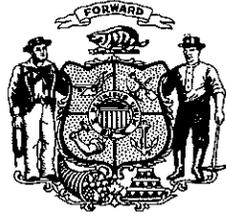


STATE OF WISCONSIN

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: October 4, 2016

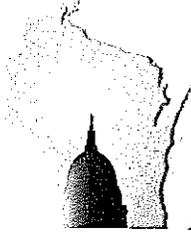
Re: DOA Report to JFC

Attached is a report on temporary reallocation of balances from the Department of Administration, pursuant to s. 20.002(11)(f), 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 DEPARTMENT OF
ADMINISTRATION

SCOTT WALKER
GOVERNOR

SCOTT A. NEITZEL
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

September 30, 2016

OCT 04 2016

St. Finance

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 August 2016.

On August 12, 2016, the **General Fund** cash balance closed at a negative \$147.24 million (its intramonth low). The cash balance was negative until August 15, 2016, when it closed at a positive \$129.00 million.

On August 1, 2016, the **Medical Assistance Trust Fund** cash balance closed at a negative \$176.42 million. The cash balance was negative through August 31, 2016, when it closed at a negative \$185.52 million. On August 24, 2016, the cash balance closed at a negative \$187.29 million (its intramonth low).

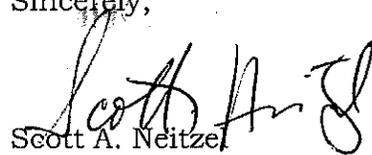
The General Fund and Medical Assistance Trust Fund shortfalls were due to the difference in the timing of revenues and expenditures, were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

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

Jeffrey Renk, Chief Clerk
Patrick Fuller, Chief Clerk
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September 30, 2016

temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott A. Neitzel". The signature is written in a cursive style with a large, stylized initial "S".

Scott A. Neitzel
Secretary