

State of Wisconsin

Notice of **Material Information** #2006-11
Dated October 30, 2006

Information Cover Sheet

This page is a cover sheet to the attached document that is being submitted to and filed with each of the Nationally Recognized Municipal Securities Information Repositories and the Municipal Securities Rulemaking Board. At this time, no State Information Depository has been established for the State of Wisconsin. This page is not intended to be part of the filing; rather, it is intended to only assist with the filing and classification of the attached submittal.

Issuer: State of Wisconsin

CUSIP Numbers: 977053 Prefix (All) 977055 Prefix (All)
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977123 Prefix (All)

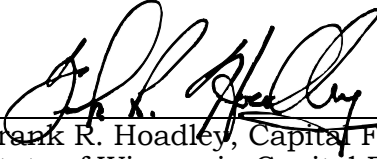
This filing relates to all securities issued by the State of Wisconsin that contain these six-digit base CUSIP numbers.

Type of Filing: Electronic. The following submission is also available on the State of Wisconsin Capital Finance web site at:

www.doa.state.wi.us/capitalfinance

Type of Information: Other Secondary Market Information
Monthly General Fund Financial Information Report
September 2006

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) and is authorized to distribute this information publicly.



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State of Wisconsin
Notice of **Material Information** #2006-11
Dated October 30, 2006

The State of Wisconsin is voluntarily making this filing, which provides information which may be material to financial evaluation of one or more obligations of the State of Wisconsin. Neither the preparation nor submission of this document constitutes a Listed Event pursuant to the State's Master Agreement on Continuing Disclosure. This page is part of the official filing, and is intended to provide additional comment or information on the attached material

Type of Information: Other Secondary Market Information

Attached is the Monthly General Fund Financial Information Report for September, 2006.

The State of Wisconsin has electronically filed this notice with each Nationally Recognized Municipal Securities Information Repository through DisclosureUSA. This filing is also available on the State of Wisconsin Capital Finance Office web site at:

www.doa.state.wi.us/capitalfinance/



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October 30, 2006

To the Users of This Report:

Re: Monthly Financial Information—September 2006

Please find attached the Report of General Fund Financial Information for the month ending September 30, 2006. All footnotes and additional information for the tables appear as endnotes on the last two pages of this report.

This cover letter is intended to provide comment on the attached tables of general fund financial information.

On October 15, 2006, the Annual Fiscal Report (budgetary basis) for FY06 was published. It reports the State ended FY06 on a statutory and unaudited basis with an undesignated balance of \$49 million. It also reports that General Fund revenues for FY06 (budgetary basis) were \$12.030 billion, which was \$80 million more than the Legislative Fiscal Bureau projections of January, 2006 and \$633 million more than FY05. A complete copy of the Annual Fiscal Report (budgetary basis) can be obtained from State of Wisconsin Capital Finance Office website (www.doa.state.wi.us/capitalfinance), or from the State at the address shown above.

Sincerely,

Frank R. Hoadley
Capital Finance Director
(608) 266-2305

Monthly General Fund Financial Information State of Wisconsin

For the Period Ending September 30, 2006

Prepared by the Wisconsin Department of Administration

Prepared on October 30, 2006

The following tables of general fund financial information are provided with respect to securities issued by the State of Wisconsin. The information may be material to an investment decision in the securities, although the presence of information here does not imply the State of Wisconsin has made a determination of its materiality.

THE PROJECTED GENERAL FUND CASH FLOW REFLECTS THE PROVISIONS OF 2005 WISCONSIN ACT 25, WHICH IS THE BUDGET BILL FOR FY 06 AND FY 07, AND THE REVENUE ESTIMATES RELEASED BY THE LEGISLATIVE FISCAL BUREAU (LFB) ON JANUARY 19, 2006.

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1. **Cautionary Information!**
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3. **General Fund Cash Flow Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**
This table corresponds to Table II-8, page 44, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
4. **General Fund Monthly Cash Position (Cash Basis)**
This table corresponds to Table II-9, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
5. **Actual and Projected General Fund Monthly Balances Available for Interfund Borrowing**
This table corresponds to Table II-10, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
6. **General Fund Recorded Revenues Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**
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7. **General Fund Recorded Expenditures Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**
This table corresponds to Table II-12, page 48, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
8. **Footnotes and Additional Information.**

Cautionary Information

| |
|--|
| Users of this information should be cautioned about several points: |
|--|

The general fund financial information in this document has been prepared using what is believed to be the best available data for these purposes. The tables in this document have been prepared using the same procedures used to prepare similar information for the State of Wisconsin Continuing Disclosure Annual Report, Official Statements prepared for specific securities, or reports filed in conjunction with various securities. This information is, however, preliminary in nature and subject to change.

- This information is unaudited and is not a “financial statement.” None of the data presented here has been subjected to customary fiscal period closing procedures or the procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.
- This information only speaks as of the date on which it was prepared.
- Statements of information for dates before the date this information is prepared will most likely be restated or revised. Information classified as “actual”, and any difference from any prior estimate, does not signify a change to official estimates. Any official revenue or expenditure re-estimates that do occur will be separately identified, and if material, appropriately noted.
- The information does not intend to reflect the State’s projected budgetary balance for FY07. The State issued on October 15, 2006 its Annual Fiscal Report (budgetary basis) for FY06.
- Projections of results for dates after the date this information is prepared are forward looking. Actual results will almost certainly differ.
 - It is important to note that cash flow projections are expressed on a *cash basis* while the revenue estimates released by the Department of Revenue and LFB are expressed on a *budgetary basis* and net of any refunds. The projected General Fund cash flow for FY07 reflects the revenue estimates released by LFB on January 19, 2006.
 - Projections are not adjusted to reflect actual revenues and expenditures and routine variability in the timing of receipts and disbursements, but may be adjusted to reflect unique events.
 - Projections of remaining fiscal year cash flow may be adjusted when necessary to reflect unforeseen events or additional revised forecasts of the general fund condition statement.
- Data in these tables of financial information are subject to revision and reclassification for prior periods. This is particularly true for revenue data, where proper classification depends on tax returns which are received and processed significantly after the tax payments are received through electronic transfers.
- Some information is presented on a cash basis of accounting while other data is presented on a budgetary or agency recorded basis. Users should not compare information that is presented on one basis of accounting with information that is presented on a different basis of accounting.
- Comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- The State of Wisconsin is not obligated to provide this information or make it available on its website.
- None of the information in these tables of financial information is required by the State of Wisconsin’s continuing disclosure undertakings pursuant to SEC rule 15c2-12.
 - This information is not, and does not replace, a notice of a material event required by SEC rule 15c2-12.
 - This information is not, and does not replace, the annual financial information required by SEC rule 15c2-12.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2006 TO SEPTEMBER 30, 2006
PROJECTED GENERAL FUND CASH FLOW; OCTOBER 1, 2006 TO JUNE 30, 2007^(a)

(In Thousands of Dollars)

| | July 2006 | August 2006 | September 2006 | October 2006 | November 2006 | December 2006 | January 2007 | February 2007 | March 2007 | April 2007 | May 2007 | June 2007 |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| BALANCES^(b) | | | | | | | | | | | | |
| Beginning Balance | \$4,563 | (\$195,929) | \$108,161 | \$355,567 | \$919,624 | \$659,153 | (\$80,579) | \$1,070,633 | \$1,135,232 | \$51,253 | \$527,417 | \$1,077,560 |
| Ending Balance ^(c) | (\$195,929) | \$108,161 | \$355,567 | \$919,624 | \$659,153 | (\$80,579) | \$1,070,633 | \$1,135,232 | \$51,253 | \$527,417 | \$1,077,560 | \$48,885 |
| Lowest Daily Balance ^(c) | (451,652) | (488,713) | (100,789) | 219,954 | 480,406 | (859,920) | (99,165) | 726,018 | 33,136 | (362,954) | 389,542 | (402,366) |
| RECEIPTS | | | | | | | | | | | | |
| TAX RECEIPTS | | | | | | | | | | | | |
| Individual Income | 565,897 | 474,676 | 605,681 | 667,700 | 436,100 | 501,900 | 1,151,000 | 528,000 | 500,200 | 1,070,400 | 552,200 | 673,800 |
| Sales & Use | 402,145 | 401,109 | 397,579 | 400,300 | 392,200 | 358,100 | 431,300 | 330,500 | 316,000 | 362,300 | 369,900 | 392,900 |
| Corporate Income | 37,496 | 28,116 | 185,473 | 33,500 | 25,400 | 172,500 | 26,300 | 19,400 | 214,300 | 32,100 | 20,700 | 153,200 |
| Public Utility | 50 | 11 | 99 | 4,500 | 144,700 | 2,000 | 0 | 1,300 | 100 | 3,300 | 138,000 | 1,000 |
| Excise | 34,911 | 32,778 | 34,592 | 30,200 | 37,600 | 30,000 | 29,200 | 30,800 | 25,900 | 28,600 | 31,800 | 31,500 |
| Insurance | 316 | 938 | 30,876 | 500 | 1,500 | 38,000 | 2,100 | 18,700 | 27,900 | 28,700 | 1,700 | 29,300 |
| Inheritance | 7,193 | 9,971 | 8,044 | 8,700 | 10,400 | 8,100 | 13,700 | 9,300 | 10,400 | 17,300 | 10,600 | 9,500 |
| Subtotal Tax Receipts | \$1,048,008 | \$947,599 | \$1,262,344 | \$1,145,400 | \$1,047,900 | \$1,110,600 | \$1,653,600 | \$938,000 | \$1,094,800 | \$1,542,700 | \$1,124,900 | \$1,291,200 |
| NON-TAX RECEIPTS | | | | | | | | | | | | |
| Federal | \$502,417 | \$581,763 | \$513,024 | \$507,317 | \$561,265 | \$519,962 | \$590,120 | \$529,214 | \$557,686 | \$489,013 | \$563,560 | \$563,435 |
| Other & Transfers ^(d) | 370,205 | 166,183 | 513,130 | 320,200 | 320,500 | 270,200 | 502,700 | 504,700 | 355,432 | 379,900 | 457,100 | 430,100 |
| Note Proceeds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Non-Tax Receipts | \$872,622 | \$747,946 | \$1,026,154 | \$827,517 | \$881,765 | \$790,162 | \$1,092,820 | \$1,033,914 | \$913,118 | \$868,913 | \$1,020,660 | \$993,535 |
| TOTAL RECEIPTS | \$1,920,630 | \$1,695,545 | \$2,288,498 | \$1,972,917 | \$1,929,665 | \$1,900,762 | \$2,746,420 | \$1,971,914 | \$2,007,918 | \$2,411,613 | \$2,145,560 | \$2,284,735 |
| DISBURSEMENTS | | | | | | | | | | | | |
| Local Aids | \$896,807 | \$130,871 | \$824,354 | \$134,188 | \$985,474 | \$1,324,475 | \$244,452 | \$249,671 | \$1,306,572 | \$134,143 | \$197,844 | \$1,958,030 |
| Income Maintenance | 509,527 | 436,928 | 399,100 | 435,351 | 461,947 | 435,965 | 449,715 | 424,823 | 446,385 | 372,613 | 423,613 | 322,256 |
| Payroll and Related | 295,693 | 358,565 | 411,764 | 312,961 | 337,575 | 353,568 | 385,111 | 350,009 | 501,427 | 313,274 | 337,438 | 409,290 |
| Tax Refunds | 64,862 | 80,941 | 45,628 | 45,800 | 62,900 | 128,500 | 73,200 | 465,900 | 480,600 | 422,800 | 177,300 | 133,600 |
| Debt Service | 58,612 | 2,473 | 0 | 169,957 | 5,001 | 0 | 0 | 5,001 | 0 | 330,700 | 5,001 | 0 |
| Miscellaneous ^(d) | 295,621 | 381,677 | 360,246 | 310,603 | 337,239 | 397,986 | 442,730 | 411,911 | 356,914 | 361,919 | 454,221 | 490,234 |
| Note Repayment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL DISBURSEMENTS | \$2,121,122 | \$1,391,455 | \$2,041,092 | \$1,408,860 | \$2,190,136 | \$2,640,494 | \$1,595,208 | \$1,907,315 | \$3,091,898 | \$1,935,449 | \$1,595,417 | \$3,313,410 |

Note: All footnotes to this table appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR^(e)**

(Cash Basis)

As of September 30, 2006

(Amounts in Thousands)

| | <u>FY06 through September 2005</u> | | <u>FY07 through September 2006</u> | | | | Difference FY06 Actual to FY07 Actual |
|-----------------------------------|------------------------------------|--|------------------------------------|-------------------------------|---------------------|--|---|
| | <u>Actual</u> | | <u>Actual</u> | <u>Estimate^(a)</u> | <u>Variance</u> | <u>Adjusted Variance^(f)</u> | |
| RECEIPTS | | | | | | | |
| Tax Receipts | | | | | | | |
| Individual Income | \$ 1,628,854 | | \$ 1,646,254 | \$ 1,636,600 | \$ 9,654 | \$ 9,654 | \$ 17,400 |
| Sales | 1,187,702 | | 1,200,833 | 1,219,100 | (18,267) | (18,267) | 13,131 |
| Corporate Income | 227,107 | | 251,084 | 192,600 | 58,484 | 58,484 | 23,977 |
| Public Utility | 220 | | 160 | 400 | (240) | (240) | (60) |
| Excise | 104,139 | | 102,281 | 97,100 | 5,181 | 5,181 | (1,858) |
| Insurance | 29,821 | | 32,130 | 30,100 | 2,030 | 2,030 | 2,309 |
| Inheritance | 32,344 | | 25,208 | 47,900 | (22,692) | (22,692) | (7,136) |
| Total Tax Receipts | \$ 3,210,187 | | \$ 3,257,950 | \$ 3,223,800 | \$ 34,150 | \$ 34,150 | \$ 47,763 |
| Non-Tax Receipts | | | | | | | |
| Federal | \$ 1,633,842 | | \$ 1,597,204 | \$ 1,699,194 | \$ (101,990) | \$ (101,990) | \$ (36,638) |
| Other and Transfers | 1,124,380 | | 1,052,521 | 1,135,200 | (82,679) | (82,679) | (71,859) |
| Note Proceeds ^(g) | - | | - | - | - | - | - |
| Total Non-Tax Receipts | \$ 2,758,222 | | \$ 2,649,725 | \$ 2,834,394 | \$ (184,669) | \$ (184,669) | \$ (108,497) |
| TOTAL RECEIPTS | \$ 5,968,409 | | \$ 5,907,675 | \$ 6,058,194 | \$ (150,519) | \$ (150,519) | \$ (60,734) |
| DISBURSEMENTS | | | | | | | |
| Local Aids | \$ 1,784,267 | | \$ 1,852,032 | \$ 1,839,639 | \$ (12,393) | \$ (12,393) | \$ 67,765 |
| Income Maintenance | 1,412,375 | | 1,345,555 | 1,425,080 | 79,525 | 79,525 | (66,820) |
| Payroll & Related | 1,038,485 | | 1,066,022 | 1,056,252 | (9,770) | (9,770) | 27,537 |
| Tax Refunds | 167,211 | | 191,431 | 145,900 | (45,531) | (45,531) | 24,220 |
| Debt Service | - | | 61,085 | 63,613 | 2,528 | 2,528 | 61,085 |
| Miscellaneous | 1,063,335 | | 1,037,544 | 1,196,529 | 158,985 | 158,985 | (25,791) |
| Note Repayment ^(g) | - | | - | - | - | - | - |
| TOTAL DISBURSEMENTS | \$ 5,465,673 | | \$ 5,553,669 | \$ 5,727,013 | \$ 173,344 | \$ 173,344 | \$ 87,996 |
| VARIANCE FY07 YEAR-TO-DATE | | | | | \$ 22,825 | \$ 22,825 | |

Note: All footnotes to this table appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

GENERAL FUND MONTHLY CASH POSITION^(b)
July 1, 2004 through September 30, 2006 — Actual
October 1, 2006 through June 30, 2007 — Estimated^(a)
(Amounts in Thousands)

| | <u>Starting Date</u> | <u>Starting Balance</u> | | <u>Receipts^(g)</u> | <u>Disbursements^(g)</u> |
|------|----------------------|----------------------------|--|-------------------------------|------------------------------------|
| 2004 | July..... | \$ (21,216) ^(c) | | \$ 1,525,326 | \$ 1,935,550 |
| | August..... | (431,440) ^(c) | | 1,865,101 | 1,224,534 |
| | September..... | 209,127 | | 2,123,484 | 1,796,300 |
| | October..... | 536,311 | | 1,717,213 | 1,377,813 |
| | November..... | 875,711 | | 1,893,722 | 1,856,738 |
| | December..... | 912,695 ^(c) | | 1,633,039 | 2,340,555 |
| 2005 | January..... | 205,179 | | 2,417,010 | 1,448,909 |
| | February..... | 1,173,280 | | 1,833,051 | 1,789,367 |
| | March..... | 1,216,964 | | 1,859,956 | 2,704,980 |
| | April..... | 371,940 | | 2,042,253 | 1,831,196 |
| | May..... | 582,997 | | 1,895,196 | 1,475,143 |
| | June..... | 1,003,050 ^(c) | | 2,075,730 | 3,272,463 |
| | July..... | (193,683) ^(c) | | 1,826,490 | 2,049,886 |
| | August..... | (417,079) ^(c) | | 1,862,861 | 1,309,154 |
| | September..... | 136,628 ^(c) | | 2,279,058 | 2,106,633 |
| | October..... | 309,053 | | 1,832,855 | 1,323,363 |
| | November..... | 818,545 | | 1,850,883 | 2,082,660 |
| | December..... | 586,768 ^(c) | | 1,829,742 | 2,535,436 |
| 2006 | January..... | (118,926) ^(c) | | 2,453,770 | 1,452,062 |
| | February..... | 882,782 | | 2,082,942 | 1,820,094 |
| | March..... | 1,145,630 | | 1,949,288 | 2,979,887 |
| | April..... | 115,031 ^(c) | | 2,316,434 | 1,600,131 |
| | May..... | 831,334 | | 2,035,524 | 1,496,923 |
| | June..... | 1,369,935 ^(c) | | 2,033,941 | 3,399,313 |
| | July..... | 4,563 ^(c) | | 1,920,630 | 2,121,122 |
| | August..... | (195,929) ^(c) | | 1,695,545 | 1,391,455 |
| | September..... | 108,161 ^(c) | | 2,288,498 | 2,041,092 |
| | October..... | 355,567 | | 1,972,917 | 1,408,860 |
| | November..... | 919,624 | | 1,929,665 | 2,190,136 |
| | December..... | 659,153 ^(c) | | 1,900,762 | 2,640,494 |
| 2007 | January..... | (80,579) ^(c) | | 2,746,420 | 1,595,208 |
| | February..... | 1,070,633 | | 1,971,914 | 1,907,315 |
| | March..... | 1,135,232 | | 2,007,918 | 3,091,898 |
| | April..... | 51,253 ^(c) | | 2,411,613 | 1,935,449 |
| | May..... | 527,417 | | 2,145,560 | 1,595,417 |
| | June..... | 1,077,560 ^(c) | | 2,284,735 | 3,313,410 |

Note: All footnotes to this table appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

CASH BALANCES IN FUNDS AVAILABLE FOR INTERFUND BORROWING^(h)
July 31, 2004 to September 30, 2006 — Actual
October 31, 2006 to June 30, 2007 — Projected
(Amounts in Millions)

The following two tables show, on a monthly basis, the cash balances available for interfund borrowing. The first table does not include balances in the Local Government Investment Pool (LGIP). While the LGIP is available for interfund borrowing, funds in the LGIP are deposited and withdrawn by local units of government, and thus are outside the control of the State.

(Does Not Include Balances in the Local Government Investment Pool)

| <u>Month (Last Day)</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| January | | \$ 830 | \$ 1,118 | \$ 1,118 |
| February | | 960 | 1,041 | 1,041 |
| March | | 1,043 | 1,188 | 1,188 |
| April | | 964 | 957 | 957 |
| May | | 1,045 | 912 | 912 |
| June | | 1,182 | 1,074 | 1,074 |
| July | \$ 908 | 1,048 | 932 | |
| August | 1,003 | 1,100 | 1,053 | |
| September | 997 | 1,176 | <u>1,067</u> | |
| October | 954 | 1,115 | 1,115 | |
| November | 827 | 1,167 | 1,167 | |
| December | 892 | 1,135 | 1,135 | |

The second table includes the balances in the LGIP. The average monthly daily balances in the LGIP for the past five years have ranged from a low of \$2.216 billion during November 2002 to a high of \$4.521 billion during March 2002.

(Includes Balances in the Local Government Investment Pool)

| <u>Month (Last Day)</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| January | | \$ 3,818 | \$ 4,232 | \$ 4,232 |
| February | | 3,984 | 4,237 | 4,237 |
| March | | 4,101 | 4,476 | 4,476 |
| April | | 3,749 | 3,981 | 3,981 |
| May | | 3,627 | 3,708 | 3,708 |
| June | | 3,905 | 3,940 | 3,940 |
| July | \$ 4,268 | 4,193 | 4,218 | |
| August | 3,904 | 3,823 | 3,978 | |
| September | 3,726 | 3,746 | <u>3,845</u> | |
| October | 3,233 | 3,361 | 3,361 | |
| November | 3,059 | 3,370 | 3,370 | |
| December | 3,392 | 3,692 | 3,692 | |

Note: All footnotes to this table appear on the last two pages of this report in the section entitled **“Endnotes and Additional Information”**.

GENERAL FUND RECORDED REVENUES^(e)
(Agency Recorded Basis)
July 1, 2006 to September 30, 2006 compared with previous year

| | Annual Fiscal Report Revenues 2005-06 FY⁽ⁱ⁾ | Projected Revenues 2006-07 FY^(a) | Recorded Revenues July 1, 2005 to September 30, 2005^(j) | Recorded Revenues July 1, 2006 to September 30, 2006^(k) |
|--|---|--|---|---|
| Individual Income Tax | \$ 6,144,299,000 | \$ 6,405,000,000 | \$ 1,173,868,808 | \$ 1,226,093,959 |
| General Sales and Use Tax | 4,127,585,000 | 4,358,100,000 | 719,247,016 | 742,376,097 |
| Corporate Franchise and Income Tax | 780,320,000 | 785,000,000 | 210,741,599 | 229,568,866 |
| Public Utility Taxes | 275,147,000 | 283,400,000 | 77,402 | 0 |
| Excise Taxes | 368,693,000 | 364,600,000 | 65,902,104 | 66,858,565 |
| Inheritance Taxes | 108,571,000 | 130,000,000 | 32,360,125 | 23,922,415 |
| Insurance Company Taxes | 134,665,000 | 142,400,000 | 1,491,193 | 842,481 |
| Miscellaneous Taxes | 90,806,000 | 91,500,000 | 20,835,119 | 19,052,914 |
| SUBTOTAL..... | \$ 12,030,086,000 | \$ 12,560,000,000 | 2,224,523,365 | 2,308,715,296 |
| Federal and Other Inter- Governmental Revenues ^(l) | \$ 6,320,576,000 | \$ 5,976,875,800 | 1,593,232,080 | 1,611,848,038 |
| Dedicated and Other Revenues ^(m) | 3,971,208,000 | 4,327,051,300 | 1,048,159,890 | 1,114,970,580 |
| TOTAL..... | \$ 22,321,870,000 | \$ 22,863,927,100 | \$ 4,865,915,334 | \$ 5,035,533,914 |

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(e)
(Agency Recorded Basis)
July 1, 2006 to September 30, 2006 compared with previous year

| | Annual Fiscal Report Expenditures 2005-06 FY⁽ⁱ⁾ | Appropriations 2006-07 FY⁽ⁿ⁾ | Recorded Expenditures July 1, 2005 to September 30, 2005^(o) | Recorded Expenditures July 1, 2006 to September 30, 2006^(p) |
|-----------------------------------|---|--|---|---|
| Commerce..... | \$ 266,877,000 | \$ 280,863,700 | \$ 60,991,485 | \$ 69,428,966 |
| Education..... | 10,146,322,000 | 10,374,195,600 | 1,956,246,458 | 2,089,477,398 |
| Environmental Resources..... | 291,548,000 | 337,924,200 | 22,988,458 | 46,268,876 |
| Human Relations & Resources | 8,712,564,000 | 8,957,964,800 | 2,278,210,550 | 2,323,381,065 |
| General Executive..... | 694,145,000 | 876,584,600 | 170,660,730 | 225,006,975 |
| Judicial..... | 115,262,000 | 113,301,400 | 35,503,482 | 37,354,625 |
| Legislative..... | 61,343,000 | 63,637,700 | 11,940,247 | 12,019,779 |
| General Appropriations..... | 1,859,988,000 | 1,875,696,800 | 670,984,741 | 673,471,440 |
| TOTAL..... | \$ 22,148,049,000 | \$ 22,880,168,800 | \$ 5,207,526,150 | \$ 5,476,409,125 |

Note: All footnotes to these tables appear on the last two pages of this report in the section entitled "Endnotes and Additional Information".

ENDNOTES AND ADDITIONAL INFORMATION

- (a) FY07 projections, or estimates, reflect the biennial budget bill for the 2005-07 biennium (2005 Wisconsin Act 25) and the General Fund revenue estimates released by LFB on January 19, 2006. Projections assume that the State will receive approximately \$112 million pursuant to the amended gaming compacts with tribal governments. Included in this amount is \$82 million, which is the estimate of all payments due in FY07, and \$30 million, which is an estimate of a payment due in the previous biennium that is expected to be made in FY07 by a tribal government. Amounts do not reflect interfund borrowing.
- (b) The General Fund cash balances presented are not based on Generally Accepted Accounting Principles (GAAP). The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the State's universities. Receipts and disbursements of such funds for the designated programs and the disbursement of such funds for other purposes are reflected in the cash flow. A use of the designated funds for purposes other than the proprietary programs is, in effect, a borrowing of such funds. Therefore, at any time that the balance in the General Fund is less than the balance of such designated funds, the State is obligated to replenish the designated funds to the extent of the shortfall. The designated funds were expected to range from \$150 to \$300 million during the FY06 and are expected to range from \$160 to \$300 million during the FY07. In addition, the General Fund is the depository for several escrow accounts pursuant to court orders or federal rulings. These funds were expected to average approximately \$50 million during FY06 and are expected to average approximately \$30 million during FY07.
- (c) The Statutes provide certain administrative remedies to deal with periods when the General Fund is in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds (up to 5% of the general-purpose revenue appropriations then in effect) to the General Fund. This amount is approximately \$661 million for FY07. In addition, the Secretary of Administration may also temporarily reallocate an additional amount up to 3% of the general-purpose revenue appropriations then in effect (approximately \$397 million for FY07) for a period of up to 30 days. If the amount of interfund borrowing available to the General Fund is not sufficient, the Secretary of Administration is authorized to prorate and defer certain payments.
- (d) The FY07 General Fund cash flow includes \$20 million that was transferred from the Petroleum Inspection Fund to the General Fund on September 1, 2006, \$88 million that was expected to be transferred from the Transportation Fund to the General Fund on October 5, 2006, and \$25 million that is expected to be transferred from the General Fund to the Medical Assistance Trust Fund on June 30, 2007.
- (e) Please refer to the cautionary statements contained on page 2 of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- (f) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates can not be changed and the result is a large variance. This column may include adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.
- (g) Operating notes were not issued for FY05 and FY06, and are not currently expected to be issued for FY07.
- (h) The following funds are available for interfund borrowing. The amounts shown reflect a reduction in the aggregate cash balances available to the extent any fund listed below has a negative balance and is subject to interfund borrowing.
- | | | |
|--|---|-------------------------------------|
| Transportation | Common School | Uninsured Employers |
| Conservation (Partial) | Normal School | Health Insurance Risk Sharing Plan |
| Wisconsin Health Education Loan Repayment | University | Local Government Property Insurance |
| Waste Management | Local Government Investment Pool | Patients Compensation |
| Wisconsin Election Campaign | Farms for the Future | Mediation |
| Investment & Local Impact | Agrichemical Management | Medical Assistance |
| Elderly Property Tax Deferral | Historical Society Trust | Environmental |
| Lottery | School Income Fund | Recycling |
| Children's Trust | Benevolent | University Trust Principal |
| Racing | Groundwater | Veterans Mortgage Loan Repayment |
| Work Injury Supplemental Benefit | Petroleum Storage Environmental Cleanup | State Building Trust |
| Unemployment Compensation Interest Repayment | Environmental Improvement Fund | Agricultural College |
- (i) The amounts are from the Annual Fiscal Report (budgetary basis) for FY06, dated October 15, 2006.
- (j) The amounts shown are FY06 revenues as recorded by state agencies.
- (k) The amounts shown are FY07 revenues as recorded by state agencies.
- (l) This category includes intergovernmental transfers. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.
- (m) Certain transfers between General Fund appropriations are recorded as both revenues and expenditures of the General Fund. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.
- (n) Estimated appropriations based on the 2005-07 biennial budget bill (2005 Wisconsin Act 25) and do not reflect any acts subsequent to the biennial budget.
- (o) The amounts shown are FY06 expenditures as recorded by state agencies.
- (p) The amounts shown are FY07 expenditures as recorded by state agencies.

Additional information regarding the tables on the previous pages.

Tribal Government Payments. In May 2004, the Wisconsin Supreme Court ruled that certain amendments to the gaming compacts with tribal governments were unconstitutional. Although this decision concerned only an amendment to a gaming compact with one tribal government, the reasoning of the opinion applied to similar amendments to other gaming compacts that were executed on or after January 1, 2003. Subsequent to the Wisconsin Supreme Court's decision, the State still received in FY04 the expected payments from all but one tribal government, which did not make its payment of about \$30 million.

In FY05, the State received the expected payments from all but two tribal governments. One tribal government placed its payment of nearly \$44 million in escrow for release to the State upon completion of a new amendment to its gaming compact. The other tribal government did not make its payment of about \$30 million.

In FY06, budget and General Fund cash receipts assumed that the State would receive approximately \$146 million pursuant to the amended gaming compacts with tribal governments. This amount reflected (i) \$73 million, which was the estimate of all payments due in FY06, and (ii) \$74 million, which was an estimate of payments due in previous fiscal years that were expected to be made in FY06 by two tribal governments. With respect to the estimated \$73 million of payments due in FY06, the estimated amount due was subsequently revised downward to \$67 million to reflect provisions of the compacts with the tribal governments. As of the date of this report, the State has received payments due in FY06, totaling \$44 million, from all but one tribal government. The State and this tribal government continue arbitration with respect to this tribal government's amended gaming compact. With respect to the estimated \$74 million of payments due in previous fiscal years that were expected to be made in FY06, as of the date of this report, the State has received payments from the two tribal governments that equal this amount.

On July 14, 2006, the Wisconsin Supreme Court held that a 1993 amendment to the gambling provision of the Wisconsin Constitution did not invalidate or affect the extension, renewal, or amendment of State-tribal compacts originally executed in 1991 and 1992. In addition, the Wisconsin Supreme Court overruled a portion of its earlier decision from 2004 that had invalidated compact amendments from 2003 that allowed tribes to offer additional games beyond those agreed to in the original tribal compacts.

For the FY07 budget and General Fund cash receipts, the projections assume that the State will receive approximately \$112 million pursuant to the amended gaming compacts with tribal governments. This amount reflects (i) \$82 million, which is the estimate of all payments due in FY07, and (ii) \$30 million, which is an estimate of a payment due in the previous biennium that is expected to be made in FY07 by a tribal government.