



## STATE OF WISCONSIN

Notice of Listed **Material Information** #2001-08  
Dated October 19, 2001

This document provides information which may be material to financial evaluation of the State of Wisconsin, however neither the preparation nor submission of this document constitutes a Listed Event pursuant to the State's Master Agreement on Continuing Disclosure.

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**Material Information:** Attached is the [Annual Fiscal Report \(Budgetary Basis\) State of Wisconsin 2001](#). The attached Annual Fiscal Report presents statements of fund condition and operations (budgetary basis) of the State of Wisconsin for the fiscal year ended June 30, 2001. The attached Annual Fiscal Report is NOT intended to represent financial statements prepared in accordance with generally accepted accounting principles (GAAP).

This [Annual Fiscal Report](#) can be found on the World Wide Web at:

<http://www.doa.state.wi.us/debf/cafr/fy01/2001wiafr.pdf>

The undersigned represents that he is the Capital Finance Director, State of Wisconsin Capital Finance Office, which is the office of the State of Wisconsin responsible for providing Annual Reports and giving notice of Listed Material Events when notice is required by the State's Master Agreement on Continuing Disclosure.

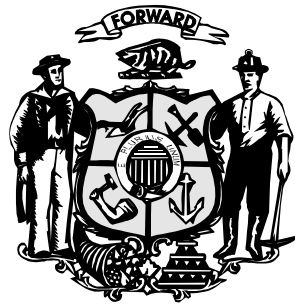
/s/ FRANK R. HOADLEY

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*FY01*

# ANNUAL FISCAL REPORT

## Budgetary Basis



State of Wisconsin  
2001

**State of Wisconsin**  
**2001 Annual Fiscal Report**

**(Budgetary Basis)**

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**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

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October 15, 2001

The Honorable Scott McCallum  
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, 2001. 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 \$207.5 million as of the end of the fiscal year. This is \$58.4 million higher than the \$149.1 million estimate that was projected in the final Chapter 20 fund condition statement. In addition, this reflects only minor variations from the gross ending balance of \$197.8 million estimated for fiscal year 2001 by the Legislative Fiscal Bureau in its summary of 2001 Act 16.

General-purpose revenue taxes were \$10.063 billion compared to \$10.946 billion in the prior year, a decrease of \$883 million or 8.1 percent. This decrease is the result of reductions in income tax rates and other changes to state tax laws made in 1999 Wisconsin Act 9. General-purpose revenue expenditures, excluding fund transfers, were \$11.078 billion compared to \$11.270 billion in the prior year, a decrease of \$192 million or 1.7 percent. This reduction reflects the one-time sales tax rebate distributed in fiscal year 2000. If the rebate is excluded, fiscal year 2001 spending increased by \$506.9 million or 4.8 percent.

General-purpose revenue spending increases in fiscal year 2001 were largely driven by increases in three areas: School Aids increased by \$239.9 million, Corrections increased by \$94.1 million, and UW System increased by \$93.2 million.

In fiscal year 2001, 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 60.3 percent of total general purpose revenue spending. Aid payments to individuals and organizations represented 16.1 percent of total general purpose revenue expenditures. The University of Wisconsin accounted for 9.4 percent of total general purpose revenue spending and state operations spending for all other state agencies accounted for 14.2 percent of the total.

The State of Wisconsin expects to publish its comprehensive annual financial report in December of 2001. The report will be prepared under generally accepted accounting principles.

Respectfully submitted,

George Lightbourn  
Secretary

William J. Raftery, CPA  
State Controller

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## **Economic Section**

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## The Year In Summary

### Revenue Highlights

General purpose revenue (GPR) taxes for the fiscal year (FY) ending June 30, 2001 totaled \$10,063.4 million, a decrease of 8.1 percent from FY 2000 collections of \$10,945.9 million.

Total tax collections for FY 2001 were \$6.9 million or 0.1 percent above the Chapter 20 estimate (of 2000-01 statutes) of \$10,056.5 million.

Individual income taxes exceeded the estimate by \$46.6 million, public utility taxes by 3.2 million, and insurance company taxes by 2.0 million. The following were below the estimates: sales taxes by 10.1 million, corporate/franchise/income tax collection by 26.8 million, and estate taxes by 7.9 million.

**Table 1**

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

Tax Source	FY 01	% of Total	FY 00	% of Total	Change FY00- FY01	% Change
Individual Income	\$5,156.5	51.24%	\$5,962.0	54.47%	\$ -805.5	-13.5%
General Sales & Use	3,609.9	35.87%	3,501.7	31.99%	108.2	3.1%
Corporation Franchise & Income	537.2	5.34%	644.6	5.89%	-107.4	-16.7%
Excise	299.8	2.98%	301.8	2.76%	-2.0	-0.7%
Inheritance, Estate & Gift	77.1	0.77%	133.3	1.22%	-56.2	-42.2%
Public Utility	239.2	2.38%	260.0	2.38%	-20.8	-8.0%
Insurance Companies	89.0	0.88%	86.9	0.78%	2.1	2.4%
Miscellaneous	54.7	0.54%	55.6	0.51%	-0.9	-1.6%
<b>TOTAL GPR</b>	<b>\$10,063.4</b>	<b>100.00%</b>	<b>\$10,945.9</b>	<b>100.00%</b>	<b>\$ -882.5</b>	<b>-8.1%</b>

### **Individual Income Tax**

Individual income tax collections decreased by 13.5 percent from \$5,962.0 million in FY 2000 to \$5,156.5 million in FY 2001. The decline in income tax collections was attributable to income tax cuts including; an increased standard deduction, changes to rates and brackets, the restoration of the property tax/rent credit, and a cut in withholding. Collections were \$46.6 million (0.9 percent) above the estimate of \$5,110 million. The individual income tax share of total GPR taxes decreased from 54.5 percent in FY 2000 to 51.2 percent in FY 2001.

The largest component of individual income tax collections is withholding from wages and salaries,

which decreased 4.4 percent from \$5,109 million to \$4,886 million.

Estimated payments decreased 0.2 percent from \$978 million to \$976 million. Refunds increased 66.0 percent from \$775 million to \$1,286 million. The large increase in refunds was attributable to the fact that the income tax cut for tax year 2000 exceeded the withholding tax cut, which was not implemented until July 2000.

### **General Sales and Use Tax**

Collections from the 5 percent general sales and use tax increased 3.1 percent from \$3,501.7 million to \$3,609.9 million. This was \$10.1 million (0.3

percent) below the \$3,620.0 million estimate. Sales tax collections as a percentage of total GPR taxes increased from 32.0 percent in FY 2000 to 35.9 percent in FY 2001.

Initial collections increased by 3.3% from \$3,409 million to \$3,523 million. Additional collections decreased 12.1% from \$79.9 million to \$70.2 million. Delinquent collections increased 12.1% from \$31.5 million to \$35.3 million.

### **Corporation Franchise and Income Tax**

Corporate collections decreased 16.7 percent from \$644.6 million in FY 2000 to \$537.2 million in FY 2001. Corporate collections as a percentage of total GPR taxes decreased from 5.9 percent to 5.3 percent. Corporate collections were \$26.8 million below the estimate of \$564.0 million.

The major source of corporate collections, estimated payments, decreased from 15.2 percent from \$683 million to \$579 million. Payments with tax returns decreased 0.3% from \$37.4 million to \$37.3 million.

### **Excise Tax**

Cigarette tax collections decreased 1.7 percent from \$247.6 million in FY 2000 to \$243.5 million in FY 2001. They were \$0.5 million (0.2 percent) below the estimate. The decrease in cigarette tax collections in FY 2001 is attributable to lower cigarette consumption, which fell by an estimated 1.6 percent.

Liquor and wine tax collections increased 2.6 percent from \$34.6 million to \$35.5 million. Collections exceeded the estimate of \$35.3 million by \$0.2 million (0.6 percent).

Beer tax collections decreased 0.3 percent to \$9.4 million. The peak year for beer tax collections was FY 1984 with \$10.3 million.

Tobacco products tax collections increased 10.7 percent from \$10.3 million to \$11.4 million.

### **Other Taxes**

Public utility tax collections decreased \$20.8 million (8.0 percent) from \$260.0 million to \$239.2 million, exceeding estimates by \$3.2 million (1.4 percent). Telephone taxes declined \$34.3 million (29.9%) from \$114.7 million to \$80.4 million due to the conversion from gross receipts to ad valorem taxation. Public

utility taxes on other utilities increased by \$13.3 million (9.2%) from \$145.3 million to \$158.6 million.

Estate tax collections decreased 42.2 percent from \$133.3 million to \$77.1 million in FY 2001, \$7.9 million (9.3 percent) less than estimated. The decrease in estate tax collections is in part attributable to the absence of settlements of very large estates during FY 2001.

Insurance company taxes (generally based on premiums) increased 2.4 percent from \$86.9 million to \$89.0 million. This is \$2.0 million more than the \$87 million estimate.

Miscellaneous taxes decreased 1.6 percent from \$55.6 million to \$54.7 million. The major tax in this group is the real estate transfer fee, which decreased 2.4 percent from \$45.3 million to \$44.2 million.

## Expenditure Highlights

Total state General Purpose Revenue (GPR) spending decreased by 1.7 percent or \$192.8 million in FY 2001, as shown in Table 2. This compares with a 14.5 percent increase in FY 2000 and reflects the drop off of the one-time sales tax rebate of \$699.7 million in the prior fiscal year. If this sales tax rebate is factored out of FY 2000 expenditures, GPR spending increased by \$506.9 million or 4.8 percent. When calculated in this fashion, the spending change compares with an FY 2000 increase over prior of 7.4 percent.

The largest portion of GPR expenditures in FY 2001 was directed to school districts and local units of government, consistent with past years. Local assistance received \$6,679.6 million or 60.3 percent of total GPR spending, compared to 56.8 percent in FY 2000. Aids to individuals received \$1,788.2 million, or 16.1 percent of total GPR spending in FY 2001 compared to 21.5 percent in FY 2000 (due to the one-time sales tax rebate). State operations accounted for 23.6 percent of total GPR spending, up from 21.7 percent in FY 2000. Local assistance payments represented the largest

share of the net increase in total GPR spending at \$274.5 million. The large decrease of \$633.9 million in aids to individuals reflected, again, the one-time sales tax rebate of \$699.7 million in FY 2000. If an adjustment is made to remove this one-time effect, aids to individuals increased \$65.8 million. State operations increased by \$166.6 million over the prior fiscal year.

By percentage change, state operations showed the largest increase in spending at 6.8 percent. The majority of this increase was for support of the University of Wisconsin System (9.8 percent) and Department of Corrections. Local assistance payments increased 4.3 percent in FY 2001 compared to a 6.4 percent increase in FY 2000.

The GPR budget is shaped by the ten largest programs, as detailed in Table 3. These programs comprise 84.6 percent of total GPR expenditures, as compared with 84.2 percent of GPR expenditures in FY 2000. Immediately following this section is a brief explanation of each program.

**Table 2**

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

	FY01	% of Total	FY00	% of Total	\$ Change FY01-FY00	% Change
Local Assistance	\$6,679.6	60.3%	\$6,405.1	56.8%	\$274.5	4.3%
Aids to Individuals	1,788.2	16.1%	2,422.1	21.5%	-633.9	-26.2%
State Operations						
UW System	1,036.3	9.4%	943.6	8.4%	92.7	9.8%
All Other Agencies	1,573.6	14.2%	1,499.7	13.3%	73.9	4.9%
Total	<u>\$11,077.7</u>	<u>100.0%</u>	<u>\$11,270.5</u>	<u>100.0%</u>	<u>-\$192.8</u>	<u>-1.7%</u>
Transfer to Tobacco Control Fund			23.5			
TOTAL GPR	<u><u>\$11,077.7</u></u>		<u><u>\$11,294.0</u></u>			

Table 3

**TOP TEN PROGRAMS**  
**GPR Expenditures**  
**(\$ Millions)**

	FY01	% of Total	FY00	% of Total	\$ Change FY01-FY00	% Change
School Aids	\$4,413.2	39.8%	\$4,173.3	37.0%	\$239.9	5.7%
University of Wisconsin System	1,047.0	9.4%	953.8	8.5%	93.2	9.8%
Shared Revenues	1,019.2	9.2%	1,008.6	8.9%	10.6	1.1%
Medical Assistance	993.2	9.0%	971.0	8.6%	22.2	2.3%
Corrections and Related	804.4	7.3%	710.3	6.3%	94.1	13.3%
Property Tax Credits	469.3	4.2%	469.3	4.2%	0.0	0.0%
Community Aids	186.4	1.7%	182.5	1.6%	3.9	2.1%
W-2/Income Maintenance	171.0	1.5%	189.7	1.7%	-18.7	-9.9%
Tax Relief to Individuals	138.6	1.3%	133.4	1.2%	5.2	3.9%
Supplemental Security Income (SSI)	128.3	1.2%	128.3	1.1%	0	0.0%
All Others	1,707.1	15.4%	2,350.3	20.9%	-643.2	-27.4%
Subtotal	\$11,077.7	100.0%	\$11,270.5	100.0%	-\$192.8	-1.7%
Transfer to Tobacco Control Fund			23.5			
TOTAL GPR	\$11,077.7		\$11,294.0			

**School Aids:** State assistance to Wisconsin's 426 school districts increased by 5.7 percent or \$239.9 million in FY 2001. Total state aids to schools plus property tax credits enabled the state to reimburse an estimated 66.2 percent of school costs in FY 2001.

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 non debt purposes and state general aids. These controls combined with the large increase in state school aids, succeeded in reducing the statewide gross school property tax levy by 16.4 percent in FY 1997. In FY 1998 the gross levy was increased by 2.5 percent and in FY 1999 the levy increased by 5.6 percent. In FY 2000 the gross levy rose by 2.2 percent while in FY 2001 it rose 4.7 percent.

There are two major types of school aid. Approximately 89 percent of 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 voluntary desegregation program. The remaining 11 percent 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 educational technology.

**University of Wisconsin System:** Total general purpose revenue expenditures for the UW System increased by \$93.2 million, or 9.8 percent in FY 2001. Tuition at UW institutions, despite annual increases, continues to be a relative bargain in higher education. Resident undergraduate tuition at Madison was \$901 below the "Big Ten" median. UW-Milwaukee was \$820 below its peer group median and all other campuses were approximately \$561 below their peer group medians in FY 2001.

**Shared Revenue:** State shared revenue provides unrestricted aid to municipal and county governments. In FY 2001, the shared revenue formula distributed \$930.5 million primarily through equalized aidable revenue payments and per capita payments. The Expenditure Restraint Program distributed another \$57.0 million, to municipalities with tax rates over 5 mills that restrained their spending increases. Two additional programs, Small Municipality Shared Revenue and County Mandate Relief, provided \$11.0 million to

municipalities with populations under 5,000 and \$20.8 million in per capita payments to counties, respectively. The total FY 2001 shared revenue payment was \$1,019.2 million, up by \$10.6 million from the previous fiscal year. Statewide, shared revenue payments provide municipalities with about 21.8 percent and counties with about 5.5 percent of their operating revenues.

**Medical Assistance:** Wisconsin's state and federally funded Medical Assistance (MA) program pays for medical services to certain categories of low income persons. Included are recipients of Supplemental Security Income; children and low-income families; and pregnant women and other low-income individuals who have high medical expenses. In FY 2001, total MA expenditures were \$2,968.5 million of which \$993.2 million were GPR and the balance was federally funded. Total MA spending in FY 2001 increased by 6.8 percent over FY 2000 expenditures compared to a 9.0 percent increase in the previous year. The state funded portion of MA increased 2.3 percent in FY 2001, compared to a 4.7 percent increase the previous year.

**Correctional Services:** Wisconsin's correctional population and related expenditures continued to increase in FY 2001. The population of incarcerated felons under the supervision of the state corrections program increased from an average daily population of 20,202 in FY 2000 to 20,672 in FY 2001, an increase of 2.3 percent. Total GPR expenditures for the state corrections program increased \$94.1 million or 13.3 percent over the prior year, reaching \$804.4 million in FY 2001.

**State Property Tax Credits:** The School Levy Tax Credit pays local governments to reduce each property owner's taxes. Funding for the credit in FY 2001 was \$469.3 million, the same amount as in the prior fiscal year. The School Levy Tax Credit in FY 2001 offset 7.1 percent of 2000 gross property tax levies for all purposes statewide.

**Community Aids:** Community Aids are state and federal funds distributed to counties to fund various human services programs. Total expenditures reached \$305.0 million in FY 2001, of which \$186.4 million was GPR. Total all funds expenditure levels increased by \$5.4 million or 1.8 percent from FY 2000.

**Wisconsin Works:** Wisconsin Works or W-2 is the state's replacement program for the Aid to Families with Dependent Children [AFDC] program. W-2 is a work-based system that provides support services, such as child care and transportation, to families in order to help them achieve self-sufficiency. On average, there were approximately 11,000 W-2 cases served over the course of FY 2001. As of June 2001, the W-2 caseload for cash assistance had fallen to just over 7,500.

In addition to W-2 cash benefits, other W-2 expenditures like work experience, job search, education and training, and administration are funded by the program. Also included are state funds for Food Stamp and Medical Assistance eligibility determination, fraud programs and several other small public assistance-type programs. In total, \$171.0 million of state GPR was spent on W-2 and other public assistance programs in FY 2001, a decrease of 9.9 percent from the previous fiscal year. This decrease is due primarily to a one time increase in FY 2000 to meet maintenance of effort.

**Tax Relief to Individuals:** Wisconsin paid out \$138.6 million GPR in tax relief to individuals through a variety of programs during FY 2001.

The GPR funded Homestead Credit and Farmland Preservation Credit and the Farmland Tax Relief Credit, which is funded by lottery proceeds, are "circuit-breaker" tax credits. Circuit-breakers assist households to pay property taxes in excess of their ability to pay. 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 providing circuit-breaker relief, ranking third among the states in comprehensiveness and per capita expenditures for residential property tax relief. The Homestead Credit provided \$99.6 million of tax relief in FY 2001, compared with \$80 million in FY2000. Approximately 203,600 low-income homeowners and renters--about half of them age 60 and older--benefit from the program each year.

The Farmland Preservation Credit provides a refundable credit to farmers who qualify through exclusive agricultural zoning or individual farmland preservation agreements. Wisconsin's Farmland Preservation Credit is one of only two similar state

programs in the country. Farmland Preservation Credit expenditures totaled \$17.4 million in FY 2001, a decrease of 6.2 percent from the prior year

The Earned Income Credit program reduces income taxes for low income working families with children. In FY 2001, the Earned Income Credit paid a total of \$61.8 million to these households. Of this amount, federal TANF funding provided \$49.9 million and GPR provided \$ \$11.9 million.

**SSI.** Wisconsin provides a supplement to the federal supplemental security income (SSI) program which provides cash assistance to low income aged, blind and disabled workers and to disabled parents as support for their children. In FY 2001 a total of \$148.7 million was expended in SSI payments. This included \$128.3 million in state funding and \$20.4 million in federal funds.

**Comparative Condition of the General Fund**  
(in Thousands)

	1			
	FY01 Actual AFR Report	Chapter 20	Variance	Note
<b>OPENING BALANCE</b>				
Undesignated, Unreserved Opening Balance	\$ 835,714	\$ 835,714	\$ -	
Add Prior Year Designation of Continuing Balances	36,569	-	36,569	2
Unreserved Opening Balance	<u>872,283</u>	<u>835,714</u>	<u>36,569</u>	
<b>REVENUES</b>				
Taxes	10,063,439	10,056,500	6,939	3
Departmental Revenues	351,382	302,846	48,536	4
Total Revenues	<u>10,414,821</u>	<u>10,359,346</u>	<u>55,475</u>	
Total Available Per Schedule A-1	<u>11,287,104</u>	<u>11,195,060</u>	<u>92,044</u>	
<b>APPROPRIATIONS</b>				
Gross Appropriations Per General Fund Summary	11,076,303	11,076,303	-	
New Legislation	11,322	-	11,322	5
Budget Increases to Sum Sufficient Appropriations	48,288	-	48,288	6
Budget Brought Forward From Previous Year	36,569	-	36,569	7
Budget Carried To Next Year for Continuing Appropriations	(9,915)	-	(9,915)	8
Biennial Spend Behind	(6,835)	-	(6,835)	9
Compensation Reserve	111,904	117,750	(5,846)	10
Less Lapses of Appropriations	(189,955)	(148,058)	(41,897)	11
Total Expenditures Per Schedule A-1	<u>11,077,681</u>	<u>11,045,995</u>	<u>31,686</u>	
General Fund Balance before Designation	209,423	149,065	60,358	
Equity Transfers	8,000	-	8,000	12
Designation for Appropriation Authority Carried Forward	(9,915)	-	(9,915)	13
Net	<u>\$ 207,508</u>	<u>\$ 149,065</u>	<u>\$ 58,443</u>	

**Notes:**

- 1 The Chapter 20 revenue numbers were taken from the Department of Revenue's Revenue Collection Report dated September 6, 2001 and updated for public utility interest. The appropriation numbers were taken from the January 25, 2001 General Fund Condition Statement, prepared by the Legislative Fiscal Bureau.
- 2 The prior year designation for continuing balances is added to the unreserved, undesignated opening balance to arrive at the unreserved opening fund balance.
- 3 Actual tax collections were more than the estimated tax collections included in the Revenue Collection Report.
- 4 Actual departmental revenues were more than anticipated revenues included in the General Fund Condition Statement. Certain budgetary lapses or residual equity transfers may have been counted as revenues in the General Fund Condition Statement. See note 12.
- 5 Joint Committee on Finance actions and new legislation passed after the published budget.
- 6 Sum sufficient appropriations are appropriations that have authority to expend amounts necessary to accomplish the purpose specified by the legislation. Appropriations are increased by expenditures that exceed the estimate. The amounts do not include compensation reserve adjustments.
- 7 As in Note 2, gross appropriations are increased for the amount of continuing balances from the preceding year.

8 Any unspent budget authority in a continuing appropriation is carried forward to the succeeding year. For purposes of this table, the unspent budget authority is a reduction to the current budget and an increase to the succeeding budget.

9 Biennial appropriations are not restricted to the annual amounts recorded in the Chapter 20 schedule. The controlling limit is the sum of the annual amounts. Therefore, any budget remaining from the first year of the biennium is carried forward to the second year of the biennium. Similarly, if the first year's budget authority is exceeded in the first year of the biennium, the agency can begin spending against the second year's budget. In FY00, the first year of the biennium, some agencies began spending against the second year's budget. Therefore in FY01, spending authority was reduced.

10 Sum sufficient increases to compensation reserve appropriations. Actual expenditures applied against the Chapter 20 compensation reserves amounted to \$111,903,546. This total was \$5,846,454 less than the Chapter 20 reserve.

11 The amount shown is for lapses of annual, biennial or sum sufficient appropriations with expenditures less than the Chapter 20 estimate.

12 Equity Transfers are nonrecurring, nonroutine transfers of equity between funds. For budgetary purposes, transfers from other funds are treated as departmental revenue. In FY01, the following transfers were made to or from (amounts in parentheses) the general fund:

Transfer from the Agricultural Chemical Cleanup Fund	\$	500,000
Transfer from the Conservation Fund		500,000
Transfer from the Recycling Fund		7,000,000
	\$	<u>8,000,000</u>

13 See also Note 8. The amount designated represents the amount of budget authority carried forward from FY01 to FY02.



## **Statements of Fund Condition and Operations**

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

(In Millions of Dollars)

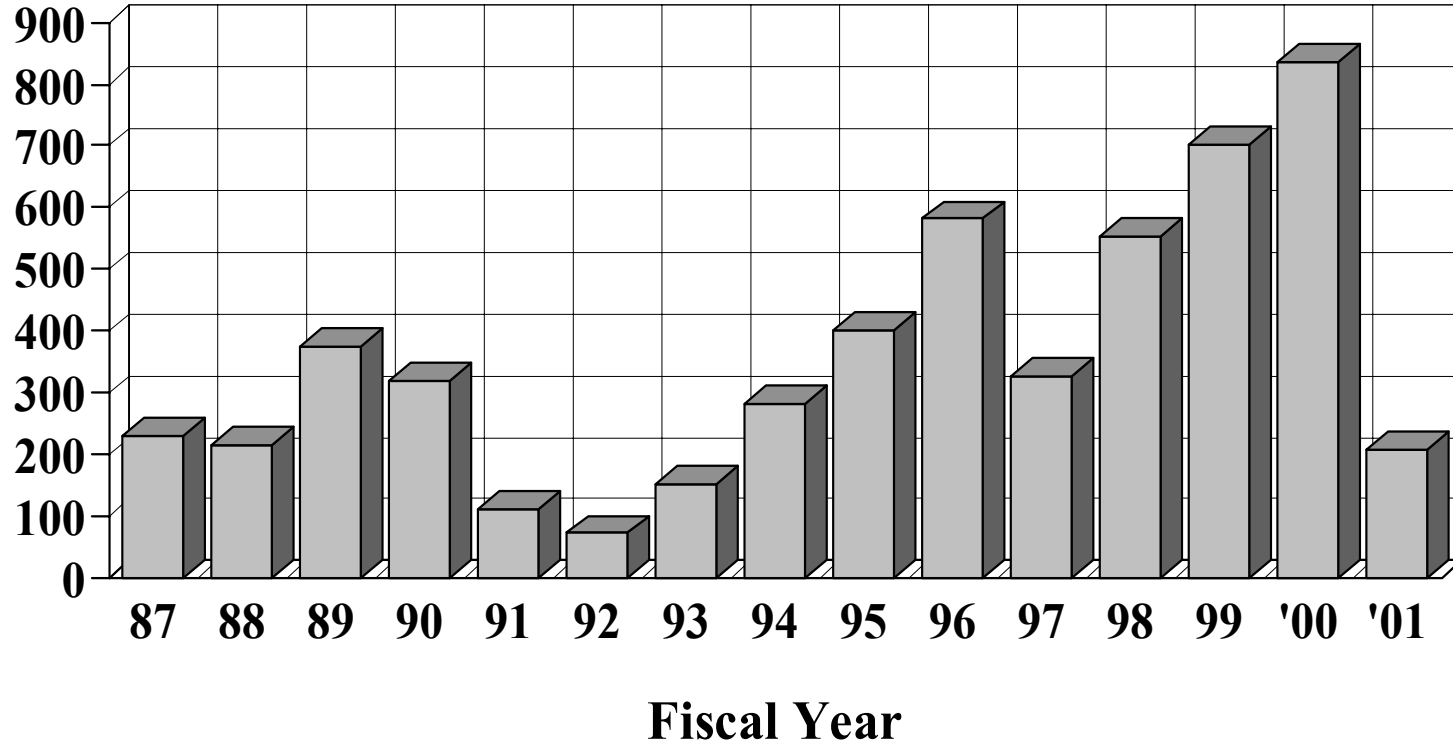


Exhibit A-1

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, 2001

(In Thousands)

	BUDGET			ACTUAL				VARIANCE
	Published Budget	Appropriation Adjustments	Final Budget	Unadjusted	Reserve for Encumbrances as of June 30,2001      June 30,2000		Adjusted	
Beginning Unreserved								
Undesignated Balance.....	\$ 835,714	\$	\$ 835,714	\$ 835,714	\$	\$	\$ 835,714	\$ 0
Beginning Unreserved								
Designated Balance.....	0		0	36,569			36,569	36,569
Total.....	835,714		835,714	872,283			872,283	36,569
<b>REVENUES</b>								
Taxes:								
Individual.....	5,110,000		5,110,000	5,156,565			5,156,565	46,565
Corporation.....	564,000		564,000	537,159			537,159	(26,841)
Sales & Use.....	3,620,000		3,620,000	3,609,895			3,609,895	(10,105)
Excise.....	300,400		300,400	299,775			299,775	(625)
Inheritance & Gift.....	85,000		85,000	77,084			77,084	(7,916)
Public Utility.....	236,000		236,000	239,238			239,238	3,238
Insurance.....	87,000		87,000	89,042			89,042	2,042
Miscellaneous.....	54,100		54,100	54,681			54,681	581
Total Taxes.....	10,056,500		10,056,500	10,063,439			10,063,439	6,939
Departmental Revenue:								
Tobacco Settlement.....	121,539		121,539	124,389			124,389	2,850
Other.....	181,307		181,307	226,993			226,993	45,686
Total Department Revenues.....	302,846		302,846	351,382			351,382	48,536
Total Revenues.....	10,359,346		10,359,346	10,414,821			10,414,821	55,475
TOTAL AVAILABLE.....	11,195,060		11,195,060	11,287,104			11,287,104	92,044
<b>EXPENDITURES</b>								
Commerce.....	49,962	3,510	53,472	49,980	15,849	(14,031)	51,798	1,674
Education.....	5,747,300	88,413	5,835,713	5,749,861	14,844	(11,502)	5,753,203	82,510
Environmental Resources.....	209,119	5,233	214,352	210,392	2,664	(2,724)	210,332	4,020
Human Relations & Resources.....	2,793,375	160,085	2,953,460	2,919,201	49,507	(63,931)	2,904,777	48,683
General Executive.....	179,671	20,668	200,339	190,887	13,494	(7,972)	196,409	3,930
Judicial.....	92,728	4,015	96,743	96,710	0	0	96,710	33
Legislative.....	57,731	4,688	62,419	60,821	116	(2)	60,935	1,484
General (Incl. Shared Revenue).....	1,946,417	(95,279)	1,851,138	1,803,468	49	0	1,803,517	47,621
Compensation Reserves.....	117,750	(111,904)	5,846				0	5,846
Less: Estimated Lapse.....	(148,058)	0	(148,058)				0	(148,058)
TOTAL EXPENDITURES.....	11,045,995	79,429	11,125,424	11,081,320	96,523	(100,162)	11,077,681	47,743
Residual Equity Transfer.....	0	0	0	8,000	0	0	8,000	8,000
UNRESERVED BALANCE	149,065	(79,429)	69,636	213,784	(96,523)	100,162	217,423	147,787
Designation for continuing balances.....		(9,915)	(9,915)		(9,915)		(9,915)	0
UNRESERVED								
Undesignated Balance.....	\$ 149,065	\$ (89,344)	\$ 59,721	\$ 213,784	\$ (106,438)	\$ 100,162	\$ 207,508	\$ 147,787

The accompanying notes are an integral part of this statement.

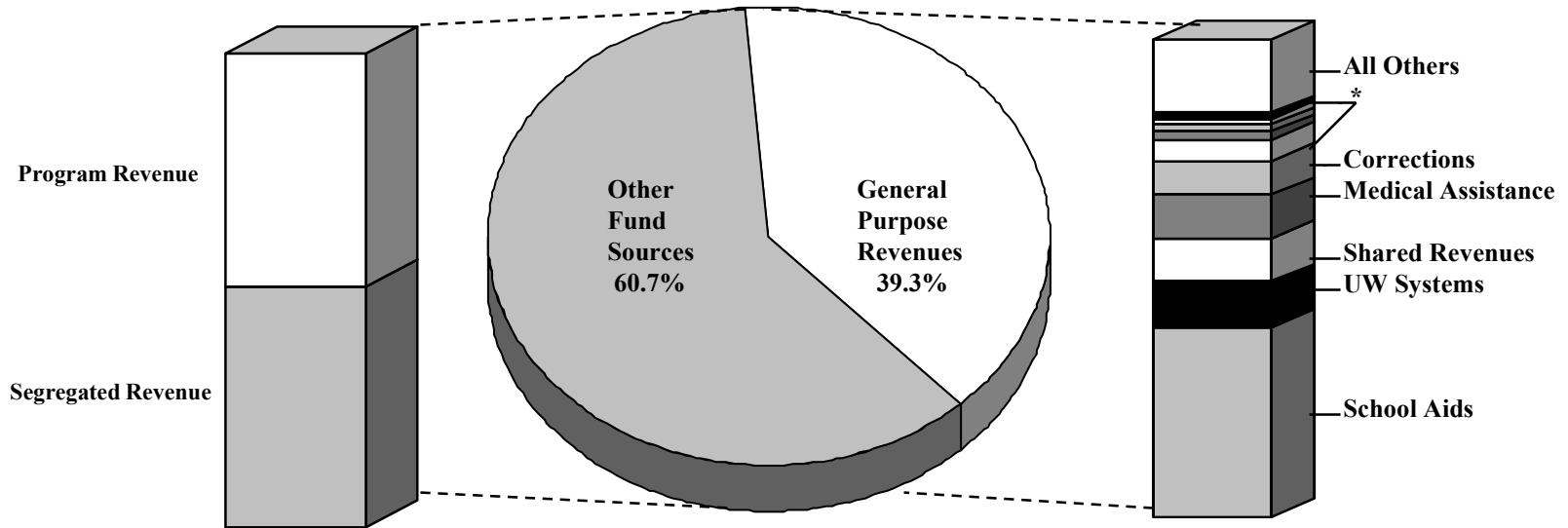
# Total Expenditures by Fund Source, State of Wisconsin

## For the Fiscal Year Ended June 30, 2001

**Other Expenditures**  
**\$17.1 Billion**

**Total Expenditures**  
**\$28.2 Billion**

**General Purpose Revenue Expenditures**  
**\$11.1 Billion**



\* State Supplement to SSI  
Tax Relief to Individuals  
Wisconsin Works  
Community Aids  
Property Tax Credits

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, 2001  
 (In Thousands)

	GOVERNMENTAL FUNDS						TOTAL
	General Fund			Major Special Revenue Funds			As of
	General Purpose	Program Revenue	Subtotal	Transportation	Conservation	Other	June 30, 2001
<b>REVENUES</b>							
Taxes.....	\$ 10,063,439	\$ 15,892	\$ 10,079,331	\$ 842,934	\$ 58,649	\$ 117,316	\$ 11,098,230
Intergovernmental Revenue.....	26,793	5,472,647	5,499,440	671,254	26,195	29,674	6,226,563
Licenses.....	58,262	150,218	208,480	320,299	79,436	123,273	731,488
Charges for Goods and Services.....	13,499	3,127,462	3,140,961	31,084	20,817	467,530	3,660,392
Contributions.....	0	0	0	0	0	1,847,521	1,847,521
Interest & Investment Income.....	40,256	63,867	104,123	13,223	4,222	(4,125,457)	(4,003,889)
Gifts & Donations.....	0	328,322	328,322	3	1,635	43,739	373,699
Other Revenue.....	165,373	(1,101,492)	(936,119)	12,879	2,502	772,732	(148,006)
Transfers.....	8,242	2,217	10,459	895	17,633	591,151	620,138
Other Transactions.....	38,957	811,780	850,737	0	8	7,204	857,949
Proceeds from Bonds & Notes.....	0	0	0	125,080	0	887,339	1,012,419
<b>TOTAL REVENUES</b>	<b>10,414,821</b>	<b>8,870,913</b>	<b>19,285,734</b>	<b>2,017,651</b>	<b>211,097</b>	<b>762,022</b>	<b>22,276,504</b>
<b>EXPENDITURES</b>							
Commerce.....	51,798	169,499	221,297	78	780	228,375	450,530
Education.....	5,753,203	2,600,040	8,353,243	0	224	320,159	8,673,626
Environmental Resources.....	210,332	62,586	272,918	2,105,341	212,987	214,276	2,805,522
Human Relations & Resources.....	2,904,777	4,382,849	7,287,626	0	3,517	1,306,534	8,597,677
General Executive.....	196,409	455,561	651,970	3,462	0	3,705,462	4,360,894
Judicial.....	96,710	11,966	108,676	0	0	343	109,019
Legislative.....	60,935	1,285	62,220	0	0	0	62,220
General (Incl. Shared Revenue).....	1,803,517	686,950	2,490,467	16,170	0	601,633	3,108,270
<b>TOTAL EXPENDITURES</b>	<b>11,077,681</b>	<b>8,370,736</b>	<b>19,448,417</b>	<b>2,125,051</b>	<b>217,508</b>	<b>6,376,782</b>	<b>28,167,758</b>
<b>EXCESS OF REVENUES</b>							
<b>OVER (UNDER)</b>							
EXPENDITURES.....	(662,860)	500,177	(162,683)	(107,400)	(6,411)	(5,614,760)	(5,891,254)
<b>BEGINNING FUND BALANCE</b>							
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	2,196,303	2,196,303
DESIGNATED.....	36,569	0	36,569	0	0	0	36,569
UNDESIGNATED.....	835,714	(261,298)	574,416	(494,410)	62,236	68,107,842	68,250,084
<b>TOTAL</b>	<b>872,283</b>	<b>(261,298)</b>	<b>610,985</b>	<b>(494,410)</b>	<b>62,236</b>	<b>70,304,145</b>	<b>70,482,956</b>
<b>RESIDUAL EQUITY</b>							
TRANSFERS.....	8,000	(388)	7,612		(500)	(7,112)	0
<b>ENDING FUND BALANCE</b>	<b>217,423</b>	<b>238,491</b>	<b>455,914</b>	<b>(601,810)</b>	<b>55,325</b>	<b>64,682,273</b>	<b>64,591,702</b>
DESIGNATED.....	(9,915)	0	(9,915)	0	0	0	(9,915)
UNDESIGNATED.....	\$ 207,508	\$ 238,491	\$ 445,999	\$ (601,810)	\$ 55,325	\$ 64,682,273	\$ 64,581,787

(1)

The accompanying notes are an integral part of this statement.

(1) See Note H

Exhibit A-3

State of Wisconsin  
 Summary of Recorded Revenues and Expenditures-All Other Funds-  
 Statutory Basis (Including Interfund Transfers)  
 For the Fiscal Year Ended June 30, 2001  
 (In Thousands)

Funds By Category	Undesignated Fund	FY 2001			Undesignated Fund
	Balance as of June 30, 2000	Revenues	Adjusted Expenditures	Fund Transfer	Balance as of June 30, 2001
<b><u>OTHER FUNDS</u></b>					
<b><u>Other Special Revenue</u></b>					
213 Heritage State Parks and Forests.....	\$ 981	\$ 107	\$	\$	1,088
214 Wisconsin Health Education Loan Repayment.....	(21)	91	61		9
217 Waste Management.....	5,271	427	103		5,595
218 Wisconsin Election Campaign .....	366	352	462		256
219 Investment and Local Impact.....	175	200	213		162
222 Industrial Building Construction Loan.....	65	47	0		112
224 Self-Insured Employer Liability.....	36	264	33		267
226 Work Injury Supplemental Benefits.....	4,081	2,012	2,041		4,052
228 Tobacco Control.....	24,133	1,431	22,235		3,329
229 Uninsured Employers.....	8,454	1,891	1,159		9,186
235 Utility Public Benefits.....	0	27,050	30,801		(3,751)
238 Mediation.....	152	397	343		206
257 Agricultural Chemical Cleanup.....	7,304	415	3,972	(500)	3,247
259 Agrichemical Management.....	4,894	4,396	5,567		3,723
264 Historical Legacy Trust.....	97	3	5		95
272 Petroleum Inspection.....	13,041	136,301	139,065		10,277
274 Environmental.....	12,949	33,167	36,825		9,291
277 Dry Cleaner Environmental Response.....	2,698	1,144	1,275		2,567
279 Recycling.....	16,039	29,797	26,315	(6,612)	12,909
280 Information Technology Investment.....	(3,127)	217	90		(3,000)
285 Universal Service.....	3,160	19,673	19,354		3,479
Total Other Special Revenue.....	100,748	259,382	289,919	(7,112)	63,099
<b><u>Debt Service</u></b>					
315 Bond Security and Redemption.....	1,984	461,204	464,714		(1,526)
<b><u>Capital Projects</u></b>					
490 Building Trust.....	27,485	94,110	90,833		30,762
492 Energy Efficiency.....	3,483	720	0		4,203
495 Capital Improvement.....	52,323	645,555	583,078		114,800
Total Capital Projects.....	83,291	740,385	673,911	0	149,765
<b><u>TRUST AND OTHER</u></b>					
<b><u>Expendable</u></b>					
723 Children's Trust.....	45	84	24		105
750 State Capital Restoration.....	18	(18)	0		0

Exhibit A-3

State of Wisconsin  
 Summary of Recorded Revenues and Expenditures-All Other Funds-  
 Statutory Basis (Including Interfund Transfers)  
 For the Fiscal Year Ended June 30, 2001  
 (In Thousands)

Funds By Category	Undesignated Fund	FY 2001			Undesignated Fund
	Balance as of June 30, 2000	Revenues	Adjusted Expenditures	Fund Transfer	Balance as of June 30, 2001
<b>TRUST AND OTHER (Continued)</b>					
763 Common School Income.....	\$ 33,131	\$ (10,408)	\$ 22,098	\$	625
876 University Trust Income.....	(294)	38,499	17,813		20,392
Total Expendable.....	32,900	28,157	39,935	0	21,122
<u>Nonexpendable</u>					
743 Agricultural College.....	305	0	0		305
744 Common School.....	427,813	23,411	0		451,224
745 Normal School.....	18,731	222	0		18,953
746 University.....	234	0	0		234
760 Historical Society Trust.....	13,129	(1,063)	709		11,357
767 Benevolent.....	14	0	0		14
875 University Trust Principal.....	168,587	(1,668)	0		166,919
Total Nonexpendable.....	628,813	20,902	709	0	649,006
<u>Pension</u>					
747 Fixed Retirement Investment Trust.....	58,830,091	(2,011,371)	2,151,433		54,667,287
751 Variable Retirement Investment Trust.....	8,301,395	(1,054,457)	504,095		6,742,843
Total Pension.....	67,131,486	(3,065,828)	2,655,528	0	61,410,130
<u>Other</u>					
262 Public Employee Trust.....	1,245,962	637,355	654,569		1,228,748
521 Lottery.....	(3,080)	411,800	396,050		12,670
530 Health Insurance Risk Sharing Plan.....	15,235	60,528	56,212		19,551
531 Local Government Property Insurance.....	28,790	13,897	11,754		30,933
532 State Life Insurance.....	74,807	7,344	3,231		78,920
533 Patients Compensation.....	541,617	77,065	43,018		575,664
570 Tuition Trust.....	6,148	3,822	163		9,807
573 Environmental Improvement.....	227,482	86,095	79,496		234,081
582 Veterans Trust.....	42,800	22,792	21,519		44,073
583 Veterans Mortgage Loan Repayment.....	141,105	123,239	114,955		149,389
587 Transportation Infrastructure Loan.....	642	132	0		774
788 Support Collection Trust.....	3,415	873,751	871,099		6,067
Total Other.....	2,324,923	2,317,820	2,252,066	0	2,390,677
TOTAL TRUST AND OTHER.....	70,118,122	(698,949)	4,948,238	0	64,470,935
TOTAL - ALL FUNDS.....	\$ 70,304,145	\$ 762,022	\$ 6,376,782	\$ (7,112)	\$ 64,682,273

The accompanying notes are an integral part of this statement

Exhibit A-4

State of Wisconsin  
 Comparative Condition of the General Fund  
 Fiscal Years Ended June 30, 2001, 2000, and 1999  
 (In Thousands)

	June 30, 2001	June 30, 2000	June 30, 1999
<b><u>ASSETS</u></b>			
Cash and Investment Pool Shares..... \$	288,792 \$	678,331 \$	867,293
Contingent Fund Advances.....	3,514	3,910	4,322
Investments.....	446	445	445
Accounts Receivable.....	1,028,554	995,286	896,640
Due from Other Funds.....	39,165	22,398	158,398
Inventory.....	418	1	0
Prepayments.....	54,807	59,761	42,338
<b>TOTAL ASSETS.....</b>	<b>1,415,696</b>	<b>1,760,132</b>	<b>1,969,436</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable.....	343,261	282,582	521,609
Due to Other Funds.....	46,898	63,804	282,825
Tax and Other Deposits.....	41,925	39,231	52,979
Deferred Revenue.....	38,848	27,600	35,999
<b>TOTAL LIABILITIES.....</b>	<b>470,932</b>	<b>413,217</b>	<b>893,412</b>
<b><u>FUND BALANCE</u></b>			
<b><u>Reserved Balances</u></b>			
GPR Encumbrances.....	96,523	100,162	89,167
PR Encumbrances.....	392,327	635,768	237,576
<b>Total Reserved Balances.....</b>	<b>488,850</b>	<b>735,930</b>	<b>326,743</b>
<b><u>Unreserved Designated Balances</u></b>			
GPR Designation for Continuing Balances.....	9,915	36,569	11,533
<b><u>Unreserved Balances</u></b>			
GPR Unreserved Balance.....	207,508	835,714	701,293
PR Unreserved Balance.....	238,491	(261,298)	36,455
<b>Total Unreserved Balances.....</b>	<b>445,999</b>	<b>574,416</b>	<b>737,748</b>
<b>TOTAL FUND BALANCE.....</b>	<b>944,764</b>	<b>1,346,915</b>	<b>1,076,024</b>
<b>TOTAL LIABILITIES AND FUND BALANCE..... \$</b>	<b>\$ 1,415,696 \$</b>	<b>\$ 1,760,132 \$</b>	<b>\$ 1,969,436</b>

The accompanying notes are an integral part of this statement



Exhibit A-5

State of Wisconsin  
 Statement of Expenditures and Fund Balance-Budget vs  
 Actual-All Funds Statutory Basis  
 For the Fiscal Year Ended June 30, 2001  
 (In Thousands)

BUDGET							
	Published Budget	Budget Adjustments	Final Budget	Reserve for Encumbrances as of Disbursements	As of June 30, 2001	As of June 30, 2000	Expenditures
<b>EXPENDITURES</b>							
Commerce.....	\$ 415,866	\$ 65,515	\$ 481,381	\$ 386,655	\$ 40,585	\$ (32,575)	\$ 394,665
Education.....	8,223,303	337,270	8,560,573	8,378,021	134,076	(98,368)	8,413,729
Environmental Resources.....	2,437,928	245,886	2,683,814	2,627,257	958,792	(866,731)	2,719,318
Human Relations & Resources.....	6,733,347	2,214,375	8,947,722	7,841,698	287,065	(563,697)	7,565,066
General Executive.....	669,657	709,134	1,378,791	1,001,739	63,803	(50,774)	1,014,768
Judicial.....	104,709	4,970	109,679	109,228	0	(209)	109,019
Legislative.....	59,087	4,688	63,775	62,116	116	(12)	62,220
General (Incl Shared Revenue).....	2,163,489	1,006,434	3,169,923	3,075,379	49	0	3,075,428
<b>EXPENDITURES</b>							
<b>PER CHAPTER 20 SCHEDULE</b>	<b>\$ 20,807,386</b>	<b>\$ 4,588,272</b>	<b>\$ 25,395,658</b>	<b>\$ 23,482,093</b>	<b>\$ 1,484,486</b>	<b>\$ (1,612,366)</b>	<b>\$ 23,354,213</b>
Appropriated and expended but not in Chapter 20 Schedule							
Fringe Benefits							
Insurance Premiums				553,341	0	0	553,341
Annuities				2,505,176	0	0	2,505,176
Other Fringe Benefits				218,080	0	0	218,080
Capital Projects				672,193	0	0	672,193
Other Fringe Benefits				864,207	3,168	(2,620)	864,755
<b>TOTAL EXPENDITURES</b>	<b>\$ 28,295,090</b>	<b>\$ 1,487,654</b>	<b>\$ 29,782,744</b>	<b>\$ 26,517,720</b>	<b>\$ 1,487,654</b>	<b>\$ (1,614,986)</b>	<b>\$ 28,167,758</b>

The accompanying notes are an integral part of this statement

## Notes To Fund Statements

### Note A Statutory Basis of Accounting

The State of Wisconsin Annual Fiscal Report is a report of actual financial results 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 require that revenues and expenditures be recognized in the fiscal year in which they are received or paid. Exceptions are health and life insurance premiums which are paid two months in advance of the actual coverage months. The health and life insurance costs for the last two months 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 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, 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. Exceptions are the Building Trust Fund, the Capital Improvement Fund, and the Bond Security and Redemption Fund, which are closed as of June 30. However, the recording of charges and encumbrances applicable to the prior year is limited by the available appropriation balances of that 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.

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. Fixed assets as well as

inventories purchased and certain loans disbursed are recorded as expenditures in the period in which they are paid. Collections on loans are recorded as receipts. Equity transfers are recorded as receipts or expenditures from/to the receiving or paying funds, respectively. Encumbrances are treated as expenditures in the initial year. 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 statutes require that the Secretary of Administration and the State Treasurer sign all checks. 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 Balance**

Compensation Reserve

In FY01, Chapter 20 included a compensation reserve for employe salary and fringe benefit increases. The total amount reserved (appropriated) was \$117,750,000 and the amount expended was \$111,903,546 leaving an unspent reserve of \$5,846,454.

**Note E Published Budget**

The published budget amounts used in Exhibit A-1 are those shown for "General Purpose Revenues" (GPR) under state statute Chapter 20, Appropriations and Budget Management, compiled July, 2001.

The adjustments column reflects 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 Projected-to-Actual General Fund Condition**

The variance between the published budgeted ending balance and actual undesignated balance at the end of fiscal year 2001 is explained as follows:

	<u>(thousands)</u>
Ending fund balance (Undesignated) per chapter 20	\$ 149,065
Opening balance adjustments:	
Prior year designation for continuing balances	36,569
Total opening balance adjustments	<u>36,569</u>
REVENUE ADJUSTMENTS	
Taxes received more than estimate	6,939
Departmental revenues more than estimate	48,536
Total revenue in excess of estimate	<u>55,475</u>
APPROPRIATION ADJUSTMENTS	
New Legislation	(11,322)
Sum sufficient appropriations more than budgeted	(48,288)
Budget brought forward from previous year	(36,569)
Budget carried to next year for continuing appropriations	9,915
Biennial spend behind	6,835
Total Appropriation Adjustments	<u>(79,429)</u>
LAPSES MORE THAN BUDGETED	47,743
RESIDUAL EQUITY TRANSFERS	8,000
DESIGNATION FOR CONTINUING BALANCES	(9,915)
	\$
UNDESIGNATED FUND BALANCE	<u><u>207,508</u></u>

**Note G General Fund Cash Flow**

Normally the General Fund experiences a short-term cash flow problem in the first half of the year, resulting in the issuance of an operating note. However because cash balances were sufficient during FY 2001 to cover disbursements, no operating note was required.

**Note H Negative 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 and/or local governments in the future.

**Note I Unappropriated Activities**

The Department of Commerce enters into contracts with private vendors 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.

	<b>Commerce</b>
<b>Revenues</b>	\$489,007
<b>Expenditures</b>	\$489,007
<b>Balance</b>	\$0

**Note J Budget Stabilization Fund**

In FY01 the balance of the Budget Stabilization Fund was \$49. This money is being accounted for in the General Fund.

**Note K Change in Presentation of Other Funds**

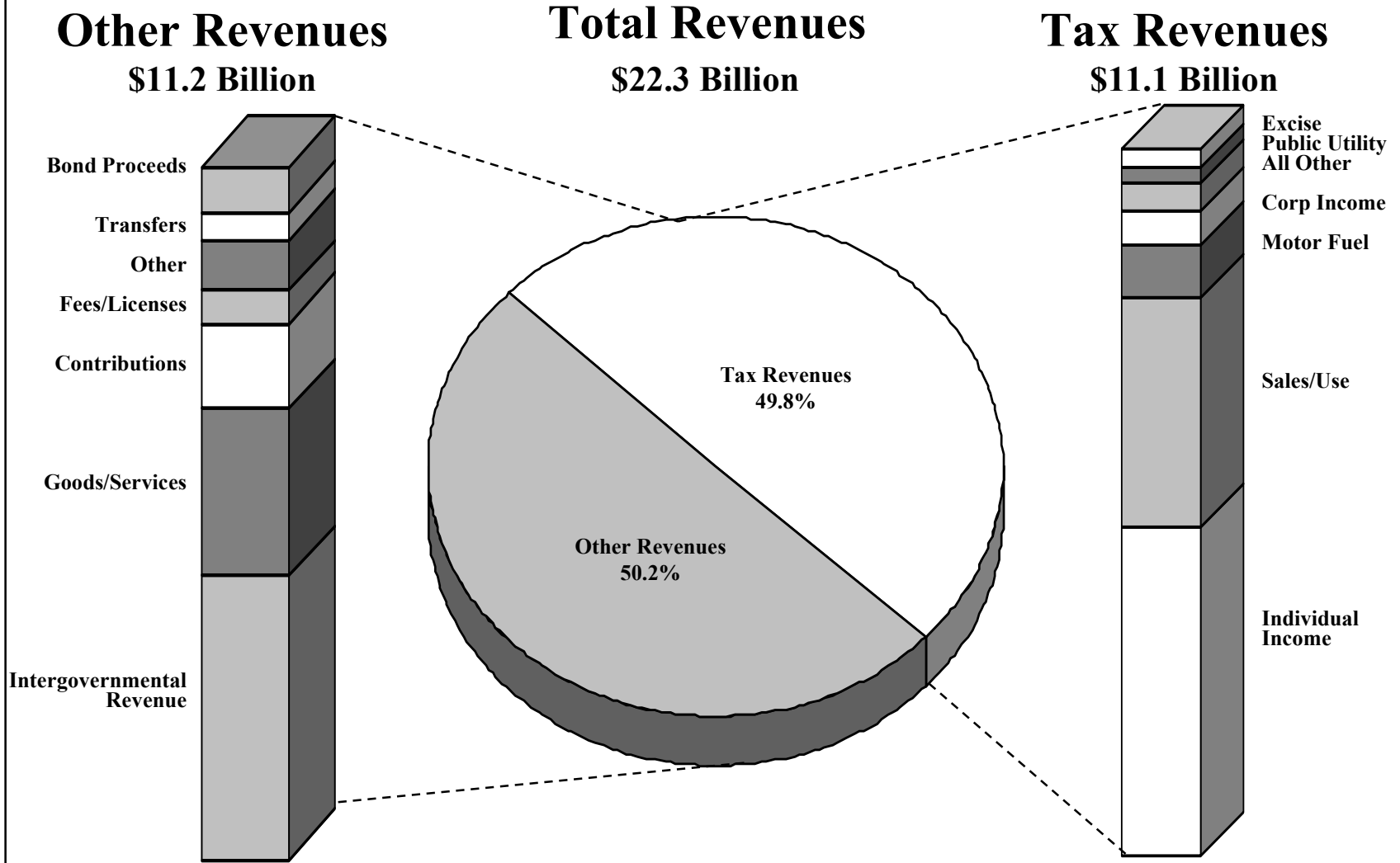
For FY01 we have restated the beginning Fund Balance of Other Funds on the A-2 and A-3 schedules. The other funds have previously only shown revenues and expenditures that have been recording in the accounting ledgers. There are loan receipts and some transactions recorded directly to equity that have not been reflected in the past. The adjustment to the beginning balance and a change in presentation now takes those transactions into account.

## **Supplemental Data**

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# Total Revenues, State of Wisconsin

## For the Fiscal Year Ended June 30, 2001



For more detail on revenues, see Schedule A-2

Exhibit B-1

State of Wisconsin  
 Analysis of Revenues-All Funds  
 Fiscal Years Ended June 30, 2001, 2000, and 1999  
 (In Thousands)

	June 30, 2001	June 30, 2000	June 30, 1999
<b>TAX REVENUES</b>			
General Purpose Revenue			
Income Taxes			
individual.....	\$ 5,156,565	\$ 5,962,010	\$ 5,162,239
Corporation.....	537,159	644,625	635,203
Total Income Taxes.....	5,693,724	6,606,635	5,797,442
Sales and Excise Taxes			
General Sales and Use.....	3,609,895	3,501,659	3,284,695
Cigarette.....	243,512	247,590	257,422
Other Tobacco Products.....	11,355	10,306	9,395
Liquor and Wine.....	35,543	34,564	32,941
Malt Beverage (Beer).....	9,365	9,392	9,163
Total Sales and Excise Taxes.....	3,909,670	3,803,511	3,593,616
Public Utility Taxes			
Private Light, Heat and Power.....	136,408	121,144	117,056
Municipal Light, Heat and Power.....	1,584	1,541	1,481
Telephone.....	80,375	114,720	149,388
Pipeline.....	10,431	11,881	9,457
Electric Cooperative.....	8,248	7,803	7,536
Municipal Electric.....	1,393	1,394	1,336
Conservation and Regulation.....	593	639	678
Utility Tax (Refunds) Interest and Penalties.....	206	862	153
Total public Utility Taxes.....	239,238	259,984	287,085
Inheritance, Estate and Gift Taxes			
Inheritance and Estate.....	77,080	133,261	116,820
Gift.....	4	0	78
Total Inheritance, Estate and Gift Taxes.....	77,084	133,261	116,898
Miscellaneous Taxes			
Insurance Companies (Premiums).....	89,042	86,878	97,045
Real Estate Transfer Fee.....	44,224	45,293	43,971
Lawsuits (Courts).....	10,124	10,144	9,598
Pari-mutuel Taxes.....	333	0	2,191
Other.....	0	192	568
Total Miscellaneous Taxes.....	143,723	142,507	153,373
<b>TOTAL GPR TAX REVENUES.....</b>	<b>10,063,439</b>	<b>10,945,898</b>	<b>9,948,414</b>
<b>Program Tax Revenues</b>			
Fire Dues.....	10,298	8,410	8,630
Pari-mutuel Taxes.....	2,526	3,038	1,198
County Expo Tax Administration.....	362	349	400
Baseball Park Administration Fee.....	341	329	314



Exhibit B-1

State of Wisconsin  
 Analysis of Revenues-All Funds  
 Fiscal Years Ended June 30, 2001, 2000, and 1999  
 (In Thousands)

	June 30, 2001	June 30, 2000	June 30, 1999
<b>Program Tax Revenues, Cont</b>			
Business Trust Regulation Fee.....	\$ 1,808	\$ 1,504	\$ 1,998
Sales Tax Audits.....	0	0	348
Other.....	557	(1,748)	27
<b>TOTAL PROGRAM TAX REVENUES.....</b>	<b>15,892</b>	<b>11,882</b>	<b>12,915</b>
<b>TOTAL-GENERAL FUND TAX REVENUES.....</b>	<b>10,079,331</b>	<b>10,957,780</b>	<b>9,961,329</b>
Type of Revenues			
Transportation Fund			
Motor Fuel Tax.....	827,467	809,459	797,023
Air-Carrier Tax.....	9,333	9,041	8,558
Railroad Tax.....	1,256	11,526	12,062
Aviation Fuel Tax.....	1,250	1,283	1,354
Other Taxes.....	3,628	3,456	2,883
Conservation Fund			
2/10 Mill Forestry Mill Tax.....	57,309	53,313	49,797
Forest Crop Taxes.....	1,340	4,749	2,456
Mediation Fund.....	3	3	3
Petroleum Inspection Tax.....	90,982	105,215	110,699
Recycling Fund			
Temporary Service Charges.....	26,331	9,613	35,755
<b>TOTAL STATE TAX REVENUES.....</b>	<b>11,098,230</b>	<b>11,965,438</b>	<b>10,981,919</b>
Intergovernmental Revenue.....	6,226,563	4,846,610	4,378,497
Licenses and Permits.....	731,488	702,872	649,587
Charges for Goods and Services.....	3,660,392	2,102,615	1,954,472
Contributions.....	1,847,521	1,558,509	1,697,288
Interest and Investment Income.....	(4,003,889)	8,119,031	5,825,766
Gifts and Donations.....	373,699	349,206	281,312
Proceeds from Sale of Bonds.....	1,012,419	702,676	490,003
Other Revenues.....	(148,006)	1,594,784	965,883
Other Transactions.....	857,949	273,203	218,654
<b>TOTAL DEPARTMENTAL REVENUES.....</b>	<b>10,558,136</b>	<b>20,249,506</b>	<b>16,461,462</b>
<b>TRANSFERS.....</b>	<b>620,138</b>	<b>658,366</b>	<b>656,836</b>
<b>TOTAL REVENUES.....</b>	<b>\$ 22,276,504</b>	<b>\$ 32,873,310</b>	<b>\$ 28,100,217</b>

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, 2001  
(In Thousands)

Agency	Appr		Prior Year Encumbrance	Chapter 20	Increases	Expenditures	Lapse	
<b>State Operations</b>								
370	116	1fe	Endangered Resources General Fund..... \$	0	500	0	500	\$ 0
370	211	2da	Waste Tire Removal and Recovery.....	19	0	0	19	0
410	104	1c	Reimbursement Claims from Counties With State Institutions.....	0	180	21	201	0
435	610	6dm	Nursing Home Monitoring Supplement.....	0	0	0	0	0
455	102	1b	Special Counsel.....	0	1,100	0	778	322
455	202	2am	Officer Training Reimbursement.....	0	50	50	100	0
465	103	1c	Public Emergencies.....	0	49	5	54	0
505	402	4b	Adjudication of Equalization Appeals.....	0	0	0	0	0
505	405	4d	Claims Awards.....	0	25	0	2	23
525	101	1a	Governor'S Office Administration.....	0	2,957	114	3,071	0
525	102	1b	Contingent Fund.....	0	22	0	22	0
525	103	1c	Membership In National Assoc.....	0	111	0	111	0
525	201	2a	Executive Residence.....	0	185	53	238	0
625	101	1a	Circuit Courts.....	0	51,355	2,088	53,443	0
660	101	1a	Court Of Appeals.....	0	7,579	422	8,001	0
680	101	1a	Supreme Court.....	0	4,069	628	4,697	0
765	101	1a	Assembly.....	0	20,558	2,152	22,710	0
765	103	1b	Senate.....	0	13,346	721	14,067	0
765	104	1d	Legislative Documents.....	0	8,285	0	7,333	952
765	308	3fa	Membership In National Assoc.....	0	168	0	155	13
855	101	1a	Obligation On Operating Notes.....	0	7,800	0	0	7,800
855	102	1b	Operating Notes Expenses.....	0	110	0	0	110
855	108	1bm	Payment of Cancelled Drafts.....	0	1,100	0	0	1,100
855	301	3a	Capitol Offices Relocation.....	0	4,119	5,703	9,822	0
855	401	4a	Interest On Overpayment Of Taxes.....	0	900	9	909	0
855	403	4c	Minnesota Income Tax Reciprocity.....	0	44,000	0	42,610	1,390
855	405	4e	Transfer To Conservation Fund - Land Acquisition.....	0	248	0	247	1
855	408	4f	Supplemental Title Fee Matching.....	0	10,700	580	11,280	0
865	101	1a	Judgement & Legal Expenses.....	0	50	15	15	50
<i>Total State Operations.....</i>				19	179,566	12,561	180,385	11,761
<b>Aids and Local Assistance</b>								
115	202	2b	Animal Disease Indemnities.....	0	109	30	139	0
235	104	1e	MN-WI Student Reciprocity.....	0	0	0	(2,485)	2,485
235	109	1fy	Academic Excellence.....	0	2,855	39	2,894	0
255	201	2ac	General Equalization Aids.....	0	3,931,872	0	3,871,222	60,650
255	218	2fm	Charter Schools.....	0	11,666	0	9,165	2,501
255	235	2fu	Milwaukee Parental Choice Program.....	204	49,771	(572)	49,246	157
255	306	3c	National Teacher Certification.....	0	85	0	45	40
370	503	5da	Aids In Lieu Of Taxes.....	0	3,300	92	3,392	0
380	201	2dq	Kickapoo Valley Reserve; Aids in lieu of taxes.....	0	0	186	186	0
435	323	3bm	Services for Children and Families.....	0	250	(250)	0	0
435	774	7da	Reimburse Local Units of Government.....	206	400	(305)	301	0
435	715	7ed	State Supplement to Federal Supplemental Security Income Program.....	0	128,282	0	128,282	0
445	102	1aa	Special Death Benefit.....	0	479	0	259	220
465	305	3e	Disaster Recovery Aids.....	0	1,347	2,095	3,442	0
505	412	4er	Volunteer Firefighter & EMT Service Award Program.....	0	600	0	0	600
515	101	1a	Annuity Supplements And Payments.....	0	4,987	0	4,955	32
515	102	1b	Post Retirement Health Ins Premiums.....	0	5	0	0	5
835	108	1b	Small Municipalities Shared Revenue.....	0	11,000	0	11,000	0
835	101	1c	Expenditure Restraint Program Acct.....	0	57,000	0	57,000	0
835	102	1d	Shared Revenue Account.....	0	930,460	0	930,460	0
835	109	1e	State Aid: Computers.....	0	71,000	3,005	74,005	0
835	103	1f	County Mandate Relief Account.....	0	20,764	0	20,764	0
835	201	2am	One Time Sales Tax Rebate.....	0	0	287	287	0
835	203	2c	Homestead Tax Credit.....	0	96,800	2,769	99,569	0

Exhibit B-2

General Fund Sum Sufficient Appropriations  
For the Fiscal Year Ended June 30, 2001  
(In Thousands)

Agency	Appr		Prior Year Encumbrance	Chapter 20	Increases	Expenditures	Lapse	
<b>Aids and Local Assistance (Continued)</b>								
835	208	2ci	Development Zones Investment Credit.....	\$ 0	3	0	0	\$ 3
835	210	2cl	Development Zones Location Credit.....	0	3	0	0	3
835	204	2cm	Development Zones Jobs Credit.....	0	150	0	0	150
835	206	2cn	Development Zones Sales Tax Credit.....	0	150	0	0	150
835	205	2dm	Farmland Preservation Credit.....	0	16,000	1,358	17,358	0
835	214	2dn	Farmland Tax Relief Credit.....	0	0	0	0	0
835	209	2ep	Cigarette Tax Refunds.....	0	10,310	0	9,833	477
835	212	2f	Earned Income Tax Credit.....	0	13,000	0	11,869	1,131
835	302	3b	School Levy Tax Credit.....	0	469,305	0	469,305	0
855	402	4b	Election Campaign Payment.....	0	310	15	325	0
<i>Total Aids and Local Assistance.....</i>				410	5,832,263	8,749	5,772,818	68,604
<b>Principal Repayment and Lease Rental</b>								
115	205	2D	Principal Repayment and Interest.....	0	0	0	(9)	9
115	702	7b	Principal Repayment and Interest.....	0	154	0	0	154
115	707	7f	Principal Repayment and Interest.....	0	131	3	134	0
190	101	1c	Principal Repayment and Interest.....	0	872	0	820	52
190	102	1d	Principal Repayment and Interest.....	0	200	0	151	49
225	103	1c	Principal Repayment and Interest.....	0	845	149	994	0
245	106	1e	Principal Repayment and Interest.....	0	25	(25)	0	0
245	210	2e	Principal Repayment and Interest.....	0	787	251	1,038	0
245	505	5e	Principal Repayment and Interest.....	0	499	(2)	497	0
250	105	1e	Principal Repayment and Interest.....	0	159	0	158	1
255	104	1d	Principal Repayment and Interest.....	0	1,130	145	1,275	0
275	107	1er	Principal Repayment and Interest.....	0	207	0	1	206
275	108	1es	Principal Repayment and Interest.....	0	2,715	0	1,578	1,137
285	110	1d	Principal Repayment and Interest.....	0	80,314	14,342	94,656	0
320	103	1c	Principal Repayment and Interest.....	0	30,044	0	28,691	1,353
320	282	2c	Principal Repayment and Interest.....	0	780	353	1,133	0
370	701	7aa	Principal Repayment and Interest.....	0	20,815	520	21,335	0
370	704	7ba	Principal Repayment and Interest.....	0	2,161	0	1,873	288
370	705	7ca	Principal Repayment and Interest.....	0	2,979	0	2,695	284
370	706	7cb	Principal Repayment and Interest.....	0	68,963	0	68,350	613
370	707	7cc	Principal Repayment and Interest.....	0	17,001	0	16,956	45
370	708	7cd	Principal Repayment and Interest.....	0	860	0	844	16
370	713	7ce	Principal Repayment and Interest.....	0	140	3	143	0
370	714	7cf	Principal Repayment and Interest.....	0	64	0	63	1
370	709	7ea	Principal Repayment and Interest.....	0	554	0	525	29
410	107	1e	Principal Repayment and Interest.....	0	55,629	303	55,932	0
410	307	3e	Principal Repayment and Interest.....	0	4,125	463	4,588	0
435	207	2ee	Principal Repayment and Interest.....	0	10,439	1,635	12,074	0
435	602	6e	Principal Repayment and Interest.....	0	31	75	106	0
465	104	1d	Principal Repayment and Interest.....	0	2,994	387	3,381	0
485	106	1f	Principal Repayment and Interest.....	0	1,421	77	1,498	0
505	503	5c	Principal Repayment and Interest.....	0	99	0	0	99
867	102	1b	Principal Repayment and Interest.....	0	1,159	9,132	10,291	0
867	301	3a	Principal Repayment and Interest.....	0	24,278	0	(2,152)	26,430
867	302	3b	Principal Repayment and Interest.....	0	0	1,280	1,280	0
867	304	3d	Principal Repayment and Interest.....	0	0	0	0	0
867	305	3e	Principal Repayment and Interest.....	0	0	0	0	0
<i>Total Principal Repayment and Lease Rental.....</i>				0	332,574	29,091	330,899	30,766
<b>Pay Plan &amp; Supplement</b>								
865	103	1c	Salary.....	0	0	89,547	89,547	0
865	104	1d	Fringe.....	0	203	22,356	22,559	0
<i>Total Pay Plan &amp; Supplements.....</i>				0	203	111,903	112,106	0
<b>TOTAL GENERAL FUND SUM SUFFICIENTS</b>				\$ 429	6,344,606	162,304	6,396,208	\$ 111,131