



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

August 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 July 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
July 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
July 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 103 of 2023	\$ 240.7
Transportation Reserve Fund - Public Act 103 of 2023	\$ 125.0
School Meals Reserve Fund - Public Act 103 of 2023	\$ 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

July 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
112.5	138.1	Agriculture and Rural Development	168.6	5.2	132.9	306.7	150.2
83.8	116.6	Attorney General	141.2	2.6	34.0	177.9	109.2
1,124.2	1,313.1	Capital Outlay (3)	650.1	3.9	3,080.3	3,734.3	554.8
13.7	17.2	Civil Rights	31.7	2.0	7.4	41.1	18.6
1,541.7	1,660.8	Colleges and Universities	1,808.8	306.0	180.8	2,295.6	1,844.6
1,737.5	2,074.0	Corrections	2,076.2	3.5	581.0	2,660.7	1,756.5
637.9	897.8	Education	697.7	33.0	825.2	1,555.8	636.3
866.9	1,320.8	Environment, Great Lakes, and Energy	935.0	105.0	3,760.1	4,800.1	1,133.4
6.8	8.5	Executive Office	8.9	0.0	0.4	9.3	8.0
27,471.0	33,704.4	Health and Human Services	35,668.3	56.7	4,702.5	40,427.4	28,712.7
65.2	74.7	Insurance and Financial Service	74.1	2.2	1.6	78.0	61.1
222.5	305.6	Judiciary	355.9	0.0	170.4	526.3	240.7
1,638.7	3,007.1	Labor and Economic Opportunity	1,446.8	563.1	4,448.9	6,458.8	1,457.5
22.3	27.4	Legislative Auditor General	29.8	0.0	14.3	44.0	22.9
148.2	184.2	Legislature	188.6	0.0	207.4	396.0	142.1
356.1	519.2	Licensing and Regulatory Affairs	591.1	82.3	238.3	911.7	508.9
0.0	0.0	Lifelong Education, Advancement, and Potential	0.0	6.5	0.0	6.5	0.5
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
1,471.1	1,668.4	Michigan Strategic Fund	465.3	1.6	0.0	466.9	466.9
36.6	51.1	Michigan Veterans' Facility Authority	37.8	1.0	0.0	38.8	37.8
104.6	119.5	Military and Veterans Affairs	114.2	24.8	8.0	147.0	112.1
122.5	182.2	Natural Resources	192.3	4.5	88.2	285.1	165.3
190.1	248.4	State	304.2	12.1	118.3	434.6	218.8
0.0	0.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
750.7	987.2	State Police	891.5	84.7	863.0	1,839.2	797.3
434.3	770.6	Technology, Management and Budget (4)	820.3	1,447.5	757.5	3,025.3	777.6
0.5	10.2	Transportation	62.0	147.3	54.3	263.6	50.1
2,114.3	5,391.8	Treasury	2,546.6	92.0	526.1	3,164.6	2,104.2
\$41,273.9	\$54,798.6		\$50,308.9	\$2,987.3	\$20,831.2	\$74,127.4	\$42,087.9

(1) Includes boilerplate appropriations.

(2) Does not include amounts appropriated in PAs 120 and 121 of 2024. Entry of these amounts is expected in August 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
July 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
 July 31, 2024
 (\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 1,953,100</u>
Total Assets	<u><u>\$ 1,953,100</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>1,953,100</u>
Total Fund Balances	<u>1,953,100</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,953,100</u></u>

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

REVENUES

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

EXPENDITURES

Current:	
General government	<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	83,333
Transfers to other funds	<u>-</u>
Total Other Financing Sources (Uses)	<u>83,333</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u><u>\$ 172,799</u></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**

July 31, 2024
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	\$ 59,590
Investments	-
Other current assets	-
Total Current Assets	59,590
Noncurrent Assets:	
Investments	734,140
Total Assets	\$ 793,731

LIABILITIES

Current Liabilities:	
Accounts payable and other liabilities	\$ 3,146
Amounts due to other funds	-
Total Current Liabilities	3,146
Total Liabilities	3,146

FUND BALANCES

Nonspendable	500,000
Restricted	290,585
Total Fund Balances	790,585
Total Liabilities and Fund Balances	\$ 793,731

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

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

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		<u>79,619</u>
Total Revenues		<u>79,619</u>

EXPENDITURES

Current:		
General government		4,609
Conservation, environment, recreation, and agriculture		8,279
Capital outlay		<u>5,519</u>
Total Expenditures		<u>18,407</u>
Excess of Revenues over (under) Expenditures		<u>61,212</u>

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		6
Transfers from other funds		-
Transfers to other funds		<u>(24)</u>
Total Other Financing Sources (Uses)		<u>(18)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$	<u><u>61,194</u></u> ¹

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

REVENUE OVERVIEW

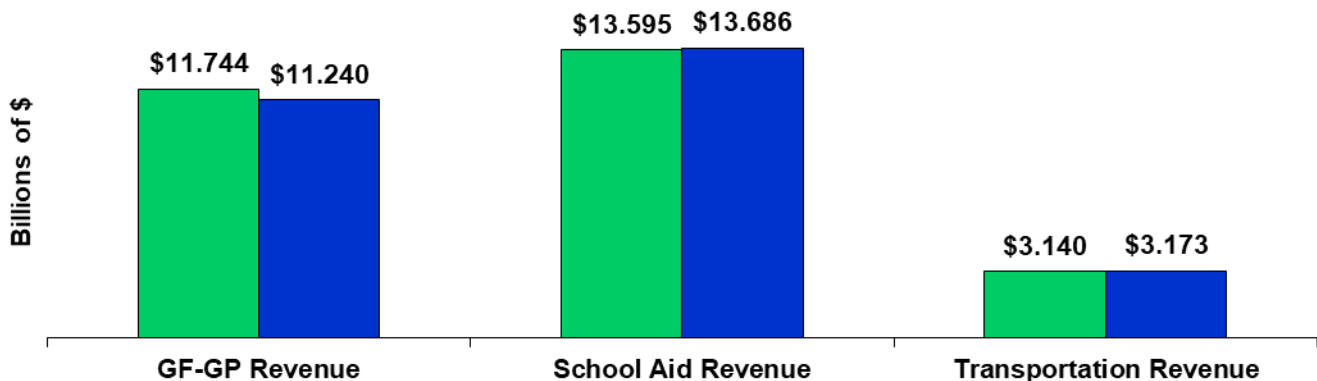
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

Total General Fund - General Purpose (GF-GP) cash collections were \$12.4 million (0.8 percent) higher in July 2024 than in July 2023. The July 2024 School Aid Fund cash collections were \$62.5 million (5.3 percent) higher than in July 2023. July 2024 transportation collections were \$8.1 million (2.6 percent) higher than in July 2023 (see revenue summary table). July is the tenth 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 \$504.3 million (4.3 percent) from a year ago. School Aid Fund cash collections are up \$91.3 million (0.7 percent) and transportation collections are up \$33.6 million (1.1 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.

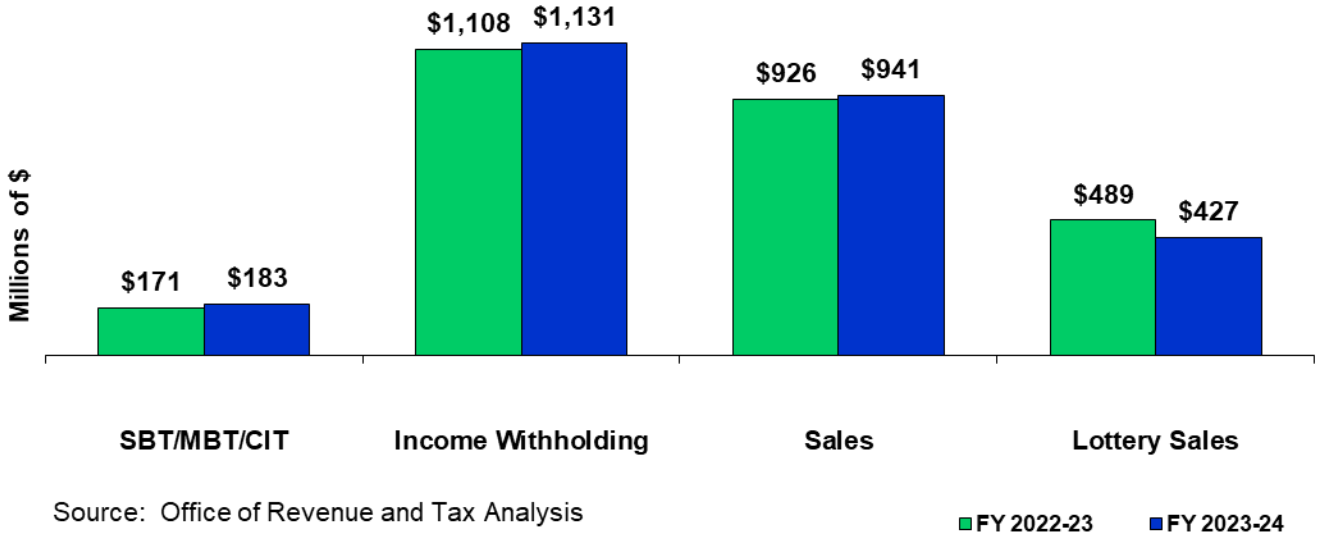
October through July Collections FY 2022-23 and FY 2023-24



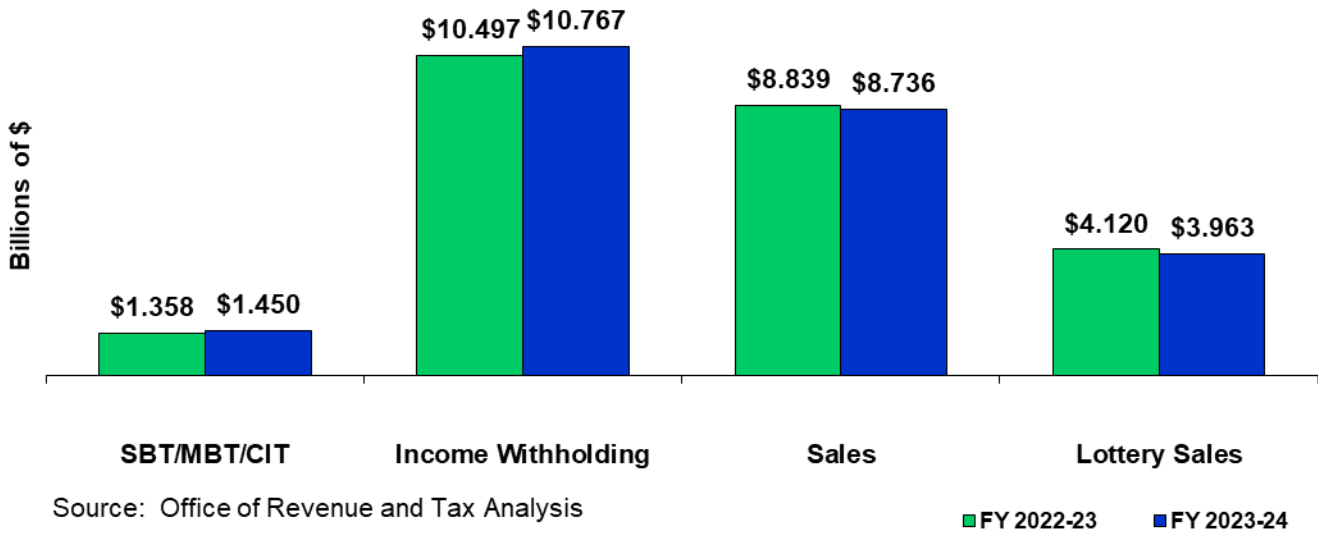
Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

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



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



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

For The Month Ended: July 31, 2024

Month-End Cash Collections Data				October Through July Cash Collections Data					Revenue Projections		
July		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											
\$1,107,924	\$1,131,314	\$23,391	2.1%	Withholding	\$10,496,938	\$10,767,172	\$270,234	2.6%	\$12,226,200	\$12,376,900	\$12,581,900
19,623	44,422	24,799	126.0%	Quarterlies	824,290	824,319	29	0.0%	1,078,100	1,144,000	999,000
2,618	(4,039)	(6,657)	-254.3%	Flow Through Entity Tax	710,898	759,940	49,042	6.9%	999,100	972,800	972,800
25,770	28,434	2,664	10.3%	Annuals	1,264,823	1,163,880	(100,943)	-8.0%	1,316,300	1,264,400	1,152,500
\$1,155,935	\$1,200,131	\$44,196	3.8%	Gross Collections	\$13,296,949	\$13,515,312	\$218,363	1.6%	\$15,619,500	\$15,758,100	\$15,706,200
94,599	85,887	(8,712)	-9.2%	Less: Refunds	3,002,128	3,875,535	873,406	29.1%	3,278,200	3,510,000	3,317,000
0	0	0	0.0%	Less: State Campaign Fund	0	0	0	0.0%	0	800	800
\$1,061,337	\$1,114,244	\$52,908	5.0%	Net Personal Income	\$10,294,821	\$9,639,777	(\$655,044)	-6.4%	\$12,341,300	\$12,247,300	\$12,388,400
50,000	50,000	0	0.0%	Less: Disbursements to MTF	500,000	500,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	57,500	57,500	0	0.0%	71,300	69,000	69,000
269,101	279,408	10,307	3.8%	Less: Disbursements to SAF	3,152,503	3,203,849	51,346	1.6%	3,907,700	3,798,200	3,785,700
\$736,486	\$779,086	\$42,600	5.8%	Net Personal Income To GF-GP	\$6,584,818	\$5,878,428	(\$706,390)	-10.7%	\$7,762,300	\$7,780,100	\$7,933,700
Consumption Taxes											
\$169,202	\$146,934	(\$22,268)	-13.2%	Sales (a)	\$1,381,036	\$1,388,530	\$7,494	0.5%	\$1,096,100	\$1,666,000	\$1,566,200
143,392	134,940	(8,452)	-5.9%	Use (a) (h)	1,031,775	1,057,542	25,766	2.5%	1,251,600	1,136,700	1,280,400
13,196	11,296	(1,900)	-14.4%	Tobacco	120,681	109,905	(10,775)	-8.9%	143,400	145,800	137,300
10,454	9,434	(1,019)	-9.8%	Beer, Wine & Mixed Spirits	44,743	42,164	(2,580)	-5.8%	46,300	50,000	46,000
8,385	9,104	718	8.6%	Liquor Specific	61,883	64,293	2,410	3.9%	67,900	65,300	65,600
\$344,629	\$311,708	(\$32,921)	-9.6%	Total Consumption Taxes	\$2,640,118	\$2,662,434	\$22,316	0.8%	\$2,605,300	\$3,063,800	\$3,095,500
Other Taxes											
\$3	\$1	(\$3)	-83.9%	Single Business	(\$3,446)	(\$275)	\$3,171	92.0%	(\$3,500)	\$0	\$0
110,377	121,855	11,477	10.4%	Insurance Premiums Taxes	\$456,673	510,247	53,574	11.7%	465,900	450,000	523,000
110,381	121,855	11,475	10.4%	Sub-total SBT & Insurance	453,228	509,973	56,745	12.5%	462,400	450,000	523,000
2,737	18,890	16,153	na	Michigan Business Tax	(472,276)	(338,830)	133,446	28.3%	(434,100)	(509,700)	(494,600)
168,011	164,317	(3,694)	-2.2%	Corporate Income Tax	1,833,662	1,789,023	(44,639)	-2.4%	1,609,900	1,500,000	1,625,000
16,172	22,696	6,524	40.3%	Telephone & Telegraph	27,120	43,361	16,241	59.9%	35,900	33,000	34,000
1,377	1,574	197	14.3%	Oil & Gas Severance	25,036	20,200	(4,836)	-19.3%	27,100	34,000	27,000
3,680	4,444	764	20.8%	Penalties & Interest	112,477	110,217	(2,260)	-2.0%	141,200	143,000	143,000
29,390	26,296	(3,094)	-10.5%	Essential Services Assessment	43,495	40,670	(2,825)	-6.5%	141,800	152,000	150,000
1,540	1,893	353	22.9%	Miscellaneous Other/Railroad	2,019	2,473	454	22.5%	32,200	3,000	15,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(126,250)	(125,833)	417	0.3%	(145,600)	(151,000)	(151,000)
\$320,787	\$349,382	\$28,595	8.9%	Total Other Taxes	\$1,898,510	\$2,051,253	\$152,743	8.0%	\$1,870,800	\$1,654,300	\$1,871,400
\$1,401,901	\$1,440,176	\$38,275	2.7%	Subtotal GF-GP Taxes	\$11,123,447	\$10,592,115	(\$531,332)	-4.8%	\$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: July 31, 2024

Month-End Cash Collections Data				October Through July Cash Collections Data				Revenue Projections			
July		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	\$8,333	\$8,333	\$0	0.0%	\$13,900	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	83	83	0	0.0%	0	100	100
583	583	0	0.0%	Services	5,833	5,833	0	0.0%	3,900	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	11,667	11,667	0	0.0%	11,200	14,000	14,000
72,926	43,137	(29,789)	-40.8%	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	8,333	8,333	0	0.0%	59,600	22,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	250,000	287,500	37,500	15.0%	309,000	342,000	298,100
7,500	7,667	167	2.2%	From Other Funds-Lottery & Escheats	75,000	76,500	1,500	2.0%	183,800	90,000	134,000
\$108,851	\$82,979	(\$25,872)	-23.8%	Total Non-Tax Revenue	\$620,647	\$647,649	\$27,002	4.4%	\$1,195,200	\$740,100	\$1,048,200
\$1,510,752	\$1,523,155	\$12,402	0.8%	Total GF-GP Revenue	\$11,744,094	\$11,239,764	(\$504,330)	-4.3%	\$13,433,600	\$13,238,300	\$13,948,800
School Aid Fund											
\$428,486	\$380,742	(\$47,744)	-11.1%	Sales Tax 4%	\$3,560,970	\$3,580,889	\$19,919	0.6%	\$4,376,100	\$4,471,700	\$4,307,100
212,327	306,182	93,855	44.2%	Sales Tax 2%	2,903,751	2,767,480	(136,271)	-4.7%	3,430,800	3,501,800	3,375,800
85,905	82,101	(3,804)	-4.4%	Use Tax 2%	744,296	762,877	18,581	2.5%	909,500	863,500	972,900
5,502	11,870	6,368	116.0%	State Education Property Tax	1,648,123	1,787,717	139,594	8.5%	2,559,600	2,737,900	2,715,000
39,188	44,583	5,395	13.8%	Real Estate Transfer Tax	335,882	321,949	(13,933)	-4.1%	389,200	377,500	370,000
90,000	90,000	0	0.0%	Lottery Transfer (b)	814,351	841,981	27,631	3.4%	1,351,900	1,212,700	1,270,000
8,649	8,611	(38)	-0.4%	Casino Wagering Tax	86,647	83,967	(2,680)	-3.1%	429,900	434,200	479,200
6,439	6,690	251	3.9%	Liquor Excise Tax	55,773	56,513	740	1.3%	75,000	76,800	77,100
26,789	22,932	(3,857)	-14.4%	Cigarette/Tobacco Tax	245,000	223,124	(21,875)	-8.9%	254,700	258,600	242,100
1,312	3,154	1,842	140.0%	Indus. & Comm. Facilities Taxes	32,599	41,019	8,420	25.8%	44,600	42,500	45,000
7,091	7,008	(83)	-1.2%	Specific Other	14,710	14,542	(168)	-1.1%	131,000	112,700	143,600
269,101	279,408	10,307	3.8%	Income Tax Earmarking	3,152,503	3,203,849	51,346	1.6%	3,907,700	3,798,200	3,785,700
\$1,180,788	\$1,243,281	\$62,492	5.3%	Total School Aid Fund	\$13,594,605	\$13,685,908	\$91,303	0.7%	\$17,860,000	\$17,888,100	\$17,783,600
Multi-Fund Revenue Summary											
\$926,470	\$940,751	\$14,282	1.5%	Sales Tax 6%	\$8,838,702	\$8,735,629	(\$103,073)	-1.2%	\$10,674,400	\$10,887,300	\$10,487,300
714,143	634,570	(79,573)	-11.1%	Sales Tax 4% (d)	5,934,951	5,968,149	33,199	0.6%	7,243,600	7,385,500	7,111,500
212,327	306,182	93,855	44.2%	Sales Tax 2%	2,903,751	2,767,480	(136,271)	-4.7%	3,430,800	3,501,800	3,375,800
257,715	246,304	(11,412)	-4.4%	Use Tax 6% (g)	2,232,889	2,288,632	55,742	2.5%	2,709,100	2,561,900	2,815,000
50,869	51,198	329	0.6%	Recreational Marijuana	230,672	277,562	46,889	20.3%	269,034	244,900	330,300
66,310	56,762	(9,548)	-14.4%	Tobacco Taxes	606,435	552,288	(54,147)	-8.9%	724,320	733,400	691,000
4	0	(4)	-100.0%	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: July 31, 2024

Month-End Cash Collections Data				October Through July Cash Collections Data				Revenue Projections			
July		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											
\$24,108	\$25,046	\$938	3.9%	Diesel Fuel / Motor Carrier Fuel Tax	\$218,241	\$221,888	\$3,647	1.7%	\$270,182	\$269,500	\$273,000
104,273	111,414	7,141	6.8%	Gasoline	984,166	1,039,758	55,592	5.6%	1,222,357	1,256,000	1,259,000
119,663	120,621	958	0.8%	Motor Vehicle Registration	1,280,512	1,264,982	(15,530)	-1.2%	1,503,546	1,482,000	1,542,000
4,638	5,046	408	8.8%	Other Taxes, Fees & Misc.	41,431	43,436	2,005	4.8%	359,235	335,347	372,757
11,650	10,317	(1,333)	-11.4%	Comprehensive Transportation (c)	115,318	103,167	(12,152)	-10.5%	195,751	177,995	181,279
50,000	50,000	0	0.0%	Income Tax Earmarking	500,000	500,000	0	0.0%	600,000	600,000	600,000
<u>\$314,332</u>	<u>\$322,444</u>	<u>\$8,112</u>	<u>2.6%</u>	Total Major Trans. Revenues	<u>\$3,139,668</u>	<u>\$3,173,231</u>	<u>\$33,562</u>	<u>1.1%</u>	<u>\$4,151,071</u>	<u>\$4,120,842</u>	<u>\$4,228,036</u>
Lottery Sales By Games											
\$238,032	\$224,767	(\$13,265)	-5.6%	Instant Games (f)	\$2,142,387	\$2,071,050	(\$71,337)	-3.3%	na	na	na
86,657	89,372	2,715	3.1%	Daily Games	813,497	804,174	(9,323)	-1.1%	na	na	na
91,216	37,647	(53,570)	-58.7%	Lotto and Big Game (f)	516,100	435,062	(81,038)	-15.7%	na	na	na
683	647	(37)	-5.4%	Keno Game	6,294	6,023	(270)	-4.3%	na	na	na
3,608	3,844	236	6.5%	Lucky For Life	30,719	33,204	2,484	8.1%	na	na	na
9,653	6,697	(2,956)	-30.6%	Other (f)	77,678	59,388	(18,290)	-23.5%	na	na	na
58,755	64,347	5,592	9.5%	Club Games	533,580	553,849	20,269	3.8%	na	na	na
<u>\$488,605</u>	<u>\$427,319</u>	<u>(\$61,285)</u>	<u>-12.5%</u>	Total Lottery Sales	<u>\$4,120,255</u>	<u>\$3,962,750</u>	<u>(\$157,504)</u>	<u>-3.8%</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 \$456.7 million and the year-to date 2024 revenues are \$468.1million. 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 \$456.7 million and the year-to-date 2024 LCSS revenues are \$468.1 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.

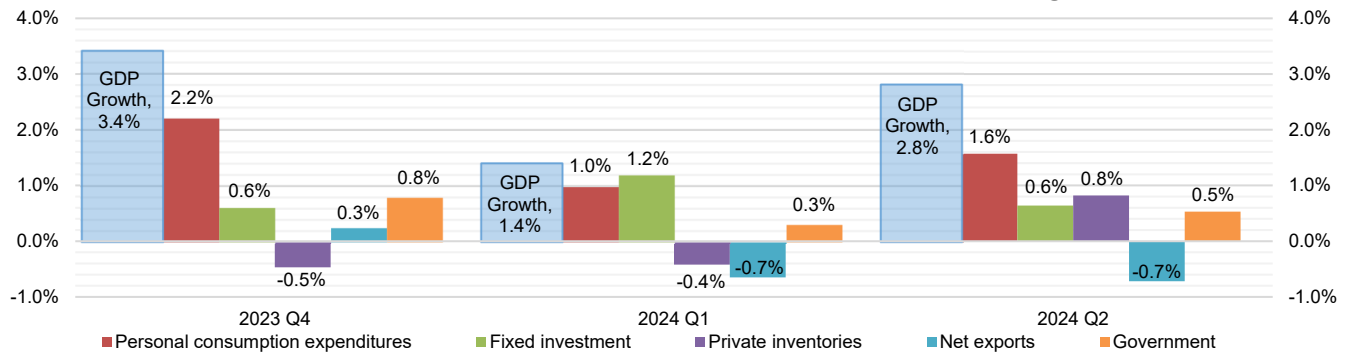
Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** increased at a 2.8 percent annual rate in the second quarter of 2024, according to the “advance” 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



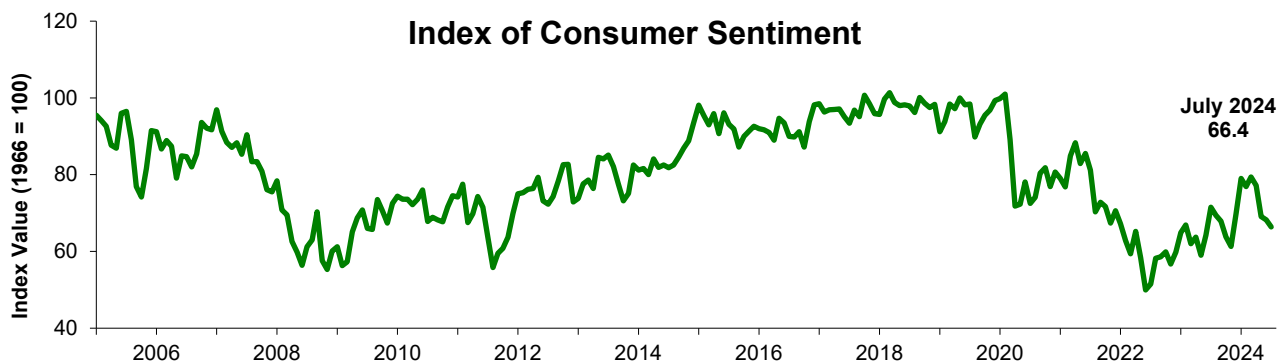
Source: Bureau of Economic Analysis

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 2.0 percent in the second quarter, while the implicit price deflator increased by 2.3 percent in the same period.

U.S. wage and salary employment increased by 114,000 jobs in July 2024, with total employment 6.4 million above the February 2020 pre-pandemic level. In July, sectors with the largest increases in employment include private education with a gain of 57,000 jobs, construction services with a gain of 25,000 jobs, and leisure and hospitality services with 23,000 additional jobs. Employment decreases in July were observed in the information services sector with a loss of 20,000 jobs, other services sector with a decline of 5,000 jobs, and financial activities sector with 4,000 fewer jobs.

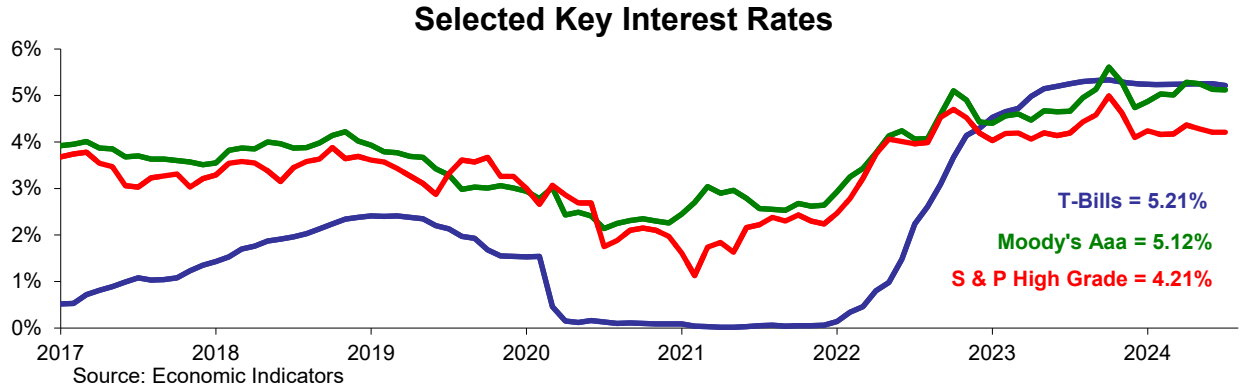
In July, the U.S. unemployment rate increased to 4.3 percent. Civilian employment increased to 161.3 million, up 67,000 from June. The number unemployed increased 352,000 from June, to 7.2 million in July. The labor force participation rate increased to 62.7 percent in July, 0.6 percentage points below the pre-pandemic rate in February 2020 of 63.3 percent.

The **Index of Consumer Sentiment** decreased to 66.4 index-points in July, down 1.8 index-points from the prior month. Consumer sentiment is 5.1 index-points below the year-ago level.

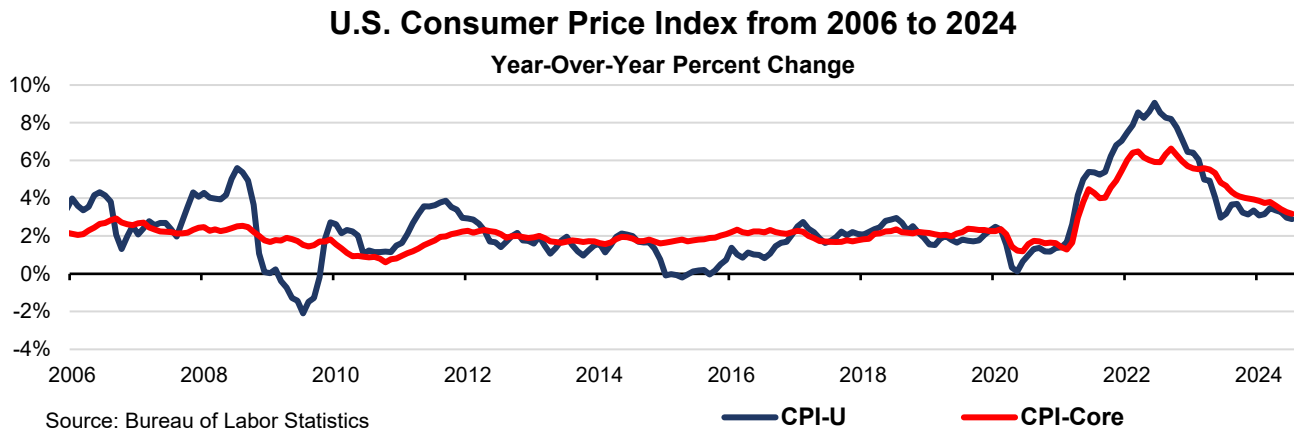


Source: University of Michigan, Survey Research Center

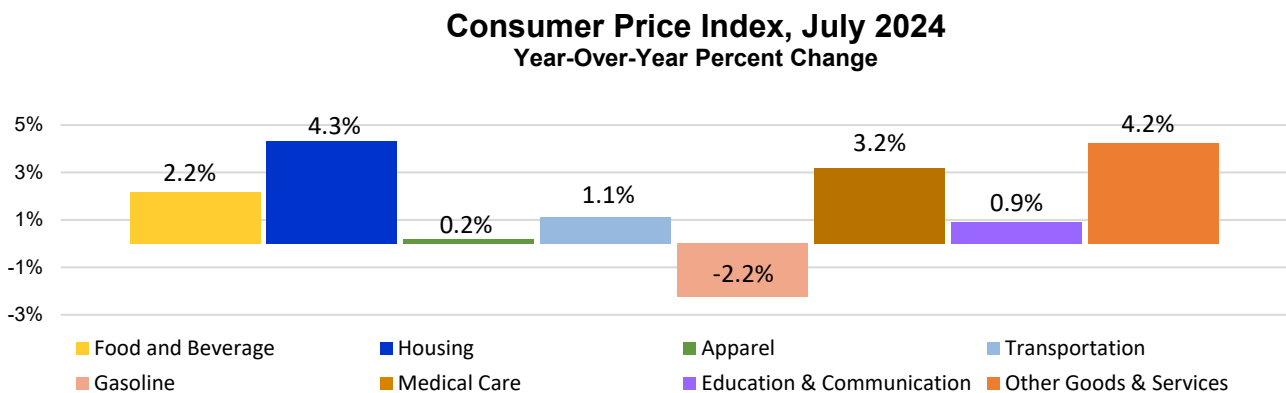
Short-term **interest rates** decreased in July, with a 3-month Treasury bill (T-bill) rate of 5.21 percent. The T-bill rate is 4 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.25 percent rate in July 2023. The Aaa corporate bond rate decreased by 1 basis point in July to an interest rate of 5.12 percent, up 46 basis points from a year ago. The interest rate on S&P high-grade municipal bonds remained unchanged in July, with an interest rate of 4.21 percent, up 2 basis points from a year ago.



U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 2.9 percent from July 2023 to July 2024, a 0.1 percentage points decline from June's 3.0 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 July, lower than the prior month's 3.3 percent rate. CPI-U and CPI-Core data are not seasonally adjusted.

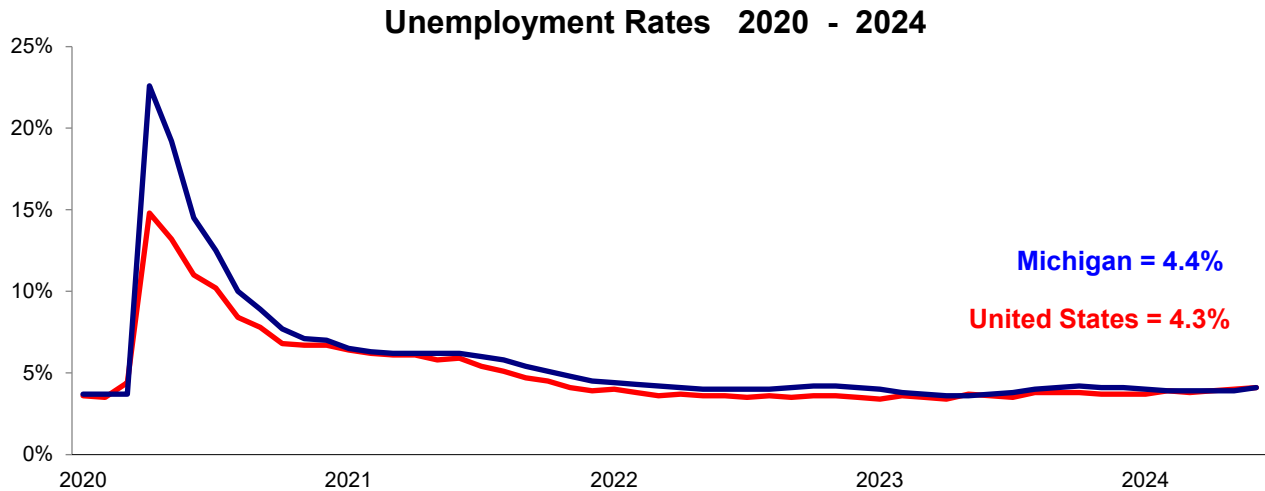


Housing exhibited the largest year-over-year price increase at 4.3 percent for July, followed by other goods and services with a 4.2 percent increase, and medical care with a 3.2 percent increase. Gasoline experienced a year-over-year price decline of 2.2 percent in July. These sector data are seasonally adjusted.



Michigan Economy

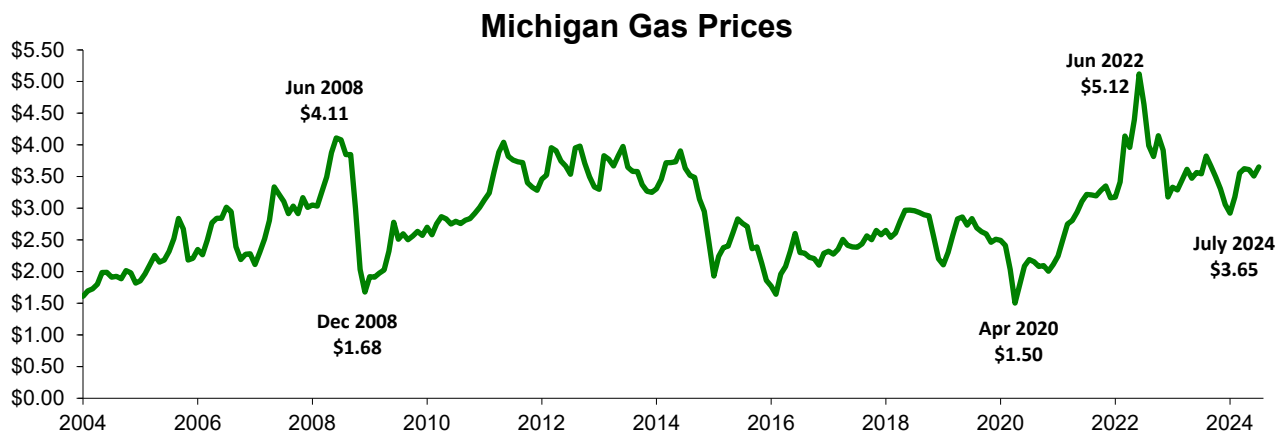
The **Michigan jobless rate** increased from 4.1 percent in June to 4.4 percent in July. The national unemployment rate was 4.3 percent in July, 0.2 percentage points higher than June's rate. The number employed in Michigan decreased by 7,000 from June's levels, while the number of unemployed in July increased by 16,000 from the prior month. The number employed is 0.1 percent higher, while the number unemployed is 14.2 percent higher than in July 2023. Michigan's unemployment rate of 4.4 percent is 0.7 percentage points higher than the February 2020 pre-pandemic rate of 3.7 percent.



Source: Bureau of Labor Statistics and Michigan Department of Technology, Management & Budget

Michigan wage and salary employment decreased by 1,700 jobs from June to a total of 4.5 million jobs in July. Compared to last year, employment in July was up 35,000 jobs, or 0.8 percent from July 2023. The sectors with the largest employment increases in July were education and health services with a gain of 1,500 jobs, government services with a gain of 1,200 jobs, and trade, transportation and utilities services with 600 additional jobs. The sectors with the largest employment decreases in July were leisure and hospitality services with 5,100 jobs lost, and information services and other services, both sectors tied with 400 fewer jobs.

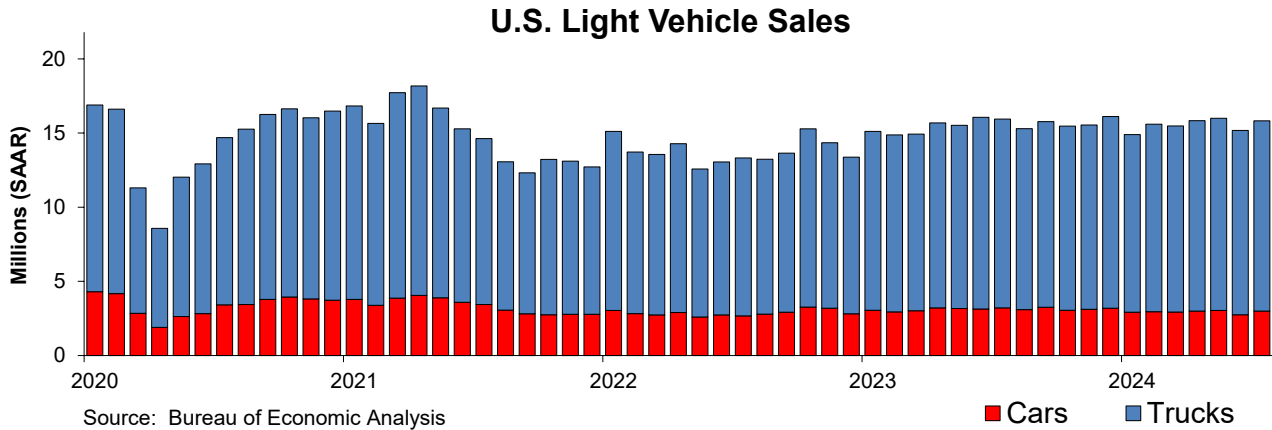
Michigan gasoline prices increased in July to \$3.65 per gallon, 14.2 cents a gallon above last month's average. Year-over-year gasoline prices were 10.9 cents per gallon higher than in July 2023. Diesel prices of \$3.90 per gallon in July increased by 16.9 cents a gallon from June. Diesel prices were up 4.0 cents per gallon from the July 2023 price of \$3.86 per gallon.



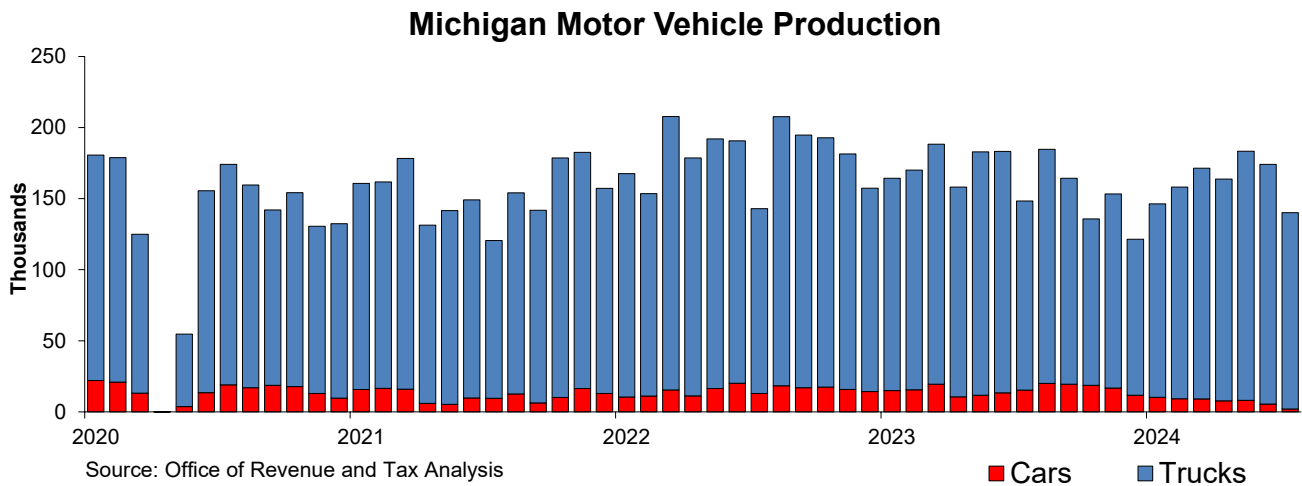
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) increased by 4.2 percent in July from June, selling at a 15.8 million unit seasonally adjusted annual rate. Domestic car sales increased 6.9 percent while light truck sales increased 1.3 percent from June. Import car sales increased 14.6 percent while import light truck sales increased 9.9 percent from June. Compared to July 2023, light vehicle sales were down 0.8 percent. Domestic car sales decreased 10.5 percent while light truck sales decreased 1.9 percent from the year ago levels. July import car sales increased 3.9 percent while import light truck sales increased 11.0 percent from last year. Domestic light vehicles recorded a 76.2 percent share of July 2024 sales, down 2.2 percentage points from July 2023.



Michigan motor vehicle production decreased in July to 140,144 total units. Michigan’s July production was 19.5 percent lower than June’s production and 5.5 percent below the level in July 2023. Nationally, motor vehicle production totaled 714,274 units, 9,284 units lower than the 723,558 units from a year ago. In July, Michigan’s car production was 2,013 units while the State’s truck production was 138,131 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