

EXECUTIVE BUDGET
Fiscal Years 2015 and 2016

State of Michigan
Rick Snyder, CPA, Governor

John E. Nixon, CPA, State Budget Director

This publication was produced and printed by the Department of Technology, Management and Budget. The purpose of the publication is to inform state and local officials and residents about Governor Snyder's recommended budget for fiscal year 2015 and projections for fiscal year 2016. This document is required by law MCLA 18.1363 and by the Michigan Constitution, Article V, Section 18.

FISCAL YEARS 2015 AND 2016 EXECUTIVE BUDGET

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Budget Overview





STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

February 5, 2014

My Fellow Michiganders:

This is an exciting time to be in Michigan and to be a participant in our state's comeback. Indeed, this recommended fiscal year 2015 budget is a true reflection of Michigan's turnaround.

We're proposing significant investments that embrace the values and priorities of Michigan. These strategic initiatives would not be possible without our ongoing emphasis on fiscal discipline, or the policies that are driving job growth. Providing tax relief for low- to middle-income families, greater strategic investments in education, maintaining our roads, enhancing public health and safety, and protecting the vulnerable and our natural resources are among the highlights of this recommended budget.

Make no mistake, our plan is working. Private payroll jobs are up by more than 220,000. Unemployment is down, and we are leading the nation in manufacturing job growth. Personal income is on the rise as well, as are home values. In fact, Wall Street rating agencies have taken note of Michigan's success by upgrading the state's credit outlook and rating.

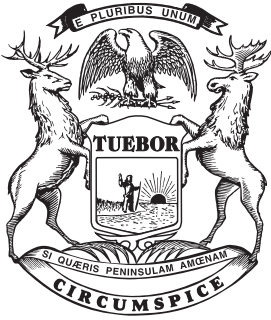
We continue to use dashboards and metrics to gauge Michigan's progress, allowing us to deliver real results for real people. This budget recommendation also reflects our ongoing commitment to fiscal responsibility in state government, providing the stability necessary for the future. We're taking a thoughtful, long-term approach as well. Michigan is now paying off its debts and putting money aside for the future – just like families do.

This budget presents the right balance of funding to fuel Michigan's future success, investing responsibly in the important priorities and needs of our great state, while providing tax relief for hard working Michiganders. I look forward to working in partnership with the members of the Michigan House and Senate to enact the fiscal year 2015 budget.

Sincerely,

A handwritten signature in blue ink that reads "Rick Snyder".

Rick Snyder
Governor



FUELING MICHIGAN'S FUTURE - THE COMEBACK CONTINUES

Executive Budget Recommendation for Fiscal Years 2015 and 2016

Gov. Rick Snyder's fourth budget recommendation is grounded in fiscal responsibility and designed to fuel the state's continued comeback. As Michigan's economic turnaround progresses, the governor remains dedicated to advancing the state's reinvention.

By making strategic investments in education, jobs, health and wellness, public safety, and our infrastructure while providing tax relief to lower- and middle-income taxpayers, the governor's Executive Budget Recommendation for fiscal year 2015 and projected fiscal year 2016 is focused on accelerating the state's economic recovery, saving money now and into the future.

Back on Track

Michigan is back on track thanks to this fiscally responsible approach and long-term view to the state budget process. More than 220,000 new private sector jobs have been added since December 2010, and the state is leading the nation in manufacturing job creation. Michigan is fourth in the nation for high-wage job growth and sixth for middle-wage job growth, and home sales and values continue to rise. Additionally, personal income growth in Michigan is on the rise. In fact, Michigan's personal income growth is tied for first place among the Great Lakes states.

"Michigan is a good investment again. The confidence of investors is a good argument that the steps taken to make the state more competitive are paying off."

The Detroit News, May 21, 2013

In 2013 Michigan posted its first annual labor force growth since 2006. Michigan's unemployment rate hit a high of 14.2 percent in August of 2009 during Michigan's Great Recession. Since Gov. Snyder took office in 2011, the unemployment rate dropped to a preliminary 2013 average rate of 8.7 percent, down from the 2011 annual average rate of 10.3 percent.

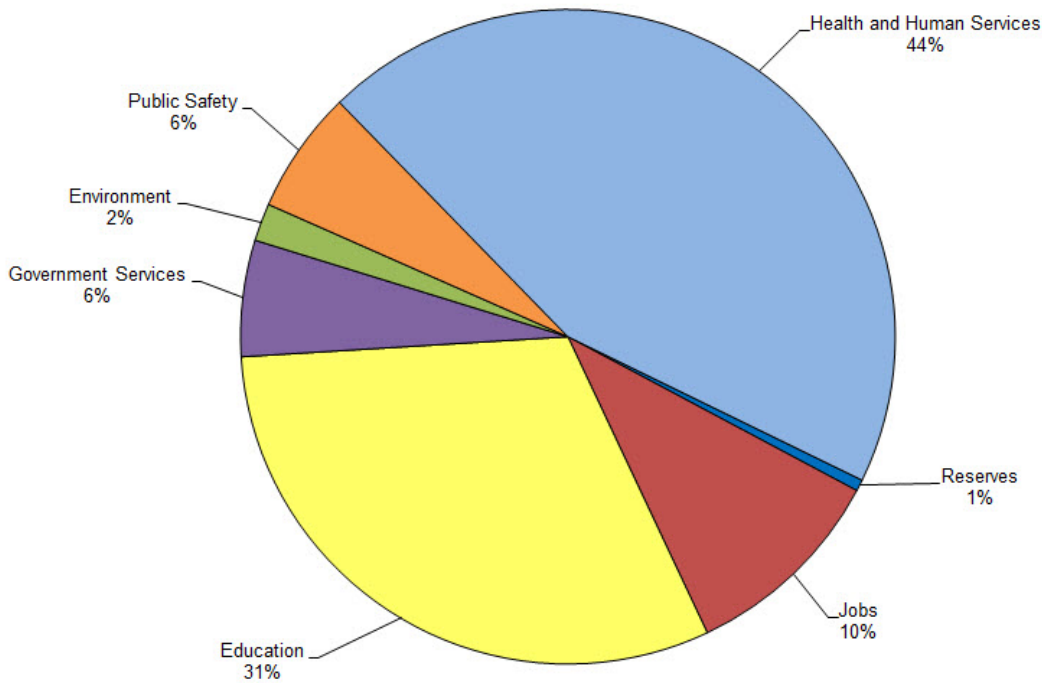
Budget Recommendation in Totality

The total Executive Budget Recommendation for fiscal year 2015, including all state and federal revenue sources, is \$52.1 billion in gross spending. Nearly 75 percent of the total budget is dedicated to education and health and human services.

The Consensus Revenue Estimating Conference held in early January projected that revenues will be \$10 billion in the general fund and \$11.9 billion in the School Aid Fund for fiscal year 2015, for a combined total of \$21.9 billion.

Fiscal year 2016 projected revenues are \$10.5 billion in the general fund and \$12.3 billion in the School Aid Fund, for a combined total of \$22.8 billion.

75% of Total Spending is Dedicated to Education and Health and Human Services



Total FY 2015 Adjusted Gross Spending: \$51.6 Billion

Building a Brighter Future for Our Children

Providing a good education to our children creates a brighter future for them and Michigan. The best way to ensure that future is to approach funding for each area of education as separate parts of the same engine. The P-20 approach is focused on the three tiers of education – early childhood, K-12, and post-secondary education. This comprehensive and holistic approach recognizes that each tier plays a distinct and vital role in a child’s education and future success.

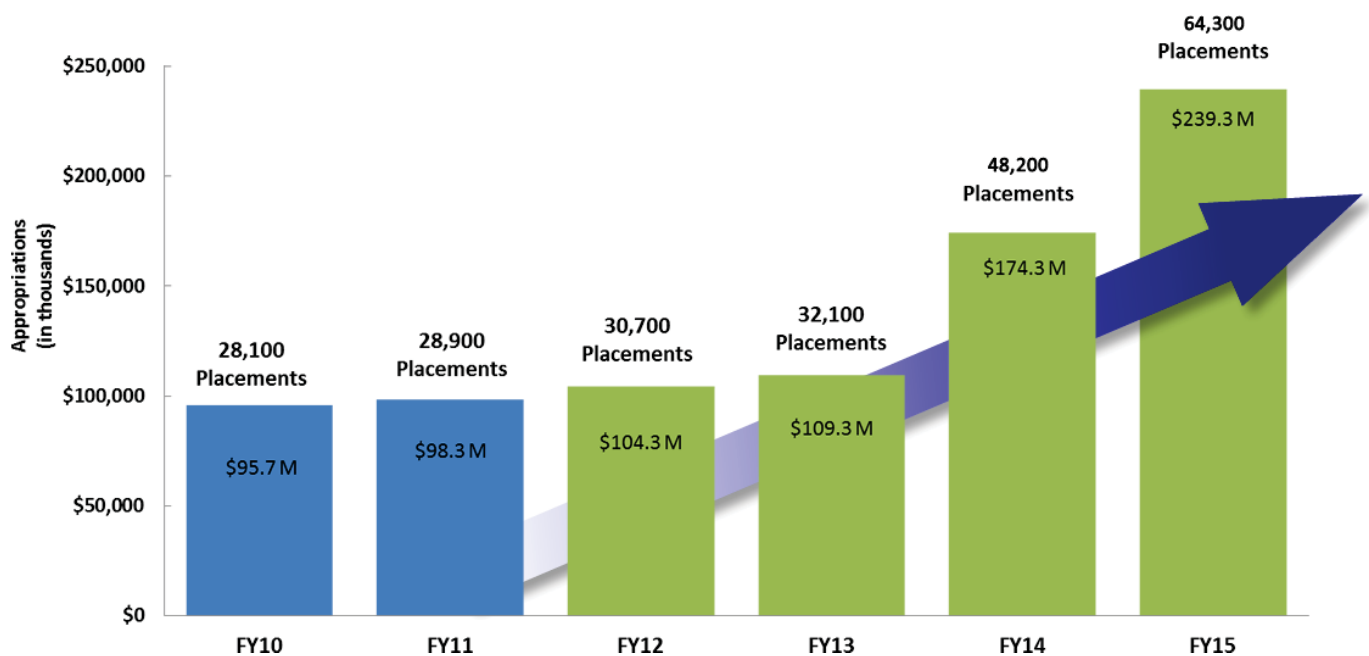
Early Childhood

Last year, Michigan was the trailblazing state when it came to investing in early childhood education. Gov. Snyder’s executive budget recommendation for fiscal year 2014 made the single largest increase in preschool funding across the nation – allocating \$65 million and adding 16,000 new placements for children. Investing in early childhood is not only the right thing to do for our children, it is also the fiscally responsible decision. Numerous economic studies have shown that every dollar spent on early childhood education pays off later. With the goal of making Michigan the “no wait state” for children in need of preschool education, the governor proposes investing another \$65 million in funding to create 16,000 more placements. Additionally, the governor’s budget calls for \$3.7 million to improve the quality of child day care.

K-12

Despite declining student enrollment, Michigan’s K-12 spending has increased by \$1 billion since fiscal year 2011. The governor recommends \$11.7 billion in state funds for K-12, an increase of \$322 million. The K-12 budget provides a total of \$150 million to increase the annual foundation allowance, which will equate to a range of \$83 to \$111 per student. It also provides \$27.8 million to improve educator effectiveness, \$2 million to pilot year-round schools with balanced calendars, and \$10 million to assist financially distressed schools. District performance and best-practices funding of \$80 million is continued, as well as \$50 million in technology infrastructure

Great Start Readiness Funding
Appropriations and Number of Half-Day Preschool Placements



improvement grants. The budget includes \$1.8 million in funding incentives for schools offering dual enrollment, allowing students to earn college credits while still in high school. To help ensure that the retirement promises made to teachers can be kept, the budget also includes an increase of \$270.1 million to fund retirement liabilities within the school retirement system over and above the district share, which is now capped at 20.96 percent, providing stability to the system.

Post-secondary

In order to ensure educational opportunity, we must focus on making post-secondary education affordable for students who wish to pursue a degree or career education at one of Michigan's 28 community colleges and 15 public universities. The governor's budget recommendation helps address affordability by rewarding institutions that exercise tuition restraint and hold tuition increases below 3.2 percent.

To provide Michigan universities with stability in funding, the governor's plan calls for a 6.1 percent increase (\$80.3 million) in state support for higher education using a modified version of the 2014 performance formula. The funding formula includes metrics designed to help ensure Michigan college students receive a quality education at a reasonable cost by linking funding to performance. The proposed budget includes a recommendation for a 3 percent operations increase (\$8.9 million) for community colleges.

Investing in People - Health and Human Services

Michigan has made significant strides to improve the health and wellness of its residents. The Healthy Michigan Plan was signed into law, expanding Medicaid and ultimately providing health care to 477,000 residents. In fiscal year 2014, the Healthy Kids Dental program was also expanded to cover three additional counties.

Health

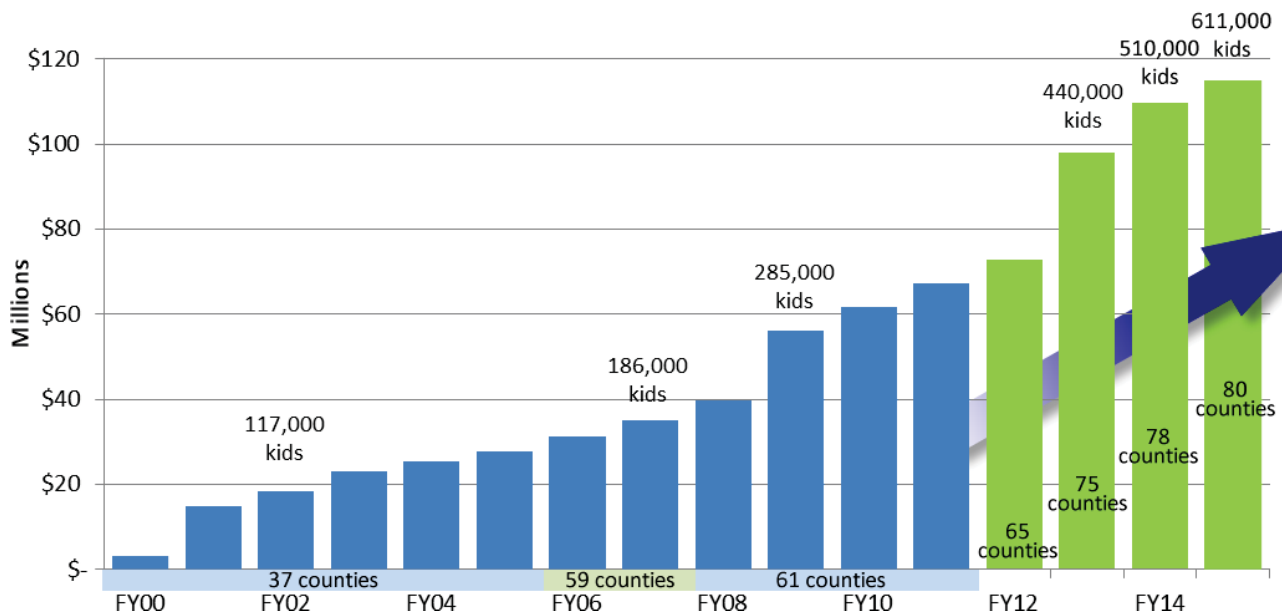
The fiscal year 2015 proposed budget invests \$5.4 million to add 100,000 children in Kalamazoo and Macomb counties to the Healthy Kids Dental program. Currently, 510,000 Michigan children residing in 78 of Michigan's 83 counties are enrolled in the program. This effort will bring the total number of children receiving dental care to 611,000 in 80 counties.

The governor's budget invests \$2.5 million to increase prenatal home visitation programs in rural areas. The funds will expand the Michigan Home Visiting Initiative in the Upper Peninsula and northern Lower Peninsula to help ensure that families receive the prenatal and pediatric health care necessary to result in healthy outcomes for Michigan's children. The funding is specifically aimed at high-risk pregnant women and families with children under the age of 5. Continuing his commitment to children, the governor recommends \$410 million to enhance Michigan's child welfare system, providing services for abused and neglected children.

Recognizing the important role mental health plays in overall health, the governor's proposed budget includes \$15.6 million for Mental Health and Wellness Commission initiatives; a total of \$3 million for autism programs focused on supporting programs at Eastern Michigan University, Western Michigan University, and Michigan State University; and \$6.1 million for the Mental Health Diversion Council to support and help those with mental health and developmental disabilities so they can be diverted from the criminal justice system and receive the medical attention and care they need.

Health and Wellness - Healthy Kids

Improving Dental Care Access



Serving Seniors

In his 2014 State of the State address, the governor called for making Michigan the “no wait state” for our seniors and people with disabilities. To accomplish this goal, the budget recommendation includes \$5 million to increase in-home services and home-delivered meals for seniors and \$9 million for the MI Choice Waiver Program, which helps senior citizens and individuals with disabilities who might otherwise be living in a nursing home to receive the care and services they need while remaining in their own homes. To help protect our seniors, a total of \$1 million will go toward increasing awareness of the penalties under recently passed elder abuse laws as well as for training medical and financial professionals on identifying and reporting elder abuse.

Driving Michigan Forward: Investing in Infrastructure and Job Creation

Michigan’s infrastructure is badly in need of maintenance. Gov. Snyder realizes the vital role our transportation system plays in our economy. The state’s job providers and Michigan motorists depend on it for the movement of goods and workday commutes, while tourists who visit Michigan rely on safe roads and bridges for leisure travel.

Michigan is desperately in need of a regular, sustained budget investment to fill in the \$1.3 billion gap in annual funding levels to adequately keep our roads and bridges maintained. In the interim, the governor proposes \$254 million to fully match federal funds and provide for improvements to Michigan’s roads and bridges.

“I’m not sure I’ve seen another politician demonstrate such a grasp of, or affinity for, the idea that for Michigan to be strong in the future, we have to invest – in infrastructure, people and creative momentum – now.”

Battle Creek Enquirer, Jan. 29, 2013

Job Creation

Michigan's comeback requires continued investments in policies that foster job creation. Gov. Snyder proposes a new investment of \$5 million for the Automotive, Engineering and Manufacturing Technology Fund, a strategic initiative created to grow this vital industry. Bond funding will enable Michigan's colleges and universities to compete for funds to improve their talent programs. First, a total of \$100 million will be available to universities with accredited engineering programs to compete for capital improvements to help increase the number of engineers and retain them here in Michigan. Second, \$50 million will allow community colleges to retool equipment for high-wage, high-skill and high-demand occupations.

"We have seen incredible improvements from where our state was just a few years ago."

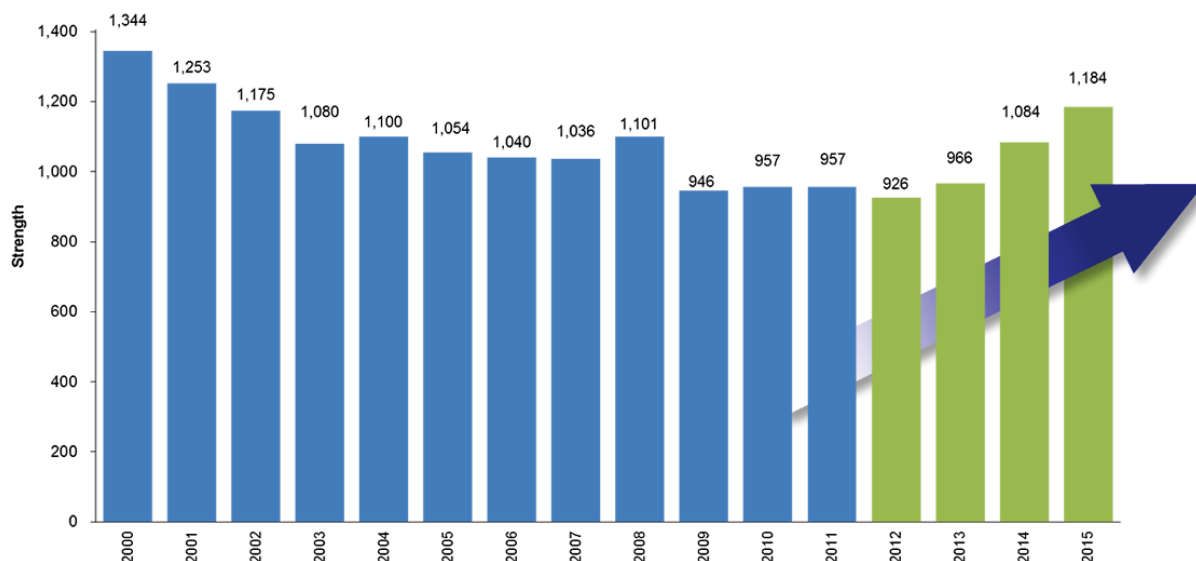
**Chuck Hadden, CEO
Michigan Manufacturers Association
Detroit Free Press, Oct. 28, 2013**

Additionally, the fiscal year 2015 proposed budget includes a \$15 million increase for community revitalization and business attraction efforts and \$2 million in new funding for the Pure Michigan marketing campaign to help bolster the state's strong tourism industry. An increase of \$2 million is proposed for the visibility of Michigan's vital arts and culture sector, supporting arts education, encouraging creative and innovative works of art, and broadening cultural understanding.

Making Michigan Safer

The safety and well-being of Michigan residents continues to be a priority for Gov. Snyder. Significant progress is being made in reducing the violent crime rates in Pontiac, Detroit, Saginaw, and Flint. In the first 10 months of 2013, violent crimes declined by 30 percent in Flint; 16 percent in Saginaw; 7 percent in Detroit; and 6.5 percent in Pontiac. While the crime rates remain unacceptably high, the declining numbers are clear evidence of the impact being made by state and local partnerships under the Secure Cities Initiative.

Making Michigan Safer
MSP - Trooper Strength History



To strengthen the ranks of the Michigan State Police, the governor's recommendation calls for \$17.8 million to train 100 troopers and 31 motor carrier officers through the Michigan State Police Training Academy so that they can patrol Michigan roadways and communities. Increasing the number of troopers trained to protect and serve will help improve public safety all across Michigan. Conducting a Michigan State Police motor carrier school will enable more officers to help protect the state's infrastructure from overweight commercial vehicles that damage our roads.

To ensure first responders and other public safety employees can share information, the governor's plan funds \$25.3 million to update the state's public safety communication system, which supports the Michigan State Police and the Departments of Corrections, Transportation, Natural Resources, and Military and Veteran Affairs as well as 1,400 local public safety departments around the state. Additionally, the governor's proposal includes \$4.3 million for prisoner education.

Protecting and Enhancing Our Natural Resources

Michigan's bountiful natural resources offer residents across the state rich outdoor opportunities and quality of life. Protecting and enhancing these natural resources is critical to the state's overall health, economy and well being. Gov. Snyder recognizes the importance of investing in our natural resources, and that is reflected in this budget recommendation.

The governor recommends \$3.5 million to hire and train 25 additional DNR conservation officers to enforce natural resource, recreational safety and environmental protection laws vital to helping maintain Michigan's quality of life. Coupled with the new conservation officers currently in training, this brings the total number of conservation officers to 227, up from 186 in 2010.

Gov. Snyder is following through on his commitment in his 2014 State of the State address to protect the state from invasive species, which can do great harm to Michigan's natural resources. A total of \$6 million in new funding is proposed toward the prevention, detection and eradication of invasive species. The governor is also following through on his vision to make Michigan the "Trail State" with a total of \$2.5 million in new funding for the development of a trail system from Belle Isle to the Wisconsin border in the Upper Peninsula.

Michigan's forests are protected in this budget with \$4 million in new funding for wildfire protection and forest management through the hiring of new foresters. Continued funding in the amount of \$2.5 million is provided for the Qualified Forest Program designed to assist landowners in private forest management while providing the economic benefit of harvests on non-industrial private forest land.

Michigan's state parks are second to none and provide residents and tourists with the perfect setting to experience Michigan's great outdoors. The governor's recommendation of \$6.5 million in added funding for the repair and maintenance of state parks will help ensure that these treasured destinations are preserved for generations to come.

The quality of Michigan's water is critical to the vitality of our state. New funding of \$4 million is recommended for the Water Quality and Use Initiative, focused on developing a comprehensive water strategy to address the increased demand for water quality. An additional \$2.5 million is provided for the Drinking Water Revolving Fund and just over \$3 million in new funding will help continue the state's progress in cleaning up leaking underground storage tanks.

A new investment of \$1 million is proposed for a recycling initiative designed to increase the number of counties with convenient access to recycling.

Investing in Local Communities

Michigan is strongest when its local communities are strong too, and the continued comeback of our state is spurred partly by the success of our local jurisdictions and leadership, whether it's a small community or a large urban area.

The fiscal year 2015 budget increases constitutional revenue sharing payments for cities, villages, and townships by \$19.4 million (3 percent) to \$764.9 million, based on estimated sales tax collections. A total of \$211.2 million is provided in county payments, the maximum funding allowed under statutory provisions to 74 eligible counties.

As announced earlier this year, the governor is proposing \$17.5 million annually for 20 years in tobacco settlement reserves to resolve ongoing issues in the bankruptcy of Detroit and help minimize impacts to pensioners. This total investment of \$350 million will assist the city in its reinvention, transformation and its return to becoming an economic powerhouse.

The Economic Vitality Incentive Program (EVIP) provides \$243 million for qualified cities, villages and townships that adopt best practices. An additional \$28.8 million is recommended for supplemental payments distributed to all qualified local units of government on a population basis, with high-performing and high-need communities receiving larger shares of the proposed payments. Total funding for EVIP is up 15 percent over fiscal year 2014 funding, which is a 30 percent increase since the program was created.

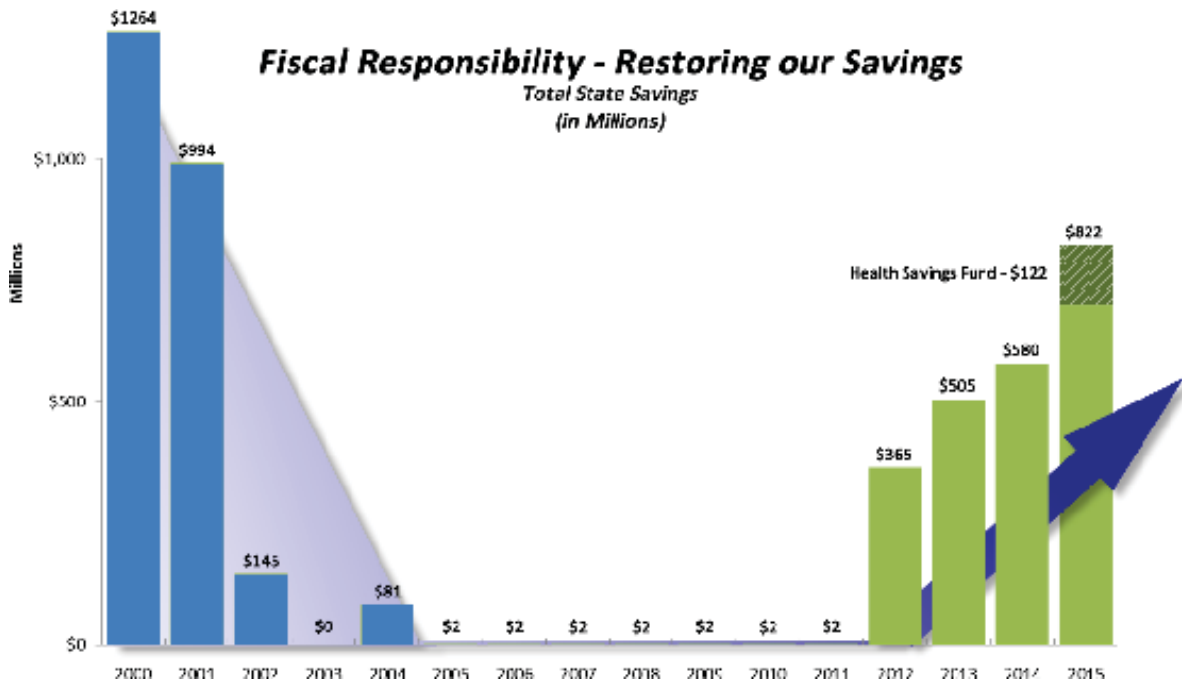
The governor recommends a new investment of \$2.5 million for the Regional Prosperity Program to encourage local communities to work together to develop and implement regional economic development models. In addition, the 2015 executive budget recommends \$5 million for competitive grant assistance as an incentive to share or consolidate services or government operations.

Responsible Government, Not Big Government

Because of his deep background in accounting, Gov. Snyder is dedicated to ensuring that the state's budget is both fiscally sound and responsible. The governor believes in approaching the state budget the same way a family would carefully take care of balancing their budget – pay the bills, pay down debt, set aside savings, and make targeted investments that build a strong future.

The governor believes that responsible government means smarter, more efficient government. In addition to properly funding maintenance of state facilities and updating legacy systems, the state workforce is also leaner today than it was 10 years ago. The State of Michigan workforce has decreased from 62,000 employees in 2001 to 48,000 in 2013, and the state has successfully eliminated 1 million square feet of leased space since 2011, resulting in significant savings.

As imperative as it is to maintain the state's transportation system, it is also important to properly fund maintenance of state facilities and assets. To help avoid future upkeep that would be significantly more costly, the governor's budget recommendation includes a total of \$5 million in increased investments for maintenance of state facilities.



To bring about greater efficiency in state government, the proposed budget also includes a total of \$28 million for the Information Technology Investment Fund for various information technology related projects, including improved cybersecurity, system upgrades and replacements of legacy computer systems.

Responsible government also includes ensuring the state has healthy reserves. Before Michigan’s economic downturn, Michigan’s Budget Stabilization Fund (commonly referred to as the “Rainy Day Fund”) had a balance of more than \$1.2 billion. By the time the governor took office, the fund was depleted to a balance of only \$2.2 million. Strategic investments throughout the past three years have made significant progress in restoring the state’s reserves. Recognizing how important this continued saving is, the governor’s proposed budget calls for a deposit of \$120 million, which will boost the Rainy Day Fund balance to more than \$700 million. The budget recommendation also includes a deposit of \$122 million into a similar reserve to offset future health care costs.

Providing Tax Relief for Michiganders

Michigan has turned the corner from the economic turmoil that plagued the state for nearly a decade. For years and years, revenue estimating conferences held by the state projected dismal news and a shortfall of revenue. That has changed, and what we have done has worked. Since 2011, revenue estimates have turned to the positive. Forecasts have improved and revenue streams have started to flow again. With nearly \$1 billion in added revenue, the state is in a much stronger fiscal position, a position that affords not only making strategic investments but offering tax relief for hard-working families across Michigan.

The governor recommends expansion of the existing Homestead Property Tax credit to provide \$102.7 million of additional property tax relief primarily to low- to middle-income working families, seniors and people with disabilities.

Currently, the general Homestead Property Tax Credit is available to homeowners and renters with incomes up to \$50,000. It is calculated by subtracting 3.5 percent of the taxpayer's income from the amount of property taxes on the taxpayer's home and multiplying that result by 60 percent. An enhanced credit is available for low-income seniors and those with disabilities. Renters calculate their credit using 20 percent of rent.

Beginning with tax year 2013, the governor proposes two significant changes to the calculation of the Homestead Property Tax Credit. First, the governor proposes to change the Homestead Property Tax Credit income percentage from 3.5 percent to 3 percent, allowing a greater percentage of property taxes to be refunded. Second, the governor proposes extending the credit to taxpayers with incomes up to \$60,000.

The proposed changes will provide additional property tax relief and increased tax refunds to an estimated 1.3 million taxpayers. Under the governor's proposal, taxpayers who qualify for and claim the existing credit will be issued a supplemental refund check in the summer of 2014 for the 2013 tax year. Newly eligible taxpayers will need to file a credit claim in order to receive a refund. In future years, eligible taxpayers will simply claim the credit by filing a Homestead Property Tax Credit return.

Conclusion

While there is no doubt that Michigan is the comeback state, there is still a great deal of work to be done before the state makes a full economic recovery. Gov. Snyder's budget recommendation is designed to address those areas where improvement is needed and to continue to advance Michigan's reinvention. This two-year budget plan builds on the prioritized investments of the past three years while remaining focused on Michigan's future.

Adoption of Gov. Snyder's responsible budget recommendation for fiscal year 2015 is the right answer for Michiganders. Gov. Snyder and his administration are ready to work in partnership with the members of the Michigan Senate and House of Representatives to enact a fiscal year 2015 budget that will help fuel our future and continue Michigan's comeback.

"In Michigan, Gov. Rick Snyder has helped bring about reforms that have reduced government interference and created more certainty for businesses."

The Midland Daily News, Feb. 13, 2013

Department Detail

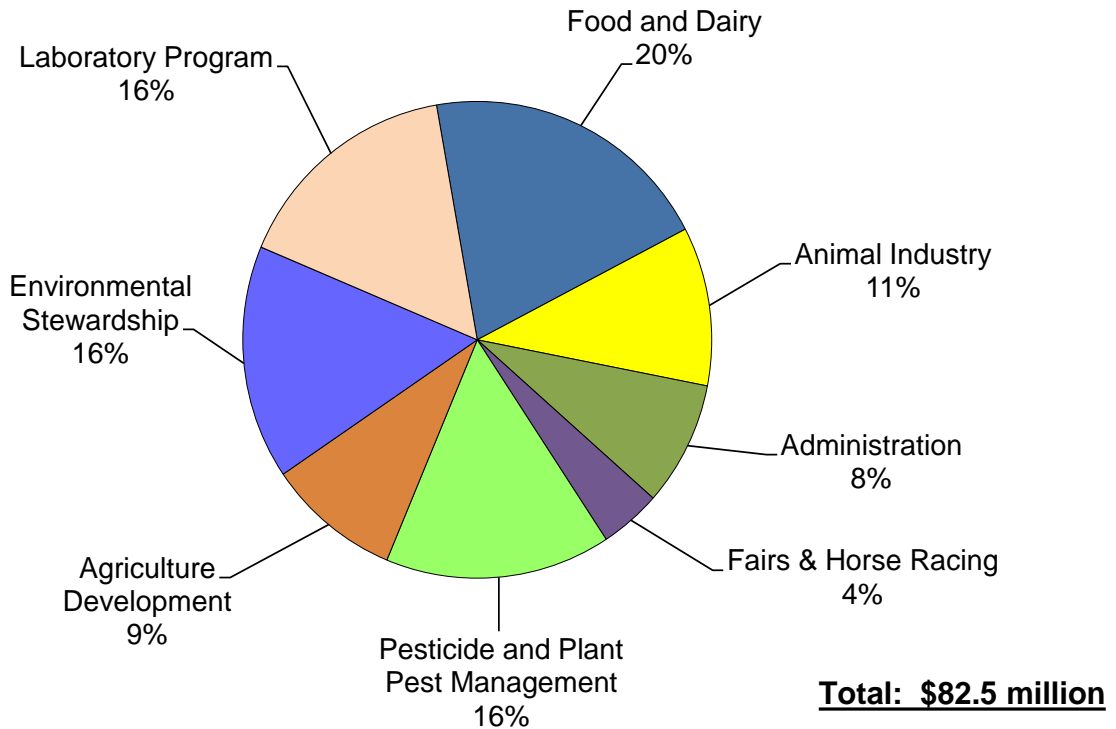
Agriculture and Rural Development	B	1
Attorney General	B	5
Civil Rights	B	9
Community Colleges	B	13
Community Health	B	17
Corrections	B	23
Education	B	27
Environmental Quality	B	31
Executive Office	B	35
Higher Education	B	37
Human Services	B	41
Insurance and Financial Services	B	45
Judiciary	B	47
Legislature	B	51
Licensing and Regulatory Affairs	B	53
Military and Veterans Affairs	B	55
Natural Resources	B	59
Revenue Sharing	B	63
School Aid	B	65
State	B	69
State Police	B	71
Technology, Management and Budget	B	75
Transportation	B	79
Treasury	B	83



Department of Agriculture and Rural Development

The Department of Agriculture and Rural Development (MDARD) provides services to Michigan residents as well as the food and agriculture sector through a variety of food safety, consumer protection, environmental protection, and animal and plant health programs. The governor's proposed budget for fiscal years 2015 and 2016 recommends ongoing funding of \$80.5 million of which \$42.9 million is general fund. In addition, one-time funding of \$2 million general fund is recommended for fiscal year 2015.

Funding Protects Public Health and the Environment



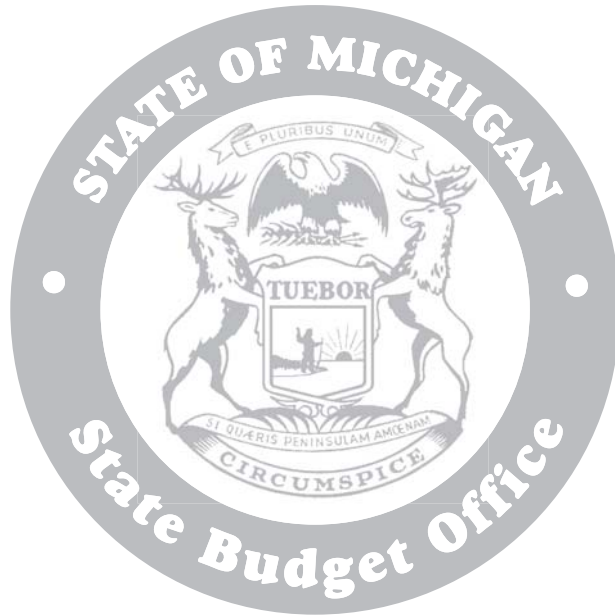
Highlights of Governor's Budget Recommendation

- Funding for core programs of the department is maintained including food safety and consumer protection programs as well as plant and animal health, and disease response.
- The recommendation includes an additional \$1.8 million general fund to enhance the food and dairy inspection and safety programs designed to ensure a safe and healthy food supply and reduce the risk of food borne illnesses. Funding will increase the current compliance rate for routine inspection in food establishments and keep up with the growing demands from the expanding dairy production industry by the addition of 12 new staff. (*MDARD metric FDD-01*)
- The governor supports continuation funding in the amount of \$2.5 million general fund for the qualified forest program to assist landowners in the management of their private forest land, while also providing an economic benefit to the state by encouraging managed harvests on non-industrial private forest land. (*MDARD metric ESD-04*)

- MDARD is responsible for issuing certificates to ensure Michigan’s agricultural products, such as fruits and vegetables, agriculture seed, and nursery stock are exported free of exotic pests to more than 70 countries worldwide. An additional \$800,000 general fund is provided to increase processing of export certificate requests in a timely manner, thereby expediting export shipments and stabilizing commitments to the industry for agriculture product inspections. These resources will also assist in the promotion of export opportunities to potential new markets. (*MDARD metrics PPPM-11 and PPPM-15*)
- One-time funding of \$2 million general fund is provided for the Food and Agriculture Industry Growth Initiative (a grant program started in fiscal year 2014) focused on removing barriers and leveraging opportunities identified by food processors, agribusiness, and those in agricultural production as critical to business development and growth. Total fiscal year 2015 funding for the program is \$3 million. Similar to the current fiscal year, an advisory board, consisting of food and agriculture industry representatives, will identify criteria for grant funding. Grant recipients will be required to identify program outcomes and performance metrics. (*MDARD metric AgD-02*)
- The department will be part of a coordinated invasive species initiative, housed in the Department of Natural Resources, and will focus on terrestrial invasive species.

Governor's Recommendation
Department of Agriculture and Rural Development
(\$ in Thousands)

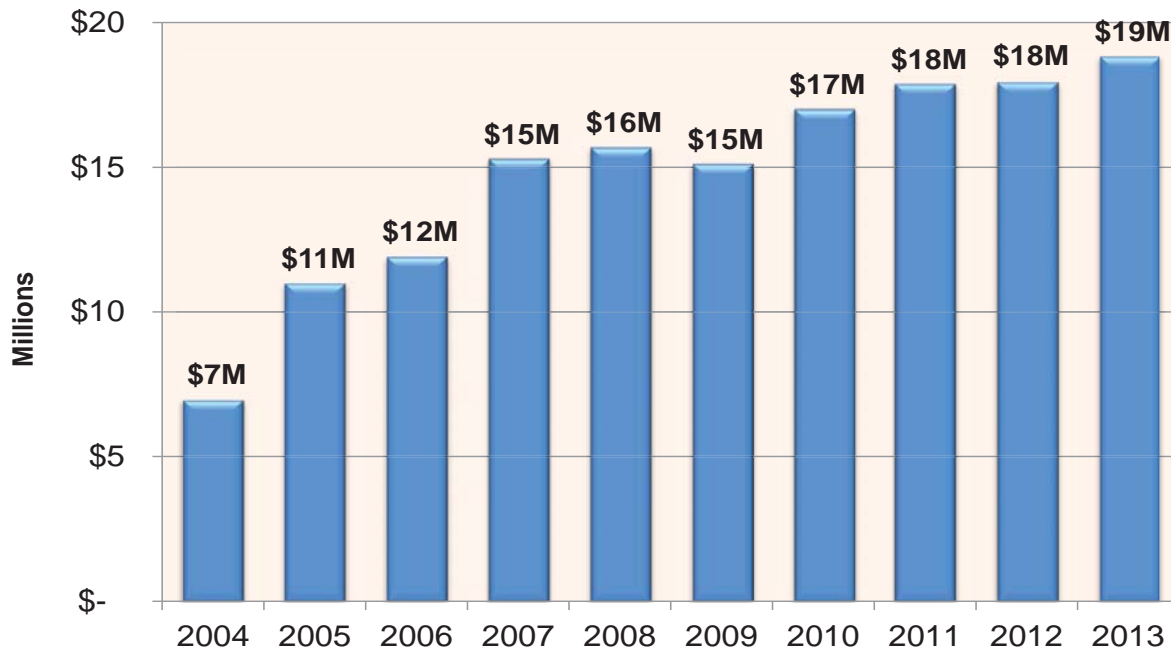
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$37,180.3	\$76,783.3	\$42,876.2	\$80,494.3	\$42,876.2	\$80,494.3
One-Time Funding	\$3,400.0	\$3,400.0	\$2,000.0	\$2,000.0	\$0.0	\$0.0
Total Funding	\$40,580.3	\$80,183.3	\$44,876.2	\$82,494.3	\$42,876.2	\$80,494.3
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		15.3%	4.8%	0.0%	0.0%
	<i>One-Time Funding</i>		-41.2%	-41.2%	-100.0%	-100.0%
	<i>Total Funding</i>		10.6%	2.9%	-4.5%	-2.4%
Programs						
Food and Dairy			\$11,602.2	\$16,582.8	\$11,602.2	\$16,582.8
Laboratory Program			\$2,210.4	\$13,090.9	\$2,210.4	\$13,090.9
Environmental Stewardship			\$5,840.3	\$13,081.5	\$5,840.3	\$13,081.5
Pesticide and Plant Pest Management			\$5,611.3	\$12,828.5	\$5,611.3	\$12,828.5
Animal Industry			\$8,063.4	\$8,886.6	\$8,063.4	\$8,886.6
Administration			\$6,004.3	\$6,968.0	\$6,004.3	\$6,968.0
Agriculture and Rural Development			\$3,242.7	\$5,587.1	\$3,242.7	\$5,587.1
Fairs and Horse Racing Awards			\$301.6	\$3,468.9	\$301.6	\$3,468.9
Total Ongoing Recommendation			\$42,876.2	\$80,494.3	\$42,876.2	\$80,494.3
Food and Agriculture Industry Growth Initiative			\$2,000.0	\$2,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$2,000.0	\$2,000.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$44,876.2	\$82,494.3	\$42,876.2	\$80,494.3



Attorney General

The Attorney General (AG) serves as the State of Michigan's chief law enforcement officer and upholds and preserves the state's legal interests. The Attorney General provides legal advice and representation to state officials and agencies and, when warranted, initiates legal action on behalf of the residents of Michigan. The Attorney General also receives and investigates consumer complaints and enforces child support orders. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total funding of \$91 million, of which \$35.5 million is general fund.*

\$148 Million in Child Support Has Been Collected since 2004 due to Attorney General Actions



Highlights of Governor's Budget Recommendation

- The Executive Recommendation provides \$85.5 million for Attorney General core programs and support services, including funding for 250 attorneys who provide a wide array of legal services concerning child abuse and neglect cases, health care fraud, consumer protection, and litigation on behalf of the state.
- The Child Support Enforcement Division will receive over \$3.4 million to enforce child support orders. The division focuses on prosecuting those parents who have the ability to pay their court-ordered obligations but fail to do so. (*AG Child Support Enforcement metric 1*)
- Over \$2.1 million is recommended for the Prosecuting Attorneys Coordinating Council, an autonomous agency that provides training, automation support, and legal research for local prosecutors throughout the state.

- The budget continues funding, initiated in 2012, to increase prosecutions and incarceration of offenders and to reduce backlogs for outstanding warrants in high-risk urban areas. This funding is one component of the governor’s public safety initiative, which is targeted at crime reduction in major urban areas in Michigan.
- The Michigan Commission on Human Trafficking was convened in March 2013 and included members of the state legislature, law enforcement, state government, and anti-trafficking activists. The commission’s final report assessed the threat human trafficking poses to Michigan residents and made policy recommendations to promote its exposure and prevention. The Attorney General will receive \$400,000 general fund to lead this initiative.

**Governor's Recommendation
Department of Attorney General
(\$ in Thousands)**

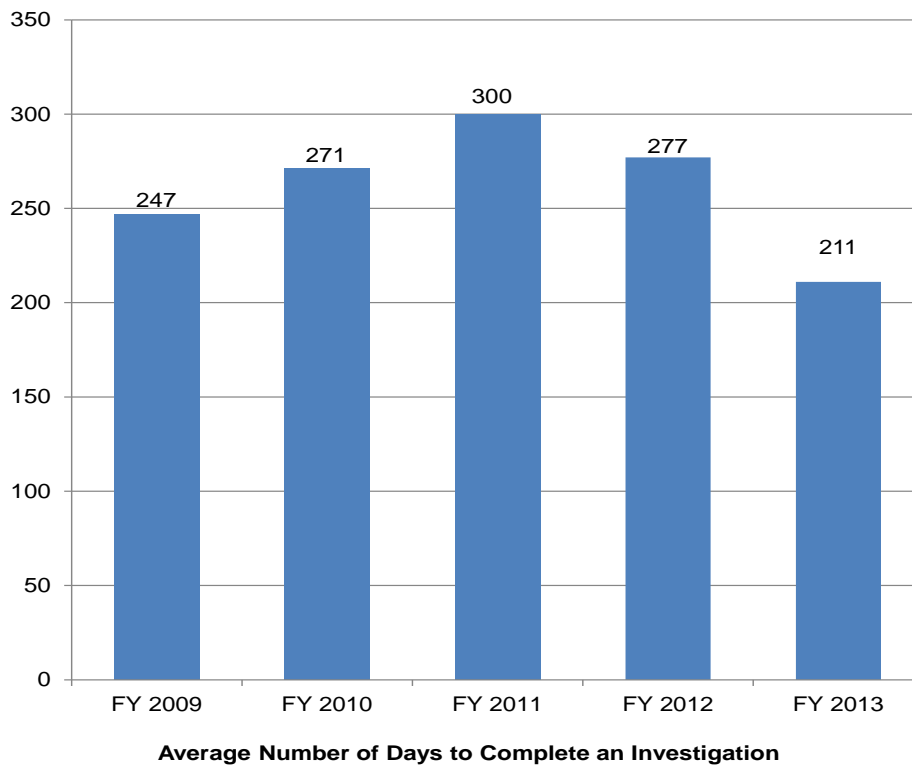
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$34,481.3	\$89,139.9	\$35,467.1	\$91,022.3	\$35,467.1	\$91,022.3
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$34,481.3	\$89,139.9	\$35,467.1	\$91,022.3	\$35,467.1	\$91,022.3
<i>% Change from Previous Year</i>						
	<i>Ongoing Funding</i>		2.9%	2.1%	0.0%	0.0%
	<i>One-Time Funding</i>		0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>		2.9%	2.1%	0.0%	0.0%
Programs						
Attorney General Operations			\$33,181.4	\$85,471.2	\$33,181.4	\$85,471.2
Child Support Enforcement			\$867.0	\$3,445.0	\$867.0	\$3,445.0
Prosecuting Attorneys Coordinating Council			\$1,418.7	\$2,106.1	\$1,418.7	\$2,106.1
Total Ongoing Recommendation			\$35,467.1	\$91,022.3	\$35,467.1	\$91,022.3
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$35,467.1	\$91,022.3	\$35,467.1	\$91,022.3



Department of Civil Rights

The Michigan Department of Civil Rights (MDCR) works to prevent discrimination through educational initiatives that promote voluntary compliance with civil rights laws. The department also investigates and resolves discrimination complaints. The Civil Rights Commission, appointed by the governor, leads the effort to integrate the work of the department. The Department of Civil Rights also provides support for the Women’s Commission, the Hispanic/Latino Commission of Michigan, and the Asian Pacific American Affairs Commission. *The governor’s proposed budget for fiscal years 2015 and 2016 recommends total funding of \$16.8 million, of which \$13.6 million is general fund.*

Streamlined Procedures are Reducing Complaint Investigation Timeframes



Highlights of Governor’s Budget Recommendation

- The governor’s recommendation supports continuation of targeted initiatives designed to strengthen outreach and educational efforts in local communities. One such effort is the Advocates and Leaders for Police and Community Trust (ALPACT) which brings state, federal and local law enforcement leaders together with community and religious leaders to address trust issues between police and communities they serve. Successful operation of ALPACT is underway in Detroit, Flint, Saginaw, Grand Rapids, and Benton Harbor. The fiscal year 2015 budget provides \$250,000 general fund to expand the ALPACT initiative to additional cities.

- Additional funding of \$125,000 is provided for the Michigan Alliance Against Hate Crimes (MIAAHC). MIAAHC is a statewide coalition of federal, state, and local law enforcement agencies, civil rights organizations, community-based groups, educators and anti-violence advocates working to ensure an effective response to hate crimes and bias incidents. The organization is currently focused on developing community response systems throughout the state.
- The department supports anti-bullying efforts in eight communities around the state. The governor recommends an increase of \$125,000 to expand these efforts to additional communities. *(MDCR metric L1 and L4)*
- The Executive Recommendation adds \$175,000 general fund to expand the customer intake unit. These funds will enhance services for all initial customer contacts, while continuing to improve the timeliness of investigations. *(MDCR metric C1 and C2)*
- The governor recommends transferring \$583,500 (\$300,000 general fund) for the Americans with Disabilities Act state coordinator and staff from the Department of Technology, Management and Budget to the Department of Civil Rights. This office serves as the state's primary monitoring agent and liaison with state agencies to ensure compliance with state and federal disability rights laws.

**Governor's Recommendation
Department of Civil Rights
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$12,337.5	\$15,198.3	\$13,573.2	\$16,769.2	\$13,573.2	\$16,769.2
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$12,337.5	\$15,198.3	\$13,573.2	\$16,769.2	\$13,573.2	\$16,769.2
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			<i>10.0%</i>	<i>10.3%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>One-Time Funding</i>			<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Total Funding</i>			<i>10.0%</i>	<i>10.3%</i>	<i>0.0%</i>	<i>0.0%</i>
Programs						
Civil Rights Operations			\$12,912.5	\$16,093.5	\$12,912.5	\$16,093.5
Information Technology			\$660.7	\$675.7	\$660.7	\$675.7
Total Ongoing Recommendation			\$13,573.2	\$16,769.2	\$13,573.2	\$16,769.2
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$13,573.2	\$16,769.2	\$13,573.2	\$16,769.2



Community Colleges

A key component of Michigan's education system, Michigan's 28 community colleges provide over 449,000 students with affordable access to postsecondary education opportunities. These institutions are integral to attaining the governor's goal of ensuring that at least 60 percent of Michigan residents have high-quality skills training, a degree or other credential by 2025. *The governor's proposed budget for fiscal year 2015 recommends total funding of \$371.5 million, of which \$173.9 million is general fund. The recommendation for fiscal year 2016 is \$390.2 million, of which \$192.6 million is general fund.*

Highlights of Governor's Budget Recommendation

- Community colleges receive an increase of 10.6 percent in total funding over fiscal year 2014. Since Governor Snyder came into office, combined operations and retirement funding for community colleges has increased by over \$72 million, an increase of almost 25 percent.

- This proposed budget invests an additional \$8.9 million general fund in community college operations funding, a 3 percent average increase that brings total operations funding to \$307.2 million. The increase is distributed through the funding formula adopted in the fiscal year 2014 budget, providing long-term planning stability to community colleges. The formula distributes half of new funding as an across-the-board increase. The other half of new funding is distributed based on the following performance metrics: weighted degree and certificate completions, enrollment, administrative costs as a percentage of core expenditures, and best practices that enhance local strategic value. In order to receive this additional funding, community colleges will be required to limit any tuition increases to 3.2 percent or less, double the rate of inflation. ([Michigan Education Dashboard](#))

Community Colleges Funding (\$ in thousands)			
Community College	FY14 Payments	FY15 Payments*	Percent Increase
Alpena	\$5,236.5	\$5,390.7	2.9%
Bay de Noc	5,279.3	5,419.5	2.7%
Delta	14,063.5	14,498.9	3.1%
Glen Oaks	2,441.5	2,516.1	3.1%
Gogebic	4,330.3	4,451.4	2.8%
Grand Rapids	17,454.9	17,947.5	2.8%
Henry Ford	21,060.0	21,623.8	2.7%
Jackson	11,758.2	12,087.3	2.8%
Kalamazoo Valley	12,122.5	12,503.1	3.1%
Kellogg	9,522.0	9,813.5	3.1%
Kirtland	3,055.7	3,167.7	3.7%
Lake Michigan	5,178.1	5,342.9	3.2%
Lansing	30,023.7	30,877.6	2.8%
Macomb	31,931.2	32,816.6	2.8%
Mid Michigan	4,517.9	4,682.0	3.6%
Monroe County	4,342.6	4,492.9	3.5%
Montcalm	3,121.2	3,226.7	3.4%
Mott	15,247.1	15,686.1	2.9%
Muskegon	8,653.5	8,901.0	2.9%
North Central MI	3,064.4	3,172.4	3.5%
Northwestern MI	8,825.3	9,078.8	2.9%
Oakland	20,483.1	21,123.3	3.1%
St. Clair County	6,860.1	7,061.6	2.9%
Schoolcraft	12,112.2	12,513.7	3.3%
Southwestern MI	6,404.3	6,576.4	2.7%
Washtenaw	12,610.8	13,077.3	3.7%
Wayne County	16,194.3	16,727.6	3.3%
West Shore	2,349.8	2,414.9	2.8%
Total:	\$298,244.0	\$307,191.3	3.0%

* Assumes all colleges qualify for performance funding and local strategic value funding.

- As part of recent reforms in the Michigan Public School Employees Retirement System, the community college contribution rate for unfunded accrued liabilities was capped at the fiscal year 2012 level. The state pays the amount over the cap. To further lessen the burden of retirement costs on community colleges, the governor proposes an additional reduction in the amount community colleges will contribute by increasing the state's contribution. The budget increases the state's payments for retirement liabilities by \$27.7 million, bringing the total state support for the community colleges' retirement obligations to \$60.8 million in fiscal year 2015. The fiscal year 2016 budget assumes an additional increase of \$18.7 million, for a total of \$79.5 million.
- State Building Authority rent payments of \$26.5 million, all general fund, support debt service for recently constructed community college building projects.

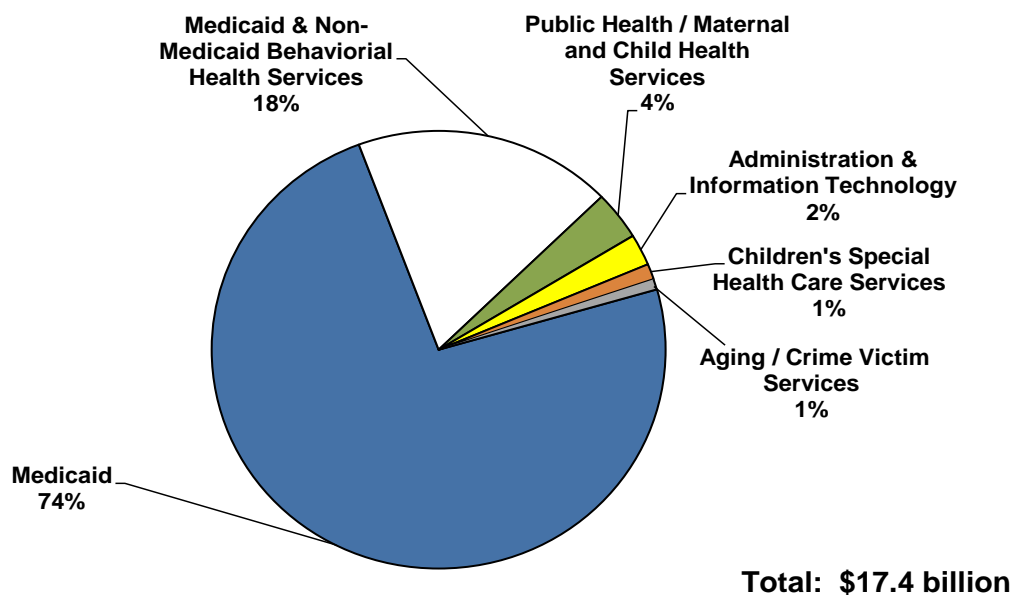
**Governor's Recommendation
Community Colleges
(\$ in Thousands)**

	FY2014 Current Law			FY2015 Recommendation			FY2016 Recommendation		
	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds
Ongoing Funding	\$137,263.5	\$197,614.1	\$334,877.6	\$173,910.8	\$197,614.1	\$371,524.9	\$192,610.8	\$197,614.1	\$390,224.9
One-Time Funding	\$1,100.0	\$0.0	\$1,100.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$138,363.5	\$197,614.1	\$335,977.6	\$173,910.8	\$197,614.1	\$371,524.9	\$192,610.8	\$197,614.1	\$390,224.9
<i>% Change from Previous Year</i>									
<i>Ongoing Funding</i>				26.7%	0.0%	10.9%	10.8%	0.0%	5.0%
<i>One-Time Funding</i>				-100.0%	0.0%	-100.0%	0.0%	0.0%	0.0%
<i>Total Funding</i>				25.7%	0.0%	10.6%	10.8%	0.0%	5.0%
Programs									
Community College Operations				\$102,363.5	\$195,880.5	\$298,244.0	\$111,310.8	\$195,880.5	\$307,191.3
MPSERS Retirement Contributions				\$59,100.0	\$1,733.6	\$60,833.6	\$77,800.0	\$1,733.6	\$79,533.6
Community College Performance Funding				\$8,947.3	\$0.0	\$8,947.3	\$0.0	\$0.0	\$0.0
Renaissance Zone Tax Reimbursements				\$3,500.0	\$0.0	\$3,500.0	\$3,500.0	\$0.0	\$3,500.0
Total Ongoing Recommendation				\$173,910.8	\$197,614.1	\$371,524.9	\$192,610.8	\$197,614.1	\$390,224.9
None				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION				\$173,910.8	\$197,614.1	\$371,524.9	\$192,610.8	\$197,614.1	\$390,224.9

Department of Community Health

The Department of Community Health (DCH) is responsible for health policy and management of the state's publicly funded health care systems. These programs include Medicaid health coverage for those with limited incomes; mental health services for people who have a mental illness or developmental disability; services for individuals who need substance abuse treatment; and services provided through local public health programs. The department also provides services to promote the independence and preserve the dignity of Michigan's elderly through the Office of Services to the Aging. *The governor's proposed budget for fiscal year 2015 recommends total funding of \$17.4 billion, of which \$2.9 billion is general fund. This includes one-time funding of \$14.1 million general fund. The recommendation for fiscal year 2016 is \$17.5 billion, of which \$3 billion is general fund.*

Medicaid makes up 90% of the DCH budget



Improving Michigan's Health Care System

The Healthy Michigan Plan, Michigan's Medicaid reform, will be effective April 1st, 2014. With support from the legislature, this significant gubernatorial initiative will provide health care to over 400,000 individuals who are currently uninsured. These individuals will have access to routine and preventive medical care improving health outcomes and reducing uncompensated costs for health care providers.

- Healthy Michigan Plan recipients will participate in their health care through various cost-sharing arrangements including health savings accounts. Cost-sharing will promote personal investment in health care decisions and outcomes and are a key component of Michigan's Medicaid reform initiative.
- Federal approval of the waiver required to carry out the Healthy Michigan Plan was granted on December 30, 2013. This waiver allows Michigan to implement the innovative and individualized features of this important health care initiative.

- Michigan will realize general fund savings of \$243.4 million in fiscal year 2015 because Healthy Michigan will cover expenses that are currently paid by the state for individuals who are not Medicaid eligible. The governor recommends that half of these savings (\$122 million) be reserved in a Health Savings Subfund of the Budget Stabilization Fund to help cover state health care costs in future years.

Strengthening Mental Health Services

The governor’s continuing support for providing and coordinating mental health services is reflected in fiscal year 2015 budget initiatives that implement the findings of the Mental Health and Wellness Commission and the Diversion Council. The personal and societal losses from undiagnosed and untreated mental health disorders are costly and unnecessary. Implementing these recommendations will contribute to integrated and coordinated mental health services that are consumer-friendly and readily available.

- The Mental Health and Wellness Commission calls for an integrated system of mental health services that are coordinated, easily accessible and adequately staffed. The governor’s fiscal year 2015 budget invests \$15.6 million general fund in the Department of Community Health to begin implementation of these important recommendations in partnership with the departments of Human Services, Corrections, Education, Military and Veterans Affairs, the Michigan State Housing Development Authority and the Michigan Strategic Fund. *(DCH metric Improve Population Health)*
- The Diversion Council action plan supports funding to divert individuals with serious mental illness or developmental disabilities from the criminal justice system. These individuals can be served more effectively and at less cost when they are not incarcerated. The Department of Community Health budget for fiscal year 2015 includes \$3.4 million general fund to support crisis intervention teams, in-jail mental health treatment and data collection and analysis. Funding to provide additional Diversion Council recommended services is included in the budgets for the Department of Corrections and the Judiciary. *(DCH metric Transform System of Care)*

Enhancing Senior Services

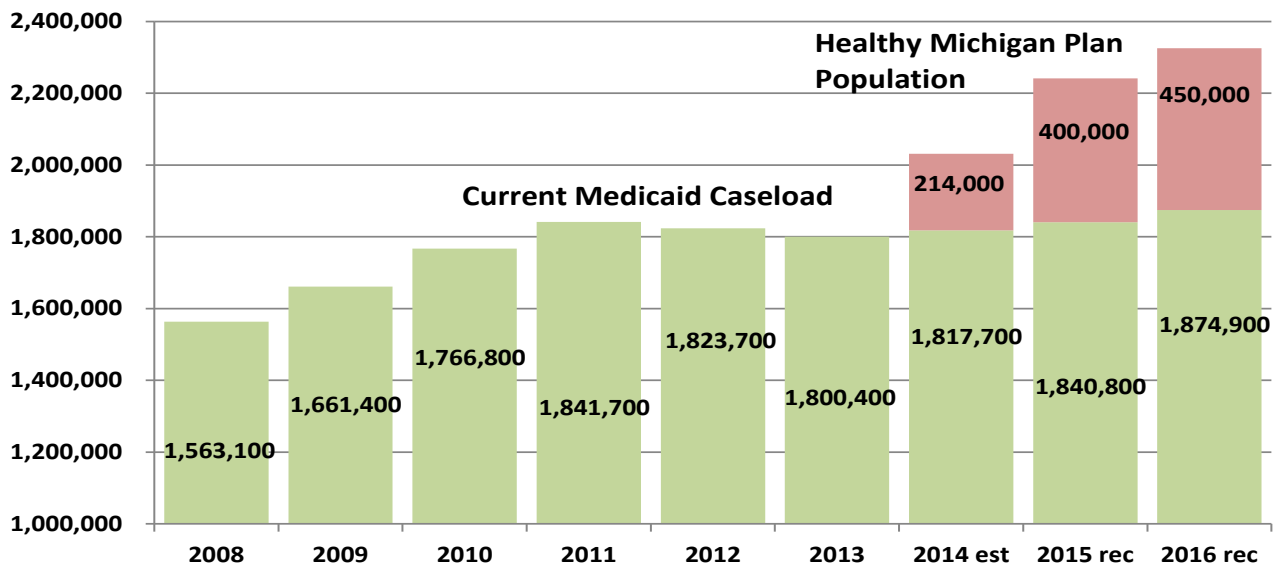
Older Americans represent the fastest growing segment of our population. In Michigan, 16.2 percent of the population is 60 years and older, increasing to 24 percent by 2030. Providing services to help seniors maintain their health and well-being in the least restrictive living arrangement is a priority for this administration. Investments in the fiscal year 2015 budget to support senior services include funding for the following programs.

“... one of the things we want to do is create independence for our seniors, allow them to stay at home....we’re not helping with that situation because we have waiting lists....when I do my budget message, I’m going to ask for additional resources so we can make Michigan a no-wait state for in-home services for our seniors.”

**Governor Rick Snyder, State of the State Address,
January 16, 2014**

- The governor’s budget supports \$5 million general fund to eliminate the waiting list for seniors who qualify for home-delivered meals and in-home services. These services are coordinated and delivered by Area Agencies on Aging throughout the state. Becoming a “no wait state” will provide meals-on-wheels and in-home support services to an estimated 4,500 seniors on the current waiting lists. This investment will improve nutrition and provide services for Michigan’s vulnerable seniors and allow them to live at home. (*DCH metric Improve Population Health*)
- To help prevent elder abuse, \$1 million general fund is included in the Executive Recommendation. These funds will provide education to increase awareness of physical and financial abuse issues and provide training to medical and financial professionals on identifying and reporting elder abuse. (*DCH metric Improve Population Health*)
- To support vulnerable seniors in their own homes, \$16.4 million (\$5.7 million general fund) is transferred from nursing home funding and invested in the Program for All-Inclusive Care for the Elderly (PACE). Current PACE sites are in Wayne, Kent, Muskegon, Calhoun, Berrien and Washtenaw counties. The governor’s recommendation expands PACE to additional sites in Muskegon county and new county sites in Genesee, Saginaw and Ingham. PACE provides services to those 55 or older who need nursing care while allowing them to remain out of nursing homes at a lower cost. Supporting PACE with nursing home savings incurs no additional cost to the state. (*DCH metric Improve Population Health*)
- The MIChoice waiting list is eliminated with an investment of \$26.2 million (\$9 million general fund). MIChoice is a home-based program that provides services to those who are nursing home eligible while they remain in their own homes or community based settings. This expansion provides program capacity for an additional 1,250 individuals.

**Michigan's Medicaid Caseload has Leveled Off -
the Healthy Michigan Plan will Cover an Additional
400,000 Individuals**



Other Highlights of the Governor's Budget

Medical Services

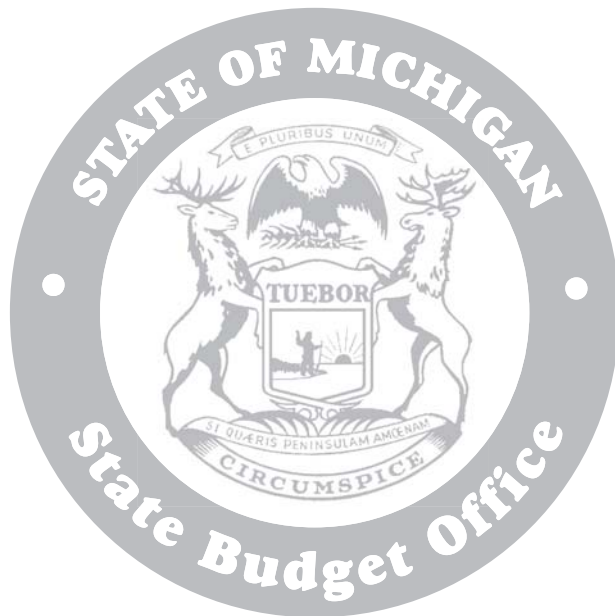
- The governor continues strong support for Michigan's health care safety net in his budget recommendation. The Department of Community Health budget recommends \$10.5 billion (\$1.1 billion general fund) for medical services and \$2.5 billion (\$582.4 million general fund) for the long-term care portion of the Medicaid program. This represents a 4 percent increase over fiscal year 2014 due to caseload increases, utilization and inflation, special provider payments and funding for actuarial soundness. Medicaid provides health care services for one out of every five Michigan residents. (*DCH metric Improve Population Health*)
- Michigan's success in improving dental care and oral health outcomes for children is continued by investing \$15.7 million gross (\$5.4 million general fund) in the expansion of Healthy Kids Dental to 100,000 children in Kalamazoo and Macomb counties. With this expansion, over 611,000 children will be covered in 80 out of 83 counties. Full statewide phase-in will be completed within the next several years. Healthy Kids Dental increases provider reimbursement rates, encourages provider participation and insures that children receive good dental care. (*DCH metric Health Outcomes*)
- The Department of Community Health budget invests \$75.4 million (\$26 million general fund) to support Medicaid reimbursement rates to primary care physicians. These funds help insure provider access and contribute to achieving positive health outcomes for Medicaid recipients. (*DCH metric Improve Population Health*)
- An investment of \$3 million general fund to Michigan State University, Western Michigan University and Eastern Michigan University supports autism programs and services. These funds will be used to increase the number of trained service providers so that autism services are more readily available. (*DCH metric Health Outcomes*)

Public Health Services/Crime Victim Services

- The governor's budget includes \$2.5 million general fund to expand the Michigan Home Visitation Initiative into rural areas in the Upper Peninsula and northern Lower Peninsula. This expansion will target pregnant women and families with children age 5 and younger at risk for poor birth and health outcomes. (*DCH metric Improve Population Health*)
- A Child and Adolescent Health Services pilot program is supported with \$2 million general fund. This pilot will work with existing school clinics to develop satellite locations that focus on providing nursing and behavioral health services. (*DCH metric Improve Population Health*)
- The governor's budget includes an additional \$1 million general fund in Crime Victim's Rights grants to be distributed to prosecuting attorney offices throughout the state. These funds will be used to reduce backlogs for crime victim services and increase the number of people served by the program.

**Governor's Recommendation
Department of Community Health
(\$ in Thousands)**

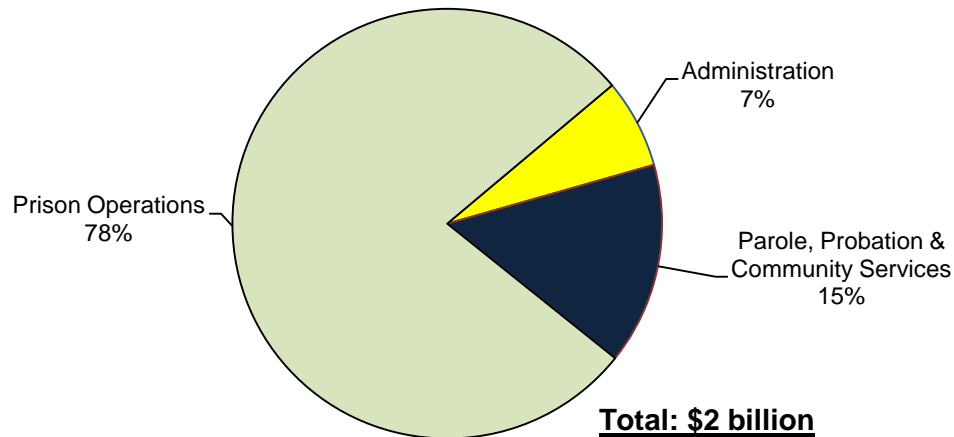
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$2,904,972.1	\$15,355,409.4	\$2,924,876.5	\$17,360,475.5	\$2,978,509.7	\$17,516,114.6
One-Time Funding	(\$157,388.5)	\$1,579,144.2	\$14,092.3	\$14,092.3	\$0.0	\$0.0
Total Funding	\$2,747,583.6	\$16,934,553.6	\$2,938,968.8	\$17,374,567.8	\$2,978,509.7	\$17,516,114.6
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			0.7%	13.1%	1.8%	0.9%
<i>One-Time Funding</i>			-109.0%	-99.1%	-100.0%	-100.0%
<i>Total Funding</i>			7.0%	2.6%	1.3%	0.8%
Programs						
Medicaid			\$1,544,200.5	\$12,808,692.9	\$1,597,833.7	\$12,964,332.0
Behavioral Health / Substance Abuse Services			\$1,025,956.6	\$2,919,463.7	\$1,025,956.6	\$2,919,463.7
Public Health / Maternal and Child Health Services			\$73,342.4	\$614,399.1	\$73,342.4	\$614,399.1
Administration / Information Technology			\$87,479.5	\$401,663.2	\$87,479.5	\$401,663.2
State Psychiatric Hospitals / Forensic Center			\$67,152.3	\$280,707.4	\$67,152.3	\$280,707.4
Children's Special Health Care Services			\$90,933.4	\$202,058.5	\$90,933.4	\$202,058.5
Office of Services to the Aging			\$35,811.8	\$99,492.6	\$35,811.8	\$99,492.6
Crime Victim Services Commission			\$0.0	\$33,998.1	\$0.0	\$33,998.1
Total Ongoing Recommendation			\$2,924,876.5	\$17,360,475.5	\$2,978,509.7	\$17,516,114.6
Mental Health Commission Recommendations			\$5,000.0	\$5,000.0	\$0.0	\$0.0
Dental Clinic Program			\$4,092.3	\$4,092.3	\$0.0	\$0.0
University Autism Programs			\$3,000.0	\$3,000.0	\$0.0	\$0.0
Child and Adolescent Health Services			\$2,000.0	\$2,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$14,092.3	\$14,092.3	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$2,938,968.8	\$17,374,567.8	\$2,978,509.7	\$17,516,114.6



Department of Corrections

The Department of Corrections (MDOC) contributes to public safety by providing custody and care for incarcerated felons while maintaining oversight and supervision of parolees and felony probationers. *The governor's proposed budget for fiscal year 2015 and 2016 recommends total funding of \$2.05 billion of which \$1.99 billion is general fund. The governor also recommends \$26.5 million in one-time spending in fiscal year 2015.*

Nearly 80% of Corrections Costs are in Prison Operations

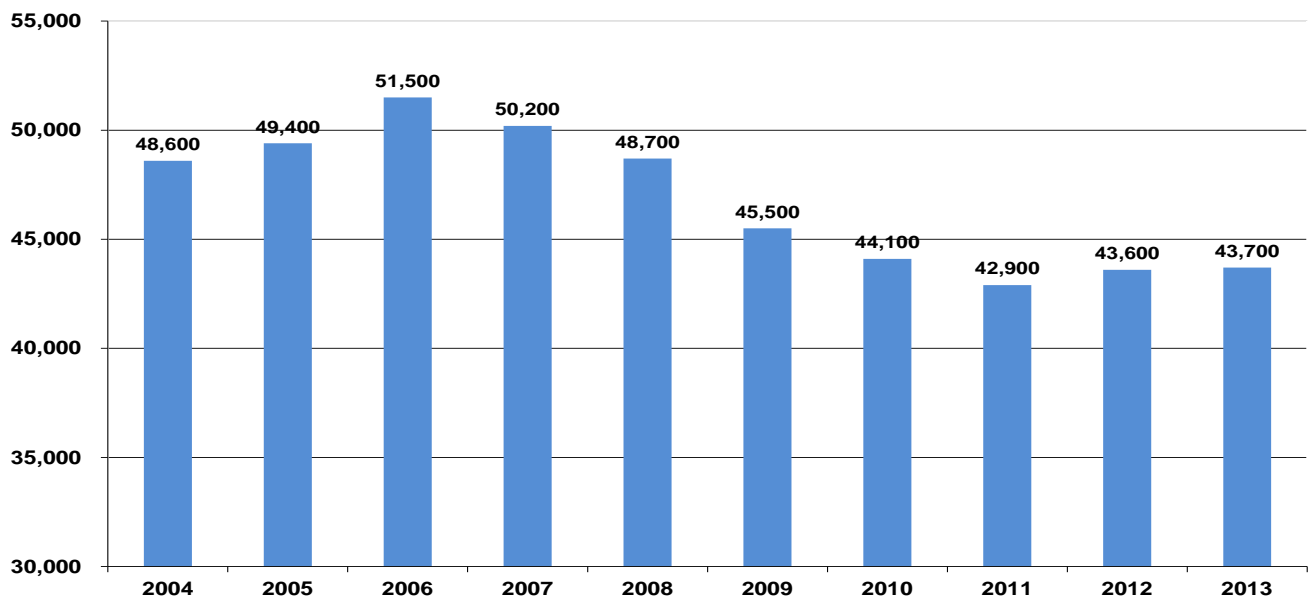


Highlights of the Governor's Budget Recommendation

- The Executive Budget includes \$1.6 billion to operate a safe and secure prison system that currently houses 43,700 prisoners. Overall, the department's budget remains flat despite increases in collectively bargained employee costs. Governor Snyder remains committed to tightly controlling corrections costs.
- Implementation of the Healthy Michigan Plan in April 2014 will improve access to health care for low income residents. Under the Healthy Michigan Plan, it is anticipated that most inpatient hospitalization for prisoners will be covered by Medicaid. Certain services for mentally ill and medically fragile parolees, along with some services for re-entry assessments, will also be covered. Full year general fund savings of \$19.1 million are included in the Executive Recommendation for fiscal year 2015.
- The governor's budget includes \$310 million in funding for parole, probation, and community programs that provide cost-effective local alternatives to more costly incarceration in the state's prison system. The department supervises more than 47,000 offenders on felony probation and more than 15,000 offenders on parole. For parole and probation agents, focusing more work time in the community on a daily basis contributes to safer communities. The Executive Recommendation includes the addition of \$1 million, of which \$440,600 is one time, to deploy devices such as smart phones, tablets, and laptops to mobilize staff in Detroit, Pontiac, Saginaw, and Flint. (*MDOC metric 04, 10*)

- The department works to continuously improve prisoner re-entry programs to help contribute to successful returns to the community. The Executive Recommendation includes an investment of \$4.3 million, of which \$1 million is one-time, to enhance prisoner education services. This new initiative will institute demand-driven vocational programs to prepare parolees to enter the workforce in areas in need of skilled workers. This initiative will also provide employment counselors to work with employers, implement curricula and training, and connect trained offenders with employers prior to release. The program will also work with local colleges to provide instruction inside prison. (*MDOC metric 06, FOA-OPPS-06*)

Prison Population Has Stabilized in the Last Three Years



- Over 1,300 department staff work in the fields of health care, mental health care, dentistry, and optometry. The governor’s budget adds \$402,600 to enhance professional development and training for all health care staff. Additional training will improve patient health outcomes while also improving staff morale and retention. (*MDOC metric BHCS-01, BHCS-06*)
- Governor Snyder created the Mental Health Diversion Council to improve efforts to divert individuals with mental illness from criminal justice involvement to appropriate treatment. Several state agencies, including the Department of Corrections, will contribute to these efforts. The Executive Recommendation includes an investment of \$1 million general fund for the department to contract for a pilot program in a local jail to arrange for appropriate mental health services when jail inmates return to the community.

- Despite overall declines in prison population, the number of elderly inmates housed by the department has increased by 46 percent. Governor Snyder proposes a capital outlay supplemental in fiscal year 2014 to commence planning for refurbishment of the G. Robert Cotton Correctional Facility in Jackson to provide specialized housing units for older and medically fragile inmates. The conversion will require the renovation of three housing units to meet requirements for accessibility, mobility, and medical care for this inmate population. The department proposes housing elderly and medically fragile inmates at this facility for close access to the department's Duane Waters Health Center as well as proximity to secure hospital units located in Jackson and Lansing. Housing this population centrally will help control costs while providing a high level of care. (*MDOC metric BHCS-01*)

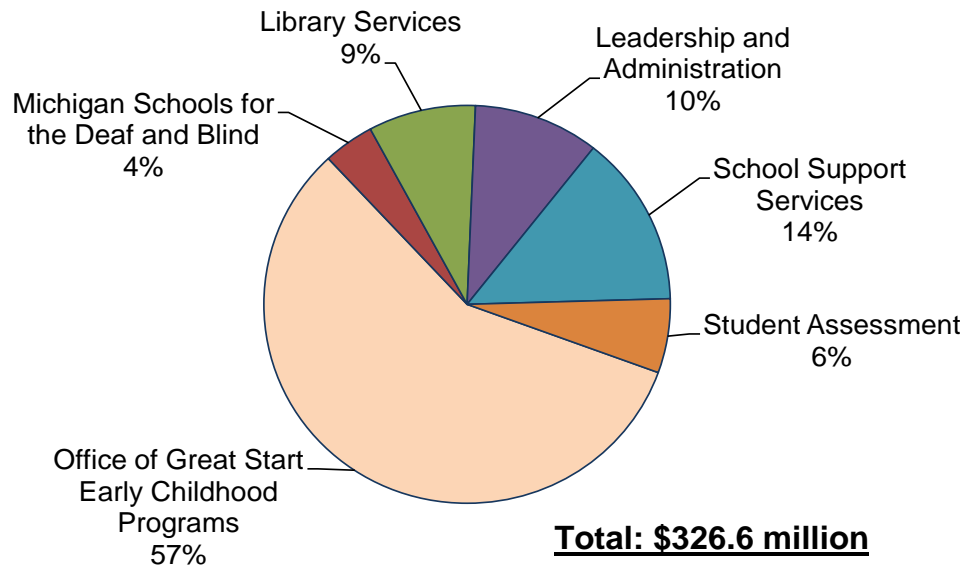
**Governor's Recommendation
Department of Corrections
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$1,973,233.3	\$2,047,614.3	\$1,963,712.5	\$2,023,435.8	\$1,963,712.5	\$2,023,435.8
One-Time Funding	(\$15,179.7)	(\$15,179.7)	\$26,485.9	\$26,485.9	\$0.0	\$0.0
Total Funding	\$1,958,053.6	\$2,032,434.6	\$1,990,198.4	\$2,049,921.7	\$1,963,712.5	\$2,023,435.8
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			-0.5%	-1.2%	0.0%	0.0%
<i>One-Time Funding</i>			N/M	N/M	-100.0%	-100.0%
<i>Total Funding</i>			1.6%	0.9%	-1.3%	-1.3%
Programs						
Prison Operations			\$1,562,390.3	\$1,600,915.5	\$1,562,390.3	\$1,600,915.5
Parole, Probation, and Community Services			\$301,388.4	\$310,183.9	\$301,388.4	\$310,183.9
Administration			\$99,933.8	\$112,336.4	\$99,933.8	\$112,336.4
Total Ongoing Recommendation			\$1,963,712.5	\$2,023,435.8	\$1,963,712.5	\$2,023,435.8
Neal Lawsuit Settlement - Final Payment			\$25,000.0	\$25,000.0	\$0.0	\$0.0
Prisoner Education Enhancement			\$1,045.3	\$1,045.3	\$0.0	\$0.0
Mobilize Parole / Probation Staff			\$440.6	\$440.6	\$0.0	\$0.0
Total One-Time Recommendation			\$26,485.9	\$26,485.9	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$1,990,198.4	\$2,049,921.7	\$1,963,712.5	\$2,023,435.8

Department of Education

Leadership for Michigan's public education system is vested by the state Constitution in the elected members of the State Board of Education and the Superintendent of Public Instruction. The governor's proposed budget for fiscal year 2015 recommends total ongoing funding of \$325.7 million, of which \$84 million is general fund. The governor also recommends \$900,000 in one-time spending in fiscal year 2015. The governor's proposed budget for fiscal year 2016 recommends total ongoing funding of \$326.3 million, of which \$84.6 million is general fund.

Over 55 Percent of the Department Budget Supports Early Childhood Programs



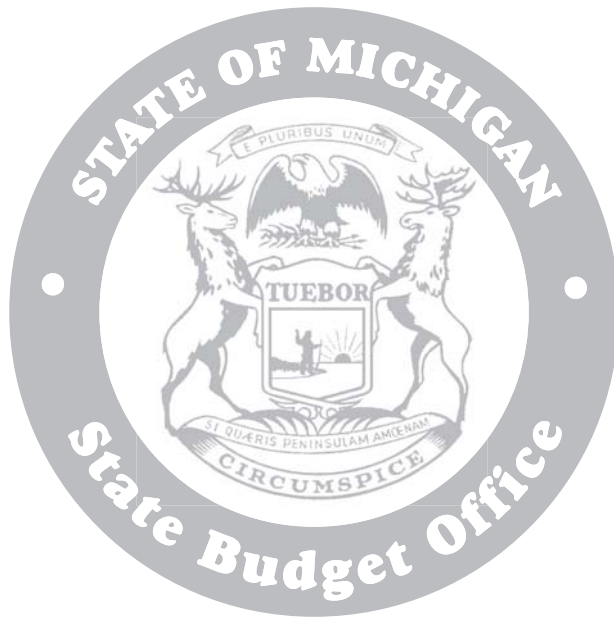
Highlights of Governor's Budget Recommendation

- Based on recommendations developed by the Michigan Council for Educator Effectiveness, the governor's budget provides \$5 million ongoing and \$900,000 one-time general fund to implement educator evaluations for teachers and administrators across the state. Along with staffing, funding in the department budget will be used for compliance monitoring and information technology systems modifications.
- The Executive Budget includes \$778,100 general fund in the Department of Education budget, in tandem with \$6.5 million general fund in the Department of Treasury budget, to establish a new financial independence team. This interagency team will be tasked with implementing early warning systems to identify schools that are in need of financial attention and providing the expertise and resources needed to address problems before there is a crisis. In addition, the governor's budget provides \$918,600 general fund for resources to help the lowest achieving schools improve their academic programs.

- In 2011, the governor established the Michigan Office of Great Start to create a single, unified office for the state's early childhood programs. The Executive Budget includes funding for the Office of Great Start of \$187.8 million (\$40.6 million general fund), including \$6.9 million to increase the maximum number of reimbursable hours in the Child Development and Care program and \$3.7 million to reimburse high quality childcare providers at higher hourly rates.
- The governor also recommends \$404,000 general fund for additional resources to administer the Great Start Readiness Program, which is slated to expand by an additional \$65 million in fiscal year 2015. (*MDE metric C-5*)
- As part of reforms in the Michigan Public School Employees' Retirement System (MPERS), the governor proposes \$2.6 million general fund in fiscal year 2015 for payments to libraries to pay the amount over the capped employer's contribution rate for unfunded accrued liabilities, increasing to \$3.2 million in fiscal year 2016.

**Governor's Recommendation
Department of Education
(\$ in Thousands)**

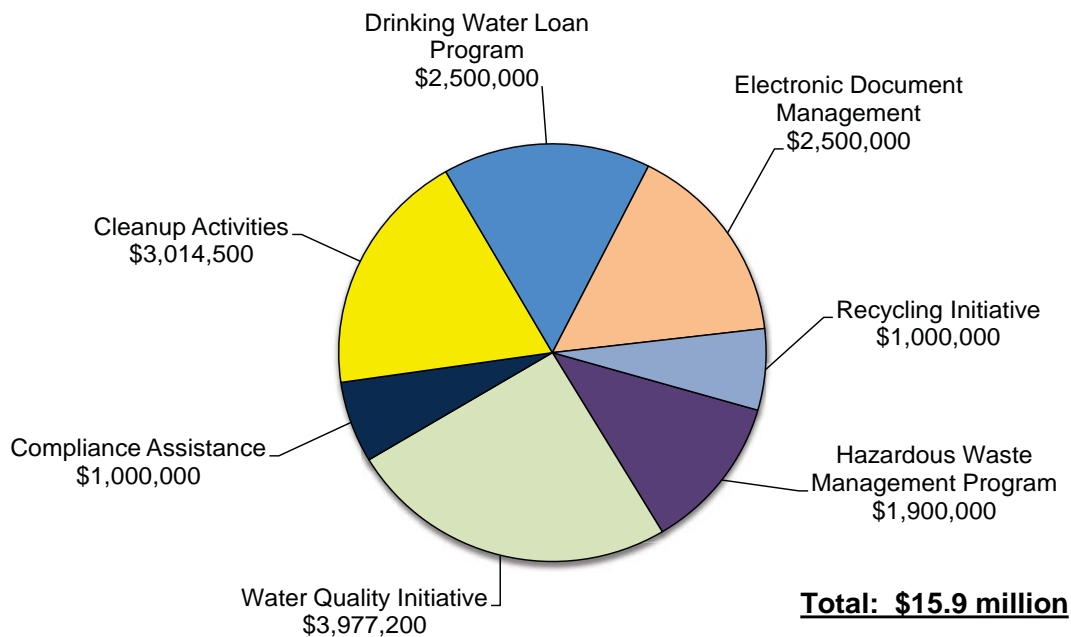
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$70,893.9	\$298,366.0	\$84,039.0	\$325,676.1	\$84,639.0	\$326,276.1
One-Time Funding	\$0.0	\$0.0	\$900.0	\$900.0	\$0.0	\$0.0
Total Funding	\$70,893.9	\$298,366.0	\$84,939.0	\$326,576.1	\$84,639.0	\$326,276.1
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		18.5%	9.2%	0.7%	0.2%
	<i>One-Time Funding</i>		0.0%	0.0%	-100.0%	-100.0%
	<i>Total Funding</i>		19.8%	9.5%	-0.4%	-0.1%
Programs						
Early Childhood Development Programs			\$40,617.7	\$187,820.5	\$40,617.7	\$187,820.5
School Support Services			\$9,343.7	\$45,345.1	\$9,343.7	\$45,345.1
Leadership and Administration			\$6,490.4	\$32,646.0	\$6,490.4	\$32,646.0
Library Services			\$22,301.7	\$27,908.7	\$22,901.7	\$28,508.7
Student Assessment			\$5,285.5	\$18,746.2	\$5,285.5	\$18,746.2
Michigan Schools for the Deaf and Blind			\$0.0	\$13,209.6	\$0.0	\$13,209.6
Total Ongoing Recommendation			\$84,039.0	\$325,676.1	\$84,639.0	\$326,276.1
Educator Evaluations			\$900.0	\$900.0	\$0.0	\$0.0
Total One-Time Recommendation			\$900.0	\$900.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$84,939.0	\$326,576.1	\$84,639.0	\$326,276.1



Department of Environmental Quality

Funding for the Department of Environmental Quality (DEQ) supports environmental stewardship programs that restore and enhance Michigan's environment and preserve our natural resources while supporting economic growth. *The governor's proposed budget for fiscal years 2015 and 2016 recommends ongoing funding of \$501.6 million, of which \$38.4 million is general fund. In addition, one-time funding of \$2.5 million general fund is recommended for fiscal year 2015.*

Almost \$16 Million in New Funding to Enhance the Environment and Support Economic Development



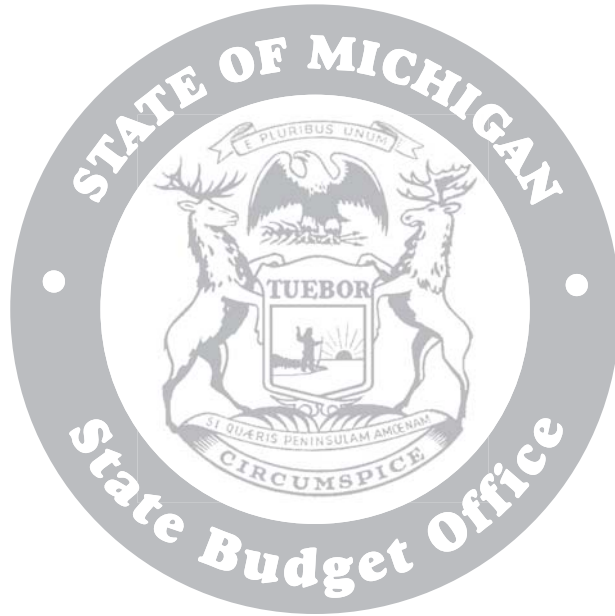
Highlights of Governor's Budget Recommendation

- The fiscal year 2015 Executive Recommendation focuses on the governor's commitment to assuring Michigan's water quality, supporting compliance assistance to minimize environmental risks, and promoting redevelopment of contaminated sites.
- The governor's recommendation includes general fund in the amount of \$4 million for support of a new water quality initiative with DEQ coordinating - in partnership with state agencies, regional communities and various stakeholders - a comprehensive water strategy designed to build healthy ecosystems. The focus of this new strategy will include enhancement of a water use assessment tool, permit process improvements, provision of real-time beach monitoring, and various water quality monitoring efforts. *(DEQ metric S04-12 and S02-12)*
- An additional \$1 million general fund is recommended for a statewide recycling initiative. The department will partner with stakeholders in an effort to increase the number of counties providing convenient access to recycling by encouraging regional collaboration, increasing education and outreach, providing technical assistance, developing a measurement system and sustaining Michigan's commitment to recycling. *(DEQ metric C06-13)*

- Support for environmental contamination cleanup work at leaking underground storage tank sites is enhanced via an additional \$3 million of refined petroleum funds. Funding is available by replacing \$3 million in refined petroleum fund currently funding debt service payments in the Department of Treasury with an equal amount of general fund. With the additional funding support, there will be an increase in the percentage of orphan sites that meet risk reductions goals. (*DEQ metric S15-13*)
- Funding is provided to expand compliance assistance efforts including providing support and technical assistance to business and industry throughout the state. An additional \$1 million general fund supports this effort. (*DEQ metric C01-12 and C02-14*)
- The governor includes \$1.9 million general fund to maintain the existing hazardous waste management program. Funding will allow the department to continue to oversee the licensing, compliance, cleanup, and closure of sites operated as hazardous waste treatment and disposal facilities along with the licensing of hazardous waste transporters. (*DEQ metric S12-13*)
- An additional \$2.5 million general fund is recommended as state match to obtain federal grant dollars for the drinking water revolving fund program. The additional funding will provide infrastructure loans to public water suppliers enabling an increased percentage of communities to be in compliance with health-based standards contained in the Federal Safe Drinking Water Act. (*DEQ metric S08-12*)
- The governor recommends \$2.5 million of one-time general fund support for a department-wide electronic document management system that will provide efficient and effective access to department records resulting in improved customer service. (*DEQ metric C03-13*)
- Finally, the department will be part of the coordinated invasive species initiative, housed in the Department of Natural Resources, and will focus on prevention, detection, and monitoring of aquatic invasive species.

**Governor's Recommendation
Department of Environmental Quality
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$28,104.5	\$516,168.8	\$38,375.9	\$501,591.8	\$38,375.9	\$501,591.8
One-Time Funding	\$1,000.0	\$1,000.0	\$2,500.0	\$2,500.0	\$0.0	\$0.0
Total Funding	\$29,104.5	\$517,168.8	\$40,875.9	\$504,091.8	\$38,375.9	\$501,591.8
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			36.5%	-2.8%	0.0%	0.0%
<i>One-Time Funding</i>			150.0%	150.0%	-100.0%	-100.0%
<i>Total Funding</i>			40.4%	-2.5%	-6.1%	-0.5%
Programs						
Local Grants and Loans			\$5,000.0	\$188,548.0	\$5,000.0	\$188,548.0
Remediation and Redevelopment			\$0.0	\$106,648.2	\$0.0	\$106,648.2
Water Resources			\$17,944.0	\$63,540.2	\$17,944.0	\$63,540.2
Administration			\$4,524.3	\$33,723.3	\$4,524.3	\$33,723.3
Air Quality			\$4,589.2	\$26,093.2	\$4,589.2	\$26,093.2
Municipal Assistance			\$1,288.7	\$22,517.0	\$1,288.7	\$22,517.0
Waste Management			\$2,900.0	\$21,300.3	\$2,900.0	\$21,300.3
Office of the Great Lakes			\$891.1	\$19,696.9	\$891.1	\$19,696.9
Oil, Gas and Mineral Services			\$0.0	\$12,031.9	\$0.0	\$12,031.9
Environmental Assistance			\$1,238.6	\$7,492.8	\$1,238.6	\$7,492.8
Total Ongoing Recommendation			\$38,375.9	\$501,591.8	\$38,375.9	\$501,591.8
Electronic Document Management			\$2,500.0	\$2,500.0	\$0.0	\$0.0
Total One-Time Recommendation			\$2,500.0	\$2,500.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$40,875.9	\$504,091.8	\$38,375.9	\$501,591.8



Executive Office

The Executive Office is the Office of the Governor. The budget provides funding for the governor and his immediate staff, who assist him in executing his constitutional responsibilities as chief executive of the State of Michigan. The Executive Office also includes funding for the lieutenant governor's office. The lieutenant governor performs gubernatorial functions in the governor's absence, presides over the Senate, serves on the State Administrative Board and represents the governor at selected local, state and national meetings. The Executive Office also contains the Constituent Services Division, which serves as a resource for the residents of Michigan to communicate their concerns and opinions directly to the governor. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total funding of \$5.9 million.*

Highlights of Governor's Budget Recommendation

- The Executive Budget provides over \$5.5 million for the Office of the Governor, the lieutenant governor's office, and the Constituent Services Division.

- In his 2014 State of the State address, the governor announced the creation of the Michigan Office for New Americans. This initiative is designed to attract entrepreneurs and their families from around the world to live and work in Michigan. A current-year supplemental request of \$170,000 general fund and a fiscal year 2015 request of \$385,000 general fund will enable implementation of this important program.

"We need to focus on legal immigration and make sure people know Michigan is the most welcoming place, and I'm intent on moving forward with that. If someone has the opportunity to come to our country legally, let's hold our arms open and say, 'Come to Michigan, this is the place to be.'"

**Governor Rick Snyder, State of the State Address,
January 16, 2014**

**Governor's Recommendation
Executive Office
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$5,370.0	\$5,370.0	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$5,370.0	\$5,370.0	\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1
<i>% Change from Previous Year</i>						
	<i>Ongoing Funding</i>		10.2%	10.2%	0.0%	0.0%
	<i>One-Time Funding</i>		0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>		10.2%	10.2%	0.0%	0.0%
Programs						
Executive Office Operations			\$5,531.1	\$5,531.1	\$5,531.1	\$5,531.1
Office for New Americans			\$385.0	\$385.0	\$385.0	\$385.0
Total Ongoing Recommendation			\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$5,916.1	\$5,916.1	\$5,916.1	\$5,916.1

Higher Education

The Higher Education budget provides operating support to the state's 15 public universities and also funds student financial aid programs. State universities are essential to the governor's goal of ensuring that at least 60 percent of Michigan residents possess a high-quality degree or other credential by 2025. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total funding of \$1.5 billion, of which \$1.2 billion is general fund.*

Highlights of Governor's Budget Recommendation

- The governor's Executive Budget invests an additional 6.1 percent, or \$76.9 million, in state university operations, all general fund. This is the largest percentage increase for universities since fiscal year 2001 and provides nearly \$1.3 billion in operating funds.
- The university increase is distributed using a modified version of the performance funding formula adopted in the 2014 budget, providing long-term planning stability to state universities. Half of the new funding is distributed proportional to each university's fiscal year 2011 operations funding, partially restoring reductions made in fiscal year 2012. The metrics used for the remaining half of new funding are: weighted undergraduate completions in critical skills areas, research expenditures, 6-year graduation rates, total completions, administrative costs as a percentage of core expenditures, and a new metric on the number of students receiving Pell Grants. ([Michigan Education Dashboard](#))
- Universities will be required to limit any tuition increases to 3.2 percent or less in order to receive any new performance funding provided in this recommendation. This cap represents double the level of expected inflation.

FY 2015 State University Funding (\$ in Thousands)			
University	Operations Funding	Performance Funding	Percent Increase
Central Michigan University	\$73,540.1	\$5,743.3	7.8%
Eastern Michigan University	67,275.4	4,631.4	6.9%
Ferris State University	45,636.5	3,554.7	7.8%
Grand Valley State University	57,823.5	5,473.0	9.5%
Lake Superior State University	12,231.0	568.1	4.6%
Michigan State University	249,597.8	15,279.4	6.1%
Michigan Technological University	43,473.8	2,523.3	5.8%
Northern Michigan University	41,741.4	2,612.4	6.3%
Oakland University	45,651.6	2,794.5	6.1%
Saginaw Valley State University	25,991.0	1,668.1	6.4%
University of Michigan - Ann Arbor	279,232.7	16,422.9	5.9%
University of Michigan - Dearborn	22,510.4	1,214.5	5.4%
University of Michigan - Flint	19,938.2	1,441.8	7.2%
Wayne State University	183,398.3	7,336.6	4.0%
Western Michigan University	97,279.0	5,628.0	5.8%
Total:	\$1,265,320.7	\$76,892.0	6.1%

- Consistent with the operations increase, the governor also proposes a 6.1 percent increase, or a combined \$3.4 million, for Michigan State University AgBioResearch and Extension, all general fund. This brings total funding for both programs to \$59.7 million.
- For fiscal year 2015, the appropriation for the Tuition Incentive Program (TIP) student financial aid program increases by \$1.5 million, all general fund, bringing total funding for all student grant and financial aid programs to \$103.1 million.
- State Building Authority rent payments of \$124.8 million, all general fund, support debt service for recently constructed university building projects.

**Governor's Recommendation
Higher Education
(\$ in Thousands)**

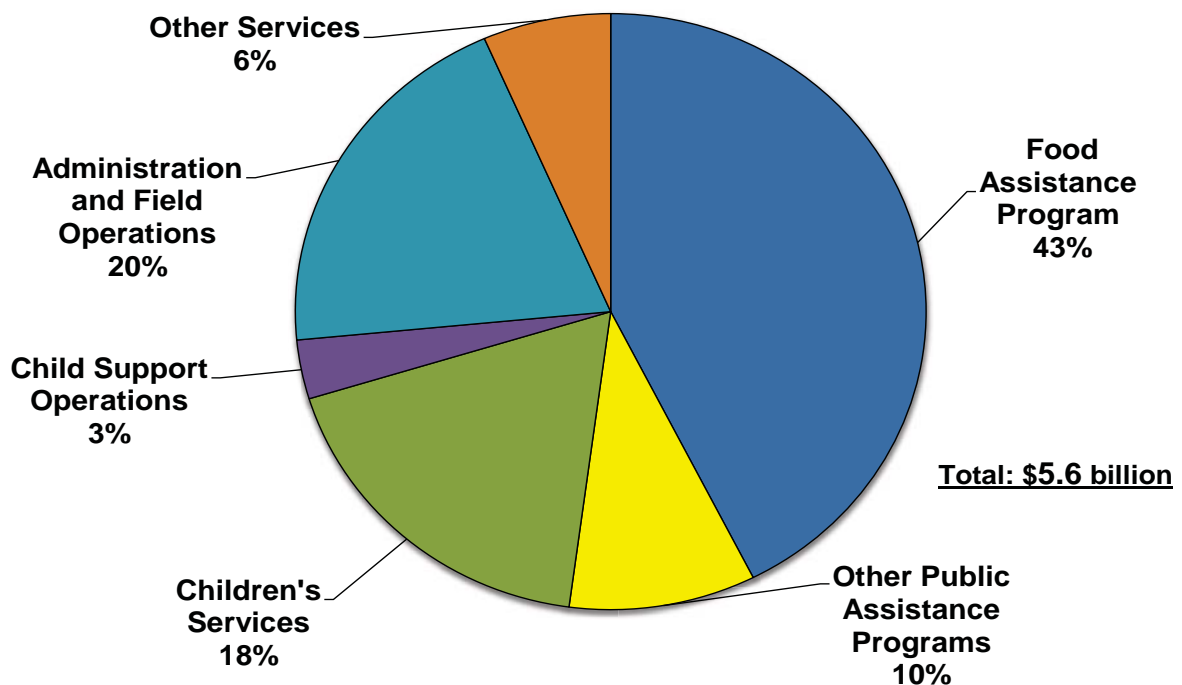
	FY2014 Current Law			FY2015 Recommendation			FY2016 Recommendation		
	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds
	Ongoing Funding	\$1,132,981.4	\$200,465.7	\$1,430,573.5	\$1,214,902.0	\$200,465.7	\$1,512,494.1	\$1,214,902.0	\$200,465.7
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$1,132,981.4	\$200,465.7	\$1,430,573.5	\$1,214,902.0	\$200,465.7	\$1,512,494.1	\$1,214,902.0	\$200,465.7	\$1,512,494.1
	<i>% Change from Previous Year</i>								
	<i>Ongoing Funding</i>			7.2%	0.0%	5.7%	0.0%	0.0%	0.0%
	<i>One-Time Funding</i>			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>			7.2%	0.0%	5.7%	0.0%	0.0%	0.0%
Programs									
University Operations				\$1,065,301.2	\$200,019.5	\$1,265,320.7	\$1,142,193.2	\$200,019.5	\$1,342,212.7
Student Financial Aid				\$6,000.0	\$0.0	\$103,126.4	\$6,000.0	\$0.0	\$103,126.4
University Performance Funding				\$76,892.0	\$0.0	\$76,892.0	\$0.0	\$0.0	\$0.0
MSU AgBioResearch and Extension Activities				\$59,722.3	\$0.0	\$59,722.3	\$59,722.3	\$0.0	\$59,722.3
Statewide Programs				\$4,986.5	\$0.0	\$4,986.5	\$4,986.5	\$0.0	\$4,986.5
MPSERS Retiree Health Care Reimbursement				\$2,000.0	\$446.2	\$2,446.2	\$2,000.0	\$446.2	\$2,446.2
Total Ongoing Recommendation				\$1,214,902.0	\$200,465.7	\$1,512,494.1	\$1,214,902.0	\$200,465.7	\$1,512,494.1
None				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION				\$1,214,902.0	\$200,465.7	\$1,512,494.1	\$1,214,902.0	\$200,465.7	\$1,512,494.1



Department of Human Services

The Department of Human Services (DHS) helps families and individuals meet financial, medical, and social service needs. Department of Human Services programs provide financial assistance and medical assistance to Michigan’s low-income population; move people toward self-sufficiency through employment and training services; work to prevent abuse, neglect, and exploitation of children and vulnerable adults through direct services; and regulate and license adult and child care agencies, facilities and homes. Services are provided through a network of county-based offices. *The governor’s proposed budget for fiscal years 2015 and 2016 recommends total funding for each year of \$5.6 billion, of which \$1 billion is general fund. The governor also recommends \$6.9 million (\$4.9 million general fund) in one-time spending for fiscal year 2015.*

Over Half of the Department Budget Provides Basic Living Assistance to Low-Income Families



Highlights of Governor’s Budget Recommendation

- The success of Pathways to Potential continues with a new investment of \$20.1 million (\$200,000 general fund) in fiscal year 2015. This innovative and effective service delivery model locates Department of Human Services’ staff in local public schools where they work directly with clients and their children to address the families’ needs and barriers to success, including housing, food, education and employment. These staff are located in 159 schools throughout the state. In addition to public schools, these new resources will provide funding to locate eligibility workers in hospitals,

“A program putting state social workers in Detroit, Flint, Pontiac, and Saginaw public schools potentially could serve as a model for expansion, including other state services in other locations.”

The Associated Press, January 23, 2013

long-term care facilities, community mental health agencies and private employers. Additionally, the funds will aid with successful prisoner re-entry programs at Department of Corrections facilities. Outcomes include improved school attendance, increased employment and improved family functioning and independence. (*DHS metrics P2P1, P2P2, and P2P3*)

- To provide worker relief and improve the eligibility determination process, \$5 million (\$2.75 million general fund) will automate the review and assessment of assets for public assistance applicants. This service will increase the timeliness and accuracy of the application review process. (*DHS metrics R2 and F3*)
- The governor recommends additional funding of \$2.4 million (\$1.5 million general fund) in Office of Inspector General field agents to enhance fraud prevention, detection and recoupment. These resources will support efforts to reduce fraudulent assistance claims through expanding the successful front-end eligibility program. (*DHS metrics F1, F2, and R2*)

Children's Services

- The governor's budget continues support for Michigan's child welfare system by investing \$984 million (\$375 million general fund) in these vital programs. Child welfare improvements are an essential component of this system and continue to be a priority in the governor's budget. In fiscal year 2015, Michigan will invest continuation funding of \$410.6 million (\$234.7 million general fund) to enhance child welfare services for abused and neglected children. These funds support child protective services, foster care and adoption. Additional funds of \$6.9 million (\$6.5 million general fund) for fiscal year 2015 support funding for performance-based contracts and outcomes in foster care services and a pilot to help improve worker efficiency and productivity through the use of tablet computers. Together, these improvements to the child welfare system help keep children safe in their own homes and, when necessary, support alternative living arrangements including foster care and adoption. (*DHS metrics MSA1 thru MSA4*)
- Foster care payments for 6,100 children in out-of-home care are supported with \$190.3 million (\$72.2 million general fund). These payments provide care and supervision until children are returned to their parents or are adopted. The foster care caseload has declined and then stabilized due to the department's efforts to find permanent homes for children who have been abused or neglected. (*DHS metrics MSA1 and MSA3*)
- The Adoption Subsidy program supports abused or neglected children in permanent homes. Adoption subsidies are funded at \$241.1 million (\$90.5 million general fund) for 26,800 adopted children. The number of children benefiting from this program is an indication of the department's success at finding and supporting adoptions. (*DHS metric MSA4*)

Income Assistance Programs

- One in six Michigan residents receives benefits from the Food Assistance Program. This vital safety-net program has stabilized in recent years and provides food to 1.7 million people, including families with children, the elderly and those with disabilities, and is supported in the governor's budget with \$2.4 billion in federal funds. (*DHS metric F-3*)
- The Family Independence Program provides financial support for 33,200 families at a cost of \$151.6 million (\$56.9 million general fund). Department policies encourage employment and self-sufficiency and have contributed to recent caseload declines. (*DHS metric Path2*)
- Heating assistance programs are funded with \$235 million in federal and state restricted funds. Included in the Department of Human Services budget is \$175 million in federal funds for the home heating credit, energy-related crisis payments, and weatherization for low-income home owners. The Michigan Energy Assistance Program (MEAP), administered by the Public Service Commission (PSC), is funded with \$60 million and provides heating assistance to low-income families and seniors. (*DHS metric EAP*)

Child Support

- To help Michigan children obtain financial support from absent parents, \$179.9 million (\$24.3 million general fund) is provided for the child support program. In fiscal year 2013, \$1.33 billion in child support was collected and distributed for children and their families. Child support enforcement will be enhanced with an investment of \$3 million (\$1 million general fund) to develop a web-based employer portal and information database.

Adult Services

- As Michigan's population ages, service needs are increasing for seniors and people with disabilities. The governor's budget invests \$184.6 million gross (\$22.5 million general fund) in Adult Services programs to assist the elderly and the disabled to live in the least restrictive setting, free from abuse and exploitation.

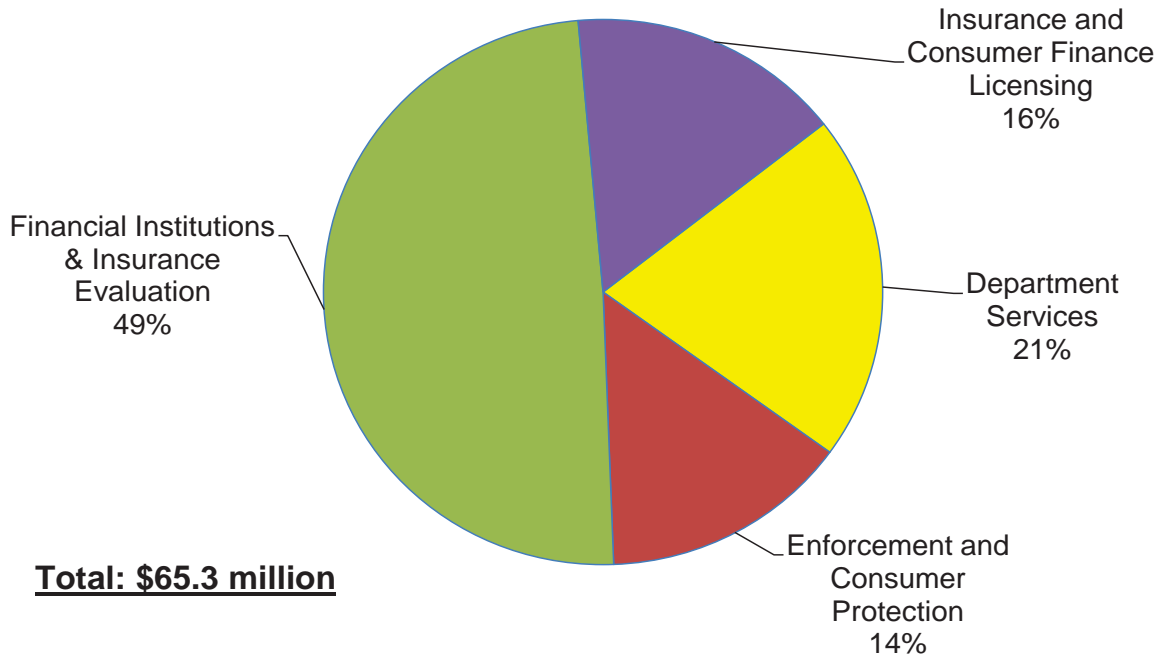
**Governor's Recommendation
Department of Human Services
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$1,000,960.4	\$6,014,883.4	\$1,006,736.4	\$5,614,413.7	\$1,006,736.4	\$5,614,413.7
One-Time Funding	\$2,039.6	\$3,500.0	\$4,900.0	\$6,900.0	\$0.0	\$0.0
Total Funding	\$1,003,000.0	\$6,018,383.4	\$1,011,636.4	\$5,621,313.7	\$1,006,736.4	\$5,614,413.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		0.6%	-6.7%	0.0%	0.0%
	<i>One-Time Funding</i>		140.2%	97.1%	-100.0%	-100.0%
	<i>Total Funding</i>		0.9%	-6.6%	-0.5%	-0.1%
Programs						
Food Assistance			\$0.0	\$2,388,475.2	\$0.0	\$2,388,475.2
Administration and Field Operations			\$401,764.3	\$1,120,810.8	\$401,764.3	\$1,120,810.8
Children's Services			\$394,323.1	\$1,019,809.9	\$394,323.1	\$1,019,809.9
Other Public Assistance			\$153,673.5	\$537,336.8	\$153,673.5	\$537,336.8
Adult and Family Services			\$22,451.7	\$184,641.3	\$22,451.7	\$184,641.3
Child Support Operations			\$24,248.9	\$179,851.5	\$24,248.9	\$179,851.5
Disability Determination Services			\$3,664.1	\$110,332.4	\$3,664.1	\$110,332.4
Community Action and Economic Opportunity			\$0.0	\$44,248.7	\$0.0	\$44,248.7
Licensing (Adult Foster Care, Children's Foster Care and Child Day Care)			\$6,610.8	\$28,907.1	\$6,610.8	\$28,907.1
Total Ongoing Recommendation			\$1,006,736.4	\$5,614,413.7	\$1,006,736.4	\$5,614,413.7
Child Support IT Initiatives & Operational Support			\$2,000.0	\$4,000.0	\$0.0	\$0.0
Michigan Rehabilitation Services			\$2,400.0	\$2,400.0	\$0.0	\$0.0
Catholic Charities Center for Hope Project			\$500.0	\$500.0	\$0.0	\$0.0
Total One-Time Recommendation			\$4,900.0	\$6,900.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$1,011,636.4	\$5,621,313.7	\$1,006,736.4	\$5,614,413.7

Department of Insurance and Financial Services

The Department of Insurance and Financial Services regulates the insurance and financial services industries in order to protect consumers, strengthen the state's business climate, and position these industries for economic growth. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total funding of \$65.3 million (\$150,000 general fund).*

Department Regulates Financial Institutions and Insurance Companies

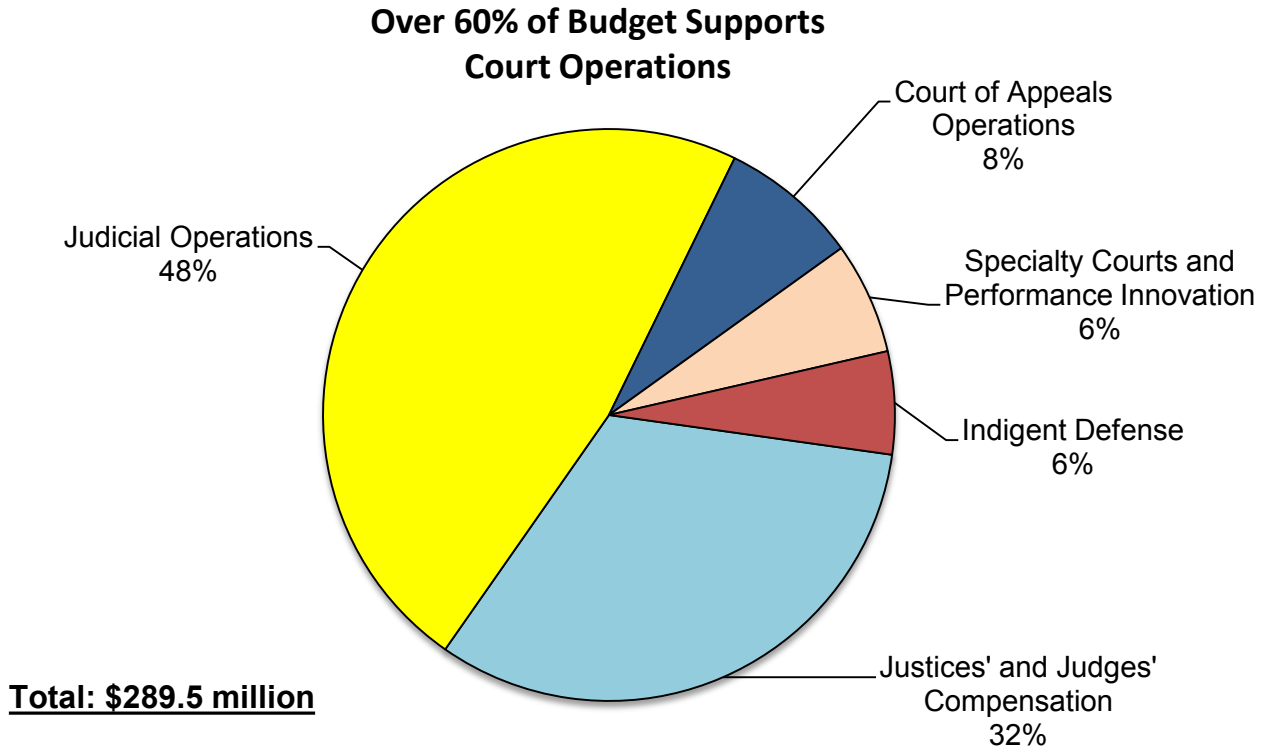


Highlights of Governor's Budget Recommendation

- The governor recommends funding of \$37.5 million for insurance and financial institutions administration, \$14.4 million for consumer protection and regulatory compliance and \$13.4 million for department services and information technology.
- New funding of \$150,000 general fund is recommended for analysis of the impact of the Healthy Michigan Plan on private market insurance rates.
- Over \$25 million remains unexpended in the Autism Coverage Fund and is available to reimburse additional claims. For that reason, the governor's budget includes no additional deposits into the fund.

Judiciary

The Michigan Constitution vests the judicial power of the state exclusively in a court system composed of the Supreme Court, the Court of Appeals, the Circuit Court (which is the trial court of general jurisdiction, including the Family Court division), the Probate Court, and courts of limited jurisdiction such as the District Court and municipal courts. The statewide court system is administered by the Supreme Court Justices through the State Court Administrative Office. *The governor's proposed budget for fiscal years 2015 and 2016 recommends ongoing funding of \$288.5 million, of which \$187.2 million is general fund. The governor also recommends \$1 million in one-time spending in fiscal year 2015.*



Highlights of Governor's Budget Recommendation

- As a continuing part of his Public Safety Initiative, the governor recommends \$11 million gross, of which \$5.4 million is general fund, to maintain drug treatment courts. The courts improve public safety by reducing drug and alcohol convictions. (*Judiciary metrics: Court Metrics and Evidence-Based Practices, Sobriety and Drug Court Recidivism Rates*)
- Mental health courts are funded with \$4.1 million general fund. This funding will maintain nine existing mental health courts. Mental health courts serve as a valuable community alternative to more costly local and state criminal justice sanctions. An additional \$1.7 million general fund for assisted outpatient treatment, post booking probation services, housing, travel, and court coordination and review hearings brings total mental health court and jail diversion support to \$5.8 million. (*Judiciary metrics: Court Metrics and Evidence-Based Practices*)

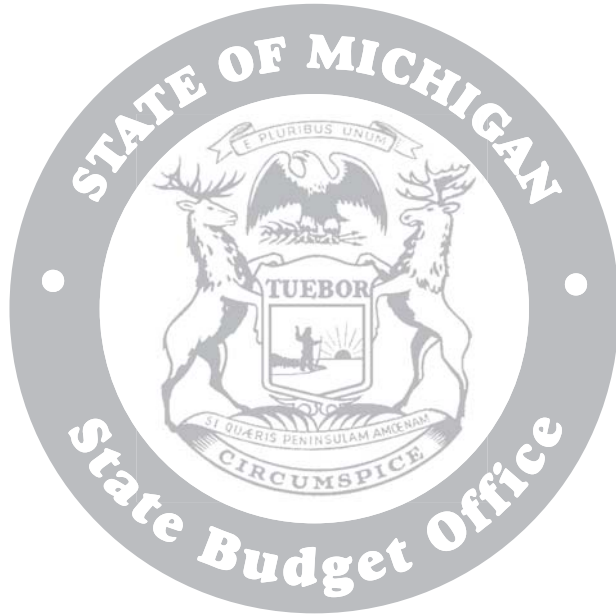
- The governor recommends a one-time investment of \$1 million general fund for the Trial Court Performance Innovation Fund. Established in fiscal year 2014 with \$1 million one-time general fund, this fund provides seed money to Michigan’s trial courts for innovative projects designed to improve efficiency and effectiveness of trial court operations such as automated income tax garnishment, smart phone apps for court access, peacemaking courts, human trafficking courts, effective use of social media, and an online educational hub. (*Judiciary metrics – Performance: Court metrics and Evidence-Based Practices*)
- An investment of \$4.1 million general fund is included to continue the implementation of a unified case management information system, Michigan Court System (MiCS), in trial courts throughout the state. The MiCS uses modern technology to enhance business processes and to improve interactions with the public. Combined with \$2.5 million one-time general fund recommendation in fiscal year 2014, the governor has recommended a total investment of nearly \$7 million in this important multi-year initiative. (*Judiciary metrics –Technology: Supporting Timeliness, Efficiency, Access*)
- Recognizing passage of P.A. 93 of 2013 which establishes a new sixteen member Michigan Indigent Defense Commission, the governor recommends \$1 million general fund for the commission operations. The commission will propose minimum standards for the local delivery of indigent defense services.
- The executive recommendation includes \$350,000 general fund for the State Appellate Defender Office (SADO) to replace expiring federal funds. This investment will help ensure that SADO can successfully manage 25 percent of indigent appellate defense cases, which is consistent with the statutory requirement.

Governor's Recommendation
Department of Insurance and Financial Services
(\$ in Thousands)

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$11,000.0	\$75,335.5	\$150.0	\$65,284.7	\$150.0	\$65,284.7
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$11,000.0	\$75,335.5	\$150.0	\$65,284.7	\$150.0	\$65,284.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		-98.6%	-13.3%	0.0%	0.0%
	<i>One-Time Funding</i>		0.0%	0.0%	0.0%	0.0%
	<i>Total Funding</i>		-98.6%	-13.3%	0.0%	0.0%
Programs						
Insurance and Financial Services Regulation			\$0.0	\$51,875.8	\$0.0	\$51,875.8
Department Services			\$150.0	\$11,141.2	\$150.0	\$11,141.2
Information Technology			\$0.0	\$2,267.7	\$0.0	\$2,267.7
Total Ongoing Recommendation			\$150.0	\$65,284.7	\$150.0	\$65,284.7
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$150.0	\$65,284.7	\$150.0	\$65,284.7

**Governor's Recommendation
Judiciary
(\$ in Thousands)**

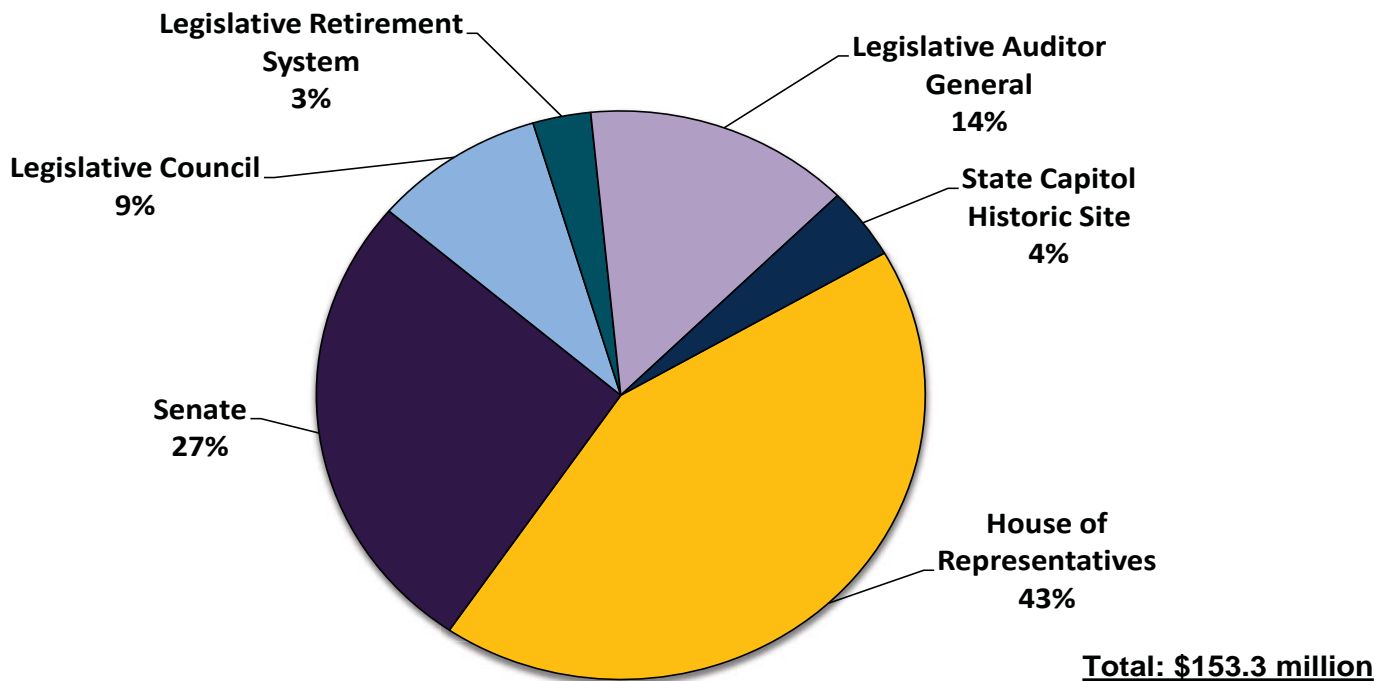
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$178,950.6	\$278,923.4	\$187,242.9	\$288,483.1	\$187,242.9	\$288,483.1
One-Time Funding	\$4,490.7	\$4,490.7	\$1,000.0	\$1,000.0	\$0.0	\$0.0
Total Funding	\$183,441.3	\$283,414.1	\$188,242.9	\$289,483.1	\$187,242.9	\$288,483.1
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		4.6%	3.4%	0.0%	0.0%
	<i>One-Time Funding</i>		-77.7%	-77.7%	-100.0%	-100.0%
	<i>Total Funding</i>		2.6%	2.1%	-0.5%	-0.3%
Programs						
Judicial Operations			\$49,514.7	\$133,478.1	\$49,514.7	\$133,478.1
Justices' and Judges' Compensation			\$91,053.8	\$94,041.9	\$91,053.8	\$94,041.9
Court of Appeals Operations			\$22,708.2	\$22,708.2	\$22,708.2	\$22,708.2
Specialty Courts			\$11,717.3	\$17,312.8	\$11,717.3	\$17,312.8
Indigent Defense			\$8,123.9	\$16,817.1	\$8,123.9	\$16,817.1
Michigan Court System Implementation			\$4,125.0	\$4,125.0	\$4,125.0	\$4,125.0
Total Ongoing Recommendation			\$187,242.9	\$288,483.1	\$187,242.9	\$288,483.1
Trial Court Performance Innovation Fund			\$1,000.0	\$1,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$1,000.0	\$1,000.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$188,242.9	\$289,483.1	\$187,242.9	\$288,483.1



Legislature

The Michigan Constitution vests the state's lawmaking power in a two-house legislature consisting of a 38-member Senate and a 110-member House of Representatives. The legislature is an independent branch of state government with the authority to enact laws that regulate the actions of the government and protect the interests of the people. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total funding of \$153.3 million, of which \$141.6 million is general fund.*

Legislative Budget Supports Elected Officials and Their Staff



Highlights of Governor's Budget Recommendation

- The Executive Budget provides \$125.4 million for the legislature, including the Senate, the House of Representatives, and supporting entities.
- Nearly \$21.8 million is recommended for the Office of Auditor General, a constitutionally required function to conduct financial and performance audits of state government operations.
- The Executive Budget recommends \$6.2 million for the State Capitol Historic Site, which will be used to maintain and preserve Michigan's State Capitol and the surrounding grounds.

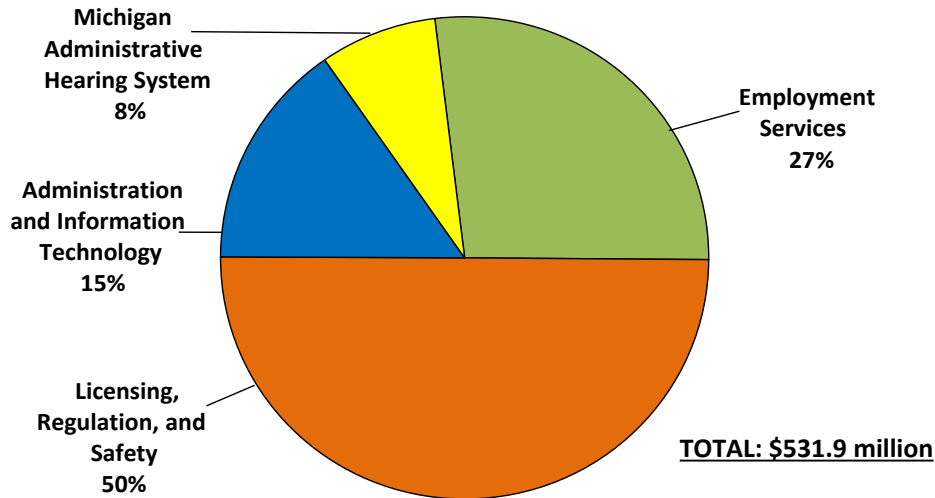
**Governor's Recommendation
Legislature
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$136,220.8	\$144,773.7	\$141,598.0	\$153,329.3	\$141,598.0	\$153,329.3
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$136,220.8	\$144,773.7	\$141,598.0	\$153,329.3	\$141,598.0	\$153,329.3
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			3.9%	5.9%	0.0%	0.0%
<i>One-Time Funding</i>			0.0%	0.0%	0.0%	0.0%
<i>Total Funding</i>			3.9%	5.9%	0.0%	0.0%
Programs						
House of Representatives			\$65,711.2	\$65,711.2	\$65,711.2	\$65,711.2
Senate			\$40,934.6	\$40,934.6	\$40,934.6	\$40,934.6
Auditor General Operations			\$14,537.3	\$21,758.8	\$14,537.3	\$21,758.8
Legislative Council			\$13,590.5	\$13,990.5	\$13,590.5	\$13,990.5
State Capitol Historic Site			\$3,217.2	\$6,217.2	\$3,217.2	\$6,217.2
Legislative Retirement System			\$3,607.2	\$4,717.0	\$3,607.2	\$4,717.0
Total Ongoing Recommendation			\$141,598.0	\$153,329.3	\$141,598.0	\$153,329.3
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$141,598.0	\$153,329.3	\$141,598.0	\$153,329.3

Department of Licensing and Regulatory Affairs

The Department of Licensing and Regulatory Affairs (LARA) serves as the state's primary business regulatory and employment services agency. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total ongoing funding of \$509.5 million (\$25 million general fund). The governor's proposed budget also recommends \$22.4 million in one-time spending in fiscal year 2015.*

LARA Supports Employment and Business Regulatory Services



Highlights of Governor's Budget Recommendation

- Consistent with Governor Snyder's efforts to improve and streamline the functions of state government, the budget recommendation includes \$700,000 for process engineering efforts to improve state government programs, resulting in increased efficiencies and improved customer service. ([LARA metric 12](#))
- Governor Snyder has included one-time state restricted funding of \$18 million to maintain customer service levels in the Unemployment Insurance Agency (UIA) in the face of declining federal revenues. The governor's budget also includes \$2.4 million in one-time state restricted funding for the development of a software application that will enable UIA claimants to file claims remotely via mobile devices. ([LARA metric 19](#))

"It's important that we open up this dialogue statewide so that we can identify problems and make improvements in the regulatory areas that really matter."

Lt. Governor Brian Calley, November 22, 2013

- The governor's budget adds \$1.1 million to the Bureau of Construction Codes to streamline permitting processes, monitor safety standards on construction sites, and facilitate an ongoing partnership with the Detroit Land Bank Authority to expedite demolition of blighted buildings in the city. ([LARA metric 12](#))

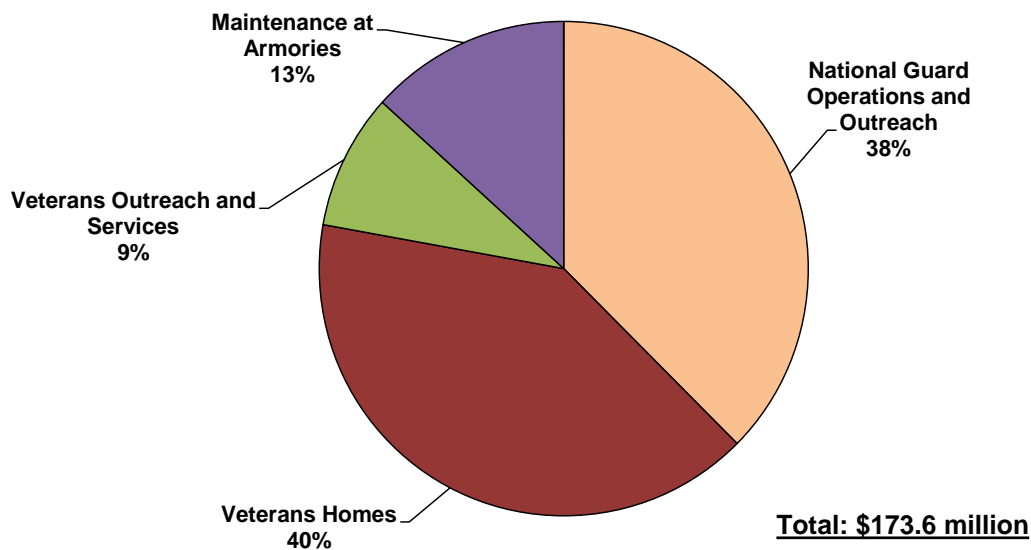
Governor's Recommendation
Department of Licensing and Regulatory Affairs
(\$ in Thousands)

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$22,864.6	\$500,778.4	\$25,033.8	\$509,460.8	\$25,033.8	\$509,460.8
One-Time Funding	\$2,140.3	\$2,140.3	\$0.0	\$22,400.0	\$0.0	\$0.0
Total Funding	\$25,004.9	\$502,918.7	\$25,033.8	\$531,860.8	\$25,033.8	\$509,460.8
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		9.5%	1.7%	0.0%	0.0%
	<i>One-Time Funding</i>		-100.0%	946.6%	0.0%	-100.0%
	<i>Total Funding</i>		0.1%	5.8%	0.0%	-4.2%
Programs						
Employment Services			\$9,752.8	\$143,543.4	\$9,752.8	\$143,543.4
Occupational Regulation			\$9,288.5	\$125,156.0	\$9,288.5	\$125,156.0
Michigan Administrative Hearing System			\$1,489.1	\$43,005.2	\$1,489.1	\$43,005.2
Information Technology			\$65.2	\$41,795.2	\$65.2	\$41,795.2
Departmental Administration			\$1,573.7	\$38,924.2	\$1,573.7	\$38,924.2
Michigan Occupational Safety and Health Administration			\$2,170.9	\$35,831.2	\$2,170.9	\$35,831.2
Department Grants			\$693.6	\$30,917.5	\$693.6	\$30,917.5
Public Service Commission			\$0.0	\$30,786.7	\$0.0	\$30,786.7
Liquor Control Commission			\$0.0	\$19,501.4	\$0.0	\$19,501.4
Total Ongoing Recommendation			\$25,033.8	\$509,460.8	\$25,033.8	\$509,460.8
Unemployment Insurance Agency			\$0.0	\$18,000.0	\$0.0	\$0.0
Mobile Claim Filing Application			\$0.0	\$2,400.0	\$0.0	\$0.0
Liquor Control Commission IT Upgrades			\$0.0	\$2,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$22,400.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$25,033.8	\$531,860.8	\$25,033.8	\$509,460.8

Department of Military and Veterans Affairs

The Department of Military and Veterans' Affairs (DMVA) primary mission is military and emergency preparedness, as well as service to veterans. The department is a key partner with the federal government in defending sovereign interests of the United States globally and protects the lives and property of Michigan residents during times of natural disaster and civil unrest. There are approximately 11,290 members of the Michigan National Guard; approximately 174 are currently deployed with an additional 265 scheduled to be deployed through December 2014. *The governor's proposed budget for fiscal years 2015 and 2016 recommends ongoing funding of \$166.6 million, of which \$48.8 million is general fund. One-time funding of \$7 million general fund is also recommended for fiscal year 2015.*

Almost Half of Funding Supports Services to Veterans



Highlights of Governor's Budget Recommendation

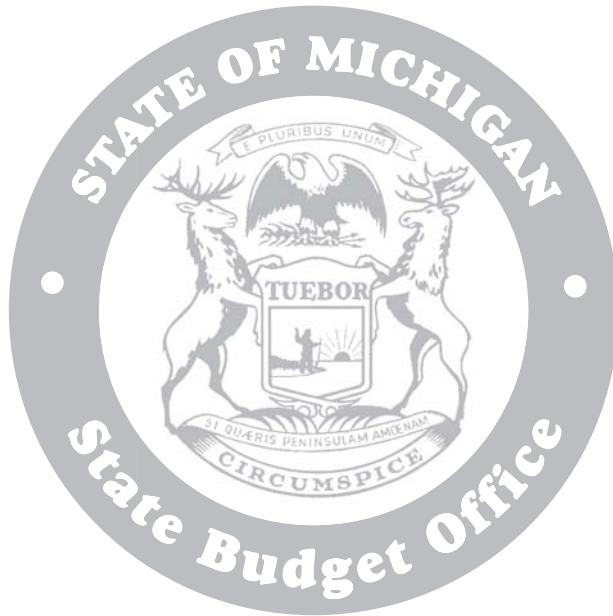
- The budget includes \$65.1 million (\$16.3 million general fund) in funding for National Guard operations and outreach, representing the Michigan National Guard's traditional mission of state and national defense and homeland security, as well as community programs including the Military Family Relief Fund.
- As state National Guard units compete for fewer federal dollars, it is critical to maintain personnel readiness levels near 100 percent. New funding of \$5 million general fund is recommended to support a state tuition assistance program for Michigan Air and Army National Guard service members to improve recruitment and retention in order to achieve necessary readiness levels. (*DMVA metric 10 and 11*)
- Veterans are served with \$15.4 million in total funding, including new funding of \$2.2 million general fund in fiscal year 2015 for the Michigan Veterans' Affairs Agency. The new funding will support the full year costs of the agency, establish regional coordinators in conjunction with the governor's Regional Prosperity Initiative, and support grants to local units of government to assist in providing veteran services.

This funding will continue the efforts of the Michigan Veterans' Affairs Agency to assist veterans and their dependents in accessing the benefits they are entitled from the United States Department of Veterans Affairs, as well as help returning veterans find employment. In addition, veterans service organizations will continue to receive \$2.9 million in state-funded grants to counsel veterans and assist them in receiving benefits and services for which they are eligible. (*DMVA metric 3 and 6*)

- The Fiscal Year 2015 Executive Recommendation provides \$67.1 million (\$19.3 million general fund) in funding support for the Grand Rapids and D. J. Jacobetti Veterans' Homes, which provide direct nursing and domiciliary care for 651 residents. In addition, the governor recommends one-time funding of \$3 million general fund for special maintenance needs at the veterans' homes.
- Funding of \$19 million (\$3.1 million general fund) is included to address special maintenance needs at the department's forty-three armories and federal military facilities in Michigan. In addition, \$4 million in one-time funding is recommended for armory maintenance. (*DMVA metric 2*)

Governor's Recommendation
Department of Military and Veterans Affairs
(\$ in Thousands)

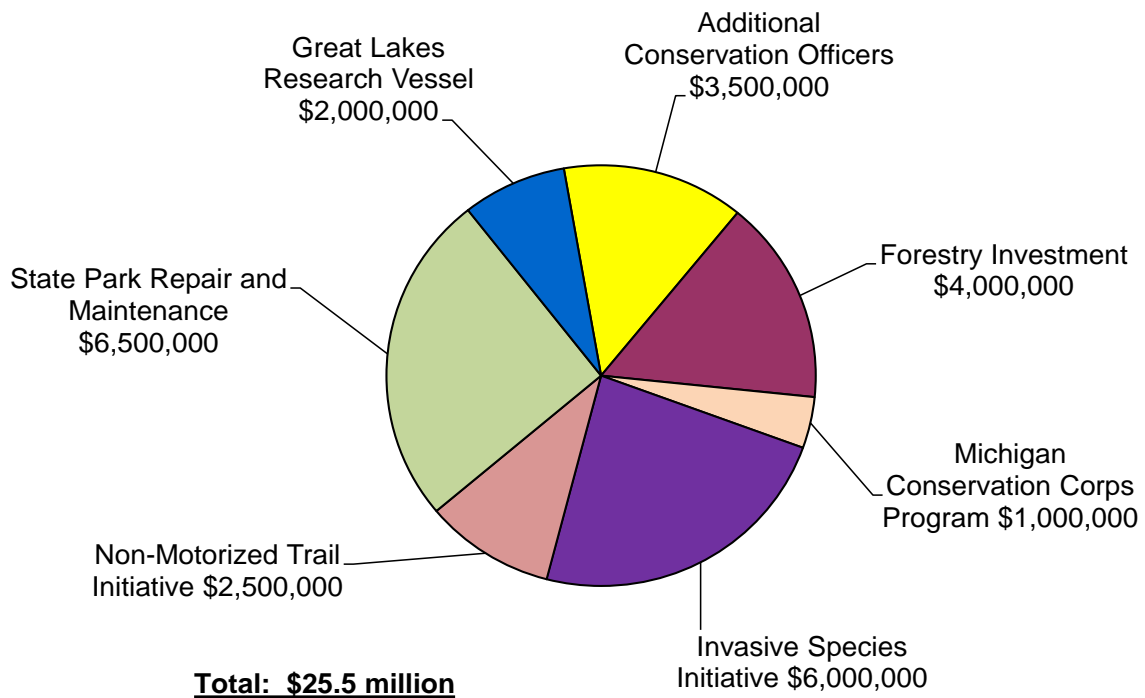
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$41,003.3	\$161,230.0	\$48,805.7	\$166,594.9	\$48,805.7	\$166,594.9
One-Time Funding	\$5,500.0	\$5,500.0	\$7,000.0	\$7,000.0	\$0.0	\$0.0
Total Funding	\$46,503.3	\$166,730.0	\$55,805.7	\$173,594.9	\$48,805.7	\$166,594.9
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		19.0%	3.3%	0.0%	0.0%
	<i>One-Time Funding</i>		27.3%	27.3%	-100.0%	-100.0%
	<i>Total Funding</i>		20.0%	4.1%	-12.5%	-4.0%
Programs						
National Guard Operations and Outreach			\$16,261.8	\$65,074.4	\$16,261.8	\$65,074.4
Veterans Homes			\$19,293.0	\$67,067.9	\$19,293.0	\$67,067.9
Veterans Outreach and Services			\$10,199.7	\$15,401.4	\$10,199.7	\$15,401.4
Maintenance at Armories			\$3,051.2	\$19,051.2	\$3,051.2	\$19,051.2
Total Ongoing Recommendation			\$48,805.7	\$166,594.9	\$48,805.7	\$166,594.9
Maintenance at Armories			\$4,000.0	\$4,000.0	\$0.0	\$0.0
Maintenance at Veterans Homes			\$3,000.0	\$3,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$7,000.0	\$7,000.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$55,805.7	\$173,594.9	\$48,805.7	\$166,594.9



Department of Natural Resources

Funding for the Department of Natural Resources (DNR) supports programs for wildlife and fisheries management, state parks and recreation areas, conservation and law enforcement, and forest management. *The governor's proposed budget for fiscal years 2015 and 2016 recommends ongoing funding of \$379.2 million, of which \$44.1 million is general fund. In addition, one-time funding of \$4 million is recommended in both years.*

Over \$25 Million in New Funding to Protect and Enhance Our Natural Resources



Highlights of Governor's Budget Recommendation

- The fiscal year 2015 Executive Recommendation continues the governor's focus on the conservation, protection, management, accessible use and enjoyment of the state's natural resources.
- The fiscal year 2015 recommendation contains \$4 million ongoing and \$2 million one-time general fund to implement a comprehensive, coordinated regional response to prevent, detect, eradicate, and control invasive species. This initiative will be a coordinated effort involving the departments of Natural Resources, Environmental Quality, Agriculture and Rural Development, and Transportation providing a clear and consistent message and support to local and regional Great Lakes partners. In addition, \$4 million one-time general fund is proposed for fiscal year 2016. ([DNR metric RES-3](#))
- The governor recommends \$4 million ongoing general fund support for wildfire protection to protect private lands and structures along with Michigan's publicly owned forest assets. The additional general fund will free-up restricted revenues collected and generated from timber sales to hire more state foresters and to reinvest in Michigan's forest products industry to increase its economic impact and create more and better jobs, particularly in rural areas. ([DNR metric ECON-1](#))

- The fiscal year 2015 recommendation includes \$2 million one-time funding, \$1 million of which is general fund, to replace the 66-year old research vessel *Chinook* which is well beyond its useful life. Replacement of the vessel will allow the department to continue critical assessments and research to evaluate the status of aquatic habitats and fish populations in the Great Lakes. *(DNR metrics RES-3, REC-3, and REC-4)*
- The governor also provides \$2.5 million general fund dedicated to making Michigan *the Trail State* by providing grants to develop and maintain non-motorized trails, as well as complete the approximately 1,000 mile-long showcase trail from Belle Isle in Detroit to Ironwood in the Upper Peninsula by fall of 2017. *(DNR metric ECON-3 and REC-8)*
- The recommendation adds \$3.5 million general fund for a conservation officer school with the goal of adding 25 new officers to protect the state’s natural resources, enhance law enforcement in rural communities, and improve public safety. This investment will bring the total projected conservation officer count to 227, a 22 percent increase since 2010. Conservation officers are fully commissioned as state peace officers, with full power and authority to enforce Michigan’s criminal laws, especially those concerning outdoor recreational activities. *(DNR metric RES-5)*
- The governor’s recommendation provides \$3.5 million, an increase of \$1 million general fund, to integrate the Michigan Civilian Conservation Corps program with the summer youth employment initiative. The initiative will serve young people (including returning veterans) up to the age of 27 throughout the state. The integrated program will provide training and field experience on a year-round basis. Work crews will complete projects designed to improve, preserve, and maintain outdoor recreational assets. The initiative will provide meaningful jobs and create career paths as well as pathways to colleges. *(DNR metrics PART-1 and REC-8)*
- The governor increases funds available for state park repair and maintenance by \$3 million in fiscal year 2015. These funds will be used to address a backlog of infrastructure demolitions, maintenance, repairs, renovations and replacement projects throughout the state parks system. The increase includes the replacement of restricted revenues with general fund and \$2.5 million from private partners to leverage the amount available for improvements to the park system.
- The recommendation contains an additional \$3 million for wetland restoration, enhancement and acquisition from restricted sources to preserve and protect critical wetland habitat and open additional wetland areas to the public for hunting and other recreational activities.
- Finally, the governor recommends \$3.1 million to renovate and revitalize the East Tawas State Harbor, and \$1.5 million for additional breakwater protection for the Garfield Township Marina in Naubinway. The projects are supported with a combination of federal and state restricted funds.

“One thing that Governor Rick Snyder seems to understand perfectly is the symmetry among tourism, conservation and commerce that can be found in Michigan’s fabulous natural resources... Snyder is on to something good, and rich, and important. It’s a key centerpiece of his administration, and could develop into a cornerstone of his legacy.”

Detroit Free Press, December 4, 2013

**Governor's Recommendation
Department of Natural Resources
(\$ in Thousands)**

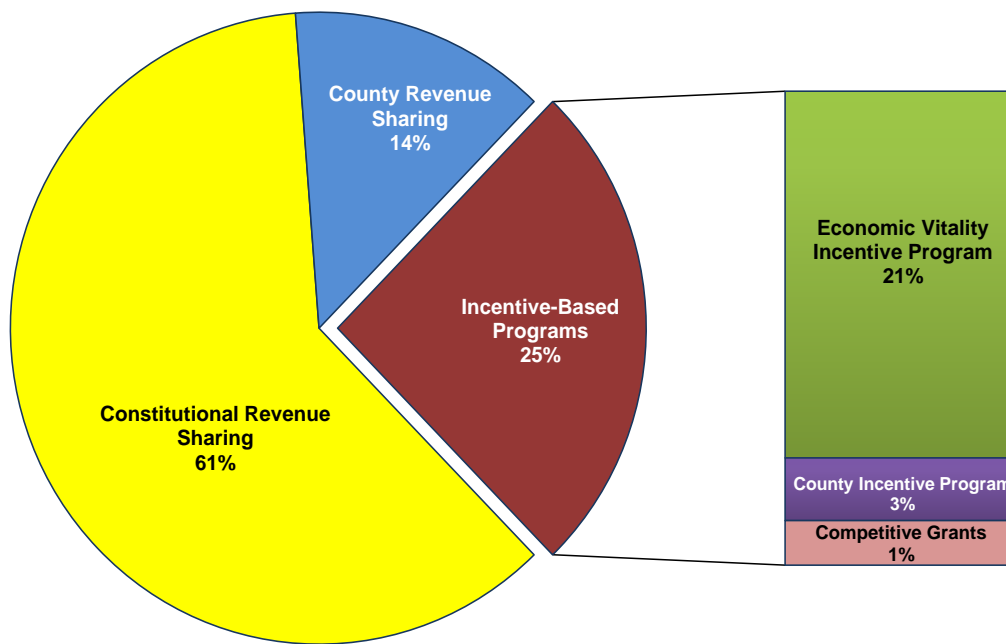
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$24,686.6	\$342,388.9	\$44,091.5	\$379,185.4	\$44,091.5	\$379,185.4
One-Time Funding	\$750.0	\$750.0	\$3,000.0	\$4,000.0	\$4,000.0	\$4,000.0
Total Funding	\$25,436.6	\$343,138.9	\$47,091.5	\$383,185.4	\$48,091.5	\$383,185.4
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		78.6%	10.7%	0.0%	0.0%
	<i>One-Time Funding</i>		300.0%	433.3%	33.3%	0.0%
	<i>Total Funding</i>		85.1%	11.7%	2.1%	0.0%
Programs						
Wildlife, Fisheries and Enforcement			\$11,380.9	\$107,808.5	\$11,380.9	\$107,808.5
Parks and Recreation			\$2,566.1	\$88,091.3	\$2,566.1	\$88,091.3
Forest Management			\$8,513.9	\$46,047.3	\$8,513.9	\$46,047.3
Administration			\$3,787.6	\$40,878.2	\$3,787.6	\$40,878.2
Grants to Local Governments			\$1,600.0	\$36,224.8	\$1,600.0	\$36,224.8
Infrastructure Improvements			\$4,000.0	\$22,500.0	\$4,000.0	\$22,500.0
Communication and Customer Service			\$4,493.0	\$22,344.9	\$4,493.0	\$22,344.9
Great Lakes Restoration			\$0.0	\$5,500.0	\$0.0	\$5,500.0
Invasive Species Initiative			\$4,000.0	\$4,000.0	\$4,000.0	\$4,000.0
Michigan Conservation Corps			\$3,500.0	\$3,500.0	\$3,500.0	\$3,500.0
Mackinac Island State Park Commission			\$250.0	\$2,290.4	\$250.0	\$2,290.4
Total Ongoing Recommendation			\$44,091.5	\$379,185.4	\$44,091.5	\$379,185.4
Invasive Species Initiative			\$2,000.0	\$2,000.0	\$4,000.0	\$4,000.0
Replacement of Great Lakes Research Vessel			\$1,000.0	\$2,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$3,000.0	\$4,000.0	\$4,000.0	\$4,000.0
TOTAL RECOMMENDATION			\$47,091.5	\$383,185.4	\$48,091.5	\$383,185.4



Revenue Sharing

Michigan’s revenue sharing program distributes sales tax revenue collected by the state to local units of government, allowing communities to determine how best to fund local services. A constitutionally-dedicated portion of sales tax revenue is distributed to cities, villages, and townships; the remainder is subject to annual appropriation. *Funding for fiscal year 2015 is recommended at \$1.3 billion, which includes \$764.9 million for constitutionally-required revenue sharing payments, \$271.8 million for the Economic Vitality Incentive Program, \$169 million for County Revenue Sharing, \$42.2 million for the County Incentive Program, and \$5 million for the Competitive Grant Assistance Program. Anticipated funding for fiscal year 2016 is recommended at \$1.3 billion, which includes \$793.2 million for constitutionally-required revenue sharing payments.*

25% of Payments to Locals is Incentive-Based



Total: \$1.3 billion

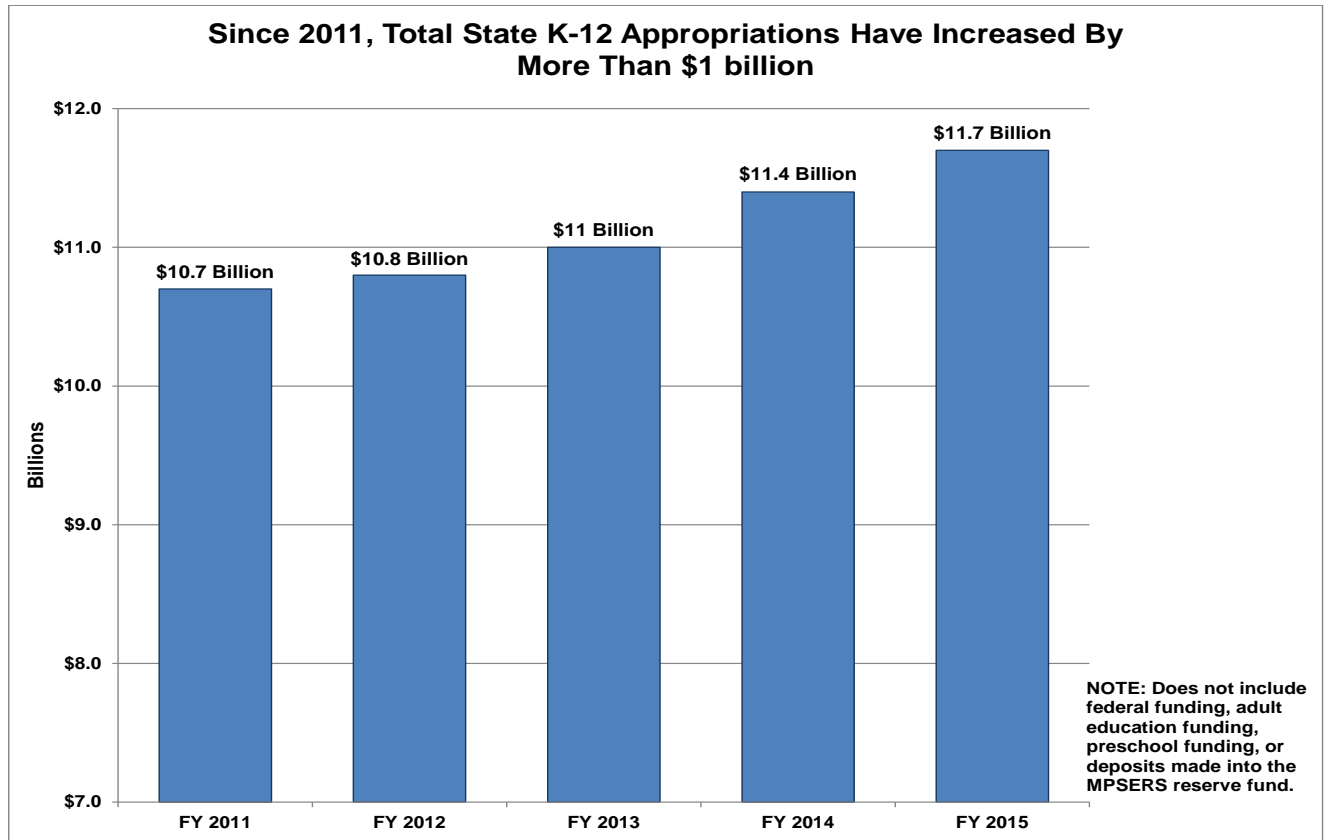
Highlights of Governor’s Budget Recommendation

- Constitutional revenue sharing payments for cities, villages, and townships are increased by \$19.4 million (3 percent) to \$764.9 million, based on estimated sales tax collections.
- The Economic Vitality Incentive Program provides \$243 million for qualified cities, villages, and townships that adopt best practices. Criteria relate to accountability and transparency, consolidation of services, and unfunded accrued liability requirements. An additional \$28.8 million is recommended for supplemental payments distributed to all qualified cities, villages, and townships on a population basis, with high-performing and high-need communities receiving larger shares of the proposed payments. Total recommended funding of \$271.8 million reflects a 15 percent increase over fiscal year 2014 funding, a 30 percent increase since the program was created.

- Eligible counties will receive a combination of revenue sharing payments and incentive-based payments, provided they meet criteria consistent with requirements under the Economic Vitality Incentive Program. The fiscal year 2015 Executive Budget recommends \$211.2 million, providing maximum funding allowed under statutory provisions to 74 eligible counties.
- A set of best practice standards is recommended as an alternative to meeting the requirements under the Economic Vitality Incentive and County Incentive programs. An eligible city, village, township, or county meeting standards for budget reserves, pension plans, other post-employment benefits, and bond or credit rating will receive its full amount of incentive funding under the alternative standards.
- As an incentive to combine government operations and to provide more efficient government services, local units of government may apply for grant assistance to help defray expenses related to such efforts. The fiscal year 2015 executive budget recommends \$5 million for competitive grant assistance.

School Aid

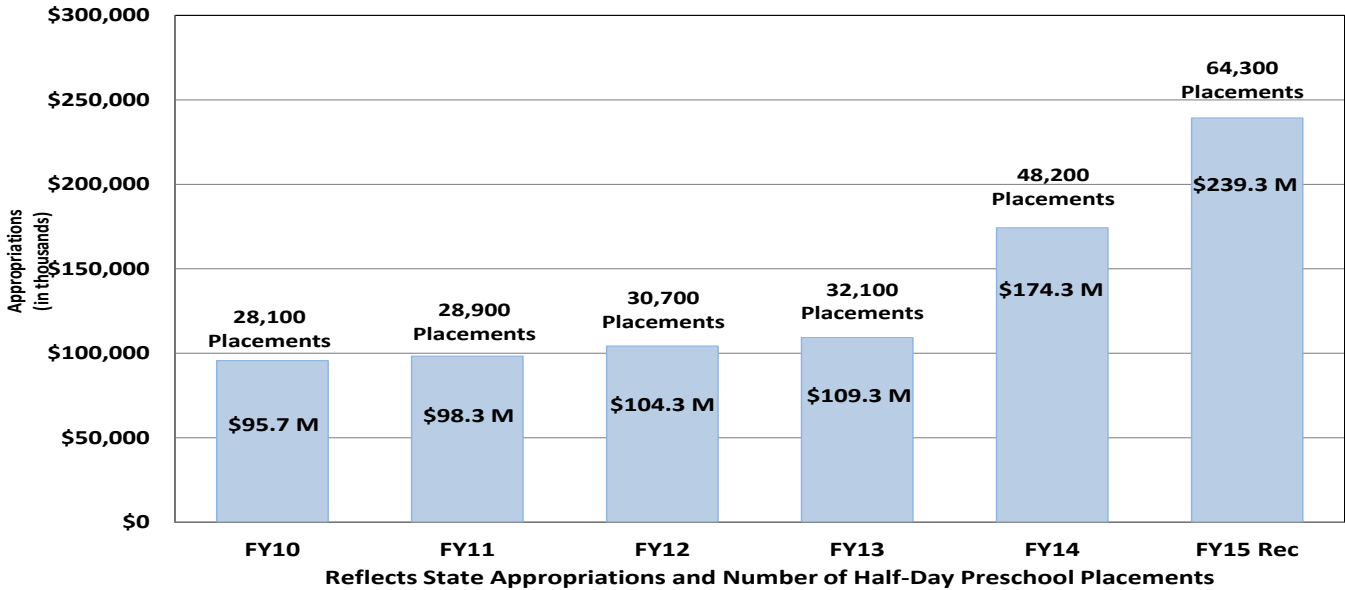
The School Aid budget provides operational funding for the state's public schools, which are charged with ensuring students are college or career ready when they graduate from the K-12 education system. The governor's proposed budget for fiscal year 2015 recommends total ongoing funding of \$13.5 billion, of which \$180 million is general fund. The governor also recommends \$268.4 million in one-time spending in fiscal year 2015. The estimated fiscal year 2016 budget totals \$13.8 billion, including \$180 million general fund.



Highlights of the Governor's Budget Recommendation

- As the economy improves, the governor is committed to providing more money for the classroom. The budget includes an additional \$150 million for a foundation allowance increase ranging between \$83 and \$111 per pupil through a formula providing for a greater increase to those districts at lower funding levels. Under this proposal, the minimum foundation allowance will increase to \$7,187 per pupil, and the basic foundation will increase to \$8,132 per pupil. Total funding to support public school operations through the per-pupil foundation allowance in fiscal year 2015 exceeds \$9 billion.
- As part of reforms in the Michigan Public School Employees' Retirement System (MPERS), the governor proposes \$783.9 million in fiscal year 2015 for payments to local and intermediate districts to pay the amount over the capped employer's contribution rate for unfunded accrued liabilities. This amount increases to over \$1 billion in fiscal year 2016.

**Preschool Funding has Doubled from Fiscal Year 2013 to Fiscal Year 2015
with a \$130 million Investment Over Two Years**



- The fiscal year 2015 budget includes nearly \$1.4 billion in funding for programs that provide over 208,000 students in the state with special education services.

- Last year, the governor committed to invest \$130 million over two years in the Great Start Readiness Program to address the large number of four-year-old children who are unable to access preschool services due to funding constraints. The fiscal year 2015 budget includes the second installment of this funding increase, or \$65 million - bringing total preschool funding to nearly \$240 million. The increased investment will fund 16,000 additional placements and will increase the per-placement allocation by \$100 to \$3,725. ([Michigan Education Dashboard](#))

"His aim is 'to make Michigan a no-wait state for early childhood education.' We are grateful to the governor for this continued commitment. We applaud his understanding that need remains and that investment in this initiative is essential to cultivating the healthy development and talent of our future workforce."

**Doug Luciani, President and CEO of the
Traverse City Area Chamber of Commerce
and Debbie Dingell, President of d2 Strategies
MLive, January 21, 2014**

- Building on the recently-released Michigan Council for Educator Effectiveness report, the fiscal year 2015 budget includes \$27.8 million for the phased-in implementation of evaluation tools and systems for teachers and administrators. Funding will provide for educator evaluator training, a state-selected observation tool, and changes to state data systems that will link student performance and educator evaluations.
- Continuing the governor's focus on rewarding performance, the fiscal year 2015 budget provides \$80 million in funding (\$52 per pupil) for districts that implement specified student best practices and also continues \$46.4 million to reward districts that achieve student academic performance standards (up to \$100 per pupil). ([Michigan Education Dashboard](#))

- A total of \$33.9 million is proposed to align student assessments with curriculum standards, along with a new online reporting tool to provide educators with up-to-date student growth data, enabling them to provide more personalized learning throughout the school year. Additionally, the technology infrastructure grant program will continue for a third year with \$50 million in funding, a portion earmarked for the conversion from paper to computer-based student assessments.
- For districts that are struggling financially, the governor is proposing a new multi-agency financial independence team that will implement an early warning system to identify troubled schools needing assistance earlier. The budget also includes a distressed district emergency reserve of \$10 million to help mitigate the effects on students if a district's fiscal distress is likely to cause disruptions in learning during the school year. Additionally, the consolidation innovation grants of \$5 million are continued to further promote efficiencies among districts.
- In the area of college and career readiness, the governor's budget includes \$1.8 million for districts that support students' enrollment in college courses while in high school, \$250,000 for an independent review of the state's current pathways between K-12 and postsecondary education into the labor force, and \$250,000 to help cover the costs of Advanced Placement tests for low-income students. The governor's budget also includes \$1 million to integrate the Michigan Merit Curriculum into career and technical education programs and \$2 million for a year-round schools pilot program. Funding for First Robotics programs is also included at \$2 million.
- The governor's budget also maintains spending of \$1.3 billion for core student supplemental programs such as academically at-risk pupils (\$309 million), adult education (\$22 million), vocational education (\$36.8 million) and added costs for educating court wards (\$8 million).
- To help mitigate the impact on schools from any unforeseen fiscal emergencies, the Executive Budget recommends a deposit of \$50 million into the Michigan Public School Employees' Retirement System (MPSERS) Reserve.

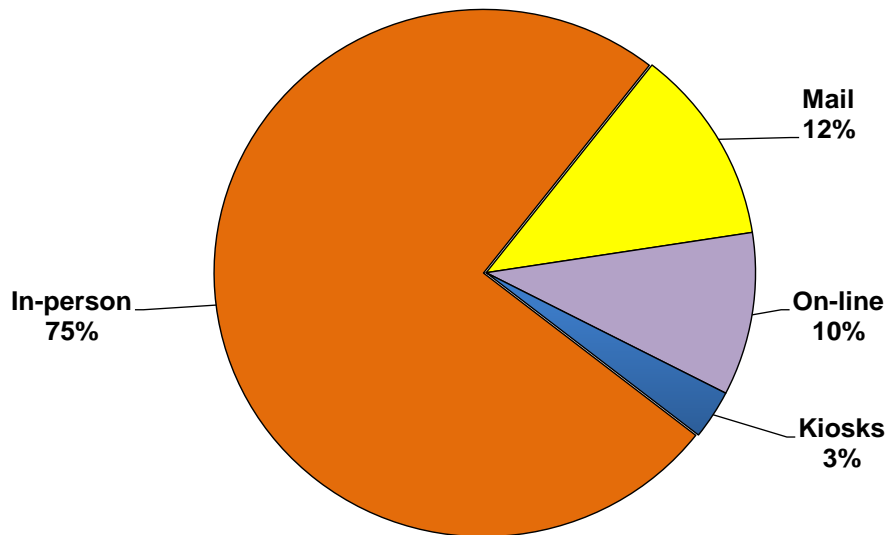
**Governor's Recommendation
School Aid
(\$ in Thousands)**

	FY2014			FY2015			FY2016		
	Current Law			Recommendation			Recommendation		
	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds	GF/GP	School Aid	All Funds
Ongoing Funding	\$180,000.0	\$11,224,382.3	\$13,168,803.6	\$180,000.0	\$11,540,626.9	\$13,528,789.6	\$180,000.0	\$11,802,560.8	\$13,790,723.5
One-Time Funding	\$54,900.0	\$143,000.0	\$197,900.0	\$0.0	\$268,350.0	\$268,350.0	\$0.0	\$0.0	\$0.0
Total Funding	\$234,900.0	\$11,367,382.3	\$13,366,703.6	\$180,000.0	\$11,808,976.9	\$13,797,139.6	\$180,000.0	\$11,802,560.8	\$13,790,723.5
	<i>% Change from Previous Year</i>								
	<i>Ongoing Funding</i>			<i>0.0%</i>	<i>2.8%</i>	<i>2.7%</i>	<i>0.0%</i>	<i>2.3%</i>	<i>1.9%</i>
	<i>One-Time Funding</i>			<i>-100.0%</i>	<i>87.7%</i>	<i>35.6%</i>	<i>0.0%</i>	<i>-100.0%</i>	<i>-100.0%</i>
	<i>Total Funding</i>			<i>-23.4%</i>	<i>3.9%</i>	<i>3.2%</i>	<i>0.0%</i>	<i>-0.1%</i>	<i>0.0%</i>
Programs									
Basic Operations Support				\$157,814.7	\$8,882,884.9	\$9,040,699.6	\$155,314.7	\$8,849,377.9	\$9,004,692.6
Special Education				\$0.0	\$938,946.1	\$1,382,946.1	\$0.0	\$961,646.1	\$1,405,646.1
Supplemental and Support Services				\$9,862.5	\$394,458.8	\$1,248,840.5	\$9,862.5	\$394,458.8	\$1,248,840.5
MPSERS Retirement Contributions				\$0.0	\$783,944.0	\$783,944.0	\$0.0	\$1,017,444.0	\$1,017,444.0
School Meal Programs				\$0.0	\$28,120.1	\$541,320.1	\$0.0	\$28,120.1	\$541,320.1
Great Start Preschool Programs				\$300.0	\$250,175.0	\$250,475.0	\$300.0	\$250,175.0	\$250,475.0
Debt Service and Other Required Payments				\$0.0	\$177,403.1	\$177,403.1	\$0.0	\$196,466.8	\$196,466.8
Assessments and Accountability				\$12,022.8	\$84,694.9	\$103,161.2	\$14,522.8	\$104,872.1	\$125,838.4
Total Ongoing Recommendation				\$180,000.0	\$11,540,626.9	\$13,528,789.6	\$180,000.0	\$11,802,560.8	\$13,790,723.5
Best Practices Funding				\$0.0	\$80,000.0	\$80,000.0	\$0.0	\$0.0	\$0.0
Technology Infrastructure Grants				\$0.0	\$50,000.0	\$50,000.0	\$0.0	\$0.0	\$0.0
Performance Funding				\$0.0	\$46,400.0	\$46,400.0	\$0.0	\$0.0	\$0.0
Durant Debt Service - Final Payment				\$0.0	\$39,500.0	\$39,500.0	\$0.0	\$0.0	\$0.0
Educator Evaluations				\$0.0	\$15,000.0	\$15,000.0	\$0.0	\$0.0	\$0.0
Small Class Size Supplemental Payments				\$0.0	\$13,000.0	\$13,000.0	\$0.0	\$0.0	\$0.0
Emergency Fund for Schools in Fiscal Distress				\$0.0	\$10,000.0	\$10,000.0	\$0.0	\$0.0	\$0.0
College and Career Readiness Programs				\$0.0	\$5,250.0	\$5,250.0	\$0.0	\$0.0	\$0.0
Consolidation Innovation Grants				\$0.0	\$5,000.0	\$5,000.0	\$0.0	\$0.0	\$0.0
District Dissolution Transition Grants				\$0.0	\$2,200.0	\$2,200.0	\$0.0	\$0.0	\$0.0
Year-Round School Pilot Program				\$0.0	\$2,000.0	\$2,000.0	\$0.0	\$0.0	\$0.0
*Not included in totals is a deposit of \$50 million into the MPSERS Reserve.									
Total One-Time Recommendation				\$0.0	\$268,350.0	\$268,350.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION				\$180,000.0	\$11,808,976.9	\$13,797,139.6	\$180,000.0	\$11,802,560.8	\$13,790,723.5

Department of State

The Michigan Department of State administers Michigan's motor vehicle programs including titling, registering vehicles, licensing drivers, and monitoring driver performance. The Department of State delivers services via branch offices, renewal by mail, and self-service terminals throughout the state. ExpressSOS provides convenient online services to customers. The Secretary of State also supervises statewide elections and ensures compliance with state election laws. *The governor's proposed budget for fiscal years 2015 and 2016 recommends total funding of \$224.1 million, of which \$17.9 million is general fund.*

Secretary of State oversees 30 million vehicle records and processes nearly 10 million vehicle registrations



Points of Service Transactions

Highlights of Governor's Budget Recommendation

- The Executive Recommendation reflects an increase of \$1.8 million general fund to support a department-wide focus on fraud detection and prevention, a priority for the Secretary of State. The department continually updates investigative techniques to identify and prevent fraud. The policy to verify every paper insurance certificate (proof of insurance) before renewing vehicle registrations will support those efforts. This new policy will help ensure that drivers carry appropriate automobile insurance.
- To ensure that the Bureau of Elections meets its statutory obligations to administer the Campaign Finance Act and Lobby Registration Act, the governor invests \$7.3 million (an increase of \$500,000) to maintain and support the systems responsible for effective election night reporting, precinct level returns, and lobby disclosure.

"The new Secretary of State online services available at ExpressSOS.com now has topped one million transactions, meaning more Michigan residents are choosing to save time by going online."

WWJ Radio

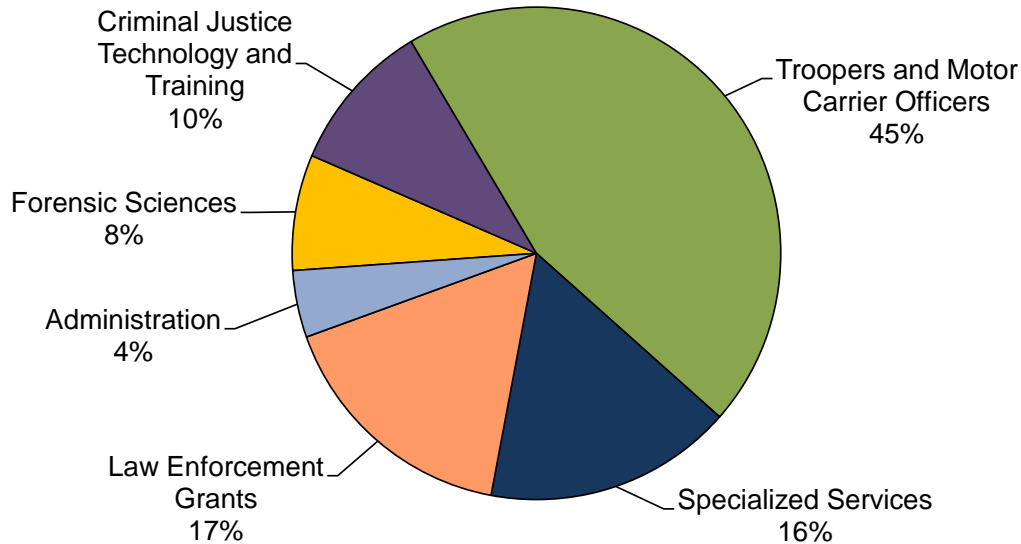
Governor's Recommendation
Department of State
(\$ in Thousands)

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$15,253.4	\$219,548.9	\$17,939.0	\$224,112.3	\$17,939.0	\$224,112.3
One-Time Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Funding	\$15,253.4	\$219,548.9	\$17,939.0	\$224,112.3	\$17,939.0	\$224,112.3
<i>% Change from Previous Year</i>						
<i>Ongoing Funding</i>			17.6%	2.1%	0.0%	0.0%
<i>One-Time Funding</i>			0.0%	0.0%	0.0%	0.0%
<i>Total Funding</i>			17.6%	2.1%	0.0%	0.0%
Programs						
Customer Delivery Services			\$3,949.7	\$142,179.6	\$3,949.7	\$142,179.6
Department Services			\$1,288.3	\$30,740.1	\$1,288.3	\$30,740.1
Information Technology			\$1,566.4	\$21,969.9	\$1,566.4	\$21,969.9
Departmentwide Appropriations			\$2,578.7	\$9,805.3	\$2,578.7	\$9,805.3
Election Regulation			\$6,866.0	\$7,310.1	\$6,866.0	\$7,310.1
Legal Services			\$12.2	\$6,963.3	\$12.2	\$6,963.3
Executive Direction			\$1,677.7	\$5,144.0	\$1,677.7	\$5,144.0
Total Ongoing Recommendation			\$17,939.0	\$224,112.3	\$17,939.0	\$224,112.3
None			\$0.0	\$0.0	\$0.0	\$0.0
Total One-Time Recommendation			\$0.0	\$0.0	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$17,939.0	\$224,112.3	\$17,939.0	\$224,112.3

Department of State Police

The Michigan State Police (MSP) delivers law enforcement services throughout the state. *The governor's proposed budget for fiscal year 2015 recommends total ongoing funding of \$620.3 million, of which \$366.2 million is general fund. In addition, one-time total funding of \$19 million, of which \$17.7 million is general fund, is recommended. The governor's proposed budget for fiscal year 2016 recommends total funding of \$625.7 million, of which \$371.6 million is general fund.*

State Police Provides a Variety of Statewide Enforcement and Specialty Services

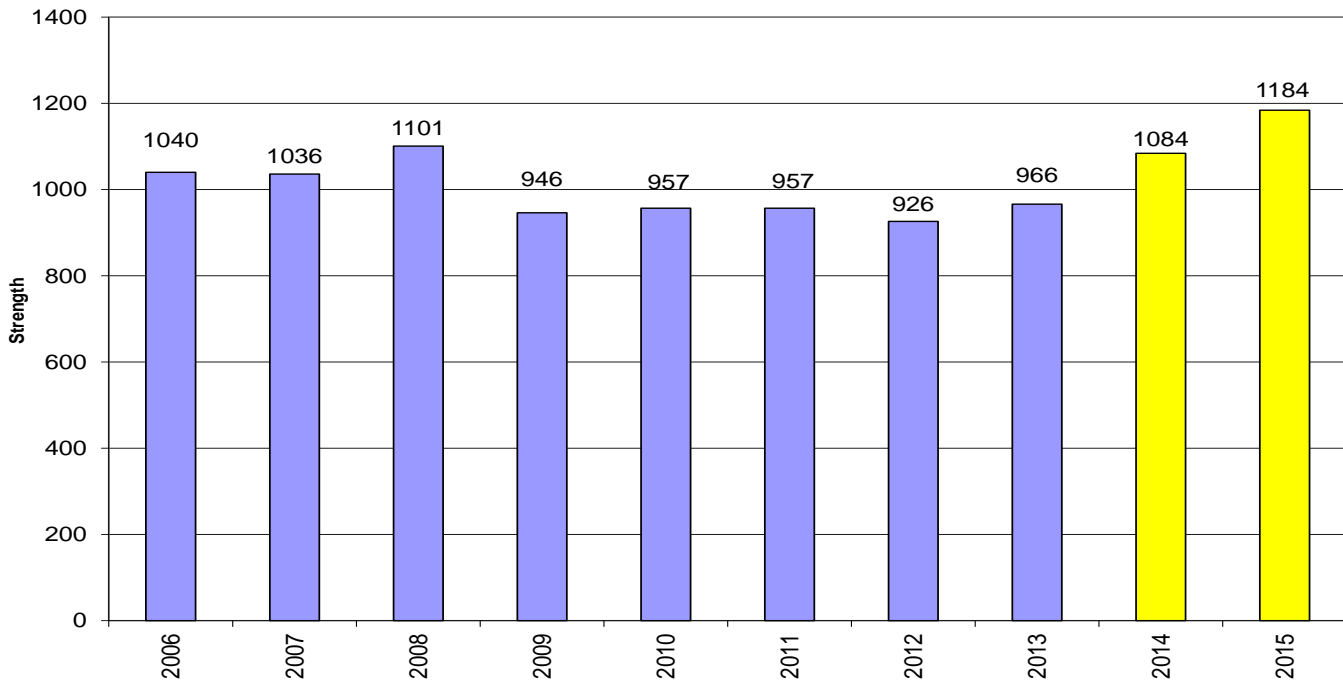


Total: \$639.3 million

Highlights of Governor's Budget Recommendation

- The governor's proposed budget adds a total of \$30.4 million general fund for MSP, an increase of 8.6 percent over the current year. This funding is for core programs of the department, including road patrol and motor carrier enforcement, investigative services, emergency management and homeland security, secondary road patrol grant funding, and funding for the Michigan Commission on Law Enforcement Standards.
- To enhance the department's ability to protect motorists and the state's roadway infrastructure, the governor recommends \$3.2 million ongoing general fund and \$2 million one-time general fund for a recruit school in fiscal year 2015 to graduate 31 motor carrier officers, bringing the number of motor carrier officers to the highest level since 2003. These additional officers will increase statewide monitoring of commercial vehicle traffic on state roadways for compliance with size, weight, and safety requirements and interdict criminal activities such as cargo theft, vehicle theft, and narcotics trafficking.
(MSP metric C-2)

Trooper Strength Up 24% Since 2010



- In an effort to continue to improve public safety, \$13.5 million is added for a trooper recruit school anticipated to graduate 100 troopers. These additional troopers will continue the governor's focus on improving public safety and reducing crime. Following the fiscal year 2015 trooper recruit school, the overall trooper strength is anticipated to reach 1,184, a level not seen since 2002. (*MSP metric C-1 and C-8*)
- The governor's recommendation includes \$2.6 million in total funding (\$2.3 million general fund) for information technology investments that support the department, local law enforcement agencies, and other members of the law enforcement community. One-time funding of \$1.1 million (\$750,000 general fund) will allow the department to make upgrades to the Law Enforcement Information Network (LEIN) and improve warrant and disposition reporting systems. Ongoing funding of \$1.5 million general fund will support the costs of maintaining the Statewide Records Management System, formerly known as the Area Records Management System (ARMS). A \$3.6 million state grant was accepted by Saginaw County in December 2013 to support the transition of ownership of ARMS from the Saginaw County Sheriff's Office to MSP. The governor's recommendation, in conjunction with the \$3.6 million grant, will provide MSP the opportunity to expand beyond the 52 law enforcement agencies currently utilizing the system into a truly statewide records management system for law enforcement.
- Building on school safety efforts like Ok-2-Say, a 24/7 student safety hotline, the governor recommends a one-time \$5 million general fund investment for local public safety technology and equipment grants with a focus on school safety. The Council on Law Enforcement and Reinvention will review applications and make award recommendations. The grants will support the purchase and implementation of technologies such as enhanced 911 abilities, malicious call tracing, physical deterrents, real-time location systems, emergency alert software, and other similar technologies.

- To support the increase in hours and requests the department's aviation unit has received as a result of the Secure Cities Partnership initiative, an effort to support law enforcement agencies in Flint, Detroit, Pontiac and Saginaw, the governor recommends \$5.2 million general fund, of which \$4.9 million is one-time, for the purchase of a helicopter. The department currently relies on two helicopters to respond to calls across the state in addition to supporting the Secure Cities Partnership initiative. A third helicopter will allow the department to dedicate more hours to Detroit, Flint, Pontiac, and Saginaw, while improving response times for search and rescue missions, vehicle chases, and other missions in West Michigan and the Upper Peninsula.
- The governor's recommendation includes one-time funding of \$225,000 general fund to replace one emergency response team armored rescue vehicle that is over thirty years old, has high mileage, and has high incidents of mechanical failure. The department currently has three armored rescue vehicles located in different regions of the state. Approximately half of the services provided by the emergency response teams are assisting local police departments, as most local agencies cannot afford to maintain their own tactical teams. *(MSP metric C-1)*
- Outside of the MSP budget, but critically important to the department's ongoing operations, the governor is recommending an investment of \$25.3 million general fund for the lifecycle replacement costs of the Michigan Public Safety Communication System (MPSCS). MPSCS provides interoperable voice and data communications to over 1,400 federal, state, local and private public safety agencies throughout the state and serves as the primary communications system for the departments of State Police, Corrections, Transportation, Natural Resources, and Military and Veterans Affairs. Of the \$25.3 million investment, \$20 million general fund will be used to replace and maintain major system components while \$5.3 million general fund will support the replacement of portable radios exceeding their recommended lifecycle schedule. *(MSP metric P-5)*

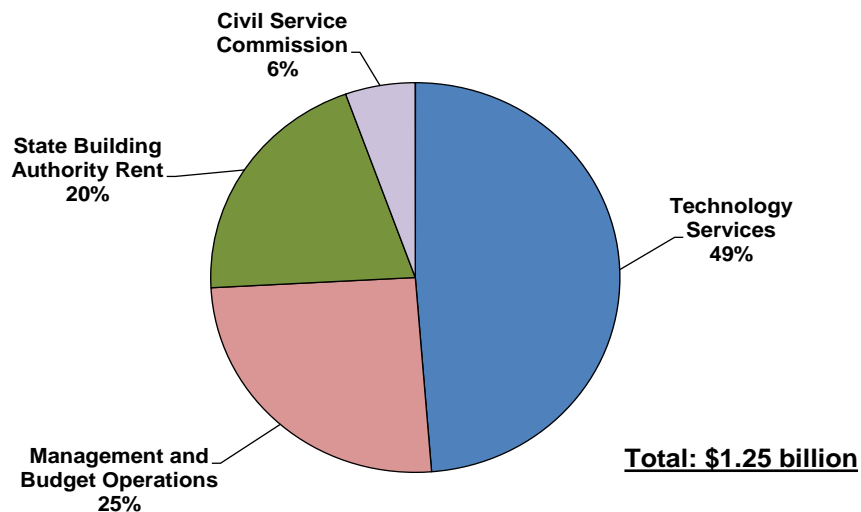
**Governor's Recommendation
Department of State Police
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$346,912.4	\$600,257.1	\$366,191.7	\$620,343.7	\$371,591.7	\$625,743.7
One-Time Funding	\$6,561.9	\$6,561.9	\$17,729.3	\$18,979.3	\$0.0	\$0.0
Total Funding	\$353,474.3	\$606,819.0	\$383,921.0	\$639,323.0	\$371,591.7	\$625,743.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		5.6%	3.3%	1.5%	0.9%
	<i>One-Time Funding</i>		170.2%	189.2%	-100.0%	-100.0%
	<i>Total Funding</i>		8.6%	5.4%	-3.2%	-2.1%
Programs						
Troopers and Motor Carrier Officers			\$216,070.9	\$280,576.0	\$221,470.9	\$285,976.0
Law Enforcement Grants			\$4,426.7	\$100,507.1	\$4,426.7	\$100,507.1
Specialized Services			\$71,517.3	\$100,011.9	\$71,517.3	\$100,011.9
Criminal Justice Technology and Training			\$21,163.5	\$62,523.8	\$21,163.5	\$62,523.8
Forensic Sciences			\$29,478.1	\$48,555.0	\$29,478.1	\$48,555.0
Administration			\$23,535.2	\$28,169.9	\$23,535.2	\$28,169.9
Total Ongoing Recommendation			\$366,191.7	\$620,343.7	\$371,591.7	\$625,743.7
Trooper and Motor Carrier School One-Time Costs			\$6,822.3	\$7,722.3	\$0.0	\$0.0
Aviation and Emergency Support Vehicles			\$5,157.0	\$5,157.0	\$0.0	\$0.0
Criminal Justice Technology One-Time Costs			\$750.0	\$1,100.0	\$0.0	\$0.0
Local Public Safety Initiative			\$5,000.0	\$5,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$17,729.3	\$18,979.3	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$383,921.0	\$639,323.0	\$371,591.7	\$625,743.7

Department of Technology, Management and Budget

The Department of Technology, Management and Budget (DTMB) supports the business operations of state agencies through a variety of services. These services include building management and maintenance, technology services, centralized contracting, purchasing, space planning and leasing, construction management, motor vehicle fleet management, and the state retirement system. *The governor's proposed budget for fiscal years 2015 and 2016 recommends ongoing funding of \$1.25 billion, of which \$472.8 million is general fund. The governor also recommends \$29.9 million in one-time spending in fiscal year 2015.*

Nearly half of the funding supports information technology services for state agencies



Highlights of Governor's Budget Recommendation

- The Executive Recommendation includes funding for information technology support for all state agencies, primarily funded with user fees from client agencies.
 - o The governor recommends an additional \$28 million in ongoing general fund for various enterprisewide information technology improvements. This additional funding increases the total for information technology improvements to \$75 million.
 - o The Executive Budget transfers \$16.3 million (\$14.2 million general fund) for the Michigan Public Safety Communications System from the Department of State Police to the Department of Technology, Management and Budget. This transfer aligns funding of the system with responsibility for system operation and maintenance. In addition, the governor recommends \$20 million general fund to begin an equipment lifecycle replacement schedule for the Michigan Public Safety Communications System. The recommendation also includes \$5.3 million general fund to begin a 15-year statewide radio replacement cycle.
 - o To enhance Michigan's cyber security, the governor recommends \$6.8 million general fund to remediate enterprise network risks, implement a Cyber Civilian Corps,

expand the current cyber range, build a cyber-talent pool, and provide data loss prevention and penetration testing services. This additional funding increases the total recommendation for cyber security to \$9.1 million.

- The governor's budget recommends planning for three capital outlay projects at Ferris State University, West Shore Community College and Lake Michigan College totaling an estimated \$50.7 million. Fiscal year 2015 marks the first year that capital outlay requests were evaluated under the new statutory criteria included in the recent capital outlay process reforms (P.A. 430 of 2012). These three projects ranked the highest and will support Michigan's workforce talent needs.
- In addition, the governor is recommending construction for five university and community college projects totaling \$60.3 million in a fiscal year 2014 supplemental. These projects at Saginaw Valley State University, Kalamazoo Valley Community College, Macomb Community College, Muskegon Community College and Southwestern Michigan College were previously authorized for planning in fiscal year 2013 and are now ready to proceed to the construction phase.
- The budget recommends a \$4 million general fund reduction in State Building Authority rent to reflect anticipated obligations in fiscal years 2015 and 2016.
- The governor invests an additional \$5 million of general fund resources for the preservation and maintenance of state facilities, providing a total of \$33 million for this purpose. *(DTMB metric 2-1)*
- The governor recommends \$5 million general fund for Regional Prosperity Grants, an increase of \$2.5 million. This program encourages local partners to work together to develop a regional economic development model and create vibrant regional economies.
- New in fiscal year 2015 is a \$5.5 million urban initiatives investment. The Office of Urban Initiatives focuses on positive economic impact and job growth in the areas of housing, transportation, infrastructure, public services, and land use and sustainability.
- The governor recommends increasing funding for the Office of Children's Ombudsman by \$510,200 general fund to ensure that the office is adequately staffed to investigate child welfare complaints.
- The Executive Budget includes funding of \$69 million for the Civil Service Commission to provide professional, non-partisan oversight of the state's workforce.

Governor's Recommendation
Department of Technology, Management and Budget
(\$ in Thousands)

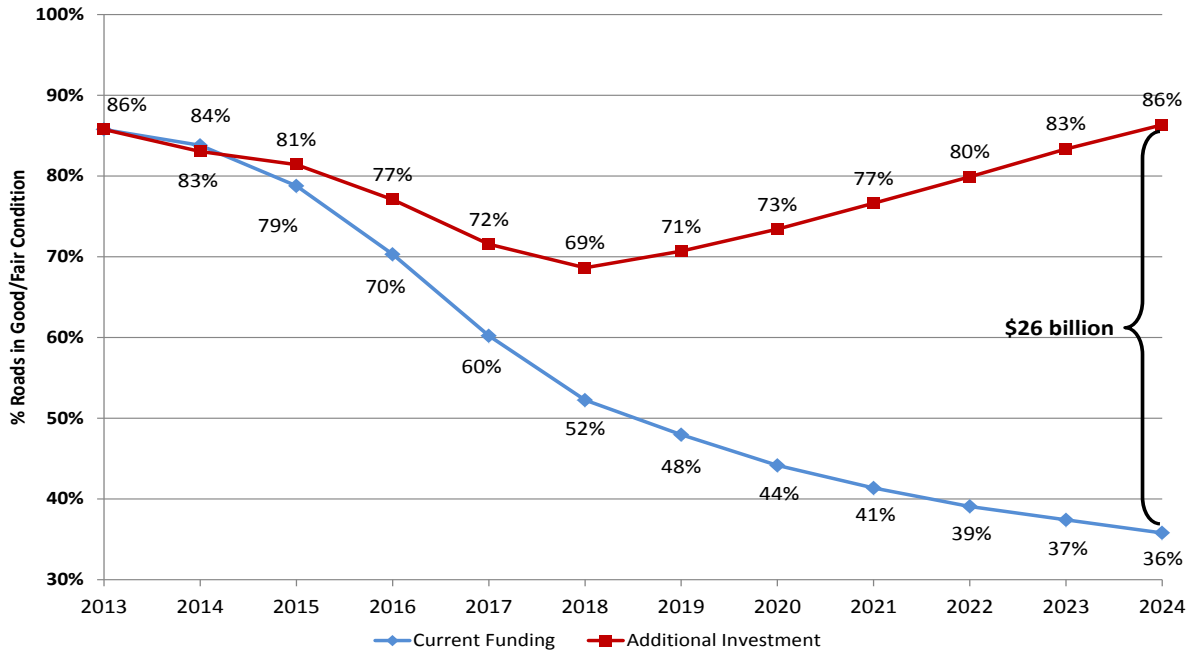
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$392,787.3	\$1,153,075.1	\$472,848.2	\$1,252,303.9	\$472,848.2	\$1,252,303.9
One-Time Funding	\$16,430.5	\$37,730.5	\$23,000.3	\$29,900.3	\$0.0	\$0.0
Total Funding	\$409,217.8	\$1,190,805.6	\$495,848.5	\$1,282,204.2	\$472,848.2	\$1,252,303.9
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		20.4%	8.6%	0.0%	0.0%
	<i>One-Time Funding</i>		40.0%	-20.8%	-100.0%	-100.0%
	<i>Total Funding</i>		21.2%	7.7%	-4.6%	-2.3%
Programs						
Technology Services			\$123,715.1	\$610,169.2	\$123,715.1	\$610,169.2
Management and Budget Operations			\$72,164.5	\$318,434.9	\$72,164.5	\$318,434.9
State Building Authority Rent			\$254,570.6	\$254,570.6	\$254,570.6	\$254,570.6
Civil Service Commission			\$22,398.0	\$69,129.2	\$22,398.0	\$69,129.2
Total Ongoing Recommendation			\$472,848.2	\$1,252,303.9	\$472,848.2	\$1,252,303.9
Enterprisewide Special Maintenance for State Facilities			\$10,000.0	\$10,000.0	\$0.0	\$0.0
Technology Services Funding			\$0.0	\$6,900.0	\$0.0	\$0.0
Office of Urban Initiatives			\$5,500.0	\$5,500.0	\$0.0	\$0.0
Litigation Fund			\$5,000.0	\$5,000.0	\$0.0	\$0.0
Regional Prosperity Grants			\$2,500.0	\$2,500.0	\$0.0	\$0.0
University and Community College Capital Outlay Planning Authorization			\$0.3	\$0.3	\$0.0	\$0.0
Total One-Time Recommendation			\$23,000.3	\$29,900.3	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$495,848.5	\$1,282,204.2	\$472,848.2	\$1,252,303.9



Department of Transportation

The Department of Transportation (MDOT) is responsible for ensuring the state's network of roads and bridges, public transportation systems, passenger and freight rail and aviation programs provide for the efficient and effective movement of people and goods. *The governor's proposed budget for fiscal year 2015 and 2016 recommends total ongoing funding of \$3.4 billion. The governor also recommends \$254 million in one-time general fund spending in fiscal year 2015.*

**State Trunkline Pavement Condition Forecast:
Additional Investment Needed to Avoid
Drastic Declines in System Condition**



Highlights of Governor's Budget Recommendation

In 2013, Governor Snyder proposed a \$1.2 billion annual transportation investment package to address the accelerating deterioration of Michigan's roads and bridges. The governor remains committed to securing a comprehensive transportation funding solution. Delays in action over the last year have increased the annual state trunkline investment need to \$1.3 billion. If no additional investment is made to address infrastructure needs, the projected cost to rebuild a failed transportation system in 10 years will be a staggering \$26 billion, up \$1 billion from the earlier estimates.

Ratings of state trunklines in good/fair condition are forecasted to continue to fall from 83 percent in 2014, to a potentially debilitating 48 percent in five years, and to 36 percent in ten years. A system decline of this magnitude, if allowed to continue, will have profound long-term economic and quality of life impacts on all Michigan residents. According to a recent study by TRIP, a national transportation research group, the impact of Michigan's deteriorating road conditions are already being felt by motorists with an annual cost to repair and maintain vehicles of \$536 in Detroit, \$327 in Grand Rapids, and \$305 in Lansing.

Governor Snyder’s fiscal year 2015 budget recommendation contains over a quarter of a billion general fund dollars on a one-time basis to serve as a down payment towards a comprehensive funding solution. The transportation investments are targeted to the following areas of need:

- Current transportation revenues are no longer sufficient to match all of Michigan’s available federal transportation aid. A total of \$139.1 million general fund is included in the governor’s budget to leverage over \$561 million in federal aid across all modes of transportation. (*MDOT metric 24*)

- Governor Snyder’s budget also includes an additional \$115 million general fund for state trunkline road and bridge projects. In addition, the budget recommends a \$40 million increase in highway maintenance funding to address critical high priority maintenance activities. Every \$1 dollar spent on pavement preservation and routine maintenance while a roadway is in good or fair condition delays or eliminates up to \$14 dollars of later reconstruction costs. (*MDOT metric 13-14*)

“In a classic example of ‘pay me now or pay me later,’ Michigan motorists now know the scale of the hidden tax being levied on them by the failure of the state to repair its crumbling roads and bridges. The tab: an average \$536 a year for each vehicle owner. . . . Motorists are already paying for the bad roads in the form of vehicle repair costs and lost fuel efficiency.”

Detroit News Editorial, January 24, 2014

- The recommended fiscal year 2015 general fund investments of \$254 million bring the total general fund included in the transportation budget since fiscal year 2012 to \$624 million.

**Governor's Recommendation
Department of Transportation
(\$ in Thousands)**

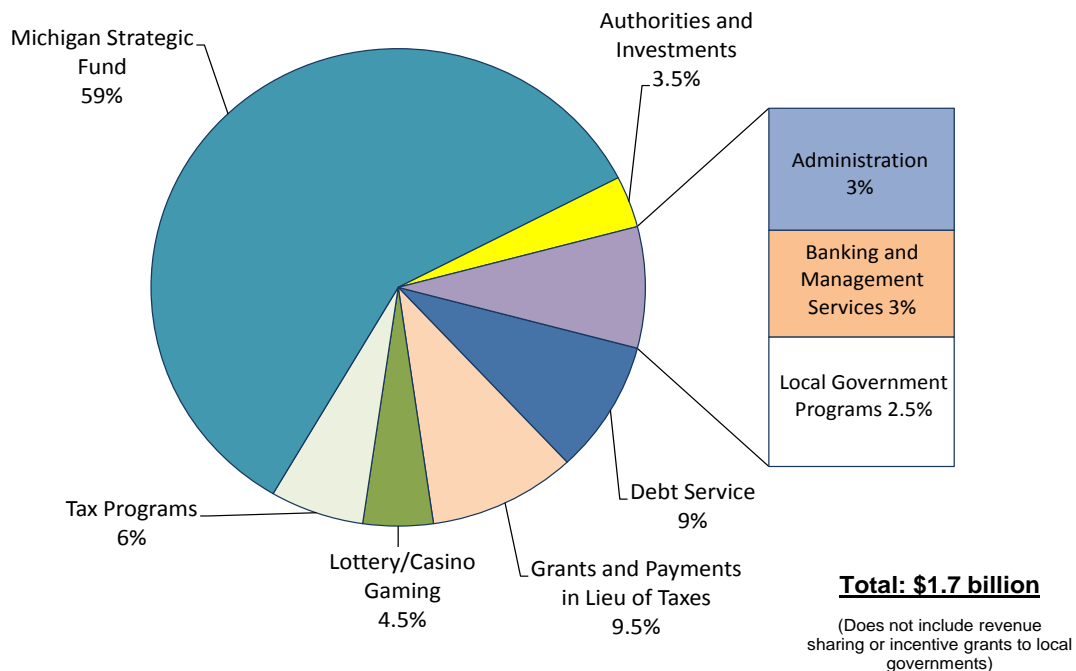
	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$0.0	\$3,360,816.7	\$0.0	\$3,414,950.7	\$0.0	\$3,414,950.7
One-Time Funding	\$121,300.0	\$238,300.0	\$254,047.9	\$254,047.9	\$0.0	\$0.0
Total Funding	\$121,300.0	\$3,599,116.7	\$254,047.9	\$3,668,998.6	\$0.0	\$3,414,950.7
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		0.0%	1.6%	0.0%	0.0%
	<i>One-Time Funding</i>		109.4%	6.6%	-100.0%	-100.0%
	<i>Total Funding</i>		109.4%	1.9%	-100.0%	-6.9%
Programs						
Road and Bridge Construction and Maintenance			\$0.0	\$2,615,604.8	\$0.0	\$2,615,604.8
Transit, Rail, and Aeronautics Services			\$0.0	\$341,283.0	\$0.0	\$341,283.0
Debt Service			\$0.0	\$242,318.3	\$0.0	\$242,318.3
Support Services			\$0.0	\$120,765.1	\$0.0	\$120,765.1
Capital Outlay			\$0.0	\$94,979.5	\$0.0	\$94,979.5
Total Ongoing Recommendation			\$0.0	\$3,414,950.7	\$0.0	\$3,414,950.7
State Trunkline Road and Bridge Construction			\$242,000.0	\$242,000.0	\$0.0	\$0.0
Transit Capital and Rail Infrastructure			\$10,000.0	\$10,000.0	\$0.0	\$0.0
Airport Safety, Protection and Improvement Program			\$2,047.9	\$2,047.9	\$0.0	\$0.0
Total One-Time Recommendation			\$254,047.9	\$254,047.9	\$0.0	\$0.0
TOTAL RECOMMENDATION			\$254,047.9	\$3,668,998.6	\$0.0	\$3,414,950.7



Department of Treasury

The Department of Treasury's major responsibilities include the fair and efficient administration of the state's tax system, investing state funds, safeguarding the credit rating of the state and local governments, forecasting state economic activity and revenue, administering property tax laws, auditing county and municipal financial records, maximizing lottery revenue to the School Aid Fund and providing oversight of casino gaming operations. The department's budget also includes funding for the economic development and low-income housing programs administered by the Michigan Strategic Fund and Michigan State Housing Development Authority. *The governor's proposed budget for fiscal year 2015 recommends total funding of \$3 billion, of which \$498.5 million is general fund. In fiscal year 2015, the budget includes one-time funding of \$66.6 million, of which \$37.8 is general fund. For fiscal year 2016, the governor recommends total funding of \$3 billion, of which \$487.4 million is general fund.*

Nearly 60 Percent of Resources Provide For Economic Development, Workforce Development, and Community Revitalization



Treasury Operations

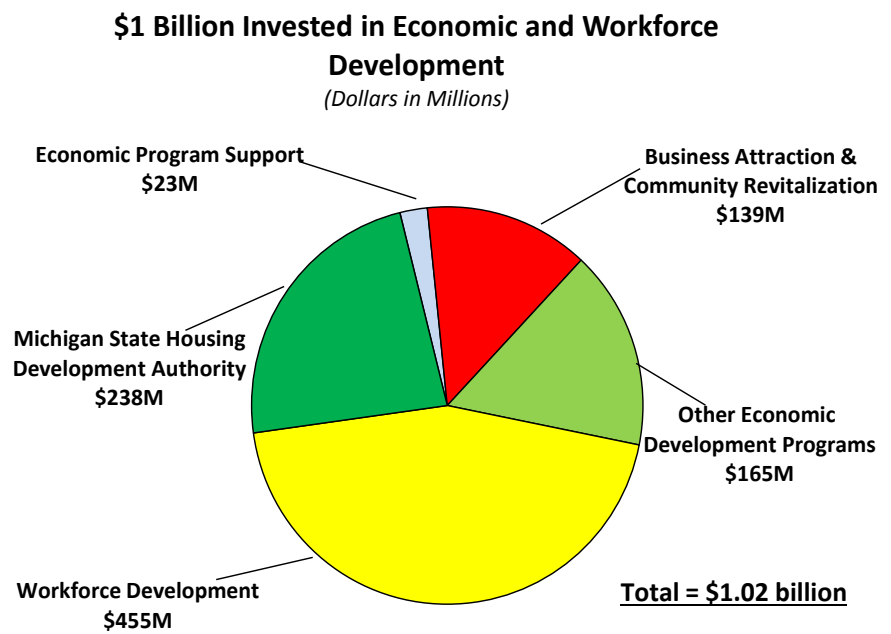
- The governor's fiscal year 2015 budget provides \$6.5 million in general fund support for the Department of Treasury and \$778,100 for the Department of Education to establish an interagency team that will provide support to financially stressed school districts in an effort to avoid potential loan default, insolvency, or dissolution. These resources will cover costs associated with staffing and contractual expertise, such as forensic auditors.
- The governor recommends \$152.4 million for debt service payments. This includes replacing \$3 million in refined petroleum funds with an equal amount of general fund, which will increase the funding available for environmental clean-up efforts within

the Department of Environmental Quality (DEQ), and adding \$6.9 million to fund debt service related to the issuance of Strategic Water Quality bonds. These bonds will fund the continued design, development and implementation plans for sanitary sewer and storm sewer infrastructure in local communities. *(DEQ metric S9)*

- The Department of Treasury is currently implementing a multi-year replacement of all legacy tax collection systems. Extensive testing of collection systems is required to ensure accuracy and timeliness of the redesign process. The governor’s budget includes \$1.5 million general fund to support a dedicated team of testing professionals. An additional \$600,000 general fund is also provided to enhance the technical issues resolution program. With the modifications made to Michigan’s tax structure, the demand for compliance reviews has increased and these resources will enable continued quality assurance in the revenue collection process.
- Over 5 million individuals file tax returns with the department. For fiscal year 2015, the governor has included \$2 million in one-time general fund support to implement a credit card payment system for Michigan taxpayers. This e-pay option will complement other income tax e-services.
- A series of personal property tax reform bills were signed into law in December of 2012 which reduce property taxes levied on personal property, while providing mechanisms for replacement of a portion of the lost tax revenue to local units of government. The governor’s fiscal year 2015 budget provides \$20.8 million general fund to fulfill the requirements of the tax reform law, with \$19.3 million allocated specifically for reimbursement payments to locals, and \$1.5 million to cover associated administrative costs.

Michigan Strategic Fund (MSF)

- The Michigan Strategic Fund, which includes the Michigan State Housing Development Authority, is responsible for economic development, workforce development, and community revitalization across Michigan. *The governor’s proposed budget for fiscal years 2015 and 2016 recommends total ongoing funding for the Michigan Strategic Fund of \$1 billion, of which \$214.3 million is general fund. The governor also recommends \$15 million in general fund one-time spending in fiscal year 2015.*



- The governor’s budget invests a total of \$138.5 million to grow Michigan’s economy through business development and community revitalization efforts. Of this amount, \$28.3 million is now included on an ongoing basis to aid industry and business attraction and \$15 million of additional general fund will fuel community development projects throughout the state. (*MSF metrics 3,7,10 and 11*)
- Governor Snyder recommends an innovative Engineering Talent Investment Program that will allow universities with accredited engineering programs to compete for \$100 million in bond funds for capital improvements. The goal of the program is to enhance the state’s workforce talent by increasing the number of engineering graduates with skills needed by Michigan employers, while ensuring that those graduates stay in the state through established partnerships with employers. An annual debt service appropriation of \$7.9 million general fund is included to support this initiative.
- To address the talent needs in skilled trades, Governor Snyder recommends a \$50 million community college skilled trades equipment program to re-tool community colleges with the latest equipment so that they can deliver educational programs in high-wage, high-skill and high-demand occupations. Community colleges participating in the competitive program must demonstrate employer demand within their prosperity region. An annual debt service appropriation of \$4.6 million general fund is included to support this initiative.
- A \$5 million one-time general fund investment supports the newly created Automotive, Engineering and Manufacturing Technology Fund for the global marketing of Michigan’s automotive sector and public-private partner engagement and collaborations within the auto industry, such as pilot projects in supply chain management and logistics. (*MSF metrics 5,6 and 16*)
- An additional \$2 million in the *Pure Michigan* program, for a total of \$31 million, will expand the national advertising campaign for spring/summer and enhance international marketing efforts already underway in Canada, Europe, and Asia. (*MSF metrics 14-16*)
- Governor Snyder recommends continuing the film incentive program via \$25 million in ongoing general fund revenues, and adds an additional \$2 million general fund for a total of \$10.1 million to support arts and cultural programs in local communities. (*MSF metrics 3 and 7*)
- The Executive Budget also invests \$4 million general fund in the Land Bank Fast Track Authority to aid in the redevelopment of tax-reverted properties: \$2 million for “Good Neighbor” property maintenance and \$2 million to support the operations of the authority.

**Governor's Recommendation
Department of Treasury
(\$ in Thousands)**

	FY2014 Current Law		FY2015 Recommendation		FY2016 Recommendation	
	GF/GP	All Funds	GF/GP	All Funds	GF/GP	All Funds
Ongoing Funding	\$367,591.9	\$2,674,004.3	\$460,667.6	\$2,902,168.5	\$468,094.6	\$2,937,823.2
One-Time Funding	\$91,563.3	\$120,563.3	\$37,800.0	\$66,600.0	\$19,300.0	\$19,300.0
Total Funding	\$459,155.2	\$2,794,567.6	\$498,467.6	\$2,968,768.5	\$487,394.6	\$2,957,123.2
	<i>% Change from Previous Year</i>					
	<i>Ongoing Funding</i>		25.3%	8.5%	1.6%	1.2%
	<i>One-Time Funding</i>		-58.7%	-44.8%	-48.9%	-71.0%
	<i>Total Funding</i>		8.6%	6.2%	-2.2%	-0.4%
Programs						
Michigan Strategic Fund			\$210,342.5	\$766,623.9	\$210,342.5	\$766,623.9
Constitutional Revenue Sharing			\$0.0	\$764,927.6	\$0.0	\$793,155.3
Other Local Government Programs			\$0.0	\$459,240.0	\$0.0	\$459,240.0
MSF - Michigan State Housing Development Authority			\$3,950.0	\$237,806.0	\$3,950.0	\$237,806.0
Grants and Payments in Lieu of Taxes			\$33,351.1	\$164,484.5	\$33,351.1	\$164,484.5
Debt Service Payments			\$152,395.0	\$152,395.0	\$159,822.0	\$159,822.0
Administration of Tax Programs			\$20,233.5	\$102,371.1	\$20,233.5	\$102,371.1
Authorities and Investments			\$0.0	\$59,049.7	\$0.0	\$59,049.7
Bureau of State Lottery			\$0.0	\$48,106.5	\$0.0	\$48,106.5
Banking and Management Services			\$5,297.7	\$47,628.9	\$5,297.7	\$47,628.9
Administration			\$21,993.4	\$47,458.5	\$21,993.4	\$47,458.5
Casino Regulation			\$0.0	\$29,656.2	\$0.0	\$29,656.2
Local Government Programs			\$13,104.4	\$22,420.6	\$13,104.4	\$22,420.6
Total Ongoing Recommendation			\$460,667.6	\$2,902,168.5	\$468,094.6	\$2,937,823.2
Economic Vitality Incentive Program			\$0.0	\$28,800.0	\$0.0	\$0.0
Personal Property Tax Reform			\$20,800.0	\$20,800.0	\$19,300.0	\$19,300.0
Business Development & Community Revitalization			\$10,000.0	\$10,000.0	\$0.0	\$0.0
Automotive, Engineering and Manufacturing Technology Fund			\$5,000.0	\$5,000.0	\$0.0	\$0.0
Credit Card Payment Services			\$2,000.0	\$2,000.0	\$0.0	\$0.0
Total One-Time Recommendation			\$37,800.0	\$66,600.0	\$19,300.0	\$19,300.0
TOTAL RECOMMENDATION			\$498,467.6	\$2,968,768.5	\$487,394.6	\$2,957,123.2

Background Information

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Web site address for this document: <http://www.michigan.gov/budget>



Fiscal Years 2015 and 2016
Sources and Uses of General Fund/General Purpose
(in millions)

	Fiscal Year 2015	Fiscal Year 2016
Ongoing Revenues:		
January Consensus Revenues	\$10,046.5	\$10,535.6
<u>Proposed Adjustments:</u>		
Payments to Local Government	(\$459.2)	(\$459.2)
Charge School Aid Fund for Short-term Borrowing	\$4.0	\$5.0
Personal Property Tax Reform	\$0.0	(\$41.7)
Tax Relief	(\$102.7)	(\$102.7)
Total Sources of Ongoing Revenues	\$9,488.6	\$9,937.0
Fiscal Year 2015 Executive Recommendation	\$9,449.0	
Fiscal Year 2016 Executive Recommendation	\$9,648.2	
Total Uses of Ongoing Revenues	\$9,449.0	\$9,648.2
Ongoing Revenue Balance	\$39.6	\$288.8
One-Time Revenues:		
Estimated Beginning Fund Balance, October 1	\$666.9	\$41.2
<u>Proposed Adjustments:</u>		
Payments to Local Government	(\$28.8)	\$0.0
Total Sources of One-Time Revenues	\$638.1	\$41.2
Fiscal Year 2015 Executive Recommendation	\$636.5	
Fiscal Year 2016 Executive Recommendation	\$145.3	
Total Uses of One-Time Revenues	\$636.5	\$145.3
One-Time Revenue Balance	\$1.6	(\$104.1)
Ending Fund Balance, September 30	\$41.2	\$184.7

Fiscal Years 2015 and 2016 Sources and Uses of All Funds

(in millions)

	Fiscal Year 2015	Fiscal Year 2016
Estimated Beginning Unassigned Fund Balances, October 1	\$2,498.1	\$1,829.9
REVENUES:		
FY 2015 and Fiscal Year 2016 Revenue Estimates	\$49,840.2	\$50,851.0
Total Sources of Funds	\$52,338.3	\$52,680.9
EXPENDITURES:		
Fiscal Year 2015 Executive Recommendation	\$52,426.0	
Less: Interdepartmental Grants and Transfers	(830.1)	
Fiscal Year 2016 Executive Recommendation	\$52,032.0	
Less: Interdepartmental Grants and Transfers	(823.2)	
Total Uses of Funds	\$51,595.9	\$51,208.8
Excess of Sources Over Uses	\$742.4	\$1,472.1

Consensus Economic Outlook

The consensus economic outlook for 2014, 2015, and 2016 was adopted at the January 10, 2014, Consensus Revenue Estimating Conference by the Administration, House Fiscal Agency, and Senate Fiscal Agency.

2013 U.S. Economic Review

U.S. real gross domestic product (GDP) increased an estimated 1.8 percent in calendar year 2013, which was lower than the 2.8 percent rate of growth recorded in 2012. The pace of growth accelerated during the first three quarters of 2013 rising from 0.1 percent in the fourth quarter of 2012 to 4.1 percent in the third quarter of 2013. In the fourth quarter of 2013 growth remained at a strong 3.2 percent.

The labor market continued to make positive gains in 2013, with wage and salary employment increasing 1.6 percent. This was the third consecutive year wage and salary employment increased. On a monthly basis, wage and salary employment has increased every month since September 2010.

The national unemployment rate declined in 2013 to 7.4 percent from 8.1 percent in 2012 and is significantly down from 2010 when the U.S. unemployment rate was 9.6 percent (which was the highest annual rate since 1982). In December 2013, the unemployment rate was 6.7 percent which is its lowest level since October 2008.

Housing starts continued to increase in 2013 but they remain well below historical levels. Housing starts increased 17.2 percent in 2013 to 915,000 starts from the 780,600 starts in 2012. In 2013, there were two months that recorded an annualized rate of over 1 million starts. New home sales continued to improve in 2013, totaling 428,000 units in 2013, up over 16 percent from 2012.

Light vehicle sales increased to 15.5 million units in 2013 from 14.4 million units in 2012, an increase of 7.6 percent. During 2013, the monthly sales rate was steady with a couple of months recording an annualized sales rate of over 16 million units. The November annual sales rate of 16.3 million units was the highest since May 2007.

Financial markets performed well in 2013. The stock market continued to record gains as the S&P 500 was up 29.6 percent on the last day of trading in 2013 compared to the last day in 2012. The Federal Reserve continued a third round of quantitative easing under which it purchased additional mortgage-backed securities. At the end of 2013, the Federal Reserve announced it will begin to taper the amount of monthly purchases made. The Federal Reserve also stated that this policy does not mean it is tightening its monetary policy.

The inability of Congress to agree on a budget and spending plan forced the federal government to shut down for most of October. Finally in December 2013, the President

signed a budget agreement with Congress which eased some of the pressures of the sequestration spending cuts and provided some stability and certainty for federal government fiscal activity in FY 2014 and FY 2015; however, the federal government will need to address the federal debt ceiling in early 2014 in order to avoid the possibility of a federal government default.

Europe began to recover from its deep recession in 2013, although the pace of the recovery was very slow. Interest rates remained low and monetary policy was accommodative, which helped improve the economic and financial situation in 2013. Unemployment levels topped 20 percent in some countries and this put pressure on overall economic stability. While the debt crisis has abated some, it is still a serious issue.

Oil prices increased in 2013 to \$97.42 a barrel compared to the 2012 average of \$93.80. However, during 2013, oil prices peaked in August at \$106.57 per barrel and then fell back to a monthly average of \$97.42 per barrel in December.

2013 Michigan Economic Review

In 2013, Michigan wage and salary employment increased an estimated 1.4 percent, which marked the third consecutive year of growth after declining for 10 consecutive years. Michigan employment gained 54,400 jobs in 2013 after gaining 72,400 in 2012. Since the end of the recession, Michigan has gained 263,600 jobs. The increase in jobs in 2013 helped reduce Michigan's unemployment rate to an estimated 8.7 percent from 9.1 percent in 2012.

Michigan motor vehicle production increased by 9.5 percent in 2013 compared to 2012. Approximately 2,474,000 vehicles were produced in 2013 compared to the 2,259,000 vehicles produced in 2012. Michigan's 2013 vehicle production level marked the second year in a row that vehicle production topped two million units. Production in 2013 was more than double the historically low 1,146,000 units produced in 2009.

As a result of strong growth in the motor vehicle sector, Michigan manufacturing employment rose 2.9 percent from December 2012 to December 2013 - marking the third straight year of year-over-year manufacturing employment growth.

In 2013, wage and salary payments to Michigan workers rose an estimated 3.9 percent after increasing 4.1 percent in 2012. Overall personal income grew an estimated 2.9 percent in 2013, compared with the 3.5 percent rate of growth in 2012. With 1.7 percent inflation, real (inflation adjusted) personal income rose an estimated 1.2 percent in 2013.

U.S. Consensus Economic Outlook: 2014 - 2016

The rate of real GDP growth is expected to accelerate from 2.4 percent in 2014, to 2.9 percent in 2015, and to 3.1 percent in 2016 (see Table 1). U.S. light vehicle sales are

expected to increase to 16.0 million units in 2014 and to 16.3 million units in 2015. In 2016, light vehicle sales are forecast to increase to 16.6 million units.

The U.S. unemployment rate will edge down to an estimated 6.8 percent in 2014 from 7.4 percent in 2013. In 2015, the unemployment rate is forecast to fall to 6.4 percent. By 2016, continued growth in economic activity will lower the jobless rate to a projected 5.9 percent.

Consumer prices, as measured by the U.S. Consumer Price Index (CPI), are expected to rise 1.5 percent in 2014, increase 1.8 percent in 2015, and rise 2.0 percent in 2016.

Michigan Consensus Economic Outlook: 2014 - 2016

Michigan wage and salary employment is expected to increase 1.5 percent in 2014, 1.4 percent in 2015, and 1.3 percent in 2016, which translates into 175,000 new jobs over these three years. Michigan's unemployment rate is expected to fall from 8.7 percent in 2013 to 8.3 percent in 2014. The increase in employment will help decrease the jobless rate to an estimated 7.5 percent in 2015 and to 6.7 percent in 2016.

Michigan personal income is expected to rise 4.4 percent in 2014, 4.6 percent in 2015, and 4.6 percent in 2016. Inflation is forecast to increase 1.3 percent in 2014, 1.6 percent in 2015 and 1.9 percent in 2016. As a result, real Michigan personal income is expected to rise 3.1 percent in 2014, 3.0 percent in 2015 and 2.6 percent in 2016.

Forecast Risks

U.S. federal fiscal policy is a risk to the overall economy. A budget deal reached in December 2013 has mitigated some of the downside risk to the economy, but some risk remains as the federal debt ceiling is expected to be reached in early 2014. While a default remains unlikely due to the harsh consequences, another near miss could shake confidence in the economy for businesses and consumers alike.

The European financial crisis still poses a danger to the currently slow growing European economic recovery and therefore is also a risk to world economic growth. While growth has improved in 2013 compared to 2012, the European economic climate is still fragile.

Light vehicle sales growth will continue to provide gains in manufacturing employment in Michigan. Sales levels are projected to reach near the record years of the early 2000s. A pullback in sales would hurt the Michigan economy.

After years of sharp decline, housing is improving and may improve even faster than forecast. Housing prices are rising in many areas of the U.S. which indicates demand is improving, and housing starts are increasing to stronger levels.

Table 1
Consensus Economic Forecast

January 2014

	Calendar 2012	Calendar 2013	Percent Change from Prior Year	Calendar 2014 Forecast	Percent Change from Prior Year	Calendar 2015 Forecast	Percent Change from Prior Year	Calendar 2016 Forecast	Percent Change from Prior Year
	Actual	Forecast							
United States									
Real Gross Domestic Product (Billions of Chained 2009 Dollars)	\$15,471	\$15,749	1.8%	\$16,127	2.4%	\$16,595	2.9%	\$17,109	3.1%
Implicit Price Deflator GDP (2009 = 100)	105.0	106.6	1.5%	108.1	1.4%	110.0	1.8%	112.1	1.9%
Consumer Price Index (1982-84 = 100)	229.594	233.038	1.5%	236.533	1.5%	240.791	1.8%	245.607	2.0%
Consumer Price Index - Fiscal Year (1982-84 = 100)	228.526	232.247	1.6%	235.731	1.5%	239.738	1.7%	244.293	1.9%
Personal Consumption Deflator (2009 = 100)	106.0	107.2	1.1%	108.5	1.2%	110.1	1.5%	111.9	1.6%
3-month Treasury Bills Interest Rate (percent)	0.1	0.1		0.1		0.3		1.0	
Aaa Corporate Bonds Interest Rate (percent)	3.7	4.2		4.7		4.8		4.9	
Unemployment Rate - Civilian (percent)	8.1	7.4		6.8		6.4		5.9	
Wage and Salary Employment (millions)	133.739	135.926	1.6%	137.960	1.5%	140.310	1.7%	143.120	2.0%
Housing Starts (millions of starts)	0.781	0.915	17.2%	1.110	21.3%	1.320	18.9%	1.470	11.4%
Light Vehicle Sales (millions of units)	14.4	15.5	7.6%	16.0	3.2%	16.3	1.9%	16.6	1.8%
Passenger Car Sales (millions of units)	7.4	7.6	2.7%	7.8	2.6%	7.9	1.3%	8.1	2.5%
Light Truck Sales (millions of units)	7.0	7.9	12.9%	8.2	3.8%	8.4	2.4%	8.5	1.2%
Big 3 Share of Light Vehicles (percent)	44.2	44.6		44.7		44.9		45.0	
Michigan									
Wage and Salary Employment (thousands)	4,024	4,082	1.4%	4,145	1.5%	4,203	1.4%	4,257	1.3%
Unemployment Rate (percent)	9.1	8.7		8.3		7.5		6.7	
Personal Income (millions of dollars)	\$378,443	\$389,418	2.9%	\$406,552	4.4%	\$425,254	4.6%	\$444,815	4.6%
Real Personal Income (millions of 1982-84 dollars)	\$175,139	\$177,209	1.2%	\$182,632	3.1%	\$188,025	3.0%	\$193,007	2.6%
Wages and Salaries (millions of dollars)	\$189,640	\$197,036	3.9%	\$204,720	3.9%	\$212,500	3.8%	\$220,362	3.7%
Detroit Consumer Price Index (1982-84 = 100)	216.082	219.750	1.7%	222.607	1.3%	226.168	1.6%	230.466	1.9%

Revenue Estimates

Fiscal Year 2013 Revenue

In 2013, Michigan's expanding economic activity generated increases in employment, income, motor vehicle production, and housing activity. This increased economic activity helped boost tax collections and other revenue in FY 2013. General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue on a consensus basis totaled \$20,832.3 million in FY 2013, which was up 3.4 percent from FY 2012. Including transfers, SAF federal aid, budget adjustments, and other one-time revenue not included in the consensus base, GF/GP and SAF revenue totaled \$22,432.1 million.

Revenue Estimates: Fiscal Year 2014, Fiscal Year 2015, and Fiscal Year 2016

On January 10, 2014, the Administration and the House and Senate Fiscal Agencies reached a consensus on projected revenues for FY 2014, FY 2015, and FY 2016, and these estimates are used for the Governor's FY 2015-FY 2016 *Executive Budget*. While Michigan's economy is projected to continue to grow through 2016, the rate of revenue growth in FY 2014 is expected to be tempered due to a sharp increase in the payment of certificated business credits which were awarded to businesses several years ago. These business tax credits impact GF/GP revenue. The pace of revenue growth is expected to rebound in FY 2015 and FY 2016.

In FY 2014, GF/GP revenue on a consensus basis will increase an estimated 0.1 percent to \$9,572.5 million and after factoring in transfers and other budget adjustments, GF/GP revenue will total an estimated \$9,075.7 million. On a consensus basis, SAF revenue will increase an estimated 2.6 percent to \$11,560.0 million. Including federal aid and other budget adjustments, SAF revenue will total an estimated \$13,611.1 million.

In FY 2015, consensus based GF/GP revenue will total an estimated \$10,046.5 million, which is up 5.0 percent from FY 2014. Including transfers and other budget items, GF/GP revenue will total an estimated \$9,459.8 million. School Aid Fund revenue, on a consensus basis, will increase an estimated 3.2 percent to \$11,931.8 million in FY 2015; however, after factoring in federal aid and other budget measures, SAF revenue is expected to total \$13,910.0 million.

In FY 2016, GF/GP revenue is projected to increase 4.9 percent to \$10,535.6 million on a consensus basis and will total an estimated \$9,937.0 million including transfers and other budget items. School Aid Fund will increase an estimated 3.4 percent to \$12,338.2 million on a consensus basis and will total \$14,305.5 million including federal aid and other budget items.

Overall Revenue: FY 2014, FY 2015, and FY 2016

Total net revenue for all funds is estimated to be \$52,070.0 million in FY 2014, \$52,338.3 million in FY 2015, and \$52,680.9 million in FY 2016. A summary of revenues by fund is presented on page C-8. The Detailed Statement of General and Special Revenue Funds presents information for FY 2012 through FY 2016.

Projected Revenues FY 2015 & FY 2016

(millions)

	<u>FY 2014 - 2015</u>	<u>FY 2015 - 2016</u>
General Fund - General Purpose		
Consensus Estimate	10,046.5	10,535.6
Total Adjustments	(586.7)	(598.6)
Total General Fund - General Purpose	9,459.8	9,937.0
 School Aid Fund		
Consensus Estimate	11,931.8	12,338.2
Proposed Changes	(10.0)	(20.9)
Transfers and Federal Aid	1,988.2	1,988.2
Total SAF Revenue	13,910.0	14,305.5
 Transportation Funds	4,251.0	4,278.8
 Special Revenue & Permanent Funds	5,342.1	5,374.9
 Federal Aid (Not Elsewhere Itemized)	17,992.0	18,092.0
 Sub-Total All Funds	50,954.7	51,988.1
 Fund Balances Available	2,498.1	1,830.0
 Gross Total All Resources	53,452.9	53,818.1
Less Interfund Transfers (excluding GF-GP)	(1,114.5)	(1,137.2)
 Net Total All Resources	\$ 52,338.3	\$ 52,680.9

Amounts may not tie to totals due to rounding.

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
GENERAL FUND - GENERAL PURPOSE REVENUE					
TAXES					
Individual Income ⁽¹⁾	6,950,785,867	7,623,197,989	7,721,300,000	8,017,700,000	8,333,100,000
Less: Refunds	(2,134,648,368)	(1,694,206,357)	(1,694,200,000)	(1,744,000,000)	(1,763,200,000)
Net Individual Income	4,816,137,499	5,928,991,632	6,027,100,000	6,273,700,000	6,569,900,000
Single Business and Michigan Business ⁽¹⁾	715,700,307	(120,531,327)	(500,000,000)	(450,000,000)	(417,000,000)
Corporate Income Tax	547,146,093	783,137,828	850,000,000	890,000,000	943,400,000
Sales ⁽²⁾	741,173,453	632,928,001	1,146,100,000	1,197,800,000	1,246,000,000
Use ⁽³⁾	921,435,932	838,764,945	919,700,000	956,700,000	996,700,000
Insurance Company Premium Retailatory	290,340,450	301,409,984	358,000,000	407,000,000	420,500,000
Tobacco ⁽³⁾	192,620,386	187,857,386	188,100,000	184,800,000	181,600,000
Utility Property	60,877,790	47,586,196	46,000,000	46,000,000	46,000,000
Penalties and Interest	166,072,838	168,338,147	150,000,000	152,000,000	154,000,000
Intangibles	(69)	0	0	0	0
Estate / Inheritance	241,075	0	0	0	0
Beer and Wine Excise	50,827,684	50,676,581	51,000,000	52,000,000	53,000,000
Oil and Gas Severance	53,555,957	59,497,619	62,000,000	65,000,000	67,500,000
Liquor Specific ⁽³⁾	41,782,029	44,365,854	45,000,000	46,000,000	47,000,000
Other	0	(22,834)	0	0	0
Enhanced Enforcement and ACS ⁽⁴⁾	(129,143,000)	(138,404,082)	(133,000,000)	(134,000,000)	(134,000,000)
TOTAL GF - GP TAXES	8,468,768,422	8,784,595,932	9,210,000,000	9,687,000,000	10,174,600,000

⁽¹⁾ See also School Aid Fund. Starting in FY 2012, Michigan Business Tax is 100% General Fund

⁽²⁾ See General Fund Special Purpose Revenue, School Aid Fund, and Comprehensive Transportation Fund.

⁽³⁾ See also School Aid Fund.

⁽⁴⁾ Restricted revenues supporting Treasury collection activities are shown here as negatives.

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
GENERAL FUND - GENERAL PURPOSE REVENUE					
NON-TAX REVENUE					
Federal Aid	54,839,327	22,503,281	20,000,000	20,000,000	20,000,000
Local Agencies	3,173,686	137,813	1,000,000	1,000,000	1,000,000
Services	10,527,447	9,030,024	10,000,000	10,000,000	10,000,000
Licenses & Permits	16,312,357	4,825,693	10,000,000	10,000,000	10,000,000
Miscellaneous	299,819,706	198,756,340	146,000,000	141,000,000	141,000,000
Interest and Investment Profits	195,301	274,939	(2,500,000)	(4,000,000)	(5,000,000)
TOTAL GF - GP NON-TAX REVENUE	384,867,823	235,528,089	184,500,000	178,000,000	177,000,000
TRANSFERS FROM OUTSIDE GENERAL & SPECIAL REVENUE FUNDS					
Other Interfund Transfers Received	117,309	26,069	0	0	0
Liquor Purchase Revolving Fund	174,886,345	168,585,503	172,000,000	175,500,000	178,000,000
Transfers From Lottery Charitable Gaming and Other Funds	7,500,358	4,514,066	6,000,000	6,000,000	6,000,000
TOTAL GF - GP TRANSFERS	182,504,013	173,125,639	178,000,000	181,500,000	184,000,000
General Fund - General Purpose Summary					
GF - GP Tax Revenue	8,468,768,422	8,784,595,932	9,210,000,000	9,687,000,000	10,174,600,000
GF - GP Non-Tax Revenue	384,867,823	235,528,089	184,500,000	178,000,000	177,000,000
GF - GP Transfers	182,504,013	173,125,639	178,000,000	181,500,000	184,000,000
TOTAL GENERAL FUND-GENERAL PURPOSE before Interfund Transfers	9,036,140,258	9,193,249,660	9,572,500,000	10,046,500,000	10,535,600,000
LESS: Interfund Transfers	(117,309)	(26,069)	0	0	0
CONSENSUS TOTAL GENERAL FUND-GENERAL PURPOSE	9,036,022,948	9,193,223,591	9,572,500,000	10,046,500,000	10,535,600,000
Excluding interfund transfers to GF-GP					
BUDGET ADJUSTMENTS					
Payments to Local Government	NA	NA	(396,600,000)	(396,600,000)	(396,600,000)
Charge School Aid Fund for Short-Term Borrowing	NA	NA	2,500,000	4,000,000	5,000,000
TOTAL ADJUSTMENTS	NA	NA	(394,100,000)	(392,600,000)	(391,600,000)
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET					
Payments to Local Government	NA	NA	0	(91,440,000)	(62,640,000)
Personal Property Tax Reform	NA	NA	0	0	(41,700,000)
Tax Relief	NA	NA	(102,700,000)	(102,700,000)	(102,700,000)
TOTAL PROPOSED ADJUSTMENTS	NA	NA	(102,700,000)	(194,140,000)	(207,040,000)
TOTAL GENERAL FUND-GENERAL PURPOSE WITH ADJUSTMENTS	9,036,022,948	9,193,223,591	9,075,700,000	9,459,760,000	9,936,960,000
Excluding interfund transfers to GF-GP					

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL	ACTUAL	ESTIMATES	ESTIMATES	ESTIMATES
	FY 2011 - 2012	FY 2012 - 2013	FY 2013 - 2014	FY 2014 - 2015	FY 2015 - 2016
GENERAL FUND-SPECIAL PURPOSE/SPECIAL REVENUE AND PERMANENT FUNDS (EXCLUDING FEDERAL AID)					
Air Emission Fees	9,585,889	9,750,624	9,552,800	9,696,100	9,600,000
Airport Parking Revenue	20,628,356	21,176,478	21,715,300	22,280,300	22,859,900
Auto Repair Facilities Fees	2,859,833	3,408,980	3,369,100	3,369,100	3,369,100
Auto Theft Prevention Fund	6,259,081	6,249,576	6,974,100	6,974,100	6,974,100
Bank Fees	5,195,566	5,188,299	5,700,000	5,800,000	5,900,000
Bottle Deposits Fund	26,660,510	18,939,102	15,100,500	14,637,000	14,622,600
Budget Stabilization Fund	213,082	508,996	510,000	783,800	946,900
Child Support Collections	25,125,268	18,484,100	18,484,100	18,484,100	18,484,100
Children's Trust Fund	3,458,482	1,721,559	1,105,200	1,105,200	1,105,200
Civil Infraction (Jail Reimbursement) Fee	5,283,798	5,283,991	5,300,000	5,300,000	5,300,000
Conservation and Recreation Bond Proceeds	154	166	200	200	200
Construction Code Fund	7,563,980	12,899,624	8,086,700	8,240,800	12,964,500
Consumer Finance Fees	0	1,468,692	1,400,000	1,401,000	1,401,000
Contributions to Children of Veterans Tuition Grant Program	95,683	71,367	100,000	100,000	100,000
Convention Facility Development Fund	75,755,056	79,904,657	84,060,900	90,950,000	90,950,000
Corporation Fees	22,061,611	22,259,165	21,408,300	21,520,800	21,550,700
Court Equity Fund	39,892,659	39,972,065	40,000,000	40,000,000	40,000,000
Court Fee Fund	5,321,621	3,551,874	2,988,100	2,988,100	2,988,100
Credit Union Fees	6,277,180	6,898,961	7,000,000	7,100,000	7,200,000
Crime Victims Rights Fund	14,374,080	19,443,864	19,500,000	19,500,000	19,500,000
Criminal Justice Info Cntr Service Fees	16,354,515	20,074,900	20,833,800	20,833,800	21,500,000
Dairy and Food Safety Fund	2,680,514	2,583,659	2,600,000	2,600,000	2,600,000
Deferred Presentment Service	0	2,675,770	3,011,600	3,011,600	3,011,600
Delinquent Tax Collection Revenue & MARCS Revenue	128,579,515	137,727,314	133,000,000	134,000,000	134,000,000
Driver Fees	23,540,896	26,317,209	28,001,300	29,100,000	29,900,000
Elevator Fees	4,013,584	4,111,008	4,022,400	4,022,400	4,022,400
Emergency 911 Fund	27,941,626	28,049,849	29,152,400	29,152,400	29,152,400
Equine Development Fund	5,053,183	4,653,260	4,187,900	3,769,200	3,769,200
Fees and Collections (DCH)	5,961,561	6,340,365	8,508,400	8,524,700	8,524,700
Forest Development Fund	29,834,225	33,340,503	32,294,300	32,295,400	32,292,200
Freshwater Protection Fund	4,991,177	5,075,989	4,401,600	4,500,000	4,500,000
Game and Fish Protection Account	71,591,467	66,310,886	78,393,800	84,723,200	84,680,600

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
Game and Fish Protection Trust Fund	32,092,643	16,411,562	0	0	0
Group Insurance Fund, Flexible Spending and COBRA	2,994,876	2,975,219	0	0	0
Health and Safety Fund - Counties	420,580	324,600	400,000	400,000	400,000
Health Insurance Claims Assessment	176,057,933	269,857,127	276,000,000	310,289,100	310,289,100
Health Professions Regulatory Fees	30,105,926	8,199,039	20,601,000	20,665,000	20,665,000
Healthy Michigan Fund	33,739,050	33,544,571	32,500,000	31,800,000	31,100,000
Highway Safety Fund	10,297,428	10,541,932	10,555,000	10,555,000	10,555,000
Income and Assessments	17,680,003	16,950,719	16,187,000	16,187,000	16,187,000
Individual Income Tax - Refunds	1,226,300,000	689,900,000	0	0	0
Insurance Bureau Fund	21,210,399	17,962,337	19,000,000	19,200,000	19,200,000
Insurance Continuing Education Fees	0	567,993	600,600	610,000	610,000
Insurance Licensing Fees	0	6,378,091	6,400,000	6,600,000	6,600,000
Insurance Licensing Regulatory Fees	6,459,074	0	0	0	0
Judicial Technology Improvement Fund	4,043,909	3,955,594	4,000,000	4,000,000	4,000,000
Juror Compensation Fund	4,138,151	4,270,406	4,200,000	4,200,000	4,200,000
Land Reutilization Fund	1,381,308	1,038,383	750,000	725,000	725,000
Licensing & Inspection Fees (MDA)	3,237,166	3,645,985	3,390,900	3,390,900	3,390,900
Licensing & Regulation Fees (DLARA)	9,799,120	10,509,397	13,119,600	11,306,200	6,567,600
Liquor License Revenue	12,936,147	12,523,610	12,729,600	12,729,600	12,729,600
Liquor Purchase Revolving Fund - Operations	22,495,500	21,127,600	24,781,900	24,402,400	22,402,400
Local Funds - County Payback	26,432,800	26,368,930	27,195,600	23,694,000	23,694,000
Local Revenues (DCH)	235,241,852	237,518,366	251,820,200	216,656,400	216,656,400
Local Vocational Rehabilitation Match	5,416,310	0	0	0	0
Lottery Operations	44,186,600	47,568,300	47,675,000	48,106,500	48,106,500
Low Income and Energy Assistance Fund	(11,981,377)	0	50,000,000	50,000,000	50,000,000
Mackinac Island State Park Fund	1,746,800	1,784,400	1,650,000	1,650,000	1,650,000
Manufacturer Rebates (DCH)	80,863,696	74,890,235	99,052,200	99,052,200	99,052,200
MBLSLA	0	3,782,962	2,800,000	2,800,000	2,800,000
Medicaid Benefits Trust Fund	365,055,633	334,981,463	345,300,400	344,000,000	344,000,000
Medical Marijuana Fund	0	0	10,369,000	9,852,000	9,231,000
Michigan Employment Security Contingent Fund	44,911,215	33,139,067	18,000,000	18,000,000	18,000,000
Michigan Health Initiative Fund	9,024,654	9,098,307	9,100,000	9,100,000	9,100,000
Michigan Higher Education Assistance and Student Loan Authorities	35,112,800	36,357,700	35,478,000	35,709,300	35,709,300
Michigan Higher Education Assistance Authority Operating Fund	13,190	24,996	0	0	0
Michigan Justice Training Fund	5,301,711	5,364,009	4,985,600	4,850,000	4,600,000
Michigan Merit Award Trust Fund	119,717,916	227,250,463	94,903,400	75,460,300	83,772,600

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
Michigan Natural Resources Trust Fund	63,419,013	18,583,645	31,000,000	31,900,000	32,900,000
Michigan Nongame Fish and Wildlife Fund	712,578	332,252	481,200	481,200	481,200
Michigan State Parks Endowment Fund	53,122,404	45,296,689	45,501,600	46,153,000	46,153,000
Michigan State Waterways Account	26,645,488	26,457,575	26,326,700	26,301,500	26,333,600
Michigan Veterans' Trust Fund	5,875,923	2,043,181	2,600,000	2,600,000	2,600,000
Motor Carrier Fees	5,456,628	6,051,672	10,413,300	10,234,100	10,063,900
MSHDA Fees and Charges	58,805,600	63,214,700	64,570,200	65,388,500	65,388,500
Newborn Screening Fees	10,757,677	12,315,166	12,600,000	13,302,900	13,320,900
National Pollution Discharge Elimination System Fees	3,351,636	3,081,224	2,844,100	2,929,400	2,930,000
Off Road Vehicle Account	3,474,693	3,532,982	6,070,200	6,330,000	6,603,600
Oil and Gas Regulatory Fund	9,192,301	9,542,250	9,000,000	9,600,000	9,800,000
Outdoor Recreation Legacy Account	2,591,250	2,616,691	2,599,400	2,576,500	2,577,600
Parole and Probation Oversight Fees	4,992,701	3,950,212	3,600,000	3,300,000	3,000,000
Public Utility Assessments	21,847,908	28,886,570	27,803,900	27,161,400	28,000,000
Quality Assurance Assessment Tax	959,266,707	969,766,448	966,143,000	963,431,800	963,431,800
Refined Petroleum Fund	50,989,999	50,953,559	50,525,300	50,272,700	50,021,300
Restructuring Mechanism (DLARA)	20,100,994	12,919,719	20,300,000	20,400,000	20,400,000
Retirement Operations	38,802,400	43,355,800	46,846,700	47,993,500	47,993,500
Safety Education and Training	10,305,644	9,593,840	10,682,500	10,682,500	10,682,500
Sales Tax - Revenue Sharing	707,504,898	722,153,482	745,543,400	764,927,600	793,155,300
Scrap Tire Regulatory Fund	4,192,611	4,184,163	4,000,000	4,000,000	4,000,000
Second Injury Fund	12,306,674	0	0	0	0
Secondary Road Patrol & Training Fund	9,513,272	9,962,649	12,236,100	12,236,100	12,236,100
Securities Fees	14,996,539	21,494,465	21,409,600	21,729,600	22,274,600
Self Insurer's Security Fund	8,101,181	0	0	0	0
Snowmobile Account	9,331,497	10,132,146	9,985,300	9,960,800	9,959,300
Solid Waste Program Fees	5,129,207	5,219,651	5,102,300	4,847,100	4,604,800
Special Equipment Fund (DOC)	13,585,459	11,557,877	11,500,000	11,500,000	11,500,000
State Campaign Funds	897,995	796,570	1,000,000	1,000,000	1,000,000
State Casino Gaming Fund	36,668,216	40,234,328	36,388,000	36,379,900	36,440,100

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
State Court Sub - Fund	7,042,237	7,015,636	7,000,000	7,000,000	7,000,000
State Park Improvement Account	49,511,034	50,764,275	51,862,100	53,972,100	53,967,200
Supplemental Security Income Recoveries	9,227,411	9,221,386	9,221,400	9,221,400	9,221,400
Survey and Remediation Fees	6,827,657	7,819,466	7,997,500	7,997,500	7,997,500
Tax Tribunal Fund	4,479,764	(613,584)	3,257,000	2,957,000	2,957,000
Traffic Law Enforcement and Safety	24,656,273	24,563,066	24,750,000	24,750,000	24,750,000
Transportation Admin Collection Fund	101,216,838	101,972,150	105,396,300	108,968,000	108,968,000
Twenty-First Century Jobs Fund	150,000,000	150,000,000	75,000,000	75,000,000	72,000,000
Unemployment Obligation Trust Fund	255,547,212	453,712,519	0	0	0
Other Restricted Revenues	1,022,424,185	903,564,421	713,478,900	791,831,100	790,441,200
Total GF-Special Purpose/Special Revenue & Permanent Funds	6,976,458,872	6,629,505,054	5,249,343,800	5,342,071,400	5,374,917,000
Less: Interfund Transfers	(216,063,274)	(201,867,280)	(84,210,600)	(67,981,200)	(82,713,300)
Net Total GF-Special Purpose/Special Revenue & Permanent Funds	6,760,395,597	6,427,637,774	5,165,133,200	5,274,090,200	5,292,203,700
FEDERAL AID NOT ELSEWHERE ITEMIZED:					
Federal Aid: Agriculture	9,179,951	7,862,589	9,960,900	9,198,300	9,198,300
Federal Aid: Attorney General	3,085,803	3,324,062	9,838,200	9,857,200	9,857,200
Federal Aid: Capital Outlay (excluding transportation)	(15,198)	231,102	0	0	0
Federal Aid: Civil Rights	2,091,531	1,977,472	2,690,200	2,736,500	2,736,500
Federal Aid: Community Health	8,927,255,053	9,062,455,053	11,620,170,500	11,941,802,500	12,043,808,400
Federal Aid: Corrections	4,293,369	2,846,865	8,852,500	5,081,000	5,081,000
Federal Aid: Education	205,495,523	201,808,996	211,873,000	226,097,500	226,097,500
Federal Aid: Environmental Quality	58,147,131	53,535,080	150,779,700	150,367,600	150,367,600
Federal Aid: Human Services	4,805,775,880	4,784,567,183	4,814,517,900	4,397,966,500	4,395,966,500
Federal Aid: Higher Education	87,611,594	91,759,924	97,026,400	97,026,400	97,026,400
Federal Aid: Insurance and Financial Services	0	0	2,000,000	2,000,000	2,000,000
Federal Aid: Judiciary	4,607,932	4,896,026	5,343,900	6,437,400	6,437,400
Federal Aid: Licensing & Regulatory Affairs	302,221,377	176,529,652	195,559,900	199,124,800	199,124,800
Federal Aid: Military Affairs	87,447,276	90,208,281	89,782,700	90,362,800	90,362,800
Federal Aid: Natural Resources	52,111,524	57,389,781	67,127,300	67,954,500	67,954,500
Federal Aid: State	3,657,527	2,386,594	1,810,000	1,460,000	1,460,000
Federal Aid: State Police	92,679,134	88,868,743	98,846,100	99,429,900	99,429,900
Federal Aid: Technology, Management & Budget	6,169,415	6,841,449	8,790,900	7,974,100	7,974,100
Federal Aid: Treasury	572,499,315	354,331,819	677,780,700	677,075,500	677,075,500
TOTAL FEDERAL AID excluding Transportation and School Aid	15,224,314,135	14,991,820,669	18,072,750,800	17,991,952,500	18,091,958,400

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
SCHOOL AID FUND REVENUE					
TAXES and LOTTERY					
Sales Tax	5,056,972,276	5,206,172,277	5,347,800,000	5,541,300,000	5,748,900,000
Use Tax	476,345,268	432,405,251	459,800,000	478,300,000	498,300,000
Income Tax Earmarking	2,100,167,333	2,338,463,874	2,413,300,000	2,505,900,000	2,604,500,000
State Education Tax	1,789,671,527	1,771,083,084	1,798,000,000	1,849,300,000	1,905,800,000
Real Estate Transfer Tax	150,106,311	202,322,812	217,400,000	229,100,000	240,300,000
Tobacco	373,977,316	371,870,029	361,100,000	353,200,000	345,700,000
Industrial & Commercial Facilities Tax	35,677,818	33,904,685	35,000,000	36,100,000	37,000,000
Casino Wagering Tax	115,752,860	110,667,105	114,000,000	118,000,000	122,000,000
Liquor Excise Tax	41,266,229	43,842,594	44,500,000	45,500,000	46,500,000
Other Specific Taxes	24,356,360	24,599,140	24,100,000	24,100,000	24,100,000
Sub-Total SAF Taxes	10,164,293,299	10,535,330,851	10,815,000,000	11,180,800,000	11,573,200,000
Transfer from Lottery Ticket Sales	778,431,937	734,344,328	745,000,000	751,000,000	765,000,000
CONSENSUS TOTAL SCHOOL AID FUND	10,942,725,237	11,269,675,180	11,560,000,000	11,931,800,000	12,338,200,000
NON-TAX REVENUE					
Federal Aid	1,818,997,207	1,660,393,276	1,816,158,800	1,808,162,700	1,808,162,700
Transfer from General Fund	78,642,400	282,400,000	234,900,000	180,000,000	180,000,000
Recovery of Prior Year State Aid and Receivables	26,500,535	26,435,970	0	0	0
Sub-Total SAF Other Source Revenues	1,924,140,142	1,969,229,247	2,051,058,800	1,988,162,700	1,988,162,700
TOTAL SCHOOL AID FUND before Interfund Transfers	12,866,865,379	13,238,904,426	13,611,058,800	13,919,962,700	14,326,362,700
Less Interfund Transfers	(78,642,400)	(282,400,000)	(234,900,000)	(180,000,000)	(180,000,000)
TOTAL SCHOOL AID FUND after adjustments excluding interfund transfers	12,788,222,979	12,956,504,426	13,376,158,800	13,739,962,700	14,146,362,700
ADJUSTMENTS RECOMMENDED IN EXECUTIVE BUDGET					
Personal Property Tax Reform	0	0	0	(10,000,000)	(20,900,000)
TOTAL PROPOSED ADJUSTMENTS	0	0	0	(10,000,000)	(20,900,000)
TOTAL SCHOOL AID FUND WITH ADJUSTMENTS	12,788,222,979	12,956,504,426	13,376,158,800	13,729,962,700	14,125,462,700
Excluding interfund transfers					

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
TRANSPORTATION: AERONAUTICS FUND 114					
Aviation Fuel Tax	5,026,508	15,026,431	5,100,000	5,100,000	5,100,000
Federal Aid	100,077,764	64,151,414	78,578,000	78,578,000	78,578,000
Local Agencies	9,789	390,456	12,392,100	12,392,100	12,392,100
Transfers and Other	12,580,331	18,765,405	7,322,000	7,320,000	7,364,000
TOTAL AERONAUTICS FUND	117,694,392	98,333,707	103,392,100	103,390,100	103,434,100
TRANSPORTATION: TRUNKLINE FUND 116					
Federal Aid	801,264,399	710,050,463	1,072,497,500	1,072,497,500	1,072,497,500
Local Agencies	15,082,347	16,996,512	30,000,000	30,000,000	30,000,000
Licenses and Permits	17,553,181	17,169,310	19,520,000	19,520,000	19,520,000
Transfer from Michigan Transportation & Other Funds	816,559,730	818,310,383	698,345,600	702,330,500	708,420,600
Interest from Common Cash Investment	616,295	610,027	875,000	1,037,000	2,766,000
Other	27,345,849	126,719,830	40,121,000	40,121,000	40,121,000
TOTAL TRUNKLINE FUND	1,678,421,801	1,689,856,525	1,861,359,100	1,865,506,000	1,873,325,100
TRANSPORTATION: BLUE WATER BRIDGE FUND 118					
Tolls and Rentals	22,515,063	23,117,765	23,200,000	23,400,000	23,700,000
Interest From Common Cash Investment and Other	57,563	1,700,316	95,000	113,000	300,000
TOTAL BLUE WATER BRIDGE TRANSPORTATION FUND	22,572,627	24,818,081	23,295,000	23,513,000	24,000,000
TRANSPORTATION: MICHIGAN TRANSPORTATION FUND 119					
Diesel and Motor Carrier Fuel Tax	126,781,882	128,910,022	130,600,000	131,500,000	132,500,000
Gasoline and Liquefied Petroleum Gas Tax	819,148,161	822,027,225	818,400,000	815,400,000	811,900,000
Motor Vehicle Registration Tax	876,064,203	906,529,973	927,500,000	946,500,000	966,000,000
Licenses, Permits, Other and Transfers	36,005,195	37,058,793	36,000,000	36,000,000	36,000,000
Interest From Common Cash Investment	161,041	152,669	190,000	225,000	600,000
TOTAL MICHIGAN TRANSPORTATION FUND	1,858,160,483	1,894,678,682	1,912,690,000	1,929,625,000	1,947,000,000
TRANSPORTATION: COMPREHENSIVE TRANSPORTATION FUND 120					
Sales Tax	98,100,559	102,969,619	101,000,000	101,500,000	101,600,000
Federal Aid	55,780,070	226,927,476	47,810,000	54,810,000	54,810,000
Local Agencies	0	0	7,785,000	7,785,000	7,785,000
Transfer from Michigan Transportation & Other Funds	158,955,517	162,941,745	163,014,800	164,222,300	166,040,500
Interest From Common Cash Investment and Other	1,438,899	3,565,314	619,000	642,000	834,000
TOTAL COMPREHENSIVE TRANSPORTATION FUND	314,275,046	496,404,153	320,228,800	328,959,300	331,069,500
TRANSPORTATION BOND FUNDS					
	0	0	0	0	0
TOTAL TRANSPORTATION REVENUE	3,991,124,349	4,204,091,148	4,220,965,000	4,250,993,400	4,278,828,700
LESS: Interfund Transfers	(975,515,247)	(981,252,128)	(861,360,400)	(866,552,800)	(874,461,100)
NET TOTAL TRANSPORTATION REVENUE After Transfers	3,015,609,101	3,222,839,020	3,359,604,600	3,384,440,600	3,404,367,600

DETAILED STATEMENT OF GENERAL AND SPECIAL REVENUE FUNDS

	ACTUAL FY 2011 - 2012	ACTUAL FY 2012 - 2013	ESTIMATES FY 2013 - 2014	ESTIMATES FY 2014 - 2015	ESTIMATES FY 2015 - 2016
All Funds Summary					
General Fund - General Purpose	9,036,140,258	9,193,249,660	9,572,500,000	10,046,500,000	10,535,600,000
General Fund - General Purpose Budget Adjustments	NA	NA	(496,800,000)	(586,740,000)	(598,640,000)
General Fund - Special Purpose/Special Revenue & Permanent Funds	6,976,458,872	6,629,505,054	5,249,343,800	5,342,071,400	5,374,917,000
Federal Aid Not Elsewhere Categorized	15,224,314,135	14,991,820,669	18,072,750,800	17,991,952,500	18,091,958,400
School Aid Fund	12,866,865,379	13,238,904,426	13,611,058,800	13,909,962,700	14,305,462,700
Transportation Revenues	3,991,124,349	4,204,091,148	4,220,965,000	4,250,993,400	4,278,828,700
TOTAL ALL FUNDS	48,094,902,991	48,257,570,958	50,229,818,400	50,954,740,000	51,988,126,800
LESS: Interfund Transfers	(1,270,338,231)	(1,465,545,478)	(1,180,471,000)	(1,114,534,000)	(1,137,174,400)
NET TOTAL REVENUE after transfers	46,824,564,760	46,792,025,480	49,049,347,400	49,840,206,000	50,850,952,400
OTHER REVENUE OR NON-CURRENT YEAR SOURCES OF FINANCING					
General Fund (Unassigned)	187,200,000	972,472,000	1,186,600,000	666,900,000	41,200,000
Restricted Fund Subfunds of the General Fund (Unobligated)	366,222,980	530,529,000	474,076,000	474,000,000	474,000,000
Budget Stabilization Fund (Unobligated)	2,155,807	365,102,000	505,100,600	580,610,600	701,394,400
Michigan Health Savings Subfund (Unobligated)	0	0	0	0	122,000,000
School Aid Stabilization Fund (Unobligated)	724,688,359	254,111,560	292,033,200	351,622,000	34,365,000
Special Revenue and Permanent Funds Balances (Available)	172,653,282	429,701,000	406,831,400	407,000,000	407,000,000
MPERS Reserve Fund	NA	133,000,000	156,000,000	18,000,000	50,000,000
Sub-Total Fund Balances	1,452,920,428	2,684,915,560	3,020,641,200	2,498,132,600	1,829,959,400
NET TOTAL RESOURCES	48,277,485,188	49,476,941,040	52,069,988,600	52,338,338,600	52,680,911,800

Note: Individual amounts may not add to totals due to rounding.



CAPPED SOURCES OF FEDERAL FUNDS SHARED BETWEEN STATE DEPARTMENTS

CFDA Number	Title	FY 2015 Budget Recommendation	FY 2016 Budget Recommendation
16.588	Violence Against Women Formula Grants		
	Grantee: Human Services	4,601,900	4,601,900
	Subrecipient State Agency: State Police	175,000	175,000
17.503	Occupational Safety and Health-State Program		
	Grantee: Licensing & Regulatory Affairs	12,797,900	12,797,900
	Subrecipient State Agency: Attorney General	106,000	106,000
20.600	State and Community Highway Safety		
	Grantee: State Police	8,593,700	8,593,700
	Subrecipient State Agency: Judiciary	2,204,300	2,204,300
84.002	Adult Education-State Program		
	Grantee: Michigan Strategic Fund	20,000,000	20,000,000
	Subrecipient State Agency: Corrections	354,300	354,300
	Subrecipient State Agency: Human Services	27,000	27,000
84.013	Title I Program for Neglected and Delinquent Children		
	Grantee: Education	10,500	10,500
	Subrecipient State Agency: Corrections	404,900	404,900
	Subrecipient State Agency: Human Services	27,200	27,200
84.027	Special Education-Grants to States		
	Grantee: Education	14,602,500	14,602,500
	Subrecipient State Agency: Education via School Aid Budget	370,000,000	370,000,000
	Subrecipient State Agency: Corrections	115,500	115,500
	Subrecipient State Agency: Human Services	30,000	30,000
84.048	Vocational Education-Basic Grants to States		
	Grantee: Education	3,800,000	3,800,000
	Subrecipient State Agency: Education via School Aid Budget	28,500,000	28,500,000
	Subrecipient State Agency: Michigan Strategic Fund	19,000,000	19,000,000
	Subrecipient State Agency: Corrections	152,600	152,600
	Subrecipient State Agency: Human Services	97,000	97,000
84.181	Special Ed-Grants for Infants and Families with Disabilities		
	Grantee: Education	980,600	980,600
	Subrecipient State Agency: Education via School Aid Budget	15,000,000	15,000,000
	Subrecipient State Agency: Human Services	66,600	66,600
93.558	Temporary Assistance For Needy Families		
	Grantee: Human Services	610,826,400	604,126,400
	Subrecipient State Agency: Higher Education	93,826,400	93,826,400
	Subrecipient State Agency: Michigan Strategic Fund	64,898,800	64,898,800
	Subrecipient State Agency: Community Health	18,330,400	18,330,400
93.568	Low-Income Home Energy Assistance		
	Grantee: Human Services	174,517,500	174,517,500
	Subrecipient State Agency: Treasury	3,023,400	3,023,400



SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund/Department	FY 2015 Budget Recommendation	FY 2016 Budget Recommendation
Bottle Deposits Fund		
Environmental Quality	22,870,500	22,870,500
Treasury	250,000	250,000
Comprehensive Transportation Fund		
Transportation	280,104,200	280,104,200
Attorney General	200,900	200,900
Civil Service Commission	200,000	200,000
Technology, Management, and Budget	47,000	47,000
Legislative Auditor General	37,400	37,400
Treasury	16,400	16,400
Forest Development Fund		
Natural Resources	31,789,400	31,789,400
Technology, Management and Budget	357,100	357,100
Treasury	1,300	1,300
Game and Fish Protection Account		
Natural Resources	88,654,600	88,654,600
Treasury	2,454,000	2,454,000
Attorney General	838,000	838,000
Technology, Management, and Budget	565,000	565,000
Legislative Auditor General	30,100	30,100
Game and Fish Protection Trust Fund		
Natural Resources	6,000,000	6,000,000
Treasury	119,900	119,900
Health Insurance Claims Assessment		
Community Health	308,255,300	308,255,300
Treasury	2,033,800	2,033,800
Michigan Merit Award Trust Fund		
Community Health	68,334,700	68,334,700
Human Services	30,100,000	30,100,000
Treasury	1,143,200	1,143,200
State Police	793,900	793,900
Attorney General	487,300	487,300
Michigan Natural Resources Trust Fund		
Natural Resources	1,255,300	1,255,300
Treasury	1,893,400	1,893,400
Michigan Nongame Fish and Wildlife Fund		
Natural Resources	503,200	503,200
Treasury	3,800	3,800
Michigan State Parks Endowment Fund		
Natural Resources	27,467,600	27,467,600
Technology, Management, and Budget	175,500	175,500
Treasury	121,200	121,200

SPECIAL REVENUE FUNDS SHARED BETWEEN STATE DEPARTMENTS

Fund/Department	FY 2015 Budget Recommendation	FY 2016 Budget Recommendation
Michigan State Waterways Account		
Natural Resources	24,937,300	24,937,300
State	1,478,900	1,478,900
Treasury	315,700	315,700
Technology, Management, and Budget	142,300	142,300
Attorney General	137,600	137,600
Legislative Auditor General	10,900	10,900
Motor Carrier Fees		
Licensing and Regulatory Affairs	2,972,300	2,972,300
State Police	4,687,600	4,687,600
Michigan Transportation Fund		
Transportation	1,017,972,100	1,017,972,100
State	20,000,000	20,000,000
Treasury	2,700,000	2,700,000
Environmental Quality	1,312,800	1,312,800
Legislative Auditor General	303,500	303,500
Off-Road Vehicle Account		
Natural Resources	6,210,800	6,210,800
State	167,300	167,300
Snowmobile Account		
Natural Resources	10,950,700	10,950,700
State	390,600	390,600
Treasury	1,500	1,500
State Aeronautics Fund		
Transportation	15,006,600	15,006,600
Attorney General	174,400	174,400
Civil Service Commission	150,000	150,000
Treasury	74,300	74,300
Technology, Management, and Budget	38,600	38,600
Legislative Auditor General	29,100	29,100
State Park Improvement Account		
Natural Resources	50,229,100	50,229,100
State	1,000,000	1,000,000
Treasury	3,200	3,200
State Trunkline Fund		
Transportation	708,555,700	708,555,700
State Police	11,433,400	11,433,400
Civil Service Commission	5,697,000	5,697,000
Attorney General	2,387,000	2,387,000
Technology, Management, and Budget	1,296,300	1,296,300
Legislative Auditor General	704,900	704,900
Treasury	129,900	129,900

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Boilerplate language in the Fiscal Year 2014 Enacted Appropriations requires an annual report, within 14 days after the release of the Executive Budget Recommendation, on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2013 and September 30, 2014.

Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			Available Fund Balance
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
MDARD	Agricultural Preservation Fund	884,500	560,100	(1,128,900)	315,700	500,000	(815,700)	0
MDARD	Agriculture Equine Industry Development Fund	1,658,400	4,653,300	(5,304,500)	1,007,200	4,187,900	(5,195,100)	0
MDARD	Animal Welfare Fund	201,800	153,100	(181,900)	173,000	150,000	(190,000)	133,000
MDARD	Commodity Inspection Fees	200	309,600	(309,800)	0	398,000	(398,000)	0
MDARD	Consumer & Industry Food Safety Education Fund	398,900	262,700	(293,100)	368,500	265,000	(290,000)	343,500
MDARD	Dairy and Food Safety Fund	852,600	2,583,700	(2,901,700)	534,600	2,600,000	(2,850,000)	284,600
MDARD	Freshwater Protection Fund	928,900	5,079,900	(4,952,200)	1,056,600	4,401,600	(4,986,800)	471,400
MDARD	Private Forestland Enhancement Fund	0	15,900	0	15,900	15,900	0	31,800
MDARD	Gasoline Inspection and Testing Fund	1,290,300	1,687,300	(2,227,300)	750,300	1,673,500	(2,000,300)	423,500
MDARD	Grain Dealer Fee Fund	59,100	483,300	(435,200)	107,200	400,000	(507,200)	0
MDARD	Horticulture Fund	0	35,000	(35,000)	0	35,000	(35,000)	0
MDARD	Industry Support Funds	87,800	260,000	(257,100)	90,700	244,600	(299,600)	35,700
MDARD	Licensing and Inspection Fees	193,300	3,646,600	(3,686,800)	153,100	3,390,900	(3,488,300)	55,700
MDARD	Migrant Labor Housing Fund	72,500	127,500	(121,300)	78,700	110,000	(110,000)	78,700
MDARD	Renewable Fuels Fund	42,600	300	0	42,900	0	0	42,900
MDARD	Testing Fees	0	203,500	(203,500)	0	220,000	(220,000)	0
MDARD	Weights and Measures Regulation Fees	1,070,900	1,025,300	(969,100)	1,127,100	500,000	(991,000)	636,100
Attorney General	Antitrust Enforcement Collections	250,000	690,300	(690,300)	250,000	726,100	(726,100)	250,000
Attorney General	Antitrust, Securities Fraud, CP or Class Action Enforcement Revenue	0	250,000	(250,000)	0	250,000	(250,000)	0
Attorney General	Attorney General's Operations Fund	1,662,228	838,764	(1,054,601)	1,446,391	840,000	(1,175,400)	1,110,991
Attorney General	Franchise Fees	0	312,522	(312,522)	0	320,000	(320,000)	0
Attorney General	Homeowner Protection Fund	6,000,000	0	(865,645)	5,134,355	0	(1,600,000)	3,534,355
Attorney General	Litigation Exp Reimbursement Fund	500,000	66,308	(213,416)	352,892	500,000	(500,000)	352,892
Attorney General	Prisoner Reimbursement	0	416,754	(416,754)	0	614,400	(614,400)	0
Attorney General	Prisoner Reimbursement Excess Collections	0	990,094	(990,094)	0	1,000,000	(1,000,000)	0
Attorney General	Prosecuting Attorney's Training Fees	0	24,972	(24,972)	0	405,300	(405,300)	0
Casino Gaming	State Casino Gaming Fund	320,166	195,005	0	515,171	100,000	0	615,171
Casino Gaming	State Services Fee Fund	1,237,408	34,206,862	(34,246,491)	1,197,779	35,233,000	(36,028,900)	401,879
Casino Gaming	Casino Gambling Agreements	216,106	802,484	(673,592)	344,998	800,000	(719,300)	425,698
Casino Gaming	Laboratory Fees	0	596,846	(596,846)	0	700,000	(700,000)	0
Casino Gaming	Equine Development Fund (ORC)	0	1,889,810	(1,889,810)	0	1,800,000	(1,800,000)	0
Casino Gaming	State Lottery Fund	0	2,543,321	(2,543,321)	0	3,000,000	(3,000,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

Boilerplate language in the Fiscal Year 2014 Enacted Appropriations requires an annual report, within 14 days after the release of the Executive Budget Recommendation, on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2013 and September 30, 2014.

Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DCH	Healthy Michigan Fund	515,614	33,544,571	(33,465,549)	594,636	32,500,000	(32,320,000)	774,636
DCH	Michigan Health Initiative Fund	655,216	9,098,307	(8,579,226)	1,174,297	9,100,000	(9,420,300)	853,997
DCH	Crime Victims Rights Fund ¹	2,648,428	19,443,864	(13,908,531)	8,183,761	19,500,000	(18,470,400)	9,213,361
DCH	Gambling Addiction ²	3,900,747	2,123,343	(2,249,348)	3,774,742	2,000,000	(2,300,000)	3,474,742
DCH	Mbpi-Pharmaceutical Products Fund	1,061,349	0	0	1,061,349	0	(100,000)	961,349
DCH	Medicaid Benefits Trust Fund	136,718,104	334,981,463	(450,100,000)	21,599,567	345,300,400	(355,600,000)	11,299,967
DCH	Newborn Screening Fees	1,723,771	12,315,166	(12,105,446)	1,933,491	12,600,000	(12,979,000)	1,554,491
DCH	Vital Records Fees	1,438,125	3,890,302	(4,551,507)	776,920	5,400,000	(5,431,900)	745,020
DCH	Certificate of Need	1,210,863	1,420,253	(1,692,324)	938,792	2,120,000	(2,085,000)	973,792
DCH	Emergency Medical Services Fees ³	64,203	460,711	(337,396)	187,518	420,000	(371,100)	236,418
DCH	Health Insurance Claims Assessment	0	280,235,400	(270,736,200)	9,499,200	276,000,000	(400,000,000)	(114,500,800)
DOC	Resident Stores	0	4,834,207	(4,834,207)	0	4,970,000	(4,970,000)	0
DOC	Prisoner Health Care Copayments	0	193,112	(193,112)	0	195,000	(195,000)	0
DOC	State Restricted Revenues & Reimbursement	0	25,522	(25,522)	0	80,000	(80,000)	0
DOC	Special Equipment Fund	13,585,459	11,557,877	(1,032,045)	24,111,291	11,500,000	(34,000,000)	1,611,291
DOC	Correctional Industries Revolving Fund	0	440,666	(440,666)	0	450,000	(450,000)	0
DOC	Parole / Probation Oversight Fees	0	3,950,212	(3,950,212)	0	3,600,000	(3,600,000)	0
DOC	Parole / Probation Oversight Fee Set-Aside	2,899,244	776,745	(678,195)	2,997,794	684,000	(1,000,000)	2,681,794
DOC	Public Works User Fees (SAI) ⁴	0	80,465	(80,465)	0	0	0	0
DOC	Tether Program Participant Contributions	0	2,199,998	(2,199,998)	0	2,300,000	(2,300,000)	0
DOC	Re-Entry Center Offender Reimbursements	0	16,162	(16,162)	0	18,000	(18,000)	0
DOC	Jail Reimbursement Program Fund	0	5,283,991	(5,283,991)	0	5,300,000	(5,300,000)	0
Education	Certification Fees	2,520,577	5,407,393	(5,871,908)	2,056,061	5,407,400	(6,154,700)	1,308,761
Education	Commodity Distribution Fees	4,298	1,445	(1,445)	4,298	1,400	(1,400)	4,298
Education	Library Fees	484,820	322,534	(315,670)	491,683	322,500	(315,700)	498,483
Education	Student Insurance Revenue	0	111,735	(111,735)	0	111,700	(111,700)	0
Education	Teacher Testing Fees	117,066	150,635	(166,133)	101,568	150,600	(166,100)	86,068
Education	Teacher College Review Fees	57,388	6,900	(3,813)	60,475	6,900	(3,800)	63,575
Education	Training & Orientation Workshop Fees	0	238	(238)	0	200	(200)	0
DEQ	Air Emissions Fees	2,818,000	10,013,800	(9,956,400)	2,875,400	9,552,800	(10,574,200)	1,854,000
DEQ	Aquifer Protection Revolving Fund	0	600,000	(5,500)	594,500	0	(134,000)	460,500
DEQ	Brownfield Revolving Loan Fund	30,643,800	176,700	(5,500,000)	25,320,500	60,000	0	25,380,500
DEQ	Campground Fund	88,000	256,100	(292,600)	51,500	250,000	(245,900)	55,600
DEQ	CMI - Clean Water Fund	0	2,419,200	(2,419,200)	0	(433,700)	433,700	0
DEQ	CMI - Contaminated Sediments	0	270,300	(57,900)	212,400	288,100	(500,500)	0
DEQ	CMI - Nonpoint Source	0	396,200	(379,000)	17,200	144,500	(161,700)	0
DEQ	CMI - Pollution Prevention Activities	0	89,700	(89,700)	0	38,800	(38,800)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DEQ	CMI - Revenue Fund	4,647,300	(1,033,900)	(22,400)	3,591,000	0	(3,591,000)	0
DEQ	CMI - Response Activities	0	4,079,500	(4,079,500)	0	3,956,200	(3,956,200)	0
DEQ	CMI - Waterfront Improvements	0	52,700	(46,100)	6,600	470,800	(477,400)	0
DEQ	Cleanup and Redevelopment Fund	22,493,300	13,484,100	(15,362,700)	20,614,700	11,320,000	(18,000,000)	13,934,700
DEQ	Cleanup and Redevelopment Trust Fund	1,151,400	1,578,800	(1,000,000)	1,730,200	1,100,000	(1,000,000)	1,830,200
DEQ	Community Pollution Prevention Fund	2,685,400	1,603,800	(1,835,500)	2,453,700	1,383,400	(1,250,000)	2,587,100
DEQ	Electronic Waste Recycling Fund	311,400	287,600	(156,300)	442,700	280,000	(208,600)	514,100
DEQ	Environmental Education Fund	136,700	108,500	(155,000)	90,200	133,700	(162,900)	61,000
DEQ	Environmental Protection Fund	3,244,800	1,927,900	(2,684,000)	2,488,700	2,000,000	(2,002,800)	2,485,900
DEQ	Environmental Protection Bond Fund	4,994,400	223,400	(1,859,300)	3,358,500	2,776,600	(6,135,100)	0
DEQ	Environmental Response Fund	10,932,400	1,563,600	(3,903,500)	8,592,500	1,152,100	(9,155,800)	588,800
DEQ	Environmental Pollution Prevention Subfund	2,559,500	1,327,900	(2,959,800)	927,600	10,396,800	(8,937,700)	2,386,700
DEQ	Fees & Collections	0	264,000	(264,000)	0	305,500	(305,500)	0
DEQ	Financial Instruments	0	1,099,000	(1,099,000)	0	1,000,000	(1,000,000)	0
DEQ	Great Lakes Protection Fund	170,200	306,100	(322,200)	154,100	300,000	(212,500)	241,600
DEQ	Groundwater Discharge Permit Fees	1,475,200	1,241,800	(1,162,000)	1,555,000	1,240,000	(1,186,500)	1,608,500
DEQ	Hazardous Materials Transport Permit Fund	1,118,400	203,000	(233,200)	1,088,200	(1,088,200)	0	0
DEQ	Infrastructure Construction Fund	5,500	6,000	0	11,500	3,500	(11,300)	3,700
DEQ	Land and Water Permit Fee	5,603,900	3,206,300	(2,858,900)	5,951,300	3,013,300	(7,219,400)	1,745,200
DEQ	Landfill Maintenance Trust Fund	42,200	400	0	42,600	600	(15,000)	28,200
DEQ	Landfill Maintenance Trust Sub-Fund Corpus	499,900	200	(100)	500,000	0	0	500,000
DEQ	Medical Waste Emergency Response Fund	613,300	462,100	(276,700)	798,700	240,000	(347,200)	691,500
DEQ	Metallic Mineral Surveillance Fee	95,100	50,700	(96,100)	49,700	120,000	(110,400)	59,300
DEQ	Michigan Clean Air Fund	598,900	39,200	0	638,100	(638,100)	0	0
DEQ	Mineral Well Regulatory Fund	122,000	145,400	(169,000)	98,400	140,000	(130,000)	108,400
DEQ	National Pollutant Discharge Elimination System	3,646,700	3,150,200	(2,214,200)	4,582,700	2,844,100	(4,931,000)	2,495,800
DEQ	Natural Resource Damage Fund	3,833,200	691,100	(407,900)	4,116,400	50,000	(2,000,000)	2,166,400
DEQ	Nonferrous Metallic Mineral Surveillance	8,800	0	(8,800)	0	10,000	(10,000)	0
DEQ	Oil and Gas Regulatory Fund	6,907,400	9,742,300	(9,203,600)	7,446,100	9,000,000	(9,387,700)	7,058,400
DEQ	Orphan Well Sub-Fund	1,766,500	1,243,800	(535,000)	2,475,300	1,100,000	(600,000)	2,975,300
DEQ	Environmental Perpetual Care Fund	113,500	0	0	113,500	0	0	113,500
DEQ	Public Swimming Pool Fund	122,000	531,400	(540,700)	112,700	510,000	(500,600)	122,100
DEQ	Public Water Supply Fees	13,100	4,654,600	(3,922,000)	745,700	4,323,000	(4,750,700)	318,000
DEQ	Publication Revenue	72,500	0	0	72,500	0	(72,500)	0
DEQ	Refined Petroleum Fund	46,887,100	51,727,000	(39,478,400)	59,135,700	50,525,300	(46,000,000)	63,661,000

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			Available Fund Balance
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	
DEQ	Retired Engineers Technical Assistance Program	2,477,100	(700)	(499,000)	1,977,400	2,900	(1,345,600)	634,700
DEQ	Revitalization Revolving Loan Sub-Fund	6,141,100	32,500	(8,500)	6,165,100	30,000	(10,000)	6,185,100
DEQ	Sand Extraction Fee Revenue	141,300	51,000	(80,700)	111,600	92,000	(82,300)	121,300
DEQ	Scrap Tire Regulatory Fund	5,380,500	4,240,500	(2,973,900)	6,647,100	4,000,000	(4,807,700)	5,839,400
DEQ	Septage Waste Contingency Sub-Fund	24,400	0	(7,100)	17,300	0	(6,000)	11,300
DEQ	Septage Waste License Fees	91,700	421,100	(424,200)	88,600	420,000	(426,100)	82,500
DEQ	Settlements Fund	542,200	907,900	(210,900)	1,239,200	500,000	(600,000)	1,139,200
DEQ	Sewage Sludge Land Application Fee	90,900	729,700	(790,500)	30,100	800,000	(827,400)	2,700
DEQ	Small Business Pollution Prevention Assistance Revolving Loan Fund	2,387,200	5,300	(162,800)	2,229,700	7,000	(131,600)	2,105,100
DEQ	Soil Erosion and Sedimentation Control Fund	106,200	102,800	(146,100)	62,900	102,800	(159,000)	6,700
DEQ	Solid Waste Program Fees	3,037,400	5,370,800	(4,932,000)	3,476,200	5,102,300	(5,110,700)	3,467,800
DEQ	Solid Waste Management Fund - Perpetual Care	402,200	86,300	(600)	487,900	50,000	(600)	537,300
DEQ	State Sites Cleanup Fund	5,357,800	12,400	(515,700)	4,854,500	5,000	(4,741,900)	117,600
DEQ	Stormwater Permit Fees	2,664,400	1,635,900	(1,494,400)	2,805,900	1,630,800	(3,357,600)	1,079,100
DEQ	Strategic Water Quality Initiative Fund	18,358,100	157,000	(8,839,800)	9,675,300	97,549,700	(107,138,400)	86,600
DEQ	Waste Reduction Fund	4,346,100	4,550,100	(5,017,600)	3,878,600	0	(3,878,600)	0
DEQ	Wastewater Operator Training Fees	34,400	409,900	(325,500)	118,800	400,000	(475,000)	43,800
DEQ	Water Analysis Fund	188,700	1,831,800	(1,842,100)	178,400	1,800,000	(1,817,000)	161,400
DEQ	Water Pollution Control Revolving Fund	0	2,321,300	(2,321,300)	0	2,367,700	(2,367,700)	0
DEQ	Water Use Reporting Fee	312,800	256,300	(230,600)	338,500	180,000	(286,000)	232,500
DEQ	Water Quality Protection Fund	334,400	51,400	(29,600)	356,200	64,800	(100,000)	321,000
DHS	Supplemental Security Income Recoveries	0	9,221,386	(9,221,386)	0	9,221,400	(9,221,400)	0
DHS	Public Assistance Recoupment Revenue	912,050	4,690,309	(5,602,360)	0	4,690,300	(4,690,300)	0
DHS	Sexual Assault Victims' Medical Forensic Intervention	2,458,833	1,202,090	(1,161,688)	2,499,235	1,202,100	(1,161,700)	2,539,635
DHS	Children's Advocacy Center Fund	2,021,885	828,003	(1,023,240)	1,826,648	828,000	(1,023,200)	1,631,448
DHS	Child Support Collections	0	18,484,100	(18,484,100)	0	18,484,100	(18,484,100)	0
DHS	Children's Trust Fund	1,023,086	1,105,214	(1,249,968)	878,332	1,105,200	(1,250,000)	733,532
DIFS	Insurance Continuing Education Fees	341,526	591,866	(463,238)	470,154	600,600	(471,000)	599,754
DIFS	Credit Union Fees	823,625	6,898,971	(7,075,643)	646,953	7,000,000	(7,100,000)	546,953
DIFS	Bank Fees	2,518,776	5,188,310	(6,148,785)	1,558,301	5,700,000	(6,200,000)	1,058,301
DIFS	Consumer Finance Fees	182,031	1,468,692	(1,388,149)	262,575	1,400,000	(1,300,000)	362,575
DIFS	Multiple Employer Welfare Arrangement	359,613	140,850	(54,552)	445,911	70,000	(70,000)	445,911
DIFS	Deferred Presentment Service Transaction Fees	1,159,464	2,675,775	(2,967,557)	867,682	3,011,600	(3,011,600)	867,682
DIFS	Insurance Bureau Fund	5,679,382	18,511,334	(21,497,371)	2,693,345	19,000,000	(19,700,000)	1,993,345

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DIFS	Captive Insurance Regulatory and Supervision Fund	137,585	49,746	(1,901)	185,430	50,000	(25,000)	210,430
DIFS	MBLSLA Fund	2,032,422	3,782,964	(2,739,631)	3,075,755	2,800,000	(2,900,000)	2,975,755
DIFS	Insurance Licensing and Regulation Fees	4,274,060	6,378,113	(5,931,855)	4,720,318	6,400,000	(8,000,000)	3,120,318
DIFS	Autism Coverage Fund	0	15,007,866	(111,721)	14,896,144	11,000,000	(11,000,000)	14,896,144
Judiciary	Juror Compensation Fund	3,522,247	4,270,406	(2,810,553)	4,982,100	4,200,000	(3,000,000)	6,182,100
Judiciary	State Court Fund	0	7,015,636	(7,015,636)	0	7,000,000	(7,000,000)	0
Judiciary	Court Filing/Motion Fees	0	1,428,705	(1,428,705)	0	1,450,000	(1,450,000)	0
Judiciary	Law Exam Fees	0	679,900	(679,900)	0	628,100	(628,100)	0
Judiciary	Community Dispute Resolution Fund	1,600,927	1,848,788	(1,783,708)	1,666,006	1,850,000	(1,850,000)	1,666,006
Judiciary	Drunk Driving Fund	0	2,554,083	(2,554,083)	0	2,600,000	(2,600,000)	0
Judiciary	Miscellaneous Revenue	0	201,789	(201,789)	0	200,000	(200,000)	0
Judiciary	Court Equity Fund	0	39,972,065	(39,972,065)	0	40,000,000	(40,000,000)	0
Judiciary	Court Fee Fund	564,204	8,545,132	(9,063,457)	45,878	8,500,000	(8,545,900)	(22)
Judiciary	Drug Fund	0	195,995	(195,995)	0	200,000	(200,000)	0
Judiciary	Drug Court Fund	1,141,062	1,240,043	(1,713,664)	667,441	1,250,000	(1,500,000)	417,441
Judiciary	Justice System Fund	175,077	440,779	(322,365)	293,490	450,000	(500,000)	243,490
Judiciary	Judicial Technology Improvement Fund	100,080	3,955,594	(4,015,921)	39,753	4,000,000	(4,039,800)	(47)
DLARA	Bureau Of Services For Blind Persons Enterprise Program Fund	0	207,662	(207,662)	0	289,000	(277,000)	12,000
DLARA	Aboveground Storage Tank Fees	332,222	444,705	(389,089)	387,837	458,500	(480,600)	365,737
DLARA	Accountancy Enforcement Fund	2,547,873	1,027,473	(314,571)	3,260,775	128,200	(178,900)	3,210,075
DLARA	Boiler Fee Revenue	1,939,004	3,289,559	(3,078,989)	2,149,574	3,201,800	(3,430,000)	1,921,374
DLARA	Builder Enforcement Fund	2,126,131	89,691	(322,371)	1,893,451	912,800	(534,700)	2,271,551
DLARA	Children's Protection Registry Fund	221,404	200,190	(141,198)	280,396	80,000	(100)	360,296
DLARA	Construction Code Fund	1,262,927	12,899,624	(11,028,517)	3,134,034	8,086,700	(9,077,400)	2,143,334
DLARA	Contingent Fund, Regular Penalty & Interest Account	13,980,324	23,466,065	(4,946,384)	32,500,005	18,000,000	(18,907,200)	31,592,805
DLARA	Corporation Fees	3,889,758	22,259,165	(21,184,999)	4,963,924	21,408,300	(20,846,300)	5,525,924
DLARA	Direct Shipper Enhancement Revolving Fund	438,356	90,608	(240)	528,724	75,500	(300)	603,924
DLARA	Elevator Fees	4,375,562	4,111,008	(4,155,002)	4,331,568	4,022,400	(4,367,400)	3,986,568
DLARA	Fees and Collections/Asbestos	317,880	671,834	(704,640)	285,074	670,000	(763,000)	192,074
DLARA	Fire Alarm Fees ⁵	0	136,869	(126,400)	0	83,500	(83,500)	0
DLARA	Fire Protection Fund	3,354,336	8,505,205	(11,854,500)	5,042	8,500,000	(8,500,000)	5,042
DLARA	Fire Safety Standard & Enforcement Fund	70,388	103,193	(40,415)	133,166	7,000	(40,000)	100,166
DLARA	Fire Service Fees	0	2,186,316	(2,186,316)	0	2,210,000	(2,209,600)	400
DLARA	Fireworks Safety Fund	1,366,936	2,377,495	(653,842)	3,090,589	2,261,000	(673,700)	4,677,889
DLARA	Health Professions Regulatory Fees	21,511,798	8,238,226	(24,872,407)	4,877,617	20,601,000	(21,000,000)	4,478,617
DLARA	Health Systems Fees	1,012,882	1,981,319	(2,968,900)	25,301	3,635,700	(2,415,300)	1,245,701
DLARA	Licensing and Regulation Fees	3,767,867	10,509,397	(12,320,777)	1,956,487	13,119,600	(12,842,400)	2,233,687

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DLARA	Liquor License Revenue	2,050,668	12,523,610	(13,245,064)	1,329,214	12,729,600	(12,750,000)	1,308,814
DLARA	Liquor Purchase Revolving Fund ⁵	875,739	912,195,350	(23,530,538)	0	913,144,900	(23,765,800)	0
DLARA	Michigan Medical Marijuana Fund	0	23,534,952	0	23,534,952	10,369,000	(4,492,400)	29,411,552
DLARA	Mobile Home Code Fund	2,443,233	2,147,610	(2,706,499)	1,884,344	1,788,300	(2,511,900)	1,160,744
DLARA	Motor Carrier Fees	0	7,428,612	(7,428,612)	0	6,830,000	(6,830,000)	0
DLARA	Nurse Professional Fund	413,544	1,391,642	(851,795)	953,391	1,390,000	(1,131,100)	1,212,291
DLARA	Pain Management Fees	5,100,431	1,241,773	(1,885,352)	4,456,852	1,239,800	(1,805,200)	3,891,452
DLARA	Private Occupational School License Fees	502,056	534,179	(681,955)	354,280	539,300	(688,700)	204,880
DLARA	Property Development Fees	53,511	33,378	(27,350)	59,539	25,000	(20,000)	64,539
DLARA	Public Utility Assessments	937,274	28,886,570	(25,364,446)	4,459,398	27,803,900	(27,161,400)	5,101,898
DLARA	Radiological Health Fees	2,237,042	2,240,784	(2,546,589)	1,931,237	2,260,500	(2,749,800)	1,441,937
DLARA	Real Estate Appraiser Continuing Education Fund	478,480	31,201	(36,145)	473,536	31,200	(17,200)	487,536
DLARA	Real Estate Education Fund	2,829,454	567,638	(318,703)	3,078,389	48,800	(146,900)	2,980,289
DLARA	Real Estate Enforcement Fund	1,631,300	292,561	(489,566)	1,434,295	54,000	(509,100)	979,195
DLARA	Restructuring Mechanism Assessments	4,740,216	12,919,719	(16,248,051)	1,411,884	20,300,000	(16,300,000)	5,411,884
DLARA	Safety Education and Training Fund	7,287,365	9,593,840	(10,303,946)	6,577,259	10,682,500	(10,100,000)	7,159,759
DLARA	Second Injury Fund	9,190,251	11,741,866	(12,450,898)	8,481,220	11,730,000	(12,500,000)	7,711,220
DLARA	Securities Fees ⁵	0	21,494,465	(15,991,143)	0	21,409,600	(17,346,400)	0
DLARA	Securities Investor Education & Training Fund	629,599	42,985	(178,039)	494,544	10,000	(52,400)	452,144
DLARA	Security Business Fund	61,092	94,319	(28,843)	126,568	98,500	(31,800)	193,268
DLARA	Self-Insurers Security Fund	13,957,740	8,448,970	(5,899,522)	16,507,188	8,617,000	(6,200,000)	18,924,188
DLARA	Silicosis and Dust Disease Fund	965,973	1,903,320	(1,658,516)	1,210,777	1,630,000	(1,600,000)	1,240,777
DLARA	Special Fraud Control Fund	1,540,405	0	(991,313)	549,092	0	(549,100)	0
DLARA	State Restricted Revenue - Administrative Hearings & Rules	0	9,747,115	(9,722,756)	24,359	11,200,800	(11,200,800)	24,359
DLARA	Survey and Remonumentation Fund	2,977,992	7,819,466	(6,037,672)	4,759,785	7,997,500	(8,130,100)	4,627,185
DLARA	Tax Tribunal Fund	4,346,614	(613,584)	(869,729)	2,863,301	3,257,000	(4,800,000)	1,320,301
DLARA	Unarmed Combat Fund	49,016	82,289	(53,690)	77,616	44,000	(51,300)	70,316
DLARA	Underground Storage Tank Fees	1,577,302	1,525,593	(1,495,046)	1,607,849	1,704,000	(2,146,300)	1,165,549
DLARA	Utility Consumer Representation Fund	2,800,974	511,832	(944,257)	2,368,549	1,222,900	(1,691,500)	1,899,949
DLARA	Video Franchise Assessments	179,690	215,903	(253,809)	141,784	258,200	(266,900)	133,084
DLARA	Worker's Compensation Administrative Revolving Fund	2,190,489	1,549,893	(2,046,544)	1,693,838	1,500,000	(2,615,600)	578,238
Lottery	Lottery Operations ⁶	0	47,000,100	(42,500,000)	0	47,675,200	(47,675,200)	0
MSF	21st Century Jobs Trust Fund ⁷	7,859,155	86,266,548	(75,210,974)	18,914,729	177,500,000	(177,500,000)	18,914,729
MSF	Defaulted Loan Collection Fees	0	100,000	(100,000)	0	150,000	(150,000)	0
MSF	Industry Support Feeds	0	5,500	(5,500)	0	5,500	(5,500)	0
MSF	Michigan Film Promotion Fund ⁸	8,899,652	50,309,808	(58,886,419)	323,041	50,648,800	(40,000,000)	10,971,841
MSF	Public Utility Assessments	0	369,784	(346,837)	22,947	869,300	(580,000)	312,247

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
MSF-MSHDA	Land Bank Fast Track Fund ⁹	0	1,715,139	(1,715,139)	0	2,050,000	(2,050,000)	0
MSF-MSHDA	Michigan Lighthouse Preservation Fund	296,835	143,665	(300)	440,200	307,500	(300)	747,400
MSF-MSHDA	MSHDA Fees & Charges	2,389,003	47,355,324	(49,744,327)	0	64,570,200	(64,570,200)	0
DMVA	Rental Fees	0	121,134	(121,134)	0	346,400	(346,400)	0
DMVA	Michigan National Guard Construction Fund	654,454	16,913	0	671,367	0	0	671,367
DMVA	Mackinac Bridge Authority - Restricted	0	70,000	(70,000)	0	70,000	(70,000)	0
DMVA	Income & Assessments	30,139	16,950,719	(16,899,533)	81,325	16,187,000	(16,187,000)	81,325
DMVA	Lease Revenue	0	24,897	(24,897)	0	24,000	(24,000)	0
DMVA	Michigan Veterans Trust Fund - Restricted	4,639,304	2,043,181	(3,213,416)	3,469,070	2,600,000	(2,600,000)	3,469,070
DMVA	Military Family Relief Fund	2,405,672	144,763	(166,044)	2,384,392	100,000	(100,000)	2,384,392
DNR	Fire Equipment Fund	1,188,800	238,200	(549,900)	877,100	300,000	(306,400)	870,700
DNR	Cervidae Licensing and Inspection Fees	0	80,300	(80,300)	0	79,500	(79,500)	0
DNR	Clean Michigan Initiative Fund	142,600	200	(28,200)	114,600	200	(28,500)	86,300
DNR	Commercial Forest Fund	26,600	26,500	(26,100)	27,000	35,100	(27,200)	34,900
DNR	Forest Development Fund	4,010,000	33,656,000	(35,338,400)	2,327,600	32,294,300	(31,729,800)	2,892,100
DNR	Forest Land User Charges	765,200	243,600	(544,000)	464,800	270,900	(335,400)	400,300
DNR	Forest Recreation Account	371,800	1,622,800	(1,943,000)	51,600	1,626,900	(1,646,100)	32,400
DNR	Game and Fish Protection Fund	8,526,200	62,027,100	(66,509,700)	4,043,600	72,564,900	(75,694,700)	913,800
DNR	Game and Fish Protection Fund - Deer Habitat Reserve	419,500	2,273,400	(2,082,900)	610,000	2,217,000	(2,217,500)	609,500
DNR	Game and Fish Protection Fund - Fisheries Settlement	1,428,200	673,200	(918,000)	1,183,400	678,700	(940,500)	921,600
DNR	Game and Fish Protection Fund - Turkey Permit Fees	116,000	1,197,500	(1,115,400)	198,100	1,156,600	(1,091,900)	262,800
DNR	Game and Fish Protection Fund - Waterfowl Fees	1,700	(519,800)	528,400	10,300	148,300	(95,300)	63,300
DNR	Game and Fish Protection Fund - Waterfowl Hunt Stamp	1,908,000	811,500	0	2,719,500	396,700	0	3,116,200
DNR	Game and Fish Protection Fund - Wildlife Resource Protection Fund	27,800	1,118,600	(1,098,400)	48,000	1,155,300	(1,135,300)	68,000
DNR	Game and Fish Protection Fund - Youth Hunting and Fishing Education and Outreach Fund	209,600	37,000	(58,000)	188,600	76,300	(31,700)	233,200
DNR	History Fees Fund	59,300	113,300	(82,800)	89,800	210,000	(225,000)	74,800
DNR	Invasive Species Fund	0	20,000	0	20,000	0	0	20,000
DNR	Land Exchange Facilitation Fund	2,498,200	1,687,100	(1,906,900)	2,278,400	1,522,000	(3,556,600)	243,800
DNR	Local Public Recreation Facilities Fund	848,500	879,900	(818,600)	909,800	966,000	(859,500)	1,016,300
DNR	Mackinac Island State Park Fund	0	1,482,500	(1,482,500)	0	1,550,000	(1,550,000)	0
DNR	Mackinac Island State Park Operation Fund	0	88,900	(88,900)	0	100,000	(100,000)	0
DNR	Marine Safety Fund	85,100	4,816,700	(4,711,200)	190,600	4,686,000	(4,730,700)	145,900
DNR	Michigan Heritage Publications Fund	103,600	1,200	(15,000)	89,800	1,500	(53,100)	38,200

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
DNR	Michigan Natural Resources Trust Fund	36,239,300	18,492,700	(24,192,300)	30,539,700	31,000,000	(26,800,000)	34,739,700
DNR	Michigan State Parks Endowment Fund	9,373,700	45,269,800	(46,570,400)	8,073,100	45,501,600	(46,744,800)	6,829,900
DNR	Michigan State Waterways Fund	3,497,100	21,495,200	(19,528,200)	5,464,100	21,640,700	(21,524,900)	5,579,900
DNR	Michigan Trailways Fund	16,000	9,300	(24,000)	1,300	7,000	(8,300)	0
DNR	Museum Operations Fund	149,500	483,600	(490,200)	142,900	480,000	(579,700)	43,200
DNR	Nongame Wildlife Fund	264,000	332,200	(264,500)	331,700	481,200	(530,900)	282,000
DNR	Off-Road Vehicle Safety Education Fund	228,500	208,900	(208,600)	228,800	180,200	(201,500)	207,500
DNR	Off-Road Vehicle Trail Improvement Fund	1,086,000	3,324,100	(1,924,100)	2,486,000	5,890,000	(5,968,800)	2,407,200
DNR	Park Improvement Fund	1,253,000	45,019,200	(43,885,300)	2,386,900	45,786,500	(44,342,100)	3,831,300
DNR	Permanent Snowmobile Trail Easement Fund	1,625,900	462,300	(131,200)	1,957,000	523,900	(700,000)	1,780,900
DNR	Public Use and Replacement Deed Fees	0	21,500	(21,500)	0	25,000	(25,000)	0
DNR	Recreation Improvement Account	264,700	993,800	(897,200)	361,300	972,500	(1,030,700)	303,100
DNR	Recreation Passport Fees ¹⁰	2,381,300	4,663,400	(7,852,400)	(807,700)	5,109,600	(6,285,100)	(1,983,200)
DNR	Snowmobile Registration Fee Revenue	51,100	1,381,700	(1,361,500)	71,300	1,235,000	(1,235,000)	71,300
DNR	Snowmobile Trail Improvement Fund	3,372,500	8,288,100	(6,810,300)	4,850,300	8,226,400	(9,056,000)	4,020,700
DNR	Sportsmen Against Hunger Fund	29,400	39,500	(25,000)	43,900	50,000	(30,700)	63,200
State	Abandoned Vehicle Fund	0	371,931	(371,931)	0	329,200	(329,200)	0
State	Administrative Order Processing Fee	0	765	(765)	0	1,000	(1,000)	0
State	Auto Repair Facilities Fees	0	3,408,980	(3,408,980)	0	3,369,100	(3,369,100)	0
State	Basic Driver Improvement Course Fund	0	1,334,326	(1,334,326)	0	1,329,900	(1,329,900)	0
State	Child Support Clearance Fees	0	169,419	(169,419)	0	173,300	(173,300)	0
State	Credit & Debit Card Service Assessment	1,595,681	4,335,355	(3,944,224)	1,986,812	4,500,000	(5,000,000)	1,486,812
State	Driver Education Provider & Instructor Fund	231,031	101,741	(75,100)	257,672	45,900	(45,900)	257,672
State	Driver Fees	0	26,595,033	(26,595,033)	0	28,001,300	(28,001,300)	0
State	Enhanced Driver License & Personal ID Fund	2,387,573	7,302,044	(5,302,300)	4,387,317	5,422,000	(6,300,000)	3,509,317
State	Expedient Service Fees	0	2,933,011	(2,933,011)	0	3,510,500	(3,510,500)	0
State	Mobile Home Commission Fees	0	262,896	(262,896)	0	263,400	(263,400)	0
State	Motor Vehicle Accident Claims Fund	456,328	7,229	0	463,557	5,000	0	468,557
State	Motor Vehicle Code Books	91,218	0	0	91,218	0	0	91,218
State	Motorcycle Safety Fund	456,328	1,506,344	(1,622,353)	340,319	1,536,000	(1,630,000)	246,319
State	Notary Education & Training Fund	26,323	67,372	(55,000)	38,695	59,500	(59,500)	38,695
State	Notary Fees Fund	0	208,445	(208,445)	0	186,400	(186,400)	0
State	Off-road Vehicle Title Fees	0	160,400	(160,400)	0	164,800	(164,800)	0
State	Parking Ticket Court Fines	0	1,374,346	(1,374,346)	0	1,436,000	(1,436,000)	0
State	Personal ID Cards	0	2,775,526	(2,775,526)	0	2,680,000	(2,680,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
State	Reinstatement Fees	0	4,647,603	(4,647,603)	0	4,671,700	(4,671,700)	0
State	Scrap Tire Fund	0	75,100	(75,100)	0	76,500	(76,500)	0
State	Snowmobile Registration Fee Revenue	0	215,931	(215,931)	0	217,600	(217,600)	0
State	Thomas Daley Gift of Life Fund	13,843	42,902	0	56,745	41,300	(41,300)	56,745
State	Transportation Administration Collection Fund	1,715,806	102,205,352	(102,114,869)	1,806,289	105,396,300	(107,000,000)	202,589
MSP	Auto Theft Prevention Fund	1,814,262	6,249,576	(5,949,466)	2,114,372	6,974,100	(7,316,600)	1,771,872
MSP	Concealed Weapons Enforcement Fees	145,239	158	(60,980)	84,417	200	(83,700)	917
MSP	Criminal Justice Information Center Service Fees	0	20,074,900	(17,300,261)	2,774,639	20,833,800	(21,532,300)	2,076,139
MSP	Drunk Driving Prevention & Training	251,894	1,110,261	(1,188,706)	173,450	1,397,500	(1,397,500)	173,450
MSP	Forensic Science Reimbursement Fees	0	1,098,618	(1,098,548)	70	1,085,000	(1,085,000)	70
MSP	Forfeiture Funds	0	145,675	(145,675)	0	25,000	(25,000)	0
MSP	Hazardous Materials Training Center Fees	0	784,489	(784,489)	0	750,000	(750,000)	0
MSP	Highway Safety Fund	206	10,541,932	(10,542,138)	0	10,555,000	(10,555,000)	0
MSP	Licensing Fees	0	2,600	(2,600)	0	1,500	(1,500)	0
MSP	Michigan Justice Training Fund	3,854,666	5,364,009	(6,002,125)	3,216,551	4,985,600	(4,385,600)	3,816,551
MSP	Narcotics Investigation Revenues	585,559	718,072	(989,610)	314,021	575,000	(550,000)	339,021
MSP	Nuclear Plant Emergency Planning Reimbursement	0	2,262,006	(2,262,006)	0	2,620,800	(2,620,800)	0
MSP	Precision Driving Track Fees	0	300,200	(300,200)	0	311,700	(311,700)	0
MSP	Reimbursed Services	0	548,533	(548,533)	0	550,000	(550,000)	0
MSP	Rental Of Department Aircraft	0	20,639	(20,639)	0	21,000	(21,000)	0
MSP	Secondary Road Patrol & Training Fund	1,032,632	9,962,649	(9,889,528)	1,105,753	12,236,100	(12,500,000)	841,853
MSP	Sex Offenders Registration Fund	318,846	72,055	(118,200)	272,701	300,900	(360,000)	213,601
MSP	State Forensic Laboratory Fund	491,354	1,032,595	(654,845)	869,105	1,012,800	(1,881,900)	0
MSP	State Police Service Fees	0	1,279,165	(1,279,165)	0	1,275,000	(1,275,000)	0
MSP	Traffic Crash Revenue	0	250,144	(250,144)	0	250,000	(250,000)	0
MSP	Traffic Law Enforcement and Safety Fund	3,342,626	24,563,066	(24,900,386)	3,005,306	24,750,000	(26,321,600)	1,433,706
MSP	Trooper Recruit School Fund	1,923,773	477,327	(2,401,100)	0	35,000	(35,000)	0
MSP	Truck Driver Safety Fund	2,130,360	1,332,514	(925,055)	2,537,819	3,000,000	(1,000,000)	4,537,819
DTMB	State Exposition & Fairground Fund	0	100,000	(100,000)	0	100,000	(100,000)	0
DTMB	State Building Authority Revenue	0	690,625	(690,625)	0	897,900	(897,900)	0
MDOT	Comprehensive Transportation Fund ¹¹	34,452,800	265,431,300	(266,227,800)	33,656,300	264,633,800	(284,520,300)	13,769,800
MDOT	Michigan Transportation Fund	0	1,894,330,000	(1,894,330,000)	0	1,912,690,000	(1,912,690,000)	0
MDOT	State Aeronautics Fund	7,694,200	25,372,600	(27,922,300)	5,144,500	12,422,000	(14,955,300)	2,611,200
MDOT	State Trunkline Fund ¹²	0	866,941,500	(866,941,500)	0	963,426,600	(963,426,600)	0
Treasury	Airport Parking Revenue	0	21,176,478	(21,176,478)	0	21,000,000	(21,000,000)	0

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014			
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures	Available Fund Balance
Treasury	Boy Scout Troops Fund ¹³	0	11,619	(11,619)	0	0	0	0
Treasury	Convention Facility Development Fund	23,424,144	79,908,657	(80,240,620)	23,092,180	74,850,000	(74,850,000)	23,092,180
Treasury	Delinquent Tax Collection Revenue and MARCS ¹³	0	113,425,300	(113,425,300)	0	116,793,600	(116,793,600)	0
Treasury	Emergency 911 Administration & Coordination (State Police)	0	477,789	(477,789)	0	405,000	(405,000)	0
Treasury	Emergency 911 Dispatch Operations (State Police)	0	480,343	(480,343)	0	405,000	(405,000)	0
Treasury	Emergency 911 - Counties	0	9,197,746	(9,197,746)	0	9,000,000	(9,000,000)	0
Treasury	Emergency 911 - Counties per Capita	0	12,648,417	(12,648,417)	0	14,000,000	(14,000,000)	0
Treasury	Emergency 911 - Local Exchange Providers Emergency 911	2,943,911	1,872,218	(1,193,595)	3,622,535	2,200,000	(1,200,000)	4,622,535
Treasury	Emergency 911 - PSAP Training ¹⁴	1,733,148	1,431,344	(1,740,484)	1,424,008	1,800,000	(1,800,000)	1,424,008
Treasury	Emergency 911 Administration	0	109,805	(109,805)	0	152,900	(152,900)	0
Treasury	Escheats Revenue ¹³	0	8,788,765	(8,788,765)	0	4,709,400	(4,709,400)	0
Treasury	Garnishment Fees ¹³	0	2,083,546	(2,083,546)	0	2,445,500	(2,445,500)	0
Treasury	Girl Scout Troops Fund ¹³	0	42,359	(42,359)	0	0	0	0
Treasury	Health and Safety Fund	1,543,805	325,600	(426,537)	1,442,868	9,000,000	(9,000,000)	1,442,868
Treasury	Health Insurance Claims Fund	0	741,945	(741,945)	0	1,997,700	(1,997,700)	0
Treasury	Justice System Fund	195,244	424,918	(550,171)	69,990	450,000	(445,900)	74,090
Treasury	Land Reutilization Fund	8,206,654	1,228,204	(1,201,635)	8,233,223	750,000	(1,165,500)	7,817,723
Treasury	Levy/Warrant Cost Assessment Fees ¹³	0	1,787,126	(1,787,126)	0	2,000,000	(2,000,000)	0
Treasury	Michigan Finance Authority Revenue	0	2,500,418	(2,500,418)	0	2,918,000	(2,918,000)	0
Treasury	MI Merit Award Trust Fund	647,916	227,250,463	(151,234,900)	76,663,479	94,903,400	(118,295,700)	53,271,179
Treasury	Municipal Finance Fees ¹³	0	406,703	(406,703)	0	505,000	(505,000)	0
Treasury	Principal Residence Prop Tax Exemption Audit Fund	5,679,407	2,752,346	(1,758,390)	6,673,363	1,500,000	(1,000,000)	7,173,363
Treasury	School Bond Fees	533,585	632,826	(457,181)	709,229	550,000	(550,000)	709,229
Treasury	School Bond Loan Repayments ¹³	0	30,447,107	(30,447,107)	0	24,000,000	(24,000,000)	0
Treasury	State Campaign Funds	4,004,823	796,570	0	4,801,393	750,000	(5,551,400)	0
Treasury	Tobacco Tax Revenue	0	1,016,255	(1,016,255)	0	1,101,200	(1,101,200)	0
Treasury	Treasury Fees ¹³	0	1,256,647	(1,256,647)	0	1,637,500	(1,637,500)	0
Treasury	United Way Fund ¹³	0	178,982	(178,982)	0	0	0	0

¹ DCH - Crime Victims Rights Fund amounts assumes sunset extension on the use of Crime Victims Fees for the Trauma System.

² DCH - Gaming Addiction revenues include Gaming transfers in.

³ DCH - Emergency Medical Services Fees assumes general fund replacement for FY2014 fee increase not passed by the Legislature

⁴ DOC - Public Works User Fees was combined with State Restricted Revenues and Reimbursements beginning in FY2014.

⁵ DLARA - Excess revenues at year end lapse to the general fund.

⁶ Lottery - Excess revenues at year end lapse to the School Aid Fund.

⁷ MSF - For FYs 2013 and 2014, general fund appropriated for the Business Attraction & Community Revitalization Program has been included in the figures. MCL 125. requires all funds appropriated for the Business Attraction & Community Revitalization Program to be transferred to the 21st Century Jobs Trust Fund.

⁸ MSF - For FYs 2013 and 2014, general fund appropriated for the Film Incentive Program has been included in the figures. MCL 125.2029d(6) requires all funds appropriated for the Film Incentive Program to be transferred to the Michigan Film Promotion Fund.

STATE RESTRICTED REVENUE AND EXPENDITURE PROJECTIONS

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Agency	State Restricted Fund	Fiscal Year Ending September 30, 2013			Fiscal Year Ending September 30, 2014		
		Available Fund Balance	Revenue	Expenditures	Available Fund Balance	Revenue	Expenditures

⁹ MSF-MSHDA - For FYs 2013 and 2014, general fund appropriated for the Land Bank Fast Track Administration has been included in the figures. MCL 124.768 requires all funds appropriated for the Land Bank Fast Track Administration to be transferred to the Land Bank Fast Track Fund.

¹⁰ DNR - Negative available fund balance is due to the state park repair and maintenance capital outlay appropriations that are not fully funded. The appropriation is being held as a reserve against the fund, thus resulting in a negative fund balance. Reduced appropriations are being recommended in FY2015 and FY2016 to correct this imbalance.

¹¹ MDOT - For FY2014, the Comprehensive Transportation Fund expenditure figure includes a proposed fiscal year 2014 supplemental of \$2,345,800.

¹² MDOT - For FYs 2013 and 2014, the State Trunkline Fund includes revenues and expenditures of the Blue Water Bridge Fund and the Transportation Economic Development Fund.

¹³ Treasury - Excess revenues at year end lapse to the general fund.

¹⁴ Treasury - Revenue in the Emergency 911 - PSAP Training Fund is invested pursuant to MCL 12.259.



FISCAL YEAR 2015 GOVERNOR'S RECOMMENDATION

DEPARTMENT/AGENCY	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture & Rural Development	82,494,300	318,100	82,176,200	9,198,300	0	98,300	28,003,400	44,876,200	72,879,600	5,000,000
Attorney General	91,022,300	27,783,800	63,238,500	9,857,200	0	0	17,914,200	35,467,100	53,381,300	0
Civil Rights	16,769,200	288,900	16,480,300	2,736,500	0	18,700	151,900	13,573,200	13,725,100	0
Community Health	17,374,567,800	9,425,900	17,365,141,900	11,941,802,500	216,656,400	127,056,600	2,140,657,600	2,938,968,800	5,079,626,400	1,190,126,100
Corrections	2,049,921,700	225,000	2,049,696,700	5,081,000	8,547,700	0	45,869,600	1,990,198,400	2,036,068,000	115,714,000
Education	326,576,100	0	326,576,100	226,097,500	5,633,700	1,933,300	7,972,600	84,939,000	92,911,600	16,132,000
Environmental Quality	504,091,800	9,530,500	494,561,300	150,367,600	0	546,900	302,770,900	40,875,900	343,646,800	2,775,000
Executive Office	5,916,100	0	5,916,100	0	0	0	0	5,916,100	5,916,100	0
Human Services	5,621,313,700	18,545,900	5,602,767,800	4,397,966,500	38,876,800	18,050,700	136,237,400	1,011,636,400	1,147,873,800	93,129,600
Insurance and Financial Services	65,284,700	707,600	64,577,100	2,000,000	0	0	62,427,100	150,000	62,577,100	0
Judiciary	289,483,100	2,364,400	287,118,700	6,437,400	7,241,100	944,800	84,252,500	188,242,900	272,495,400	136,461,900
Legislative Auditor General	21,758,800	5,220,700	16,538,100	0	0	0	2,000,800	14,537,300	16,538,100	0
Legislature	131,570,500	0	131,570,500	0	0	400,000	4,109,800	127,060,700	131,170,500	0
Licensing and Regulatory Affairs	531,860,800	14,509,800	517,351,000	199,124,800	656,500	2,311,800	290,224,100	25,033,800	315,257,900	14,509,800
Military and Veterans Affairs	173,594,900	100,000	173,494,900	90,362,800	1,500,000	740,000	25,086,400	55,805,700	80,892,100	100,000
Natural Resources	383,185,400	1,355,100	381,830,300	67,954,500	0	10,286,300	256,498,000	47,091,500	303,589,500	5,123,300
State	224,112,300	20,000,000	204,112,300	1,460,000	0	100	184,713,200	17,939,000	202,652,200	1,360,800
State Police	639,323,000	26,233,200	613,089,800	99,429,900	4,861,700	77,200	124,800,000	383,921,000	508,721,000	20,205,600
Technology, Management & Budget	1,027,633,600	680,315,500	347,318,100	7,974,100	3,553,700	190,400	94,322,000	241,277,900	335,599,900	0
State Building Authority	254,570,600	0	254,570,600	0	0	0	0	254,570,600	254,570,600	0
Transportation	3,668,998,600	3,786,900	3,665,211,700	1,205,885,500	50,177,100	100,000	2,155,001,200	254,047,900	2,409,049,100	1,251,343,700
Treasury										
Operations	543,976,000	9,409,100	534,566,900	39,705,200	1,982,500	23,100	376,076,000	116,780,100	492,856,100	1,443,432,400
Debt Service	152,395,000	0	152,395,000	0	0	0	0	152,395,000	152,395,000	0
Michigan Strategic Fund	1,019,429,900	0	1,019,429,900	637,370,300	4,433,500	5,654,900	142,678,700	229,292,500	371,971,200	15,224,800
Revenue Sharing / Incentive Grants	1,252,967,600	0	1,252,967,600	0	0	0	1,252,967,600	0	1,252,967,600	0
Total - Non-Education Omnibus	\$36,452,817,800	\$830,120,400	\$35,622,697,400	\$19,100,811,600	\$344,120,700	\$168,433,100	\$7,734,735,000	\$8,274,597,000	\$16,009,332,000	\$4,310,639,000
Higher Education										
Community Colleges	371,524,900	0	371,524,900	0	0	0	197,614,100	173,910,800	371,524,900	371,524,900
Universities & Financial Aid	1,512,494,100	0	1,512,494,100	97,026,400	0	0	200,565,700	1,214,902,000	1,415,467,700	0
School Aid	13,797,139,600	0	13,797,139,600	1,808,162,700	0	0	11,808,976,900	180,000,000	11,988,976,900	11,833,379,100
Total - Education Omnibus	\$15,681,158,600	\$0	\$15,681,158,600	\$1,905,189,100	\$0	\$0	\$12,207,156,700	\$1,568,812,600	\$13,775,969,500	\$12,204,904,000
TOTAL SPENDING	\$52,133,976,400	\$830,120,400	\$51,303,856,000	\$21,006,000,700	\$344,120,700	\$168,433,100	\$19,941,891,700	\$9,843,409,600	\$29,785,301,500	\$16,515,543,000
Budget Stabilization Fund Reserve	120,000,000	0	120,000,000	0	0	0	0	120,000,000	120,000,000	0
Roads and Risk Reserve Fund	0	0	0	0	0	0	0	0	0	0
Michigan Health Savings Subfund	122,000,000	0	122,000,000	0	0	0	0	122,000,000	122,000,000	0
MPERS Reserve	50,000,000	0	50,000,000	0	0	0	50,000,000	0	50,000,000	0
GRAND TOTAL	\$52,425,976,400	\$830,120,400	\$51,595,856,000	\$21,006,000,700	\$344,120,700	\$168,433,100	\$19,991,891,700	\$10,085,409,800	\$30,077,301,500	\$16,515,543,000

Percentage of State Spending from State Sources as Payments to Local Units of Government

55.45%

FISCAL YEAR 2016 GOVERNOR'S RECOMMENDATION

DEPARTMENT/AGENCY	GROSS	IDG/IDT	ADJUSTED GROSS	FEDERAL	LOCAL	PRIVATE	STATE RESTRICTED	GF/GP	STATE SPENDING FROM STATE SOURCES	PAYMENTS TO LOCALS
Agriculture & Rural Development	80,494,300	318,100	80,176,200	9,198,300	0	98,300	28,003,400	42,876,200	70,879,600	5,000,000
Attorney General	91,022,300	27,783,800	63,238,500	9,857,200	0	0	17,914,200	35,467,100	53,381,300	0
Civil Rights	16,769,200	288,900	16,480,300	2,736,500	0	18,700	151,900	13,573,200	13,725,100	0
Community Health	17,516,114,600	9,425,900	17,506,688,700	12,043,808,400	2,16,656,400	127,056,600	2,140,657,600	2,978,509,700	5,119,167,300	1,177,576,700
Corrections	2,023,435,800	225,000	2,023,210,800	5,081,000	8,547,700	0	45,869,600	1,963,712,500	2,009,582,100	115,714,000
Education	326,276,100	0	326,276,100	226,097,500	5,633,700	1,933,300	7,972,600	84,639,000	92,611,600	16,732,000
Environmental Quality	501,591,900	9,530,500	492,061,300	150,367,600	0	546,900	302,770,900	38,375,900	341,146,800	2,775,000
Executive Office	5,916,100	0	5,916,100	0	0	0	0	5,916,100	5,916,100	0
Human Services	5,614,413,700	18,545,900	5,595,867,800	4,395,966,500	38,876,800	18,050,700	136,237,400	1,006,736,400	1,142,973,800	93,129,600
Insurance and Financial Services	65,284,700	707,600	64,577,100	2,000,000	0	0	62,427,100	150,000	62,577,100	0
Judiciary	288,483,100	2,364,400	286,118,700	6,437,400	7,241,100	944,800	84,252,500	187,242,900	271,495,400	136,461,900
Legislative Auditor General	21,758,800	5,220,700	16,538,100	0	0	0	2,000,800	14,537,300	16,538,100	0
Legislature	131,570,500	0	131,570,500	0	0	400,000	4,109,800	127,060,700	131,170,500	0
Licensing and Regulatory Affairs	509,460,800	14,509,800	494,951,000	199,124,800	656,500	2,311,800	267,824,100	25,033,800	292,857,900	14,509,800
Military and Veterans Affairs	166,594,900	100,000	166,494,900	90,362,800	1,500,000	740,000	25,086,400	48,805,700	73,892,100	100,000
Natural Resources	383,185,400	1,355,100	381,830,300	67,954,500	0	9,786,300	255,998,000	48,091,500	304,089,500	5,123,300
State	224,112,300	20,000,000	204,112,300	1,460,000	0	100	184,713,200	17,939,900	202,652,200	15,205,600
State Police	625,743,700	26,233,200	599,510,500	99,429,900	4,861,700	77,200	123,550,000	371,591,700	495,141,700	1,360,800
Technology, Management & Budget	997,733,300	673,415,500	324,317,800	7,974,100	3,553,700	190,400	94,322,000	218,277,600	312,599,600	0
State Building Authority	254,570,600	0	254,570,600	0	0	0	0	254,570,600	254,570,600	0
Transportation	3,414,950,700	3,786,900	3,411,163,800	1,205,885,500	50,177,100	100,000	2,155,001,200	0	2,155,001,200	1,244,295,800
Treasury	0	0	0	0	0	0	0	0	0	0
Operations	540,476,000	9,409,100	531,066,900	39,705,200	1,982,500	23,100	376,076,000	113,280,100	489,356,100	1,441,960,100
Debt Service	159,822,000	0	159,822,000	0	0	0	0	159,822,000	159,822,000	0
Michigan Strategic Fund	1,004,429,900	0	1,004,429,900	637,370,300	4,433,500	5,654,900	142,678,700	214,292,500	356,971,200	15,224,800
Revenue Sharing / Incentive Grants	1,252,395,300	0	1,252,395,300	0	0	0	1,252,395,300	0	1,252,395,300	0
Total - Non-Education Omnibus	\$36,216,605,900	\$823,220,400	\$35,393,385,500	\$19,200,817,500	\$344,120,700	\$167,933,100	\$7,710,012,700	\$7,970,501,500	\$15,680,514,200	\$4,285,169,400
Higher Education	0	0	0	0	0	0	0	0	0	0
Community Colleges	390,224,900	0	390,224,900	0	0	0	197,614,100	192,610,800	390,224,900	390,224,900
Universities & Financial Aid	1,512,494,100	0	1,512,494,100	97,026,400	0	0	200,565,700	1,214,902,000	1,415,467,700	0
School Aid	13,790,723,500	0	13,790,723,500	1,808,162,700	0	0	11,802,560,800	180,000,000	11,982,560,800	11,801,763,000
Total - Education Omnibus	\$15,693,442,500	\$0	\$15,693,442,500	\$1,905,189,100	\$0	\$0	\$12,200,740,600	\$1,587,512,800	\$13,788,253,400	\$12,191,987,900
TOTAL SPENDING	\$51,910,048,400	\$823,220,400	\$51,086,828,000	\$21,106,006,600	\$344,120,700	\$167,933,100	\$19,910,753,300	\$9,558,014,300	\$29,468,767,600	\$16,477,157,300
Budget Stabilization Fund Reserve	0	0	0	0	0	0	0	0	0	0
Roads and Risk Reserve Fund	0	0	0	0	0	0	0	0	0	0
Michigan Health Savings Subfund	122,000,000	0	122,000,000	0	0	0	0	122,000,000	122,000,000	0
MPSERS Reserve	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	\$52,032,048,400	\$823,220,400	\$51,208,828,000	\$21,106,006,600	\$344,120,700	\$167,933,100	\$19,910,753,300	\$9,680,014,300	\$29,590,767,600	\$16,477,157,300

Percentage of State Spending from State Sources as Payments to Local Units of Government 55.91%

GENERAL FUND/GENERAL PURPOSE
(\$ in Thousands)

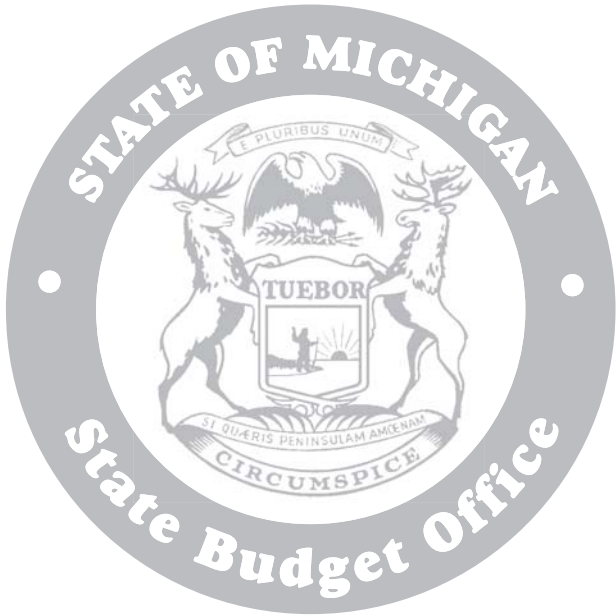
DEPARTMENT/AGENCY	FY14 Ongoing Enacted	FY14 One-Time Current Law	FY14 Total Current Law	FY15 Ongoing Governor's Recommendation	FY15 One-Time Governor's Recommendation	FY15 Total Governor's Recommendation	Difference FY15 Ongoing Governor's Rec. from FY14 Ongoing Current Law	% Change FY15 Ongoing Governor's Rec. from FY14 Ongoing Current Law	Difference FY15 Total Governor's Rec. from FY14 Total Current Law	% Change FY15 Total Governor's Rec. from FY14 Total Current Law
Agriculture & Rural Development	37,180.3	3,400.0	40,580.3	42,876.2	2,000.0	44,876.2	5,695.9	15.3%	4,295.9	10.6%
Attorney General	34,481.3	0.0	34,481.3	35,467.1	0.0	35,467.1	985.8	2.9%	985.8	2.9%
Civil Rights	12,337.5	0.0	12,337.5	13,573.2	0.0	13,573.2	1,235.7	10.0%	1,235.7	10.0%
Community Health	2,904,972.1	(157,388.5)	2,747,583.6	2,924,876.5	14,092.3	2,938,968.8	19,904.4	0.7%	191,385.2	7.0%
Corrections	1,973,233.3	(15,179.7)	1,958,053.6	1,963,712.5	26,485.9	1,990,198.4	(9,520.8)	-0.5%	32,144.8	1.6%
Education	70,893.9	0.0	70,893.9	84,039.0	900.0	84,939.0	13,145.1	18.5%	14,045.1	19.8%
Environmental Quality	28,104.5	1,000.0	29,104.5	38,375.9	2,500.0	40,875.9	10,271.4	36.5%	11,771.4	40.4%
Executive Office	5,370.0	0.0	5,370.0	5,916.1	0.0	5,916.1	546.1	10.2%	546.1	10.2%
Human Services	1,000,960.4	2,039.6	1,003,000.0	1,006,736.4	4,900.0	1,011,636.4	5,776.0	0.6%	8,636.4	0.9%
Insurance and Financial Services	11,000.0	0.0	11,000.0	150.0	0.0	150.0	(10,850.0)	-98.6%	(10,850.0)	-98.6%
Judiciary	178,950.6	4,490.7	183,441.3	187,242.9	1,000.0	188,242.9	8,292.3	4.6%	4,801.6	2.6%
Legislative Auditor General	13,911.3	0.0	13,911.3	14,537.3	0.0	14,537.3	626.0	4.5%	626.0	4.5%
Legislature	122,309.5	0.0	122,309.5	127,060.7	0.0	127,060.7	4,751.2	3.9%	4,751.2	3.9%
Licensing and Regulatory Affairs	22,864.6	2,140.3	25,004.9	25,033.8	0.0	25,033.8	2,169.2	9.5%	28.9	0.1%
Military and Veterans Affairs	41,003.3	5,500.0	46,503.3	48,805.7	7,000.0	55,805.7	7,802.4	19.0%	9,302.4	20.0%
Natural Resources	24,686.6	750.0	25,436.6	44,091.5	3,000.0	47,091.5	19,404.9	78.6%	21,654.9	85.1%
State	15,253.4	0.0	15,253.4	17,939.0	0.0	17,939.0	2,685.6	17.6%	2,685.6	17.6%
State Police	346,912.4	6,561.9	353,474.3	366,191.7	17,729.3	383,921.0	19,279.3	5.6%	30,446.7	8.6%
Technology, Management & Budget	87,216.7	16,430.5	103,647.2	143,277.6	23,000.3	166,277.9	56,060.9	64.3%	62,630.7	60.4%
Information Technology Investments	47,000.0	0.0	47,000.0	75,000.0	0.0	75,000.0	28,000.0	59.6%	28,000.0	59.6%
State Building Authority	258,570.6	0.0	258,570.6	254,570.6	0.0	254,570.6	(4,000.0)	-1.5%	(4,000.0)	-1.5%
Transportation	0.0	121,300.0	121,300.0	0.0	254,047.9	254,047.9	0.0	0.0%	132,747.9	109.4%
Treasury	83,040.0	6,763.3	89,803.3	93,980.1	22,800.0	116,780.1	10,940.1	13.2%	26,976.8	30.0%
Operations	151,188.0	0.0	151,188.0	152,395.0	0.0	152,395.0	1,207.0	0.8%	1,207.0	0.8%
Debt Service	133,363.9	84,800.0	218,163.9	214,292.5	15,000.0	229,292.5	80,928.6	60.7%	11,128.6	5.1%
Michigan Strategic Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Revenue Sharing / Incentive Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Total - Non-Education Omnibus	\$7,604,804.2	\$82,608.1	\$7,687,412.3	\$7,880,141.3	\$394,455.7	\$8,274,597.0	\$275,337.1	3.6%	\$587,184.7	7.6%
Higher Education	137,263.5	1,100.0	138,363.5	173,910.8	0.0	173,910.8	36,647.3	26.7%	35,547.3	25.7%
Community Colleges	1,132,981.4	0.0	1,132,981.4	1,214,902.0	0.0	1,214,902.0	81,920.6	7.2%	81,920.6	7.2%
Universities & Financial Aid	180,000.0	54,900.0	234,900.0	180,000.0	0.0	180,000.0	0.0	0.0%	(54,900.0)	-23.4%
School Aid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Total - Education Omnibus	\$1,450,244.9	\$56,000.0	\$1,506,244.9	\$1,568,812.8	\$0.0	\$1,568,812.8	\$118,567.9	8.2%	\$62,567.9	4.2%
TOTAL SPENDING	\$9,055,049.1	\$138,608.1	\$9,193,657.2	\$9,448,954.1	\$394,455.7	\$9,843,409.8	\$393,905.0	4.4%	\$649,752.6	7.1%
Budget Stabilization Fund Reserve	0.0	75,000.0	75,000.0	0.0	120,000.0	120,000.0	N/A	N/A	N/A	N/A
Roads and Risk Reserve Fund	0.0	230,000.0	230,000.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
Michigan Health Savings Subfund	0.0	0.0	0.0	0.0	122,000.0	122,000.0	N/A	N/A	N/A	N/A
MPERS Reserve	0.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
GRAND TOTAL	\$9,055,049.1	\$443,608.1	\$9,498,657.2	\$9,448,954.1	\$636,455.7	\$10,085,409.8				

GENERAL FUND/GENERAL PURPOSE AND SCHOOL AID FUND COMBINED
(\$ in Thousands)

DEPARTMENT/AGENCY	FY14 Ongoing Current Law	FY14 One-Time Current Law	FY14 Total Current Law	FY15 Ongoing Governor's Recommend	FY15 One-Time Governor's Recommend	FY15 Total Governor's Recommend	Difference FY15 Ongoing Governor's Rec. from FY14 Ongoing Current Law	% Change FY15 Ongoing Governor's Rec. from FY14 Ongoing Current Law	Difference FY15 Total Governor's Rec. from FY14 Total Current Law	% Change FY15 Total Governor's Rec. from FY14 Total Current Law
Agriculture & Rural Development	37,180.3	3,400.0	40,580.3	42,876.2	2,000.0	44,876.2	5,695.9	15.3%	4,295.9	10.6%
Attorney General	34,481.3	0.0	34,481.3	35,467.1	0.0	35,467.1	985.8	2.9%	985.8	2.9%
Civil Rights	12,337.5	0.0	12,337.5	13,573.2	0.0	13,573.2	1,235.7	10.0%	1,235.7	10.0%
Community Health	2,904,972.1	(157,388.5)	2,747,583.6	2,924,876.5	14,092.3	2,938,968.8	19,904.4	0.7%	191,385.2	7.0%
Corrections	1,973,233.3	(15,179.7)	1,958,053.6	1,963,712.5	26,485.9	1,990,198.4	(9,520.8)	-0.5%	32,144.8	1.6%
Education	70,893.9	0.0	70,893.9	84,039.0	900.0	84,939.0	13,145.1	18.5%	14,045.1	19.8%
Environmental Quality	28,104.5	1,000.0	29,104.5	38,375.9	2,500.0	40,875.9	10,271.4	36.5%	11,771.4	40.4%
Executive Office	5,370.0	0.0	5,370.0	5,916.1	0.0	5,916.1	546.1	10.2%	546.1	10.2%
Human Services	1,000,960.4	2,039.6	1,003,000.0	1,006,736.4	4,900.0	1,011,636.4	5,776.0	0.6%	8,636.4	0.9%
Insurance and Financial Services	11,000.0	0.0	11,000.0	150.0	0.0	150.0	(10,850.0)	-98.6%	(10,850.0)	-98.6%
Judiciary	178,950.6	4,490.7	183,441.3	187,242.9	1,000.0	188,242.9	8,292.3	4.6%	4,801.6	2.6%
Legislative Auditor General	13,911.3	0.0	13,911.3	14,537.3	0.0	14,537.3	626.0	4.5%	626.0	4.5%
Legislature	122,309.5	0.0	122,309.5	127,060.7	0.0	127,060.7	4,751.2	3.9%	4,751.2	3.9%
Licensing and Regulatory Affairs	22,864.6	2,140.3	25,004.9	25,033.8	0.0	25,033.8	2,169.2	9.5%	28.9	0.1%
Military and Veterans Affairs	41,003.3	5,500.0	46,503.3	48,805.7	7,000.0	55,805.7	7,802.4	19.0%	9,302.4	20.0%
Natural Resources	24,686.6	750.0	25,436.6	44,091.5	3,000.0	47,091.5	19,404.9	78.6%	21,654.9	85.1%
State	15,253.4	0.0	15,253.4	17,939.0	0.0	17,939.0	2,685.6	17.6%	2,685.6	17.6%
State Police	346,912.4	6,561.9	353,474.3	366,191.7	17,729.3	383,921.0	19,279.3	5.6%	30,446.7	8.6%
Technology, Management & Budget	87,216.7	16,430.5	103,647.2	171,277.6	23,000.3	194,277.9	84,060.9	96.4%	90,630.7	87.4%
Information Technology Investments	47,000.0	0.0	47,000.0	47,000.0	0.0	47,000.0	0.0	0.0%	0.0	0.0%
State Building Authority	258,570.6	0.0	258,570.6	254,570.6	0.0	254,570.6	(4,000.0)	-1.5%	(4,000.0)	-1.5%
Transportation	0.0	121,300.0	121,300.0	0.0	254,047.9	254,047.9	0.0	0.0%	132,747.9	109.4%
Treasury										
Operations	83,040.0	6,763.3	89,803.3	93,980.1	22,800.0	116,780.1	10,940.1	13.2%	26,976.8	30.0%
Debt Service	151,188.0	0.0	151,188.0	152,395.0	0.0	152,395.0	1,207.0	0.8%	1,207.0	0.8%
Michigan Strategic Fund	133,363.9	84,800.0	218,163.9	214,292.5	15,000.0	229,292.5	80,928.6	60.7%	11,128.6	5.1%
Revenue Sharing / Incentive Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
Total - Non-Education Omnibus	\$7,604,804.2	\$82,608.1	\$7,687,412.3	\$7,880,141.3	\$394,455.7	\$8,274,597.0	\$275,337.1	3.6%	\$587,184.7	7.6%
Higher Education										
Community Colleges	334,877.6	1,100.0	335,977.6	371,524.9	0.0	371,524.9	36,647.3	10.9%	35,547.3	10.6%
Universities & Financial Aid	1,333,447.1	0.0	1,333,447.1	1,415,367.7	0.0	1,415,367.7	81,920.6	6.1%	81,920.6	6.1%
School Aid	11,404,382.3	197,900.0	11,602,282.3	11,720,626.9	268,350.0	11,988,976.9	316,244.6	2.8%	386,694.6	3.3%
Total - Education Omnibus	\$13,072,707.0	\$199,000.0	\$13,271,707.0	\$13,507,519.5	\$268,350.0	\$13,775,869.5	\$434,812.5	3.3%	\$504,162.5	3.8%
TOTAL SPENDING	\$20,677,511.2	\$281,608.1	\$20,959,119.3	\$21,387,660.8	\$662,805.7	\$22,050,466.5	\$710,149.6	3.4%	\$1,091,347.2	5.2%
Budget Stabilization Fund	0.0	75,000.0	75,000.0	0.0	120,000.0	120,000.0	N/A	N/A	N/A	N/A
Roads and Risk Reserve Fund	0.0	230,000.0	230,000.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
Michigan Health Savings Fund	0.0	0.0	0.0	0.0	122,000.0	122,000.0	N/A	N/A	N/A	N/A
MPERS Reserve	0.0	0.0	0.0	0.0	50,000.0	50,000.0	N/A	N/A	N/A	N/A
GRAND TOTAL	\$20,677,511.2	\$586,608.1	\$21,264,119.3	\$21,387,660.8	\$954,805.7	\$22,342,466.5				
General Fund/General Purpose	9,055,049.1	443,608.1	9,498,657.2	9,448,954.1	636,455.7	10,085,409.8	393,905.0	4.4%	586,752.6	6.2%
School Aid Fund	11,622,462.1	143,000.0	11,765,462.1	11,938,706.7	318,350.0	12,257,056.7	316,244.6	2.7%	491,594.6	4.2%

ALL FUNDS
(\$ in Thousands)

DEPARTMENT/AGENCY	FY14 Ongoing Current Law	FY14 One-Time Current Law	FY14 Total Current Law	FY15 Ongoing Governor's Recommend	FY15 One-Time Governor's Recommend	FY15 Total Governor's Recommend	Difference FY15 Ongoing Governor's Rec. from FY14 Ongoing Current Law	% Change FY15 Ongoing Governor's Rec. from FY14 Ongoing Current Law	Difference FY15 Total Governor's Rec. from FY14 Total Current Law	% Change FY15 Total Governor's Rec. from FY14 Total Current Law
Agriculture & Rural Development	76,783.3	3,400.0	80,183.3	80,494.3	2,000.0	82,494.3	3,711.0	4.8%	2,311.0	2.9%
Attorney General	89,139.9	0.0	89,139.9	91,022.3	0.0	91,022.3	1,882.4	2.1%	1,882.4	2.1%
Civil Rights	15,198.3	0.0	15,198.3	16,769.2	0.0	16,769.2	1,570.9	10.3%	1,570.9	10.3%
Community Health	15,355,409.4	1,579,144.2	16,934,553.6	17,360,475.5	14,092.3	17,374,567.8	2,005,066.1	13.1%	440,014.2	2.6%
Corrections	2,047,614.3	(15,179.7)	2,032,434.6	2,023,435.8	26,485.9	2,049,921.7	(24,178.5)	-1.2%	17,487.1	0.9%
Education	298,366.0	0.0	298,366.0	325,676.1	900.0	326,576.1	27,310.1	9.2%	28,210.1	9.5%
Environmental Quality	516,168.8	1,000.0	517,168.8	501,591.8	2,500.0	504,091.8	(14,577.0)	-2.8%	(13,077.0)	-2.5%
Executive Office	5,370.0	0.0	5,370.0	5,916.1	0.0	5,916.1	546.1	10.2%	546.1	10.2%
Human Services	6,014,883.4	3,500.0	6,018,383.4	5,614,413.7	6,900.0	5,621,313.7	(400,469.7)	-6.7%	(397,069.7)	-6.6%
Insurance and Financial Services	75,335.5	0.0	75,335.5	65,284.7	0.0	65,284.7	(10,050.8)	-13.3%	(10,050.8)	-13.3%
Judiciary	278,923.4	4,490.7	283,414.1	288,483.1	1,000.0	289,483.1	9,559.7	3.4%	6,069.0	2.1%
Legislative Auditor General	20,954.4	0.0	20,954.4	21,758.8	0.0	21,758.8	804.4	3.8%	804.4	3.8%
Legislature	123,819.3	0.0	123,819.3	131,570.5	0.0	131,570.5	7,751.2	6.3%	7,751.2	6.3%
Licensing and Regulatory Affairs	500,778.4	2,140.3	502,918.7	509,460.8	22,400.0	531,860.8	8,682.4	1.7%	28,942.1	5.8%
Military and Veterans Affairs	161,230.0	5,500.0	166,730.0	166,594.9	7,000.0	173,594.9	5,364.9	3.3%	6,864.9	4.1%
Natural Resources	342,388.9	750.0	343,138.9	379,185.4	4,000.0	383,185.4	36,796.5	10.7%	40,046.5	11.7%
State	219,548.9	0.0	219,548.9	224,112.3	0.0	224,112.3	4,563.4	2.1%	4,563.4	2.1%
State Police	600,257.1	6,561.9	606,819.0	620,343.7	18,979.3	639,323.0	20,086.6	3.3%	32,504.0	5.4%
Technology, Management & Budget	847,504.5	37,730.5	885,235.0	922,733.3	29,900.3	952,633.6	75,228.8	8.9%	67,398.6	7.6%
Information Technology Investments	47,000.0	0.0	47,000.0	75,000.0	0.0	75,000.0	28,000.0	59.6%	28,000.0	59.6%
State Building Authority	258,570.6	0.0	258,570.6	254,570.6	0.0	254,570.6	(4,000.0)	-1.5%	(4,000.0)	-1.5%
Transportation	3,360,816.7	238,300.0	3,599,116.7	3,414,950.7	254,047.9	3,668,998.6	54,134.0	1.6%	69,881.9	1.9%
Treasury	488,470.2	9,763.3	498,233.5	521,176.0	22,800.0	543,976.0	32,705.8	6.7%	45,742.5	9.2%
Operations	154,202.5	0.0	154,202.5	152,395.0	0.0	152,395.0	(1,807.5)	-1.2%	(1,807.5)	-1.2%
Debt Service	923,473.9	84,800.0	1,008,273.9	1,004,429.9	15,000.0	1,019,429.9	80,956.0	8.8%	11,156.0	1.1%
Michigan Strategic Fund	1,107,857.7	26,000.0	1,133,857.7	1,224,167.6	28,800.0	1,252,967.6	116,309.9	10.5%	119,109.9	10.5%
Revenue Sharing / Incentive Grants	\$33,930,065.4	\$1,987,901.2	\$35,917,966.6	\$35,996,012.1	\$456,805.7	\$36,452,817.8	\$2,065,946.7	6.1%	\$534,851.2	1.5%
Total - Non-Education Omnibus										
Higher Education	334,877.6	1,100.0	335,977.6	371,524.9	0.0	371,524.9	36,647.3	10.9%	35,547.3	10.6%
Community Colleges	1,430,573.5	0.0	1,430,573.5	1,512,494.1	0.0	1,512,494.1	81,920.6	5.7%	81,920.6	5.7%
Universities & Financial Aid	13,168,803.6	197,900.0	13,366,703.6	13,528,789.6	268,350.0	13,797,139.6	359,986.0	2.7%	430,436.0	3.2%
School Aid	\$14,934,254.7	\$199,000.0	\$15,133,254.7	\$15,412,808.6	\$268,350.0	\$15,681,158.6	\$478,553.9	3.2%	\$547,903.9	3.6%
TOTAL SPENDING	\$48,864,320.1	\$2,186,901.2	\$51,051,221.3	\$51,408,820.7	\$725,155.7	\$52,133,976.4	\$2,544,500.6	5.2%	\$1,082,755.1	2.1%
Budget Stabilization Fund Reserve	0.0	75,000.0	75,000.0	0.0	120,000.0	120,000.0	N/A	N/A	N/A	N/A
Roads and Risk Reserve Fund	0.0	230,000.0	230,000.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A
Michigan Health Savings Subfund	0.0	0.0	0.0	0.0	122,000.0	122,000.0	N/A	N/A	N/A	N/A
MPSERS Reserve	0.0	0.0	0.0	0.0	50,000.0	50,000.0	N/A	N/A	N/A	N/A
GRAND TOTAL	\$48,864,320.1	\$2,491,901.2	\$51,356,221.3	\$51,408,820.7	\$1,017,155.7	\$52,425,976.4				



**HISTORICAL EXPENDITURES/APPROPRIATIONS
GENERAL FUND/GENERAL PURPOSE**

DEPARTMENT/AGENCY	FY 2007 Expenditures	FY 2008 Expenditures	FY 2009 Expenditures	FY 2010 Expenditures	FY 2011 Expenditures ¹	FY 2012 Expenditures	FY 2013 Expenditures	FY 2014 Current Law	FY 2015 Executive Recommendation	FY 2016 Executive Recommendation
Agriculture & Rural Development	28,930,541	31,343,641	28,789,293	29,491,686	28,743,091	29,334,024	35,596,028	40,580,300	44,876,200	42,876,200
Attorney General	30,339,022	31,479,029	30,402,847	28,431,484	26,606,307	29,626,037	35,975,926	34,481,300	35,467,100	35,467,100
Capital Outlay ²	235,358,492	220,421,286	231,622,691	230,885,862	233,767,220	242,888,624	244,772,926			
Civil Rights	11,445,430	11,771,161	11,573,335	9,788,744	9,975,018	10,488,821	11,633,484	12,337,500	13,573,200	13,573,200
Civil Service Commission	5,847,290	5,590,433								
Community Health	3,078,095,654	3,142,139,136	2,443,109,120	2,154,822,760	2,604,209,003	2,743,204,694	2,688,294,455	2,747,563,600	2,938,968,800	2,978,509,700
Corrections	1,866,390,546	1,981,953,410	1,779,441,272	1,916,783,071	1,888,741,862	1,907,802,511	1,909,511,776	1,958,053,600	1,990,198,400	1,963,712,500
Education	5,779,402	6,823,871	7,160,078	19,762,307	20,638,645	64,105,162	67,677,141	70,893,900	84,939,000	84,639,000
Environmental Quality	30,530,551	42,452,208	38,467,057		24,315,317	21,999,596	29,996,002	29,104,500	40,875,900	38,375,900
Executive Office	5,134,346	5,170,371	4,977,867	4,676,391	4,512,135	4,450,312	4,651,797	5,370,000	5,916,100	5,916,100
Higher Education										
Community Colleges	247,665,181	318,938,465	298,966,989	90,625,435	295,880,500	24,251,100	109,016,400	138,363,500	173,910,800	192,610,800
Colleges & Universities	1,364,791,330	1,670,704,215	1,543,724,474	1,456,640,500	1,482,260,600	1,059,841,000	1,097,636,800	1,132,981,400	1,214,902,000	1,214,902,000
Financial Aid				3,540,273	3,728,248	5,668,200				
History, Arts and Libraries	38,330,469	38,773,711	38,426,890	48,074			3,852,073			
Human Services	1,220,343,336	1,314,675,746	1,188,617,890	861,872,475	915,603,770	912,134,888	1,019,632,053	1,003,000,000	1,011,636,400	1,006,736,400
Insurance and Financial Services										
Information Technology	0	0	0							150,000
Judiciary	157,564,000	157,690,137	156,304,254	152,252,504	147,936,655	155,575,743	165,518,932	183,441,300	188,242,900	187,242,900
Legislative Auditor General	11,541,867	12,216,535	12,025,831	11,565,912	10,971,052	11,596,857	12,791,930	13,911,300	14,537,300	14,537,300
Legislature	114,006,059	111,898,054	108,538,191	104,284,938	104,475,083	108,466,494	114,597,508	122,309,500	127,060,700	127,060,700
Library of Michigan										
Licensing & Regulatory Affairs	39,992,165	44,318,727	59,316,473	45,288,641	55,545,202	42,154,129	35,315,999	25,004,900	25,033,800	25,033,800
Management and Budget	32,854,157	37,016,989	57,902,890							
Michigan Strategic Fund	29,249,923	32,962,448	27,704,072	26,989,328	32,104,465	134,963,992	154,451,327	218,163,900	229,292,500	214,292,500
Military & Veterans Affairs	37,771,209	39,538,471	36,869,791	35,224,024	35,413,187	37,768,897	36,549,448	46,503,300	55,805,700	48,805,700
Natural Resources	31,843,394	23,679,609	9,865,538		15,417,740	19,532,386	17,714,831	25,436,600	47,091,500	48,091,500
Natural Resources & Environment										
School Aid	34,109,532	29,126,951	76,510,604	44,020,360	18,642,400	78,642,400	282,400,000	234,900,000	180,000,000	180,000,000
State	15,531,133	23,885,427	20,300,788	14,124,171	10,787,970	11,256,158	12,963,268	15,253,400	17,939,000	17,939,000
State Police	241,551,378	271,105,385	172,035,648	264,327,716	256,730,273	282,525,708	318,191,368	353,474,300	383,921,000	371,591,700
Technology, Management & Budget										
Transportation	0	0	0	56,583,746	48,153,388	93,505,987	92,467,258	409,217,800	495,848,500	472,848,200
Treasury	266,451,630	163,095,232	73,223,720	53,230,719	48,524,329	101,280,446	11,782,146	121,300,000	254,047,900	0
Debt Service	4,833,816	53,293,503	50,734,853	52,053,461	38,942,415	122,504,551	131,061,246	151,188,000	116,780,100	113,280,100
Subtotal	9,186,181,853	9,822,064,148	8,506,612,456	7,695,576,869	8,362,625,875	8,256,068,717	8,741,533,293	9,193,657,200	9,843,409,800	9,558,014,300
Budget Stabilization Fund Reserve						362,700,000	140,000,000	75,000,000	120,000,000	0
Roads and Risk Reserve Fund								230,000,000	0	0
Michigan Health Savings Subfund								0	122,000,000	122,000,000
MPSERS Reserve								0	0	0
GRAND TOTAL	\$ 9,186,181,853	\$ 9,822,064,148	\$ 8,506,612,456	\$ 7,695,576,869	\$ 8,362,625,875	\$ 8,618,768,717	\$ 8,881,533,293	\$ 9,498,657,200	\$ 10,085,409,800	\$ 9,680,014,300

¹ The methodology was changed in FY 2011 to include the expenditures in the same location as the appropriation, with the exception of Capital Outlay.

² Capital Outlay includes all expenditures, regardless of agency.

³ Amounts include ongoing and one-time spending.

**HISTORICAL EXPENDITURES/APPROPRIATIONS
ALL FUNDS**

DEPARTMENT/AGENCY	FY 2007 Expenditures	FY 2008 Expenditures	FY 2009 Expenditures	FY 2010 Expenditures	FY 2011 Expenditures ¹	FY 2012 Expenditures	FY 2013 Expenditures	FY 2014 Current Law	FY 2015 Executive Recommendation	FY 2016 Executive Recommendation
Agriculture & Rural Development	82,980,488	82,475,560	72,573,188	63,866,074	60,357,898	63,635,690	69,080,451	80,183,300	82,494,300	80,494,300
Attorney General	61,730,208	69,457,429	68,911,093	66,093,561	63,779,854	71,392,106	83,360,236	89,139,900	91,022,300	91,022,300
Capital Outlay ²	445,175,806	383,270,768	405,112,519	376,350,577	1,257,740,111	1,294,763,169	1,267,500,429	15,198,300	16,769,200	16,769,200
Civil Rights	13,284,938	13,849,312	13,482,101	11,928,435	11,725,603	12,776,536	13,656,541			
Civil Service Commission	27,761,202	27,082,507								
Community Health	11,089,797,821	11,954,835,930	12,829,679,832	13,548,360,093	14,381,932,451	13,989,052,545	14,181,705,090	16,934,553,600	17,374,567,800	17,516,114,600
Corrections	1,953,418,931	2,063,635,854	2,038,941,638	2,000,642,848	1,933,028,040	1,944,161,589	1,946,007,554	2,032,434,600	2,049,921,700	2,023,435,800
Education	59,925,870	61,927,616	64,566,200	82,724,729	126,415,700	336,656,000	327,550,745	298,366,000	326,576,100	326,276,100
Environmental Quality	205,009,588	219,067,682	204,037,900		196,626,820	229,964,007	215,258,849	517,168,800	504,091,800	501,591,800
Executive Office	5,134,346	5,170,371	4,977,867	4,676,391	4,512,135	4,450,312	4,651,797	5,370,000	5,916,100	5,916,100
Higher Education										
Community Colleges	247,665,181	318,938,465	298,986,989	299,025,435	295,880,500	283,880,500	306,630,500	335,977,600	371,524,900	390,224,900
Colleges & Universities	1,597,528,256	1,874,252,990	1,741,657,796	1,524,878,500	1,482,260,800	1,259,860,500	1,298,102,500	1,430,573,500	1,512,494,100	1,512,494,100
Financial Aid				86,113,153	89,702,394	90,732,411	95,782,679			
History, Arts and Libraries	48,835,420	47,831,005	50,440,406	1,001,280	6,316,482,364	5,888,728,106	5,947,534,527	6,018,383,400	5,621,313,700	5,614,413,700
Human Services	4,464,518,972	4,621,555,720	5,325,801,517	6,047,030,889				75,335,500	65,284,700	65,284,700
Insurance & Financial Services										
Information Technology	341,692,415	366,097,470	372,435,920	236,616,084	234,695,153	235,263,103	245,599,458	283,414,100	289,483,100	288,483,100
Judiciary	244,620,557	247,401,193	241,415,358	17,088,823	16,871,695	17,848,101	19,989,686	20,954,400	21,758,800	21,758,800
Legislative Auditor General	16,105,142	16,969,689	17,063,712	105,732,309	95,206,409	107,747,770	107,295,816	123,819,300	131,570,500	131,570,500
Legislature	115,154,002	113,312,121	109,705,797							
Licensing & Regulatory Affairs	1,140,472,553	1,181,354,299	1,367,643,100	1,431,058,170	1,175,632,746	636,709,235	518,895,956	502,918,700	531,860,800	509,460,800
Management and Budget	222,622,219	242,514,875	300,420,008							
Michigan Strategic Fund	139,342,844	158,448,175	168,184,761	175,288,360	189,777,421	261,972,232	571,230,497	1,008,273,900	1,019,429,900	1,004,429,900
Military & Veterans Affairs	116,166,538	147,170,057	156,993,535	166,389,660	127,040,441	133,404,046	138,854,249	166,730,000	173,594,900	166,594,900
Natural Resources	306,730,929	274,073,772	258,679,524	483,548,507	267,370,342	281,690,687	288,603,442	343,138,900	383,185,400	383,185,400
Natural Resources & Environment										
School Aid	12,721,059,000	12,790,183,678	13,135,762,870	13,053,072,521	13,290,024,000	12,720,665,000	12,772,644,200	13,366,703,600	13,797,139,600	13,790,723,500
State	196,183,845	190,598,425	187,562,850	188,863,841	177,250,135	185,618,877	196,247,922	219,548,900	224,112,300	224,112,300
State Police	457,997,146	489,853,718	483,784,727	497,788,945	478,070,870	509,206,726	541,025,294	606,819,000	639,323,000	625,743,700
Technology, Management & Budget										
Transportation	2,779,953,122	2,844,829,778	2,893,590,954	682,314,465	636,250,100	706,358,442	718,800,089	1,190,805,600	1,282,204,200	1,252,303,900
Treasury	2,745,568,191	2,679,180,140	2,639,763,225	2,938,885,967	2,993,283,028	2,714,216,958	2,271,622,096	1,632,091,200	1,796,943,600	3,414,950,700
Debt Service	98,748,316	77,208,003	66,249,353	67,567,961	54,456,915	138,019,051	136,575,746	154,202,500	152,395,000	159,822,000
Subtotal	41,945,183,846	43,562,546,601	45,518,414,742	47,376,241,713	48,950,121,732	47,046,859,227	47,444,219,269	51,051,221,300	52,133,976,400	51,910,048,400
Budget Stabilization Fund Reserve						362,700,000	140,000,000	75,000,000	120,000,000	0
Roads and Risk Reserve Fund								230,000,000	0	0
Michigan Health Savings Subfund									122,000,000	122,000,000
MPSERS Reserve									50,000,000	0
GRAND TOTAL	\$ 41,945,183,846	\$ 43,562,546,601	\$ 45,518,414,742	\$ 47,376,241,713	\$ 48,950,121,732	\$ 47,409,559,227	\$ 47,584,219,269	\$ 51,356,221,300	\$ 52,425,976,400	\$ 52,032,048,400

¹ The methodology was changed in FY 2011 to include the expenditures in the same location as the appropriation, with the exception of Capital Outlay.

² Capital Outlay includes all expenditures, regardless of agency.

³ Amounts include ongoing and one-time spending.



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

February 5, 2014

Ladies and Gentlemen of the Legislature and Citizens of the State of Michigan:

Article XI, Section 5 of the Michigan Constitution of 1963 provides that increases in rates of compensation for employees in the state classified service authorized by the Civil Service Commission require prior notice to the Governor. The Constitution also requires that I, as Governor, transmit such increases to the Legislature as part of my budget recommendation. With this letter I am officially transmitting the compensation adjustments for your review.

The attached cost summary prepared by the Office of the State Employer details additional costs for compensation. Represented and non-exclusively represented employees are scheduled to receive a 2% base wage increase in fiscal year 2015 and a 0.5% lump sum payment. I fully support the total additional cost of \$109.6 million for fiscal year 2015 as estimated by the Office of the State Employer.

The Constitution provides that the Michigan Legislature may, by a two-thirds vote of the members elected to and serving in each house, reject or reduce a Civil Service Commission compensation adjustment within 60 calendar days of transmission by the Governor. I urge the Legislature to accept the compensation adjustment as recommended by the Civil Service Commission.

Sincerely,

A handwritten signature in blue ink that reads "Rick Snyder".

Rick Snyder
Governor

Attachment

Summary
Michigan State Classified Service
Fiscal Year 2015
(10/1/2014 - 9/30/2015)

	A-02 MSEA Saf. & Reg. ¹	A-31 MSEA Labor & Trades ¹	C-12 MCO Security ¹	E-42 SEIU 517M Human Srv. Support ¹	H-21 SEIU 517M Scientific & Engineering ¹	L-32 SEIU 517M Technical ¹	T-01 MSPTA State Police Enlisted ²	U-11 AFSCME Institutional ¹	W-22 UAW Human Srv. ¹	W-41 UAW Admin. Supt. ¹	MSC's & NERE's ¹	TOTAL ALL UNITS
³ Number of FTEs	1,136	1,865	7,003	648	2,108	815	1,492	1,386	10,657	5,784	14,043	46,937
³ Avg. Hourly Salary - 12/21/13	\$ 25.77	\$ 22.98	\$ 23.45	\$ 23.95	\$ 32.81	\$ 24.82	\$ 31.07	\$ 20.27	\$ 26.01	\$ 20.94	\$ 34.26	\$ 27.59
Base Pay Adjustments for FY 2015												
Base Pay Increase 10/01/14	\$ 1,222,512	\$ 1,789,738	\$ 6,857,842	\$ 648,098	\$ 2,888,267	\$ 844,734	\$ -	\$ 1,173,215	\$ 11,575,395	\$ 5,057,844	\$ 20,091,286	\$ 52,148,931
Additional Roll-up Cost Resulting from Base Pay Increase												
⁴ FICA/Ret./OERC Blended Rates	60.91%	61.17%	61.08%	61.09%	60.78%	60.59%	81.02%	61.49%	61.26%	60.97%	60.54%	
FICA/Ret./OERC on Base Wage Increase	\$ 744,632	\$ 1,094,783	\$ 4,188,770	\$ 395,923	\$ 1,755,489	\$ 511,824	\$ -	\$ 721,410	\$ 7,091,087	\$ 3,083,767	\$ 12,163,265	
⁵ Life Insurance Increase	\$ 13,350	\$ 19,544	\$ 74,888	\$ 7,077	\$ 31,540	\$ 9,224	\$ -	\$ 12,812	\$ 126,403	\$ 55,232	\$ 219,397	
⁶ Long Term Disability Increase	\$ 11,247	\$ 16,466	\$ 63,092	\$ 5,963	\$ 26,572	\$ 7,772	\$ -	\$ 10,794	\$ 106,494	\$ 46,532	\$ 184,840	
⁷ Overtime Increase	\$ 38,727	\$ 113,603	\$ 904,938	\$ 2,247	\$ 36,500	\$ 74,590	\$ -	\$ 208,456	\$ 169,465	\$ 50,908	\$ 208,587	
⁸ Shift Differential Increase	\$ 6,806	\$ 3,910	\$ 148,228	\$ 2	\$ 13	\$ 803	\$ -	\$ 25,267	\$ 13,700	\$ 4,329	\$ 34,934	
FICA/Ret./OERC on OT and Shift Diff. Inc.	\$ 27,734	\$ 71,883	\$ 643,274	\$ 1,374	\$ 22,193	\$ 45,681	\$ -	\$ 143,716	\$ 112,207	\$ 33,678	\$ 147,428	
FY 2015 ATB Cost Increase	\$ 2,065,008	\$ 3,109,927	\$ 12,881,032	\$ 1,060,684	\$ 4,760,574	\$ 1,494,628	\$ -	\$ 2,295,670	\$ 19,194,751	\$ 8,332,290	\$ 33,049,737	\$ 88,244,301
Lump Sum Adjustments for FY 2015												
⁹ Lump Sum payment 10/12/2014	\$ 311,741	\$ 456,383	\$ 1,748,750	\$ 165,265	\$ 736,508	\$ 215,407	\$ -	\$ 299,170	\$ 2,951,726	\$ 1,289,750	\$ 5,123,278	\$ 13,297,977
FICA/Ret./OERC on Lump Sums	\$ 189,881	\$ 279,170	\$ 1,068,136	\$ 100,960	\$ 447,650	\$ 130,515	\$ -	\$ 183,959	\$ 1,808,227	\$ 786,361	\$ 3,101,633	\$ 8,096,492
FY2015 Compensation Increases	\$ 2,566,630	\$ 3,845,480	\$ 15,697,918	\$ 1,326,910	\$ 5,944,732	\$ 1,840,550	\$ -	\$ 2,778,799	\$ 23,954,704	\$ 10,408,401	\$ 41,274,648	\$ 109,638,771

¹ A 2% base wage increase is scheduled to be received in FY15 on 10/1/14.

² MSPTA has not yet entered into collective bargaining for FY15.

³ Business Objects HR Human Resource System count and wage average of classified employees under status code of AA, AB, AC, AD, AE & AP as of 12/21/2013.

⁴ FICA/Ret./OERC rates for FY 2014 provided by SBO. Unit rates are weighted by enrollment in each retirement code via Business Objects HR Human Resource System count of classified employees under status code of AA, AB, AC, AD, AE & AP as of 12/21/2013.

⁵ Life insurance increase on incremental cost increase. Annual \$5.46 per \$1000 of extra coverage (FY 2014 rate).

⁶ FY 2014 rate - (Increase/100) * 92.

⁷ Based on FY 2013 overtime amount with FY14 (+1%) - Comptroller Object Codes 3050, 3055, 3060, 3070, 3075, 3080, 3110, 3115, 3120.

⁸ Business Objects HR Human Resource System FY 2013 shift differential hours of classified employees under status code of AA, AB, AC, AD, AE & AP.

⁹ A 0.5% lump sum payment for FY15 is scheduled to be processed in mid October 2014.



**LEGISLATION NEEDED TO IMPLEMENT FISCAL YEAR 2015
BUDGET RECOMMENDATION**

DEPARTMENT	PURPOSE	Michigan Compiled Law (MCL) Being Amended
Community Health	Extension of Sunset on Use of Crime Victim Rights Funds for a Statewide EMS Trauma System	MCL 780.904
Education	Amend Revised School Code – Teacher Evaluations	MCL 380.1249; New MCL 380.1249b
	Amend Michigan Public School Employees Retirement Act	MCL 38.1341
Environmental Quality	Liquid Industrial Waste Transporter or Facility Charge Sunset Elimination	MCL 324.12109; MCL 324.12112
	Hazardous Waste Manifest Sunset Elimination	MCL 324.11135
	Hazardous Waste Generator, Transporter, or Treatment, Storage, or Disposal Facility User Charge; Hazardous Waste Handler User Charge Sunset Elimination	MCL 324.11153; MCL 324.12103
Technology, Management and Budget	Amend Michigan Vehicle Code; Commercial Look-up Service	MCL 257.208b
	Create an Information, Communications, and Technology Innovation Fund	New MCL
	Countercyclical Budget and Economic Stabilization Fund; Creation of Sub-Funds	MCL 18.1351
Treasury	Amend Revised School Code	MCL 380.12;
	Amend Uniform Budgeting and Accounting Act	MCL 141.421; MCL 141.422c; MCL 141.434 – MCL 141.440a
	Amend Local Financial Stability & Choice Act	New MCL
	Homestead Property Tax Credit Adjustments	MCL 206.520; MCL 206.522

