

Budget Briefings

Overview

Joint Committee on Finance
2005-07 Budget

[Preliminary Information]

Legislative Fiscal Bureau
June 15, 2005

TABLE 1**Summary of 2005-07 Appropriations,
Compensation Reserves, and Authorizations**

<u>Fund Source</u>	<u>2005-06</u>	<u>2006-07</u>	<u>Total</u>	<u>% of Total</u>
General Purpose Revenue	\$12,874,672,000	\$13,203,444,900	\$26,078,116,900	48.0%
Appropriations	12,784,617,900	13,025,142,100	25,809,760,000	
Compensation Reserves	90,054,100	178,302,800	268,356,900	
Federal Revenue	6,713,762,100	6,852,638,100	13,566,400,200	24.9
Appropriations	6,683,228,000	6,792,182,000	13,475,410,000	
Compensation Reserves	30,534,100	60,456,100	90,990,200	
Program Revenue	3,744,507,200	3,908,593,500	7,653,100,700	14.1
Appropriations	3,653,474,000	3,728,352,100	7,381,826,100	
Compensation Reserves	91,033,200	180,241,400	271,274,600	
Segregated Revenue	2,815,545,500	2,804,399,100	5,619,944,600	10.3
Appropriations	2,799,470,100	2,772,570,600	5,572,040,700	
Compensation Reserves	<u>16,075,400</u>	<u>31,828,500</u>	<u>47,903,900</u>	
Subtotal	\$26,148,486,800	\$26,769,075,600	\$52,917,562,400	97.3%
Appropriations	25,920,790,000	26,318,246,800	52,239,036,800	
Compensation Reserves	227,696,800	450,828,800	678,525,600	
Bond Revenue			\$1,470,487,300	2.7%
General Obligation Bonding			1,290,769,300	
Revenue Bonding			<u>179,718,000</u>	
GRAND TOTAL	\$26,148,486,800	\$26,769,075,600	\$54,388,049,700	100.0%

TABLE 2
2005-07 General Fund Condition Statement
(In Millions)

	<u>2005-06</u>	<u>2006-07</u>
Revenues		
Opening Balance, July 1	\$49.5 *	\$101.2
Estimated Taxes	11,955.9	12,497.8
Departmental Revenues		
Tribal Gaming Revenues	74.6	85.9
Other	<u>616.3</u>	<u>411.3</u>
Total Available	\$12,696.3	\$13,096.2
 Appropriations and Reserves		
Gross Appropriations	\$12,784.6	\$13,025.1
Compensation Reserves	90.1	178.3
Transfer to Budget Stabilization Fund	0	36.0
Less Lapses	<u>-279.6</u>	<u>-218.4</u>
Net Appropriations	\$12,595.1	\$13,021.0
 Balances		
Gross Balance	\$101.2	\$75.2
Less Required Statutory Balance	<u>-65.0</u>	<u>-65.0</u>
Net Balance, June 30	\$36.2	\$10.2

*Assumes enactment of AB 438/SB 216, which address projected shortfalls of \$106.8 million in 2004-05 for medical assistance benefits, SeniorCare, and energy costs.

TABLE 3

**2005-07 Budget Comparisons
Governor and Joint Committee on Finance
(\$ in Millions)**

Appropriations

	2004-05 Base Year <u>Doubled</u>	2005-07 Governor <u>Governor</u>	2005-07 Jt. Finance <u>Jt. Finance</u>	<u>Joint Finance Change to:</u>			
				<u>Governor</u>		<u>Base Doubled</u>	
				<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
All Funds	\$49,729.6	\$53,273.1	\$52,917.6	-\$355.5	-0.7%	\$3,188.0	6.4%
General Fund (GPR)	\$23,734.8	\$25,989.6	26,078.1	88.5	0.3	2,343.3	9.9

Bonding Authorizations

	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Total</u>
Governor/Building Commission	\$1,522.8	\$550.5	\$2,073.3
Joint Finance	1,290.8	179.7	1,470.5
Joint Finance Change to Gov/Bldg. Comm.	-\$232.0	-\$370.8	-\$602.8

2006-07 Full-Time Equivalent Positions

<u>Fund Source</u>	<u>2004-05</u>	<u>Governor 2006-07</u>	<u>Jt. Finance 2006-07</u>	<u>Joint Finance Change to:</u>	
				<u>Governor</u>	<u>2004-05</u>
GPR	35,198	34,623	34,405	-218	-793
FED	9,576	9,343	9,299	-44	-277
PR	18,155	17,490	17,383	-107	-772
SEG	<u>5,272</u>	<u>4,934</u>	<u>5,023</u>	<u>89</u>	<u>-249</u>
Total	68,201	66,390	66,110	-280	-2,091

TABLE 4**Comparison of Segregated and Program Revenue Funds****Used for Purposes Other Than Those for Which the Fund was Generally Established**

	<u>2005-07</u> <u>Governor</u>	<u>2005-07</u> <u>Jt. Finance</u>	<u>Jt. Finance</u> <u>Change to Gov.</u>
Segregated Funds			
Transportation Fund	\$485,933,100	\$271,858,100	-\$214,075,000
Injured Patients and Families Compensation Fund	179,417,400	0	-179,417,400
Forestry Account of the Conservation Fund	43,500,000	31,600,000	-11,900,000
Petroleum Inspection Fund	30,860,600	30,860,600	0
Public Benefits Fund	53,598,700	55,507,700	1,909,000
Recycling Fund	11,997,400	27,397,400	15,400,000
Environmental Management Account	9,392,000	9,392,000	0
Universal Service Fund	8,447,600	8,447,600	0
WHEDA -- Dividends for Wisconsin	5,000,000	5,000,000	0
Nonpoint Account of the Environmental Fund	4,178,000	4,178,000	0
Agrichemical Management Fund	<u>260,200</u>	<u>0</u>	<u>-260,200</u>
Subtotal	\$832,585,000	\$444,241,400	-\$388,343,600
Program Revenue Account Lapses			
Administration	\$17,050,700	\$17,111,200	\$60,500
Agriculture, Trade and Consumer Protection	300,000	325,000	25,000
Board of Commissioner of Public Lands	121,600	121,600	0
Child Abuse and Neglect Prevention Board	71,400	71,400	0
Commerce	2,881,700	2,881,700	0
Corrections	641,200	0	-641,200
Educational Approval Board	250,000	498,600	248,600
Financial Institutions	3,250,000	4,269,200	1,019,200
Health and Family Services	930,100	930,100	0
Insurance	9,279,600	4,576,600	-4,703,000
Justice	1,582,700	2,176,300	593,600
Office of State Employment Relations	35,000	15,000	-20,000
Public Instruction	352,200	352,200	0
Regulation and Licensing	1,668,700	6,543,600	4,874,900
Revenue	1,596,200	1,232,300	-363,900
Secretary of State	0	183,400	183,400
Veterans Affairs	25,000,000	0	-25,000,000
Wisconsin Technical College System	<u>236,600</u>	<u>236,600</u>	<u>0</u>
Subtotal	\$65,247,700	\$41,524,800	-\$23,722,900
GRAND TOTAL	\$897,832,700	\$485,766,200	-\$412,066,500

TABLE 5

**General Fund Amounts Necessary for a
Balanced Budget ("Structural Deficit")**

	In Millions	
	<u>1st Year</u>	<u>2nd Year</u>
For the 2007-09 Biennium (Joint Finance)	\$347	\$516
For the 2007-09 Biennium (Governor)	555	707
For the 2005-07 Biennium	701	845
For the 2003-05 Biennium	1,340	1,527
For the 2001-03 Biennium	693	1,026
For the 1999-01 Biennium	589	914
For the 1997-99 Biennium	624	908

The table lists the estimated general fund amounts necessary to produce a balanced budget for 2007-09 and the five preceding biennia. The amounts for 2007-09 are based upon current law provisions and the 2005-07 budget recommendations of the Governor and Joint Committee on Finance. The figures for the 1997-99 through 2005-07 biennia were typically prepared at the conclusion of each legislative session.