



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary

October 29, 2021

Mr. Michael Queensland, Chief Clerk
Wisconsin Senate
B20 South, State Capitol
Madison, WI 53702

Mr. Edward Blazel, Chief Clerk
Wisconsin Assembly
17 West Main Street, Room 401
Madison, WI 53703

Dear Mr. Queensland and Mr. Blazel:

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 2021.

On September 1, 2021, the **Medical Assistance Trust Fund** cash balance closed at a negative \$165.11 million. The cash balance was negative until September 20, 2021, when it closed at a positive \$64.71 million. On September 14, 2021, the cash balance closed at a negative \$175.51 million (its intramonth low).

On September 28, 2021, the **Worker's Compensation Fund** cash balance closed at a negative \$41 thousand. The cash balance was negative through September 30, 2021, when it closed at a negative \$52 thousand (its intramonth low).

On September 20, 2021, the **Hospital Assessment Fund** cash balance closed at a negative \$6.89 million (its intramonth low). The cash balance was negative until September 22, 2021, when it closed at a positive \$5.35 million.

The Medical Assistance Trust Fund, Worker's Compensation Fund and Hospital Assessment 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

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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 cursive script that reads "Joel Brennan".

Joel T. Brennan
Secretary