



**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

July 10, 2007

To the Users of This Report:

Re: Monthly Financial Information—May 2007

Please find attached the Report of General Fund Financial Information for the month ending May 31, 2007. All footnotes and additional information for the tables appear as endnotes on the last two pages of this report.

This cover letter provides comment on the attached tables of general fund financial information. The FY08 general fund cash flow projections, based on Governor Doyle's proposed budget for FY08, are included in this monthly report. The FY08 general fund cash flow projections reflect the \$600 million of operating notes that were issued on July 2, 2007 and mature on June 16, 2008.

Sincerely,

Frank R. Hoadley
Capital Finance Director

Monthly General Fund Financial Information State of Wisconsin

For the Period Ending May 31, 2007

Prepared by the Wisconsin Department of Administration

Prepared on July 10, 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.

PROJECTED GENERAL FUND CASH FLOW FOR THE REMAINDER OF FY07 REFLECTS REVENUE ESTIMATES RELEASED BY THE DEPARTMENT OF REVENUE (DOR) ON NOVEMBER 20, 2006. PROJECTED GENERAL FUND CASH FLOW FOR FY08 REFLECTS THE GOVERNOR'S PROPOSED BUDGET FOR FY08 AND 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. **Projected General Fund Cash Flow for the Fiscal Year Ending June 30, 2008 (Cash Basis)**
This table is an addition to Table II-7, page 42, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
4. **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.
5. **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.
6. **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.
7. **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.
8. **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.
9. **Endnotes and Additional Information.**

Cautionary Information

Users of this information should be cautioned about several points:
--

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 or FY08.
- 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.
 - The projected General Fund cash flow for the remainder of FY07 reflects the revenue estimates released by DOR on November 20, 2006. No changes are needed as a result of 2007 Wisconsin Act 5, which included adjustments to the budget for FY07.
 - The projected General Fund cash flow for FY08 reflects the governor’s proposed budget for FY08 and the revenue estimates release by LFB on January 30, 2007.
 - 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 the 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 MAY 31, 2007
PROJECTED GENERAL FUND CASH FLOW; JUNE 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	\$ 1,028,184	\$ (37,253)	\$ 614,881	\$ 1,098,523
Ending Balance ^(c)	(195,929)	108,161	355,567	1,112,712	882,489	172,573	1,025,510	1,028,184	(37,253)	614,881	1,098,523	70,082
Lowest Daily Balance ^(c)	(451,652)	(488,713)	(100,789)	355,566	628,474	(547,039)	138,110	594,866	(37,254)	(397,049)	289,082	(373,104)
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 565,897	\$ 474,676	\$ 605,681	\$ 680,238	\$ 502,370	\$ 508,275	\$ 1,035,880	\$ 515,293	\$ 446,568	\$ 1,276,649	\$ 503,010	\$ 678,189
Sales & Use	402,145	401,109	397,579	396,789	378,295	345,906	430,155	334,817	300,179	357,353	362,545	380,022
Corporate Income	37,496	28,116	185,473	34,815	23,319	173,619	43,211	22,369	237,573	51,427	26,470	164,215
Public Utility	50	11	99	1,468	143,824	250	178	76	244	2,228	146,026	968
Excise	34,911	32,778	34,592	28,986	30,956	29,561	27,603	27,221	25,851	24,537	28,496	31,954
Insurance	316	938	30,876	592	820	33,568	4,405	18,619	21,349	30,011	2,152	29,168
Inheritance	7,193	9,971	8,044	9,665	10,691	15,756	12,666	7,390	11,941	6,716	13,764	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	\$ 925,785	\$ 1,043,705	\$ 1,748,921	\$ 1,082,463	\$ 1,291,434
NON-TAX RECEIPTS												
Federal	\$ 502,417	\$ 581,763	\$ 513,024	\$ 546,768	\$ 477,516	\$ 444,362	\$ 608,224	\$ 518,096	\$ 467,030	\$ 520,055	\$ 710,788	\$ 538,435
Other & Transfers ^(d)	370,205	166,183	513,130	431,228	288,729	240,339	408,411	505,994	358,552	279,736	216,299	430,100
Note Proceeds ^(e)	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	\$ 1,024,090	\$ 825,582	\$ 799,791	\$ 927,087	\$ 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	\$ 1,949,875	\$ 1,869,287	\$ 2,548,712	\$ 2,009,550	\$ 2,259,969
DISBURSEMENTS												
Local Aids	\$ 896,807	\$ 130,871	\$ 824,354	\$ 131,610	\$ 911,622	\$ 1,297,119	\$ 204,888	\$ 236,990	\$ 1,311,244	\$ 145,745	\$ 162,288	\$ 1,958,030
Income Maintenance	509,527	436,928	399,100	442,531	442,391	437,168	435,225	503,594	427,964	436,025	448,909	322,256
Payroll and Related	295,693	358,565	411,764	307,885	336,493	350,578	384,840	355,111	508,573	333,782	328,897	409,290
Tax Refunds	64,862	80,941	45,628	52,478	33,584	115,915	102,004	481,641	385,436	357,598	102,631	133,600
Debt Service	58,612	2,473	0	160,015	0	0	0	0	0	320,114	35,757	0
Miscellaneous ^(d)	295,621	381,677	360,246	278,885	362,653	300,772	590,839	369,865	301,507	303,314	447,426	465,234
Note Repayment ^(g)	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	\$ 1,947,201	\$ 2,934,724	\$ 1,896,578	\$ 1,525,908	\$ 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".

PROJECTED GENERAL FUND CASH FLOW; JULY 1, 2007 TO JUNE 30, 2008^(a)

(In Thousands of Dollars)

	July 2007	August 2007	September 2007	October 2007	November 2007	December 2007	January 2008	February 2008	March 2008	April 2008	May 2008	June 2008
BALANCES^(b)												
Beginning Balance	\$ 49,500	\$ 396,557	\$ 636,909	\$ 867,208	\$ 1,699,240	\$ 1,365,415	\$ 757,277	\$ 1,579,735	\$ 1,385,157	\$ 107,971	\$ 697,310	\$ 929,788
Ending Balance ^(c)	396,557	636,909	867,208	1,699,240	1,365,415	757,277	1,579,735	1,385,157	107,971	697,310	929,788	113,232
Lowest Daily Balance ^(c)	49,500	132,680	198,779	690,703	1,084,175	(34,455)	746,518	1,106,846	155,216	(113,776)	588,908	(349,566)
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 641,362	\$ 496,036	\$ 632,937	\$ 710,849	\$ 524,977	\$ 531,147	\$ 1,082,495	\$ 538,481	\$ 566,664	\$ 1,229,733	\$ 530,808	\$ 758,708
Sales & Use	398,900	407,700	399,400	396,100	388,000	354,300	426,700	326,900	312,600	358,400	366,000	388,700
Corporate Income	24,100	22,500	171,200	37,900	28,800	195,100	29,700	22,000	242,300	36,300	23,400	173,300
Public Utility	53	12	104	1,542	151,061	263	187	80	256	2,340	140,286	1,017
Excise	36,921	34,665	36,583	30,655	32,738	31,263	29,192	28,788	27,339	25,949	34,115	33,792
Insurance	800	2,000	27,300	500	1,493	37,829	2,091	18,616	27,774	28,571	1,692	29,168
Inheritance	5,959	8,261	6,664	8,007	8,857	13,053	10,493	6,122	9,893	5,564	6,396	5,731
Subtotal Tax Receipts	\$ 1,108,095	\$ 971,174	\$ 1,274,188	\$ 1,185,553	\$ 1,135,926	\$ 1,162,955	\$ 1,580,858	\$ 940,987	\$ 1,186,826	\$ 1,686,857	\$ 1,102,697	\$ 1,390,416
NON-TAX RECEIPTS												
Federal	527,538	610,851	538,675	574,106	501,392	466,580	638,635	544,001	490,382	546,058	565,488	565,356
Other & Transfers	386,494	173,495	535,708	450,202	301,433	250,914	426,381	528,258	374,328	279,980	477,212	421,138
Note Proceeds ^(g)	594,000	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 1,508,032	\$ 784,346	\$ 1,074,383	\$ 1,024,308	\$ 802,825	\$ 717,494	\$ 1,065,016	\$ 1,072,259	\$ 864,710	\$ 826,038	\$ 1,042,700	\$ 986,494
TOTAL RECEIPTS	\$ 2,616,127	\$ 1,755,520	\$ 2,348,571	\$ 2,209,861	\$ 1,938,751	\$ 1,880,449	\$ 2,645,874	\$ 2,013,246	\$ 2,051,536	\$ 2,512,895	\$ 2,145,397	\$ 2,376,910
DISBURSEMENTS												
Local Aids	1,092,312	138,072	847,298	144,863	944,062	1,330,381	251,155	276,499	1,343,397	138,797	161,255	1,988,158
Income Maintenance	523,442	489,059	390,601	474,039	421,833	409,441	426,194	421,817	407,681	443,510	422,628	312,437
Payroll and Related	297,383	449,589	270,408	426,864	456,384	283,297	467,311	489,317	286,550	435,077	460,002	279,832
Tax Refunds	54,400	47,600	48,200	47,600	66,900	158,681	76,100	485,300	500,300	440,700	184,500	138,500
Debt Service	-	1,537	194,314	-	13,491	-	-	1,537	327,165	-	90,637	-
Miscellaneous	301,533	389,311	367,451	284,463	369,906	306,787	602,656	381,117	307,537	309,380	437,805	474,539
Note Repayment ^(g)	-	-	-	-	-	-	-	152,237	156,092	156,092	156,092	-
TOTAL DISBURSEMENTS	\$ 2,269,070	\$ 1,515,168	\$ 2,118,272	\$ 1,377,829	\$ 2,272,576	\$ 2,488,587	\$ 1,823,416	\$ 2,207,824	\$ 3,328,722	\$ 1,923,556	\$ 1,912,919	\$ 3,193,466

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 May 31, 2007

(Amounts in Thousands)

	<u>FY06 through May 2006</u>	<u>FY07 through May 2007</u>				Difference FY06 Actual to FY07 Actual
	<u>Actual</u>	<u>Actual</u>	<u>Estimate^(a)</u>	<u>Variance^(b)</u>	<u>Adjusted Variance^(f)</u>	
RECEIPTS						
Tax Receipts						
Individual Income	\$ 6,655,990	\$ 7,114,537	\$ 7,074,978	\$ 39,559	\$ 39,559	\$ 458,547
Sales	4,010,832	4,106,872	4,095,778	11,094	11,094	96,040
Corporate Income	735,810	863,887	773,518	90,369	90,369	128,077
Public Utility	285,715	294,454	284,999	9,455	9,455	8,739
Excise	339,932	325,492	344,279	(18,787)	(18,787)	(14,440)
Insurance	141,985	143,646	148,666	(5,020)	(5,020)	1,661
Inheritance	105,130	113,797	114,716	(919)	(919)	8,667
Total Tax Receipts	\$ 12,275,394	\$ 12,962,685	\$ 12,836,934	\$ 125,751	\$ 125,751	\$ 687,291
Non-Tax Receipts						
Federal	\$ 5,785,898	\$ 5,890,043	\$ 5,892,332	\$ (2,289)	\$ (2,289)	\$ 104,145
Other and Transfers	4,258,555	3,781,809	4,245,932	(464,123)	(464,123)	(476,746)
Note Proceeds ^(g)	-	-	-	-	-	-
Total Non-Tax Receipts	\$ 10,044,453	\$ 9,671,852	\$ 10,138,264	\$ (466,412)	\$ (466,412)	\$ (372,601)
TOTAL RECEIPTS	\$ 22,319,847	\$ 22,634,537	\$ 22,975,198	\$ (340,661)	\$ (340,661)	\$ 314,690
DISBURSEMENTS						
Local Aids	\$ 6,281,096	\$ 6,253,536	\$ 6,416,458	\$ 162,922	\$ 162,922	\$ (27,560)
Income Maintenance	4,611,242	4,919,360	4,875,492	(43,868)	(43,868)	308,118
Payroll & Related	3,803,996	3,972,181	3,947,615	(24,566)	(24,566)	168,185
Tax Refunds	1,822,321	1,859,544	2,026,062	166,518	166,518	37,223
Debt Service	484,122	576,971	579,273	2,302	2,302	92,849
Miscellaneous	3,753,452	3,955,981	4,121,890	165,909	165,909	202,529
Note Repayment ^(g)	-	-	-	-	-	-
TOTAL DISBURSEMENTS	\$ 20,756,229	\$ 21,537,573	\$ 21,966,790	\$ 429,217	\$ 429,217	\$ 781,344
VARIANCE FY07 YEAR-TO-DATE				\$ 88,556	\$ 88,556	

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, 2005 through May 31, 2007 — Actual
June 1, 2007 through June 30, 2008 — Estimated^(a)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>		<u>Receipts^(g)</u>	<u>Disbursements^(g)</u>
2005	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		1,949,875	1,947,201
	March.....	1,028,184 ^(c)		1,869,287	2,934,724
	April.....	(37,253) ^(c)		2,548,712	1,896,578
	May.....	614,881		2,009,550	1,525,908
	June.....	1,098,523 ^(c)		2,259,969	3,288,410
	July.....	70,082		2,616,127	2,269,070
	August.....	417,139		1,755,520	1,515,168
	September.....	657,491		2,348,571	2,118,272
	October.....	887,790		2,209,861	1,377,829
	November.....	1,719,822		1,938,751	2,272,576
	December.....	1,385,997 ^(c)		1,880,449	2,488,587
2008	January.....	777,859		2,645,874	1,823,416
	February.....	1,600,317		2,013,246	2,207,824
	March.....	1,405,739		2,051,536	3,328,722
	April.....	128,553 ^(c)		2,512,895	1,923,556
	May.....	717,892		2,145,397	1,912,919
	June.....	950,370 ^(c)		2,376,910	3,193,466

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^(b)
July 31, 2005 to May 31, 2007 — Actual
June 30, 2007 to June 30, 2008 — Projected^(a)
(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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
January		\$ 1,118	\$ 1,048	\$ 1,048
February		1,041	1,131	1,131
March		1,188	1,154	1,154
April		957	1,114	1,114
May		912	1,202	912
June		1,074	1,074	1,074
July	\$ 1,048	932	933	
August	1,100	1,052	1,053	
September	1,176	1,067	1,067	
October	1,115	925	925	
November	1,167	966	967	
December	1,135	1,019	1,019	

The second table includes the balances in the LGIP. The monthly average daily balances in the LGIP for the past five years have ranged from a low of \$2.2 billion during November 2005 to a high of \$4.2 billion during August 2002.

(Includes Balances in the Local Government Investment Pool)

<u>Month (Last Day)</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
January		\$ 4,232	\$ 4,509	\$ 4,509
February		4,237	4,773	4,773
March		4,476	4,860	4,860
April		3,981	4,593	4,593
May		3,708	4,408	3,708
June		3,940	3,941	3,941
July	\$ 4,193	4,218	4,218	
August	3,823	3,978	3,978	
September	3,746	3,845	3,845	
October	3,361	3,361	3,361	
November	3,370	3,477	3,477	
December	3,692	3,764	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 May 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>May 31, 2006^(j)</u>	Recorded Revenues July 1, 2006 to <u>May 31, 2007^(k)</u>
Individual Income Tax	\$ 6,144,299,000	\$ 6,457,900,000	\$ 5,217,364,518	\$ 5,608,804,626
General Sales and Use Tax	4,127,585,000	4,212,900,000	3,399,908,299	3,423,792,675
Corporate Franchise and Income Tax	780,320,000	856,600,000	641,433,513	738,466,056
Public Utility Taxes	275,147,000	269,400,000	274,766,104	284,880,051
Excise Taxes	368,693,000	369,900,000	300,474,305	300,445,413
Inheritance Taxes	108,571,000	93,600,000	101,916,481	110,084,548
Insurance Company Taxes	134,665,000	141,300,000	102,837,802	107,515,404
Miscellaneous Taxes	90,806,000	89,300,000	110,170,393	100,234,842
SUBTOTAL.....	\$ 12,030,086,000	\$ 12,490,900,000	10,148,871,416	10,674,223,615
Federal and Other Inter- Governmental Revenues ^(l)	\$ 6,320,576,000	\$ 5,976,875,800	5,784,801,640	5,879,526,137
Dedicated and Other Revenues ^(m)	3,971,208,000	4,323,194,600	4,017,782,015	3,914,656,015
TOTAL.....	\$ 22,321,870,000	\$ 22,790,970,400	\$ 19,951,455,070	\$ 20,468,405,766

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(e)
(Agency Recorded Basis)
July 1, 2006 to May 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>May 31, 2006^(o)</u>	Recorded Expenditures July 1, 2006 to <u>May 31, 2007^(p)</u>
Commerce.....	\$ 266,877,000	\$ 281,243,700	\$ 217,017,139	\$ 227,800,758
Education.....	10,146,322,000	10,387,854,300	8,016,439,310	8,400,530,562
Environmental Resources.....	291,548,000	337,924,200	275,242,745	308,740,232
Human Relations & Resources	8,712,564,000	8,970,947,600	7,998,370,763	8,559,213,079
General Executive.....	694,145,000	878,235,600	670,050,501	741,184,350
Judicial.....	115,262,000	113,448,700	102,585,294	110,410,107
Legislative.....	61,343,000	65,290,600	51,824,102	53,990,516
General Appropriations.....	1,859,988,000	1,890,759,800	1,818,090,384	1,776,513,249
TOTAL.....	\$ 22,148,049,000	\$ 22,925,704,500	\$ 19,149,620,239	\$ 20,178,382,854

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) Projections, or estimates, for the remainder of FY07 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. No changes are needed to the projected General Fund cash flow for the remainder of FY07 as a result of 2007 Wisconsin Act 5, which included adjustments to the budget for FY07. Projections for FY07 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. Projections, or estimates, for FY08 reflect the governor's proposed budget for FY08 and projected General Fund revenues released by LFB on January 30, 2007. A complete copy of DOR's General Fund tax revenue estimates and LFB's revenue estimates can be obtained by contacting the State of Wisconsin Capital Finance Office. 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 and from \$191 to \$324 million during FY08. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds are expected to average approximately \$30 million during FY07 and \$22 million during FY08.
- (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 and \$672 million for FY08 (based on the governor's proposed budget). 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 and \$403 million for FY08) 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 at the beginning 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 FY06 and FY07, but \$600,000,000 of operating notes were issued on July 2, 2007 for FY08. The February 29, 2008 impoundment payment reflects the premium received on July 2, 2007 and deposited into the Operating Note Redemption Fund
- (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 enacted bills from the 2005 legislative session, but does not reflect 2007 Wisconsin Act 5, which included adjustments to the budget for FY07.
- (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, and the State received payments 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, the State 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.

For the governor's proposed FY08 budget, the projections of General Fund cash receipts assume the State will receive approximately \$76 million pursuant to the amended gaming compacts with tribal governments, which is an estimate of all payments due in FY08.