



# STATE OF WISCONSIN CONTINUING DISCLOSURE ANNUAL REPORT

FILED PURSUANT TO UNDERTAKINGS PROVIDED TO PERMIT COMPLIANCE WITH  
SECURITIES EXCHANGE COMMISSION RULE 15C2-12

## GENERAL OBLIGATIONS

(Base CUSIPs 977055, 977056, and 97705L)

## MASTER LEASE CERTIFICATES OF PARTICIPATION

(Base CUSIP 977087)

## TRANSPORTATION REVENUE OBLIGATIONS

(Base CUSIP 977123)

## CLEAN WATER REVENUE BONDS

(Base CUSIP 977092)

## PETROLEUM INSPECTION FEE REVENUE OBLIGATIONS

(Base CUSIP 977109)

## GENERAL FUND ANNUAL APPROPRIATION BONDS

(Base CUSIP 977100)

**DECEMBER 27, 2013**



SCOTT WALKER  
GOVERNOR

MIKE HUEBSCH  
SECRETARY

Division of Executive Budget and Finance  
Capital Finance Office  
Post Office Box 7864  
Madison, WI 53707-7864

TTY (608) 261-6630  
[www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

---

December 27, 2013

Thank you for your interest in the State of Wisconsin.

This is the Continuing Disclosure Annual Report for the fiscal year ending June 30, 2013 (**2013 Annual Report**).

The 2013 Annual Report provides information on different securities that the State issues and is provided under the State's continuing disclosure undertakings. These undertakings of the State are intended to help dealers and brokers comply with Rule 15c2-12 under the Securities Exchange Act of 1934. As of this date, the State has filed the 2013 Annual Report with the Municipal Securities Rulemaking Board (**MSRB**) through the MSRB's Electronic Municipal Market Access (**EMMA**) system. EMMA receives, and makes available to the public, continuing disclosure documents and related information that is provided by issuers and obligated persons.

Official Statements for securities that the State issues during calendar year 2014 may incorporate parts of this 2013 Annual Report by reference.

### **Organization of the 2013 Annual Report**

The 2013 Annual Report is divided into eight parts. The first two parts present general information.

- **Part I** presents the **State's continuing disclosure undertakings**. A Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) establishes a general framework. Separate addenda describe the information to be provided for specific types of securities.
- **Part II** presents **general information about the State**, including its operations and financial results. This part includes the General Purpose External Financial Statements portion of the audited Comprehensive Annual Financial Report for the fiscal year ending June 30, 2013. This part also provides information on the 2013-15 biennial budget and the results of the 2012-13 fiscal year.

The remaining parts present information about different types of securities that the State issues.

- **Part III – General obligations (including bonds, commercial paper, and extendible municipal commercial paper)**
- **Part IV – Master lease certificates of participation**
- **Part V – Transportation revenue obligations (including bonds and commercial paper)**
- **Part VI – Clean water revenue bonds**
- **Part VII – Petroleum inspection fee revenue obligations (including bonds and extendible municipal commercial paper)**
- **Part VIII – General fund annual appropriation bonds (including bonds and variable rate notes)**

Please note that certain terms may have different meanings in different parts.

### **Ratings on the State's Securities**

The following chart presents a summary of the long-term ratings currently assigned to different types of securities that the State issues.

<u>Security</u>	<u>Fitch Ratings</u>	<u>Kroll Bond Rating Agency, Inc.<sup>(a)</sup></u>	<u>Moody's Investors Service, Inc.</u>	<u>Standard &amp; Poor's Ratings Services</u>
General Obligations	AA	AA	Aa2	AA
Master Lease Certificates of Participation	AA-	—	Aa3	AA-
Transportation Revenue Bonds	AA+	—	Aa2	AA+
Clean Water Revenue Bonds	AA+	—	Aa1	AA+
Petroleum Inspection Fee Revenue Bonds	AA	—	Aa2	AA
General Fund Annual Appropriation Bonds	AA-	—	Aa3	AA-

<sup>(a)</sup> The State of Wisconsin secured a long-term general obligation rating from Kroll Bond Rating Agency, Inc. on October 8, 2013. The State expects to secure in the first quarter of calendar year 2014 ratings from Kroll for its appropriation obligations.

### **How to Get Additional Information**

If you are interested in information about securities that the State issues, please contact the Capital Finance Office; *the Capital Finance Office is the only party authorized to speak on the State's behalf about the State's securities.*

The Capital Finance Office maintains a web site that provides access to both disclosure and non disclosure information.

[www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

December 27, 2013

Page 3

The Capital Finance Office posts to this web site general fund cash flow reports and all event and additional (voluntary) filings that it makes through MSRB's EMMA system.

We welcome your comments or suggestions about the format and content of the 2013 Annual Report. I can be reached at (608) 266-2305 or [DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov).

Sincerely,

/s/ KEVIN D. TAYLOR

Kevin D. Taylor  
Capital Finance Director

**SUMMARY OF OUTSTANDING STATE OF WISCONSIN OBLIGATIONS  
AS OF DECEMBER 15, 2013**

	<u>Principal Balance 12/15/2012</u>	<u>Principal Issued 12/15/2012 - 12/15/13</u>	<u>Principal Matured, Redeemed, or Defeased 12/15/2012 - 12/15/13</u>	<u>Principal Balance 12/15/2013</u>
<b><u>GENERAL OBLIGATIONS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$8,014,705,521</b>	<b>\$1,047,765,000</b>	<b>\$1,034,939,277</b>	<b>\$8,027,531,244</b>
General Purpose Revenue (GPR)	5,314,548,734	549,922,993	655,942,724	5,208,529,003
Self-Amortizing: Veterans	120,820,000	—	34,895,000	85,925,000
Self-Amortizing: Other	2,579,336,786	497,842,007	344,101,552	2,733,077,241
<b><u>MASTER LEASE CERTIFICATES OF PARTICIPATION</u></b>				
<b>Total</b>	<b>\$ 55,891,494</b>	<b>\$ 29,515,658</b>	<b>\$ 18,611,612</b>	<b>\$ 66,795,540</b>
<b><u>TRANSPORTATION REVENUE OBLIGATIONS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$1,806,153,000</b>	<b>\$ 259,680,000</b>	<b>\$ 192,930,000</b>	<b>\$1,872,903,000</b>
<b><u>CLEAN WATER REVENUE BONDS</u></b>				
<b>Total</b>	<b>\$ 885,510,000</b>	<b>\$ 82,845,000</b>	<b>\$ 145,415,000</b>	<b>\$ 822,940,000</b>
<b><u>PETROLEUM INSPECTION FEE REVENUE OBLIGATIONS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$ 188,610,000</b>	—	<b>\$ 24,165,000</b>	<b>\$ 164,445,000</b>
<b><u>GENERAL FUND ANNUAL APPROPRIATION BONDS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$3,302,625,000</b>	<b>\$ 251,555,000</b>	<b>\$294,690,000</b>	<b>\$3,259,490,000</b>

(a) This table also includes variable rate obligations that have been issued by the State.

# TABLE OF CONTENTS

Page

---

## PART III GENERAL OBLIGATIONS

---

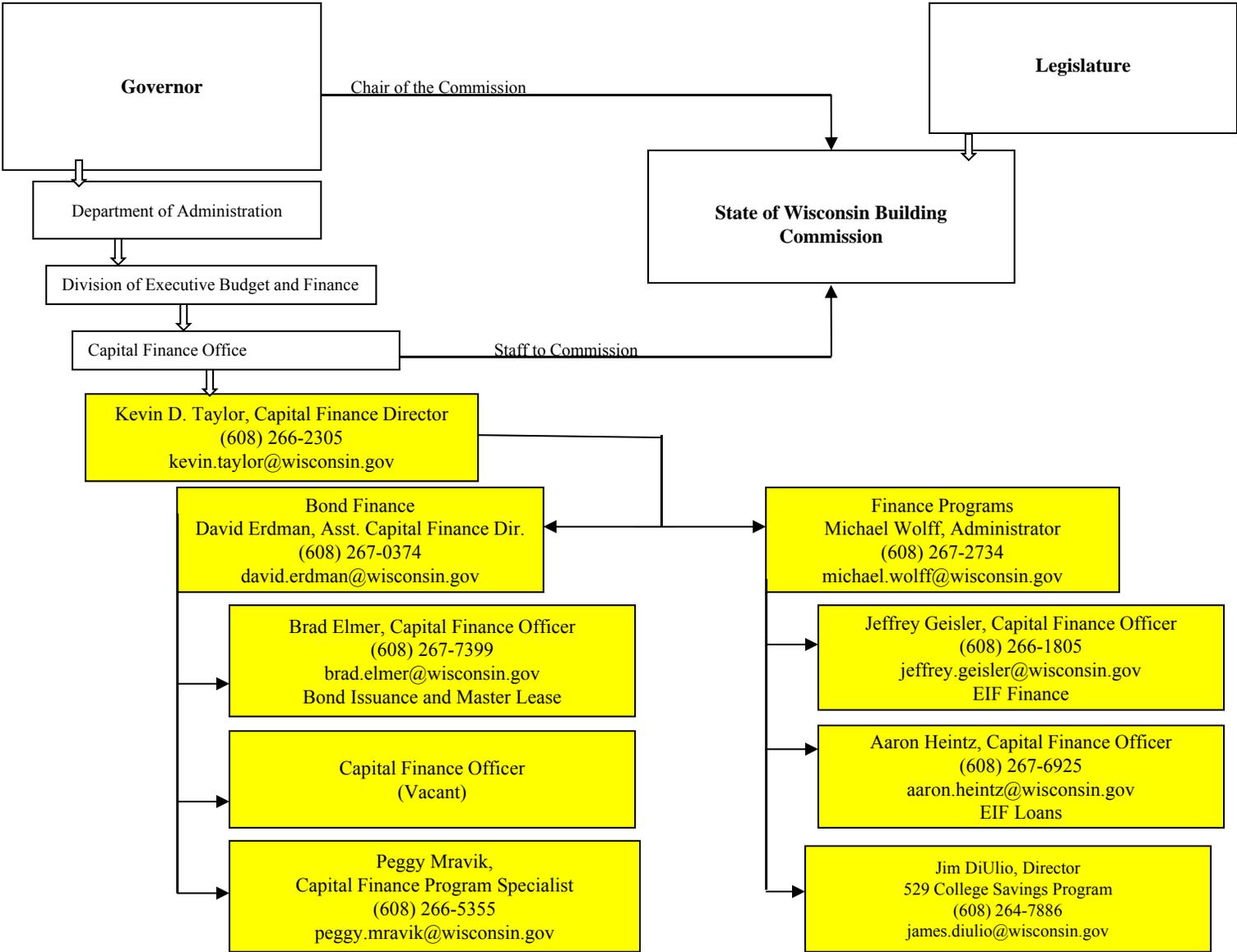
INTRODUCTION.....	90
SECURITY PROVISIONS FOR GENERAL OBLIGATIONS .....	91
Security .....	91
Flow of Funds to Pay Debt Service on General Obligations.....	92
Purposes of General Obligations .....	92
Limitations on Issuance of General Obligations.....	92
Authorization of General Obligations .....	93
DEBT INFORMATION .....	99
VARIABLE RATE OBLIGATIONS .....	110
Commercial Paper Notes .....	110
Extendible Municipal Commercial Paper .....	112
REVENUE-SUPPORTED GENERAL OBLIGATION	
DEBT.....	113
General .....	113
Veterans Housing Loan Program.....	114
Financial and Statistical Information .....	123

---

# TABLE OF TABLES

Table	Page	Table	Page
<hr/> <p><b>PART III</b></p> <p><b>GENERAL OBLIGATIONS</b></p> <hr/>			
III-1	94	III-25	130
III-2	99	Subject to Special Redemption.....	
III-3	105	III-26	131
III-4	105	Housing and HILP Loans Funded with Veterans	
III-5	106	Mortgage Bonds .....	
III-6	106		
III-7	107		
III-8	107		
III-9	108		
III-10	109		
III-11	109		
III-12	110		
III-13	112		
III-14	116		
III-15	117		
III-16	118		
III-17	119		
III-18	123		
III-19	124		
III-20	125		
III-21	126		
III-22	127		
III-23	128		
III-24	129		

**Capital Finance Office Staff (December 15, 2013)**



# STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF BONDS AND NOTES

## BUILDING COMMISSION MEMBERS\*

### Voting Members

	<b>Term of Office Expires</b>
Governor Scott Walker, Chairperson	January 5, 2015
Representative Dean Kaufert, Vice-Chairperson	January 5, 2015
Senator Neal Kedzie	January 5, 2015
Senator Terry Moulton	January 5, 2015
Senator Fred Risser	January 2, 2017
Representative Joan Ballweg	January 5, 2015
Representative Gordon Hintz	January 5, 2015
Mr. Robert Brandherm, Citizen Member	At the pleasure of the Governor

### Nonvoting, Advisory Members

Vacant, State Chief Engineer Department of Administration	_____
Mr. Daniel J. Stephans, State Ranking Architect Department of Administration	_____

### Building Commission Secretary

Ms. Summer R. Strand, Administrator Division of Facilities Development Department of Administration	At the pleasure of the Building Commission and the Secretary of Administration
---	--

### OTHER PARTICIPANTS

Mr. J.B. Van Hollen State Attorney General	January 5, 2015
Mr. Mike Huebsch, Secretary Department of Administration	At the pleasure of the Governor

### DEBT MANAGEMENT AND DISCLOSURE

Department of Administration  
Capital Finance Office  
P.O. Box 7864  
101 E. Wilson Street, 10th Floor  
Madison, WI 53707-7864  
Telefax (608) 266-7645  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)

Mr. Kevin D. Taylor  
Capital Finance Director  
(608) 266-2305  
[kevin.taylor@wisconsin.gov](mailto:kevin.taylor@wisconsin.gov)

Mr. David Erdman  
Assistant Capital Finance Director  
(608) 267-0374  
[david.erdman@wisconsin.gov](mailto:david.erdman@wisconsin.gov)

Mr. Brad Elmer  
Capital Finance Officer  
(608) 267-7399  
[brad.elmer@wisconsin.gov](mailto:brad.elmer@wisconsin.gov)

\* The Building Commission is composed of eight members. The Governor serves as the chairperson. Each house of the Wisconsin State Legislature appoints three members. One citizen member is appointed by the Governor and serves at the Governor's pleasure. State law provides for the two major political parties to be represented in the membership from each house.

## PART III

### GENERAL OBLIGATIONS

Part III of the 2013 Annual Report provides information about general obligations issued by the State of Wisconsin (**State**) in the form of bonds, notes, commercial paper notes (**CP Notes**), and extendible municipal commercial paper (**EMCP**). Selected information is provided in this introduction for the convenience of the readers; however, all information presented in this Part III of the 2013 Annual Report should be reviewed to make an informed investment decision.

Total Outstanding Balance (12/15/2013)	\$8,027,531,244
Amount Outstanding of Fixed-Rate Obligations	7,122,080,244
Amount Outstanding of Variable-Rate Obligations	905,451,000
Percentage of Outstanding Obligations in the form of Variable-Rate Obligations	11.28%
Ratings <sup>(a)</sup> (Fitch/Kroll/Moody's/Standard & Poor's)	
Bonds	AA/AA/Aa2/AA
CP Notes/EMCP	F1+/K1+/P-1/A-1+
Authority	Chapters 18 and 20, Wisconsin Statutes
Registrar/Paying Agent	The Secretary of Administration is the registrar and paying agent for all outstanding fixed-rate general obligations. U.S. Bank National Association serves as issuing and paying agent for the CP Notes and EMCP.
Security	The Wisconsin Constitution pledges the full faith, credit, and taxing power of the State to its general obligations and requires the Legislature to provide for their payment by appropriation. The Wisconsin Statutes establish additional protections, provide for the repayment of all general obligations, and establish, as security for the payment of all debt service on general obligations, a first claim on all revenues of the State.
<p><sup>(a)</sup> The ratings presented are the ratings assigned to the State's general obligations without regard to any bond insurance policy. No information is provided in the 2013 Annual Report about any rating assigned to any general obligations based on any bond insurance policy.</p>	

*Contact:* Capital Finance Office  
 Attn: Capital Finance Director  
*Phone:* (608) 266-2305  
*Mail:* State of Wisconsin Department of Administration  
 101 East Wilson Street, FLR 10  
 P.O. Box 7864  
 Madison, WI 53707-7864  
*E-mail:* [DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)  
*Web site:* [www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

The State of Wisconsin Building Commission (**Commission**) supervises all matters concerning the State's issuance of general obligations. The Capital Finance Office, which is part of the Division of Executive Budget and Finance within the State of Wisconsin Department of Administration (**Department of Administration**), is responsible for managing the State's borrowing programs. The law firm of Foley & Lardner LLP provided bond counsel services in connection with the issuance of general obligations. Requests for additional information about general obligations of the State may be directed to the Capital Finance Office.

All outstanding fixed-rate general obligations have been issued in book-entry-only form.

For the following two series of general obligations, which were issued in fully-registered form, U.S. Bank National Association is the registrar and paying agent:

<u>Name of Obligation</u>	<u>Registrar/Paying Agent Contact</u>
General Obligation Bonds of 1990, Series D (Higher Education Bonds)	U.S. Bank National Association Attn: Registered Payments EP-MN-WS2N 60 Livingston Avenue
General Obligation Bonds of 1991, Series B (Higher Education Bonds)	St. Paul, MN 55107-2292 U.S. Bank Bondholders Communications Customer Service: 800-934-6802

The final maturity date for these general obligation bonds was May 1, 2012; any holder that has not presented these bonds for payment should contact the State or U.S. Bank National Association for information on redeeming such bonds.

General obligations issued by the State have been issued as both tax-exempt obligations and taxable obligations, with some of the taxable obligations being “qualified build America bonds” pursuant to Section 54AA of the Internal Revenue Code of 1986, as amended (**Code**).

The 2013 Annual Report includes information and defined terms for different types of securities issued by the State. The context or meaning of terms used in one part of the 2013 Annual Report may differ from those of the same terms used in another part, and the total amount shown in a table may vary from the related sum due to rounding. No information or resource referred to in the 2013 Annual Report is part of the report unless expressly incorporated by reference.

Certain statements in Part III of the 2013 Annual Report may be forward-looking statements that are based on expectations, estimates, projections, or assumptions. Any forward-looking statements are made as of the date of the 2013 Annual Report, and the State undertakes no obligation to update such statements to reflect subsequent events or circumstances. Actual results could differ materially from the anticipated results.

## **SECURITY PROVISIONS FOR GENERAL OBLIGATIONS**

### **Security**

The Wisconsin Constitution pledges the full faith, credit, and taxing power of the State to its general obligations and requires the Legislature to provide for their payment by appropriation.

The Wisconsin Statutes establish additional protections and provide for the repayment of all general obligations. The Wisconsin Statutes establish, as security for the payment of all debt service on general obligations, a first claim on all revenues of the State. Further, a sufficient amount of those revenues is irrevocably appropriated, so that no subsequent legislative action is required to release them, and those amounts are held in segregated funds or accounts.

The Wisconsin Statutes also provide that the validity of general obligations shall not be affected by any defect in their contracting, that all instruments evidencing general obligations are valid and incontestable, and that any legislative, judicial, or administrative determination that proceeds of general obligations may not be spent shall not affect their validity.

The State has never defaulted in the punctual payment of principal or interest on any general obligation and has never attempted to prevent or delay a required payment. The State has reserved no right to reduce or modify any terms affecting the security or source of payment of its general obligations.

In the event of default, the Wisconsin Constitution guarantees recourse by allowing suit to be brought against the State to compel payment. Statutory provisions expedite the bringing of suit. Further, in the event of a final judgment against the State, payment will be made as specifically provided, together with interest at a rate of 10% per annum until the date of payment. The venue for all actions in which the sole

defendant is the State, any State board or commission, or any State officer, employee, or agent in an official capacity shall be the county designated by the plaintiff unless another venue is specifically authorized by law.

The Wisconsin Statutes also provide that, if payment has been made or duly provided for by the date that a general obligation becomes due for payment, then interest ceases to accrue, and the general obligation is no longer outstanding. If any general obligation is not presented for payment, then the money held for its payment shall be administered under the unclaimed property statutory provisions.

### **Flow of Funds to Pay Debt Service on General Obligations**

The General Fund stands behind the payment of debt service on all general obligations. Should the General Fund have insufficient resources to pay debt service, there is a single irrevocable and unlimited appropriation from all revenues of the State for timely payment on all general obligations. It is this appropriation, which pledges all revenues of the State for payment of debt service, that enables the State to issue a general obligation that is undifferentiated by the purpose for which proceeds are used.

For budgetary control purposes, different internal funds flows apply to general obligations, depending on whether they are issued as bonds or notes, and in some cases depending on the purpose for which they were issued.

With respect to general obligation bonds, all funds necessary for timely payment of principal and interest are deposited in the statutorily created Bond Security and Redemption Fund at least 15 days in advance of the due date. Furthermore, if operating notes are outstanding, no impoundment payments required in connection with operating notes may be made until the amounts required to be paid into the State's Bond Security and Redemption Fund during the ensuing 30 days have been so deposited.

With respect to general obligation notes, funds for the payment of principal and interest are deposited in a separate and distinct account within the statutorily created Capital Improvement Fund for the repayment of notes. Proceeds of general obligations may also be used to retire notes. The Wisconsin Statutes specifically provide that if, at any time, there is not on hand in the Capital Improvement Fund sufficient money for the payment of principal and interest on general obligation notes, then the Department of Administration shall transfer to the Capital Improvement Fund, from an irrevocable and unlimited appropriation as a first charge upon all revenues of the State, the amount necessary to pay the principal of, and interest on, general obligation notes when due.

Interest on the outstanding CP Notes and EMCP is paid when due. It is collected in the same manner as other general obligation notes and is deposited by the State with the respective issuing and paying agent. The State's practice is to make deposits at regular intervals, chosen at its discretion.

### **Purposes of General Obligations**

The Wisconsin Constitution provides that the State may issue general obligations for three categories of borrowing. The first is to acquire, construct, develop, extend, enlarge, or improve land, waters, property, highways, railways, buildings, equipment, or facilities for public purposes. The second is to make funds available for veterans housing loans. The third is to fund or refund any outstanding State general obligations. Subject to constitutional limitations about purposes and amounts, procedures governing the use of the borrowing authority are to be established by the Legislature. There is no constitutional requirement that the issuance of general obligations receive the direct approval of the electorate.

### **Limitations on Issuance of General Obligations**

All general obligations issued by the State fall within a debt limit set forth in the Wisconsin Constitution and the Wisconsin Statutes. There is an annual limit of three-quarters of one percent, and a cumulative limit of five percent, of the aggregate value of all taxable property in the State. Currently, the annual limit is \$3,506,269,230, and the aggregate limit is \$23,375,128,200. A funding or refunding bond issue does not count for purposes of the annual debt limit, and a funded or refunded bond issue does not count for purposes of the cumulative debt limit. Accrued interest on any general obligation that is not paid during

the fiscal year in which it accrues is treated as debt and taken into account for purposes of the debt limitations. See [Table III-4](#) in “DEBT INFORMATION”.

### **Authorization of General Obligations**

Within prescribed limitations, the Wisconsin Constitution assigns to the Legislature, acting by vote of a majority of the members elected to each of the two houses, all matters relating to the issuance of general obligations. The quorum in such votes is 60% of the membership. Among these assigned powers is the authority to establish the purposes (uses) and fix the amounts for which general obligations may be issued.

To date, the Legislature has authorized the issuance of general obligations for 108 distinct borrowing purposes and has limited the amount of general obligations that may be issued for each purpose. In practice, as a part of the budget, these amounts are adjusted to accommodate newly budgeted activity. As of the date of the 2013 Annual Report, 35 of the distinct borrowing purposes essentially have no remaining borrowing authority or statutory restrictions that keep it from being used. The Legislature has delegated to the Commission responsibility to establish the form and terms of the issuance and sale of these general obligations. [Table III-1](#) describes, as of December 15, 2013, the amounts authorized, issued, and credited to the Capital Improvement Fund for each borrowing purpose.

Table III-1

**GENERAL OBLIGATION ISSUANCE STATUS REPORT  
(December 15, 2013)**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>	
University of Wisconsin; academic facilities.....	\$ 2,255,401,100	\$ 1,714,580,172	\$ 13,072,507	\$ 11,590,401	\$ 516,158,020
University of Wisconsin; self-amortizing facilities.....	2,718,606,300	1,964,747,151	2,911,822	18,027,893	732,919,434
Natural resources; Warren Knowles - Gaylord Nelson stewardship 2000 program.....	1,134,500,000	724,283,779	405,319	6,332,539	403,478,363
Natural resources; municipal clean drinking water grants.....	9,800,000	9,518,744	141,818		139,438
Clean water fund program.....	740,843,200	615,195,863		1,246,790	124,400,547
Safe drinking water loan program.....	60,200,000	54,403,659		395,829	5,400,512
Natural resources; nonpoint source grants.....	94,310,400	93,293,671	190,043	98,832	727,854
Natural resources; nonpoint source.....	32,000,000	14,916,857	1,454	289,803	16,791,886
Natural resources; environmental repair.....	57,000,000	47,712,102	203,594	34,982	9,049,322
Natural resources; urban nonpoint source cost-sharing.....	46,900,000	33,555,306	30,671	278,566	13,035,457
Natural resources; contaminated sediment removal.....	32,000,000	19,695,083		379,449	11,925,468
Natural resources; environmental segregated fund supported administrative facilities.....	19,969,200	10,191,802	143	70,977	9,706,277
Natural resources; segregated revenue supported dam safety projects.....	6,600,000	6,568,427	617	27,437	3,519
Natural resources; pollution abatement and sewage collection facilities, ORAP funding.....	145,060,325	145,010,325	50,000		
Natural resources; pollution abatement and sewage collection facilities.....	893,493,400	874,927,239	18,513,077		53,084
Natural resources; pollution abatement and sewage collection facilities; combined sewer overflow.....	200,600,000	194,312,599	6,287,401		
Natural resources; recreation projects.....	56,055,000	56,053,994	1,006		
Natural resources; local parks land acquisition and development.....	2,490,000	2,447,741	42,259		
Natural resources; recreation development.....	23,061,500	22,919,742	141,325	68	364
Natural resources; land acquisition.....	45,608,600	45,116,929	491,671		
Natural resources; Wisconsin natural areas heritage program.....	2,500,000	2,445,793	17,174		37,032
Natural resources; segregated revenue supported facilities.....	102,365,300	65,720,351	93,544	127,647	36,423,759

**Table III-1 — Continued**  
**GENERAL OBLIGATION ISSUANCE STATUS REPORT**  
**(December 15, 2013)**

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund		Total Authorized Unissued Debt
			Interest Earnings <sup>(a)</sup>	Premium <sup>(a)</sup>	
Natural resources; general fund supported administrative facilities.....	\$ 16,514,100	\$ 11,262,807	\$ 21,753	\$ 94	\$ 5,229,445
Natural resources; ice age trail.....	750,000	750,000			
Natural resources; dam safety projects.....	17,500,000	10,141,371	49,701	203,738	7,105,190
Natural resources; segregated revenue supported land acquisition.....	2,500,000	2,500,000			
Natural resources; Warren Knowles - Gaylord Nelson stewardship program.....	231,000,000	228,416,090	1,306,849	9,550	1,267,511
Transportation; administrative facilities.....	8,890,400	8,759,479	33,943		96,978
Transportation; accelerated bridge improvements.....	46,849,800	46,849,800			
Transportation; major interstate bridge construction.....	225,000,000	9,045,570		954,358	215,000,072
Transportation; rail passenger route development.....	122,000,000	51,529,513	3,016	584,531	69,882,940
Transportation; accelerated highway improvements.....	185,000,000	185,000,000			
Transportation; connecting highway improvements.....	15,000,000	15,000,000			
Transportation; federally aided highway facilities.....	10,000,000	10,000,000			
Transportation; highway projects.....	41,000,000	41,000,000			
Transportation; major highway and rehabilitation projects.....	565,480,400	565,480,400			
Transportation; Marquette interchange, zoo interchange, southeast megaprojects, and I 94 north-south corridor reconstruction projects.....	1,011,750,000	638,411,438	3,018,078	12,118,495	358,201,989
Transportation; state highway rehabilitation projects.....	820,063,700	608,836,045	1,182,897	10,041,752	200,003,006
Transportation; major highway projects.....	100,000,000	98,945,372		1,051,496	3,132
Transportation; state highway rehabilitation, certain projects.....	141,000,000	111,973,892		3,022,001	26,004,107
Transportation; harbor improvements.....	92,700,000	55,067,914	234,581	399,717	36,997,788
Transportation; rail acquisitions and improvements.....	208,500,000	81,935,224	5,187	804,760	125,754,829
Transportation; local roads for job preservation, state funds.....	2,000,000	2,000,000	-		-
Corrections; correctional facilities.....	875,075,600	806,273,941	11,467,562	393,016	56,941,081
Corrections; self-amortizing facilities and equipment.....	7,337,000	2,115,438	99		5,221,463

**Table III-1 — Continued**  
**GENERAL OBLIGATION ISSUANCE STATUS REPORT**  
**(December 15, 2013)**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>	
Corrections; juvenile correctional facilities.....	\$ 28,984,500	\$ 28,533,551	\$ 108,861	\$ 326	\$ 341,762
Health services; mental health and secure treatment facilities.....	181,108,800	161,263,251	895,124	367,557	18,582,868
Agriculture; soil and water.....	54,075,000	43,448,450	3,025	495,508	10,128,017
Agriculture; conservation reserve enhancement.....	28,000,000	12,938,617		25,878	15,035,505
Administration; Black Point Estate.....	1,600,000	1,598,655	445		900
Administration; energy conservation projects; capital improvement fund.....	200,000,000	106,924,958		2,477,097	90,597,945
Building commission; previous lease rental authority.....	143,071,600	143,068,654			2,946
Building commission; refunding tax-supported general obligation debt.....	2,102,086,430	2,102,086,530			
Building commission; refunding self-amortizing general obligation debt.....	272,863,033	272,863,033			
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before June 30, 2005.....	250,000,000	250,000,000			
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before July 1, 2011.....	474,000,000	473,651,084			348,916
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before July 1, 2013.....	264,200,000	263,420,000			780,000
Building commission; refunding tax-supported and self-amortizing general obligation debt.....	3,785,000,000	2,356,723,916			1,428,276,084
Building commission; housing state departments and agencies.....	820,767,100	527,118,771	2,356,097	3,537,528	287,754,704
Building commission; 1 West Wilson street parking ramp.....	15,100,000	14,805,521	294,479		
Building commission; project contingencies.....	47,961,200	46,541,724	64,761	47,988	1,306,727
Building commission; capital equipment acquisition.....	126,335,000	122,086,791	740,327	71,393	3,436,489
Building commission; discount sale of debt.....	90,000,000	72,869,266			17,130,734
Building commission; discount sale of debt (higher education bonds).....	100,000,000	99,988,833 <sup>(c)</sup>			11,167
Building commission; other public purposes.....	2,484,671,700	2,101,010,084	8,728,268	16,055,264	358,878,084
Medical College of Wisconsin, Inc.; basic science education and health information technology facilities.....	10,000,000	10,000,000			

**Table III-1 — Continued**  
**GENERAL OBLIGATION ISSUANCE STATUS REPORT**  
**(December 15, 2013)**

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund		Total Authorized Unissued Debt
			Interest Earnings <sup>(a)</sup>	Premium <sup>(a)</sup>	
Norskedalen Nature and Heritage Center.....	\$ 1,048,300				\$ 1,048,300
Bond Health Center.....	1,000,000	\$ 983,307		\$ 16,682	10
Lac du Flambeau Indian Tribal Center.....	250,000				250,000
Dane County Livestock Facilities.....	9,000,000				9,000,000
K I Convention Center.....	2,000,000				2,000,000
HR Academy, Inc.....	1,500,000	1,500,000			
Medical College of Wisconsin, Inc.; biomedical research and technology incubator.....	35,000,000	30,334,949		280,027	4,385,025
AIDS Resource Center of Wisconsin, Inc.....	800,000	800,000			
Bradley Center Sports and Entertainment Corporation.....	5,000,000	4,869,334		129,986	680
Medical College of Wisconsin, Inc.; Community medical education facilities.....	7,384,300				7,384,300
Children's Hospital of Wisconsin; Family Justice Center.....	10,625,000				10,625,000
Marquette University; dental clinic and education facility.....	23,000,000	14,999,182	\$ 818		8,000,000
Civil War exhibit at the Kenosha Public Museums.....	500,000	500,000			
AIDS Network, Inc.....	300,000	300,000			
Swiss cultural center.....	1,000,000				1,000,000
Wisconsin Maritime Center of Excellence....	5,000,000				5,000,000
Hmong cultural centers.....	2,250,000	250,000			2,000,000
Milwaukee Police Athletic League; youth activities center.....	1,000,000	1,000,000			
Children's research institute.....	10,000,000	10,000,000			
Domestic Abuse Intervention Center.....	560,000.00				560,000
Administration; school educational technology infrastructure financial assistance.....	71,911,300	71,480,216	431,066		18
Myrick Hixon EcoPark, Inc.....	500,000	500,000			
Madison Children's Museum.....	250,000	250,000			
Marshfield Clinic.....	10,000,000				10,000,000
Administration; public library educational technology infrastructure financial assistance.....	269,000	268,918	42		41
Educational communications board; educational communications facilities.....	24,503,200	24,085,642	38,515	8,918	370,126
Grand Opera House in Oshkosh.....	500,000	500,000			
Aldo Leopold climate change classroom and interactive laboratory.....	500,000	485,000		14,992	8
Historical society; self-amortizing facilities.....	1,157,000	1,029,156	3,896		123,947
Historical society; historic records.....	26,650,000	1,852,275		42,704	24,755,022

**Table III-1 — Continued**  
**GENERAL OBLIGATION ISSUANCE STATUS REPORT**  
**(December 15, 2013)**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>	
Historical society; historic sites.....	\$ 10,067,800	\$ 8,826,652	\$ 847	\$ 262,084	\$ 978,217
Historical society; museum facility.....	19,384,400	4,362,469			15,021,931
Historical society; Wisconsin history center.....	20,000,000				20,000,000
Public instruction; state school, state center and library facilities.....	12,350,600	8,839,028	32,509	121,575	3,357,488
Military affairs; armories and military facilities.....	46,272,700	29,736,693	195,308	32,049	16,308,650
Veterans affairs; veterans facilities.....	10,090,100	9,405,485	50,593		634,021
Veterans affairs; self-amortizing mortgage loans.....	2,400,840,000	2,122,542,395			278,297,605
Veterans affairs; refunding bonds.....	1,015,000,000	761,594,245			253,405,755
Veterans affairs; self-amortizing facilities.....	51,347,100	21,156,412	1,613	292,863	29,896,212
State fair park board; board facilities.....	14,787,100	14,769,363	1		17,736
State fair park board; housing facilities.....	11,000,000	10,999,985	15		
State fair park board; self-amortizing facilities.....	53,687,100	52,680,908	22,401	11,526	972,266
<b>Total.....</b>	<b>\$28,823,384,688<sup>(d)</sup></b>	<b>\$22,730,754,925<sup>(d)</sup></b>	<b>\$73,888,124</b>	<b>\$92,776,667</b>	<b>\$5,925,965,072</b>

<sup>(a)</sup> Amounts previously credited to the Capital Improvement Fund (which include interest earnings and may include sale proceeds representing purchase premium) reduce issuance authority by the same amount.

<sup>(b)</sup> Accrued interest on any obligation that is not paid during the fiscal year in which it accrues is treated as debt and taken into account for purposes of the statutory authority to issue debt.

<sup>(c)</sup> The enacted budget for the 2013-15 biennium (2013 Wisconsin Act 20) provides that the Building Commission shall not issue, until July 1, 2015, \$250 million of general obligations

**Source: Department of Administration.**

## DEBT INFORMATION

Table III-2 shows general obligations that have outstanding balances as of December 15, 2013 and history of other issuances during the past 20 years.

**Table III-2**

### OUTSTANDING GENERAL OBLIGATIONS BY ISSUE (As of December 15, 2013)

<u>Financing</u>	<u>Date of Financing</u>	<u>Maturity</u>	<u>Amount of Issuance</u>	<u>Amount Outstanding</u>
<i>Fixed-Rate General Obligations</i>				
1992- Bonds Series A .....	3/1/92	1993-2012	\$ 219,040,000	-0-
Refunding Bonds .....	3/1/92	1994-2015	448,935,000	\$ 610,000
Bonds Series B .....	6/1/92			
Serial Bonds .....		1993-2008	7,780,000	-0-
Accelerated Term Bonds .....		2012	4,000,000	-0-
Term Bonds .....		2022	18,220,000	-0-
Loan Series B .....	10/2/92	1995	5,330,000	-0-
Refunding Bonds Series 2 .....	10/15/92	1994-2015	5,975,000	920,000
Bonds Series C .....	11/1/92	1994-2013	173,285,000	-0-
1993- Refunding Bonds Series 1 .....	1/1/93	1994-2009	280,060,000	-0-
Refunding Bonds Series 2 .....	3/1/93	1993-2011	137,530,000	-0-
Bonds Series A .....	5/1/93	1994-2013	124,325,000	-0-
Refunding Bonds Series 3 .....	8/1/93	1995-2012	302,050,000	-0-
Refunding Bonds Series 6 .....	10/15/93			
Serial Bonds .....		1994-2006	5,510,000	-0-
Term Bonds .....		2010	2,125,000	-0-
Term Bonds .....		2013	2,150,000	-0-
Term Bonds .....		2016	10,215,000	-0-
Refunding Bonds Series 4 .....	12/1/93	1994-2006	77,575,000	-0-
Refunding Bonds Series 5 .....	12/1/93			
Serial Bonds .....		1994-2006	113,550,000	-0-
Term Bonds .....		2010	14,770,000	-0-
Term Bonds .....		2013	1,190,000	-0-
Term Bonds .....		2016	1,405,000	-0-
Term Bonds .....		2023	4,340,000	-0-
1994- Bonds Series A .....	1/1/94	1995-2014	119,810,000	-0-
Refunding Bonds Series 1 .....	3/1/94	1995-2002	106,610,000	-0-
Refunding Bonds Series 2 .....	3/1/94			
Serial Bonds .....		1999-2009	52,050,000	-0-
Term Bonds .....		2014	1,700,000	-0-
Term Bonds .....		2024	4,775,000	-0-
Bonds Series B .....	6/1/94	1995-2014	110,000,000	-0-
Refunding Bonds Series 3 .....	9/15/94	1995-2008	10,400,000	-0-
1994- Bonds Series C .....	9/15/94			
Serial Bonds .....		1998-2013	17,135,000	-0-
Term Bonds .....		2016	5,135,000	-0-
Term Bonds .....		2020	8,535,000	-0-
Term Bonds .....		2025	14,195,000	-0-
1995- Bonds Series A .....	1/15/95	1996-2015	231,315,000	-0-
Refunding Bonds Series 1 .....	2/15/95			
Serial Bonds .....		1999-2000	4,350,000	-0-
Serial Bonds .....		2004	860,000	-0-
Serial Bonds .....		2007-15	10,525,000	-0-

**Table III-2 – Continued**  
**OUTSTANDING GENERAL OBLIGATIONS BY ISSUE**  
**(As of December 15, 2013)**

<u>Financing</u>	<u>Date of Financing</u>	<u>Maturity</u>	<u>Amount of Issuance</u>	<u>Amount Outstanding</u>
1995- Bonds Series B.....	2/15/95			
Term Bonds.....		2016	\$ 4,215,000	-0-
Term Bonds.....		2020	7,920,000	-0-
Term Bonds.....		2025	17,130,000	-0-
Note, Series B.....	7/6/95	2005	361,623	-0-
Bonds Series C.....	9/15/95	1997-2016	97,480,000	-0-
Refunding Bonds Series 2.....	10/15/95			
Serial Bonds.....		1997-2000	5,780,000	-0-
Serial Bonds.....		2004-05	2,715,000	-0-
Serial Bonds.....		2007-15	34,355,000	-0-
1996- Bonds Series A.....	1/15/96	1997-2016	158,080,000	-0-
Refunding Bonds Series 1.....	2/15/96	1996-2015	104,765,000	-0-
Bonds Series B.....	5/15/96			
Serial Bonds.....		1998-99	4,215,000	-0-
Serial Bonds.....		2007-14	16,550,000	-0-
Term Bonds.....		2021	10,305,000	-0-
Term Bonds.....		2026	13,930,000	-0-
Bonds Series C.....	9/1/96	1998-2017	115,230,000	-0-
Bonds Series D.....	10/15/96			
Serial Bonds.....		2007-09	8,550,000	-0-
Term Bonds.....		2014	3,700,000	-0-
Term Bonds.....		2020	6,405,000	-0-
Term Bonds.....		2027	11,345,000	-0-
1997- Bonds Series 1.....	3/15/97			
Serial Bonds.....		2006-15	17,880,000	-0-
Serial Bonds.....		2017	5,760,000	-0-
Bonds Series A.....	3/15/97			
Term Bonds.....		2021	8,065,000	-0-
Term Bonds.....		2028	13,295,000	-0-
Bonds Series B.....	7/15/97	1999-2018	101,010,000	-0-
Bonds Series C.....	9/15/97			
Serial Bonds.....		2000-01	520,000	-0-
Serial Bonds.....		2003-13	22,755,000	-0-
Term Bonds.....		2017	7,850,000	-0-
Term Bonds.....		2023	10,580,000	-0-
Term Bonds.....		2026	3,295,000	-0-
Bonds Series D (Taxable).....	9/15/97			
Serial Bonds.....		1999-2012	13,385,000	-0-
Term Bonds.....		2017	6,760,000	-0-
Term Bonds.....		2028	24,855,000	-0-
1998- Bonds Series A.....	3/1/98	1999-2018	156,185,000	-0-
Bonds Series B.....	5/15/98			
Serial Bonds.....		2007-08	2,865,000	-0-
Term Bonds.....		2010	4,775,000	-0-
Term Bonds.....		2018	2,865,000	-0-
Term Bonds.....		2023	8,670,000	-0-
Term Bonds.....		2028	11,390,000	-0-

**Table III-2 – Continued**  
**OUTSTANDING GENERAL OBLIGATIONS BY ISSUE**  
**(As of December 15, 2013)**

<u>Financing</u>	<u>Date of Financing</u>	<u>Maturity</u>	<u>Amount of Issuance</u>	<u>Amount Outstanding</u>
1998- Bonds Series C (Taxable) .....	5/15/98			
Serial Bonds .....		1999-2008	\$ 6,245,000	-0-
Term Bonds .....		2028	27,760,000	-0-
Refunding Bonds Series 1 .....	8/15/98			
Serial Bonds .....		1999	2,820,000	-0-
Serial Bonds .....		2004-16	154,760,000	\$ 23,690,000
Refunding Bonds Series 2 .....	9/15/98			
Serial Bonds .....		1999-2001	17,095,000	-0-
Serial Bonds .....		2004-09	77,155,000	-0-
Bonds Series D .....	9/1/98	2000-19	74,840,000	-0-
Bonds Series E .....	10/15/98	2012-17	6,155,000	940,000
Bonds Series F (Taxable) .....	10/15/98			
Serial Bonds .....		1999-2009	9,410,000	-0-
Term Bonds .....		2029	45,590,000	-0-
1999- Bonds Series A .....	2/1/99	2000-19	147,060,000	-0-
Refunding Bonds Series 1 .....	5/1/99			
Serial Bonds .....		2008-12	4,905,000	-0-
Term Bonds .....		2015	3,880,000	0-
Term Bonds .....		2020	7,005,000	-0-
Bonds Series B (Taxable) .....	5/1/99			
Serial Bonds .....		2000-10	6,370,000	-0-
Term Bonds .....		2013	2,620,000	-0-
Term Bonds .....		2016	3,180,000	-0-
Term Bonds .....		2030	27,830,000	-0-
Bonds Series C .....	10/15/99	2001-20	100,000,000	-0-
Bonds Series D (Taxable) .....	11/1/99			
Term Bonds .....		2010	9,465,000	-0-
Term Bonds .....		2030	55,535,000	-0-
2000- Bonds Series A .....	3/15/2000			
Serial Bonds .....		2001-18	128,875,000	-0-
Term Bonds .....		2020	21,125,000	-0-
Bonds Series B (Taxable) .....	7/1/2000			
Term Bonds .....		2010	4,625,000	-0-
Term Bonds .....		2030	30,375,000	-0-
Bonds Series C .....	7/15/2000	2012-21	87,715,000	-0-
Bonds Series D .....	11/1/2000	2012-21	199,965,000	-0-
Bonds Series E (Taxable) .....	11/7/2000			
Term Bonds .....		2016	5,000,000	400,000
2001- Bonds Series A (Taxable) .....	2/21/01			
Term Bonds .....		2031	15,000,000	1,740,000
Bonds Series B .....	4/1/01	2012-21	91,620,000	-0-
Bonds Series C .....	6/1/01	2002-11	92,410,000	-0-
Bonds Series D (Taxable) .....	6/15/01			
Serial Bonds .....		2002-08	2,060,000	-0-
Term Bonds .....		2011	1,110,000	-0-
Term Bonds .....		2016	2,390,000	-0-
Term Bonds .....		2021	3,305,000	-0-
Term Bonds .....		2031	11,135,000	-0-

**Table III-2 – Continued**  
**OUTSTANDING GENERAL OBLIGATIONS BY ISSUE**  
**(As of December 15, 2013)**

<u>Financing</u>	<u>Date of</u> <u>Financing</u>	<u>Maturity</u>	<u>Amount of</u> <u>Issuance</u>	<u>Amount</u> <u>Outstanding</u>
2001- Loan Series A .....	8/24/01		\$ 50,000,000	-0-
Bonds Series F .....	10/1/01	2003-22	186,615,000	-0-
Refunding Bonds Series 1 .....	10/1/01			
Serial Bonds .....		2005	4,230,000	-0-
Serial Bonds .....		2007-15	242,875,000	\$ 78,835,000
Bonds Series E (Taxable) .....	10/1/01			
Term Bonds .....		2017	6,210,000	-0-
Term Bonds .....		2021	2,730,000	-0-
Term Bonds .....		2031	11,060,000	-0-
2002- Bonds Series A .....	3/1/02	2003-22	112,280,000	-0-
Refunding Bonds Series 1 .....	3/1/02	2004-20	75,000,000	-0-
Bonds Series B (Taxable) .....	3/26/02			
Term Bonds .....		2032	15,000,000	1,560,000
Bonds Series C .....	6/1/02	2003-22	143,545,000	-0-
Bonds Series D (Taxable) .....	6/12/02			
Term Bonds .....		2033	20,000,000	2,320,000
Bonds Series E (Taxable) .....	9/26/02			
Term Bonds .....		2018	2,000,000	305,000
Bonds Series F (Taxable) .....	9/26/02			
Term Bonds .....		2033	13,000,000	2,650,000
Bonds Series G .....	10/15/02	2004-23	190,550,000	-0-
Bonds Series H .....	12/30/02			
Term Bonds .....		2033	15,000,000	2,995,000
2003- Refunding Bonds Series 1 (Taxable) .....	4/3/03	2019	7,000,000	-0-
Refunding Bonds Series 2 .....	4/1/03			
Serial Bonds .....		2007-21	10,650,000	3,470,000
Term Bonds .....		2024	3,090,000	-0-
Bonds Series A .....	5/1/03	2004-23	173,900,000	-0-
Bonds Series B (Taxable) .....	7/24/03	2033	30,000,000	6,490,000
Bonds Series C .....	10/15/03			
Serial Bonds .....		2005-24	251,865,000	17,695,000 (a)
Term Bonds .....		2026	5,420,000	-0- (a)
Term Bonds .....		2029	9,190,000	-0- (a)
Term Bonds .....		2034	18,655,000	4,105,000 (a)
Refunding Bonds Series 3 .....	10/30/03			
Serial Bonds .....		2004-07	9,495,000	-0-
Term Bonds .....		2013	16,210,000	-0-
Term Bonds .....		2025	13,000,000	-0-
Term Bonds .....		2026	29,185,000	15,510,000
2004- Refunding Bonds Series 1 .....	1/28/04	2006-19	146,970,000	62,475,000
Refunding Bonds Series 2 .....	1/28/04	2006-20	175,830,000	99,705,000
Refunding Notes Series 1 .....	3/16/04	2004	175,000,000	-0-
Bonds Series A .....	4/14/04	2005-24	307,435,000	25,180,000 (a)
Bonds CWF Global Certificate .....	5/1/04	2009-24	116,840,688	63,931,613
Refunding Bonds Series 3 .....	6/15/04	2006-22	175,000,000	16,715,000 (a)
Refunding Bonds Series 4 .....	7/29/04	2006-20	117,200,000	113,965,000
Bonds Series B (Taxable) .....	8/12/04			
Term Bonds .....		2014	1,000,000	35,000

**Table III-2 – Continued**  
**OUTSTANDING GENERAL OBLIGATIONS BY ISSUE**  
**(As of December 15, 2013)**

<u>Financing</u>	<u>Date of Financing</u>	<u>Maturity</u>	<u>Amount of Issuance</u>	<u>Amount Outstanding</u>
2004- Bonds Series C (Taxable) .....	8/12/04			
Term Bonds .....		2019	\$ 1,000,000	\$ 175,000
Bonds Series D (Taxable) .....	8/26/04			
Term Bonds .....		2034	20,000,000	2,330,000
Bonds Series E .....	10/21/04	2006-25	225,000,000	39,220,000 <sup>(a)</sup>
2005- Bonds Series A .....	2/10/05	2016-25	131,485,000	9,895,000 <sup>(a)</sup>
Refunding Bonds Series 1 .....	2/10/05	2006-21	430,240,000	408,215,000
Bonds Series B .....	4/20/05	2006-15	148,515,000	35,650,000
Bonds Series C (Taxable) .....	4/7/05			
Term Bonds .....		2035	5,000,000	1,135,000
Bonds Series D .....	8/11/05	2007-25	186,640,000	65,660,000 <sup>(a)</sup>
Bonds Series E .....	12/8/05	2007-11	48,275,000	-0-
2006- Refunding Bonds Series 1 .....	1/31/06	2007-15	96,780,000	31,185,000
Bonds Series A .....	3/28/06	2015-26	331,215,000	211,055,000 <sup>(a)</sup>
Bonds Series B (Taxable) .....	7/7/06			
Term Bonds .....		2037	2,000,000	445,000
Bonds Series C .....	8/2/06	2008-37	61,685,000	40,675,000
Bonds Series D .....	9/13/06	2018-26	176,490,000	176,490,000
2007- Bonds Series A .....	2/1/07	2016-27	158,390,000	52,910,000 <sup>(a)</sup>
Refunding Bonds Series 1 .....	2/1/07	2014-20	299,005,000	299,005,000
Bonds CWF Series A .....	2/1/07	2026	13,148,554	9,724,186
Bonds CWF Series B .....	2/1/07	2027	6,851,446	6,851,446
Bonds Series B .....	6/27/07	2008-27	150,000,000	19,475,000 <sup>(a)</sup>
Refunding Bonds Series 2 .....	10/31/07			
Serial Bonds .....		2008-2017	13,905,000	1,770,000
Term Bonds .....		2022	2,510,000	2,475,000
Term Bonds .....		2027	4,155,000	4,095,000
Refunding Bonds Series 3 .....	10/31/07	2026	3,835,000	-0-
Bonds Series C .....	12/5/07	2009-28	154,890,000	126,220,000
2008- Bonds Series A .....	4/30/08	2009-28	164,535,000	132,515,000
Bonds Series B (Taxable) .....	5/30/08			
Term Bonds .....		2038	4,445,000	1,490,000
Bonds CWF Series B .....	6/17/08	2026-28	16,600,000	16,600,000
Refunding Bonds Series 1 .....	6/26/08			
Serial Bonds .....		2009-18	3,120,000	1,085,000
Term Bonds .....		2018	14,680,000	2,200,000
Serial Bond .....		2023	175,000	-0-
Refunding Bonds Series 2 .....	6/26/08			
Term Bonds .....		2020	1,880,000	-0-
Bonds Series C .....	9/4/08	2010-29	302,200,000	253,200,000
Bonds, Series D .....	12/23/08	2012-30	100,000,000	91,845,000
2009- Bonds CWF Series A .....	1/27/09	2016-26	17,700,000	17,700,000
Bonds Series A .....	6/18/09	2012-22	47,440,000	40,595,000
Bonds Series B (Taxable) .....	6/18/09			
Serial Bonds .....		2023-26	24,610,000	24,610,000
Term Bonds .....		2030	29,925,000	29,925,000
Bonds Series C .....	9/3/09	2012-22	197,265,000	166,405,000

**Table III-2 – Continued**  
**OUTSTANDING GENERAL OBLIGATIONS BY ISSUE**  
**(As of December 15, 2013)**

<u>Financing</u>	<u>Date of Financing</u>	<u>Maturity</u>	<u>Amount of Issuance</u>	<u>Amount Outstanding</u>
2009- Bonds Series D (Taxable).....	9/3/09			
Serial Bonds .....		2023-30	\$ 182,890,000	\$ 182,890,000
Term Bonds .....		2034	13,990,000	13,990,000
Term Bonds .....		2040	28,945,000	28,945,000
Refunding Bonds Series 1 .....	9/15/09	2011-16	54,355,000	23,780,000
2010- Refunding Bonds Series 1 .....	3/3/10	2012-29	201,165,000	157,635,000
Bonds Series A .....	4/7/10	2012-19	143,525,000	112,710,000
Bonds Series B (Taxable).....	4/7/10	2020-30	179,105,000	179,105,000
Bonds CWF Series A.....	4/13/10	2025-31	15,243,000	15,243,000
Bonds Series C.....	9/2/10	2012-19	146,680,000	115,190,000
Bonds Series D (Taxable).....	9/2/10			
Serial Bonds .....		2020-26	155,835,000	155,835,000
Term Bonds .....		2032	118,025,000	118,025,000
Term Bonds .....		2041	35,880,000	35,880,000
Bonds CWF Series B.....	12/7/10	2030-31	15,000,000	15,000,000
2011- Bonds Series A .....	2/11/11	2012-31	428,740,000	397,290,000
Refunding Bonds Series 1 .....	6/2/11	2013-22	275,375,000	254,850,000
Bonds Series B.....	8/4/11	2013-32	329,260,000	318,765,000
Refunding Bonds Series 2 .....	10/31/11	2013-22	316,070,000	314,865,000
Bonds Series C.....	12/22/11	2023-32	138,260,000	138,260,000
2012- Refunding Bonds Series 1 .....	3/20/12	2014-31	221,460,000	221,460,000
Bonds CWF Series A.....	4/24/12	2014-30	12,300,000	12,300,000
Refunding Bonds Series 2 .....	5/1/12	2018-29	143,555,000	143,555,000
Bonds Series A .....	6/5/12			
Serial Bonds .....		2022-35	167,475,000	167,475,000
Term Bonds .....		2037	7,960,000	7,960,000
Term Bonds .....		2042	23,580,000	23,580,000
Bonds Series B.....	11/1/12	2022-33	293,070,000	293,070,000
2013- Bonds Series A .....	5/9/13	2014-33	410,250,000	410,250,000
Refunding Bonds Series 1 .....	11/7/13	2016-33	405,470,000	<u>405,470,000</u>
<i>Total Fixed-Rate General Obligations</i>				<u>\$7,122,080,244</u>
<i>Variable-Rate General Obligations</i>				
2005- CP Notes Series A.....	12/14/05		100,350,000	\$ 52,810,000
EMCP Series A (AMT).....	12/29/05		61,000,000	-0-
2006- EMCP Series A .....	2/9/06		161,905,000	-0-
CP Notes Series A .....	8/2/06		123,510,000	88,184,000
EMCP Series B .....	12/1/06		91,720,000	-0-
EMCP Series C (AMT).....	12/1/06		4,445,000	-0-
2008- EMCP Program .....	Various		452,189,000	695,332,000
Bonds CWF Series A.....	3/18/08		10,300,000	10,300,000
2013- CP Notes Series A .....	12/10/13		58,825,000	<u>58,825,000</u>
<i>Total Variable-Rate General Obligations</i>				<u>\$ 905,451,000</u>
<b>TOTAL OUTSTANDING GENERAL OBLIGATIONS</b>				<u><b>\$8,027,531,244</b></u>

<sup>(a)</sup> Pursuant to a refunding escrow agreement, the principal of, and interest on, all or a portion of the bonds will be paid as it comes due or will be called for redemption prior to maturity. The principal amount of bonds for which payment is provided is not treated as outstanding for purposes of this table.

In addition, on October 11, 2013 the State entered into a forward delivery bond purchase agreement that, upon meeting certain conditions, will result in issuance on or about February 1, 2014 of the State's General Obligation Refunding Bonds of 2014, Series 1. The proceeds of this bond issue are expected to

refund on May 1, 2014 all the then-outstanding principal amounts of the State's General Obligation Refunding Bonds of 2004, Series 1, General Obligation Refunding Bonds of 2004, Series 2, and General Obligation Refunding Bonds of 2004, Series 4.

**Table III-3**

**PER CAPITA STATE GENERAL OBLIGATION DEBT**

<b>Year Ending December 31</b>	<b>Outstanding Indebtedness<sup>(a)</sup> (Amounts in Thousands)</b>	<b>Debt Per Capita</b>	<b>Debt Per Capita as % of Per Capita Income</b>
2003 .....	\$ 4,794,398	\$ 875.85	2.77%
2004 .....	5,116,439	929.59	2.84
2005 .....	5,445,615	983.67	2.92
2006 .....	5,898,647	1,061.48	2.97
2007 .....	5,893,590	1,052.05	2.86
2008 .....	6,146,978	1,092.21	2.88
2009 .....	6,481,078	1,146.08	3.06
2010 .....	7,407,431	1,302.52	3.39
2011 .....	7,878,628	1,384.16	3.44
2012 .....	8,385,972	1,464.54	3.60

<sup>(a)</sup> Includes obligations of nonstock, nonprofit building corporations

**Sources: Legislative Audit Bureau  
Tables II-30 and II-33 in Part II of the 2013 Annual Report**

**Table III-4**

**LIMITATION ON ANNUAL AGGREGATE PUBLIC DEBT THAT MAY BE CONTRACTED**

The State Constitution provides that the aggregate debt contracted by the State in calendar year 2013 shall not exceed the lesser of (a) or (b):

(a)	3/4 of 1% x \$467,502,564,000		\$ 3,506,269,230
(b)	5% x \$471,092,529,200	\$23,375,128,200	
	Deduct: Net Indebtedness 1/1/2013	<u>(8,385,972,732)</u>	
			\$14,989,155,468

The amount of \$467,502,564,000 shown above is the aggregate full market value of all taxable property in the State for the year 2013 as certified by the Department of Revenue.

The amount of \$8,385,972,732 shown above is the net indebtedness as of January 1, 2013 as certified by the Legislative Audit Bureau.

The lesser of (a) or (b) is \$3,506,269,230. Aggregate debt contracted by the State in calendar year 2013 shall not exceed this amount.

**Source: Department of Administration**

**Table III-5**

**ANNUAL DEBT LIMIT COMPARED  
TO ACTUAL BORROWING**

<u>Calendar Year</u>	<u>Annual Debt Limitation</u>	<u>Actual Borrowing</u>	<u>Borrowing as Percentage of Limitation</u>
2004 .....	\$ 2,933,908,610	\$ 664,435,000	22.6%
2005 .....	3,209,501,715	571,990,000	17.8
2006 .....	3,517,373,999	891,285,000	25.3
2007 .....	3,734,402,615	483,280,000	12.9
2008 .....	3,857,954,728	493,635,000	12.8
2009 .....	3,839,339,873	542,765,000	14.1
2010 .....	3,719,281,442	809,293,000	21.8
2011 .....	3,651,481,746	896,260,000	24.6
2012 .....	3,533,193,969	735,585,000	20.8
2013 .....	3,506,269,230	642,295,000	18.3

Source: Department of Administration

**Table III-6**

**DEBT STATEMENT  
(December 15, 2013)**

	<u>Tax-Supported Debt</u>		<u>Revenue-Supported Debt<sup>(a)</sup></u>		<u>Total</u>
	<u>General Fund</u>	<u>Segregated Funds<sup>(b)</sup></u>	<u>Veterans Housing</u>	<u>Other<sup>(c)</sup></u>	
General Obligations .....	<u>\$5,208,529,003</u>	<u>\$919,952,473</u>	<u>\$85,925,000</u>	<u>\$1,813,124,768</u>	<u>\$8,027,531,244</u>
Total Outstanding					
Indebtedness .....	<u>\$5,208,529,003</u>	<u>\$919,952,473</u>	<u>\$85,925,000</u>	<u>\$1,813,124,768</u>	<u>\$8,027,531,244</u>

(a) Revenue-Supported Debt represents general obligation debt of the State issued to fund particular programs and facilities with the initial expectation that revenues and other proceeds derived from the operation of the programs and facilities will amortize the allocable debt without recourse to the General Fund.

(b) Includes the Transportation Fund and certain administrative facilities for the Department of Natural Resources.

(c) Includes university dormitories, food service, intercollegiate athletic facilities, certain facilities on the State Fair grounds, and capital equipment acquisition.

Source: Department of Administration

**Table III-7**  
**COMPARISON OF OUTSTANDING**  
**INDEBTEDNESS TO EQUALIZED VALUATION**  
**OF PROPERTY**

<u>Calendar Year</u>	<u>Value of Taxable Property</u> (Amounts in Thousands)	<u>Outstanding Indebtedness<sup>(a)</sup></u> (Amounts in Thousands)	<u>Debt as Percentage of Equalized Value</u>
2003.....	\$ 360,710,815	\$ 4,794,398	1.33%
2004.....	391,187,815	5,116,439	1.31
2005.....	427,933,562	5,445,615	1.27
2006.....	468,983,200	5,898,647	1.26
2007.....	497,920,349	5,893,590	1.18
2008.....	514,393,964	6,146,978	1.19
2009.....	511,911,983	6,481,078	1.27
2010.....	495,904,192	7,407,431	1.49
2011.....	471,092,529	7,878,628	1.67
2012.....	467,502,564	8,385,972	1.72

(a) As of December 31.

Sources: Department of Revenue and Wisconsin Legislative Audit Bureau

**Table III-8**  
**DEBT SERVICE PAYMENT HISTORY:**  
**AMOUNT PAID ON GENERAL**  
**OBLIGATIONS**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
To June 30, 1990.....	\$1,817,985,000	\$1,711,347,263	\$ 3,529,332,236
1990-91.....	185,050,000	161,025,824	346,075,824
1991-92.....	157,985,000	100,545,026	258,530,026
1992-93.....	131,634,000	138,331,828	269,965,828
1993-94.....	151,416,138	153,491,249	304,907,387
1994-95.....	188,718,292	159,985,783	348,704,075
1995-96.....	199,622,231	159,090,781	358,713,012
1996-97.....	205,112,886	167,659,261	372,772,147
1997-98.....	217,184,565	171,783,741	388,968,306
1998-99.....	236,344,072	173,743,794	410,087,867
1999-2000.....	244,211,911	183,158,974	427,370,884
2000-01.....	285,088,311	209,230,800	494,319,110
2001-02.....	273,060,055	202,386,510	475,446,565
2002-03.....	270,544,076	216,328,685	486,872,762
2003-04.....	310,843,832	183,991,355	494,835,186
2004-05.....	361,327,888	185,242,899	546,570,787
2005-06.....	349,172,670	216,358,460	565,531,131
2006-07.....	379,470,000	233,687,100	613,157,100
2007-08.....	350,005,000	268,124,600	618,129,600
2008-09.....	397,266,258	255,994,695	653,260,953
2009-10.....	119,029,189	251,749,918	370,779,107
2010-11.....	222,253,398	263,514,405	485,767,804
2011-12.....	159,343,712	262,202,521	421,546,232
2012-13.....	626,021,930	300,123,248	926,145,178
7/1/2013-12/15/2013...	40,071,653	162,825,820	202,897,473
Totals.....	<u>\$7,878,762,067</u>	<u>\$6,491,924,540</u>	<u>\$14,370,686,607</u>

Source: Department of Administration

**Table III-9**

**DEBT SERVICE MATURITY SCHEDULE:  
AMOUNT DUE ANNUALLY ON GENERAL OBLIGATION BONDS  
(Issued to December 15, 2013)**

<b>Fiscal Year (Ending June 30)</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2014 <sup>(u)</sup> .....	\$ 477,273,368	\$ 165,813,011	\$ 643,086,379
2015 .....	525,728,280	312,040,520	837,768,800
2016 .....	495,421,289	287,111,753	782,533,042
2017 .....	450,555,350	262,851,428	713,406,777
2018 .....	474,789,630	241,761,672	716,551,302
2019 .....	471,917,162	218,960,886	690,878,049
2020 .....	456,962,905	196,320,357	653,283,262
2021 .....	398,543,476	174,089,110	572,632,586
2022 .....	365,902,142	155,601,049	521,503,191
2023 .....	376,414,552	138,456,719	514,871,271
2024 .....	348,525,831	121,469,609	469,995,440
2025 .....	327,032,120	104,909,778	431,941,899
2026 .....	305,358,316	89,358,572	394,716,888
2027 .....	327,956,824	74,846,342	402,803,165
2028 .....	243,195,000	60,301,625	303,496,625
2029 .....	237,496,000	48,870,745	286,366,745
2030 .....	225,658,000	37,568,505	263,226,505
2031 .....	215,040,000	26,791,948	241,831,948
2032 .....	155,940,000	17,033,649	172,973,649
2033 .....	123,470,000	10,363,905	133,833,905
2034 .....	17,975,000	5,809,705	23,784,705
2035 .....	14,120,000	4,941,808	19,061,808
2036 .....	14,695,000	4,254,005	18,949,005
2037 .....	14,695,000	3,524,898	18,219,898
2038 .....	13,450,000	2,795,425	16,245,425
2039 .....	14,115,000	2,116,950	16,231,950
2040 .....	14,910,000	1,404,165	16,314,165
2041 .....	9,750,000	650,510	10,400,510
2042 .....	5,190,000	207,600	5,397,600
<b>TOTALS .....</b>	<b>\$ 7,122,080,244</b>	<b>\$ 2,770,226,247</b>	<b>\$ 9,892,306,492</b>

<sup>(a)</sup> For the fiscal year ending June 30, 2014, the table includes debt service amounts for the period December 15, 2013 through June 30, 2014.

**Table III-10**

**AMORTIZATION SCHEDULE:  
GENERAL OBLIGATION VARIABLE RATE OBLIGATIONS<sup>(a)</sup>  
(Issued to December 15, 2013)**

<u>(Year Ending June 30)</u>	<u>Principal</u>
2014.....	\$ 19,069,087
2015.....	14,253,639
2016.....	13,250,263
2017.....	9,122,149
2018.....	7,422,814
2019.....	5,651,937
2020.....	6,132,822
2021.....	8,572,052
2022.....	4,756,265
2023.....	2,402,239
2024.....	2,524,351
2025.....	1,190,000
2026.....	1,250,000
2027.....	1,310,000
2028.....	1,375,000
2029.....	1,445,000
2030 <sup>(b)</sup> .....	1,820,000
	<u>\$ 90,545,618</u>

<sup>(a)</sup> In general, the State has treated each general obligation variable rate issue as if it were a long-term bond issue by making annual principal payments on May 1; in prior fiscal years, certain principal amounts that were scheduled to be due were re-amortized.

<sup>(b)</sup> A portion of this amount (\$10,300,000) reflects a General Obligation Bond sold to the State Environmental Improvement Fund with a stated maturity date of June 1, 2008; however, at the option of the purchaser, the maturity date may be extended for six-month periods (for all or a portion of the outstanding amount) with such extensions not extending beyond December 1, 2029.

**Source: Department of Administration**

**Table III-11**

**SOURCE OF DEBT SERVICE PAYMENTS  
ON GENERAL OBLIGATIONS  
(June 30, 2013)**

	<u>2012-13</u>	<u>%</u>	<u>2011-12</u>	<u>%</u>	<u>2010-11</u>	<u>%</u>
<b>Tax-Supported Debt</b>						
General Fund <sup>(a)</sup> .....	\$648,491,375	70.0	\$180,883,436	42.9	\$248,505,639	51.7
Segregated Funds.....	<u>83,902,639</u>	<u>9.1</u>	<u>69,478,714</u>	<u>16.5</u>	<u>36,717,353</u>	<u>7.6</u>
Subtotal.....	732,394,014	79.1	250,362,150	59.4	285,222,993	58.7
<b>Revenue-Supported Debt</b>						
Veterans.....	52,466,387	5.6	49,533,450	11.8	92,336,368	19.0
University of Wisconsin.....	112,850,823	12.2	93,777,922	22.2	81,499,665	16.8
State Fair Park.....	4,474,477	0.5	4,301,653	1.0	3,850,386	0.8
Historical.....	6,870	0.0	8,323	0.0	24,963	0.0
Housing State Depts./Other....	<u>23,952,607</u>	<u>2.6</u>	<u>23,562,735</u>	<u>5.7</u>	<u>22,833,425</u>	<u>4.7</u>
Subtotal.....	<u>193,751,164</u>	<u>20.9</u>	<u>171,184,082</u>	<u>40.6</u>	<u>200,544,809</u>	<u>41.3</u>
<b>Total Debt Service.....</b>	<u>\$926,145,178</u>	<u>100.0</u>	<u>\$421,546,232</u>	<u>100.0</u>	<u>\$485,767,801</u>	<u>100.0</u>

<sup>(a)</sup> The amount for "Tax-Supported Debt; General Fund" in the 2010-11 and 2011-12 fiscal years reflect refunding transactions in which the State issued general obligation refunding obligations to pay for certain general obligations maturing during the 2010-11 and 2011-12 fiscal years.

**Source: Department of Administration**

## VARIABLE RATE OBLIGATIONS

The State has issued, and there currently remain outstanding, both general obligation CP Notes and EMCP.

### Commercial Paper Notes

The State has appointed, to serve as **Dealers** of CP Notes, Goldman, Sachs & Co., J.P. Morgan Securities LLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated. The State has appointed U.S. Bank National Association, as successor to Deutsche Bank Trust Company Americas, to serve as **Issuing and Paying Agent** for the CP Notes, and The Depository Trust Company (**DTC**) serves as **Depository** for the CP Notes.

The State has obtained a **Liquidity Facility** in the form of a line of credit, which is provided through a **Credit Agreement** between the State and The Bank of New York Mellon (**Liquidity Facility Provider**). The principal portion of the Credit Agreement is currently \$200 million.

Table III-12 summarizes, for each authorized and outstanding series of CP Notes, the principal amount initially issued, the date of initial issuance, and the principal amount outstanding as of December 15, 2013.

**Table III-12**

### SUMMARY OF OUTSTANDING GENERAL OBLIGATION CP NOTES (December 15, 2013)

<u>Series of CP Notes</u>	<u>Amount Issued</u>	<u>Date of Initial Issuance</u>	<u>Amount Outstanding</u>
2005 Series A	\$100,350,000	December 14, 2005	\$ 52,810,000
2006 Series A	123,510,000	August 2, 2006	88,184,000
2013 Series A	58,825,000	December 10, 2013	<u>58,825,000</u>
			\$ 199,819,000

Additional CP Notes may be issued pursuant to action of the Commission, but the aggregate amount of CP Notes outstanding may not exceed the principal amount of the Liquidity Facility.

#### *Description of CP Notes*

Each CP Note is dated the date it is issued. It is issued as an interest-bearing obligation in a denomination of \$100,000 or increments of \$1,000 above \$100,000.

The CP Notes are not callable prior to maturity.

Each CP Note matures from 1 to 270 days from its issue date. Also, no CP Note may be issued with a maturity date later than the expiration date of the Liquidity Facility or any substitute Liquidity Facility.

Each CP Note bears interest from its date of issuance, at the rate determined at the date of issuance, payable at maturity. Interest is computed on the basis of a year having 365 or 366 days and the actual number of days elapsed. Payment of each CP Note is made to the Depository and then distributed by the Depository.

#### *Liquidity Facility*

To provide liquidity for the payment of the principal of maturing CP Notes, the State entered into the Credit Agreement with the Liquidity Facility Provider. Payment of interest on the Notes cannot be made from the line of credit established by the Credit Agreement.

Pursuant to the Credit Agreement, the Liquidity Facility Provider is obligated, subject to certain conditions, to make **Advances** from time to time on any business day during the term of the Credit Agreement, only for providing funds to pay the principal of the CP Notes on the maturity date thereof to the extent that proceeds of other CP Notes or other moneys on deposit in the Note Fund for the CP Notes are not available. The aggregate principal amount of all Advances made on any date may not exceed the

principal portion of the Credit Agreement (currently \$200 million), as such amount may be increased or decreased from time to time. Also, the principal portion of the Credit Agreement cannot be less than the sum of the outstanding CP Notes plus the aggregate principal amount of all outstanding Advances provided by the Liquidity Facility Provider.

The Credit Agreement currently terminates on March 19, 2016. The Credit Agreement provides that the termination date may be extended, if the parties agree. Alternatively, the State is permitted to replace the Credit Agreement with another comparable agreement or agreements with any other liquidity facility provider provided that such substitution meets all required qualifications, including, but not limited to, written evidence from each rating agency which, at the request of the State, is then rating the CP Notes and which is then also rating the provider (or its guarantor) of the proposed substitute liquidity facility, to the effect that the substitution of the Liquidity Facility will not by itself result in a withdrawal, suspension, or reduction of its ratings of the CP Notes from those which then prevail.

The State has delivered a promissory note (**Promissory Note**) to the Liquidity Facility Provider, evidencing its obligation to repay all Advances. The Promissory Note is a general obligation of the State. Likewise, new Promissory Notes would be issued to the providers of any substituted Liquidity Facility.

The State will notify the Dealers of any change in the Liquidity Facility. The State will also notify the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access system of any change in the Liquidity Facility.

#### *Description of the Liquidity Facility Provider*

The following information concerning The Bank of New York Mellon (**Bank**) has been provided by representatives of the Bank and has not been independently confirmed or verified by the State. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information given below or incorporated herein by reference is correct as of any time subsequent to its date.

The Bank of New York Mellon, a New York state chartered bank, is one of the two principal banking subsidiaries of The Bank of New York Mellon Corporation (NYSE: BK), a bank holding company and a financial holding company (**BNY Mellon**). BNY Mellon is a global investments company dedicated to helping clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment management and investment services in 35 countries and more than 100 markets.

As of September 30, 2013, BNY Mellon had \$27.4 trillion in assets under custody and/or administration and \$1.5 trillion in assets under management. BNY Mellon can act as a single point of contact for clients looking to create trade, hold, manage service, distribute, or restructure investments. Additional information is available at [www.bnymellon.com](http://www.bnymellon.com); this web site is not incorporated by reference into this Offering Memorandum.

In addition, BNY Mellon's and the Bank's ratings information is available at [www.bnymellon.com/investorrelations/creditratings.html](http://www.bnymellon.com/investorrelations/creditratings.html); this web site is not incorporated by reference into this Offering Memorandum. A rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

BNY Mellon's principal office is located at One Wall Street, New York, New York 10286. A copy of the most recent Annual Report on Form 10-K of BNY Mellon may be obtained from BNY Mellon's Public Relations Department, One Wall Street, 31st Floor, (212) 635-1569. For additional information about BNY Mellon, please refer to the reports filed with the Securities Exchange Commission, including BNY Mellon's Form 10-K, proxy statement, quarterly reports on Form 10-Q, and current reports on Form 8-K, available at [www.sec.gov](http://www.sec.gov).

The Credit Agreement is an obligation of the Bank. BNY Mellon has no obligation under the Credit Agreement or otherwise with respect to the Notes.

## Extendible Municipal Commercial Paper

General obligation EMCP is similar to CP Notes; however, rather than liquidity being provided by a bank or credit facility, the maturity date is extended in case there is a disruption in market liquidity for the EMCP. The State has appointed, to serve as **Dealers** of EMCP, Goldman, Sachs & Co. and Merrill Lynch, Pierce, Fenner & Smith, Incorporated. The State has appointed U.S. Bank Trust National Association to serve as Issuing and Paying Agent for the EMCP, and DTC serves as Depository for the EMCP.

On February 1, 2008, the State issued a single series of EMCP that replaced multiple series of outstanding EMCP that had been issued between calendar years 2000-2006. The total amount of EMCP authorized to be outstanding at any given time, pursuant to the program resolution, is \$950 million. The State may increase the principal amount of EMCP outstanding, upon adoption by the Commission of one or more authorizing resolutions, to fund various general governmental purposes or veterans housing loans. With respect to an initial issuance, specific instructions must be provided to the Issuing and Paying Agent before a Dealer may increase the principal amount of EMCP outstanding. This has occurred four times since 2008 for an aggregate par increase of \$424 million. EMCP is not given a series designation based on any initial issuance date.

Table III-13 summarizes, for each authorized and outstanding program under this single series of EMCP, the principal amount initially issued, the date of initial issuance, and the principal amount outstanding as of December 15, 2013.

**Table III-13**  
**SUMMARY OF OUTSTANDING GENERAL OBLIGATION EMCP**  
**(December 15, 2013)**

<u>Series of EMCP</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Tax-Exempt Notes	\$895,129,000	\$ 695,332,000
Tax-Exempt AMT Notes	4,445,000	<u>-0-</u>
		\$ 695,332,000

### *Description of EMCP*

Each EMCP note is dated the date it is issued and is issued as an interest-bearing obligation in a denomination of \$100,000 or increments of \$1,000 above \$100,000. Interest is computed on the basis of a year having 365 or 366 days and the actual number of days elapsed. Payment of principal of, and interest on, each EMCP note is made to the Depository and then distributed by the Depository.

Each EMCP note matures on its **Original Maturity Date**, which may range from 1 day to 180 days from its original issue date, unless the State exercises its option to extend the maturity date. In that case the EMCP note will mature on its **Extended Maturity Date**, which will be the date that is 270 days after its original issue date.

If the State exercises its option to extend the maturity date, notice of the extension must be provided to the Depository in accordance with the Depository's operational requirements.

Each EMCP note bears interest from its original issue date until the Original Maturity Date at the rate determined on the original issue date, payable on the Original Maturity Date, unless the maturity date is extended, in which case interest will be paid on the date described below. If the State exercises its option to extend the maturity date of an EMCP note, then the extended EMCP note will bear interest after the Original Maturity Date at the Reset Rate and be payable on the dates described below.

If the maturity date of an EMCP note is extended, accrued but unpaid interest to the Original Maturity Date will not be paid on the Original Maturity Date but will be payable on the following date (or any earlier redemption date):

- (1) if the Original Maturity Date is before the 15<sup>th</sup> day of the month, then interest will next be payable on the first **Business Day** (which is a day on which banks located in Madison, Wisconsin and in each of the cities where the principal office of the Issuing and Paying Agent and Dealers are

located are not required or authorized by law or executive order to close for business and on which the New York Stock Exchange is not closed) of the next month, or

(2) if the Original Maturity Date is on or after the 15<sup>th</sup> day of the month, then interest will next be payable on the first Business Day of the second succeeding month after the Original Maturity Date.

For example, if the Original Maturity Date is November 14<sup>th</sup>, interest will be first payable on the first Business Day of December, and if the Original Maturity Date is November 15<sup>th</sup>, interest will be first payable on the first Business Day of January.

Each EMCP note bears interest from the Original Maturity Date at the **Reset Rate** and is payable first on the date described above and thereafter on the first Business Day of each month and on any redemption date or the Extended Maturity Date.

The Reset Rate will be a rate of interest per annum determined by the following formula:

$$(1.35 \times BMA) + E$$

As used in the formula, the *BMA* variable will be Securities Industry and Financial Markets Association Index, or SIFMA Index (which previously was referred to as The Bond Market Association Municipal Swap Index, or BMA Index). This index is calculated weekly and released each Wednesday afternoon, effective Thursday. The *E* variable will be a fixed percentage rate expressed in basis points that is determined based on the ratings assigned to the EMCP (**Prevailing Ratings**), as follows:

<u>Fitch</u>	<u>Prevailing Ratings</u>		<u>E Variable (basis points)</u>
	<u>Moody's Investors Service, Inc.</u>	<u>Standard &amp; Poor's Ratings Services</u>	
F1+	P-1	A-1+	100
F1	–	A-1	150
F2	P-2	A-2	200
F3	P-3	A-3	300
Lower than F3 (or rating discontinued)	Lower than P-3 (or rating discontinued)	Lower than A-3 (or rating discontinued)	400

If at any time any rating agency announces that a lower rating is under consideration for the EMCP, then the Prevailing Rating from such rating agency will not be the rating then assigned to the EMCP; rather, it will be the next lower rating of such rating agency. If the Prevailing Ratings would indicate different *E* variables as a result of split ratings assigned to the EMCP, then the *E* variable will be the arithmetic average of those indicated by the Prevailing Ratings.

The Reset Rate applicable to any EMCP note will be determined weekly by the Issuing and Paying Agent based on the *BMA* variable and the Prevailing Ratings as of 11:00 a.m. (New York time) on its Original Maturity Date and each Thursday thereafter and will apply through the following Wednesday.

## **REVENUE-SUPPORTED GENERAL OBLIGATION DEBT**

### **General**

Although all general obligations issued by the State are supported by its full faith, credit, and taxing power, a portion of these general obligations are issued with the expectation that debt service payments will not impose a direct burden on the State's taxpayers and its general revenue sources. Beneficiaries and users of revenue-supported programs and facilities pay fees and other amounts that are estimated to be at least sufficient to pay or reimburse the General Fund for the amount paid for debt service related to these revenue-supported programs and facilities.

**Table III-6** identifies the amount of outstanding general obligations designated as revenue supported. The programs and facilities funded with these general obligations support debt service payments on approximately \$1.813 billion of State general obligations outstanding on December 15, 2013. Furthermore, **Table III-11** shows that revenue-supported debt service payments were approximately 20.9% of the total debt service cost for the fiscal year ending June 30, 2013. The percentages for the fiscal years ending June 30, 2011 and June 30, 2012 are higher than other fiscal years; in these fiscal years the State issued general obligation refunding obligations for certain maturing general obligations that related to tax-supported debt service payments. This resulted in a decrease in percentage of tax-supported debt service payments and corresponding increase to percentage of revenue-supported debt service payments.

### **Veterans Housing Loan Program**

The veterans housing loan program, operated by the State of Wisconsin Department of Veterans Affairs (**DVA** or **Department of Veterans Affairs**), is one of the revenue-supported general obligation bonding programs of the State. Lending activities under the veterans housing loan program began in 1974. The program is currently funded by general obligations that are either **Tax-Exempt Veterans Mortgage Bonds** or **Taxable Veterans Mortgage Bonds**, collectively referred to as **Veterans Mortgage Bonds**. The repayment of veterans housing loans funded with proceeds of the Veterans Mortgage Bonds are estimated to be at least sufficient to pay or reimburse the General Fund for the amount paid for debt service related to the Veterans Mortgage Bonds.

Approximately \$85 million in aggregate principal amount of Veterans Mortgage Bonds remain outstanding on December 15, 2013. As outlined later in this section, there are different special redemption provisions for the Tax-Exempt Veterans Mortgage Bonds and each series of Taxable Veterans Mortgage Bonds. Due to market conditions and other factors resulting in private mortgage rates being lower than mortgage rates that could be obtained through Veterans Mortgage Bonds, the State has not issued any general obligations for this purpose since 2008, and the Department of Veterans Affairs has not made any new mortgages or loans under this program since June 2010. Furthermore, in the Department of Veterans Affairs' budget for the 2013-15 biennium, it has made the assumption that no new mortgages or loans under this program will be made; however, the State makes no forecast regarding future mortgage activity under the veterans housing loan program or future general obligation issuances. **Tables III-18 through III-24** in Part III of the 2013 Annual Report include unaudited financial and statistical information and related notes that may be helpful in describing the operation of the veterans housing loan program.

#### *Default Risks and Other Information*

No prepayments have been assumed in the nominal amortization of outstanding Veterans Mortgage Bonds. Based on asset and liability balances as of July 1, 2012 and DVA assumptions, the cash flow of the mortgages on September 6, 2013 was sufficient to meet future debt service payments. A loan under the veterans housing loan program may be assumed only by another qualifying veteran.

After deducting a servicing charge (.375% per annum), the participating lender deposits the veteran's monthly loan repayments and any prepayments into the Veterans Mortgage Loan Repayment Fund of the veterans housing loan program, a segregated statutory fund. An irrevocable appropriation is provided by law as a first charge on assets of the Veterans Mortgage Loan Repayment Fund in a sum sufficient to provide for the repayment of principal of, premium, if any, and interest on, State general obligations issued to fund the program.

Program loans financed with Veterans Mortgage Bonds are not required to be insured or guaranteed (casualty insurance coverage is, however, required). Instead, the default risk with respect to such loans is borne by the program. The ability of DVA to dispose of defaulted properties and realize the amount of the outstanding principal balances of the related loans has varied in recent years depending upon the location of the properties within the State and their physical condition upon foreclosure. Although DVA expects that it will continue to experience liquidation losses, it also expects that such losses will not require recourse to the State's General Fund but rather will be covered by the Insurance Reserve Account within the Veterans Mortgage Loan Repayment Fund. As of October 31, 2013, of 929 outstanding primary mortgage housing loans financed by the veterans housing loan program, there were 31 loans in an aggregate principal amount of approximately \$3.6 million had payment were 60 days or longer past due. The insurance reserve requirement (4% of the principal amount of outstanding loans) is currently satisfied. See [Table III-22](#) for more complete details concerning delinquencies.

*Special Redemption; Tax-Exempt Veterans Mortgage Bonds*

As of December 15, 2013, approximately \$62 million of Tax-Exempt Veterans Mortgage Bonds were outstanding. All Tax-Exempt Veterans Mortgage Bonds are subject to special redemption before maturity (even if not subject to optional redemption as provided above), at the option of the Commission, on any date, in whole or in part, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the date of redemption, from:

- Prepayments of veterans housing loans funded from, or attributed to, *any* series of Tax-Exempt Veterans Mortgage Bonds.
- Payments on veterans housing loans, or interest or income on investments in certain accounts, including money available from the Insurance Reserve Account, in excess of amounts required to meet scheduled debt service on all Tax-Exempt Veterans Mortgage Bonds and other costs associated with the veterans housing loan program.

The redemption provisions described above are commonly referred to as a "cross-call". In addition, other special redemption provisions (such as allowing redemptions funded from unexpended proceeds) may apply to certain series of Tax-Exempt Veterans Mortgage Bonds. In the event of a partial redemption, the Capital Finance Director is authorized to direct the maturities and amounts of the Tax-Exempt Veterans Mortgage Bonds to be redeemed.

Prepayments of mortgages originated with, or attributed to, any series of Taxable Veterans Mortgage Bonds may not be used for special redemption of Tax-Exempt Veterans Mortgage Bonds, and prepayments of mortgages originated with, or attributed to, any series of Tax-Exempt Veterans Mortgage Bonds may not be used for special redemption of Taxable Veterans Mortgage Bonds.

Table III-14 presents a summary of the outstanding Tax-Exempt Veterans Mortgage Bonds as of December 15, 2013. [Table III-25](#) presents further detailed information on these outstanding Tax-Exempt Veterans Mortgage Bonds that are subject to special redemption.

**Table III-14**

**SUMMARY OF OUTSTANDING  
TAX-EXEMPT VETERANS MORTGAGE BONDS SUBJECT TO SPECIAL REDEMPTION  
(December 15, 2013)**

<u>Series</u>	<u>Dated Date</u>	<u>Original Principal Amount Subject to Special Redemption</u>	<u>Outstanding Principal Amount Subject to Special Redemption</u>	<u>Range of Interest Rates on Outstanding Bonds</u>
1998 Series E	10/15/98	\$ 6,155,000	\$ 940,000	4.75%
2003 Series 2	04/01/03	13,740,000	3,470,000	4.20-4.65
2003 Series 3	10/30/03	67,890,000	15,510,000	3.50-5.00
2006 Series C	08/02/06	61,685,000	30,310,000	4.50-5.00
2007 Series 2	10/31/07	16,735,000	8,340,000	4.05-4.50
2008 Series 1	6/26/08	17,975,000	<u>3,285,000</u>	3.45-4.75
			<u>\$ 61,855,000</u>	

The State has historically received, and expects to continue to receive, prepayments of veterans housing loans funded with Tax-Exempt Veterans Mortgage Bonds. See [Table III-26](#) for a summary of the prepayments received over the past three years. The State previously from time to time used veterans housing loan prepayments to make new veterans housing loans. However, for the past three years the State has determined that it was not feasible to make new veterans housing loans, and the State used these prepayments to purchase or redeem Tax-Exempt Veterans Mortgage Bonds, as determined by the Commission. As for future veterans housing loan prepayments, it is likely that State will continue use the prepayments to purchase or redeem Tax-Exempt Veterans Mortgage Bonds; however, the State continues to reserve the right use such prepayments to make new veterans housing loans.

Prior to calendar year 2002, it had been the working policy of the Department of Administration, on behalf of the Commission, to call Tax-Exempt Veterans Mortgage Bonds for special redemption based on the highest estimated market price, while taking into consideration the Legislature’s mandate that the veterans housing loan program be self-amortizing. Since that time, this working policy has been modified from time to time to address both (1) the impact special redemption cross-calls have on the cash flow that supports all Veterans Mortgage Bonds and (2) compliance with applicable federal tax law restrictions. This working policy is subject to change at any time. While the Tax-Exempt Veterans Mortgage Bonds that were called for special redemption in the year 2009 were those with the highest interest rates, the Tax-Exempt Veterans Mortgage Bonds called for special redemption in the years 2010, 2011, 2012, and 2013 reflect the more recent working policy outlined above.

A special redemption of Tax-Exempt Veterans Mortgage Bonds occurred on October 1, 2013, as summarized in [Table III-15](#). This special redemption used prepayments of veterans housing loans funded with Tax-Exempt Veterans Mortgage Bonds. In addition, this special redemption used money available from the Insurance Reserve Account and other allowable funds and accounts that were in excess of amounts required to meet scheduled debt service requirements.

Table III-15

OCTOBER 1, 2013 SPECIAL REDEMPTION  
TAX-EXEMPT VETERANS MORTGAGE BONDS

<u>Bond Issue</u>	<u>Maturity Date</u>	<u>Coupon</u>	<u>Redemption Amount</u>
2003 Series 2	2020	4.65%	\$ 625,000
	2021	4.80	935,000
2003 Series 3	2026	5.00	1,325,000
2006 Series C	2031	5.00	575,000
	2037	5.00	1,110,000
2008 Series 1	2018	4.75	25,000

During calendar year 2013, other special redemptions of Tax-Exempt Veterans Mortgage Bonds using prepayments of veterans housing loans and using other money available from the Insurance Reserve Account in excess of amounts required to meet scheduled debt service requirements or available from other allowable sources. These special redemptions occurred on February 25 (aggregate of nearly \$5 million) and on June 24 (aggregate of nearly \$5 million).

*Special Redemption; Taxable Veterans Mortgage Bonds*

As of December 15, 2013, approximately \$24 million of Taxable Veterans Mortgage Bonds were outstanding.

In addition to optional redemption provisions, the Taxable Veterans Mortgage Bonds are subject to special redemption prior to maturity, at the option of the Commission, on any date, in whole or in part at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, from:

- Unexpended proceeds from only that series of Taxable Veterans Mortgage Bonds, as provided in the respective authorizing resolution.
- Prepayments of veterans housing loans or HILP loans, or interest or income on investments in certain accounts, funded from or attributed to only that series of Taxable Veterans Mortgage Bonds, as provided in the respective authorizing resolution.

In the event of a partial redemption, the Commission shall direct the maturities of the Taxable Veterans Mortgage Bonds and the amounts thereof so to be redeemed; however, the Commission has stated in the respective Official Statements that it intends to apply amounts from these sources as a *pro rata* redemption on all applicable outstanding maturities of the Taxable Veterans Mortgage Bonds, subject to rounding, to reflect approximately the unexpended proceeds or prepayment from either veterans housing loans or HILP loans.

Prepayments of veterans housing loans or HILP loans originated with, or attributed to, a series of Taxable Veterans Mortgage Bonds may not be used for special redemption of any other series of Taxable Veterans Mortgage Bonds. Prepayments of mortgage loans or loans originated with, or attributed to, any series of Tax-Exempt Veterans Mortgage Bonds may not be used for special redemption of Taxable Veterans Mortgage Bonds.

The State has historically received, and expects to continue to receive, prepayments of veterans housing loans and HILP loans funded with Taxable Veterans Mortgage Bonds. See [Table III-26](#) for a summary of these prepayments received over the past three years. The State may use prepayments of veterans housing loans and HILP loans funded with Taxable Veterans Mortgage Bonds to make new veterans housing loans and HILP loans. If the State determines that it is not feasible to make new veterans housing loans or HILP loans, then the State intends to use these prepayments to purchase or redeem Taxable Veterans Mortgage Bonds, as determined by the Commission.

The Commission has made several special redemptions of Taxable Veterans Mortgage Bonds from these prepayments. A special redemption of Taxable Veterans Mortgage Bonds occurred on October 1, 2013. The redemption, which is summarized in [Table III-16](#), also included optional redemption of certain Taxable Veterans Mortgage Bonds using money available from certain funds and accounts that were in excess of amounts required to meet scheduled debt service requirements.

**Table III-16**

**OCTOBER 1, 2013 SPECIAL REDEMPTION AND OPTIONAL REDEMPTION  
TAXABLE VETERANS MORTGAGE BONDS**

<u>Bond Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Redemption Amount</u>
1998 Series F	2029	6.40%	\$ 1,010,000 <sup>(a)</sup>
2001 Series E	2017	6.12	270,000 <sup>(a)</sup>
2002 Series B	2032	6.25	70,000
2002 Series D	2033	6.25	55,000
2002 Series F	2033	5.25	215,000
2002 Series H	2033	5.25	170,000
2003 Series 1	2019	4.85	1,645,000 <sup>(a)</sup>
2003 Series B	2033	4.35	436,000
2004 Series D	2034	5.65	100,000
2008 Series B	2038	4.90	180,000

<sup>(a)</sup> Amounts reflect both special redemption and optional redemption that were completed on October 1, 2013.

During calendar year 2013, other special redemptions of Taxable Veterans Mortgage Bonds occurred on February 25 (aggregate of nearly \$2 million) and on June 24 (aggregate of \$2 million).

See [Table III-17](#) for an aggregate summary of special redemptions (from prepayments and unexpended proceeds) and optional redemptions (from allowable funds available from the veterans housing loan program) that have occurred on Taxable Veterans Mortgage Bonds for the past ten years.

Table III-17

**SUMMARY OF SPECIAL AND OPTIONAL REDEMPTIONS  
TAXABLE VETERANS MORTGAGE BONDS  
(As of December 15, 2013)**

Bond Issue	Dated Date	Maturity Date	Original Issue Amount	Special Redemption; Calendar Year 2004	Special Redemption; Calendar Year 2005	Special Redemption; Calendar Year 2006	Special Redemption; Calendar Year 2007	Special Redemption; Calendar Year 2008	Special Redemption; Calendar Year 2009	Special Redemption; Calendar Year 2010	Special Redemption; Calendar Year 2011	Special Redemption; Calendar Year 2012	Special Redemption; Calendar Year 2013	Sinking Fund and Other Optional Redemption Payments Made	Outstanding Par Amount	Coupon	
1997 Series D	9/15/1997	11/1/1999	\$ 620,000												-	6.15%	
		11/1/2000	655,000													-	6.15%
		11/1/2001	695,000													-	6.25%
		11/1/2002	740,000													-	6.30%
		11/1/2003	785,000													-	6.40%
		11/1/2004	840,000	\$ 25,000												-	6.50%
		11/1/2005	895,000	65,000	\$ 20,000											-	6.55%
		11/1/2006	950,000	85,000	25,000	\$ 15,000										-	6.60%
		11/1/2007	1,010,000	75,000	25,000	25,000	\$ 40,000									-	6.65%
		11/1/2008	1,080,000	95,000	30,000	20,000	40,000									-	6.70%
		11/1/2009	1,155,000	85,000	30,000	25,000	45,000									-	6.80%
		11/1/2010	1,230,000	100,000	25,000	30,000	50,000		\$ 10,000	\$ 10,000						-	6.85%
		11/1/2011	1,320,000	110,000	40,000	25,000	55,000		5,000	25,000						-	6.90%
		11/1/2012	1,410,000	115,000	35,000	30,000	50,000		10,000	20,000		\$ 400,000				-	6.90%
		11/1/2017	6,760,000	670,000	215,000	185,000	200,000		55,000	145,000			1,370,000			-	7.15%
		11/1/2028	24,855,000	2,590,000	830,000	705,000	680,000		225,000	560,000	\$ 4,530,000					-	7.25%
			Subtotal		45,000,000	4,015,000	1,275,000	1,060,000	1,160,000	-	305,000	760,000	4,530,000	1,770,000	-	-	-
1998 Series C	5/15/1998	5/1/1999	495,000												-	5.80%	
		5/1/2000	495,000												-	5.85%	
		5/1/2001	525,000												-	5.90%	
		5/1/2002	550,000												-	6.05%	
		5/1/2003	595,000												-	6.05%	
		5/1/2004	625,000												-	6.10%	
		5/1/2005	675,000	40,000											-	6.15%	
		5/1/2006	710,000	50,000	20,000										-	6.20%	
		5/1/2007	760,000	50,000	20,000	5,000									-	6.25%	
		5/1/2008	815,000	50,000	30,000	10,000	10,000								-	6.30%	
		5/1/2028	27,760,000	2,185,000	870,000	185,000	550,000	180,000	360,000	300,000	165,000	4,495,000		\$ 680,000	-	6.95%	
	Subtotal		34,005,000	2,375,000	940,000	200,000	560,000	180,000	360,000	300,000	165,000	4,495,000	-	680,000	-		

**Table III-17 — Continued**  
**SUMMARY OF SPECIAL AND OPTIONAL REDEMPTIONS**  
**TAXABLE VETERANS MORTGAGE BONDS**  
**(As of December 15, 2013)**

Bond Issue	Dated Date	Maturity Date	Original Issue Amount	Special Redemption; Calendar Year 2004	Special Redemption; Calendar Year 2005	Special Redemption; Calendar Year 2006	Special Redemption; Calendar Year 2007	Special Redemption; Calendar Year 2008	Special Redemption; Calendar Year 2009	Special Redemption; Calendar Year 2010	Special Redemption; Calendar Year 2011	Special Redemption; Calendar Year 2012	Special Redemption; Calendar Year 2013	Sinking Fund and Other Optional Redemption Payments Made	Outstanding Par Amount	Coupon	
1998 Series F	10/15/1998	11/1/1999	\$ 355,000												-	-	
		11/1/2000	725,000												-	5.00%	
		11/1/2001	760,000												-	5.10%	
		11/1/2002	790,000												-	5.20%	
		11/1/2003	830,000												-	5.35%	
		11/1/2004	870,000												-	5.45%	
		11/1/2005	915,000	\$ 75,000	\$ 30,000										-	5.55%	
		11/1/2006	960,000	80,000	35,000	\$ 5,000									-	5.55%	
		11/1/2007	1,015,000	85,000	35,000	10,000	\$ 30,000								-	5.60%	
		11/1/2008	1,065,000	85,000	40,000	15,000	30,000								-	5.65%	
		11/1/2009	1,125,000	95,000	40,000	10,000	35,000		\$ 20,000						-	5.75%	
		11/1/2029	45,590,000	3,750,000	1,665,000	460,000	1,405,000		1,395,000	\$ 585,000	\$ 425,000	\$ 3,995,000	\$ 210,000	\$ 2,945,000	-	6.40%	
		Subtotal		55,000,000	4,170,000	1,845,000	500,000	1,500,000	-	1,415,000	585,000	425,000	3,995,000	210,000	2,945,000	-	
		1999 Series B	5/1/1999	11/1/2000	420,000												-
11/1/2001	450,000														-	5.60%	
11/1/2002	480,000														-	5.80%	
11/1/2003	500,000														-	6.00%	
11/1/2004	535,000														-	6.20%	
11/1/2005	570,000			40,000	10,000										-	6.25%	
11/1/2006	600,000			45,000	10,000										-	6.25%	
11/1/2007	640,000			45,000	10,000	5,000	5,000								-	6.30%	
11/1/2008	680,000			50,000	10,000		10,000								-	6.35%	
11/1/2009	725,000			55,000	15,000	5,000	15,000		5,000						-	6.40%	
11/1/2010	770,000			55,000	10,000	5,000	10,000	5,000	5,000						-	6.40%	
11/1/2013	2,620,000			200,000	45,000	10,000	40,000	5,000	10,000	15,000		255,000		120,000	-	6.50%	
11/1/2016	3,180,000			235,000	55,000	15,000	50,000	10,000	15,000	20,000		450,000			-	7.00%	
11/1/2030	27,830,000			2,060,000	480,000	140,000	420,000	70,000	145,000	165,000	2,375,000	1,570,000			-	7.25%	
Subtotal		40,000,000	2,785,000	645,000	180,000	550,000	90,000	180,000	200,000	2,375,000	2,275,000		120,000	-			

**Table III-17 — Continued**  
**SUMMARY OF SPECIAL AND OPTIONAL REDEMPTIONS**  
**TAXABLE VETERANS MORTGAGE BONDS**  
**(As of December 15, 2013)**

Bond Issue	Dated Date	Maturity Date	Original Issue Amount	Special Redemption; Calendar Year 2004	Special Redemption; Calendar Year 2005	Special Redemption; Calendar Year 2006	Special Redemption; Calendar Year 2007	Special Redemption; Calendar Year 2008	Special Redemption; Calendar Year 2009	Special Redemption; Calendar Year 2010	Special Redemption; Calendar Year 2011	Special Redemption; Calendar Year 2012	Special Redemption; Calendar Year 2013	Sinking Fund and Other Optional Redemption Payments Made	Outstanding Par Amount	Coupon
1999 Series D	11/1/1999	11/1/2010	\$ 9,465,000	\$ 240,000	\$ 75,000							\$ -		\$ 2,340,000	-	7.70%
		11/1/2030	55,535,000	1,960,000	755,000						\$ 3,935,000	-		2,990,000	-	7.70%
		Subtotal	65,000,000	2,200,000	830,000						-	3,935,000	-	-	5,330,000	-
2000 Series B	7/1/2000	11/1/2010	4,625,000	85,000	10,000	\$ 5,000	\$ 5,000					-		1,130,000	-	7.50%
		11/1/2030	30,375,000	850,000	100,000	75,000	135,000					-		3,175,000	-	8.05%
		Subtotal	35,000,000	935,000	110,000	80,000	140,000				-		-	-	4,305,000	-
2000 Series E	11/7/2000	11/1/2016	5,000,000	435,000	165,000	40,000	150,000					-		1,050,000	\$ 400,000	7.00%
2001 Series A	2/21/2001	5/1/2031	15,000,000	1,145,000	255,000	340,000	280,000	\$ 170,000	\$ 530,000	\$ 20,000	40,000	-	\$ 15,000	840,000	1,740,000	7.00%
2001 Series D	6/15/2001	11/1/2002	320,000												-	4.50%
2001 Series D	6/15/2001	11/1/2003	255,000												-	5.00%
2001 Series D	6/15/2001	11/1/2004	265,000												-	5.30%
2001 Series D	6/15/2001	11/1/2005	280,000	20,000											-	5.50%
2001 Series D	6/15/2001	11/1/2006	295,000	25,000											-	5.60%
2001 Series D	6/15/2001	11/1/2007	315,000	15,000			5,000								-	5.75%
2001 Series D	6/15/2001	11/1/2008	330,000	25,000			10,000					-			-	5.90%
2001 Series D	6/15/2001	11/1/2011	1,110,000	85,000			25,000		5,000	10,000				155,000	-	6.20%
2001 Series D	6/15/2001	11/1/2016	2,390,000	175,000	5,000	5,000	60,000		20,000	30,000		300,000			-	6.60%
2001 Series D	6/15/2001	11/1/2021	3,305,000	250,000	5,000	10,000	85,000	5,000	25,000	50,000		395,000			-	6.90%
2001 Series D	6/15/2001	11/1/2031	11,135,000	830,000	20,000	25,000	275,000	15,000	90,000	175,000		1,340,000			-	7.05%
		Subtotal	20,000,000	1,425,000	30,000	40,000	460,000	20,000	140,000	265,000	-	2,035,000	-	-	-	-
2001 Series E	10/1/2001	11/1/2017	6,210,000	440,000	180,000	265,000	205,000		305,000			125,000	160,000	1,295,000	-	6.12%
2001 Series E	10/1/2001	11/1/2021	2,730,000	220,000	90,000	145,000	115,000		210,000	5,000	15,000	425,000			-	6.71%
2001 Series E	10/1/2001	11/1/2031	11,060,000	900,000	375,000	580,000	470,000		835,000	15,000	40,000	1,750,000			-	6.96%
		Subtotal	20,000,000	1,560,000	645,000	990,000	790,000	-	1,350,000	20,000	55,000	2,300,000	160,000	1,295,000	-	-

**Table III-17 — Continued**  
**SUMMARY OF SPECIAL AND OPTIONAL REDEMPTIONS**  
**TAXABLE VETERANS MORTGAGE BONDS**  
**(As of December 15, 2013)**

Bond Issue	Dated Date	Maturity Date	Original Issue Amount	Special Redemption; Calendar Year 2004	Special Redemption; Calendar Year 2005	Special Redemption; Calendar Year 2006	Special Redemption; Calendar Year 2007	Special Redemption; Calendar Year 2008	Special Redemption; Calendar Year 2009	Special Redemption; Calendar Year 2010	Special Redemption; Calendar Year 2011	Special Redemption; Calendar Year 2012	Special Redemption; Calendar Year 2013	Sinking Fund and Other Optional Redemption Payments Made	Outstanding Par Amount	Coupon
2002 Series B	3/26/2002	11/1/2032	15,000,000	\$ 1,285,000	\$ 860,000	\$ 1,040,000	\$ 1,060,000	\$ 160,000	\$ 1,385,000	\$ 350,000	\$ 160,000	\$ 270,000	\$ 165,000	\$ 880,000	\$ 1,560,000	6.25%
2002 Series D	6/12/2002	5/1/2033	20,000,000	4,345,000	330,000	830,000	850,000	130,000	1,110,000	750,000	330,000	760,000	205,000	1,015,000	2,320,000	6.25%
2002 Series E	9/26/2002	5/1/2018	2,000,000	65,000	-	470,000	-	220,000	110,000	15,000	50,000	35,000	10,000	720,000	305,000	4.80%
2002 Series F	9/26/2002	5/1/2033	13,000,000	910,000	660,000	-	-	430,000	2,270,000	985,000	1,440,000	1,045,000	540,000	1,600,000	2,650,000	5.25%
2002 Series H	12/30/2002	5/1/2033	15,000,000	2,080,000	1,125,000	-	230,000	660,000	2,170,000	990,000	1,225,000	1,295,000	435,000	1,795,000	2,995,000	5.25%
2003 Series I	4/3/2003	11/1/2019	7,000,000	1,915,000	370,000	230,000	-	510,000	160,000	75,000	60,000	5,000	30,000	3,645,000	-	4.85%
2003 Series B	7/24/2003	11/1/2033	30,000,000	-	1,760,000	-	60,000	-	5,000,000	3,280,000	4,630,000	2,690,000	1,640,000	4,450,000	6,490,000	4.35%
2004 Series B	8/12/2004	11/1/2014	1,000,000	N/A	-	-	5,000	40,000	190,000	115,000	20,000	15,000	-	580,000	35,000	4.50%
2004 Series C	8/12/2004	11/1/2019	1,000,000	N/A	-	-	70,000	40,000	290,000	35,000	25,000	30,000	10,000	325,000	175,000	5.15%
2004 Series D	8/26/2004	11/1/2034	20,000,000	N/A	13,500,000	-	175,000	160,000	1,315,000	510,000	135,000	770,000	325,000	780,000	2,330,000	5.65%
2005 Series C	4/7/2005	5/1/2035	5,000,000	N/A	N/A	-	5,000	280,000	70,000	860,000	520,000	950,000	630,000	550,000	1,135,000	5.40%
2006 Series B	7/7/2006	11/1/2021	2,000,000	N/A	N/A	N/A	20,000	-	700,000	170,000	85,000	105,000	-	475,000	445,000	5.65%
2008 Series B	5/30/2008	5/1/2038	4,445,000	N/A	N/A	N/A	N/A	-	400,000	230,000	945,000	465,000	630,000	285,000	1,490,000	4.90%
<b>Totals</b>			<b>\$ 469,450,000</b>	<b>\$ 31,645,000</b>	<b>\$ 25,345,000</b>	<b>\$ 6,000,000</b>	<b>\$ 8,065,000</b>	<b>\$ 3,090,000</b>	<b>\$ 19,450,000</b>	<b>\$ 10,515,000</b>	<b>\$ 21,150,000</b>	<b>\$ 25,305,000</b>	<b>\$ 5,005,000</b>	<b>\$ 33,665,000</b>	<b>\$ 24,070,000</b>	

Note: The total original issue amount less all the special redemptions and sinking fund payment amounts does not equal the total outstanding par amount since the table does not include serial bonds that matured prior to the date of this 2013 Annual Report. In addition, certain optional redemptions that have been completed using allowable funds available from the veterans housing loan program are included within the above "special redemption" amounts.

## Financial and Statistical Information

The following unaudited financial and statistical information and notes relate to the operation of the veterans housing loan program. Veterans Mortgage Bonds issued to fund this program are general obligations; the bondholders have no special pledge or lien on revenues derived from this program.

**Table III-18**

**VETERANS HOUSING LOAN PROGRAM  
BALANCE SHEET  
(As of June 30; Amounts in Thousands)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>					
Cash and Cash Equivalents.....	\$ 15,512	\$ 29,442	\$ 28,889	\$ 58,108	\$ 75,288
Veterans Loans.....	89,346	124,453	170,131	225,132	258,368
Other Receivables.....	484	1,104	2,660	2,006	1,647
Advances to Other Funds.....	636	611	586	454	
Due From Other Funds.....	2	2			
Prepaid Items.....	24	22	29	43	40
Deferred Charges.....	579	751	1,013	1,653	2,507
Capital Assets (net of accumulated depreciation).....	11	18	47	77	103
Other Assets.....	716	1,446	1,312	1,041	908
<b>Total Assets.....</b>	<u>\$ 107,312</u>	<u>\$ 157,848</u>	<u>\$ 204,667</u>	<u>\$ 288,514</u>	<u>\$ 338,860</u>
<b>LIABILITIES AND NET POSITION</b>					
<b>Liabilities:</b>					
Accounts Payable and Other Accrued Liabilities.....	\$ 129	\$ 151	\$ 104	\$ 278	\$ 170
Due to Other Funds.....	85	90	80	284	183
Due to Other Governments.....	9	56	26	15	12
Tax and Other Deposits.....	0				
Unearned Revenue.....	0				
Interest Payable.....	774	1,145	1,510	2,210	2,588
Compensated Absences.....	258	268	304	308	259
Other Postemployment Benefits .....	156	150	144	122	146
Short Term Note Payable.....					
General Obligation Bonds Payable.....	94,784	140,847	181,305	259,926	304,422
<b>Total Liabilities.....</b>	<u>\$ 96,195</u>	<u>\$ 142,706</u>	<u>\$ 183,473</u>	<u>\$ 263,144</u>	<u>\$ 307,778</u>
<b>Net Position:</b>					
Net Position:					
Unreserved.....	\$ 15,142	\$ 15,142	\$ 21,195	\$ 25,370	\$ 31,082
Total Net Position.....	<u>\$ 15,142</u>	<u>\$ 15,142</u>	<u>\$ 21,195</u>	<u>\$ 25,370</u>	<u>\$ 31,082</u>
<b>Total Liabilities and Net Position.....</b>	<u>\$ 111,337</u>	<u>\$ 157,848</u>	<u>\$ 204,668</u>	<u>\$ 288,514</u>	<u>\$ 338,860</u>

Source: Department of Veterans Affairs

Table III-19

**VETERANS HOUSING LOAN PROGRAM**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**(As of June 30; Amounts in Thousands)**

	2013	2012	2011	2010	2009
<b>Operating Revenues:</b>					
Investment and Interest Income.....	\$ 6,457	\$ 8,781	\$ 11,678	\$ 14,705	\$ 17,285
Total Operating Revenues.....	<u>\$ 6,457</u>	<u>\$ 8,781</u>	<u>\$ 11,678</u>	<u>\$ 14,705</u>	<u>\$ 17,285</u>
<b>Operating Expenses:</b>					
Personal Services.....	\$ 2,321	\$ 2,432	\$ 2,545	\$ 2,486	\$ 2,577
Supplies and Services.....	644	704 566		577	581
Depreciation.....	10	27 30		30	30
Interest Expense.....	6,207	8,974	12,618	15,186	19,116
Other Expenses.....	967	2,369	1,111	2,254	1,411
Total Operating Expenses.....	<u>10,149</u>	<u>14,506</u>	<u>16,869</u>	<u>20,533</u>	<u>23,715</u>
Operating Income (Loss).....	<u>(\$ 3,692)</u>	<u>(\$ 5,724)</u>	<u>(\$ 5,191)</u>	<u>(\$ 5,828)</u>	<u>(\$ 6,431)</u>
<b>Nonoperating Revenues (Expenses):</b>					
Investment and Interest Income.....	\$ 60	\$ 70	\$ 122	\$ 177	\$ 1,324
Gain (Loss) on Disposal of Capital Assets	3	(12)			
Other Revenues.....	7	4	1,286	4	40
Other Expenses:					
Grants Disbursed.....	(338)	(329)	(328)	(339)	(452)
Other.....					
Total Nonoperating Revenue (Expense).....	<u>(269)</u>	<u>(268)</u>	<u>1,073</u>	<u>(159)</u>	<u>913</u>
Income (Loss) Before Operating Transfers.....	<u>(3,961)</u>	<u>(5,992)</u>	<u>(4,118)</u>	<u>(5,987)</u>	<u>(5,518)</u>
Operating Transfers In.....	0	0	0	0	10
Operating Transfers Out.....	(64)	(60)	(57)	(51)	(77)
Net Income before Extraordinary Items and Cumulative	<u>(4,026)</u>	<u>(6,052)</u>	<u>(4,175)</u>	<u>(6,039)</u>	<u>(5,584)</u>
Extraordinary Items:					
Gain (Loss) from Extinguishment of Debt.....					
<b>Net Income</b> .....	<u>(\$ 4,026)</u>	<u>(\$ 6,052)</u>	<u>(\$ 4,175)</u>	<u>(\$ 6,039)</u>	<u>(\$ 5,584)</u>
Net Position, Beginning of Year.....	\$15,142	\$21,195	\$25,370	\$31,082	\$36,156
Prior Period Adjustments.....	-	-	-	327	510
<b>Net Position, End of Year</b> .....	<u>\$11,117</u>	<u>\$15,142</u>	<u>\$21,195</u>	<u>\$25,370</u>	<u>\$31,082</u>

Source: Department of Veterans Affairs

Table III-20

**VETERANS HOUSING LOAN PROGRAM**  
**STATEMENT OF CASH FLOWS**  
**(As of June 30; Amounts in Thousands)**

	2013	2012	2011	2010	2009
<b>Cash Flows from Operating Activities:</b>					
Cash Payments to Suppliers for Goods and Services.....	(\$ 630)	(\$ 773)	(\$ 551)	(\$ 560)	(\$ 711)
Cash Payments to Employees for Services.....	(2,307)	(2,382)	(2,607)	(2,464)	(2,324)
Cash Payments for Loans Originated.....	(9)	(264)	(662)	(11,136)	(38,761)
Investment and Interest Income.....	9,121	9,225	12,749	15,972	18,287
Collection of Loans.....	34,106	44,218	53,448	42,233	55,703
Other Operating Revenues (Expenses).....	0	(1,328)	(1,077)	(1,387)	(1,262)
Other Sources of Cash	(1,338)	1,716			
Net Cash Provided (Used) by Operating Activities.....	<u>\$ 38,944</u>	<u>\$ 50,412</u>	<u>\$ 61,300</u>	<u>\$ 42,658</u>	<u>\$ 30,932</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Proceeds from Issuance of Debt.....					
Grants to Individuals or Governments.....	(\$ 385)	(\$ 292)	(\$ 324)	(\$ 336)	(\$ 444)
Repayment of Bonds and Notes.....	(46,320)	(40,810)	(79,045)	(44,790)	(68,315)
Interest Payments.....	(6,148)	(8,725)	(12,236)	(14,824)	(18,208)
Operating Transfers Out.....	(62)	(60)	(285)	(51)	(87)
Other Cash Inflows from Noncapital Financing Activities.....	7	4	1,268	3	63
Other Cash Outflows from Noncapital Financing Activities.....	0	(8)			
Net Cash Provided (Used) by Noncapital Financing Activities.....	<u>(\$ 52,907)</u>	<u>(\$ 49,891)</u>	<u>(\$ 90,622)</u>	<u>(\$ 59,998)</u>	<u>(\$ 86,992)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Payments for Purchase of Fixed Assets.....	(\$ 3)	(\$ 9)	\$ 0	(\$ 3)	(\$ 2)
Net Cash Provided (Used) by Capital and Related Financing Activities.....	<u>(\$ 3)</u>	<u>(\$ 9)</u>	<u>\$ 0</u>	<u>(\$ 3)</u>	<u>(\$ 2)</u>
<b>Cash Flows from Investing Activities:</b>					
Interest and Dividends Receipts.....	37	41	104	163	1,318
Net Cash Provided (Used) by Investing Activities.....	<u>\$ 37</u>	<u>\$ 41</u>	<u>\$ 104</u>	<u>\$ 163</u>	<u>\$ 1,318</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	<u>(13,929)</u>	<u>553</u>	<u>(29,219)</u>	<u>(\$ 17,180)</u>	<u>(\$ 54,744)</u>
Cash and Cash Equivalents, Beginning of Year.....	29,442	28,889	58,108	75,288	130,031
Cash and Cash Equivalents, End of Year.....	<u>\$ 15,512</u>	<u>\$ 29,442</u>	<u>\$ 28,889</u>	<u>\$ 58,108</u>	<u>\$ 75,288</u>
<b>Operating Income (Loss).....</b>	<u>(\$ 3,692)</u>	<u>(\$ 5,724)</u>	<u>(\$ 5,191)</u>	<u>(\$ 5,828)</u>	<u>(\$ 6,431)</u>
<b>Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>					
Depreciation.....	\$ 10	\$ 27	\$ 30	\$ 30	\$ 30
Provision for Uncollectible Accounts.....	(371)	1,042	33	461	48
Operating Expense (Interest Expense) Classified as Noncapital Financing Act. ....	6,207	8,974	12,618	15,186	19,116
Miscellaneous Non-Operating Income (Expense).....					
<b>Changes in Assets and Liabilities:</b>					
Decrease (Increase) in Mortgage Loans Receivables.....	35,477	44,636	54,968	32,776	18,421
Decrease (Increase) in Other Accounts Receivables.....	618	1,560	(654)	(360)	(23)
Decrease (Increase) in Due From Other Funds.....	(1)	(1)	(1)		
Decrease (Increase) in Investments.....					
Decrease (Increase) in Prepaid Items.....	(2)	6	15		
Decrease (Increase) in Deferred Charges.....	0	0	0	406	101
Decrease (Increase) in Other Assets.....	730	(134)	(271)	(133)	(314)
Decrease (Increase) in Accounts Payable and Other Accrued Liabilities.....	24	10	(178)	106	(164)
Decrease (Increase) in Compensated Absences.....	(10)	(36)	(3)	49	50
Decrease (Increase) in Other Postemployment Benefits.....	5	7	22	(23)	66
Decrease (Increase) in Due to Other Funds.....	(5)	9	(90)	(12)	60
Decrease (Increase) in Due to Other Governments.....	(47)	37	4	5	(30)
Decrease (Increase) in Tax and Other Deposits.....					
Decrease (Increase) in Unearned Revenues.....					
<b>Total Adjustments.....</b>	<u>\$ 42,636</u>	<u>\$ 56,136</u>	<u>\$ 66,491</u>	<u>\$ 48,490</u>	<u>\$ 37,363</u>
Net Cash Provided by Operating Activities.....	<u>\$ 38,944</u>	<u>\$ 50,412</u>	<u>\$ 61,300</u>	<u>\$ 42,658</u>	<u>\$ 30,932</u>

Source: Department of Veterans Affairs

Table III-21

**VETERANS HOUSING LOAN PROGRAM  
BONDS ISSUED AND RELATED RATES OF INTEREST <sup>(a)</sup>  
(On Bonds Issued to December 15, 2013)**

<u>Bonds Dated</u>	<u>Amount of Issue</u>	<u>Interest Rate Paid by the State<sup>(b)</sup></u>	<u>Interest Rate Charged to Veterans<sup>(c)</sup></u>
4/01/85	\$290,955,000	9.49%	10.60%
5/22/86	38,185,500	7.78	8.55
7/01/88	15,000,000	7.87	8.55
1/01/89	20,000,000	7.98	8.55
8/01/89	20,000,000	7.22	7.85
3/01/90	20,000,000	7.60	8.25
10/01/90	20,000,000	7.62	8.25
4/01/91	30,000,000	7.36	8.10
6/01/92	30,000,000	6.56	7.40
10/15/93	20,000,000	5.40	5.25 <sup>(d)</sup>
9/15/94	45,000,000	6.62	7.25
2/15/95	29,625,000	6.46	7.45
10/15/95	42,850,000	5.58	6.55
5/15/96	45,000,000	6.07	7.00
10/15/96	30,000,000	5.93	6.90
3/15/1997	45,000,000	5.97	6.90
9/15/1997	45,000,000	5.41	6.40
9/15/1997	45,000,000	7.30	6.40 <sup>(e)</sup>
5/15/1998	30,565,000	5.41	6.65
5/15/1998	34,005,000	6.93	6.65 <sup>(e)</sup>
10/15/1998	6,155,000	4.87	6.50
10/15/1998	55,000,000	6.37	6.50 <sup>(e)</sup>
5/01/1999	40,000,000	7.14	6.85 <sup>(e)</sup>
11/01/1999	65,000,000	7.75	7.80 <sup>(e)</sup>
7/01/2000	35,000,000	8.02	7.90 <sup>(e)</sup>
2/21/2001	15,000,000	7.00	6.80 <sup>(e)</sup>
6/15/2001	20,000,000	6.96	7.00 <sup>(e)</sup>
10/1/2001	20,000,000	6.80	6.80 <sup>(e)</sup>
3/26/2002	15,000,000	6.25	6.50 <sup>(e)</sup>
6/12/2002	20,000,000	6.25	6.50 <sup>(e)</sup>
9/26/2002	13,000,000	5.25	5.65
12/30/2002	15,000,000	5.25	5.75
4/1/2003	81,630,000	4.62/4.73	5.30/5.75
7/24/2003	30,000,000	4.35	5.35/5.75/5.30
8/26/2004	20,000,000	5.65	6.15
4/7/2005	5,000,000	5.40	5.99
8/2/2006	61,685,000	5.06	6.00
10/31/2007	20,570,000	4.66	6.00
5/30/2008	4,445,000	4.90	6.00
6/26/2008	19,855,000	4.80	5.75

<sup>(a)</sup> Does not include bonds issued solely to fund HILP loans.

<sup>(b)</sup> Reflects the true interest cost rate for the associated series of bonds.

<sup>(c)</sup> Includes an add-on to cover lender's fees, DVA administrative costs, and a reserve for self-insurance.

<sup>(d)</sup> A subsidy resulting from refunding savings is being used to cover the difference between the debt service on the bonds and cash flow from the mortgages. In addition, the subsidy covers the lender's fees, DVA administrative costs, and a reserve for self-insurance.

<sup>(e)</sup> In setting the interest rate charged to the borrower for a loan made with the proceeds of certain Taxable Veterans Mortgage Bonds, DVA has chosen to apply a subsidy from the primary mortgage home loan program. The result is that the lending rate may be lower than the true interest cost rate on the respective Taxable Veterans Mortgage Bond issue.

**Source: Departments of Administration and Veterans Affairs**

Table III-22

**VETERANS HOUSING LOAN PROGRAM<sup>(a)</sup>**  
**60+ DAY LOAN DELINQUENCIES**

	<u>Month</u> <u>Ending</u>	<u>Principal</u> <u>Amount</u> <u>Outstanding</u>	<u>Number of</u> <u>Loans</u> <u>Outstanding</u>	<u>60+ Day</u> <u>Delinquent</u> <u>Loans</u>	<u>Percent</u> <u>of</u> <u>Total</u>
2011	January.....	\$ 183,723,055	1,856	40	2.16%
	February.....	180,907,927	1,832	33	1.80
	March.....	177,642,787	1,801	32	1.78
	April.....	175,345,914	1,779	31	1.74
	May.....	172,023,502	1,750	34	1.94
	June.....	169,173,312	1,721	33	1.92
	July.....	167,456,603	1,705	41	2.40
	August.....	164,115,709	1,679	38	2.26
	September.....	160,864,610	1,651	34	2.06
	October.....	157,376,986	1,616	37	2.29
	November.....	152,368,303	1,576	37	2.35
	December.....	149,298,778	1,547	37	2.39
2012	January.....	145,191,075	1,513	36	2.38
	February.....	141,577,777	1,484	31	2.09
	March.....	136,217,409	1,430	33	2.31
	April.....	133,084,756	1,395	36	2.58
	May.....	128,408,338	1,361	35	2.57
	June.....	124,659,024	1,327	33	2.49
	July.....	121,267,591	1,296	33	2.55
	August.....	118,273,507	1,268	31	2.44
	September.....	113,926,577	1,234	34	2.76
	October.....	109,163,281	1,191	38	3.19
	November.....	152,368,303	1,576	37	2.35
	December.....	149,298,778	1,547	37	2.39
2012	January.....	145,191,075	1,513	36	2.38
	February.....	141,577,777	1,484	31	2.09
	March.....	136,217,409	1,430	33	2.31
	April.....	133,084,756	1,395	36	2.58
	May.....	128,408,338	1,361	35	2.57
	June.....	124,659,024	1,327	33	2.49
	July.....	121,267,591	1,296	33	2.55
	August.....	118,273,507	1,268	31	2.44
	September.....	113,926,577	1,234	34	2.76
	October.....	109,163,281	1,191	38	3.19
	November.....	106,878,784	1,166	34	2.92
	December.....	104,431,422	1,143	32	2.80
2013	January.....	101,771,512	1,119	35	3.13
	February.....	99,689,776	1,098	38	3.46
	March.....	97,455,544	1,075	36	3.35
	April.....	94,645,081	1,052	38	3.61
	May.....	91,592,742	1,030	36	3.50
	June.....	89,650,372	1,009	33	3.27
	July.....	87,151,033	983	38	3.87
	August.....	84,892,783	965	37	3.83
	September.....	83,302,504	946	36	3.81
	October.....	81,628,083	929	31	3.34

<sup>(a)</sup> Does not include information on outstanding HILP loans.

Source: Department of Veterans Affairs.

Table III-23

**DEBT SERVICE SCHEDULE ON STATE GENERAL OBLIGATION BONDS ISSUED TO FUND  
VETERANS HOUSING AND HILP LOANS  
(December 15, 2013)**

<u>Fiscal Year (Ending June 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2014 <sup>(a)</sup> .....	\$ 655,000	\$ 2,130,214	\$ 2,785,214
2015.....	990,000	4,213,419	5,203,419
2016.....	4,570,000	4,148,986	8,718,986
2017.....	5,330,000	3,927,552	9,257,552
2018.....	4,955,000	3,689,118	8,644,118
2019.....	4,005,000	3,455,751	7,460,751
2020.....	3,165,000	3,235,035	6,400,035
2021.....	3,080,000	3,073,549	6,153,549
2022.....	3,210,000	2,917,136	6,127,136
2023.....	3,325,000	2,755,234	6,080,234
2024.....	3,650,000	2,580,743	6,230,743
2025.....	3,640,000	2,399,345	6,039,345
2026.....	6,150,000	2,212,595	8,362,595
2027.....	8,365,000	1,877,395	10,242,395
2028.....	3,290,000	1,545,454	4,835,454
2029.....	3,100,000	1,384,766	4,484,766
2030.....	3,305,000	1,223,394	4,528,394
2031.....	3,430,000	1,050,861	4,480,861
2032.....	3,520,000	872,491	4,392,491
2033.....	3,565,000	694,163	4,259,163
2034.....	3,095,000	515,705	3,610,705
2035.....	2,745,000	373,143	3,118,143
2036.....	2,685,000	238,985	2,923,985
2037.....	2,020,000	104,820	2,124,820
2038.....	80,000	3,920	83,920
<b>TOTALS.....</b>	<b>\$ 85,925,000</b>	<b>\$ 50,623,772</b>	<b>\$ 136,548,772</b>

<sup>(a)</sup> For the fiscal year ending June 30, 2014, the table includes debt service amounts for period December 15, 2013 through June 30, 2014.

**Source: Department of Administration**

Table III-24

**VETERANS HOUSING LOAN PROGRAM  
TOTAL LOANS BY COUNTY  
(Through October 2013)**

<u>County</u>	<u>Number of Loans</u>	<u>% of Total Loans</u>	<u>County</u>	<u>Number of Loans</u>	<u>% of Total Loans</u>
Adams.....	152	0.27%	Marinette .....	314	0.57%
Ashland.....	106	0.19	Marquette .....	77	0.14
Barron.....	437	0.79	Menominee.....	16	0.03
Bayfield .....	105	0.19	Milwaukee.....	9,516	17.19
Brown .....	3,052	5.51	Monroe .....	492	0.89
Buffalo.....	100	0.18	Oconto .....	324	0.59
Burnett .....	80	0.14	Oneida .....	384	0.69
Calumet.....	377	0.68	Outagamie .....	2,160	3.90
Chippewa.....	525	0.95	Ozaukee.....	579	1.05
Clark .....	211	0.38	Pepin.....	55	0.10
Columbia .....	521	0.94	Pierce.....	377	0.68
Crawford.....	124	0.22	Polk .....	252	0.46
Dane.....	4,473	8.08	Portage .....	781	1.41
Dodge .....	837	1.51	Price .....	147	0.27
Door.....	252	0.46	Racine.....	2,181	3.94
Douglas.....	551	1.00	Richland .....	119	0.22
Dunn .....	338	0.61	Rock .....	2,228	4.03
Eau Claire .....	1,248	2.25	Rusk .....	176	0.32
Florence.....	8	0.01	St. Croix .....	621	1.12
Fond du Lac.....	1,280	2.31	Sauk.....	534	0.96
Forest.....	31	0.06	Sawyer.....	71	0.13
Grant.....	404	0.73	Shawano .....	319	0.58
Green .....	336	0.61	Sheboygan.....	1,370	2.48
Green Lake .....	151	0.27	Taylor.....	108	0.20
Iowa .....	225	0.41	Trempeleau.....	218	0.39
Iron .....	37	0.07	Vernon.....	170	0.31
Jackson .....	221	0.40	Vilas .....	123	0.22
Jefferson .....	764	1.38	Walworth.....	668	1.21
Juneau.....	204	0.37	Washburn .....	142	0.26
Kenosha.....	1,435	2.59	Washington .....	1,096	1.98
Kewaunee .....	148	0.27	Waukesha .....	2,773	5.01
LaCrosse.....	1,328	2.40	Waupaca.....	471	0.85
Lafayette.....	133	0.24	Waushara.....	164	0.30
Langlade .....	127	0.23	Winnebago .....	2,125	3.84
Lincoln.....	225	0.41	Wood.....	<u>1,122</u>	<u>2.03</u>
Manitowoc.....	1,165	2.10	Total .....	55,347	100.00
Marathon .....	1,363	2.46			

**Source: Department of Veterans Affairs.**

Table III-25

**OUTSTANDING TAX-EXEMPT VETERANS MORTGAGE BONDS  
SUBJECT TO SPECIAL REDEMPTION  
(As of December 15, 2013) <sup>(a)</sup>**

Series	Dated Date	Maturities	Original Par Amount		Par Amount Outstanding		Interest Rate		
			May	November	May	November			
1998 Series E	10/15/98	2012	\$ 905,000				4.60%		
		2013	950,000				4.70		
		2014	995,000				4.80		
		2015	1,050,000				4.75		
		2016	1,100,000			\$ 940,000	4.75		
		2017	1,155,000				4.80		
2003 Series 2	04/01/03	2012	640,000				3.95		
		2013	665,000				4.00		
		2014	695,000				4.05		
		2015	720,000				4.15		
		2016	750,000			750,000	4.25		
		2017	785,000			785,000	4.35		
		2018	815,000			815,000	4.50		
		2019	855,000			855,000	4.60		
		2020	890,000			265,000	4.65		
		2021	935,000				4.80		
		2024	3,090,000				5.00		
		2003 Series 3	10/30/03	2013		\$ 16,210,000			3.50
2025				13,000,000			5.00		
2026				29,185,000		\$ 15,510,000	5.00		
2006 Series C	08/02/06	2012	960,000				4.50		
		2013	1,010,000				4.50		
		2014	1,075,000				4.50		
		2015	1,145,000				4.50		
		2016	1,220,000			1,050,000	4.50		
		2017	1,300,000			1,300,000	4.60		
		2018	1,375,000			1,375,000	4.60		
		2019	1,470,000			1,470,000	4.60		
		2020	1,555,000				5.00		
		2021	1,660,000				5.00		
		2022	1,770,000				5.00		
		2023	1,880,000				5.00		
		2024	2,000,000				5.00		
		2025	2,120,000				5.00		
		2027	4,670,000			4,670,000	4.80		
		2007 Series 2	10/31/07	2012	155,000	155,000			3.80
2013	165,000			165,000			3.85		
2014	170,000			180,000			3.95		
2015	180,000			570,000		565,000	4.05		
2016	195,000			6,715,000	190,000	605,000	4.13		
2017	205,000			210,000	205,000	205,000	4.25		
2022				2,510,000		2,475,000	4.38		
2027				4,155,000		4,095,000	4.50		
2008 Series 1	06/26/08			2012	210,000	215,000			3.25/3.30
				2013	220,000	200,000			3.45
		2014	235,000		235,000		3.60		
		2015	250,000				3.75		
		2016	100,000		100,000		3.88		
		2017	175,000		175,000		4.00		
		2018	400,000		400,000		4.13		
		2018	14,680,000		2,200,000		4.75		
		2023		175,000		175,000	4.75		

Source: Department of Administration

Table III-26

**SUMMARY OF PREPAYMENTS ON VETERANS HOUSING AND HILP LOANS  
FUNDED WITH VETERANS MORTGAGE BONDS**

<u>Prepayments October 2011-September 2013</u>							
<u>Mortgage Pool</u>	<u>Interest Rate Charged to Veterans</u>	<u>October 2010 - March 2011</u>	<u>April 2011 - September 2011</u>	<u>October 2011 - March 2012</u>	<u>April 2012 - September 2013</u>	<u>October 2012 - March 2013</u>	<u>April 2013 - September 2013</u>
<b>Tax-Exempt Veterans Mortgage Bond</b>							
1993 Series 6	5.25						
1993 Series 5	5.25						
1994 Series C	7.25						
1994 Series 1	6.00						
1994 Series 3							
1995 Series B	7.45						
1995 Series 1	7.45						
1995 Series 2	6.55						
1996 Series B	7.00						
1996 Series D	6.90						
1997 Series A	6.90						
1997 Series 1	6.90						
1997 Series C	6.40						
1998 Series B	6.65						
1998 Series E	6.50	57,409	1,650	34,552	37,410	45,753	5
1999 Series 1	N/A	1,088					
2003 Series 2	5.75	342,212	138,689	302,570	98,105	37,595	71,912
2003 Series 3	5.30	2,823,271	1,203,615	1,406,677	1,083,005	1,053,977	662,469
2006 Series C	6.00/6.25	4,985,550	2,246,011	4,275,900	4,593,603	3,507,429	1,686,266
2007 Series 2	5.65/6.00	1,591,482	892,391	1,809,725	1,377,051	910,099	1,109,829
2007 Series 3	5.65/6.00	324,763	182,104	369,299	281,006	185,718	226,475
2008 Series 1	5.75	1,872,042	1,271,695	1,335,218	1,426,000	595,360	924,597
2008 Series 2	5.75	195,804	133,012	129,045	149,151	1,455,077	1,123,583
Equity Pool	N/A	8,786,566	4,924,155	7,069,475	4,855,312	2,203,324	2,969,592
	Subtotal:	\$ 20,980,187	\$ 10,993,321	\$ 16,732,461	\$ 13,900,643	\$ 9,994,333	\$ 8,774,728
<b>Taxable Veterans Mortgage Bonds</b>							
1997 Series D	6.40%	444,755	95,285	260,007	37,343		
1998 Series C	6.65	244,536	253,764	152,695	40,737		
1998 Series F	6.50	464,073	88,088	127,566	252,716	280,023	179,809
1999 Series B	6.85	185,453	205,943	98,676	68,228	103,150	294,879
1999 Series D	7.80	492	195				
2000 Series B	7.90	349					
2000 Series E	6.80	4,609	1,187	4,488	313	4,674	5,939
2001 Series A	7.00	74,897	3,342	56,540	41,279	4,811	5,762
2001 Series D	7.00	126,201	50,469	227,669	172,885	121,162	37
2001 Series E	6.80	199,882	82,545	121,309	48,943	73,018	289,038
2002 Series B	6.50	1,921	152,924	190,733	161,871	83,526	187,129
2002 Series D	6.50	159,678	61,035	401,534	472,766	252,272	108,860
2002 Series E	5.65	19,984	12,348	33,645	18,489	7,200	14,880
2002 Series F	5.65	1,086,805	24,014	368,014	675,868	397,567	456,868
2002 Series H	5.75	889,819	632,887	674,815	326,727	342,670	202,979
2003 Series 1	N/A	13,768	39,303	1,116	1,709	26,715	7,034
2003 Series B	5.35/5.75/5.30	2,942,558	894,330	1,586,686	774,704	1,057,981	977,506
2004 Series B	5.35	2,135	20,132	11,507		-	68
2004 Series C	5.65	16,174	5,803	16,373	4,064	27,178	-
2004 Series D	6.15	173,430	57,103	246,603	616,263	238,926	216,632
2005 Series C	5.99	391,374	4,185	376,077	594,143	675,513	117,160
2006 Series B	6.75/7.25	25,823	64,158	3,146			53,879
2008 Series B	6.00	540,420	197,264	131,735	336,616	481,633	193,196
	Subtotal:	\$ 8,009,136	\$ 2,946,305	\$ 5,090,935	\$ 4,645,664	\$ 4,178,019	\$ 3,311,655
	Total:	\$ 28,989,323	\$ 13,939,626	\$ 21,823,397	\$ 18,546,307	\$ 14,172,352	\$ 12,086,383

Source: Department of Veterans Affairs.