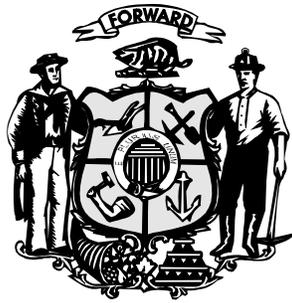


FY00

ANNUAL FISCAL REPORT

Budgetary Basis



State of Wisconsin
2000

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State of Wisconsin
2000 Annual Fiscal Report

(Budgetary Basis)

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October 13, 2000

The Honorable Tommy G. Thompson
The Honorable Members of the Legislature

This report presents statements of fund condition and operations (budgetary basis) of the State of Wisconsin for the fiscal year ended June 30, 2000. This satisfies the requirements of sec. 16.40(3), Wisconsin Statutes. Displayed are major sources of revenues and major categories of expenditures for the General Fund and other funds compared to the prior year.

The General Fund has an undesignated balance of \$835.7 million as of the end of the fiscal year. This is \$176.9 million higher than the \$658.8 million estimate that was projected in the final Chapter 20 fund condition statement.

General purpose revenue taxes were \$10.946 billion compared to \$9.948 billion in the prior year, an increase of \$998 million or 10.0 percent. General purpose revenue expenditures, excluding fund transfers, were \$11.270 billion compared to \$9.845 billion in the prior year, an increase of \$1,425 million or 14.5 percent.

General purpose revenue spending increases in fiscal year 2000 were largely driven by increases in three areas: School Aids increased by \$313.6 million, Corrections increased by \$89.9 million, and the one-time Sales Tax Rebate cost \$699.7 million.

In fiscal year 2000, the State of Wisconsin continued to devote the major share of state tax collections to assistance to local school districts, municipalities and counties. Local assistance accounted for 56.8 percent of total general purpose revenue spending. Aid payments to individuals and organizations represented 21.5 percent of total general purpose revenue expenditures. The University of Wisconsin accounted for 8.4 percent of total general purpose revenue spending and state operations spending for all other state agencies accounted for 13.3 percent of the total.

The State of Wisconsin expects to publish its comprehensive annual financial report in December of 2000. The report will be prepared under generally accepted accounting principles.

Respectfully submitted,

Handwritten signature of George Lightbourn in cursive.

George Lightbourn
Secretary

Handwritten signature of William J. Raftery in cursive.

William J. Raftery, CPA
State Controller

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Economic Section

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The Year In Summary

Revenue Highlights

General purpose revenue (GPR) taxes for the fiscal year (FY) ending June 30, 2000 totaled \$10,945.9 million, an increase of 10.0 percent from FY 1999 collections of \$9,948.4 million.

Total tax collections for FY 2000 were \$152.6 million or 1.4 percent above the Chapter 20 estimate (of 1999-00 statutes) of \$10,793.3 million.

Individual income taxes exceeded the estimate by \$137.0 million, sales taxes by \$1.7 million, public utility taxes by \$10.0 million, and estate taxes by \$38.3 million, but corporate/franchise/income tax collections were \$15.4 million below estimates as were insurance company taxes which were 18.1 million below estimates.

Table 1

General Purpose Revenue (GPR) Taxes By Source GPR Tax Collections (\$ Millions)

Tax Source	FY 00	% of Total	FY 99	% of Total	Change FY99-FY00	% Change
Individual Income	\$5,962.0	54.47%	\$5,162.2	51.89%	\$ 799.8	15.5%
General Sales & Use	3,501.7	31.99%	3,284.7	33.02%	217.0	6.6%
Corporation Franchise & Income	644.6	5.89%	635.2	6.38%	9.4	1.5%
Excise	301.8	2.76%	308.9	3.11%	-7.1	-2.3%
Inheritance, Estate & Gift	133.3	1.22%	116.9	1.18%	16.4	14.0%
Public Utility	260.0	2.38%	287.1	2.89%	-27.1	-9.4%
Insurance Companies	86.9	0.78%	97.1	0.97%	-10.2	-10.5%
Miscellaneous	55.6	0.51%	56.3	0.56%	-.7	-1.2%
TOTAL GPR	\$10,945.9	100.0%	\$9,948.4	100.0%	\$ 997.5	10.0%

Individual Income Tax

Individual income tax collections increased 15.5 percent from \$5,162.2 million in FY 1999 to \$5,962 million in FY 2000. The growth in individual income tax collections was strongly influenced by the repeal of the property tax/rent credit for the 1999 tax year which increased collections by about 7 percent. The property tax/rent credit has been restored for 2000 and subsequent tax years. Collections were \$137 million (2.4 percent) above the estimate of \$5,825 million. The individual income tax share of total GPR taxes increased from 51.9 percent in FY1999 to 54.5 in FY 2000.

The largest component of individual income tax collections is withholding from wages and salaries,

which increased 10.2 percent from \$4,636 million to \$5,109 million.

Estimated payments increased 6.2 percent from \$921 million to \$978 million, and payments with tax returns increased 39 percent from \$269 million to \$369 million. Refunds decreased 16.2 percent from \$925 million to \$775 million. The large decrease in refunds was attributable to the repeal of the school property tax credit.

General Sales and Use Tax

Collections from the 5 percent general sales and use tax increased 6.6 percent from \$3,284.7 million to \$3,501.7 million. This was \$1.7 million (0.05 percent) above the \$3,500 million estimate. Sales tax collections as a percentage of total GPR

taxes decreased from 33.0 percent in FY 1999 to 32.0 percent in FY 2000.

Initial collections increased 6.2 percent from \$3,210 million to \$3,409 million. Additional collections increased 27.2 percent from \$62.8 million to \$79.9 million. Delinquent collections increased 19.3 percent from \$26.4 million to \$31.5 million.

Corporation Franchise and Income Tax

Corporate collections increased 1.5 percent from \$635.2 million in FY 1999 to \$644.6 million in FY 2000. Corporate collections as a percentage of total GPR taxes decreased from 6.4 percent to 5.9 percent. Corporate collections were \$15.4 million below the estimate of \$660.0 million.

The major source of corporate collections, estimated payments, increased 2.4 percent from \$667 million to \$683 million. Payments with tax returns decreased 0.5 percent from \$37.9 million to \$37.7 million.

Excise Tax

Cigarette tax collections decreased 3.9 percent from \$257.4 million in FY 1999 to \$247.6 million in FY 2000. They were \$0.4 million (0.2 percent) below the estimate. The decrease in cigarette tax collections in FY 2000 is attributable to lower cigarette consumption, which fell by an estimated 3.5 percent.

Liquor and wine tax collections increased 5.2 percent from \$32.9 million to \$34.6 million. Collections exceeded the estimate of \$33 million by \$1.6 million (4.8 percent).

Beer tax collections increased 2.5 percent to \$9.4 million. The peak year for beer tax collections was FY 1984 with \$10.3 million.

Tobacco products tax collections increased 9.6 percent from \$9.4 million to \$10.3 million.

Other Taxes

Public utility tax collections decreased \$27.1 million (9.4 percent) from \$287.1 million to \$260.0 million, exceeding estimates by \$10.0 million (4.0 percent).

Telephone taxes declined \$34.7 million (23.2 percent) from \$149.4 to \$114.7 million due to the conversion from gross receipts to ad valorem taxation. Public utility taxes on other utilities

increased by \$6.9 million (5.0 percent) from \$137.5 million to \$144.4 million.

Estate tax increased 14.1 percent from \$116.9 million to \$133.3 million in FY 2000, \$38.3 million (40.3 percent) more than estimated. Estate tax collections have increased by an average of 31 percent per year over the last four years reflecting a large increase in wealth.

Insurance company taxes (generally based on premiums) decreased 10.5 percent from \$97.0 million to \$86.9 million, or \$18.1 million less than the \$105 million estimate.

Miscellaneous taxes decreased 1.2 percent from \$56.3 million to \$55.6 million. The major tax in this group is the real estate transfer fee, which increased 3.0 percent from \$44.0 million to \$45.3 million. Certain pari-mutuel and bingo taxes that were collected under GPR are now collected under program revenue.

Expenditure Highlights

Total state General Purpose Revenue (GPR) spending increased 14.5 percent or \$1,425.1 billion in FY 2000, as shown in Table 2. This compares with a 1.6 percent increase in FY 1999. Nearly half of the increase in FY 2000 GPR spending is due to the issuance of a \$700 million one-time sales tax rebate to individual taxpayers. If the one-time rebate is excluded, the FY 2000 increase falls to 7.4 percent.

The largest portion of GPR expenditures in FY 2000 was directed to school districts and local units of government, consistent with past years. Local assistance received \$6,405.1 million or 56.8 percent of total GPR spending compared to 61.2 percent in FY 1999. Aids to individuals received \$2,422.1 million, or 21.5 percent of total GPR spending in FY 2000 compared to 16.6 percent in FY 1999. The drop in the percentage of budget directed to local assistance and the increase in the percentage directed to aids to individuals is largely attributable to the \$700 million one-time sales tax rebate. State operations accounted for 21.7 percent of total GPR spending, down marginally from the 22.2 percent of GPR expenditures accounted for by state operations in FY 1999.

Aids to individuals represented the largest share of the net increase in total GPR spending at \$785.7

million, reflecting the one-time sales tax rebate of \$699.7 million. Local Assistance payments increased by \$382.7 million and State Operations increased \$256.7 million.

By percentage change, aids to individuals showed the largest increase in spending at 48.0 percent, compared to a 3.7 percent increase in FY 1999. As indicated, this was due to a sales tax rebate. Local assistance payments increased 6.4 percent in FY 2000 compared to a 3.0 percent increase in FY 1999. State operations expenditures rose by 11.7 percent in FY 2000 compared to a decline of 3.6 percent in FY 1999. Part of this increase in state operations is explained by a \$58.9 million one-time funding conversion from segregated revenues to general purpose revenues for operations of the state lottery and increases in expenditures for the Department of Corrections.

The GPR budget is shaped by the ten largest programs, as detailed in Table 3. These programs comprise 84.2 percent of total GPR expenditures, as compared with 85.3 percent of GPR expenditures in FY 1999. Immediately following this section is a brief explanation of each program.

Table 2

GPR BUDGET BY PURPOSE *GPR Expenditures* (\$ Millions)

	FY00	% of Total	FY99	% of Total	\$ Change FY99-FY00	% Change
Local Assistance	\$6,405.1	56.8%	\$6,022.4	61.2%	382.7	6.4%
Aids to Individuals	2,422.1	21.5%	1,636.4	16.6%	785.7	48.0%
State Operations						
UW System	943.6	8.4%	903.6	9.2%	40.0	4.4%
All Other Agencies	1,499.7	13.3%	1,283.0	13.0%	216.7	16.9%
Subtotal	11,270.5	100.0%	9,845.4	100.0%	\$1,425.1	14.5%
Transfer to Property Tax Fund			100.0			
Transfer to Computer Escrow Fund			64.0			
Transfer to Tobacco Control Fund	23.5					
TOTAL GPR	\$11,294.0		\$10,009.4			

Table 3

TOP TEN PROGRAMS
GPR Expenditures
(\$ Millions)

	FY00	% of Total	FY99	% of Total	\$ Change FY99-FY00	% Change
School Aids	\$4,173.3	37.0%	\$3,859.7	39.2%	\$313.6	8.1%
Shared Revenues	1,008.6	8.9%	1,008.6	10.2%	0.0	0.0%
Medical Assistance	971.0	8.6%	927.8	9.4%	43.2	4.7%
UW System	953.8	8.5%	903.6	9.2%	50.2	5.6%
Corrections and Related	710.3	6.3%	620.4	6.3%	89.9	14.5%
One-Time Sales Tax Rebate*	699.7	6.2%	0.0	0.0%	699.7	N/A.
Property Tax Credits	469.3	4.2%	469.3	4.8%	0.0	0.0%
Community Aids	182.5	1.6%	175.4	1.8%	7.1	4.0%
Tax Relief to Individuals	133.4	1.2%	167.2	1.7%	-33.8	-20.2%
Wisconsin Works	189.7	1.7%	134.7	1.4%	55.0	40.8%
All Others	1,778.9	15.8%	1,578.7	16.0%	200.2	12.7%
Subtotal	11,270.5	100.0%	9,845.4	100.0%	\$1,425.1	14.5%
Transfer to Property Tax Fund			100.0			
Transfer to Computer Escrow Fund			64.0			
Transfer to Tobacco Control Fund	23.5					
TOTAL GPR	\$11,294.0		\$10,009.4			

*New Top 10 Program in FY 2000.

School Aids: State assistance to Wisconsin's 426 school districts increased by 8.1 percent or \$313.6 million in FY 2000. Total state aids to schools plus property tax credits enabled the state to reimburse an estimated 66.8 percent of school costs in FY 2000.

Since the 1993-94 school year, school districts have been subject to statewide revenue limits. These limits control the allowable increase in each school district's revenues by limiting the total revenue a district can collect from the combined sources of property tax levies for nondebt purposes and state general aids. These controls combined with the large increase in state school aids, succeeded in reducing the statewide gross school property tax levy by 16.4 percent in FY 1997. In FY 1998 the gross levy was increased by 2.5 percent and in FY 1999 the levy increased by 5.6 percent. In FY 2000 the gross levy rose by 2.2 percent.

There are two major types of direct school aid. Approximately 89 percent of school aids are general aids, distributed by a formula designed to equalize each school district's property tax base per

student, and aids to support the Milwaukee Public Schools voluntary desegregation program. The remaining 11 percent are categorical aids, distributed based on local expenditures for specific activities or educational programs. The major categorical aid programs are programs for addressing special education needs and educational technology.

Shared Revenue: State shared revenue provides unrestricted aid to municipal and county governments. In FY 2000, the shared revenue formula distributed \$930.5 million primarily through equalized aidable revenue payments and per capita payments. The Expenditure Restraint Program distributed another \$48 million to municipalities with tax rates over 5 mills that restrained their spending increases. Two additional programs, Small Municipality Shared Revenue and County Mandate Relief, provided \$10.0 million to municipalities with populations under 5,000 and \$20.2 million in per capita payments to counties, respectively. The total FY 2000 shared revenue

payment was \$1,008.6 million, the same as in the previous fiscal year. Statewide, shared revenue payments provide municipalities with about 21.8 percent and counties with about 5.5 percent of their operating revenues.

Medical Assistance: Wisconsin's state and federally funded Medical Assistance (MA) program pays for medical services to certain categories of low income persons. Included are recipients of Supplemental Security Income; children and low-income families; and pregnant women and other low-income individuals who have high medical expenses. In FY 2000, total MA expenditures were \$2,780.6 million of which \$971.0 million were GPR and the balance was federally funded. Total MA spending in FY 2000 increased by 9.0 percent over FY 1999 expenditures compared to a 1.5 percent increase in the previous year. The state funded portion of MA increased 4.7 percent in FY 2000, compared to a 2.5 percent increase the previous year.

University of Wisconsin System: Total general purpose revenue expenditures for the UW System increased by \$50.2 million, or 5.6 percent in FY 2000. Tuition at UW institutions, despite annual increases, continues to be a relative bargain in higher education. Resident undergraduate tuition at Madison was \$617 below the "Big Ten" median. UW-Milwaukee was \$543 below its peer group median and all other campuses were approximately \$146 below their peer group medians in FY 2000.

Correctional Services: Wisconsin's correctional population and related expenditures continued to increase in FY 2000. The population of incarcerated felons under the supervision of the state corrections program increased from an average daily population of 17,880 in FY 1999 to 20,202 in FY 2000, an increase of 13 percent. Total GPR expenditures for the state corrections program increased \$89.9 million or 14.5 percent over the prior year, reaching \$710.3 million in FY 2000.

One-Time Sales Tax Rebate: In FY 2000 the state distributed \$699.7 million to 2.4 million individual taxpayers as a state sales tax rebate. Checks varied between \$184 and \$534.

State Property Tax Credits: The School Levy Tax Credit pays local governments to reduce each property owner's taxes. Funding for the credit in FY 2000 was \$469.3 million. The School Levy Tax

Credit in FY 2000 offset 7.9 percent of 1998 gross property tax collections for all purposes statewide.

Community Aids: Community Aids are state and federal funds distributed to counties to fund various human services programs. Total expenditures reached \$299.6 million in FY 2000, of which \$182.5 million was GPR. Total all funds expenditure levels decreased by \$670,000 or 0.7 percent from FY 1999.

Tax Relief to Individuals: Wisconsin paid out \$133.4 million GPR in tax relief to individuals through a variety of programs during FY 2000.

The GPR funded Homestead Credit and Farmland Preservation Credit and the Farmland Tax Relief Credit, which is funded by lottery proceeds, are "circuit-breaker" tax credits. Circuit-breakers assist households to pay property taxes in excess of their ability to pay. Claimants receive a credit against their state income tax liability or a refund check.

Wisconsin's Homestead Credit pioneered property tax relief through circuit-breakers. The program remains one of the nation's leaders in providing circuit-breaker relief, ranking third among the states in comprehensiveness and per capita expenditures for residential property tax relief. The Homestead Credit provided \$80 million of tax relief in FY 2000. About 194,000 low-income homeowners and renters--over half of them age 60 and older--benefit from the program each year.

The Farmland Preservation Credit provides a refundable credit to farmers who qualify through exclusive agricultural zoning or individual farmland preservation agreements. Wisconsin's Farmland Preservation Credit is one of only two similar state programs in the country. Farmland Preservation Credit expenditures totaled \$18.5 million in FY 2000, an increase of 2.2 percent from the prior year.

The Earned Income Credit program reduces income taxes for low income working families with children. In FY 2000, the Earned Income Credit paid \$59.8 million to these households, a reduction from \$60.4 in the prior year. Of this \$59.8 million, federal TANF funding provided \$51.0 million and GPR provided \$8.8 million, resulting in a GPR

reduction and an offsetting increase in federal funding.

Wisconsin Works: Wisconsin Works or W-2 is the state's replacement program for the Aid to Families with Dependent Children (AFDC) program. W-2 is a work-based system that provides support services, such as child care and transportation, to families in order to help them achieve self-sufficiency. On average, there were approximately 11,000 W-2 cases served over the course of FY 2000. As of June 2000, the W-2 caseload for cash assistance has fallen to just over 6,550.

In addition to W-2 cash benefits, other W-2 expenditures like work experience, job search, and education and training, and administration are funded by the program. Also included are state funds for Food Stamp and Medical Assistance eligibility determination, fraud programs and several other small public assistance-type programs. All of these funds are used to meet the federally required Maintenance of Effort. In total, \$189.7 million of state GPR was spent on W-2 and other public assistance programs in FY 2000, an increase of over 40 percent from the previous fiscal year. This increase is due primarily to funds provided to meet maintenance of effort requirement in FY 1999 and FY 2000.

Comparative Condition of the General Fund

	FY00 Actual AFR Report	Chapter 20	Variance	Note
OPENING BALANCE				
Undesignated, Unreserved Opening Balance	\$ 701,293	\$ 701,293	\$ -	
Add Prior Year Designation of Continuing Balances	11,533	-	11,533	1
Unreserved Opening Balance	<u>712,826</u>	<u>701,293</u>	<u>11,533</u>	
REVENUES				
Taxes	10,945,898	10,793,300	152,598	2
Departmental Revenues	377,398	427,974	(50,576)	3
Transfer from Computer Escrow Fund	64,000	64,000	-	
Total Revenues	<u>11,387,296</u>	<u>11,285,274</u>	<u>102,022</u>	
Total Available Per Schedule A-1	<u>12,100,122</u>	<u>11,986,567</u>	<u>113,555</u>	
APPROPRIATIONS				
Gross Appropriations Per General Fund Summary	11,332,211	11,332,211	-	
New Legislation	19	-	19	4
Budget Increases to Sum Sufficient Appropriations	11,591	-	11,591	5
Budget Brought Forward From Previous Year	11,533	-	11,533	6
Budget Carried To Next Year for Continuing Appropriations	(36,569)	-	(36,569)	7
Biennial Spend Ahead	6,835	-	6,835	8
Compensation Reserve	31,683	56,100	(24,417)	9
Transfer to Tobacco Control Fund	23,500	23,500	-	
Less Lapses of Appropriations	(86,834)	(84,029)	(2,805)	10
Total Expenditures Per Schedule A-1	<u>11,293,969</u>	<u>11,327,782</u>	<u>(33,813)</u>	
General Fund Balance before Designation	806,153	658,785	147,368	
Residual Equity Transfers	66,130	-	66,130	11
Designation for Appropriation Authority Carried Forward	(36,569)	-	(36,569)	12
Net	<u>\$ 835,714</u>	<u>\$ 658,785</u>	<u>\$ 176,929</u>	

Notes:

- 1 The prior year designation for continuing balances is added to the unreserved, undesignated opening balance to arrive at the unreserved opening fund balance.
- 2 Actual tax collections were more than the estimated tax collections included in the published budget.
- 3 Actual departmental revenues were less than anticipated revenues included in the published budget. Certain budgetary lapses or residual equity transfers may have been counted as revenues in the published budget. See note 11.
- 4 Joint Committee on Finance actions and new legislation passed after the published budget.
- 5 Sum sufficient appropriations are appropriations that have authority to expend amounts necessary to accomplish the purpose specified by the legislation. Appropriations are increased by expenditures that exceed the estimate. The amounts do not include compensation reserve adjustments.
- 6 As in Note 2, gross appropriations are increased for the amount of continuing balances from the preceding year.
- 7 Biennial appropriations are not restricted to the annual amounts recorded in the Chapter 20 schedule. The controlling limit is the sum of the annual amounts. Therefore, any budget remaining from the first year of the biennium is carried forward to the second year of the biennium. Similarly, if the first year's budget authority is exceeded in the first year of the biennium, the agency can begin spending against the second year's budget. In FY00, the first year of the biennium, some agencies had under-expended first year appropriations. The remaining budget authority is therefore carried forward to the second year. Since this amount is available for expenditure in the second year, the amount is shown as a decrease to the first year's budget and an increase to the second

year's budget. In addition, any unspent budget authority in a continuing appropriation is carried forward to the succeeding year. For purposes of this table, the unspent budget authority is a reduction to the current budget and an increase to the succeeding budget.

- 8 The amount of second year spending authority needed in the first year for biennial appropriations. See note 7.
- 9 Sum sufficient increases to compensation reserve appropriations. Actual expenditures applied against the Chapter 20 compensation reserves amounted to \$31,865,600. This total was \$24,234,400 less than the Chapter 20 reserve.
- 10 The amount shown is for lapses of annual or sum sufficient appropriations with expenditures less than the Chapter 20 estimate.
- 11 Residual Equity Transfers are nonrecurring, nonroutine transfers of equity between funds. For budgetary purposes, transfers from other funds are treated as departmental revenue. In FY00, the following transfers were made to or from (amounts in parentheses) the general fund:

Transfer from the Agricultural Chemical Cleanup Fund	\$	1,500,000
Transfer from the Agrichemical Management Fund		1,000,000
Transfer from the Parks Account in the Conservation Fund		630,000
Transfer from the Recycling Fund		15,000,000
Transfer PR to GPR (See Note K Notes to Fund Statements)		48,000,000
	<u>\$</u>	<u>66,130,000</u>

- 12 See also Note 7. The amount designated represents the amount of budget authority carried forward from FY00 to FY01.

Statements of Fund Condition and Operations

15-Year Comparison of Wisconsin's Ending General Fund Unreserved Balances

(In Millions of Dollars)

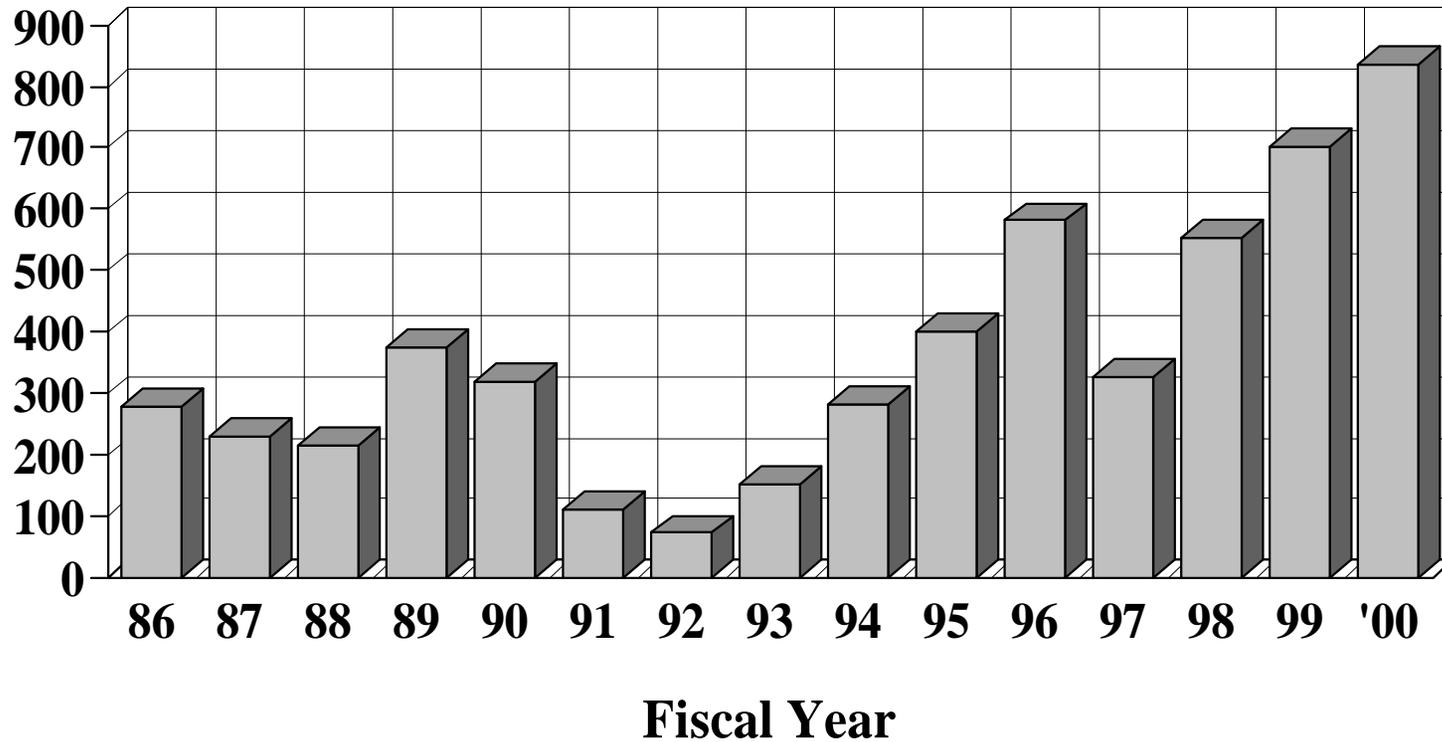


Exhibit A-1

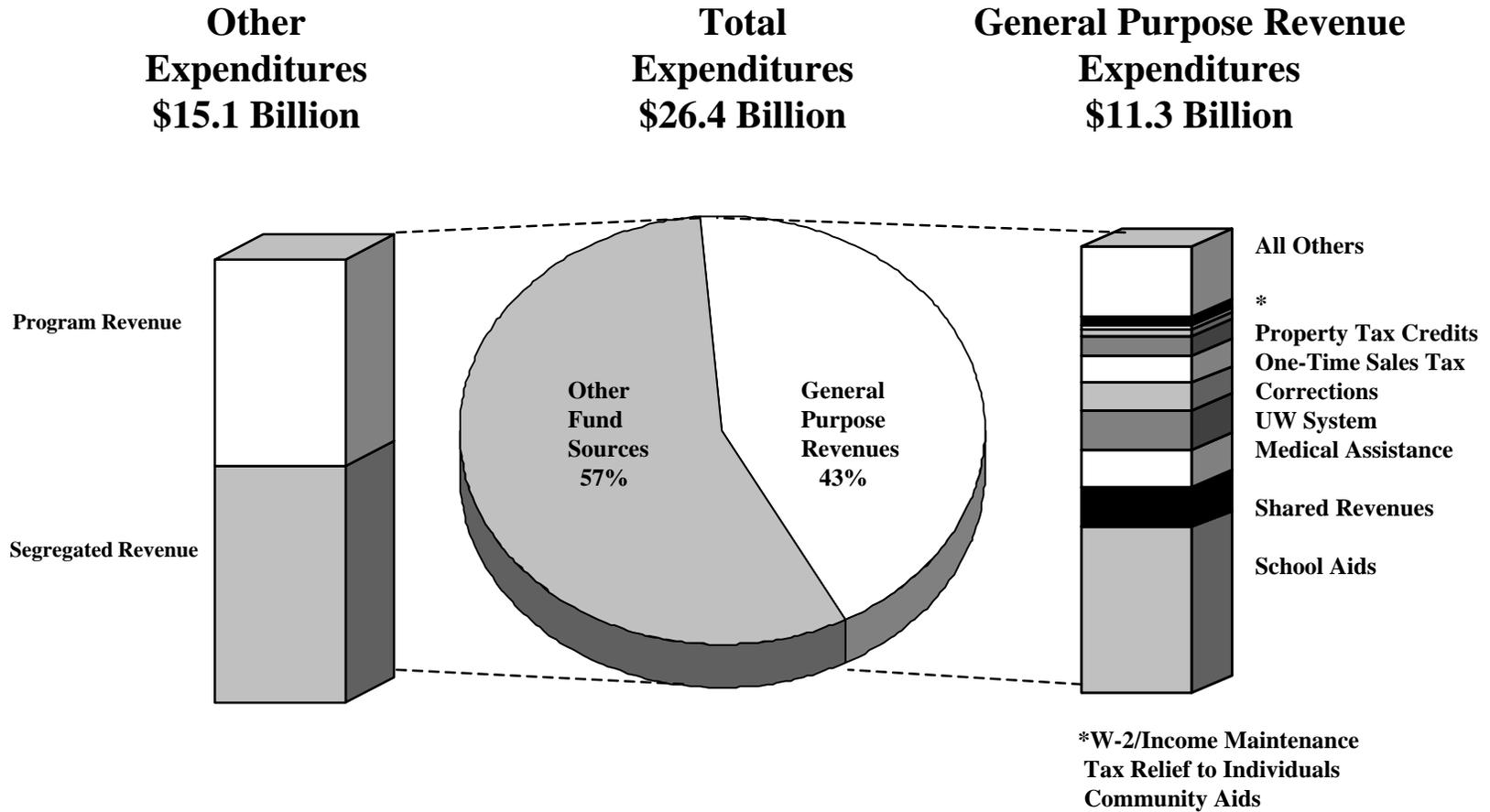
State of Wisconsin
 Statement of Recorded Revenues, Expenditures and Fund Balance-Budget vs.
 Actual-General Purpose Revenues-Statutory Basis
 (In Thousands)

	BUDGET			ACTUAL				VARIANCE
	Published Budget	Appropriation Adjustments	Final Budget	Unadjusted	Reserve for Encumbrances as of June 30, 2000 June 30, 1999		Adjusted	
Beginning Unreserved								
Undesignated Balance.....	\$ 701,293	\$ -	\$ 701,293	\$ 701,293	\$ -	\$ -	\$ 701,293	\$ 0
Beginning Unreserved								
Designated Balance.....	0	-	0	11,533	-	-	11,533	11,533
Total.....	701,293	-	701,293	712,826	-	-	712,826	11,533
REVENUES								
Taxes:								
Individual.....	5,825,000	-	5,825,000	5,962,011	-	-	5,962,011	137,011
Corporation.....	660,000	-	660,000	644,625	-	-	644,625	(15,375)
Sales & Use.....	3,500,000	-	3,500,000	3,501,659	-	-	3,501,659	1,659
Excise.....	300,300	-	300,300	301,852	-	-	301,852	1,552
Inheritance & Gift.....	95,000	-	95,000	133,261	-	-	133,261	38,261
Public Utility.....	250,000	-	250,000	259,983	-	-	259,983	9,983
Insurance.....	105,000	-	105,000	86,878	-	-	86,878	(18,122)
Miscellaneous.....	58,000	-	58,000	55,629	-	-	55,629	(2,371)
Total Taxes.....	10,793,300	-	10,793,300	10,945,898	-	-	10,945,898	152,598
Departmental Revenue.....	427,974	-	427,974	377,398	-	-	377,398	(50,576)
Total Revenues.....	11,221,274	-	11,221,274	11,323,296	-	-	11,323,296	102,022
Transfer from Computer Escrow Fund....	64,000	-	64,000	64,000	-	-	64,000	0
TOTAL AVAILABLE.....	11,986,567	-	11,986,567	12,100,122	-	-	12,100,122	113,555
EXPENDITURES								LAPSE
Commerce.....	46,945	(15)	46,930	49,435	14,031	(17,654)	45,812	1,118
Education.....	5,432,739	5,432	5,438,171	5,388,937	11,502	(16,057)	5,384,382	53,789
Environmental Resources.....	210,496	1,063	211,559	210,122	2,724	(2,376)	210,470	1,089
Human Relations & Resources.....	2,731,254	38,607	2,769,861	2,741,668	63,931	(45,991)	2,759,608	10,253
General Executive.....	245,493	5,504	250,997	244,993	7,972	(7,023)	245,942	5,055
Judicial.....	92,553	(118)	92,435	91,333	0	(5)	91,328	1,107
Legislative.....	59,230	225	59,455	58,580	2	(58)	58,524	931
General (incl. Shared Revenue).....	2,513,501	(25,606)	2,487,895	2,474,405	0	(2)	2,474,403	13,492
Transfer to Tobacco Control Fund.....	23,500	0	23,500	23,500	0	0	23,500	0
Compensation Reserves.....	56,100	(31,683)	24,417	0	0	0	0	24,417
Less: Estimated Lapse.....	(84,029)	0	(84,029)	0	0	0	0	(84,029)
TOTAL EXPENDITURES.....	11,327,782	(6,591)	11,321,191	11,282,973	100,162	(89,166)	11,293,969	27,222
Residual Equity Transfer.....		0	0	66,130	0	0	66,130	66,130
UNRESERVED BALANCE	658,785	6,591	665,376	883,279	(100,162)	89,166	872,283	206,907
Designation for continuing balances...	0	(36,569)	(36,569)		(36,569)		(36,569)	0
UNRESERVED								
UNDESIGNATED BALANCE.....	\$ 658,785	\$ (29,978)	\$ 628,807	\$ 883,279	\$ (136,731)	\$ 89,166	\$ 835,714	\$ 206,907

The accompanying notes are an integral part of this statement.

Total Expenditures by Fund Source, State of Wisconsin

For the Fiscal Year Ended June 30, 2000



For more detail on expenditures, see Schedule A-2

Exhibit A-2

State Of Wisconsin
 Statement of Recorded Revenues, Expenditures, and Changes in Fund Balance
 All Funds - Statutory Basis
 For The Fiscal Year Ended June 30, 2000
 (In Thousands)

	GOVERNMENTAL FUNDS						TOTAL
	General Fund			Major Special Revenue Funds		Other	As of June 30, 2000
	General Purpose	Program Revenue	Subtotal	Transportation	Conservation		
REVENUES							
Taxes.....	\$ 10,945,898	\$ 11,882	\$ 10,957,780	\$ 834,765	\$ 58,061	\$ 114,832	\$ 11,965,438
Intergovernmental Revenue.....	16,996	4,153,535	4,170,531	608,587	24,414	43,078	4,846,610
Licenses.....	60,991	146,738	207,729	325,080	79,657	90,406	702,872
Charges for Goods & Services.....	13,518	1,579,944	1,593,462	23,889	19,817	465,447	2,102,615
Contributions.....	0	0	0	0	0	1,558,509	1,558,509
Interest & Investment Income.....	42,770	62,179	104,949	11,967	3,837	7,998,278	8,119,031
Gifts & Donations.....	0	295,439	295,439	(6)	1,176	52,597	349,206
Other Revenue.....	198,218	301,947	500,165	14,606	1,919	1,078,094	1,594,784
Transfers.....	72,252	13,935	86,187	399	16,912	554,868	658,366
Other Transactions.....	36,653	233,085	269,738	315	30	3,120	273,203
Proceeds from Bonds and Notes..	0	0	0	49,704	0	652,972	702,676
TOTAL REVENUES	11,387,296	6,798,684	18,185,980	1,869,306	205,823	12,612,201	32,873,310
EXPENDITURES							
Commerce.....	45,812	163,581	209,393	0	1,270	359,619	570,282
Education.....	5,384,382	2,384,739	7,769,121	0	268	249,574	8,018,963
Environmental Resources.....	210,470	59,631	270,101	1,912,762	193,430	250,603	2,626,896
Human Relations & Resources.....	2,759,608	3,983,047	6,742,655	0	2,710	1,233,271	7,978,636
General Executive.....	245,942	385,543	631,485	1,224	0	3,108,546	3,741,255
Judicial.....	91,328	10,828	102,156	0	0	331	102,487
Legislative.....	58,524	1,296	59,820	0	0	0	59,820
General (incl. Shared Revenue)....	2,497,903	51,000	2,548,903	15,465	0	781,932	3,346,300
TOTAL EXPENDITURES	11,293,969	7,039,665	18,333,634	1,929,451	197,678	5,983,876	26,444,639
EXCESS OF REVENUES							
OVER (UNDER)							
EXPENDITURES.....	93,327	(240,981)	(147,654)	(60,145)	8,145	6,628,325	6,428,671
BEGINNING FUND BALANCE							
PRIOR PERIOD ADJUSTMENT...	0	(8,341)	(8,341)	0	0	0	(8,341)
DESIGNATED.....	11,533	0	11,533	0	0	0	11,533
UNDESIGNATED.....	701,293	36,455	737,748	(434,265)	54,721	61,496,586	61,854,790
TOTAL	712,826	28,114	740,940	(434,265)	54,721	61,496,586	61,857,982
RESIDUAL EQUITY							
TRANSFERS.....	66,130	(48,431)	17,699	0	(630)	(17,069)	0
ENDING FUND BALANCE	872,283	(261,298)	610,985	(494,410)	62,236	68,107,842	68,286,653
DESIGNATED.....	(36,569)	0	(36,569)	0	0	0	(36,569)
UNDESIGNATED.....	\$ 835,714	\$ (261,298)	\$ 574,416	\$ (494,410)	\$ 62,236	\$ 68,107,842	\$ 68,250,084

(1)

The accompanying notes are an integral part of this statement.

(1) See Note H

Exhibit A-3

State of Wisconsin
 Summary of Recorded Revenues and Expenditures - All Other Funds -
 Statutory Basis (Including Interfund Transfers)
 For The Fiscal Year Ended June 30, 2000

(In Thousands)

Funds By Category	Undesignated Fund			Undesignated Fund		
	Balance As of June 30,1999	FY 2000			Balance As of June 30,2000	
		Revenues	Adj. Expenditures	Fund Transfers		
OTHER FUNDS						
<u>Other Special Revenue</u>						
213	Heritage State Parks and Forests..... \$	610 \$	485 \$	114 \$	0 \$	981
214	Wisconsin Health Education Loan Repayment....	5	78	103	0	(20)
217	Waste Management.....	4,988	340	58	0	5,270
218	Wisconsin Election Campaign.....	53	349	37	0	365
219	Investment and Local Impact.....	1,176	63	1,064	0	175
222	Industrial Building Construction Loan.....	291	14	240	0	65
224	Self-Insured Employer Liability.....	38	2	4	0	36
226	Work Injury Supplemental Benefit.....	5,268	1,142	2,329	0	4,081
228	Tobacco Control.....	0	663	30	23,500	24,133
229	Uninsured Employers.....	7,795	1,703	1,044	0	8,454
235	Utility Public Benefits.....	0	0	0	0	0
238	Mediation.....	318	165	331	0	152
257	Agricultural Chemical Cleanup.....	10,403	545	2,144	(1,500)	7,304
259	Agrichemical Management.....	6,454	4,559	5,120	(1,000)	4,893
264	Historical Legacy Trust.....	680	70	799	146	97
272	Petroleum Inspection.....	10,279	312,950	310,188	0	13,041
274	Environmental.....	3,679	40,035	30,766	0	12,948
277	Dry Cleaner Environmental Response.....	1,492	1,363	156	0	2,699
279	Recycling.....	55,952	12,997	38,196	(14,715)	16,038
280	Information Technology Investment.....	(3,253)	216	89	0	(3,126)
285	Universal Service.....	2,715	13,732	13,288	0	3,159
286	Computer Escrow.....	64,000	0	0	(64,000)	0
289	Property Tax Relief.....	0	0	0	0	0
	<i>Total Other Special Revenue.....</i>	<i>172,943</i>	<i>391,471</i>	<i>406,100</i>	<i>(57,569)</i>	<i>100,745</i>
<u>Debt Service</u>						
315	Bond Security and Redemption.....	22,177	452,591	472,784	0	1,984
<u>Capital Projects</u>						
490	Building Trust.....	24,676	73,824	71,022	0	27,478
492	Energy Efficiency.....	2,764	720	0	0	3,484
495	Capital Improvement.....	87,092	470,771	505,472	0	52,391
	<i>Total Capital Projects.....</i>	<i>114,532</i>	<i>545,315</i>	<i>576,494</i>	<i>0</i>	<i>83,353</i>
<u>TRUST & OTHER</u>						
<u>Expendable</u>						
723	Children's Trust.....	29	47	30	0	46
750	State Capital Restoration.....	18	1	0	0	19

Exhibit A-3

State of Wisconsin
 Summary of Recorded Revenues and Expenditures - All Other Funds -
 Statutory Basis (Including Interfund Transfers)
 For The Fiscal Year Ended June 30, 2000

(In Thousands)

Funds by Category	Undesignated Fund			Undesignated Fund	
	Balance As of June 30,1999	Revenues	Adj. Expenditures	Balance As of June 30,2000	
TRUST & OTHER (Continued)					
763 Common School Income.....	\$ 4,070	\$ 56,078	\$ 27,000	\$ 0	\$ 33,148
876 University Trust Income.....	5,278	10,421	15,993	0	(294)
<i>Total Expendable.....</i>	<i>9,395</i>	<i>66,547</i>	<i>43,023</i>	<i>0</i>	<i>32,919</i>
<u>nonexpendable</u>					
743 Agricultural College.....	305	0	0	0	305
744 Common School	407,476	20,338	0	0	427,814
745 Normal School.....	18,395	336	0	0	18,731
746 University.....	234	0	0	0	234
760 Historical Society Trust.....	10,909	1,533	461	0	11,981
767 Benevolent.....	14	0	0	0	14
875 University Trust Principal.....	166,788	1,799	0	0	168,587
<i>Total Nonexpendable.....</i>	<i>604,121</i>	<i>24,006</i>	<i>461</i>	<i>0</i>	<i>627,666</i>
<u>Pension</u>					
747 Fixed Retirement Investment Trust.....	51,583,781	7,469,912	1,910,776	0	57,142,917
751 Variable Retirement Investment Trust.....	7,390,569	1,312,793	400,848	0	8,302,514
<i>Total Pension.....</i>	<i>58,974,350</i>	<i>8,782,705</i>	<i>2,311,624</i>	<i>0</i>	<i>65,445,431</i>
<u>Other</u>					
262 Public Employee Trust.....	443,381	807,967	522,346	0	729,002
521 Lottery.....	33,467	412,347	448,878	0	(3,064)
530 Health Insurance Risk Sharing Plan.....	(65)	51,422	36,122	0	15,235
531 Local Government Property Insurance.....	21,654	13,335	6,199	0	28,790
532 State Life Insurance.....	71,158	4,068	3,137	0	72,089
533 Patients Compensation	493,959	65,776	24,010	0	535,725
570 Tuition Trust.....	3,978	2,296	126	0	6,148
573 Environmental Improvement.....	154,068	59,512	94,043	0	119,537
582 Veterans Trust.....	508	7,597	19,215	0	(11,110)
583 Veterans Mortgage Loan Repayment.....	373,062	48,637	102,364	0	319,335
587 Transportation Infrastructure Loan.....	1,301	141	800	0	642
788 Support Collection Trust.....	2,597	852,970	852,152	0	3,415
<i>Total Other.....</i>	<i>1,599,068</i>	<i>2,326,068</i>	<i>2,109,392</i>	<i>0</i>	<i>1,815,744</i>
TOTAL TRUST & OTHER.....	61,186,934	11,199,326	4,464,500	0	67,921,760
TOTAL - ALL FUNDS.....	\$ 61,496,586	\$ 12,588,703	\$ 5,919,878	\$ (57,569)	\$ 68,107,842

The accompanying notes are an integral part of this statement.

Exhibit A-4

Comparative Condition Of The General Fund
Fiscal Years Ended June 30, 2000, 1998 and 1998
(In Thousands)

	As of June 30, 2000	As of June 30, 1999	As of June 30, 1998
ASSETS			
Cash & Investment Pool Shares.....	\$ 678,331	\$ 867,293	\$ 446,212
Contingent Fund Advances.....	3,910	4,322	3,981
Investments.....	445	445	445
Accounts Receivable.....	995,286	896,640	811,184
Due from Other Funds.....	22,398	158,398	58,454
Inventory	1	0	0
Prepayments	59,761	42,338	50,935
TOTAL ASSETS.....	1,760,132	1,969,436	1,371,211
LIABILITIES			
Accounts Payable.....	282,582	521,609	337,998
Due to Other Funds.....	63,804	282,825	59,090
Tax and Other Deposits.....	39,231	52,979	50,406
Advance from other funds.....	0	0	2,000
Deferred Revenue	27,600	35,999	27,889
TOTAL LIABILITIES.....	413,217	893,412	477,383
FUND BALANCE			
<u>Reserved Balances</u>			
GPR Encumbrances	100,162	89,167	87,520
PR Encumbrances	635,768	237,576	217,276
<i>Total Reserved Balances.....</i>	<i>735,930</i>	<i>326,743</i>	<i>304,796</i>
<u>Unreserved Designated Balances</u>			
GPR Designation For Continuing Balances.....	36,569	11,533	55,792
<u>Unreserved Balances</u>			
GPR Unreserved Balance	835,714	701,293	552,311
Pr Unreserved Balance	(261,298)	36,455	(19,071)
<i>Total Unreserved Balances.....</i>	<i>574,416</i>	<i>737,748</i>	<i>533,240</i>
TOTAL FUND BALANCE.....	1,346,915	1,076,024	893,828
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 1,760,132	\$ 1,969,436	\$ 1,371,211

The accompanying notes are an integral part of this statement.

Exhibit A-5

State of Wisconsin
 Statement of Expenditures and Fund Balance-Budget vs.
 Actual-All Funds-Statutory Basis
 For the Fiscal Year Ended June 30, 2000
 (In Thousands)

	BUDGET			Reserve for Encumbrances as of			
	Published Budget	Budget Adjustments	Final Budget	Disbursements	As of June 30, 2000	As of June 30, 1999	Expenditures
EXPENDITURES							
Commerce.....	\$ 418,915	\$ 9,740	\$ 428,655	\$ 359,548	\$ 32,575	\$ (33,081)	\$ 359,042
Education.....	7,860,269	107,695	7,967,964	7,822,444	98,368	(97,042)	7,823,770
Environmental Resources.....	2,493,568	210,003	2,703,571	2,462,253	866,731	(792,656)	2,536,328
Human Relations & Resources....	6,850,266	298,419	7,148,685	6,455,634	563,697	(146,734)	6,872,597
General Executive.....	673,416	308,931	982,347	908,101	50,774	(60,539)	898,336
Judicial.....	104,157	111	104,268	102,284	209	(5)	102,488
Legislative.....	60,512	238	60,750	59,866	12	(58)	59,820
General (incl. Shared Revenue)...	2,891,184	949,904	3,841,088	3,234,263	0	(2)	3,234,261
EXPENDITURES							
PER CHAPTER 20 SCHEDULE...	\$ 21,352,287	\$ 1,885,041	\$ 23,237,328	21,404,393	1,612,366	(1,130,117)	21,886,642
Appropriated and expended but not in Chapter 20 Schedule							
Fringe Benefits							
Insurance Premiums				526,454	0	0	526,454
Annuities				2,094,747	0	0	2,094,747
Other Fringe Benefits				179,982	0	0	179,982
Capital Projects				574,827	0	0	574,827
Other				1,182,599	2,620	(3,232)	1,181,987
TOTAL EXPENDITURES				\$ 25,963,002	\$ 1,614,986	\$ (1,133,349)	\$ 26,444,639

The accompanying notes are an integral part of this statement.

Notes To Fund Statements

Note A Statutory Basis of Accounting

The State of Wisconsin Annual Fiscal Report is a report of actual financial results for the fiscal year against the state's budget as reflected in Chapter 20 of the Wisconsin Statutes. The report is not intended to display accounting information in accordance with Generally Accepted Accounting Principles (GAAP). The State's Comprehensive Annual Financial Report, which is prepared in accordance with GAAP is issued under a separate cover at the end of the calendar year. Statutes require that revenues and expenditures be recognized in the fiscal year in which they are received or paid. Exceptions are health and life insurance premiums which are paid two months in advance of the actual coverage months. The health and life insurance costs for the last two months of the fiscal year are recorded as expenditures in the following fiscal year. All investments owned by the state retirement funds are an exception to the requirement to recognize revenues and expenditures since investments are adjusted to market and the resultant unrealized gains or losses are reflected in the accounts of those funds. State statutes also provide that contributions to the state retirement funds received after August 1, which relate to earnings paid for services rendered in the previous fiscal year, may be recorded as revenues of the previous fiscal year. In addition, the state's centralized accounting records remain open until July 31 (August 15 for income, sales and use tax receipts) to permit the state departments to record revenues and expenditures applicable to the fiscal year ended June 30. Exceptions are the Building Trust Fund, the Capital Improvement Fund, and the Bond Security and Redemption Fund, which are closed as of June 30. However, the recording of charges and encumbrances applicable to the prior year is limited by the available appropriation balances of that year. In addition, state administrative policies require that revenues and expenditures be reported on a net basis; i.e., overcollections refunded are deducted from revenues, and overpayments collected are deducted from expenditures.

The July and August recording of prior fiscal years' revenues and expenditures results in accrued revenues and accounts payable in the statement of assets, liabilities and fund balances. Included in these amounts are receivables and payables between funds which are not eliminated for presentation as "due to" or "due from" other funds. Fixed assets as well as

inventories purchased are recorded as expenditures in the period in which they are paid. Encumbrances are treated as expenditures in the initial year. Unused appropriation balances may be allowed to continue for use in future years, rather than lapse to the General Fund. In these cases the continuing balances are treated as reserves for Program Revenue (PR) or General Purpose Revenue (GPR) balances. GPR consists of general taxes and miscellaneous revenues which are paid into the general fund and are then available for appropriation by the legislature. PR consists of funds also paid into the General Fund which are dedicated for specific purposes and are appropriated by the legislature as estimates through the use of revolving accounts.

Note B Fiscal Controls

The State Constitution provides that no money shall be paid out of the Treasury except as appropriated by law. The statutes require that the Secretary of Administration and the State Treasurer sign all checks. The Secretary of Administration exercises detail allotment control over all agency appropriations and approval authority over all encumbrances. The Secretary of Administration is also responsible for the audit of expenditures.

The Department of Administration maintains separate accounts for all appropriations showing the amounts appropriated, the amounts allotted, the amounts encumbered, the amounts disbursed and certain other data necessary to the financial management and control of all state accounts. The department also maintains the general ledgers of the funds of the state including the General Fund.

Note C Classification of Funds

Funds are generally classified in accordance with classification criteria appropriate for governmental accounting.

However, certain activities of a proprietary and fiduciary nature are combined within the Governmental and Trust, Agency and Other Funds. In addition, the activities of the State Building Trust Fund, included within the Capital Projects classification, consist of capital projects as well as projects for the maintenance and repair of state facilities.

Note D Extraordinary Transfers and Transactions Affecting Fund Balance

Compensation Reserve

In FY00, Chapter 20 included a compensation reserve for employe salary and fringe benefit increases. The total amount reserved (appropriated) was \$56,100,000 and the amount expended was \$31,865,600 leaving an unspent reserve of \$24,234,400.

Transfers From and To the General Fund

In FY 2000 a transfer totalling \$23,500,000 was made to the Tobacco Control Fund. A transfer totalling \$64,000,000 was made from the Computer Escrow Fund to the General Fund.

Note E Published Budget

The published budget amounts used in Exhibit A-1 are those shown for "General Purpose Revenues" (GPR) under state statute Chapter 20, Appropriations and Budget Management, compiled July, 2000.

The adjustments column reflects statutorily required appropriation adjustments to sum-sufficient and biennial appropriations and appropriation changes enacted under the statutory authority of the Legislative Joint Finance Committee or by statutory authority under program supplements.

The State of Wisconsin utilizes a budgetary procedure within the General Fund which treats most federal grant revenues, licenses and fees and revenues for proprietary activities as dedicated for the activities to which they relate. As such, variable budgeting techniques are used and the official state budget includes them only as estimates. These accounts, referred to as Program Revenue Appropriations, are not included in Exhibit A-1. Only those appropriations made from nondedicated General Purpose Revenues are included.

Note F Projected-to-Actual General Fund Condition

The variance between the published budgeted ending balance and actual undesignated balance at the end of fiscal year 2000 is explained as follows:

	<u>(thousands)</u>
Ending fund balance (Undesignated) per chapter 20	\$ 658,785
Opening balance adjustments:	
Prior year designation for continuing balances	11,533
Total opening balance adjustments	<u>11,533</u>
REVENUE ADJUSTMENTS	
Taxes received more than estimate	152,598
Departmental revenues less than estimate	(50,576)
Total revenue in excess of estimate	<u>102,022</u>
APPROPRIATION ADJUSTMENTS	
New Legislation	(19)
Sum sufficient appropriations more than budgeted	(11,591)
Compensation Reserve adjustments	(31,683)
Budget brought forward from previous year	(11,533)
Budget carried to next year for continuing appropriations	36,569
Biennial spend ahead	(6,835)
Compensation Reserve transferred to agencies	31,683
Total Appropriation Adjustments	<u>6,591</u>
LAPSES MORE THAN BUDGETED	27,222
RESIDUAL EQUITY TRANSFERS	66,130
DESIGNATION FOR CONTINUING BALANCES	(36,569)
UNDESIGNATED FUND BALANCE	\$ <u><u>835,714</u></u>

Note G General Fund Cash Flow

Normally the General Fund experiences a short-term cash flow problem in the first half of the year, resulting in the issuance of an operating note. However because cash balances were sufficient during FY 2000 to cover disbursements, no operating note was required.

Note H Negative Fund Balances

The negative ending fund balance in the Transportation Fund represents commitments (encumbrances) recorded as expenditures in the current year which will be funded by the Federal and/or local governments in the future.

Note I Unappropriated Activities

The Department of Commerce and the Office Commissioner of Insurance enter into contracts with private vendors for programs that they manage. These contracts have not been budgeted within a state appropriation and therefore, this activity is summarized here to provide full disclosure of state agency operations.

	Commerce	Commissioner of Insurance
Revenues	\$252,865	\$299,603
Expenditures	\$252,865	\$299,603
Balance	\$0	\$0

Note J Budget Stabilization Fund

In FY99 there was a deposit to the Budget Stabilization Fund in the amount of \$12. This money is being accounted for in the General Fund.

Note K Temporary Assistance to Needy Families (TANF)

In FY 1999, certain expenditures made with state GPR funds, were subsequently determined to be eligible for Federal reimbursement under the TANF (Temporary Assistance to Needy Families) Federal program. On September 30, 1999 the Joint Committee of Finance directed that \$48 million be transferred from the TANF block grant under the Department of Workforce Development to the Joint Committee on Finance's supplemental appropriation for lapse to the general fund. In addition, it was specified that these funds were to be used to reimburse the general fund for earned income tax credit payments for tax year 1998. This transfer took place in FY 2000.

Supplemental Data

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Total Revenues, State of Wisconsin

For the Fiscal Year Ended June 30, 2000

Other Revenues

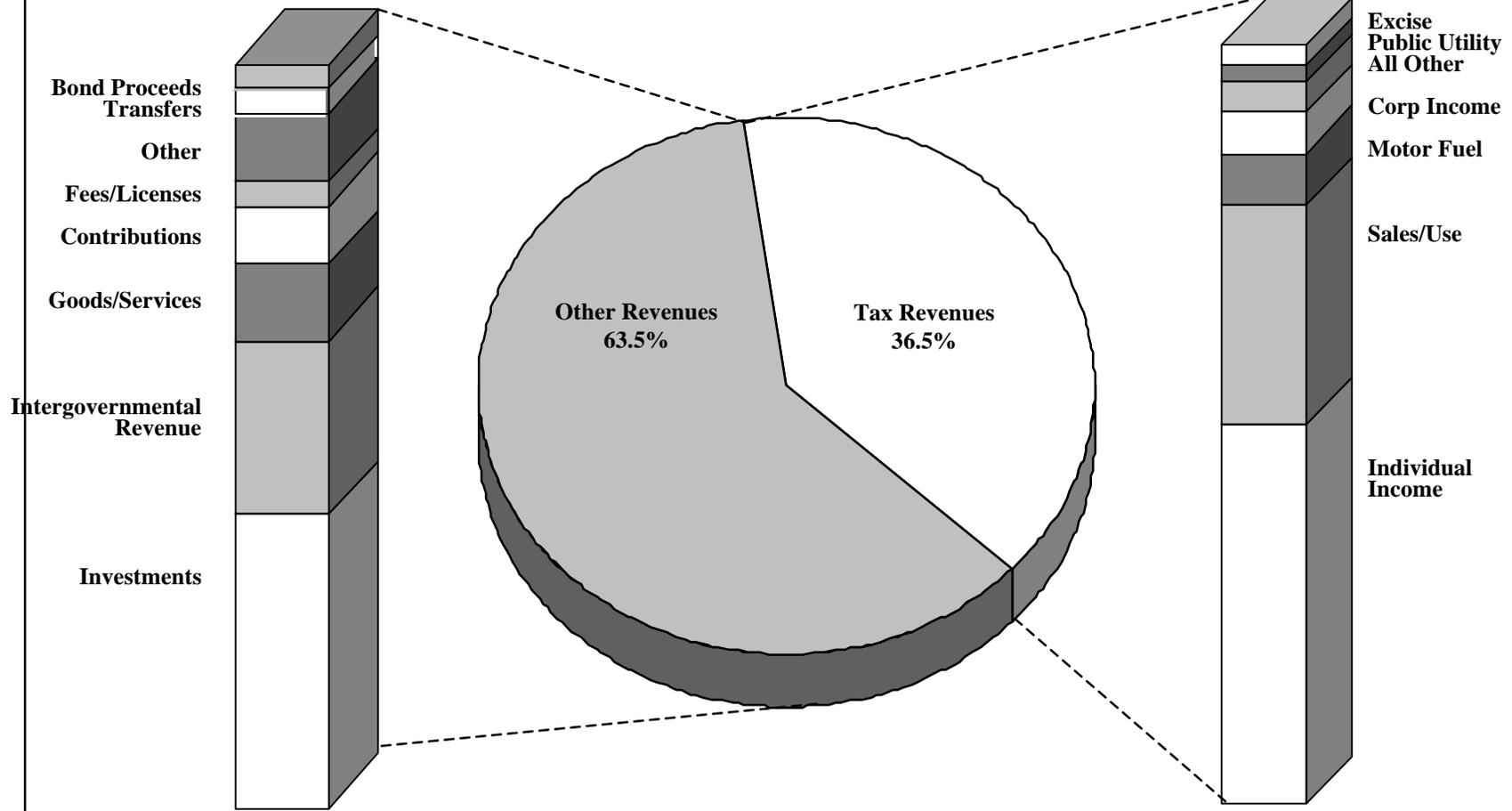
\$20.9 Billion

Total Revenues

\$32.9 Billion

Tax Revenues

\$12.0 Billion



For more detail on revenues, see Schedule A-2

Exhibit B-1

Analysis of Revenues--All Funds

As of June 30, 2000

(In Thousands)

	As of June 30, 2000	As of June 30, 1999	As of June 30, 1998
TAX REVENUES			
General Purpose Revenue			
Income Taxes			
Individual.....	\$ 5,962,010	\$ 5,162,239	\$ 5,047,515
Corporation.....	644,625	635,203	627,024
Federal Retiree Refund.....	0	0	(190)
Total Income Taxes.....	6,606,635	5,797,442	5,674,349
Sales and Excise Taxes			
General Sales and Use.....	3,501,659	3,284,695	3,047,406
Cigarette	247,590	257,422	247,743
Tobacco Products.....	10,306	9,395	9,353
Liquor and Wine.....	34,564	32,941	32,735
Malt Beverage (Beer).....	9,392	9,163	9,260
Total Sales & Excise Taxes.....	3,803,511	3,593,616	3,346,497
Public Utility Taxes			
Private Light, Heat & Power.....	121,144	117,056	110,442
Municipal Light, Heat & Power.....	1,541	1,481	1,432
Telephone.....	114,720	149,388	158,523
Pipeline.....	11,881	9,457	7,590
Electric Cooperative.....	7,803	7,536	7,460
Municipal Electric.....	1,394	1,336	1,879
Conservation & Regulation.....	639	678	680
Utility Tax (Refunds) Interest and P.....	862	153	352
Total Public Utility Taxes.....	259,984	287,085	288,358
Inheritance, Estate & Gift Taxes			
Inheritance and Estate.....	133,261	116,820	80,046
Gift.....	0	78	65
Total Death & Gift Taxes.....	133,261	116,898	80,111
Miscellaneous Taxes			
Insurance Companies (Premiums).....	86,878	97,045	88,065
Real Estate Transfer Fee.....	45,293	43,971	38,440
Lawsuits (Courts).....	10,144	9,598	9,457
Pari-mutuel Tax.....	0	2,191	2,355
Other.....	192	568	605
Total Miscellaneous Taxes.....	142,507	153,373	138,922
TOTAL GPR TAX REVENUES.....	10,945,898	9,948,414	9,528,237
Program Tax Revenues			
Fire Dues.....	8,410	8,630	5,932
Pari-mutuel Taxes.....	3,038	1,198	1,215
County Expo Tax Administration.....	349	400	331
Baseball Park Administration Fee.....	329	314	479
Business Trust Regulation Fee.....	1,504	1,998	1,013
Sales Tax Audits.....	0	348	221

Exhibit B-1

**Analysis of Revenues--All Funds
As of June 30, 2000
(In Thousands)**

	As of June 30, 2000	As of June 30, 1999	As of June 30, 1998
Program Tax Revenues, Cont			
Other.....	\$ (1,748)	\$ 27	\$ (4)
TOTAL PROGRAM TAX REVENUES.....	11,882	12,915	9,187
TOTAL - GENERAL FUND TAX REVENUE:	10,957,780	9,961,329	9,537,424
Type of Revenue:			
Transportation Fund			
Motor Fuel Taxes.....	809,459	797,023	740,229
Air-Carrier Tax.....	9,041	8,558	6,333
Railroad Tax.....	11,526	12,062	10,033
Aviation Fuel Tax.....	1,283	1,354	1,476
Other Taxes.....	3,456	2,883	610
Conservation Fund			
2/10 Mill Forestry Mill Tax.....	53,313	49,797	46,617
Forest Crop Taxes.....	4,749	2,456	2,945
Investment & Local Impact Fund			
Metalliferous Minerals Taxes.....	0	0	16
Mediation Fund.....	3	3	3
Badger Fund			
Metalliferous Minerals Taxes.....	0	0	11
Petroleum Inspection Tax.....	105,215	110,699	103,842
Recycling Fund			
Temporary Service Charges.....	9,613	35,755	53,615
TOTAL STATE TAX REVENUES.....	11,965,438	10,981,919	10,503,154
Intergovernmental Revenue	4,846,610	4,378,497	3,933,124
Licenses and Permits	702,872	649,587	620,852
Charges for Goods and Services.....	2,102,615	1,954,472	1,878,904
Contributions.....	1,558,509	1,697,288	1,484,849
Interest and Investment Income	8,119,031	5,825,766	8,626,767
Gifts and Donations	349,206	281,312	301,418
Proceeds from Sale of Bonds	702,676	490,003	444,986
Other Revenues	1,594,784	965,883	683,644
Other Transactions.....	273,203	218,654	163,451
TOTAL DEPARTMENTAL REVENUES.....	20,249,506	16,461,462	18,137,995
TRANSFERS.....	658,366	656,836	956,782
TOTAL REVENUES.....	\$ 32,873,310	\$ 28,100,217	\$ 29,597,931

The accompanying notes are an integral part of this statement.

Exhibit B-2

General Fund Sum Sufficient Appropriations
For the Fiscal Year Ended June 30, 2000
(In Thousands)

Agency Appr	Prior Year		Increases	Expenditures	Lapse			
	Encumbrance	Chapter 20						
State Operations								
370	116 1fe	Endangered Resources General Fund..... \$	0	500	0	500	\$	0
370	211 2da	Waste Tire Removal and Recovery.....	41	73	0	114		0
410	104 1c	Reimbursement Claims from Counties With State Institutions.....	0	180	28	208		0
435	610 6dm	Nursing Home Monitoring Supplement.....	0	0	0	0		0
455	202 2am	Officer Training Reimbursement.....	17	50	(5)	62		0
465	103 1c	Public Emergencies.....	0	49	0	19		30
505	402 4b	Adjudication of Equalization Appeals.....	0	0	0	0		0
505	405 4d	Claims Awards.....	0	25	0	9		16
525	101 1a	Governor'S Office Administration.....	0	2,909	103	3,012		0
525	102 1b	Contingent Fund.....	0	26	(4)	21		1
525	103 1c	Membership In National Assoc.....	0	107	0	107		0
525	201 2a	Executive Residence.....	0	184	48	232		0
566	802 8b	Retailer Compensation.....	0	28,147	(220)	26,975		952
566	803 8c	Vendor Fees.....	0	12,184	(5)	11,790		389
625	101 1a	Circuit Courts.....	0	50,036	(84)	48,980		972
660	101 1a	Court Of Appeals.....	5	8,029	(117)	7,896		21
680	101 1a	Supreme Court.....	0	4,720	(91)	4,571		58
765	101 1a	Assembly.....	0	20,558	142	20,700		0
765	103 1b	Senate.....	0	13,346	384	13,730		0
765	104 1d	Legislative Documents.....	0	9,869	(273)	8,748		848
765	308 3fa	Membership In National Assoc.....	0	163	0	151		12
855	101 1a	Obligation On Operating Notes.....	0	0	0	0		0
855	102 1b	Operating Notes Expenses.....	2	0	0	1		1
855	108 1bm	Payment of Cancelled Drafts.....	0	1,100	0	0		1,100
855	301 3a	Capitol Offices Relocation.....	0	6,204	0	4,416		1,788
855	401 4a	Interest On Overpayment Of Taxes.....	0	1,350	1,847	3,197		0
855	403 4c	Minnesota Income Tax Reciprocity.....	0	46,475	0	46,475		0
855	405 4e	Transfer To Conservation Fund - Land Acquisition.....	0	239	0	237		2
855	408 4f	Supplemental Title Fee Matching.....	0	10,977	0	10,977		0
865	101 1a	Judgement & Legal Expenses.....	0	50	0	0		50
<i>Total State Operations.....</i>			65	217,550	1,753	213,128		6,240

Aids and Local Assistance

115	202 2b	Animal Disease Indemnities.....	0	109	0	81		28
235	104 1e	MN-WI Student Reciprocity.....	0	0	0	(2,543)		2,543
235	109 1fy	Academic Excellence.....	0	2,853	0	2,847		6
255	201 2ac	General Equalization Aids.....	0	3,767,894	0	3,724,657		43,237
255	218 2fm	Charter Schools.....	0	1,206	5	1,211		0
255	235 2fu	Milwaukee Parental Choice Program	247	39,475	0	39,128		594
255	306 3c	National Teacher Certification.....	0	30	0	20		10
370	503 5da	Aids In Lieu Of Taxes.....	0	2,600	(62)	2,538		0
435	323 3bm	Assistance for Children and Families.....	0	0	0	0		0
435	774 7da	Reimburse Local Units of Government.....	182	400	0	471		111
435	715 7ed	State Supplement to Federal Supplemental Security Income Prog.....	0	128,282	0	128,282		0
445	102 1aa	Special Death Benefit.....	0	479	0	112		367
455	102 1b	Special Death Benefit.....	0	1,100	0	534		566
465	305 3e	Disaster Recovery Aids.....	0	2,572	(719)	1,717		136
515	101 1a	Annuity Supplements And Payments.....	0	5,831	0	5,812		19
515	102 1b	Post Retirement Health Ins Premiums.....	0	5	0	4		1
835	108 1b	Small Municipalities Shared Revenue.....	0	10,000	0	10,000		0
835	101 1c	Expenditure Restraint Program Acct.....	0	48,000	0	48,000		0
835	102 1d	Shared Revenue Account.....	0	930,460	0	930,459		1
835	109 1e	State Aid: Computers.....	0	63,800	1,016	64,816		0
835	103 1f	County Mandate Relief Account.....	0	20,159	0	20,159		0
835	201 2am	One Time Sales Tax Rebate.....	0	700,000	0	699,656		344
835	203 2c	Homestead Tax Credit.....	0	79,100	856	79,956		0
835	208 2ci	Development Zones Investment Credit.....	0	3	0	0		3

Exhibit B-2

General Fund Sum Sufficient Appropriations
For the Fiscal Year Ended June 30, 2000
(In Thousands)

Agency Appr	Prior Year		Increases	Expenditures	Lapse	
	Encumbrance	Chapter 20				
Aids and Local Assistance (Continued)						
835 210 2cl	Development Zones Location Credit.....	\$ 0	3	0	0	\$ 3
835 204 2cm	Development Zones Jobs Credit.....	0	150	0	0	150
835 206 2cn	Development Zones Sales Tax Credit.....	0	150	0	0	150
835 205 2dm	Farmland Preservation Credit.....	0	18,100	397	18,497	0
835 214 2dn	School Levy Tax Credit.....	0	15,000	1,020	16,020	0
835 209 2ep	Cigarette Tax Refunds.....	0	10,250	0	10,160	90
835 212 2f	Earned Income Tax Credit.....	0	12,200	0	8,798	3,402
835 302 3b	School Levy Tax Credit.....	0	469,305	0	469,305	0
835 601 6a	County Assessment Aid.....	0	0	0	0	0
855 402 4b	Election Campaign Payment.....	0	329	0	329	0
<i>Total Aids and Local Assistance.....</i>		<u>429</u>	<u>6,329,845</u>	<u>2,513</u>	<u>6,281,026</u>	<u>51,761</u>
Principal Repayment and Lease Rental						
115 205 2D	Principal Repayment and Interest.....	0	1	16	17	0
115 707 7f	Principal Repayment and Interest.....	0	43	0	31	12
190 101 1c	Principal Repayment and Interest.....	0	867	11	878	0
190 102 1d	Principal Repayment and Interest.....	0	54	(3)	51	0
225 103 1c	Principal Repayment and Interest.....	0	1,055	7	1,062	0
245 106 1e	Principal Repayment and Interest.....	0	0	0	0	0
245 210 2e	Principal Repayment and Interest.....	0	927	114	1,041	0
245 505 5e	Principal Repayment and Interest.....	0	504	0	504	0
250 105 1e	Principal Repayment and Interest.....	0	185	0	184	1
255 104 1d	Principal Repayment and Interest.....	0	1,255	51	1,306	0
275 107 1er	Principal Repayment and Interest.....	0	0	4	4	0
275 108 1es	Principal Repayment and Interest.....	0	1,561	208	1,769	0
285 110 1d	Principal Repayment and Interest.....	0	88,964	4,293	93,257	0
320 103 1c	Principal Repayment and Interest.....	0	27,463	177	27,640	0
320 282 2c	Principal Repayment and Interest.....	0	899	50	949	0
370 701 7aa	Principal Repayment and Interest.....	0	19,017	(272)	18,745	0
370 704 7ba	Principal Repayment and Interest.....	0	1,477	23	1,500	0
370 705 7ca	Principal Repayment and Interest.....	0	2,319	114	2,433	0
370 706 7cb	Principal Repayment and Interest.....	0	71,596	(6)	71,282	308
370 707 7cc	Principal Repayment and Interest.....	0	17,277	(6)	17,191	80
370 708 7cd	Principal Repayment and Interest.....	0	848	0	843	5
370 713 7ce	Principal Repayment and Interest.....	0	63	(3)	60	0
370 709 7ea	Principal Repayment and Interest.....	0	533	(13)	519	1
410 107 1e	Principal Repayment and Interest.....	0	53,471	300	53,771	0
410 307 3e	Principal Repayment and Interest.....	0	4,349	172	4,521	0
435 207 2ee	Principal Repayment and Interest.....	0	10,200	353	10,553	0
435 602 6e	Principal Repayment and Interest.....	0	32	19	51	0
465 104 1d	Principal Repayment and Interest.....	0	3,103	233	3,336	0
485 106 1f	Principal Repayment and Interest.....	0	1,442	0	1,415	27
505 503 5c	Principal Repayment and Interest.....	0	0	0	0	0
867 102 1b	Principal Repayment and Interest.....	0	0	4,878	4,878	0
867 301 3a	Principal Repayment and Interest.....	0	3,699	(3,699)	(5,725)	5,725
867 302 3b	Principal Repayment and Interest.....	0	653	1,006	1,659	0
867 304 3d	Principal Repayment and Interest.....	0	0	0	0	0
867 305 3e	Principal Repayment and Interest.....	0	0	0	0	0
<i>Total Principal Repayment and Lease Rental.....</i>		<u>0</u>	<u>313,857</u>	<u>8,027</u>	<u>315,725</u>	<u>6,159</u>
Pay Plan & Supplement						
865 103 1c	Salary.....	0	0	29,442	29,442	0
865 104 1d	Fringe.....	0	183	2,240	2,423	0
<i>Total Pay Plan & Supplements.....</i>		<u>0</u>	<u>183</u>	<u>31,682</u>	<u>31,865</u>	<u>0</u>
TOTAL GENERAL FUND SUM SUFFICIENTS		\$ 494	6,861,435	43,975	6,841,744	\$ 64,160