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September 21, 2006

To the Users of This Report:

Re: Monthly Financial Information—July 2006

Please find attached the Report of General Fund Financial Information for the month ending July 31, 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.

- **Payments Due Under Amended Gaming Compacts – Tribal Governments (FY07).** The FY07 budget assumes that the State will receive \$30 million of payments, due in the previous biennium, from a tribal government. The FY07 budget also assumes the State will receive approximately \$81 million of payments scheduled to be due in FY07. With respect to payments due in FY06 from tribal governments, the State has received scheduled payments from all but one tribal government. The State and this tribal government continue arbitration with respect to this tribal government's amended gaming compact.

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 made in 2003 that allowed tribes to offer additional games beyond those agreed to in the original tribal compacts.

- **FY06; Revenues Exceed Estimates.** On September 6, 2006, the Wisconsin Department of Revenue announced that general fund tax collections for FY06, on a budgetary basis, were approximately \$80 million more than Legislative Fiscal Bureau (LFB) projections from January 2006 and nearly \$634 million, or 5.6%, above collections in FY05. The State's Annual Fiscal Report will include the ending general fund balance for FY06 (unaudited, budgetary basis) and will be released by October 15, 2006.

Sincerely,

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

# Monthly General Fund Financial Information State of Wisconsin

## For the Period Ending July 31, 2006

Prepared by the Wisconsin Department of Administration

Prepared on September 21, 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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- 2. Actual General Fund Cash Flow for the Fiscal Year Ending June 30, 2006 (Cash Basis)**  
This table corresponds to Table II-7, page 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 3. Actual and Projected General Fund Cash Flow for the Fiscal Year Ending June 30, 2007 (Cash Basis)**  
This table is new and corresponds to Table II-7, page 43, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 4. General Fund Cash Flow Year-To-Date Compared to Estimates and Previous Fiscal Year (Cash Basis)**  
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- 5. General Fund Monthly Cash Position (Cash Basis)**  
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- 6. Actual and Projected General Fund Monthly Balances Available for Interfund Borrowing**  
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- 7. General Fund Recorded Revenues Year-to-Date Compared to Previous Fiscal Year (Agency Recorded Basis)**  
This table corresponds to Table II-11, page 47, of the State of Wisconsin Continuing Disclosure Annual Report, December 23, 2005.
- 8. 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.
- 9. Footnotes and Additional Information.**

## Cautionary Information

<b>Users of this information should be cautioned about several points:</b>
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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 FY06 or FY07. The State is required to issue its Annual Fiscal Report (budgetary basis) for FY06 by October 15, 2006.
- 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, 2005 TO JUNE 30, 2006<sup>(a)</sup>**

(In Thousands of Dollars)

	July 2005	August 2005	September 2005	October 2005	November 2005	December 2005	January 2006	February 2006	March 2006	April 2006	May 2006	June 2006
<b>BALANCES<sup>(e)</sup></b>												
Beginning Balance	(\$193,683)	(\$417,079)	\$136,628	\$309,053	\$818,545	\$586,768	(\$118,926)	\$882,782	\$1,145,630	\$115,031	\$831,334	\$1,369,935
Ending Balance <sup>(d)</sup>	(\$417,079)	\$136,628	\$309,053	\$818,545	\$586,768	(\$118,926)	\$882,782	\$1,145,630	\$115,031	\$831,334	\$1,369,935	\$4,563
Lowest Daily Balance <sup>(d)</sup>	(\$22,613)	(\$89,150)	(264,889)	158,797	418,125	(864,503)	(173,681)	686,665	100,921	(225,788)	611,737	(397,541)
<b>RECEIPTS</b>												
<b>TAX RECEIPTS</b>												
Individual Income	\$457,176	\$546,087	\$625,591	\$566,601	\$461,234	\$484,890	\$966,768	\$489,178	\$522,941	\$979,881	\$555,643	\$657,624
Sales & Use	402,599	400,199	384,904	378,257	364,808	356,213	411,358	319,356	309,399	340,820	342,919	375,380
Corporate Income	31,786	24,880	170,441	34,258	31,377	130,776	28,752	19,203	197,151	40,032	27,154	149,264
Public Utility	24	0	196	2,667	125,226	130	356	81	157	1,530	155,348	54
Excise	36,572	30,625	36,942	32,048	32,403	29,800	30,316	26,764	26,799	28,888	28,775	34,874
Insurance	690	1,273	27,858	1,556	1,839	33,661	2,840	22,490	22,319	26,422	1,037	31,382
Inheritance	16,949	6,932	8,463	13,570	11,203	7,341	7,020	7,236	12,159	6,428	7,829	9,601
<b>Subtotal Tax Receipts</b>	<b>\$945,796</b>	<b>\$1,009,996</b>	<b>\$1,254,395</b>	<b>\$1,028,957</b>	<b>\$1,028,090</b>	<b>\$1,042,811</b>	<b>\$1,447,410</b>	<b>\$884,308</b>	<b>\$1,090,925</b>	<b>\$1,424,001</b>	<b>\$1,118,705</b>	<b>\$1,258,179</b>
<b>NON-TAX RECEIPTS</b>												
Federal	\$524,946	\$554,359	\$554,537	\$487,805	\$539,678	\$499,963	\$567,423	\$508,860	\$536,237	\$470,205	\$541,885	\$460,998
Other & Transfers <sup>(e)</sup>	355,748	298,506	470,126	316,093	283,115	286,968	438,937	689,774	322,126	422,228	374,934	314,764
Note Proceeds	0	0	0	0	0	0	0	0	0	0	0	0
<b>Subtotal Non-Tax Receipts</b>	<b>\$880,694</b>	<b>\$852,865</b>	<b>\$1,024,663</b>	<b>\$803,898</b>	<b>\$822,793</b>	<b>\$786,931</b>	<b>\$1,006,360</b>	<b>\$1,198,634</b>	<b>\$858,363</b>	<b>\$892,433</b>	<b>\$916,819</b>	<b>\$775,762</b>
<b>TOTAL RECEIPTS</b>	<b>\$1,826,490</b>	<b>\$1,862,861</b>	<b>\$2,279,058</b>	<b>\$1,832,855</b>	<b>\$1,850,883</b>	<b>\$1,829,742</b>	<b>\$2,453,770</b>	<b>\$2,082,942</b>	<b>\$1,949,288</b>	<b>\$2,316,434</b>	<b>\$2,035,524</b>	<b>\$2,033,941</b>
<b>DISBURSEMENTS</b>												
Local Aids	\$884,042	\$142,784	\$757,441	\$100,945	\$958,939	\$1,280,054	\$190,703	\$251,483	\$1,316,971	\$109,499	\$288,235	\$1,919,099
Income Maintenance	489,129	468,260	454,986	416,256	461,190	448,737	380,248	413,072	467,013	283,779	328,572	260,110
Payroll and Related	315,952	295,222	427,311	303,005	315,798	335,548	362,573	335,005	487,027	304,889	321,666	352,584
Tax Refunds	60,810	62,584	43,817	51,777	52,037	120,021	112,785	466,205	381,505	316,659	154,121	158,392
Debt Service	0	0	0	156,686	1,562	0	0	2,082	0	295,695	28,097	0
Miscellaneous <sup>(e)</sup>	299,953	340,304	423,078	294,694	293,134	351,076	405,753	352,247	327,371	289,610	376,232	709,128
Note Repayment	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL DISBURSEMENTS</b>	<b>\$2,049,886</b>	<b>\$1,309,154</b>	<b>\$2,106,633</b>	<b>\$1,323,363</b>	<b>\$2,082,660</b>	<b>\$2,535,436</b>	<b>\$1,452,062</b>	<b>\$1,820,094</b>	<b>\$2,979,887</b>	<b>\$1,600,131</b>	<b>\$1,496,923</b>	<b>\$3,399,313</b>

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

**ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2006 TO JULY 31, 2006**  
**PROJECTED GENERAL FUND CASH FLOW; AUGUST 1, 2006 TO JUNE 30, 2007<sup>(b)</sup>**

(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
<b>BALANCES<sup>(e)</sup></b>												
Beginning Balance	\$4,563	(\$195,929)	\$234,538	\$292,287	\$856,344	\$595,873	(\$143,859)	\$1,007,353	\$1,071,952	(\$12,028)	\$464,137	\$1,014,280
Ending Balance <sup>(d)</sup>	(\$195,929)	\$234,538	\$292,287	\$856,344	\$595,873	(\$143,859)	\$1,007,353	\$1,071,952	(\$12,028)	\$464,137	\$1,014,280	(\$14,395)
Lowest Daily Balance <sup>(d)</sup>	(451,652)	(456,499)	(47,414)	106,077	417,127	(923,199)	(162,444)	662,739	(30,143)	(426,234)	326,263	(465,645)
<b>RECEIPTS</b>												
<b>TAX RECEIPTS</b>												
Individual Income	565,897	485,700	575,600	667,700	436,100	501,900	1,151,000	528,000	500,200	1,070,400	552,200	673,800
Sales & Use	402,145	412,200	403,700	400,300	392,200	358,100	431,300	330,500	316,000	362,300	369,900	392,900
Corporate Income	37,496	19,900	151,400	33,500	25,400	172,500	26,300	19,400	214,300	32,100	20,700	153,200
Public Utility	50	0	300	4,500	144,700	2,000	0	1,300	100	3,300	138,000	1,000
Excise	34,911	32,100	32,500	30,200	37,600	30,000	29,200	30,800	25,900	28,600	31,800	31,500
Insurance	316	2,000	27,300	500	1,500	38,000	2,100	18,700	27,900	28,700	1,700	29,300
Inheritance	7,193	15,900	20,500	8,700	10,400	8,100	13,700	9,300	10,400	17,300	10,600	9,500
<b>Subtotal Tax Receipts</b>	<b>\$1,048,008</b>	<b>\$967,800</b>	<b>\$1,211,300</b>	<b>\$1,145,400</b>	<b>\$1,047,900</b>	<b>\$1,110,600</b>	<b>\$1,653,600</b>	<b>\$938,000</b>	<b>\$1,094,800</b>	<b>\$1,542,700</b>	<b>\$1,124,900</b>	<b>\$1,291,200</b>
<b>NON-TAX RECEIPTS</b>												
Federal	\$502,417	\$576,533	\$576,718	\$507,317	\$561,265	\$519,962	\$590,120	\$529,214	\$557,686	\$489,013	\$563,560	\$563,435
Other & Transfers <sup>(e)</sup>	370,205	304,500	477,300	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
<b>Subtotal Non-Tax Receipts</b>	<b>\$872,622</b>	<b>\$881,033</b>	<b>\$1,054,018</b>	<b>\$827,517</b>	<b>\$881,765</b>	<b>\$790,162</b>	<b>\$1,092,820</b>	<b>\$1,033,914</b>	<b>\$913,118</b>	<b>\$868,913</b>	<b>\$1,020,660</b>	<b>\$993,535</b>
<b>TOTAL RECEIPTS</b>	<b>\$1,920,630</b>	<b>\$1,848,833</b>	<b>\$2,265,318</b>	<b>\$1,972,917</b>	<b>\$1,929,665</b>	<b>\$1,900,762</b>	<b>\$2,746,420</b>	<b>\$1,971,914</b>	<b>\$2,007,918</b>	<b>\$2,411,613</b>	<b>\$2,145,560</b>	<b>\$2,284,735</b>
<b>DISBURSEMENTS</b>												
Local Aids	\$896,807	\$125,806	\$823,918	\$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	498,923	429,369	435,351	461,947	435,965	449,715	424,823	446,385	372,613	423,613	322,256
Payroll and Related	295,693	346,860	411,406	312,961	337,575	353,568	385,111	350,009	501,427	313,274	337,438	409,290
Tax Refunds	64,862	46,000	47,000	45,800	62,900	128,500	73,200	465,900	480,600	422,800	177,300	133,600
Debt Service	58,612	5,001	0	169,957	5,001	0	0	5,001	0	330,700	5,001	0
Miscellaneous <sup>(e)</sup>	295,621	395,776	495,877	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
<b>TOTAL DISBURSEMENTS</b>	<b>\$2,121,122</b>	<b>\$1,418,366</b>	<b>\$2,207,570</b>	<b>\$1,408,860</b>	<b>\$2,190,136</b>	<b>\$2,640,494</b>	<b>\$1,595,208</b>	<b>\$1,907,315</b>	<b>\$3,091,898</b>	<b>\$1,935,449</b>	<b>\$1,595,417</b>	<b>\$3,313,410</b>

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<sup>(f)</sup>**

**(Cash Basis)**

**As of July 31, 2006**

**(Amounts in Thousands)**

	<u>FY06 through July 2005</u>	<u>FY07 through July 2006</u>				Difference FY06 Actual to FY07 Actual
	Actual	Actual	Estimate <sup>(b)</sup>	Variance	Adjusted Variance <sup>(g)</sup>	
<b>RECEIPTS</b>						
<b>Tax Receipts</b>						
Individual Income	\$ 457,176	\$ 565,897	\$ 575,300	\$ (9,403)	\$ (9,403)	\$ 108,721
Sales	402,599	402,145	403,200	(1,055)	(1,055)	(454)
Corporate Income	31,786	37,496	21,300	16,196	16,196	5,710
Public Utility	24	50	100	(50)	(50)	26
Excise	36,572	34,911	32,500	2,411	2,411	(1,661)
Insurance	690	316	800	(484)	(484)	(374)
Inheritance	16,949	7,193	11,500	(4,307)	(4,307)	(9,756)
<b>Total Tax Receipts</b>	<b>\$ 945,796</b>	<b>\$ 1,048,008</b>	<b>\$ 1,044,700</b>	<b>\$ 3,308</b>	<b>\$ 3,308</b>	<b>\$ 102,212</b>
<b>Non-Tax Receipts</b>						
Federal	\$ 524,946	\$ 502,417	\$ 545,944	\$ (43,527)	\$ (43,527)	\$ (22,529)
Other and Transfers	355,748	370,205	353,400	16,805	16,805	14,457
Note Proceeds <sup>(h)</sup>	-	-	-	-	-	-
<b>Total Non-Tax Receipts</b>	<b>\$ 880,694</b>	<b>\$ 872,622</b>	<b>\$ 899,344</b>	<b>\$ (26,722)</b>	<b>\$ (26,722)</b>	<b>\$ (8,072)</b>
<b>TOTAL RECEIPTS</b>	<b>\$ 1,826,490</b>	<b>\$ 1,920,630</b>	<b>\$ 1,944,044</b>	<b>\$ (23,414)</b>	<b>\$ (23,414)</b>	<b>\$ 94,140</b>
<b>DISBURSEMENTS</b>						
Local Aids	\$ 884,042	\$ 896,807	\$ 889,915	\$ (6,892)	\$ (6,892)	\$ 12,765
Income Maintenance	489,129	509,527	496,788	(12,739)	(12,739)	20,398
Payroll & Related	315,952	295,693	297,986	2,293	2,293	(20,259)
Tax Refunds	60,810	64,862	52,900	(11,962)	(11,962)	4,052
Debt Service	-	58,612	58,612	-	-	58,612
Miscellaneous	299,953	295,621	304,876	9,255	9,255	(4,332)
Note Repayment <sup>(h)</sup>	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 2,049,886</b>	<b>\$ 2,121,122</b>	<b>\$ 2,101,077</b>	<b>\$ (20,045)</b>	<b>\$ (20,045)</b>	<b>\$ 71,236</b>
<b>VARIANCE FY07 YEAR-TO-DATE</b>				<b>\$ (43,459)</b>	<b>\$ (43,459)</b>	

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<sup>(c)</sup>**  
**July 1, 2004 through July 31, 2006 — Actual**  
**August 1, 2006 through June 30, 2007 — Estimated<sup>(b)</sup>**  
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>		<u>Receipts<sup>(h)</sup></u>	<u>Disbursements<sup>(h)</sup></u>
2004	July.....	\$ (21,216)	<sup>(d)</sup>	\$ 1,525,326	\$ 1,935,550
	August.....	(431,440)	<sup>(d)</sup>	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	<sup>(d)</sup>	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	<sup>(d)</sup>	2,075,730	3,272,463
	July.....	(193,683)	<sup>(d)</sup>	1,826,490	2,049,886
	August.....	(417,079)	<sup>(d)</sup>	1,862,861	1,309,154
	September.....	136,628	<sup>(d)</sup>	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	<sup>(d)</sup>	1,829,742	2,535,436
2006	January.....	(118,926)	<sup>(d)</sup>	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	<sup>(d)</sup>	2,316,434	1,600,131
	May.....	831,334		2,035,524	1,496,923
	June.....	1,369,935	<sup>(d)</sup>	2,033,941	3,399,313
	July.....	4,563	<sup>(a)</sup>	1,920,630	2,121,122
	August.....	(195,929)	<sup>(d)</sup>	1,848,833	1,418,366
	September.....	234,538	<sup>(d)</sup>	2,265,318	2,207,570
	October.....	292,287		1,972,917	1,408,860
	November.....	856,344		1,929,665	2,190,136
	December.....	595,873	<sup>(d)</sup>	1,900,762	2,640,494
2007	January.....	(143,859)	<sup>(d)</sup>	2,746,420	1,595,208
	February.....	1,007,353		1,971,914	1,907,315
	March.....	1,071,952	<sup>(d)</sup>	2,007,918	3,091,898
	April.....	(12,028)	<sup>(d)</sup>	2,411,613	1,935,449
	May.....	464,137		2,145,560	1,595,417
	June.....	1,014,280	<sup>(d)</sup>	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<sup>(1)</sup>**  
**July 31, 2004 to July 31, 2006 — Actual**  
**August 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)**

<b><u>Month (Last Day)</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>
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	1,100	
September .....	997	1,176	1,176	
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)**

<b><u>Month (Last Day)</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>
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	3,823	
September .....	3,726	3,746	3,746	
October .....	3,233	3,361	3,361	
November .....	3,059	3,370	3,370	
December .....	3,392	3,692	3,692	

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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<sup>(f)</sup>**  
**(Agency Recorded Basis)**  
**July 1, 2006 to July 31, 2006 compared with previous year**

	<b>Actual Revenues 2005-06 FY</b>	<b>Projected Revenues 2006-07 FY<sup>(b)</sup></b>	<b>Recorded Revenues July 1, 2005 to July 31, 2005<sup>(i)</sup></b>	<b>Recorded Revenues July 1, 2006 to July 31, 2006<sup>(k)</sup></b>
Individual Income Tax .....		\$ 6,405,000,000	\$ 456,612,268	\$ 563,084,494
General Sales and Use Tax .....		4,358,100,000	405,006,984	405,787,046
Corporate Franchise and Income Tax .....		785,000,000	30,925,530	35,351,384
Public Utility Taxes .....		283,400,000	-	-
Excise Taxes .....		364,600,000	36,572,088	34,839,480
Inheritance Taxes .....		130,000,000	17,583,459	7,193,482
Insurance Company Taxes .....		142,400,000	-	-
Miscellaneous Taxes .....		<u>91,500,000</u>	<u>9,993,785</u>	<u>8,984,945</u>
SUBTOTAL.....		<u>\$ 12,560,000,000</u>	<u>\$ 956,694,115</u>	<u>\$ 1,055,240,832</u>
Federal and Other Inter- Governmental Revenues <sup>(l)</sup> .....		\$ 5,976,875,800	\$ 488,036,977	\$ 522,966,231
Dedicated and Other Revenues <sup>(m)</sup> .....		<u>4,327,051,300</u>	<u>200,852,599</u>	<u>264,238,858</u>
TOTAL.....		<u><u>\$ 22,863,927,100</u></u>	<u><u>\$ 1,645,583,690</u></u>	<u><u>\$ 1,842,445,921</u></u>

Not Available. Final revenues for the 2005-06 fiscal year will be included in the Annual Fiscal Report for the 2005-06 fiscal year, which is expected to be available no later than October 15, 2006.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION<sup>(f)</sup>**  
**(Agency Recorded Basis)**  
**July 1, 2006 to July 31, 2006 compared with previous year**

	<b>Actual Expenditures 2005-06 FY</b>	<b>Appropriations 2006-07 FY<sup>(n)</sup></b>	<b>Recorded Expenditures July 1, 2005 to July 31, 2005<sup>(o)</sup></b>	<b>Recorded Expenditures July 1, 2006 to July 31, 2006<sup>(p)</sup></b>
Commerce.....		\$ 280,863,700	\$ 12,664,546	\$ 15,980,771
Education.....		10,374,195,600	422,744,750	457,277,960
Environmental Resources.....		337,924,200	5,580,253	6,043,615
Human Relations & Resources .....		8,957,964,800	661,489,866	784,729,779
General Executive.....		876,584,600	42,881,508	105,347,344
Judicial.....		113,301,400	19,312,048	19,685,521
Legislative.....		63,637,700	1,838,306	2,044,053
General Appropriations.....		<u>1,875,696,800</u>	<u>653,235,678</u>	<u>662,409,447</u>
TOTAL.....		<u><u>\$ 22,880,168,800</u></u>	<u><u>\$ 1,819,746,956</u></u>	<u><u>\$ 2,053,518,490</u></u>

Not Available. Final expenditures for the 2005-06 fiscal year will be included in the Annual Fiscal Report for the 2005-06 fiscal year, which is expected to be available no later than October 15, 2006.

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) Projections for FY06 assumed that the State would receive approximately \$146 million pursuant to the amended gaming compacts with tribal governments. Included in this amount was \$73 million, which was an estimate of all payments due in FY06. The amount of estimated payments due in FY06 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, 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. Also included in this amount was \$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. As of the date of this report, the State has received payments from the two tribal governments that equal this amount due in previous fiscal years. Amounts do not reflect interfund borrowing.
- (b) 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.
- (c) 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.
- (d) 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 was approximately \$634 million for FY06 and 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 \$380 million for FY06 and 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.
- (e) The actual FY06 General Fund cash flow reflects \$175 million transferred from the Transportation Fund to the General Fund on February 1, 2006, \$100 million transferred from the Transportation Fund to the General Fund on April 18, 2006, \$63 million transferred from the Transportation Fund to the General Fund on June 1, 2006, \$235 million transferred from the General Fund to the Medical Assistance Trust Fund on June 16, 2006, and \$51 million transferred from the General Fund to the Medical Assistance Trust Fund on June 30, 2006 (pursuant to provisions of 2005 Wisconsin Act 211). The projected FY07 General Fund cash flow includes \$88 million that is expected to be transferred from the Transportation Fund to the General Fund on September 1, 2006, \$20 million that is expected to be transferred from the Petroleum Inspection Fund to the General Fund on September 1, 2006, and \$25 million that is expected to be transferred from the General Fund to the Medical Assistance Trust Fund on June 30, 2007.
- (f) 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.
- (g) 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.
- (h) Operating notes were not issued for FY05 and FY06, and are not currently expected to be issued for FY07.
- (i) 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                |
- (j) The amounts shown are FY06 revenues as recorded by state agencies as of July 31, 2005.
- (k) The amounts shown are FY07 revenues as recorded by state agencies as of July 31, 2006.

- (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 as of July 31, 2005.
- (p) The amounts shown are FY07 expenditures as recorded by state agencies as of July 31, 2006.

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 FY2006, 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, 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.