



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

July 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 June 30, 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
June 30, 2024
(\$ in millions)

FISCAL
2024

Beginning Balance	\$ 3,925.3
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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	\$ 28.2
Subtotal Ongoing Expenditures	\$ 12,784.8
One-Time:	
Public Acts 103, 119, and 321 of 2023	\$ 2,640.7
Subtotal One-Time Expenditures	\$ 2,640.7
Total Expenditures	\$ 15,425.5

Ending Balance	\$ 1,883.3
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SCHOOL AID FUND
Fiscal Year 2024
Projected Revenues and Expenditures
June 30, 2024
(\$ in millions)

	FISCAL 2024
Beginning Balance	\$ 2,192.5
Revenues	
Ongoing:	
May 2024 Consensus Forecast	\$ 17,783.6
General Fund	\$ 48.8
Community District Trust Fund	\$ 72.0
Federal Revenue	\$ 2,200.8
Subtotal Ongoing Revenue	\$ 20,105.1
One-Time:	
General Fund	\$ 38.2
General Fund - Community District Trust Fund Revenue Deposit	\$ 28.2
Enrollment Stability Reserve Fund - Public Act 103 of 2023	\$ 71.0
MPERS Reserve Fund - Public Act 103 of 2023	\$ 215.8
Transportation Reserve Fund - Public Act 103 of 2023	\$ 125.0
School Meals Reserve Fund - Public Act 103 of 2023	\$ 60.0
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	\$ 4.0
Subtotal One-Time Revenue	\$ 808.2
Total Revenue	\$ 20,913.3
Expenditures	
Ongoing:	
School Aid - Public Act 103 of 2023	\$ 19,135.2
Community Colleges - Public Act 103 of 2023	\$ 496.2
Universities - Public Act 103 of 2023	\$ 352.3
Subtotal Ongoing Expenditures	\$ 19,983.6
One-Time:	
School Aid - Public Act 103 of 2023	\$ 2,324.5
School Aid - Public Act 320 of 2023	\$ 4.0
Community Colleges - Public Act 103 of 2023	\$ 48.4
Community Colleges - Public Act 320 of 2023	\$ 5.0
Universities - Public Act 103 of 2023	\$ 130.0
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	\$ 2,669.0
Total Expenditures	\$ 22,652.6
Ending Balance	\$ 453.3

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

June 30, 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)	Encumbrance, Work Project & Capital Outlay Carry Forwards	Total Authorization	Expenditures & Encumbrances Year to Date FY 2024
102.9	138.1	Agriculture and Rural Development	168.6	5.2	132.9	306.7	125.7
75.9	116.6	Attorney General	141.2	2.6	34.0	177.9	99.6
1,095.9	1,313.1	Capital Outlay (2)	650.1	3.9	3,080.3	3,734.3	460.4
12.6	17.2	Civil Rights	31.7	2.0	7.4	41.1	16.7
1,176.4	1,660.8	Colleges and Universities	1,808.8	306.0	180.8	2,295.6	1,720.9
1,572.6	2,074.0	Corrections	2,076.2	3.5	581.0	2,660.7	1,622.7
559.7	897.8	Education	697.7	33.0	825.2	1,555.8	562.1
801.2	1,320.8	Environment, Great Lakes, and Energy	935.0	105.0	3,760.1	4,800.1	1,038.8
6.1	8.5	Executive Office	8.9	0.0	0.4	9.3	7.3
24,567.8	33,704.4	Health and Human Services	35,668.3	56.7	4,702.5	40,427.4	24,836.3
60.5	74.7	Insurance and Financial Service	74.1	2.2	1.6	78.0	55.7
197.5	305.6	Judiciary	355.9	0.0	170.4	526.3	212.9
1,546.0	3,007.1	Labor and Economic Opportunity	1,446.8	562.7	4,448.9	6,458.4	1,332.6
20.1	27.4	Legislative Auditor General	29.8	0.0	14.3	44.0	20.7
134.5	184.2	Legislature	188.6	0.0	207.4	396.0	129.3
324.1	519.2	Licensing and Regulatory Affairs	591.1	82.3	238.3	911.7	448.2
0.0	0.0	Lifelong Education, Advancement, and Potential	0.0	6.5	0.0	6.5	0.3
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
1,446.7	1,668.4	Michigan Strategic Fund (3)	465.3	1.6	0.0	466.9	469.7
36.6	51.1	Michigan Veterans' Facility Authority	37.8	1.0	0.0	38.8	37.8
97.1	119.5	Military and Veterans Affairs	114.2	24.8	8.0	147.0	105.8
108.9	182.2	Natural Resources	192.3	4.5	88.2	285.1	154.3
171.2	248.4	State	304.2	12.1	118.3	434.6	197.8
0.0	0.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
687.6	987.2	State Police	891.5	81.2	863.0	1,835.7	729.9
389.0	770.6	Technology, Management and Budget (4)	820.3	1,447.5	757.5	3,025.3	729.0
0.4	10.2	Transportation	62.0	147.3	54.3	263.6	48.8
2,058.2	5,391.8	Treasury	2,546.6	92.0	526.1	3,164.6	2,041.2
\$37,249.4	\$54,798.6		\$50,308.9	\$2,983.5	\$20,831.2	\$74,123.6	\$37,204.6

(1) Includes boilerplate appropriations.

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

(3) Expenditures were incorrectly recorded in the General Fund. Correcting entries will be reflected in the July 2024 report.

(4) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS
TO LOCAL UNITS OF GOVERNMENT
Fiscal Year 2024
June 30, 2024
(\$ in millions)**

	INITIAL APPROPRIATIONS	EXEC. ORDER and SUPPLEMENTALS	TOTAL APPROPRIATIONS YEAR-TO-DATE
Payments to local units of government	25,556.3	154.0	25,710.3
Total state spending from state resources	47,013.5	226.4	47,239.9
Percentage of state spending from state resources paid to local units	54.36%	68.02%	54.42%
Required payments to local units (48.97%)	23,022.5	110.9	23,133.4
Surplus/(deficit)	\$2,533.8	\$43.1	\$2,576.9

STATE OF MICHIGAN
YEAR-TO-DATE BALANCE SHEET
COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND
June 30, 2024
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 1,920,207</u>
Total Assets	<u><u>\$ 1,920,207</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>1,920,207</u>
Total Fund Balances	<u>1,920,207</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,920,207</u></u>

STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND
October 1, 2023 through June 30, 2024
(\$ in thousands)

REVENUES

Miscellaneous	\$ 65,213
	<u>65,213</u>
Total Revenues	<u>65,213</u>

EXPENDITURES

Current:	
General government	307
	<u>307</u>
Total Expenditures	<u>307</u>
Excess of Revenues over (under) Expenditures	<u>64,907</u>

OTHER FINANCING SOURCES (USES)

Transfers from other funds	75,000
Transfers to other funds	<u>-</u>
Total Other Financing Sources (Uses)	<u>75,000</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ 139,907</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

June 30, 2024
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	\$ 47,488
Investments	-
Other current assets	-
Total Current Assets	<u>47,488</u>
 Noncurrent Assets:	
Investments	<u>737,941</u>
 Total Assets	<u><u>\$ 785,429</u></u>

LIABILITIES

Current Liabilities:	
Accounts payable and other liabilities	\$ 3,600
Amounts due to other funds	-
Total Current Liabilities	<u>3,600</u>
 Total Liabilities	<u>3,600</u>

FUND BALANCES

Nonspendable	500,000
Restricted	<u>281,830</u>
 Total Fund Balances	<u>781,830</u>
 Total Liabilities and Fund Balances	<u><u>\$ 785,429</u></u>

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

October 1, 2023 through June 30, 2024
(\$ in thousands)

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		69,831
		<hr/>
Total Revenues		69,831
		<hr/>

EXPENDITURES

Current:		
General government		4,098
Conservation, environment, recreation, and agriculture		8,082
Capital outlay		5,191
		<hr/>
Total Expenditures		17,371
		<hr/>
Excess of Revenues over (under) Expenditures		52,460
		<hr/>

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		3
Transfers from other funds		-
Transfers to other funds		(24)
		<hr/>
Total Other Financing Sources (Uses)		(21)
		<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		\$ 52,440 ¹
		<hr/> <hr/>

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

REVENUE OVERVIEW

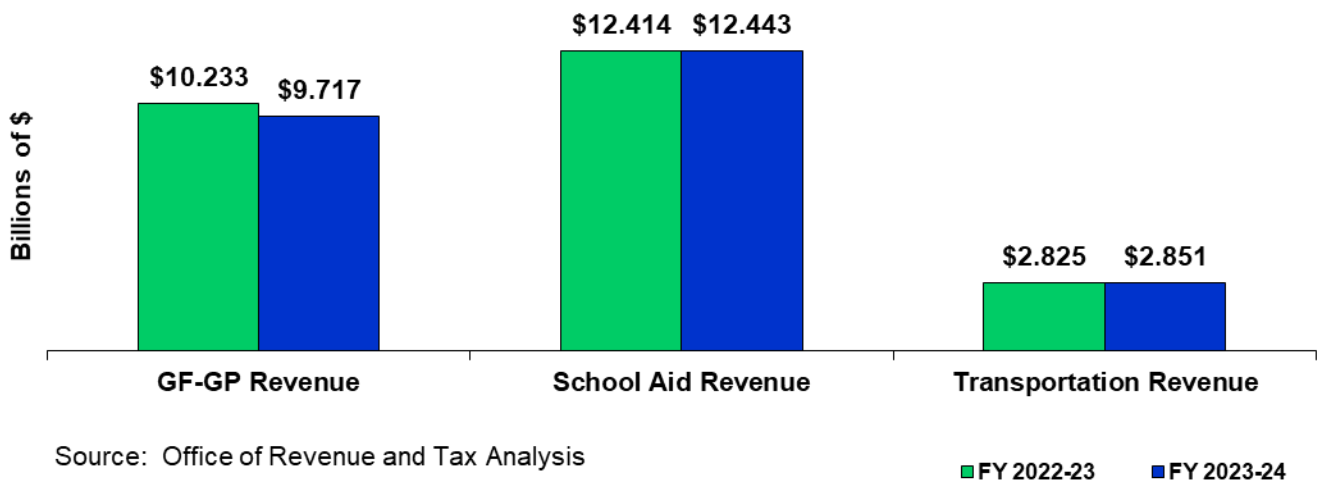
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

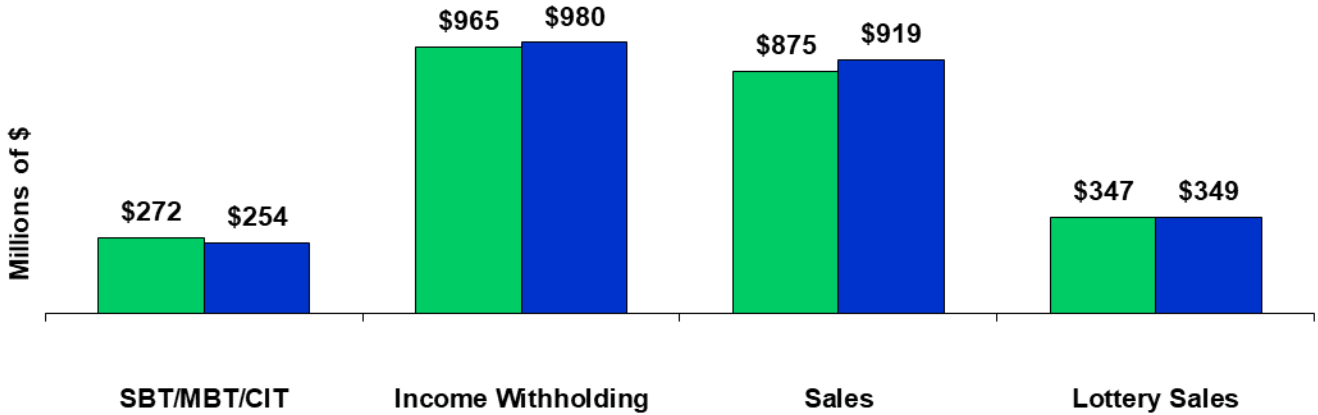
Total General Fund - General Purpose (GF-GP) cash collections were \$12.8 million (0.8 percent) higher in June 2024 than in June 2023. The June 2024 School Aid Fund cash collections were \$16.9 million (1.3 percent) lower than in June 2023. June 2024 transportation collections were \$4.8 million (1.5 percent) lower than in June 2023 (see revenue summary table). June is the ninth 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. Year-to-date GF-GP cash collections are down \$516.7 million (5.0 percent) from a year ago. School Aid Fund cash collections are up \$28.8 million (0.2 percent) and transportation collections are up \$25.5 million (0.9 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 June Collections FY 2022-23 and FY 2023-24



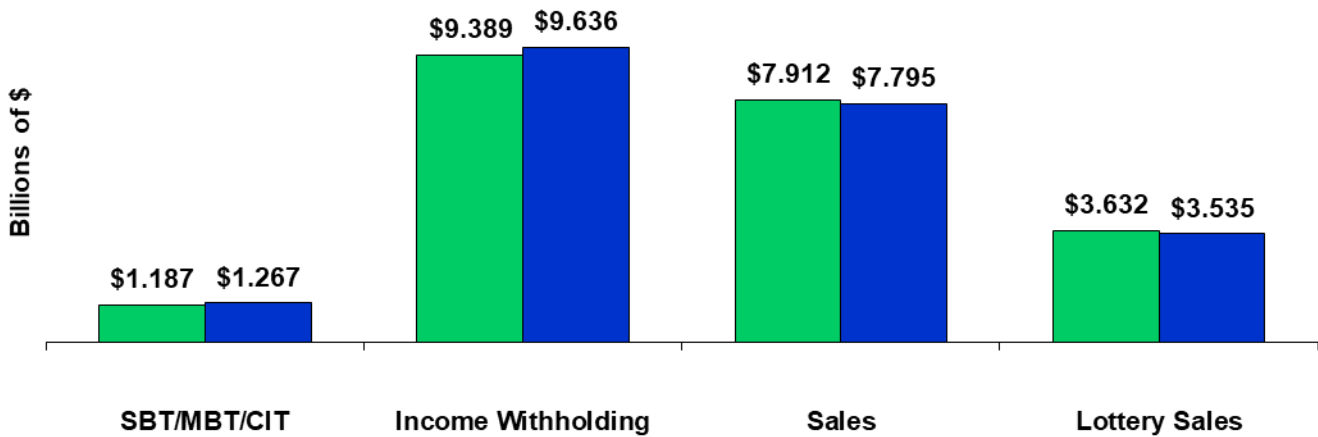
June Revenue Collections FY 2022-23 and FY 2023-24



Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

October through June 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: June 30, 2024

Month-End Cash Collections Data				October Through June Cash Collections Data					Revenue Projections		
June		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											
\$964,509	\$980,091	\$15,582	1.6%	Withholding	\$9,389,014	\$9,635,857	\$246,843	2.6%	\$12,226,200	\$12,376,900	\$12,581,900
202,640	209,574	6,934	3.4%	Quarterlies	804,667	779,898	(24,769)	-3.1%	1,078,100	1,144,000	999,000
180,846	209,635	28,789	15.9%	Flow Through Entity Tax	708,280	763,979	55,699	7.9%	999,100	972,800	972,800
33,657	40,325	6,668	19.8%	Annuals	1,239,053	1,135,446	(103,606)	-8.4%	1,316,300	1,264,400	1,152,500
\$1,381,652	\$1,439,625	\$57,974	4.2%	Gross Collections	\$12,141,014	\$12,315,181	\$174,167	1.4%	\$15,619,500	\$15,758,100	\$15,706,200
100,046	122,367	22,320	22.3%	Less: Refunds	2,907,530	3,789,648	882,118	30.3%	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
\$1,281,605	\$1,317,259	\$35,653	2.8%	Net Personal Income	\$9,233,484	\$8,525,532	(\$707,951)	-7.7%	\$12,341,300	\$12,247,300	\$12,388,400
50,000	50,000	0	0.0%	Less: Disbursements to MTF	450,000	450,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	51,750	51,750	0	0.0%	71,300	69,000	69,000
321,683	335,128	13,445	4.2%	Less: Disbursements to SAF	2,883,402	2,924,441	41,039	1.4%	3,907,700	3,798,200	3,785,700
\$904,172	\$926,380	\$22,208	2.5%	Net Personal Income To GF-GP	\$5,848,332	\$5,099,341	(\$748,991)	-12.8%	\$7,762,300	\$7,780,100	\$7,933,700
Consumption Taxes											
\$117,872	\$145,975	\$28,103	23.8%	Sales (a)	\$1,211,834	\$1,241,596	\$29,762	2.5%	\$1,096,100	\$1,666,000	\$1,566,200
182,670	157,461	(25,209)	-13.8%	Use (a) (h)	888,384	922,602	34,218	3.9%	1,251,600	1,136,700	1,280,400
12,989	12,050	(939)	-7.2%	Tobacco	107,485	98,610	(8,875)	-8.3%	143,400	145,800	137,300
1,404	1,441	37	2.6%	Beer, Wine & Mixed Spirits	34,290	32,729	(1,560)	-4.6%	46,300	50,000	46,000
7,454	7,513	60	0.8%	Liquor Specific	53,498	55,189	1,692	3.2%	67,900	65,300	65,600
\$322,388	\$324,440	\$2,052	0.6%	Total Consumption Taxes	\$2,295,490	\$2,350,726	\$55,237	2.4%	\$2,605,300	\$3,063,800	\$3,095,500
Other Taxes											
\$3	\$16	\$14	496.0%	Single Business	(\$3,449)	(\$275)	\$3,174	92.0%	(\$3,500)	\$0	\$0
3,195	3,034	(161)	-5.0%	Insurance Premiums Taxes	\$346,296	388,392	42,097	12.2%	465,900	450,000	523,000
3,197	3,050	(147)	-4.6%	Sub-total SBT & Insurance	342,847	388,117	45,270	13.2%	462,400	450,000	523,000
1,171	8,529	7,358	na	Michigan Business Tax	(475,012)	(357,719)	117,293	24.7%	(434,100)	(509,700)	(494,600)
270,655	245,100	(25,555)	-9.4%	Corporate Income Tax	1,665,651	1,624,706	(40,945)	-2.5%	1,609,900	1,500,000	1,625,000
3,246	7,235	3,989	123.0%	Telephone & Telegraph	10,948	20,665	9,717	88.8%	35,900	33,000	34,000
2,396	1,630	(766)	-32.0%	Oil & Gas Severance	23,659	18,626	(5,033)	-21.3%	27,100	34,000	27,000
6,311	9,995	3,683	58.4%	Penalties & Interest	108,797	105,772	(3,024)	-2.8%	141,200	143,000	143,000
11,165	7,457	(3,708)	-33.2%	Essential Services Assessment	14,105	14,374	269	1.9%	141,800	152,000	150,000
215	75	(140)	-65.1%	Miscellaneous Other/Railroad	479	580	101	21.0%	32,200	3,000	15,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(113,750)	(113,250)	500	0.4%	(145,600)	(151,000)	(151,000)
\$285,857	\$270,487	(\$15,370)	-5.4%	Total Other Taxes	\$1,577,723	\$1,701,871	\$124,148	7.9%	\$1,870,800	\$1,654,300	\$1,871,400
\$1,512,417	\$1,521,307	\$8,891	0.6%	Subtotal GF-GP Taxes	\$9,721,545	\$9,151,939	(\$569,606)	-5.9%	\$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: June 30, 2024

Month-End Cash Collections Data				October Through June Cash Collections Data					Revenue Projections		
June		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	\$7,500	\$7,500	\$0	0.0%	\$13,900	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	75	75	0	0.0%	0	100	100
583	583	0	0.0%	Services	5,250	5,250	0	0.0%	3,900	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	10,500	10,500	0	0.0%	11,200	14,000	14,000
0	0	0	0.0%	Investments/Interest Costs	188,471	206,262	17,791	9.4%	613,800	255,000	550,000
833	833	0	0.0%	Misc. Non-tax Revenue	7,500	7,500	0	0.0%	59,600	22,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	225,000	258,750	33,750	15.0%	309,000	342,000	298,100
7,500	7,667	167	2.2%	From Other Funds-Lottery & Escheats	67,500	68,833	1,333	2.0%	183,800	90,000	134,000
\$35,925	\$39,842	\$3,917	10.9%	Total Non-Tax Revenue	\$511,796	\$564,670	\$52,874	10.3%	\$1,195,200	\$740,100	\$1,048,200
\$1,548,342	\$1,561,149	\$12,807	0.8%	Total GF-GP Revenue	\$10,233,341	\$9,716,609	(\$516,732)	-5.0%	\$13,433,600	\$13,238,300	\$13,948,800
School Aid Fund											
\$305,292	\$372,739	\$67,448	22.1%	Sales Tax 4%	\$3,132,485	\$3,200,148	\$67,663	2.2%	\$4,376,100	\$4,471,700	\$4,307,100
365,715	297,286	(68,430)	-18.7%	Sales Tax 2%	2,691,424	2,461,298	(230,126)	-8.6%	3,430,800	3,501,800	3,375,800
91,335	78,730	(12,604)	-13.8%	Use Tax 2%	658,391	680,776	22,385	3.4%	909,500	863,500	972,900
43,124	33,273	(9,850)	-22.8%	State Education Property Tax	1,642,621	1,775,847	133,227	8.1%	2,559,600	2,737,900	2,715,000
31,210	33,232	2,022	6.5%	Real Estate Transfer Tax	296,694	277,366	(19,328)	-6.5%	389,200	377,500	370,000
90,000	80,000	(10,000)	-11.1%	Lottery Transfer (b)	724,351	751,981	27,631	3.8%	1,351,900	1,212,700	1,270,000
8,252	8,503	250	3.0%	Casino Wagering Tax	77,998	75,356	(2,642)	-3.4%	429,900	434,200	479,200
7,314	7,305	(8)	-0.1%	Liquor Excise Tax	49,334	49,822	488	1.0%	75,000	76,800	77,100
26,369	24,463	(1,906)	-7.2%	Cigarette/Tobacco Tax	218,211	200,193	(18,018)	-8.3%	254,700	258,600	242,100
571	2,879	2,307	404.0%	Indus. & Comm. Facilities Taxes	31,287	37,865	6,578	21.0%	44,600	42,500	45,000
1,528	1,912	384	25.1%	Specific Other	7,619	7,534	(85)	-1.1%	131,000	112,700	143,600
321,683	335,128	13,445	4.2%	Income Tax Earmarking	2,883,402	2,924,441	41,039	1.4%	3,907,700	3,798,200	3,785,700
\$1,292,394	\$1,275,450	(\$16,944)	-1.3%	Total School Aid Fund	\$12,413,816	\$12,442,627	\$28,811	0.2%	\$17,860,000	\$17,888,100	\$17,783,600
Multi-Fund Revenue Summary											
\$874,535	\$918,518	\$43,983	5.0%	Sales Tax 6%	\$7,912,232	\$7,794,877	(\$117,354)	-1.5%	\$10,674,400	\$10,887,300	\$10,487,300
508,819	621,232	112,413	22.1%	Sales Tax 4% (d)	5,220,808	5,333,579	112,772	2.2%	7,243,600	7,385,500	7,111,500
365,715	297,286	(68,430)	-18.7%	Sales Tax 2%	2,691,424	2,461,298	(230,126)	-8.6%	3,430,800	3,501,800	3,375,800
274,005	236,191	(37,813)	-13.8%	Use Tax 6% (g)	1,975,174	2,042,328	67,154	3.4%	2,709,100	2,561,900	2,815,000
10,952	11,769	817	7.5%	Recreational Marihuana	179,804	226,364	46,561	25.9%	269,034	244,900	330,300
65,271	60,552	(4,719)	-7.2%	Tobacco Taxes	540,125	495,526	(44,599)	-8.3%	724,320	733,400	691,000
0	0	0	0.0%	Tobacco Settlement	242,982	197,802	(45,180)	-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: June 30, 2024

Month-End Cash Collections Data				October Through June Cash Collections Data				Revenue Projections			
June		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23	FY 2023-24	FY 2023-24
2023	2024	Amount	Percent		FY 2022-23	FY 2023-24	Amount	Percent	Totals (i)	Statutory Estimate	May 2024 Forecast
Major Transportation Revenues											
\$24,204	\$24,931	\$727	3.0%	Diesel Fuel / Motor Carrier Fuel Tax	\$194,133	\$196,843	\$2,709	1.4%	\$270,182	\$269,500	\$273,000
109,482	117,765	8,283	7.6%	Gasoline	879,893	928,344	48,451	5.5%	1,222,357	1,256,000	1,259,000
126,272	114,726	(11,546)	-9.1%	Motor Vehicle Registration	1,160,849	1,144,360	(16,489)	-1.4%	1,503,546	1,482,000	1,542,000
4,938	4,039	(899)	-18.2%	Other Taxes, Fees & Misc.	36,793	38,390	1,597	4.3%	359,235	335,347	372,757
11,650	10,317	(1,333)	-11.4%	Comprehensive Transportation (c)	103,668	92,850	(10,818)	-10.4%	195,751	177,995	181,279
50,000	50,000	0	0.0%	Income Tax Earmarking	450,000	450,000	0	0.0%	600,000	600,000	600,000
<u>\$326,546</u>	<u>\$321,778</u>	<u>(\$4,768)</u>	<u>-1.5%</u>	Total Major Trans. Revenues	<u>\$2,825,337</u>	<u>\$2,850,787</u>	<u>\$25,450</u>	<u>0.9%</u>	<u>\$4,151,071</u>	<u>\$4,120,842</u>	<u>\$4,228,036</u>
Lottery Sales By Games											
\$188,494	\$183,457	(\$5,037)	-2.7%	Instant Games (f)	\$1,904,355	\$1,846,283	(\$58,072)	-3.0%	na	na	na
71,047	73,401	2,354	3.3%	Daily Games	726,839	714,802	(12,037)	-1.7%	na	na	na
31,381	28,547	(2,834)	-9.0%	Lotto and Big Game (f)	424,884	397,416	(27,468)	-6.5%	na	na	na
559	540	(19)	-3.4%	Keno Game	5,610	5,377	(234)	-4.2%	na	na	na
2,746	3,190	444	16.2%	Lucky For Life	27,111	29,360	2,249	8.3%	na	na	na
5,285	4,883	(402)	-7.6%	Other (f)	68,025	52,691	(15,334)	-22.5%	na	na	na
47,207	54,787	7,580	16.1%	Club Games	474,825	489,502	14,677	3.1%	na	na	na
<u>\$346,718</u>	<u>\$348,805</u>	<u>\$2,086</u>	<u>0.6%</u>	Total Lottery Sales	<u>\$3,631,650</u>	<u>\$3,535,431</u>	<u>(\$96,219)</u>	<u>-2.6%</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 \$428.3 million and the year-to date 2024 revenues are \$438.9 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 \$428.3 million and the year-to-date 2024 LCSS revenues are \$438.9 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

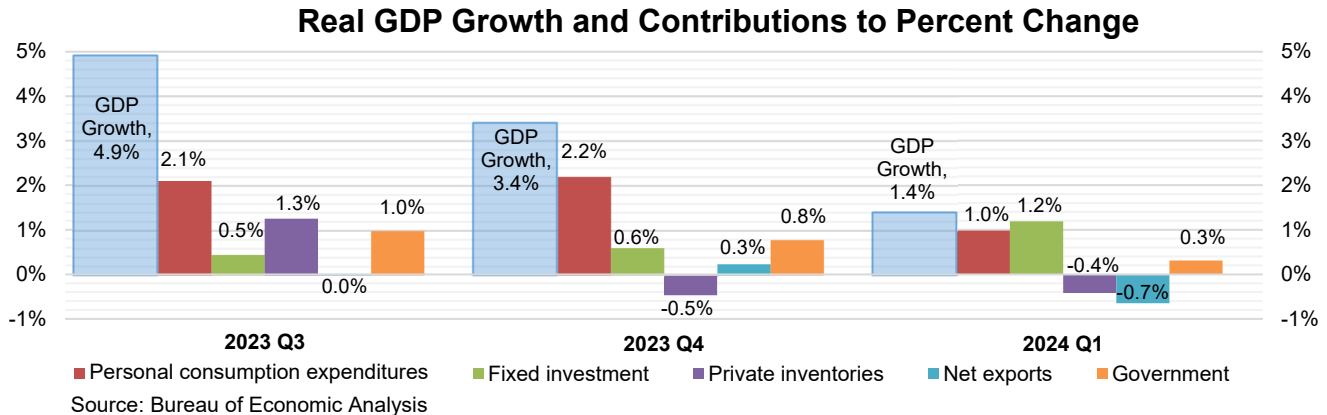
Source: Michigan Department of Treasury, Office of Revenue & Tax Analysis, based on reports from the Office of Financial Management, Michigan Department of Technology, Management and Budget, and other reports from the Michigan Department of Treasury.

Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** increased at a 1.4 percent annual rate in the first quarter of 2024, according to the “third” estimate released by the Bureau of Economic Analysis, down from the 3.4 percent annual rate in the fourth quarter of 2023. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

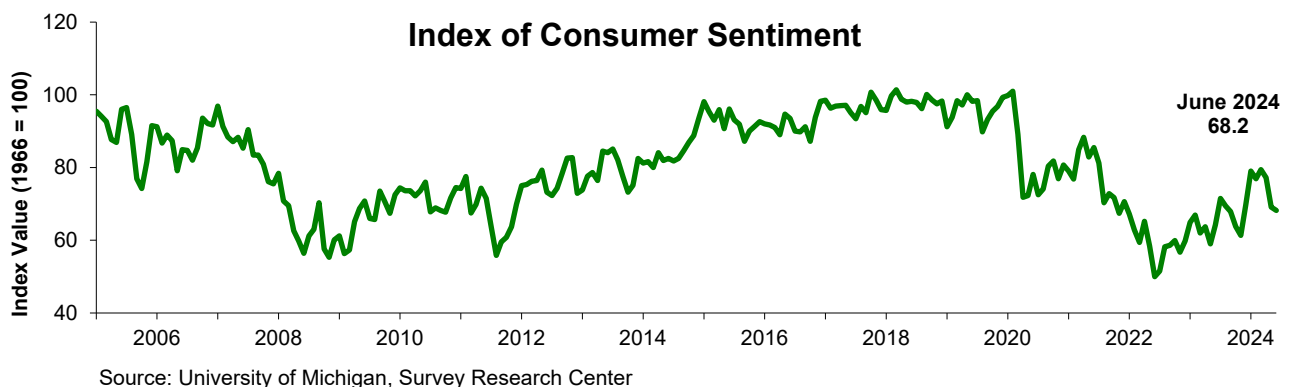


Fixed investment and personal consumption expenditures drove the increase in GDP in the first quarter of 2024, while government expenditures made minimal contribution. Decline in private inventories and net exports reduced the first quarter GDP growth. Real final sales increased by 1.8 percent in the first quarter, while the implicit price deflator increased by 3.1 percent in the same period.

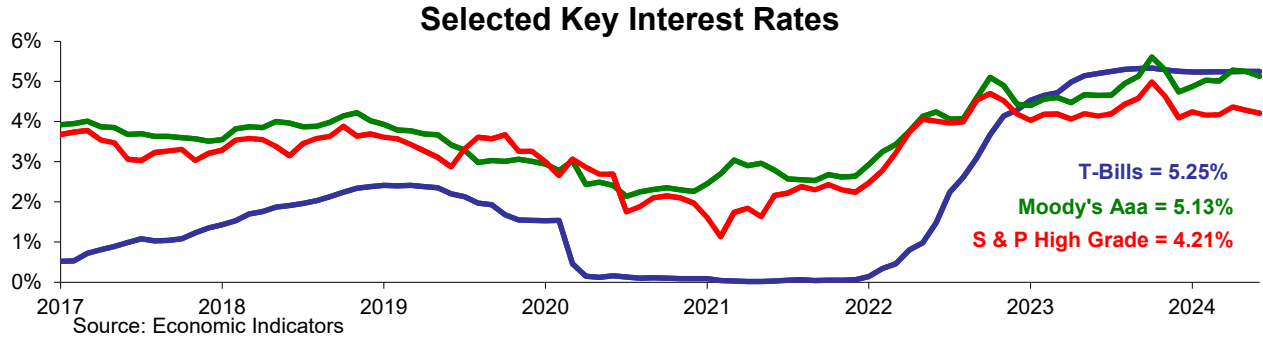
U.S. wage and salary employment increased by 206,000 jobs in June 2024, with total employment 6.3 million above the February 2020 pre-pandemic level. In June, sectors with the largest increases in employment include private education with a gain of 82,000 jobs, government services with a gain of 70,000 jobs, and construction services with 27,000 additional jobs. Employment decreases in June were observed in the professional and business services sector with a loss of 17,000 jobs, retail trade services sector with a decline of 8,500 jobs, and manufacturing sector with 8,000 fewer jobs.

In June, the U.S. unemployment rate increased to 4.1 percent. Civilian employment increased to 161.2 million, up 116,000 from May. The number unemployed increased 162,000 from May, to 6.8 million in June. The labor force participation rate increased to 62.6 percent in June, 0.7 percentage points below the pre-pandemic rate in February 2020 of 63.3 percent.

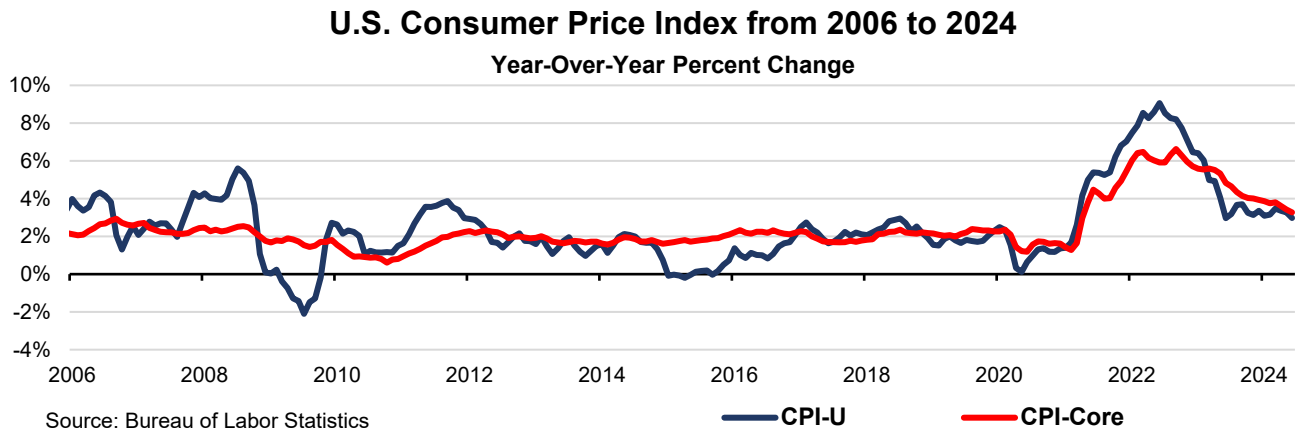
The **Index of Consumer Sentiment** decreased to 68.2 index-points in June, down 0.9 index-points from May. Consumer sentiment is 4.0 index-points above the year-ago level.



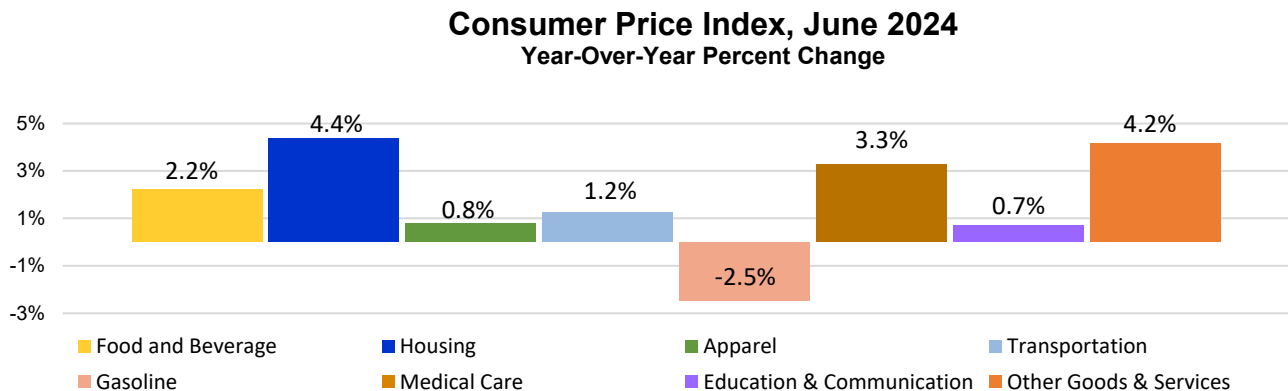
Short-term **interest rates** remained unchanged in June, with a 3-month Treasury bill (T-bill) rate of 5.25 percent. The T-bill rate is 5 basis points (where one basis point equals one-hundredth of one percent) higher than the 5.20 percent rate in June 2023. The Aaa corporate bond rate decreased by 12 basis points in June to an interest rate of 5.13 percent, up 48 basis points from a year ago. The interest rate on S&P high-grade municipal bonds decreased by 7 basis points in June to an interest rate of 4.21 percent, up 7 basis points from a year ago.



U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 3.0 percent from June 2023 to June 2024, a 0.3 percentage points decline from May's 3.3 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 3.3 percent year-over-year in June, lower than May's 3.4 percent rate. CPI-U and CPI-Core data are not seasonally adjusted.

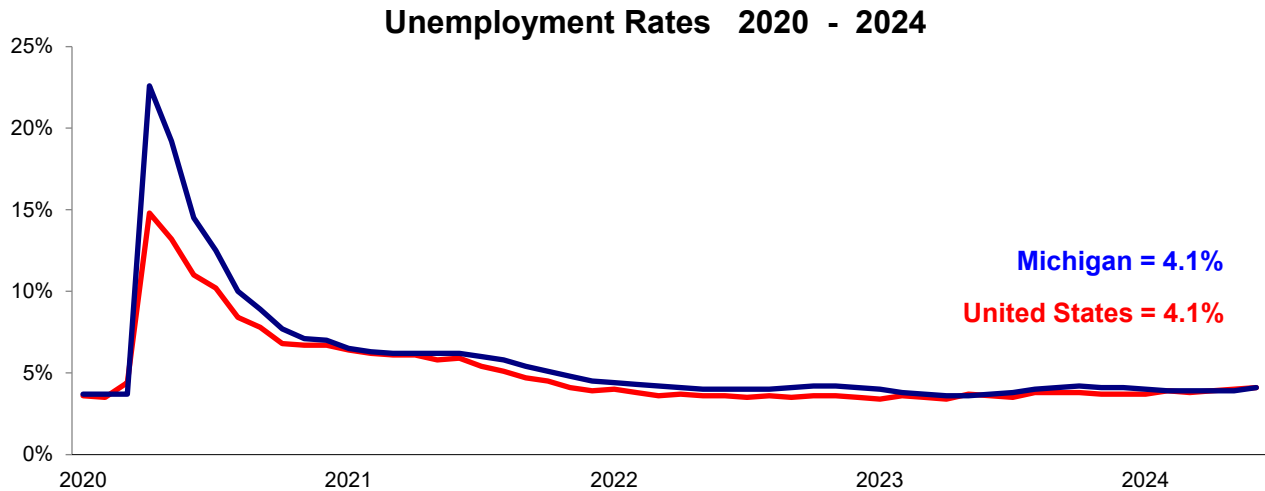


Housing exhibited the largest year-over-year price increase at 4.4 percent for June, followed by other goods and services with a 4.2 percent increase, and medical care with a 3.3 percent increase. Gasoline experienced a year-over-year price decline of 2.5 percent in June. These sector data are seasonally adjusted.



Michigan Economy

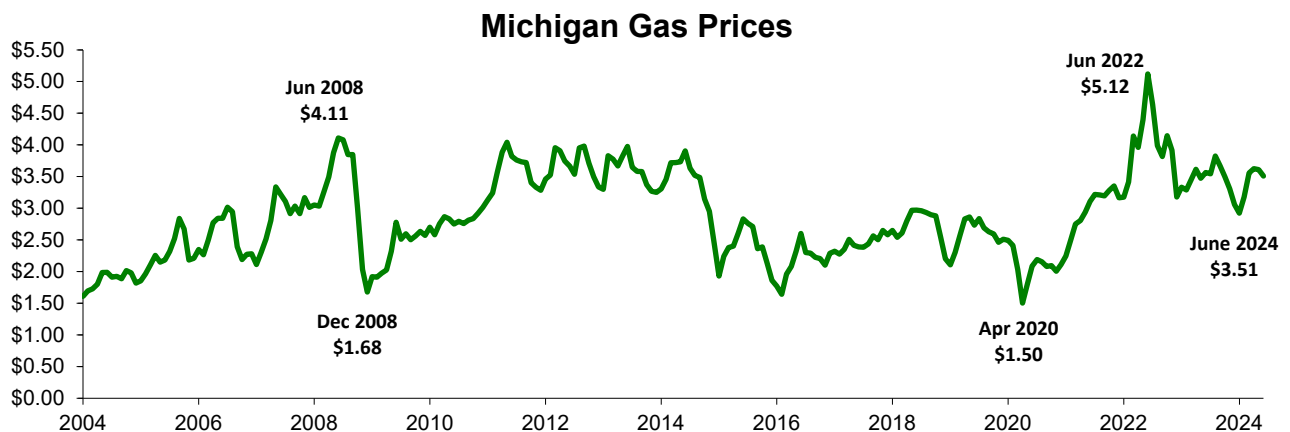
The **Michigan jobless rate** increased from 3.9 percent in May to 4.1 percent in June. The national unemployment rate was 4.1 percent in June, 0.1 percentage points higher than May's rate. The number employed in Michigan decreased by 9,000 from May's levels, while the number of unemployed in June increased by 8,000 from the prior month. The number employed is 0.4 percent higher, while the number unemployed is 10.2 percent higher than in June 2023. Michigan's unemployment rate of 4.1 percent is 0.4 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 increased by 200 jobs from May to a total of 4.5 million jobs in June. Compared to last year, employment in June was up 35,500 jobs, or 0.8 percent from June 2023. The sectors with the largest employment increases in June were education and health services with a gain of 2,400 jobs, professional and business services with a gain of 2,300 jobs, and construction services with 300 additional jobs. The sectors with the largest employment decreases in June were manufacturing with 2,500 jobs lost, leisure and hospitality with 1,000 jobs lost, and trade, transportation, and utilities services with 500 fewer jobs.

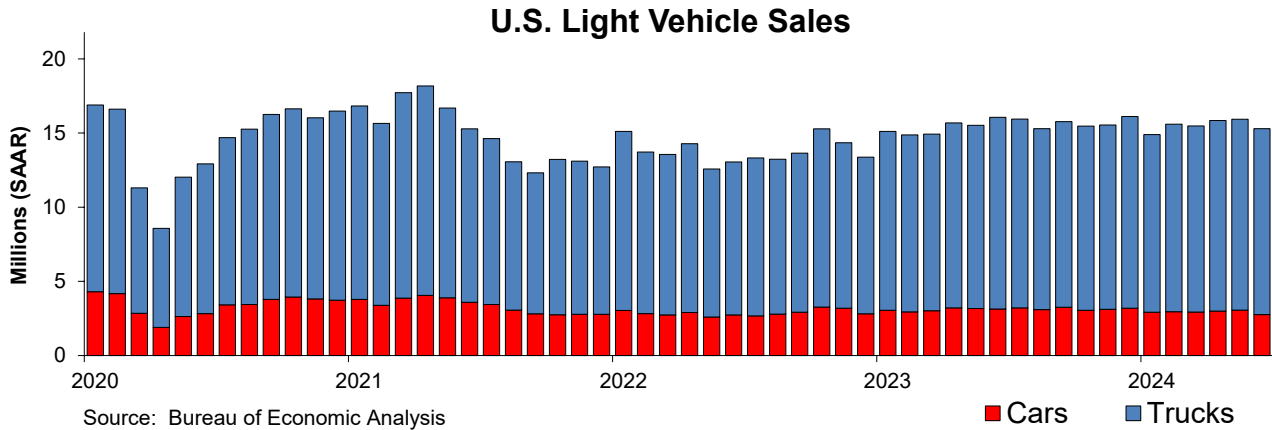
Michigan gasoline prices decreased in June to \$3.51 per gallon, 10.1 cents a gallon below last month's average. Year-over-year gasoline prices were 5.5 cents per gallon lower than in June 2023. Diesel prices of \$3.74 per gallon in June decreased by 15.1 cents a gallon from May. Diesel prices were down 19.8 cents per gallon from the June 2023 price of \$3.93 per gallon.



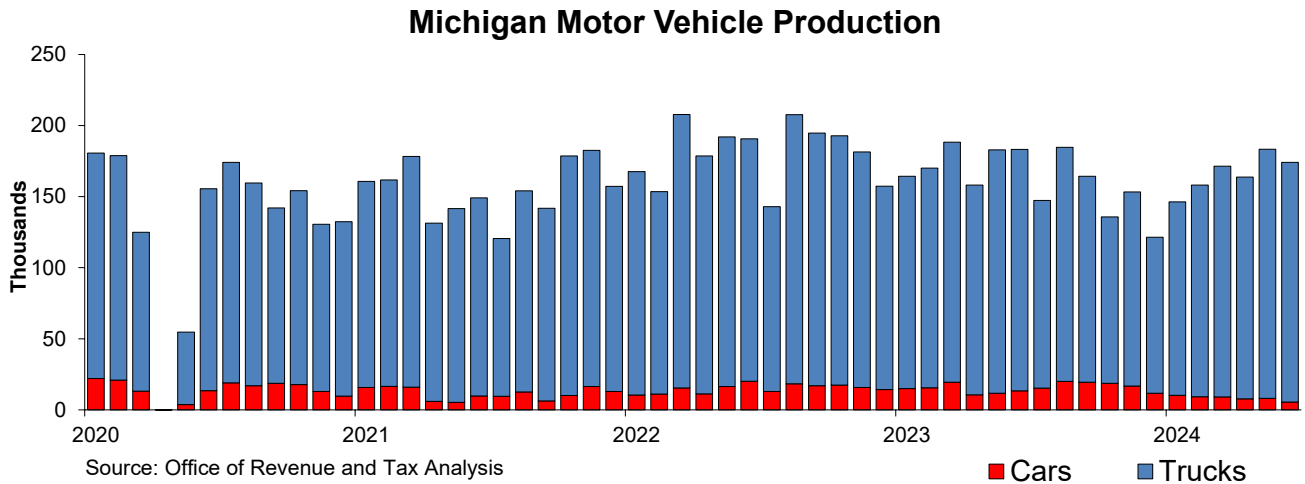
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) decreased by 4.0 percent in June from May, selling at a 15.3 million unit seasonally adjusted annual rate. Domestic car sales decreased 11.7 percent while light truck sales decreased 3.5 percent from May. Import car sales decreased 4.5 percent while import light truck sales increased 0.8 percent from May. Compared to June 2023, light vehicle sales were down 4.8 percent. Domestic car sales decreased 14.9 percent while light truck sales decreased 4.4 percent from the year ago levels. June import car sales decreased 3.6 percent while import light truck sales increased 2.3 percent from last year. Domestic light vehicles recorded a 77.6 percent share of June 2024 sales, down 0.8 percentage points from June 2023.



Michigan motor vehicle production decreased in June to 174,062 total units. Michigan's June production was 5.1 percent lower than May's production and 5.0 percent below the level in June 2023. Nationally, motor vehicle production totaled 932,522 units, 7,167 units higher than the 925,355 units from a year ago. In June, Michigan's car production was 5,531 units while the State's truck production was 168,531 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