

State of Wisconsin

Notice of **Material Information** #2007-04
Dated March 8, 2007

Information Cover Sheet

This page is a cover sheet to the attached document that is being submitted to and filed with each of the Nationally Recognized Municipal Securities Information Repositories and the Municipal Securities Rulemaking Board. At this time, no State Information Depository has been established for the State of Wisconsin. This page is not intended to be part of the filing; rather, it is intended to only assist with the filing and classification of the attached submittal.

Issuer: State of Wisconsin

CUSIP Numbers: 977053 Prefix (All) 977055 Prefix (All)
977056 Prefix (All) 97705L Prefix (All)
977087 Prefix (All) 977092 Prefix (All)
977100 Prefix (All) 977109 Prefix (All)
977123 Prefix (All)

This filing relates to all securities issued by the State of Wisconsin that contain these six-digit base CUSIP numbers.

Type of Filing: Electronic. The following submission is also available on the State of Wisconsin Capital Finance web site at:

www.doa.wi.gov/capitalfinance

Type of Information: Other Secondary Market Information
Monthly General Fund Financial Information Report
January 2007

The undersigned represents that he is the Capital Finance Director, State of Wisconsin Capital Finance Office (which is the office of the State of Wisconsin responsible for providing annual reports and giving notice of listed material events when notice is required by the State's Master Agreement on Continuing Disclosure) and is authorized to distribute this information publicly.



Frank R. Hoadley, Capital Finance Director
State of Wisconsin Capital Finance Office
Wisconsin Department of Administration
101 East Wilson Street, FLR 10
Madison, WI 53703
Phone: (608) 266-2305
Fax: (608) 266-7645
E-mail: DOACapitalFinanceOffice@wisconsin.gov
Website: www.doa.state.wi.us/capitalfinance



State of Wisconsin
Notice of **Material Information** #2007-04
Dated March 8, 2007

The State of Wisconsin is voluntarily making this filing, which provides information which may be material to financial evaluation of one or more obligations of the State of Wisconsin. Neither the preparation nor submission of this document constitutes a Listed Event pursuant to the State's Master Agreement on Continuing Disclosure. This page is part of the official filing, and is intended to provide additional comment or information on the attached material

Type of Information: Other Secondary Market Information

Attached is the Monthly General Fund Financial Information Report for January, 2007.

The State of Wisconsin has electronically filed this notice with each Nationally Recognized Municipal Securities Information Repository through DisclosureUSA. This filing is also available on the State of Wisconsin Capital Finance Office web site at:

www.doa.wi.gov/capitalfinance



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

JIM DOYLE
GOVERNOR

MICHAEL L. MORGAN
SECRETARY

Division of Executive Budget and Finance
Capital Finance Office
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-5355
Fax (608) 266-7645
E-mail: DOACapitalFinanceOffice@Wisconsin.gov
www.doa.state.wi.us/capitalfinance

FRANK R. HOADLEY
CAPITAL FINANCE DIRECTOR
Telephone: (608) 266-2305
Facsimile: (608) 266-7645
DOACapitalFinanceOffice@wisconsin.gov

March 8, 2007

To the Users of This Report:

Re: Monthly Financial Information—January 2007

Please find attached the Report of General Fund Financial Information for the month ending January 31, 2007. 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.

- **Updated FY07 Revenue Estimates.** Many of the tables in the attached report (cash basis) reflect the estimated General Fund tax revenues (budgetary basis) for FY07 that the Department of Revenue (**DOR**) released on November 20, 2006.
- **LFB January 30, 2007 Memorandum.** The tables in the attached report do not reflect the estimated General Fund tax collections for FY07 that the Legislative Fiscal Bureau (**LFB**) released on January 30, 2007. These estimates (budgetary basis) were approximately \$52 million more than the estimates provided by DOR on November 20, 2006. The January 30, 2007 LFB memorandum also includes a projected general fund condition statement (budgetary basis) for FY07 that includes a gross FY07 ending balance of approximately \$111 million. The January 30, 2007 LFB memorandum also identifies four programs that are currently facing shortfalls in aggregate of approximately \$99 million.

A complete copy of DOR's General Fund tax revenue estimates and the January 30, 2007 LFB memorandum 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 January 31, 2007

Prepared by the Wisconsin Department of Administration

Prepared on March 8, 2007

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), ALL BILLS FROM THE 2005 LEGISLATIVE SESSION, AND REVENUE ESTIMATES RELEASED BY THE DEPARTMENT OF REVENUE (DOR) ON NOVEMBER 20, 2006, BUT DOES NOT REFLECT THE REVENUE ESTIMATES RELEASED BY THE LEGISLATIVE FISCAL BUREAU (LFB) ON JANUARY 30, 2007.

Table of Contents

1. **Cautionary Information!**
2. **Actual and Projected General Fund Cash Flow for the Fiscal Year Ending June 30, 2007 (Cash Basis)**
This table corresponds to Table II-7, page 42, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
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 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
4. **General Fund Monthly Cash Position (Cash Basis)**
This table corresponds to Table II-9, page 44, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
5. **Actual and Projected Cash Balances in Funds Available for Interfund Borrowing**
This table corresponds to Table II-10, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
6. **General Fund Recorded Revenues Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**
This table corresponds to Table II-11, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
7. **General Fund Recorded Expenditures Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**
This table corresponds to Table II-12, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
8. **Endnotes 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 DOR and the Legislative Fiscal Bureau (**LFB**) are expressed on a *budgetary basis* and net of any refunds. The projected General Fund cash flow (cash basis) for FY07 reflects the revenue estimates released by DOR on November 20, 2006 (budgetary basis), but does not reflect the revenue estimates release by LFB on January 30, 2007 (budgetary basis).
 - 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 JANUARY 31, 2007
PROJECTED GENERAL FUND CASH FLOW; FEBRUARY 1, 2007 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	\$882,489	\$172,573	\$1,025,510	\$1,081,901	\$3,647	\$472,692	\$1,008,930
Ending Balance ^(c)	(\$195,929)	\$108,161	\$355,567	\$1,112,712	\$882,489	\$172,573	\$1,025,510	\$1,081,901	\$3,647	\$472,692	\$1,008,930	(\$19,511)
Lowest Daily Balance ^(c)	(451,652)	(488,713)	(100,789)	355,566	628,474	(547,039)	138,110	680,260	(14,859)	(410,884)	329,796	(462,696)
RECEIPTS												
TAX RECEIPTS												
Individual Income	565,897	474,676	605,681	680,238	502,370	508,275	1,035,880	531,440	503,458	1,077,372	555,797	678,189
Sales & Use	402,145	401,109	397,579	396,789	378,295	345,906	430,155	319,667	305,642	350,425	357,775	380,022
Corporate Income	37,496	28,116	185,473	34,815	23,319	173,619	43,211	20,795	229,708	34,408	22,188	164,215
Public Utility	50	11	99	1,468	143,824	250	178	1,258	97	3,194	133,565	968
Excise	34,911	32,778	34,592	28,986	30,956	29,561	27,603	31,243	26,273	29,012	32,258	31,954
Insurance	316	938	30,876	592	820	33,568	4,405	18,616	27,774	28,571	1,692	29,168
Inheritance	7,193	9,971	8,044	9,665	10,691	15,756	12,666	6,773	7,574	12,599	7,720	6,918
Subtotal Tax Receipts	\$1,048,008	\$947,599	\$1,262,344	\$1,152,553	\$1,090,275	\$1,106,935	\$1,554,098	\$929,792	\$1,100,526	\$1,535,581	\$1,110,995	\$1,291,434
NON-TAX RECEIPTS												
Federal	\$502,417	\$581,763	\$513,024	\$546,768	\$477,516	\$444,362	\$608,224	\$504,214	\$532,686	\$464,013	\$538,560	\$538,435
Other & Transfers ^(d)	370,205	166,183	513,130	431,228	288,729	240,339	408,411	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	\$766,245	\$684,701	\$1,016,635	\$1,008,914	\$888,118	\$843,913	\$995,660	\$968,535
TOTAL RECEIPTS	\$1,920,630	\$1,695,545	\$2,288,498	\$2,130,549	\$1,856,520	\$1,791,636	\$2,570,733	\$1,938,706	\$1,988,644	\$2,379,494	\$2,106,655	\$2,259,969
DISBURSEMENTS												
Local Aids	\$896,807	\$130,871	\$824,354	\$131,610	\$911,622	\$1,297,119	\$204,888	\$249,671	\$1,306,572	\$134,143	\$197,844	\$1,958,030
Income Maintenance	509,527	436,928	399,100	442,531	442,391	437,168	435,225	424,823	446,385	372,613	423,613	322,256
Payroll and Related	295,693	358,565	411,764	307,885	336,493	350,578	384,840	350,009	501,427	313,274	337,438	409,290
Tax Refunds	64,862	80,941	45,628	52,478	33,584	115,915	102,004	465,900	480,600	422,800	177,300	133,600
Debt Service	58,612	2,473	0	160,015	0	0	0	5,001	0	330,700	5,001	0
Miscellaneous ^(d)	295,621	381,677	360,246	278,885	362,653	300,772	590,839	386,911	331,914	336,919	429,221	465,234
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	\$2,086,743	\$2,501,552	\$1,717,796	\$1,882,315	\$3,066,898	\$1,910,449	\$1,570,417	\$3,288,410

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 January 31, 2007

(Amounts in Thousands)

	<u>FY06 through January 2006</u>	<u>FY07 through January 2007</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	\$ 4,108,347	\$ 4,373,017	\$ 4,406,911	\$ (33,894)	\$ (33,894)	\$ 264,670
Sales	2,698,338	2,751,978	2,762,269	(10,291)	(10,291)	53,640
Corporate Income	452,270	526,048	466,419	59,629	59,629	73,778
Public Utility	128,599	145,880	146,885	(1,005)	(1,005)	17,281
Excise	228,706	219,387	225,493	(6,106)	(6,106)	(9,319)
Insurance	69,717	71,515	72,013	(498)	(498)	1,798
Inheritance	71,478	73,986	80,050	(6,064)	(6,064)	2,508
Total Tax Receipts	\$ 7,757,455	\$ 8,161,811	\$ 8,160,040	\$ 1,771	\$ 1,771	\$ 404,356
Non-Tax Receipts						
Federal	\$ 3,728,711	\$ 3,674,074	\$ 3,852,859	\$ (178,785)	\$ (178,785)	\$ (54,637)
Other and Transfers	2,449,493	2,421,228	2,548,800	(127,572)	(127,572)	(28,265)
Note Proceeds ^(g)	-	-	-	-	-	-
Total Non-Tax Receipts	\$ 6,178,204	\$ 6,095,302	\$ 6,401,659	\$ (306,357)	\$ (306,357)	\$ (82,902)
TOTAL RECEIPTS	\$ 13,935,659	\$ 14,257,113	\$ 14,561,699	\$ (304,586)	\$ (304,586)	\$ 321,454
DISBURSEMENTS						
Local Aids	\$ 4,314,908	\$ 4,397,269	\$ 4,528,228	\$ 130,959	\$ 130,959	\$ 82,361
Income Maintenance	3,118,806	3,102,868	3,208,058	105,190	105,190	(15,938)
Payroll & Related	2,355,409	2,445,818	2,445,467	(351)	(351)	90,409
Tax Refunds	503,831	532,238	479,462	(52,776)	(52,776)	28,407
Debt Service	158,248	221,100	238,571	17,471	17,471	62,852
Miscellaneous	2,407,992	2,533,869	2,636,925	103,056	103,056	125,877
Note Repayment ^(g)	-	-	-	-	-	-
TOTAL DISBURSEMENTS	\$ 12,859,194	\$ 13,233,162	\$ 13,536,711	\$ 303,549	\$ 303,549	\$ 373,968
VARIANCE FY07 YEAR-TO-DATE				\$ (1,037)	\$ (1,037)	

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 January 31, 2007 — Actual
February 1, 2007 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		1,856,520	2,086,743
	December.....	882,489	(c)	1,791,636	2,501,552
2007	January.....	172,573		2,570,733	1,717,796
	February.....	1,025,510		1,963,706	1,907,315
	March.....	1,081,901	(c)	2,013,644	3,091,898
	April.....	3,648	(c)	2,404,494	1,935,449
	May.....	472,693		2,131,655	1,595,417
	June.....	1,008,931	(c)	2,284,969	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 January 31, 2007 — Actual
February 28, 2007 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	<u>\$ 1,048</u>
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	967	
December	892	1,135	1,019	

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	<u>\$ 4,509</u>
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	3,941
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	3,477	
December	3,392	3,692	3,764	

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 January 31, 2007 compared with previous year

	Annual Fiscal Report Revenues <u>2005-06 FY⁽ⁱ⁾</u>	Projected Revenues <u>2006-07 FY^(a)</u>	Recorded Revenues July 1, 2005 to <u>January 31, 2006⁽ⁱ⁾</u>	Recorded Revenues July 1, 2006 to <u>January 31, 2007^(k)</u>
Individual Income Tax	\$ 6,144,299,000	\$ 6,457,900,000	\$ 3,673,433,222	\$ 3,871,490,208
General Sales and Use Tax	4,127,585,000	4,212,900,000	2,152,614,683	2,177,702,020
Corporate Franchise and Income Tax	780,320,000	856,600,000	382,536,178	457,212,252
Public Utility Taxes	275,147,000	269,400,000	121,838,269	141,263,883
Excise Taxes	368,693,000	369,900,000	189,794,070	188,692,131
Inheritance Taxes	108,571,000	93,600,000	70,328,473	71,344,071
Insurance Company Taxes	134,665,000	141,300,000	64,060,460	65,890,180
Miscellaneous Taxes	90,806,000	89,300,000	51,867,540	46,206,900
SUBTOTAL.....	\$ 12,030,086,000	\$ 12,490,900,000	6,706,472,896	7,019,801,644
Federal and Other Inter- Governmental Revenues ^(l)	\$ 6,320,576,000	\$ 5,976,875,800	3,706,773,196	3,698,606,604
Dedicated and Other Revenues ^(m)	3,971,208,000	4,323,194,600	2,562,383,600	2,565,160,511
TOTAL.....	\$ 22,321,870,000	\$ 22,790,970,400	\$ 12,975,629,692	\$ 13,283,568,759

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(e)

(Agency Recorded Basis)

July 1, 2006 to January 31, 2007 compared with previous year

	Annual Fiscal Report Expenditures <u>2005-06 FY⁽ⁱ⁾</u>	Appropriations <u>2006-07 FY⁽ⁿ⁾</u>	Recorded Expenditures July 1, 2005 to <u>January 31, 2006^(o)</u>	Recorded Expenditures July 1, 2006 to <u>January 31, 2007^(p)</u>
Commerce.....	\$ 266,877,000	\$ 281,243,700	\$ 130,177,282	\$ 147,480,782
Education.....	10,146,322,000	10,387,854,300	5,094,817,699	5,303,263,484
Environmental Resources.....	291,548,000	337,924,200	122,677,109	131,177,552
Human Relations & Resources	8,712,564,000	8,970,947,600	5,127,982,626	5,321,709,596
General Executive.....	694,145,000	878,235,600	420,014,305	474,830,003
Judicial.....	115,262,000	113,448,700	73,105,568	76,848,432
Legislative.....	61,343,000	65,290,600	31,475,179	31,361,361
General Appropriations.....	1,859,988,000	1,890,759,800	1,574,687,806	1,591,955,849
TOTAL.....	\$ 22,148,049,000	\$ 22,925,704,500	\$ 12,574,937,575	\$ 13,078,627,060

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 enacted bills from the 2005 legislative session, and the General Fund revenue estimates released by DOR on November 20, 2006. Projections do not reflect the General Fund revenue estimates released by LFB on January 30, 2007. 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 are expected to range from \$160 to \$300 million during FY07. 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 \$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.