



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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November 2, 2007

To the Users of This Report:

Re: Monthly Financial Information—September 2007

Please find attached the Report of Monthly General Fund Financial Information for the period ending September 30, 2007. All footnotes and additional information for the tables appear as endnotes on the last two pages of this report. This cover letter provides comment on the attached tables of general fund financial information.

- **FY08 Budget Status and Projected FY08 General Fund Cash Flows.** On October 26, 2007, Governor Doyle signed into law the biennial budget for FY08 and FY09. The Wisconsin Legislature had approved this budget bill on October 23, 2007.

The projected general fund cash flow for FY08 includes the \$600 million of operating notes issued on July 2, 2007, which mature on June 16, 2008. While the budget for FY08 is now enacted, the projected general fund cash flow in many of the attached tables for FY08 continues to also reflect the Governor's proposed budget for FY08. Starting with next month's report, the projected general fund cash flow for the remainder of FY08 will be updated to reflect the enacted budget.

- **FY08 Budget; Litigation Regarding Transfer from Injured Patients and Families Compensation Fund.** On October 29, 2007, the Wisconsin Medical Society, Inc. filed a suit in Dane County Circuit Court to prevent the transfer of \$200 million from the State's Injured Patients and Families Compensation Fund to its Medical Assistance Trust Fund. The budget bill for the 2007-09 biennium (2007 Wisconsin Act 20) provides for this transfer to occur in the amounts of \$72 million and \$128 million, respectively, for FY08 and FY09.

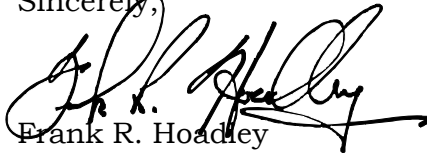
The attached report includes information about the General Fund, while the litigation addresses a transfer from a fund other than the General Fund to the Medical Assistance Trust Fund. If the court were to invalidate the transfer, subsequent legislation would be needed to address the resulting shortfall in the Medical Assistance Trust Fund.

- **Deposit Into Budget Stabilization Fund – FY07.** A transfer of \$55.6 million has been made from the General Fund to the State's Budget Stabilization Fund (which is a "rainy day fund"). This transfer was completed in FY07 and pursuant to provisions of Wisconsin Statutes that address revenues received over original budget estimates.

- **Annual Fiscal Report (Budgetary Basis) - FY07.** On October 15, 2007, the State's Annual Fiscal Report (unaudited, budgetary basis) was released and it showed that the State ended FY07 with an undesignated balance of \$66.3 million. This balance would have been \$55.6 million higher had the transfer to the Budget Stabilization Fund not occurred. The Annual Fiscal Report for FY07 (unaudited, budgetary basis) is available from the Capital Finance Office website (www.doa.state.wi.us/capitalfinance) or at the above address.

Audited financial statements for FY07 are expected to be available by December 31, 2007.

Sincerely,

A handwritten signature in black ink, appearing to read "F. R. Hoadley", written over a printed name.

Frank R. Hoadley
Capital Finance Director

Monthly General Fund Financial Information State of Wisconsin

For the Period Ending September 30, 2007

Prepared by the Wisconsin Department of Administration

Prepared on November 2, 2007

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.

PROJECTED GENERAL FUND CASH FLOW FOR FY08 REFLECTS THE GOVERNOR'S PROPOSED BUDGET, REVENUE ESTIMATES RELEASED BY THE LEGISLATIVE FISCAL BUREAU (LFB) ON JANUARY 30, 2007, AND \$600 MILLION OF OPERATING NOTES ISSUED ON JULY 2, 2007. STARTING WITH NEXT MONTH'S REPORT, THE PROJECTED GENERAL FUND CASH FLOW FOR THE REMAINDER OF FY08 WILL BE UPDATED TO REFLECT THE ENACTED BUDGET.

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1. **Cautionary Information!**
2. **Actual and Projected General Fund Cash Flow for the Fiscal Year Ending June 30, 2008 (Cash Basis)**
This table is an addition to Table II-7, page 42, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
3. **General Fund Cash Flow Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**
This table is an addition to Table II-8, page 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
4. **General Fund Monthly Cash Position (Cash Basis)**
This table corresponds to Table II-9, page 44, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
5. **Actual and Projected Cash Balances in Funds Available for Interfund Borrowing**
This table corresponds to Table II-10, page 45, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
6. **General Fund Recorded Revenues Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**
This table is an addition to Table II-11, page 46, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
7. **General Fund Recorded Expenditures Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**
This table is an addition to Table II-12, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 22, 2006.
8. **Endnotes and Additional Information.**

Cautionary Information

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

- This information is unaudited and is not a “financial statement.” None of the data presented here has been subjected to customary fiscal period closing procedures or the procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.
- This information only speaks as of the date on which it was prepared.
- Statements of information for dates before the date this information is prepared will most likely be restated or revised. Information classified as “actual”, and any difference from any prior estimate, does not signify a change to official estimates. Any official revenue or expenditure re-estimates that do occur will be separately identified, and if material, appropriately noted.
- The information does not intend to reflect the State’s projected budgetary balance for FY08. The State has issued its Annual Fiscal Report (unaudited, budgetary basis) for FY07.
- 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 LFB are expressed on a *budgetary basis* and net of any refunds.
 - On October 26, 2007, Governor Doyle signed into law the biennial budget for FY08 and FY09. The legislature had approved this budget bill on October 23, 2007. While the budget for FY08 is now enacted, the projected general fund cash flow for FY08 continues to reflect the Governor’s proposed budget for FY08, along with revenue estimates released by LFB on January 30, 2007 and \$600 million of operating notes issued on July 2, 2007, which mature on June 16, 2008. Starting with next month’s report, the projected general fund cash flow for the remainder of FY08 will be updated to reflect the enacted budget.
 - Projections are not adjusted to reflect actual revenues and expenditures and routine variability in the timing of receipts and disbursements, but may be adjusted to reflect unique events.
 - Projections of remaining fiscal year cash flow may be adjusted when necessary to reflect unforeseen events or additional revised forecasts of the General Fund condition statement.
- Data in the tables of financial information are subject to revision and reclassification for prior periods. This is particularly true for revenue data, where proper classification depends on tax returns which are received and processed significantly after the tax payments are received through electronic transfers.
- Some information is presented on a cash basis of accounting while other data is presented on a budgetary or agency recorded basis. Users should not compare information that is presented on one basis of accounting with information that is presented on a different basis of accounting.
- Comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- 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, 2007 TO SEPTEMBER 30, 2007^(e)
PROJECTED GENERAL FUND CASH FLOW; OCTOBER 1, 2007 TO JUNE 30, 2008^(a)

	(In Thousands of Dollars)											
	July 2007	August 2007	September 2007	October 2007	November 2007	December 2007	January 2008	February 2008	March 2008	April 2008	May 2008	June 2008
BALANCES^(b)												
Beginning Balance	\$ 49,148	\$ 349,749	\$ 638,780	\$ 723,620	\$ 1,587,456	\$ 1,253,631	\$ 645,493	\$ 1,467,951	\$ 1,273,373	\$ (3,813)	\$ 585,526	\$ 818,004
Ending Balance^(c)	349,749	638,780	723,620	1,587,456	1,253,631	645,493	1,467,951	1,273,373	(3,813)	585,526	818,004	1,448
Lowest Daily Balance^(c)	39,257	(441)	159,554	558,675	972,391	(146,239)	634,726	996,984	(3,813)	(225,698)	435,032	(461,367)
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 682,211	\$ 500,798	\$ 651,858	\$ 710,849	\$ 524,977	\$ 531,147	\$ 1,082,495	\$ 538,481	\$ 566,664	\$ 1,229,733	\$ 530,808	\$ 758,708
Sales & Use	414,387	413,404	401,674	396,100	388,000	354,300	426,700	326,900	312,600	358,400	366,000	388,700
Corporate Income	35,238	20,042	154,364	37,900	28,800	195,100	29,700	22,000	242,300	36,300	23,400	173,300
Public Utility	20	20	509	1,542	151,061	263	187	80	256	2,340	140,286	1,017
Excise	30,620	34,376	36,523	30,655	32,738	31,263	29,192	28,788	27,339	25,949	34,115	33,792
Insurance	584	1,777	33,083	500	1,493	37,829	2,091	18,616	27,774	28,571	1,692	29,168
Inheritance	12,784	17,121	14,108	8,007	8,857	13,053	10,493	6,122	9,893	5,564	6,396	5,731
Subtotal Tax Receipts	\$ 1,175,844	\$ 987,538	\$ 1,292,119	\$ 1,185,553	\$ 1,135,926	\$ 1,162,955	\$ 1,580,858	\$ 940,987	\$ 1,186,826	\$ 1,686,857	\$ 1,102,697	\$ 1,390,416
NON-TAX RECEIPTS												
Federal	579,248	553,559	479,277	574,106	501,392	466,580	638,635	544,001	490,382	546,058	565,488	565,356
Other & Transfers	397,510	231,439	414,249	450,202	301,433	250,914	426,381	528,258	374,328	279,980	477,212	421,138
Note Proceeds ^(d)	594,000	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 1,570,758	\$ 784,998	\$ 893,526	\$ 1,024,308	\$ 802,825	\$ 717,494	\$ 1,065,016	\$ 1,072,259	\$ 864,710	\$ 826,038	\$ 1,042,700	\$ 986,494
TOTAL RECEIPTS	\$ 2,746,602	\$ 1,772,536	\$ 2,185,645	\$ 2,209,861	\$ 1,938,751	\$ 1,880,449	\$ 2,645,874	\$ 2,013,246	\$ 2,051,536	\$ 2,512,895	\$ 2,145,397	\$ 2,376,910
DISBURSEMENTS												
Local Aids	1,088,886	170,143	841,399	144,863	944,062	1,330,381	251,155	276,499	1,343,397	138,797	161,255	1,988,158
Income Maintenance	554,657	462,141	430,767	474,039	421,833	409,441	426,194	421,817	407,681	443,510	422,628	312,437
Payroll and Related	293,794	439,220	257,475	426,864	456,384	283,297	467,311	489,317	286,550	435,077	460,002	279,832
Tax Refunds	114,634	89,140	53,251	47,600	66,900	158,681	76,100	485,300	500,300	440,700	184,500	138,500
Debt Service	95,411	5,720	170,526	-	13,491	-	-	1,537	327,165	-	90,637	-
Miscellaneous	294,406	317,141	347,387	252,659	369,906	306,787	602,656	381,117	307,179	309,022	437,447	474,539
Note Repayment ^(d)	4,213	-	-	-	-	-	-	152,237	156,450	156,450	156,450	-
TOTAL DISBURSEMENTS	\$ 2,446,001	\$ 1,483,505	\$ 2,100,805	\$ 1,346,025	\$ 2,272,576	\$ 2,488,587	\$ 1,823,416	\$ 2,207,824	\$ 3,328,722	\$ 1,923,556	\$ 1,912,919	\$ 3,193,466

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, 2007
 (Amounts in Thousands)**

	<u>FY07 through September 2006</u>	<u>FY08 through September 2007</u>				Difference FY07 Actual to FY08 Actual
	<u>Actual</u>	<u>Actual</u>	<u>Estimate^(a)</u>	<u>Variance</u>	<u>Adjusted Variance^(f)</u>	
RECEIPTS						
Tax Receipts						
Individual Income	\$ 1,646,254	\$ 1,834,867	\$ 1,770,335	\$ 64,532	\$ 64,532	\$ 188,613
Sales	1,200,833	1,229,465	1,206,000	23,465	23,465	28,632
Corporate Income	251,084	209,644	217,800	(8,156)	(8,156)	(41,440)
Public Utility	160	549	169	380	380	389
Excise	102,281	101,519	108,169	(6,650)	(6,650)	(762)
Insurance	32,130	35,444	30,100	5,344	5,344	3,314
Inheritance	25,208	44,013	20,884	23,129	23,129	18,805
Total Tax Receipts	\$ 3,257,950	\$ 3,455,501	\$ 3,353,457	\$ 102,044	\$ 102,044	\$ 197,551
Non-Tax Receipts						
Federal	\$ 1,597,204	\$ 1,612,084	\$ 1,677,064	\$ (64,980)	\$ (64,980)	\$ 14,880
Other and Transfers	1,052,521	1,043,198	1,095,697	(52,499)	(52,499)	(9,323)
Note Proceeds ^(d)	-	594,000	594,000	-	-	594,000
Total Non-Tax Receipts	\$ 2,649,725	\$ 3,249,282	\$ 3,366,761	\$ (117,479)	\$ (117,479)	\$ 599,557
TOTAL RECEIPTS	\$ 5,907,675	\$ 6,704,783	\$ 6,720,218	\$ (15,435)	\$ (15,435)	\$ 797,108
DISBURSEMENTS						
Local Aids	\$ 1,852,032	\$ 2,100,428	\$ 2,077,682	\$ (22,746)	\$ (22,746)	\$ 248,396
Income Maintenance	1,345,555	1,447,565	1,403,102	(44,463)	(44,463)	102,010
Payroll & Related	1,066,022	990,489	1,017,380	26,891	26,891	(75,533)
Tax Refunds	191,431	257,025	150,200	(106,825)	(106,825)	65,594
Debt Service	61,085	271,657	291,262	19,605	19,605	210,572
Miscellaneous	1,037,544	958,934	990,475	31,541	31,541	(78,610)
Note Repayment ^(d)	-	4,213	4,213	-	-	4,213
TOTAL DISBURSEMENTS	\$ 5,553,669	\$ 6,030,311	\$ 5,934,314	\$ (95,997)	\$ (95,997)	\$ 476,642
VARIANCE FY08 YEAR-TO-DATE				\$ (111,432)	\$ (111,432)	

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, 2005 through September 30, 2007 — Actual
October 1, 2007 through June 30, 2008 — Estimated^(a)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>		<u>Receipts^(d)</u>	<u>Disbursements^(d)</u>
2005	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 ^(c)		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		2,130,549	1,373,404
	November.....	1,112,712		1,856,520	2,086,743
	December.....	882,489 ^(c)		1,791,636	2,501,552
2007	January.....	172,573		2,570,733	1,717,796
	February.....	1,025,510		1,949,875	1,947,201
	March.....	1,028,184 ^(c)		1,869,287	2,934,724
	April.....	(37,253) ^(c)		2,548,712	1,896,578
	May.....	614,881		2,009,550	1,525,908
	June.....	1,098,523 ^(c)		2,307,089	3,356,463
	July.....	49,149		2,746,602	2,446,001
	August.....	349,750 ^(c)		1,772,536	1,483,505
	September.....	638,781		2,185,645	2,100,805
	October.....	723,621		2,209,861	1,346,025
	November.....	1,587,457		1,938,751	2,272,576
	December.....	1,253,632 ^(c)		1,880,449	2,488,587
2008	January.....	645,494		2,645,874	1,823,416
	February.....	1,467,952		2,013,246	2,207,824
	March.....	1,273,374 ^(c)		2,051,536	3,328,722
	April.....	(3,812) ^(c)		2,512,895	1,923,556
	May.....	585,527		2,145,397	1,912,919
	June.....	818,005 ^(c)		2,376,910	3,193,466

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^(g)

July 31, 2005 to September 30, 2007 — Actual
October 31, 2007 to June 30, 2008 — Projected^(a)
(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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
January		\$ 1,118	\$ 1,048	\$ 1,048
February		1,041	1,131	1,131
March		1,188	1,154	1,188
April		957	1,114	957
May		912	1,202	912
June		1,074	1,208	1,074
July	\$ 1,048	932	1,141	
August	1,100	1,052	1,204	
September	1,176	1,067	<u>1,204</u>	
October	1,115	925	925	
November	1,167	966	967	
December	1,135	1,019	1,019	

The second table includes the balances in the LGIP. The monthly average daily balances in the LGIP for the past five years have ranged from a low of \$2.2 billion during November 2005 to a high of \$4.2 billion during April 2003.

(Includes Balances in the Local Government Investment Pool)

<u>Month (Last Day)</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
January		\$ 4,232	\$ 4,509	\$ 4,509
February		4,237	4,773	4,773
March		4,476	4,860	4,476
April		3,981	4,593	3,981
May		3,708	4,408	3,708
June		3,940	4,536	3,941
July	\$ 4,193	4,218	4,862	
August	3,823	3,978	4,383	
September	3,746	3,845	<u>4,264</u>	
October	3,361	3,361	3,361	
November	3,370	3,477	3,477	
December	3,692	3,764	3,764	

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, 2007 to September 30, 2007 compared with previous year^(h)

	Revenues 2006-07 FY⁽ⁱ⁾	Projected Revenues 2007-08 FY^(a)	Recorded Revenues July 1, 2006 to September 30, 2006^(j)	Recorded Revenues July 1, 2007 to September 30, 2007^(k)
Individual Income Tax	\$ 6,573,778,000	\$ 6,765,700,000	\$ 1,226,093,959	\$ 1,295,652,471
General Sales and Use Tax	4,158,612,000	4,311,400,000	742,376,097	792,804,043
Corporate Franchise and Income Tax	890,056,000	887,700,000	229,568,866	182,354,363
Public Utility Taxes	284,940,000	297,200,000	-	-
Excise Taxes	365,848,000	374,300,000	66,858,565	68,679,899
Inheritance Taxes	121,114,000	95,000,000	23,922,415	41,885,656
Insurance Company Taxes	141,405,000	141,000,000	842,481	1,835,848
Miscellaneous Taxes	82,244,000	11,000,000 ^(l)	19,052,914	17,639,429
SUBTOTAL.....	12,617,997,000	12,883,300,000	2,308,715,296	2,400,851,708
Federal and Other Inter- Governmental Revenues ^(m)	6,505,269,000	6,434,556,600	1,611,848,038	1,489,346,283
Dedicated and Other Revenues ⁽ⁿ⁾	4,000,158,000	4,599,754,500	1,114,970,580	1,094,687,880
TOTAL.....	\$23,123,424,000	\$ 23,917,611,100	\$ 5,035,533,914	\$ 4,984,885,871

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(e)
(Agency Recorded Basis)
July 1, 2007 to September 30, 2007 compared with previous year^(h)

	Expenditures 2006-07 FY⁽ⁱ⁾	Estimated Appropriations 2007-08 FY^(a)	Recorded Expenditures July 1, 2006 to September 30, 2006^(o)	Recorded Expenditures July 1, 2007 to September 30, 2007^(p)
Commerce.....	\$ 281,047,000	\$ 299,683,000	\$ 69,428,966	\$ 54,866,176
Education.....	10,542,076,000	11,025,395,100	2,089,477,398	2,141,031,029
Environmental Resources.....	328,094,000	339,771,400	46,268,876	172,339,314
Human Relations & Resources	9,341,228,000	9,173,442,300	2,323,381,065	2,388,948,333
General Executive.....	720,467,000	948,224,200	225,006,975	271,229,469
Judicial.....	121,332,000	127,186,700	37,354,625	24,727,865
Legislative.....	63,372,000	70,998,000	12,019,779	12,595,543
General Appropriations.....	1,807,627,000	1,948,296,400	673,471,440	865,304,707
TOTAL.....	\$ 23,205,243,000	\$ 23,932,997,100	\$ 5,476,409,125	\$ 5,931,042,436

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) On October 26, 2007, Governor Doyle signed into law the biennial budget for FY08 and FY09. The Wisconsin Legislature had approved this budget bill on October 23, 2007. While the budget for FY08 is now enacted, projections, or estimates, for FY08 continue to reflect the Governor's proposed budget for FY08, along with projected General Fund revenues released by LFB on January 30, 2007 and the \$600 million of operating notes that were issued on July 2, 2007 for FY08, which mature on June 16, 2008. Projections for FY08 assume that the State will receive approximately \$76 million pursuant to the amended gaming compacts with tribal governments, which is an estimate of all payments due in FY08. A complete copy of LFB's revenue estimates can be obtained by contacting the State of Wisconsin Capital Finance Office. 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 are expected to range from \$191 to \$324 million during FY08. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds are expected to average \$22 million during FY08.
- (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 \$672 million for FY08 (based on the Governor's proposed budget). 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 \$403 million for FY08) 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) Operating notes were not issued for FY06 and FY07, but \$600 million of operating notes were issued on July 2, 2007 for FY08. The February 29, 2008 impoundment payment reflects the premium received on July 2, 2007 and deposited into the Operating Note Redemption Fund.
- (e) Please refer to the cautionary statements at the beginning of this document. The cautionary statements are an integral part of this table. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly general fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- (f) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates can not be changed and the result is a large variance. This column may include adjustments to the variances to more accurately reflect the variance between the estimated and actual amounts.
- (g) The 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.
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| 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 |
- (h) These tables do not include FY07 revenues and expenditures that were recorded by state agencies during the months of July and August, 2007.
- (i) The amounts are from the Annual Fiscal Report (unaudited, budgetary basis) for FY07, dated October 15, 2007.
- (j) The amounts shown are FY07 revenues as recorded by state agencies.

- (k) The amounts shown are FY08 revenues as recorded by state agencies.
- (l) The Governor's proposed budget for FY08 moves the proceeds of the Real Estate Transfer Fee into a new segregated fund. The amount of the Real Estate Transfer Fee collected in FY07 was \$72 million.
- (m) 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.
- (n) 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.
- (o) The amounts shown are FY07 expenditures as recorded by state agencies.
- (p) The amounts shown are FY08 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, and the State received payments 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, the State 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.

In FY07, budget and General Fund cash receipts assumed that the State will receive approximately \$112 million pursuant to the amended gaming compacts with tribal governments. This amount reflected (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. With respect to the estimated \$82 million of payments due in FY07, the estimated amount was subsequently revised downward to \$70 million pursuant to provisions of the compacts and the State received payments totaling \$51 million from all but one tribal government. With respect to the estimated \$30 million payment due in a previous biennium, the State did not receive such payment. It is the same tribal government that did not make its scheduled payment in FY07, the \$30 million payment due in a previous biennium, and its scheduled payment due in FY06. The State and this tribal government continue arbitration with respect to this tribal government's amended gaming compact.

For the Governor's proposed FY08 budget, the projections of General Fund cash receipts assume the State will receive approximately \$76 million pursuant to the amended gaming compacts with tribal governments, which is an estimate of all payments due in FY08.