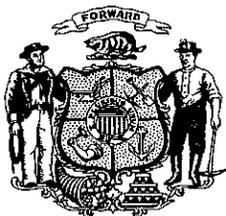


STATE OF WISCONSIN

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-5830



ASSEMBLY CHAIR
John Nygren

309 East, State Capitol
P.O. Box 8953
Madison, WI 53708-8953
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: September 10, 2015

Re: WHEDA Report to JFC

Attached is a report on the Wisconsin Development Reserve Fund of Guarantee Funds from the Wisconsin Housing and Economic Development Authority, pursuant to s. 234.931(5), Stats.

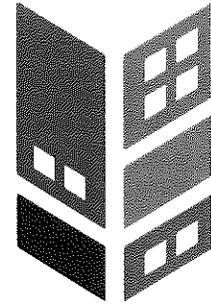
This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:JN;jm

Wisconsin Housing and
Economic Development Authority
201 West Washington Avenue
Suite 700 | P.O. Box 1728
Madison, Wisconsin 53701-1728

T 608.266.7884 | 800.334.6873
F 608.267.1099



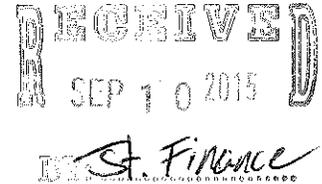
August 31, 2015

Honorable Alberta Darling
Co-Chair, Joint Committee on Finance
Room 317 East
State Capitol
Madison, Wisconsin 53707-7882

Patrick E. Fuller
Assembly Chief Clerk
17 W. Main Street, Room 208
P. O. Box 8952
Madison, WI 53708-8952

Honorable John Nygren
Co-Chair, Joint Committee on Finance
Room 309 East
State Capitol
Madison, Wisconsin 53708

Jeff Renk
Senate Chief Clerk
17 W. Main Street, Room 401A
Madison, WI 53708



Re: Wisconsin Development Reserve Fund

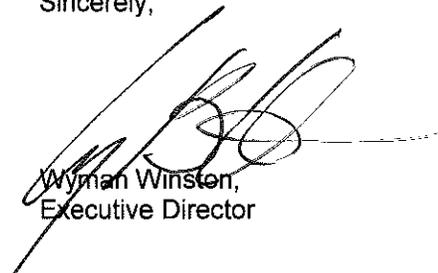
Dear Chairpersons Darling and Nygren and Chief Clerks Fuller and Renk:

Pursuant to Wisconsin Statute 234.931(5), enclosed please find the following report relating to the Wisconsin Development Reserve Fund:

Annual Report of Guarantee Funds as of June 30, 2015

Should you have any questions or comments on the reports, please feel free to call me or Laura Morris at 266-1640.

Sincerely,


Wyman Winston,
Executive Director

Enclosures

Cc: Paul Ferguson, Legislative Fiscal Bureau



**WISCONSIN DEVELOPMENT RESERVE
ANNUAL REPORT OF GUARANTEE FUNDS
AS OF JUNE 30, 2015**

GUARANTEE LOANS	GUARANTEE OUTSTANDING	GUARANTEES TO DATE	GUARANTEES DEFAULTED	RATE OF DEFAULT
AGRIBUSINESS	2 \$ 213,134	35 \$ 9,008,480	7 \$ 405,504	20.00%
CROP*	38 \$ 2,025,933	15,561 \$ 283,755,728	223 \$ 2,603,666	1.43%
FARM	34 \$ 3,055,920	350 \$ 21,044,111	10 \$ 155,237	2.86%
DROUGHT ***	22 \$ 274,950	23 \$ 288,450	1 \$ 13,500	N/A
RECYCLING **	0 \$ -	7 \$ 1,962,125	2 \$ 457,381	28.57%
SMALL BUSINESS	94 \$ 7,984,746	444 \$ 42,844,632	41 \$ 2,099,526	9.23%
TARGET**	0 \$ -	108 \$ 10,644,083	18 \$ 611,549	16.67%
TOURISM**	0 \$ -	136 \$ 6,799,940	2 \$ 47,733	1.47%
TALIESIN** ****	0 \$ -	1 \$ 7,200,000	1 \$ 630,000	100.00%

* CROP reflects activity from January 1, 1993 to the present.

The CROP default amount includes the total amount of defaults paid (217 loans, \$2,475,666) and pending defaults (6, \$128,000) which are defaulted loans in the process of liquidating assets. Some of the pending defaults may repay but more than likely, these will result in cash payments to the participating lender based on the approved guarantee amount.

** Program is no longer active.

*** The Drought program has been inactive since 1989, but was reactivated in July, 2012

**** Default of the Taliesin guarantee occurred over a 5 year period. Changes in reporting methods brought this omission to our attention. The defaults were reflected correctly on the Annual Transfer Balance reports.