



**WISCONSIN DEPARTMENT OF
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July 7, 2010

To the Users of This Report:

Re: General Fund Monthly Financial Information—May 2010

Please find attached the Report of Monthly General Fund Financial Information for the period ending May 31, 2010. 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.

- **FY11 General Fund Cash Flow Projections.** Many of the tables in the attached report include FY11 General Fund cash flow projections (cash basis) that reflect;
 - 2009-11 biennial budget (2009 Wisconsin Act 28) and subsequent actions of the Legislature and the Legislature's Joint Committee on Finance.
 - Decreased General Fund tax revenue collection estimates (budgetary basis) included in a memorandum released by the Legislative Fiscal Bureau (**LFB**) on January 27, 2010.
 - \$568 million of certain federal economic stimulus money the State expects to receive in FY11, which includes \$317 million for medical assistance programs, \$194 million for education aids, and \$57 million for other various purposes. This is only a portion of the federal economic stimulus money the State has received or expects to receive.
 - Proceeds from \$800 million of operating notes that were issued on July 1, 2010 and the impoundment payments due in February, March, April, and May 2011. The operating notes have a maturity date of June 15, 2011.
- **Projected Ending Budgetary Balances.** The LFB memorandum of January 27, 2010 also included an updated General Fund condition statement for the 2009-11 biennium; the projected gross ending General Fund balance (budgetary basis) for FY10 is \$306 million and for FY11 is \$56 million. These

amounts reflect LFB's changes in General Fund tax revenue collection estimates along with other updated revenues and appropriations. These projected ending gross General Fund balances for FY10 and FY11 are approximately \$63 million less and \$220 million less, respectively, than the balances included in the enacted 2009-11 budget. The State will issue by October 15, 2010 its Annual Fiscal Report that will include the actual ending general fund balance (budgetary-basis) for FY10.

- **Projected FY11 Negative Cash Balance.** The largest projected negative cash balance for FY11 is currently negative \$1.103 billion, which is expected to occur on April 8, 2011. Pursuant to Wisconsin Statutes, temporary reallocations and other additional remedies are available to deal with periods when the cash balance is negative. The limit of temporary reallocations for FY11 is 7% of the general-purpose revenue appropriations then in effect (approximately \$986 million), with an additional 3% for a period of up to 30 days (approximately \$422 million), which in aggregate is \$1.408 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.

- **Variance; Individual Income Tax Receipts.** Due to a processing error, \$32 million in Individual Income tax receipts that were received on May 28, 2010 were not recorded into the State's accounting system until June 1. Also, due to a combination of State furlough day on May 28, 2010 and holiday on May 31, 2010, an additional \$154 million in Individual Income tax receipts that were forecast to be received on May 28, 2010 were not received until June 1. These situations total \$186 million and appear within the variance amount through May 31, 2010. Since these deposits occurred on June 1, 2010, a reversal of the variance is expected with the June 30, 2010 report.

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 May 31, 2010

Prepared by the Wisconsin Department of Administration

Prepared on July 7, 2010

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 FY11 CASH FLOWS (CASH BASIS) REFLECT DECREASED GENERAL FUND TAX REVENUE COLLECTION ESTIMATES RELEASED BY LFB ON JANUARY 27, 2010, \$568 MILLION OF CERTAIN FEDERAL ECONOMIC STIMULUS MONEY THE STATE EXPECTS TO RECEIVE IN FY11, THE 2009-11 BIENNIAL BUDGET (2009 WISCONSIN ACT 28) AND SUBSEQUENT ACTIONS OF THE LEGISLATURE AND LEGISLATURE'S JOINT COMMITTEE ON FINANCE, AND \$800 MILLION OF OPERATING NOTE PROCEEDS AND THE RESULTING IMPOUNDMENT PAYMENTS.

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1. **Cautionary Information!**
2. **Actual and Projected General Fund Cash Flow (Cash Basis) – FY10**
Projected General Fund Cash Flow (Cash Basis) – FY11
These tables correspond to Table II-9, page 42, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2009.
3. **General Fund Receipts and Disbursements Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**
This table corresponds to Table II-10, page 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2009.
4. **General Fund Monthly Cash Position (Cash Basis)**
This table corresponds to Table II-11, page 44, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2009.
5. **Cash Balances in Funds Available for Temporary Reallocation**
This table corresponds to Table II-12, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2009.
6. **General Fund Recorded Revenues (Agency Recorded Basis)**
This table corresponds to Table II-13, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2009.
7. **General Fund Recorded Expenditures by Function (Agency Recorded Basis)**
This table corresponds to Table II-14, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2009.
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 FY10 or FY11.
- 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 tax revenue collection estimates released by the Wisconsin Department of Revenue and LFB are expressed on a *budgetary basis* and net of any refunds.
 - Projections are not adjusted to reflect actual revenues and expenditures and routine variability in the timing of receipts and disbursements, but may be adjusted to reflect unique events.
 - Projections of remaining fiscal year cash flow may be adjusted when necessary to reflect unforeseen events or additional revised forecasts of the General Fund condition statement.
- Data in 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. In addition, comparison of year-to-date annual General Fund financial information also has many inherent problems due to the potential of different revenue and budget provisions for each fiscal year.
- 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 the Securities and Exchange Commission (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 MAY 31, 2010^(a)
PROJECTED GENERAL FUND CASH FLOW; JUNE 1, 2010 TO JUNE 30, 2010^(b)
(Cash Basis)

	(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	\$ 1,217,274	\$ 1,231,002	\$ 691,046	\$ 1,477,143	\$ 1,437,116	\$ 327,778	\$ 614,420	\$ 816,616
Ending Balance	(209,782)	260,309	497,287	1,217,274	1,231,002	691,046	1,477,143	1,437,116	327,778	614,420	816,616	119,043
Lowest Daily Balance^(d)	(360,039)	(231,168)	207,024	326,671	797,022	629	614,427	1,389,706	327,777	65,274	814,420	(270,564)
RECEIPTS												
TAX RECEIPTS												
Individual Income ⁽¹⁾	\$ 584,331	\$ 510,851	\$ 643,062	\$ 510,233	\$ 614,846	\$ 599,354	\$ 810,569	\$ 463,814	\$ 682,855	\$ 1,049,144	\$ 397,454	\$ 574,509
Sales & Use	384,080	377,755	373,531	364,188	352,567	323,531	382,321	310,028	290,791	344,467	332,808	328,531
Corporate Income	33,814	25,608	140,812	54,329	65,449	176,170	48,401	35,595	190,142	51,078	35,405	137,967
Public Utility	18	13	77	6,378	170,474	1,214	97	282	66	1,422	142,322	506
Excise	62,971	58,649	54,576	81,812	67,087	59,501	66,683	61,144	50,625	65,466	60,969	63,857
Insurance	150	1,568	32,229	753	1,685	32,572	640	35	18,812	28,489	930	26,671
Inheritance	236	96	326	164	5,373	160	398	242	109	48	73	-
Subtotal Tax Receipts	\$ 1,065,600	\$ 974,540	\$ 1,244,613	\$ 1,017,857	\$ 1,277,481	\$ 1,192,502	\$ 1,309,109	\$ 871,140	\$ 1,233,400	\$ 1,540,114	\$ 969,961	\$ 1,132,041
NON-TAX RECEIPTS												
Federal ^(b)	808,446	793,084	680,650	576,443	738,467	749,828	726,946	788,120	783,046	728,315	789,356	890,554
Other & Transfers	586,306	173,702	702,693	792,105	338,944	383,595	528,704	645,266	386,289	374,359	205,501	644,277
Note Proceeds ^(e)	807,585	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 2,202,337	\$ 966,786	\$ 1,383,343	\$ 1,368,548	\$ 1,077,411	\$ 1,133,423	\$ 1,255,650	\$ 1,433,386	\$ 1,169,335	\$ 1,102,674	\$ 994,857	\$ 1,534,831
TOTAL RECEIPTS	\$ 3,267,937	\$ 1,941,326	\$ 2,627,956	\$ 2,386,405	\$ 2,354,892	\$ 2,325,925	\$ 2,564,759	\$ 2,304,526	\$ 2,402,735	\$ 2,642,788	\$ 1,964,818	\$ 2,666,872
DISBURSEMENTS												
Local Aids	\$ 1,231,927	\$ 161,676	\$ 876,945	\$ 124,811	\$ 1,018,143	\$ 1,272,650	\$ 213,872	\$ 273,302	\$ 1,356,950	\$ 140,988	\$ 201,047	\$ 1,995,121
Income Maintenance	877,082	616,363	564,447	622,636	610,394	596,845	582,610	493,884	487,275	650,428	551,995	350,637
Payroll and Related	536,684	280,644	325,623	525,134	290,275	452,740	446,191	384,062	390,787	518,752	309,200	377,719
Tax Refunds	62,484	56,397	72,047	94,976	118,210	192,560	128,851	603,472	561,022	459,464	145,049	189,417
Debt Service	212,413	-	99,930	-	64	-	-	526	139,327	-	-	258
Miscellaneous	394,192	356,155	451,986	298,861	304,078	351,086	407,138	400,262	371,998	381,765	350,560	451,293
Note Repayment ^(e)	15,585	-	-	-	-	-	-	189,045	204,714	204,749	204,771	-
TOTAL DISBURSEMENTS	\$ 3,330,367	\$ 1,471,235	\$ 2,390,978	\$ 1,666,418	\$ 2,341,164	\$ 2,865,881	\$ 1,778,662	\$ 2,344,553	\$ 3,512,073	\$ 2,356,146	\$ 1,762,622	\$ 3,364,445

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

PROJECTED GENERAL FUND CASH FLOW; JULY 1, 2010 TO JUNE 30, 2011 ^{(a) (b)}
(Cash Basis)

	(In Thousands of Dollars)											
	July 2010	August 2010	September 2010	October 2010	November 2010	December 2010	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011
BALANCES^(c)												
Beginning Balance	\$ 119,043	\$ (332,438)	\$ 358,102	\$ 579,940	\$ 1,069,364	\$ 942,512	\$ 179,249	\$ 1,062,496	\$ 890,331	\$ (647,392)	\$ (459,629)	\$ 226,181
Ending Balance	(332,438)	358,102	579,940	1,069,364	942,512	179,249	1,062,496	890,331	(647,392)	(459,629)	226,181	(564,004)
Lowest Daily Balance ^(d)	(408,186)	(454,021)	25,710	276,629	298,621	(550,837)	169,811	584,800	(647,392)	(1,103,402)	(459,623)	(1,070,361)
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 447,710	\$ 634,176	\$ 703,817	\$ 476,815	\$ 642,892	\$ 625,658	\$ 949,443	\$ 526,967	\$ 570,413	\$ 1,039,144	\$ 648,564	\$ 745,701
Sales & Use	398,600	400,300	395,200	390,600	375,300	345,400	418,400	321,500	309,600	353,100	355,200	392,000
Corporate Income	27,500	21,900	160,900	34,300	28,800	165,100	29,100	20,600	217,600	34,800	22,600	159,700
Public Utility	-	-	500	3,400	163,400	500	800	100	100	1,900	170,500	500
Excise	64,100	53,500	96,400	81,700	77,600	68,900	51,200	59,900	49,700	50,800	53,900	59,200
Insurance	500	1,300	28,400	600	1,200	34,900	2,600	18,300	20,600	25,800	1,200	29,200
Subtotal Tax Receipts	\$ 938,410	\$ 1,111,176	\$ 1,385,217	\$ 987,415	\$ 1,289,192	\$ 1,240,458	\$ 1,451,543	\$ 947,367	\$ 1,168,013	\$ 1,505,544	\$ 1,251,964	\$ 1,386,301
NON-TAX RECEIPTS												
Federal ^(b)	645,144	735,844	689,258	666,444	701,223	630,068	771,585	726,280	721,744	622,232	829,917	663,601
Other & Transfers	490,154	339,535	592,770	461,633	353,447	294,466	584,679	641,174	352,015	396,803	354,893	483,067
Note Proceeds ^(e)	803,408	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 1,938,706	\$ 1,075,379	\$ 1,282,028	\$ 1,128,077	\$ 1,054,670	\$ 924,534	\$ 1,356,264	\$ 1,367,454	\$ 1,073,759	\$ 1,019,035	\$ 1,184,810	\$ 1,146,668
TOTAL RECEIPTS	\$ 2,877,116	\$ 2,186,555	\$ 2,667,245	\$ 2,115,492	\$ 2,343,862	\$ 2,164,992	\$ 2,807,807	\$ 2,314,821	\$ 2,241,772	\$ 2,524,579	\$ 2,436,774	\$ 2,532,969
DISBURSEMENTS												
Local Aids	\$ 1,382,243	\$ 155,595	\$ 912,069	\$ 150,007	\$ 1,015,558	\$ 1,285,577	\$ 216,393	\$ 269,766	\$ 1,300,662	\$ 155,879	\$ 164,904	\$ 1,942,920
Income Maintenance	815,310	597,882	570,110	614,009	611,138	697,602	557,019	554,573	626,648	622,944	443,882	241,581
Payroll and Related	529,115	286,121	344,035	440,810	402,740	471,402	438,945	403,382	398,649	532,213	305,634	401,095
Tax Refunds	50,900	73,700	50,500	60,900	75,200	128,600	167,300	641,000	513,700	470,600	174,800	149,200
Debt Service	215,247	-	161,854	6,936	258	-	6,936	-	376,910	19,838	-	-
Miscellaneous	324,374	382,717	406,839	353,406	365,820	345,073	537,968	425,851	359,104	331,519	457,923	588,357
Note Repayment ^(e)	11,408	-	-	-	-	-	-	192,414	203,822	203,822	203,822	-
TOTAL DISBURSEMENTS	\$ 3,328,597	\$ 1,496,015	\$ 2,445,407	\$ 1,626,068	\$ 2,470,714	\$ 2,928,254	\$ 1,924,561	\$ 2,486,986	\$ 3,779,495	\$ 2,336,815	\$ 1,750,965	\$ 3,323,153

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 May 31, 2010
 (Amounts in Thousands)**

	<u>FY09 through May 2009</u>	<u>FY10 through May 2010</u>				Difference FY09 Actual to FY10 Actual
	<u>Actual</u>	<u>Actual</u>	<u>Estimate^(b)</u>	<u>Variance</u>	<u>Adjusted Variance^(g)</u>	
RECEIPTS						
Tax Receipts						
Individual Income ^(f)	\$ 7,111,767	\$ 6,866,513	\$ 7,198,891	\$ (332,378)	(332,378)	\$ (245,254)
Sales	4,013,669	3,836,067	3,894,669	(58,602)	(58,602)	(177,602)
Corporate Income	661,755	856,803	655,733	201,070	201,070	195,048
Public Utility	335,975	322,363	332,394	(10,031)	(10,031)	(13,612)
Excise	606,273	689,483	741,543	(52,060)	(52,060)	83,210
Insurance	144,551	117,863	137,029	(19,166)	(19,166)	(26,688)
Inheritance	36,605	7,225	-	7,225	7,225	(29,380)
Total Tax Receipts	\$ 12,910,595	\$ 12,696,317	\$ 12,960,259	\$ (263,942)	\$ (263,942)	\$ (214,278)
Non-Tax Receipts						
Federal ^(b)	\$ 7,219,723	\$ 8,162,701	\$ 7,940,090	\$ 222,611	\$ 222,611	\$ 942,978
Other and Transfers	4,773,909	5,117,464	4,696,800	420,664	420,664	343,555
Note Proceeds ^(e)	801,840	807,585	807,585	-	-	5,745
Total Non-Tax Receipts	\$ 12,795,472	\$ 14,087,750	\$ 13,444,475	\$ 643,275	\$ 643,275	\$ 1,292,278
TOTAL RECEIPTS	\$ 25,706,067	\$ 26,784,067	\$ 26,404,734	\$ 379,333	\$ 379,333	\$ 1,078,000
DISBURSEMENTS						
Local Aids	\$ 7,024,275	\$ 6,872,311	\$ 7,169,733	\$ 297,422	\$ 297,422	\$ (151,964)
Income Maintenance	6,217,054	6,656,292	6,242,857	(413,435)	(413,435)	439,238
Payroll & Related	4,432,187	4,460,092	4,585,624	125,532	125,532	27,905
Tax Refunds	2,437,009	2,494,532	2,434,383	(60,149)	(60,149)	57,523
Debt Service	633,217	452,260	547,028	94,768	94,768	(180,957)
Miscellaneous	4,118,715	4,065,748	4,181,381	115,633	115,633	(52,967)
Note Repayment ^(e)	822,343	818,864	819,111	247	247	(3,479)
TOTAL DISBURSEMENTS	\$ 25,684,800	\$ 25,820,099	\$ 25,980,117	\$ 160,018	\$ 160,018	\$ 135,299
FY10 VARIANCE YEAR-TO-DATE				\$ 539,351	\$ 539,351	

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)}
(Cash Basis)
July 1, 2008 through May 31, 2010 — Actual
June 1, 2010 through June 30, 2011 — Estimated^(b)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>	<u>Receipts^(e)</u>	<u>Disbursements^(e)</u>
2008	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	2,386,405	1,666,418
	November.....	1,217,274	2,354,892	2,341,164
	December.....	1,231,002	2,325,925	2,865,881
2010	January.....	691,046	2,564,759	1,778,662
	February.....	1,477,143	2,304,526	2,344,553
	March.....	1,437,116	2,402,735	3,512,073
	April.....	327,778	2,642,788	2,356,146
	May.....	614,420	1,964,818	1,762,622
	June.....	816,616 (d)	2,666,872	3,364,445
	July.....	119,043 (d)	2,881,379	3,332,860
	August.....	(332,438) (d)	2,186,555	1,496,015
	September.....	358,102	2,667,245	2,445,407
	October.....	579,940	2,115,492	1,626,068
	November.....	1,069,364	2,343,862	2,470,714
	December.....	942,512 (d)	2,164,992	2,928,254
2011	January.....	179,249	2,807,807	1,924,561
	February.....	1,062,496	2,314,821	2,486,986
	March.....	890,331 (d)	2,241,772	3,779,495
	April.....	(647,392) (d)	2,524,579	2,336,815
	May.....	(459,629) (d)	2,436,774	1,750,965
	June.....	226,181 (d)	2,532,969	3,323,153

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) (h)}
July 31, 2008 to May 31, 2010 — Actual
June 30, 2010 to June 30, 2011 — 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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
January		\$ 1,045	\$ 1,042	\$ 1,042
February		1,180	955	955
March		1,124	935	935
April		1,020	1,209	1,209
May		1,191	1,191	1,191
June		1,167	1,167	1,167
July	\$ 910	981	981	
August	944	1,064	1,064	
September	1,081	1,233	1,233	
October	906	1,035	1,035	
November	1,011	1,118	1,118	
December	1,072	1,073	1,073	

Available Balances; Includes Balances in the LGIP

<u>Month (Last Day)</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
January		\$ 5,372	\$ 4,100	\$ 4,100
February		5,543	4,133	4,133
March		5,440	4,130	4,130
April		4,852	4,089	4,089
May		4,632	4,632	4,632
June		4,474	4,474	4,474
July	\$ 5,422	5,102	5,102	
August	4,589	4,189	4,189	
September	4,479	4,076	4,076	
October	3,900	3,438	3,438	
November	3,936	3,500	3,500	
December	4,461	3,666	3,666	

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 May 31, 2010 compared with previous year

	Revenues <u>FY09⁽ⁱ⁾</u>	Projected Revenues <u>FY10^(j)</u>	Recorded Revenues July 1, 2008 to <u>May 31, 2009^(k)</u>	Recorded Revenues July 1, 2009 to <u>May 31, 2010^(l)</u>
Individual Income Tax	\$ 6,222,735,000	\$ 6,230,973,000	\$ 5,159,866,737	\$ 5,153,802,754
General Sales and Use Tax	4,083,959,000	4,089,220,000	\$3,369,267,864	\$3,213,548,576
Corporate Franchise and Income Tax	629,523,000	717,150,000	450,954,046	634,970,323
Public Utility Taxes	320,110,000	318,200,000	320,018,725	317,765,426
Excise Taxes	647,621,000	795,680,000	532,156,046	623,030,663
Inheritance Taxes	20,853,000	-	20,637,263	377,313
Insurance Company Taxes	136,291,000	148,000,000	105,349,956	97,691,867
Miscellaneous Taxes	52,059,000	47,000,000	80,736,922	83,919,478
SUBTOTAL.....	<u>12,113,151,000</u>	<u>12,346,223,000</u>	<u>10,038,987,559</u>	<u>10,125,106,399</u>
Federal and Other Inter- Governmental Revenues ^(m)	8,411,740,000	8,451,323,200	7,222,018,876	8,210,617,818
Dedicated and Other Revenues ⁽ⁿ⁾	<u>4,553,355,000</u>	<u>5,082,068,100</u>	<u>4,137,253,411</u>	<u>4,149,831,038</u>
TOTAL.....	<u>\$ 25,078,246,000</u>	<u>\$ 25,879,614,300</u>	<u>\$ 21,398,259,846</u>	<u>\$ 22,485,555,256</u>

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION
(Agency Recorded Basis)
July 1, 2009 to May 31, 2010 compared with previous year

	Expenditures <u>FY09⁽ⁱ⁾</u>	Estimated Appropriations <u>FY10^(j)</u>	Recorded Expenditures July 1, 2008 to <u>May 31, 2009^(o)</u>	Recorded Expenditures July 1, 2009 to <u>May 31, 2010^(p)</u>
Commerce.....	\$ 263,800,000	\$ 307,224,700	\$ 206,292,383	\$ 251,894,985
Education.....	11,130,263,000	11,428,901,400	9,006,201,847	8,896,812,205
Environmental Resources.....	327,566,000	330,460,100	309,738,235	151,586,226
Human Relations & Resources	10,361,591,000	10,195,574,700	9,644,579,527	9,710,558,175
General Executive.....	844,724,000	1,306,939,400	839,224,849	991,451,410
Judicial.....	130,541,000	136,201,700	118,940,761	118,672,299
Legislative.....	65,289,000	73,817,900	54,266,273	54,746,260
General Appropriations.....	<u>2,156,962,000</u>	<u>2,346,576,300</u>	<u>2,100,607,272</u>	<u>2,243,017,677</u>
TOTAL.....	<u>\$ 25,280,736,000</u>	<u>\$ 26,125,696,200</u>	<u>\$ 22,279,851,146</u>	<u>\$ 22,418,739,237</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 actual results and the projections or estimates for FY10 (cash basis) reflect decreased General Fund tax revenue collection estimates released by LFB on January 27, 2010, \$1.139 billion of certain federal economic stimulus money the State has received or is expected to receive in FY 10 for its medical assistance program, education, shared revenue, and various other programs, the 2009-11 biennial budget (2009 Wisconsin Act 28), 2009 Wisconsin Act 2, and \$800 million of operating note proceeds and the resulting impoundment payments.

The projections or estimates for FY11 (cash basis) reflect updated General Fund tax revenue collection estimates released by LFB on January 27, 2010, \$568 million of certain federal economic stimulus money that the State expects to receive in FY11 for its medical assistance programs, education aids, and various other purposes, the budget for the 2009-11 biennium (2009 Wisconsin Act 28) and subsequent actions of the Legislature and Legislature's Joint Committee on Finance, and \$800 million of operating note proceeds and the resulting impoundment payments.

The federal economic stimulus money referenced above is only a portion of the federal economic stimulus money the State has received or expects to receive.

- (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 \$220 to \$400 million during FY10 and from \$200 to \$400 million during FY11. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds were expected to average \$5 million during FY10 and \$10 million during FY11.
- (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 in an amount up to up to 7% of the general-purpose revenue appropriations then in effect. This amount is approximately \$940 million for FY10 and approximately \$986 million for FY11. 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 and approximately \$422 million for FY11. In aggregate, these amounts are \$1.343 billion for FY10 and \$1.408 billion for FY11.

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) \$800 million of operating notes issued on July 1, 2008 for FY09, \$800 million of operating notes issued on July 1, 2009 for FY10, and \$800 million of operating notes issued on July 1, 2010 for FY11. The February, 2011 impoundment payment reflects the amount of premium received on July 1, 2010 and deposited into the Operating Note Redemption Fund.
- (f) Due to a processing error, \$32 million in Individual Income tax receipts that were received on May 28, 2010 were not recorded into the State's accounting system until June 1. Also, due to a combination of State furlough day on May 28, 2010 and holiday on May 31, 2010, an additional \$154 million in Individual Income tax receipts that were forecast to be received on May 28, 2010 were not received until June 1. These variances, totaling \$186 million, are expected to reverse during June, 2010.
- (g) 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.
- (h) 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.
- (i) The amounts are from the Annual Fiscal Report (unaudited, budgetary basis) for FY09, dated October 15, 2009.
- (j) The projections or estimates on an agency recorded basis 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), but the projections do not reflect updated General Fund tax revenue collection estimates released by LFB on January 27, 2010 nor any actions of the Legislature or the Legislature's Joint Committee on Finance subsequent to 2009 Wisconsin Act 28.

- (k) 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 tax 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) 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 tax 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.
- (m) 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.
- (n) 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.
- (o) The amounts shown are FY09 expenditures as recorded by state agencies.
- (p) 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 General Fund cash flows assume that the State will receive approximately \$47 million, and the FY11 budget and projected General Fund cash flows assume that the State will receive approximately \$50 million, pursuant to the amended gaming compacts with tribal governments.