



# Budget Briefing: General Government

Ben Gielczyk, Senior Fiscal Analyst

Michael Clossen, Fiscal Analyst

January 2018

# Briefing Topics

- Funding Sources
- Appropriations Areas

# General Government

The General Government appropriations article includes budgets for the following departments and agencies:

- Attorney General
- Civil Rights
- Executive Office
- Legislature/Legislative Auditor General
- State
- Technology, Management, and Budget (including Civil Service Commission and Information Technology)
- Treasury (including Bureau of State Lottery, Michigan Gaming Control Board, and State Building Authority)
- Talent and Economic Development (including Michigan Strategic Fund, Michigan State Housing Development Authority, Talent Investment Agency, and Michigan Land Bank)

# Key Budget Terms

**Fiscal Year:** The state's fiscal year (FY) runs from October to September. FY 2017-18 is October 1, 2017 through September 30, 2018.

**Appropriation:** Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the Legislature.

**Line Item:** Specific appropriation amount in a budget bill which establishes spending authorization for a particular program or function.

**Boilerplate:** Specific language sections in a budget bill which direct, limit, or restrict line item expenditures, express legislative intent, and/or require reports.

**Lapse:** Appropriated amounts that are unspent or unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless designated as a multi-year work project under a statutory process. Lapsed funds are available for expenditure in the subsequent fiscal year.

Note: Unless otherwise indicated, historical budget figures in this presentation have not been adjusted for inflation.

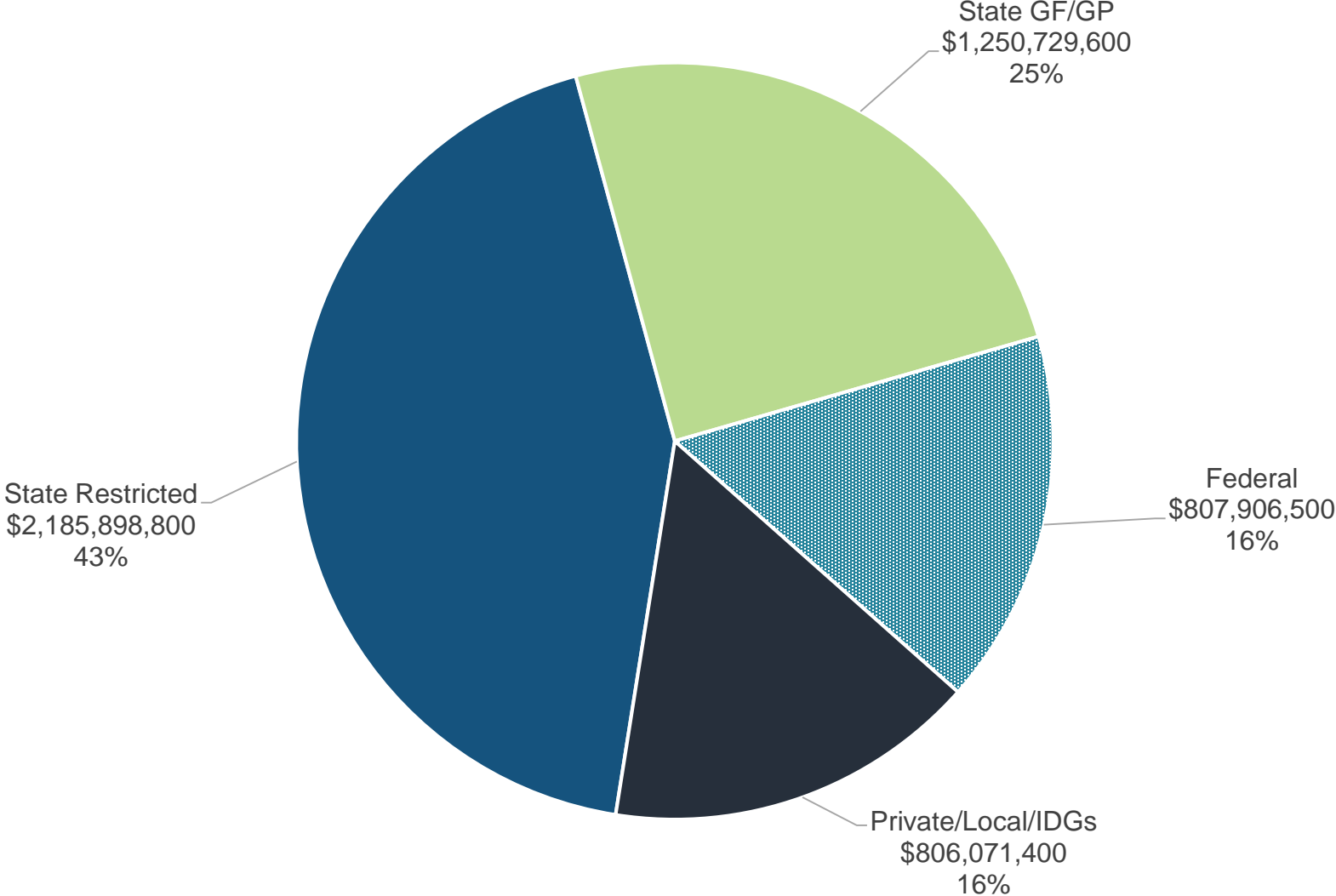
# Funding Sources

# FY 2017-18 General Government Budget

Fund Source	Funding	Description
Gross Appropriations	\$5,050,606,300	Total spending authority from all revenue sources
Interdepartmental Grants (IDG) Revenue	782,493,800	Funds received by one state department from another state department, usually for services provided
Adjusted Gross Appropriations	\$4,268,112,500	Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas
Federal Revenue	807,906,500	Federal grant or matching revenue; generally dedicated to specific programs or purposes
Local Revenue	17,332,700	Revenue received from local units of government for state services
Private Revenue	6,244,900	Revenue from individuals and private entities, including payments for services, grants, and other contributions
State Restricted Revenue	2,185,898,800	State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue
State General Fund/General Purpose (GF/GP) Revenue	\$1,250,729,600	Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the Legislature

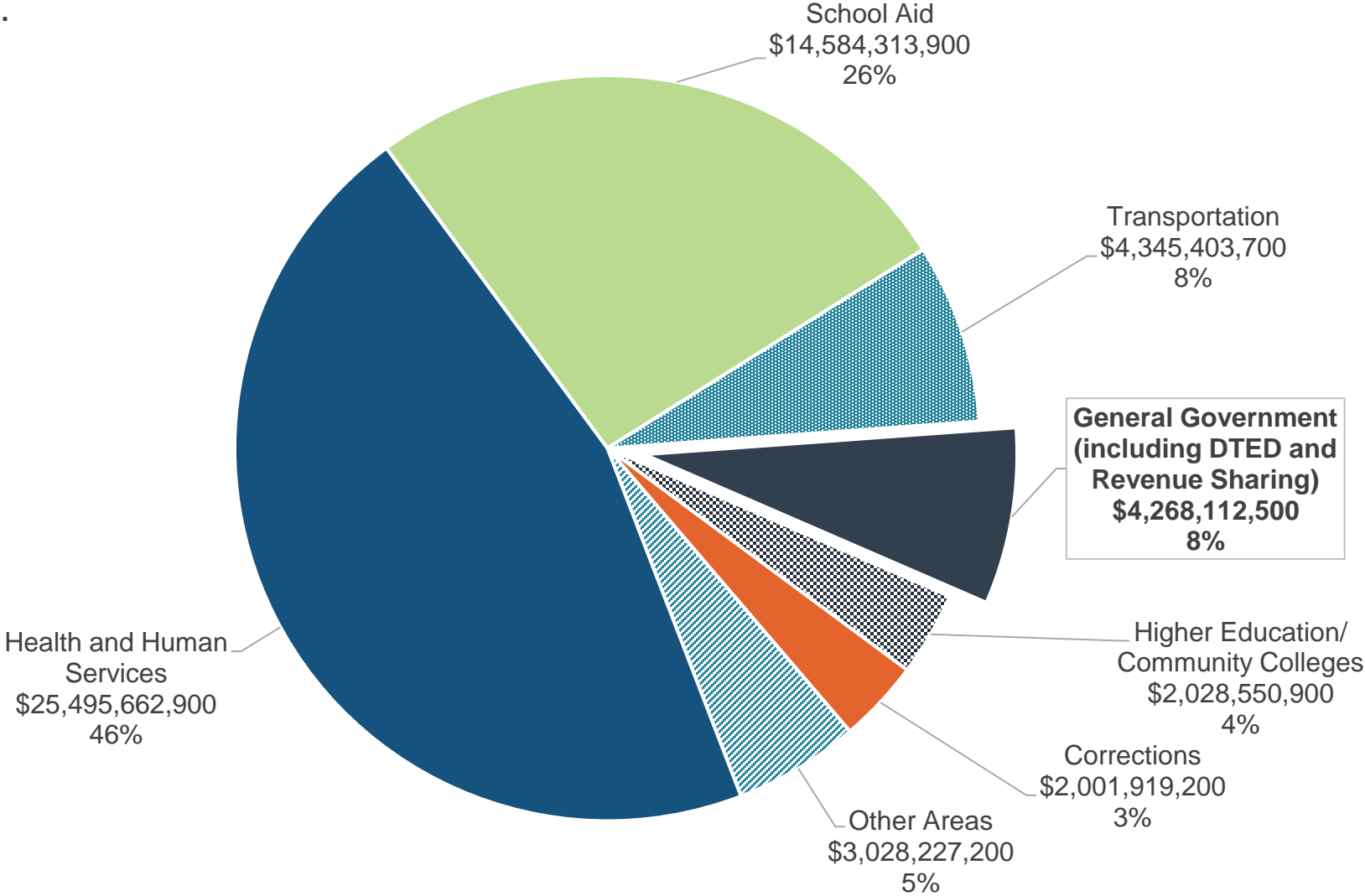
# FY 2017-18 Fund Sources

Approximately 43% of the **\$5.1 billion** General Government budget is funded by restricted revenue, mainly sales tax revenue supporting revenue sharing payments to local units of government.



# General Government Share of Total State Budget

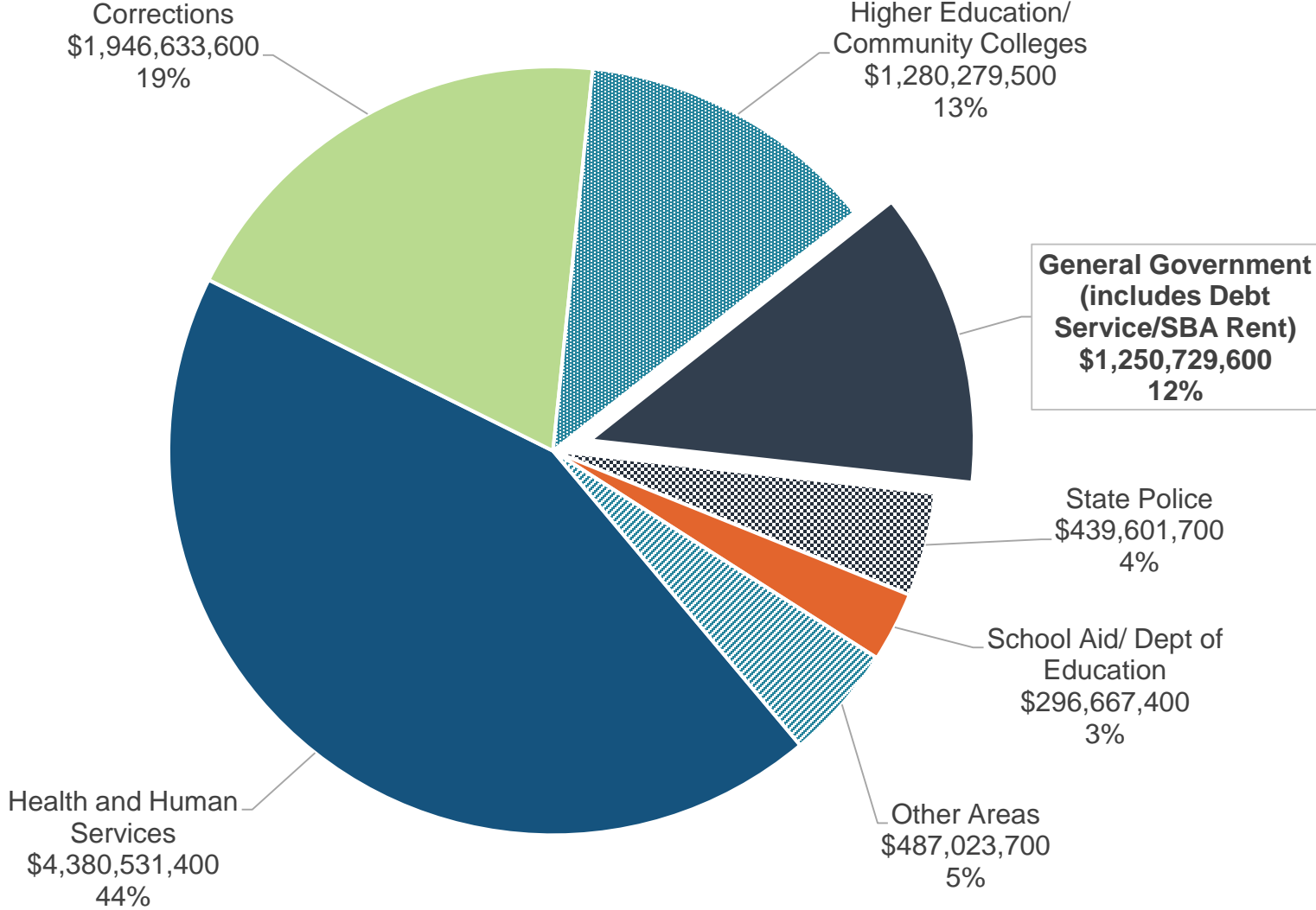
The General Government budget, including Revenue Sharing and Talent and Economic Development, represents 8% of the **\$55.8 billion** state budget (adjusted gross) for FY 2017-18.





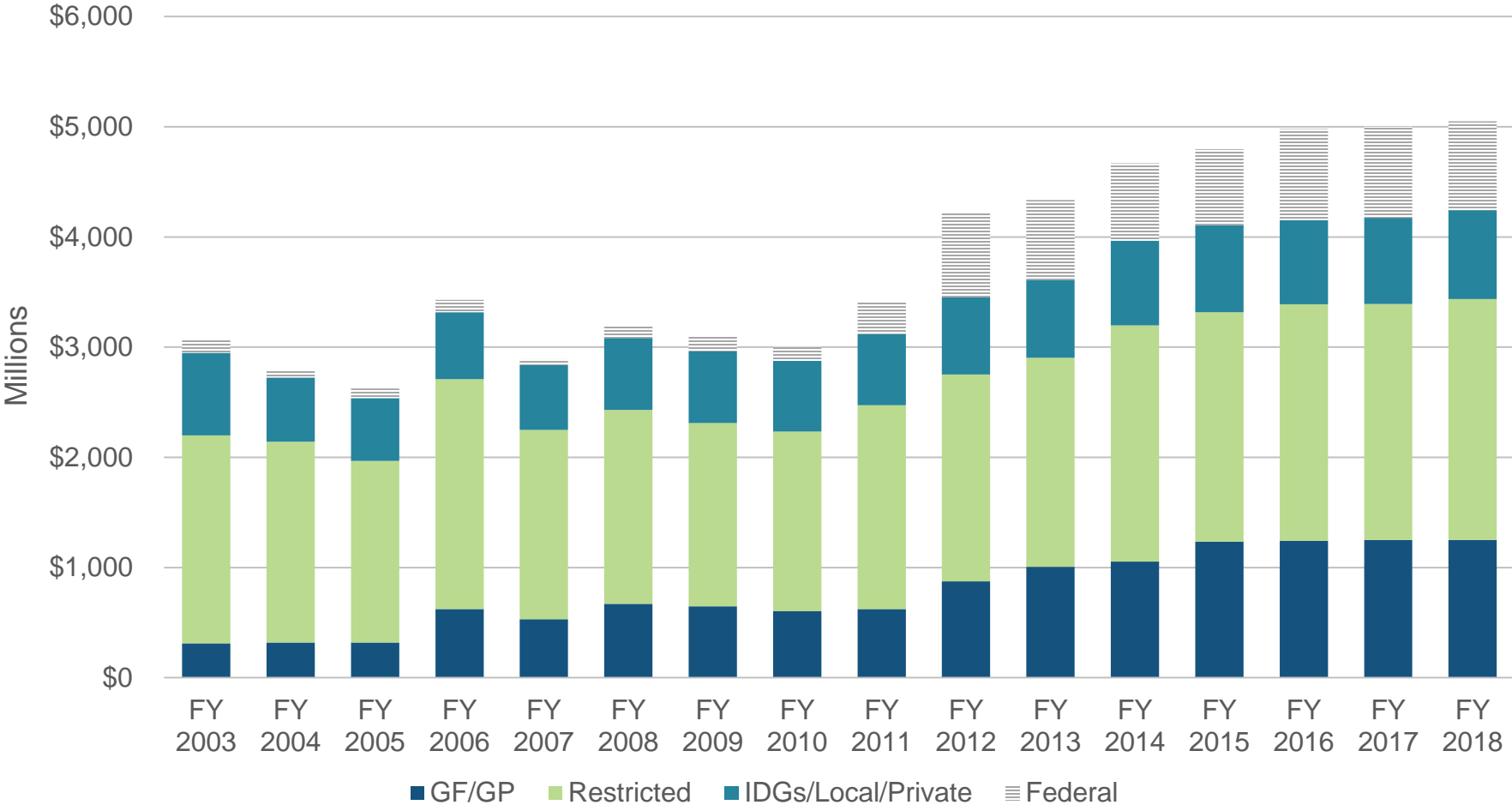
# General Government Share of Total GF/GP Budget

The General Government budget, including Debt Service/SBA Rent, also represents over 12% of the state's **\$10.1 billion** GF/GP budget for FY 2017-18.



# General Government Funding History

Funding for General Government has grown by 64.4% since FY 2002-03, driven mainly by the inclusion of Michigan Strategic Fund (FY 2006) (one-time \$325.0 million deposit from securitization of tobacco settlement revenues in FY 2006), State Building Authority rent (FY 2007), Michigan State House Development Authority (FY 2011), Workforce Development (FY 2012), Unemployment Insurance Agency (FY 2016), and various one-time GF/GP appropriations since FY 2012.



# Appropriation Areas

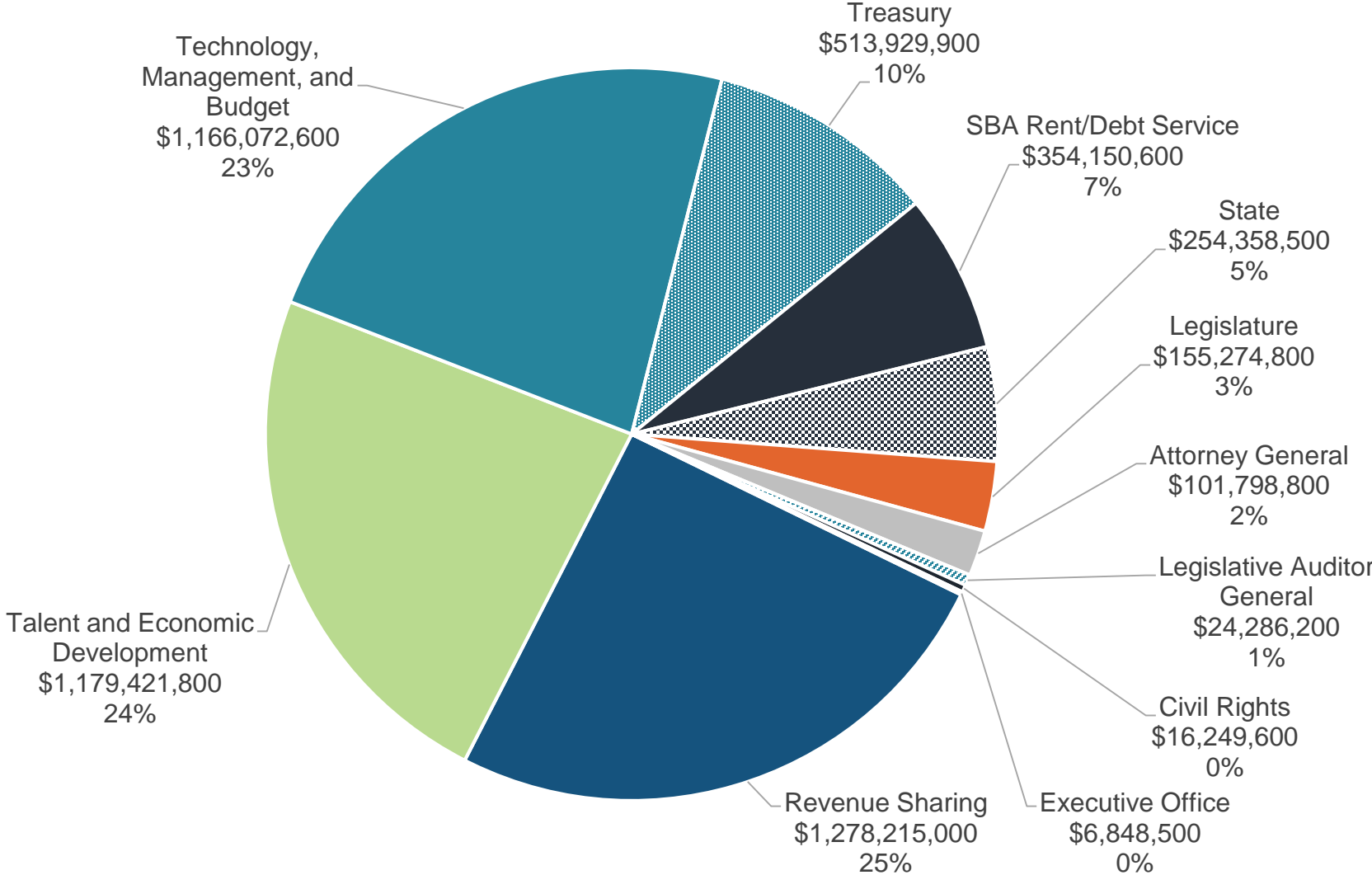
# General Government Appropriation Areas

The following individual budgets comprise the General Government budget article and are described in more detail in the budget-specific PowerPoints:

- Attorney General
- Civil Rights
- Executive Office
- Legislature
- Legislative Auditor General
- State
- Technology, Management, and Budget
- Treasury
- Revenue Sharing
- Talent and Economic Development

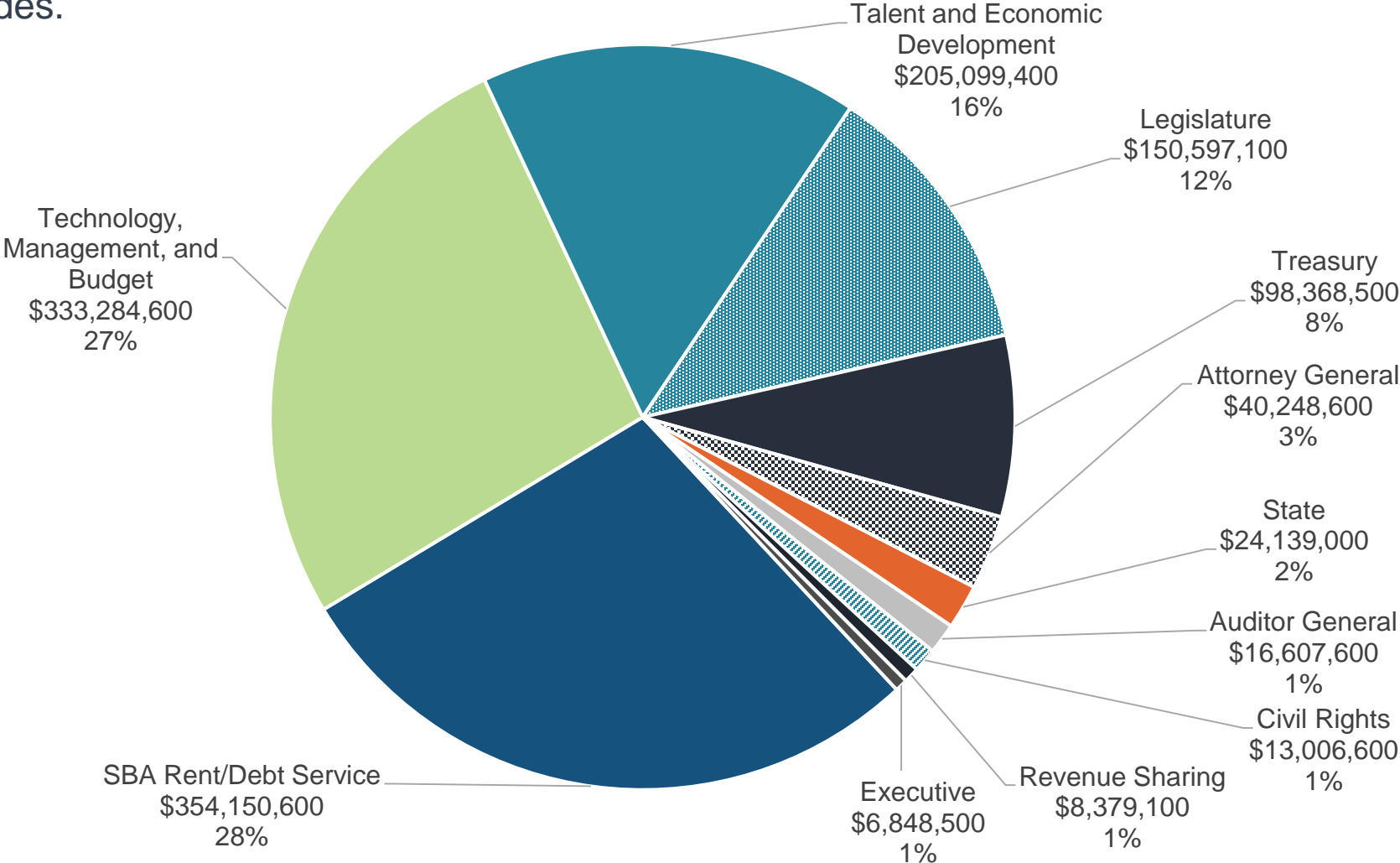
# FY 2017-18 Gross Appropriations

Almost 90% of the \$5.1 billion General Government budget supports Revenue Sharing; Talent and Economic Development; Technology, Management, and Budget; Treasury; and SBA Rent/Debt Service.



# FY 2017-18 GF/GP Appropriations

Approximately 28% of GF/GP funds (totaling \$1.3 billion) support SBA Rent (debt service on capital outlay state share) and Debt Service on State General Obligation Bonds. DTMB has grown in share due to increased appropriations for statewide IT upgrades.



# For more information about the General Government budget:

## HFA Resources

<http://www.house.mi.gov/hfa/GeneralGovernment.asp>

## Contact Information

Ben Gielczyk, Senior Fiscal Analyst or Michael Cnossen,  
Fiscal Analyst

[bgielczyk@house.mi.gov](mailto:bgielczyk@house.mi.gov) or [mcnossen@house.mi.gov](mailto:mcnossen@house.mi.gov)

(517) 373-8080