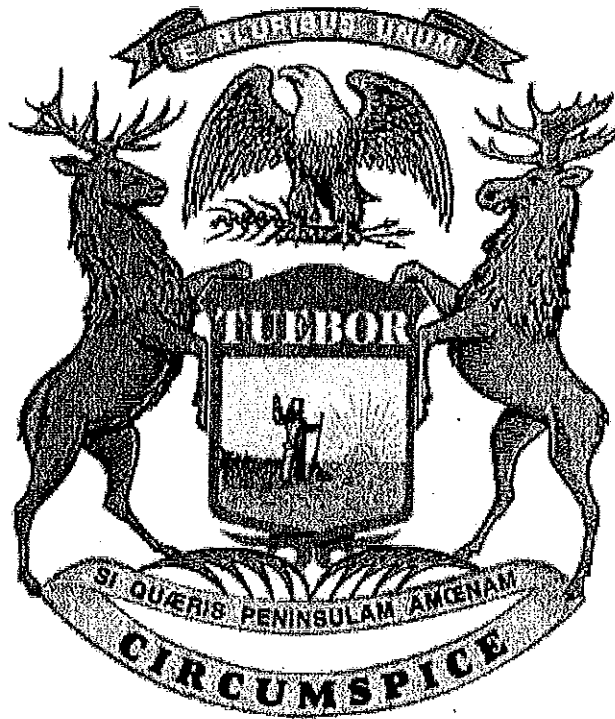


Consensus Revenue Agreement Executive Summary January 11, 2010

**Economic and Revenue Forecasts
Fiscal Years 2010 and 2011**



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Table 1
Consensus Economic Forecast

January 2010

	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	215.0	-0.3%	220.8	2.7%	225.9	2.3%
Consumer Price Index - Fiscal Year (1982-84 = 100)	214.5	214.0	-0.3%	219.4	2.5%	224.4	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	\$166,751	-2.3%	\$164,469	-1.4%	\$164,122	-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	204.0	-0.6%	208.9	2.4%	212.9	1.9%
Detroit CPI Fiscal Year (1982-84 = 100)	204.6	204.6	-1.1%	209.3	2.3%	213.3	1.9%

Table 1
January 2010 Consensus Forecast
(millions)

Net Revenue Estimates

	FY 2009		Change From May		FY 2010		Change From May		FY 2011	
	May 2009 Consensus	Prelim Final	May 2009 Consensus	Change From May	Jan 2010 Consensus	Change From May	Jan 2010 Consensus	Change From May	Jan 2010 Consensus	Change From FY 2010
Net GF-GP Revenue Growth	\$7,435.3 -20.6%	\$7,365.6 -21.3%	\$6,949.7 -6.5%	(\$69.7)	\$6,898.4 -6.3%	(\$51.3)	\$6,968.4 1.0%	(\$70.0)	\$6,968.4 1.0%	\$70.0
Net SAF Revenue Growth	\$10,943.7 -4.9%	\$10,922.2 -5.1%	\$10,563.0 -3.5%	(\$21.5)	\$10,458.1 -4.2%	(\$105.0)	\$10,480.5 0.2%	(\$22.4)	\$10,480.5 0.2%	\$22.4
Combined GF-GP/SAF Growth	\$18,378.9 -11.9%	\$18,287.8 -12.4%	\$17,512.7 -4.7%	(\$91.2)	\$17,356.5 -5.1%	(\$156.2)	\$17,448.9 0.5%	(\$92.4)	\$17,448.9 0.5%	\$92.4

Revenue Limit Calculation

	Actual	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) Limit	\$4,651.7	\$7,718.7	\$8,939.2	\$7,784.4

Note: CY 2006 Personal Income is used for the FY 2008 revenue limit calculation, CY 2007 for FY 2009, CY 2008 for FY 2010 and CY 2009 for FY 2011.

Budget Stabilization Fund Calculation

FY 2010 Calculated Withdrawal	(\$89.7)
FY 2011 Calculated Withdrawal	(\$7.0)

School Aid Index

Revenue Adjustment Factor	FY 2011
Pupil Membership Factor	0.9798
School Aid Index	1.0110
	0.9906