



**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

November 5, 2009

To the Users of This Report:

Re: General Fund Monthly Financial Information—September 2009

Please find attached the Report of Monthly General Fund Financial Information for the period ending September 30, 2009. All footnotes and additional information for the tables appear on the last two pages as endnotes to this report.

This cover letter provides comment on the attached tables of General Fund financial information.

- **Annual Fiscal Report (Budgetary Balance) - FY09.** On October 15, 2009, the State's Annual Fiscal Report (unaudited, budgetary basis) was released and it showed that the State ended FY09 with an undesignated balance of \$89.6 million. This is \$19.2 million more than the projected balance of \$70.4 million for the 2009-11 biennial budget (2009 Wisconsin Act 28).

General-purpose revenue taxes were \$12.113 billion compared to \$13.043 billion in FY08, a decrease of \$930.0 million, or 7.1%. This amount is only \$4.3 million lower than the projected tax revenue estimates released by the Legislative Fiscal Bureau (**LFB**) on May 11, 2009.

The Annual Fiscal Report for FY09 (unaudited, budgetary basis) is available from the Capital Finance Office website (www.doa.state.wi.us/capitalfinance) or at the above address. Audited financial statements for FY09 are expected to be available by December 31, 2009.

- **FY10 General Fund Cash Flow Projections.** The tables in the attached report that include FY10 projections (cash basis) reflect:
 - 2009 Wisconsin Act 2 and the 2009-11 biennial budget (2009 Wisconsin Act 28).

- \$1.002 billion of certain federal economic stimulus money the State has received or expects to receive, which includes \$606 million for medical assistance programs, \$237 million for education aids, \$76 million for shared revenues, and \$83 million for other various purposes. This is only a portion of the federal economic stimulus money the State has received or expects to receive.
- Revised General Fund tax revenue estimates released by LFB on May 11, 2009, as modified on May 14, 2009.
- \$800 million of operating note proceeds and the resulting impoundment payments.
- **Projected FY10 Negative Cash Balances.** The largest negative cash balance for FY10 is currently negative \$818 million, which is expected to occur on April 9, 2010. Pursuant to Wisconsin Statutes, temporary reallocations (previously referred to as interfund borrowing) and other additional remedies are available to deal with periods when the cash balance is negative. The allowable amount of temporary reallocation for FY10 is up to 7% of the general-purpose revenue appropriations then in effect (approximately \$940 million), with an additional 3% for a period of up to 30 days (approximately \$403 million), which in aggregate is \$1.343 billion.

If the amount of temporary allocation available to the General Fund is insufficient, the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate or defer certain payments.

Please contact this office with any questions or to request a copy of any item referenced above or in the attached report.

Sincerely,



Frank R. Hoadley
Capital Finance Director

Monthly General Fund Financial Information State of Wisconsin

For the Period Ending September 30, 2009

Prepared by the Wisconsin Department of Administration

Prepared on November 5, 2009

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 FY10 REFLECTS REVISED GENERAL FUND TAX REVENUE ESTIMATES RELEASED BY THE LEGISLATIVE FISCAL BUREAU (LFB) ON MAY 11, 2009 (AS MODIFIED ON MAY 14, 2009), 2009-11 BIENNIAL BUDGET (2009 WISCONSIN ACT 28), \$1.002 BILLION OF CERTAIN FEDERAL ECONOMIC STIMULUS MONEY THE STATE HAS RECEIVED OR EXPECTS TO RECEIVE, AND \$800 MILLION OF OPERATING NOTE PROCEEDS AND THE RESULTING IMPOUNDMENT PAYMENTS.

Table of Contents

- 1. Cautionary Information!**
- 2. Actual and Projected General Fund Cash Flow for the Fiscal Year Ending June 30, 2010 (Cash Basis)**

This is a new table and corresponds to Table II-8, page 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 26, 2008.
- 3. General Fund Cash Flow Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**

This is a new table and corresponds to Table II-9, page 44, of the State of Wisconsin Continuing Disclosure Annual Report, December 26, 2008.
- 4. General Fund Monthly Cash Position (Cash Basis)**

This corresponds to Table II-10, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 26, 2008.
- 5. Actual and Projected Cash Balances in Funds Available for Temporary Reallocation**

This corresponds to Table II-11, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 26, 2008.
- 6. General Fund Recorded Revenues Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**

This corresponds to Table II-12, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 26, 2008.
- 7. General Fund Recorded Expenditures Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**

This corresponds to Table II-13, page 48, of the State of Wisconsin Continuing Disclosure Annual Report, December 26, 2008.
- 8. Endnotes and Additional Information**

Includes final FY09 general fund recorded revenues and expenditures.

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 FY10. The State issued its Annual Fiscal Report (budgetary basis) for FY09 on October 15, 2009.
- 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 are expressed on a *budgetary basis* and net of any refunds.
 - Projections are not adjusted to reflect actual revenues and expenditures and routine variability in the timing of receipts and disbursements, but may be adjusted to reflect unique events.
 - Projections of remaining fiscal year cash flow may be adjusted when necessary to reflect unforeseen events or additional revised forecasts of the General Fund condition statement.
- Data in 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, 2009 TO SEPTEMBER 30, 2009^(a)
PROJECTED GENERAL FUND CASH FLOW; OCTOBER 1, 2009 TO JUNE 30, 2010^(b)

	(In Thousands of Dollars)											
	July 2009	August 2009	September 2009	October 2009	November 2009	December 2009	January 2010	February 2010	March 2010	April 2010	May 2010	June 2010
BALANCES^(c)												
Beginning Balance	\$ (147,352)	\$ (209,782)	\$ 260,309	\$ 497,287	\$ 1,150,794	\$ 951,205	\$ 206,578	\$ 1,043,044	\$ 769,625	\$ (650,529)	\$ 81,727	\$ 388,086
Ending Balance^(d)	(209,782)	260,309	497,287	1,150,794	951,205	206,578	1,043,044	769,625	(650,529)	81,727	388,086	(136,138)
Lowest Daily Balance^(d)	(360,039)	(231,168)	207,024	369,241	615,582	(478,222)	196,523	735,017	(650,529)	(817,790)	(78,399)	(564,658)
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 584,331	\$ 510,851	\$ 643,062	\$ 640,600	\$ 488,800	\$ 501,400	\$ 1,058,500	\$ 517,700	\$ 507,600	\$ 1,133,200	\$ 482,800	\$ 688,400
Sales & Use	384,080	377,755	373,531	397,000	364,900	321,200	397,100	311,100	288,500	305,600	309,600	334,600
Corporate Income	33,814	25,608	140,812	38,600	26,600	145,400	23,700	24,900	145,100	26,500	17,200	147,100
Public Utility	18	13	77	3,500	156,300	500	700	-	200	2,700	165,900	500
Excise	62,971	58,649	54,576	91,600	65,100	66,000	73,700	59,800	61,900	72,900	67,700	66,800
Insurance	150	1,568	32,229	700	1,300	37,400	2,700	20,300	25,000	29,400	1,400	32,000
Inheritance	236	96	326	-	-	-	-	-	-	-	-	-
Subtotal Tax Receipts	\$ 1,065,600	\$ 974,540	\$ 1,244,613	\$ 1,172,000	\$ 1,103,000	\$ 1,071,900	\$ 1,556,400	\$ 933,800	\$ 1,028,300	\$ 1,570,300	\$ 1,044,600	\$ 1,269,400
NON-TAX RECEIPTS												
Federal ^(b)	808,446	793,084	680,650	726,080	593,116	721,357	642,659	771,740	649,119	847,946	792,304	817,585
Other & Transfers	586,306	173,702	702,693	532,400	281,700	249,100	469,100	538,900	355,100	488,100	280,200	644,277
Note Proceeds ^(e)	807,585	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 2,202,337	\$ 966,786	\$ 1,383,343	\$ 1,258,480	\$ 874,816	\$ 970,457	\$ 1,111,759	\$ 1,310,640	\$ 1,004,219	\$ 1,336,046	\$ 1,072,504	\$ 1,461,862
TOTAL RECEIPTS	\$ 3,267,937	\$ 1,941,326	\$ 2,627,956	\$ 2,430,480	\$ 1,977,816	\$ 2,042,357	\$ 2,668,159	\$ 2,244,440	\$ 2,032,519	\$ 2,906,346	\$ 2,117,104	\$ 2,731,262
DISBURSEMENTS												
Local Aids	\$ 1,231,927	\$ 161,676	\$ 876,945	\$ 208,970	\$ 1,008,270	\$ 1,342,870	\$ 259,721	\$ 304,721	\$ 1,378,521	\$ 148,621	\$ 184,021	\$ 1,995,121
Income Maintenance	877,082	616,363	564,447	540,824	516,228	537,391	496,727	456,008	511,130	510,495	385,398	265,040
Payroll and Related	536,684	280,644	325,623	542,147	313,277	439,015	465,977	411,060	404,954	537,172	314,658	377,719
Tax Refunds	62,484	56,397	72,047	57,000	63,200	151,400	160,200	623,200	503,600	439,400	174,600	181,300
Debt Service	212,413	-	99,930	-	7,172	258	-	7,172	104,977	-	92,260	258
Miscellaneous	394,192	356,155	451,986	428,032	269,258	316,049	449,068	526,505	344,713	333,624	455,032	436,048
Note Repayment ^(e)	15,585	-	-	-	-	-	-	189,193	204,778	204,778	204,777	-
TOTAL DISBURSEMENTS	\$ 3,330,367	\$ 1,471,235	\$ 2,390,978	\$ 1,776,973	\$ 2,177,405	\$ 2,786,983	\$ 1,831,693	\$ 2,517,859	\$ 3,452,673	\$ 2,174,090	\$ 1,810,746	\$ 3,255,486

Note: All footnotes to this table appear at the end 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^(a)
 (Cash Basis)
 As of September 30, 2009
 (Amounts in Thousands)**

	<u>FY09 through September 2008</u>		<u>FY10 through September 2009</u>			Difference FY09 Actual to FY10 Actual	
	Actual		Actual	Estimate ^(b)	Variance		Adjusted Variance ^(f)
RECEIPTS							
Tax Receipts							
Individual Income	\$ 1,868,532		\$ 1,738,244	\$ 1,776,800	\$ (38,556)	(38,556)	\$ (130,288)
Sales	1,239,863		1,135,366	1,221,700	(86,334)	(86,334)	(104,497)
Corporate Income	208,435		200,234	221,000	(20,766)	(20,766)	(8,201)
Public Utility	1,389		108	400	(292)	(292)	(1,281)
Excise	188,632		176,196	194,400	(18,204)	(18,204)	(12,436)
Insurance	39,322		33,947	31,500	2,447	2,447	(5,375)
Inheritance	30,182		658	-	658	658	(29,524)
Total Tax Receipts	\$ 3,576,355		\$ 3,284,753	\$ 3,445,800	\$ (161,047)	\$ (161,047)	\$ (291,602)
Non-Tax Receipts							
Federal ^(b)	\$ 1,610,088		\$ 2,282,180	\$ 1,810,198	\$ 471,982	\$ 471,982	\$ 672,092
Other and Transfers	1,235,082		1,462,701	1,502,200	(39,499)	(39,499)	227,619
Note Proceeds ^(c)	801,840		807,585	807,585	-	-	5,745
Total Non-Tax Receipts	\$ 3,647,010		\$ 4,552,466	\$ 4,119,983	\$ 432,483	\$ 432,483	\$ 905,456
TOTAL RECEIPTS	\$ 7,223,365		\$ 7,837,219	\$ 7,565,783	\$ 271,436	\$ 271,436	\$ 613,854
DISBURSEMENTS							
Local Aids	\$ 2,184,862		\$ 2,270,548	\$ 2,334,018	\$ 63,470	\$ 63,470	\$ 85,686
Income Maintenance	1,414,370		2,060,225	1,885,662	(174,563)	(174,563)	645,855
Payroll & Related	1,177,614		1,142,951	1,157,364	14,413	14,413	(34,663)
Tax Refunds	190,884		190,928	169,900	(21,028)	(21,028)	44
Debt Service	262,906		312,343	335,189	22,846	22,846	49,437
Miscellaneous	1,111,906		1,200,000	968,426	(231,574)	(231,574)	88,094
Note Repayment ^(e)	9,840		15,585	15,585	-	-	5,745
TOTAL DISBURSEMENTS	\$ 6,352,382		\$ 7,192,580	\$ 6,866,144	\$ (326,436)	\$ (326,436)	\$ 840,198
FY10 VARIANCE YEAR-TO-DATE					\$ (55,000)	\$ (55,000)	

Note: All footnotes to this table appear at the end of this report in the section entitled "Endnotes and Additional Information".

GENERAL FUND MONTHLY CASH POSITION^{(a) (c)}
July 1, 2007 through September 30, 2009 — Actual
October 1, 2009 through June 30, 2010 — Estimated^(b)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>	<u>Receipts^(e)</u>	<u>Disbursements^(e)</u>
2007	July.....	\$ 49,149	\$ 2,746,602	\$ 2,446,001
	August.....	349,750 (d)	1,772,536	1,483,505
	September.....	638,781	2,185,645	2,100,805
	October.....	723,621	2,124,755	1,430,699
	November.....	1,417,677	1,962,257	2,248,605
	December.....	1,131,329 (d)	1,769,558	2,454,032
2008	January.....	446,855	2,699,255	1,782,044
	February.....	1,364,066	2,155,175	2,401,752
	March.....	1,117,489 (d)	1,953,094	3,283,120
	April.....	(212,537) (d)	2,462,984	1,837,549
	May.....	412,898	1,987,901	1,816,466
	June.....	584,333 (d)	2,614,345	3,173,842
	July.....	24,836	3,014,286	2,867,001
	August.....	172,121 (d)	1,708,398	1,416,143
	September.....	464,376	2,500,671	2,069,238
	October.....	895,809	2,421,520	1,914,314
	November.....	1,403,015	1,833,481	2,108,957
	December.....	1,127,539 (d)	2,026,521	2,743,544
2009	January.....	410,516	2,523,271	1,840,909
	February.....	1,092,878	2,189,572	2,475,831
	March.....	806,619 (d)	2,228,792	3,530,714
	April.....	(495,303) (d)	3,251,394	2,730,689
	May.....	25,402 (d)	2,008,161	1,987,460
	June.....	46,103 (d)	3,188,104	3,381,558
	July.....	(147,352) (d)	3,267,937	3,330,367
	August.....	(209,782) (d)	1,941,326	1,471,235
	September.....	260,309	2,627,956	2,390,978
	October.....	497,287	2,430,480	1,776,973
	November.....	1,150,794	1,977,816	2,177,405
	December.....	951,205 (d)	2,042,357	2,786,983
2010	January.....	206,578	2,668,159	1,831,693
	February.....	1,043,044	2,244,440	2,517,859
	March.....	769,625 (d)	2,032,519	3,452,673
	April.....	(650,529) (d)	2,906,346	2,174,090
	May.....	81,727	2,117,104	1,810,746
	June.....	388,086 (d)	2,731,262	3,255,486

Note: All footnotes to this table appear at the end of this report in the section entitled “Endnotes and Additional Information”.

CASH BALANCES IN FUNDS AVAILABLE FOR TEMPORARY REALLOCATION^{(a) (g)}
July 31, 2007 to September 30, 2009 — Actual
October 31, 2009 to June 30, 2010 — Projected^(b)
(Amounts in Millions)

The following two tables show, on a monthly basis, the cash balances available for temporary reallocation. The first table does not include balances in the Local Government Investment Pool (LGIP) and the second table does include such balances. Though the LGIP is available for temporary reallocations, funds in the LGIP are deposited and withdrawn by local units of government, and thus are outside the control of the State. The monthly average daily balances in the LGIP for the past five years have ranged from a low of \$2.211 billion during November 2005 to a high of \$4.347 billion during August 2008. The Secretary of Administration may not exercise the authority to use temporary reallocation if doing so would jeopardize the cash flow of any fund or account from which a temporary reallocation would be made.

Available Balances; Does Not Include Balances in the LGIP

<u>Month (Last Day)</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
January		\$ 1,203	\$ 1,045	\$ 1,045
February		1,265	1,180	1,180
March		1,298	1,124	1,298
April		1,210	1,020	1,211
May		1,166	1,191	1,191
June		1,079	1,167	1,167
July	\$ 1,141	910	981	
August	1,204	944	1,064	
September	1,204	1,081	1,233	
October	1,110	906	906	
November	1,229	1,011	1,011	
December	1,244	1,072	1,072	

Available Balances; Includes Balances in the LGIP

<u>Month (Last Day)</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
January		\$ 4,943	\$ 5,372	\$ 5,372
February		5,255	5,543	5,543
March		5,453	5,440	5,453
April		5,273	4,852	5,273
May		5,010	4,632	4,632
June		4,813	4,474	4,474
July	\$ 4,862	5,422	5,102	
August	4,383	4,589	4,189	
September	4,264	4,479	4,076	
October	3,900	3,900	3,900	
November	4,017	3,936	3,936	
December	4,141	4,461	4,461	

Note: All footnotes to this table appear at the end of this report in the section entitled “Endnotes and Additional Information”.

GENERAL FUND RECORDED REVENUES
(Agency Recorded Basis)
July 1, 2009 to September 30, 2009 compared with previous year

	Revenues <u>FY09^(h)</u>	Projected Revenues <u>FY10⁽ⁱ⁾</u>	Recorded Revenues July 1, 2008 to <u>September 30, 2008^(j)</u>	Recorded Revenues July 1, 2009 to <u>September 30, 2009^(k)</u>
Individual Income Tax	\$ 6,222,735,000	\$ 6,230,973,000	\$ 1,459,986,760	\$ 1,344,800,064
General Sales and Use Tax	4,083,959,000	4,089,220,000	745,143,231	\$680,057,302
Corporate Franchise and Income Tax	629,523,000	717,150,000	153,760,531	164,734,630
Public Utility Taxes	320,110,000	318,200,000	564,589	(230,756)
Excise Taxes	647,621,000	795,680,000	119,659,314	112,654,565
Inheritance Taxes	20,853,000	-	17,390,639	36,597
Insurance Company Taxes	136,291,000	148,000,000	1,137,302	1,556,681
Miscellaneous Taxes	52,059,000	47,000,000	15,931,500	12,039,986
SUBTOTAL.....	<u>12,113,151,000</u>	<u>12,346,223,000</u>	<u>2,513,573,864</u>	<u>2,315,649,069</u>
Federal and Other Inter- Governmental Revenues ^(l)	8,411,740,000	8,451,323,200	1,643,402,402	2,291,858,204
Dedicated and Other Revenues ^(m)	<u>4,553,355,000</u>	<u>5,082,068,100</u>	<u>1,280,987,556</u>	<u>1,298,834,137</u>
TOTAL.....	<u>\$ 25,078,246,000</u>	<u>\$ 25,879,614,300</u>	<u>\$ 5,437,963,822</u>	<u>\$ 5,906,341,410</u>

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION
(Agency Recorded Basis)
July 1, 2009 to September 30, 2009 compared with previous year

	Expenditures <u>FY09^(h)</u>	Estimated Appropriations <u>FY10⁽ⁱ⁾</u>	Recorded Expenditures July 1, 2008 to <u>September 30, 2008^(m)</u>	Recorded Expenditures July 1, 2009 to <u>September 30, 2009^(o)</u>
Commerce.....	\$ 263,800,000	\$ 307,224,700	\$ 58,861,982	\$ 59,754,834
Education.....	11,130,263,000	11,428,901,400	2,355,997,526	2,393,280,612
Environmental Resources.....	327,566,000	330,460,100	90,900,694	46,359,052
Human Relations & Resources	10,361,591,000	10,195,574,700	2,503,113,771	3,139,843,509
General Executive.....	844,724,000	1,306,939,400	265,420,308	394,809,503
Judicial.....	130,541,000	136,201,700	40,090,904	40,911,076
Legislative.....	65,289,000	73,817,900	11,744,358	11,891,864
General Appropriations.....	<u>2,156,962,000</u>	<u>2,346,576,300</u>	<u>944,651,128</u>	<u>1,102,555,555</u>
TOTAL.....	<u>\$ 25,280,736,000</u>	<u>\$ 26,125,696,200</u>	<u>\$ 6,270,780,670</u>	<u>\$ 7,189,406,006</u>

Note: All footnotes to this table appear at the end of this report in the section entitled "Endnotes and Additional Information".

ENDNOTES AND ADDITIONAL INFORMATION

- (a) 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.
- (b) The projections or estimates for FY10 reflect 2009 Wisconsin Act 2, the 2009-11 biennial budget (2009 Wisconsin Act 28), signed into law by Governor Doyle on June 29, 2009, \$1.002 billion of certain federal economic stimulus money the State has received or is expected to receive for its medical assistance program, education, shared revenue, and various other programs, revised General Fund tax revenue estimates released by LFB on May 11, 2009 (as modified on May 14, 2009), and \$800 million of operating note proceeds and the resulting impoundment payments.
- (c) 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 \$206 to \$350 million during FY09 and are expected to range from \$220 to \$400 million during FY10. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds were expected to average \$10 million during FY09 and are expected to average \$5 million during FY10.
- (d) 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 to the General Fund; for FY10 this amount may be up to 7% of the general-purpose revenue appropriations then in effect, or approximately \$940 million. In addition, the Secretary of Administration may also temporarily reallocate for a period of up to 30 days an additional amount up to 3% of the general-purpose revenue appropriations then in effect, or approximately \$403 million for FY10.
- If the amount of temporary reallocation available to the General Fund is not sufficient, the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate and defer certain payments.
- (e) \$600 million of operating notes issued on July 2, 2007 for FY08, \$800 million of operating notes issued on July 1, 2008 for FY09, and \$800 million of operating notes issued on July 1, 2009 for FY10. The February, 2010 impoundment payment reflects the amount of premium received on July 1, 2009 and deposited into the Operating Note Redemption Fund.
- (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) The amounts shown reflect a reduction in the aggregate cash balances available to the extent any fund had a negative balance and temporary reallocation was used for such fund.
- (h) The amounts are from the Annual Fiscal Report (unaudited, budgetary basis) for FY09, dated October 15, 2009. A complete copy of the Annual Fiscal Report (unaudited, budgetary basis) for FY09 can be obtained by contacting the State of Wisconsin Capital Finance Office.
- (i) The projections or estimates reflect 2009 Wisconsin Act 2, the 2009-11 biennial budget (2009 Wisconsin Act 28), and the General Fund tax revenue estimates released by LFB on May 11, 2009 (as modified on May 14, 2009).
- (j) The amounts shown are FY09 general purpose revenues and program revenues taxes as recorded by state agencies. There may be differences between the tax revenues shown in this report and those that may be reported by the Department of Revenue from time to time in their monthly general purpose revenue collections report; the Department of Revenue report (i) only includes general purpose revenues or taxes that are actually collected by the Department of Revenue, and (ii) may include accruals or other adjustments that may not be recorded by state agencies until a subsequent month. **The table of final recorded revenues for FY09 is included at the end of these endnotes and additional information.**
- (k) The amounts shown are FY10 general purpose revenues and program revenue taxes as recorded by state agencies. There may be differences between the tax revenues shown in this report and those that may be reported by the Department of Revenue from time to time in their monthly general purpose revenue collections report; the Department of Revenue report (i) only includes general purpose revenues or taxes that are actually collected by the Department of Revenue, and (ii) may include accruals or other adjustments that may not be recorded by state agencies until a subsequent month.
- (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) The amounts shown are FY09 expenditures as recorded by state agencies. **The table of final recorded expenditures for FY09 is included at the end of these endnotes and additional information.**
- (o) The amounts shown are FY10 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. 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.

In FY08, budget and General Fund cash receipts assumed that the State would receive approximately \$124 million pursuant to the amended gaming compacts with tribal governments. This amount reflected (i) \$72 million, which is the estimate of all payments due in FY08, and (ii) \$52 million, which is an estimate of payments due in previous years from a tribal government that were expected to be made in FY08. With respect to the estimated \$72 million of payments due in FY08, the State received payments totaling \$44 million from all but one tribal government. With respect to the estimated \$52 million of payments due in previous years, the State did not receive such payments.

In FY09, budget and General Fund cash receipts assumed that the State would receive approximately \$75 million pursuant to the amended gaming compacts with tribal governments. The FY09 budget and General Fund Cash receipts further reflect receipt of an additional \$60 million payment made by a tribal government on December 15, 2008 pursuant to settlement of a new gaming compact amendment. This payment (and the settlement of the new gaming compact amendment) was from the same tribal government that did not make its scheduled payment in FY08 and payments due in previous years. With the new gaming compact amendment, the State and this tribal governments agree on the methodology for payments due from the tribal government for each fiscal year, beginning with FY09.

The FY10 budget and projected General Fund cash flows assume that the State will receive approximately \$47 million pursuant to the amended gaming compacts with tribal governments.

**GENERAL FUND RECORDED REVENUES (FY09 FINAL)⁽¹⁾
(Agency Recorded Basis)**

	Revenues	Projected	Recorded Revenues	Recorded Revenues
	FY08⁽²⁾	Revenues	July 1, 2007 to	July 1, 2008 to
		FY09⁽³⁾	June 30, 2008⁽⁴⁾	June 30, 2009⁽⁵⁾
Individual Income Tax	\$ 6,713,681,000	\$ 6,585,000,000	\$ 6,705,961,957	\$ 6,230,723,064
General Sales and Use Tax	4,268,045,000	4,034,400,000	4,269,083,553	4,087,332,217
Corporate Franchise and Income Tax	837,807,000	677,700,000	841,588,372	626,114,318
Public Utility Taxes	297,460,000	327,000,000	297,459,997	320,109,613
Excise Taxes	540,259,000	653,800,000	540,258,780	647,621,004
Inheritance Taxes	158,789,000	22,000,000	158,788,699	20,853,110
Insurance Company Taxes	156,606,000	170,000,000	156,606,088	136,291,544
Miscellaneous Taxes	70,296,000	55,700,000	92,483,585	77,726,403
SUBTOTAL.....	<u>13,042,943,000</u>	<u>12,525,600,000</u>	<u>12,162,228,561</u>	<u>12,146,771,273</u>
Federal and Other Inter- Governmental Revenues ⁽⁶⁾	6,803,292,000	6,440,565,100	6,803,059,530	8,411,952,270
Dedicated and Other Revenues ⁽⁷⁾	<u>4,151,603,000</u>	<u>4,802,995,000</u>	<u>4,460,411,116</u>	<u>4,786,075,067</u>
TOTAL.....	<u>\$ 23,997,838,000</u>	<u>\$ 23,769,160,100</u>	<u>\$ 24,289,083,566</u>	<u>\$ 25,344,798,610</u>

(1) This table includes FY09 revenues as recorded by state agencies; the FY09 revenues are presented on an agency recorded basis and not a budgetary basis. 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.

(2) The amounts are from the Annual Fiscal Report (budgetary basis) for FY08, dated October 15, 2008.

(3) The projections or estimates reflect the FY09 General Fund budget through 2009 Wisconsin Act 2, and does not reflect the revised General Fund tax revenue estimates released by LFB on May 11, 2009 nor the provisions of 2009 Wisconsin Acts 11 and 23, which authorize the use of \$553 million in federal economic stimulus money the State is receiving from the U.S. Department of Education.

(4) The amounts shown are FY08 revenues as recorded by state agencies. There may be differences between the tax revenues shown in this report and those that may be reported by the Department of Revenue from time to time in their monthly general purpose revenue collections report; the Department of Revenue report (i) only includes general purpose revenues or taxes that are actually collected by the Department of Revenue, and (ii) may include accruals or other adjustments that may not be recorded by state agencies until a subsequent month.

(5) The amounts shown are FY09 revenues as recorded by state agencies. There may be differences between the tax revenues shown in this report and those that may be reported by the Department of Revenue from time to time in their monthly general purpose revenue collections report; the Department of Revenue report (i) only includes general purpose revenues or taxes that are actually collected by the Department of Revenue, and (ii) may include accruals or other adjustments that may not be recorded by state agencies until a subsequent month.

(6) 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.

(7) Certain transfers between general fund appropriations are recorded as both revenues and expenditures of the General Fund. The amount of these transfers may vary greatly between fiscal years, and therefore this category may not be comparable on a historical basis.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION (FY09 FINAL)⁽¹⁾
(Agency Recorded Basis)**

	Expenditures FY08⁽²⁾	Estimated Appropriations FY09⁽³⁾	Recorded Expenditures July 1, 2007 to June 30, 2008⁽⁴⁾	Recorded Expenditures July 1, 2008 to June 30, 2009⁽⁵⁾
Commerce.....	\$ 240,689,000	\$ 297,356,200	\$ 251,884,518	\$ 251,999,225
Education.....	10,853,809,000	11,206,194,400	10,827,186,119	11,163,614,074
Environmental Resources.....	321,892,000	352,393,100	320,308,587	327,208,321
Human Relations & Resources	9,645,679,000	9,281,574,700	9,680,784,881	10,329,782,031
General Executive.....	802,326,000	1,127,630,700	795,368,808	850,544,774
Judicial.....	126,563,000	128,761,600	126,069,103	130,982,029
Legislative.....	65,047,000	71,588,000	65,045,988	65,288,990
General Appropriations.....	2,047,768,000	2,188,558,500	2,047,768,221	2,151,655,694
TOTAL.....	\$ 24,103,773,000	\$ 24,654,057,200	\$ 24,114,416,225	\$ 25,271,075,138

(1) This table includes FY09 expenditures as recorded by state agencies; the FY09 expenditures are presented on an agency recorded basis and not a budgetary basis. 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.

(2) The amounts are from the Annual Fiscal Report (budgetary basis) for FY08, dated October 15, 2008.

(3) The projections or estimates reflect the FY09 General Fund budget through 2009 Wisconsin Act 2, and does not reflect the revised General Fund tax revenue estimates released by LFB on May 11, 2009 nor the provisions of 2009 Wisconsin Acts 11 and 23, which authorize the use of \$553 million in federal economic stimulus money the State is receiving from the U.S. Department of Education.

(4) The amounts shown are FY08 expenditures as recorded by state agencies.

(5) The amounts shown are FY09 expenditures as recorded by state agencies.