



II FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

Michigan

REQUIRED SUPPLEMENTARY INFORMATION

**BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2002
(In Thousands)**

	GENERAL FUND			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Beginning budgetary fund balance	\$ 1,485,399	\$ 1,485,399	\$ 1,485,399	\$ -
Resources (inflows):				
General Purpose Revenues:				
Taxes	8,975,900	8,142,358	8,142,358	-
Federal	45,000	24,727	24,727	-
Local	1,300	751	751	-
Licenses and permits	25,000	16,452	16,452	-
Services	6,000	5,233	5,233	-
Miscellaneous	63,000	134,731	134,731	-
Transfers in	154,000	957,122	957,122	-
Restricted Revenues:				
Taxes	1,790,982	2,351,222	2,351,222	-
Federal	8,555,490	8,926,998	8,926,998	-
Local	1,186,001	1,224,075	1,224,075	-
Licenses and permits	255,568	216,908	216,908	-
Services	173,907	115,773	115,773	-
Miscellaneous	795,960	370,221	370,221	-
Transfers in	91,068	195,974	195,974	-
Total Revenue Inflows	<u>22,119,176</u>	<u>22,682,546</u>	<u>22,682,546</u>	<u>-</u>
Amounts Available for Appropriation	<u>23,604,574</u>	<u>24,167,944</u>	<u>24,167,944</u>	<u>-</u>
Charges to Appropriations (outflows):				
Legislative Branch	149,230	131,260	131,005	255
Judicial Branch	250,311	237,781	237,506	275
Executive Branch:				
Agriculture	120,460	101,858	100,585	1,273
Attorney General	64,461	56,643	55,752	890
Career Development	527,744	456,962	456,661	300
Civil Rights	16,510	15,758	14,737	1,021
Civil Service	32,344	32,055	31,419	636
Colleges and Universities Grants	2,135,764	2,134,685	2,134,428	257
Community Health	8,576,050	9,275,330	9,254,043	21,287
Consumer and Industry Services	302,860	235,504	231,516	3,988
Corrections	1,774,646	1,685,712	1,675,632	10,080
Education	1,203,918	1,112,738	1,111,538	1,200
Environmental Quality	369,710	221,489	219,254	2,235
Executive Office	5,720	5,491	5,472	19
Family Independence Agency	3,876,282	3,886,795	3,873,793	13,002
History, Arts & Libraries	81,184	76,911	74,368	2,544
Management and Budget	725,506	654,844	636,031	18,813
Military and Veterans Affairs	98,180	100,344	99,083	1,261
Natural Resources	118,936	98,084	97,603	482
State	190,758	176,600	174,049	2,551
State Police	426,933	411,800	410,512	1,289
Transportation	41,503	14,999	14,999	-
Treasury	1,980,308	2,510,031	2,503,970	6,060
Intrafund expenditure reimbursements	-	(618,017)	(618,017)	-
Total Charges to Appropriations	<u>23,069,317</u>	<u>23,015,657</u>	<u>22,925,940</u>	<u>89,717</u>
Reconciling Items:				
Encumbrances at September 30	-	111,948	111,948	-
Change in noncurrent assets	-	(71,226)	(71,226)	-
Net Reconciling Items	-	40,723	40,723	-
Ending Budgetary Fund Balance	<u>\$ 535,257</u>	<u>\$ 1,193,010</u>	<u>\$ 1,282,728</u>	<u>\$ 89,717</u>

REQUIRED SUPPLEMENTARY INFORMATION

**BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION**
SEPTEMBER 30, 2002
(In Thousands)

	GENERAL FUND	COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND	SCHOOL AID FUND
Sources/inflows of resources			
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 24,167,944	\$ 1,014,981	\$ 11,614,545
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.	(1,485,399)	(994,187)	(702,861)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(1,153,096)	-	(1,193,621)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 21,529,450</u>	<u>\$ 20,794</u>	<u>\$ 9,718,063</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 22,925,940	\$ 869,831	\$ 11,373,939
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.	(111,948)	-	(76)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(581,611)	(869,831)	(2,829)
Capital lease acquisitions are not outflows of budgetary resources but are recorded as current expenditures and other financing sources under GAAP.	234,468	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 22,466,848</u>	<u>\$ -</u>	<u>\$ 11,371,034</u>

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 2001-2002, 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, 2001, 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 27,423 lane miles of roads, 4,652 bridges (spans in excess of 20 feet), and 1,123 other spans (less than 20 feet) 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	2001	2000	1999	1998	1997
Good	78%	78%	75%	73%	69%
Poor	22%	22%	25%	27%	31%

Bridges

Measurement Scale

MDOT utilizes the National Bridge Inventory to monitor the condition of the 4,652 bridges and 1,123 other spans 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 of 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
2001	20.9%
2000	22.5%
1999	18.9%
1998	19.2%
1997	16.7%

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
2002-2003	\$873.6	-
2001-2002	\$993.3	\$798.2
2000-2001	\$984.3	\$915.2
1999-2000	\$817.4	\$895.3
1998-1999	\$831.8	\$822.0
1997-1998	\$688.1	\$693.5

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. This table, and other tables within this narrative demonstrate that the State has incurred the necessary expenditures to meet its desired condition levels.



TOP:

The Michigan Prison Build Program, which puts prisoners to work building housing components for non-profit organizations such as Habitat for Humanity, is the only one of its kind in the nation. It gives low-income families an opportunity to own their own homes and helps offenders learn job skills.

BOTTOM:

Public works assignments are an important restitution tool for offenders. Those already in the community and qualified offenders in low-security prisons work under the supervision of staff cleaning parks, maintaining hiking trails, and tackling other jobs that communities could not otherwise afford, to compensate for their crimes.





TOP:

The newly remodeled Southern Michigan Correctional Facility near Jackson is equipped with state-of-the-art control centers which allow full viewing of the cellblock. All secure prisons have elaborate perimeter security systems including electronic detection devices.

BOTTOM:

Bellamy Creek Correctional Facility in Ionia is Michigan's newest correctional facility. It opened late in 2001 and houses about 1,900 male offenders. This facility uses a state-of-the-art security system including electronic detection devices, special fences, and video tracking cameras.



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, 2002
 (In Thousands)

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUNDS</u>	<u>TOTALS SEPTEMBER 30, 2002</u>
ASSETS					
Current Assets:					
Cash	\$ 2,288	\$ 5,125	\$ -	\$ -	\$ 7,413
Equity in common cash	1,836,785	6,534	11,151	137,038	1,991,508
Taxes, interest, and penalties receivable	128,973	-	-	-	128,973
Amounts due from other funds	108,260	5,577	142,834	-	256,671
Amounts due from component units	711	-	34,529	-	35,240
Amounts due from federal agencies	203,931	-	283	-	204,214
Amounts due from local units	59,186	-	15,090	124	74,400
Inventories	8,334	-	-	-	8,334
Investments	-	380,891	70,319	-	451,210
Securities lending collateral	4,843	-	-	31,236	36,079
Other current assets	30,003	622	562	11,206	42,393
Total Current Assets	2,383,315	398,749	274,768	179,604	3,236,436
Taxes, interest, and penalties receivable	4,643	-	-	-	4,643
Advances to other funds	27,734	-	-	-	27,734
Amounts due from local units	44,711	-	-	-	44,711
Investments	87,791	14,641	-	339,767	442,199
Other noncurrent assets	7,222	-	-	-	7,222
Total Assets	\$ 2,555,416	\$ 413,389	\$ 274,768	\$ 519,371	\$ 3,762,944
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Warrants outstanding	\$ 17,586	\$ -	\$ 430	\$ 1,307	\$ 19,324
Obligations under security lending	4,843	-	-	31,236	36,079
Accounts payable and other liabilities	727,672	5,478	182,824	11,150	927,125
Amounts due to other funds	150,442	1,008	216,807	16	368,273
Amounts due to component units	-	-	-	100	100
Interest payable	-	-	333	-	333
Deferred revenue	49,519	-	-	-	49,519
Total Current Liabilities	950,062	6,486	400,395	43,810	1,400,753
Long-Term Liabilities:					
Advances from other funds	27,734	-	-	-	27,734
Deferred revenue	22,496	-	-	-	22,496
Total Liabilities	1,000,293	6,486	400,395	43,810	1,450,984
Fund Balances:					
Reserved fund balance	968,583	-	33,150	435,102	1,436,835
Unreserved fund balance (deficit)	586,540	406,903	(158,776)	40,459	875,126
Total Fund Balances	1,555,123	406,903	(125,627)	475,561	2,311,961
Total Liabilities and Fund Balances	\$ 2,555,416	\$ 413,389	\$ 274,768	\$ 519,371	\$ 3,762,944

Michigan

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 FISCAL YEAR ENDED SEPTEMBER 30, 2002
 (In Thousands)

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTALS SEPTEMBER 30, 2002
REVENUES					
Taxes	\$ 2,056,493	\$ -	\$ -	\$ -	\$ 2,056,493
From federal agencies	1,067,601	-	550	822	1,068,973
From local agencies	133,273	-	-	-	133,273
From services	844	-	-	-	844
From licenses and permits	175,386	-	-	-	175,386
Miscellaneous	609,732	6,553	1,359	60,289	677,933
Total Revenues	4,043,328	6,553	1,909	61,112	4,112,901
EXPENDITURES					
Current:					
General government	146,678	1,408	1,472	-	149,558
Education	130,168	822	196,121	-	327,111
Family independence services	-	-	-	2,601	2,601
Public safety and corrections	797	-	-	4,105	4,903
Conservation, environment, recreation, and agriculture	272,162	-	337	11,401	283,900
Labor, commerce, and regulatory	207,960	-	-	-	207,960
Health services	82,167	-	-	-	82,167
Transportation	2,117,153	1,299	-	-	2,118,452
Capital outlay	1,172,017	-	194,309	39,012	1,405,338
Debt Service:					
Bond principal retirement	-	226,801	-	-	226,801
Bond interest and fiscal charges	1,240	224,438	-	-	225,678
Capital lease payments	1,072	-	-	-	1,072
Total Expenditures	4,131,414	454,768	392,239	57,119	5,035,541
Excess of Revenues over (under) Expenditures	(88,086)	(448,215)	(390,330)	3,993	(922,639)
OTHER FINANCING SOURCES (USES)					
Bonds and notes issued	415,388	-	572,462	-	987,850
Premium on bond issuance	9,084	41,811	13,344	-	64,238
Refunding bonds issued	-	488,145	-	-	488,145
Payment to refunded bond escrow agent	-	(527,303)	-	-	(527,303)
Extinguishment of commercial paper	-	-	(51,890)	-	(51,890)
Capital lease acquisitions	2,804	-	-	-	2,804
Transfers from other funds	1,076,552	537,746	161,971	10,010	1,786,280
Transfers to other funds	(1,571,802)	(4,001)	(158,719)	(10,102)	(1,744,624)
Total Other Financing Sources (Uses)	(67,974)	536,398	537,168	(92)	1,005,500
Excess of Revenues and Other Sources over (under) Expenditures Other Uses	(156,060)	88,182	146,838	3,901	82,861
Fund Balances - Beginning of fiscal year	1,711,183	318,721	(272,464)	471,660	2,229,100
Fund Balances - End of fiscal year	\$ 1,555,123	\$ 406,903	\$ (125,627)	\$ 475,561	\$ 2,311,961

Michigan

BALANCE SHEET
SPECIAL REVENUE FUNDS - BY CLASSIFICATION
 SEPTEMBER 30, 2002
 (In Thousands)

	TRANSPORTATION RELATED	CONSERVATION, ENVIRONMENT, AND RECREATION RELATED	REGULATORY AND ADMINISTRATIVE RELATED	OTHER STATE FUNDS	TOTALS SEPTEMBER 30, 2002
ASSETS					
Current Assets:					
Cash	\$ 2,142	\$ 133	\$ 13	\$ -	\$ 2,288
Equity in common cash	1,292,026	265,426	57,185	222,147	1,836,785
Taxes, interest, and penalties receivable	122,315	6,657	-	-	128,973
Amounts due from other funds	61,422	35,020	11,818	-	108,260
Amounts due from component units	711	-	-	-	711
Amounts due from federal agencies	192,287	1,606	10,038	-	203,931
Amounts due from local units	58,806	380	-	-	59,186
Inventories	8,287	47	-	-	8,334
Securities lending collateral	-	4,843	-	-	4,843
Other current assets	16,957	11,383	811	852	30,003
Total Current Assets	1,754,955	325,497	79,865	222,999	2,383,315
Taxes, interest, and penalties receivable	4,322	321	-	-	4,643
Advances to other funds	27,734	-	-	-	27,734
Amounts due from local units	40,069	4,642	-	-	44,711
Investments	-	87,791	-	-	87,791
Other noncurrent assets	5,611	437	-	1,174	7,222
Total Assets	\$ 1,832,691	\$ 418,688	\$ 79,865	\$ 224,172	\$ 2,555,416
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Warrants outstanding	\$ 11,932	\$ 4,284	\$ 1,022	\$ 347	\$ 17,586
Obligations under security lending	-	4,843	-	-	4,843
Accounts payable and other liabilities	519,993	66,078	12,090	129,511	727,672
Amounts due to other funds	95,075	39,691	15,669	7	150,442
Deferred revenue	42,392	2,197	4,176	754	49,519
Total Current Liabilities	669,392	117,092	32,958	130,620	950,062
Long-Term Liabilities:					
Advances from other funds	27,734	-	-	-	27,734
Deferred revenue	21,597	758	-	141	22,496
Total Liabilities	718,722	117,850	32,958	130,762	1,000,293
Fund Balances:					
Reserves For:					
Budgetary Carry-Forwards:					
Encumbrances	62,716	18,033	390	10,229	91,367
Restricted revenues	239,252	139,356	3,462	-	382,070
Multi-year projects	203,850	51,987	-	13,158	268,996
Construction and debt service	45,315	-	-	-	45,315
Revolving loan programs	31,590	5,473	-	-	37,062
Funds held as permanent investments	-	112,909	-	-	112,909
Noncurrent assets	29,690	-	-	1,174	30,864
Total Reserved	612,412	327,758	3,852	24,561	968,583
Unreserved	501,556	(26,920)	43,055	68,850	586,540
Total Fund Balances	1,113,968	300,837	46,907	93,411	1,555,123
Total Liabilities and Fund Balances	\$ 1,832,691	\$ 418,688	\$ 79,865	\$ 224,172	\$ 2,555,416

Michigan

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - BY CLASSIFICATION
 FISCAL YEAR ENDED SEPTEMBER 30, 2002
 (In Thousands)

	TRANSPORTATION RELATED	CONSERVATION, ENVIRONMENT, AND RECREATION RELATED	REGULATORY AND ADMINISTRATIVE RELATED	OTHER STATE FUNDS	TOTALS SEPTEMBER 30, 2002
REVENUES					
Taxes	\$ 1,995,635	\$ 60,858	\$ -	\$ -	\$ 2,056,493
From federal agencies	944,540	3,020	120,040	-	1,067,601
From local agencies	133,273	-	-	-	133,273
From services	838	-	6	-	844
From licenses and permits	74,398	92,380	8,609	-	175,386
Miscellaneous	64,617	76,099	65,117	403,898	609,732
Total Revenues	<u>3,213,301</u>	<u>232,357</u>	<u>193,772</u>	<u>403,898</u>	<u>4,043,328</u>
EXPENDITURES					
Current:					
General government	-	326	14,086	132,266	146,678
Education	-	-	-	130,168	130,168
Public safety and corrections	-	-	-	797	797
Conservation, environment, recreation, and agriculture	-	272,162	-	-	272,162
Labor, commerce, and regulatory	-	-	184,531	23,429	207,960
Health services	-	1,435	-	80,732	82,167
Transportation	2,117,153	-	-	-	2,117,153
Capital outlay	1,156,778	15,239	-	-	1,172,017
Debt Service:					
Bond interest and fiscal charges	-	-	-	1,240	1,240
Capital lease payments	252	-	820	-	1,072
Total Expenditures	<u>3,274,182</u>	<u>289,162</u>	<u>199,437</u>	<u>368,632</u>	<u>4,131,414</u>
Excess of Revenues over (under) Expenditures	<u>(60,881)</u>	<u>(56,805)</u>	<u>(5,665)</u>	<u>35,266</u>	<u>(88,086)</u>
OTHER FINANCING SOURCES (USES)					
Bonds and notes issued	282,310	35,353	-	97,725	415,388
Premium on bond issuance	6,722	2,361	-	-	9,084
Capital lease acquisitions	-	-	2,804	-	2,804
Transfers from other funds	1,032,024	30,394	14,134	-	1,076,552
Transfers to other funds	(1,209,568)	(81,585)	(23,773)	(256,877)	(1,571,802)
Total Other Financing Sources (Uses)	<u>111,489</u>	<u>(13,477)</u>	<u>(6,834)</u>	<u>(159,152)</u>	<u>(67,974)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	50,608	(70,282)	(12,500)	(123,886)	(156,060)
Fund Balances - Beginning of fiscal year	<u>1,063,361</u>	<u>371,119</u>	<u>59,407</u>	<u>217,297</u>	<u>1,711,183</u>
Fund Balances - End of fiscal year	<u>\$ 1,113,968</u>	<u>\$ 300,837</u>	<u>\$ 46,907</u>	<u>\$ 93,411</u>	<u>\$ 1,555,123</u>

Michigan

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS - BY CLASSIFICATION**
FISCAL YEAR ENDED SEPTEMBER 30, 2002
(In Thousands)

Statutory/Budgetary Basis	TRANSPORTATION RELATED			CONSERVATION, ENVIRONMENT, AND RECREATION RELATED		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
Taxes	\$ 1,995,635	\$ 1,995,635	\$ -	\$ 344	\$ 344	\$ -
From federal agencies	701,066	701,066	-	3,020	3,020	-
From local agencies	47,907	47,907	-	-	-	-
From services	838	838	-	-	-	-
From licenses and permits	74,398	74,398	-	92,380	92,380	-
Miscellaneous	55,886	55,886	-	28,987	28,987	-
Transfers in	1,018,496	1,018,496	-	26,394	26,394	-
Total Revenues and Other Sources	<u>3,894,226</u>	<u>3,894,226</u>	<u>-</u>	<u>151,124</u>	<u>151,124</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Career Development	-	-	-	-	-	-
Colleges and Universities Grants	-	-	-	-	-	-
Community Health	-	-	-	-	-	-
Consumer and Industry Services	-	-	-	-	-	-
Management and Budget	-	-	-	-	-	-
Natural Resources	-	-	-	179,034	171,275	7,759
Transportation	4,076,819	3,882,506	194,313	-	-	-
Treasury	-	-	-	-	-	-
Total Expenditures, Transfers Out, and Encumbrances	<u>4,076,819</u>	<u>3,882,506</u>	<u>194,313</u>	<u>179,034</u>	<u>171,275</u>	<u>7,759</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (182,594)</u>	<u>11,719</u>	<u>\$ 194,313</u>	<u>\$ (27,909)</u>	<u>(20,151)</u>	<u>\$ 7,759</u>
Reconciling Items:						
Encumbrances at September 30		62,716			15,055	
Funds not annually budgeted		<u>(23,828)</u>			<u>(65,186)</u>	
Net Reconciling Items		<u>38,888</u>			<u>(50,131)</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>50,608</u>			<u>(70,282)</u>	
FUND BALANCES (GAAP BASIS)						
Beginning balances		<u>1,063,361</u>			<u>371,119</u>	
Ending balances (GAAP Basis)		<u>\$ 1,113,968</u>			<u>\$ 300,837</u>	

Michigan

REGULATORY AND ADMINISTRATIVE RELATED			OTHER STATE FUNDS			TOTALS		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,995,978	\$ 1,995,978	\$ -
120,040	120,040	-	-	-	-	824,127	824,127	-
-	-	-	-	-	-	47,907	47,907	-
6	6	-	-	-	-	844	844	-
8,609	8,609	-	-	-	-	175,386	175,386	-
35,782	35,782	-	335,451	335,451	-	456,105	456,105	-
13,371	13,371	-	-	-	-	1,058,260	1,058,260	-
<u>177,807</u>	<u>177,807</u>	<u>-</u>	<u>335,451</u>	<u>335,451</u>	<u>-</u>	<u>4,558,608</u>	<u>4,558,608</u>	<u>-</u>
-	-	-	28,260	28,260	-	28,260	28,260	-
-	-	-	130,168	130,168	-	130,168	130,168	-
-	-	-	104,523	85,957	18,565	104,523	85,957	18,565
153,661	151,661	2,000	-	-	-	153,661	151,661	2,000
-	-	-	45,000	45,000	-	45,000	45,000	-
-	-	-	-	-	-	179,034	171,275	7,759
-	-	-	-	-	-	4,076,819	3,882,506	194,313
<u>35,061</u>	<u>35,040</u>	<u>21</u>	<u>178,999</u>	<u>178,544</u>	<u>455</u>	<u>214,060</u>	<u>213,584</u>	<u>476</u>
<u>188,723</u>	<u>186,701</u>	<u>2,022</u>	<u>486,950</u>	<u>467,929</u>	<u>19,020</u>	<u>4,931,526</u>	<u>4,708,412</u>	<u>223,113</u>
<u>\$ (10,916)</u>	<u>(8,894)</u>	<u>\$ 2,022</u>	<u>\$ (151,499)</u>	<u>(132,478)</u>	<u>\$ 19,020</u>	<u>\$ (372,917)</u>	<u>(149,804)</u>	<u>\$ 223,113</u>
	390			10,229			88,389	
	<u>(3,996)</u>			<u>(1,637)</u>			<u>(94,646)</u>	
	<u>(3,606)</u>			<u>8,592</u>			<u>(6,256)</u>	
	<u>(12,500)</u>			<u>(123,886)</u>			<u>(156,060)</u>	
	<u>59,407</u>			<u>217,297</u>			<u>1,711,183</u>	
	<u>\$ 46,907</u>			<u>\$ 93,411</u>			<u>\$ 1,555,123</u>	



SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED

STATE AERONAUTICS FUND

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

STATE TRUNKLINE FUND

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

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

MICHIGAN TRANSPORTATION FUND

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

COMPREHENSIVE TRANSPORTATION FUND

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

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND

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

COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND

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

TRANSPORTATION RELATED TRUST FUNDS

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

Michigan

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED
 SEPTEMBER 30, 2002
 (In Thousands)

	STATE AERONAUTICS FUND	STATE TRUNKLINE FUND	MICHIGAN TRANSPORTATION FUND	COMPREHENSIVE TRANSPORTATION FUND
ASSETS				
Current Assets:				
Cash	\$ 435	\$ 1,078	\$ -	\$ -
Equity in common cash	21,554	477,331	208,954	59,308
Taxes, interest, and penalties receivable	1,051	-	121,264	-
Amounts due from other funds	-	47,412	-	12,848
Amounts due from component units	-	711	-	-
Amounts due from federal agencies	44,418	102,321	-	6,247
Amounts due from local units	14,524	28,213	-	361
Inventories	-	8,287	-	-
Other current assets	84	8,784	7,429	406
Total Current Assets	<u>82,067</u>	<u>674,137</u>	<u>337,647</u>	<u>79,171</u>
Taxes, interest, and penalties receivable	15	-	4,307	-
Advances to other funds	-	27,734	-	-
Amounts due from local units	790	35,566	-	3,713
Other noncurrent assets	-	3,007	-	2,604
Total Assets	<u>\$ 82,872</u>	<u>\$ 740,444</u>	<u>\$ 341,954</u>	<u>\$ 85,488</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Warrants outstanding	\$ 613	\$ 6,913	\$ 654	\$ 2,398
Accounts payable and other liabilities	63,375	135,525	236,958	11,134
Amounts due to other funds	17	3,057	78,060	12,778
Deferred revenue	4,941	9,497	21,974	-
Total Current Liabilities	<u>68,946</u>	<u>154,992</u>	<u>337,647</u>	<u>26,311</u>
Long-Term Liabilities:				
Advances from other funds	-	27,734	-	-
Deferred revenue	15	14,671	4,307	2,604
Total Liabilities	<u>68,961</u>	<u>197,397</u>	<u>341,954</u>	<u>28,915</u>
Fund Balances:				
Reserves for:				
Budgetary carry-forwards:				
Encumbrances	2,874	21,128	-	38,713
Restricted revenues	-	232,920	-	6,332
Multi-year projects	7,816	195,604	-	430
Construction and debt service	-	45,315	-	-
Revolving loan programs	2,200	18,390	-	11,000
Noncurrent assets	-	29,690	-	-
Total Reserved	<u>12,890</u>	<u>543,047</u>	<u>-</u>	<u>56,475</u>
Unreserved	<u>1,021</u>	<u>-</u>	<u>-</u>	<u>98</u>
Total Fund Balances	<u>13,912</u>	<u>543,047</u>	<u>-</u>	<u>56,573</u>
Total Liabilities and Fund Balances	<u>\$ 82,872</u>	<u>\$ 740,444</u>	<u>\$ 341,954</u>	<u>\$ 85,488</u>

Michigan

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS SEPTEMBER 30, 2002
\$ 4	\$ -	\$ 625	\$ 2,142
434,171	90,708	-	1,292,026
-	-	-	122,315
1,162	-	-	61,422
-	-	-	711
5,430	-	33,871	192,287
501	-	15,207	58,806
-	-	-	8,287
136	-	117	16,957
<u>441,405</u>	<u>90,708</u>	<u>49,820</u>	<u>1,754,955</u>
-	-	-	4,322
-	-	-	27,734
-	-	-	40,069
-	-	-	5,611
<u>\$ 441,405</u>	<u>\$ 90,708</u>	<u>\$ 49,820</u>	<u>\$ 1,832,691</u>
\$ 597	\$ 88	\$ 670	\$ 11,932
30,108	354	42,538	519,993
-	-	1,162	95,075
529	-	5,451	42,392
<u>31,234</u>	<u>442</u>	<u>49,820</u>	<u>669,392</u>
-	-	-	27,734
-	-	-	21,597
<u>31,234</u>	<u>442</u>	<u>49,820</u>	<u>718,722</u>
-	-	-	62,716
-	-	-	239,252
-	-	-	203,850
-	-	-	45,315
-	-	-	31,590
-	-	-	29,690
<u>-</u>	<u>-</u>	<u>-</u>	<u>612,412</u>
410,171	90,266	-	501,556
<u>410,171</u>	<u>90,266</u>	<u>-</u>	<u>1,113,968</u>
<u>\$ 441,405</u>	<u>\$ 90,708</u>	<u>\$ 49,820</u>	<u>\$ 1,832,691</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED
 FISCAL YEAR ENDED SEPTEMBER 30, 2002
 (In Thousands)

	STATE AERONAUTICS FUND	STATE TRUNKLINE FUND	MICHIGAN TRANSPORTATION FUND	COMPREHENSIVE TRANSPORTATION FUND
REVENUES				
Taxes	\$ 6,699	\$ -	\$ 1,910,117	\$ 78,819
From federal agencies	106,090	567,187	-	27,789
From local agencies	16,351	31,514	-	43
From services	838	-	-	-
From licenses and permits	286	15,794	58,024	294
Miscellaneous	756	48,394	4,754	1,981
Total Revenues	<u>131,020</u>	<u>662,889</u>	<u>1,972,895</u>	<u>108,926</u>
EXPENDITURES				
Current:				
Transportation	159,330	508,890	920,948	244,144
Capital outlay	-	792,762	-	-
Debt service:				
Capital lease payments	-	252	-	-
Total Expenditures	<u>159,330</u>	<u>1,301,903</u>	<u>920,948</u>	<u>244,144</u>
Excess of Revenues over (under) Expenditures	<u>(28,310)</u>	<u>(639,014)</u>	<u>1,051,947</u>	<u>(135,218)</u>
OTHER FINANCING SOURCES (USES)				
Bonds and notes issued	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers from other funds	24,599	830,788	1,340	161,769
Transfers to other funds	(279)	(95,720)	(1,053,286)	(44,180)
Total Other Financing Sources (Uses)	<u>24,321</u>	<u>735,067</u>	<u>(1,051,947)</u>	<u>117,589</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(3,990)</u>	<u>96,054</u>	<u>-</u>	<u>(17,629)</u>
Fund Balances - Beginning of fiscal year	<u>17,901</u>	<u>446,993</u>	<u>-</u>	<u>74,202</u>
Fund Balances - End of fiscal year	<u>\$ 13,912</u>	<u>\$ 543,047</u>	<u>\$ -</u>	<u>\$ 56,573</u>

Michigan

COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS SEPTEMBER 30, 2002
\$ -	\$ -	\$ -	\$ 1,995,635
49,334	-	194,139	944,540
6,679	-	78,687	133,273
-	-	-	838
-	-	-	74,398
8,470	251	11	64,617
<u>64,482</u>	<u>251</u>	<u>272,838</u>	<u>3,213,301</u>
3	6,143	277,694	2,117,153
364,016	-	-	1,156,778
-	-	-	252
<u>364,019</u>	<u>6,143</u>	<u>277,694</u>	<u>3,274,182</u>
<u>(299,537)</u>	<u>(5,892)</u>	<u>(4,856)</u>	<u>(60,881)</u>
200,000	82,310	-	282,310
-	6,722	-	6,722
8,640	-	4,888	1,032,024
(16,068)	(3)	(32)	(1,209,568)
<u>192,572</u>	<u>89,030</u>	<u>4,856</u>	<u>111,489</u>
(106,965)	83,138	-	50,608
<u>517,136</u>	<u>7,128</u>	<u>-</u>	<u>1,063,361</u>
<u>\$ 410,171</u>	<u>\$ 90,266</u>	<u>\$ -</u>	<u>\$ 1,113,968</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, 2002
(In Thousands)**

	STATE AERONAUTICS FUND		
Statutory/Budgetary Basis	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES			
Taxes	\$ 6,699	\$ 6,699	\$ -
From federal agencies	106,090	106,090	-
From local agencies	16,351	16,351	-
From services	838	838	-
From licenses and permits	286	286	-
Miscellaneous	756	756	-
Transfers in	24,599	24,599	-
Total Revenues and Other Sources	155,619	155,619	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Transportation	164,397	162,483	1,914
Total Expenditures, Transfers Out, and Encumbrances	164,397	162,483	1,914
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (8,778)	(6,864)	\$ 1,914
Reconciling Items:			
Encumbrances at September 30		2,874	
Funds not annually budgeted		-	
Net Reconciling Items		2,874	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(3,990)	
FUND BALANCES (GAAP BASIS)			
Beginning balances		17,901	
Ending balances (GAAP Basis)		\$ 13,912	

Michigan

STATE TRUNKLINE FUND			MICHIGAN TRANSPORTATION FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ 1,910,117	\$ 1,910,117	\$ -
567,187	567,187	-	-	-	-
31,514	31,514	-	-	-	-
-	-	-	-	-	-
15,794	15,794	-	58,024	58,024	-
48,394	48,394	-	4,754	4,754	-
830,788	830,788	-	1,340	1,340	-
<u>1,493,677</u>	<u>1,493,677</u>	<u>-</u>	<u>1,974,234</u>	<u>1,974,234</u>	<u>-</u>
<u>1,558,326</u>	<u>1,418,752</u>	<u>139,574</u>	<u>2,010,217</u>	<u>1,974,234</u>	<u>35,983</u>
<u>1,558,326</u>	<u>1,418,752</u>	<u>139,574</u>	<u>2,010,217</u>	<u>1,974,234</u>	<u>35,983</u>
<u>\$ (64,649)</u>	<u>74,925</u>	<u>\$ 139,574</u>	<u>\$ (35,983)</u>	<u>-</u>	<u>\$ 35,983</u>
	21,128			-	
	-			-	
	<u>21,128</u>			-	
	96,054			-	
	446,993			-	
	<u>\$ 543,047</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, 2002
(In Thousands)

<u>Statutory/Budgetary Basis</u>	COMPREHENSIVE TRANSPORTATION FUND		
	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES			
Taxes	\$ 78,819	\$ 78,819	\$ -
From federal agencies	27,789	27,789	-
From local agencies	43	43	-
From services	-	-	-
From licenses and permits	294	294	-
Miscellaneous	1,981	1,981	-
Transfers in	161,769	161,769	-
Total Revenues and Other Sources	270,695	270,695	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Transportation	343,879	327,037	16,842
Total Expenditures, Transfers Out, and Encumbrances	343,879	327,037	16,842
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (73,184)	(56,342)	\$ 16,842
Reconciling Items:			
Encumbrances at September 30		38,713	
Funds not annually budgeted		-	
Net Reconciling Items		38,713	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(17,629)	
FUND BALANCES (GAAP BASIS)			
Beginning balances		74,202	
Ending balances (GAAP Basis)		\$ 56,573	

Michigan

FUNDS NOT ANNUALLY BUDGETED					
COMBINED STATE TRUNKLINE BOND PROCEEDS FUND	COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND	TRANSPORTATION RELATED TRUST FUNDS	TOTALS		
ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ 1,995,635	\$ 1,995,635	\$ -
-	-	-	701,066	701,066	-
-	-	-	47,907	47,907	-
-	-	-	838	838	-
-	-	-	74,398	74,398	-
-	-	-	55,886	55,886	-
-	-	-	1,018,496	1,018,496	-
-	-	-	3,894,226	3,894,226	-
-	-	-	4,076,819	3,882,506	194,313
-	-	-	4,076,819	3,882,506	194,313
-	-	-	\$ (182,594)	11,719	\$ 194,313
-	-	-	-	62,716	-
(106,965)	83,138	-	-	(23,828)	-
(106,965)	83,138	-	-	38,888	-
(106,965)	83,138	-	-	50,608	-
517,136	7,128	-	-	1,063,361	-
\$ 410,171	\$ 90,266	\$ -	-	\$ 1,113,968	-

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. Revenues of this fund are pledged as necessary for repayment of State Park Gross Revenue Bonds.

COMBINED RECREATION BOND FUND - LOCAL PROJECTS

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

FOREST DEVELOPMENT FUND

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

MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND

The Michigan Underground Storage Tank Financial Assurance Fund (MUSTFA) was established 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.

BOTTLE DEPOSITS FUND

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

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

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

Michigan

**COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED
SEPTEMBER 30, 2002
(In Thousands)**

	GAME AND FISH PROTECTION FUND	MICHIGAN STATE WATERWAYS FUND	MARINE SAFETY FUND	GAME AND FISH PROTECTION TRUST FUND	STATE PARK IMPROVEMENT FUND
ASSETS					
Current Assets:					
Cash	\$ 2	\$ 3	\$ -	\$ 15	\$ 54
Equity in common cash	29,168	62,331	4,015	12,053	13,481
Taxes, interest, and penalties receivable	-	280	-	-	-
Amounts due from other funds	-	-	-	-	-
Amounts due from federal agencies	972	-	257	-	-
Amounts due from local units	-	-	-	-	-
Inventories	-	47	-	-	-
Securities lending collateral	-	-	-	4,843	-
Other current assets	4,090	9	-	1,868	872
Total Current Assets	34,233	62,670	4,272	18,780	14,408
Taxes, interest, and penalties receivable	-	197	-	-	-
Amounts due from local units	-	-	-	-	-
Investments	1,768	-	-	80,970	-
Other noncurrent assets	-	-	-	-	-
Total Assets	\$ 36,000	\$ 62,867	\$ 4,272	\$ 99,749	\$ 14,408
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Warrants outstanding	\$ 477	\$ 185	\$ 177	\$ -	\$ 338
Obligations under security lending	-	-	-	4,843	-
Accounts payable and other liabilities	3,722	3,370	2,893	-	2,357
Amounts due to other funds	176	36	2	-	96
Deferred revenue	-	-	-	-	710
Total Current Liabilities	4,375	3,592	3,073	4,843	3,501
Long-Term Liabilities:					
Deferred revenue	-	197	-	-	-
Total Liabilities	4,375	3,789	3,073	4,843	3,501
Fund Balances:					
Reserves for:					
Budgetary Carry-Forwards:					
Encumbrances	2,705	10,903	124	-	682
Restricted revenues	11,563	6,955	-	-	300
Multi-year projects	1,000	30,273	-	-	4,218
Revolving loan programs	-	-	-	-	-
Funds held as permanent investments	1,891	-	-	88,906	-
Total Reserved	17,160	48,131	124	88,906	5,200
Unreserved	14,466	10,948	1,076	6,000	5,707
Total Fund Balances	31,626	59,079	1,200	94,906	10,907
Total Liabilities and Fund Balances	\$ 36,000	\$ 62,867	\$ 4,272	\$ 99,749	\$ 14,408

Michigan

COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN NONGAME FISH AND WILDLIFE FUND	FOREST DEVELOPMENT FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND	BOTTLE DEPOSITS FUND	TOTALS SEPTEMBER 30, 2002
\$ -	\$ -	\$ -	\$ 13	\$ -	\$ 45	\$ 133
10,838	-	1,526	11,503	1,976	118,534	265,426
-	-	-	-	6,377	-	6,657
-	-	-	-	1,000	34,020	35,020
-	-	-	377	-	-	1,606
-	380	-	-	-	-	380
-	-	-	-	-	-	47
-	-	-	-	-	-	4,843
-	2	86	10	8	4,438	11,383
<u>10,838</u>	<u>382</u>	<u>1,612</u>	<u>11,903</u>	<u>9,361</u>	<u>157,037</u>	<u>325,497</u>
-	-	-	-	124	-	321
-	-	-	-	-	4,642	4,642
-	-	5,053	-	-	-	87,791
-	-	-	-	-	437	437
<u>\$ 10,838</u>	<u>\$ 382</u>	<u>\$ 6,666</u>	<u>\$ 11,903</u>	<u>\$ 9,485</u>	<u>\$ 162,117</u>	<u>\$ 418,688</u>
\$ 976	\$ 656	\$ 7	\$ 97	\$ 53	\$ 1,317	\$ 4,284
-	-	-	-	-	-	4,843
10,265	34,060	98	2,947	224	6,142	66,078
1	34,023	1	61	5,290	4	39,691
-	-	-	13	1,100	373	2,197
<u>11,242</u>	<u>68,739</u>	<u>106</u>	<u>3,118</u>	<u>6,667</u>	<u>7,836</u>	<u>117,092</u>
-	-	-	-	124	437	758
<u>11,242</u>	<u>68,739</u>	<u>106</u>	<u>3,118</u>	<u>6,791</u>	<u>8,273</u>	<u>117,850</u>
-	-	82	558	239	2,739	18,033
-	-	-	-	1,627	118,910	139,356
-	-	-	828	5,000	10,669	51,987
-	-	-	-	-	5,473	5,473
-	-	6,060	-	-	16,052	112,909
-	-	6,142	1,386	6,866	153,843	327,758
(404)	(68,357)	417	7,399	(4,172)	-	(26,920)
(404)	(68,357)	6,559	8,785	2,694	153,843	300,837
<u>\$ 10,838</u>	<u>\$ 382</u>	<u>\$ 6,666</u>	<u>\$ 11,903</u>	<u>\$ 9,485</u>	<u>\$ 162,117</u>	<u>\$ 418,688</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - CONSERVATION, ENVIRONMENT, AND RECREATION RELATED
 FISCAL YEAR ENDED SEPTEMBER 30, 2002
 (In Thousands)

	GAME AND FISH PROTECTION FUND	MICHIGAN STATE WATERWAYS FUND	MARINE SAFETY FUND	GAME AND FISH PROTECTION TRUST FUND	STATE PARK IMPROVEMENT FUND
REVENUES					
Taxes	\$ -	\$ 344	\$ -	\$ -	\$ -
From federal agencies	2,341	289	-	-	-
From licenses and permits	49,052	7,020	5,144	-	31,163
Miscellaneous	2,380	2,116	114	12,012	575
Total Revenues	<u>53,773</u>	<u>9,769</u>	<u>5,258</u>	<u>12,012</u>	<u>31,738</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Conservation, environment, recreation, and agriculture	55,064	22,717	7,011	53	29,233
Health services	-	-	-	-	-
Capital outlay	5,693	6,022	-	-	3,351
Total Expenditures	<u>60,756</u>	<u>28,739</u>	<u>7,011</u>	<u>53</u>	<u>32,585</u>
Excess of Revenues over (under) Expenditures	<u>(6,984)</u>	<u>(18,971)</u>	<u>(1,754)</u>	<u>11,959</u>	<u>(847)</u>
OTHER FINANCING SOURCES (USES)					
Bonds and notes issued	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-
Transfers from other funds	11,467	14,927	1	-	-
Transfers to other funds	(1,579)	(418)	(1,120)	(11,478)	(212)
Total Other Financing Sources (Uses)	<u>9,887</u>	<u>14,509</u>	<u>(1,119)</u>	<u>(11,478)</u>	<u>(212)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	2,904	(4,462)	(2,873)	481	(1,059)
Fund Balances - Beginning of fiscal year	<u>28,722</u>	<u>63,541</u>	<u>4,073</u>	<u>94,424</u>	<u>11,966</u>
Fund Balances - End of fiscal year	<u>\$ 31,626</u>	<u>\$ 59,079</u>	<u>\$ 1,200</u>	<u>\$ 94,906</u>	<u>\$ 10,907</u>

Michigan

COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN NONGAME FISH AND WILDLIFE FUND	FOREST DEVELOPMENT FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND	BOTTLE DEPOSITS FUND	TOTALS SEPTEMBER 30, 2002
\$ -	\$ -	\$ -	\$ -	\$ 60,514	\$ -	\$ 60,858
-	-	7	384	-	-	3,020
-	-	-	1	-	-	92,380
<u>381</u>	<u>2,600</u>	<u>646</u>	<u>23,156</u>	<u>37</u>	<u>32,083</u>	<u>76,099</u>
<u>381</u>	<u>2,600</u>	<u>652</u>	<u>23,541</u>	<u>60,551</u>	<u>32,083</u>	<u>232,357</u>
-	-	-	-	326	-	326
20,046	85,761	772	22,702	3,443	25,359	272,162
-	1,435	-	-	-	-	1,435
-	-	-	173	-	-	15,239
<u>20,046</u>	<u>87,197</u>	<u>772</u>	<u>22,875</u>	<u>3,769</u>	<u>25,359</u>	<u>289,162</u>
<u>(19,666)</u>	<u>(84,597)</u>	<u>(119)</u>	<u>666</u>	<u>56,782</u>	<u>6,724</u>	<u>(56,805)</u>
30,353	5,000	-	-	-	-	35,353
2,361	-	-	-	-	-	2,361
-	-	-	-	4,000	-	30,394
<u>(3)</u>	<u>(21)</u>	<u>(6)</u>	<u>(147)</u>	<u>(66,451)</u>	<u>(151)</u>	<u>(81,585)</u>
<u>32,712</u>	<u>4,979</u>	<u>(6)</u>	<u>(147)</u>	<u>(62,451)</u>	<u>(151)</u>	<u>(13,477)</u>
13,046	(79,618)	(125)	519	(5,669)	6,573	(70,282)
<u>(13,450)</u>	<u>11,261</u>	<u>6,684</u>	<u>8,266</u>	<u>8,363</u>	<u>147,270</u>	<u>371,119</u>
<u>\$ (404)</u>	<u>\$ (68,357)</u>	<u>\$ 6,559</u>	<u>\$ 8,785</u>	<u>\$ 2,694</u>	<u>\$ 153,843</u>	<u>\$ 300,837</u>

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, 2002
(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>
REVENUES AND OTHER SOURCES						
Taxes	\$ -	\$ -	\$ -	\$ 344	\$ 344	\$ -
From federal agencies	2,341	2,341	-	289	289	-
From licenses and permits	49,052	49,052	-	7,020	7,020	-
Miscellaneous	2,380	2,380	-	2,116	2,116	-
Transfers in	11,467	11,467	-	14,927	14,927	-
Total Revenues and Other Sources	<u>65,240</u>	<u>65,240</u>	<u>-</u>	<u>24,695</u>	<u>24,695</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Natural Resources	<u>69,161</u>	<u>65,041</u>	<u>4,120</u>	<u>40,320</u>	<u>40,060</u>	<u>260</u>
Total Expenditures, Transfers Out and Encumbrances	<u>69,161</u>	<u>65,041</u>	<u>4,120</u>	<u>40,320</u>	<u>40,060</u>	<u>260</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (3,922)</u>	<u>198</u>	<u>\$ 4,120</u>	<u>\$ (15,625)</u>	<u>(15,365)</u>	<u>\$ 260</u>
Reconciling Items:						
Encumbrances at September 30		2,705			10,903	
Funds not annually budgeted		-			-	
Net Reconciling Items		<u>2,705</u>			<u>10,903</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>2,904</u>			<u>(4,462)</u>	
FUND BALANCES (GAAP BASIS)						
Beginning balances		<u>28,722</u>			<u>63,541</u>	
Ending balances (GAAP Basis)		<u>\$ 31,626</u>			<u>\$ 59,079</u>	

Michigan

MARINE SAFETY FUND			STATE PARK IMPROVEMENT FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
5,144	5,144	-	31,163	31,163	-
114	114	-	575	575	-
<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5,259</u>	<u>5,259</u>	<u>-</u>	<u>31,738</u>	<u>31,738</u>	<u>-</u>
 <u>8,258</u>	 <u>8,255</u>	 <u>3</u>	 <u>33,654</u>	 <u>33,479</u>	 <u>174</u>
 <u>8,258</u>	 <u>8,255</u>	 <u>3</u>	 <u>33,654</u>	 <u>33,479</u>	 <u>174</u>
 <u>\$ (3,000)</u>	 <u>(2,997)</u>	 <u>\$ 3</u>	 <u>\$ (1,916)</u>	 <u>(1,742)</u>	 <u>\$ 174</u>
	124			682	
	<u>-</u>			<u>-</u>	
	<u>124</u>			<u>682</u>	
	 <u>(2,873)</u>			 <u>(1,059)</u>	
	 <u>4,073</u>			 <u>11,966</u>	
	 <u>\$ 1,200</u>			 <u>\$ 10,907</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, 2002
(In Thousands)

Statutory/Budgetary Basis	MICHIGAN NONGAME FISH AND WILDLIFE FUND			FOREST DEVELOPMENT FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From federal agencies	7	7	-	384	384	-
From licenses and permits	-	-	-	1	1	-
Miscellaneous	646	646	-	23,156	23,156	-
Transfers in	-	-	-	-	-	-
Total Revenues and Other Sources	652	652	-	23,541	23,541	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Natural Resources	1,026	860	166	26,615	23,580	3,035
Total Expenditures, Transfers Out and Encumbrances	1,026	860	166	26,615	23,580	3,035
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	\$ (374)	(207)	\$ 166	\$ (3,074)	(39)	\$ 3,035
Reconciling Items:						
Encumbrances at September 30		82			558	
Funds not annually budgeted		-			-	
Net Reconciling Items		82			558	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		(125)			519	
FUND BALANCES (GAAP BASIS)						
Beginning balances		6,684			8,266	
Ending balances (GAAP Basis)		\$ 6,559			\$ 8,785	

Michigan

FUNDS NOT ANNUALLY BUDGETED

GAME AND FISH PROTECTION TRUST FUND	COMBINED RECREATION BOND FUND- LOCAL PROJECTS	COMBINED ENVIRONMENTAL PROTECTION BOND FUND	MICHIGAN UNDERGROUND STORAGE TANK FINANCIAL ASSURANCE FUND	BOTTLE DEPOSITS FUND	TOTALS		
					BUDGET	ACTUAL	VARIANCE
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344	\$ 344	\$ -
-	-	-	-	-	3,020	3,020	-
-	-	-	-	-	92,380	92,380	-
-	-	-	-	-	28,987	28,987	-
-	-	-	-	-	26,394	26,394	-
-	-	-	-	-	151,124	151,124	-
-	-	-	-	-	179,034	171,275	7,759
-	-	-	-	-	179,034	171,275	7,759
-	-	-	-	-	<u>\$ (27,909)</u>	(20,151)	<u>\$ 7,759</u>
-	-	-	-	-		15,055	
481	13,046	(79,618)	(5,669)	6,573		(65,186)	
481	13,046	(79,618)	(5,669)	6,573		(50,131)	
481	13,046	(79,618)	(5,669)	6,573		(70,282)	
94,424	(13,450)	11,261	8,363	147,270		371,119	
<u>\$ 94,906</u>	<u>\$ (404)</u>	<u>\$ (68,357)</u>	<u>\$ 2,694</u>	<u>\$ 153,843</u>		<u>\$ 300,837</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 Bureau of Worker's and Unemployment Compensation, 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 fiscal year 1999-2000 in accordance with P.A. 357 of 1996 and sufficient equity in common cash was retained to cover the remaining liabilities. During fiscal year 2001-2002, the remaining unused cash was transferred to the General Fund.

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, 2002
 (In Thousands)

	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND	SAFETY EDUCATION AND TRAINING FUND	STATE CONSTRUCTION CODE FUND	HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND
ASSETS				
Current Assets:				
Cash	\$ 5	\$ -	\$ -	\$ -
Equity in common cash	-	4,200	12,496	1,972
Amounts due from other funds	11,818	-	-	-
Amounts due from federal agencies	10,038	-	-	-
Other current assets	246	14	129	-
Total Current Assets	<u>22,107</u>	<u>4,214</u>	<u>12,626</u>	<u>1,972</u>
Total Assets	<u>\$ 22,107</u>	<u>\$ 4,214</u>	<u>\$ 12,626</u>	<u>\$ 1,972</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Warrants outstanding	\$ 366	\$ 75	\$ 13	\$ 4
Accounts payable and other liabilities	6,149	194	323	42
Amounts due to other funds	15,592	14	28	-
Deferred revenue	-	-	-	-
Total Current Liabilities	<u>22,107</u>	<u>284</u>	<u>364</u>	<u>46</u>
Total Liabilities	<u>22,107</u>	<u>284</u>	<u>364</u>	<u>46</u>
Fund Balances:				
Reserves for:				
Budgetary carry-forwards:				
Encumbrances	-	90	61	17
Restricted revenues	-	-	-	-
Total Reserved	<u>-</u>	<u>90</u>	<u>61</u>	<u>17</u>
Unreserved	<u>-</u>	<u>3,839</u>	<u>12,201</u>	<u>1,909</u>
Total Fund Balances	<u>-</u>	<u>3,930</u>	<u>12,262</u>	<u>1,926</u>
Total Liabilities and Fund Balances	<u>\$ 22,107</u>	<u>\$ 4,214</u>	<u>\$ 12,626</u>	<u>\$ 1,972</u>

Michigan

STATE CASINO GAMING FUND	SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS SEPTEMBER 30, 2002
\$ 8	\$ -	\$ -	\$ -	\$ -	\$ 13
4,813	21,170	3,043	6,681	2,809	57,185
-	-	-	-	-	11,818
-	-	-	-	-	10,038
121	178	36	87	-	811
<u>4,942</u>	<u>21,348</u>	<u>3,079</u>	<u>6,768</u>	<u>2,809</u>	<u>79,865</u>
<u>\$ 4,942</u>	<u>\$ 21,348</u>	<u>\$ 3,079</u>	<u>\$ 6,768</u>	<u>\$ 2,809</u>	<u>\$ 79,865</u>
\$ 19	\$ 475	\$ 42	\$ 28	\$ -	\$ 1,022
586	3,389	940	372	94	12,090
26	5	2	2	1	15,669
20	2,539	528	1,089	-	4,176
<u>650</u>	<u>6,408</u>	<u>1,512</u>	<u>1,491</u>	<u>95</u>	<u>32,958</u>
650	6,408	1,512	1,491	95	32,958
222	-	-	-	-	390
3,462	-	-	-	-	3,462
<u>3,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,852</u>
607	14,940	1,567	5,277	2,714	43,055
4,292	14,940	1,567	5,277	2,714	46,907
<u>\$ 4,942</u>	<u>\$ 21,348</u>	<u>\$ 3,079</u>	<u>\$ 6,768</u>	<u>\$ 2,809</u>	<u>\$ 79,865</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED
FISCAL YEAR ENDED SEPTEMBER 30, 2002
(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
REVENUES					
From federal agencies	\$ 120,040	\$ -	\$ -	\$ -	\$ -
From services	-	-	-	5	-
From licenses and permits	-	-	-	8,095	-
Miscellaneous	95	6,971	479	277	429
Total Revenues	120,136	6,971	479	8,378	429
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Labor, commerce, and regulatory	133,640	6,521	-	10,287	1,019
Debt Service:					
Capital lease payments	820	-	-	-	-
Total Expenditures	134,461	6,521	-	10,287	1,019
Excess of Revenues over (under) Expenditures	(14,325)	450	479	(1,909)	(590)
OTHER FINANCING SOURCES (USES)					
Capital lease acquisitions	2,804	-	-	-	-
Transfers from other funds	13,371	-	-	-	-
Transfers to other funds	(1,850)	(48)	(479)	(95)	(17)
Total Other Financing Sources (Uses)	14,325	(48)	(479)	(95)	(17)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	-	402	-	(2,004)	(607)
Fund Balances - Beginning of fiscal year	-	3,528	-	14,266	2,533
Fund Balances - End of fiscal year	<u>\$ -</u>	<u>\$ 3,930</u>	<u>\$ -</u>	<u>\$ 12,262</u>	<u>\$ 1,926</u>

Michigan

STATE CASINO GAMING FUND	SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS SEPTEMBER 30, 2002
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,040
-	-	-	-	-	6
513	-	-	-	-	8,609
<u>28,010</u>	<u>18,322</u>	<u>2,395</u>	<u>7,127</u>	<u>1,012</u>	<u>65,117</u>
<u>28,524</u>	<u>18,322</u>	<u>2,395</u>	<u>7,127</u>	<u>1,012</u>	<u>193,772</u>
13,871	-	-	-	215	14,086
-	23,694	3,751	5,341	277	184,531
-	-	-	-	-	820
<u>13,871</u>	<u>23,694</u>	<u>3,751</u>	<u>5,341</u>	<u>492</u>	<u>199,437</u>
<u>14,652</u>	<u>(5,372)</u>	<u>(1,356)</u>	<u>1,785</u>	<u>520</u>	<u>(5,665)</u>
-	-	-	-	-	2,804
-	-	-	763	-	14,134
<u>(20,947)</u>	<u>(19)</u>	<u>(8)</u>	<u>(306)</u>	<u>(3)</u>	<u>(23,773)</u>
<u>(20,947)</u>	<u>(19)</u>	<u>(8)</u>	<u>457</u>	<u>(3)</u>	<u>(6,834)</u>
(6,294)	(5,391)	(1,363)	2,243	516	(12,500)
<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>\$ 4,292</u>	<u>\$ 14,940</u>	<u>\$ 1,567</u>	<u>\$ 5,277</u>	<u>\$ 2,714</u>	<u>\$ 46,907</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, 2002
(In Thousands)

Statutory/Budgetary Basis	MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND			SAFETY EDUCATION AND TRAINING FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
From federal agencies	\$ 120,040	\$ 120,040	\$ -	\$ -	\$ -	\$ -
From services	-	-	-	-	-	-
From licenses and permits	-	-	-	-	-	-
Miscellaneous	95	95	-	6,971	6,971	-
Transfers in	13,371	13,371	-	-	-	-
Total Revenues and Other Sources	<u>133,506</u>	<u>133,506</u>	<u>-</u>	<u>6,971</u>	<u>6,971</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Consumer and Industry Services	133,506	133,506	-	7,234	6,659	574
Treasury	-	-	-	-	-	-
Total Expenditures, Transfers Out, and Encumbrances	<u>133,506</u>	<u>133,506</u>	<u>-</u>	<u>7,234</u>	<u>6,659</u>	<u>574</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ (263)</u>	<u>311</u>	<u>\$ 574</u>
Reconciling Items:						
Encumbrances at September 30		-			90	
Funds not annually budgeted		-			-	
Net Reconciling Items		<u>-</u>			<u>90</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>-</u>			<u>402</u>	
FUND BALANCES (GAAP BASIS)						
Beginning balances		-			3,528	
Ending balances (GAAP Basis)		<u>\$ -</u>			<u>\$ 3,930</u>	

Michigan

STATE CONSTRUCTION CODE FUND			HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	5	-	-	-	-
8,095	8,095	-	-	-	-
277	277	-	429	429	-
-	-	-	-	-	-
8,378	8,378	-	429	429	-
11,386	10,442	944	1,535	1,053	482
-	-	-	-	-	-
11,386	10,442	944	1,535	1,053	482
\$ (3,008)	(2,065)	\$ 944	\$ (1,106)	(624)	\$ 482
	61			17	
	-			-	
	61			17	
	(2,004)			(607)	
	14,266			2,533	
	\$ 12,262			\$ 1,926	

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, 2002

(In Thousands)

<u>Statutory/Budgetary Basis</u>	STATE CASINO GAMING FUND		
	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES			
From federal agencies	\$ -	\$ -	\$ -
From services	-	-	-
From licenses and permits	513	513	-
Miscellaneous	28,010	28,010	-
Transfers in	-	-	-
	28,524	28,524	-
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY			
Consumer and Industry Services	-	-	-
Treasury	35,061	35,040	21
	35,061	35,040	21
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (6,538)</u>	<u>(6,516)</u>	<u>\$ 21</u>
Reconciling Items:			
Encumbrances at September 30		222	
Funds not annually budgeted		-	
Net Reconciling Items		222	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(6,294)</u>	
FUND BALANCES (GAAP BASIS)			
Beginning balances		10,586	
Ending balances (GAAP Basis)		<u>\$ 4,292</u>	

Michigan

FUNDS NOT ANNUALLY BUDGETED

SECOND INJURY FUND	SILICOSIS, DUST DISEASE, AND LOGGING INDUSTRY COMPENSATION FUND	SELF-INSURERS' SECURITY FUND	UTILITY CONSUMER REPRESENTATION FUND	TOTALS		
				BUDGET	ACTUAL	VARIANCE
ACTUAL	ACTUAL	ACTUAL	ACTUAL			
\$ -	\$ -	\$ -	\$ -	\$ 120,040	\$ 120,040	\$ -
-	-	-	-	6	6	-
-	-	-	-	8,609	8,609	-
-	-	-	-	35,782	35,782	-
-	-	-	-	13,371	13,371	-
-	-	-	-	177,807	177,807	-
-	-	-	-	153,661	151,661	2,000
-	-	-	-	35,061	35,040	21
-	-	-	-	188,723	186,701	2,022
-	-	-	-	<u>\$ (10,916)</u>	<u>(8,894)</u>	<u>\$ 2,022</u>
-	-	-	-		390	
(5,391)	(1,363)	2,243	516		(3,996)	
(5,391)	(1,363)	2,243	516		(3,606)	
(5,391)	(1,363)	2,243	516		(12,500)	
20,331	2,931	3,034	2,198		59,407	
<u>\$ 14,940</u>	<u>\$ 1,567</u>	<u>\$ 5,277</u>	<u>\$ 2,714</u>		<u>\$ 46,907</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, and Special Assessment Deferment.

Michigan

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS - OTHER STATE FUNDS
 SEPTEMBER 30, 2002
 (In Thousands)

	SCHOOL BOND LOAN FUND	TOBACCO SETTLEMENT TRUST FUND	MICHIGAN MERIT AWARD TRUST FUND
ASSETS			
Current Assets:			
Equity in common cash	\$ 48	\$ 85,196	\$ 135,552
Other current assets	-	-	-
Total Current Assets	48	85,196	135,552
Other noncurrent assets	-	-	-
Total Assets	\$ 48	\$ 85,196	\$ 135,552
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Warrants outstanding	\$ -	\$ 181	\$ 160
Accounts payable and other liabilities	5	3,659	125,813
Amounts due to other funds	-	1	6
Deferred revenue	-	-	-
Total Current Liabilities	5	3,841	125,978
Long-Term Liabilities:			
Deferred revenue	-	-	-
Total Liabilities	5	3,841	125,978
Fund Balances:			
Reserves for:			
Budgetary Carry-Forwards:			
Encumbrances	-	10,042	187
Multi-year projects	-	12,708	450
Noncurrent assets	-	-	-
Total Reserved	-	22,750	637
Unreserved	42	58,605	8,937
Total Fund Balances	42	81,355	9,574
Total Liabilities and Fund Balances	\$ 48	\$ 85,196	\$ 135,552

Michigan

ASSIGNED CLAIMS FACILITY AND PLAN FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS	<u>TOTALS</u> SEPTEMBER 30, 2002
\$ 131	\$ 1,220	\$ 222,147
<u>629</u>	<u>223</u>	<u>852</u>
<u>760</u>	<u>1,443</u>	<u>222,999</u>
-	1,174	1,174
<u>\$ 760</u>	<u>\$ 2,616</u>	<u>\$ 224,172</u>
\$ 6	\$ -	\$ 347
-	35	129,511
-	-	7
<u>754</u>	<u>-</u>	<u>754</u>
<u>760</u>	<u>35</u>	<u>130,620</u>
-	141	141
<u>760</u>	<u>176</u>	<u>130,762</u>
-	-	10,229
-	-	13,158
<u>-</u>	<u>1,174</u>	<u>1,174</u>
<u>-</u>	<u>1,174</u>	<u>24,561</u>
-	1,266	68,850
<u>-</u>	<u>2,440</u>	<u>93,411</u>
<u>\$ 760</u>	<u>\$ 2,616</u>	<u>\$ 224,172</u>

Michigan

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS - OTHER STATE FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2002
 (In Thousands)

	SCHOOL BOND LOAN FUND	TOBACCO SETTLEMENT TRUST FUND	MICHIGAN MERIT AWARD TRUST FUND
REVENUES			
Miscellaneous	\$ -	\$ 86,881	\$ 248,570
Total Revenues	<u>-</u>	<u>86,881</u>	<u>248,570</u>
EXPENDITURES			
Current:			
General government	332	45,000	19,348
Education	-	-	130,168
Public safety and corrections	-	-	-
Labor, commerce, and regulatory	-	23,429	-
Health services	-	80,732	-
Debt Service:			
Bond interest and fiscal charges	1,240	-	-
Total Expenditures	<u>1,572</u>	<u>149,160</u>	<u>149,517</u>
Excess of Revenues over (under) Expenditures	<u>(1,572)</u>	<u>(62,279)</u>	<u>99,053</u>
OTHER FINANCING SOURCES (USES)			
Bonds and notes issued	97,725	-	-
Transfers to other funds	(97,161)	(27,500)	(131,524)
Total Other Financing Sources (Uses)	<u>564</u>	<u>(27,500)</u>	<u>(131,524)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(1,008)	(89,779)	(32,470)
Fund Balances - Beginning of fiscal year	<u>1,050</u>	<u>171,134</u>	<u>42,044</u>
Fund Balances - End of fiscal year	<u>\$ 42</u>	<u>\$ 81,355</u>	<u>\$ 9,574</u>

Michigan

ASSIGNED CLAIMS FACILITY AND PLAN FUND	MISCELLANEOUS SPECIAL REVENUE FUNDS	<u>TOTALS</u> SEPTEMBER 30, 2002
\$ 68,273	\$ 174	\$ 403,898
68,273	174	403,898
67,586	-	132,266
-	-	130,168
-	797	797
-	-	23,429
-	-	80,732
-	-	1,240
67,586	797	368,632
687	(623)	35,266
-	-	97,725
(687)	(6)	(256,877)
(687)	(6)	(159,152)
-	(629)	(123,886)
-	3,069	217,297
\$ -	\$ 2,440	\$ 93,411

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, 2002
(In Thousands)**

Statutory/Budgetary Basis	TOBACCO SETTLEMENT TRUST FUND			MICHIGAN MERIT AWARD TRUST FUND		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES AND OTHER SOURCES						
Miscellaneous	\$ 86,881	\$ 86,881	\$ -	\$ 248,570	\$ 248,570	\$ -
Total Revenues and Other Sources	<u>86,881</u>	<u>86,881</u>	<u>-</u>	<u>248,570</u>	<u>248,570</u>	<u>-</u>
EXPENDITURES, TRANSFERS OUT, AND ENCUMBRANCES - BY BRANCH, DEPARTMENT/AGENCY						
Career Development	28,260	28,260	-	-	-	-
Colleges and Universities Grants	-	-	-	130,168	130,168	-
Community Health	104,523	85,957	18,565	-	-	-
Management and Budget	45,000	45,000	-	-	-	-
Treasury	27,485	27,485	-	151,514	151,059	455
Total Expenditures, Transfers Out, and Encumbrances	<u>205,267</u>	<u>186,702</u>	<u>18,565</u>	<u>281,682</u>	<u>281,227</u>	<u>455</u>
Revenues and Other Sources over (under) Expenditures, Encumbrances, and Other Uses (Statutory/budgetary basis)	<u>\$ (118,386)</u>	<u>(99,821)</u>	<u>\$ 18,565</u>	<u>\$ (33,112)</u>	<u>(32,657)</u>	<u>\$ 455</u>
Reconciling Items:						
Encumbrances at September 30		10,042			187	
Funds not annually budgeted		-			-	
Net Reconciling Items		<u>10,042</u>			<u>187</u>	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (GAAP Basis)		<u>(89,779)</u>			<u>(32,470)</u>	
FUND BALANCES (GAAP BASIS)						
Beginning balances		<u>171,134</u>			<u>42,044</u>	
Ending balances (GAAP Basis)		<u>\$ 81,355</u>			<u>\$ 9,574</u>	

Michigan

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
\$ -	\$ -	\$ -	\$ 335,451	\$ 335,451	\$ -
-	-	-	335,451	335,451	-
-	-	-	28,260	28,260	-
-	-	-	130,168	130,168	-
-	-	-	104,523	85,957	18,565
-	-	-	45,000	45,000	-
-	-	-	178,999	178,544	455
-	-	-	486,950	467,929	19,020
-	-	-	<u>\$ (151,499)</u>	<u>(132,478)</u>	<u>\$ 19,020</u>
-	-	-		10,229	
(1,008)	-	(629)		(1,637)	
(1,008)	-	(629)		8,592	
(1,008)	-	(629)		(123,886)	
1,050	-	3,069		217,297	
<u>\$ 42</u>	<u>\$ -</u>	<u>\$ 2,440</u>		<u>\$ 93,411</u>	

