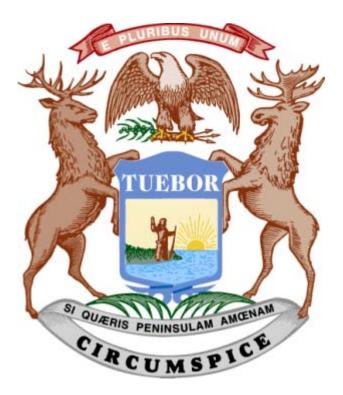
Consensus Revenue Agreement Executive Summary January 11, 2010

Economic and Revenue Forecasts Fiscal Years 2010 and 2011



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		January 2	010				
	Calendar 2008 Actual	Calendar 2009 Forecast	Percent Change from Prior Year	Calendar 2010 Forecast	Percent Change from Prior Year	Calendar 2011 Forecast	Percent Change from Prior Year
United States							
Real Gross Domestic Product (Billions of Chained 2005 Dollars)	\$13,312	\$12,966	-2.6%	\$13,251	2.2%	\$13,609	2.7%
Implicit Price Deflator GDP (2005 = 100)	108.5	110.0	1.2%	111.0	0.9%	112.8	1.6%
Consumer Price Index (1982-84 = 100)	215.3	214.7	-0.3%	220.5	2.7%	225.6	2.3%
Consumer Price Index - Fiscal Year (1982-84 = 100)	214.5	213.8	-0.3%	219.1	2.5%	224.1	2.3%
Personal Consumption Deflator (2000 = 100)	121.6	122.0	0.2%	124.4	2.0%	126.5	1.7%
3-month Treasury Bills Interest Rate (percent)	1.4	0.2		0.2		0.9	
Aaa Corporate Bonds Interest Rate (percent)	5.6	5.3		5.0		4.9	
Unemployment Rate - Civilian (percent)	5.8	9.3		10.2		9.7	
Housing Starts (millions of starts)	0.901	0.580	-35.6%	0.710	22.4%	1.100	54.9%
Light Vehicle Sales (millions of units)	13.2	10.3	-22.0%	11.2	8.7%	12.5	11.6%
Passenger Car Sales (millions of units)	6.8	5.4	-20.6%	5.8	7.4%	6.6	13.8%
Light Truck Sales (millions of units)	6.4	4.9	-23.4%	5.4	10.2%	5.9	9.3%
Import Share of Light Vehicles (percent)	25.4	26.7		25.5		26.0	
Michigan							
Wage and Salary Employment (thousands)	4,159	3,876	-6.8%	3,791	-2.2%	3,757	-0.9%
Unemployment Rate (percent)	8.4	14.1		15.7		15.3	
Personal Income (millions of dollars)	\$349,612	\$340,173	-2.7%	\$343,575	1.0%	\$349,416	1.7%
Real Personal Income (millions of 1982-84 dollars)	\$170,752	\$167,145	-2.1%	\$164,863	-1.4%	\$164,508	-0.2%
Wages and Salaries (millions of dollars)	\$187,914	\$173,069	-7.9%	\$171,338	-1.0%	\$172,366	0.6%
Detroit Consumer Price Index (1982-84 = 100)	204.7	203.5	-0.6%	208.4	2.4%	212.4	1.9%
Detroit CPI Fiscal Year (1982-84 = 100)	204.6	202.8	-0.9%	207.5	2.3%	211.4	1.9%

Table 1 Consensus Economic Forecast January 2010

Table 1 January 2010 Consensus Forecast (millions)

Net Revenue Estimates												
	FY 2009			FY 2010			FY 2011					
	May 2009	Prelim	Change From	May 2009	Jan 2010	Change From	Jan 2010	Change From				
	Consensus	Final	Мау	Consensus	Consensus	Мау	Consensus	FY 2010				
Net GF-GP Revenue Growth	\$7,435.3 -20.6%	\$7,365.6 -21.3%	(\$69.7)	\$6,949.7 -6.5%	\$6,898.4 -6.3%	(\$51.3)	\$6,968.4 1.0%	\$70.0				
Net SAF Revenue Growth	\$10,943.7 -4.9%	\$10,922.2 -5.1%	(\$21.5)	\$10,563.0 -3.5%	\$10,458.1 -4.2%	(\$105.0)	\$10,480.5 0.2%	\$22.4				
Combined GF-GP/SAF Growth	\$18,378.9 -11.9%	\$18,287.8 -12.4%	(\$91.2)	\$17,512.7 -4.7%	\$17,356.5 -5.1%	(\$156.2)	\$17,448.9 0.5%	\$92.4				
Revenue Limit Calculation												
		Actual FY 2008		FY 2009		FY 2010		FY 2011				
Personal Income		\$341,075		\$345,885		\$349,612		\$340,173				
Ratio		9.49%		9.49%		9.49%		9.49%				
Revenue Limit		\$32,368.0		\$32,824.5		\$33,178.2		\$32,282.4				
Revenue Subject to Limit		\$27,716.3		\$25,105.8		\$24,239.0		\$24,498.0				
Amount Under (Over) Lim	<u>it</u>	\$4,651.7		\$7,718.7		\$8,939.2		\$7,784.4				
Note: CY 2006 Personal Income is	s used for the FY 2008	revenue limit calcula	tion, CY 2007 for F	TY 2009, CY 2008 fc	or FY 2010 and CY 20	009 for FY 2011.						
Budget Stabilization Fund Calculation				School Aid Index								
FY 2010 Calculated Withdrawal FY 2011 Calculated Withdrawal			(\$89.7) (\$7.0)			Pupil Meml	istment Factor pership Factor hool Aid Index	FY 2011 0.9798 1.0110 0.9906				

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