



## **II FINANCIAL SECTION**

### **REQUIRED SUPPLEMENTARY INFORMATION**

Michigan

REQUIRED SUPPLEMENTARY INFORMATION

**BUDGETARY COMPARISON SCHEDULE**  
**MAJOR GOVERNMENTAL FUNDS**  
 SEPTEMBER 30, 2001  
 (In Thousands)

	GENERAL FUND			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Beginning budgetary fund balance	\$ 1,739,887	\$ 1,739,887	\$ 1,739,887	\$ -
Resources (inflows):				
General purpose revenues:				
Taxes	9,408,000	8,687,550	8,687,550	-
Federal	50,000	24,633	24,633	-
Local	1,000	1,767	1,767	-
Licenses and permits	24,000	23,502	23,502	-
Services	9,000	4,770	4,770	-
Miscellaneous	89,000	143,221	143,221	-
Transfers in	143,000	529,029	529,029	-
Restricted revenues:				
Taxes	1,804,919	2,325,513	2,325,513	-
Federal	8,377,749	8,286,131	8,286,131	-
Local	1,054,974	1,260,283	1,260,283	-
Licenses and permits	230,467	196,230	196,230	-
Services	169,338	109,875	109,875	-
Miscellaneous	746,311	368,691	368,691	-
Transfers in	86,932	98,019	98,019	-
Total revenue inflows	<u>22,194,689</u>	<u>22,059,213</u>	<u>22,059,213</u>	<u>-</u>
Amounts available for appropriation	<u>23,934,576</u>	<u>23,799,101</u>	<u>23,799,101</u>	<u>-</u>
Charges to appropriations (outflows):				
Legislative Branch	186,172	169,865	168,971	895
Judicial Branch	249,384	243,585	236,329	7,257
Executive Branch:				
Agriculture	118,040	97,067	96,799	268
Attorney General	61,402	56,299	55,600	699
Career Development	531,316	446,978	446,825	152
Civil Rights	16,463	15,541	15,289	252
Civil Service	32,310	31,679	31,679	-
Colleges and Universities Grants	2,105,059	2,102,765	2,102,073	693
Community Health	8,497,159	8,985,614	8,981,466	4,148
Consumer and Industry Services	269,829	248,147	246,617	1,530
Corrections	1,735,059	1,699,812	1,692,214	7,598
Education	1,317,292	1,217,029	1,216,005	1,024
Environmental Quality	360,781	210,814	210,725	89
Executive Office	5,680	5,711	5,674	37
Family Independence Agency	3,644,929	3,660,366	3,657,224	3,142
Management and Budget	967,762	600,496	586,261	14,235
Military and Veterans Affairs	99,256	98,850	96,952	1,898
Natural Resources	134,457	119,503	114,551	4,952
State	196,743	188,996	185,850	3,145
State Police	423,085	439,257	430,227	9,030
Transportation	32,663	17,160	17,160	-
Treasury	1,989,351	2,474,912	2,468,914	5,998
Intrafund expenditure reimbursements	-	(673,758)	(673,758)	-
Total charges to appropriations	<u>22,974,191</u>	<u>22,456,688</u>	<u>22,389,647</u>	<u>67,041</u>
Reconciling Items:				
Encumbrances at September 30	-	137,626	137,626	-
Change in noncurrent assets:	-	(61,680)	(61,680)	-
Net Reconciling Items	-	75,945	75,945	-
Ending budgetary fund balance	<u>\$ 960,385</u>	<u>\$ 1,418,358</u>	<u>\$ 1,485,399</u>	<u>\$ 67,041</u>



## **II FINANCIAL SECTION**

### **REQUIRED SUPPLEMENTARY INFORMATION**



## REQUIRED SUPPLEMENTARY INFORMATION

**BUDGETARY COMPARISON SCHEDULE  
 BUDGET-TO-GAAP RECONCILIATION  
 SEPTEMBER 30, 2001  
 (In Thousands)**

	GENERAL FUND	COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND	SCHOOL AID FUND
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 23,799,101	\$ 1,331,170	\$ 11,661,214
Differences - budget to GAAP:			
Budgetary fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(1,739,887)	(1,264,434)	(983,899)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(627,049)	-	(1,004,237)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 21,432,165</u>	<u>\$ 66,736</u>	<u>\$ 9,673,078</u>
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 22,389,647	\$ 336,983	\$ 10,959,167
Differences - budget to GAAP:			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	(137,626)	-	(334)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(736,981)	(336,983)	(2,889)
Capital lease acquisitions are not outflows of budgetary resources but are recorded as current expenditures and other financing sources under GAAP.	23,014	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 21,538,055</u>	<u>\$ -</u>	<u>\$ 10,955,944</u>

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## Required Supplementary Information

### Notes to Required Supplementary Information – Budgetary Reporting

#### Statutory/Budgetary Presentation

The various funds and programs within funds utilize a number of different budgetary control processes. Annual legislative appropriations and revenue estimates are provided for most "operating" funds. (Note 2 of the basic financial statements identifies the annually budgeted operating funds.)

The original executive budget and original legislative appropriations provide general purpose (unrestricted) revenue estimates in order to demonstrate compliance with constitutional provisions. Revenues restricted by law or outside grantors to a specific program are estimated at a level of detail consistent with controlling related expenditure accounts.

For programs financed from restricted revenues, spending authorization is generally contingent upon recognition of the related revenue. Reductions of spending authority occur if revenues fall short of estimates. If revenues exceed the estimate, supplemental appropriations are required before the additional resources can be spent.

The budgetary comparison schedule presented for the General Fund, the Budget Stabilization Fund, and the School Aid Fund presents both the original and final appropriated budgets for fiscal year 2000-2001, as well as the actual resource inflows, outflows and fund balance stated on the budgetary basis. The supplementary portion of this report includes a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, by fund type, for non-major special revenue and permanent funds with annual budgets. Those schedules only include the final appropriated budget.

The original budget and related estimated revenues represent the spending authority enacted into law by the appropriation bills as of October 1, 2000, and includes encumbrance and multi-year projects budgetary carry-forwards from the prior fiscal year.

The budgetary fund balance represents total fund balance, net of reserves for noncurrent assets. Reserves for noncurrent assets do not represent current financial resources available for appropriation and are removed for budgetary purposes.

Generally accepted accounting principles (GAAP) require that the final legal budget be reflected in the "final budget" column, therefore updated revenue estimates available for appropriations as of November 30, rather than the amounts shown in the original budget, are reported. The November 30 date is used because P.A. 431 of 1984, as amended, permits budget adjustments by the Legislature through 60 days after year-end.

The final appropriations budget represents original and supplemental appropriations, carry-forwards, carry-backs (i.e., current year appropriations for prior year overdrafts), approved transfers, executive order reductions, and timing differences. Expenditures, transfers out, other financing uses, and encumbrances are combined and classified by department rather than being reported by character and function as shown in the GAAP statements. This departmental classification is used to better reflect organizational responsibility and to be more consistent with the budget process. Appropriations include interagency expenditure reimbursement, in which one agency provides funding to another agency within the same fund. The final budget and actual amounts are adjusted to eliminate the duplication.

The timing differences result from unspent authorizations for multi-year projects, such as capital outlay and work projects, and from restricted revenues that had not been appropriated for expenditure in the current year. Such authorization balances remaining at year-end are removed from the final budget column to provide an "annualized" budget.

Positive "variances" reflect restricted revenues that were appropriated and available for expenditure in the current year and unused general purpose spending authority (lapses); negative "variances" reflect budgetary overdrafts. If both positive and negative variances exist for a particular line, the amount shown is the net variance.

#### Statutory/Budgetary Reconciliation

The statutory/budgetary basis presentation differs from GAAP in ways that do not affect ending fund balance.

For budgetary reporting purposes, expenditures and transfers out in the "Actual" column include recorded encumbrances, because they are considered uses of spending authority in the year the State incurs an obligation. The "Original" and "Final Budget" columns include encumbrance authorization balances carried over from the prior fiscal year, because they provided spending authority in the current year. In the GAAP basis statements, expenditures do not include encumbrances. The effect of this difference is reflected as a reconciling item on the Budgetary Comparison Schedule for the major funds and the Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual for the non-major special revenue funds and permanent funds. The encumbrance of spending authority is recorded as a reservation of fund balance under both bases of accounting.

For budgetary purposes, capitalizable lease expenditures are recognized when payments are due, rather than upon lease inception as required by GAAP. This difference does not affect fund balance because the "other financing sources" recorded under GAAP at lease inception are not recorded on the statutory/budgetary basis.

**Required Supplementary Information**

**Information About Infrastructure Assets Reported Using the Modified Approach**

As allowed by GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis- for State and Local Governments, the State has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 27,300 lane miles of roads and approximately 5,700 bridges that the State is responsible to maintain.

In order to utilize the modified approach, the State is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the State.
- Document that the assets are being preserved approximately at, or above, the established condition level.

**Roads**

**Measurement Scale**

The Michigan Department of Transportation (MDOT) uses numerous methods to determine the condition of roadway pavements; however, the Sufficiency Rating serves as the State’s primary method to measure and monitor pavement conditions. In use since 1961, the Sufficiency Rating is a visual analysis conducted by an engineer and includes a 5-point scale, as follows:

Rating	Bituminous Surface	Concrete Surface
1.0 = Excellent	Pavement shows no visible deterioration. Distresses are non-existent.	Same
2.0 = Good	Some indication of initial deterioration, but not yet requiring appreciable amounts of maintenance. Distress items include the start of small transverse and/or longitudinal cracks. Slight rutting may be apparent in the wheel path.	Some indication of initial deterioration, but not yet requiring appreciable amounts of maintenance. Distress items may include the start of small transverse and/or longitudinal cracks, or slight seam and joint separation. Joints may show very small amounts of deterioration.
3.0 = Fair	Average deterioration requiring occasional routine maintenance. Distresses may include minor transverse and longitudinal cracking becoming continuous throughout the segment. Severe cracking is patched effectively. Rutting may be a little more severe and hold small amounts of water.	Average deterioration requiring occasional routine maintenance. Distresses may include minor transverse and longitudinal cracking becoming continuous throughout the segment. Severe cracking is patched effectively. Through lanes and shoulders may begin to show separation from failing tie bars.
4.0 = Poor	Excessive deterioration requiring frequent maintenance and warrants resurfacing soon. Distress may be evident in wide transverse and longitudinal cracks. Severe “shallow cracking” could be evident if the pavement is composite. If the segment has been patched, the cracks may be showing through. Rutting is severe and may effect driving.	Excessive deterioration requiring frequent maintenance and warrants resurfacing soon. Distress may be evident in wide transverse and longitudinal cracks. If the segment has been patched, cracks may be showing through. Joint repairs could begin to fail. Shoulder and/or through-lane separation may be apparent. Popouts or spalling could also be present in the section.
5.0 = Very Poor /Failed	Extreme deterioration requiring continuous maintenance and warrants resurfacing or total cross-section replacement. Distress items may include severe transverse and longitudinal cracking or severe alligator cracking. Shadow cracking in composite pavement is wider than 1”. Rutting in wheel path may be severe and patching is no longer beneficial to pavement condition.	Extreme deterioration requiring continuous maintenance and warrants resurfacing or total cross-section replacement. Distress items may include severe transverse and longitudinal cracking, joints are failed, and the patching is no longer beneficial to pavement condition. Spalling and edge cracking could also be severe.

**Established Condition Level**

No more than 30% of the pavements shall be rated as “poor” or “very poor.”

**Assessed Conditions**

The State assesses condition on a calendar year basis. The following table reports the percentage of pavements meeting ratings of “Good” or “Poor”, for the past five years. “Good” represents ratings of 1.0 through 3.0 above and “Poor” represents ratings of 4.0 and 5.0.

Rating	2000	1999	1998	1997	1996
Good	78%	75%	73%	69%	64%
Poor	22%	25%	27%	31%	36%

**Bridges**

**Measurement Scale**

MDOT utilizes the National Bridge Inventory to monitor the condition of the 5,679 bridges under its jurisdiction. The Inventory rates bridges, including the deck, superstructure and substructure, using a 10-point scale:

Rating	Description
9	Excellent (no specific definition)
8	Very good.
7	Good. Some minor problems.
6	Satisfactory. Structural elements show some minor deterioration.
5	Fair. All primary structural elements are sound but may have minor section loss, cracking, spalling or scour.
4	Poor. Advanced section loss, deterioration, spalling, or scour.
3	Serious. Loss of section, deterioration, spalling, or scour have seriously affected primary structural components. Local failures are possible. Fatigue cracks in steel or shear cracks in concrete may be present.
2	Critical. Advanced deterioration or primary structural elements. Fatigue cracks in steel or shear cracks in concrete may be present or scour may have removed substructure support. Unless closely monitored it may be necessary to close the bridge until corrective action is taken.
1	Imminent failure. Major deterioration or section loss present in critical structural components or obvious vertical or horizontal movement affecting structure stability. Bridge is closed to traffic, but corrective action may put it back in light service.
0	Failure. Out of service; beyond corrective action.

**Established Condition Level**

No more than 35% of the bridges shall be rated as "structurally deficient."

**Assessed Conditions**

"Structurally deficient" results when a condition of 4 or worse is assessed to at least one of the major structural elements (e.g. the deck, superstructure, or substructure). The following table reports the percentage of bridges whose condition was assessed as "structurally deficient", in the stated year:

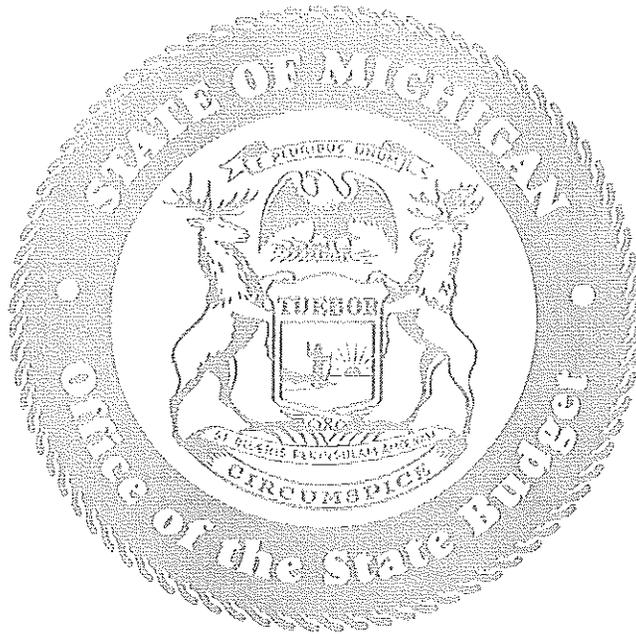
Calendar Year	Structurally Deficient
2000	22.5%
1999	18.9%
1998	19.2%
1997	16.7%
1996	17.4%

**Budgeted and Estimated Costs to Maintain**

The following table presents the State's estimate of spending necessary to preserve and maintain the roads and bridges at, or above, the "Established Condition Levels" cited above, and the actual amount spent during the past five fiscal years (in millions):

Fiscal Year	Estimated Spending	Actual Spending
2001-2002	\$993.3	-
2000-2001	\$984.3	\$915.2
1999-2000	\$817.4	\$895.3
1998-1999	\$831.8	\$822.0
1997-1998	\$688.1	\$693.5
1996-1997	\$634.0	\$630.4

The budgeting process utilized by the Department of Transportation results in spending in one fiscal year from amounts that were budgeted in a previous year(s). Therefore, this timing difference does not allow a true comparison of amounts budgeted and spent within a given year. The table demonstrates that over the past five years, the State spending has been in line with the budgeted amounts and the other tables contained within this narrative demonstrate that the State has met its desired condition levels.





## **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, 2001**  
(In Thousands)

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUNDS</u>	<u>TOTALS SEPTEMBER 30, 2001</u>
<b>ASSETS</b>					
Current Assets:					
Cash	\$ 716	\$ 4,611	\$ -	\$ -	\$ 5,327
Equity in common cash	1,934,673	5,786	2,265	77,259	2,019,983
Taxes, interest, and penalties receivable	120,856	-	-	-	120,856
Amounts due from other funds	65,374	102	126,685	-	192,161
Amounts due from component units	1,318	-	14,381	-	15,699
Amounts due from federal agencies	201,180	-	2,353	-	203,533
Amounts due from local units	40,578	-	11,957	114	52,649
Inventories	8,155	-	-	-	8,155
Investments	-	265,316	30,995	-	296,311
Other current assets	110,011	833	6,793	13,202	130,838
<b>Total Current Assets</b>	<b>2,482,860</b>	<b>276,648</b>	<b>195,430</b>	<b>90,575</b>	<b>3,045,512</b>
Taxes, interest, and penalties receivable	6,347	-	-	-	6,347
Advances to other funds	26,442	-	-	-	26,442
Amounts due from local units	44,767	-	-	-	44,767
Investments	83,212	48,099	-	392,009	523,320
Other noncurrent assets	8,693	-	-	-	8,693
<b>Total Assets</b>	<b>\$ 2,652,321</b>	<b>\$ 324,747</b>	<b>\$ 195,430</b>	<b>\$ 482,583</b>	<b>\$ 3,655,081</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Current Liabilities:					
Warrants outstanding	\$ 18,555	\$ -	\$ 4,268	\$ 939	\$ 23,762
Accounts payable and other liabilities	670,220	4,700	162,982	9,812	847,715
Amounts due to other funds	74,410	1,326	300,166	13	375,916
Amounts due to component units	-	-	-	159	159
Interest payable	-	-	478	-	478
Deferred revenue	126,342	-	-	-	126,342
<b>Total Current Liabilities</b>	<b>889,527</b>	<b>6,027</b>	<b>467,895</b>	<b>10,923</b>	<b>1,374,371</b>
Long-Term Liabilities:					
Advances from other funds	26,442	-	-	-	26,442
Deferred revenue	25,169	-	-	-	25,169
<b>Total Liabilities</b>	<b>941,138</b>	<b>6,027</b>	<b>467,895</b>	<b>10,923</b>	<b>1,425,982</b>
Fund Balances:					
Reserved fund balance	938,133	-	15,494	430,579	1,384,205
Unreserved fund balance (deficit)	773,050	318,721	(287,958)	41,082	844,894
<b>Total Fund Balances</b>	<b>1,711,183</b>	<b>318,721</b>	<b>(272,464)</b>	<b>471,660</b>	<b>2,229,100</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,652,321</b>	<b>\$ 324,747</b>	<b>\$ 195,430</b>	<b>\$ 482,583</b>	<b>\$ 3,655,081</b>

Michigan

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2001**  
(In Thousands)

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTALS SEPTEMBER 30, 2001
<b>REVENUES</b>					
Taxes	\$ 1,984,890	\$ -	\$ -	\$ -	\$ 1,984,890
From federal agencies	1,106,963	-	5,763	781	1,113,507
From local agencies	121,320	-	-	-	121,320
From services	700	-	-	-	700
From licenses and permits	171,923	-	-	-	171,923
Miscellaneous	585,254	20,764	10,426	99,158	715,601
<b>Total Revenues</b>	<b>3,971,050</b>	<b>20,764</b>	<b>16,189</b>	<b>99,940</b>	<b>4,107,942</b>
<b>EXPENDITURES</b>					
Current:					
General government	144,302	1,054	6,404	-	151,760
Education	88,408	2,244	198,569	-	289,222
Family independence services	-	-	-	2,590	2,590
Public safety and corrections	24	-	-	3,866	3,890
Conservation, environment, recreation, and agriculture	255,157	-	-	18,576	273,733
Labor, commerce, and regulatory	196,905	-	-	-	196,905
Health services	47,268	-	-	-	47,268
Transportation	2,058,191	293	-	-	2,058,484
Capital outlay	1,199,012	-	245,361	19,626	1,463,998
Debt service:					
Bond principal retirement	-	219,552	-	-	219,552
Bond interest and fiscal charges	2,219	199,761	-	-	201,980
Capital lease payments	1,057	-	-	-	1,057
<b>Total Expenditures</b>	<b>3,992,543</b>	<b>422,905</b>	<b>450,834</b>	<b>44,658</b>	<b>4,910,440</b>
Excess of Revenues over (under) Expenditures	(21,493)	(402,141)	(434,145)	55,282	(802,498)
<b>OTHER FINANCING SOURCES (USES)</b>					
Bonds and notes issued	849,999	-	373,550	-	1,223,549
Premium on bond issuance	4,203	27,716	12,454	-	44,373
Refunding bonds issued	37	630,775	-	-	630,812
Payment to refunded bond escrow agent	-	(698,723)	-	-	(698,723)
Extinguishment of commercial paper	-	-	(40,680)	-	(40,680)
Transfers from other funds	1,052,798	473,555	18,224	10,053	1,554,629
Transfers to other funds	(1,272,299)	(4,283)	(47,635)	(10,121)	(1,334,338)
<b>Total Other Financing Sources (Uses)</b>	<b>634,739</b>	<b>429,039</b>	<b>315,913</b>	<b>(69)</b>	<b>1,379,623</b>
Excess of Revenues and Other Sources over (under) Expenditures Other Uses	613,246	26,898	(118,232)	55,213	577,125
Fund Balances - Beginning of fiscal year - restated	1,097,937	291,822	(154,232)	416,447	1,651,975
<b>Fund Balances - End of fiscal year</b>	<b>\$ 1,711,183</b>	<b>\$ 318,721</b>	<b>\$ (272,464)</b>	<b>\$ 471,660</b>	<b>\$ 2,229,100</b>

Michigan

**BALANCE SHEET**  
**SPECIAL REVENUE FUNDS - BY CLASSIFICATION**  
**SEPTEMBER 30, 2001**  
(In Thousands)

	TRANSPORTATION RELATED	CONSERVATION, ENVIRONMENT, AND RECREATION RELATED	REGULATORY AND ADMINISTRATIVE RELATED
<b>ASSETS</b>			
Current Assets:			
Cash	\$ 394	\$ 319	\$ 3
Equity in common cash	1,181,848	348,746	78,052
Taxes, interest, and penalties receivable	114,943	5,913	-
Amounts due from other funds	64,374	1,000	-
Amounts due from component units	1,318	-	-
Amounts due from federal agencies	188,973	928	11,279
Amounts due from local units	39,285	1,286	-
Inventories	8,079	76	-
Other current assets	11,576	11,729	1,333
Total Current Assets	<u>1,610,791</u>	<u>369,997</u>	<u>90,666</u>
Taxes, interest, and penalties receivable	6,347	-	-
Advances to other funds	26,442	-	-
Amounts due from local units	40,301	4,467	-
Investments	-	83,212	-
Other noncurrent assets	6,870	674	-
Total Assets	<u>\$ 1,690,750</u>	<u>\$ 458,349</u>	<u>\$ 90,666</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities:			
Warrants outstanding	\$ 12,982	\$ 2,618	\$ 2,317
Accounts payable and other liabilities	468,968	75,976	16,001
Amounts due to other funds	66,299	6,632	1,478
Deferred revenue	28,212	1,330	11,464
Total Current Liabilities	<u>576,461</u>	<u>86,556</u>	<u>31,260</u>
Long-Term Liabilities:			
Advances from other funds	26,442	-	-
Deferred revenue	24,486	674	-
Total Liabilities	<u>627,389</u>	<u>87,230</u>	<u>31,260</u>
Fund Balances:			
Reserves for:			
Budgetary carry-forwards:			
Encumbrances	70,267	18,464	174
Restricted revenues	216,691	131,705	9,766
Multi-year projects	136,990	82,211	645
Construction and debt service	35,902	-	-
Revolving loan programs	38,146	5,456	-
Funds held as permanent investments	-	109,483	-
Noncurrent assets	25,985	-	-
Total Reserved	<u>523,982</u>	<u>347,318</u>	<u>10,585</u>
Unreserved	539,379	23,801	48,821
Total Fund Balances	<u>1,063,361</u>	<u>371,119</u>	<u>59,407</u>
Total Liabilities and Fund Balances	<u>\$ 1,690,750</u>	<u>\$ 458,349</u>	<u>\$ 90,666</u>

OTHER STATE FUNDS	TOTALS SEPTEMBER 30, 2001
\$ -	\$ 716
326,026	1,934,673
-	120,856
-	65,374
-	1,318
-	201,180
6	40,578
-	8,155
85,373	110,011
<u>411,406</u>	<u>2,482,860</u>
-	6,347
-	26,442
-	44,767
-	83,212
1,150	8,693
<u>\$ 412,556</u>	<u>\$ 2,652,321</u>
\$ 638	\$ 18,555
109,276	670,220
1	74,410
85,336	126,342
<u>195,251</u>	<u>889,527</u>
-	26,442
9	25,169
<u>195,260</u>	<u>941,138</u>
23,356	112,261
-	358,162
31,741	251,587
-	35,902
-	43,602
-	109,483
1,150	27,136
<u>56,248</u>	<u>938,133</u>
161,049	773,050
217,297	1,711,183
<u>\$ 412,556</u>	<u>\$ 2,652,321</u>

Michigan

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 SPECIAL REVENUE FUNDS - BY CLASSIFICATION  
 FISCAL YEAR ENDED SEPTEMBER 30, 2001  
 (In Thousands)

	TRANSPORTATION RELATED	CONSERVATION, ENVIRONMENT, AND RECREATION RELATED	REGULATORY AND ADMINISTRATIVE RELATED
<b>REVENUES</b>			
Taxes	\$ 1,925,948	\$ 58,942	\$ -
From federal agencies	988,275	3,150	115,538
From local agencies	121,320	-	-
From services	697	-	4
From licenses and permits	74,141	86,159	11,623
Miscellaneous	67,722	98,285	77,520
	<u>3,178,102</u>	<u>246,537</u>	<u>204,684</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	477	13,185
Education	-	-	-
Public safety and corrections	-	-	-
Conservation, environment, recreation, and agriculture	-	255,157	-
Labor, commerce, and regulatory	-	-	171,904
Health services	-	1,391	-
Transportation	2,058,191	-	-
Capital outlay	1,190,103	8,909	-
Debt service:			
Bond interest and fiscal charges	-	-	-
Capital lease payments	463	-	594
	<u>3,248,757</u>	<u>265,934</u>	<u>185,684</u>
Excess of Revenues over (under) Expenditures	<u>(70,655)</u>	<u>(19,397)</u>	<u>19,001</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds and notes issued	708,200	60,499	-
Premium on bond issuance	3,901	-	-
Refunding bonds issued	-	-	-
Transfers from other funds	994,582	47,408	10,808
Transfers to other funds	(1,091,740)	(90,532)	(4,216)
	<u>614,943</u>	<u>17,376</u>	<u>6,591</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	544,288	(2,022)	25,592
Fund Balances - Beginning of fiscal year - restated	<u>519,072</u>	<u>373,141</u>	<u>33,815</u>
Fund Balances - End of fiscal year	<u>\$ 1,063,361</u>	<u>\$ 371,119</u>	<u>\$ 59,407</u>

Michigan

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OTHER STATE FUNDS	TOTALS <u>SEPTEMBER 30,</u> <u>2001</u>
\$ - - - - - 341,726 <hr/> 341,726 <hr/>	\$ 1,984,890 1,106,963 121,320 700 171,923 585,254 <hr/> 3,971,050 <hr/>
130,639 88,408 24 - 25,001 45,876 - - 2,219 - <hr/> 292,167 <hr/> 49,559 <hr/>	144,302 88,408 24 255,157 196,905 47,268 2,058,191 1,199,012 2,219 1,057 <hr/> 3,992,543 <hr/> (21,493) <hr/>
81,300 301 37 - (85,810) <hr/> (4,172) <hr/>	849,999 4,203 37 1,052,798 (1,272,299) <hr/> 634,739 <hr/>
45,387 <hr/> 171,909 <hr/> \$ 217,297 <hr/>	613,246 <hr/> 1,097,937 <hr/> \$ 1,711,183 <hr/>

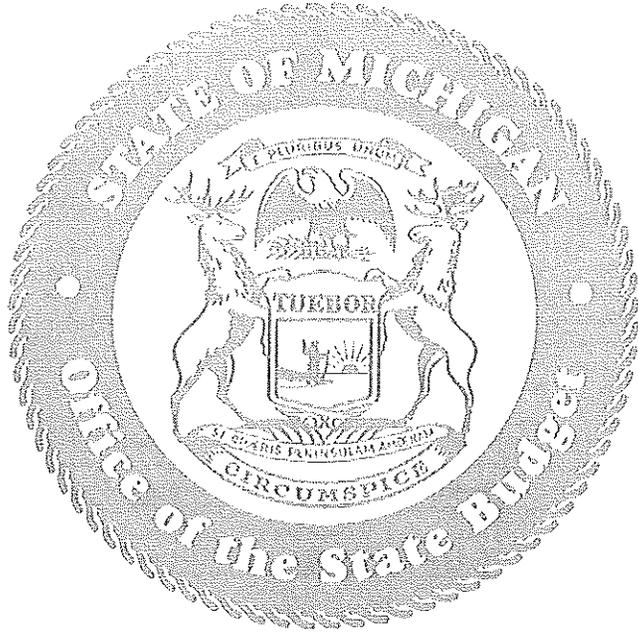
**Michigan**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
SPECIAL REVENUE FUNDS - BY CLASSIFICATION  
FISCAL YEAR ENDED SEPTEMBER 30, 2001  
(In Thousands)**

<u>Statutory/Budgetary Basis</u>	<u>TRANSPORTATION RELATED</u>			<u>CONSERVATION, ENVIRONMENT, AND RECREATION RELATED</u>		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
<b>REVENUES AND OTHER SOURCES</b>						
Taxes	\$ 1,925,948	\$ 1,925,948	\$ -	\$ 447	\$ 447	\$ -
From federal agencies	773,730	773,730	-	3,150	3,150	-
From local agencies	57,711	57,711	-	-	-	-
From services	697	697	-	-	-	-
From licenses and permits	74,141	74,141	-	86,159	86,159	-
Miscellaneous	62,497	62,497	-	30,795	30,795	-
Transfers in	988,252	988,252	-	26,806	26,806	-
<b>Total Revenues and Other Sources</b>	<b>3,882,976</b>	<b>3,882,976</b>	<b>-</b>	<b>147,358</b>	<b>147,358</b>	<b>-</b>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>						
Career Development	-	-	-	-	-	-
Colleges and Universities Grants	-	-	-	-	-	-
Community Health	-	-	-	-	-	-
Consumer and Industry Services	-	-	-	-	-	-
Management and Budget	-	-	-	-	-	-
Natural Resources	-	-	-	177,584	160,844	16,740
Transportation	4,071,008	3,904,012	166,996	-	-	-
Treasury	-	-	-	-	-	-
<b>Total Expenditures, Transfers Out, and Encumbrances</b>	<b>4,071,008</b>	<b>3,904,012</b>	<b>166,996</b>	<b>177,584</b>	<b>160,844</b>	<b>16,740</b>
<b>Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)</b>	<b>\$ (188,032)</b>	<b>(21,036)</b>	<b>\$ 166,996</b>	<b>\$ (30,225)</b>	<b>(13,485)</b>	<b>\$ 16,740</b>
<b>Reconciling Items:</b>						
Encumbrances at September 30		70,267			14,138	
Funds not annually budgeted		495,057			(2,674)	
<b>Net Reconciling Items</b>		<b>565,325</b>			<b>11,464</b>	
<b>Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)</b>		<b>544,288</b>			<b>(2,022)</b>	
<b>FUND BALANCES (GAAP BASIS)</b>						
Beginning balances - restated		519,072			373,141	
Ending balances (GAAP Basis)		<b>\$ 1,063,361</b>			<b>\$ 371,119</b>	

**Michigan**

REGULATORY AND ADMINISTRATIVE RELATED			OTHER STATE FUNDS			TOTALS		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,926,395	\$ 1,926,395	\$ -
115,538	115,538	-	-	-	-	892,418	892,418	-
-	-	-	-	-	-	57,711	57,711	-
4	4	-	-	-	-	700	700	-
11,623	11,623	-	-	-	-	171,923	171,923	-
35,167	35,167	-	280,737	280,737	-	409,196	409,196	-
10,303	10,303	-	-	-	-	1,025,361	1,025,361	-
<u>172,634</u>	<u>172,634</u>	<u>-</u>	<u>280,737</u>	<u>280,737</u>	<u>-</u>	<u>4,483,705</u>	<u>4,483,705</u>	<u>-</u>
-	-	-	34,213	34,213	-	34,213	34,213	-
-	-	-	127,853	88,408	39,445	127,853	88,408	39,445
-	-	-	94,289	59,916	34,373	94,289	59,916	34,373
144,513	143,503	1,010	-	-	-	144,513	143,503	1,010
-	-	-	50,000	50,000	-	50,000	50,000	-
-	-	-	-	-	-	177,584	160,844	16,740
-	-	-	-	-	-	4,071,008	3,904,012	166,996
16,894	14,965	1,929	49,866	40,310	9,556	66,760	55,275	11,485
<u>161,406</u>	<u>158,467</u>	<u>2,939</u>	<u>356,221</u>	<u>272,848</u>	<u>83,373</u>	<u>4,766,218</u>	<u>4,496,171</u>	<u>270,047</u>
<u>\$ 11,228</u>	<u>14,167</u>	<u>\$ 2,939</u>	<u>\$ (75,484)</u>	<u>7,889</u>	<u>\$ 83,373</u>	<u>\$ (282,513)</u>	<u>(12,466)</u>	<u>\$ 270,047</u>
	174			23,356			107,935	
	<u>11,251</u>			<u>14,142</u>			<u>517,777</u>	
	<u>11,425</u>			<u>37,498</u>			<u>625,712</u>	
	<u>25,592</u>			<u>45,387</u>			<u>613,246</u>	
	<u>33,815</u>			<u>171,909</u>			<u>1,097,937</u>	
	<u>\$ 59,407</u>			<u>\$ 217,297</u>			<u>\$ 1,711,183</u>	



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**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 to finance part of the construction and acquisition of comprehensive transportation projects.

**TRANSPORTATION RELATED TRUST FUNDS**

The transportation related trust funds reflect 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, 2001  
(In Thousands)

	STATE AERONAUTICS FUND	STATE TRUNKLINE FUND	MICHIGAN TRANSPORTATION FUND	COMPREHENSIVE TRANSPORTATION FUND
<b>ASSETS</b>				
Current Assets:				
Cash	\$ 5	\$ 326	\$ -	\$ 1
Equity in common cash	11,082	397,287	181,976	69,653
Taxes, interest, and penalties receivable	535	-	114,409	-
Amounts due from other funds	-	47,544	-	12,090
Amounts due from component units	-	1,318	-	-
Amounts due from federal agencies	21,797	99,224	-	12,754
Amounts due from local units	3,751	20,754	-	344
Inventories	-	8,079	-	-
Other current assets	40	6,465	4,614	133
<b>Total Current Assets</b>	<b>37,211</b>	<b>580,997</b>	<b>300,999</b>	<b>94,975</b>
Taxes, interest, and penalties receivable	-	-	6,347	-
Advances to other funds	-	26,442	-	-
Amounts due from local units	974	37,173	-	2,154
Other noncurrent assets	-	3,935	-	2,935
<b>Total Assets</b>	<b>\$ 38,184</b>	<b>\$ 648,547</b>	<b>\$ 307,345</b>	<b>\$ 100,064</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Current Liabilities:				
Warrants outstanding	\$ 891	\$ 6,790	\$ 1,430	\$ 876
Accounts payable and other liabilities	14,274	143,165	232,969	22,011
Amounts due to other funds	26	6,330	54,634	41
Deferred revenue	5,092	3,621	11,966	-
<b>Total Current Liabilities</b>	<b>20,283</b>	<b>159,907</b>	<b>300,999</b>	<b>22,927</b>
Long-Term Liabilities:				
Advances from other funds	-	26,442	-	-
Deferred revenue	-	15,205	6,347	2,935
<b>Total Liabilities</b>	<b>20,283</b>	<b>201,553</b>	<b>307,345</b>	<b>25,862</b>
Fund Balances:				
Reserves for:				
Budgetary carry-forwards:				
Encumbrances	2,940	28,948	-	38,379
Restricted revenues	154	209,164	-	7,373
Multi-year projects	11,742	125,248	-	-
Construction and debt service	-	35,902	-	-
Revolving loan programs	2,200	21,746	-	14,200
Noncurrent assets	-	25,985	-	-
<b>Total Reserved</b>	<b>17,036</b>	<b>446,993</b>	<b>-</b>	<b>59,952</b>
Unreserved	865	-	-	14,250
<b>Total Fund Balances</b>	<b>17,901</b>	<b>446,993</b>	<b>-</b>	<b>74,202</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 38,184</b>	<b>\$ 648,547</b>	<b>\$ 307,345</b>	<b>\$ 100,064</b>

Michigan

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS SEPTEMBER 30, 2001
\$ -	\$ -	\$ 62	\$ 394
514,108	7,742	-	1,181,848
-	-	-	114,943
4,740	-	-	64,374
-	-	-	1,318
23,078	-	32,119	188,973
1,874	-	12,562	39,285
-	-	-	8,079
4	-	319	11,576
<u>543,805</u>	<u>7,742</u>	<u>45,062</u>	<u>1,610,791</u>
-	-	-	6,347
-	-	-	26,442
-	-	-	40,301
-	-	-	6,870
<u>\$ 543,805</u>	<u>\$ 7,742</u>	<u>\$ 45,062</u>	<u>\$ 1,690,750</u>
\$ 1,499	\$ 2	\$ 1,494	\$ 12,982
24,200	612	31,735	468,968
-	-	5,268	66,299
969	-	6,565	28,212
<u>26,669</u>	<u>614</u>	<u>45,062</u>	<u>576,461</u>
-	-	-	26,442
-	-	-	24,486
<u>26,669</u>	<u>614</u>	<u>45,062</u>	<u>627,389</u>
-	-	-	70,267
-	-	-	216,691
-	-	-	136,990
-	-	-	35,902
-	-	-	38,146
-	-	-	25,985
<u>-</u>	<u>-</u>	<u>-</u>	<u>523,982</u>
<u>517,136</u>	<u>7,128</u>	<u>-</u>	<u>539,379</u>
<u>517,136</u>	<u>7,128</u>	<u>-</u>	<u>1,063,361</u>
<u>\$ 543,805</u>	<u>\$ 7,742</u>	<u>\$ 45,062</u>	<u>\$ 1,690,750</u>

Michigan

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2001**  
(In Thousands)

	STATE AERONAUTICS FUND	STATE TRUNKLINE FUND	MICHIGAN TRANSPORTATION FUND	COMPREHENSIVE TRANSPORTATION FUND
<b>REVENUES</b>				
Taxes	\$ 6,706	\$ -	\$ 1,845,514	\$ 73,728
From federal agencies	86,647	655,096	-	31,987
From local agencies	21,440	36,205	-	65
From services	697	-	-	-
From licenses and permits	314	18,898	54,671	258
Miscellaneous	847	45,967	11,366	4,317
Total Revenues	<u>116,651</u>	<u>756,167</u>	<u>1,911,550</u>	<u>110,356</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	131,634	504,645	914,782	257,340
Capital outlay	-	938,164	-	-
Debt service:				
Capital lease payments	-	463	-	-
Total Expenditures	<u>131,634</u>	<u>1,443,272</u>	<u>914,782</u>	<u>257,340</u>
Excess of Revenues over (under) Expenditures	<u>(14,984)</u>	<u>(687,105)</u>	<u>996,768</u>	<u>(146,984)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds and notes issued	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers from other funds	17,160	808,802	1,990	160,300
Transfers to other funds	(265)	(63,913)	(998,758)	(23,781)
Total Other Financing Sources (Uses)	<u>16,895</u>	<u>744,889</u>	<u>(996,768)</u>	<u>136,519</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	1,912	57,784	-	(10,465)
Fund Balances - Beginning of fiscal year - restated	<u>15,990</u>	<u>389,209</u>	<u>-</u>	<u>84,667</u>
Fund Balances - End of fiscal year	<u>\$ 17,901</u>	<u>\$ 446,993</u>	<u>\$ -</u>	<u>\$ 74,202</u>

Michigan

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COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS  SEPTEMBER 30, 2001
\$ -	\$ -	\$ -	\$ 1,925,948
31,312	-	183,232	988,275
8,516	-	55,093	121,320
-	-	-	697
-	-	-	74,141
4,615	609	-	67,722
<u>44,444</u>	<u>609</u>	<u>238,325</u>	<u>3,178,102</u>
-	5,173	244,617	2,058,191
251,939	-	-	1,190,103
-	-	-	463
<u>251,939</u>	<u>5,173</u>	<u>244,617</u>	<u>3,248,757</u>
<u>(207,496)</u>	<u>(4,563)</u>	<u>(6,291)</u>	<u>(70,655)</u>
708,200	-	-	708,200
3,901	-	-	3,901
31	-	6,300	994,582
(5,013)	(3)	(8)	(1,091,740)
<u>707,119</u>	<u>(3)</u>	<u>6,291</u>	<u>614,943</u>
499,624	(4,566)	-	544,288
17,512	11,694	-	519,072
<u>\$ 517,136</u>	<u>\$ 7,128</u>	<u>\$ -</u>	<u>\$ 1,063,361</u>

Michigan

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED  
FISCAL YEAR ENDED SEPTEMBER 30, 2001  
(In Thousands)

<u>Statutory/Budgetary Basis</u>	STATE AERONAUTICS FUND		
	BUDGET	ACTUAL	VARIANCE
<b>REVENUES AND OTHER SOURCES</b>			
Taxes	\$ 6,706	\$ 6,706	\$ -
From federal agencies	86,647	86,647	-
From local agencies	21,440	21,440	-
From services	697	697	-
From licenses and permits	314	314	-
Miscellaneous	847	847	-
Transfers in	17,160	17,160	-
Total Revenues and Other Sources	<u>133,811</u>	<u>133,811</u>	<u>-</u>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>			
Transportation	<u>136,847</u>	<u>134,839</u>	<u>2,008</u>
Total Expenditures, Transfers Out, and Encumbrances	<u>136,847</u>	<u>134,839</u>	<u>2,008</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (3,037)</u>	<u>(1,029)</u>	<u>\$ 2,008</u>
Reconciling Items:			
Encumbrances at September 30		2,940	
Funds not annually budgeted		-	
Net Reconciling Items		<u>2,940</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>1,912</u>	
<b>FUND BALANCES (GAAP BASIS)</b>			
Beginning balances - restated		<u>15,990</u>	
Ending balances (GAAP Basis)		<u>\$ 17,901</u>	

Michigan

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STATE TRUNKLINE FUND			MICHIGAN TRANSPORTATION FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ 1,845,514	\$ 1,845,514	\$ -
655,096	655,096	-	-	-	-
36,205	36,205	-	-	-	-
-	-	-	-	-	-
18,898	18,898	-	54,671	54,671	-
45,967	45,967	-	11,366	11,366	-
808,802	808,802	-	1,990	1,990	-
<u>1,564,989</u>	<u>1,564,969</u>	<u>-</u>	<u>1,913,540</u>	<u>1,913,540</u>	<u>-</u>
<u>1,664,046</u>	<u>1,536,133</u>	<u>127,913</u>	<u>1,935,747</u>	<u>1,913,540</u>	<u>22,207</u>
<u>1,664,046</u>	<u>1,536,133</u>	<u>127,913</u>	<u>1,935,747</u>	<u>1,913,540</u>	<u>22,207</u>
<u>\$ (99,077)</u>	<u>28,836</u>	<u>\$ 127,913</u>	<u>\$ (22,207)</u>	<u>-</u>	<u>\$ 22,207</u>
	<u>28,948</u>			<u>-</u>	
	<u>-</u>			<u>-</u>	
	<u>28,948</u>			<u>-</u>	
	<u>57,784</u>			<u>-</u>	
	<u>389,209</u>			<u>-</u>	
	<u>\$ 446,993</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, 2001  
(In Thousands)**

<u>Statutory/Budgetary Basis</u>	COMPREHENSIVE TRANSPORTATION FUND		
	BUDGET	ACTUAL	VARIANCE
<b>REVENUES AND OTHER SOURCES</b>			
Taxes	\$ 73,728	\$ 73,728	\$ -
From federal agencies	31,987	31,987	-
From local agencies	65	65	-
From services	-	-	-
From licenses and permits	258	258	-
Miscellaneous	4,317	4,317	-
Transfers in	160,300	160,300	-
	270,656	270,656	-
Total Revenues and Other Sources			
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>			
Transportation	334,368	319,500	14,868
	334,368	319,500	14,868
Total Expenditures, Transfers Out, and Encumbrances			
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (63,712)	(48,844)	\$ 14,868
<b>Reconciling Items:</b>			
Encumbrances at September 30		38,379	
Funds not annually budgeted		-	
		38,379	
Net Reconciling Items			
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(10,465)	
<b>FUND BALANCES (GAAP BASIS)</b>			
Beginning balances - restated		84,667	
Ending balances (GAAP Basis)		\$ 74,202	

Michigan

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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			
\$ -	\$ -	\$ -	\$ 1,925,948	\$ 1,925,948	\$ -
-	-	-	773,730	773,730	-
-	-	-	57,711	57,711	-
-	-	-	697	697	-
-	-	-	74,141	74,141	-
-	-	-	62,497	62,497	-
-	-	-	988,252	988,252	-
-	-	-	<u>3,882,976</u>	<u>3,882,976</u>	-
-	-	-	4,071,008	3,904,012	166,996
-	-	-	<u>4,071,008</u>	<u>3,904,012</u>	<u>166,996</u>
-	-	-	<u>\$ (188,032)</u>	<u>(21,036)</u>	<u>\$ 166,996</u>
-	-	-	-	70,267	-
499,624	(4,566)	-	-	495,057	-
499,624	(4,566)	-	-	565,325	-
499,624	(4,566)	-	-	544,288	-
17,512	11,694	-	-	519,072	-
<u>\$ 517,136</u>	<u>\$ 7,128</u>	<u>\$ -</u>	-	<u>\$ 1,063,361</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.

### 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, and improvements of the State Park system.

### 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 provide 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. During fiscal year 1999-2000, the fund received an operating transfer from the General Fund of \$2.4 million for the purpose of reaching the \$6 million level for funds held for investment. As a result, statutory authority for the State income tax check-off, which provided revenue for this fund in past years, expired and is no longer available. The fund may receive transfers from other funds, donations, investment income, and revenue from specialty license plate sales, beginning in calendar year 2001.

#### 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 in 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. The Department of Environmental Quality and an eleven-member advisory board administer the fund.

The primary source of revenues is an environmental protection regulatory fee of 7/8 cent per gallon imposed on all refined petroleum products sold for resale. Expenditures are primarily amounts spent to assist in environmental cleanup. Public Acts 252 and 269 of 1995 limit the fund's liability to claims received by June 29, 1995. The State's liability for environmental cleanup claims is further limited by law to the amount of available resources. Liabilities for unpaid eligible environmental cleanup claims in excess of available funds will be paid from future years' revenues, and are recorded as a liability in the government-wide financial statements.

#### 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 UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FINANCE AUTHORITY

The Michigan Underground Storage Tank Financial Assurance Finance Authority was established in 1993 and operates under Part 215 of P.A. 451 of 1994, as amended to provide financing for the activities of the Michigan Underground Storage Tank Financial Assurance Fund, including short or long-term debt instruments. A five-member board of directors governs the Authority.

Michigan

**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED**  
 SEPTEMBER 30, 2001  
 (In Thousands)

	GAME AND FISH PROTECTION FUND	MICHIGAN STATE WATERWAYS FUND	MARINE SAFETY FUND	GAME AND FISH PROTECTION TRUST FUND
<b>ASSETS</b>				
Current Assets:				
Cash	\$ 5	\$ 9	\$ -	\$ -
Equity in common cash	30,188	66,359	6,339	9,988
Taxes, interest, and penalties receivable	-	219	-	-
Amounts due from other funds	-	-	-	-
Amounts due from federal agencies	327	84	516	-
Amounts due from local units	-	-	-	-
Inventories	-	76	-	-
Other current assets	3,822	5	-	2,228
Total Current Assets	<u>34,342</u>	<u>66,752</u>	<u>6,854</u>	<u>12,216</u>
Amounts due from local units	-	-	-	-
Investments	251	-	-	82,209
Other noncurrent assets	-	-	-	-
Total Assets	<u>\$ 34,593</u>	<u>\$ 66,752</u>	<u>\$ 6,854</u>	<u>\$ 94,424</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Current Liabilities:				
Warrants outstanding	\$ 420	\$ 314	\$ 835	\$ -
Accounts payable and other liabilities	5,157	2,852	1,945	-
Amounts due to other funds	294	45	1	-
Deferred revenue	-	-	-	-
Total Current Liabilities	<u>5,871</u>	<u>3,212</u>	<u>2,782</u>	<u>-</u>
Long-Term Liabilities:				
Deferred revenue	-	-	-	-
Total Liabilities	<u>5,871</u>	<u>3,212</u>	<u>2,782</u>	<u>-</u>
Fund Balances:				
Reserves for:				
Budgetary carry-forwards:				
Encumbrances	2,083	10,374	86	-
Restricted revenues	12,714	3,728	-	-
Multi-year projects	-	23,586	-	-
Revolving loan programs	-	-	-	-
Funds held as permanent investments	1,828	-	-	88,424
Total Reserved	<u>16,625</u>	<u>37,689</u>	<u>86</u>	<u>88,424</u>
Unreserved	<u>12,097</u>	<u>25,852</u>	<u>3,987</u>	<u>6,000</u>
Total Fund Balances	<u>28,722</u>	<u>63,541</u>	<u>4,073</u>	<u>94,424</u>
Total Liabilities and Fund Balances	<u>\$ 34,593</u>	<u>\$ 66,752</u>	<u>\$ 6,854</u>	<u>\$ 94,424</u>

Michigan

STATE PARK IMPROVEMENT FUND	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
\$ 228	\$ -	\$ -	\$ -	\$ 40	\$ -
14,385	2,853	48,101	5,992	11,022	2,078
-	-	-	-	-	5,693
-	-	-	-	-	1,000
-	-	720	-	1	-
-	-	-	-	-	-
871	-	34	36	11	4
<u>15,484</u>	<u>2,853</u>	<u>48,855</u>	<u>6,029</u>	<u>11,074</u>	<u>8,775</u>
-	-	-	-	-	-
-	-	-	752	-	-
-	-	-	-	-	-
<u>\$ 15,484</u>	<u>\$ 2,853</u>	<u>\$ 48,855</u>	<u>\$ 6,781</u>	<u>\$ 11,074</u>	<u>\$ 8,775</u>
\$ 92	\$ 8	\$ 763	\$ 14	\$ 126	\$ 4
2,387	10,159	36,830	78	2,608	372
27	6,136	1	5	74	37
1,012	-	-	-	-	-
<u>3,518</u>	<u>16,302</u>	<u>37,594</u>	<u>97</u>	<u>2,808</u>	<u>413</u>
-	-	-	-	-	-
<u>3,518</u>	<u>16,302</u>	<u>37,594</u>	<u>97</u>	<u>2,808</u>	<u>413</u>
772	-	-	137	685	2
-	-	-	-	-	1,953
5,893	-	-	-	-	41,780
-	-	-	-	-	-
-	-	-	6,002	-	-
<u>6,665</u>	<u>-</u>	<u>-</u>	<u>6,140</u>	<u>685</u>	<u>43,735</u>
5,301	(13,450)	11,261	545	7,581	(35,372)
11,966	(13,450)	11,261	6,684	8,266	8,363
<u>\$ 15,484</u>	<u>\$ 2,853</u>	<u>\$ 48,855</u>	<u>\$ 6,781</u>	<u>\$ 11,074</u>	<u>\$ 8,775</u>

This statement continued on next page.

Michigan

COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED (Continued)  
 SEPTEMBER 30, 2001  
 (In Thousands)

	BOTTLE DEPOSITS FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FINANCE AUTHORITY	TOTALS  SEPTEMBER 30, 2001
<b>ASSETS</b>			
Current Assets:			
Cash	\$ 37	\$ -	\$ 319
Equity in common cash	151,442	-	348,746
Taxes, interest, and penalties receivable	-	-	5,913
Amounts due from other funds	-	-	1,000
Amounts due from federal agencies	-	-	928
Amounts due from local units	566	-	1,286
Inventories	-	-	76
Other current assets	4,718	-	11,729
Total Current Assets	156,762	-	369,997
Amounts due from local units	4,467	-	4,467
Investments	-	-	83,212
Other noncurrent assets	674	-	674
Total Assets	\$ 161,903	\$ -	\$ 458,349
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities:			
Warrants outstanding	\$ 42	\$ -	\$ 2,618
Accounts payable and other liabilities	13,586	-	75,976
Amounts due to other funds	13	-	6,632
Deferred revenue	318	-	1,330
Total Current Liabilities	13,959	-	86,556
Long-Term Liabilities:			
Deferred revenue	674	-	674
Total Liabilities	14,633	-	87,230
Fund Balances:			
Reserves for:			
Budgetary carry-forwards:			
Encumbrances	4,324	-	18,464
Restricted revenues	113,310	-	131,705
Multi-year projects	10,953	-	82,211
Revolving loan programs	5,456	-	5,456
Funds held as permanent investments	13,228	-	109,483
Total Reserved	147,270	-	347,318
Unreserved	-	-	23,801
Total Fund Balances	147,270	-	371,119
Total Liabilities and Fund Balances	\$ 161,903	\$ -	\$ 458,349



Michigan

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2001**  
(In Thousands)

	GAME AND FISH PROTECTION FUND	MICHIGAN STATE WATERWAYS FUND	MARINE SAFETY FUND	GAME AND FISH PROTECTION TRUST FUND
<b>REVENUES</b>				
Taxes	\$ -	\$ 447	\$ -	\$ -
From federal agencies	2,068	612	470	-
From licenses and permits	48,009	6,265	4,733	-
Miscellaneous	2,202	4,262	360	21,533
<b>Total Revenues</b>	<b>52,280</b>	<b>11,585</b>	<b>5,562</b>	<b>21,533</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Conservation, environment, recreation, and agriculture	55,769	21,777	4,908	-
Health services	-	-	-	-
Capital outlay	2,257	4,181	-	-
<b>Total Expenditures</b>	<b>58,026</b>	<b>25,957</b>	<b>4,908</b>	<b>-</b>
Excess of Revenues over (under) Expenditures	(5,746)	(14,372)	655	21,533
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds and notes issued	-	-	-	-
Transfers from other funds	12,021	14,785	-	-
Transfers to other funds	(1,415)	(373)	(1,091)	(12,032)
<b>Total Other Financing Sources (Uses)</b>	<b>10,607</b>	<b>14,412</b>	<b>(1,091)</b>	<b>(12,032)</b>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	4,860	40	(436)	9,500
Fund Balances - Beginning of fiscal year - restated	23,861	63,501	4,509	84,924
<b>Fund Balances - End of fiscal year</b>	<b>\$ 28,722</b>	<b>\$ 63,541</b>	<b>\$ 4,073</b>	<b>\$ 94,424</b>

Michigan

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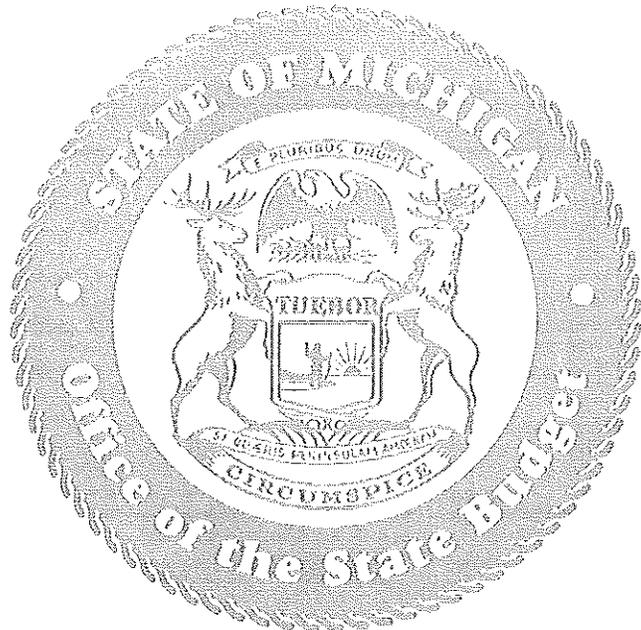
STATE PARK IMPROVEMENT FUND	COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN NONGAME FISH AND WILDLIFE FUND	FOREST DEVELOPMENT FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,495
-	-	-	-	1	-
27,151	-	-	-	1	-
683	210	8,961	548	22,741	59
<u>27,834</u>	<u>210</u>	<u>8,961</u>	<u>548</u>	<u>22,742</u>	<u>58,554</u>
-	-	-	-	-	477
27,798	15,122	78,052	763	23,562	4,126
-	-	1,391	-	-	-
2,297	-	-	-	174	-
<u>30,095</u>	<u>15,122</u>	<u>79,444</u>	<u>763</u>	<u>23,736</u>	<u>4,604</u>
<u>(2,261)</u>	<u>(14,913)</u>	<u>(70,483)</u>	<u>(215)</u>	<u>(993)</u>	<u>53,951</u>
-	-	60,499	-	-	-
-	-	-	-	-	4,000
(205)	(3)	(16,607)	(5)	(132)	(58,160)
<u>(205)</u>	<u>(3)</u>	<u>43,892</u>	<u>(5)</u>	<u>(132)</u>	<u>(54,160)</u>
(2,467)	(14,916)	(26,591)	(220)	(1,125)	(209)
14,432	1,466	37,851	6,904	9,391	8,572
<u>\$ 11,966</u>	<u>\$ (13,450)</u>	<u>\$ 11,261</u>	<u>\$ 6,684</u>	<u>\$ 8,266</u>	<u>\$ 8,363</u>

This statement continued on next page.

**Michigan**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED (Continued)  
FISCAL YEAR ENDED SEPTEMBER 30, 2001  
(In Thousands)**

	BOTTLE DEPOSITS FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FINANCE AUTHORITY	TOTALS  SEPTEMBER 30, 2001
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 58,942
From federal agencies	-	-	3,150
From licenses and permits	-	-	86,159
Miscellaneous	36,554	173	98,285
	36,554	173	246,537
<b>EXPENDITURES</b>			
Current:			
General government	-	-	477
Conservation, environment, recreation, and agriculture	23,280	-	255,157
Health services	-	-	1,391
Capital outlay	-	-	8,909
	23,280	-	265,934
Excess of Revenues over (under) Expenditures	13,274	173	(19,397)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds and notes issued	-	-	60,499
Transfers from other funds	16,602	-	47,408
Transfers to other funds	(509)	-	(90,532)
	16,093	-	17,376
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	29,368	173	(2,022)
Fund Balances - Beginning of fiscal year - restated	117,902	(173)	373,141
Fund Balances - End of fiscal year	\$ 147,270	\$ -	\$ 371,119



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, 2001  
(In Thousands)**

<u>Statutory/Budgetary Basis</u>	<u>GAME AND FISH PROTECTION FUND</u>			<u>MICHIGAN STATE WATERWAYS FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES AND OTHER SOURCES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 447	\$ 447	\$ -
From federal agencies	2,068	2,068	-	612	612	-
From licenses and permits	48,009	48,009	-	6,265	6,265	-
Miscellaneous	2,202	2,202	-	4,262	4,262	-
Transfers in	12,021	12,021	-	14,785	14,785	-
Total Revenues and Other Sources	<u>64,301</u>	<u>64,301</u>	<u>-</u>	<u>26,370</u>	<u>26,370</u>	<u>-</u>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>						
Natural Resources	<u>70,984</u>	<u>61,524</u>	<u>9,460</u>	<u>43,012</u>	<u>36,705</u>	<u>6,307</u>
Total Expenditures, Transfers Out and Encumbrances	<u>70,984</u>	<u>61,524</u>	<u>9,460</u>	<u>43,012</u>	<u>36,705</u>	<u>6,307</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (6,682)</u>	<u>2,778</u>	<u>\$ 9,460</u>	<u>\$ (16,641)</u>	<u>(10,335)</u>	<u>\$ 6,307</u>
Reconciling Items:						
Encumbrances at September 30		2,083			10,374	
Funds not annually budgeted		<u>-</u>			<u>-</u>	
Net Reconciling Items		<u>2,083</u>			<u>10,374</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>4,860</u>			<u>40</u>	
<b>FUND BALANCES (GAAP BASIS)</b>						
Beginning balances - restated		<u>23,861</u>			<u>63,501</u>	
Ending balances (GAAP Basis)		<u>\$ 28,722</u>			<u>\$ 63,541</u>	

Michigan

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MARINE SAFETY FUND			STATE PARK IMPROVEMENT FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
470	470	-	-	-	-
4,733	4,733	-	27,151	27,151	-
360	360	-	683	683	-
-	-	-	-	-	-
<u>5,562</u>	<u>5,562</u>	<u>-</u>	<u>27,834</u>	<u>27,834</u>	<u>-</u>
<u>6,091</u>	<u>6,085</u>	<u>6</u>	<u>31,128</u>	<u>31,073</u>	<u>55</u>
<u>6,091</u>	<u>6,085</u>	<u>6</u>	<u>31,128</u>	<u>31,073</u>	<u>55</u>
<u>\$ (529)</u>	<u>(522)</u>	<u>\$ 6</u>	<u>\$ (3,294)</u>	<u>(3,239)</u>	<u>\$ 55</u>
	86			772	
	-			-	
	<u>86</u>			<u>772</u>	
	<u>(436)</u>			<u>(2,467)</u>	
	<u>4,509</u>			<u>14,432</u>	
	<u>\$ 4,073</u>			<u>\$ 11,966</u>	

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, 2001  
(In Thousands)

Statutory/Budgetary Basis	MICHIGAN NONGAME FISH AND WILDLIFE FUND			FOREST DEVELOPMENT FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
<b>REVENUES AND OTHER SOURCES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From federal agencies	-	-	-	1	1	-
From licenses and permits	-	-	-	1	1	-
Miscellaneous	548	548	-	22,741	22,741	-
Transfers in	-	-	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>548</b>	<b>548</b>	<b>-</b>	<b>22,742</b>	<b>22,742</b>	<b>-</b>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>						
Natural Resources	921	905	16	25,448	24,552	896
<b>Total Expenditures, Transfers Out and Encumbrances</b>	<b>921</b>	<b>905</b>	<b>16</b>	<b>25,448</b>	<b>24,552</b>	<b>896</b>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (374)	(357)	\$ 16	\$ (2,706)	(1,810)	\$ 896
Reconciling Items:						
Encumbrances at September 30		137			685	
Funds not annually budgeted		-			-	
<b>Net Reconciling Items</b>		<b>137</b>			<b>685</b>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(220)			(1,125)	
<b>FUND BALANCES (GAAP BASIS)</b>						
Beginning balances - restated		6,904			9,391	
Ending balances (GAAP Basis)		\$ 6,684			\$ 8,266	

Michigan

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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	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FINANCE AUTHORITY
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,500	(14,916)	(26,591)	(209)	29,368	173
9,500	(14,916)	(26,591)	(209)	29,368	173
9,500	(14,916)	(26,591)	(209)	29,368	173
84,924	1,466	37,851	8,572	117,902	(173)
\$ 94,424	\$ (13,450)	\$ 11,261	\$ 8,363	\$ 147,270	\$ -

This schedule continued on next page.

**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, 2001  
(In Thousands)

Statutory/Budgetary Basis	TOTALS		
	BUDGET	ACTUAL	VARIANCE
<b>REVENUES AND OTHER SOURCES</b>			
Taxes	\$ 447	\$ 447	\$ -
From federal agencies	3,150	3,150	-
From licenses and permits	86,159	86,159	-
Miscellaneous	30,795	30,795	-
Transfers In	26,806	26,806	-
Total Revenues and Other Sources	<u>147,358</u>	<u>147,358</u>	<u>-</u>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>			
Natural Resources	<u>177,584</u>	<u>160,844</u>	<u>16,740</u>
Total Expenditures, Transfers Out and Encumbrances	<u>177,584</u>	<u>160,844</u>	<u>16,740</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (30,225)</u>	<u>(13,485)</u>	<u>\$ 16,740</u>
Reconciling Items:			
Encumbrances at September 30		14,138	
Funds not annually budgeted		<u>(2,674)</u>	
Net Reconciling Items		<u>11,464</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(2,022)</u>	
<b>FUND BALANCES (GAAP BASIS)</b>			
Beginning balances - restated		<u>373,141</u>	
Ending balances (GAAP Basis)		<u>\$ 371,119</u>	

## 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 Unemployment Agency, which is administered by the Department of Consumer and Industry Services. 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 Consumer and Industry Service's Safety Education and Training Division.

### UNINSURED EMPLOYERS' SECURITY FUND

Under P.A. 198 of 1993, this fund succeeded the former Workplace Health and Safety Fund. This fund provided workers' compensation benefits to employees injured on or after June 29, 1990 (and for related claims administration), where their employer failed to provide coverage for them. This fund was closed in accordance with P.A. 357 of 1996. Sufficient equity in common cash was retained to cover the remaining liabilities.

### 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 Consumer and Industry Service's Bureau of Construction Codes 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.

### 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, 2001  
 (In Thousands)

ASSETS	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND	SAFETY EDUCATION AND TRAINING FUND	UNINSURED EMPLOYERS' SECURITY FUND	STATE CONSTRUCTION CODE FUND	HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND
<b>Current Assets:</b>					
Cash	\$ 3	\$ -	\$ -	\$ -	\$ -
Equity in common cash	-	3,824	479	14,494	2,756
Amounts due from federal agencies	11,279	-	-	-	-
Other current assets	359	9	-	82	-
<b>Total Current Assets</b>	<b>11,641</b>	<b>3,833</b>	<b>479</b>	<b>14,577</b>	<b>2,756</b>
<b>Total Assets</b>	<b>\$ 11,641</b>	<b>\$ 3,833</b>	<b>\$ 479</b>	<b>\$ 14,577</b>	<b>\$ 2,756</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Current Liabilities:</b>					
Warrants outstanding	\$ 1,424	\$ 46	\$ -	\$ 12	\$ 12
Accounts payable and other liabilities	8,809	258	479	260	210
Amounts due to other funds	1,408	1	-	39	1
Deferred revenue	-	-	-	1	-
<b>Total Current Liabilities</b>	<b>11,641</b>	<b>305</b>	<b>479</b>	<b>311</b>	<b>223</b>
<b>Total Liabilities</b>	<b>11,641</b>	<b>305</b>	<b>479</b>	<b>311</b>	<b>223</b>
<b>Fund Balances:</b>					
<b>Reserves for:</b>					
<b>Budgetary carry-forwards:</b>					
Encumbrances	-	163	-	5	-
Restricted revenues	-	-	-	33	-
Multi-year projects	-	-	-	-	-
<b>Total Reserved</b>	<b>-</b>	<b>163</b>	<b>-</b>	<b>38</b>	<b>-</b>
<b>Unreserved</b>	<b>-</b>	<b>3,365</b>	<b>-</b>	<b>14,228</b>	<b>2,533</b>
<b>Total Fund Balances</b>	<b>-</b>	<b>3,528</b>	<b>-</b>	<b>14,266</b>	<b>2,533</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 11,641</b>	<b>\$ 3,833</b>	<b>\$ 479</b>	<b>\$ 14,577</b>	<b>\$ 2,756</b>

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 SEPTEMBER 30, 2001
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3
11,376	34,243	5,125	3,833	1,921	78,052
-	-	-	-	-	11,279
342	142	3	15	381	1,333
<u>11,718</u>	<u>34,384</u>	<u>5,128</u>	<u>3,848</u>	<u>2,302</u>	<u>90,666</u>
<u>\$ 11,718</u>	<u>\$ 34,384</u>	<u>\$ 5,128</u>	<u>\$ 3,848</u>	<u>\$ 2,302</u>	<u>\$ 90,666</u>
\$ 140	\$ 537	\$ 124	\$ 22	\$ -	\$ 2,317
965	3,132	1,370	412	104	16,001
18	7	5	-	-	1,478
8	10,378	698	379	-	11,464
<u>1,131</u>	<u>14,054</u>	<u>2,197</u>	<u>814</u>	<u>104</u>	<u>31,260</u>
<u>1,131</u>	<u>14,054</u>	<u>2,197</u>	<u>814</u>	<u>104</u>	<u>31,260</u>
6	-	-	-	-	174
9,734	-	-	-	-	9,766
645	-	-	-	-	645
<u>10,384</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,585</u>
202	20,331	2,931	3,034	2,198	48,821
<u>10,586</u>	<u>20,331</u>	<u>2,931</u>	<u>3,034</u>	<u>2,198</u>	<u>59,407</u>
<u>\$ 11,718</u>	<u>\$ 34,384</u>	<u>\$ 5,128</u>	<u>\$ 3,848</u>	<u>\$ 2,302</u>	<u>\$ 90,666</u>

Michigan

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2001**  
(In Thousands)

	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND	SAFETY EDUCATION AND TRAINING FUND	UNINSURED EMPLOYERS' SECURITY FUND	STATE CONSTRUCTION CODE FUND	HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND
<b>REVENUES</b>					
From federal agencies	\$ 115,538	\$ -	\$ -	\$ -	\$ -
From services	-	-	-	2	-
From licenses and permits	-	-	-	11,473	-
Miscellaneous	97	6,637	-	692	625
<b>Total Revenues</b>	<b>115,634</b>	<b>6,637</b>	<b>-</b>	<b>12,168</b>	<b>625</b>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Labor, commerce, and regulatory	123,441	6,149	-	9,994	1,108
Debt Service:					
Capital lease payments	594	-	-	-	-
<b>Total Expenditures</b>	<b>124,035</b>	<b>6,149</b>	<b>-</b>	<b>9,994</b>	<b>1,108</b>
Excess of Revenues over (under) Expenditures	(8,400)	488	-	2,174	(483)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers from other funds	10,303	-	-	-	-
Transfers to other funds	(1,902)	(46)	-	(86)	(14)
<b>Total Other Financing Sources (Uses)</b>	<b>8,400</b>	<b>(46)</b>	<b>-</b>	<b>(86)</b>	<b>(14)</b>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	-	442	-	2,088	(497)
Fund Balances - Beginning of fiscal year - restated	-	3,086	-	12,178	3,030
Fund Balances - End of fiscal year	\$ -	\$ 3,528	\$ -	\$ 14,266	\$ 2,533

Michigan

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STATE CASINO GAMING FUND	SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS SEPTEMBER 30, 2001
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,538
1	-	-	-	-	4
150	-	-	-	-	11,623
27,116	34,998	2,511	3,843	1,000	77,520
<u>27,267</u>	<u>34,998</u>	<u>2,511</u>	<u>3,843</u>	<u>1,000</u>	<u>204,684</u>
12,824	-	-	-	362	13,185
-	23,667	4,045	3,274	226	171,904
-	-	-	-	-	594
<u>12,824</u>	<u>23,667</u>	<u>4,045</u>	<u>3,274</u>	<u>587</u>	<u>185,684</u>
14,443	11,331	(1,534)	569	413	19,001
-	-	-	505	-	10,808
(2,135)	(20)	(7)	(5)	(1)	(4,216)
<u>(2,135)</u>	<u>(20)</u>	<u>(7)</u>	<u>500</u>	<u>(1)</u>	<u>6,591</u>
12,308	11,312	(1,541)	1,069	413	25,592
(1,722)	9,019	4,472	1,966	1,785	33,815
<u>\$ 10,586</u>	<u>\$ 20,331</u>	<u>\$ 2,931</u>	<u>\$ 3,034</u>	<u>\$ 2,198</u>	<u>\$ 59,407</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, 2001  
(In Thousands)**

Statutory/Budgetary Basis	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND			SAFETY EDUCATION AND TRAINING FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
<b>REVENUES AND OTHER SOURCES</b>						
From federal agencies	\$ 115,538	\$ 115,538	\$ -	\$ -	\$ -	\$ -
From services	-	-	-	-	-	-
From licenses and permits	-	-	-	-	-	-
Miscellaneous	97	97	-	6,637	6,637	-
Transfers in	10,303	10,303	-	-	-	-
Total Revenues and Other Sources	<u>125,937</u>	<u>125,937</u>	<u>-</u>	<u>6,637</u>	<u>6,637</u>	<u>-</u>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>						
Consumer and Industry Services	125,937	125,937	-	6,616	6,358	259
Treasury	-	-	-	-	-	-
Total Expenditures, Transfers Out, and Encumbrances	<u>125,937</u>	<u>125,937</u>	<u>-</u>	<u>6,616</u>	<u>6,358</u>	<u>259</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 21</u>	<u>279</u>	<u>\$ 259</u>
Reconciling Items:						
Encumbrances at September 30		-			163	
Funds not annually budgeted		-			-	
Net Reconciling Items		<u>-</u>			<u>163</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>-</u>			<u>442</u>	
<b>FUND BALANCES (GAAP BASIS)</b>						
Beginning balances - restated		<u>-</u>			<u>3,086</u>	
Ending balances (GAAP Basis)		<u>\$ -</u>			<u>\$ 3,528</u>	

Michigan

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STATE CONSTRUCTION CODE FUND			HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	2	-	-	-	-
11,473	11,473	-	-	-	-
692	692	-	625	625	-
-	-	-	-	-	-
<u>12,168</u>	<u>12,168</u>	<u>-</u>	<u>625</u>	<u>625</u>	<u>-</u>
10,428	10,085	343	1,531	1,122	408
-	-	-	-	-	-
<u>10,428</u>	<u>10,085</u>	<u>343</u>	<u>1,531</u>	<u>1,122</u>	<u>408</u>
<u>\$ 1,740</u>	<u>2,082</u>	<u>\$ 343</u>	<u>\$ (906)</u>	<u>(497)</u>	<u>\$ 408</u>
	5			-	
	-			-	
	<u>5</u>			-	
	2,088			<u>(497)</u>	
	<u>12,178</u>			<u>3,030</u>	
	<u>\$ 14,266</u>			<u>\$ 2,533</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, 2001  
(In Thousands)

FUNDS NOT ANNUALLY BUDGETED

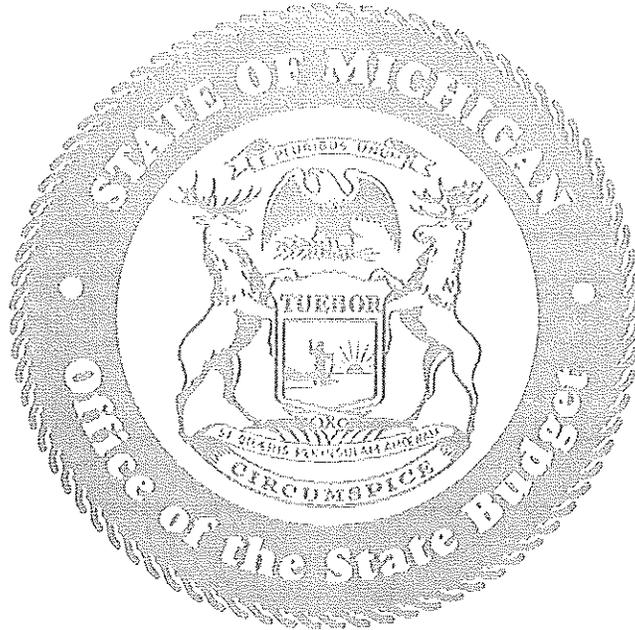
Statutory/Budgetary Basis	STATE CASINO GAMING FUND			UNINSURED EMPLOYERS' SECURITY FUND	SECOND INJURY FUND
	BUDGET	ACTUAL	VARIANCE	ACTUAL	ACTUAL
<b>REVENUES AND OTHER SOURCES</b>					
From federal agencies	\$ -	\$ -	\$ -	\$ -	\$ -
From services	1	1	-	-	-
From licenses and permits	150	150	-	-	-
Miscellaneous	27,116	27,116	-	-	-
Transfers in	-	-	-	-	-
	-	-	-	-	-
Total Revenues and Other Sources	27,267	27,267	-	-	-
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>					
Consumer and Industry Services	-	-	-	-	-
Treasury	16,894	14,965	1,929	-	-
	-	-	-	-	-
Total Expenditures, Transfers Out, and Encumbrances	16,894	14,965	1,929	-	-
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ 10,373	12,303	\$ 1,929	-	-
Reconciling Items:					
Encumbrances at September 30		6		-	-
Funds not annually budgeted		-		-	11,312
		6		-	11,312
Net Reconciling Items		6		-	11,312
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		12,308		-	11,312
<b>FUND BALANCES (GAAP BASIS)</b>					
Beginning balances - restated		(1,722)		-	9,019
Ending balances (GAAP Basis)		\$ 10,586		\$ -	\$ 20,331

Michigan

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FUNDS NOT ANNUALLY BUDGETED

SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS		
			BUDGET	ACTUAL	VARIANCE
ACTUAL	ACTUAL	ACTUAL			
\$ -	\$ -	\$ -	\$ 115,538	\$ 115,538	\$ -
-	-	-	4	4	-
-	-	-	11,623	11,623	-
-	-	-	35,167	35,167	-
-	-	-	10,303	10,303	-
-	-	-	172,634	172,634	-
-	-	-	144,513	143,503	1,010
-	-	-	16,894	14,965	1,929
-	-	-	161,406	158,467	2,939
-	-	-	<u>\$ 11,228</u>	<u>14,167</u>	<u>\$ 2,939</u>
-	-	-		174	
(1,541)	1,069	413		11,251	
(1,541)	1,069	413		11,425	
(1,541)	1,069	413		25,592	
4,472	1,966	1,785		33,815	
<u>\$ 2,931</u>	<u>\$ 3,034</u>	<u>\$ 2,198</u>		<u>\$ 59,407</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 primarily used for the Michigan Merit Award Scholarship Program.

### 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.

### MISCELLANEOUS SPECIAL REVENUE FUNDS

The miscellaneous special revenue funds column reflects the activities of the following funds: Vietnam Veterans' Memorial Monument, Children's Institute Trust, Special Assessment Deferral, and Agricultural College Fund – Morrill Act.

Michigan

COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS - OTHER STATE FUNDS  
 SEPTEMBER 30, 2001  
 (In Thousands)

	SCHOOL BOND LOAN FUND	TOBACCO SETTLEMENT TRUST FUND	MICHIGAN MERIT AWARD TRUST FUND
<b>ASSETS</b>			
Current Assets:			
Equity in common cash	\$ 1,050	\$ 179,487	\$ 143,590
Amounts due from local units	-	6	-
Other current assets	-	21,150	63,449
Total Current Assets	<u>1,050</u>	<u>200,643</u>	<u>207,039</u>
Other noncurrent assets	-	-	-
Total Assets	<u>\$ 1,050</u>	<u>\$ 200,643</u>	<u>\$ 207,039</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities:			
Warrants outstanding	\$ -	\$ 465	\$ 172
Accounts payable and other liabilities	-	7,895	101,372
Amounts due to other funds	-	-	1
Deferred revenue	-	21,150	63,449
Total Current Liabilities	<u>-</u>	<u>29,510</u>	<u>164,995</u>
Long-Term Liabilities:			
Deferred revenue	-	-	-
Total Liabilities	<u>-</u>	<u>29,510</u>	<u>164,995</u>
Fund Balances:			
Reserves for:			
Budgetary carry-forwards:			
Encumbrances	-	23,252	105
Multi-year projects	-	29,678	2,063
Noncurrent assets	-	-	-
Total Reserved	<u>-</u>	<u>52,929</u>	<u>2,168</u>
Unreserved	<u>1,050</u>	<u>118,204</u>	<u>39,876</u>
Total Fund Balances	<u>1,050</u>	<u>171,134</u>	<u>42,044</u>
Total Liabilities and Fund Balances	<u>\$ 1,050</u>	<u>\$ 200,643</u>	<u>\$ 207,039</u>

ASSIGNED CLAIMS FACILITY AND PLAN FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS	TOTALS SEPTEMBER 30, 2001
\$ 134	\$ 1,765	\$ 326,026
-	-	6
604	171	85,373
<u>738</u>	<u>1,936</u>	<u>411,406</u>
-	1,150	1,150
<u>\$ 738</u>	<u>\$ 3,086</u>	<u>\$ 412,556</u>
\$ 1	\$ -	\$ 638
-	9	109,276
-	-	1
737	-	85,336
<u>738</u>	<u>9</u>	<u>195,251</u>
-	9	9
<u>738</u>	<u>17</u>	<u>195,260</u>
-	-	23,356
-	-	31,741
-	1,150	1,150
<u>-</u>	<u>1,150</u>	<u>56,248</u>
-	1,918	161,049
<u>-</u>	<u>3,069</u>	<u>217,297</u>
<u>\$ 738</u>	<u>\$ 3,086</u>	<u>\$ 412,556</u>

Michigan

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS - OTHER STATE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2001**  
(In Thousands)

	SCHOOL BOND LOAN FUND	TOBACCO SETTLEMENT TRUST FUND	MICHIGAN MERIT AWARD TRUST FUND
<b>REVENUES</b>			
Miscellaneous	\$ -	\$ 141,608	\$ 139,128
Total Revenues	<u>-</u>	<u>141,608</u>	<u>139,128</u>
<b>EXPENDITURES</b>			
Current:			
General government	422	51,371	18,834
Education	-	764	87,644
Public safety and corrections	-	-	-
Labor, commerce, and regulatory	-	25,001	-
Health services	-	45,876	-
Debt Service:			
Bond interest and fiscal charges	2,219	-	-
Total Expenditures	<u>2,641</u>	<u>123,013</u>	<u>106,478</u>
Excess of Revenues over (under) Expenditures	<u>(2,641)</u>	<u>18,596</u>	<u>32,650</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds and notes issued	81,300	-	-
Premium on bond issuance	301	-	-
Refunding bonds issued	37	-	-
Transfers to other funds	(64,008)	(20,000)	-
Total Other Financing Sources (Uses)	<u>17,631</u>	<u>(20,000)</u>	<u>-</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	14,990	(1,404)	32,650
Fund Balances - Beginning of fiscal year - restated	<u>(13,940)</u>	<u>172,538</u>	<u>9,395</u>
Fund Balances - End of fiscal year	<u>\$ 1,050</u>	<u>\$ 171,134</u>	<u>\$ 42,044</u>

ASSIGNED CLAIMS FACILITY AND PLAN FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS	TOTALS SEPTEMBER 30, 2001
\$ 60,755	\$ 235	\$ 341,726
<u>60,755</u>	<u>235</u>	<u>341,726</u>
60,012	-	130,639
-	-	88,408
-	24	24
-	-	25,001
-	-	45,876
-	-	<u>2,219</u>
<u>60,012</u>	<u>24</u>	<u>292,167</u>
<u>743</u>	<u>211</u>	<u>49,559</u>
-	-	81,300
-	-	301
-	-	37
<u>(743)</u>	<u>(1,060)</u>	<u>(85,810)</u>
<u>(743)</u>	<u>(1,060)</u>	<u>(4,172)</u>
-	(848)	45,387
-	3,917	<u>171,909</u>
<u>\$ -</u>	<u>\$ 3,069</u>	<u>\$ 217,297</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, 2001  
(In Thousands)**

<u>Statutory/Budgetary Basis</u>	<u>TOBACCO SETTLEMENT TRUST FUND</u>			<u>MICHIGAN MERIT AWARD TRUST FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES AND OTHER SOURCES</b>						
Miscellaneous	\$ 141,608	\$ 141,608	\$ -	\$ 139,128	\$ 139,128	\$ -
Total Revenues and Other Sources	<u>141,608</u>	<u>141,608</u>	<u>-</u>	<u>139,128</u>	<u>139,128</u>	<u>-</u>
<b>EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY</b>						
Career Development	34,213	34,213	-	-	-	-
Colleges and Universities Grants	10,000	764	9,236	117,853	87,644	30,209
Community Health	94,289	59,916	34,373	-	-	-
Management and Budget	50,000	50,000	-	-	-	-
Treasury	30,917	21,371	9,545	18,949	18,939	10
Total Expenditures, Transfers Out, and Encumbrances	<u>219,419</u>	<u>166,264</u>	<u>53,154</u>	<u>136,802</u>	<u>106,583</u>	<u>30,219</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (77,810)</u>	<u>(24,656)</u>	<u>\$ 53,154</u>	<u>\$ 2,326</u>	<u>32,545</u>	<u>\$ 30,219</u>
Reconciling Items:						
Encumbrances at September 30		23,252			105	
Funds not annually budgeted		<u>-</u>			<u>-</u>	
Net Reconciling Items		<u>23,252</u>			<u>105</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(1,404)</u>			<u>32,650</u>	
<b>FUND BALANCES (GAAP BASIS)</b>						
Beginning balances - restated		<u>172,538</u>			<u>9,395</u>	
Ending balances (GAAP Basis)		<u>\$ 171,134</u>			<u>\$ 42,044</u>	

Michigan

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FUNDS NOT ANNUALLY BUDGETED

SCHOOL BOND LOAN FUND	ASSIGNED CLAIMS FACILITY AND PLAN FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS	TOTALS		
ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ 280,737	\$ 280,737	\$ -
-	-	-	280,737	280,737	-
-	-	-	34,213	34,213	-
-	-	-	127,853	88,408	39,445
-	-	-	94,289	59,916	34,373
-	-	-	50,000	50,000	-
-	-	-	49,866	40,310	9,556
-	-	-	356,221	272,848	83,373
-	-	-	\$ (75,484)	7,889	\$ 83,373
-	-	-	-	23,356	-
14,990	-	(848)	-	14,142	-
14,990	-	(848)	-	37,498	-
14,990	-	(848)	-	45,387	-
(13,940)	-	3,917	-	171,909	-
\$ 1,050	\$ -	\$ 3,069	-	\$ 217,297	-

