



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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April 1, 2011

To the Users of This Report:

Re: General Fund Monthly Financial Information—February 2011

Please find attached the Report of Monthly General Fund Financial Information for the period ending February 28, 2011. 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.

- **Estimated Tax Collections – FY11.** The Legislative Fiscal Bureau (**LFB**) released a memorandum on January 31, 2011 that included estimated General Fund tax collections of \$12.691 billion for FY11. This amount is an increase of \$560 million from collections in FY10, but approximately \$13 million less than estimates provided by the Wisconsin Department of Revenue (**DOR**) in November 2010 (as modified in December 2010). *Many of the tables in the attached report reflect the LFB's January 31, 2011 estimates of General Fund tax collections.*

A complete copy of the LFB memorandum is available from the Capital Finance Office website (www.doa.state.wi.us/capitalfinance), the Municipal Securities Rulemaking Board (**MSRB**) through its EMMA system, or the above addresses.

- **FY11 General Fund Condition Statement (Budgetary Basis).** The LFB memorandum of January 2011 also included a General Fund condition statement for FY11 that shows a net ending balance of \$56 million, which is approximately \$54 million more than the projected net ending balance included in the November 2010 Wisconsin Department of Administration (**DOA**) report, as adjusted in December 2010. However, the January 2011 LFB memorandum also identified certain items and potential general purpose revenue shortfalls for FY11 that were not included in the General Fund conditions statement. A complete copy of the LFB memorandum is available from the Capital Finance Office website (www.doa.state.wi.us/capitalfinance), MSRB through its EMMA system, or the above addresses.
- **Budget Adjustment Legislation.** Budget adjustment legislation for FY11 was introduced on February 14, 2011. Certain elements of this legislation

were passed by the Legislature on March 10, 2011 and signed into law on March 11, 2011 (2011 Wisconsin Act 10).

The effect date of 2011 Act 10 is currently being held up by a temporary restraining order issued by the circuit court. This order was amended on March 31, 2011 by the same circuit court to state that 2011 Act 10 has not been published and is not in effect. This temporary restraining order relates to a case filed in circuit court by the Dane County District Attorney seeking relief based on allegations that various open meeting laws were violated by a legislative committee that voted the related bill to both houses of the Legislature. Hearings on this temporary injunction have occurred and continue on April 1, 2011. On March 21, 2011, the State filed in the court of appeals a petition seeking immediate relief from the initial order prior to it being amended. On March 24, 2011, the court of appeals certified certain issues to the Wisconsin Supreme Court. At this time, it is not known if the Wisconsin Supreme Court will accept the case or what issues may be reviewed.

At this time, two other cases have been filed in circuit court regarding 2011 Act 10. One case seeks an injunction to prevent publication of 2011 Act 10 based on claims that legislative process ran afoul of the Wisconsin Constitution and that various open meeting laws were violated by the legislative committee that voted the related bill to both houses of the Legislature. Oral arguments on a motion to dismiss that case are scheduled for April 12, 2011. The other case seeks the court to permanently enjoin any implementation of 2011 Act 10 due to enactment occurring in derogation of the quorum requirements in the Wisconsin Constitution

When effective, 2011 Wisconsin Act 10 is projected to increase the projected FY11 net ending balance by approximately \$38 million to \$94 million. *The tables in the attached report do not reflect any provisions of 2011 Act 10.* Certain components of 2011 Wisconsin Act 10 include the following:

- o Modifications to the collective bargaining rights of public employees in the Wisconsin (except for certain protective occupation participants under the Wisconsin Retirement System or under the City of Milwaukee or Milwaukee County retirement systems).
- o Increase of General Fund revenues by approximately \$30 million, reflecting increases in employee health and retirement contributions.

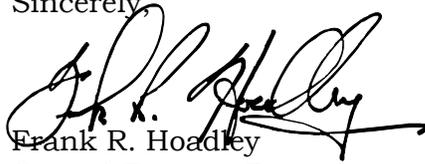
Legislation was introduced on March 30, 2011 that includes the other elements of the February 2011 budget adjustment legislation that were not previously passed by the Legislature and signed into law. This recently introduced legislation includes additional appropriations to fund projected medical assistance benefit shortfalls through FY11. Neither the introduced budget adjustment legislation in February 2011, 2011 Act 10, or the recently introduced legislation directly addresses payment to the State of Minnesota under a terminated income tax reciprocity program or consideration of the yet-

to-be determined repayment to the Injured Patients and Families Compensation Fund pursuant to the July 2010 Supreme Court decision.

- **2011-13 Biennial Executive Budget.** On March 1, 2011, Governor Walker presented the proposed executive budget for the 2011-13 biennium. The Legislature's Joint Committee on Finance is planning to hold public hearings on this proposed executive budget starting in April 2011. Information on the proposed executive budget is available at the State Budget Office website (www.doa.state.wi.us/debf/execbudget.asp) or from the above addresses.
- **Tax Filing Update.** As of March 19, 2011, the total number of tax returns completely processed in calendar year (CY) 2011 was down 3.6% compared to this time in CY10. The total number of refunds issued in CY11 is down 13.6% compared to this time in CY10 and the average amount of refund is down 8.0%. The portion of all processed tax returns with refunds issued is 81.9% compared to 91.4% at this time in CY10. Electronic returns have increased by less than 1% over this time in CY10 and are now 83% of total returns.

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 February 28, 2011

Prepared by the Wisconsin Department of Administration

Prepared on April 1, 2011

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.

ACTUAL AND PROJECTED GENERAL FUND FY11 CASH FLOWS (CASH BASIS) REFLECT GENERAL FUND TAX REVENUE ESTIMATES PROVIDED BY LFB ON JANUARY 31, 2011, \$762 MILLION OF CERTAIN FEDERAL ECONOMIC STIMULUS MONEY THE STATE HAS RECEIVED OR 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 THROUGH DECEMBER 31, 2010, AND \$800 MILLION OF OPERATING NOTE PROCEEDS AND THE RESULTING IMPOUNDMENT PAYMENTS.

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2. **Actual and Projected General Fund Cash Flow (Cash Basis)**
This table corresponds to Table II-10, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2010.
3. **General Fund Receipts and Disbursements Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**
This table corresponds to Table II-11, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2010.
4. **General Fund Monthly Cash Position (Cash Basis)**
This table corresponds to Table II-12, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2010.
5. **Cash Balances in Funds Available for Temporary Reallocation**
This table corresponds to Table II-13, page 48, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2010.
6. **General Fund Recorded Revenues (Agency Recorded Basis)**
This table corresponds to Table II-14, page 49, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2010.
7. **General Fund Recorded Expenditures by Function (Agency Recorded Basis)**
This table corresponds to Table II-15, page 50, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2010.
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 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, 2010 TO FEBRUARY 28, 2011 ^(a)
PROJECTED GENERAL FUND CASH FLOW; MARCH 1, 2011 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	\$ 383,306	\$ (84,448)	\$ 497,619	\$ 919,992	\$ 1,439,908	\$ 1,426,253	\$ (108,976)	\$ 1,750,979	\$ 1,727,093	\$ 683,650	\$ 640,135	\$ 1,336,550
Ending Balance	(84,448)	497,619	919,992	1,439,908	1,426,253	(108,976)	1,750,979	1,727,093	683,650	640,135	1,336,550	510,710
Lowest Daily Balance ^(d)	(122,974)	(90,410)	297,835	709,092	962,221	(213,810)	(123,219)	1,651,343	500,710	260,776	640,135	(2,459)
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 483,412	\$ 627,258	\$ 671,124	\$ 535,724	\$ 636,984	\$ 598,745	\$ 1,041,402	\$ 495,200	\$ 559,269	\$ 1,018,842	\$ 635,893	\$ 731,130
Sales & Use	385,326	387,798	382,658	374,812	368,633	344,533	416,955	316,745	304,020	346,736	348,798	384,934
Corporate Income	43,130	25,350	173,894	43,590	43,933	153,785	70,049	25,002	249,283	39,867	25,891	182,952
Public Utility	-	63	62	2,428	175,062	213	-	1	100	1,900	173,100	500
Excise	70,623	68,097	67,433	62,432	54,637	68,316	65,540	45,804	48,843	49,924	52,970	58,179
Insurance	1,531	1,182	31,965	376	1,366	33,335	937	32,385	20,600	25,800	1,200	29,200
Subtotal Tax Receipts	\$ 984,022	\$ 1,109,748	\$ 1,327,136	\$ 1,019,362	\$ 1,280,615	\$ 1,198,927	\$ 1,594,883	\$ 915,137	\$ 1,182,115	\$ 1,483,069	\$ 1,237,852	\$ 1,386,895
NON-TAX RECEIPTS												
Federal ^(b)	809,284	822,212	926,039	710,540	752,733	603,077	1,374,583	624,735	613,844	472,851	836,208	707,763
Other & Transfers	436,955	288,640	608,849	397,638	442,147	311,520	485,864	719,897	353,270	398,218	356,158	484,789
Note Proceeds ^(e)	803,408	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 2,049,647	\$ 1,110,852	\$ 1,534,888	\$ 1,108,178	\$ 1,194,880	\$ 914,597	\$ 1,860,447	\$ 1,344,632	\$ 967,114	\$ 871,069	\$ 1,192,366	\$ 1,192,552
TOTAL RECEIPTS	\$ 3,033,669	\$ 2,220,600	\$ 2,862,024	\$ 2,127,540	\$ 2,475,495	\$ 2,113,524	\$ 3,455,330	\$ 2,259,769	\$ 2,149,229	\$ 2,354,138	\$ 2,430,218	\$ 2,579,447
DISBURSEMENTS												
Local Aids	\$ 1,429,366	\$ 202,649	\$ 860,448	\$ 119,341	\$ 1,033,776	\$ 1,309,475	\$ 221,063	\$ 270,789	\$ 1,300,662	\$ 155,879	\$ 164,904	\$ 1,942,920
Income Maintenance	795,141	602,501	615,203	620,435	677,923	1,361,190	324,938	493,827	408,211	348,178	415,850	310,640
Payroll and Related	539,995	304,252	341,331	429,142	395,512	480,524	463,313	404,790	398,649	532,213	305,634	438,612
Tax Refunds	58,790	56,259	53,503	89,888	95,080	119,659	117,635	542,888	513,700	470,600	174,800	149,200
Debt Service	214,486	-	167,832	408	-	39	263	262	-	347,573	-	-
Miscellaneous	452,237	472,872	401,334	348,410	286,859	377,866	468,163	382,054	367,628	339,388	468,793	563,915
Note Repayment ^(e)	11,408	-	-	-	-	-	-	189,045	203,822	203,822	203,822	-
TOTAL DISBURSEMENTS	\$ 3,501,423	\$ 1,638,533	\$ 2,439,651	\$ 1,607,624	\$ 2,489,150	\$ 3,648,753	\$ 1,595,375	\$ 2,283,655	\$ 3,192,672	\$ 2,397,653	\$ 1,733,803	\$ 3,405,287

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 February 28, 2011
 (Amounts in Thousands)**

	FY10 through February 2010		FY11 through February 2011			Difference FY10 Actual to FY11 Actual	
	Actual		Actual ^(b)	Estimate ^(b)	Variance		Adjusted Variance ^(f)
RECEIPTS							
Tax Receipts							
Individual Income	\$ 4,737,060		\$ 5,089,849	\$ 4,950,733	\$ 139,116	139,116	\$ 352,789
Sales	2,868,001		2,977,460	3,019,940	(42,480)	(42,480)	109,459
Corporate Income	580,178		578,733	511,875	66,858	66,858	(1,445)
Public Utility	178,553		177,829	168,700	9,129	9,129	(724)
Excise	512,423		502,882	554,967	(52,085)	(52,085)	(9,541)
Insurance	69,632		103,077	87,800	15,277	15,277	33,445
Inheritance	6,995		-	-	-	-	(6,995)
Total Tax Receipts	\$ 8,952,842		\$ 9,429,830	\$ 9,294,015	\$ 135,815	\$ 135,815	\$ 476,988
Non-Tax Receipts							
Federal ^(b)	\$ 5,861,984		\$ 6,623,203	\$ 6,008,411	\$ 614,792	\$ 614,792	\$ 761,219
Other and Transfers	4,151,315		3,691,510	3,758,444	(66,934)	(66,934)	(459,805)
Note Proceeds ^(e)	807,585		803,408	803,408	-	-	(4,177)
Total Non-Tax Receipts	\$ 10,820,884		\$ 11,118,121	\$ 10,570,263	\$ 547,858	\$ 547,858	\$ 297,237
TOTAL RECEIPTS	\$ 19,773,726		\$ 20,547,951	\$ 19,864,278	\$ 683,673	\$ 683,673	\$ 774,225
DISBURSEMENTS							
Local Aids	\$ 5,173,326		\$ 5,446,907	\$ 5,387,208	\$ (59,699)	\$ (59,699)	\$ 273,581
Income Maintenance	4,966,594		5,491,158	5,452,787	(38,371)	(38,371)	524,564
Payroll & Related	3,241,353		3,358,859	3,316,550	(42,309)	(42,309)	117,506
Tax Refunds	1,328,997		1,133,702	1,248,100	114,398	114,398	(195,295)
Debt Service	312,933		383,290	391,231	7,941	7,941	70,357
Miscellaneous	2,961,425		3,189,795	3,143,645	(46,150)	(46,150)	228,370
Note Repayment ^(e)	204,630		200,453	203,822	3,369	3,369	(4,177)
TOTAL DISBURSEMENTS	\$ 18,189,258		\$ 19,204,164	\$ 19,143,343	\$ (60,821)	\$ (60,821)	\$ 1,014,906
FY11 VARIANCE YEAR-TO-DATE					\$ 622,852	\$ 622,852	

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 February 28, 2011 — Actual
March 1, 2011 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)	2,915,644	3,348,954
	July.....	383,306 (d)	3,033,669	3,501,423
	August.....	(84,448) (d)	2,220,600	1,638,533
	September.....	497,619	2,862,024	2,439,651
	October.....	919,992	2,127,540	1,607,624
	November.....	1,439,908	2,475,495	2,489,150
	December.....	1,426,253 (d)	2,113,524	3,648,753
2011	January.....	(108,976) (d)	3,455,330	1,595,375
	February.....	1,750,979	2,259,769	2,283,655
	March.....	1,727,093	2,149,229	3,192,672
	April.....	683,650 (d)	2,354,138	2,397,653
	May.....	640,135	2,430,218	1,733,803
	June.....	1,336,550 (d)	2,579,447	3,405,287

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, 2008 to February 28, 2011 — Actual
March 31, 2011 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 \$2.345 billion during November 2010 to a high of \$4.347 billion during February 2009. 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	\$ 1,197
February		1,180	955	1,416
March		1,124	935	935
April		1,020	1,209	1,209
May		1,191	1,289	1,289
June		1,167	1,427	1,427
July	\$ 910	981	1,188	
August	944	1,064	1,246	
September	1,081	1,233	1,335	
October	906	1,035	1,283	
November	1,011	1,118	1,242	
December	1,072	1,073	1,185	

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	\$ 4,389
February		5,543	4,133	4,482
March		5,440	4,130	4,130
April		4,852	4,089	4,089
May		4,632	3,842	3,842
June		4,474	4,035	4,035
July	\$ 5,422	5,102	4,469	
August	4,589	4,189	3,883	
September	4,479	4,076	3,833	
October	3,900	3,438	3,495	
November	3,936	3,500	3,585	
December	4,461	3,666	3,974	

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^(a)
(Agency Recorded Basis)
July 1, 2010 to February 28, 2011 Compared With Previous Year

	Revenues FY10^(h)	Projected Revenues FY11⁽ⁱ⁾	Recorded Revenues July 1, 2009 to February 28, 2010^(j)	Recorded Revenues July 1, 2010 to February 28, 2011^(k)
Individual Income Tax	\$ 6,089,170,000	\$ 6,505,000,000	\$ 3,757,836,822	\$ 4,207,609,799
General Sales and Use Tax	3,944,187,000	4,235,000,000	\$2,299,270,270	\$2,423,081,057
Corporate Franchise and Income Tax	834,479,000	800,000,000	388,430,659	417,975,563
Public Utility Taxes	319,377,000	327,200,000	173,907,062	172,683,716
Excise Taxes	757,947,000	747,000,000	446,545,245	429,232,284
Inheritance Taxes	871,000	-	718,883	111,227
Insurance Company Taxes	130,718,000	135,000,000	68,862,760	70,783,953
Miscellaneous Taxes	54,910,000	52,000,000	39,994,550	34,441,793
SUBTOTAL.....	<u>12,131,659,000</u>	<u>12,801,200,000</u>	<u>7,175,566,250</u>	<u>7,755,919,391</u>
Federal and Other Inter- Governmental Revenues ^(l)	10,144,453,000	7,943,651,700	5,927,214,115	7,523,298,340
Dedicated and Other Revenues ^(m)	<u>4,641,967,000</u>	<u>5,370,540,300</u>	<u>3,430,335,700</u>	<u>3,511,383,416</u>
TOTAL.....	<u>\$ 26,918,079,000</u>	<u>\$ 26,115,392,000</u>	<u>\$ 16,533,116,065</u>	<u>\$ 18,790,601,146</u>

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(a)
(Agency Recorded Basis)
July 1, 2010 to February 28, 2011 Compared With Previous Year

	Expenditures FY10^(h)	Estimated Appropriations FY11⁽ⁱ⁾	Recorded Expenditures July 1, 2009 to February 28, 2010⁽ⁿ⁾	Recorded Expenditures July 1, 2010 to February 28, 2011^(o)
Commerce.....	\$ 377,721,000	\$ 297,108,800	\$ 181,524,429	\$ 231,447,157
Education.....	11,250,162,000	11,546,524,800	6,174,393,342	7,163,696,847
Environmental Resources.....	169,701,000	322,957,900	98,735,178	120,743,958
Human Relations & Resources	11,561,658,000	10,471,976,600	7,143,670,881	8,380,051,028
General Executive.....	1,090,559,000	1,126,878,500	725,618,890	845,492,312
Judicial.....	130,653,000	136,817,700	94,856,077	96,895,112
Legislative.....	65,930,000	73,917,600	38,566,812	39,775,808
General Appropriations.....	<u>2,286,961,000</u>	<u>2,389,332,200</u>	<u>2,100,992,720</u>	<u>2,073,172,349</u>
TOTAL.....	<u>\$ 26,933,345,000</u>	<u>\$ 26,365,514,100</u>	<u>\$ 16,558,358,329</u>	<u>\$ 18,951,274,571</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 results, projections, or estimates for FY11 (cash basis) reflect the budget for the 2009-11 biennium (2009 Wisconsin Act 28) and subsequent actions of the Legislature and Legislature's Joint Committee on Finance through December 31, 2010, estimated General Fund tax collections included in the January 31, 2011 memorandum from LFB, \$762 million of certain federal economic stimulus money that the State has received, or expects to receive, in FY11 for its medical assistance programs, education aids, and various other purposes, \$800 million of operating note proceeds and the resulting impoundment payments, and updated (November 2010) income maintenance disbursements and federal receipt forecasts. The projections or estimates for the remainder of FY11 (cash basis) do not reflect any provisions of 2011 Wisconsin Act 10. The effective date of 2011 Act 10 is currently subject to a temporary restraining order issued by the circuit court (as amended on March 30, 2011); the State has filed an appeal with the court of appeals, who has further certified certain issues to the Wisconsin Supreme Court.

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 are expected to range 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 are expected to average \$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 \$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 \$422 million for FY11. In aggregate, these amounts are \$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. Impoundment payments were made, or are due, in February, March, April, and May of the corresponding fiscal year. The February, 2011 impoundment payment reflected the amount of premium received on July 1, 2010 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 FY10, dated October 15, 2010.
- (i) The projections or estimates on an agency recorded basis reflect the 2009-11 biennial budget (2009 Wisconsin Act 28), \$762 million of certain federal economic stimulus money the State has received, or expects to receive, in FY11, and the General Fund tax revenue estimates released by LFB on January 27 2010. The projections or estimates do not reflect updated General Fund tax revenue collection estimates provided by DOR on November 19, 2010 (as modified on December 27, 2010), the estimated General Fund tax collections provided by LFB on January 31, 2011, or any provisions of 2011 Wisconsin Act 10.
- (j) The amounts shown are FY10 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 not by other state agencies), and (ii) may include accruals or other adjustments that may not be recorded by state agencies until a subsequent month.
- (k) The amounts shown are FY11 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 not by other state agencies), 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 FY10 expenditures as recorded by state agencies.
- (o) The amounts shown are FY11 expenditures as recorded by state agencies.