

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: December 1, 2017

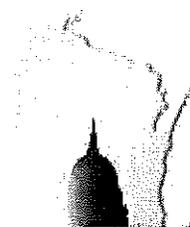
Re: DOA Report to JFC

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

November 30, 2017

DEC 01 2017

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 October 2017.

On October 1, 2017, the **Medical Assistance Trust Fund** cash balance closed at a negative \$70.29 million (its intramonth low). The cash balance was negative until October 2, 2017, when it closed at a positive \$2.82 million.

On October 18, 2017, the **Worker's Compensation Fund** cash balance closed at a negative \$70 thousand. The cash balance was negative through October 31, 2017, when it closed at a negative \$647 thousand (its intramonth low).

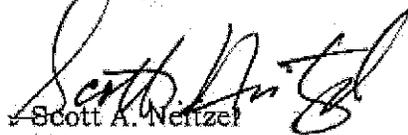
On October 30, 2017, the **University Trust - Principal Fund** cash balance closed at a negative \$560 thousand (its intramonth low). The cash balance was negative through October 31, 2017, when it closed at a negative \$152 thousand.

The Medical Assistance Trust Fund, Worker's Compensation Fund, and University Trust - Principal 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.

Jeffrey Renk, Chief Clerk
Patrick Fuller, Chief Clerk
Page 2
November 30, 2017

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,


Scott A. Neftzel
Secretary