

GLOSSARY OF KEY TERMS AND CONCEPTS

ACCRUAL ACCOUNTING: a basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred

ADA: Americans with Disabilities Act

AD&D: Accidental Death and Dismemberment insurance

AFIS: Automated Fingerprint Identification System

AGENCY FUNDS: (1) a type of fiduciary fund used to report resources held by an entity in a custodial capacity; (2) a fund used to account for assets held by the City as an agent for individuals, private organizations or other governments or other funds – Agency funds usually involve receiving, investing, and remitting resources to individuals, private organizations, or other governments.

AMERICANS WITH DISABILITIES ACT: a civil rights law enacted in 1990 that prohibits discrimination against people with disabilities in the areas of employment, transportation, telecommunications, and public accommodation

APPRAISED VALUE: an estimated value for taxation

APPROPRIATION: an authorization made by City Council which permits the City to incur obligations and to make expenditures of resources

APPROPRIATION ORDINANCE: the official enactment, by the City Council, to legally authorize City staff to obligate and expend resources

ASSESSED VALUE: a value set on real estate and used as the basis for levying property taxes

AUDIT: a comprehensive review of the manner in which the City's resources were actually utilized – The main purpose of an audit is to issue an opinion over the presentation of financial statements and to test the controls over the safekeeping of assets, while making any recommendations for improvement where necessary. The City's audit is conducted by an independent auditor.

AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM: a biometric identification methodology that uses digital imaging technology to obtain, store, and analyze fingerprint data. The AFIS was originally used by the U.S. Federal Bureau of Investigation (FBI) in criminal cases.

BEGINNING BALANCE: a revenue source determined by the net result of estimated total revenues less estimated total expenditures of the previous fiscal year for any fund

BOND: a written promise to pay a sum of money on a specific date(s) at a specific interest rate – The interest payments and the repayment of the principal are detailed in a bond ordinance.

BONDED DEBT: that portion of indebtedness represented by outstanding bonds

BUDGET: a financial plan for a specified period of operations that matches all planned revenues and expenditures with the services provided to the residents of the City

BUDGET CALENDAR: the schedule of key dates which the City follows in the preparation and adoption of the budget

BUDGET DOCUMENT: the instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council

BUDGET MESSAGE: the opening section of the budget from the City Manager which provides the City Council and the public with a general summary of the most important aspects of the budget

BUDGET PROCESS: the chronology of adopting the budget

BUDGETARY CONTROL: the control or management of a government or enterprise in accordance with an approved budget for keeping expenditures within the limitations of available appropriations and available revenues

CAD: Computer Aided Dispatch

CAFR: Comprehensive Annual Financial Report

CAPR: Comprehensive Annual Performance Report

CAPITAL INVESTMENTS PLAN (CIP): Each year a five-year projection of City projects costing at least \$10,000 is compiled into a Capital Investments Plan. The CIP is produced by the City Manager and approved by City Council. The first year of the approved CIP is incorporated in the annual operating budget. All projects shown in the CIP include a description, implementation schedule, source of funds, needs statement, and statement of effect on the operating budget.

CAPITAL OUTLAY: an item which has an economic/useful life of more than one year and costs \$600 or more per unit – They are shown in the 40 series (or higher in the Improvement and Extension Fund) of accounts in the budget. They are not necessarily included in the CIP.

CAPITAL PROJECT FUND: a fund used to account for financial resources to be used for the acquisition or construction of major capital facilities, with a life expectancy of more than one year

CDEDC: Central Delaware Economic Development Council

CENTRAL DELAWARE ECONOMIC DEVELOPMENT COUNCIL: a public/private partnership between Kent County Levy Court and the Central Delaware Chamber of Commerce Report

CIP: Capital Investments Plan

CITY CHARTER: the document of a home rule City, similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among various branches of government

CITY COUNCIL: Council President and eight Council members collectively acting as the legislative and policy making body of the City

CJIS: Criminal Justice Information System

CLFC: Creating Lasting Family Connections

COMPREHENSIVE ANNUAL FINANCIAL REPORT: the official annual report for the City of Dover – It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COMPREHENSIVE ANNUAL PERFORMANCE REPORT: a report covering all phases of operations by comparing the actual results against those anticipated in a stated budget

COMPUTER AIDED DISPATCH (CAD): a system used to insure the availability of current response and notification information

CONTINGENCY FUND: a reserve fund to be used only in case of emergency and upon the authorization of City Council

CONTRACTUAL SERVICES: the costs related to services performed for the City by individuals, businesses, or utilities

CREATING LASTING FAMILY CONNECTIONS: a comprehensive family strengthening, substance abuse, and violence prevention curriculum designed for youth nine to 17 years old and their families

CURRENT TAXES: taxes levied and due within one year

D.A.R.E.: Drug Awareness Resistance Education – a program to teach kids how to recognize and resist the direct and subtle pressures that influence them to experiment with alcohol, tobacco, marijuana, and other drugs

DEBT SERVICE: the annual payment of principal and interest on bonded indebtedness

DELAWARE JUSTICE INFORMATION SYSTEM: the central state agency responsible for providing efficient and reliable development and operation of the hardware, software, network, and database which comprise the Criminal Justice Information System (CJIS)

DELAWARE PREVENTION NETWORK (DPN): DPN is a program focusing on wellness through the prevention of alcohol, tobacco, and other drug abuse, as well as the prevention of violence throughout the State of Delaware. DPN is based on the principles of the Creating Lasting Family Connections model.

DELINQUENT TAXES: taxes that remain unpaid after the date on which a penalty for nonpayment is attached, i.e., tax statements are mailed out in July and become delinquent if unpaid by July 31

DELJIS: Delaware Justice Information System

DEPARTMENT: a major administrative organizational unit of the City which indicates overall management responsibility for one or more divisions

DEPRECIATION: the expiration of the useful life of a fixed asset over a determined period of time

DISTINGUISHED BUDGET PRESENTATION PROGRAM: a voluntary program administered by the Government Finance Officers Association to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them

DIVISION: a major administrative organizational unit of the City which indicates overall management responsibility for one or more activities

DPN: Delaware Prevention Network

DSWA: Delaware Solid Waste Authority

EEO: Equal Employment Opportunity – policies, programs, and legislation designed to affirm or provide equal access to initial employment and to occupational benefits, promotions, and other opportunities during employment for traditionally disadvantaged groups

EMERGENCY OPERATIONS PLAN (EOP): a plan that provides a basis for coordinated emergency operations throughout the City prior to, during, and after a disaster – man-made or natural.

ENCUMBRANCE: the commitment of appropriated funds to purchase an item or service – To encumber funds means to set aside or commit funds for future expenditure.

ENTERPRISE FUND (PROPRIETARY FUND): a fund established to account for operations which are financed and operated in a similar manner to private business where the intent is that the cost of providing the service is financed or recovered primarily through user charges

EOP: Emergency Operations Plan

ESTIMATED REVENUE: the amount of projected revenues to be collected during the fiscal year

EXPENDITURES: a decrease in the net financial resources of the City due to the acquisition of goods and/or services

FISCAL YEAR (FY): a 12-month period to which the annual operating budget and CIP apply – The City's fiscal year starts July 1 and ends June 30.

FOP: Fraternal Order of Police

FRANCHISE FEE: a fee levied on a corporation in return for granting a privilege, sanctioning a monopoly, or permitting the use of public property – The City collects a franchise fee from Comcast Cable Television.

FRATERNAL ORDER OF POLICE (FOP): the world's largest organization of sworn law enforcement officers, with more than 310,000 members in more than 2,100 lodges. The FOP is committed to improving the working conditions of law enforcement officers and the safety of those they serve through education, legislation, information, community involvement, and employee representation.

FUND: revenues and expenditures segregated for carrying on specific activities or attaining certain objectives in accordance with special regulations or limitations – In government, each fund constitutes an independent fiscal and accounting entity.

FUND BALANCE: the excess of assets over liabilities

FUND ACCOUNTING: a governmental accounting system that is organized and operated on a fund basis

FUND TYPE: governmental accounting includes eight types of funds: general, special, debt service, capital, enterprise, internal service, trust, and agency – These types are indicative of accounting procedures to be used and the function of each type.

FUNDING SOURCE: identifies the source of revenue to fund both the operating and capital appropriations

GAAP: Generally Accepted Accounting Principles

GASB: Government Accounting Standards Board

GASB 34 (GASB STATEMENT NO. 34): Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments – The new financial reporting model established by GASB for state and local governments

GDAC: Greater Dover Arts Council – an organization whose mission is to promote excellence, access, and education in the Visual Performing Arts, by promoting and assisting Arts organizations in the Greater Dover Area

GENERAL FUND: the fund used to account for all financial resources except those required to be accounted for in another fund

GENERAL OBLIGATION BOND: bonds which are backed by the full faith and credit of the City

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): uniform minimum standards and guidelines for financial accounting and reporting – The primary authoritative body of the application of GAAP to state and local governments is the GASB.

GEOGRAPHIC INFORMATION SYSTEM (GIS): a system of hardware, software, and procedures designed to support the capture, management, manipulation, analysis, modeling and display of spatially-referenced data for solving complex planning and management problems

GFOA: Government Finance Officers Association

GIS: Geographic Information System

GOAL: a statement of broad direction, purpose, or intent based on the needs of the community – A goal is general and timeless.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB): the authoritative accounting and financial reporting standard-setting body for state and local governments

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA): an association of public finance professionals founded in 1906 as the Municipal Finance Officers Association

GOVERNMENTAL FUNDS:

GRANT: contribution by a government or other organization to support a particular function – Grants may be classified as either categorical or block depending upon the discretion allowed the grantee.

GREATER DOVER ARTS COUNCIL (GDAC): an organization whose mission is to promote excellence, access, and education in the Visual Performing Arts, by promoting and assisting Arts organizations in the Greater Dover Area

HTE: a subsidiary of Sunguard HTE, Inc. based in Florida – a leader in government information technologies, providing a broad range of innovative software solutions to government offices, agencies, and utility companies throughout North America

HVAC: Heating, Ventilating, and Air Conditioning

INFORMATION SYSTEMS PLAN: The City of Dover developed a Long-Range Strategic Plan for their information systems needs. This plan covers a span of seven years and is annually adjusted.

INFRASTRUCTURE: the basic facilities, equipment, services, and installations needed for the growth and functioning of a country, community, or organization

INTEREST EARNINGS: the earnings from available funds invested during the year in U.S. Treasury Bonds, Government Agencies, and Certificates of Deposits

INTRAFUND SERVICE FEES: costs associated with the purchases of goods and services between funds for a price approximating their exchange value

INTRAFUND SERVICE RECEIPTS: receipts from the sale of goods or services between funds for a price approximating their exchange value

INTRAFUND TRANSFERS: flows of assets (cash or goods) between funds without reciprocating flows of assets and without requirement for repayment

INTERGOVERNMENTAL SERVICE FUND: The City has established an internal service fund for allocating those expenses which are chargeable to more than one fund of the City.

INTERNAL CONTROLS:

INVESTMENTS: securities, bonds, and real property (land or buildings) held for the production of revenues in the form of interest, dividends, rentals, or lease payments – The term does not include fixed assets used in the normal course of governmental operations.

IUE: International Union of Electronic, Electrical, Salaried, Machine, and Furniture Workers

KILOWATT: 1,000 watts

KV: Kilovolt – 1,000 volts

kWh: Kilowatt-hour – a unit of work or energy equal to that expended by one kilowatt in one hour

LAW ENFORCEMENT INVESTIGATIVE SUPPORT SYSTEM (LEISS): a police report/warrant writing application designed by DELJIS which gives police officers statewide a common program with which to write their reports either in their patrol cars or in the station.

LEISS: Law Enforcement Investigative Support System

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

LINE ITEM BUDGET: a budget which lists each expenditure category (salary, benefits, office supplies, etc.) separately along with the dollar amount budgeted for each category

LONG-TERM DEBT: unmatured debt of a government expected to be repaid from government funds – An average repayment schedule is 20 years.

MAINTENANCE: all materials or contract expenditures covering repair and upkeep of City buildings, machinery and equipment, systems, and land

MATERIALS AND SUPPLIES: expendable materials and operating supplies necessary to conduct departmental activity

MISSION: broad, general statements of each division's desired social or organizational outcomes

MODIFIED ACCRUAL ACCOUNTING: a basis of accounting in which revenues are recognized in the accounting period when they become available and measurable – Expenditures are recognized in the accounting period in which the fund liability is incurred.

NATIONAL CRIME INFORMATION CENTER (NCIC): a computerized index of criminal justice information (i.e., criminal record history information, fugitives, stolen properties, missing persons) available to Federal, state, and local law enforcement and other criminal justice agencies and is operational 24 hours a day, 365 days a year

NCIC: National Crime Information Center

NCALL: National Council on Agricultural Life & Labor Research Fund, Inc. – a multi-faceted nonprofit housing corporation based in Dover, Delaware that offers a variety of housing development technical assistance services to local nonprofit sponsors, along with educational direct services to low and moderate income households in need of housing improvement

NET CURRENT ASSETS: total to date (day, month, or year) of all current assets (cash, investments, property, etc.) after all current obligations are met

OBJECTIVE: an item to be accomplished in specific, well-defined, and measurable terms and achievable within a specific time frame

OPERATING BUDGET: plans of current expenditures and the proposed means of financing them – The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of an annual operating budget is usually required by law.

OPERATING EXPENSES: day-to-day expenses for personnel services, materials, supplies, utilities, consulting services, and administrative expenses – They are shown in the 10, 20, and 30 series of accounts in the budget.

ORDINANCE: a formal legislative enactment by the governing board 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. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments, and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of endorsements are known.

PART-TIME: Part-time employees work less than 30 hours per week and are not entitled to full-time employee benefits.

PAS: Public Administration Service – a consulting firm based in Florida and Virginia that specializes in organizational reviews of municipal governments

PAYMENT IN LIEU OF TAXES: payment made from a property owner not subject to taxation for compensation for services rendered to the property owner which normally are financed through property taxes

PER CAPITA COSTS: the cost of service per person – Per capita costs are based on a 33,829 population estimate.

PERFORMANCE MEASURES: specific quantitative measures of work performed within an activity or program – They may also measure results obtained through an activity or program.

PRIMARY PROGRAMS: specific goals divisions have set to accomplish within a specified time frame

PRODUCTIVITY STANDARDS: a quantifiable measurement of activity of a department or function

PROPERTY TAXES: description of all revenues received in a period from current taxes, delinquent taxes, penalties, and interest on delinquent taxes – Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

PUBLIC HEARING: the portions of open meetings held to present evidence and provide information on both sides of an issue

PURCHASED POWER: electricity bought from another generating entity for one or two reasons:

- It is less expensive to buy than to generate ourselves.
- We are unable to generate enough to meet our needs.

REQUEST FOR PROPOSALS: a solicitation for professional services necessary to address a particular deficiency, problem or point of interest – Proposals are sought to determine whether or not there are qualified entities or individuals who can address the particular issue. These proposals often included the firm's or individual's approach to the problem, a history of their achievements, and their ability to complete the work necessary to address the issue.

REQUEST FOR QUALIFICATIONS (RFQ): a document describing a project for which professional services are required (Engineer, Architect, etc.) and requesting a statement from service providers as to how they would be able to deliver the services necessary to complete the project. It is much like a Request for Proposals but price of a contract is not the primary criteria for review.

RESERVE: an account used to indicate that a portion of a fund balance is restricted for a specific purpose

REVENUE BONDS: bonds issued with the repayment based on pledged revenues from a revenue generating activity – The City has issued revenue bonds for water/wastewater and electric projects.

REVENUES: (1) increases in the net current assets of a governmental fund type from sources other than expenditure refunds and residual equity transfers – Also, general long-term debt proceeds and operating transfers-in are classified as “other financing sources” rather than as revenues. (2) increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions, and residual equity transfers – Also, operating transfers-in are classified separately from revenues.

RFP: Request for Proposals

RFQ: Request for Qualifications

RISK MANAGEMENT: an organized attempt to protect a government's assets against accidental loss in the most economic method

RMS: Records Management System

SCADA SYSTEM: Supervisory Control and Data Acquisition System – a system that monitors and controls remote equipment for the Electric and Public Works Departments

SINKING FUND: a fund used to accumulate the cash needed to pay off a bond or other security

SOP: Strategic Organization Plan

SPECIAL ASSESSMENT DEBT: the total of accumulated or remaining unpaid non-payments

SPECIAL REVENUE FUND: a fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable, trusts or for major capital projects) that are legally restricted to expenditures for specified purposes

STRATEGIC ORGANIZATION PLAN (SOP): The purpose of the Plan is to unify services, programs, and projects under a City-wide vision and mission developed by the City Council. It is also intended to set forth measurable goals for each of its departments that are used to evaluate its performance in the future.

THREE-YEAR BUDGET: The first year of this presentation is the operating budget that must be adopted by the City Council. The two future years are presented for planning purposes only. They are included so that Council and the public are aware of major revenue and expenditure impacts anticipated in the future.

TRUST FUNDS: funds used to account for assets held by the City on a trustee capacity for individuals, private organizations and/or other funds

ZERO-BASED BUDGETING: (1) in *government*: the approach of justifying the budget and its program for each year or two, instead of studying funding increases or decreases in the programs separately as the need arises; (2) in *accounting and budgeting*: a financial management technique to redirect funds from lower-priority current programs to higher ones to pinpoint opportunities for improved efficiency and effectiveness, to reduce budgets while raising operating performance, and to improve profitability.