

OFFICIAL STATEMENT

New Issue

This Official Statement provides information about the Bonds. Some of the information appears on this cover page for ready reference. To make an informed investment decision, a prospective investor should read the entire Official Statement.

\$327,015,000

STATE OF WISCONSIN

\$108,665,000 GENERAL OBLIGATION REFUNDING BONDS OF 2020, SERIES 1

\$218,350,000 GENERAL OBLIGATION REFUNDING BONDS OF 2020, SERIES 2 (TAXABLE)

Dated: Date of Delivery

Due: May 1, as shown on inside front cover

Ratings AA+ Kroll Bond Rating Agency, Inc.
Aa1 Moody's Investors Service, Inc.
AA S&P Global Ratings

Tax Matters Interest on the 2020 Series 1 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all individuals —See pages 11-12.

Interest on the 2020 Series 2 Bonds is included in gross income for federal income tax purposes— See pages 12-15.

Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes—See page 15.

Redemption The 2020 Series 1 Bonds maturing on or after May 1, 2031 are callable at par on May 1, 2030 or any date thereafter—See page 4.

The 2020 Series 2 Bonds are subject to redemption at any time at the make-whole redemption price—See page 4.

Security General obligations of the State of Wisconsin—See page 3.

Purpose Proceeds from the 2020 Series 1 Bonds are being used for the current refunding, and proceeds from the 2020 Series 2 Bonds are being used for the advance refunding, of general obligation bonds previously issued by the State of Wisconsin for general governmental purposes—See pages 2-3.

Interest Payment Dates May 1 and November 1

First Interest Payment Date May 1, 2020

Delivery On or about February 11, 2020

Denominations Multiples of \$5,000

Bond Counsel Foley & Lardner LLP

Registrar/Paying Agent Secretary of Administration

Issuer Contact Wisconsin Capital Finance Office
(608) 267-0374; DOACapitalFinanceOffice@wisconsin.gov

Book-Entry System The Depository Trust Company—See pages 5-6.

2019 Annual Report This Official Statement incorporates by reference, and makes updates and additions to, Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 27, 2019.

The prices and yields listed on the inside front cover were determined on January 22, 2020 at negotiated sale.

Jefferies

Ramirez & Co., Inc.

BAIRD

Hutchinson, Shockey, Erley & Co.

Janney Montgomery Scott

Piper Sandler & Co.

Stifel

**CUSIP NUMBERS, MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, AND  
OTHER INFORMATION**

**\$327,015,000  
STATE OF WISCONSIN**

**\$108,665,000 GENERAL OBLIGATION REFUNDING BONDS OF 2020, SERIES 1**

<b>CUSIP</b>	<b>Due (May 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Yield at Issuance</b>	<b>Price at Issuance</b>	<b>First Optional Call Date (May 1)</b>	<b>Call Price</b>
97705M PV1	2029	\$ 20,860,000	5.00%	1.28%	132.260%	Not Callable	-
97705M PW9	2030	46,430,000	5.00	1.37	134.513	Not Callable	-
97705M PX7	2031	2,550,000	5.00	1.45	133.612	<sup>(a)</sup> 2030	100%
97705M PY5	2032	3,175,000	5.00	1.50	133.052	<sup>(a)</sup> 2030	100
97705M PZ2	2033	3,420,000	5.00	1.55	132.496	<sup>(a)</sup> 2030	100
97705M QA6	2034	3,690,000	5.00	1.60	131.942	<sup>(a)</sup> 2030	100
97705M QB4	2035	3,970,000	5.00	1.65	131.390	<sup>(a)</sup> 2030	100
97705M QC2	2036	4,275,000	5.00	1.69	130.951	<sup>(a)</sup> 2030	100
97705M QD0	2037	4,600,000	4.00	1.98	118.607	<sup>(a)</sup> 2030	100
97705M QE8	2038	4,900,000	4.00	2.02	118.201	<sup>(a)</sup> 2030	100
97705M QF5	2039	5,225,000	4.00	2.06	117.797	<sup>(a)</sup> 2030	100
97705M QG3	2040	5,570,000	4.00	2.09	117.495	<sup>(a)</sup> 2030	100

<sup>(a)</sup> These Bonds are priced to the the May 1, 2030 first optional call date.

**\$218,350,000 GENERAL OBLIGATION REFUNDING BONDS OF 2020, SERIES 2 (TAXABLE)**

<b>CUSIP</b>	<b>Due (May 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price at Issuance</b>	<b>First Optional Call Date</b>	<b>Call Price</b>
97705M QH1	2021	\$ 3,175,000	1.626%	100.000%	Any Business Day at Make-Whole Redemption Price	
97705M QJ7	2024	24,530,000	1.775	100.000		
97705M QK4	2025	60,020,000	1.875	100.000		
97705M QL2	2026	17,625,000	2.038	100.000		
97705M QM0	2027	7,005,000	2.118	100.000		
97705M QN8	2028	7,125,000	2.217	100.000		
97705M QP3	2029	47,685,000	2.267	100.000		
97705M QQ1	2030	25,165,000	2.297	100.000		
97705M QR9	2031	26,020,000	2.347	100.000		

This document is called an official statement because it is the only document the State has authorized for providing information about the Bonds. This document is not an offer or solicitation of an offer for the sale of the Bonds, and no unlawful offer, solicitation, or sale may occur through the use of this document or otherwise. This document is not a contract, and it provides no investment advice. Prospective investors should consult their advisors and legal counsel with questions about this document, the Bonds, and anything else related to the offering.

The purpose of this document is to provide prospective investors with information that may be important in making an investment decision. It may not be used for any other purpose without the State’s permission. The State is the author of this document and is responsible for its accuracy and completeness. The Underwriters are not the authors of this document. In accordance with their responsibilities under federal securities laws, the Underwriters are required to review the information in this document and must have a reasonable basis for their belief in the accuracy and completeness of its key representations.

Certain statements in this document are forward-looking statements that are based on expectations, estimates, projections, or assumptions. Forward-looking statements contained in this document are made as of the date hereof, and the State undertakes no obligation to update such statements to reflect subsequent events or circumstances. Actual results could differ materially from the anticipated results.

Some of the people who prepared, compiled, or reviewed the information in this document had specific functions that covered some of its aspects but not others. For example, financial staff may have been asked to assist with quantitative financial information, and legal counsel with specific documents or legal issues.

No dealer, broker, sales representative, or other person has been authorized by the State to give any information or to make any representations about the Bonds other than what is in this document. The information and expressions of opinion in this document may change without notice. The delivery of this document or any sale of the Bonds does not imply that there has been no change in the matters contained in this document since the date of this document. Material referred to in this document is not part of this document unless expressly incorporated.

In connection with the offering of the Bonds, the Underwriters may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Bonds to certain dealers and dealer banks and banks acting as agents at prices lower than the public offering prices stated on the **inside front cover** hereof and such public offering prices may be changed from time to time by the Underwriters.

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# STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF BONDS

## BUILDING COMMISSION MEMBERS\*

### Voting Members

Governor Tony Evers, Chairperson	Term of Office Expires January 9, 2023
Representative Rob Swearingen, Vice Chairperson	January 4, 2021
Senator Jerry Petrowski	January 4, 2021
Senator Janis Ringhand	January 4, 2021
Senator Patrick Testin	January 4, 2021
Representative Mark Born	January 4, 2021
Representative Jill Billings	January 4, 2021
Ms. Summer Strand, Citizen Member	At the pleasure of the Governor

### Nonvoting, Advisory Members

Mr. Kevin Trinastic, State Ranking Architect Department of Administration	_____
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### Building Commission Secretary

Ms. Naomi De Mers, Administrator Division of Facilities Development and Management Department of Administration	At the pleasure of the Building Commission and the Secretary Administration
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## OTHER PARTICIPANTS

Mr. Joshua L. Kaul State Attorney General	January 9, 2023
Mr. Joel T. Brennan, Secretary Department of Administration	At the pleasure of the Governor

## DEBT MANAGEMENT AND DISCLOSURE

Department of Administration  
Capital Finance Office  
P.O. Box 7864  
101 E. Wilson Street, FLR 10  
Madison, WI 53707-7864  
Telefax (608) 266-7645  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)

Mr. David Erdman  
Capital Finance Director  
(608) 267-0374

Mr. Aaron Heintz  
Deputy Capital Finance Director  
(608) 267-1836

Mr. Joseph S. Adomakoh III  
Capital Finance Officer  
(608) 267-7399

Mr. Juan Gomez  
Capital Finance Officer  
(608) 267-2734

\* The Building Commission is composed of eight voting members. The Governor serves as the chairperson. Each house of the Wisconsin State Legislature appoints three members. State law provides for the two major political parties to be represented in the membership from each house. One citizen member is appointed by the Governor and serves at the Governor's pleasure.

## SUMMARY DESCRIPTION OF BONDS

*Selected information is presented on this page for the convenience of the reader. To make an informed investment decision regarding the Bonds, a prospective investor should read the entire Official Statement.*

Principal Amount and Description:	\$108,665,000 State of Wisconsin General Obligation Refunding Bonds of 2020, Series 1 \$218,350,000 State of Wisconsin General Obligation Refunding Bonds of 2020, Series 2 (Taxable)
Denominations:	Multiples of \$5,000
Date of Issue:	Date of delivery (On or about February 11, 2020)
Record Date:	April 15 and October 15
Interest Payments:	May 1 and November 1, beginning May 1, 2020
Maturities:	2020 Series 1 Bonds; May 1, 2029-40 2020 Series 2 Bonds; May 1, 2021, 2024-31— <i>See inside front cover.</i>
Redemption:	<i>Optional</i> —The 2020 Series 1 Bonds maturing on or after May 1, 2031 are callable at par on May 1, 2030 or any date thereafter— <i>See page 4.</i> The 2020 Series 2 Bonds are subject to optional redemption at any time at the make-whole redemption price— <i>See page 4.</i>
Form:	Book-entry-only— <i>See pages 5-6.</i>
Paying Agent:	All payments of principal of, and interest on, the Bonds will be paid by the Secretary of Administration. All payments will be made to The Depository Trust Company, which will distribute payments to DTC Participants as described herein.
Security:	The Bonds are general obligations of the State of Wisconsin. As of December 15, 2019, general obligations of the State were outstanding in the principal amount of \$7,635,229,888.
Additional General Obligation Debt:	The State may issue additional general obligation debt— <i>See page 7-8.</i>
Authority for Issuance:	The Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes.
Purpose:	2020 Series 1 Bond proceeds are being used for the current refunding, and the 2020 Series 2 Bond proceeds are being used for the advance refunding, of general obligation bonds previously issued by the State for general governmental purposes— <i>See pages 2-3.</i>
Legality of Investment:	State law provides that the Bonds are legal investments for all banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business; for all personal representatives, guardians, trustees, and other fiduciaries; and for the State and all public officers, municipal corporations, political subdivisions, and public bodies.
Tax Matters:	Interest on the 2020 Series 1 Bonds is excluded from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on all individuals— <i>See pages 11-12.</i> Interest on the 2020 Series 2 Bonds is included in gross income for federal income tax purposes— <i>See pages 12-15.</i> Interest on the Bonds is not exempt from current State of Wisconsin

	income or franchise taxes— <i>See page 15.</i>
2019 Annual Report:	This Official Statement incorporates by reference, and makes updates and additions to, <b>Parts I, II, and III</b> of the State of Wisconsin Continuing Disclosure Annual Report, dated December 27, 2019.
Legal Opinion:	Validity opinion on all Bonds and tax opinion on the 2020 Series 1 Bonds to be provided by Foley & Lardner LLP— <i>See APPENDIX C.</i>

**OFFICIAL STATEMENT**  
**\$327,015,000**  
**STATE OF WISCONSIN**  
**\$108,665,000 GENERAL OBLIGATION REFUNDING BONDS OF**  
**2020, SERIES 1**  
**\$218,350,000 GENERAL OBLIGATION REFUNDING BONDS OF**  
**2020, SERIES 2 (TAXABLE)**

**INTRODUCTION**

This Official Statement provides information about the \$108,665,000 General Obligation Refunding Bonds of 2020, Series 1 (**2020 Series 1 Bonds**) and \$218,350,000 General Obligation Refunding Bonds of 2020, Series 2 (Taxable) (**2020 Series 2 Bonds**) (collectively, the 2020 Series 1 Bonds and the 2020 Series 2 Bonds are called the **Bonds**), which are being issued by the State of Wisconsin (**State**). This Official Statement incorporates by reference, and makes updates and additions to, **Parts I, II, and III** of the State of Wisconsin Continuing Disclosure Annual Report, dated December 27, 2019 (**2019 Annual Report**).

The Bonds are authorized under the Wisconsin Constitution and the Wisconsin Statutes, and are being issued pursuant to an authorizing resolution that the State of Wisconsin Building Commission (**Commission**) adopted on October 16, 2019.

The Commission, an agency of the State, is empowered by law to authorize, issue, and sell all the State's general obligations. The Commission is assisted and staffed by the State of Wisconsin Department of Administration (**Department of Administration**).

The Commission has authorized the Department of Administration to prepare this Official Statement. This Official Statement contains information furnished by the State or obtained from the sources indicated.

**THE STATE**

The State is located in the Midwest among the northernmost tier of states. The State ranks 20th among the states in population and 25th in land area. Wisconsin attained statehood in 1848, its capital is Madison, and its largest city is Milwaukee.

Information concerning the State, its financial condition, and its general obligation debt is included as **APPENDIX A**, which incorporates by reference **Parts II and III** of the 2019 Annual Report. **APPENDIX A** also makes updates and additions to the information presented in Part II of the 2019 Annual Report, including but not limited to, General Fund information for the 2019-20 fiscal year through November 30, 2019 and projected General Fund information for the remainder of the 2019-20 fiscal year, which are presented on a budgetary basis and cash basis.

Requests for additional information about the State may be directed to:

*Contact:* State of Wisconsin Capital Finance Office  
Department of Administration  
Attn: Capital Finance Director  
*Mail:* 101 East Wilson Street, FLR 10  
P.O. Box 7864  
Madison, WI 53707-7864  
*Phone:* (608) 267-0374  
*E-mail:* DOACapitalFinanceOffice@wisconsin.gov  
*Web sites:* [doa.wi.gov/capitalfinance](http://doa.wi.gov/capitalfinance)  
[wisconsinbonds.com](http://wisconsinbonds.com)

## PLAN OF REFUNDING

### General

The Commission is empowered by law to issue refunding bonds. The Bonds are being issued for the purposes and within the amounts authorized by the Wisconsin State Legislature (**Legislature**). See **APPENDIX B**.

The 2020 Series 1 Bonds are being issued for the current refunding on May 1, 2020 of certain maturities of general obligation bonds previously issued by the State for general governmental purposes (**Current Refunding**). The refunded maturities associated with the Current Refunding are currently outstanding in the total principal amount of \$138,585,000 (**Current Refunded Bonds**).

The 2020 Series 2 Bonds are being issued for the advance refunding of certain maturities of general obligation bonds, or portions thereof, previously issued by the State for general governmental purposes (**Advance Refunding**). The refunded maturities, or portions of maturities, associated with the Advance Refunding are currently outstanding in the total principal amount of \$201,105,000 (**Advance Refunded Bonds**).

**APPENDIX D** identifies, and provides information about, the Current Refunded Bonds and the Advance Refunded Bonds (collectively, **Refunded Bonds**).

### Current Refunding

Upon delivery of the Bonds, the proceeds of the 2020 Series 1 Bonds will be deposited into the State's Bond Security and Redemption Fund. The proceeds will be used, together with other funds of the State, to pay the redemption price of, and interest on, the Current Refunded Bonds on May 1, 2020.

### Advance Refunding

To provide for the Advance Refunding, the proceeds of the 2020 Series 2 Bonds will be used to purchase a portfolio of securities (**Escrow Obligations**), which by State statutes must be direct, noncallable general obligations of the United States or its agencies, corporations wholly owned by the United States, the Federal National Mortgage Association, or any corporation chartered by an act of Congress. The Escrow Obligations, together with the interest to be earned, and a beginning cash deposit, will be sufficient

- to pay when due the interest on the Advance Refunded Bonds to and including their respective redemption dates, and
- to pay the redemption price of the Advance Refunded Bonds when due on their respective redemption dates.

### Refunding Escrow Agreement

The Escrow Obligations, the beginning cash balance, and the interest earnings will be held in an escrow fund (**Escrow Fund**) created by a Refunding Escrow Agreement (**Escrow Agreement**), between the State and The Bank of New York Mellon Trust Company, N.A. (**Escrow Trustee**), solely for the benefit of the owners of the Advance Refunded Bonds. Neither the Escrow Obligations, the cash on deposit, nor the



interest earnings held in the Escrow Fund will serve as security for or be available for the payment of the Bonds.

The Escrow Fund will be held by the Escrow Trustee in trust to make payments of the redemption price of, and interest on, the Advance Refunded Bonds. The Escrow Fund will be held by the Escrow Trustee separate and apart from all other funds or accounts held by the Escrow Trustee. No fees or other charges of the Escrow Trustee may be paid from moneys in the Escrow Fund. Instead, the Escrow Agreement provides that the State will pay all such fees and charges to the Escrow Trustee from other available funds.

The arithmetical accuracy of the computations of the sufficiency of the amounts deposited into the Escrow Fund will be independently verified by Samuel Klein and Company, Certified Public Accountants (**Verification Agent**).

#### **Use of Proceeds and Pledge**

The proceeds of the 2020 Series 1 Bonds deposited into the Bond Security and Redemption Fund may be expended only for the payment of the redemption price of, and interest on, the Current Refunded Bonds. All money in the Escrow Fund may be expended only for the payment of the redemption price of, and interest on, the Advance Refunded Bonds. However, notwithstanding the amounts in the Bond Security and Redemption Fund and the Escrow Fund, there is irrevocably appropriated, as a first charge on all revenues of the State, a sum sufficient for the payment of the Refunded Bonds. Each year, for the purpose of determining the constitutional limit on public debt, the amounts held in the Bond Security and Redemption Fund and the Escrow Fund will be subtracted from the amount of outstanding aggregate public debt of the State.

## **THE BONDS**

#### **General**

The **inside front cover of this Official Statement** sets forth the maturity dates, principal amounts, interest rates, and other information for the Bonds. The Bonds are being issued in book-entry-only form, so the registered owner will be a securities depository or its nominee. The Commission has appointed The Depository Trust Company, New York, New York (**DTC**), as the securities depository for the Bonds. See **“THE BONDS; Book-Entry-Only Form”**.

The Bonds will be dated their date of delivery (expected to be February 11, 2020) and will bear interest from that date, payable on May 1 and November 1 of each year, beginning on May 1, 2020.

Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. So long as the Bonds are in book-entry-only form, payments of the principal of, and interest on, each Bond will be paid to the securities depository.

The Bonds are being issued as fully-registered, bonds in principal denominations of \$5,000 or multiples of \$5,000.

#### **Security**

The Bonds are direct and general obligations of the State. The Wisconsin Constitution pledges the full faith, credit, and taxing power of the State to make principal and interest payments on general obligations, and requires the Legislature to provide for their payment by appropriation. The Wisconsin Statutes establish, as security for the payment of all debt service on general obligations, a first charge upon all revenues of the State. Further, a sufficient amount of those revenues is irrevocably appropriated for the payment of the principal of, and interest on, general obligations, so that no subsequent legislative action is required to release such revenues. The Bonds are secured equally with all other outstanding general obligations issued by the State.

## Redemption Provisions

### *Optional Redemption of 2020 Series 1 Bonds*

The 2020 Series 1 Bonds maturing on or after May 1, 2031 may be redeemed on May 1, 2030, or any date thereafter, in whole or in part in multiples of \$5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date.

### *Optional Redemption of 2020 Series 2 Bonds with Make-Whole Premium*

The 2020 Series 2 Bonds may be redeemed on any Business Day, in whole or in part in multiples of \$5,000, in such principal amounts and from such maturities as the Commission may determine, at a redemption price (**Make-Whole Redemption Price**) equal to the greater of:

- (A) 100% of the principal amount of the 2020 Series 2 Bonds to be redeemed, or
- (B) the sum of the present values of the applicable remaining payments of principal and interest on the 2020 Series 2 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such 2020 Series 2 Bonds are to be redeemed, discounted to the date of redemption of such 2020 Series 2 Bonds on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below) plus 0 basis points (.00%) for the 2020 Series 2 Bonds maturing May 1, 2021, 5 basis points (.05%) for the 2020 Series 2 Bonds maturing May 1, 2024 through 2027, or 7.5 basis points (.075%) for the 2020 Series 2 Bonds maturing on or after May 1, 2028,

plus, in each case, accrued interest on the 2020 Series 2 Bonds to be redeemed to the date fixed for redemption.

For purposes of determining the Make-Whole Redemption Price:

- (i) "Treasury Rate" means, with respect to any redemption date for a particular 2020 Series 2 Bond, the yield to maturity of United States Treasury securities (excluding inflation indexed securities) with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available not less than ten Business Days nor more than 45 calendar days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)), most nearly equal to the period from the redemption date to the maturity date of the 2020 Series 2 Bond to be redeemed, as determined by the Designated Consultant.
- (ii) "Designated Consultant" means an independent accounting firm, investment banking firm, or financial advisor retained by the State at the State's expense.
- (iii) "Business Day" means a day which is not (1) a Saturday or Sunday, (2) a day on which commercial banks are required or authorized by law to be closed in the State, or (3) a day on which The New York Stock Exchange is closed for the entire day or federal reserve banks are closed.

### *Selection of Bonds*

So long as the Bonds are in book-entry-only form, selection of the beneficial owners affected by the redemption will be made by the securities depository and its participants in accordance with their rules.

### *Notice of Redemption*

So long as the Bonds are in book-entry-only form, any redemption notice will be sent to the securities depository between 30 and 60 days before the redemption date. A redemption notice may be revoked by sending notice to the securities depository at least 15 days before the proposed redemption date.

Interest on any Bond called for redemption will cease to accrue on the redemption date so long as the Bond is paid or money is provided for its payment.

## Registration and Payment of Bonds

So long as the Bonds are in book-entry-only form, payment of the principal of, and premium, if any, and interest on, the Bonds on the payment date will be made by wire transfer to the securities depository or its nominee by the **Paying Agent**—which is the Secretary of Administration.

## Ratings

The following ratings have been assigned to the Bonds:

<u>Rating</u>	<u>Rating Organization</u>
AA+	Kroll Bond Rating Agency, Inc.
Aa1	Moody's Investors Service, Inc.
AA	S&P Global Ratings

Any explanation of what a rating means may only be obtained from the rating organization giving the rating. A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time. Any downgrade or withdrawal of a rating may adversely affect the market price of the Bonds. The State may elect not to continue requesting ratings on the Bonds from any particular rating organization or may elect to request ratings on the Bonds from a different rating organization.

## Sources and Uses of Funds

The proceeds from the sale of the Bonds and other State funds are expected to be used as follows:

	<u>2020 Series 1</u> <u>Bonds</u>	<u>2020 Series 2</u> <u>Bonds</u>	<u>Total</u>
<b>Sources</b>			
Principal Amount.....	\$108,665,000.00	\$218,350,000.00	\$327,015,000.00
Original Issue Premium .....	33,171,825.90	-	33,171,825.90
Other State Funds.....	<u>1,262,980.67</u>	<u>-</u>	<u>1,262,980.67</u>
TOTAL SOURCES .....	\$143,099,806.57	\$218,350,000.00	\$361,449,806.57
<b>Uses</b>			
Deposit to Escrow Fund.....	-	\$217,244,369.65	\$217,244,369.65
Deposit to Bond Security and Redemption Fund....	\$142,500,152.50	-	142,500,152.50
Underwriters' Discount.....	498,856.47	904,489.92	1,403,346.39
Costs of Issuance.....	<u>100,797.60</u>	<u>201,140.43</u>	<u>301,938.03</u>
TOTAL USES.....	\$143,099,806.57	\$218,350,000.00	\$361,449,806.57

## Book-Entry-Only Form

The Bonds are being initially issued in book-entry-only form. Purchasers of the Bonds will not receive bond certificates but instead will have their ownership in the Bonds recorded in the book-entry system.

Bond certificates are to be issued and registered in the name of a nominee of DTC, which acts as a securities depository for the Bonds. Ownership of the Bonds by the purchasers is shown in the records of brokers and other organizations participating in the DTC book-entry system (**DTC Participants**). All transfers of ownership in the Bonds must be made, directly or indirectly, through DTC Participants.

### *Payment*

The State will make all payments of principal of, and premium, if any, and interest on, the Bonds to DTC. Owners of the Bonds will receive payments through the DTC Participants.

### *Notices and Voting Rights*

The State will provide any notices or other communications about the Bonds to DTC. Owners of the Bonds will receive any notices or communications through the DTC Participants. In any situation involving voting rights, DTC will not vote but will rather give a proxy through the DTC Participants.

### *Redemption*

If less than all the Bonds of a given maturity are being redeemed, DTC's practice is to determine by lottery the amount of the Bonds to be redeemed from each DTC Participant.

### *Discontinued Service*

In the event that participation in DTC's book-entry system were to be discontinued without a successor securities depository being appointed, bond certificates would be executed and delivered to DTC Participants.

### *Further Information*

Further information concerning DTC and DTC's book-entry system is available at [www.dtcc.com](http://www.dtcc.com). The State is not responsible for any information available on DTC's web site. That information may be subject to change without notice.

The State is not responsible for any failure by DTC or any DTC Participant to transfer payments or notices to the owners of the Bonds or to follow the procedures established by DTC for its book-entry system.

### *Redemption and Payment if Bonds Are Not in Book-Entry-Only Form*

In the event the Bonds were not in book-entry-only form, how the Bonds are redeemed and paid would differ from the descriptions above.

Bonds would be selected for redemption by lot. Any redemption notice would be published between 30 and 60 days before the date of redemption in a financial newspaper published or circulated in New York, New York. The notice would also be mailed, postage prepaid, between 30 and 60 days before the redemption date, to the registered owners of any Bonds to be redeemed. The mailing, however, would not be a condition to the redemption; any proceedings to redeem the Bonds would still be effective even if the notice were not mailed. A redemption notice could be revoked by publication of a notice at least 15 days before the proposed redemption date in a financial newspaper published or circulated in New York, New York. Any revocation notice would also be mailed, postage prepaid, at least 15 days before the proposed redemption date to the registered owners of any Bonds to have been redeemed. The mailing, however, would not be a condition to the revocation; the revocation would still be effective even if the notice were not mailed. Interest on any Bond called for redemption would cease to accrue on the redemption date so long as the Bond was paid or money was provided for its payment.

Payment of principal would be made by check or draft issued upon the presentation and surrender of the Bonds at the principal office of the Paying Agent, as designated by the Commission. Payment of interest due on the Bonds would be made by check or draft mailed to the registered owner shown in the registration book at the close of business on the record date—which is the 15th day (whether or not a business day) of the calendar month before the interest payment date.

## **UNDERWRITING**

The Bonds are being purchased by the **Underwriters** listed on the **front cover**, for which Jefferies LLC is acting as the representative.

- The Underwriters have agreed, subject to certain conditions, to purchase the 2020 Series 1 Bonds from the State at an aggregate purchase price of \$141,337,969.43 reflecting an original issue premium of \$33,171,825.90 and Underwriters' discount of \$498,856.47. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all the 2020 Series 1 Bonds if any 2020 Series 1 Bonds are purchased.
- The Underwriters have agreed, subject to certain conditions, to purchase the 2020 Series 2 Bonds from the State at an aggregate purchase price of \$217,445,510.08 reflecting an Underwriters' discount of \$904,489.92. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all the 2020 Series 2 Bonds if any 2020 Series 2 Bonds are purchased.

The Underwriters have agreed to reoffer the Bonds at the public offering prices or yields set forth on the **inside front cover**. The Bonds may be offered and sold to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than such public offering prices, and such prices may be changed, from time to time, by the Underwriters. Certain of the Underwriters may have entered into retail distribution agreements with third-party broker-dealers, under which the Underwriters may distribute municipal securities to retail investors through the respective financial advisors or electronic trading platforms of such third-party broker-dealers. As part of these arrangements, the Underwriters may share a portion of their underwriting compensation with such third-party broker-dealers.

Certain legal matters will be passed upon for the Underwriters by their counsel, Nixon Peabody LLP.

The Underwriters and their respective affiliates include full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the course of their various business activities, the Underwriters and their respective affiliates, officers, directors, and employees may purchase, sell, or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currency, credit default swaps and other financial instruments for their own accounts and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities, or other instruments of the State (directly, as collateral securing other obligations, or otherwise) or of others that have relationships with the State. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color, or trading ideas or publish or express independent research views in respect of such assets, securities, or instruments and may at any time hold, or recommend to clients that they should acquire, long or short positions in such assets, securities, or instruments.

If an Underwriter or its affiliate is an owner of Refunded Bonds, that Underwriter or affiliate would receive a portion of the proceeds from the issuance of the Bonds in connection with the redemption of those Refunded Bonds.

## **OTHER INFORMATION**

### **Limitations on Issuance of General Obligations**

General obligations issued by the State are subject to debt limits set forth in the Wisconsin Constitution and the Wisconsin Statutes. There is an annual debt limit of three-quarters of one percent, and a cumulative debt limit of five percent, of the aggregate value of all taxable property in the State. Currently, the annual debt limit is \$4,356,545,425, and the cumulative debt limit is \$29,043,636,165. Funding or refunding obligations (such as the Bonds) are not subject to the annual limit but are accounted for in applying the cumulative debt limit. Accrued interest on any obligation that is not paid during the fiscal year in which it accrues is treated as debt and taken into account for purposes of the debt limitations.

As of December 15, 2019, general obligations of the State were outstanding in the principal amount of \$7,635,229,888. The issuance of the Bonds will not cause the State to exceed its annual debt limit or its cumulative debt limit.

### **Borrowing Plans for Calendar Year 2020**

#### *General Obligations*

The Bonds will be the first two series of general obligations to be issued in this calendar year.

In addition, the Commission has authorized the issuance of the following general obligations:

- Up to \$168 million of general obligations for the refunding of general obligation bonds previously issued for general governmental purposes. The amount and timing of any sale and issuance of general obligations for refunding purposes depend, among other factors, on market conditions.
- General obligations for the funding of the State's outstanding general obligation commercial paper notes, extendible municipal commercial paper notes, and variable rate demand obligation

notes, which were outstanding in the amount of \$374 million as of December 15, 2019. The amount and timing of any issuance of general obligations for this purpose depend on a decision to fund outstanding obligations bearing variable interest rates either with a different form of variable-rate obligations or with bonds bearing fixed interest rates.

The Commission likely will be asked to authorize the issuance of additional general obligations for the refunding of general obligations previously issued for general governmental purposes. The Commission will also like be asked to authorize general obligations for general governmental purposes before the end of this calendar year. The amount and timing of any issuance in this calendar year of general obligations for general governmental purposes depend on disbursements from the State Capital Improvement Fund for such authorized purposes.

#### *Other Obligations*

The State has not issued any transportation revenue obligations in this calendar year. The amount and timing of any authorization and issuance of transportation revenue obligations for the financing of transportation facilities and highway projects depend on the expenditures for such projects. The Commission has authorized up to \$300 million of transportation revenue obligations to refund outstanding transportation revenue bonds. The amount and timing of any issuance of transportation revenue refunding bonds depend, among other factors, on market conditions.

The State has not issued any general fund annual appropriation refunding bonds in this calendar year. The State may sell and issue general fund annual appropriation refunding bonds in this calendar year. On October 7, 2019, the State released a Preliminary Official Statement for \$622 million of General Fund Annual Appropriation Refunding Bonds; however, the State did not sell or issue any refunding obligations pursuant to that Preliminary Official Statement. The amount and timing of any issuance of general fund annual appropriation refunding bonds depend, among other factors, on market conditions.

The State has not issued master lease certificates of participation in this calendar year. The State may issue master lease certificates of participation in this calendar year. The amount and timing of any issuance of master lease certificates of participation depend, among other factors, on market conditions and originations in the State's Master Lease Program.

The State has not issued any environmental improvement fund revenue bonds in this calendar year. The Commission has authorized up to \$80 million of environmental improvement fund revenue bonds. The amount and timing of any issuance of environmental improvement fund revenue bonds depend on several factors, but an issuance is likely to occur in the first half of this calendar year.

The State does not currently intend to issue operating notes for the 2019-20 fiscal year.

#### **Reference Information About the Bonds**

Information about the Bonds is provided for reference in the **table on the inside front cover** of this Official Statement. The CUSIP number for each maturity has been obtained from a source the State believes to be reliable, but the State is not responsible for the correctness of the CUSIP numbers. The Underwriters have provided the reoffering yields and prices for the Bonds. For each of the 2020 Series 1 Bonds subject to optional redemption, the yield at issuance shown is the lower of the yield to the first optional call date or the yield to the nominal maturity date.

#### **Financial Advisor**

Acacia Financial Group, Inc. has been engaged by the State to perform professional services in the capacity of financial advisor (**Financial Advisor**). The Financial Advisor has provided advice on the plan of refunding and the structure of the Bonds, reviewed certain legal and disclosure documents, including this Official Statement, for financial matters, and reviewed the pricing of the Bonds by the Underwriters.

#### **Verification of Mathematical Computations**

The arithmetical accuracy of certain computations was independently verified by the Verification Agent. These computations, which were provided by the Underwriters, indicate that the projected receipts from

the Escrow Obligations, together with an initial cash deposit, are sufficient to make all payments of the principal of and interest on the Advance Refunded Bonds to become due on or before their respective redemption dates.

The Verification Agent relied upon assumptions and information supplied by the Underwriters on behalf of the State and has not made any study or examination of them, except as noted in its report. The Verification Agent has not expressed an opinion on the reasonableness of the assumptions or the likelihood that the debt service requirements of the Advance Refunded Bonds will be paid as described in its report.

### **Legal Investment**

State law provides that the Bonds are legal investments for the following:

- Banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business.
- Personal representatives, guardians, trustees, and other fiduciaries.
- The State and all public officers, municipal corporations, political subdivisions, and public bodies.

### **Legal Opinions**

#### *Bond Opinion*

Legal matters relating to the authorization, issuance, and sale of the Bonds are subject to the approval of **Bond Counsel**, which is Foley & Lardner LLP. When the Bonds are delivered, Bond Counsel will deliver an approving opinion in substantially the form shown in **APPENDIX C**. If certificated Bonds were issued, then the opinion would be printed on the reverse side of each Bond.

#### *Attorney General*

As required by law, the office of the Attorney General will examine a certified copy of all proceedings leading to issuance of the Bonds. When the Bonds are delivered, the Attorney General will deliver an opinion on the regularity and validity of the proceedings with respect to the Bonds. The Attorney General's opinion will also state that there is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, restraining or enjoining the issuance, sale, execution, or delivery of the Bonds, and there also is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, in any way contesting or affecting (1) the titles to their respective offices of any of the State officers involved in the issuance of the Bonds, (2) the validity of the Bonds or any of the proceedings taken with respect to the issuance, sale, execution, or delivery of the Bonds, or (3) the pledge or application of any moneys or security provided for the payment of the Bonds.

If certificated Bonds were issued, then a certificate of the Attorney General would be printed on the reverse side of each Bond.

#### *Other Legal Matters*

The State and its officers and employees are defendants in numerous lawsuits. The State does not expect that any pending litigation will be finally determined so as to result individually or in the aggregate in final judgments against the State that would materially affect the State's ability to pay the principal of and interest on the Bonds.

### **ERISA Considerations**

The Employee Retirement Income Security Act of 1974, as amended (**ERISA**), imposes certain fiduciary and prohibited transaction restrictions on employee pension and welfare benefit plans subject to ERISA (**ERISA Plans**). Section 4975 of the Internal Revenue Code of 1986, as amended (Code) imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) of the Code (**Qualified Retirement Plans**) and on individual retirement accounts

described in Section 408(b) of the Code (collectively, **Tax-Favored Plans**). Certain employee benefit plans, such as governmental plans (as defined in Section 3(32) of ERISA) and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA), are not subject to ERISA requirements (**Non-ERISA Plans**). Accordingly, assets of such plans may be invested in Bonds without regard to the ERISA considerations described below, subject to the provisions of applicable federal and state law. Any such plan which is a Qualified Retirement Plan and exempt from taxation under Sections 401(a) and 501(a) of the Code, however, is subject to the prohibited transaction rules set forth in the Code.

Section 404 of ERISA imposes a number of general fiduciary requirements, including those of investment prudence and diversification and the requirement that a plan's investment be made in accordance with the documents governing the plan. In addition, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of ERISA Plans and Tax-Favored Plans and entities with underlying assets that include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, **Benefit Plans**) and persons who have certain specified relationships to the Benefit Plans (**Parties in Interest or Disqualified Persons**) unless a statutory or administrative exemption is available. Fiduciaries with respect to a Benefit Plan that participate in a non-exempt prohibited transaction may incur personal liability under Section 409 of the Code.

Certain other Parties in Interest (or Disqualified Persons) that participate in a non-exempt prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code).

Certain transactions involving the purchase, holding, or transfer of Bonds might be deemed to constitute prohibited transactions under ERISA and the Code if assets of the State were deemed to be assets of a Benefit Plan. Under a regulation issued by the United States Department of Labor (**Plan Assets Regulation**), as modified by Section 3(42) of ERISA, the assets of the State would be treated as plan assets of a Benefit Plan for the purposes of ERISA and the Code only if the Benefit Plan acquires an "equity interest" in the State and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there can be no assurances in this regard, the Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation. Nevertheless, the acquisition or holding of Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the State, or any of its affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan. A prohibited transaction could also occur in the event that a Benefit Plan transfers a Bond to a Party in Interest or a Disqualified Person. In such case, certain exemptions from the prohibited transaction rules could apply depending on the type and circumstances of the plan fiduciary making the decision to acquire a Bond. Included among these exemptions are: Prohibited Transaction Class Exemption (**PTCE**) 96-23, regarding transactions effected by "in-house asset managers"; PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by "insurance company general accounts"; PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by "qualified professional assets managers."

Any ERISA Plan fiduciary considering whether to purchase Bonds on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code to such investment and the availability of any of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code. Persons responsible for investing the assets of employee benefit plans that are not subject to ERISA or the Code should seek counsel with respect to the compliance of such investment with all applicable laws and the governing plan documents.



The sale of the Bonds to a Benefit Plan or a Non-ERISA Plan is in no respect a representation by the State that such investment meets all relevant legal requirements or that such investment is otherwise appropriate for such Benefit Plan or Non-ERISA Plan.

## **TAX MATTERS**

### **Tax Exemption—2020 Series 1 Bonds**

#### *Federal Income Tax*

In the opinion of Bond Counsel, under existing law, interest on the 2020 Series 1 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The State must comply with certain requirements of the Internal Revenue Code for interest on the 2020 Series 1 Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has agreed to comply with those requirements to the extent it may lawfully do so. Its failure to do so may cause interest on the 2020 Series 1 Bonds to be included in gross income for federal income tax purposes, perhaps even starting from the date on which the 2020 Series 1 Bonds are issued. No provision is made for an increase in interest rates or a redemption of the 2020 Series 1 Bonds in the event interest on the 2020 Series 1 Bonds is included in gross income.

The opinion of Bond Counsel will be based on legal authorities that are current as of its date, will cover certain matters not directly addressed by those authorities, and will represent Bond Counsel's judgment regarding the proper treatment of the 2020 Series 1 Bonds for federal income tax purposes. It will not be binding on the Internal Revenue Service (**IRS**) or the courts and will not be a guaranty of result. As to questions of fact, Bond Counsel will rely upon certified proceedings and certifications of public officials and others without independently undertaking to verify them.

Bond Counsel will express no opinion about other federal tax matters regarding the 2020 Series 1 Bonds. Other federal tax law provisions may adversely affect the value of an investment in the 2020 Series 1 Bonds for particular owners of those 2020 Series 1 Bonds. Prospective investors should consult their own tax advisors about the tax consequences of owning a 2020 Series 1 Bond.

The IRS has an active tax-exempt bond enforcement program. Under current IRS procedures, owners of the 2020 Series 1 Bonds would have little or no right to participate in an IRS examination of the 2020 Series 1 Bonds. Moreover, it may not be practicable to obtain judicial review of IRS positions with which the State disagrees. Any action of the IRS, including selection of the 2020 Series 1 Bonds for examination, the conduct or conclusion of such an examination, or an examination of obligations presenting similar tax issues, may affect the marketability of the 2020 Series 1 Bonds.

Current and future legislative proposals, if enacted into law, may cause the interest on the 2020 Series 1 Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent the owners of the 2020 Series 1 Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the marketability of the 2020 Series 1 Bonds. Prospective investors should consult their own tax advisors about federal legislative proposals.

#### *Premium Bonds*

2020 Series 1 Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, such as the 2020 Series 1 Bonds, the interest on which is excluded from gross income for federal income tax purposes.

During each taxable year, an owner of 2020 Series 1 Bonds with amortizable bond premium must reduce his, her, or its tax basis in the 2020 Series 1 Bond by the amount of the amortizable bond premium that is allocable to the portion of that taxable year during which the owner owned the Bond. The adjusted tax

basis in a 2020 Series 1 Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of the 2020 Series 1 Bond.

Owners of 2020 Series 1 Bonds purchased at a premium should consult their own tax advisors with respect to the federal tax consequences of owning such 2020 Series 1 Bonds, including computation of their tax basis and the effect of any purchase of 2020 Series 1 Bonds that is not made in the initial offering at the issue price. Owners of such 2020 Series 1 Bonds should also consult their own tax advisors with respect to the state and local tax consequences of owning those 2020 Series 1 Bonds.

## **Tax Status—2020 Series 2 Bonds**

### *General*

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the 2020 Series 2 Bonds that acquire their 2020 Series 2 Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their 2020 Series 2 Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose “functional currency” is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences or (ii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the 2020 Series 2 Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their 2020 Series 2 Bonds pursuant to this offering for the issue price that is applicable to such 2020 Series 2 Bonds (*i.e.*, the first price at which a substantial amount of the 2020 Series 2 Bonds are sold to the public) and who will hold their 2020 Series 2 Bonds as “capital assets” within the meaning of Section 1221 of the Code.

As used herein, “U.S. Holder” means a beneficial owner of a 2020 Series 2 Bond that is a “United States person,” as defined in Section 7701(a)(30) of the Code, and generally means an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation, regardless of its source, or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States Persons have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, “Non-U.S. Holder” generally means a beneficial owner of a 2020 Series 2 Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds 2020 Series 2 Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding 2020 Series 2 Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the 2020 Series 2 Bonds (including their status as U.S. Holders or Non-U.S. Holders).

It should be noted that certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the 2020 Series 2 Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below.

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local, or non-U.S. tax consequences to them from the purchase, ownership and disposition of the 2020 Series 2 Bonds in light of their particular circumstances.

Interest on the 2020 Series 2 Bonds is not excluded from gross income for federal income tax purposes.

#### *U.S. Holders*

**Interest.** Interest on the 2020 Series 2 Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of any maturity of the 2020 Series 2 Bonds is less than the amount to be paid at maturity of such 2020 Series 2 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 2020 Series 2 Bonds) by more than a *de minimis* amount, the difference may constitute original issue discount (**OID**). U.S. Holders of 2020 Series 2 Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

2020 Series 2 Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a 2020 Series 2 Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such 2020 Series 2 Bond.

**Sale or Other Taxable Disposition of the 2020 Series 2 Bonds.** Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement, or other disposition of a 2020 Series 2 Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a 2020 Series 2 Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the 2020 Series 2 Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the 2020 Series 2 Bond (generally, the purchase price paid by the U.S. Holder for the 2020 Series 2 Bond, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such 2020 Series 2 Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the 2020 Series 2 Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the 2020 Series 2 Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

**Additional Tax on Net Investment Income.** Under Section 1411 of the Code, an additional tax is imposed on individuals, in an amount equal to 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income) and (ii) the excess of "modified adjusted gross income" of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return or a surviving spouse). Prospective investors should consult with their own tax advisors concerning this additional tax, as it may apply to interest on the 2020 Series 2 Bonds as well as gain on the sale of a 2020 Series 2 Bond.

**Information Reporting and Backup Withholding.** Payments on the 2020 Series 2 Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the 2020 Series 2 Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the 2020 Series 2 Bonds and the gross proceeds of a sale, exchange, redemption, retirement, or other disposition of the 2020 Series 2 Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (**TIN**) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code, or (iv) the payee fails to certify under penalty of perjury that the payee is not

subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. Holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A U.S. Holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

#### *Non-U.S. Holders*

**Interest.** Subject to the discussions below under the headings "TAX MATTERS; Tax Status-2020 Series 2 Bonds; *Non-U.S. Holders; Information Reporting and Backup Withholding*" and "*Foreign Account Tax Compliance Act*," payments of principal of, and interest on, any 2020 Series 2 Bond to a Non-U.S. Holder, other than (1) a "controlled foreign corporation," as such term is defined in the Code, which is related to the State through stock ownership and (2) a bank which acquires such 2020 Series 2 Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the beneficial owner of the 2020 Series 2 Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

**Disposition of the 2020 Series 2 Bonds.** Subject to the discussions below under the headings "TAX MATTERS; Tax Status-2020 Series 2 Bonds; *Non-U.S. Holders; Information Reporting and Backup Withholding*" and "*Foreign Account Tax Compliance Act*," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the State or a deemed retirement due to defeasance of the 2020 Series 2 Bond) or other disposition of a 2020 Series 2 Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement, or other disposition and certain other conditions are met.

**U.S. Federal Estate Tax.** A 2020 Series 2 Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such 2020 Series 2 Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

**Information Reporting and Backup Withholding.** Subject to the discussion below under the heading "TAX MATTERS; Tax Status-2020 Series 2 Bonds; *Non-U.S. Holders; Foreign Account Tax Compliance Act*," under current U.S. Treasury Regulations, payments of principal and interest on any 2020 Series 2 Bonds to a Non-U.S. Holder will not be subject to any backup withholding tax requirements if the beneficial owner of the 2020 Series 2 Bond or a financial institution holding the 2020 Series 2 Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and be signed by the owner under penalties of perjury. The current backup withholding tax rate is 24%.

**Foreign Account Tax Compliance Act.** Sections 1471 through 1474 of the Code (**FATCA**) impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless (i) the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or (ii) the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of

payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Failure to comply with the additional certification, information reporting, and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of principal of and interest on the 2020 Series 2 Bonds and sales proceeds of 2020 Series 2 Bonds held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and to gross proceeds from the sale, exchange, or retirement of debt obligations. However, the IRS has issued proposed regulations, upon which taxpayers may generally rely, that exclude gross proceeds from the sale, exchange, or retirement of debt obligations such as the 2020 Series 2 Bonds from the application of the withholding tax imposed under FATCA. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

## **State Tax Considerations**

### *General*

In addition to the federal income tax consequences described above, potential investors should consider the state and local tax consequences of the acquisition, ownership, and disposition of the Bonds. State and local tax law may differ substantially from the corresponding federal law, and the foregoing is not intended to describe any aspect of the tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to the various state and local tax consequences of an investment in the Bonds.

### *State of Wisconsin Income and Franchise Taxes*

Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes.

## **CONTINUING DISCLOSURE**

The State has made an undertaking to enable brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934. In the undertaking, the State has agreed, for the benefit of the beneficial owners of the Bonds, to provide an annual report presenting certain financial information and operating data about the State (**Annual Reports**). By December 27 of each year, the State has agreed to file the Annual Report with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system. The State has also agreed to provide to the MSRB notices of the occurrence of certain events specified in the undertaking. [Part I of the 2019 Annual Report](#), which contains information on the undertaking including the State's Master Agreement on Continuing Disclosure (Amended and Restated March 1, 2019) and the Addendum Describing Annual Report for General Obligations, is included by reference as part of this Official Statement.

Copies of the Annual Reports and notices may be obtained from:

State of Wisconsin Department of Administration  
Attn: Capital Finance Office  
101 East Wilson Street, FLR 10  
P.O. Box 7864  
Madison, WI 53707-7864  
(608) 267-0374  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)  
[doa.wi.gov/capitalfinance](http://doa.wi.gov/capitalfinance)  
[wisconsinbonds.com](http://wisconsinbonds.com)

The undertaking also describes the consequences if the State fails to provide any required information. The State must report the failure to the MSRB. In the last five years, the State has not failed to comply in any material respect with this, or any similar, undertaking.

Dated: January 22, 2020

## **STATE OF WISCONSIN**

/S/ TONY EVERS

Governor Tony Evers, Chairperson  
State of Wisconsin Building Commission

/S/ JOEL T. BRENNAN

Joel T. Brennan, Secretary  
State of Wisconsin Department of Administration

/S/ NAOMI DE MERS

Naomi De Mers, Secretary  
State of Wisconsin Building Commission

## APPENDIX A

### CERTAIN INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin (**State**), contained in [Parts II and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 27, 2019 \(2019 Annual Report\)](#), which can be obtained as described below. This Appendix also makes updates and additions to the information presented in Part II of the 2019 Annual Report, including, but not limited to, General Fund information for the 2019-20 fiscal year through November 30, 2019 and projected General Fund information for the remainder of the 2019-20 fiscal year, which are presented on a budgetary basis and cash basis.

[Part II of the 2019 Annual Report](#) contains general information about the State. More specifically, that part presents information about the following matters:

- State's revenue and expenditures
- State's operations, financial procedures, accounting, and financial reporting
- Organization of, and services provided by, the State
- Budget process and fiscal controls
- State budget (including results of the 2018-19 fiscal year and summary of the 2019-21 biennial budget)
- Potential effects of litigation
- State obligations
- Employee pension funds and other post-employment benefits
- State Investment Board
- Statistical information about the State's population, income, and employment

The State's audited General Purpose External Financial Statements and independent auditor's report provided by the State Auditor for the fiscal year ended June 30, 2019, prepared in conformity with generally accepted accounting principles (**GAAP**) for governments as prescribed by the Governmental Accounting Standards Board, are included as Appendix A to Part II of the 2019 Annual Report.

[Part III of the 2019 Annual Report](#) contains information concerning general obligations issued by the State. That part discusses the security provisions for general obligations (including the flow of funds to pay debt service on general obligations) and presents data about the State's outstanding general obligations and the portion of outstanding general obligations that is revenue supported.

The 2019 Annual Report and the Comprehensive Annual Financial Report (**CAFR**) for the fiscal year ended June 30, 2019 were both filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system. The 2019 Annual Report and the CAFR are also available from the part of the Capital Finance Office web site called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin" and the State investor relations web site. The Capital Finance Office web site and the State investor relations web site are located at the following addresses:

[doa.wi.gov/capitalfinance](http://doa.wi.gov/capitalfinance)  
[wisconsinbonds.com](http://wisconsinbonds.com)

Copies of the 2019 Annual Report may also be obtained from:

State of Wisconsin Department of Administration  
Capital Finance Office  
101 E. Wilson Street, FLR 10  
P.O. Box 7864  
Madison, WI 53707-7864  
(608) 267-0374  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)

The State has independently provided periodic reports on general fund financial information. These reports are not required by any of the State's undertakings to provide information concerning the State's securities. These reports are available on the State's Capital Finance Office web site that is listed above and were also filed as additional voluntary information with the MSRB through its EMMA system; however, the reports are not incorporated by reference into this Official Statement or Part II of the 2019 Annual Report. The State is not obligated to provide such reports at any time in the future.

After publication and filing of the 2019 Annual Report, certain changes or events have occurred that affect items discussed in the 2019 Annual Report. Listed below, by reference to particular sections of Part II of the 2019 Annual Report, are changes or additions to the information contained in those particular sections. When such changes occur, the State may or may not file notices with the MSRB. However, the State has filed, and expects to continue to file, informational notices with the MSRB, some of which may be notices that are not required to be filed under the State's undertakings.

**State Budget; Budget for the 2019-20 and 2020-21 Fiscal Years and Estimated General Fund Tax Collections for the 2019-21 Biennium** (Part II; Pages 37-39).

*Legislative Fiscal Bureau Memorandum*

The Legislative Fiscal Bureau (LFB) typically estimates the General Fund condition statement and projected tax collections for the Wisconsin legislature each January. In even-numbered years, its analysis includes an examination of economic forecasts and tax collections, as well as expenditure data for the current fiscal year and projections for each fiscal year of the current biennium. It is expected that LFB will release a report that includes this information in January 2020 (**January 2020 LFB Report**). The State intends to file the January 2020 LFB Report when it is available, with the MSRB through its EMMA system.

**General Fund Information; General Fund Cash Flow** (Part II; Pages 44-57). The following tables provide updates and additions to various tables containing General Fund information for the 2019-20 fiscal year through November 30, 2019 and projections for the remainder of the 2019-20 fiscal year, which are presented primarily on a cash basis. The projections and estimates for the remainder of the 2019-20 fiscal year reflect the 2019-21 biennial budget (**2019 Wisconsin Act 9**) and a report released by LFB on May 15, 2019 (**May 2019 LFB Report**).

The comparison of monthly General Fund information that is presented on a cash basis has many inherent problems. Unforeseen events or variations from underlying assumptions may cause a decrease or increase in receipts and disbursements from those projected for any specific month. The following tables may show negative balances on a cash basis. The State can have a negative cash balance at the end of a fiscal year.

The Wisconsin 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 9% of the general-purpose revenue appropriations then in effect and 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.

If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate and defer certain payments.



**Table II-11; General Fund Cash Flow (Part II; Page 48).** Replace with the following updated table.

**ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2019 TO NOVEMBER 30, 2019**  
**PROJECTED GENERAL FUND CASH FLOW; DECEMBER 1, 2019 TO JUNE 30, 2020<sup>(a)</sup>**  
**(Cash Basis)**  
**(Amounts in Thousands)**

	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
<b>BALANCES<sup>(a)(b)</sup></b>												
<b>Beginning Balance</b>	\$ 2,509,532	\$ 1,696,340	\$ 1,631,925	\$ 3,110,416	\$ 3,878,045	\$ 3,076,744	\$ 2,546,371	\$ 3,685,804	\$ 3,342,245	\$ 2,020,473	\$ 2,845,966	\$ 3,192,403
<b>Ending Balance<sup>(c)</sup></b>	1,696,340	1,631,925	3,110,416	3,878,045	3,076,744	2,546,371	3,685,804	3,342,245	2,020,473	2,845,966	3,192,403	2,561,743
<b>Lowest Daily Balance<sup>(c)</sup></b>	1,423,684	1,149,561	1,631,925	2,768,821	2,991,765	1,739,532	2,234,752	3,331,899	1,825,755	1,607,080	2,239,021	1,735,699
<b>RECEIPTS</b>												
<b>TAX RECEIPTS</b>												
Individual Income	\$ 977,646	\$ 450,182	\$ 1,151,013	\$ 856,978	\$ 502,663	\$ 829,115	\$ 1,323,854	\$ 552,062	\$ 975,297	\$ 1,832,202	\$ 457,636	\$ 1,165,817
Sales & Use	578,086	557,654	572,319	555,892	515,980	506,756	609,009	450,482	429,850	528,631	505,868	574,806
Corporate Income	50,934	33,646	313,638	62,031	54,209	216,520	53,031	26,858	135,465	181,743	54,325	244,062
Public Utility	39	2	556	22,910	193,659	202	38	27	23	5,577	197,468	334
Excise	50,830	66,273	62,536	55,848	59,107	54,174	53,120	52,422	47,877	49,303	54,200	64,405
Insurance	416	3,843	41,448	320	1,572	44,560	1,953	20,567	17,305	44,394	5,085	43,292
<b>Subtotal Tax Receipts</b>	\$ 1,657,951	\$ 1,111,600	\$ 2,141,510	\$ 1,553,979	\$ 1,327,190	\$ 1,651,327	\$ 2,041,005	\$ 1,102,418	\$ 1,605,817	\$ 2,641,850	\$ 1,274,582	\$ 2,092,716
<b>NON-TAX RECEIPTS</b>												
Federal	\$ 959,908	\$ 681,496	\$ 1,214,847	\$ 649,556	\$ 900,685	\$ 767,508	\$ 864,688	\$ 1,004,350	\$ 1,003,989	\$ 668,436	\$ 906,442	\$ 753,992
Other & Transfers	504,975	386,006	747,389	660,743	296,665	451,875	477,961	695,373	417,551	622,428	405,244	533,724
Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal Non-Tax Receipts</b>	\$ 1,464,883	\$ 1,067,502	\$ 1,962,236	\$ 1,310,299	\$ 1,197,350	\$ 1,219,383	\$ 1,342,649	\$ 1,699,723	\$ 1,421,540	\$ 1,290,864	\$ 1,311,686	\$ 1,287,716
<b>TOTAL RECEIPTS</b>	\$ 3,122,834	\$ 2,179,102	\$ 4,103,746	\$ 2,864,278	\$ 2,524,540	\$ 2,870,710	\$ 3,383,654	\$ 2,802,141	\$ 3,027,357	\$ 3,932,714	\$ 2,586,268	\$ 3,380,432
<b>DISBURSEMENTS</b>												
Local Aids	\$ 1,609,156	\$ 133,860	\$ 894,453	\$ 79,732	\$ 920,253	\$ 1,351,076	\$ 155,919	\$ 625,156	\$ 1,832,040	\$ 66,405	\$ 189,033	\$ 2,138,311
Income Maintenance	1,093,492	862,355	781,888	831,436	787,037	935,685	835,840	848,745	968,482	828,082	763,466	619,587
Payroll and Related	427,817	543,757	348,625	383,392	632,085	354,992	660,657	470,030	352,074	467,112	464,194	470,024
Tax Refunds	98,807	110,417	102,278	153,084	133,919	202,336	115,082	605,004	630,750	603,342	219,126	160,980
Debt Service	201,441	-	-	143,234	1,334	-	-	3,578	-	536,932	85,015	-
Miscellaneous	505,313	593,128	498,011	505,771	851,213	556,994	476,723	593,187	565,782	605,348	518,997	622,190
<b>TOTAL DISBURSEMENTS</b>	\$ 3,936,026	\$ 2,243,517	\$ 2,625,255	\$ 2,096,649	\$ 3,325,841	\$ 3,401,083	\$ 2,244,221	\$ 3,145,700	\$ 4,349,128	\$ 3,107,221	\$ 2,239,831	\$ 4,011,092

(a) The results, projections, or estimates for the 2019-20 fiscal year in the following tables reflect 2019 Wisconsin Act 9, and the estimated General Fund tax revenues included in the May 2019 LFB Report. They also reflect 2019 Wisconsin Act 7 and 2019 Wisconsin Act 10, which reduced individual income tax revenue, but increased sales/use tax and corporate/franchise tax revenues. Temporary reallocations of cash are not included.

(b) The General Fund cash balances presented in this schedule 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. These designated funds are anticipated to range from \$1.2 billion to \$1.9 billion for the 2019-20 fiscal year. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds have averaged and are expected to continue to average approximately \$25 million during each fiscal year.

(c) The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund may be 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 9% of the general-purpose revenue appropriations then in effect with an additional amount up to 3% for a period of up to 30 days. The resulting amounts available for temporary reallocation for the 2019-20 fiscal year, based on 2019 Wisconsin Act 9, are approximately \$1.655 billion and \$552 million, respectively. If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate or defer certain payments.

**Source: Wisconsin Department of Administration.**

**Table II-12; Historical General Fund Cash Flow (Part II; Page 49). Replace with the following updated table.**

**HISTORICAL GENERAL FUND CASH FLOW  
ACTUAL FISCAL YEARS 2015-16 TO 2018-19<sup>(a)</sup>  
ACTUAL AND PROJECTED FISCAL YEAR 2019-20<sup>(a) (b)</sup>**

	<b>Actual 2015-16 <u>Fiscal Year</u></b>	<b>Actual 2016-17 <u>Fiscal Year</u></b>	<b>Actual 2017-18 <u>Fiscal Year</u></b>	<b>Actual 2018-19 <u>Fiscal Year</u></b>	<b>Actual 07/1/2019-11/30/2019 Estimated 12/1/2019 - 06/30/2020</b>
<b>RECEIPTS</b>					
Tax Receipts					
Individual Income	\$ 9,058,349	\$ 9,487,657	\$ 9,837,742	\$ 10,557,272	\$ 11,074,465
Sales	5,425,943	5,549,486	5,867,099	6,132,089	6,385,333
Corporate Income	1,173,106	1,151,868	1,070,879	1,519,561	1,426,462
Public Utility	404,820	415,784	416,406	415,047	420,835
Excise	710,742	708,762	689,653	681,262	670,095
Insurance	62,730	204,510	207,953	218,304	224,755
<b>Total Tax Receipts</b>	<b>\$ 16,835,690</b>	<b>\$ 17,518,067</b>	<b>\$ 18,089,732</b>	<b>\$ 19,523,535</b>	<b>\$ 20,201,945</b>
Non-Tax Receipts					
Federal	\$ 9,375,674	\$ 9,396,361	\$ 9,214,957	\$ 10,093,533	\$ 10,375,897
Other and Transfers	4,790,882	5,673,340	6,113,708	6,241,726	6,199,934
<b>Total Non-Tax Receipts</b>	<b>\$ 14,166,556</b>	<b>\$ 15,069,701</b>	<b>\$ 15,328,665</b>	<b>\$ 16,335,259</b>	<b>\$ 16,575,831</b>
<b>TOTAL RECEIPTS</b>	<b>\$ 31,002,246</b>	<b>\$ 32,587,768</b>	<b>\$ 33,418,397</b>	<b>\$ 35,858,794</b>	<b>\$ 36,777,776</b>
<b>DISBURSEMENTS</b>					
Local Aids	\$ 8,575,297	\$ 9,223,782	\$ 9,202,809	\$ 9,698,906	\$ 9,998,897
Income Maintenance	8,848,420	9,186,111	9,370,303	9,747,283	10,235,973
Payroll & Related	5,126,869	5,000,390	5,174,225	5,333,395	5,521,908
Tax Refunds	2,508,923	2,550,017	2,703,269	2,785,514	3,158,680
Debt Service	952,280	891,234	908,172	914,688	973,778
Miscellaneous	5,300,700	5,427,066	5,902,369	6,396,205	6,516,475
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 31,312,489</b>	<b>\$ 32,278,600</b>	<b>\$ 33,261,147</b>	<b>\$ 34,875,991</b>	<b>\$ 36,405,711</b>
<b>NET CASH FLOW</b>	<b>\$ (310,243)</b>	<b>\$ 309,168</b>	<b>\$ 157,250</b>	<b>\$ 982,803</b>	<b>\$ 372,065</b>

- (a) 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 and estimates for the 2019-20 fiscal year reflect the May 2019 LFB Report and 2019 Wisconsin Act 9. They also reflect 2019 Wisconsin Act 7 and 2019 Wisconsin Act 10, which reduced individual income tax revenue, but increased sales/use tax and corporate/franchise tax revenues.

**Source: Wisconsin Department of Administration.**

**Table II-13; General Fund Cash Receipts and Disbursements Year-to-Date Compared to Estimates and Previous Fiscal Year (Part II; Page 51).** Replace with the following updated table.

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE  
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR <sup>(a)</sup>**

**(Cash Basis)  
As of November 30, 2019  
(Amounts in Thousands)**

	2018-19 Fiscal Year through November 30, 2018		2019-20 Fiscal Year through November 30, 2019				Difference FY19 Actual to FY20 Actual
	Actual	Actual	Estimate <sup>(b)</sup>	Variance	Adjusted Variance <sup>(c)</sup>		
<b>RECEIPTS</b>							
<b>Tax Receipts</b>							
Individual Income	\$ 3,957,622	\$ 3,938,482	\$ 3,649,326	\$ 289,156	\$ 289,156	\$ (19,140)	
Sales	2,687,321	2,779,931	2,791,615	(11,684)	(11,684)	92,610	
Corporate Income	368,935	514,458	395,043	119,415	119,415	145,523	
Public Utility	219,686	217,166	226,663	(9,497)	(9,497)	(2,520)	
Excise	303,899	294,594	305,051	(10,457)	(10,457)	(9,305)	
Insurance	47,155	47,599	50,104	(2,505)	(2,505)	444	
<b>Total Tax Receipts</b>	<b>\$ 7,584,618</b>	<b>\$ 7,792,230</b>	<b>\$ 7,417,802</b>	<b>\$ 374,428</b>	<b>\$ 374,428</b>	<b>\$ 207,612</b>	
<b>Non-Tax Receipts</b>							
Federal	\$ 4,511,174	\$ 4,406,492	\$ 4,479,995	\$ (73,503)	\$ (73,503)	\$ (104,682)	
Other and Transfers	2,472,795	2,595,777	2,691,834	(96,057)	(96,057)	122,982	
<b>Total Non-Tax Receipts</b>	<b>\$ 6,983,969</b>	<b>\$ 7,002,269</b>	<b>\$ 7,171,829</b>	<b>\$ (169,560)</b>	<b>\$ (169,560)</b>	<b>\$ 18,300</b>	
<b>TOTAL RECEIPTS</b>	<b>\$ 14,568,587</b>	<b>\$ 14,794,499</b>	<b>\$ 14,589,631</b>	<b>\$ 204,868</b>	<b>\$ 204,868</b>	<b>\$ 225,912</b>	
<b>DISBURSEMENTS</b>							
Local Aids	\$ 3,520,683	\$ 3,637,454	\$ 3,509,531	\$ (127,923)	\$ (127,923)	\$ 116,771	
Income Maintenance	4,189,258	4,356,208	4,429,614	73,406	73,406	166,950	
Payroll & Related	2,196,450	2,335,676	2,387,090	51,414	51,414	139,226	
Tax Refunds	585,590	598,505	649,457	50,952	50,952	12,915	
Debt Service	313,194	346,009	378,174	32,165	32,165	32,815	
Miscellaneous	2,620,294	2,953,436	2,875,763	(77,673)	(77,673)	333,142	
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 13,425,469</b>	<b>\$ 14,227,288</b>	<b>\$ 14,229,629</b>	<b>\$ 2,341</b>	<b>\$ 2,341</b>	<b>\$ 801,819</b>	

2019-20 FISCAL YEAR VARIANCE YEAR-TO-DATE \$ 207,209 \$ 207,209

- (a) 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 and estimates for the 2019-20 fiscal year reflect the May 2019 LFB Report and 2019 Wisconsin Act 9. They also reflect 2019 Wisconsin Act 7 and 2019 Wisconsin Act 10, which reduced individual income tax revenue, but increased sales/use tax and corporate/franchise tax revenues.
- (c) 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 cannot be changed and the result is a large variance. This column includes adjustments, if any, to the variances to more accurately reflect the variance between the estimated and actual amounts.

**Source: Wisconsin Department of Administration.**

**Table II-14; General Fund Monthly Cash Position** (Part II; Page 52). Replace with the following updated table.

**GENERAL FUND MONTHLY CASH POSITION <sup>(a)</sup>**  
**July 1, 2017 through November 30, 2019 – Actual**  
**December 1, 2019 through June 30, 2020 – Estimated <sup>(b)</sup>**  
**(Amounts in Thousands)**

	<u>Starting Date</u>	<u>Starting Balance</u>	<u>Receipts</u>	<u>Disbursements</u>
2017	July.....	\$ 1,369,479	\$ 2,817,598	\$ 3,503,499
	August.....	683,578 <sup>(c)</sup>	2,213,505	2,122,310
	September.....	774,773	3,066,043	2,709,334
	October.....	1,131,482	3,015,806	1,894,354
	November.....	2,252,934	2,447,851	2,621,739
	December.....	2,079,046	2,643,697	3,169,822
2018	January.....	1,552,921	3,275,821	1,883,523
	February.....	2,945,219	2,867,326	2,880,688
	March.....	2,931,857	2,419,631	4,221,851
	April.....	1,129,637	3,381,659	2,728,707
	May.....	1,782,589	2,751,853	1,927,755
	June.....	2,606,687	2,517,607	3,597,565
	July.....	1,526,729	3,008,353	3,784,639
	August.....	750,443	2,543,464	2,223,489
	September.....	1,070,418	3,391,628	2,607,829
	October.....	1,854,217	3,022,826	1,944,350
	November.....	2,932,693	2,602,316	2,865,162
	December.....	2,669,847	2,567,700	3,189,593
2019	January.....	2,047,954	3,316,179	2,091,074
	February.....	3,273,059	2,743,358	2,909,387
	March.....	3,107,030	2,714,410	4,122,640
	April.....	1,698,800	4,416,156	3,243,107
	May.....	2,871,849	2,677,757	2,405,885
	June.....	3,143,721	2,854,647	3,488,836
	July.....	2,509,532	3,122,834	3,936,026
	August.....	1,696,340	2,179,102	2,243,517
	September.....	1,631,925	4,103,746	2,625,255
	October.....	3,110,416	2,864,278	2,096,649
	November.....	3,878,045	2,524,540	3,325,841
	December.....	3,076,744	2,870,710	3,401,083
2020	January.....	2,546,371	3,383,654	2,244,221
	February.....	3,685,804	2,802,141	3,145,700
	March.....	3,342,245	3,027,357	4,349,128
	April.....	2,020,473	3,932,714	3,107,221
	May.....	2,845,966	2,586,268	2,239,831
	June.....	3,192,403	3,380,432	4,011,092

- (a) The General Fund balances presented in this table are not based on generally accepted accounting principles (GAAP).
- (b) The results, projections, and estimates for the 2019-20 fiscal year reflect 2019 Wisconsin Act 9 and the May 2019 LFB Report.
- (c) At some period during the month, the General Fund was in a negative cash position. The Wisconsin 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 9% of the general-purpose revenue appropriations then in effect (approximately \$1.655 billion in the 2019-20 fiscal year) and 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 (approximately \$552 million in the 2019-20 fiscal year). If the amount of 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 or defer certain payments.

**Source: Wisconsin Department of Administration.**

**Table II-15; Cash Balances in Funds Available for Temporary Reallocation** (Part II; Page 53).  
 Replace with the following updated table.

**CASH BALANCES IN FUNDS AVAILABLE FOR  
 TEMPORARY REALLOCATION** <sup>(a) (b)</sup>

**July 31, 2017 to November 30, 2019 — Actual**  
**December 31, 2019 to June 30, 2020 — Projected** <sup>(c)</sup>

(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 reallocation, 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 \$2.4 billion during November 2015 to a high of \$4.3 billion in April 2019. 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**

<b><u>Month (Last Day)</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>
January .....		\$1,548	\$1,622	\$ 1,622
February .....		1,620	1,742	1,742
March .....		1,633	1,795	1,795
April .....		1,681	1,795	1,795
May .....		1,403	1,684	1,685
June .....		1,507	1,879	1,879
July .....	\$1,388	1,383	1,783	
August .....	1,464	1,429	1,776	
September .....	1,625	1,524	2,025	
October .....	1,532	1,304	1,907	
November .....	1,444	1,448	1,801	
December .....	1,592	1,667	1,667	

**Available Balances; Includes Balances in the LGIP**

<b><u>Month (Last Day)</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>
January .....		\$5,205	\$5,641	\$ 5,641
February .....		5,457	5,991	5,991
March .....		5,699	6,317	6,317
April .....		5,462	5,982	5,982
May .....		4,906	5,554	5,554
June .....		5,028	5,853	5,853
July .....	\$5,461	5,781	6,804	
August .....	4,762	5,058	5,839	
September .....	4,865	4,670	5,600	
October .....	4,624	4,103	5,474	
November .....	4,256	4,527	5,213	
December .....	4,761	5,141	5,141	

<sup>(a)</sup> 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.

<sup>(b)</sup> The amounts shown reflect a reduction in the aggregate cash balances available to the extent any fund had a negative balance and temporary reallocations were made from such fund.

<sup>(c)</sup> The projections and estimates for the 2019-20 fiscal year reflect 2019 Wisconsin Act 9 and the May 2019 LFB Report. They also reflect 2019 Wisconsin Act 7 and 2019 Wisconsin Act 10, which reduced individual income tax revenue, but increased sales/use tax and corporate/franchise tax revenues.

**Source: Wisconsin Department of Administration.**

**Table II-16; General Fund Recorded Revenues (Part II; Page 55).** Replace with the following updated table.

**GENERAL FUND RECORDED REVENUES<sup>(a)</sup>**  
**(Agency-Recorded Basis)**  
**July 1, 2019 to November 30, 2019 Compared With Previous Year**

	<b>Annual Fiscal Report Revenues <u>2018-19 Fiscal Year<sup>(b)</sup></u></b>	<b>Projected Revenues <u>2019-20 Fiscal Year<sup>(c)</sup></u></b>	<b>Recorded Revenues July 1, 2018 to <u>November 30, 2018<sup>(d)</sup></u></b>	<b>Recorded Revenues July 1, 2019 to <u>November 30, 2019<sup>(e)</sup></u></b>
Individual Income Tax .....	\$ 8,994,096,000	\$ 8,923,100,000	\$ 3,133,005,052	\$ 3,047,341,572
General Sales and Use Tax .....	5,695,548,000	5,877,300,000	1,940,093,146	2,024,489,380
Corporate Franchise and Income Tax .....	1,338,063,000	1,165,500,000	265,652,150	420,931,240
Public Utility Taxes .....	364,941,000	366,000,000	219,848,091	214,138,961
Excise Taxes .....	661,918,000	671,200,000	244,229,086	250,173,728
Inheritance Taxes .....	6,000	-	2,471	25,542
Insurance Company Taxes .....	194,356,000	203,000,000	47,193,220	47,679,579
Miscellaneous Taxes .....	92,459,000	97,538,500	82,457,880	81,810,874
<b>SUBTOTAL.....</b>	<b>\$ 17,341,387,000</b>	<b>\$ 17,303,638,500</b>	<b>\$ 5,932,481,096</b>	<b>\$ 6,086,590,877</b>
Federal and Other Inter- Governmental Revenues <sup>(f)</sup> .....	10,843,638,000	11,414,533,600	4,617,409,956	4,476,183,722
Dedicated and Other Revenues <sup>(g)</sup> .....	6,849,882,000	7,417,977,800	2,820,593,271	2,932,228,759
<b>TOTAL.....</b>	<b>\$ 35,034,907,000</b>	<b>\$ 36,136,149,900</b>	<b>\$ 13,370,484,323</b>	<b>\$ 13,495,003,358</b>

- (a) The revenues in this table 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.
- (b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2018-19 fiscal year dated October 15, 2019.
- (c) The estimates in this table for the 2019-20 fiscal year reflect the 2019-21 biennial budget (2019 Wisconsin Act 9) and the May 2019 LFB Report, but do not reflect 2019 Wisconsin Act 7 or 2019 Wisconsin Act 10.
- (d) The amounts shown are the 2018-19 fiscal year 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 DOR from time to time in their monthly general purpose revenue collections report; the DOR report (i) only includes general purpose revenues or taxes that are actually collected by DOR (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.
- (e) The amounts shown are the 2019-20 fiscal year 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 DOR from time to time in its monthly general purpose revenue collections report; the DOR report (i) only includes general purpose revenues or taxes that are actually collected by DOR (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.
- (f) 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.
- (g) 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.

**Source: Wisconsin Department of Administration.**

**Table II-17; General Fund Recorded Expenditures by Function** (Part II; Page 57). Replace with the following updated table.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION<sup>(a)</sup>  
(Agency-Recorded Basis)  
July 1, 2019 to November 30, 2019 Compared With Previous Year<sup>(b)</sup>**

	<b>Annual Fiscal Report Expenditures 2018-19 Fiscal Year<sup>(b)</sup></b>	<b>Appropriations 2019-20 Fiscal Year<sup>(c)</sup></b>	<b>Recorded Expenditures July 1, 2018 to November 30, 2018<sup>(d)</sup></b>	<b>Recorded Expenditures July 1, 2019 to November 30, 2019<sup>(e)</sup></b>
Commerce.....	\$ 225,791,000	\$ 486,963,800	\$ 76,123,748	\$ 84,796,382
Education.....	14,167,655,000	14,759,411,200	5,204,079,422	5,353,874,897
Environmental Resources.....	349,019,000	327,711,400	60,400,704	66,367,443
Human Relations & Resources .....	15,483,501,000	16,283,939,500	6,623,579,990	6,756,260,390
General Executive.....	1,057,458,000	1,352,667,300	532,076,419	564,575,969
Judicial.....	143,227,000	148,435,600	60,465,485	60,922,614
Legislative.....	73,210,000	79,301,700	24,638,565	27,414,713
General Appropriations.....	<u>2,674,076,000</u>	<u>3,051,907,900</u>	<u>2,087,590,095</u>	<u>2,097,531,927</u>
TOTAL.....	<u>\$ 34,173,937,000</u>	<u>\$ 36,490,338,400</u>	<u>\$ 14,668,954,428</u>	<u>\$ 15,011,744,335</u>

- (a) The expenditures in this table 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.
- (b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2018-19 fiscal year dated October 15, 2019.
- (c) The appropriations included in this table reflect the 2019-21 biennial budget (2019 Wisconsin Act 9), but do not reflect 2019 Wisconsin Act 7 or 2019 Wisconsin Act 10.
- (d) The amounts shown are 2018-19 fiscal year expenditures as recorded by all State agencies.
- (e) The amounts shown are 2019-20 fiscal year expenditures as recorded by all State agencies.

**Source: Wisconsin Department of Administration.**

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# Appendix B

## General Obligation Issuance Status Report

### January 1, 2020

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>G.O. Refunding Bonds of 2020, Series 1&amp;2</u>	<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>		
University of Wisconsin; academic facilities.....	\$ 3,024,031,100	\$ 2,220,108,472	\$ 13,084,724	\$ 83,302,939		\$ 707,534,965
University of Wisconsin; self-amortizing facilities.....	3,176,722,100	2,421,593,161	2,967,557	80,006,303		672,155,079
Natural resources; Warren Knowles - Gaylord Nelson stewardship 2000 program.....	1,088,850,000	882,599,116	410,794	29,503,931		176,336,159
Natural resources; municipal clean drinking water grants.....	9,800,000	9,518,744	141,818			139,438
Clean water fund program.....	659,783,200	651,996,843		3,967,798		3,818,559
Safe drinking water loan program.....	74,950,000	69,215,595	123	2,183,403		3,550,879
Natural resources; nonpoint source grants.....	94,310,400	93,954,702	190,043	165,649		6
Natural resources; nonpoint source .....	50,550,000	31,308,706	2,498	2,901,488		16,337,308
Natural resources; environmental repair.....	57,000,000	49,097,663	203,945	274,644		7,423,748
Natural resources; urban nonpoint source cost-sharing.....	57,600,000	44,031,690	31,189	1,780,987		11,756,134
Natural resources; contaminated sediment removal.....	36,000,000	26,688,937		1,589,317		7,721,746
Natural resources; environmental segregated fund supported administrative facilities.....	19,969,200	10,903,807	161	187,993		8,877,239
Natural resources; segregated revenue supported dam safety projects.....	6,600,000	6,571,582	617	27,795		6
Natural resources; pollution abatement and sewage collection facilities, ORAP funding.....	145,060,325	145,010,325	50,000			
Natural resources; pollution abatement and sewage collection facilities.....	893,493,400	874,927,239	18,513,077			53,084
Natural resources; pollution abatement and sewage collection facilities; combined sewer overflow.....	200,600,000	194,312,599	6,287,401			
Natural resources; recreation projects.....	56,055,000	56,053,994	1,006			
Natural resources; local parks land acquisition and development.....	2,490,000	2,447,741	42,259			
Natural resources; recreation development.....	23,061,500	22,919,742	141,325	68		365
Natural resources; land acquisition.....	45,608,600	45,116,929	491,671			
Natural resources; Wisconsin natural areas heritage program.....	2,500,000	2,445,793	17,174			37,033
Natural resources; segregated revenue supported facilities.....	123,958,000	95,321,804	93,544	4,484,363		24,058,289

**GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED**  
**JANUARY 1, 2020**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>G.O. Refunding Bonds of 2020, Series 1&amp;2</u>	<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>		
Natural resources; general fund supported administrative facilities.....	\$ 16,514,100	\$ 11,318,965	\$ 21,753	\$ 9,208		\$ 5,164,174
Natural resources; ice age trail.....	750,000	750,000				
Natural resources; dam safety projects.....	29,500,000	19,253,571	51,291	1,552,785		8,642,353
Natural resources; segregated revenue supported land acquisition.....	2,500,000	2,500,000				
Natural resources; Warren Knowles - Gaylord Nelson stewardship program.....	231,000,000	229,270,377	1,306,879	137,654		285,090
Transportation; administrative facilities.....	8,890,400	8,759,479	33,943			96,978
Transportation; accelerated bridge improvements.....	46,849,800	46,849,800				
Transportation; major interstate bridge construction.....	272,000,000	235,980,986	64	36,018,642		308
Transportation; rail passenger route development.....	89,000,000	66,084,243	3,016	1,342,987		21,569,754
Transportation; accelerated highway improvements.....	185,000,000	185,000,000				
Transportation; connecting highway improvements.....	15,000,000	15,000,000				
Transportation; federally aided highway facilities.....	10,000,000	10,000,000				
Transportation; highway projects.....	41,000,000	41,000,000				
Transportation; major highway and rehabilitation projects.....	565,480,400	565,480,400				
Transportation; Southeast rehabilitation projects, southeast megaprojects, and high-cost bridge projects.....	1,413,550,000	1,215,275,976	3,018,078	97,882,005		97,373,941
Transportation; state highway rehabilitation projects, southeast megaprojects.....	820,063,700	781,604,780	1,182,897	37,275,422		601
Transportation; major highway projects.....	100,000,000	98,948,179		1,051,814		7
Transportation; state highway rehabilitation, certain projects.....	141,000,000	134,924,101		6,075,854		45
Transportation; major highway and rehabilitation projects subject to joint committee on finance approval.....	305,227,664	260,693,759	141,819	44,391,381		705
Transportation; southeast Wisconsin freeway megaprojects subject to contingency.....	252,400,000	157,675,201	94,291	22,146,477		72,484,031
Transportation; harbor improvements.....	152,000,000	104,640,593	234,581	6,864,721		40,260,105
Transportation; rail acquisitions and improvements.....	280,300,000	196,236,401	5,187	18,573,089		65,485,323
Transportation; local roads for job preservation, state funds.....	2,000,000	2,000,000				
Corrections; correctional facilities.....	951,679,900	857,949,099	11,468,918	7,041,384		75,220,499

**GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED**  
**JANUARY 1, 2020**

<b>Program Purpose</b>	<b>Legislative Authorization</b>	<b>General Obligations Issued to Date</b>	<b>Credit to Capital Improvement Fund</b>		<b>G.O. Refunding Bonds of 2020, Series 1&amp;2</b>	<b>Total Authorized Unissued Debt</b>
			<b>Interest Earnings<sup>(a)</sup></b>	<b>Premium<sup>(a)</sup></b>		
Corrections; self-amortizing facilities and equipment.....	\$ 2,116,300	\$ 2,115,438	\$ 99			\$ 763
Corrections; juvenile correctional facilities.....	28,652,200	28,538,452	108,861	\$ 988		3,899
Corrections; juvenile correctional grant program.....	80,000,000					80,000,000
Health services; mental health and secure treatment facilities.....	298,429,100	179,083,853	895,996	2,800,502		115,648,749
Agriculture; soil and water.....	75,075,000	64,416,262	9,110	3,505,506		7,144,122
Agriculture; conservation reserve enhancement.....	28,000,000	21,275,180	3,160	1,185,149		5,536,511
Administration; Black Point Estate.....	1,600,000	1,598,655	445			900
Administration; energy conservation projects; capital improvement fund.....	245,000,000	168,336,809		11,613,796		65,049,395
Building commission; previous lease rental authority.....	143,071,600	143,068,654				2,946
Building commission; refunding tax-supported general obligation debt.....	2,102,086,430	2,102,086,530				
Building commission; refunding self-amortizing general obligation debt.....	272,863,033	272,863,033				
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before June 30, 2005.....	250,000,000	250,000,000				
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before July 1, 2011.....	474,000,000	473,651,084				348,916
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before July 1, 2013.....	264,200,000	263,420,000				780,000
Building commission; refunding tax-supported and self-amortizing general obligation debt.....	6,785,000,000	5,653,568,916			\$ 327,015,000	804,416,084
Building commission; housing state departments and agencies.....	943,639,300	755,477,418	2,356,097	38,406,216		147,399,569
Building commission; 1 West Wilson street parking ramp.....	15,100,000	14,805,521	294,479			
Building commission; project contingencies.....	47,961,200	47,080,641	64,761	136,472		679,326
Building commission; capital equipment acquisition.....	125,660,000	123,506,341	740,327	281,617		1,131,715
Building commission; discount sale of debt.....	90,000,000	73,045,307				16,954,693
Building commission; discount sale of debt (higher education bonds).....	100,000,000	99,988,833 <sup>(b)</sup>				11,167
Building commission; other public purposes.....	2,955,419,200	2,399,396,617	8,728,267	62,349,678		484,944,638

**GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED**  
**JANUARY 1, 2020**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>G.O. Refunding Bonds of 2020, Series 1&amp;2</u>	<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>		
Medical College of Wisconsin, Inc.; basic science education and health information technology facilities.....	\$ 10,000,000	\$ 10,000,000				
Norskedalen Nature and Heritage Center.....	1,048,300					\$ 1,048,300
Bond Health Center.....	1,000,000	983,307		\$ 16,682		11
Lac du Flambeau Indian Tribal Cultural Center...	250,000	210,495		39,504		1
Dane County; livestock facilities.....	9,000,000	7,577,838		1,422,134		28
K I Convention Center.....	2,000,000	1,725,394		274,522		84
HR Academy, Inc.....	1,500,000	1,500,000				
Medical College of Wisconsin, Inc.; biomedical research and technology incubator.....	45,000,000	33,909,754		926,706		10,163,540
AIDS Resource Center of Wisconsin, Inc.....	800,000	800,000				
Bradley Center Sports and Entertainment Corporation.....	5,000,000	4,869,946		130,053		1
Medical College of Wisconsin; community medical education facilities.....	7,384,300	5,178,449	3,011	495,259		1,707,581
Family justice center.....	10,625,000	9,109,385		1,515,566		49
Marquette University; dental clinic and education facility.....	25,000,000	23,942,583	\$ 818	1,056,495		104
Civil War exhibit at the Kenosha Public Museums.....	500,000	500,000				
AIDS Network, Inc.....	300,000	300,000				
Wisconsin Maritime Center of Excellence.....	5,000,000	4,383,263		616,673		64
Hmong cultural centers.....	250,000	250,000				
Milwaukee Police Athletic League; youth activities center.....	1,000,000	1,000,000				
Children's research institute.....	10,000,000	10,000,000				
Domestic Abuse Intervention Services, Inc.....	560,000	476,628		83,327		45
Carroll University.....	3,000,000	2,393,760		403,102		203,138
Wisconsin Agricultural Education Center, Inc...	5,000,000	4,522,862		477,090		48
Eau Claire Confluence Arts, Inc.....	15,000,000	13,461,714		1,537,698		588
Administration; school educational technology infrastructure financial assistance.....	71,911,300	71,480,216	431,066			18
Myrick Hixon EcoPark, Inc.....	500,000	500,000				
Madison Children's Museum.....	250,000	250,000				
Administration; public library educational technology infrastructure financial assistance.....	269,000	268,918	42			40
Educational communications board; educational communications facilities.....	24,169,000	24,112,683	38,515	11,925		5,877
LaCrosse Center.....	5,000,000					5,000,000
St. Ann Center for Intergenerational Care, Inc., Bucyrus Campus.....	5,000,000	4,245,324		754,625		51
Brown County innovation center.....	5,000,000	3,847,135		677,813		475,052
Building Commission; projects.....	25,000,000					25,000,000
Building Commission; center.....	15,000,000					15,000,000

**GENERAL OBLIGATION ISSUANCE STATUS REPORT—CONTINUED**  
**JANUARY 1, 2020**

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Credit to Capital Improvement Fund</u>		<u>G.O. Refunding Bonds of 2020, Series 1&amp;2</u>	<u>Total Authorized Unissued Debt</u>
			<u>Interest Earnings<sup>(a)</sup></u>	<u>Premium<sup>(a)</sup></u>		
Grand Opera House in Oshkosh.....	\$ 500,000	\$ 500,000				
Aldo Leopold climate change classroom and interactive laboratory .....	500,000	485,000		\$ 14,992		\$ 8
Historical society; self-amortizing facilities.....	1,029,300	1,029,156	\$ 3,896			
Historical society; historic records.....	26,650,000	23,165,436	137	3,320,412		164,015
Historical society; historic sites.....	9,591,800	9,067,114	847	291,750		232,089
Historical society; museum facility.....	74,384,400	4,362,469				70,021,931
Historical society; Wisconsin history center.....	16,000,000	8,775,977	457	1,376,465		5,847,101
Public instruction; state school, state center and library facilities.....	19,738,900	11,845,469	32,509	467,826		7,393,096
Military affairs; armories and military facilities.....	60,097,100	43,205,312	198,829	2,078,102		14,614,857
Veterans affairs; veterans facilities.....	20,169,000	9,690,103	50,593	50,279		10,378,025
Veterans affairs; self-amortizing mortgage loans.....	2,122,542,395	2,122,542,395				
Veterans affairs; refunding bonds.....	1,015,000,000	761,594,245				253,405,755
Veterans affairs; self-amortizing facilities.....	83,518,800	34,739,730	2,427	2,392,892		46,383,751
State fair park board; board facilities.....	14,787,100	14,769,363	1			17,736
State fair park board; housing facilities.....	11,000,000	10,999,985	15			
State fair park board; self-amortizing facilities.....	55,187,100	52,699,335	22,401	13,596		2,451,768
<b>Total.....</b>	<b>\$ 34,950,584,947</b>	<b>\$ 29,691,935,381</b>	<b>\$ 74,220,810</b>	<b>\$631,465,513</b>	<b>\$ 327,015,000</b>	<b>\$ 4,225,952,095</b>

<sup>(a)</sup> Amounts previously credited to the Capital Improvement Fund (which include interest earnings and may include sale proceeds representing purchase premium) reduce issuance authority by the same amount.

<sup>(b)</sup> Accrued interest on any obligation that is not paid during the fiscal year in which it accrues is treated as debt and taken into account for purposes of the statutory authority to issue debt.

**Source: Department of Administration.**

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## Appendix C

### EXPECTED FORM OF BOND COUNSEL OPINION

*Upon delivery of the Bonds, it is expected that Foley & Lardner LLP will deliver a legal opinion in substantially the following form:*

(Letterhead of Foley & Lardner LLP)

State of Wisconsin Building Commission  
101 East Wilson Street, 7<sup>th</sup> Floor  
Madison, Wisconsin 53703

**\$327,015,000**  
**STATE OF WISCONSIN**

**\$108,665,000 GENERAL OBLIGATION REFUNDING BONDS OF 2020, SERIES 1**  
**\$218,350,000 GENERAL OBLIGATION REFUNDING BONDS OF 2020, SERIES 2 (TAXABLE)**

We have acted as bond counsel in connection with the issuance by the State of Wisconsin (**State**) of its \$108,665,000 General Obligation Refunding Bonds of 2020, Series 1, dated the date hereof (**2020 Series 1 Bonds**), and its \$218,350,000 General Obligation Refunding Bonds of 2020, Series 2 (Taxable), dated the date hereof (**2020 Series 2 Bonds**, and collectively with the 2020 Series 1 Bonds, **Bonds**). The Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes, and are being issued pursuant to a resolution adopted by the State of Wisconsin Building Commission (**Commission**) on October 16, 2019 (**Resolution**).

We examined the law, a certified copy of the proceedings relating to the issuance of the Bonds, and certifications of public officials and others. As to questions of fact material to our opinion, we relied upon those certified proceedings and certifications without independently undertaking to verify them.

Based upon this examination, it is our opinion that, under existing law:

1. The Bonds are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission and is a valid and binding obligation of the State, enforceable upon the State as provided in the Resolution.
3. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of the principal of, and premium, if any, and interest on, the Bonds as the Bonds mature and become due. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for such purpose.
4. Interest on the 2020 Series 1 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The State must comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied after the 2020 Series 1 Bonds are issued for interest on the 2020 Series 1 Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has agreed to do so. A failure to comply may cause interest on the 2020 Series 1 Bonds to be included in gross income for federal income tax purposes, in some cases retroactively to the date the 2020 Series 1 Bonds were issued. We express no opinion about other federal tax law consequences regarding the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or an equitable proceeding). This letter expresses no opinion as to the availability of any particular form of judicial relief.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement dated January 22, 2020 or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion as to those matters (except only the matters set forth as our opinion in the Official Statement).

This letter speaks as of its date. We assume no duty to change this letter to reflect any facts or circumstances that later come to our attention or any changes in law. In acting as bond counsel, we have established an attorney-client relationship solely with the State.

Very truly yours,

FOLEY & LARDNER LLP



## Appendix D

### REFUNDED BONDS

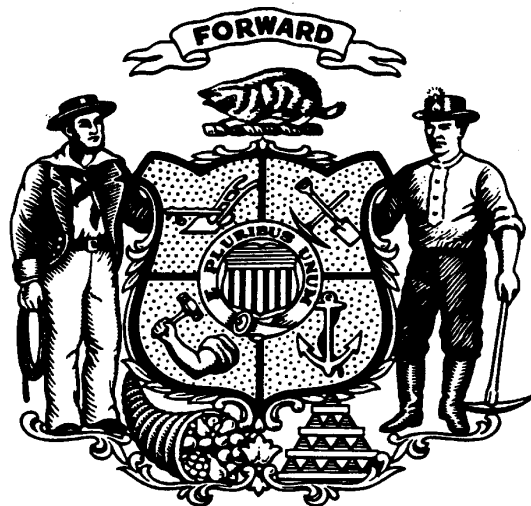
Series	Dated Date	Principal Amount	Interest Rate	Maturity	CUSIP <sup>(a)</sup>	Redemption Date	Redemption Price
<i>Current Refunded Bonds</i>							
2009 Series D	9/3/2009	\$ 26,460,000	5.50%	5/1/2029	97705L WR4	5/1/2020	100%
		28,195,000	5.60	5/1/2030	97705L WS2	5/1/2020	100
		13,990,000	5.80	5/1/2034	97705L WT0	5/1/2020	100
		28,945,000	5.90	5/1/2040	97705L WU7	5/1/2020	100
2010 Series 1	3/3/2010	3,215,000	5.00	5/1/2021	97705M CJ2	5/1/2020	100
2010 Series B	4/7/2010	18,430,000	5.55	5/1/2029	97705L ZP5	5/1/2020	100
		19,350,000	5.65	5/1/2030	97705L ZQ3	5/1/2020	100
		\$138,585,000					
<i>Advance Refunded Bonds</i>							
2011 Series 1	6/2/2011	\$ 5,120,000 <sup>(b)</sup>	5.00%	5/1/2022	97705L E94 <sup>(b)</sup>	5/1/2021	100%
2012 Series 2	5/1/2012	5,375,000 <sup>(b)</sup>	5.00	5/1/2023	97705L U62 <sup>(b)</sup>	5/1/2022	100
		31,470,000	5.00	5/1/2024	97705L U70	5/1/2022	100
		2,645,000	5.00	5/1/2025	97705L U88	5/1/2022	100
		2,775,000	5.00	5/1/2026	97705L U96	5/1/2022	100
2013 Series A	5/9/2013	23,100,000	4.00	5/1/2029	97705L 2K2	5/1/2022	100
		24,360,000	4.00	5/1/2030	97705L 2L0	5/1/2022	100
		25,610,000	4.00	5/1/2031	97705L 2M8	5/1/2022	100
2014 Series 2	4/24/2014	54,310,000	5.00	5/1/2025	97705M HX6	5/1/2022	100
		13,505,000	5.00	5/1/2026	97705M HY4	5/1/2022	100
2014 Series 3	9/3/2014	6,270,000	5.00	11/1/2026	97705L 6H5	11/1/2022	100
		6,565,000	5.00	11/1/2027	97705L 6J1	11/1/2022	100
		\$201,105,000					

<sup>(a)</sup> The CUSIP numbers have been obtained from a source the State believes to be reliable, but the State is not responsible for the correctness of the CUSIP numbers.

<sup>(b)</sup> Reflects only a portion of the total amount of this bond maturing on the respective maturity date. The CUSIP number shown is the CUSIP number currently assigned to the entire maturity.

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