



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

October 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 September 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
September 30, 2024
(\$ in millions)

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

SCHOOL AID FUND
Fiscal Year 2024
Projected Revenues and Expenditures
September 30, 2024
(\$ in millions)

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

SUMMARY OF EXPENDITURES AND ENCUMBRANCES
GENERAL FUND - ALL PURPOSE
September 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
135.8	138.1	Agriculture and Rural Development	168.6	11.0	132.9	312.5	170.7
117.9	116.6	Attorney General	141.2	3.2	34.0	178.4	133.5
1,246.6	1,313.1	Capital Outlay (2)	650.1	8.3	3,080.3	3,738.6	638.5
16.9	17.2	Civil Rights	31.7	2.2	7.4	41.3	23.5
1,669.0	1,660.8	Colleges and Universities	1,808.8	314.0	180.8	2,303.6	1,988.8
2,072.1	2,074.0	Corrections	2,076.2	15.6	581.0	2,672.8	2,081.0
818.3	897.8	Education	697.7	73.6	825.2	1,596.4	766.9
1,233.1	1,320.8	Environment, Great Lakes, and Energy	935.0	300.1	3,760.1	4,995.3	1,536.4
8.9	8.5	Executive Office	8.9	0.2	0.4	9.5	9.4
32,509.2	33,704.4	Health and Human Services	35,668.3	2,073.9	4,702.5	42,444.6	34,095.4
77.1	74.7	Insurance and Financial Service	74.1	2.2	1.6	78.0	73.9
275.4	305.6	Judiciary	355.9	2.1	170.4	528.4	304.9
2,519.0	3,007.1	Labor and Economic Opportunity	1,446.8	641.0	4,448.9	6,536.7	1,966.9
27.4	27.4	Legislative Auditor General	29.8	0.0	14.3	44.0	27.9
182.0	184.2	Legislature	188.6	3.3	207.4	399.3	177.0
461.9	519.2	Licensing and Regulatory Affairs	591.1	82.8	238.3	912.2	559.3
0.0	0.0	Lifelong Education, Advancement, and Potential	0.0	6.5	0.0	6.5	1.2
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
1,674.6	1,668.4	Michigan Strategic Fund	465.3	151.8	0.0	617.1	617.1
36.6	51.1	Michigan Veterans' Facility Authority	37.8	7.5	0.0	45.3	37.8
120.9	119.5	Military and Veterans Affairs	114.2	17.8	8.0	140.0	123.9
152.2	182.2	Natural Resources	192.3	11.1	88.2	291.6	206.5
235.3	248.4	State	304.2	19.9	118.3	442.4	271.3
0.0	0.0	State Land Bank Authority	2.0	0.0	0.0	2.0	2.0
946.6	987.2	State Police	891.5	130.7	863.0	1,885.2	979.9
619.1	770.6	Technology, Management and Budget (3)	820.3	1,451.8	757.5	3,029.6	934.1
6.2	10.2	Transportation	62.0	155.6	54.3	272.0	60.3
3,069.3	5,391.8	Treasury	2,546.6	151.9	526.1	3,224.6	2,570.8
\$50,231.3	\$54,798.6		\$50,308.9	\$5,637.9	\$20,831.2	\$76,778.1	\$50,358.9

(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
September 30, 2024
(\$ in millions)**

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

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

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 1,969,766</u>
Total Assets	<u><u>\$ 1,969,766</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>1,969,766</u>
Total Fund Balances	<u>1,969,766</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,969,766</u></u>

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

REVENUES

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

EXPENDITURES

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

OTHER FINANCING SOURCES (USES)

Transfers from other funds	100,000
Transfers to other funds	<u>-</u>
Total Other Financing Sources (Uses)	<u>100,000</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u><u>\$ 189,466</u></u> ¹

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

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

September 30, 2024

(\$ in thousands)

ASSETS

Current Assets:

Equity in common cash	\$ 58,563
Investments	-
Other current assets	1,899
Total Current Assets	<u>60,462</u>

Noncurrent Assets:

Investments	<u>760,361</u>
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Total Assets	<u><u>\$ 820,823</u></u>
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LIABILITIES

Current Liabilities:

Accounts payable and other liabilities	\$ 3,141
Amounts due to other funds	-
Total Current Liabilities	<u>3,141</u>

Total Liabilities	<u>3,141</u>
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FUND BALANCES

Nonspendable	500,000
Restricted	<u>317,682</u>

Total Fund Balances	<u>817,682</u>
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Total Liabilities and Fund Balances	<u><u>\$ 820,823</u></u>
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STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
MICHIGAN NATURAL RESOURCES TRUST FUND
October 1, 2023 through September 30, 2024
(\$ in thousands)

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		109,805
		<hr/>
Total Revenues		109,805
		<hr/>

EXPENDITURES

Current:		
General government		5,004
Conservation, environment, recreation, and agriculture		9,993
Capital outlay		6,542
		<hr/>
Total Expenditures		21,539
		<hr/>
Excess of Revenues over (under) Expenditures		88,266
		<hr/>

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		49
Transfers from other funds		-
Transfers to other funds		(24)
		<hr/>
Total Other Financing Sources (Uses)		25
		<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		\$ 88,291 ¹
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¹ Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

REVENUE OVERVIEW

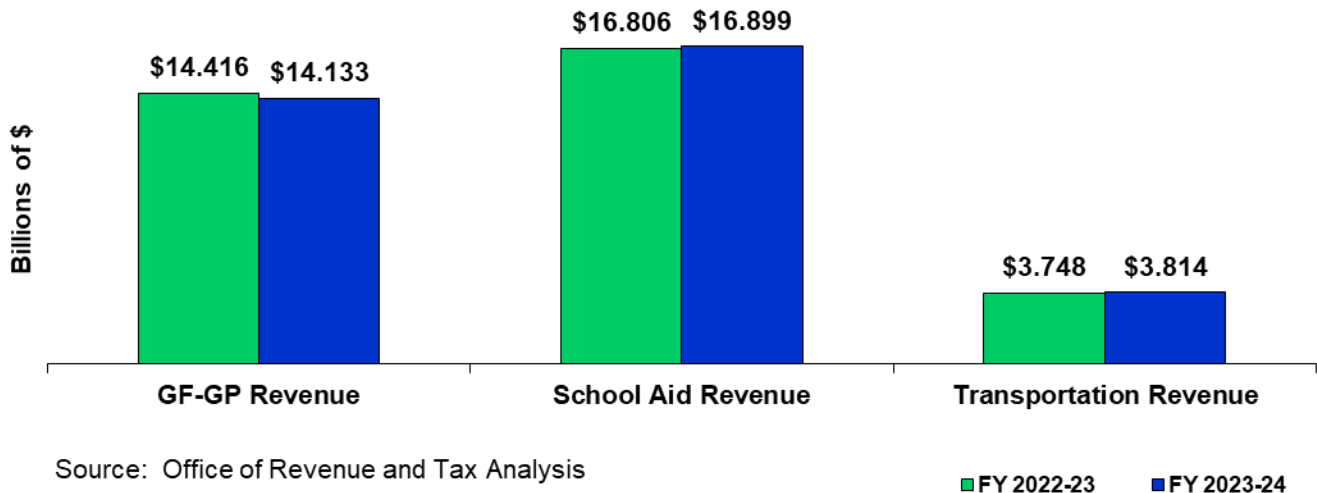
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

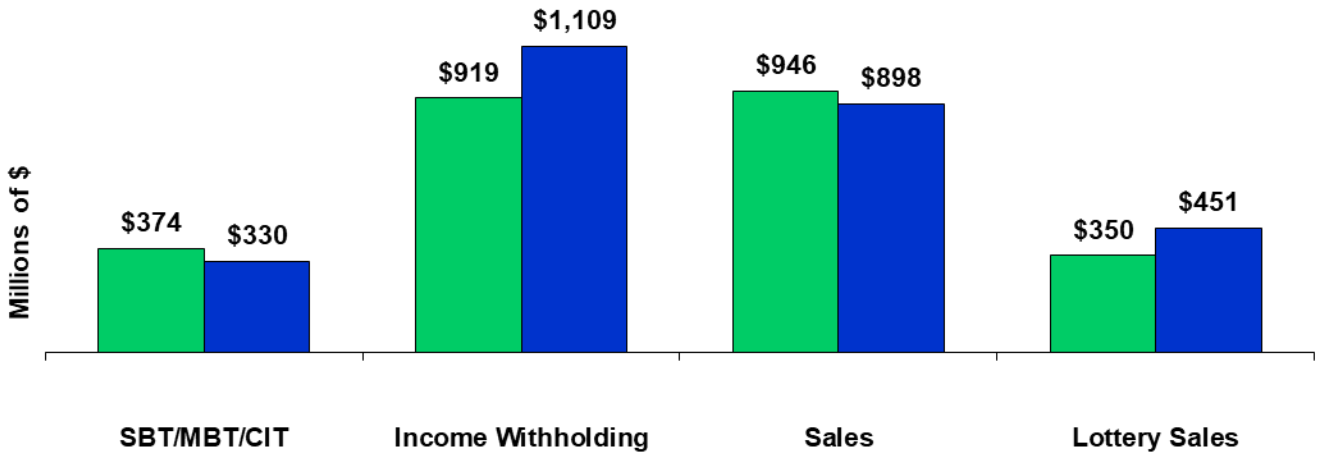
Total General Fund - General Purpose (GF-GP) cash collections were \$152.0 million (9.5 percent) higher in September 2024 than in September 2023. The September 2024 School Aid Fund cash collections were \$66.5 million (3.6 percent) lower than in September 2023. September 2024 transportation collections were \$19.5 million (6.5 percent) higher than in September 2023 (see revenue summary table). September is the twelfth month of the State's fiscal year (FY). Year-to-date collection totals generally provide a more accurate view of collections since they are less affected by the timing of payments. However, current year-to-date cash collections for GF-GP revenue reflect the processing of increased Income Tax Refunds due to the retroactive processing of Earned Income Tax Credits. Year-to-date GF-GP cash collections are down \$283.0 million (2.0 percent) from a year ago. School Aid Fund cash collections are up \$93.4 million (0.6 percent) and transportation collections are up \$65.6 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 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 September Collections FY 2022-23 and FY 2023-24



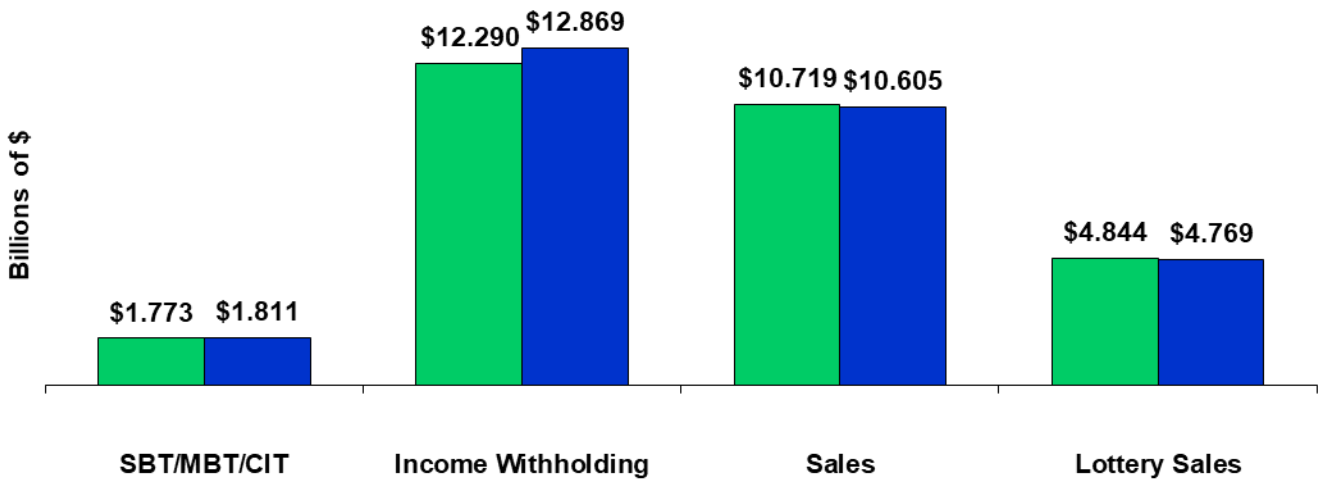
September Revenue Collections FY 2022-23 and FY 2023-24



Source: Office of Revenue and Tax Analysis

■ FY 2022-23 ■ FY 2023-24

October through September 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: September 30, 2024

Month-End Cash Collections Data				October Through September Cash Collections Data					Revenue Projections		
September		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											
\$919,441	\$1,109,100	\$189,659	20.6%	Withholding	\$12,290,132	\$12,869,194	\$579,062	4.7%	\$12,226,200	\$12,376,900	\$12,581,900
231,089	265,409	34,320	14.9%	Quarterlies	1,080,443	1,113,568	33,124	3.1%	1,078,100	1,144,000	999,000
193,327	233,787	40,460	20.9%	Flow Through Entity Tax	915,508	996,285	80,777	8.8%	999,100	972,800	972,800
40,659	3,869	(36,790)	-90.5%	Annuals	1,330,105	1,191,301	(138,804)	-10.4%	1,316,300	1,264,400	1,152,500
\$1,384,516	\$1,612,165	\$227,649	16.4%	Gross Collections	\$15,616,189	\$16,170,348	\$554,160	3.5%	\$15,619,500	\$15,758,100	\$15,706,200
93,613	60,443	(33,170)	-35.4%	Less: Refunds	3,171,599	4,013,683	842,084	26.6%	3,278,200	3,510,000	3,317,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	0	800	800
\$1,290,903	\$1,551,722	\$260,819	20.2%	Net Personal Income	\$12,444,589	\$12,156,665	(\$287,924)	-2.3%	\$12,341,300	\$12,247,300	\$12,388,400
50,000	50,000	0	0.0%	Less: Disbursements to MTF	600,000	600,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	69,000	69,000	0	0.0%	71,300	69,000	69,000
322,316	375,294	52,978	16.4%	Less: Disbursements to SAF	3,692,423	3,821,924	129,502	3.5%	3,907,700	3,798,200	3,785,700
\$912,837	\$1,120,678	\$207,841	22.8%	Net Personal Income To GF-GP	\$8,083,167	\$7,665,741	(\$417,425)	-5.2%	\$7,762,300	\$7,780,100	\$7,933,700
Consumption Taxes											
\$159,098	\$132,889	(\$26,209)	-16.5%	Sales (a)	\$1,685,885	\$1,678,554	(\$7,331)	-0.4%	\$1,096,100	\$1,666,000	\$1,566,200
90,857	105,522	14,666	16.1%	Use (a) (h)	1,252,425	1,270,453	18,028	1.4%	1,251,600	1,136,700	1,280,400
12,674	11,403	(1,271)	-10.0%	Tobacco	145,340	133,675	(11,666)	-8.0%	143,400	145,800	137,300
1,617	1,518	(99)	-6.1%	Beer, Wine & Mixed Spirits	47,654	45,190	(2,464)	-5.2%	46,300	50,000	46,000
7,758	6,200	(1,558)	-20.1%	Liquor Specific	75,958	78,279	2,321	3.1%	67,900	65,300	65,600
\$272,003	\$257,532	(\$14,472)	-5.3%	Total Consumption Taxes	\$3,207,264	\$3,206,152	(\$1,112)	0.0%	\$2,605,300	\$3,063,800	\$3,095,500
Other Taxes											
(\$58)	\$1	\$59	101.2%	Single Business	(\$3,506)	(\$273)	\$3,234	92.2%	(\$3,500)	\$0	\$0
1,967	4,464	2,498	127.0%	Insurance Premiums Taxes	\$471,261	529,226	57,965	12.3%	465,900	450,000	523,000
1,908	4,465	2,557	134.0%	Sub-total SBT & Insurance	467,755	528,954	61,199	13.1%	462,400	450,000	523,000
4,620	(10,634)	(15,254)	-330.2%	Michigan Business Tax	(463,945)	(350,749)	113,197	24.4%	(434,100)	(509,700)	(494,600)
369,445	340,769	(28,676)	-7.8%	Corporate Income Tax	2,240,050	2,162,422	(77,628)	-3.5%	1,609,900	1,500,000	1,625,000
(405)	231	636	-156.9%	Telephone & Telegraph	30,767	46,281	15,514	50.4%	35,900	33,000	34,000
2,246	1,802	(444)	-19.8%	Oil & Gas Severance	29,655	23,612	(6,043)	-20.4%	27,100	34,000	27,000
11,102	6,472	(4,629)	-41.7%	Penalties & Interest	133,348	125,882	(7,466)	-5.6%	141,200	143,000	143,000
484	1,480	996	206.0%	Essential Services Assessment	143,804	146,099	2,295	1.6%	141,800	152,000	150,000
413	20	(393)	-95.2%	Miscellaneous Other/Railroad	3,218	2,591	(626)	-19.5%	32,200	3,000	15,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(151,250)	(151,000)	250	0.2%	(145,600)	(151,000)	(151,000)
\$377,313	\$332,022	(\$45,291)	-12.0%	Total Other Taxes	\$2,433,401	\$2,534,091	\$100,690	4.1%	\$1,870,800	\$1,654,300	\$1,871,400
\$1,562,154	\$1,710,232	\$148,078	9.5%	Subtotal GF-GP Taxes	\$13,723,831	\$13,405,984	(\$317,847)	-2.3%	\$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: September 30, 2024

Month-End Cash Collections Data				October Through September Cash Collections Data					Revenue Projections		
September		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	\$10,000	\$10,000	\$0	0.0%	\$13,900	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	100	100	0	0.0%	0	100	100
583	583	0	0.0%	Services	7,000	7,000	0	0.0%	3,900	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	14,000	14,000	0	0.0%	11,200	14,000	14,000
0	0	0	na	Investments/Interest Costs	261,397	249,399	(11,998)	-4.6%	613,800	255,000	550,000
833	833	0	0.0%	Misc. Non-tax Revenue	10,000	10,000	0	0.0%	59,600	22,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	300,000	345,000	45,000	15.0%	309,000	342,000	298,100
7,500	7,667	167	2.2%	From Other Funds-Lottery & Escheats	90,000	91,833	1,833	2.0%	183,800	90,000	134,000
\$35,925	\$39,842	\$3,917	10.9%	Total Non-Tax Revenue	\$692,497	\$727,332	\$34,835	5.0%	\$1,195,200	\$740,100	\$1,048,200
\$1,598,079	\$1,750,074	\$151,995	9.5%	Total GF-GP Revenue	\$14,416,328	\$14,133,316	(\$283,012)	-2.0%	\$13,433,600	\$13,238,300	\$13,948,800
School Aid Fund											
\$404,362	\$341,653	(\$62,710)	-15.5%	Sales Tax 4%	\$4,345,158	\$4,322,067	(\$23,091)	-0.5%	\$4,376,100	\$4,471,700	\$4,307,100
271,616	328,337	56,721	20.9%	Sales Tax 2%	3,477,083	3,401,884	(75,199)	-2.2%	3,430,800	3,501,800	3,375,800
68,249	76,162	7,913	11.6%	Use Tax 2%	900,279	916,125	15,846	1.8%	909,500	863,500	972,900
589,255	479,719	(109,536)	-18.6%	State Education Property Tax	2,444,864	2,505,858	60,995	2.5%	2,559,600	2,737,900	2,715,000
35,394	35,291	(103)	-0.3%	Real Estate Transfer Tax	406,914	398,665	(8,248)	-2.0%	389,200	377,500	370,000
90,000	80,000	(10,000)	-11.1%	Lottery Transfer (b)	1,004,351	1,011,981	7,631	0.8%	1,351,900	1,212,700	1,270,000
7,398	7,746	349	4.7%	Casino Wagering Tax	102,528	100,737	(1,791)	-1.7%	429,900	434,200	479,200
7,410	5,819	(1,591)	-21.5%	Liquor Excise Tax	69,181	69,676	495	0.7%	75,000	76,800	77,100
25,730	23,149	(2,581)	-10.0%	Cigarette/Tobacco Tax	295,063	271,379	(23,683)	-8.0%	254,700	258,600	242,100
6,833	8,575	1,743	25.5%	Indus. & Comm. Facilities Taxes	43,531	53,347	9,816	22.5%	44,600	42,500	45,000
1,650	1,987	337	20.4%	Specific Other	24,129	25,274	1,145	4.7%	131,000	112,700	143,600
322,316	375,294	52,978	16.4%	Income Tax Earmarking	3,692,423	3,821,924	129,502	3.5%	3,907,700	3,798,200	3,785,700
\$1,830,213	\$1,763,732	(\$66,481)	-3.6%	Total School Aid Fund	\$16,805,502	\$16,898,918	\$93,416	0.6%	\$17,860,000	\$17,888,100	\$17,783,600
Multi-Fund Revenue Summary											
\$945,553	\$897,758	(\$47,795)	-5.1%	Sales Tax 6%	\$10,719,014	\$10,605,329	(\$113,685)	-1.1%	\$10,674,400	\$10,887,300	\$10,487,300
673,937	569,421	(104,516)	-15.5%	Sales Tax 4% (d)	7,241,930	7,203,445	(38,486)	-0.5%	7,243,600	7,385,500	7,111,500
271,616	328,337	56,721	20.9%	Sales Tax 2%	3,477,083	3,401,884	(75,199)	-2.2%	3,430,800	3,501,800	3,375,800
204,746	228,485	23,740	11.6%	Use Tax 6% (g)	2,700,837	2,748,375	47,537	1.8%	2,709,100	2,561,900	2,815,000
10,801	13,537	2,736	25.3%	Recreational Marijuana	254,413	305,699	51,286	20.2%	269,034	244,900	330,300
63,687	57,299	(6,388)	-10.0%	Tobacco Taxes	730,353	671,731	(58,622)	-8.0%	724,320	733,400	691,000
0	0	0	na	Tobacco Settlement	242,986	197,802	(45,184)	-18.6%	na	na	na

continued

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

For The Month Ended: September 30, 2024

Month-End Cash Collections Data				October Through September Cash Collections Data				Revenue Projections			
September		Difference		Source of Revenue	Year-to-Date		Difference		FY 2022-23 Totals (i)	FY 2023-24 Statutory Estimate	FY 2023-24 May 2024 Forecast
2023	2024	Amount	Percent		FY 2022-23	FY 2023-24	Amount	Percent			
Major Transportation Revenues											
\$21,133	\$23,830	\$2,697	12.8%	Diesel Fuel / Motor Carrier Fuel Tax	\$260,082	\$269,949	\$9,866	3.8%	\$270,182	\$269,500	\$273,000
99,358	118,582	19,224	19.3%	Gasoline	1,190,828	1,275,326	84,498	7.1%	1,222,357	1,256,000	1,259,000
112,197	111,407	(789)	-0.7%	Motor Vehicle Registration	1,507,953	1,491,096	(16,856)	-1.1%	1,503,546	1,482,000	1,542,000
4,663	4,350	(313)	-6.7%	Other Taxes, Fees & Misc.	50,779	53,678	2,899	5.7%	359,235	335,347	372,757
11,650	10,317	(1,333)	-11.4%	Comprehensive Transportation (c)	138,618	123,800	(14,818)	-10.7%	195,751	177,995	181,279
50,000	50,000	0	0.0%	Income Tax Earmarking	600,000	600,000	0	0.0%	600,000	600,000	600,000
\$299,000	\$318,486	\$19,486	6.5%	Total Major Trans. Revenues	\$3,748,260	\$3,813,849	\$65,589	1.7%	\$4,151,071	\$4,120,842	\$4,228,036
Lottery Sales By Games											
\$184,006	\$238,410	\$54,404	29.6%	Instant Games (f)	\$2,507,873	\$2,498,914	(\$8,959)	-0.4%	na	na	na
69,629	90,973	21,343	30.7%	Daily Games	954,241	965,422	11,180	1.2%	na	na	na
39,167	44,050	4,882	12.5%	Lotto and Big Game (f)	616,096	511,281	(104,815)	-17.0%	na	na	na
552	657	104	18.9%	Keno Game	7,413	7,200	(213)	-2.9%	na	na	na
2,733	3,774	1,041	38.1%	Lucky For Life	36,290	39,956	3,667	10.1%	na	na	na
6,722	5,924	(799)	-11.9%	Other (f)	90,285	75,432	(14,853)	-16.5%	na	na	na
47,166	66,862	19,697	41.8%	Club Games	631,722	670,480	38,757	6.1%	na	na	na
\$349,977	\$450,650	\$100,673	28.8%	Total Lottery Sales	\$4,843,920	\$4,768,685	(\$75,235)	-1.6%	na	na	na

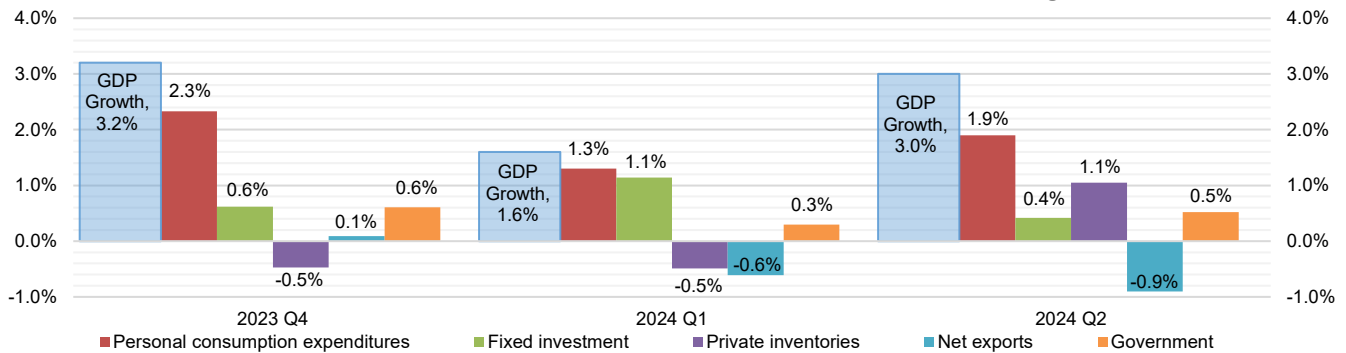
- (a) GF-GP Sales has been adjusted based on Comprehensive Transportation Fund, Health Initiative, Constitutional Revenue Sharing, and Aviation Fund. GF-GP Use has been adjusted based on Aviation Fund.
- (b) The statutory estimate does not include an estimate of lottery sales. It only includes an estimate 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 \$548.0 million and the year-to date 2024 revenues are \$561.7 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 \$548.0 million and the year-to-date 2024 LCSS revenues are \$561.7 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

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

Economic Highlights
(All data seasonally adjusted unless otherwise noted.)
U.S. Economy

U.S. real **Gross Domestic Product** increased at a 3.0 percent annual rate in the second quarter of 2024, according to the “third” estimate released by the Bureau of Economic Analysis, up from the 1.6 percent revised annual rate in the first quarter of 2024. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

Real GDP Growth and Contributions to Percent Change

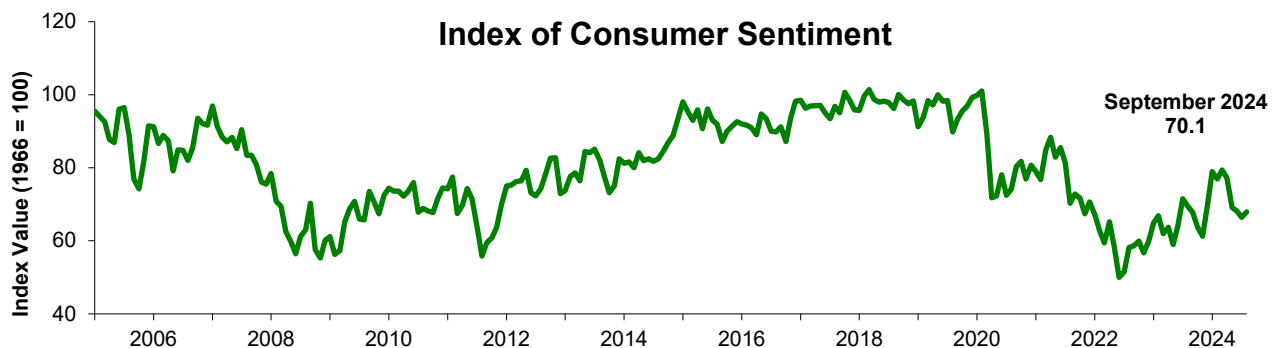


Source: Bureau of Economic Analysis

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

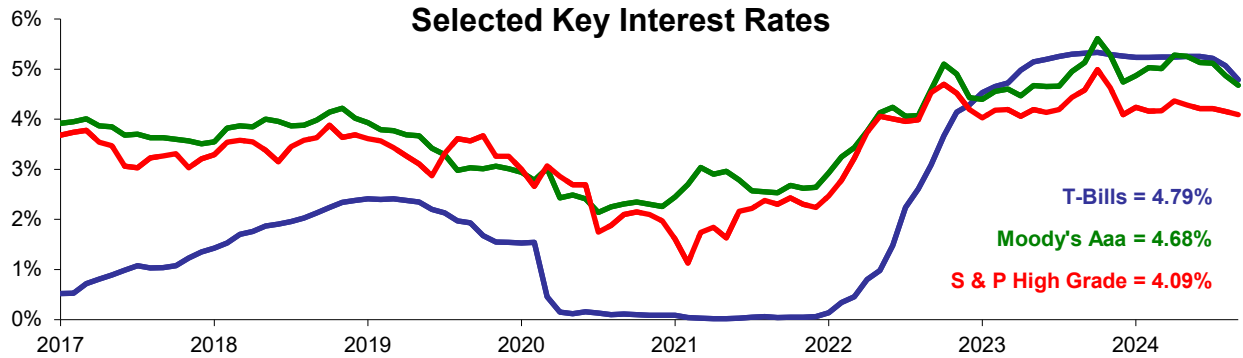
U.S. wage and salary employment increased by 254,000 jobs in September 2024, with total employment 6.8 million above the February 2020 pre-pandemic level. In September, sectors with the largest increases in employment include private education with a gain of 81,000 jobs, leisure and hospitality services with a gain of 78,000 jobs, and government services with 31,000 additional jobs. Employment decreases in September were observed in the temporary help services sector with 13,800 fewer jobs, the transportation and warehousing services sector with a decline of 8,600 jobs, and the manufacturing sector with a loss of 7,000 jobs.

In September, the U.S. unemployment rate decreased to 4.1 percent. Civilian employment increased to 161.8 million, up 430,000 from August. The number unemployed decreased 281,000 from August, to 6.8 million in September. The labor force participation rate remained unchanged at 62.7 percent in September, 0.6 percentage points below the pre-pandemic rate in February 2020 of 63.3 percent. The Index of Consumer Sentiment increased to 70.1 index-points in September, up 2.2 index-points from the prior month. Consumer sentiment is 2.3 index-points above its year-ago level.



Source: University of Michigan, Survey Research Center

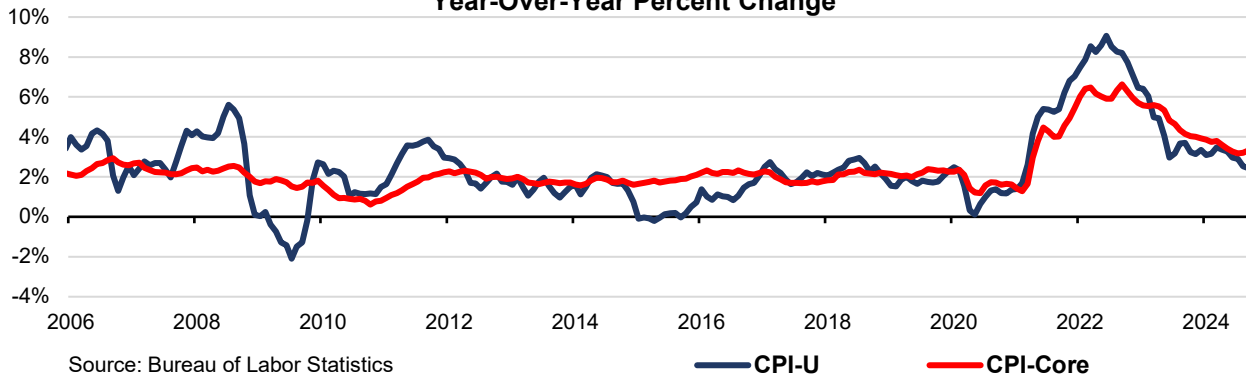
Short-term **interest rates** decreased in September, with a 3-month Treasury bill (T-bill) rate of 4.79 percent. The T-bill rate is 53 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.32 percent rate in September 2023. The Aaa corporate bond rate decreased by 19 basis points in September to an interest rate of 4.68 percent, down 45 basis points from a year ago. The interest rate on S&P high-grade municipal bonds decreased by 7 basis points in September to an interest rate of 4.09 percent, down 49 basis points from a year ago.



Source: Economic Indicators

U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 2.4 percent from September 2023 to September 2024, a 0.1 percentage points decline from August's 2.5 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 September, up 0.1 percentage points from the prior month's rate of 3.2 percent. CPI-U and CPI-Core data are not seasonally adjusted.

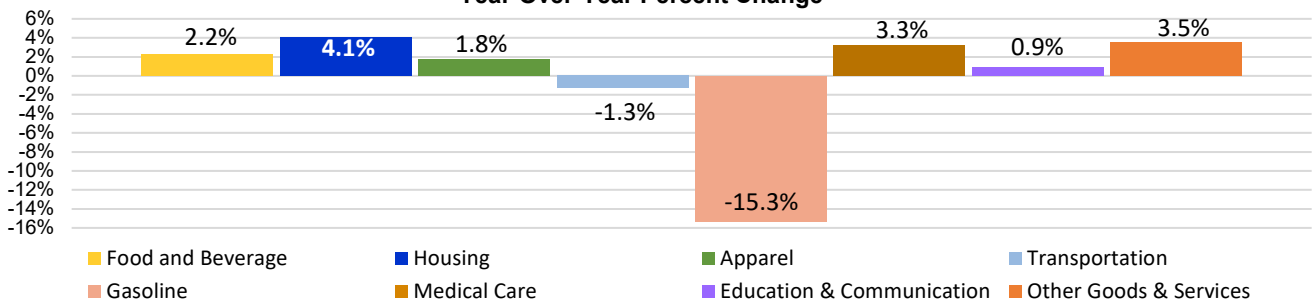
U.S. Consumer Price Index from 2006 to 2024
Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Housing exhibited the largest year-over-year price increase at 4.1 percent for September, followed by other goods and services with a 3.5 percent increase, and medical care with a 3.3 percent increase. Gasoline experienced a year-over-year price decline of 15.3 percent in September. These sector data are seasonally adjusted.

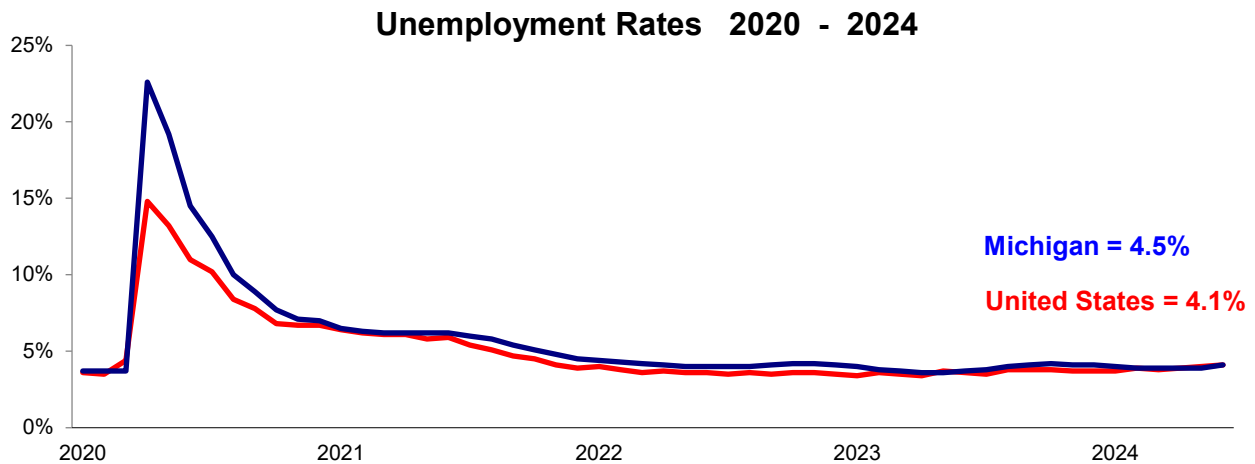
Consumer Price Index, September 2024
Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Michigan Economy

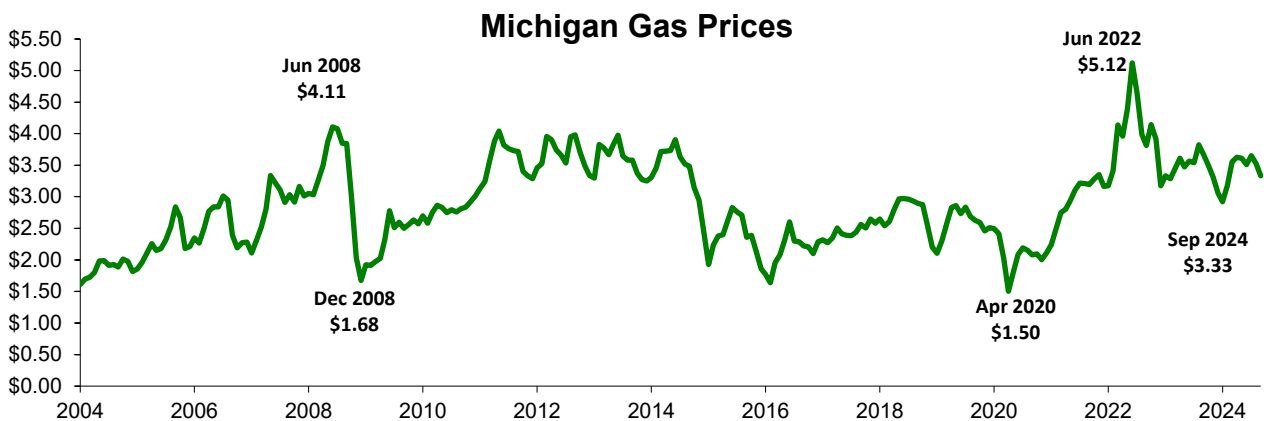
The **Michigan jobless rate** remained unchanged from 4.5 percent in August to 4.5 percent in September. The national unemployment rate was 4.1 percent in September, 0.1 percentage points lower than August's rate. The number employed in Michigan decreased by 3,300 from August's levels, while the number of unemployed in September increased by 3,500 from the prior month. The number employed is 0.2 percent lower, while the number unemployed is 10.4 percent higher than in September 2023. Michigan's unemployment rate of 4.5 percent is 0.8 percentage points higher than the February 2020 pre-pandemic rate of 3.7 percent.



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

Michigan wage and salary employment increased by 5,000 jobs from August to a total of 4.5 million jobs in September. Compared to last year, employment in September was up 27,100 jobs, or 0.6 percent, from September 2023. The sectors with the largest employment increases in September were leisure and hospitality services with a gain of 4,800 jobs, financial activities with a gain of 1,900 jobs, and other services with 1,700 additional jobs. The sectors with the largest employment decreases in September were education and health services with 1,900 jobs lost, construction with 1,300 jobs lost, and professional and business services with 800 fewer jobs.

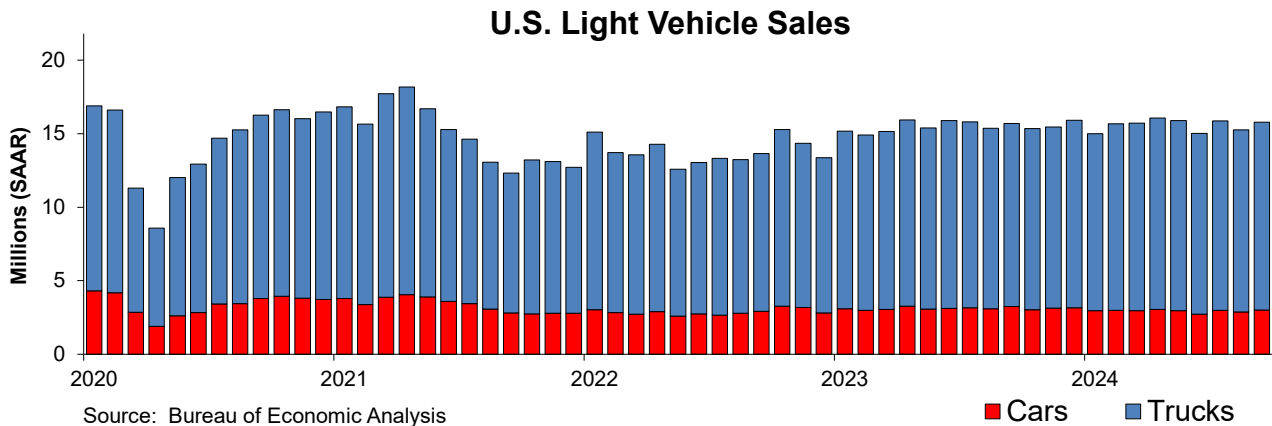
Michigan gasoline prices decreased in September to \$3.33 per gallon, 19.2 cents a gallon below last month's average. Year-over-year gasoline prices were 33.5 cents per gallon lower than in September 2023. Diesel prices of \$3.70 per gallon in September decreased by 13.1 cents a gallon from August. Diesel prices were down 74.4 cents per gallon from the September 2023 price of \$4.45 per gallon.



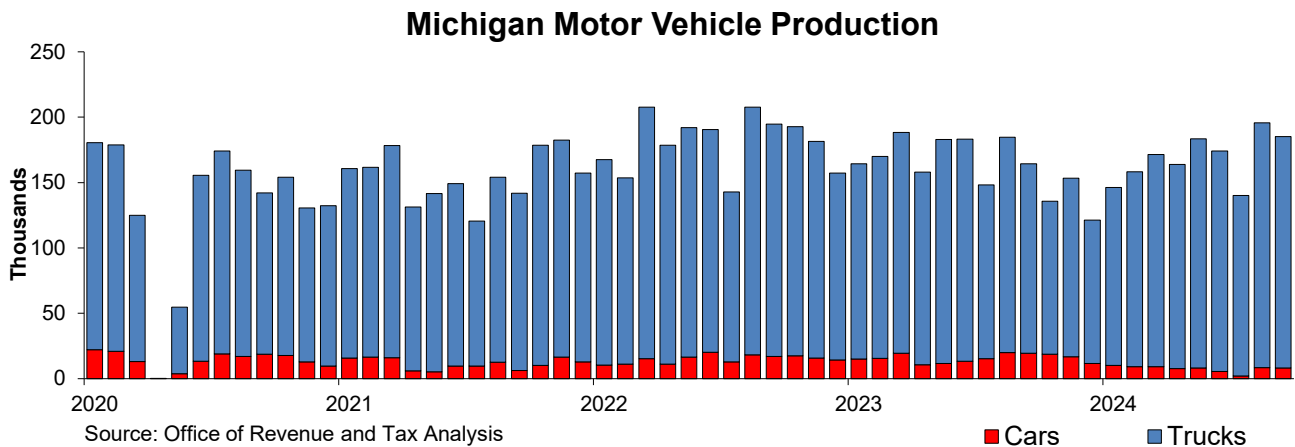
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) increased by 3.3 percent in September from August, selling at a 15.8 million unit seasonally adjusted annual rate. Domestic car sales increased 5.2 percent while light truck sales increased 5.0 percent from August. Import car sales increased 2.7 percent while import light truck sales decreased 3.7 percent from August. Compared to September 2023, light vehicle sales were up 0.5 percent. Domestic car sales decreased 12.3 percent while light truck sales increased 3.8 percent from the year ago levels. September import car sales increased 5.3 percent while import light truck sales decreased 2.2 percent from last year. Domestic light vehicles recorded a 77.4 percent share of September 2024 sales, up 0.2 percentage points from September 2023.



Michigan motor vehicle production decreased in September to 185,187 total units. Michigan's September production was 5.3 percent lower than August's production and 12.7 percent above the level in September 2023. Nationally, motor vehicle production totaled 914,801 units, 2,829 units higher than the 911,972 units from a year ago. In August, Michigan's car production was 8,138 units while the State's truck production was 177,049 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