



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR
ENDED JUNE 30, 2025

ILLINOIS



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

IllinoisComptroller.gov

STATE OF ILLINOIS

Annual Comprehensive Financial Report

~ 2025 ~

For Fiscal Year Ended June 30, 2025

Comptroller Susana A. Mendoza

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Introductory Section

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SUSANA A. MENDOZA

ILLINOIS STATE COMPTROLLER

June 9, 2026

To the Citizens of the State of Illinois,
Honorable J.B. Pritzker, Governor and
Honorable Members of the General Assembly:

I am pleased to present to you the *State of Illinois Annual Comprehensive Financial Report (ACFR)* for the year ended June 30, 2025. The ACFR is the State's official annual report which provides the readers with the financial position of the State as of June 30, 2025, and results of operations during the fiscal year. The report is intended to provide the State's taxpayers, managers, investors, creditors, lawmakers, and other users with information in accordance with generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data as well as the completeness and fairness of presentation of this report rests with my Office and other State agency management.

The Management's Discussion and Analysis (MD&A), which begins on page 17 of this report, provides a narrative introduction, overview, and analysis to the accompanying basic financial statements. This letter is intended to complement the MD&A and should be read in conjunction with the MD&A. The accompanying basic financial statements are prepared in conformity with GAAP applicable to State governments as prescribed by the Governmental Accounting Standards Board (GASB). This Office supports the GASB, contributed to its formation, and participates in the development of pronouncements by submitting comments and recommendations as proposed standards are distributed for exposure.

The ACFR includes information on all funds, elected offices, departments, and agencies of the State, as well as all boards, commissions, authorities, and universities for which the State's executive, legislative, and judicial branches are financially accountable. The financial statements distinguish between primary government organizations and component units. The primary government is the nucleus of the financial reporting entity and is the focal point for the users of the financial statements. The primary government of the State consists of all the organizations that make up its legal entity. All funds, departments, agencies, offices, and other organizations that are not legally separate are, for financial reporting purposes, part of the primary government. Component units are legally separate organizations for which the State is financially accountable.

The financial activities of the State are organized on the basis of individual funds, each of which is a separate accounting entity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, and limitations. Major funds are the focus of the State's financial statements and include the General Fund (including the General Revenue Account, the Education Assistance Account, the Common School Account, the Advancement of Education Account, the Commitment to Human Services Account, and the Budget Stabilization Account), the Unemployment Compensation Trust Fund, and the Water Revolving Fund. The reporting entity, major funds, and fund types are described in detail in Note 1 to the financial statements. To ensure readability of the financial statements, generally only funds with total assets and deferred outflows of resources, liabilities and deferred

inflows of resources, fund balances/net position, revenues, or expenditures/expenses greater than 2% of the total for that fund type are presented separately in the individual fund financial statements, and component units where all component units are presented. Combination of funds is necessary due to the existence of approximately 850 funds in the State's reporting entity. Funds used by more than one agency are classified with what is determined to be the primary administering agency.

Internal Controls

Each State agency's management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the State are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The State's internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

On October 31, 1989, the Fiscal Control and Internal Auditing Act (FCIAA) became law, requiring all State agency chief executive officers to annually certify the adequacy of internal controls in place within their agencies and that selected agencies employ a chief internal auditor with a specified minimum level of professional competency.

Independent Audit

Sikich CPA LLC, as special assistant auditors to the State of Illinois Office of the Auditor General, has performed an audit of the accompanying basic financial statements in accordance with generally accepted auditing standards in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Sikich CPA LLC's opinion appears at the beginning of the financial section of this report. In addition, KPMG LLP, as special assistant auditors to the State of Illinois, Office of the Auditor General, conducts an annual audit pursuant to the requirements set forth in Title 2 of the U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). This report is issued separately.

PROFILE OF THE STATE

Illinois, located in the Midwest, became the twenty-first state in 1818. The State's population, as of the 2020 census, is estimated to be approximately 12.8 million residents. The State has a total area (land and water) of approximately 57,900 square miles.

Illinois' government is divided into three branches: executive, legislative, and judicial. An organizational chart, showing the relationships between the Citizens of the State of Illinois, the three branches of Illinois State government, and those of the various agencies, boards, commissions, and universities which provide a full range of State government services, is presented on page 9.

The State provides a full range of services including: the construction and maintenance of highways and infrastructure, education, social and health services, public safety, conservation of natural resources, economic development, and recreation facilities and development. The State of Illinois is financially accountable for three separate entities which have been included as a part of

the State's financial statements. In addition, the State of Illinois is financially accountable for 15 legally separate entities which have been reported separately within the State's financial statements. Additional information on all of these legally separate entities can be found in the notes to the financial statements.

The Comptroller's Statewide Accounting Management System (SAMS) provides the basis for receipt, expenditure, and encumbrance reporting of all State treasury held funds with specific budgetary controls maintained on line-item expenditures for all appropriated funds. Appropriations (budget) and actual expenditure analysis for significant individual funds is provided in the Budgetary Schedules section of this report.

The State of Illinois has a two-month "lapse period." During this time, July 1 to August 31, State agencies can expend funds appropriated in the prior fiscal year if encumbered by June 30. For all fund types, goods or services received prior to June 30 are recorded as liabilities and expenditures or expenses, whichever is appropriate. For governmental fund types, lapse period expenditures for goods encumbered as of June 30 and received prior to August 31 are reported within the existing fund balance classifications at June 30 and not as liabilities or expenditures. Public Act 97-0691 extended the lapse period to December 31 for fiscal year 2013 and future fiscal years for medical assistance payments of the Department of Healthcare and Family Services. However, Public Act 102-0291 amended this act to reduce the extended lapse period to October 31 for fiscal year 2022 and future fiscal periods. Public Act 96-1501 extended the lapse period to October 31 for fiscal year 2021 and future fiscal years for medical payments of the Department of Veterans' Affairs and medical, childcare, and substance abuse treatment payments of the Department of Human Services.

Many State programs are accounted for in the General Fund. As analyzed in the MD&A, the GAAP basis financial position of the General Fund at June 30, 2025, increased from June 30, 2024. The fund balance in the State's General Fund increased by \$1.612 billion on a GAAP basis, from a fund balance of \$4.224 billion to a fund balance of \$5.836 billion.

On the *budgetary basis*, there was a \$3.101 billion fund balance at June 30, 2025, which is an increase of \$3 million compared to a \$3.098 billion fund balance at June 30, 2024.

FACTORS AFFECTING FINANCIAL CONDITION

Economy

Illinois has a broadly diversified economy with an employment base that closely mirrors the national economy. The State continues to have a vigorous service sector with strength in professional and business services, education and healthcare services, and leisure and hospitality services. While retaining a sizeable manufacturing sector, its relative significance has decreased over the years, consistent with national trends. The largest private employers in Illinois include major retailers, large healthcare providers, equipment manufacturers, and nationwide financial service providers.

According to the U.S. Bureau of Labor Statistics, Illinois averaged 6.157 million nonfarm payroll jobs and an unemployment rate of 4.8% in fiscal year 2025.

MAJOR INITIATIVES

The following initiatives were among those instituted in Illinois state government in recent years to address issues affecting the State's revenues and expenditures.

Revenues Initiative

Effective beginning July 1, 2019, the legislature voted to enact the Managed Care Organization Provider Assessment, which provides for a three-tier assessment for Medicaid managed care organizations. This assessment was originally effective for fiscal years 2020-2025; however, Public Act 103-0593 extended this assessment indefinitely.

Public Act 104-0006, signed into law on June 16, 2025, established several tax changes, including the following:

- A general tax amnesty program for individuals and businesses, whereby the Illinois Department of Revenue will waive all eligible penalties and interest relating to unpaid or underreported tax liabilities for tax periods that ended after June 30, 2018, and before July 1, 2024. Taxpayers must file an original or amended return for the eligible periods and pay the tax balance in full, during the period October 1, 2025, through November 15, 2025. Similar programs were also established for a franchise tax amnesty program and a remote retailer amnesty program.
- A new per-wager tax, beginning on July 1, 2025, whereby a per-wager tax will be levied on every online sports bet placed with a licensed operator in the amount of \$0.25 per wager on the first \$20 million wagers placed annually with an operator, and \$0.50 per wager for each wager that exceeds the \$20 million annual threshold.
- A corporate income tax base change, whereby the dividend-received deduction of a company's Global Intangible Low-Taxed Income (GILTI), will be cut from 100% to 50% beginning with tax years ending on or after December 31, 2025, which will increase the amount of income subject to state tax.

Accelerated Pension Benefit Program

Public Act 100-0587, as amended by Public Act 101-0010 and Public Act 102-0718, provides two voluntary accelerated pension payment options for certain members of the State Employees' Retirement System, Teachers' Retirement System, and State Universities Retirement System. The Vested Inactive Accelerated Pension Benefit Payment Option offers a pension buyout in an amount estimated at 60% of the present value of pension benefits for members who have terminated service, have enough service credit to qualify for a retirement annuity, and have not received a retirement annuity. The Accelerated Pension Benefit Payment at Retirement Option provides Tier 1 members an option to have their automatic annual increase (AAI) reduced in exchange for an accelerated pension benefit payment equal to 70% of the difference between the present value of the AAI under the Tier 1 provision and the present value of the reduced AAI. These voluntary programs expire on June 30, 2026.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

The fiscal year 2025 ACFR reveals continued improvement from the previously reported underlying financial weaknesses which significantly impacted the State's overall fiscal health in regards to deferred liabilities, ongoing operational concerns related to cash management, and long-term concerns related to pension and other postemployment obligations.

Deferred Liabilities

Section 25 of the State Finance Act permits the payment of selected prior year expenses in the current fiscal year. The section was originally created to address billing and adjudication issues connected with such expenditures. In some years, however, the significant amount of liabilities deferred using Section 25 effectively reduced the appropriation levels needed to fund certain programs within any given fiscal year and pushed expenditures into the next fiscal year. The State ended fiscal year 2025 with \$1.966 billion in such costs. This represents an increase of \$597 million from the fiscal year 2024 balance of \$1.369 billion.

Cash Management

Cash management practices over the years have been greatly affected by the aforementioned budgetary practices in relation to deferred liabilities which place additional pressure in the first and second quarters of the year to pay those expenses. Additionally, the majority of the State's tax collections are received in the second half of the fiscal year with large income tax collections arriving in the spring of each year which further contributes to the payment delays seen within the fiscal year. Historically, Illinois has had a cash basis fund deficit in the General Revenue Account, which is defined as bills on hand exceeding available cash. However, for the third straight year, the General Revenue Account ended the fiscal year with a fund balance on a cash basis. As of June 30, 2025, the General Revenue Account had a cash basis fund balance of \$1.344 billion.

In 2000, legislation was enacted to create the State's Budget Stabilization Account in order to assist the State in meeting cash flow deficits as needed. The statutory goal for funding this reserve was set at 5% of the General Revenue Account's revenues in any given year. Historically, the balance in the Budget Stabilization Account has been insufficient in practical terms to address the State's annual cash management needs and timing variations between spending and revenues. However, in recent years, significant strides have been made to increase funding in the Budget Stabilization Account, including recently increasing the statutory goal for funding this reserve from 5% to 7.5% of the General Revenue Account's revenues in any given year.

Public Act 101-0027, effective June 25, 2019, requires 10% of the net monthly revenue in the Cannabis Regulation Fund to be transferred to the Budget Stabilization Account. In addition, for fiscal years 2024 and 2025, Public Act 102-0699, as amended by Public Act 104-0002, required monthly transfers in of \$3.75 million from the General Revenue Account. During fiscal year 2023, \$450 million was appropriated, as a loan, from the General Revenue Account to the Unemployment Compensation Trust Fund to aid in the repayment of a portion of the federal advances that were borrowed as a result of the COVID-19 pandemic. Public Act 102-1105, effective January 1, 2023, requires repayment of this loan to the Budget Stabilization Account. The statute requires repayment of 10% each calendar year, starting in 2024, in any year where the

balance in the State's account of the Unemployment Compensation Trust Fund exceeds \$1.2 billion, until the full amount is repaid. \$45 million was repaid in both fiscal years 2024 and 2025. The fund balance in the Budget Stabilization Account increased from \$2.536 billion at June 30, 2024, to \$2.715 billion at June 30, 2025, the details of which can be seen on the General Fund Combining Schedule of Accounts on pages 196-197.

Pension Obligations

Legislation enacted in 1995 set a long-term funded ratio (assets to actuarial accrued liabilities) target for the State's five retirement systems at 90% and established a plan for contributions in order for the State to reach this target by fiscal year 2045. For fiscal year 2006 and fiscal year 2007, the relevant State statutes were amended to allow for significantly lower State contribution levels to the retirement systems with levels increasing in fiscal years 2008, 2009, and 2010 before returning to the mandated levels for fiscal year 2011. In fiscal years 2004, 2010, and 2011, general obligation pension bonds were issued in the amounts of \$10.0 billion, \$3.5 billion, and \$3.7 billion, respectively. In addition, Public Act 102-0017, effective June 17, 2021, provided for an additional supplemental appropriation to the State Employees' Retirement System of \$100 million for fiscal year 2021. Public Act 102-0696, effective March 25, 2022, Public Act 102-0700, effective April 19, 2022, and Public Act 103-0008, effective June 7, 2023, required transfers from the General Revenue Account to the Pension Stabilization Account totaling \$300 million in fiscal year 2022 and \$400 million in fiscal year 2023, to be used for the sole purpose of making payments to the State's five retirement systems. As of June 30, 2025, the State reported a net pension liability totaling \$149.405 billion.

Other Postemployment Obligations

The State Employees Group Insurance Program provides other postemployment benefits (OPEB) relating to health, dental, vision, and life insurance to State and University retirees. In addition, the State administers cost-sharing OPEB plans for teachers at school districts and community colleges in Illinois. As of June 30, 2025, the State reported an OPEB liability totaling \$24.108 billion.

Debt Management

Public Act 93-0839, known as the Debt Responsibility Act, effective July 30, 2004, placed new restrictions on the issuance of general obligation bonds. At least 25% of general obligation bonds issued within a year must be sold pursuant to notice of sale and public bid. General obligation bonds must be issued with equal principal or mandatory redemption amounts in each fiscal year following the year of issuance for a term not to exceed 25 years. General obligation bonds may not be issued if, in the next fiscal year after issuance, the amount of debt service on all then outstanding general obligation bonds exceeds 7% of the General Fund and Road Fund appropriations for the fiscal year immediately preceding the issuance unless the Comptroller and Treasurer waive this requirement. No general obligation refunding bonds can be issued unless the refunding produces a net present value savings of at least 3% of the bonds being refunded and the maturities of the refunding bonds do not extend beyond the maturities of the bonds being refunded.

Public Act 101-0030, effective June 28, 2019, suspended some of the restrictions for general obligation bonds issued in fiscal year 2019. Under Public Act 101-0030, the requirements that at least 25% of the general obligation bonds issued within a fiscal year must be sold pursuant to notice of sale and public bid, and that general obligation bonds must be issued with principal or

mandatory redemption amounts in equal amounts in each fiscal year beginning the year following issuance, did not apply to refunding general obligation issued. Also under Public Act 100-0023, as amended by Public Act 101-0030, the requirement that general obligation bonds may not be issued if, after their issuance, in the next State fiscal year after issuance the amount of debt service on all then-outstanding general obligation bonds exceeds 7% of the General, Road, and State Construction Account Fund appropriations for the fiscal year immediately preceding the issuance, did not apply to general obligation bonds issued for new money purposes in an aggregate principal amount of up to \$2 billion or to general obligation bonds issued for refunding purposes in an aggregate principal amount of up to \$2 billion in fiscal years 2017 and 2018.

Public Act 103-0591, effective July 1, 2024, suspended the requirement for fiscal year 2025 that general obligation bonds must be issued with principal and mandatory redemption amounts in equal amounts.

ACKNOWLEDGMENTS

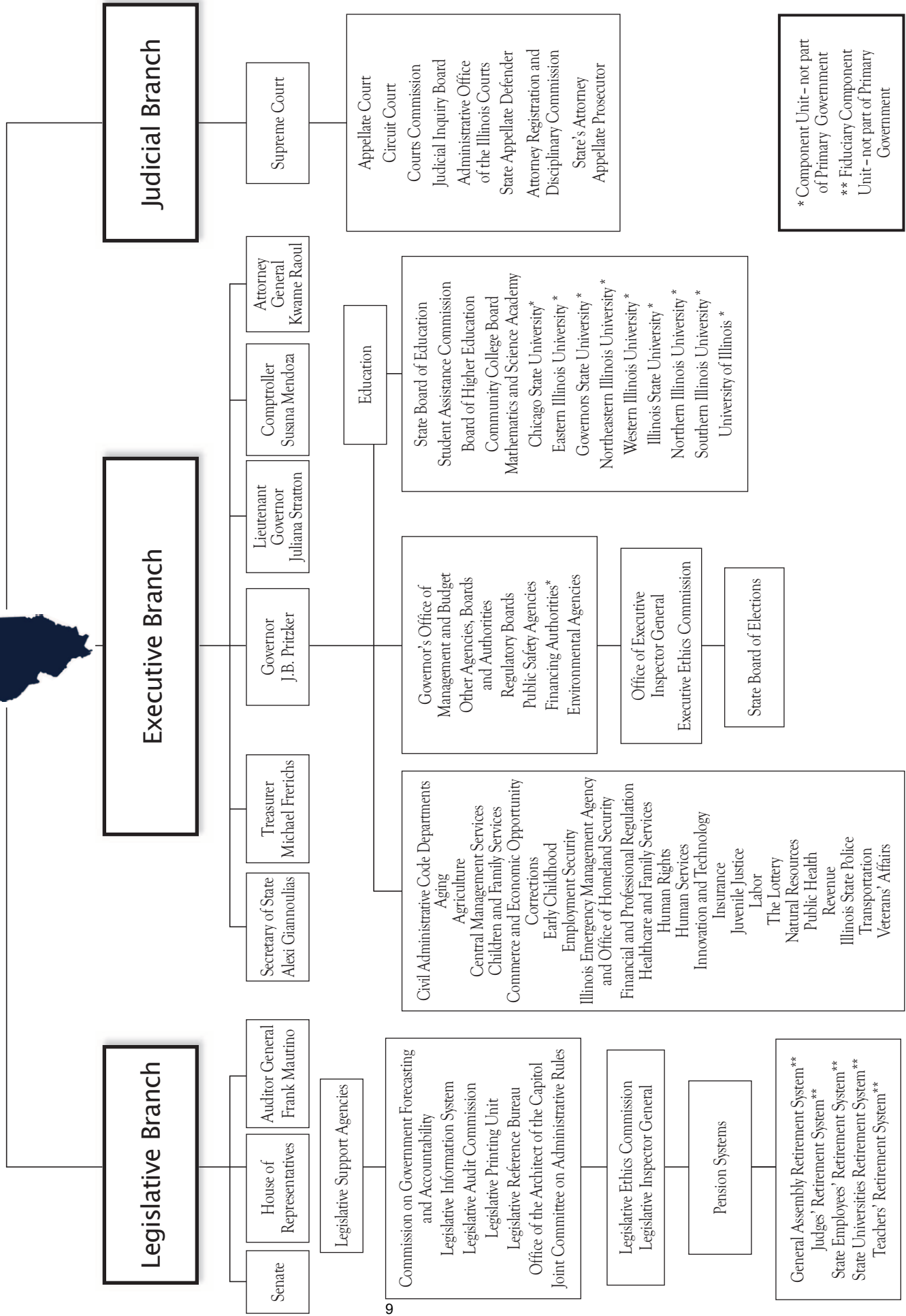
The preparation of the State's ACFR was made possible by the due diligence of my staff, the Auditor General's Office and its special assistant auditors, and all State agencies who submitted timely information during this year's GAAP financial statement process. Their hard work and dedication has resulted in an excellent financial report of which we can be proud. I express my gratitude to all of those involved for this tremendous cooperative effort.

Sincerely,

Susana A. Mendoza
Illinois State Comptroller

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STATE OF ILLINOIS
Organizational Chart
June 30, 2025



* Component Unit – not part of Primary Government
** Fiduciary Component Unit – not part of Primary Government

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Financial Section

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Certified Public Accountants and Advisors

Members of American Institute of Certified Public Accountants

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Independent Auditor's Report

Honorable Christopher B. Meister, Auditor General
Honorable JB Pritzker, Governor
Honorable Susana A. Mendoza, Comptroller
Honorable Don Harmon, President of the Senate
Honorable Emanuel Chris Welch, Speaker of the House
Members of the General Assembly

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the General Fund, the Unemployment Compensation Trust Fund, the Water Revolving Fund, and the aggregate remaining fund information of the State of Illinois, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State of Illinois' basic financial statements as listed in the table of contents of the State of Illinois' Annual Comprehensive Financial Report.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, the General Fund, the Unemployment Compensation Trust Fund, the Water Revolving Fund, and the aggregate remaining fund information of the State of Illinois, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component units, which represent 99.7% of assets, 99.7% of net position, and 99.9% revenues of the discretely presented component units information as of June 30, 2025. We did not audit the financial statements of the Teachers' Retirement System, General Assembly Retirement System, Judges' Retirement System, State Employees' Retirement System, State Universities Retirement System, Teacher

Health Insurance Security Fund, Community College Health Insurance Security Fund, Public Treasurers' External Investment Pool Fund, College Savings Pool Fund, Local Government Health Insurance Reserve Fund, State Lottery Fund, Illinois Prepaid Tuition Fund, Illinois Designated Account Purchase Program Fund, and Railsplitter Tobacco Settlement Authority which represent 84.1% of assets, 89.4% of net position, and 37.9% of revenues of the aggregate remaining fund information as of June 30, 2025. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the above-mentioned entities, are based solely on the reports of other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of Illinois, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 1 to the financial statements, effective for the year ended June 30, 2025, the State of Illinois adopted provisions of GASB Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*.

As discussed in Note 2 to the financial statements, the State of Illinois restated beginning balances for a change in accounting principle.

The deficit for net position of governmental activities decreased during Fiscal Year 2025. The deficit decreased by \$10,780,982,000 from \$159,554,208,000 at June 30, 2024, to \$148,773,226,000 at June 30, 2025. This deficit, which is presented on an accrual basis, is the excess of total liabilities and deferred inflows of resources over total assets and deferred outflows of resources and represents a deferral of current and prior year costs to future periods.

Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on the effectiveness of the State of Illinois' internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Illinois' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Defined Benefit Pension Plan Schedules, and Defined Benefit Other Postemployment Benefit Plans – Schedules of Funding Progress on pages 17-30, 182-185, 186-192, and 193-194, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and

other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Illinois' basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the combining and individual fund financial statements and schedules information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2026, on our consideration of the State of Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois' internal control over financial reporting and compliance.

Signed Original on File

Springfield, Illinois

June 9, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of the State of Illinois' (the State's) financial performance providing an overview of the activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the transmittal letter and with the State's financial statements which follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the State's basic financial statements which comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, this discussion and analysis also contains information on other supplementary information included in this report.

Government-wide Statements (Reporting the State as a Whole)

The Statement of Net Position and the Statement of Activities are two financial statements that report information about the State, as a whole, and about its activities. These statements include all non-fiduciary assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses using the accrual basis of accounting.

The Statement of Net Position (pages 32 and 33) presents net position as the difference between the State's non-fiduciary assets plus deferred outflows of resources less liabilities less deferred inflows of resources. Over time, increases and decreases in net position measure whether the State's financial position is improving or deteriorating.

The Statement of Activities (pages 34 and 35) presents all of the State's non-fiduciary revenues and expenses with the difference showing how the State's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and unused accrued absences).

Both statements report three activities:

- *Governmental Activities* – Most of the State's basic services are reported under this category. Taxes and intergovernmental revenues generally fund these services. The Legislature, the Judiciary, Elected Officials, and the general operations of the Executive departments fall within the governmental activities.
- *Business-type Activities* – The State charges fees to customers to help it cover all or most of the cost of certain services provided by the State. Lottery tickets and the State's unemployment compensation services are examples of business-type activities.
- *Discretely Presented Component Units* – Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The State has five authorities, nine universities, and one other organization that are reported as discretely presented component units of the State.

Included within the basic financial statements are two schedules (pages 37 and 39) that reconcile the amounts reported on the governmental fund financial statements (modified accrual accounting) with governmental activities on the appropriate government-wide statements (accrual accounting). Modified accrual accounting focuses on current financial resources, which are the resources available

for spending in the near future (defined by the State as 60 days). Accrual accounting reports the total economic resources similar to a private-sector business. The following summarizes some of the differences in modified accrual and accrual accounting:

- Capital assets used in governmental activities are not financial resources, and therefore, are not reported in governmental funds statements.
- Prepaid expenses for governmental activities are current uses of financial resources of funds, and therefore, are not reported in the governmental funds statements.
- Deferred insurance costs are capitalized and amortized as governmental activities, but reported as expenditures in the governmental funds statements.
- Internal service funds are reported as governmental activities, but reported as proprietary funds in the fund financial statements.
- Certain revenues that are earned, but not available, are reported as revenues of governmental activities, but are reported as unavailable revenue on the governmental funds statements.
- Unless due and payable, long-term liabilities and related deferred outflows/inflows of resources, such as lease obligations, financed purchase agreements, compensated absences, certificates of participation, pension and other postemployment benefit liabilities, and bonds and notes payable appear as liabilities and related deferred outflows/inflows of resources in the government-wide statements, but are not reported in the governmental funds statements.
- Capital outlay spending results in recording capital assets on the government-wide statements, but is reported as expenditures on the governmental fund statements.
- Bond and note proceeds result in liabilities on the government-wide statements, but are recorded as other financing sources on the governmental fund statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements, but are reported as expenditures on the governmental funds statements.

The Notes to the Basic Financial Statements provide additional information that is integral to understanding the data provided in the government-wide and fund financial statements. The notes can be found beginning on page 51 of this report.

Fund Financial Statements (Reporting the State's Major Funds)

The fund financial statements begin on page 36 and provide more detail than the government-wide financial statements, concentrating on information about the major individual funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the State uses to keep track of specific sources of funding and spending for a particular purpose. In addition to the major funds, individual fund data for the nonmajor funds is presented beginning on page 195. The State's funds are divided into three categories – governmental, proprietary, and fiduciary – with each using a different accounting method.

Governmental funds – Most of the State's basic services are reported in the governmental funds which focus on how monies flow into and out of those funds and the balances left at year-end that are available for future spending. The governmental fund financial statements provide a detailed short-term view of the State's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs. Governmental funds are reported using modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash and liabilities that are due in the current period. Governmental funds include the General Fund and special revenue, capital project, debt service, and permanent funds.

Proprietary funds – When the State charges customers for the services it provides, whether to outside customers or to other agencies within the State, these services are generally reported in proprietary funds. Proprietary funds (enterprise and internal service) utilize accrual accounting, the same method used by private sector businesses. Enterprise funds report activities that provide supplies and services to the general public. An example is the State Lottery Fund. Internal service funds report activities that provide supplies and services for the State’s other programs and activities such as the State’s Facilities Management Revolving Fund. The State’s internal service funds are reported as governmental activities on the government-wide statements.

Fiduciary funds – The State acts as a trustee or fiduciary for its employee pension plans. The State is also responsible for other assets that, because of a trust arrangement or other contractual arrangement, can be used only for the trust beneficiaries. The State’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position beginning on page 44. These funds, which include pension (and other employee benefit) trust, private-purpose trust, investment trust, and custodial funds, are reported using accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the State to finance its operations.

Additional Required Supplementary Information

Following the basic financial statements is additional Required Supplementary Information that further explains and supports the information in the financial statements. The Required Supplementary Information includes budgetary comparison schedules reconciling the statutory and generally accepted accounting principles (GAAP) net change in fund balances at fiscal year-end, net pension liability and contribution schedules of the State’s retirement systems, and funding progress of other postemployment benefit plans.

Other Supplementary Information

Other supplementary information includes two components: 1) combining financial schedules for the General Fund, nonmajor governmental funds, proprietary and fiduciary funds, and nonmajor discretely presented component units and 2) combining budgetary schedules using the terminology and classification of funds used by the State for budgetary purposes. The combining financial statements present by fund category, and then by fund type, the amounts presented in the nonmajor funds column in the fund financial statements.

FINANCIAL ANALYSIS OF THE STATE

The State’s combined net position increased \$10.809 billion or 7.1% during the current fiscal year. The net position of the State’s governmental activities increased \$10.482 billion or 6.6% and the net position of the State’s business-type activities increased \$327 million or 5.1%. The following condensed financial information was derived from the government-wide Statement of Net Position and reflects the State’s financial position as of June 30, 2025 and 2024:

Net Position as of June 30 (amounts in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other non-current assets	\$ 53,693	\$ 51,052	\$ 9,496	\$ 9,534	\$ 63,189	\$ 60,586
Capital assets	29,900	28,485	10	9	29,910	28,494
Total assets	83,593	79,537	9,506	9,543	93,099	89,080
Deferred outflow s of resources	18,130	15,050	74	74	18,204	15,124
Other liabilities	25,197	24,575	1,867	2,117	27,064	26,692
Long-term liabilities	204,957	200,845	902	981	205,859	201,826
Total liabilities	230,154	225,420	2,769	3,098	232,923	228,518
Deferred inflow s of resources	20,342	28,422	78	113	20,420	28,535
Net position:						
Net investment in capital assets	18,980	18,419	5	3	18,985	18,422
Restricted	7,411	8,610	7,033	6,410	14,444	15,020
Unrestricted	(175,164)	(186,284)	(305)	(7)	(175,469)	(186,291)
Total net position	\$ (148,773)	\$ (159,255)	\$ 6,733	\$ 6,406	\$ (142,040)	\$ (152,849)

The State's largest asset is its capital assets (\$29.910 billion) consisting of land, buildings, equipment, infrastructure, and other items with estimated useful lives of greater than one year. The largest portion of the State's long-term liabilities is its net pension liability (\$149.405 billion), other postemployment benefits liability (\$24.108 billion), and bonds and notes payable (\$29.590 billion), including unamortized premiums and discounts. The State's net position includes the State's investment in capital assets, less any related debt that was recorded to acquire or construct the assets. The restricted net position balance consists of resources subject to external restrictions or enabling legislation as to their use. The remaining portion, unrestricted net position, is the net position available to be used at the State's discretion or need, to be replenished by revenues in future periods.

The State's assets increased \$4.019 billion from \$89.080 billion at June 30, 2024, to \$93.099 billion at June 30, 2025, due mainly to \$2.248 billion more in cash equity with the State Treasurer and \$1.018 billion more in intergovernmental receivables. The Drug Rebate Account of the General Fund saw a significant increase in intergovernmental receivables after obtaining approval on June 6, 2025, from the federal Centers for Medicare and Medicaid Services, to seek federal reimbursements for drug rebate offsets relating to specific claims that were more than two years old.

The State's liabilities increased \$4.405 billion from \$228.518 billion at June 30, 2024, to \$232.923 billion at June 30, 2025. Net pension liabilities and OPEB liabilities increased \$1.559 billion and \$3.450 billion, respectively, based on actuarial valuations of the related plans. These increases were offset by a decrease in bonds payable, net of premiums and discounts, of \$1.268 billion.

The State's deferred outflows of resources increased \$3.080 billion from \$15.124 billion at June 30, 2024, to \$18.204 billion at June 30, 2025, while the deferred inflows of resources decreased \$8.115 billion from \$28.535 billion at June 30, 2024, to \$20.420 billion at June 30, 2025. These fluctuations were due mostly to differences in the changes of assumptions in the actuarial valuations of the OPEB plan.

The following condensed financial information was derived from the government-wide Statement of Activities and reflects the State's change in net position during the current fiscal year:

Changes in Net Position
for Fiscal Year Ending June 30
(amounts in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2024 to 2025
Revenues							
Program revenues							
Charges for services	\$ 4,585	\$ 4,813	\$ 6,144	\$ 6,453	\$ 10,729	\$ 11,266	(4.8%)
Operating grants and contributions	36,833	37,362	295	414	37,128	37,776	(1.7%)
Capital grants and contributions	2,511	2,289	-	-	2,511	2,289	9.7%
General revenues							
Income taxes	37,570	35,913	-	-	37,570	35,913	4.6%
Sales taxes	16,364	16,166	-	-	16,364	16,166	1.2%
Motor fuel taxes	2,908	2,795	-	-	2,908	2,795	4.0%
Public utility taxes	1,471	1,432	-	-	1,471	1,432	2.7%
Riverboat taxes	462	405	-	-	462	405	14.1%
Medical providers assessment taxes	4,220	3,930	-	-	4,220	3,930	7.4%
Other taxes	4,852	4,563	-	-	4,852	4,563	6.3%
Operating grants and contributions	44	88	-	-	44	88	(50.0%)
Interest and investment income	1,638	1,421	97	77	1,735	1,498	15.8%
Other revenue	1,546	944	-	-	1,546	944	63.8%
Total revenues	115,004	112,121	6,536	6,944	121,540	119,065	2.1%
Expenses							
Health and social services	52,959	50,520	-	-	52,959	50,520	4.8%
Education	24,378	24,153	-	-	24,378	24,153	0.9%
General government	4,210	4,070	-	-	4,210	4,070	3.4%
Employment and economic development	2,107	1,876	-	-	2,107	1,876	12.3%
Transportation	6,026	5,937	-	-	6,026	5,937	1.5%
Public protection and justice	3,471	2,855	-	-	3,471	2,855	21.6%
Environment and business regulation	1,226	1,270	-	-	1,226	1,270	(3.5%)
Unemployment compensation fund	-	-	2,198	2,241	2,198	2,241	(1.9%)
Water revolving fund	-	-	164	157	164	157	4.5%
Lottery	-	-	2,973	2,978	2,973	2,978	(0.2%)
Other business-type activities	-	-	112	160	112	160	(30.0%)
Intergovernmental	9,261	10,046	-	-	9,261	10,046	(7.8%)
Interest	1,345	1,349	-	-	1,345	1,349	(0.3%)
Total expenses	104,983	102,076	5,447	5,536	110,430	107,612	2.6%
Excess (deficiency) before transfers	10,021	10,045	1,089	1,408	11,110	11,453	(3.0%)
Transfers	760	904	(760)	(904)	-	-	0.0%
Increase (decrease) in net position	10,781	10,949	329	504	11,110	11,453	(3.0%)
Net position - beginning, as restated *	(159,554)	(170,204)	6,404	5,902	(153,150)	(164,302)	6.8%
Net position - ending	<u>\$ (148,773)</u>	<u>\$ (159,255)</u>	<u>\$ 6,733</u>	<u>\$ 6,406</u>	<u>\$ (142,040)</u>	<u>\$ (152,849)</u>	<u>7.1%</u>

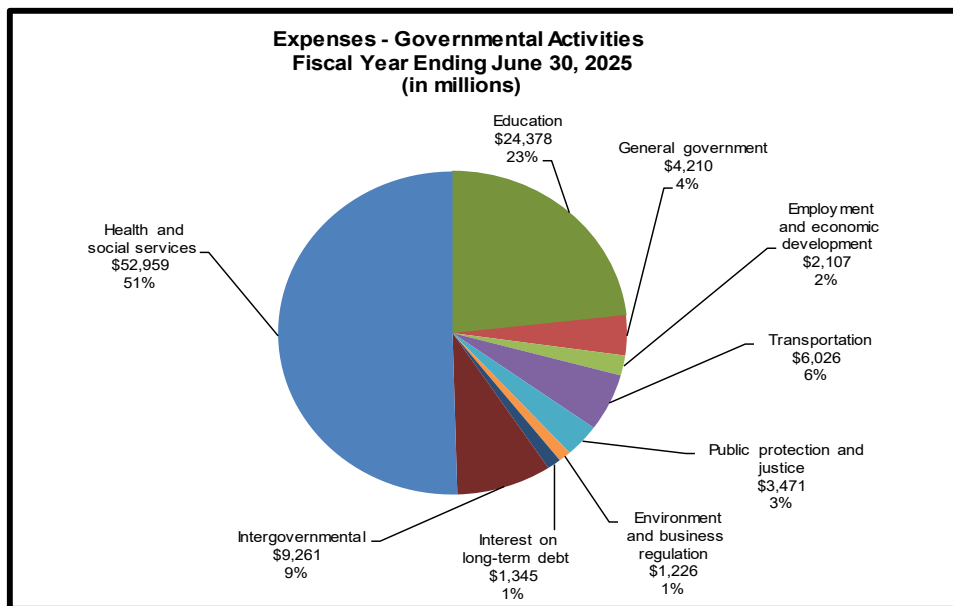
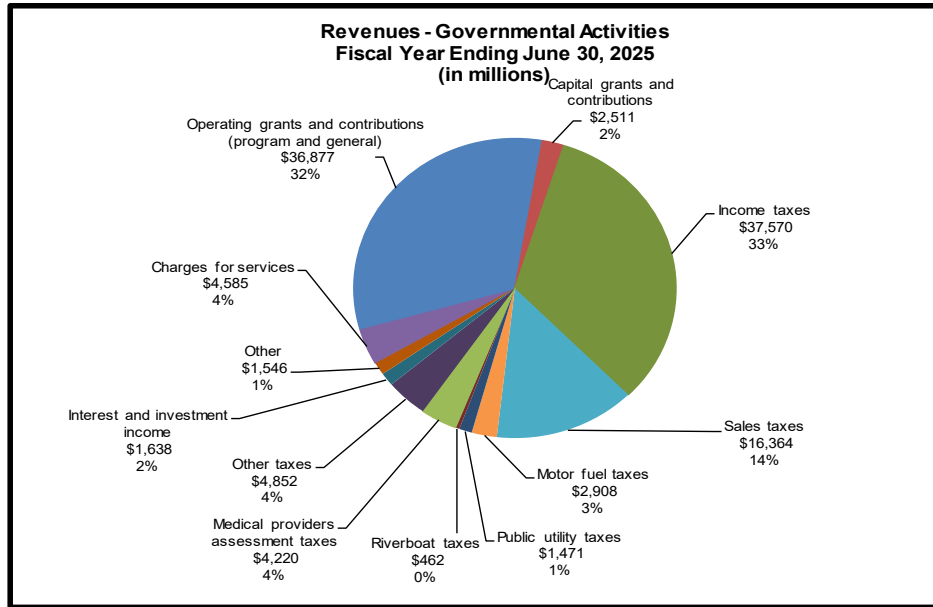
* The 2025 beginning net position has been restated to reflect the implementation of GASB Statement No. 101, *Compensated Absences*.

Governmental Activities:

Governmental activities of the State are financed primarily through taxes collected. The functions reported for governmental activities consist of the following:

- *Health and social services* – The health and social services function consists of programs such as Medicaid, Temporary Assistance for Needy Families, and Child Support Enforcement which are administered mostly by the Department of Healthcare and Family Services, the Department of Human Services, and the Department of Children and Family Services.
- *Education* – The education function consists of support for local public school districts and post-secondary institutions administered mostly by the State Board of Education, the State Board of Higher Education, and the Illinois Community College Board.
- *General government* – The general government consists of the day-to-day operations of the State performed mostly by the Elected Officials, Members of the General Assembly, the Department of Central Management Services, and the Department of Revenue.
- *Employment and economic development* – The employment and economic development function consists of job training for citizens and support for the growth of public sector commerce administered mostly by the Department of Commerce and Economic Opportunity and the Department of Employment Security.
- *Transportation* – The transportation function consists of support for building and maintaining infrastructure capital assets owned by the State and owned by local governments of the State which is administered mostly by the Department of Transportation.
- *Public protection and justice* – The public protection and justice function consists of law enforcement functions of the State and other public safety regulatory programs performed mostly by the Department of Corrections and the Illinois State Police.
- *Environment and business regulation* – The environment and business regulation function consists of regulation of the environment of the State and regulation of various business types in the State performed mostly by the Environmental Protection Agency, the Department of Commerce and Economic Opportunity, the Department of Natural Resources, the Department of Financial and Professional Regulation, and the Department of Labor.

The following charts display revenues and expenses of the State for governmental activities during the fiscal year:



The State's governmental activities revenues increased \$2.883 billion (2.6%) during fiscal year 2025. Income taxes increased \$1.657 billion, while all other tax revenues showed modest increases. In addition, other revenues increased \$602 million.

The State's governmental activities expenses increased \$2.907 billion (2.8%) during fiscal year 2025. Health and social services expenses increased \$2.439 billion primarily due to significant increases in spending within the Healthcare Provider Relief Account of the General Fund.

Business-type Activities:

The net position of business-type activities increased \$329 million during the fiscal year 2025 from the beginning net position balance as restated of \$6.404 million. This increase was attributed mainly to a \$219 million increase in the Water Revolving Fund due to continued significant federal grant revenue over the past several fiscal years.

FINANCIAL ANALYSIS OF THE STATE'S MAJOR GOVERNMENTAL FUNDS**General Fund**

The General Fund accounts for resources obtained and used for those services traditionally provided by the State which are not accounted for in another fund. Accordingly, the majority of the State's tax revenues and program support expenses are accounted for in the General Fund. For financial reporting purposes, the General Fund consists of several accounts of the State which are described on page 195. For budgetary purposes the General Funds consist of the General Revenue, Common School-Special, Education Assistance, Common School, Advancement of Education, Commitment to Human Services, and Budget Stabilization Accounts.

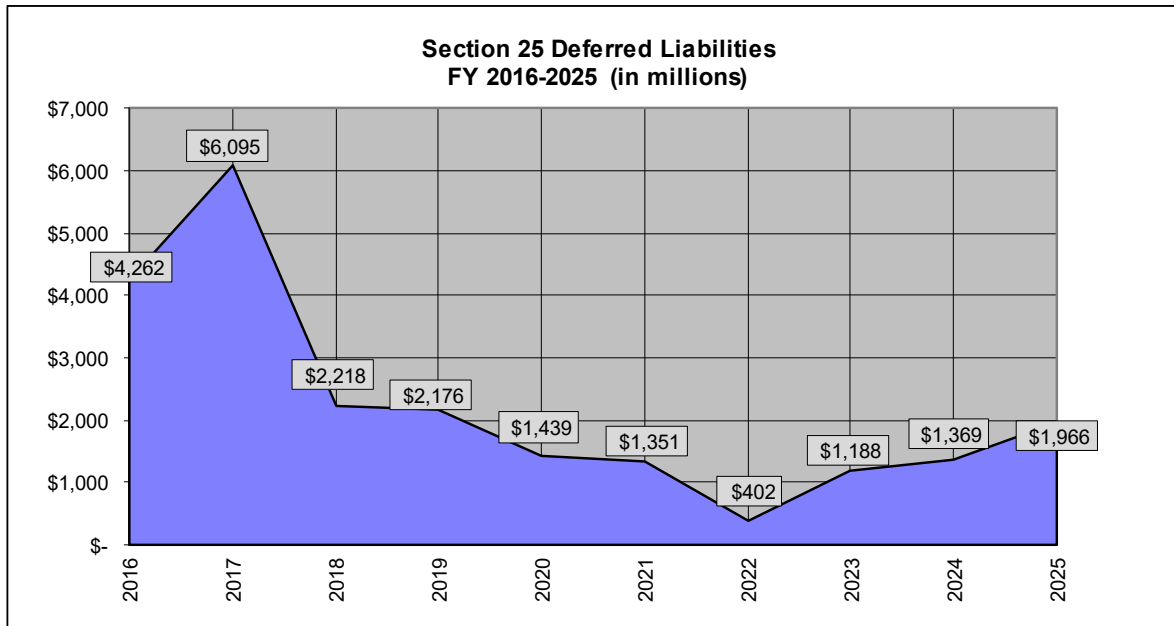
At June 30, 2025, the General Funds' budgetary fund balance was \$3.101 billion compared to \$3.098 billion at June 30, 2024. The final budget projected a \$1.261 billion fund balance.

The \$1.840 billion increase in the General Funds' budgetary balance between the final budget and the actual results was due to \$790 million more in actual revenue than budgeted revenue, combined with \$1.050 billion less in actual expenditures than budgeted expenditures.

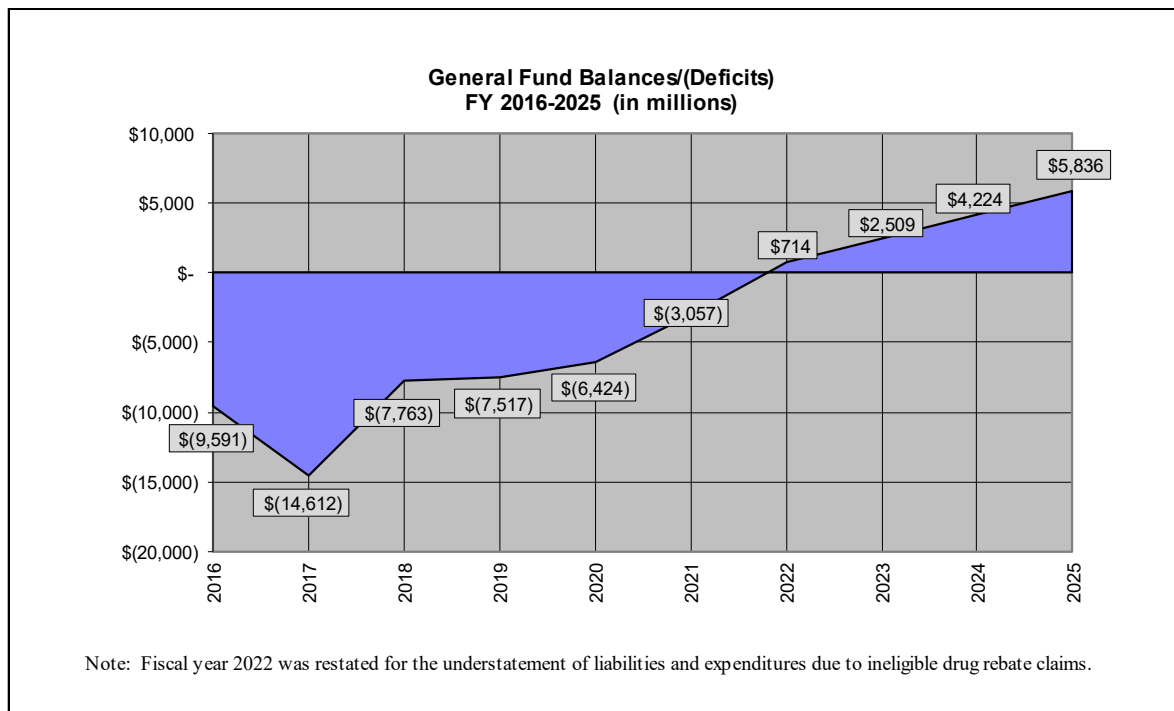
The General Fund's assets at June 30, 2025, were \$26.812 billion, which is an increase of \$3.147 billion from the June 30, 2024, balance of \$23.665 billion. The increase was due mostly from increases in cash equity with the State Treasurer and intergovernmental receivables of \$1.969 billion and \$2.321 billion, respectively.

The General Fund's liabilities at June 30, 2025, were \$17.877 billion, which is an increase of \$1.269 billion from the June 30, 2024, balance of \$16.608 billion. The increase was due mostly from increases in accounts payable and accrued liabilities of \$961 million and intergovernmental payables of \$332 million.

A factor that determines a significant portion of the General Fund liabilities is the accrued liabilities payable from future year's appropriations. One of the largest components of those liabilities is Section 25 of the State Finance Act (Section 25) deferrals which consist mostly of self-insurance and Medicaid program liabilities. These statutory deferrals allow expenses incurred during one fiscal year to be paid for from the subsequent fiscal year's budget in limited situations. Section 25 deferrals increased \$597 million from \$1.369 billion at June 30, 2024, to \$1.966 billion at June 30, 2025.



During fiscal year 2025, the General Fund's fund balance increased from \$4.224 billion to a fund balance of \$5.836 billion, a \$1.612 billion increase.



During fiscal year 2025, General Fund revenues increased \$3.594 billion to \$78.343 billion, due mainly from an increase in income tax revenue of \$2.379 billion. General Fund expenditures increased \$3.846 billion to \$75.457 billion, due mainly to increased spending on health and social services programs of \$2.086 billion and education programs of \$951 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

At June 30, 2025, the State had \$29.910 billion in capital assets, net of accumulated depreciation, in the following categories:

Capital Assets as of June 30 (net of depreciation, amounts in millions)						
	Governmental		Business-type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Land and land improvements	\$ 3,798	\$ 3,718	\$ -	\$ -	\$ 3,798	\$ 3,718
Site improvements	148	131	-	-	148	131
Buildings and building improvements	2,470	2,138	2	2	2,472	2,140
Equipment	830	776	3	2	833	778
Subscription-Based Information						
Technology Arrangements	326	270	1	1	327	271
Leases - buildings	372	434	3	4	375	438
Leases - equipment	20	22	-	-	20	22
Leases - other	3	3	-	-	3	3
Intangible assets	1,020	1,262	1	-	1,021	1,262
Infrastructure	19,531	18,412	-	-	19,531	18,412
Other	12	12	-	-	12	12
Subtotal	28,530	27,178	10	9	28,540	27,187
Construction in progress	1,370	1,307	-	-	1,370	1,307
Total	\$ 29,900	\$ 28,485	\$ 10	\$ 9	\$ 29,910	\$ 28,494

Infrastructure assets consist of 65% of the State's net capital assets and comprise \$2.503 billion of the \$3.868 billion (65%) of the current year additions to capital assets. The State capitalizes and depreciates its roads and road improvements over a twenty-year period and its bridges over a forty-year period. More detailed information regarding the State's capital assets is presented in Note 7 of the financial statements on page 88.

Debt Administration:

Bonded Indebtedness

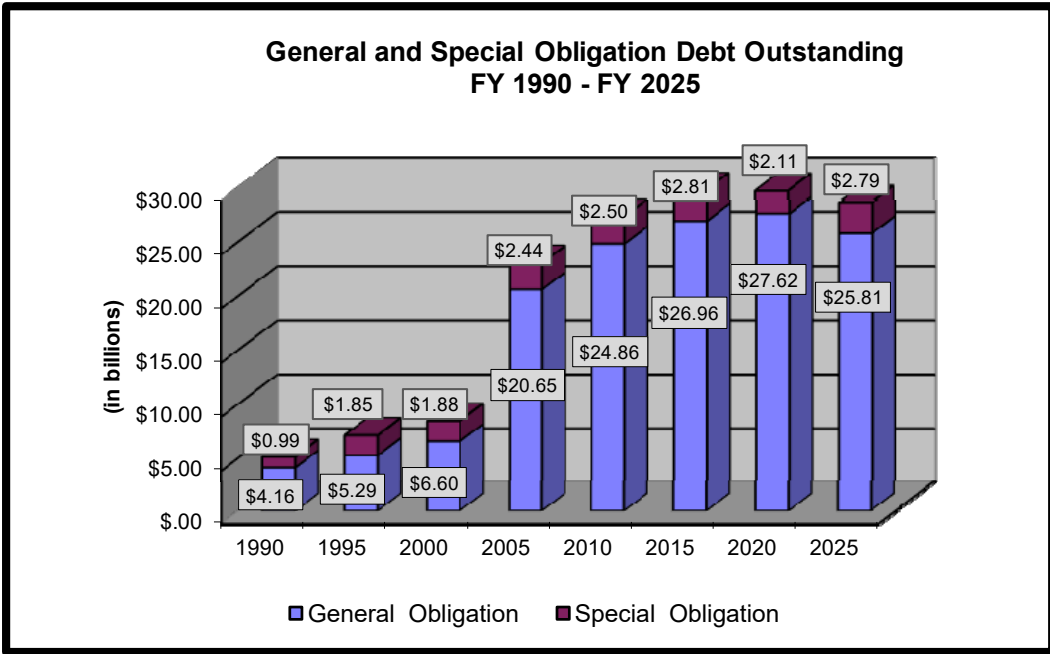
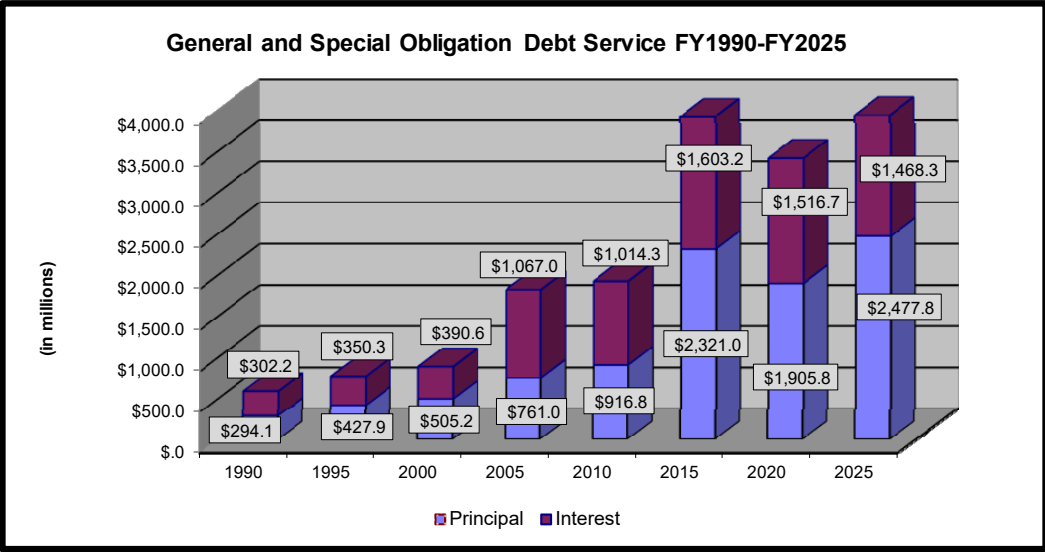
The State, certain State agencies, and component units of the State are empowered by law to authorize, issue, and sell debt obligations. General obligation bonds, issued by the State, are backed by the full faith and credit of the State and are considered a direct debt of the State. Special obligation bonds are also considered direct debt of the State but are not backed by the full faith and credit of the State. Rather, special obligation bonds are supported and repaid only by a dedicated State revenue source. Revenue bonds are not backed by the full faith and credit of the State but are backed by a specific revenue stream. Some revenue bonds can be considered moral obligation debt which means that if resources from the specified revenue stream are insufficient to support the debt service, any amount necessary to make up the deficiency will be included in the budget

recommendation made to the State legislature, which may appropriate moneys to make up the shortfall. The legislature, however, is not legally obligated to make such an appropriation. Also, some revenue bonds are classified as indirect debt which means that the asset is the property of a local government but part of the payment of the debt service comes from State resources. Lastly, some revenue bonds can be considered conduit debt which implies no obligation for the State. More detailed information regarding the State’s long-term debt obligations is presented in Notes 9, 10, and 11 to the financial statements beginning on page 98.

Outstanding Bonded Debt as of June 30 (Amounts in millions)						
Primary Government	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
	General obligation bonds (backed by the State)	\$ 25,811	\$ 27,565	\$ -	\$ -	\$ 25,811
Special obligation bonds (backed by specific fee revenue)	2,794	2,279	-	-	2,794	2,279
Revenue bonds (backed by specific tax and fee revenue)	-	-	18	35	18	35
	<u>\$ 28,605</u>	<u>\$ 29,844</u>	<u>\$ 18</u>	<u>\$ 35</u>	<u>\$ 28,623</u>	<u>\$ 29,879</u>

As shown above, Illinois had outstanding general and special obligation bonds at June 30, 2025, totaling \$28.623 billion. Bonds have been issued primarily to provide funds for acquisition and construction of capital facilities for higher education, public and mental health, correction and conservation purposes, and for maintenance and construction of highway and waterway facilities. Bonds also have been issued to provide assistance to municipalities for construction of sewage treatment facilities, port districts, aquarium facilities, local schools, mass transportation and aviation purposes, and to fund research and development of coal and alternative energy sources. In addition, bonds have been issued to make pension contributions to the State’s retirement systems and to fund a portion of the State’s unfunded retirement liabilities. The outstanding amount of \$6.675 billion for pension purposes, issued in 2003, is included in the outstanding general obligation bonds as of June 30, 2025.

Debt service principal of \$2.478 billion and interest costs of \$1.468 billion were paid and charged, respectively, in fiscal year 2025 for general and special obligation bonds. The dramatic increase in debt service payments and outstanding debt since fiscal year 1990 is displayed in the following charts:



In addition to general and special obligation bonds, the primary government had \$2.756 billion of non-retirement long-term obligations outstanding as of June 30, 2025.

The State’s general obligation bond ratings were A3 with a Positive Outlook by Moody’s Investor Services, A- with a Stable Outlook by Standard and Poor’s, and A- with a Stable Outlook by Fitch Ratings as of June 30, 2025. Since June 30, 2025, Moody’s Investor Services revised its rating to A2 with a Stable outlook.

The State’s special obligation – Build Illinois Bonds – ratings were A3 with a Positive Outlook by Moody’s Investor Services, A with a Stable Outlook by Standard and Poor’s, and A+ with a Stable Outlook by Fitch Ratings as of June 30, 2025. Since June 30, 2025, Moody’s Investor Services revised its rating to A2 with a Stable outlook.

Retirement Liabilities

The State's largest liability is its net pension liability. The State sponsors five public employee retirement systems that are included in the State's financial statements as pension trust funds. As the State is statutorily required to make contributions to these retirement systems, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, requires the State to recognize a proportionate share of the collective net pension liability for each of these plans. During fiscal year 2025, the net pension liability as reported in the financial statements totaled \$149.405 billion, an increase of \$1.559 billion from the fiscal year 2024 balance of \$147.846 billion.

During fiscal year 2025, all of the State systems were substantially funded in accordance with the *statutory funding* requirement. The law enacted in fiscal year 1996 provides for a 50-year funding plan with a 15-year phase-in and a "continuing appropriation." For fiscal years 2006 and 2007, however, the law was amended allowing for decreased contributions to the systems of only \$938.4 million and \$1,374.7 million, respectively, and requiring equal annual increments from fiscal year 2008 to 2010 (the end of the 15-year phase-in) so that by fiscal year 2011, the State would be contributing at the rate otherwise required by State law. The continuing appropriation provides the Comptroller's Office with the authority to automatically provide funding to the pension systems based on actuarial cost requirements and amortization of the unfunded liability without being subject to the General Assembly's appropriation process. However, the State's 50-year funding plan does *not* conform to the Actuarial Standards of Practice, and although the statutory contribution requirements were met, the statutory funding method generates a contribution requirement that is less than a reasonable actuarial determined contribution.

In addition, the State is statutorily required to make contributions for OPEB to three plans that provide health, dental, vision, and life insurance benefits to certain retirees and their dependents. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State recognized its proportionate share of the OPEB liability in the amount of \$24.108 billion as of June 30, 2025, an increase of \$3.450 billion from the fiscal year 2024 balance of \$20.658 billion.

ECONOMIC CONDITION AND OUTLOOK

Fiscal Year 2025

Illinois' non-agricultural employment (derived from survey data from Illinois companies) averaged 6.157 million workers in fiscal year 2025, an increase of 31,000 jobs or 0.5% above 2024 employment. A second Illinois employment estimate, obtained through household surveys, also showed an increase in Illinois employment. According to these surveys, an average of 6.308 million Illinoisans was employed in fiscal year 2025, an increase over the average of 6.249 million in fiscal year 2024.

The average Illinois unemployment rate remained steady at approximately 4.8% in both fiscal years 2024 and 2025. At June 30, 2025, the rate was 4.5%. The average number of unemployed individuals also remained steady at approximately 319 thousand in both fiscal years 2024 and 2025.

A more comprehensive measure of Illinois' economic performance is the change in state personal income adjusted for inflation. This value increased 1.5% in fiscal year 2025 as nominal personal income rose 4.1% and the consumer price index was up 2.6%. State personal income adjusted for inflation had shown a decrease in 2023 of 1.3% and an increase of 1.7% in 2024.

Outlook

The State has continued to show significant improvement during fiscal year 2025, with a positive fund balance in the General Fund for the fourth consecutive year, and with continued increased funding in the Budget Stabilization Account.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors a general overview of the State's financial position and changes in the State's net position for the year ended June 30, 2025. If you have any questions about this report or need additional financial information, contact the Office of Comptroller at (217) 782-6000.

The State's component units issue separate audited financial statements and reports. These statements and reports may be obtained by directly contacting the component unit. Contact information can be obtained from the Office of Comptroller at (217) 782-6000.

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State of Illinois

Statement of Net Position

June 30, 2025 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash equity with State Treasurer	\$ 30,103,543	\$ 616,292	\$ 30,719,835	\$ 940,851
Cash and cash equivalents	139,554	1,967,352	2,106,906	1,554,044
Securities lending collateral of State Treasurer	5,004,077	86,107	5,090,184	3,488
Investments	51,248	729,369	780,617	3,849,517
Receivables, net:				
Taxes	3,873,199	405,808	4,279,007	
Intergovernmental	6,152,510	26,728	6,179,238	280,829
Other	1,995,606	577,671	2,573,277	853,385
Internal balances	373,944	(373,944)	-	
Due from fiduciary funds	55,994	472	56,466	
Due from component units	628,900	6,102	635,002	13,932
Due from primary government				1,914,843
Inventories	178,258		178,258	59,829
Prepaid expenses	123,985	362	124,347	153,324
Unamortized bond insurance costs	4,493		4,493	8,925
Loans and notes receivable, net	319,548	615,386	934,934	1,693,260
Restricted assets:				
Cash equity with State Treasurer	3,238,317		3,238,317	224,552
Cash and cash equivalents	710,820	3,536	714,356	2,283,546
Investments	14,633		14,633	11,084,319
Taxes receivable	8,678		8,678	
Intergovernmental receivables	9,933		9,933	
Other receivables	547,096	63,087	610,183	77,847
Loans and notes receivable, net		4,771,802	4,771,802	17,065
Other assets	122,808		122,808	6,562
Derivative instruments				33,538
Lease receivable	20,921		20,921	94,753
Other assets	15,282		15,282	181,246
Capital assets not being depreciated	5,835,523	1,002	5,836,525	4,555,162
Capital assets being depreciated, net	24,064,014	9,009	24,073,023	15,359,772
Total assets	83,592,884	9,506,141	93,099,025	45,244,589
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments				3,400
Deferred outflows of resources - unamortized deferred amounts on bond refundings	6,072		6,072	138,137
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings				97
Deferred outflows of resources - pensions	15,363,195	42,629	15,405,824	146,526
Deferred outflows of resources - OPEB	2,760,755	31,595	2,792,350	574,489
Total deferred outflows of resources	18,130,022	74,224	18,204,246	862,649

State of Illinois

Statement of Net Position

June 30, 2025 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts payable and accrued liabilities	10,181,679	258,233	10,439,912	1,736,488
Intergovernmental payables	6,656,529	110,716	6,767,245	44,382
Due to fiduciary funds	537,353		537,353	
Due to component units	532,410	1,373,826	1,906,236	13,932
Due to primary government				629,339
Unearned revenue	2,284,341	38,486	2,322,827	918,261
Obligations under securities lending of State Treasurer	5,004,077	86,107	5,090,184	3,488
Assets held for others				186,896
Short-term notes payable				10,731
Derivative instruments				3,288
Other liabilities				2,748
Long-term obligations:				
Due within one year	4,258,754	115,580	4,374,334	934,990
Due subsequent to one year	200,698,460	786,163	201,484,623	19,505,349
Total liabilities	230,153,603	2,769,111	232,922,714	23,989,892
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - accumulated increase in fair value of derivative instruments				33,651
Deferred inflows of resources - unamortized deferred amounts on bond refundings	50,072	4,717	54,789	124,938
Deferred inflows of resources - unamortized deferred amounts on certificates of participation refundings				7,266
Deferred inflows of resources - irrevocable split-interest agreements				27,069
Deferred inflows of resources - service concession arrangements				85,989
Deferred inflows of resources - leases	22,263		22,263	89,877
Deferred inflows of resources - pensions	2,242,606	23,864	2,266,470	62,761
Deferred inflows of resources - OPEB	18,027,588	49,510	18,077,098	1,031,951
Total deferred inflows of resources	20,342,529	78,091	20,420,620	1,463,502
NET POSITION				
Net investment in capital assets	18,980,091	4,743	18,984,834	9,188,259
Restricted for:				
Debt service	2,112,765	46,554	2,159,319	671,293
Capital grants/projects	1,539,940		1,539,940	35,200
Repayment of loan from component unit		4,740,583	4,740,583	
Unemployment compensation benefits		2,188,622	2,188,622	
Education	22,216		22,216	
Employment and economic development	732,589		732,589	
Health and social services	1,046,629		1,046,629	
Public protection and justice	129,415		129,415	
Environment and business regulation	283,861		283,861	
Transportation	92,053		92,053	
Other purposes	1,383,575		1,383,575	
Funds held as permanent investments:				
Nonexpendable purposes	60,530		60,530	2,489,168
Expendable purposes	6,948	57,549	64,497	5,223,088
Unrestricted	(175,163,838)	(304,888)	(175,468,726)	3,046,836
Total net position	\$ (148,773,226)	\$ 6,733,163	\$ (142,040,063)	\$ 20,653,844

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Activities

For the Year Ended June 30, 2025 (Expressed in Thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
Health and social services	\$ 52,958,979	\$ 496,726	\$ 31,159,211	
Education	24,377,913	10,793	3,654,033	
General government	4,210,446	3,156,446	64,578	\$ 29,830
Employment and economic development	2,107,058	63,200	799,705	
Transportation	6,026,138	160,841	331,451	2,475,446
Public protection and justice	3,470,711	200,668	372,515	983
Environment and business regulation	1,226,239	496,521	451,478	5,158
Intergovernmental-revenue sharing	9,261,069			
Interest	1,344,955			
Total governmental activities	<u>104,983,508</u>	<u>4,585,195</u>	<u>36,832,971</u>	<u>2,511,417</u>
Business-type activities				
Unemployment compensation trust	2,196,931	2,163,234	69,675	
Water revolving	164,122	83,229	223,286	
Lottery	2,973,060	3,762,531		
Other	112,225	134,886	1,855	
Total business-type activities	<u>5,446,338</u>	<u>6,143,880</u>	<u>294,816</u>	
Total primary government	<u>\$ 110,429,846</u>	<u>\$ 10,729,075</u>	<u>\$ 37,127,787</u>	<u>\$ 2,511,417</u>
Component units				
Authorities				
Illinois Housing Development Authority	\$ 510,080	\$ 109,714	\$ 212,025	
Illinois State Toll Highway Authority	1,221,968	1,600,758		
Other Authorities	55,500	32,485		\$ 536
Universities				
Illinois State University	619,231	256,940	128,976	1,291
Northern Illinois University	549,632	175,130	172,328	
Southern Illinois University	1,278,175	575,748	193,815	571
University of Illinois	8,116,618	4,258,007	1,702,931	11,939
Other Universities	810,625	219,690	197,444	926
Total component units	<u>\$ 13,161,829</u>	<u>\$ 7,228,472</u>	<u>\$ 2,607,519</u>	<u>\$ 15,263</u>
General revenues				
Taxes:				
Income taxes				
Sales taxes				
Motor fuel taxes				
Public utility taxes				
Riverboat taxes				
Medical providers assessment taxes				
Other taxes				
Operating grants and contributions				
Interest and investment income				
Other revenues				
Pension and OPEB revenue recognized				
Payments from the State of Illinois				
Additions to permanent endowments				
Transfers				
Total general revenues, additions to permanent endowments, and transfers				
Change in net position				
Net position, July 1, 2024, as previously reported				
Change in accounting principle				
Net position, July 1, 2024, as restated				
Net position, June 30, 2025				

The accompanying notes to the financial statements are an integral part of this statement.

Net (Expense) Revenues and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (21,303,042)		\$ (21,303,042)	
(20,713,087)		(20,713,087)	
(959,592)		(959,592)	
(1,244,153)		(1,244,153)	
(3,058,400)		(3,058,400)	
(2,896,545)		(2,896,545)	
(273,082)		(273,082)	
(9,261,069)		(9,261,069)	
(1,344,955)		(1,344,955)	
<u>(61,053,925)</u>			
	\$ 35,978	35,978	
	142,393	142,393	
	789,471	789,471	
	24,516	24,516	
	<u>992,358</u>		
		<u>(60,061,567)</u>	
			\$ (188,341)
			378,790
			(22,479)
			(232,024)
			(202,174)
			(508,041)
			(2,143,741)
			<u>(392,565)</u>
			<u>(3,310,575)</u>
37,570,318		37,570,318	
16,364,457		16,364,457	
2,908,264		2,908,264	
1,470,498		1,470,498	
461,661		461,661	
4,219,584		4,219,584	
4,852,482		4,852,482	
43,980		43,980	
1,637,902	97,416	1,735,318	1,060,195
1,545,694		1,545,694	528,382
			1,521,375
			1,547,595
			139,398
<u>760,067</u>	<u>(760,067)</u>	<u>-</u>	
<u>71,834,907</u>	<u>(662,651)</u>	<u>71,172,256</u>	<u>4,796,945</u>
<u>10,780,982</u>	<u>329,707</u>	<u>11,110,689</u>	<u>1,486,370</u>
(159,255,457)	6,405,784	(152,849,673)	19,171,958
(298,751)	(2,328)	(301,079)	(4,484)
<u>(159,554,208)</u>	<u>6,403,456</u>	<u>(153,150,752)</u>	<u>19,167,474</u>
<u>\$ (148,773,226)</u>	<u>\$ 6,733,163</u>	<u>\$ (142,040,063)</u>	<u>\$ 20,653,844</u>

State of Illinois

**Balance Sheet -
Governmental Funds**

June 30, 2025 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS			
Cash equity with State Treasurer	\$ 12,936,553	\$ 20,110,618	\$ 33,047,171
Cash and cash equivalents	4,478	820,619	825,097
Securities lending collateral of State Treasurer	3,519,165	1,461,799	4,980,964
Investments		65,881	65,881
Receivables, net:			
Taxes	3,064,593	817,284	3,881,877
Intergovernmental	5,024,597	1,128,900	6,153,497
Other	1,297,858	1,169,417	2,467,275
Due from other funds	558,714	746,447	1,305,161
Due from component units	44,611	568,637	613,248
Inventories	61,844	113,389	175,233
Loans and notes receivable, net	284,193	35,355	319,548
Leases receivable		13,796	13,796
Other assets	15,000	123,090	138,090
Total assets	<u>\$ 26,811,606</u>	<u>\$ 27,175,232</u>	<u>\$ 53,986,838</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 7,702,386	\$ 1,685,000	\$ 9,387,386
Intergovernmental payables	3,439,177	3,213,492	6,652,669
Due to other funds	1,430,532	929,916	2,360,448
Due to component units	335,350	196,870	532,220
Unearned revenue	1,450,542	833,722	2,284,264
Obligations under securities lending of State Treasurer	3,519,165	1,461,799	4,980,964
Matured portion of long-term liabilities	110	217	327
Total liabilities	<u>17,877,262</u>	<u>8,321,016</u>	<u>26,198,278</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	3,098,610	1,382,565	4,481,175
Deferred inflows of resources - leases		12,916	12,916
Total deferred inflows of resources	<u>3,098,610</u>	<u>1,395,481</u>	<u>4,494,091</u>
FUND BALANCES (DEFICITS)			
Nonspendable long-term portion of			
loans and notes receivable	3,306		3,306
Nonspendable inventories	61,844	113,389	175,233
Nonspendable endowments and similar funds		60,530	60,530
Restricted	101,330	6,590,253	6,691,583
Committed	8,460,171	11,392,684	19,852,855
Unassigned	(2,790,917)	(698,121)	(3,489,038)
Total fund balances (deficits)	<u>5,835,734</u>	<u>17,458,735</u>	<u>23,294,469</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 26,811,606</u>	<u>\$ 27,175,232</u>	<u>\$ 53,986,838</u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2025
(Expressed in Thousands)

Total fund balances-governmental funds		\$ 23,294,469
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital assets used in governmental activities, not including amounts included as assets in internal service funds of \$935,681, are not financial resources and therefore are not reported in the funds.		28,963,856
Prepaid expenses for governmental activities, not including amounts included as assets in internal service funds, are current uses of financial resources for funds.		123,985
Bond insurance costs are reported as current expenditures in governmental funds. However, bond insurance costs are deferred and amortized over the life of the bonds and are included as governmental activities in the Statement of Net Position.		4,493
Bond refunding costs are reported as current expenditures in governmental funds. However, bond refunding costs are deferred and amortized over the life of the defeased bonds and are included in governmental activities in the Statement of Net Position.		(44,000)
Internal service funds are used to charge costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported as governmental activities in the Statement of Net Position.		786,345
Some revenues will be collected after year-end but are "unavailable" to pay for the current period's expenditures due to not being collectible for several months and therefore are deferred in governmental funds.		4,481,175
Some liabilities, deferred outflows of resources, and deferred inflows of resources reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported in governmental funds. These liabilities, deferred outflows of resources, and deferred inflows of resources not including amounts included as liabilities in internal service funds of \$1,012,530, consist of:		
Net pension liability	\$ (149,197,225)	
Deferred outflows of resources - pensions	15,363,195	
Deferred inflows of resources - pensions	(2,242,606)	
OPEB liability	(24,038,521)	
Deferred outflows of resources - OPEB	2,760,755	
Deferred inflows of resources - OPEB	(18,027,588)	
General obligation bonds	(25,810,520)	
Special obligation bonds	(2,794,130)	
Unamortized premiums	(989,393)	
Unamortized discounts	17,399	
Bond rebate liability	(1,165)	
Compensated absences	(790,470)	
Pollution remediation obligation	(9,750)	
Auto liability	(9,882)	
Leases	(105,436)	
Subscription-based information technology arrangements	(215,264)	
Accrued interest	(292,948)	
	(206,383,549)	(206,383,549)
Net position of governmental activities		<u><u>\$ (148,773,226)</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES			
Income taxes	\$ 33,490,559	\$ 4,011,795	\$ 37,502,354
Sales taxes	10,900,806	5,462,894	16,363,700
Motor fuel taxes		2,908,264	2,908,264
Public utility taxes	740,571	729,922	1,470,493
Riverboat taxes		461,661	461,661
Medical providers assessment taxes	4,120,515		4,120,515
Other taxes	3,461,226	1,379,723	4,840,949
Federal government	22,000,783	16,035,907	38,036,690
Licenses and fees	528,226	3,238,776	3,767,002
Interest and other investment income	1,043,390	579,583	1,622,973
Other	2,056,851	1,554,995	3,611,846
Total revenues	78,342,927	36,363,520	114,706,447
EXPENDITURES			
Current:			
Health and social services	43,249,748	9,970,159	53,219,907
Education	23,127,480	4,572,591	27,700,071
General government	3,311,689	978,420	4,290,109
Employment and economic development	519,699	1,658,617	2,178,316
Transportation	760,380	4,030,634	4,791,014
Public protection and justice	3,841,119	674,089	4,515,208
Environment and business regulation	279,868	1,059,597	1,339,465
Debt service:			
Principal	108,108	2,532,428	2,640,536
Interest	9,437	1,472,473	1,481,910
Capital outlays	249,394	3,520,684	3,770,078
Intergovernmental		9,261,069	9,261,069
Total expenditures	75,456,922	39,730,761	115,187,683
Excess (deficiency) of revenues over (under) expenditures	2,886,005	(3,367,241)	(481,236)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
General and special obligation bonds issued		1,325,000	1,325,000
Premiums on general and special obligation bonds issued		80,905	80,905
Discounts on general obligation bonds issued		(881)	(881)
General obligation refunding bonds issued		1,087,800	1,087,800
Premiums on general obligation refunding bonds issued		106,031	106,031
Transfers-in	3,083,906	5,828,045	8,911,951
Transfers-out	(4,476,730)	(3,875,606)	(8,352,336)
Payments to refunded bond escrow agent		(1,189,869)	(1,189,869)
Financing of leases and subscription-based information technology arrangements	137,464	102,984	240,448
Net other sources (uses) of financial resources	(1,255,360)	3,464,409	2,209,049
Net change in fund balances	1,630,645	97,168	1,727,813
Fund balances (deficits), July 1, 2024	4,223,940	17,393,808	21,617,748
(Decrease) for changes in inventories	(18,851)	(32,241)	(51,092)
FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 5,835,734	\$ 17,458,735	\$ 23,294,469

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois
Reconciliation of Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to Statement of Activities
For the Year Ended June 30, 2025
(Expressed in Thousands)

Net change in fund balances	\$	1,727,813
Change in inventories		<u>(51,092)</u>
		1,676,721

Amounts reported for governmental activities in the Statement of Activities are different because:

Prepaid expenses are recorded as uses of current financial resources in governmental funds but do not affect the expenses reported on the Statement of Activities. Prepaid expenses decreased by this amount during the year.

3,530

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current year, these amounts are:

Capital outlays	\$ 3,770,078	
Depreciation expense	<u>(1,870,354)</u>	1,899,724

Revenues for capital assets acquired through noncash transactions are not recorded in governmental funds. However, in the Statement of Activities, program revenues are recorded for donated capital assets in this amount.

19,743

Gains and losses from capital assets no longer in use are not recorded in governmental funds but are reported as other revenues and expenses in the Statement of Activities. In the current year, these transactions also include losses on capital assets scrapped, damaged, or stolen.

(370,724)

Transfers of capital assets to and from proprietary funds are not recorded in governmental funds. This amount represents the net transfers of capital assets between governmental funds and proprietary funds in the Statement of Activities.

(19,521)

Transfers of subscription-based information technology arrangements to and from proprietary funds are not recorded in governmental funds. This amount represents the transfer of the right-to-use assets in the amount of \$40,495, net of the related subscription liabilities of \$34,655, between governmental funds and proprietary funds in the Statement of Activities.

5,840

Internal service funds are used to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported as governmental activities in the Statement of Activities.

71,244

Because some revenues will not be collected for several months, they are considered "unavailable" revenues and revenue recognition is deferred in the governmental funds. Unavailable revenues increased by this amount during the year.

191,442

The incurrence of long-term debt provides current financial resources to governmental funds while the repayment of the long-term debt is recorded as uses of current financial resources in governmental funds. Neither transaction has an effect on net position. Also, governmental funds report the effect of premiums, discounts, and deferred amounts on refundings of debt when the long-term debt is issued whereas these amounts are deferred and amortized in the Statement of Activities.

Bond proceeds, including premiums of \$186,936, net of discounts of \$881	(2,598,855)	
Payments to refunded bond escrow agent	1,189,869	
Bond insurance costs deferred		
Bond principal retirements	2,477,830	
Deferred gain on current year refundings of debt	(30,656)	
Accrued interest paid to refunding agent	(15,869)	
Amortization of bond premiums	199,660	
Amortization of bond discounts	(1,503)	
Amortization of bond insurance costs	(1,001)	
Amortization of deferred amounts on refundings of debt	8,074	
Lease and subscription-based information technology arrangements issued	(240,448)	
Lease and subscription-based information technology arrangements principal retirements	166,005	
Payments made in advance of contract inception for subscription-based information technology arrangements	<u>6,276</u>	1,159,382

Some expenses reported in the Statement of Activities do not require the use of current financial resources and are therefore not reported as expenditures in governmental funds. Also, some expenditures reported in governmental funds decrease the amount of certain long-term liabilities reported on the Statement of Net Position and are therefore not reported as expenses in the Statement of Activities.

Increase in net pension liability	(1,557,433)	
Increase in deferred outflows of resources - pensions	1,050,759	
Decrease in deferred inflows of resources - pensions	569,681	
Increase in OPEB liability	(3,441,972)	
Increase in deferred outflows of resources - OPEB	2,031,781	
Decrease in deferred inflows of resources - OPEB	7,527,568	
Decrease in bond rebate liability	1,906	
Increase in compensated absences obligation	(51,124)	
Interest accreted on capital appreciation debt	(15)	
Decrease in auto liability obligation	641	
Decrease in pollution remediation obligations	1,700	
Decrease in accrued interest on obligations	<u>10,109</u>	<u>6,143,601</u>

Change in net position of governmental activities	\$	<u>10,780,982</u>
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The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Net Position -
Proprietary Funds

June 30, 2025 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major				
	Unemployment Compensation Trust Fund	Water Revolving Fund	Nonmajor Enterprise Funds	Total	
ASSETS					
Cash equity with State Treasurer		\$ 407,163	\$ 209,129	\$ 616,292	\$ 294,689
Cash and cash equivalents	\$ 1,941,348		26,004	1,967,352	25,277
Securities lending collateral of State Treasurer		62,725	23,382	86,107	23,113
Investments			211,628	211,628	
Receivables, net:					
Taxes	405,808			405,808	
Intergovernmental	21,036	4,530	1,162	26,728	8,946
Other	459,423	26,486	89,917	575,826	75,427
Due from other funds	5,124		2,509	7,633	986,819
Due from component units	146	5,956		6,102	15,652
Loans and notes receivable, net		28,326		28,326	
Restricted assets:					
Cash and cash equivalents			3,536	3,536	
Other receivables, net		24,934	38,153	63,087	
Loans and notes receivable, net		323,004	6,177	329,181	
Leases receivable					112
Inventories					3,025
Prepaid expenses		35	327	362	
Total current assets	2,832,885	883,159	611,924	4,327,968	1,433,060
Investments			517,741	517,741	
Other receivables, net			1,845	1,845	
Loans and notes receivable, net		587,060		587,060	
Restricted loans and notes receivable, net		4,392,645	49,976	4,442,621	
Leases receivable					7,013
Capital assets not being depreciated			1,002	1,002	138,231
Capital assets being depreciated, net		298	8,711	9,009	797,450
Total noncurrent assets		4,980,003	579,275	5,559,278	942,694
Total assets	2,832,885	5,863,162	1,191,199	9,887,246	2,375,754
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pensions		11,598	31,031	42,629	
Deferred outflows of resources - OPEB		11,764	19,831	31,595	
Total deferred outflows of resources		23,362	50,862	74,224	
LIABILITIES					
Accounts payable and accrued liabilities	172,686	303	85,244	258,233	501,345
Intergovernmental payables	110,581	16	119	110,716	3,860
Due to other funds	45,996	340	19,769	66,105	38,947
Due to component units		1,373,616	210	1,373,826	190
Unearned revenue			38,486	38,486	77
Obligations under securities lending of State Treasurer		62,725	23,382	86,107	23,113
Short-term notes payable					
Current portion of long-term obligations		1,952	113,628	115,580	231,917
Total current liabilities	329,263	1,438,952	280,838	2,049,053	799,449
Due to other funds	315,000			315,000	
Noncurrent portion of long-term obligations		81,659	704,504	786,163	780,613
Total noncurrent liabilities	315,000	81,659	704,504	1,101,163	780,613
Total liabilities	644,263	1,520,611	985,342	3,150,216	1,580,062
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unamortized deferred amounts on bond refundings			4,717	4,717	
Deferred inflows of resources - leases					9,347
Deferred inflows of resources - pensions		6,681	17,183	23,864	
Deferred inflows of resources - OPEB		15,686	33,824	49,510	
Total deferred inflows of resources		22,367	55,724	78,091	9,347
NET POSITION					
Net investment in capital assets		281	4,462	4,743	554,986
Net position restricted for:					
Debt service			46,554	46,554	
Repayment of loan from component unit		4,740,583		4,740,583	
Unemployment compensation benefits	2,188,622			2,188,622	
Other expendable purposes			57,549	57,549	
Unrestricted		(397,318)	92,430	(304,888)	231,359
Total net position	\$ 2,188,622	\$ 4,343,546	\$ 200,995	\$ 6,733,163	\$ 786,345

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Revenues, Expenses and Changes in
Fund Net Position - Proprietary Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Total	
	Unemployment Compensation Trust Fund	Water Revolving Fund	Nonmajor Enterprise Funds		
OPERATING REVENUES					
Charges for sales and services			\$ 3,854,761	\$ 3,854,761	\$ 4,612,158
Interest income pledged as revenue bond security			11,581	11,581	
Interest and other investment income		\$ 83,229	24,277	107,506	
Employer contributions	\$ 2,163,234			2,163,234	
Other			5,856	5,856	18
Total operating revenues	2,163,234	83,229	3,896,475	6,142,938	4,612,176
OPERATING EXPENSES					
Cost of sales and services			194,563	194,563	844,907
Benefit payments and refunds	2,196,931		43,987	2,240,918	3,604,622
Prizes and claims			2,592,599	2,592,599	
Interest			1	1	
Accreted tuition expense			13,383	13,383	
General and administrative		31,913	213,248	245,161	103,441
Depreciation/amortization		72	1,986	2,058	179,895
Other		105,503	17,452	122,955	
Total operating expenses	2,196,931	137,488	3,077,219	5,411,638	4,732,865
Operating income (loss)	(33,697)	(54,259)	819,256	731,300	(120,689)
NONOPERATING REVENUES (EXPENSES)					
Interest and investment income	52,842	21,109	23,465	97,416	14,844
Interest expense		(21,356)	(7,995)	(29,351)	(32,845)
Federal government	54,141	223,286	1,855	279,282	3,822
Other revenues	15,534		942	16,476	
Other expenses		(5,278)	(73)	(5,351)	(30,495)
Income (loss) before contributions and transfers	88,820	163,502	837,450	1,089,772	(165,363)
Contributions of capital assets			200	200	35,957
Transfers-in		55,000		55,000	202,750
Transfers-out	(14,619)		(800,646)	(815,265)	(2,100)
Change in net position	74,201	218,502	37,004	329,707	71,244
Net position, July 1, 2024, as previously reported	2,114,421	4,125,691	165,672	6,405,784	731,493
Change in accounting principle		(647)	(1,681)	(2,328)	(16,392)
Net position, July 1, 2024, as restated	2,114,421	4,125,044	163,991	6,403,456	715,101
NET POSITION, JUNE 30, 2025	\$ 2,188,622	\$ 4,343,546	\$ 200,995	\$ 6,733,163	\$ 786,345

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Cash Flows -
Proprietary Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Total	
	Unemployment Compensation Trust Fund	Water Revolving Fund	Nonmajor Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from sales and services			\$ 107,298	\$ 107,298	\$ 203,902
Cash received from lottery sales			3,745,580	3,745,580	
Cash received from transactions with other funds					4,260,777
Cash payments to suppliers for goods and services		\$ (4,958)	(257,333)	(262,291)	(4,316,613)
Cash payments for interfund services		(2,602)	(2,259)	(4,861)	(34,856)
Cash payments to employees for services		(27,876)	(67,714)	(95,590)	(303,156)
Cash payments for lottery prizes			(2,850,820)	(2,850,820)	
Cash payments for commissions and bonuses			(172,285)	(172,285)	
Cash receipts from unemployment taxes	\$ 2,250,986			2,250,986	
Cash payments for unemployment benefits	(2,266,308)			(2,266,308)	
Cash receipts from prepaid tuition contract sales			1,762	1,762	
Cash payments for tuition			(70,375)	(70,375)	
Cash payments for tuition contract refunds			(22,330)	(22,330)	
Cash receipts from student loan principal			17,484	17,484	
Cash receipts from student loan interest			3,866	3,866	
Cash payments for workers' compensation					(126,990)
Cash receipts from other operating activities			29,020	29,020	255,399
Cash payments for other operating activities			(21,550)	(21,550)	
Net cash provided (used) by operating activities	(15,322)	(35,436)	440,344	389,586	(61,537)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Proceeds from revenue bonds and other borrowings		121,224		121,224	
Principal paid on revenue bonds and other borrowings	(45,000)		(46,293)	(91,293)	
Interest paid on revenue bonds and other borrowings			(2,848)	(2,848)	(3,815)
Grants received	13,879	222,845	13,113	249,837	11,165
Grants refunded	(29,302)			(29,302)	
Grantee refunds received	100,680			100,680	
Transfers-in from other funds		55,000	1	55,001	202,250
Transfers-out to other funds	(15,942)		(793,842)	(809,784)	(2,100)
Net cash provided (used) by noncapital financing activities	24,315	399,069	(829,869)	(406,485)	207,500
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets		(150)	(2,447)	(2,597)	(19,668)
Principal paid on capital debt		(8)	(1,094)	(1,102)	(116,866)
Interest paid on capital debt		(1)	(125)	(126)	(16,766)
Proceeds from lessor leases					813
Net cash used by capital and related financing activities		(159)	(3,666)	(3,825)	(152,487)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities			(278,232)	(278,232)	
Proceeds from sales and maturities of investment securities			381,706	381,706	
Cash paid to investment managers			(75)	(75)	
Cash paid for long-term annuity prizes payable			(26,437)	(26,437)	
Loan disbursements		(761,197)		(761,197)	
Loan repayments		251,789		251,789	
Interest and dividends on investments	52,842	92,924	21,264	167,030	14,948
Net cash provided (used) by investing activities	52,842	(416,484)	98,226	(265,416)	14,948
Net increase (decrease) in cash and cash equivalents	61,835	(53,010)	(294,965)	(286,140)	8,424
Cash and cash equivalents, July 1, 2024	1,879,513	460,173	533,634	2,873,320	311,542
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 1,941,348	\$ 407,163	\$ 238,669	\$ 2,587,180	\$ 319,966
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Total cash and cash equivalents per Statement of Net Position	\$ 1,941,348		\$ 26,004	\$ 1,967,352	\$ 25,277
Add: cash equity with State Treasurer		\$ 407,163	209,129	616,292	294,689
Add: restricted cash equivalents			3,536	3,536	
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 1,941,348	\$ 407,163	\$ 238,669	\$ 2,587,180	\$ 319,966

State of Illinois

Statement of Cash Flows -
Proprietary Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Total	
	Unemployment Compensation Trust Fund	Water Revolving Fund	Nonmajor Enterprise Funds		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
OPERATING INCOME (LOSS)	\$ (33,697)	\$ (54,259)	\$ 819,256	\$ 731,300	\$ (120,689)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation/amortization		72	1,986	2,058	179,895
Provision for uncollectible accounts	(725,248)	105,503	7,870	(611,875)	(50)
Amortization (Accretion)					(697)
Interest and investment income		(83,229)	(25,921)	(109,150)	
Interest expense		248	(1,355)	(1,107)	
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:					
(Increase) decrease in accounts receivable	710,094		(39,926)	670,168	6,136
(Increase) decrease in intergovernmental receivables	15,687		(94)	15,593	(455)
(Increase) decrease in due from other funds	(621)		226	(395)	(141,012)
(Increase) decrease in due from component units	(22)			(22)	(1,059)
(Increase) decrease in loans and notes receivable			15,800	15,800	
(Increase) decrease in inventories					60
(Increase) decrease in prepaid expenses		(1)	(56)	(57)	
(Increase) decrease in deferred outflows of resources		3,359	(3,899)	(540)	
Increase (decrease) in accounts payable and accrued liabilities	15,649	82	(265,958)	(250,227)	(7,891)
Increase (decrease) in intergovernmental payables	2,789	(95)		2,694	(9,448)
Increase (decrease) in due to other funds	47	200	(270)	(23)	6,554
Increase (decrease) in due to component units		68	(2,515)	(2,447)	(163)
Increase (decrease) in unearned revenue			3,577	3,577	(4,524)
Increase (decrease) in net pension liability		(5,645)	7,853	2,208	
Increase (decrease) in OPEB liability		42	7,901	7,943	
Increase (decrease) in other liabilities		469	(74,700)	(74,231)	31,806
Increase (decrease) in deferred inflows of resources		(2,250)	(28,577)	(30,827)	
Increase (decrease) in long-term annuity prizes payable			19,146	19,146	
Total adjustments	18,375	18,823	(378,912)	(341,714)	59,152
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (15,322)	\$ (35,436)	\$ 440,344	\$ 389,586	\$ (61,537)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Cost of capital asset acquisitions financed by leases		\$ 25		\$ 25	\$ 15,092
Cost of subscription-based information technology arrangements			\$ 527	527	16,721
Gain (loss) on disposal of capital assets		(83)	(11)	(94)	(4,203)
Donation of capital assets					
Transfer of assets/liabilities from (to) other state funds			1,293	1,293	13,483
Loan disbursements/repayments maintained at Trustee		98,878		98,878	
Increase (decrease) in fair value of investments			17,357	17,357	
Interest accreted on investments			7,932	7,932	
Interest accreted on long-term annuity prizes payable			(7,932)	(7,932)	
Gain (loss) on early termination of lessor agreement					668

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Fiduciary Net Position -
Fiduciary Funds

June 30, 2025 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ASSETS				
Cash equity with State Treasurer	\$ 976,103		\$ 7	\$ 1,124,372
Cash and cash equivalents	251,371	\$ 7,036,311	214	76,114
Securities lending collateral of State Treasurer	195,814		1	104,721
Investments:				
Equities	39,586,327	13,028,189	851	
Fixed income	13,724,471	11,742,662	173	856,079
Private equity	12,776,015			
Real estate	15,727,427			
Other	19,665,391			
Equity in Illinois State Board of Investments	28,534,549			
Securities lending collateral	3,618,400			
Receivables, net:				
Taxes				278,657
Members	187,311			
Employers	35,437			
Investment income	277,163	75,878		
Intergovernmental	781			2,284
Pending investment sales	2,620,285			
Other	24,921			166,381
Due from other funds	277			
Due from primary government funds	477,590			59,763
Prepaid expenses	1,323			
Capital assets not being depreciated	28,812			
Capital assets being depreciated, net	35,219			
Total assets	138,744,987	31,883,040	1,246	2,668,371
LIABILITIES				
Accounts payable and accrued liabilities	281,343	44,894		214,719
Intergovernmental payables	39			1,431,296
Due to other funds	277			
Due to primary government funds	55,994	472		
Obligations under securities lending of State Treasurer	195,814		1	104,721
Securities lending collateral	3,617,484			
Payable to brokers for unsettled trades	2,079,172			
Long-term obligations:				
Due within one year	3,619			
Due subsequent to one year	7,525			
Total liabilities	6,241,267	45,366	1	1,750,736
NET POSITION				
Restricted for:				
Pension	131,652,070			
Postemployment benefits other than pensions	951,089			
Pool participants		31,837,674		
Individuals, organizations, and other governments			1,245	917,635
Unrestricted	(99,439)			
Total net position	\$ 132,503,720	\$ 31,837,674	\$ 1,245	\$ 917,635

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

**Statement of Changes in Fiduciary Net Position -
Fiduciary Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Employer	\$ 3,476,039			\$ 15,068
State	8,447,376			95,941
Participants		\$ 2,378,605		326
Members:				
Employees	2,061,535			204,534
Federal Medicare Part D	432			
Other	13,081			
Total contributions	13,998,463	2,378,605		315,869
Investment income:				
Interest and other investment income	3,583,322	1,541,375	\$ 29	27,481
Net increase (decrease) in fair value of investments	8,738,363	1,192,082	104	6,866
Less investment expense	(1,246,121)	(5,802)	(13)	(179)
Net investment income	11,075,564	2,727,655	120	34,168
Capital share and individual account transactions:				
Shares sold		16,671,400		
Reinvested distributions		423,385		
Shares redeemed		(16,526,149)		
Net capital share and individual account transactions		568,636		
Collections/deposits:				
Sales tax collections for other governments				4,133,912
Public utility tax collections for other governments				108,673
Motor fuel tax collections for other governments				96,236
Other tax collections for other governments				2,185,316
License and fee collections for other governments				143,105
Collateral deposits received				240,055
Custodial fund deposits received				1,064,636
Other				21,675
Total collections/deposits				7,993,608
Total additions	25,074,027	5,674,896	120	8,343,645
DEDUCTIONS				
Benefit payments	15,521,357			
Refunds	185,249			
Payments to participants/beneficiaries		1,882,021		
Distribution to pool investors		423,385		
Depreciation	6,045			
General and administrative	103,559	61,653		26,201
Payment of sales tax to other governments				4,151,186
Payment of public utility tax to other governments				108,673
Payment of motor fuel tax to other governments				96,759
Payment of other tax to other governments				2,198,375
Payment of licenses and fees to other governments				143,161
Collateral deposits returned				241,454
Custodial funds disbursed				1,080,291
Contributions disbursed to third party investors				292,360
Other				30,045
Total deductions	15,816,210	2,367,059		8,368,505
Change in net position				
Restricted for:				
Pension benefits	9,096,575			
Retiree health insurance benefits	154,086			
Other employee benefits	7,156			
Pool participants		3,307,837		
Individuals, organizations, and other governments			120	(24,860)
Net position, July 1, 2024, as previously reported	123,246,687	28,529,837	1,125	942,495
Change in accounting principle	(784)			
Net position, July 1, 2024, as restated	123,245,903	28,529,837	1,125	942,495
NET POSITION, JUNE 30, 2025	\$ 132,503,720	\$ 31,837,674	\$ 1,245	\$ 917,635

The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Net Position -
Component Units

June 30, 2025 (Expressed in Thousands)

	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Other Authorities	Illinois State University	Northern Illinois University
ASSETS					
Cash equity with State Treasurer		\$ 940,569			
Cash and cash equivalents	\$ 34,682	58,406	\$ 62,096	\$ 129,597	\$ 24,454
Securities lending collateral of State Treasurer			3,419		
Investments	348,671		11,639	287,129	181,541
Receivables, net:					
Intergovernmental		49,471	733		
Other	4,525	132,173	1,085	25,732	30,686
Due from component units			13,465	117	53
Due from primary government	66,713	70,512	1,373,350	12,298	12,451
Inventories				2,082	2,249
Prepaid expenses		16,048	11,105	5,468	425
Unamortized bond insurance costs		1,655		540	4,638
Loans and notes receivable, net	1,640,234		16,768	1,494	745
Restricted assets:					
Cash equity with State Treasurer		202,815	21,737		
Cash and cash equivalents	864,308	239,737	715,866	46,313	61,810
Investments	4,749,104	571,276	217,140	198,770	20,677
Other receivables, net	53,401	10,706	1,628	8,141	
Loans and notes receivable, net			17,065		
Other assets				346	
Derivative instruments	29,724				
Other assets	26,655		545	6,367	24,780
Leases receivable		13,512	34,380	89	8,094
Capital assets not being depreciated	16,400	3,478,813	39,414	116,076	76,701
Capital assets being depreciated, net	12,203	8,869,302	16,333	501,013	307,610
Total assets	7,846,620	14,654,995	2,557,768	1,341,572	756,914
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments	3,288				
Deferred outflows of resources - unamortized deferred amounts on bond refundings		136,836		423	
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings					
Deferred outflows of resources - pensions		87,904	372	684	1,917
Deferred outflows of resources - OPEB		270,207		5,292	11,781
Total deferred outflows of resources	3,288	494,947	372	6,399	13,698
LIABILITIES					
Accounts payable and accrued liabilities	160,781	514,257	36,786	39,633	43,995
Intergovernmental payables		41,559			999
Due to component units				36	1
Due to primary government	528,143	40,823	5,981	382	112
Unearned revenue	113,005	242,674	138,155	13,877	17,840
Obligations under securities lending collateral of State Treasurer			3,419		
Assets held for others	178,555		5		
Short-term notes payable					
Derivative instruments	3,288				
Other liabilities				741	
Long-term obligations:					
Due within one year	294,729	190,049	115,094	27,051	18,096
Due subsequent to one year	4,977,224	8,833,936	2,000,804	242,708	372,165
Total liabilities	6,255,725	9,863,298	2,300,244	324,428	453,208
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - accumulated increase in fair value of derivative instruments	29,724				
Deferred inflows of resources - unamortized deferred amounts on bond refundings	30,765	74,918	17,741		
Deferred inflows of resources - unamortized deferred amounts on certificates of participation refundings				183	
Deferred inflows of resources - irrevocable split-interest agreements					
Deferred inflows of resources - service concession arrangements					
Deferred inflows of resources - leases		12,859	31,694	88	8,011
Deferred inflows of resources - pensions		62,478	283		
Deferred inflows of resources - OPEB		411,292		8,562	16,150
Total deferred inflows of resources	60,489	561,547	49,718	8,833	24,161
NET POSITION					
Net investment in capital assets	16,629	4,095,688	43,162	426,596	79,836
Restricted for:					
Debt service		659,158			
Capital projects					
Nonexpendable purposes					85,370
Other expendable purposes	1,221,961		68,468	496,111	141,055
Unrestricted	295,104	(29,749)	96,548	92,003	(13,018)
Total net position	\$ 1,533,694	\$ 4,725,097	\$ 208,178	\$ 1,014,710	\$ 293,243

The accompanying notes to the financial statements are an integral part of this statement.

Southern Illinois University	University of Illinois	Other Universities	Total
\$ 80,657	\$ 987,438	\$ 282	\$ 940,851
		176,714	1,554,044
		69	3,488
200,734	2,759,099	60,704	3,849,517
	220,896	9,729	280,829
80,082	522,776	56,326	853,385
7	29	261	13,932
15,575	359,543	4,401	1,914,843
8,378	43,212	3,908	59,829
4,942	109,621	5,715	153,324
1,211		881	8,925
4,074	28,776	1,169	1,693,260
			224,552
53,130	251,629	50,753	2,283,546
425,718	4,644,517	257,117	11,084,319
		3,971	77,847
			17,065
		6,216	6,562
	3,814		33,538
26,678	94,548	1,673	181,246
4,600	31,404	2,674	94,753
193,522	395,830	238,406	4,555,162
726,278	4,225,479	701,554	15,359,772
1,825,586	14,678,611	1,582,523	45,244,589
	112		3,400
	815	63	138,137
		97	97
3,050	50,733	1,866	146,526
34,898	237,015	15,296	574,489
37,948	288,675	17,322	862,649
63,902	822,256	54,878	1,736,488
		1,824	44,382
120	13,612	163	13,932
180	53,572	146	629,339
43,352	322,547	26,811	918,261
		69	3,488
5,825	2,500	11	186,896
	10,731		10,731
			3,288
		2,007	2,748
44,730	217,219	28,022	934,990
369,403	2,508,001	201,108	19,505,349
527,512	3,950,438	315,039	23,989,892
	3,927		33,651
1,512		2	124,938
222	6,861		7,266
	26,519	550	27,069
	60,425	25,564	85,989
4,380	30,293	2,552	89,877
			62,761
51,575	511,271	33,101	1,031,951
57,689	639,296	61,769	1,463,502
670,554	3,102,516	753,278	9,188,259
7,625		4,510	671,293
34,769		431	35,200
198,755	2,057,229	147,814	2,489,168
205,959	2,892,275	197,259	5,223,088
160,671	2,325,532	119,745	3,046,836
\$ 1,278,333	\$ 10,377,552	\$ 1,223,037	\$ 20,653,844

State of Illinois

Statement of Activities -

Component Units

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Other Authorities	Illinois State University	Northern Illinois University
EXPENSES	\$ 510,080	\$ 1,221,968	\$ 55,500	\$ 619,231	\$ 549,632
PROGRAM REVENUES					
Charges for services	109,714	1,600,758	32,485	256,940	175,130
Operating grants and contributions	212,025			128,976	172,328
Capital grants and contributions			536	1,291	
Total program revenues	<u>321,739</u>	<u>1,600,758</u>	<u>33,021</u>	<u>387,207</u>	<u>347,458</u>
Net (expense) revenue	(188,341)	378,790	(22,479)	(232,024)	(202,174)
GENERAL REVENUES					
Pension and OPEB revenue recognized				92,410	79,982
State appropriations				83,015	118,677
Interest and investment income	350,299	88,037	27,816	41,753	23,341
Other	322	31,510	7,847	58,948	12,595
Total general revenues	<u>350,621</u>	<u>119,547</u>	<u>35,663</u>	<u>276,126</u>	<u>234,595</u>
ADDITIONS TO PERMANENT ENDOWMENTS				8,931	7,851
Total general revenues and additions to permanent endowments	<u>350,621</u>	<u>119,547</u>	<u>35,663</u>	<u>285,057</u>	<u>242,446</u>
Change in net position	<u>162,280</u>	<u>498,337</u>	<u>13,184</u>	<u>53,033</u>	<u>40,272</u>
Net position, July 1, 2024, as previously reported	1,373,764	4,228,880	195,008	961,677	252,971
Change in accounting principle	(2,350)	(2,120)	(14)		
Net position, July 1, 2024, as restated	<u>1,371,414</u>	<u>4,226,760</u>	<u>194,994</u>	<u>961,677</u>	<u>252,971</u>
NET POSITION, JUNE 30, 2025	<u>\$ 1,533,694</u>	<u>\$ 4,725,097</u>	<u>\$ 208,178</u>	<u>\$ 1,014,710</u>	<u>\$ 293,243</u>

The accompanying notes to the financial statements are an integral part of this statement.

Southern Illinois University	University of Illinois	Other Universities	Total
\$ 1,278,175	\$ 8,116,618	\$ 810,625	\$ 13,161,829
575,748	4,258,007	219,690	7,228,472
193,815	1,702,931	197,444	2,607,519
571	11,939	926	15,263
770,134	5,972,877	418,060	9,851,254
(508,041)	(2,143,741)	(392,565)	(3,310,575)
190,802	1,022,377	135,804	1,521,375
295,093	773,261	277,549	1,547,595
62,030	427,876	39,043	1,060,195
62,544	351,204	3,412	528,382
610,469	2,574,718	455,808	4,657,547
11,724	108,290	2,602	139,398
622,193	2,683,008	458,410	4,796,945
114,152	539,267	65,845	1,486,370
1,164,181	9,838,285	1,157,192	19,171,958
1,164,181	9,838,285	1,157,192	(4,484)
1,164,181	9,838,285	1,157,192	19,167,474
\$ 1,278,333	\$ 10,377,552	\$ 1,223,037	\$ 20,653,844

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STATE OF ILLINOIS
Notes to the Financial Statements
June 30, 2025

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of Illinois have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB).

A. Financial Reporting Entity

The State of Illinois is a “primary government” whose financial statements consist of the primary government and organizations for which the primary government is financially accountable. The financial statements include all funds, elected offices, departments, and agencies as well as boards, commissions, authorities, and universities for which the State’s elected officials are financially accountable. Financial accountability exists when (1) the State’s governing body appoints a majority of an organization’s governing board and either (a) the State can impose its will upon the organization or (b) there is a potential for the organization to provide specific financial benefit to, or impose specific financial burdens on, the State, or (2) the organization has fiscal dependency on the State.

The State’s governing body consists of the legislative, executive, and judicial branches of government. The legislative function is controlled by an elected General Assembly composed of a 59-member Senate and a 118-member House of Representatives. The executive branch consists of the Governor (the chief executive of the State), the Lieutenant Governor, the Attorney General, the Secretary of State, the Comptroller, and the Treasurer. The judicial branch is composed of a seven-member Supreme Court, five appellate court districts, and twenty-four circuit court judicial districts including Cook County.

The financial statements distinguish between the “primary government” and its “component units.” The State’s participation in a joint venture, related organizations, and jointly governed organizations is separately disclosed below. The primary government, which consists of organizations that make up the State’s legal entity, is the nucleus of the State’s reporting entity. Component units are legally separate organizations for which the State is financially accountable. Complete financial statements of the individual component units can be obtained from the respective component unit’s administrative offices (as listed in parentheses below).

Fiduciary Component Units

The State has seven fiduciary component units that administer pension (and other employee benefit) trust funds. These entities are legally separate from the State and meet the definition of a component unit because they are fiscally dependent on the State; however, due to their fiduciary nature they are presented in the Fiduciary Fund Statements as pension (and other employee benefit) trust funds.

1. *General Assembly Retirement System (GARS)*. GARS is the administrator of a single-employer defined benefit pension plan which provides coverage to members of the

- General Assembly of the State and persons elected to the offices of the Governor, Lieutenant Governor, Secretary of State, Treasurer, Comptroller, and Attorney General, as well as Clerks and Assistant Clerks of the respective houses of the General Assembly. The State of Illinois is legally mandated to make contributions to GARS.
2. *Judges' Retirement System (JRS)*. JRS is the administrator of a single-employer defined benefit pension plan which provides coverage to Judges, Associate Judges, and under certain conditions, the Administrative Director of the Illinois Courts. The State of Illinois is legally mandated to make contributions to JRS.
 3. *State Employees' Retirement System (SERS)*. SERS is the administrator of a single-employer defined benefit pension plan which provides coverage to employees of State agencies as well as employees of the Illinois State Toll Highway Authority, which is a component unit of the State. The State of Illinois is legally mandated to make contributions to SERS.
 4. *Teachers' Retirement System (TRS)*. TRS is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan which provides coverage to teachers employed by public school districts in Illinois (excluding Chicago), special districts, and certain State agencies, even though most covered employees are not State employees. The State of Illinois is legally mandated to make contributions to TRS.
 5. *State Universities Retirement System (SURS)*. SURS is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan which provides coverage to faculty and staff of State universities, community colleges, and related agencies, even though most covered employees are not State employees. The State of Illinois is legally mandated to make contributions to SURS.
 6. *Teacher Health Insurance Security Fund (THISF) also known as (TRIP)*. TRIP is the administrator of a cost-sharing multiple-employer defined benefit post-employment healthcare plan which provides coverage to retired employees of participating school districts in Illinois, excluding the Chicago Public School System. The State of Illinois is legally mandated to make contributions to TRIP.
 7. *Community College Health Insurance Security Fund (CCHISF) also known as (CIP)*. CIP is the administrator of a cost-sharing multiple-employer defined benefit post-employment healthcare plan which provides coverage to retired employees and their dependents of Illinois community college districts in Illinois, excluding the City Colleges of Chicago. The State of Illinois is legally mandated to make contributions to CIP.

Blended Component Unit

The following component unit is reported, as exclusion would be misleading to the State's financial statements, as though it is a part of the primary government using the blending method since it provides services primarily to benefit the State:

1. *Railsplitter Tobacco Settlement Authority (RTSA)*. The RTSA was established in July 2010 as a special purpose corporation to sell revenue bonds, repayment of which is supported solely by future tobacco settlement revenues (TSRs). The State relinquished rights to \$4.1 billion of TSRs to RTSA in exchange for a significant portion of the revenue bond proceeds and a residual certificate representing the State's ownership in

excess TSRs to be received by RTSA during the term of the Sales Agreement. (Administrative Offices: State of Illinois Building, 555 W. Monroe Street, Suite 1500 S-GOMB, Chicago, Illinois 60661.)

Discretely Presented Component Units

Discretely presented component units are reported in separate columns to emphasize that they are legally separate from the State. The discretely presented component units presented below have a voting majority of their governing bodies appointed by the State.

1. *Illinois Housing Development Authority (IHDA)*. The IHDA issues notes and bonds to make loans for the acquisition, construction, and rehabilitation of housing and to encourage home ownership. The State approves bonds and notes issued by the IHDA and is secondarily liable for its debt if there is not sufficient IHDA monies available to pay principal and interest. (Administrative Offices: 111 E. Wacker Drive, Suite 1000, Chicago, Illinois 60601.)
2. *Illinois State Toll Highway Authority (THA)*. The THA operates a toll highway system to promote the public welfare and to facilitate vehicular traffic by providing convenient, safe, modern, and limited access highways within Illinois. The State approves new toll highways and issuance of bonds. The THA reports on a December 31 year-end. (Administrative Offices: 2700 Ogden Avenue, Downers Grove, Illinois 60515.)
3. *Illinois Finance Authority*. The Illinois Finance Authority was created to foster economic development to public and private institutions that create and retain jobs and improve the quality of life in Illinois by providing access to capital. The State approves bonds and notes issued by the Illinois Finance Authority and has a moral obligation for its debt if there are not sufficient Illinois Finance Authority monies to pay principal and interest. (Administrative Offices: 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601.)
4. *Illinois Medical District Commission*. The Illinois Medical District Commission was created to maintain and expand a designated “medical district.” (Administrative Offices: 2100 W. Harrison Street, Chicago, Illinois 60612.)
5. *Southwestern Illinois Development Authority (SWIDA)*. The SWIDA promotes economic development within the counties of St. Clair and Madison in the State of Illinois. The State approves bonds and notes issued by SWIDA and has a moral obligation for its debt if there are not sufficient SWIDA monies to pay principal and interest. (Administrative Offices: 1022 Eastport Plaza Drive, Collinsville, Illinois 62234.)
6. *Upper Illinois River Valley Development Authority (UIRVDA)*. The UIRVDA promotes economic development within the counties of Grundy, LaSalle, Bureau, Putnam, Kendall, Kane, McHenry, and Marshall in the State of Illinois. The State approves bonds and notes issued by the UIRVDA. (Administrative Offices: 321 West Main Street, Suite 124, Ottawa, Illinois 61350.)
7. *Boards of Trustees (boards) of Chicago State University (CSU), Eastern Illinois University (EIU), Governors State University (GSU), Northeastern Illinois University (NEIU), Western Illinois University (WIU), Illinois State University (ISU), Northern Illinois University (NIU), Southern Illinois University (SIU), and University of Illinois (U*

of I). The boards of the respective universities operate, manage, control, and maintain the schools. The State provides significant financial support to the boards of the universities. Certain universities have donor restricted endowments that are restricted as to spending by the donor which are detailed in their separately issued financial statements. The Uniform Management of Institutional Funds Act permits the boards to spend net appreciation of endowments as they determine to be prudent.

(Administrative Offices:

- CSU, 9501 South King Drive, Chicago, Illinois 60628
- EIU, 600 Lincoln Avenue, Charleston, Illinois 61920
- GSU, 1 University Parkway, University Park, Illinois 60484
- NEIU, 5500 North St. Louis Avenue, Chicago, Illinois 60625
- WIU, 1 University Circle, Macomb, Illinois 61455
- ISU, Hovey Hall, Campus Box 1100, Normal, Illinois 61790
- NIU, 300 Altgeld Hall, DeKalb, Illinois 60115
- SIU, 1400 Douglas Drive, Carbondale, Illinois 62901
- U of I, 349 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801.)

Joint Venture

The State is a participant with the states of Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin in the Great Lakes Protection Fund (Fund), an Illinois not-for-profit corporation. The Fund is the nation's first multi-state environmental endowment and was established in 1989 for furthering federal and state commitments to programs that restore and maintain the Great Lakes' water quality. This purpose is achieved by providing grant money for projects that promote the objectives of the regional Great Lakes Toxic Substance Control Agreement and the binational Great Lakes Water Quality Agreement.

A state becomes a member of the Fund by agreeing to contribute an amount set forth in the Articles of Incorporation. The required contribution from all member states at incorporation was \$81 million. The Fund's net position on December 31, 2024, was \$160.305 million.

Once a state agrees to make the required contribution, that state's governor becomes a "member" of the Fund. Each member is entitled to appoint two individuals to the board of directors. Budgetary and financial decisions rest with the board of directors except where restricted by the Articles of Incorporation. Two-thirds of the Fund's income is used to finance projects compatible with the organization's objectives as set forth in the Articles of Incorporation. The remaining one-third of income is paid to member states in proportion to the amount and period of time that each state's contribution was invested with the Fund ("state shares"). Illinois received a state share for 2024 of \$279 thousand. The State's equity interest in the Fund of \$15 million is reflected as an asset in the government-wide financial statements. Complete financial statements of the Fund can be obtained from the Fund's Administrative Offices at 1560 Sherman Avenue, Suite 1370, Evanston, Illinois 60201.

Related Organizations and Jointly Governed Organizations

The State's officials are responsible for appointing the majority of the members of the boards of various related organizations, but the State's accountability for these organizations does not extend beyond making the appointments.

The State's officials, in conjunction with various other state and local government officials, are members of the boards of other organizations. However, the State has no ongoing financial interest or responsibility except the role of a participant in the various organizations' purpose and, in certain instances, pays annual dues or assessments.

B. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the State and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the State and between the State and its discretely presented component units. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Net position is reported in three categories:

- **Invested in capital assets component of net position** consists of capital assets, net of accumulated depreciation reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.
- **Restricted component of net position** results when constraints placed on the use of net position are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through enabling legislation.
- **Unrestricted component of net position** consists of the portion of net position which does not meet the definition of the two preceding categories. The unrestricted component of net position often has constraints that are imposed by management but can be removed or modified.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the State and for each function of the State's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the State's funds, including fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis in fund financial statements is on the major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, generally result from nonexchange transactions or ancillary activities.

Proprietary fund operating expenses include costs directly related to providing services and producing and delivering goods. All expenses not meeting this definition are reported as nonoperating expenses.

The State reports the following major governmental fund:

General – This is the State’s primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. These services include, among others, employment and economic development, education, and health and social services. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements. The State’s General Fund contains six primary sub-accounts (General Revenue, Education Assistance, Common School, Advancement of Education, Commitment to Human Services, and Budget Stabilization) with numerous secondary sub-accounts.

The State reports the following major proprietary funds:

Unemployment Compensation Trust – This fund accounts for the activities of the unemployment insurance program including employer contributions, Federal Unemployment Trust advances, and benefit claims.

Water Revolving – This fund accounts for the activities of a revolving loan program for local government drinking water and sewage treatment infrastructure. Certain loans receivable in the fund are restricted due to revenue bond covenants.

Additionally, the State reports the following fund types:

Governmental Fund Types:

Special Revenue – These funds account for and report resources obtained from specific revenue sources that are legally restricted or committed to expenditures for specified purposes. Special revenue funds account for, among other things, federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose.

Debt Service – These funds account for and report governmental resources obtained and restricted, committed, or assigned to pay interest and principal on general long-term debt (other than leases, financed purchases, workers’ compensation, net pension liability, and other postemployment benefit liability).

Capital Projects – These funds account for and report resources obtained and restricted, committed, or assigned to the acquisition or construction of major capital facilities. Such resources are derived principally from proceeds of general and special obligation bond issues and certificates of participation.

Permanent – These funds account for and report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizens.

Proprietary Fund Types:

Enterprise – These funds account for operations where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service – These funds account for data processing, printing, fleet management, telecommunications, professional services, workers’ compensation claims, medical and dental benefits for State employees, and other services provided to agencies of the State on a reimbursement basis.

Fiduciary Fund Types:

Pension (and Other Employee Benefit) Trust – These funds account for resources that are required to be held in trust for the members and beneficiaries of the State’s five Public Employee Retirement Systems and the health insurance postemployment benefit plans for community colleges and for local school districts, excluding Chicago, administered by the State.

Investment Trust – These funds account for the external portion of investment pools sponsored by the State including the Public Treasurer’s External Investment Pool Fund and the College Savings Pool Fund.

Private-Purpose Trust – These funds account for resources legally held in trust for use by individuals, private organizations, and other governments. There is no requirement that any portion of these resources be preserved as capital.

Custodial – These funds account for collections of child support payments, sales and telecommunications taxes assessed by local governments but collected by the State, and other deposits, deductions, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

Component Units

The component units’ statements provide aggregate information about the State’s discretely presented component units, emphasizing major component units. The State’s major component units are the Illinois Housing Development Authority, the Illinois State Toll Highway Authority, Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois.

C. Measurement Focus and Basis of Accounting

Government-wide, Proprietary Fund, Fiduciary Fund, and Component Unit Financial Statements

The government-wide, proprietary fund, fiduciary fund, and component unit financial statements are reported using the economic resources measurement focus and the accrual basis of

accounting. Revenues and additions are recorded when earned and expenses and deductions are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the State gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, excise taxes, wealth taxes, grants, entitlements, and donations. On an accrual basis, revenues from self-assessed taxes, principally income, excise, and wealth taxes, are recognized in the fiscal year in which the underlying exchange transaction occurs. Revenue from grants, entitlements, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on formal debt issues, claims and judgments, and compensated absences are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of formal debt issues and acquisitions under leases and financed purchases are reported as other financing sources.

Significant revenue sources which are susceptible to accrual include individual and corporate income taxes, sales taxes, public utility taxes, motor fuel taxes, and interest income. The tax revenues are recorded by the State as taxpayers earn income (individual income tax, corporate income tax, and other taxes), as sales are made (sales taxes, public utility taxes, motor fuel taxes, and other taxes), or as the taxable event occurs (other taxes) net of estimated overpayments and amounts not expected to be collected. All other revenue sources including fines, penalties, licenses, and other miscellaneous revenues are considered to be measurable and available only when cash is received.

D. Eliminations

Eliminations have been made in the government-wide statement of net position to minimize the “grossing-up” effect on assets and liabilities within the governmental and business-type activities columns of the primary government. As a result, amounts reported in the funds as interfund receivables and payables have been eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Amounts reported in the funds as receivable from or payable to fiduciary funds have been included in the statement of net position as receivable from and payable to external parties, rather than as internal balances.

Eliminations have been made in the statement of activities to remove the “doubling-up” effect of internal service fund activity. The effect of similar internal events that are, in effect, allocations of overhead expenses from one function to another or within the same function also have been eliminated, so that the allocated expenses are reported only by the function to which they were allocated.

E. Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments readily convertible to cash with maturities of 90 days or less at time of purchase. Cash equivalents consist principally of certificates of deposit, repurchase agreements, and U.S. treasury bills and are stated at cost.

F. Investments

Investments are generally measured at fair value with the exception of certain investments which are more appropriately measured using other cost-based measures. The State applies fair value to certain investments and provides for additional disclosures surrounding the measurement in Note 18.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. Additionally, the investments in The Illinois Funds by the State and certain of its component units are also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Treasurer's investment policies are governed by State statute. In addition, the Treasurer's Office has adopted its own investment practices that supplement the statutory requirement. The Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Offices at Marine Bank Building, 1 East Old State Capitol Plaza, Springfield, Illinois 62701.

The State's financial statements contain certain investments that meet the definition of "derivative instruments." Derivative instrument investments included in the pension trust funds and component unit financial statements are described in more detail in Note 14.

G. Inventories and Prepaid Expenditures

Inventory is generally reported on the financial statements at moving-average cost. For governmental funds, the State recognizes the costs of material inventories as expenditures when purchased. The inventory amounts reported in the governmental funds do not reflect current appropriable resources, and therefore, the State reports an equivalent portion as nonspendable fund balance.

For governmental funds, prepaid expenditures are recognized when paid.

H. Interfund Transactions

The State has the following types of interfund transactions:

Interfund Loans – amounts provided with a requirement for repayment, which are reported as interfund receivables in lender funds and interfund payables in borrower funds. When interfund loan repayments are not expected within a reasonable time, the interfund balances are reduced and the amount that is not expected to be repaid is reported as a transfer from the fund that made the loan to the fund that received the loan.

Services provided and used - sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are

reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts at year-end are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

Reimbursements - repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers - flows of assets (such as cash or goods) between funds without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

I. Capital Assets

Capital assets, including property, plant, equipment, intangible items, and infrastructure, are reported at cost or estimated historical cost based on appraisals or deflated current replacement costs. Contributed assets are reported at acquisition value at the time received. Right-to-use lease assets and subscription-based information technology arrangements (SBITAs) are recorded at cost based on the present value of expected payments over the lease or SBITA term plus any payments made to the lessor at or before the commencement of the lease or SBITA term and certain direct costs that are ancillary charges necessary to place the lease or SBITA asset into service.

Capitalization thresholds of the primary government generally are as follows:

Table 1-1 (amounts expressed in thousands)	
Capital Asset Category	Capitalization Threshold
Infrastructure	\$ 250
Land	100
Land Improvements	25
Site Improvements	25
Buildings	100
Building Improvements	25
Equipment	5
Works of Art and Historical Treasures	5
Intangible Assets:	
Internally Generated Software	1,000
Non-Internally Generated Software	25
Right-to-Use Lease Assets	100
Subscription-Based Information Technology Arrangements	100

Certain component units, however, may have adopted different capitalization thresholds. These thresholds can be obtained from their separately issued financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's estimated useful life are not capitalized. Major capital outlays for capital assets and improvements are capitalized as project costs are incurred.

Capital assets, right-to-use lease assets, and SBITAs are depreciated and amortized using the straight-line method over the following estimated useful lives or over the lease or SBITA term:

Capital Asset Category	Estimated Useful Lives (In Years)
Infrastructure	5-50
Land	N/A
Land Improvements	N/A
Site Improvements	3-50
Buildings	10-60
Building Improvements	10-45
Equipment	3-25
Works of Art and Historical Treasures	5-40
Intangible Assets:	
Internally Generated Software	3-25
Non-Internally Generated Software	3-25
Right-to-Use Lease Assets	Lease Term
Subscription-Based Information Technology Arrangements	SBITA Term

The State and the University of Illinois, a major component unit, do not capitalize certain collections of works of art or historical treasures held for public exhibition, education, or research in furtherance of public service rather than capital gain. These collections are protected, kept unencumbered, cared for, and preserved. Proceeds from the sale, exchange, or other disposal of any item belonging to non-capitalized collections of works of art or historical treasures for the State and the University of Illinois must be applied to the acquisition of additional items for the same collection.

J. Retirement Costs and Other Post-Employment Benefit Costs

Retirement

Substantially all State employees, including members of the General Assembly and Judicial Branch, participate in one of three State public employee retirement systems (see Note 16). The State also maintains and funds public employee retirement systems for employees of various State supported universities and community colleges and for public school teachers in cities other than Chicago. It is the State’s policy to fund retirement costs without regard to amounts calculated under the actuarial requirements. Except for in fiscal year 2004 when the State contributed the majority of the proceeds from a \$10 billion general obligation bond, the State’s contributions have been less than the retirement benefits paid during the year for the last forty-four fiscal years. Prior to fiscal year 1982, the State had funded the retirement costs at a level at least as great as the retirement benefits paid during the year.

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, expense, and expenditures associated with the State’s contribution requirements, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with terms of the plan. Investments are reported at fair value.

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of service and the plans' fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liabilities.

The net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense associated with each of the State's retirement systems have been recognized in the government-wide, proprietary fund, and component unit financial statements.

Post-Employment Benefits Other Than Pensions (OPEB)

The State provides health, dental, vision, and life insurance benefits for certain retirees and their dependents through the State Employees Group Insurance Program (SEGIP). The total OPEB liability, deferred outflows of resources, deferred inflows of resources, expense, and expenditures associated with the program have been determined through an actuarial valuation using certain actuarial assumptions as applicable to the current measurement period (see Note 17).

The State also maintains OPEB plans for public school teachers and employees at community colleges in Illinois cities other than Chicago (see Note 17). For purposes of measuring the net OPEB liability, deferred outflows of resources, deferred inflows of resources, expense, and expenditures associated with the State's contribution requirements, information about fiduciary net position of the plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and OPEB expense associated with each of the State's OPEB plans have been recognized in the government-wide, proprietary fund, component unit, and university component unit financial statements.

K. Compensated Absences

The liability for compensated absences reported in the government-wide, proprietary, and fiduciary fund financial statements consists of leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means; and leave that has been used but not yet paid in cash or settled through noncash means. The payment or settlement could occur during employment or upon termination of employment and should be measured at the amount of cash payment or noncash settlement to be made. Compensated absences generally do not have a set payment schedule. Examples of compensated absences include vacation leave, sick leave, personal leave, compensatory time, parental leave, bereavement leave, and certain types of sabbatical leave. Legislation that became effective January 1, 1998, capped the paid sick leave for all State Employees' Retirement System members at December 31, 1997. Employees continue to accrue twelve sick days per year but will not receive monetary compensation for any additional time earned after December 31, 1997. Sick days earned between 1984 and December 31, 1997, (with a 50% cash value) would only be used after all days with no cash value are depleted. The liability for any sick days earned and unused

after December 31, 1997, using a first-in, first-out policy, is based on an analysis of the approximate amount expected to be used prior to retirement versus the amount expected to be converted to service time for purposes of calculating employee pension benefits. The liability for sick days expected to be used is included in the liability for compensated absences and the remaining amount is included in the net pension liability.

The compensated absences liability has been calculated based on the employees' salary level as of the date of the financial statements and includes salary-related costs (e.g., Social Security and Medicare tax). Component unit financial statements also include a liability amount for compensated absences. However, they may have adopted different compensated absences policies. These policies can be obtained from their separately issued financial statements.

L. Bonds Issued, Premiums/Discounts and Insurance on Bonds Issued, and Bond Issuance Costs

In the government-wide and proprietary fund financial statements, bonds payable are reported net of the applicable bond premium or discount. The bond premiums and discounts, as well as bond insurance costs, are deferred and amortized over the life of the related debt. All other bond issuance costs are recognized as expenses in the period incurred.

In the governmental fund financial statements, the face amount of the debt issued is reported as other financing sources. The governmental fund types recognize bond premiums and discounts, as well as bond insurance costs, during the current period. Premiums on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Certain bonds are classified as capital appreciation bonds which are issued at stated interest rates significantly below their effective interest rate, resulting in a substantial discount. The implicit interest (i.e., discount) is not paid until the bonds mature. Therefore, the net value of the bonds "accrete" (i.e., the discount is reduced) over the life of the bonds. Capital appreciation bonds are reported in the government-wide statement of net position at their accreted value.

M. Refundings of Debt

In the government-wide and proprietary fund financial statements, gains and losses from refundings of debt resulting in defeasance are deferred and amortized as a component of interest expense over the shorter of the remaining life of the old debt or the life of the new debt using the effective interest method. The deferred amounts on bond refundings are reported as deferred outflows of resources and deferred inflows of resources.

N. Net Position/Fund Balances

The difference between fund assets, deferred outflows of resources, liabilities, and deferred inflows of resources is "Net Position" on government-wide, proprietary fund, and fiduciary fund financial statements and "Fund Balance" on governmental fund financial statements.

The following classifications of fund balances for governmental funds comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds:

Nonspendable – includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are contractually required to be maintained intact.

Restricted – includes amounts restricted for specific purposes, that is, containing constraints placed on the use of the resources either by an external party, such as creditors, grantors, contributors, or laws or regulations of other governments, or by imposition of law through constitutional provisions or enabling legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the State’s highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the State removes or changes the specified use by taking the same type of action it employed to previously commit the amounts. The uses of these funds are established by bills passed by the legislature and approved by the Governor of the State of Illinois.

Assigned – includes amounts constrained by the State’s intent to be used for specific purposes, which don’t meet the restricted or committed criteria. Intent can be expressed by the Illinois State Legislature whom the State has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – includes the residual fund balance (deficit) which has not been restricted, committed, or assigned to specific purposes within the general fund and deficit fund balances of other governmental funds.

The State utilizes encumbrance accounting to identify governmental fund obligations. Unexpended appropriations at June 30th are available for subsequent expenditure to the extent that encumbrances for the purchase of equipment and commodities have been incurred at June 30th, provided the expenditure is presented for payment during the succeeding two months.

The State has a general policy to use restricted resources first for expenditures incurred for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the policy is to use committed resources first, then assigned. Unassigned amounts are only used after the other resources have been used.

O. Endowments

For donor restricted endowments, the Uniform Prudent Management of Institutional Funds Act, as adopted by the State of Illinois, permits the State and its component units to appropriate an amount of realized and unrealized endowment appreciation as determined to be prudent. The State and its component units’ policy is to retain the realized and unrealized appreciation within the endowment after spending rule distributions. Amounts available for expenditure are reported as restricted fund balances in governmental fund financial statements and as expendable restricted net position held as permanent investments on government-wide, proprietary fund, and fiduciary fund financial statements.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities,

and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. New Accounting Pronouncements

Effective for the year ending June 30, 2025, the State adopted GASB Statement No. 101, *Compensated Absences*, the objective of which is to better meet the needs of the financial statement user by updating the recognition and measurement guidance for compensated absences. The statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The statement further identifies certain types of compensated absences and when a liability should be recognized. Additionally, it establishes guidance for measuring a liability for leave and amends existing guidance for note disclosures. The implementation of this statement resulted in the restatement of the beginning net position of the primary government, as well as the beginning net position of certain of the State's fiduciary funds and component units, as detailed in Note 2.

Effective for the year ending June 30, 2025, the State adopted GASB Statement No. 102, *Certain Risk Disclosures*, the objective of which is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow or outflow of resources. A constraint is defined as a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. The statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. The statement also requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If criteria for a concentration or constraint have been met, information should be disclosed in the notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should provide descriptions of the concentration or constraint, each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements, and the actions taken by the government prior to the issuance of the financial statements to mitigate the risk. The implementation of this statement had no financial impact on the State's net position or results of operations.

R. Future Adoption of GASB Statements

Effective for the year ending June 30, 2026, the State will adopt GASB Statement No. 103, *Financial Reporting Model Improvements*, the objective of which is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is needed in making decisions and assessing a government's accountability. This statement also addresses certain application issues. Specifically, the statement establishes new accounting and financial reporting requirements or modifies existing requirements related to the management discussion and analysis, unusual or infrequent items, the presentation of the proprietary fund

statement of revenues, expenses, and changes in fund net position, information about major component units in basic financial statements, the budgetary comparison information, and the financial trends information in the statistical section. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2026, the State will adopt GASB Statement No. 104, *Disclosure of Certain Capital Assets*, the objective of which is to provide users of financial statements with essential information about certain types of capital assets by requiring these types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments*. Lease assets recognized in accordance with Statement No. 87, *Leases*, intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. In addition, this statement requires intangible assets other than those three types to be disclosed separately by major class. Finally, this statement requires additional disclosures for capital assets held for sale. The statement will affect the State’s notes to the financial statements, but the State has not yet determined the impact of its adoption.

2 FUND BALANCE / NET POSITION

A. Classification of Fund Balances

Fund Balance classifications comprise a hierarchy based primarily on the extent to which the State is bound to observe constraints imposed upon the use of resources reported in governmental funds. The specific purposes of the governmental funds fund balances at June 30, 2025, are as follows:

Table 2-1 (amounts expressed in thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
Fund Balances Nonspendable:			
Long-Term Portion of Loans and Notes Receivable	\$ 3,306	\$ -	\$ 3,306
Inventories	61,844	113,389	175,233
Endowments and Similar Funds	-	60,530	60,530
Total Nonspendable	65,150	173,919	239,069
Restricted For:			
Debt Service	-	2,112,765	2,112,765
Capital Grants/Projects			
Transportation Construction/Maintenance	-	120,188	120,188
Other	-	1,228,581	1,228,581
Health and Social Services	38,579	472,599	511,178
Education	4,855	16,865	21,720
General Government			
Unclaimed Property	-	609,982	609,982
Pension Acceleration Program	-	33,074	33,074
Other	11,424	666,657	678,081
Employment and Economic Development	-	725,458	725,458
Transportation	-	283,224	283,224
Public Protection and Justice	44,070	80,857	124,927
Environment and Business Regulation			
Abandoned Mined Land Reclamation	-	155,338	155,338
Other	2,402	84,665	87,067
Total Restricted	101,330	6,590,253	6,691,583
Committed For:			
Capital Grants/Projects			
Transportation Construction/Maintenance	-	2,571,395	2,571,395
Other	1,288,792	209,580	1,498,372
Health and Social Services			
Healthcare/Pharmaceutical Provider Relief	1,955,882	-	1,955,882
Adoption/Foster Care Services	-	386,051	386,051
Other	859,479	408,596	1,268,075
Education			
Education Assistance	195,376	-	195,376
Other	-	34,789	34,789
General Government			
Budget Stabilization	2,715,484	-	2,715,484
School Infrastructure	123,829	-	123,829
Affordable Housing	-	520,791	520,791
State Universities Pension	-	7,243	7,243
Real Estate Tax-Relief Loan Program	-	59,790	59,790
Identification Security and Theft Prevention Measures	-	19,749	19,749
Other	809,346	743,747	1,553,093
Employment and Economic Development			
Low Income Energy Assistance	-	18,645	18,645
Tourism Promotion	-	107,836	107,836
Renewable Energy Programs	-	79,857	79,857
Other	199,473	220,873	420,346
Transportation			
Downstate Public Transportation	-	62,277	62,277
Regional Transportation Capital Improvements	-	622,442	622,442
Other	128,946	3,929,606	4,058,552
Public Protection and Justice	165,727	540,966	706,693
Environment and Business Regulation			
Clean Water Activities	-	20,116	20,116
Open Space Lands Acquisition and Development	-	140,825	140,825
Parks and Conservation Activities	-	5,965	5,965
Insurance Regulation and Administration	-	176,352	176,352
Other	17,837	505,193	523,030
Total Committed	8,460,171	11,392,684	19,852,855
Unassigned	(2,790,917)	(698,121)	(3,489,038)
	\$ 5,835,734	\$ 17,458,735	\$ 23,294,469

B. Restatements

The financial statements have been restated as of July 1, 2024, due to the following:

Table 2-2 (amounts expressed in thousands)

	Governmental Activities		Business-Type Activities			Fiduciary Funds
	Internal Service Funds	Governmental Activities	Proprietary Funds		Business-Type Activities	Pension (and Other Employee Benefit) Trust Funds
			Water Revolving Fund	Nonmajor Enterprise Funds		
Net Position, June 30, 2024, as previously reported	\$ 731,493	\$ (159,255,457)	\$ 4,125,691	\$ 165,672	\$ 6,405,784	\$ 123,246,687
Change in Accounting Principle Implementation of GASB Statement No. 101	(16,392)	(298,751)	(647)	(1,681)	(2,328)	(784)
Net Position, July 1, 2024, as restated	<u>\$ 715,101</u>	<u>\$ (159,554,208)</u>	<u>\$ 4,125,044</u>	<u>\$ 163,991</u>	<u>\$ 6,403,456</u>	<u>\$ 123,245,903</u>

Table 2-3 (amounts expressed in thousands)

	Component Units			
	Component Units			
	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Other Authorities	Component Units
Net Position, June 30, 2024, as previously reported	\$ 1,373,764	\$ 4,228,880	\$ 195,008	\$ 19,171,958
Change in Accounting Principle Implementation of GASB Statement No. 101	(2,350)	(2,120)	(14)	(4,484)
Net Position, July 1, 2024, as restated	<u>\$ 1,371,414</u>	<u>\$ 4,226,760</u>	<u>\$ 194,994</u>	<u>\$ 19,167,474</u>

C. Net Position Restricted by Enabling Legislation

The government-wide statement of net position reports \$14.444 billion of restricted net position, of which \$5.739 billion is restricted by enabling legislation.

D. Budget Stabilization Account

The Budget Stabilization Account, a sub-account of the General Fund, was created under P.A. 91-0703, effective May 16, 2000. Transfers into the fund include 10% of the net monthly revenue in the Cannabis Regulation Fund, as defined in the Cannabis Regulation and Tax Act, which became effective June 25, 2019. In addition, for fiscal years 2024 and 2025, Public Act 102-0699, as amended by Public Act 104-0002, required monthly transfers in of \$3.750 million from the General Revenue Account to the Budget Stabilization Account.

The State may transfer moneys from the Budget Stabilization Account to the General Revenue Account in order to meet cash flow deficits resulting from timing variations between disbursements and the receipt of funds within a fiscal year. Any moneys so borrowed shall be repaid by June 30 of the fiscal year in which they were borrowed. As of June 30, 2025, the fund balance in the Budget Stabilization Account was \$2.715 billion and is included in the committed fund balance of the General Fund.

3 DEPOSITS AND INVESTMENTS

The State Treasurer is the custodian of the State's deposits and investments for most funds and maintains these deposits and investments in the State Treasury. The investment authority and guidelines for the Treasurer's published investment policy for the State Treasury is found in Section 22.8 of the Deposit of State Moneys Act (15 ILCS 520). The pooling of cash allows the Treasurer to invest monies not needed to pay immediate obligations so that investment earnings on available cash are maximized. Investments of the State Treasury are not segregated by fund; rather, each contributing fund's balance is treated as equity in the State Treasury. Accordingly, the State Treasury is not reported as a separate fund in this report. Instead, each State fund's and each component unit's balance in the State Treasury is presented as "Cash equity with State Treasurer." Investments held by the State Treasurer in the State Treasury at June 30, 2025, consisted of the following:

Table 3-1 (amounts expressed in thousands)

Investment Type	Fair Value
Repurchase agreements	\$ 2,862,299
U.S. Treasury obligations	4,353,173
U.S. Agency obligations	2,543,896
Supranational bonds	219,335
Municipal debt	232,483
Commercial paper	3,609,180
Corporate debt securities	6,442,126
Money market mutual funds	6,430,631
Private equity	956,182
Student Empowerment Fund	8,381
Illinois Facilities Fund Security	10,000
Equity in Public Treasurers' Investment Pool	11,875,384
Securities lending collateral invested in repurchase agreements	5,394,208
Total fair value	<u>\$ 44,937,278</u>

Funds maintained outside the State Treasury have independent statutory authority to manage their own deposits and investments. The investment authority of the Illinois State Board of Investment (ISBI), Teachers' Retirement System (TRS), and State Universities Retirement System (SURS) is governed by the Illinois Pension Code (40 ILCS 5). Authorized investments consist of bonds, equities, real estate, venture capital, and other activities to be made with the care, skill, prudence, and diligence which a prudent person acting in a like capacity and familiar with such matters would use in the conduct of investing similar retirement trusts. ISBI, TRS, and SURS each have published investment policies incorporating these guidelines. Primary government investments held outside of the State Treasury at June 30, 2025, except for investments held by ISBI, TRS, and SURS, consisted of the following:

Table 3-2 (amounts expressed in thousands)

Investment Type	Fair Value
Negotiable certificates of deposit	\$ 2,228
U.S. Treasury obligations	1,310,995
U.S. Agency obligations	12,468
Municipal debt	76,094
Corporate debt securities	23,364
Debt mutual funds	7,690,498
Equity in Public Treasurers' Investment Pool	9,183,958
Equity in Illinois State Board of Investments	46,468
Equity in State Universities Retirement System	17,039
Government notes - non U.S.	1,515
Money market mutual funds	928,315
Equity securities	15,416
Equity mutual funds	13,030,100
Blended mutual funds	3,528
Bond trust funds	10,783
Other	62,687
Total fair value	<u>\$ 32,415,456</u>

The ISBI is considered to be an internal investment pool of the State of Illinois, operating solely from investment income. The ISBI manages and invests the pension assets of three separate public employee retirement systems: General Assembly Retirement System, Judges' Retirement System of Illinois, and State Employees' Retirement System of Illinois. Additionally, ISBI reports one custodial fund, the Illinois Power Agency Trust Fund. The ISBI's member systems retain all of the cash necessary for current operating expenditures in the State Treasury. The amount of cash received by the ISBI's member systems in excess of their current operating expenditures is transferred to the ISBI for purposes of long-term investment. The ISBI is not reported as a separate fund in this report. Instead, each member system's balance in the ISBI is presented as "Equity in the Illinois State Board of Investments." The member system's equity is approximately \$103.444 million less than the deposits and investments of the ISBI, due to net liabilities of the ISBI.

Investments held by ISBI at June 30, 2025, consisted of the following:

Table 3-3 (amounts expressed in thousands)

Investment Type	Fair Value
U.S. Treasury obligations	\$ 631,462
U.S. Agency obligations	240
Corporate obligations	242,696
Common stock and equity funds	7,097,346
Foreign debt obligations	1,517
Foreign equity securities	150,563
Commingled funds	11,220,961
Private credit	2,522,411
Hedge funds	149
Real estate	2,720,353
Private equity	2,936,391
Money market instruments	175,865
Infrastructure funds	836,935
Bank loans	131,672
Total Investments	<u>\$ 28,668,561</u>

CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities

that are in the possession of an outside party. Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities in the possession of an outside party.

Deposits

Primary Government:

In accordance with Section 6 of the Public Funds Investment Act (30 ILCS 235), uncollateralized and uninsured deposits may not exceed 75% of the capital stock and surplus of a bank, 75% of the net worth of a savings and loan association, or 50% of the unimpaired capital and surplus of a credit union.

The carrying amount and bank balance of cash deposits held outside of the State Treasury, except for investments held by ISBI, TRS, and SURS, was \$2.029 billion and \$2.040 billion at June 30, 2025, respectively. Of the total bank balance of these cash deposits at June 30, 2025, \$32.377 million was uninsured with collateral held by the pledging financial institution in the State's name, \$18.353 million was uninsured with collateral held by the pledging financial institution but not in the State's name, and \$2.196 million was uninsured and uncollateralized. In addition to the cash deposits held outside of the State Treasury, the Unemployment Compensation Trust Fund had \$1.920 billion in deposits held by the federal government.

ISBI's policy outlines the control procedures used to monitor custodial credit risk for deposits. These deposits are under the custody of Northern Trust which has an A+ Long-term Deposit/Debt rating by Standard and Poor's and an A2 rating by Moody's. The carrying amount and bank balance of ISBI's cash deposits were both \$15.899 million at June 30, 2025.

TRS's foreign currency held by investment managers at June 30, 2025, totaled \$71.184 million, all of which was uncollateralized.

SURS's cash held in its investment related bank account in excess of \$250,000 is uninsured. SURS has a formal policy to address custodial credit risk. Deposits are under the custody of Northern Trust Company, which has an Aa2 Long-term Bank Deposit rating by Moody's and an AA rating by Fitch. At June 30, 2025, the carrying amount was \$153.845 million and the bank balance was \$151.250 million, of which \$10.003 million was uninsured and uncollateralized.

Investments

Primary Government:

The State does not have a formal policy for custodial credit risk of investments held outside of the State Treasury. Of the total balance of primary government investments held outside of the State Treasury, except for investments held by ISBI, TRS, and SURS, \$832.016 million was held by the counterparty, but not in the State's name, at June 30, 2025. These investments were held in negotiable certificates of deposit, U.S. Treasury obligations, U.S. Agency obligations, municipal debt, corporate debt securities, and foreign debt securities, in the amounts of \$2.228 million, \$716.347 million, \$12.468 million, \$76.094 million, \$23.364 million, and \$1.515 million, respectively.

CREDIT RISK

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Primary Government:

Section 2 of the Public Funds Investment Act limits the State's investments, both inside and outside the State Treasury, to securities of the U.S. government or its agencies, short-term obligations of domestic corporations exceeding \$500 million in assets that are rated in the three highest categories by at least two nationally recognized statistical ratings organizations not to exceed ten percent of the domestic corporations outstanding obligations, money market mutual funds invested in the U.S. government and/or its agencies, and repurchase agreements securities of the U.S. government or its agencies or money market mutual funds invested in the U.S. government or its agencies. Additional investments may be authorized in certain funds as exceptions to Section 2 of the Public Funds Investment Act pursuant to State statute prescribing the activities of a fund. The following table summarizes the Moody's credit quality ratings for debt securities held by the State Treasurer in the State Treasury at June 30, 2025:

Table 3-4 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	P-1	P-2	P-3	Not Rated	Total
Repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ 311,774	\$ 400,000	\$ -	\$ 2,150,525	\$ 2,862,299
U.S. Agency obligations	-	2,543,896	-	-	-	-	-	-	2,543,896
Supranational bonds	219,335	-	-	-	-	-	-	-	219,335
Municipal debt	24,532	55,632	20,410	-	-	-	-	131,909	232,483
Commercial paper	-	-	-	-	2,437,680	1,115,082	32,187	24,231	3,609,180
Corporate debt securities	481,350	1,723,076	4,053,041	47,339	-	-	-	137,320	6,442,126
Money market mutual funds	6,430,631	-	-	-	-	-	-	-	6,430,631
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	-	11,875,384	11,875,384
Securities lending collateral invested in repurchase agreements	-	-	-	-	-	-	-	5,394,208	5,394,208
Total subject to credit risk	\$ 7,155,848	\$ 4,322,604	\$ 4,073,451	\$ 47,339	\$ 2,749,454	\$ 1,515,082	\$ 32,187	\$ 19,713,577	39,609,542
U.S. Treasury obligations	-	-	-	-	-	-	-	-	4,353,173
Total fixed income securities									\$ 43,962,715

* Equity in Public Treasurers' Investment Pool was rated AAA by Standard and Poor's.
 ** The breakdown of Moody's credit ratings of the collateral for securities lending collateral invested in repurchase agreements was as follows: 1.13% Aaa, 3.07% Aa, 7.77% A, 11.95% Baa, 10.94% Ba, 8.92% B, 3.57% Caa, 52.65% Not Rated.

The following table summarizes the Moody's credit quality ratings for debt securities held by the primary government, except for debt securities held by ISBI, TRS, and SURS, outside of the State Treasury at June 30, 2025:

Table 3-5 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	Not Rated	Total
Negotiable certificates of deposit	\$ -	\$ -	\$ 269	\$ -	\$ -	\$ -	\$ 1,959	\$ 2,228
U.S. Agency obligations	-	11,592	-	-	-	-	876	12,468
Municipal debt	14,447	44,369	5,319	470	-	-	11,489	76,094
Corporate debt securities	4,412	5,581	10,084	2,201	-	-	1,086	23,364
Government notes - non U.S.	-	-	-	1,515	-	-	-	1,515
Mutual funds	646	22	10,557	35	13	6	7,679,219	7,690,498
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	9,183,958	9,183,958
Money market mutual funds	744,119	-	-	-	-	-	184,196	928,315
Bond trust funds	-	-	-	-	-	-	10,783	10,783
Total subject to credit risk	\$ 763,624	\$ 61,564	\$ 26,229	\$ 4,221	\$ 13	\$ 6	\$ 17,073,566	17,929,223
U.S. Treasury obligations	-	-	-	-	-	-	-	1,310,995
Total fixed income securities								\$ 19,240,218

* Equity in Public Treasurers' Investment Pool was rated AAA by Standard and Poor's.

The portfolios of ISBI, TRS, and SURS are managed by professional investment management firms. Each investment manager must comply with risk management guidelines individually assigned to them as part of their Investment Management Agreement. However, in circumstances

where position downgrades occur, investment managers have been given permission to hold securities due to circumstances such as a higher peer group rating from another nationally recognized statistical rating organization, firm internal ratings, or other mitigating factors.

The following table summarizes the Moody’s credit quality ratings for debt securities held by ISBI at June 30, 2025:

Table 3-6 (amounts expressed in thousands)

Quality Rating	Corporate Debt Obligations	Foreign Debt Obligations	U.S. Agency Obligations	Money Market Instruments	Total
Aaa	\$ 48,109	\$ -	\$ 240	\$ -	\$ 48,349
Aa	15,202	-	-	-	15,202
A	2,029	-	-	-	2,029
Ba	40,397	-	-	-	40,397
B	45,956	-	-	-	45,956
Caa	11,303	-	-	-	11,303
Not rated	79,700	1,517	-	175,865	257,082
Total subject to credit risk	\$ 242,696	\$ 1,517	\$ 240	\$ 175,865	\$ 420,318

The following table summarizes the Moody’s credit quality ratings for debt securities held by TRS at June 30, 2025:

Table 3-7 (amounts expressed in thousands)

Quality Rating	Corporate Debt Obligations	Foreign Debt Obligations	U.S. Agency Obligations	Municipal Obligations	Commingled Funds	Total
Aaa	\$ 247,561	\$ 56,974	\$ -	\$ -	\$ -	\$ 304,535
Aa	300,239	37,219	410,197	2,437	1,074,083	1,824,175
A	613,615	105,498	-	4,927	1,489,497	2,213,537
Baa	1,178,770	305,138	-	198	-	1,484,106
Ba	612,022	180,311	-	-	132,404	924,737
B	373,466	48,702	-	-	58,935	481,103
Caa	107,612	3,107	-	-	-	110,719
Ca	3,115	1	-	-	-	3,116
C	9,877	-	-	-	-	9,877
Not rated	134,432	1,725	-	-	-	136,157
Total subject to credit risk	\$ 3,580,709	\$ 738,675	\$ 410,197	\$ 7,562	\$ 2,754,919	7,492,062
U.S. Treasury obligations						870,356
Total fixed income securities						\$ 8,362,418

The following table summarizes the Standard and Poor’s credit quality ratings for debt securities held by SURS at June 30, 2025:

Table 3-8 (amounts expressed in thousands)

Quality Rating	Corporate Debt Securities	Foreign Debt Securities	U.S. Agency Obligations	Municipal Obligations	Total
AAA	\$ 119,966	\$ 4,879	\$ 1,961	\$ 17,764	\$ 144,570
AA	60,361	11,246	1,106,751	65,862	1,244,220
A	131,537	15,489	-	3,854	150,880
BBB	411,648	66,719	2,923	-	481,290
BB	329,836	38,401	-	-	368,237
B	254,185	11,920	-	-	266,105
CCC	60,279	1,289	-	411	61,979
CC	1,675	-	-	-	1,675
D	2,955	987	-	-	3,942
Not rated	196,160	7,899	-	4	204,063
Total subject to credit risk	\$ 1,568,602	\$ 158,829	\$ 1,111,635	\$ 87,895	2,926,961
U.S. Treasury obligations					2,417,027
U.S. Agency obligations explicitly guaranteed by U.S. government					28,705
Less cash equivalents					(7,296)
Total fixed income securities					\$ 5,365,397

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Primary Government:

As a means of limiting its exposure to fair value losses arising from rising interest rates, the State Treasurer's investment policy for the State Treasury limits investments to maturities not to exceed ten years with no limit to the amount allocated to investments with less than a two-year maturity. No more than 55% of the investment portfolio shall be allocated to investments with a 2 to 3-year maturity band. No more than 30% of the investment portfolio shall be allocated to investments with a 3 to 4-year maturity band (not including Foreign Government Securities). No more than 20% of the investment portfolio shall be allocated to investments with a 4 to 5-year maturity band. No more than 15% of the investment portfolio shall be allocated to investments with a 5 to 10-year maturity band. For funds held outside of the State Treasury, excluding pension (and other employee benefit) trust funds, there is no formal policy limiting investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

The following table summarizes the segmented time distribution of debt securities held by the State Treasurer in the State Treasury at June 30, 2025:

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years
Repurchase agreements	\$ 2,862,299	\$ 2,862,299	\$ -	\$ -
U.S. Treasury obligations	4,353,173	2,452,971	1,380,565	519,637
U.S. Agency obligations	2,543,896	198,345	799,872	1,545,679
Supranational bonds	219,335	34,559	109,454	75,322
Municipal debt	232,483	18,369	90,239	123,875
Commercial paper	3,609,180	3,609,180	-	-
Corporate debt securities	6,442,126	3,032,428	2,098,319	1,311,379
Money market mutual funds	6,430,631	6,430,631	-	-
Equity in Public Treasurers' Investment Pool	11,875,384	11,875,384	-	-
Securities lending collateral invested in repurchase agreements	5,394,208	5,394,208	-	-
Total fixed income investments	\$ 43,962,715	\$ 35,908,374	\$ 4,478,449	\$ 3,575,892

The following table summarizes the Weighted Average Maturity (WAM) for debt securities held by the primary government, except for debt securities held by ISBI, TRS, and SURS, outside of the State Treasury at June 30, 2025. The WAM expresses investment time horizons – the time when investments become due and payable – in years to reflect the dollar size of individual investments within an investment type. The portfolio's WAM is derived by dollar-weighting the WAM for each investment type.

Table 3-10 (amounts expressed in thousands)

Investment Type	Fair Value	Weighted Average Maturity (Years)
Negotiable certificates of deposit	\$ 2,228	3.744
U.S. Treasury obligations	1,310,995	3.462
U.S. Agency obligations	12,468	5.197
Municipal debt	76,094	10.830
Corporate debt securities	23,364	5.910
Government notes - non U.S.	1,515	3.797
Mutual funds	7,690,498	5.917
Equity in Public Treasurers' Investment Pool	9,183,958	0.108
Money market mutual funds	928,315	0.258
Bond trust funds	10,783	8.290
Total fixed income investments	\$ 19,240,218	

Pensions:

ISBI manages its exposure to fair value losses arising from interest rate risk by diversifying the debt securities portfolio and maintaining the debt securities portfolio to an effective weighted duration consistent with the Barclay's U.S. Universal Index (benchmark index). As of June 30, 2025, the effective weighted duration of ISBI's fixed income portfolio was 6.1 years and the effective duration of the benchmark index was 5.8 years.

Duration is the measure of a debt investment's exposure to fair value changes arising from changing interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's fair value. The effective duration measures the sensitivity of market price to parallel shifts in the yield curve. The following table summarizes the effective duration of the debt securities held by ISBI at June 30, 2025:

Table 3-11 (amounts expressed in thousands)

Investment Type	Fair Value	Effective Weighted Duration (Years)
Government and agency obligations:		
U.S. Treasury obligations	\$ 631,462	7.5
U.S. Agency obligations	240	-
	\$ 631,702	
Corporate obligations:		
Banks	15,054	0.3
Insurance	4,694	0.1
Other	222,948	2.6
	242,696	
Foreign obligations	1,517	2.8
Total subject to interest rate risk	\$ 875,915	

For the ISBI bank loan portfolio, the appropriate measure of interest rate risk is WAM. WAM is the average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. WAM measures the sensitivity of fixed-income portfolios to interest rate changes. At June 30, 2025, the WAM of ISBI's bank loan portfolio was 0.3 years.

TRS manages its exposure to fair value loss arising from increasing interest rates by diversifying the debt securities portfolio. The following table summarizes the segmented time distribution of the debt securities held by TRS at June 30, 2025:

Table 3-12 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	10 to 20 Years	More Than 20 Years
U.S. Treasury obligations	\$ 870,356	\$ 99,622	\$ 407,386	\$ 194,372	\$ 44,633	\$ 124,343
U.S. Agency obligations	410,197	-	27,962	53,677	28,170	300,388
Municipal obligations	7,562	-	198	950	2,714	3,700
Corporate debt securities	3,580,709	166,516	1,846,825	872,167	335,109	360,092
Foreign debt securities	738,675	25,767	173,159	307,523	188,138	44,088
Commingled funds	2,754,919	40,840	582,661	1,552,068	579,350	-
Derivative instruments	(7,069)	41,270	(5,690)	(415)	9	(42,243)
Total subject to interest rate risk	8,355,349	\$ 374,015	\$ 3,032,501	\$ 2,980,342	\$ 1,178,123	\$ 790,368
Less derivative instruments	7,069					
Total fixed income securities	\$ 8,362,418					

SURS manages its exposure to fair value loss arising from increasing interest rates by diversifying the debt securities portfolio. SURS has not adopted a formal policy specific to interest rate risk. The following table summarizes the segmented time distribution of the debt securities held by SURS at June 30, 2025:

Table 3-13 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	10 to 20 Years	More Than 20 Years
U.S. Treasury and Agency obligations	\$ 3,557,367	\$ 23,235	\$ 1,191,914	\$ 696,784	\$ 429,698	\$ 1,215,736
Municipal obligations	87,895	1,241	44,690	14,364	24,281	3,319
Corporate debt securities	1,568,602	20,006	741,594	381,326	223,745	201,931
Foreign debt securities	158,829	2,893	62,213	15,535	46,784	31,404
Derivative instruments - swaps	2,241	(148)	1,678	398	313	-
Total subject to interest rate risk	5,374,934	\$ 47,227	\$ 2,042,089	\$ 1,108,407	\$ 724,821	\$ 1,452,390
Less derivative instruments - swaps	(2,241)					
Less cash equivalents	(7,296)					
Total fixed income securities	\$ 5,365,397					

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit or an investment.

Primary Government:

Only assets held by the State Treasurer and foreign offices are allowed to be used to purchase investments in foreign securities. The State Treasurer is limited by the Deposit of State Moneys Act to investments in debt instruments issued by foreign governments, except the Republic of Sudan, that are guaranteed by the full faith and credit of the foreign government in which the foreign government has not defaulted or been late in payment on similar debt instruments at the time the Treasurer purchases the debt instrument.

The following table summarizes the foreign currency risk, by currency denomination, of the primary government, except for debt securities held by ISBI, TRS, and SURS, outside of the State Treasury at June 30, 2025:

Table 3-14 (amounts expressed in thousands)

<u>Currency Denomination</u>	<u>Foreign Short-Term Deposits</u>	<u>Foreign Debt Securities</u>
Australian Dollar	\$ 4	\$ -
New Israeli Shekel	-	1,515
Total deposits and investments subject to foreign currency risk	<u>\$ 4</u>	<u>\$ 1,515</u>

Pensions:

The ISBI, TRS, and SURS do not have formal foreign currency risk policies. ISBI's international portfolio is constructed on the principles of diversification, quality, growth, and value. Risk of loss arises from changes in currency exchange rates.

TRS's foreign currency risk exposure is primarily derived from its holdings in foreign currency-denominated equity, fixed income, and derivative instrument investments, as well as foreign currency. TRS's international equity and global fixed income managers, at their discretion, may or may not hedge the portfolio's foreign currency exposures with currency forward contracts or options, depending upon their views on a specific country or foreign currency relative to the U.S. dollar.

International investment management firms must maintain diversified portfolios for SURS. SURS's exposure to foreign currency risk derives from its positions in foreign currency and foreign currency-denominated equity and fixed income investments.

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by ISBI as of June 30, 2025:

Table 3-15 (amounts expressed in thousands)

<u>Currency Denomination</u>	<u>Foreign Equity Securities</u>	<u>Foreign Obligations</u>
Brazilian Real	\$ 3,368	\$ -
British Pound Sterling	14,701	-
Euro	81,394	-
Hong Kong Dollar	5,833	-
Japanese Yen	22,471	-
South Korean Won	7,716	-
Taiwan Dollar	8,634	-
United Arab Emirates Dirham	3,916	-
Other currencies	2,530	1,517
Total investments subject to foreign currency risk	<u>\$ 150,563</u>	<u>\$ 1,517</u>

In addition, certain investments held in real estate, private equity, private credit, and infrastructure funds trade in a reported currency of Euro based or British Pound Sterling based dollars valued at \$108.574 million at June 30, 2025.

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by TRS as of June 30, 2025:

Table 3-16 (amounts expressed in thousands)

Currency Denomination	Foreign Currency	Foreign Equity Securities	Foreign Debt Obligations	Foreign Derivative Instrument Obligations	Total
Australian Dollar	\$ 2,144	\$ 256,671	\$ -	\$ -	\$ 258,815
Brazilian Real	(14,943)	102,196	72,589	(375)	159,467
British Pound Sterling	8,329	1,212,213	-	-	1,220,542
Canadian Dollar	2,491	648,791	-	-	651,282
Chinese Yuan Renminbi	3,249	333,610	18,796	523	356,178
Danish Krone	1,233	120,882	-	-	122,115
Euro	21,807	2,734,365	65,887	(1,846)	2,820,213
Hong Kong Dollar	5,278	677,904	-	(346)	682,836
Indian Rupee	237	532,674	57,949	68	590,928
Japanese Yen	13,814	1,494,140	-	-	1,507,954
Mexican Peso	511	80,132	79,401	799	160,843
New Taiwan Dollar	3,859	592,630	-	(35)	596,454
Polish Zloty	(1,670)	75,232	52,148	138	125,848
South African Rand	6,586	112,901	74,001	115	193,603
South Korean Won	912	440,315	-	(52)	441,175
Swedish Krona	1,551	129,864	-	-	131,415
Swiss Franc	671	523,478	-	-	524,149
Other currencies	15,125	564,915	317,904	4,854	902,798
Total deposits and investments subject to foreign currency risk	\$ 71,184	\$ 10,632,913	\$ 738,675	\$ 3,843	\$ 11,446,615

In addition, TRS has foreign currency investments in private equity with fair values totaling \$813.251 million (payable in Euros), \$103.477 million (payable in British Pound Sterling), \$1.930 million (payable in South Korean Won), and \$48 thousand (payable in Swedish Krona), real estate with fair values totaling \$539.027 million (payable in Euros), and private credit with fair values totaling \$48.062 million (payable in Euros).

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by SURS as of June 30, 2025:

Table 3-17 (amounts expressed in thousands)

Currency Denomination	Foreign Alternative Investments	Foreign Equity Securities	Foreign Debt Obligations	Foreign Currency and Pending Currency Transactions	Net Foreign Currency Forward Contracts	Other Foreign Derivative Instrument Obligations	Total
Australian Dollar	\$ -	\$ 39,963	\$ 165	\$ 10,996	\$ (111)	\$ 107	\$ 51,120
Brazilian Real	-	27,044	-	4,823	(16)	2	31,853
British Pound Sterling	17,175	287,008	17,566	(30,559)	(1,566)	(112)	289,512
Canadian Dollar	-	56,671	921	(9,504)	(331)	6	47,763
Euro	193,925	618,356	134,608	(149,226)	(6,518)	111	791,256
Hong Kong Dollar	-	117,928	-	2,140	-	-	120,068
Japanese Yen	-	299,639	-	(431)	(164)	-	299,044
New Taiwan Dollar	-	71,728	-	240	(400)	-	71,568
Norwegian Krone	-	11,226	-	13,346	412	-	24,984
Singapore Dollar	-	29,394	-	238	3	-	29,635
South Korean Won	-	58,534	-	592	33	-	59,159
Swiss Franc	-	96,366	719	(10,929)	(282)	-	85,874
Other currencies	-	74,584	4,850	(1,754)	85	6	77,771
Total investments subject to foreign currency risk	\$ 211,100	\$ 1,788,441	\$ 158,829	\$ (170,028)	\$ (8,855)	\$ 120	\$ 1,979,607

COMPONENT UNITS

The risk disclosures associated with the State's major component units' deposits and investments are as follows:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Investments

Table 3-18 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard & Poor's/Moody's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>More Than 10 Years</u>
U.S. Agency obligations	AA+/Aa	\$ 4,506,136	\$ 79,036	\$ 60,874	\$ 1,705	\$ 4,364,521
Negotiable certificates of deposit	AA+/Aa	37,985	2,371	35,614	-	-
Municipal debt	*	44,247	13,579	30,668	-	-
Commercial paper	A-1/P-1	230,971	230,971	-	-	-
Money market mutual funds	AAA/Aaa	866,167	866,167	-	-	-
Total subject to credit risk		5,685,506	1,192,124	127,156	1,705	4,364,521
U.S. Treasury obligations		278,436	276,806	1,549	-	81
Total subject to interest rate risk		5,963,942	\$ 1,468,930	\$ 128,705	\$ 1,705	\$ 4,364,602
Less cash equivalents		(866,167)				
Total investments		\$ 5,097,775				

*Of the \$44,247 of Municipal debt, \$3,595 is rated AAA, \$36,533 is rated AA, and \$4,119 is not rated by Standard & Poor's. In addition, \$1,340 is rated Aaa, \$21,392 is rated Aa, \$2,537 is rated A, \$1,255 is rated MG 1, and \$17,723 is not rated by Moody's.

Interest rate risk: IHDA's investment policy does not limit the maturity of investments as a means of managing its exposure to fair value losses arising from an increasing rate environment.

Credit risk: IHDA is limited to investments as described in the State Statutes.

Concentration of credit risk: IHDA places no limit on the amount that may be invested in any one issuer. More than 5 percent of IHDA's investments are in Government National Mortgage Association (\$2.011 billion), Federal National Mortgage Association (\$1.543 billion), and Federal Home Loan Bank (\$921.065 million).

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

Investments

Table 3-19 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard & Poor's/Moody's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>
Money market mutual funds	AAA/Aaa	\$ 239,737	\$ 239,737	\$ -
Total subject to credit risk		239,737	239,737	-
U.S. Treasury obligations		571,276	228,276	343,000
Total subject to interest rate risk		811,013	\$ 468,013	\$ 343,000
Less cash equivalents		(239,737)		
Total investments		\$ 571,276		

Interest rate risk: As a means of limiting its exposure to fair value losses from rising interest rates, THA's investment policy requires the majority of THA investments to be less than one-year maturity with no investment exceeding a ten-year maturity.

Credit risk: THA is limited to investments as described in the State Statutes.

ILLINOIS STATE UNIVERSITY (ISU)

Investments

Table 3-20 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Moody's/ Standard & Poor's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>
Nonnegotiable certificates of deposit	Not rated	\$ 6,715	\$ 6,715	\$ -	\$ -
U.S. Agency obligations	Aa/AA+	48,131	10,755	35,081	2,295
Municipal debt	*	7,495	2,520	4,975	-
Corporate debt securities	**	30,130	22,242	7,888	-
Money market mutual funds	Aaa/AAA	9,812	9,812	-	-
Illinois Public Treasurers' Investment Pool	Not rated/AAA	16,448	16,448	-	-
Total subject to credit risk		118,731	68,492	47,944	2,295
U.S. Treasury obligations		106,299	45,086	59,318	1,895
Total subject to interest rate risk		225,030	<u>\$ 113,578</u>	<u>\$ 107,262</u>	<u>\$ 4,190</u>
Less cash equivalents		(26,260)			
Total investments of the University		198,770			
Investments of component units		287,129			
Total investments		<u>\$ 485,899</u>			

*Of the \$7,495 of Municipal debt, \$301 is rated AAA, \$3,785 is rated AA, \$2,337 is rated A, and \$1,072 is not rated by Standard & Poor's.
**Of the \$30,130 of Corporate debt securities, \$7,939 is rated Aa, \$21,231 is rated A, and \$960 is not rated by Moody's.

Interest rate risk: ISU's investment policy does not limit the maturity of investments as a means of managing its exposure to fair value losses arising from an increasing rate environment.

Credit risk: ISU is limited to investments as described in the State Statutes.

Concentration of credit risk: ISU places no limit on the amount that may be invested in any one issuer. More than 5 percent of ISU's investments are in Federal Home Loan Bank (\$25.525 million) and Federal Farm Credit Banks Funding Corporation (\$18.961 million).

NORTHERN ILLINOIS UNIVERSITY (NIU)

Investments

Table 3-21 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard & Poor's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>
Money market mutual funds	AAA	\$ 20,507	\$ 20,507
Illinois Public Treasurers' Investment Pool	AAA	27,605	27,605
Total subject to credit and interest rate risk		48,112	48,112
U.S. Treasury obligations		20,677	20,677
Total subject to interest rate risk		68,789	<u>\$ 68,789</u>
Less cash equivalents		(48,112)	
Total investments of the University		20,677	
Investments of component units		181,541	
Total investments		<u>\$ 202,218</u>	

Interest rate risk: NIU does not have a formal policy for interest rate risk.

Credit risk: NIU is limited to investments as described in the State Statutes.

SOUTHERN ILLINOIS UNIVERSITY (SIU)

Investments

Table 3-22 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard and Poor's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>
U.S. Agency obligations	*	\$ 107,595	\$ 11,148	\$ 50,812	\$ 45,635
Corporate debt securities	A	11,093	858	10,235	-
Illinois Public Treasurers' Investment Pool	AAA	85,307	85,307	-	-
Total subject to credit risk		203,995	97,313	61,047	45,635
U.S. Treasury obligations		83,216	783	54,236	28,197
Total subject to interest rate risk		287,211	\$ 98,096	\$ 115,283	\$ 73,832
Less cash equivalents		(85,307)			
Total investments of the University		201,904			
Investments of component units		424,548			
Total investments		\$ 626,452			

*Of the \$107,595 of U.S. Agency obligations, \$15,549 is rated AAA and \$92,046 is rated AA by Standard & Poor's.

Interest rate risk: Interest rate risk is mitigated by maintaining significant balances in cash equivalents and other short maturity investments and by establishing an asset allocation policy that is consistent with the expected cash flows of SIU. Revenue Bond System funds are managed in accordance with covenants provided from SIU's debt issuance activities.

Credit risk: Credit risk is mitigated by limiting investments to those specified in the Public Funds Investment Act; pre-qualifying the financial institutions which are utilized; and diversifying the investment portfolio so that the failure of any one issue or backer will not place an undue financial burden on SIU.

UNIVERSITY OF ILLINOIS (U of I)

Investments

Interest rate risk: The U of I employs multiple investment managers, each of which has specific maturity assignments related to the operating funds. The funds are structured with different layers of liquidity. Funds expected to be used within one year are invested using the Bloomberg 3-month T-Bills index and Intercontinental Exchange Bank of America 1-year Treasury Index as performance benchmarks. Core operating funds are invested in longer maturity investments. Core operating funds investment managers' performance benchmarks are the Bloomberg 1-3 year U.S. Government Bond Index, the Bloomberg 1-3 year U.S. Government Credit Bond Index, the Bloomberg Intermediate U.S. Government Credit Bond Index, and the Bloomberg Intermediate U.S. Aggregate Bond Index. The U of I's investments and maturities at June 30, 2025, are illustrated below:

Table 3-23 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury obligations	\$ 537,169	\$ 68,153	\$ 386,573	\$ 70,589	\$ 11,854
U.S. Agency obligations	363,120	3,191	90,058	35,579	234,292
Commercial paper	104,665	104,665	-	-	-
Corporate bonds	1,318,993	263,973	884,944	135,653	34,423
Money market mutual funds	1,114,685	1,114,685	-	-	-
Illinois Public Treasurers' Investment Pool	18,311	18,311	-	-	-
Non-government mortgage-backed securities	126,562	1,042	5,546	1,526	118,448
Other asset-backed securities	524,489	1,076	436,600	51,083	35,730
Government bonds - non U.S.	11,168	-	3,244	6,123	1,801
Global fixed income	38,392	-	-	-	38,392
Municipal bonds	22,117	3,222	10,489	6,716	1,690
Total subject to interest rate risk	4,179,671	\$ 1,578,318	\$ 1,817,454	\$ 307,269	\$ 476,630
U.S. equities	4,580				
U.S. equity mutual funds	589,912				
Diversifying strategies	103,229				
Private equity	127,260				
Farm properties	166,617				
Real estate	67,388				
Less cash equivalents	(1,198,714)				
Total investments of the University	4,039,943				
Investments of component units	3,363,673				
Total investments	\$ 7,403,616				

Credit risk: The U of I's policy requires that short-term operating funds be invested in fixed income securities and other short-term fixed income instruments (e.g., money markets). Fixed income securities shall be rated investment grade or better by one or more nationally recognized statistical rating organizations at purchase. Unrated securities are not allowed unless specifically permitted by an individual manager's guidelines. Securities that fall below the stated minimum credit requirements subsequent to initial purchase may be held at the manager's discretion.

At June 30, 2025, the U of I debt securities and quality ratings are as shown in the chart below:

Table 3-24 (amounts expressed in thousands)

Investment Type	Fair Value	Standard and Poor's					Less Than BB or Not Rated
		AAA	AA	A	BBB	BB	
U.S. Agency obligations	\$ 363,120	\$ -	\$ 363,120	\$ -	\$ -	\$ -	\$ -
Commercial paper	104,665	-	20,215	84,450	-	-	-
Corporate bonds	1,318,993	9,944	88,157	644,656	549,885	23,961	2,390
Money market mutual funds	1,114,685	1,114,685	-	-	-	-	-
Illinois Public Treasurers' Investment Pool	18,311	18,311	-	-	-	-	-
Non-government mortgage-backed securities	126,562	93,243	2,262	3,482	1,970	-	25,605
Other asset-backed securities	524,489	496,982	5,009	1,349	7,757	4	13,388
Government bonds - non U.S.	11,168	2,278	3,403	2,507	2,782	198	-
Global fixed income	38,392	5	107	18	19	-	38,243
Municipal bonds	22,117	6,559	9,775	4,871	191	-	721
Total subject to credit risk	3,642,502	\$ 1,742,007	\$ 492,048	\$ 741,333	\$ 562,604	\$ 24,163	\$ 80,347
U.S. Treasury obligations	537,169						
Total fixed income securities	\$ 4,179,671						

SECURITIES LENDING TRANSACTIONS

The investment policies of certain State agencies and component units, principally the State Treasurer, ISBI, TRS, and SURS, permit them to enter into securities lending transactions. In these transactions, the agency loans their securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. The agencies' securities custodians are agents in lending the securities for collateral of at least 100% of the fair value of the securities. Collateral can consist of cash, cash equivalents, government securities, commercial paper, or irrevocable letters of credit. Depending on their nature, securities on loan at year-end are presented as classified or unclassified in the preceding schedule of custodial credit risk. Generally, at year-end, agencies had no credit risk exposure to

borrowers because the amounts they owed to borrowers exceeded the amounts borrowers owed the agencies. Policies regarding indemnification vary among agencies. Some agencies’ contracts with custodians require them to indemnify the agency if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or the borrowers fail to pay the agency for income distributions by the securities’ issuers while the securities are out on loan. Other agencies have no provisions for indemnification.

Generally, securities loans can be terminated on demand by either the agency or the borrower, although the average term of the loans is approximately 1.00 days. Cash collateral is generally invested in the lending agents’ short-term investment pools, which at year-end had weighted average maturities of approximately 1 day to 116 days. The relationship between the maturities of the investment pools and the agencies’ loans is affected by the maturities of the securities loans made by other entities that use the agents’ pools, which the agencies cannot determine. The agencies cannot pledge or sell collateral securities received unless the borrower defaults.

The following table summarizes the fair value and related collateral value of outstanding loaned investment securities as of June 30, 2025.

<u>State Agency/Component Unit</u>	<u>Fair Value</u>	<u>Collateral Value</u>
State Treasurer	\$ 5,299,498	\$ 5,394,208
Teachers' Retirement System	1,686,584	1,724,677
State Universities Retirement System	2,308,339	2,328,169

REVERSE REPURCHASE AGREEMENTS

SURS held approximately \$5.0 million in reverse repurchase agreements at June 30, 2025. Investment guidelines permit certain portfolios to enter into reverse repurchase agreements, which are a sale of securities with a simultaneous agreement to repurchase the securities in the future at the same price plus a stated rate of interest. The fair value of the securities underlying reverse repurchase agreements exceeds the cash received, providing the counterparty a margin against a decline in fair value of the securities. If the counterparty defaults on their obligations to sell these securities back to SURS or provide cash of equal value, SURS could suffer an economic loss equal to the difference between the fair value of the underlying securities plus accrued interest and the agreement obligation including accrued interest. SURS’s credit exposure at June 30, 2025, was \$1.5 million.

SURS may enter into reverse repurchase agreements with various counterparties and such transactions are governed by Master Repurchase Agreements (MRA). MRAs are negotiated contracts and contain terms in which SURS seeks to minimize counterparty credit risk. SURS also controls credit exposures by limiting trades with any one counterparty to stipulated amounts. The counterparty credit exposure is monitored daily and managed through the transfer of margin, in the form of cash or securities, between SURS and the counterparty.

The cash proceeds from reverse repurchase agreements are reinvested. The maturities of the purchases made with the proceeds of reverse repurchase agreements are not necessarily matched to the maturities of the agreements. At June 30, 2025, the agreed-upon yields earned by the counterparty were between 3.75% and 4.30%. The reverse repurchase agreements had open maturities, whereby a maturity date is not established upon entering into the agreement; however, interest rates on the agreements are negotiated daily. The agreements can be terminated at the will of either SURS or the counterparty.

4 TAXES RECEIVABLE AND TAX ABATEMENTS

Taxes receivable for the primary government at June 30, 2025, are as follows:

Table 4-1 (amounts expressed in thousands)

	Governmental Activities			Business-type Activities	
	General Fund	Nonmajor Funds	Total	Unemployment Compensation Trust Fund	Fiduciary Funds
Income tax	\$ 2,000,510	\$ 256,867	\$ 2,257,377	\$ -	\$ -
Less allowance	(554,451)	(67,389)	(621,840)	-	-
Net income tax	1,446,059	189,478	1,635,537	-	-
Sales tax	652,993	277,873	930,866	-	-
Less allowance	(101,727)	(39,394)	(141,121)	-	-
Net sales tax	551,266	238,479	789,745	-	-
Motor fuel tax	-	257,011	257,011	-	-
Less allowance	-	(5,985)	(5,985)	-	-
Net motor fuel tax	-	251,026	251,026	-	-
Public utility tax	4,479	19,782	24,261	-	-
Less allowance	(538)	(27)	(565)	-	-
Net public utility tax	3,941	19,755	23,696	-	-
Medical providers assessment tax	403,319	-	403,319	-	-
Less allowance	(45,350)	-	(45,350)	-	-
Net medical providers assessment tax	357,969	-	357,969	-	-
Other tax	715,705	125,969	841,674	-	-
Less allowance	(10,347)	(7,423)	(17,770)	-	-
Net other tax	705,358	118,546	823,904	-	-
Unemployment compensation tax	-	-	-	918,540	-
Less allowance	-	-	-	(512,732)	-
Net unemployment compensation tax	-	-	-	405,808	-
Taxes assessed by other governments	-	-	-	-	278,657
Total taxes receivable, net	\$ 3,064,593	\$ 817,284	\$ 3,881,877	\$ 405,808	\$ 278,657

The State provides tax abatements through the Economic Development for a Growing Economy (EDGE) Program. Under the Economic Development for a Growing Economy Tax Credit Act (35 ILCS 10), special tax incentives are provided to encourage businesses to locate or expand operations in Illinois when there is active consideration of a competing location in another state. EDGE can provide tax credits to qualifying businesses equal to the amount of state income taxes withheld from the salaries of employees in the newly created jobs. Non-refundable credits can be used against corporate income taxes paid or individual income taxes paid if the business is organized as a pass-through entity. Abatements are obtained through application by a business to the Department of Commerce and Economic Opportunity and claimed on tax returns filed with the Department of Revenue. Applicants must show that if not for the credit, the project would not occur in Illinois by demonstrating that at least one other State is being considered for the project

and receipt of tax credits is essential to the applicant’s decision to create and/or retain jobs in the State. An applicant must agree to make an investment of at least \$5 million in capital improvements and create a minimum of 25 new full time jobs in Illinois. For a company with 100 or fewer employees, a business must agree to make a capital investment of \$1 million and create at least five new full time jobs in Illinois. Credits awarded may be carried forward for 10 taxable years. The Act provides for the recapture of abated taxes in the event a taxpayer does not fulfill the commitment it makes in return for the tax abatement. A taxpayer claiming the credit must hold the investment in the State for the full term of the agreement. If, during the term of the agreement, the project is moved from the State or otherwise ceased, the State can recapture the abated tax requiring the taxpayer to repay the full value of the credit previously claimed.

For the fiscal year ended June 30, 2025, the State abated income taxes totaling approximately \$105.601 million under the EDGE Program. The State Revenue Sharing Act (30 ILCS 115) requires specific portions of income tax revenues to be shared with Illinois municipalities and counties. Taxes abated under the EDGE Program reduced the amounts shared by approximately \$6.218 million.

5 INTERFUND BALANCES AND ACTIVITY

Interfund due to and due from balances at June 30, 2025, consisted of the following:

Table 5-1 (amounts expressed in thousands)

Due From	Due To							Total
	General Fund	Nonmajor Governmental Funds	Unemployment Compensation Trust Fund	Water Revolving Fund	Nonmajor Enterprise Funds	Internal Service Funds	Fiduciary Funds	
General Fund	\$ -	\$ 179,834	\$ 360,030	\$ -	\$ 17,806	\$ 976	\$ 68	\$ 558,714
Nonmajor Governmental Funds	280,346	464,779	949	227	8	138	-	746,447
Unemployment Compensation Trust Fund	3,449	1,675	-	-	-	-	-	5,124
Nonmajor Enterprise Funds	2	24	6	-	1,955	50	472	2,509
Internal Service Funds	667,769	225,217	11	113	-	37,783	55,926	986,819
Fiduciary Funds	478,966	58,387	-	-	-	-	277	537,630
Total	\$ 1,430,532	\$ 929,916	\$ 360,996	\$ 340	\$ 19,769	\$ 38,947	\$ 56,743	\$ 2,837,243

Interfund due to and due from balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The Unemployment Compensation Trust Fund, a major enterprise fund, has reported \$315.000 million due to the General Fund, which is not expected to be repaid within one year.

Interfund transfers activity at June 30, 2025, consisted of the following:

Table 5-2 (amounts expressed in thousands)

Transfers-In	Transfers-Out					Total
	General Fund	Nonmajor Governmental Funds	Unemployment Compensation Trust Fund	Nonmajor Enterprise Funds	Internal Service Funds	
General Fund	\$ -	\$ 2,286,873	\$ -	\$ 796,933	\$ 100	\$ 3,083,906
Nonmajor Governmental Funds	4,276,230	1,533,483	14,619	3,713	-	5,828,045
Water Revolving Fund	-	55,000	-	-	-	55,000
Internal Service Funds	200,500	250	-	-	2,000	202,750
Total	\$ 4,476,730	\$ 3,875,606	\$ 14,619	\$ 800,646	\$ 2,100	\$ 9,169,701

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts to debt service funds as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

INTERENTITY

The due from amounts for the State of Illinois from its component units, as of June 30, 2025, consisted of the following:

Table 5-3 (amounts expressed in thousands)

Due To	Due From								Total
	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Nonmajor Authorities	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Nonmajor Universities	
General Fund	\$ 355	\$ -	\$ -	\$ 95	\$ 112	\$ 153	\$ 43,896	\$ -	\$ 44,611
Nonmajor Governmental Funds	527,788	40,823	-	-	-	5	21	-	568,637
Unemployment Compensation Trust Fund	-	-	-	8	-	22	116	-	146
Water Revolving Fund	-	-	5,956	-	-	-	-	-	5,956
Internal Service Funds	-	5,663	25	279	-	-	9,539	146	15,652
Total	\$ 528,143	\$ 46,486 *	\$ 5,981	\$ 382	\$ 112	\$ 180	\$ 53,572	\$ 146	\$ 635,002

* The Illinois State Toll Highway Authority reported \$40,823 at December 31, 2024, its fiscal year-end.

The due to amounts for the State of Illinois to its component units, as of June 30, 2025, consisted of the following:

Table 5-4 (amounts expressed in thousands)

Due From	Due To								
	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Nonmajor Authorities	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Nonmajor Universities	Total
General Fund	\$ -	\$ 43	\$ -	\$ 10,711	\$ 8,965	\$ 10,327	\$ 304,018	\$ 1,286	\$ 335,350
Nonmajor Governmental Funds	66,713	61,861	-	1,586	3,486	4,988	55,279	2,957	196,870
Water Revolving Fund	-	-	1,373,350	-	-	248	18	-	1,373,616
Nonmajor Enterprise Funds	-	1	-	1	-	-	55	153	210
Internal Service Funds	-	-	-	-	-	12	173	5	190
Total	\$ 66,713	\$ 61,905 *	\$ 1,373,350	\$ 12,298	\$ 12,451	\$ 15,575	\$ 359,543	\$ 4,401	\$ 1,906,236

* The Illinois State Toll Highway Authority reported \$70,512 at December 31, 2024, its fiscal year-end.

Transactions between the State of Illinois and its component units consist mostly of appropriations for general administrative expenses and capital projects. In addition, most of the State’s universities receive pass-through and other grants from the State.

6 LOANS AND NOTES RECEIVABLE

Loans and notes receivable at June 30, 2025, consisted of the following:

Table 6-1 (amounts expressed in thousands)

	Primary Government					
	Governmental Activities			Business-type Activities		
	General Fund	Nonmajor Governmental Funds	Total	Water Revolving Fund	Nonmajor Enterprise Funds	Total
Student loan program	\$ 45,031	\$ -	\$ 45,031	\$ -	\$ 148,604	\$ 148,604
Local government infrastructure	-	-	-	5,331,035	-	5,331,035
Real estate tax-relief loan program	-	33,169	33,169	-	-	-
Other	336,178	24,379	360,557	-	-	-
	<u>381,209</u>	<u>57,548</u>	<u>438,757</u>	<u>5,331,035</u>	<u>148,604</u>	<u>5,479,639</u>
Less: Allowance for uncollectible accounts	97,016	22,193	119,209	-	92,451	92,451
Total	<u>284,193</u>	<u>35,355</u>	<u>319,548</u>	<u>5,331,035</u>	<u>56,153</u>	<u>5,387,188</u>
Less: Amounts representing restricted assets	-	-	-	4,715,649	56,153	4,771,802
Loans and notes receivable, net	<u>\$ 284,193</u>	<u>\$ 35,355</u>	<u>\$ 319,548</u>	<u>\$ 615,386</u>	<u>\$ -</u>	<u>\$ 615,386</u>

Table 6-2 (amounts expressed in thousands)

	Major Component Units				
	Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Mortgage loan program	\$ 1,760,969	\$ -	\$ -	\$ -	\$ -
Student loan program	-	1,547	1,026	4,527	30,947
	<u>1,760,969</u>	<u>1,547</u>	<u>1,026</u>	<u>4,527</u>	<u>30,947</u>
Less: Allowance for uncollectible accounts	120,735	53	281	453	2,171
Loans and notes receivable, net	<u>\$ 1,640,234</u>	<u>\$ 1,494</u>	<u>\$ 745</u>	<u>\$ 4,074</u>	<u>\$ 28,776</u>

7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government					
Governmental activities					
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 3,717,838	\$ 85,864	\$ 5,950	\$ 1	\$ 3,797,753
Intangible assets	863,976	154,649	334,189	(28,761)	655,675
Historical treasures and works of art	11,972	15	31	-	11,956
Construction in progress	1,307,305	468,222	4,219	(401,169)	1,370,139
Total capital assets not being depreciated/amortized	<u>5,901,091</u>	<u>708,750</u>	<u>344,389</u>	<u>(429,929)</u>	<u>5,835,523</u>
Capital assets being depreciated/amortized:					
Infrastructure	33,096,880	2,503,107	999,206	8,836	34,609,617
Site improvements	846,717	2,963	260	29,330	878,750
Buildings and building improvements	5,702,718	17,225	61,698	430,508	6,088,753
Equipment	2,050,136	310,397	70,280	(84,792)	2,205,461
Historical treasures and works of art	377	-	-	-	377
Intangible assets	983,369	26,254	37,918	28,761	1,000,466
Subscription-based information technology arrangements	418,623	226,349	86,659	-	558,313
Right-to-use lease assets					
Buildings	633,898	58,065	78,600	-	613,363
Equipment	41,906	10,572	14,870	-	37,608
Other	3,095	1,453	351	-	4,197
Total capital assets being depreciated/amortized	<u>43,777,719</u>	<u>3,156,385</u>	<u>1,349,842</u>	<u>412,643</u>	<u>45,996,905</u>
Less accumulated depreciation/amortization for:					
Infrastructure	14,684,578	1,393,715	999,206	-	15,079,087
Site improvements	714,779	15,816	142	-	730,453
Buildings and building improvements	3,564,998	105,251	48,796	(2,354)	3,619,099
Equipment	1,274,427	174,313	58,692	(14,734)	1,375,314
Historical treasures and works of art	377	-	-	-	377
Intangible assets	585,797	87,886	37,918	-	635,765
Subscription-based information technology arrangements	148,525	167,744	83,987	-	232,282
Right-to-use lease assets					
Buildings	200,490	93,365	52,047	-	241,808
Equipment	19,764	11,528	13,492	-	17,800
Other	529	631	254	-	906
Total accumulated depreciation/amortization	<u>21,194,264</u>	<u>2,050,249</u>	<u>1,294,534</u>	<u>(17,088)</u>	<u>21,932,891</u>
Total capital assets being depreciated/amortized, net	<u>22,583,455</u>	<u>1,106,136</u>	<u>55,308</u>	<u>429,731</u>	<u>24,064,014</u>
Governmental activities					
capital assets, net	<u>\$ 28,484,546</u>	<u>\$ 1,814,886</u>	<u>\$ 399,697</u>	<u>\$ (198)</u>	<u>\$ 29,899,537</u>
Depreciation/amortization expense for governmental activities was charged to functions as follows:					
Health and social services					\$ 108,452
Education					9,081
General government					96,842
Employment and economic development					21,255
Transportation					1,463,049
Public protection and justice					127,408
Environmental and business regulation					44,267
Internal service funds					179,895
Total					<u>\$ 2,050,249</u>

Table 7-2 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government					
Business-type activities					
Water Revolving Fund:					
Capital assets being depreciated:					
Equipment	\$ 628	\$ 150	\$ 171	\$ -	\$ 607
Right to use assets					
Equipment	-	25	-	-	25
Total capital assets being depreciated	628	175	171	-	632
Less accumulated depreciation for:					
Equipment	350	64	88	-	326
Right to use assets					
Equipment	-	8	-	-	8
Total accumulated depreciation	350	72	88	-	334
Total capital assets being depreciated, net	278	103	83	-	298
Water Revolving Fund capital assets, net	278	103	83	-	298
Nonmajor enterprise funds:					
Capital assets not being depreciated/amortized:					
Intangible assets	285	426	-	-	711
Construction in progress	-	291	-	-	291
Total capital assets not being depreciated/amortized	285	717	-	-	1,002
Capital assets being depreciated/amortized:					
Buildings and building improvements	1,665	144	122	-	1,687
Equipment	6,173	1,586	147	1,346	8,958
Intangible assets	3,357	-	-	-	3,357
Subscription-based information technology arrangements	1,416	527	70	-	1,873
Right-to-use lease assets					
Buildings	5,629	-	-	-	5,629
Equipment	253	-	148	-	105
Total capital assets being depreciated/amortized	18,493	2,257	487	1,346	21,609
Less accumulated depreciation/amortization for:					
Buildings and building improvements	127	34	122	-	39
Equipment	4,294	1,024	139	1,148	6,327
Intangible assets	3,357	-	-	-	3,357
Subscription-based information technology arrangements	269	275	28	-	516
Right-to-use lease assets					
Buildings	2,031	585	-	-	2,616
Equipment	25	68	50	-	43
Total accumulated depreciation/amortization	10,103	1,986	339	1,148	12,898
Total capital assets being depreciated/amortized, net	8,390	271	148	198	8,711
Nonmajor enterprise funds capital assets, net	8,675	988	148	198	9,713
Total Business-type activities					
Capital assets being depreciated/amortized, net	8,668	374	231	198	9,009
Business-type activities capital assets, net	\$ 8,953	\$ 1,091	\$ 231	\$ 198	\$ 10,011
Depreciation/amortization expense for business-type activities was charged to functions as follows:					
Water revolving					\$ 72
Other					1,986
Total					\$ 2,058

Table 7-3 (amounts expressed in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers and Reclassifications</u>	<u>Ending Balance</u>
Fiduciary Funds					
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 1,735	\$ 178	\$ -	\$ -	\$ 1,913
Intangible assets	3	-	-	-	3
Construction in progress	19,246	10,028	-	(2,378)	26,896
Total capital assets not being depreciated/amortized	<u>20,984</u>	<u>10,206</u>	<u>-</u>	<u>(2,378)</u>	<u>28,812</u>
Capital assets being depreciated/amortized:					
Site improvements	1,342	17	4	395	1,750
Buildings and building improvements	30,453	-	135	1,190	31,508
Equipment	22,563	272	2,254	775	21,356
Intangible assets	33,826	2,265	125	18	35,984
Subscription-based information technology arrangements	3,535	2,860	1,854	-	4,541
Right-to-use lease assets					
Buildings	1,885	-	3	-	1,882
Equipment	190	1	86	-	105
Total capital assets being depreciated/amortized	<u>93,794</u>	<u>5,415</u>	<u>4,461</u>	<u>2,378</u>	<u>97,126</u>
Less accumulated depreciation/amortization for:					
Site improvements	1,116	45	2	-	1,159
Buildings and building improvements	19,421	1,105	124	-	20,402
Equipment	20,404	702	2,076	-	19,030
Intangible assets	16,221	2,838	117	-	18,942
Subscription-based information technology arrangements	2,140	1,134	1,666	-	1,608
Right-to-use lease assets					
Buildings	486	175	-	-	661
Equipment	120	46	61	-	105
Total accumulated depreciation/amortization	<u>59,908</u>	<u>6,045</u>	<u>4,046</u>	<u>-</u>	<u>61,907</u>
Total capital assets being depreciated/amortized, net	<u>33,886</u>	<u>(630)</u>	<u>415</u>	<u>2,378</u>	<u>35,219</u>
Fiduciary funds capital assets, net	<u>\$ 54,870</u>	<u>\$ 9,576</u>	<u>\$ 415</u>	<u>\$ -</u>	<u>\$ 64,031</u>

Table 7-4 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units					
Illinois Housing Development Authority:					
Capital assets not being depreciated:					
Land and land improvements	\$ -	\$ -	\$ -	\$ 16,400	\$ 16,400
Total capital assets not being depreciated	-	-	-	16,400	16,400
Capital assets being depreciated/amortized:					
Buildings and building improvements	56,407	-	34	(16,400)	39,973
Equipment	3,066	146	317	-	2,895
Intangible assets	4,540	314	80	-	4,774
Subscription-based information technology arrangements	5,596	343	3,211	-	2,728
Right-to-use lease assets					
Buildings	6,734	-	-	-	6,734
Equipment	118	-	18	-	100
Total capital assets being depreciated/amortized	76,461	803	3,660	(16,400)	57,204
Less accumulated depreciation/amortization for:					
Buildings and building improvements	29,395	1,348	-	-	30,743
Equipment	2,622	688	172	-	3,138
Intangible assets	4,385	322	80	-	4,627
Subscription-based information technology arrangements	2,330	889	1,895	-	1,324
Right-to-use lease assets					
Buildings	3,908	1,169	-	-	5,077
Equipment	77	33	18	-	92
Total accumulated depreciation/amortization	42,717	4,449	2,165	-	45,001
Total capital assets being depreciated/amortized, net	33,744	(3,646)	1,495	(16,400)	12,203
Capital assets, net	\$ 33,744	\$ (3,646)	\$ 1,495	\$ -	\$ 28,603
Illinois State Toll Highway Authority:					
Capital assets not being depreciated:					
Land and land improvements	\$ 1,036,740	\$ 82,753	\$ -	\$ -	\$ 1,119,493
Construction in progress	2,439,159	877,313	957,152	-	2,359,320
Total capital assets not being depreciated	3,475,899	960,066	957,152	-	3,478,813
Capital assets being depreciated/amortized:					
Infrastructure	13,338,665	997,712	148,273	-	14,188,104
Buildings and building improvements	73,149	310	-	-	73,459
Equipment	509,238	34,368	9,923	-	533,683
Intangible assets	5,647	98	1,035	-	4,710
Subscription-based information technology arrangements	4,454	5,372	-	-	9,826
Total capital assets being depreciated/amortized	13,931,153	1,037,860	159,231	-	14,809,782
Less accumulated depreciation/amortization for:					
Infrastructure	5,165,116	501,586	148,273	-	5,518,429
Buildings and building improvements	52,189	1,847	-	-	54,036
Equipment	335,583	35,195	8,823	-	361,955
Intangible assets	2,380	1,224	1,035	-	2,569
Subscription-based information technology arrangements	953	2,538	-	-	3,491
Total accumulated depreciation/amortization	5,556,221	542,390	158,131	-	5,940,480
Total capital assets being depreciated/amortized, net	8,374,932	495,470	1,100	-	8,869,302
Capital assets, net	\$ 11,850,831	\$ 1,455,536	\$ 958,252	\$ -	\$ 12,348,115

Table 7-4 (continued)
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units, continued					
Illinois State University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 19,557	\$ 1,109	\$ -	\$ -	\$ 20,666
Construction in progress	69,540	39,980	3,704	(10,406)	95,410
Total capital assets not being depreciated	<u>89,097</u>	<u>41,089</u>	<u>3,704</u>	<u>(10,406)</u>	<u>116,076</u>
Capital assets being depreciated/amortized:					
Infrastructure	13,147	-	-	-	13,147
Site improvements	44,171	134	-	2,135	46,440
Buildings and building improvements	803,663	14,377	627	8,400	825,813
Equipment	119,350	6,669	8,257	(129)	117,633
Intangible assets	33,868	-	-	-	33,868
Subscription-based information technology arrangements	12,910	7,411	3,462	-	16,859
Right-to-use lease assets					
Buildings	10,811	233	-	-	11,044
Equipment	2,547	355	924	-	1,978
Total capital assets being depreciated/amortized	<u>1,040,467</u>	<u>29,179</u>	<u>13,270</u>	<u>10,406</u>	<u>1,066,782</u>
Less accumulated depreciation/amortization for:					
Infrastructure	10,293	274	-	-	10,567
Site improvements	24,269	1,206	-	409	25,884
Buildings and building improvements	374,425	18,946	211	(280)	392,880
Equipment	102,732	5,255	8,231	(129)	99,627
Intangible assets	22,463	1,029	-	-	23,492
Subscription-based information technology arrangements	6,421	5,239	3,462	-	8,198
Right-to-use lease assets					
Buildings	2,963	1,233	-	-	4,196
Equipment	1,265	577	917	-	925
Total accumulated depreciation/amortization	<u>544,831</u>	<u>33,759</u>	<u>12,821</u>	<u>-</u>	<u>565,769</u>
Total capital assets being depreciated/amortized, net	<u>495,636</u>	<u>(4,580)</u>	<u>449</u>	<u>10,406</u>	<u>501,013</u>
Capital assets, net	<u>\$ 584,733</u>	<u>\$ 36,509</u>	<u>\$ 4,153</u>	<u>\$ -</u>	<u>\$ 617,089</u>
Northern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 23,003	\$ 75	\$ -	\$ -	\$ 23,078
Construction in progress	14,496	43,046	1,193	(2,726)	53,623
Total capital assets not being depreciated	<u>37,499</u>	<u>43,121</u>	<u>1,193</u>	<u>(2,726)</u>	<u>76,701</u>
Capital assets being depreciated/amortized:					
Site improvements	104,587	-	-	499	105,086
Buildings and building improvements	768,783	372	140	2,227	771,242
Equipment	181,606	1,687	5,747	-	177,546
Intangible assets	3,820	-	-	-	3,820
Subscription-based information technology arrangements	4,090	1,176	470	-	4,796
Right-to-use lease assets					
Buildings	639	-	175	-	464
Equipment	3,503	-	-	-	3,503
Total capital assets being depreciated/amortized	<u>1,067,028</u>	<u>3,235</u>	<u>6,532</u>	<u>2,726</u>	<u>1,066,457</u>
Less accumulated depreciation/amortization for:					
Site improvements	74,584	3,025	-	-	77,609
Buildings and building improvements	488,480	19,176	74	-	507,582
Equipment	167,254	3,641	5,728	-	165,167
Intangible assets	3,820	-	-	-	3,820
Subscription-based information technology arrangements	1,584	1,116	101	-	2,599
Right-to-use lease assets					
Buildings	293	93	-	-	386
Equipment	963	721	-	-	1,684
Total accumulated depreciation/amortization	<u>736,978</u>	<u>27,772</u>	<u>5,903</u>	<u>-</u>	<u>758,847</u>
Total capital assets being depreciated/amortized, net	<u>330,050</u>	<u>(24,537)</u>	<u>629</u>	<u>2,726</u>	<u>307,610</u>
Capital assets, net	<u>\$ 367,549</u>	<u>\$ 18,584</u>	<u>\$ 1,822</u>	<u>\$ -</u>	<u>\$ 384,311</u>

Table 7-4 (continued)
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units, continued					
Southern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 26,167	\$ 12,576	\$ 24	\$ -	\$ 38,719
Historic treasures and works of art	13,054	-	-	-	13,054
Construction in progress	63,177	91,742	-	(13,170)	141,749
Total capital assets not being depreciated	102,398	104,318	24	(13,170)	193,522
Capital assets being depreciated/amortized:					
Infrastructure	21,722	-	-	-	21,722
Site improvements	113,919	10,620	215	6,624	130,948
Buildings and building improvements	1,447,672	40,224	50	6,050	1,493,896
Equipment	262,377	15,507	8,926	496	269,454
Intangible assets	7,953	1,625	-	-	9,578
Subscription-based information technology arrangements	16,302	9,442	1,566	-	24,178
Right-to-use lease assets					
Building	84,448	16,818	15,165	-	86,101
Equipment	4,367	-	677	-	3,690
Other	611	2	-	-	613
Total capital assets being depreciated/amortized	1,959,371	94,238	26,599	13,170	2,040,180
Less accumulated depreciation/amortization for:					
Infrastructure	14,833	-	-	-	14,833
Site improvements	80,653	4,612	-	-	85,265
Buildings and building improvements	891,338	36,401	-	-	927,739
Equipment	224,296	11,609	6,460	-	229,445
Intangible assets	7,621	112	-	-	7,733
Subscription-based information technology arrangements	7,525	7,058	1,566	-	13,017
Right-to-use lease assets					
Building	31,135	11,919	8,899	-	34,155
Equipment	1,554	708	669	-	1,593
Other	91	31	-	-	122
Total accumulated depreciation/amortization	1,259,046	72,450	17,594	-	1,313,902
Total capital assets being depreciated/amortized, net	700,325	21,788	9,005	13,170	726,278
Capital assets, net	\$ 802,723	\$ 126,106	\$ 9,029	\$ -	\$ 919,800
University of Illinois:					
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 150,026	\$ -	\$ 104	\$ -	\$ 149,922
Intangible assets	130	-	-	-	130
Historic treasures and works of art	30,472	1,929	-	-	32,401
Construction in progress	267,576	199,757	38,005	(215,951)	213,377
Total capital assets not being depreciated/amortized	448,204	201,686	38,109	(215,951)	395,830
Capital assets being depreciated/amortized:					
Site improvements	816,902	-	-	117	817,019
Buildings and building improvements	6,042,764	3,119	1,338	197,038	6,241,583
Equipment	2,248,896	135,088	98,288	17,676	2,303,372
Intangible assets	316,473	-	4,596	1,120	312,997
Subscription-based information technology arrangements	105,878	57,393	17,243	-	146,028
Right-to-use lease assets					
Building	101,317	16,508	10,763	-	107,062
Equipment	17,275	3,850	3,115	-	18,010
Other	7	27	-	-	34
Total capital assets being depreciated/amortized	9,649,512	215,985	135,343	215,951	9,946,105
Less accumulated depreciation/amortization for:					
Site improvements	629,003	21,558	-	-	650,561
Buildings and building improvements	2,768,004	159,108	1,185	-	2,925,927
Equipment	1,736,930	128,199	93,066	-	1,772,063
Intangible assets	242,134	12,314	4,596	-	249,852
Subscription-based information technology arrangements	40,018	38,559	15,952	-	62,625
Right-to-use lease assets					
Building	43,486	16,670	10,612	-	49,544
Equipment	9,062	4,095	3,112	-	10,045
Other	5	4	-	-	9
Total accumulated depreciation/amortization	5,468,642	380,507	128,523	-	5,720,626
Total capital assets being depreciated/amortized, net	4,180,870	(164,522)	6,820	215,951	4,225,479
Capital assets, net	\$ 4,629,074	\$ 37,164	\$ 44,929	\$ -	\$ 4,621,309

8 CHANGES IN LONG-TERM OBLIGATIONS

Changes in long-term obligations for governmental activities for the year ended June 30, 2025, are summarized below:

Table 8-1 (amounts expressed in thousands)

	Balance July 1, 2024, as restated	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One Year
Primary Government					
Governmental Activities					
Bonds payable:					
General obligation bonds (note 9)	\$ 27,564,960	\$ 1,687,815 *	\$ (3,442,255)	\$ 25,810,520	\$ 2,328,555
Special obligation bonds (note 10)	2,278,705	725,000	(209,575)	2,794,130	237,725
Unamortized premiums:					
General obligation bonds (note 9)	869,356	122,300	(173,900)	817,756	-
Special obligation bonds (note 10)	132,761	64,636	(25,760)	171,637	-
Unamortized (discounts):					
General obligation bonds (note 9)	(18,018)	(881)	1,502	(17,397)	-
Special obligation bonds (note 10)	(3)	-	1	(2)	-
Total bonds payable	<u>30,827,761</u>	<u>2,598,870</u>	<u>(3,849,987)</u>	<u>29,576,644</u>	<u>2,566,280</u>
Other long-term obligations:					
Leases (note 13)	477,502	71,129	(131,537)	417,094	89,835
Subscription-based information technology arrangements (note 13)	236,855	219,948	(172,502)	284,301	125,827
Workers compensation (note 21)	564,056	153,940	(118,353)	599,643	109,880
Auto liability (note 21)	11,165	4,502	(5,458)	10,209	6,479
Pollution remediation obligation (note 19C)	11,450	-	(1,700)	9,750	900
Rebate liability (note 19F)	3,071	1,021	(2,927)	1,165	-
Compensated absences (note 1K)	775,319	47,343 ^	-	822,662	400,618
Net pension liability (note 16)	147,639,792	1,557,433	-	149,197,225	-
OPEB liability (note 17)	20,596,549	3,441,972	-	24,038,521	958,935
Total other long-term obligations	<u>170,315,759</u>	<u>5,497,288</u>	<u>(432,477)</u>	<u>175,380,570</u>	<u>1,692,474</u>
Total Governmental Activities	\$ 201,143,520	\$ 8,096,158	\$ (4,282,464)	\$ 204,957,214	\$ 4,258,754

* Includes \$15 of interest accreted on capital appreciation debt.
^ The change in the compensated absences liability is presented as a net change.

The liabilities for governmental activities of the primary government have been liquidated in prior years as follows:

Lease obligations (including financed purchases), and subscription-based information technology arrangements – by the applicable governmental and internal service funds that accounted for the salaries and wages of the related employees or incurred the obligation.

Workers compensation – by charges from the Workers’ Compensation Revolving Fund, an internal service fund, to the applicable fund that would have paid the salaries and wages of the related employees.

Net pension liability – by the applicable funds that accounted for the salaries and wages of the related employees who are members of the General Assembly Retirement System, the Judges’ Retirement System, or the State Employees’ Retirement System. In addition, appropriations from the General Fund have been used to liquidate amounts for employees who are members of the Teachers’ Retirement System or the State Universities Retirement System.

Other postemployment benefit liability – by the applicable funds that accounted for the salaries and wages of the related employees who are members of the State’s group insurance programs. In addition, appropriations from the General Fund are used to liquidate amounts of the Teacher Retirement Insurance Program and the College Insurance Program.

Other – by the applicable governmental funds that incurred the obligation as discussed in Note 19.

Changes in long-term obligations for business-type activities for the year ended June 30, 2025, are summarized below:

Table 8-2 (amounts expressed in thousands)

	Balance July 1, 2024, as restated	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One Year
Primary Government					
Business-type Activities					
Water Revolving Fund:					
Other long-term obligations:					
Leases (note 13)	\$ -	\$ 25	\$ (8)	\$ 17	\$ 8
Compensated absences (note 1K)	1,687	469 [^]	-	2,156	824
Net pension liability (note 16)	65,805	-	(5,645)	60,160	-
OPEB liability (note 17)	21,236	42	-	21,278	1,120
Total Water Revolving Fund	<u>88,728</u>	<u>536</u>	<u>(5,653)</u>	<u>83,611</u>	<u>1,952</u>
Nonmajor Enterprise Funds:					
Bonds payable:					
Revenue bonds (note 11)	34,867	-	(17,093)	17,774	-
Unamortized (discounts) (note 11)	(4,385)	-	208	(4,177)	-
Total bonds payable	<u>30,482</u>	<u>-</u>	<u>(16,885)</u>	<u>13,597</u>	<u>-</u>
Other long-term obligations:					
Leases (note 13)	5,036	-	(888)	4,148	788
Subscription-based information technology arrangements (note 13)	919	527	(343)	1,103	277
Lottery prize awards (note 19D)	222,256	19,146	(19,447)	221,955	24,983
Tuition and related accretion payable (note 19E)	445,771	13,986	(92,705)	367,052	84,510
Compensated absences (note 1K)	4,861	15 [^]	-	4,876	871
Net pension liability (note 16)	139,984	9,082	(1,229)	147,837	-
OPEB liability (note 17)	40,078	8,002	(150)	47,930	1,865
Other obligations (note 19F)	5,581	4,053	-	9,634	334
Total other long-term obligations	<u>864,486</u>	<u>54,811</u>	<u>(114,762)</u>	<u>804,535</u>	<u>113,628</u>
Total Nonmajor Enterprise Funds	<u>894,968</u>	<u>54,811</u>	<u>(131,647)</u>	<u>818,132</u>	<u>113,628</u>
Total Business-type Activities	<u>\$ 983,696</u>	<u>\$ 55,347</u>	<u>\$ (137,300)</u>	<u>\$ 901,743</u>	<u>\$ 115,580</u>

[^] The change in the compensated absences liability is presented as a net change.

Changes in long-term obligations for fiduciary funds for the year ended June 30, 2025, are summarized below:

Table 8-3 (amounts expressed in thousands)

	Balance July 1, 2024, as restated	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One Year
Fiduciary Funds					
Leases (note 13)	\$ 1,803	\$ -	\$ (236)	\$ 1,567	\$ 177
Subscription-based information technology arrangements (note 13)	924	1,900	(1,394)	1,430	571
Compensated absences (note 1K)	5,718	2,429 [^]	-	8,147	2,871
Total Fiduciary Funds	<u>\$ 8,445</u>	<u>\$ 4,329</u>	<u>\$ (1,630)</u>	<u>\$ 11,144</u>	<u>\$ 3,619</u>

[^] The change in the compensated absences liability is presented as a net change.

Changes in long-term obligations for major component units for the year ended June 30, 2025, are summarized below:

	Balance July 1, 2024, as restated	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One Year
Major Component Units					
Illinois Housing Development Authority:					
Bonds and notes payable:					
Revenue bonds - direct placement (note 11)	\$ 252,845	\$ 52,590	\$ (135,530)	\$ 169,905	\$ 2,380
Revenue bonds - other (note 11)	3,806,400	1,307,910	(253,021)	4,861,289	143,412
Unamortized premiums - other (note 11)	64,800	29,584	(10,857)	83,527	-
Unamortized (discounts) - other (note 11)	(505)	(1,884)	134	(2,255)	-
Notes payable - direct borrowing (note 12)	43,402	465,684	(357,139)	151,947	143,828
Total bonds and notes payable	<u>4,166,942</u>	<u>1,853,884</u>	<u>(756,413)</u>	<u>5,264,413</u>	<u>289,620</u>
Other long-term obligations:					
Leases (note 13)	3,130	-	(1,254)	1,876	1,312
Subscription-based information technology arrangements (note 13)	2,531	343	(1,561)	1,313	532
Compensated absences (note 1K)	3,965	386	-	4,351	3,265
Total other long-term obligations	<u>9,626</u>	<u>729</u>	<u>(2,815)</u>	<u>7,540</u>	<u>5,109</u>
Total Illinois Housing Development Authority	<u>\$ 4,176,568</u>	<u>\$ 1,854,613</u>	<u>\$ (759,228)</u>	<u>\$ 5,271,953</u>	<u>\$ 294,729</u>
Illinois State Toll Highway Authority:					
Bonds payable:					
Revenue bonds (note 11)	\$ 7,328,515	\$ 873,710	\$ (1,155,025)	\$ 7,047,200	\$ 162,715
Unamortized premiums (note 11)	916,925	136,850	(142,839)	910,936	-
Total bonds payable	<u>8,245,440</u>	<u>1,010,560</u>	<u>(1,297,864)</u>	<u>7,958,136</u>	<u>162,715</u>
Other long-term obligations:					
Subscription-based information technology arrangements (note 13)	1,587	5,372	(2,791)	4,168	1,649
Accrued self-insurance (note 21)	17,014	27,203	(28,465)	15,752	6,753
Compensated absences (note 1K)	12,214	-	(306)	11,908	9,800
Net pension liability (note 16)	774,204	20,773	-	794,977	-
OPEB liability (note 17)	237,672	1,372	-	239,044	9,132
Total other long-term obligations	<u>1,042,691</u>	<u>54,720</u>	<u>(31,562)</u>	<u>1,065,849</u>	<u>27,334</u>
Total Illinois State Toll Highway Authority	<u>\$ 9,288,131</u>	<u>\$ 1,065,280</u>	<u>\$ (1,329,426)</u>	<u>\$ 9,023,985</u>	<u>\$ 190,049</u>
Illinois State University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 56,035	\$ -	\$ (3,975)	\$ 52,060	\$ 4,090
Revenue bonds - other (note 11)	61,555	-	(5,860)	55,695	6,155
Unamortized premiums - other (note 11)	3,589	-	(580)	3,009	-
Total bonds payable	<u>121,179</u>	<u>-</u>	<u>(10,415)</u>	<u>110,764</u>	<u>10,245</u>
Other long-term obligations:					
Certificates of participation - direct placement (note 19A)	34,630	-	(5,210)	29,420	5,320
Certificates of participation - other (note 19A)	14,635	76,030	(14,635)	76,030	1,110
Unamortized premiums (note 19A)	-	3,531	-	3,531	-
Unamortized (discounts) (note 19A)	(51)	-	51	-	-
Leases (note 13)	9,340	589	(1,730)	8,199	1,526
Subscription-based information technology arrangements (note 13)	5,981	7,410	(5,394)	7,997	4,607
Financed purchases (note 19B)	1,845	-	(134)	1,711	1,711
Compensated absences (note 1K)	17,821	297	-	18,118	1,844
OPEB liability (note 17)	11,247	2,069	-	13,316	475
Other obligations (note 19F)	831	55	(213)	673	213
Total other long-term obligations	<u>96,279</u>	<u>89,981</u>	<u>(27,265)</u>	<u>158,995</u>	<u>16,806</u>
Total Illinois State University	<u>\$ 217,458</u>	<u>\$ 89,981</u>	<u>\$ (37,680)</u>	<u>\$ 269,759</u>	<u>\$ 27,051</u>

^ The change in the compensated absences liability is presented as a net change.

Table 8-4 (continued)
(amounts expressed in thousands)

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One Year
Major Component Units, continued					
Northern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 29,450	\$ -	\$ (1,353)	\$ 28,097	\$ 1,394
Revenue bonds - other (note 11)	216,510	-	(4,610)	211,900	8,200
Unamortized premiums - other (note 11)	28,911	-	(3,467)	25,444	-
Total bonds payable	<u>274,871</u>	<u>-</u>	<u>(9,430)</u>	<u>265,441</u>	<u>9,594</u>
Other long-term obligations:					
Certificates of participation (note 19A)	1,520	58,605	(1,455)	58,670	65
Unamortized premiums (note 19A)	190	2,494	(178)	2,506	-
Leases (note 13)	2,966	-	(963)	2,003	745
Subscription-based information technology arrangements (note 13)	2,393	1,176	(1,425)	2,144	996
Financed purchases (note 19B)	829	-	(258)	571	253
Compensated absences (note 1K)	20,912	1,581 [^]	-	22,493	1,723
OPEB liability (note 17)	24,766	2,594	-	27,360	1,166
Other obligations (note 19F)	12,516	-	(3,443)	9,073	3,554
Total other long-term obligations	<u>66,092</u>	<u>66,450</u>	<u>(7,722)</u>	<u>124,820</u>	<u>8,502</u>
Total Northern Illinois University	<u>\$ 340,963</u>	<u>\$ 66,450</u>	<u>\$ (17,152)</u>	<u>\$ 390,261</u>	<u>\$ 18,096</u>
Southern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 6,125	\$ -	\$ (1,150)	\$ 4,975	\$ 1,040
Revenue bonds - other (note 11)	119,381	1,389	(15,400)	105,370	14,744 ^{^^}
Unamortized premiums - other (note 11)	10,581	-	(769)	9,812	-
Total bonds payable	<u>136,087</u>	<u>1,389</u>	<u>(17,319)</u>	<u>120,157</u>	<u>15,784</u>
Other long-term obligations:					
Certificates of participation - direct placement (note 19A)	14,795	-	(2,025)	12,770	495
Certificates of participation - other (note 19A)	6,765	43,270	(5,185)	44,850	3,010
Unamortized premiums - other (note 19A)	172	1,709	(145)	1,736	-
Leases (note 13)	58,538	16,820	(18,740)	56,618	10,320
Subscription-based information technology arrangements (note 13)	8,165	9,053	(6,999)	10,219	5,164
Financed purchases (note 19B)	1,264	732	(834)	1,162	491
Accrued self-insurance (note 21)	26,345	5,816	(1,900)	30,261	1,876
Compensated absences (note 1K)	48,239	2,415 [^]	-	50,654	4,098
OPEB liability (note 17)	77,312	7,253	-	84,565	3,328
Other obligations (note 19F)	1,213	322	(394)	1,141	164
Total other long-term obligations	<u>242,808</u>	<u>87,390</u>	<u>(36,222)</u>	<u>293,976</u>	<u>28,946</u>
Total Southern Illinois University	<u>\$ 378,895</u>	<u>\$ 88,779</u>	<u>\$ (53,541)</u>	<u>\$ 414,133</u>	<u>\$ 44,730</u>
University of Illinois:					
Bonds and notes payable:					
Revenue bonds (note 11)	\$ 1,003,153	\$ 83,124	\$ (126,415)	\$ 959,862	\$ 47,775 ^{^^}
Unamortized premiums (note 11)	69,138	11,015	(12,647)	67,506	-
Notes payable - direct borrowing (note 12)	-	11,500	-	11,500	575
Total bonds and notes payable	<u>1,072,291</u>	<u>105,639</u>	<u>(139,062)</u>	<u>1,038,868</u>	<u>48,350</u>
Other long-term obligations:					
Certificates of participation (note 19A)	30,605	-	(9,255)	21,350	9,700
Unamortized premiums (note 19A)	1,003	-	(485)	518	-
Leases (note 13)	68,628	21,509	(20,762)	69,375	16,495
Subscription-based information technology arrangements (note 13)	52,296	51,876	(36,803)	67,369	26,527
Financed purchases (note 19B)	263,382	3,108	(5,335)	261,155	5,015
Accrued self-insurance (note 21)	289,126	117,382	(92,961)	313,547	53,712
Compensated absences (note 1K)	276,750	14,512 [^]	-	291,262	24,001
OPEB liability (note 17)	637,410	-	(44,225)	593,185	24,307
Other obligations (note 19F)	71,924	6,917	(10,250)	68,591	9,112
Total other long-term obligations	<u>1,691,124</u>	<u>215,304</u>	<u>(220,076)</u>	<u>1,686,352</u>	<u>168,869</u>
Total University of Illinois	<u>\$ 2,763,415</u>	<u>\$ 320,943</u>	<u>\$ (359,138)</u>	<u>\$ 2,725,220</u>	<u>\$ 217,219</u>

[^] The change in the compensated absences liability is presented as a net change.^{^^} \$241 of interest will be accreted on capital appreciation debt in the next year.^{^^^} \$645 of interest will be accreted on capital appreciation debt in the next year.

9 GENERAL OBLIGATION BONDS

General obligation bonds outstanding and bonds authorized but unissued at June 30, 2025, are as follows:

Table 9-1 (amounts expressed in thousands)

Governmental Activities										
		Original Issue Amount	Final Maturity	Interest Rate Ranges		Anti-Pollution	Capital Development	Coal Development	Income Tax Proceeds	Pension
Multiple Purpose Series:										
November	2001	\$ 375,000	11/1/2026	6.0%		\$ 693	\$ 8,265	\$ -	\$ -	\$ -
June	2003	10,000,000	6/1/2033	5.1%		-	-	-	-	6,675,000
January	2006	325,000	1/1/2031	5.5%		-	18,880	480	-	-
B.A.B. [^]	2010-1	1,000,000	2/1/2035	6.63%		-	149,080	-	-	-
B.A.B. [^]	2010-2	300,000	3/1/2035	6.75%	to 6.9%	-	-	-	-	-
March	2010	56,000	3/1/2035	6.75%	to 6.9%	-	-	-	-	-
B.A.B. [^]	2010-3	700,000	4/1/2035	6.725%		-	-	-	-	-
B.A.B. [^]	2010-4	300,000	7/1/2035	6.875%	to 7.1%	4,180	-	-	-	-
B.A.B. [^]	2010-5	900,000	7/1/2035	7.35%		12,540	-	-	-	-
B-January	2012	275,000	1/1/2037	5.35%	to 5.75%	24,000	2,022	9,593	-	-
B-April	2013	350,000	4/1/2038	4.76%	to 5.52%	-	14,372	-	-	-
December	2013	350,000	12/1/2038	5.65%	to -	-	53,820	-	-	-
January	2016	480,000	1/1/2041	3.75%	to 5.0%	-	51,200	-	-	-
June	2016	550,000	6/1/2041	3.5%	to 5.0%	5,073	14,127	-	-	-
October	2016	1,303,145	2/1/2032	4.0%		-	-	-	-	-
November	2016	480,000	11/1/2041	4.125%	to 5.0%	-	60,731	-	-	-
C-November	2017	500,000	11/1/2029	5.0%		-	-	-	500,000	-
D-November	2017	4,500,000	11/1/2028	3.25%	to 5.0%	-	-	-	2,000,000	-
A-December	2017	655,000	12/1/2042	4.0%	to 5.25%	-	127,719	-	-	-
B-December	2017	95,000	12/1/2027	5.0%		-	28,500	-	-	-
A-May	2018	450,000	5/1/2043	4.625%	to 6.0%	-	144,000	-	-	-
B-May	2018	50,000	5/1/2028	5.0%		-	15,000	-	-	-
A-September	2018	641,160	10/1/2033	5.0%		-	-	-	-	-
B-September	2018	324,610	10/1/2033	5.0%		-	-	-	-	-
A-April	2019	300,000	4/1/2044	4.75%	to 6.0%	-	-	-	-	-
B-April	2019	140,280	9/1/2028	5.0%	to 5.125%	-	-	-	-	-
A-November	2019	300,000	11/1/2029	5.0%		-	20,056	-	-	-
B-November	2019	300,000	11/1/2039	4.0%	to 5.0%	-	40,113	-	-	-
C-November	2019	150,000	11/1/2044	4.0%		-	20,056	-	-	-
May	2020	225,000	5/1/2045	5.5%	to 5.75%	-	140,000	-	-	-
A-October	2020	125,000	10/1/2025	3.24%		3,000	-	-	-	-
B-October	2020	325,000	10/1/2035	4.0%	to 5.0%	-	130,000	-	-	-
C-October	2020	300,000	10/1/2045	4.0%	to 4.25%	-	120,000	-	-	-
D-October	2020	100,000	10/1/2025	5.0%		-	20,000	-	-	-
A-March	2021	850,000	3/1/2046	4.0%	to 5.0%	-	220,939	-	-	-
B-March	2021	150,000	3/1/2027	5.0%		-	50,000	-	-	-
C-March	2021	257,960	3/1/2031	4.0%		-	-	-	-	-
A-December	2021	200,000	12/1/2031	5.0%		-	-	-	-	-
B-December	2021	200,000	12/1/2041	3.0%	to 5.0%	-	-	-	-	-
A-June	2022	925,000	3/1/2047	5.0%	to 5.5%	-	206,829	-	-	-
B-June	2022	713,375	3/1/2036	5.0%		-	-	-	-	-
A-October	2022	175,000	10/1/2029	5.5%	to 6.0%	17,720	-	-	-	-
B-October	2022	245,000	10/1/2037	5.0%	to 5.25%	-	140,000	-	-	-
C-October	2022	280,000	10/1/2047	5.0%	to 5.5%	-	160,000	-	-	-
A-May	2023	200,000	5/1/2028	5.111%	to 5.213%	-	-	-	-	-
B-May	2023	1,000,000	5/1/2048	4.5%	to 5.5%	-	650,000	-	-	-
C-May	2023	150,000	5/1/2033	5.0%		-	120,000	-	-	-
D-May	2023	1,161,210	7/1/2037	4.0%	to 5.0%	-	-	-	-	-
A-December	2023	175,000	12/1/2028	5.25%	to 5.65%	-	-	-	-	-
B-December	2023	350,000	12/1/2038	5.0%		-	125,000	-	-	-
C-December	2023	350,000	12/1/2048	5.0%		-	125,000	-	-	-
A-May	2024	250,000	5/1/2034	5.167%	to 5.355%	36,667	33,333	-	-	-
B-May	2024	1,550,000	5/1/2049	4.25%	to 5.25%	-	805,065	-	-	-
A-October	2024	150,000	10/1/2034	4.06%	to 4.64%	15,000	-	-	-	-
B-October	2024	150,000	10/1/2036	5.0%	to 5.25%	-	41,667	-	-	-
C-October	2024	300,000	10/1/2048	4.0%		-	83,333	-	-	-
D-October	2024	1,087,800	2/1/2039	5.0%		-	-	-	-	-
Total		\$ 38,095,540				\$ 118,873	\$ 3,939,107	\$ 10,073	\$ 2,500,000	\$ 6,675,000
Authorized but Unissued						\$ 120,757	\$ 8,791,470	\$ 59,241	\$ 1,200,000	\$ 396,348
[^] Bonds issued under the American Recovery and Reinvestment Act of 2009 commonly referred to as "Build America Bonds." (B.A.B.)										

Table 9-1 (amounts expressed in thousands)
(continued)

Pension Acceleration	School Construction	Transportation "A"	Transportation "B"	Transportation "D"	Multi-Modal Transportation	Refunding	Principal Outstanding June 30, 2025	Amount Related to Capital Assets
\$ -	\$ 10,449	\$ 4,160	\$ 2,434	\$ -	\$ -	\$ -	\$ 26,001	\$ 8,359
-	-	-	-	-	-	-	6,675,000	-
-	15,840	9,760	7,040	-	-	-	52,000	16,842
-	-	132,200	60,000	58,720	-	-	400,000	213,414
-	70,000	-	-	50,000	-	-	120,000	40,940
-	22,400	-	-	-	-	-	22,400	-
-	25,600	134,400	22,000	98,000	-	-	280,000	214,642
-	-	71,390	26,375	30,055	-	-	132,000	95,999
-	-	126,170	79,126	178,164	-	-	396,000	272,051
-	96,000	-	386	-	-	-	132,001	-
-	20,905	50,655	77,739	18,330	-	-	182,001	70,852
-	47,834	16,240	35,928	42,177	-	-	195,999	73,714
-	-	-	112,640	143,360	-	-	307,200	165,503
-	44,800	6,400	166,400	115,200	-	-	352,000	131,471
-	-	-	-	-	-	610,820	610,820	251,847
-	14,069	-	54,400	197,200	-	-	326,400	225,509
-	-	-	-	-	-	-	500,000	-
-	-	-	-	-	-	-	2,000,000	-
-	-	1,375	103,164	239,342	-	-	471,600	300,423
-	-	-	-	-	-	-	28,500	28,500
-	-	-	180,000	-	-	-	324,000	104,090
-	-	-	-	-	-	-	15,000	15,000
-	-	-	-	-	-	346,735	346,735	149,857
-	-	-	-	-	-	211,230	211,230	123,263
228,000	-	-	-	-	-	-	228,000	-
-	-	-	-	-	-	71,281	71,281	43,000
-	-	66,909	5,730	19,101	38,203	-	149,999	130,158
-	-	133,817	11,461	38,203	76,406	-	300,000	257,085
-	-	66,909	5,730	19,101	38,203	-	149,999	131,969
180,000	-	242,172	40,000	37,828	-	-	640,000	371,267
2,000	-	-	-	-	-	-	5,000	-
39,000	-	135,200	20,800	-	-	-	325,000	248,937
36,000	-	96,000	19,200	28,800	-	-	300,000	207,344
-	-	-	-	-	-	-	20,000	20,000
73,061	-	272,856	21,144	-	126,000	-	714,000	515,579
-	-	-	-	-	-	-	50,000	50,000
-	-	-	-	-	-	27,805	27,805	17,824
51,695	-	88,305	-	-	-	-	140,000	88,305
73,805	-	126,195	-	-	-	-	200,000	126,195
110,000	13,171	286,000	44,000	-	154,000	-	814,000	533,314
-	-	-	-	-	-	465,354	465,354	225,821
101,280	-	-	-	-	-	-	119,000	-
-	-	35,000	-	-	70,000	-	245,000	195,798
-	-	40,000	-	-	80,000	-	280,000	239,967
104,000	-	-	-	-	-	-	104,000	-
-	-	150,000	50,000	-	150,000	-	1,000,000	712,121
-	-	-	-	-	-	-	120,000	87,360
-	-	-	-	-	-	1,073,210	1,073,210	458,760
140,000	-	-	-	-	-	-	140,000	-
-	-	100,000	-	12,500	112,500	-	350,000	249,446
-	-	100,000	-	12,500	112,500	-	350,000	184,487
145,000	-	-	-	-	-	-	215,000	-
-	7,472	303,534	-	-	396,929	-	1,513,000	1,089,448
135,000	-	-	-	-	-	-	150,000	-
-	-	66,667	25,000	-	16,666	-	150,000	66,667
-	-	133,333	50,000	-	33,334	-	300,000	31,842
-	-	-	-	-	-	993,985	993,985	401,078
\$ 1,418,841	\$ 388,540	\$ 2,995,647	\$ 1,220,697	\$ 1,338,581	\$ 1,404,741	\$ 3,800,420	\$ 25,810,520	\$ 9,186,048
\$ 186,437	\$ 479,056	\$ 3,957,517	\$ 1,298,051	\$ 325,226	\$ 3,002,350	\$ 1,038,605		
							Unamortized premiums 817,756	457,595
							Unamortized discounts (17,397)	(10,376)
							Total	\$ 26,610,879
								\$ 9,633,267

General obligation bonds have been authorized and issued primarily to provide funds for acquisition and construction of capital facilities for higher education, public and mental health, correction, and conservation purposes and for maintenance and construction of highway and waterway facilities. Bonds have been issued to provide assistance to municipalities for construction of sewage treatment facilities, port districts, aquarium facilities, local schools, mass transportation, and aviation purposes, and to fund research and development of coal as an energy source. Bonds have been issued for the purpose of making contributions to the following designated retirement systems: State Employees' Retirement System of Illinois; Teachers' Retirement System of the State of Illinois; State Universities Retirement System; Judges' Retirement System of Illinois; and General Assembly Retirement System. In addition, bonds have been authorized to refund any general obligation bonds outstanding.

The State Constitution provides that the State may issue general obligation bonds for specific purposes in such amounts as provided either by the General Assembly with a three-fifths vote of each house or by a majority of voters in a general election. The enabling acts pursuant to which the bonds are issued provide that all bonds issued thereunder shall be direct obligations of the State of Illinois and pledge the full faith and credit of the State. Effective July 30, 2004, general obligation bonds are to be redeemed over a period not to exceed 25 years from available resources in the debt service funds. Previously, bonds had been issued which mature in varying amounts over periods not exceeding 30 years. Bond offerings generally provide a call option for the State. Calls can begin 10 years following the date of issuance, in whole or in part, in such order as the State shall determine and at a redemption price not to exceed par value.

Bond issues 2010-1, 2010-2, 2010-3, 2010-4, and 2010-5 were issued as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 signed into law on February 17, 2009 (ARRA). The State has authorized the issuance of Build America Bonds pursuant to Public Act 96-828. Pursuant to the ARRA, the State expects to receive a cash subsidy payment from the United States Treasury on or about each interest payment date ("Subsidy Payments"). The Subsidy Payments do not constitute the full faith and credit guarantee of the United States Government but are required to be paid by the United States Treasury under the ARRA. Any cash subsidy payments received by the State will be deposited into the State Treasury. Such payments are not pledged to secure repayment of the Build America Bonds. The holders of the Build America Bonds are not entitled to a tax credit as a result of the ownership of the bonds.

Changes in general obligation bonds during the year ended June 30, 2025, are summarized in Note 8. Future general obligation debt service requirements at June 30, 2025, are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2026	\$ 2,328,555	\$ 1,290,959	\$ 3,619,514
2027	2,267,840	1,172,311	3,440,151
2028	2,323,380	1,054,483	3,377,863
2029	2,379,485	934,069	3,313,554
2030	2,424,550	812,599	3,237,149
2031-2035	7,778,330	2,539,680	10,318,010
2036-2040	3,259,180	1,162,828	4,422,008
2041-2045	2,155,200	507,528	2,662,728
2046-2049	894,000	88,572	982,572
	25,810,520	\$ 9,563,029	\$ 35,373,549
Unamortized premiums	817,756		
Unamortized (discounts)	(17,397)		
Total	\$ 26,610,879		

10 SPECIAL OBLIGATION BONDS

Special obligation bonds have been authorized and issued to provide funds for the Build Illinois Program and to refund any bonds previously issued under this program. The Build Illinois Program was implemented to expand the State’s efforts in economic development by providing financing in certain areas. These areas include construction, reconstruction, modernization, and extension of the State’s infrastructure; development and improvement of educational, scientific, technical, and vocational programs and facilities; expansion of health and human services in the State; protection, preservation, restoration, and conservation of the State’s environmental and natural resources; and provision of incentives for the location and expansion of businesses in Illinois resulting in increased employment.

The State has pledged the following portions of the State’s tax revenues, net of related expenses, to annually repay the debt service requirements of the remaining principal and interest at June 30, 2025, of \$3.9 billion in special obligation bonds related to the Build Illinois Program:

Table 10-1 (amounts expressed in thousands)

	Annual Revenue Amount	Total Revenue for Source
4.44% of general sales tax revenues plus \$37.8 million transfers from the State and Local Sales Tax Reform Fund	\$ 735,599	\$ 16,288,826
Principal and interest requirements	\$ 308,038	
Percentage to principal and interest requirements	<u>239%</u>	

The annual revenue amounts are generally consistent year to year with increases or decreases related to economic conditions in the State. Additional issuances of bonds for the Build Illinois Program cannot be undertaken if the debt service exceeds 5% of the State’s total sales tax revenues.

Effective July 30, 2004, special obligation bonds are to be redeemed over a period not to exceed 25 years. Previously, bonds had been issued which mature in varying amounts over periods not exceeding 30 years. Additionally, these bonds have call provisions providing for early redemption at the option of the State, beginning 10 years following the date of issuance, in whole or in part, in such order as the State shall determine and within any maturity by lot at varying premiums which decrease periodically.

Special obligation bonds outstanding and bonds authorized but unissued for governmental activities at June 30, 2025, are as follows:

Table 10-2 (amounts expressed in thousands)

	Original Issue Amount	Final Maturity	Interest Rate Ranges	Build Illinois		
				Public Infrastructure	Business Development	Education
Series of April 2002	\$ 150,000	6/15/2027	6.0%	\$ 17,734	\$ 2,800	\$ 6,533
Series of May 2012	425,040	6/15/2036	3.481% to 4.08%	33,330	40,341	99,468
Series of May 2013	300,000	6/15/2037	3.15% to 3.88%	50,000	25,000	70,000
Series of June 2013	604,110	6/15/2026	5.0%	-	-	-
Series of March 2014	402,000	6/15/2038	4.62%	68,792	27,084	113,750
Series of September 2016-A	150,025	6/15/2034	3.0% to 5.0%	43,677	11,912	13,063
Series of September 2016-B	60,010	6/15/2034	2.62% to 3.17%	15,106	6,353	10,311
Series of September 2016-C	152,000	6/15/2032	4.0%	-	-	-
Series of September 2016-D	186,755	6/15/2034	3.0% to 5.0%	-	-	-
Series of October 2018-A	115,000	6/15/2043	4.0% to 5.0%	78,220	352	-
Series of October 2018-B	125,000	6/15/2043	4.75% to 5.0%	2,676	85,893	-
Series of October 2018-C	10,000	6/15/2028	4.0% to 4.125%	32	2,968	-
Series of September 2021-A	130,000	6/15/2034	3.0% to 4.0%	10,384	65,770	3,462
Series of September 2021-B	220,000	6/15/2041	1.453% to 3.259%	23,999	152,001	-
Series of September 2021-C	142,745	6/15/2033	4.0% to 5.0%	-	-	-
Series of February 2024-A	300,000	6/15/2034	5.0%	45,001	89,999	135,000
Series of February 2024-B	150,000	6/15/2039	5.0%	25,000	50,000	75,000
Series of February 2024-C	150,000	6/15/2044	5.0%	25,000	50,000	75,000
Series of March 2025-A	276,000	6/15/2035	5.0%	27,724	135,797	110,683
Series of March 2025-B	218,000	6/15/2040	5.0%	23,091	113,101	80,313
Series of March 2025-C	231,000	6/15/2045	5.0%	30,286	148,352	50,401
Total	\$ 4,497,685			\$ 520,052	\$ 1,007,723	\$ 842,984
Authorized but Unissued				\$ 1,472,328	\$ 2,019,242	\$ 334,822

Table 10-2 (amounts expressed in thousands)
(continued)

<u>Environment</u>	<u>Refunding</u>	<u>Principal Outstanding June 30, 2025</u>	<u>Amount Related to Capital Assets</u>
\$ 933	\$ -	\$ 28,000	\$ 1,678
21,671	-	194,810	185
5,000	-	150,000	696
-	46,470	46,470	9,521
8,124	-	217,750	-
10,773	-	79,425	3,351
-	-	31,770	9
-	92,820	92,820	15,056
-	123,545	123,545	507
4,228	-	82,800	1,607
1,431	-	90,000	-
-	-	3,000	4
10,384	-	90,000	245
-	-	176,000	4
-	92,740	92,740	213
-	-	270,000	222
-	-	150,000	155
-	-	150,000	56
1,796	-	276,000	168
1,495	-	218,000	-
1,961	-	231,000	-
<u>\$ 67,796</u>	<u>\$ 355,575</u>	<u>\$ 2,794,130</u>	<u>\$ 33,677</u>
<u>\$ 56,548</u>	<u>Unlimited</u>		
	Unamortized premiums	171,637	1,363
	Unamortized (discounts)	(2)	-
		<u>\$ 2,965,765</u>	<u>\$ 35,040</u>

Changes in special obligation bonds during the year ended June 30, 2025, are summarized in Note 8. Future special obligation debt service requirements at June 30, 2025, are as follows:

Table 10-3 (amounts expressed in thousands)

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2026	\$ 237,725	\$ 133,249	\$ 370,974
2027	217,120	114,645	331,765
2028	204,620	104,954	309,574
2029	196,620	95,916	292,536
2030	186,515	87,237	273,752
2031-2035	796,770	324,716	1,121,486
2036-2040	563,960	171,806	735,766
2041-2045	390,800	54,701	445,501
	<u>\$ 2,794,130</u>	<u>\$ 1,087,224</u>	<u>\$ 3,881,354</u>
Unamortized premiums	171,637		
Unamortized (discounts)	(2)		
Total	<u>\$ 2,965,765</u>		

11 REVENUE BONDS

The State Constitution empowers certain State agencies and authorities to issue bonds that are not supported by the full faith and credit of the State. The bond indentures include a pledge from these agencies and authorities that income derived from acquired or constructed assets be used to retire the debt and service related interest. Bonds outstanding at June 30, 2025 (except for the Illinois State Toll Highway Authority, which is as of December 31, 2024), net of unamortized discounts, unamortized deferred amount on bond refunding, and unamortized bond premiums are as follows:

Table 11-1 (amounts expressed in thousands)

Fund Type/Agency	Amount Outstanding	Outstanding Interest Rates	Annual Maturity To
Primary Government			
Business-type Activities			
Nonmajor enterprise fund:			
Illinois Designated Account Purchase Program	\$ 13,597	5.525%	2046
Major Component Units			
Illinois Housing Development Authority			
Direct placement	169,905	1.0% to 5.05%	2067
Other debt	4,942,561	0.5% to 6.558%	2069
Total	5,112,466		
Illinois State Toll Highway Authority	7,958,136	3.0% to 6.184%	2046
Illinois State University			
Direct placement	52,060	1.47% to 3.62%	2050
Other debt	58,704	3.25% to 5.0%	2039
Total	110,764		
Northern Illinois University			
Direct placement	28,097	4.746%	2041
Other debt	237,344	4.0% to 5.0%	2044
Total	265,441		
Southern Illinois University			
Direct placement	4,975	2.85% to 4.35%	2030
Other debt	115,182	3.75% to 5.559%	2042
Total	120,157		
University of Illinois	1,027,368	2.125% to 6.33%	2051

Changes in revenue bonds during the year ended June 30, 2025, are summarized in Note 8. Revenue bond debt service requirements, principal and interest, as of June 30, 2025, are as follows:

Table 11-2 (amounts expressed in thousands)

Year Ending June 30	Business-Type Activities	
	Illinois Designated	
	Account Purchase Program	
	Principal	Interest
2026	\$ -	\$ 982
2027	-	982
2028	-	982
2029	-	982
2030	-	982
2031-2035	-	4,910
2036-2040	-	4,910
2041-2046	17,774	3,995
	17,774	\$ 18,725
Unamortized premiums	-	
Unamortized (discounts)	(4,177)	
Total	\$ 13,597	

Table 11-3 (amounts expressed in thousands)

Year Ending June 30	Illinois Housing Development Authority Direct Placement		Illinois Housing Development Authority Other		Illinois Housing Development Authority Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2026	\$ 2,380	\$ 5,858	\$ 143,412	\$ 215,772	\$ 145,792
2027	10,580	6,630	116,984	212,210	127,564	218,840
2028	2,865	5,445	109,594	208,504	112,459	213,949
2029	2,970	5,361	135,502	204,562	138,472	209,923
2030	3,105	5,273	117,371	199,570	120,476	204,843
2031-2035	17,200	24,861	644,426	926,315	661,626	951,176
2036-2040	20,775	21,878	706,732	789,422	727,507	811,300
2041-2045	40,165	16,332	937,583	611,152	977,748	627,484
2046-2050	14,550	12,138	1,008,862	397,359	1,023,412	409,497
2051-2055	15,615	9,427	854,335	128,687	869,950	138,114
2056-2060	20,460	5,925	46,773	9,753	67,233	15,678
2061-2065	15,285	2,582	36,105	3,397	51,390	5,979
2066-2069	3,955	248	3,610	204	7,565	452
	169,905	\$ 121,958	4,861,289	\$ 3,906,907	5,031,194	\$ 4,028,865
Unamortized premiums	-	-	83,527	-	83,527	-
Unamortized (discounts)	-	-	(2,255)	-	(2,255)	-
Total	<u>\$ 169,905</u>	<u>\$ 121,958</u>	<u>\$ 4,942,561</u>	<u>\$ 3,906,907</u>	<u>\$ 5,112,466</u>	<u>\$ 4,028,865</u>

Table 11-4 (amounts expressed in thousands)

Year Ending June 30	Illinois State Toll Highway Authority	
	Principal	Interest
2026	\$ 162,715	\$ 351,459
2027	180,230	342,886
2028	208,560	333,166
2029	236,445	322,041
2030	248,565	309,915
2031-2035	1,748,720	1,331,653
2036-2040	1,640,065	881,246
2041-2045	2,148,600	369,486
2045-2046	473,300	16,806
	7,047,200	\$ 4,258,658
Unamortized premiums	910,936	-
Total	<u>\$ 7,958,136</u>	<u>\$ 4,258,658</u>

Table 11-5 (amounts expressed in thousands)

Year Ending June 30	Illinois State University Direct Placement		Illinois State University Other		Illinois State University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2026	\$ 4,090	\$ 1,130	\$ 6,155	\$ 2,675	\$ 10,245
2027	4,200	1,017	6,460	2,368	10,660	3,385
2028	4,315	899	6,755	2,078	11,070	2,977
2029	3,720	779	4,390	1,800	8,110	2,579
2030	3,820	677	3,650	1,597	7,470	2,274
2031-2035	11,520	2,040	16,970	5,158	28,490	7,198
2036-2040	6,310	1,316	11,315	1,449	17,625	2,765
2041-2045	6,785	839	-	-	6,785	839
2046-2050	7,300	325	-	-	7,300	325
	52,060	\$ 9,022	55,695	\$ 17,125	107,755	\$ 26,147
Unamortized premiums	-	-	3,009	-	3,009	-
Total	<u>\$ 52,060</u>	<u>\$ 9,022</u>	<u>\$ 58,704</u>	<u>\$ 17,125</u>	<u>\$ 110,764</u>	<u>\$ 26,147</u>

Table 11-6 (amounts expressed in thousands)

Major Component Units							
Year Ending June 30	Northern Illinois University		Northern Illinois University		Northern Illinois University		
	Direct Placement		Other		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 1,394	\$ 1,317	\$ 8,200	\$ 9,201	\$ 9,594	\$ 10,518	
2027	1,436	1,250	8,615	8,787	10,051	10,037	
2028	1,479	1,182	9,050	8,351	10,529	9,533	
2029	1,523	1,111	9,510	7,894	11,033	9,005	
2030	1,569	1,038	9,995	7,413	11,564	8,451	
2031-2035	8,579	4,019	57,840	29,193	66,419	33,212	
2036-2040	9,945	1,841	71,400	15,672	81,345	17,513	
2041-2044	2,172	77	37,290	2,658	39,462	2,735	
	28,097	\$ 11,835	211,900	\$ 89,169	239,997	\$ 101,004	
Unamortized premiums	-	-	25,444	-	25,444	-	
Total	\$ 28,097		\$ 237,344		\$ 265,441		

Table 11-7 (amounts expressed in thousands)

Major Component Units							
Year Ending June 30	Southern Illinois University		Southern Illinois University		Southern Illinois University		
	Direct Placement		Other		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 1,040	\$ 176	\$ 14,985	\$ 3,777	\$ 16,025	\$ 3,953	
2027	1,080	138	14,480	3,371	15,560	3,509	
2028	1,125	99	15,350	2,998	16,475	3,097	
2029	1,160	58	15,455	2,582	16,615	2,640	
2030	570	17	9,790	2,146	10,360	2,163	
2031-2035	-	-	27,355	6,053	27,355	6,053	
2036-2040	-	-	9,480	1,566	9,480	1,566	
2041-2042	-	-	1,260	-	1,260	-	
	4,975	\$ 488	108,155	\$ 22,493	113,130	\$ 22,981	
Less: Unaccreted appreciation	-	-	(2,785)	-	(2,785)	-	
	4,975	-	105,370	-	110,345	-	
Unamortized premiums	-	-	9,812	-	9,812	-	
Total	\$ 4,975		\$ 115,182		\$ 120,157		

Table 11-8 (amounts expressed in thousands)

Major Component Units			
Year Ending June 30	University of Illinois		
	Principal	Interest	
2026	\$ 48,420	\$ 43,343	
2027	51,330	41,060	
2028	57,095	38,557	
2029	60,600	35,837	
2030	63,510	33,137	
2031-2035	283,720	124,284	
2036-2040	181,790	70,034	
2041-2045	165,670	29,413	
2046-2050	45,300	4,974	
2051	4,410	549	
	961,845	\$ 421,188	
Less: Unaccreted appreciation	(1,983)		
	959,862		
Unamortized premiums	67,506		
Total	\$ 1,027,368		

PRIMARY GOVERNMENT**ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM (IDAPP)**

The majority of IDAPP's \$17.774 million of outstanding revenue bonds at June 30, 2025, are variable rate bonds that have their interest rates reset quarterly. The actual interest rates for these LIBOR Floating Rate Notes were used in calculating the future interest payments. IDAPP issued bonds and notes to provide funds for student loan originations and purchases. IDAPP pledges the income derived from its assets to pay debt service. Annual principal and interest payments on the bonds are expected to require approximately 98 percent of the related student loan collections. Principal and interest paid for the current year were \$17.093 million and \$1.671 million, respectively. Total related student loan principal and interest received were \$9.794 million and \$1.538 million, respectively.

MAJOR COMPONENT UNITS**ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)**

Included within the IHDA's outstanding revenue bonds are \$7.615 million of Homeowner Mortgage Revenue Bonds Series 2004C3 and \$65.965 million of Housing Bonds Series 2008A, 2008B, 2008C, 2015A3, and 2017A2, which are variable rate demand bonds with maturity dates ranging from January 1, 2027, through July 1, 2048. Interest rates on these bonds are determined weekly at a rate established by the remarketing agent on each rate determination date. Interest rates on these bonds are based on a floating rate determined on a monthly basis and paid either monthly or semi-annually. On the variable rate demand bonds, IHDA has agreements with liquidity providers to purchase any bonds tendered for purchase in accordance with the indentures. For additional security, IHDA utilizes risk management agreements to hedge against interest rate risks. As of June 30, 2025, IHDA has active swap and interest rate cap contracts (see Note 14—Derivative Instruments).

For bonds payable, certain bonds, including specific series of Homeowner Mortgage Revenue Bonds, Multi-Family Initiative Bonds, and Multifamily Revenue Bonds, are payable from pledged property as defined in their general resolutions. Certain other bonds are payable from pledged mortgage-backed securities. IHDA has pledged future mortgage loan and mortgage-backed security revenues, net of specified operating expenses, to repay outstanding principal. IHDA has also pledged its general obligation bonds to the repayment of the Affordable Housing Program Trust Fund Bond to a limited extent and amount.

NORTHERN ILLINOIS UNIVERSITY (NIU)

The NIU issued the Series 2020A variable rate bond in the amount of \$30 million on April 1, 2020. This bond has a final maturity of April 1, 2041. The interest rate on the bond is determined by the Bank Index Rate. The Bank Index Rate is equal to the sum of (a) the applicable factor times the one-month LIBOR rate plus (b) the applicable margin, but in no event in excess of the maximum rate of interest permitted by law. The interest rate in effect at June 30, 2025, was 4.746%.

The Series 2020A and Series 2020B issued in April 2020 refunded the remaining outstanding balance of the Auxiliary Facilities Systems Revenue Bonds, Series 2010 and Series 2011. They are payable from and secured by net revenues of the System and pledged fees. The Series 2020A, Series 2020B, and Series 2021 bonds are further secured by a pledge of and lien on pledged

tuition, which equaled \$121.930 million as of June 30, 2025. The Series 2020A bonds contain a provision that in the event of a default, the bonds shall bear interest at a floating rate equal to the default rate so long as the event of default has not been cured. All bond series are also secured by non-cancelable policies of municipal bond insurance.

DERIVATIVE INSTRUMENTS

IHDA has entered into various interest rate swap agreements. Details of these agreements are discussed in Note 14—Derivative Instruments.

BUILD AMERICA BONDS

The THA, NIU, and Southern Illinois University (SIU) have issued Build America Bonds under the American Recovery and Reinvestment Act of 2009 (ARRA). Pursuant to the ARRA, THA, NIU, and SIU expect to receive cash subsidy payments from the United States Treasury on or about each interest payment date (“Subsidy Payments”). These Subsidy Payments do not constitute the full faith and credit guarantee of the United States Government, but are required to be paid by the United States Treasury under the ARRA. Such payments are not pledged to secure payment of the Build America Bonds. The holders of the Build America Bonds are not entitled to a tax credit as a result of the ownership of the bonds.

CONDUIT DEBT *(not included in financial statements)*

The State of Illinois, by action of the General Assembly, created various authorities for the express purpose of providing private entities with an available low cost source of capital financing for construction of facilities deemed to be in the public interest. Fees are assessed to recover related processing and application costs incurred. Bonds issued by the authorities represent limited obligations payable solely from payments made by the borrowing entities. The majority of the bonds are secured by the property financed. Upon repayment of a bond, ownership of acquired property transfers to the entity served by the bond issuance. The State has no obligation for this debt. Accordingly, these bonds are not reflected in the accompanying financial statements.

At June 30, 2025, recorded amounts of revenue bonds, net of defeased bonds, and notes outstanding as reported by authority officials are as follows:

Authority	Amount Outstanding	Annual Maturity To
Illinois Finance Authority	\$ 22,308,189	2065
Illinois Housing Development Authority	1,975,471	2069
Southwestern Illinois Development Authority	452,632	2053
Total	<u>\$ 24,736,292</u>	

12 NOTES PAYABLE/SHORT-TERM BORROWINGS

A. Notes Payable

Major Component Units

Illinois Housing Development Authority (IHDA)

IHDA has obtained notes payable relating to advances from the Federal Home Loan Bank to provide financing. Under provisions of the direct borrowing agreement, the lender has rights of principal acceleration in the event of default based on nonpayment of monies owed, ceasing to be considered an eligible housing associate under the Housing Authority Act, and other defined provisions. The amount of the direct borrowing outstanding at June 30, 2025, was \$151.947 million with interest rates ranging from 2.37% to 4.45% and a final maturity date of 2028. Additionally, at June 30, 2025, IHDA has an unused line of credit relating to available cash advances from the Federal Home Loan Bank totaling \$348 million.

University of Illinois (U of I)

During the year ended June 30, 2025, the U of I Foundation obtained an \$11.500 million unsecured term note with a fixed interest rate of 5.48% and semi-annual interest and principal payments due through January 2030. The note is intended to provide funds to purchase property that is to be held for the U of I Foundation.

Changes in the notes payable during the year ended June 30, 2025, are summarized in Note 8. Future notes payable debt service requirements as of June 30, 2025, are as follows:

Table 12-1 (amounts expressed in thousands)

Major Component Units				
Year Ending	Illinois Housing Development Authority		University of Illinois	
	Direct Borrowing		Direct Borrowing	
	Principal	Interest	Principal	Interest
June 30				
2026	\$ 143,828	\$ 2,388	\$ 575	\$ 618
2027	402	1,271	575	586
2028	7,717	620	575	555
2029	-	-	575	522
2030	-	-	9,200	293
	<u>\$ 151,947</u>	<u>\$ 4,279</u>	<u>\$ 11,500</u>	<u>\$ 2,574</u>

B. Short-Term Borrowings

Primary Government – Business-type Activities

The Illinois Designated Account Purchase Program (IDAPP) had a short-term revolving credit line agreement. The revolving credit line was used to purchase eligible student loans (guaranteed or insured or an eligible loan under the Higher Education Act). The credit line expired on September 8, 2008, resulting, by terms of the Indenture, in the commencement of the Liquidation Period. On July 27, 2010, the credit line agreement became payable and due. Due in part to

conditions currently existing in the credit markets, IDAPP had been unable to refinance this debt and was in payment default under the credit line agreement. In addition, IDAPP was in breach of the coverage condition ratio defined in the Indenture. The breaches qualified as an Event of Termination; as a result, the bank involved with the agreement had certain remedies available. The \$29.200 million outstanding at June 30, 2024, was paid off during fiscal year 2025.

Major Component Units

University of Illinois (U of I)

The U of I Foundation has a \$15 million unsecured line of credit to a bank, due October 2025, with a negotiated interest rate in irregular intervals (5.17% at June 30, 2025). In fiscal year 2024, the U of I Foundation acquired a \$22 million unsecured line of credit to a bank originally due October 2024. The line of credit was extended to January 2025. In November 2024, the U of I Foundation repaid \$6.120 million on the \$22 million unsecured line of credit. In January 2025, the remaining \$11.5 million was converted to an unsecured term note as detailed in section A. The remaining line of credit is to be used to purchase property that is to be held for the U of I. The total of \$10.731 million outstanding under this line is shown as current at June 30, 2025.

Changes in short-term borrowing during the year ended June 30, 2025, are as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Primary Government				
Business-type Activities				
Designated Account Purchase Program	\$ 29,200	\$ -	\$ (29,200)	\$ -
	<u>\$ 29,200</u>	<u>\$ -</u>	<u>\$ (29,200)</u>	<u>\$ -</u>
Major Component Units				
University of Illinois	\$ 28,205	\$ 146	\$ (17,620)	\$ 10,731
	<u>\$ 28,205</u>	<u>\$ 146</u>	<u>\$ (17,620)</u>	<u>\$ 10,731</u>

13 LEASES/SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

A. Lessee Arrangements

The State and its component units have entered into various leases for land, office facilities, office and computer equipment, medical equipment, and other right-to-use assets with remaining lease terms ranging from less than one year to 11 years. Although lease terms vary, certain leases are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured, leases requiring appropriation by the General Assembly are considered noncancelable leases for financial reporting purposes. The renewal and termination options are not included in the right-to-use asset or lease liability balance until they are reasonably certain of exercise.

Certain of the State's and its component units' leases contain both fixed and variable lease payments. These exist primarily within the leases for office facilities related to rent escalations based on the consumer price index as well as leases for parking spaces for which payment varies by the number of parking spaces leased. The remaining office facilities, equipment, and other

leases do not contain variable lease payments. The variable payments are not included in the calculation of the lease liability. The total expenditures for variable payments not previously included in the measurement of the lease liability during the fiscal year ended June 30, 2025, were \$5 thousand for the State. In addition, Southern Illinois University and the University of Illinois had \$3.9 million and \$821 thousand, respectively, of total expenditures for variable payments not previously included in the measurement of the lease liability.

At June 30, 2025, the State had commitments under leases prior to the commencement of the lease term totaling \$3.045 million.

At June 30, 2025, right-to-use assets under leases are as follows:

Table 13-1 (amounts expressed in thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities		Fiduciary Funds
		Water Revolving Fund	Nonmajor Enterprise Funds	
Buildings	\$ 613,363	\$ -	\$ 5,629	\$ 1,882
Equipment	37,608	25	105	105
Other	4,197	-	-	-
	655,168	25	5,734	1,987
Less: Accumulated amortization	260,514	8	2,659	766
	<u>\$ 394,654</u>	<u>\$ 17</u>	<u>\$ 3,075</u>	<u>\$ 1,221</u>

Table 13-2 (amounts expressed in thousands)

	Major Component Units				
	Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Buildings	\$ 6,734	\$ 11,044	\$ 464	\$ 86,101	\$ 107,062
Equipment	100	1,978	3,503	3,690	18,010
Other	-	-	-	613	34
	6,834	13,022	3,967	90,404	125,106
Less: Accumulated amortization	5,169	5,121	2,070	35,870	59,598
	<u>\$ 1,665</u>	<u>\$ 7,901</u>	<u>\$ 1,897</u>	<u>\$ 54,534</u>	<u>\$ 65,508</u>

Future minimum commitments for non-cancelable leases as of June 30, 2025, are as follows:

Table 13-3 (amounts expressed in thousands)

Year Ending June 30	Primary Government							
	Governmental Activities		Business-Type Activities				Fiduciary Funds	
	Principal	Interest	Water Revolving Fund		Nonmajor Enterprise Funds		Principal	Interest
2026	\$ 89,835	\$ 13,685	\$ 8	\$ 1	\$ 788	\$ 66	\$ 177	\$ 61
2027	72,810	10,745	8	-	820	46	191	53
2028	62,503	8,321	1	-	800	30	207	44
2029	56,788	6,163	-	-	713	25	223	35
2030	50,814	4,251	-	-	733	20	239	24
2031-2035	84,344	4,861	-	-	294	6	530	30
Total minimum lease payments	<u>\$ 417,094</u>	<u>\$ 48,026</u>	<u>\$ 17</u>	<u>\$ 1</u>	<u>\$ 4,148</u>	<u>\$ 193</u>	<u>\$ 1,567</u>	<u>\$ 247</u>

Table 13-4 (amounts expressed in thousands)

Major Component Units											
Year Ending June 30	Illinois Housing Development Authority		Illinois State University		Northern Illinois University		Southern Illinois University		University of Illinois		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 1,312	\$ 54	\$ 1,526	\$ 170	\$ 745	\$ 100	\$ 10,320	\$ 1,774	\$ 16,495	\$ 1,482	
2027	564	6	1,487	139	658	58	7,453	1,500	15,068	1,240	
2028	-	-	1,407	109	600	19	7,210	1,255	12,515	819	
2029	-	-	1,298	81	-	-	5,969	1,020	9,108	543	
2030	-	-	1,215	55	-	-	3,542	866	8,232	548	
2031-2035	-	-	1,266	67	-	-	14,127	2,580	7,700	364	
2036-2040	-	-	-	-	-	-	7,827	569	257	4	
2041-2045	-	-	-	-	-	-	95	25	-	-	
2046-2050	-	-	-	-	-	-	75	5	-	-	
Total minimum lease payments	\$ 1,876	\$ 60	\$ 8,199	\$ 621	\$ 2,003	\$ 177	\$ 56,618	\$ 9,594	\$ 69,375	\$ 5,000	

B. Lessor Arrangements

The State and its component units lease parking lots, land, space within and attached to its buildings, and other assets to third parties. These agreements have terms ranging from less than one year to 48 years. Payments are generally fixed monthly amounts with certain variable payments not included in the measurement of the lease receivable. The State recognized \$7.114 million in lease revenue, including interest and other related revenues for the period ending June 30, 2025. The State recognized \$22 thousand in revenues related to variable payments, as well as other payments not included in the measurement of the lease receivable. The Illinois State Toll Highway Authority (THA) recognized \$3.089 million in lease revenue, including interest and other related revenues for the period ended December 31, 2024 (THA's fiscal year-end). Illinois State University, Northern Illinois University, Southern Illinois University, and University of Illinois recognized \$24 thousand, \$249 thousand, \$741 thousand, and \$6.587 million, respectively, in lease revenue, including interest and other related revenues for the period ending June 30, 2025. Of these amounts recognized during the fiscal year ended June 30, 2025, Illinois State University and University of Illinois recognized \$323 thousand and \$1.530 million, respectively, of revenue related to variable payments that were not previously included in the measurement of the lease receivable.

Southern Illinois University leases an asset as part of a lease-leaseback transaction. As of June 30, 2025, Southern Illinois University reported a net lease receivable of \$835 thousand related to this lease-leaseback transaction. University of Illinois has certain leases of assets that are sublease transactions; however, these amounts are minimal.

C. SBITAs

The State and its component units have entered into various SBITAs with remaining contract terms ranging from less than one year to 7 years. Although subscription terms vary, certain agreements are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured, agreements requiring appropriation by the General Assembly are considered noncancelable agreements for financial reporting purposes. The renewal and termination options are not included in the subscription asset or subscription liability balance until they are reasonably certain of exercise.

Certain of the State's and its component units' agreements contain both fixed and variable subscription payments. The variable payments are not included in the calculation of the subscription liability. The total expenditures for variable payments not previously included in the measurement of the subscription liability during the fiscal year ended June 30, 2025, were \$699 thousand for the State. In addition, Illinois State University and University of Illinois had \$439

thousand and \$1.738 million, respectively, of total expenditures for variable payments not previously included in the measurement of the subscription liability.

At June 30, 2025, subscription assets under SBITAs are as follows:

Table 13-5 (amounts expressed in thousands)

Primary Government	Governmental Activities	Business-Type Activities	
		Nonmajor Enterprise Funds	Fiduciary Funds
Subscription Assets	\$ 558,313	\$ 1,873	\$ 4,541
Less: Accumulated amortization	232,282	516	1,608
	<u>\$ 326,031</u>	<u>\$ 1,357</u>	<u>\$ 2,933</u>

Table 13-6 (amounts expressed in thousands)

Major Component Units	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Subscription Assets	\$ 2,728	\$ 9,826	\$ 16,859	\$ 4,796	\$ 24,178	\$ 146,028
Less: Accumulated amortization	1,324	3,491	8,198	2,599	13,017	62,625
	<u>\$ 1,404</u>	<u>\$ 6,335</u>	<u>\$ 8,661</u>	<u>\$ 2,197</u>	<u>\$ 11,161</u>	<u>\$ 83,403</u>

Future minimum commitments for non-cancelable SBITAs as of June 30, 2025, are as follows:

Table 13-7 (amounts expressed in thousands)

Year Ending June 30	Primary Government		Business-Type Activities		Fiduciary Funds	
	Governmental Activities		Nonmajor Enterprise Funds		Fiduciary Funds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 125,827	\$ 9,540	\$ 277	\$ 48	\$ 571	\$ 63
2027	56,642	6,430	289	37	497	38
2028	43,540	4,080	125	25	362	17
2029	20,272	2,386	131	19	-	-
2030	14,108	1,572	137	13	-	-
2031-2035	23,912	1,773	144	6	-	-
Total minimum SBITA payments	<u>\$ 284,301</u>	<u>\$ 25,781</u>	<u>\$ 1,103</u>	<u>\$ 148</u>	<u>\$ 1,430</u>	<u>\$ 118</u>

Table 13-8 (amounts expressed in thousands)

Year Ending June 30	Major Component Units											
	Illinois Housing Development Authority		Illinois State Toll Highway Authority		Illinois State University		Northern Illinois University		Southern Illinois University		University of Illinois	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 532	\$ 52	\$ 1,649	\$ 161	\$ 4,607	\$ 152	\$ 996	\$ 129	\$ 5,164	\$ 228	\$ 26,527	\$ 1,905
2027	382	30	1,098	101	2,161	56	527	68	2,549	106	21,049	1,181
2028	399	13	630	57	610	22	414	36	1,892	35	12,875	583
2029	-	-	648	32	531	3	74	13	553	4	6,619	216
2030	-	-	26	6	88	-	42	8	61	-	299	7
2031-2035	-	-	117	12	-	-	91	9	-	-	-	-
Total minimum SBITA payments	<u>\$ 1,313</u>	<u>\$ 95</u>	<u>\$ 4,168</u>	<u>\$ 369</u>	<u>\$ 7,997</u>	<u>\$ 233</u>	<u>\$ 2,144</u>	<u>\$ 263</u>	<u>\$ 10,219</u>	<u>\$ 373</u>	<u>\$ 67,369</u>	<u>\$ 3,892</u>

14 DERIVATIVE INSTRUMENTS

INVESTMENT DERIVATIVE INSTRUMENTS - PENSIONS

Certain State agencies, principally the Illinois State Board of Investment (ISBI), the Teachers' Retirement System (TRS), and the State Universities Retirement System (SURS), invest in derivative instruments. These derivative instruments have been authorized by the policies of the applicable State agencies and the Illinois Compiled Statutes. ISBI, TRS, and SURS invest in the following types of derivative instruments: foreign currency forward contracts, rights, warrants, financial futures, financial options, swaps, and swaptions.

Foreign currency forward contracts are used to hedge against the currency risk in agencies' foreign equity and fixed income security portfolios. Foreign currency forward contracts are agreements to purchase or sell a specific amount of a foreign currency at a specified delivery or maturity date for an agreed upon price. Fluctuations in the fair value of foreign currency forward contracts are recognized as incurred rather than at the maturity or settlement date of the contract. Investment managers use these contracts primarily to hedge the currency exposure of the agencies' investments.

Financial futures are agreements to purchase or sell a specific amount of an asset at a specified delivery or maturity date for an agreed upon price. Investment managers use financial futures to improve yield, adjust the duration of the fixed income portfolio, circumvent changes in interest rates, or to replicate an index. Futures contracts are standardized and traded on organized exchanges, thereby minimizing the agencies' credit risk. The net change in the futures contracts' value is settled daily with the exchanges. As the fair value of the futures contracts vary from the original contract price, a gain or loss is paid to or received from the clearinghouse.

Financial options are used by investment managers in an attempt to add value to a portfolio or protect a position in the portfolio. Financial options are agreements that give one party the right, but not the obligation, to purchase or sell a specific amount of an asset for a specified price, called the strike price, on or before a specified expiration date. As writers of financial options, the agencies receive a premium at the outset of the agreement and bear the risk of an unfavorable change in the price of the financial instrument underlying the option. Premiums received are recorded as a liability when the financial option is written. As a purchaser of financial options, the agencies pay a premium at the outset of the agreement and the counterparty bears the risk of an unfavorable change in the price of the financial instrument underlying the option. Premiums paid are recorded as an asset when the financial option is purchased. Fluctuations in the fair values of financial options are recognized in the financial statements as incurred rather than at the time the options are exercised or when they expire.

Swaps are agreements to exchange future cash flows. The agencies utilize the following types of swaps:

- a) Credit default swaps are derivative instruments that replicate the economic effect of investing in corporate debt obligations and are used to manage exposure to credit risk. Credit default swaps may reference a single issuer or a group of issuers.
- b) Interest rate swaps are agreements between parties to exchange a set of cash flow streams over a period of time. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counterparty who, in turn, agrees to make return interest payments that float with some reference rate.

- c) Inflation-linked swaps are agreements where a fixed payment is exchanged for a variable payment linked to an inflation index. These swaps can protect against unfavorable changes in inflation expectations and are used to transfer inflation risk from one counterparty to another.

Swaptions are options on swaps that give the purchaser the right, but not the obligation, to enter into a swap at a specific date in the future.

Rights and warrants allow investment managers to replicate an underlying security they wish to hold (sell) in the portfolios. Rights and warrants provide the holder with the right, but not the obligation, to buy or sell a company’s stock at a predetermined price. Rights usually expire after a few weeks and warrants can expire after one to several years.

At June 30, 2025, investment derivative instruments are reported as investments in the Statement of Fiduciary Net Position. The change in the fair value of derivative instrument investments is included in investment income on the Statement of Changes in Fiduciary Net Position. Following are summaries of investment derivative instruments held at each agency at June 30, 2025:

ISBI

Table 14-1 (amounts expressed in thousands)			
Investment Derivative Instruments	Fair Value at June 30, 2025	Change in Fair Value	Notional*
Rights/Warrants	\$ 369	\$ 7	139
Totals	<u>\$ 369</u>	<u>\$ 7</u>	<u>139</u>

* Notional amounts represent the number of shares for each instrument.

TRS

Table 14-2 (amounts expressed in thousands)

Investment Derivative Instruments	Fair Value at June 30, 2025	Change in Fair Value	Notional*
Rights	\$ 56	\$ 78	\$ 3
Warrants	104	(296)	1,345
Currency Forwards			
Purchases	1,711,904		
Sales	(1,711,629)		
	<u>275</u>	<u>(18,097)</u>	<u>-</u>
Futures**			
Index Futures Long	-	4,181	84,219
Index Futures Short	-	(2,876)	(337)
Fixed Income Futures Long	-	(1,253)	474,751
Fixed Income Futures Short	-	1,157	(73,678)
	<u>-</u>	<u>1,209</u>	<u>484,955</u>
Options**			
Foreign Currency Options Bought	130	(224)	92,888
Foreign Currency Options Written	(771)	1,792	(64,318)
Fixed Income Options Bought	53	(87)	19,000
	<u>(588)</u>	<u>1,481</u>	<u>47,570</u>
Swaps			
Total Return Swaps Bond	127	(7,406)	49,794
Total Return Swaps Equity	(520)	3,037	(111,836)
	<u>(393)</u>	<u>(4,369)</u>	<u>(62,042)</u>
Credit Default Swaps			
Credit Default Swaps Bought	(6,759)	2,193	199,804
Credit Default Swaps Written	16	(4,818)	29,990
	<u>(6,743)</u>	<u>(2,625)</u>	<u>229,794</u>
Interest Rate/Inflation-linked Swaps			
Pay Fixed Interest Rate/Inflation Swaps	2,725	5,148	177,863
Receive Fixed Interest Rate/Inflation Swaps	(2,070)	610	468,428
	<u>655</u>	<u>5,758</u>	<u>646,291</u>
Totals	<u>\$ (6,634)</u>	<u>\$ (16,861)</u>	<u>\$ 1,347,916</u>

* Notional amounts represent financial exposure to these instruments in U.S. dollars.
** Notional values do not represent actual values in the Statement of Fiduciary Net Position.

Interest rate risk for derivative instruments is disclosed in Note 3. Both interest rate and inflation swaps have fair values that are sensitive to interest rate changes. TRS had the following interest rate and inflation swaps at June 30, 2025:

Table 14-3 (amounts expressed in thousands)				
Interest Rate and Inflation Swaps				
Asset Description	Gross Notional*	TRS Receives	TRS Pays	Fair Value June 30, 2025
Pay Fixed Interest				
Rate/Inflation Swaps				
Colombian Peso	\$ 32,175	3 mo. IBRCO (8)	8.02% to 10.13%	\$ 58
Euro	1,497	12 mo. ESTR (11)	2.08%	10
Hungarian Forint	18,399	6 month BUBOR (10)	5.91% to 6.25%	-
Israeli Shekel	26,043	4 month SHIR (15)	4.49%	250
Mexican Peso	72,517	28 day Mexican TIIE (3)	8.28%	2,704
Polish Zloty	1,219	6 month WIBOR (4)	6.41%	(148)
South African Rand	8,378	3 month JIBAR (5)	7.42% to 8.06%	(114)
South Korean Won	17,635	91 day CD-KSDA (6)	2.65%	(35)
	<u>\$ 177,863</u>			<u>\$ 2,725</u>
Receive Fixed Interest				
Rate/Inflation Swaps				
Brazilian Real	\$ 31,841	6.78% to 14.09%	3 mo. Brazilian CDI (1)	\$ (508)
Chilean Peso	2,702	3.51% to 5.10%	6 mo. Chile Interbank Rate	(25)
Chinese Yuan	49,627	1.43% to 2.31%	3 month CNRR (2)	523
Colombian Peso	2,740	6.65% to 8.68%	3 month COOVIBR (14)	(72)
Czech Koruna	56,801	3.22% to 3.96%	6 month PRIBOR (9)	(713)
Hungarian Forint	1,557	1.96%	6 month BUBOR (10)	(267)
Indian Rupee	9,481	5.63% to 5.99%	6 month MIBOR (17)	68
Israeli Shekel	26,043	4.50%	3 month TELBOR (16)	(254)
Israeli Shekel	26,177	4.12%	12 month SHIR (1)	383
Mexican Peso	124,655	7.65% to 9.15%	28 day Mexican TIIE (3)	(1,900)
Malaysian Ringgit	5,344	3.62%	3 month KLIBOR (7)	76
Polish Zloty	9,918	3.96% to 6.85%	6 month WIBOR (4)	417
South African Rand	7,147	7.77% to 9.16%	3 month JIBAR (5)	224
South Korean Won	89,702	2.31% to 3.10%	91 day CD-KSDA (6)	(17)
Thai Baht	23,343	1.18% to 1.36%	12 month THOR (12)	39
U.S. Dollar	1,350	2.92%	SOFR (13)	(44)
	<u>\$ 468,428</u>			<u>\$ (2,070)</u>
* Includes income/accrued payable amounts				
(1) Brazilian CDI - Brazilian Cetip Interbank Deposit				
(2) CNRR - China Fixing Repo Rates				
(3) Mexican TIIE - Mexico Interbank Equilibrium Interest Rate				
(4) WIBOR - Warsaw Interbank Offered Rate				
(5) JIBAR - Johannesburg Interbank Average Rate				
(6) CD-KSDA - Certificates of Deposit, Korean Securities Dealer Association				
(7) KLIBOR - Kuala Lumpur Interbank Offered Rate				
(8) IBRCO - Colombia Interbank Rate				
(9) PRIBOR - Prague Interbank Offered Rate				
(10) BUBOR - Budapest Interbank Offered Rate				
(11) ESTR - Euro Short-Term Rate				
(12) THOR - Tokyo Term Risk Free				
(13) SOFR - Secured Interbank Overnight Interest Rate				
(14) COOVIBR - Columbia Overnight Interbank Rate				
(15) SHIR - Shekel Overnight Interest Rate				
(16) TELBOR - Tel Aviv Interbank Offered Rate				
(17) MIBOR - Mumbai Interbank Offered Rate				

SURS

Table 14-4 (amounts expressed in thousands)

Investment Derivative Instruments	Fair Value at June 30, 2025	Changes in Fair Value	Notional*
Rights and Warrants	\$ 231	\$ 133	\$ 137
Currency Forwards			
Purchases	20,506	8,104	-
Sales	(30,301)	(21,206)	-
	<u>(9,795)</u>	<u>(13,102)</u>	<u>-</u>
Futures			
Equity Derivative Instruments Long	650	1,247	457,183
Equity Derivative Instruments Short	(2,412)	(2,715)	(779,962)
Fixed Income Long	1,954	3,968	598,269
Fixed Income Short	(295)	(321)	(351,573)
Commodity Long	(1,179)	(2,684)	350,612
Commodity Short	1,786	719	(213,011)
Foreign Exchange Long	1,341	948	268,683
Foreign Exchange Short	(143)	97	(23,357)
	<u>1,702</u>	<u>1,259</u>	<u>306,844</u>
Options			
Cash and Cash Equivalent Call	-	-	(20,000)
Cash and Cash Equivalent Put	-	-	3,760
Equity Call	224	162	562
	<u>224</u>	<u>162</u>	<u>(15,678)</u>
Swaptions			
Put	(5)	10	(5,600)
Call	(34)	(29)	(8,000)
	<u>(39)</u>	<u>(19)</u>	<u>(13,600)</u>
Swaps			
Credit Default: Selling Protection	1,315	63	34,353
Pay Fixed Interest Rate	(1,373)	(341)	125,545
Receive Fixed Interest Rate	2,338	1,722	195,113
	<u>2,280</u>	<u>1,444</u>	<u>355,011</u>
Totals	<u>\$ (5,397)</u>	<u>\$ (10,123)</u>	<u>\$ 632,714</u>

* Notional amounts represent financial exposure to these instruments in U.S. dollars.

Interest rate risk for derivative instruments is disclosed in Note 3. Both interest rate and inflation swaps have fair values that are sensitive to interest rate changes. SURS had the following interest rate and inflation swaps at June 30, 2025:

Table 14-5 (amounts expressed in thousands)

SURS Interest Rate Swaps

Pay Fixed / Receive Fixed	Notional Amount	SURS Rate	Counterparty Rate	Fair Value June 30, 2025
Pay Fixed	\$ 2,142	13.93%	1 day Brazilian Real DIO (3)	\$ (7)
Pay Fixed	470	2.35% to 2.40%	6 month Euro EURIBOR (4)	(2)
Pay Fixed	110,052	3.00% to 4.50%	1 day USD SOFR (1)	(1,252)
Pay Fixed	12,881	3.50%	1 day British pound SONIA (5)	(112)
	<u>\$ 125,545</u>			<u>\$ (1,373)</u>
Receive Fixed	\$ 6,816	6 month Australian Dollar BBSW (7)	4.75%	\$ 107
Receive Fixed	1,099	1 day Canadian Dollar CORRA (2)	3.75%	6
Receive Fixed	1,095	1 day Brazilian Real DIO (3)	13.29% to 13.32%	9
Receive Fixed	587	6 month Euro EURIBOR (4)	2.45% to 2.55%	4
Receive Fixed	916	6 month Czech Koruna PRIBOR (6)	3.37%	6
Receive Fixed	184,600	1 day USD SOFR (1)	3.00% to 4.50%	2,206
	<u>\$ 195,113</u>			<u>\$ 2,338</u>

(1) Secured Overnight Financing Rate
(2) Canadian Overnight Repo Rate Average
(3) Daily Overnight Interbank Deposits, Over Extra-Gruppo
(4) Euro Interbank Offered Rate
(5) Sterling Overnight Interbank Average Rate
(6) Prague Interbank Offered Rate
(7) Bank Bill Swap Rate

Credit risk

Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to the established terms. In order to eliminate credit risk, derivative instruments of ISBI and TRS are done through a clearinghouse which guarantees delivery and accepts the risk of default by either party. In addition to using a clearinghouse, SURS also purchases some derivative instruments over the counter, with robust collateral requirements to mitigate counterparty risk. Derivative instruments which are exchange traded are not subject to credit risks. None of the agencies have a policy regarding master netting arrangements.

ISBI: ISBI did not hold any forward currency contracts as of June 30, 2025.

TRS: Non-exchange traded derivative instruments may expose TRS to credit/counterparty risk. Credit risk is reduced by evaluating the credit quality and operational capabilities of the counterparties. Because the counterparty risk of a security will fluctuate with market movements, all TRS managers using non-exchange traded derivative instruments operate a collateral call process ensuring full collateralization of these derivative instruments.

The aggregate fair value of non-exchange traded derivative instruments in asset positions at June 30, 2025, was \$22.316 million, as shown in the table below. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted.

Table 14-6 (amounts expressed in thousands)

Moody's Quality Rating	
Aa2	\$ 1,653
Aa3	7,101
A1	7,435
A2	941
A3	5,186
Total subject to credit risk	<u>\$ 22,316</u>

Although the derivative instruments held within the TRS investment portfolio are executed with various counterparties, approximately 99 percent of the fair value exposure to credit risk is for non-exchange traded derivative instrument contracts held with 10 counterparties.

SURS: The maximum loss that would be recognized at June 30, 2025, if all counterparties fail to perform as contracted, is \$24.7 million. This maximum exposure is reduced by approximately \$31.8 million in liabilities and approximately \$3.4 million in collateral held, resulting in a net credit risk exposure of approximately (\$10.5) million. At June 30, 2025, the counterparties' credit ratings for currency forwards, swaptions, and swaps subject to credit risk are as follows:

Table 14-7 (amounts expressed in thousands)

Standard & Poor's Quality Rating	Forwards	Swaptions	Swaps	Total
AA	\$ -	\$ -	\$ 8	\$ 8
A	-	(33)	(3)	(36)
Not Rated	(9,795)	(6)	2,275	(7,526)
Total subject to credit risk	<u>\$ (9,795)</u>	<u>\$ (39)</u>	<u>\$ 2,280</u>	<u>\$ (7,554)</u>

HEDGING DERIVATIVE INSTRUMENTS - MAJOR COMPONENT UNITS

Several component units of the State have entered into various hedging derivative instrument agreements. The agreements are reported in accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The fair value balance of the derivative instruments, including any change during the fiscal year, is shown on the Statement of Net Position for Component Units and the Government-wide Statement of Net Position under derivative instrument – assets, deferred outflows of resources, derivative instrument liabilities, and deferred inflows of resources. Component units with hedging derivative instrument agreements include the Illinois Housing Development Authority (IHDA) and the University of Illinois (U of I).

IHDA: The IHDA has active swap and interest rate cap contracts. All are considered cash flow hedges. The objective of the pay-fixed, receive variable, interest rate swap agreements is to achieve a synthetic fixed interest rate on the underlying bonds at a cost anticipated to be less than the amounts paid had the IHDA issued fixed-rate debt. The fair value of the interest rate swaps was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

The objective of the interest rate cap agreements is to establish a maximum debt service which may be paid over the life of the underlying bonds. The notional amount of the swaps and rate caps match the principal amount of the associated debt, as applicable, except in the case of Series 2008A where early redemption of bonds has reduced the outstanding bond amount leaving the notional amount of the interest rate cap at its original scheduled value. The IHDA's swap and cap agreements in most cases contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or an anticipated reduction in the associated bonds payable category. The fair value of the interest rate swaps and rate caps were estimated using data provided by the IHDA's swap advisor.

The following table displays the terms of the various hedging derivative instruments of the major component units outstanding at June 30, 2025, along with the credit rating of the associated counterparty:

Table 14-8 (amounts expressed in thousands)

Associated Bond Issue (1)	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Values (2)	Change in Fair Value	Swap Termination Date	Counterparty Credit Rating (3)
Major Component Units								
IHDA								
Interest Rate Swap Contracts								
HMRB*								
Series 2018 A-2	\$ 30,000	8/18	2.394%	70% SOFR (c)	\$ 1,384		2/38	AA-/Aa1
	30,000				1,384	\$ (750)		
RB**								
Series 2019B	30,000	3/19	2.431%	100% SIFMA (b) -> 70% LIBOR (a)	1,912		4/42	A+/Aa2
Series 2020C	40,000	10/20	1.057%	100% SIFMA (b) -> 70% LIBOR (a)	7,124		4/42	AA-/Aa1
Series 2022D	59,860	5/22	2.432%	70% SOFR (c) + 0.08%	4,300		4/45	A+/Aa2
Series 2022F	50,000	9/22	2.598%	70% SOFR (c) + 0.10%	3,015		4/45	AA-/Aa1
Series 2023C	37,500	3/23	4.495%	100% SOFR (c) + 0.15%	712		10/46	A+/Aa1
Series 2023F	43,290	6/23	4.065%	100% SOFR (c) + 0.15%	2,715		10/46	AA-/Aa1
Series 2023J	38,335	8/23	4.569%	100% SOFR (c) + 0.15%	1,183		10/48	A+/Aa2
Series 2023M	32,085	10/23	5.528%	100% SOFR (c) + 0.15%	(1,633)		10/53	AA-/Aa1
Series 2023P	64,765	11/23	3.578%	100% SOFR (c) + 0.10%	(1,246)		4/49	A+/Aa2
Series 2024G	66,665	8/24	4.799%	100% SOFR (c) + 0.15%	932		10/50	AA-/Aa1
Series 2024H	33,335	8/24	3.308%	100% SOFR (c) + 0.10%	336		10/50	AA-/Aa1
MFRB Maywood	24,820	7/24	2.147%	70% SOFR (c) + 0.08% -> 70% LIBOR (a)	3,514		7/64	AA-/Aa1
MFRB Burnham Manor	12,725	10/24	2.776%	70% SOFR (c) + 0.08%	780		1/65	AA-/Aa1
MFRB Autumn Ridge	11,730	2/23	2.975%	70% SOFR (c) + 0.10%	864		7/65	AA-/Aa1
MFRB South Park Plaza	13,250	9/25	3.599%	70% SOFR (c) + 0.10%	(241)		1/66	AA-/Aa1
	558,360				24,267	(4,217)		
GO****								
GO Otto Veteran	4,835	3/26	0.003%	100% SOFR (c)	303		10/53	A+/A1
GO Wildwood Trace	2,600	8/26	0.003%	100% SOFR (c)	173		2/54	A+/A1
GO Quentin	4,126	10/26	4.065%	100% SOFR (c)	(79)		6/54	A+/A1
GO Harvey Rad	5,000	3/27	3.804%	100% SOFR (c)	62		10/54	A+/A1
GO Deville	1,712	4/27	3.774%	100% SOFR (c)	28		12/53	A+/A1
GO Lakeview Landing	1,008	5/27	4.174%	100% SOFR (c)	(25)		1/55	A+/A1
GO Trolley Circle	1,625	6/27	3.893%	100% SOFR (c)	9		1/55	A+/A1
GO Addison Horizon	2,500	8/27	3.750%	100% SOFR (c)	54		3/55	A+/A1
GO Starling Senior	2,484	9/27	3.382%	100% SOFR (c)	152		3/55	A+/A1
GO Eve B Lee	2,427	10/27	3.476%	100% SOFR (c)	123		4/55	A+/A1
GO Parker Glen	1,890	6/28	4.130%	100% SOFR (c)	(20)		2/56	A+/A1
GO Casa Yucatan	1,845	6/28	4.271%	100% SOFR (c)	(44)		5/54	A+/A1
	32,052				736	(444)		
Interest Rate Cap								
HB***								
Series 2008A	10,930	1/18	6.000%	100% SIFMA (b)	-		1/27	A+/A1
Series 2008C	3,860	5/22	4.000%	70% SOFR (c) + 0.18%	1		7/27	A+/A1
	14,790				1	(11)		
MFRB**								
Series 2022C	21,735	5/22	4.000%	100% SOFR (c) + 0.11%	48		7/25	A+/Aa2
	21,735				48	(346)		
	\$ 656,937				\$ 26,436	\$ (5,768)		

* Homeowner Mortgage Revenue Bonds (a) London Interbank Offered Rate
 ** Revenue Bonds (b) Securities Industry and Financial Market Association
 *** Housing Bonds (c) Secured Overnight Financing Rate
 **** Swap agreement was transferred from original issue to the refunded bond issue.
 ***** General Obligation Bonds

(1) All bond issues are taxable debt instruments.
 (2) Includes accrued interest.
 (3) Credit rating companies: Standard and Poor's (S&P)/Moody's Investors Services

Additionally, the U of I's discretely presented component unit, Prairieland Energy, Inc., entered into noncancelable, exchange-traded futures contracts for natural gas for settlement periods during fiscal years 2026 through 2028. These futures contracts are used to reduce exposure to the risk of volatile natural gas prices and are considered to be effective hedging instruments. The contracts have a net notional value and fair value of \$9.619 million and \$3.814 million, respectively.

Risks

Credit risk

IHDA: As interest rates change and the fair value becomes positive, IHDA is exposed to credit risk in the amount of the swap's or cap's fair value. As of June 30, 2025, IHDA was not exposed

to credit risk for the swaps that had negative fair value. IHDA is exposed to credit risk on the swaps and caps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value at June 30, 2025, was \$29.7 million. This represents the maximum loss that would be recognized at June 30, 2025, if all counterparties failed to perform as contracted as no collateral is in place. Fair value is a factor only upon termination. The counterparty with the largest notional amount holds 33% of the total notional amount of the outstanding swaps. IHDA does not have a policy regarding master netting arrangements.

Interest rate risk

IHDA: Because interest rates have increased since the execution of the swap agreements in the Single-Family Program Fund, they have positive fair values as of June 30, 2025. The positive fair value may be countered by increases in total interest payments required under the variable-rate bonds, creating higher synthetic interest rates. Because the coupons on the IHDA's variable-rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes.

Basis risk

IHDA: Basis risk on a swap occurs when the variable payment received is based on an index other than the index on the underlying bonds. The IHDA believes its swap agreements have been structured to minimize or eliminate this risk.

Termination risk

IHDA: The IHDA or the counterparty may terminate the swap agreements if the other party fails to perform under the terms of the agreement. If a swap is insured, a termination event occurs if the insurer fails to meet the obligations under the agreement.

Rollover risk

IHDA: The IHDA is not exposed to rollover risk on its swap agreements. The IHDA is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, the IHDA will be re-exposed to the risks being hedged by the hedging derivative instrument. The IHDA is exposed to rollover risk on the caps which have termination dates that occur prior to the final maturity of the related bonds.

As of June 30, 2025, debt service requirements of outstanding variable rate debt and net swap payments, assuming current interest rates remain the same, for their terms are as follows:

Table 14-9 (amounts expressed in thousands)

**Swap Payments and Associated Debt
Variable Rate Debt****Major Component Units**

Year Ending June 30	Illinois Housing Development Authority			
	Variable-Rate Bonds		Interest Rate	
	Principal	Interest	Swaps, Net	Total
2026	\$ 1,950	\$ 17,746	\$ 3,291	\$ 22,987
2027	9,640	17,690	3,285	30,615
2028	1,650	17,500	3,281	22,431
2029	1,700	17,449	3,277	22,426
2030	1,765	17,396	3,273	22,434
2031-2035	55,385	84,845	14,850	155,080
2036-2040	129,445	73,781	13,499	216,725
2041-2045	182,945	54,033	2,049	239,027
2046-2050	175,685	26,980	(11,521)	191,144
2051-2055	35,265	5,053	(5,885)	34,433
2056-2060	11,615	2,033	(472)	13,176
2061-2065	13,285	809	411	14,505
2066-2070	1,120	15	11	1,146
Total	<u>\$ 621,450</u>	<u>\$335,330</u>	<u>\$ 29,349</u>	<u>\$ 986,129</u>

As rates vary, variable rate bond interest payments and net swap payments will vary.

15 REFUNDINGS OF LONG-TERM OBLIGATIONS

A. Current Year Refundings

During the year ended June 30, 2025, the State and several of the major component units of the State issued current refunding debt to defease bonds which were currently outstanding. Proceeds from the sales, together with other funds, were used to currently refund earlier issues maturing on dates ranging from August 1, 2024, through July 1, 2062, at redemption prices of 75.583% to 100%. Current refunding debt issued during fiscal year 2025, was as follows:

Table 15-1 (amounts expressed in thousands)

	Par Value of Refunding Issue	Refunding Issue Interest Rates	Par Value of Bonds Refunded	Interest Rates of Bonds Refunded	Debt Service (Increased)/ Reduced by Refunding	Refunding Economic Gain/ (Loss)	Accounting Gain/(Loss)
Primary Government							
Governmental Activities							
General Obligation Bonds:							
October 2024	\$ 1,087,800	5.0%	\$ 1,174,000	3.50% to 5.25%	\$ 150,485	\$ 114,901	\$ 30,656
Major Component Units							
Revenue Bonds							
Illinois Housing Development Authority Revenue Bond Series 2024-E	\$ 14,540	3.10% to 6.25%	\$ 14,540	2.05% to 6.25%	\$ -	\$ -	\$ -
Illinois Housing Development Authority Multi-Family Revenue Bond Series 2024-H	\$ 101,615	4.00% to 4.50%	\$ 130,590	2.06% to 2.65%	\$ 5,303	\$ 2,684	\$ -
Illinois Housing Development Authority Revenue Bond Series 2024-I	\$ 81,582	3.35% to 6.00%	\$ 81,582	0.35% to 6.25%	\$ -	\$ -	\$ -
Illinois Housing Development Authority Revenue Bond Series 2025-A	\$ 67,962	3.95% to 6.25%	\$ 67,962	0.45% to 6.00%	\$ -	\$ -	\$ -
Illinois State Toll Highway Authority Revenue Bond Series 2024-A	\$ 873,710	5.0%	\$ 1,000,000	5.0%	\$ 192,768	\$ 151,835	\$ 68,920
Illinois State University Certificates of Participation Series 2024	\$ 12,475	5.0%	\$ 14,635	3.625% to 4.125%	\$ 533	\$ 421	\$ (89)
Southern Illinois University Certificates of Participation Series 2025-A	\$ 5,145	5.0%	\$ 5,185	5.0%	\$ 133	\$ 123	\$ 8
University of Illinois Auxiliary Facilities System Revenue Bonds Series 2025-A	\$ 70,075	5.0%	\$ 78,440	3.5% to 5.0%	\$ 6,567	\$ 5,487	\$ 2,746

16 RETIREMENT SYSTEMS

Plan descriptions. The State of Illinois sponsors five public employee retirement systems that are included in the State’s financial statements as pension trust funds.

The General Assembly Retirement System (GARS), Judges’ Retirement System (JRS), and State Employees’ Retirement System (SERS) are the administrators of single-employer defined benefit pension plans. The GARS, JRS, and SERS are governed by articles 2, 18, and 14, respectively, of the Illinois Pension Code (40 ILCS 5/1, et al.). GARS includes members of the General Assembly of the State and persons elected to the offices of the Governor, Lieutenant Governor, Secretary of State, Treasurer, Comptroller, and Attorney General for the period of service in such offices and the Clerks and Assistant Clerks of the respective houses of the General Assembly. JRS includes Judges, Associate Judges, and under certain conditions, the Administrative Director of the Illinois Courts. SERS includes employees of State agencies as well as employees of Illinois State Toll Highway Authority (THA), a component unit of the State. For the purposes of the plan, the component unit employees are considered employees of the State.

The Teachers’ Retirement System (TRS) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan with a “special funding situation” as described below. TRS provides coverage to personnel in positions that require a certification under the teacher certification law that are employed by public school districts in Illinois (excluding Chicago), special districts, and certain State agencies. There are 851 local school districts, 135 special districts, and 9 other State agencies that contribute to the TRS plan.

The State Universities Retirement System (SURS) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan with a “special funding situation” as described below. In addition to the existing traditional benefit option, SURS established an alternative defined benefit program known as the Portable Benefit Option Plan which was effective January 1, 1998. All members who are eligible for the traditional benefit option are eligible for the portable option. New and existing members are provided a window period in which to make an irrevocable election. The portable option provides an enhanced refund at termination for those who leave SURS with at least five years of service. Offsetting this additional cost is the elimination of the survivor benefit package. This program is designed to be cost-neutral in relation to the traditional option. Approximately 19 thousand of the approximately 63 thousand active members have chosen this option, as of the measurement date, June 30, 2024.

The SURS provides coverage to faculty and staff of State universities, community colleges, and related agencies, of which some covered employees are not State employees. There are 9 universities, 39 community college districts, and several other State agencies and organizations that contribute towards the normal actuarially-determined cost of the SURS plan.

The State of Illinois, as a nonemployer contributing entity, is legally mandated to make contributions to TRS and SURS, thus creating a special funding relationship with both plans. TRS and SURS are governed by articles 16 and 15, respectively, of the Illinois Pension Code.

All five of the retirement systems consist of two tiers of contribution requirements and benefit levels based on when an employee was hired. Members who first become an employee and participate under any of the plans on or after January 1, 2011, are members of Tier 2, while Tier 1 consists of employees hired before January 1, 2011, or those who have service credit prior to January 1, 2011. The provisions below apply to both Tier 1 and Tier 2 members, except where noted.

Benefits provided. GARS provides retirement benefits based on the applicable final salary. Members under Tier 1 have vested rights to full retirement benefits beginning at age 55 with at least 8 years of credited service or at age 62 with at least 4 years of credited service. The retirement benefit formula to calculate the retirement annuity is 3.0% for each of the first 4 years of service, 3.5% for each of the next 2 years of service, 4.0% for each of the next 2 years of service, 4.5% for each of the next 4 years of service, and 5.0% for each year of service in excess of 12 years. The maximum retirement annuity is 85% of the applicable final salary. Annual automatic increases of 3% of the current amount of retirement annuity are provided. Members under Tier 2 have vested rights to full retirement benefits at age 67 with at least 8 years of credited service or reduced retirement benefits at age 62 with at least 8 years of credited service. The retirement benefit formula to calculate the retirement annuity is 3% for each year of service. The maximum retirement annuity is 60% of the applicable final average salary. Annual automatic increases equal to the lesser of 3% or the annual change in the Consumer Price Index are provided.

GARS also provides survivors’ annuity benefits, reversionary annuity benefits, and under certain specified conditions, lump-sum death benefits.

JRS provides retirement benefits based on the applicable final average salary. Members under Tier 1 have vested rights to full retirement benefits at age 60 with at least 10 years of credited service or reduced retirement benefits beginning at age 55. Members also have vested rights to full retirement benefits at age 62 upon completing 6 years of credited service or at age 55 upon completing 26 years of credited service. The retirement benefit formula to calculate the

retirement annuity is 3.5% for each of the first 10 years of service, plus 5% for each year of service in excess of 10. The maximum retirement annuity is 85% of the applicable final average salary. Annual automatic increases of 3% of the current amount of retirement annuity are provided. Members under Tier 2 have vested rights to full retirement benefits at age 67 with at least 8 years of credited service or reduced retirement benefits at age 62 with at least 8 years of credited service. The retirement benefit formula to calculate the retirement annuity is 3% for each year of service based upon the applicable final average salary. The maximum retirement annuity is 60% of the applicable final average salary. Annual automatic increases equal to the lesser of 3% or the annual change in the Consumer Price Index are provided.

JRS also provides survivors' annuity benefits, temporary and/or total disability benefits, and under certain specified conditions, lump-sum death benefits.

SERS provides retirement benefits based on the member's final average compensation and the number of years of service credit that have been established. The retirement benefit formula available to general State employees that are covered under the Federal Social Security Act is 1.67% for each year of credited service and for employees that are not covered under the Federal Social Security Act is 2.2% for each year of credited service. Alternative formula employees have a formula of 2.5% for covered service and 3.0% for noncovered service. The maximum retirement annuity payable is 75% of final average compensation for regular employees and 80% for alternative formula employees. The minimum monthly retirement annuity payable is \$15 for each year of covered service and \$25 for each year of noncovered service.

Members in SERS under Tier 1 and Tier 2 receive the following levels of benefits based on the respective age and years of service credits.

Tier 1	Tier 2
Regular Formula	Regular Formula
<p>A member must have a minimum of eight years of service credit and may retire at:</p> <ul style="list-style-type: none"> • Age 60, with 8 years of service credit. • Any age, when the member's age (years & whole months) plus years of service credit (years & whole months) equal 85 years (1,020 months) (Rule of 85) with 8 years of credited service. • Between ages 55-60 with 25-30 years of service credit (reduced 1/2 of 1% for each month under age 60). <p>The retirement benefit is based on final average compensation and credited service. Final average compensation is the 48 highest consecutive months of service within the last 120 months of service.</p> <p>Under the Rule of 85, a member is eligible for the first 3% increase on January 1 following the first full year of retirement, even if the member is not age 60. If the member retires at age 60 or older, he/she will receive a 3% pension increase every year on January 1, following the first full year of retirement.</p> <p>If the member retires before age 60 with a reduced retirement benefit, he/she will receive a 3% pension increase every January 1 after the member turns age 60 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>	<p>A member must have a minimum of 10 years of credited service and may retire at:</p> <ul style="list-style-type: none"> • Age 67, with 10 years of credited service. • Between ages 62-67 with 10 years of credited service (reduced 1/2 of 1% for each month under age 67). <p>The retirement benefit is based on final average compensation and credited service. For regular formula employees, final average compensation is the average of the 96 highest consecutive months of service within the last 120 months of service. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less.</p> <p>If the member retires at age 67 or older, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every year on January 1, following the first full year of retirement. The calendar year 2024 rate is \$125,744.</p> <p>If the member retires before age 67 with a reduced retirement benefit, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every January 1 after the member turns age 67 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>

Alternative Formula	Alternative Formula
<p>Members eligible for the alternative formula may retire at age 50 with 25 years of service credit, or at age 55 with 20 years of service credit.</p> <p>Final average compensation is figured one of three ways:</p> <ul style="list-style-type: none"> • The average of the highest 48 consecutive months over the last 120 months of service (for members in service prior to January 1, 1998). • Average of last 48 months of service. • Final rate of pay: cannot exceed the average of the last 24 months of pay by 115%. <p>Alternative formula retirees receive their first 3% pension increase on January 1 following the first full year of retirement after age 55. These increases are not limited by the 80% maximum.</p>	<p>Members eligible for the alternative formula may retire at age 60 with 20 years of service.</p> <p>Final average compensation is the average monthly salary during the 96 highest consecutive months of service within the last 120 months. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less. The calendar year 2024 rate is \$125,774.</p> <p>Alternative formula retirees receive their first pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, following the first full year of retirement after age 60. These increases are not limited by the 80% maximum.</p>

SERS also provides occupational and nonoccupational (including temporary) disability benefits. To be eligible for nonoccupational (including temporary) disability benefits, an employee must have at least 18 months of credited service with the System. The nonoccupational (including temporary) disability benefit is equal to 50% of the monthly rate of compensation of the employee on the date of removal from the payroll. Occupational disability benefits are provided when the member becomes disabled as a direct result of injuries or diseases arising out of and in the course of State employment. The monthly benefit is equal to 75% of the monthly rate of compensation on the date of removal from the payroll. This benefit amount is reduced by Workers' Compensation or payments under the Occupational Diseases Act.

Occupational and nonoccupational death benefits are also available through SERS. Certain nonoccupational death benefits vest after 18 months of credited service. Occupational death benefits are provided from the date of employment.

TRS provides retirement benefits, whereby, most members retire under a formula that provides 2.2% of final average salary up to a maximum of 75% with 34 years of service. Under Tier 1, a member qualifies for an age retirement annuity after reaching age 62 with 5 years of credited service, age 60 with 10 years of credited service, or age 55 with 20 years of credited service. If a member retires between the ages of 55 and 60 with fewer than 35 years of service, the annuity will be reduced one-half percent for each month the member is under age 60. The retirement benefit is based on the final average salary, which is the average salary for the highest 4 years within the last 10 years of creditable service. Annual automatic increases equal to 3% are provided to essentially all retirees. Under Tier 2, a member qualifies for an age retirement annuity after reaching age 62 with 10 years of credited service, at a discounted rate, or age 67 with 10 years of credited service. The retirement benefit is based on the final average salary, which for Tier 2 is the average salary for the highest 8 years within the last 10 years of creditable service. Annual automatic increases equal to the lesser of 3% or one-half of the Consumer Price Index with the adjustment applied to the original benefit are provided to Tier 2 retirees. Disability and death benefits are also provided by TRS.

SURS provides retirement benefits based on the applicable final salary under the defined benefit plan. Members under Tier 1 have vested rights to full retirement benefits at age 62 with at least 5 years of credited service, age 60 with at least 8 years of credited service, or at any age with at least 30 years of credited service. The retirement benefit is based on the final average salary, which for Tier 1 is the average salary for the highest 4 consecutive years of creditable service or

the average salary for the last 48 months prior to termination. The retirement benefit formula to calculate the retirement annuity for general employees is 2.2% of the Tier 1 final average salary up to a maximum of 80%. Annual automatic increases of 3% of the current amount of retirement annuity are provided. Members under Tier 2 have vested rights to full retirement benefits at age 67 with 10 years of credited service. The retirement benefit is based on the final average salary, which for Tier 2 is the average salary for the highest 8 consecutive years within the last 10 years of credited service or the average salary for the last 96 consecutive months of the last 120 months. The retirement benefit formula to calculate the retirement annuity for general employees is 2.2% of the Tier 2 final average salary up to a maximum of 80%. Annual automatic increases equal to the lesser of 3% or one-half of the Consumer Price Index are provided to Tier 2 retirees.

SURS also provides disability and death benefits. Disability benefits are payable to all members with at least two years of credited service and are payable at a rate of 50% of the monthly rate of compensation on the date the disability began. Disability benefits are reduced by any payments under the Workers’ Compensation or the Occupational Diseases Act. Death benefits are payable upon the death of any member of the plan. If the member has less than 1.5 years of credited service, the death benefit payable is the employee contributions and related investment earnings. If the member has 1.5 or more years of credited service, the death benefit payable is the employee and employer contributions and related investment earnings.

As of the measurement date June 30, 2024, the following employees were covered by the defined benefit terms of each system, respectively:

	GARS	JRS	SERS	TRS	SURS
Inactive employees (and their beneficiaries) receiving benefits	425	1,365	77,600	132,902	73,303
Inactive employees entitled to but not yet receiving benefits	44	10	3,675	151,445	91,739
Active employees	128	957	65,508	171,754	63,063
Total	597	2,332	146,783	456,101	228,105

Each plan also issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports are available on the respective plan websites or may be obtained by writing or calling the plan as follows:

- General Assembly Retirement System and Judges’ Retirement System, 2101 South Veterans Parkway, PO Box 19255, Springfield, Illinois, 62794-9255, (217) 782-8500 or www.srs.illinois.gov.
- State Employees’ Retirement System, 2101 South Veterans Parkway, PO Box 19255, Springfield, Illinois, 62794-9255, (217) 785-7444 or www.srs.illinois.gov.
- Teachers’ Retirement System, 2815 West Washington Street, PO Box 19253, Springfield, Illinois, 62794-9253, (877) 927-5877 or www.trsil.org.
- State Universities Retirement System, 1901 Fox Drive, Champaign, Illinois, 61820-7333, (217) 378-8800 or www.surs.org.

Funding policy and contributions. Member contributions are based on fixed percentages set by statute. The State’s funding requirements have been established by statute (Public Act 88-593) effective July 1, 1995 and provide for a systematic 50-year funding plan with an ultimate goal to achieve “90% funding” of the systems’ liabilities. In addition, the funding plan provided for a 15-year phase-in period to allow the State to adapt to the increased financial commitment. Since the 15-year phase-in period ended June 30, 2010, the State’s contribution will remain at a level percentage of payroll for the next 35 years until the 90% funded level is achieved. However,

Public Act 94-0004 decreased the required funding levels for fiscal years 2006 and 2007 to \$938.400 million and \$1.375 billion, respectively, and required the State’s contribution to increase in equal annual increments from fiscal years 2008 to 2010, so that by fiscal year 2011, the State would be contributing at the rate otherwise required by State law. Pursuant to Public Act 93-0002, the State issued general obligation bonds, the proceeds of which were used to fund \$300 million of the State’s fiscal year 2003 required annual statutory contribution and \$1.860 billion of the State’s fiscal year 2004 required annual statutory contribution, as well as to contribute \$7.317 billion to the retirement systems in fiscal year 2004 to fund a portion of the State’s unfunded liability. In fiscal year 2010, pursuant to Public Act 96-0043, the State made contributions from general obligation bond proceeds of \$3.452 billion to the retirement systems to fund a portion of the State’s required annual statutory contribution. In fiscal year 2011, pursuant to Public Act 96-1497, the State made contributions from general obligation bond proceeds of \$3.684 billion to the retirement systems to fund a portion of the State’s required annual statutory contribution. In fiscal year 2018, pursuant to Public Act 100-0023, the State’s funding policy was modified to include smoothing State contribution rate increases or decreases due to changes in actuarial assumptions, including investment return assumptions, over a five-year period in equal annual amounts beginning in fiscal year 2018. In addition, changes in actuarial or investment assumptions that increased or decreased the State contribution rate in fiscal years 2014 through 2017 are to be smoothed over a five-year period in equal annual amounts, applying only to the portion of the five-year phase-in that is applicable to fiscal years on and after 2018. Public Act 100-0587 created two new buyout provisions for members: an inactive vested buyout and an automatic annual increase buyout, which were scheduled to exist until June 30, 2021. Public Act 101-0010 extended both buyout programs to fiscal year 2024. These programs allow certain members eligible for a pension to elect an accelerated present value payment based on a percentage of future benefits payable in exchange for giving up those future benefits. The accelerated payment is financed through the sale of bonds. The remaining pension obligation bond proceeds that fund the buyouts are limited to \$1 billion for all participating systems and the programs are assumed to end when the buyouts reach this amount. The State met its funding requirement established by *statutory law* for the fiscal year ended June 30, 2025. Actual contributions varied slightly from contributions required by statute mainly because of differences between estimated and actual federal contributions.

The current statutory law includes a “continuing appropriation,” which means that the State must automatically provide funding to the pension systems based on actuarial cost requirements and amortization of the unfunded liability without being subject to the General Assembly’s appropriation process.

The contribution rates/amounts established by statute for both plan members and the State of Illinois for the fiscal year ended June 30, 2025, are shown in Table 16-2.

Contribution Rates/Amounts		
Plan	Member (% of Covered Payroll)	State (Statutorily Required)
GARS	11.50%	\$ 26,210
JRS	11.00%	\$ 148,937
SERS	4.00% - 12.50%	\$ 3,017,999
TRS	9.00%	\$ 6,203,789
SURS	8.00% - 9.50%	\$ 2,212,810

For GARS, JRS, and SERS, employee contributions are fully refundable, without interest, upon withdrawal from State employment. Tier 1 members contribute based on total annual compensation. Tier 2 members under GARS and JRS contribute based on an annual compensation rate not to exceed \$106,800 with limitations for future years increased by the lesser of 3% or the annual percentage increase in the Consumer Price Index. For 2025, this amount was \$141,408. Tier 2 members under SERS contribute based on an annual compensation rate not to exceed \$106,800 with limitations for future years increased by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2025, this amount was \$127,283.

For TRS, employee contributions are fully refundable, without interest, upon withdrawal from applicable employment. For Tier 1 members, contributions are based on credible earnings. For Tier 2 members, annual compensation on which contributions are taken cannot exceed \$106,800. This amount increases annually by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2025, this amount was \$127,283.

For SURS, a lump sum refund is available to all members upon withdrawal from applicable employment. Under the traditional Tier 1 and Tier 2 benefit package, this refund consists of all member contributions and interest at 4.5%. For Tier 1 members, there is no annual compensation limit on contributions. For Tier 2 members, annual compensation on which contributions are taken cannot exceed \$106,800. This amount increases annually by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2025, this amount was \$127,283.

Pension liability, deferred outflows of resources, deferred inflows of resources, and expense related to pensions. The net pension liability for each plan, as reported at June 30, 2025, was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the dates presented in Table 16-8.

GARS, JRS, and SERS are administrators of single-employer defined benefit pension plans for which schedules of changes in the net pension liability, as of the measurement date, are presented below:

Table 16-3 (amounts expressed in thousands)			
	GARS	JRS	SERS [^]
Total pension liability			
Service cost	\$ 2,500	\$ 40,366	\$ 777,743
Interest on total pension liability	23,070	192,241	3,639,199
Differences between expected and actual experience	3,438	33,152	806,293
Assumption changes	-	(2,963)	(21,715)
Benefit payments	(28,059)	(201,962)	(3,255,006)
Refunds	(93)	(1,676)	(24,345)
Net change in total pension liability	856	59,158	1,922,169
Total pension liability - June 30, 2023	371,417	3,098,284	56,453,896
Total pension liability - June 30, 2024 (a)	\$ 372,273	\$ 3,157,442	\$ 58,376,065
Plan fiduciary net position			
Contributions - employer	\$ 26,474	\$ 147,838	\$ 2,840,015
Contributions - participant	1,505	15,560	323,158
Net investment income	7,267	117,321	2,086,845
Benefit payments	(28,059)	(201,962)	(3,255,006)
Refunds	(93)	(1,676)	(24,345)
Administrative expense	(342)	(1,016)	(20,318)
Net change in plan fiduciary net position	6,752	76,065	1,950,349
Plan fiduciary net position - June 30, 2023	83,220	1,322,327	23,352,678
Plan fiduciary net position - June 30, 2024 (b)	\$ 89,972	\$ 1,398,392	\$ 25,303,027
State's net pension liability - ending (a) - (b)	\$ 282,301	\$ 1,759,050	\$ 33,073,038
Plan fiduciary net position as a percentage of the total pension liability	24.17%	44.29%	43.34%
Covered-employee payroll	\$ 13,213	\$ 146,937	\$ 5,609,996
State's net pension liability as a percentage of covered payroll	2136.54%	1197.15%	589.54%
[^] The amounts represent the collective changes in the net pension liability for the State, including THA.			

The primary government of the State reported a net pension liability at June 30, 2025, related to GARS and JRS totaling \$282.301 million and \$1.759 billion, respectively.

Related to SERS, the State reported a collective net pension liability of \$33.073 billion. Of this amount, \$32.278 billion is reported by the primary government, while \$794.977 million represent the liability of the THA.

TRS is an administrator of a cost-sharing multiple-employer defined benefit pension plan. As a nonemployer contributing entity, at June 30, 2025, the primary government reported a liability of \$84.848 billion for its proportionate share of the collective net pension liability for the TRS plan. The State's proportionate share of the collective net pension liability was based on the actual contributions relative to actual contributions of all participating employers made to the TRS plan during the fiscal year. At June 30, 2024, the measurement date, the State's proportionate share was 98.815% for the TRS plan, which was a decrease of 0.040% from its proportion measured as of the prior year measurement date of June 30, 2023.

Additionally, as the TRS plan includes certain employees of State agencies who are not members in one of the other State public employee retirement systems, the primary government reported an additional liability of \$6.820 million for its proportionate share of the collective net pension liability associated with State employees participating in the plan. The State's proportionate share of the collective net pension liability was based on the actual employer contributions made to the TRS plan during fiscal year 2024. At June 30, 2024, the measurement date, the State's

proportionate share related to employer contributions was 0.008%, which was a decrease of 0.005% from its proportion measured as of the prior year measurement date of June 30, 2023.

SURS is an administrator of a cost-sharing multiple-employer defined benefit pension plan. For employees paid from trust, grant, or federal funds, the employer must make pension contributions from those funds sufficient to cover the accruing normal costs of the plan. The State's contributions fund the normal actuarially-determined cost of the plan plus the amortization of the historical unfunded liability. The State has been allocated 100% of the collective net pension liability and reports the amount as a long-term obligation within the Statement of Net Position. At June 30, 2025, as a nonemployer contributing entity, the primary government reported a liability of \$30.231 billion.

As a result of the State's contribution requirements for all of the plans, the State recognized pension expense for the year ended June 30, 2025, as follows:

Plan	Pension Expense
GARS	\$ 22,781
JRS	\$ 142,105
SERS [^]	\$ 2,483,366
TRS ^{^^}	\$ 6,794,592
SURS	\$ 1,996,286

[^] The amount represents the collective pension expense for the State, including THA.

^{^^} The amount represents the State's nonemployer and employer pension expense.

At June 30, 2025, the State reported deferred outflows and deferred inflows of resources related to each plan, as of the measurement date of June 30, 2024, from the following sources:

	GARS		JRS		SERS [^]		TRS ^{^^}		SURS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,325	\$ -	\$ 57,906	\$ -	\$ 1,152,697	\$ -	\$ 319,090	\$ 220,262	\$ 305,114	\$ -
Changes of assumptions	-	-	1,521	34,222	113,509	1,241,646	1,169,178	45,018	483,809	-
Net difference between projected and actual investment earnings on pension plan investments	796	-	8,040	-	252,273	-	-	728,519	-	27,577
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	-	-	-	44,994	31,704	-	-
State contributions subsequent to the measurement date	26,210	-	148,937	-	3,019,913	-	6,205,259	-	2,212,810	-
Total	\$ 28,331	\$ -	\$ 216,404	\$ 34,222	\$ 4,538,392	\$ 1,241,646	\$ 7,738,521	\$ 1,025,503	\$ 3,001,733	\$ 27,577

[^] The amounts represent the collective deferred outflows and inflows of resources for the State, including THA.

^{^^} The amounts represent the State's employer and nonemployer proportionate share of the deferred outflows and deferred inflows of resources.

The deferred outflows and deferred inflows of resources for SERS presented above are further allocated between the primary government and its component units in the table below:

Table 16-6 (amounts expressed in thousands)

	Primary Government		THA		Total SERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,124,990	\$ -	\$ 27,707	\$ -	\$ 1,152,697	\$ -
Changes of assumptions	110,780	1,211,801	2,729	29,845	113,509	1,241,646
Net difference between projected and actual investment earnings on pension plan investments	246,209	-	6,064	-	252,273	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	(17,591)	(32,633)	17,591	32,633	-	-
State contributions subsequent to the measurement date	2,956,447	-	63,466	-	3,019,913	-
Total	<u>\$ 4,420,835</u>	<u>\$ 1,179,168</u>	<u>\$ 117,557</u>	<u>\$ 62,478</u>	<u>\$ 4,538,392</u>	<u>\$ 1,241,646</u>

[^] THA reported \$33,813 of contributions subsequent to the measurement date as of December 31, 2024, its fiscal year end.

In addition to the above amounts, the State's university component units make contributions to the SURS retirement system. The contributions made subsequent to the measurement date of June 30, 2024, have been recorded as a deferred outflow of resources. Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois have recorded \$684 thousand, \$2.009 million, \$3.050 million, and \$50.733 million, respectively, on the Statement of Net Position.

The amounts reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Table 16-7 (amounts expressed in thousands)

Year ended June 30,	GARS	JRS	SERS [^]	TRS ^{^^}	SURS
2026	\$ 986	\$ (9,767)	\$ (402,401)	\$ (805,749)	\$ 126,531
2027	1,791	46,603	514,486	1,087,632	756,545
2028	(280)	1,905	185,834	80,466	(49,546)
2029	(376)	(5,496)	(21,086)	45,534	(72,184)
2030	-	-	-	99,876	-
Total	<u>\$ 2,121</u>	<u>\$ 33,245</u>	<u>\$ 276,833</u>	<u>\$ 507,759</u>	<u>\$ 761,346</u>

[^] The amounts represent the collective deferred outflows and inflows of resources for the State, including THA, to be recognized as expense in future years.

^{^^} The amounts represent the State's employer and nonemployer proportionate share of deferred outflows and deferred inflows of resources to be recognized as expense in future years.

Actuarial methods and assumptions. Actuarial valuations of an ongoing retirement system involve estimates and calculations of the value of reported amounts and assumptions about the probability of occurrence of events on a long-term perspective. Examples include assumptions about future employment and mortality. Amounts determined regarding the net pension liability of the retirement systems are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the types of benefits provided and the cost sharing between the employer and plan members at the time of each valuation and do not include the potential effects of legal or contractual funding. Information about actuarial methods and assumptions used in the actuarial valuation of the plan is presented in Table 16-8.

	GARS	JRS	SERS	TRS	SURS
Valuation date	6/30/2024	6/30/2024	6/30/2024	6/30/2024*	6/30/2024*
Measurement date	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial assumptions:					
Investment rate of return	6.50%	6.50%	6.75%	7.00%	6.50%
Projected salary increases**	2.50%	2.50%	2.50% - 7.41%	4.00% - 8.50%	3.15% - 15.00%
Inflation rate	2.25%	2.25%	2.25%	2.50%	2.40%
Postretirement benefit increases					
Tier 1	3%, compounded	3%, compounded	3%, compounded	3%, compounded	3%
Tier 2	Lesser of 3% or annual increase in CPI [^] , compounded	Lesser of 3% or annual increase in CPI [^] , compounded	Lesser of 3% or 1/2 of CPI [^] , on original benefit	1.25% not compounded	Lesser of 3% or 1/2 of CPI [^]
Retirement age experience study ^{^^}	July 2018 - June 2021	July 2018 - June 2021	July 2018 - June 2021	July 2020 - June 2023	July 2020 - June 2023
Mortality ^{^^^}					
GARS	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, with no scaling factors, and the MP-2021 two-dimensional generational mortality improvement scales				
JRS	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, with no scaling factors, and the MP-2021 two-dimensional generational mortality improvement scales				
SERS	Pub-2010 General and Public Safety Healthy Retiree mortality tables, sex distinct, with rates projected to 2021 generational mortality improvement factors were updated to projection scale MP-2021				
TRS	PubT-2010 adjusted for TRS experience with future mortality improvements on a fully generational basis using projection table MP-2021				
SURS	Rates based on Pub-2010 Healthy Retiree Mortality tables and the most recent MP-2021 projection scale. Teachers table was used for Academic members and General Employees table was used for Non-Academic members				
Note: the above actuarial assumptions were used to calculate the total pension liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the total pension liability as of the prior year measurement date except for the following:					
	GARS	JRS	SERS	TRS	SURS
Projected salary increases**	No change	No change	No change	3.75% - 8.75%	3.00% - 12.75%
Inflation rate					2.25%
Retirement age experience study ^{^^}				July 2017 - June 2020	July 2017 - June 2020
Mortality ^{^^^}				PubT-2010 adjusted for TRS experience with future mortality improvements on a fully generational basis using projection table MP-2020	Rates based on Pub-2010 Healthy Retiree Mortality tables and the most recent MP-2020 projection scale. Teachers table was used for Academic members and General Employees table was used for Non-Academic members
<p>* The total pension liability presented in the June 30, 2024, actuarial valuation is based on census data as of June 30, 2023, rolled-forward to the measurement date.</p> <p>** Includes inflation rate listed.</p> <p>[^] Consumer Price Index</p> <p>^{^^} The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined. The TRS Board of Trustees adopted a slight reduction in the utilization assumption in 2019 for the automatic annual increase buyout provision and extended the assumed buyout period to 6/30/2022 in connection with the expectation that the funds available for the buyouts are limited to \$650 million. However, the investment return assumption of 7.0 percent did not change.</p> <p>^{^^^} Mortality rates are based on mortality tables published by the Society of Actuaries' Retirement Plans Experience Committee.</p>					

Long-term expected return on plan assets. The investments of GARS, JRS, and SERS are managed by the Illinois State Board of Investment (ISBI), thus the long-term expected rate of return on pension plan investments is determined for the pool of investments. The long-term expected rate of return on pension plan investments is determined using the best estimates of

geometric real rates of return for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plans' target asset allocation, calculated as of the measurement date of June 30, 2024, the best estimates of geometric real rates of return are summarized in the following table:

Asset Class	GARS, JRS, and SERS	
	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	22%	6.50%
Developed Foreign Equity	13%	7.60%
Emerging Market Equity	8%	7.80%
Private Equity	10%	8.80%
Investment Grade Bonds	14%	2.50%
Long-term Government Bonds	5%	2.80%
TIPS	3%	2.30%
High Yield Bonds	2%	5.10%
Private Debt	10%	6.80%
Real Estate	10%	5.60%
Infrastructure	3%	6.10%
Total	100%	

The long-term expected rate of return assumption on pension plan investments under the TRS plan was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024, that were used by the actuary are summarized in the following table:

Asset Class	TRS	
	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37%	7.55%
Private Equity	15%	10.28%
Income	18%	5.81%
Private Credit	8%	9.20%
Real Assets	18%	7.01%
Diversifying Strategies	4%	5.18%
Total	100%	

The long-term expected rate of return on pension plan investments under the SURS plan is determined using a building-block method, which includes best estimate ranges of expected future real rates of return, developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024, the measurement date, the best estimate of the expected arithmetic real rate of return is summarized in the following table:

Table 16-11

Asset Class	SURS	
	Strategic Policy Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	36%	7.13%
Core Real Assets	8%	5.06%
Public Credit Fixed Income	7%	4.10%
Private Credit	2%	7.36%
Long Volatility/Tail Risk	2%	(1.22)%
Private Equity	11%	10.92%
Non-Core Real Assets	4%	9.09%
U.S. TIPS	5%	2.12%
Core Fixed Income	10%	1.34%
Systematic Trend Following	10%	2.90%
Alternative Risk Premia	3%	2.62%
Long Duration	2%	2.84%
Total	100%	5.63%
Inflation		2.80%
Expected Arithmetic Normal Return		8.43%

Discount rate. The discount rate used to measure the total pension liability for each system as calculated using the June 30, 2024 and June 30, 2023 measurement dates, respectively, is shown in Table 16-12. These single discount rates were based on the expected rate of returns on pension plan investments as noted in Table 16-8 and a municipal bond rate of 3.97% based on an index of 20 year general obligation bonds with an average AA credit rating as published by the Federal Reserve. The projection of cash flows used to determine the discount rates assumed that contributions will be made based on the statutorily required rates under Illinois law for each of the plans. Based on these assumptions, it has been determined that the fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2074, 2066, 2077, and 2075 for GARS, JRS, SERS, and SURS, respectively. As a result, the long-term expected rate of return on pension plan investments has been applied through the respective year for each plan, at which time the municipal bond rate has been applied to all remaining benefit payments. For TRS, the discount rate used to measure the total pension liability was 7.00%. The discount rate is a blended rate, which includes the long-term expected rate of return and a municipal bond rate (the Bond Buyer’s 20-Bond GO Index) as of the end of the current fiscal year. TRS’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.

Table 16-12

Plan	Current Discount Rate (%)	Prior Discount Rate (%)	Change (%)
GARS	6.43%	6.43%	0.00%
JRS	6.38%	6.37%	0.01%
SERS	6.59%	6.59%	0.00%
TRS	7.00%	7.00%	0.00%
SURS	6.35%	6.37%	-0.02%

Sensitivity of the net pension liability to changes in the discount rate. The net pension liability for each system was calculated using the stated discount rate, as well as what the net pension

liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate are shown in Table 16-13 below:

Table 16-13 (amounts expressed in thousands)

Plan	Current Discount Rate (%)	1% Decrease	Current Discount Rate	1% Increase
GARS	6.43%	\$ 320,498	\$ 282,301	\$ 250,022
JRS	6.38%	\$ 2,079,735	\$ 1,759,050	\$ 1,484,504
SERS [^]	6.59%	\$ 40,515,575	\$ 33,073,038	\$ 26,916,175
TRS ^{^^}	7.00%	\$ 104,798,203	\$ 84,854,902	\$ 68,322,798
SURS	6.35%	\$ 36,700,168	\$ 30,230,908	\$ 24,839,791

[^] The amounts represent the collective net pension liability for the State, including THA.

^{^^} The amounts represent the State's employer and nonemployer proportionate share of the net pension liability.

Payables to the pension plan. At June 30, 2025, the State reported the following payable amounts to the retirement systems for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2025.

Table 16-14 (amounts expressed in thousands)

Plan	Payable to pension plan
GARS	\$ -
JRS	\$ -
SERS [^]	\$ 340,807
TRS ^{^^}	\$ 621
SURS	\$ -

[^] Amount represents the collective payable for the State, including THA.

^{^^} Amount represents the State's nonemployer payable to the plan.

Reconciliation of Net Pension Liability as summarized in Footnote 8.

Table 16-15 (amounts expressed in thousands)

	GARS	JRS	SERS	TRS	SURS	Total
Primary Government:						
Governmental Activities	\$ 282,301	\$ 1,759,050	\$ 32,070,064	\$ 84,854,902	\$ 30,230,908	\$ 149,197,225
Business-type Activities:						
Water Revolving Fund	-	-	60,160	-	-	60,160
Nonmajor Enterprise Funds	-	-	147,837	-	-	147,837
Component Units:						
Toll Highway Authority	-	-	794,977	-	-	794,977
Net pension liability	\$ 282,301	\$ 1,759,050	\$ 33,073,038	\$ 84,854,902	\$ 30,230,908	\$ 150,200,199

* Nonmajor component units are not disclosed in Footnote 8, Changes in Long-term Obligations.

17 POSTEMPLOYMENT BENEFITS

Plan description. The State Employees Group Insurance Act of 1971 (Act), as amended, authorizes the Illinois State Employees Group Insurance Program (SEGIP) to provide health, dental, vision, and life insurance benefits for certain retirees and their dependents. Substantially all State and university component unit employees become eligible for these other postemployment benefits (OPEB) if they eventually become annuitants of one of the State sponsored pension plans. This includes employees of State agencies as well as employees of

Illinois State Toll Highway Authority (THA) and the State’s nine university component units. The State sponsored pension plans include the General Assembly Retirement System (GARS), Judges Retirement System (JRS), State Employees’ Retirement System of Illinois (SERS), Teachers’ Retirement System (TRS), and State Universities Retirement System of Illinois (SURS). The eligibility provisions for each of the retirement systems are defined within Note 16. Additionally, certain members covered under TRS for pension purposes are eligible for retiree healthcare benefits under the Teachers’ Retirement Insurance Program (TRIP). Other TRS members eligible for coverage under SEGIP include: certified teachers employed by certain State agencies, executives employed by the Board of Education, regional superintendents, regional assistant superintendents, TRS employees, and members with certain reciprocal service.

The Department of Central Management Services administers these benefits for annuitants with the assistance of the public retirement systems sponsored by the State (GARS, JRS, SERS, TRS, and SURS). The State recognizes SEGIP OPEB benefits as a single-employer defined benefit plan. The plan does not issue a stand-alone financial report.

Benefits provided. The health, dental, and vision benefits provided to and contribution amounts required from annuitants are the result of collective bargaining between the State and the various unions representing the State’s and the university component units’ employees in accordance with limitations established in the Act. Therefore, the benefits provided and contribution amounts are subject to periodic change. Coverage through SEGIP becomes secondary to Medicare after Medicare eligibility has been reached. Members must enroll in Medicare Parts A and B to receive the subsidized SEGIP premium available to Medicare eligible participants. The Act requires the State to provide life insurance benefits for annuitants equal to their annual salary as of the last day of employment until age 60, at which time, the benefit amount becomes \$5,000.

Employees covered by benefit terms. As of the measurement date June 30, 2024, the following employees were covered by the defined benefit terms of the plan.

Inactive employees or beneficiaries currently receiving benefit payments	103,382
Inactive employees entitled to but not yet receiving benefit payments	25,098
Active employees	110,763
Total	239,243

Funding policy and annual other postemployment benefit cost. OPEB offered through SEGIP are financed through a combination of retiree premiums, State contributions, and Federal government subsidies from the Medicare Part D program. Contributions are deposited in the Health Insurance Reserve Fund, which covers both active State employees and retired members. Annuitants may be required to contribute towards health and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested do not contribute toward health and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant’s contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health and vision benefits. All annuitants are required to pay for dental benefits regardless of retirement date. The Director of Central Management Services shall, on an annual basis, determine the amount the State shall contribute toward the basic program of group health benefits. State contributions are made primarily from the General Revenue Fund on a pay-

as-you-go basis. No assets are accumulated or dedicated to funding the retiree health insurance benefit and a separate trust has not been established for the funding of OPEB.

For fiscal year 2025, the annual cost of the basic program of group health, dental, and vision benefits before the State’s contribution was \$16,299.36 (\$9,068.16 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$16,798.92 (\$6,780.60 if Medicare eligible) if the annuitant chose other benefits.

Total OPEB liability, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB. The total OPEB liability, as reported at June 30, 2025, was measured as of June 30, 2024, with an actuarial valuation as of June 30, 2023. The schedule of changes in the State’s total OPEB liability, as of the measurement date, are presented below:

Total OPEB liability[^]	
Service cost	\$ 773,257
Interest on the total OPEB liability	778,865
Difference between expected and actual experience	1,103,581
Changes of assumptions	1,162,139
Benefit payments	(833,893)
Net change in total OPEB liability	2,983,949
Total OPEB liability at June 30, 2023	17,222,645
Total OPEB liability at June 30, 2024	\$ 20,206,594
Covered-employee payroll	\$ 9,190,036
Total OPEB liability as a percentage of covered-employee payroll	219.88%
[^] Amounts represent the collective total OPEB liability for the State, including THA and the nine university component units.	

The State recognized a credit to collective total OPEB expense, including the primary government, THA, and the nine university component units, for the year ended June 30, 2024, of (\$3.695) billion.

At June 30, 2025, the primary government and its component units reported deferred outflows and deferred inflows of resources, as of the measurement date of June 30, 2024, from the following sources:

	Primary Government	Component Units	Total SEGIP
Deferred outflows of resources			
Differences between expected and actual experience	\$ 1,026,682	\$ 52,740	\$ 1,079,422
Changes of assumptions	896,652	46,060	942,712
Changes in proportion and differences between employer contributions and proportionate share of contributions	(435,977)	435,977	-
State contributions subsequent to the measurement date	835,202	40,113	875,315
Total deferred outflows of resources	\$ 2,322,559	\$ 574,890	\$ 2,897,449
Deferred inflows of resources			
Differences between expected and actual experience	\$ 2,349,585	\$ 120,698	\$ 2,470,283
Changes of assumptions	7,405,632	380,426	7,786,058
Changes in proportion and differences between employer contributions and proportionate share of contributions	(530,827)	530,827	-
Total deferred inflows of resources	\$ 9,224,390	\$ 1,031,951	\$ 10,256,341

The component unit deferred outflows and deferred inflows of resources presented above are further allocated to THA and the State’s nine university component units in the table below:

	Toll Highway Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Other Universities	Total Component Units
Deferred outflows of resources							
Differences between expected and actual experience	\$ 12,770	\$ 711	\$ 1,462	\$ 4,517	\$ 31,687	\$ 1,593	\$ 52,740
Changes of assumptions	11,152	622	1,276	3,945	27,674	1,391	46,060
Changes in proportion and differences between employer contributions and proportionate share of contributions	237,153	3,484	7,877	23,108	153,347	11,008	435,977
Contributions subsequent to the measurement date	9,533 ^	475	1,166	3,328	24,307	1,304	40,113
Total deferred outflows of resources	\$ 270,608	\$ 5,292	\$ 11,781	\$ 34,898	\$ 237,015	\$ 15,296	\$ 574,890
Deferred inflows of resources							
Differences between expected and actual experience	\$ 29,223	\$ 1,628	\$ 3,345	\$ 10,338	\$ 72,518	\$ 3,646	\$ 120,698
Changes of assumptions	92,109	5,131	10,542	32,585	228,567	11,492	380,426
Changes in proportion and differences between employer contributions and proportionate share of contributions	289,960	1,803	2,263	8,652	210,186	17,963	530,827
Total deferred inflows of resources	\$ 411,292	\$ 8,562	\$ 16,150	\$ 51,575	\$ 511,271	\$ 33,101	\$ 1,031,951

^ THA reported \$9.132 billion of contributions subsequent to the measurement date as of December 31, 2024, its fiscal year end.

The amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction to the OPEB liability during the year ended June 30, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2026	\$ (4,804,590)
2027	(3,378,880)
2028	(586,769)
2029	409,302
2030	126,730
Total	\$ (8,234,207)

The amounts represent the collective deferred outflows and inflows of resources for the State, including THA and the nine university component units, to be recognized as expense in future years.

Actuarial methods and assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation for the SEGIP was based on GARS, JRS, SERS, TRS, and SURS active, inactive, and retiree data as of June 30, 2023, for eligible SEGIP employees, and SEGIP retiree data as of June 30, 2023.

Table 17-6	
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial assumptions:	
Inflation Rate	2.25%
Projected Salary Increases*	2.50% - 12.75%
Healthcare Cost Trend Rate:	
Medical and Rx (QCHP**)	10.02% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in year 2041.
Medical and Rx (MAPD***)	Based on actual increase in 2025, 15.00% from 2026 through 2030, 7.00% in 2031 decreasing ratably to an ultimate trend of 4.25% in 2041.
Retiree Premium (QCHP)	16.84% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate trend of 4.25% in year 2041.
Retiree Premium (MAPD)	Based on actual increase in 2025, 15.00% from 2026 through 2030, 7.00% in 2031 decreasing ratably to an ultimate trend of 4.25% in 2041.
Retirees' share of benefit-related costs	Healthcare premium rates for members depend on the date of retirement and the years of service earned at retirement. Members who retired before January 1, 1998, are eligible for single coverage at no cost to the member. Members who retire after January 1, 1998, are eligible for single coverage provided they pay a portion of the premium equal to 5 percent for each year of service under 20 years. Eligible dependents receive coverage provided they pay 100 percent of the required dependent premium. Premiums for plan year 2024 and 2025 are based on actual premiums. Premiums after 2025 were projected based on the same healthcare cost trend rates applied to per capita claim costs.
Note: the above actuarial assumptions were used to calculate the OPEB liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the OPEB liability as of the prior year measurement date except for the following:	
Healthcare Cost Trend Rate:	
Medical and Rx (QCHP**)	9.63% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.
Medical and Rx (MAPD***)	0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.
Retiree Premium (QCHP)	8.04% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.
Retiree Premium (MAPD)	0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.75% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.
* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed.	
** Quality Care Health Plan	
*** Medicare Advantage Prescription Drug	

Additionally, the demographic assumptions used in this OPEB valuation are identical to those used in the June 30, 2023, valuations for GARS, JRS, SERS, TRS, and SURS as follows:

Table 17-7

	Retirement age experience study [^]	Mortality ^{^^}
GARS	July 2018 - June 2021	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, with no scaling factors, and the MP-2021 two-dimensional generational mortality improvement scales
JRS	July 2018 - June 2021	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, with no scaling factors, and the MP-2021 two-dimensional generational mortality improvement scales
SERS	July 2018 - June 2021	Pub-2010 General and Public Safety Healthy Retiree mortality tables, sex distinct, with rates projected to 2021 generational mortality improvement factors were updated to projection scale MP-2021
TRS	July 2017 - June 2020	PubT-2010 adjusted for TRS experience for future mortality improvements on a fully generational basis using projection table MP-2020
SURS	July 2017 - June 2020	Rates based on Pub-2010 Healthy Retiree Mortality tables and the most recent MP-2020 projection scale. Teachers table was used for Academic members and General Employees table was used for Non-Academic members

[^] The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined.

^{^^} Mortality rates are based on mortality tables published by the Society of Actuaries' Retirement Plans Experience Committee.

Discount rate. Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.86% at June 30, 2023, and 3.97% at June 30, 2024, was used to measure the total OPEB liability.

Sensitivity of total OPEB liability to changes in the single discount rate. The following presents the plan’s total OPEB liability, calculated using a single discount rate of 3.97%, as well as what the plan’s total OPEB liability would be if it were calculated using a single discount rate that is one percentage point higher (4.97%) or lower (2.97%) than the current rate:

Table 17-8 (amounts expressed in thousands)

	1% Decrease (2.97%)	Current Single Discount Rate Assumption (3.97%)	1% Increase (4.97%)
Total OPEB liability [^]	\$ 22,381,870	\$ 20,206,594	\$ 18,339,414

[^] The amounts represent the collective total OPEB liability for the State including THA and the nine university component units.

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate. The following presents the plan’s total OPEB liability, calculated using the healthcare cost trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2026 decreasing to an ultimate trend rate of 4.25% in 2041.

Table 17-9 (amounts expressed in thousands)

	1% Decrease**	Current Healthcare Cost Trend Rates Assumption *	1% Increase***
Total OPEB liability^	\$ 17,911,077	\$ 20,206,594	\$ 22,996,162

^ The amounts represent the collective total OPEB liability for the State including THA and the nine university component units.

* Current healthcare trend rates - Pre-Medicare per capita costs: 10.02% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.

** One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 9.02% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 14.00% from 2026 through 2030, 6.00% in 2031 decreasing ratably to an ultimate trend of 3.25% in 2041.

*** One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 11.02% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 16.00% from 2026 through 2030, 8.00% in 2031 decreasing ratably to an ultimate trend of 5.25% in 2041.

Plans administered for other governments. The State also administers cost-sharing OPEB plans for teachers at school districts in Illinois (excluding Chicago) and for teachers at community colleges in Illinois. Financial statements for these plans may be obtained from the Department of Central Management Services (Department), 704 Stratton Office Building, Springfield, Illinois 62706. Eligibility to participate in both OPEB plans is defined in the State Employees Group Insurance Act of 1971 (Act) (5 ILCS 375/6.5 and 5 ILCS 375/6.9, respectively.) The Act, as amended, establishes the benefits provided to retirees; the rates of contribution for active employees, employers, and the State; and the process, if any, to amend rates of contribution for both plans.

Plan description. The Teacher Health Insurance Security Fund (THISF) (also known as TRIP) is a non-appropriated trust fund held outside of the State Treasury, with the State Treasurer as custodian. Amounts deposited into the trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. TRIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating school districts throughout the State of Illinois, excluding the Chicago Public School System. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. The Department administers the plan with the cooperation of TRS.

To be eligible, retirees of public schools must have been certified educators or administrators during their time of employment. Eligibility to participate in the plan is currently limited to former full-time employees, or if not a full-time employee, an individual that is in a permanent and continuous basis in a position in which services are expected to be rendered for at least one school term, and their dependents. As of the measurement date of June 30, 2024, there were 983 school districts participating.

The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program, CIP) is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Amounts deposited into the Trust are for the sole purpose of

providing the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. The Department administers the plan with the cooperation of SURS and the boards of trustees of the various community college districts.

All members receiving benefits from SURS who have been full-time employees of a community college district or an association of a community college who have paid the required active member contributions prior to retirement age are eligible to participate in CIP. Survivors of an annuitant or benefit recipient eligible for CIP coverage are also eligible for coverage under CIP. As of the measurement date of June 30, 2024, there were 39 community college districts participating.

Benefits provided. TRIP health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. CIP health coverage includes provisions for medical, prescription drugs, vision, dental, and behavioral health benefits.

Employees covered by benefit terms. As of the measurement date of June 30, 2024, the following employees were covered by the defined benefit terms of each program, respectively:

Table 17-10		
	TRIP	CIP
Inactive employees or beneficiaries currently receiving benefit payments	64,992	6,552
Inactive employees entitled to but not yet receiving benefit payments	38,118	6,624
Active employees	163,893	18,775
Total	267,003	31,951

Funding policy and contributions. For TRIP retiree healthcare benefits are funded on a pay-as-you-go basis. The cost of TRIP is shared among active members, retirees, the individual school districts, and the State. For fiscal year 2024, active members contributed 0.90% of pay, and school districts contributed an amount equal to 0.67% of each teacher’s salary. The Department of Central Management Services determines, by rule, the percentage required, which each year, shall not exceed 105% of the percentage of salary required to be paid in the previous fiscal year. In addition, the State Employees Group Insurance Act of 1971 requires the State contribute 0.90% of salaries. The State contribution amount is annually adjusted to true-up the contribution that was certified two years prior using actual covered payroll. The State contributed \$117.321 million for fiscal year 2025.

The Act requires that the Department’s Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

For CIP retiree healthcare benefits are funded on a pay-as-you-go basis. The cost of CIP is shared among active members, retirees, community college districts, and the State. For fiscal year 2025, the Act required every active contributor of SURS, who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.75% of salary and every community college district or association of

community college boards to contribute to the plan an amount equal to 0.75% of the salary paid to its full-time employees who are required to contribute to the plan. The State is also required to contribute 0.85% of salaries. The State contribution amount is annually adjusted to true-up the contribution that was certified two years prior using actual covered payroll. The State contributed \$9.397 million for fiscal year 2025.

The Act requires the Department’s Director to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by CIP.

OPEB liabilities, deferred outflows and inflows of resources related to OPEB, and OPEB expense. TRIP is a cost-sharing multiple-employer defined benefit plan with a special funding situation. As a nonemployer contributing entity, at June 30, 2025, the State reported a liability of \$4.556 billion for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2023. At June 30, 2024, the State’s proportion was 57.592%, based on its contribution requirement. This is an increase of 0.103% from its proportionate share measured as of the prior year measurement date of June 30, 2023.

CIP is also a cost-sharing multiple-employer defined benefit plan with a special funding situation. At June 30, 2025, the State reported a liability of \$332.595 million for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2023. At June 30, 2024, the State’s proportionate share of the liability was 50.000% based on its contribution requirement consistent with its proportionate share measured as of the prior year measurement date of June 30, 2023.

As a result of the State’s contribution requirements for the plans, the State recognized OPEB expense for the year ended June 30, 2025, as follows:

Plan	OPEB Expense
TRIP	\$ (1,526,784)
CIP	\$ (126,075)

At June 30, 2025, the State reported deferred outflows and deferred inflows of resources related to each plan, as of the measurement date from the following sources:

Table 17-12 (amounts expressed in thousands)

	TRIP		CIP	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 125,715	\$ 1,920,185	\$ 4,216	\$ 100,209
Changes of assumptions	137,690	6,546,337	2,459	241,651
Net difference between projected and actual investment earnings on OPEB plan investments	1,191	3,664	-	165
Changes in proportion and differences between employer contributions and share of contributions.	71,801	32,278	1	8,219
State contributions subsequent to the measurement date	117,321	-	9,397	-
Total	<u>\$ 453,718</u>	<u>\$ 8,502,464</u>	<u>\$ 16,073</u>	<u>\$ 350,244</u>

The amounts reported as deferred outflows of resources resulting from State contributions to TRIP and CIP, respectively, subsequent to the measurement date will be recognized as a reduction of the State's respective net OPEB liability for each of the plans during the year ended June 30, 2026. Other amounts reported as deferred outflows and deferred inflows of resources for TRIP and CIP as a result of the State's requirement to contribute to the plans will be recognized in expense as follows:

Table 17-13 (amounts expressed in thousands)

Year ended June 30,	TRIP	CIP
2026	\$ (1,637,689)	\$ (130,965)
2027	(1,594,055)	(113,248)
2028	(1,578,785)	(88,088)
2029	(1,456,271)	(6,496)
2030	(1,124,550)	(4,771)
Thereafter	(774,717)	-
Total	<u>\$ (8,166,067)</u>	<u>\$ (343,568)</u>

Actuarial methods and assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation of TRIP was based on TRS active, inactive, and retiree data as of June 30, 2023, and TRIP retiree data as of June 30, 2023, while the actuarial valuation of CIP was based on SURS active, inactive, and retiree data as of June 30, 2023, for eligible community college members, and CIP retiree data as of June 30, 2023.

Table 17-14		
	TRIP	CIP
Valuation Date	June 30, 2023	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2024
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Inflation Rate	2.25%	2.25%
Projected Salary Increases*	3.5% - 8.50%	3.00% - 12.75%
Investment Rate of Return	2.75%	0.00%
Retirement age experience study ^	July 2017 - June 2020	July 2017 - June 2020
Mortality	PubT-2010 and PubNS-2010 with future mortality improvements on a fully generational basis using projection table MP-2020	Pub-2010 and PubT-2010 with future mortality improvements on a fully generational basis using projection table MP-2020
Healthcare Cost Trend Rate:		
Medical and Rx (CHP** and MC***)	6.00% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.	9.02% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.
Medical and Rx (MAPD****)	Based on actual increase in 2025, 15.00% from 2026 through 2030, 7.00% in 2031 decreasing ratably to an ultimate trend of 4.25% in 2041.	Based on actual increase in 2025, 15.00% from 2026 through 2030, 7.00% in 2031 decreasing ratably to an ultimate trend of 4.25% in 2041.
Retiree Premium (CHP and MC)	5.00% from 2025 to 2038, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.	-9.81% in 2025, 5.00% in 2026 to 2038, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.
Retiree Premium (MAPD)	Based on actual increase in 2025, 15.00% from 2026 through 2030, 7.00% in 2031 decreasing ratably to an ultimate trend of 4.25% in 2041.	Based on actual increase in 2025, 15.00% from 2026 through 2030, 7.00% in 2031 decreasing ratably to an ultimate trend of 4.25% in 2041.
Dental and Vision	n/a	3.75% in 2025, 4.00% in 2026 to 2041.
<p>Note: the above actuarial assumptions were used to calculate the OPEB liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the OPEB liability as of the prior year measurement date except for the following:</p>		
Healthcare Cost Trend Rate:		
Medical and Rx (CHP** and MC***)	6.00% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.	9.14% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.
Medical and Rx (MAPD****)	0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.	0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.
Retiree Premium (CHP and MC)	5.00% from 2024 to 2037, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.	16.33% in 2024, 5.00% in 2025 to 2037, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.
Retiree Premium (MAPD)	0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.00% in 2034 to 2037, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040.	0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.00% in 2034 to 2037, 4.82% in 2038 decreasing ratably to an ultimate trend rate of 4.25% in 2040.
Dental and Vision		3.75% in 2024, 4.00% in 2025 to 2040.
<p>* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed. ** Choice Health Plan *** Maintenance Choice **** Medicare Advantage Prescription Drugs ^ The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined.</p>		

As of the measurement date of June 30, 2024, the THISF and CCHISF earned \$21.998 million and \$277 thousand in interest, respectively. The market value of assets for TRIP was \$634.5 million while the market value of assets for CIP was negative primarily due to a significant payable in the plan. The long-term rate of return assumption was 2.75% for TRIP. The significant benefit payable, the low and negative asset values, and the pay-as-you-go funding policy resulted in a long-term expected rate of return assumption of zero for CIP.

Discount rate. Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.86% at June 30, 2023, and 3.97% at June 30, 2024, was used to measure the collective net OPEB liability for both TRIP and CIP.

Sensitivity of the collective net OPEB liability to changes in the single discount rate. The collective net OPEB liability for each plan calculated using the single discount rate of 3.97%, as well as what the collective net OPEB liability would be if it were calculated using a single discount rate that is one percentage point lower (2.97%) or higher (4.97%) than the current rate is shown below:

Plan	1% Decrease (2.97%)	Current Single Discount Rate Assumption (3.97%)	1% Increase (4.97%)
TRIP	\$ 5,084,315	\$ 4,555,835	\$ 4,089,966
CIP	\$ 363,365	\$ 332,595	\$ 306,252

Sensitivity of the collective net OPEB liability to changes in the healthcare cost trend rate. The collective net OPEB liability for each plan calculated using the healthcare cost trend rates as well as what the collective net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or higher than the current healthcare cost trend rates are shown below. The key trend rates are 8.00% in 2026 decreasing to an ultimate trend rate of 4.25% for TRIP and CIP in 2041.

Table 17-16 (amounts expressed in thousands)

Plan	Current Healthcare Cost Trend Rates Assumption *		
	1% Decrease**		1% Increase***
TRIP	\$ 3,922,573	\$ 4,555,835	\$ 5,309,393
CIP	\$ 298,835	\$ 332,595	\$ 373,493

TRIP

* Current healthcare trend rates - Pre-Medicare per capita costs: 6.00% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.

** One percentage point decrease in healthcare trend rates - Pre-Medicare per capita costs: 5.00% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 14.00% from 2026 to 2030, 6.00% in 2031 decreasing ratably to an ultimate trend rate of 3.25% in 2041.

*** One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 7.00% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 16.00% from 2026 to 2030, 8.00% in 2031 decreasing ratably to an ultimate trend rate of 5.25% in 2041.

CIP

* Current healthcare trend rates - Pre-Medicare per capita costs: 9.02% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.

** One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.02% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 14.00% from 2026 to 2030, 6.00% in 2031 decreasing ratably to an ultimate trend rate of 3.25% in 2041.

*** One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 10.02% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 16.00% from 2026 to 2030, 8.00% in 2031 decreasing ratably to an ultimate trend rate of 5.25% in 2041.

Reconciliation of Total OPEB liability as summarized in Footnote 8.

Table 17-17 (amounts expressed in thousands)

	SEGIP	TRIP	CIP	Total
Primary Government:				
Governmental Activities	\$ 19,150,091	\$ 4,555,835	\$ 332,595	\$ 24,038,521
Business-type Activities:				
Water Revolving Fund	21,278	-	-	21,278
Nonmajor Enterprise Funds	47,930	-	-	47,930
Component Units:				
Toll Highway Authority	239,044	-	-	239,044
Illinois State University	13,316	-	-	13,316
Northern Illinois University	27,360	-	-	27,360
Southern Illinois University	84,565	-	-	84,565
University of Illinois	593,185	-	-	593,185
Other Universities*	29,825	-	-	29,825
Total OPEB liability	\$ 20,206,594	\$ 4,555,835	\$ 332,595	\$ 25,095,024

* Nonmajor component units are not disclosed in Footnote 8, Changes in Long-term Obligations.

18 FAIR VALUE MEASUREMENTS

The State categorizes the fair value measurement of its investments held within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value giving the highest priority

to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement of that investment. The following describes the hierarchy of inputs used to measure fair value and primary valuation methodologies used for financial instruments measured at fair value on a recurring basis. Level 1 investments include those whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date. Level 2 includes investments with inputs—other than quoted prices included within Level 1—that are observable for an asset, either directly or indirectly. Investments classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment.

Investments held by the State Treasurer are recorded at fair market value, with the exception of U.S. Treasury bills, commercial paper, money market mutual funds, repurchase agreements, Illinois Public Treasurers' Investment Pool, and the Student Empowerment Fund, which are valued at amortized cost. Certain short-term investments that have a maturity date of less than one year from the acquisition date, are valued at amortized cost as permitted by GASB Statement No. 72. The Treasurer's investments in U.S. Treasury bills and U.S. State and Local Government Series Securities are short-term investments with no coupon payments. The investments in repurchase agreements have maturities less than one year from date of acquisition. The Illinois Public Treasurers' Investment Pool is considered an external investment pool under GASB Statement No. 79; thus, the State has made the election to report all investments within the pool at amortized cost.

The following table summarizes the investments held by the State Treasurer in the State Treasury as of June 30, 2025. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-1 (amounts expressed in thousands)

Investment Type	Fair Value	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level			
U.S. Treasury obligations	\$ 2,445,367	\$ 2,445,367	\$ -
U.S. Agency obligations	2,543,896	2,543,896	-
Supranational bonds	219,335	219,335	-
Municipal debt	232,483	232,483	-
Corporate debt securities	6,442,126	6,442,126	-
Illinois Facilities Fund Security	10,000	-	10,000
Total investments by fair value level	11,893,207	\$ 11,883,207	\$ 10,000
Investments measured at the net asset value (NAV)			
Private equity (1)(2)	956,182		
Total investments measured at the NAV	956,182		
Investments measured at amortized cost			
U.S. Treasury bills	1,583,668		
U.S. Treasury obligations	324,138		
Commercial paper	3,609,180		
Money market mutual funds	6,430,631		
Repurchase agreements	2,862,299		
Securities lending collateral invested in repurchase agreements	5,394,208		
Illinois Public Treasurers' Investment Pool	11,875,384		
Student Empowerment Fund	8,381		
Total investments measured at amortized cost	32,087,889		
Total investments	\$ 44,937,278		

- (1) **Private equity:** The nature of the Illinois Technology Development I and II (ITD I and ITD II) and the Infrastructure Development Account (IDA) investments is that distributions are received through various means including, but not limited to, the cash distributed by the fund from business income from portfolio assets, dividend payments paid by a company to a fund, or the liquidation of the underlying assets or interests of the fund over the contractual term lives of each partnership investment. The contractual terms of these investments generally range between 10-15 years from the original investment date depending upon whether optional extensions are exercised by the general partners of the partnerships. Based on the terms of the limited partnership investments, it is anticipated that the last of the proceeds of these investments will be returned no later than December 19, 2026, for all closed-ended funds within ITD I, April 25, 2035, for all closed-ended funds within ITD II, and October 31, 2036, for all closed-ended funds within IDA, with the bulk of the proceeds being received sooner. Proceeds of investments for all open-ended funds will be returned periodically until the State Treasurer determines to redeem its investment. The fair values of the ownership interests in the various limited partnership investments have been determined based on the most recent capital account balances provided by the respective general partners of each limited partnership. Due to the uniqueness and illiquid nature of the underlying privately-held investments, general partners use valuation techniques that rely on unobservable inputs such as estimates and appraisals derived from comparable market transactions to determine the NAV per share (or its equivalent) for limited partner investors, which are audited annually by independent auditors for each partnership investment. As of June 30, 2025, there are unfunded commitments of \$268.261 million.

Primary government investments held outside of the State Treasury at June 30, 2025, except for investments held by the Illinois State Board of Investments (ISBI), Teachers' Retirement System

(TRS), and State Universities Retirement System (SURS), are measured at fair value. Short-term investments consisting of negotiable certificates of deposit are reported at fair value. These investments are measured at quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices. These investments are categorized as Level 2 of the fair value hierarchy.

Debt and equity investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets, to the extent these securities are actively traded.

Investments classified in Level 2 of the fair value hierarchy are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Valuation estimates from service providers' internal models use observable inputs such as interest rates, yield curves, credit/risk spreads, and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices.

The following table summarizes investments held outside of the State Treasury at June 30, 2025, except for investments held by ISBI, TRS, and SURS. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level			
Negotiable certificates of deposit	\$ 2,228	\$ -	\$ 2,228
U.S. Treasury obligations	1,310,995	706,888	604,107
U.S. Agency obligations	12,468	-	12,468
Municipal debt	76,094	2,094	74,000
Corporate debt securities	23,364	-	23,364
Debt mutual funds	7,690,498	7,690,498	-
Government notes - non U.S.	1,515	1,515	-
Money market mutual funds	924,792	924,792	-
Equity securities	15,416	15,416	-
Equity mutual funds	13,030,100	13,030,100	-
Blended mutual funds	3,528	3,528	-
Bond trust funds	10,783	-	10,783
Total investments by fair value level	23,101,781	\$ 22,374,831	\$ 726,950
Investments measured at the net asset value (NAV)			
Real estate (1)	48,140		
Infrastructure (2)	11,908		
High yield fund (3)	2,510		
Private equity (4)	129		
Total investments measured at the NAV	62,687		
Investments measured at amortized cost			
Money market mutual funds	3,523		
Equity in Public Treasurers' Investment Pool	9,183,958		
Total investments measured at amortized cost	9,187,481		
Equity in State Universities Retirement System	17,039		
Equity in Illinois State Board of Investments*	46,468		
Total investments	\$ 32,415,456		
* Total investments of Illinois State Board of Investments are \$28,668,561. The fair value measurement for these investments is displayed in Table 18-3.			

- (1) **Real estate funds:** This type includes one real estate fund that invests primarily in U.S. commercial and residential real estate. Lyrical Antheus Realty Partners, III, LP recognizes the partners' capital at cost basis on their financial statements, which has been adjusted to reflect the investment on a fair value basis. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the fund will be liquidated over the next four years with 20% within fiscal year 2026.
- (2) **Infrastructure funds:** This fund includes two infrastructure funds which invest in infrastructure and related assets in the U.S., Asia, and Europe. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the funds will be liquidated over the next three years with 100% to 25% (varies by investment manager) within fiscal year 2026. There are unfunded commitments of \$5.339 million between these two funds.
- (3) **High yield fund:** This fund seeks income and gains through trading and investing in securities. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Ninety percent of liquid securities are available within 30 days of quarter end with 60 days' notice prior to quarter end. Up to 25% of the fund may be invested in illiquid securities. Ten percent of any withdrawal may be held until 30 days following the annual audit.
- (4) **Private equity:** This type includes one private equity fund which invests in a diversified portfolio of private equity limited partnerships purchased in the secondary market. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the fund will be 50% liquidated within fiscal year 2026, with the remainder over the following year. There are unfunded commitments of \$314 thousand in these investments.

ISBI categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. Fair value measurements are determined within a framework that utilizes a three-tier hierarchy, which maximizes the use of observable inputs and minimizes the use of unobservable inputs. ISBI values U.S. Treasury obligations and U.S. Agency obligations by using quoted prices for identical securities in markets that are not active. Foreign government obligations and foreign corporate obligations are valued by using quoted prices for similar securities in active markets and quoted prices for identical or similar assets in markets that are not active. Corporate bonds and municipal bonds are valued by using quoted prices for similar securities in active markets. The fair value of bank loans is determined by using inputs other than quoted prices that are observable for the asset. Investments classified as Level 3 are valued using best available sources, including discounted cash flow models, weighting of the best available pricing inputs, and third-party pricing services. Common stock and equity funds, foreign equity securities, and commingled funds (domestic and foreign) are valued by using quoted prices for identical securities in an active market or from broker-quoted prices in an active market. Money market funds are measured at amortized cost.

Investments valued using the NAV per share (or its equivalent) are mostly “alternative investments” which, unlike more traditional investments, generally do not have readily obtainable fair values. ISBI’s estimate of the fair value of these alternative investments is determined based on the NAV per share (or its equivalent) of the respective investment funds provided by external investment fund managers. NAV per share (or its equivalent) may be used as a practical expedient to estimate the fair value of the investment if certain eligibility criteria are met. If June 30 financial statement valuations are not available, the investment value is adjusted from the most recently available financial statements, taking into account key factors and assumptions used to monitor, collect, and analyze the valuations of the alternative investments in relation to relevant literature.

The following table summarizes the investments held by ISBI as of June 30, 2025. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-3 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 631,462	\$ 471,747	\$ 159,715	\$ -
U.S. Agency obligations	240	240	-	-
Corporate obligations	242,696	1,504	227,409	13,783
Common stock and equity funds	7,097,346	7,081,771	-	15,575
Foreign obligations	1,517	-	1,378	139
Foreign equity securities	150,563	150,238	-	325
Bank loans	131,672	-	114,469	17,203
Commingled funds	8,604,614	8,604,614	-	-
Total investments by fair value level	16,860,110	\$ 16,310,114	\$ 502,971	\$ 47,025
Investments measured at the net asset value (NAV)				
Commingled funds (1)	2,616,347			
Real estate (2)	2,720,353			
Private equity (3)	2,936,391			
Private credit funds (4)	2,522,411			
Infrastructure funds (5)	836,935			
Hedge funds (6)	149			
Total investments measured at the NAV	11,632,586			
Investments measured at amortized cost				
Money market instruments	175,865			
Total investments measured at amortized cost	175,865			
Total investments	\$ 28,668,561			

- (1) **Commingled funds:** ISBI’s assets in this category consist of various investments that are blended together in order to provide economies of scale, allowing for lower trading costs per dollar of investment and diversification. These investments provide primarily liquid exposure to publicly traded equity and fixed income markets. The equity and fixed income portfolios provide diversification benefits and return enhancement to the overall fund in both domestic and international markets. Commingled funds are also called “pooled funds” and “master trusts.” ISBI’s current NAV per share (or its equivalent) measured commingled fund exposure consists of investments in 61 total funds, including public equity (55) and fixed income (6) funds. Twenty-four of these funds are domestic and 37 are international. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2025. The redemption frequency is quarterly with a notice period of 90 days.

- (2) **Real estate:** ISBI's assets in this category consist of investments in Core and Non-Core Real Estate Funds. ISBI's current Real Estate exposure consists of investments in 82 funds with the goals of diversifying ISBI's overall portfolio, providing capital appreciation, and supplementing the total return of the portfolio through exposure to private real estate assets in both open-end and closed-end structures. Investments in this category are globally diversified and consist of office, industrial, multi-family, retail, storage, and other types of assets. Core assets are expected to provide strong diversification through primary markets and high-income potential. Non-Core assets are typically higher risk assets with stronger capital appreciation. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2025. There are unfunded commitments of \$849.118 million at June 30, 2025. The redemption frequency is quarterly with a notice period of 90 days.
- (3) **Private equity:** ISBI's assets in this category consist of investments in funds not listed on public exchanges. ISBI's current Private Equity exposure consists of investments in 136 funds with the goals of generating returns significantly greater than typically available in the public market and diversifying ISBI's overall portfolio that is comprised predominantly of equity and fixed income assets. The strategies of Private Equity funds include, but are not limited to, leveraged buyouts, venture capital, and growth capital. Returns are commensurate with the risks presented by this asset class which includes illiquidity. These funds have underlying portfolio investments that cannot be redeemed with the funds but rather these funds will make distributions of capital as the funds liquidate their underlying portfolio investments over the average 10-year life of the funds. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2025. There are unfunded commitments of \$1.964 billion at June 30, 2025. These investments are not eligible for redemption.
- (4) **Private credit funds:** ISBI's assets in this category consist of investments in private fixed income markets. ISBI's current Private Credit exposure consists of investments in 123 funds with the goals of diversifying ISBI's overall portfolio, providing downside protection through assets that are capital collateralized, and supplementing the total return of the portfolio which is comprised predominantly of equity and fixed income assets. These funds have underlying portfolio investments that cannot be redeemed with the funds but rather these funds will make distributions of capital as the funds liquidate their underlying portfolio investments over the average 10-year life of the funds. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2025. There are unfunded commitments of \$1.729 billion at June 30, 2025. These investments are not eligible for redemption.
- (5) **Infrastructure funds:** ISBI's assets in this category consist of investments in funds that target infrastructure assets that provide essential services or facilities to a community (ports, bridges, toll roads, etc.). ISBI's current infrastructure exposure consists of investments in 27 funds that seek to diversify ISBI's overall portfolio (comprised predominantly of equity and fixed income assets) and provide capital appreciation and income generation through both open-end and closed-end structures. Investments in this category are globally diversified and consist of Core and Non-Core assets. Core assets are expected to provide strong diversification through primary markets and high-income potential. Non-Core assets are typically higher risk assets with stronger capital appreciation. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2025. There are unfunded commitments of

\$326.509 million at June 30, 2025. The redemption frequency is quarterly with a notice period of 90 days.

- (6) **Hedge funds:** ISBI's assets in this category have historically consisted of investments in funds that seek to generate better than average return and provide a hedge against a downward trend in the overall market. ISBI is currently in the process of transitioning investments in hedge fund vehicles to long-only equity vehicles. ISBI's current Hedge Fund exposure consists of investments in one fund including hedge fund and long-only equity assets. Returns are commensurate with the risks presented by this asset class which includes illiquidity. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year-end. ISBI has no plans to liquidate these investments as of June 30, 2025. The redemption frequency is quarterly with a notice period of 90 days.

TRS categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the valuation. TRS's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. Investments measured at fair value using the NAV per share (or its equivalent) as a practical expedient to fair value are not classified in the fair value hierarchy; however, separate disclosures for these investments are provided.

Short-term investments consisting of money market funds, certificates of deposit, and highly liquid cash equivalents are generally reported at amortized cost which approximates fair market value. These investments are not categorized in the fair value hierarchy.

Debt and equity investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets, to the extent these securities are actively traded.

Debt and investment derivative instruments classified in Level 2 of the fair value hierarchy are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Valuation estimates from service providers' internal models use observable inputs such as interest rates, yield curves, credit/risk spreads, and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices. Exchange traded and over-the-counter investment derivative instruments, valued by independent pricing service providers, where the value is derived from underlying asset prices, reference rates, indices, or other observable inputs, are also included in Level 2.

Debt securities classified as Level 3 include valuations using significant unobservable inputs, valuations using proprietary information, inputs that cannot be corroborated by observable market data, and securities valued with last trade date due to limited trading volume. Real assets classified as Level 3 include direct investments in real estate. Valuations for real estate investments are performed quarterly by investment managers. An appraisal by an independent third party member of the Appraisal Institute is obtained once every three years for each property and is used to establish fair market value.

The following table summarizes the valuation of TRS investments by the fair value hierarchy levels as of June 30, 2025:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 870,356	\$ -	\$ 870,356	\$ -
U.S. Agency obligations	410,197	-	410,197	-
Commercial paper	13,230	-	13,230	-
Corporate debt securities	3,580,709	-	3,580,709	-
Foreign debt securities	738,675	-	738,675	-
Fixed income mutual funds	2,302,568	-	234,067	2,068,501
International common and preferred stock	11,595,492	11,595,090	402	-
U.S. equities	15,912,594	15,912,594	-	-
Municipal obligations	7,562	-	7,562	-
Real estate	4,431,916	-	-	4,431,916
Securities lending collateral	1,291,690	-	1,291,690	-
Total investments by fair value level	41,154,989	\$ 27,507,684	\$ 7,146,888	\$ 6,500,417
Investment derivative instruments by fair value level				
Credit default swaps	(6,743)	\$ (6,743)	\$ -	\$ -
Index and variance swaps	(393)	180	(573)	-
Inflation rate and inflation swaps	655	655	-	-
Options/swaptions	(588)	(588)	-	-
Total investment derivative instruments by fair value level	(7,069)	\$ (6,496)	\$ (573)	\$ -
Investments measured at the net asset value (NAV)				
Diversifying strategies (1)	3,403,460			
Commingled fixed income funds (2)	452,351			
Private debt partnerships (3)	9,476,528			
Private equity partnerships (4)	12,776,015			
Private real estate partnerships (4)	6,104,957			
Real asset partnerships (5)	2,341,140			
Total investments measured at the NAV	34,554,451			
Investments measured at amortized cost				
Short-term investments	2,108,691			
Total investments measured at amortized cost	2,108,691			
Total investments subject to disclosure	77,811,062			
Less cash equivalents	(27,119)			
Total investments	\$ 77,783,943			

- (1) **Diversifying funds:** The diversifying strategies asset class applies various strategies that provide diversification to the total investment portfolio. Investments focus on reducing equity-like risk characteristics encompassed in the overall TRS portfolio by enhancing exposures to strategies that show little to no correlation to growth factors while adding positive skew and active risk management characteristics. Two commodity trading advisors portfolio direct investments include trend/momentum exposures, while a direct investment in a treasury index provides long duration credit exposure. The systematic and discretionary macro strategies include direct investments in four funds diversifying through regional and product expertise, speed of algorithms, and style of trading. Other strategies include one direct investment and one diversified fund of funds. The fair value of these investments has been determined using the NAV per share (or its equivalent) of the investments. The most significant element of NAV per share (or its equivalent) is the fair value of the underlying investment holdings which are valued on either a monthly or quarterly basis by the general partner and are audited annually. Most strategies maintain a liquidity profile of less than one year, ranging from daily to quarterly and require advance notice prior to redemption. TRS is currently liquidating one fund of funds investment as part of strategic asset allocation repositioning.
- (2) **Commingled fixed income funds:** The investment strategies for the four fixed income funds include high yield, defensive bond arbitrage, global liquidity relative value, and emerging market debt. The fair value of the investments has been determined using the NAV per share (or its equivalent) of the investments. Liquidity is available monthly or quarterly upon notice of redemption.

- (3) **Private debt partnerships:** Private debt funds consist of 81 funds investing across strategies such as stressed debt/credit, direct and specialty lending, real estate and real asset credit, and global multi-credit strategies. Seven of these funds are custom partnerships investing in opportunistic investments. The private debt funds provide additional exposure to niche and/or specific nontraditional point-in-time opportunities that are not normally targeted by traditional fixed income managers. Funds are valued using the NAV per share (or its equivalent) and are audited annually. Redemption restrictions are in place over the life of the partnership. The average life of these funds spans 3 to 12 years and distributions are received throughout the life of the funds. Most custom partnerships allow TRS to liquidate upon giving advanced notice. TRS has no plans to liquidate as of June 30, 2025, and TRS did not sell any funds on the secondary market during the fiscal year. As of June 30, 2025, it is probable that all investments in this type will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. As of June 30, 2025, there are unfunded commitments of \$3.835 billion.
- (4) **Private equity and real estate partnerships:** TRS has 297 private equity partnerships which include investments in privately held equity, such as buyouts, co-investments, venture capital, and growth equity, as well as privately held debt. The 71 real estate limited partnerships invest in various property types across multiple geographic regions. Investments in limited partnerships are normally long-term with an approximate life of 10 to 15 years and considered illiquid. Investors are subject to redemption restrictions which limit and restrict the ability of limited partners to exit prior to dissolution. Partnership interests are valued using their respective NAV per share (or its equivalent) calculated by the general partner's fair valuation policy and are generally audited annually. The most significant element of NAV per share (or its equivalent) is the fair value of the investment holdings which are typically valued on a quarterly basis by the general partners. Distributions are received as the funds sell underlying portfolio company investments. TRS has no plans on liquidating the portfolio; however, TRS will opportunistically sell funds in the secondary market to reposition the portfolio and optimize returns. During the fiscal year, TRS sold full or partial interest in 32 private equity funds on the secondary market. As of June 30, 2025, it is probable that all investments in this type will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. As of June 30, 2025, there are unfunded commitments of \$10.157 billion.
- (5) **Real assets partnerships:** Real assets strategies include 17 limited partnerships investing in global infrastructure, direct energy, renewables, and non-U.S. agriculture. These partnerships are not eligible for redemption, considered illiquid, and have an approximate life of 6 to 20 years. Distributions are received during the life of the fund as underlying investments are liquidated. Partnership interests are valued by the general partner using their respective NAV per share (or its equivalent), with the most significant element of NAV per share (or its equivalent) being the fair value of the investment holdings. TRS has no plans to liquidate these funds. As of June 30, 2025, it is probable that all investments in this type will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. As of June 30, 2025, there are unfunded commitments of \$838.882 million.

SURS categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. SURS's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest, which approximates fair value.

Debt and debt derivative instruments classified in Level 2 and Level 3 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Index linked debt securities are valued by multiplying the external market price feed by the applicable day's Index Ratio. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market. Level 3 debt securities use proprietary information or single source pricing. Equity and equity derivative instruments classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

The following table summarizes the investments held by SURS as of June 30, 2025. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-5 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 2,417,027	\$ 2,417,027	\$ -	\$ -
U.S. Agency obligations	1,140,340	-	1,133,744	6,596
Municipal obligations	87,895	-	87,895	-
Corporate debt securities	1,568,602	-	1,489,908	78,694
Foreign obligations	158,829	-	154,322	4,507
U.S. equities	4,000,406	3,999,658	-	748
Foreign equity securities	1,976,592	1,975,741	-	851
Fixed income funds	10,636	10,636	-	-
Securities lending collateral	2,328,169	-	2,328,169	-
Total investments by fair value level	13,688,496	\$ 8,403,062	\$ 5,194,038	\$ 91,396
Investment derivative instruments by fair value level				
U.S. fixed income derivative instruments	2,113	\$ -	\$ 2,113	\$ -
Foreign fixed income derivative instruments	128	(51,304)	51,432	-
U.S. equity derivative instruments	455	226	-	229
Total investment derivative instruments by fair value level	2,696	\$ (51,078)	\$ 53,545	\$ 229
Investments measured at the net asset value (NAV)				
Commingled equity funds (1)	1,003,643			
Commingled foreign equity funds (1)	1,444,142			
Private real estate funds (2)	2,851,191			
Private equity funds (2)	3,660,533			
Diversifying strategy funds (3)	2,798,533			
Private credit funds (4)	1,177,960			
Total investments measured at the NAV	12,936,002			
Short-term securities and cash adjustments	711,229			
Total investments subject to disclosure	27,338,423			
Less cash equivalents	(7,296)			
Less SURS Custodial Funds	(17,039)			
Total investments	\$ 27,314,088			

- (1) **Commingled funds:** Five international equity funds and two global equity funds are commingled in nature. Each are valued at the NAV per share (or its equivalent) of units held at the end of the period based upon the fair value of the underlying investments. The redemption frequency is daily or monthly with a notice period of 2-5 days.
- (2) **Private real estate and private equity funds:** The real asset investments are 51 core, value-add, and opportunistic real asset funds. The private equity funds are 108 limited partnership interests in equity or debt securities of privately held companies. Core open-end real asset funds generally provide liquidity possibilities through redemption opportunities. Real asset closed-end funds and private equity funds are not eligible for redemption. The private real estate funds eligible for redemption are eligible quarterly, with a 45-90 day redemption notice period. Private equity funds do not offer redemptions. The nature of these investments is that distributions from each investment will be received as the underlying investments are liquidated. SURS has no plans to liquidate the total portfolio. As of June 30, 2025, it is probable all of the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of SURS's ownership interest in partner's capital. There are \$793.481 million and \$1.422 billion in unfunded commitments in the private real estate funds and private equity funds, respectively.
- (3) **Diversifying strategy funds:** This type of investment provides diversification benefits to the total portfolio and includes investments that show little to no correlation to traditional economic growth assets. The investments include allocations to both systematic trend following and alternative risk premia. Nine funds invest in a select group of underlying managers that implement a number of different alternative investment strategies and invest in a variety of markets through limited partnerships,

limited liability companies, and other investment entities. The funds are eligible for redemption daily, monthly, quarterly, semi-annually, and annually, with a 3-90 day redemption notice.

- (4) **Private credit funds:** This type of investment consists of limited partnerships. The types of funds include both open-end and closed-end funds. Investments in open-end funds have limited redemption availability, typically semi-annually, and are typically distributed on a pro-rata share. Closed-end funds do not offer redemptions. Strategies included in this portfolio are currently special situation, multi-strategy, specialty lending, and direct lending. The closed-end private credit partnerships have an approximate life of 5-10 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnerships, distributions are received as underlying partnership investments are realized. SURS has no plans to liquidate the total portfolio. As of June 30, 2025, it is probable all of the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of SURS's ownership interest in partner's capital. There are \$966.936 million in unfunded commitments in the private credit funds.

COMPONENT UNITS

The fair value disclosures associated with the State's major component unit's assets and liabilities are as follows:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

IHDA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methods and assumptions used by IHDA to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2025. IHDA management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Agency securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities.

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates and foreign exchange rates.

The following table summarizes investments and derivative instruments measured at fair value as of June 30, 2025, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-6 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level			
U.S. Treasury obligations	\$ 278,436	\$ 278,436	\$ -
U.S. Agency obligations	4,506,136	-	4,506,136
Municipal debt	44,247	-	44,247
Commercial paper	230,971	-	230,971
Certificates of deposit	37,985	-	37,985
Total investments by fair value level	5,097,775	\$ 278,436	\$ 4,819,339
Investments measured at amortized cost			
Money market mutual funds	866,167		
Total investments measured at amortized cost	866,167		
Total investments	5,963,942		
Less cash equivalents	(866,167)		
Total investments	\$ 5,097,775		
Hedging derivative instruments by fair value level			
Interest rate swaps and caps	\$ 26,436	\$ -	\$ 26,436
Total hedging derivative instruments by fair value level	\$ 26,436	\$ -	\$ 26,436

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

THA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets.

The following table summarizes assets measured at fair value as of December 31, 2024 (THA's fiscal year-end), segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-7 (amounts expressed in thousands)

Investment Type	Fair Value
Investments measured at amortized cost	
U.S. Treasury obligations	\$ 571,276
Money market mutual funds	239,737
Total investments measured at amortized cost	811,013
Total investments	811,013
Less cash equivalents	(239,737)
Total investments	\$ 571,276

ILLINOIS STATE UNIVERSITY (ISU)

ISU categorizes its fair value measurements in accordance with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices from active markets for identical assets that can be accessed at a measurement date. Level 2 inputs are derived from observable market data, either directly or indirectly that are other than Level 1.

The following table summarizes assets measured at fair value as of June 30, 2025, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-8 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level			
U.S. Treasury obligations	\$ 106,299	\$ 106,299	\$ -
U.S. Agency obligations	48,131	48,131	-
Corporate debt securities	30,130	-	30,130
Municipal debt	7,495	-	7,495
Certificates of deposit	6,715	-	6,715
Total investments by fair value level	198,770	\$ 154,430	\$ 44,340
Investments measured at amortized cost			
Illinois Public Treasurers' Investment Pool	16,448		
Money market mutual funds	9,812		
Total investments measured at amortized cost	26,260		
Total investments subject to disclosure	225,030		
Less cash equivalents	(26,260)		
Total investments of the University	\$ 198,770		

NORTHERN ILLINOIS UNIVERSITY (NIU)

NIU categorizes its fair value measurements in accordance with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets.

The following table summarizes assets measured at fair value as of June 30, 2025, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-9 (amounts expressed in thousands)

Investment Type	Fair Value	Significant Other Observable Inputs (Level 2)
Investments by fair value level		
U.S. Treasury obligations	\$ 20,677	\$ 20,677
Total investments by fair value level	20,677	\$ 20,677
Investments measured at amortized cost		
Illinois Public Treasurers' Investment Pool	27,605	
Money market mutual funds	20,507	
Total investments measured at amortized cost	48,112	
Total investments subject to disclosure	68,789	
Less cash equivalents	(48,112)	
Total investments of the University	\$ 20,677	

SOUTHERN ILLINOIS UNIVERSITY (SIU)

SIU categorizes fair values according to the hierarchy established by generally accepted accounting principles. Level 2 inputs are inputs other than quoted prices that are observable for an asset or liability, directly or indirectly. These may include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values are provided by both SIU's external investment managers as well as the custodian bank.

The following table summarizes assets measured at fair value as of June 30, 2025, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-10 (amounts expressed in thousands)

Investment Type	Fair Value	Significant Other Observable Inputs (Level 2)
Investments by fair value level		
U.S. Treasury obligations	\$ 83,216	\$ 83,216
U.S. Agency obligations	107,595	107,595
Corporate debt securities	11,093	11,093
Total investments by fair value level	201,904	\$ 201,904
Investments measured at amortized cost		
Illinois Public Treasurers' Investment Pool	85,307	
Total investments measured at amortized cost	85,307	
Total investments subject to disclosure	287,211	
Less cash equivalents	(85,307)	
Total investments of the University	\$ 201,904	

UNIVERSITY OF ILLINOIS (U OF I)

U of I categorizes its fair value measurements in accordance with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Investments may be classified as Level 1 when the values are based upon unadjusted quoted prices in active markets for identical assets and generally include active listed equities. Publicly-traded investments that have no or insignificant restrictions are classified in Level 1 of the fair value hierarchy.

Investments may be classified as Level 2 when the values include inputs that are directly observable for an asset (including quoted prices for similar assets), as well as inputs that are not directly observable for the asset. These inputs are derived principally from or corroborated by observable market data through correlation or by other means (market corroborated inputs). The concept of market-corroborated inputs is intended to incorporate observable market data (such as interest rates and yield curves that are observable at commonly quoted intervals) based upon an assessment of factors relevant to the asset or liability.

Investments may be classified as Level 3 when the values include inputs that are unobservable and Level 1 and Level 2 inputs are not available. The values are based upon the best information available under the circumstances and may include management's own data. For farm properties, a full appraisal is conducted by an independent agency at receipt of each farm and every five years thereafter. In the years between the full appraisal, the independent agency provides an estimate of market value which is derived by an annual updating of prior appraised values.

There have been no changes in valuation techniques used for any assets measured at fair value during the year ended June 30, 2025.

The following table summarizes assets measured at fair value as of June 30, 2025, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 537,169	\$ -	\$ 537,169	\$ -
U.S. Agency obligations	363,120	-	363,120	-
Commercial paper	104,665	-	104,665	-
Corporate bonds	1,318,993	-	1,318,993	-
Non-government mortgage-backed securities	126,562	-	126,562	-
Other asset-backed securities	524,489	-	524,489	-
Government bonds - non U.S.	11,168	-	11,168	-
Municipal bonds	22,117	-	22,117	-
Global fixed income	149	149	-	-
U.S. equities	4,580	4,450	-	130
Equity funds	20,950	20,950	-	-
Real estate - farm properties	166,617	-	-	166,617
Total investments by fair value level	3,200,579	\$ 25,549	\$ 3,008,283	\$ 166,747
Investments measured at the net asset value (NAV)				
Global fixed income (1)	38,243			
Equity funds (2)	568,962			
Diversifying strategies (3)	105,917			
Private equity (4)	127,260			
Real assets (5)	64,700			
Total investments measured at the NAV	905,082			
Investments measured at amortized cost				
Money market mutual funds	1,114,685			
Illinois Public Treasurers' Investment Pool	18,311			
Total investments measured at amortized cost	1,132,996			
Total investments subject to disclosure	5,238,657			
Less cash equivalents	(1,198,714)			
Total investments of the University	\$ 4,039,943			

- (1) **Global fixed income:** The funds in this category primarily invest in bonds and other debt instruments. Investments may include corporate bonds, loans, mezzanine/subordinated debt partnerships, restructuring/distressed debt partnerships, and other fixed income-oriented strategies. Certain investments may have an equity-related component. Liquidity parameters range from same business day redemption with next day settlement to investments where funds cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair value of this investment has been estimated using the NAV per share (or its equivalent) provided by the fund manager with an adjustment determined by University management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2025. There are unfunded commitments of \$26.474 million in this category.
- (2) **Equity funds:** The funds in this category invest in marketable equities that are exchange traded in the U.S. and in countries outside of the U.S. These funds can be redeemed with one business day to two business days' redemption notification. Settlement may take up

to two business days. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager.

- (3) **Diversifying strategies:** The funds in this category are generally not restricted in the types of securities in which they can invest. They may invest in limited partnership vehicles or directly in equity, fixed income, and derivative instruments to achieve a stated investment objective. These funds can either be redeemed quarterly with notice periods of 60 to 65 days or cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2025. There are unfunded commitments of \$4.590 million in this category.
- (4) **Private equity:** The funds in this category primarily invest in the following types of investments in the U.S. and outside of the U.S.: venture capital partnerships, buyout partnerships, mezzanine/subordinated debt partnerships, restructuring/distressed debt partnerships, special situation partnerships, and directly in portfolio companies. These investments cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received as the underlying investments of the funds are liquidated over time. There are unfunded commitments of \$110.798 million in this category. The fair value of this investment has been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the time period between the dates of the last available NAV per share (or its equivalent) and June 30, 2025.
- (5) **Real assets:** The funds in this category invest in real assets. These investments can either be redeemed quarterly with up to a 3-month notice period subject to general partner approval and available cash or cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2025. There are unfunded commitments of \$25.504 million in this category.

19 OTHER LONG-TERM OBLIGATIONS

Other long-term obligations reported in the government-wide statements and disclosed below are as follows:

Description	Reference	Business-Type Activities	
		Governmental Activities	Nonmajor Enterprise Funds
Pollution remediation obligations	(C)	\$ 9,750	\$ -
Obligations to Lottery Prize Winners	(D)	-	221,955
Prepaid Tuition Fund obligations	(E)	-	367,052
Other obligations	(F)	1,165	9,634
Total other long-term obligations		\$ 10,915	\$ 598,641

Major Component Units					
Description	Reference	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Certificates of participation - direct placement	(A)	\$ 29,420	\$ -	\$ 12,770	\$ -
Certificates of participation - other	(A)	79,561	61,176	46,586	21,868
Financed purchase obligations	(B)	1,711	571	1,162	261,155
Other obligations	(F)	673	9,073	1,141	68,591
Total other long-term obligations		\$ 111,365	\$ 70,820	\$ 61,659	\$ 351,614

A. Certificates of Participation (Certificates)

Certain major component units have issued Certificates representing the right to receive a proportionate share of lease-purchase or installment payments. All of these Certificates issued by major component units are considered State-issued. The outstanding balance of these Certificates as of June 30, 2025, was \$251.381 million, which includes unamortized premiums of \$8.291 million is included in the component unit financial statements. For Northern Illinois University, in the event of default, the outstanding principal balance and any accrued interest may become immediately due and payable. For the University of Illinois, in the event of default, the trustee may pursue legal action for payments or require the University to turn over possession of the financed assets to the trustee bank. If the University of Illinois exercises the option to terminate the agreement, the future installment payments are subject to mandatory prepayment.

Future commitments by the State to make installment payments to pay for the assets acquired and related financing costs for Certificates at June 30, 2025, are as follows:

Major Component Units												
Certificates of Participation												
Year Ending June 30	Illinois State University		Illinois State University		Northern Illinois University		Southern Illinois University		Southern Illinois University		University of Illinois	
	Direct Placement		Other		Other		Direct Placement		Other		Other	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 5,320	\$ 614	\$ 1,110	\$ 3,589	\$ 65	\$ 2,931	\$ 495	\$ 322	\$ 3,010	\$ 1,571	\$ 9,700	\$ 922
2027	4,840	511	2,285	3,534	-	2,930	505	310	2,435	2,144	5,970	436
2028	4,945	414	2,405	3,419	-	2,930	515	299	2,560	2,022	5,680	142
2029	3,485	315	2,525	3,299	995	2,930	525	287	2,690	1,894	-	-
2030	3,565	242	2,665	3,173	1,135	2,880	2,445	275	950	1,759	-	-
2031-2035	7,265	298	13,755	13,723	7,495	13,404	8,285	541	5,505	8,036	-	-
2036-2040	-	-	9,540	10,852	11,375	11,215	-	-	7,030	6,515	-	-
2041-2045	-	-	12,065	8,316	17,510	8,128	-	-	9,015	4,528	-	-
2046-2050	-	-	14,970	5,415	20,095	2,875	-	-	11,655	1,897	-	-
2051-2055	-	-	14,710	1,595	-	-	-	-	-	-	-	-
	29,420	\$ 2,394	76,030	\$ 56,915	58,670	\$50,223	12,770	\$ 2,034	44,850	\$ 30,366	21,350	\$ 1,500
Unamortized premiums	-	-	3,531	-	2,506	-	-	-	1,736	-	518	-
	<u>\$ 29,420</u>		<u>\$ 79,561</u>		<u>\$ 61,176</u>		<u>\$ 12,770</u>		<u>\$ 46,586</u>		<u>\$ 21,868</u>	

B. Financed Purchase Obligations

Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois, major component units, have acquired certain facilities, office and computer equipment, and other assets through financed purchase arrangements. Future commitments under financed purchase contracts as of June 30, 2025, are as follows:

Table 19-4 (amounts expressed in thousands)

Year Ending June 30	Major Component Units							
	Financed Purchase Obligations							
	Illinois State University		Northern Illinois University		Southern Illinois University		University of Illinois	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,711	\$ 29	\$ 253	\$ 22	\$ 491	\$ 69	\$ 5,015	\$ 11,558
2027	-	-	253	13	380	40	5,396	11,327
2028	-	-	65	3	224	15	5,485	11,081
2029	-	-	-	-	67	2	5,708	10,826
2030	-	-	-	-	-	-	5,336	10,560
2031-2035	-	-	-	-	-	-	30,801	48,580
2036-2040	-	-	-	-	-	-	38,831	40,453
2041-2045	-	-	-	-	-	-	48,192	30,931
2046-2050	-	-	-	-	-	-	59,786	19,114
2051-2055	-	-	-	-	-	-	46,815	6,558
2056-2060	-	-	-	-	-	-	9,790	308
	<u>\$ 1,711</u>	<u>\$ 29</u>	<u>\$ 571</u>	<u>\$ 38</u>	<u>\$ 1,162</u>	<u>\$ 126</u>	<u>\$ 261,155</u>	<u>\$ 201,296</u>

C. Pollution Remediation Obligations

Pollution remediation obligations are reported at the current value of expected outlays to fund remediation costs using the expected cash flows technique. This technique measures the sum of probability-weighted amounts in a range of possible estimated amounts and uses all expectations about possible cash flows on a site-specific basis. Such ranges are weighted within “most likely,” “worst case,” and/or “best case” scenarios and are based on actual remediation cost experience, remediation cost estimates, and/or discrete cost remediation treatment possibilities. All reported obligation amounts are estimates and are subject to change resulting from price increases or reductions, technology, or changes in applicable laws or regulations.

Tracts of land near Ottawa, Illinois were donated to the State more than 50 years ago for public purposes. Several years later, the State discovered that other parties had dumped radioactive waste on the land, before it was donated to the State. The State advised the United States Environmental Protection Agency (USEPA) of the situation and the land was transferred to the Illinois Emergency Management Agency and Office of Homeland Security for clean-up.

Although the State was not culpable for the creation of the hazard, federal law makes it, as the owner, a potentially responsible party along with the corporations that did the dumping. During fiscal year 2023 the USEPA obtained funding of approximately \$90 million through the Bipartisan Infrastructure Law to pay for the remediation in its entirety. During fiscal year 2025, the U.S. Department of Justice filed a complaint against the State of Illinois in the U.S District Court for the Northern District of Illinois. As part of the consent decree, Illinois will provide in-kind services performed by current staff at no additional cost to the state. The State’s remaining portion of the liability was estimated to be \$0 as of June 30, 2025.

The Illinois Department of Transportation has recorded pollution remediation obligations for investigations and remediation of contaminated soils generally consisting of soil sampling, disposal of impact soil, and installation of groundwater monitoring wells with a balance at June 30, 2025, of \$9.750 million.

D. Obligations to Lottery Prize Winners

The State has provided payments corresponding to its obligation to prize winners through the purchase of direct obligations of the federal government, primarily in the form of United States Treasury zero coupon bonds. As established by State law, such securities shall be maintained separate and apart from all public money of funds of the State. These investments are purchased in amounts to provide for annual annuity payments to the prize winner(s) of each qualifying individual drawing. The fair value of the investments held totaled \$208.968 million at June 30, 2025, with interest rates ranging from .456% to 47.656%. The present value of these liabilities owed to prize winners, approximating \$221.955 million, have been reported in the financial statements of the State Lottery Fund, a nonmajor enterprise fund.

Future commitments of prizes payable as of June 30, 2025, are as follows:

Year Ending June 30	State Lottery Fund Amount
2026	\$ 27,057
2027	24,233
2028	22,480
2029	21,349
2030	22,226
2031-2035	97,538
2036-2040	42,013
2041-2045	8,833
2046-2050	3,847
2051-2055	1,352
	270,928
Less: Present value adjustments	(48,973)
Present value of future prizes	\$ 221,955

E. Prepaid Tuition Fund Obligations

Tuition payable in the Illinois Prepaid Tuition Fund, a nonmajor enterprise fund, as of June 30, 2025, represents net principal payments received for contracts held by the fund in the amount of \$367.052 million, of which \$84.510 million is considered current. Included in the tuition payable is an amount for accretion, which is the present value of payments to be made in excess of the principal payments received from investments of the tuition contracts. The accretion expense is an estimate based on the average increase in tuition for Illinois colleges. It is calculated on an annual basis on the balance in the tuition payable account.

F. Other Obligations

Primary Government - Governmental Activities

The Tax Reform Act of 1986 requires issuers of state and local government bonds to rebate to the federal government arbitrage profits earned on those bonds under certain circumstances. In accordance with that, it was determined that there was an arbitrage liability of \$1.165 million as of June 30, 2025. The Build Illinois Bond Retirement and Interest Fund, a nonmajor governmental fund, is expected to be used to repay the liability from future resources of this fund.

Primary Government - Business-type Activities

Other nonmajor enterprise funds presented other obligations in the amount of \$9.634 million. These obligations, consisting mostly of future workers' compensation benefit payments for self-insured companies, are expected to be paid with current resources of the reporting fund.

Major Component Units

Major component units presented other miscellaneous obligations in the amount of \$79.478 million. These obligations will be liquidated from resources of the reporting major component unit.

20 FUND DEFICITS/CASH FLOW DEFICITS**A. Fund Deficits****Primary Government - Governmental Activities*****Nonmajor Governmental Funds***

The Local Government Tax Fund and the Local Government Distributive Fund of the Department of Revenue, the Railsplitter Trustee Account Fund of the Railsplitter Tobacco Settlement Authority, and the SBE Federal Department of Agriculture Fund and the SBE Federal Department of Education Fund of the State Board of Education, had deficits at June 30, 2025, aggregating \$340 thousand, \$27.888 million, \$120.936 million, \$44.131 million, and \$61.864 million, respectively, resulting from the recognition of fund liabilities in excess of accrued revenues on the modified accrual basis. The Employment and Training Fund of the Department of Human Services and the Personal Property Tax Replacement Fund of the Department of Revenue had deficits at June 30, 2025, aggregating \$114.951 million and \$220.680 million, respectively, resulting from spending in excess of revenues recognized.

Primary Government – Business-Type Activities***Nonmajor Enterprise Funds***

The Bank and Trust Company Fund of the Department of Financial and Professional Regulation and The State Lottery Fund of the Department of the Lottery had deficits at June 30, 2025, aggregating \$24.193 million and \$82.494 million, respectively, resulting from the recognition of a proportionate share of the net pension liability and OPEB liability.

Fiduciary Funds***Pension (and Other Employee Benefit) Trust Funds***

The Community College Health Insurance Security Fund of the Department of Central Management Services had a deficit at June 30, 2025, aggregating \$99.439 million, resulting from insufficient contributions due to funding based on a pay-as-you-go basis.

B. Cash Flow Deficits

As of June 30, 2025, transactions totaling \$2.070 billion that had been approved for payment by the State remained unpaid at year end. Of this total, \$577.678 million related to intra-governmental transactions and \$384.023 million related to statutorily mandated transfers, the latter of which would represent noncompliance with State law. The majority of these unpaid transactions were payable from the General Revenue Fund, the Healthcare Provider Relief Fund, and the Technology Management Revolving Fund.

21 RISK MANAGEMENT**Primary Government**

The State is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers compensation; and natural disasters. The State retains the risk of loss (i.e., self-insured) for these risks except minimal commercial insurance. There were no significant reductions in insurance coverage from the prior fiscal year. The amount of settlements has not exceeded insurance coverage in the past three fiscal years. In addition, the State is exposed to various risks of loss related to employee health and dental insurance programs as described below.

Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claims liabilities are based upon the estimated ultimate cost of settling the claims including specific, incremental claim adjustment expenses, salvage and subrogation, and considering the effects of inflation and recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Nonincremental claims adjustment expenses have not been included as part of the liability.

The State's risk financing of auto liability has been determined using an estimate of claims outstanding. Matured claims have been recorded as liabilities in the General Fund and Road Fund in the amount of \$110 thousand and \$217 thousand, respectively. The remaining portion of the liability is included in the government-wide financial statements and is expected to be paid from future resources of the General Fund and Road Fund in the amount of \$4.530 million and \$5.352 million, respectively.

The workers' compensation liability has been determined using claims outstanding and a projection of claims to be submitted, based upon prior years' experience of the State. Claims incurred have been recorded as a liability in the Workers' Compensation Revolving Fund, an internal service fund, in the amount of \$599.643 million. Payments to the Workers' Compensation Revolving Fund are based on estimates of amounts needed to pay current year claims and are made from the applicable fund that would have paid the salaries and wages of the related employees.

The State uses the Health Insurance Reserve Fund to account for employee health and dental insurance benefit programs, which are partially self-funded. Employees may obtain health care services through participation in the State's group health insurance plan or through membership in one of five health maintenance organization plans under contract with the State. The State maintains the risk of insurance for employees who participate in the State's group health insurance plan. Expenses and liabilities for claims, which include incurred but not reported or not

processed benefit claims, have been recorded as liabilities in the amount of \$215.872 million. Payments to the Health Insurance Reserve Fund are based on estimates of amounts needed to pay prior year unprocessed and current year claims and are made from the applicable fund that paid the salaries and wages of the related employee.

The following is a reconciliation of the State's claims liabilities for the year ended June 30, 2025:

Year Ended June 30	Changes in Claims Liability Balances			
	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance
Primary Government-Governmental Activities:				
2024				
Auto Liability	\$ 16,054	\$ 1,248	\$ (6,137)	\$ 11,165
Workers' Compensation	574,967	103,455	(114,366)	564,056
Health Insurance	146,459	1,415,321	(1,426,081)	135,699
Total	<u>\$ 737,480</u>	<u>\$ 1,520,024</u>	<u>\$ (1,546,584)</u>	<u>\$ 710,920</u>
2025				
Auto Liability	\$ 11,165	\$ 4,502	\$ (5,458)	\$ 10,209
Workers' Compensation	564,056	153,940	(118,353)	599,643
Health Insurance	135,699	1,825,547	(1,745,374)	215,872
Total	<u>\$ 710,920</u>	<u>\$ 1,983,989</u>	<u>\$ (1,869,185)</u>	<u>\$ 825,724</u>
Component Units, (Information for the Illinois State Toll Highway Authority is as of December 31):				
2024				
Illinois State Toll Highway Authority	\$ 18,398	\$ 29,251	\$ (30,635)	\$ 17,014
Southern Illinois University	23,950	4,239	(1,844)	26,345
University of Illinois	281,931	133,515	(126,320)	289,126
Total	<u>\$ 324,279</u>	<u>\$ 167,005</u>	<u>\$ (158,799)</u>	<u>\$ 332,485</u>
2025				
Illinois State Toll Highway Authority	\$ 17,014	\$ 27,203	\$ (28,465)	\$ 15,752
Southern Illinois University	26,345	5,816	(1,900)	30,261
University of Illinois	289,126	117,382	(92,961)	313,547
Total	<u>\$ 332,485</u>	<u>\$ 150,401</u>	<u>\$ (123,326)</u>	<u>\$ 359,560</u>

The State administers a public entity risk pool offering health insurance to local governments in the Local Government Health Insurance Reserve Fund, a nonmajor enterprise fund. The financial statements of the fund can be obtained from the Department of Central Management Services, 704 Stratton Office Building, Springfield, Illinois, 62706.

Component Units

The Illinois State Toll Highway Authority, a major component unit, records an accrued self-insurance liability which covers workers' compensation liability. The Authority's accrued self-insurance liability was \$15.752 million at December 31, 2024.

Southern Illinois University, a major component unit, records an accrued self-insurance liability which covers general and professional liability and limited student health care liability in excess of costs not covered by other primary provider plans. The University's accrued self-insurance liability was \$30.261 million at June 30, 2025.

The University of Illinois, a major component unit, records an accrued self-insurance liability which covers hospital patient liability, hospital and medical professional liability, public and veterinarian liability, board legal liability, and workers' compensation liability related to

employees paid by the University. The University's accrued self-insurance liability was \$313.547 million at June 30, 2025.

Illinois Housing Development Authority, Illinois State Toll Highway Authority, Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois have contracted with commercial carriers to provide excess insurance coverage. These coverages have been considered in determining the accrued self-insurance liability, where applicable. There were no settlements which exceeded insurance coverage during the last three years.

The nonmajor component unit universities carry excess general liability coverage. The deductible portion of this coverage is covered by the State University Risk Management Association, a self-insurance pool.

22 COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The Department of Transportation has outstanding construction commitments for highway improvement programs of approximately \$8.6 billion as of June 30, 2025, which will be financed through State reappropriations. Also, the Capital Development Board has outstanding construction commitments for building and building additions and improvements of approximately \$1.3 billion as of June 30, 2025, which will be financed through State reappropriations. The Illinois State Toll Highway Authority, reported on a December 31st year-end, has entered into commitments for road construction of approximately \$1.9 billion as of December 31, 2024. Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois have outstanding construction commitments for various building and building improvement projects of approximately \$42.2 million, \$21.5 million, \$202.8 million, and \$311.1 million, respectively, as of June 30, 2025.

B. Investment Commitments

The Office of the Treasurer has outstanding commitments at June 30, 2025, for Illinois Technology Development of approximately \$268 million. The Illinois State Board of Investments has total unfunded investment commitments of approximately \$4.9 billion outstanding at June 30, 2025. The Teachers' Retirement System has outstanding commitments at June 30, 2025, for the future purchase of investments in the real estate, other real assets, private equity, diversifying strategies, and global income asset classes of approximately \$14.8 billion. The State Universities Retirement System has outstanding commitments at June 30, 2025, to private equity limited partnerships, private credit partnerships, and real estate partnerships of approximately \$1.4 billion, \$966.9 million, and \$793.5 million, respectively.

C. Illinois Housing Development Authority Loans

The Illinois Housing Development Authority has entered into commitments aggregating approximately \$91.6 million for the purchase of various home loans as of June 30, 2025.

D. Adoption Assistance and Subsidized Guardian Commitments

The Department of Children and Family Services enters into agreements with adoptive parents and permanent guardians of youth in care of the State. These agreements generally provide monthly subsidies to the adoptive parents or permanent guardians of these youth until they reach 18 years of age. As of June 30, 2025, approximately 22.3 thousand agreements were in place with total future commitments of approximately \$1.185 billion. These commitments will be partially offset by the federal government through the Title IV-E Adoptive Assistance and Title IV-E Guardianship Assistance Program, at an approximate rate of reimbursement of 46.4% and 31.4%, respectively.

E. Tax Litigation

At June 30, 2025, the State of Illinois has \$15.8 million in payments received related to protested tax cases, which have not been adjudicated. In addition, the State defends many lawsuits challenging reasons for denial of tax refunds in relation to tax payments already received. The ultimate disposition of these protested tax payments received and claims for tax refunds is not determinable at this time.

F. Federal Funding

The State receives federal grants which are subject to review and audit by federal grantor agencies. Certain costs could be questioned as not being an eligible expenditure under the terms of the grants. At June 30, 2025, there were no material questioned costs that have not been resolved with the federal awarding agencies. However, questioned costs could still be identified during audits to be conducted in the future. Management of the State believes there will be no material adjustments to the federal grants and, accordingly, has not recorded a provision for possible repayment.

G. Asset Retirement Obligations

The State operates several coal-fired power plants that produce electricity and steam for certain facilities. When these plants are ultimately retired, the State will incur costs associated with legally-required disposal and environmental remediation activities. At this time, the State does not have sufficient information available to provide a reasonable estimate of the related asset retirement obligation.

H. Supplemental Nutrition Assistance Program (SNAP) Overpayment Claims

The State has significant delays in investigating and resolving overpayment claims for the Supplemental Nutrition Assistance Program (SNAP). State management cannot establish a claim against a SNAP recipient until their investigation is complete. When resolution of these claims is complete, the State estimates it will record net receivables from beneficiaries under the program of approximately \$496 million, for benefits established on or before June 30, 2025. Additionally, it is estimated that \$363 million will be recorded as a liability to the Federal government for their share of overpayment collections. The rate used to calculate this amount, 11.56%, came from a June 30, 2025, letter from the U.S. Department of Agriculture (USDA).

I. Forward Fixed-Price Energy Contracts

The Illinois Power Agency (IPA) has entered into contracts to purchase renewable energy credits from new photovoltaic distributed energy generation devices. A total of 14 companies had

contracts to sell renewable energy credits to IPA. As of June 30, 2025, there were no outstanding commitments for those contracts. In addition, IPA has implemented the Illinois Solar For All Program which has a total of 23 companies with contracts that include incentives for low-income distributed generation and community solar projects. The total outstanding commitments for the contacts totaled \$46 million as of June 30, 2025. The University of Illinois has executed forward fixed-price purchase contracts for natural gas and electricity with commitments of approximately \$71.6 million as of June 30, 2025.

J. Metropolitan Pier and Exposition Authority (Authority)

The Authority, not a part of the State of Illinois reporting entity, is authorized by the Metropolitan Pier and Exposition Authority Act to issue \$2.850 billion of bonds, excluding refunding bonds, to finance the McCormick Place expansion and certain other improvements to its facilities and Navy Pier. These bonds are special, limited obligations of the Authority and are payable from and secured by a pledge of revenues derived from Authority taxes and State sales tax deposits. For State fiscal years when these bonds are outstanding, monthly deposits of Authority taxes to the McCormick Place Expansion Project Fund, a custodial fund, are required to be made in an amount equal to 1/8 of the annual debt service as specified in the Authority's Annual Certification plus any prior months' deficiencies in transfers. Beginning in fiscal year 2011 through fiscal year 2035, the monthly deposit of Authority taxes is reduced by deposits of dedicated State sales taxes. The maximum amount that can be deposited into the McCormick Place Expansion Project Fund shall not exceed \$300 million in fiscal year 2026, graduating to \$450 million in fiscal year 2036 until fiscal year 2060. To the extent that Authority taxes and the dedicated State sales taxes are not sufficient to satisfy the requirements of the Authority's Annual Certification, additional State sales taxes are deposited into the McCormick Place Expansion Project Fund. During fiscal year 2025, debt service requirements for these bonds were \$262.714 million. The amount paid to the Authority based on their annual certification was \$212.137 million consisting of \$180.437 million of Authority taxes and \$31.700 million in State sales taxes.

K. Regional Transportation Authority (RTA)

The RTA, not a part of the State of Illinois reporting entity, was authorized by the Regional Transportation Authority Act to issue bonds in the principal amount of \$100 million on or after January 1, 1990 with an additional \$100 million per year authorized to be issued on or after January 1st of each year until January 1, 1994, for a total authorization of \$500 million used for Strategic Capital Improvement Projects (SCIP). Effective July 1, 1999, Public Act 91-0037 authorized the RTA to issue additional bonds in the principal amount of \$260 million on or after January 1, 2000 with an additional \$260 million per year authorized to be issued on or after January 1st of each year until January 1, 2004 for an additional authorization of \$1.300 billion to be used for SCIP. Public Act 91-0037 also authorized the issuance of refunding SCIP bonds. The proceeds of SCIP bonds were used to acquire, repair, or replace public transportation facilities in the metropolitan region as approved by the Governor.

The bonds are general obligations of the RTA to which the full faith and credit of the RTA is pledged. However, for State fiscal years in which the SCIP bonds are outstanding, the State's assistance shall be transferred monthly from the Road Fund to the Public Transportation Fund, a nonmajor governmental fund, for payment in an amount equal to the lesser of monthly debt service on the SCIP bonds or one-twelfth of the amount of the State's assistance as provided in the authorization. The authorization currently provides for \$155 million each fiscal year. During fiscal year 2025, the State provided \$104.959 million to the RTA, which is below the authorized amount of \$155 million. Although the amount of the State's assistance is measured by the debt

service on the SCIP bonds, the assistance is not pledged for payment of, or security for, the SCIP bonds. The State's assistance is paid directly to the Authority and may be spent by the Authority at its discretion.

L. Illinois Sports Facilities Authority (ISFA)

The ISFA, not a part of the State of Illinois reporting entity, was authorized by the Illinois Sports Facilities Authority Act to issue bonds and notes in the principal amount not to exceed (1) \$150 million in connection with facilities owned by the ISFA, (2) \$399 million in connection with facilities owned by a governmental owner other than the ISFA, and (3) to refund, advance refund, or refinance any of its bonds then outstanding.

The bonds are secured by payments from the Illinois Sports Facilities Fund, a nonmajor governmental fund, from collections of (1) the State's Hotel Operator's Occupation Tax in an amount equal to the applicable advance amount plus \$5 million and (2) the City of Chicago's share of the Local Government Distributive Fund, a nonmajor governmental fund, in the amount of \$5 million. This advance amount is required to be repaid by the ISFA from collections of the ISFA's Hotel Tax to the State's General Fund. In the event of a deficiency in the Hotel Tax, amounts otherwise payable to the City of Chicago from the Local Government Distributive Fund should be used for the repayment.

Annually, the ISFA is required to certify to the State Comptroller and the State Treasurer their requirements for the next fiscal year. This certification shall be the lesser of (1) the advance amount plus \$10 million and (2) the amount to pay principal and interest and other payments relating to its obligations issued or to be issued during the fiscal year plus the amount anticipated to pay obligations under provisions of any management agreement with respect to facilities owned by the ISFA or any assistance agreement with respect to any facility for which financial assistance is provided under the Act plus an amount to pay other capital or operating expenses of the ISFA. Pursuant to the certification, the maximum advance amount for fiscal year 2025 was \$77.941 million plus \$10 million for a total of \$87.941 million. The ISFA's annual certification for fiscal year 2025 was in the amount of \$80.350 million, which is below the maximum amount authorized.

In future years, the advance amount increases by 105.615% of the preceding advance amount through fiscal year 2033. Including the additional \$10 million, the maximum which could be certified each year is \$92.318 million in fiscal year 2026, \$96.941 million in fiscal year 2027, \$101.823 million in fiscal year 2028, \$106.979 million in fiscal year 2029, \$112.425 million in fiscal year 2030, and graduating to \$130.668 million in fiscal year 2033. Of these amounts, only \$5 million per year is the State's share.

M. Southwestern Illinois Development Authority (SWIDA) Revenue Bonds

The SWIDA, a nonmajor component unit of the State, has issued revenue bonds. The proceeds of these bonds were loaned to several companies for the acquisition of land and construction of various types of facilities. These companies are primarily liable for repayment of the bonds, which are secured by SWIDA loan agreements with the companies. These bonds bear a variable interest rate and mature annually through 2026. The State has accepted a moral obligation to repay the bonds in the event the SWIDA and the companies are unable to meet the bonds' repayment commitments. As of June 30, 2025, the outstanding balance of bonds, which the State is morally obligated to repay, is \$339 thousand.

N. Legal Proceedings

The State, its units, and employees are party to numerous legal proceedings, many of which normally recur, in governmental operations. In addition, the State and its units are involved in certain other legal proceedings, which, if decided adversely to the State, may require the State to make material future expenditures for expanded services or capital facilities or may impair future revenue sources. It is neither possible to determine the outcome of these proceedings nor to estimate the possible effects adverse decisions may have on future expenditures or revenue sources.

23 SEGMENT INFORMATION**Major Component Units**

Segments are identifiable activities reported as or within a component unit for which bonds or other debt is outstanding and a revenue stream has been pledged in support of that debt. In addition, to qualify as a segment, an activity must be subject to an external requirement to separately account for the revenues, expenses, gains and losses, assets, and liabilities of the activity. All of the activities reported in the condensed financial information meet these requirements. The following paragraphs describe the various component units' segments.

Illinois State University (ISU)

ISU has issued revenue bonds with the net revenues from Auxiliary Facilities System pledged to pay the bond interest and principal. The Auxiliary Facilities System is comprised of university-owned housing units, student union, recreation and athletic facilities, and parking facilities.

Southern Illinois University (SIU)

SIU has issued revenue bonds with the net revenues from the segment pledged to pay the bond interest and principal. The Housing and Auxiliary Facilities System is comprised of university-owned housing units, student centers, recreation and athletic facilities, and similar auxiliary enterprise units.

University of Illinois (U of I)

U of I has issued revenue bonds with the net revenues from two segments pledged to pay the bond interest and principal. The Auxiliary Facilities System segment is comprised of university-owned housing units, student unions, recreation and athletic facilities, and similar auxiliary service units, including parking. The Health Services Facilities System segment is comprised of the U of I Hospital and associated clinical facilities providing patient care.

The following are the condensed financial statements at June 30, 2025, for the segments described above:

Table 23-1 (amounts expressed in thousands)

Major Component Units	Illinois State	Southern Illinois	University of	
	University	University	Auxiliary	Health Services
	Auxiliary	Housing and	Auxiliary	Facilities
	Facilities	Auxiliary	Facilities	Facilities
	System	Facilities	System	System
	System	System	System	System
Condensed Statement of Net Position:				
Assets				
Current assets	\$ 88,441	\$ 71,555	\$ 284,260	\$ 650,311
Noncurrent assets:				
Capital assets, net of accumulated depreciation	321,693	201,658	1,117,500	468,930
Other noncurrent assets	96,815	7,419	29,118	33,087
Total assets	506,949	280,632	1,430,878	1,152,328
Deferred outflows of resources	315	1,951	227	-
Liabilities				
Current liabilities	21,802	21,708	105,900	207,653
Noncurrent liabilities	102,588	109,976	930,859	262,340
Total liabilities	124,390	131,684	1,036,759	469,993
Deferred inflows of resources	260	4,949	14,362	653
Net Position				
Net investment in capital assets	258,480	79,340	190,593	230,921
Restricted-other expendable purposes	124,134	36,787	4,622	28,254
Unrestricted	-	29,823	184,769	422,507
Total net position	\$ 382,614	\$ 145,950	\$ 379,984	\$ 681,682
Condensed Statement of Revenues, Expenses and Changes in Net Position:				
Operating revenues	\$ 120,699	\$ 84,227	\$ 440,671	\$ 1,399,638
Operating expenses	(99,161)	(63,275)	(385,330)	(1,580,238)
Depreciation expense	(13,171)	(12,237)	(53,121)	(55,829)
Operating income (loss)	8,367	8,715	2,220	(236,429)
Nonoperating revenues (expenses)	8,331	6,467	11,232	221,259
Other revenues (expenses)	-	(333)	-	-
Increase (decrease) in net position	16,698	14,849	13,452	(15,170)
Net position, July 1, 2024	365,916	131,101	366,532	696,852
Net position, June 30, 2025	\$ 382,614	\$ 145,950	\$ 379,984	\$ 681,682

24 SUBSEQUENT EVENTS

Subsequent to June 30, 2025, the State of Illinois and its major component units have issued the following debt instruments:

Table 24-1 (amounts expressed in millions)

Series	Date of Issue	Amount of Issue	Interest Rates	Annual Maturity To
Primary Government				
Governmental Activities:				
General obligation bonds:				
September, Taxable Series 2025 A	9/11/2025	\$ 240.0	4.0% - 4.89%	2036
September, Series 2025 B	9/11/2025	\$ 235.0	5.0% - 5.25%	2031
September, Series 2025 C	9/11/2025	\$ 235.0	5.0% - 5.25%	2036
September, Series 2025 D	9/11/2025	\$ 355.0	5.0%	2041
September, Series 2025 E	9/11/2025	\$ 355.0	5.0%	2046
September, Series 2025 F	9/11/2025	\$ 355.0	5.25%	2051
April, Taxable Series 2026 A	4/14/2026	\$ 210.0	4.327% - 5.180%	2036
April, Series 2026 B	4/14/2026	\$ 75.0	5.0%	2036
April, Series 2026 C	4/14/2026	\$ 915.0	5.0% - 5.5%	2046
Special obligation bonds:				
December, Build Illinois Bonds Series 2025 A (Junior)	12/11/2025	\$ 300.0	5.0%	2035
December, Build Illinois Bonds Series 2025 B (Junior)	12/11/2025	\$ 150.0	5.0%	2040
December, Build Illinois Bonds Series 2025 C (Junior)	12/11/2025	\$ 150.0	5.0%	2045

Table 24-1 (continued)				
(amounts expressed in millions)				
Series	Date of Issue	Amount of Issue	Interest Rates	Annual Maturity To
Major Component Units:				
Revenue bonds:				
Illinois Housing Development Authority				
Series 2025 D (Non-AMT)	8/13/2025	\$ 150.0	2.95% - 6.25%	2056
Series 2025 E	8/13/2025	\$ 133.3	4.184% - 6.25%	2056
Series 2025 F	8/13/2025	\$ 66.7	Variable	2052
Multi-Family Revenue Bonds, Series 2025 C (Non-AMT)	11/10/2025	\$ 15.6	2.7% - 4.69%	2066
Series 2025 G (Non-AMT)	11/19/2025	\$ 130.0	3.5% - 6.5%	2056
Series 2025 H	11/19/2025	\$ 70.0	3.778% - 6.25%	2056
Series 2026 A (Non-AMT)	1/21/2026	\$ 155.0	3.45% - 6.25%	2057
Series 2026 B	1/21/2026	\$ 45.0	3.632% - 6.25%	2057
Series 2026 C (Non-AMT)	4/23/2026	\$ 170.0	3.75% - 6.5%	2057
Series 2026 D	4/23/2026	\$ 30.0	3.998% - 4.903%	2035
Illinois State Toll Highway Authority				
Series 2025 A	12/2/2025	\$ 500.0	5.0%	2047
Illinois State University				
Series 2025 (Auxiliary Facilities System Refunding)	10/1/2025	\$ 25.6	5.0% - 5.25%	2050
University of Illinois				
Series 2026 A (Auxiliary Facilities System Refunding)	3/11/2026	\$ 111.6	5.0%	2042

Required Supplementary Information

State of Illinois

**Budgetary Comparison Schedule
Major Governmental Fund**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	General Funds			
	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES:				
Income taxes	\$ 32,167,000	\$32,167,000	\$32,901,810	\$ 734,810
Sales taxes	10,874,001	10,874,001	10,573,868	(300,133)
Public utility taxes	701,000	701,000	716,669	15,669
Federal government	3,963,000	3,963,000	3,707,851	(255,149)
Other	2,921,000	2,921,000	3,515,134	594,134
Less:				
Refunds		1,210	1,135	(75)
Total revenues	50,626,001	50,624,791	51,414,197	789,406
EXPENDITURES:				
Current:				
Health and social services	20,298,149	20,455,901	19,879,036	(576,865)
Education	22,187,242	22,185,652	22,031,223	(154,429)
General government	5,287,337	5,561,300	5,473,429	(87,871)
Employment and economic development	416,781	346,166	240,121	(106,045)
Public protection and justice	3,386,693	3,389,691	3,289,520	(100,171)
Environment and business regulation	172,086	160,690	145,399	(15,291)
Capital outlays	40,235	40,007	30,279	(9,728)
Total expenditures	51,788,523	52,139,407	51,089,007	(1,050,400)
Excess (deficiency) of revenues over (under) expenditures	(1,162,522)	(1,514,616)	325,190	1,839,806
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:				
Transfers-in	11,252,830	11,252,830	11,252,830	-
Transfers-out	(11,574,905)	(11,574,905)	(11,574,905)	-
Total other sources (uses) of financial resources	(322,075)	(322,075)	(322,075)	-
Excess (deficiency) of revenues over (under) expenditures, and other sources budgetary funds-nonbudgeted accounts	(1,484,597)	(1,836,691)	3,115	1,839,806
Budgetary fund balances, July 1, 2024, as previously reported	3,098,151	3,098,151	3,098,151	-
BUDGETARY FUND BALANCES, JUNE 30, 2025	\$ 1,613,554	\$ 1,261,460	\$ 3,101,266	\$ 1,839,806

**Notes to Budgetary Comparison Schedule
– Major Governmental Fund**

For the Year Ended June 30, 2025

A. Budgetary Basis of Accounting

The State Constitution requires the Governor to prepare and submit to the General Assembly an Executive Budget for the ensuing fiscal year. The budget covers most funds held by the State, but excludes all locally held funds and various treasury held funds which are not subject to appropriation pursuant to State law. The General Assembly enacts the budget through passage of specific line-item appropriations (i.e., personal services, contractual services, equipment, etc.), the sum of which must not exceed estimated revenues pursuant to the State Constitution. The Governor has the power to approve, reduce, or veto each appropriation passed by the General Assembly. Transfers-in and transfers-out contained in the Executive Budget are not a part of the General Assembly's appropriation process. The actual amounts are determined either by State law or by discretionary action available to the Governor. The Statewide Accounting Management System controls expenditures by line-item as established in approved appropriation bills and ensures that appropriated expenditure amounts are not exceeded.

The level of legal control is at the line-item appropriation level as reported in a publication titled *Detailed Report of Revenues and Expenditures – Budget to Actual – Budgetary Basis*. A separate document is necessary due to the State's large amount of appropriated line-items. Generally, administrative transfers between transferable appropriation line-items within the same treasury held fund cannot exceed 2% of the aggregate amount appropriated to those line-items for an agency from that fund. Examples of appropriation line-items with a 2% transfer limit are Contractual Services, Travel, Commodities, Printing, and Equipment. As an additional restriction, Personal Services appropriation line-items generally cannot be reduced. Legislative action is required for more substantial transfers. Unexpended appropriations at June 30 are available for subsequent expenditure to the extent that encumbrances have been incurred at June 30, provided the expenditure is presented for payment during the succeeding two month "lapse period." An exception to the lapse period requirements are expenditures described in Section 25 of the State Finance Act (30 ILCS 105/25). These Section 25 expenditures, mostly related to the reimbursement of hospitals, physicians, and pharmacists for Medicaid patients, are allowed to be paid in the following fiscal year. Certain appropriations referred to as "reappropriations" represent the continuation of a prior year's program that requires additional time for completion.

The original budgeted revenues represent estimates while original budgeted expenditures represent original and continuing appropriations enacted into law by appropriation bills. Generally accepted accounting principles (GAAP) require the final legal budget be reflected in the final budget column; therefore, updated revenue estimates have been reported. Final expenditure budgets represent original and continuing appropriations modified by supplemental and amendatory appropriations. The State's basis of budgeting is essentially on the cash basis, modified for expenditures during the lapse period (beginning and end of year) as described in the preceding paragraph.

The State Budget Law (15 ILCS 20) requires the budget for certain funds, called budgeted funds which include the General Revenue, Common School, and Educational Assistance subaccounts of the General Fund, to be prepared:

“. . . on the basis of revenue and expenditure measurement concepts that are in concert with generally accepted accounting principles for governments . . .

. . . The revenue estimates used in the State budget for the budgeted funds shall include the estimated beginning fund balance, plus revenues estimated to be received during the budgeted year, plus the estimated receipts due the State as of June 30 of the budgeted year that are expected to be collected during the lapse period following the budgeted year, minus the receipts collected during the first 2 months of the budgeted year that became due to the State in the year before the budgeted year. Revenues shall also include estimated federal reimbursements associated with the recognition of Section 25 of the State Finance Act liabilities. For any budgeted fund for which current year revenues are anticipated to exceed expenditures, the surplus shall be considered to be a resource available for expenditure in the budgeted fiscal year.

Expenditure estimates for the budgeted funds included in the State budget shall include the costs to be incurred by the State for the budgeted year, to be paid in the next fiscal year, excluding costs paid in the budgeted year which were carried over from the prior year, where the payment is authorized by Section 25 of the State Finance Act. For any budgeted fund for which expenditures are expected to exceed revenues in the current fiscal year, the deficit shall be considered as a use of funds in the budgeted fiscal year.

Revenues and expenditures shall also include transfers between funds that are based on revenues received or costs incurred during the budget year.”

The State has not presented revenue and expenditure estimates in accordance with these provisions. Also, because of cash management decisions and prioritization required due to the lack of available cash in the State Treasury for the General Revenue Account, a subaccount of the General Fund, statutorily mandated transfers from the General Revenue Account to other funds were not made by the Office of Comptroller within statutorily prescribed timelines. The timing of the payment of the transfers does not impact the amounts reported in the budgetary schedules.

The State’s General Fund has a perspective difference for financial reporting as the General Fund reported for financial reporting purposes includes amounts which are reported as a part of the State’s other fund groups as classified for budgetary purposes.

The Budgetary Comparison Schedule – Major Governmental Fund presents the original legally adopted budget, as well as comparisons of the final legally adopted budget with actual data on a budgetary basis for the General Funds.

The supplementary portion of this report includes a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for all funds of the State with annual budgets as classified for budgetary purposes. Those schedules only include the final appropriated budget.

B. Budgetary-GAAP Reporting Reconciliation

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of differences between budgetary and GAAP presentations for the year ended June 30, 2025, is presented below for the major governmental funds (amounts expressed in thousands):

	MAJOR GOVERNMENTAL FUND
	General Fund
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (budgetary basis)	\$ 3,115
Reclassifications:	
Funds included in other budgetary fund groups, but reported as part of the General Fund for GAAP reporting	(683,965)
Adjustments:	
To adjust revenues, related receivables and unavailable revenue	1,605,304
To adjust expenditures and related liabilities	706,191
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (GAAP basis)	\$ 1,630,645

Required Supplementary Information

Defined Benefit Pension Plans

Required supplementary information is provided for the following plans: the General Assembly Retirement System (GARS), Judges' Retirement System (JRS), State Employees' Retirement System (SERS), Teachers' Retirement System (TRS), and State Universities Retirement System (SURS).

Single-Employer Plans

The following schedule of changes in the net pension liability and related ratios for GARS is presented as of the measurement dates:

Schedule of Changes in Net Pension Liability and Related Ratios										
GARS										
(amounts expressed in thousands)										
	June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 2,500	\$ 2,145	\$ 2,288	\$ 2,730	\$ 2,860	\$ 3,280	\$ 3,536	\$ 3,880	\$ 3,577	\$ 5,957
Interest on total pension liability	23,070	22,916	23,454	23,604	23,720	24,853	24,542	24,046	22,395	19,911
Differences between expected and actual experience	3,438	4,972	(4,133)	(315)	(1,547)	4,008	1,197	2,094	(5,401)	2,366
Assumption changes	-	-	(10,232)	2,677	1,929	(8,253)	(1,213)	(2,431)	42,123	(70,539)
Benefit payments	(28,059)	(27,413)	(26,930)	(26,064)	(25,710)	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)
Refunds	(93)	(70)	(4)	(154)	(138)	(169)	(45)	(131)	(142)	(192)
Administrative expenses	-	-	-	(330)	(401)	(389)	(348)	(356)	(382)	(394)
Net change in total pension liability	856	2,550	(15,557)	2,148	713	(1,228)	4,386	4,739	40,329	(64,166)
Total pension liability - beginning	371,417	368,867	384,424	382,276	381,563	382,791	378,405	373,666	333,337	397,503
Total pension liability - ending (a)	\$ 372,273	\$ 371,417	\$ 368,867	\$ 384,424	\$ 382,276	\$ 381,563	\$ 382,791	\$ 378,405	\$ 373,666	\$ 333,337
Plan fiduciary net position										
Contributions - employer	\$ 26,474	\$ 28,081	\$ 28,500	\$ 27,299	\$ 25,754	\$ 23,253	\$ 21,155	\$ 21,721	\$ 16,073	\$ 15,871
Contributions - participant	1,505	1,304	1,179	1,238	1,206	1,317	1,255	1,285	1,309	1,487
Net investment income	7,267	4,585	(5,090)	14,810	2,581	3,450	3,734	5,140	(539)	2,287
Benefit payments	(28,059)	(27,413)	(26,930)	(26,064)	(25,710)	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)
Refunds	(93)	(70)	(4)	(154)	(138)	(169)	(45)	(131)	(142)	(192)
Administrative expense	(342)	(346)	(387)	(330)	(401)	(389)	(348)	(356)	(382)	(394)
Net change in plan fiduciary net position	6,752	6,141	(2,732)	16,799	3,292	2,904	2,468	5,296	(5,522)	(2,216)
Plan fiduciary net position - beginning	83,220	77,079	79,811	63,012	59,720	56,816	54,348	49,052	54,574	56,790
Plan fiduciary net position - ending (b)	89,972	83,220	77,079	79,811	63,012	59,720	56,816	54,348	49,052	54,574
State's net pension liability - ending (a) - (b)	\$ 282,301	\$ 288,197	\$ 291,788	\$ 304,613	\$ 319,264	\$ 321,843	\$ 325,975	\$ 324,057	\$ 324,614	\$ 278,763
Plan fiduciary net position as a percentage of the total pension liability	24.17%	22.41%	20.90%	20.76%	16.48%	15.65%	14.84%	14.36%	13.13%	16.37%
Covered payroll *	\$ 13,213	\$ 12,206	\$ 10,108	\$ 10,082	\$ 10,191	\$ 10,159	\$ 10,711	\$ 10,996	\$ 11,298	\$ 11,587
State's net pension liability as a percentage of covered payroll	2136.54%	2361.11%	2886.70%	3021.35%	3132.80%	3168.06%	3043.37%	2947.04%	2873.20%	2405.83%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Discount rate	6.43%	6.43%	6.43%	6.30%	6.37%	6.41%	6.68%	6.66%	6.60%	6.91%
Investment rate of return	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.75%	6.75%	6.75%	7.00%
Long-term municipal bond rate	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%	2.85%	3.80%
The difference between the actual and expected experience for each plan includes the impact of the change in the respective single discount rates based on the plans' respective long-term expected rate of return on pension plan investments at year end. The changes were measured using the actuarial assumption for the period, respectively.										
* Covered payroll is based on the requirements of GASB Statement No. 82.										

The following schedule of changes in the net pension liability and related ratios for JRS is presented as of the measurement dates:

Schedule of Changes in Net Pension Liability and Related Ratios JRS (amounts expressed in thousands)										
	June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 40,366	\$ 42,161	\$ 46,588	\$ 48,073	\$ 48,964	\$ 50,009	\$ 53,222	\$ 56,166	\$ 58,041	\$ 59,620
Interest on total pension liability	192,241	186,960	182,714	179,915	177,034	180,188	175,399	168,164	158,611	151,431
Differences between expected and actual experience	33,152	51,266	23,624	19,224	3,088	37,888	6,191	23,042	(3,260)	28,714
Assumption changes	(2,963)	(2,952)	(109,632)	42,844	23,771	(42,249)	(14,446)	(29,511)	205,405	9,482
Benefit payments	(201,962)	(192,313)	(180,423)	(172,642)	(165,544)	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)
Refunds	(1,676)	(748)	(804)	(854)	(438)	(991)	(482)	(975)	(658)	(946)
Administrative expenses	-	-	-	(1,013)	(1,032)	(910)	(897)	(914)	(942)	(983)
Net change in total pension liability	59,158	84,374	(37,933)	115,547	85,843	66,585	70,840	75,475	284,625	121,664
Total pension liability - beginning	3,098,284	3,013,910	3,051,843	2,936,296	2,850,453	2,783,868	2,713,028	2,637,553	2,352,928	2,231,264
Total pension liability - ending (a)	<u>\$ 3,157,442</u>	<u>\$ 3,098,284</u>	<u>\$ 3,013,910</u>	<u>\$ 3,051,843</u>	<u>\$ 2,936,296</u>	<u>\$ 2,850,453</u>	<u>\$ 2,783,868</u>	<u>\$ 2,713,028</u>	<u>\$ 2,637,553</u>	<u>\$ 2,352,928</u>
Plan fiduciary net position										
Contributions - employer	\$ 147,838	\$ 147,430	\$ 155,993	\$ 148,625	\$ 144,160	\$ 140,519	\$ 135,962	\$ 131,334	\$ 132,060	\$ 134,040
Contributions - participant	15,560	15,007	14,574	14,600	14,508	14,610	14,295	14,770	14,962	15,431
Net investment income	117,321	76,262	(90,889)	278,836	48,127	64,741	69,950	97,797	(6,471)	36,009
Benefit payments	(201,962)	(192,313)	(180,423)	(172,642)	(165,544)	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)
Refunds	(1,676)	(748)	(804)	(854)	(438)	(991)	(482)	(975)	(658)	(946)
Administrative expense	(1,016)	(1,075)	(1,124)	(1,013)	(1,032)	(910)	(897)	(914)	(942)	(983)
Net change in plan fiduciary net position	76,065	44,563	(102,673)	267,552	39,781	60,619	70,681	101,515	6,379	57,897
Plan fiduciary net position - beginning	1,322,327	1,277,764	1,380,437	1,112,885	1,073,104	1,012,485	941,804	840,289	833,910	776,013
Plan fiduciary net position - ending (b)	<u>1,398,392</u>	<u>1,322,327</u>	<u>1,277,764</u>	<u>1,380,437</u>	<u>1,112,885</u>	<u>1,073,104</u>	<u>1,012,485</u>	<u>941,804</u>	<u>840,289</u>	<u>833,910</u>
State's net pension liability - ending (a) - (b)	<u>\$ 1,759,050</u>	<u>\$ 1,775,957</u>	<u>\$ 1,736,146</u>	<u>\$ 1,671,406</u>	<u>\$ 1,823,411</u>	<u>\$ 1,777,349</u>	<u>\$ 1,771,383</u>	<u>\$ 1,771,224</u>	<u>\$ 1,797,264</u>	<u>\$ 1,519,018</u>
Plan fiduciary net position as a percentage of the total pension liability	44.29%	42.68%	42.40%	45.23%	37.90%	37.65%	36.37%	34.71%	31.86%	35.44%
Covered payroll *	\$ 146,937	\$ 139,623	\$ 133,830	\$ 137,422	\$ 135,392	\$ 138,415	\$ 132,065	\$ 139,738	\$ 139,538	\$ 145,903
State's net pension liability as a percentage of covered payroll	1197.15%	1271.97%	1297.28%	1216.26%	1346.76%	1284.07%	1341.30%	1267.53%	1288.01%	1041.11%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Discount rate	6.38%	6.37%	6.36%	6.12%	6.26%	6.34%	6.60%	6.58%	6.48%	6.85%
Investment rate of return	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.75%	6.75%	6.75%	7.00%
Long-term municipal bond rate	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%	2.85%	3.80%
The difference between the actual and expected experience for each plan includes the impact of the change in the respective single discount rates based on the plans' respective long-term expected rate of return on pension plan investments at year end. The changes were measured using the actuarial assumptions for the period, respectively.										
* Covered payroll is based on the requirements of GASB Statement No. 82.										

The following schedule of changes in the net pension liability and related ratios for SERS is presented as of the measurement dates:

Schedule of Changes in Net Pension Liability and Related Ratios SERS (amounts expressed in thousands)										
	June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 777,743	\$ 766,193	\$ 890,724	\$ 844,736	\$ 818,760	\$ 801,415	\$ 828,486	\$ 893,147	\$ 843,377	\$ 847,997
Interest on total pension liability	3,639,199	3,512,854	3,468,047	3,369,337	3,295,059	3,378,804	3,295,855	3,217,532	2,989,387	2,912,736
Change of benefit terms	-	-	(203,810)	3,354	-	(462,610)	-	-	-	-
Differences between expected and actual experience	806,293	832,253	367	585,692	114,763	(24,683)	(185,489)	(601,531)	(730,622)	(464,942)
Assumption changes	(21,715)	(65,491)	(3,559,665)	1,002,207	716,029	313,744	(348,811)	(884,705)	5,048,087	360,713
Benefit payments	(3,255,006)	(3,128,312)	(2,991,760)	(2,853,549)	(2,727,821)	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)
Refunds	(24,345)	(24,969)	(26,582)	(17,102)	(19,366)	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)
Administrative expenses	-	-	-	(16,577)	(17,413)	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)
Net change in total pension liability	1,922,169	1,892,528	(2,422,679)	2,918,098	2,180,011	1,366,252	1,082,482	253,256	5,916,892	1,581,970
Total pension liability - beginning	56,453,896	54,561,368	56,984,047	54,065,949	51,885,938	50,519,686	49,437,204	49,183,948	43,267,056	41,685,086
Total pension liability - ending (a)	\$ 58,376,065	\$ 56,453,896	\$ 54,561,368	\$ 56,984,047	\$ 54,065,949	\$ 51,885,938	\$ 50,519,686	\$ 49,437,204	\$ 49,183,948	\$ 43,267,056
Plan fiduciary net position										
Contributions - employer	\$ 2,840,015	\$ 2,666,685	\$ 2,665,685	\$ 2,478,210	\$ 2,368,905	\$ 2,274,925	\$ 1,929,175	\$ 1,798,348	\$ 1,882,243	\$ 1,804,319
Contributions - participant	323,158	297,411	288,830	280,584	271,749	275,675	254,442	251,611	256,198	266,139
Net investment income	2,086,845	1,335,877	(1,576,811)	4,814,490	829,329	1,118,429	1,257,040	1,812,879	(125,443)	681,377
Benefit payments	(3,255,006)	(3,128,312)	(2,991,760)	(2,853,549)	(2,727,821)	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)
Refunds	(24,345)	(24,969)	(26,582)	(17,102)	(19,366)	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)
Administrative expense	(20,318)	(18,517)	(18,186)	(16,577)	(17,413)	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)
Net change in plan fiduciary net position	1,950,349	1,128,175	(1,658,824)	4,686,056	705,383	1,028,611	933,098	1,491,651	(220,339)	677,301
Plan fiduciary net position - beginning	23,352,678	22,224,503	23,883,327	19,197,271	18,491,888	17,463,277	16,530,179	15,038,528	15,258,867	14,581,566
Plan fiduciary net position - ending (b)	25,303,027	23,352,678	22,224,503	23,883,327	19,197,271	18,491,888	17,463,277	16,530,179	15,038,528	15,258,867
State's net pension liability - ending (a) - (b)	\$ 33,073,038	\$ 33,101,218	\$ 32,336,865	\$ 33,100,720	\$ 34,868,678	\$ 33,394,050	\$ 33,056,409	\$ 32,907,025	\$ 34,145,420	\$ 28,008,189
Plan fiduciary net position as a percentage of the total pension liability	43.34%	41.37%	40.73%	41.91%	35.51%	35.64%	34.57%	33.44%	30.58%	35.27%
Covered payroll *	\$ 5,609,996	\$ 5,029,076	\$ 4,807,031	\$ 4,697,845	\$ 4,517,749	\$ 4,621,647	\$ 4,240,109	\$ 4,192,582	\$ 4,282,020	\$ 4,452,369
State's net pension liability as a percentage of covered payroll	589.54%	658.20%	672.70%	704.59%	771.82%	722.56%	779.61%	784.89%	797.41%	629.06%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Discount rate	6.59%	6.59%	6.58%	6.20%	6.35%	6.47%	6.81%	6.78%	6.64%	7.02%
Investment rate of return	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%	7.25%
Long-term municipal bond rate	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%	2.85%	3.80%
The difference between the actual and expected experience for each plan includes the impact of the change in the respective single discount rates based on the plans' respective long-term expected rate of return on pension plan investments at year end. The changes were measured using the actuarial assumptions for the period, respectively.										
* Covered payroll is based on the requirements of GASB Statement No. 82.										

The following is a schedule of the State's contribution information to the single-employer plans, as of the end of the fiscal years presented:

Schedule of Contributions (amounts expressed in thousands)						
Plan	Fiscal Year Ended	Actuarial Determined Contribution ^	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll *	Actual Contribution as a % of Covered Payroll
GARS	2025	\$ 33,816	\$ 26,210	\$ 7,606	\$ 14,325	182.97%
	2024	34,724	26,474	8,250	13,213	200.36%
	2023	35,161	28,081	7,080	12,206	230.06%
	2022	35,006	28,500	6,506	10,107	281.98%
	2021	34,433	27,299	7,134	10,082	270.77%
	2020	34,411	25,754	8,657	10,191	252.71%
	2019	32,650	23,221	9,429	10,159	228.58%
	2018	32,083	21,155	10,928	10,711	197.51%
	2017	26,985	21,721	5,264	10,996	197.54%
	2016	17,141	16,073	1,068	11,298	142.26%
JRS	2025	\$ 178,592	\$ 148,937	\$ 29,655	\$ 148,214	100.49%
	2024	174,675	147,838	26,837	146,937	100.61%
	2023	174,870	147,430	27,440	139,623	105.59%
	2022	175,823	155,993	19,830	133,830	116.56%
	2021	173,205	148,625	24,580	137,422	108.15%
	2020	173,704	144,160	29,544	135,392	106.48%
	2019	169,632	140,469	29,163	138,415	101.48%
	2018	168,057	135,962	32,095	132,065	102.95%
	2017	152,699	131,334	21,365	139,738	93.99%
	2016	121,363	132,060	(10,697)	139,538	94.64%
SERS	2025	\$ 3,723,608	\$ 3,019,913	\$ 703,695	\$ 6,129,595	49.27%
	2024	3,435,556	2,840,015	595,541	5,609,996	50.62%
	2023	3,170,956	2,666,685	504,271	5,029,076	53.03%
	2022	2,989,926	2,665,685	324,241	4,807,031	55.45%
	2021	3,037,756	2,478,210	559,546	4,697,845	52.75%
	2020	2,913,649	2,368,905	544,744	4,517,749	52.44%
	2019	2,995,968	2,274,925	721,043	4,621,647	49.22%
	2018	2,739,378	1,929,175	810,203	4,240,109	45.50%
	2017	2,129,483	1,798,348	331,135	4,192,582	42.89%
	2016	2,019,691	1,882,243	137,448	4,282,020	43.96%

^ The Statutory Funding Policy for GARS, JRS and SERS does not conform to Actuarial Standards of Practice, therefore, the actuarially determined contribution is equal to the normal cost plus an amount to amortize the unfunded actuarial accrued liability as a level percentage of payroll.

* Covered payroll is based on the requirements of GASB Statement No. 82.

Notes To Schedule of Contributions			
	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>
Actuarial Valuation Date	6/30/2023	6/30/2023	6/30/2023
Note:	Actuarially determined contribution rates are calculated as of June 30, 12 months prior to the beginning of the fiscal year in which contributions will be made.		
Methods and Assumptions Used to Determine Contribution Rates as of the Valuation Date:			
Actuarial cost method	Proj. Unit Credit	Proj. Unit Credit	Proj. Unit Credit
Amortization method	Level % of pay	Level % of pay	Level % of pay
Remaining amortization period	12 years, closed	17 years, closed	17 years, closed
Asset valuation method	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial assumptions:			
Inflation rate	2.25%	2.25%	2.25%
Salary increases*	Salary increase rates based on age-related productivity and merit rates plus inflation.	Salary increase rates based on age-related productivity and merit rates plus inflation.	Salary increase rates based on age-related productivity and merit rates plus inflation.
Postretirement benefit increases			
Tier 1	3%, compounded	3%, compounded	3%, compounded
Tier 2	Lesser of 3% or annual increase in CPI [^]	Lesser of 3% or annual increase in CPI [^]	Lesser of 3% or 1/2 annual increase in CPI [^]
Investment rate of return	6.50%	6.50%	6.75%
Retirement age	Experience-based table of rates specific to type of eligibility condition	Experience-based table of rates specific to type of eligibility condition	Experience-based table of rates specific to type of eligibility condition
Mortality:			
GARS	Pub-2010 Above-Median Income General Healthy Mortality tables, sex distinct, with no scaling factors, and the MP-2021 two-dimensional generational mortality improvement scale.		
JRS	Pub-2010 Above-Median Income General Healthy Mortality tables, sex distinct, with no scaling factors, and the MP-2021 two-dimensional generational mortality improvement scale.		
SERS	Pub-2010 Below-Median Income General Healthy Mortality tables, sex distinct, with scaling factors of 91% for males and 115% for females, and the MP-2021 two-dimensional generational mortality improvement scale.		
[^] Consumer Price Index * Includes inflation rate listed			

Cost-Sharing Multiple-Employer Plans

The following schedule of the State’s proportionate share of the collective net pension liability for TRS is presented as of the measurement dates:

Schedule of the State's Proportionate Share of the Collective Net Pension Liability TRS (amounts expressed in thousands)										
	2024	2023	2022	2021	2020	June 30, 2019	2018	2017	2016	2015
State's proportion of the collective net pension liability	98.82%	98.86%	98.86%	98.83%	98.74%	98.62%	98.57%	96.83%	96.72%	96.48%
State's proportionate share of the collective net pension liability [^]	\$ 84,854,902	\$ 84,009,875	\$ 82,888,598	\$ 77,095,683	\$ 85,132,824	\$ 79,988,144	\$ 76,827,641	\$ 73,979,435	\$ 76,344,452	\$ 63,203,638
Plan fiduciary net position as a percentage of the total pension liability	45.41%	43.90%	42.84%	45.15%	37.76%	39.64%	40.00%	39.26%	36.44%	41.47%

[^] The amounts represent the State's nonemployer and employer proportionate share of the collective net pension liability.

The following schedule of the State’s proportionate share of the collective net pension liability for SURS is presented as of the measurement dates:

Schedule of the State's Proportionate Share of the Collective Net Pension Liability SURS (amounts expressed in thousands)										
	2024	2023	2022	2021	2020	June 30, 2019	2018	2017	2016	2015
State's proportion of the collective net pension liability	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
State's proportionate share of the collective net pension liability	\$ 30,230,908	\$ 29,444,538	\$ 29,078,054	\$ 28,528,477	\$ 30,619,504	\$ 28,720,071	\$ 27,494,557	\$ 25,481,106	\$ 25,965,272	\$ 23,756,361
Plan fiduciary net position as a percentage of the total pension liability	44.60%	44.06%	43.65%	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%

The following is a schedule of the State’s contributions, as of the end of the fiscal years presented:

Schedule of State Contributions (amounts expressed in thousands)				
Plan	Fiscal Year	Statutorily Required Contribution	State Contribution	Contribution Excess/ (Deficiency)
TRS*	2025	\$ 6,203,789	\$ 6,203,789	\$ -
	2024****	6,043,366	6,158,581	115,215
	2023****	5,893,943	6,009,158	115,215
	2022***	5,693,976	5,866,800	172,824
	2021	5,140,648	5,140,648	-
	2020	4,813,452	4,813,452	-
	2019	4,466,021	4,466,021	-
	2018	4,095,125	4,095,125	-
	2017	3,986,364	3,986,364	-
	2016	3,742,469	3,742,469	-
SURS**	2025	\$ 2,212,810	\$ 2,212,810	\$ -
	2024****	2,133,335	2,172,094	38,759
	2023****	2,118,567	2,157,326	38,759
	2022***	2,101,279	2,159,418	58,139
	2021	1,995,767	1,995,767	-
	2020	1,785,818	1,785,818	-
	2019	1,592,639	1,592,639	-
	2018	1,568,221	1,568,221	-
	2017	1,612,164	1,612,164	-
	2016	1,542,947	1,542,947	-
<p>* TRS statutory and actual contributions amounts include actual contributions required to fund the Guaranteed Minimum Benefit Reserve equal to \$166, \$211, \$210, \$270, \$312, \$374, \$443, \$509, \$580, and \$667 for fiscal years 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016, respectively.</p> <p>** SURS statutorily required contribution is calculated using the total statutorily required State contribution requirement to SURS less the actual contributions made to the Self Managed Defined Contribution plan.</p> <p>*** In FY 2022, the State made an additional contribution in accordance with Public Act 102-0696.</p> <p>**** In FY 2023, the State made an additional contribution in accordance with Public Act 102-0698.</p> <p>***** In FY 2024, the State made an additional contribution in accordance with Public Act 103-0006.</p>				

Defined Benefit Other Postemployment Benefit Plans

Required supplementary information is provided for the State's single-employer defined benefit other postemployment benefit (OPEB) plan, the Illinois State Employees Group Insurance Program (SEGIP), as well as the cost-sharing defined benefit OPEB plans administered by the State for teachers at school districts in Illinois (excluding Chicago), the Teachers' Retirement Insurance Program (TRIP), and for teachers at community colleges in Illinois, the College Insurance Program (CIP).

All schedules are intended to present information for 10 years. Additional years will be displayed prospectively as they become available.

Single-employer plan

The following schedule of changes in the total OPEB liability and related ratios is presented as of the measurement date:

Schedule of Changes in Total OPEB Liability and Related Ratios SEGIP (amounts expressed in thousands)								
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability								
Service cost	\$ 773,257	\$ 686,049	\$ 981,106	\$ 1,320,596	\$ 1,454,469	\$ 1,359,787	\$ 1,372,139	\$ 1,696,977
Interest on total OPEB liability	778,865	640,651	405,583	781,102	1,174,779	1,441,517	1,435,703	1,242,237
Differences between expected and actual experience	1,103,581	251,329	(5,726,367)	97,180	239,944	69,153	(1,096,157)	16,224
Assumption changes	1,162,139	(616,251)	(12,343,588)	(8,722,033)	(3,233,541)	1,893,970	(898,313)	(4,805,714)
Benefit payments	(833,893)	(819,341)	(1,148,424)	(931,573)	(1,158,194)	(968,506)	(2,043,983)	(325,218)
Net change in total OPEB liability	2,983,949	142,437	(17,831,690)	(7,454,728)	(1,522,543)	3,795,921	(1,230,611)	(2,175,494)
Total OPEB liability - beginning	17,222,645	17,080,208	34,911,898	42,366,626	43,889,169	40,093,248	41,323,859	43,499,353
Total OPEB liability - ending	\$ 20,206,594	\$ 17,222,645	\$ 17,080,208	\$ 34,911,898	\$ 42,366,626	\$ 43,889,169	\$ 40,093,248	\$ 41,323,859
Covered-employee payroll	\$ 9,190,036	\$ 8,665,338	\$ 8,511,607	\$ 8,629,836	\$ 7,842,131	\$ 7,666,177	\$ 7,516,763	\$ 7,663,997
Total OPEB liability as a percentage of covered-employee payroll	219.88%	198.75%	200.67%	404.55%	540.24%	572.50%	533.38%	539.19%
Notes to Schedule. No assets are accumulated or dedicated to funding the retiree health insurance benefit and a separate trust has not been established for the funding of OPEB.								
The calculations of the total OPEB liability for each fiscal year presented are based on the following assumptions:								
	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Discount rate	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%

Cost-Sharing Multiple-Employer Plans

The following schedule of the State's proportionate share of the collective net OPEB liability for TRIP is presented as of the measurement dates:

Schedule of the State's Proportionate Share of the Collective Net OPEB Liability TRIP (amounts expressed in thousands)								
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
State's proportion of the collective net OPEB liability	57.59%	57.49%	57.63%	57.55%	57.53%	57.52%	57.32%	56.77%
State's proportionate share of the collective net OPEB liability	\$ 4,555,835	\$ 4,097,429	\$ 3,944,891	\$ 12,693,431	\$ 15,381,771	\$ 15,920,463	\$ 15,100,333	\$ 14,731,764
Plan fiduciary net position as a percentage of the total OPEB liability	7.43%	6.21%	5.24%	1.40%	0.70%	0.25%	-0.07%	-0.17%

The following schedule of the State’s proportionate share of the collective net OPEB liability for CIP is presented as of the measurement dates:

Schedule of the State's Proportionate Share of the Collective Net OPEB Liability CIP (amounts expressed in thousands)								
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
State's proportion of the collective net OPEB liability	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	49.67%
State's proportionate share of the collective net OPEB liability	\$ 332,595	\$ 353,167	\$ 342,280	\$ 867,766	\$ 911,381	\$ 944,270	\$ 942,626	\$ 905,774
Plan fiduciary net position as a percentage of the total OPEB liability	-18.45%	-17.87%	-22.03%	-6.38%	-5.07%	-4.13%	-3.54%	-2.87%

The following is a schedule of the State’s contributions, as of the end of the fiscal years presented:

Schedule of State Contributions (amounts expressed in thousands)				
Plan	Fiscal Year	Statutorily Required Contribution	State Contribution	Contribution Excess/ (Deficiency)
TRIP	2025	\$ 117,321	\$ 117,321	\$ -
	2024	114,959	114,959	-
	2023	107,704	107,704	-
	2022	106,576	106,576	-
	2021	137,436	137,436	-
	2020	133,896	133,896	-
	2019	120,809	120,809	-
	2018	114,168	114,168	-
	2017	109,703	109,703	-
	2016	108,259	108,259	-
CIP	2025	\$ 9,397	\$ 9,397	\$ -
	2024	7,950	7,950	-
	2023*	4,945	29,945	25,000
	2022	4,715	4,715	-
	2021	4,649	4,649	-
	2020	4,598	4,598	-
	2019*	4,208	9,208	5,000
	2018	4,133	4,133	-
	2017	4,309	4,309	-
	2016	4,625	4,625	-

* In FY 2023 and FY 2019 the State made additional contributions from the General Revenue Fund of \$25 million and \$5 million, respectively.

GENERAL FUND

The General Fund is used to account for resources obtained and used for those services traditionally provided by State government which are not accounted for in another fund.

SIGNIFICANT GENERAL FUND ACCOUNT DESCRIPTIONS

General Revenue Account--to account for resources obtained and used which are not accounted for in another fund or account.

Education Assistance Account--to provide funding for elementary and secondary education programs and for higher education programs.

Common School Account--to provide funding for elementary and secondary education agencies including General State Aid, School District Consolidation Incentives, and operational funding of Educational Services Regions.

Advancement of Education Account--to provide financial assistance for education programs.

Commitment to Human Services Account--to provide financial assistance for community-based human service providers and state-funded human service programs.

Budget Stabilization Account--to provide monies to the general revenue account in order to meet cash flow deficits resulting in timing variations between disbursements and the receipt of funds within a fiscal year.

State of Illinois

Combining Schedule of Accounts
General Fund

June 30, 2025 (Expressed in Thousands)

	General Revenue Account	Education Assistance Account	Common School Account	Advancement of Education Account
ASSETS				
Cash equity with State Treasurer	\$ 9,310,915	\$ 263,392	\$ 584,932	\$ 173,268
Cash and cash equivalents	4,478			
Securities lending collateral of State Treasurer	3,147,705		4,937	
Receivables, net:				
Taxes	2,732,737	99,863	143,705	44,144
Intergovernmental	4,987,916	5,419	22,147	9,115
Other	1,289,770	203	105	
Due from other funds	152,299	28,936	15,373	
Due from component units	44,611			
Inventories	61,844			
Loans and notes receivable, net	284,193			
Other assets	15,000			
Total assets	\$ 22,031,468	\$ 397,813	\$ 771,199	\$ 226,527
LIABILITIES				
Accounts payable and accrued liabilities	\$ 7,582,932	\$ 6,131	\$ 63,554	\$ 868
Intergovernmental payables	2,992,435	442,057		
Due to other funds	1,449,181	85		
Due to component units	332,072	3,274		
Unearned revenue	1,347,729	75,753		13,530
Obligations under securities lending of State Treasurer	3,147,705		4,937	
Matured portion of long-term liabilities	110			
Total liabilities	16,852,164	527,300	68,491	14,398
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - unavailable revenue	3,033,110	31,671	323	16,753
Total deferred inflows of resources	3,033,110	31,671	323	16,753
FUND BALANCES (DEFICITS)				
Nonspendable long-term portion of:				
loans and notes receivable	3,306			
Nonspendable inventories	61,844			
Restricted	101,330			
Committed	4,609,473		702,385	195,376
Unassigned	(2,629,759)	(161,158)		
Total fund balances (deficits)	2,146,194	(161,158)	702,385	195,376
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 22,031,468	\$ 397,813	\$ 771,199	\$ 226,527

Commitment to Human Services Account	Budget Stabilization Account	Eliminations	Total
\$ 258,441	\$ 2,345,605		\$ 12,936,553
	366,523		4,478
			3,519,165
44,144			3,064,593
			5,024,597
	7,780		1,297,858
18,957	362,100	\$ (18,951)	558,714
			44,611
			61,844
			284,193
			15,000
\$ 321,542	\$ 3,082,008	\$ (18,951)	\$ 26,811,606
\$ 48,901			\$ 7,702,386
4,685			3,439,177
216	\$ 1	\$ (18,951)	1,430,532
4			335,350
13,530			1,450,542
	366,523		3,519,165
			110
67,336	366,524	(18,951)	17,877,262
16,753			3,098,610
16,753			3,098,610
			3,306
			61,844
			101,330
237,453	2,715,484		8,460,171
			(2,790,917)
237,453	2,715,484		5,835,734
\$ 321,542	\$ 3,082,008	\$ (18,951)	\$ 26,811,606

State of Illinois

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2025 (Expressed in Thousands)

	General Revenue Account	Education Assistance Account	Common School Account	Advancement of Education Account
REVENUES				
Income taxes	\$ 28,763,025	\$ 2,556,074		\$ 1,085,730
Sales taxes	8,129,984		\$ 2,770,822	
Public utility taxes	696,883		43,688	
Medical providers assessment taxes	4,120,515			
Other taxes	3,418,369		42,857	
Federal government	21,994,204			
Licenses and fees	525,149		3,077	
Interest and other investment income	928,512		5,012	
Other	2,056,475	376		
Total revenues	70,633,116	2,556,450	2,865,456	1,085,730
EXPENDITURES				
Current:				
Health and social services	42,298,266			
Education	9,562,619	2,830,007	9,596,232	1,138,622
General government	3,311,688			
Employment and economic development	519,699			
Transportation	760,380			
Public protection and justice	3,841,119			
Environment and business regulation	279,868			
Debt service:				
Principal	108,108			
Interest	9,437			
Capital outlays	248,393	1,001		
Total expenditures	60,939,577	2,831,008	9,596,232	1,138,622
Excess (deficiency) of revenues over (under) expenditures	9,693,539	(274,558)	(6,730,776)	(52,892)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Transfers-in	2,077,901	197,068	7,055,463	
Transfers-out	(10,793,322)			
Financing of leases and subscription-based information technology arrangements	137,464			
Net other sources (uses) of financial resources	(8,577,957)	197,068	7,055,463	
Net change in fund balances	1,115,582	(77,490)	324,687	(52,892)
Fund balances (deficits), July 1, 2024	1,049,463	(83,668)	377,698	248,268
(Decrease) for changes in inventory	(18,851)			
FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 2,146,194	\$ (161,158)	\$ 702,385	\$ 195,376

Commitment to Human Services Account	Budget Stabilization Account	Eliminations	Total
\$ 1,085,730			\$ 33,490,559
			10,900,806
			740,571
			4,120,515
			3,461,226
6,579			22,000,783
			528,226
	\$ 109,866		1,043,390
			2,056,851
1,092,309	109,866		78,342,927

951,482			43,249,748
			23,127,480
	1		3,311,689
			519,699
			760,380
			3,841,119
			279,868
			108,108
			9,437
			249,394
951,482	1		75,456,922
140,827	109,865		2,886,005

	70,066	\$ (6,316,592)	3,083,906
		6,316,592	(4,476,730)
			137,464
	70,066	-	(1,255,360)
140,827	179,931	-	1,630,645
96,626	2,535,553		4,223,940
			(18,851)
\$ 237,453	\$ 2,715,484	\$ -	\$ 5,835,734

State of Illinois

Combining Balance Sheet -
Nonmajor Governmental Funds

June 30, 2025 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash equity with State Treasurer	\$ 14,139,711	\$ 1,384,761	\$ 4,567,291	\$ 18,855	\$ 20,110,618
Cash and cash equivalents	97,578	707,059	14,334	1,648	820,619
Securities lending collateral of State Treasurer	857,202	204,435	399,487	675	1,461,799
Investments	18,973			46,908	65,881
Receivables, net:					
Taxes	817,284				817,284
Intergovernmental	1,093,316	12,073	23,511		1,128,900
Other	1,149,155	4,389	15,806	67	1,169,417
Due from other funds	615,351	5,880	125,216		746,447
Due from component units	568,637				568,637
Inventories	113,389				113,389
Loans and notes receivable, net	34,605		750		35,355
Leases receivable	13,796				13,796
Other assets	123,090				123,090
Total assets	\$ 19,642,087	\$ 2,318,597	\$ 5,146,395	\$ 68,153	\$ 27,175,232
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,319,089		\$ 365,911		\$ 1,685,000
Intergovernmental payables	3,176,715		36,777		3,213,492
Due to other funds	929,383	\$ 45	488		929,916
Due to component units	196,759		111		196,870
Unearned revenue	827,741		5,981		833,722
Obligations under securities lending of State Treasurer	857,202	204,435	399,487	\$ 675	1,461,799
Matured portion of long-term liabilities	217				217
Total liabilities	7,307,106	204,480	808,755	675	8,321,016
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	1,364,488	1,352	16,725		1,382,565
Deferred inflows of resources - leases	12,916				12,916
Total deferred inflows of resources	1,377,404	1,352	16,725		1,395,481
FUND BALANCES (DEFICITS)					
Nonspendable inventories	113,389				113,389
Nonspendable endowments and similar funds				60,530	60,530
Restricted	2,930,600	2,112,765	1,539,940	6,948	6,590,253
Committed	8,611,709		2,780,975		11,392,684
Unassigned	(698,121)				(698,121)
Total fund balances (deficits)	10,957,577	2,112,765	4,320,915	67,478	17,458,735
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 19,642,087	\$ 2,318,597	\$ 5,146,395	\$ 68,153	\$ 27,175,232

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Governmental Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES					
Income taxes	\$ 4,011,795				\$ 4,011,795
Sales taxes	5,462,894				5,462,894
Motor fuel taxes	1,927,385		\$ 980,879		2,908,264
Public utility taxes	729,922				729,922
Riverboat taxes	461,661				461,661
Other taxes	1,379,723				1,379,723
Federal government	15,926,692	\$ 43,654	65,561		16,035,907
Licenses and fees	2,689,263		549,174	\$ 339	3,238,776
Interest and other investment income	344,708	122,059	106,001	6,815	579,583
Other	1,523,789	307	30,747	152	1,554,995
Total revenues	34,457,832	166,020	1,732,362	7,306	36,363,520
EXPENDITURES					
Current:					
Health and social services	9,959,441		10,580	138	9,970,159
Education	4,277,811		294,780		4,572,591
General government	828,648	3,962	145,810		978,420
Employment and economic development	1,126,551		532,066		1,658,617
Transportation	3,434,079		596,555		4,030,634
Public protection and justice	639,354		34,735		674,089
Environment and business regulation	1,004,570		55,027		1,059,597
Debt service:					
Principal	54,563	2,477,830	35		2,532,428
Interest	4,172	1,468,292	9		1,472,473
Capital outlays	1,645,181		1,875,503		3,520,684
Intergovernmental	9,261,069				9,261,069
Total expenditures	32,235,439	3,950,084	3,545,100	138	39,730,761
Excess (deficiency) of revenues over (under) expenditures	2,222,393	(3,784,064)	(1,812,738)	7,168	(3,367,241)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General and special obligation bonds issued	135,000		1,190,000		1,325,000
Premiums on general and special obligation bonds issued			80,905		80,905
Discounts on general obligation bonds issued			(881)		(881)
General obligation refunding bonds issued		1,087,800			1,087,800
Premiums on general obligation refunding bonds issued		106,031			106,031
Transfers-in	1,648,828	4,178,928	285	4	5,828,045
Transfers-out	(3,491,987)	(325,000)	(55,000)	(3,619)	(3,875,606)
Payments to refunded bond escrow agent		(1,189,869)			(1,189,869)
Financing of leases and subscription-based information technology arrangements	102,984				102,984
Net other sources (uses) of financial resources	(1,605,175)	3,857,890	1,215,309	(3,615)	3,464,409
Net change in fund balances	617,218	73,826	(597,429)	3,553	97,168
Fund balances (deficits), July 1, 2024	10,372,600	2,038,939	4,918,344	63,925	17,393,808
(Decrease) for changes in inventories	(32,241)				(32,241)
FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 10,957,577	\$ 2,112,765	\$ 4,320,915	\$ 67,478	\$ 17,458,735

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

SIGNIFICANT NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS DESCRIPTIONS

Treasurer

Unclaimed Property Trust Fund--to account for monies received as abandoned property or from the sale of abandoned property pursuant to the Uniform Disposition of Unclaimed Property Act.

Tobacco Settlement Recovery Fund--to account for monies received annually as a part of the Master Settlement Agreement in the People of the State of Illinois v. Philip Morris et al.

Department of Children and Family Services

DCFS Children's Services Fund--to account for revenues and expenditures related to the federal Title IV-E foster care and adoption service program.

Department of Commerce and Economic Opportunity

State Small Business Credit Initiative Fund--to receive and record monies obtained from capital provided in accordance with the provisions of the State Small Business Credit Initiative.

Department of Employment Security

Title III Social Security and Employment Service Fund--to account for monies received from the federal government for the specific purpose of administering the Unemployment Compensation Act.

Department of Human Services

Illinois Affordable Housing Trust Fund--to account for a portion of the State real estate transfer tax used for grants and low or no interest mortgages or other loans to acquire, construct, rehabilitate, develop, operate, insure, and retain affordable single family and multi-family housing for low-income households.

Employment and Training Fund--to receive and disburse monies in accordance with the provisions of Title IV-A of the Federal Social Security Act, the Food Stamp Act, Title 7 of the United States Code, and related rules and regulations governing the use of those monies for the purposes of providing employment and training services.

Illinois Opioid Remediation State Trust Fund--to account for proceeds from opioid-related settlements and judgements pursuant to the Illinois Opioid Allocation Agreement.

Food Stamp and Commodity Fund--to account for food stamps and commodities received from the federal government.

Department of Revenue

Local Government Tax Fund--to account for a 15% share of various sales taxes that will be distributed to cities and counties.

Local Government Distributive Fund--to receive a portion of the State's income tax and sales tax collections to distribute to various municipalities and counties within the State.

Personal Property Tax Replacement Fund--to allocate and disburse to each taxing district within the State the net revenue received from the personal property replacement tax.

Build Illinois Fund--to receive a percentage of sales, hotel, and privilege taxes to be used for monthly allocation to various State agencies for the purpose of promoting tourism related activities.

Department of Transportation

Road Fund--to account for the activities of the State highway programs including highway maintenance and construction, traffic control and safety, and administering vehicle laws and regulations.

Motor Fuel Tax Fund--to account for the activities of various transportation related program expenditures and the administrative cost of supervising the use of funds apportioned to municipalities, counties, and road districts.

Downstate Public Transportation Fund--to provide financial assistance for local governments with public transportation systems.

Transportation Renewal Fund--to provide funds for highway maintenance and construction, bridge repair, congestion relief, construction of aviation facilities, and projects related to rail and mass transit facilities.

Railsplitter Tobacco Settlement Authority

Railsplitter Trustee Account Fund--to account for the payment of principal and interest on bonds issued in exchange for rights to the State's future tobacco settlement revenues.

Illinois Gaming Board

Rebuild Illinois Projects Fund--to receive monies from the collection of initial licenses issued for newly licensed gaming facilities and wagering platforms, to be used for grants that support community development.

State Board of Education

SBE Federal Department of Agriculture Fund--to account for the federal share of nutrition programs which provide nutritious meals for children and aging adults.

SBE Federal Department of Education Fund--to receive and disburse federal monies to provide financial assistance for educational programs funded by the U.S. Department of Education.

State of Illinois

Combining Balance Sheet
Nonmajor Special Revenue Funds

June 30, 2025 (Expressed in Thousands)

	Treasurer	Children and Family Services DCFS Children's Services Fund	Commerce and Economic Opportunity State Small Business Credit Initiative Fund	Employment Security Title III Social Security and Employment Service Fund	Human Services
ASSETS					
Cash equity with State Treasurer	\$ 651,477	\$ 462,998	\$ 175,616	\$ 246,932	\$ 301,460
Cash and cash equivalents		17			
Securities lending collateral of State Treasurer			26,494		8,344
Investments					
Receivables, net:					
Taxes					8
Intergovernmental	126,544	64,416		8,616	1,589
Other	1,695		562	1,477	543,345
Due from other funds	124,409	997		1,030	72,099
Due from component units					527,788
Inventories				170	
Loans and notes receivable, net			500		
Leases receivable					
Other assets			122,808		
Total assets	\$ 904,125	\$ 528,428	\$ 325,980	\$ 258,225	\$ 1,454,633
LIABILITIES					
Accounts payable and accrued liabilities	\$ 20,887	\$ 108,843	\$ 50	\$ 6,273	\$ 146,474
Intergovernmental payables	42,148	1,414	3	1,337	3,815
Due to other funds	45	3,905	3,461	18,703	15,009
Due to component units	159	9,183		14	48,414
Unearned revenue				820	68,436
Obligations under securities lending of State Treasurer			26,494		8,344
Matured portion of long-term liabilities					
Total liabilities	63,239	123,345	30,008	27,147	290,492
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	2,895	19,032		3,805	504,730
Deferred inflows of resources - leases					
Total deferred inflows of resources	2,895	19,032		3,805	504,730
FUND BALANCES (DEFICITS)					
Nonspendable inventories				170	
Restricted	609,982		295,972	227,103	253,571
Committed	228,009	386,051			520,791
Unassigned					(114,951)
Total fund balances (deficits)	837,991	386,051	295,972	227,273	659,411
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 904,125	\$ 528,428	\$ 325,980	\$ 258,225	\$ 1,454,633

		Railsplitter Tobacco Settlement Authority		Illinois Gaming Board			
Revenue	Transportation	Railsplitter Trustee Account Fund	Rebuild Illinois Projects Fund	State Board of Education	Other	Total	
\$ 1,237,805	\$ 5,263,856		\$ 573,692	\$ 830,491	\$ 4,395,384	\$ 14,139,711	
	38,343	\$ 3,473			55,745	97,578	
32,213	639,946				150,205	857,202	
					18,973	18,973	
377,461	297,311				142,504	817,284	
	286,428			106,249	499,474	1,093,316	
684	111,970	124,409		3,478	361,535	1,149,155	
118,633	87,538			90	210,555	615,351	
	40,827			12	10	568,637	
	80,400			246	32,573	113,389	
	1,978				34,105	34,605	
					11,818	13,796	
					282	123,090	
\$ 1,766,796	\$ 6,848,597	\$ 127,882	\$ 573,692	\$ 940,566	\$ 5,913,163	\$ 19,642,087	
\$ 31,813	\$ 547,615			\$ 42,179	\$ 414,955	\$ 1,319,089	
1,342,023	463,491			884,283	438,201	3,176,715	
2,754	368,055	\$ 124,409		9,689	383,353	929,383	
	69,249			3,631	66,109	196,759	
521,477	5,724			637	230,647	827,741	
32,213	639,946				150,205	857,202	
	217					217	
1,930,280	2,094,297	124,409		940,419	1,683,470	7,307,106	
28,308	53,686	124,409		106,142	521,481	1,364,488	
	1,965				10,951	12,916	
28,308	55,651	124,409		106,142	532,432	1,377,404	
	80,400			246	32,573	113,389	
	27,601		\$ 573,692		942,679	2,930,600	
57,116	4,590,648				2,829,094	8,611,709	
(248,908)		(120,936)		(106,241)	(107,085)	(698,121)	
(191,792)	4,698,649	(120,936)	573,692	(105,995)	3,697,261	10,957,577	
\$ 1,766,796	\$ 6,848,597	\$ 127,882	\$ 573,692	\$ 940,566	\$ 5,913,163	\$ 19,642,087	

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Treasurer	Children and Family Services DCFS Children's Services Fund	Commerce and Economic Opportunity State Small Business Credit Initiative Fund	Employment Security Title III Social Security and Employment Service Fund	Human Services
REVENUES					
Income taxes					
Sales taxes					
Motor fuel taxes					
Public utility taxes					
Riverboat taxes					
Other taxes					\$ 44,162
Federal government	\$ 382,803	\$ 414,292	\$ 121,328	\$ 244,517	5,378,842
Licenses and fees				52	
Interest and other investment income	12,116		21,791	9,061	2,809
Other	507,034	138		168	114,856
Total revenues	901,953	414,430	143,119	253,798	5,540,669
EXPENDITURES					
Current:					
Health and social services	818,780	477,996			6,270,405
Education	215,000				
General government	21,740			431	
Employment and economic development			25,259	252,388	
Transportation					
Public protection and justice					
Environment and business regulation					
Debt service:					
Principal	548	2,985		2,472	7
Interest	46	9		177	
Capital outlays	278	5,969		9,179	
Intergovernmental					
Total expenditures	1,056,392	486,959	25,259	264,647	6,270,412
Excess (deficiency) of revenues over (under) expenditures	(154,439)	(72,529)	117,860	(10,849)	(729,743)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued					
Transfers-in	237,169			14,619	692,098
Transfers-out	(500)	(690)	(2,384)		
Financing of leases and subscription-based information technology arrangements		5,969			
Net other sources (uses) of financial resources	236,669	5,279	(2,384)	14,619	692,098
Net change in fund balances	82,230	(67,250)	115,476	3,770	(37,645)
Fund balances (deficits), July 1, 2024	755,761	453,301	180,496	223,333	697,056
Increase (decrease) for changes in inventory				170	
FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 837,991	\$ 386,051	\$ 295,972	\$ 227,273	\$ 659,411

		Railsplitter Tobacco Settlement Authority		Illinois Gaming Board			
Revenue	Transportation	Railsplitter Trustee Account Fund	Rebuild Illinois Projects Fund	State Board of Education	Other	Total	
\$ 4,006,207					\$ 5,588	\$ 4,011,795	
3,780,295	\$ 938,766				743,833	5,462,894	
	1,860,297				67,088	1,927,385	
305,497					424,425	729,922	
					461,661	461,661	
223,816			\$ 28		1,111,717	1,379,723	
	2,518,989			\$ 3,655,132	3,210,789	15,926,692	
	1,642,157		54,950		992,104	2,689,263	
9,490	212,540	\$ 1,439			75,462	344,708	
2	207,473	246,318			447,800	1,523,789	
8,325,307	7,380,222	247,757	54,978	3,655,132	7,540,467	34,457,832	
24,103					2,368,157	9,959,441	
140,223				3,604,224	318,364	4,277,811	
150,344	59,241	92	11,822		584,978	828,648	
			47,629		801,275	1,126,551	
	3,243,387				190,692	3,434,079	
2,683					636,671	639,354	
			224		1,004,346	1,004,570	
	5,301			2,050	41,200	54,563	
	1,532			27	2,381	4,172	
	1,377,413			4,361	247,981	1,645,181	
7,232,149	1,034,994				993,926	9,261,069	
7,549,502	5,721,868	92	59,675	3,610,662	7,189,971	32,235,439	
775,805	1,658,354	247,665	(4,697)	44,470	350,496	2,222,393	
					135,000	135,000	
141,580	51,873		25,000		486,489	1,648,828	
(960,761)	(1,084,040)	(236,994)			(1,206,618)	(3,491,987)	
	4,248			1,811	90,956	102,984	
(819,181)	(1,027,919)	(236,994)	25,000	1,811	(494,173)	(1,605,175)	
(43,376)	630,435	10,671	20,303	46,281	(143,677)	617,218	
(148,416)	4,081,078	(131,607)	553,389	(151,686)	3,859,895	10,372,600	
	(12,864)			(590)	(18,957)	(32,241)	
\$ (191,792)	\$ 4,698,649	\$ (120,936)	\$ 573,692	\$ (105,995)	\$ 3,697,261	\$ 10,957,577	

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Treasurer

June 30, 2025 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 618,303	\$ 33,174	\$ 651,477
Receivables, net:			
Intergovernmental		126,544	126,544
Other	121	1,574	1,695
Due from other funds		124,409	124,409
Total assets	\$ 618,424	\$ 285,701	\$ 904,125
LIABILITIES			
Accounts payable and accrued liabilities	\$ 1,168	\$ 19,719	\$ 20,887
Intergovernmental payables	12	42,136	42,148
Due to other funds	19	26	45
Due to component units		159	159
Total liabilities	1,199	62,040	63,239
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue		2,895	2,895
Total deferred inflows of resources		2,895	2,895
FUND BALANCES			
Restricted	609,982		609,982
Committed	7,243	220,766	228,009
Total fund balances	617,225	220,766	837,991
Total liabilities, deferred inflows of resources, and fund balances	\$ 618,424	\$ 285,701	\$ 904,125

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Treasurer**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	Total
REVENUES			
Federal government		\$ 382,803	\$ 382,803
Interest and other investment income		12,116	12,116
Other	\$ 505,670	1,364	507,034
Total revenues	505,670	396,283	901,953
EXPENDITURES			
Current:			
Health and social services		818,780	818,780
Education	215,000		215,000
General government	21,740		21,740
Debt service:			
Principal	548		548
Interest	46		46
Capital outlays	278		278
Total expenditures	237,612	818,780	1,056,392
Excess (deficiency) of revenues over (under) expenditures	268,058	(422,497)	(154,439)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Transfers-in	175	236,994	237,169
Transfers-out	(500)		(500)
Net other sources (uses) of financial resources	(325)	236,994	236,669
Net change in fund balances	267,733	(185,503)	82,230
Fund balances, July 1, 2024	349,492	406,269	755,761
FUND BALANCES, JUNE 30, 2025	\$ 617,225	\$ 220,766	\$ 837,991

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Human Services

June 30, 2025 (Expressed in Thousands)

	Illinois Affordable Housing Trust Fund		Employment and Training Fund	Illinois Opioid Remediation State Trust Fund		Food Stamp and Commodity Fund	Total	
ASSETS								
Cash equity with State Treasurer	\$	54,495	\$	33,378	\$	213,587	\$	301,460
Securities lending collateral of State Treasurer		8,344						8,344
Receivables, net:								
Taxes		8						8
Intergovernmental				1,589				1,589
Other		199		101		543,045		543,345
Due from other funds				72,099				72,099
Due from component units		527,788						527,788
Total assets	\$	590,834	\$	107,167	\$	756,632	\$	1,454,633
LIABILITIES								
Accounts payable and accrued liabilities	\$	623	\$	145,851			\$	146,474
Intergovernmental payables		42		3,773				3,815
Due to other funds		13,761		1,227	\$	21		15,009
Due to component units		47,273		1,141				48,414
Unearned revenue				68,436				68,436
Obligations under securities lending of State Treasurer		8,344						8,344
Total liabilities		70,043		220,428		21		290,492
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows of resources - unavailable revenue				1,690		503,040		504,730
Total deferred inflows of resources				1,690		503,040		504,730
FUND BALANCES (DEFICITS)								
Restricted						253,571		253,571
Committed		520,791						520,791
Unassigned				(114,951)				(114,951)
Total fund balances (deficits)		520,791		(114,951)		253,571		659,411
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$	590,834	\$	107,167	\$	756,632	\$	1,454,633

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Human Services**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Illinois Affordable Housing Trust Fund	Employment and Training Fund	Illinois Opioid Remediation State Trust Fund	Food Stamp and Commodity Fund	Total
REVENUES					
Other taxes	\$ 44,162				\$ 44,162
Federal government	7,232	\$ 852,382		\$ 4,519,228	5,378,842
Interest and other investment income	2,809				2,809
Other	53,894		\$ 60,962		114,856
Total revenues	108,097	852,382	60,962	4,519,228	5,540,669
EXPENDITURES					
Current:					
Health and social services	87,104	1,636,496	27,577	4,519,228	6,270,405
Debt service:					
Principal		7			7
Total expenditures	87,104	1,636,503	27,577	4,519,228	6,270,412
Excess (deficiency) of revenues over (under) expenditures	20,993	(784,121)	33,385	-	(729,743)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in		692,098			692,098
Net other sources (uses) of financial resources		692,098			692,098
Net change in fund balances	20,993	(92,023)	33,385	-	(37,645)
Fund balances (deficits), July 1, 2024	499,798	(22,928)	220,186		697,056
FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 520,791	\$ (114,951)	\$ 253,571	\$ -	\$ 659,411

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds
Revenue

June 30, 2025 (Expressed in Thousands)

	Local Government Tax Fund	Local Government Distributive Fund	Personal Property Tax Replacement Fund	Build Illinois Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 591,065	\$ 252,780	\$ 380,926	\$ 13,034	\$ 1,237,805
Securities lending collateral of State Treasurer			27,807	4,406	32,213
Receivables, net:					
Taxes	127,559	89,351	101,613	58,938	377,461
Other			590	94	684
Due from other funds		27,122	91,511		118,633
Total assets	\$ 718,624	\$ 369,253	\$ 602,447	\$ 76,472	\$ 1,766,796
LIABILITIES					
Accounts payable and accrued liabilities		\$ 1,460	\$ 15,478	\$ 14,875	\$ 31,813
Intergovernmental payables	\$ 718,624	298,046	325,353		1,342,023
Due to other funds			2,754		2,754
Unearned revenue		69,747	451,730		521,477
Obligations under securities lending of State Treasurer			27,807	4,406	32,213
Total liabilities	718,624	369,253	823,122	19,281	1,930,280
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	340	27,888	5	75	28,308
Total deferred inflows of resources	340	27,888	5	75	28,308
FUND BALANCES (DEFICITS)					
Committed				57,116	57,116
Unassigned	(340)	(27,888)	(220,680)		(248,908)
Total fund balances (deficits)	(340)	(27,888)	(220,680)	57,116	(191,792)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 718,624	\$ 369,253	\$ 602,447	\$ 76,472	\$ 1,766,796

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds

Revenue

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Local Government Tax Fund	Local Government Distributive Fund	Personal Property Tax Replacement Fund	Build Illinois Fund	Total
REVENUES					
Income taxes		\$ 2,284,580	\$ 1,721,627		\$ 4,006,207
Sales taxes	\$ 2,858,744	223,752		\$ 697,799	3,780,295
Public utility taxes			305,497		305,497
Other taxes				223,816	223,816
Interest and other investment income			8,249	1,241	9,490
Other			2		2
Total revenues	2,858,744	2,508,332	2,035,375	922,856	8,325,307
EXPENDITURES					
Current:					
Health and social services			24,103		24,103
Education			140,223		140,223
General government			150,344		150,344
Public protection and justice			2,683		2,683
Intergovernmental	2,859,084	2,527,388	1,845,677		7,232,149
Total expenditures	2,859,084	2,527,388	2,163,030		7,549,502
Excess (deficiency) of revenues over (under) expenditures	(340)	(19,056)	(127,655)	922,856	775,805
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in		20,053	91,511	30,016	141,580
Transfers-out		(5,000)		(955,761)	(960,761)
Net other sources (uses) of financial resources		15,053	91,511	(925,745)	(819,181)
Net change in fund balances	(340)	(4,003)	(36,144)	(2,889)	(43,376)
Fund balances (deficits), July 1, 2024		(23,885)	(184,536)	60,005	(148,416)
FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (340)	\$ (27,888)	\$ (220,680)	\$ 57,116	\$ (191,792)

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Transportation

June 30, 2025 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 3,868,764	\$ 111,540	\$ 411,395	\$ 872,157	\$ 5,263,856
Cash and cash equivalents	38,343				38,343
Securities lending collateral of State Treasurer	639,946				639,946
Receivables, net:					
Taxes	51,900	105,632		139,779	297,311
Intergovernmental	286,428				286,428
Other	111,970				111,970
Due from other funds	87,538				87,538
Due from component units	40,827				40,827
Inventories	80,400				80,400
Leases receivable	1,978				1,978
Total assets	\$ 5,208,094	\$ 217,172	\$ 411,395	\$ 1,011,936	\$ 6,848,597
LIABILITIES					
Accounts payable and accrued liabilities	\$ 545,136	\$ 1,915		\$ 564	\$ 547,615
Intergovernmental payables	132,312	109,230	\$ 37,006	184,943	463,491
Due to other funds	195,158	106,027	34	66,836	368,055
Due to component units	69,249				69,249
Unearned revenue	5,724				5,724
Obligations under securities lending of State Treasurer	639,946				639,946
Matured portion of long-term liabilities	217				217
Total liabilities	1,587,742	217,172	37,040	252,343	2,094,297
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	53,686				53,686
Deferred inflows of resources - leases	1,965				1,965
Total deferred inflows of resources	55,651				55,651
FUND BALANCES					
Nonspendable inventories	80,400				80,400
Restricted	27,601				27,601
Committed	3,456,700		374,355	759,593	4,590,648
Total fund balances	3,564,701		374,355	759,593	4,698,649
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,208,094	\$ 217,172	\$ 411,395	\$ 1,011,936	\$ 6,848,597

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Transportation**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
REVENUES					
Sales taxes	\$ 699,304		\$ 239,462		\$ 938,766
Motor fuel taxes	341,261	\$ 660,461		\$ 858,575	1,860,297
Federal government	2,518,989				2,518,989
Licenses and fees	1,640,916	1,241			1,642,157
Interest and other investment income	212,540				212,540
Other	207,473				207,473
Total revenues	5,620,483	661,702	239,462	858,575	7,380,222
EXPENDITURES					
Current:					
General government	1,973	57,268			59,241
Transportation	2,776,864	21,325	267,389	177,809	3,243,387
Debt service:					
Principal	5,168	133			5,301
Interest	1,523	9			1,532
Capital outlays	1,377,413				1,377,413
Intergovernmental		504,335		530,659	1,034,994
Total expenditures	4,162,941	583,070	267,389	708,468	5,721,868
Excess (deficiency) of revenues over (under) expenditures	1,457,542	78,632	(27,927)	150,107	1,658,354
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in	485	1,178	50,210		51,873
Transfers-out	(1,004,230)	(79,810)			(1,084,040)
Financing of leases and subscription-based information technology arrangements	4,248				4,248
Net other sources (uses) of financial resources	(999,497)	(78,632)	50,210		(1,027,919)
Net change in fund balances	458,045	-	22,283	150,107	630,435
Fund balances, July 1, 2024	3,119,520		352,072	609,486	4,081,078
(Decrease) for changes in inventory	(12,864)				(12,864)
FUND BALANCES, JUNE 30, 2025	\$ 3,564,701	\$ -	\$ 374,355	\$ 759,593	\$ 4,698,649

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

State Board of Education

June 30, 2025 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 1,774	\$ 828,717	\$ 830,491
Receivables, net:			
Intergovernmental	44,393	61,856	106,249
Other	347	3,131	3,478
Due from other funds	68	22	90
Due from component units	12		12
Inventories	246		246
Total assets	\$ 46,840	\$ 893,726	\$ 940,566
LIABILITIES			
Accounts payable and accrued liabilities	\$ 22,536	\$ 19,643	\$ 42,179
Intergovernmental payables	23,567	860,716	884,283
Due to other funds	227	9,462	9,689
Due to component units	79	3,552	3,631
Unearned revenue	170	467	637
Total liabilities	46,579	893,840	940,419
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	44,392	61,750	106,142
Total deferred inflows of resources	44,392	61,750	106,142
FUND BALANCES (DEFICITS)			
Nonspendable inventories	246		246
Unassigned	(44,377)	(61,864)	(106,241)
Total fund balances (deficits)	(44,131)	(61,864)	(105,995)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 46,840	\$ 893,726	\$ 940,566

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
State Board of Education**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
REVENUES			
Federal government	\$ 1,005,188	\$ 2,649,944	\$ 3,655,132
Total revenues	<u>1,005,188</u>	<u>2,649,944</u>	<u>3,655,132</u>
EXPENDITURES			
Current:			
Education	1,047,968	2,556,256	3,604,224
Debt service:			
Principal	801	1,249	2,050
Interest	7	20	27
Capital outlays	1,211	3,150	4,361
Total expenditures	<u>1,049,987</u>	<u>2,560,675</u>	<u>3,610,662</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(44,799)</u>	<u>89,269</u>	<u>44,470</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Financing of leases and subscription-based information technology arrangements	646	1,165	1,811
Net other sources (uses) of financial resources	<u>646</u>	<u>1,165</u>	<u>1,811</u>
Net change in fund balances	<u>(44,153)</u>	<u>90,434</u>	<u>46,281</u>
Fund balances (deficits), July 1, 2024	612	(152,298)	(151,686)
(Decrease) for changes in inventory	(590)		(590)
FUND BALANCES (DEFICITS), JUNE 30, 2025	<u>\$ (44,131)</u>	<u>\$ (61,864)</u>	<u>\$ (105,995)</u>

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DEBT SERVICE FUNDS

The Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

SIGNIFICANT NONMAJOR GOVERNMENTAL DEBT SERVICE FUNDS DESCRIPTIONS

Treasurer

General Obligation Bond Retirement and Interest Fund--to account for payments of principal and interest related to general obligation bonds. These bonds provide financing for the protection of the environment within the State; the acquisition, construction, reconstruction, extension, and improvement of highways; the acquisition, construction, reconstruction, and improvement of capital projects; the construction of facilities leased back to the State; and the development of mass transportation and aviation systems within the State.

Governor's Office of Management and Budget

Build Illinois Bond Retirement and Interest Fund--to account for the payment of principal and interest upon bonds issued to finance improvements related to existing or planned scientific research, manufacturing, or industrial development or expansion in Illinois. Funding consists of transfers from the Build Illinois Fund and investment income.

State of Illinois

Combining Balance Sheet
Nonmajor Debt Service Funds

June 30, 2025 (Expressed in Thousands)

	Governor's Office of Management and Budget		Total
	Treasurer		
	General Obligation Bond Retirement and Interest Fund	Build Illinois Bond Retirement and Interest Fund	
ASSETS			
Cash equity with State Treasurer	\$ 1,366,063	\$ 18,698	\$ 1,384,761
Cash and cash equivalents		707,059	707,059
Securities lending collateral of State Treasurer	202,238	2,197	204,435
Receivables, net:			
Intergovernmental	12,073		12,073
Other	4,342	47	4,389
Due from other funds	5,880		5,880
Total assets	\$ 1,590,596	\$ 728,001	\$ 2,318,597
LIABILITIES			
Due to other funds	\$ 45		\$ 45
Obligations under securities lending of State Treasurer	202,238	\$ 2,197	204,435
Total liabilities	202,283	2,197	204,480
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	1,352		1,352
Total deferred inflows of resources	1,352		1,352
FUND BALANCES			
Restricted	1,386,961	725,804	2,112,765
Total fund balances	1,386,961	725,804	2,112,765
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,590,596	\$ 728,001	\$ 2,318,597

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Treasurer		Governor's Office of Management and Budget		Total
	General Obligation Bond Retirement and Interest Fund		Build Illinois Bond Retirement and Interest Fund		
REVENUES					
Federal government	\$ 43,654				\$ 43,654
Interest and other investment income	78,068	\$ 43,991			122,059
Other	307				307
Total revenues	122,029		43,991		166,020
EXPENDITURES					
Current:					
General government	3,962				3,962
Debt service:					
Principal	2,268,255	209,575			2,477,830
Interest	1,369,829	98,463			1,468,292
Total expenditures	3,642,046		308,038		3,950,084
Excess (deficiency) of revenues over (under) expenditures	(3,520,017)		(264,047)		(3,784,064)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation refunding bonds issued	1,087,800				1,087,800
Premiums on general obligation refunding bonds issued	106,031				106,031
Transfers-in	3,586,723	592,205			4,178,928
Transfers-out		(325,000)			(325,000)
Payments to refunded bond escrow agent	(1,189,869)				(1,189,869)
Net other sources (uses) of financial resources	3,590,685		267,205		3,857,890
Net change in fund balances	70,668		3,158		73,826
Fund balances, July 1, 2024	1,316,293		722,646		2,038,939
FUND BALANCES, JUNE 30, 2025	\$ 1,386,961	\$ 725,804			\$ 2,112,765

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CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition and/or construction of capital facilities and other capital assets.

SIGNIFICANT NONMAJOR GOVERNMENTAL CAPITAL PROJECTS FUNDS DESCRIPTIONS

Department of Commerce and Economic Opportunity

Build Illinois Bond Fund--to account for the proceeds from bond issues of the Build Illinois Bond Program to finance improvements related to scientific research, manufacturing, and industrial development or expansion.

Department of Transportation

Transportation Bond, Series A Fund--to account for the proceeds from bond issues to finance State highway acquisition, construction, reconstruction, extension, and improvements.

Transportation Bond, Series B Fund--to account for the proceeds from bond issues used to finance mass transportation and aviation infrastructure including, but not limited to, the acquisition of mass transportation equipment, including rail and bus, and other equipment for counties under the Regional Transportation Authority.

State Construction Account--to account for a portion of motor fuel taxes, motor vehicle registration fees, and weight taxes, to be expended for the construction, reconstruction, and maintenance of the State maintained highway system.

Multi-Modal Transportation Bond Fund--to account for the proceeds from bond issues used to finance grade crossings, port, airport, rail, and mass transit facilities and to provide and promote public transportation with the State.

Capital Development Board

Capital Development Fund--to account for the proceeds from bond issues to finance capital development projects within the State.

CDB Contributory Trust Fund--to account for local, state, and federal funding for the construction and remodeling of buildings and the purchase of land and equipment in connection with the various contributing educational institutions, State departments, and agencies as authorized by law.

State of Illinois

**Combining Balance Sheet
Nonmajor Capital Projects Funds**

June 30, 2025 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board		Other	Total
	Build Illinois Bond Fund	Transportation				
ASSETS						
Cash equity with State Treasurer	\$ 862,830	\$ 2,976,347	\$ 634,896	\$ 93,218	\$ 4,567,291	
Cash and cash equivalents			14,334		14,334	
Securities lending collateral of State Treasurer		399,487			399,487	
Receivables, net:						
Intergovernmental			7,921	15,590	23,511	
Other	362	9,844	5,600		15,806	
Due from other funds	1,019	108,187	16,010		125,216	
Loans and notes receivable, net	750				750	
Total assets	\$ 864,961	\$ 3,493,865	\$ 678,761	\$ 108,808	\$ 5,146,395	
LIABILITIES						
Accounts payable and accrued liabilities	\$ 4,647	\$ 201,831	\$ 156,437	\$ 2,996	\$ 365,911	
Intergovernmental payables	3,143	32,880		754	36,777	
Due to other funds	322		166		488	
Due to component units			111		111	
Unearned revenue		1,805	4,176		5,981	
Obligations under securities lending of State Treasurer		399,487			399,487	
Total liabilities	8,112	636,003	160,890	3,750	808,755	
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue			11,931	4,794	16,725	
Total deferred inflows of resources			11,931	4,794	16,725	
FUND BALANCES						
Restricted	856,849	286,467	356,227	40,397	1,539,940	
Committed		2,571,395	149,713	59,867	2,780,975	
Total fund balances	856,849	2,857,862	505,940	100,264	4,320,915	
Total liabilities, deferred inflows of resources, and fund balances	\$ 864,961	\$ 3,493,865	\$ 678,761	\$ 108,808	\$ 5,146,395	

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board	Other	Total
	Build Illinois Bond Fund	Transportation			
REVENUES					
Motor fuel taxes		\$ 980,879			\$ 980,879
Federal government			\$ 30,013	\$ 35,548	65,561
Licenses and fees		549,174			549,174
Interest and other investment income		106,001			106,001
Other	\$ 167		30,580		30,747
Total revenues	167	1,636,054	60,593	35,548	1,732,362
EXPENDITURES					
Current:					
Health and social services	10,580				10,580
Education	14,812		264,372	15,596	294,780
General government	108,648	811	36,331	20	145,810
Employment and economic development	531,944		122		532,066
Transportation		595,184		1,371	596,555
Public protection and justice			83	34,652	34,735
Environment and business regulation	33,615		20,782	630	55,027
Debt service:					
Principal			35		35
Interest			9		9
Capital outlays	713	1,364,407	495,995	14,388	1,875,503
Total expenditures	700,312	1,960,402	817,729	66,657	3,545,100
Excess (deficiency) of revenues over (under) expenditures	(700,145)	(324,348)	(757,136)	(31,109)	(1,812,738)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General and special obligation bonds issued	725,000	325,000	125,000	15,000	1,190,000
Premiums on general and special obligation bonds issued	64,636	11,750	4,519		80,905
Discounts on general and special obligation bonds issued		(636)	(245)		(881)
Transfers-in		285			285
Transfers-out				(55,000)	(55,000)
Net other sources (uses) of financial resources	789,636	336,399	129,274	(40,000)	1,215,309
Net change in fund balances	89,491	12,051	(627,862)	(71,109)	(597,429)
Fund balances, July 1, 2024	767,358	2,845,811	1,133,802	171,373	4,918,344
FUND BALANCES, JUNE 30, 2025	\$ 856,849	\$ 2,857,862	\$ 505,940	\$ 100,264	\$ 4,320,915

State of Illinois

Combining Balance Sheet - Nonmajor Capital Projects Funds

Transportation

June 30, 2025 (Expressed in Thousands)

	Transportation Bond, Series A Fund	Transportation Bond, Series B Fund	State Construction Account	Multi-Modal Transportation Bond Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 100,723	\$ 84,837	\$ 2,578,174	\$ 212,613	\$ 2,976,347
Securities lending collateral of State Treasurer			399,487		399,487
Other receivables, net			9,844		9,844
Due from other funds		45	108,142		108,187
Total assets	\$ 100,723	\$ 84,882	\$ 3,095,647	\$ 212,613	\$ 3,493,865
LIABILITIES					
Accounts payable and accrued liabilities	\$ 37,913	\$ 39,192	\$ 122,941	\$ 1,785	\$ 201,831
Intergovernmental payables	92	13,112	19	19,657	32,880
Unearned revenue			1,805		1,805
Obligations under securities lending of State Treasurer			399,487		399,487
Total liabilities	38,005	52,304	524,252	21,442	636,003
FUND BALANCES					
Restricted	62,718	32,578		191,171	286,467
Committed			2,571,395		2,571,395
Total fund balances	62,718	32,578	2,571,395	191,171	2,857,862
Total liabilities and fund balances	\$ 100,723	\$ 84,882	\$ 3,095,647	\$ 212,613	\$ 3,493,865

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Capital Projects Funds
Transportation**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Transportation Bond, Series A Fund	Transportation Bond, Series B Fund	State Construction Account	Multi-Modal Transportation Bond Fund	Total
REVENUES					
Motor fuel taxes			\$ 980,879		\$ 980,879
Licenses and fees			549,174		549,174
Interest and other investment income			106,001		106,001
Total revenues			1,636,054		1,636,054
EXPENDITURES					
Current:					
General government	\$ 499	\$ 187		\$ 125	811
Transportation	20,281	28,964	164,988	380,951	595,184
Capital outlays	483,723	9,509	871,175		1,364,407
Total expenditures	504,503	38,660	1,036,163	381,076	1,960,402
Excess (deficiency) of revenues over (under) expenditures	(504,503)	(38,660)	599,891	(381,076)	(324,348)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued	200,000	75,000		50,000	325,000
Premiums on general obligation bonds issued	7,230	2,712		1,808	11,750
Discounts on general obligation bonds issued	(391)	(147)		(98)	(636)
Transfers-in			285		285
Net other sources (uses) of financial resources	206,839	77,565	285	51,710	336,399
Net change in fund balances	(297,664)	38,905	600,176	(329,366)	12,051
Fund balances (deficits), July 1, 2024	360,382	(6,327)	1,971,219	520,537	2,845,811
FUND BALANCES, JUNE 30, 2025	\$ 62,718	\$ 32,578	\$ 2,571,395	\$ 191,171	\$ 2,857,862

State of Illinois

Combining Balance Sheet - Nonmajor Capital Projects Funds

Capital Development Board

June 30, 2025 (Expressed in Thousands)

	Capital Development Fund	CDB Contributory Trust Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 471,573	\$ 163,323	\$ 634,896
Cash and cash equivalents	14,334		14,334
Receivables, net:			
Intergovernmental	6	7,915	7,921
Other		5,600	5,600
Due from other funds	16,002	8	16,010
Total assets	\$ 501,915	\$ 176,846	\$ 678,761
LIABILITIES			
Accounts payable and accrued liabilities	\$ 145,407	\$ 11,030	\$ 156,437
Due to other funds	164	2	166
Due to component units	111		111
Unearned revenue		4,176	4,176
Total liabilities	145,682	15,208	160,890
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	6	11,925	11,931
Total deferred inflows of resources	6	11,925	11,931
FUND BALANCES			
Restricted	356,227		356,227
Committed		149,713	149,713
Total fund balances	356,227	149,713	505,940
Total liabilities, deferred inflows of resources, and fund balances	\$ 501,915	\$ 176,846	\$ 678,761

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Capital Projects Funds
Capital Development Board**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Capital Development Fund	CDB Contributory Trust Fund	Total
REVENUES			
Federal government	\$ 183	\$ 29,830	\$ 30,013
Other		30,580	30,580
Total revenues	183	60,410	60,593
EXPENDITURES			
Current:			
Education	239,034	25,338	264,372
General government	36,023	308	36,331
Employment and economic development	122		122
Public protection and justice	83		83
Environment and business regulation	20,782		20,782
Debt service:			
Principal	35		35
Interest	9		9
Capital outlays	489,594	6,401	495,995
Total expenditures	785,682	32,047	817,729
Excess (deficiency) of revenues over (under) expenditures	(785,499)	28,363	(757,136)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
General obligation bonds issued	125,000		125,000
Premiums on general obligation bonds issued	4,519		4,519
Discounts on general obligation bonds issued	(245)		(245)
Net other sources (uses) of financial resources	129,274		129,274
Net change in fund balances	(656,225)	28,363	(627,862)
Fund balances, July 1, 2024	1,012,452	121,350	1,133,802
FUND BALANCES, JUNE 30, 2025	\$ 356,227	\$ 149,713	\$ 505,940

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PERMANENT FUNDS

The Permanent Funds are used to account for and report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizens.

SIGNIFICANT NONMAJOR GOVERNMENTAL PERMANENT FUNDS DESCRIPTIONS

Department of Natural Resources

Fish and Wildlife Endowment Fund--to account for resources obtained from the issuance of lifetime hunting, fishing, or sportsmen's combination licenses.

Illinois Habitat Endowment Trust Fund--to account for resources obtained from private donations and transfers or deposits from the Park and Conservation Fund. All deposits into the fund shall become part of the trust fund corpus.

Illinois Power Agency

Illinois Power Agency Trust Fund--to account for resources obtained from private grants and other monies received. No more than ninety percent of investment income may be appropriated annually, and investment income not appropriated is to be added to the principal of the fund.

State of Illinois

Combining Balance Sheet
Nonmajor Permanent Funds

June 30, 2025 (Expressed in Thousands)

	Natural Resources	Illinois Power Agency Trust Fund	Other	Total
ASSETS				
Cash equity with State Treasurer	\$ 18,855			\$ 18,855
Cash and cash equivalents			\$ 1,648	1,648
Securities lending collateral of State Treasurer	675			675
Investments		\$ 46,468	440	46,908
Other receivables, net	67			67
Total assets	\$ 19,597	\$ 46,468	\$ 2,088	\$ 68,153
LIABILITIES				
Obligations under securities lending of State Treasurer	\$ 675			\$ 675
Total liabilities	675			675
FUND BALANCES				
Nonspendable endowments and similar funds	12,995	\$ 46,468	\$ 1,067	60,530
Restricted	5,927		1,021	6,948
Total fund balances	18,922	46,468	2,088	67,478
Total liabilities and fund balances	\$ 19,597	\$ 46,468	\$ 2,088	\$ 68,153

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Permanent Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Natural Resources	Illinois Power Agency Illinois Power Agency Trust Fund	Other	Total
REVENUES				
Licenses and fees	\$ 339			\$ 339
Interest and other investment income	849	\$ 5,903	\$ 63	6,815
Other		1	151	152
Total revenues	1,188	5,904	214	7,306
EXPENDITURES				
Current:				
Health and social services			138	138
Total expenditures			138	138
Excess (deficiency) of revenues over (under) expenditures	1,188	5,904	76	7,168
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Transfers-in		4		4
Transfers-out		(3,619)		(3,619)
Net other sources (uses) of financial resources		(3,615)		(3,615)
Net change in fund balances	1,188	2,289	76	3,553
Fund balances, July 1, 2024	17,734	44,179	2,012	63,925
FUND BALANCES, JUNE 30, 2025	\$ 18,922	\$ 46,468	\$ 2,088	\$ 67,478

State of Illinois

Combining Balance Sheet - Nonmajor Permanent Funds

Natural Resources

June 30, 2025 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 4,313	\$ 14,542	\$ 18,855
Securities lending collateral of State Treasurer	675		675
Other receivables, net	14	53	67
Total assets	\$ 5,002	\$ 14,595	\$ 19,597
LIABILITIES			
Obligations under securities lending of State Treasurer	\$ 675		\$ 675
Total liabilities	675		675
FUND BALANCES			
Nonspendable endowments and similar funds	4,327	\$ 8,668	12,995
Restricted		5,927	5,927
Total fund balances	4,327	14,595	18,922
Total liabilities and fund balances	\$ 5,002	\$ 14,595	\$ 19,597

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Permanent Funds
Natural Resources

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
REVENUES			
Licenses and fees	\$ 339		\$ 339
Interest and other investment income	171	\$ 678	849
Total revenues	510	678	1,188
Net change in fund balances	510	678	1,188
Fund balances, July 1, 2024	3,817	13,917	17,734
FUND BALANCES, JUNE 30, 2025	\$ 4,327	\$ 14,595	\$ 18,922

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ENTERPRISE FUNDS

Enterprise Funds are maintained to account for the operations where the intent of the State is to provide services to the general public in a manner similar to private business enterprises.

SIGNIFICANT NONMAJOR ENTERPRISE FUNDS DESCRIPTIONS

Department of Financial and Professional Regulation

Bank and Trust Company Fund--to account for all fees under the Illinois Banking Act, the Corporate Fiduciary Act, the Illinois Savings Association Banking Act, and the Foreign Banking Office Act.

Department of the Lottery

State Lottery Fund--to account for all receipts and expenses from the operation of the State Lottery. The net proceeds are transferred to the Common School Account in the General Fund.

Student Assistance Commission

Prepaid Tuition Fund--to account for the net position held by the Illinois prepaid tuition program, *College Illinois!*

Illinois Designated Account Purchase Program Fund--to purchase guaranteed student loans from lenders in order to reduce the lenders' collection and administration costs, and to act as a servicer of student loans.

State of Illinois

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2025 (Expressed in Thousands)

	Financial and Professional Regulation		Lottery		Student Assistance Commission	Other	Total
	Bank and Trust Company Fund	State Lottery Fund					
ASSETS							
Cash equity with State Treasurer	\$ 45,426	\$ 20,459	\$ 2,154	\$ 141,090		\$ 209,129	
Cash and cash equivalents		19,218	3,575	3,211		26,004	
Securities lending collateral of State Treasurer	6,324			17,058		23,382	
Investments		25,330	102,188	84,110		211,628	
Receivables, net:							
Intergovernmental			369	793		1,162	
Other	144	84,882	835	4,056		89,917	
Due from other funds		6		2,503		2,509	
Restricted assets:							
Cash and cash equivalents			3,536			3,536	
Other receivables, net			38,153			38,153	
Loans and notes receivable, net			6,177			6,177	
Prepaid expenses		54		273		327	
Total current assets	51,894	149,949	156,987	253,094		611,924	
Investments		183,638	334,103			517,741	
Other receivables, net			1,845			1,845	
Restricted loans and notes receivable, net			49,976			49,976	
Capital assets not being depreciated				1,002		1,002	
Capital assets being depreciated, net		1,136		7,575		8,711	
Total noncurrent assets		184,774	385,924	8,577		579,275	
Total assets	51,894	334,723	542,911	261,671		1,191,199	
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows of resources - pensions	12,996	15,701	180	2,154		31,031	
Deferred outflows of resources - OPEB	8,035	10,248	169	1,379		19,831	
Total deferred outflows of resources	21,031	25,949	349	3,533		50,862	
LIABILITIES							
Accounts payable and accrued liabilities	3,990	70,944	1,305	9,005		85,244	
Intergovernmental payables	32	74		13		119	
Due to other funds	344	17,206	1,955	264		19,769	
Due to component units	13	1	196			210	
Unearned revenue		1,376		37,110		38,486	
Obligations under securities lending of State Treasurer	6,324			17,058		23,382	
Current portion of long-term liabilities	978	26,413	84,539	1,698		113,628	
Total current liabilities	11,681	116,014	87,995	65,148		280,838	
Noncurrent portion of long-term liabilities	74,269	308,041	298,085	24,109		704,504	
Total liabilities	85,950	424,055	386,080	89,257		985,342	
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources - unamortized deferred amounts on refundings			4,717			4,717	
Deferred inflows of resources - pensions	2,384	3,530	634	10,635		17,183	
Deferred inflows of resources - OPEB	8,784	15,581	592	8,867		33,824	
Total deferred inflows of resources	11,168	19,111	5,943	19,502		55,724	
NET POSITION							
Net investment in capital assets		1,136		3,326		4,462	
Restricted for:							
Debt service			46,554			46,554	
Other expendable purposes			57,549			57,549	
Unrestricted	(24,193)	(83,630)	47,134	153,119		92,430	
Total net position	\$ (24,193)	\$ (82,494)	\$ 151,237	\$ 156,445		\$ 200,995	

State of Illinois

Combining Statement of Revenues, Expenses
and Changes in Net Position

Nonmajor Enterprise Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Financial and Professional Regulation		Lottery	Student Assistance Commission	Other	Total
	Bank and Trust Company Fund	State Lottery Fund				
OPERATING REVENUES						
Charges for sales and services	\$ 19,440	\$ 3,755,733	\$ 142	\$ 79,446	\$ 3,854,761	
Interest income pledged as revenue bond security			11,581		11,581	
Interest and other investment income			24,137	140	24,277	
Other		5,856			5,856	
Total operating revenues	19,440	3,761,589	35,860	79,586	3,896,475	
OPERATING EXPENSES						
Cost of sales and services	17,784	172,285		4,494	194,563	
Benefit payments and refunds				43,987	43,987	
Prizes and claims		2,592,599			2,592,599	
Interest	1				1	
Accreted tuition expense			13,383		13,383	
General and administrative		199,821	8,015	5,412	213,248	
Depreciation/amortization		413		1,573	1,986	
Other			116	17,336	17,452	
Total operating expenses	17,785	2,965,118	21,514	72,802	3,077,219	
Operating income (loss)	1,655	796,471	14,346	6,784	819,256	
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	1,779	12,195		9,491	23,465	
Interest expense		(7,934)		(61)	(7,995)	
Federal government			1,819	36	1,855	
Other revenues		942			942	
Other expenses		(8)		(65)	(73)	
Income (loss) before contributions and transfers	3,434	801,666	16,165	16,185	837,450	
Contributions of capital assets		121		79	200	
Transfers-out	(4,441)	(796,088)	(117)		(800,646)	
Change in net position	(1,007)	5,699	16,048	16,264	37,004	
Net position, July 1, 2024, as previously reported	(22,691)	(87,518)	135,245	140,636	165,672	
Change in accounting principle	(495)	(675)	(56)	(455)	(1,681)	
Net position, July 1, 2024, as restated	(23,186)	(88,193)	135,189	140,181	163,991	
NET POSITION, JUNE 30, 2025	\$ (24,193)	\$ (82,494)	\$ 151,237	\$ 156,445	\$ 200,995	

State of Illinois

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Financial and Professional Regulation		Lottery		Student Assistance Commission	Other	Total
	Bank and Trust Company Fund		State Lottery Fund				
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from sales and services	\$ 26,243				\$ 142	\$ 80,913	\$ 107,298
Cash received from lottery sales			\$ 3,745,580				3,745,580
Cash payments to suppliers for goods and services			(208,864)		(2,847)	(45,622)	(257,333)
Cash payments for interfund services			(2,079)			(180)	(2,259)
Cash payments to employees for services	(18,226)		(26,512)		(1,069)	(21,907)	(67,714)
Cash payments for lottery prizes			(2,850,820)				(2,850,820)
Cash payments for commissions and bonuses			(172,285)				(172,285)
Cash receipts from prepaid tuition contract sales					1,762		1,762
Cash payments for tuition					(70,375)		(70,375)
Cash payments for tuition contract refunds					(22,330)		(22,330)
Cash receipts from student loan principal					17,484		17,484
Cash receipts from student loan interest					3,866		3,866
Cash receipts from other operating activities			26,895			2,125	29,020
Cash payments for other operating activities	(1,404)		(163)		(543)	(19,440)	(21,550)
Net cash provided (used) by operating activities	6,613		511,752		(73,910)	(4,111)	440,344
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Principal paid on revenue bonds and other borrowings					(46,293)		(46,293)
Interest paid on revenue bonds and other borrowings					(2,848)		(2,848)
Grants received					2,093	11,020	13,113
Transfers-in from other funds	1						1
Transfers-out to other funds	(4,441)		(789,284)		(117)		(793,842)
Net cash provided (used) by noncapital financing activities	(4,440)		(789,284)		(47,165)	11,020	(829,869)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets			(1,404)			(1,043)	(2,447)
Principal paid on capital debt			(19)			(1,075)	(1,094)
Interest paid on capital debt			(4)			(121)	(125)
Net cash provided (used) by capital and related financing activities			(1,427)			(2,239)	(3,666)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of investment securities			(19,146)		(174,155)	(84,931)	(278,232)
Proceeds from sales and maturities of investment securities			27,379		272,344	81,983	381,706
Cash paid to investment managers					(75)		(75)
Cash paid for long-term annuity prizes payable			(26,437)				(26,437)
Interest and dividends on investments	1,809		433		10,312	8,710	21,264
Net cash provided (used) by investing activities	1,809		(17,771)		108,426	5,762	98,226
Net increase (decrease) in cash and cash equivalents	3,982		(296,730)		(12,649)	10,432	(294,965)
Cash and cash equivalents, July 1, 2024	41,444		336,407		21,914	133,869	533,634
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 45,426	\$ 39,677	\$ 9,265	\$ 144,301	\$ 238,669		
Reconciliation of cash and cash equivalents to the Statement of Net Position:							
Total cash and cash equivalents per Statement of Net Position		\$ 19,218	\$ 3,575	\$ 3,211	\$ 26,004		
Add: cash equity with State Treasurer	\$ 45,426	20,459	2,154	141,090	209,129		
Add: restricted cash equivalents			3,536		3,536		
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 45,426	\$ 39,677	\$ 9,265	\$ 144,301	\$ 238,669		

State of Illinois

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Financial and Professional Regulation		Lottery		Student Assistance Commission	Other	Total
	Bank and Trust Company Fund	State Lottery Fund					
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
OPERATING INCOME (LOSS)	\$ 1,655	\$ 796,471	\$ 14,346	\$ 6,784	\$ 819,256		
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation/amortization		413		1,573		1,986	
Provision for uncollectible accounts	10	1,884	5,976			7,870	
Interest and investment income			(25,781)	(140)		(25,921)	
Interest expense			(1,355)			(1,355)	
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:							
(Increase) decrease in accounts receivable	6,677	(43,720)	(3,136)	253		(39,926)	
(Increase) decrease in intergovernmental receivables				(94)		(94)	
(Increase) decrease in due from other funds		16		210		226	
(Increase) decrease in loans and notes receivable			15,800			15,800	
(Increase) decrease in prepaid expenses		(9)		(47)		(56)	
(Increase) decrease in deferred outflows of resources	(7,172)	1,050	73	2,150		(3,899)	
Increase (decrease) in accounts payable and accrued liabilities	480	(257,914)	(792)	(7,732)		(265,958)	
Increase (decrease) in intergovernmental payables	2	7		(9)		-	
Increase (decrease) in due to other funds	41	(51)	50	(310)		(270)	
Increase (decrease) in due to component units	13		181	(2,709)		(2,515)	
Increase (decrease) in unearned revenue		(233)		3,810		3,577	
Increase (decrease) in net pension liability	6,274	2,280	(663)	(38)		7,853	
Increase (decrease) in OPEB liability	4,206	3,476	(49)	268		7,901	
Increase (decrease) in other liabilities	138	111	(78,714)	3,765		(74,700)	
Increase (decrease) in deferred inflows of resources	(5,711)	(11,175)	154	(11,845)		(28,577)	
Increase (decrease) in long-term annuity prizes payable		19,146				19,146	
Total adjustments	4,958	(284,719)	(88,256)	(10,895)		(378,912)	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 6,613	\$ 511,752	\$ (73,910)	\$ (4,111)	\$ 440,344		
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES							
Cost of subscription-based information technology arrangements				\$ 527	\$ 527		
Gain (loss) on disposal of capital assets	\$ (8)			(3)	(11)		
Transfer of assets/liabilities from (to) other state funds		1,216		77	1,293		
Increase (decrease) in fair value of investments		3,812	\$ 12,732	813	17,357		
Interest accreted on investments		7,932			7,932		
Interest accreted on long-term annuity prizes payable		(7,932)			(7,932)		

State of Illinois

Combining Statement of Net Position - Nonmajor Enterprise Funds

Student Assistance Commission

June 30, 2025 (Expressed in Thousands)

	Prepaid Tuition Fund	Illinois Designated Account Purchase Program Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 2,154		\$ 2,154
Cash and cash equivalents	282	\$ 3,293	3,575
Investments	86,702	15,486	102,188
Receivables, net:			
Intergovernmental		369	369
Other	835		835
Restricted assets:			
Cash and cash equivalents		3,536	3,536
Other receivables, net		38,153	38,153
Loans and notes receivable, net		6,177	6,177
Total current assets	<u>89,973</u>	<u>67,014</u>	<u>156,987</u>
Investments	334,103		334,103
Other receivables, net	1,845		1,845
Restricted loans and notes receivable, net		49,976	49,976
Total noncurrent assets	<u>335,948</u>	<u>49,976</u>	<u>385,924</u>
Total assets	<u>425,921</u>	<u>116,990</u>	<u>542,911</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions		180	180
Deferred outflows of resources - OPEB		169	169
Total deferred outflows of resources		<u>349</u>	<u>349</u>
LIABILITIES			
Accounts payable and accrued liabilities	1,071	234	1,305
Due to other funds	53	1,902	1,955
Due to component units	196		196
Current portion of long-term liabilities	84,510	29	84,539
Total current liabilities	<u>85,830</u>	<u>2,165</u>	<u>87,995</u>
Noncurrent portion of long-term liabilities	282,542	15,543	298,085
Total liabilities	<u>368,372</u>	<u>17,708</u>	<u>386,080</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unamortized deferred amounts on refundings		4,717	4,717
Deferred inflows of resources - pensions		634	634
Deferred inflows of resources - OPEB		592	592
Total deferred inflows of resources		<u>5,943</u>	<u>5,943</u>
NET POSITION			
Restricted for:			
Debt service		46,554	46,554
Other expendable purposes	57,549		57,549
Unrestricted		47,134	47,134
Total net position	<u>\$ 57,549</u>	<u>\$ 93,688</u>	<u>\$ 151,237</u>

State of Illinois

**Combining Statement of Revenues, Expenses
and Changes in Net Position - Nonmajor Enterprise Funds
Student Assistance Commission**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Prepaid Tuition Fund	Illinois Designated Account Purchase Program Fund	Total
OPERATING REVENUES			
Charges for sales and services	\$ 142		\$ 142
Interest income pledged as revenue bond security		\$ 11,581	11,581
Interest and other investment income	24,137		24,137
Total operating revenues	24,279	11,581	35,860
OPERATING EXPENSES			
Accreted tuition expense	13,383		13,383
General and administrative	2,264	5,751	8,015
Other	116		116
Total operating expenses	15,763	5,751	21,514
Operating income (loss)	8,516	5,830	14,346
NONOPERATING REVENUES (EXPENSES)			
Federal government		1,819	1,819
Income (loss) before transfers	8,516	7,649	16,165
Transfers-out	(117)		(117)
Change in net position	8,399	7,649	16,048
Net position, July 1, 2024, as previously reported	49,150	86,095	135,245
Change in accounting principle		(56)	(56)
Net position, July 1, 2024, as restated	49,150	86,039	135,189
NET POSITION, JUNE 30, 2025	\$ 57,549	\$ 93,688	\$ 151,237

State of Illinois

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

Student Assistance Commission

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Prepaid Tuition Fund	Illinois Designated Account Purchase Program Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from sales and services	\$ 142		\$ 142
Cash payments to suppliers for goods and services	(2,167)	\$ (680)	(2,847)
Cash payments to employees for services	(645)	(424)	(1,069)
Cash receipts from prepaid tuition contract sales	1,762		1,762
Cash payments for tuition	(70,375)		(70,375)
Cash payments for tuition contract refunds	(22,330)		(22,330)
Cash receipts from student loan principal		17,484	17,484
Cash receipts from student loan interest		3,866	3,866
Cash payments for other operating activities		(543)	(543)
Net cash provided (used) by operating activities	(93,613)	19,703	(73,910)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Principal paid on revenue bonds and other borrowings		(46,293)	(46,293)
Interest paid on revenue bonds and other borrowings		(2,848)	(2,848)
Grants received		2,093	2,093
Transfers-out to other funds	(117)		(117)
Net cash provided (used) by noncapital financing activities	(117)	(47,048)	(47,165)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investment securities	(142,659)	(31,496)	(174,155)
Proceeds from sales and maturities of investment securities	225,575	46,769	272,344
Cash paid to investment managers	(75)		(75)
Interest and dividends on investments	8,850	1,462	10,312
Net cash provided (used) by investing activities	91,691	16,735	108,426
Net increase (decrease) in cash and cash equivalents	(2,039)	(10,610)	(12,649)
Cash and cash equivalents, July 1, 2024	4,475	17,439	21,914
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 2,436	\$ 6,829	\$ 9,265
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Total cash and cash equivalents per Statement of Net Position	\$ 282	\$ 3,293	\$ 3,575
Add: cash equity with State Treasurer	2,154		2,154
Add: restricted cash equivalents		3,536	3,536
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 2,436	\$ 6,829	\$ 9,265
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
OPERATING INCOME (LOSS)	\$ 8,516	\$ 5,830	\$ 14,346
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Provision for uncollectible accounts		5,976	5,976
Interest and investment income	(24,021)	(1,760)	(25,781)
Interest expense		(1,355)	(1,355)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
(Increase) decrease in accounts receivable	1,159	(4,295)	(3,136)
(Increase) decrease in loans and notes receivable		15,800	15,800
(Increase) decrease in deferred outflows of resources		73	73
Increase (decrease) in accounts payable and accrued liabilities	(782)	(10)	(792)
Increase (decrease) in due to other funds	53	(3)	50
Increase (decrease) in due to component units	181		181
Increase (decrease) in net pension liability		(663)	(663)
Increase (decrease) in OPEB liability		(49)	(49)
Increase (decrease) in other liabilities	(78,719)	5	(78,714)
Increase (decrease) in deferred inflows of resources		154	154
Total adjustments	(102,129)	13,873	(88,256)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (93,613)	\$ 19,703	\$ (73,910)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Increase (decrease) in fair value of investments	\$ 12,438	\$ 294	\$ 12,732

INTERNAL SERVICE FUNDS

Internal Service Funds are maintained to account for the operations of State agencies which render services to other State agencies or governmental units on a cost-reimbursement basis.

SIGNIFICANT INTERNAL SERVICE FUNDS DESCRIPTIONS

Office of the Auditor General

Audit Expense Fund--to account for the costs in association with conducting audits in accordance with the State Auditing Act.

Department of Central Management Services

State Garage Revolving Fund--to account for the operation and maintenance of State garages including the servicing and repair of all automotive equipment owned or controlled by the State. Revenues consist of charges from user agencies.

Facilities Management Revolving Fund--to account for rental, maintenance, and other expenses related to the use of buildings by State agencies. Revenues consist of charges from user agencies.

Professional Services Fund--to account for the cost of professional services rendered by the Department of Central Management Services on behalf of other agencies. Revenues consist of charges from user agencies.

Workers' Compensation Revolving Fund--to account for workers' compensation expenses of State employees. Revenues consist of charges from the funds which paid the employees during the employees' active service.

Health Insurance Reserve Fund--to account for the self-insurance medical and dental plan for State employees, retirees, and qualified dependents. This fund records all contributions, appropriations, interest, dividends, and expenses related to the plan.

Department of Innovation and Technology

Technology Management Revolving Fund--to account for the purchase, maintenance, and operation of electronic data processing and informational services used by State agencies. Revenues consist of charges from user agencies.

State of Illinois

Combining Statement of Net Position

Internal Service Funds

June 30, 2025 (Expressed in Thousands)

	Auditor General		Central	Department of Innovation and Technology		
	Audit Expense Fund		Management Services	Management Revolving Fund	Other	Total
ASSETS						
Cash equity with State Treasurer	\$ 41,951	\$ 233,446	\$ 13,707	\$ 5,585	\$ 294,689	
Cash and cash equivalents		25,277			25,277	
Securities lending collateral of State Treasurer		22,331		782	23,113	
Receivables, net:						
Intergovernmental		7,600	1,346		8,946	
Other		74,710	666	51	75,427	
Due from other funds	18,546	827,666	137,274	3,333	986,819	
Due from component units	1,490	13,385	506	271	15,652	
Leases receivable		9	103		112	
Inventories		2,038		987	3,025	
Total current assets	61,987	1,206,462	153,602	11,009	1,433,060	
Leases receivable		6,715	298		7,013	
Capital assets not being depreciated		120,471	17,760		138,231	
Capital assets being depreciated, net	1,729	614,645	180,800	276	797,450	
Total noncurrent assets	1,729	741,831	198,858	276	942,694	
Total assets	63,716	1,948,293	352,460	11,285	2,375,754	
LIABILITIES						
Accounts payable and accrued liabilities	11,150	361,708	128,098	389	501,345	
Intergovernmental payables		3,067	793		3,860	
Due to other funds	1	5,567	32,888	491	38,947	
Due to component units		163	27		190	
Unearned revenue			77		77	
Obligations under securities lending of State Treasurer		22,331		782	23,113	
Current portion of long-term liabilities	501	176,453	54,935	28	231,917	
Total current liabilities	11,652	569,289	216,818	1,690	799,449	
Noncurrent portion of long-term liabilities	1,333	742,297	36,730	253	780,613	
Total liabilities	12,985	1,311,586	253,548	1,943	1,580,062	
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - leases		6,100	3,247		9,347	
Total deferred inflows of resources		6,100	3,247		9,347	
NET POSITION						
Net investment in capital assets	(105)	426,019	129,077	(5)	554,986	
Unrestricted	50,836	204,588	(33,412)	9,347	231,359	
Total net position	\$ 50,731	\$ 630,607	\$ 95,665	\$ 9,342	\$ 786,345	

State of Illinois

Combining Statement of Revenues, Expenses
and Changes in Net Position

Internal Service Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	<u>Auditor General</u>		<u>Department of Innovation and Technology</u>		
	Audit Expense Fund	Central Management Services	Technology Management Revolving Fund	Other	Total
OPERATING REVENUES					
Charges for sales and services	\$ 31,158	\$ 4,031,714	\$ 509,100	\$ 40,186	\$ 4,612,158
Other		18			18
Total operating revenues	<u>31,158</u>	<u>4,031,732</u>	<u>509,100</u>	<u>40,186</u>	<u>4,612,176</u>
OPERATING EXPENSES					
Cost of sales and services	31,560	244,848	527,531	40,968	844,907
Benefit payments and refunds		3,604,622			3,604,622
General and administrative		103,434		7	103,441
Depreciation/amortization	519	92,444	86,881	51	179,895
Total operating expenses	<u>32,079</u>	<u>4,045,348</u>	<u>614,412</u>	<u>41,026</u>	<u>4,732,865</u>
Operating income (loss)	(921)	(13,616)	(105,312)	(840)	(120,689)
NONOPERATING REVENUES (EXPENSES)					
Interest and investment income		14,134	40	670	14,844
Interest expense	(88)	(12,776)	(19,967)	(14)	(32,845)
Federal government		3,822			3,822
Other expenses	(28)	(15,583)	(14,884)		(30,495)
Income (loss) before contributions and transfers	<u>(1,037)</u>	<u>(24,019)</u>	<u>(140,123)</u>	<u>(184)</u>	<u>(165,363)</u>
Contributions of capital assets		34,118	1,839		35,957
Transfers-in		2,250	200,000	500	202,750
Transfers-out		(2,000)		(100)	(2,100)
Change in net position	<u>(1,037)</u>	<u>10,349</u>	<u>61,716</u>	<u>216</u>	<u>71,244</u>
Net position, July 1, 2024, as previously reported	51,768	624,598	46,001	9,126	731,493
Change in accounting principle		(4,340)	(12,052)		(16,392)
Net position, July 1, 2024, as restated	<u>51,768</u>	<u>620,258</u>	<u>33,949</u>	<u>9,126</u>	<u>715,101</u>
NET POSITION, JUNE 30, 2025	<u>\$ 50,731</u>	<u>\$ 630,607</u>	<u>\$ 95,665</u>	<u>\$ 9,342</u>	<u>\$ 786,345</u>

State of Illinois

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Auditor General		Department of Innovation and Technology		
	Audit Expense Fund	Central Management Services	Technology Management Revolving Fund	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from sales and services	\$ 2,849	\$ 190,142	\$ 10,911		\$ 203,902
Cash received from transactions with other funds	10,016	3,717,523	493,731	\$ 39,507	4,260,777
Cash payments to suppliers for goods and services	(31,686)	(3,831,261)	(415,507)	(38,159)	(4,316,613)
Cash payments for interfund services	(13)	(34,307)	(529)	(7)	(34,856)
Cash payments to employees for services	(156)	(65,356)	(235,287)	(2,357)	(303,156)
Cash payments for workers' compensation		(126,990)			(126,990)
Cash receipts from other operating activities		255,399			255,399
Net cash provided (used) by operating activities	(18,990)	105,150	(146,681)	(1,016)	(61,537)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interest paid on revenue bonds and other borrowings		(386)	(3,429)		(3,815)
Grants received		4,068	7,097		11,165
Transfers-in from other funds		2,250	200,000		202,250
Transfers-out to other funds		(2,000)		(100)	(2,100)
Net cash provided (used) by noncapital financing activities		3,932	203,668	(100)	207,500
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(28)	(8,764)	(10,876)		(19,668)
Principal paid on capital debt	(461)	(70,379)	(45,980)	(46)	(116,866)
Interest paid on capital debt	(88)	(12,445)	(4,219)	(14)	(16,766)
Proceeds from lessor leases		397	416		813
Net cash provided (used) by capital and related financing activities	(577)	(91,191)	(60,659)	(60)	(152,487)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends on investments		14,277		671	14,948
Net cash provided (used) by investing activities		14,277		671	14,948
Net increase (decrease) in cash and cash equivalents	(19,567)	32,168	(3,672)	(505)	8,424
Cash and cash equivalents, July 1, 2024	61,518	226,555	17,379	6,090	311,542
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 41,951	\$ 258,723	\$ 13,707	\$ 5,585	\$ 319,966
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Total cash and cash equivalents per Statement of Net Position		\$ 25,277		\$ 25,277	
Add: cash equity with State Treasurer	\$ 41,951	233,446	\$ 13,707	\$ 5,585	294,689
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 41,951	\$ 258,723	\$ 13,707	\$ 5,585	\$ 319,966
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
OPERATING INCOME (LOSS)	\$ (921)	\$ (13,616)	\$ (105,312)	\$ (840)	\$ (120,689)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation/amortization	519	92,444	86,881	51	179,895
Provision for uncollectible accounts			(50)		(50)
Amortization (accretion)		(293)	(404)		(697)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:					
(Increase) decrease in accounts receivable		6,116	20		6,136
(Increase) decrease in intergovernmental receivables			(455)		(455)
(Increase) decrease in due from other funds	(17,881)	(124,959)	2,476	(648)	(141,012)
(Increase) decrease in due from component units	(412)	(808)	192	(31)	(1,059)
(Increase) decrease in inventories		(231)		291	60
Increase (decrease) in accounts payable and accrued liabilities	(293)	117,992	(125,786)	196	(7,891)
Increase (decrease) in intergovernmental payables		(845)	(8,603)		(9,448)
Increase (decrease) in due to other funds	(2)	(1,804)	8,216	144	6,554
Increase (decrease) in due to component units		3	13	(179)	(163)
Increase (decrease) in unearned revenue		(4,515)	(9)		(4,524)
Increase (decrease) in other liabilities		35,666	(3,860)		31,806
Total adjustments	(18,069)	118,766	(41,369)	(176)	59,152
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (18,990)	\$ 105,150	\$ (146,681)	\$ (1,016)	\$ (61,537)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Cost of capital asset acquisitions financed by leases		\$ 13,639	\$ 1,453		\$ 15,092
Cost of subscription-based information technology arrangements		327	16,394		16,721
Gain (loss) on disposal of capital assets		194	(4,397)		(4,203)
Transfer of assets/liabilities from (to) other state funds	\$ (28)	18,326	(4,815)		13,483
Gain (loss) on early termination of lessor agreement		(5)	673		668

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State of Illinois

Combining Statement of Net Position - Internal Service Funds

Central Management Services

June 30, 2025 (Expressed in Thousands)

	State Garage Revolving Fund	Facilities Management Revolving Fund	Professional Services Fund	Workers' Compensation Revolving Fund	Health Insurance Reserve Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 27,891	\$ 8,765	\$ 35,150	\$ 778	\$ 160,862	\$ 233,446
Cash and cash equivalents				714	24,563	25,277
Securities lending collateral of State Treasurer		3,019	5,833	754	12,725	22,331
Receivables, net:						
Intergovernmental					7,600	7,600
Other		10,116	124	16	64,454	74,710
Due from other funds	15,209	133,969	22,787	598,729	56,972	827,666
Due from component units		12			13,373	13,385
Leases receivable		9				9
Inventories	2,038					2,038
Total current assets	45,138	155,890	63,894	600,991	340,549	1,206,462
Leases receivable		6,715				6,715
Capital assets not being depreciated		120,471				120,471
Capital assets being depreciated, net	1,748	611,788	1,109			614,645
Total noncurrent assets	1,748	738,974	1,109			741,831
Total assets	46,886	894,864	65,003	600,991	340,549	1,948,293
LIABILITIES						
Accounts payable and accrued liabilities	5,263	28,854	1,651	556	325,384	361,708
Intergovernmental payables	39	2,418	89	1	520	3,067
Due to other funds	1,387	1,402	1,624	17	1,137	5,567
Due to component units		113			50	163
Obligations under securities lending of State Treasurer		3,019	5,833	754	12,725	22,331
Current portion of long-term liabilities	1,100	62,474	2,691	109,899	289	176,453
Total current liabilities	7,789	98,280	11,888	111,227	340,105	569,289
Noncurrent portion of long-term liabilities	617	249,742	1,730	489,764	444	742,297
Total liabilities	8,406	348,022	13,618	600,991	340,549	1,311,586
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - leases		6,100				6,100
Total deferred inflows of resources		6,100				6,100
NET POSITION						
Net investment in capital assets	1,748	423,414	857			426,019
Unrestricted	36,732	117,328	50,528			204,588
Total net position	\$ 38,480	\$ 540,742	\$ 51,385	\$ -	\$ -	\$ 630,607

State of Illinois

**Combining Statement of Revenues, Expenses
and Changes in Net Position - Internal Service Funds
Central Management Services**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	State Garage Revolving Fund	Facilities Management Revolving Fund	Professional Services Fund	Workers' Compensation Revolving Fund	Health Insurance Reserve Fund	Total
OPERATING REVENUES						
Charges for sales and services	\$ 59,938	\$ 241,932	\$ 58,996	\$ 162,712	\$ 3,508,136	\$ 4,031,714
Other	18					18
Total operating revenues	59,956	241,932	58,996	162,712	3,508,136	4,031,732
OPERATING EXPENSES						
Cost of sales and services	37,810	149,343	57,695			244,848
Benefit payments and refunds				167,108	3,437,514	3,604,622
General and administrative	16,392	9,307			77,735	103,434
Depreciation/amortization	1,272	89,904	1,268			92,444
Total operating expenses	55,474	248,554	58,963	167,108	3,515,249	4,045,348
Operating income (loss)	4,482	(6,622)	33	(4,396)	(7,113)	(13,616)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income		3,427	2,370	2,400	5,937	14,134
Interest expense	(6)	(12,431)	(33)		(306)	(12,776)
Federal government					3,822	3,822
Other expenses	(15,551)	(7)	(25)			(15,583)
Income (loss) before contributions and transfers	(11,075)	(15,633)	2,345	(1,996)	2,340	(24,019)
Contributions of capital assets		34,118				34,118
Transfers-in		250		2,000		2,250
Transfers-out					(2,000)	(2,000)
Change in net position	(11,075)	18,735	2,345	4	340	10,349
Net position, July 1, 2024, as previously reported	50,269	523,524	50,805			624,598
Change in accounting principle	(714)	(1,517)	(1,765)	(4)	(340)	(4,340)
Net position, July 1, 2024, as restated	49,555	522,007	49,040	(4)	(340)	620,258
NET POSITION, JUNE 30, 2025	\$ 38,480	\$ 540,742	\$ 51,385	\$ -	\$ -	\$ 630,607

State of Illinois

Combining Statement of Cash Flows - Internal Service Funds

Central Management Services

For the Year Ended June 30, 2025 (Expressed in Thousands)

	State Garage Revolving Fund	Facilities Management Revolving Fund	Professional Services Fund	Workers' Compensation Revolving Fund	Health Insurance Reserve	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 41	\$ 5,521			\$ 184,580	\$ 190,142
Cash received from transactions with other funds	55,648	169,649	39,315	113,916	3,338,995	3,717,523
Cash payments to suppliers for goods and services	(28,538)	(108,988)	(48,008)	(3,830)	(3,641,897)	(3,831,261)
Cash payments for interfund services	(9,789)	(10,825)	(9,442)	(183)	(4,068)	(34,307)
Cash payments to employees for services	(18,840)	(40,395)			(6,121)	(65,356)
Cash payments for workers' compensation				(126,990)		(126,990)
Cash receipts from other operating activities	18				255,381	255,399
Net cash provided (used) by operating activities	(1,460)	14,962	(18,135)	(17,087)	126,870	105,150
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interest paid on revenue bonds and other borrowings	(11)	(68)	(1)		(306)	(386)
Grants received					4,068	4,068
Transfers-in from other funds		250		2,000		2,250
Transfers-out to other funds					(2,000)	(2,000)
Net cash provided (used) by noncapital financing activities	(11)	182	(1)	2,000	1,762	3,932
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(5,660)	(2,699)	(405)			(8,764)
Principal paid on capital debt	(14)	(69,474)	(891)			(70,379)
Interest paid on capital debt	(1)	(12,412)	(32)			(12,445)
Proceeds from lessor leases		397				397
Net cash provided (used) by capital and related financing activities	(5,675)	(84,188)	(1,328)			(91,191)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments		3,337	2,445	2,425	6,070	14,277
Net cash provided (used) by investing activities		3,337	2,445	2,425	6,070	14,277
Net increase (decrease) in cash and cash equivalents	(7,146)	(65,707)	(17,019)	(12,662)	134,702	32,168
Cash and cash equivalents, July 1, 2024	35,037	74,472	52,169	14,154	50,723	226,555
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 27,891	\$ 8,765	\$ 35,150	\$ 1,492	\$ 185,425	\$ 258,723
Reconciliation of cash and cash equivalents to the Statement of Net Position:						
Total cash and cash equivalents per Statement of Net Position				\$ 714	\$ 24,563	\$ 25,277
Add: cash equity with State Treasurer	\$ 27,891	\$ 8,765	\$ 35,150	778	160,862	233,446
CASH AND CASH EQUIVALENTS, JUNE 30, 2025	\$ 27,891	\$ 8,765	\$ 35,150	\$ 1,492	\$ 185,425	\$ 258,723
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ 4,482	\$ (6,622)	\$ 33	\$ (4,396)	\$ (7,113)	\$ (13,616)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation/amortization	1,272	89,904	1,268			92,444
Amortization (accretion)		(293)				(293)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:						
(Increase) decrease in accounts receivable		4,505			1,611	6,116
(Increase) decrease in due from other funds	(4,187)	(71,053)	(19,692)	(48,796)	18,769	(124,959)
(Increase) decrease in due from component units					(808)	(808)
(Increase) decrease in inventories	(231)					(231)
Increase (decrease) in accounts payable and accrued liabilities	(2,504)	473	18	533	119,472	117,992
Increase (decrease) in intergovernmental payables	(3)	226	10	(1)	(1,077)	(845)
Increase (decrease) in due to other funds	(391)	(1,825)	(21)	(4)	437	(1,804)
Increase (decrease) in due to component units		(47)			50	3
Increase (decrease) in unearned revenue					(4,515)	(4,515)
Increase (decrease) in other liabilities	102	(306)	249	35,577	44	35,666
Total adjustments	(5,942)	21,584	(18,168)	(12,691)	133,983	118,766
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (1,460)	\$ 14,962	\$ (18,135)	\$ (17,087)	\$ 126,870	\$ 105,150
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Cost of capital asset acquisitions financed by leases		\$ 13,639				\$ 13,639
Cost of subscription-based information technology arrangements			\$ 327			327
Gain (loss) on disposal of capital assets	\$ (31)	234	(9)			194
Transfer of assets/liabilities from (to) other state funds	(15,540)	33,882	(16)			18,326
Gain (loss) on early termination of lessor agreement		(5)				(5)

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

The Pension (and Other Employee Benefit) Trust Funds are maintained to account for the resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and other employee benefit plans.

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS DESCRIPTIONS

Department of Central Management Services

Teacher Health Insurance Security--to provide health benefits for the Teachers' Retirement System recipient and dependent beneficiaries. Premiums are collected from retired and active teachers and the insurance plan is administered by private companies.

Community College Health Insurance Security--to provide health benefits for the retirees of community colleges in the State of Illinois and dependent beneficiaries. Premiums are collected from retired and active teachers and the insurance plan is administered by private companies.

General Assembly Retirement System, Judges' Retirement System, State Employees' Retirement System, Teachers' Retirement System, and State Universities Retirement System

See Note 16 for description of retirement systems.

State of Illinois

Combining Statement of Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds

June 30, 2025 (Expressed in Thousands)

	<u>Central Management Services</u>					
	Teacher Health Insurance Security	Community College Health Insurance Security	General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System
ASSETS						
Cash equity with State Treasurer	\$ 640,559	\$ 2,531	\$ 5,634	\$ 15,122	\$ 296,012	\$ 16,245
Cash and cash equivalents	5,971	1,053				98,303
Securities lending collateral of State Treasurer	100,462	345	1,031	3,322	56,753	33,901
Investments:						
Equities						27,508,086
Fixed income						8,362,418
Private equity						12,776,015
Real estate						12,878,013
Other						14,967,721
Equity in Illinois State Board of Investments			91,832	1,454,986	26,987,731	
Securities lending collateral						1,291,690
Receivables, net:						
Members	14,305	478	2	110	13,204	145,866
Employers	10,649	492				18,597
Investment income	2,132	7	22	71	1,205	198,627
Intergovernmental	667	114				
Pending investment sales						2,303,395
Other	8,364	688			10,352	5,517
Due from other funds				56	135	86
Due from primary government funds	129,783	343			346,929	535
Prepaid expenses	110					
Capital assets not being depreciated					1,149	694
Capital assets being depreciated, net			60	204	16,056	6,329
Total assets	913,002	6,051	98,581	1,473,871	27,729,526	80,612,038
LIABILITIES						
Accounts payable and accrued liabilities	27,725	55,121	24	162	26,772	129,287
Intergovernmental payables	35	4				
Due to other funds	86		85	106		
Due to primary government funds	55	50,017			5,883	36
Obligations under securities lending of State Treasurer	100,462	345	1,031	3,322	56,753	33,901
Securities lending collateral						1,290,774
Payable to brokers for unsettled trades						1,887,569
Long term obligations:						
Due within one year	100	3		1	114	3,180
Due subsequent to one year	103		6	27	1,547	3,959
Total liabilities	128,566	105,490	1,146	3,618	91,069	3,348,706
NET POSITION						
Restricted for:						
Pensions			97,435	1,470,253	27,638,457	77,263,332
Postemployment benefits other than pensions	784,436					
Unrestricted		(99,439)				
Total net position	\$ 784,436	\$ (99,439)	\$ 97,435	\$ 1,470,253	\$ 27,638,457	\$ 77,263,332

State Universities Retirement System

Defined Benefit	Other Employee Benefit Plan	Total
\$ 145,113	\$ 931	\$ 976,103
		251,371
		195,814
11,998,730	79,511	39,586,327
5,326,755	35,298	13,724,471
		12,776,015
2,830,657	18,757	15,727,427
4,666,745	30,925	19,665,391
		28,534,549
2,311,394	15,316	3,618,400
		187,311
13,346		35,437
5,699		277,163
74,605	494	781
314,803	2,087	2,620,285
		24,921
		277
		477,590
1,213		1,323
26,969		28,812
12,570		35,219
27,728,599	183,319	138,744,987
		281,343
42,164	88	39
		277
3		55,994
		195,814
2,311,393	15,317	3,617,484
190,342	1,261	2,079,172
		3,619
221		7,525
1,883		6,241,267
2,546,006	16,666	
		131,652,070
25,182,593	166,653	951,089
		(99,439)
\$ 25,182,593	\$ 166,653	\$ 132,503,720

State of Illinois

Combining Statement of Changes in Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Central Management Services		General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System
	Teacher Health Insurance Security	Community College Health Insurance Security				
ADDITIONS						
Contributions:						
Employer	\$ 94,801	\$ 9,397	\$ 26,210	\$ 148,937	\$ 3,019,913	\$ 110,319
State	117,321	9,397				6,203,789
Members:						
Employees	117,321	9,397	1,587	15,958	344,050	1,224,699
Federal Medicare Part D	366	66				
Other	38					13,043
Total contributions	329,847	28,257	27,797	164,895	3,363,963	7,551,850
Investment income:						
Interest and other investment income	30,662	162	1,385	13,687	338,821	2,637,423
Net increase (decrease) in fair value of investments			7,078	105,974	2,081,828	5,355,235
Less investment expense			(76)	(1,233)	(22,444)	(1,090,538)
Net investment income	30,662	162	8,387	118,428	2,398,205	6,902,120
Total additions	360,509	28,419	36,184	283,323	5,762,168	14,453,970
DEDUCTIONS						
Benefit payments	200,344	19,726	28,338	209,576	3,373,378	8,502,198
Refunds			39	896	31,352	67,588
Depreciation			4	14	1,358	3,029
General and administrative	10,265	4,507	340	975	19,867	42,537
Total deductions	210,609	24,233	28,721	211,461	3,425,955	8,615,352
Change in net position						
Restricted for:						
Pension benefits			7,463	71,862	2,336,213	5,838,618
Retiree health insurance benefits	149,900	4,186				
Other employee benefits						
Net position, July 1, 2024, as previously reported	634,536	(103,625)	89,972	1,398,392	25,303,027	71,424,714
Change in accounting principle				(1)	(783)	
Net position, July 1, 2024, as restated	634,536	(103,625)	89,972	1,398,391	25,302,244	71,424,714
NET POSITION, JUNE 30, 2025	\$ 784,436	\$ (99,439)	\$ 97,435	\$ 1,470,253	\$ 27,638,457	\$ 77,263,332

**State Universities Retirement
System**

Defined Benefit	Other Employee Benefit Plan	Total
\$ 66,462		\$ 3,476,039
2,116,869		8,447,376
348,523		2,061,535
		432
		13,081
2,531,854		13,998,463
557,793	\$ 3,389	3,583,322
1,181,144	7,104	8,738,363
(131,034)	(796)	(1,246,121)
1,607,903	9,697	11,075,564
4,139,757	9,697	25,074,027
3,185,256	2,541	15,521,357
85,374		185,249
1,640		6,045
25,068		103,559
3,297,338	2,541	15,816,210
842,419		9,096,575
		154,086
	7,156	7,156
24,340,174	159,497	123,246,687
		(784)
24,340,174	159,497	123,245,903
\$ 25,182,593	\$ 166,653	\$ 132,503,720

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INVESTMENT TRUST FUNDS

Investment Trust Funds are maintained to account for the external portion of investment pools (the portion that belongs to legally separate entities that are not part of the sponsoring government's financial reporting entity).

INVESTMENT TRUST FUNDS DESCRIPTIONS

Treasurer

Public Treasurers' External Investment Pool Fund--to enhance the investment opportunities available to custodians of public agency funds throughout the State of Illinois. The pool operates as an open-ended mutual fund.

College Savings Pool Fund--to account for assets held by the Bright Start and Bright Directions College Savings Programs, qualified State tuition programs under Section 529 of the Internal Revenue Code. The programs provide an opportunity for investors to invest on a tax-favored basis toward the qualified higher education expenses of a designated beneficiary associated with attending an institution of higher education.

State of Illinois

**Combining Statement of Fiduciary Net Position
Investment Trust Funds**

June 30, 2025 (Expressed in Thousands)

	<u>Treasurer</u>		
	Public Treasurers' External Investment Pool Fund	College Savings Pool Fund	Total
ASSETS			
Cash and cash equivalents	\$ 5,077,222	\$ 1,959,089	\$ 7,036,311
Investments:			
Equities		13,028,189	13,028,189
Fixed income	4,063,449	7,679,213	11,742,662
Investment income receivables	40,631	35,247	75,878
Total assets	<u>9,181,302</u>	<u>22,701,738</u>	<u>31,883,040</u>
LIABILITIES			
Accounts payable and accrued liabilities	103	44,791	44,894
Due to primary government funds	472		472
Total liabilities	<u>575</u>	<u>44,791</u>	<u>45,366</u>
NET POSITION			
Net position restricted for pool participants	9,180,727	22,656,947	31,837,674
Total net position	<u>\$ 9,180,727</u>	<u>\$ 22,656,947</u>	<u>\$ 31,837,674</u>

State of Illinois

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Treasurer		
	Public Treasurers' External Investment Pool Fund	College Savings Pool Fund	Total
ADDITIONS			
Participant contributions		\$ 2,378,605	\$ 2,378,605
Total contributions		2,378,605	2,378,605
Investment income:			
Interest and other investment income	\$ 429,187	1,112,188	1,541,375
Net increase (decrease) in fair value of investments		1,192,082	1,192,082
Less investment expense	(5,802)		(5,802)
Net investment income	423,385	2,304,270	2,727,655
Capital share and individual account transactions:			
Shares sold	16,671,400		16,671,400
Reinvested distributions	423,385		423,385
Shares redeemed	(16,526,149)		(16,526,149)
Net capital share and individual account transactions	568,636		568,636
Total additions	992,021	4,682,875	5,674,896
DEDUCTIONS			
Distribution to pool investors	423,385		423,385
Payments to participants/beneficiaries		1,882,021	1,882,021
General and administrative		61,653	61,653
Total deductions	423,385	1,943,674	2,367,059
Change in net position	568,636	2,739,201	3,307,837
Net position, July 1, 2024	8,612,091	19,917,746	28,529,837
NET POSITION, JUNE 30, 2025	\$ 9,180,727	\$ 22,656,947	\$ 31,837,674

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PRIVATE-PURPOSE TRUST FUNDS

Private-Purpose Trust Funds are maintained to account for resources legally held in trust for use by individuals, private organizations, and other governments. There is no requirement that any portion of these resources be preserved as capital.

SIGNIFICANT PRIVATE-PURPOSE TRUST FUND DESCRIPTION

Department of Children and Family Services

Katherine F. Schaffner Bequest--to account for assets held to assist with the maintenance and upkeep of the Herrick House facility.

State of Illinois

Combining Statement of Fiduciary Net Position

Private-Purpose Trust Funds

June 30, 2025 (Expressed in Thousands)

	Children and Family Services		
	Katherine F. Schaffner Bequest	Other	Total
ASSETS			
Cash equity with State Treasurer		\$ 7	\$ 7
Cash and cash equivalents	\$ 201	13	214
Investments:			
Equities	851		851
Fixed income	173		173
Securities lending collateral of State Treasurer		1	1
Total assets	1,225	21	1,246
LIABILITIES			
Obligations under securities lending of State Treasurer		1	1
Total liabilities		1	1
NET POSITION			
Restricted for individuals, organizations, and other governments	1,225	20	1,245
Total net position	\$ 1,225	\$ 20	\$ 1,245

State of Illinois

Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Children and Family Services		
	Katherine F. Schaffner Bequest	Other	Total
ADDITIONS			
Investment income:			
Interest and other investment income	\$ 29		\$ 29
Net increase (decrease) in fair value of investments	104		104
Less investment expense	(13)		(13)
Net investment income	120		120
Total additions	120		120
Net position, July 1, 2024	1,105	\$ 20	1,125
NET POSITION, JUNE 30, 2025	\$ 1,225	\$ 20	\$ 1,245

CUSTODIAL FUNDS

Custodial funds are maintained to account for resources held by the State in a purely custodial capacity.

SIGNIFICANT CUSTODIAL FUNDS DESCRIPTIONS

Treasurer

McCormick Place Expansion Trust Fund--to receive and record monies obtained from transfers from the Metropolitan Pier and Exposition Authority Trust Fund and sales tax deposits.

Department of Children and Family Services

Children's Trust Funds Fund--to account for collections of financial benefits received on behalf of youth in care.

Department of Corrections

DOC Resident's Trust Fund--to account for monies deposited on behalf of individual residents of the Department of Corrections.

Department of Financial and Professional Regulation

Depository Fund--to hold cash and securities on deposit by title insurance companies licensed or qualified to do business in the State of Illinois, for the benefit of any insured party under a policy the title insurance companies have issued.

Department of Insurance

Security Deposit Fund--to hold securities on deposit by domestic and certain foreign domiciled insurance companies in the State for protection of all policyholders, policy obligations, and creditors of the companies.

Department of Healthcare and Family Services

Child Support Enforcement Trust Fund--to account for collections and disbursements of child support payments from non-custodial parents and other sources.

Child Support Enforcement Trust - SDU Fund--to account for collections and disbursements of child support payments from non-custodial parents, through the State Disbursement Unit of the Department of Healthcare and Family Services.

Department of Revenue

Non-Home Rule Municipal Retailers Occupation Tax Fund--to receive and record monies collected from a tax imposed upon all persons engaged in the business of selling tangible personal property at retail in municipalities with a population of less than 25,000.

Home Rule Municipal Retailers Occupation Tax Fund--to receive and record monies collected from a tax imposed upon all persons, in such municipality, in the business of selling tangible personal property.

Home Rule County Retailers Occupation Tax Fund--to receive and record monies collected from a tax imposed upon all persons, in such county, in the business of selling tangible personal property.

County Public Safety Retailers Occupation Tax Fund--to receive and record monies collected from a local tax imposed on gross receipts from the retail selling of tangible personal property.

Metropolitan Pier and Exposition Authority Trust Fund--to receive and record monies obtained under the Metropolitan Pier and Exposition Authority Act.

School Facility Occupation Tax Fund--to receive and record monies collected from taxes imposed on gross receipts from the retail selling of tangible personal property to provide revenue to be used exclusively for school facility purposes, school resource officers, and mental health professionals.

RTA Sales Tax Trust Fund--to receive and record deposits of the RTA Sales Tax.

State Universities Retirement System

SURS Custodial Fund--to receive and record monies received from participating employers that are passed on to a third-party administrator of the defined contribution plan and deferred compensation plan, as well as to receive and record forfeited funds.

State of Illinois

**Combining Statement of Fiduciary Net Position
Custodial Funds**

June 30, 2025 (Expressed in Thousands)

	Treasurer	Children and Family Services	Corrections	Financial and Professional Regulation	Insurance
	McCormick Place Expansion Project Fund	Children's Trust Funds Fund	DOC Resident's Trust Fund	Security Deposit Depository Fund	Security Deposit Fund
ASSETS					
Cash equity with State Treasurer		\$ 109			
Cash and cash equivalents		16,834	\$ 19,709	\$ 3,206	\$ 15,305
Securities lending collateral of State Treasurer					
Investments				23,137	809,729
Receivables, net:					
Taxes	\$ 3,963				
Intergovernmental		2,248			
Other			4		
Due from primary government funds			1,621		
Total assets	3,963	19,191	21,334	26,343	825,034
LIABILITIES					
Accounts payable and accrued liabilities		522	1,131		5,726
Intergovernmental payables	3,963				
Obligations under securities lending of State Treasurer					
Total liabilities	3,963	522	1,131		5,726
NET POSITION					
Restricted for individuals, organizations, and other governments		18,669	20,203	26,343	819,308
Total net position	\$ -	\$ 18,669	\$ 20,203	\$ 26,343	\$ 819,308

Healthcare and Family Services	Revenue	State Universities Retirement System		Other	Total
		State Universities' Retirement System- Custodial Fund			
\$ 17,054	\$ 975,481			\$ 131,728	\$ 1,124,372
2,101		\$ 7,801		11,158	76,114
	100,908			3,813	104,721
		17,039		6,174	856,079
	252,513			22,181	278,657
				36	2,284
157,701	2,141	5,195		1,340	166,381
	58,091			51	59,763
176,856	1,389,134	30,035		176,481	2,668,371
176,856		14,248		16,236	214,719
	1,288,226			139,107	1,431,296
	100,908			3,813	104,721
176,856	1,389,134	14,248		159,156	1,750,736
		15,787		17,325	917,635
\$ -	\$ -	\$ 15,787		\$ 17,325	\$ 917,635

State of Illinois

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Treasurer	Children and Family Services	Corrections	Financial and Professional Regulation
	McCormick Place Expansion Project Fund	Children's Trust Funds Fund	DOC Resident's Trust Fund	Depository Fund
ADDITIONS				
Contributions:				
Employer State				
Participants Employees				
Total contributions				
Investment income:				
Interest and other investment income			\$ 106	\$ 21
Net increase (decrease) in fair value of investments				748
Less investment expense				
Net investment income			106	769
Collections/deposits:				
Sales tax collections for other governments	\$ 212,137			
Public utility tax collections for other governments				
Motor fuel tax collections for other governments				
Other tax collections for other governments				
License and fee collections for other governments				
Collateral deposits received				
Custodial fund deposits received		\$ 19,698	21,778	
Other			7,717	
Total collections/deposits	212,137	19,698	29,495	
Total additions	212,137	19,698	29,601	769
DEDUCTIONS				
General and administrative				
Payment of sales tax to other governments	212,137			
Payment of public utility tax to other governments				
Payment of motor fuel tax to other governments				
Payment of other tax to other governments				
Payment of licenses and fees to other governments				
Collateral deposits returned				
Custodial funds disbursed		15,271	13,460	
Contributions disbursed to third party investors			15,108	37
Other				
Total deductions	212,137	15,271	28,568	37
Change in net position	-	4,427	1,033	732
Net position, July 1, 2024		14,242	19,170	25,611
NET POSITION, JUNE 30, 2025	\$ -	\$ 18,669	\$ 20,203	\$ 26,343

<u>Insurance</u>		State Universities Retirement System State Universities' Retirement System-				
Security Deposit Fund	Healthcare and Family Services	Revenue	Custodial Fund	Other	Total	
			\$ 14,886	\$ 182	\$ 15,068	
			95,941		95,941	
				326	326	
			180,315	24,219	204,534	
			291,142	24,727	315,869	
\$ 206		\$ 24,252	761	2,135	27,481	
		4,728	1,390		6,866	
			(179)		(179)	
206		28,980	1,972	2,135	34,168	
		3,780,361		141,414	4,133,912	
				108,673	108,673	
				96,236	96,236	
		2,019,372		165,944	2,185,316	
				143,105	143,105	
238,939				1,116	240,055	
	\$ 1,010,864			12,296	1,064,636	
				13,958	21,675	
238,939	1,010,864	5,799,733		682,742	7,993,608	
239,145	1,010,864	5,828,713	293,114	709,604	8,343,645	
			1,849	24,352	26,201	
		3,797,369		141,680	4,151,186	
				108,673	108,673	
				96,759	96,759	
		2,031,344		167,031	2,198,375	
				143,161	143,161	
235,847				5,607	241,454	
	1,040,029			11,531	1,080,291	
			292,360		292,360	
				14,900	30,045	
235,847	1,040,029	5,828,713	294,209	713,694	8,368,505	
3,298	(29,165)	-	(1,095)	(4,090)	(24,860)	
816,010	29,165		16,882	21,415	942,495	
\$ 819,308	\$ -	\$ -	\$ 15,787	\$ 17,325	\$ 917,635	

State of Illinois

Combining Statement of Fiduciary Net Position - Custodial Funds

Healthcare and Family Services

June 30, 2025 (Expressed in Thousands)

	Child Support Enforcement Trust Fund	Child Support Enforcement Trust-SDU Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 17,054		\$ 17,054
Cash and cash equivalents	343	\$ 1,758	2,101
Other receivables, net	157,685	16	157,701
Total assets	175,082	1,774	176,856
LIABILITIES			
Accounts payable and accrued liabilities	175,082	1,774	176,856
Total liabilities	175,082	1,774	176,856
NET POSITION			
Restricted for individuals, organizations, and other governments			
Total net position	\$ -	\$ -	\$ -

State of Illinois

**Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
Healthcare and Family Services**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Child Support Enforcement Trust Fund	Child Support Enforcement Trust-SDU Fund	Total
ADDITIONS			
Collections/deposits:			
Custodial fund deposits received	\$ 136,748	\$ 874,116	\$ 1,010,864
Total collections/deposits	136,748	874,116	1,010,864
Total additions	136,748	874,116	1,010,864
DEDUCTIONS			
Custodial funds disbursed	165,913	874,116	1,040,029
Total deductions	165,913	874,116	1,040,029
Change in net position	(29,165)	-	(29,165)
Net position, July 1, 2024	29,165		29,165
NET POSITION, JUNE 30, 2025	\$ -	\$ -	\$ -

State of Illinois

Combining Statement of Fiduciary Net Position - Custodial Funds

Revenue

June 30, 2025 (Expressed in Thousands)

	Non-Home Rule Municipal Retailers Occupation Tax Fund	Home Rule Municipal Retailers Occupation Tax Fund	Home Rule County Retailers Occupation Tax Fund	County Public Safety Retailers Occupation Tax Fund	Metropolitan Pier and Exposition Authority Trust Fund
ASSETS					
Cash equity with State Treasurer	\$ 63,920	\$ 294,637	\$ 199,602	\$ 47,686	\$ 45,075
Securities lending collateral of State Treasurer	7,789	33,624	22,024		6,683
Receivables, net:					
Taxes	8,041	77,413	59,142	1,153	19,444
Other	165	714	467		142
Due from primary government funds					
Total assets	79,915	406,388	281,235	48,839	71,344
LIABILITIES					
Intergovernmental payables	72,126	372,764	259,211	48,839	64,661
Obligations under securities lending of State Treasurer	7,789	33,624	22,024		6,683
Total liabilities	79,915	406,388	281,235	48,839	71,344
NET POSITION					
Restricted for individuals, organizations, and other governments					
Total net position	\$ -	\$ -	\$ -	\$ -	\$ -

School Facility		
Occupation Tax	RTA Sales Tax	
Fund	Trust Fund	Total
\$ 61,363	\$ 263,198	\$ 975,481
	30,788	100,908
5,960	81,360	252,513
	653	2,141
	58,091	58,091
67,323	434,090	1,389,134
67,323	403,302	1,288,226
	30,788	100,908
67,323	434,090	1,389,134
\$ -	\$ -	\$ -

State of Illinois

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
Revenue

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Non-Home Rule Municipal Retailers Occupation Tax Fund	Home Rule Municipal Retailers Occupation Tax Fund	Home Rule County Retailers Occupation Tax Fund	County Public Safety Retailers Occupation Tax Fund	Metropolitan Pier and Exposition Authority Trust Fund
ADDITIONS					
Investment income:					
Interest and other investment income	\$ 1,878	\$ 7,674	\$ 4,786		\$ 839
Net increase (decrease) in fair value of investments		2,050			
Net investment income	1,878	9,724	4,786		839
Collections/deposits:					
Sales tax collections for other governments	255,554	1,693,164	1,275,732	\$ 199,678	109,200
Other tax collections for other governments					83,536
Total collections/deposits	255,554	1,693,164	1,275,732	199,678	192,736
Total additions	257,432	1,702,888	1,280,518	199,678	193,575
DEDUCTIONS					
Payment of sales tax to other governments	257,432	1,702,888	1,280,518	199,678	109,820
Payment of other tax to other governments					83,755
Total deductions	257,432	1,702,888	1,280,518	199,678	193,575
Change in net position	-	-	-	-	-
Net position, July 1, 2024					
NET POSITION, JUNE 30, 2025	\$ -	\$ -	\$ -	\$ -	\$ -

School Facility		
Occupation Tax	RTA Sales Tax	
Fund	Trust Fund	Total
	\$ 9,075	\$ 24,252
	2,678	4,728
	11,753	28,980
\$ 247,033		3,780,361
	1,935,836	2,019,372
247,033	1,935,836	5,799,733
247,033	1,947,589	5,828,713
247,033		3,797,369
	1,947,589	2,031,344
247,033	1,947,589	5,828,713
-	-	-
\$ -	\$ -	\$ -

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COMPONENT UNITS

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable. Component Units also include certain other organizations because of the nature and significance of their relationship with the primary government.

NONMAJOR COMPONENT UNITS DESCRIPTIONS

NONMAJOR AUTHORITIES

Illinois Finance Authority--to provide economic development to the public and private institutions in Illinois that create and retain jobs and to improve the quality of life in Illinois by providing access to capital.

Illinois Medical District Commission--to combine the resources of diverse medical institutions to promote low-cost medical care in the City of Chicago, accelerate scientific research, improve diagnostic methods, and train health care professionals.

Southwestern Illinois Development Authority--to promote and enhance economic development in St. Clair and Madison counties in southwestern Illinois.

Upper Illinois River Valley Development Authority--to promote and enhance economic development within the State's Upper Illinois River Valley.

NONMAJOR UNIVERSITIES

Board of Trustees of Chicago State University--to operate, manage, control, and maintain Chicago State University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Eastern Illinois University--to operate, manage, control, and maintain Eastern Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Governors State University--to operate, manage, control, and maintain Governors State University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Northeastern Illinois University--to operate, manage, control, and maintain Northeastern Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Western Illinois University--to operate, manage, control, and maintain Western Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

State of Illinois

Combining Statement of Net Position

Component Units - Other Authorities

June 30, 2025 (Expressed in Thousands)

	Illinois Finance Authority	Illinois Medical District Commission	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority	Total
ASSETS					
Cash and cash equivalents	\$ 51,141	\$ 7,185	\$ 2,180	\$ 1,590	\$ 62,096
Securities lending collateral of State Treasurer	3,419				3,419
Investments	8,394	3,245			11,639
Receivables, net:					
Intergovernmental	733				733
Other	805	277	3		1,085
Due from component units		13,465			13,465
Due from primary government	1,373,350				1,373,350
Prepaid expenses	11,100		5		11,105
Loans and notes receivable, net	15,319	145	1,304		16,768
Restricted assets:					
Cash equity with State Treasurer	21,737				21,737
Cash and cash equivalents	715,720	146			715,866
Investments	217,140				217,140
Other receivables, net	1,628				1,628
Loans and notes receivable, net	15,607		1,458		17,065
Other assets		545			545
Leases receivable		34,222	158		34,380
Capital assets not being depreciated		39,245	169		39,414
Capital assets being depreciated, net	68	16,017	248		16,333
Total assets	2,436,161	114,492	5,525	1,590	2,557,768
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pensions		180	192		372
Total deferred outflows of resources		180	192		372
LIABILITIES					
Accounts payable and accrued liabilities	35,664	1,089	33		36,786
Due to primary government	5,981				5,981
Unearned revenue	137,951	204			138,155
Obligations under securities lending collateral of State Treasurer	3,419				3,419
Assets held for others	5				5
Long-term obligations:					
Due within one year	113,137	1,957			115,094
Due subsequent to one year	1,978,314	22,458	32		2,000,804
Total liabilities	2,274,471	25,708	65		2,300,244
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unamortized deferred amounts on bond refundings	17,741				17,741
Deferred inflows of resources - leases		31,429	265		31,694
Deferred inflows of resources - pensions		139	144		283
Total deferred inflows of resources	17,741	31,568	409		49,718
NET POSITION					
Net investment in capital assets	15	42,730	417		43,162
Restricted for:					
Other expendable purposes	67,950	518			68,468
Unrestricted	75,984	14,148	4,826	1,590	96,548
Total net position	\$ 143,949	\$ 57,396	\$ 5,243	\$ 1,590	\$ 208,178

State of Illinois

**Combining Statement of Activities
Component Units - Other Authorities**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Illinois Finance Authority	Illinois Medical District Commission	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority	Total
EXPENSES	\$ 47,041	\$ 7,504	\$ 713	\$ 242	\$ 55,500
PROGRAM REVENUES					
Charges for services	24,314	7,477	363	331	32,485
Capital grants and contributions		536			536
Total program revenues	<u>24,314</u>	<u>8,013</u>	<u>363</u>	<u>331</u>	<u>33,021</u>
Net (expense) revenue	(22,727)	509	(350)	89	(22,479)
GENERAL REVENUES					
Interest and investment income	26,744	938	73	61	27,816
Other	7,784		63		7,847
Total general revenues	<u>34,528</u>	<u>938</u>	<u>136</u>	<u>61</u>	<u>35,663</u>
Change in net position	<u>11,801</u>	<u>1,447</u>	<u>(214)</u>	<u>150</u>	<u>13,184</u>
Net position, July 1, 2024, as previously reported	132,148	55,949	5,471	1,440	195,008
Change in accounting principle			(14)		(14)
Net position, July 1, 2024, as restated	<u>132,148</u>	<u>55,949</u>	<u>5,457</u>	<u>1,440</u>	<u>194,994</u>
NET POSITION, JUNE 30, 2025	<u>\$ 143,949</u>	<u>\$ 57,396</u>	<u>\$ 5,243</u>	<u>\$ 1,590</u>	<u>\$ 208,178</u>

State of Illinois

Combining Statement of Net Position

Component Units - Other Universities

June 30, 2025 (Expressed in Thousands)

	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University	Western Illinois University	Total
ASSETS						
Cash equity with State Treasurer	\$ 282					\$ 282
Cash and cash equivalents	5,362	\$ 71,898	\$ 11,086	\$ 84,297	\$ 4,071	176,714
Securities lending collateral of State Treasurer	69					69
Investments		3,227	32,516	7,594	17,367	60,704
Receivables, net:						
Intergovernmental			1,571	8,158		9,729
Other	11,983	10,210	6,017	10,117	17,999	56,326
Due from component units	12	39	38	138	34	261
Due from primary government		2,482	22	208	1,689	4,401
Inventories	7	1,356	59	14	2,472	3,908
Prepaid expenses	1,504	912	1,412	1,555	332	5,715
Unamortized bond insurance costs			411		470	881
Loans and notes receivable, net	127	606	330	104	2	1,169
Restricted assets:						
Cash and cash equivalents	2,199	27,596	1,644	4,366	14,948	50,753
Investments	9,384	135,007	1,797	16,324	94,605	257,117
Other receivables, net		3,237		734		3,971
Other assets					6,216	6,216
Other assets		696		71	906	1,673
Leases receivable		832		1,243	599	2,674
Capital assets not being depreciated	70,948	12,483	5,327	57,936	91,712	238,406
Capital assets being depreciated, net	104,714	199,230	113,051	136,185	148,374	701,554
Total assets	206,591	469,811	175,281	329,044	401,796	1,582,523
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - unamortized deferred amounts on bond refundings			61		2	63
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings					97	97
Deferred outflows of resources - pensions	273	528	135	457	473	1,866
Deferred outflows of resources - OPEB	1,683	6,153	2,671	773	4,016	15,296
Total deferred outflows of resources	1,956	6,681	2,867	1,230	4,588	17,322
LIABILITIES						
Accounts payable and accrued liabilities	7,519	8,808	8,796	15,259	14,496	54,878
Intergovernmental payables	236		1,588			1,824
Due to component units	138		2	10	13	163
Due to primary government					146	146
Unearned revenue	1,807	7,299	6,219	5,545	5,941	26,811
Obligations under securities lending collateral of State Treasurer	69					69
Assets held for others				11		11
Other liabilities		671			1,336	2,007
Long-term obligations:						
Due within one year	2,109	7,366	5,100	5,483	7,964	28,022
Due subsequent to one year	8,937	57,792	35,648	50,187	48,544	201,108
Total liabilities	20,815	81,936	57,353	76,495	78,440	315,039
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unamortized deferred amounts on bond refundings			2			2
Deferred inflows of resources - irrevocable split-interest agreements		550				550
Deferred inflows of resources - service concession arrangements				25,564		25,564
Deferred inflows of resources - leases		788		1,242	522	2,552
Deferred inflows of resources - OPEB	2,192	6,809	3,158	14,986	5,956	33,101
Total deferred inflows of resources	2,192	8,147	3,160	41,792	6,478	61,769
NET POSITION						
Net investment in capital assets	172,525	162,866	89,050	125,530	203,307	753,278
Restricted for:						
Debt service		15	1,566	2,929		4,510
Capital projects	431					431
Nonexpendable purposes	5,379	77,860	3,703	15,742	45,130	147,814
Other expendable purposes	6,652	96,992	3,773	12,209	77,633	197,259
Unrestricted	553	48,676	19,543	55,577	(4,604)	119,745
Total net position	\$ 185,540	\$ 386,409	\$ 117,635	\$ 211,987	\$ 321,466	\$ 1,223,037

State of Illinois

Combining Statement of Activities

Component Units - Other Universities

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University	Western Illinois University	Total
EXPENSES	\$ 123,602	\$ 200,900	\$ 127,841	\$ 150,542	\$ 207,740	\$ 810,625
PROGRAM REVENUES						
Charges for services	23,183	65,438	39,638	32,915	58,516	219,690
Operating grants and contributions	29,800	45,960	26,984	46,932	47,768	197,444
Capital grants and contributions		85	841			926
Total program revenues	52,983	111,483	67,463	79,847	106,284	418,060
Net (expense) revenue	(70,619)	(89,417)	(60,378)	(70,695)	(101,456)	(392,565)
GENERAL REVENUES						
Pension and OPEB revenue recognized	18,756	30,386	24,251	29,118	33,293	135,804
State appropriations	52,953	50,815	26,579	56,157	91,045	277,549
Interest and investment income	1,198	17,573	2,770	6,536	10,966	39,043
Other		1,506	720	857	329	3,412
Total general revenues	72,907	100,280	54,320	92,668	135,633	455,808
ADDITIONS TO PERMANENT ENDOWMENTS		1,573	158		871	2,602
Total general revenues and additions to permanent endowments	72,907	101,853	54,478	92,668	136,504	458,410
Change in net position	2,288	12,436	(5,900)	21,973	35,048	65,845
Net position, July 1, 2024	183,252	373,973	123,535	190,014	286,418	1,157,192
NET POSITION, JUNE 30, 2025	\$ 185,540	\$ 386,409	\$ 117,635	\$ 211,987	\$ 321,466	\$ 1,223,037

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Budgetary Schedules

The following budgetary schedules for the State have been prepared in accordance with the terminology and classifications of funds used by the State in the Statewide Accounting Management System (SAMS). SAMS establishes the following budgetary fund groups to account for the State’s budgetary activities:

General – funds established to account for those services traditionally provided by a state government which are not accounted for in other funds;

Highway – funds established to receive and distribute assessments related to transportation, and to support the construction and maintenance of transportation facilities and activities of the State;

Special State – funds designated by statute as special funds in the State Treasury and not elsewhere classified;

Bond Financed – funds established to receive and administer the proceeds of various bond issues of the State;

Debt Service – funds established to finance and account for the payment of principal and interest generally associated with the general and special obligation bond issues of the State;

Federal Trust – funds established pursuant to grants and contracts or under statutory authority between State agencies and the federal government;

Revolving – funds established to finance and account for intra-governmental services; and

State Trust – funds established by statute or under statutory authority for nonfederal programs which are not deemed to be a traditional governmental activity or elsewhere classified.

As the attached schedules are presented on the budgetary basis and not the GAAP basis of accounting, all budgeted funds of the State, including those presented as required supplemental information, are presented. The schedules presented as required supplemental information classify certain major governmental funds differently for GAAP reporting purposes than the following budgetary presentation. Below is a summary of those differences:

GAAP Basis	Budgetary Basis Includes
General Fund	All General Funds Highway Funds: 1 fund included as an other highway fund Special State Funds: Income Tax Refund Fund County Provider Trust Fund Long-Term Care Provider Fund Hospital Provider Fund Fund for Illinois' Future Public Transportation Fund Drug Rebate Fund Healthcare Provider Relief Fund and 70 funds included as other special state funds Debt Service Funds: Capital Projects Fund Federal Trust Funds: State CURE Fund and 2 funds included as other federal trust funds State Trust Funds: State Employees' Deferred Compensation Plan Fund Public Assistance Recoveries Trust Fund and 7 funds included as other state trust funds

State of Illinois

**Combined Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
All Budgeted Fund Groups**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	General Funds			Highway Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 32,167,000	\$ 32,901,810	\$ 734,810			
Sales taxes	10,874,001	10,573,868	(300,133)			
Motor fuel taxes				\$ 2,840,383	\$ 2,880,204	\$ 39,821
Public utility taxes	701,000	716,669	15,669			
Federal government	3,963,000	3,707,851	(255,149)	2,451,537	2,589,127	137,590
Other	2,921,000	3,515,134	594,134	3,120,446	2,634,361	(486,085)
Less:						
Refunds	1,210	1,135	(75)	47,315	40,557	(6,758)
Total revenues	50,624,791	51,414,197	789,406	8,365,051	8,761,058	396,007
EXPENDITURES:						
Current:						
Health and social services	20,455,901	19,879,036	(576,865)			
Education	22,185,652	22,031,223	(154,429)			
General government	5,561,300	5,473,429	(87,871)	249,204	221,069	(28,135)
Employment and economic development	346,166	240,121	(106,045)	5,000	4,437	(563)
Transportation				6,382,335	6,123,369	(258,966)
Public protection and justice	3,389,691	3,289,520	(100,171)	100		(100)
Environment and business regulation	160,690	145,399	(15,291)	44,100	43,975	(125)
Debt service:						
Principal						
Interest						
Capital outlays	40,007	30,279	(9,728)	163,536	163,314	(222)
Total expenditures	52,139,407	51,089,007	(1,050,400)	6,844,275	6,556,164	(288,111)
Excess (deficiency) of revenues over (under) expenditures	(1,514,616)	325,190	1,839,806	1,520,776	2,204,894	684,118
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in	11,252,830	11,252,830	-	2,201,487	2,201,487	-
Operating transfers-out	(11,574,905)	(11,574,905)	-	(3,249,711)	(3,249,711)	-
Total other sources (uses) of financial resources	(322,075)	(322,075)	-	(1,048,224)	(1,048,224)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts						
	(1,836,691)	3,115	1,839,806	472,552	1,156,670	684,118
Budgetary fund balances (deficits), July 1, 2024, as previously reported						
	3,098,151	3,098,151	-	5,986,127	5,986,127	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified						
	3,098,151	3,098,151	-	5,986,127	5,986,127	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 1,261,460	\$ 3,101,266	\$ 1,839,806	\$ 6,458,679	\$ 7,142,797	\$ 684,118

Special State Funds			Bond Financed Funds			Debt Service Funds		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 8,340,321	\$ 8,344,423	\$ 4,102						
2,177,525	1,858,920	(318,605)				\$ 74,686	\$ 74,686	\$ -
78,027	67,072	(10,955)						
776,847	761,140	(15,707)						
10,283,232	19,095,484	8,812,252				32,675	34,526	1,851
18,058,112	18,646,082	587,970	\$ 167	\$ 167	\$ -	1,636,127	1,705,420	69,293
3,490,096	3,476,111	(13,985)						
36,223,968	45,297,010	9,073,042	167	167	-	1,743,488	1,814,632	71,144
34,367,171	30,940,936	(3,426,235)	10,580	10,580	-			
523,758	452,106	(71,652)	335,732	334,797	(935)			
14,292,634	10,407,668	(3,884,966)	306,308	302,451	(3,857)			
2,752,926	1,153,868	(1,599,058)	932,316	531,908	(400,408)			
1,192,329	985,173	(207,156)	973,067	973,067	-			
865,300	493,753	(371,547)						
2,088,615	1,521,438	(567,177)	117,892	115,609	(2,283)			
1,000		(1,000)				4,065,547	4,045,924	(19,623)
						1,412,331	1,372,320	(40,011)
189,667	72,429	(117,238)	817,041	679,045	(137,996)			
56,273,400	46,027,371	(10,246,029)	3,492,936	2,947,457	(545,479)	5,477,878	5,418,244	(59,634)
(20,049,432)	(730,361)	19,319,071	(3,492,769)	(2,947,290)	545,479	(3,734,390)	(3,603,612)	130,778
121,224	121,224	-	1,400,759	1,400,759	-	1,189,869	1,189,869	-
3,379,698	3,379,698	-				4,146,009	4,146,009	-
(4,198,379)	(4,198,379)	-				(1,320,107)	(1,320,107)	-
(697,457)	(697,457)	-	1,400,759	1,400,759	-	4,015,771	4,015,771	-
(40,779)	(40,779)	-						
(20,787,668)	(1,468,597)	19,319,071	(2,092,010)	(1,546,531)	545,479	281,381	412,159	130,778
8,024,372	8,024,372	-	3,353,721	3,353,721	-	2,217,241	2,217,241	-
8,024,372	8,024,372	-	3,353,721	3,353,721	-	2,217,241	2,217,241	-
\$(12,763,296)	\$ 6,555,775	\$ 19,319,071	\$ 1,261,711	\$ 1,807,190	\$ 545,479	\$ 2,498,622	\$ 2,629,400	\$ 130,778

(continued)

State of Illinois

**Combined Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
All Budgeted Fund Groups**

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Federal Trust Funds			Revolving Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 7,805,470	\$ 9,224,176	\$ 1,418,706	\$ 829	\$ 229	\$ (600)
Other	4,166,816	998,978	(3,167,838)	995,169	825,003	(170,166)
Less:						
Refunds	13,325	3,081	(10,244)			
Total revenues	11,958,961	10,220,073	(1,738,888)	995,998	825,232	(170,766)
EXPENDITURES:						
Current:						
Health and social services	6,272,024	3,473,961	(2,798,063)			
Education	6,603,658	3,674,371	(2,929,287)			
General government	33,084	18,036	(15,048)	1,268,634	1,098,794	(169,840)
Employment and economic development	2,151,219	750,751	(1,400,468)			
Transportation	173,700	150,443	(23,257)	208		(208)
Public protection and justice	317,597	128,591	(189,006)			
Environment and business regulation	2,434,962	442,147	(1,992,815)			
Debt service:						
Principal						
Interest						
Capital outlays	5,649	923	(4,726)			
Total expenditures	17,991,893	8,639,223	(9,352,670)	1,268,842	1,098,794	(170,048)
Excess (deficiency) of revenues over (under) expenditures	(6,032,932)	1,580,850	7,613,782	(272,844)	(273,562)	(718)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in	168,663	168,663	-	378,793	378,793	-
Operating transfers-out	(182,590)	(182,590)	-	(4,416)	(4,416)	-
Total other sources (uses) of financial resources	(13,927)	(13,927)	-	374,377	374,377	-
Budgetary funds-nonbudgeted accounts	(113,490)	(113,490)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(6,160,349)	1,453,433	7,613,782	101,533	100,815	(718)
Budgetary fund balances (deficits), July 1, 2024, as previously reported	(314,400)	(314,400)	-	(88,896)	(88,896)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	(314,400)	(314,400)	-	(88,896)	(88,896)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (6,474,749)	\$ 1,139,033	\$ 7,613,782	\$ 12,637	\$ 11,919	\$ (718)

State Trust Funds			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 7,456	\$ 7,456	\$ -	\$ 40,507,321	\$ 41,246,233	\$ 738,912
6,478	6,478	-	13,133,668	13,212,853	79,185
109,444	109,444	-	2,924,888	2,953,754	28,866
378,550	257,599	(120,951)	1,587,291	1,587,253	(38)
5,536,109	6,656,229	1,120,120	24,915,293	34,908,992	9,993,699
			36,433,946	34,981,374	(1,452,572)
312	22	(290)	3,552,258	3,520,906	(31,352)
6,037,725	7,037,184	999,459	115,950,149	125,369,553	9,419,404
833,884	462,673	(371,211)	61,939,560	54,767,186	(7,172,374)
23,359	8,318	(15,041)	29,672,159	26,500,815	(3,171,344)
157,032	120,883	(36,149)	21,868,196	17,642,330	(4,225,866)
22,935	4,623	(18,312)	6,210,562	2,685,708	(3,524,854)
			8,721,639	8,232,052	(489,587)
717,015	87,777	(629,238)	5,289,703	3,999,641	(1,290,062)
73,035	17,645	(55,390)	4,919,294	2,286,213	(2,633,081)
			4,066,547	4,045,924	(20,623)
			1,412,331	1,372,320	(40,011)
3,727	2,816	(911)	1,219,627	948,806	(270,821)
1,830,987	704,735	(1,126,252)	145,319,618	122,480,995	(22,838,623)
4,206,738	6,332,449	2,125,711	(29,369,469)	2,888,558	32,258,027
			2,711,852	2,711,852	-
88,318	88,318	-	21,615,798	21,615,798	-
(759,864)	(759,864)	-	(21,289,972)	(21,289,972)	-
(671,546)	(671,546)	-	3,037,678	3,037,678	-
(5,554,740)	(5,554,740)	-	(5,709,009)	(5,709,009)	-
(2,019,548)	106,163	2,125,711	(32,040,800)	217,227	32,258,027
967,254	967,254	-	23,243,570	23,243,570	-
274,528	274,528	-	274,528	274,528	-
1,241,782	1,241,782	-	23,518,098	23,518,098	-
\$ (777,766)	\$ 1,347,945	\$ 2,125,711	\$ (8,522,702)	\$ 23,735,325	\$ 32,258,027

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) General Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	General Revenue			Common School Special Account		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 27,530,000	\$ 28,160,610	\$ 630,610			
Sales taxes	8,043,000	7,820,666	(222,334)	\$ 2,831,001	\$ 2,753,202	\$ (77,799)
Public utility taxes	658,000	672,810	14,810			
Federal government	3,963,000	3,707,851	(255,149)			
Other	2,685,000	3,279,037	594,037			
Less:						
Refunds	1,210	1,135	(75)			
Total revenues	42,877,790	43,639,839	762,049	2,831,001	2,753,202	(77,799)
EXPENDITURES:						
Current:						
Health and social services	19,484,739	18,928,855	(555,884)			
Education	8,722,410	8,588,303	(134,107)			
General government	5,561,194	5,473,323	(87,871)			
Employment and economic development	346,166	240,121	(106,045)			
Public protection and justice	3,389,691	3,289,520	(100,171)			
Environment and business regulation	160,690	145,399	(15,291)			
Capital outlays	38,920	29,211	(9,709)			
Total expenditures	37,703,810	36,694,732	(1,009,078)			
Excess (deficiency) of revenues over (under) expenditures	5,173,980	6,945,107	1,771,127	2,831,001	2,753,202	(77,799)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	1,447,968	1,447,968	-			
Operating transfers-out	(9,065,473)	(9,065,473)	-	(2,499,429)	(2,499,429)	-
Total other sources (uses) of financial resources	(7,617,505)	(7,617,505)	-	(2,499,429)	(2,499,429)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(2,443,525)	(672,398)	1,771,127	331,572	253,773	(77,799)
Budgetary fund balances (deficits), July 1, 2024	269,564	269,564	-	198,296	198,296	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (2,173,961)	\$ (402,834)	\$ 1,771,127	\$ 529,868	\$ 452,069	\$ (77,799)

Education Assistance			Common School			Advancement of Education		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 2,513,000	\$ 2,569,758	\$ 56,758				\$ 1,062,000	\$ 1,085,721	\$ 23,721
			\$ 43,000	\$ 43,859	\$ 859			
	375	375	50,000	49,731	(269)			
2,513,000	2,570,133	57,133	93,000	93,590	590	1,062,000	1,085,721	23,721
2,727,115	2,719,482	(7,633)	9,595,992	9,586,061	(9,931)	1,140,135	1,137,377	(2,758)
33	33	-						
1,087	1,068	(19)						
2,728,235	2,720,583	(7,652)	9,595,992	9,586,061	(9,931)	1,140,135	1,137,377	(2,758)
(215,235)	(150,450)	64,785	(9,502,992)	(9,492,471)	10,521	(78,135)	(51,656)	26,479
186,550	186,550	-	9,548,209	9,548,209	-	4	4	-
(9,297)	(9,297)	-	(385)	(385)	-	(62)	(62)	-
177,253	177,253	-	9,547,824	9,547,824	-	(58)	(58)	-
(37,982)	26,803	64,785	44,832	55,353	10,521	(78,193)	(51,714)	26,479
206,901	206,901	-	47,490	47,490	-	214,504	214,504	-
\$ 168,919	\$ 233,704	\$ 64,785	\$ 92,322	\$ 102,843	\$ 10,521	\$ 136,311	\$ 162,790	\$ 26,479

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) General Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Commitment to Human Services			Budget Stabilization		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 1,062,000	\$ 1,085,721	\$ 23,721			
Sales taxes						
Public utility taxes						
Federal government						
Other				\$ 186,000	\$ 185,991	\$ (9)
Less:						
Refunds						
Total revenues	1,062,000	1,085,721	23,721	186,000	185,991	(9)
EXPENDITURES:						
Current:						
Health and social services	971,162	950,181	(20,981)			
Education						
General government	72	72	-	1	1	-
Employment and economic development						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	971,234	950,253	(20,981)	1	1	-
Excess (deficiency) of revenues over (under) expenditures	90,766	135,468	44,702	185,999	185,990	(9)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				70,099	70,099	-
Operating transfers-out	(259)	(259)	-			
Total other sources (uses) of financial resources	(259)	(259)	-	70,099	70,099	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	90,507	135,209	44,702	256,098	256,089	(9)
Budgetary fund balances (deficits), July 1, 2024	60,373	60,373	-	2,101,023	2,101,023	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 150,880	\$ 195,582	\$ 44,702	\$ 2,357,121	\$ 2,357,112	\$ (9)

Total		
Final Budget	Actual	Variance Over (Under)
\$ 32,167,000	\$ 32,901,810	\$ 734,810
10,874,001	10,573,868	(300,133)
701,000	716,669	15,669
3,963,000	3,707,851	(255,149)
2,921,000	3,515,134	594,134
1,210	1,135	(75)
50,624,791	51,414,197	789,406
20,455,901	19,879,036	(576,865)
22,185,652	22,031,223	(154,429)
5,561,300	5,473,429	(87,871)
346,166	240,121	(106,045)
3,389,691	3,289,520	(100,171)
160,690	145,399	(15,291)
40,007	30,279	(9,728)
52,139,407	51,089,007	(1,050,400)
(1,514,616)	325,190	1,839,806
11,252,830	11,252,830	-
(11,574,905)	(11,574,905)	-
(322,075)	(322,075)	-
(1,836,691)	3,115	1,839,806
3,098,151	3,098,151	-
\$ 1,261,460	\$ 3,101,266	\$ 1,839,806

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Highway Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Transportation			Transportation		
	Road		Variance Over (Under)	Motor Fuel Tax - State		
	Final Budget	Actual		Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes		\$ 697,923	\$ 697,923			
Motor fuel taxes				\$ 1,229,704	\$ 1,240,628	\$ 10,924
Federal government	\$ 2,451,537	2,589,127	137,590			
Other	2,561,006	1,993,036	(567,970)	1,214	1,225	11
Less:						
Refunds	2,315	1,813	(502)	45,000	38,744	(6,256)
Total revenues	5,010,228	5,278,273	268,045	1,185,918	1,203,109	17,191
EXPENDITURES:						
Current:						
General government	158,841	158,445	(396)	90,363	62,624	(27,739)
Employment and economic development	5,000	4,437	(563)			
Transportation	3,895,700	3,779,333	(116,367)	25,699	20,289	(5,410)
Public protection and justice	100		(100)			
Environment and business regulation	12,100	12,000	(100)	32,000	31,975	(25)
Capital outlays	163,487	163,311	(176)	49	3	(46)
Total expenditures	4,235,228	4,117,526	(117,702)	148,111	114,891	(33,220)
Excess (deficiency) of revenues over (under) expenditures	775,000	1,160,747	385,747	1,037,807	1,088,218	50,411
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	343,462	343,462	-	1,180	1,180	-
Operating transfers-out	(1,038,621)	(1,038,621)	-	(1,094,685)	(1,094,685)	-
Total other sources (uses) of financial resources	(695,159)	(695,159)	-	(1,093,505)	(1,093,505)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	79,841	465,588	385,747	(55,698)	(5,287)	50,411
Budgetary fund balances (deficits), July 1, 2024	3,100,569	3,100,569	-	114,040	114,040	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 3,180,410	\$ 3,566,157	\$ 385,747	\$ 58,342	\$ 108,753	\$ 50,411

Transportation			Transportation			Transportation		
State Construction Account			Transportation Renewal			Regional Transportation Authority Capital Improvement		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 1,610,679	\$ 1,639,576	\$ 28,897			
\$ 558,226	\$ 640,100	\$ 81,874						
558,226	640,100	81,874	1,610,679	1,639,576	28,897			
1,058,580	1,058,387	(193)	579,370	524,664	(54,706)	\$ 177,637	\$ 177,637	\$ -
1,058,580	1,058,387	(193)	579,370	524,664	(54,706)	177,637	177,637	-
(500,354)	(418,287)	82,067	1,031,309	1,114,912	83,603	(177,637)	(177,637)	-
979,232	979,232	-	2	2	-	294,021	294,021	-
(151)	(151)	-	(1,110,746)	(1,110,746)	-			
979,081	979,081	-	(1,110,744)	(1,110,744)	-	294,021	294,021	-
478,727	560,794	82,067	(79,435)	4,168	83,603	116,384	116,384	-
1,960,674	1,960,674	-	90,518	90,518	-	481,038	481,038	-
\$ 2,439,401	\$ 2,521,468	\$ 82,067	\$ 11,083	\$ 94,686	\$ 83,603	\$ 597,422	\$ 597,422	\$ -

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Highway Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes					\$ 697,923	\$ 697,923
Motor fuel taxes				\$ 2,840,383	2,880,204	39,821
Federal government				2,451,537	2,589,127	137,590
Other				3,120,446	2,634,361	(486,085)
Less:						
Refunds				47,315	40,557	(6,758)
Total revenues				8,365,051	8,761,058	396,007
EXPENDITURES:						
Current:						
General government				249,204	221,069	(28,135)
Employment and economic development				5,000	4,437	(563)
Transportation	\$ 645,349	\$ 563,059	\$ (82,290)	6,382,335	6,123,369	(258,966)
Public protection and justice				100		(100)
Environment and business regulation				44,100	43,975	(125)
Capital outlays				163,536	163,314	(222)
Total expenditures	645,349	563,059	(82,290)	6,844,275	6,556,164	(288,111)
Excess (deficiency) of revenues over (under) expenditures	(645,349)	(563,059)	82,290	1,520,776	2,204,894	684,118
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	583,590	583,590	-	2,201,487	2,201,487	-
Operating transfers-out	(5,508)	(5,508)	-	(3,249,711)	(3,249,711)	-
Total other sources (uses) of financial resources	578,082	578,082	-	(1,048,224)	(1,048,224)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(67,267)	15,023	82,290	472,552	1,156,670	684,118
Budgetary fund balances (deficits), July 1, 2024	239,288	239,288	-	5,986,127	5,986,127	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 172,021	\$ 254,311	\$ 82,290	\$ 6,458,679	\$ 7,142,797	\$ 684,118

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Treasurer			Central Management Services		
	Tobacco Settlement Recovery			Health Insurance Reserve		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 412,131	\$ 323,127	\$ (89,004)	\$ 6,305	\$ 4,890	\$ (1,415)
Other	285,753	258,507	(27,246)	3,670,819	3,722,134	51,315
Less:						
Refunds						
Total revenues	697,884	581,634	(116,250)	3,677,124	3,727,024	49,900
EXPENDITURES:						
Current:						
Health and social services	828,728	818,763	(9,965)			
Education						
General government	2	2	-	4,399,810	3,814,920	(584,890)
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Debt service:						
Principal						
Capital outlays						
Total expenditures	828,730	818,765	(9,965)	4,399,810	3,814,920	(584,890)
Excess (deficiency) of revenues over (under) expenditures	(130,846)	(237,131)	(106,285)	(722,686)	(87,896)	634,790
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in	1	1	-			
Operating transfers-out	(5)	(5)	-			
Total other sources (uses) of financial resources	(4)	(4)	-			
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(130,850)	(237,135)	(106,285)	(722,686)	(87,896)	634,790
Budgetary fund balances (deficits), July 1, 2024, as previously reported	208,257	208,257	-	(36,424)	(36,424)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	208,257	208,257	-	(36,424)	(36,424)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 77,407	\$ (28,878)	\$ (106,285)	\$ (759,110)	\$ (124,320)	\$ 634,790

Children and Family Services			Commerce and Economic Opportunity			Lottery		
DCFS Children's Services			Fund for Illinois' Future			State Lottery		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 478,913	\$ 415,682	\$ (63,231)						
1,543	1,543	-				\$ 1,909,264	\$ 1,629,141	\$ (280,123)
						100	15	(85)
480,456	417,225	(63,231)				1,909,164	1,629,126	(280,038)
713,661	487,355	(226,306)	\$ 78,990	\$ 78,828	\$ (162)			
3,856	2,508	(1,348)				3,290,041	889,570	(2,400,471)
			73,962	73,862	(100)			
						10	10	-
717,517	489,863	(227,654)	152,952	152,690	(262)	3,290,051	889,580	(2,400,471)
(237,061)	(72,638)	164,423	(152,952)	(152,690)	262	(1,380,887)	739,546	2,120,433
			351,300	351,300	-	21	21	-
(888)	(888)	-				(788,564)	(788,564)	-
(888)	(888)	-	351,300	351,300	-	(788,543)	(788,543)	-
(237,949)	(73,526)	164,423	198,348	198,610	262	(2,169,430)	(48,997)	2,120,433
416,471	416,471	-	348,847	348,847	-	30,739	30,739	-
416,471	416,471	-	348,847	348,847	-	30,739	30,739	-
\$ 178,522	\$ 342,945	\$ 164,423	\$ 547,195	\$ 547,457	\$ 262	\$ (2,138,691)	\$ (18,258)	\$ 2,120,433

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Healthcare and Family Services			Healthcare and Family Services		
	County Provider Trust			Long Term Care Provider		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 2,056,851	\$ 2,157,161	\$ 100,310	\$ 427,557	\$ 344,724	\$ (82,833)
Other	1,161,139	1,261,352	100,213	365,512	367,250	1,738
Less:						
Refunds	1,000		(1,000)	2,750	463	(2,287)
Total revenues	3,216,990	3,418,513	201,523	790,319	711,511	(78,808)
EXPENDITURES:						
Current:						
Health and social services	3,425,000	3,392,146	(32,854)	883,400	763,267	(120,133)
Education						
General government						
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Debt service:						
Principal						
Capital outlays						
Total expenditures	3,425,000	3,392,146	(32,854)	883,400	763,267	(120,133)
Excess (deficiency) of revenues over (under) expenditures	(208,010)	26,367	234,377	(93,081)	(51,756)	41,325
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in				30,000	30,000	-
Operating transfers-out				(20,010)	(20,010)	-
Total other sources (uses) of financial resources				9,990	9,990	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(208,010)	26,367	234,377	(83,091)	(41,766)	41,325
Budgetary fund balances (deficits), July 1, 2024, as previously reported	(45,496)	(45,496)	-	(39,848)	(39,848)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	(45,496)	(45,496)	-	(39,848)	(39,848)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (253,506)	\$ (19,129)	\$ 234,377	\$ (122,939)	\$ (81,614)	\$ 41,325

Healthcare and Family Services Hospital Provider			Healthcare and Family Services Special Education Medicaid Matching			Healthcare and Family Services Drug Rebate		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 2,618,592	\$ 2,827,389	\$ 208,797	\$ 395,003	\$ 297,125	\$ (97,878)	\$ 1,272,426	\$ 1,297,343	\$ 24,917
1,934,434	1,985,386	50,952				893	5,490	4,597
5,000		(5,000)						
4,548,026	4,812,775	264,749	395,003	297,125	(97,878)	1,273,319	1,302,833	29,514
6,050,200	5,166,866	(883,334)	400,000	325,912	(74,088)	2,700,202	1,896,783	(803,419)
6,050,200	5,166,866	(883,334)	400,000	325,912	(74,088)	2,700,202	1,896,783	(803,419)
(1,502,174)	(354,091)	1,148,083	(4,997)	(28,787)	(23,790)	(1,426,883)	(593,950)	832,933
(415,067)	(415,067)	-	(3)	(3)	-	745,243	745,243	-
(415,067)	(415,067)	-	(3)	(3)	-	(41)	(41)	-
						745,202	745,202	-
(1,917,241)	(769,158)	1,148,083	(5,000)	(28,790)	(23,790)	(681,681)	151,252	832,933
65,091	65,091	-	(18,770)	(18,770)	-	93,381	93,381	-
65,091	65,091	-	(18,770)	(18,770)	-	93,381	93,381	-
\$ (1,852,150)	\$ (704,067)	\$ 1,148,083	\$ (23,770)	\$ (47,560)	\$ (23,790)	\$ (588,300)	\$ 244,633	\$ 832,933

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Healthcare and Family Services			Revenue		
	Healthcare Provider Relief			State and Local Sales Tax Reform		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes				\$ 628,359	\$ 364,886	\$ (263,473)
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 1,030,072	\$ 10,086,768	\$ 9,056,696			
Other	5,141,914	5,290,837	148,923			
Less:						
Refunds						
Total revenues	6,171,986	15,377,605	9,205,619	628,359	364,886	(263,473)
EXPENDITURES:						
Current:						
Health and social services	17,027,967	16,847,361	(180,606)			
Education						
General government	1,365	1,365	-	198,000	81,713	(116,287)
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Debt service:						
Principal						
Capital outlays						
Total expenditures	17,029,332	16,848,726	(180,606)	198,000	81,713	(116,287)
Excess (deficiency) of revenues over (under) expenditures	(10,857,346)	(1,471,121)	9,386,225	430,359	283,173	(147,186)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in	365,465	365,465	-			
Operating transfers-out	(13,528)	(13,528)	-	(371,651)	(371,651)	-
Total other sources (uses) of financial resources	351,937	351,937	-	(371,651)	(371,651)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(10,505,409)	(1,119,184)	9,386,225	58,708	(88,478)	(147,186)
Budgetary fund balances (deficits), July 1, 2024, as previously reported	628,790	628,790	-	116,237	116,237	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	628,790	628,790	-	116,237	116,237	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (9,876,619)	\$ (490,394)	\$ 9,386,225	\$ 174,945	\$ 27,759	\$ (147,186)

Revenue			Revenue			Revenue		
Income Tax Refund			Local Government Distributive			Personal Property Tax Replacement		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 4,163,600	\$ 4,167,348	\$ 3,748	\$ 2,297,058	\$ 2,297,058	\$ -	\$ 1,874,413	\$ 1,874,413	\$ -
						325,540	303,019	(22,521)
30,000	30,000	-						
28,285	28,285	-				6,068	5,648	(420)
3,441,471	3,441,471	-						
780,414	784,162	3,748	2,297,058	2,297,058	-	2,206,021	2,183,080	(22,941)
						20,099	19,646	(453)
						141,855	139,541	(2,314)
			2,897,486	2,541,272	(356,214)	2,187,973	2,174,446	(13,527)
						2,753	2,686	(67)
						57	23	(34)
			2,897,486	2,541,272	(356,214)	2,352,737	2,336,342	(16,395)
780,414	784,162	3,748	(600,428)	(244,214)	356,214	(146,716)	(153,262)	(6,546)
614	614	-	306,409	306,409	-	4,206	4,206	-
(256,172)	(256,172)	-	(121)	(121)	-	(269)	(269)	-
(255,558)	(255,558)	-	306,288	306,288	-	3,937	3,937	-
524,856	528,604	3,748	(294,140)	62,074	356,214	(142,779)	(149,325)	(6,546)
262,885	262,885	-	154,214	154,214	-	494,546	494,546	-
262,885	262,885	-	154,214	154,214	-	494,546	494,546	-
\$ 787,741	\$ 791,489	\$ 3,748	\$ (139,926)	\$ 216,288	\$ 356,214	\$ 351,767	\$ 345,221	\$ (6,546)

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Revenue			Revenue		
	Cannabis Regulation			Build Illinois		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes				\$ 691,528	\$ 691,528	\$ -
Motor fuel taxes						
Public utility taxes						
Federal government						
Other	\$ 267,820	\$ 280,839	\$ 13,019	224,767	224,767	-
Less:						
Refunds	169	169	-			
Total revenues	267,651	280,670	13,019	916,295	916,295	-
EXPENDITURES:						
Current:						
Health and social services	500		(500)			
Education						
General government	1,506	1,506	-			
Employment and economic development	1,741	986	(755)			
Transportation						
Public protection and justice	5,000	3,588	(1,412)			
Environment and business regulation	39,576	19,323	(20,253)			
Debt service:						
Principal						
Capital outlays						
Total expenditures	48,323	25,403	(22,920)			
Excess (deficiency) of revenues over (under) expenditures	219,328	255,267	35,939	916,295	916,295	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in				39,466	39,466	-
Operating transfers-out	(253,896)	(253,896)	-	(955,761)	(955,761)	-
Total other sources (uses) of financial resources	(253,896)	(253,896)	-	(916,295)	(916,295)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(34,568)	1,371	35,939			
Budgetary fund balances (deficits), July 1, 2024, as previously reported	19,049	19,049	-	1	1	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	19,049	19,049	-	1	1	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (15,519)	\$ 20,420	\$ 35,939	\$ 1	\$ 1	\$ -

Transportation			Transportation			Environmental Protection Agency		
Public Transportation			Downstate Public Transportation			Water Revolving		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 189,475	\$ 283,000	\$ 93,525	\$ 294,962	\$ 239,462	\$ (55,500)			
						\$ 390,000	\$ 222,845	\$ (167,155)
						182,250	396,411	214,161
189,475	283,000	93,525	294,962	239,462	(55,500)	572,250	619,256	47,006
1,611	1,360	(251)	34	34	-			
665,099	662,938	(2,161)	463,734	261,787	(201,947)			
						847,357	796,081	(51,276)
666,710	664,298	(2,412)	463,768	261,821	(201,947)	847,357	796,081	(51,276)
(477,235)	(381,298)	95,937	(168,806)	(22,359)	146,447	(275,107)	(176,825)	98,282
						121,224	121,224	-
379,959	379,959	-	75,000	75,000	-			
(108)	(108)	-	(60,040)	(60,040)	-	(1,030)	(1,030)	-
379,851	379,851	-	14,960	14,960	-	120,194	120,194	-
(97,384)	(1,447)	95,937	(153,846)	(7,399)	146,447	(154,913)	(56,631)	98,282
41,610	41,610	-	69,677	69,677	-	464,887	464,887	-
41,610	41,610	-	69,677	69,677	-	464,887	464,887	-
\$ (55,774)	\$ 40,163	\$ 95,937	\$ (84,169)	\$ 62,278	\$ 146,447	\$ 309,974	\$ 408,256	\$ 98,282

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Gaming			Gaming		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government						
Other	\$ 399,658	\$ 478,941	\$ 79,283	\$ 203,680	\$ 396,090	\$ 192,410
Less:						
Refunds	50		(50)			
Total revenues	399,608	478,941	79,333	203,680	396,090	192,410
EXPENDITURES:						
Current:						
Health and social services	10,000	9,025	(975)			
Education						
General government	252,348	204,116	(48,232)	19,000	13,294	(5,706)
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Debt service:						
Principal						
Capital outlays	50	36	(14)			
Total expenditures	262,398	213,177	(49,221)	19,000	13,294	(5,706)
Excess (deficiency) of revenues over (under) expenditures	137,210	265,764	128,554	184,680	382,796	198,116
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues						
Operating transfers-in						
Operating transfers-out	(256,205)	(256,205)	-	(380,485)	(380,485)	-
Total other sources (uses) of financial resources	(256,205)	(256,205)	-	(380,485)	(380,485)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(118,995)	9,559	128,554	(195,805)	2,311	198,116
Budgetary fund balances (deficits), July 1, 2024, as previously reported	(1,415)	(1,415)	-	(1,010)	(1,010)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	(1,415)	(1,415)	-	(1,010)	(1,010)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (120,410)	\$ 8,144	\$ 128,554	\$ (196,815)	\$ 1,301	\$ 198,116

Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 5,250	\$ 5,604	\$ 354	\$ 8,340,321	\$ 8,344,423	\$ 4,102
373,201	280,044	(93,157)	2,177,525	1,858,920	(318,605)
78,027	67,072	(10,955)	78,027	67,072	(10,955)
451,307	458,121	6,814	776,847	761,140	(15,707)
1,165,382	1,088,430	(76,952)	10,283,232	19,095,484	8,812,252
2,274,313	2,313,461	39,148	18,058,112	18,646,082	587,970
39,556	33,993	(5,563)	3,490,096	3,476,111	(13,985)
4,307,924	4,178,739	(129,185)	36,223,968	45,297,010	9,073,042
2,228,424	1,134,984	(1,093,440)	34,367,171	30,940,936	(3,426,235)
381,903	312,565	(69,338)	523,758	452,106	(71,652)
1,039,602	681,562	(358,040)	14,292,634	10,407,668	(3,884,966)
2,677,223	1,079,020	(1,598,203)	2,752,926	1,153,868	(1,599,058)
63,496	60,448	(3,048)	1,192,329	985,173	(207,156)
857,547	487,479	(370,068)	865,300	493,753	(371,547)
1,201,682	706,034	(495,648)	2,088,615	1,521,438	(567,177)
1,000		(1,000)	1,000		(1,000)
189,550	72,360	(117,190)	189,667	72,429	(117,238)
8,640,427	4,534,452	(4,105,975)	56,273,400	46,027,371	(10,246,029)
(4,332,503)	(355,713)	3,976,790	(20,049,432)	(730,361)	19,319,071
			121,224	121,224	-
1,082,014	1,082,014	-	3,379,698	3,379,698	-
(424,535)	(424,535)	-	(4,198,379)	(4,198,379)	-
657,479	657,479	-	(697,457)	(697,457)	-
(40,779)	(40,779)	-	(40,779)	(40,779)	-
(3,715,803)	260,987	3,976,790	(20,787,668)	(1,468,597)	19,319,071
4,752,653	4,752,653	-	8,024,372	8,024,372	-
4,752,653	4,752,653	-	8,024,372	8,024,372	-
\$ 1,036,850	\$ 5,013,640	\$ 3,976,790	\$ (12,763,296)	\$ 6,555,775	\$ 19,319,071

State of Illinois

**Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Bond Financed Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Comptroller			Department of Commerce and Economic Opportunity		
	Pension Obligation Acceleration Bond			Build Illinois Bond		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other				\$ 167	\$ 167	\$ -
Total revenues				167	167	-
EXPENDITURES:						
Current:						
Health and social services				10,580	10,580	-
Education	\$ 196,797	\$ 196,797	\$ -	118,935	118,000	(935)
General government	136,906	136,906	-	40,754	39,093	(1,661)
Employment and economic development				932,142	531,734	(400,408)
Transportation						
Environment and business regulation				36,355	35,855	(500)
Capital outlays				152,426	15,514	(136,912)
Total expenditures	333,703	333,703	-	1,291,192	750,776	(540,416)
Excess (deficiency) of revenues over (under) expenditures	(333,703)	(333,703)	-	(1,291,025)	(750,609)	540,416
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues	134,817	134,817	-	786,697	786,697	-
Operating transfers-in						
Operating transfers-out						
Total other sources (uses) of financial resources	134,817	134,817	-	786,697	786,697	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(198,886)	(198,886)	-	(504,328)	36,088	540,416
Budgetary fund balances, July 1, 2024	238,229	238,229	-	819,343	819,343	-
BUDGETARY FUND BALANCES, JUNE 30, 2025	\$ 39,343	\$ 39,343	\$ -	\$ 315,015	\$ 855,431	\$ 540,416

Department of Transportation Transportation Bond, Series A			Department of Transportation Multimodal Transportation Bond			Capital Development Board Capital Development		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 20,000	\$ 20,000	\$ -
						113,052	110,856	(2,196)
						174	174	-
\$ 498,546	\$ 498,546	\$ -	\$ 418,844	\$ 418,844	\$ -	25,915	24,155	(1,760)
						664,615	663,531	(1,084)
498,546	498,546	-	418,844	418,844	-	823,756	818,716	(5,040)
(498,546)	(498,546)	-	(418,844)	(418,844)	-	(823,756)	(818,716)	5,040
206,340	206,340	-	51,585	51,585	-	128,963	128,963	-
206,340	206,340	-	51,585	51,585	-	128,963	128,963	-
(292,206)	(292,206)	-	(367,259)	(367,259)	-	(694,793)	(689,753)	5,040
392,929	392,929	-	579,872	579,872	-	1,159,855	1,159,855	-
\$ 100,723	\$ 100,723	\$ -	\$ 212,613	\$ 212,613	\$ -	\$ 465,062	\$ 470,102	\$ 5,040

(continued)

State of Illinois

**Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Bond Financed Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other				\$ 167	\$ 167	\$ -
Total revenues				167	167	-
EXPENDITURES:						
Current:						
Health and social services				10,580	10,580	-
Education				335,732	334,797	(935)
General government	\$ 15,596	\$ 15,596	\$ -	306,308	302,451	(3,857)
Employment and economic development				932,316	531,908	(400,408)
Transportation	55,677	55,677	-	973,067	973,067	-
Environment and business regulation	55,622	55,599	(23)	117,892	115,609	(2,283)
Capital outlays				817,041	679,045	(137,996)
Total expenditures	126,895	126,872	(23)	3,492,936	2,947,457	(545,479)
Excess (deficiency) of revenues over (under) expenditures	(126,895)	(126,872)	23	(3,492,769)	(2,947,290)	545,479
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues	92,357	92,357	-	1,400,759	1,400,759	-
Operating transfers-in						
Operating transfers-out						
Total other sources (uses) of financial resources	92,357	92,357	-	1,400,759	1,400,759	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(34,538)	(34,515)	23	(2,092,010)	(1,546,531)	545,479
Budgetary fund balances, July 1, 2024	163,493	163,493	-	3,353,721	3,353,721	-
BUDGETARY FUND BALANCES, JUNE 30, 2025	\$ 128,955	\$ 128,978	\$ 23	\$ 1,261,711	\$ 1,807,190	\$ 545,479

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Debt Service Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Treasurer			Treasurer		
	General Obligation			Capital Projects		
	Final		Variance	Final		Variance
Budget	Actual	Over (Under)	Budget	Actual	Over (Under)	
REVENUES:						
Sales taxes				\$ 74,686	\$ 74,686	\$ -
Federal government	\$ 32,675	\$ 34,526	\$ 1,851			
Other	48,596	117,293	68,697	1,587,337	1,587,337	-
Total revenues	81,271	151,819	70,548	1,662,023	1,662,023	-
EXPENDITURES:						
Debt service:						
Principal	3,455,647	3,455,647	-			
Interest	1,412,331	1,372,320	(40,011)			
Total expenditures	4,867,978	4,827,967	(40,011)			
Excess (deficiency) of revenues over (under) expenditures	(4,786,707)	(4,676,148)	110,559	1,662,023	1,662,023	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from bond issues	1,189,869	1,189,869	-			
Operating transfers-in	3,375,913	3,375,913	-	177,891	177,891	-
Operating transfers-out				(1,320,107)	(1,320,107)	-
Total other sources (uses) of financial resources	4,565,782	4,565,782	-	(1,142,216)	(1,142,216)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(220,925)	(110,366)	110,559	519,807	519,807	-
Budgetary fund balances (deficits), July 1, 2024	1,677,235	1,677,235	-	524,026	524,026	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ 1,456,310	\$ 1,566,869	\$ 110,559	\$ 1,043,833	\$ 1,043,833	\$ -

Governor's Office of Management and Budget						
Build Illinois						
Bond, Retirement, and Interest			Total			
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	
			\$ 74,686	\$ 74,686	\$ -	
			32,675	34,526	1,851	
\$ 194	\$ 790	\$ 596	1,636,127	1,705,420	69,293	
194	790	596	1,743,488	1,814,632	71,144	
609,900	590,277	(19,623)	4,065,547	4,045,924	(19,623)	
			1,412,331	1,372,320	(40,011)	
609,900	590,277	(19,623)	5,477,878	5,418,244	(59,634)	
(609,706)	(589,487)	20,219	(3,734,390)	(3,603,612)	130,778	
			1,189,869	1,189,869	-	
592,205	592,205	-	4,146,009	4,146,009	-	
			(1,320,107)	(1,320,107)	-	
592,205	592,205	-	4,015,771	4,015,771	-	
(17,501)	2,718	20,219	281,381	412,159	130,778	
15,980	15,980	-	2,217,241	2,217,241	-	
\$ (1,521)	\$ 18,698	\$ 20,219	\$ 2,498,622	\$ 2,629,400	\$ 130,778	

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Employment Security			Human Services		
	Federal Title III Social Security and Employment			Employment and Training		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 221,000	\$ 275,249	\$ 54,249	\$ 850,000	\$ 991,164	\$ 141,164
Other	4,356	102,662	98,306	810,000	690,000	(120,000)
Less:						
Refunds	5,000		(5,000)			
Total revenues	220,356	377,911	157,555	1,660,000	1,681,164	21,164
EXPENDITURES:						
Current:						
Health and social services				2,339,398	1,643,548	(695,850)
Education						
General government	686	617	(69)			
Employment and economic development	437,467	263,224	(174,243)			
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	438,153	263,841	(174,312)	2,339,398	1,643,548	(695,850)
Excess (deficiency) of revenues over (under) expenditures	(217,797)	114,070	331,867	(679,398)	37,616	717,014
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out	(28)	(28)	-			
Total other sources (uses) of financial resources	(28)	(28)	-			
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(217,825)	114,042	331,867	(679,398)	37,616	717,014
Budgetary fund balances (deficits), July 1, 2024	58,946	58,946	-	(96,292)	(96,292)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (158,879)	\$ 172,988	\$ 331,867	\$ (775,690)	\$ (58,676)	\$ 717,014

Human Services Summer EBT Program			Human Services USDA Women, Infants, and Children			Public Health Public Health Services		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 325,000	\$ 306,602	\$ (18,398)	\$ 182,000	\$ 218,711	\$ 36,711	\$ 263,585	\$ 262,410	\$ (1,175)
			53,300	58,485	5,185	30,074	92,093	62,019
			200		(200)	75		(75)
325,000	306,602	(18,398)	235,100	277,196	42,096	293,584	354,503	60,919
600,000	288,918	(311,082)	308,640	267,821	(40,819)	1,130,639	283,871	(846,768)
						104	104	-
600,000	288,918	(311,082)	308,640	267,821	(40,819)	1,130,743	283,975	(846,768)
(275,000)	17,684	292,684	(73,540)	9,375	82,915	(837,159)	70,528	907,687
(275,000)	17,684	292,684	(73,540)	9,375	82,915	(837,159)	70,528	907,687
			(14,997)	(14,997)	-	(11,042)	(11,042)	-
\$ (275,000)	\$ 17,684	\$ 292,684	\$ (88,537)	\$ (5,622)	\$ 82,915	\$ (848,201)	\$ 59,486	\$ 907,687

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	State Board of Education			State Board of Education		
	SBE Federal Department of Agriculture			SBE Federal Department of Education		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,037,883	\$ 1,030,508	\$ (7,375)	\$ 2,471,152	\$ 3,662,042	\$ 1,190,890
Other		9	9		4	4
Less:						
Refunds						
Total revenues	1,037,883	1,030,517	(7,366)	2,471,152	3,662,046	1,190,894
EXPENDITURES:						
Current:						
Health and social services						
Education	1,269,904	983,240	(286,664)	5,144,030	2,625,957	(2,518,073)
General government				259	259	-
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	1,269,904	983,240	(286,664)	5,144,289	2,626,216	(2,518,073)
Excess (deficiency) of revenues over (under) expenditures	(232,021)	47,277	279,298	(2,673,137)	1,035,830	3,708,967
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out				(20,877)	(20,877)	-
Total other sources (uses) of financial resources				(20,877)	(20,877)	-
Budgetary funds-nonbudgeted accounts	(48,931)	(48,931)	-	(61,042)	(61,042)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(280,952)	(1,654)	279,298	(2,755,056)	953,911	3,708,967
Budgetary fund balances (deficits), July 1, 2024	(41,640)	(41,640)	-	(663,715)	(663,715)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (322,592)	\$ (43,294)	\$ 279,298	\$ (3,418,771)	\$ 290,196	\$ 3,708,967

Illinois Emergency Management Agency and Office of Homeland Security State CURE			Illinois Emergency Management Agency and Office of Homeland Security Federal Aid Disaster			Other		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 102,366 2,111	\$ 114,633 2,111	\$ 12,267 -	\$ 441,712	\$ 685,305	\$ 243,593	\$ 1,910,772 3,266,975	\$ 1,677,552 53,614	\$ (233,220) (3,213,361)
						8,050	3,081	(4,969)
104,477	116,744	12,267	441,712	685,305	243,593	5,169,697	1,728,085	(3,441,612)
260,341	112,807	(147,534)				1,633,006	876,996	(756,010)
12,603	5,524	(7,079)				177,121	59,650	(117,471)
						32,035	17,056	(14,979)
146,179	124,000	(22,179)				1,567,573	363,527	(1,204,046)
						173,700	150,443	(23,257)
42,426	21,961	(20,465)				275,171	106,630	(168,541)
			1,105,099	261,777	(843,322)	1,329,863	180,370	(1,149,493)
						5,649	923	(4,726)
461,549	264,292	(197,257)	1,105,099	261,777	(843,322)	5,194,118	1,755,595	(3,438,523)
(357,072)	(147,548)	209,524	(663,387)	423,528	1,086,915	(24,421)	(27,510)	(3,089)
2,018	2,018	-				166,645	166,645	-
(88,690)	(88,690)	-				(72,995)	(72,995)	-
(86,672)	(86,672)	-				93,650	93,650	-
						(3,517)	(3,517)	-
(443,744)	(234,220)	209,524	(663,387)	423,528	1,086,915	65,712	62,623	(3,089)
747,229	747,229	-	(426,574)	(426,574)	-	133,685	133,685	-
\$ 303,485	\$ 513,009	\$ 209,524	\$ (1,089,961)	\$ (3,046)	\$ 1,086,915	\$ 199,397	\$ 196,308	\$ (3,089)

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

(continued)

	Total		
	Final Budget	Actual	Variance Over (Under)
REVENUES:			
Federal government	\$ 7,805,470	\$ 9,224,176	\$ 1,418,706
Other	4,166,816	998,978	(3,167,838)
Less:			
Refunds	13,325	3,081	(10,244)
Total revenues	<u>11,958,961</u>	<u>10,220,073</u>	<u>(1,738,888)</u>
EXPENDITURES:			
Current:			
Health and social services	6,272,024	3,473,961	(2,798,063)
Education	6,603,658	3,674,371	(2,929,287)
General government	33,084	18,036	(15,048)
Employment and economic development	2,151,219	750,751	(1,400,468)
Transportation	173,700	150,443	(23,257)
Public protection and justice	317,597	128,591	(189,006)
Environment and business regulation	2,434,962	442,147	(1,992,815)
Capital outlays	5,649	923	(4,726)
Total expenditures	<u>17,991,893</u>	<u>8,639,223</u>	<u>(9,352,670)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,032,932)</u>	<u>1,580,850</u>	<u>7,613,782</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	168,663	168,663	-
Operating transfers-out	(182,590)	(182,590)	-
Total other sources (uses) of financial resources	<u>(13,927)</u>	<u>(13,927)</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(113,490)</u>	<u>(113,490)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(6,160,349)</u>	<u>1,453,433</u>	<u>7,613,782</u>
Budgetary fund balances (deficits), July 1, 2024	(314,400)	(314,400)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	<u>\$ (6,474,749)</u>	<u>\$ 1,139,033</u>	<u>\$ 7,613,782</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Revolving Funds

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Department of Innovation and Technology Technology Management Revolving			Other		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 530	\$ 229	\$ (301)	\$ 299		\$ (299)
Other	657,774	508,035	(149,739)	337,395	\$ 316,968	(20,427)
Total revenues	658,304	508,264	(150,040)	337,694	316,968	(20,726)
EXPENDITURES:						
Current:						
General government	650,706	617,324	(33,382)	617,928	481,470	(136,458)
Transportation				208		(208)
Total expenditures	650,706	617,324	(33,382)	618,136	481,470	(136,666)
Excess (deficiency) of revenues over (under) expenditures	7,598	(109,060)	(116,658)	(280,442)	(164,502)	115,940
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	207,097	207,097	-	171,696	171,696	-
Operating transfers-out	(2,483)	(2,483)	-	(1,933)	(1,933)	-
Total other sources (uses) of financial resources	204,614	204,614	-	169,763	169,763	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	212,212	95,554	(116,658)	(110,679)	5,261	115,940
Budgetary fund balances (deficits), July 1, 2024	(238,438)	(238,438)	-	149,542	149,542	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (26,226)	\$ (142,884)	\$ (116,658)	\$ 38,863	\$ 154,803	\$ 115,940

Total		
Final Budget	Actual	Variance Over (Under)
\$ 829	\$ 229	\$ (600)
995,169	825,003	(170,166)
995,998	825,232	(170,766)
1,268,634	1,098,794	(169,840)
208		(208)
1,268,842	1,098,794	(170,048)
(272,844)	(273,562)	(718)
378,793	378,793	-
(4,416)	(4,416)	-
374,377	374,377	-
101,533	100,815	(718)
(88,896)	(88,896)	-
\$ 12,637	\$ 11,919	\$ (718)

State of Illinois

**Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
State Trust Funds**

For the Year Ended June 30, 2025 (Expressed in Thousands)

	Central Management Services			Healthcare and Family Services		
	State Employees Deferred Compensation Plan			Public Aid Recoveries Trust		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government				\$ 110,263	\$ 85,815	\$ (24,448)
Other	\$ 1,773	\$ 346,380	\$ 344,607	1,402,732	2,103,536	700,804
Less:						
Refunds						
Total revenues	1,773	346,380	344,607	1,512,995	2,189,351	676,356
EXPENDITURES:						
Current:						
Health and social services				223,443	168,794	(54,649)
Education						
General government	1,499	1,168	(331)	116	116	-
Employment and economic development						
Public protection and justice						
Environment and business regulation						
Capital outlays				1,044	215	(829)
Total expenditures	1,499	1,168	(331)	224,603	169,125	(55,478)
Excess (deficiency) of revenues over (under) expenditures	274	345,212	344,938	1,288,392	2,020,226	731,834
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out	(22)	(22)	-	(747,243)	(747,243)	-
Total other sources (uses) of financial resources	(22)	(22)	-	(747,243)	(747,243)	-
Budgetary funds-nonbudgeted accounts	(345,479)	(345,479)	-	(1,309,377)	(1,309,377)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(345,227)	(289)	344,938	(768,228)	(36,394)	731,834
Budgetary fund balances (deficits), July 1, 2024, as previously reported	2,009	2,009	-	106,148	106,148	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2024, as reclassified	2,009	2,009	-	106,148	106,148	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2025	\$ (343,218)	\$ 1,720	\$ 344,938	\$ (662,080)	\$ 69,754	\$ 731,834

State Employees' Retirement System			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 7,456	\$ 7,456	\$ -	\$ 7,456	\$ 7,456	\$ -
			6,478	6,478	-	6,478	6,478	-
			109,444	109,444	-	109,444	109,444	-
			268,287	171,784	(96,503)	378,550	257,599	(120,951)
\$ 3,583,087	\$ 3,587,589	\$ 4,502	548,517	618,724	70,207	5,536,109	6,656,229	1,120,120
			312	22	(290)	312	22	(290)
3,583,087	3,587,589	4,502	939,870	913,864	(26,006)	6,037,725	7,037,184	999,459
			610,441	293,879	(316,562)	833,884	462,673	(371,211)
			23,359	8,318	(15,041)	23,359	8,318	(15,041)
1	1	-	155,416	119,598	(35,818)	157,032	120,883	(36,149)
			22,935	4,623	(18,312)	22,935	4,623	(18,312)
			717,015	87,777	(629,238)	717,015	87,777	(629,238)
			73,035	17,645	(55,390)	73,035	17,645	(55,390)
			2,683	2,601	(82)	3,727	2,816	(911)
1	1	-	1,604,884	534,441	(1,070,443)	1,830,987	704,735	(1,126,252)
3,583,086	3,587,588	4,502	(665,014)	379,423	1,044,437	4,206,738	6,332,449	2,125,711
			88,318	88,318	-	88,318	88,318	-
(218)	(218)	-	(12,381)	(12,381)	-	(759,864)	(759,864)	-
(218)	(218)	-	75,937	75,937	-	(671,546)	(671,546)	-
(3,576,436)	(3,576,436)	-	(323,448)	(323,448)	-	(5,554,740)	(5,554,740)	-
6,432	10,934	4,502	(912,525)	131,912	1,044,437	(2,019,548)	106,163	2,125,711
278,270	278,270	-	580,827	580,827	-	967,254	967,254	-
			274,528	274,528	-	274,528	274,528	-
278,270	278,270	-	855,355	855,355	-	1,241,782	1,241,782	-
\$ 284,702	\$ 289,204	\$ 4,502	\$ (57,170)	\$ 987,267	\$ 1,044,437	\$ (777,766)	\$ 1,347,945	\$ 2,125,711

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Statistical Section

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STATISTICAL SECTION

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

State of Illinois

Net Position by Component

Last Ten Fiscal Year Ends

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2025	2024	2023	2022	2021
Governmental Activities					
Net investment in capital assets	\$ 18,980,091	\$ 18,419,225	\$ 17,690,604	\$ 16,758,303	\$ 16,014,180
Restricted	7,410,521	8,609,767	7,445,919	6,291,209	4,753,216
Unrestricted	(175,163,838)	(186,284,449)	(195,340,104)	(207,860,890)	(220,013,529)
Total governmental activities net position	<u>(148,773,226)</u>	<u>(159,255,457)</u>	<u>(170,203,581)</u>	<u>(184,811,378)</u>	<u>(199,246,133)</u>
Business-type Activities					
Net investment in capital assets	4,743	2,998	669	3,420	2,731
Restricted	7,033,308	6,409,837	5,983,816	3,871,140	4,086,779
Unrestricted	(304,888)	(7,051)	(82,619)	(227,124)	(3,748,627)
Total business-type activities net position	<u>6,733,163</u>	<u>6,405,784</u>	<u>5,901,866</u>	<u>3,647,436</u>	<u>340,883</u>
Primary Government					
Net investment in capital assets	18,984,834	18,422,223	17,691,273	16,761,723	16,016,911
Restricted	14,443,829	15,019,604	13,429,735	10,162,349	8,839,995
Unrestricted	(175,468,726)	(186,291,500)	(195,422,723)	(208,088,014)	(223,762,156)
Total primary government net position	<u>\$ (142,040,063)</u>	<u>\$ (152,849,673)</u>	<u>\$ (164,301,715)</u>	<u>\$ (181,163,942)</u>	<u>\$ (198,905,250)</u>

The deficit balance of net position increased significantly in 2018 due to the implementation of GASB Statement No. 75.

Schedule 1

Ended June 30,				
2020	2019	2018	2017	2016
\$ 16,024,087	\$ 16,161,889	\$ 16,205,052	\$ 15,992,970	\$ 15,583,035
4,633,662	4,304,948	4,658,844	3,585,489	3,436,636
(218,410,590)	(213,546,660)	(209,932,970)	(161,239,415)	(150,588,893)
<u>(197,752,841)</u>	<u>(193,079,823)</u>	<u>(189,069,074)</u>	<u>(141,660,956)</u>	<u>(131,569,222)</u>
2,907	3,210	3,651	4,205	4,803
4,326,417	6,384,660	5,705,891	5,450,934	5,371,256
(955,969)	(999,847)	(654,207)	(381,994)	(533,887)
<u>3,373,355</u>	<u>5,388,023</u>	<u>5,055,335</u>	<u>5,073,145</u>	<u>4,842,172</u>
16,026,994	16,165,099	16,208,703	15,997,175	15,587,838
8,960,079	10,689,608	10,364,735	9,036,423	8,807,892
(219,366,559)	(214,546,507)	(210,587,177)	(161,621,409)	(151,122,780)
<u>\$ (194,379,486)</u>	<u>\$ (187,691,800)</u>	<u>\$ (184,013,739)</u>	<u>\$ (136,587,811)</u>	<u>\$ (126,727,050)</u>

State of Illinois

Fund Balances, Governmental Funds

Last Ten Fiscal Year Ends

(Modified Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2025	2024	2023	2022	2021
General fund (per GASB 54)					
Nonspendable	\$ 65,150	\$ 83,423	\$ 78,483	\$ 257,460	\$ 246,418
Restricted	101,330	163,921	246,480	379,213	34,941
Committed	8,460,171	6,769,368	4,926,744	4,049,290	3,962,683
Unassigned	<u>(2,790,917)</u>	<u>(2,792,772)</u>	<u>(2,742,588)</u>	<u>(3,206,168)</u>	<u>(7,300,760)</u>
Total general fund	<u>5,835,734</u>	<u>4,223,940</u>	<u>2,509,119</u>	<u>1,479,795</u>	<u>(3,056,718)</u>
All other governmental funds (per GASB 54)					
Nonspendable	173,919	203,360	200,557	168,240	177,116
Restricted	6,590,253	7,657,967	6,115,554	5,346,600	4,394,120
Committed	11,392,684	10,201,828	8,551,341	7,429,741	5,001,273
Assigned	-	-	135,684	606	-
Unassigned	<u>(698,121)</u>	<u>(669,347)</u>	<u>(305,039)</u>	<u>(597,394)</u>	<u>(667,422)</u>
Total all other governmental funds	<u>17,458,735</u>	<u>17,393,808</u>	<u>14,698,097</u>	<u>12,347,793</u>	<u>8,905,087</u>
Total governmental funds	<u>\$ 23,294,469</u>	<u>\$ 21,617,748</u>	<u>\$ 17,207,216</u>	<u>\$ 13,827,588</u>	<u>\$ 5,848,369</u>

Schedule 2

Ended June 30,				
2020	2019	2018	2017	2016
\$ 130,364	\$ 23,221	\$ 27,948	\$ 26,718	\$ 28,074
38,958	69,038	89,798	52,233	79,294
2,992,426	2,537,792	1,923,096	1,946,730	1,139,048
<u>(9,585,958)</u>	<u>(10,146,648)</u>	<u>(9,804,135)</u>	<u>(16,637,294)</u>	<u>(10,837,635)</u>
<u>(6,424,210)</u>	<u>(7,516,597)</u>	<u>(7,763,293)</u>	<u>(14,611,613)</u>	<u>(9,591,219)</u>
172,455	161,091	149,962	134,400	121,976
4,330,132	3,989,269	4,316,394	3,160,928	3,570,351
3,829,565	3,369,048	3,432,121	3,753,708	2,958,892
2,170	-	-	1,658	9,835
<u>(659,161)</u>	<u>(743,877)</u>	<u>(867,408)</u>	<u>(1,159,331)</u>	<u>(1,370,410)</u>
<u>7,675,161</u>	<u>6,775,531</u>	<u>7,031,069</u>	<u>5,891,363</u>	<u>5,290,644</u>
<u>\$ 1,250,951</u>	<u>\$ (741,066)</u>	<u>\$ (732,224)</u>	<u>\$ (8,720,250)</u>	<u>\$ (4,300,575)</u>

State of Illinois

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2025	2024	2023	2022	2021
Governmental Activities:					
Expenses					
Health and social services	\$ 52,958,979	\$ 50,520,055	\$ 49,021,843	\$ 44,595,896	\$ 42,468,748
Education	24,377,913	24,153,476	22,624,293	24,543,250	28,503,120
General government	4,210,446	4,070,010	4,077,921	3,804,935	3,712,603
Employment and economic development	2,107,058	1,876,159	2,037,504	2,343,176	2,156,871
Transportation	6,026,138	5,937,242	4,253,896	4,505,250	5,800,134
Public protection and justice	3,470,711	2,854,957	2,284,157	3,386,451	4,222,784
Environment and business regulation	1,226,239	1,269,493	956,479	1,090,662	1,183,335
Intergovernmental-revenue sharing	9,261,069	10,046,259	11,546,959	11,107,543	7,967,694
Interest	1,344,955	1,349,476	1,327,293	1,418,600	1,500,226
Total governmental activities expenses	104,983,508	102,077,127	98,130,345	96,795,763	97,515,515
Program revenues					
Charges for services:					
Health and social services	496,726	781,858	1,284,092	304,980	246,222
Education	10,793	11,369	10,650	9,705	7,867
General government	3,156,446	3,197,760	2,964,791	2,952,861	2,899,651
Employment and economic development	63,200	57,255	47,926	24,572	27,262
Transportation	160,841	72,964	111,062	93,983	27,288
Public protection and justice	200,668	188,475	195,552	148,076	164,868
Environment and business regulation	496,521	503,820	400,273	491,441	562,997
Operating grants and contributions	36,832,971	37,361,763	37,177,785	37,500,295	35,223,708
Capital grants and contributions	2,511,417	2,289,439	2,062,948	1,675,637	1,843,946
Total governmental activities program revenues	43,929,583	44,464,703	44,255,079	43,201,550	41,003,809
Total governmental activities net program expense	(61,053,925)	(57,612,424)	(53,875,266)	(53,594,213)	(56,511,706)
General revenues and other changes in net position					
Taxes					
Income taxes	37,570,318	35,912,772	36,865,248	36,575,223	28,302,904
Sales taxes	16,364,457	16,166,141	15,810,832	15,284,938	13,657,777
Motor fuel taxes	2,908,264	2,795,206	2,539,429	2,486,017	2,361,884
Public utility taxes	1,470,498	1,431,602	1,483,768	1,421,425	1,359,622
Riverboat taxes	461,661	405,339	380,121	345,808	200,378
Medical providers assessment taxes	4,219,584	3,929,594	3,682,957	3,113,765	3,167,711
Other taxes	4,852,482	4,563,028	4,261,170	4,425,343	3,719,046
Operating grants and contributions	43,980	88,458	2,922,776	5,531,275	-
Interest and investment income	1,637,902	1,420,677	714,271	(218,259)	63,846
Other revenues	1,545,694	944,142	1,073,556	1,367,393	1,256,047
Transfers	760,067	903,589	(485,958)	(2,397,653)	718,842
Total general revenues and other changes in net position	71,834,907	68,560,548	69,248,170	67,935,275	54,808,057
Total governmental activities change in net position	10,780,982	10,948,124	15,372,904	14,341,062	(1,703,649)

Revenue from income taxes decreased significantly beginning in 2016 as the individual income tax rate dropped from 5.00% to 3.75% and the corporate income tax rate dropped from 7.00% to 5.25%.

Revenue from income taxes increased significantly beginning in 2018 as the State legislatures voted to raise the individual income tax rate from 3.75% to 4.95% and the corporate income tax rate from 5.25% to 7.00%.

Revenue from income taxes increased significantly in 2022 as income tax revenue is especially susceptible to changes in the economy and thus, can fluctuate year over year.

Revenue from operating grants and contributions increased significantly in 2020 through 2024 due to the receipt of Federal CARES Act Funds.

Schedule 3

Ended June 30,				
2020	2019	2018	2017	2016
\$ 34,058,246	\$ 31,068,488	\$ 29,207,200	\$ 30,271,727	\$ 28,910,642
28,454,084	24,238,730	25,359,053	22,330,561	19,277,492
3,425,080	3,202,284	2,892,134	2,907,779	2,826,077
843,447	906,153	756,026	962,010	834,844
5,110,682	4,496,926	4,625,352	5,282,459	4,702,430
4,523,648	4,281,070	4,416,348	4,522,776	3,931,125
772,169	1,000,741	778,045	927,409	801,393
6,823,515	6,357,667	5,917,915	6,145,598	5,905,841
1,564,664	1,771,247	1,986,119	1,872,321	1,761,607
<u>85,575,535</u>	<u>77,323,306</u>	<u>75,938,192</u>	<u>75,222,640</u>	<u>68,951,451</u>
459,695	152,953	144,921	515,062	332,674
8,283	10,391	10,726	10,599	10,156
2,412,267	2,272,405	2,233,439	2,243,389	2,150,695
31,088	24,584	17,959	31,282	76,595
44,513	54,189	52,404	110,920	53,133
141,387	151,038	147,209	148,115	154,511
453,856	421,971	460,043	431,116	437,622
26,120,240	21,612,198	21,347,390	23,176,771	20,956,206
1,628,823	1,272,045	1,302,747	1,503,916	1,531,259
<u>31,300,152</u>	<u>25,971,774</u>	<u>25,716,838</u>	<u>28,171,170</u>	<u>25,702,851</u>
<u>(54,275,383)</u>	<u>(51,351,532)</u>	<u>(50,221,354)</u>	<u>(47,051,470)</u>	<u>(43,248,600)</u>
25,379,740	24,923,946	22,431,277	16,427,074	16,897,452
12,102,446	12,242,861	11,850,090	11,332,134	11,165,310
2,343,071	1,317,925	1,323,577	1,303,773	1,322,372
1,385,989	1,470,176	1,443,513	1,439,332	1,427,368
329,163	453,985	469,363	475,299	485,024
2,930,665	1,720,775	1,562,007	1,565,845	1,376,128
2,892,250	3,047,878	2,967,862	2,803,658	2,742,805
-	-	-	-	-
243,579	396,133	123,627	96,389	72,294
1,277,786	990,304	880,645	759,553	762,820
717,676	776,800	749,264	756,679	734,982
<u>49,602,365</u>	<u>47,340,783</u>	<u>43,801,225</u>	<u>36,959,736</u>	<u>36,986,555</u>
<u>(4,673,018)</u>	<u>(4,010,749)</u>	<u>(6,420,129)</u>	<u>(10,091,734)</u>	<u>(6,262,045)</u>

State of Illinois

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting, Amounts in Thousands)

(continued)

	For the Fiscal Year				
	2025	2024	2023	2022	2021
Business-Type Activities:					
Expenses					
Unemployment compensation trust	2,196,931	2,240,958	1,028,686	5,233,847	24,015,851
Water revolving	164,122	157,412	109,620	119,705	119,705
Lottery	2,973,060	2,977,774	2,740,677	2,580,344	2,687,677
Other	112,225	159,741	109,075	161,964	147,089
Total business-type activities expenses	5,446,338	5,535,885	3,988,058	8,095,860	26,970,322
Program revenues					
Charges for services:					
Unemployment compensation trust	2,163,234	2,350,604	1,629,442	1,829,342	2,404,472
Water revolving	83,229	81,937	99,993	82,181	83,506
Lottery	3,762,531	3,861,052	3,614,761	3,401,169	3,454,549
Other	134,886	158,824	154,201	57,565	201,893
Operating grants and contributions	294,816	413,558	237,909	3,164,356	18,480,607
Total business-type activities program revenues	6,438,696	6,865,975	5,736,306	8,534,613	24,625,027
Total business-type activities net program revenue (expense)	992,358	1,330,090	1,748,248	438,753	(2,345,295)
General revenues and other changes in net position					
Interest and investment income	97,416	77,417	20,224	(23,469)	(3,748)
Transfers	(760,067)	(903,589)	485,958	2,397,653	(718,842)
Total business-type activities general revenues and other changes in net position	(662,651)	(826,172)	506,182	2,374,184	(722,590)
Total business-type activities change in net position	329,707	503,918	2,254,430	2,812,937	(3,067,885)
Total primary government change in net position	\$ 11,110,689	\$ 11,452,042	\$ 17,627,334	\$ 17,153,999	\$ (4,771,534)

Program revenues and expenses increased significantly in 2020 and 2021 as a result of a significant increase in unemployment compensation claims due to the COVID-19 pandemic.

Schedule 3

Ended June 30,				
2020	2019	2018	2017	2016
9,830,805	1,656,403	1,727,817	1,846,247	1,904,271
109,407	69,517	63,234	46,947	39,200
2,159,808	2,238,331	2,280,857	2,129,455	2,150,110
193,872	246,690	304,390	411,972	308,924
<u>12,293,892</u>	<u>4,210,941</u>	<u>4,376,298</u>	<u>4,434,621</u>	<u>4,402,505</u>
1,570,873	1,776,554	1,899,802	1,987,231	2,206,079
80,934	77,487	70,908	61,059	51,881
2,848,534	2,981,315	2,932,921	2,850,445	2,862,056
135,140	172,448	194,638	234,936	214,656
<u>6,281,734</u>	<u>237,338</u>	<u>181,675</u>	<u>262,654</u>	<u>238,119</u>
<u>10,917,215</u>	<u>5,245,142</u>	<u>5,279,944</u>	<u>5,396,325</u>	<u>5,572,791</u>
<u>(1,376,677)</u>	<u>1,034,201</u>	<u>903,646</u>	<u>961,704</u>	<u>1,170,286</u>
79,685	75,287	37,092	25,948	64,737
<u>(717,676)</u>	<u>(776,800)</u>	<u>(749,264)</u>	<u>(756,679)</u>	<u>(734,982)</u>
<u>(637,991)</u>	<u>(701,513)</u>	<u>(712,172)</u>	<u>(730,731)</u>	<u>(670,245)</u>
<u>(2,014,668)</u>	<u>332,688</u>	<u>191,474</u>	<u>230,973</u>	<u>500,041</u>
<u>\$ (6,687,686)</u>	<u>\$ (3,678,061)</u>	<u>\$ (6,228,655)</u>	<u>\$ (9,860,761)</u>	<u>\$ (5,762,004)</u>

State of Illinois

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2025	2024	2023	2022	2021
Revenues					
Income taxes	\$ 37,502,354	\$ 35,875,388	\$ 36,860,284	\$ 36,490,827	\$ 28,246,002
Sales taxes	16,363,700	16,165,181	15,810,832	15,284,938	13,657,777
Motor fuel taxes	2,908,264	2,795,206	2,539,455	2,485,991	2,362,025
Public utility taxes	1,470,493	1,431,612	1,483,771	1,441,919	1,366,383
Riverboat taxes	461,661	405,339	380,121	345,808	200,378
Medical providers assessment taxes	4,120,515	3,815,003	3,621,665	3,093,737	3,114,957
Other taxes	4,840,949	4,456,662	4,325,647	4,292,789	3,605,736
Federal government	38,036,690	38,933,592	40,710,575	42,646,779	36,397,836
Licenses and fees	3,767,002	3,830,258	3,508,260	3,519,015	3,555,383
Interest and other investment income	1,622,973	1,396,972	701,999	(217,041)	62,897
Other revenues	3,611,846	3,054,172	2,931,587	3,050,992	2,363,123
Total revenues	<u>114,706,447</u>	<u>112,159,385</u>	<u>112,874,196</u>	<u>112,435,754</u>	<u>94,932,497</u>
Expenditures					
Health and social services	53,219,907	50,943,504	50,047,824	44,722,134	42,028,459
Education	27,700,071	27,763,280	26,628,918	25,597,267	22,887,502
General government	4,290,109	3,809,549	4,410,846	4,125,625	3,547,229
Employment and economic development	2,178,316	1,873,497	2,126,795	2,184,667	2,185,550
Transportation	4,791,014	4,766,016	3,527,503	3,461,323	4,427,391
Public protection and justice	4,515,208	4,134,700	3,220,377	4,139,955	3,992,352
Environment and business regulation	1,339,465	1,384,322	1,136,575	1,108,590	1,063,178
Debt service:					
Principal	2,640,536	2,848,638	2,401,672	3,269,186	3,060,899
Interest	1,481,910	1,503,255	1,473,679	1,556,339	1,595,861
Capital outlay	3,770,078	3,069,993	3,727,126	2,552,719	2,358,196
Intergovernmental	9,261,069	10,046,259	11,546,959	11,107,543	7,967,694
Total expenditures	<u>115,187,683</u>	<u>112,143,013</u>	<u>110,248,274</u>	<u>103,825,348</u>	<u>95,114,311</u>
Deficiency of revenues (under) expenditures	<u>(481,236)</u>	<u>16,372</u>	<u>2,625,922</u>	<u>8,610,406</u>	<u>(181,814)</u>
Other Financing Sources (Uses)					
General and special obligation and revenue bonds issued	1,325,000	3,275,000	2,050,000	1,675,000	1,850,000
Premiums on general and special obligation and revenue bonds issued	80,905	260,307	88,311	137,798	198,114
Discounts on general obligation bonds issued	(881)	(257)	(1,497)	-	(8,629)
General and special obligation and revenue refunding bonds issued	1,087,800	-	1,161,210	856,120	257,960
Premiums on general and special obligation and revenue refunding bonds issued	106,031	-	82,411	58,989	16,959
General obligation notes issued	-	-	-	-	2,000,000
Transfers-in	8,911,951	8,687,182	8,213,576	9,413,807	7,449,680
Transfers-out	(8,352,336)	(7,881,427)	(8,771,420)	(11,886,960)	(6,831,141)
Payment to refunded bond escrow agent	(1,189,869)	-	(1,239,054)	(929,624)	(273,987)
Financing of leases, subscription-based information technology arrangements, and financed purchases	240,448	46,351	86,801	34,254	7,520
Total other financing sources (uses)	<u>2,209,049</u>	<u>4,387,156</u>	<u>1,670,338</u>	<u>(640,616)</u>	<u>4,666,476</u>
Net change in fund balances	<u>\$ 1,727,813</u>	<u>\$ 4,403,528</u>	<u>\$ 4,296,260</u>	<u>\$ 7,969,790</u>	<u>\$ 4,484,662</u>
Debt service as a percentage of noncapital expenditures	<u>3.70%</u>	<u>3.99%</u>	<u>3.64%</u>	<u>4.76%</u>	<u>5.02%</u>

Revenue from income taxes decreased significantly beginning in 2016 as the individual income tax rate dropped from 5.00% to 3.75% and the corporate income tax rate dropped from 7.00% to 5.25%.

Revenue from income taxes increased significantly beginning in 2018 as the State legislatures voted to raise the individual income tax rate from 3.75% to 4.95% and the corporate income tax rate from 5.25% to 7.00%.

Revenue from income taxes increased significantly in 2022 as income tax revenue is especially susceptible to changes in the economy and thus, can fluctuate year over year.

Revenue from the federal government increased significantly in 2020 through 2024 due to the receipt of Federal CARES Act Funds.

Schedule 4

Ended June 30,				
2020	2019	2018	2017	2016
\$ 25,372,708	\$ 25,006,384	\$ 22,386,421	\$ 16,428,810	\$ 16,907,923
12,102,446	12,244,809	11,850,683	11,354,547	11,162,605
2,343,101	1,318,993	1,322,392	1,304,523	1,322,727
1,392,449	1,478,828	1,414,502	1,443,797	1,431,179
329,163	453,985	469,363	475,299	485,024
2,956,445	1,694,988	1,586,240	1,545,511	1,375,891
2,991,645	3,076,520	2,911,995	2,790,400	2,782,600
26,362,599	21,372,784	23,314,354	21,921,955	21,763,831
2,984,000	2,788,424	2,767,206	2,809,879	2,737,014
240,217	390,624	118,206	93,372	70,194
3,004,121	2,484,373	2,093,230	2,623,837	2,216,198
<u>80,078,894</u>	<u>72,310,712</u>	<u>70,234,592</u>	<u>62,791,930</u>	<u>62,255,186</u>
34,309,200	29,970,452	28,835,515	29,299,969	28,274,261
21,619,742	20,059,454	20,176,344	16,929,930	16,361,980
2,994,165	2,909,113	2,531,734	2,351,867	2,479,319
901,340	855,666	770,706	882,272	762,998
3,626,310	3,385,476	3,158,258	3,812,951	3,341,966
4,127,599	3,376,858	3,374,279	3,199,854	3,070,350
825,453	848,982	753,444	761,369	739,662
2,011,542	2,884,108	2,337,107	2,322,844	1,999,951
1,569,297	1,681,940	1,612,438	1,523,395	1,576,845
1,721,339	1,344,935	1,365,606	1,504,609	1,867,445
6,823,515	6,357,667	5,917,915	6,145,598	5,905,841
<u>80,529,502</u>	<u>73,674,651</u>	<u>70,833,346</u>	<u>68,734,658</u>	<u>66,380,618</u>
<u>(450,608)</u>	<u>(1,363,939)</u>	<u>(598,754)</u>	<u>(5,942,728)</u>	<u>(4,125,432)</u>
1,550,000	550,000	7,250,000	690,035	1,030,000
64,759	12,206	559,670	54,443	60,939
(12,599)	(418)	-	-	-
-	1,106,050	670,965	1,641,900	-
-	67,449	90,805	152,800	-
-	-	-	-	-
6,317,766	6,770,458	7,000,154	6,100,888	6,011,305
(5,600,890)	(5,994,458)	(6,251,374)	(5,344,060)	(5,273,483)
-	(1,168,591)	(756,954)	(1,782,885)	-
3,894	5,857	9,283	1,757	3,181
<u>2,322,930</u>	<u>1,348,553</u>	<u>8,572,549</u>	<u>1,514,878</u>	<u>1,831,942</u>
<u>\$ 1,872,322</u>	<u>\$ (15,386)</u>	<u>\$ 7,973,795</u>	<u>\$ (4,427,850)</u>	<u>\$ (2,293,490)</u>
<u>4.54%</u>	<u>6.31%</u>	<u>5.69%</u>	<u>5.72%</u>	<u>5.54%</u>

State of Illinois

Personal Income by Industry

Last Ten Calendar Years

(Amounts in Thousands)

	For the Calendar Year				
	2024	2023	2022	2021	2020
Farm earnings	\$ 4,444,246	\$ 6,587,598	\$ 8,853,964	\$ 7,758,450	\$ 4,128,751
Agricultural/forestry, fishing, and other	898,675	886,981	688,014	617,954	583,776
Mining	1,478,616	1,458,152	1,331,193	992,207	939,745
Construction/utilities	39,588,202	37,541,731	35,676,091	33,467,057	31,554,136
Manufacturing	68,381,350	66,313,171	67,459,649	58,595,265	57,005,592
Transportation and public utilities	34,900,308	33,175,173	33,049,813	29,579,176	26,737,188
Wholesale trade	41,732,922	40,847,756	38,854,902	34,953,322	33,247,540
Retail trade	33,092,952	32,740,624	31,211,240	29,789,967	27,349,789
Finance, insurance, and real estate	59,561,293	57,263,180	55,203,684	66,072,250	62,202,274
Services	292,742,297	277,988,028	263,375,157	246,104,154	224,042,199
Federal, civilian	11,718,758	11,114,609	10,330,971	9,895,913	9,622,825
Military	3,979,882	3,490,454	3,428,804	3,658,929	3,321,996
State and local government	73,878,401	68,859,916	65,247,970	63,744,220	61,435,186
Other	280,784,892	268,958,374	244,132,940	264,014,189	245,982,291
Total personal income	\$ 947,182,794	\$ 907,225,747	\$ 858,844,392	\$ 849,243,053	\$ 788,153,288
Tax liability	\$ 22,472,537	\$ 20,918,729	\$ 20,473,890	\$ 20,861,604	\$ 17,840,098
Average effective rate	2.37%	2.31%	2.38%	2.46%	2.26%

Note: The total direct rate for personal income is not available.

Average effective rate equals tax collections divided by income.

Source: U.S. Bureau of Economic Analysis

Schedule 5

Ended December 31,				
2019	2018	2017	2016	2015
\$ 2,151,208	\$ 3,107,168	\$ 2,310,305	\$ 2,698,961	\$ 278,111
472,205	434,786	450,566	460,654	460,004
1,247,097	1,196,601	1,022,992	844,067	1,043,414
31,531,795	29,952,120	29,734,887	28,173,738	28,143,021
57,668,259	56,861,915	54,044,780	52,335,057	53,172,370
27,509,345	25,628,517	23,000,688	22,463,663	23,501,796
32,623,808	32,048,229	31,590,255	30,375,873	30,472,389
26,530,421	25,585,308	24,733,640	24,537,249	24,863,210
61,176,117	58,478,839	54,666,529	54,004,990	52,146,866
227,734,340	220,863,139	212,603,409	206,244,403	201,823,671
9,131,800	9,140,851	8,840,189	8,688,804	8,602,460
3,026,600	2,848,476	2,965,016	2,736,799	2,336,641
60,507,841	59,249,515	57,980,681	57,462,135	58,514,598
200,593,909	197,291,110	188,951,940	182,664,558	180,131,538
<u>\$ 741,904,745</u>	<u>\$ 722,686,574</u>	<u>\$ 692,895,877</u>	<u>\$ 673,690,951</u>	<u>\$ 665,490,089</u>
<u>\$ 17,306,764</u>	<u>\$ 17,163,176</u>	<u>\$ 14,232,641</u>	<u>\$ 11,531,400</u>	<u>\$ 11,758,489</u>
<u>2.33%</u>	<u>2.37%</u>	<u>2.05%</u>	<u>1.71%</u>	<u>1.77%</u>

State of Illinois**Taxable Sales by Industry
Last Ten Fiscal Years
(Amounts in Thousands)**

	For the Fiscal Year				
	2025	2024	2023	2022	2021
General merchandise	\$ 26,499,807	\$ 26,426,464	\$ 25,039,615	\$ 24,681,946	\$ 23,318,798
Food	28,773,786	28,676,485	26,997,652	26,289,432	24,643,222
Drinking and eating places	32,143,306	31,230,848	29,987,568	27,115,675	21,274,093
Apparel	10,116,491	10,153,988	9,950,934	9,997,903	8,765,722
Furniture, household, and radio	11,596,729	12,638,584	13,664,773	13,198,903	12,206,749
Lumber, building, and hardware	13,945,077	14,025,541	14,525,427	14,146,637	13,799,122
Automotive and filling stations	53,252,951	53,630,172	52,656,672	51,782,998	48,897,370
Drugs and other retail	70,741,768	67,688,542	64,597,416	62,243,782	56,461,413
Agriculture and extractives	50,194,529	47,731,752	46,670,973	43,836,162	38,119,885
Manufacturing	9,090,909	9,702,691	10,309,677	9,176,721	8,091,754
Total	\$ 306,355,353	\$ 301,905,067	\$ 294,400,707	\$ 282,470,159	\$ 255,578,128
Direct sales tax rate:					
Qualifying food, drugs, and medical appliances	1.00%	1.00%	1.00%	1.00%	1.00%
General merchandise	6.25%	6.25%	6.25%	6.25%	6.25%

Source: Department of Revenue

Ended June 30,									
2020		2019		2018		2017		2016	
\$	22,677,715	\$	22,718,473	\$	22,784,722	\$	21,555,470	\$	18,840,242
	24,291,922		23,013,962		22,436,327		21,355,215		22,385,459
	22,865,211		25,957,118		25,000,446		24,041,077		21,770,507
	7,411,912		8,374,492		8,075,480		7,966,678		7,130,282
	10,500,398		10,412,402		10,557,835		10,294,696		9,681,795
	11,867,005		10,903,988		10,707,149		10,026,817		9,415,743
	41,687,382		43,765,261		43,036,870		40,559,261		39,773,435
	45,487,346		40,199,756		37,771,600		36,526,231		30,733,251
	34,488,828		33,571,231		30,754,927		28,195,889		25,603,217
	6,904,828		7,141,907		6,515,236		6,238,983		5,693,816
\$	<u>228,182,547</u>	\$	<u>226,058,590</u>	\$	<u>217,640,592</u>	\$	<u>206,760,317</u>	\$	<u>191,027,747</u>

1.00%	1.00%	1.00%	1.00%	1.00%
6.25%	6.25%	6.25%	6.25%	6.25%

Personal Income Tax Filers and Liability by Income Level
Calendar Years 2024 and 2015
(Amounts in Thousands)

For the Calendar Year Ended December 31, 2024

Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
\$500,001 and higher	103,733	1.85%	\$ 5,889,382	26.21%
\$100,001 - \$500,000	1,560,701	27.86%	10,695,838	47.60%
\$50,001 - \$100,000	1,446,228	25.82%	3,770,933	16.78%
\$25,001 - \$50,000	1,186,297	21.18%	1,623,457	7.22%
\$25,000 and less	1,305,215	23.29%	492,926	2.19%
Total	5,602,174	100.00%	\$ 22,472,537	100.00%

For the Calendar Year Ended December 31, 2015

Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
\$500,001 and higher	52,131	0.92%	\$ 2,316,236	19.70%
\$100,001 - \$500,000	1,026,516	18.14%	5,091,356	43.29%
\$50,001 - \$100,000	1,325,436	23.42%	2,545,294	21.65%
\$25,001 - \$50,000	1,267,861	22.40%	1,247,080	10.61%
\$25,000 and less	1,988,306	35.12%	558,523	4.75%
Total	5,660,250	100.00%	\$ 11,758,489	100.00%

Note: Generally, the tax liability for a filer (an individual or married couple) is calculated by taking the filer's federal adjusted gross income and subtracting the number of exemptions and multiplying the result by the State's income tax rate. The State exemption amount was \$2,150 for calendar year 2015 and \$2,775 for calendar year 2024. An exemption is allowed on a return for each filer and dependent. Additional exemptions are allowed for each filer who is 65 or older and for each filer who is legally blind.

Source: Department of Revenue

Sales Tax Revenue Payers by Industry
Fiscal Years 2025 and 2016
(Amounts in Thousands)

	For the Fiscal Year Ended June 30, 2025			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	3,731	0.32%	\$ 1,677,925	7.80%
Food	6,439	0.55%	1,267,369	5.89%
Drinking and eating places	30,785	2.61%	2,887,385	13.42%
Apparel	14,389	1.22%	875,782	4.07%
Furniture, household, and radio	10,555	0.90%	992,428	4.61%
Lumber, building, and hardware	11,793	1.00%	1,236,183	5.75%
Automotive and filling stations	929,936	78.97%	3,756,319	17.46%
Drugs and other retail	77,667	6.59%	4,468,529	20.77%
Agriculture and extractives	74,569	6.33%	3,618,419	16.82%
Manufacturing	17,825	1.51%	733,531	3.41%
Total	1,177,689	100.00%	\$ 21,513,870	100.00%

	For the Fiscal Year Ended June 30, 2016			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	1,970	0.34%	\$ 1,201,956	9.14%
Food	6,712	1.15%	976,776	7.43%
Drinking and eating places	26,773	4.59%	1,856,322	14.11%
Apparel	7,905	1.35%	596,645	4.54%
Furniture, household, and radio	11,917	2.04%	776,443	5.90%
Lumber, building, and hardware	11,738	2.01%	796,814	6.06%
Automotive and filling stations	384,301	65.82%	2,808,007	21.34%
Drugs and other retail	52,139	8.93%	1,719,203	13.07%
Agriculture and extractives	66,845	11.45%	1,940,376	14.75%
Manufacturing	13,533	2.32%	481,328	3.66%
Total	583,833	100.00%	\$ 13,153,870	100.00%

Note: Due to confidentiality, the names of the ten largest sales tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's sales tax revenue.

Source: Department of Revenue

State of Illinois

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts in Thousands)**

	2025	2024	2023	2022	For the Fiscal 2021
Governmental activities					
General obligation bonds	\$ 26,610,879	\$ 28,416,298	\$ 27,824,994	\$ 27,860,513	\$ 28,485,556
Special obligation bonds	2,965,765	2,411,463	1,939,823	2,145,877	2,011,305
Revenue bonds	-	-	491,910	612,887	731,259
General obligation note payable	-	-	-	-	1,015,255
Notes payable	-	-	-	10,033	20,065
Leases	417,094	477,502	466,407	505,712	11,166
Subscription-based information technology arrangements	284,301	236,855	193,924	-	-
Financed purchases	-	-	155	-	-
Certificates of participation	-	-	-	-	-
Total governmental activities	30,278,039	31,542,118	30,917,213	31,135,022	32,274,606
Business-type activities					
Revenue bonds	13,597	30,482	49,386	77,171	97,060
Leases	4,165	5,036	5,520	843	-
Subscription-based information technology arrangements	1,103	919	1,024	-	-
Total business-type activities	18,865	36,437	55,930	78,014	97,060
Total primary government	\$ 30,296,904	\$ 31,578,555	\$ 30,973,143	\$ 31,213,036	\$ 32,371,666
Total primary government debt as a percentage of personal income	3.20%	3.48%	3.61%	3.68%	4.11%
Total amount of primary government debt per capita	\$ 2.384	\$ 2.498	\$ 2.454	\$ 2.458	\$ 2.529

Notes: Details regarding the State's debt can be found in Notes 9 through 13 and Note 19 of the financial statements.

Schedule 9

Year Ended June 30,				
2020	2019	2018	2017	2016
\$ 28,373,752	\$ 28,598,365	\$ 30,926,818	\$ 25,230,528	\$ 26,795,531
2,198,777	2,427,260	2,409,970	2,658,088	2,650,435
844,113	951,869	1,054,679	1,071,621	1,156,699
-	-	-	-	-
30,097	-	-	-	-
9,854	10,356	9,614	5,862	7,580
-	-	-	-	-
-	1,572	-	-	36
-	2,745	5,335	15,150	24,370
<u>31,456,593</u>	<u>31,992,167</u>	<u>34,406,416</u>	<u>28,981,249</u>	<u>30,634,651</u>
115,253	137,620	161,391	192,133	622,017
17	37	57	9	26
-	-	-	-	-
<u>115,270</u>	<u>137,657</u>	<u>161,448</u>	<u>192,142</u>	<u>622,043</u>
<u>\$ 31,571,863</u>	<u>\$ 32,129,824</u>	<u>\$ 34,567,864</u>	<u>\$ 29,173,391</u>	<u>\$ 31,256,694</u>
<u>4.26%</u>	<u>4.45%</u>	<u>4.99%</u>	<u>4.33%</u>	<u>4.70%</u>
<u>\$ 2.457</u>	<u>\$ 2.493</u>	<u>\$ 2.674</u>	<u>\$ 2.275</u>	<u>\$ 2.431</u>

State of Illinois

Ratios of General Bonded Debt Outstanding and Debt Limitations
Last Ten Fiscal Years
(Amounts in Thousands)

	2025	2024	2023	2022	For the Fiscal 2021
General bonded debt					
General obligation bonds	\$ 26,610,879	\$ 28,416,298	\$ 27,824,994	\$ 27,860,513	\$ 28,485,556
Special obligation bonds	2,965,765	2,411,463	1,939,823	2,145,877	2,011,305
	<u>29,576,644</u>	<u>30,827,761</u>	<u>29,764,817</u>	<u>30,006,390</u>	<u>30,496,861</u>
Less: Amounts restricted for debt service	2,112,765	2,038,939	2,000,712	2,030,010	1,625,235
Net total general bonded debt	<u>\$ 27,463,879</u>	<u>\$ 28,788,822</u>	<u>\$ 27,764,105</u>	<u>\$ 27,976,380</u>	<u>\$ 28,871,626</u>
Total general bonded debt as a percentage of personal income	<u>2.90%</u>	<u>3.17%</u>	<u>3.23%</u>	<u>3.29%</u>	<u>3.66%</u>
Total general bonded debt as a percentage of taxable sales	<u>8.96%</u>	<u>9.54%</u>	<u>9.43%</u>	<u>9.90%</u>	<u>11.30%</u>
Total amount of general obligation debt per capita	<u>\$ 2.161</u>	<u>\$ 2.277</u>	<u>\$ 2.200</u>	<u>\$ 2.203</u>	<u>\$ 2.256</u>
Authorized general bonded debt					
General obligation bonds	\$ 90,308,865	\$ 87,959,865	\$ 87,794,865	\$ 87,794,865	\$ 86,794,865
Special obligation bonds	11,358,681	10,019,681	9,484,681	9,484,681	9,484,681
Total authorized general bonded debt	<u>\$ 101,667,546</u>	<u>\$ 97,979,546</u>	<u>\$ 97,279,546</u>	<u>\$ 97,279,546</u>	<u>\$ 96,279,546</u>
Issued general bonded debt					
General obligation bonds	\$ 78,059,786	\$ 77,459,786	\$ 74,784,786	\$ 71,573,576	\$ 69,535,201
Special obligation bonds	10,623,106	9,898,106	9,298,106	9,298,106	8,805,361
Total issued general bonded debt	<u>\$ 88,682,892</u>	<u>\$ 87,357,892</u>	<u>\$ 84,082,892</u>	<u>\$ 80,871,682</u>	<u>\$ 78,340,562</u>
General bonded debt margin (Authorized but unissued debt)					
General obligation bonds	\$ 20,858,964	\$ 19,767,614	\$ 21,786,274	\$ 24,527,584	\$ 24,926,299
Special obligation bonds	3,882,939	3,268,939	3,333,939	3,333,939	3,683,939
Total general bonded debt margin	<u>\$ 24,741,903</u>	<u>\$ 23,036,553</u>	<u>\$ 25,120,213</u>	<u>\$ 27,861,523</u>	<u>\$ 28,610,238</u>
Issued bonded debt to authorized bonded debt ratio					
General obligation bonds	86.44%	88.06%	85.18%	81.52%	80.11%
Special obligation bonds	93.52%	98.79%	98.03%	98.03%	92.84%
Total issued bonded debt to authorized bonded debt ratio	87.23%	89.16%	86.43%	83.13%	81.37%

Note: Details regarding the State's general obligation bonds can be found in Note 9 of the financial statements.
Details regarding the State's special obligation bonds can be found in Note 10 of the financial statements.

The State's authorized bonded debt limits are established by the General Obligation Bond Act (30 ILCS 330) and the Build Illinois Bond Act (30 ILCS 425).

Schedule 10

Year Ended June 30,

2020	2019	2018	2017	2016
\$ 28,373,752	\$ 28,598,365	\$ 30,926,818	\$ 25,230,528	\$ 26,795,531
2,198,777	2,427,260	2,409,970	2,658,088	2,650,435
30,572,529	31,025,625	33,336,788	27,888,616	29,445,966
1,383,517	1,384,033	1,750,450	1,398,090	1,513,092
<u>\$ 29,189,012</u>	<u>\$ 29,641,592</u>	<u>\$ 31,586,338</u>	<u>\$ 26,490,526</u>	<u>\$ 27,932,874</u>
3.93%	4.10%	4.56%	3.93%	4.20%
12.79%	13.11%	14.51%	12.81%	14.62%
<u>\$ 2,272</u>	<u>\$ 2,300</u>	<u>\$ 2,444</u>	<u>\$ 2,066</u>	<u>\$ 2,172</u>
\$ 86,794,865	\$ 86,794,865	\$ 65,255,951	\$ 58,455,951	\$ 58,455,951
9,684,681	9,684,681	6,446,009	6,446,009	6,446,009
<u>\$ 96,479,546</u>	<u>\$ 96,479,546</u>	<u>\$ 71,701,960</u>	<u>\$ 64,901,960</u>	<u>\$ 64,901,960</u>
\$ 67,427,241	\$ 65,877,241	\$ 64,471,191	\$ 57,221,190	\$ 55,438,046
9,153,362	9,153,362	5,722,228	5,722,228	5,512,193
<u>\$ 76,580,603</u>	<u>\$ 75,030,603</u>	<u>\$ 70,193,419</u>	<u>\$ 62,943,418</u>	<u>\$ 60,950,239</u>
\$ 26,394,514	\$ 27,554,824	\$ 6,990,234	\$ 7,011,954	\$ 8,397,243
3,878,534	3,872,431	877,884	872,215	1,076,761
<u>\$ 30,273,048</u>	<u>\$ 31,427,255</u>	<u>\$ 7,868,118</u>	<u>\$ 7,884,169</u>	<u>\$ 9,474,004</u>
77.69%	75.90%	98.80%	97.89%	94.84%
94.51%	94.51%	88.77%	88.77%	85.51%
79.37%	77.77%	97.90%	96.98%	93.91%

Pledged Revenue Coverage
Last Ten Fiscal Years
(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
PRIMARY GOVERNMENT							
Build Illinois Bond Fund - Pledged revenue of portion of sales tax collections							
2025	\$ 966,847	\$ -	\$ 966,847	\$ 209,575	\$ 98,463	\$ 308,038	3.14
2024	935,256	-	935,256	180,690	86,360	267,050	3.50
2023	906,673	-	906,673	187,885	84,141	272,026	3.33
2022	794,879	-	794,879	199,175	87,835	287,010	2.77
2021	645,204	-	645,204	167,710	90,965	258,675	2.49
2020	621,145	-	621,145	198,570	99,421	297,991	2.08
2019	679,557	-	679,557	214,615	104,185	318,800	2.13
2018	632,465	-	632,465	217,005	105,811	322,816	1.96
2017	627,357	-	627,357	219,410	109,316	328,726	1.91
2016	614,099	-	614,099	234,430	119,231	353,661	1.74
Civic Center Bond Fund - Pledged revenue of portion of sales tax collections (a)							
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2024	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-
2021	-	-	-	5,405	169	5,574	-
2020	19,000	-	19,000	13,935	496	14,431	1.32
2019	19,000	-	19,000	13,630	804	14,434	1.32
2018	19,000	-	19,000	13,340	1,093	14,433	1.32
2017	19,000	-	19,000	13,070	1,365	14,435	1.32
2016	19,000	-	19,000	12,020	1,830	13,850	1.37
Illinois Student Assistance Commission - Pledged revenue of loans receivable repayments							
2025	\$ 11,581	\$ 5,751	\$ 5,830	\$ 17,093	\$ 1,671	\$ 18,764	0.31
2024	13,946	6,065	7,881	19,112	3,127	22,239	0.35
2023	12,677	5,724	6,953	27,993	2,917	30,910	0.22
2022	9,627	1,578	8,049	20,097	1,032	21,129	0.38
2021	10,958	4,425	6,533	18,401	1,532	19,933	0.33
2020	14,615	6,141	8,474	22,576	4,206	26,782	0.32
2019	17,288	7,329	9,959	23,979	5,407	29,386	0.34
2018	17,462	1,604	15,858	30,950	4,361	35,311	0.45
2017	17,822	5,925	11,897	34,836	3,897	38,733	0.31
2016	19,563	9,440	10,123	43,844	1,563	45,407	0.22
Railsplitter Tobacco Settlement Authority - Pledged revenue of tobacco settlement funds (b)							
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2024	249,106	331,516	(82,410)	449,050	51,018	500,068	(0.16)
2023	310,845	168,969	141,876	112,260	28,065	140,325	1.01
2022	539,193	451,050	88,143	109,655	33,548	143,203	0.62
2021	291,959	144,917	147,042	103,900	39,035	142,935	1.03
2020	259,593	123,458	136,135	98,565	44,210	142,775	0.95
2019	259,126	128,086	131,040	93,620	48,925	142,545	0.92
2018	334,538	180,183	154,355	89,040	54,240	143,280	1.08
2017	237,743	95,685	142,058	84,700	64,184	148,884	0.95
2016	280,797	130,634	150,163	80,655	68,028	148,683	1.01

(a) Illinois Compiled Statute 30 ILCS 355/15 was repealed on June 17, 2021.

(b) Railsplitter Tobacco Settlement Authority defeased its outstanding revenue bond during fiscal year 2024.

Pledged Revenue Coverage
Last Ten Fiscal Years
(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
MAJOR COMPONENT UNITS							
Illinois Housing Development Authority - Pledged revenue of loans receivable repayments							
2025	\$ 286,854	\$ 9,060	\$ 277,794	\$ 388,551	\$ 202,604	\$ 591,155	0.47
2024	185,723	19,474	166,249	359,501	129,465	488,966	0.34
2023	110,288	13,796	96,492	145,476	66,766	212,242	0.45
2022	69,079	13,194	55,885	364,541	42,655	407,196	0.14
2021	60,638	10,262	50,376	284,346	38,948	323,294	0.16
2020	114,314	9,766	104,548	151,027	39,216	190,243	0.55
2019	99,347	10,734	88,613	150,127	33,797	183,924	0.48
2018	47,153	8,757	38,396	122,927	29,852	152,779	0.25
2017	56,876	12,452	44,424	256,702	31,839	288,541	0.15
2016	62,512	5,523	56,989	183,750	34,377	218,127	0.26
Illinois State Toll Highway Authority - Pledged revenue of toll fees (c)							
2024	\$ 1,711,002	\$ 423,663	\$ 1,287,339	\$ 155,025	\$ 365,676	\$ 520,701	2.47
2023	1,629,755	417,955	1,211,800	45,925	346,915	392,840	3.08
2022	1,593,815	367,771	1,226,044	145,415	337,803	483,218	2.54
2021	1,478,602	358,782	1,119,820	136,505	318,230	454,735	2.46
2020	1,288,288	380,679	907,609	129,260	290,198	419,458	2.16
2019	1,537,894	394,143	1,143,751	118,780	316,796	435,576	2.63
2018	1,485,997	402,010	1,083,987	113,160	298,597	411,757	2.63
2017	1,427,700	402,691	1,025,009	88,860	297,005	385,865	2.66
2016	1,325,311	393,588	931,723	170,525	286,437	456,962	2.04
2015	1,325,455	350,740	974,715	97,795	246,651	344,446	2.83
Illinois State University - Pledged revenue of usage fees and rental income							
2025	\$ 121,186	\$ 91,317	\$ 29,869	\$ 9,835	\$ 4,209	\$ 14,044	2.13
2024	123,244	90,719	32,525	9,455	4,596	14,051	2.31
2023	104,990	88,510	16,480	9,325	4,716	14,041	1.17
2022	96,995	83,200	13,795	7,740	5,022	12,762	1.08
2021	90,137	78,800	11,337	7,625	5,156	12,781	0.89
2020	92,149	69,824	22,325	6,160	5,074	11,234	1.99
2019	98,209	63,302	34,907	6,015	5,212	11,227	3.11
2018	88,390	66,605	21,785	28,145	3,482	31,627	0.69
2017	85,221	52,329	32,892	4,095	3,404	7,499	4.39
2016	88,044	54,846	33,198	7,195	3,644	10,839	3.06
Northern Illinois University - Pledged revenue of usage fees and rental income							
2025	\$ 71,287	\$ 62,944	\$ 8,343	\$ 5,963	\$ 11,056	\$ 17,019	0.49
2024	66,055	63,757	2,298	5,675	11,431	17,106	0.13
2023	63,270	57,075	6,195	1,340	10,881	12,221	0.51
2022	77,007	57,039	19,968	1,275	9,164	10,439	1.91
2021	50,273	54,031	(3,758)	1,220	6,146	7,366	(0.51)
2020	61,781	57,147	4,634	4,480	12,713	17,193	0.27
2019	66,996	43,232	23,764	4,265	12,926	17,191	1.38
2018	77,925	63,413	14,512	4,065	13,129	17,194	0.84
2017	72,399	47,647	24,752	3,905	13,288	17,193	1.44
2016	78,223	58,971	19,252	3,899	13,295	17,194	1.12

(c) The Illinois State Toll Highway Authority fiscal year is from January 1 to December 31.

Pledged Revenue Coverage

Last Ten Fiscal Years

(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
Southern Illinois University - Pledged revenue of usage fees, rental income, and medical fees							
2025	\$ 95,257	\$ 67,645	\$ 27,612	\$ 16,550	\$ 4,420	\$ 20,970	1.32
2024	91,243	65,019	26,224	16,470	4,887	21,357	1.23
2023	140,433	115,761	24,672	37,410	4,843	42,253	0.58
2022	131,945	101,733	30,212	17,375	4,651	22,026	1.37
2021	120,301	91,103	29,198	76,065	6,924	82,989	0.35
2020	120,545	96,633	23,912	20,110	7,077	27,187	0.88
2019	128,766	98,740	30,026	19,075	7,457	26,532	1.13
2018	134,362	104,105	30,257	22,205	8,049	30,254	1.00
2017	143,911	111,434	32,477	19,595	8,520	28,115	1.16
2016	155,471	116,393	39,078	20,160	8,706	28,866	1.35
University of Illinois - Pledged revenue of usage fees, rental income, and medical fees							
2025	\$ 2,100,250	\$ 1,993,018	\$ 107,232	\$ 47,975	\$ 42,202	\$ 90,177	1.19
2024	1,972,153	1,798,118	174,035	48,745	46,401	95,146	1.83
2023	1,803,187	1,593,981	209,206	51,125	49,560	100,685	2.08
2022	1,842,073	1,658,743	183,330	68,695	53,242	121,937	1.50
2021	1,793,234	1,643,908	149,326	65,070	54,910	119,980	1.24
2020	1,455,903	1,444,830	11,073	61,485	55,424	116,909	0.09
2019	1,463,431	1,356,937	106,494	62,600	53,129	115,729	0.92
2018	1,547,298	1,455,077	92,221	58,710	51,415	110,125	0.84
2017	1,469,247	1,387,068	82,179	57,765	52,558	110,323	0.74
2016	1,334,514	1,231,585	102,929	60,320	51,479	111,799	0.92

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State of Illinois

Demographic and Economic Statistics

Last Ten Calendar Years

(Amounts in Thousands)

	For the Calendar				
	2024	2023	2022	2021	2020
Population*					
State	12,710	12,642	12,622	12,701	12,799
Percentage change	0.54%	0.16%	-0.62%	-0.77%	-0.40%
National	340,111	336,806	334,017	332,100	331,578
Percentage change	0.98%	0.83%	0.58%	0.16%	0.41%
Total Personal Income					
State	\$ 947,182,794	\$ 907,225,747	\$ 858,844,392	\$ 849,243,053	\$ 788,153,288
Percentage change	4.40%	5.63%	1.13%	7.75%	6.23%
National	\$ 24,897,613,000	\$ 23,577,208,000	\$ 22,144,814,000	\$ 21,484,168,000	\$ 19,613,059,000
Percentage change	5.60%	6.47%	3.08%	9.54%	6.92%
Per Capita Personal Income					
State	\$ 74,522	\$ 71,761	\$ 68,044	\$ 66,866	\$ 61,579
Percentage change	3.85%	5.46%	1.76%	8.59%	6.68%
National	\$ 73,204	\$ 70,002	\$ 66,298	\$ 64,691	\$ 59,151
Percentage change	4.57%	5.59%	2.48%	9.37%	6.49%
Labor Force					
State labor force	6,625	6,499	6,451	6,337	6,325
Employed	6,294	6,207	6,154	5,952	5,737
Unemployed	331	292	297	385	587
Unemployment rate	5.00%	4.49%	4.60%	6.08%	9.28%

Source: U.S. Bureau of Economic Analysis and Department of Employment Security

* Population totals for 2019-2022 updated in 2022 due to new methodology used by the U.S. Bureau of Economic Analysis (BEA). BEA produced intercensal annual state population statistics for 2010 to 2019 that are tied to the Census Bureau decennial counts for 2010 and 2020. BEA developed intercensal population statistics because this data was not published when Census released state population data for 2020 through 2023, which are based on the 2020 decennial counts. BEA used the Census Bureau Das Gupta method, modified to account for an extra leap year day, to produce the intercensal population figures that will be used until Census releases its official intercensal population data.

Year Ended,

2019	2018	2017	2016	2015
12,850	12,889	12,925	12,822	12,859
-0.30%	-0.28%	0.80%	-0.29%	-0.19%
330,233	328,542	326,623	323,072	320,635
0.51%	0.59%	1.10%	0.76%	0.73%
\$ 741,904,745	\$ 722,686,574	\$ 692,895,877	\$ 673,690,951	\$ 665,490,089
2.66%	4.30%	2.85%	1.23%	4.43%
\$ 18,343,601,000	\$ 17,514,402,000	\$ 16,837,337,000	\$ 16,092,713,000	\$ 15,717,140,000
4.73%	4.02%	4.63%	2.39%	4.90%
\$ 57,721	\$ 56,072	\$ 53,611	\$ 52,543	\$ 51,753
2.94%	4.59%	2.03%	1.53%	4.67%
\$ 55,547	\$ 53,309	\$ 51,550	\$ 49,812	\$ 49,019
4.20%	3.41%	3.49%	1.62%	4.17%
6,544	6,557	6,562	6,559	6,506
6,284	6,271	6,238	6,173	6,118
260	287	324	386	388
3.97%	4.38%	4.94%	5.89%	5.96%

Principal Employers

Fiscal Years 2025 and 2016

Employer	2025	
	Employees	Percentage of Total State Employment
Albertsons Companies, Inc.	123,309	1.99%
Walgreens Boots Alliance, Inc.	83,668	1.35%
Transform Holdco LLC	78,971	1.27%
State of Illinois	70,332	1.13%
U.S. Government	54,670	0.88%
Chicago School District 299	42,664	0.69%
City of Chicago	36,063	0.58%
University of Illinois	35,635	0.57%
Endeavor Health	35,102	0.57%
Advocate Health	34,157	0.55%
Total	594,571	9.58%

Employer	2016	
	Employees	Percentage of Total State Employment
State of Illinois	62,719	1.02%
Sears Holding Corp	61,559	1.00%
U.S. Government	51,400	0.84%
Wal-Mart	47,185	0.77%
AB Acquisitions LLC	46,220	0.75%
Chicago School Board	37,406	0.61%
Walgreen Co.	30,276	0.49%
City of Chicago	29,525	0.48%
University of Illinois	28,822	0.47%
U.S. Postal Service	28,300	0.46%
Total	423,412	6.89%

Source: Department of Commerce and Economic Opportunity, Dun & Bradstreet, and various employer websites.

Note: Data is as of a point in time. Shifts in employment can occur due to how employer allocates employment between locations and the estimation procedures and source data used by Dun & Bradstreet to compile employment estimates.

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State of Illinois
Employees by Function
Last Ten Fiscal Years

	Employees as of				
	2025	2024	2023	2022	2021
Health and Social Services	24,142	23,126	20,982	20,752	21,181
Education	836	788	789	778	776
General Government	13,708	12,468	11,793	11,489	11,190
Employment and Economic Development	2,275	2,146	2,064	1,998	2,024
Transportation	6,429	6,503	6,497	6,512	6,664
Public Protection and Justice	19,014	18,264	17,910	18,129	18,654
Environment and Business Regulation	3,928	3,740	3,506	3,457	3,460
Total	70,332	67,035	63,541	63,115	63,949

Schedule 14

June 30,				
2020	2019	2018	2017	2016
21,041	20,429	20,121	20,013	20,550
730	709	683	653	671
11,269	11,133	10,920	10,665	10,777
1,794	1,939	2,039	2,118	2,084
6,722	6,808	6,874	6,745	6,715
19,187	19,758	18,749	18,313	18,233
3,464	3,527	3,641	3,574	3,689
64,207	64,303	63,027	62,081	62,719

State of Illinois

**Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	For the Fiscal Year				
	2025	2024	2023	2022	2021
Health and Social Services					
Child abuse and neglect					
Calls to abuse/neglect hotline	238,169	234,527	231,527	216,644	200,607
Children investigated	122,109	154,182	151,785	153,348	146,113
Medical programs					
Number of children enrolled in medical programs	1,424,194	1,470,793	1,540,086	1,498,601	1,495,871
Number of non-senior adults enrolled in medical programs	1,491,687	1,597,748	2,053,065	1,854,511	1,724,775
Child support					
Number of child support cases with orders	268,429	281,131	295,483	309,160	337,679
Persons with disabilities receiving in-home services to prevent institutionalization	26,253	24,463	24,335	23,781	22,382
General government					
Taxes					
Number of individual income tax returns processed	6,379,122	6,283,269	6,425,475	6,210,374	7,175,744
Percent of individual income tax returns filed electronically	92.4%	91.4%	89.0%	90.0%	88.0%
Total number of payments processed through State Treasury	12,338,102	11,832,662	14,600,711	11,202,763	11,748,540
Education					
Elementary and secondary education					
Public school enrollment	1,851,290	1,857,790	1,857,790	1,833,221	1,887,316
Graduation rate	88.0%	88.0%	87.8%	86.8%	86.0%
Dropout rate	3.0%	2.9%	2.9%	2.5%	2.6%
Higher education					
Enrollment	not available	675,264	695,380	679,335	683,125
Transportation					
Miles of pavement maintained/improved	1,356	1,232	926	1,032	1,314
Number of bridges maintained/improved	129	169	123	75	70
Employment and economic development					
Unemployment insurance *					
Number of claims**	506,827	661,479	505,527	1,595,984	2,916,151
Average duration (weeks)	16.68	15.12	14.95	18.86	15.54
State Fair					
State Fair attendees ***	723,079	773,518	707,613	636,700	472,000
DuQuoin State Fair attendees ***	282,202	204,004	166,733	171,120	150,816
Tourism					
Historic site attendance (in thousands)	1,764	973	1,633	1,510	1,209
Public protection and justice					
Crime Rates					
Violent crime rates per 100,000 in population * (a)	1,595	1,529	1,320	758	426
Property crime rates per 100,000 in population * (a)	2,962	2,943	2,539	1,343	1,559
Total crime rates per 100,000 in population	4,557	4,472	3,859	2,101	1,985
Forensic services					
Number of original crime scenes processed	3,520	3,677	4,390	4,397	4,099
Number of Deoxyribonucleic Acid (DNA) cases worked	16,395	15,511	13,980	13,807	18,045
Total number of forensic cases worked	65,236	63,078	64,681	64,557	71,050
Number of DNA offender samples worked	19,343	8,013	7,956	6,146	10,878
Environment and business regulation					
Professional Regulation					
Professional complaints received	12,438	10,066	11,105	12,229	7,403
Licenses placed on probation	374	302	198	187	203

* Statistics for unemployment insurance and crime rates are based on the previous ending calendar year.

** The number of claims for unemployment insurance increased significantly in calendar year 2020 due to the COVID-19 pandemic.

*** Statistics for State fair attendees are based on calendar year. Due to the COVID-19 pandemic, both the Illinois State Fair and DuQuoin State Fair were canceled for 2020.

(a) In 2021, The National Incident-Based Reporting System, or NIBRS, was implemented to improve the overall quality of crime data collected by law enforcement. It captures details on each single crime incident—as well as on separate offenses within the same incident. The historic Summary Reporting System (SRS) data collection, which collected more limited information than the more robust NIBRS, was phased out.

Schedule 15

Ended or as of June 30,				
2020	2019	2018	2017	2016
249,260	268,406	276,538	252,388	245,388
134,526	143,042	133,564	120,815	127,249
1,405,373	1,376,539	1,447,134	1,473,581	1,490,290
1,463,160	1,353,782	1,485,564	1,236,537	1,244,883
352,572	373,371	387,653	392,473	392,500
23,831	23,336	29,057	29,379	29,325
5,531,946	6,382,045	6,237,589	6,253,542	6,143,475
88.9%	85.0%	85.0%	83.5%	82.0%
14,174,018	14,562,306	14,827,574	14,482,761	14,085,085
1,957,018	2,070,434	2,005,153	2,028,162	2,041,779
88.0%	85.9%	87.6%	87.0%	85.5%
3.5%	4.2%	2.1%	2.1%	2.0%
680,004	720,215	744,161	764,502	751,942
1,385	469	577	513	674
61	78	92	88	66
503,579	500,233	532,495	585,207	607,139
16.20	16.52	17.25	17.06	16.72
N/A	508,901	369,144	401,648	357,409
N/A	123,562	100,800	109,305	105,622
1,274	1,669	1,835	1,886	1,671
407	404	439	436	383
1,847	1,933	2,011	2,049	1,989
2,254	2,337	2,450	2,485	2,372
3,422	3,616	3,849	3,961	3,930
15,888	10,801	6,394	4,322	5,450
64,543	63,074	66,126	67,049	83,157
16,217	21,110	26,445	19,978	28,993
10,406	11,574	12,080	11,358	9,214
289	370	1,839	346	418

State of Illinois

**Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years**

	For the Fiscal Year				
	2025	2024	2023	2022	2021
Health and social services					
Mental health facilities	14	14	14	14	14
Veterans homes	5	5	5	5	4
Transportation					
Highway miles	15,895	15,899	15,903	15,905	15,908
Bridges	7,890	7,882	7,871	7,870	7,871
Public protection and justice					
Adult correctional facilities	25	25	25	25	25
Juvenile correctional facilities	5	5	5	5	5
Environment and business regulation					
State park acreage	499,130	496,179	497,495	496,820	491,797
Protected natural area acreage	125,284	123,005	119,024	118,769	116,733

Note: No capital asset indicators are available for the education, general government, and employment and economic development functions.

Schedule 16

Ended or as of June 30,

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
14	14	14	14	14
4	4	4	4	4
15,908	15,911	15,908	15,919	15,969
7,861	7,856	7,852	7,835	7,847
25	25	25	25	25
5	5	5	5	6
491,797	491,508	484,688	479,115	478,832
114,269	113,710	112,809	110,766	108,880