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November 28, 2006

To the Users of This Report:

Re: Monthly Financial Information—October 2006

Please find attached the Report of General Fund Financial Information for the month ending October 31, 2006. All footnotes and additional information for the tables appear as endnotes on the last two pages of this report.

This cover letter is intended to provide comment on the attached tables of general fund financial information.

- **FY06 Annual Fiscal Report (Budgetary Basis).** This report for FY06 was published on October 15, 2006. It reports the State ended FY06 on a statutory and unaudited basis with an undesignated balance of \$49 million. It also reports that General Fund revenues for FY06 (budgetary basis) were \$12.030 billion, which was \$81 million, or 0.7%, more than the Legislative Fiscal Bureau (**LFB**) projections of January, 2006 and \$633 million, or 5.6%, more than FY05. A complete copy of the Annual Fiscal Report (budgetary basis) can be obtained from State of Wisconsin Capital Finance Office website (www.doa.state.wi.us/capitalfinance), or from the State at the address shown above.
- **Updated FY07 Revenue Estimates.** On November 20, 2006, the Department of Revenue (**DOR**) released updated estimates of General Fund tax revenues (budgetary basis) for the 2006-07 fiscal year. This estimate is \$12.491 billion, which is approximately \$69 million, or 0.5%, less than the LFB projections of January, 2006. On November 20, 2006, the Department of Administration (**DOA**) also released a report that includes an updated General Fund condition statement that reflects these revenue estimates and other information available at this time. The tables in the attached report (cash basis, as of October 31, 2006) do not reflect the updated estimates of General Fund tax revenues from DOR. It is expected that projections in next month's report will be updated to reflect the DOR revenue estimates. A complete copy of DOR's General Fund tax revenue estimates and the DOA report can be obtained from the State of Wisconsin at the address shown above.

Sincerely,

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

Monthly General Fund Financial Information State of Wisconsin

For the Period Ending October 31, 2006

Prepared by the Wisconsin Department of Administration

Prepared on November 28, 2006

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 GENERAL FUND CASH FLOW REFLECTS THE PROVISIONS OF 2005 WISCONSIN ACT 25 (BUDGET BILL FOR FY 06 AND FY 07) AND REVENUE ESTIMATES RELEASED BY THE LEGISLATIVE FISCAL BUREAU (LFB) ON JANUARY 19, 2006 BUT DOES NOT REFLECT THE REVENUE ESTIMATES RELEASED BY THE DEPARTMENT OF REVENUE (DOR) ON NOVEMBER 20, 2006.

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- 1. Cautionary Information!**
- 2. Actual and Projected General Fund Cash Flow for the Fiscal Year Ending June 30, 2007 (Cash Basis)**

This table is new and corresponds to Table II-7, page 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 3. General Fund Cash Flow Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**

This table corresponds to Table II-8, page 44, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 4. General Fund Monthly Cash Position (Cash Basis)**

This table corresponds to Table II-9, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 5. Actual and Projected General Fund Monthly Balances Available for Interfund Borrowing**

This table corresponds to Table II-10, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 6. General Fund Recorded Revenues Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**

This table corresponds to Table II-11, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 7. General Fund Recorded Expenditures Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**

This table corresponds to Table II-12, page 48, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 8. Footnotes and Additional Information.**

Cautionary Information

Users of this information should be cautioned about several points:
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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 most likely be restated or revised. 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 noted.
- The information does not intend to reflect the State’s projected budgetary balance for FY07. The State has issued its Annual Fiscal Report (budgetary basis) for FY06.
- 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 the Department of Revenue and LFB are expressed on a *budgetary basis* and net of any refunds. The projected General Fund cash flow for FY07 reflects the revenue estimates released by LFB on January 19, 2006 but does not reflect the revenue estimates released by DOR on November 20, 2006.
 - 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 information is presented on a cash basis of accounting while other data is presented on a budgetary or agency recorded basis. Users should not compare information that is presented on one basis of accounting with information that is presented on a 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, 2006 TO OCTOBER 31, 2006
ROJECTED GENERAL FUND CASH FLOW; NOVEMBER 1, 2006 TO JUNE 30, 2007^(a)

	(In Thousands of Dollars)											
	July 2006	August 2006	September 2006	October 2006	November 2006	December 2006	January 2007	February 2007	March 2007	April 2007	May 2007	June 2007
BALANCES^(b)												
Beginning Balance	\$4,563	(\$195,929)	\$108,161	\$355,567	\$1,112,712	\$852,241	\$112,509	\$1,263,721	\$1,328,320	\$244,340	\$720,505	\$1,270,648
Ending Balance^(c)	(\$195,929)	\$108,161	\$355,567	\$1,112,712	\$852,241	\$112,509	\$1,263,721	\$1,328,320	\$244,340	\$720,505	\$1,270,648	\$241,973
Lowest Daily Balance^(c)	(451,652)	(488,713)	(100,789)	355,566	673,494	(674,673)	93,921	919,104	226,222	(169,869)	582,628	(209,280)
RECEIPTS												
TAX RECEIPTS												
Individual Income	565,897	474,676	605,681	680,238	436,100	501,900	1,151,000	528,000	500,200	1,070,400	552,200	673,800
Sales & Use	402,145	401,109	397,579	396,789	392,200	358,100	431,300	330,500	316,000	362,300	369,900	392,900
Corporate Income	37,496	28,116	185,473	34,815	25,400	172,500	26,300	19,400	214,300	32,100	20,700	153,200
Public Utility	50	11	99	1,468	144,700	2,000	0	1,300	100	3,300	138,000	1,000
Excise	34,911	32,778	34,592	28,986	37,600	30,000	29,200	30,800	25,900	28,600	31,800	31,500
Insurance	316	938	30,876	592	1,500	38,000	2,100	18,700	27,900	28,700	1,700	29,300
Inheritance	7,193	9,971	8,044	9,665	10,400	8,100	13,700	9,300	10,400	17,300	10,600	9,500
Subtotal Tax Receipts	\$1,048,008	\$947,599	\$1,262,344	\$1,152,553	\$1,047,900	\$1,110,600	\$1,653,600	\$938,000	\$1,094,800	\$1,542,700	\$1,124,900	\$1,291,200
NON-TAX RECEIPTS												
Federal	\$502,417	\$581,763	\$513,024	\$546,768	\$561,265	\$519,962	\$590,120	\$529,214	\$557,686	\$489,013	\$563,560	\$563,435
Other & Transfers ^(d)	370,205	166,183	513,130	431,228	320,500	270,200	502,700	504,700	355,432	379,900	457,100	430,100
Note Proceeds	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Non-Tax Receipts	\$872,622	\$747,946	\$1,026,154	\$977,996	\$881,765	\$790,162	\$1,092,820	\$1,033,914	\$913,118	\$868,913	\$1,020,660	\$993,535
TOTAL RECEIPTS	\$1,920,630	\$1,695,545	\$2,288,498	\$2,130,549	\$1,929,665	\$1,900,762	\$2,746,420	\$1,971,914	\$2,007,918	\$2,411,613	\$2,145,560	\$2,284,735
DISBURSEMENTS												
Local Aids	\$896,807	\$130,871	\$824,354	\$131,610	\$985,474	\$1,324,475	\$244,452	\$249,671	\$1,306,572	\$134,143	\$197,844	\$1,958,030
Income Maintenance	509,527	436,928	399,100	442,531	461,947	435,965	449,715	424,823	446,385	372,613	423,613	322,256
Payroll and Related	295,693	358,565	411,764	307,885	337,575	353,568	385,111	350,009	501,427	313,274	337,438	409,290
Tax Refunds	64,862	80,941	45,628	52,478	62,900	128,500	73,200	465,900	480,600	422,800	177,300	133,600
Debt Service	58,612	2,473	0	160,015	5,001	0	0	5,001	0	330,700	5,001	0
Miscellaneous ^(d)	295,621	381,677	360,246	278,885	337,239	397,986	442,730	411,911	356,914	361,919	454,221	490,234
Note Repayment	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DISBURSEMENTS	\$2,121,122	\$1,391,455	\$2,041,092	\$1,373,404	\$2,190,136	\$2,640,494	\$1,595,208	\$1,907,315	\$3,091,898	\$1,935,449	\$1,595,417	\$3,313,410

Note: All footnotes to this table appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR^(e)**

(Cash Basis)

As of October 31, 2006

(Amounts in Thousands)

	<u>FY06 through October 2005</u>	<u>FY07 through October 2006</u>				Difference FY06 Actual to FY07 Actual
	<u>Actual</u>	<u>Actual</u>	<u>Estimate^(a)</u>	<u>Variance</u>	<u>Adjusted Variance^(f)</u>	
RECEIPTS						
Tax Receipts						
Individual Income	\$ 2,195,455	\$ 2,326,492	\$ 2,304,300	\$ 22,192	\$ 22,192	\$ 131,037
Sales	1,565,959	1,597,622	1,619,400	(21,778)	(21,778)	31,663
Corporate Income	261,365	285,899	226,100	59,799	59,799	24,534
Public Utility	2,887	1,628	4,900	(3,272)	(3,272)	(1,259)
Excise	136,187	131,267	127,300	3,967	3,967	(4,920)
Insurance	31,377	32,722	30,600	2,122	2,122	1,345
Inheritance	45,914	34,873	56,600	(21,727)	(21,727)	(11,041)
Total Tax Receipts	\$ 4,239,144	\$ 4,410,503	\$ 4,369,200	\$ 41,303	\$ 41,303	\$ 171,359
Non-Tax Receipts						
Federal	\$ 2,121,647	\$ 2,143,972	\$ 2,206,512	\$ (62,540)	\$ (62,540)	\$ 22,325
Other and Transfers	1,440,473	1,483,749	1,455,400	28,349	28,349	43,276
Note Proceeds ^(g)	-	-	-	-	-	-
Total Non-Tax Receipts	\$ 3,562,120	\$ 3,627,721	\$ 3,661,912	\$ (34,191)	\$ (34,191)	\$ 65,601
TOTAL RECEIPTS	\$ 7,801,264	\$ 8,038,224	\$ 8,031,112	\$ 7,112	\$ 7,112	\$ 236,960
DISBURSEMENTS						
Local Aids	\$ 1,885,212	\$ 1,983,642	\$ 1,973,827	\$ (9,815)	\$ (9,815)	\$ 98,430
Income Maintenance	1,828,631	1,788,086	1,860,431	72,345	72,345	(40,545)
Payroll & Related	1,341,490	1,373,907	1,369,213	(4,694)	(4,694)	32,417
Tax Refunds	218,988	243,909	191,700	(52,209)	(52,209)	24,921
Debt Service	156,686	221,100	233,570	12,470	12,470	64,414
Miscellaneous	1,358,029	1,316,429	1,507,132	190,703	190,703	(41,600)
Note Repayment ^(g)	-	-	-	-	-	-
TOTAL DISBURSEMENTS	\$ 6,789,036	\$ 6,927,073	\$ 7,135,873	\$ 208,800	\$ 208,800	\$ 138,037
VARIANCE FY07 YEAR-TO-DATE				\$ 215,912	\$ 215,912	

Note: All footnotes to this table appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

GENERAL FUND MONTHLY CASH POSITION^(b)
July 1, 2004 through October 31, 2006 — Actual
November 1, 2006 through June 30, 2007 — Estimated^(a)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>		<u>Receipts^(g)</u>	<u>Disbursements^(g)</u>
2004	July.....	\$ (21,216)	(c)	\$ 1,525,326	\$ 1,935,550
	August.....	(431,440)	(c)	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	(c)	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	(c)	2,075,730	3,272,463
	July.....	(193,683)	(c)	1,826,490	2,049,886
	August.....	(417,079)	(c)	1,862,861	1,309,154
	September.....	136,628	(c)	2,279,058	2,106,633
	October.....	309,053		1,832,855	1,323,363
	November.....	818,545		1,850,883	2,082,660
	December.....	586,768	(c)	1,829,742	2,535,436
2006	January.....	(118,926)	(c)	2,453,770	1,452,062
	February.....	882,782		2,082,942	1,820,094
	March.....	1,145,630		1,949,288	2,979,887
	April.....	115,031	(c)	2,316,434	1,600,131
	May.....	831,334		2,035,524	1,496,923
	June.....	1,369,935	(c)	2,033,941	3,399,313
	July.....	4,563	(c)	1,920,630	2,121,122
	August.....	(195,929)	(c)	1,695,545	1,391,455
	September.....	108,161	(c)	2,288,498	2,041,092
	October.....	355,567		2,130,549	1,373,404
	November.....	1,112,712		1,929,665	2,190,136
	December.....	852,241	(c)	1,900,762	2,640,494
2007	January.....	112,509		2,746,420	1,595,208
	February.....	1,263,721		1,971,914	1,907,315
	March.....	1,328,320		2,007,918	3,091,898
	April.....	244,340	(c)	2,411,613	1,935,449
	May.....	720,505		2,145,560	1,595,417
	June.....	1,270,648	(c)	2,284,735	3,313,410

Note: All footnotes to this table appear on the last two pages of this report in the section entitled **“Endnotes and Additional Information”**.

CASH BALANCES IN FUNDS AVAILABLE FOR INTERFUND BORROWING^(h)
July 31, 2004 to October 31, 2006 — Actual
November 30, 2006 to June 30, 2007 — Projected
(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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
January		\$ 830	\$ 1,118	\$ 1,118
February		960	1,041	1,041
March		1,043	1,188	1,188
April		964	957	957
May		1,045	912	912
June		1,182	1,074	1,074
July	\$ 908	1,048	932	
August	1,003	1,100	1,053	
September	997	1,176	1,067	
October	954	1,115	925	
November	827	1,167	1,167	
December	892	1,135	1,135	

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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
January		\$ 3,818	\$ 4,232	\$ 4,232
February		3,984	4,237	4,237
March		4,101	4,476	4,476
April		3,749	3,981	3,981
May		3,627	3,708	3,708
June		3,905	3,940	3,940
July	\$ 4,268	4,193	4,218	
August	3,904	3,823	3,978	
September	3,726	3,746	3,845	
October	3,233	3,361	3,361	
November	3,059	3,370	3,370	
December	3,392	3,692	3,692	

Note: All footnotes to this table appear on the last two pages of this report in the section entitled **“Endnotes and Additional Information”**.

GENERAL FUND RECORDED REVENUES^(e)

(Agency Recorded Basis)

July 1, 2006 to October 31, 2006 compared with previous year

	Annual Fiscal Report Revenues 2005-06 FY⁽ⁱ⁾	Projected Revenues 2006-07 FY^(a)	Recorded Revenues July 1, 2005 to October 31, 2005^(j)	Recorded Revenues July 1, 2006 to October 31, 2006^(k)
Individual Income Tax	\$ 6,144,299,000	\$ 6,405,000,000	\$ 1,810,036,573	\$ 1,888,482,785
General Sales and Use Tax	4,127,585,000	4,358,100,000	1,080,555,209	1,110,291,887
Corporate Franchise and Income Tax	780,320,000	785,000,000	238,337,733	260,359,231
Public Utility Taxes	275,147,000	283,400,000	241,374	339,494
Excise Taxes	368,693,000	364,600,000	97,902,615	96,907,310
Inheritance Taxes	108,571,000	130,000,000	45,728,382	33,312,394
Insurance Company Taxes	134,665,000	142,400,000	29,117,228	31,531,592
Miscellaneous Taxes	90,806,000	91,500,000	29,450,143	26,080,688
SUBTOTAL.....	\$ 12,030,086,000	\$ 12,560,000,000	3,331,369,258	3,447,305,380
Federal and Other Inter- Governmental Revenues ^(l)	\$ 6,320,576,000	\$ 5,976,875,800	2,054,883,638	2,148,001,557
Dedicated and Other Revenues ^(m)	3,971,208,000	4,323,194,600	1,297,516,283	1,551,759,315
TOTAL.....	\$ 22,321,870,000	\$ 22,860,070,400	\$ 6,683,769,179	\$ 7,147,066,252

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(e)

(Agency Recorded Basis)

July 1, 2006 to October 31, 2006 compared with previous year

	Annual Fiscal Report Expenditures 2005-06 FY⁽ⁱ⁾	Appropriations 2006-07 FY⁽ⁿ⁾	Recorded Expenditures July 1, 2005 to October 31, 2005^(o)	Recorded Expenditures July 1, 2006 to October 31, 2006^(p)
Commerce.....	\$ 266,877,000	\$ 281,243,700	\$ 79,891,322	\$ 90,524,808
Education.....	10,146,322,000	10,387,854,300	2,377,332,367	2,535,228,248
Environmental Resources.....	291,548,000	337,924,200	92,630,744	98,966,206
Human Relations & Resources	8,712,564,000	8,970,947,600	2,955,182,344	3,114,010,240
General Executive.....	694,145,000	878,235,600	248,239,860	299,659,074
Judicial.....	115,262,000	113,448,700	42,530,564	44,759,886
Legislative.....	61,343,000	65,290,600	16,678,593	16,796,153
General Appropriations.....	1,859,988,000	1,890,759,800	688,755,076	691,858,680
TOTAL.....	\$ 22,148,049,000	\$ 22,925,704,500	\$ 6,501,240,870	\$ 6,891,803,295

Note: All footnotes to these tables appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

ENDNOTES AND ADDITIONAL INFORMATION

- (a) FY07 projections, or estimates, reflect the biennial budget bill for the 2005-07 biennium (2005 Wisconsin Act 25), all bills from the 2005 legislative session, and the General Fund revenue estimates released by the Legislative Fiscal Bureau (LFB) on January 19, 2006 but do not reflect the revenue estimates released by the Department of Revenue (DOR) on November 20, 2006. Projections assume that the State will receive approximately \$112 million pursuant to the amended gaming compacts with tribal governments. Included in this amount is \$82 million, which is the estimate of all payments due in FY07, and \$30 million, which is an estimate of a payment due in the previous biennium that is expected to be made in FY07 by a tribal government. Amounts do not reflect interfund borrowing.
- (b) The General Fund cash balances presented 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 were expected to range from \$150 to \$300 million during the FY06 and are expected to range from \$160 to \$300 million during the FY07. In addition, the General Fund is the depository for several escrow accounts pursuant to court orders or federal rulings. These funds were expected to average approximately \$50 million during FY06 and are expected to average approximately \$30 million during FY07.
- (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 \$661 million for FY07. 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 \$397 million for FY07) 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) The FY07 General Fund cash flow includes \$20 million that was transferred from the Petroleum Inspection Fund to the General Fund on September 1, 2006, \$88 million that was transferred from the Transportation Fund to the General Fund on October 12, 2006, and \$25 million that is expected to be transferred from the General Fund to the Medical Assistance Trust Fund on June 30, 2007.
- (e) 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.
- (f) 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 the result is a large variance. This column may include adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.
- (g) Operating notes were not issued for FY05 and FY06, and are not expected to be issued for FY07.
- (h) 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 | Uninsured Employers |
| Conservation (Partial) | Normal School | Health Insurance Risk Sharing Plan |
| Wisconsin Health Education Loan Repayment | University | Local Government Property Insurance |
| Waste Management | Local Government Investment Pool | Patients Compensation |
| Wisconsin Election Campaign | Farms for the Future | Mediation |
| Investment & Local Impact | Agrichemical Management | Medical Assistance |
| Elderly Property Tax Deferral | Historical Society Trust | Environmental |
| Lottery | School Income Fund | Recycling |
| Children's Trust | Benevolent | University Trust Principal |
| Racing | Groundwater | Veterans Mortgage Loan Repayment |
| Work Injury Supplemental Benefit | Petroleum Storage Environmental Cleanup | State Building Trust |
| Unemployment Compensation Interest Repayment | Environmental Improvement Fund | Agricultural College |
- (i) The amounts are from the Annual Fiscal Report (budgetary basis) for FY06, dated October 15, 2006.
- (j) The amounts shown are FY06 revenues as recorded by state agencies.
- (k) The amounts shown are FY07 revenues as recorded by state agencies.
- (l) 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.
- (m) 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.
- (n) Estimated appropriations based on the 2005-07 biennial budget bill (2005 Act 25) and all bills from the 2005 legislative session.
- (o) The amounts shown are FY06 expenditures as recorded by state agencies.
- (p) The amounts shown are FY07 expenditures as recorded by state agencies.

Additional information regarding the tables on the previous pages.

Tribal Government Payments. In May 2004, the Wisconsin Supreme Court ruled that certain amendments to the gaming compacts with tribal governments were unconstitutional. Although this decision concerned only an amendment to a gaming compact with one tribal government, the reasoning of the opinion applied to similar amendments to other gaming compacts that were executed on or after January 1, 2003. Subsequent to the Wisconsin Supreme Court's decision, the State still received in FY04 the expected payments from all but one tribal government, which did not make its payment of about \$30 million.

In FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of nearly \$44 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.

In FY06, budget and General Fund cash receipts assumed that the State would receive approximately \$146 million pursuant to the amended gaming compacts with tribal governments. This amount reflected (i) \$73 million, which was the estimate of all payments due in FY06, and (ii) \$74 million, which was an estimate of payments due in previous fiscal years that were expected to be made in FY06 by two tribal governments. With respect to the estimated \$73 million of payments due in FY06, the estimated amount due was subsequently revised downward to \$67 million to reflect provisions of the compacts with the tribal governments. As of the date of this report, the State has received payments due in FY06, totaling \$44 million, from all but one tribal government. The State and this tribal government continue arbitration with respect to this tribal government's amended gaming compact. With respect to the estimated \$74 million of payments due in previous fiscal years that were expected to be made in FY06, as of the date of this report, the State has received payments from the two tribal governments that equal this amount.

On July 14, 2006, the Wisconsin Supreme Court held that a 1993 amendment to the gambling provision of the Wisconsin Constitution did not invalidate or affect the extension, renewal, or amendment of State-tribal compacts originally executed in 1991 and 1992. In addition, the Wisconsin Supreme Court overruled a portion of its earlier decision from 2004 that had invalidated compact amendments from 2003 that allowed tribes to offer additional games beyond those agreed to in the original tribal compacts.

For the FY07 budget and General Fund cash receipts, the projections assume that the State will receive approximately \$112 million pursuant to the amended gaming compacts with tribal governments. This amount reflects (i) \$82 million, which is the estimate of all payments due in FY07, and (ii) \$30 million, which is an estimate of a payment due in the previous biennium that is expected to be made in FY07 by a tribal government.