



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

April 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 March 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
March 31, 2024
(\$ in millions)

FISCAL
2024

Beginning Balance	\$ 3,925.3
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Revenues	
Ongoing:	
January 2024 Consensus Forecast	\$ 13,597.4
Local Government Program Payments	\$ (552.2)
Subtotal Ongoing Revenue	\$ 13,045.2
One-Time:	
One-time Revenue Reductions	\$ (13.1)
Subtotal One-Time Revenue	\$ (13.1)
Total Revenue	\$ 13,032.1

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	\$ 1,531.9
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SCHOOL AID FUND
Fiscal Year 2024
Projected Revenues and Expenditures
March 31, 2024
(\$ in millions)

	FISCAL 2024
Beginning Balance	\$ 2,192.5
Revenues	
Ongoing:	
January 2024 Consensus Forecast	\$ 17,946.9
General Fund	\$ 48.8
Community District Trust Fund	\$ 72.0
Federal Revenue	\$ 2,200.8
Subtotal Ongoing Revenue	\$ 20,268.4
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	\$ 21,076.6
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	\$ 616.6

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

March 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)	Encumbrance, Work Project & Capital Outlay Carry Forwards	Total Authorization	Expenditures & Encumbrances Year to Date FY 2024
74.4	138.1	Agriculture and Rural Development	168.6	5.2	132.9	306.7	77.2
50.5	116.6	Attorney General	141.2	2.6	34.0	177.9	71.8
887.7	1,313.1	Capital Outlay (2)	650.1	3.9	3,080.3	3,734.3	281.1
8.7	17.2	Civil Rights	31.7	2.0	7.4	41.1	11.9
818.3	1,660.8	Colleges and Universities	1,808.8	306.0	180.8	2,295.6	1,023.5
1,115.6	2,074.0	Corrections	2,076.2	0.0	581.0	2,657.2	1,177.6
349.7	897.8	Education	697.7	34.0	825.2	1,556.8	372.4
512.5	1,320.8	Environment, Great Lakes, and Energy	935.0	102.0	3,760.1	4,797.1	702.0
4.3	8.5	Executive Office	8.9	0.0	0.4	9.3	5.8
16,788.0	33,704.4	Health and Human Services	35,668.3	56.7	4,702.5	40,427.4	16,789.0
38.6	74.7	Insurance and Financial Service	74.1	2.2	1.6	78.0	41.2
123.5	305.6	Judiciary	355.9	0.0	170.4	526.3	138.0
497.1	3,007.1	Labor and Economic Opportunity	1,446.8	562.7	4,448.9	6,458.4	1,004.9
13.6	27.4	Legislative Auditor General	29.8	0.0	14.3	44.0	14.5
88.7	184.2	Legislature	188.6	0.0	207.4	396.0	90.4
240.0	519.2	Licensing and Regulatory Affairs	591.1	83.0	238.3	912.4	343.1
0.0	0.0	Lifelong Education, Advancement, and Potential	0.0	6.5	0.0	6.5	0.1
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
1,096.2	1,668.4	Michigan Strategic Fund	465.3	501.6	0.0	966.9	434.4
36.6	51.1	Michigan Veterans' Facility Authority	37.8	1.0	0.0	38.8	23.3
76.2	119.5	Military and Veterans Affairs	114.2	24.8	8.0	147.0	86.4
78.2	182.2	Natural Resources	192.3	5.0	88.2	285.6	90.5
115.8	248.4	State	304.2	12.1	118.3	434.6	135.6
0.0	0.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
442.5	987.2	State Police	891.5	76.9	863.0	1,831.4	514.1
284.3	770.6	Technology, Management and Budget (3)	820.3	1,447.5	757.5	3,025.3	604.8
0.2	10.2	Transportation	62.0	252.0	54.3	368.3	42.7
1,408.3	5,391.8	Treasury	2,546.6	92.0	526.1	3,164.6	1,349.3
\$25,149.7	\$54,798.6		\$50,308.9	\$3,579.6	\$20,831.2	\$74,719.8	\$25,425.4

(1) Includes boilerplate appropriations.

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

(3) Includes Civil Service Commission.

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

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 1,854,424</u>
Total Assets	<u><u>\$ 1,854,424</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>1,854,424</u>
Total Fund Balances	<u>1,854,424</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,854,424</u></u>

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

REVENUES

Miscellaneous	\$ 24,124
	<hr/>
Total Revenues	24,124
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EXPENDITURES

Current:	
General government	-
	<hr/>
Total Expenditures	-
	<hr/>
Excess of Revenues over (under) Expenditures	24,124
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OTHER FINANCING SOURCES (USES)

Transfers from other funds	50,000
Transfers to other funds	-
	<hr/>
Total Other Financing Sources (Uses)	50,000
	<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ 74,124 ¹
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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**

March 31, 2024

(\$ in thousands)

ASSETS

Current Assets:

Equity in common cash	\$	56,642
Investments		-
Other current assets		-
Total Current Assets		56,642

Noncurrent Assets:

Investments		719,559
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Total Assets	\$	776,201
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LIABILITIES

Current Liabilities:

Accounts payable and other liabilities	\$	5,107
Amounts due to other funds		-
Total Current Liabilities		5,107

Total Liabilities		5,107
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FUND BALANCES

Nonspendable		500,000
Restricted		271,094

Total Fund Balances		771,094
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Total Liabilities and Fund Balances	\$	776,201
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STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
MICHIGAN NATURAL RESOURCES TRUST FUND

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

REVENUES

Taxes	\$ -
From federal agencies	-
From licenses and permits	-
Miscellaneous	<u>51,469</u>
Total Revenues	<u>51,469</u>

EXPENDITURES

Current:	
General government	3,393
Conservation, environment, recreation, and agriculture	4,361
Capital outlay	<u>1,990</u>
Total Expenditures	<u>9,744</u>
Excess of Revenues over (under) Expenditures	<u>41,724</u>

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues	-
Proceeds from sale of capital assets	3
Transfers from other funds	-
Transfers to other funds	<u>(24)</u>
Total Other Financing Sources (Uses)	<u>(21)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u><u>\$ 41,704</u></u> ¹

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

REVENUE OVERVIEW

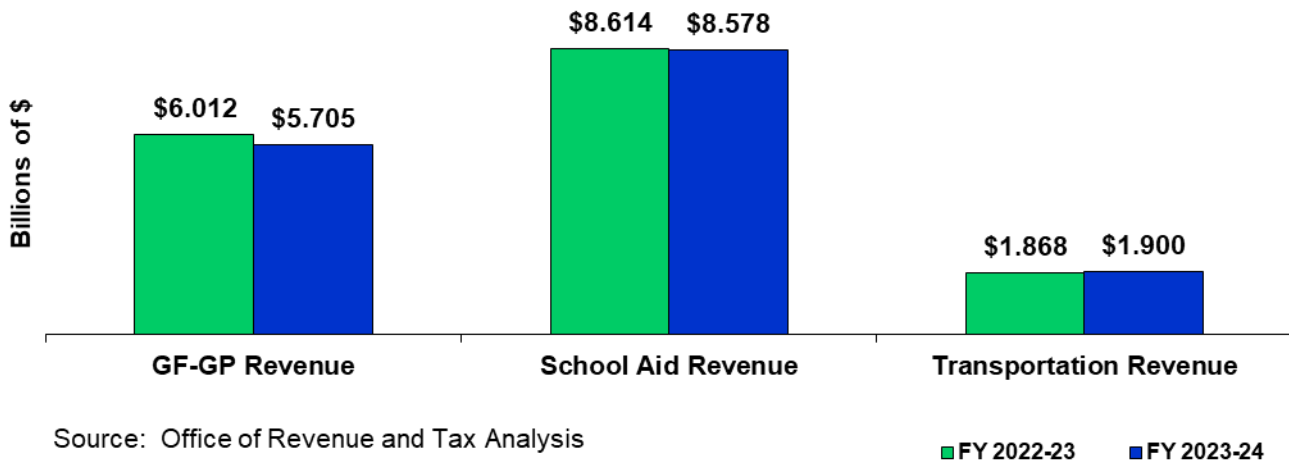
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

Total General Fund - General Purpose (GF-GP) cash collections were \$548.7 million (79.4 percent) lower in March 2024 than in March 2023. The March 2024 School Aid Fund cash collections were \$10.7 million (0.9 percent) higher than in March 2023. March 2024 transportation collections were \$0.2 million (0.1 percent) lower than in March 2023 (see revenue summary table). March is the sixth 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 \$307.4 million (5.1 percent) from a year ago. School Aid Fund cash collections are down \$36.7 million (0.4 percent) and transportation collections are up \$32.6 million (1.7 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 January 12, 2024. The revenue estimate for net GF-GP revenue for FY 2023-24 is \$13,597.4 million and the net School Aid revenue forecast is \$17,946.9 million. The Transportation Funds revenue forecast is \$4,220.4 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

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



**March Revenue Collections
FY 2022-23 and FY 2023-24**



Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

**October through March 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: March 31, 2024

Month-End Cash Collections Data				October Through March Cash Collections Data					Revenue Projections		
March		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23 Totals (i)	FY 2023-24 Statutory Estimate	FY 2023-24 Jan 2024 Forecast
2023	2024	Amount	Percent		FY 2022-23	FY 2023-24	Amount	Percent			
Income Taxes											
\$1,122,153	\$1,172,149	\$49,996	4.5%	Withholding	\$6,402,754	\$6,496,210	\$93,456	1.5%	\$12,226,200	\$12,376,900	\$12,381,900
20,153	19,574	(579)	-2.9%	Quarterlies	439,241	400,629	(38,612)	-8.8%	1,078,100	1,144,000	1,109,000
127,312	212,496	85,184	66.9%	Flow Through Entity Tax	432,761	512,152	79,391	18.3%	999,100	972,800	972,800
114,238	100,311	(13,927)	-12.2%	Annuals	318,158	286,786	(31,372)	-9.9%	1,316,300	1,264,400	1,222,500
\$1,383,857	\$1,504,530	\$120,673	8.7%	Gross Collections	\$7,592,914	\$7,695,776	\$102,862	1.4%	\$15,619,500	\$15,758,100	\$15,686,200
754,569	1,257,594	503,025	66.7%	Less: Refunds	1,880,400	2,481,336	600,936	32.0%	3,278,200	3,510,000	3,347,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	0	800	800
\$629,288	\$246,936	(\$382,352)	-60.8%	Net Personal Income	\$5,712,514	\$5,214,440	(\$498,074)	-8.7%	\$12,341,300	\$12,247,300	\$12,338,400
50,000	50,000	0	0.0%	Less: Disbursements to MTF	300,000	300,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	34,500	34,500	0	0.0%	71,300	69,000	69,000
329,490	358,220	28,730	8.7%	Less: Disbursements to SAF	1,807,847	1,832,224	24,377	1.3%	3,907,700	3,798,200	3,781,000
\$244,048	(\$167,034)	(\$411,082)	-168.4%	Net Personal Income To GF-GP	\$3,570,167	\$3,047,716	(\$522,451)	-14.6%	\$7,762,300	\$7,780,100	\$7,888,400
Consumption Taxes											
\$130,882	\$118,271	(\$12,611)	-9.6%	Sales (a)	\$805,687	\$808,206	\$2,519	0.3%	\$1,096,100	\$1,666,000	\$1,627,000
92,407	113,483	21,076	22.8%	Use (a) (h)	559,227	626,823	67,596	12.1%	1,251,600	1,136,700	1,183,700
10,575	9,846	(729)	-6.9%	Tobacco	71,564	65,532	(6,032)	-8.4%	143,400	145,800	142,300
852	1,034	182	21.4%	Beer, Wine & Mixed Spirits	23,978	22,767	(1,211)	-5.0%	46,300	50,000	48,000
5,016	5,322	306	6.1%	Liquor Specific	32,704	35,419	2,715	8.3%	67,900	65,300	67,600
\$239,732	\$247,956	\$8,224	3.4%	Total Consumption Taxes	\$1,493,161	\$1,558,748	\$65,587	4.4%	\$2,605,300	\$3,063,800	\$3,068,600
Other Taxes											
\$4	\$3	(\$0)	-10.5%	Single Business	(\$3,453)	\$14	\$3,467	100.4%	(\$3,500)	\$0	\$0
9,036	6,321	(2,715)	-30.0%	Insurance Premiums Taxes	\$255,126	277,859	22,732	8.9%	465,900	450,000	478,000
9,039	6,324	(2,715)	-30.0%	Sub-total SBT & Insurance	251,673	277,873	26,199	10.4%	462,400	450,000	478,000
2,525	(60,458)	(62,983)	na	Michigan Business Tax	(477,690)	(409,368)	68,321	14.3%	(434,100)	(509,700)	(494,600)
159,049	73,766	(85,284)	-53.6%	Corporate Income Tax	856,232	868,995	12,764	1.5%	1,609,900	1,500,000	1,525,000
0	0	0	na	Telephone & Telegraph	7,701	13,427	5,726	74.3%	35,900	33,000	34,000
1,731	2,065	334	19.3%	Oil & Gas Severance	17,657	13,457	(4,200)	-23.8%	27,100	34,000	30,000
11,295	12,251	956	8.5%	Penalties & Interest	51,951	52,103	152	0.3%	141,200	143,000	143,000
(11)	39	50	452.7%	Essential Services Assessment	1,351	(289)	(1,640)	-121.4%	141,800	152,000	150,000
0	2	2	na	Miscellaneous Other/Railroad	241	491	250	104.0%	32,200	3,000	15,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(76,250)	(75,500)	750	1.0%	(145,600)	(151,000)	(151,000)
\$171,129	\$21,405	(\$149,723)	-87.5%	Total Other Taxes	\$632,867	\$741,188	\$108,322	17.1%	\$1,870,800	\$1,654,300	\$1,729,400
\$654,909	\$102,328	(\$552,581)	-84.4%	Subtotal GF-GP Taxes	\$5,696,195	\$5,347,653	(\$348,542)	-6.1%	\$12,238,400	\$12,498,200	\$12,686,400

continued

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

For The Month Ended: March 31, 2024

Month-End Cash Collections Data				October Through March Cash Collections Data					Revenue Projections		
March		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23 Totals (i)	FY 2023-24 Statutory Estimate	FY 2023-24 Jan 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	\$5,000	\$5,000	\$0	0.0%	\$13,900	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	50	50	0	0.0%	0	100	100
583	583	0	0.0%	Services	3,500	3,500	0	0.0%	3,900	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	7,000	7,000	0	0.0%	11,200	14,000	14,000
0	0	0	na	Investments/Interest Costs	100,234	118,025	17,791	17.7%	613,800	255,000	400,000
833	833	0	0.0%	Misc. Non-tax Revenue	5,000	5,000	0	0.0%	59,600	22,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	150,000	172,500	22,500	15.0%	309,000	342,000	310,900
7,500	7,667	167	2.2%	From Other Funds-Lottery & Escheats	45,000	45,833	833	1.9%	183,800	90,000	134,000
\$35,925	\$39,842	\$3,917	10.9%	Total Non-Tax Revenue	\$315,784	\$356,908	\$41,124	13.0%	\$1,195,200	\$740,100	\$911,000
\$690,834	\$142,169	(\$548,665)	-79.4%	Total GF-GP Revenue	\$6,011,979	\$5,704,561	(\$307,417)	-5.1%	\$13,433,600	\$13,238,300	\$13,597,400
School Aid Fund											
\$336,518	\$306,251	(\$30,267)	-9.0%	Sales Tax 4%	\$2,084,448	\$2,092,811	\$8,363	0.4%	\$4,376,100	\$4,471,700	\$4,423,100
266,960	253,486	(13,475)	-5.0%	Sales Tax 2%	1,827,568	1,611,987	(215,581)	-11.8%	3,430,800	3,501,800	3,472,400
62,482	74,146	11,664	18.7%	Use Tax 2%	416,724	453,941	37,217	8.9%	909,500	863,500	924,600
22,280	30,514	8,234	37.0%	State Education Property Tax	1,557,778	1,678,339	120,561	7.7%	2,559,600	2,737,900	2,710,000
22,450	26,041	3,591	16.0%	Real Estate Transfer Tax	205,350	185,854	(19,496)	-9.5%	389,200	377,500	370,000
90,000	90,000	0	0.0%	Lottery Transfer (b)	464,351	481,981	17,631	3.8%	1,351,900	1,212,700	1,300,000
9,595	9,959	364	3.8%	Casino Wagering Tax	52,345	48,968	(3,377)	-6.5%	429,900	434,200	453,200
4,972	5,162	189	3.8%	Liquor Excise Tax	29,848	31,551	1,703	5.7%	75,000	76,800	79,100
21,468	19,988	(1,480)	-6.9%	Cigarette/Tobacco Tax	145,286	133,041	(12,246)	-8.4%	254,700	258,600	252,500
5,607	8,500	2,893	51.6%	Indus. & Comm. Facilities Taxes	17,791	22,969	5,178	29.1%	44,600	42,500	45,000
260	541	281	108.0%	Specific Other	4,918	3,909	(1,010)	-20.5%	131,000	112,700	136,000
329,490	358,220	28,730	8.7%	Income Tax Earmarking	1,807,847	1,832,224	24,377	1.3%	3,907,700	3,798,200	3,781,000
\$1,172,082	\$1,182,808	\$10,725	0.9%	Total School Aid Fund	\$8,614,254	\$8,577,575	(\$36,680)	-0.4%	\$17,860,000	\$17,888,100	\$17,946,900
Multi-Fund Revenue Summary											
\$827,823	\$763,904	(\$63,919)	-7.7%	Sales Tax 6%	\$5,301,648	\$5,100,006	(\$201,642)	-3.8%	\$10,674,400	\$10,887,300	\$10,777,300
560,863	510,418	(50,445)	-9.0%	Sales Tax 4% (d)	3,474,080	3,488,019	13,939	0.4%	7,243,600	7,385,500	7,304,900
266,960	253,486	(13,475)	-5.0%	Sales Tax 2%	1,827,568	1,611,987	(215,581)	-11.8%	3,430,800	3,501,800	3,472,400
187,446	222,438	34,991	18.7%	Use Tax 6% (g)	1,250,172	1,361,822	111,650	8.9%	2,709,100	2,561,900	2,670,000
8,961	12,409	3,448	38.5%	Recreational Marihuana	116,223	151,443	35,219	30.3%	269,034	244,900	308,600
53,139	49,476	(3,663)	-6.9%	Tobacco Taxes	359,620	329,308	(30,311)	-8.4%	724,320	733,400	716,000
4	0	(4)	-100.0%	Tobacco Settlement	4	0	(4)	-100.0%	na	na	na

continued

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

For The Month Ended: March 31, 2024

Month-End Cash Collections Data				October Through March Cash Collections Data					Revenue Projections		
March		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	Jan 2024 Forecast
Major Transportation Revenues											
\$18,121	\$19,277	\$1,156	6.4%	Diesel Fuel / Motor Carrier Fuel Tax	\$124,816	\$128,100	\$3,283	2.6%	\$270,182	\$269,500	\$273,000
91,081	96,484	5,404	5.9%	Gasoline	562,865	601,658	38,793	6.9%	1,222,357	1,256,000	1,259,000
139,196	133,432	(5,764)	-4.1%	Motor Vehicle Registration	788,815	785,004	(3,811)	-0.5%	1,503,546	1,482,000	1,542,000
4,721	4,910	188	4.0%	Other Taxes, Fees & Misc.	22,433	23,736	1,304	5.8%	359,235	335,347	365,157
11,481	10,317	(1,165)	-10.1%	Comprehensive Transportation (c)	68,887	61,900	(6,987)	-10.1%	195,751	177,995	181,279
50,000	50,000	0	0.0%	Income Tax Earmarking	300,000	300,000	0	0.0%	600,000	600,000	600,000
<u>\$314,600</u>	<u>\$314,419</u>	<u>(\$180)</u>	<u>-0.1%</u>	Total Major Trans. Revenues	<u>\$1,867,816</u>	<u>\$1,900,398</u>	<u>\$32,582</u>	<u>1.7%</u>	<u>\$4,151,071</u>	<u>\$4,120,842</u>	<u>\$4,220,436</u>
Lottery Sales By Games											
\$217,462	\$202,452	(\$15,010)	-6.9%	Instant Games (f)	\$1,276,362	\$1,229,431	(\$46,931)	-3.7%	na	na	na
78,602	79,304	702	0.9%	Daily Games	484,544	467,572	(16,972)	-3.5%	na	na	na
28,756	63,339	34,583	120.0%	Lotto and Big Game (f)	332,285	272,096	(60,189)	-18.1%	na	na	na
607	577	(30)	-5.0%	Keno Game	3,745	3,595	(150)	-4.0%	na	na	na
2,886	3,197	311	10.8%	Lucky For Life	17,998	18,916	918	5.1%	na	na	na
5,950	5,485	(466)	-7.8%	Other (f)	40,336	35,344	(4,992)	-12.4%	na	na	na
52,869	52,864	(5)	0.0%	Club Games	314,263	312,930	(1,333)	-0.4%	na	na	na
<u>\$387,133</u>	<u>\$407,217</u>	<u>\$20,084</u>	<u>5.2%</u>	Total Lottery Sales	<u>\$2,469,532</u>	<u>\$2,339,883</u>	<u>(\$129,649)</u>	<u>-5.2%</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 \$274.2 million and the year-to date 2024 revenues are \$281.0 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 \$274.2 million and the year-to-date 2024 LCSS revenues are \$281.0 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.

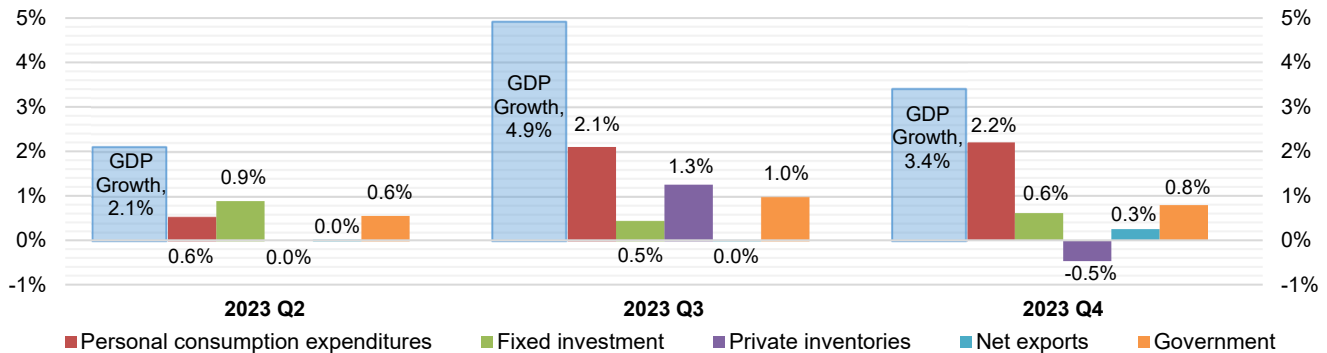
Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** increased at a 3.4 percent annual rate in the fourth quarter of 2023, according to the “third” estimate released by the Bureau of Economic Analysis, down from the 4.9 percent annual rate in the third quarter of 2023. 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



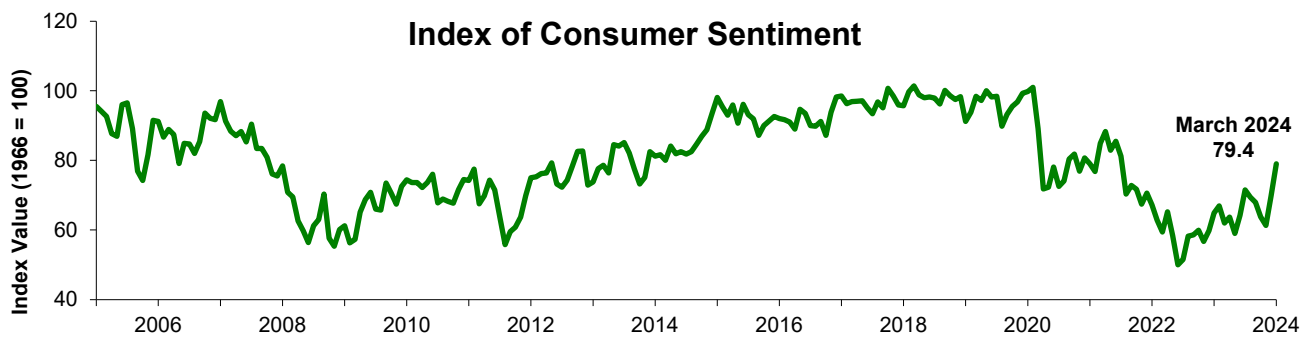
Source: Bureau of Economic Analysis

Personal consumption and government expenditures drove the increase in GDP in the fourth quarter of 2023, while fixed investments and net exports made minimal contributions. Decline in private inventories slightly reduced the fourth quarter GDP growth. Real final sales increased from 3.6 percent in the third quarter to 3.9 percent in the fourth quarter, and the implicit price deflator decreased from 3.3 percent to 1.7 percent in the same period.

U.S. wage and salary employment increased by 303,000 jobs in March 2024, with total employment 5.8 million above the February 2020 pre-pandemic level. In March, sectors with the largest increases in employment include private education with a gain of 88,000 jobs, government with a gain of 71,000 jobs, and leisure and hospitality with 49,000 additional jobs. Utilities was the only sector that registered employment loss in March, with a decline of 400 jobs.

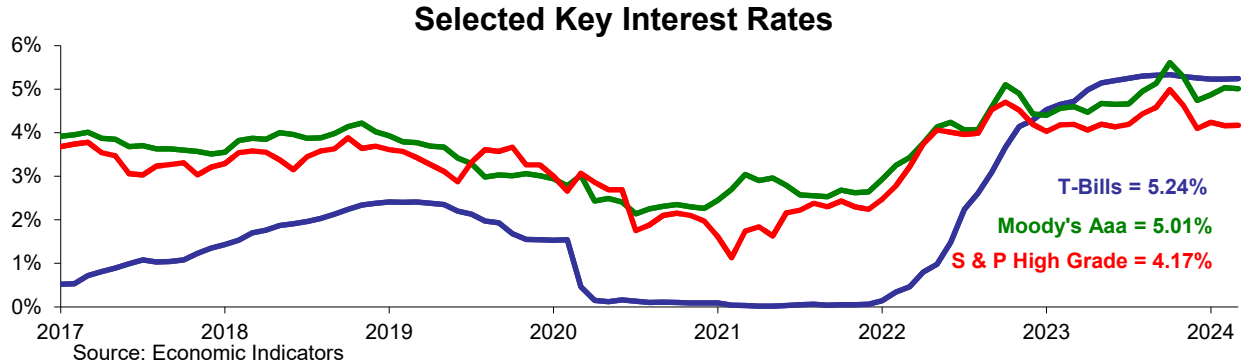
In March, the U.S. unemployment rate decreased to 3.8 percent. Civilian employment increased to 161.5 million, up 49,800 from February. The number unemployed decreased 29,000 from February, to 6.4 million in March. The labor force participation rate increased to 62.7 percent in March, 0.6 percentage points below the pre-pandemic rate in February 2020 of 63.3 percent.

The **Index of Consumer Sentiment** increased to 79.4 index-points in March, up 2.5 index-points from February. Consumer sentiment is 17.4 index-points above the year-ago level.

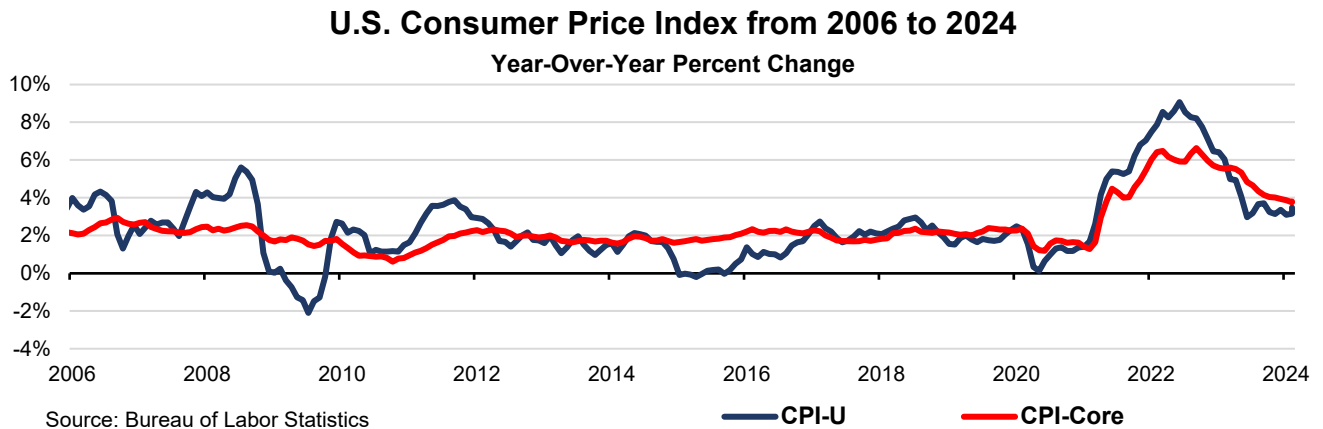


Source: University of Michigan, Survey Research Center

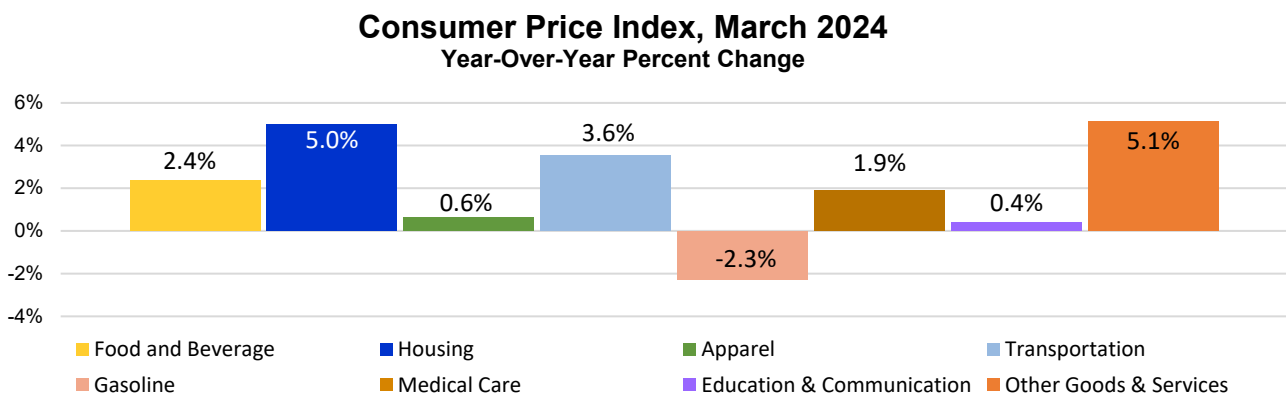
Short-term **interest rates** increased by 1 basis point (where one basis point equals one-hundredth of one percent) in March, to a 3-month Treasury bill (T-bill) rate of 5.24 percent. The T-bill rate increased by 52 basis points from the 4.72 percent rate in March 2023. The Aaa corporate bond rate decreased by 2 basis points in March to an interest rate of 5.01 percent, up 41 basis points from a year ago. The interest rate on S&P high-grade municipal bonds increased by 1 basis point in March to an interest rate of 4.17 percent, down 2 basis points from a year ago.



U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 3.5 percent from March 2023 to March 2024, higher than February’s 3.2 percent year-over-year change. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core rose 3.8 percent year-over-year in March, unchanged from February. CPI-U and CPI-Core data are not seasonally adjusted.



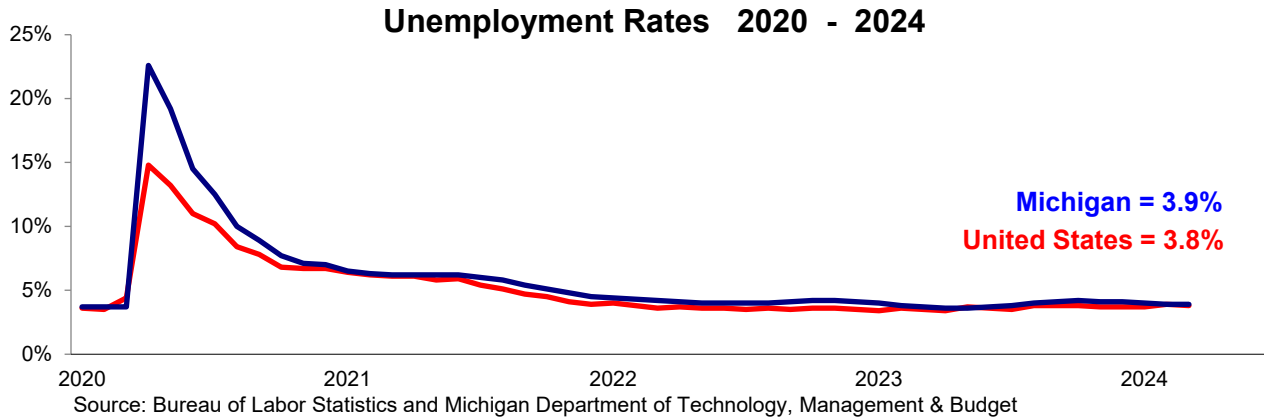
Other goods and services exhibited the largest year-over-year price increase at 5.1 percent for March, followed by housing with a 5.0 percent increase, and transportation with a 3.6 percent increase. Gasoline experienced a year-over-year price decline of 2.3 percent for March. These sector data are seasonally adjusted.



Source: Bureau of Labor Statistics

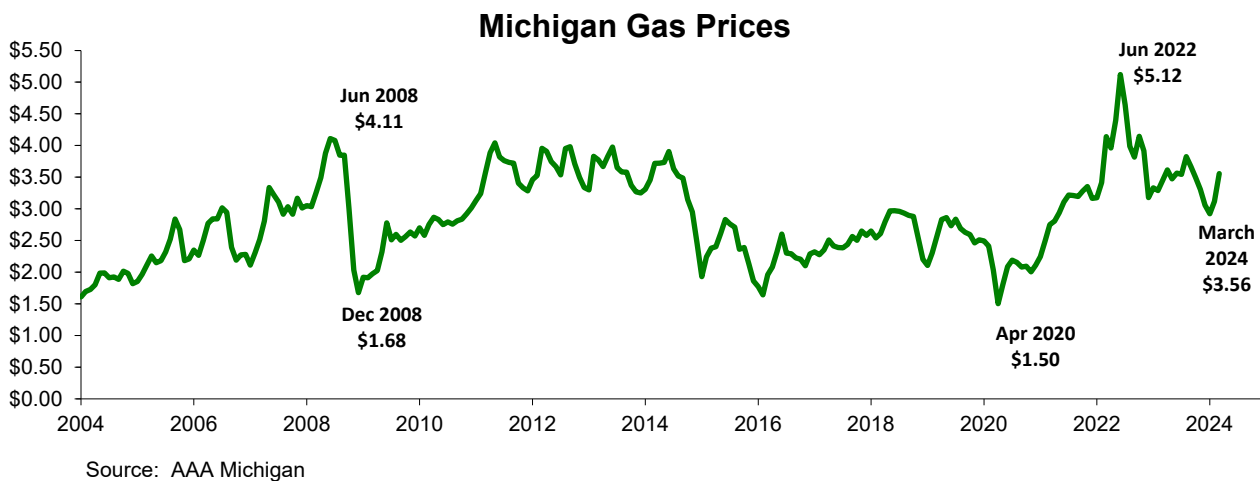
Michigan Economy

The **Michigan jobless rate** was 3.9 percent in March, unchanged from February's rate. The national unemployment rate was 3.8 percent in March, 0.1 percentage points lower than February's rate. The U.S. Bureau of Labor Statistics completed their annual revision process and released updated unemployment data for Michigan, which is reflected in the graph below. The number employed in Michigan increased by 8,000 from February's revised levels, while the number of unemployed in March decreased by 3,000 from the prior month. The number employed is 1.5 percent higher, while the number unemployed is 5.9 percent higher than in March 2023. Michigan's unemployment rate of 3.9 percent is 0.2 percentage points higher than the February 2020 pre-pandemic revised rate of 3.7 percent.



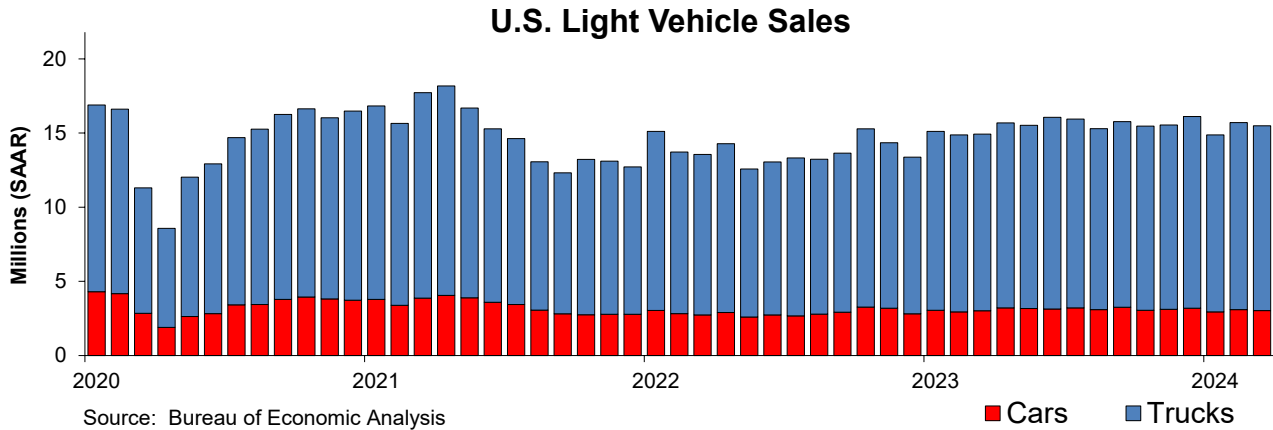
Michigan wage and salary employment decreased by 6,100 jobs from February to a total of 4.5 million jobs in March. Compared to last year, employment in March was up 36,200 jobs, or 0.8 percent from March 2023. The sectors with the largest employment increases in March were construction with a gain of 4,000 jobs, government services with a gain of 2,100 jobs, and manufacturing with 1,300 additional jobs. The sectors with the largest employment declines in March were financial services with a loss of 1,900 jobs, and information services, and trade, transportation, and utilities, both with 300 fewer jobs.

Michigan gasoline prices increased in March to \$3.56 per gallon, 38.0 cents a gallon above last month's average. Year-over-year gasoline prices were 10.5 cents per gallon higher than in March 2023. Diesel prices of \$4.02 per gallon in March barely increased by 2.1 cents a gallon from February. Diesel prices were down 35.1 cents per gallon from the March 2023 price of \$4.37 per gallon.

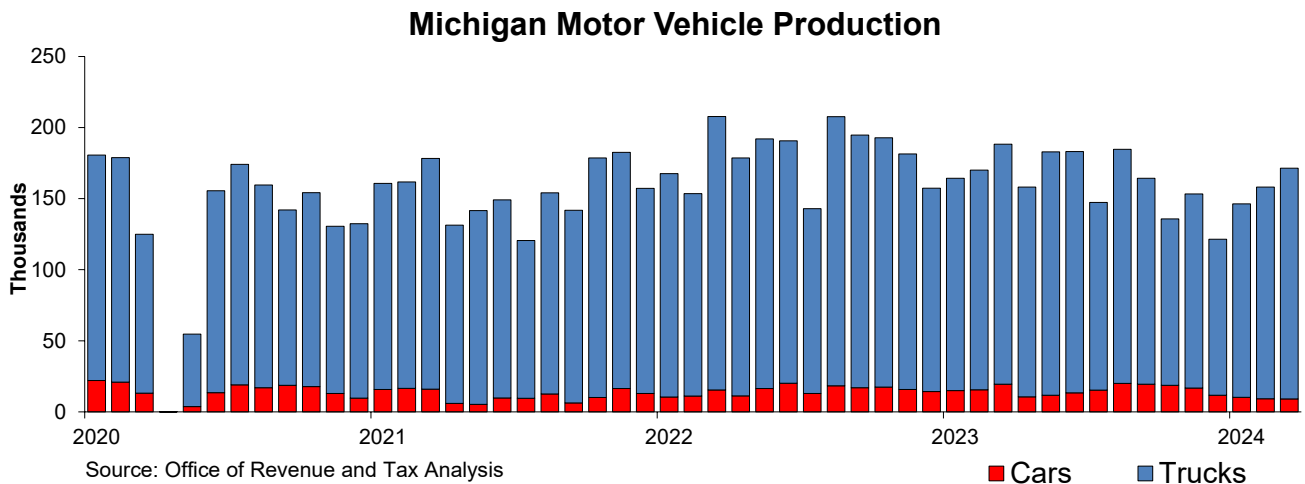


Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) decreased by 1.3 percent in March from February, selling at a 15.5 million unit seasonally adjusted annual rate. Domestic car sales decreased 4.7 percent while light truck sales decreased 2.0 percent from February. Import car sales increased 3.4 percent while import light truck sales increased 2.8 percent from February. Compared to March 2023, light vehicle sales were up 3.7 percent. Domestic car sales decreased 5.3 percent while light truck sales increased 2.6 percent from the year ago levels. March import car sales increased 15.0 percent while import light truck sales increased 13.2 percent from last year. Domestic light vehicles recorded a 77.3 percent share of March 2024 sales, down 2.0 percentage points from March 2023.



Michigan motor vehicle production increased in March to 171,355 total units. Michigan's March production was 8.3 percent above February's production but 9.0 percent below the level in March 2023. Nationally, motor vehicle production totaled 969,719 units, 7,471 units higher than the 962,248 units from a year ago. In March, Michigan's car production was 9,120 units while the State's truck production was 162,235 units. Michigan motor vehicle production data are not seasonally adjusted.



**Summary Estimates of the Constitutional Revenue Limit
Based on the January 12, 2024 Consensus Revenue Agreement
(Article IX, Section 26)
(in millions)**

	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Estimate	Fiscal Year 2023-24 Estimate
Applicable Calendar Year Personal Income	\$530,809	\$567,807	\$572,325
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$50,373.8</u>	<u>\$53,884.9</u>	<u>\$54,313.6</u>
Revenue Limit	\$50,373.8	\$53,884.9	\$54,313.6
State Revenue Subject to Limit	<u>\$42,937.4</u>	<u>\$41,985.2</u>	<u>\$41,959.2</u>
Amount Under (Over) Limit	\$7,436.4	\$11,899.6	\$12,354.4

Sources:

Personal Income Estimate

The FY 2021-22 calculation uses the official personal income estimate for calendar year 2020 (Survey of Current Business, October 2021).

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).

Revenue Subject to the Limit

The FY 2021-22 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2022

The FY 2022-23 calculation uses the January 12, 2024 Consensus Revenue Agreement.

The FY 2023-24 calculation uses the January 12, 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