



II FINANCIAL SECTION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES - NON-MAJOR FUNDS

Michigan

BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 SEPTEMBER 30, 2005
 (In Thousands)

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUNDS</u>	<u>TOTALS</u>
ASSETS					
Current Assets:					
Cash	\$ 290	\$ -	\$ -	\$ 1	\$ 291
Equity in common cash	747,568	1,625	1,996	143,080	894,268
Taxes, interest, and penalties receivable	112,359	-	-	-	112,359
Amounts due from other funds	872,684	6	15,624	-	888,314
Amounts due from component units	822	-	1,779	-	2,601
Amounts due from federal agencies	182,992	-	-	-	182,992
Amounts due from local units	81,518	-	1,356	52	82,926
Inventories	6,590	-	-	-	6,590
Investments	-	187,308	23,317	-	210,625
Securities lending collateral	2,899	-	-	18,955	21,855
Other current assets	239,804	467	1,975	14,014	256,261
Total Current Assets	<u>2,247,526</u>	<u>189,406</u>	<u>46,047</u>	<u>176,101</u>	<u>2,659,081</u>
Taxes, interest, and penalties receivable	1,707	-	-	-	1,707
Advances to other funds	19,783	-	-	-	19,783
Amounts due from local units	45,752	-	-	-	45,752
Investments	120,925	6,000	-	424,942	551,867
Other noncurrent assets	5,001	-	-	-	5,001
Total Assets	<u>\$ 2,440,694</u>	<u>\$ 195,406</u>	<u>\$ 46,047</u>	<u>\$ 601,043</u>	<u>\$ 3,283,191</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Warrants outstanding	\$ 53,022	\$ 268	\$ 647	\$ 250	\$ 54,186
Obligations under security lending	2,899	-	-	18,955	21,855
Accounts payable and other liabilities	561,681	252	27,256	3,796	592,985
Amounts due to other funds	96,407	-	32,727	64	129,198
Amounts due to component units	-	-	-	106	106
Bonds and notes payable	-	-	334,177	-	334,177
Interest payable	-	-	883	-	883
Deferred revenue	257,523	-	-	3,384	260,907
Total Current Liabilities	<u>971,532</u>	<u>520</u>	<u>395,690</u>	<u>26,555</u>	<u>1,394,297</u>
Long-Term Liabilities:					
Advances from other funds	19,783	-	-	-	19,783
Deferred revenue	18,140	-	-	-	18,140
Total Liabilities	<u>1,009,455</u>	<u>520</u>	<u>395,690</u>	<u>26,555</u>	<u>1,432,220</u>
Fund Balances:					
Reserved fund balance	1,129,965	300	-	531,229	1,661,495
Unreserved fund balance (deficit)	301,274	194,586	(349,643)	43,259	189,477
Total Fund Balances	<u>1,431,239</u>	<u>194,886</u>	<u>(349,643)</u>	<u>574,489</u>	<u>1,850,971</u>
Total Liabilities and Fund Balances	<u>\$ 2,440,694</u>	<u>\$ 195,406</u>	<u>\$ 46,047</u>	<u>\$ 601,043</u>	<u>\$ 3,283,191</u>

Michigan

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 FISCAL YEAR ENDED SEPTEMBER 30, 2005
 (In Thousands)

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUNDS</u>	<u>TOTALS</u>
REVENUES					
Taxes	\$ 1,996,478	\$ -	\$ -	\$ -	\$ 1,996,478
From federal agencies	1,227,479	-	-	-	1,227,479
From local agencies	155,635	-	-	-	155,635
From services	3,170	-	-	-	3,170
From licenses and permits	158,941	-	-	-	158,941
Miscellaneous	641,631	4,514	5,543	93,321	745,009
	<u>4,183,334</u>	<u>4,514</u>	<u>5,543</u>	<u>93,321</u>	<u>4,286,712</u>
Total Revenues					
EXPENDITURES					
Current:					
General government	156,589	3,383	486	510	160,968
Education	90,071	3,215	64,947	-	158,233
Human services	2,479	-	-	-	2,479
Public safety and corrections	12	-	-	2,778	2,790
Conservation, environment, recreation, and agriculture	257,800	-	-	16,009	273,809
Labor, commerce, and regulatory	186,297	-	-	-	186,297
Health services	169,243	-	-	-	169,243
Transportation	2,163,688	4,201	-	-	2,167,888
Capital outlay	1,194,937	-	20,321	24,391	1,239,649
Debt Service:					
Bond principal retirement	-	354,711	-	-	354,711
Bond interest and fiscal charges	-	276,216	-	-	276,216
Capital lease payments	461	-	-	-	461
	<u>4,221,576</u>	<u>641,726</u>	<u>85,754</u>	<u>43,688</u>	<u>4,992,744</u>
Total Expenditures					
Excess of Revenues over (under) Expenditures	<u>(38,243)</u>	<u>(637,212)</u>	<u>(80,211)</u>	<u>49,633</u>	<u>(706,033)</u>
OTHER FINANCING SOURCES (USES)					
Bonds and notes issued	175,864	-	189,300	-	365,164
Premium on bond issuance	6,577	91,280	-	-	97,857
Refunding bonds issued	-	1,528,539	-	-	1,528,539
Payment to refunded bond escrow agent	-	(1,609,886)	-	-	(1,609,886)
Proceeds from sale of capital assets	7,304	-	58	245	7,606
Transfers from other funds	1,092,523	516,101	8,564	10,000	1,627,187
Transfers to other funds	(1,378,631)	(60,078)	(16,293)	(10,159)	(1,465,161)
	<u>(96,364)</u>	<u>465,956</u>	<u>181,628</u>	<u>86</u>	<u>551,306</u>
Total Other Financing Sources (Uses)					
Excess of Revenues and Other Sources over (under) Expenditures Other Uses	<u>(134,607)</u>	<u>(171,255)</u>	<u>101,417</u>	<u>49,718</u>	<u>(154,726)</u>
Fund Balances - Beginning of fiscal year restated	<u>1,565,846</u>	<u>366,141</u>	<u>(451,060)</u>	<u>524,770</u>	<u>2,005,697</u>
Fund Balances - End of fiscal year	<u>\$ 1,431,239</u>	<u>\$ 194,886</u>	<u>\$ (349,643)</u>	<u>\$ 574,489</u>	<u>\$ 1,850,971</u>

Michigan

BALANCE SHEET
SPECIAL REVENUE FUNDS - BY CLASSIFICATION
 SEPTEMBER 30, 2005
 (In Thousands)

	TRANSPORTATION RELATED	CONSERVATION, ENVIRONMENT, AND RECREATION RELATED	REGULATORY AND ADMINISTRATIVE RELATED	OTHER STATE FUNDS	TOTALS
ASSETS					
Current Assets:					
Cash	\$ 175	\$ 115	\$ -	\$ -	\$ 290
Equity in common cash	348,021	263,504	69,561	66,482	747,568
Taxes, interest, and penalties receivable	112,154	205	-	-	112,359
Amounts due from other funds	863,387	-	6,314	2,982	872,684
Amounts due from component units	808	11	-	3	822
Amounts due from federal agencies	171,469	620	10,903	-	182,992
Amounts due from local units	80,280	1,238	-	-	81,518
Inventories	6,447	143	-	-	6,590
Securities lending collateral	-	887	-	2,013	2,899
Other current assets	16,212	6,894	935	215,762	239,804
Total Current Assets	<u>1,598,953</u>	<u>273,618</u>	<u>87,713</u>	<u>287,242</u>	<u>2,247,526</u>
Taxes, interest, and penalties receivable	1,707	-	-	-	1,707
Advances to other funds	19,783	-	-	-	19,783
Amounts due from local units	41,463	4,289	-	-	45,752
Investments	-	99,726	-	21,199	120,925
Other noncurrent assets	2,313	1,385	-	1,304	5,001
Total Assets	<u>\$ 1,664,219</u>	<u>\$ 379,017</u>	<u>\$ 87,713</u>	<u>\$ 309,745</u>	<u>\$ 2,440,694</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Warrants outstanding	\$ 16,701	\$ 1,203	\$ 422	\$ 34,696	\$ 53,022
Obligations under security lending	-	887	-	2,013	2,899
Accounts payable and other liabilities	471,123	46,091	15,542	28,925	561,681
Amounts due to other funds	85,255	1,502	7,197	2,452	96,407
Deferred revenue	44,535	685	7,070	205,233	257,523
Total Current Liabilities	<u>617,614</u>	<u>50,368</u>	<u>30,232</u>	<u>273,318</u>	<u>971,532</u>
Long-Term Liabilities:					
Advances from other funds	19,783	-	-	-	19,783
Deferred revenue	16,390	1,385	-	366	18,140
Total Liabilities	<u>653,787</u>	<u>51,752</u>	<u>30,232</u>	<u>273,684</u>	<u>1,009,455</u>
Fund Balances:					
Reserves For:					
Budgetary Carry-Forwards:					
Encumbrances	117,916	14,544	403	-	132,864
Restricted revenues	175,579	60,624	16,217	-	252,420
Multi-year projects	403,769	27,217	-	-	430,985
Construction and debt service	83,917	-	-	-	83,917
Revolving loan programs	28,937	20,569	-	-	49,505
Funds held as permanent investments	-	130,401	-	20,458	150,859
Noncurrent assets	28,477	-	-	937	29,414
Total Reserved	<u>838,594</u>	<u>253,355</u>	<u>16,620</u>	<u>21,395</u>	<u>1,129,965</u>
Unreserved	<u>171,838</u>	<u>73,909</u>	<u>40,861</u>	<u>14,665</u>	<u>301,274</u>
Total Fund Balances	<u>1,010,433</u>	<u>327,265</u>	<u>57,481</u>	<u>36,060</u>	<u>1,431,239</u>
Total Liabilities and Fund Balances	<u>\$ 1,664,219</u>	<u>\$ 379,017</u>	<u>\$ 87,713</u>	<u>\$ 309,745</u>	<u>\$ 2,440,694</u>

Michigan

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - BY CLASSIFICATION
 FISCAL YEAR ENDED SEPTEMBER 30, 2005
 (In Thousands)

	TRANSPORTATION RELATED	CONSERVATION, ENVIRONMENT, AND RECREATION RELATED	REGULATORY AND ADMINISTRATIVE RELATED	OTHER STATE FUNDS	TOTALS
REVENUES					
Taxes	\$ 1,996,149	\$ 329	\$ -	\$ -	\$ 1,996,478
From federal agencies	1,104,363	2,478	119,658	980	1,227,479
From local agencies	155,635	-	-	-	155,635
From services	3,170	-	-	-	3,170
From licenses and permits	50,494	98,286	10,161	-	158,941
Miscellaneous	91,376	83,605	74,128	392,523	641,631
Total Revenues	3,401,187	184,698	203,946	393,503	4,183,334
EXPENDITURES					
Current:					
General government	-	1,024	16,455	139,110	156,589
Education	-	-	-	90,071	90,071
Human services	-	-	-	2,479	2,479
Public safety and corrections	-	-	-	12	12
Conservation, environment, recreation, and agriculture	-	257,800	-	-	257,800
Labor, commerce, and regulatory	-	-	176,122	10,175	186,297
Health services	-	6	-	169,237	169,243
Transportation	2,163,688	-	-	-	2,163,688
Capital outlay	1,182,132	12,805	-	-	1,194,937
Debt Service:					
Capital lease payments	160	-	302	-	461
Total Expenditures	3,345,979	271,635	192,879	411,084	4,221,576
Excess of Revenues over (under) Expenditures	55,208	(86,937)	11,068	(17,581)	(38,243)
OTHER FINANCING SOURCES (USES)					
Bonds and notes issued	-	64,935	-	110,929	175,864
Premium on bond issuance	-	6,577	-	-	6,577
Proceeds from sale of capital assets	7,304	-	-	-	7,304
Transfers from other funds	1,060,250	25,837	6,436	-	1,092,523
Transfers to other funds	(1,240,316)	(33,029)	(12,962)	(92,324)	(1,378,631)
Total Other Financing Sources (Uses)	(172,763)	64,320	(6,526)	18,605	(96,364)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(117,555)	(22,617)	4,541	1,023	(134,607)
Fund Balances - Beginning of fiscal year - restated	1,127,988	349,881	52,940	35,037	1,565,846
Fund Balances - End of fiscal year	\$ 1,010,433	\$ 327,265	\$ 57,481	\$ 36,060	\$ 1,431,239

Michigan

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - BY CLASSIFICATION**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

Statutory/Budgetary Basis	TRANSPORTATION RELATED			CONSERVATION, ENVIRONMENT, AND RECREATION RELATED		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
Taxes	\$ 1,996,149	\$ 1,996,149	\$ -	\$ 329	\$ 329	\$ -
From federal agencies	898,136	898,136	-	2,300	2,300	-
From local agencies	70,288	70,288	-	-	-	-
From services	3,170	3,170	-	-	-	-
From licenses and permits	50,494	50,494	-	98,286	98,286	-
Miscellaneous	82,448	82,448	-	39,461	39,461	-
Proceeds from sale of capital assets	7,304	7,304	-	-	-	-
Transfers in	1,031,063	1,031,063	-	25,837	25,837	-
Total Revenues and Other Sources	<u>4,139,052</u>	<u>4,139,052</u>	<u>-</u>	<u>166,214</u>	<u>166,214</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Attorney General	-	-	-	-	-	-
Colleges and Universities Grants	-	-	-	-	-	-
Community Health	-	-	-	-	-	-
Education	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Labor and Economic Growth	-	-	-	-	-	-
Military and Veterans Affairs	-	-	-	-	-	-
Natural Resources	-	-	-	187,640	178,160	9,480
Transportation	4,425,083	4,208,798	216,284	-	-	-
Treasury	-	-	-	11	11	-
Total Expenditures, Transfers Out, and Encumbrances	<u>4,425,083</u>	<u>4,208,798</u>	<u>216,284</u>	<u>187,651</u>	<u>178,170</u>	<u>9,480</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (286,031)</u>	<u>(69,746)</u>	<u>\$ 216,284</u>	<u>\$ (21,437)</u>	<u>(11,956)</u>	<u>\$ 9,480</u>
Reconciling Items:						
Encumbrances at September 30		117,916			11,298	
Funds not annually budgeted		<u>(165,725)</u>			<u>(21,958)</u>	
Net Reconciling Items		<u>(47,809)</u>			<u>(10,661)</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(117,555)</u>			<u>(22,617)</u>	
FUND BALANCES (GAAP BASIS)						
Beginning balances - restated		<u>1,127,988</u>			<u>349,881</u>	
Ending balances (GAAP Basis)		<u>\$ 1,010,433</u>			<u>\$ 327,265</u>	

Michigan

REGULATORY AND ADMINISTRATIVE RELATED			OTHER STATE FUNDS			TOTALS		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,996,478	\$ 1,996,478	\$ -
119,658	119,658	-	980	980	-	1,021,074	1,021,074	-
-	-	-	-	-	-	70,288	70,288	-
-	-	-	-	-	-	3,170	3,170	-
10,161	10,161	-	-	-	-	158,941	158,941	-
44,561	44,561	-	285,155	285,155	-	451,626	451,626	-
-	-	-	-	-	-	7,304	7,304	-
6,436	6,436	-	-	-	-	1,063,336	1,063,336	-
<u>180,815</u>	<u>180,815</u>	<u>-</u>	<u>286,135</u>	<u>286,135</u>	<u>-</u>	<u>4,772,217</u>	<u>4,772,217</u>	<u>-</u>
-	-	-	368	368	-	368	368	-
-	-	-	85,150	80,287	4,863	85,150	80,287	4,863
-	-	-	169,800	169,237	563	169,800	169,237	563
-	-	-	13,774	13,737	37	13,774	13,737	37
-	-	-	4,279	2,481	1,798	4,279	2,481	1,798
153,309	149,408	3,900	10,175	10,175	-	163,484	159,583	3,900
-	-	-	500	12	488	500	12	488
-	-	-	-	-	-	187,640	178,160	9,480
-	-	-	-	-	-	4,425,083	4,208,798	216,284
27,618	27,616	2	10,359	9,228	1,131	37,987	36,854	1,133
<u>180,927</u>	<u>177,024</u>	<u>3,902</u>	<u>294,405</u>	<u>285,525</u>	<u>8,879</u>	<u>5,088,065</u>	<u>4,849,518</u>	<u>238,546</u>
<u>\$ (111)</u>	<u>3,791</u>	<u>\$ 3,902</u>	<u>\$ (8,269)</u>	<u>610</u>	<u>\$ 8,879</u>	<u>\$ (315,848)</u>	<u>(77,301)</u>	<u>\$ 238,546</u>
	403			-			129,617	
	347			413			(186,923)	
	<u>750</u>			<u>413</u>			<u>(57,306)</u>	
	4,541			1,023			(134,607)	
	<u>52,940</u>			<u>35,037</u>			<u>1,565,846</u>	
	<u>\$ 57,481</u>			<u>\$ 36,060</u>			<u>\$ 1,431,239</u>	



SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED

STATE AERONAUTICS FUND

Established pursuant to P.A. 327 of 1945, as amended, this fund accounts for airport improvement projects. Financing consists primarily of aviation fuel taxes and federal and local contributions. Although subject to change in the future, annual appropriation acts have allowed any unobligated and unexpended balance at fiscal year-end to lapse and revert to the fund for appropriation in the following year.

STATE TRUNKLINE FUND

Established pursuant to Section 11 of P.A. 51 of 1951, as amended, this fund accounts for highway construction and maintenance. Its annual budget is subject to legislative review and appropriation, but the Transportation Commission has significant discretion in determining the funding of individual projects. Financing consists primarily of federal aid, local participation, and transfers from the Michigan Transportation Fund. Expenditures and transfers are for administration, highway maintenance and construction, debt service, and various contractual obligations. Although subject to change in the future, annual appropriation acts have allowed for any fund balance not otherwise reserved at fiscal year-end to be reserved for road and bridge construction.

This fund also is used to record loans made to local units of government for reconstructing and resurfacing roadways. Activities of the Blue Water Bridge program, segregated as a separate fund within the accounting system, are also reported within the State Trunkline Fund. A portion of the receivables and payables between the State Trunkline Fund and the Blue Water Bridge Fund are classified as current and are presented as "Amounts due from other funds" and "Amounts due to other funds." The remainder is classified as long-term "Advances from other funds" and "Advances to other funds" because repayment will not occur within the next 12 months.

MICHIGAN TRANSPORTATION FUND

Established pursuant to Section 10 of P.A. 51 of 1951, as amended, this fund accounts for the receipt and distribution of several tax revenues dedicated for highway purposes. Transfers are made to the General Fund, State Trunkline Fund, and the Comprehensive Transportation Fund. Expenditures include grants to counties, cities, and villages for highway purposes.

COMPREHENSIVE TRANSPORTATION FUND

This fund operates under Section 10(b) of P.A. 51 of 1951, as amended, and accounts for the planning and development of public transportation systems within the State. Federal and local revenues, vehicle-related sales tax, and transfers from the Michigan Transportation Fund provide financing for expenditures. In accordance with statutory provisions, any unencumbered balance at fiscal year-end lapses and reverts to the fund for appropriation in the following year.

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND

Established pursuant to Section 18(b) of P.A. 51 of 1951, as amended, this fund accounts for the proceeds of State trunkline revenue dedicated bonds. These bonds are used in part to finance the costs of road and bridge construction.

COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND

Established pursuant to Section 18(b) of P.A. 51 of 1951, as amended, this fund accounts for the proceeds of comprehensive transportation revenue dedicated bonds. These bonds are used in part to finance the costs of comprehensive transportation projects.

TRANSPORTATION RELATED TRUST FUNDS

The transportation related trust funds reflects the activities of five sub-funds: the Special Federal Bridge Replacement Fund, the Federal County Road Fund, the Federal Urban Transportation System Fund, the Highway Topics and Safety Program Fund, and the Metropolitan Planning Fund. The Michigan Department of Transportation is recognized as the legal representative of the State, including all governmental subdivisions, in the administration of these programs. The financing accounted for in these funds consists primarily of local and federal matching funds with very little State funds. Financing provided prior to expenditures being incurred is recorded as deferred revenue and revenue is recognized as expenditures are made. As a result, the fund balances of these funds are usually zero.

Michigan

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED
 SEPTEMBER 30, 2005
 (In Thousands)

	STATE AERONAUTICS FUND	STATE TRUNKLINE FUND	MICHIGAN TRANSPORTATION FUND	COMPREHENSIVE TRANSPORTATION FUND
ASSETS				
Current Assets:				
Cash	\$ -	\$ 166	\$ -	\$ 8
Equity in common cash	17,350	-	114,897	38,432
Taxes, interest, and penalties receivable	741	-	111,413	-
Amounts due from other funds	-	781,681	70,063	11,644
Amounts due from component units	-	808	-	-
Amounts due from federal agencies	31,957	108,142	-	5,414
Amounts due from local units	17,457	27,801	-	958
Inventories	-	6,447	-	-
Other current assets	10	8,712	6,975	483
Total Current Assets	<u>67,516</u>	<u>933,757</u>	<u>303,347</u>	<u>56,939</u>
Taxes, interest, and penalties receivable	-	-	1,707	-
Advances to other funds	-	19,783	-	-
Amounts due from local units	522	35,265	-	5,676
Other noncurrent assets	-	956	-	1,357
Total Assets	<u>\$ 68,038</u>	<u>\$ 989,761</u>	<u>\$ 305,054</u>	<u>\$ 63,971</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Warrants outstanding	\$ 482	\$ 11,911	\$ 718	\$ 1,455
Accounts payable and other liabilities	29,639	160,649	231,920	10,757
Amounts due to other funds	51	4,464	52,619	70
Deferred revenue	15,797	8,075	18,089	-
Total Current Liabilities	<u>45,969</u>	<u>185,099</u>	<u>303,347</u>	<u>12,282</u>
Long-Term Liabilities:				
Advances from other funds	-	19,783	-	-
Deferred revenue	-	13,326	1,707	1,357
Total Liabilities	<u>45,969</u>	<u>218,209</u>	<u>305,054</u>	<u>13,638</u>
Fund Balances:				
Reserves for:				
Budgetary carry-forwards:				
Encumbrances	2,236	87,834	-	27,846
Restricted revenues	-	168,620	-	6,959
Multi-year projects	16,238	387,531	-	-
Construction and debt service	-	83,917	-	-
Revolving loan programs	2,200	15,174	-	11,563
Noncurrent assets	-	28,477	-	-
Total Reserved	<u>20,673</u>	<u>771,553</u>	<u>-</u>	<u>46,369</u>
Unreserved	1,396	-	-	3,964
Total Fund Balances	<u>22,069</u>	<u>771,553</u>	<u>-</u>	<u>50,333</u>
Total Liabilities and Fund Balances	<u>\$ 68,038</u>	<u>\$ 989,761</u>	<u>\$ 305,054</u>	<u>\$ 63,971</u>

Michigan

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS
\$ 1	\$ -	\$ -	\$ 175
103,384	73,958	-	348,021
-	-	-	112,154
-	-	-	863,387
-	-	-	808
3,529	-	22,427	171,469
4,019	-	30,044	80,280
-	-	-	6,447
-	-	33	16,212
<u>110,933</u>	<u>73,958</u>	<u>52,504</u>	<u>1,598,953</u>
-	-	-	1,707
-	-	-	19,783
-	-	-	41,463
-	-	-	2,313
<u>\$ 110,933</u>	<u>\$ 73,958</u>	<u>\$ 52,504</u>	<u>\$ 1,664,219</u>
\$ 13	\$ 376	\$ 1,747	\$ 16,701
12,668	4,482	21,008	471,123
-	-	28,051	85,255
875	-	1,698	44,535
<u>13,555</u>	<u>4,858</u>	<u>52,504</u>	<u>617,614</u>
-	-	-	19,783
-	-	-	16,390
<u>13,555</u>	<u>4,858</u>	<u>52,504</u>	<u>653,787</u>
-	-	-	117,916
-	-	-	175,579
-	-	-	403,769
-	-	-	83,917
-	-	-	28,937
-	-	-	28,477
<u>-</u>	<u>-</u>	<u>-</u>	<u>838,594</u>
<u>97,379</u>	<u>69,100</u>	<u>-</u>	<u>171,838</u>
<u>97,379</u>	<u>69,100</u>	<u>-</u>	<u>1,010,433</u>
<u>\$ 110,933</u>	<u>\$ 73,958</u>	<u>\$ 52,504</u>	<u>\$ 1,664,219</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED

FISCAL YEAR ENDED SEPTEMBER 30, 2005

(In Thousands)

	STATE AERONAUTICS FUND	STATE TRUNKLINE FUND	MICHIGAN TRANSPORTATION FUND	COMPREHENSIVE TRANSPORTATION FUND
REVENUES				
Taxes	\$ 6,719	\$ -	\$ 1,932,507	\$ 56,924
From federal agencies	123,823	753,863	-	20,450
From local agencies	23,490	46,788	-	10
From services	400	15	2,754	-
From licenses and permits	300	15,339	34,579	277
Miscellaneous	3,842	66,480	6,587	5,539
Total Revenues	158,574	882,484	1,976,427	83,200
EXPENDITURES				
Current:				
Transportation	163,945	547,788	968,977	226,964
Capital outlay	279	1,022,775	-	-
Debt service:				
Capital lease payments	-	160	-	-
Total Expenditures	164,224	1,570,722	968,977	226,964
Excess of Revenues over (under) Expenditures	(5,650)	(688,238)	1,007,451	(143,764)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	7,304	-	-
Transfers from other funds	6,000	855,608	371	169,084
Transfers to other funds	(2,729)	(122,957)	(1,007,822)	(26,487)
Total Other Financing Sources (Uses)	3,271	739,954	(1,007,451)	142,597
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(2,379)	51,716	-	(1,167)
Fund Balances - Beginning of fiscal year	24,448	719,837	-	51,500
Fund Balances - End of fiscal year	<u>\$ 22,069</u>	<u>\$ 771,553</u>	<u>\$ -</u>	<u>\$ 50,333</u>

Michigan

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS
\$ -	\$ -	\$ -	\$ 1,996,149
51,467	-	154,760	1,104,363
4,369	-	80,978	155,635
-	-	-	3,170
-	-	-	50,494
6,051	2,532	345	91,376
<u>61,888</u>	<u>2,532</u>	<u>236,082</u>	<u>3,401,187</u>
599	16,201	239,215	2,163,688
159,078	-	-	1,182,132
-	-	-	160
<u>159,676</u>	<u>16,201</u>	<u>239,215</u>	<u>3,345,979</u>
<u>(97,789)</u>	<u>(13,669)</u>	<u>(3,133)</u>	<u>55,208</u>
-	-	-	7,304
25,866	-	3,321	1,060,250
(80,129)	(4)	(188)	(1,240,316)
<u>(54,263)</u>	<u>(4)</u>	<u>3,133</u>	<u>(172,763)</u>
(152,052)	(13,673)	-	(117,555)
<u>249,430</u>	<u>82,773</u>	<u>-</u>	<u>1,127,988</u>
<u>\$ 97,379</u>	<u>\$ 69,100</u>	<u>\$ -</u>	<u>\$ 1,010,433</u>

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

<u>Statutory/Budgetary Basis</u>	STATE AERONAUTICS FUND		
	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES			
Taxes	\$ 6,719	\$ 6,719	\$ -
From federal agencies	123,823	123,823	-
From local agencies	23,490	23,490	-
From services	400	400	-
From licenses and permits	300	300	-
Miscellaneous	3,842	3,842	-
Proceeds from sale of capital assets	-	-	-
Transfers in	6,000	6,000	-
Total Revenues and Other Sources	<u>164,574</u>	<u>164,574</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Transportation	<u>171,144</u>	<u>169,189</u>	<u>1,955</u>
Total Expenditures, Transfers Out, and Encumbrances	<u>171,144</u>	<u>169,189</u>	<u>1,955</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (6,569)</u>	<u>(4,615)</u>	<u>\$ 1,955</u>
Reconciling Items:			
Encumbrances at September 30		2,236	
Funds not annually budgeted		-	
Net Reconciling Items		<u>2,236</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(2,379)</u>	
FUND BALANCES (GAAP BASIS)			
Beginning balances		<u>24,448</u>	
Ending balances (GAAP Basis)		<u>\$ 22,069</u>	

Michigan

STATE TRUNKLINE FUND			MICHIGAN TRANSPORTATION FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ 1,932,507	\$ 1,932,507	\$ -
753,863	753,863	-	-	-	-
46,788	46,788	-	-	-	-
15	15	-	2,754	2,754	-
15,339	15,339	-	34,579	34,579	-
66,480	66,480	-	6,587	6,587	-
7,304	7,304	-	-	-	-
855,608	855,608	-	371	371	-
<u>1,745,395</u>	<u>1,745,395</u>	<u>-</u>	<u>1,976,798</u>	<u>1,976,798</u>	<u>-</u>
<u>1,925,548</u>	<u>1,781,513</u>	<u>144,035</u>	<u>2,033,195</u>	<u>1,976,798</u>	<u>56,396</u>
<u>1,925,548</u>	<u>1,781,513</u>	<u>144,035</u>	<u>2,033,195</u>	<u>1,976,798</u>	<u>56,396</u>
<u>\$ (180,153)</u>	<u>(36,118)</u>	<u>\$ 144,035</u>	<u>\$ (56,396)</u>	<u>-</u>	<u>\$ 56,396</u>
	87,834			-	
	<u>-</u>			<u>-</u>	
	87,834			<u>-</u>	
	<u>51,716</u>			<u>-</u>	
	719,837			<u>-</u>	
	<u>\$ 771,553</u>			<u>\$ -</u>	

This schedule continued on next page.

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED (Continued)**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

Statutory/Budgetary Basis	COMPREHENSIVE TRANSPORTATION FUND		
	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES			
Taxes	\$ 56,924	\$ 56,924	\$ -
From federal agencies	20,450	20,450	-
From local agencies	10	10	-
From services	-	-	-
From licenses and permits	277	277	-
Miscellaneous	5,539	5,539	-
Proceeds from sale of capital assets	-	-	-
Transfers in	169,084	169,084	-
Total Revenues and Other Sources	<u>252,284</u>	<u>252,284</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Transportation	<u>295,196</u>	<u>281,298</u>	<u>13,898</u>
Total Expenditures, Transfers Out, and Encumbrances	<u>295,196</u>	<u>281,298</u>	<u>13,898</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (42,912)</u>	<u>(29,014)</u>	<u>\$ 13,898</u>
Reconciling Items:			
Encumbrances at September 30		27,846	
Funds not annually budgeted		-	
Net Reconciling Items		<u>27,846</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(1,167)</u>	
FUND BALANCES (GAAP BASIS)			
Beginning balances		<u>51,500</u>	
Ending balances (GAAP Basis)		<u>\$ 50,333</u>	

Michigan

FUNDS NOT ANNUALLY BUDGETED

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS		
			BUDGET	ACTUAL	VARIANCE
ACTUAL	ACTUAL	ACTUAL			
\$ -	\$ -	\$ -	\$ 1,996,149	\$ 1,996,149	\$ -
-	-	-	898,136	898,136	-
-	-	-	70,288	70,288	-
-	-	-	3,170	3,170	-
-	-	-	50,494	50,494	-
-	-	-	82,448	82,448	-
-	-	-	7,304	7,304	-
-	-	-	1,031,063	1,031,063	-
-	-	-	4,139,052	4,139,052	-
-	-	-	4,425,083	4,208,798	216,284
-	-	-	4,425,083	4,208,798	216,284
-	-	-	<u>\$ (286,031)</u>	<u>(69,746)</u>	<u>\$ 216,284</u>
-	-	-		117,916	
(152,052)	(13,673)	-		(165,725)	
(152,052)	(13,673)	-		(47,809)	
(152,052)	(13,673)	-		(117,555)	
249,430	82,773	-		1,127,988	
<u>\$ 97,379</u>	<u>\$ 69,100</u>	<u>\$ -</u>		<u>\$ 1,010,433</u>	

SPECIAL REVENUE FUNDS – CONSERVATION, ENVIRONMENT, AND RECREATION RELATED

GAME AND FISH PROTECTION FUND

Established in 1921, this fund currently operates under Part 435 of P.A. 451 of 1994, as amended, and is financed principally by the sale of hunting and fishing licenses. The license fees are set by statute and their purpose is to support the conservation program for preservation and control of fish and wildlife. The fund also receives funding from the Game and Fish Protection Trust Fund. The fund provides financial support for statewide hunting and fishing programs, including resource management, research, enforcement of hunting and fishing laws, and acquisition of lands to be used for hunting and fishing purposes.

MICHIGAN STATE WATERWAYS FUND

Established in 1947, this fund currently operates under Part 781 of P.A. 451 of 1994, as amended. The fund receives portions of watercraft registration fees and gasoline taxes, some of which are collected by other State agencies and transferred to this fund. The fund provides for improvement of lake harbors and inland waterways; construction, operation, and maintenance of recreational boating facilities; property acquisition; and administration.

In fiscal year 2002-2003, P.A. 746 of 2002, Section 1602 required the transfer of \$7.8 million from this fund to the General Fund. Section 1602(3) states that "It is the intent of the legislature that in the future the General Fund reimburse the State Waterways Fund." No receivable is recorded in this fund for this commitment because there is no repayment schedule and the repayment is considered long-term and budgetary in nature.

MARINE SAFETY FUND

Established in 1967, this fund currently operates under Part 801 of P.A. 451 of 1994, as amended. The fund is financed principally by 49% of watercraft registration fees imposed by this act. The fund provides for water safety education programs, law enforcement, and regulation of watercraft on the waters of this State.

GAME AND FISH PROTECTION TRUST FUND

This fund was established in 1986 and presently operates under Part 437 of P.A. 451 of 1994, as amended, to restrict certain assets for the purpose of generating interest and earnings for transfer to the Game and Fish Protection Fund. In addition, the Legislature may appropriate up to \$6 million annually for use by the Game and Fish Protection Fund. Mineral royalties from lands acquired by the Game and Fish Protection Fund; direct sale proceeds; and other revenues, which, by statute, are retained for permanent investment, provide additional investment funding.

STATE PARK IMPROVEMENT FUND

Established in 1960, this fund currently operates under Part 741 of P.A. 451 of 1994, as amended. The fund is primarily financed by State park use and concession fees and motor vehicle permit fees necessary for entry by motor vehicles into designated State parks. These fees are the primary funding source for the operation, maintenance, debt service, and improvements of the State Park system. Revenues of this fund are pledged as necessary for repayment of State Park Gross Revenue Bonds.

COMBINED RECREATION BOND FUND - LOCAL PROJECTS

Established in 1988, this fund presently operates under Parts 196 and 715 of P.A. 451 of 1994, as amended. The residual balances in this fund reflect proceeds and investment earnings remaining from two bond packages: \$70 million of general obligation bonds approved by voters in November 1988, as part of a \$140 million bond package for financing state and local public recreation projects, and \$50 million of general obligation bonds approved by voters in November of 1998, as part of a \$675 million bond package known as the "Clean Michigan Initiative." Proceeds from the 1988 bond package provide grants and loans to local units of government in the amounts of \$65 million for local recreation projects and \$5 million to discourage development of open space and underdeveloped lands. Proceeds from the 1998 bond package also provided grants to local units of government for local recreation projects pursuant to Part 716 of P.A. 451 of 1994.

COMBINED ENVIRONMENTAL PROTECTION BOND FUND

Established by P.A. 328 of 1988, this fund accounts for the proceeds of \$660 million of general obligation bonds approved by Michigan voters in November 1988 to finance environmental protection programs. This approval was obtained under the general authority of Article 9, Section 15, of the 1963 State Constitution. Public Act 328 of 1988 specifies that not more than \$425 million of the bond proceeds be available to clean up sites of toxic and other environmental contamination; not more than \$150 million be available for solid waste projects; not more than \$60 million be available to capitalize the State Water Pollution Control Loan Fund; and not more than \$25 million be available to fund Michigan's participation in a regional Great Lakes Protection Fund.

Public Act 284 of 1998 expanded this fund to account for the proceeds of \$570 million of general obligation bonds approved by Michigan voters in November 1998. Public Act 288 of 1998 directs that not more than \$335 million be used for environmental response activities; not more than \$50 million for waterfront improvements; not more than \$25 million for remediation of contaminated lake and river sediments; not more than \$50 million for nonpoint source pollution prevention and control projects or wellhead protection projects; not more than \$90 million for water quality monitoring and water resources protection and pollution control activities; and not more than \$20 million for pollution prevention programs.

MICHIGAN NONGAME FISH AND WILDLIFE FUND

Established in 1983, the fund currently operates under Part 439 of P.A. 451 of 1994, as amended. Fund revenues are used to finance research and management of nongame fish and wildlife, designated endangered species, and designated plant species of this State. The fund may receive transfers from other funds, donations, investment income, and revenue from specialty license plate sales.

FOREST DEVELOPMENT FUND

This fund was established in 1993, along with the Michigan Forest Finance Authority, and presently operates under Part 505 of P.A. 451 of 1994, as amended. The Authority is authorized to acquire standing timber, timber cutting rights, and the State's interest in contracts granting cutting rights on State tax reverted lands and on other lands in the State forest system. Revenues are derived from the sale of forest products, and are pledged to provide debt service on any bonds or notes that might be issued by the Authority. Revenues not used for debt service are major funding sources for the Forest Management Division and are used for forest management operations and practices. The Authority may, but thus far has not, issued bonds.

MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND

The Michigan Underground Storage Tank Financial Assurance Fund (MUSTFA) was established by P.A. 518 of 1988 to assist certain owners and operators of underground storage tank systems in meeting their financial responsibility requirements provided for in the Solid Waste Disposal Act. All claims submitted under this statute have been settled and paid.

Public Act 390 of 2004 extended the sunset on the 7/8 cent environmental protection regulatory fee and redirected the revenue to the newly created Refined Petroleum Fund, which was established as a restricted sub-fund within the General Fund. The remaining fund balance from the original MUSTFA program was transferred from the MUSTFA Fund to the Refined Petroleum Fund during fiscal year 2004-2005.

BOTTLE DEPOSITS FUND

This fund was created in P.A. 384 of 1996 to provide for the disposition of unredeemed bottle deposits. The Department of Treasury and the Department of Environmental Quality jointly administer the fund. The law mandates that an annual distribution of the funds be made as follows: 25% returned to the dealers and 75% to fund several sub-funds.

The 75% distribution to the Department of Environmental Quality is initially deposited into the Cleanup and Redevelopment Trust Sub-Fund (CRTF), and if not further distributed, remains there until the principal amount reaches \$200 million. Of funds received annually by the CRTF, 80% is allocated to the Cleanup and Redevelopment Sub-Fund (CRF) and 10% to the Community Pollution Prevention Sub-Fund (CPPF).

Public Act 380 of 1996 moved the former Environmental Response Fund (ERF) to a sub-fund of the CRF. The law mandates that proceeds of all cost recovery actions taken and settlements entered into pursuant to the ERF (excluding natural resource damages) by the department or the Attorney General, or both, shall be credited to the ERF.

Michigan

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED

SEPTEMBER 30, 2005

(In Thousands)

	<u>GAME AND FISH PROTECTION FUND</u>	<u>MICHIGAN STATE WATERWAYS FUND</u>	<u>MARINE SAFETY FUND</u>	<u>GAME AND FISH PROTECTION TRUST FUND</u>	<u>STATE PARK IMPROVEMENT FUND</u>
ASSETS					
Current Assets:					
Cash	\$ 3	\$ 7	\$ -	\$ -	\$ 100
Equity in common cash	24,585	38,272	2,622	11,441	7,857
Taxes, interest, and penalties receivable	-	205	-	-	-
Amounts due from component units	-	-	-	-	-
Amounts due from federal agencies	435	-	185	-	-
Amounts due from local units	-	-	-	-	-
Inventories	-	143	-	-	-
Securities lending collateral	280	-	-	468	-
Other current assets	3,762	27	-	1,803	60
Total Current Assets	<u>29,066</u>	<u>38,653</u>	<u>2,807</u>	<u>13,712</u>	<u>8,017</u>
Amounts due from local units	-	-	-	-	-
Investments	1,756	-	-	92,111	-
Other noncurrent assets	-	-	-	-	-
Total Assets	<u>\$ 30,822</u>	<u>\$ 38,653</u>	<u>\$ 2,807</u>	<u>\$ 105,823</u>	<u>\$ 8,017</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Warrants outstanding	\$ 296	\$ 88	\$ 1	\$ -	\$ 57
Obligations under security lending	280	-	-	468	-
Accounts payable and other liabilities	3,552	1,607	1,785	-	1,537
Amounts due to other funds	448	90	10	-	606
Deferred revenue	-	-	-	-	439
Total Current Liabilities	<u>4,577</u>	<u>1,785</u>	<u>1,796</u>	<u>468</u>	<u>2,640</u>
Long-Term Liabilities:					
Deferred revenue	-	-	-	-	-
Total Liabilities	<u>4,577</u>	<u>1,785</u>	<u>1,796</u>	<u>468</u>	<u>2,640</u>
Fund Balances:					
Reserves for:					
Budgetary Carry-Forwards:					
Encumbrances	2,651	5,898	35	-	429
Restricted revenues	13,295	4,641	-	-	33
Multi-year projects	758	16,109	-	-	1,282
Revolving loan programs	-	-	-	-	-
Funds held as permanent investments	1,718	-	-	99,355	-
Total Reserved	<u>18,422</u>	<u>26,648</u>	<u>35</u>	<u>99,355</u>	<u>1,745</u>
Unreserved	7,824	10,220	976	6,000	3,632
Total Fund Balances	<u>26,245</u>	<u>36,868</u>	<u>1,011</u>	<u>105,355</u>	<u>5,377</u>
Total Liabilities and Fund Balances	<u>\$ 30,822</u>	<u>\$ 38,653</u>	<u>\$ 2,807</u>	<u>\$ 105,823</u>	<u>\$ 8,017</u>

Michigan

COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN NONGAME FISH AND WILDLIFE FUND	FOREST DEVELOPMENT FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND	BOTTLE DEPOSITS FUND	TOTALS
\$ -	\$ 3	\$ -	\$ 1	\$ -	\$ 2	\$ 115
2,436	58,022	448	18,003	-	99,818	263,504
-	-	-	-	-	-	205
-	11	-	-	-	-	11
-	-	-	-	-	-	620
-	900	-	-	-	338	1,238
-	-	-	-	-	-	143
-	-	139	-	-	-	887
-	-	59	164	-	1,019	6,894
<u>2,436</u>	<u>58,936</u>	<u>646</u>	<u>18,168</u>	<u>-</u>	<u>101,177</u>	<u>273,618</u>
-	-	-	-	-	4,289	4,289
-	-	5,859	-	-	-	99,726
-	-	-	-	-	1,385	1,385
<u>\$ 2,436</u>	<u>\$ 58,936</u>	<u>\$ 6,505</u>	<u>\$ 18,168</u>	<u>\$ -</u>	<u>\$ 106,851</u>	<u>\$ 379,017</u>
\$ -	\$ 371	\$ 3	\$ 180	\$ -	\$ 207	\$ 1,203
-	-	139	-	-	-	887
406	27,310	59	2,800	-	7,034	46,091
1	25	3	175	-	143	1,502
-	-	-	-	-	245	685
<u>408</u>	<u>27,707</u>	<u>204</u>	<u>3,155</u>	<u>-</u>	<u>7,628</u>	<u>50,368</u>
-	-	-	-	-	1,385	1,385
<u>408</u>	<u>27,707</u>	<u>204</u>	<u>3,155</u>	<u>-</u>	<u>9,013</u>	<u>51,752</u>
-	-	19	2,264	-	3,247	14,544
-	-	-	-	-	42,655	60,624
-	-	-	1,071	-	7,997	27,217
-	-	-	-	-	20,569	20,569
-	-	5,959	-	-	23,369	130,401
-	-	5,978	3,335	-	97,838	253,355
<u>2,028</u>	<u>31,229</u>	<u>323</u>	<u>11,678</u>	<u>-</u>	<u>-</u>	<u>73,909</u>
<u>2,028</u>	<u>31,229</u>	<u>6,301</u>	<u>15,013</u>	<u>-</u>	<u>97,838</u>	<u>327,265</u>
<u>\$ 2,436</u>	<u>\$ 58,936</u>	<u>\$ 6,505</u>	<u>\$ 18,168</u>	<u>\$ -</u>	<u>\$ 106,851</u>	<u>\$ 379,017</u>

Michigan

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)**

	GAME AND FISH PROTECTION FUND	MICHIGAN STATE WATERWAYS FUND	MARINE SAFETY FUND	GAME AND FISH PROTECTION TRUST FUND	STATE PARK IMPROVEMENT FUND
REVENUES					
Taxes	\$ -	\$ 329	\$ -	\$ -	\$ -
From federal agencies	1,949	161	185	-	-
From licenses and permits	49,425	7,277	5,137	-	36,445
Miscellaneous	2,842	2,252	239	17,891	251
Total Revenues	<u>54,216</u>	<u>10,018</u>	<u>5,561</u>	<u>17,891</u>	<u>36,696</u>
EXPENDITURES					
Current:					
General government	7	-	-	19	-
Conservation, environment, recreation, and agriculture	64,384	17,948	3,902	-	34,442
Health services	-	-	-	-	-
Capital outlay	3,231	7,718	-	-	1,374
Total Expenditures	<u>67,622</u>	<u>25,666</u>	<u>3,902</u>	<u>19</u>	<u>35,815</u>
Excess of Revenues over (under) Expenditures	<u>(13,407)</u>	<u>(15,648)</u>	<u>1,659</u>	<u>17,871</u>	<u>880</u>
OTHER FINANCING SOURCES (USES)					
Bonds and notes issued	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-
Transfers from other funds	11,100	14,737	-	-	-
Transfers to other funds	(901)	(291)	(1,169)	(10,627)	(1,309)
Total Other Financing Sources (Uses)	<u>10,198</u>	<u>14,446</u>	<u>(1,169)</u>	<u>(10,627)</u>	<u>(1,309)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(3,208)</u>	<u>(1,202)</u>	<u>490</u>	<u>7,244</u>	<u>(428)</u>
Fund Balances - Beginning of fiscal year	<u>29,453</u>	<u>38,070</u>	<u>521</u>	<u>98,111</u>	<u>5,805</u>
Fund Balances - End of fiscal year	<u>\$ 26,245</u>	<u>\$ 36,868</u>	<u>\$ 1,011</u>	<u>\$ 105,355</u>	<u>\$ 5,377</u>

Michigan

COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN NONGAME FISH AND WILDLIFE FUND	FOREST DEVELOPMENT FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND	BOTTLE DEPOSITS FUND	TOTALS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329
-	-	-	6	-	178	2,478
-	-	1	1	-	-	98,286
149	3,061	506	33,372	7	23,036	83,605
149	3,061	507	33,380	7	23,213	184,698
50	820	4	-	124	-	1,024
1,002	73,380	651	27,936	7	34,148	257,800
-	6	-	-	-	-	6
-	-	-	483	-	-	12,805
1,052	74,206	654	28,418	132	34,148	271,635
(903)	(71,145)	(147)	4,962	(124)	(10,935)	(86,937)
-	64,935	-	-	-	-	64,935
-	6,577	-	-	-	-	6,577
-	-	-	-	-	-	25,837
(3)	(21)	(3)	(1,122)	(1,651)	(15,933)	(33,029)
(3)	71,491	(3)	(1,122)	(1,651)	(15,933)	64,320
(906)	347	(150)	3,840	(1,775)	(26,868)	(22,617)
2,934	30,883	6,451	11,173	1,775	124,705	349,881
\$ 2,028	\$ 31,229	\$ 6,301	\$ 15,013	\$ -	\$ 97,838	\$ 327,265

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

Statutory/Budgetary Basis	GAME AND FISH PROTECTION FUND			MICHIGAN STATE WATERWAYS FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
Taxes	\$ -	\$ -	\$ -	\$ 329	\$ 329	\$ -
From federal agencies	1,949	1,949	-	161	161	-
From licenses and permits	49,425	49,425	-	7,277	7,277	-
Miscellaneous	2,842	2,842	-	2,252	2,252	-
Transfers in	11,100	11,100	-	14,737	14,737	-
Total Revenues and Other Sources	65,315	65,315	-	24,756	24,756	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Natural Resources	73,170	71,168	2,003	37,097	31,856	5,241
Treasury	7	7	-	-	-	-
Total Expenditures, Transfers Out and Encumbrances	73,178	71,175	2,003	37,097	31,856	5,241
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (7,862)	(5,860)	\$ 2,003	\$ (12,341)	(7,100)	\$ 5,241
Reconciling Items:						
Encumbrances at September 30		2,651			5,898	
Funds not annually budgeted					-	
Net Reconciling Items		2,651			5,898	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(3,208)			(1,202)	
FUND BALANCES (GAAP BASIS)						
Beginning balances		29,453			38,070	
Ending balances (GAAP Basis)		\$ 26,245			\$ 36,868	

Michigan

MARINE SAFETY FUND			STATE PARK IMPROVEMENT FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
185	185	-	-	-	-
5,137	5,137	-	36,445	36,445	-
239	239	-	251	251	-
-	-	-	-	-	-
5,561	5,561	-	36,696	36,696	-
5,676	5,106	571	38,001	37,553	448
-	-	-	-	-	-
5,676	5,106	571	38,001	37,553	448
\$ (116)	455	\$ 571	\$ (1,306)	(858)	\$ 448
	35			429	
	-			-	
	35			429	
	490			(428)	
	521			5,805	
	\$ 1,011			\$ 5,377	

This schedule continued on next page.

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED (Continued)**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

Statutory/Budgetary Basis	MICHIGAN NONGAME FISH AND WILDLIFE FUND			FOREST DEVELOPMENT FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From federal agencies	-	-	-	6	6	-
From licenses and permits	1	1	-	1	1	-
Miscellaneous	506	506	-	33,372	33,372	-
Transfers in	-	-	-	-	-	-
Total Revenues and Other Sources	<u>507</u>	<u>507</u>	<u>-</u>	<u>33,380</u>	<u>33,380</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Natural Resources	694	672	22	33,001	31,805	1,196
Treasury	4	4	-	-	-	-
Total Expenditures, Transfers Out and Encumbrances	<u>698</u>	<u>676</u>	<u>22</u>	<u>33,001</u>	<u>31,805</u>	<u>1,196</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (191)</u>	<u>(169)</u>	<u>\$ 22</u>	<u>\$ 379</u>	<u>1,575</u>	<u>\$ 1,196</u>
Reconciling Items:						
Encumbrances at September 30		19			2,264	
Funds not annually budgeted		-			-	
Net Reconciling Items		<u>19</u>			<u>2,264</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(150)</u>			<u>3,840</u>	
FUND BALANCES (GAAP BASIS)						
Beginning balances		<u>6,451</u>			<u>11,173</u>	
Ending balances (GAAP Basis)		<u>\$ 6,301</u>			<u>\$ 15,013</u>	

Michigan

FUNDS NOT ANNUALLY BUDGETED

GAME AND FISH PROTECTION TRUST FUND	COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND	BOTTLE DEPOSITS FUND	TOTALS		
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329	\$ 329	\$ -
-	-	-	-	-	2,300	2,300	-
-	-	-	-	-	98,286	98,286	-
-	-	-	-	-	39,461	39,461	-
-	-	-	-	-	25,837	25,837	-
-	-	-	-	-	166,214	166,214	-
-	-	-	-	-	187,640	178,160	9,480
-	-	-	-	-	11	11	-
-	-	-	-	-	187,651	178,170	9,480
-	-	-	-	-	\$ (21,437)	(11,956)	\$ 9,480
7,244	(906)	347	(1,775)	(26,868)		11,298	(21,958)
7,244	(906)	347	(1,775)	(26,868)		(10,661)	
7,244	(906)	347	(1,775)	(26,868)		(22,617)	
98,111	2,934	30,883	1,775	124,705		349,881	
\$ 105,355	\$ 2,028	\$ 31,229	\$ -	\$ 97,838		\$ 327,265	



SPECIAL REVENUE FUNDS – REGULATORY AND ADMINISTRATIVE RELATED

MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND

Public Act 1 of 1936 (Extra Session) created this fund to account for administrative costs of the Bureau of Worker's and Unemployment Compensation, which is administered by the Department of Labor and Economic Growth. The fund derives most of its revenue from federal grants. It also receives transfers from the Michigan Employment Security Act Contingent Fund (reported as part of the Michigan Unemployment Compensation Funds, an enterprise fund). Expenditures for administration are subject to legislative appropriation.

Unemployment benefit payments to individuals are made directly from funds accumulated from employer premiums. These activities are reported in the Michigan Unemployment Compensation Funds.

SAFETY EDUCATION AND TRAINING FUND

Public Act 154 of 1974, as amended, imposes an annual levy on each insurance carrier licensed to write workers' disability compensation business in the State and on each self-insured employer. Public Act 24 of 1977 established the Safety Education and Training Fund to receive these assessments for support of the Department of Labor and Economic Growth's Consultation Education and Training Division.

STATE CONSTRUCTION CODE FUND

Public Act 230 of 1972, as amended, created the State Construction Code Fund. Fees received for building permit applications and other funds collected under this act are appropriated by the Legislature for the operation of the Department of Labor and Economic Growth's Bureau of Construction Codes and Fire Safety and related indirect overhead expenditures.

HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND

Established by P.A. 497 of 1980, the Homeowner Construction Lien Recovery Fund allows contractors, subcontractors, suppliers, and laborers to collect payments for work done if they have not been paid, despite filing a residential lien. The fund is self-sustaining and is financed by fees assessed on builders, electrical and plumbing contractors, and laborers.

STATE CASINO GAMING FUND

Created by P.A. 69 of 1997, this fund provides the licensing, regulation, and control of casino gaming activities in Michigan. The five-member gaming control board is vested with the authority for licensing, regulating, and controlling casino gaming operations; manufacturers and distributors of gaming equipment and supplies; and persons who participate in gaming. Activities financed by casino gaming revenue are legally restricted for specific purposes.

SECOND INJURY FUND

Public Act 317 of 1969, as amended, created the Second Injury Fund to insure carriers and self-insured employers against certain workers' compensation losses. The administrator, appointed by the fund's Board of Trustees, supervises the fund. The fund's revenue consists of assessments, calculated under provisions of the act, which are assessed to insurance carriers and self-insured employers licensed or authorized in Michigan.

SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND

Established by P.A. 317 of 1969, as amended, the Silicosis, Dust Disease, and Logging Industry Compensation Fund reimburses insurance carriers who pay benefits to employees injured from certain dust diseases, and employees who have sustained personal injury or death while being employed in the logging industry. Revenues are generated through annual assessments of insurance carriers.

SELF-INSURERS' SECURITY FUND

Established by P.A. 317 of 1969, as amended, the Self-Insurers' Security Fund pays workers' compensation benefits to injured employees of insolvent, private self-insured employers. Revenues are generated through annual assessments of insurance carriers.

Funds held in trust per court orders to pay obligations due under the Michigan Workers' Disability Compensation Act are reported as liabilities of this fund.

UTILITY CONSUMER REPRESENTATION FUND

Established by P.A. 304 of 1982, as amended, the Utility Consumer Representation Fund provides funding, on behalf of residential gas, fuel, and electric customers, for energy cost recovery hearings before the Michigan Public Service Commission. Revenues are generated through annual assessments of regulated utility companies.

Michigan

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED
 SEPTEMBER 30, 2005
 (In Thousands)

	<u>MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND</u>	<u>SAFETY EDUCATION AND TRAINING FUND</u>	<u>STATE CONSTRUCTION CODE FUND</u>	<u>HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND</u>
ASSETS				
Current Assets:				
Equity in common cash	\$ -	\$ 5,485	\$ 6,208	\$ 4,511
Amounts due from other funds	208	-	-	-
Amounts due from federal agencies	10,903	-	-	-
Other current assets	9	-	182	-
Total Current Assets	<u>11,120</u>	<u>5,485</u>	<u>6,390</u>	<u>4,511</u>
Total Assets	<u>\$ 11,120</u>	<u>\$ 5,485</u>	<u>\$ 6,390</u>	<u>\$ 4,511</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Warrants outstanding	\$ 79	\$ 18	\$ 18	\$ 28
Accounts payable and other liabilities	4,071	228	444	38
Amounts due to other funds	6,970	41	87	1
Deferred revenue	-	-	-	-
Total Current Liabilities	<u>11,120</u>	<u>286</u>	<u>548</u>	<u>67</u>
Total Liabilities	<u>11,120</u>	<u>286</u>	<u>548</u>	<u>67</u>
Fund Balances:				
Reserves for:				
Budgetary carry-forwards:				
Encumbrances	-	281	122	-
Restricted revenues	-	-	-	-
Total Reserved	<u>-</u>	<u>281</u>	<u>122</u>	<u>-</u>
Unreserved	<u>-</u>	<u>4,918</u>	<u>5,719</u>	<u>4,444</u>
Total Fund Balances	<u>-</u>	<u>5,199</u>	<u>5,841</u>	<u>4,444</u>
Total Liabilities and Fund Balances	<u>\$ 11,120</u>	<u>\$ 5,485</u>	<u>\$ 6,390</u>	<u>\$ 4,511</u>

Michigan

STATE CASINO GAMING FUND	SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS
\$ 17,794	\$ 11,597	\$ 3,083	\$ 17,422	\$ 3,461	\$ 69,561
-	6,106	-	-	-	6,314
-	-	-	-	-	10,903
89	386	22	248	-	935
<u>17,883</u>	<u>18,089</u>	<u>3,105</u>	<u>17,669</u>	<u>3,461</u>	<u>87,713</u>
<u>\$ 17,883</u>	<u>\$ 18,089</u>	<u>\$ 3,105</u>	<u>\$ 17,669</u>	<u>\$ 3,461</u>	<u>\$ 87,713</u>
\$ 5	\$ 148	\$ 75	\$ 51	\$ -	\$ 422
423	2,123	506	7,626	85	15,542
71	12	5	7	3	7,197
42	3,935	649	2,444	-	7,070
<u>541</u>	<u>6,219</u>	<u>1,234</u>	<u>10,129</u>	<u>87</u>	<u>30,232</u>
541	6,219	1,234	10,129	87	30,232
-	-	-	-	-	403
16,217	-	-	-	-	16,217
<u>16,217</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,620</u>
1,126	11,870	1,871	7,541	3,373	40,861
<u>17,342</u>	<u>11,870</u>	<u>1,871</u>	<u>7,541</u>	<u>3,373</u>	<u>57,481</u>
<u>\$ 17,883</u>	<u>\$ 18,089</u>	<u>\$ 3,105</u>	<u>\$ 17,669</u>	<u>\$ 3,461</u>	<u>\$ 87,713</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED
 FISCAL YEAR ENDED SEPTEMBER 30, 2005
 (In Thousands)

	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND	SAFETY EDUCATION AND TRAINING FUND	STATE CONSTRUCTION CODE FUND	HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND
REVENUES				
From federal agencies	\$ 119,658	\$ -	\$ -	\$ -
From licenses and permits	-	-	9,373	-
Miscellaneous	495	7,100	2,296	5,017
Total Revenues	<u>120,153</u>	<u>7,100</u>	<u>11,669</u>	<u>5,017</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Labor, commerce, and regulatory	125,113	7,151	13,859	1,187
Debt Service:				
Capital lease payments	302	-	-	-
Total Expenditures	<u>125,414</u>	<u>7,151</u>	<u>13,859</u>	<u>1,187</u>
Excess of Revenues over (under) Expenditures	<u>(5,261)</u>	<u>(51)</u>	<u>(2,190)</u>	<u>3,829</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	6,434	-	-	-
Transfers to other funds	(1,173)	(38)	(182)	(1)
Total Other Financing Sources (Uses)	<u>5,261</u>	<u>(38)</u>	<u>(182)</u>	<u>(1)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	-	(88)	(2,372)	3,829
Fund Balances - Beginning of fiscal year	<u>-</u>	<u>5,287</u>	<u>8,213</u>	<u>616</u>
Fund Balances - End of fiscal year	<u>\$ -</u>	<u>\$ 5,199</u>	<u>\$ 5,841</u>	<u>\$ 4,444</u>

Michigan

STATE CASINO GAMING FUND	SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,658
788	-	-	-	-	10,161
<u>29,652</u>	<u>14,480</u>	<u>2,398</u>	<u>11,593</u>	<u>1,096</u>	<u>74,128</u>
<u>30,440</u>	<u>14,480</u>	<u>2,398</u>	<u>11,593</u>	<u>1,096</u>	<u>203,946</u>
16,092	-	-	-	364	16,455
-	16,220	2,707	9,473	413	176,122
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>302</u>
<u>16,092</u>	<u>16,220</u>	<u>2,707</u>	<u>9,473</u>	<u>776</u>	<u>192,879</u>
<u>14,349</u>	<u>(1,740)</u>	<u>(309)</u>	<u>2,120</u>	<u>320</u>	<u>11,068</u>
2	-	-	-	-	6,436
<u>(11,524)</u>	<u>(22)</u>	<u>(8)</u>	<u>(11)</u>	<u>(3)</u>	<u>(12,962)</u>
<u>(11,523)</u>	<u>(22)</u>	<u>(8)</u>	<u>(11)</u>	<u>(3)</u>	<u>(6,526)</u>
2,826	(1,761)	(317)	2,109	317	4,541
<u>14,516</u>	<u>13,631</u>	<u>2,188</u>	<u>5,432</u>	<u>3,057</u>	<u>52,940</u>
<u>\$ 17,342</u>	<u>\$ 11,870</u>	<u>\$ 1,871</u>	<u>\$ 7,541</u>	<u>\$ 3,373</u>	<u>\$ 57,481</u>

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

Statutory/Budgetary Basis	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND			SAFETY EDUCATION AND TRAINING FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
From federal agencies	\$ 119,658	\$ 119,658	\$ -	\$ -	\$ -	\$ -
From licenses and permits	-	-	-	-	-	-
Miscellaneous	495	495	-	7,100	7,100	-
Transfers in	6,434	6,434	-	-	-	-
Total Revenues and Other Sources	126,587	126,587	-	7,100	7,100	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Labor and Economic Growth	126,587	126,587	-	8,356	7,470	887
Treasury	-	-	-	-	-	-
Total Expenditures, Transfers Out, and Encumbrances	126,587	126,587	-	8,356	7,470	887
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ -	-	\$ -	\$ (1,256)	(369)	\$ 887
Reconciling Items:						
Encumbrances at September 30		-			281	
Funds not annually budgeted		-			-	
Net Reconciling Items		-			281	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		-			(88)	
FUND BALANCES (GAAP BASIS)						
Beginning balances		-			5,287	
Ending balances (GAAP Basis)		\$ -			\$ 5,199	

Michigan

STATE CONSTRUCTION CODE FUND			HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9,373	9,373	-	-	-	-
2,296	2,296	-	5,017	5,017	-
-	-	-	-	-	-
<u>11,669</u>	<u>11,669</u>	<u>-</u>	<u>5,017</u>	<u>5,017</u>	<u>-</u>
16,831	14,163	2,668	1,534	1,188	346
-	-	-	-	-	-
<u>16,831</u>	<u>14,163</u>	<u>2,668</u>	<u>1,534</u>	<u>1,188</u>	<u>346</u>
<u>\$ (5,162)</u>	<u>(2,494)</u>	<u>\$ 2,668</u>	<u>\$ 3,483</u>	<u>3,829</u>	<u>\$ 346</u>
	122			-	
	-			-	
	<u>122</u>			-	
	<u>(2,372)</u>			<u>3,829</u>	
	8,213			616	
	<u>\$ 5,841</u>			<u>\$ 4,444</u>	

This schedule continued on next page.

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED (Continued)**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

<u>Statutory/Budgetary Basis</u>	<u>STATE CASINO GAMING FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES AND OTHER SOURCES			
From federal agencies	\$ -	\$ -	\$ -
From licenses and permits	788	788	-
Miscellaneous	29,652	29,652	-
Transfers in	2	2	-
Total Revenues and Other Sources	<u>30,442</u>	<u>30,442</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Labor and Economic Growth	-	-	-
Treasury	27,618	27,616	2
Total Expenditures, Transfers Out, and Encumbrances	<u>27,618</u>	<u>27,616</u>	<u>2</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ 2,824</u>	<u>2,826</u>	<u>\$ 2</u>
Reconciling Items:			
Encumbrances at September 30		-	
Funds not annually budgeted		-	
Net Reconciling Items		<u>-</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>2,826</u>	
FUND BALANCES (GAAP BASIS)			
Beginning balances		<u>14,516</u>	
Ending balances (GAAP Basis)		<u>\$ 17,342</u>	

Michigan

FUNDS NOT ANNUALLY BUDGETED

SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS		
				BUDGET	ACTUAL	VARIANCE
ACTUAL	ACTUAL	ACTUAL	ACTUAL			
\$ -	\$ -	\$ -	\$ -	\$ 119,658	\$ 119,658	\$ -
-	-	-	-	10,161	10,161	-
-	-	-	-	44,561	44,561	-
-	-	-	-	6,436	6,436	-
-	-	-	-	180,815	180,815	-
-	-	-	-	153,309	149,408	3,900
-	-	-	-	27,618	27,616	2
-	-	-	-	180,927	177,024	3,902
-	-	-	-	<u>\$ (111)</u>	<u>3,791</u>	<u>\$ 3,902</u>
-	-	-	-		403	
(1,761)	(317)	2,109	317		347	
(1,761)	(317)	2,109	317		750	
(1,761)	(317)	2,109	317		4,541	
13,631	2,188	5,432	3,057		52,940	
<u>\$ 11,870</u>	<u>\$ 1,871</u>	<u>\$ 7,541</u>	<u>\$ 3,373</u>		<u>\$ 57,481</u>	



SPECIAL REVENUE FUNDS – OTHER STATE FUNDS

SCHOOL BOND LOAN FUND

Article 9, Section 16, of the State Constitution, P.A. 74 of 1955, and P.A. 112 of 1961 authorized the issuance of State general obligation bonds to provide funds for loans to school districts. Loans are made for the payment of principal and interest on school district bonds under prescribed circumstances. State bond proceeds are credited to the fund as an "Other Financing Source." When loans are made, transfers are recorded to the General Fund, which receives loan payments and provides financing for debt service. In the General Fund, loans receivable are recorded as assets.

TOBACCO SETTLEMENT TRUST FUND

Public Act 489 of 2000 created this fund to account for a portion of the revenue from the master settlement agreement between tobacco manufacturers and the State. The settlement reimburses the State for health care costs, which result from the use of tobacco products. Fund expenditures are used for a variety of programs as determined by the Legislature.

MICHIGAN MERIT AWARD TRUST FUND

This fund was created by P.A. 94 of 1999 to account for a portion of the revenue from the master settlement agreement between tobacco manufacturers and the State. The settlement reimburses the State for health care costs, which result from the use of tobacco products. The fund also consists of interest and earnings from trust fund investments and donations. Fund expenditures are used for the Michigan Merit Award Scholarship and other programs as determined by the Legislature.

CHILDREN'S TRUST FUND

Public Act 249 of 1982, as amended, established the Children's Trust Fund to support the State Child Abuse and Neglect Prevention Board. The Board was established under P.A. 250 of 1982 to coordinate and fund activities for the prevention of child abuse and neglect in the State.

Public Act 291 of 2000 provided for a transfer of \$13.1 million from the General Fund during fiscal year 1999-2000 to bring the fund's assets to an amount exceeding \$20 million. Public Act 119 of 2005, enacted September 22, 2005, removed the requirement that the assets of the fund must exceed \$20 million and made available for disbursement not more than one-half of the money contributed to the trust fund each year, plus the interest and earnings, excluding unrealized gains and losses, credited to the trust fund during the previous fiscal year. Money granted or received as gifts or donations to the trust fund shall be available for disbursement upon appropriation. Funds that are not available for disbursement are reserved as funds held for permanent investment.

In prior years, this fund was classified as a permanent fund but the recent changes in legislation have resulted in the reclassification of this fund to a special revenue fund.

ASSIGNED CLAIMS FACILITY AND PLAN FUND

Michigan Compiled Laws Section 500.3171 requires the Secretary of State to organize and maintain the Assigned Claims Facility and Plan Fund to provide personal protection insurance benefits to persons injured by uninsured motorists, when coverage is not available from other sources. The Facility administers the Plan through servicing insurers. Assessments to self-insurers and no-fault insurers cover the costs incurred by the Facility and Plan.

MILITARY FAMILY RELIEF FUND

Public Act 363 of 2004 created this fund to provide assistance to families of certain members of the reserve components of the United States armed forces on active duty. A qualified individual or the individual's family shall apply to the Department of Military and Veterans Affairs for a grant from the fund. Funds are received primarily from taxpayer contributions on his or her annual State tax return designating \$1.00 or more of his or her refund to be credited to this fund.

MISCELLANEOUS SPECIAL REVENUE FUNDS

The miscellaneous special revenue funds column reflects the activities of the following funds: Vietnam Veterans' Memorial Monument, Law Enforcement Officers Memorial, Children's Institute Trust, and Special Assessment Deferment.

Michigan

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS - OTHER STATE FUNDS
 SEPTEMBER 30, 2005
 (In Thousands)

	SCHOOL BOND LOAN FUND	TOBACCO SETTLEMENT TRUST FUND	MICHIGAN MERIT AWARD TRUST FUND
ASSETS			
Current Assets:			
Equity in common cash	\$ 1,226	\$ -	\$ 25,238
Amounts due from other funds	-	563	2,419
Amounts due from component units	-	-	3
Securities lending collateral	-	-	-
Other current assets	-	53,564	154,994
Total Current Assets	1,226	54,127	182,654
Investments	-	-	-
Other noncurrent assets	-	-	-
Total Assets	\$ 1,226	\$ 54,127	\$ 182,654
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Warrants outstanding	\$ -	\$ 62	\$ 190
Obligations under security lending	-	-	-
Accounts payable and other liabilities	712	766	20,313
Amounts due to other funds	-	2,423	24
Deferred revenue	-	50,875	152,625
Total Current Liabilities	712	54,127	173,153
Deferred revenue	-	-	-
Total Liabilities	712	54,127	173,153
Fund Balances:			
Reserves for:			
Funds held as permanent investments	-	-	-
Noncurrent assets	-	-	-
Total Reserved	-	-	-
Unreserved	515	-	9,501
Total Fund Balances	515	-	9,501
Total Liabilities and Fund Balances	\$ 1,226	\$ 54,127	\$ 182,654

Michigan

CHILDREN'S TRUST FUND	ASSIGNED CLAIMS FACILITY AND PLAN FUND	MILITARY FAMILY RELIEF FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS	TOTALS
\$ 1,056	\$ 36,057	\$ 1,233	\$ 1,673	\$ 66,482
-	-	-	-	2,982
-	-	-	-	3
2,013	-	-	-	2,013
290	6,424	-	491	215,762
<u>3,358</u>	<u>42,481</u>	<u>1,233</u>	<u>2,164</u>	<u>287,242</u>
21,199	-	-	-	21,199
-	-	-	1,304	1,304
<u>\$ 24,557</u>	<u>\$ 42,481</u>	<u>\$ 1,233</u>	<u>\$ 3,467</u>	<u>\$ 309,745</u>
\$ 4	\$ 34,436	\$ -	\$ 3	\$ 34,696
2,013	-	-	-	2,013
71	7,063	-	-	28,925
5	-	-	-	2,452
750	982	-	-	205,233
<u>2,843</u>	<u>42,481</u>	<u>-</u>	<u>3</u>	<u>273,318</u>
-	-	-	366	366
<u>2,843</u>	<u>42,481</u>	<u>-</u>	<u>370</u>	<u>273,684</u>
20,458	-	-	-	20,458
-	-	-	937	937
<u>20,458</u>	<u>-</u>	<u>-</u>	<u>937</u>	<u>21,395</u>
1,257	-	1,233	2,160	14,665
<u>21,715</u>	<u>-</u>	<u>1,233</u>	<u>3,098</u>	<u>36,060</u>
<u>\$ 24,557</u>	<u>\$ 42,481</u>	<u>\$ 1,233</u>	<u>\$ 3,467</u>	<u>\$ 309,745</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - OTHER STATE FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005
 (In Thousands)

	SCHOOL BOND LOAN FUND	TOBACCO SETTLEMENT TRUST FUND	MICHIGAN MERIT AWARD TRUST FUND
REVENUES			
From federal agencies	\$ -	\$ -	\$ -
Miscellaneous	-	70,279	212,198
Total Revenues	-	70,279	212,198
EXPENDITURES			
Current:			
General government	30,330	368	2,213
Education	-	-	90,071
Human services	-	-	-
Public safety and corrections	-	-	-
Labor, commerce, and regulatory	-	10,175	-
Health services	-	63,662	105,575
Total Expenditures	30,330	74,205	197,859
Excess of Revenues over (under) Expenditures	(30,330)	(3,926)	14,340
OTHER FINANCING SOURCES (USES)			
Bonds and notes issued	110,929	-	-
Transfers to other funds	(80,568)	(1,750)	(9,218)
Total Other Financing Sources (Uses)	30,361	(1,750)	(9,218)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	31	(5,676)	5,121
Fund Balances - Beginning of fiscal year - restated	484	5,676	4,379
Fund Balances - End of fiscal year	\$ 515	\$ -	\$ 9,501

Michigan

<u>CHILDREN'S TRUST FUND</u>	<u>ASSIGNED CLAIMS FACILITY AND PLAN FUND</u>	<u>MILITARY FAMILY RELIEF FUND</u>	<u>MISCELLANEOUS SPECIAL REVENUE FUNDS</u>	<u>TOTALS</u>
\$ 980	\$ -	\$ -	\$ -	\$ 980
1,433	106,973	1,245	394	392,523
<u>2,413</u>	<u>106,973</u>	<u>1,245</u>	<u>394</u>	<u>393,503</u>
-	106,191	-	8	139,110
-	-	-	-	90,071
2,476	-	-	4	2,479
-	-	12	-	12
-	-	-	-	10,175
-	-	-	-	169,237
<u>2,476</u>	<u>106,191</u>	<u>12</u>	<u>12</u>	<u>411,084</u>
<u>(62)</u>	<u>782</u>	<u>1,233</u>	<u>383</u>	<u>(17,581)</u>
-	-	-	-	110,929
(6)	(782)	-	-	(92,324)
<u>(6)</u>	<u>(782)</u>	<u>-</u>	<u>-</u>	<u>18,605</u>
(68)	-	1,233	383	1,023
<u>21,782</u>	<u>-</u>	<u>-</u>	<u>2,715</u>	<u>35,037</u>
<u>\$ 21,715</u>	<u>\$ -</u>	<u>\$ 1,233</u>	<u>\$ 3,098</u>	<u>\$ 36,060</u>

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - OTHER STATE FUNDS**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

Statutory/Budgetary Basis	TOBACCO SETTLEMENT TRUST FUND			MICHIGAN MERIT AWARD TRUST FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
From federal agencies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	70,279	70,279	-	212,198	212,198	-
Total Revenues and Other Sources	70,279	70,279	-	212,198	212,198	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Attorney General	368	368	-	-	-	-
Colleges and Universities Grants	-	-	-	85,150	80,287	4,863
Community Health	64,225	63,662	563	105,575	105,575	-
Education	-	-	-	13,774	13,737	37
Human Services	-	-	-	-	-	-
Labor and Economic Growth	10,175	10,175	-	-	-	-
Military and Veterans Affairs	-	-	-	-	-	-
Treasury	1,750	1,750	-	8,609	7,478	1,131
Total Expenditures, Transfers Out, and Encumbrances	76,518	75,955	563	213,108	207,077	6,031
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (6,239)	(5,676)	\$ 563	\$ (909)	5,121	\$ 6,031
Reconciling Items:						
Funds not annually budgeted		-			-	
Net Reconciling Items		-			-	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(5,676)			5,121	
FUND BALANCES (GAAP BASIS)						
Beginning balances - restated		5,676			4,379	
Ending balances (GAAP Basis)		\$ -			\$ 9,501	

Michigan

						FUNDS NOT ANNUALLY BUDGETED		
CHILDREN'S TRUST FUND			MILITARY FAMILY RELIEF FUND			SCHOOL BOND LOAN FUND	ASSIGNED CLAIMS FACILITY AND PLAN FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	ACTUAL	ACTUAL	ACTUAL
\$ 980	\$ 980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,433	1,433	-	1,245	1,245	-	-	-	-
2,413	2,413	-	1,245	1,245	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,279	2,481	1,798	-	-	-	-	-	-
-	-	-	500	12	488	-	-	-
-	-	-	-	-	-	-	-	-
4,279	2,481	1,798	500	12	488	-	-	-
\$ (1,866)	(68)	\$ 1,798	\$ 745	1,233	\$ 488	-	-	-
-	-	-	-	-	-	31	-	383
-	-	-	-	-	-	31	-	383
(68)	-	-	-	1,233	-	31	-	383
21,782	-	-	-	-	-	484	-	2,715
\$ 21,715	-	-	\$ 1,233	-	-	\$ 515	\$ -	\$ 3,098

This schedule continued on next page.

Michigan

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - OTHER STATE FUNDS (Continued)**
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

<u>Statutory/Budgetary Basis</u>	<u>TOTALS</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES AND OTHER SOURCES			
From federal agencies	\$ 980	\$ 980	\$ -
Miscellaneous	285,155	285,155	-
Total Revenues and Other Sources	<u>286,135</u>	<u>286,135</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Attorney General	368	368	-
Colleges and Universities Grants	85,150	80,287	4,863
Community Health	169,800	169,237	563
Education	13,774	13,737	37
Human Services	4,279	2,481	1,798
Labor and Economic Growth	10,175	10,175	-
Military and Veterans Affairs	500	12	488
Treasury	10,359	9,228	1,131
Total Expenditures, Transfers Out, and Encumbrances	<u>294,405</u>	<u>285,525</u>	<u>8,879</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (8,269)</u>	<u>610</u>	<u>\$ 8,879</u>
Reconciling Items:			
Funds not annually budgeted		<u>413</u>	
Net Reconciling Items		<u>413</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>1,023</u>	
FUND BALANCES (GAAP BASIS)			
Beginning balances - restated		<u>35,037</u>	
Ending balances (GAAP Basis)		<u>\$ 36,060</u>	



