

STATE OF MICHIGAN  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
 FISCAL YEAR ENDED SEPTEMBER 30, 1999

**NOTE 25 – SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

During the fiscal year, the State operated two enterprise funds. The Liquor Purchase Revolving Fund accounts for the State's activities in the distribution of liquor at the wholesale level. The fund is also used to account for certain liquor taxes that generate revenue for other State activities. Nonoperating activity includes \$9.3 million in tax revenues. Public Act 431 of 1984 requires that the net income of the fund be transferred to the General Fund.

Appropriation acts have also been passed to authorize transfers from the fund as a funding source for other specified purposes.

The State Lottery Fund accounts for the State lottery games and regulation of bingo and charity games. Profits from the lottery are transferred to the School Aid Fund and profits from regulation of bingo and charity games are transferred to the General Fund.

Segment information for the fiscal year ended September 30 (in millions) is as follows:

	LIQUOR PURCHASE REVOLVING FUND	STATE LOTTERY FUND	TOTAL
Operating Revenues	\$ 529.9	\$ 1,767.9	\$ 2,297.7
Operating Expenses (Including Depreciation)	430.1	1,147.1	1,577.2
Depreciation Expense	.1	.6	.7
Operating Income (Loss)	99.8	620.7	720.5
Nonoperating Revenues (Expenses)	13.2	(98.1)	(84.9)
Operating Transfers To Other Funds:			
Statutory Net Income Transfer	(105.3)	(629.5)	(734.8)
Administrative General Fund Costs	(7.6)	-	(7.6)
Total Operating Transfers To Other Funds	(112.9)	(629.5)	(742.4)
Net Income (Loss)	-	(106.8)	(106.8)
Unrealized Gain (Loss) on Investments	-	(106.8)	(106.8)
Net Working Capital	8.2	29.7	37.8
Property, Plant, and Equipment	.7	.8	1.6
Total Assets	62.4	1,331.8	1,394.2
Long-Term Liabilities	2.2	874.3	876.6
Total Equity (Deficit)	6.7	62.9	69.5