

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY



Mailing Address: I
Post Office Box 7864
Madison, WI 53707-7864

October 15, 1996

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
100 North Hamilton, Room 301
Madison, WI 53702

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance
119 Martin Luther King Jr. Blvd., Suite LL2
Madison, WI 53702

Dear Senator Burke and Representative Brancel:

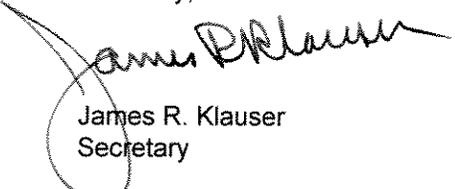
Under the provisions of s. 79.10 (11), each October the Department of Administration must submit to the Joint Committee the department's estimate of the total funds available for distribution under the lottery credit.

Total funds available for distribution equal existing and projected lottery proceeds and interest for FY97 less the amounts estimated to be expended for Department of Justice gaming enforcement, the Farmland Tax Relief Credit, and Lottery Credit Precertification and less the required 2% reserve under s. 20.003 (5).

The department's current estimates indicate that \$124,155,000 will be available for distribution in December 1996. A more detailed calculation of this estimate is included for your review.

Following the committee's approval or revision of this estimate, DOA will inform the Department of Revenue of the total amount available for distribution under the lottery credit and DOR will calculate the estimated fair market value necessary to distribute the total amount of revenue available.

Sincerely,


James R. Klauser
Secretary

cc: Members, Joint Committee on Finance
Mark Bugher, Secretary of Revenue

LOTTERY FUND CONDITION FORECAST

October 1996

	Estimated FY 1996-97
REVENUES	
Ticket Sales	460,000,000
Retailer Contract Fees	40,000
Miscellaneous Revenue	40,000
GROSS REVENUE	<u>460,080,000</u>
PROGRAM EXPENDITURES	
Prizes	263,993,750
General Program Operations	
Retailer Commission	26,220,000
On-line Vendor Fee	7,818,632
Board Operating Expenses	<u>24,527,400</u>
Total Operations Expenditures	58,566,032
DOJ Gaming Enforcement	220,600
DOR Credit Administration	191,300
TOTAL EXPENDITURES	322,971,682
NET PROCEEDS (Gross Revenues minus Expenditures)	137,108,318
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TOTAL AVAILABLE FOR PROPERTY TAX RELIEF	
Opening Balance	7,809,477
Net Proceeds	137,108,318
Interest Earnings	2,660,000
	<u>147,577,795</u>
PROPERTY TAX RELIEF	
Farmland Tax Relief Credit	13,600,000
Lottery Credit Precertification	621,450
Lottery Credit	<u>124,155,000</u>
	138,376,195
GROSS CLOSING BALANCE	9,201,600
RESERVE (2% of gross revenue)	9,201,600
NET CLOSING BALANCE	0
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Payment Date of Lottery Credit	Dec-96
Average Lottery Credit	\$100

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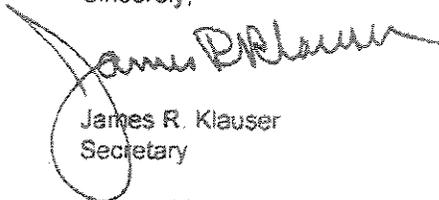
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<table> <tr> <td>Payment Date of Lottery Credit</td> <td style="text-align: right;">Dec-96</td> </tr> <tr> <td>Average Lottery Credit</td> <td style="text-align: right;">\$100</td> </tr> </table>		Payment Date of Lottery Credit	Dec-96	Average Lottery Credit	\$100
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STATE OF WISCONSIN
 DEPARTMENT OF ADMINISTRATION
 DIVISION OF EXECUTIVE BUDGET AND FINANCE
 DOA-5167 N(R06/95)

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TO

Name SENATOR BRIAN BURKE		Facsimile Telephone Number 7-0274
Location	Room Number	Telephone Number

FROM (Sender)

Name RICHARD G. CHANDLER		Number of Pages Including This Cover Sheet 3	Facsimile Telephone Number (608) 267-0372
Location 101 East Wilson Street, 10th Floor; Madison, WI 53702			Telephone Number (608) 266-1035

COMMENTS / INSTRUCTIONS

DATE: October 15, 1996