



STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor  
Joel Brennan, Secretary

October 30, 2020

Mr. Jeffrey Renk, Chief Clerk  
Wisconsin Senate  
B20 South, State Capitol  
Madison, WI 53702

Mr. Patrick Fuller, Chief Clerk  
Wisconsin Assembly  
17 West Main Street, Room 401A  
Madison, WI 53703

Dear Mr. Renk and Mr. Fuller:

This report is transmitted as required by s. 20.002(11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172(3), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of September 2020.

On September 1, 2020, the **Medical Assistance Trust Fund** cash balance closed at a negative \$212.23 million (its intramonth low). The cash balance was negative through September 30, 2020, when it closed at a negative \$199.07 million.

On September 23, 2020, the **Worker's Compensation Fund** cash balance closed at a negative \$67 thousand. The cash balance was negative through September 30, 2020, when it closed at a negative \$244 thousand (its intramonth low).

The Medical Assistance Trust Fund and Worker's Compensation Fund shortfalls were due to the difference in the timing of revenues and expenditures. The shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,

Joel T. Brennan  
Secretary