

STATE OF ILLINOIS

Interim Annual Comprehensive Financial Report Highlights

For the Fiscal Year Ended June 30, 2023

December 2023

The Illinois Office of Comptroller (IOC) is required by statute (15 ILCS 405/19.5) to publish the State of Illinois Annual Comprehensive Financial Report (ACFR) each December 31 for the fiscal year ended June 30. The ACFR is Illinois' official annual report which provides readers with the State's financial position and results of operations of the previous fiscal year. The published ACFR is based on audited reports from state agency management; however, the audit process for certain state agencies can lead to a delay in publication if the Auditor General is not able to complete the individual agency audits. In the meantime, in order to provide the public with the financial information that has been currently reported to the IOC by state agencies, the IOC is exercising its statutory authority to issue an interim ACFR report. It is important to note that the financial information contained in this Interim Report is subject to change depending on the final audited financial reports from the individual agencies.

NET POSITION

Net position is reported as the difference between the State's non-fiduciary assets plus deferred outflows of resources less liabilities and deferred inflows of resources. When examined over time, increases or decreases in net position measure whether the State's financial position is improving (increases) or getting worse (decreases). Illinois reported a negative net position of \$163.1 billion at June 30, 2023. This is an \$18.1 billion or a 10% increase from last year's negative net position of \$181.2 billion.

- **Assets:** The State's total assets were approximately \$80.9 billion on June 30, 2023, an increase of \$4.7 billion from June 30, 2022. Capital assets, which include items such as land, buildings, equipment, and infrastructure, were approximately \$27.1 billion of the State's total assets. The State's total deferred outflows of resources were approximately \$14.8 billion on June 30, 2023, a decrease of \$1.6 billion from June 30, 2022. A deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period. Pension and other post-employment benefits-related deferred outflows of resources totaled \$14.0 billion and \$813.4 million, respectively.
- **Liabilities:** The State's total liabilities were approximately \$221.8 billion on June 30, 2023, a decrease of \$26.1 billion from June 30, 2022. The State's significant liability balances include the net pension liability of \$145.6 billion and the other post-employment benefits liability of \$20.4 billion. The State's total deferred inflows of resources were approximately \$37.1 billion on June 30, 2023, an increase of \$11.2 billion from June 30, 2022. A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period. Pension and other post-employment benefits-related deferred inflows of resources totaled \$4.4 billion and \$32.6 billion, respectively.

Statement of Net Position as of June 30						
(Amounts in millions)						
	Governmental		Business-type		Total Primary	
	Activities		Activities		Government	
	2023	2022	2023	2022	2023	2022
Assets						
Cash and cash equivalents	\$ 27,521	\$ 27,227	\$ 2,479	\$ 1,901	\$ 30,000	\$ 29,128
Receivables	10,742	8,944	1,058	1,546	11,800	10,490
Loans and notes receivable	206	156	4,920	4,941	5,126	5,097
Other current and non-current assets	6,382	5,737	544	866	6,926	6,603
Capital assets	27,066	24,889	7	3	27,073	24,892
Total assets	71,917	66,953	9,008	9,257	80,925	76,210
Deferred outflows of resources	14,768	16,359	73	62	14,841	16,421
Liabilities						
Accounts payable and accrued liabilities	7,545	7,462	254	427	7,799	7,889
Intergovernmental payables	6,421	7,029	134	435	6,555	7,464
Other current liabilities	7,239	9,576	1,449	3,367	8,688	12,943
Long-term liabilities	197,636	218,326	1,120	1,321	198,756	219,647
Total liabilities	218,841	242,393	2,957	5,550	221,798	247,943
Deferred inflows of resources	36,938	25,730	152	122	37,090	25,852
Net position						
Invested in capital assets	18,230	16,758	1	3	18,231	16,761
Restricted	7,446	6,292	6,054	3,871	13,500	10,163
Unrestricted	(194,770)	(207,861)	(83)	(227)	(194,853)	(208,088)
Total net position	\$ (169,094)	\$ (184,811)	\$ 5,972	\$ 3,647	\$ (163,122)	\$ (181,164)

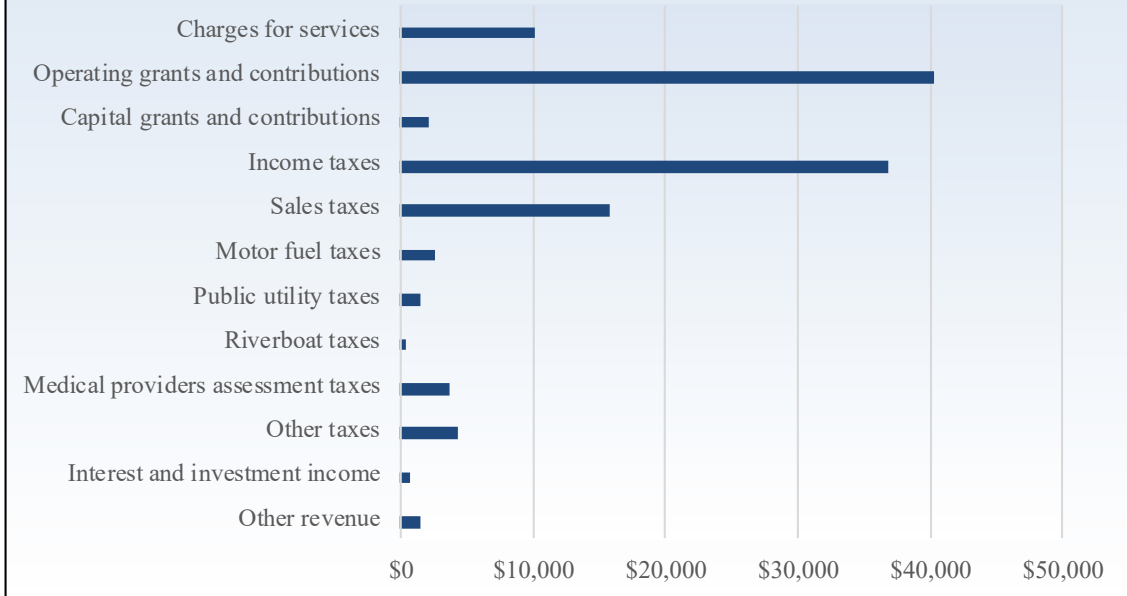
**Statement of Changes in Net Position
for Fiscal Year Ending June 30
(Amounts in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 4,591	\$ 4,026	\$ 5,573	\$ 5,370	\$ 10,164	\$ 9,396
Operating grants and contributions	37,178	37,501	117	3,164	37,295	40,665
Capital grants and contributions	2,063	1,676	-	-	2,063	1,676
General revenues						
Income taxes	36,865	36,575	-	-	36,865	36,575
Sales taxes	15,811	15,285	-	-	15,811	15,285
Motor fuel taxes	2,539	2,486	-	-	2,539	2,486
Public utility taxes	1,484	1,421	-	-	1,484	1,421
Riverboat taxes	380	346	-	-	380	346
Medical providers assessment taxes	3,683	3,114	-	-	3,683	3,114
Other taxes	4,261	4,425	-	-	4,261	4,425
Operating grants and contributions	2,923	5,531	-	-	2,923	5,531
Interest and investment income	714	(218)	20	(23)	734	(241)
Other revenue	1,497	1,367	-	-	1,497	1,367
Total revenues	113,989	113,535	5,710	8,511	119,699	122,046
Expenses						
Health and social services	48,679	44,596	-	-	48,679	44,596
Education	22,624	24,543	-	-	22,624	24,543
General government	4,078	3,805	-	-	4,078	3,805
Employment and economic development	1,980	2,343	-	-	1,980	2,343
Transportation	4,254	4,505	-	-	4,254	4,505
Public protection and justice	2,284	3,386	-	-	2,284	3,386
Environment and business regulation	957	1,091	-	-	957	1,091
Unemployment compensation fund	-	-	969	5,234	969	5,234
Water revolving fund	-	-	109	120	109	120
Prepaid tuition programs	-	-	11	-	11	-
Lottery	-	-	2,741	2,580	2,741	2,580
Other business-type activities	-	-	98	162	98	162
Intergovernmental	11,547	11,108	-	-	11,547	11,108
Interest	1,327	1,419	-	-	1,327	1,419
Total expenses	97,730	96,796	3,928	8,096	101,658	104,892
Excess (deficiency) before transfers	16,259	16,739	1,782	415	18,041	17,154
Transfers	(543)	(2,398)	543	2,398	-	-
Increase (decrease) in net position	15,716	14,341	2,325	2,813	18,041	17,154
Net position - beginning, as restated*	(184,810)	(199,152)	3,647	834	(181,163)	(198,318)
Net position - ending	<u>\$ (169,094)</u>	<u>\$ (184,811)</u>	<u>\$ 5,972</u>	<u>\$ 3,647</u>	<u>\$ (163,122)</u>	<u>\$ (181,164)</u>

* The 2023 beginning net position has been restated to reflect the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

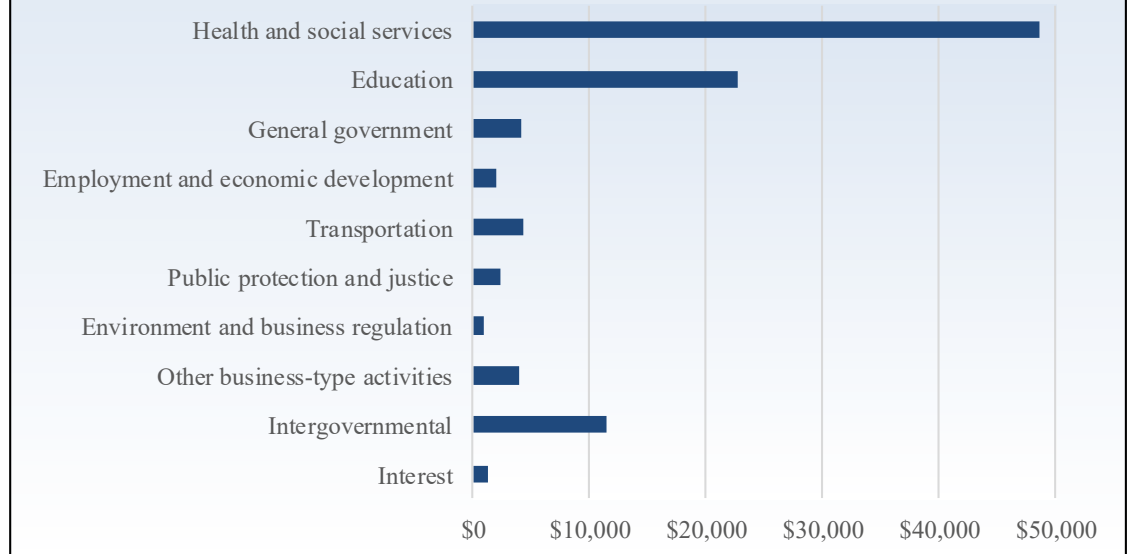
Revenues Fiscal Year 2023

(Amounts in millions)



Expenses Fiscal Year 2023

(Amounts in millions)



Long-Term Obligations as of June 30 (Amounts in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 27,029	\$ 27,065	\$ -	\$ -	\$ 27,029	\$ 27,065
Special obligation bonds	1,859	2,047	-	-	1,859	2,047
Revenue bonds	449	561	54	82	503	643
Net pension liability	145,351	139,632	201	214	145,552	139,846
Other post-employment benefits liability	20,327	46,502	58	109	20,385	46,611
Other long-term obligations	2,621	2,519	807	916	3,428	3,435
	<u>\$ 197,636</u>	<u>\$ 218,326</u>	<u>\$ 1,120</u>	<u>\$ 1,321</u>	<u>\$ 198,756</u>	<u>\$ 219,647</u>

PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

The State sponsors five public employee retirement systems: State Employees' Retirement System (SERS), Teachers' Retirement System (TRS), State Universities Retirement System (SURS), Judges' Retirement System (JRS), and General Assembly Retirement System (GARS). The net pension liability recorded on June 30, 2023, was \$145.6 billion, which represents the State's proportionate share of the net pension liability related to the five pension trust funds, excluding the net pension liability allocated to the State's component units under the SERS plan as well as employers under the TRS plan. Net pension liabilities increased \$5.7 billion or 4% from fiscal year 2022.

The State Employees Group Insurance Program (SEGIP) provides other post-employment benefits (OPEB) to substantially all State and university retirees and their dependents. In addition, the Teachers' Retirement Insurance Program (TRIP) provides OPEB to certain members covered under the TRS pension plan while the College Insurance Program (CIP) provides OPEB to retired employees and their dependents of Illinois community college districts throughout the State, excluding Chicago. The OPEB liability on June 30, 2023, was \$20.4 billion, which represents the State's proportionate share of the liability related to the three OPEB plans. This is a decrease of \$26.2 billion as compared to last fiscal year.

