

GLOSSARY

OF TERMS

FREQUENTLY USED TERMS

| Term | Definition |
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| 100% Levy (Chapter 6) | 100% of the fund tax levies as approved by the Department |
| Appropriation (Chapter 7) | Authority by Township Board to expend funds |
| Budget Form 1 (Chapter 6) | Budget form used to estimate budgetary needs, by line item, for the ensuing budget year |
| Budget Form 2 (Chapter 6) | Budget form used to estimate revenues, other than tax money. The form consists of two columns; Column A represents the period July 1 to December 31 of the current budget year. Column B represent the period January 1 to December 31 of the ensuing budget year |
| Budget Form 3 (Chapter 6) | Budget form used to advertise the date of the public hearing, adoption meeting, budget and levy for the ensuing budget year. The form also informs taxpayers of the maximum permissible levy and appeal rights |
| Budget Form 4 (Chapter 6) | Budget form used by the Township Board approving (adopting) major budget fund classifications for the ensuing budget year |
| Budget Form 4B (Chapter 6) | Budget form used to produce a fund tax rate. Form indicates the financial information necessary to fund the ensuing budget. |
| Budget Form 5 (Chapter 6) | Budget form used to certify the budget proceedings and adopted tax rates |
| Cash (Chapter 6) | Monies on hand or invested as evidenced by entry in the unit's ledger |
| Controlled Levy (Chapter 6) | Tax monies raised which are chargeable against the Maximum Permissible Levy such as General Fund, Poor Relief Fund, Recreation Fund and Fire Fund |
| Cumulative Fund (Chapter 9) | A fund used to accumulate funds for a specific purpose of providing for capital outlay expenses and thereby avoiding debt and the corresponding interest expense. Establishing this fund is <u>totally optional</u>. |
| Debt Worksheet (Chapter 6) | Used to calculate debt payments needed to |

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| | meet debt obligations using actual amortization or lease rental schedules |
| Ensuing Budget Year (Chapter 6) | The next upcoming budget year which runs from January 1 to December 31. Also know as incoming budget year |
| Excessive Levy (Chapter 8) | An amount of money, which exceeds the maximum permissible levy. Can become a permanent increase or a one-year increase depending upon the type of appeal submitted. Appeal must be submitted to the Department before October 20 of the current year |
| Exempt Levy (Chapter 6) | Tax monies raised which are outside the Maximum Permissible Levy such as Debt Service Fund and Cumulative Fire Fund |
| Fiscal Body (Chapter 7) | Township Board |
| Levy Excess (Chapter 6) | That amount of money which is actually collected in excess of 100% of the fund levy approved by the Department |
| Line 2 Worksheet (Chapter 6) | Worksheet used to calculate line 2 of the Form 4B. It is also used to report June 30th cash balances and any outstanding loans as of June 30th of the current year. This form is used during budget workshops by the field representative. |
| Maximum Permissible Levy (Maximum Levy) (Chapter 5) | The maximum amount of tax money which may be raised in any budget year as determined by the Department |
| Township Executive (Chapter 2) | Township Trustee |