

Fiduciary Funds

FIDUCIARY: Fiduciary funds are maintained to account for assets held by the State acting in the capacity as a trustee or agent. The State's fiduciary funds, consisting of pension and other employee benefit trust, investment trust, private-purpose trust, and agency funds, are described below:

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS: Pension and other employee benefit trust funds are used to report resources that are required to be held in trust for members and beneficiaries of the public employee retirement system or other employee benefit plans.

Retirement contributions made by and on behalf of participants in the **Wisconsin Retirement System** are deposited in two trusts. The fixed retirement investment trust is a pooled investment trust consisting of fixed-income securities and equity securities. The variable retirement investment trust primarily accounts for investment in stock. The State Retirement System also receives employer payments and provides benefits to certain local police officers and firefighters, which are recorded in the police and firefighters trust.

The **Accumulated Sick Leave Fund** accounts for the prefunding payment of group health insurance premiums for retired employees or the surviving spouse/dependent minor children if the employee had accumulated unused sick leave upon retirement.

The **Employee Reimbursement Accounts Fund** was created under Internal Revenue Code Section 125 to account for moneys deposited by State employee participants as pre-tax earnings for use in paying eligible dependent care and medical expenses.

The **Life Insurance Fund** accounts for transactions related to the collection and payment of premiums for State and local participating employees' group life insurance contracts with a life insurance carrier.

The **Deferred Compensation Plan Fund** accounts for participant earnings deferred in accordance with Internal Revenue Code Section 457. Amounts deferred are invested through an independent agent and are not subject to federal income taxes until paid to participants upon termination or retirement from employment, death, or for an unforeseeable emergency.

INVESTMENT TRUST FUND: Investment trust funds account for assets invested on a commingled basis by the State on behalf of other governmental entities. The State's investment trust funds are described below:

The **Local Government Pooled Investment Fund** was established to enable local governments in the State to voluntarily invest any idle local moneys. The sources of this fund are local government investment deposits and their share of the investment earnings of the fund. Deductions occur as withdrawals are requested by local governments.

The **Milwaukee Retirement Systems Fund** accounts for funds of the city of City Retirement System and the City Public Schools invested as part of the fixed retirement investment trust of the State Retirement System.

PRIVATE-PURPOSE TRUST: Private-purpose trust funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

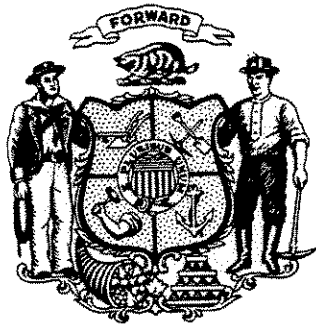
The **Unclaimed Property Program Fund** accounts for unclaimed stocks, bank accounts, insurance proceeds, utility deposits and uncashed checks which are deposited with the State after five years of abandonment. Upon an unsuccessful attempt to locate the owner, the funds are deposited in the Common School Fund where they are loaned to local governments. These funds may be claimed at any time by the owners or their heirs.

The **Special Death Benefits Fund** accounts for transactions and activities for members of the former City Teacher Retirement Fund who have elected to participate in a special death benefit fund.

The **Tuition Trust Fund** accounts for the program that allows participants to invest in order to meet the cost of future tuition expenses.

The **College Savings Program Trust Fund** accounts for the program that allows participants to invest in a college savings account to cover tuition, fees and the costs of room and board, books, supplies and equipment required for the enrollment or attendance of a beneficiary at an eligible educational institution.

(Continued)



Fiduciary Funds

(Continued)

AGENCY FUNDS: Agency funds report those assets for which the State acts solely in a custodial capacity. The State's agency funds are described below:

The **Insurance Company Liquidation Account Fund** accounts for the assets of insurance companies that are liquidated. These assets are used to pay claims and administrative costs associated with the liquidation.

The **Inmate and Resident Fund** accounts for the assets of inmates and residents in State institutions.

The **Bank and Insurance Company Deposits Fund** accounts for the statutorily required deposits of securities with the State by banks and insurance companies doing business in the State.

The **Support Collection Trust Fund** accounts for the centralized receipt and disbursement of court ordered temporary or permanent maintenance, child support or family support and related fees.

State of Wisconsin

Combining Statement of Fiduciary Net Assets - Pension and Other Employee Benefit Trust Funds
June 30, 2002

	Wisconsin Retirement System	Accumulated Sick Leave
Assets		
Cash and Cash Equivalents	\$ 349,591	\$ 646,724
Securities Lending Collateral	2,335,653	-
Prepaid Items	3,041	4,867
Receivables (net of estimated uncollectible accounts):	2,010,137	-
Prior Service Contributions Receivable	2,487	-
Benefits Overpayment Receivable	28,589	-
Due from Other Funds	89,075	-
Due from Other Governments	204,142	-
Interest and Dividends Receivable	1,426,299	-
Investment Sales Receivable	(1,084)	1
Other Receivables	-	1
Total Receivables	3,759,645	1
Investments:	11,581,258	-
Bonds	3,530,009	-
Private Placements	34,256,628	-
Stocks	2,598,575	-
Limited Partnerships	685,784	-
Mortgages	461,912	-
Real Estate	9	-
Other Investments	-	-
Total Investments	53,114,176	-
Capital Assets	51	-
Total Assets	59,562,156	651,592
Liabilities		
Accounts Payable	41,032	-
Securities Lending Collateral Liability	2,335,653	-
Annuities Payable	198,845	-
Advance Contributions	352	-
Due to Other Funds	32,022	107
Due to Other Governments	23,215	-
Tax and Other Deposits	1	-
Investment Payable	1,461,473	-
Deferred Revenue	-	1,208,767
Compensated Absences Payable	-	-
Total Liabilities	4,092,594	1,208,874
Net Assets		
Held in Trust for Pension Benefits and Other Purposes	\$ 55,469,562	\$ (557,282)

(In Thousands)

Employee Reimbursement Accounts	Life Insurance	Deferred Compensation	Totals
\$ 3,183	\$ 2,324	\$ 2,167	\$ 1,003,989
-	-	-	2,335,653
195	-	-	8,103
-	-	-	2,010,137
297	15	-	2,487
-	-	-	28,901
-	-	-	89,075
-	-	-	204,142
-	-	425	1,426,299
297	15	425	(659)
-	-	-	3,760,382
-	-	-	11,581,258
-	-	-	3,530,009
-	-	-	34,256,628
-	-	-	2,598,575
-	-	-	685,784
-	-	1,095,619	461,912
-	-	1,095,619	1,095,628
-	-	-	54,209,795
3,675	2,339	1,098,211	51
-	-	-	61,317,973
2,439	-	-	43,471
-	-	-	2,335,653
-	-	-	198,845
39	154	53	352
-	-	-	32,376
-	-	-	23,215
-	-	-	1
-	2,238	-	1,461,473
-	-	-	2,238
2,479	2,392	53	1,208,767
-	-	-	5,306,391
\$ 1,196	\$ (53)	\$ 1,098,159	\$ 56,011,582

State of Wisconsin

**Combining Statement of Changes in Fiduciary Net Assets - Pension and Other
Employee Benefit Trust Funds
For the Fiscal Year Ended June 30, 2002**

	Wisconsin Retirement System	Accumulated Sick Leave
Additions		
Contributions:		83,105
Employer Contributions	\$ 435,644	\$ -
Employee Contributions	532,882	-
Total Contributions	<u>968,526</u>	<u>83,105</u>
Investment Income:		
Net Appreciation (Depreciation) in Fair Value of Investments	(4,546,452)	-
Interest	770,663	-
Dividends	235,889	-
Securities Lending Income	74,190	-
Other	125,802	-
Investment Income of Investment, Private Purpose and Other Employee Trust Funds	-	(39,400)
Less:	(147,197)	-
Investment Expense	(61,270)	-
Securities Lending Rebates and Fees	-	-
Investment Income Distributed to Other Funds	(44,561)	-
Net Investment Income	<u>(3,592,935)</u>	<u>(39,400)</u>
Interest on Prior Service Receivable	153,991	-
Miscellaneous Income:	262	-
Other	-	-
Total Additions	<u>(2,470,157)</u>	<u>43,705</u>
Deductions		
Benefits and Refunds:	2,559,806	-
Retirement, Disability, and Beneficiary Separations	31,461	-
Total Benefits and Refunds	<u>2,591,267</u>	<u>-</u>
Distributions	-	-
Insurance Premiums	-	224,183
Unusual Write-off of Receivable	(784)	-
Administrative Expense	16,684	203
Total Deductions	<u>2,607,167</u>	<u>224,386</u>
Net Increase (Decrease)	(5,077,324)	(180,681)
Net Assets - Beginning of Year	60,546,886	(376,601)
Net Assets - End of Year	<u>\$ 55,469,562</u>	<u>\$ (557,282)</u>

(In Thousands)

Employee Reimbursement Accounts	Life Insurance	Deferred Compensation	Totals
\$ -	\$ -	\$ -	\$ -
16,436	33,080	94,605	518,749
16,436	33,080	94,605	677,003
-	-	-	1,195,752
-	-	-	(4,546,452)
-	-	-	770,663
-	-	-	235,889
-	-	-	74,190
-	-	-	125,802
92	28	(104,298)	(143,578)
-	-	-	(147,197)
-	-	-	(61,270)
92	28	(104,298)	(44,561)
-	-	-	(3,736,513)
-	-	-	153,991
-	261	914	1,437
16,528	33,369	(8,779)	(2,385,333)
-	-	-	2,559,806
-	-	-	31,461
-	-	-	2,591,267
16,066	-	39,022	55,089
-	33,429	-	257,612
-	-	-	(784)
755	241	2,139	20,021
16,822	33,670	41,161	2,923,206
(294)	(301)	(49,940)	(5,308,539)
1,490	247	1,148,099	61,320,120
\$ 1,196	\$ (53)	\$ 1,098,159	\$ 56,011,582

Combining Statement of Fiduciary Net Assets - Investment Trust Funds
June 30, 2002

(In Thousands)

	Local Government Pooled Investment	Milwaukee Retirement System	Totals
Assets			
Cash and Cash Equivalents	\$ 2,958,213	\$ 65,112	\$ 3,023,325
Interfund Receivables	809,041	-	809,041
Total Assets	3,767,254	65,112	3,832,366
Liabilities			
Due to Other Funds	52	-	52
Total Liabilities	52	-	52
Net Assets			
Held in Trust for Pool Participants and Other Purposes	\$ 3,767,202	\$ 65,112	\$ 3,832,314

State of Wisconsin

**Combining Statement of Changes in Fiduciary Net Assets - Investment Trust Funds
For the Fiscal Year Ended June 30, 2002**

(In Thousands)

	Local Government Pooled Investment	Milwaukee Retirement System	Totals
Additions			
Deposits	\$ 11,852,723	\$ 5,164	\$ 11,857,887
Investment Income	99,486	(4,808)	94,677
Less: Investment Expense	(1,308)	-	(1,308)
Net Investment Income	98,177	(4,808)	93,369
Total Additions	11,950,900	356	11,951,256
Deductions			
Distributions	12,000,735	22,750	12,023,485
Administrative Expense	202	-	202
Total Deductions	12,000,937	22,750	12,023,687
Net Increase (Decrease)	(50,037)	(22,394)	(72,431)
Net Assets - Beginning of Year	3,817,239	87,506	3,904,745
Net Assets - End of Year	\$ 3,767,202	\$ 65,112	\$ 3,832,314

State of Wisconsin

Combining Statement of Fiduciary Net Assets - Private-Purpose Trust Funds
June 30, 2002

(In Thousands)

	Unclaimed Property Program	Special Death Benefits	Tuition Trust	College Savings Program Trust	Totals
Assets					
Cash and Cash Equivalents	\$ 10,852	\$ 1,164	\$ 2,849	\$ 1,277	\$ 16,142
Prepaid Items	4	-	-	1	5
Receivables (net of estimated uncollectible accounts):					
Due from Other Funds	-	-	39	-	39
Other Receivables	-	-	143	194	337
Total Receivables	-	-	182	194	376
Investments:					
Investments of Private Purpose Trust Funds	-	-	11,783	439,302	451,084
Total Investments	-	-	11,783	439,302	451,084
Other Assets	11,795	-	-	-	11,795
Total Assets	22,651	1,164	14,815	440,773	479,403
Liabilities					
Accounts Payable	45	-	3	8	55
Due to Other Funds	9	-	40	256	305
Total Liabilities	53	-	43	263	360
Net Assets					
Held in Trust	\$ 22,598	\$ 1,164	\$ 14,771	\$ 440,510	\$ 479,043

State of Wisconsin

**Combining Statement of Changes in Fiduciary Net Assets -
Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2002**

(In Thousands)

	Unclaimed Property Program	Special Death Benefits	Tuition Trust	College Savings Program Trust	Totals
Additions					
Deposits	\$ -	\$ -	\$ 4,199	\$ 468,243	\$ 472,442
Investment Income	-	(62)	1,105	(27,121)	(26,077)
Less: Investment Expense	-	-	-	(1,096)	(1,096)
Net Investment Income	-	(62)	1,105	(28,216)	(27,173)
Miscellaneous Income					
Escheat Additions	12,186	-	-	-	12,186
Total Miscellaneous Income	12,186	-	-	-	12,186
Transfer In	-	-	937	-	937
Total Additions	12,186	(62)	6,241	440,026	458,392
Deductions					
Distributions	6,927	55	279	10,486	17,747
Administrative Expense	1,247	-	102	504	1,853
Transfers Out	10,000	-	-	937	10,937
Total Deductions	18,174	55	381	11,927	30,537
Net Increase (Decrease)	(5,988)	(117)	5,860	428,099	427,855
Net Assets - Beginning of Year	28,586	1,280	8,911	12,410	51,188
Net Assets - End of Year	\$ 22,598	\$ 1,164	\$ 14,771	\$ 440,510	\$ 479,043

State of Wisconsin

Combining Statement of Fiduciary Net Assets - Agency Funds
June 30, 2002

(In Thousands)

	Insurance Company Liquidation Account	Inmate and Resident	Bank and Insurance Company Deposits	Support Collection Trust	Totals
Assets					
Cash and Cash Equivalents	\$ 38,453	\$ 8,467	\$ -	\$ 41,699	\$ 88,619
Receivables (net of estimated uncollectible accounts):					
Due from Other Funds	-	563	-	509	1,072
Other Receivables	-	140	-	3,526	3,666
Total Receivables	-	703	-	4,035	4,737
Investments	-	952	-	-	952
Other Assets	-	-	271,815	-	271,815
Total Assets	\$ 38,453	\$ 10,122	\$ 271,815	\$ 45,734	\$ 366,124
Liabilities					
Accounts Payable	\$ 38,453	\$ -	\$ -	\$ 37,286	\$ 75,739
Due to Other Funds	-	217	-	8,448	8,665
Tax and Other Deposits	-	9,905	271,815	-	281,719
Total Liabilities	\$ 38,453	\$ 10,122	\$ 271,815	\$ 45,734	\$ 366,124

State of Wisconsin

**Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the Fiscal Year Ended June 30, 2002**

(In Thousands)

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
Insurance Company Liquidation Account				
Assets:				
Cash and Cash Equivalents	\$ 37,856	\$ 937	\$ 340	\$ 38,453
Total Assets	\$ 37,856	\$ 937	\$ 340	\$ 38,453
Liabilities:				
Accounts Payable and Other Accrued Liabilities	\$ 37,847	\$ 937	\$ 331	\$ 38,453
Due to Other Funds	9	-	9	-
Total Liabilities	\$ 37,856	\$ 937	\$ 340	\$ 38,453
Inmate and Resident				
Assets:				
Cash and Cash Equivalents	\$ 8,345	\$ 79,620	\$ 79,497	\$ 8,467
Investments	996	616	660	952
Receivables (net of estimated uncollectible accounts):				
Other Receivables	208	4,675	4,743	140
Due from Other Funds	542	8,649	8,628	563
Total Assets	\$ 10,091	\$ 93,559	\$ 93,528	\$ 10,122
Liabilities:				
Accounts Payable and Other Accrued Liabilities	\$ 1	\$ 17	\$ 18	\$ -
Due to Other Funds	273	10,497	10,552	217
Tax and Other Deposits	9,817	57,686	57,599	9,905
Total Liabilities	\$ 10,091	\$ 68,200	\$ 68,169	\$ 10,122
Bank and Insurance Company Deposits				
Assets:				
Other Assets:				
Assets Held in Custody for Others	\$ 260,338	\$ 66,717	\$ 55,240	\$ 271,815
Total Assets	\$ 260,338	\$ 66,717	\$ 55,240	\$ 271,815
Liabilities:				
Tax and Other Deposits	\$ 260,338	\$ 66,717	\$ 55,240	\$ 271,815
Total Liabilities	\$ 260,338	\$ 66,717	\$ 55,240	\$ 271,815

(Continued)

**Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the Fiscal Year Ended June 30, 2002**

(Continued)

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
Support Collection Trust				
Assets:				
Cash and Cash Equivalents	\$ 36,499	\$ 1,812,984	\$ 1,807,783	\$ 41,699
Receivables (net of estimated uncollectible accounts):				
Other Receivables	25,572	7,971	30,017	3,526
Due from Other Funds	565	509	565	509
Due from Other Governments	112	-	112	-
Total Assets	\$ 62,747	\$ 1,821,463	\$ 1,838,476	\$ 45,734
Liabilities:				
Accounts Payable and Other	\$ 27,951	\$ 27,672	\$ 18,337	\$ 37,286
Accrued Liabilities	30,248	8,448	30,248	8,448
Due to Other Funds	4,548	-	4,548	-
Due to Other Governments	-	-	-	-
Total Liabilities	\$ 62,747	\$ 36,120	\$ 53,133	\$ 45,734
Total - All Agency Funds				
Assets:				
Cash and Cash Equivalents	\$ 82,700	\$ 1,893,540	\$ 1,887,621	\$ 88,619
Investments	996	616	660	952
Receivables (net of estimated uncollectible accounts):				
Other Receivables	25,780	12,646	34,760	3,666
Due from Other Funds	1,107	9,157	9,193	1,072
Due from Other Governments	112	-	112	-
Other Assets:				
Assets Held in Custody for Others	260,338	66,717	55,240	271,815
Total Assets	\$ 371,032	\$ 1,982,676	\$ 1,987,584	\$ 366,124
Liabilities:				
Accounts Payable and Other	\$ 65,799	\$ 28,626	\$ 18,686	\$ 75,739
Accrued Liabilities	30,521	18,945	40,800	8,665
Due to Other Funds	4,548	-	4,548	-
Due to Other Governments	270,155	124,403	112,839	281,719
Tax and Other Deposits	-	-	-	-
Total Liabilities	\$ 371,023	\$ 171,974	\$ 176,873	\$ 366,124

STATISTICAL SECTION

State of Wisconsin

**Revenues by Source and Expenditures by Function -
Governmental Fund Types**

(In Thousands)

For the Last Ten Fiscal Years

	2002	2001	2000	1999	1998
Revenues and Proceeds from					
Sale of Bonds:					
Taxes	\$ 11,050,658	\$ 10,984,512	\$ 11,974,334	\$ 11,158,516	\$ 10,218,307
Intergovernmental	5,509,834	5,102,944	4,375,513	3,813,275	3,704,247
Fees	-	-	-	-	-
Licenses and Permits	855,093	775,022	731,668	687,766	631,870
Charges for Goods and Services	224,066	268,347	239,050	217,145	193,964
Services General	-	-	-	-	-
Sale of Products	-	-	-	-	-
Investment Income	45,562	98,244	97,682	95,089	85,647
Fines and Forfeitures	55,392	-	-	-	-
Gifts and Donations	38,087	24,271	14,601	14,885	5,461
Long-term Debt Issued	529,649	281,631	451,886	249,007	160,470
Premium/Discount on Bonds	60,247	-	-	-	-
Other Revenues:					
Intergovernmental Transfer	969,886	637,000	-	-	-
Tobacco Settlement	1,431,218	124,389	167,362	-	-
Other	166,569	246,823	207,002	133,405	149,400
Total Revenues and Other Sources	\$ 20,936,261	\$ 18,543,183	\$ 18,259,098	\$ 16,369,088	\$ 15,149,366
Expenditures:					
Current:					
Commerce	\$ 198,291	\$ 205,802	\$ 205,008	\$ 194,893	\$ 181,559
Education	5,417,136	5,201,596	4,900,287	4,542,339	4,397,970
Transportation	1,664,161	1,170,663	1,765,534	1,601,962	1,468,365
Environmental Resources	528,699	729,456	530,586	476,985	552,423
Human Relations and Resources	7,957,774	6,945,336	5,889,413	5,323,054	5,116,259
General Executive	442,938	440,513	410,603	333,034	308,736
Judicial	103,069	102,634	103,216	95,705	91,450
Legislative	61,989	61,658	60,424	62,789	55,144
Tax Relief and Other General Expenditures	822,650	770,035	1,440,464	831,526	725,316
Intergovernmental	1,095,991	1,072,576	1,073,434	1,008,617	1,008,572
Capital Outlay	669,704	1,042,881	230,151	164,360	143,467
Debt Service	383,098	338,540	316,889	308,103	295,848
Total Expenditures	\$ 19,345,500	\$ 18,081,690	\$ 16,926,009	\$ 14,943,367	\$ 14,345,109

In 2002, governmental fund types include the activities of the general fund, special revenue funds, capital projects funds, debt service funds and permanent funds. In 1994-2002, revenues previously reported as Fees, Services General, and Sale of Products are classified as Licenses and Permits, and Charges for Goods and Services. In 2001-2002, certain capital purchases formerly reported with functional expenditures are included in capital outlay.

SOURCE: Wisconsin Department of Administration

	1997		1996		1995		1994		1993
\$	9,662,514	\$	8,974,484	\$	8,587,733	\$	7,912,596	\$	7,546,879
	3,587,981		3,555,666		3,171,714		3,157,723		2,947,034
	-		-		-		-		173,356
	584,825		684,330		635,731		616,541		390,104
	282,612		158,432		131,804		88,462		-
	-		-		-		-		89,211
	-		-		-		-		10,208
	70,150		65,004		64,198		38,120		48,929
	-		-		-		-		-
	3,177		5,940		3,908		1,695		2,488
	80,535		344,334		277,203		293,733		502,368
	-		-		-		-		-
	-		-		-		-		-
	86,453		73,724		58,538		72,659		71,571
\$	14,358,247	\$	13,861,914	\$	12,930,829	\$	12,181,529	\$	11,782,148
\$	183,581	\$	161,923	\$	146,571	\$	130,412	\$	129,862
	4,125,946		3,283,511		3,005,096		2,709,922		2,481,956
	1,418,262		1,343,563		1,303,450		1,278,579		1,282,226
	588,714		507,420		499,482		414,530		358,584
	4,906,367		5,033,062		4,635,202		4,425,288		4,217,673
	325,433		246,561		246,086		231,075		221,026
	87,525		82,505		71,981		74,369		56,207
	53,277		50,165		50,732		47,142		44,357
	694,871		574,771		616,891		599,794		617,323
	1,008,590		1,010,618		992,437		950,467		919,821
	170,693		153,809		190,307		174,087		184,112
	285,157		270,555		257,649		231,816		202,367
\$	13,848,416	\$	12,718,463	\$	12,015,884	\$	11,267,481	\$	10,715,514

State of Wisconsin

Assessed and Equalized Value of Taxable Property

(In Thousands)

For the Last Ten Years

Year (A)	Real Property		Personal Property		Total		Ratio of Total Assessed Value To Total Equalized Value
	Assessed Value (B)	Equalized Value	Assessed Value (B)	Equalized Value	Assessed Value (B)	Equalized Value	
2001	\$ 271,139,540	\$ 302,795,906	\$ 8,901,978	\$ 9,687,800	\$ 280,041,518	\$ 312,483,706	90%
2000	250,964,857	277,213,707	8,538,646	9,107,785	259,503,503	286,321,492	91
1999	232,669,301	258,023,890	8,031,429	8,543,624	240,700,730	266,567,514	90
1998	217,599,762	238,769,117	9,694,739	10,225,798	227,294,501	248,994,915	91
1997	201,938,959	223,570,764	8,956,300	9,503,469	210,895,259	233,074,233	90
1996	186,902,000	207,896,469	8,473,140	9,047,289	195,375,140	216,943,759	90
1995	173,908,997	192,505,594	8,394,885	9,032,516	182,303,882	201,538,109	90
1994	159,967,395	176,376,443	7,999,884	8,618,423	167,967,279	184,994,866	91
1993	147,624,892	163,188,926	7,737,267	8,488,238	155,362,159	171,677,164	91
1992	139,519,248	151,692,717	7,546,524	7,894,286	147,065,772	159,587,003	92

- (A) Represents values certified to the Department of Revenue on August 15 of each year. Assessed values for 2002 are not yet available.
 (B) Municipalities assess property for tax purposes at different percentages of market value. Each community's assessment percentage is multiplied by the State-established market value of manufacturing property to determine the local assessed value of such property.

SOURCE: Wisconsin Department of Revenue

State of Wisconsin

State Forestation Tax

(In Thousands)

For the Last Ten Years

Year	Total Equalized Value (A)	State Forestation Tax Levy (B)	State Forestation Tax Collections
2002	\$ 335,326,479	\$ 67,065	\$ 62,495
2001	312,483,706	62,497	57,362
2000	286,321,492	57,264	53,310
1999	266,567,514	53,314	49,814
1998	248,994,915	49,799	44,252
1997	233,074,233	46,615	42,661
1996	216,943,759	43,389	39,104
1995	201,538,109	40,308	36,335
1994	184,994,866	36,998	34,632
1993	171,677,164	34,335	43,044

- (A) Represents values certified to the Department of Revenue on August 15 of each year.
 (B) Tax levy equals two-tenths of one mill for each dollar of the equalized value certified by the Department of Revenue.

SOURCES: Wisconsin Department of Administration, Division of Executive Budget and Finance
 Wisconsin Department of Revenue
 Wisconsin Office of the State Treasurer

State of Wisconsin

Legal Debt Margin

For the Last Ten Calendar Years

(In Thousands)

Calendar Year	Annual Debt Limit	Actual Borrowing (A)	Legal Debt Margin	Legal Debt Margin as a Percentage of Debt Limit
2002 (B)	\$ 2,514,949	\$ 481,000	\$ 2,033,949	80.9 %
2001	2,343,628	485,645	1,857,983	79.3
2000	2,147,411	538,795	1,608,616	74.9
1999	1,999,256	482,360	1,516,896	75.9
1998	1,867,462	475,485	1,391,977	74.5
1997	1,748,057	404,310	1,343,747	76.9
1996	1,627,078	353,295	1,273,783	78.3
1995	1,511,536	368,322	1,143,214	75.6
1994	1,387,461	289,810	1,097,651	79.1
1993	1,287,579	129,325	1,158,254	90.0

Wis. Stat. Sec. 18.05 limits the amount of public debt contracted in any calendar year to the lesser of:

(a) Three-fourths of one percent of the aggregate value of taxable property;
or

(b) Five percent of aggregate value of taxable property
Less: Net indebtedness at January 1

(A) Consists of bonds issued less refundings.

(B) Debt issued through November 30, 2002

SOURCE: Wisconsin Department of Administration

State of Wisconsin

Ratio of Net General Obligation Bonded Debt and Notes to Assessed Value and Net General Obligation Bonded Debt and Notes Per Capita

(In Thousands)

For the Last Ten Fiscal Years

Year	Population	Assessed Value (A)	Gross Bonded Debt (B)	General Obligation Bonded Debt and Commercial Paper			Ratio To Assessed Value (Percent)	Per Capita
				Debt Service Moneys Available (C)	Payable From Proprietary Fund Revenues (D)	Net Bonded Debt (E)		
2001	5,402	\$ 280,041,518	\$ 4,028,006	\$ 3,140	\$ 911,054	\$ 3,113,812	1.11	\$ 576
2000	5,364	259,503,503	3,691,996	1,609	881,199	2,809,188	1.08	524
1999	5,250	240,700,730	3,540,251	2,492	880,666	2,496,193	1.04	475
1998	5,224	227,294,501	3,409,269	3,777	818,277	2,474,115	1.09	474
1997	5,170	210,895,259	3,084,048	2,515	673,715	2,407,725	1.14	466
1996	5,146	195,375,140	3,178,526	5,588	635,930	2,444,008	1.25	475
1995	5,113	182,303,882	2,986,486	-	624,355	2,362,131	1.30	462
1994	5,075	167,967,279	2,870,941	2,774	578,608	2,289,559	1.36	451
1993	5,038	155,362,159	2,800,863	319	623,320	2,177,224	1.40	432
1992	4,991	147,065,772	2,646,374	6,851	694,557	1,944,966	1.32	390

- (A) Current values certified on August 15. Assessed values for 2002 are not yet available.
- (B) Includes gross general obligation bonded debt for all fund types. 1997-2000 restated for general obligation commercial paper.
- (C) Represents moneys available in Debt Service Fund reserved for retirement of general obligation bonded debt.
- (D) Prior to fiscal year 2002, the UW was considered a discrete presentation and not included in proprietary funds.
- (E) Excludes general obligation bonds expected to be repaid from revenues of five proprietary funds; includes general obligation bonds reported for the University of Wisconsin System.

SOURCES: Wisconsin Department of Administration, Wisconsin Department of Revenue
U.S. Department of Commerce, Bureau of Census

State of Wisconsin

Ratio of Annual Debt Service for General Bonded Debt to Total Governmental Expenditures

For the Last Ten Fiscal Years

Year	Debt Service Principal	Debt Service Interest	Total Debt Service	Total Governmental Expenditures	Ratio (Percent)
2002	\$ 123,692	\$ 137,599	\$ 261,291	\$ 19,345,500	1.35
2001	140,206	93,099	233,305	18,081,690	1.29
2000	140,675	86,892	227,567	16,926,009	1.34
1999	136,357	87,931	224,288	14,943,367	1.50
1998	128,159	90,015	218,174	14,345,109	1.52
1997	124,877	89,106	213,983	13,848,416	1.55
1996	119,540	91,103	210,643	12,718,463	1.66
1995	113,280	91,817	205,097	12,015,884	1.71
1994	96,705	78,014	174,719	11,267,481	1.55
1993	70,296	84,729	155,025	10,715,514	1.45

Years prior to 2000 were not restated for GASB 34.
SOURCE: Wisconsin Department of Administration

State of Wisconsin

Department of Transportation Revenue Bond Coverage

For the Last Ten Fiscal Years

(In Thousands)

Year	Gross Revenues (A)	Operating Expenses (B)	Net Revenues	Debt Service			Revenue Bond Coverage
				Principal	Interest	Total Debt Service	
2002	\$ 324,967	\$ 105	\$ 324,862	\$ 36,560	\$ 46,454	\$ 83,014	3.91
2001	316,061	36	316,025	33,705	39,488	73,193	4.32
2000	313,155	66	313,089	30,860	41,063	71,923	4.35
1999	295,938	49	295,889	30,750	47,063	77,813	3.80
1998	282,850	56	282,794	29,710	45,733	75,443	3.75
1997	257,590	80	257,510	25,385	52,982	78,367	3.29
1996	249,339	37	249,302	21,590	46,421	68,011	3.67
1995	247,819	33	247,786	19,080	44,837	63,917	3.88
1994	237,401	86	237,315	15,035	39,201	54,236	4.38
1993	232,567	29	232,538	13,455	29,257	42,712	5.44

The State of Wisconsin, Department of Transportation finances certain state highway projects and related transportation facilities through the issuance of revenue bonds. The revenue bonds, \$951.2 million outstanding at June 30, 2002, are secured by a pledge of the registration fees collected under Wis. Stat. Sec. 341.25 and investments.

- (A) Includes revenues from Wis. Stat. Sec. 341.25 registration fees including fees collected under the International Registration Plan, a multi-state plan for the collection of registration fees from interstate trucking, and interest earnings.
- (B) Includes administrative operating expenses.

SOURCE: Wisconsin Department of Transportation

State of Wisconsin

**Higher Education Revenue Bonds
Health Education Assistance Loans**

For the Last Ten Fiscal Years

(In Thousands)

Year	Gross Revenues (A)	Direct Operating Expenses	Net Revenues	Debt Service			Revenue Bond Coverage
				Principal	Interest	Total Debt Service	
2002	\$ 1,033	\$ 255	\$ 778	\$ 220	\$ 1	\$ 221	3.52
2001	814	122	692	920	42	962	0.72
2000	1,016	105	911	587	174	761	1.20
1999	1,779	124	1,655	1,755	353	2,108	0.79
1998	2,540	101	2,439	1,825	475	2,300	1.06
1997	4,476	109	4,367	3,195	784	3,979	1.10
1996	4,916	147	4,769	3,460	1,052	4,512	1.06
1995	13,825	510	13,315	61,874	3,262	65,136	0.20
1994	18,896	573	18,323	6,030	5,943	11,973	1.53
1993	12,877	450	12,427	6,327	6,324	12,651	0.98

The State of Wisconsin Higher Education Aids Board provides loans to eligible students enrolled in Wisconsin medical and dental schools. The bonds are to be repaid through the collection of student loans.

- (A) Includes operating revenues from student loan repayment and interest income from student loans and investments.

SOURCE: Wisconsin Higher Education Aids Board

State of Wisconsin

**Wisconsin Housing and Economic Development Authority Revenue Bonds
Home Ownership Revenue Bonds**

For the Last Ten Fiscal Years

(In Thousands)

Year	Gross Revenues (A)	Direct Operating Expenses (B)	Net Revenues	Debt Service		Total Debt Service	Revenue Bond Coverage (C)
				Principal	Interest		
2002	\$ 429,838	\$ 8,287	\$ 421,551	\$ 300,645	\$ 88,279	\$ 388,924	1.08
2001	286,366	7,731	278,635	178,905	95,138	274,043	1.02
2000	250,352	8,379	241,973	217,333	90,506	307,839	0.79
1999	392,684	8,947	383,737	305,265	94,414	399,679	0.96
1998	298,596	8,627	289,969	213,512	96,940	310,452	0.92
1997	222,298	8,229	214,069	126,974	91,441	218,415	0.97
1996	236,521	7,823	228,698	117,311	86,571	203,882	1.12
1995	178,760	7,082	171,678	171,421	78,769	250,190	0.69 (D)
1994	549,138	8,066	541,072	444,093	94,424	538,517	1.00
1993	396,215	10,001	386,213	244,736	124,418	369,154	1.05

(A) Includes mortgage payments received.

(B) Includes administrative and general costs, mortgage insurance premiums, and lender service fees.

(C) 1997 thru 2002 include gains/losses due to the increases/decreases in fair market value of investments as a result of the implementation of GASB 31. The Revenue Bond Coverage excludes these amounts.

(D) \$79.3 million of mortgage prepayments on hand at the end of fiscal year 1994 were used to redeem Home Ownership Revenue Bonds in fiscal year 1995.

SOURCE: Wisconsin Housing and Economic Development Authority

State of Wisconsin

**Wisconsin Housing and Economic Development Authority Revenue Bonds
Housing Revenue Bonds**

For the Last Ten Fiscal Years

(In Thousands)

Year	Gross Revenues (A)	Direct Operating Expenses (B)	Net Revenues	Debt Service		Total Debt Service	Revenue Bond Coverage (C)
				Principal	Interest		
2002	\$ 66,480	\$ 3,449	\$ 63,031	\$ 16,725	\$ 25,884	\$ 42,609	1.48
2001	59,553	4,346	55,207	15,230	25,919	41,149	1.35
2000	58,054	4,139	53,915	35,279	26,176	61,455	0.88
1999	59,653	4,211	55,442	18,387	27,384	45,771	1.21
1998	67,721	5,107	62,614	12,822	25,803	38,625	1.48
1997	62,229	4,278	57,951	12,439	26,586	39,025	1.38
1996	50,625	4,320	46,305	11,818	27,962	39,780	1.16
1995	47,686	6,194	41,492	8,463	28,101	36,564	1.13
1994	48,187	5,664	42,523	7,385	30,358	37,743	1.13
1993	43,917	4,172	39,745	4,725	29,098	33,823	1.18

(A) Includes mortgage payments received.

(B) Includes administrative and general costs, mortgage insurance premiums, and lender service fees.

(C) 1997 thru 2002 include gains/losses due to the increases/decreases in fair market value of investments as a result of the implementation of GASB 31. The Revenue Bond Coverage excludes these amounts.

SOURCE: Wisconsin Housing and Economic Development Authority

State of Wisconsin

**Wisconsin Housing and Economic Development Authority Revenue Bonds
Housing Rehabilitation and Home Improvement Revenue Bonds**

For the Last Ten Fiscal Years

(In Thousands)

Year	Gross Revenues (A)	Direct Operating Expenses (B)	Net Revenues	Debt Service			Revenue Bond Coverage (C)
				Principal	Interest	Total Debt Service	
2002	\$ 2,241	\$ 69	\$ 2,172	-	\$ -	\$ -	n/a
2001	2,177	106	2,071	-	-	-	n/a
2000	2,765	122	2,643	6,125	145	6,270	0.43 (D)
1999	5,038	255	4,783	1,465	484	1,949	2.44
1998	5,199	556	4,643	550	600	1,150	4.09
1997	5,746	646	5,100	13,061	895	13,956	0.35 (E)
1996	6,654	565	6,089	2,025	1,494	3,519	1.73
1995	6,780	581	6,199	495	1,372	1,867	3.32
1994	10,603	554	10,049	7,035	1,644	8,679	1.16
1993	11,507	716	10,791	8,995	2,012	11,007	0.98

(A) Includes mortgage payments received.

(B) Includes administrative and general costs, mortgage insurance premiums, and lender service fees.

(C) 1997 thru 2002 include gains/losses due to the increases/decreases in fair market value of investments as a result of the implementation of GASB 31. The Revenue Bond Coverage excludes these amounts.

(D) Remainder of bonds redeemed in Fiscal Year 2000

(E) Includes a scheduled redemption of \$4,881,000 of Housing and Rehabilitation Loan Revenue Bonds and \$6,025,000 of scheduled redemptions of Home Improvement Revenue Bonds.

SOURCE: Wisconsin Housing and Economic Development Authority

State of Wisconsin

**Wisconsin Housing and Economic Development Authority Revenue Bonds
Business Development Revenue Bonds**

For the Last Ten Fiscal Years

(In Thousands)

Year	Gross Revenues (A)	Operating Expenses (B)	Net Revenues	Debt Service			Revenue Bond Coverage
				Principal	Interest	Total Debt Service	
2002	\$ 3,660	\$ 10	\$ 3,650	2,990	\$ 642	\$ 3,632	1.00
2001	4,657	13	4,644	3,445	1,186	4,631	1.00
2000	11,854	12	11,842	10,905	968	11,873	1.00
1999	11,240	15	11,225	9,030	2,163	11,193	1.00
1998	11,264	25	11,239	8,495	2,800	11,295	1.00
1997	9,778	190	9,588	6,470	3,200	9,670	0.99
1996	9,769	50	9,719	6,370	3,275	9,645	1.01
1995	9,465	26	9,439	6,310	3,094	9,404	1.00
1994	12,680	24	12,656	9,240	3,385	12,625	1.00
1993	7,375	51	7,324	3,525	3,801	7,326	1.00

(A) Includes mortgage payments received.

(B) Includes administrative and general costs, mortgage insurance premiums, and lender service fees.

SOURCE: Wisconsin Housing and Economic Development Authority

State of Wisconsin

**Wisconsin Housing and Economic Development Authority Revenue Bonds
Single Family Drawdown Revenue Bonds**

For the Last Four Fiscal Years (In Thousands)

Year (A)	Gross Revenues	Operating Expenses	Net Revenues	Debt Service		Total Debt Service	Revenue Bond Coverage
				Principal	Interest		
2002	\$ 199,567	\$ 2	\$ 199,565	\$ 195,431	\$ 4,148	199,579	1.00
2001	92,053	5	92,048	84,350	7,748	92,098	1.00
2000	64,936	5	64,931	57,345	7,382	64,727	1.00
1999	94,695	3	94,692	91,090	3,602	94,692	1.00

(A) Fiscal year 1999 was the first year of this program.

SOURCE: Wisconsin Housing and Economic Development Authority

State of Wisconsin

Environmental Improvement Fund Bonds

For the Last Ten Fiscal Years (In Thousands)

Year	Gross Revenues (A)	Operating Expenses (B)	Net Revenues	Debt Service		Total Debt Service	Revenue Bond Coverage
				Principal	Interest		
2002	\$ 67,330	\$ 2,052	\$ 65,278	\$ 30,975	\$ 32,426	\$ 63,401	1.03
2001	63,268	1,891	61,377	27,245	31,012	58,257	1.05
2000	58,747	1,497	57,250	23,530	30,905	54,435	1.05
1999	54,177	1,675	52,502	24,200	26,651	50,851	1.03
1998	48,124	1,322	46,802	14,270	26,192	40,462	1.16
1997	41,128	1,491	39,637	13,560	22,692	36,252	1.09
1996	38,100	966	37,134	10,100	17,193	27,293	1.36
1995	31,233	1,582	29,651	8,045	17,632	25,677	1.15
1994	27,770	1,579	26,191	8,455	16,334	24,789	1.06
1993	19,316	1,403	17,913	-	14,672	14,672	1.22

(A) Includes operating revenue from loan repayment and interest income from Revenue Bonds.

(B) Includes allocated administrative and general costs.

Petroleum Inspection Fee Revenue Obligations Debt Service Coverage

For Last Three Fiscal Years

(In Thousands)

Year (A)	Fees Remitted to the Trustees (B)	Debt Service			Revenue Bond Coverage
		Principal	Interest	Total Debt Service	
2002	\$ 110,838	\$ -	\$ 11,304	\$ 11,304	9.81
2001	114,304	1,750	10,930	12,680	9.01
2000	32,503	-	-	-	N/A (C)

(A) This program began on March 2, 2000.

(B) Includes Petroleum Inspection Fees remitted by the State of Wisconsin to the Program Trustee for the four-month period March 2000 through June 2000. In contrast, the fees collected by the State of Wisconsin for the 12-month period ended June 30, 2000, totalled \$111,563,668.

(C) The debt service coverage ratio is not applicable for FY 1999-2000 since there was no debt service paid prior to July 1, 2000. However, the ratio of remitted fees to debt service payments to be made on July 1, 2000, is 6.56: the \$32,502,522 in fees remitted to the Trustee, divided by the \$4,952,336 of debt service payments.

SOURCE: Wisconsin Department of Commerce

**Local Government Property Insurance Fund
Ten-Year Claims Development Information**

Fiscal and Policy Year Ended June 30

(In Thousands)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
1. Premium and investment revenues:										
Earned	\$ 9,315	\$ 9,665	\$ 9,982	\$ 10,347	\$ 10,633	\$ 11,241	\$ 11,396	\$ 11,801	\$ 13,578	\$ 14,518
Ceded	1,776	1,789	1,460	1,359	1,678	1,875	1,023	1,055	2,258	2,815
Net Earned	7,539	7,876	8,522	8,988	8,955	9,366	10,373	10,746	11,320	11,706
2. Loss expenses										
	349	424	211	112	266	447	604	449	369	273
3. Estimated incurred claims and allocated expense, end of policy year										
Direct incurred	6,965	8,055	4,427	9,402	8,431	16,828	12,543	16,134	14,125	14,837
Ceded	480	2,300	2,300	1,600	1,328	8,515	4,127	7,881	1,075	979
Net Incurred	6,485	5,755	4,427	7,802	7,103	8,313	8,416	8,253	13,050	13,858
4. Paid (cumulative) as of:										
End of policy year	3,282	2,805	2,489	3,376	4,005	4,561	4,206	4,866	5,060	7,278
One year later	5,957	5,377	4,493	6,956	5,880	7,979	7,452	7,344	12,333	
Two years later	6,236	5,464	4,578	6,667	6,361	8,173	7,714	8,088		
Three years later	6,248	5,766	4,578	6,763	6,385	8,620	7,714			
Four years later	6,248	5,470	4,578	6,763	6,460	8,620				
Five years later	6,248	5,470	4,578	6,809	6,460					
Six years later	6,248	5,470	4,578	6,809						
Seven years later	6,248	5,470	4,578							
Eight years later	6,248	5,470								
Nine years later	6,248									

The table above illustrates how the Local Government Property Insurance Fund's earned revenues (net of insurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the fund as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) These lines show the total of each fiscal year's earned contribution revenues and investment revenues, amount of reinsurance premium ceded and net earned revenues.
- (2) This line shows each fiscal year's other operating cost of the fund including overhead and claims expense not allocable to individual claims.
- (3) This section shows the fund's incurred claims and allocated claims adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
- (4) This section of 10 rows shows the cumulative amounts paid as of the end of successive years for each policy year.

(Continued)

**Local Government Property Insurance Fund
Ten-Year Claims Development Information**

Fiscal and Policy Year Ended June 30

(Continued)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
5. Reestimated ceded losses and expenses:	\$ 542	\$ 4,313	\$ -	\$ 2,150	\$ 1,020	\$ 8,339	\$ 3,544	\$ 8,177	\$ 1,367	979
6. Reestimated incurred claims and expense:										
End of policy year	6,485	5,755	4,427	7,802	7,103	8,313	8,416	8,253	13,050	13,858
One year later	6,230	5,552	4,674	7,095	6,357	8,180	7,785	7,692	12,773	
Two years later	6,246	5,534	4,578	6,801	6,393	8,620	7,714	8,135		
Three years later	6,248	5,771	4,578	6,763	6,460	8,620	7,714			
Four years later	6,248	5,570	4,578	6,763	6,460	8,620				
Five years later	6,248	5,570	4,578	6,809	6,460					
Six years later	6,248	5,570	4,578	6,809						
Seven years later	6,248	5,570	4,578							
Eight years later	6,248	5,470								
Nine years later	6,248									
7. Increase (decrease) in estimated incurred claims and expense from end of policy year	(237)	(285)	151	(993)	(643)	307	(702)	(118)	(677)	-

(5) This line represents the reestimated losses assumed by reinsurers as of the end of the current fiscal year for each of the policy years presented.

(6) This section of 10 rows shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.

(7) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years.

**Health Insurance Risk Pool
Ten-Year Claims Development Information**

Calendar and Policy Year Ended December 31

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1. Net earned required contributions and investment revenues	\$ 83.7	\$ 69.1	\$ 66.2	\$ 64.9	\$ 59.9	\$ 54.4	\$ 54.8	\$ 59.4	\$ 64.5	\$ 72.7
2. Unallocated expenses	2.8	2.8	2.7	2.4	2.7	2.7	2.9	3.6	3.7	4.8
3. Estimated incurred claims as of the end of the policy year	65.3	60.1	61.6	65.8	54.9	55.5	58.5	64.8	69.9	73.6
4. Paid (cumulative) as of:										
End of policy year	53.3	50.2	50.3	53.6	46.1	45.8	42.4	51.6	55.9	61.1
One year later	65.6	61.0	62.2	64.3	55.1	53.8	55.0	62.6	64.4	
Two years later	65.5	60.7	62.5	64.6	55.4	54.0	55.4	62.7		
Three years later	65.5	60.7	62.5	64.6	55.4	54.0	55.4			
Four years later	65.5	60.7	62.5	64.6	55.4	54.0				
Five years later	65.5	60.7	62.5	64.6	55.4					
Six years later	65.5	60.7	62.5	64.6						
Seven years later	65.5	60.7	62.5							
Eight years later	65.5	60.7								
Nine years later	65.5									
5. Reestimated incurred claims:										
End of policy year	65.3	60.1	61.6	65.8	54.9	55.5	58.5	64.8	69.9	73.6
One year later	65.7	60.8	62.2	64.5	54.3	54.1	55.3	62.8	64.7	
Two years later	65.5	60.7	62.5	64.6	55.4	54.0	55.4	62.7		
Three years later	65.5	60.7	62.5	64.6	55.4	54.0	55.4			
Four years later	65.5	60.7	62.5	64.6	55.4					
Five years later	65.5	60.7	62.5	64.6	55.4					
Six years later	65.5	60.7	62.5	64.6						
Seven years later	65.5	60.7	62.5							
Eight years later	65.5	60.7								
Nine years later	65.5									
6. Increase (decrease) in estimated incurred claims from end of policy year	0.2	0.6	0.9	(1.2)	0.5	(1.5)	(3.1)	(2.1)	(5.2)	-

The table above illustrates how the Health Insurance Fund Risk Pool's earned revenues and investment income compare to related costs of loss assumed by the fund as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each calendar year's earned contribution and investment revenues.
- (2) This line shows each calendar year's other operating costs of the funds including overhead and claims expenses not allocable to individual claims.
- (3) This line shows the fund's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
- (4) This section shows the cumulative amounts paid as of the end of successive years for each policy year.
- (5) This section shows each policy year's incurred claims as reestimated at the end of each successive policy year. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

**Income Continuation Insurance Risk Pool
Ten-Year Claims Development Information**

Calendar and Policy Year Ended December 31

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1. Net earned required contributions and investment revenues	\$ 5.8	\$ 9.3	\$ 0.1	\$ 11.8	\$ 11.4	\$ 17.0	\$ 17.0	\$ 19.5	\$ 8.2	\$ 7.9
2. Unallocated expenses	0.5	0.6	0.7	0.8	0.9	1.1	1.2	1.5	0.8	1.9
3. Estimated incurred claims as of the end of the policy year	13.5	16.3	17.2	19.4	18.7	19.1	19.3	17.3	21.4	28.2
4. Paid (cumulative) as of:										
End of policy year	2.0	2.2	2.0	2.7	2.4	2.5	2.5	2.4	3.2	4.9
One year later	4.0	4.2	3.9	5.1	4.6	5.4	4.5	4.6	7.5	
Two years later	4.6	4.6	4.5	5.8	5.2	5.7	4.8	5.3		
Three years later	5.0	4.9	4.9	6.2	5.5	6.1	5.4			
Four years later	5.3	5.1	5.1	6.4	5.8	6.5				
Five years later	5.6	5.3	5.3	6.7	6.2					
Six years later	5.9	5.4	5.6	7.1						
Seven years later	6.1	5.5	5.9							
Eight years later	6.3	5.9								
Nine years later	6.5									
5. Reestimated incurred claims:										
End of policy year	13.5	16.3	17.2	19.4	18.7	19.1	19.3	17.3	21.4	28.2
One year later	9.6	11.5	10.9	12.8	12.1	12.1	9.8	9.8	19.1	
Two years later	9.1	8.1	8.8	11.0	9.3	9.3	8.2	10.2		
Three years later	8.2	7.2	7.9	10.0	9.9	8.7	7.6			
Four years later	7.9	6.9	7.3	9.5	9.2	8.3				
Five years later	7.8	6.7	8.0	9.9	8.3					
Six years later	7.7	6.5	7.7	9.3						
Seven years later	7.6	6.6	7.6							
Eight years later	7.6	6.8								
Nine years later	7.4									
6. Increase (decrease) in estimated incurred claims from end of policy year	(6.1)	(9.5)	(9.6)	(10.1)	(10.4)	(10.8)	(11.7)	(7.1)	(2.3)	-

The table above illustrates how the Income Continuation Insurance Fund Risk Pool's earned revenues and investment income compare to related costs of loss assumed by the fund as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each calendar year's earned contribution and investment revenues.
- (2) This line shows each calendar year's other operating costs of the funds including overhead and claims expenses not allocable to individual claims.
- (3) This line shows the fund's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
- (4) This section shows the cumulative amounts paid as of the end of successive years for each policy year.
- (5) This section shows each policy year's incurred claims as reestimated at the end of each successive policy year. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

Duty Disability Insurance Risk Pool Ten-Year Claims Development Information

Calendar and Policy Year Ended December 31

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1. Net earned required contributions and investment revenues	\$ 12.0	\$ 14.3	\$ 16.2	\$ 22.0	\$ 23.7	\$ 27.0	\$ 32.8	\$ 38.9	\$ 31.3	\$ 32.4
2. Unallocated expenses	0.5	0.3	0.2	0.2	0.4	0.1	0.2	0.6	0.2	0.3
3. Estimated incurred claims as of the end of the policy year	8.4	7.0	5.1	4.8	15.5	14.1	16.9	21.7	27.6	35.3
4. Paid (cumulative) as of:										
End of policy year	0.4	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.2	0.2
One year later	1.3	0.6	0.4	1.1	0.4	0.5	0.6	0.8	0.8	
Two years later	2.6	1.5	1.4	2.5	0.8	1.1	1.2	1.4		
Three years later	3.9	2.1	2.5	4.0	1.4	1.7	2.3			
Four years later	4.9	2.9	3.7	5.6	2.0	3.0				
Five years later	5.8	3.7	5.0	7.2	3.4					
Six years later	6.8	4.5	6.2	8.4						
Seven years later	7.8	5.3	7.3							
Eight years later	8.8	6.4								
Nine years later	9.9									
5. Reestimated incurred claims:										
End of policy year	8.4	7.0	5.1	4.8	15.5	14.1	16.9	21.7	27.6	35.3
One year later	16.5	10.2	6.1	8.8	5.8	8.2	9.5	7.6	6.1	
Two years later	18.4	12.6	10.2	10.5	8.3	12.6	16.6	13.4		
Three years later	20.6	16.2	12.9	13.6	9.8	14.5	19.3			
Four years later	22.9	18.0	14.5	17.7	11.5	15.7				
Five years later	24.8	20.0	17.9	19.6	13.9					
Six years later	25.8	24.3	19.4	21.6						
Seven years later	29.2	25.4	21.2							
Eight years later	29.9	26.9								
Nine years later	32.0									
6. Increase (decrease) in estimated incurred claims from end of policy year	23.6	19.9	16.1	16.8	(1.6)	1.6	2.4	(8.3)	(21.5)	-

The table above illustrates how the Duty Disability Fund Risk Pool's earned revenues and investment income compare to related costs of loss assumed by the fund as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each calendar year's earned contribution and investment revenues.
- (2) This line shows each calendar year's other operating costs of the funds including overhead and claims expenses not allocable to individual claims.
- (3) This line shows the fund's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
- (4) This section shows the cumulative amounts paid as of the end of successive years for each policy year.
- (5) This section shows each policy year's incurred claims as reestimated at the end of each successive policy year. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

State of Wisconsin

**Long-term Disability Insurance Risk Pool
Ten-Year Claims Development Information**

Calendar and Policy Year Ended December 31

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1. Net earned required contributions and investment revenues	\$ 6.3	\$ 36.1	\$ 30.8	\$ 47.8	\$ 36.1	\$ 38.9	\$ 37.7	\$ 36.1	\$ (3.0)	\$ (6.9)
2. Unallocated expenses	0.0	0.1	0.2	0.2	0.2	0.2	0.4	0.6	0.3	1.0
3. Estimated incurred claims as of the end of the policy year	0.0	1.8	3.3	5.4	4.5	4.5	7.7	9.1	9.4	9.8
4. Paid (cumulative) as of:										
End of policy year	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.3
One year later	0.0	0.3	0.4	0.5	0.7	0.4	0.8	0.6	1.2	
Two years later	0.1	0.4	0.8	0.9	1.4	0.9	1.6	1.9		
Three years later	0.1	0.6	1.2	1.3	2.0	1.4	2.7			
Four years later	0.1	0.8	1.6	1.6	2.5	2.3				
Five years later	0.2	0.9	2.0	1.9	3.1					
Six years later	0.2	1.1	2.3	2.3						
Seven years later	0.2	1.2	2.4							
Eight years later	0.2	1.2								
Nine years later	0.2									
5. Reestimated incurred claims:										
End of policy year	0.0	1.8	3.3	5.4	4.5	4.5	7.7	9.1	9.4	9.8
One year later	0.2	1.2	2.5	3.4	4.3	2.5	5.1	6.1	5.4	
Two years later	0.2	1.5	3.2	3.9	5.4	3.6	6.8	8.8		
Three years later	0.2	1.7	3.7	4.1	6.1	3.7	6.6			
Four years later	0.2	2.0	4.1	4.1	5.7	4.7				
Five years later	0.2	1.8	4.3	3.7	6.0					
Six years later	0.2	1.9	4.5	4.3						
Seven years later	0.2	1.2	4.9							
Eight years later	0.2	1.2								
Nine years later	0.2									
6. Increase (decrease) in estimated incurred claims from end of policy year	0.2	(0.6)	1.6	(1.1)	1.5	0.2	(1.1)	(0.3)	(4.0)	-

The table above illustrates how the Long-term Disability Insurance Fund Risk Pool's earned revenues and investment income compare to related costs of loss assumed by the fund as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each calendar year's earned contribution and investment revenues.
- (2) This line shows each calendar year's other operating costs of the funds including overhead and claims expenses not allocable to individual claims.
- (3) This line shows the fund's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
- (4) This section shows the cumulative amounts paid as of the end of successive years for each policy year.
- (5) This section shows each policy year's incurred claims as reestimated at the end of each successive policy year. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

State of Wisconsin

Bank Deposits

For the Last Ten Fiscal Years

(In Thousands)

Year	State Chartered Banks	Nationally Chartered Banks	State Chartered Savings And Loans (A)
2002	\$ 46,836,527	\$ 14,697,466	\$ 3,210,761
2001	42,675,366	14,320,141	4,965,368
2000	44,709,945	9,917,244	6,329,295
1999	45,943,028	15,797,789	10,798,405
1998	41,578,232	14,192,053	7,428,791
1997	37,949,640	13,640,277	9,334,442
1996	30,807,941	17,113,236	8,651,268
1995	26,363,116	19,235,764	8,557,009
1994	24,291,519	18,504,710	7,926,833
1993	23,996,285	18,244,506	8,318,416

(A) Includes Savings Banks

SOURCES: Wisconsin Department of Financial Institutions

State of Wisconsin

Unemployment Data

For the Last Ten Years

Year	Population (Thousands)	Unemployment Rate	
		Wisconsin	U.S.
2001	5,402	4.6	4.8
2000	5,364	3.5	4.0
1999	5,250	3.0	4.2
1998	5,224	3.4	4.5
1997	5,170	3.7	4.9
1996	5,147	3.5	5.4
1995	5,113	3.7	5.6
1994	5,075	4.7	6.1
1993	5,038	4.7	6.8
1992	4,991	5.0	7.4

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis
Wisconsin Department of Workforce Development
2002 data is not available.

State of Wisconsin

Personal Income

For the Last Ten Years

Calendar Year	Personal Income (Millions)	Percentage Change From Previous Year	Dollars per Capita	Percentage of National Average
2001	\$ 158,116	3.4	\$ 29,270	96.1
2000	152,953	6.1	28,471	95.6
1999	143,705	4.7	27,412	96.1
1998	137,256	5.8	26,284	96.6
1997	129,697	6.4	24,941	96.2
1996	121,864	5.1	23,554	95.6
1995	115,960	8.3	22,573	95.8
1994	107,063	5.8	21,012	95.3
1993	101,159	4.6	20,078	94.6
1992	96,746	7.1	19,382	94.3

Information for 2002 is not yet available.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis

State of Wisconsin

Disposable Personal Income

For the Last Ten Years

Calendar Year	Disposable Personal Income (Millions)	Percentage Change From Previous Year	Dollars per Capita	Percentage of National Average
2001	\$ 135,576	3.9	\$ 25,098	96.8
2000	130,508	7.4	24,923	96.4
1999	121,509	4.5	23,213	95.5
1998	116,334	5.2	22,277	95.9
1997	110,546	5.8	21,258	95.3
1996	104,491	4.2	20,196	94.5
1995	100,255	9.1	19,516	94.7
1994	91,904	5.4	18,037	93.8
1993	87,180	4.2	17,303	93.3
1992	83,662	7.2	16,761	93.1

Information for 2002 is not yet available.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis

State of Wisconsin

**Kindergarten through Grade 12
Enrollment Statistics**

For the Last Ten Years

Year	Public	Private	Total
2002	854,688	133,279	987,967
2001	855,725	151,472	1,007,197
2000	875,038	135,638	1,010,676
1999	859,387	135,039	994,426
1998	881,248	147,344	1,028,592
1997	859,469	138,658	998,127
1996	852,130	137,212	989,342
1995	860,686	148,002	1,008,688
1994	844,001	149,782	993,783
1993	829,415	146,807	976,222

SOURCE: Wisconsin Department of Public Instruction, Division for Management and Budget, Educational Information Services

State of Wisconsin

**State of Wisconsin's Largest Employers
(Over 1000 Employees)**

Rank	Employer Name	Type of Industry
1	Wal-Mart Stores Inc.	General Merchandise Stores
2	Kohler Company	Fabricated Metal Products
3	Shopko Stores Inc.	General Merchandise Stores
4	Quad/Graphics Inc.	Printing and Publishing
5	Land's End Inc.	Catalog and Mail Order Houses
6	Menard's Inc.	Building Materials and Garden Supplies
7	Consolidated Papers Inc.	Paper and Allied Products
8	Division of Target Corporation	General Merchandise Stores
9	Kohl's Department Stores, Inc.	General Merchandise Stores
10	Kimberly-Clark Corp.	Paper and Allied Products
11	Parisian	General Merchandise Stores
12	K-Mart Corp.	General Merchandise Stores
13	The Copps Corporation	Groceries and Related Products
14	United Parcel Services Inc.	Trucking and Warehousing
15	Walgreen Company Illinois	Pharmaceutical Stores
16	Allen-Bradley Co. Inc.	Electronic and Other Electric Equipment
17	Wisconsin Electric Power Company	Electric, Gas and Sanitary Services
18	Aurora Health Care Metro, Inc.	Health Services
19	Marshfield Clinic	Health Services
20	General Motors Corporation	Transportation Equipment
21	US Bank Natl Assn	Banking
22	Fort James Operating Co.	Paper and Allied Products
23	Fleming Companies Inc.	Groceries and Related Products
24	Employers Health Insurance Co.	Insurance
25	Wisconsin Hospitality Group LL	Hospitality

Note: Employee data as of March 2001
Employee data for 2002 is not yet available.

SOURCE: Wisconsin Department of Workforce Development

Employment Trends in Wisconsin

For the Last Ten Years

(In Thousands)

Year (A)	Civilian Labor Force (B)	Unemployment	Percent of Work Force (C)	Total Employment (D)	Nonfarm Wage and Salary Employment	Manufacturing (E)
2001	2,990.6	136.1	4.6%	2,854.5	2,825.7	587.7
2000	2,934.9	103.8	3.5	2,831.2	2,833.2	615.7
1999	2,889.8	88.0	3.0	2,801.8	2,783.9	617.7
1998	2,952.0	99.4	3.4	2,852.6	2,718.0	618.6
1997	2,949.4	108.4	3.7	2,841.1	2,655.7	608.8
1996	2,927.3	103.3	3.5	2,824.0	2,600.5	601.1
1995	2,843.9	105.4	3.7	2,738.5	2,558.5	601.6
1994	2,800.1	132.0	4.7	2,668.0	2,490.8	583.9
1993	2,727.5	129.5	4.7	2,598.0	2,412.7	561.8
1992	2,675.6	138.1	5.2	2,537.5	2,357.9	549.6

(A) All data are estimates which are revised monthly and annually. Data may not be strictly comparable for various years due to changes in categories. Calendar year information for 2002 is not yet available.

(B) The civilian labor force includes both the employed and unemployed, age 16 and over, excluding current military personnel and institutionalized individuals.

(C) Percentages are not seasonally adjusted.

(D) Includes workers involved in labor disputes.

(E) Unadjusted total.

SOURCE: Wisconsin Department of Workforce Development

Estimated Production Workers in Manufacturing - Hours and Earnings Annual Average

	Wisconsin			United States		
	1991	2001	Percentage Change	1991	2001	Percentage Change
Weekly Earnings	\$ 474.86	\$ 620.68	30.7%	\$ 455.03	\$ 603.58	32.6%
Weekly Hours	41.4	40.7	(1.7)	40.7	40.7	0.0
Hourly Earnings	\$ 11.47	\$ 15.25	33.0	\$ 11.18	\$ 14.83	32.6
Number of Workers (000)	386	425	10.1	12,434	11,933	(4.0)

SOURCE: Wisconsin Department of Workforce Development

Annual average for 2002 is not yet available.

*State of Wisconsin***Estimated Employees in Wisconsin on Nonagricultural Payrolls (A), 2001**

	Wisconsin		United States	
	(Thousands)	Percent	(Thousands)	Percent
Mining	2.8	0.1%	565	0.4%
Contract Constructor	122.6	4.3	6,685	5.1
Manufacturing	587.7	20.8	17,695	13.4
Transportation and Public Utilities	133.6	4.7	7,065	5.4
Wholesale Trade	137.5	4.9	6,776	5.1
Retail Trade	502.9	17.8	23,522	17.8
Finance, Insurance and Real Estate	151.1	5.3	7,712	5.8
Miscellaneous Services	774.7	27.4	40,970	31.1
Government	413.8	14.6	20,933	15.9
Total	2,826.7	100.0	131,923	100.0

(A) Not seasonally adjusted. Calendar year information for 2002 is not yet available.

Note: This table excludes agriculture, forestry and fisheries employees.

SOURCES: Wisconsin Department of Workforce Development
U.S. Department of Labor, Bureau of Labor Statistics

*State of Wisconsin***Total New Housing Units Authorized in Permit-Issuing Places**

For the Last Ten Years

Calendar Year	Wisconsin	Percent Change	
		Wisconsin	U.S.
2001	37,773	10.6	2.8
2000	34,154	(4.0)	(4.3)
1999	35,570	0.4	3.2
1998	35,436	11.0	11.9
1997	31,925	(4.1)	1.1
1996	33,296	2.8	7.0
1995	32,403	(6.4)	(2.8)
1994	34,619	7.8	14.4
1993	32,114	3.6	9.5
1992	30,995	23.4	15.4

Information for 2002 is not yet available.

SOURCE: U.S. Bureau of the Census, "Construction Reports C40 Housing Authorized by Building Permits and Public Contracts"

State of Wisconsin

How Wisconsin Ranks Among the States In Agriculture, 2001

Commodity	Rank Among States	Units	Wisconsin 2001 Production (In Thousands)	Percent of U.S. Production	U.S. 2001 Production (In Thousands)	Leading State
Dairy						
Milk Production	2	Lbs.	22,199,000	13.4	165,336,000	California
Butter	2	Lbs.	324,675	26.3	1,236,801	California
Total Cheese (excluding cottage)	1	Lbs.	2,133,156	26.2	8,129,094	Wisconsin
American	1	Lbs.	833,232	23.7	3,519,162	Wisconsin
Swiss	2	Lbs.	35,872	14.6	245,504	Ohio
Limburger	1	Lbs.	702	100.0	702	Wisconsin
Brick and Muenster	1	Lbs.	63,487	70.0	90,698	Wisconsin
Mozzarella	1	Lbs.	713,336	26.8	2,665,749	Wisconsin
Italian	1	Lbs.	949,973	28.5	3,328,272	Wisconsin
Cottage Cheese						
4% or more milkfat	9	Lbs.	12,374	3.3	371,525	New York
Less than 4% milkfat	5	Lbs.	12,165	3.3	370,884	New York
Whey products						
Dry whey	1	Lbs.	301,676	28.8	1,045,792	Wisconsin
Livestock						
All cattle and calves (A)	9	Head	3,300	3.4	96,704	Texas
Milk cows (A)	2	Head	1,280	14.1	9,110	California
Hogs and pigs, all (B)	18	Head	540	0.9	58,774	Iowa
Sheep (A)	20	Head	80	1.2	6,685	Texas
Equine (C)	22 (E)	Head	120	2.3	5,317	Texas
Chickens (B)	19	Head	6,100	1.4	441,089	Iowa
Broilers	19	Head	31,300	0.4	7,268,000	Georgia
Trout, sold 12" or longer	10	Lbs.	618	1.1	56,908	Idaho
Mink pelts	1	Pelts	672	26.2	2,565	Wisconsin
Honey	9	Lbs.	5,427	2.9	185,926	California
Eggs	19	Eggs	1,235,000	1.4	85,702,000	Iowa
Crops						
Corn for grain	10	Bushels	330,200	3.5	9,506,840	Iowa
Corn for silage	1	Tons	11,310	11.1	102,352	Wisconsin
Oats	3	Bushels	12,480	10.7	116,856	North Dakota
Soybeans	13	Bushels	58,090	2.0	2,890,682	Iowa
Barley	17 (F)	Bushels	1,820	0.7	249,590	North Dakota
Hay (dry only), all	12	Tons	4,790	3.1	156,703	Texas
Potatoes, all	3	Cwt.	31,955	7.2	444,766	Idaho
Tobacco	12	Lbs.	3,622	0.4	991,519	North Carolina
Dry edible beans	17	Cwt.	110	0.6	19,541	North Dakota
Cherries, tart	4	Lbs.	13,000	3.5	369,300	Michigan
Apples	12	Lbs.	62,000	0.6	9,629,100	Washington
Strawberries	9 (G)	Cwt.	46	0.3	16,663	California
Maple syrup (D)	6	Gals.	79	5.8	1,356	Vermont
Cranberries	1	Bbl.	2,840	53.3	5,329	Wisconsin
Mint for oil	5	Lbs.	470	5.6	8,395	Washington
Carrots, all	3	Tons	74.9	17.1	437.2	Washington
Onions	14	Cwt.	594	0.9	67,081	California
Cabbage for fresh market	9	Cwt.	817	3.1	26,068	New York
Cabbage for kraut	1	Tons	81.5	46.7	174.4	Wisconsin
Sweet corn for fresh market	13	Cwt.	584.0	2.1	27,661	Florida
Sweet corn for processing	3	Tons	657.6	20.9	3,143	Washington
Green peas for processing	3	Tons	68.8	17.8	387	Minnesota
Snap beans for processing	1	Tons	244.9	35.1	699	Wisconsin
Cucumbers for pickles	5	Tons	30.1	5.1	592	Michigan

(A) January 1, 2002 inventory. (B) December 1, 2001 inventory. (C) January 1, 1999 inventory. (D) Data for 2002.
 (E) Tied with Oregon. (F) Tied with Maine. (G) Tied with Ohio.

SOURCE: Wisconsin Department of Agriculture, Agricultural Statistics Service

Miscellaneous Data

Date Wisconsin Became Part of United States.....	1783
Inception as a State (30th State).....	1848
Form of Government.....	Legislative-Executive-Judicial
Capitol.....	Madison
State Symbols	
Flower.....	Wood Violet
Tree.....	Sugar Maple
Wildlife Animal.....	White-tailed Deer
Animal.....	Badger
Fish.....	Muskellunge
Bird.....	Robin
Total Area..... 35.8 Million Acres	
Land Area.....	34.8 Million Acres
Water Area.....	1.0 Million Acres
Miles of State Highways.....	11,752 Miles
Higher Education (Students)	
University of Wisconsin System.....	157,726
University of Wisconsin Extension.....	161,987
Private.....	53,328
Vocational/Technical Colleges.....	453,668
Recreation	
Number of State Parks.....	43
Area of State Parks.....	68,355 Acres
Number of State Forests.....	12
Area of State Forests.....	495,975 Acres
Number of State Trails.....	25
Area of State Trails.....	10,178 Acres
Number of Historic Sites.....	8
Number of Recreational Areas.....	5
Area of Recreational Areas.....	9,075 Acres
Permanent Classified State Employees.....	39,000

SOURCE: Wisconsin Blue Book, 2001-2002

Acknowledgments

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Cover acknowledgments:

Cover designed by: Charles Forsmo, the State of Wisconsin, Department of Electronic Government.

Cover photo: Evening view of the Milwaukee Art Museum's Quadracci Pavilion, the first Santiago Calatrava-designed building in the United States. Located along the shore of Lake Michigan in downtown Milwaukee, Wisconsin, the Quadracci Pavilion first opened to the public May 4, 2001, as part of an evolving expansion and renovation of the Milwaukee Art Museum. The Pavilion features a 90-foot high glass-walled reception hall enclosed by the Burke Brise Soleil, a sunscreen that can be raised or lowered creating a unique moving sculpture.

With a history dating back to 1888, the Milwaukee Art Museum's primary strengths are in 19th- and 20th- century American and European art, contemporary art, American decorative arts, Old Master works, and folk and self-taught art.

Cover photo courtesy of: Milwaukee Art Museum, Milwaukee, Wisconsin.

Cover photo taken by: Jim Brozek



Fiscal Year 2003 Summary Financial Information

This report summarizes certain information presented in the State of Wisconsin's Fiscal Year 2003 *Comprehensive Annual Financial Report (CAFR)*. The financial statements presented in the CAFR are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) prescribes GAAP for state and local governments nation-wide.

The investment community represents the primary users of the CAFR. Further, GAAP-based financial statements are required to be submitted to the federal government as a condition of receiving federal financial assistance.

The CAFR includes two sets of statements that present different views of the State – the *government-wide* financial statements and the *fund* financial statements. The *government-wide* financial statements provide a broad view of the State's overall operations. These statements present both short-term and long-term information about the state's financial status, using the accrual method of accounting in a manner similar to financial statements prepared by the private sector. The *fund* financial statements focus on individual parts of the State government, including the State's General Fund.

The CAFR also presents a *Management Discussion and Analysis (MD&A)*, which summarizes and analyzes the State's financial performance.

Contents of this "Summary Financial Information" Report

Management Discussion and Analysis

Page 2 summarizes the Management Discussion and Analysis (MD&A) requirements and discussion.

Government-wide Financial Information

Pages 3 through 7 summarize information related to Wisconsin's 2003 CAFR *government-wide* financial statements. Information regarding these financial statements includes:

- Statement of net assets – Page 3
- Statement of activities – Pages 4 and 5
- Capital assets/infrastructure – Page 6
- Long-term liabilities – Page 7

GAAP General Fund Financial Information*

The information on pages 8 through 10 summarizes activity of Wisconsin's GAAP General Fund – the State's chief operating fund. Highlights of the GAAP General Fund's activity include:

- Balance sheet – Page 8
- Operating statement – Page 9
- Budgetary to GAAP fund balance reconciliation – Page 10

* The GAAP General Fund is one of three major governmental funds. Financial statements for governmental, proprietary and fiduciary funds are located in the 2003 CAFR starting on Pages 36, 40, and 48, respectively. Financial statements for individual nonmajor funds start on Page 136, following the notes to the financial statements.

The State's CAFR may be viewed at <http://www.doa.state.wi.us/debf>

Management's Discussion and Analysis (MD&A)

The MD&A provides a brief and objective analysis of the government's financial activities based on currently known facts. The GASB prescribes that eight elements must be included in the MD&A, if applicable to the government. However, because the MD&A is required supplementary information, discussions contained therein must be limited to only these required elements. The MD&A requirements, along with examples of the contents, are provided below:

Management Discussion and Analysis (MD&A) Requirements and Examples

Requirement	Example
<p>1. Purpose of the basic financial statements and how they interrelate.</p>	<ul style="list-style-type: none"> • Pages 18 and 19 of the 2003 CAFR describe the contents of the basic financial statements, differentiating between the <i>government-wide</i> and the <i>fund</i> statements.
<p>2. Condensed government-wide financial information (both governmental and business-type activities)</p>	<ul style="list-style-type: none"> • Pages 21 and 22 present condensed government-wide financial information from the <i>statement of net assets</i> and the <i>statement of activities</i>.
<p>3. Analysis of government's overall financial position and results of operations. This assists users in assessing whether/why the government's financial position has improved or deteriorated as a result of the year's operations.</p>	<ul style="list-style-type: none"> • Pages 21 through 24 highlight elements of the government-wide <i>net assets</i> and <i>changes in net assets</i>. For example, the State's total net assets were \$13.1 billion as of June 30, 2003, while the "unrestricted" net assets were \$(4.5) billion as of that date.
<p>4. Analysis of balances and transactions of the government's individual funds. This includes discussions of significant changes in fund balances and the factors contributing to the changes.</p>	<ul style="list-style-type: none"> • Pages 25 and 26 discuss factors contributing to changes in the State's General Fund. For example, major reasons for the decrease in the General Fund's June 30, 2003 total fund balance include: <ul style="list-style-type: none"> - An increase in expenditures that relate to the general equalization assistance to schools districts. - A decrease in the amount of transfers into the General Fund from the Tobacco Settlement Endowment fund. • Page 27 notes other individual funds that reflected significant changes in 2003, including the Tobacco Settlement Endowment Fund, the Unemployment Insurance Reserve Fund, the Health Insurance Fund, the Veterans Mortgage Loan Repayment Fund, and the University of Wisconsin System.
<p>5. Analysis of significant variations between original and final budget amounts and between final budget amounts and actual budget results for the government's General Fund.</p>	<ul style="list-style-type: none"> • Page 26 presents General Fund budgetary variations, including a discussion of the decrease in the budgetary-based General Fund, primarily due to increases in ongoing entitlement programs and a shortfall in tax revenue of \$23.8 million.
<p>6. Description of government's capital assets and long-term debt activity.</p>	<ul style="list-style-type: none"> • Pages 27 and 28 present a narrative and schedule of the State's capital assets as of June 30, 2003, and commitments for capital expenditures. For example, Wisconsin's capital assets, net of depreciation, totaled \$16.4 billion as of June 30, 2003. • Pages 28 and 29 discuss the State's debt administration, highlighting the following: <ul style="list-style-type: none"> - The State's outstanding general obligation and revenue bonds and notes totaled \$6.0 billion as of June 30, 2003. - The State's fixed bonds credit rating as of June 30, 2003 was Aa3 from Moody's Investors Services, AA- from Standard and Poor's Corporation, and AA from Fitch Investors Service, L.P.
<p>7. Government's infrastructure assets (roads, bridges, and buildings considered an ancillary part of roads), if the government uses the modified approach for reporting infrastructure.</p>	<ul style="list-style-type: none"> • Page 29 discusses the State's infrastructure as of June 30, 2003, including the following: <ul style="list-style-type: none"> - The State owned 11,200 centerline miles of roads and 4,900 bridges valued at \$9.4 billion as of June 30, 2003. - Given the State's policy to ensure at least 85 percent of the State-owned roads and bridges are in good or fair condition, 95.7 percent of the roads and 93.8 percent of bridges were in good or fair condition in 2003, consistent with the State's policy.
<p>8. Currently known facts, decisions or conditions that are expected to have a material effect on financial position or results of operations.</p>	<ul style="list-style-type: none"> • Pages 29 and 30 discuss actual economic factors impacting the State's economy during Fiscal Year 2003, such as employment, personal income, property value changes and inflation.

Government-wide – Statement of Net Assets

This statement is located on Page 33 of the 2003 CAFR.

The Statement of Net Assets reports all assets owned by or available to the State and the liabilities owed at the end of the fiscal year. It is similar to the "balance sheet" used in the private sector.

The Statement of Net Assets is prepared using an *economic resources* measurement focus, *accrual* basis of accounting.

Governmental activities are reported separate from business-type activities. The latter consists of all State enterprise funds, including the University of Wisconsin System.

Component Units include four legally separate activities:
 -- Wisconsin Housing and Economic Development Authority
 -- University of Wisconsin Hospitals and Clinics Authority
 -- Badger Tobacco Asset Securitization Corporation
 -- Wisconsin Health Care Liability Insurance Plan

State of Wisconsin Statement of Net Assets June 30, 2003

(in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Totals	
Assets				
Cash and Cash Equivalents	\$ 1,402,063	\$ 2,692,035	\$ 4,094,098	\$ 198,900
Investments	152,290	1,326,563	1,478,853	478,449
Receivables (net)	2,362,964	2,200,837	4,563,801	1,852,294
Internal Balances	6,619	(6,619)	-	-
Inventories	46,488	37,310	83,798	6,485
Prepaid Items	349,491	116,458	465,949	2,848
Capital Leases Receivable -				
Component Units	-	22,927	22,927	-
Restricted and Limited Use Assets:				
Cash and Cash Equivalents	-	64,135	64,135	97,374
Investments	-	-	-	642,484
Other Receivables	-	-	-	90
Deferred Charges	26,182	13,300	39,482	28,034
Capital Assets:				
Depreciable	1,420,315	2,003,958	3,424,273	224,023
Nondepreciable:				
Infrastructure	9,352,302	-	9,352,302	-
Other	2,540,944	1,126,561	3,667,505	25,829
Other Assets	694	8,198	8,892	9,965
Total Assets	17,660,352	9,605,663	27,266,015	3,566,775
Liabilities				
Accounts Payable and Other				
Accrued Liabilities	1,630,876	369,724	2,000,600	128,873
Due to Other Governments	1,643,165	27,521	1,670,686	1,556
Tax Refunds Payable	1,013,459	-	1,013,459	-
Tax and Other Deposits	30,873	15,549	46,422	101,889
Deferred Revenue	349,712	189,148	538,860	1,100
Interest Payable	62,680	11,544	74,224	75,369
Short-term Notes Payable	574,769	15,932	590,701	-
Long-term Liabilities:				
Current Portion	402,087	366,615	768,702	87,593
Noncurrent Portion	5,004,974	2,464,212	7,469,187	3,803,764
Total Liabilities	10,712,594	3,460,247	14,172,841	4,200,144
Net Assets				
Invested in Capital Assets, Net of Related Debt	11,090,111	2,828,388	13,918,499	85,005
Restricted for:				
Transportation Programs	66,744	-	66,744	-
Debt Service	25,991	-	25,991	-
Unemployment Compensation	-	1,217,032	1,217,032	-
Environmental Improvement	-	953,656	953,656	-
Permanent Trusts:				
Expendable	9,414	181,388	190,802	3,704
Nonexpendable	546,925	99,079	646,004	815
Other Purposes	8,504	561,705	570,208	381,702
Unrestricted	(4,799,930)	304,167	(4,495,763)	(1,104,594)
Total Net Assets	\$ 6,947,758	\$ 6,145,416	\$ 13,093,174	\$ (633,369)

Depreciable capital assets include land improvements, buildings, and machinery and equipment.

Nondepreciable capital assets include land, construction in progress and infrastructure (roads and bridges).

The "modified approach" is used for reporting infrastructure.

See Page 7 of this summary report for detail of the long-term liabilities.

Invested in capital assets, net of related debt, consists of capital assets reduced by accumulated depreciation and the outstanding principal of related debt.

Restricted net assets are reported when constraints placed on net assets are either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions.

Unrestricted net assets consist of total net assets less the amount invested in capital assets (net of related debt) and less restricted net assets.

Unrestricted net assets may be used at the State's discretion but often have limitations on use based on State statutes.

Factors contributing to negative unrestricted net assets include long-term liabilities that are incurred to finance such items as current expenditures (such as repairs) and grants to local governments.

Government-wide Statement of Activities

- The Statement of Activities identifies the net cost of various functions of Wisconsin government.
- Expenses are presented first, with program revenues subsequently deducted to arrive at net (expenses)/revenues. Program revenues are produced by or provided externally for use in a particular function and, thereby, reduce the net expense to the public of that function.
- General revenues (such as taxes) and changes in net assets are ultimately presented at the bottom of the statement.

State of Wisconsin Statement of Activities For the Fiscal Year Ended June 30, 2003

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
Commerce	\$ 224,377	\$ 148,083	\$ 35,549	\$ -
Education	5,675,138	22,332	614,241	-
Transportation	1,590,710	436,929	93,974	627,000
Environmental Resources	474,969	177,462	61,896	1,022
Human Relations and Resources	8,158,215	130,524	4,329,717	7,380
General Executive	489,442	191,304	234,556	-
Judicial	107,835	48,377	631	-
Legislative	59,758	1,419	-	-
Tax Relief and Other General Expenses	843,757	5,940	55,161	-
Intergovernmental	1,107,958	-	-	-
Interest on Debt	292,579	2,458	-	-
Total Governmental Activities	19,024,739	1,162,827	5,425,725	635,402
Business-type Activities:				
Patients Compensation	102,878	104,221	-	-
Environmental Improvement	42,560	34,818	103,116	-
Veterans Mortgage Loan Repayment	47,280	35,541	-	-
University of Wisconsin System	3,075,475	1,940,491	191,277	33,443
Unemployment Insurance Reserve	1,186,584	614,932	202,466	-
Lottery	418,944	435,133	-	-
Health Insurance	761,995	769,210	-	-
Other Business-type	486,321	457,283	397	2,071
Total Business-type Activities	6,122,037	4,391,628	497,258	35,514
Total Primary Government	\$ 25,146,777	\$ 5,554,455	\$ 5,922,983	\$ 670,916
Component Units:				
Housing and Economic Development Authority	\$ 271,786	\$ 133,591	\$ 129,210	\$ -
Health Care Liability Insurance Plan	13,456	10,585	-	-
University Hospitals and Clinics Authority	533,513	547,792	449	656
Badger Tobacco Asset Securitization Corporation	98,437	56,507	-	-
Total Component Units	\$ 917,192	\$ 748,475	\$ 129,659	\$ 656

Governmental activities are reported separately from business-type activities. This is to avoid inappropriate comparisons between the net costs of business-type activities (which are intended to recover a significant portion of their cost from customers) and governmental activities (which are not intended to recover their costs directly from customers).

Any special and extraordinary items are shown separately. (There were no special or extraordinary items reported for Fiscal Year 2003.)

Extraordinary items are revenues or expenses that are both unusual in nature and infrequent in occurrence.

Special items are either unusual in nature or infrequent in occurrence and are also under the control of management.

General Revenues:	
Dedicated for General Purposes:	
Income Taxes	.....
Sales and Excise Taxes	.....
Public Utility Taxes	.....
Other Taxes	.....
Motor Fuel/Other Taxes Dedicated for Transportation	.....
Other Dedicated Taxes	.....
Grants and Contributions Not Restricted to Specific Programs	.....
Interest and Investment Earnings	.....
Miscellaneous	.....
Contributions to Term and Permanent Endowments	.....
Contributions to Permanent Fund Principal	.....
Transfers	.....
Total General Revenues, Contributions, and Transfers	
Change in Net Assets	
Net Assets - Beginning	
Net Assets - Ending	

This statement is located on Pages 34 and 35 of the 2003 CAFR.

The Statement of Activities is prepared using an *economic resources* measurement focus, *accrual* basis of accounting.

(In Thousands)

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-Type Activities	Total	
\$ (40,745)	\$ -	\$ (40,745)	
(5,038,565)	-	(5,038,565)	
(432,807)	-	(432,807)	
(234,589)	-	(234,589)	
(3,690,594)	-	(3,690,594)	
(63,582)	-	(63,582)	
(60,828)	-	(60,828)	
(58,339)	-	(58,339)	
(782,656)	-	(782,656)	
(1,107,958)	-	(1,107,958)	
(290,122)	-	(290,122)	
<u>(11,800,786)</u>		<u>(11,800,786)</u>	
	1,343	1,343	
	95,374	95,374	
	(11,740)	(11,740)	
	(910,264)	(910,264)	
	(369,186)	(369,186)	
	16,189	16,189	
	7,215	7,215	
	(26,570)	(26,570)	
	<u>(1,197,637)</u>	<u>(1,197,637)</u>	
<u>(11,800,786)</u>	<u>(1,197,637)</u>	<u>(12,998,423)</u>	
		\$ (8,985)	
		(2,872)	
		15,384	
		<u>(41,930)</u>	
		<u>(38,402)</u>	
5,502,423	-	5,502,423	-
4,102,350	-	4,102,350	-
273,892	-	273,892	-
277,633	-	277,633	-
924,503	-	924,503	-
205,984	-	205,984	-
2	-	2	-
22,353	18,192	40,544	34,845
899,636	5	899,640	-
-	2,075	2,075	20
20,769	-	20,769	-
<u>(1,099,606)</u>	<u>1,099,606</u>	<u>-</u>	<u>-</u>
<u>11,129,938</u>	<u>1,119,877</u>	<u>12,249,815</u>	<u>34,865</u>
(670,848)	(77,760)	(748,609)	(3,537)
<u>7,618,606</u>	<u>6,223,176</u>	<u>13,841,782</u>	<u>(629,832)</u>
<u>\$ 6,947,758</u>	<u>\$ 6,145,416</u>	<u>\$ 13,093,174</u>	<u>\$ (633,369)</u>

The amounts of "net assets - ending" agree with the amounts reported as "total net assets" on the Statement of Net Assets on Page 3 of this summary report.

Capital Assets/Infrastructure

Capital Assets

Capital assets of the primary government of the State include land, buildings, machinery and equipment, and infrastructure (e.g., roads and bridges). Capital assets at June 30, 2003 totaled \$16.4 billion as follows:

State of Wisconsin			
Capital Assets, Net of Depreciation, as of June 30, 2003			
(in millions)			
	Governmental Activities	Business-type Activities	Total Primary Government
Land	\$ 1,268	\$ 114	\$ 1,382
Buildings and Improvements	1,277	1,804	3,081
Library Holdings	75	987	1,061
Machinery and Equipment	243	198	440
Infrastructure	9,352	-	9,352
Construction in Progress	1,098	29	1,127
Totals	\$ 13,314	\$ 3,131	\$ 16,444

This information is presented in Note 7 "Capital Assets" on Page 77 of the 2003 CAFR.

Infrastructure

The State reports infrastructure (i.e., roads, bridges, and buildings considered an ancillary part of roads) as capital assets. The State has elected to report its infrastructure assets (11,200 centerline miles of roads and 4,900 bridges with a combined value of \$9.4 billion), using the *modified approach*. Under this method, infrastructure assets are not required to be depreciated if the State manages its eligible infrastructure assets using an asset management system designed to maintain and preserve these assets at a condition level established and disclosed by the State.

In order to adequately serve the traveling public and support the State economy, it is the State's policy to ensure at least 85 percent of the state-owned roads and bridges are in good or fair condition. As of June 30, 2003, 95.7 percent of the roads and 93.8 percent of bridges were in good or fair condition, consistent with State policies.

This information is presented in the Required Supplementary Information on Pages 124 and 125 of the 2003 CAFR.

Note: Capital assets related to governmental funds are *not* reported in the fund statements (Page 36 of 2003 CAFR), since those statements reflect the *current financial resources* measurement focus, *modified accrual* basis of accounting. However such assets are included in the *governmental activities* column in the government-wide statements.

Capital assets of *business-type activities* (enterprise funds) are reported in both the fund statements (Page 40) and the government-wide statements (Page 35), since both sets of statements reflect the *economic resources* measurement focus, *accrual* basis of accounting.

Long-term Liabilities of the State of Wisconsin

Total Long-term Liabilities. Long-term obligations of the primary government of the State totaled \$8.2 billion as of June 30, 2003. These obligations, which are reported as long-term liabilities on the *government-wide* statement of net assets, consisted of the following:

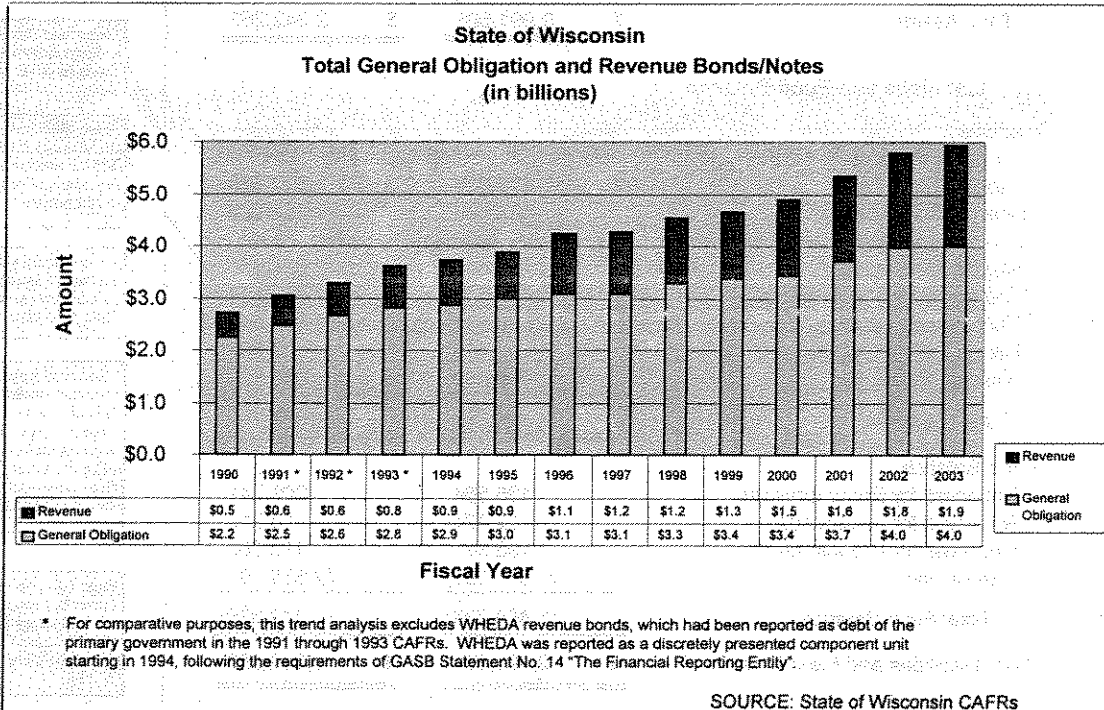
State Of Wisconsin — Long-term Liabilities as of June 30, 2003 (in millions)			
	Governmental Activities	Business-type Activities	Total Primary Government
General Obligation Bonds	\$ 3,090.9	\$ 913.5	\$ 4,004.4
Revenue Bonds	1,325.6	623.4	1,949.0
Future Benefits and Loss Liability	118.3	1,167.4	1,285.7
Capital Leases/Installment Contracts	44.0	40.9	84.9
Compensated Absences	103.9	85.6	189.5
Employer Pension Related Debt Costs	722.2	-	722.2
Claims and Judgments	2.1	-	2.1
Totals	\$ 5,407.0	\$ 2,830.8	\$ 8,237.8

The total amounts of long-term liabilities are reported on Page 33 of the 2003 CAFR, broken down into the current and noncurrent portions. A detail by type of liability (similar to that provided above) is reported in the notes to the financial statements on Page 84 of the 2003 CAFR.

The "Employer Pension-Related Debt Costs" liability represents the amount of the State's unfunded liability for prior service costs.

This "Future Benefits and Loss Liability" relates to various insurance programs administered by the Office of the Commissioner of Insurance and the Department of Employee Trust Funds.

Total Long-term Bonds and Notes Payable. General obligation bonds/notes payable and revenue bonds payable of the primary government totaled \$4.0 and \$1.9 billion as of June 30, 2003, respectively. The trend of bonds and notes payable outstanding at year end is presented below:



Note: Long-term liabilities related to governmental funds are *not* reported in the fund statements (Page 36 of 2003 CAFR), since those statements reflect the *current financial resources* measurement focus, *modified accrual* basis of accounting. However such liabilities are included in the *governmental activities* column in the government-wide statements.

Long-term liabilities of *business-type activities* (enterprise funds) are reported in both the fund statements (Page 40) and the government-wide statements (Page 33), since both sets of statements reflect the *economic resources* measurement focus, *accrual* basis of accounting.

GAAP General Fund Financial Statements Balance Sheet

The fund structure of the GAAP General Fund differs from that of the budgetary General Fund. For example, activity of the University of Wisconsin System is excluded from the GAAP General Fund but is included in the budgetary General Fund.

State of Wisconsin General Fund Balance Sheet June 30, 2002 and 2003

This statement for 2003 is located on Page 36 of the 2003 CAFR.

(in thousands)

	June 30, 2002	June 30, 2003
Assets		
Cash and Cash Equivalents	\$ 9,189	\$ 9,495
Investments	883	882
Receivables (net of estimated uncollectible accounts):		
Taxes	1,115,043	1,095,198
Loans to Local Governments	16,947	14,892
Other Receivables	172,943	180,439
Due from Other Funds	760,935	171,272
Due from Component Units	7	5
Due from Other Governments	557,678	552,235
Inventories	12,474	13,010
Prepaid Items	345,401	304,826
Restricted Assets:		
Investments	3	-
Total Assets	\$ 2,991,505	\$ 2,342,253
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable and Other		
Accrued Liabilities	\$ 571,027	\$ 597,620
Due to Other Funds	132,483	152,020
Due to Component Units	798	1,400
Interfund Payables	757,440	636,405
Due to Other Governments	1,489,696	1,557,111
Tax Refunds Payable	888,537	1,009,648
Tax and Other Deposits	30,413	23,667
Deferred Revenue	605,449	606,922
Total Liabilities	4,475,842	4,584,792
Fund Balance:		
Reserved for Encumbrances	186,554	209,241
Reserved for Inventories	12,474	13,010
Reserved for Prepaid Items	193,967	173,360
Unreserved	(1,877,332)	(2,638,150)
Total Fund Balance	(1,484,336)	(2,242,539)
Total Liabilities and Fund Balance	\$ 2,991,505	\$ 2,342,253

"Cash and Cash Equivalents" represent cash items such as contingent funds, petty cash funds and cash held in off-system bank accounts. The liability account "Interfund Payables", shown below, reports the cash overdraft as of fiscal year end.

"Prepaid Items" reflect payments for costs applicable to future accounting periods. For example, as of June 30, 2003, this account includes \$260.9 million advanced through the community aids reporting system.

"Interfund Payables" represent moneys borrowed from other funds to cover cash overdrafts.

"Due to Other Governments" as of June 30, 2003 includes an \$851.7 million accrual for shared revenue and state property tax credit programs.

A significant portion of "Tax Refunds Payable" relates to tax refunds on *current* year (January-June 2003) individual income.

"Deferred Revenues" relate to revenues received prior to the period to which they apply. For example, as of June 30, 2003, this account includes \$134.4 million of utility taxes received before fiscal year-end but applicable to a subsequent year.

Page 10 of this summary report presents a reconciliation between the budgetary based and the GAAP based General Fund total "Fund balance" as of June 30, 2003.

Note: Governmental funds (including the GAAP General Fund) report financial activity using the *current financial resources* measurement focus, *modified accrual* basis of accounting. Therefore, noncurrent assets such as buildings and equipment and noncurrent liabilities such as bonds payable are not reported on the balance sheet.

GAAP General Fund Financial Statements

Operating Statement

State of Wisconsin General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Fiscal Years Ended June 30, 2002 and 2003

This statement for 2003 is located on Page 38 of the 2003 CAFR.

(in thousands)

	2002	2003
Revenues:		
Taxes	\$ 9,970,736	\$ 10,139,610
Intergovernmental	4,730,673	5,224,798
Licenses and Permits	219,286	219,985
Charges for Goods and Services	191,771	207,382
Investment and Interest Income	7,166	727
Fines and Forfeitures	28,246	27,419
Gifts and Donations	27,308	2,026
Other Revenues:		
Intergovernmental Transfer	969,886	598,580
Tobacco Settlement	156,215	153,923
Other	147,418	121,370
Total Revenues	16,448,706	16,695,820
Expenditures:		
Current Operating:		
Commerce	168,947	183,753
Education	5,372,975	5,621,309
Transportation	5,032	7,320
Environmental Resources	120,027	114,877
Human Relations and Resources	7,732,733	7,715,005
General Executive	386,783	399,051
Judicial	102,736	104,577
Legislative	61,989	60,175
Tax Relief and Other General Expenditures	804,734	843,155
Intergovernmental	1,095,991	1,107,958
Capital Outlay	29,974	38,741
Total Expenditures	15,881,920	16,195,920
Excess of Revenues Over (Under) Expenditures	566,786	499,900
Other Financing Sources (Uses):		
Transfers In	1,122,912	470,947
Transfers Out	(1,892,246)	(1,746,799)
Installment Purchase Acquisitions	41	70
Capital Leases Acquisitions	4,669	17,143
Total Other Financing Sources (Uses)	(764,624)	(1,258,639)
Net Change in Fund Balance	(197,838)	(758,739)
Fund Balance, Beginning of Year	(1,286,524)	(1,484,336)
Increase (Decrease) in Reserve for Inventories	26	536
Fund Balance, End of Year	\$ (1,484,336)	\$ (2,242,539)

"Intergovernmental" revenues consist primarily of federal financial assistance.

"Intergovernmental Transfer" represents the "IGT" program revenues.

The "Education" function includes aid to school districts.

The "Human Relations and Resources" function includes programs of the departments of Health and Family Services, Workforce Development and Corrections.

"Intergovernmental" expenditures relate to the municipal and county shared revenue program.

Of these 2003 "Transfers In", \$287.1 million represents a transfer in from the Tobacco Settlement Endowment Fund.

Of these 2003 "Transfers Out", \$970.1 million represents GPR transfers out to the University of Wisconsin System and \$322.5 million transfers out to the Medical Assistance Trust Fund.

The revenues and expenditures reported in this GAAP based statement are not comparable to those reported in the budgetary basis General Fund operating statement. The GAAP basis statement excludes certain activities reported in separate GAAP funds. Further, it reflects various additional accruals to revenue and expenditure accounts.

This reconciliation is located on Page 129 of the 2003 CAFR. Starting in 2002, this reconciliation is considered "Required Supplementary Information". For years prior to 2002 it was reported in Note 2 to the financial statements.

Budgetary-GAAP Reporting Reconciliation – General Fund

Because accounting principles applied for purposes of developing data on the budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of basis and perspective differences as of June 30, 2003 is presented below (in thousands):

	General Fund
Fund balance June 30, 2003 (budgetary basis – budgetary fund structure):	
General Purpose Revenue – fund balance per budgetary basis <i>Annual Fiscal Report</i> :	
Undesignated fund balance	\$ (282,221)
Designated fund balance	6,402
Total General Purpose Revenue fund balance	(275,819)
Program Revenue – fund balance per budgetary basis <i>Annual Fiscal Report</i>	118,613
Total fund balance per budgetary basis <i>Annual Fiscal Report</i>	(157,206)
Late audit adjustment to budgetary basis	(6,276)
Total adjusted fund balance per budgetary basis as reported on the budgetary comparison schedule	(163,482)
Reclassifications:	
To eliminate the effect of encumbrances that were reported as expenditures under budgetary reporting (basis difference)	499,551
To reclassify activities reported in another GAAP fund type (perspective differences)	(302,052)
Fund balance June 30, 2003 (GAAP fund structure – budgetary basis, excluding encumbrances treated as expenditures at year end)	34,018
Adjustments (basis differences):	
To adjust expenditures for the municipal and county shared revenue program	(498,043)
To adjust expenditures for State property tax credit program	(353,639)
To accrue receivables and establish payables for individual income taxes (net)	(738,140)
To defer revenues for gross receipts public utility taxes	(154,419)
To adjust revenues and expenditures for tax-related items and other tax credit/aid programs (net)	(303,678)
To accrue unpaid Medicaid claims (net of receivable from federal government)	(165,014)
To adjust expenditures/revenues for certain major Health and Family Services and Workforce Development accruals and deferrals (net)	(15,527)
To accrue State educational aids payments deferred until the subsequent year	(75,000)
To adjust revenues and expenditures for other items (net)	26,903
Fund balance June 30, 2003 (GAAP fund structure – GAAP basis) as reported on the governmental fund statements	\$ (2,242,539)