

FY15

ANNUAL FISCAL REPORT

Budgetary Basis



State of Wisconsin
2015

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State of Wisconsin
2015 Annual Fiscal Report

(Budgetary Basis)

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**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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GOVERNOR

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October 15, 2015

The Honorable Scott Walker
The Honorable Members of the Legislature

This report presents statements of fund condition and operations (budgetary basis) of the State of Wisconsin for the fiscal year ended June 30, 2015. This satisfies the requirements of sec. 16.40(3), Wisconsin Statutes. Displayed are major sources of revenues and major categories of expenditures for the General Fund and other funds compared to the prior year.

The General Fund has an undesignated balance of \$135.6 million as of the end of the fiscal year. General-purpose revenue taxes were \$14.541 billion compared to \$13.948 billion in the prior year, an increase of \$593 million or 4.3 percent.

General-purpose revenue expenditures, excluding fund transfers, were \$15.334 billion. This is \$271 million less than the budgeted expenditure allocation of \$15.605 billion.

In fiscal year 2015, the State of Wisconsin continued to devote the major share of state tax collections to assistance to local school districts, municipalities and counties. Local assistance accounted for 52.1 percent of total general purpose revenue spending. Aid payments to individuals and organizations represented 24.3 percent of total general purpose revenue expenditures. The University of Wisconsin accounted for 7.1 percent of total general purpose revenue spending and state operations spending for all other state agencies accounted for 16.5 percent of the total.

The State of Wisconsin expects to publish its comprehensive annual financial report in December of 2015. The report will be prepared under generally accepted accounting principles.

Respectfully submitted,

Scott A. Neitzel
Secretary of Administration

Jeffery C. Anderson, CPA
Deputy State Controller

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Economic Section

The Year In Summary

Revenue Highlights

General purpose revenue (GPR) taxes for the fiscal year (FY) ending June 30, 2015 totaled \$14,541.2 million, an increase of 4.3 percent from FY 2014 collections of \$13,948.1 million.

Total collections for FY 2015 were \$71.4 million, or 0.5 percent, above the estimate of \$14,469.8 million.

Table 1

General Purpose Revenue (GPR) Taxes By Source GPR Tax Collections (\$ Millions)

Tax Source	FY 15	% of Total	FY 14	% of Total	\$ Change FY15-FY14	% Change
Individual Income	\$7,325.8	50.4%	\$7,061.4	50.6%	\$264.4	3.7%
General Sales & Use	4,892.1	33.7%	4,628.3	33.2%	263.8	5.7%
Corporation Franchise & Income	1,004.9	6.9%	967.2	6.9%	37.7	3.9%
Excise	699.1	4.8%	698.7	5.0%	0.4	0.1%
Inheritance, Estate & Gift	-0.1	0.0%	-0.1	0.0%	0.0	0.0%
Public Utility	381.8	2.6%	361.0	2.6%	20.8	5.8%
Insurance Companies	165.5	1.1%	165.8	1.2%	-0.3	-0.2%
Miscellaneous	72.1	0.5%	65.8	0.5%	6.3	9.6%
TOTAL GPR	\$14,541.2	100.0%	\$13,948.1	100.0%	\$593.1	4.3%

Individual Income Tax

Individual income tax collections increased \$264.4 million (3.7 percent) from \$7,061.4 million in FY 2014 to \$7,325.8 million in FY 2015. This was \$24.2 million (0.3 percent) below the \$7,350.0 million estimate. The individual income tax share of total GPR taxes decreased from 50.6 percent in FY 2014 to 50.4 percent in FY 2015.

The largest component of individual income tax collections is withholding from wages and salaries, which decreased 2.9 percent from \$7,081.9 million to \$6,874.0 million. Estimated payments increased 3.5 percent from \$1,206.5 million to \$1,248.5 million, while refunds decreased 15.2 percent from \$2,073.0 million to \$1,758.3 million. Final payments, or payments with returns, increased 25.2 percent to \$602.4 million.

General Sales and Use Tax

Collections from the 5 percent general sales and use tax increased 5.7 percent from \$4,628.3 million to \$4,892.1 million. This was \$12.1 million (0.2 percent) above the \$4,880.0 million estimate. Sales tax collections as a percentage of total GPR taxes increased from 33.2 percent to 33.7 percent.

Corporation Franchise and Income Tax

Corporate collections increased 3.9 percent from \$967.2 million in FY 2014 to \$1,004.9 million in FY 2015. Corporate collections as a percentage of total GPR taxes were unchanged at 6.9 percent. Corporate collections were \$69.9 million (7.5 percent) above the estimate of \$935.0 million.

The major source of corporate collections, estimated payments, increased by 1.3 percent from \$892.4 million in FY 2014 to \$904.3 million in FY 2015.

Excise Tax

Cigarette tax collections decreased 0.6 percent from \$573.0 million in FY 2014 to \$569.6 million in FY 2015. Collections in FY 2015 were above the estimate by \$13.0 million (2.3 percent).

Tobacco products tax collections increased 6.2 percent from \$67.7 million in FY 2014 to \$71.9 million in FY 2015. Collections in FY 2015 were above the estimate by \$2.6 million (3.8 percent).

Liquor and wine tax collections decreased 0.4 percent from \$49.0 million in FY 2014 to \$48.8 million in FY 2015. Collections in FY 2015 were \$1.2 million (2.5 percent) above the estimate.

Beer tax collections decreased 2.2 percent from \$9.0 million in FY 2014 to \$8.8 million in FY 2015. Collections in FY 2015 were nearly equal to the estimate, finishing the year 0.3 percent above.

Other Taxes

Public utility tax collections increased \$20.8 million (5.8 percent) from \$361.0 million in FY 2014 to \$381.8 million in FY 2015. Collections were \$3.9 million (1.0 percent) above the FY 2015 estimate.

Estate tax collections were unchanged in FY 2015 from FY 2014.

Insurance company taxes (generally based on premiums) decreased 0.2 percent from \$165.8 million in FY 2014 to \$165.5 million in FY 2015. Collections were \$10.6 million (6.0 percent) below the FY 2015 estimate.

Miscellaneous taxes increased 9.6 percent from \$65.8 million in FY 2014 to \$72.1 million in FY 2015. This is \$3.4 million (5.0 percent) above the estimate for the fiscal year. The largest component of miscellaneous tax, the real estate transfer fee, increased 12.9 percent, from \$51.2 million in FY 2014 to \$57.8 million in FY 2015.

Expenditure Highlights

While strong balances enabled the Governor and Legislature to enact substantial state income tax relief in the 2013-15 budget by cutting all marginal individual income tax rates, continuing strength in the state's fiscal position allowed the state to provide significant tax relief at the local level in FY 2015.

The state began FY 2015 with a general fund GPR balance of \$516.9 million and a \$279.7 million balance in the state's budget stabilization fund, the highest amount ever in the "rainy day" fund's history. While leaving the "rainy day" balance untouched, the Governor and Legislature undertook substantial new property tax relief in the form of a new technical college property tax relief aid, set at \$406.0 million in FY 2015, which reduced technical college property taxes by 48.9 percent. This new local assistance, together with increased school aid and continued efforts to contain local costs resulted in a fourth consecutive year of property tax bill reductions for the median value home.

Total GPR spending increased 4.8 percent or \$700.4 million in FY 2015, as shown in Table 2. This compares to a 4.2 percent increase in FY 2014.

The largest portion of GPR expenditures in FY 2015 was directed to school districts and other local units of government, consistent with past years. Local Assistance payments increased by 7.6 percent, and these expenditures were \$7,989.0 million or 52.1 percent of total GPR spending in FY 2015 compared to \$7,424.2 million or 50.7 percent of total spending in FY 2014. Aid payments to individuals and organizations increased by 10.0 percent, and these expenditures were \$3,723.1 million, which was 24.3 percent of total GPR spending in FY 2015, compared to \$3,385.1 million or 23.1 percent in FY 2014. State operations spending decreased 5.3 percent in FY 2015, with expenditures of \$3,621.8 million that accounted for 23.6 percent of total GPR spending, compared to \$3,824.2 million or 26.2 percent in FY 2014.

The GPR budget is shaped by its ten largest programs, as detailed in Table 3. These programs comprised 84.1 percent of total GPR expenditures in FY 2015, compared to 83.1 percent in FY 2014. Immediately following this section is a brief explanation of each program.

Table 2

GPR BUDGET BY PURPOSE *GPR Expenditures* (\$ Millions)

	<u>FY15</u>	% of <u>Total</u>	<u>FY14</u>	% of <u>Total</u>	\$ Change <u>FY15-FY14</u>	% <u>Change</u>
Local Assistance	\$7,989.0	52.1%	\$7,424.2	50.7%	\$564.8	7.6%
Aids to Individuals	3,723.1	24.3%	3,385.1	23.1%	338.0	10.0%
State Operations:						
UW System	1,086.0	7.1%	1,151.0	7.9%	-65.0	-5.6%
All Other Agencies	<u>2,535.8</u>	<u>16.5%</u>	<u>2,673.2</u>	<u>18.3%</u>	<u>-137.4</u>	<u>-5.1%</u>
Total	<u>\$15,333.9</u>	<u>100.0%</u>	<u>\$14,633.5</u>	<u>100.0%</u>	<u>\$700.4</u>	<u>4.8%</u>
Transfers	<u>169.6</u>		<u>40.4</u>			
TOTAL GPR	<u>\$15,503.5</u>		<u>\$14,673.9</u>			

Table 3

TOP TEN PROGRAMS
GPR Expenditures
(\$ Millions)

	<u>FY15</u>	<u>% of Total</u>	<u>FY14</u>	<u>% of Total</u>	<u>\$ Change FY15-FY14</u>	<u>% Change</u>
1. School Aids	\$5,336.8	34.8%	\$5,142.2	35.1%	\$194.6	3.8%
2. Medical Assistance	2,520.0	16.4%	2,305.5	15.8%	214.5	9.3%
3. Correctional Services	1,145.1	7.5%	1,167.3	8.0%	-22.2	-1.9%
4. UW System	1,086.0	7.1%	1,151.0	7.9%	-65.0	-5.6%
5. State Property Tax Credits	894.1	5.8%	895.7	6.1%	-1.6	-0.2%
6. Shared Revenue	824.0	5.4%	822.6	5.6%	1.4	0.2%
7. WI Technical College System	511.1	3.3%	108.1	0.7%	403.0	372.8%
8. Individual Tax Relief	226.2	1.5%	234.5	1.6%	-8.3	-3.5%
9. Community Aids	197.2	1.3%	184.6	1.3%	12.6	6.8%
10. State Supplement to SSI	153.5	1.0%	150.9	1.0%	2.6	1.7%
All Others	<u>2,439.9</u>	<u>15.9%</u>	<u>2,471.1</u>	<u>16.9%</u>	<u>-31.2</u>	<u>-1.3%</u>
Subtotal	\$15,333.9	<u>100.0%</u>	\$14,633.5	<u>100.0%</u>	<u>\$700.4</u>	<u>4.8%</u>
Transfers	<u>169.6</u>		<u>40.4</u>			
TOTAL	<u>\$15,503.5</u>		<u>\$14,673.9</u>			

School Aids: State GPR assistance to Wisconsin's 424 school districts increased by 3.8 percent or \$194.6 million in FY 2015. Overall, through a combination of state aids and property tax credits, the state reimbursed approximately 62 percent of school costs in FY 2015.

Since the 1993-94 school year, school districts have been subject to statewide revenue limits. These limits control the allowable increase in each school district's revenues by limiting the total revenue a district can collect from the combined sources of property tax levies for nondebt purposes and state general aids. These controls, combined with continued robust funding levels for state school aids and property tax credits, have succeeded in holding the statewide net school property tax levy to an average annual growth of 0.3 percent since FY 2011.

During FY 2015 school districts were provided a \$150 adjustment for each pupil. Half of the adjustment was funded by the state through a new categorical aid program, which provided \$75 per pupil outside revenue limits, with the remaining \$75 delivered through a per pupil revenue limit adjustment.

There are two major types of direct school aid. Approximately 85.7 percent of direct school aids are general aids, distributed by a formula designed to equalize each school district's property tax base per student, and aids to support the Milwaukee Public Schools special transfer aid program for pupils transferring between schools with certain concentrations of minority and nonminority populations. The remaining 14.3 percent of direct aids are categorical aids, distributed based on local expenditures for specific activities or educational programs. The major categorical aid programs are programs for addressing special education needs and maintaining small class sizes.

In addition to direct aid, in FY 2015 the state also provided \$207.7 million GPR for children from low-income families in the city of Milwaukee and certain eligible school districts statewide to attend private schools at no charge. For FY 2015, the Milwaukee Parental Choice Program was funded 68 percent with GPR and 32 percent by the Milwaukee Public School District through an adjustment to its general equalization aid calculation. School choice programs in certain eligible school districts statewide, including Racine, were 100 percent funded with GPR in FY 2015.

Medical Assistance: Wisconsin's state-and federally-funded Medical Assistance (MA) program pays for medical services to certain categories of low-income persons. These categories include people with disabilities, seniors, children, low-income adults and pregnant women, and other low-income individuals who have high medical expenses.

In FY 2015, total MA expenditures, including BadgerCare Plus, were \$8,736.3 million, of which \$2,520.0 million was GPR, \$730.8 million was SEG, \$559.5 million was PR and the remaining \$4,926.0 million was FED. On an all funds basis, MA expenditures increased by 6.2 percent over FY 2014. The majority of the increase is due to the addition of adults without dependent children below 100 percent of the federal poverty level to the Medicaid program.

Due to the federal Affordable Care Act and program changes implemented during FY 2014, total MA enrollment increased by 2.6 percent. Average monthly enrollment of low-income adults and children in the BadgerCare Plus program increased by 6.2 percent, while the average monthly enrollment of elderly individuals and people with disabilities increased by 2.4 percent.

Enrollment trends varied within eligibility groups due to programmatic changes implemented on April 1, 2014. On that date, the enrollment cap for childless adults was removed and full MA coverage under BadgerCare Plus was extended to all adults without dependent children below 100 percent of the federal poverty level. Additionally, BadgerCare Plus eligibility for parents and caretakers was reduced from 200 percent to 100 percent of the federal poverty level, and certain households above 100 percent of the federal poverty level were transitioned from MA to the federal health exchange.

The MA totals do not include expenditures for SeniorCare, Wisconsin's pharmacy assistance program for the elderly. In FY 2015, SeniorCare expenditures totaled \$88.9 million, an increase of \$2.9 million from FY 2014. This increase is due to several factors, including an increase in drug utilization and benefits paid to each enrollee in FY 2015 and an increase in SeniorCare enrollment of 1.6 percent. Of the total expenditures, \$16.3 million was GPR, \$57.7 million was PR and \$14.9 million was FED. Program revenues for SeniorCare are derived from negotiated rebates with

pharmaceutical manufacturers.

Correctional Services: Total GPR expenditures for the state corrections program decreased \$22.2 million, or 1.9 percent, over the prior year, reaching \$1,145.1 million in FY 2015. The number of incarcerated felons under the supervision of the state adult corrections program increased 0.25 percent from an average daily population of 22,405 in FY 2014 to 22,461 in FY 2015. The decrease in spending is mainly attributed to a reduction in debt service costs, which were reduced by \$24.9 million in FY 2015 and were slightly offset by personnel costs associated with market adjustments, a 1 percent general wage adjustment increase and additional overtime costs.

University of Wisconsin System: Total GPR expenditures for the University of Wisconsin (UW) System decreased by \$65 million, or 5.6 percent in FY 2015, largely as a result of decreased debt service expenditures.

Tuition at UW institutions was frozen at academic year 2012-13 levels and continues to be a relative bargain in higher education. Resident undergraduate tuition for students at the UW-Madison campus was below the "Big Ten" peer group median, and \$3,900 below the "Big Ten" average. In addition, UW-Milwaukee was \$1,064 below its peer group average and all other campuses were approximately \$1,423 below their peer group averages in the 2014-15 academic year.

In addition to low basic tuition, access to college for lower income families was further protected through steady support for the Wisconsin Higher Education Grants (WHEG) program for UW students. Since FY 2003, support for WHEG grants has increased by 183 percent.

State Property Tax Credits: The School Levy and First Dollar Tax Credits help to directly reduce property tax bills of residences and businesses. Funding for the School Levy Tax Credit in FY 2015 was \$747.4 million GPR. The credit offset 7.0 percent of 2013 gross property tax levies for all purposes statewide. The First Dollar Credit was created in 2007 Wisconsin Act 20 to provide additional property tax relief to owners of improved property. The credit, funded at \$146.7 million in FY 2015, helps to give greater tax relief to lower-value property by offsetting property taxes on the first \$6,500 of property value for eligible parcels.

Shared Revenue: State shared revenue provides unrestricted aid to municipal and county governments. In FY 2015, the shared revenue formula distributed a total of \$877.0 million, consisting of \$824.0 million GPR and \$53.0 million SEG. The GPR portion of this amount consisted of county and municipal aids of \$695.1 million, utility aids of \$70.8 million, and expenditure restraint payments of \$58.1 million. The Expenditure Restraint Program provides aids to municipalities with tax rates over five mills that restrained their spending increases. The GPR portion of shared revenue payments increased by 0.2 percent over FY 2014, reflecting a 2.3 percent increase in the public utility component of the payments. Statewide, shared revenue payments provided municipalities with about 12.9 percent and counties with about 3.1 percent of their general revenues.

Wisconsin Technical College System: The Wisconsin Technical College System Board and 16 local technical college districts provide vocational, technical and continuing education across the state. In 2014, 25,845 individuals received a degree from a Wisconsin technical college. The technical colleges also provide customized skills training for businesses, partner with secondary schools and the Department of Workforce Development to create vocational programs for high school students, and provide apprenticeship instruction.

Until FY 2015, local technical college districts relied on property taxes for over 50 percent of their funding. In FY 2015, GPR expenditures for the technical colleges increased to \$511.1 million. Of this amount, \$406 million was invested to effectuate a corresponding decrease in property taxes levied by the technical college districts. As a result, state aid is now the largest source of revenue for technical college districts.

Tax Relief to Individuals: Wisconsin paid out \$226.2 million GPR in tax relief to individuals through a variety of refundable tax credit programs during FY 2015.

The Earned Income Credit program reduces income taxes or supplements income for about 254,900 low-income working families with children. In FY 2015, this program paid a total of \$100.8 million in all funds to these households, a decrease of about \$3.0 million over FY 2014.

The Homestead Credit is a refundable credit that aims to offset, at least partially, the amount that property taxes exceed a certain percentage of a tax filer's income. This type of credit is also known as a "circuit-breaker" tax credit. Claimants receive a credit against their state income tax liability or a refund check.

Wisconsin's Homestead Credit pioneered property tax relief through circuit-breakers. The program remains one of the nation's leaders in circuit-breaker relief. In FY 2015, the credit provided \$106.3 million of tax relief, compared with \$118.0 million in FY 2014. Over 202,000 low-income homeowners and renters – around 31 percent of them elderly – benefit from the program each year.

The Veterans and Surviving Spouses Property Tax Credit reduced income taxes for or provided a refund check to approximately 8,100 veterans and surviving spouses by providing a credit for taxes paid on a principal dwelling. Tax credit expenditures were \$26.0 million in FY 2015, an increase of \$2.8 million over FY 2014.

Wisconsin's Farmland Preservation Credit programs provide credits to about 13,500 farmers who qualify through exclusive agricultural or farmland preservation zoning or individual farmland preservation agreements. Two separate calculations of and qualifications for the credit were available in FY 2015 – one based on income and the other based on the number of qualifying acres and other criteria. Combined expenditures under Farmland Preservation Credit programs totaled \$19.1 million in FY 2015, a decrease of \$0.2 million relative to FY 2014.

Community Aids and Children and Family Aids:

Community Aids and Children and Family Aids are state and federal funds distributed to counties to fund human services programs serving primarily low-income persons, children in need of protection, the elderly and the disabled. Beginning in FY 2009, these funds are administered and distributed by both the Department of Health Services and Department of Children and Families, with total GPR expenditures reaching \$197.2 million in FY 2015. Between FY 2014 and FY 2015, the Community Aids funding distributed by the departments increased by \$12.6 million GPR, a 6.8 percent change.

State Supplemental Income: Wisconsin provides a supplement to the federal supplemental security income (SSI) program offering cash assistance to low-income aged, blind and disabled individuals, and to disabled parents as support for their children. In FY 2015, a total of \$153.5 million was expended in SSI payments. The expenditure increase of \$2.6 million GPR over FY 2014 is due to an increase in caseload.

Comparative Condition of the General Fund
 FY15 Actual vs. Budget
 (in Thousands)

	<u>FY15 Actual</u>	<u>Budget</u>	<u>Variance</u>
OPENING BALANCES			
Unreserved, Undesignated Opening Balance	\$ 516,891	\$ 516,891	\$ 0 ¹
Prior Year Designation of Continuing Balances	122,411	0	122,411 ²
Prior Period Adjustment	<u>0</u>	<u>0</u>	<u>0</u>
Unreserved Opening Balance	<u>639,302</u>	<u>516,891</u>	<u>122,411</u>
REVENUES			
Taxes	14,541,201	14,469,800	71,401 ³
Departmental Revenues	<u>549,854</u>	<u>504,935</u>	<u>44,919</u> ⁴
Total Revenues	<u>15,091,055</u>	<u>14,974,735</u>	<u>116,320</u>
Total Available Resources	<u>15,730,357</u>	<u>15,491,626</u>	<u>238,731</u>
APPROPRIATIONS			
Gross Appropriations	15,924,967	15,796,751	(128,216) ⁵
Compensation Reserves	35,000	133,057	98,057 ⁶
Transfers	169,587	169,587	0 ⁷
Less: Lapses	<u>(534,752)</u>	<u>(324,404)</u>	<u>210,348</u> ⁸
Net Appropriations	<u>15,594,802</u>	<u>15,774,991</u>	<u>180,189</u>
UNDESIGNATED UNRESERVED BALANCE	<u>\$ 135,555</u>	<u>\$ (283,365)</u>	<u>\$ 418,920</u>

Notes:

1. UNDESIGNATED, UNRESERVED OPENING BALANCE. The fund condition for the fiscal year 2015 is included in the Legislative Fiscal Bureau letter on January 23, 2015 to the co-chairs of the Joint Committee on Finance. The opening balance for fiscal year 2015 was based on actual revenues, appropriations and opening balance from the preceding year.
2. PRIOR YEAR DESIGNATION FOR CONTINUING BALANCE. A portion of the previous year's gross ending balance had been designated, or set aside, to cover left over continuing budget authority that could legally be carried forward and spent in the next year. This continuing authority is generated in biennial appropriations in the first year, or even numbered year, of the biennium and in continuing appropriations each year. The fund condition summary does not include an estimate for the amount of continuing authority carried forward, and therefore, the designated amount for continuing balances is always a variance with the budget estimate.
3. TAXES. Actual tax collections were higher than the estimated tax collections contained in the January 23, 2015 revenue estimates provided by the Legislative Fiscal Bureau.
4. DEPARTMENTAL REVENUES. Departmental revenues are revenues received by individual state agencies and deposited in the general fund. Departmental revenues include tribal gaming revenue. The estimate used in the fund condition summary assumed that the entire amount of DOA-determined lapses and transfers from state agencies would be allocated to departmental revenues. However, some of those reductions actually occurred as lapses from GPR appropriations. In addition, the estimate assumed no tribal gaming revenue; however, some departmental revenue includes tribal gaming.
5. GROSS APPROPRIATIONS. Final gross appropriations varied from estimated gross appropriations as follows:

Gross Appropriations Per the fund condition summary	\$ 15,796,751
Add: continuing appropriation authority brought forward	122,411
Add: increases to sum sufficient appropriations above Chapter 20	5,805
Add: new legislation	0
Add: biennial adjustments (included in January re-estimate)	<u>0</u>
FINAL GROSS APPROPRIATIONS	<u>\$ 15,924,967</u>
6. COMPENSATION RESERVES. Compensation reserves are budgetary set-asides for employee wage and benefit increases for the fiscal year.
7. TRANSFERS. Transfers were equal to the amount in the fund condition statement.
8. LAPSES. A lapse is the automatic termination of an appropriation. It represents the amount of unexpended, unencumbered balance of the appropriation at the end of the fiscal year. Actual lapses may differ from budgeted lapses due to the manner in which the legislature treats certain required appropriation reductions.

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Statements of Fund Condition and Operations

20-Year Comparison of Wisconsin's Ending General Fund Unreserved Balances

(In Millions of Dollars)

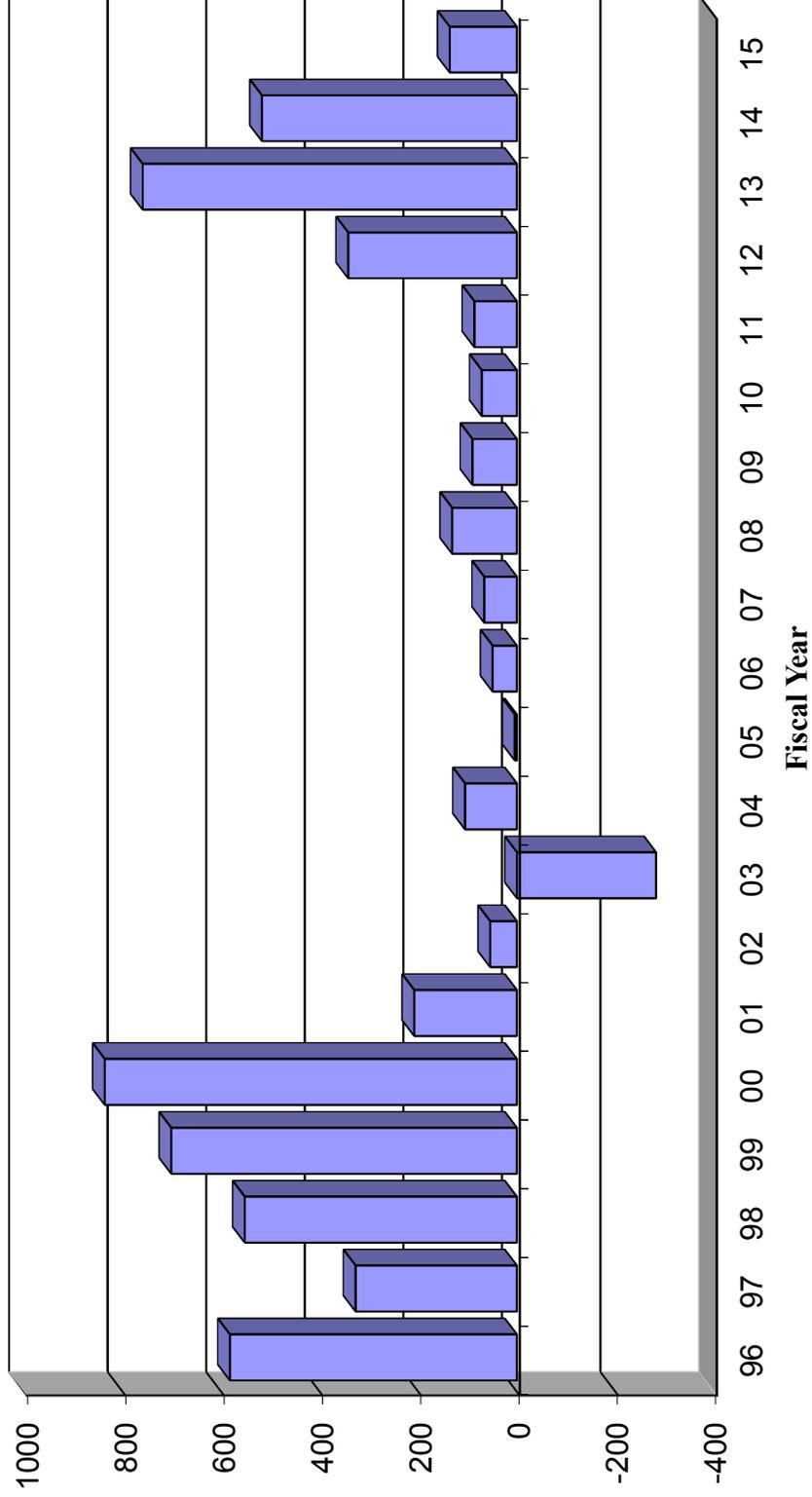


Exhibit A-1

State of Wisconsin
 Statement of Recorded Revenues, Expenditures and Fund Balance-Budget vs.
 Actual-General Purpose Revenues-Statutory Basis
 For the Fiscal Year Ended June 30, 2015
 (In Thousands)

	Budget			Actual	Variance
	Published Budget	Appropriation Adjustments	Final Budget		
Beginning Unreserved					
Undesignated Balance.....\$	516,891	\$	516,891	\$ 516,891	\$ 0
Beginning Unreserved					
Designated Balance.....		122,411	122,411	122,411	0
Total.....	516,891	122,411	639,302	639,302	0
REVENUES					
Taxes:					
Individual.....	7,350,000		7,350,000	7,325,817	(24,183)
Corporation.....	935,000		935,000	1,004,926	69,926
Sales & Use.....	4,880,000		4,880,000	4,892,126	12,126
Excise.....	682,200		682,200	699,060	16,860
Inheritance & Gift.....	0		0	(112)	(112)
Public Utility.....	377,900		377,900	381,819	3,919
Insurance.....	176,000		176,000	165,448	(10,552)
Miscellaneous.....	68,700		68,700	72,117	3,417
Total Taxes.....	14,469,800		14,469,800	14,541,201	71,401
Departmental Revenue:					
Indian Gaming Revenue.....	0		0	48,878	48,878
Other.....	504,935		504,935	297,912	(207,023)
Total Department Revenues.....	504,935		504,935	346,790	(2) (158,145)
Total Revenues.....	14,974,735		14,974,735	14,887,991	(86,744)
TOTAL AVAILABLE.....	15,491,626	122,411	15,614,037	15,527,293	(86,744)
EXPENDITURES					
LAPSE					
Commerce.....	68,554	100	68,654	67,958	696
Education.....	7,328,750	4,471	7,333,221	7,156,276	176,945
Environmental Resources.....	294,135	973	295,108	247,211	47,897
Human Relations & Resources.....	5,045,149	56,510	5,101,659	5,039,936	61,723
General Executive.....	591,488	6,367	597,855	437,184	160,671
Judicial.....	119,931	758	120,689	116,690	3,999
Legislative.....	72,926	3,404	76,330	63,617	12,713
General (Incl. Shared Revenue).....	2,275,818	(643)	2,275,175	2,205,067	70,108
Transfer (Gen Fund Cond).....	169,587	0	169,587	169,587	0
Compensation Reserves.....	133,057	(35,000)	98,057	0	98,057
Less: Estimated Lapse.....	(324,404)	0	(324,404)	0	(324,404)
TOTAL EXPENDITURES.....	15,774,991	36,940	15,811,931	15,503,526	308,405
Transfers - General Fund.....	0	0	0	203,064	(2) 203,064
UNRESERVED BALANCE	(283,365)	85,471	(197,894)	226,831	424,725
Designation for continuing balances.....	0	(91,276)	(91,276)	(91,276)	0
UNRESERVED					
Undesignated Balance.....\$	(283,365)	(5,805)	(289,170)	135,555	\$ 424,725
	(1)				

The accompanying notes are an integral part of this statement.

(1) See Note E

(2) See Note F

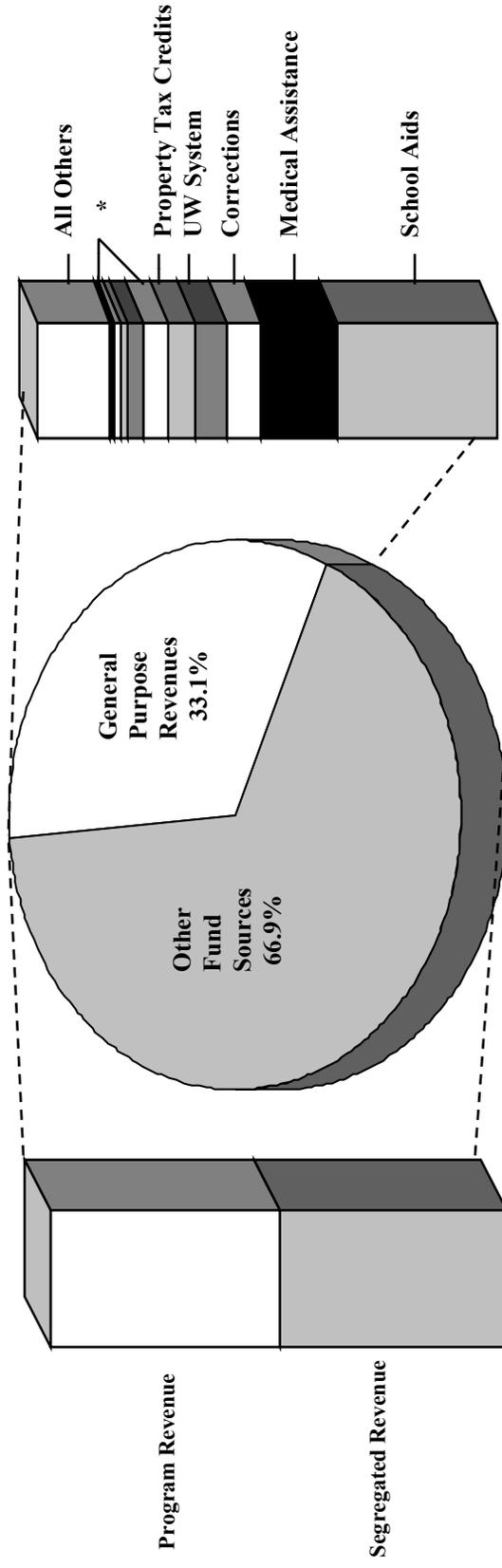
Total Expenditures by Fund Source, State of Wisconsin

For the Fiscal Year Ended June 30, 2015

Other Expenditures
\$31.0 Billion

Total Expenditures
\$46.3 Billion

General Purpose Revenue Expenditures
\$15.3 Billion



* State Supplement to SSI
Community Aids
Tax Relief to Individuals
WI Technical College System
Shared Revenue

Exhibit A-2

State of Wisconsin
 Statement of Recorded Revenues, Expenditures, and Changes in Fund Balance
 All Funds - Statutory Basis
 For the Fiscal Year Ended June 30, 2015
 (In Thousands)

	General Fund			Major Special Revenue Funds		Other	As of June 30, 2015
	General Purpose	Program Revenue	Subtotal	Transportation	Conservation		
REVENUES							
Taxes.....	\$ 14,541,201	\$ 28,559	\$ 14,569,760	\$ 1,066,996	\$ 90,614	\$ 77,819	\$ 15,805,189
Intergovernmental Revenue.....	12,713	10,203,438	10,216,151	990,136	45,690	90,977	11,342,954
Licenses.....	50,584	254,068	304,652	495,886	104,866	829,842	1,735,246
Charges for Goods and Services.....	12,530	3,273,394	3,285,924	34,550	26,678	661,521	4,008,673
Contributions.....	0	0	0	0	0	3,612,450	3,612,450
Interest & Investment Income.....	(1,086)	82,666	81,580	376	(69)	1,789,943	1,871,830
Gifts & Donations.....	18	600,395	600,413	0	1,253	10,559	612,225
Other Revenue.....	158,811	1,152,685	1,311,496	22,589	299	1,306,821	2,641,205
Transfers.....	9,615	12,382	21,997	8,562	23,602	1,454,629	1,508,790
Other Transactions.....	103,605	126,826	230,431	0	0	50,982	281,413
Proceeds from Bonds & Notes.....	0	0	0	215,293	0	1,083,610	1,298,903
TOTAL REVENUES	14,887,991	15,734,413	30,622,404	2,834,388	292,933	10,969,153	44,718,878
EXPENDITURES							
Commerce.....	67,958	163,316	231,274	0	1,630	123,143	356,047
Education.....	7,156,276	5,808,939	12,965,215	0	390	325,599	13,291,204
Environmental Resources.....	247,211	84,254	331,465	2,765,503	285,404	711,150	4,093,522
Human Relations & Resources.....	5,039,936	8,841,991	13,881,927	0	0	1,832,801	15,714,728
General Executive.....	437,184	549,887	987,071	1,597	0	7,922,016	8,910,684
Judicial.....	116,690	14,058	130,748	0	0	211	130,959
Legislative.....	63,617	1,979	65,596	0	0	0	65,596
General (Incl. Shared Revenue).....	2,205,067	62,838	2,267,905	22,797	14	1,445,132	3,735,848
TOTAL EXPENDITURES	15,333,939	15,527,262	30,861,201	2,789,897	287,438	12,360,052	46,298,588
EXCESS OF REVENUES OVER (UNDER)							
EXPENDITURES.....	(445,948)	207,151	(238,797)	44,491	5,495	(1,390,899)	(1,579,710)
BEGINNING FUND BALANCE							
DESIGNATED.....	122,411	0	122,411	0	0	0	122,411
UNDESIGNATED.....	516,891	1,152,342	1,669,233	(1,367,780)	37,191	99,890,341	100,228,985
TOTAL	639,302	1,152,342	1,791,644	(1,367,780)	37,191	99,890,341	100,351,396
INTER-FUND							
TRANSFERS.....	33,477	(135,892)	(102,415)	185,587	0	(83,172)	0
ENDING FUND BALANCE	226,831	1,223,601	1,450,432	(1,137,702)	42,686	98,416,270	98,771,686
DESIGNATED.....	(91,276)	0	(91,276)	0	0	0	(91,276)
UNDESIGNATED.....	\$ 135,555	\$ 1,223,601	\$ 1,359,156	\$ (1,137,702)	\$ 42,686	\$ 98,416,270	\$ 98,680,410
				(1)			

The accompanying notes are an integral part of this statement.

(1) See Note I

Exhibit A-3

State of Wisconsin
 Summary of Recorded Revenues and Expenditures-All Other Funds-
 Statutory Basis (Including Inter-Fund Transfers)
 For the Fiscal Year Ended June 30, 2015
 (In Thousands)

Funds By Category		Undesignated Fund Balance as of June 30, 2014	Revenues	Expenditures	Inter-Fund Transfers	Undesignated Fund Balance as of June 30, 2015
<u>OTHER GOVERNMENTAL FUNDS</u>						
<u>Other Special Revenue</u>						
213	Heritage State Parks & Forests	\$ 1,218	\$ 31	\$ 33	\$ 0	1,216
214	Unemployment Interest Payment	11,025	269	0	0	11,294
217	Waste Management	7,428	63	47	0	7,444
219	Investment and Local Impact	281	0	0	0	281
220	Election Administration	9,134	523	2,448	0	7,209
222	Industrial Building Construction	0	0	0	0	0
224	Self-Insured Employer Liability	184	0	0	0	184
225	Medical Assistance Trust	(39)	259,474	311,301	62,025	10,159
226	Work Injury Benefits	5,268	4,840	2,055	0	8,053
227	Workers Compensation	2,639	12,136	12,786	0	1,989
228	Unemployment Program Integrity	812	232	(80)	0	1,124
229	Uninsured Employers	10,327	4,590	2,388	0	12,529
234	Hospital Assessment Fund	73	414,581	414,508	0	146
235	Utility Public Benefits	3,682	106,836	101,329	0	9,189
237	Critical Access Hospital Assessment	75	7,858	6,109	(2,081)	(257)
238	Mediation	168	132	211	0	89
239	Police and Fire Protection	0	53,216	53,000	0	216
241	Working Lands	145	0	0	0	145
248	Economic Development (1)	1,404	27,490	21,964	0	6,930
249	Read To Lead Development	263	0	124	0	139
250	State Capitol Restoration	80	5	0	0	85
257	Agricultural Chemical Cleanup	3,827	2,958	1,410	0	5,375
258	Farms For The Future	0	0	0	0	0
259	Agrichemical Management	5,841	7,470	6,555	0	6,756
261	Agricultural Producer Security	6,683	1,808	2,077	0	6,414
264	Historical Legacy Trust	73	0	0	0	73
266	Historical Preservation Partnership Trust	658	3,301	3,711	0	248
268	Wireless 911	32	0	0	0	32
272	Petroleum Inspection	13,136	50,565	26,063	(15,999)	21,639
274	Environmental	15,752	96,863	88,446	0	24,169
277	Dry Cleaner Environmental Responsibility	(5,852)	749	769	0	(5,872)
279	Recycling and Renewable Energy (1)	0	0	0	0	0
280	Information Technology Investment	(2,689)	25	0	0	(2,664)
281	Military Family Relief	399	105	97	0	407
285	Universal Service	5,552	42,550	39,601	0	8,501
286	Budget Stabilization	279,692	588	0	0	280,280
289	Land Information	677	3,352	3,773	0	256
291	Permanent Endowment	0	127,117	0	(127,117)	0
723	Children's Trust	44	45	54	0	35
	Total Other Special Revenue	<u>377,992</u>	<u>1,229,772</u>	<u>1,100,779</u>	<u>(83,172)</u>	<u>423,813</u>
<u>Debt Service</u>						
315	Bond Security and Redemption	<u>7,250</u>	<u>1,161,278</u>	<u>1,161,656</u>	<u>0</u>	<u>6,872</u>

Exhibit A-3

State of Wisconsin
 Summary of Recorded Revenues and Expenditures-All Other Funds-
 Statutory Basis (Including Inter-Fund Transfers)
 For the Fiscal Year Ended June 30, 2015
 (In Thousands)

Funds By Category		Undesignated Fund Balance as of June 30, 2014	Revenues	Expenditures	Inter-Fund Transfers	Undesignated Fund Balance as of June 30, 2015
<u>Capital Projects</u>						
490	State Building Trust	21,917	128,154	85,015	0	65,056
495	Capital Improvement	26,337	774,888	705,100	0	96,125
	Total Capital Projects	<u>48,254</u>	<u>903,042</u>	<u>790,115</u>	<u>0</u>	<u>161,181</u>
<u>Permanent</u>						
743	Agriculture College	305	0	0	0	305
744	Common School Principal	960,297	15,419	0	0	975,716
745	Normal School	25,842	1,019	248	0	26,613
746	University	234	0	0	0	234
760	Historical Society Trust	14,510	771	658	0	14,623
763	Common School Income	7,507	37,669	35,840	0	9,336
767	Benevolent	14	0	0	0	14
875	University Trust Principal	199,680	(1,117)	0	0	198,563
876	University Trust Income	44,192	27,107	22,227	0	49,072
	Total Permanent	<u>1,252,581</u>	<u>80,868</u>	<u>58,973</u>	<u>0</u>	<u>1,274,476</u>
	TOTAL OTHER GOVERNMENTAL FUNDS	<u>1,686,077</u>	<u>3,374,960</u>	<u>3,111,523</u>	<u>(83,172)</u>	<u>1,866,342</u>
<u>FIDUCIARY AND OTHER</u>						
<u>Pension (and Other Employee Benefit)</u>						
262	Public Employee Trust	1,579,020	134,959	122,160	0	1,591,819
747	Core Retirement Investment Trust	87,485,191	5,129,318	6,516,936	0	86,097,573
751	Variable Retirement Investment	7,359,585	457,813	741,164	0	7,076,234
	Total Pension (and Other Employee Benefit)	<u>96,423,796</u>	<u>5,722,090</u>	<u>7,380,260</u>	<u>0</u>	<u>94,765,626</u>
<u>Private Purposes</u>						
570	Tuition Trust	5,872	59	809	0	5,122
769	College Savings Program Trust	10,371	1,775	450	0	11,696
	Total Private Purposes.....	<u>16,243</u>	<u>1,834</u>	<u>1,259</u>	<u>0</u>	<u>16,818</u>
<u>Agency</u>						
788	Support Collections Trust	11,330	965,920	961,714	0	15,536
<u>Other (Business-type funds)</u>						
521	Lottery	23,564	574,989	579,808	0	18,745
531	Local Govt Property Insurance	8,269	27,865	34,508	0	1,626
532	State Life Insurance	119,342	3,504	4,798	0	118,048
533	Injured Patients & Families Compensation	1,178,486	64,822	22,635	0	1,220,673
573	Environmental Improvement	397,840	209,240	228,045	0	379,035
582	Veterans Trust	12,704	3,312	11,515	0	4,501
583	Veterans Mortgage Loan Repayment	11,196	20,250	22,487	0	8,959
587	Transportation Infrastructure Loan	1,494	367	1,500	0	361
	Total Other (Business-type funds).....	<u>1,752,895</u>	<u>904,349</u>	<u>905,296</u>	<u>0</u>	<u>1,751,948</u>
	TOTAL FIDUCIARY AND OTHER.....	<u>98,204,264</u>	<u>7,594,193</u>	<u>9,248,529</u>	<u>0</u>	<u>96,549,928</u>
	TOTAL - ALL FUNDS.....	<u>\$ 99,890,341</u>	<u>\$ 10,969,153</u>	<u>\$ 12,360,052</u>	<u>\$ (83,172)</u>	<u>\$ 98,416,270</u>

The accompanying notes are an integral part of this statement

(1) See Note L

Exhibit A-4

State of Wisconsin
 Comparative General Fund Statement of Assets, Liabilities and Fund Balance
 Fiscal Years Ended June 30, 2015, 2014, and 2013
 (In Thousands)

	June 30, 2015	June 30, 2014	June 30, 2013
<u>ASSETS</u>			
Cash.....	\$ 1,375,275	\$ 1,505,307	\$ 1,831,711
Contingent Fund Advances.....	2,909	2,931	2,939
Investments.....	0	0	0
Accounts Receivable.....	1,418,149	1,410,134	1,458,430
Due from Other Funds.....	160,950	206,976	182,348
Inventory.....	588	364	593
Prepayments.....	72,749	69,120	79,019
Other Assets.....	127,622	115,065	126,898
TOTAL ASSETS.....	<u>3,158,242</u>	<u>3,309,897</u>	<u>3,681,938</u>
<u>LIABILITIES</u>			
Accounts Payable.....	591,323	536,002	513,857
Operating Notes Payable.....	0	0	0
Due to Other Funds.....	337,782	194,579	454,770
Tax and Other Deposits.....	28,271	20,476	21,189
Deferred Revenue.....	185,747	175,201	163,382
TOTAL LIABILITIES.....	<u>1,143,123</u>	<u>926,258</u>	<u>1,153,198</u>
<u>FUND BALANCE</u>			
<u>Reserved Balances</u>			
GPR Encumbrances.....	145,639	119,124	120,074
PR Encumbrances.....	419,048	472,871	402,290
Total Reserved Balances.....	<u>564,687</u>	<u>591,995</u>	<u>522,364</u>
<u>Unreserved Designated Balances</u>			
GPR Designation for Continuing Balances.....	91,276	122,411	18,771
<u>Unreserved Balances</u>			
GPR Unreserved Balance.....	135,555	516,891	759,205
PR Unreserved Balance.....	1,223,601	1,152,342	1,228,400
Total Unreserved Balances.....	<u>1,359,156</u>	<u>1,669,233</u>	<u>1,987,605</u>
TOTAL FUND BALANCE.....	<u>2,015,119</u>	<u>2,383,639</u>	<u>2,528,740</u>
TOTAL LIABILITIES AND FUND BALANCE.....	<u>\$ 3,158,242</u>	<u>\$ 3,309,897</u>	<u>\$ 3,681,938</u>

The accompanying notes are an integral part of this statement

Exhibit A-5
 Budget vs Actual Expenditures
 All Funds Statutory Basis
 For the Fiscal Year Ended June 30, 2015
 (in Thousands)

Function/Expenditure Description	Budget			Actual	Lapses and Balances
	Published Budget ²	Budget Adjustments	Final Budget	Expenditures ¹	
Commerce	\$ 379,783	\$ 41,255	\$ 421,038	\$ 344,062	\$ 76,976
Education	13,061,121	524,436	13,585,557	13,041,313	544,244
Environmental Resources	3,619,550	376,300	3,995,850	3,474,996	520,854
Human Relations and Resources	13,621,496	1,306,732	14,928,228	13,543,925	1,384,303
General Executive	1,294,158	223,973	1,518,131	1,206,880	311,251
Judicial	136,559	1,357	137,916	130,913	7,003
Legislative	74,924	3,404	78,328	65,595	12,733
General Appropriations	2,573,194	51,052	2,624,246	2,521,246	103,000
Total Chapter 20	\$ 34,760,785	\$ 2,528,509	\$ 37,289,294	\$ 34,328,930	\$ 2,960,364
Retirement Annuities			7,255,029	7,068,337	186,692
Support Collection Trust Payments			975,020	961,250	13,770
Insurance Premiums			65,822	58,595	7,227
Debt Service Payments			1,161,656	1,161,656	-
Capital Projects Expenditures			786,747	786,747	-
Lottery Prizes			360,002	342,461	17,541
Other Segregated Revenue			494,112	257,700	236,412
Program Revenue Appropriations			1,257,216	1,120,646	136,570
Clearing and Custody Accounts			1,325,691	(2,515)	1,328,206
Total Non Chapter 20 Expenditures			\$ 13,681,295	\$ 11,754,877	\$ 1,926,418
Total State Expenditures Excluding Transfers			\$ 50,970,589	\$ 46,083,807	\$ 4,886,782

The accompanying notes are an integral part of this statement

¹ Expenditures exclude non-budgetary transfers and expenses.

² The fund condition for the fiscal year 2015 is the fund condition approved by Legislative Joint Finance Committee at its May 6, 2014 (13.10 Wisconsin Statutes) meeting, modified by the January 2015 re-estimates.

Notes To Fund Statements

Note A Statutory Basis of Accounting

The State of Wisconsin Annual Fiscal Report is a report of financial results recognized on the statutory basis of accounting, for the fiscal year, against the state's budget as reflected in Chapter 20 of the Wisconsin Statutes. The report is not intended to display accounting information in accordance with Generally Accepted Accounting Principles (GAAP).

The State's Comprehensive Annual Financial Report, which is prepared in accordance with GAAP is issued under a separate cover at the end of the calendar year.

Statutes generally require that revenues and expenditures be recognized in the fiscal year in which they are received or paid, with specific exceptions. The legislature may change the recognition of revenues and expenditures among fiscal years.

The state's centralized accounting records remain open until July 31 (August 15 for income, sales and use tax receipts) to permit the state departments to record revenues and expenditures applicable to the fiscal year ended June 30.

The July and August recording of prior fiscal years' revenues and expenditures results in accrued revenues and accounts payable in the statement of assets, liabilities and fund balances. Included in these amounts are receivables and payables between funds which are not eliminated for presentation as "due to" or "due from" other funds.

Encumbrances are treated as expenditures in the initial year. However, the recording of charges against encumbrances applicable to the prior year is limited by the available appropriation balances of that year. Expenditures reported in this report are equal to current year disbursement and encumbrance balances less the prior year encumbrance balances. The Building Trust Fund, the Capital Improvement Fund, and the Bond Security and Redemption Fund are closed for encumbrances as of June 30.

Life insurance premiums are paid two months in advance of the actual coverage months. The life insurance costs for the last two months of the fiscal year are recorded as expenditures in the following fiscal year.

Health insurance premiums are paid one month in advance of the actual coverage month. The health insurance costs for the last month of the fiscal year are recorded as expenditures in the following fiscal year.

All investments owned by the state retirement funds are an exception to the requirement to recognize revenues and expenditures on the cash basis since investments are adjusted to market and the resultant unrealized gains or losses are reflected in the accounts of those funds.

State statutes also provide that contributions to the state retirement funds received after August 1, which relate to earnings paid for services rendered in the previous fiscal year, may be recorded as revenues of the previous fiscal year.

In addition, state administrative policies require that revenues and expenditures be reported on a net basis; i.e., overcollections refunded are deducted from revenues, and overpayments collected are deducted from expenditures. Collections on loan principal and interest are recorded as receipts.

Certain unused appropriation balances may be allowed to continue for use in future years, rather than lapse to the General Fund. In these cases the continuing balances are treated as reserves for Program Revenue (PR) or General Purpose Revenue (GPR) balances. GPR consists of general taxes and miscellaneous revenues which are paid into the general fund and are then available for appropriation by the legislature. PR consists of funds also paid into the General Fund which are dedicated for specific purposes and are appropriated by the legislature as estimates through the use of revolving accounts.

Note B Fiscal Controls

The State Constitution provides that no money shall be paid out of the Treasury except as appropriated by law. The Secretary of Administration exercises detail allotment control over all agency appropriations and approval authority over all encumbrances. The Secretary of Administration is also responsible for the audit of expenditures.

The Department of Administration maintains separate accounts for all appropriations showing the amounts appropriated, the amounts allotted, the amounts encumbered, the amounts disbursed and certain other data necessary to the financial management and control of all state accounts. The department also maintains the general ledgers of the funds of the state including the General Fund.

Note C Classification of Funds

Funds are generally classified in accordance with classification criteria appropriate for governmental accounting.

However, certain activities of a proprietary and fiduciary nature are combined within the Governmental and Trust, Agency and Other Funds. In addition, the activities of the State Building Trust Fund, included within the Capital Projects classification, consist of capital projects as well as projects for the maintenance and repair of state facilities.

Note D Extraordinary Transfers and Transactions Affecting Fund BalanceCompensation Reserve

In FY 2015, Chapter 20 included a compensation reserve for employee salary and fringe benefit increases. The total amount reserved (appropriated) was \$133,056,500 and the amount allotted was \$35,000,000 leaving a lapse amount of \$98,056,500.

Note E Published Budget

The published budget amounts used in Exhibit A-1 are based on the fund condition statement for the January 23, 2015 Legislative Fiscal Bureau revenue estimates.

The adjustments column reflects legislation passed subsequent to the budget act, statutorily required appropriation adjustments to sum-sufficient and biennial appropriations and appropriation changes enacted under the statutory authority of the Legislative Joint Finance Committee or by statutory authority under program supplements.

The State of Wisconsin utilizes a budgetary procedure within the General Fund which treats most federal grant revenues, licenses and fees and revenues for proprietary activities as dedicated for the activities to which they relate. As such, variable budgeting techniques are used and the official state budget includes them only as estimates. These accounts, referred to as Program Revenue Appropriations, are not included in Exhibit A-1. Only those appropriations made from nondedicated General Purpose Revenues are included.

Note F Total Departmental Revenues

For budget comparison purposes, inter-fund transfers are added to other revenues to arrive at total departmental revenues. Exhibit A-1 displays departmental revenues of \$346.8 million and net transfers in of \$203.1 million. The fund condition captured these funds more generically as revenue. In order to properly compare actual revenues to budgeted revenues, actual revenues and transfers should be added together in order to compare to the departmental revenues in the fund condition statement, totaling \$549.9 million.

Note G Projected-to-Actual General Fund Condition

The variance between the published budgeted ending balance and actual undesignated balance at the end of fiscal year 2015 is explained as follows:

(thousands)

ENDING FUND BALANCE (UNDESIGNATED) PER FUND CONDITION STATEMENT	\$	(283,365)
OPENING BALANCE		
ADJUSTMENTS:		
Prior year designation for continuing balances		122,411
Total opening balance adjustments		122,411
REVENUE ADJUSTMENTS		
Taxes received more than estimate		71,401
Departmental revenues less than estimate		(158,145)
Total revenue below estimate		(86,744)
APPROPRIATION ADJUSTMENTS		
Sum Sufficient Changes		
Reestimates		(5,805)
Budget brought forward from previous year		(122,411)
Budget carried to next year for continuing appropriations		91,276
Total Appropriation Adjustments		(36,940)
LAPSES MORE THAN BUDGETED		308,405
INTER-FUND TRANSFERS		203,064
DESIGNATION FOR CONTINUING BALANCES		(91,276)
UNDESIGNATED FUND BALANCE	\$	135,555

Note H General Fund Cash Flow

Due to the timing of receipts and disbursements, the General Fund experiences lower cash balances during the first half of the each fiscal year. In some years, the State has issued Operating Notes to mitigate this imbalance. However, an Operating Note was not required for fiscal year 2015.

Note I Negative Transportation Fund Balances

The negative ending fund balance in the Transportation Fund represents commitments (encumbrances) recorded as expenditures in the current year which will be funded by the Federal, state and/or local governments in the future.

Note J Unappropriated Activities

The Department of Safety and Professional Services enters into contracts with private vendors to provide services for programs that they manage. These contracts have not been budgeted within a state appropriation and therefore, this activity is summarized here to provide full disclosure of state agency operations.

	Safety & Professional Services
Revenues	\$896,500
Expenditures	\$896,500
Balance	\$0

Note K Sum Sufficient Increases

The B-2 Exhibit shows both lapsing amounts and adjustments to sum sufficient appropriations. In order to correctly show the lapsing amounts the increase column includes supplements. These supplements need to be removed to calculate the Actual Sum Sufficient Increases.

B-2 Sum Sufficient Increases	\$6,589
Less Supplements (included in total above)	\$784
Actual Sum Sufficient Increases	\$5,805

Note L Economic Development Fund

The Recycling and Renewable Energy fund was renamed the Economic Development fund in 2011 Wisconsin Act 32 (budget bill). To better reflect the closing of the Recycling and Renewable Energy fund and the creation of the Economic Development fund in the A-3 Exhibit, these funds have been shown separately.

Supplemental Data

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Total Revenues, State of Wisconsin

For the Fiscal Year Ended June 30, 2015

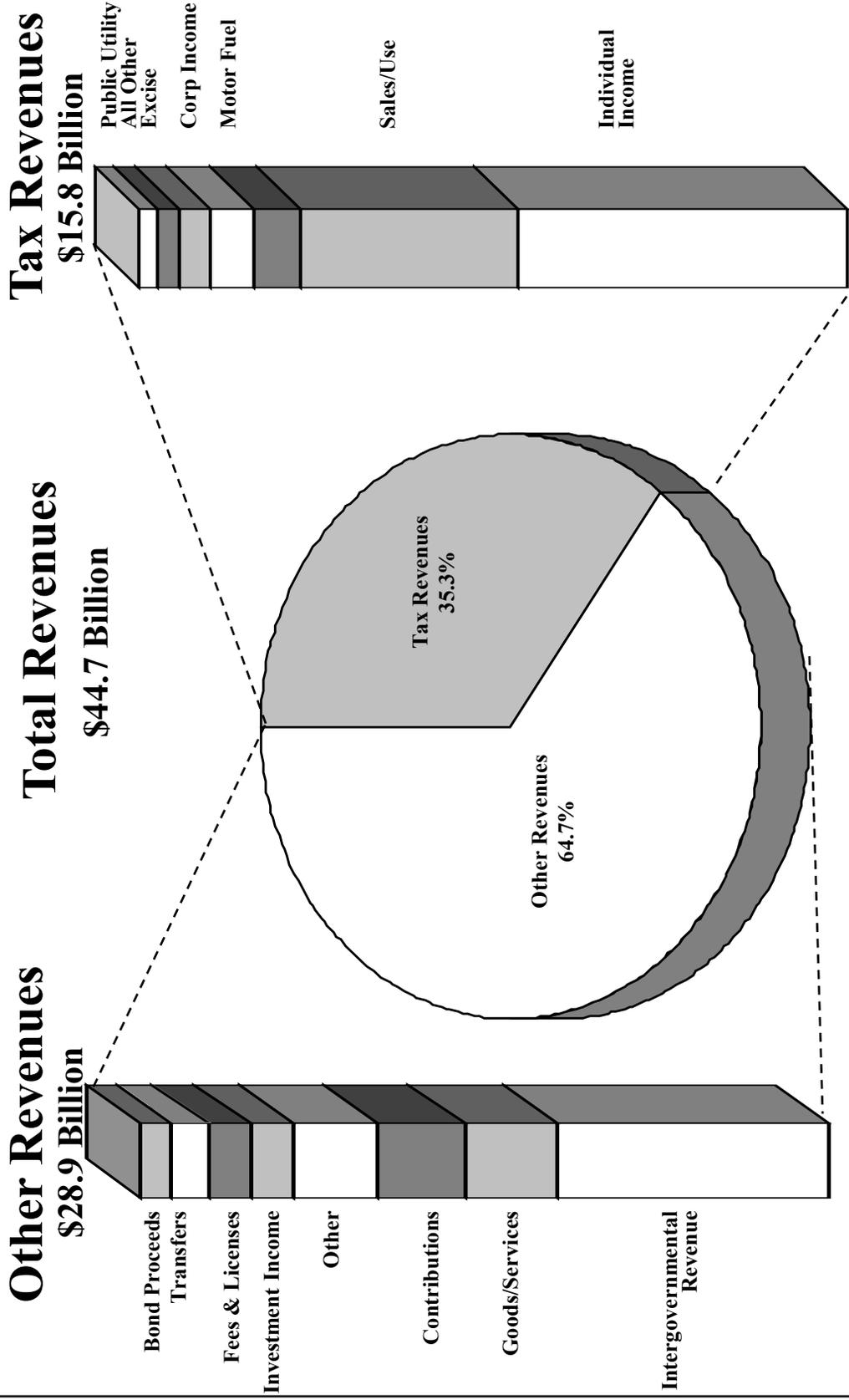


Exhibit B-1

State of Wisconsin
 Analysis of Revenues-All Funds
 Fiscal Years Ended June 30, 2015, 2014, and 2013
 (In Thousands)

	June 30, 2015	June 30, 2014	June 30, 2013
TAX REVENUES			
General Purpose Revenue			
Income Taxes			
Individual.....	\$ 7,325,817	\$ 7,061,390	\$ 7,496,854
Corporation.....	1,004,926	967,184	925,383
Total Income Taxes.....	8,330,743	8,028,574	8,422,237
Sales and Excise Taxes			
General Sales and Use.....	4,892,126	4,628,338	4,410,130
Cigarette.....	569,547	573,036	569,151
Other Tobacco Products.....	71,916	67,693	63,024
Liquor and Wine.....	48,767	48,992	48,289
Malt Beverage (Beer).....	8,830	8,966	9,000
Total Sales and Excise Taxes.....	5,591,186	5,327,025	5,099,594
Public Utility Taxes			
Private Light, Heat and Power.....	243,789	232,347	226,079
Municipal Light, Heat and Power.....	3,298	3,354	3,169
Telephone.....	81,943	72,199	67,340
Pipeline.....	34,994	35,464	28,396
Electric Cooperative.....	12,231	12,089	11,276
Municipal Electric.....	5,162	5,170	4,992
Conservation and Regulation.....	386	341	312
Utility Tax (Refunds) Interest and Penalties.....	16	3	(308)
Total Public Utility Taxes.....	381,819	360,967	341,256
Inheritance and Estate Taxes			
Inheritance and Estate.....	(112)	(78)	305
Total Inheritance and Estate Taxes.....	(112)	(78)	305
Miscellaneous Taxes			
Insurance Companies (Premiums).....	165,448	165,765	159,277
Real Estate Transfer Fee.....	57,820	51,179	48,016
Lawsuits (Courts).....	14,225	14,598	14,875
Other.....	72	71	67
Total Miscellaneous Taxes.....	237,565	231,613	222,235
TOTAL GPR TAX REVENUES.....	14,541,201	13,948,101	14,085,627
Program Tax Revenues			
Fire Dues.....	18,717	19,737	17,435
Pari-mutuel Taxes.....	0	0	0
County Expo Tax Administration.....	799	755	95
Baseball Park Administration Fee.....	440	417	219

Exhibit B-1

State of Wisconsin
 Analysis of Revenues-All Funds
 Fiscal Years Ended June 30, 2015, 2014, and 2013
 (In Thousands)

	June 30, 2015	June 30, 2014	June 30, 2013
Program Tax Revenues, Cont.			
Business Trust Regulation Fee.....	\$ 1,419	\$ 2,424	\$ 1,570
Other.....	7,184	6,738	2,866
TOTAL PROGRAM TAX REVENUES.....	28,559	30,071	22,185
TOTAL-GENERAL FUND TAX REVENUES.....	14,569,760	13,978,172	14,107,812
Type of Revenues			
Transportation Fund			
Motor Fuel Tax.....	1,013,434	999,418	966,994
Air-Carrier Tax.....	7,963	7,686	6,065
Railroad Tax.....	35,686	31,349	29,109
Aviation Fuel Tax.....	1,222	1,177	1,344
Other Taxes.....	8,691	8,350	7,965
Conservation Fund			
2/10 Mill Forestry Mill Tax.....	81,350	79,400	80,037
Forest Crop Taxes.....	9,263	8,985	6,201
Motor Fuel Tax.....	1	1	1
Mediation Fund.....	1	2	1
Petroleum Inspection Tax.....	50,333	41,150	41,662
Economic Development Fund			
Temporary Service Charges.....	27,485	19,280	30,368
TOTAL STATE TAX REVENUES.....	15,805,189	15,174,970	15,277,559
Intergovernmental Revenue.....	11,342,954	11,178,599	11,268,078
Licenses and Permits.....	1,735,246	1,735,503	1,722,830
Charges for Goods and Services.....	4,008,673	3,911,855	3,911,515
Contributions.....	3,612,450	3,737,652	3,149,561
Interest and Investment Income.....	1,871,830	14,510,680	9,140,018
Gifts and Donations.....	612,225	563,270	616,859
Proceeds from Sale of Bonds.....	1,298,903	828,218	1,219,325
Other Revenues.....	2,641,205	2,582,850	2,178,357
Other Transactions.....	281,413	250,024	288,507
TOTAL DEPARTMENTAL REVENUES.....	27,404,899	39,298,651	33,495,050
TRANSFERS.....	1,508,790	1,459,010	1,249,254
TOTAL REVENUES.....	\$ 44,718,878	\$ 55,932,631	\$ 50,021,863

The accompanying notes are an integral part of this statement

Exhibit B-2

General Fund Sum Sufficient Appropriations
For the Fiscal Year Ended June 30, 2015
(In Thousands)

Agency	Appr		Chapter 20	Increases	Expenditures	Lapse	
State Operations							
255	318	3f	Interstate Compact on Educational Opportunity for Military Children.....	1	0	0	1
370	116	1fe	Endangered Resources General Fund.....	500	0	452	48
410	104	1c	Reimbursement Claims of Counties Containing State Prisons.....	70	0	46	24
445	117	1fx	Interest on Federal Advances.....	5,940	0	5,940	0
455	202	2am	Officer Training Reimbursement.....	150	0	132	18
455	504	5d	Reimbursement for Forensic Examinations.....	625	0	597	28
465	103	1c	Public Emergencies.....	700	27	727	0
465	302	3am	Worker's Compensation for Local Unit of Government Volunteers.....	28	0	20	8
505	104	1d	Special Counsel.....	2,266	715	2,981	0
505	405	4d	Claims Awards.....	35	49	84	0
505	801	8am	Interest on Racing & Bingo Moneys.....	0	0	0	0
511	103	1be	Investigations.....	35	0	0	35
525	101	1a	Governor's Office Administration.....	3,339	0	3,324	15
525	102	1b	Contingent Fund.....	20	0	4	16
525	103	1c	Membership In National Associations.....	118	0	118	0
525	201	2a	Executive Residence.....	240	44	284	0
625	101	1a	Circuit Courts.....	69,824	662	69,281	1,205
660	101	1a	Court Of Appeals.....	10,268	73	10,103	238
680	101	1a	Supreme Court.....	5,051	5	4,846	210
765	101	1a	Assembly.....	25,637	0	23,512	2,125
765	103	1b	Senate.....	18,384	0	15,216	3,168
765	104	1d	Legislative Documents.....	3,902	0	2,772	1,130
765	308	3fa	Membership In National Associations.....	250	0	250	0
855	108	1bm	Payment of Cancelled Drafts Fund 100 - All except UW.....	2,300	99	2,399	0
855	108	1bm	Payment of Cancelled Drafts Fund 100 - UW.....	0	1	1	0
855	113	1f	Payment of Fees to Financial Institutions.....	1,500	0	1,342	158
855	401	4a	Interest on Overpayment of Taxes.....	1,250	0	345	905
855	405	4e	Transfer to Conservation Fund - Land Acquisition.....	17	0	16	1
855	406	4fr	Transfer to Transportation Fund - Disaster Damage Aids Acquisition.....	500	874	1,374	0
855	413	4cm	Illinois Income Tax Reciprocity.....	82,135	0	82,135	0
<i>Total State Operations.....</i>				\$235,085	\$2,549	\$228,301	\$9,333
Aids and Local Assistance							
115	202	2b	Animal Disease Indemnities.....	73	0	73	0
235	104	1e	MN-WI Student Reciprocity.....	7,500	0	7,312	188
235	106	1fe	Wisconsin grants; University of Wisconsin System Students.....	58,345	0	58,304	41
235	108	1fm	Wisconsin Covenant Scholars Grants.....	11,800	0	11,329	471
235	109	1fy	Academic Excellence Higher Education Scholarship Program.....	3,000	0	2,939	61
255	218	2fm	Charter Schools.....	68,638	0	67,941	697
255	224	2fr	Parental Choice Program for Eligible School Districts.....	19,835	0	19,624	211
255	235	2fu	Milwaukee Parental Choice Program.....	191,000	0	188,030	2,970
255	279	2aq	Per Pupil Aid.....	126,845	0	126,840	5
255	306	3c	Grants for National Teacher Certification or Master Educator Licensure.....	2,920	0	2,358	562
292	162	1dp	Property Tax Relief Aid.....	406,000	0	406,000	0
370	503	5da	Aids In Lieu Of Taxes General Fund.....	8,430	0	7,445	985
435	403	4ed	State Supplement to Federal Supplemental Security Income Program.....	153,183	340	153,523	0
435	574	5da	Reimburse Local Units of Government.....	347	121	468	0
465	201	2a	Tuition Grants.....	5,550	316	5,866	0
465	305	3e	Disaster Recovery Aids Public Health Emergency Quarantine Costs.....	2,500	0	1,115	1,385
505	412	4er	Service Award Program.....	2,035	0	1,955	80
515	101	1a	Annuity Supplements And Payments.....	244	0	237	7
835	101	1c	Expenditure Restraint Program Account.....	58,146	0	58,146	0
835	105	1db	County and Municipal Aids Account.....	695,576	0	695,114	462
835	109	1e	State Aid; Tax Exempt Property.....	86,802	211	87,013	0
835	110	1d	Public Utility Distribution Account.....	70,488	266	70,754	0
835	202	2b	Claim of Right Credit.....	230	0	139	91
835	203	2c	Homestead Tax Credit.....	116,000	0	106,359	9,641
835	205	2dm	Farmland Preservation Credit.....	1,400	0	1,365	35
835	209	2ep	Cigarette and Tobacco Product Tax Refunds.....	33,900	2,529	36,429	0
835	211	2co	Enterprise Zone Jobs Credit.....	47,100	0	29,778	17,322
835	212	2f	Earned Income Tax Credit.....	44,300	0	38,270	6,030
835	213	2bm	Film Production Services Credit.....	50	0	35	15
835	215	2em	Veterans & Surviving Spouse Property Tax Credit.....	32,370	0	26,003	6,367
835	218	2do	Farmland Preservation Credit, 2010 and beyond.....	18,500	0	17,761	739

Exhibit B-2

General Fund Sum Sufficient Appropriations
For the Fiscal Year Ended June 30, 2015
(In Thousands)

Agency	Appr		Chapter 20	Increases	Expenditures	Lapse	
Aids and Local Assistance (Continued)							
835	219	2bd	Meat Processing Facility Investment Credit.....	200	188	388	0
835	223	2en	Beginning Farmer and Farm Asset Owner Tax Credit.....	0	4	4	0
835	228	2be	Food Processing Plant and Food Warehouse Investment Credit.....	550	0	448	102
835	229	2bc	Woody Biomass Harvesting and Processing Credit.....	115	0	18	97
835	302	3b	School Levy Tax Credit and First Dollar Credit.....	894,131	0	894,130	1
855	404	4bm	Oil Pipeline Terminal Tax Distribution.....	2,220	0	2,220	0
<i>Total Aids and Local Assistance.....</i>				\$3,170,323	\$3,975	\$3,125,733	\$48,565
Principal Repayment and Lease Rental							
115	205	2d	Principal Repayment and Interest.....	12	0	11	1
115	702	7b	Principal Repayment and Interest.....	1,082	0	822	260
190	101	1c	Principal Repayment and Interest.....	1,089	0	1,036	53
190	102	1d	Principal Repayment and Interest.....	2,238	0	1,982	256
225	103	1c	Principal Repayment and Interest.....	2,682	0	2,344	338
245	106	1e	Principal Repayment and Interest.....	3,218	0	2,758	460
250	103	1c	Principal Repayment and Interest.....	2,642	0	1,566	1,076
250	105	1e	Principal Repayment and Interest.....	186	0	175	11
255	104	1d	Principal Repayment and Interest.....	1,308	0	1,136	172
285	110	1d	Principal Repayment and Interest.....	223,506	0	189,329	34,177
320	103	1c	Principal Repayment and Interest.....	32,312	0	29,729	2,583
320	282	2c	Principal Repayment and Interest.....	4,842	0	4,354	488
370	701	7aa	Principal Repayment and Interest.....	65,952	0	55,782	10,170
370	706	7cb	Principal Repayment and Interest.....	8,566	0	6,246	2,320
370	707	7cc	Principal Repayment and Interest.....	4,753	0	4,078	675
370	708	7cd	Principal Repayment and Interest.....	264	0	259	5
370	709	7ea	Principal Repayment and Interest.....	794	0	728	66
395	664	6af	Principal Repayment and Interest.....	127,896	0	99,643	28,253
410	107	1e	Principal Repayment and Interest.....	84,894	0	70,064	14,830
410	307	3e	Principal Repayment and Interest.....	5,581	0	4,618	963
435	207	2ee	Principal Repayment and Interest.....	20,780	0	18,161	2,619
465	104	1d	Principal Repayment and Interest.....	6,147	0	5,164	983
485	106	1f	Principal Repayment and Interest.....	1,541	0	1,387	154
505	413	4et	Principal Repayment and Interest.....	16	0	0	16
505	414	4es	Principal Repayment and Interest.....	1,927	0	0	1,927
505	503	5c	Principal Repayment and Interest.....	146	0	67	79
855	801	8a	Principal Repayment and Interest.....	2,113	0	2,068	45
867	102	1b	Principal Repayment and Interest.....	12,636	0	9,696	2,940
867	301	3a	Principal Repayment and Interest.....	13,839	0	(6,403)	20,242
867	302	3b	Principal Repayment and Interest.....	1,631	0	1,352	279
867	306	3br	Principal Repayment and Interest.....	100	0	96	4
867	307	3bp	Principal Repayment and Interest.....	55	0	0	55
867	308	3bb	Principal Repayment and Interest.....	22	0	21	1
867	309	3bm	Principal Repayment and Interest.....	135	0	132	3
867	310	3bc	Principal Repayment and Interest.....	31	0	13	18
867	311	3bq	Principal Repayment and Interest.....	866	0	412	454
867	312	3bn	Principal Repayment and Interest.....	13	6	19	0
867	313	3bu	Principal Repayment and Interest.....	32	5	36	1
867	314	3bv	Principal Repayment and Interest.....	0	54	22	32
867	315	3bd	Principal Repayment and Interest.....	38	0	38	0
867	316	3be	Principal Repayment and Interest.....	809	0	615	194
867	317	3bf	Principal Repayment and Interest.....	60	0	55	5
867	318	3bg	Principal Repayment and Interest.....	19	0	17	2
867	319	3bh	Principal Repayment and Interest.....	41	0	40	1
<i>Total Principal Repayment and Lease Rental.....</i>				\$636,814	\$65	\$509,668	\$127,211
Pay Plan & Supplement							
865	103	1c	Salary.....	0	0	0	0
865	104	1d	Fringe.....	0	0	0	0
<i>Total Pay Plan & Supplements.....</i>				0	0	0	0
TOTAL GENERAL FUND SUM SUFFICIENTS				\$4,042,222	\$6,589	\$3,863,702	\$185,109

(1) See Note K

(1)