

Wisconsin State Budget

Transportation Development Association

**Legislative Fiscal Bureau
May 26, 2010**

TABLE 1

**Summary of 2009-11 Appropriations and Authorizations
(Thru 2009 Act 189)**

<u>Fund Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Total</u>	<u>% of Total</u>
General Purpose Revenue	\$13,018,511,700	\$14,180,188,600	\$27,198,700,300	41.6%
Federal Revenue	9,380,918,100	8,809,515,000	18,190,433,100	27.9
Program Revenue	4,295,270,000	4,402,693,300	8,697,963,300	13.3
Segregated Revenue	<u>3,844,642,300</u>	<u>3,785,907,100</u>	<u>7,630,549,400</u>	<u>11.7</u>
Subtotal	\$30,539,342,100	\$31,178,304,000	\$61,717,646,100	94.5%
Bond Revenue				
General Obligation Bonding			\$2,900,528,900	
Revenue Bonding			<u>680,643,200</u>	
Subtotal			\$3,581,172,100	5.5%
TOTAL			\$65,298,818,200	100.0%

TABLE 2**Federal Stimulus Funds in 2009 Acts 2 and 28
Used in Lieu of the State General Purpose Revenues**

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Total</u>
Medical Assistance/ SeniorCare	\$346,852,200	\$605,913,500	\$316,769,700	\$1,269,535,400
General School Aids	552,278,000	236,722,000	0	789,000,000
Shared Revenue	0	76,139,100	0	76,139,100
Foster Care and Adoption Assistance	3,227,800	6,511,800	4,950,000	14,689,600
Child Care Block Grant	0	30,493,400	0	30,493,400
Child Support Incentive Payment Match	0	13,809,800	9,743,900	23,553,700
TANF Emergency Contingency Fund	0	4,222,400	1,379,800	5,602,200
Corrections Treatment Staff	0	338,900	432,300	771,200
Youth Aids	0	5,900,500	5,900,500	11,801,000
AIM Grants for Milwaukee	0	495,000	495,000	990,000
TAD Grants for Milwaukee	0	371,200	371,200	742,400
Total	\$902,358,000	\$980,917,600	\$340,042,400	\$2,223,318,000

TABLE 3

Distribution of 2009-11 General Fund Appropriations

	2009-10		2010-11		Total	
	Amount	% of Category	Amount	% of Category	Amount	% of Category
LOCAL ASSISTANCE						
Elementary and Secondary School Aids	\$5,021,446,400	68.1%	\$5,271,538,800	67.1%	\$10,292,985,200	67.6%
Shared Revenues	899,397,500	12.2	959,478,100	12.2	1,858,875,600	12.2
School Levy/First Dollar Tax Credits	820,075,200	11.1	877,550,000	11.2	1,697,625,200	11.1
Community and Juvenile Correctional Services	226,764,600	3.1	270,758,800	3.5	497,523,400	3.3
Technical College System Aids	136,971,900	1.9	136,971,900	1.7	273,943,800	1.8
Long-Term Care Programs	87,809,700	1.2	87,809,700	1.1	175,619,400	1.2
Debt Service	23,111,600	0.3	79,537,700	1.0	102,649,300	0.7
Other	152,824,800	2.1	173,064,400	2.2	325,889,200	2.1
TOTAL--LOCAL ASSISTANCE	\$7,368,401,700	100.0%	\$7,856,709,400	100.0%	\$15,225,111,100	100.0%
STATE OPERATIONS						
UW System (excluding debt)	\$955,624,400	28.1%	\$974,192,800	26.3%	\$1,929,817,200	27.1%
Correctional Operations (excluding debt)	905,915,700	26.6	922,437,700	24.9	1,828,353,400	25.7
Debt Service	507,263,200	14.9	755,722,000	20.4	1,262,985,200	17.8
Judicial and Legal Services	243,273,200	7.1	242,907,800	6.5	486,181,000	6.8
State Residential Institutions	168,874,200	5.0	172,225,400	4.6	341,099,600	4.8
Tax Administration	94,160,200	2.8	94,203,400	2.5	188,363,600	2.7
DHS/Workforce Development	87,397,900	2.6	82,494,900	2.2	169,892,800	2.4
Legislature	71,905,600	2.1	71,894,600	1.9	143,800,200	2.0
Compensation Reserves	47,279,100	1.4	95,962,700	2.6	143,241,800	2.0
Natural Resources	43,931,700	1.3	81,919,000	2.2	125,850,700	1.8
Other	275,950,500	8.1	218,102,400	5.9	494,052,900	6.9
TOTAL--STATE OPERATIONS	\$3,401,575,700	100.0%	\$3,712,062,700	100.0%	\$7,113,638,400	100.0%
AIDS TO INDIVIDUALS AND ORGANIZATIONS						
Medical Assistance	\$1,015,880,300	45.2%	\$1,315,468,600	50.4%	\$2,331,348,900	48.0%
Milw. Parental Choice and Charter School Programs	179,864,700	8.0	188,186,000	7.2	368,050,700	7.6
Public Assistance	181,013,800	8.1	146,965,400	5.6	327,979,200	6.7
Student Grants and Aids	134,610,400	6.0	188,614,000	7.2	323,224,400	6.6
Supplemental Security Income	139,436,100	6.2	142,093,300	5.4	281,529,400	5.8
Homestead Tax Credit	124,900,000	5.5	127,000,000	4.9	251,900,000	5.2
Earned Income Tax Credit	120,035,800	5.3	123,835,800	4.7	243,871,600	5.0
Foster Care and Adoption Assistance	49,547,100	2.2	51,164,000	2.0	100,711,100	2.1
Prescription Drugs Assistance for Elderly	28,427,000	1.3	33,125,800	1.3	61,552,800	1.3
Milwaukee Child Welfare	18,711,300	0.8	18,808,400	0.7	37,519,700	0.8
Other	256,107,800	11.4	276,155,200	10.6	532,263,000	10.9
TOTAL--AIDS	\$2,248,534,300	100.0%	\$2,611,416,500	100.0%	\$4,859,950,800	100.0%
GRAND TOTAL	\$13,018,511,700	100.0%	\$14,180,188,600	100.0%	\$27,198,700,300	100.0%

TABLE 4

Ten Largest General Fund Programs for 2009-11

	2009-10		2010-11		Total	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Elementary and Secondary School Aids	\$5,021,446,400	38.6%	\$5,271,538,800	37.2%	\$10,292,985,200	37.9%
Medical Assistance	1,015,880,300	7.8	1,315,468,600	9.3	2,331,348,900	8.6
UW System (excluding debt)	955,624,400	7.3	974,192,800	6.9	1,929,817,200	7.1
Shared Revenues	899,397,500	6.9	959,478,100	6.8	1,858,875,600	6.8
Correctional Operations (excluding debt)	905,915,700	6.9	922,437,700	6.5	1,828,353,400	6.7
School Levy/First Dollar Tax Credits	820,075,200	6.3	877,550,000	6.2	1,697,625,200	6.2
Debt Service	530,374,800	4.1	835,259,700	5.9	1,365,634,500	5.0
Community and Juvenile Correctional Services	226,764,600	1.7	270,758,800	1.9	497,523,400	1.8
Judicial and Legal Services	243,273,200	1.9	242,907,800	1.7	486,181,000	1.8
Milw. Parental Choice and Charter School Programs	179,864,700	1.4	188,186,000	1.3	368,050,700	1.4
Subtotal	\$10,798,616,800	82.9%	\$11,857,778,300	83.6%	\$22,656,395,100	83.3%
All Other Programs	2,219,894,900	17.1	2,322,410,300	16.4	4,542,305,200	16.7
GRAND TOTAL	\$13,018,511,700	100.0%	\$14,180,188,600	100.0%	\$27,198,700,300	100.0%

TABLE 5

**Condition of the General Fund -- 2009-11 and 2011-13
(In Millions)**

TABLE 5-A

**2009-11 General Fund Condition Statement
(Thru 2009 Act 189)**

	<u>2009-10</u>	<u>2010-11</u>
Revenues		
Opening Balance, July 1	\$90	\$306
Taxes	12,132	12,789
Departmental Revenues		
Tribal Gaming Revenues	19	23
Other	<u>799</u>	<u>781</u>
Total Available	\$13,040	\$13,899
Appropriations and Reserves		
Gross Appropriations	\$12,971	\$14,084
Compensation Reserves	47	96
Less Lapses	<u>-284</u>	<u>-324</u>
Net Appropriations	\$12,734	\$13,856
Balances		
Gross Balance	\$306	\$43
Less Required Statutory Balance	<u>-65</u>	<u>-65</u>
Net Balance, June 30	\$241	-\$22

TABLE 5-B

2010-11 General Fund Condition Statement

	<u>2010-11</u>
Opening Balance, July 1	\$306
Revenues (Taxes and Departmental Revenues)	<u>13,593</u>
Total Available	\$13,899
Net Appropriations	\$13,856
Gross Balance	\$43

TABLE 5-C

2010-11 Balance of Revenues and Expenditures

	<u>2010-11</u>
2010-11 Revenues	\$13,593
Net Appropriations	<u>13,856</u>
Difference	-\$263

TABLE 5-D

**2011-13 General Fund Condition Statement
(Current Law)**

	<u>2011-12</u>	<u>2012-13</u>
Revenues (Taxes and Departmental Revenues)		
2010-11 Base Revenues	\$13,593	\$13,593
Modifications to Base		
Restore estate tax in 2011	\$94	\$125
Lapses/transfers	-307	-307
Insurance deductions	-30	-64
IRA provisions	-20	-30
All other	<u>-34</u>	<u>-53</u>
Subtotal	-\$297	-\$329
Total	\$13,296	\$13,264
 Net Appropriations		
2010-11 Base	\$13,856	\$13,856
Modifications to Base		
Replace enhanced federal match for MA	\$317	\$317
Replace one-time MA rate reform items	83	83
Debt service	154	162
All other	<u>58</u>	<u>67</u>
Subtotal	\$612	\$629
Total	\$14,468	\$14,485

TABLE 5-E

**2011-13 General Fund Condition Statement
(Before Revenue Growth and Program Expansion)**

	<u>2011-12</u>	<u>2012-13</u>
Opening Balance, July 1	\$43	\$65
Revenues (from Table 5-D)	<u>13,296</u>	<u>13,264</u>
Total Available	\$13,339	\$13,329
Net Appropriations (from Table 5-D)	\$14,468	\$14,485
Required Balance	<u>65</u>	<u>65</u>
Total	\$14,533	\$14,550
Amount Needed	\$1,194	\$1,221
Biennial Amount		\$2,415

TABLE 5-F

General Fund Amounts Necessary for a Balanced Budget

	<u>1st Year</u>	<u>2nd Year</u>	<u>Total</u>
For the 2011-13 Biennium	\$1,194	\$1,221	\$2,415
For the 2009-11 Biennium	800	882	1,682
For the 2007-09 Biennium	653	846	1,499
For the 2005-07 Biennium	701	845	1,546
For the 2003-05 Biennium	1,340	1,527	2,867
For the 2001-03 Biennium	693	1,026	1,719
For the 1999-01 Biennium	589	914	1,503
For the 1997-99 Biennium	624	908	1,532

TABLE 6**Wisconsin General Fund Tax Collections -- 2006-07 thru 2010-11
(In Millions)**

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Individual Income	\$6,573.8	\$6,713.7	\$6,222.7	\$6,155.0	\$6,493.0
Sales and Use	4,158.6	4,268.0	4,084.0	4,015.0	4,235.0
Corporate Income	890.1	837.8	629.5	700.0	800.0
Excise Taxes					
Cigarette	296.1	455.7	551.3	650.0	630.0
Tobacco Products	17.5	29.7	44.1	57.8	62.6
Liquor and Wine	42.7	45.2	42.2	43.5	44.7
Beer	9.5	9.6	9.9	9.6	9.7
Public Utility	284.9	297.5	320.1	322.2	327.2
Insurance Company	141.4	156.6	136.3	127.0	135.0
Estate	121.1	158.8	20.9	0.0	0.0
Miscellaneous	<u>82.2</u>	<u>70.3</u>	<u>52.1</u>	<u>52.0</u>	<u>52.0</u>
Total	\$12,617.9	\$13,042.9	\$12,113.1	\$12,132.1	\$12,789.2
Change Over Prior Year					
Amount		\$425.0	-\$929.8	\$19.0	\$657.1
Percent		3.4%	-7.1%	0.2%	5.4%

TABLE 7**Wisconsin General Fund Tax Collections -- 2008-09 and 2009-10
(In Millions)**

	<u>2008-09</u>	<u>2009-10</u>	<u>Difference</u>	<u>% Change</u>
Individual Income	\$6,222.7	\$6,155.0	-\$67.7	-1.1%
Sales and Use	4,084.0	4,015.0	-69.0	-1.7
Corporate Income	629.5	700.0	70.5	11.2
Excise Taxes				
Cigarette	551.3	650.0	98.7	17.9
Tobacco Products	44.1	57.8	13.7	31.1
Liquor and Wine	42.2	43.5	1.3	3.1
Beer	9.9	9.6	-0.3	-3.0
Public Utility	320.1	322.2	2.1	0.7
Insurance Company	136.3	127.0	-9.3	-6.8
Estate	20.9	0.0	-20.9	-100.0
Miscellaneous	<u>52.1</u>	<u>52.0</u>	<u>-0.1</u>	-0.2
Total	\$12,113.1	\$12,132.1	\$19.0	0.2%

TABLE 8

**General Fund Taxes - Net of Law Changes
(in Millions)**

	<u>Taxes</u>	<u>Law Changes</u>	<u>Net</u>	<u>% Change</u>	<u>CPI</u>	<u>Real Growth</u>
1994-95	\$7,806.87		\$7,806.87			
1995-96	8,235.64	\$39.66	8,195.98	5.0%	2.8%	2.2%
1996-97	8,817.54	90.02	8,727.52	6.5	3.0	3.5
1997-98	9,528.43	120.33	9,408.09	7.8	2.3	5.5
1998-99	9,948.41	-200.73	10,149.15	7.9	1.6	6.3
1999-00	10,945.90	-631.36	11,577.26	14.1	2.2	11.9
2000-01	10,063.44	-1,066.30	11,129.74	-3.9	3.4	-7.2
2001-02	10,020.18	-996.72	11,016.90	-1.0	2.8	-3.9
2002-03	10,199.74	-1,033.56	11,233.30	2.0	1.5	0.4
2003-04	10,739.32	-1,117.01	11,856.33	5.5	2.3	3.2
2004-05	11,396.65	-1,235.68	12,632.33	6.5	2.7	3.9
2005-06	12,030.09	-1,382.76	13,412.85	6.2	3.4	2.8
2006-07	12,618.00	-1,546.05	14,164.04	5.6	3.2	2.4
2007-08	13,042.94	-1,691.73	14,734.67	4.0	2.8	1.2
2008-09	12,113.15	-1,746.64	13,859.79	-5.9	3.8	-9.7
2009-10	12,132.10	-1,134.52	13,266.62	-4.3	-0.3	-4.0
2010-11	12,789.20	-1,144.19	13,933.39	5.0	1.7	3.3

	<u>As of 2008-09</u>	<u>As of 2007-08</u>
Average Growth Since 1994-95	4.2%	5.0%
10-Year Average	3.2	4.6

TABLE 9

**Major Economic Indicators
Global Insight, May, 2010**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Nominal GDP (Billions)	\$12,638.4	\$13,398.9	\$14,077.7	\$14,441.4	\$14,256.3	\$14,903.9	\$15,567.2	\$16,332.2	\$17,096.8
% Change	6.5%	6.0%	5.1%	2.6%	-1.3%	4.5%	4.5%	4.9%	4.7%
Real GDP (Billions)	\$12,638.4	\$12,976.3	\$13,254.1	\$13,312.2	\$12,987.4	\$13,436.1	\$13,823.3	\$14,247.2	\$14,627.8
% Change	3.1%	2.7%	2.1%	0.4%	-2.4%	3.5%	2.9%	3.1%	2.7%
CPI	3.4%	3.2%	2.9%	3.8%	-0.3%	1.8%	1.7%	2.1%	2.2%
Personal Income (Billions)	\$10,485.9	\$11,268.1	\$11,894.1	\$12,238.8	\$12,026.1	\$12,437.2	\$13,044.4	\$13,690.8	\$14,349.6
% Change	5.5%	7.5%	5.6%	2.9%	-1.7%	3.4%	4.9%	5.0%	4.8%
Personal Consumption (Billions)	\$8,819.0	\$9,322.7	\$9,826.4	\$10,129.9	\$10,089.1	\$10,542.7	\$11,026.0	\$11,497.4	\$11,896.6
% Change	6.4%	5.7%	5.4%	3.1%	-0.4%	4.5%	4.6%	4.3%	3.5%
Unemployment Rate	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	9.1%	8.3%	7.7%
Total Employment (Millions)	133.694	136.086	137.588	136.777	130.911	130.506	133.009	136.453	139.257
% Change	1.7%	1.8%	1.1%	-0.6%	-4.3%	-0.3%	1.9%	2.6%	2.1%
Corporate Profits (Billions)	\$1,456.1	\$1,608.3	\$1,541.7	\$1,360.4	\$1,308.9	\$1,582.3	\$1,626.0	\$1,682.1	\$1,737.3
% Change	16.8%	10.5%	-4.1%	-11.8%	-3.8%	20.9%	2.8%	3.5%	3.3%
Housing Starts (Millions)	2.073	1.812	1.342	0.900	0.553	0.704	1.169	1.552	1.714
% Change	6.3%	-12.6%	-25.9%	-32.9%	-38.6%	27.2%	66.0%	32.8%	10.4%
Sales of New and Existing Homes (Millions)	8.355	7.565	6.444	5.375	5.532	5.859	6.354	7.074	7.360
% Change	5.4%	-9.5%	-14.8%	-16.6%	2.9%	5.9%	8.4%	11.3%	4.0%
Housing Prices (Thousands)	\$251.4	\$262.3	\$262.2	\$248.9	\$237.9	\$234.6	\$231.3	\$236.9	\$244.0
% Change	7.5%	4.3%	0.0%	-5.1%	-4.4%	-1.4%	-1.4%	2.4%	3.0%

TABLE 10**2011-13 Growth in General Fund Taxes
(In Millions)**

<u>Growth % Scenarios</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Total</u>
1% / 1%	\$130	\$261	\$391
2% / 2%	260	525	785
3% / 3%	390	792	1,182
4% / 4%	520	1,060	1,580
5% / 5%	650	1,333	1,983
6% / 6%	780	1,607	2,387
1% / 2%	130	392	522
2% / 3%	260	658	918
3% / 4%	390	925	1,315
4% / 5%	520	1,196	1,716
5% / 6%	650	1,469	2,119
6% / 7%	780	1,745	2,525
2% / 4%	260	790	1,050
4% / 6%	520	1,331	1,851
5% / 7%	650	1,606	2,256

TABLE 11**Major Sources of Transportation Fund Revenue**

<u>Fiscal Year</u>	<u>Motor Fuel Tax</u>		<u>Vehicle Registration</u>	
	<u>Amount</u>	<u>Percent Change</u>	<u>Amount</u>	<u>Percent Change</u>
1994-95	\$651,186,200		\$270,198,500	
1995-96	672,516,200	3.3%	277,266,600	2.6%
1996-97	692,893,800	3.0	279,875,900	0.9
1997-98	740,209,800	6.8	324,736,100	16.0
1998-99	797,023,300	7.7	341,309,100	5.1
1999-00	809,458,900	1.6	361,823,600	6.0
2000-01	827,466,600	2.2	361,515,000	-0.1
2001-02	865,453,800	4.6	376,067,000	4.0
2002-03	902,478,300	4.3	369,466,700	-1.8
2003-04	934,604,700	3.6	414,213,900	12.1
2004-05	955,548,600	2.2	421,593,300	1.8
2005-06	962,771,300	0.8	449,299,500	6.6
2006-07	1,006,012,700	4.5	487,750,600	8.6
2007-08	999,949,100	-0.6	538,900,900	10.5
2008-09	968,777,900	-3.1	600,316,400	11.4
15-Year Average Annual Change		2.9%		5.9%
10-Year Average Annual Change		2.0		5.8
5-Year Average Annual Change		0.3		9.2

TABLE 12**Transportation Fund Debt Service as a
Percentage of Total Transportation Revenue**

	<u>Gross Transportation Fund Revenues</u>	<u>Transportation Debt Service</u>	<u>Debt Service as Pct. of Revenues</u>
1994-95	\$993,541,200	\$62,341,800	6.3%
1995-96	1,039,786,400	67,263,800	6.5
1996-97	1,047,394,300	75,570,600	7.2
1997-98	1,141,690,400	78,740,700	6.9
1998-99	1,235,125,500	87,417,800	7.1
1999-00	1,271,083,000	90,323,400	7.1
2000-01	1,283,376,900	94,502,700	7.4
2001-02	1,337,655,400	93,177,500	7.0
2002-03	1,386,588,400	105,902,500	7.6
2003-04	1,440,412,000	119,698,500	8.3
2004-05	1,482,900,700	166,169,500	11.2
2005-06	1,523,307,400	148,166,300	9.7
2006-07	1,612,853,600	165,304,200	10.2
2007-08	1,681,301,900	187,495,300	11.2
2008-09	1,693,611,600	190,974,300	11.3

TABLE 13

**Use of Transportation Fund Revenues for
General Fund Purposes Since 2003-05
(In Millions)**

Under Budget Bills, as Introduced

	<u>2003-05</u>	<u>2005-07</u>	<u>2007-09</u>	<u>2009-11</u>	<u>8-Year Total</u>
Use of Trans. Revenues for General Fund	\$530.0	\$485.9	\$164.2	\$139.7	\$1,319.8
Less GPR-Supported Bonds	<u>0.0</u>	<u>-250.0</u>	<u>0.0</u>	<u>0.0</u>	<u>-250.0</u>
Net Loss to Transportation Fund	\$530.0	\$235.9	\$164.2	\$139.7	\$1,069.8

Under Budget Bills Passed by the Legislature

	<u>2003-05</u>	<u>2005-07</u>	<u>2007-09</u>	<u>2009-11</u>	<u>8-Year Total</u>
Use of Trans. Revenues for General Fund	\$530.0	\$271.9	\$72.0	\$65.8	\$939.7
Less GPR-Supported Bonds	<u>-377.1</u>	<u>-250.0</u>	<u>-50.0</u>	<u>-204.7</u>	<u>-881.8</u>
Net Loss to Transportation Fund	\$152.9	\$21.9	\$22.0	-\$138.9	\$57.9

Under Budget Acts Signed by the Governor

	<u>2003-05</u>	<u>2005-07</u>	<u>2007-09</u>	<u>2009-11*</u>	<u>8-Year Total</u>
Use of Trans. Revenues for General Fund	\$675.0	\$430.8	\$161.7	\$65.8	\$1,329.5
Less GPR-Supported Bonds	<u>-565.5</u>	<u>-250.0</u>	<u>-50.0</u>	<u>-204.7</u>	<u>-1,070.2</u>
Plus Trans. Fund Debt Service	<u>43.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>43.9</u>
Net Loss to Transportation Fund	\$153.4	\$180.8	\$111.7	-\$138.9	\$301.2

*Additional transfers from the transportation fund to the general fund could occur under a budget provision requiring administrative transfers of \$200 million.