

## MEMORANDUM



**DATE:** August 19, 2014  
**TO:** Interested Parties  
**FROM:** Kyle I. Jen, Deputy Director  
**RE:** Changes in State Appropriations

This memo provides information on changes in state appropriation amounts over the last decade. The end point for all comparisons is the FY 2014-15 state budget as initially enacted through Public Acts 196 and 252 of 2014. Appropriation amounts are presented based on three different measures:

**Adjusted Gross Appropriations:** Total state appropriations from all fund sources, including state, local, private, and federal sources (but subtracting funds appropriated in multiple places in the state budget through interdepartmental grants or intradepartmental transfers). This measure captures the total anticipated financial impact of all funds appropriated by the Legislature. Federal grants are almost always dedicated to specific purposes, with varying levels of flexibility, and generally cannot be used to supplant state funds on an ongoing basis.

**State-Source Appropriations:** State appropriations from state sources only, including both the state General Fund and restricted funds. This measure captures the amount of authorized spending from resources generated through taxes, fees, and other sources created by the state constitution or statute.

**General Fund/General Purpose (GF/GP) Appropriations:** State appropriations from the unrestricted portion of the state General Fund. This measure captures the amount of authorized spending from resources available to the Legislature that are not in some way restricted by constitutional or statutory provisions.

When making comparisons between appropriation amounts across multiple years, a number of caveats apply:

Reorganizations and Program Transfers: Changes in appropriation amounts for specific budget areas are complicated by a number of departmental reorganizations and program transfers that have occurred over the last decade. A list of the largest such reorganizations/transfers over the last decade is included following this cover memo.

GF/GP Offsets: GF/GP appropriation amounts may fluctuate over time as funding amounts or sources are reclassified as restricted or unrestricted (for example, the transition from the Use Tax on Medicaid Managed Care Organizations, which is classified as GF/GP revenue, to the restricted Health Insurance Claims Assessment and then to a combination of the two in the Community Health budget). Additionally, federal funds received under the American Recovery and Reinvestment Act (ARRA) in fiscal years (FYs) 2008-09, 2009-10, and 2010-11 temporarily reduced the need for GF/GP and other state-level appropriations to fund ongoing programs.

One-Time Appropriations: In the last several years, some appropriation amounts have been designated as "one-time," indicating intent that those items would not be funded in the subsequent budget year in order to maintain a structurally-balanced budget. Those appropriations are included in appropriation totals in order to provide an accurate representation of resources available for expenditure each year by state departments, local units of government, and other entities receiving funds through the state budget.

School Aid Revenue: Beginning in FY 2011-12, School Aid Fund revenue has been appropriated in the Community Colleges and Higher Education budgets, offsetting funds previously appropriated from GF/GP revenue. Such an appropriation was made in the Community Colleges budget in FY 2009-10, as well.

Retirement-Related Funding: In FY 2011-12, the state began prefunding retiree health benefit costs (known as Other Post-Employment Benefits, or OPEB) for state employees, rather than funding them on a pay-as-you-go basis. Beginning in FY 2012-13, funding has been built into the School Aid and Community College budgets to fund a rate cap for retirement unfunded liability costs and certain other retirement-related costs. The associated appropriation increases for state departments (Corrections, in particular), School Aid, and Community Colleges reflect changes in how retirement costs are funded, rather than an increase in operational expenditures.

Inflation: The cost of providing the same level of a particular government service often rises over time. The appropriation amounts presented in this document have not been adjusted for inflation. The consumer price index (CPI) provides a broad measure of inflationary cost growth over the last decade, although it does not account for changes in target populations for state programs (Medicaid caseloads, prison populations, educational enrollments, etc.) or cost increases for state government that may exceed those experienced by consumers. Appropriation growth can also be compared to personal income growth, providing a measure of the proportion of total household economic resources in the state being allocated through the state budget.

Mid-Year Adjustments: Appropriation amounts change throughout the fiscal year, as the budget is adjusted through supplemental appropriations and other mechanisms. The appropriation amounts presented in this document for years prior to FY 2014-15 are current or final year-to-date amounts and do not, therefore, reflect the budget initially enacted by the Legislature each year.

Final Expenditures: Appropriation amounts reflect amounts authorized for expenditure by the state through legislative actions, not final expenditures. The exception to this statement is Revenue Sharing amounts, which have been adjusted to reflect final (or estimated) Constitutional payments that are tied to sales tax revenue collection levels.

Fund Transfers: Appropriation amounts do not include transfers between funds—for example, the transfers from the General Fund to the Budget Stabilization Fund in recent years. (The FY 2013-14 appropriation of \$194.8 million from the Settlement Administration Fund for the Detroit pension systems, the funding for which was transferred from the BSF, is, however, included in the Treasury Operations appropriation total for that year.)

Payments to Locals: Payments-to-locals amounts are estimates based on appropriation amounts (again, with the exception of Revenue Sharing). Under the State Constitution, a minimum of 48.97% of annual state spending from state-source appropriations must be paid to local units of government.

Attached to this memo are seven tables and charts showing historical information on state appropriations.

- Attachment 1: Adjusted Gross Appropriations by Budget Area
- Attachment 2: State-Source Appropriations by Budget Area
- Attachment 3: GF/GP Appropriations by Budget Area
- Attachment 4: Percentage Change in State Appropriations by Major Area
- Attachment 5: Adjusted Gross Appropriations by Fund Source (chart)
- Attachment 6: State-Source Appropriations by Major Budget Area (chart)
- Attachment 7: Estimated Payments to Locals as a Percentage of State-Source Appropriations (chart)

Additionally, a list of notes regarding departmental reorganizations and program transfers is included (prior to Attachment 1).

**Major Departmental Reorganizations and Program Transfers**  
Fiscal Years 2004-05 to 2014-15

1. Library funding was shifted into the Department of Education budget (from the Department of History, Arts, & Libraries) in FY 2009-10, and Child Care Subsidy funding was shifted from the Department of Human Services budget to the Department of Education budget in FY 2011-12.
2. Since FY 2008-09, School Aid appropriations include approximately \$342.0 million in funding that was previously local revenue but was shifted to state revenue due to changes in the Personal Property and Michigan Business Taxes.
3. The Department of Civil Service was merged into the Department of Management & Budget in FY 2007-08.
4. The Department of Information Technology (which was funded entirely from Interdepartmental Grants, which are not included in Adjusted Gross appropriation amounts) was merged into the Department of Technology, Management, & Budget (DTMB; previously the Department of Management and Budget) in FY 2011-12.
5. Appropriations for the Legislative Auditor General have been included in the Legislature budget in some years and included as a stand-alone budget within the General Government bill in other years. These tables show Auditor General appropriations as a separate line in all years.
6. Appropriations for the Michigan Strategic Fund (MSF) have been made in a number of ways: as a stand-alone budget bill, as part of the Department of Labor, & Economic Growth (DLEG) budget, and as part of the Treasury budget. These tables show MSF appropriations as a separate line within the General Government category in all years.
7. State Building Authority (SBA) rent payments were appropriated in the Capital Outlay budget until FY 2004-05, in the Treasury budget in FY 2005-06, and in the DTMB budget in subsequent years. These tables show SBA rent payments as a separate line within the General Government category in all years.
8. Energy functions were moved from other departments into DLEG, and the department was renamed as the Department of Energy, Labor, & Economic Growth in FY 2008-09. Funding for Workforce Development programs and the Michigan State Housing Development Authority was moved from DELEG to MSF, and DELEG was renamed as the Department of Licensing & Regulatory Affairs (LARA) in FY 2011-12. Funding for Michigan Rehabilitation Services was moved from LARA to the Department of Human Services in FY 2012-13. The Department of Insurance and Financial Services was split off from LARA in FY 2013-14.
9. The Department of Agriculture was renamed as the Department of Agriculture and Rural Development in 2011.
10. The Departments of Environmental Quality and Natural Resources were merged into a single department for FY 2010-11 but then split back into two departments in FY 2011-12.
11. Funds for facility maintenance were moved out of the Capital Outlay budget and into individual departmental budgets (Corrections, Military & Veterans Affairs, Natural Resources, etc.) in FY 2008-09. Appropriations in the Capital Outlay budget for the Michigan Natural Resources Trust Fund (the bulk of remaining appropriation amounts in that budget area) are normally made through the supplemental budget process and have not yet been made for FY 2014-15.
12. The Department of History, Arts, & Libraries was abolished in FY 2009-10, with programs and appropriations moved to other departments (Education; Information Technology; Energy, Labor, & Economic Growth; Management & Budget; Natural Resources; Strategic Fund).

**ATTACHMENT 1: Adjusted Gross Appropriation History**

Thousands of Dollars

BUDGET AREA	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	10-Year Change	
												\$ Amount	Percent
Community Colleges	294,268	281,552	247,846	318,939	299,361	299,361	295,881	283,881	306,631	335,978	364,725	70,457	23.9
Education	115,925	120,957	89,432	99,905	1,024,636	114,926	126,416	336,657	313,377	303,652	287,096	171,171	147.7
Higher Education	1,723,006	1,734,444	1,610,750	1,886,676	1,754,105	1,612,243	1,578,279	1,364,178	1,399,220	1,430,574	1,516,496	(206,510)	(12.0)
School Aid	12,467,062	12,700,615	13,008,200	12,897,780	13,259,807	12,737,481	12,981,736	12,746,885	12,912,056	13,322,291	13,870,326	1,403,263	11.3
<b>EDUCATION</b>	<b>14,600,261</b>	<b>14,837,568</b>	<b>14,956,228</b>	<b>15,203,299</b>	<b>16,337,908</b>	<b>14,764,011</b>	<b>14,982,311</b>	<b>14,731,600</b>	<b>14,931,283</b>	<b>15,392,494</b>	<b>16,038,643</b>	<b>1,438,382</b>	<b>9.9</b>
Attorney General	51,132	52,340	51,608	51,344	50,144	52,530	50,448	62,890	63,419	61,375	66,039	14,906	29.2
Civil Rights	13,258	13,675	13,631	14,816	14,143	14,007	11,983	14,922	14,806	15,198	16,355	3,097	23.4
Civil Service	29,547	30,271	29,565	--	--	--	--	--	--	--	--	(29,547)	(100.0)
Executive Office	5,206	5,376	5,273	5,317	5,038	4,785	4,631	4,599	4,888	5,540	5,916	711	13.7
Information Technology	0	0	0	0	0	0	0	--	--	--	--	0	--
Legislative Auditor General	13,432	13,676	13,306	14,027	13,588	13,017	12,695	13,199	14,896	15,862	16,938	3,506	26.1
Legislature	111,498	113,962	111,283	114,504	110,981	107,153	102,084	109,043	115,465	123,819	131,931	20,432	18.3
State	203,272	178,078	178,783	191,076	193,579	195,599	192,906	194,372	201,029	199,866	203,985	713	0.4
DTMB: Operations	69,979	81,094	80,657	141,431	149,632	147,337	141,731	223,303	250,638	254,883	330,568	260,589	372.4
DTMB (CO/Treasury): SBA Rent	250,797	253,697	237,327	226,822	231,822	235,371	241,871	237,071	257,771	234,635	254,571	3,774	1.5
Treasury: Operations	352,428	390,572	378,954	407,353	403,759	413,890	685,744	469,164	500,433	698,793	535,227	182,799	51.9
Treasury: Debt Service	81,450	89,001	100,158	89,986	83,123	67,696	57,633	140,928	140,555	154,203	152,395	70,945	87.1
Treasury: MI Strategic Fund	117,634	484,718	85,794	219,972	147,951	123,537	175,116	1,060,088	985,418	1,015,165	1,024,780	907,146	771.2
Treasury: Revenue Sharing	1,130,373	1,103,626	1,071,104	1,077,140	1,040,137	994,196	1,091,526	1,047,243	1,092,514	1,136,904	1,226,312	95,940	8.5
<b>GENERAL GOVERNMENT</b>	<b>2,430,006</b>	<b>2,810,086</b>	<b>2,357,442</b>	<b>2,553,788</b>	<b>2,443,897</b>	<b>2,369,117</b>	<b>2,768,368</b>	<b>3,576,821</b>	<b>3,641,830</b>	<b>3,916,243</b>	<b>3,965,017</b>	<b>1,535,011</b>	<b>63.2</b>
Community Health	10,432,538	10,527,544	11,423,223	12,195,611	13,099,016	13,694,070	14,454,997	14,579,350	15,007,664	16,579,037	18,205,950	7,773,412	74.5
Human Services	4,292,111	4,529,374	4,498,488	4,961,496	5,866,521	6,295,688	7,054,290	6,714,639	6,141,297	6,030,619	5,733,629	1,441,518	33.6
<b>HEALTH &amp; HUMAN SERVICES</b>	<b>14,724,648</b>	<b>15,056,918</b>	<b>15,921,712</b>	<b>17,157,107</b>	<b>18,965,537</b>	<b>19,989,758</b>	<b>21,509,287</b>	<b>21,293,989</b>	<b>21,148,961</b>	<b>22,609,656</b>	<b>23,939,579</b>	<b>9,214,931</b>	<b>62.6</b>
Corrections	1,765,544	1,884,510	1,951,515	2,078,417	2,037,201	1,997,730	1,990,398	1,989,560	2,020,924	2,045,997	2,040,297	274,753	15.6
Military & Veterans Affairs	114,905	120,979	122,097	134,010	193,060	153,231	154,899	167,530	183,621	179,895	166,844	51,939	45.2
State Police	468,307	541,724	540,626	549,106	499,190	522,987	511,098	517,792	559,873	590,034	613,340	145,033	31.0
<b>PUBLIC SAFETY</b>	<b>2,348,756</b>	<b>2,547,213</b>	<b>2,614,238</b>	<b>2,761,533</b>	<b>2,729,451</b>	<b>2,673,947</b>	<b>2,656,395</b>	<b>2,674,881</b>	<b>2,764,418</b>	<b>2,815,926</b>	<b>2,820,480</b>	<b>471,725</b>	<b>20.1</b>
Insurance & Financial Services	--	--	--	--	--	--	--	--	--	74,628	64,482	64,482	--
Licensing & Reg Affairs (DELEG)	1,138,490	1,237,258	1,271,758	1,277,035	1,812,192	1,511,507	1,327,065	870,735	649,359	491,591	527,978	527,978	--
<b>REGULATORY</b>	<b>1,138,490</b>	<b>1,237,258</b>	<b>1,271,758</b>	<b>1,277,035</b>	<b>1,812,192</b>	<b>1,511,507</b>	<b>1,327,065</b>	<b>870,735</b>	<b>649,359</b>	<b>566,218</b>	<b>592,461</b>	<b>(546,029)</b>	<b>(48.0)</b>
Agriculture & Rural Development	115,740	110,684	100,364	99,196	89,970	79,152	74,845	75,448	78,989	80,909	84,144	(31,596)	(27.3)
Environmental Quality	384,894	438,693	429,923	352,832	588,640	388,402	--	426,884	425,059	507,817	493,061	108,167	28.1
Natural Resources (& Environ)	265,492	277,300	287,110	285,437	291,503	313,083	781,590	342,895	359,564	347,387	383,330	117,838	44.4
<b>RESOURCE PROTECTION</b>	<b>766,126</b>	<b>826,677</b>	<b>817,398</b>	<b>737,465</b>	<b>970,113</b>	<b>780,637</b>	<b>856,435</b>	<b>845,227</b>	<b>863,611</b>	<b>936,113</b>	<b>960,536</b>	<b>194,410</b>	<b>25.4</b>
Capital Outlay (excl SBA Rent)	332,397	275,933	258,721	279,072	58,429	35,659	102,101	37,767	23,349	27,678	0	(332,397)	(100.0)
History, Arts, & Libraries	58,982	53,201	50,230	49,333	51,044	--	--	--	--	--	--	(58,982)	(100.0)
Judiciary	250,803	252,968	255,764	257,258	256,482	255,659	255,447	256,177	271,790	282,464	285,403	34,600	13.8
Transportation	3,274,189	3,424,910	3,408,192	3,360,196	4,512,880	3,361,611	3,636,450	3,326,519	3,478,302	3,822,521	3,695,732	421,543	12.9
<b>OTHER AREAS</b>	<b>3,916,372</b>	<b>4,007,013</b>	<b>3,972,908</b>	<b>3,945,858</b>	<b>4,878,835</b>	<b>3,652,929</b>	<b>3,993,998</b>	<b>3,620,463</b>	<b>3,773,442</b>	<b>4,132,662</b>	<b>3,981,135</b>	<b>64,763</b>	<b>1.7</b>
<b>GRAND TOTAL</b>	<b>39,924,659</b>	<b>41,322,733</b>	<b>41,911,683</b>	<b>43,636,084</b>	<b>48,137,933</b>	<b>45,741,905</b>	<b>48,093,858</b>	<b>47,613,716</b>	<b>47,772,905</b>	<b>50,369,312</b>	<b>52,297,850</b>	<b>12,373,191</b>	<b>31.0</b>

**ATTACHMENT 2: State-Source Appropriation History**

Thousands of Dollars

BUDGET AREA	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	10-Year Change	
												\$ Amount	Percent
Community Colleges	294,268	281,552	247,846	318,939	299,361	299,361	295,881	283,881	306,631	335,978	364,725	70,457	23.9
Education	45,697	39,809	13,836	14,212	14,026	26,864	28,320	82,180	76,134	78,926	90,056	44,359	97.1
Higher Education	1,718,506	1,730,944	1,607,750	1,771,477	1,576,239	1,460,532	1,486,352	1,265,852	1,302,194	1,333,547	1,419,470	(299,036)	(17.4)
School Aid	11,113,522	11,308,027	11,596,963	11,421,776	11,097,798	10,675,098	10,803,403	11,088,853	11,211,014	11,506,132	12,062,163	948,641	8.5
<b>EDUCATION</b>	<b>13,171,993</b>	<b>13,360,333</b>	<b>13,466,395</b>	<b>13,526,404</b>	<b>12,987,423</b>	<b>12,461,855</b>	<b>12,613,955</b>	<b>12,720,765</b>	<b>12,895,973</b>	<b>13,254,583</b>	<b>13,936,413</b>	<b>764,420</b>	<b>5.8</b>
Attorney General	41,538	42,513	41,647	43,528	41,708	43,999	41,882	53,490	53,439	51,537	56,181	14,643	35.3
Civil Rights	11,568	12,109	12,098	12,437	11,861	11,631	10,231	11,107	12,106	12,489	13,600	2,033	17.6
Civil Service	22,917	23,642	23,251	--	--	--	--	--	--	--	--	(22,917)	(100.0)
Executive Office	5,206	5,376	5,273	5,317	5,038	4,785	4,631	4,599	4,888	5,540	5,916	711	13.7
Information Technology	0	0	0	0	0	0	0	--	--	--	--	0	--
Legislative Auditor General	13,432	13,676	13,306	14,027	13,588	13,017	12,695	13,199	14,896	15,862	16,938	3,506	26.1
Legislature	111,098	113,562	110,883	114,104	110,581	106,753	101,684	108,643	115,065	123,419	131,531	20,432	18.4
State	167,070	174,635	175,591	185,770	185,705	186,568	190,891	191,630	198,859	198,056	202,525	35,455	21.2
DTMB: Operations	69,534	81,094	80,657	134,801	134,745	134,097	137,498	210,942	239,663	244,581	318,850	249,316	358.6
DTMB (CO/Treasury): SBA Rent	250,797	253,697	237,327	226,822	231,822	235,371	241,871	237,071	257,771	234,635	254,571	3,774	1.5
Treasury: Operations	316,782	354,141	342,386	367,447	365,400	372,547	477,566	427,442	457,565	657,401	493,516	176,734	55.8
Treasury: Debt Service	81,450	89,001	100,158	89,986	83,123	67,696	57,633	140,928	140,555	154,203	152,395	70,945	87.1
Treasury: MI Strategic Fund	63,767	427,996	29,509	163,828	82,496	66,514	107,705	349,302	317,584	366,906	387,321	323,555	507.4
Treasury: Revenue Sharing	1,112,504	1,103,626	1,071,104	1,077,140	1,040,137	994,196	1,091,526	1,047,243	1,092,514	1,136,904	1,226,312	113,808	10.2
<b>GENERAL GOVERNMENT</b>	<b>2,267,663</b>	<b>2,695,068</b>	<b>2,243,189</b>	<b>2,435,208</b>	<b>2,306,205</b>	<b>2,237,173</b>	<b>2,475,813</b>	<b>2,795,596</b>	<b>2,904,902</b>	<b>3,201,533</b>	<b>3,259,656</b>	<b>991,993</b>	<b>43.7</b>
Community Health	4,138,043	4,538,595	4,926,417	5,037,721	4,131,793	3,875,787	4,359,795	4,931,935	4,948,604	5,026,046	5,301,105	1,163,062	28.1
Human Services	1,150,489	1,230,186	1,326,822	1,483,881	1,333,088	988,529	1,057,598	1,077,903	1,103,714	1,145,420	1,121,690	(28,799)	(2.5)
<b>HEALTH &amp; HUMAN SERVICES</b>	<b>5,288,533</b>	<b>5,768,781</b>	<b>6,253,239</b>	<b>6,521,602</b>	<b>5,464,880</b>	<b>4,864,316</b>	<b>5,417,393</b>	<b>6,009,838</b>	<b>6,052,318</b>	<b>6,171,466</b>	<b>6,422,795</b>	<b>1,134,262</b>	<b>21.4</b>
Corrections	1,755,962	1,872,689	1,939,674	2,066,234	1,832,505	1,988,077	1,980,406	1,979,767	2,008,225	2,028,752	2,026,668	270,706	15.4
Military & Veterans Affairs	62,771	66,269	66,095	69,576	67,553	64,226	64,219	71,913	76,794	84,457	74,241	11,470	18.3
State Police	350,865	351,019	362,344	389,373	293,455	403,216	393,617	404,689	447,862	480,631	508,971	158,106	45.1
<b>PUBLIC SAFETY</b>	<b>2,169,598</b>	<b>2,289,977</b>	<b>2,368,113</b>	<b>2,525,183</b>	<b>2,193,512</b>	<b>2,455,518</b>	<b>2,438,241</b>	<b>2,456,369</b>	<b>2,532,881</b>	<b>2,593,840</b>	<b>2,609,880</b>	<b>440,282</b>	<b>20.3</b>
Insurance & Financial Services	--	--	--	--	--	--	--	--	--	72,628	62,482	62,482	--
Licensing & Reg Affairs (DELEG)	335,940	391,113	411,247	435,123	463,666	461,762	436,642	473,837	375,779	291,862	326,385	326,385	--
<b>REGULATORY</b>	<b>335,940</b>	<b>391,113</b>	<b>411,247</b>	<b>435,123</b>	<b>463,666</b>	<b>461,762</b>	<b>436,642</b>	<b>473,837</b>	<b>375,779</b>	<b>364,490</b>	<b>388,867</b>	<b>52,927</b>	<b>15.8</b>
Agriculture & Rural Development	81,499	76,865	76,638	77,695	72,366	61,841	59,662	58,987	66,808	69,601	73,920	(7,579)	(9.3)
Environmental Quality	248,216	292,725	291,791	220,226	209,650	208,126	--	264,781	262,838	356,495	342,647	94,431	38.0
Natural Resources (& Environ)	223,459	233,280	241,412	234,302	230,828	235,095	510,470	270,607	285,053	271,442	305,090	81,631	36.5
<b>RESOURCE PROTECTION</b>	<b>553,174</b>	<b>602,869</b>	<b>609,840</b>	<b>532,223</b>	<b>512,845</b>	<b>505,061</b>	<b>570,132</b>	<b>594,375</b>	<b>614,699</b>	<b>697,539</b>	<b>721,656</b>	<b>168,482</b>	<b>30.5</b>
Capital Outlay (excl SBA Rent)	81,727	98,297	94,842	68,767	48,535	35,659	102,101	35,984	23,349	27,678	0	(81,727)	(100.0)
History, Arts, & Libraries	47,589	44,406	41,269	41,865	42,396	--	--	--	--	--	--	(47,589)	(100.0)
Judiciary	242,647	244,780	244,293	245,889	244,420	243,091	242,813	243,052	257,134	268,405	270,780	28,133	11.6
Transportation	2,135,688	2,208,160	2,192,013	2,116,605	2,068,009	1,978,579	1,969,724	2,031,356	2,194,292	2,563,975	2,439,633	303,945	14.2
<b>OTHER AREAS</b>	<b>2,507,651</b>	<b>2,595,642</b>	<b>2,572,417</b>	<b>2,473,126</b>	<b>2,403,361</b>	<b>2,257,328</b>	<b>2,314,638</b>	<b>2,310,391</b>	<b>2,474,775</b>	<b>2,860,058</b>	<b>2,710,413</b>	<b>202,762</b>	<b>8.1</b>
<b>GRAND TOTAL</b>	<b>26,294,552</b>	<b>27,703,782</b>	<b>27,924,439</b>	<b>28,448,869</b>	<b>26,331,892</b>	<b>25,243,012</b>	<b>26,266,815</b>	<b>27,361,171</b>	<b>27,851,327</b>	<b>29,143,510</b>	<b>30,049,681</b>	<b>3,755,129</b>	<b>14.3</b>
Estimated Payments to Locals	15,488,270	15,666,599	15,982,928	15,907,083	15,159,095	14,808,362	15,121,196	15,427,651	15,327,406	15,887,127	16,565,610	1,077,340	7.0

**ATTACHMENT 3: GF/GP Appropriation History**

Thousands of Dollars

BUDGET AREA	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	10-Year Change	
												\$ Amount	Percent
Community Colleges	294,268	281,552	247,846	318,939	299,361	90,961	295,881	24,251	109,016	138,364	167,111	(127,157)	(43.2)
Education	26,062	16,100	6,188	7,075	7,075	19,855	21,370	64,741	68,443	70,894	82,083	56,021	215.0
Higher Education	1,633,356	1,577,444	1,364,050	1,669,827	1,547,628	1,460,232	1,486,052	1,065,633	1,101,628	1,132,981	1,214,902	(418,454)	(25.6)
School Aid	165,200	62,714	35,000	34,910	78,000	30,206	18,642	78,642	282,400	149,900	114,900	(50,300)	(30.4)
<b>EDUCATION</b>	<b>2,118,886</b>	<b>1,937,811</b>	<b>1,653,084</b>	<b>2,030,751</b>	<b>1,932,063</b>	<b>1,601,254</b>	<b>1,821,945</b>	<b>1,233,267</b>	<b>1,561,488</b>	<b>1,492,139</b>	<b>1,578,996</b>	<b>(539,890)</b>	<b>(25.5)</b>
Attorney General	31,053	31,501	30,471	32,037	29,918	28,578	26,894	30,607	33,826	34,481	38,267	7,214	23.2
Civil Rights	11,568	12,109	12,043	12,437	11,861	11,631	10,178	10,855	11,954	12,338	13,448	1,881	16.3
Civil Service	7,443	7,102	6,338	--	--	--	--	--	--	--	--	(7,443)	(100.0)
Executive Office	5,206	5,376	5,273	5,317	5,038	4,785	4,631	4,599	4,888	5,540	5,916	711	13.7
Information Technology	0	0	0	0	0	0	0	--	--	--	--	0	--
Legislative Auditor General	12,186	12,429	11,766	12,487	12,048	11,477	11,155	11,624	13,005	13,911	14,937	2,752	22.6
Legislature	109,988	112,453	109,773	112,994	109,471	105,643	100,574	107,533	113,955	122,310	127,421	17,432	15.8
State	15,192	19,998	17,759	28,797	24,796	18,074	13,092	12,608	14,888	15,570	17,539	2,348	15.5
DTMB: Operations	35,741	35,218	34,034	68,220	58,600	57,748	53,671	117,113	149,146	151,154	224,528	188,787	528.2
DTMB (CO/Treasury): SBA Rent	243,002	236,902	232,232	225,302	230,302	235,371	241,871	237,071	257,771	234,635	254,571	11,569	4.8
Treasury: Operations	49,101	61,134	65,144	73,419	69,811	52,001	87,616	78,080	101,795	92,203	117,118	68,018	138.5
Treasury: Debt Service	42,449	52,887	6,244	66,072	67,609	52,182	42,118	125,414	135,040	151,188	152,395	109,946	259.0
Treasury: MI Strategic Fund	53,717	33,991	29,458	33,073	27,741	27,008	32,132	135,085	174,722	220,554	244,643	190,926	355.4
Treasury: Revenue Sharing	453	1,105	212	326	106	0	0	0	0	0	0	(453)	(100.0)
<b>GENERAL GOVERNMENT</b>	<b>617,096</b>	<b>622,205</b>	<b>560,745</b>	<b>670,481</b>	<b>647,300</b>	<b>604,497</b>	<b>623,933</b>	<b>870,589</b>	<b>1,010,990</b>	<b>1,053,885</b>	<b>1,210,783</b>	<b>593,687</b>	<b>96.2</b>
Community Health	2,588,837	2,976,929	3,145,329	3,217,758	2,473,753	2,179,008	2,513,573	2,759,513	2,787,168	2,843,410	3,239,701	650,864	25.1
Human Services	1,080,168	1,158,384	1,267,637	1,408,332	1,197,528	897,413	967,064	951,541	1,029,205	1,009,950	995,453	(84,715)	(7.8)
<b>HEALTH &amp; HUMAN SERVICES</b>	<b>3,669,005</b>	<b>4,135,313</b>	<b>4,412,965</b>	<b>4,626,090</b>	<b>3,671,281</b>	<b>3,076,421</b>	<b>3,480,637</b>	<b>3,711,054</b>	<b>3,816,373</b>	<b>3,853,360</b>	<b>4,235,154</b>	<b>566,149</b>	<b>15.4</b>
Corrections	1,688,886	1,806,099	1,871,878	1,996,085	1,778,041	1,919,711	1,900,078	1,921,594	1,941,236	1,972,725	1,980,798	291,912	17.3
Military & Veterans Affairs	36,657	39,689	39,299	40,504	37,473	36,245	35,986	38,395	46,367	56,903	49,155	12,498	34.1
State Police	246,375	235,347	243,187	276,579	171,652	268,141	257,574	280,266	319,514	356,784	384,171	137,796	55.9
<b>PUBLIC SAFETY</b>	<b>1,971,918</b>	<b>2,081,135</b>	<b>2,154,364</b>	<b>2,313,168</b>	<b>1,987,166</b>	<b>2,224,097</b>	<b>2,193,638</b>	<b>2,240,255</b>	<b>2,307,117</b>	<b>2,386,413</b>	<b>2,414,124</b>	<b>442,206</b>	<b>22.4</b>
Insurance & Financial Services	--	--	--	--	--	--	--	--	--	11,000	55	55	--
Licensing & Reg Affairs (DELEG)	43,720	39,063	45,976	46,003	59,635	54,590	84,951	43,510	39,745	25,005	40,034	40,034	--
<b>REGULATORY</b>	<b>43,720</b>	<b>39,063</b>	<b>45,976</b>	<b>46,003</b>	<b>59,635</b>	<b>54,590</b>	<b>84,951</b>	<b>43,510</b>	<b>39,745</b>	<b>36,005</b>	<b>40,089</b>	<b>(3,631)</b>	<b>(8.3)</b>
Agriculture & Rural Development	28,428	28,888	28,834	31,573	28,546	29,828	28,982	29,187	37,399	40,580	45,916	17,488	61.5
Environmental Quality	26,127	31,810	30,788	42,763	38,580	26,553	--	28,204	29,812	29,155	40,876	14,749	56.5
Natural Resources (& Environ)	28,502	25,943	31,790	23,743	9,892	17,402	39,958	23,668	31,338	26,787	48,592	20,090	70.5
<b>RESOURCE PROTECTION</b>	<b>83,057</b>	<b>86,641</b>	<b>91,411</b>	<b>98,080</b>	<b>77,018</b>	<b>73,783</b>	<b>68,940</b>	<b>81,058</b>	<b>98,549</b>	<b>96,521</b>	<b>135,384</b>	<b>52,327</b>	<b>63.0</b>
Capital Outlay (excl SBA Rent)	195	4,703	5,000	2	1	0	3	2	1	1	0	(195)	(100.0)
History, Arts, & Libraries	45,177	41,822	38,689	39,219	38,246	--	--	--	--	--	--	(45,177)	(100.0)
Judiciary	157,547	157,615	156,501	157,997	156,472	153,133	150,735	156,533	171,572	184,191	186,527	28,980	18.4
Transportation	0	0	0	0	0	0	0	500	23,000	336,600	284,648	284,648	--
<b>OTHER AREAS</b>	<b>202,919</b>	<b>204,139</b>	<b>200,190</b>	<b>197,218</b>	<b>194,719</b>	<b>153,133</b>	<b>150,737</b>	<b>157,034</b>	<b>194,572</b>	<b>520,792</b>	<b>471,175</b>	<b>268,256</b>	<b>132.2</b>
<b>GRAND TOTAL</b>	<b>8,706,600</b>	<b>9,106,306</b>	<b>9,118,735</b>	<b>9,981,790</b>	<b>8,569,183</b>	<b>7,787,775</b>	<b>8,424,780</b>	<b>8,336,767</b>	<b>9,028,834</b>	<b>9,439,115</b>	<b>10,085,704</b>	<b>1,379,105</b>	<b>15.8</b>

**ATTACHMENT 4****Percentage Change in State Appropriations by Major Area**

Period Ending with FY 2014-15

**ADJUSTED GROSS APPROPRIATIONS**

<b>Budget Area</b>	<b>10-year</b>	<b>5-year</b>	<b>2-year</b>	<b>1-year</b>
Community Colleges	23.9	21.8	18.9	8.6
Higher Education	(12.0)	(5.9)	8.4	6.0
School Aid	11.3	8.9	7.4	4.1
Revenue Sharing	8.5	23.3	12.2	7.9
Community Health	74.5	32.9	21.3	9.8
Human Services	33.6	(8.9)	(6.6)	(4.9)
Corrections	15.6	2.1	1.0	(0.3)
Transportation	12.9	9.9	6.3	(3.3)
All Other Areas	24.2	18.8	4.2	(0.4)
<b>Total Appropriations</b>	<b>31.0</b>	<b>14.3</b>	<b>9.5</b>	<b>3.8</b>

**STATE-SOURCE APPROPRIATIONS**

<b>Budget Area</b>	<b>10-year</b>	<b>5-year</b>	<b>2-year</b>	<b>1-year</b>
Community Colleges	23.9	21.8	18.9	8.6
Higher Education	(17.4)	(2.8)	9.0	6.4
School Aid	8.5	13.0	7.6	4.8
Revenue Sharing	10.2	23.3	12.2	7.9
Community Health	28.1	36.8	7.1	5.5
Human Services	(2.5)	13.5	1.6	(2.1)
Corrections	15.4	1.9	0.9	(0.1)
Transportation	14.2	23.3	11.2	(4.8)
All Other Areas	42.2	37.0	11.0	0.5
<b>Total Appropriations</b>	<b>14.3</b>	<b>19.0</b>	<b>7.9</b>	<b>3.1</b>
Estimated Payments to Locals	7.0	11.9	8.1	4.3

**GF/GP APPROPRIATIONS\***

<b>Budget Area</b>	<b>10-year</b>	<b>5-year</b>	<b>2-year</b>	<b>1-year</b>
Community Colleges	(43.2)	83.7	53.3	20.8
Higher Education	(25.6)	(16.8)	10.3	7.2
School Aid	(30.4)	280.4	(59.3)	(23.3)
Revenue Sharing	(100.0)	--	--	--
Community Health	25.1	48.7	16.2	13.9
Human Services	(7.8)	10.9	(3.3)	(1.4)
Corrections	17.3	3.2	2.0	0.4
Transportation	--	--	1,137.6	(15.4)
All Other Areas	66.3	72.5	19.0	12.6
<b>Total Appropriations</b>	<b>15.8</b>	<b>29.5</b>	<b>11.7</b>	<b>6.9</b>

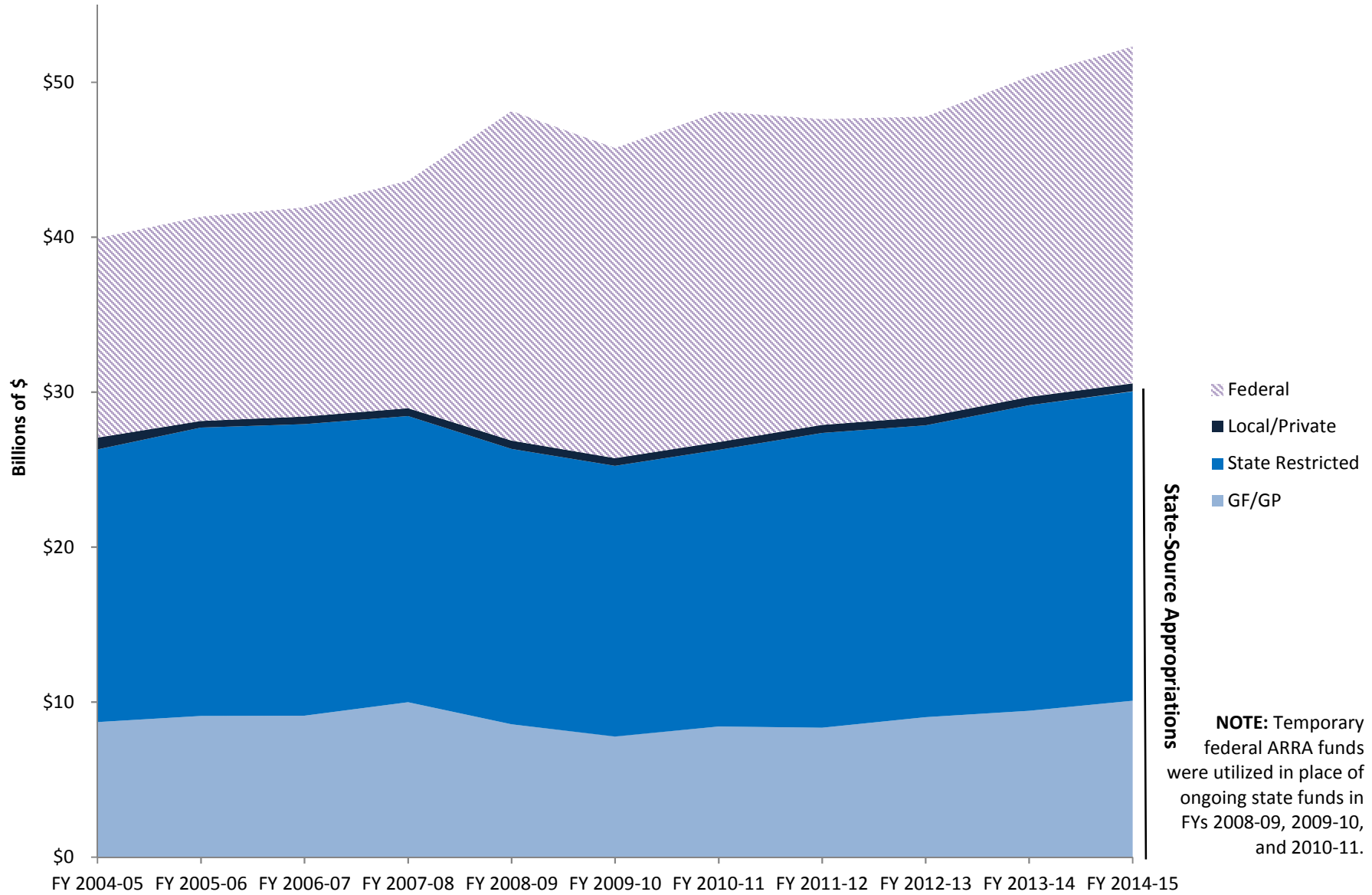
**For Comparison**

U.S. Consumer Price Index**	23.9	10.3	3.2	1.7
Mich Personal Income (CY basis)**	26.2	20.6	7.7	4.3

\*Large percentage changes in GF/GP appropriations for some budgets are result of GF/GP funds constituting a relatively small portion of those budgets.

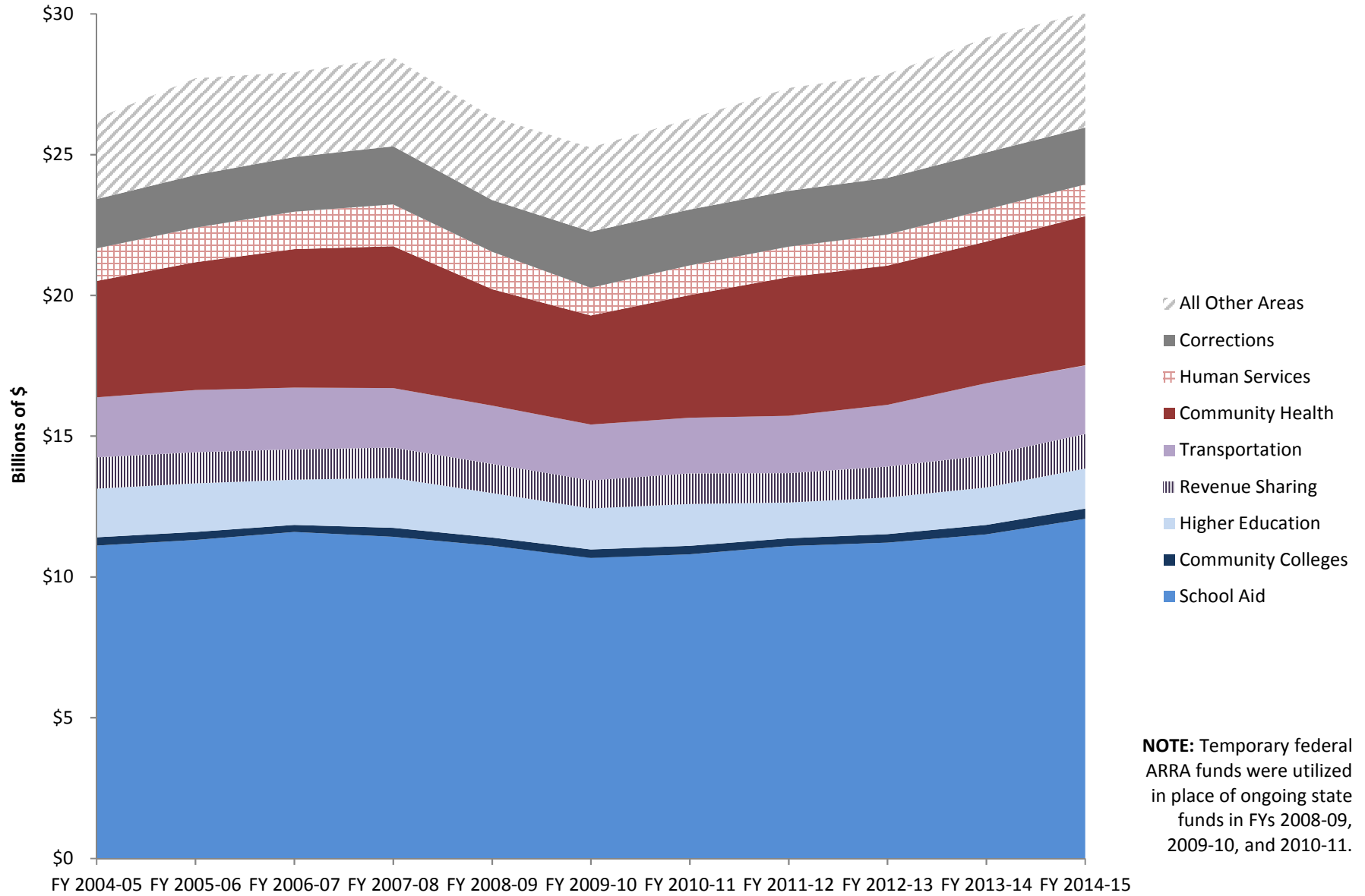
\*\*Based on May 2014 consensus estimates for FYs 2013-14 and 2014-15.

## ATTACHMENT 5 Adjusted Gross Appropriations by Fund Source





## ATTACHMENT 6 State-Source Appropriations by Major Area



**ATTACHMENT 7**  
**Estimated Payments to Locals as Percentage of State-Source Appropriations**

