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August 17, 2005

To the Users of This Report:

Re: Monthly Financial Information—May and June 2005

Please find attached the Report of General Fund Financial Information for the months ending May 31, 2005 and June 30, 2005. This cover letter is intended to provide comment on the attached tables of general fund financial information.

- **Payments Due Under Amended Gaming Compacts – Tribal Governments.** The General Fund cash flow projections assumed that all payments from tribal governments called for under the gaming compacts would be received, notwithstanding the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were unconstitutional. At the time of the decision, it was uncertain whether or to what extent the tribal governments would make those payments. For FY04, the State received the expected payments from all but one tribal government, which did not make its payment of about \$30 million. For FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.

*The projections that appear in the May 2005 reports assumed that all payments due from tribal governments would be made by June 2005. The actual general fund cash flow appears in the June 2005 reports.*

- **Medical Assistance Trust Fund.** The projected General Fund cash flows reflect provisions of 2005 Wisconsin Act 2 and 2005 Wisconsin Act 15 (enacted June 22, 2005); both addressed the balance in the Medical Assistance Trust Fund. As a result of these Acts, a GPR appropriation for medical assistance was increased by \$70 million and an additional total of \$125 million was transferred from the General Fund to the Medical Assistance Trust Fund. The combination of these Acts addressed the projected FY05 shortfall in the Medical Assistance Trust Fund.
- **June 30, 2005 Cash Balance – Negative \$194 Million.** The State ended FY05 with a negative \$194 million cash balance. Ending a fiscal year with a negative balance is allowed under Wisconsin Statutes, which provide certain remedies, such as interfund borrowing, to deal with periods when the cash balance is negative.

- **June 30, 2005 Ending Budgetary Balance.** Many of the attached tables of financial information are presented on a cash basis and *are not intended to provide an estimate or projection of the State's ending budgetary balance for FY05.* The State will issue by October 15, 2005 its Annual Fiscal Report that will include the ending general fund balance (budgetary-basis) for FY05.
- **LFB Revenue Estimates-May 2005.** On May 16, 2005, the Legislative Fiscal Bureau (**LFB**) projected that General Fund tax collection estimates would be \$113.4 million *more than* the tax revenue estimates provided by DOR in November, 2004. Projected General Fund cash flows (as included in the May 2005 reports) did not reflect these new general fund tax estimates; such estimates are generally provided on a budgetary basis and are not directly comparable to projected General Fund cash flows.
- **Variances.** The reader of the attached report is advised to avoid attaching too much significance to variances that may occur from month-to-month. As noted in the section entitled "Cautionary Information", the comparison of monthly general fund financial information has many inherent problems. Unforeseen events or variations from underlying assumptions may cause a decrease or increase in receipts and disbursements from those projected for a given month.
- **Operating Notes.** At this time, the State does not plan to issue operating notes for the 2005-06 fiscal year.

Sincerely,

Frank R. Hoadley  
Capital Finance Director  
(608) 266-2305

# Monthly General Fund Financial Information State of Wisconsin

## For the Periods Ending May 31, 2005 and June 30, 2005

Prepared by the Wisconsin Department of Administration

Prepared on August 17, 2005

The following tables of general fund financial information are provided with respect to securities issued by the State of Wisconsin. The information may be material to an investment decision in the securities, although the presence of information here does not imply the State of Wisconsin has made a determination of its materiality.

**THE PROJECTED AND ACTUAL GENERAL FUND CASH FLOW REFLECTS THE PROVISIONS OF 2005 WISCONSIN ACT 2 AND 2005 WISCONSIN ACT 15, WHICH ARE THE BILLS THAT ADDRESSED THE PROJECTED FY05 SHORTFALL IN THE MEDICAL ASSISTANCE TRUST FUND.**

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## Cautionary Information

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| <b>Users of this information should be cautioned about several points:</b> |
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The general fund financial information in this document has been prepared using what is believed to be the best available data for these purposes. The tables in this document have been prepared using the same procedures used to prepare similar information for the State of Wisconsin Continuing Disclosure Annual Report, Official Statements prepared for specific securities, or reports filed in conjunction with various securities. This information is, however, preliminary in nature and subject to change.

- This information is unaudited and is not a “financial statement.” None of the data presented here has been subjected to customary fiscal period closing procedures or the procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.
- This information only speaks as of the date on which it was prepared.
- Statements of information for dates before the date this information is prepared will almost certainly be subject to restatement and revision. Information classified as “actual”, and any difference from any prior estimate, does not signify a change to official estimates. Any official revenue or expenditure re-estimates that do occur will be separately identified, and if material, appropriately noticed.
- The information does not intend to reflect the State’s ending budgetary balance for FY05. The State has issued its Annual Fiscal Report that includes the ending budgetary-balance for FY04.
- Projections of results for dates after the date this information is prepared are forward looking. Actual results will almost certainly differ.
  - It is important to note that cash flow projections are expressed on a *cash basis* while the revenue estimates released by DOR and LFB are expressed on a *budgetary basis* and net of any refunds.
  - Projections are not adjusted to reflect actual revenues and expenditures and routine variability in the timing of receipts and disbursements, but may be adjusted to reflect unique events.
  - Projections of remaining fiscal year cash flow may be adjusted when necessary to reflect unforeseen events or additional revised forecasts of the general fund condition statement.
- Data in these tables of financial information are subject to revision and reclassification for prior periods. This is particularly true for revenue data, where proper classification depends on tax returns which are received and processed significantly after the tax payments are received through electronic transfers.
- Some data is presented on a cash basis of accounting while other data is presented on a budgetary or agency recorded basis. Users should not compare data that is presented with any different basis of accounting.
- Comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- The State of Wisconsin is not obligated to provide this information or make it available on its website.
- None of the information in these tables of financial information is required by the State of Wisconsin’s continuing disclosure undertakings pursuant to SEC rule 15c2-12.
  - This information is not, and does not replace, a notice of a material event required by SEC rule 15c2-12.
  - This information is not, and does not replace, the annual financial information required by SEC rule 15c2-12.

**ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2004 TO MAY 31, 2005**  
**PROJECTED GENERAL FUND CASH FLOW; JUNE 1, 2005 TO JUNE 30, 2005<sup>(a)</sup>**

|   | (In Thousands of Dollars) |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|---|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | July<br>2004              | August<br>2004     | September<br>2004  | October<br>2004    | November<br>2004   | December<br>2004   | January<br>2005    | February<br>2005   | March<br>2005      | April<br>2005      | May<br>2005        | June<br>2005       |
| <b>BALANCES<sup>(b)</sup></b>             |                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Beginning Balance</b>                  | (\$21,216)                | (\$431,440)        | \$209,127          | \$536,311          | \$875,711          | \$912,695          | \$205,179          | \$1,173,280        | \$1,216,964        | \$371,940          | \$582,997          | \$1,003,050        |
| <b>Ending Balance<sup>(c)</sup></b>       | (\$431,440)               | \$209,127          | \$536,311          | \$875,711          | \$912,695          | \$205,179          | \$1,173,280        | \$1,216,964        | \$371,940          | \$582,997          | \$1,003,050        | \$120,451          |
| <b>Lowest Daily Balance<sup>(c)</sup></b> | (\$431,440)               | (\$436,769)        | \$53,578           | \$403,787          | \$383,199          | (\$351,824)        | \$205,179          | \$796,175          | \$295,070          | \$81,325           | \$480,441          | (\$67,734)         |
| <b>RECEIPTS</b>                           |                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>TAX RECEIPTS</b>                       |                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Individual Income                         | \$533,817                 | \$540,819          | \$571,670          | \$464,819          | \$526,873          | \$430,598          | \$962,378          | \$459,605          | \$496,915          | \$869,372          | \$570,200          | \$625,600          |
| Sales & Use                               | 380,702                   | 389,894            | 384,632            | 378,842            | 371,408            | 334,261            | 408,819            | 309,549            | 309,647            | 344,001            | 346,925            | 370,600            |
| Corporate Income                          | 30,839                    | 16,739             | 144,521            | 34,036             | 36,179             | 161,303            | 20,921             | 19,052             | 202,608            | 31,571             | 20,753             | 144,400            |
| Public Utility                            | 0                         | 38                 | 179                | 3,948              | 131,313            | 497                | 2,419              | 10                 | 74                 | 1,692              | 128,910            | 1,600              |
| Excise                                    | 29,945                    | 32,206             | 32,708             | 31,917             | 29,395             | 30,788             | 29,490             | 27,527             | 24,774             | 27,147             | 28,569             | 31,000             |
| Insurance                                 | 295                       | 2,305              | 27,417             | 229                | 1,496              | 58,508             | 910                | 17,530             | 26,784             | 27,272             | 1,300              | 29,200             |
| Inheritance                               | 8,654                     | 7,954              | 14,003             | 10,329             | 9,156              | 5,230              | 6,824              | 12,383             | 10,523             | 7,543              | 7,804              | 7,400              |
| <b>Subtotal Tax Receipts</b>              | <b>\$984,252</b>          | <b>\$989,955</b>   | <b>\$1,175,130</b> | <b>\$924,120</b>   | <b>\$1,105,820</b> | <b>\$1,021,185</b> | <b>\$1,431,761</b> | <b>\$845,656</b>   | <b>\$1,071,325</b> | <b>\$1,308,598</b> | <b>\$1,104,461</b> | <b>\$1,209,800</b> |
| <b>NON-TAX RECEIPTS</b>                   |                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Federal                                   | \$344,173                 | \$535,363          | \$537,338          | \$462,100          | \$546,148          | \$456,585          | \$506,599          | \$559,541          | \$626,099          | \$440,758          | \$540,908          | \$536,400          |
| Other & Transfers <sup>(d)</sup>          | 196,901                   | 339,783            | 411,016            | 330,993            | 241,754            | 155,269            | 478,650            | 427,854            | 162,532            | 292,897            | 249,827            | 503,850            |
| Note Proceeds                             | 0                         | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>Subtotal Non-Tax Receipts</b>          | <b>\$541,074</b>          | <b>\$875,146</b>   | <b>\$948,354</b>   | <b>\$793,093</b>   | <b>\$787,902</b>   | <b>\$611,854</b>   | <b>\$985,249</b>   | <b>\$987,395</b>   | <b>\$788,631</b>   | <b>\$733,655</b>   | <b>\$790,735</b>   | <b>\$1,040,250</b> |
| <b>TOTAL RECEIPTS</b>                     | <b>\$1,525,326</b>        | <b>\$1,865,101</b> | <b>\$2,123,484</b> | <b>\$1,717,213</b> | <b>\$1,893,722</b> | <b>\$1,633,039</b> | <b>\$2,417,010</b> | <b>\$1,833,051</b> | <b>\$1,859,956</b> | <b>\$2,042,253</b> | <b>\$1,895,196</b> | <b>\$2,250,050</b> |
| <b>DISBURSEMENTS</b>                      |                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Local Aids <sup>(e)(f)</sup>              | \$835,926                 | \$170,248          | \$670,948          | \$115,497          | \$774,303          | \$1,163,305        | \$196,800          | \$232,064          | \$1,176,452        | \$93,211           | \$249,705          | \$1,817,211        |
| Income Maintenance                        | 383,180                   | 416,654            | 427,137            | 405,086            | 419,216            | 390,891            | 444,808            | 432,390            | 460,679            | 440,792            | 407,448            | 388,860            |
| Payroll and Related                       | 390,998                   | 244,728            | 314,918            | 378,189            | 319,992            | 326,967            | 359,515            | 327,431            | 371,284            | 471,104            | 248,414            | 313,235            |
| Tax Refunds                               | 49,162                    | 55,304             | 51,246             | 50,655             | 64,252             | 127,443            | 73,997             | 437,298            | 366,230            | 311,188            | 132,115            | 209,511            |
| Debt Service                              | 0                         | 687                | 0                  | 118,493            | 1,108              | 0                  | 0                  | 1,547              | 0                  | 216,976            | 35,279             | 0                  |
| Miscellaneous <sup>(g)</sup>              | 276,284                   | 336,913            | 332,051            | 309,893            | 277,867            | 331,949            | 373,789            | 358,637            | 330,335            | 297,925            | 402,182            | 403,832            |
| Note Repayment                            | 0                         | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>TOTAL DISBURSEMENTS</b>                | <b>\$1,935,550</b>        | <b>\$1,224,534</b> | <b>\$1,796,300</b> | <b>\$1,377,813</b> | <b>\$1,856,738</b> | <b>\$2,340,555</b> | <b>\$1,448,909</b> | <b>\$1,789,367</b> | <b>\$2,704,980</b> | <b>\$1,831,196</b> | <b>\$1,475,143</b> | <b>\$3,132,649</b> |

(a) Projections reflect the revised General Fund revenue estimates that were released by DOR on November 20, 2004 and the provisions of 2005 Wisconsin Act 2 and 2005 Wisconsin Act 15, which are the bills that addressed the shortfall in the Medical Assistance Trust Fund. While the estimates from DOR and LFB are presented on a budgetary basis, the estimates herein are presented on a cash basis and not a budgetary basis. The projections assume that all payments from tribal governments called for under the gaming compacts will be received, notwithstanding the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid. At the time of the decision, it was uncertain whether or to what extent the tribal governments would make those payments. For the fiscal year ending June 30, 2004, the State received the expected payments for all but one tribal government, which did not make its payment of about \$30 million. For the fiscal year ending June 30, 2005, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million. Projections do not include interfund borrowings.

(b) The General Fund cash balances presented in this schedule are not based on Generally Accepted Accounting Principles (GAAP). The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the State's Universities. Receipts and disbursements of such funds for the designated programs and the disbursement of such funds for other purposes are reflected in the cash flow. A use of the designated funds for purposes other than the proprietary programs is, in effect, a borrowing of such funds. Therefore, at any time that the balance in the General Fund is less than the balance of such designated funds, the State is obligated to replenish the designated funds to the extent of the shortfall. The designated funds are expected to range from \$150 to \$300 million during the 2004-05 fiscal year. In addition, the General Fund is the depository for several escrow accounts pursuant to court orders or federal rulings. These funds are expected to average approximately \$50 million during the 2004-05 fiscal year.

(c) The Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds (up to 5% of the general-purpose revenue appropriations then in effect) to the General Fund. This amount is approximately \$589 million for the 2004-05 fiscal year. In addition, the Secretary of Administration may also temporarily reallocate an additional amount up to 3% of the general-purpose revenue appropriations then in effect (approximately \$354 million for the 2004-05 fiscal year) for a period of up to 30 days. If the amount of interfund borrowing available to the General Fund is not sufficient, the Secretary of Administration is authorized to prorate and defer certain payments.

(d) Includes \$75 million to be transferred from the Transportation Fund to the General Fund in June 2005.

(e) \$190 million of the November 2004 shared revenue payments were made from Segregated Funds and are not included in these Local Aid disbursement totals.

(f) \$60 million of the September 2004 equalization payments were made from the Transportation Fund and are not included in these Local Aid disbursement totals.

(g) Includes \$50 million that have been, and \$75 million that will be, transferred from the General Fund to the Medicaid Trust Fund.

**ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2004 TO JUNE 30, 2005<sup>(a)</sup>**

(In Thousands of Dollars)

|                                     | July<br>2004       | August<br>2004     | September<br>2004  | October<br>2004    | November<br>2004   | December<br>2004   | January<br>2005    | February<br>2005   | March<br>2005      | April<br>2005      | May<br>2005        | June<br>2005       |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>BALANCES<sup>(b)</sup></b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Beginning Balance                   | (\$21,216)         | (\$431,440)        | \$209,127          | \$536,311          | \$875,711          | \$912,695          | \$205,179          | \$1,173,280        | \$1,216,964        | \$371,940          | \$582,997          | \$1,003,050        |
| Ending Balance <sup>(c)</sup>       | (\$431,440)        | \$209,127          | \$536,311          | \$875,711          | \$912,695          | \$205,179          | \$1,173,280        | \$1,216,964        | \$371,940          | \$582,997          | \$1,003,050        | (\$193,683)        |
| Lowest Daily Balance <sup>(c)</sup> | (\$431,440)        | (\$436,769)        | \$53,578           | \$403,787          | \$383,199          | (\$351,824)        | \$205,179          | \$796,175          | \$295,070          | \$81,325           | \$480,441          | (\$285,950)        |
| <b>RECEIPTS</b>                     |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>TAX RECEIPTS</b>                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Individual Income                   | \$533,817          | \$540,819          | \$571,670          | \$464,819          | \$526,873          | \$430,598          | \$962,378          | \$459,605          | \$496,915          | \$869,372          | \$570,200          | \$600,468          |
| Sales & Use                         | 380,702            | 389,894            | 384,632            | 378,842            | 371,408            | 334,261            | 408,819            | 309,549            | 309,647            | 344,001            | 346,925            | 380,569            |
| Corporate Income                    | 30,839             | 16,739             | 144,521            | 34,036             | 36,179             | 161,303            | 20,921             | 19,052             | 202,608            | 31,571             | 20,753             | 158,057            |
| Public Utility                      | 0                  | 38                 | 179                | 3,948              | 131,313            | 497                | 2,419              | 10                 | 74                 | 1,692              | 128,910            | 1,289              |
| Excise                              | 29,945             | 32,206             | 32,708             | 31,917             | 29,395             | 30,788             | 29,490             | 27,527             | 24,774             | 27,147             | 28,569             | 30,842             |
| Insurance                           | 295                | 2,305              | 27,417             | 229                | 1,496              | 58,508             | 910                | 17,530             | 26,784             | 27,272             | 1,300              | 28,774             |
| Inheritance                         | 8,654              | 7,954              | 14,003             | 10,329             | 9,156              | 5,230              | 6,824              | 12,383             | 10,523             | 7,543              | 7,804              | 13,485             |
| <b>Subtotal Tax Receipts</b>        | <b>\$984,252</b>   | <b>\$989,955</b>   | <b>\$1,175,130</b> | <b>\$924,120</b>   | <b>\$1,105,820</b> | <b>\$1,021,185</b> | <b>\$1,431,761</b> | <b>\$845,656</b>   | <b>\$1,071,325</b> | <b>\$1,308,598</b> | <b>\$1,104,461</b> | <b>\$1,213,484</b> |
| <b>NON-TAX RECEIPTS</b>             |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Federal                             | \$344,173          | \$535,363          | \$537,338          | \$462,100          | \$546,148          | \$456,585          | \$506,599          | \$559,541          | \$626,099          | \$440,758          | \$540,908          | \$524,516          |
| Other & Transfers <sup>(d)</sup>    | 196,901            | 339,783            | 411,016            | 330,993            | 241,754            | 155,269            | 478,650            | 427,854            | 162,532            | 292,897            | 249,827            | 337,730            |
| Note Proceeds                       | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>Subtotal Non-Tax Receipts</b>    | <b>\$541,074</b>   | <b>\$875,146</b>   | <b>\$948,354</b>   | <b>\$793,093</b>   | <b>\$787,902</b>   | <b>\$611,854</b>   | <b>\$985,249</b>   | <b>\$987,395</b>   | <b>\$788,631</b>   | <b>\$733,655</b>   | <b>\$790,735</b>   | <b>\$862,246</b>   |
| <b>TOTAL RECEIPTS</b>               | <b>\$1,525,326</b> | <b>\$1,865,101</b> | <b>\$2,123,484</b> | <b>\$1,717,213</b> | <b>\$1,893,722</b> | <b>\$1,633,039</b> | <b>\$2,417,010</b> | <b>\$1,833,051</b> | <b>\$1,859,956</b> | <b>\$2,042,253</b> | <b>\$1,895,196</b> | <b>\$2,075,730</b> |
| <b>DISBURSEMENTS</b>                |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Local Aids <sup>(e)(f)</sup>        | \$835,926          | \$170,248          | \$670,948          | \$115,497          | \$774,303          | \$1,163,305        | \$196,800          | \$232,064          | \$1,176,452        | \$93,211           | \$249,705          | \$1,842,612        |
| Income Maintenance                  | 383,180            | 416,654            | 427,137            | 405,086            | 419,216            | 390,891            | 444,808            | 432,390            | 460,679            | 440,792            | 407,448            | 431,897            |
| Payroll and Related                 | 390,998            | 244,728            | 314,918            | 378,189            | 319,992            | 326,967            | 359,515            | 327,431            | 371,284            | 471,104            | 248,414            | 312,525            |
| Tax Refunds                         | 49,162             | 55,304             | 51,246             | 50,655             | 64,252             | 127,443            | 73,997             | 437,298            | 366,230            | 311,188            | 132,115            | 137,268            |
| Debt Service                        | 0                  | 687                | 0                  | 118,493            | 1,108              | 0                  | 0                  | 1,547              | 0                  | 216,976            | 35,279             | 0                  |
| Miscellaneous <sup>(g)</sup>        | 276,284            | 336,913            | 332,051            | 309,893            | 277,867            | 331,949            | 373,789            | 358,637            | 330,335            | 297,925            | 402,182            | 548,161            |
| Note Repayment                      | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>TOTAL DISBURSEMENTS</b>          | <b>\$1,935,550</b> | <b>\$1,224,534</b> | <b>\$1,796,300</b> | <b>\$1,377,813</b> | <b>\$1,856,738</b> | <b>\$2,340,555</b> | <b>\$1,448,909</b> | <b>\$1,789,367</b> | <b>\$2,704,980</b> | <b>\$1,831,196</b> | <b>\$1,475,143</b> | <b>\$3,272,463</b> |

(a) This table reflects the provisions of 2005 Wisconsin Act 2 and 2005 Wisconsin Act 15, which collectively address the shortfall in the Medical Assistance Trust Fund. This table also reflects that, for payments due from tribal governments called for under the gaming compacts, as amended and after giving effect to the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million. Does not include interfund borrowings.

(b) The General Fund cash balances presented in this schedule are not based on Generally Accepted Accounting Principles (GAAP). The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the State's Universities. Receipts and disbursements of such funds for the designated programs and the disbursement of such funds for other purposes are reflected in the cash flow. A use of the designated funds for purposes other than the proprietary programs is, in effect, a borrowing of such funds. Therefore, at any time that the balance in the General Fund is less than the balance of such designated funds, the State is obligated to replenish the designated funds to the extent of the shortfall. The designated funds are expected to range from \$150 to \$300 million during the 2004-05 fiscal year. In addition, the General Fund is the depository for several escrow accounts pursuant to court orders or federal rulings. These funds are expected to average approximately \$50 million during the 2004-05 fiscal year.

(c) The Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds (up to 5% of the general-purpose revenue appropriations then in effect) to the General Fund. This amount was approximately \$589 million for the 2004-05 fiscal year. In addition, the Secretary of Administration may also temporarily reallocate an additional amount up to 3% of the general-purpose revenue appropriations then in effect (approximately \$354 million for the 2004-05 fiscal year) for a period of up to 30 days. If the amount of interfund borrowing available to the General Fund is not sufficient, the Secretary of Administration is authorized to prorate and defer certain payments.

(d) Includes \$75 million to be transferred from the Transportation Fund to the General Fund in June 2005.

(e) \$190 million of the November 2004 shared revenue payments were made from Segregated Funds and are not included in these Local Aid disbursement totals.

(f) \$60 million of the September 2004 equalization payments were made from the Transportation Fund and are not included in these Local Aid disbursement totals.

(g) Includes \$50 million and \$75 million that have been separately transferred from the General Fund to the Medicaid Trust Fund.

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE  
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR<sup>(a)</sup>  
(Cash Basis)  
As of May 31, 2005  
(Amounts in Thousands)**

|                                   | FY04 through May 2004 | FY05 through May 2005 |                         |                     |                                     | Difference FY04 Actual<br>to FY05 Actual |
|-----------------------------------|-----------------------|-----------------------|-------------------------|---------------------|-------------------------------------|--|
|                                   | Actual                | Actual                | Estimate <sup>(b)</sup> | Variance            | Adjusted<br>Variance <sup>(c)</sup> |  |
| <b>RECEIPTS</b>                   |                       |                       |                         |                     |                                     |  |
| <b>Tax Receipts</b>               |                       |                       |                         |                     |                                     |  |
| Individual Income                 | \$ 5,887,562          | \$ 6,427,066          | \$ 6,229,400            | \$ 197,666          | \$ 197,666                          | \$ 539,504                               |
| Sales                             | 3,820,541             | 3,959,680             | 4,005,400               | (45,720)            | (45,720)                            | 139,139                                  |
| Corporate Income                  | 639,250               | 718,522               | 696,800                 | 21,722              | 21,722                              | 79,272                                   |
| Public Utility                    | 279,744               | 269,080               | 269,200                 | (120)               | (120)                               | (10,664)                                 |
| Excise                            | 334,634               | 324,466               | 333,100                 | (8,634)             | (8,634)                             | (10,168)                                 |
| Insurance                         | 132,555               | 164,046               | 135,800                 | 28,246              | 28,246                              | 31,491                                   |
| Inheritance                       | 78,055                | 100,403               | 96,200                  | 4,203               | 4,203                               | 22,348                                   |
| <b>Total Tax Receipts</b>         | <b>\$ 11,172,341</b>  | <b>\$ 11,963,263</b>  | <b>\$ 11,765,900</b>    | <b>\$ 197,363</b>   | <b>\$ 197,363</b>                   | <b>\$ 790,922</b>                        |
| <b>Non-Tax Receipts</b>           |                       |                       |                         |                     |                                     |  |
| Federal                           | \$ 5,637,203          | \$ 5,555,612          | \$ 5,485,300            | \$ 70,312           | \$ 70,312                           | \$ (81,591)                              |
| Other and Transfers               | 3,866,542             | 3,287,476             | 3,473,150               | (185,674)           | (185,674)                           | (579,066)                                |
| Note Proceeds                     | 400,000               | -                     | -                       | -                   | -                                   | (400,000) <sup>(d)</sup>                 |
| <b>Total Non-Tax Receipts</b>     | <b>\$ 9,903,745</b>   | <b>\$ 8,843,088</b>   | <b>\$ 8,958,450</b>     | <b>\$ (115,362)</b> | <b>\$ (115,362)</b>                 | <b>\$ (1,060,657)</b>                    |
| <b>TOTAL RECEIPTS</b>             | <b>\$ 21,076,086</b>  | <b>\$ 20,806,351</b>  | <b>\$ 20,724,350</b>    | <b>\$ 82,001</b>    | <b>\$ 82,001</b>                    | <b>\$ (269,735)</b>                      |
| <b>DISBURSEMENTS</b>              |                       |                       |                         |                     |                                     |  |
| Local Aids                        | \$ 5,915,461          | \$ 5,678,459          | \$ 5,789,451            | \$ 110,992          | \$ 110,992                          | \$ (237,002)                             |
| Income Maintenance                | 3,774,218             | 4,639,126             | 4,774,970               | 135,844             | 135,844                             | 864,908                                  |
| Payroll & Related                 | 3,609,805             | 3,753,540             | 3,792,557               | 39,017              | 39,017                              | 143,735                                  |
| Tax Refunds                       | 1,771,510             | 1,718,890             | 1,774,701               | 55,811              | 55,811                              | (52,620)                                 |
| Debt Service                      | 237,156               | 374,090               | 456,723                 | 82,633              | 82,633                              | 136,934                                  |
| Miscellaneous                     | 4,302,536             | 3,616,980             | 3,332,942               | (284,038)           | (284,038)                           | (685,556)                                |
| Note Repayment                    | 402,706               | -                     | -                       | -                   | -                                   | (402,706)                                |
| <b>TOTAL DISBURSEMENTS</b>        | <b>\$ 20,013,392</b>  | <b>\$ 19,781,085</b>  | <b>\$ 19,921,344</b>    | <b>\$ 140,259</b>   | <b>\$ 140,259</b>                   | <b>\$ (232,307)</b>                      |
| <b>VARIANCE FY05 YEAR-TO-DATE</b> |                       |                       |                         | <b>\$ 222,260</b>   | <b>\$ 222,260</b>                   |  |

- (a) Please refer to the cautionary statements contained on page 2 of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- (b) Projections reflect the revised General Fund revenue estimates that were released by DOR on November 20, 2004 and the provisions of 2005 Act 2 and 2005 Act 15, which are the bills that addressed the shortfall in the Medical Assistance Trust Fund. The General Fund cash flow projections assume that all payments from tribal governments called for under the gaming compacts will be received, notwithstanding the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid. At the time of the decision, it was uncertain whether or to what extent the tribal governments would make those payments. For FY04, the State received the expected payments for all but one tribal government, which did not make its payment of about \$30 million. For FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.
- (c) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates can not be changed and results in large variances. This column includes adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.
- (d) Operating notes were issued on September 18, 2003 for FY04 but were not issued for FY05.

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE  
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR<sup>(a)</sup>  
(Cash Basis)  
As of June 30, 2005  
(Amounts in Thousands)**

|                                   | FY04 through June 2004 |  | FY05 through June 2005 |                         |                     |                                     | Difference FY04 Actual<br>to FY05 Actual |
|-----------------------------------|------------------------|--|------------------------|-------------------------|---------------------|-------------------------------------|--|
|                                   | Actual                 |  | Actual                 | Estimate <sup>(b)</sup> | Variance            | Adjusted<br>Variance <sup>(c)</sup> |  |
| <b>RECEIPTS</b>                   |                        |  |                        |                         |                     |                                     |  |
| <b>Tax Receipts</b>               |                        |  |                        |                         |                     |                                     |  |
| Individual Income                 | \$ 6,520,758           |  | \$ 7,027,534           | \$ 6,855,000            | \$ 172,534          | \$ 172,534                          | \$ 506,776                               |
| Sales                             | 4,185,129              |  | 4,339,249              | 4,376,000               | (36,751)            | (36,751)                            | 154,120                                  |
| Corporate Income                  | 775,303                |  | 876,579                | 841,200                 | 35,379              | 35,379                              | 101,276                                  |
| Public Utility                    | 276,945                |  | 270,369                | 270,800                 | (431)               | (431)                               | (6,576)                                  |
| Excise                            | 367,140                |  | 355,308                | 364,100                 | (8,792)             | (8,792)                             | (11,832)                                 |
| Insurance                         | 160,708                |  | 192,820                | 165,000                 | 27,820              | 27,820                              | 32,112                                   |
| Inheritance                       | 88,274                 |  | 113,888                | 103,600                 | 10,288              | 10,288                              | 25,614                                   |
| <b>Total Tax Receipts</b>         | <b>\$ 12,374,257</b>   |  | <b>\$ 13,175,747</b>   | <b>\$ 12,975,700</b>    | <b>\$ 200,047</b>   | <b>\$ 200,047</b>                   | <b>\$ 801,490</b>                        |
| <b>Non-Tax Receipts</b>           |                        |  |                        |                         |                     |                                     |  |
| Federal                           | \$ 6,254,404           |  | \$ 6,080,128           | \$ 6,021,700            | \$ 58,428           | \$ 58,428                           | \$ (174,276)                             |
| Other and Transfers               | 4,331,324              |  | 3,625,206              | 3,977,000               | (351,794)           | (351,794)                           | (706,118)                                |
| Note Proceeds                     | 400,000                |  | -                      | -                       | -                   | -                                   | (400,000) <sup>(d)</sup>                 |
| <b>Total Non-Tax Receipts</b>     | <b>\$ 10,985,728</b>   |  | <b>\$ 9,705,334</b>    | <b>\$ 9,998,700</b>     | <b>\$ (293,366)</b> | <b>\$ (293,366)</b>                 | <b>\$ (1,280,994)</b>                    |
| <b>TOTAL RECEIPTS</b>             | <b>\$ 23,359,985</b>   |  | <b>\$ 22,881,081</b>   | <b>\$ 22,974,400</b>    | <b>\$ (93,319)</b>  | <b>\$ (93,319)</b>                  | <b>\$ (478,904)</b>                      |
| <b>DISBURSEMENTS</b>              |                        |  |                        |                         |                     |                                     |  |
| Local Aids                        | \$ 7,761,669           |  | \$ 7,503,309           | \$ 7,606,662            | \$ 103,353          | \$ 103,353                          | \$ (258,360)                             |
| Income Maintenance                | 4,140,437              |  | 5,053,635              | 5,163,830               | 110,195             | 110,195                             | 913,198                                  |
| Payroll & Related                 | 3,917,215              |  | 4,066,065              | 4,105,792               | 39,727              | 39,727                              | 148,850                                  |
| Tax Refunds                       | 1,876,440              |  | 1,856,158              | 1,984,212               | 128,054             | 128,054                             | (20,282)                                 |
| Debt Service                      | 237,156                |  | 374,090                | 456,723                 | 82,633              | 82,633                              | 136,934                                  |
| Miscellaneous                     | 4,744,458              |  | 4,200,291              | 3,736,774               | (463,517)           | (463,517)                           | (544,167)                                |
| Note Repayment                    | 402,706                |  | -                      | -                       | -                   | -                                   | (402,706)                                |
| <b>TOTAL DISBURSEMENTS</b>        | <b>\$ 23,080,081</b>   |  | <b>\$ 23,053,548</b>   | <b>\$ 23,053,993</b>    | <b>\$ 445</b>       | <b>\$ 445</b>                       | <b>\$ (26,533)</b>                       |
| <b>VARIANCE FY05 YEAR-TO-DATE</b> |                        |  |                        |                         | <b>\$ (92,874)</b>  | <b>\$ (92,874)</b>                  |  |

- (a) Please refer to the cautionary statements contained on page 2 of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- (b) This table reflects the provisions of 2005 Act 2 and 2005 Act 15, which collectively address the shortfall in the Medical Assistance Trust Fund. This table also reflects that, for payments due from tribal governments called for under the gaming compacts, as amended and after giving effect to the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.
- (c) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates can not be changed and results in large variances. This column includes adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.
- (d) Operating notes were issued on September 18, 2003 for FY04 but were not issued for FY05.

**GENERAL FUND MONTHLY CASH POSITION<sup>(a)</sup>**

**July 1, 2002 through May 31, 2005 — Actual**

**June 1, 2005 through June 30, 2005 — Estimated<sup>(b)</sup>**

(Amounts in Thousands)

|      | <u>Starting Date</u> | <u>Starting Balance</u>     | <u>Receipts<sup>(c)</sup></u> | <u>Disbursements<sup>(c)</sup></u> |
|------|----------------------|-----------------------------|-------------------------------|------------------------------------|
| 2002 | July.....            | \$ (421,915) <sup>(d)</sup> | \$ 1,700,476                  | \$ 1,895,272                       |
|      | August.....          | (616,711) <sup>(d)</sup>    | 1,637,001                     | 1,171,887                          |
|      | September.....       | (151,597) <sup>(d)</sup>    | 2,025,879                     | 1,562,196                          |
|      | October.....         | 312,086                     | 1,606,014                     | 1,280,382                          |
|      | November.....        | 637,718                     | 1,482,326                     | 1,488,485                          |
|      | December.....        | 631,559 <sup>(d)</sup>      | 1,706,488                     | 2,178,341                          |
| 2003 | January.....         | 159,706                     | 2,105,857                     | 1,431,836                          |
|      | February.....        | 833,727                     | 1,721,792                     | 1,615,352                          |
|      | March.....           | 940,167                     | 1,652,274                     | 2,383,386                          |
|      | April.....           | 209,055 <sup>(d)</sup>      | 2,101,401                     | 1,712,702                          |
|      | May.....             | 597,754                     | 1,485,340                     | 1,566,243                          |
|      | June.....            | 516,851 <sup>(d)</sup>      | 2,030,380                     | 2,848,351                          |
|      | July.....            | (301,120) <sup>(d)</sup>    | 1,676,451                     | 1,997,749                          |
|      | August.....          | (622,418) <sup>(d)</sup>    | 1,461,025                     | 1,239,109                          |
|      | September.....       | (400,502) <sup>(d)</sup>    | 2,623,535                     | 1,804,526                          |
|      | October.....         | 418,507                     | 1,829,971                     | 1,340,667                          |
|      | November.....        | 907,811                     | 1,583,977                     | 1,627,906                          |
|      | December.....        | 863,882 <sup>(d)</sup>      | 2,427,680                     | 2,277,800                          |
| 2004 | January.....         | 1,013,762                   | 2,142,215                     | 1,964,574                          |
|      | February.....        | 1,191,403                   | 1,668,211                     | 1,820,788                          |
|      | March.....           | 1,038,826 <sup>(d)</sup>    | 1,929,719                     | 2,982,788                          |
|      | April.....           | (14,243) <sup>(d)</sup>     | 2,105,306                     | 1,538,546                          |
|      | May.....             | 552,517                     | 1,624,996                     | 1,418,939                          |
|      | June.....            | 758,574 <sup>(d)</sup>      | 2,286,899                     | 3,066,689                          |
|      | July.....            | (21,216) <sup>(d)</sup>     | 1,525,326                     | 1,935,550                          |
|      | August.....          | (431,440) <sup>(d)</sup>    | 1,865,101                     | 1,224,534                          |
|      | September.....       | 209,127                     | 2,123,484                     | 1,796,300                          |
|      | October.....         | 536,311                     | 1,717,213                     | 1,377,813                          |
|      | November.....        | 875,711                     | 1,893,722                     | 1,856,738                          |
|      | December.....        | 912,695 <sup>(d)</sup>      | 1,633,039                     | 2,340,555                          |
| 2005 | January.....         | 205,179                     | 2,417,010                     | 1,448,909                          |
|      | February.....        | 1,173,280                   | 1,833,051                     | 1,789,367                          |
|      | March.....           | 1,216,964                   | 1,859,956                     | 2,704,980                          |
|      | April.....           | 371,940                     | 2,042,253                     | 1,831,196                          |
|      | May.....             | 582,997                     | 1,895,196                     | 1,475,143                          |
|      | June.....            | 1,003,050 <sup>(d)</sup>    | 2,250,050                     | 3,132,649                          |

<sup>(a)</sup> The General Fund balances presented in this table are not based on Generally Accepted Accounting Principles (GAAP).

<sup>(b)</sup> The monthly receipt and disbursement projections for June 1, 2005 through June 30, 2005 are based on the General Fund tax revenue estimates provided by DOR on November 20, 2004 and the provisions of 2005 Act 2 and 2005 Act 15, which are the bills that addressed the shortfall in the Medical Assistance Trust Fund. The General Fund cash flow projections assume that all payments from tribal governments called for under the gaming compacts will be received, notwithstanding the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid. At the time of the decision, it was uncertain whether or to what extent the tribal governments would make those payments. For FY04, the State received the expected payments for all but one tribal government, which did not make its payment of about \$30 million. For FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.

<sup>(c)</sup> The amounts shown in September 2003 include receipts from the issuance of operating notes and amounts shown in February–May 2004 include disbursements for impoundment payments required in connection with the issuance of operating notes. No operating notes were issued for FY03 and FY05.

<sup>(d)</sup> The Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds (up to 5% of the general-purpose revenue appropriations then in effect) to the General Fund. This amount is approximately \$589 million for FY05. In addition, the Secretary of Administration may also temporarily reallocate an additional amount up to 3% of the general-purpose revenue appropriations then in effect (approximately \$354 million for FY05) for a period of up to 30 days. If the amount of interfund borrowing available to the general fund is not sufficient, the Secretary of Administration is authorized to prorate and defer certain payments.

**GENERAL FUND MONTHLY CASH POSITION<sup>(a)</sup>**

**July 1, 2002 through June 30, 2005 — Actual<sup>(b)</sup>**

(Amounts in Thousands)

|      | <u>Starting Date</u> | <u>Starting Balance</u> | <u>Receipts<sup>(c)</sup></u> | <u>Disbursements<sup>(c)</sup></u> |
|------|----------------------|-------------------------|-------------------------------|------------------------------------|
| 2002 | July.....            | \$ (421,915)            | <sup>(d)</sup> \$ 1,700,476   | \$ 1,895,272                       |
|      | August.....          | (616,711)               | <sup>(d)</sup> 1,637,001      | 1,171,887                          |
|      | September.....       | (151,597)               | <sup>(d)</sup> 2,025,879      | 1,562,196                          |
|      | October.....         | 312,086                 | 1,606,014                     | 1,280,382                          |
|      | November.....        | 637,718                 | 1,482,326                     | 1,488,485                          |
|      | December.....        | 631,559                 | <sup>(d)</sup> 1,706,488      | 2,178,341                          |
| 2003 | January.....         | 159,706                 | 2,105,857                     | 1,431,836                          |
|      | February.....        | 833,727                 | 1,721,792                     | 1,615,352                          |
|      | March.....           | 940,167                 | 1,652,274                     | 2,383,386                          |
|      | April.....           | 209,055                 | <sup>(d)</sup> 2,101,401      | 1,712,702                          |
|      | May.....             | 597,754                 | 1,485,340                     | 1,566,243                          |
|      | June.....            | 516,851                 | <sup>(d)</sup> 2,030,380      | 2,848,351                          |
|      | July.....            | (301,120)               | <sup>(d)</sup> 1,676,451      | 1,997,749                          |
|      | August.....          | (622,418)               | <sup>(d)</sup> 1,461,025      | 1,239,109                          |
|      | September.....       | (400,502)               | <sup>(d)</sup> 2,623,535      | 1,804,526                          |
|      | October.....         | 418,507                 | 1,829,971                     | 1,340,667                          |
|      | November.....        | 907,811                 | 1,583,977                     | 1,627,906                          |
|      | December.....        | 863,882                 | <sup>(d)</sup> 2,427,680      | 2,277,800                          |
| 2004 | January.....         | 1,013,762               | 2,142,215                     | 1,964,574                          |
|      | February.....        | 1,191,403               | 1,668,211                     | 1,820,788                          |
|      | March.....           | 1,038,826               | <sup>(a)</sup> 1,929,719      | 2,982,788                          |
|      | April.....           | (14,243)                | <sup>(a)</sup> 2,105,306      | 1,538,546                          |
|      | May.....             | 552,517                 | 1,624,996                     | 1,418,939                          |
|      | June.....            | 758,574                 | <sup>(d)</sup> 2,286,899      | 3,066,689                          |
|      | July.....            | (21,216)                | <sup>(d)</sup> 1,525,326      | 1,935,550                          |
|      | August.....          | (431,440)               | <sup>(d)</sup> 1,865,101      | 1,224,534                          |
|      | September.....       | 209,127                 | 2,123,484                     | 1,796,300                          |
|      | October.....         | 536,311                 | 1,717,213                     | 1,377,813                          |
|      | November.....        | 875,711                 | 1,893,722                     | 1,856,738                          |
|      | December.....        | 912,695                 | <sup>(d)</sup> 1,633,039      | 2,340,555                          |
| 2005 | January.....         | 205,179                 | 2,417,010                     | 1,448,909                          |
|      | February.....        | 1,173,280               | 1,833,051                     | 1,789,367                          |
|      | March.....           | 1,216,964               | 1,859,956                     | 2,704,980                          |
|      | April.....           | 371,940                 | 2,042,253                     | 1,831,196                          |
|      | May.....             | 582,997                 | 1,895,196                     | 1,475,143                          |
|      | June.....            | 1,003,050               | <sup>(d)</sup> 2,075,730      | 3,272,463                          |

<sup>(a)</sup> The General Fund balances presented in this table are not based on Generally Accepted Accounting Principles (GAAP).

<sup>(b)</sup> This table reflects the provisions of 2005 Act 2 and 2005 Act 15, which collectively address the shortfall in the Medical Assistance Trust Fund. This table also reflects that, for payments due from tribal governments called for under the gaming compacts, as amended and after giving effect to the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid, State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.

<sup>(c)</sup> The amounts shown in September 2003 include receipts from the issuance of operating notes and amounts shown in February–May 2004 include disbursements for impoundment payments required in connection with the issuance of operating notes. No operating notes were issued for FY03 and FY05.

<sup>(d)</sup> The Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds (up to 5% of the general-purpose revenue appropriations then in effect) to the General Fund. This amount is approximately \$589 million for FY05. In addition, the Secretary of Administration may also temporarily reallocate an additional amount up to 3% of the general-purpose revenue appropriations then in effect (approximately \$354 million for FY05) for a period of up to 30 days. If the amount of interfund borrowing available to the general fund is not sufficient, the Secretary of Administration is authorized to prorate and defer certain payments.

**CASH BALANCES IN FUNDS AVAILABLE FOR INTERFUND BORROWING<sup>(a)</sup>**  
**July 31, 2002 to June 30, 2005 — Actual**  
**(Amounts in Millions)**

The following two tables show, on a monthly basis, the cash balances available for interfund borrowing. The first table does not include balances in the Local Government Investment Pool (LGIP). While the LGIP is available for interfund borrowing, funds in the LGIP are deposited and withdrawn by local units of government, and thus are outside the control of the State.

**(Does Not Include Balances in the Local Government Investment Pool)**

| <u>Month (Last Day)</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> |
|-------------------------|-------------|-------------|-------------|-------------|
| January .....           |             | \$ 1,100    | \$ 1,027    | \$ 830      |
| February .....          |             | 1,138       | 1,126       | 960         |
| March .....             |             | 1,203       | 1,179       | 1,043       |
| April .....             |             | 1,133       | 1,157       | 964         |
| May .....               |             | 1,187       | 1,163       | 1,045       |
| June .....              |             | 1,279       | 1,054       | 1,183       |
| July .....              | \$ 1,033    | 1,140       | 908         |             |
| August .....            | 1,049       | 1,242       | 1,003       |             |
| September .....         | 1,055       | 1,226       | 997         |             |
| October .....           | 1,032       | 1,187       | 954         |             |
| November .....          | 1,105       | 1,078       | 827         |             |
| December .....          | 1,131       | 1,130       | 892         |             |

The second table includes the balances in the LGIP. The average monthly daily balances in the LGIP for the past five years have ranged from a low of \$2.216 billion during November 2002 to a high of \$4.521 billion during March 2002.

**(Includes Balances in the Local Government Investment Pool)**

| <u>Month (Last Day)</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> |
|-------------------------|-------------|-------------|-------------|-------------|
| January .....           |             | \$ 5,025    | \$ 4,673    | \$ 3,818    |
| February .....          |             | 5,235       | 4,852       | 3,984       |
| March .....             |             | 5,438       | 5,197       | 4,101       |
| April .....             |             | 5,113       | 4,707       | 3,749       |
| May .....               |             | 4,674       | 4,417       | 3,627       |
| June .....              |             | 4,835       | 4,274       | 3,905       |
| July .....              | \$ 5,401    | 5,135       | 4,268       |             |
| August .....            | 4,785       | 4,580       | 3,904       |             |
| September .....         | 4,898       | 4,378       | 3,726       |             |
| October .....           | 4,328       | 3,922       | 3,233       |             |
| November .....          | 4,242       | 3,797       | 3,059       |             |
| December .....          | 4,737       | 4,090       | 3,392       |             |

<sup>(a)</sup> The following funds are available for interfund borrowing. The amounts shown reflect a reduction in the aggregate cash balances available to the extent any fund listed below has a negative balance and is subject to interfund borrowing.

|  |   |
|--|---|
| Transportation                               | Common School                           |
| Conservation (Partial)                       | Normal School                           |
| Wisconsin Health Education Loan Repayment    | University                              |
| Waste Management                             | Local Government Investment Pool        |
| Wisconsin Election Campaign                  | Farms for the Future                    |
| Investment & Local Impact                    | Agrichemical Management                 |
| Elderly Property Tax Deferral                | Historical Society Trust                |
| Lottery                                      | School Income Fund                      |
| Children's Trust                             | Benevolent                              |
| Racing                                       | Groundwater                             |
| Work Injury Supplemental Benefit             | Petroleum Storage Environmental Cleanup |
| Unemployment Compensation Interest Repayment | Environmental Improvement Fund          |
| Uninsured Employers                          | Environmental                           |
| Health Insurance Risk Sharing Plan           | Recycling                               |
| Local Government Property Insurance          | University Trust Principal              |
| Patients Compensation                        | Veterans Mortgage Loan Repayment        |
| Mediation                                    | State Building Trust                    |
| Medical Assistance                           | Agricultural College                    |

**GENERAL FUND RECORDED REVENUES<sup>(a)</sup>**  
**(Agency Recorded Basis)**  
**July 1, 2004 to May 31, 2005 compared with previous year**

|  | <b>Annual Fiscal Report<br/>Revenues<br/>2003-04 FY<sup>(b)</sup></b> | <b>Projected<br/>Revenues<br/>2004-05 FY<sup>(c)</sup></b> | <b>Recorded Revenues<br/>July 1, 2003 to<br/>May 31, 2004<sup>(d)</sup></b> | <b>Recorded Revenues<br/>July 1, 2004 to<br/>May 31, 2005<sup>(e)</sup></b> |
|--|---|--|---|---|
| Individual Income Tax .....  | \$ 5,277,119,000  | \$ 5,557,000,000   | \$ 4,265,339,759  | \$ 4,812,204,016  |
| General Sales and Use Tax .....  | 3,899,264,000   | 4,095,000,000  | 3,179,548,723   | 3,275,464,425   |
| Corporate Franchise<br>and Income Tax .....                            | 650,526,000   | 627,000,000  | 523,992,033   | 619,851,196   |
| Public Utility Taxes .....   | 269,801,000   | 271,000,000  | 267,468,521   | 250,680,160   |
| Excise Taxes .....   | 355,495,000   | 351,800,000  | 293,626,984   | 292,296,893   |
| Inheritance Taxes .....  | 86,357,000  | 90,000,000   | 75,519,254  | 98,939,587  |
| Insurance Company Taxes .....  | 123,621,000   | 120,000,000  | 96,769,188  | 100,725,857   |
| Miscellaneous Taxes .....  | 97,331,000  | 78,000,000   | 90,527,085  | 102,493,450   |
| SUBTOTAL.....  | <u>\$ 10,759,514,000</u>  | <u>\$ 11,189,800,000</u>                                   | <u>8,792,791,546</u>  | <u>9,552,655,584</u>  |
| Federal and Other Inter-<br>Governmental Revenues <sup>(f)</sup> ..... | \$ 6,617,596,000  | \$ 5,509,000,000   | 5,663,339,107   | 5,553,496,045   |
| Dedicated and<br>Other Revenues <sup>(g)</sup> .....                   | <u>4,663,830,000</u>  | <u>3,943,000,000</u>                                       | <u>4,763,958,044</u>  | <u>3,485,841,236</u>  |
| TOTAL.....   | <u><u>\$ 22,040,940,000</u></u>                                       | <u><u>\$ 20,641,800,000</u></u>                            | <u><u>\$ 19,220,088,698</u></u>   | <u><u>\$ 18,591,992,865</u></u>   |

- (a) Please refer to the cautionary statements contained on page 2 of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.
- (b) The amounts are from the Annual Fiscal Report (budgetary basis) for FY04, dated October 15, 2004.
- (c) The general fund taxes are based on the re-estimates of departmental revenues and expenditures that LFB released on January 15, 2004 and the general fund tax collection estimates provided by LFB on February 10, 2004. Projections do not reflect the revised General Fund tax revenue estimates provided by DOR on November 20, 2004 nor the provisions of 2005 Wisconsin Act 2 and 2005 Wisconsin Act 15, which are the bills that addressed, in part, the shortfall in the Medical Assistance Trust Fund. The General Fund cash flow projections assume that all payments from tribal governments called for under the gaming compacts will be received, notwithstanding the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid. At the time of the decision, it was uncertain whether or to what extent the tribal governments would make those payments. For FY04, the State received the expected payments for all but one tribal government, which did not make its payment of about \$30 million. For FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.
- (d) The amounts shown are FY 04 revenues as recorded by state agencies.
- (e) The amounts shown are FY 05 revenues as recorded by state agencies.
- (f) This category includes intergovernmental transfers. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.
- (g) Certain transfers between General Fund appropriations are recorded as both revenues and expenditures of the General Fund. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.

**GENERAL FUND RECORDED REVENUES<sup>(a)</sup>**  
**(Agency Recorded Basis)**  
**July 1, 2004 to June 30, 2005 compared with previous year**

|  | Annual Fiscal Report<br>Revenues<br><u>2003-04 FY<sup>(b)</sup></u> | Projected<br>Revenues<br><u>2004-05 FY<sup>(c)</sup></u> | Recorded Revenues<br>July 1, 2003 to<br><u>June 30, 2004<sup>(d)</sup></u> | Recorded Revenues<br>July 1, 2004 to<br><u>June 30, 2005<sup>(e)</sup></u> |
|--|---|--|--|--|
| Individual Income Tax .....  | \$ 5,277,119,000  | \$ 5,557,000,000   | \$ 4,849,907,567   | \$ 5,310,911,477   |
| General Sales and Use Tax .....  | 3,899,264,000   | 4,095,000,000  | 3,515,894,222  | 3,623,572,533  |
| Corporate Franchise<br>and Income Tax .....                            | 650,526,000   | 627,000,000  | 656,457,961  | 769,425,013  |
| Public Utility Taxes .....   | 269,801,000   | 271,000,000  | 268,244,412  | 253,064,010  |
| Excise Taxes .....   | 355,495,000   | 351,800,000  | 325,978,235  | 322,945,961  |
| Inheritance Taxes .....  | 86,357,000  | 90,000,000   | 86,693,559   | 112,371,418  |
| Insurance Company Taxes .....  | 123,621,000   | 120,000,000  | 95,686,338   | 101,768,016  |
| Miscellaneous Taxes .....  | 97,331,000  | 78,000,000   | 89,871,865   | 99,262,611   |
| <b>SUBTOTAL</b> .....  | <u>\$ 10,759,514,000</u>  | <u>\$ 11,189,800,000</u>                                 | <u>9,888,734,158</u>   | <u>10,593,321,040</u>  |
| Federal and Other Inter-<br>Governmental Revenues <sup>(f)</sup> ..... | \$ 6,617,596,000  | \$ 5,509,000,000   | 6,246,779,263  | 6,133,390,658  |
| Dedicated and<br>Other Revenues <sup>(g)</sup> .....                   | <u>4,663,830,000</u>  | <u>3,943,000,000</u>                                     | <u>5,214,521,339</u>   | <u>3,842,955,894</u>   |
| <b>TOTAL</b> .....   | <u><u>\$ 22,040,940,000</u></u>                                     | <u><u>\$ 20,641,800,000</u></u>                          | <u><u>\$ 21,350,034,760</u></u>  | <u><u>\$ 20,569,667,592</u></u>  |

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- (b) The amounts are from the Annual Fiscal Report (budgetary basis) for FY04, dated October 15, 2004.
- (c) The general fund taxes are based on the re-estimates of departmental revenues and expenditures that LFB released on January 15, 2004 and the general fund tax collection estimates provided by LFB on February 10, 2004. Projections do not reflect the revised General Fund tax revenue estimates provided by DOR on November 20, 2004 nor the provisions of 2005 Wisconsin Act 2 and 2005 Wisconsin Act 15, which are the bills that addressed, in part, the shortfall in the Medical Assistance Trust Fund. The General Fund cash flow projections assume that all payments from tribal governments called for under the gaming compacts will be received, notwithstanding the Wisconsin Supreme Court's ruling in May 2004 that certain amendments to the gaming compacts were invalid. At the time of the decision, it was uncertain whether or to what extent the tribal governments would make those payments. For FY04, the State received the expected payments for all but one tribal government, which did not make its payment of about \$30 million. For FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of about \$40 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.
- (d) The amounts shown are FY 04 revenues as recorded by state agencies.
- (e) The amounts shown are FY 05 revenues as recorded by state agencies.
- (f) This category includes intergovernmental transfers. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.
- (g) Certain transfers between General Fund appropriations are recorded as both revenues and expenditures of the General Fund. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION<sup>(a)</sup>**  
**(Agency Recorded Basis)**  
**July 1, 2004 to May 31, 2005 compared with previous year**

|  | <b>Annual Fiscal Report<br/>Expenditures<br/>2003-04 FY<sup>(b)</sup></b> | <b>Appropriations<br/>2004-05 FY<sup>(c)</sup></b> | <b>Recorded<br/>Expenditures<br/>July 1, 2003 to<br/>May 31, 2004<sup>(d)</sup></b> | <b>Recorded<br/>Expenditures<br/>July 1, 2004 to<br/>May 31, 2005<sup>(e)</sup></b> |
|--|---|--|---|---|
| Commerce.....                          | \$ 310,494,000  | \$ 274,448,400                                     | \$ 236,215,783  | \$ 214,813,601  |
| Education.....                         | 9,338,633,000   | 9,381,679,500                                      | 7,307,699,187   | 7,586,436,222   |
| Environmental Resources.....           | 182,335,000   | 252,105,900  | 166,313,827   | 210,748,431   |
| Human Relations & Resources .....      | 7,936,185,000   | 8,435,726,300                                      | 7,131,804,722   | 8,154,693,299   |
| General Executive <sup>(f)</sup> ..... | 2,104,690,000   | 636,573,200  | 2,070,945,720   | 595,986,074   |
| Judicial.....                          | 110,882,000   | 110,988,200  | 100,913,392   | 104,182,209   |
| Legislative.....                       | 59,302,000  | 62,479,800   | 51,114,018  | 49,639,616  |
| General Appropriations.....            | <u>1,673,811,000</u>  | <u>1,656,183,700</u>                               | <u>1,637,900,255</u>  | <u>1,633,379,093</u>  |
| <b>TOTAL.....</b>                      | <b><u>\$ 21,716,332,000</u></b>   | <b><u>\$ 20,810,185,000</u></b>                    | <b><u>\$ 18,702,906,903</u></b>   | <b><u>\$ 18,549,878,545</u></b>   |

(a) Please refer to the cautionary statements contained on page 2 of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.

(b) The amounts are from the Annual Fiscal Report (budgetary basis) for FY04, dated October 15, 2004.

(c) Estimated appropriations based on the 2003-05 biennial budget bill (2003 Wisconsin Act 33), all budget acts from the 2003 legislative session, and the re-estimates of expenditures that LFB released on January 15, 2004.

(d) The amounts shown are FY 04 expenditures as recorded by state agencies.

(e) The amounts shown are FY 05 expenditures as recorded by state agencies.

(f) The recorded expenditures for July 1, 2003 to June 30, 2004 reflect the internal transfer of State of Wisconsin General Fund Annual Appropriation Bond proceeds that were issued to prepay its entire unfunded accrued prior service (pension) liability and to fund its entire unfunded accrued liability for sick leave conversion credits.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION<sup>(a)</sup>**  
**(Agency Recorded Basis)**  
**July 1, 2004 to June 30, 2005 compared with previous year**

|  | Annual Fiscal Report<br>Expenditures<br><u>2003-04 FY<sup>(b)</sup></u> | Appropriations<br><u>2004-05 FY<sup>(c)</sup></u> | Recorded<br>Expenditures<br>July 1, 2003 to<br>June 30, 2004 <sup>(d)</sup> | Recorded<br>Expenditures<br>July 1, 2004 to<br>June 30, 2005 <sup>(e)</sup> |
|--|---|---|---|---|
| Commerce.....                          | \$ 310,494,000  | \$ 274,448,400                                    | \$ 270,000,490  | \$ 247,023,318  |
| Education.....                         | 9,338,633,000   | 9,381,679,500                                     | 9,308,007,709   | 9,579,549,079   |
| Environmental Resources.....           | 182,335,000   | 252,105,900                                       | 174,897,331   | 217,932,095   |
| Human Relations & Resources .....      | 7,936,185,000   | 8,435,726,300                                     | 7,879,374,217   | 8,858,598,944   |
| General Executive <sup>(f)</sup> ..... | 2,104,690,000   | 636,573,200                                       | 2,126,661,511   | 641,648,013   |
| Judicial.....                          | 110,882,000   | 110,988,200                                       | 107,154,470   | 110,547,548   |
| Legislative.....                       | 59,302,000  | 62,479,800  | 55,878,728  | 53,852,007  |
| General Appropriations.....            | <u>1,673,811,000</u>  | <u>1,656,183,700</u>                              | <u>1,653,963,904</u>  | <u>1,635,548,223</u>  |
| TOTAL.....                             | <u>\$ 21,716,332,000</u>  | <u>\$ 20,810,185,000</u>                          | <u>\$ 21,575,938,361</u>  | <u>\$ 21,344,699,226</u>  |

(a) Please refer to the cautionary statements contained on page 2 of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.

(b) The amounts are from the Annual Fiscal Report (budgetary basis) for FY04, dated October 15, 2004.

(c) Estimated appropriations based on the 2003-05 biennial budget bill (2003 Wisconsin Act 33), all budget acts from the 2003 legislative session, and the re-estimates of expenditures that LFB released on January 15, 2004.

(d) The amounts shown are FY 04 expenditures as recorded by state agencies.

(e) The amounts shown are FY 05 expenditures as recorded by state agencies.

(f) The recorded expenditures for July 1, 2003 to June 30, 2004 reflect the internal transfer of State of Wisconsin General Fund Annual Appropriation Bond proceeds that were issued to prepay its entire unfunded accrued prior service (pension) liability and to fund its entire unfunded accrued liability for sick leave conversion credits.