASSETS. Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Note. The term does not indicate the immobility of an asset, which is the distinctive character of "fixture" (q.v.).

FIXTURES. Attachments to buildings which are not intended to be removed and which cannot be removed without damage to the latter.

Note. Those fixtures with a useful life presumed to be as long as that of the building itself are considered a part of such a building; all others are classed as equipment.

FUND. An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. See GENERAL FIXED ASSETS GROUP OF ACCOUNTS and GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS.

FUND BALANCE. The excess of the assets of a fund over its liabilities and reserves except in the case of funds subject to budgetary accounting where, prior to the end of a fiscal period, it represents the excess of the fund's assets and estimated revenues for the period over its liabilities, reserves, and appropriations for the period.

GENERAL AUDIT. An audit, made at the close of a normal accounting period, which covers all of the funds and balanced account groups of a governmental unit. Such audits may involve some detailed verifications, as determined by the professional judgment of the auditor, but usually they are based on appropriate tests and checks. See also SPECIAL AUDIT.

GENERAL FIXED ASSETS. Those fixed assets of a governmental unit which are not accounted for in an Enterprise, Trust, or Intragovernmental Service Fund.

GENERAL FIXED ASSETS GROUP OF ACCOUNTS. A self-balancing group of accounts set up to account for the general fixed assets of a governmental unit. See GENERAL FIXED ASSETS and SELF-BALANCING GROUP OF ACCOUNTS.

GENERAL FUND. A fund used to account for all transactions of a governmental unit which are not accounted for in another fund.

Note. The General Fund is used to account for the ordinary operations of a governmental unit which are financed from taxes and other general revenues.

GENERAL JOURNAL. A journal (q.v.) in which are entered all entries not recorded in special journals.

GENERAL LEDGER. A book, file, or other device which contains the accounts needed to reflect, in summary and in detail, the financial position and the results of financial operations of a governmental unit.

Note. In double entry bookkeeping (q.v.), the debits and credits in the general ledger are equal, and therefore the debit balances equal the credit balances. See also CONTROL ACCOUNT, SUBSIDIARY ACCOUNT, and SUBSIDIARY LEDGER.

GENERAL LONG-TERM DEBT. Long-term debt legally payable from general revenues and backed by the full faith and credit of a governmental unit. See LONG-TERM DEBT.

GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS. A self-balancing group of accounts set up to account for the general long-term debt of a governmental unit. See GENERAL LONG-TERM DEBT and SELF-BALANCING GROUP OF ACCOUNTS.

GENERAL OBLIGATION BONDS. Bonds for whose payment the full faith and credit of the issuing body are pledged. More commonly, but not necessarily, general obligation bonds are considered to be those payable from taxes and other general revenues. See also FULL FAITH AND CREDIT.

IMPREST SYSTEM. A system for handling minor disbursements whereby a fixed amount of money, designated as petty cash, is set aside for this purpose. Disbursements are made from time to time as needed, a receipt or petty cash voucher being completed in each case. At certain intervals, or when the petty cash is completely expended, a report with substantiating petty cash vouchers is prepared and the petty cash fund is replenished for the amount of disbursements by a check drawn on the appropriate fund bank account. The total of petty cash on hand plus the amount of signed receipts or petty cash vouchers at any one time must equal the total amount of petty cash authorized. See also PETTY CASH.

IMPROVEMENTS. Buildings, other structures, and other attachments or annexations to land which are intended to remain so attached or annexed, such as sidewalks, trees, drives, tunnels, drains, and sewers.

Note. Sidewalks, curbing, sewers, and highways are sometimes referred to as "betterments," but the term "improvements" is to be preferred.

IMPROVEMENTS OTHER THAN BUILDINGS. A fixed asset account which reflects the acquisition value of permanent improvements, other than buildings, which add value to land. Examples of such improvements are fences, retaining walls, sidewalks, pavements, gutters, tunnels, and bridges. If the improvements are purchased or constructed, this account contains the purchase or contract price. If improvements are obtained by gift, it reflects the appraised value at time of acquisition.

INCOME. A term used in accounting for governmental enterprises to represent the excess of revenues earned

over the expenses incurred in carrying on the enterprise's operations. It should not be used without an appropriate modifier, such as OPERATING, NON-OPERATING, or NET. See also OPERATING INCOME, NON-OPERATING INCOME, and NET INCOME.

Note. The term INCOME should not be used in lieu of REVENUE (q.v.) in nonenterprise funds.

INDEPENDENT AUDITOR. An auditor who is independent of the governmental unit or agency whose accounts are being audited.

INTEREST AND PENALTIES RECEIVABLE ON TAXES. The uncollected portion of interest and penalties receivable on taxes.

INTEREST RECEIVABLE ON INVESTMENTS. The amount of interest receivable on investments, exclusive of interest purchased. Interest purchased should be shown in a separate account.

INTEREST RECEIVABLE - SPECIAL ASSESSMENTS. The amount of interest receivable on unpaid installments of special assessments.

INTER-FUND ACCOUNTS. Accounts in which transactions between funds are reflected. See INTER-FUND TRANSFERS.

INTER-FUND LOANS. Loans made by one fund to another.

INTER-FUND TRANSFERS. Amounts transferred from one fund to another.

INTERGOVERNMENTAL REVENUE. Revenue received from other governments in the form of grants, shared revenues, or payments in lieu of taxes.

INTERNAL AUDIT. An independent appraisal activity within a governmental unit which: (a) determines the adequacy of the system of internal control; (b) verifies and safeguards assets; (c) checks on the reliability of the accounting and reporting system; (d) ascertains compliance with established policies and procedures; and (e) appraises performance of activities and work programs.

INTERNAL CONTROL. A plan of organization under which employees' duties are so arranged and records and procedures so designed as to make it possible to exercise effective accounting control over assets, liabilities, revenues, and expenditures. Under such a system, the work of employees is subdivided so that no single employee performs a complete cycle of operations. Thus, for example, an employee handling cash would not post the accounts receivable records. Moreover, under such a system, the procedures to be followed are definitely laid down and require proper authorizations by designated officials for all actions to be taken.

INTRAGOVERNMENTAL SERVICE FUND. A fund established to finance and account for services and commodities furnished by a designated department or agency to other departments and agencies within a single governmental unit. Amounts expended by the fund are restored thereto either from operating earnings or by transfers from other funds, so that the original fund capital is kept intact. Formerly called a Working Capital Fund.

INVENTORY. A detailed list showing quantities, descriptions, and values of property and frequently also units of measure and unit prices.

INVENTORY OF STORES FOR RESALE. The value of goods held by a governmental enterprise for resale rather than use in its own operations.

INVENTORY OF SUPPLIES. The cost value of supplies on hand.

INVESTMENT IN GENERAL FIXED ASSETS. An account in the General Fixed Assets Group of Accounts which represents the governmental unit's equity in general fixed assets (q.v.). The balance of this account is subdivided according to the source of funds which financed the asset acquisition, such as General Fund Revenues, Special Assessments, etc.

INVESTMENTS. Securities and real estate held for the production of income in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

JOURNAL. Any book of original entry (q.v.). See also REGISTER.

JOURNAL VOUCHER. A voucher (q.v.) provided for the recording of certain transactions or information in place of or supplementary to the journals or registers. The journal voucher usually contains an entry or entries, explanations, references to documentary evidence supporting the entry or entries, and the signature or initials of one or more properly authorized officials.

JUDGMENT. An amount to be paid or collected by a governmental unit as the result of a court decision, including a condemnation award in payment for private property taken for public use.

JUDGMENT BONDS. Bonds issued to fund judgments (q.v.). See also FUNDING.

JUDGMENTS PAYABLE. Amounts due to be paid by a governmental unit as the result of court decisions, including condemnation awards in payment for private property taken for public use.

LAND. A fixed asset account which reflects the value of land owned by a governmental unit. If land is purchased, this account shows the purchase price and costs such as legal fees, filling and excavation costs, and the like which are incurred to put the land in condition for its intended use. If land is acquired by gift, the account reflects its appraised value at time of acquisition.

LAPSE. (Verb) As applied to appropriations, this term denotes the automatic termination of an appropriation.

Note. Except for indeterminate appropriations (q.v.) and continuing appropriations (q.v.), an appropriation is made for a certain period of time. At the end of this period, any unexpended or unencumbered balance thereof lapses, unless otherwise provided by law.

LEDGER. A group of accounts in which are recorded the financial transactions of a governmental unit or other organization.

LEGAL DEBT LIMIT. See DEBT LIMIT.

LEGAL INVESTMENTS. (1) Investments which savings banks, insurance companies, trustees, and other fiduciaries (individual or corporate) are permitted to make by the laws of the state in which they are domiciled, or under the jurisdiction of which they operate or serve. The investments which meet the conditions imposed by law constitute the legal investment list. (2) Investments which governmental units are permitted to make by law.

LEGAL OPINION. (1) The opinion of an official authorized to render it, such as an attorney general or city attorney as to legality. (2) In the case of municipal bonds, the opinion of a specialized bond attorney as to the legality of a bond issue.

LEVY. (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a governmental unit.

LIABILITIES. Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date.

Note. The term does not include encumbrances (q.v.).

LOANS RECEIVABLE. Amounts which have been loaned to persons or organizations, including notes taken as security for such loans. The account is usually found only in the Trust and Agency Funds balance sheet.

LONG-TERM BUDGET. A budget prepared for a period longer than a fiscal year, or in the case of some state governments, a budget prepared for a period longer than a biennium. If the long-term budget is restricted to capital expenditures, it is called a CAPITAL PROGRAM (q.v.) or a CAPITAL IMPROVEMENT PROGRAM.

LONG-TERM DEBT. Debt with a maturity of more than one year after the date of issuance.

MACHINERY AND EQUIPMENT. See EQUIPMENT.

MATURED BONDS PAYABLE. Bonds which have reached or passed their maturity date but which remain unpaid.

MATURED INTEREST PAYABLE. Interest on bonds which has reached the maturity date but which remains unpaid.

MAINTENANCE. The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

MODIFIED ACCRUAL BASIS. The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues which should be accrued to reflect properly the taxes levied and the revenues earned.

NET BOOK VALUE. See BOOK VALUE.

NET INCOME. A term used in accounting for governmental enterprises to designate the excess of total revenues (q.v.) over total expenses (q.v.) for an accounting period. See also INCOME, OPERATING REVENUE, OPERATING EXPENSES, NON-OPERATING EXPENSES.

NET PROFIT. See NET INCOME.

NET REVENUE. See NET INCOME.

NOMINAL INTEREST RATE. The contractual interest rate shown on the face and in the body of a bond and representing the amount of interest to be paid, in contrast to the effective interest rate (q.v.). See also COUPON RATE.

NON-EXPENDABLE FUND. A fund, the principal and sometimes also the earnings of which may not be expended. See also ENDOWMENT FUND.

NON-EXPENDITURE DISBURSEMENTS. Disbursements which are not chargeable as expenditures; for example, a disbursement made for the purpose of paying off an account payable previously recorded on the books.

NON-OPERATING EXPENSES. Expenses (q.v.) incurred for non-operating properties or in the performance of activities not directly related to supplying the basic service by a governmental enterprise. An example of a non-operating expense is interest paid on outstanding revenue bonds. See also NON-OPERATING PROPERTIES.

NOTES PAYABLE. In general, an unconditional written promise signed by the maker to pay a certain sum in money on demand or at a fixed or determinable time either to the bearer or to the order of a person designated therein. See also TEMPORARY LOANS.

NOTES RECEIVABLE. An unconditional written promise, signed by the maker, to pay a certain sum in money on demand or at a fixed or determinable future time either to the bearer or to the order of a person designated therein. The note may be held by the reporting governmental unit as designated payee or by endorsement.

OBJECT. As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personal services, contractual services, materials, and supplies.

OBJECT CLASSIFICATION. A grouping of expenditures on the basis of goods or services purchased; for example, personal services, materials, supplies, and equipment.

OBJECTS OF EXPENDITURE. See OBJECT.

OBLIGATIONS. Amounts which a governmental unit may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

OPERATING BUDGET. A budget which applies to all outlays other than capital outlays. See BUDGET.

OPERATING EXPENSES. (1) As used in the accounts of governmental enterprises, the term means those costs which are necessary to the maintenance of the enterprise, the rendering of services; the sale of merchandise, the production and disposition of commodities produced, and the collection of enterprise revenues. (2) The term is also sometimes used to describe expenses for general governmental purposes.

OPERATING INCOME. Income of a governmental enterprise which is derived from the sale of its goods and/or services. For example, income from the sale of water by a municipal water utility is operating income. See also OPERATING REVENUES.

OPERATING REVENUES. Revenues derived from the operation of governmental enterprises of a business character.

OPERATING STATEMENT. A statement summarizing the financial operations of a governmental unit for an accounting period as contrasted with a balance sheet (q.v.) which shows financial position at a given moment in time.

OPTIONAL BOND. See CALLABLE BOND.

ORDINANCE. A formal legislative enactment by the council or governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Note. The difference between an ordinance and a resolution (q.v.) is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

OVERDRAFT. (1) The amount by which checks, drafts, or other demands for payment on the treasury or on a bank exceed the amount of the credit against which they are drawn. (2) The amount by which requisitions, purchase orders, or audited vouchers exceed the appropriation or other credit to which they are chargeable.

PERFORMANCE BUDGET. A budget wherein expenditures are based primarily upon measurable performance of activities and work programs. A performance budget may also incorporate other bases of expenditure classification, such as character and object, but these are given a subordinate status to activity performance.

PERPETUAL INVENTORY. A system whereby the inventory of units of property at any date may be obtained directly from the records without resorting to an actual physical count. A record is provided for each item or group of items to be inventoried and is so divided as to provide a running record of goods ordered, received,

and withdrawn, and the balance on hand, in units and frequently also in value.

PETTY CASH. A sum of money set aside for the purpose of making change or paying small obligations for which the issuance of a formal voucher and check would be too expensive and time-consuming. Sometimes called a petty cash fund, with the term "fund" here being used in the commercial sense of earmarked liquid assets. See also IMPREST SYSTEM.

PETTY CASH VOUCHER. A voucher used to record individual disbursements of petty cash. See IMPREST SYSTEM.

POST-AUDIT. An audit made after the transactions to be audited have taken place and have been recorded or have been approved for recording by designated officials if such approval is required. See also PRE-AUDIT.

POSTING. The act of transferring to an account in a ledger the data, either detailed or summarized, contained in a book or document of original entry.

PRE-AUDIT. An examination for the purpose of determining the propriety of proposed financial transactions and financial transactions which have already taken place but which have not yet been recorded, or, if such approval is required, before the approval of the financial transactions by designated officials for recording.

PREPAID EXPENSES. Expenses entered in the accounts for benefits not yet received. Prepaid expenses differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operations. Examples of prepaid expenses are prepaid rent, prepaid interest, and premiums on unexpired insurance. An example of a deferred charge is unamortized discounts on bonds sold.

PREPAYMENT OF TAXES. The deposit of money with a governmental unit on condition that the amount deposited is to be applied against the tax liability of a designated taxpayer after the taxes have been levied and such liability has been established. See also TAXES COLLECTED IN ADVANCE.

PRIOR YEARS' TAX LEVIES. Taxes levied for fiscal periods preceding the current one.

PROGRAM BUDGET. A budget wherein expenditures are based primarily on programs of work and secondarily on character and object. A program budget is a transitional type of budget between the traditional character and object budget, on the one hand, and the performance budget, on the other. See also PERFORMANCE BUDGET and TRADITIONAL BUDGET.

PROPRIETARY ACCOUNTS. Those accounts which show actual financial position and operations, such as actual assets, liabilities, reserves, fund balances, revenues, and expenditures, as distinguished from budgetary accounts (q.v.).

PUBLIC ACCOUNTANT. An accountant who provides his services professionally to the public.

PUBLIC ACCOUNTING. The practice of accounting for various enterprises which stand to the accountant in the relation of client rather than employer.

Note. This term is not synonymous with "governmental accounting."

PURCHASE ORDER. A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

RECEIPTS. This term, unless otherwise qualified, means cash received. See also REVENUE

REFUND. (Noun) An amount paid back or credit allowed because of an over-collection or on account of the return of an object sold. (Verb) To pay back or allow credit for an amount because of an over-collection or because of the return of an object sold. (Verb) To provide for the payment of a loan through cash or credit secured by a new loan.

REGISTER. A record for the consecutive entry of a certain class of events, documents, or transactions, with a proper notation of all the required particulars.

Note. The form of register for accounting purposes varies from a one-column to a multi-columnar sheet of special design whereon the entries are distributed, summarized, and aggregated for convenient posting to the accounts.

REGISTERED BOND. A bond whose owner is registered with the issuing governmental unit and which cannot be sold or exchanged without a change of registration. Such a bond may be registered as to principal and interest or as to principal only.

REGISTERED WARRANT. A warrant which is registered by the paying officer for future payment on account of present lack of funds and which is to be paid in the order of its registration. In some cases, such warrants are registered when issued; in others, when first presented to the paying officer by the holders. See also WARRANT.

REIMBURSEMENT. Cash or other assets received as a repayment of the cost of work or services performed or of other expenditures made for or on behalf of another governmental unit or department or for an individual, firm, or corporation.

REQUISITION. A written demand or request, usually from one department to the purchasing officer or to another department, for specified articles or services.

RESERVE. An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure. A Reserve for Inventories equal in amount to the Inventory of Supplies on the balance sheet of a General Fund is an example of such a reserve.

RESERVE FOR ADVANCE TO _____ FUND. A reserve which represents the segregation of a portion of a fund balance to indicate that assets equal to the amount of the reserve are tied up in a long-term loan to another fund and are, therefore, not available for appropriation.

RESERVE FOR DEPRECIATION. See ALLOWANCE FOR DEPRECIATION.

RESERVE FOR EMPLOYEES' CONTRIBUTIONS. A reserve in a Trust Fund for a public employee retirement system which represents the amount of accumulated contributions made by employee members plus interest earnings credited in accordance with applicable legal provisions.

RESERVE FOR EMPLOYER CONTRIBUTIONS. A reserve in a Trust Fund for a public employee retirement system which represents the amount of accumulated contributions paid by the governmental unit as employer plus interest earnings credited in accordance with applicable legal provisions.

RESERVE FOR EMPLOYER CONTRIBUTIONS - ACTUARIAL DEFICIENCY. A reserve in a Trust Fund for a public employee retirement system which represents the amount of the actuarial deficiency in contributions made by a governmental unit as employer.

RESERVE FOR ENCUMBRANCES. A reserve representing the segregation of a portion of a fund balance to provide for unliquidated encumbrances (q.v.). See also RESERVE

RESERVE FOR INVENTORY OF SUPPLIES. A reserve which represents the segregation of a portion of fund balance to indicate that assets equal to the amount of the reserve are tied up in inventories and are, therefore, not available for appropriation.

RESERVE FOR MEMBERSHIP ANNUITIES. A reserve in a Trust Fund for a public employee retirement system which represents the amount set aside for payment of annuities to retired members. In a joint contributory system this reserve is established at the time of employee retirement by transfers from accumulations in the Reserve for Employees' Contributions and the Reserve for Employer Contributions accounts.

RESERVE FOR REVENUE BOND CONTINGENCY. A reserve in an Enterprise Fund which represents the segregation of a portion of retained earnings equal to current assets that are restricted for meeting various contingencies as may be specified and defined in the revenue bond indenture.

RESERVE FOR REVENUE BOND DEBT SERVICE. A reserve in an Enterprise Fund which represents the segregation of a portion of retained earnings equal to current assets that are restricted to current servicing of revenue bonds in accordance with the terms of a bond indenture.

RESERVE FOR REVENUE BOND RETIREMENT. A reserve in an Enterprise Fund which represents the segregation of a portion of retained earnings equal to current assets that are restricted for future servicing of revenue bonds in accordance with the terms of a bond indenture.

RESERVE FOR UNCOLLECTED TAXES. A reserve representing the segregation of a portion of a fund balance equal to the amount of taxes receivable by a fund.

RESOLUTION. A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute. See also ORDINANCE.

RESTRICTED ASSETS. Moneys or other resources, the use of which is restricted by legal or contractual requirements. The most common examples of restricted assets in governmental accounting are those arising out of revenue bond indentures in Enterprise Funds. Also called RESTRICTED FUNDS, but this terminology is not preferred.

RETAINED EARNINGS. The accumulated earnings of an Enterprise or Intragovernmental Service Fund which have been retained in the fund and which are not reserved for any specific purpose.

RETIREMENT FUND. A fund out of which retirement annuities and/or other benefits are paid to authorized and designated public employees. A retirement fund is accounted for as a Trust Fund (q.v.).

REVENUE. For those revenues which are recorded on the accrual basis (q.v.), this term designates additions to assets which: (a) do not increase any liability; (b) do not represent the recovery of an expenditure; (c) do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets; and (d) do not represent contributions of fund capital in Enterprise and Intragovernmental Service Funds. The same definition applies to those cases where revenues are recorded on the modified accrual or cash basis, except that additions would be partially or entirely to cash. See also ACCRUAL BASIS, MODIFIED ACCRUAL BASIS, CASH BASIS, NET REVENUE AVAILABLE FOR DEBT SERVICE, and RECEIPTS.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of a public enterprise. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the enterprise's property and are then known as Mortgage Revenue Bonds.

REVENUE BONDS PAYABLE. A liability account which represents the face value of revenue bonds issued and outstanding.

REVENUE RECEIPTS. A term used synonymously with "revenue" (q.v.) by some governmental units which account for their revenues on a "cash basis" (q.v.). See also NON-REVENUE RECEIPTS.

REVENUES COLLECTED IN ADVANCE. A liability account which represents revenues collected before they become due.

SCHEDULES. (1) The explanatory or supplementary statements that accompany the balance sheet or other principal statements periodically prepared from the accounts. (2) The accountant's or auditor's principal work papers covering his examination of the books and accounts. (3) A written enumeration or detailed list in orderly form. See also EXHIBIT and STATEMENTS.

SECURITIES. Bonds, notes, mortgages, or other forms of negotiable or non-negotiable instruments. See also INVESTMENTS.

SELF-BALANCING GROUP OF ACCOUNTS. An independent self-balancing group of accounts which is set up to account for either the fixed assets or the long-term debts of a governmental unit which are not accounted for in its individual funds. See GENERAL FIXED ASSETS GROUP OF ACCOUNTS and GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS.

SHARED REVENUE. Revenue which is levied by one governmental unit but shared, usually in proportion to the amount collected, with another unit of government or class of governments.

SHORT-TERM DEBT. Debt with a maturity of one year or less after the date of issuance. Short-term debt usually includes floating debt, bond anticipation notes, tax anticipation notes, and interim warrants.

SINKING FUND. See DEBT SERVICE FUND.

SINKING FUND BONDS. Bonds issued under an agreement which requires the governmental unit to set aside periodically out of its revenues a sum which, with compound earnings thereon, will be sufficient to redeem the bonds at their stated date of maturity. Sinking fund bonds are usually also term bonds (q.v.).

SPECIAL ASSESSMENT. A compulsory levy made by a local government against certain properties to defray part or all of the cost of a specific improvement or service which is presumed to be of general benefit to the public and of special benefit to such properties.

Note. The term should not be used without a modifier (for example, "special assessments for street paving," or "special assessments for street sprinkling") unless the intention is to have it cover both improvements and services or unless the particular use is apparent from the context.

SPECIAL ASSESSMENT BONDS. Bonds payable from the proceeds of special assessments (q.v.). If the bonds are payable only from the collections of special assessments, they are known as "special special assessment bonds." If, in addition to the assessments, the full faith and credit of the governmental unit are pledged, they are known as "general obligation special assessment bonds."

SPECIAL ASSESSMENT FUND. A fund set up to finance and account for the construction of improvements or provision of services which are to be paid for, wholly or in part, from special assessments levied against benefited property. See also SPECIAL ASSESSMENT and SPECIAL ASSESSMENT BONDS.

SPECIAL ASSESSMENT LIENS RECEIVABLE. Claims which a governmental unit has upon properties until special assessments (q.v.) levied against them have been

paid. The term normally applies to those delinquent special assessments for the collection of which legal action has been taken through the filing of claims.

SPECIAL ASSESSMENT ROLL. The official list showing the amount of special assessments (q.v.) levied against each property presumed to be benefited by an improvement or service.

SPECIAL ASSESSMENTS RECEIVABLE - CURRENT. The uncollected portion of special assessments which a governmental unit has levied and which has become due but on which no penalty for non-payment attaches.

SPECIAL ASSESSMENTS RECEIVABLE - DELINQUENT. Special assessments remaining unpaid on and after the date on which a penalty for non-payment is attached.

SPECIAL ASSESSMENTS RECEIVABLE - DEFERRED. Special assessments which have been levied but which are not yet due.

SPECIAL DISTRICT. An independent unit of local government organized to perform a single governmental function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes; however, certain types of special districts are entirely dependent upon enterprise earnings and cannot impose taxes. Examples of special districts are water districts, drainage districts, flood control districts, hospital districts, fire protection districts, transit authorities, port authorities, and electric power authorities.

SPECIAL REVENUE FUND. A fund used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government. After the fund is established, it usually continues year after year until discontinued or revised by proper legislative authority. An example is a motor fuel tax fund used to finance highway and road construction.

SPECIAL-SPECIAL ASSESSMENT BONDS. See SPECIAL ASSESSMENT BONDS.

STATEMENT OF FINANCIAL CONDITION. See BALANCE SHEET.

STATEMENT OF FINANCIAL POSITION. See BALANCE SHEET.

STATUTE. A written law enacted by a duly organized and constituted legislative body. See also ORDINANCE, RESOLUTION, and ORDER.

SUBSIDIARY ACCOUNT. One of a group of related accounts which support in detail the debit and credit summaries recorded in a control account. An example is the individual property taxpayers' accounts for taxes receivable in the general ledger. See also CONTROL ACCOUNT and SUBSIDIARY LEDGER.

SUBSIDIARY LEDGER. A group of subsidiary accounts (q.v.) the sum of the balances of which is equal to the balance of the related control account. See also CONTROL ACCOUNT and SUBSIDIARY ACCOUNT.

SURETY BOND. A written promise to pay damages or to indemnify against losses caused by the party or parties named in the document, through non-performance or through defalcation. An example is a surety bond given by a contractor or by an official handling cash or securities.

SURPLUS. See FUND BALANCE, RETAINED EARNINGS, and INVESTMENT IN GENERAL FIXED ASSETS.

TAX ANTICIPATION NOTES. Notes (sometimes called warrants) issued in anticipation of collection of taxes, usually retirable only from tax collections, and frequently only from the proceeds of the tax levy whose collection they anticipate.

TAX ANTICIPATION WARRANTS. See TAX ANTICIPATION NOTES.

TAX CERTIFICATE. A certificate issued by a governmental unit as evidence of the conditional transfer of title to tax-delinquent property from the original owner to the holder of the certificate. If the owner does not pay the amount of the tax arrearage and other charges required by law during the specified period of redemption, the holder can foreclose to obtain title. Also called tax sale certificate and tax lien certificate in some jurisdictions.

TAX LEVY ORDINANCE. An ordinance (q.v.) by means of which taxes are levied.

TAX LIENS. Claims which governmental units have upon properties until taxes levied against them have been paid.

Note. The term is sometimes limited to those delinquent taxes for the collection of which legal action has been taken through the filing of liens.

TAX LIENS RECEIVABLE. Legal claims against property which have been exercised because of non-payment of delinquent taxes, interest, and penalties. The account includes delinquent taxes, interest, and penalties receivable up to the date the lien becomes effective and the cost of holding the sale.

TAX NOTES. See TAX ANTICIPATION NOTES.

TAX RATE. The amount of tax stated in terms of a unit of the tax base; for example, 25 mills per dollar of assessed valuation of taxable property.

TAX RATE LIMIT. The maximum rate at which a governmental unit may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments, or to all governmental units operating in a particular area. Over-all tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

TAXES. Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

Note. The term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

TAXES COLLECTED IN ADVANCE. A liability for taxes collected before the tax levy has been made or before the amount of taxpayer liability has been established.

TAXES LEVIED FOR OTHER GOVERNMENTAL UNITS. Taxes levied by the reporting governmental unit for other governmental units which, when collected, are to be paid over to these units.

TAXES RECEIVABLE - CURRENT. The uncollected portion of taxes which a governmental unit has levied and which has become due but on which no penalty for non-payment attaches.

TAXES RECEIVABLE - DELINQUENT. Taxes remaining unpaid on and after the date on which a penalty for non-payment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or cancelled, the unpaid balances continue to be delinquent taxes until paid, abated, cancelled, or converted into tax liens.

TEMPORARY LOANS. Short-term obligations representing amounts borrowed for short periods of time and usually evidenced by notes payable (q.v.) or warrants payable (q.v.). They may be unsecured, or secured by specific revenues to be collected. See also TAX ANTICIPATION NOTES.

TERM BONDS. Bonds the entire principal of which matures on one date. Also called sinking fund bonds (q.v.).

TERM BONDS PAYABLE. A liability account which records the face value of general obligation term bonds issued and outstanding.

TRADITIONAL BUDGET. A term sometimes applied to the budget of a governmental unit wherein expenditures are based entirely or primarily on objects of expenditure. See also PROGRAM BUDGET and PERFORMANCE BUDGET.

TRANSFER VOUCHER. A voucher (q.v.) authorizing transfers of cash or other resources between funds.

TRIAL BALANCE. A list of the balances of the accounts in a ledger kept by double entry (q.v.), with the debit and credit balances shown in separate columns. If the totals of the debit and credit columns are equal or their net balance agrees with a control account, the ledger from which the figures are taken is said to be "in balance."

TRUST FUND. A fund consisting of resources received and held by the governmental unit as trustee to be expended or invested in accordance with the conditions of the trust. See also ENDOWMENT FUND, PRIVATE TRUST FUND, and PUBLIC TRUST FUND.

TRUST AND AGENCY FUND. See AGENCY FUND and TRUST FUND.

UNAMORTIZED DISCOUNTS ON BONDS SOLD. That portion of the excess of the face value of bonds over the amount received from their sale which remains to be written off periodically over the life of the bonds.

UNAMORTIZED DISCOUNTS ON INVESTMENTS (Credit). That portion of the excess of the face value of securities over the amount paid for them which has not yet been written off.

UNAMORTIZED PREMIUMS ON BONDS SOLD. An account in an Enterprise Fund which represents that portion of the excess of bond proceeds over par value and which remains to be amortized over the remaining life of such bonds.

UNAMORTIZED PREMIUMS ON INVESTMENTS. That portion of the excess of the amount paid for securities over their face value which has not yet been amortized.

UNAPPROPRIATED BUDGET SURPLUS. Where the fund balance at the close of the preceding year is not included in the annual budget, this term designates that portion of the current fiscal year's estimated revenues which has not been appropriated. Where the fund balance of the preceding year is included, this term designates the estimated fund balance at the end of the current fiscal period.

UNBILLED ACCOUNTS RECEIVABLE. An account which designates the estimated amount of accounts receivable for services or commodities sold but not billed. For example, if a utility bills its customers bi-monthly but prepares monthly financial statements, the amount of services rendered or commodities sold during the first month of the bi-monthly period would be reflected in the balance sheet under this account title.

UTILITY FUND. See ENTERPRISE FUND.

VOUCHER. A written document which evidences the propriety of transactions and usually indicates the accounts in which they are to be recorded.

VOUCHER SYSTEM. A system which calls for the preparation of vouchers (q.v.) for transactions involving payments and for the recording of such vouchers in a special book of original entry (q.v.), known as a voucher register, in the order in which payment is approved.

VOUCHERS PAYABLE. Liabilities for goods and services evidenced by vouchers which have been pre-audited and approved for payment but which have not been paid.

WARRANT. An order drawn by the legislative body or an officer of a governmental unit upon its treasurer directing the latter to pay a specified amount to the person named or to the bearer. It may be payable upon demand, in which case it usually circulates the same as a bank check; or it may be payable only out of certain revenues when and if received, in which case it does not circulate as freely. See also REGISTERED WARRANT and DEPOSIT WARRANT.

WARRANTS PAYABLE. The amount of warrants outstanding and unpaid.

WORK IN PROCESS. The cost of partially completed products manufactured or processed, such as a partially completed printing job. Sometimes referred to as "work in progress." See also CONSTRUCTION WORK IN PROGRESS.

WORK IN PROGRESS. See CONSTRUCTION WORK IN PROGRESS and WORK IN PROCESS.

WORKING CAPITAL FUND. See INTRAGOVERNMENTAL SERVICE FUND.

YIELD. See EFFECTIVE INTEREST RATE.

NOTE: The terms and definitions listed were taken from the National Committee on Governmental Accounting publication - "Governmental Accounting, Auditing and Financial Reporting." For a complete listing refer to same.

APPENDIX

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