



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

September 30, 2024

The Honorable Sarah Anthony, Chair
Senate Appropriations Committee
Michigan State Senate
State Capitol
Lansing, Michigan 48909

The Honorable Angela Witwer, Chair
House Appropriations Committee
Michigan House of Representatives
State Capitol
Lansing, Michigan 48909

Dear Legislators:

Attached is the monthly financial report for the month ending August 31, 2024. This report is submitted pursuant to MCL 18.1386. This report can also be found on the Internet at the following address:

www.michigan.gov/budget under "Spending and Revenue Reports".

If you have questions concerning the information in this report, please contact this office.

Sincerely,

Jennifer L. Flood
State Budget Director

Attachment

cc: Winnie Brinks, Senate Maj. Leader
Aric Nesbitt, Senate Min. Leader
Joe Tate, Speaker of the House
Matt Hall, House Min. Leader
Senate Appropriations Committee
House Appropriations Committee
Senate Fiscal Agency
House Fiscal Agency
Mary Cavanagh, Chair, Senate Finance,
Insurance, & Consumer Protection Com.

Cynthia Neeley, Chair, House Tax Policy Com.
JoAnne Huls, Executive Office
Tricia Foster, Executive Office
Zack Pohl, Executive Office
Rachael Eubanks, State Treasurer
Kyle Guerrant, Deputy State Budget Director
Heather Boyd, Office of Financial Mgmt.
Internal State Budget Office Distribution

GENERAL FUND, GENERAL PURPOSE
Fiscal Year 2024
Projected Revenues and Expenditures
August 31, 2024
(\$ in millions)

	FISCAL 2024
Beginning Balance	\$ 3,925.3
Revenues	
Ongoing:	
May 2024 Consensus Revenue	\$ 13,948.8
Local Government Program Payments	\$ (552.2)
Subtotal Ongoing Revenue	\$ 13,396.6
One-Time:	
One-time Revenue Reductions	\$ (13.1)
Subtotal One-Time Revenue	\$ (13.1)
Total Revenue	\$ 13,383.5
Expenditures	
Ongoing:	
Public Acts 103 and 119 of 2023	\$ 12,756.6
Community District Trust Fund	\$ 33.7
Subtotal Ongoing Expenditures	\$ 12,790.3
One-Time:	
Public Acts 103, 119, and 321 of 2023	\$ 2,640.7
Public Act 121 of 2024	\$ 456.7
Subtotal One-Time Expenditures	\$ 3,097.4
Total Expenditures	\$ 15,887.7
Ending Balance	\$ 1,421.1

SCHOOL AID FUND
Fiscal Year 2024
Projected Revenues and Expenditures
August 31, 2024
(\$ in millions)

	FISCAL 2024
Beginning Balance	\$ 2,192.5
Revenues	
Ongoing:	
May 2024 Consensus Forecast	\$ 17,783.6
General Fund	\$ 49.8
Community District Trust Fund	\$ 72.0
Federal Revenue	\$ 2,200.8
Subtotal Ongoing Revenue	\$ 20,106.2
One-Time:	
General Fund	\$ 38.2
General Fund - Community District Trust Fund Revenue Deposit	\$ 33.7
Enrollment Stability Reserve Fund - Public Act 103 of 2023	\$ 71.0
MPERS Reserve Fund - Public Act 120 of 2024	\$ 240.7
Transportation Reserve Fund - Public Act 103 of 2023	\$ 125.0
School Meals Reserve Fund - Public Act 120 of 2024	\$ 90.0
GSRP Reserve Fund - Public Act 103 of 2023	\$ 18.0
Infrastructure Reserve Fund - Public Act 103 of 2023	\$ 248.0
Federal Revenue - Public Act 320 of 2023, Public Act 120 of 2024	\$ 18.3
Subtotal One-Time Revenue	\$ 882.9
Total Revenue	\$ 20,989.1
Expenditures	
Ongoing:	
School Aid - Public Act 103 of 2023	\$ 19,135.2
School Aid - Public Act 120 of 2024	\$ 51.0
Community Colleges - Public Act 103 of 2023	\$ 496.2
Universities - Public Act 103 of 2023	\$ 452.3
Subtotal Ongoing Expenditures	\$ 20,134.7
One-Time:	
School Aid - Public Act 103 of 2023	\$ 2,324.5
School Aid - Public Act 320 of 2023	\$ 4.0
School Aid - Public Act 120 of 2024	\$ 72.4
Community Colleges - Public Act 103 of 2023	\$ 48.4
Community Colleges - Public Act 320 of 2023	\$ 5.0
Community Colleges - Public Act 120 of 2024	\$ 1.3
Universities - Public Act 103 of 2023	\$ 30.0
MDE - Public Act 119 of 2023	\$ 40.0
MDE - Public Act 321 of 2023	\$ 3.0
Treasury - Public Act 321 of 2023	\$ 114.1
Subtotal One-Time Expenditures	\$ 2,642.7
Total Expenditures	\$ 22,777.3
Ending Balance	\$ 404.3

**SUMMARY OF EXPENDITURES AND ENCUMBRANCES
GENERAL FUND - ALL PURPOSE**

August 31, 2024
(\$ in millions)

Fiscal Year 2023

Fiscal Year 2024

Expenditures & Encumbrances Year to Date FY 2023	Fiscal Year End SEP 30, 2023	Department	Initial Appropriations (1)	Executive Orders & Supplemental Appropriations (1)(2)	Encumbrance, Work Project & Capital Outlay Carry Forwards	Total Authorization	Expenditures & Encumbrances Year to Date FY 2024
123.2	138.1	Agriculture and Rural Development	168.6	11.0	132.9	312.5	161.8
105.2	116.6	Attorney General	141.2	3.2	34.0	178.4	122.9
1,171.9	1,313.1	Capital Outlay (3)	650.1	8.3	3,080.3	3,738.6	581.7
15.3	17.2	Civil Rights	31.7	2.2	7.4	41.3	21.2
1,669.0	1,660.8	Colleges and Universities	1,808.8	314.0	180.8	2,303.6	1,978.7
1,896.1	2,074.0	Corrections	2,076.2	15.6	581.0	2,672.8	1,944.6
732.7	897.8	Education	697.7	73.6	825.2	1,596.4	701.1
1,056.6	1,320.8	Environment, Great Lakes, and Energy	935.0	300.1	3,760.1	4,995.3	1,177.3
7.5	8.5	Executive Office	8.9	0.2	0.4	9.5	9.1
30,065.3	33,704.4	Health and Human Services	35,668.3	1,639.3	4,702.5	42,010.0	31,474.9
71.8	74.7	Insurance and Financial Service	74.1	2.2	1.6	78.0	67.6
243.1	305.6	Judiciary	355.9	2.1	170.4	528.4	270.1
2,180.8	3,007.1	Labor and Economic Opportunity	1,446.8	641.0	4,448.9	6,536.7	1,780.2
24.9	27.4	Legislative Auditor General	29.8	0.0	14.3	44.0	25.9
163.6	184.2	Legislature	188.6	3.3	207.4	399.3	162.8
417.7	519.2	Licensing and Regulatory Affairs	591.1	82.8	238.3	912.2	536.3
0.0	0.0	Lifelong Education, Advancement, and Potential	0.0	6.5	0.0	6.5	0.7
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
1,674.6	1,668.4	Michigan Strategic Fund	465.3	151.8	0.0	617.1	616.9
36.6	51.1	Michigan Veterans' Facility Authority	37.8	7.5	0.0	45.3	37.8
114.1	119.5	Military and Veterans Affairs	114.2	17.8	8.0	140.0	116.6
138.6	182.2	Natural Resources	192.3	11.1	88.2	291.6	192.6
212.4	248.4	State	304.2	19.9	118.3	442.4	249.6
0.0	0.0	State Land Bank Authority	2.0	0.0	0.0	2.0	2.0
856.1	987.2	State Police	891.5	130.7	863.0	1,885.2	900.4
472.5	770.6	Technology, Management and Budget (4)	820.3	1,451.8	757.5	3,029.6	829.7
0.7	10.2	Transportation	62.0	155.6	54.3	272.0	59.0
2,970.3	5,391.8	Treasury	2,546.6	151.2	526.1	3,223.8	2,447.8
\$46,420.5	\$54,798.6		\$50,308.9	\$5,202.6	\$20,831.2	\$76,342.7	\$46,469.4

(1) Includes boilerplate appropriations.

(2) Does not include all amounts appropriated in PA 121 of 2024. Entry of the the remaining amounts is expected in September 2024.

(3) Includes all capital outlay activity regardless of agency.

(4) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS
TO LOCAL UNITS OF GOVERNMENT
Fiscal Year 2024
August 31, 2024
(\$ in millions)**

	INITIAL APPROPRIATIONS	EXEC. ORDER and SUPPLEMENTALS	TOTAL APPROPRIATIONS YEAR-TO-DATE
Payments to local units of government	25,556.3	303.6	25,859.9
Total state spending from state resources	47,013.5	1,745.1	48,758.6
Percentage of state spending from state resources paid to local units	54.36%	17.40%	53.04%
Required payments to local units (48.97%)	23,022.5	854.6	23,877.1
Surplus/(deficit)	\$2,533.8	(\$551.0)	\$1,982.8

STATE OF MICHIGAN
YEAR-TO-DATE BALANCE SHEET
COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND
August 31, 2024
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 1,961,433</u>
Total Assets	<u><u>\$ 1,961,433</u></u>

LIABILITIES

Current Liabilities:	
Total Current Liabilities	<u>\$ -</u>
Total Liabilities	<u>-</u>

FUND BALANCES

Committed	<u>1,961,433</u>
Total Fund Balances	<u>1,961,433</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,961,433</u></u>

STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND
 October 1, 2023 through August 31, 2024
 (\$ in thousands)

REVENUES

Miscellaneous	\$ 89,773
	<u>89,773</u>
Total Revenues	<u>89,773</u>

EXPENDITURES

Current:	
General government	307
	<u>307</u>
Total Expenditures	<u>307</u>
Excess of Revenues over (under) Expenditures	<u>89,466</u>

OTHER FINANCING SOURCES (USES)

Transfers from other funds	91,667
Transfers to other funds	<u>-</u>
Total Other Financing Sources (Uses)	<u>91,667</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ 181,133</u> ¹

¹ Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

STATE OF MICHIGAN
YEAR-TO-DATE BALANCE SHEET
MICHIGAN NATURAL RESOURCES TRUST FUND

August 31, 2024

(\$ in thousands)

ASSETS

Current Assets:

Equity in common cash	\$ 61,243
Investments	-
Other current assets	-
Total Current Assets	<u>61,243</u>

Noncurrent Assets:

Investments	<u>743,447</u>
-------------	----------------

Total Assets	<u><u>\$ 804,691</u></u>
--------------	--------------------------

LIABILITIES

Current Liabilities:

Accounts payable and other liabilities	\$ 3,047
Amounts due to other funds	-
Total Current Liabilities	<u>3,047</u>

Total Liabilities	<u>3,047</u>
-------------------	--------------

FUND BALANCES

Nonspendable	500,000
Restricted	<u>301,644</u>

Total Fund Balances	<u>801,644</u>
---------------------	----------------

Total Liabilities and Fund Balances	<u><u>\$ 804,691</u></u>
-------------------------------------	--------------------------

STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
MICHIGAN NATURAL RESOURCES TRUST FUND

October 1, 2023 through August 31, 2024
(\$ in thousands)

REVENUES

Taxes	\$ -
From federal agencies	-
From licenses and permits	-
Miscellaneous	<u>91,607</u>
Total Revenues	<u>91,607</u>

EXPENDITURES

Current:	
General government	4,762
Conservation, environment, recreation, and agriculture	9,033
Capital outlay	<u>5,584</u>
Total Expenditures	<u>19,378</u>
Excess of Revenues over (under) Expenditures	<u>7,228</u>

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues	-
Proceeds from sale of capital assets	49
Transfers from other funds	-
Transfers to other funds	<u>(24)</u>
Total Other Financing Sources (Uses)	<u>25</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u><u>\$ 72,253</u></u> ¹

¹ Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

REVENUE OVERVIEW

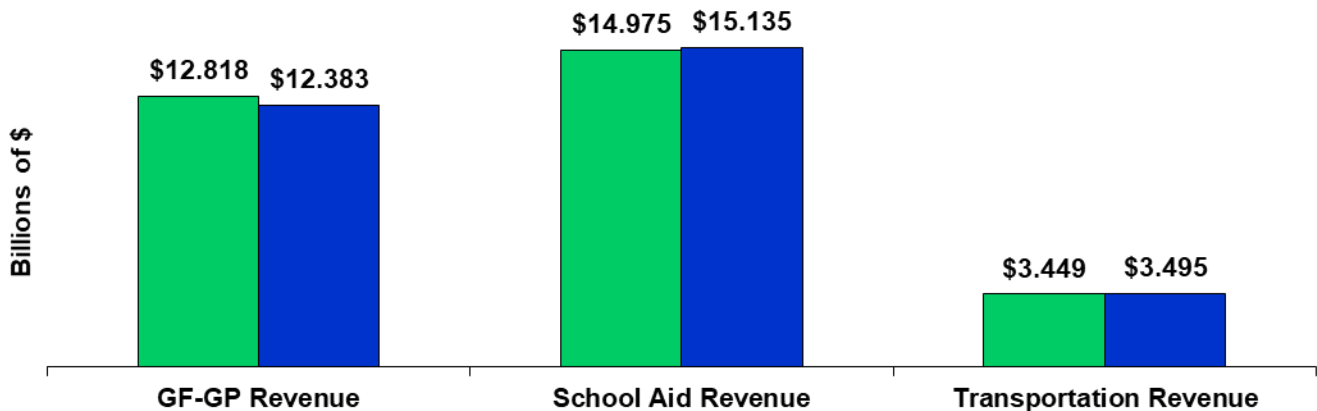
Office of Revenue and Tax Analysis
Michigan Department of Treasury

This Monthly Financial Report to the Legislature presents the Michigan State government's economic situation and cash collections for August 2024, representing some July and some August economic activity in Michigan.

Total General Fund - General Purpose (GF-GP) cash collections were \$69.3 million (6.5 percent) higher in August 2024 than in August 2023. The August 2024 School Aid Fund cash collections were \$68.6 million (5.0 percent) higher than in August 2023. August 2024 transportation collections were \$12.5 million (4.1 percent) higher than in August 2023 (see revenue summary table). August is the eleventh month of the State's fiscal year (FY). Year-to-date collection totals generally provide a more accurate view of collections since they are less affected by the timing of payments. However, current year-to-date cash collections for GF-GP revenue reflect the processing of increased Income Tax Refunds due to the retroactive processing of Earned Income Tax Credits. Year-to-date GF-GP cash collections are down \$435.0 million (3.4 percent) from a year ago. School Aid Fund cash collections are up \$159.9 million (1.1 percent) and transportation collections are up \$46.1 million (1.3 percent).

The FY 2023-24 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on May 17, 2024. The revenue estimate for net GF-GP revenue for FY 2023-24 is \$13,948.8 million and the net School Aid revenue forecast is \$17,783.6 million. The Transportation Funds revenue forecast is \$4,228.0 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

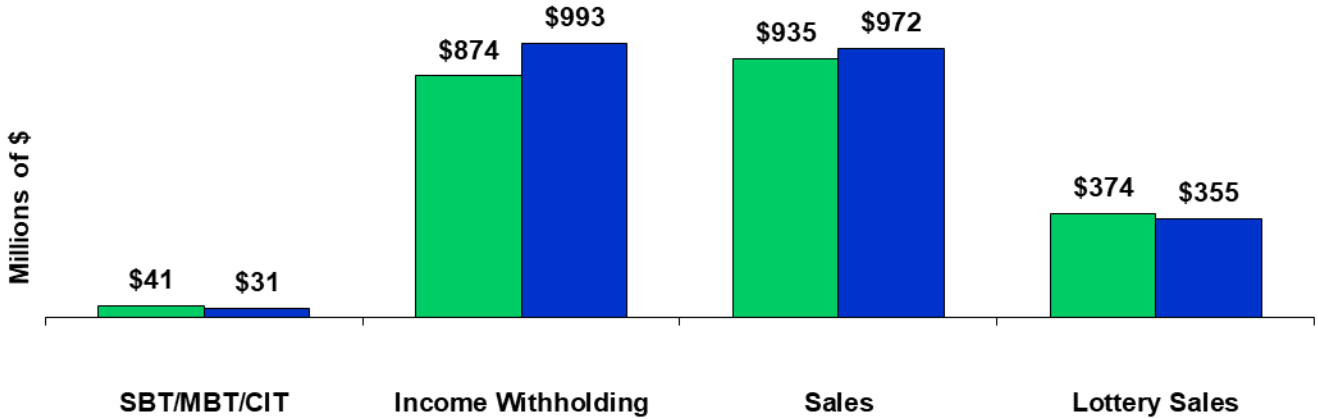
October through August Collections FY 2022-23 and FY 2023-24



Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

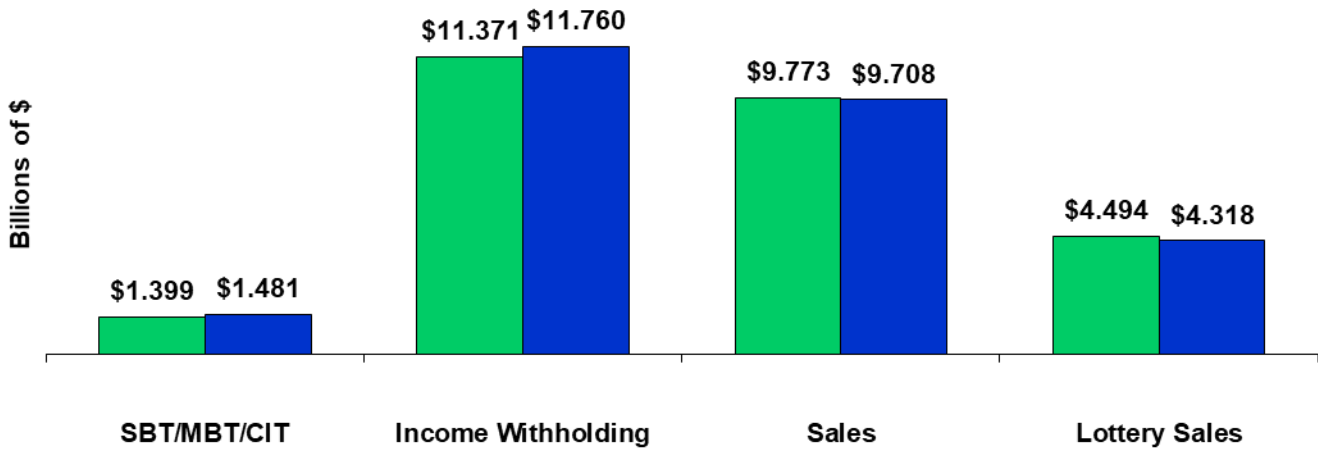
August Revenue Collections FY 2022-23 and FY 2023-24



Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

October through August Collections FY 2022-23 and FY 2023-24



Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

Revenue Summary FY 2023-24
General Fund-General Purpose, School Aid, and Transportation Funds
(in thousands)

For The Month Ended: August 31, 2024

Month-End Cash Collections Data				October Through August Cash Collections Data					Revenue Projections		
August		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23 Totals (i)	FY 2023-24 Statutory Estimate	FY 2023-24 May 2024 Forecast
2023	2024	Amount	Percent		FY 2022-23	FY 2023-24	Amount	Percent			
Income Taxes											
\$873,753	\$992,922	\$119,169	13.6%	Withholding	\$11,370,691	\$11,760,094	\$389,403	3.4%	\$12,226,200	\$12,376,900	\$12,581,900
25,065	23,839	(1,225)	-4.9%	Quarterlies	849,354	848,158	(1,196)	-0.1%	1,078,100	1,144,000	999,000
11,283	2,559	(8,724)	-77.3%	Flow Through Entity Tax	722,181	762,499	40,318	5.6%	999,100	972,800	972,800
24,623	23,552	(1,071)	-4.3%	Annuals	1,289,446	1,187,432	(102,014)	-7.9%	1,316,300	1,264,400	1,152,500
\$934,723	\$1,042,872	\$108,148	11.6%	Gross Collections	\$14,231,672	\$14,558,183	\$326,511	2.3%	\$15,619,500	\$15,758,100	\$15,706,200
75,858	77,705	1,847	2.4%	Less: Refunds	3,077,986	3,953,240	875,254	28.4%	3,278,200	3,510,000	3,317,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	0	800	800
\$858,865	\$965,166	\$106,301	12.4%	Net Personal Income	\$11,153,686	\$10,604,943	(\$548,743)	-4.9%	\$12,341,300	\$12,247,300	\$12,388,400
50,000	50,000	0	0.0%	Less: Disbursements to MTF	550,000	550,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	63,250	63,250	0	0.0%	71,300	69,000	69,000
217,604	242,781	25,177	11.6%	Less: Disbursements to SAF	3,370,106	3,446,630	76,523	2.3%	3,907,700	3,798,200	3,785,700
\$585,512	\$666,636	\$81,124	13.9%	Net Personal Income To GF-GP	\$7,170,330	\$6,545,063	(\$625,266)	-8.7%	\$7,762,300	\$7,780,100	\$7,933,700
Consumption Taxes											
\$145,751	\$157,135	\$11,384	7.8%	Sales (a)	\$1,526,788	\$1,545,666	\$18,878	1.2%	\$1,096,100	\$1,666,000	\$1,566,200
129,794	107,390	(22,404)	-17.3%	Use (a) (h)	1,161,569	1,164,931	3,363	0.3%	1,251,600	1,136,700	1,280,400
11,986	12,367	381	3.2%	Tobacco	132,667	122,272	(10,395)	-7.8%	143,400	145,800	137,300
1,294	1,508	214	16.5%	Beer, Wine & Mixed Spirits	46,037	43,672	(2,366)	-5.1%	46,300	50,000	46,000
6,317	7,787	1,469	23.3%	Liquor Specific	68,200	72,079	3,879	5.7%	67,900	65,300	65,600
\$295,142	\$286,186	(\$8,956)	-3.0%	Total Consumption Taxes	\$2,935,260	\$2,948,620	\$13,360	0.5%	\$2,605,300	\$3,063,800	\$3,095,500
Other Taxes											
(\$2)	\$1	\$4	169.5%	Single Business	(\$3,448)	(\$273)	\$3,175	92.1%	(\$3,500)	\$0	\$0
12,621	14,515	1,894	15.0%	Insurance Premiums Taxes	\$469,294	524,762	55,468	11.8%	465,900	450,000	523,000
12,619	14,516	1,897	15.0%	Sub-total SBT & Insurance	465,847	524,489	58,642	12.6%	462,400	450,000	523,000
3,710	(1,285)	(4,995)	-134.6%	Michigan Business Tax	(468,565)	(340,114)	128,451	27.4%	(434,100)	(509,700)	(494,600)
36,943	32,629	(4,313)	-11.7%	Corporate Income Tax	1,870,605	1,821,652	(48,952)	-2.6%	1,609,900	1,500,000	1,625,000
4,052	2,689	(1,363)	-33.6%	Telephone & Telegraph	31,172	46,050	14,878	47.7%	35,900	33,000	34,000
2,373	1,609	(764)	-32.2%	Oil & Gas Severance	27,409	21,809	(5,600)	-20.4%	27,100	34,000	27,000
9,770	9,193	(577)	-5.9%	Penalties & Interest	122,247	119,410	(2,837)	-2.3%	141,200	143,000	143,000
99,824	103,949	4,124	4.1%	Essential Services Assessment	143,319	144,619	1,299	0.9%	141,800	152,000	150,000
786	99	(687)	-87.5%	Miscellaneous Other/Railroad	2,805	2,571	(233)	-8.3%	32,200	3,000	15,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(138,750)	(138,417)	333	0.2%	(145,600)	(151,000)	(151,000)
\$157,577	\$150,815	(\$6,762)	-4.3%	Total Other Taxes	\$2,056,088	\$2,202,069	\$145,981	7.1%	\$1,870,800	\$1,654,300	\$1,871,400
\$1,038,231	\$1,103,637	\$65,406	6.3%	Subtotal GF-GP Taxes	\$12,161,678	\$11,695,752	(\$465,925)	-3.8%	\$12,238,400	\$12,498,200	\$12,900,600

continued

Revenue Summary FY 2023-24
General Fund-General Purpose, School Aid, and Transportation Funds
(in thousands)

For The Month Ended: August 31, 2024

Month-End Cash Collections Data				October Through August Cash Collections Data				Revenue Projections			
August		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23 Totals (i)	FY 2023-24 Statutory Estimate	FY 2023-24 May 2024 Forecast
2023	2024	Amount	Percent		FY 2022-23	FY 2023-24	Amount	Percent			
Non-Tax Revenue (e)											
\$833	\$833	\$0	0.0%	Federal Aid	\$9,167	\$9,167	\$0	0.0%	\$13,900	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	92	92	0	0.0%	0	100	100
583	583	0	0.0%	Services	6,417	6,417	0	0.0%	3,900	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	12,833	12,833	0	0.0%	11,200	14,000	14,000
0	0	0	na	Investments/Interest Costs	261,397	249,399	(11,998)	-4.6%	613,800	255,000	550,000
833	833	0	0.0%	Misc. Non-tax Revenue	9,167	9,167	0	0.0%	59,600	22,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	275,000	316,250	41,250	15.0%	309,000	342,000	298,100
7,500	7,667	167	2.2%	From Other Funds-Lottery & Escheats	82,500	84,167	1,667	2.0%	183,800	90,000	134,000
\$35,925	\$39,842	\$3,917	10.9%	Total Non-Tax Revenue	\$656,572	\$687,491	\$30,919	4.7%	\$1,195,200	\$740,100	\$1,048,200
\$1,074,156	\$1,143,479	\$69,323	6.5%	Total GF-GP Revenue	\$12,818,250	\$12,383,243	(\$435,007)	-3.4%	\$13,433,600	\$13,238,300	\$13,948,800
School Aid Fund											
\$379,826	\$399,525	\$19,699	5.2%	Sales Tax 4%	\$3,940,796	\$3,980,414	\$39,618	1.0%	\$4,376,100	\$4,471,700	\$4,307,100
301,716	306,068	4,351	1.4%	Sales Tax 2%	3,205,467	3,073,547	(131,920)	-4.1%	3,430,800	3,501,800	3,375,800
87,734	77,086	(10,648)	-12.1%	Use Tax 2%	832,031	839,963	7,933	1.0%	909,500	863,500	972,900
207,485	238,422	30,937	14.9%	State Education Property Tax	1,855,608	2,026,139	170,531	9.2%	2,559,600	2,737,900	2,715,000
35,638	41,426	5,787	16.2%	Real Estate Transfer Tax	371,520	363,375	(8,145)	-2.2%	389,200	377,500	370,000
100,000	90,000	(10,000)	-10.0%	Lottery Transfer (b)	914,351	931,981	17,631	1.9%	1,351,900	1,212,700	1,270,000
8,483	9,023	540	6.4%	Casino Wagering Tax	95,130	92,990	(2,140)	-2.2%	429,900	434,200	479,200
5,997	7,345	1,347	22.5%	Liquor Excise Tax	61,770	63,857	2,087	3.4%	75,000	76,800	77,100
24,333	25,106	773	3.2%	Cigarette/Tobacco Tax	269,333	248,231	(21,103)	-7.8%	254,700	258,600	242,100
4,099	3,753	(347)	-8.5%	Indus. & Comm. Facilities Taxes	36,699	44,772	8,073	22.0%	44,600	42,500	45,000
7,769	8,745	976	12.6%	Specific Other	22,478	23,287	809	3.6%	131,000	112,700	143,600
217,604	242,781	25,177	11.6%	Income Tax Earmarking	3,370,106	3,446,630	76,523	2.3%	3,907,700	3,798,200	3,785,700
\$1,380,685	\$1,449,278	\$68,593	5.0%	Total School Aid Fund	\$14,975,289	\$15,135,186	\$159,897	1.1%	\$17,860,000	\$17,888,100	\$17,783,600
Multi-Fund Revenue Summary											
\$934,759	\$971,942	\$37,183	4.0%	Sales Tax 6%	\$9,773,460	\$9,707,571	(\$65,890)	-0.7%	\$10,674,400	\$10,887,300	\$10,487,300
633,043	665,874	32,832	5.2%	Sales Tax 4% (d)	6,567,993	6,634,023	66,030	1.0%	7,243,600	7,385,500	7,111,500
301,716	306,068	4,351	1.4%	Sales Tax 2%	3,205,467	3,073,547	(131,920)	-4.1%	3,430,800	3,501,800	3,375,800
263,202	231,258	(31,945)	-12.1%	Use Tax 6% (g)	2,496,092	2,519,889	23,798	1.0%	2,709,100	2,561,900	2,815,000
12,939	14,600	1,661	12.8%	Recreational Marihuana	243,612	292,162	48,550	19.9%	269,034	244,900	330,300
60,231	62,144	1,913	3.2%	Tobacco Taxes	666,666	614,432	(52,234)	-7.8%	724,320	733,400	691,000
0	0	0	na	Tobacco Settlement	242,986	197,802	(45,184)	-18.6%	na	na	na

continued

Revenue Summary FY 2023-24
General Fund-General Purpose, School Aid, and Transportation Funds
(in thousands)

For The Month Ended: August 31, 2024

Month-End Cash Collections Data				October Through August Cash Collections Data				Revenue Projections			
August		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23 Totals (i)	FY 2023-24 Statutory Estimate	FY 2023-24 May 2024 Forecast
2023	2024	Amount	Percent		FY 2022-23	FY 2023-24	Amount	Percent			
Major Transportation Revenues											
\$20,708	\$24,230	\$3,522	17.0%	Diesel Fuel / Motor Carrier Fuel Tax	\$238,950	\$246,119	\$7,169	3.0%	\$270,182	\$269,500	\$273,000
107,304	116,986	9,682	9.0%	Gasoline	1,091,470	1,156,744	65,274	6.0%	1,222,357	1,256,000	1,259,000
115,244	114,707	(537)	-0.5%	Motor Vehicle Registration	1,395,756	1,379,689	(16,067)	-1.2%	1,503,546	1,482,000	1,542,000
4,685	5,892	1,207	25.8%	Other Taxes, Fees & Misc.	46,116	49,328	3,212	7.0%	359,235	335,347	372,757
11,650	10,317	(1,333)	-11.4%	Comprehensive Transportation (c)	126,968	113,483	(13,485)	-10.6%	195,751	177,995	181,279
50,000	50,000	0	0.0%	Income Tax Earmarking	550,000	550,000	0	0.0%	600,000	600,000	600,000
<u>\$309,591</u>	<u>\$322,132</u>	<u>\$12,541</u>	<u>4.1%</u>	Total Major Trans. Revenues	<u>\$3,449,260</u>	<u>\$3,495,363</u>	<u>\$46,104</u>	<u>1.3%</u>	<u>\$4,151,071</u>	<u>\$4,120,842</u>	<u>\$4,228,036</u>
Lottery Sales By Games											
\$181,479	\$189,453	\$7,974	4.4%	Instant Games (f)	\$2,323,867	\$2,260,504	(\$63,363)	-2.7%	na	na	na
71,115	70,275	(840)	-1.2%	Daily Games	884,612	874,449	(10,163)	-1.1%	na	na	na
60,828	32,169	(28,660)	-47.1%	Lotto and Big Game (f)	576,928	467,231	(109,697)	-19.0%	na	na	na
567	520	(47)	-8.3%	Keno Game	6,860	6,543	(317)	-4.6%	na	na	na
2,837	2,978	141	5.0%	Lucky For Life	33,556	36,182	2,626	7.8%	na	na	na
5,885	10,121	4,236	72.0%	Other (f)	83,563	69,509	(14,054)	-16.8%	na	na	na
50,977	49,768	(1,208)	-2.4%	Club Games	584,556	603,617	19,061	3.3%	na	na	na
<u>\$373,689</u>	<u>\$355,285</u>	<u>(\$18,404)</u>	<u>-4.9%</u>	Total Lottery Sales	<u>\$4,493,943</u>	<u>\$4,318,035</u>	<u>(\$175,908)</u>	<u>-3.9%</u>	<u>na</u>	<u>na</u>	<u>na</u>

- (a) GF-GP Sales has been adjusted based on Comprehensive Transportation Fund, Health Initiative, Constitutional Revenue Sharing, and Aviation Fund. GF-GP Use has been adjusted based on Aviation Fund.
- (b) The statutory estimate does not include an estimate of lottery sales. It only includes an estimate of the School Aid Fund transfer. The transfers shown are actual transfers from Lottery to School Aid Fund.
- (c) The Comprehensive Transportation Fund distributions have been estimated (includes sales tax transfer and other miscellaneous revenues dedicated to the Comprehensive Transportation Fund).
- (d) 2% collections adjusted to reflect exemption on residential utilities.
- (e) Non-tax revenue items other than interest are estimates.
- (f) Lottery Sales include iLottery net win amounts; and Other lottery games includes the new Fast Cash games, which began in July 2017.
- (g) Gross Use tax collections include the transferred amounts to the Local Community Stabilization Authority, which are front-loaded at the beginning of the fiscal year. The year-to-date 2023 revenues were \$502.4 million and the year-to date 2024 revenues are \$514.9 million. Per 2014 Public Act 80, the total fiscal year 2023 Local Community Stabilization Share (LCSS) was \$548.0 million and the total fiscal year 2024 LCSS is \$561.7 million.
- (h) General Fund Use tax collections are net of LCSS revenue. The year-to-date 2023 LCSS revenues were \$502.4 million and the year-to-date 2024 LCSS revenues are \$514.9 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

Source: Michigan Department of Treasury, Office of Revenue & Tax Analysis, based on reports from the Office of Financial Management, Michigan Department of Technology, Management and Budget, and other reports from the Michigan Department of Treasury.

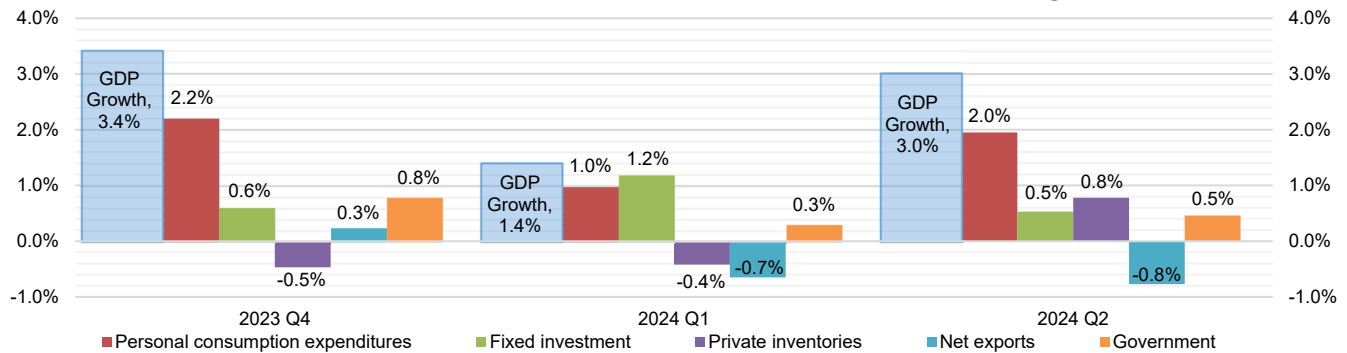
Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** increased at a 3.0 percent annual rate in the second quarter of 2024, according to the “second” estimate released by the Bureau of Economic Analysis, up from the 1.4 percent annual rate in the first quarter of 2024. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

Real GDP Growth and Contributions to Percent Change



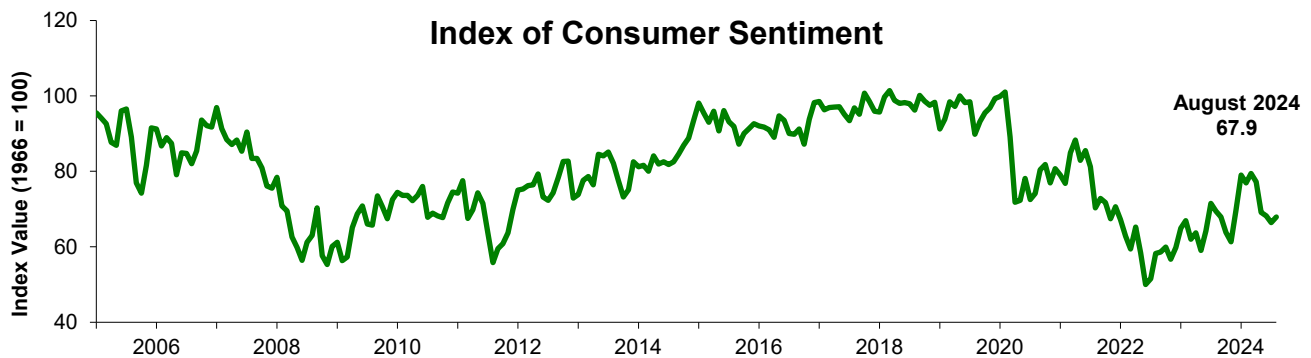
Source: Bureau of Economic Analysis

Personal consumption expenditures and private inventories drove the increase in GDP in the second quarter of 2024, while fixed investment and government expenditures made smaller contributions. Decline in net exports reduced the second quarter GDP growth. Real final sales increased by 2.2 percent in the second quarter, while the implicit price deflator increased by 2.5 percent in the same period.

U.S. wage and salary employment increased by 142,000 jobs in August 2024, with total employment 6.5 million above the February 2020 pre-pandemic level. In August, sectors with the largest increases in employment include private education with a gain of 47,000 jobs, leisure and hospitality services with a gain of 46,000 jobs, and construction services with 34,000 additional jobs. Employment decreases in August were observed in the manufacturing sector with a loss of 24,000 jobs, retail trade services sector with a decline of 11,000 jobs, and information services sector with 7,000 fewer jobs.

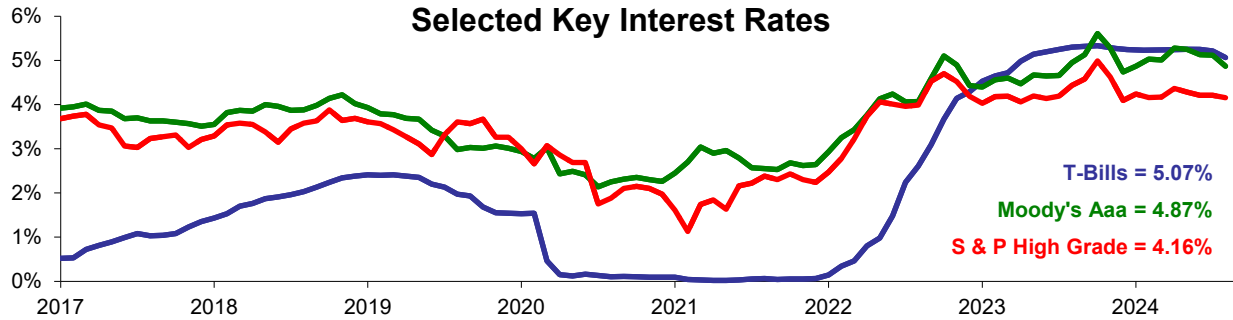
In August, the U.S. unemployment rate decreased to 4.2 percent. Civilian employment increased to 161.4 million, up 168,000 from July. The number unemployed decreased 48,000 from July, to 7.1 million in August. The labor force participation rate remained unchanged at 62.7 percent in August, 0.6 percentage points below the pre-pandemic rate in February 2020 of 63.3 percent.

The **Index of Consumer Sentiment** increased to 67.9 index-points in August, up 1.5 index-points from the prior month. Consumer sentiment is 1.5 index-points below the year-ago level.



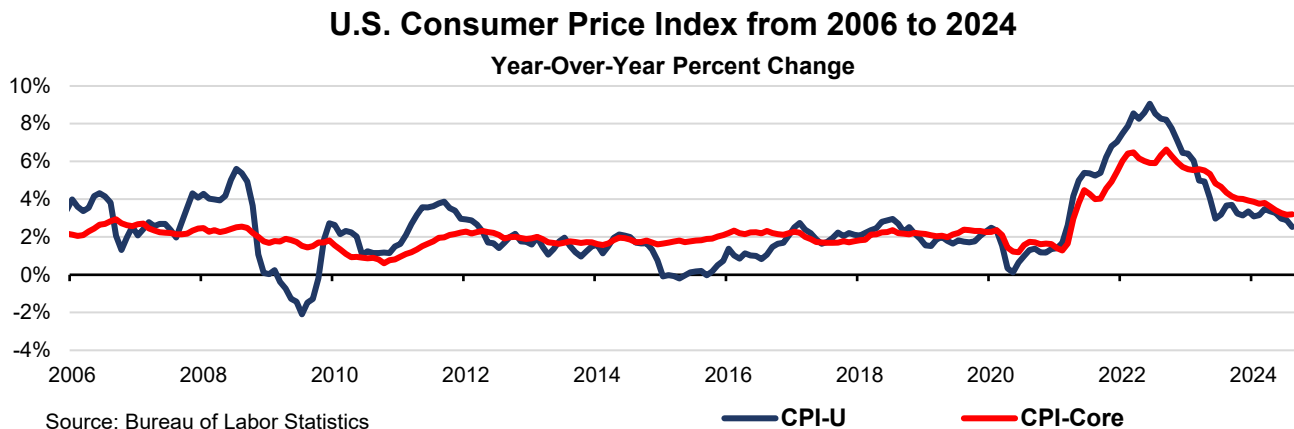
Source: University of Michigan, Survey Research Center

Short-term **interest rates** decreased in August, with a 3-month Treasury bill (T-bill) rate of 5.07 percent. The T-bill rate is 23 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.30 percent rate in August 2023. The Aaa corporate bond rate decreased by 25 basis points in August to an interest rate of 4.87 percent, down 8 basis points from a year ago. The interest rate on S&P high-grade municipal bonds decreased by 5 basis points in August to an interest rate of 4.16 percent, down 28 basis points from a year ago.



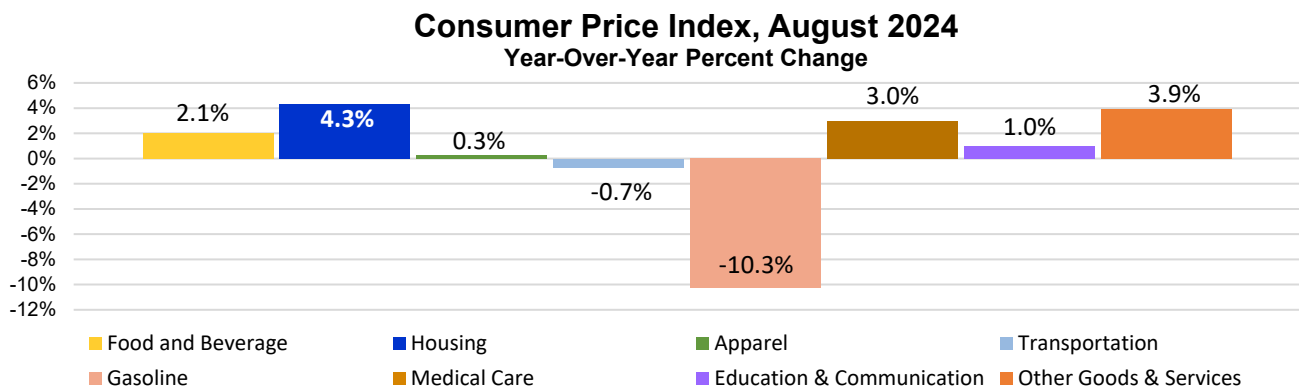
Source: Economic Indicators

U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 2.5 percent from August 2023 to August 2024, a 0.4 percentage points decline from July's 2.9 percent. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core rose 3.2 percent year-over-year in August, unchanged from the prior month's rate. CPI-U and CPI-Core data are not seasonally adjusted.



Source: Bureau of Labor Statistics

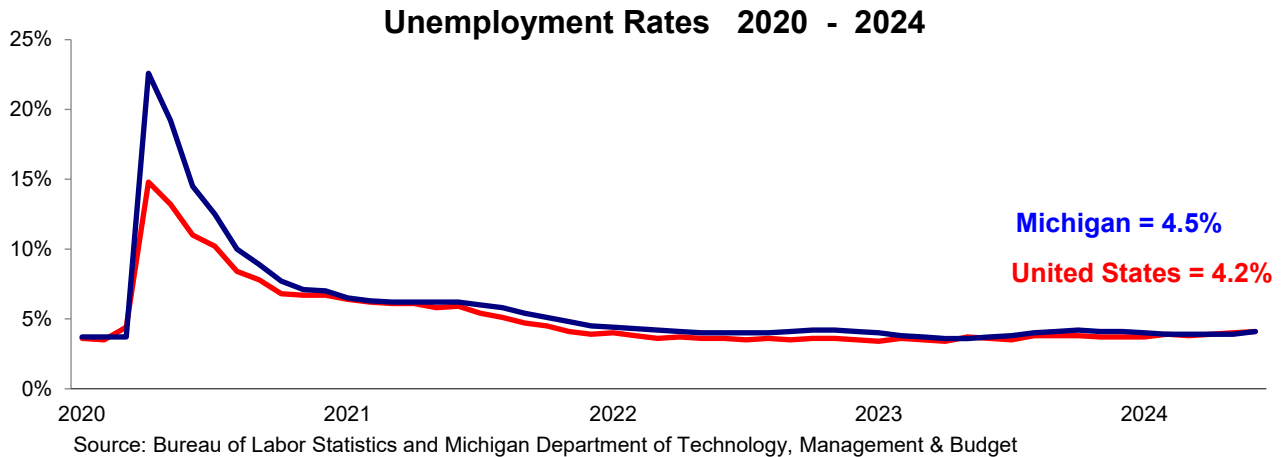
Housing exhibited the largest year-over-year price increase at 4.3 percent for August, followed by other goods and services with a 3.9 percent increase, and medical care with a 3.0 percent increase. Gasoline experienced a year-over-year price decline of 10.3 percent in August. These sector data are seasonally adjusted.



Source: Bureau of Labor Statistics

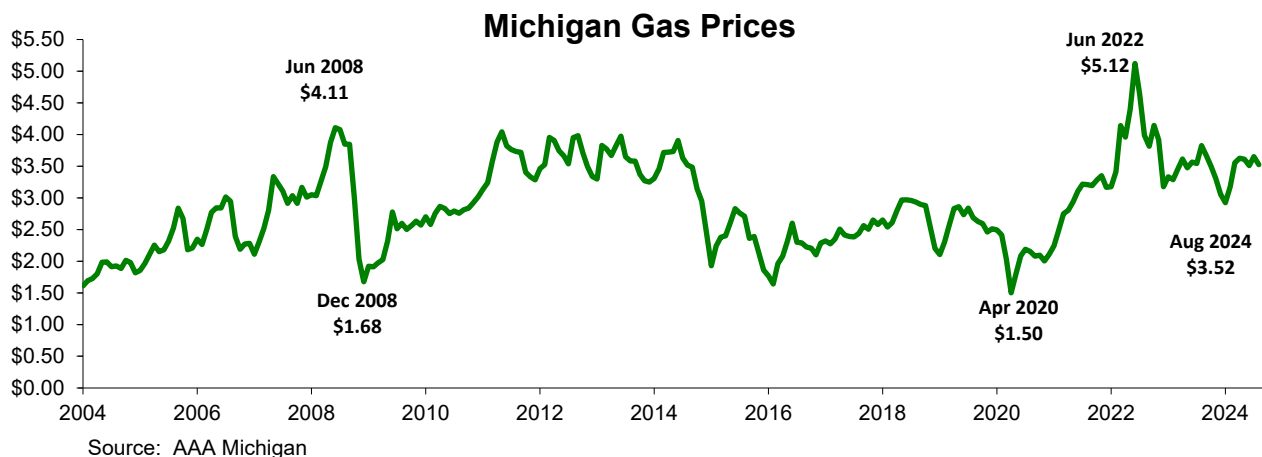
Michigan Economy

The **Michigan jobless rate** increased from 4.4 percent in July to 4.5 percent in August. The national unemployment rate was 4.2 percent in August, 0.1 percentage points lower than July's rate. The number employed in Michigan decreased by 12,900 from July's levels, while the number of unemployed in August increased by 5,200 from the prior month. The number employed is 0.2 percent lower, while the number unemployed is 12.0 percent higher than in August 2023. Michigan's unemployment rate of 4.5 percent is 0.8 percentage points higher than the February 2020 pre-pandemic rate of 3.7 percent.



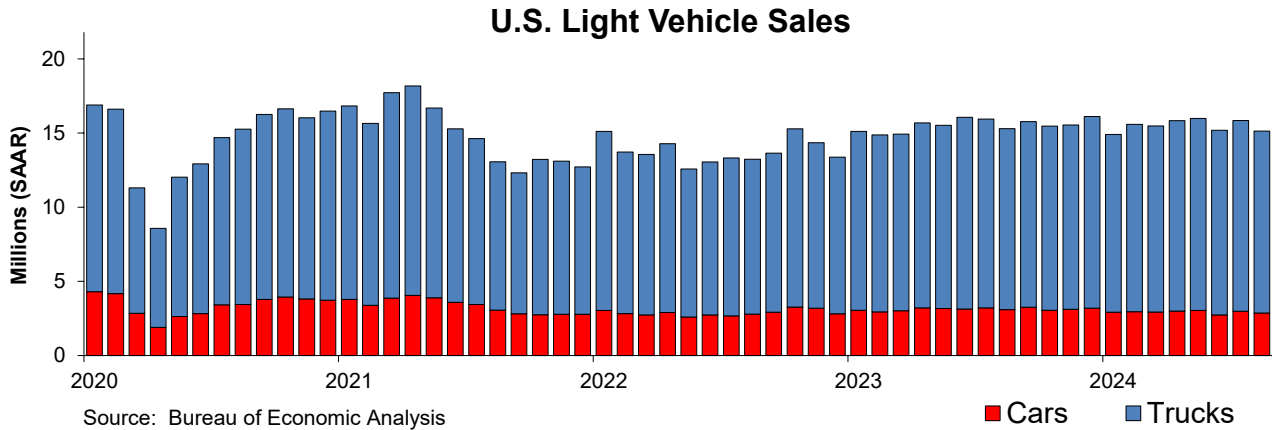
Michigan wage and salary employment decreased by 2,200 jobs from July to a total of 4.5 million jobs in August. Compared to last year, employment in August was up 32,900 jobs, or 0.7 percent from August 2023. The sectors with the largest employment increases in August were construction services with a gain of 1,300 jobs, trade, transportation and utilities with a gain of 800 jobs, and financial services with 600 additional jobs. The sectors with the largest employment decreases in August were education and health services with 2,100 jobs lost, government with 1,300 jobs lost, and professional and business services with 400 fewer jobs.

Michigan gasoline prices decreased in August to \$3.52 per gallon, 12.7 cents a gallon below last month's average. Year-over-year gasoline prices were 30.0 cents per gallon higher than in August 2023. Diesel prices of \$3.83 per gallon in August decreased by 7.2 cents a gallon from July. Diesel prices were down 49.9 cents per gallon from the August 2023 price of \$4.33 per gallon.

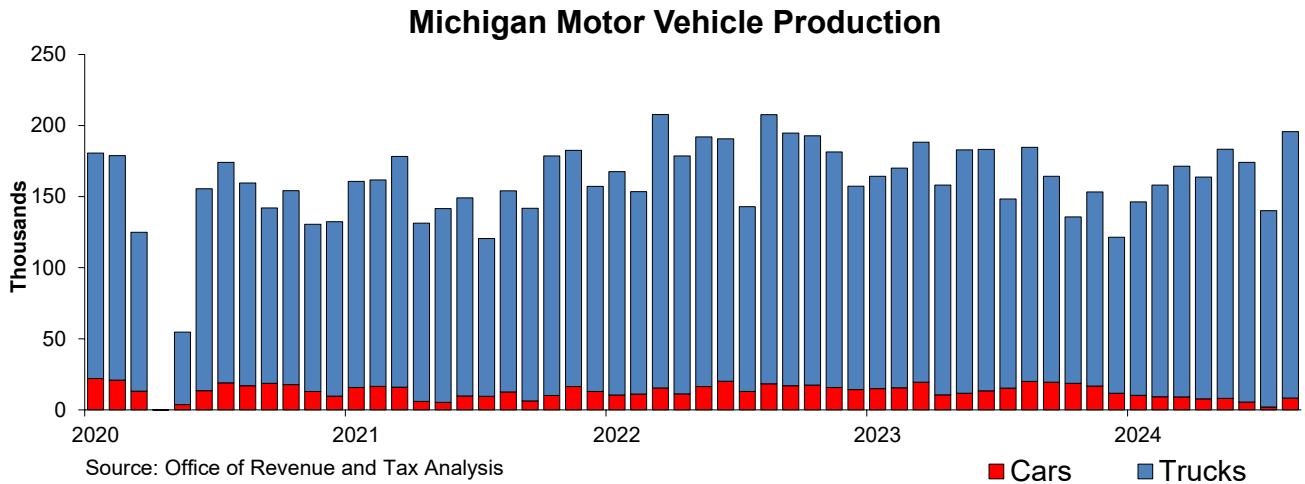


Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) decreased by 4.5 percent in August from July, selling at a 15.1 million unit seasonally adjusted annual rate. Domestic car sales decreased 7.6 percent while light truck sales decreased 2.8 percent from July. Import car sales increased 3.5 percent while import light truck sales decreased 10.7 percent from July. Compared to August 2023, light vehicle sales were down 1.1 percent. Domestic car sales decreased 15.5 percent while light truck sales decreased 0.4 percent from the year ago levels. August import car sales increased 14.1 percent while import light truck sales increased 4.2 percent from last year. Domestic light vehicles recorded a 76.3 percent share of August 2024 sales, down 1.7 percentage points from August 2023.



Michigan motor vehicle production increased in August to 195,651 total units. Michigan’s August production was 39.6 percent higher than July’s production and 5.9 percent above the level in August 2023. Nationally, motor vehicle production totaled 994,966 units, 1,040 units lower than the 996,006 units from a year ago. In August, Michigan’s car production was 8,356 units while the State’s truck production was 187,295 units. Michigan motor vehicle production data are not seasonally adjusted.



**Summary Estimates of the Constitutional Revenue Limit
Based on the May 17, 2024 Consensus Revenue Agreement
(Article IX, Section 26)
(in millions)**

	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Estimate	Fiscal Year 2024-25 Estimate
Applicable Calendar Year Personal Income	\$567,807	\$572,325	\$599,366
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$53,884.9</u>	<u>\$54,313.6</u>	<u>\$56,879.8</u>
Revenue Limit	\$53,884.9	\$54,313.6	\$56,879.8
State Revenue Subject to Limit	<u>\$43,610.7</u>	<u>\$43,677.3</u>	<u>\$44,445.0</u>
Amount Under (Over) Limit	\$10,274.2	\$10,636.3	\$12,434.8

Sources:

Personal Income Estimate

The FY 2022-23 calculation uses the official personal income estimate for calendar year 2021 (Survey of Current Business, October 2022).
The FY 2023-24 calculation uses the official personal income estimate for calendar year 2022 (Survey of Current Business, October 2023).
The FY 2024-25 calculation uses the uses the May 17, 2024 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2022-23 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2023
The FY 2023-24 calculation uses the May 17, 2024 Consensus Revenue Agreement.
The FY 2024-25 calculation uses the May 17, 2024 Consensus Revenue Agreement.

Column detail may not add to totals due to rounding

Prepared By: Office of Revenue and Tax Analysis, Michigan Department of Treasury