

## State of Wisconsin

Notice of **Material Information** #2008-17  
Dated August 1, 2008

### 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. 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:** 977123 Prefix (All)

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

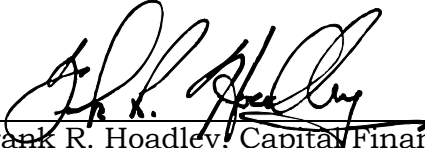
**Type of Filing:** Electronic. The following submission is also available on the State of Wisconsin Capital Finance web site at:

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

**Type of Information:** **Other Secondary Market Information**  
**Reserve Fund; Calculation and Amount Available**

The Preliminary Official Statement, dated July 29, 2008 for the State of Wisconsin Transportation Revenue Bonds, 2008 Series A, includes (i) a correction to the Reserve Fund calculation that was included in Part V of State of Wisconsin Continuing Disclosure Annual Report, dated December 21, 2007 (**2007 Annual Report**), and (ii) updates to the 2007 Annual Report with respect to the amount available in the Reserve Fund.

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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Frank R. Hoadley, Capital Finance Director  
State of Wisconsin Capital Finance Office  
Wisconsin Department of Administration  
101 East Wilson Street, FLR 10  
Madison, WI 53703  
Phone: (608) 266-2305  
Fax: (608) 266-7645  
E-mail: [DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)  
Website: [www.doa.state.wi.us/capitalfinance](http://www.doa.state.wi.us/capitalfinance)

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The State of Wisconsin is voluntarily making this filing, which provides information that 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 the official filing.

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**Type of Information:** Other Secondary Market Information —  
Reserve Fund; Calculation and Amount Available

The following are excerpts from the Preliminary Official Statement, dated July 29, 2008 for the State of Wisconsin Transportation Revenue Bonds, 2008 Series A. These excerpts address (i) a correction to the Reserve Fund calculation that was included in Part V of State of Wisconsin Continuing Disclosure Annual Report, dated December 21, 2007, and (ii) updates to the 2007 Annual Report with respect to the amount available in the Reserve Fund. The table on the last page of this notice may be of interest in the context of the discussion in this notice regarding the Reserve Fund. Capitalized terms have the meanings assigned to them in the Preliminary Official Statement.

**Reserve Fund; 2007 Annual Report – Correction of Reserve Fund Calculation**

“Part V of the 2007 Annual Report included a description of the Reserve Fund for the Bonds. The amount of the aggregate Debt Service Reserve Requirement in this description was not calculated correctly; the figure consisted of the total of the individual Debt Service Reserve Requirements specified for all previously issued Series of Bonds (whether or not Outstanding), rather than just those of the then Outstanding Series of Bonds. As described above and in the description of the Reserve Fund in the 2007 Annual Report, the aggregate Debt Service Reserve Requirement is reduced by the amount of the individual Debt Service Reserve Requirements specified for any Series of Bonds which cease to be Outstanding. Since the amount of the aggregate Debt Service Reserve Requirement was not calculated correctly, the 2007 Annual Report also overstated both the amount of the

Surety Bond (which by its terms is equal to the lesser of \$51,258,600 or the aggregate Debt Service Reserve Requirement) and the amount available in the Reserve Fund. As stated in the 2007 Annual Report, there is no assurance that the Reserve Fund will be maintained at any amount in excess of the aggregate Debt Service Reserve Requirement.”

### **Reserve Fund**

“ . . . The individual Debt Service Reserve Requirements for each Series of the Outstanding Bonds are combined to determine the aggregate Debt Service Reserve Requirement for the Reserve Fund. If all of the Bonds of a Series cease to be Outstanding, then the aggregate Debt Service Reserve Requirement is reduced by the Debt Service Reserve Requirement attributable to that Series of Bonds. The aggregate Debt Service Reserve Requirement of all Outstanding Bonds (including the Debt Service Reserve Requirement for the 2008 Series A Bonds) is currently \$16,341,600. If the State continues its practice of not specifying a Debt Service Reserve Requirement for future Series of additional Bonds, and as all Bonds of a Series that have a specified Debt Service Reserve Requirement cease to be Outstanding, the aggregate Debt Service Reserve Requirement is expected to decline. However, this depends on future decisions the State makes regarding the Debt Service Reserve Requirement to be specified for any Series of additional Bonds.

Since 1993, the State has funded the Reserve Fund, in part, with an irrevocable surety bond (**Surety Bond**) issued by Ambac Assurance Corporation (**Ambac Assurance**), which is an asset of the Reserve Fund and noncancelable by the provider until it expires on the earlier of July 1, 2023, or when all Bonds are paid in full. Pursuant to the terms of the Surety Bond, the amount available thereunder is the lesser of \$51,258,600 or the aggregate Debt Service Reserve Requirement, currently \$16,341,600. . . .

The amount currently available in the Reserve Fund is \$26,463,600, consisting of the amount currently available under the Surety Bond (\$16,341,600) and cash and investments (\$10,122,000). The State may, pursuant to the General Resolution, transfer cash and investments on deposit in the Reserve Fund that are in excess of the aggregate Debt Service Reserve Requirement to the Interest and Principal Account at the end of any fiscal year. While it has not been the State’s practice to reduce the funds available in the Reserve Fund by making such transfers of cash and investments in conjunction with a reduction in the aggregate Debt Service Reserve Requirement, there is no assurance that the amount available in the Reserve Fund will be maintained at any amount in excess of the-then aggregate Debt Service Reserve Requirement calculated as of any particular date of computation. . . .”

**(Appendix A) Table V-2; Debt Service of Outstanding  
Transportation Revenue Bonds and Estimated Revenue  
Coverage**

“The table on the following page shows the forecasted coverage of annual debt service on the Outstanding Bonds following the issuance of the 2008 Series A Bonds, based on the Department’s estimated Program Income for 2009-2017. There can be no assurance that the estimated vehicle registration and other vehicle registration-related fees will be realized in the amounts shown.”

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:

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**Estimated Debt Service on the 2008 Series A Bonds  
and Estimated Coverage for Outstanding Bonds\***

<b>Maturity (July 1)*</b>	<b>Principal*</b>	<b>Coupon*</b>	<b>Interest*</b>	<b>Debt Service on 2008 Series A Bonds*</b>	<b>Debt Service on the Prior Bonds</b>	<b>Total Debt Service<sup>(a)</sup></b>	<b>Estimated Registration Fees (Millions)<sup>(b)</sup></b>	<b>Estimated Certain Other Registration- Related Fees (Millions)<sup>(b)</sup></b>	<b>Estimated Total Program Income (Millions)<sup>(b)</sup></b>	<b>Estimated Coverage Ratio<sup>(a)(c)</sup></b>
2009			\$7,811,111	\$7,811,111	\$145,040,781	\$176,852,792	\$538.30	\$88.34	\$626.64	3.54
2010	\$ 5,595,000	5.00%	9,250,000	14,845,000	133,490,046	172,364,946	555.80	88.34	644.14	3.74
2011	5,875,000	5.00%	8,970,250	14,845,250	133,524,148	172,444,048	561.00	88.34	649.34	3.77
2012	6,170,000	5.00%	8,676,500	14,846,500	131,067,979	170,036,879	580.50	88.34	668.84	3.93
2013	6,475,000	5.00%	8,368,000	14,843,000	131,226,971	170,255,871	587.10	88.34	675.44	3.97
2014	6,800,000	5.00%	8,044,250	14,844,250	131,055,881	170,147,281	607.70	88.34	696.04	4.09
2015	7,140,000	5.00%	7,704,250	14,844,250	123,061,994	162,235,144	615.50	88.34	703.84	4.34
2016	7,500,000	5.00%	7,347,250	14,847,250	114,680,700	153,935,600	637.30	88.34	725.64	4.71
2017	7,875,000	5.00%	6,972,250	14,847,250	105,298,813	144,646,963	646.20	88.34	734.54	5.08
2018	8,265,000	5.00%	6,578,500	14,843,500	117,146,788	141,233,438				
2019	8,680,000	5.00%	6,165,250	14,845,250	117,400,423	132,245,673				
2020	9,115,000	5.00%	5,731,250	14,846,250	109,416,545	124,262,795				
2021	9,570,000	5.00%	5,275,500	14,845,500	109,622,740	124,468,240				
2022	10,045,000	5.00%	4,797,000	14,842,000	93,528,145	108,370,145				
2023	10,550,000	5.00%	4,294,750	14,844,750	72,588,920	87,433,670				
2024	11,075,000	5.00%	3,767,250	14,842,250	56,686,473	71,528,723				
2025	11,630,000	5.00%	3,213,500	14,843,500	36,725,720	51,569,220				
2026	12,210,000	5.00%	2,632,000	14,842,000	19,035,600	33,877,600				
2027	12,825,000	5.00%	2,021,500	14,846,500	19,119,450	33,965,950				
2028	13,465,000	5.00%	1,380,250	14,845,250		14,845,250				
2029	14,140,000	5.00%	707,000	14,847,000		14,847,000				
	<u>\$185,000,000</u>		<u>\$119,707,611</u>	<u>\$304,707,611</u>						

\* Preliminary; subject to change. Estimated debt service amounts for the 2008 Series A Bonds assume an interest rate of 5% per annum for each maturity.

(a) Includes estimated debt service for assumed aggregate \$178 million in Bonds that could be issued to fund the two Outstanding issues of Notes. These assumed bond issues are amortized with level debt service payments until 2018 and 2017, respectively, using an assumed interest rate of 5.00% per annum.

(b) The estimated fees for 2009 through 2017 reflect revenue projections completed by the Department using data available at the end of April, 2008, and also reflect the various fee increases contained within the 2007-09 biennial budget (2007 Wisconsin Act 20). Excludes interest earnings.

(c) Assumes that no additional Bonds will be issued and continuation of current Registration Fees and Other Registration-Related Fees. Estimates of Program Income and coverage beyond 2017 are not available.