



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

CHRISTOPHER M. HARKINS  
DIRECTOR

November 30, 2021

The Honorable Jim Stamas, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Thomas Albert, 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 October 31, 2021. 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](http://www.michigan.gov/budget) under "Spending and Revenue Reports".

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

Sincerely,

Christopher M. Harkins  
State Budget Director

#### Attachment

cc: Mike Shirkey, Senate Maj. Leader  
Jim Ananich, Senate Min. Leader  
Jason Wentworth, Speaker of the House  
Donna Lasinski, House Min. Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency

Jim Runestad, Chair, Senate Finance Com.  
Matt Hall, Chair, House Tax Policy Com.  
JoAnne Huls, Executive Office  
Tricia Foster, Executive Office  
Jen Flood, Executive Office  
Bethany Wicksall, Deputy State Budget Director  
Heather Boyd, Office of Financial Mgmt.  
Internal State Budget Office Distribution

**GENERAL FUND, GENERAL PURPOSE**  
**Fiscal Year 2022**  
**Projected Revenues and Expenditures**  
**October 31, 2021**  
(\$ in millions)

**FISCAL**  
**2022**

<b>Beginning Balance</b>		<b>\$ 2,200.3</b>	1
<b>Revenues</b>			
<b>Ongoing:</b>			
May 2021 Consensus Forecast		\$ 11,673.1	
Venture MI Fund II - reverse revenue offset		\$ 75.0	
Public Acts 108 and 109 of 2021 - Menstrual products sales/use tax exemption		\$ (4.1)	
Local Government Program Payments		\$ (500.3)	
	<b>Subtotal Ongoing Revenue</b>	<b>\$ 11,243.7</b>	
<b>One-Time:</b>			
Miscellaneous Adjustments		\$ (2.6)	
	<b>Subtotal One-Time Revenue</b>	<b>\$ (2.6)</b>	
<b>Total Revenue</b>		<b>\$ 11,241.1</b>	
<b>Expenditures</b>			
<b>Ongoing:</b>			
Public Acts 48, 86, and 87 of 2021		\$ 10,996.4	
	<b>Subtotal Ongoing Expenditures</b>	<b>\$ 10,996.4</b>	
<b>One-Time:</b>			
Public Acts 48, 86, and 87 of 2021		\$ 781.2	
Extension of enhanced FMAP through FY22 2nd Quarter		\$ (250.0)	
	<b>Subtotal One-Time Expenditures</b>	<b>\$ 531.2</b>	
<b>Total Expenditures</b>		<b>\$ 11,527.6</b>	
<b>Ending Balance</b>		<b>\$ 1,913.8</b>	

<sup>1</sup> This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2021. Final year-end activity will be reflected in the fiscal year 2021 Annual Comprehensive Financial Report.

**SCHOOL AID FUND**  
**Fiscal Year 2022**  
**Projected Revenues and Expenditures**  
**October 31, 2021**  
(\$ in millions)

**FISCAL**  
**2022**

<b>Beginning Balance</b>	<b>\$ 1,710.3</b>
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<b>Revenues</b>	
<b>Ongoing:</b>	
May 2021 Consensus Forecast	\$ 15,131.0
Marihuana Revenue Adjustment from CREC	\$ (7.0)
General Fund	\$ 40.0
Community District Trust Fund	\$ 72.0
Federal Revenue	\$ 1,822.5
<b>Subtotal Ongoing Revenue</b>	<b>\$ 17,058.5</b>
<b>One-Time:</b>	
General Fund	\$ 45.4
Federal Revenue - ARP	\$ 202.0
<b>Subtotal One-Time Revenue</b>	<b>\$ 247.4</b>
<b>Total Revenue</b>	<b>\$ 17,305.9</b>

<b>Expenditures</b>	
<b>Ongoing:</b>	
School Aid - Public Act 48 of 2021	\$ 16,230.5
Community Colleges - Public Act 86 of 2021	\$ 428.2
Universities - Public Act 86 of 2021	\$ 361.4
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 17,020.1</b>
<b>One-Time:</b>	
School Aid - Public Act 48 of 2021	\$ 747.6
Community Colleges - Public Act 86 of 2021	\$ 3.2
<b>Subtotal One-Time Expenditures</b>	<b>\$ 750.8</b>
<b>Total Expenditures</b>	<b>\$ 17,770.9</b>

<b>Ending Balance</b>	<b>\$ 1,245.3</b>
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<sup>1</sup> This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2021. Final year-end activity will be reflected in the fiscal year 2021 Annual Comprehensive Financial Report.

**SUMMARY OF EXPENDITURES AND ENCUMBRANCES**

**GENERAL FUND - ALL PURPOSE**

October 31, 2021

(\$ in millions)

Fiscal Year 2021

Fiscal Year 2022

Expenditures & Encumbrances Year to Date FY 2021	Fiscal Year End SEP 30, 2021	Department	Initial Appropriations (1)	Executive Orders & Supplemental Appropriations (1)	Encumbrance, Work Project & Capital Outlay Carry Forwards (2)	Total Authorization	Expenditures & Encumbrances Year to Date FY 2022
7.6	118.5	Agriculture and Rural Development	155.6	5.2	5.2	166.0	7.3
7.0	96.9	Attorney General	106.8	2.1	20.0	128.9	7.5
36.9	304.8	Capital Outlay (3)	314.7	0.0	817.1	1,131.7	38.5
1.1	15.5	Civil Rights	17.8	1.5	1.9	21.2	1.0
108.3	1,470.9	Colleges and Universities	1,446.3	0.0	110.7	1,557.0	110.1
279.4	1,921.7	Corrections	2,055.8	0.0	229.2	2,285.0	322.3
25.2	560.1	Education	2,214.9	0.0	158.6	2,373.5	33.1
24.1	597.1	Environment, Great Lakes, and Energy	630.1	3.0	627.8	1,260.9	22.2
1.0	7.8	Executive Office	7.3	0.0	0.0	7.3	0.9
2,726.2	30,065.7	Health and Human Services	31,586.5	0.0	1,461.6	33,048.1	2,868.6
4.7	58.9	Insurance and Financial Service	73.0	1.6	0.0	74.6	4.9
16.8	249.3	Judiciary	320.5	0.3	2.4	323.2	16.4
41.8	863.9	Labor and Economic Opportunity	877.2	22.5	2,839.1	3,738.8	65.8
2.1	25.6	Legislative Auditor General	27.1	0.0	3.4	30.6	2.2
14.5	160.5	Legislature	183.2	0.0	93.5	276.7	16.0
79.9	367.3	Licensing and Regulatory Affairs	484.2	58.6	35.3	578.0	69.9
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
23.2	178.8	Michigan Strategic Fund	323.3	0.0	0.0	323.3	91.6
15.7	42.5	Michigan Veterans' Facility Authority (4)	35.5	0.0	0.0	35.5	36.0
17.7	113.5	Military and Veterans Affairs	104.5	10.8	6.3	121.6	27.2
7.6	120.2	Natural Resources	141.7	0.0	28.4	170.2	8.3
27.0	251.3	State	252.2	12.1	83.0	347.2	26.3
0.0	0.0	State Land Bank Authority	0.0	0.0	0.0	0.0	0.0
52.7	746.0	State Police	828.6	325.8	502.3	1,656.7	59.5
28.7	1,141.9	Technology, Management and Budget (5)	503.4	0.0	372.7	876.1	27.5
0.0	2.6	Transportation	0.0	47.0	29.5	76.5	0.0
360.0	2,512.4	Treasury	2,098.6	57.3	179.2	2,335.1	387.5
<b>\$3,909.3</b>	<b>\$41,993.7</b>		<b>\$44,788.9</b>	<b>\$547.7</b>	<b>\$7,637.5</b>	<b>\$52,974.1</b>	<b>\$4,250.7</b>

(1) Includes boilerplate appropriations.

(2) Carryforward amounts do not include authorization related to amounts appropriated for fiscal year 2021. Entry of these amounts is expected in November and December 2021.

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

(4) Payroll expenditures were incorrectly recorded in the General Fund. Correcting entries will be reflected in the November 2021 report.

(5) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS  
TO LOCAL UNITS OF GOVERNMENT  
Fiscal Year 2022  
October 31, 2021  
(\$ in millions)**

	<b>INITIAL APPROPRIATIONS</b>	<b>EXEC. ORDER and SUPPLEMENTALS</b>	<b>TOTAL APPROPRIATIONS YEAR-TO-DATE</b>
Payments to local units of government	21,429.0	0.0	21,429.0
Total state spending from state resources	37,930.7	0.0	37,930.7
Percentage of state spending from state resources paid to local units	56.50%	0.00%	56.50%
Required payments to local units (48.97%)	18,574.7	0.0	18,574.7
<b>Surplus/(deficit)</b>	<b>\$2,854.3</b>	<b>\$0.0</b>	<b>\$2,854.3</b>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
October 31, 2021  
(\$ in thousands)

**ASSETS**

Current Assets:		
Equity in common cash	\$	1,382,349
Total Assets	\$	1,382,349

**LIABILITIES**

Current Liabilities:		
Total Current Liabilities	\$	-
Total Liabilities		-

**FUND BALANCES**

Committed		1,382,349
Total Fund Balances		1,382,349
Total Liabilities and Fund Balances	\$	1,382,349

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
 October 1, 2021 through October 31, 2021  
 (\$ in thousands)

**REVENUES**

Miscellaneous	\$ -
	-
Total Revenues	-

**EXPENDITURES**

Current:	
General government	-
	-
Total Expenditures	-
Excess of Revenues over (under) Expenditures	-

**OTHER FINANCING SOURCES (USES)**

Transfers from other funds	-
Transfers to other funds	-
Total Other Financing Sources (Uses)	-
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	-
	\$ - <sup>1</sup>

<sup>1</sup> 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**

October 31, 2021

(\$ in thousands)

**ASSETS**

Current Assets:

Equity in common cash	\$ 56,918
Investments	-
Other current assets	-
Total Current Assets	<u>56,918</u>

Noncurrent Assets:

Investments	<u>753,548</u>
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Total Assets	<u><u>\$ 810,466</u></u>
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**LIABILITIES**

Current Liabilities:

Accounts payable and other liabilities	\$ 13,836
Amounts due to other funds	9
Total Current Liabilities	<u>13,845</u>

Total Liabilities	<u>13,845</u>
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**FUND BALANCES**

Nonspendable	500,000
Restricted	<u>296,621</u>

Total Fund Balances	<u>796,621</u>
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Total Liabilities and Fund Balances	<u><u>\$ 810,466</u></u>
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**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**MICHIGAN NATURAL RESOURCES TRUST FUND**

October 1, 2021 through October 31, 2021  
(\$ in thousands)

**REVENUES**

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		(6)
		(6)
Total Revenues		(6)

**EXPENDITURES**

Current:		
General government		-
Conservation, environment, recreation, and agriculture		103
Capital outlay		-
		-
Total Expenditures		103
Excess of Revenues over (under) Expenditures		(109)

**OTHER FINANCING SOURCES (USES)**

Proceeds from bond issues		-
Proceeds from sale of capital assets		-
Transfers from other funds		-
Transfers to other funds		-
		-
Total Other Financing Sources (Uses)		-
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$	(109) <sup>1</sup>

<sup>1</sup> Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

## REVENUE OVERVIEW

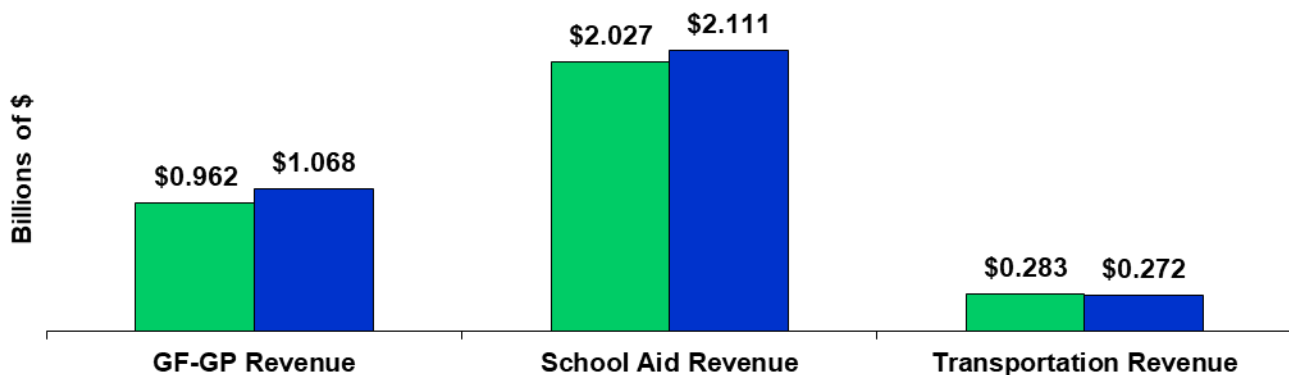
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

This Monthly Financial Report to the Legislature presents the Michigan State government's economic situation and cash collections for October 2021, representing some September and some October economic activity in Michigan.

Total General Fund-General Purpose revenues were \$106.9 million (11.1 percent) higher in October 2021 than in October 2020. The October 2021 School Aid Fund revenues were \$83.8 million (4.1 percent) higher than in October 2020. October 2021 Transportation revenues were \$10.6 million (3.8 percent) lower than in October 2020 (see revenue table). October is the first month of the State's fiscal year (FY). Tax revenue received in October relating to economic activity prior to October will be accrued back to FY 2020-21. Likewise, any refunds paid out in October relating to FY 2020-21 liabilities will also be accrued back. Final FY 2020-21 revenue totals should be available in late December or early January.

The FY 2021-22 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on May 21, 2021. The revenue estimate for net General Fund – General Purpose revenue for FY 2021-22 is \$11,673.1 million and the net School Aid revenue forecast is \$15,131.0 million. The Transportation Funds revenue forecast is \$3,793.5 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

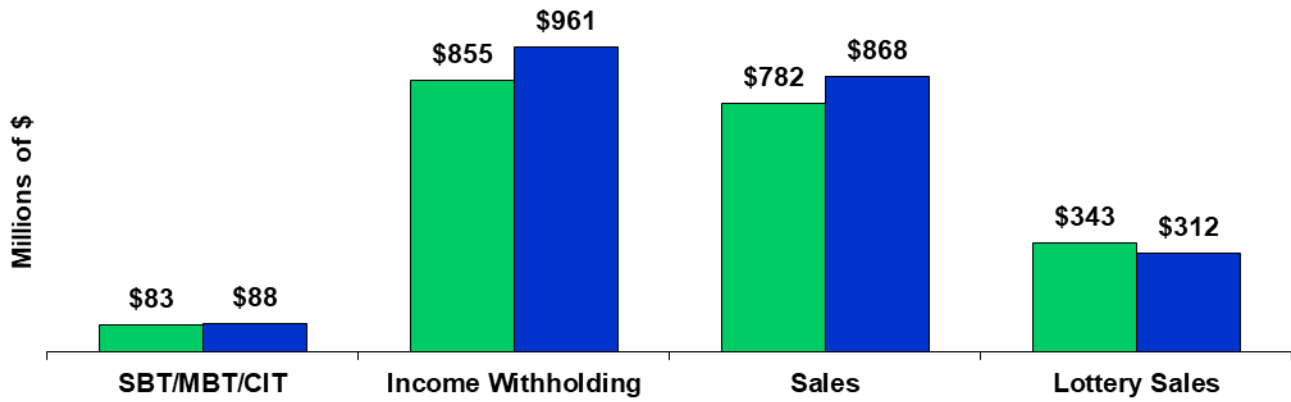
### October Collections FY 2020-21 and FY 2021-22



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

### October Revenue Collections FY 2020-21 and FY 2021-22



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

**Revenue Summary FY 2021-22**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: October 31, 2021**

Month-End Cash Collections Data				October Cash Collections Data				Revenue Projections			
October		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2020	2021	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	May 2021 Forecast	Statutory Estimate	May 2021 Forecast
<b>Income Taxes</b>											
\$854,968	\$961,133	\$106,165	12.4%	Withholding	\$854,968	\$961,133	\$106,165	12.4%	\$11,014,500	\$11,182,000	\$11,182,000
36,714	31,996	(4,719)	-12.9%	Quarterlies	36,714	31,996	(4,719)	-12.9%	1,358,400	1,331,500	1,331,500
80,908	75,865	(5,043)	-6.2%	Annuals	80,908	75,865	(5,043)	-6.2%	1,017,400	1,118,100	1,118,100
\$972,591	\$1,068,994	\$96,403	9.9%	Gross Collections	\$972,591	\$1,068,994	\$96,403	9.9%	\$13,390,300	\$13,631,600	\$13,631,600
73,686	75,171	1,485	2.0%	Less: Refunds	73,686	75,171	1,485	2.0%	2,738,400	2,427,300	2,427,300
0	0	0	na	Less: State Campaign Fund	0	0	0	na	800	800	800
\$898,905	\$993,823	\$94,918	10.6%	Net Personal Income	\$898,905	\$993,823	\$94,918	10.6%	\$10,651,100	\$11,203,500	\$11,203,500
50,000	50,000	0	0.0%	Less: Disbursements to MTF	50,000	50,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disbursements to Renew Michigan	5,750	5,750	0	0.0%	69,000	69,000	69,000
226,418	248,860	22,441	9.9%	Less: Disbursements to SAF	226,418	248,860	22,441	9.9%	3,188,200	3,245,400	3,245,400
\$616,737	\$689,214	\$72,477	11.8%	<b>Net Personal Income To GF-GP</b>	\$616,737	\$689,214	\$72,477	11.8%	\$6,793,900	\$7,289,100	\$7,289,100
<b>Consumption Taxes</b>											
\$136,737	\$137,388	\$651	0.5%	Sales (a)	\$136,737	\$137,388	\$651	0.5%	\$1,356,900	\$1,407,700	\$1,407,700
(23,557)	(1,361)	22,197	-94.2%	Use (a) (h)	(23,557)	(1,361)	22,197	-94.2%	1,158,300	1,124,100	1,124,100
15,810	14,849	(961)	-6.1%	Tobacco	15,810	14,849	(961)	-6.1%	176,200	172,600	172,600
11,061	11,082	22	0.2%	Beer, Wine & Mixed Spirits	11,061	11,082	22	0.2%	53,000	53,000	53,000
414	770	356	86.2%	Liquor Specific	414	770	356	86.2%	68,000	69,000	69,000
\$140,464	\$162,729	\$22,265	15.9%	<b>Total Consumption Taxes</b>	\$140,464	\$162,729	\$22,265	15.9%	\$2,812,400	\$2,826,400	\$2,826,400
<b>Other Taxes</b>											
(\$229)	\$1,256	\$1,485	na	Single Business	(\$229)	\$1,256	\$1,485	na	\$0	\$0	\$0
91,560	97,149	5,588	6.1%	Insurance Premiums Taxes	91,560	97,149	5,588	6.1%	390,000	405,000	405,000
91,331	98,404	7,073	7.7%	Sub-total SBT & Insurance	91,331	98,404	7,073	7.7%	390,000	405,000	405,000
(3,504)	(48,151)	(44,648)	na	Michigan Business Tax	(3,504)	(48,151)	(44,648)	na	(626,900)	(592,900)	(592,900)
86,837	135,208	48,371	55.7%	Corporate Income Tax	86,837	135,208	48,371	55.7%	1,384,100	1,197,900	1,197,900
0	0	0	na	Inheritance / Estate	0	0	0	na	0	0	0
1,990	2,963	973	48.9%	Telephone & Telegraph	1,990	2,963	973	48.9%	32,000	32,000	32,000
1,013	2,883	1,869	184.0%	Oil & Gas Severance	1,013	2,883	1,869	184.0%	14,000	18,500	18,500
9,851	5,147	(4,705)	-47.8%	Penalties & Interest	9,851	5,147	(4,705)	-47.8%	130,000	132,000	132,000
524	1,139	615	117.0%	Essential Services Assessment	524	1,139	615	117.0%	126,000	135,000	135,000
22	1	(21)	-93.6%	Miscellaneous Other/Railroad	22	1	(21)	-93.6%	2,000	2,000	2,000
(12,667)	(12,917)	(250)	-2.0%	Treasury Enforcement Programs (e)	(12,667)	(12,917)	(250)	-2.0%	(152,000)	(155,000)	(155,000)
\$175,400	\$184,677	\$9,278	5.3%	<b>Total Other Taxes</b>	\$175,400	\$184,677	\$9,278	5.3%	\$1,299,200	\$1,174,500	\$1,174,500
\$932,601	\$1,036,620	\$104,020	11.2%	<b>Subtotal GF-GP Taxes</b>	\$932,601	\$1,036,620	\$104,020	11.2%	\$10,905,500	\$11,290,000	\$11,290,000

*continued*

**Revenue Summary FY 2021-22**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: October 31, 2021**

Month-End Cash Collections Data				October Cash Collections Data					Revenue Projections		
October		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2020	2021	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	May 2021 Forecast	Statutory Estimate	May 2021 Forecast
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$833	\$833	\$0	0.0%	\$10,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	8	8	0	0.0%	100	100	100
583	583	0	0.0%	Services	583	583	0	0.0%	7,000	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	1,167	1,167	0	0.0%	14,000	14,000	14,000
0	0	0	na	Investments/Interest Costs	0	0	0	na	2,000	2,000	2,000
833	833	0	0.0%	Misc. Non-tax Revenue	833	833	0	0.0%	10,000	10,000	10,000
18,750	21,383	2,633	14.0%	Liquor Purchase Revolving Fund	18,750	21,383	2,633	14.0%	250,000	256,600	256,600
6,750	6,958	208	3.1%	From Other Funds-Lottery & Escheats	6,750	6,958	208	3.1%	78,200	83,500	83,500
<b>\$28,925</b>	<b>\$31,767</b>	<b>\$2,842</b>	<b>9.8%</b>	<b>Total Non-Tax Revenue</b>	<b>\$28,925</b>	<b>\$31,767</b>	<b>\$2,842</b>	<b>9.8%</b>	<b>\$371,300</b>	<b>\$383,200</b>	<b>\$383,200</b>
<b>\$961,526</b>	<b>\$1,068,387</b>	<b>\$106,861</b>	<b>11.1%</b>	<b>Total GF-GP Revenue</b>	<b>\$961,526</b>	<b>\$1,068,387</b>	<b>\$106,861</b>	<b>11.1%</b>	<b>\$11,276,800</b>	<b>\$11,673,100</b>	<b>\$11,673,100</b>
<b>School Aid Fund</b>											
\$350,009	\$355,782	\$5,773	1.6%	Sales Tax 4%	\$350,009	\$355,782	\$5,773	1.6%	\$3,644,400	\$3,683,200	\$3,683,200
198,787	274,673	75,886	38.2%	Sales Tax 2%	198,787	274,673	75,886	38.2%	2,852,000	2,882,900	2,882,900
76,608	68,156	(8,453)	-11.0%	Use Tax 2%	76,608	68,156	(8,453)	-11.0%	827,900	824,900	824,900
1,082,343	1,071,322	(11,021)	-1.0%	State Education Property Tax	1,082,343	1,071,322	(11,021)	-1.0%	2,267,600	2,324,300	2,324,300
43,574	42,933	(641)	-1.5%	Real Estate Transfer Tax	43,574	42,933	(641)	-1.5%	433,600	402,400	402,400
0	0	0	na	Lottery Transfer (b)	0	0	0	na	1,208,100	1,093,900	1,093,900
8,353	9,659	1,306	15.6%	Casino Wagering Tax	8,353	9,659	1,306	15.6%	134,900	181,700	181,700
0	0	0	na	Liquor Excise Tax	0	0	0	na	67,600	68,600	68,600
32,097	30,147	(1,950)	-6.1%	Cigarette/Tobacco Tax	32,097	30,147	(1,950)	-6.1%	325,300	318,200	318,200
7,564	8,258	694	9.2%	Indus. & Comm. Facilities Taxes	7,564	8,258	694	9.2%	37,000	37,000	37,000
996	755	(242)	-24.3%	Specific Other	996	755	(242)	-24.3%	45,800	68,500	68,500
226,418	248,860	22,441	9.9%	Income Tax Earmarking	226,418	248,860	22,441	9.9%	3,188,200	3,245,400	3,245,400
<b>\$2,026,750</b>	<b>\$2,110,543</b>	<b>\$83,793</b>	<b>4.1%</b>	<b>Total School Aid Fund</b>	<b>\$2,026,750</b>	<b>\$2,110,543</b>	<b>\$83,793</b>	<b>4.1%</b>	<b>\$15,032,400</b>	<b>\$15,131,000</b>	<b>\$15,131,000</b>
<b>Multi-Fund Revenue Summary</b>											
\$782,135	\$867,642	\$85,507	10.9%	Sales Tax 6%	\$782,135	\$867,642	\$85,507	10.9%	\$8,906,000	\$9,000,800	\$9,000,800
583,348	592,970	9,622	1.6%	Sales Tax 4% (d)	583,348	592,970	9,622	1.6%	6,054,000	6,117,900	6,117,900
198,787	274,673	75,886	38.2%	Sales Tax 2%	198,787	274,673	75,886	38.2%	2,852,000	2,882,900	2,882,900
229,825	204,467	(25,358)	-11.0%	Use Tax 6% (g)	229,825	204,467	(25,358)	-11.0%	2,477,700	2,470,300	2,470,300
12,931	31,527	18,596	144.0%	Recreational Marihuana	12,931	31,527	18,596	na	75,000	120,000	120,000
79,448	74,620	(4,828)	-6.1%	Tobacco Taxes	79,448	74,620	(4,828)	-6.1%	886,000	868,000	868,000
0	0	0	na	Tobacco Settlement	0	0	0	na	na	na	na

continued

**Revenue Summary FY 2021-22**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: October 31, 2021**

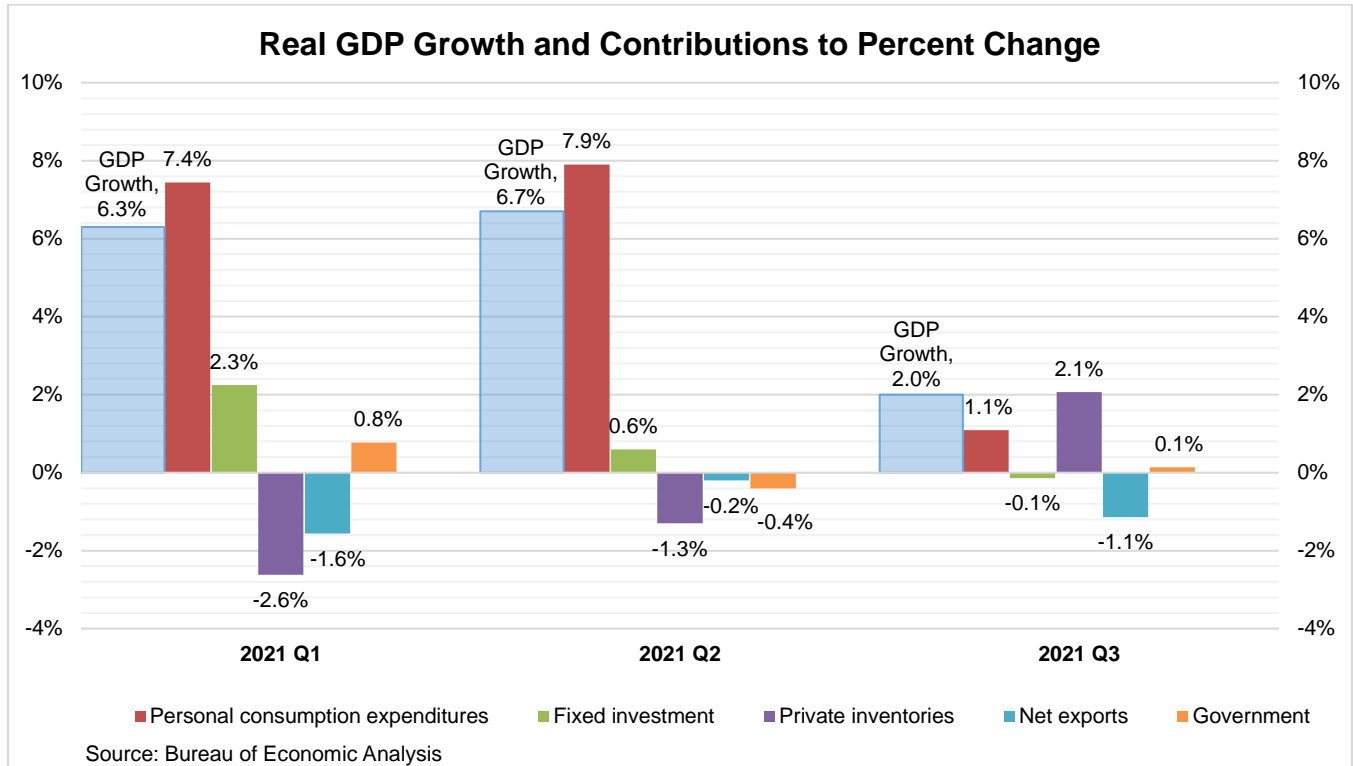
Month-End Cash Collections Data				October Cash Collections Data				Revenue Projections			
October		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2020	2021	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	May 2021 Forecast	Statutory Estimate	May 2021 Forecast
<b>Major Transportation Revenues</b>											
\$23,436	\$19,243	(\$4,193)	-17.9%	Diesel Fuel / Motor Carrier Fuel Tax	\$23,436	\$19,243	(\$4,193)	-17.9%	\$238,000	\$241,500	\$241,500
94,570	85,968	(8,602)	-9.1%	Gasoline	94,570	85,968	(8,602)	-9.1%	1,155,000	1,196,000	1,196,000
101,584	101,577	(8)	0.0%	Motor Vehicle Registration	101,584	101,577	(8)	0.0%	1,373,000	1,402,000	1,402,000
4,835	4,063	(772)	-16.0%	Other Taxes, Fees & Misc.	4,835	4,063	(772)	-16.0%	182,419	216,258	216,258
8,537	11,481	2,945	34.5%	Comprehensive Transportation (c)	8,537	11,481	2,945	34.5%	136,123	137,774	137,774
50,000	50,000	0	0.0%	Income Tax Earmarking	50,000	50,000	0	0.0%	600,000	600,000	600,000
<u>\$282,962</u>	<u>\$272,333</u>	<u>(\$10,629)</u>	<u>-3.8%</u>	<b>Total Major Trans. Revenues</b>	<u>\$282,962</u>	<u>\$272,333</u>	<u>(\$10,629)</u>	<u>-3.8%</u>	<u>\$3,684,542</u>	<u>\$3,793,532</u>	<u>\$3,793,532</u>
<b>Lottery Sales By Games</b>											
\$174,288	\$154,344	(\$19,943)	-11.4%	Instant Games (f)	\$174,288	\$154,344	(\$19,943)	-11.4%	na	na	na
81,816	73,333	(8,482)	-10.4%	Daily Games	81,816	73,333	(8,482)	-10.4%	na	na	na
29,773	28,927	(846)	-2.8%	Lotto and Big Game (f)	29,773	28,927	(846)	-2.8%	na	na	na
624	566	(58)	-9.2%	Keno Game	624	566	(58)	-9.2%	na	na	na
985	2,350	1,365	139.0%	Lucky For Life	985	2,350	1,365	139.0%	na	na	na
5,126	4,969	(156)	-3.0%	Other (f)	5,126	4,969	(156)	-3.0%	na	na	na
50,426	47,279	(3,147)	-6.2%	Club Games	50,426	47,279	(3,147)	-6.2%	na	na	na
<u>\$343,036</u>	<u>\$311,769</u>	<u>(\$31,267)</u>	<u>-9.1%</u>	<b>Total Lottery Sales</b>	<u>\$343,036</u>	<u>\$311,769</u>	<u>(\$31,267)</u>	<u>-9.1%</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 2021 revenues were \$176.8 million and the year-to-date 2022 revenues are \$137.7 million. Per 2014 Public Act 80, the total fiscal year 2021 Local Community Stabilization Share (LCSS) was \$491.5 million and the total fiscal year 2022 LCSS is \$521.3 million.
- (h) General Fund Use tax collections are net of LCSS revenue. The year-to-date 2021 LCSS revenues were \$176.8 million and the year-to-date 2022 LCSS revenues are \$137.7 million.

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 2.0 percent annual rate in the third quarter of 2021, according to the advance estimate, down from the 6.7 percent annual rate in the second quarter of 2021. The past three quarterly contributions to the percent change in GDP are shown in the graph below.



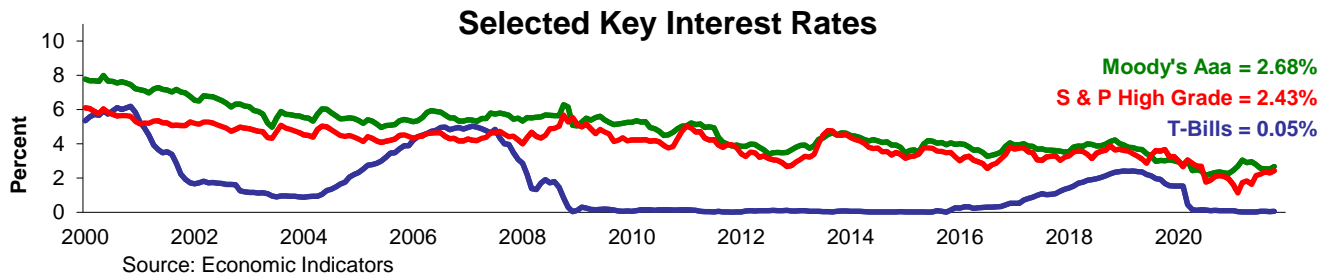
Private inventories and personal consumption expenditures contributed significantly to the increase in GDP in the third quarter of 2021. Government spending made minor contributions to the increase in GDP. Net exports and fixed investments were drags on the economy. Real final sales declined 0.1 percent in the third quarter according to the advance estimate while on the inflation front, the implicit price deflator increased by 5.7 percent.

**U.S. wage and salary employment** increased by 531,000 jobs in October, after gaining 312,000 jobs in September, according to revised estimates. Employment levels were still 4.2 million payroll jobs, or 2.8 percent, below the February 2020 level, prior to the pandemic. In October, sectors with the largest increases in employment include the leisure and hospitality sector with 164,000 jobs, trade, transportation, and utilities sector with 104,000 jobs, professional and business services with 100,000 jobs, education and health services with 64,000 jobs, and manufacturing with 60,000 jobs.

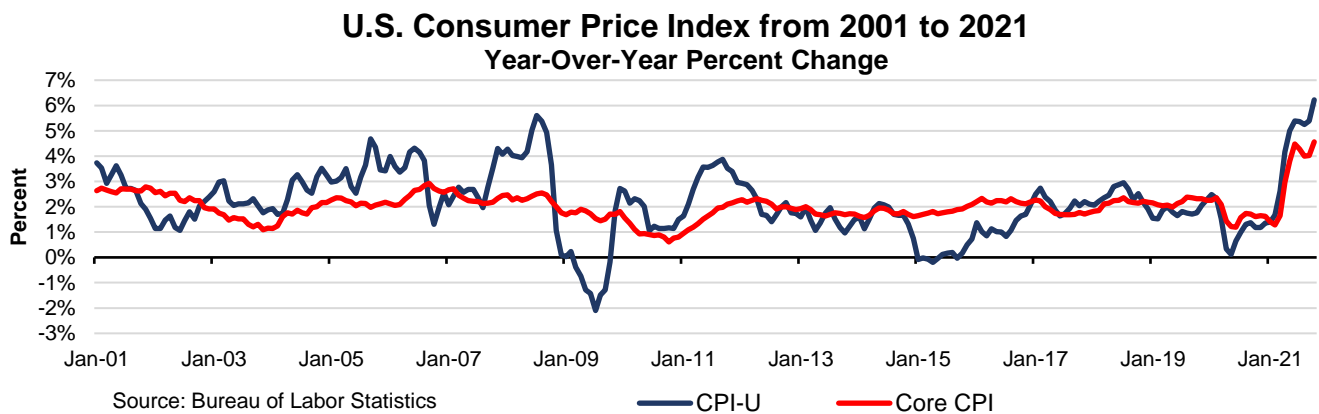
In October, the U.S. unemployment rate declined to 4.6 percent, down from September's 4.8 percent. Civilian employment increased slightly to 154.0 million in October, while the number unemployed decreased to 7.4 million. Of the unemployed, 1.1 million were reported as being on a temporary layoff in October, similar to the number in September.

Short-term **interest rates** increased slightly in October, as the 3-month Treasury bill (T-bill) rate rose to 0.05 percent, up 0.01 percentage points from September. Compared to one year ago, the T-bill rate decreased 0.05 percentage points. The Aaa corporate bond rate increased 0.15 percentage points to an

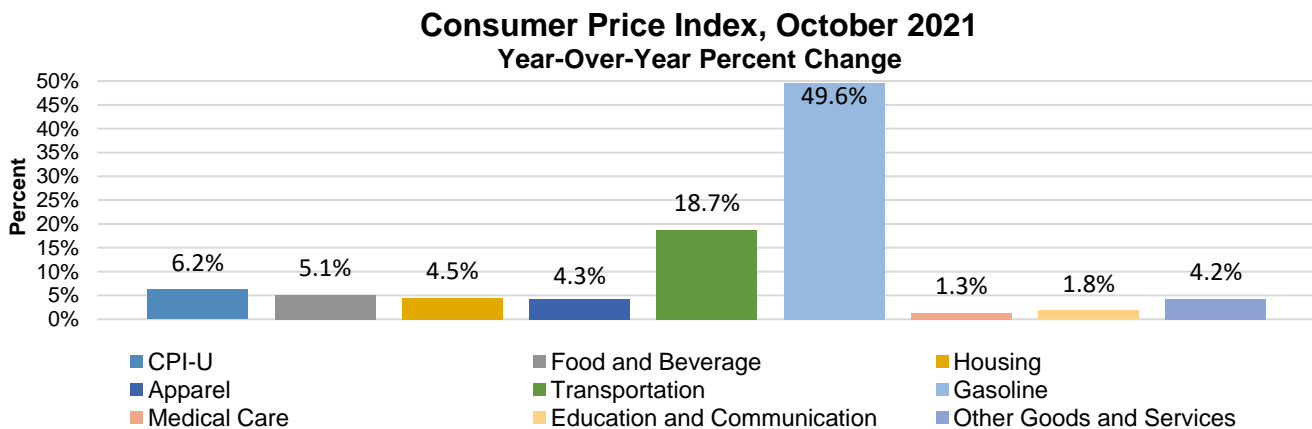
interest yield of 2.68 percent in October and was up 0.33 percentage points from its year-ago level. The interest rate on high-grade municipal bonds increased 0.13 percentage points to 2.43 percent in October and was up 0.28 percentage points from a year ago.



**U.S. retail prices**, as measured by the Consumer Price Index (CPI-U), are up 6.2 percent from October 2020 to October 2021, well above in the 5.4 percent year-over-year increase in September. The CPI-U year-over-year change was last this high at the end of 1990. The Consumer Price Index – Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core was up 4.6 percent from October 2020 to October 2021. Prior to the current year, the CPI-Core has not been above 4.5 percent since 1991.



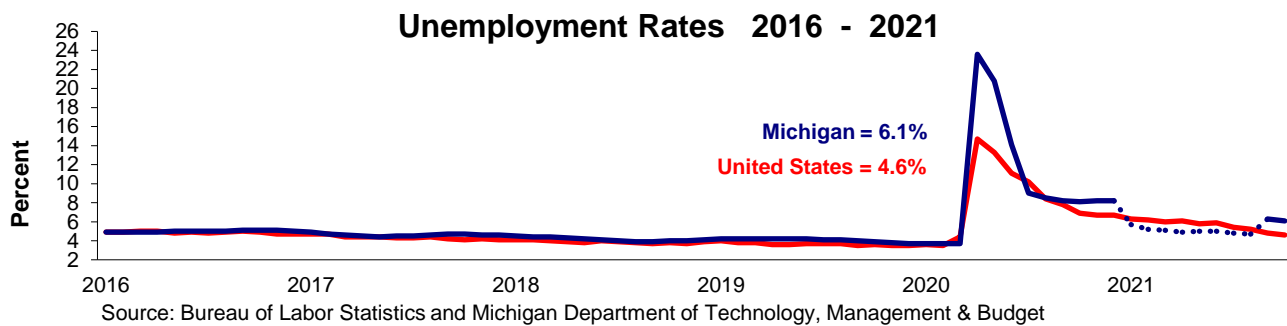
Gasoline experienced the largest year-over-year price increase (49.6 percent) due in part to the dramatic decline in gasoline prices for much of 2020 due to the pandemic. Transportation was next in largest price increase (18.7 percent). Far lower year-over-year percent changes can be seen in food and beverage (5.1 percent), housing (4.5 percent), apparel (4.3 percent) and other goods and services (4.2 percent).





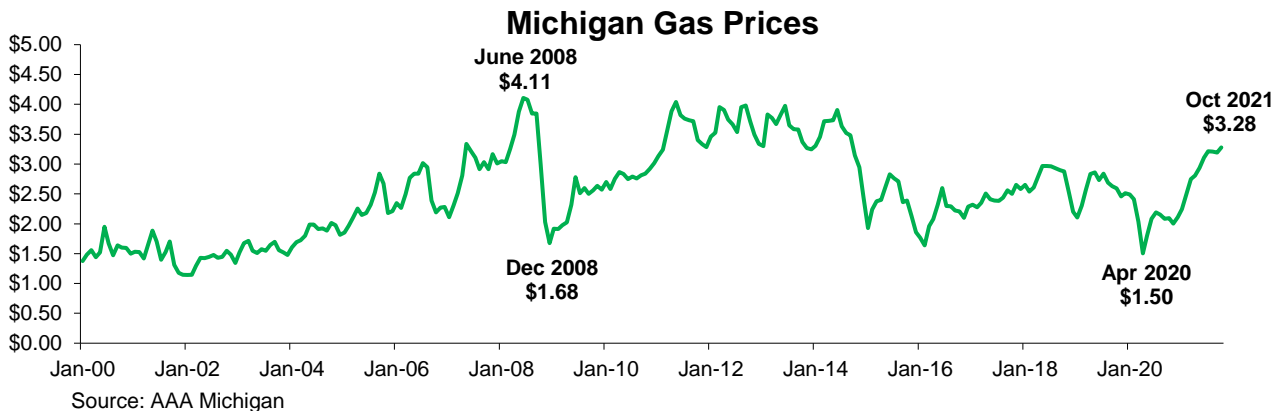
## Michigan Economy

The **Michigan jobless rate** “inched down over the month by 0.2 of a percentage point to 6.1 percent, according to data released” mid-November “by the Michigan Department of Technology, Management & Budget.”<sup>1</sup> This is above the national unemployment rate which declined to 4.6 percent in October. Recently, “the U.S. Bureau of Labor Statistics (BLS) identified a distortion in their statistical estimates and has revised the Michigan’s September unemployment rate upward by 1.7 percentage points to 6.3 percent. Additional revisions to the unemployment rate for January through August of 2021 will need to be made and will occur during the normal review process at the end of the year.”<sup>1</sup> The months still to be revised are presented as the dashed line in the graph below. The civilian labor force remained constant in October, with no change from September. The number unemployed decreased by 7,000 in October, a -2.3 percent change, while the number employed increased by 6,000, a 0.1 percent change from September to October. The number unemployed is 26.0 percent lower than in October 2020 during the first year of the pandemic.



**Michigan wage and salary employment** increased in October by 38,000 jobs from September’s revised estimate, and was up 130,000 jobs, or 3.2 percent, from October 2020. In October, the sectors with the largest increases in employment include manufacturing with 10,000 jobs gained, professional and business services with 10,000 jobs gained, leisure and hospitality services with 7,000 jobs gained, and trade, transportation, and utilities with 6,000 jobs gained.

**Michigan gasoline prices** increased in October 2021 to \$3.28 per gallon, up 8.7 cents a gallon from last month’s average. Year-over-year gasoline prices are up significantly from the \$2.09 per gallon in October 2020, when they were still low due to the pandemic. October 2021 gas prices are 68.8 cents a gallon higher than they were two years ago in October 2019 and are similar to prices last seen in 2014.

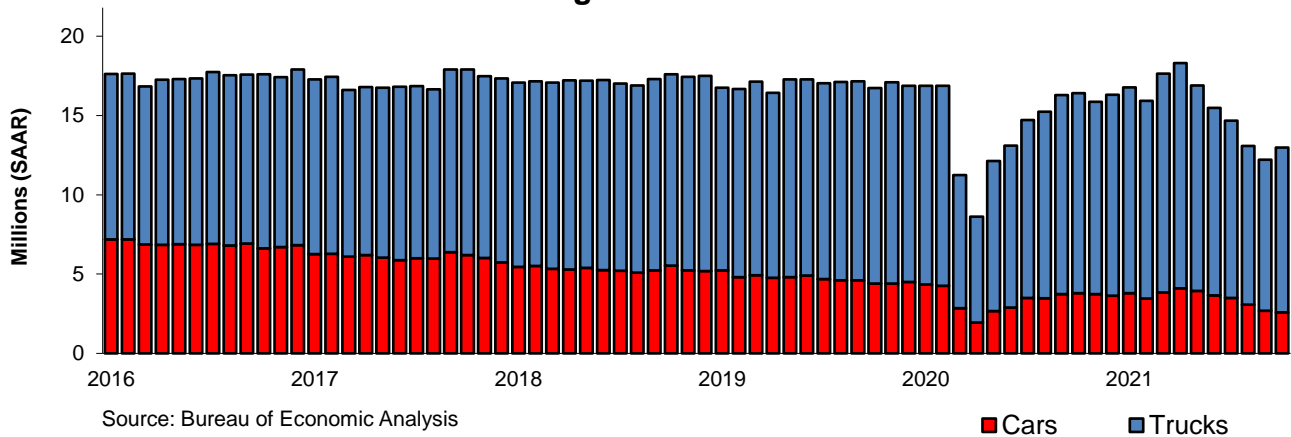


<sup>1</sup> Michigan Department of Technology Management and Budget. (November 17, 2021). *Michigan job growth solid, jobless rate edges down in October* [Press release]. [Michigan job growth solid, jobless rate edges down in October \(milmi.org\)](https://www.milmi.org)

## Motor Vehicle Sector

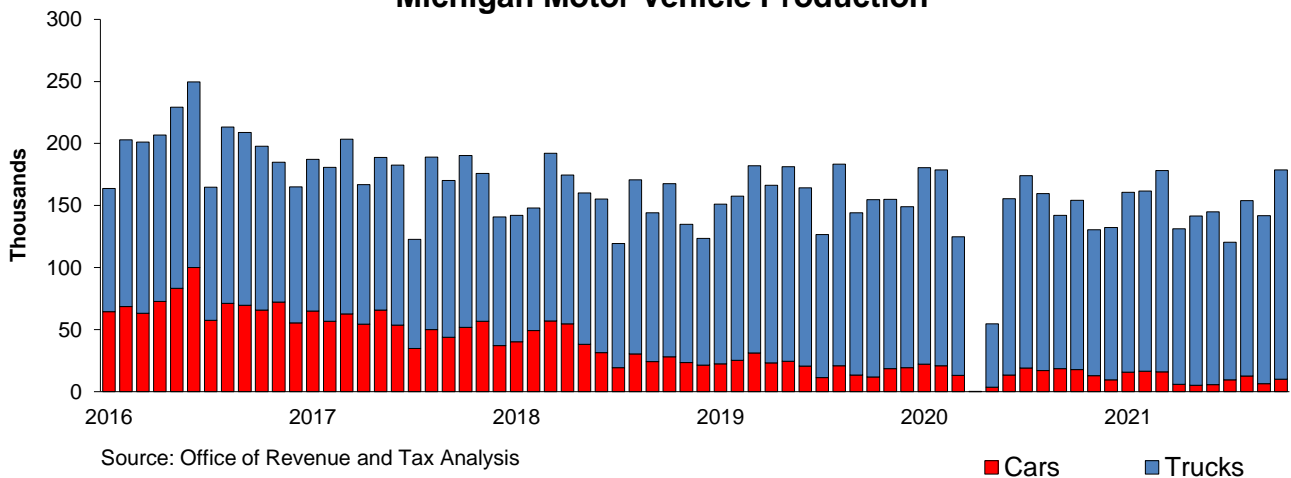
**U.S. light vehicle sales** (cars and light trucks) increased 6.3 percent in October from September, selling at a 13.0 million unit seasonally adjusted annual rate. Domestic car sales increased 2.1 percent and light truck sales increased 13.1 percent from September. Import car sales and light truck sales declined 15.8 percent and 4.1 percent, respectively, from September. Compared to October 2020, light vehicle sales were down 32.0 percent. Domestic car sales decreased 35.0 percent while light truck sales decreased 16.6 percent from the year ago levels. Import car sales were down 22.5 percent while import light truck sales were down 20.5 percent from last year. Domestic light vehicles recorded a 78.1 percent share of October 2021 sales, up 3.2 percentage points from September.

### U.S. Light Vehicle Sales



**Michigan motor vehicle production** was up in October, with 178,614 total units, similar in level compared to March 2021. Michigan's October production was 25.9 percent above September's production and 15.9 percent above the level in October of 2020. In October, some factories have remained temporarily suspended due to the semiconductor shortage, while others have returned to production. Nationally, motor vehicle production totaled 794,730 units, which was down 14.4 percent from a year ago. In October, Michigan's car production was 10,149 units while the state's truck production was 168,465 units. Michigan motor vehicle production data are not seasonally adjusted.

### Michigan Motor Vehicle Production



**Summary Estimates of the Constitutional Revenue Limit  
Based on the May 21, 2021 Consensus Revenue Agreement  
(Article IX, Section 26)  
(in millions)**

	<b>Fiscal Year 2019-20 Actual</b>	<b>Fiscal Year 2020-21 Estimate</b>	<b>Fiscal Year 2021-22 Estimate</b>
Applicable Calendar Year Personal Income	\$484,030	\$491,632	\$528,093
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$45,934.4</u>	<u>\$46,655.9</u>	<u>\$50,116.0</u>
Revenue Limit	\$45,934.4	\$46,655.9	\$50,116.0
State Revenue Subject to Limit	<u>\$34,052.0</u>	<u>\$36,198.7</u>	<u>\$36,833.5</u>
<b>Amount Under (Over) Limit</b>	<b>\$11,882.5</b>	<b>\$10,457.2</b>	<b>\$13,282.5</b>

Sources:

Personal Income Estimate

The FY 2019-20 calculation uses the official personal income estimate for calendar year 2018 (Survey of Current Business, October 2019).  
The FY 2020-21 calculation uses the official personal income estimate for calendar year 2019 (Survey of Current Business, October 2020).  
The FY 2021-22 calculation uses the May 21, 2021 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2019-20 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2020.  
The FY 2020-21 calculation uses the May 21, 2021 Consensus Revenue Agreement.  
The FY 2021-22 calculation uses the May 21, 2021 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