SCHOOL DISTRICT OF WASHBURN
REFERENDUM GLOSSARY OF TERMS

4K	Four-Year-Old Kindergarten
Annual Report	A formal financial report filed with the DPI at the end of each fiscal year. The data in this report is used to calculate most state aids.
Assessed Valuation	The property valuation determined by the municipal (city, village, town, or county) assessor as of January 1 in any given year. It is important that property of equal value be assessed at equal amounts, but it is not necessary that the amounts reflect the true sale value of the property. State law requires that total assessments within a municipality be within 10 percent of equalized valuation no less frequently than every five years.
Assessment Ratio	The ratio of assessed to equalized valuation.
Asset	1. A resource with economic value that an individual or organization owns or controls with the expectation that it will provide future benefit. 2. A balance sheet item representing what an organization owns.
Audit	An examination of records and documents, and the securing of other evidence, for one or more of the following purposes: (A) To attest to the fairness of management's assertions in financial statements, (B) To evaluate whether management has efficiently and effectively carried out its responsibilities, (C) Determining the propriety of transactions (D) Ascertaining whether all transactions are accurately recorded, and (E) Determining whether transactions are accurately recorded in the accounts and in the statements drawn from the accounts.
Auditor's Report	In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with GAAP or some other comprehensive basis of accounting.
Bond	A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.
Bond Anticipation Note	Short-term debt incurred to provide funds on an interim basis in anticipation of long-term debt being issued on a future date. This type of note is most commonly issued to provide interim funds for a capital project.
Budget	A plan of financial operation embodying an estimate of proposed revenues and expenditures for a given accounting period.

Budget Report	A formal report filed with the DPI each fall that details the school board-approved budget for the fiscal year. Also known as the fall budget report.
Capital Expansion Fund	A fund that may be authorized at an annual meeting of electors in a common school district or by the school board of a unified school district for the purpose of accumulating monies to be used for acquiring, remodeling, or maintaining buildings and sites, and maintenance or repair expenditures that extend or enhance the service life of the building and building components, sites and site components. Monies budgeted into this fund are included in the district's total revenue limit. Capital expansion fund expenditures are amortized over the number of years a tax is levied into the fund.
Cash Balance	The actual cash on hand at a specific point in time. Many school districts will have a negative cash balance at some point in the year unless they borrow. Cash balance is contrasted to fund balance in that it includes only cash.
Cooperative Educational Service Agency	A grouping of school districts, headed by a board of control, charged with implementing and operating cooperative programs among member districts and ensuring proper school district organization. Each school district in Wisconsin except Milwaukee, Racine, and Kenosha is in a CESA area (Washburn= CESA 12)
Class Size	The enrollment in a class as of a given date.
Credit Rating	A rating that establishes the school district's relative risk to a purchaser of debt in comparison with other debt issued by other entities. Debt of public entities is rated by one or more of three rating agencies: Moody's Investors Service, Standard and Poor's, and Fitch Investment Services.
Defeasance	The irrevocable setting aside where a borrower sets aside cash or assets for repayment of a debt without actual retirement of the debt.
Deficit Spending	The amount by which total expenditures exceed total revenues for the fiscal year. Deficit spending reduces the fund balance.
Department of Public Instruction (DPI)	The state agency, headed by an elected state superintendent, charged with supervising and guiding elementary and secondary education in Wisconsin.
Enrollment	The number of pupils officially enrolled as eligible to attend class, whether such pupils are actually in attendance on that day or not, plus pupils enrolled in homebound instruction.
Equalized Aid	A component of general state aid distributed to school districts based on a formula that considers each district's equalized valuation, membership, and cost.
Equalized Valuation	The assessed valuation multiplied by an adjustment factor computed by the Wisconsin Department of Revenue for each type of property in each taxing district, designed to cause each type of property to have comparable value regardless of local assessment practices. The objective is for equalized valuation to reflect the fair market value of each piece of property. (Fair Market Value- The value that would be agreed upon between a willing buyer and a willing seller in an "Arm's Length" transaction where neither is required to act.)
Escrow Account	An escrow account is established to hold separate funds for paying bills such as

	other post-employment benefits and notes/bonds.
Financial Statements	The document, published at periodic intervals, such as monthly, provides a summary of the financial transactions of the school district for the specified reporting period or as of the date of the financial report.
Fiscal Year	A 12-month accounting period at the end of which a school district determines its financial condition and the results of its operations and closes its books. Wisconsin school districts have a July 1 through June 30 fiscal year.
Fund Balance	Represents the cumulative surpluses and deficits over the years. Fund balance is often equated with a school district's financial condition; however, it does not account for long-term obligations (see net assets). Fund balance differs from cash balance because it includes certain amounts owed to or by the school district.
General Obligation Debt	The debt incurred by a school district, the repayment of which is secured by the district's general taxing authority.
Levy	To impose taxes or special assessments. The total of taxes or special assessments imposed by a governmental unit.
Levy Rate	In property taxation, the amount of tax to be raised is divided by the value of property to be taxed; often expressed in mills of the tax per dollar of property value, hence the term "Mill Rate".
Local Educational Agency (LEA)	In Wisconsin, a school district. Each LEA has a numerical identification number.
Mill Rate	An amount, stated in "Dollars and cents per thousand," that is calculated by dividing the total tax levy by the total value of property to be taxed.
Open Enrollment	A school enrollment program that allows parents to apply for their children to attend school in a school district other than the one in which they reside.
Policy	A governing principle, plan, or guide for action.
Property Valuation	The dollar value placed on land and buildings for purposes of administering property taxes. Two commonly used methods of describing property valuation are assessed and equalized. Equalized valuation may either include or exclude a TIF increment.
Pupil	An individual for whom instruction is provided in an educational program under the jurisdiction of a school, school system, or other educational institution. No distinction is made between the terms "student" and "pupil". A pupil may receive instruction in a school facility or in another location, such as at home or in a hospital. Instruction may be provided through direct pupil-teacher interaction or another approved medium, such as television, radio, telephone, and correspondence.
Pupil Count	One of the following methods of determining the number of pupils in a class, school, or school district.
Revenue Limit	The maximum amount of revenue that may be raised through state general aid

	and property tax for the general, non-referendum debt (authorized after August 12, 1993), and capital expansion funds, also referred to as funds 10, 38, and 41 respectively. (Prior to 01-02, the community service was included in the revenue limit.) Wisconsin Act 16 implemented revenue limits beginning with the 1993-94 school year.
Short-Term Debt	Debt that is issued for short periods of time. Most short-term borrowing is in the form of tax and revenue anticipation notes for cash flow purposes or bond anticipation notes as an intermediary step to issuing long-term debt for capital projects.
Tax Incremental District (TID)	The actual physical area (whole parcels) designated for improvements using tax incremental financing.
Tax Incremental Finance (TIF)	A financing mechanism available only to municipalities to provide incentives for economic development in a specified geographic area. Taxes collected within the TID are restricted to pay the cost of infrastructure related to development of the TID until such costs have been paid.