

**COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS**

SEPTEMBER 30, 2006

(In Thousands)

	CORRECTIONAL INDUSTRIES REVOLVING FUND	MOTOR TRANSPORT FUND	OFFICE SERVICES REVOLVING FUND
ASSETS			
Current Assets:			
Cash	\$ -	\$ 12	\$ 1
Equity in common cash	-	-	514
Amounts due from other funds	-	1,651	1,101
Amounts due from component units	-	-	-
Amounts due from federal agencies	-	-	-
Inventories	12,431	455	3,685
Other current assets	344	7,099	4,168
Total Current Assets	<u>12,774</u>	<u>9,216</u>	<u>9,469</u>
Capital Assets:			
Land and other non-depreciable assets	-	-	-
Buildings and equipment	50,178	10,484	20,198
Allowance for depreciation	(24,500)	(9,407)	(13,988)
Total capital assets	<u>25,678</u>	<u>1,077</u>	<u>6,210</u>
Total Assets	<u>\$ 38,453</u>	<u>\$ 10,294</u>	<u>\$ 15,679</u>
LIABILITIES			
Current Liabilities:			
Warrants outstanding	\$ 321	\$ 9	\$ 161
Accounts payable and other liabilities	2,622	2,905	11,694
Amounts due to other funds	1,401	327	8,127
Deferred revenue	-	-	-
Current portion of other long-term obligations	125	26	1,107
Total Current Liabilities	<u>4,470</u>	<u>3,268</u>	<u>21,090</u>
Long-Term Liabilities:			
Advances from other funds	7,295	-	-
Noncurrent portion of other long-term obligations	1,534	451	2,933
Total Liabilities	<u>\$ 13,299</u>	<u>\$ 3,718</u>	<u>\$ 24,022</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 25,678	\$ 1,077	\$ 4,368
Restricted for other purposes	-	5,498	-
Unrestricted	(524)	-	(12,712)
Total Net Assets	<u>\$ 25,154</u>	<u>\$ 6,575</u>	<u>\$ (8,343)</u>

Michigan

COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2006

(In Thousands)

	INFORMATION TECHNOLOGY FUND	RISK MANAGEMENT FUND	STATE SPONSORED GROUP INSURANCE FUND	TOTALS
ASSETS				
Current Assets:				
Cash	\$ -	\$ -	\$ -	\$ 13
Equity in common cash	36,188	9,136	193,364	239,203
Amounts due from other funds	3,022	-	19,783	25,557
Amounts due from component units	-	-	92	92
Amounts due from federal agencies	-	-	20,000	20,000
Inventories	21	-	-	16,591
Other current assets	3,600	1,550	18,863	35,623
Total Current Assets	<u>42,831</u>	<u>10,686</u>	<u>252,102</u>	<u>337,080</u>
Capital Assets:				
Land and other non-depreciable assets	9,170	-	-	9,170
Buildings and equipment	523,849	4	-	604,712
Allowance for depreciation	(342,511)	(4)	-	(390,409)
Total capital assets	<u>190,507</u>	<u>-</u>	<u>-</u>	<u>223,473</u>
Total Assets	<u>\$ 233,338</u>	<u>\$ 10,686</u>	<u>\$ 252,102</u>	<u>\$ 560,552</u>
LIABILITIES				
Current Liabilities:				
Warrants outstanding	\$ 1,585	\$ -	\$ 91	\$ 2,169
Accounts payable and other liabilities	44,075	1,013	28,010	90,320
Amounts due to other funds	1,693	8	-	11,557
Deferred revenue	16,897	-	224	17,121
Current portion of other long-term obligations	11,007	2,504	81,203	95,972
Total Current Liabilities	<u>75,257</u>	<u>3,525</u>	<u>109,528</u>	<u>217,138</u>
Long-Term Liabilities:				
Advances from other funds	-	-	-	7,295
Noncurrent portion of other long-term obligations	28,117	3,949	80,739	117,721
Total Liabilities	<u>\$ 103,374</u>	<u>\$ 7,474</u>	<u>\$ 190,267</u>	<u>\$ 342,154</u>
NET ASSETS				
Invested in capital assets, net of related debt	\$ 175,016	\$ -	\$ -	\$ 206,140
Restricted for other purposes	-	-	-	5,498
Unrestricted	(45,052)	3,213	61,835	6,760
Total Net Assets	<u>\$ 129,964</u>	<u>\$ 3,213</u>	<u>\$ 61,835</u>	<u>\$ 218,398</u>