

WISCONSIN

COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the fiscal year ended June 30, 1997

STATE OF WISCONSIN

COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the fiscal year ended June 30, 1997

Tommy G. Thompson, Governor

Department of Administration
Mark D. Bugher, Secretary
William J. Raftery, State Controller

Prepared by the State Controller's Office

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DOA-6082P (R12/97)

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 1997**

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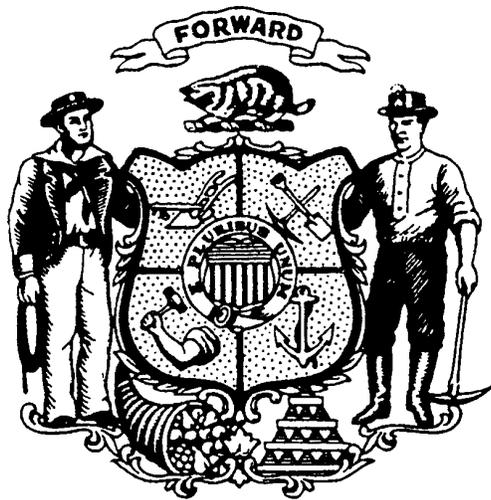
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Special Revenue Funds

(Continued)

SPECIAL REVENUE: Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specified purpose. The State's special revenue funds are described below:

The **Transportation Fund** accounts for the proceeds from motor fuel taxes, vehicle registrations, licensing fees, and federal and local governments which are used to supply and support safe, efficient and effective transportation in Wisconsin.

The **Conservation Fund** accounts for the management of the State's fish, wildlife, parks and other natural resources with funds provided from hunting and fishing licenses, recreational fees and forestry taxes.

The **Heritage State Parks and Forests Fund** accounts for the funding for operations and maintenance of State parks, southern State forests, and recreation areas either directly or through partial matching grants to friends groups.

The **Wisconsin Health Education Loan Repayment Fund** accounts for administrative expenditures related to issuing Wisconsin Health Education Loan bonds. These expenditures are funded from trustee transfers.

The **Waste Management Fund** accounts for the closure and long-term care of approved landfills from fees imposed on landfill operators.

The **Wisconsin Elections Campaign Fund** accounts for taxpayer donated funding for political candidates. The donations are intended to replace special interest funds.

The **Investment and Local Impact Fund** accounts for grants and loans to municipalities where metalliferous minerals exist to offset the negative effects of mining projects. These grants and loans are funded with taxes which have been imposed on mining activities.

The **Industrial Building Construction Loan Fund** accounts for economic development grants and loans for the construction of industrial buildings. These grants and loans are funded primarily with investment income.

The **Work Injury Supplemental Benefit Fund** accounts for compensatory payments to survivors of fatally injured employees or disabled employees with work-related injuries. This compensation is provided with funds collected from Wisconsin employers and insurance carriers.

The **Uninsured Employers Fund** accounts for the administration of insurance enforcement activities and compensation to injured employees of uninsured employers. The revenue is primarily provided by funds collected from uninsured employers.

The **Mediation Fund** accounts for the resolution of disputes regarding medical malpractice. Dispute filing fees and fees charged to health care providers are the primary revenue sources.

The **Agrichemical Management Fund** accounts for the regulation and enforcement of pesticide, feed and fertilizer industries. The revenue is generated by licenses and fees assessed to these industries.

The **Employe Trust Funds Administration Fund** accounts for transactions related to the administration and general operations of the Department of Employee Trust Funds.

The **Badger Fund** accounts for the distribution of tax revenues to municipalities wishing to undertake recreational improvement projects and for general equalization school aid.

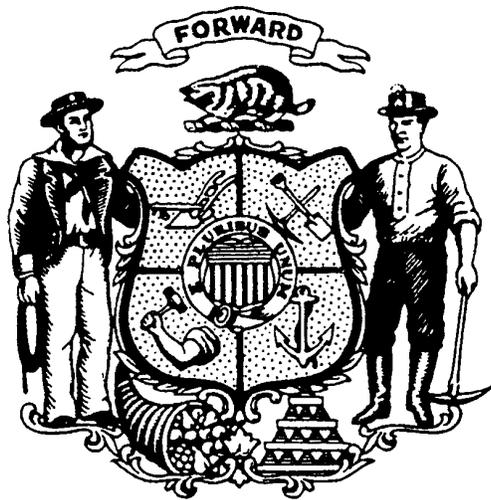
The **Petroleum Inspection Fund** accounts for revenues received from inspection fees on petroleum products shipped into Wisconsin. These proceeds are used for petroleum inspection programs, environmental cleanup awards, clean air and water administration and other environmental programs in the State of Wisconsin.

The **Environmental Fund** accounts for the development and enforcement of groundwater standards, as well as assistance in the emergency response, investigation and clean up of contaminated sites. This assistance is funded by fees on activities or substances which may contaminate groundwater and fees for solid waste tipping, pesticide licenses and oil inspections.

The **Recycling Fund** accounts for the general purpose revenues and moneys from recycling fees, used to reduce the amount of solid waste disposed of in landfills and incinerators.

The **Information Technology Investment Fund** accounts for revenues, primarily subscription fees from vendors, used to carry out information technology development projects, including paying for costs associated with technology-related equipment, software and support.

(Continued)



Special Revenue Funds

(Continued)

The **Property Tax Relief Fund** accounts for moneys set aside to provide property tax relief during the 1997-1999 biennium.

The **Environmental Local Assistance Fund** accounts for aid to local governments for environmental purposes such as the construction or improvement of point source water pollution abatement facilities, municipal clean drinking water grants, and stewardship grants. Revenues used to fund this program include bond proceeds and interest earnings.

State of Wisconsin

**Combining Balance Sheet - All Special Revenue Funds
June 30, 1997**

(In Thousands)

	Transportation	Conservation	Heritage State Parks and Forests	Wisconsin Health Education Loan Repayment	Waste Management	Wisconsin Elections Campaign	Investment and Local Impact	Industrial Building Construction Loan	Work Injury Supplemental Benefit
Assets									
Cash and Cash Equivalents	\$ 196,028	\$ 52,962	\$ 699	\$ -	\$ 12,296	\$ 204	\$ 4,312	\$ 263	8,700
Receivables (net of estimated uncollectible accounts):									
Taxes	71,895	427	-	-	-	-	-	-	-
Other Receivables	20,242	621	-	-	-	-	-	-	46
Due from Other Funds	16,940	13,618	-	48	-	-	-	-	10
Interfund Loans Receivable	2,691	-	-	-	-	-	-	-	-
Due from Other									
Governments	68,839	8,964	-	-	-	-	-	-	-
Inventories	14,998	1,305	-	-	-	-	-	-	-
Prepaid Items	1,630	796	-	1	-	-	-	-	-
Other Assets	5	-	-	-	-	-	-	-	-
Total Assets	\$ 393,268	\$ 78,694	\$ 699	\$ 50	\$ 12,296	\$ 204	\$ 4,312	\$ 263	8,757
Liabilities and Fund Balances									
Liabilities:									
Accounts Payable and Other									
Accrued Liabilities	\$ 83,640	\$ 8,301	\$ 30	\$ 1	\$ -	\$ -	\$ -	\$ -	948
Due to Other Funds	26,741	7,484	-	21	-	-	-	-	-
Interfund Loans Payable	-	-	-	7	-	-	-	-	-
Due to Other Governments	40,920	5,608	-	-	-	-	-	-	-
Tax Refunds Payable	3,939	-	-	-	-	-	-	-	-
Tax and Other Deposits	82	316	-	-	7,802	-	-	-	-
Deferred Revenue	12,659	755	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-
Short Term Notes Payable	-	-	-	-	-	-	-	-	-
Total Liabilities	167,981	22,464	30	30	7,802	-	-	-	948
Fund Balances:									
Reserved for									
Encumbrances	354,782	15,012	-	-	-	-	-	-	-
Reserved for Inventories	14,998	1,305	-	-	-	-	-	-	-
Reserved for Prepaid Items	1,630	796	-	1	-	-	-	-	-
Unreserved:									
Undesignated	(146,123)	39,116	669	19	4,494	204	4,312	263	7,809
Total Fund Balance	225,288	56,229	669	20	4,494	204	4,312	263	7,809
Total Liabilities and Fund Balance	\$ 393,268	\$ 78,694	\$ 699	\$ 50	\$ 12,296	\$ 204	\$ 4,312	\$ 263	8,757

Uninsured Employers	Mediation	Agrichemical Management	Employe Trust Funds Administration	Badger	Petroleum Inspection	Environmental	Recycling	Information Technology Investment	Property Tax Relief	Environmental Local Assistance	Totals
\$ 5,597	\$ 447	\$ 16,047	\$ 4,370	\$ 5,855	\$ 4,785	\$ 8,796	\$ 41,494	\$ 155	\$ -	\$ -	363,011
-	-	-	-	-	-	-	4,106	-	-	-	76,427
2,693	-	-	-	-	97	81	6	-	-	-	23,787
-	20	117	59	-	9,659	5,397	11,411	112	257,756	-	315,148
-	-	-	38	-	-	-	-	-	-	-	2,729
-	-	-	-	-	-	716	-	-	-	-	78,519
-	-	31	278	-	-	-	-	-	-	-	16,612
-	3	18	61	-	41	15	7,290	-	-	-	9,855
-	-	-	-	-	-	-	-	-	-	-	5
\$ 8,290	\$ 471	\$ 16,213	\$ 4,806	\$ 5,855	\$ 14,582	\$ 15,005	\$ 64,306	\$ 266	\$ 257,756	\$ 0	\$ 886,093

\$ 2	\$ 14	\$ 171	\$ 1,062	\$ -	\$ 180,773	\$ 865	\$ 289	\$ 1	\$ -	\$ 1	276,100
-	3	259	757	5,442	1,255	5,112	8,073	-	-	-	55,147
-	-	-	-	-	-	-	-	-	-	4,481	4,488
-	-	82	-	-	10,890	538	7,195	-	-	5,202	70,434
-	-	-	-	-	-	-	172	-	-	-	4,110
-	-	-	-	-	-	719	-	-	-	-	8,918
1,898	-	-	-	-	-	-	-	-	-	-	15,312
-	-	-	-	-	-	-	-	3,958	-	-	3,958
-	-	-	-	-	-	-	-	-	-	4,599	4,599
1,900	17	512	1,818	5,442	192,919	7,234	15,728	3,959	-	14,283	443,067
-	-	299	634	-	1,156	4,682	14,584	-	-	6,102	397,252
-	-	31	278	-	-	-	-	-	-	-	16,612
-	3	18	61	-	41	15	7,290	-	-	-	9,855
6,390	450	15,353	2,014	413	(179,533)	3,074	26,705	(3,693)	257,756	(20,386)	19,307
6,390	453	15,701	2,988	413	(178,336)	7,771	48,578	(3,693)	257,756	(14,283)	443,026
\$ 8,290	\$ 471	\$ 16,213	\$ 4,806	\$ 5,855	\$ 14,582	\$ 15,005	\$ 64,306	\$ 266	\$ 257,756	\$ 0	\$ 886,093

State of Wisconsin

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Special Revenue Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Transportation	Conservation	Heritage State Parks and Forests	Wisconsin Health Education Loan Repayment	Waste Management	Wisconsin Elections Campaign	Investment and Local Impact	Industrial Building Construction Loan	Work Injury Supplemental Benefit
Revenues:									
Taxes	\$ 716,251	\$ 44,913	\$ -	\$ -	\$ -	\$ -	\$ 642	\$ -	\$ -
Intergovernmental	437,446	15,118	-	-	-	-	-	-	-
Licenses and Permits	242,678	69,241	-	-	-	-	-	-	707
Charges for Goods and Services	11,570	19,157	-	125	-	-	-	-	-
Investment and Interest Income	7,780	2,164	30	-	226	15	275	13	487
Gifts and Donations	-	1,319	-	-	-	-	-	-	-
Other Revenues	7,438	1,731	669	-	5	23	-	-	-
Total Revenues	1,423,162	153,644	699	125	231	39	918	13	1,194
Expenditures:									
Current:									
Commerce	-	-	-	-	-	-	-	-	-
Education	-	-	-	103	-	-	-	-	-
Transportation	1,414,180	-	-	-	-	-	-	-	-
Environmental Resources	-	157,543	30	-	-	-	2,773	-	-
Human Relations and Resources	-	-	-	-	-	-	-	-	2,203
General Executive	-	-	-	-	-	487	-	-	-
Judicial	-	-	-	-	-	-	-	-	-
Total Expenditures	1,414,180	157,543	30	103	-	487	2,773	-	2,203
Excess of Revenues Over (Under) Expenditures	8,981	(3,899)	669	22	231	(448)	(1,855)	13	(1,009)
Other Financing Sources (Uses):									
Proceeds from Sale of									
Bonds	109	-	-	-	-	-	-	-	-
Operating Transfers In	20	12,260	-	-	-	307	-	-	-
Operating Transfers Out	(20,105)	(1,152)	-	-	-	-	-	-	-
Capital Leases Acquisitions	228	25	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(19,748)	11,133	-	-	-	307	-	-	-
Sources Over (Under) Expenditures and Other Uses	(10,767)	7,234	669	22	231	(141)	(1,855)	13	(1,009)
Fund Balances, Beginning of Year	236,323	49,044	-	(2)	4,263	345	6,167	249	8,817
Increase (Decrease) in Reserve for Inventories	(268)	(49)	-	-	-	-	-	-	-
Residual Equity Transfer Out	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ 225,288	\$ 56,229	\$ 669	\$ 20	\$ 4,494	\$ 204	\$ 4,312	\$ 263	\$ 7,809

Uninsured Employers	Mediation	Agrichemical Management	Employe Trust		Petroleum			Information Technology Investment	Property Tax Relief	Environmental Local Assistance	Totals
			Funds Administration	Badger	Inspection	Environmental	Recycling				
\$ -	\$ 2	\$ -	\$ -	\$ 428	\$ -	\$ -	\$ 51,030	\$ -	\$ -	\$ -	\$ 813,267
-	-	-	-	-	-	1,601	-	-	-	-	454,165
11	355	8,020	-	-	-	16,306	-	-	-	-	337,318
-	-	-	13,400	-	105,761	4	-	139	-	-	150,155
257	23	717	593	275	349	403	2,028	-	-	-	15,639
-	-	-	-	-	-	-	-	-	-	-	1,319
1,014	-	39	2	-	16	1,845	211	-	-	-	12,993
1,282	380	8,776	13,995	703	106,126	20,160	53,269	139	-	-	1,784,856
-	-	5,322	-	-	-	-	-	-	-	-	5,322
-	-	-	-	-	-	-	-	-	-	-	103
-	-	-	-	-	-	-	-	-	-	-	1,414,180
-	-	-	-	-	224,419	24,467	35,470	-	-	17,679	462,381
311	-	-	-	-	-	-	-	-	-	-	2,514
-	-	-	14,866	-	-	-	-	104	-	-	15,457
-	307	-	-	-	-	-	-	-	-	-	307
311	307	5,322	14,866	-	224,419	24,467	35,470	104	-	17,679	1,900,264
971	73	3,454	(871)	703	(118,293)	(4,307)	17,799	35	-	(17,679)	(115,409)
-	-	-	-	-	-	-	-	-	-	25,040	25,149
-	-	-	-	-	8	1,809	404	-	257,756	-	272,564
-	-	-	(180)	-	(1,809)	-	(7,034)	(3,727)	-	-	(34,008)
-	-	-	-	-	-	-	-	-	-	-	253
-	-	-	(180)	-	(1,802)	1,809	(6,630)	(3,727)	257,756	25,040	263,958
971	73	3,454	(1,051)	703	(120,095)	(2,498)	11,169	(3,693)	257,756	7,361	148,549
5,419	380	12,237	3,897	5,151	(58,242)	10,299	37,409	-	-	(21,644)	300,114
-	-	10	142	-	-	(30)	-	-	-	-	(195)
-	-	-	-	(5,442)	-	-	-	-	-	-	(5,442)
\$ 6,390	\$ 453	\$ 15,701	\$ 2,988	\$ 413	\$ (178,336)	\$ 7,771	\$ 48,578	\$ (3,693)	\$ 257,756	\$ (14,283)	\$ 443,026

State of Wisconsin

**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budgetary Basis) - Budgeted Special Revenue Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Transportation		Conservation		Heritage State Parks and Forests		Wisconsin Health Education Loan Repayment	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues:								
Taxes	\$ 715,235	\$ 715,235	\$ 45,558	\$ 45,558	\$ -	\$ -	\$ -	\$ -
Departmental	823,045	823,045	115,113	115,113	699	699	119	119
Total Revenues	<u>1,538,280</u>	<u>1,538,280</u>	<u>160,671</u>	<u>160,671</u>	<u>699</u>	<u>699</u>	<u>119</u>	<u>119</u>
Expenditures:								
Current:								
Commerce	336	323	1,229	897	-	-	-	-
Education	5,911	4,918	-	-	-	-	93	102
Environmental Resources	1,741,313	1,518,334	195,151	150,598	30	30	-	-
Human Relations and Resources	7,658	6,112	904	827	-	-	-	-
General Executive	1,607	1,456	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
General	13,360	13,360	-	-	-	-	-	-
Total Expenditures	<u>1,770,184</u>	<u>1,544,502</u>	<u>197,283</u>	<u>152,321</u>	<u>30</u>	<u>30</u>	<u>93</u>	<u>102</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (231,905)</u>	<u>(6,222)</u>	<u>\$ (36,612)</u>	<u>8,350</u>	<u>\$ 669</u>	<u>669</u>	<u>\$ 27</u>	<u>17</u>
Fund Balances, Beginning of Year		220,981		55,960		-		(27)
Residual Equity Transfers		-		-		-		-
Fund Balances, End of Year Less Encumbrances Outstanding at June 30, 1997		<u>214,758</u>		<u>64,309</u>		<u>669</u>		<u>(10)</u>
Fund Balances, End of Year Budgetary Basis		<u>\$ (348,695)</u>		<u>\$ 45,021</u>		<u>\$ 669</u>		<u>\$ (10)</u>

Waste Management		Wisconsin Elections Campaign		Investment and Local Impact		Industrial Building Construction Loan		Work Injury Supplemental Benefit	
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ -	\$ -	\$ -	\$ 642	\$ 642	\$ -	\$ -	\$ -	\$ -
174	174	346	346	276	276	13	13	1,111	1,111
174	174	346	346	918	918	13	13	1,111	1,111
-	-	-	-	-	-	263	-	-	-
4,437	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	10,767	2,200
-	-	691	487	7,085	2,773	-	-	-	-
-	-	-	-	-	-	-	-	-	-
4,437	-	691	487	7,085	2,773	263	-	10,767	2,200
<u>\$ (4,263)</u>	174	<u>\$ (345)</u>	(141)	<u>\$ (6,167)</u>	(1,855)	<u>\$ (249)</u>	13	<u>\$ (9,656)</u>	(1,089)
	4,320		345		6,167		249		9,656
	-		-		-		-		-
	4,494		204		4,312		263		8,567
	-		-		-		-		-
	<u>\$ 4,494</u>		<u>\$ 204</u>		<u>\$ 4,312</u>		<u>\$ 263</u>		<u>\$ 8,567</u>

(Continued)

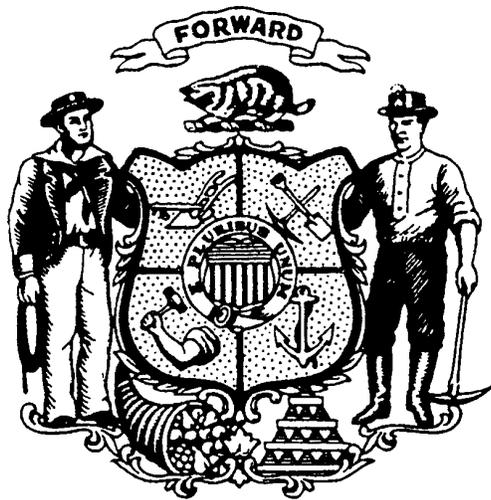
State of Wisconsin

**Combining Schedule of Revenues, Expenditures, and Changes in Fund
Balances - Budget and Actual (Budgetary Basis) - Budgeted Special
Revenue Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

	Uninsured Employers		Mediation		Agrichemical Management		Badger		Petroleum Inspection	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues:										
Taxes	\$ -	\$ -	\$ 2	\$ 2	\$ -	\$ -	\$ 428	\$ 428	\$ -	\$ -
Departmental	1,398	1,398	397	397	8,761	8,761	275	275	106,190	106,190
Total Revenues	1,398	1,398	399	399	8,761	8,761	703	703	106,190	106,190
Expenditures:										
Current:										
Commerce	-	-	-	-	12,952	5,310	-	-	106,157	103,972
Education	-	-	-	-	-	-	206	-	-	-
Environmental Resources	-	-	-	-	-	-	206	-	9,933	6,350
Human Relations and Resources	314	314	-	-	-	-	-	-	472	466
General Executive	-	-	-	-	-	-	-	-	122	118
Judicial	-	-	744	306	-	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-
Total Expenditures	314	314	744	306	12,952	5,310	413	-	116,685	110,906
Excess of Revenues Over (Under) Expenditures	<u>\$ 1,084</u>	1,084	<u>\$ (344)</u>	93	<u>\$ (4,191)</u>	3,450	<u>\$ 291</u>	703	<u>\$ (10,495)</u>	(4,716)
Fund Balances, Beginning of Year		4,581		344		12,301		5,151		17,552
Residual Equity Transfers		-		-		-		(5,442)		-
Fund Balances, End of Year Less Encumbrances Outstanding at June 30, 1997		5,665		438		15,751		413		12,836
		-		-		(299)		-		(1,252)
Fund Balances, End of Year Budgetary Basis	<u>\$ 5,665</u>		<u>\$ 438</u>		<u>\$ 15,452</u>		<u>\$ 413</u>		<u>\$ 11,584</u>	

Environmental		Recycling		Information Technology Investment		Property Tax Relief		Totals	
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ -	\$ 51,479	\$ 51,479	\$ -	\$ -	\$ -	\$ -	\$ 813,344	\$ 813,344
20,798	20,798	2,282	2,282	136	136	257,756	257,756	1,338,888	1,338,888
20,798	20,798	53,761	53,761	136	136	257,756	257,756	2,152,233	2,152,233
2,045	1,929	8,605	2,285	-	-	-	-	131,586	114,716
32	-	13,378	6,960	-	-	-	-	19,620	11,980
28,319	21,599	35,994	33,612	-	-	-	-	2,015,384	1,730,523
471	375	-	-	-	-	-	-	20,585	10,292
-	-	322	306	121	101	-	-	9,949	5,241
-	-	-	-	-	-	-	-	744	306
-	-	-	-	5,000	3,727	-	-	18,360	17,087
30,867	23,902	58,300	43,163	5,121	3,829	-	-	2,216,228	1,890,145
<u>\$ (10,069)</u>	<u>(3,104)</u>	<u>\$ (4,539)</u>	10,598	<u>\$ (4,985)</u>	<u>(3,693)</u>	<u>\$ 257,756</u>	257,756	<u>\$ (63,995)</u>	262,088
	9,995		33,597		-		-		381,174
	-		404		-		-		(5,038)
	6,891		44,599		(3,693)		257,756		638,223
	(5,266)		(20,525)		-		-		(610,083)
	<u>\$ 1,625</u>		<u>\$ 24,075</u>		<u>\$ (3,693)</u>		<u>\$ 257,756</u>		<u>\$ 28,140</u>



Debt Service Funds

DEBT SERVICE: Debt service funds account for the accumulation of resources for, and the payment of, principal, interest and related costs of general long-term obligations.

The **Bond Security and Redemption Fund** accounts for the accumulation of resources for, and the payment of principal, interest and related costs of, general obligation bond debt.

The **Transportation Revenue Bonds Fund** accounts for the accumulation of resources for, and the payment of principal, interest and related costs of, transportation revenue bond obligations.

State of Wisconsin

**Combining Balance Sheet - All Debt Service Funds
June 30, 1997**

(In Thousands)

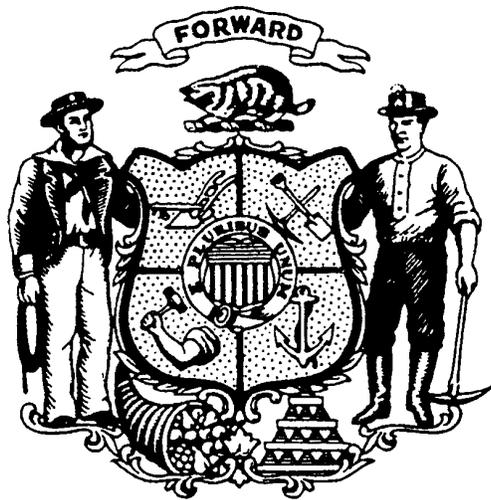
	Bond Security and Redemption	Transportation Revenue Bonds	Totals
Assets			
Cash and Cash Equivalents	\$ 6,034	\$ -	\$ 6,034
Investments	-	51,498	51,498
Receivables (net of estimated uncollectible accounts):			
Other Receivables	-	8	8
Due from Other Funds	4	-	4
Total Assets	<u>\$ 6,038</u>	<u>\$ 51,506</u>	<u>\$ 57,544</u>
Liabilities and Fund Balances			
Liabilities:			
Due to Other Funds	\$ 167	\$ -	\$ 167
Interest Payable	2,490	20,060	22,551
General Obligations Bonds Payable	820	-	820
Revenue Bonds and Notes Payable	-	29,710	29,710
Total Liabilities	<u>3,478</u>	<u>49,770</u>	<u>53,248</u>
Fund Balances:			
Unreserved	<u>2,560</u>	<u>1,736</u>	<u>4,295</u>
Total Fund Balances	<u>2,560</u>	<u>1,736</u>	<u>4,295</u>
Total Liabilities and Fund Balances	<u>\$ 6,038</u>	<u>\$ 51,506</u>	<u>\$ 57,544</u>

State of Wisconsin

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
All Debt Service Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Bond Security and Redemption	Transportation Revenue Bonds	Totals
Revenues:			
Licenses and Permits	\$ -	\$ 68,430	\$ 68,430
Investment and Interest Income	620	1,772	2,392
Total Revenues	620	70,202	70,822
Expenditures:			
Debt Service:			
Principal	124,877	29,710	154,587
Interest	89,106	40,924	130,029
Total Expenditures	213,982	70,634	284,616
Excess of Revenues Over (Under) Expenditures	(213,362)	(431)	(213,794)
Other Financing Sources (Uses):			
Proceeds from Refunding Bonds	23,304	-	23,304
Payment to Refunding Bond Escrow Agent	(23,487)	-	(23,487)
Operating Transfers In	212,158	790	212,948
Operating Transfers Out	(5,250)	-	(5,250)
Total Other Financing Sources (Uses)	206,725	790	207,515
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(6,637)	358	(6,279)
Fund Balances, Beginning of Year	9,201	1,377	10,579
Residual Equity Transfers Out	(4)	-	(4)
Fund Balances, End of Year	\$ 2,560	\$ 1,736	\$ 4,295



Capital Projects Funds

CAPITAL PROJECTS: Capital projects funds account for financial resources used for the acquisition, construction, renovation or repair of major capital facilities (other than those financed by proprietary funds and trust funds). The State's capital projects funds are described below:

The **Building Trust Fund** accounts for repair projects of major capital facilities which are funded primarily through General Fund transfers.

The **Energy Efficiency Fund** accounts for improvements on heating plants and loans to State agencies for energy efficiency projects. Revenues are primarily derived from utility rebates, utility matching funds, savings from improvements to heating costs and General Fund supported borrowing.

The **Capital Improvement Fund** accounts for revenues from general obligation bond proceeds, General Fund transfers and investment pool interest earnings which are primarily used for the acquisition or construction of major capital facilities.

The **Transportation Revenue Bonds Fund** accounts for the accumulation of financing resources for the construction, maintenance, and repair of certain major highway projects and administrative facilities.

State of Wisconsin

**Combining Balance Sheet - All Capital Projects Funds
June 30, 1997**

(In Thousands)

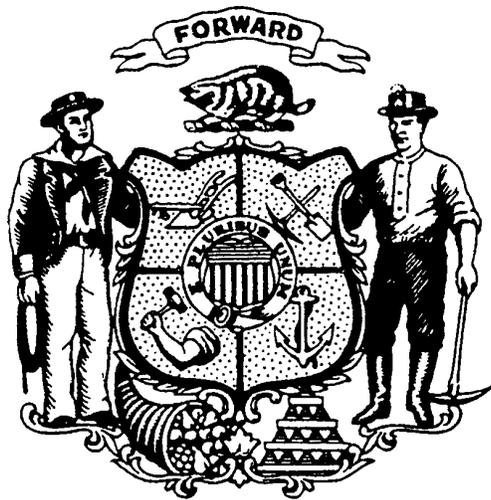
	Building Trust	Energy Efficiency	Capital Improvement	Transportation Revenue Bonds	Totals
Assets					
Cash and Cash Equivalents	\$ 20,251	\$ 1,625	\$ -	\$ -	21,876
Investments	-	-	-	134,845	134,845
Receivables (net of estimated uncollectible accounts):					
Other Receivables	-	-	39	1,124	1,162
Due from Other Funds	4	-	1,777	-	1,781
Due from Other Governments	-	-	496	-	496
Advances to Other Funds	-	3,000	-	-	3,000
Total Assets	\$ 20,255	\$ 4,625	\$ 2,312	\$ 135,968	\$ 163,160
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Other					
Accrued Liabilities	\$ 204	\$ -	\$ 14,977	\$ 255	15,436
Due to Other Funds	36	-	1,645	14,805	16,486
Interfund Loans Payable	-	-	13,034	2,691	15,726
Due to Other Governments	-	-	404	-	404
Tax and Other Deposits	2	-	-	-	2
Deferred Revenue	4	-	-	-	4
Interest Payable	-	-	-	571	571
Short Term Notes Payable	-	-	61,607	154,886	216,493
Total Liabilities	245	-	91,667	173,209	265,121
Fund Balances:					
Reserved for Encumbrances	711	-	44,674	62,002	107,387
Unreserved:					
Undesignated	19,299	4,625	(134,030)	(99,242)	(209,347)
Total Fund Balances	20,010	4,625	(89,356)	(37,240)	(101,960)
Total Liabilities and Fund Balances	\$ 20,255	\$ 4,625	\$ 2,312	\$ 135,968	\$ 163,160

State of Wisconsin

**Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - All Capital Projects Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Building Trust	Energy Efficiency	Capital Improvement	Transportation Revenue Bonds	Totals
Revenues:					
Intergovernmental	\$ -	\$ -	2,175	\$ -	2,175
Licenses and Permits	-	-	-	92	92
Charges for Goods and Services	-	-	694	-	694
Investment and Interest Income	795	180	2,957	2,364	6,297
Gifts and Donations	-	-	87	-	87
Other Revenues	1,745	101	977	-	2,823
Total Revenues	2,540	281	6,890	2,456	12,168
Expenditures:					
Current:					
Education	349	-	2,699	-	3,048
Transportation	-	-	3,280	-	3,280
Environmental Resources	-	-	21,843	-	21,843
Human Relations and Resources	2,404	-	14,723	-	17,127
General Executive	418	-	10,777	-	11,195
Other General Expenditures	65	-	4,155	-	4,219
Capital Outlay	-	-	80,187	90,506	170,693
Debt Service:					
Interest	-	-	541	-	541
Total Expenditures	3,236	-	138,205	90,506	231,947
Excess of Revenues Over (Under) Expenditures	(695)	281	(131,315)	(88,050)	(219,779)
Other Financing Sources (Uses):					
Proceeds from Sale of Bonds	-	-	55,386	-	55,386
Operating Transfers In	936	-	16,035	-	16,971
Operating Transfers Out	(11)	-	(1,625)	(790)	(2,426)
Installment Purchase Acquisitions	-	-	573	-	573
Total Other Financing Sources (Uses)	924	-	70,369	(790)	70,504
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	229	281	(60,946)	(88,840)	(149,276)
Fund Balances, Beginning of Year	19,807	4,344	12,590	51,600	88,341
Residual Equity Transfers In	4	-	-	-	4
Residual Equity Transfers Out	(30)	-	(41,000)	-	(41,030)
Fund Balances, End of Year	\$ 20,010	\$ 4,625	\$ (89,356)	\$ (37,240)	\$ (101,960)



ENTERPRISE: Enterprise funds account for business-like State activities that provide goods and/or services to the public and are financed primarily through user charges. The State's enterprise funds are described below:

The **State Fair Park Fund** accounts for the annual State Fair, and various year round major sports events, agricultural and industrial expositions, and other programs of civic interest. Its revenues are derived from admissions, fees, rents and sales, with no contributions from the State.

The **Home For Veterans Fund** accounts for nursing home care for veterans and their spouses. The costs associated with providing this care are funded by private pay charges, the U.S. Department of Veterans Affairs and Medical Assistance.

The **Mendota Mental Health Institute Fund** and the **Winnebago Mental Health Institute Fund** account for the diagnosis, care and treatment of individuals with mental and emotional disturbances. The services are provided with funds collected from third parties and contributions from the State.

The **Northern Developmental Disabilities Center Fund** the **Central Developmental Disabilities Center Fund** and the **Southern Developmental Disabilities Center Fund** account for services provided to developmentally disabled citizens with the goal of ultimately returning such persons to the community if possible. These services are provided with funds collected from third parties and contributions from the State.

The **Institutional Farm Operations Fund** accounts for the revenues and expenses associated with employing inmates in agricultural and other work activities. The associated costs are funded from farm product sales and a General Fund supplement.

The **Institutional Canteen Operations Fund** accounts for the program which provides goods for the education, recreation, and convenience of institutionalized patients and inmates. Charges made to patients and inmates are the primary source of funds for these activities.

The **Lottery Fund** accounts for State managed lottery activities used to provide property tax relief to taxpayers. Revenues are derived from ticket sales which are used to pay winners, commissions to retailers, operating expenses and property tax relief.

The **Health Insurance Risk Sharing Plan Fund** accounts for major medical and medicare supplement coverage for Wisconsin residents under sixty-five who are unable to obtain health insurance

coverage in the private market. This service is primarily funded by premiums and assessments collected from State health insurers.

The **Local Government Property Insurance Fund** accounts for property insurance coverage provided to local governments in Wisconsin. This insurance is financed with premiums collected from policyholders and income on investments.

The **State Life Insurance Fund** accounts for the program to provide State sponsored life insurance to residents of Wisconsin in a manner consistent with private insurers. This insurance is financed with premiums collected from policyholders and investment earnings.

The **Patients Compensation Fund** accounts for the program to provide excess medical malpractice insurance for Wisconsin health care providers. The revenues to finance this insurance are primarily derived from assessments against health care providers.

The **Income Continuation Insurance Fund** accounts for long-term and short-term disability benefits (up to 75 percent of gross salary) for employes of the State and of participating local public employers and operates on a self-insured basis.

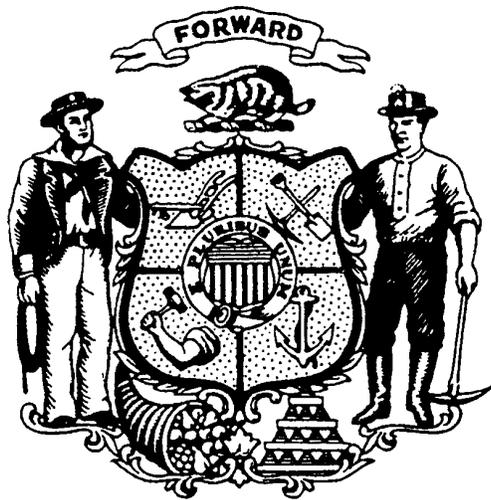
The **Duty Disability Fund** accounts for the compensation of protective category employes of the Wisconsin Retirement System for duty-related disabilities.

The **Long Term Disability Insurance Fund** accounts for long term disability benefits paid to Wisconsin Retirement System participants. The premiums to finance this alternative disability coverage are received from the Wisconsin Retirement System.

The **Health Insurance Fund** accounts for group health insurance plans provided on a self-insured, fee for service basis or prepaid basis to current and retired employes of the State and of participating local public employers.

The **Tuition Trust Fund** accounts for the program that allows taxpayers to invest future tuition expenses, with earnings reinvested pre-tax.

(Continued)



(Continued)

The **Clean Water Fund** accounts for financial resources generated and used for clean water projects. A federal capitalization grant, interest earnings, revenue bond proceeds and general obligation bond proceeds are its primary revenue sources.

The **Veterans Trust Fund** accounts for various programs for veterans, including loans and grants to individuals and organizations and the operations of the Wisconsin Veterans Museum. Revenues to finance this program are primarily derived from veteran loan payments and investment income.

The **Veterans Mortgage Loan Repayment Fund** accounts for the issuance and administration of veteran's first mortgage loans. Revenues are primarily derived from bond proceeds, mortgage payments and investment income.

The **Veterans Mortgage Revenue Bonds Fund** accounts for bond proceeds used to provide veteran's loans to finance the acquisition, construction, rehabilitation, and improvement of residential housing within the State. Funding is derived from interest earned on mortgages, investment income and proceeds from the issuance of revenue bonds.

The **Wisconsin Education Revenue Bonds Fund** accounts for bond proceeds to provide health education loans to fulltime medical and dental students at qualifying universities or colleges in Wisconsin.

The **Wisconsin Public Broadcasting Foundation (Foundation) Fund** accounts for financial resources generated to support the activities of the Wisconsin Educational Communications Board. The primary revenue sources of the Foundation are from gifts, grants and contributions.

State of Wisconsin

**Combining Balance Sheet - All Enterprise Funds
June 30, 1997**

(In Thousands)

	State Fair Park	Home for Veterans	Mendota Mental Health Institute	Winnebago Mental Health Institute	Northern Developmental Disabilities Center	Central Developmental Disabilities Center
Assets						
Cash and Cash Equivalents	\$ 1,827	\$ 1,682	\$ 26	\$ 21	\$ 10	\$ 6
Investments	-	-	-	-	-	-
Receivables (net of estimated uncollectible accounts):						
Student Loans	-	-	-	-	-	-
Veterans Loans	-	-	-	-	-	-
Mortgage Loans	-	-	-	-	-	-
Insurance Policy Loans	-	-	-	-	-	-
Loans to Local Governments	-	-	-	-	-	-
Other Receivables	278	154	5,505	8,950	1,139	1,423
Due from Other Funds	74	14	2,069	1,232	5,269	7,695
Due from Component Units	-	-	-	-	-	-
Interfund Loans Receivable	-	-	-	-	-	-
Due from Other Governments	-	3,695	-	-	-	-
Inventories	128	821	172	231	214	191
Prepaid Items	109	242	242	191	269	366
Advances to Other Funds	-	-	-	-	-	-
Restricted and Limited Use Assets:						
Cash and Cash Equivalents	-	-	-	-	-	-
Deferred Charges	25	-	-	-	-	-
Fixed Assets (net of accumulated depreciation)	20,381	25,948	15,943	21,328	14,959	12,877
Other Assets	-	-	-	-	-	-
Total Assets	\$ 22,822	\$ 32,556	\$ 23,958	\$ 31,954	\$ 21,859	\$ 22,557
Liabilities and Fund Equity						
Liabilities:						
Accounts Payable and Other						
Accrued Liabilities	\$ 1,415	\$ 1,710	\$ 1,790	\$ 1,486	\$ 1,556	\$ 2,178
Due to Other Funds	897	767	2,563	2,537	1,680	1,804
Interfund Loans Payable	-	-	7,104	9,694	3,966	6,708
Due to Other Governments	-	2	-	-	-	-
Tax and Other Deposits	14	3	-	-	-	-
Deferred Revenue	1,392	-	-	-	-	-
Interest Payable	109	-	-	-	-	-
Short Term Notes Payable	267	-	-	-	-	-
Future Benefits and Loss Liabilities	-	-	-	-	-	-
Capital Leases	6	-	152	-	-	-
Compensated Absences	62	514	969	821	793	1,209
General Obligation Bonds Payable	12,383	-	-	-	-	-
Revenue Bonds Payable	-	-	-	-	-	-
Installment Contract Payable	-	-	-	-	-	-
Total Liabilities	16,545	2,996	12,578	14,538	7,996	11,899
Fund Equity:						
Contributed Capital	4,353	36,457	25,683	30,723	27,768	22,574
Retained Earnings:						
Reserved for Future Benefits	-	-	-	-	-	-
Reserved for Market Value Adjustments	-	-	-	-	-	-
Unreserved	1,924	(6,896)	(14,303)	(13,307)	(13,904)	(11,916)
Total Fund Equity	6,277	29,560	11,380	17,416	13,864	10,658
Total Liabilities and Fund Equity	\$ 22,822	\$ 32,556	\$ 23,958	\$ 31,954	\$ 21,859	\$ 22,557

Southern Developmental Disabilities Center	Institutional Farm Operations	Institutional Canteen Operations	Lottery	Health Insurance Risk Sharing Plan	Local Government Property Insurance	State Life Insurance
\$ 18	\$ -	\$ 630	\$ 150,829	\$ 461	\$ 16,798	\$ 6,785
-	-	36	241,067	4,967	342	53,018
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	3,777
-	-	-	-	-	-	-
100	208	98	7,874	8,294	2,514	1,200
6,166	172	5	530	-	87	1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,779	-
388	1,273	790	1,202	-	-	-
258	9	14	68	1	-	3
-	-	-	-	-	4,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	649
15,256	5,937	111	1,404	5	-	59
-	-	-	8,733	-	-	-
\$ 22,185	\$ 7,599	\$ 1,684	\$ 411,707	\$ 13,727	\$ 25,520	\$ 65,493

\$ 6,449	\$ 180	\$ 194	\$ 262,651	\$ 1,473	\$ 52	\$ 413
1,554	113	65	9,944	2	8	15
242	4,850	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3	-	-	8,690
-	-	4	608	4,947	3,043	-
-	6	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	7,298	3,243	49,327
-	-	-	-	-	-	-
575	48	5	97	1	-	1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	398	-	-	-	-	-
8,819	5,595	268	273,303	13,722	6,346	58,446
30,299	2,688	36	51	-	-	-
-	-	-	-	-	-	7,047
-	-	-	-	-	-	-
(16,933)	(684)	1,380	138,353	6	19,175	-
13,366	2,004	1,416	138,404	6	19,175	7,047
\$ 22,185	\$ 7,599	\$ 1,684	\$ 411,707	\$ 13,727	\$ 25,520	\$ 65,493

(Continued)

State of Wisconsin

Combining Balance Sheet - All Enterprise Funds
June 30, 1997

(Continued)

	Patients Compensation	Income Continuation Insurance	Duty Disability	Long Term Disability Insurance	Health Insurance	Tuition Trust
Assets						
Cash and Cash Equivalents	\$ 7,984	\$ 51,929	\$ 24,881	\$ 158,598	\$ 37,002	\$ -
Investments	361,892	-	-	-	-	-
Receivables (net of estimated uncollectible accounts):						
Student Loans	-	-	-	-	-	-
Veterans Loans	-	-	-	-	-	-
Mortgage Loans	-	-	-	-	-	-
Insurance Policy Loans	-	-	-	-	-	-
Loans to Local Governments	-	-	-	-	-	-
Other Receivables	6,859	-	-	-	-	-
Due from Other Funds	-	16,331	6,121	14,761	359	-
Due from Component Units	10	-	-	-	-	-
Interfund Loans Receivable	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
Inventories	2	-	-	-	-	-
Prepaid Items	4	-	-	-	26,648	-
Advances to Other Funds	-	-	-	-	-	-
Restricted Assets:						
Cash and Cash Equivalents	-	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-
Fixed Assets (net of accumulated depreciation)	37	-	-	-	-	17
Other Assets	-	-	-	-	-	-
Total Assets	\$ 376,788	\$ 68,260	\$ 31,002	\$ 173,359	\$ 64,009	\$ 17
Liabilities and Fund Equity						
Liabilities:						
Accounts Payable and Other						
Accrued Liabilities	\$ 417	\$ 460	\$ -	\$ 128	\$ 1,141	\$ -
Due to Other Funds	48	32	1,196	6	246	264
Interfund Loans Payable	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Tax and Other Deposits	-	-	-	-	-	-
Deferred Revenue	310	74	-	-	30,838	-
Interest Payable	-	-	-	-	-	-
Short Term Notes Payable	-	-	-	-	-	-
Future Benefits and Loss Liabilities	420,106	42,472	187,367	10,835	7,291	-
Capital Leases	-	-	-	-	-	-
Compensated Absences	6	-	-	-	-	-
General Obligation Bonds Payable	-	-	-	-	-	-
Revenue Bonds Payable	-	-	-	-	-	-
Installment Contract Payable	-	-	-	-	-	-
Total Liabilities	420,887	43,039	188,563	10,968	39,515	264
Fund Equity:						
Contributed Capital	-	-	-	-	-	-
Retained Earnings:						
Reserved for Future Benefits	-	-	-	-	-	-
Reserved for Market Value Adjustments	-	23,440	3,903	29,151	-	-
Unreserved	(44,100)	1,781	(161,464)	133,239	24,494	(247)
Total Fund Equity	(44,100)	25,221	(157,561)	162,391	24,494	(247)
Total Liabilities and Fund Equity	\$ 376,788	\$ 68,260	\$ 31,002	\$ 173,359	\$ 64,009	\$ 17

Clean Water	Veterans Trust	Veterans Mortgage Loan Repayment	Veterans Mortgage Revenue Bonds	Wisconsin Education Revenue Bonds	Wisconsin Public Broadcasting Foundation	Totals
\$ 178,999	\$ 17,792	\$ 117,888	\$ -	\$ 687	\$ 1,419	\$ 776,274
93,631	-	-	-	-	2,483	757,436
-	-	-	-	6,724	-	6,724
-	28,583	-	-	-	-	28,583
-	2,676	580,499	-	-	-	583,175
-	-	-	-	-	-	3,777
697,194	-	-	-	-	-	697,194
1,767	219	3,628	-	-	169	50,379
39	6	130	-	-	15	61,077
-	-	-	-	-	-	10
-	-	17,516	-	-	-	17,516
3,687	-	-	-	-	3	9,165
-	85	-	-	-	-	5,496
10	35	44	-	-	-	28,513
-	-	-	-	-	-	4,000
34,606	-	-	-	-	-	34,606
3,014	-	4,065	-	-	-	7,753
70	2,035	94	-	-	-	136,460
-	-	85	-	-	-	8,818
\$ 1,013,016	\$ 51,431	\$ 723,950	\$ 0	\$ 7,411	\$ 4,089	\$ 3,216,956

\$ 105	\$ 665	\$ 10,042	\$ -	\$ -	\$ 80	\$ 294,586
594	208	128	-	402	28	25,101
-	-	-	-	-	-	32,564
-	9	6	-	-	1	18
-	159	1	-	-	-	8,870
-	-	1,165	-	-	58	42,438
2,051	-	4,526	-	27	-	6,720
-	-	-	-	-	-	267
-	-	-	-	-	-	727,939
-	-	-	-	-	-	158
70	61	178	-	-	-	5,411
-	-	564,971	-	-	-	577,354
431,974	-	-	-	5,307	-	437,281
-	-	-	-	-	-	398
434,794	1,103	581,017	-	5,736	167	2,159,106
598,236	87,384	-	-	-	-	866,250
-	-	-	-	-	-	7,047
-	-	-	-	-	-	56,494
(20,014)	(37,055)	142,933	-	1,675	3,922	128,060
578,222	50,329	142,933	-	1,675	3,922	1,057,851
\$ 1,013,016	\$ 51,431	\$ 723,950	\$ 0	\$ 7,411	\$ 4,089	\$ 3,216,956

State of Wisconsin

**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - All Enterprise Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	State Fair Park	Home for Veterans	Mendota Mental Health Institute	Winnebago Mental Health Institute	Northern Developmental Disabilities Center	Central Developmental Disabilities Center
Operating Revenues:						
Charges for Goods and Services	\$ 13,185	\$ 33,588	\$ 17,969	\$ 16,017	\$ 32,439	\$ 48,287
Contributions	-	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-	-
Other Income	107	-	-	-	-	-
Total Operating Revenues	13,292	33,588	17,969	16,017	32,439	48,287
Operating Expenses:						
Personal Services	4,399	26,340	31,432	27,086	26,728	39,803
Supplies and Services	7,523	6,894	5,766	4,619	4,814	7,775
Lottery Prize Awards	-	-	-	-	-	-
Depreciation	1,295	2,130	749	734	1,123	759
Benefit Expense	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Other Expenses	30	-	-	-	-	-
Total Operating Expenses	13,247	35,365	37,947	32,440	32,665	48,336
Operating Income (Loss)	46	(1,777)	(19,978)	(16,423)	(226)	(50)
Nonoperating Revenues (Expenses):						
Operating Grants	-	9	7	9	-	9
Investment and Interest Income	6	-	1	1	14	-
Gain (Loss) on Disposal of Fixed Assets	6	(3)	-	-	-	3
Interest Expense	(590)	-	(30)	-	-	-
Other Revenues	-	363	402	1,507	133	19
Other Expenses:						
Property Tax Credits	-	-	-	-	-	-
Grants Disbursed	-	-	-	-	-	-
Other	(4)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	(582)	368	379	1,517	147	30
Income (Loss) Before Operating Transfers	(536)	(1,408)	(19,599)	(14,907)	(78)	(20)
Operating Transfers In	37	25	19,489	15,221	1	432
Operating Transfers Out	(250)	(1,047)	(79)	(73)	(1,348)	(935)
Net Income before Extraordinary Items	(749)	(2,431)	(189)	241	(1,425)	(522)
Extraordinary Items:						
Gain (Loss) from Extinguishment of Debt	-	-	-	-	-	-
Net Income (Loss)	(749)	(2,431)	(189)	241	(1,425)	(522)
Retained Earnings, Beginning of Year	2,673	(4,466)	(14,115)	(13,549)	(12,479)	(11,394)
Residual Equity Transfers Out	-	-	-	-	-	-
Retained Earnings, End of Year	\$ 1,924	\$ (6,896)	\$ (14,303)	\$ (13,307)	\$ (13,904)	\$ (11,916)

Southern Developmental Disabilities Center	Institutional Farm Operations	Institutional Canteen Operations	Lottery	Health Insurance Risk Sharing Plan	Local Government Property Insurance	State Life Insurance
\$ 34,367	\$ 2,378	\$ 7,107	\$ 431,091	\$ 37,929	\$ 7,822	\$ 2,960
-	-	-	-	-	-	-
-	-	-	-	-	1,133	5,152
-	-	109	55	-	-	1
34,367	2,378	7,216	431,146	37,929	8,955	8,112
29,661	950	590	3,039	71	56	207
6,451	2,485	6,602	51,139	896	639	168
-	-	-	244,020	-	-	-
1,037	200	39	616	2	-	53
-	-	-	-	37,286	6,724	2,704
-	-	-	-	-	-	404
-	-	31	-	-	110	4,144
37,149	3,635	7,262	298,813	38,254	7,529	7,680
(2,782)	(1,257)	(46)	132,333	(324)	1,426	432
9	-	-	-	-	-	-
-	-	3	5,082	339	-	-
-	(40)	-	(12)	-	-	-
-	(20)	-	(10)	-	-	-
552	113	18	-	-	-	-
-	-	-	(31,191)	-	-	-
-	-	-	-	-	-	-
-	-	-	(627)	-	(1)	-
561	52	21	(26,758)	339	(1)	-
(2,221)	(1,205)	(25)	105,575	15	1,425	432
-	840	274	-	-	-	-
(1,054)	(6)	(138)	(13,389)	-	-	(829)
(3,275)	(371)	111	92,186	15	1,425	(397)
-	-	-	-	-	-	-
(3,275)	(371)	111	92,186	15	1,425	(397)
(13,658)	(313)	1,269	46,167	(9)	17,750	7,444
-	-	-	-	-	-	-
\$ (16,933)	\$ (684)	\$ 1,380	\$ 138,353	\$ 6	\$ 19,175	\$ 7,047

(Continued)

State of Wisconsin

**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - All Enterprise Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

	Patients Compensation	Income Continuation Insurance	Duty Disability	Long Term Disability Insurance	Health Insurance	Tuition Trust
Operating Revenues:						
Charges for Goods and Services	\$ 58,749	\$ -	\$ -	\$ -	\$ -	-
Contributions	-	7,876	21,126	13,677	366,302	-
Investment and Interest Income	25,506	12,937	5,715	33,914	2,296	-
Other Income	-	-	-	-	-	-
Total Operating Revenues	<u>84,255</u>	<u>20,813</u>	<u>26,841</u>	<u>47,591</u>	<u>368,598</u>	<u>-</u>
Operating Expenses:						
Personal Services	271	-	-	-	-	124
Supplies and Services	390	485	-	37	311,351	122
Lottery Prize Awards	-	-	-	-	-	-
Depreciation	17	-	-	-	-	2
Benefit Expense	77,476	9,910	55,712	4,014	50,847	-
Interest Expense	-	-	-	-	-	-
Other Expenses	-	572	440	213	2,805	-
Total Operating Expenses	<u>78,154</u>	<u>10,967</u>	<u>56,152</u>	<u>4,264</u>	<u>365,003</u>	<u>247</u>
Operating Income (Loss)	<u>6,101</u>	<u>9,846</u>	<u>(29,311)</u>	<u>43,327</u>	<u>3,595</u>	<u>(247)</u>
Nonoperating Revenues (Expenses):						
Operating Grants	-	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-	-
Gain (Loss) on Disposal of Fixed Assets	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Other Revenues	-	-	-	-	8	-
Other Expenses	-	-	-	-	-	-
Property Tax Credits	-	-	-	-	-	-
Grants Disbursed	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>
Income (Loss) Before Operating Transfers	6,101	9,846	(29,311)	43,327	3,603	(247)
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
Net Income before Extraordinary Items	6,101	9,846	(29,311)	43,327	3,603	(247)
Extraordinary Items:						
Gain (Loss) from Extinguishment of Debt	-	-	-	-	-	-
Net Income (Loss)	6,101	9,846	(29,311)	43,327	3,603	(247)
Retained Earnings, Beginning of Year	(50,201)	15,375	(128,250)	119,064	20,892	-
Residual Equity Transfers Out	-	-	-	-	-	-
Retained Earnings, End of Year	<u>\$ (44,100)</u>	<u>\$ 25,221</u>	<u>\$ (157,561)</u>	<u>\$ 162,391</u>	<u>\$ 24,494</u>	<u>\$ (247)</u>

Clean Water	Veterans Trust	Veterans Mortgage Loan Repayment	Veterans Mortgage Revenue Bonds	Wisconsin Education Revenue Bonds	Wisconsin Public Broadcasting Foundation	Totals
\$ -	\$ 345	\$ -	\$ -	\$ -	\$ -	744,233
-	-	-	-	-	-	408,981
20,953	2,364	39,418	3	923	-	150,313
-	-	-	-	-	4,362	4,634
20,953	2,709	39,418	3	923	4,362	1,308,161
2,670	2,342	3,002	-	-	649	199,419
586	714	773	5	109	531	420,873
-	-	-	-	-	-	244,020
38	289	36	-	-	-	9,117
-	-	-	-	-	-	244,673
23,573	-	30,458	2	784	-	55,221
-	3,765	2,595	1	-	-	14,706
26,867	7,110	36,864	8	892	1,180	1,188,029
(5,915)	(4,400)	2,554	(4)	30	3,182	120,132
1,054	-	-	-	-	1,167	2,263
17,619	857	6,018	1	16	237	30,195
-	-	-	-	-	-	(48)
-	-	-	-	-	-	(651)
-	6	-	-	-	-	3,120
-	-	-	-	-	-	(31,191)
(10,632)	-	-	-	-	-	(10,632)
-	-	(45)	-	-	-	(676)
8,042	863	5,973	1	16	1,404	(7,619)
2,127	(3,537)	8,527	(3)	47	4,586	112,513
16	-	468	-	-	-	36,803
-	-	-	-	-	(4,292)	(23,440)
2,143	(3,537)	8,995	(3)	47	294	125,875
-	-	(56)	-	-	-	(56)
2,143	(3,537)	8,939	(3)	47	294	125,819
(22,157)	(33,518)	133,995	374	1,629	3,628	66,152
-	-	-	(371)	-	-	(371)
\$ (20,014)	\$ (37,055)	\$ 142,933	\$ 0	\$ 1,675	\$ 3,922	\$ 191,600

State of Wisconsin

**Combining Statement of Cash Flows - All Enterprise Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	State Fair Park	Home for Veterans	Mendota Mental Health Institute	Winnebago Mental Health Institute	Northern Developmental Disabilities Center	Central Developmental Disabilities Center
Cash Flows from Operating Activities:						
Cash Receipts from Customers	\$ 13,247	\$ 33,900	\$ 17,632	\$ 14,890	\$ 30,149	\$ 43,602
Cash Payments to Suppliers for						
Goods and Services	(7,402)	(6,883)	(5,987)	(4,710)	(3,927)	(6,104)
Cash Payments to Employees for Services	(4,444)	(26,689)	(30,503)	(26,622)	(27,425)	(41,303)
Cash Payments for Lottery Prizes	-	-	-	-	-	-
Cash Payments for Loans Originated	-	-	-	-	-	-
Cash Payments for Benefits	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Collection of Loans	-	-	-	-	-	-
Other Operating Revenues	107	-	-	-	-	-
Other Operating Expenses	(30)	-	-	-	-	-
Other Sources of Cash	-	425	277	1,501	133	45
Other Uses of Cash	-	-	-	-	-	-
Net Cash Provided (Used) by Operating Activities	1,478	754	(18,581)	(14,942)	(1,070)	(3,760)
Cash Flows from Noncapital						
Financing Activities:						
Operating Grants Receipts	-	9	7	9	-	9
Grants for Loans to Governments	-	-	-	-	-	-
Proceeds from Issuance of Long-term Debt	-	-	-	-	-	-
Retirement of Long-term Debt	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Interfund Loans	-	-	-	-	2,377	4,408
Interfund Loans Repaid	-	-	(895)	(361)	-	-
Interfund Loans to Other Funds	-	-	-	-	-	-
Interfund Advances	-	-	-	-	-	-
Operating Transfers In	37	24	19,654	15,432	1	445
Operating Transfers Out	(250)	(1,047)	(84)	(76)	(1,351)	(936)
Residual Equity Transfers In	-	-	-	-	-	-
Residual Equity Transfers Out	-	-	-	-	-	-
Other Cash Inflows from Noncapital Financing Activities	-	-	-	-	-	-
Other Cash Outflows from Noncapital Financing Activities:						
Grants Disbursed	-	-	-	-	-	-
Other	-	-	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(213)	(1,014)	18,682	15,004	1,027	3,926
Cash Flows from Capital and Related						
Financing Activities:						
Proceeds from Issuance of Long-term Debt	267	-	-	-	-	-
Repayment of Long-term Debt	(681)	-	-	-	-	-
Interest Payments	(590)	-	(30)	-	-	-
Capital Lease Obligations	(9)	-	(48)	-	-	-
Proceeds from Sale of Fixed Assets	6	-	-	-	14	3
Payments for Purchase of Fixed Assets	(703)	(354)	(112)	(118)	(250)	(174)
Other Cash Inflows from Capital Financing Activities	6	-	100	64	-	-
Other Cash Outflows from Capital Financing Activities	(18)	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,721)	(354)	(89)	(54)	(236)	(171)
Cash Flows from Investing Activities:						
Proceeds from Sale and Maturities of Investment Securities	-	-	-	-	-	-
Purchase of Investment Securities	-	-	-	-	-	-
Cash Payments for Loans Originated	-	-	-	-	-	-
Collection of Loans	-	-	-	-	-	-
Investment and Interest Receipts	-	-	1	1	14	-
Net Cash Provided (Used) by Investing Activities	-	-	1	1	14	-
Net Increase (Decrease) in Cash and Cash Equivalents	(456)	(614)	12	10	(265)	(5)
Cash and Cash Equivalents, Beginning of Year	2,283	2,296	14	12	275	10
Cash and Cash Equivalents, End of Year	\$ 1,827	\$ 1,682	\$ 26	\$ 21	\$ 10	\$ 6

	Southern Developmental Disabilities Center	Institutional Farm Operations	Institutional Canteen Operations	Lottery	Health Insurance Risk Sharing Plan	Local Government Property Insurance	State Life Insurance
\$	35,733	\$ 2,296	\$ 7,092	\$ 427,696	\$ 37,026	\$ 7,772	\$ 2,951
	(6,867)	(1,758)	(6,623)	(24,169)	(838)	(639)	(369)
	(29,362)	(978)	(619)	(3,131)	(70)	(56)	(211)
	-	-	-	(252,605)	-	-	-
	-	-	-	-	(37,365)	(7,872)	(1,216)
	-	-	-	-	-	3,450	-
	-	-	-	-	-	-	-
	-	-	130	-	-	-	1
	-	-	(15)	(23,445)	(985)	(974)	(3,530)
	401	43	-	-	-	-	-
	-	(23)	-	-	-	-	-
	(95)	(420)	(36)	124,346	(2,233)	1,682	(2,375)
	9	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	(404)
	242	-	-	-	-	-	-
	-	(247)	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	2,000	-
	-	719	274	-	-	-	-
	(1,052)	(6)	(134)	(13,970)	-	-	(829)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	(988)	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	(622)	-	-
	(802)	465	140	(14,958)	(622)	2,000	(1,233)
	-	-	-	-	-	-	-
	-	(52)	-	-	-	-	-
	-	(22)	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	7	-	-	-
	(141)	(96)	-	(264)	-	-	(3)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	(141)	(170)	-	(257)	-	-	(3)
	-	-	4	22,325	27,102	3,622	4,928
	-	-	(1)	(12,635)	(24,125)	-	(5,534)
	-	-	-	-	-	-	(323)
	-	-	-	-	-	-	285
	-	-	3	4,546	339	913	5,553
	-	-	6	14,236	3,316	4,535	4,909
	(1,037)	(124)	110	123,367	461	8,217	1,298
	1,056	124	520	27,461	-	8,581	5,487
\$	18	\$ 0	\$ 630	\$ 150,829	\$ 461	\$ 16,798	\$ 6,785

(Continued)

State of Wisconsin

**Combining Statement of Cash Flows - All Enterprise Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

	Patients Compensation	Income Continuation Insurance	Duty Disability	Long Term Disability Insurance	Health Insurance	Tuition Trust
Cash Flows from Operating Activities:						
Cash Receipts from Customers	\$ 51,954	\$ 7,377	\$ 20,927	\$ 13,677	\$ 367,313	\$ -
Cash Payments to Suppliers for Goods and Services	(744)	(1,024)	(440)	(245)	(315,342)	-
Cash Payments to Employees for Services	(270)	-	-	-	-	-
Cash Payments for Lottery Prizes	-	-	-	-	-	-
Cash Payments for Loans Originated	-	-	-	-	-	-
Cash Payments for Benefits	(36,706)	(8,356)	(13,907)	(1,554)	(54,586)	-
Interest Income	-	-	-	-	-	-
Collection of Loans	-	-	-	-	-	-
Other Operating Revenues	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Other Sources of Cash	-	-	-	-	8	-
Other Uses of Cash	-	-	-	-	-	-
Net Cash Provided (Used) by Operating Activities	14,233	(2,004)	6,580	11,878	(2,608)	-
Cash Flows from Noncapital						
Financing Activities:						
Operating Grants Receipts	-	-	-	-	-	-
Grants for Loans to Governments	-	-	-	-	-	-
Proceeds from Issuance of Long-term Debt	-	-	-	-	-	-
Retirement of Long-term Debt	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Interfund Loans	-	-	-	-	-	-
Interfund Loans Repaid	-	-	-	-	-	-
Interfund Loans to Other Funds	-	-	-	-	-	-
Interfund Advances	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
Residual Equity Transfers In	-	-	-	-	-	-
Residual Equity Transfers Out	-	-	-	-	-	-
Other Cash Inflows from Noncapital Financing Activities	-	-	-	-	-	-
Other Cash Outflows from Noncapital Financing Activities:	-	-	-	-	-	-
Grants Disbursed	-	-	-	-	-	-
Other	-	-	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	-	-	-	-
Cash Flows from Capital and Related						
Financing Activities:						
Proceeds from Issuance of Long-term Debt	-	-	-	-	-	-
Repayment of Long-term Debt	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-	-	-
Payments for Purchase of Fixed Assets	-	-	-	-	-	-
Other Cash Flows from Capital Financing Activities	-	-	-	-	-	-
Other Cash Outflows from Capital Financing Activities	-	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-	-	-	-
Cash Flows from Investing Activities:						
Proceeds from Sale and Maturities of Investment Securities	33,812	-	-	-	-	-
Purchase of Investment Securities	(82,676)	-	-	-	-	-
Cash Payments for Loans Originated	-	-	-	-	-	-
Collection of Loans	-	-	-	-	-	-
Interest and Dividends Receipts	24,549	7,489	2,959	20,480	2,301	-
Net Cash Provided (Used) by Investing Activities	(24,315)	7,489	2,959	20,480	2,301	-
Net Increase (Decrease) in Cash and Cash Equivalents	(10,082)	5,485	9,539	32,358	(306)	-
Cash and Cash Equivalents, Beginning of Year	18,066	46,443	15,343	126,240	37,308	-
Cash and Cash Equivalents, End of Year	\$ 7,984	\$ 51,929	\$ 24,881	\$ 158,598	\$ 37,002	\$ 0

Clean Water	Veterans Trust	Veterans Mortgage Loan Repayment	Veterans Mortgage Revenue Bonds	Wisconsin Education Revenue Bonds	Wisconsin Public Broadcasting Foundation	Totals
\$ -	\$ 345	\$ -	\$ -	\$ -	\$ -	1,135,577
(748)	(706)	(374)	(6)	(109)	(531)	(396,546)
(2,474)	(2,286)	(2,978)	-	-	(649)	(200,071)
-	-	-	-	-	-	(252,605)
-	(2,252)	(97,067)	-	-	-	(99,319)
-	-	-	-	-	-	(161,562)
-	2,361	39,338	7	627	-	45,782
-	7,771	56,170	323	3,554	-	67,818
-	-	-	-	-	3,928	4,166
-	(3,887)	(2,529)	-	-	-	(35,395)
-	-	-	-	-	-	2,834
-	-	-	-	-	-	(23)
(3,222)	1,346	(7,441)	324	4,072	2,748	110,656
1,800	-	-	-	-	1,167	3,009
45,568	-	-	-	-	-	45,568
80,093	-	50,520	-	-	-	130,614
(13,560)	-	(10,247)	(195)	(3,565)	-	(27,567)
(22,691)	-	(29,395)	(11)	(427)	-	(52,928)
-	-	-	-	-	-	7,026
-	-	-	-	-	-	(1,502)
-	-	(17,516)	-	-	-	(17,516)
-	-	-	-	-	-	2,000
16	-	468	-	-	-	37,070
-	-	-	-	-	(4,292)	(24,027)
41,000	-	-	-	-	-	41,000
(4,000)	-	-	(371)	-	-	(4,371)
-	-	-	-	-	-	(988)
(10,609)	-	-	-	-	-	(10,609)
-	-	-	-	-	-	(622)
117,616	-	(6,170)	(577)	(3,992)	(3,125)	126,156
-	-	-	-	-	-	267
-	-	-	-	-	-	(733)
-	-	-	-	-	-	(642)
-	-	-	-	-	-	(57)
-	-	-	-	-	-	30
-	(185)	(29)	-	-	-	(2,428)
-	-	-	-	-	-	170
-	-	-	-	-	-	(18)
-	(185)	(29)	-	-	-	(3,411)
9,992	-	-	243	-	-	102,028
(23,845)	-	-	-	-	-	(148,816)
(122,332)	-	-	-	-	-	(122,655)
31,208	-	-	-	-	-	31,493
37,439	857	5,973	2	17	237	113,674
(67,537)	857	5,973	245	17	237	(24,276)
46,857	2,019	(7,667)	(9)	97	(140)	209,125
166,747	15,774	125,556	9	590	1,559	601,754
\$ 213,605	\$ 17,792	\$ 117,888	\$ 0	\$ 687	\$ 1,419	\$ 810,879

(Continued)

State of Wisconsin

**Combining Statement of Cash Flows - All Enterprise Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

	State Fair Park	Home for Veterans	Mendota Mental Health Institute	Winnebago Mental Health Institute	Northern Developmental Disabilities Center	Central Developmental Disabilities Center
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operations:						
Operating Income (Loss)	\$ 46	\$ (1,777)	\$ (19,978)	\$ (16,423)	\$ (226)	\$ (50)
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	1,295	2,130	749	734	1,123	759
Amortization	-	-	-	-	-	-
Provision for Uncollectible Accounts	29	-	-	-	-	-
Operating Income (Investment Income) Classified as Investing Activity	-	-	-	-	-	-
Operating Expense (Interest Expense) Classified as Noncapital Financing Activities	-	-	-	-	-	-
Miscellaneous Nonoperating Income (Expense)	-	425	402	1,507	133	45
Changes in Assets and Liabilities:						
Decrease (Increase) in Receivables	(105)	(52)	6	(1,133)	1,848	2,232
Decrease (Increase) in Due from Other Funds	(71)	(11)	(467)	(50)	(5,269)	(7,568)
Decrease (Increase) in Due from Component Units	-	-	-	-	-	-
Decrease (Increase) in Due from Other Governments	-	376	3	45	-	-
Decrease (Increase) in Inventories	(20)	57	(35)	(41)	102	92
Decrease (Increase) in Prepaid Items	(51)	11	(23)	(1)	23	(1)
Decrease (Increase) in Other Assets	-	-	-	-	-	-
Decrease (Increase) in Deferred Charges	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable and Other Accrued Liabilities	370	65	(280)	(226)	(122)	(747)
Increase (Decrease) in Compensated Absences	9	59	30	(4)	56	123
Increase (Decrease) in Due to Other Funds	(262)	(532)	1,031	650	1,261	1,356
Increase (Decrease) in Due to Other Governments	-	1	(18)	-	-	-
Increase (Decrease) in Tax and Other Deposits	14	-	-	-	-	-
Increase (Decrease) in Deferred Revenue	225	-	-	-	-	-
Increase (Decrease) in Interest Payable	-	-	-	-	-	-
Increase (Decrease) in Future Benefits and Loss Liabilities	-	-	-	-	-	-
Total Adjustments	1,433	2,530	1,397	1,482	(845)	(3,710)
Net Cash Provided by Operating Activities	\$ 1,478	\$ 754	\$ (18,581)	\$ (14,942)	\$ (1,070)	\$ (3,760)
Noncash Investing, Capital and Financing Activities:						
Contributions/Transfer In (Out) of Fixed Assets	\$ -	\$ 192	\$ 867	\$ 3,710	\$ 218	\$ 348
Lottery Prize Annuity Investment Assumption	-	-	-	-	-	-
Lottery Prize Annuity Investment Liability	-	-	-	-	-	-
Other	-	-	-	-	-	-

Southern Developmental Disabilities Center	Institutional Farm Operations	Institutional Canteen Operations	Lottery	Health Insurance Risk Sharing Plan	Local Government Property Insurance	State Life Insurance
\$ (2,782) \$	(1,257) \$	(46) \$	132,333 \$	(324) \$	1,426 \$	432
1,037	200	39	616	2	1	53
-	-	-	-	-	9	-
-	-	-	-	-	-	-
-	-	-	-	-	(911)	404
-	-	-	-	-	-	(5,152)
401	23	25	-	-	(911)	-
446	(83)	(27)	(340)	284	(233)	(9)
(1,878)	(11)	-	29	2,052	3,148	(1)
-	-	-	-	-	-	-
-	-	-	-	-	(451)	-
(28)	601	(22)	1,422	-	-	-
(258)	-	(10)	(16)	-	-	3
-	-	-	739	-	55	-
-	-	-	-	-	-	(7)
4,542	35	6	(9,360)	1,188	(15)	(202)
(11)	2	(1)	(47)	-	-	(1)
(1,564)	71	-	(1,109)	(2,052)	6	(4)
-	-	-	-	-	-	-
-	-	-	(2)	-	-	621
-	-	(1)	80	(2,177)	401	-
-	-	-	-	-	-	-
-	-	-	-	(1,205)	(843)	1,488
2,687	837	10	(7,987)	(1,909)	256	(2,807)
\$ (95) \$	(420) \$	(36) \$	124,346 \$	(2,233) \$	1,682 \$	(2,375)

\$ 65 \$	25 \$	- \$	- \$	- \$	- \$	-
-	-	-	15,923	-	-	-
-	-	-	(15,923)	-	-	-
-	40	-	-	-	-	-

(Continued)

State of Wisconsin

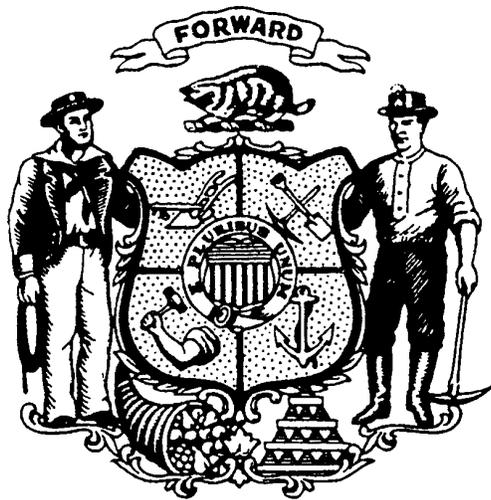
**Combining Statement of Cash Flows - All Enterprise Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

	Patients Compensation	Income Continuation Insurance	Duty Disability	Long Term Disability Insurance	Health Insurance	Tuition Trust
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operations:						
Operating Income (Loss)	\$ 6,101	\$ 9,846	\$ (29,311)	\$ 43,327	\$ 3,595	\$ (247)
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	17	-	-	-	-	2
Amortization	-	-	-	-	-	-
Provision for Uncollectible Accounts	(11)	-	-	-	-	-
Operating Income (Investment Income) Classified as Investing Activity	(25,506)	(12,937)	(5,715)	(33,914)	(2,296)	-
Operating Expense (Interest Expense) Classified as Noncapital Financing Activities	-	-	-	-	-	-
Miscellaneous Nonoperating Income (Expense)	-	-	-	-	8	-
Changes in Assets and Liabilities:						
Decrease (Increase) in Receivables	(877)	-	-	-	-	-
Decrease (Increase) in Due from Other Funds	-	(507)	(200)	-	(128)	-
Decrease (Increase) in Due from Component Units	(1)	-	-	-	-	-
Decrease (Increase) in Due from Other Governments	-	-	-	-	-	-
Decrease (Increase) in Inventories	-	-	-	-	-	-
Decrease (Increase) in Prepaid Items	-	-	-	-	(1,364)	-
Decrease (Increase) in Other Assets	-	-	-	-	-	-
Decrease (Increase) in Deferred Charges	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable and Other Accrued Liabilities	(1,173)	128	-	44	(349)	-
Increase (Decrease) in Compensated Absences	(1)	-	-	-	-	-
Increase (Decrease) in Due to Other Funds	1	32	74	6	178	245
Increase (Decrease) in Due to Other Governments	-	-	-	-	-	-
Increase (Decrease) in Tax and Other Deposits	-	-	-	-	-	-
Increase (Decrease) in Deferred Revenue	(5,087)	8	-	-	1,139	-
Increase (Decrease) in Interest Payable	-	-	-	-	-	-
Increase (Decrease) in Future Benefits and Loss Liabilities	40,770	1,426	41,731	2,416	(3,390)	-
Total Adjustments	8,132	(11,850)	35,891	(31,449)	(6,202)	247
Net Cash Provided by Operating Activities	\$ 14,233	\$ (2,004)	\$ 6,580	\$ 11,878	\$ (2,608)	\$ 0
Noncash Investing, Capital and Financing Activities:						
Contributions/Transfer In (Out) of Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lottery Prize Annuity Investment Assumption	-	-	-	-	-	-
Lottery Prize Annuity Investment Liability	-	-	-	-	-	-
Other	-	-	-	-	-	19

Clean Water	Veterans Trust	Veterans Mortgage Loan Repayment	Veterans Mortgage Revenue Bonds	Wisconsin Education Revenue Bonds	Wisconsin Public Broadcasting Foundation	Totals
\$ (5,915)	\$ (4,400)	\$ 2,554	\$ (4)	\$ 30	\$ 3,182	\$ 120,132
38	289	36	-	-	-	9,118
965	-	-	-	-	-	974
-	(52)	8	-	-	-	(26)
(20,953)	-	-	-	-	-	(101,827)
22,054	-	30,458	2	784	-	48,147
-	6	-	-	-	-	2,062
-	5,607	(39,728)	328	3,258	(127)	(28,705)
(727)	8	19	-	-	(13)	(11,646)
-	-	-	-	-	-	(1)
-	-	-	-	-	15	(12)
-	(17)	-	-	-	-	2,112
1	-	(1)	-	-	-	(1,685)
-	-	45	-	-	-	839
-	-	58	-	-	-	50
4	(60)	(699)	(2)	-	(67)	(6,920)
(37)	(6)	1	-	-	-	173
1,057	53	(22)	-	-	(301)	174
(2)	6	3	-	-	1	(8)
-	(87)	-	-	-	-	545
-	-	(173)	-	-	58	(5,527)
293	-	-	-	-	-	293
-	-	-	-	-	-	82,393
2,693	5,747	(9,995)	328	4,041	(434)	(9,476)
(3,222)	\$ 1,346	\$ (7,441)	\$ 324	\$ 4,072	\$ 2,748	\$ 110,656

\$ -	\$ 1,786	\$ -	\$ -	\$ -	\$ -	7,211
-	-	-	-	-	-	15,923
-	-	-	-	-	-	(15,923)
-	371	-	-	-	-	431



Internal Service Funds

INTERNAL SERVICE: Internal service funds account for the operations of State agencies which render services to other State agencies, institutions, or other governmental units on a cost-reimbursement basis. The State's internal service funds are described below:

The **Services to Nonstate Governmental Units Fund** accounts for the costs associated with providing services to purchasers outside of State government. Moneys to finance these services come from user fees from the van pool and ride sharing program and from the sale of federal property.

The **Materials and Services to State Agencies Fund** accounts for the costs associated with providing materials and services to State agencies. Moneys to finance these costs come primarily from State agency user fees.

The **Fleet Services Fund** accounts for the costs associated with providing vehicle and aircraft services to State agencies. Moneys to finance these services come from user fees and the sale of used vehicles.

The **Building Construction Services Fund** accounts for the costs associated with providing building construction services to State agencies. Moneys to finance this service come from State agency user fees.

The **Printing and Other Services Fund** accounts for the costs associated with providing State agencies with printing services, document sales and mailing services. Moneys to cover these costs come from State agency user fees and the sale of documents.

The **State Telephone System Fund** accounts for the costs associated with providing State agencies and other governmental units with a State telecommunication system. Moneys to finance this system come from State agency user fees.

The **Financial Services Fund** accounts for the costs associated with providing accounting, auditing, payroll and other financial services to State agencies. Moneys to finance these services come from State agency user fees.

The **Risk Management Fund** accounts for the costs of losses for damage to property owned by agencies, personal injury or property damage liabilities incurred by a State officer, agent or employe, and workers' compensation costs for State employes. Moneys to finance these costs come from charges to State agencies.

The **Facilities Operations and Maintenance Fund** accounts for the costs of operating State-owned facilities including utilities, heat,

protective services, custodial and maintenance services and minor repair projects. The moneys to finance these costs are supplied from rents charged for facility and parking use and a general purpose revenue supplement for maintenance of the capitol and executive residence.

The **Information Technology Services Fund** accounts for computing services provided to the State agencies and the purchase and installation of data processing and word processing equipment for State agencies requesting this service. The moneys to finance this service come from computing service charges.

The **Institutional Power Plant Fund** accounts for heat, electricity, water and sewer services provided primarily to State-owned institutions operated by the Department of Corrections and the Department of Health and Family Services (formerly the Department of Health and Social Services). Revenues come from charges for these sales and services.

The **Central Warehouse Fund** accounts for the revenues generated in acting as the central purchasing and distribution center of commodities and certain supplies for State agencies and other governments. The revenues for this program are attributable to charges for goods and services.

The **Badger State Industries Fund** accounts for the program which gives inmates work experience in manufacturing goods and providing services. The sale of goods and services provides the moneys necessary to run the program.

State of Wisconsin

**Combining Balance Sheet - All Internal Service Funds
June 30, 1997**

(In Thousands)

	Services to Nonstate Governmental Units	Materials and Services to State Agencies	Fleet Services	Building Construction Services	Printing and Other Services	State Telephone System
Assets						
Cash and Cash Equivalents	\$ -	\$ 991	\$ -	\$ 2,298	\$ 472	\$ -
Receivables (net of estimated uncollectible accounts):						
Other Receivables	4	1	2	-	7	19
Due from Other Funds	123	732	1,351	1,960	1,651	3,694
Due from Component Units	-	5	3	-	128	53
Due from Other Governments	11	-	-	-	27	236
Inventories	-	-	112	-	893	-
Prepaid Items	2	24	9	27	93	1,857
Advances to Other Funds	-	-	-	-	-	7,118
Deferred Charges	-	-	-	-	-	-
Fixed Assets (net of accumulated depreciation)	1,157	378	20,937	152	1,931	4,028
Total Assets	\$ 1,295	\$ 2,130	\$ 22,415	\$ 4,438	\$ 5,202	\$ 17,004
Liabilities and Fund Equity						
Liabilities:						
Accounts Payable and Other						
Accrued Liabilities	\$ 42	\$ 593	\$ 508	\$ 478	\$ 650	\$ 3,314
Due to Other Funds	14	866	62	118	121	458
Interfund Loans Payable	2,371	-	21,643	-	3,251	3,518
Due to Other Governments	-	-	-	-	-	27
Deferred Revenue	-	-	-	757	-	-
Interest Payable	-	2	-	-	4	60
Short-Term Notes Payable	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-
Future Benefits and Loss						
Liabilities	-	-	-	-	-	-
Capital Leases	-	111	-	-	446	3,477
Compensated Absences	13	118	47	268	76	76
General Obligation Bonds Payable	-	-	-	-	-	-
Installment Contract Payable	-	-	-	-	-	-
Total Liabilities	2,440	1,689	22,260	1,622	4,548	10,929
Fund Equity:						
Contributed Capital	-	-	3	-	1,779	-
Retained Earnings:						
Unreserved	(1,145)	441	152	2,816	(1,125)	6,075
Total Fund Equity	(1,145)	441	155	2,816	654	6,075
Total Liabilities and Fund Equity	\$ 1,295	\$ 2,130	\$ 22,415	\$ 4,438	\$ 5,202	\$ 17,004

Financial Services	Risk Management	Facilities Operations and Maintenance	Information Technology Services	Institutional Power Plant	Central Warehouse	Badger State Industries	Totals
\$ 227	\$ 16,689	\$ 7,563	\$ -	\$ 81	\$ 749	\$ 10	\$ 29,080
-	240	8	5	1	-	623	910
269	155	2,974	18,316	1,043	413	2,064	34,746
-	-	-	-	-	-	8	196
-	-	-	-	-	34	130	438
-	-	1,446	-	292	1,405	4,142	8,291
13	9	82	42	18	4	47	2,227
-	-	-	-	-	-	-	7,118
-	-	486	-	-	-	1	487
6,235	162	144,209	19,480	2,944	1,345	1,903	204,860
\$ 6,744	\$ 17,255	\$ 156,768	\$ 37,844	\$ 4,379	\$ 3,950	\$ 8,929	\$ 288,353

\$ 284	\$ 373	\$ 8,698	\$ 2,329	\$ 170	\$ 230	\$ 736	\$ 18,404
453	2,494	936	765	356	16	375	7,034
-	-	-	3,091	203	-	1,723	35,799
-	-	180	-	-	-	5	212
-	-	-	-	-	-	66	823
74	-	719	333	-	-	10	1,200
-	-	1,107	-	-	-	-	1,107
-	-	-	3,160	-	-	-	3,160
-	77,544	-	-	-	-	-	77,544
5,019	-	-	5,120	-	-	2	14,174
94	29	407	383	65	22	98	1,697
-	-	96,133	-	-	-	228	96,362
-	-	-	-	-	-	432	432
5,923	80,440	108,181	15,180	794	268	3,674	257,949

-	20	2,067	10,472	6,073	805	1,826	23,045
821	(63,206)	46,520	12,191	(2,488)	2,877	3,429	7,358
821	(63,186)	48,587	22,663	3,585	3,682	5,255	30,403
\$ 6,744	\$ 17,255	\$ 156,768	\$ 37,844	\$ 4,379	\$ 3,950	\$ 8,929	\$ 288,353

State of Wisconsin

**Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - All Internal Service Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Services to Nonstate Governmental Units	Materials and Services to State Agencies	Fleet Services	Building Construction Services	Printing and Other Services	State Telephone System
Operating Revenues:						
Charges For Goods and Services	\$ 798	\$ 3,782	\$ 9,065	\$ 6,785	\$ 13,994	\$ 32,178
Other Income	-	-	259	-	-	768
Total Operating Revenues	798	3,782	9,324	6,785	13,994	32,945
Operating Expenses:						
Personal Services	220	2,894	1,128	4,234	2,780	1,652
Supplies and Services	453	981	5,047	1,877	11,299	33,813
Depreciation	275	123	4,222	48	644	1,242
Benefit Expense	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
Total Operating Expenses	948	3,998	10,397	6,160	14,723	36,707
Operating Income (Loss)	(151)	(217)	(1,073)	625	(729)	(3,761)
Nonoperating Revenues (Expenses):						
Operating Grants	38	-	-	-	230	-
Investment and Interest Income	-	-	-	-	-	-
Gain (Loss) on Disposal of Fixed Assets	74	-	465	-	(24)	-
Interest Expense	(60)	(8)	-	-	(39)	(142)
Other Revenues	61	46	3	46	9	485
Other Expenses	-	-	-	-	-	(443)
Total Nonoperating Revenues (Expenses)	113	37	467	46	177	(100)
Income (Loss) Before Operating Transfers	(38)	(180)	(606)	671	(552)	(3,861)
Operating Transfers In	148	316	-	-	250	335
Operating Transfers Out	-	-	-	-	-	(386)
Net Income (Loss)	110	136	(606)	671	(302)	(3,912)
Retained Earnings, Beginning of Year	(1,255)	(983)	760	2,145	478	9,987
Residual Equity Transfers In	-	1,303	-	-	-	-
Residual Equity Transfers Out	-	(16)	(2)	-	(1,301)	-
Retained Earnings, End of Year	\$ (1,145)	\$ 441	\$ 152	\$ 2,816	\$ (1,125)	\$ 6,075

Financial Services	Risk Management	Facilities Operations and Maintenance	Information Technology Services	Institutional Power Plant	Central Warehouse	Badger State Industries	Totals
\$ 8,499	\$ 19,565	\$ 33,910	\$ 45,631	\$ 5,076	\$ 8,198	\$ 16,682	\$ 204,162
-	578	-	133	1	2	4	1,745
8,499	20,143	33,910	45,764	5,077	8,200	16,687	205,907
2,038	964	11,330	7,170	2,036	398	3,752	40,598
4,424	2,560	18,621	17,243	2,802	7,496	12,034	118,652
1,052	37	3,602	10,649	277	71	364	22,605
-	24,415	-	-	-	-	-	24,415
-	-	-	-	-	-	3	3
7,514	27,976	33,553	35,062	5,115	7,965	16,154	206,274
985	(7,834)	357	10,702	(38)	235	533	(366)
-	-	-	-	-	-	-	268
-	-	517	-	-	-	13	530
(1)	-	1	(638)	-	-	-	(123)
(295)	-	(2,751)	(703)	-	-	(49)	(4,048)
5	96	292	-	3	7	-	1,053
-	-	-	-	-	-	-	(443)
(291)	96	(1,942)	(1,341)	3	7	(36)	(2,763)
694	(7,738)	(1,584)	9,361	(35)	242	497	(3,129)
-	-	5,456	211	-	-	-	6,716
(356)	-	(2,195)	(335)	(80)	(7)	(32)	(3,391)
338	(7,738)	1,677	9,236	(114)	235	465	196
483	(55,467)	44,843	2,939	(2,374)	2,642	2,964	7,163
-	-	-	16	-	-	-	1,319
-	-	-	-	-	-	-	(1,319)
\$ 821	\$ (63,206)	\$ 46,520	\$ 12,191	\$ (2,488)	\$ 2,877	\$ 3,429	\$ 7,358

State of Wisconsin

**Combining Statement of Cash Flows - All Internal Service Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Services to Nonstate Governmental Units	Materials and Services to State Agencies	Fleet Services	Building Construction Services	Printing and Other Services	State Telephone System
Cash Flows from Operating Activities:						
Cash Receipts from Customers	\$ 801	\$ 4,113	\$ 8,974	\$ 6,932	\$ 13,811	\$ 33,080
Cash Payments to Suppliers for Goods and Services	(313)	361	(5,124)	(1,441)	(11,635)	(36,518)
Cash Payments to Employees for Services	(220)	(2,943)	(1,133)	(4,222)	(2,791)	(1,661)
Cash Payments for Benefits	-	-	-	-	-	-
Other Operating Revenues	-	8	260	-	-	752
Other Operating Expenses	-	-	-	-	-	-
Other Sources of Cash	79	45	3	46	9	42
Net Cash Provided (Used) by Operating Activities	347	1,584	2,981	1,315	(606)	(4,305)
Cash Flows from Noncapital Financing Activities:						
Operating Grants Receipts	38	-	-	-	230	-
Interfund Loans	-	-	2,410	-	1,161	-
Interfund Loans Repaid	(319)	(1,118)	-	-	-	3,518
Interfund Advances	-	-	-	-	-	(3,326)
Operating Transfers In	38	316	-	-	250	335
Operating Transfers Out	-	-	-	-	-	(386)
Residual Equity Transfers In	-	391	-	-	-	-
Residual Equity Transfers Out	-	(16)	(2)	-	(321)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(242)	(428)	2,408	-	1,320	142
Cash Flows from Capital and Related Financing Activities:						
Proceeds from Issuance of Long-term Debt	-	-	-	-	-	-
Repayment of Long-term Debt	-	-	-	-	-	-
Proceeds from Short-Term Notes Payable	-	-	-	-	-	-
Interest Payments	(60)	(10)	-	-	(36)	(95)
Interfund Advances Repaid	-	-	-	-	-	-
Capital Lease Obligations	-	(111)	-	-	(386)	(382)
Proceeds from Sale of Fixed Assets	157	-	1,513	-	8	-
Payments for Purchase of Fixed Assets	(201)	(44)	(6,901)	(19)	(24)	(656)
Other Cash Inflows from Capital Financing Activities	-	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(105)	(166)	(5,389)	(19)	(436)	(1,134)
Cash Flows from Investing Activities:						
Investment and Interest Receipts	-	-	-	-	-	-
Net Cash Flows from Investing Activities	-	-	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	-	991	-	1,296	278	(5,296)
Cash and Cash Equivalents, Beginning of Year	-	-	-	1,002	194	5,296
Cash and Cash Equivalents, End of Year	\$ 0	\$ 991	\$ 0	\$ 2,298	\$ 472	\$ 0

Financial Services	Risk Management	Facilities Operations and Maintenance	Information Technology Services	Institutional Power Plants	Central Warehouse	Badger State Industries	Totals
\$ 8,545	\$ 19,622	\$ 33,256	\$ 33,078	\$ 4,522	\$ 8,383	\$ 16,039	\$ 191,157
(4,013)	(511)	(18,469)	(17,366)	(3,054)	(7,895)	(11,851)	(117,829)
(2,098)	(966)	(11,408)	(7,207)	(1,937)	(395)	(3,746)	(40,727)
-	(16,685)	-	-	-	-	-	(16,685)
-	578	-	133	-	7	-	1,740
-	-	(56)	-	-	-	(14)	(70)
5	96	-	-	-	-	-	324
2,439	2,134	3,323	8,637	(469)	100	429	17,910
-	-	-	-	-	-	-	268
-	-	-	3,091	203	-	-	6,865
-	-	-	-	-	-	(195)	1,886
-	-	-	-	-	-	-	(3,326)
-	-	6,072	211	-	-	81	7,303
(356)	-	(2,720)	(335)	(80)	(7)	(113)	(3,997)
-	-	-	159	-	-	-	550
-	-	-	-	-	-	-	(340)
(356)	-	3,352	3,125	124	(7)	(227)	9,210
-	-	5,809	-	-	-	18	5,827
-	-	(7,995)	-	-	-	(56)	(8,052)
-	-	1,107	-	-	-	-	1,107
(388)	-	(4,100)	(606)	-	-	(48)	(5,343)
-	-	-	(632)	-	-	-	(632)
(1,571)	-	-	(15,251)	-	-	(74)	(17,776)
-	-	1	487	-	-	-	2,166
-	-	(12,081)	(1,190)	(68)	(41)	(212)	(21,438)
-	-	251	-	-	-	11	262
(1,959)	-	(17,009)	(17,192)	(68)	(41)	(361)	(43,878)
-	-	517	-	-	-	-	517
-	-	517	-	-	-	-	517
125	2,134	(9,817)	(5,430)	(414)	52	(160)	(16,242)
102	14,555	17,380	5,430	494	697	170	45,321
\$ 227	\$ 16,689	\$ 7,563	\$ 0	\$ 81	\$ 749	\$ 10	\$ 29,080

(Continued)

State of Wisconsin

**Combining Statement of Cash Flows - All Internal Service Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

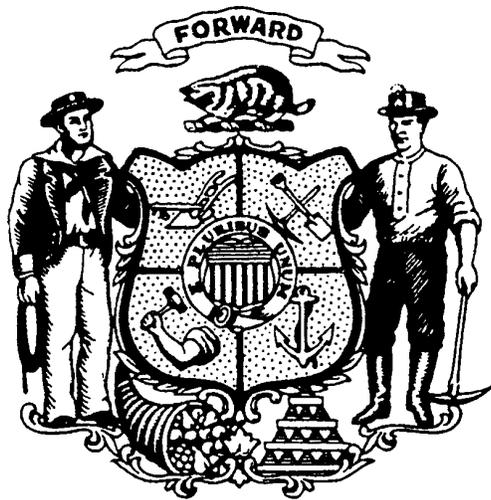
	Services to Nonstate Governmental Units	Materials and Services to State Agencies	Fleet Services	Building Construction Services	Printing Services	State Telephone System
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Operating Income (Loss)	\$ (151)	\$ (217)	\$ (1,073)	\$ 625	\$ (729)	\$ (3,761)
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation Expense	275	123	4,222	48	644	1,242
Miscellaneous Nonoperating Income (Expense)	61	45	3	46	9	42
Changes in Assets and Liabilities:						
Decrease (Increase) in Receivables	-	-	1	341	3	7
Decrease (Increase) in Due from Other Funds	188	345	(87)	648	(54)	620
Decrease (Increase) in Due from Component Units	-	(5)	(3)	-	(128)	(53)
Decrease (Increase) in Due from Other Governments	-	-	-	-	(4)	84
Decrease (Increase) in Inventories	-	417	(44)	-	(417)	-
Decrease (Increase) in Prepaid Items	-	(3)	-	2	137	(1,846)
Increase (Decrease) in Accounts Payable and Other Accrued Liabilities	(35)	344	(25)	122	(123)	(914)
Increase (Decrease) in Compensated Absences	3	(34)	1	(18)	17	(10)
Increase (Decrease) in Due to Other Funds	6	569	(13)	3	41	258
Increase (Decrease) in Due to Other Governments	-	-	(1)	-	-	27
Increase (Decrease) in Deferred Revenue	-	-	-	(502)	-	-
Increase (Decrease) in Future Benefits and Loss Liabilities	-	-	-	-	-	-
Total Adjustments	497	1,801	4,054	690	123	(543)
Net Cash Provided by Operating Activities	\$ 347	\$ 1,584	\$ 2,981	\$ 1,315	\$ (606)	\$ (4,305)

Noncash Investing, Capital and Financing Activities:

Capital Leases (Initial Year):						
Fair Market Value	\$ -	\$ -	\$ -	\$ -	\$ -	2,657
Current Year Cash Receipts (Payments)	-	-	-	-	-	73
Contributions/Transfer In (Out) of Noncash Assets and Liabilities from/to Other Funds						
	-	-	-	-	-	-

Financial Services	Risk Management	Facilities Operations and Maintenance	Information Technology Services	Institutional Power Plants	Central Warehouse	Badger State Industries	Totals
\$ 985	\$ (7,834)	\$ 357	\$ 10,702	\$ (38)	\$ 235	\$ 533	(366)
1,052	37	3,602	10,649	277	71	364	22,605
5	96	-	-	-	7	(7)	308
-	(240)	3	67	29	-	(171)	39
46	58	(722)	(13,367)	(651)	162	(319)	(13,133)
-	-	-	-	-	-	(8)	(196)
-	-	-	5	-	21	(105)	1
-	-	(595)	-	(62)	(217)	(191)	(1,108)
(1)	(2)	(2)	(3)	-	1	(1)	(1,719)
155	77	758	398	(11)	(186)	191	750
(32)	-	28	31	13	4	29	33
230	2,317	24	156	(25)	1	108	3,674
-	-	(130)	-	-	-	5	(99)
-	-	-	-	-	-	-	(502)
-	7,624	-	-	-	-	-	7,624
1,455	9,968	2,966	(2,065)	(432)	(135)	(104)	18,276
\$ 2,439	\$ 2,134	\$ 3,323	\$ 8,637	\$ (469)	\$ 100	\$ 429	17,910

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,657
-	-	-	-	-	-	-	73
-	-	-	-	114	-	-	114



Trust and Agency Funds

TRUST AND AGENCY: Trust and agency funds are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as a trustee or agent. The State's trust and agency funds, consisting of expendable trust, nonexpendable trust, pension trust and agency funds, are described below:

EXPENDABLE TRUST: Expendable trust funds are trust funds whose resources, including both principal and earnings, may be expended by the State. The State's expendable trust funds are described below:

The **Petroleum Violation Fund** accounts for oil overcharge restitution funds redistributed through energy related grants and contracts.

The **Unclaimed Property Program Fund** accounts for unclaimed stocks, bank accounts, insurance proceeds, utility deposits and uncashed checks which are deposited with the State after five years of abandonment. Upon an unsuccessful attempt to locate the owner, the funds are deposited in the Common School Fund where they are loaned to local governments. These funds may be claimed at any time by the owners or their heirs.

The **Children's Trust Fund** accounts for the program which provides information and encourages the development of child abuse and neglect prevention programs. This fund is supported primarily with investment income and moneys received as contributions, grants, gifts and bequests.

The **Accumulated Sick Leave Fund** accounts for the prefunding payment of group health insurance premiums for retired employees or the surviving spouse/dependent minor children if the employee had accumulated unused sick leave upon retirement.

The **State Capitol Restoration Fund** accounts for gifts, grants and bequests received and costs incurred for the maintenance, restoration, preservation and rehabilitation of the buildings and grounds of the State Capitol, and associated artifacts and other historic objects.

The **Special Death Benefits Fund** accounts for transactions and activities for members of the former Milwaukee Teacher Retirement Fund who have elected to participate in a special death benefit fund. Although eligibility to participate in the Special Death Benefit is based on participation in the Wisconsin Retirement System, the plan itself has the characteristics of a life insurance program; therefore, the Special Death Benefit Fund has been reclassified from a pension trust fund to an expendable trust fund in Fiscal Year 1997.

The **Employe Reimbursement Accounts Fund** was created under Internal Revenue Code Section 125 to account for moneys deposited by State employe participants as pre-tax earnings for use in paying eligible dependent care and medical expenses.

The **Life Insurance Fund** accounts for transactions related to the collection and payment of premiums for State and local participating employes' group life insurance contracts with a life insurance carrier. Local employers pay premiums directly to the carrier rather than passing them through the Department of Employe Trust Funds. In order to present the operations of the entire life insurance plan, Fiscal Year 1997 financial transactions of the participating local employers are included in the fund.

The **Deferred Compensation Plan Fund** accounts for participant earnings deferred in accordance with Internal Revenue Code Section 457. Amounts deferred are invested through an independent agent and are not subject to federal income taxes until paid to participants upon termination or retirement from employment, death, or for an unforeseeable emergency. Beginning January 1, 1997, the assets of the fund are no longer the property of the State, but are held in trust for the exclusive benefit of the participants and their beneficiaries. The fund has been reclassified from an agency to an expendable trust fund.

The **Common School Income Fund** accounts for the distribution of earnings of the Common School Fund. Distributions aid local school districts and cover administrative costs incurred by the Public Lands Commission.

The **Unemployment Insurance Reserve Fund** accounts for unemployment contributions made by employers, federal program receipts, benefit payment recoveries and unemployment benefits paid to laid off workers in the State.

(Continued)

Trust and Agency Funds

(Continued)

NONEXPENDABLE TRUST: Nonexpendable trust funds are trust funds, the principal of which may not be expended by the State. The State's nonexpendable trust funds are described below:

The **Agriculture Fund** accounts for federal land grant revenues used as public purpose loans for municipalities and school districts.

The **Common School Fund** accounts for revenues received from the sale of federally granted land, fines and forfeitures from penal law breaches, and the disposal of escheated property. These moneys are used for public purpose loans to municipalities and school districts.

The **Normal School Fund** accounts for public purpose loans to municipalities and school districts. These loans are financed with revenues derived from the sale of federally granted land and timber. The interest generated from this fund is used to support and maintain State universities.

The **University Fund** accounts for federal land grant revenues used for public loans to municipalities and school districts.

The **Historical Society Fund** accounts for investment income and donations received by the State Historical Society to assist in the operations of the State's archives, research and library services, museums, historic preservation, and executive and administrative services.

The **Benevolent Fund** accounts for investment income used for the care, custody and education of residents committed to the Lincoln Hills School.

The **State Housing Authority Reserve Fund** was established in accordance with Wis. Stat. Secs. 25.17(2)(c) and .41 to acquire a subordinated bond of the Wisconsin Housing and Economic Development Authority's Housing Rehabilitation Loan Program. This bond was redeemed in Fiscal Year 1997.

PENSION TRUST FUNDS Pension trust funds account for activities of the public employe retirement system. Retirement contributions made by and on behalf of participants in the Wisconsin Retirement System are deposited in two trusts. The fixed retirement investment trust is a pooled investment trust consisting of fixed-income securities and equity securities. The variable retirement investment trust primarily accounts for investment in stock. The Wisconsin Retirement System also receives employer payments and provides benefits to certain local police officers and firefighters, which are recorded in the police and firefighters trust. The Special Death Benefits Fund, previously reported as a pension trust fund, has been reclassified as an expendable trust fund in Fiscal Year 1997.

AGENCY FUNDS: Agency funds report those assets for which the State acts solely in a custodial capacity. The State's agency funds are described below:

The **Local Government Pooled Investment Fund** was established to enable local governments in Wisconsin to voluntarily invest any idle local moneys. The sources of this fund are local government investment deposits and their share of the investment earnings of the fund. Deductions occur as withdrawals are requested by local governments.

The **Milwaukee Retirement Systems Fund** accounts for funds invested as part of the Wisconsin Retirement System for the City of Milwaukee Retirement System and the Milwaukee Public Schools.

The **Insurance Company Liquidation Account Fund** accounts for the assets of insurance companies that are liquidated. These assets are used to pay claims and administrative costs associated with the liquidation.

The **Inmate and Resident Fund** accounts for the assets of inmates and residents in State institutions.

The **Bank and Insurance Company Deposits Fund** accounts for the statutorily required deposits of securities with the State by banks and insurance companies doing business in Wisconsin.

State of Wisconsin

Combining Balance Sheet - Trust and Agency Funds
June 30, 1997

(In Thousands)

	Expendable Trust	Non- expendable Trust	Pension Trust	Agency	Totals
Assets					
Cash and Cash Equivalents	\$ 1,915,551	\$ 119,232	\$ 1,819,270	\$ 2,808,751	6,662,803
Investments	667,184	6,964	43,443,960	885	44,118,993
Securities Lending Collateral Receivables (net of estimated uncollectible accounts):	-	-	2,678,622	-	2,678,622
Loans to Local Governments	44	254,134	-	-	254,178
Prior Service Contributions Receivable	-	-	2,090,431	-	2,090,431
Other Receivables	123,812	83	558,108	44	682,048
Due from Other Funds	48,987	44	242,808	21,334	313,172
Due from Component Unit	16	-	-	-	16
Due from Other Governments	6,769	-	90,950	-	97,718
Prepaid Items	3,960	1	423	-	4,385
Fixed Assets	-	635	-	-	635
Other Assets:					
Assets Held in Custody for Others	7,623	-	-	223,658	231,281
Other	233	-	-	-	233
Total Assets	\$ 2,774,178	\$ 381,093	\$ 50,924,572	\$ 3,054,673	\$ 57,134,515
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Other Accrued Liabilities	\$ 14,858	\$ 17	\$ 419,868	\$ 37,241	471,983
Due to Other Funds	943	73	115,833	108	116,958
Interfund Loans Payable	38	-	-	-	38
Due to Other Governments	2,099	-	219	2,786,697	2,789,015
Tax and Other Deposits	-	-	33	230,627	230,660
Deferred Revenue	1,569	-	437	-	2,006
Securities Lending Collateral Liability	-	-	2,678,622	-	2,678,622
Compensated Absences	295,989	-	-	-	295,989
Total Liabilities	315,497	90	3,215,012	3,054,673	6,585,272
Fund Balances:					
Reserved for Encumbrances	9,049	-	-	-	9,049
Reserved for Prepaid Items	2,201	-	423	-	2,625
Reserved for Employee Benefits	-	-	37,419,529	-	37,419,529
Reserved for Market Value Adjustments	74,975	-	10,289,607	-	10,364,582
Reserved for Unemployment Compensation	1,666,068	-	-	-	1,666,068
Unreserved:					
Undesignated	706,388	381,003	-	-	1,087,391
Total Fund Balances	2,458,681	381,003	47,709,559	-	50,549,243
Total Liabilities and Fund Balances	\$ 2,774,178	\$ 381,093	\$ 50,924,572	\$ 3,054,673	\$ 57,134,515

State of Wisconsin

**Combining Balance Sheet - All Expendable Trust Funds
June 30, 1997**

(In Thousands)

	Petroleum Violation	Unclaimed Property Program	Children's Trust	Accumulated Sick Leave	State Capitol Restoration
Assets					
Cash and Cash Equivalents	\$ 14,865	\$ 6,908	\$ 74	\$ 322,494	28
Investments	-	-	-	-	-
Receivables (net of estimated uncollectible accounts):					
Loans to Local Governments	44	-	-	-	-
Other Receivables	-	-	-	1	-
Due from Other Funds	66	-	3	48,134	-
Due from Component Units	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Prepaid Items	1	2	-	2,199	-
Other Assets:					
Assets Held in Custody for Others	-	7,623	-	-	-
Other	-	-	-	-	-
Total Assets	\$ 14,976	\$ 14,532	\$ 77	\$ 372,827	28
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Other					
Accrued Liabilities	\$ 56	\$ 5,308	\$ -	\$ -	-
Due to Other Funds	77	10	-	-	-
Interfund Loans Payable	-	-	-	-	-
Due to Other Governments	70	-	-	-	-
Deferred Revenue	-	-	-	-	-
Compensated Absences	-	-	-	295,989	-
Total Liabilities	202	5,318	-	295,989	-
Fund Balances:					
Reserved for Encumbrances	8,971	54	25	-	-
Reserved for Prepaid Items	-	2	-	2,199	-
Reserved for Market Value Adjustments	-	-	-	74,639	-
Reserved for Unemployment Insurance	-	-	-	-	-
Unreserved:					
Undesignated	5,803	9,159	52	-	28
Total Fund Balances	14,773	9,214	77	76,838	28
Total Liabilities and Fund Balances	\$ 14,976	\$ 14,532	\$ 77	\$ 372,827	28

Special Death Benefits	Employe Reimbursement Accounts	Life Insurance	Deferred Compensation	Common School Income	Unemployment Insurance Reserve	Totals
\$ 1,008	\$ 1,573	\$ 130	\$ 1,326	\$ 16,850	\$ 1,550,296	\$ 1,915,551
-	-	-	667,184	-	-	667,184
-	-	-	-	-	-	44
-	-	-	95	-	123,717	123,812
217	249	27	-	-	290	48,987
-	16	-	-	-	-	16
-	-	-	-	4,474	2,294	6,769
-	195	1,563	-	-	-	3,960
-	-	-	-	-	-	7,623
-	-	-	-	-	233	233
\$ 1,225	\$ 2,033	\$ 1,720	\$ 668,605	\$ 21,325	\$ 1,676,831	\$ 2,774,178

\$ -	\$ 1,094	\$ -	\$ -	\$ -	\$ 8,400	\$ 14,858
-	-	17	-	506	334	943
-	-	-	38	-	-	38
-	-	-	-	-	2,030	2,099
-	-	1,569	-	-	-	1,569
-	-	-	-	-	-	295,989
-	1,094	1,586	38	506	10,763	315,497

-	-	-	-	-	-	9,049
-	-	-	-	-	-	2,201
336	-	-	-	-	-	74,975
-	-	-	-	-	1,666,068	1,666,068
889	939	134	668,567	20,818	-	706,388
1,225	939	134	668,567	20,818	1,666,068	2,458,681
\$ 1,225	\$ 2,033	\$ 1,720	\$ 668,605	\$ 21,325	\$ 1,676,831	\$ 2,774,178

State of Wisconsin

**Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - All Expendable Trust Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Petroleum Violation	Unclaimed Property Program	Children's Trust	Accumulated Sick Leave	State Capitol Restoration
Revenues:					
Intergovernmental	\$ 292	\$ 4	\$ -	\$ -	-
Charges for Goods and Services	-	-	-	-	-
Contributions	-	-	-	40,483	-
Investment and Interest Income	833	-	4	69,176	2
Gifts and Donations	-	-	26	-	10
Other Revenues:					
Escheat Revenue	-	10,311	-	-	-
Reimbursable Financing Revenue	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	1,125	10,314	30	109,659	12
Expenditures:					
Current:					
Education	-	-	-	-	-
Human Relations and Resources	-	-	52	-	-
General Executive	947	874	-	74,180	23
Total Expenditures	947	874	52	74,180	23
Excess of Revenues Over (Under) Expenditures	178	9,440	(23)	35,479	(11)
Other Financing Sources (Uses):					
Operating Transfers Out	(1,630)	(12,000)	-	-	-
Total Other Financing Sources (Uses)	(1,630)	(12,000)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,452)	(2,560)	(23)	35,479	(11)
Fund Balances, Beginning of Year	16,226	11,774	99	41,359	39
Fund Balances, End of Year	\$ 14,773	\$ 9,214	\$ 77	\$ 76,838	\$ 28

Special Death Benefits	Employee Reimbursement Account	Life Insurance	Deferred Compensation	Common School Income	Unemployment Insurance Reserve	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	13,897	\$ 14,193
-	-	632	-	-	-	632
-	11,830	25,390	61,271	-	420,583	559,557
187	104	27	102,831	18,664	102,896	294,722
-	-	-	-	-	-	36
-	-	-	-	-	-	10,311
-	-	-	-	-	28,113	28,113
-	-	1	519	-	2,434	2,955
187	11,933	26,050	164,621	18,664	567,924	910,518
-	-	-	-	18,418	-	18,418
-	-	-	-	-	495,768	495,820
54	11,640	26,002	18,038	-	-	131,758
54	11,640	26,002	18,038	18,418	495,768	645,996
133	293	48	146,583	246	72,156	264,523
-	-	-	-	-	-	(13,630)
-	-	-	-	-	-	(13,630)
133	293	48	146,583	246	72,156	250,893
1,092	646	86	521,984	20,572	1,593,912	2,207,789
\$ 1,225	\$ 939	\$ 134	\$ 668,567	\$ 20,818	\$ 1,666,068	\$ 2,458,681

State of Wisconsin

**Combining Balance Sheet - All Nonexpendable Trust Funds
June 30, 1997**

(In Thousands)

	Agriculture	Common School	Normal School	University	Historical Society	Benevolent	State Housing Authority Reserve	Totals
Assets								
Cash and Cash Equivalents	\$ 278	\$ 102,319	\$ 16,021	\$ 231	\$ 353	\$ 14	\$ 16	\$ 119,232
Investments	-	-	-	-	6,964	-	-	6,964
Receivables (net of estimated uncollectible accounts):								
Loans to Local Government:	28	252,206	1,898	3	-	-	-	254,134
Other Receivables:	-	-	3	-	80	-	-	83
Due from Other Funds	-	40	-	-	3	-	-	44
Prepaid Items	-	-	-	-	1	-	-	1
Fixed Assets	-	5	630	-	-	-	-	635
Total Assets	\$ 305	\$ 354,571	\$ 18,551	\$ 234	\$ 7,402	\$ 14	\$ 16	\$ 381,093
Liabilities and Fund Balances								
Liabilities:								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 17	\$ -	\$ -	\$ 17
Due to Other Funds	-	-	-	-	57	-	16	73
Total Liabilities	-	-	-	-	74	-	16	90
Fund Balances:								
Unreserved:								
Undesignated	305	354,571	18,551	234	7,328	14	-	381,003
Total Fund Balances	305	354,571	18,551	234	7,328	14	-	381,003
Total Liabilities and Fund Balances	\$ 305	\$ 354,571	\$ 18,551	\$ 234	\$ 7,402	\$ 14	\$ 16	\$ 381,093

State of Wisconsin

**Combining Statement of Revenues, Expenses, and Changes in Fund Balances -
All Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Agriculture	Common School	Normal School	University	Historical Society	Benevolent	State Housing Authority Reserve	Totals
Operating Revenues:								
Charges for Goods and Services	\$ -	\$ 4	\$ 188	\$ -	\$ -	\$ -	\$ -	\$ 192
Investment and Interest Income	-	-	8	-	1,062	-	-	1,070
Fines and Forfeitures	-	15,848	-	-	-	-	-	15,848
Gifts and Donations	-	-	-	-	86	-	-	86
Other Income	-	30	-	-	-	-	-	30
Total Operating Revenues	-	15,882	196	-	1,148	-	-	17,226
Operating Expenses:								
Personal Services	-	-	-	-	137	-	-	137
Supplies and Services	-	-	-	-	122	-	-	122
Other Expenses	-	-	-	-	10	-	-	10
Total Operating Expenses	-	-	-	-	269	-	-	269
Operating Income	-	15,882	196	-	880	-	-	16,957
Nonoperating Revenues:								
Operating Grants	-	16	-	-	-	-	-	16
Total Nonoperating Revenue	-	16	-	-	-	-	-	16
Income Before Operating Transfers	-	15,897	196	-	880	-	-	16,973
Operating Transfers In	-	12,000	-	-	-	-	-	12,000
Operating Transfers Out	-	-	-	-	(73)	-	-	(73)
Net Income	-	27,897	196	-	807	-	-	28,900
Fund Balances, Beginning of Year	305	326,674	18,355	234	6,521	14	4,895	356,998
Residual Equity Transfer Out	-	-	-	-	-	-	(4,895)	(4,895)
Fund Balances, End of Year	\$ 305	\$ 354,571	\$ 18,551	\$ 234	\$ 7,328	\$ 14	\$ 0	\$ 381,003

State of Wisconsin

**Combining Statement of Cash Flows - All Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Agriculture	Common School	Normal School	University	Historical Society	Benevolent	State Housing Authority Reserve	Totals
Cash Flows from Operating Activities:								
Cash Receipts from Customers	\$ -	\$ 3	\$ 185	\$ -	\$ -	\$ -	\$ -	188
Cash Payments to Suppliers for Goods and Services	-	-	-	-	(183)	-	-	(183)
Cash Payments to Employes for Services	-	-	-	-	(139)	-	-	(139)
Fines and Forfeitures	-	15,809	-	-	-	-	-	15,809
Other Operating Revenues	-	30	-	-	86	-	-	116
Other Operating Expenses	-	-	-	-	(10)	-	-	(10)
Net Cash Provided (Used) by Operating Activities	-	15,842	185	-	(246)	-	-	15,781
Cash Flows from Noncapital Financing Activities:								
Operating Grants Receipts	-	16	-	-	-	-	-	16
Operating Transfers In	-	12,000	-	-	-	-	-	12,000
Operating Transfers Out	-	-	-	-	(73)	-	-	(73)
Net Cash Provided (Used) by Noncapital Financing Activities	-	12,016	-	-	(73)	-	-	11,943
Cash Flows from Investing Activities:								
Proceeds from Sale and Maturities of Investment Securities	-	-	-	-	9,785	-	-	9,785
Purchase of Investment Securities	-	-	-	-	(10,540)	-	-	(10,540)
Cash Payments for Loans Originated	-	(48,650)	-	-	-	-	-	(48,650)
Collection Of Loans	5	48,668	1,060	2	-	-	-	49,735
Investment and Interest Receipts	-	-	8	-	1,038	-	1	1,046
Net Cash Provided (Used) by Investing Activities	5	19	1,067	2	284	-	1	1,378
Net Increase (Decrease) in Cash and Cash Equivalents	5	27,877	1,252	2	(35)	-	1	29,102
Cash and Cash Equivalents, Beginning of Year	272	74,443	14,768	229	389	14	15	90,130
Cash and Cash Equivalents, End of Year	\$ 278	\$ 102,319	\$ 16,021	\$ 231	\$ 353	\$ 14	\$ 16	\$ 119,232
Reconciliation of Operating Income to Net Cash Provided by Operations:								
Operating Income	\$ -	\$ 15,882	\$ 196	\$ -	\$ 880	\$ -	\$ -	16,957
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:								
Operating Income (Investment Income) Classified as Investing Activity	-	-	(8)	-	(1,062)	-	-	(1,070)
Changes in Assets and Liabilities:								
Decrease (Increase) in Receivables	-	-	(3)	-	-	-	-	(3)
Decrease (Increase) in Due from Other Funds	-	(39)	-	-	9	-	-	(30)
Increase (Decrease) in Accounts Payable and Other Accrued Liabilities	-	-	-	-	(20)	-	-	(20)
Increase (Decrease) in Due to Other Funds	-	-	-	-	(52)	-	-	(52)
Total Adjustments	-	(39)	(11)	-	(1,126)	-	-	(1,176)
Net Cash Provided by Operating Activities	\$ 0	\$ 15,842	\$ 185	\$ 0	\$ (246)	\$ 0	\$ 0	15,781

State of Wisconsin

**Statement of Plan Net Assets - Pension Trust Fund
June 30, 1997**

(In Thousands)

	Wisconsin Retirement System
Assets	
Cash and Cash Equivalents	\$ 1,819,270
Securities Lending Collateral	2,678,622
Prepaid Items	423
Receivables (net of estimated uncollectible accounts)	
Prior Service Contributions Receivable	2,090,431
Benefits Overpayment Receivable	1,117
Due from Other Funds	242,808
Due from Other Governments	90,950
Interest and Dividends Receivable	243,995
Investment Sales Receivable	307,992
Other Receivables	5,005
Total Receivables	2,982,297
Investments:	
Bonds	9,742,806
Private Placements	2,735,648
Stocks	28,607,995
Options	50,388
Limited Partnerships	1,702,559
Mortgages	135,843
Real Estate	468,552
Other Investments	167
Total Investments	43,443,960
Total Assets	50,924,572
Liabilities	
Accounts Payable	14,868
Securities Lending Collateral Liability	2,678,622
Annuities Payable	102,837
Advance Contributions	437
Due to Other Funds	115,833
Due to Other Governments	219
Tax and Other Deposits	33
Investment Payable	302,163
Total Liabilities	3,215,012
Fund Balance	
Fund Balance Reserved for Pension Benefits	\$ 47,709,559

State of Wisconsin

**Combining Balance Sheet - All Agency Funds
June 30, 1997**

(In Thousands)

	Local Government Pooled Investment	Milwaukee Retirement Systems	Insurance Company Liquidation Account	Inmate and Resident	Bank and Insurance Company Deposits	Totals
Assets						
Cash and Cash Equivalents	\$ 2,570,703	\$ 195,129	\$ 37,241	\$ 5,679	\$ -	2,808,751
Investments	-	-	-	885	-	885
Receivables (net of estimated uncollectible accounts):						
Other Receivables	-	-	-	44	-	44
Due from Other Funds	-	20,868	-	466	-	21,334
Other Assets:						
Assets Held in Custody for Others	-	-	-	-	223,658	223,658
Total Assets	\$ 2,570,703	\$ 215,996	\$ 37,241	\$ 7,075	\$ 223,658	\$ 3,054,673
Liabilities						
Accounts Payable and Other						
Accrued Liabilities	\$ -	\$ -	\$ 37,241	\$ -	\$ -	37,241
Due to Other Funds	-	2	-	106	-	108
Due to Other Governments	2,570,703	215,994	-	-	-	2,786,697
Tax and Other Deposits	-	-	-	6,969	223,658	230,627
Total Liabilities	\$ 2,570,703	\$ 215,996	\$ 37,241	\$ 7,075	\$ 223,658	\$ 3,054,673

State of Wisconsin

**Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
Local Government Pooled Investment				
Assets:				
Cash and Cash Equivalents	\$ 2,489,365	\$ 9,158,953	\$ 9,077,616	\$ 2,570,703
Due from Other Governments	200	-	200	-
Total Assets	<u>\$ 2,489,565</u>	<u>\$ 9,158,953</u>	<u>\$ 9,077,816</u>	<u>\$ 2,570,703</u>
Liabilities:				
Due to Other Governments	2,489,565	9,139,606	9,058,468	2,570,703
Total Liabilities	<u>\$ 2,489,565</u>	<u>\$ 9,139,606</u>	<u>\$ 9,058,468</u>	<u>\$ 2,570,703</u>
Milwaukee Retirement Systems				
Assets:				
Cash and Cash Equivalents	\$ 57,600	\$ 271,174	\$ 133,645	\$ 195,129
Due from Other Funds	9,963	20,868	9,963	20,868
Interfund Loans Receivable	237,151	-	237,151	-
Total Assets	<u>\$ 304,714</u>	<u>\$ 292,041</u>	<u>\$ 380,759</u>	<u>\$ 215,996</u>
Liabilities:				
Due to Other Funds	\$ 2	\$ 2	\$ 2	2
Due to Other Governments	304,713	44,925	133,644	215,994
Total Liabilities	<u>\$ 304,714</u>	<u>\$ 44,927</u>	<u>\$ 133,645</u>	<u>\$ 215,996</u>
Insurance Company Liquidation Account				
Assets:				
Cash and Cash Equivalents	\$ 36,789	\$ 1,825	\$ 1,373	\$ 37,241
Investments	1,277	-	1,277	-
Total Assets	<u>\$ 38,065</u>	<u>\$ 1,825</u>	<u>\$ 2,649</u>	<u>\$ 37,241</u>
Liabilities:				
Accounts Payable and Other Accrued Liabilities	\$ 38,065	\$ 1,825	\$ 2,649	\$ 37,241
Total Liabilities	<u>\$ 38,065</u>	<u>\$ 1,825</u>	<u>\$ 2,649</u>	<u>\$ 37,241</u>

(Continued)

**Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

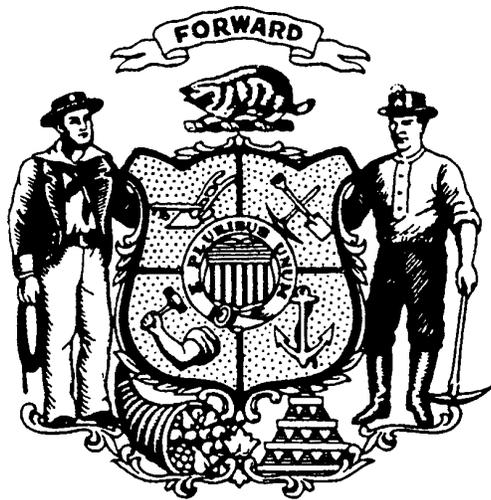
	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
Inmate and Resident				
Assets:				
Cash and Cash Equivalents	\$ 4,301	\$ 63,547	\$ 62,169	\$ 5,679
Investments	903	83	100	885
Receivables (net of estimated uncollectible accounts):				
Other Receivables	343	129	428	44
Due from Other Funds	463	7,195	7,192	466
Total Assets	<u>\$ 6,010</u>	<u>\$ 70,954</u>	<u>\$ 69,889</u>	<u>\$ 7,075</u>
Liabilities:				
Accounts Payable and Other Accrued Liabilities	\$ 1	\$ 3	\$ 4	-
Due to Other Funds	93	12,121	12,108	106
Tax and Other Deposits	5,916	34,213	33,160	6,969
Total Liabilities	<u>\$ 6,010</u>	<u>\$ 46,336</u>	<u>\$ 45,271</u>	<u>\$ 7,075</u>
Bank and Insurance Company Deposits				
Assets:				
Other Assets:				
Assets Held in Custody for Others	\$ 212,228	\$ 19,108	\$ 7,678	\$ 223,658
Total Assets	<u>\$ 212,228</u>	<u>\$ 19,108</u>	<u>\$ 7,678</u>	<u>\$ 223,658</u>
Liabilities:				
Tax and Other Deposits	\$ 212,228	\$ 19,108	\$ 7,678	\$ 223,658
Total Liabilities	<u>\$ 212,228</u>	<u>\$ 19,108</u>	<u>\$ 7,678</u>	<u>\$ 223,658</u>

(Continued)

**Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Fiscal Year Ended June 30, 1997**

(Continued)

	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
Total - All Agency Funds				
Assets:				
Cash and Cash Equivalents	\$ 2,588,055	\$ 9,495,499	\$ 9,274,803	\$ 2,808,751
Investments	2,180	83	1,377	885
Receivables (net of estimated uncollectible accounts):				
Other Receivables	343	129	428	44
Due from Other Funds	10,426	28,063	17,155	21,334
Interfund Loans Receivable	237,151	-	237,151	-
Due from Other Governments	200	-	200	-
Other Assets:				
Assets Held in Custody for Others	212,228	19,108	7,678	223,658
Total Assets	\$ 3,050,584	\$ 9,542,881	\$ 9,538,792	\$ 3,054,673
Liabilities:				
Accounts Payable and Other				
Accrued Liabilities	\$ 38,066	\$ 1,828	\$ 2,653	\$ 37,241
Due to Other Funds	95	12,123	12,109	108
Due to Other Governments	2,794,278	9,184,530	9,192,112	2,786,697
Tax and Other Deposits	218,145	53,321	40,838	230,627
Total Liabilities	\$ 3,050,584	\$ 9,251,801	\$ 9,247,712	\$ 3,054,673



General Fixed Assets Account Group

The **General Fixed Assets Account Group** accounts for the land, buildings and improvements, and machinery and equipment of the governmental funds.

*State of Wisconsin***Schedule of General Fixed Assets by Function
June 30, 1997**

(In Thousands)

Function	Land	Buildings	Equipment	Totals
Commerce	\$ -	\$ 534	\$ 12,633	\$ 13,167
Education	789	30,696	91,345	122,830
Transportation	10,281	60,924	72,117	143,322
Environmental Resources	302,403	72,957	89,513	464,874
Human Relations and Resources	23,296	489,803	81,031	594,130
General Executive	1,705	35,746	10,661	48,113
Judicial	-	-	32,463	32,463
Legislative	-	-	2,229	2,229
Other	-	1,646	-	1,646
Total by Function	<u>\$ 338,474</u>	<u>\$ 692,307</u>	<u>\$ 391,992</u>	1,422,773
Construction in Progress				119,875
Total General Fixed Assets				<u>\$ 1,542,648</u>

*State of Wisconsin***Schedule of Changes in General Fixed Assets by Function
For the Year Ended June 30, 1997**

(In Thousands)

Function	Balance July 1, 1996	Additions	Retirements	Completed Construction	Transfers to/from Other Funds	Balance June 30, 1997
Commerce	\$ 13,197	\$ 767	\$ (797)	\$ -	\$ -	\$ 13,167
Education	122,059	2,400	(1,788)	160	-	122,830
Transportation	140,158	9,852	(10,367)	3,679	-	143,322
Environmental Resources	448,297	16,449	(3,442)	3,571	-	464,874
Human Relations and Resources	574,374	11,063	(16,975)	25,617	52	594,130
General Executive	46,469	2,777	(1,228)	94	-	48,113
Judicial	29,954	2,908	(400)	-	-	32,463
Legislative	2,192	49	(12)	-	-	2,229
Other	1,056	-	-	589	-	1,646
Total by Function	1,377,755	46,265	(35,009)	33,710	52	1,422,773
Construction in Progress	66,174	87,411	-	(33,710)	-	119,875
Total General Fixed Assets	<u>\$ 1,443,929</u>	<u>\$ 133,675</u>	<u>\$ (35,009)</u>	<u>\$ 0</u>	<u>\$ 52</u>	<u>\$ 1,542,648</u>

University of Wisconsin System

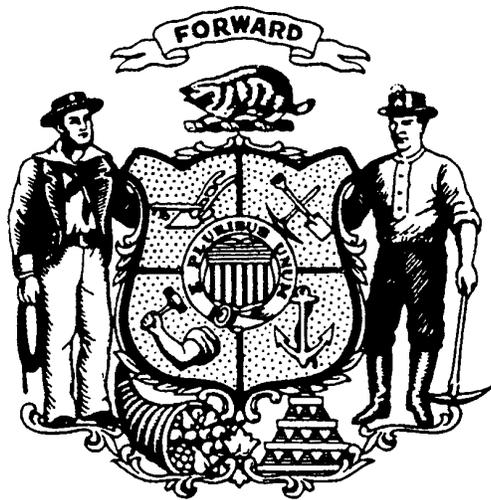
The funds of the **University of Wisconsin System** account for the 13 universities, 13 centers, the University of Wisconsin Extension and System Administration. In addition, the University of Wisconsin System balance sheet includes the accounts of the Wisconsin State Colleges Building Corporation and the Wisconsin University Building Corporation.

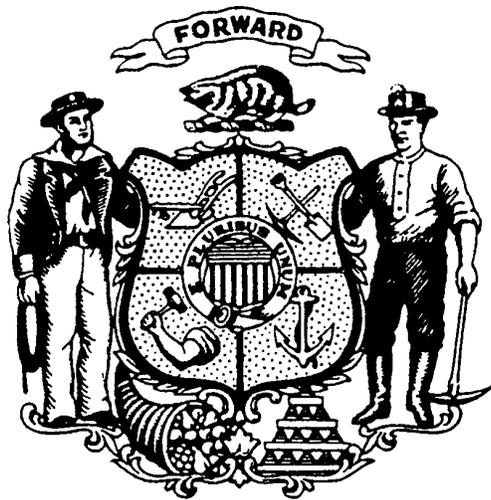
State of Wisconsin

**Combining Balance Sheet - University of Wisconsin System
June 30, 1997**

(In Thousands)

	Current Funds		Loan Funds	Endowment and Similar Funds	Plant Funds	Agency Funds	Totals
	Unrestricted	Restricted					
Assets							
Cash and Cash Equivalents	\$ 254,608	\$ 20,891	\$ 5,044	\$ 4,296	\$ 33,833	\$ 1,330	\$ 320,002
Investments	-	8,620	-	188,109	5	-	196,734
Student Loans Receivable	-	-	157,310	-	-	-	157,310
Other Receivables	29,188	29,061	-	-	-	-	58,249
Due from Other Funds	42,924	9,060	-	-	36	-	52,020
Due from Component Units	-	14,804	-	-	-	-	14,804
Due from Other Governments	617	32,981	-	-	-	-	33,598
Inventories	43,326	-	-	-	-	-	43,326
Prepaid Items	13,619	137	-	-	-	-	13,756
Capital Lease Receivable - Component Unit	-	-	-	-	37,815	-	37,815
Deferred Charges	2,748	172	-	-	4,098	-	7,018
Plant and Equipment	-	-	-	-	3,370,110	-	3,370,110
Total Assets	\$ 387,030	\$ 115,726	\$ 162,354	\$ 192,405	\$ 3,445,898	\$ 1,330	\$ 4,304,742
Liabilities and Fund Equity							
Liabilities:							
Accounts Payable and Other Accrued Liabilities	\$ 53,700	\$ 28,431	\$ 998	\$ -	\$ 24,200	\$ -	\$ 107,329
Due to Other Funds	37,526	11,356	-	-	6,849	-	55,732
Due to Other Governments	3,010	287	-	-	-	-	3,298
Deferred Revenue	53,066	24,576	-	-	-	-	77,642
Advances from Other Funds	-	-	-	-	3,000	-	3,000
Short-term Notes Payable	-	-	-	-	24,917	-	24,917
Deposits Held in Custody for Others	-	-	-	-	-	1,330	1,330
Compensated Absences	33,693	7,752	-	-	-	-	41,445
Capital Leases	-	-	-	-	11,872	-	11,872
Installment Contracts Payable	-	-	-	-	262	-	262
General Obligation Bonds Payable	-	-	-	-	709,806	-	709,806
Other Bonds Payable	-	-	-	-	1,336	-	1,336
Total Liabilities	180,996	72,402	998	-	782,242	1,330	1,037,968
Equity and Funds Balances:							
Fund Balances - Reserved:							
Encumbrances	25,669	27,865	-	-	77,471	-	131,005
Inventories and Prepaid Items	56,944	137	-	-	-	-	57,081
Auxiliary Operations	78,976	-	-	-	-	-	78,976
Current Restricted Funds	-	15,322	-	-	-	-	15,322
Loan Funds	-	-	161,356	-	-	-	161,356
Endowment and Similar Funds	-	-	-	192,405	-	-	192,405
Plant Funds	-	-	-	-	2,586,184	-	2,586,184
Fund Balances - Unreserved:							
Designated for Contingent Fund	3,611	-	-	-	-	-	3,611
Undesignated	40,834	-	-	-	-	-	40,834
Total Equity and Funds Balances	206,035	43,323	161,356	192,405	2,663,656	-	3,266,775
Total Liabilities and Funds Equity	\$ 387,030	\$ 115,726	\$ 162,354	\$ 192,405	\$ 3,445,898	\$ 1,330	\$ 4,304,742





Component Units

The **Wisconsin Housing and Economic Development Authority** administers programs to facilitate the purchase, construction and rehabilitation of housing for families of low and moderate income by providing or participating in the providing of construction and mortgage loans. Over the years, its mission has been expanded to include financing for farmers and for economic development projects.

The **Wisconsin Health Care Liability Insurance Plan** provides health care liability insurance and liability coverages normally incidental to health care liability insurance to eligible health care providers in the State of Wisconsin. The insurance is financed with premiums collected from policyholders and investment earnings.

The **University of Wisconsin Hospitals and Clinics Authority** operates an acute-care hospital, numerous specialty clinics and ambulatory facilities. It provides health care to patients, education programs, research and community service primarily to residents of southern Wisconsin.

State of Wisconsin

**Combining Balance Sheet - Component Units
June 30, 1997**

(In Thousands)

	Wisconsin Housing and Economic Development Authority	Wisconsin Health Care Liability Insurance Plan	University of Wisconsin Hospitals and Clinics Authority	Totals
Assets				
Cash and Cash Equivalents	\$ 164,644	\$ 5,204	\$ 52,459	\$ 222,307
Investments	217,901	156,612	17,884	392,398
Receivables (net of estimated uncollectible accounts):				
Mortgage Loans	1,743,543	-	-	1,743,543
Patients Accounts Receivable	-	-	52,526	52,526
Other Receivables	16,602	7,341	3,652	27,595
Due from Primary Government	-	-	863	863
Inventories	-	-	1,947	1,947
Prepaid Items	-	-	964	964
Restricted and Limited Use Assets:				
Investments	166,338	-	112,206	278,544
Deferred Charges	16,324	-	-	16,324
Fixed Assets (net of accumulated depreciation)	19,732	-	102,261	121,993
Other Assets	106,832	-	2,484	109,316
Total Assets	<u>\$ 2,451,916</u>	<u>\$ 169,158</u>	<u>\$ 347,246</u>	<u>\$ 2,968,320</u>
Liabilities and Fund Equity				
Liabilities:				
Accounts Payable and Other Accrued Liabilities	\$ 12,617	\$ 11,417	\$ 29,929	\$ 53,963
Due to Primary Government	37	10	14,979	15,026
Due to Other Governments	-	-	7,759	7,759
Tax and Other Deposits	131,743	-	-	131,743
Deferred Revenue	-	1,857	-	1,857
Interest Payable	56,708	-	-	56,708
Future Benefits and Loss Liabilities	-	135,147	-	135,147
Capital Leases	-	-	1,286	1,286
Capital Leases - Primary Government	-	-	37,815	37,815
Compensated Absences	242	-	1,649	1,891
Revenue Bonds and Notes Payable	2,037,611	-	50,000	2,087,611
Total Liabilities	<u>2,238,958</u>	<u>148,431</u>	<u>143,417</u>	<u>2,530,806</u>
Fund Equity:				
Retained Earnings:				
Reserved for Future Benefits	3,620	-	-	3,620
Reserved for Bonds	127,865	-	-	127,865
Reserved by Donors for Operations	-	-	1,558	1,558
Unreserved	81,473	20,727	202,270	304,470
Total Fund Equity	<u>212,958</u>	<u>20,727</u>	<u>203,829</u>	<u>437,514</u>
Total Liabilities and Fund Equity	<u>\$ 2,451,916</u>	<u>\$ 169,158</u>	<u>\$ 347,246</u>	<u>\$ 2,968,320</u>

State of Wisconsin

**Combining Statement of Revenues, Expenses, and Changes in
Retained Earnings - Component Units
For the Fiscal Year Ended June 30, 1997**

(In Thousands)

	Wisconsin Housing and Economic Development Authority	Wisconsin Health Care Liability Insurance Plan	University of Wisconsin Hospitals and Clinics Authority	Totals
Operating Revenues:				
Charges for Goods and Services	\$ 3,451	\$ 3,722	\$ 306,074	\$ 313,247
Investment and Interest Income	136,392	10,840	-	147,232
Other Income	855	34	6,201	7,090
Total Operating Revenues	140,698	14,596	312,275	467,568
Operating Expenses:				
Personal Services	9,309	-	162,386	171,695
Supplies and Services	10,126	820	118,098	129,044
Depreciation	648	-	17,040	17,688
Benefit Expense	-	2,395	-	2,395
Interest Expense	135,649	-	2,427	138,076
Other Expenses:				
Grant Programs	57,002	-	-	57,002
Insurance Dividends	-	17,627	-	17,627
Benefit from Federal Income Taxes	-	(3,791)	-	(3,791)
Other	906	-	6,449	7,355
Total Operating Expenses	213,640	17,051	306,399	537,090
Operating Income (Loss)	(72,942)	(2,455)	5,876	(69,521)
Nonoperating Revenues (Expenses):				
Operating Grants	57,002	-	-	57,002
Investment and Interest Income	38,098	-	8,603	46,701
Gain (Loss) on Disposal of Fixed Assets	(7)	-	-	(7)
Other Revenues	-	-	1,164	1,164
Other Expenses	-	-	(221)	(221)
Total Nonoperating Revenues (Expenses)	95,093	-	9,546	104,639
Net Income before Extraordinary Items	22,151	(2,455)	15,421	35,118
Extraordinary Items:				
Gain (Loss) from Extinguishment of Debt	(35)	-	-	(35)
Net Income	22,116	(2,455)	15,421	35,083
Retained Earnings, Beginning of Year	190,842	23,181	188,408	402,431
Retained Earnings, End of Year	\$ 212,958	\$ 20,727	\$ 203,829	\$ 437,514

State of Wisconsin

Combining Statement of Cash Flows - Component Units *
For the Fiscal Year Ended June 30, 1997

(In Thousands)

	Wisconsin Housing and Economic Development Authority	Wisconsin Health Care Liability Insurance Plan	Totals *
Cash Flows from Operating Activities:			
Cash Receipts from Customers	\$ -	\$ 3,072	\$ 3,072
Cash Payments to Suppliers for Goods and Services	(3,495)	(835)	(4,330)
Cash Payments to Employes for Services	(9,336)	-	(9,336)
Cash Payments for Loans Originated	(238,418)	-	(238,418)
Cash Payments for Benefits	-	(5,908)	(5,908)
Interest Income	134,901	-	134,901
Collection of Loans	116,506	-	116,506
Other Operating Revenues	-	34	34
Other Operating Expenses:			
Grant Programs	(57,002)	-	(57,002)
Insurance Dividends	-	(6,627)	(6,627)
Other	(3,336)	(2,512)	(5,848)
Other Sources of Cash	10,131	-	10,131
Net Cash Provided (Used) by Operating Activities	<u>(50,049)</u>	<u>(12,776)</u>	<u>(62,825)</u>
Cash Flows from Noncapital Financing Activities:			
Operating Grants Receipts	57,002	-	57,002
Proceeds from Issuance of Long-term Debt	516,283	-	516,283
Retirement of Long-term Debt	(335,114)	-	(335,114)
Interest Payments	(129,038)	-	(129,038)
Other Cash Outflows from Noncapital Financing Activities	<u>(2,451)</u>	<u>-</u>	<u>(2,451)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>106,682</u>	<u>-</u>	<u>106,682</u>
Cash Flows from Capital and Related Financing Activities:			
Payments for Purchase of Fixed Assets	<u>(15,803)</u>	<u>-</u>	<u>(15,803)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(15,803)</u>	<u>-</u>	<u>(15,803)</u>
Cash Flows from Investing Activities:			
Proceeds from Sale and Maturities of Investment Securities	564,382	25,532	589,914
Purchase of Investment Securities	(597,146)	(23,392)	(620,538)
Interest and Dividends Receipts	30,140	10,957	41,097
Net Cash Provided (Used) by Investing Activities	<u>(2,624)</u>	<u>13,096</u>	<u>10,472</u>
Net Increase (Decrease) in Cash and Cash Equivalents	38,206	320	38,526
Cash and Cash Equivalents, Beginning of Year	126,438	4,884	131,322
Cash and Cash Equivalents, End of Year	<u>\$ 164,644</u>	<u>\$ 5,204</u>	<u>\$ 169,848</u>

* The **Wisconsin Housing and Economic Development Authority** and the **Wisconsin Health Care Liability Insurance Plan** prepare the statement of cash flows using the direct method of reporting cash flows, as presented on Pages 172 and 173 of the CAFR. The **University of Wisconsin Hospitals and Clinics Authority** prepares this statement using the indirect method, as presented on Page 174.

(Continued)

State of Wisconsin

Combining Statement of Cash Flows - Component Units *
For the Fiscal Year Ended June 30, 1997

(Continued)

	Wisconsin Housing and Economic Development Authority	Wisconsin Health Care Liability Insurance Plan	Totals *
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operations:			
Operating Income (Loss)	\$ (72,941)	\$ (2,455)	\$ (75,396)
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	648	-	648
Amortization	3,008	-	3,008
Provision for Uncollectible Accounts	561	-	561
Operating Income (Investment Income) Classified as Investing Activity	-	(10,874)	(10,874)
Operating Expense (Interest Expense) Classified as Noncapital Financing Activity	132,123	-	132,123
Changes in Assets and Liabilities:			
Decrease (Increase) in Receivables	(121,694)	(4,099)	(125,793)
Decrease (Increase) in Other Assets	(16)	-	(16)
Increase (Decrease) in Accounts Payable and Other Accrued Liabilities	8,262	9,316	17,578
Increase (Decrease) in Due to Primary Government	-	1	1
Increase (Decrease) in Deferred Revenue	-	(1,152)	(1,152)
Increase (Decrease) in Future Benefits and Loss Liabilities	-	(3,513)	(3,513)
Total Adjustments	22,892	(10,321)	12,571
Net Cash Provided by Operating Activities	<u>\$ (50,049)</u>	<u>\$ (12,776)</u>	<u>\$ (62,825)</u>

* The **Wisconsin Housing and Economic Development Authority** and the **Wisconsin Health Care Liability Insurance Plan** prepare the statement of cash flows using the direct method of reporting cash flows, as presented on Pages 172 and 173 of the CAFR. The **University of Wisconsin Hospitals and Clinics Authority** prepares this statement using the indirect method, as presented on Page 174.

(Continued)

State of Wisconsin

Combining Statement of Cash Flows - Component Units *
For the Fiscal Year Ended June 30, 1997

(Continued)

	University of Wisconsin Hospitals and Clinics Authority
Cash Flows from Operating Activities:	
Operating Income	\$ 5,876
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation and Amortization	17,040
Provision for Bad Debt	6,449
Other Sources	327
Other Uses	(220)
Changes in Assets and Liabilities:	
Increase in Net Patient Receivables	(9,339)
Increase in Other Receivables	(658)
Increase in Due from Primary Government	(862)
Increase in Inventories	(223)
Increase in Prepaid Items	(209)
Decrease in Other Assets	223
Increase in Accounts Payable and Other Accrued Expenses	11,358
Increase in Due to Other Governments	1,456
Increase in Due to Primary Government	13,128
Decrease in Deferred Revenue	(846)
Net Cash Provided (Used) by Operating Activities	<u>43,499</u>
Cash Flows from Capital Financing Activities:	
Proceeds from Issuance of Long-Term Debt	50,000
Proceeds from Line of Credit	9,405
Repayment of Line of Credit	(9,405)
Payments for Purchase of Fixed Assets	(19,537)
Capital Leases Payable - Primary Government	(2,005)
Capital Leases Payable	(4,286)
Proceeds from Sale of Fixed Assets	131
Other Cash Flows from Capital Financing Activities	(1,082)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>23,222</u>
Cash Flows from Investing Activities:	
Purchase of Investment Securities	(58,727)
Interest and Dividends Receipts	6,936
Decrease in Investment in Affiliate	635
Net Cash Provided (Used) by Investing Activities	<u>(51,156)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	15,565
Cash and Cash Equivalents at Beginning of Year	36,894
Cash and Cash Equivalents at End of Year	<u>\$ 52,459</u>
Noncash Investing, Capital and Financing Activities:	
Capital Leases (Initial Year):	
Fair Market Value	\$ 1,649
Other	2,624

* The **University of Wisconsin Hospitals and Clinics Authority** prepares the statement of cash flows using the indirect method of reporting cash flows, as presented on this page. The **Wisconsin Housing and Economic Development Authority** and the **Wisconsin Health Care Liability Insurance Plan** prepare the statement of cash flows using the direct method, as presented on Pages 172 and 173 of the CAFR.