

STATE OF MICHIGAN
NOTES TO FINANCIAL STATEMENTS (Continued)
FISCAL YEAR ENDED SEPTEMBER 30, 1999

NOTE 23 – RETAINED EARNINGS

A. Designations – Primary Government

Retained earnings of \$53.8 million in the State Sponsored Group Insurance Fund, an internal service fund, which is described in Note #27, has been designated for future catastrophic losses.

B. Reservations – Discretely Presented Component Units

Certain amounts of retained earnings of the discretely presented component units are reserved based upon restrictions placed upon the use of funds by external parties. The amounts as of September 30 are as follows (in millions):

Michigan Higher Education Student Loan Authority	\$ 8.4
Mackinac Island State Park Commission	4.7
Michigan Economic Development Corporation	56.9
Michigan State Housing Development Authority	<u>214.2</u>
Total	<u>\$ 284.1</u>

C. Fund Deficits

All proprietary type funds and discretely presented component units have positive retained earnings balances as of September 30, 1999.