

COMPREHENSIVE ANNUAL FINANCIAL REPORT

ILLINOIS

FOR FISCAL YEAR ENDED JUNE 30, 2020

 **SUSANA A. MENDOZA**
ILLINOIS STATE COMPTROLLER



Illinoiscomptroller.gov

STATE OF ILLINOIS

Comprehensive Annual Financial Report

~ 2020 ~

For Fiscal Year Ended June 30, 2020

Comptroller Susana A. Mendoza

This Page Left Intentionally Blank

Introductory Section

This Page Left Intentionally Blank

**Comprehensive Annual Financial Report
Table of Contents**

	Page
I. Introductory Section	
Table of Contents.....	I-IV
Comptroller Letter of Transmittal.....	1 - 6
Certificate of Achievement.....	7
Organizational Chart.....	8
II. Financial Section	
Independent Auditor's Report.....	11 - 15
Management's Discussion and Analysis.....	16 - 29
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	30 - 31
Statement of Activities.....	32 - 33
Governmental Funds Financial Statements	
Balance Sheet.....	34
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position.....	35
Statement of Revenues, Expenditures and Changes in Fund Balances.....	36
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities.....	37
Proprietary Funds Financial Statements	
Statement of Net Position.....	38
Statement of Revenues, Expenses and Changes in Fund Net Position.....	39
Statement of Cash Flows.....	40 - 41
Fiduciary Funds Financial Statements	
Statement of Fiduciary Net Position.....	42
Statement of Changes in Fiduciary Net Position.....	43
Component Units Financial Statements	
Statement of Net Position.....	44 - 45
Statement of Activities.....	46 - 47
Notes to the Financial Statements.....	49 - 186
Required Supplementary Information Other Than Management's Discussion and Analysis	
Budgetary Comparison Schedule - Major Governmental Funds.....	188
Notes to Budgetary Comparison Schedule - Major Governmental Funds.....	189 - 191
Defined Benefit Pension Plans.....	192 - 198
Defined Benefit Other Postemployment Benefit Plans.....	199 - 200
Combining and Individual Fund Financial Statements/Schedules	
General Fund	
Significant General Fund Account Descriptions.....	201
Combining Schedule of Accounts - General Fund.....	202
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund.....	203
Combining Schedule of Accounts - General Fund - Medicaid Provider Assessment Program.....	204
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund - Medicaid Provider Assessment Program.....	205
Nonmajor Governmental Funds	
Combining Balance Sheet - Nonmajor Governmental Funds.....	206
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	207
Special Revenue Funds	
Significant Nonmajor Governmental Special Revenue Funds Descriptions.....	209 - 211
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	212 - 213

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	214 - 215
Combining Balance Sheet - Treasurer.....	216
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Treasurer.....	217
Combining Balance Sheet - Commerce and Economic Opportunity.....	218
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Commerce and Economic Opportunity.....	219
Combining Balance Sheet - Natural Resources.....	220
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Natural Resources.....	221
Combining Balance Sheet - Human Services.....	222
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Human Services.....	223
Combining Balance Sheet - Insurance.....	224
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Insurance.....	225
Combining Balance Sheet - Revenue.....	226 - 227
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Revenue.....	228 - 229
Combining Balance Sheet - Transportation.....	230
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Transportation.....	231
Combining Balance Sheet - Other Departments.....	232
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Other Departments.....	233
Combining Balance Sheet - State Board of Education.....	234
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - State Board of Education.....	235
Combining Balance Sheet - Other Agencies, Boards and Authorities.....	236
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Other Agencies, Boards and Authorities.....	237
Debt Service Funds	
Significant Nonmajor Governmental Debt Service Funds Descriptions.....	239
Combining Balance Sheet - Nonmajor Debt Service Funds.....	240
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds.....	241
Capital Projects Funds	
Significant Nonmajor Governmental Capital Projects Funds Descriptions.....	243
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	244
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	245
Combining Balance Sheet - Transportation.....	246
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Transportation.....	247
Permanent Funds	
Significant Nonmajor Governmental Permanent Funds Descriptions.....	249
Combining Balance Sheet - Nonmajor Permanent Funds.....	250
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds.....	251
Combining Balance Sheet - Natural Resources.....	252
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Natural Resources.....	253
Nonmajor Enterprise Funds	
Significant Nonmajor Enterprise Funds Descriptions.....	255
Combining Statement of Net Position - Nonmajor Enterprise Funds.....	256
Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds.....	257
Combining Statement of Cash Flows - Nonmajor Enterprise Funds.....	258 - 259
Combining Statement of Net Position - Student Assistance Commission.....	260
Combining Statement of Revenues, Expenses and Changes in Net Position - Student Assistance Commission.....	261
Combining Statement of Cash Flows - Student Assistance Commission.....	262

Internal Service Funds

Significant Internal Service Funds Descriptions.....	263
Combining Statement of Net Position - Internal Service Funds.....	264
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds.....	265
Combining Statement of Cash Flows - Internal Service Funds.....	266
Combining Statement of Net Position - Central Management Services.....	268
Combining Statement of Revenues, Expenses and Changes in Net Position - Central Management Services.....	269
Combining Statement of Cash Flows - Central Management Services.....	270

Pension (and Other Employee Benefit) Trust Funds

Pension (and Other Employee Benefit) Trust Funds Descriptions.....	271
Combining Statement of Fiduciary Net Position - Pension (and Other Employee Benefit) Trust Funds.....	272 - 273
Combining Statement of Changes in Fiduciary Net Position - Pension (and Other Employee Benefit) Trust Funds.....	274 - 275

Investment Trust Funds

Investment Trust Funds Descriptions.....	277
Combining Statement of Fiduciary Net Position - Investment Trust Funds.....	278
Combining Statement of Changes in Fiduciary Net Position - Investment Trust Funds.....	279

Private-Purpose Trust Funds

Significant Private-Purpose Trust Fund Description.....	281
Combining Statement of Fiduciary Net Position - Private-Purpose Trust Funds.....	282
Combining Statement of Changes in Fiduciary Net Position - Private-Purpose Trust Funds.....	283

Agency Funds

Significant Agency Funds Descriptions.....	285
Combining Statement of Fiduciary Net Position - Agency Funds.....	286
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	287 - 288
Combining Statement of Fiduciary Net Position - Revenue.....	289
Combining Statement of Changes in Assets and Liabilities - Revenue.....	290 - 291

Component Units

Nonmajor Component Units Descriptions.....	293
Combining Statement of Net Position - Other Authorities.....	294 - 295
Combining Statement of Activities - Other Authorities.....	296 - 297
Combining Statement of Net Position - Other Universities.....	298 - 299
Combining Statement of Activities - Other Universities.....	300 - 301

Budgetary Schedules

Budgetary Schedule Descriptions.....	303
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.....	304 - 307
..General Funds.....	308 - 311
..Highway Funds.....	312 - 314
..Special State Funds.....	316 - 317
....Code Departments.....	318 - 320
.....Healthcare and Family Services.....	322 - 324
.....Revenue.....	326 - 328
.....Other Code Departments.....	330 - 331
....Agencies, Boards and Commissions.....	332 - 333

..Bond Financed Funds.....	334 - 335
..Debt Service Funds.....	336 - 337
..Federal Trust Funds.....	338 - 339
...Human Services.....	340 - 341
....Agencies, Boards and Commissions.....	342 - 343
....State Board of Education.....	344 - 345
..Revolving Funds.....	346 - 347
..State Trust Funds.....	348 - 349

III. Statistical Section

Table of Contents.....	353
Schedule 1 - Net Position by Component, Last Ten Fiscal Year Ends.....	354 - 355
Schedule 2 - Fund Balances, Governmental Funds, Last Ten Fiscal Year Ends.....	356 - 357
Schedule 3 - Changes in Net Position, Last Ten Fiscal Years.....	358 - 361
Schedule 4 - Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years.....	362 - 363
Schedule 5 - Personal Income by Industry, Last Ten Calendar Years.....	364 - 365
Schedule 6 - Taxable Sales by Industry, Last Ten Fiscal Years.....	366 - 367
Schedule 7 - Personal Income Tax Filers and Liability by Income Level, Calendar Years 2019 and 2010.....	368
Schedule 8 - Sales Tax Revenue Payers by Industry, Fiscal Years 2020 and 2011.....	369
Schedule 9 - Ratios of Outstanding Debt by Type, Last Ten Fiscal Years.....	370 - 371
Schedule 10 - Ratios of General Bonded Debt Outstanding and Debt Limitations, Last Ten Fiscal Years.....	372 - 373
Schedule 11 - Pledged Revenue Coverage, Last Ten Fiscal Years.....	374 - 376
Schedule 12 - Demographic and Economic Statistics, Last Ten Calendar Years.....	378 - 379
Schedule 13 - Principal Employers, Fiscal Years 2020 and 2011.....	380
Schedule 14 - Employees by Function, Last Ten Fiscal Years.....	382 - 383
Schedule 15 - Operating Indicators by Function/Program, Last Ten Fiscal Years.....	384 - 385
Schedule 16 - Capital Asset and Infrastructure Statistics by Function/Program, Last Ten Fiscal Years.....	386 - 387



SUSANA A. MENDOZA

ILLINOIS STATE COMPTROLLER

August 12, 2021

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 Comprehensive Annual Financial Report* for the year ended June 30, 2020. The Comprehensive Annual Financial Report is the State's official annual report which provides the readers with the financial position of the State as of June 30, 2020, 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 16 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 Comprehensive Annual Financial Report 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, and the Medicaid Provider Assessment Accounts), the Unemployment Compensation Trust Fund, the Water Revolving Fund, and the Prepaid Tuition 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, except special revenue funds where funds greater than 1% of the total are presented, and component units where all component units are presented. Combination of funds is necessary due to the existence of approximately 825 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

The Illinois 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. His unmodified opinion appears at the beginning of the financial section of this report. In addition, the Illinois 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 has 56,400 square miles and is the 24th largest state in size. Per the 2010 census, Illinois is the 5th largest state in population with approximately 12.8 million residents.

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 8.

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 16 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. In addition, P.A. 101-0636 extended the lapse period to September 30 for fiscal year 2020 to allow the State time to pay fiscal year 2020 expenditures.

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, 2020, increased from June 30, 2019. The fund deficit in the State's General Fund decreased by \$1.093 billion on a GAAP basis, from a deficit of \$7.517 billion to a deficit of \$6.424 billion. On the *budgetary basis*, there was a \$5.751 billion fund deficit at June 30, 2020, compared to a \$5.713 billion fund deficit at June 30, 2019, resulting in a \$38 million increase in the budgetary deficit.

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.

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) a pandemic. According to the U.S. Bureau of Labor Statistics, Illinois averaged 5.937 million nonfarm payroll jobs and an unemployment rate of 6.7% in fiscal year 2020. The increase in the unemployment rate, from 4.2% in fiscal year 2019, is attributed to the mitigation efforts put in place during the pandemic, including stay-at-home orders and temporary business closures. The impact of the pandemic is expected to significantly affect economic growth both nationally and worldwide, with an uncertain duration.

MAJOR INITIATIVES

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

Revenues Initiative

Public Act 101-0008 provided for an individual income tax rate structure change from a flat tax rate of 4.95% to a graduated tax rate ranging from 4.75%-7.99%. The graduated income tax amendment required voters to approve a constitutional amendment in November 2020, and if approved, the amended tax rates would have gone into effect January 1, 2021. The amendment was not approved by the voters during the November 2020 election.

In addition, 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 is effective for fiscal years 2020-2025.

Transfers to Defray Operating Costs

Public Act 100-0023, as amended by Public Act 101-0636, authorized interfund borrowings of up to \$1.5 billion to the General Funds and the Health Insurance Reserve Fund from various other state funds. The Act requires repayment of the interfund borrowings within 48 months from the date borrowed.

Accelerated Pension Benefit Program

Public Act 100-0587, as amended by Public Act 101-0010, 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 percent 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 percent 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, 2024.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

The fiscal year 2020 Comprehensive Annual Financial Report reveals continuing underlying financial weaknesses which significantly impact 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, primarily Medicaid, in the current fiscal year. The section was originally created to address

billing and adjudication issues connected with such expenditures. Over the past two decades, however, it has become a common practice to defer liabilities utilizing Section 25, effectively reducing the appropriation levels needed to fund certain programs within any given fiscal year and pushing expenditures into the next fiscal year. The State ended fiscal year 2020 with \$1.439 billion in such costs. This represents a decrease of \$737 million from the fiscal year 2019 balance of \$2.176 billion.

Cash Management

Cash flow continues to be an issue as Illinois has had a running General Revenue Fund deficit defined as bills on hand exceeding available cash, with few exceptions, since November of 2000. Cash management practices are 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.

In 2000, legislation was enacted to create the State's Budget Stabilization Fund in order to assist the State in meeting cash flow deficits as needed. The statutory goal for funding this reserve was set at five percent of the General Fund's revenues in any given year. Public Act 99-0524, which became effective June 30, 2016, appropriated \$275 million of the balance in the Budget Stabilization Fund across approximately 40 agencies to help defray operating costs through December 31, 2016. As of June 30, 2020, the balance in the Budget Stabilization Fund was \$4.147 million, an amount insufficient in practical terms to address the State's annual cash management needs and timing variations between spending and revenues.

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 through 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 of the 1995 law for fiscal year 2011. Additionally, in fiscal year 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. As of June 30, 2020, the State reported a net pension liability totaling \$143.347 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, 2020, the State reported an OPEB liability totaling \$58.996 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 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, do 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, does 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 year 2019.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting (“Certificate”) to the State of Illinois for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate, the State of Illinois published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate is valid for a period of one year only. As this current comprehensive annual financial report is expected to meet the Certificate of Achievement Program’s requirements, it is being submitted to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of the State’s Comprehensive Annual Financial Report was made possible by the due diligence of my staff, the Auditor General’s Office, 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



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

State of Illinois

**For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended**

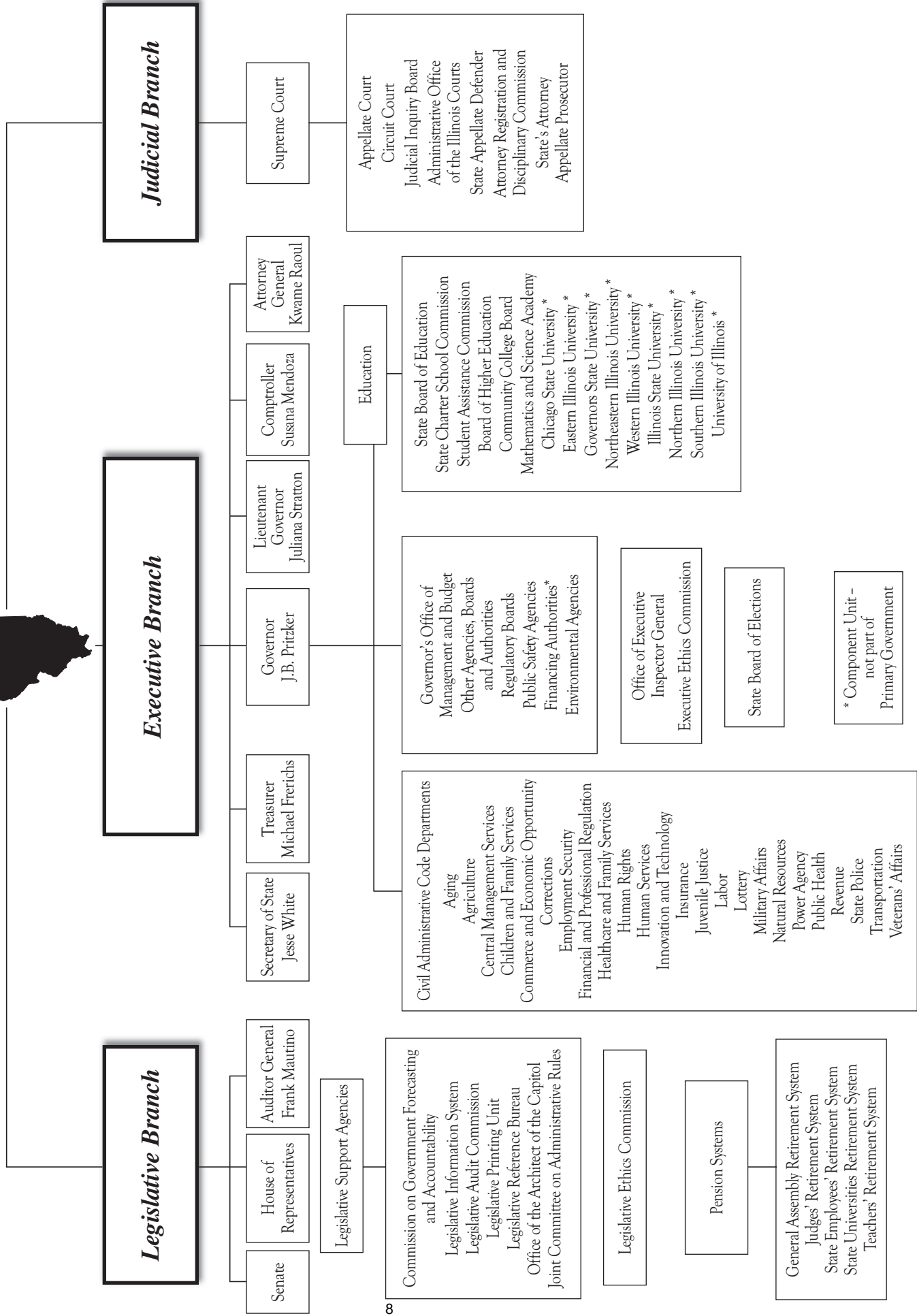
June 30, 2019

Christopher P. Morill

Executive Director/CEO

STATE OF ILLINOIS

Organizational Chart
June 30, 2020



Financial Section

This Page Left Intentionally Blank

SPRINGFIELD OFFICE:
ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2887
FRAUD HOTLINE: 1-855-217-1895



CHICAGO OFFICE:
MICHAEL A. BILANDIC BLDG. • SUITE S-900
160 NORTH LASALLE • 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006
FRAUD HOTLINE: 1-855-217-1895

OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

INDEPENDENT AUDITOR'S REPORT

Honorable Emanuel Chris Welch, Speaker of the House
Honorable Don Harmon, President of the Senate
Members of the General Assembly
Honorable JB Pritzker, Governor
Honorable Susana Mendoza, Comptroller

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Illinois, as of and for the year ended June 30, 2020, 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 for Section II of the State of Illinois' Comprehensive Annual Financial Report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain university related organizations, which represent 10%, 24%, 5%, and 5%, respectively, of the total assets and deferred outflows of resources, total net position, total revenues, and total expenses of the aggregate discretely presented component unit amounts. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these university related organizations, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The financial statements of certain university related organizations and certain other authorities were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Qualified
Aggregate Discretely Presented Component Units	Qualified
General Fund	Unmodified
Unemployment Compensation Trust Fund	Qualified
Water Revolving Fund	Unmodified
Prepaid Tuition Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinions on Business-Type Activities and Unemployment Compensation Trust Fund

The State of Illinois, Department of Employment Security (IDES) outsourced unemployment benefit claims processing to a service organization for the Pandemic Unemployment Assistance (PUA) program and the corresponding Federal Pandemic Unemployment Compensation (FPUC) benefits. The system processing these claims had material weaknesses in the design and operation of internal control and we were unable to obtain sufficient appropriate audit evidence to determine or verify by alternative means whether accrued claims and certain other paid claims met eligibility requirements. A backlog of claims processed through this new system existed at year-end and as of our report date, for which the IDES recorded estimated payables and receivables of \$149 million. The payable balance includes estimated claims outstanding at year-end, and the receivable balance is the estimated reimbursement to be received from the federal government for these claims. The impact of the backlog and other eligibility issues on contribution revenue and benefits expense for the year is \$307 million. Due to the material weaknesses in internal control over the system, we were unable to obtain sufficient appropriate audit evidence to conclude that the PUA and FPUC payables, receivables, revenues and expenses of the Unemployment Compensation Trust Fund and the Business-Type Activities were free from material misstatement.

Basis for Qualified Opinion on Aggregate Discretely Presented Component Units

The Illinois State Toll Highway Authority (Tollway)'s Other Postemployment Benefits (OPEB) amounts did not take into account the separately financed specific liability related to the Tollway's active employees that will participate in the State OPEB plan upon retirement in accordance with Section 11 of the State Employees Group Insurance Act of 1971 (5 ILCS 375/11). The OPEB liability associated with the Tollway's employees should have been separately calculated and subtracted from the State's total OPEB liability valuation prior to allocating the remaining balance of the OPEB liability valuation out among the rest of the State. As a result, the Tollway's net OPEB liability is understated by no more than \$785 million and its other OPEB-related accounts contain errors. The exact amounts by which the OPEB liability, related deferred inflows and outflows of resources, and operating expenses would be affected have not been determined. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinions

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinions on Business-Type Activities and Unemployment Compensation Trust Fund* paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the Unemployment Compensation Trust Fund of the State of Illinois, as of June 30, 2020, and the respective changes in its 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.

In our opinion, based on our audit and the reports of other auditors, except for the possible effects of the matter described in the *Basis for Qualified Opinion on Aggregate Discretely Presented Component Units* paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of the State of Illinois, as of June 30, 2020, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the General Fund, the Water Revolving Fund, the Prepaid Tuition Fund, and the aggregate remaining fund information of the State of Illinois, as of June 30, 2020, and the respective changes in its 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.

Emphasis of Matter

The deficit for net position of governmental activities continued to increase during Fiscal Year 2020. The deficit increased by \$4,673,018,000, from \$193,079,823,000 at June 30, 2019, to \$197,752,841,000 at June 30, 2020. 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 opinion is not modified with respect to this matter.

Other Matters

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 16-29, 188-191, 192-198, and 199-200 be presented to supplement the basic financial statements. Such information, 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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.

Other 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. Such 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, based on our audit, the procedures performed as described above, and the reports of the other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

In addition, the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 12, 2021, 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

FRANK J. MAUTINO
Auditor General
State of Illinois

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits
Office of the Auditor General

Springfield, Illinois
August 12, 2021

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, 2020. 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 30 and 31) 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 32 and 33) 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 two other organizations that are reported as discretely presented component units of the State.

Included within the basic financial statements are two schedules (pages 35 and 37) 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 capital lease obligations, installment purchases 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 49 of this report.

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

The fund financial statements begin on page 34 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 201. 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 Communications 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 42. These funds, which include pension (and other employee benefit) trust, private-purpose trust, investment trust, and agency 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 decreased \$6.688 billion or 3.6% during the current fiscal year. The net position of the State’s governmental activities decreased \$4.673 billion or 2.4% and the net position of the State’s business-type activities decreased \$2.015 billion or 37.4%. 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, 2020 and 2019:

Net Position as of June 30 (amounts in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other non-current assets	\$ 29,078	\$ 21,794	\$ 7,474	\$ 8,870	\$ 36,552	\$ 30,664
Capital assets	22,504	22,386	3	3	22,507	22,389
Total assets	51,582	44,180	7,477	8,873	59,059	53,053
Deferred outflows of resources	18,031	18,971	42	49	18,073	19,020
Other liabilities	24,938	19,567	2,356	1,555	27,294	21,122
Long-term liabilities	234,470	225,716	1,641	1,834	236,111	227,550
Total liabilities	259,408	245,283	3,997	3,389	263,405	248,672
Deferred inflows of resources	7,958	10,948	149	145	8,107	11,093
Net position:						
Invested in capital assets	16,024	16,162	3	3	16,027	16,165
Restricted	4,634	4,305	4,326	6,385	8,960	10,690
Unrestricted	(218,411)	(213,547)	(956)	(1,000)	(219,367)	(214,547)
Total net position	\$ (197,753)	\$ (193,080)	\$ 3,373	\$ 5,388	\$ (194,380)	\$ (187,692)

The State's largest asset is its capital assets (\$22.507 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 (\$143.347 billion), other postemployment benefits liability (\$58.996 billion), and bonds and notes payable (\$31.562 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 \$6.006 billion from \$53.053 billion at June 30, 2019, to \$59.059 billion at June 30, 2020, due mainly to \$2.518 billion more in cash equity with the State Treasurer, \$1.228 billion more in securities lending collateral, \$1.847 billion more in taxes receivable, and \$1.167 billion more in intergovernmental receivables, offset by a decrease of \$2.059 billion in deposits held by the federal government for unemployment compensation. The State's deferred outflows of resources decreased \$947 million from \$19.020 billion at June 30, 2019, to \$18.073 billion at June 30, 2020.

The State's liabilities increased \$14.733 billion from \$248.672 billion at June 30, 2019, to \$263.405 billion at June 30, 2020. Net pension and OPEB liabilities increased \$4.755 billion and \$4.474 billion, respectively. Unearned revenues increased \$3.175 billion, due to the receipt of Federal Cares Act funds that had not yet been expended as of June 30, 2020. Short-term notes and general obligation certificates payable increased \$1.422 billion with the issuance of \$1.200 billion in short-term general obligation certificates to manage cashflow during the COVID-19 pandemic. In addition, securities lending collateral increased \$1.228 billion.

The State's deferred inflows of resources decreased \$2.986 billion from \$11.093 billion at June 30, 2019, to \$8.107 billion at June 30, 2020.

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)**

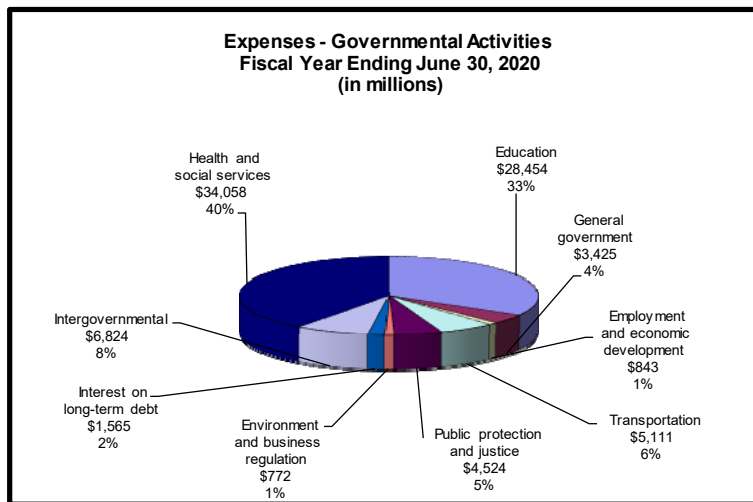
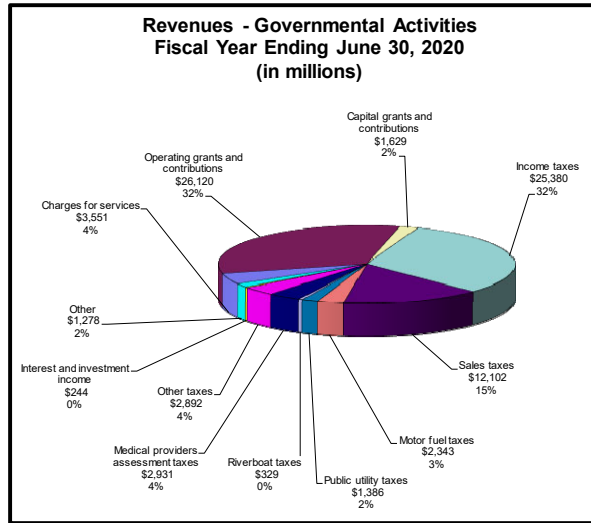
	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2019 to 2020
Revenues							
Program revenues							
Charges for services	\$ 3,551	\$ 3,088	\$ 4,635	\$ 5,008	\$ 8,186	\$ 8,096	1.1%
Operating grants and contributions	26,120	21,612	6,282	238	32,402	21,850	48.3%
Capital grants and contributions	1,629	1,271	-	-	1,629	1,271	28.2%
General revenues							
Income taxes	25,380	24,924	-	-	25,380	24,924	1.8%
Sales taxes	12,102	12,243	-	-	12,102	12,243	(1.2%)
Motor fuel taxes	2,343	1,318	-	-	2,343	1,318	77.8%
Public utility taxes	1,386	1,470	-	-	1,386	1,470	(5.7%)
Riverboat taxes	329	454	-	-	329	454	(27.5%)
Medical providers assessment taxes	2,931	1,721	-	-	2,931	1,721	70.3%
Other taxes	2,892	3,048	-	-	2,892	3,048	(5.1%)
Interest and investment earnings	244	396	80	75	324	471	(31.2%)
Other revenue	1,278	990	-	-	1,278	990	29.1%
Total revenues	80,185	72,535	10,997	5,321	91,182	77,856	17.1%
Expenses							
Health and social services	34,058	31,068	-	-	34,058	31,068	9.6%
Education	28,454	24,239	-	-	28,454	24,239	17.4%
General government	3,425	3,202	-	-	3,425	3,202	7.0%
Employment and economic development	843	906	-	-	843	906	(7.0%)
Transportation	5,111	4,497	-	-	5,111	4,497	13.7%
Public protection and justice	4,524	4,281	-	-	4,524	4,281	5.7%
Environment and business regulation	772	1,001	-	-	772	1,001	(22.9%)
Unemployment compensation fund	-	-	9,831	1,656	9,831	1,656	493.7%
Water revolving fund	-	-	109	70	109	70	55.7%
Prepaid tuition programs	-	-	37	48	37	48	(22.9%)
Lottery	-	-	2,160	2,238	2,160	2,238	(3.5%)
Other business-type activities	-	-	157	199	157	199	(21.1%)
Intergovernmental	6,824	6,358	-	-	6,824	6,358	7.3%
Interest	1,565	1,771	-	-	1,565	1,771	(11.6%)
Total expenses	85,576	77,323	12,294	4,211	97,870	81,534	20.0%
Excess (deficiency) before transfers	(5,391)	(4,788)	(1,297)	1,110	(6,688)	(3,678)	(81.8%)
Transfers	718	777	(718)	(777)	-	-	0.0%
Increase (decrease) in net position	(4,673)	(4,011)	(2,015)	333	(6,688)	(3,678)	(81.8%)
Net position - beginning	(193,080)	(189,069)	5,388	5,055	(187,692)	(184,014)	(2.0%)
Net position - ending	\$ (197,753)	\$ (193,080)	\$ 3,373	\$ 5,388	\$ (194,380)	\$ (187,692)	(3.6%)

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 (TANF), 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 Department of 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 \$7.650 billion (10.5%) during fiscal year 2020 with the largest revenue increase consisting of \$4.508 billion in operating grants and contributions. The Healthcare Provider Relief Fund saw an increase in federal grant revenue totaling \$2.640 billion, relating to the Medical Assistance Program. Other significant increases in federal grant revenue during 2020 related to the Supplemental Nutrition Assistance Program and the Coronavirus Relief Fund.

The State's governmental activities expenses increased \$8.253 billion (10.7%) during fiscal year 2020, due mostly to pension and OPEB expense totaling approximately \$7.201 billion.

Business-type Activities:

The net position of business-type activities decreased \$2.015 billion during the fiscal year 2020. This decrease was attributed mainly to a \$2.144 billion decrease in net position of the Unemployment Compensation Trust Fund, which resulted from a significant increase in unemployment compensation claims due to the COVID-19 pandemic.

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 201. 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.

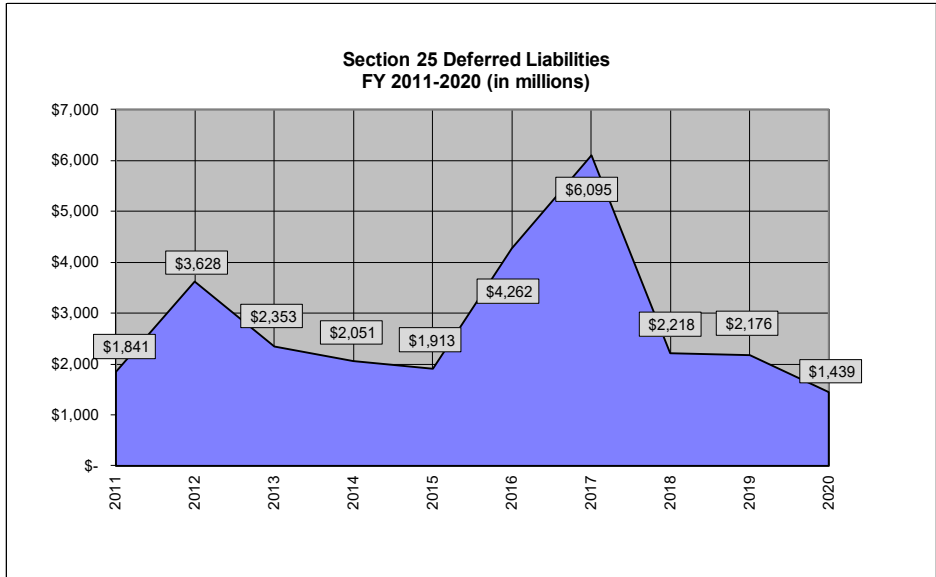
The State's General Funds' budgetary fund balance ended fiscal year 2020 with a deficit for the nineteenth consecutive year. At June 30, 2020, the General Funds' budgetary fund balance was a deficit of \$5.751 billion compared to a \$5.713 billion deficit recorded at June 30, 2019. The final budget projected a \$6.039 billion deficit.

The \$287 million increase in the General Funds' budgetary balance between the final budget and the actual results was due to \$1.732 billion less in actual expenditures than budgeted expenditures, offset by \$1.445 billion less in actual revenues than budgeted revenues.

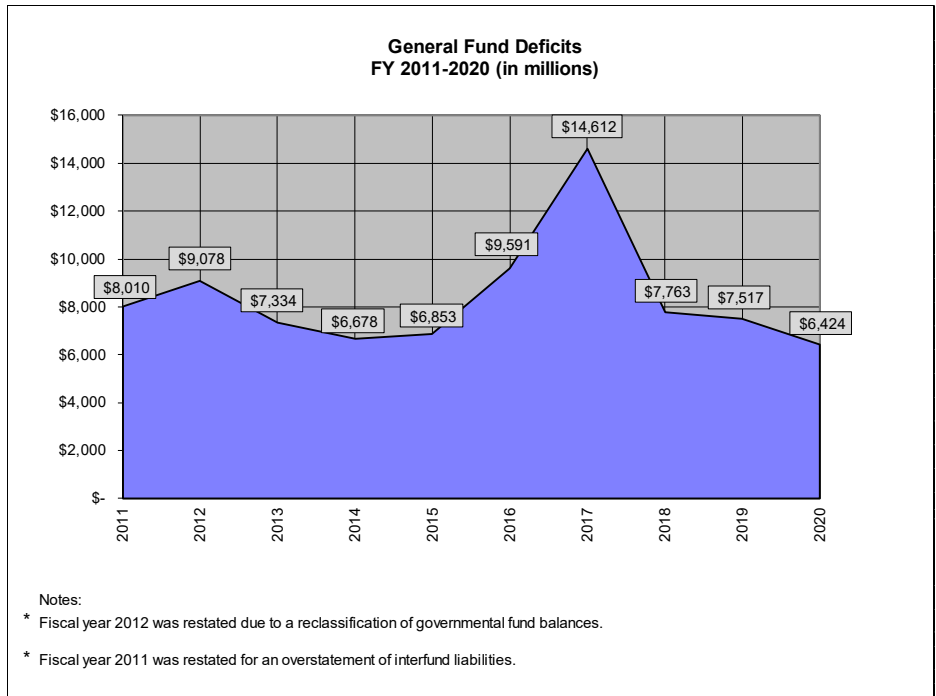
The General Fund's assets at June 30, 2020, were \$16.219 billion, which is an increase of \$6.559 billion from the June 30, 2019, balance of \$9.660 billion. Cash equity with the State Treasurer, securities lending collateral, taxes receivable and intergovernmental receivables increased \$2.761 billion, \$1.059 billion, \$1.585 billion and \$569 million, respectively.

The General Fund's liabilities at June 30, 2020, were \$21.006 billion, which is an increase of \$5.429 billion from the June 30, 2019, balance of \$15.577 billion. The increase was due mostly from the increase in unearned revenues of \$3.095 billion, due to the receipt of Federal Cares Act funds that had not yet been expended as of June 30, 2020. Liabilities also increased due to the issuance of \$1.200 billion in short-term general obligation certificates payable, which were issued to manage cashflow during the COVID-19 pandemic. In addition, securities lending collateral increased \$1.059 billion.

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 decreased \$737 million from \$2.176 billion at June 30, 2019, to \$1.439 billion at June 30, 2020.



During fiscal year 2020, the General Fund's fund deficit decreased from \$7.517 billion to \$6.424 billion, a \$1.093 billion decrease.



During fiscal year 2020, General Fund revenues increased \$5.582 billion to \$55.530 billion. General Fund expenditures increased \$5.413 billion to \$53.450 billion in fiscal year 2020 due mainly to increased spending on health and social services programs of \$3.463 billion.

Cash flow problems caused the State to hold over \$7.857 billion in payments and interfund transfers from the General Fund at June 30, 2020.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

At June 30, 2020, the State had \$22.507 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			
	2020	2019	2020	2019	2020	2019
Land and land improvements	\$ 3,592	\$ 3,598	\$ -	\$ -	\$ 3,592	\$ 3,598
Site improvements	176	187	-	-	176	187
Buildings and building improvements	1,520	1,671	2	2	1,522	1,673
Equipment	619	585	-	-	619	585
Intangible assets	664	635	1	1	665	636
Infrastructure	15,487	15,434	-	-	15,487	15,434
Other	13	13	-	-	13	13
Subtotal	22,071	22,123	3	3	22,074	22,126
Construction in progress	433	263	-	-	433	263
Total	\$ 22,504	\$ 22,386	\$ 3	\$ 3	\$ 22,507	\$ 22,389

Infrastructure assets consist of 69% of the State's net capital assets and comprise \$1.274 billion of the \$1.774 billion (72%) of the current year additions to capital assets of governmental activities. 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

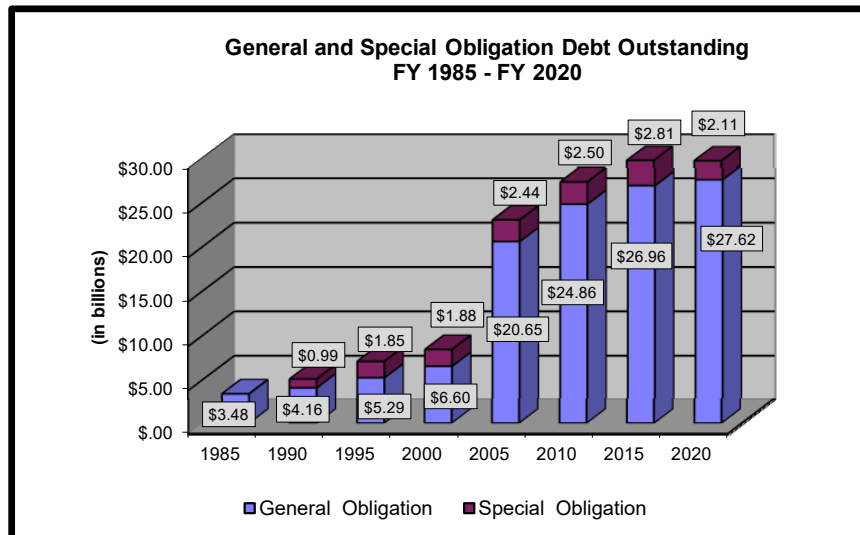
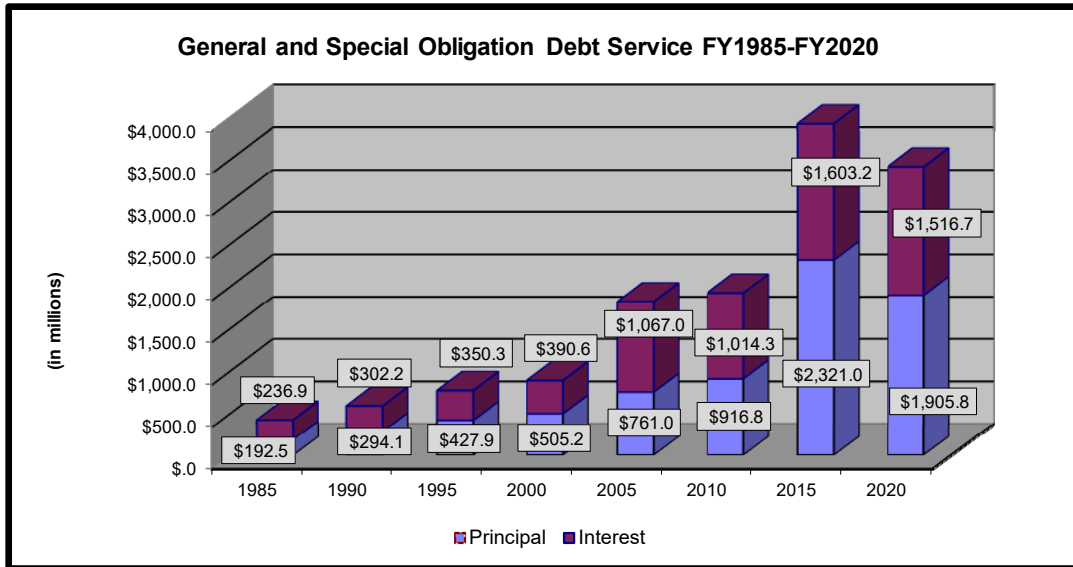
The State, certain State agencies, and component units of the State are empowered by law to authorize, issue, and sell debt obligations. General obligation bonds, issued by the State, are backed by the full faith and credit of the State and are considered a direct debt of the State. Special obligation 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	
	2020	2019	2020	2019	2020	2019
	General obligation bonds (backed by the State)	\$ 27,624	\$ 27,765	\$ -	\$ -	\$ 27,624
Special obligation bonds (backed by specific fee revenue)	2,114	2,327	-	-	2,114	2,327
Revenue bonds (backed by specific tax and fee revenue)	775	873	120	143	895	1,016
	<u>\$ 30,513</u>	<u>\$ 30,965</u>	<u>\$ 120</u>	<u>\$ 143</u>	<u>\$ 30,633</u>	<u>\$ 31,108</u>

As shown above, Illinois had outstanding general and special obligation bonds at June 30, 2020 totaling \$29.738 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 portion of prior year's retirement liabilities. The outstanding amount of \$8.625 billion for pension purposes, issued in 2003, is included in the outstanding general obligation bonds as of June 30, 2020.

Debt service principal of \$1.906 billion and interest costs of \$1.517 billion were paid and charged, respectively, in fiscal year 2020 for general and special obligation bonds. The dramatic increase in debt service payments and outstanding debt since fiscal year 1985 is displayed in the following charts:



In addition to general and special obligation bonds, the primary government had \$895 million of revenue bonds and \$3.135 billion of non-retirement long-term obligations outstanding as of June 30, 2020.

The State’s general obligation bond ratings were Baa3 with a Negative Outlook by Moody’s Investor Services, BBB- with a Negative Outlook by Standard and Poor’s, and BBB- with a Negative Outlook by Fitch Ratings as of June 30, 2020. Since June 30, 2020, Moody’s revised its rating to Baa2 with a Stable Outlook, Standard and Poor’s revised its rating to BBB with a Stable Outlook, and Fitch revised its rating to BBB- with a Positive Outlook.

The State’s special obligation—Build Illinois Bonds – ratings were Baa3 with a Negative Outlook by Moody’s Investor Services, BBB with a Negative Outlook by Standard and Poor’s, and BBB+ with a Negative Outlook by Fitch Ratings as of June 30, 2020. Since June 30, 2020, Moody’s revised its rating to Baa2 with a Stable Outlook, Standard and Poor’s revised its rating to BBB+ with a Stable Outlook, and Fitch revised its rating to BBB+ with a Positive 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 2020, the net pension liability as reported in the financial statements totaled \$143.347 billion, an increase of \$4.755 billion from the fiscal year 2019 balance of \$138.592 billion.

During fiscal year 2020, 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 \$58.996 billion as of June 30, 2020, an increase of \$4.474 billion from the fiscal year 2019 balance of \$54.522 billion.

ECONOMIC CONDITION AND OUTLOOK

Fiscal Year 2020

Economic growth declined in Illinois during fiscal year 2020, as nonessential businesses were ordered to temporarily close to mitigate the spread of COVID-19. Illinois' non-agricultural employment (derived from survey data from Illinois companies) averaged 5.937 million workers in fiscal year 2020, a decrease of 178,000 jobs or 2.91% below 2019 employment. A second Illinois employment estimate, obtained through household surveys, also showed a decrease in Illinois employment. According to these surveys, an average of 5.954 million Illinoisans was employed in fiscal year 2020, a decrease over the average of 6.186 million in fiscal year 2019.

The average Illinois unemployment rate increased from 4.6% and 4.2% in fiscal years 2018 and 2019, respectively, to 6.7% in fiscal year 2020. At June 30, 2020, the rate was 14.6%. The increased average unemployment rate was caused by the decrease in employment levels and the increase in the average number of unemployed which increased from approximately 274,000 during fiscal year 2019 to approximately 422,000 for fiscal year 2020.

A more comprehensive measure of Illinois' economic performance is the change in state personal income adjusted for inflation. This value increased 3.2% in fiscal year 2020 as nominal personal income rose 4.8% and the consumer price index was up 1.6%. State personal income adjusted for inflation had shown an increase in 2018 of 2.2% and an increase of 1.6% in 2019.

Outlook

The State continues to show an inability to generate sufficient cash from its current revenue structure to pay operating expenditures on a timely basis. The State's two largest revenue sources, income tax and sales tax, are especially susceptible to changes in the economy. Due to the continued impact of the COVID-19 pandemic and the inability to predict its duration, the level of uncertainty in the economy is intensified and will likely lead to a slow recovery.

These budgetary challenges along with the accumulated deficit in the General Fund, continued growth in the net pension liability and OPEB liability, and ratings on debt issuances of the State may impact the State's ability to access credit markets to pay operational expenditures more timely and may increase interest costs of those borrowings.

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, 2020. 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.

State of Illinois

Statement of Net Position

June 30, 2020 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash equity with State Treasurer	\$ 12,147,813	\$ 375,769	\$ 12,523,582	\$ 1,170,693
Cash and cash equivalents	282,015	229,624	511,639	2,138,142
Deposits held by federal government		58,975	58,975	
Securities lending collateral of State Treasurer	3,998,565	105,077	4,103,642	6,064
Investments	44,430	950,607	995,037	2,678,110
Receivables, net:				
Taxes	4,212,302	331,062	4,543,364	
Intergovernmental	3,949,641	377,516	4,327,157	241,062
Other	1,203,312	234,982	1,438,294	645,872
Internal balances	124,169	(124,169)	-	
Due from fiduciary funds	14,917	482	15,399	
Due from component units	483,000	11,720	494,720	21,520
Due from primary government				1,861,862
Inventories	256,669		256,669	48,926
Prepaid expenses	51,279	1,539	52,818	81,106
Unamortized bond insurance costs	10,220		10,220	5,902
Loans and notes receivable, net	184,447	1,582,527	1,766,974	1,218,226
Restricted assets:				
Cash equity with State Treasurer	1,700,958		1,700,958	213,094
Cash and cash equivalents	182,595	8,486	191,081	800,431
Investments	12,457		12,457	5,283,662
Taxes receivable	9,219		9,219	
Intergovernmental receivables	1,998		1,998	
Other receivables	151,926	33,979	185,905	104,672
Loans and notes receivable, net		3,295,565	3,295,565	25,054
Other assets	38,906		38,906	7,215
Derivative instruments				14
Other assets	16,986		16,986	73,210
Capital assets not being depreciated	4,332,239		4,332,239	2,771,581
Capital assets being depreciated, net	18,172,201	2,924	18,175,125	13,633,950
Total assets	51,582,264	7,476,665	59,058,929	33,030,368
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments				12,480
Deferred outflows of resources - unamortized deferred amounts on bond refundings	46,403		46,403	281,804
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings				4,057
Deferred outflows of resources - pensions	15,083,219	30,813	15,114,032	105,980
Deferred outflows of resources - OPEB	2,900,946	11,280	2,912,226	172,834
Total deferred outflows of resources	18,030,568	42,093	18,072,661	577,155

State of Illinois

Statement of Net Position

June 30, 2020 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts payable and accrued liabilities	8,623,831	602,371	9,226,202	1,354,917
Intergovernmental payables	4,772,257	11,374	4,783,631	46,571
Due to fiduciary funds	1,259,558		1,259,558	
Due to component units	573,032	1,288,678	1,861,710	21,520
Due to primary government				488,795
Unearned revenue	4,510,821	33,021	4,543,842	514,029
Obligations under securities lending of State Treasurer	3,998,565	105,077	4,103,642	6,064
Assets held for others				192,267
Short-term notes and general obligation certificates payable	1,200,000	315,096	1,515,096	13,879
Derivative instruments				13,394
Other liabilities				14,420
Long-term obligations:				
Due within one year	3,638,609	168,238	3,806,847	722,266
Due subsequent to one year	230,831,459	1,472,824	232,304,283	15,167,305
Total liabilities	259,408,132	3,996,679	263,404,811	18,555,427
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - loan origination points				13
Deferred inflows of resources - accumulated increase in fair value of derivative instruments				79
Deferred inflows of resources - unamortized deferred amounts on bond refundings	23,378	24,929	48,307	37
Deferred inflows of resources - service concession arrangements				99,128
Deferred inflows of resources - irrevocable split-interest agreements				20,367
Deferred inflows of resources - pensions	2,587,743	60,818	2,648,561	61,466
Deferred inflows of resources - OPEB	5,346,420	62,977	5,409,397	448,173
Total deferred inflows of resources	7,957,541	148,724	8,106,265	629,263
NET POSITION				
Net investment in capital assets	16,024,087	2,907	16,026,994	7,327,401
Restricted for:				
Debt service	1,935,781	31,839	1,967,620	500,548
Capital grants/projects	1,323,262		1,323,262	174,137
Repayment of loan from component unit		3,087,043	3,087,043	
Unemployment compensation benefits		323,381	323,381	
Municipal lending		835,163	835,163	
Education	5,930	48,991	54,921	
Employment and economic development	243,290		243,290	
Health and social services	320,764		320,764	
Public protection and justice	64,229		64,229	
Environment and business regulation	170,380		170,380	
Transportation	61,452		61,452	
Other purposes	452,566		452,566	
Funds held as permanent investments:				
Nonexpendable purposes	51,795		51,795	1,974,392
Expendable purposes	4,213		4,213	3,058,647
Unrestricted	(218,410,590)	(955,969)	(219,366,559)	1,387,708
Total net position	\$ (197,752,841)	\$ 3,373,355	\$(194,379,486)	\$ 14,422,833

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, 2020 (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	\$34,058,246	\$ 459,695	\$ 21,850,060	\$ 3
Education	28,454,084	8,283	2,453,269	
General government	3,425,080	2,412,267	98,510	7,243
Employment and economic development	843,447	31,088	641,668	
Transportation	5,110,682	44,513	202,279	1,619,296
Public protection and justice	4,523,648	141,387	762,113	
Environment and business regulation	772,169	453,856	112,341	2,281
Intergovernmental-revenue sharing	6,823,515			
Interest	1,564,664			
Total governmental activities	<u>85,575,535</u>	<u>3,551,089</u>	<u>26,120,240</u>	<u>1,628,823</u>
Business-type activities				
Unemployment compensation trust	9,830,805	1,570,873	6,090,039	
Water revolving	109,407	80,934	113,935	
Prepaid tuition program	36,862	9,988		
Lottery	2,159,808	2,848,534		
Other	157,010	125,152	77,760	
Total business-type activities	<u>12,293,892</u>	<u>4,635,481</u>	<u>6,281,734</u>	
Total primary government	<u>\$97,869,427</u>	<u>\$ 8,186,570</u>	<u>\$ 32,401,974</u>	<u>\$ 1,628,823</u>
Component units				
Authorities				
Illinois Housing Development Authority	\$ 244,759	\$ 144,872	\$ 92,443	
Illinois State Toll Highway Authority	1,179,737	1,484,506		
Other Authorities	52,009	42,799		\$ 1,228
Universities				
Illinois State University	588,306	287,365	86,686	3,738
Northern Illinois University	548,095	211,792	86,382	
Southern Illinois University	1,121,145	519,011	139,574	3,377
University of Illinois	6,294,913	3,065,418	1,215,245	7,063
Other Universities	797,182	248,792	163,483	1,100
Total component units	<u>\$10,826,146</u>	<u>\$ 6,004,555</u>	<u>\$ 1,783,813</u>	<u>\$ 16,506</u>
General revenues				
Taxes:				
Income taxes				
Sales taxes				
Motor fuel taxes				
Public utility taxes				
Riverboat taxes				
Medical providers assessment taxes				
Other taxes				
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, payments from the State of Illinois, additions to permanent funds and transfers				
Change in net position				
Net position, July 1, 2019				
Net position, June 30, 2020				

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
\$ (11,748,488)		\$ (11,748,488)	
(25,992,532)		(25,992,532)	
(907,060)		(907,060)	
(170,691)		(170,691)	
(3,244,594)		(3,244,594)	
(3,620,148)		(3,620,148)	
(203,691)		(203,691)	
(6,823,515)		(6,823,515)	
<u>(1,564,664)</u>		<u>(1,564,664)</u>	
<u>(54,275,383)</u>			
	\$ (2,169,893)	(2,169,893)	
	85,462	85,462	
	(26,874)	(26,874)	
	688,726	688,726	
	45,902	45,902	
	<u>(1,376,677)</u>		
		<u>(55,652,060)</u>	
			\$ (7,444)
			304,769
			(7,982)
			(210,517)
			(249,921)
			(459,183)
			(2,007,187)
			<u>(383,807)</u>
			<u>(3,021,272)</u>
25,379,740		25,379,740	
12,102,446		12,102,446	
2,343,071		2,343,071	
1,385,989		1,385,989	
329,163		329,163	
2,930,665		2,930,665	
2,892,250		2,892,250	
243,579	79,685	323,264	183,896
1,277,786		1,277,786	438,013
			1,780,087
			1,185,507
			107,806
<u>717,676</u>	<u>(717,676)</u>	<u>-</u>	
<u>49,602,365</u>	<u>(637,991)</u>	<u>48,964,374</u>	<u>3,695,309</u>
(4,673,018)	(2,014,668)	(6,687,686)	674,037
(193,079,823)	5,388,023	(187,691,800)	13,748,796
<u>\$ (197,752,841)</u>	<u>\$ 3,373,355</u>	<u>\$ (194,379,486)</u>	<u>\$ 14,422,833</u>

State of Illinois

**Balance Sheet -
Governmental Funds**

June 30, 2020 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS			
Cash equity with State Treasurer	\$ 5,812,558	\$ 7,938,677	\$ 13,751,235
Cash and cash equivalents	5,062	376,374	381,436
Securities lending collateral of State Treasurer	3,080,062	901,454	3,981,516
Investments		56,887	56,887
Receivables, net:			
Taxes	3,445,344	776,177	4,221,521
Intergovernmental	2,373,089	1,572,014	3,945,103
Other	890,820	437,781	1,328,601
Due from other funds	306,561	1,746,732	2,053,293
Due from component units	22,170	445,680	467,850
Inventories	127,108	120,660	247,768
Loans and notes receivable, net	141,650	42,797	184,447
Other assets	15,000	40,892	55,892
Total assets	16,219,424	14,456,125	30,675,549
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - intra-entity transfers of future revenues		316,033	316,033
Total deferred outflows of resources		316,033	316,033
Total assets and deferred outflows of resources	\$ 16,219,424	\$ 14,772,158	\$ 30,991,582
LIABILITIES			
Accounts payable and accrued liabilities	\$ 5,284,679	\$ 1,258,447	\$ 6,543,126
Intergovernmental payables	2,393,360	2,361,511	4,754,871
Due to other funds	4,639,286	807,478	5,446,764
Due to component units	392,941	179,373	572,314
Unearned revenue	4,015,470	491,242	4,506,712
Obligations under securities lending of State Treasurer	3,080,062	901,454	3,981,516
General obligation certificates payable	1,200,000		1,200,000
Matured portion of long-term liabilities	391	228	619
Total liabilities	21,006,189	5,999,733	27,005,922
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	1,637,445	781,231	2,418,676
Deferred inflows of resources - intra-entity transfers of future revenues		316,033	316,033
Total deferred inflows of resources	1,637,445	1,097,264	2,734,709
FUND BALANCES (DEFICITS)			
Nonspendable - long-term portion of			
loans and notes receivable	3,256		3,256
Nonspendable - inventories	127,108	120,660	247,768
Nonspendable - endowments and similar funds		51,795	51,795
Restricted	38,958	4,330,132	4,369,090
Committed	2,992,426	3,829,565	6,821,991
Assigned		2,170	2,170
Unassigned	(9,585,958)	(659,161)	(10,245,119)
Total fund balances (deficits)	(6,424,210)	7,675,161	1,250,951
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 16,219,424	\$ 14,772,158	\$ 30,991,582

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, 2020
(Expressed in Thousands)

Total fund balances-governmental funds		\$ 1,250,951
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities, not including amounts included as assets in internal service funds of \$318,621, are not financial resources and therefore are not reported in the funds.		22,185,819
Prepaid expenses for governmental activities are current uses of financial resources for funds.		10,969
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.		10,220
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.		23,025
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.		450,673
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.		2,418,676
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 \$623,562, consist of:		
Net pension liability	(143,129,040)	
Deferred outflows of resources - pensions	15,083,219	
Deferred inflows of resources - pensions	(2,587,743)	
OPEB liability	(58,858,988)	
Deferred outflows of resources - OPEB	2,900,946	
Deferred inflows of resources - OPEB	(5,346,420)	
General obligation bonds	(27,623,784)	
Special obligation bonds	(2,114,325)	
Revenue bonds	(774,865)	
Unamortized premiums	(917,019)	
Unamortized discounts	13,351	
Compensated absences	(382,591)	
Pollution remediation obligation	(35,025)	
Auto liability	(13,747)	
Capital leases	(9,854)	
Accrued interest	(307,289)	
	(224,103,174)	
Net position of governmental activities		\$ (197,752,841)

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, 2020 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES			
Income taxes	\$ 22,555,549	\$ 2,817,159	\$ 25,372,708
Sales taxes	8,554,410	3,548,036	12,102,446
Motor fuel taxes		2,343,101	2,343,101
Public utility taxes	838,569	553,880	1,392,449
Riverboat taxes		329,163	329,163
Medical providers assessment taxes	2,956,445		2,956,445
Other taxes	2,568,451	423,194	2,991,645
Federal government	15,450,004	10,912,595	26,362,599
Licenses and fees	516,075	2,467,925	2,984,000
Interest and other investment income	152,501	87,716	240,217
Other	1,937,919	1,066,202	3,004,121
Total revenues	55,529,923	24,548,971	80,078,894
EXPENDITURES			
Current:			
Health and social services	28,081,755	6,227,445	34,309,200
Education	18,622,126	2,997,616	21,619,742
General government	2,343,623	650,542	2,994,165
Employment and economic development	107,377	793,963	901,340
Transportation	540,787	3,085,523	3,626,310
Public protection and justice	3,554,203	573,396	4,127,599
Environment and business regulation	148,372	677,081	825,453
Debt service:			
Principal	2,019	2,009,523	2,011,542
Interest	7,464	1,561,833	1,569,297
Capital outlays	42,568	1,678,771	1,721,339
Intergovernmental		6,823,515	6,823,515
Total expenditures	53,450,294	27,079,208	80,529,502
Excess (deficiency) of revenues over (under) expenditures	2,079,629	(2,530,237)	(450,608)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
General obligation bonds issued		1,550,000	1,550,000
Premiums on general obligation bonds issued		64,759	64,759
Discounts on general obligation bonds issued		(12,599)	(12,599)
Transfers-in	2,035,993	4,281,773	6,317,766
Transfers-out	(3,133,997)	(2,466,893)	(5,600,890)
Capital lease financing	2,429	1,465	3,894
Net other sources (uses) of financial resources	(1,095,575)	3,418,505	2,322,930
Net change in fund balances	984,054	888,268	1,872,322
Fund balances (deficits), July 1, 2019	(7,516,597)	6,775,531	(741,066)
Increase for changes in inventories	108,333	11,362	119,695
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (6,424,210)	\$ 7,675,161	\$ 1,250,951

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, 2020
(Expressed in Thousands)

Net change in fund balances	\$ 1,872,322
Change in inventories	119,695
	1,992,017

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 increased by this amount during the year. 3,349

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	\$ 1,721,339	
Depreciation expense	(1,568,576)	
Excess of capital outlays over depreciation expense		152,763

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. 25,497

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 include losses on capital assets scrapped, damaged, or stolen. (52,591)

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. (2,816)

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. (132,895)

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. 21,956

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 \$64,759	(1,602,160)	
Bond principal retirements	2,004,401	
Amortization of bond premiums	161,537	
Amortization of bond discounts	(629)	
Amortization of bond insurance costs	(1,098)	
Amortization of deferred amounts on refundings of debt	(24,012)	
Capital lease and installment purchase agreement proceeds	(3,894)	
Capital lease and installment purchase principal retirements	4,396	
Certificates of participation principal retirements	2,745	
Net increase in change in fund balance of governmental funds from long-term debt transactions		541,286

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	(4,794,646)	
Decrease in deferred outflows of resources - pensions	(2,657,215)	
Decrease in deferred inflows of resources - pensions	1,666,730	
Increase in OPEB liability	(4,479,668)	
Increase in deferred outflows of resources - OPEB	1,744,740	
Decrease in deferred inflows of resources - OPEB	1,319,069	
Increase in compensated absences obligation	(35,489)	
Interest accreted on capital appreciation debt	(2,297)	
Decrease in auto liability obligation	5,720	
Increase in pollution remediation obligations	(1,350)	
Decrease in accrued interest on obligations	12,822	
Net increase in expenses for net increase in long-term liabilities not reported in governmental funds		(7,221,584)

Change in net position of governmental activities	\$ (4,673,018)
--	-----------------------

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, 2020 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
ASSETS						
Cash equity with State Treasurer		\$ 177,543	\$ 1,838	\$ 196,388	\$ 375,769	\$ 97,536
Cash and cash equivalents	\$ 200,355		2,088	27,181	229,624	83,174
Deposits held by federal government	58,975				58,975	
Securities lending collateral of State Treasurer		59,938		45,139	105,077	17,049
Investments			142,489	78,310	220,799	
Receivables, net:						
Taxes	331,062				331,062	
Intergovernmental:						
Pandemic Unemployment Assistance (PUA)	47,660				47,660	
Federal Pandemic Unemployment Compensation (FPUC) associated with PUA	101,270				101,270	
Other employment insurance and related programs	217,625				217,625	
Other intergovernmental		582		10,379	10,961	6,536
Other	76,878	17,012	4,982	124,068	222,940	26,637
Due from other funds	14,860			17,756	32,616	2,305,987
Due from component units	443	11,277			11,720	15,150
Loans and notes receivable, net		93,196			93,196	
Restricted assets:						
Cash and cash equivalents				8,486	8,486	
Other receivables, net		9,446		24,533	33,979	
Loans and notes receivable, net		212,561		26,156	238,717	
Inventories						8,901
Prepaid expenses		10		1,529	1,539	40,310
Total current assets	1,049,128	581,565	151,397	559,925	2,342,015	2,601,280
Investments			425,172	304,636	729,808	
Other receivables, net			12,042		12,042	
Loans and notes receivable, net		1,489,331			1,489,331	
Restricted loans and notes receivable, net		2,865,036		191,812	3,056,848	
Capital assets not being depreciated						39,493
Capital assets being depreciated, net		7		2,917	2,924	279,128
Total noncurrent assets		4,354,374	437,214	499,365	5,290,953	318,621
Total assets	1,049,128	4,935,939	588,611	1,059,290	7,632,968	2,919,901
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - pensions		5,947		24,866	30,813	
Deferred outflows of resources - OPEB		2,745		8,535	11,280	
Total deferred outflows of resources		8,692		33,401	42,093	
LIABILITIES						
Accounts payable and accrued liabilities:						
Benefits payable - PUA	47,660				47,660	
Benefits payable - FPUC associated with PUA	101,270				101,270	
Benefits payable - other unemployment insurance and related programs	328,431				328,431	
Other accounts payable and accrued liabilities		358	1,922	122,730	125,010	1,773,416
Intergovernmental payables	8,051	22		3,301	11,374	17,386
Due to other funds	3,396	218	403	63,241	67,258	32,988
Due to component units		1,288,666	10	2	1,288,678	718
Unearned revenue		58		32,963	33,021	4,109
Obligations under securities lending of State Treasurer		59,938		45,139	105,077	17,049
Short-term notes payable	236,939			78,157	315,096	
Current portion of long-term obligations		1,037	140,782	26,419	168,238	117,836
Total current liabilities	725,747	1,350,297	143,117	371,952	2,591,113	1,963,502
Due to other funds				89,045	89,045	
Noncurrent portion of long-term obligations		93,122	767,320	612,382	1,472,824	505,726
Total noncurrent liabilities		93,122	767,320	701,427	1,561,869	505,726
Total liabilities	725,747	1,443,419	910,437	1,073,379	4,152,982	2,469,228
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unamortized						
deferred amounts on bond refundings				24,929	24,929	
Deferred inflows of resources - pensions		6,765		54,053	60,818	
Deferred inflows of resources - OPEB		11,118		51,859	62,977	
Total deferred inflows of resources		17,883		130,841	148,724	
NET POSITION						
Net investment in capital assets		7		2,900	2,907	317,843
Net position restricted for:						
Debt service				31,839	31,839	
Repayment of loan from component unit		3,087,043			3,087,043	
Unemployment compensation benefits	323,381				323,381	
Municipal lending		835,163			835,163	
Education				48,991	48,991	
Unrestricted		(438,884)	(321,826)	(195,259)	(955,969)	132,830
Total net position	\$ 323,381	\$ 3,483,329	\$ (321,826)	\$ (111,529)	\$ 3,373,355	\$ 450,673

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, 2020 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
OPERATING REVENUES						
Charges for sales and services			\$ 236	\$ 2,952,202	\$ 2,952,438	\$ 3,567,221
Interest income pledged as revenue bond security				14,615	14,615	
Interest and other investment income		\$ 80,934	9,752	28	90,714	
Employer contributions	\$ 1,570,873				1,570,873	
Other				6,780	6,780	91
Total operating revenues	1,570,873	80,934	9,988	2,973,625	4,635,420	3,567,312
OPERATING EXPENSES						
Cost of sales and services				252,193	252,193	723,550
Benefit payments and refunds:						
PUA	426,080				426,080	
FPUC associated with PUA	833,690				833,690	
Other unemployment insurance and related programs	8,571,035				8,571,035	
Other benefit payments and refunds				34,790	34,790	2,748,402
Prizes and claims				1,842,188	1,842,188	
Interest				1,257	1,257	
General and administrative		15,141	3,748	161,308	180,197	82,298
Depreciation		2		666	668	33,523
Other		64,434	33,114	14,504	112,052	12
Total operating expenses	9,830,805	79,577	36,862	2,306,906	12,254,150	3,587,785
Operating income (loss)	(8,259,932)	1,357	(26,874)	666,719	(7,618,730)	(20,473)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	41,590	1,638		36,457	79,685	3,185
Interest expense		(29,630)		(9,012)	(38,642)	(142,788)
Federal government:						
PUA	426,080				426,080	
FPUC associated with PUA	833,690				833,690	
Other unemployment insurance and related programs	4,780,432				4,780,432	
Other federal government	49,837	113,935		77,760	241,532	24,161
Other revenues				61	61	645
Other expenses		(200)		(900)	(1,100)	(1,258)
Income (loss) before contributions and transfers	(2,128,303)	87,100	(26,874)	771,085	(1,296,992)	(136,528)
Contributions of capital assets						2,833
Transfers-in				13,183	13,183	800
Transfers-out	(15,638)			(715,221)	(730,859)	
Change in net position	(2,143,941)	87,100	(26,874)	69,047	(2,014,668)	(132,895)
Net position, July 1, 2019	2,467,322	3,396,229	(294,952)	(180,576)	5,388,023	583,568
NET POSITION, JUNE 30, 2020	\$ 323,381	\$ 3,483,329	\$ (321,826)	\$ (111,529)	\$ 3,373,355	\$ 450,673

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, 2020 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services			\$ 235	\$ 164,044	\$ 164,279	\$ 156,377
Cash received from lottery sales				2,786,215	2,786,215	
Cash received from transactions with other funds						4,100,190
Cash payments to suppliers for goods and services		\$ (1,357)	(1,583)	(190,359)	(193,299)	(3,891,497)
Cash payments for interfund services		(2,722)		(4,347)	(7,069)	(43,925)
Cash payments to employees for services		(16,310)	(1,688)	(55,930)	(73,928)	(193,940)
Cash payments for lottery prizes				(1,805,100)	(1,805,100)	
Cash payments for commissions and bonuses				(154,938)	(154,938)	
Cash receipts from unemployment taxes	\$ 1,619,751				1,619,751	
Cash payments for unemployment benefits:						
PUA	(378,420)				(378,420)	
FPUC associated with PUA	(732,547)				(732,547)	
Other unemployment insurance and related programs	(8,413,209)				(8,413,209)	
Cash receipts from prepaid tuition contract sales			7,964		7,964	
Cash payments for tuition			(117,138)		(117,138)	
Cash payments for tuition contract refunds			(26,598)		(26,598)	
Cash receipts from student loan principal				38,129	38,129	
Cash receipts from student loan interest				8,512	8,512	
Cash payments for student loans issued				(1,891)	(1,891)	
Cash payments for workers' compensation						(99,909)
Cash receipts from other operating activities				8,195	8,195	83,086
Cash payments for other operating activities				(141,211)	(141,211)	
Net cash provided (used) by operating activities	(7,904,425)	(20,389)	(138,808)	651,319	(7,412,303)	110,382
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from revenue bonds and other borrowings	236,939	377,756			614,695	38,851
Principal paid on revenue bonds and other borrowings				(37,776)	(37,776)	(8,480)
Interest paid on revenue bonds and other borrowings				(5,777)	(5,777)	(185,522)
Grants received:						
PUA	378,520				378,520	
FPUC associated with PUA	732,547				732,547	
Other unemployment insurance and related programs	4,604,627				4,604,627	
Other grants received		113,439		80,812	194,251	5,457
Grants paid		(70)		(159)	(229)	
Federal recovery funds	49,841				49,841	
Transfers-in from other funds	11			13,117	13,128	
Transfers-out to other funds	(13,338)			(675,261)	(688,599)	
Net cash provided (used) by noncapital financing activities	5,989,147	491,125		(625,044)	5,855,228	(149,694)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets				(345)	(345)	(23,499)
Principal paid on capital debt				(20)	(20)	(1,572)
Proceeds from sales of capital assets						8
Net cash used by capital and related financing activities				(365)	(365)	(25,063)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities			(149,308)	(76,749)	(226,057)	
Proceeds from sales and maturities of investment securities			279,079	94,695	373,774	
Cash paid to investment managers			(381)		(381)	
Cash paid for long-term annuity prizes payable				(24,425)	(24,425)	
Loan disbursements		(557,398)		(13,000)	(570,398)	
Loan repayments		107,093			107,093	
Interest and dividends on investments	41,590	49,387	8,297	4,052	103,326	3,295
Net cash provided (used) by investing activities	41,590	(400,918)	137,687	(15,427)	(237,068)	3,295
Net increase (decrease) in cash and cash equivalents	(1,873,688)	69,818	(1,121)	10,483	(1,794,508)	(61,080)
Cash and cash equivalents, July 1, 2019	2,133,018	107,725	5,047	221,572	2,467,362	241,790
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 259,330	\$ 177,543	\$ 3,926	\$ 232,055	\$ 672,854	\$ 180,710
Reconciliation of cash and cash equivalents to the Statement of Net Position:						
Total cash and cash equivalents per Statement of Net Position	\$ 200,355		\$ 2,088	\$ 27,181	\$ 229,624	\$ 83,174
Add: cash equity with State Treasurer		\$ 177,543	1,838	196,388	375,769	97,536
Add: deposits held by federal government	58,975				58,975	
Add: restricted cash equivalents				8,486	8,486	
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 259,330	\$ 177,543	\$ 3,926	\$ 232,055	\$ 672,854	\$ 180,710

State of Illinois

Statement of Cash Flows -

Proprietary Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (8,259,932)	\$ 1,357	\$ (26,874)	\$ 666,719	\$ (7,618,730)	\$ (20,473)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		2		666	668	33,523
Provision for uncollectible accounts	(118,029)	64,434		5,728	(47,867)	
In-kind contribution of services		22			22	
Interest and investment income		(80,934)	(8,200)	(535)	(89,669)	
Interest expense				1,249	1,249	
Miscellaneous income						637
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:						
(Increase) decrease in accounts receivable	144,061		6,685	(58,995)	91,751	4,718
(Increase) decrease in intergovernmental receivables	(27,206)			(181)	(27,387)	2,516
(Increase) decrease in due from other funds	(10,171)			(359)	(10,530)	700,396
(Increase) decrease in due from component units	(297)				(297)	(2,247)
(Increase) decrease in loans and notes receivable				35,201	35,201	
(Increase) decrease in inventories						164
(Increase) decrease in prepaid expenses		7		(1,039)	(1,032)	(40,310)
(Increase) decrease in deferred outflows of resources		(602)		7,648	7,046	
Increase (decrease) in accounts payable and accrued liabilities:						
Benefits payable - PUA	47,660				47,660	
Benefits payable - FPUC associated with PUA	101,270				101,270	
Benefits payable - other unemployment insurance and related programs	213,249				213,249	
Other increase (decrease) in accounts payable and accrued liabilities		(225)	252	28,252	28,279	(541,624)
Increase (decrease) in intergovernmental payables	4,970	(122)		(384)	4,464	3,079
Increase (decrease) in due to other funds		(183)	224	(282)	(241)	(11,791)
Increase (decrease) in due to component units		(64)		(10)	(74)	252
Increase (decrease) in unearned revenue		58		(550)	(492)	(2,702)
Increase (decrease) in net pension liability		(1,429)		(38,420)	(39,849)	
Increase (decrease) in OPEB liability		3,751		(8,858)	(5,107)	
Increase (decrease) in other liabilities		38	(110,895)	930	(109,927)	(15,756)
Increase (decrease) in deferred inflows of resources		(6,499)		14,539	8,040	
Total adjustments	355,507	(21,746)	(111,934)	(15,400)	206,427	130,855
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (7,904,425)	\$ (20,389)	\$ (138,808)	\$ 651,319	\$ (7,412,303)	\$ 110,382
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Gain (loss) on disposal of capital assets						\$ (1,242)
Transfer of assets/liabilities from (to) other state funds						2,816
Loan repayments held at Trustee		\$ 235,220			\$ 235,220	
Increase (decrease) in fair value of investments			\$ (1,888)	\$ 725	(1,163)	
Interest accreted on investments				9,008	9,008	
Interest accreted on long-term annuity prizes payable				(9,008)	(9,008)	

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, 2020 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Agency Funds
ASSETS				
Cash equity with State Treasurer	\$ 374,880		\$ 6	\$ 491,359
Cash and cash equivalents	1,620,220	\$ 2,055,448	991,589	53,559
Securities lending collateral of State Treasurer	125,380		2	109,180
Investments:				
Equities	30,733,552	25,499	7,359,150	934,437
Fixed income	15,302,742	2,238,825	4,623,670	
Private equity	6,519,059			
Real estate	9,261,648			
Other	15,278,289			
Equity in Illinois State Board of Investments	19,771,534			
Securities lending collateral	3,350,622			
Receivables, net:				
Taxes				109,587
Members	110,042			
Employers	26,694			
Investment income	179,489	5,472	25,402	
Intergovernmental	1,140			542
Pending investment sales	5,591,813			
Other	20,151	1	16	197,300
Due from other funds	196			
Due from primary government funds	1,222,835			36,723
Prepaid expenses	8,788			
Loans and notes receivable, net	37,488		37	
Other assets				137
Capital assets not being depreciated	2,170			
Capital assets being depreciated, net	26,593			
Total assets	109,565,325	4,325,245	12,999,872	\$ 1,932,824
LIABILITIES				
Accounts payable and accrued liabilities	263,956	665	24,920	\$ 52,058
Intergovernmental payables	3			585,815
Due to other funds	196			
Due to primary government funds	14,919	480		
Due to component units				101
Obligations under securities lending of State Treasurer	125,380		2	109,180
Securities lending collateral	3,350,168			
Payable to brokers for unsettled trades	5,619,154			
Obligations under reverse repurchase agreements	512			
Depository and other liabilities		283	16	1,185,670
Long-term obligations:				
Due within one year	351			
Due subsequent to one year	4,339			
Total liabilities	9,378,978	1,428	24,938	\$ 1,932,824
NET POSITION				
Restricted for:				
Pension and other postemployment benefits	100,274,318			
Pool participants		4,323,817		
Individuals, organizations, and other governments			12,974,934	
Unrestricted	(87,971)			
Total net position	\$ 100,186,347	\$ 4,323,817	\$ 12,974,934	

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, 2020 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds
ADDITIONS			
Deposits/Contributions:			
Employer State	\$ 2,782,522 6,806,638		
Participants Members:		\$ 25,568	\$ 1,640,316
Employees	1,970,161		
Federal Medicare Part D	891		
Other contributions	61,614		
Total contributions	11,621,826	25,568	1,640,316
Investment income:			
Interest and other investment income	2,401,051	76,303	318,918
Net increase (decrease) in fair value of investments	650,023	428	87,551
Reimbursements of expenses not separable from investment income	3,047		
Less investment expense	(966,022)	(3,289)	
Net investment income	2,088,099	73,442	406,469
Capital share and individual account transactions:			
Shares sold		14,875,662	
Reinvested distributions		72,693	
Shares redeemed		(14,348,962)	
Net capital share and individual account transactions		599,393	
Total additions	13,709,925	698,403	2,046,785
DEDUCTIONS			
Benefit payments	13,274,275		
Refunds	188,677		
Payments to participants/beneficiaries		2,992	998,176
Distribution to pool investors		72,693	
Depreciation	2,869		
General and administrative	74,323		34,652
Other	3,651		
Total deductions	13,543,795	75,685	1,032,828
Change in net position			
Restricted for:			
Pension benefits	(298,187)		
Retiree health insurance benefits	107,643		
Defined contribution	356,674		
Pool participants		622,718	
Individuals, organizations, and other governments			1,013,957
Net position, July 1, 2019	100,020,217	3,701,099	11,960,977
NET POSITION, JUNE 30, 2020	\$ 100,186,347	\$ 4,323,817	\$ 12,974,934

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, 2020 (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		\$ 1,170,223			
Cash and cash equivalents	\$ 688,059	60,878	\$ 35,283	\$ 147,143	\$ 8,827
Securities lending collateral of State Treasurer			5,918		
Investments	229,724		46,763	189,926	137,520
Receivables, net:					
Intergovernmental		105,291			
Other	958	30,845	651	36,225	23,866
Due from component units			21,173	178	
Due from primary government	15,770	94,618	1,288,813	13,722	15,864
Inventories				2,300	1,844
Prepaid expenses		7,882	333	3,888	1,007
Unamortized bond insurance costs		2,483		17	2,153
Loans and notes receivable, net	1,127,429		13,666	5,682	4,386
Restricted assets:					
Cash equity with State Treasurer		193,796	19,298		
Cash and cash equivalents		241,582	286,918	5,339	56,765
Investments	1,262,585	325,000	95,023	126,502	30,763
Other receivables, net	93,860	1,439	93	5,803	
Loans and notes receivable, net			24,236		
Other assets				1,119	
Derivative instruments	14				
Other assets	3,472		1,468	4,041	3,446
Capital assets not being depreciated		1,936,209	35,596	79,202	30,708
Capital assets being depreciated, net	27,352	7,575,588	24,241	454,554	397,834
Total assets	3,449,223	11,745,834	1,899,473	1,075,641	714,983
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments	9,132				
Deferred outflows of resources - unamortized deferred amounts on bond refundings		261,181	70	758	
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings					
Deferred outflows of resources - pensions		59,773	420	781	1,330
Deferred outflows of resources - OPEB		34,084	36	4,255	5,806
Total deferred outflows of resources	9,132	355,038	526	5,794	7,136
LIABILITIES					
Accounts payable and accrued liabilities	90,432	415,582	36,686	27,069	32,064
Intergovernmental payables		31,652			11,548
Due to component units				61	441
Due to primary government	408,872	37,353	11,279		
Unearned revenue	6,887	208,283	251	10,068	15,468
Obligations under securities lending collateral of State Treasurer			5,918		
Assets held for others	136,364		5	3,524	
Short-term notes payable				6,000	
Derivative instruments	9,132				
Other liabilities			605	6,513	
Long-term obligations:					
Due within one year	60,214	192,897	89,663	12,496	12,086
Due subsequent to one year	1,470,594	7,659,940	1,553,124	188,219	387,432
Total liabilities	2,182,495	8,545,707	1,697,531	253,950	459,039
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - loan origination points	13				
Deferred inflows of resources - accumulated increase in fair value of derivative instruments	14				
Deferred inflows of resources - unamortized deferred amounts on bond refundings	37				
Deferred inflows of resources - service concession arrangements					
Deferred inflows of resources - irrevocable split-interest agreements					
Deferred inflows of resources - pensions		58,558	2,908		
Deferred inflows of resources - OPEB		45,495	2,822	6,584	9,100
Total deferred inflows of resources	64	104,053	5,730	6,584	9,100
NET POSITION					
Net investment in capital assets	6,967	2,879,595	45,052	383,475	92,222
Restricted for:					
Debt service		458,006			
Capital projects					
Nonexpendable purposes				108,743	55,786
Other expendable purposes	1,012,620	34	69,856	199,221	119,925
Unrestricted	256,209	113,477	81,830	129,462	(13,953)
Total net position	\$ 1,275,796	\$ 3,451,112	\$ 196,738	\$ 820,901	\$ 253,980

Southern Illinois University	University of Illinois	Other Universities	Total
\$ 98,264	\$ 928,974	\$ 470	\$ 1,170,693
		170,714	2,138,142
		146	6,064
123,293	1,931,359	19,525	2,678,110
	129,784	5,987	241,062
31,193	467,062	55,072	645,872
44	39	86	21,520
61,639	344,091	27,345	1,861,862
7,810	34,315	2,657	48,926
5,146	60,165	2,685	81,106
628		621	5,902
13,415	45,910	7,738	1,218,226
			213,094
59,837	86,389	63,601	800,431
301,000	2,960,855	181,934	5,283,662
		3,477	104,672
		818	25,054
		6,096	7,215
			14
11,351	47,060	2,372	73,210
64,994	539,957	84,915	2,771,581
735,335	3,638,252	780,794	13,633,950
1,513,949	11,214,212	1,417,053	33,030,368
	3,348		12,480
1,957	17,580	258	281,804
120	3,661	276	4,057
2,888	38,900	1,888	105,980
11,787	110,655	6,211	172,834
16,752	174,144	8,633	577,155
40,030	667,514	45,540	1,354,917
		3,371	46,571
23	20,870	125	21,520
2,102	28,766	423	488,795
34,450	219,097	19,525	514,029
		146	6,064
16,180	35,280	914	192,267
	7,879		13,879
	4,262		13,394
		7,302	14,420
36,594	292,218	26,098	722,266
408,219	3,176,535	323,242	15,167,305
537,598	4,452,421	426,686	18,555,427
			13
	65		79
			37
	69,279	29,849	99,128
	19,903	464	20,367
			61,466
54,023	292,344	37,805	448,173
54,023	381,591	68,118	629,263
586,004	2,718,464	615,622	7,327,401
12,409	23,828	6,305	500,548
27,984	145,703	450	174,137
144,609	1,545,477	119,777	1,974,392
121,911	1,406,889	128,191	3,058,647
46,163	713,983	60,537	1,387,708
\$ 939,080	\$ 6,554,344	\$ 930,882	\$ 14,422,833

State of Illinois**Statement of Activities -****Component Units**

For the Year Ended June 30, 2020 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue
		Charges for services	Operating grants and contributions	
Authorities:				
Illinois Housing Development Authority	\$ 244,759	\$ 144,872	\$ 92,443	\$ (7,444)
Illinois State Toll Highway Authority	1,179,737	1,484,506		304,769
Other authorities	52,009	42,799		(7,982)
			\$ 1,228	
Universities:				
Illinois State University	588,306	287,365	86,686	(210,517)
Northern Illinois University	548,095	211,792	86,382	(249,921)
Southern Illinois University	1,121,145	519,011	139,574	(459,183)
University of Illinois	6,294,913	3,065,418	1,215,245	(2,007,187)
Other universities	797,182	248,792	163,483	(383,807)
Total	<u>\$ 10,826,146</u>	<u>\$ 6,004,555</u>	<u>\$ 1,783,813</u>	<u>\$ (3,021,272)</u>

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

General revenues				Additions to permanent endowments	Total general revenues and additions to permanent endowments	Change in net position	Net position, July 1, 2019,	Net position, June 30, 2020
Pension and OPEB revenue recognized	State appropriations	Interest and investment income	Other					
		\$ 28,753			\$ 28,753	\$ 21,309	\$ 1,254,487	\$ 1,275,796
		39,834	\$ 30,024		69,858	374,627	3,076,485	3,451,112
		10,521	1,796		12,317	4,335	192,403	196,738
\$ 95,204	\$ 70,487	8,903	47,560	\$ 9,499	231,653	21,136	799,765	820,901
100,523	89,032	(1,780)	16,206	898	204,879	(45,042)	299,022	253,980
211,569	196,969	16,177	63,261	4,597	492,573	33,390	905,690	939,080
1,187,660	634,851	71,402	275,499	88,983	2,258,395	251,208	6,303,136	6,554,344
185,131	194,168	10,086	3,667	3,829	396,881	13,074	917,808	930,882
<u>\$ 1,780,087</u>	<u>\$ 1,185,507</u>	<u>\$ 183,896</u>	<u>\$ 438,013</u>	<u>\$ 107,806</u>	<u>\$ 3,695,309</u>	<u>\$ 674,037</u>	<u>\$ 13,748,796</u>	<u>\$ 14,422,833</u>

This Page Left Intentionally Blank

Index of Notes to the Financial Statements

Note	1	Summary of Significant Accounting Policies.....	50
Note	2	Fund Balance/Net Position.....	66
Note	3	Deposits and Investments.....	67
Note	4	Taxes Receivable and Tax Abatements.....	83
Note	5	Interfund Balances and Activity.....	85
Note	6	Loans and Notes Receivable.....	87
Note	7	Capital Assets.....	88
Note	8	Changes in Long-Term Obligations.....	93
Note	9	General Obligation Bonds.....	98
Note	10	Special Obligation Bonds.....	102
Note	11	Revenue Bonds.....	106
Note	12	Notes and General Obligation Certificates Payable/Short-Term Borrowings.....	114
Note	13	Other Long-Term Obligations.....	117
Note	14	Derivatives.....	121
Note	15	Refundings of Long-Term Obligations.....	131
Note	16	Retirement Systems.....	133
Note	17	Postemployment Benefits.....	146
Note	18	Fair Value Measurements.....	158
Note	19	Fund Deficits/Cash Flow Deficits.....	176
Note	20	Risk Management.....	178
Note	21	Commitments and Contingencies.....	180
Note	22	Segment Information.....	184
Note	23	Subsequent Events.....	186
Note	24	Contractual Violation.....	186

STATE OF ILLINOIS
Notes to the Financial Statements
June 30, 2020

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 two 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 along with other primary government fiduciary funds.

1. *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) even though most covered employees are not State employees. The State of Illinois is legally mandated to make contributions to TRS.
2. *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.

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 Office: James R. Thompson Center, 100 W. Randolph Street, Suite 15-100, Chicago, Illinois 60601.)

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 Comprehensive Health Insurance Plan (ICHIP) Board*. The ICHIP provides an alternate market for health insurance for eligible Illinois residents having a pre-existing health condition. The State provides significant operating subsidies to the ICHIP. (Administrative Offices: 320 West Washington Street, Suite 700, Springfield, Illinois 62701.)

4. *Illinois Finance Authority.* The Illinois Finance Authority was created to foster economic development to the 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.)
5. *Illinois Medical District Commission.* The Illinois Medical District Commission was created to maintain and expand a designated “medical district.” The Illinois Finance Authority has issued bonds on its behalf. The State has a moral obligation for this debt if there are not sufficient monies to pay principal and interest. (Administrative Offices: 2100 W. Harrison Street, Chicago, Illinois 60612.)
6. *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.)
7. *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 and has a moral obligation for its debt if there are not sufficient UIRVDA monies to pay principal and interest. (Administrative Offices: 633 La Salle Street, Suite 401, Ottawa, Illinois 61350.)
8. *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, 302 Hovey Hall, 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, 2019, was \$140.464 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 2019 of \$220 thousand. 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 four primary sub-accounts (General Revenue, Education Assistance, Common School, and Medicaid Provider Assessment Program) 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.

Prepaid Tuition – This fund accounts for the net position held by *College Illinois!*, the Illinois prepaid tuition program. The program provides Illinois families with an affordable tax-advantaged method to pay for college.

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 capital leases, installment purchases, workers' compensation, and net pension 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, the State’s Deferred Compensation Plan Fund, 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 Illinois Secure Choice Savings Program.

Private-Purpose Trust – These funds account for resources legally held in trust for use by individuals in the State’s qualified tuition program under Section 529 of the Internal Revenue Code and other amounts held for individuals, private organizations, and other governments. There is no requirement that any portion of these resources be preserved as capital.

Agency – 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 (except for agency funds which do not have a 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 capital leases and installment 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 Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

The State's financial statements contain certain investments that meet the definition of "derivative instruments." Derivative instrument investments included in the pension trust funds 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, which include 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.

Capitalization thresholds of the primary government generally are as follows:

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	1,000
Intangible Assets - Non-Internally Generated	25

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. Interest incurred during the construction phase of capital assets used in business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

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	3-25
Intangible Assets - Non-Internally Generated	3-25

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 thirty-nine 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. Capital Appreciation ("deep-discount") Bonds

Capital appreciation bonds are those bonds that 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.

L. Compensated Absences

The liability for compensated absences reported in the government-wide, proprietary, and fiduciary fund financial statements consists of unpaid accumulated vacation and sick leave balances. A liability for these amounts is reported in governmental funds only if the liability has matured, for example, as a result of employee resignations and retirements. The liability has been calculated using the vesting method, in which leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments are included. The liability has been calculated based on the employees' current salary level and includes salary related costs (e.g., Social Security and Medicare tax).

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. Any sick days earned and unused after December 31, 1997, will be converted to service time for purposes of calculating employee pension benefits.

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.

M. Bond Premiums, Discounts, and Insurance/Issuance Costs

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond insurance costs, during the current period. The face amount of debt

issued is reported as other financing sources. 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.

N. Advance Refundings of Debt

In the government-wide and proprietary fund financial statements, gains and losses from advance 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.

O. 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 – 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.

P. 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.

Q. 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.

R. New Accounting Pronouncements

Effective for the year ending June 30, 2020, the State adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, the objective of which is to address the impact of the COVID-19 pandemic and to provide relief to governments by postponing implementation and application of certain GASB statements by a year, and by up to 18 months for other statements. In accordance with this statement, the State postponed the implementation of any previously applicable statements until their newly required implementation dates. The effective dates of all statements described within this footnote reflect these revised implementation dates.

S. Future Adoption of GASB Statements

Effective for the year ending June 30, 2021, the State will adopt GASB Statement No. 84, *Fiduciary Activities*, the objective of which is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes, the recognition of liabilities to beneficiaries, and how fiduciary activities should be reported. The statement redefines the fiduciary fund types focusing on the resources to be reported within each. The types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. A statement of fiduciary net position will be used to report assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position of pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. A statement of changes in fiduciary net position will be required to report additions to and deductions from the four fiduciary fund types including the presentation of investment earnings, investment costs, net investment earnings, and deductions,

disaggregated by type. 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, 2022, the State will adopt GASB Statement No. 87, *Leases*, which is intended to improve accounting and financial reporting for leases by governments to better meet the information needs of financial statement users. The Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. 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, 2022, the State will adopt GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction Period*, which enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and establishes accounting requirements for interest cost incurred before the end of a construction period. 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, 2021, the State will adopt GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, the objective of which is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The statement defines a majority equity interest and provides information on how the holding of a majority equity interest in a legally separate organization should be accounted for based on the ownership percentage, whether the holding meets the definition of an investment, or whether the legally separate organization should be reported as a component unit. 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, 2023, the State will adopt GASB Statement No. 91, *Conduit Debt Obligations*, the objective of which is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. 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, 2022, the State will adopt GASB Statement No. 92, *Omnibus 2020*, the objective of which is to address practice issues identified during the implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to the effective date of lease reporting requirements for interim reporting, the reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan, the applicability of certain pension related guidance to reporting assets accumulated for postemployment benefits, the applicability of certain fiduciary reporting requirements to postemployment benefit arrangements, measurement of liabilities related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, non-recurring fair value measurements, and terminology used to refer to derivative instruments. 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, 2022, the State will adopt GASB Statement No. 93, *Replacement of Interbank Offered Rates*, the objective of which is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR), most notably the London Interbank Offered Rate (LIBOR). By providing exceptions to the existing provisions for hedge accounting termination and lease modifications, this Statement will reduce the cost of the accounting and financial reporting ramifications of replacing IBORs with other reference rates as well as maintain the consistency and comparability of reporting hedging derivative instruments and leases after amendments are made to replace IBOR. 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, 2023, the State will adopt GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which establishes standards of accounting and financial reporting for Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) for governments to improve the comparability of financial statements among governments that enter into these types of agreements. The standards will enhance the understandability, reliability, relevance, and consistency of information about PPPs and APAs. 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, 2023, the State will adopt GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the objective of which is to improve accounting and financial reporting for subscription-based information technology arrangements (SBITAs) by establishing a definition for SBITAs and providing uniform guidance on accounting and financial reporting for transactions that meet that definition. SBITAs provide governments with access to vendors' information technology (IT) software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the IT software and associated tangible capital assets. The statement establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding a SBITA. 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, 2022, the State will adopt GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The objective of this statement is to improve the consistency and comparability of the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. The objectives of this statement also include mitigating costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements and to enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

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, 2020, 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	\$ 3,256	\$ -	\$ 3,256
Inventories	127,108	120,660	247,768
Endowments and Similar Funds	-	51,795	51,795
Total Nonspendable	130,364	172,455	302,819
Restricted For:			
Debt Service	-	1,803,432	1,803,432
Capital Grants/Projects			
Transportation Construction/Maintenance	-	900,151	900,151
Other	-	423,111	423,111
Health and Social Services	34,811	280,224	315,035
Education	-	2,762	2,762
General Government			
Unclaimed Property	-	153,979	153,979
Pension Acceleration Program	-	137,883	137,883
Other	1,541	143,996	145,537
Employment and Economic Development	-	213,098	213,098
Transportation	-	61,452	61,452
Public Protection and Justice	2,606	61,623	64,229
Environment and Business Regulation			
Abandoned Mined Land Reclamation	-	62,753	62,753
Other	-	85,668	85,668
Total Restricted	38,958	4,330,132	4,369,090
Committed For:			
Capital Grants/Projects			
Transportation Construction/Maintenance	-	565,080	565,080
Other	-	14,169	14,169
Health and Social Services			
Healthcare/Pharmaceutical Provider Relief	1,836,132	-	1,836,132
Adoption/Foster Care Services	276,692	42,859	319,551
Other	-	180,776	180,776
Education			
Education Assistance	107,090	-	107,090
Other	-	24,067	24,067
General Government			
School Infrastructure	419,346	-	419,346
Affordable Housing	-	428,062	428,062
State Universities Pension	-	17,343	17,343
Real Estate Tax-Relief Loan Program	-	56,511	56,511
Identification Security and Theft Prevention Measures	-	27,138	27,138
Other	200,402	230,052	430,454
Employment and Economic Development			
Low Income Energy Assistance	-	209,489	209,489
Tourism Promotion	-	89,647	89,647
Renewable Energy Programs	-	156,620	156,620
Other	-	56,875	56,875
Transportation			
Downstate Public Transportation	-	114,422	114,422
Regional Transportation Capital Improvements	-	184,197	184,197
Other	118,615	428,447	547,062
Public Protection and Justice	17,260	340,268	357,528
Environment and Business Regulation			
Clean Water Activities	-	20,080	20,080
Open Space Lands Acquisition and Development	-	109,467	109,467
Parks and Conservation Activities	-	11,929	11,929
Insurance Regulation and Administration	-	123,243	123,243
Other	16,889	398,824	415,713
Total Committed	2,992,426	3,829,565	6,821,991
Assigned For:			
Health and Social Services	-	2,170	2,170
Total Assigned	-	2,170	2,170
Unassigned	(9,585,958)	(659,161)	(10,245,119)
	\$ (6,424,210)	\$ 7,675,161	\$ 1,250,951

B. Net Position Restricted by Enabling Legislation

The government-wide statement of net position reports \$8.960 billion of restricted net position, of which \$2.473 billion is restricted by enabling legislation.

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, 2020, consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>
Repurchase agreements	\$ 1,309,366
U.S. Treasury obligations	4,377,817
U.S. Agency obligations	949,674
Supranational bonds	197,354
Municipal debt	143,767
Commercial paper	3,280,459
Corporate debt securities	994,900
Money market mutual funds	3,100,821
Private equity	183,774
Equity in Public Treasurers' Investment Pool	2,273,381
Equity in other investment pools	7
Securities lending collateral invested in repurchase agreements	4,344,267
Total fair value	<u>\$ 21,155,587</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, 2020, 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	\$ 6,189
U.S. Treasury obligations	1,074,432
U.S. Agency obligations	44,115
Municipal debt	152,308
Annuities	108
Corporate debt securities	76,414
Debt mutual funds	4,777,877
Equity in Public Treasurers' Investment Pool	4,397,455
Equity in Illinois State Board of Investments	39,386
Government notes - non U.S.	2,760
Cash and pending trades	(3,018)
Money market mutual funds	1,359,044
Equity securities	152,466
Equity mutual funds	7,385,411
Blended mutual funds	1,907
Guaranteed investment contracts	638,480
Bond trust funds	68,692
Equity trust funds	1,160,673
Blended trust funds	2,654,482
Other	260,577
Total fair value	<u>\$ 24,249,758</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 agency 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 \$12.694 million less than the deposits and investments of the ISBI, due to net liabilities of the ISBI.

Investments held by ISBI at June 30, 2020, consisted of the following:

Table 3-3 (amounts expressed in thousands)

Investment Type	Fair Value
U.S. Treasury obligations	\$ 64,309
U.S. Agency obligations	171,718
Municipal debt	1,676
Corporate obligations	1,006,215
Common stock and equity funds	2,872,261
Foreign obligations	11,674
Foreign equity securities	215,659
Commingled funds	10,958,732
Opportunistic debt	822,485
Hedge funds	46,355
Real estate	1,960,846
Private equity	942,875
Money market instruments	212,665
Infrastructure funds	279,400
Bank loans	242,975
Total Investments	<u>\$ 19,809,845</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 \$470.729 million and \$447.177 million at June 30, 2020, respectively. Of the total bank balance of these cash deposits at June 30, 2020, \$205.956 million was uninsured with collateral held by the pledging financial institution in the State's name, \$14.652 million was uninsured with collateral held by the pledging financial institution but not in the State's name, and \$17.442 million was uninsured and uncollateralized.

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 AA- Long-term Deposit/Debt rating by Standard and Poor's and an Aa2 rating by Moody's. The carrying amount and bank balance of ISBI's cash deposits were both \$13.811 million at June 30, 2020.

TRS's foreign currency held by investment managers at June 30, 2020, totaled \$79.353 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, 2020, the carrying amount was \$1.267 billion and the bank balance was \$1.191 billion, of which \$8.116 million was uninsured.

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, \$926.236 million was held by the counterparty, but not in the State's name, at June 30, 2020. 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 \$6.189 million, \$725.940 million, \$16.922 million, \$150.979 million, \$24.701 million, and \$1.505 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, 2020:

Table 3-4 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	P-1	Not Rated	Total
Repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ 509,366	\$ 800,000	\$ 1,309,366
U.S. Agency obligations	709,664	-	-	-	-	240,010	949,674
Supranational Bonds	197,354	-	-	-	-	-	197,354
Municipal debt	8,040	49,526	22,078	-	-	64,123	143,767
Commercial paper	-	-	-	-	3,280,459	-	3,280,459
Corporate debt securities	53,100	231,563	639,604	633	-	70,000	994,900
Money market mutual funds	3,100,821	-	-	-	-	-	3,100,821
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	2,273,381 *	2,273,381
Equity in other investment pools	-	-	-	-	-	7	7
Securities lending collateral: Invested in repurchase agreements	-	-	-	-	-	4,344,267 **	4,344,267
Total subject to credit risk	\$4,068,979	\$ 281,089	\$ 661,682	\$ 633	\$ 3,789,825	\$ 7,791,788	16,593,996
U.S. Treasury obligations	-	-	-	-	-	-	4,377,817
Total fixed income securities							\$ 20,971,813

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

** The break down of Moody's credit ratings of the collateral for securities lending collateral invested in repurchase agreements was as follows: 8.79% Aaa, 2.97% Aa, 11.26% A, 21.20% Baa, 5.24% Ba, 4.07% B, 3.67% Caa, 0.19% Ca, 0.16% C, 0.43% P-1, 0.01% P-2, 42.01% 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, 2020:

Table 3-5 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	Not Rated	Withdrawn	Total
Negotiable certificates of deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,189	\$ -	\$ 6,189
U.S. Agency obligations	41,045	-	84	162	181	-	2,643	-	44,115
Municipal debt	31,685	92,201	20,816	6,545	-	-	966	95	152,308
Corporate debt securities	3,623	7,817	51,960	3,712	442	-	8,860	-	76,414
Government notes - non U.S.	-	-	1,505	-	-	-	1,255	-	2,760
Mutual funds	105,321	4,631	17,572	27,776	7	2	4,622,568	-	4,777,877
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	4,397,455 *	-	4,397,455
Money market mutual funds	255,817	-	-	-	-	-	1,103,227	-	1,359,044
Bond trust funds	-	-	-	-	-	-	68,692	-	68,692
Total subject to credit risk	\$ 437,491	\$ 104,649	\$ 91,937	\$ 38,195	\$ 630	\$ 2	\$ 10,211,855	\$ 95	10,884,854
U.S. Treasury obligations	-	-	-	-	-	-	-	-	1,074,432
Total fixed income securities									\$ 11,959,286

* 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, 2020:

Table 3-6 (amounts expressed in thousands)

Quality Rating	Corporate Debt Obligations	Foreign Debt Obligations	U.S. Agency Obligations	Municipal Debt	Money Market Instruments	Total
Aaa	\$ 4,163	\$ 1	\$ 171,250	\$ -	\$ -	\$ 175,414
Aa	12,429	-	-	-	-	12,429
A	445,417	1,903	-	-	-	447,320
Baa	71,262	1,489	-	254	-	73,005
Ba	108,973	2,795	-	67	-	111,835
B	100,041	223	468	-	-	100,732
Caa	76,679	-	-	-	-	76,679
Ca	4,547	-	-	420	-	4,967
C	136	-	-	-	-	136
Not rated	182,568	5,263	-	935	212,665	401,431
Total subject to credit risk	\$ 1,006,215	\$ 11,674	\$ 171,718	\$ 1,676	\$ 212,665	\$ 1,403,948

The following table summarizes the Moody's credit quality ratings for debt securities held by TRS at June 30, 2020:

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	\$ 254,256	\$ 31,687	\$ 280,488	\$ -	\$ 781,097	\$ 1,347,528
Aa	207,040	127,994	-	2,612	273,491	611,137
A	1,317,622	328,718	-	548	1,957,200	3,604,088
Baa	1,515,088	498,875	-	-	65,599	2,079,562
Ba	660,260	227,608	-	2,644	-	890,512
B	503,230	80,948	-	-	183,192	767,370
Caa	66,348	-	-	-	-	66,348
Ca	49,941	40,931	-	-	-	90,872
C	5,693	-	-	-	-	5,693
Not rated	20,024	7,136	-	-	14,306	41,466
Total subject to credit risk	\$ 4,599,502	\$ 1,343,897	\$ 280,488	\$ 5,804	\$ 3,274,885	9,504,576
U.S. Treasury obligations						383,343
Total fixed income securities						\$ 9,887,919

The following table summarizes the Standard and Poor's credit quality ratings for debt securities held by SURS at June 30, 2020:

Table 3-8 (amounts expressed in thousands)

Quality Rating	Corporate Debt Securities	Foreign Debt Securities	U.S. Agency Obligations	Municipal Obligations	Total
AAA	\$ 85,464	\$ 15,781	\$ -	\$ 11,240	\$ 112,485
AA	78,854	4,091	744,457	27,836	855,238
A	204,467	27,003	-	6,418	237,888
BBB	680,797	82,806	-	242	763,845
BB	396,294	54,178	-	-	450,472
B	325,963	34,305	-	-	360,268
CCC	61,258	7,850	-	226	69,334
CC	8,419	-	-	-	8,419
C	178	-	-	-	178
D	4,719	347	-	-	5,066
Not rated	286,471	7,992	-	2,472	296,935
Total subject to credit risk	\$ 2,132,884	\$ 234,353	\$ 744,457	\$ 48,434	3,160,128
U.S. Treasury obligations					2,097,737
U.S. Agency obligations explicitly guaranteed by U.S. government					81,430
Less cash equivalents					(78,599)
Total fixed income securities					\$ 5,260,696

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 15% of the investment portfolio shall be allocated to investments with a 4 to 5-year maturity band. No more than 10% 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, 2020:

Table 3-9 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years
Repurchase agreements	\$ 1,309,366	\$ 1,309,366	\$ -	\$ -
U.S. Treasury obligations	4,377,817	4,326,141	51,676	-
U.S. Agency obligations	949,674	670,420	264,254	15,000
Supranational Bonds	197,354	75,091	122,263	-
Municipal debt	143,767	10,586	78,075	55,106
Commercial paper	3,280,459	3,280,459	-	-
Corporate debt securities	994,900	553,490	373,033	68,377
Money market mutual funds	3,100,821	3,100,821	-	-
Equity in Public Treasurers' Investment Pool	2,273,381	2,273,381	-	-
Equity in other investment pools	7	-	7	-
Securities lending collateral:				
Invested in repurchase agreements	4,344,267	4,344,267	-	-
Total fixed income investments	\$ 20,971,813	\$ 19,944,022	\$ 889,308	\$ 138,483

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, 2020. 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	\$ 6,189	3.100
U.S. Treasury obligations	1,074,432	4.285
U.S. Agency obligations	44,115	4.471
Municipal debt	152,308	9.899
Corporate debt securities	76,414	9.544
Government notes - non U.S.	2,760	5.997
Mutual funds	4,777,877	5.030
Equity in Public Treasurers' Investment Pool	4,397,455	0.194
Money market mutual funds	1,359,044	0.088
Bond trust funds	68,692	8.020
Total fixed income investments	<u>\$ 11,959,286</u>	

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, 2020, the effective weighted duration of ISBI’s fixed income portfolio was 4.6 years and the effective duration of the benchmark index was 6.3 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, 2020:

Table 3-11 (amounts expressed in thousands)

Investment Type	Fair Value	Effective Weighted Duration (Years)
Government and agency obligations:		
U.S. Treasury obligations	\$ 64,309	2.4
U.S. Agency obligations	171,718	0.3
	\$ 236,027	
Municipal debt	1,676	*
Corporate obligations:		
Bank and finance	290,392	5.5
Collateralized mortgage obligations	79,105	6.6
Industrials	39,671	7.4
Other	597,047	4.8
	1,006,215	
Foreign obligations	11,674	6.0
Total subject to interest rate risk	<u>\$ 1,255,592</u>	
*Effective weighted duration is not available		

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 measure 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, 2020, the WAM of ISBI's bank loan portfolio was 4.8 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 time segmented distribution of the debt securities held by TRS at June 30, 2020:

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	Other
U.S. Treasury obligations	\$ 383,343	\$ 66,247	\$ 215,877	\$ 59,061	\$ 24,920	\$ 17,238	\$ -
U.S. Agency obligations	280,488	41,058	96,605	1,245	75,803	65,777	-
Municipal obligations	5,804	-	308	1,221	1,663	2,612	-
Corporate debt securities	4,599,502	325,021	2,007,323	1,308,277	329,189	629,692	-
Foreign debt securities	1,343,897	335,632	336,327	411,011	203,451	57,476	-
Commingled funds	3,274,885	119,678	678,817	1,539,108	375,899	-	561,383 *
Derivative instruments	6,184	67	5,002	1,115	-	-	-
Total subject to interest rate risk	9,894,103	\$ 887,703	\$ 3,340,259	\$ 3,321,038	\$ 1,010,925	\$ 772,795	\$ 561,383
Less derivative instruments	(6,184)						
Total fixed income securities	\$ 9,887,919						

* Maturity date is not available or applicable.

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 time segmented distribution of the debt securities held by SURS at June 30, 2020:

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	\$ 2,923,624	\$ 116,291	\$ 1,069,765	\$ 539,539	\$ 318,207	\$ 879,822
Municipal obligations	48,434	2,316	8,535	11,421	19,490	6,672
Corporate debt securities	2,132,884	36,000	870,647	765,904	196,442	263,891
Foreign debt securities	234,353	2,546	92,634	83,450	11,362	44,361
Derivative instruments - swaps	(12,096)	2	(1,429)	(6,179)	-	(4,490)
Total subject to interest rate risk	5,327,199	\$ 157,155	\$ 2,040,152	\$ 1,394,135	\$ 545,501	\$ 1,190,256
Less derivative instruments - swaps	12,096					
Less cash equivalents	(78,599)					
Total fixed income securities	\$ 5,260,696					

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 assets held outside the State Treasury by the Prepaid Tuition Fund, a major enterprise fund, 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 Prepaid Tuition Fund's investment policy establishes targets for long-term and interim asset allocations and rebalancing ranges. As of June 30, 2020, the long-term and interim targets for international equities were 17% and 18%, respectively, with a rebalancing range of 15% to 21% for the lower and upper limits.

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, 2020:

Table 3-14 (amounts expressed in thousands)

<u>Currency Denomination</u>	<u>Foreign Short-term Deposits</u>	<u>Foreign Debt Securities</u>	<u>Foreign Currency and Pending Currency Transactions</u>
Canadian Dollar	\$ 41	\$ -	\$ -
Euro	25	1,255	(1,237)
Japanese Yen	59	-	-
Mexican Peso	69	-	-
New Israeli Shekel	-	1,505	-
Total deposits and investments subject to foreign currency risk	<u>\$ 194</u>	<u>\$ 2,760</u>	<u>\$ (1,237)</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, 2020:

Table 3-15 (amounts expressed in thousands)

<u>Currency Denomination</u>	<u>Foreign Equity Securities</u>	<u>Foreign Obligations</u>
Australian Dollar	\$ 3,895	\$ -
British Pound Sterling	20,843	-
Canadian Dollar	6,562	-
Euro	82,571	5,341
Hong Kong Dollar	14,060	-
Japanese Yen	43,605	-
Mexican Peso	1,605	319
South Korean Won	9,522	-
Swiss Franc	22,545	-
Other currencies	10,451	6,014
Total investments subject to foreign currency risk	<u>\$ 215,659</u>	<u>\$ 11,674</u>

In addition, certain investments held in infrastructure funds, opportunistic debt, private equity, and real estate funds trade in a reported currency of Euro based dollars valued at \$164.136 million at June 30, 2020.

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by TRS as of June 30, 2020:

Table 3-16 (amounts expressed in thousands)

<u>Currency Denomination</u>	<u>Foreign Currency</u>	<u>Foreign Equity Securities</u>	<u>Foreign Debt Obligations</u>	<u>Foreign Derivative Instrument Obligations</u>	<u>Total</u>
Australian Dollar	\$ 1,925	\$ 376,309	\$ -	\$ -	\$ 378,234
Brazilian Real	1,097	154,428	125,311	142	280,978
British Pound Sterling	6,149	685,347	2,641	-	694,137
Canadian Dollar	9,326	440,876	-	-	450,202
Chinese Yuan Renminbi	(2,990)	210,798	16,592	364	224,764
Danish Krone	87	131,035	-	-	131,122
Euro	5,703	1,517,220	52,692	-	1,575,615
Hong Kong Dollar	4,360	672,917	-	(10)	677,267
Indian Rupee	10,173	184,443	11,067	(448)	205,235
Indonesian Rupiah	376	40,075	130,726	-	171,177
Japanese Yen	14,758	1,340,560	201,942	223	1,557,483
Mexican Peso	1,857	40,814	160,619	2,336	205,626
New Taiwan Dollar	1,362	360,567	-	192	362,121
Russian Ruble	6	72,332	79,638	1,427	153,403
South African Rand	1,170	58,879	73,747	(411)	133,385
South Korean Won	4,373	315,884	111,180	(681)	430,756
Swedish Krona	1,165	175,917	-	-	177,082
Swiss Franc	318	502,843	-	-	503,161
Other currencies	18,138	322,246	377,742	1,398	719,524
Total deposits and investments subject to foreign currency risk	<u>\$ 79,353</u>	<u>\$7,603,490</u>	<u>\$ 1,343,897</u>	<u>\$ 4,532</u>	<u>\$ 9,031,272</u>

In addition, TRS has foreign currency investments in private equity with fair values totaling \$476.524 million (payable in Euros), \$24.359 million (payable in British Pound Sterling), \$9.987 million (payable in South Korean Won), \$232 thousand (payable in Canadian Dollars), and \$69 thousand (payable in Japanese Yen), and real estate with fair values totaling \$89.031 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, 2020:

Table 3-17 (amounts expressed in thousands)

Currency Denomination	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	\$ 35,595	\$ 214	\$ (17,878)	\$ (217)	\$ -	\$ 17,714
Brazilian Real	18,366	-	1,847	(129)	-	20,084
British Pound Sterling	234,027	33,539	84	(199)	96	267,547
Canadian Dollar	52,595	3,928	(7,378)	(251)	-	48,894
Euro	540,132	196,300	(167,136)	(3,571)	(110)	565,615
Hong Kong Dollar	86,811	-	313	83	-	87,207
Japanese Yen	306,433	-	62,119	-	(129)	368,423
New Taiwan Dollar	20,016	-	(30)	-	-	19,986
Norwegian Krone	2,525	-	15,480	258	-	18,263
Singapore Dollar	24,125	-	57	-	-	24,182
South Korean Won	23,347	-	21	(6)	-	23,362
Swedish Krona	45,352	-	18,161	900	-	64,413
Swiss Franc	102,320	-	(23,473)	(29)	-	78,818
Other currencies	54,109	372	(18,031)	(743)	-	35,707
Total investments subject to foreign currency risk	<u>\$ 1,545,753</u>	<u>\$ 234,353</u>	<u>\$ (135,844)</u>	<u>\$ (3,904)</u>	<u>\$ (143)</u>	<u>\$ 1,640,215</u>

COMPONENT UNITS

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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Investments

Table 3-18 (amounts expressed in thousands)

Investment Type	Rating Standard & Poor's/Moody's	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Agency obligations	AA+/Aaa	\$ 1,175,533	\$ 83,083	\$ 46,856	\$ 12,475	\$ 1,033,119
Municipal debt	*	5,693	-	5,593	-	100
Commercial paper	A-1/P-1	168,727	168,727	-	-	-
Money market mutual funds	AAA/Aaa	342,244	342,244	-	-	-
Total subject to credit risk		1,692,197	594,054	52,449	12,475	1,033,219
U.S. Treasury obligations		142,356	99,105	41,477	1,663	111
Total subject to interest rate risk		1,834,553	\$ 693,159	\$ 93,926	\$ 14,138	\$ 1,033,330
Less cash equivalents		(342,244)				
Total investments		<u>\$ 1,492,309</u>				

*Of the \$5,693 of Municipal debt, \$158 is rated AA and \$5,535 is not rated by Standard & Poor's. In addition, \$258 is rated Aa and \$5,435 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 Federal National Mortgage Association (\$408.768 million), and Federal Home Loan Bank (\$65.711 million).

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

Investments

Table 3-19 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard & Poors/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	\$ 241,582	\$ 241,582	\$ -
Total subject to credit risk		241,582	241,582	-
U.S. Treasury obligations		325,000	230,000	95,000
Total subject to interest rate risk		566,582	\$ 471,582	\$ 95,000
Less cash equivalents		(241,582)		
Total investments		\$ 325,000		

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 6 Years</u>
U.S. Agency obligations	Aaa/AA+	\$ 72,044	\$ 20,422	\$ 51,622
Illinois Public Treasurers' Investment Pool	Not Rated/AAA	81,313	81,313	-
Money market mutual funds	Aaa/AAA	2,956	2,956	-
Total subject to credit risk		156,313	104,691	51,622
U.S. Treasury obligations		66,877	10,082	56,795
Total subject to interest rate risk		223,190	\$ 114,773	\$ 108,417
Less cash equivalents		(84,269)		
Total investments of the University		138,921		
Investments of component units		177,507		
Total investments		\$ 316,428		

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 (\$56.366 million) and Federal Farm Credit Bank (\$15.678 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>
U.S. Agency obligations	AA	\$ 10,032	\$ 10,032
Money market mutual funds	AAA	11,127	11,127
Illinois Public Treasurers' Investment Pool	AAA	40,628	40,628
Total subject to credit risk		61,787	61,787
U.S. Treasury obligations		15,079	15,079
Total subject to interest rate risk		76,866	\$ 76,866
Less cash equivalents		(11,127)	
Total investments of the University		65,739	
Investments of component units		102,544	
Total investments		\$ 168,283	

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.

Concentration of credit risk: More than 5 percent of NIU's investments are in Federal Home Loan Bank (\$10.032 million).

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	*	\$ 79,226	\$ 1,665	\$ 55,081	\$ 22,480
Corporate debt securities	**	18,404	16,725	1,679	-
Equity in Public Treasurers' Investment Pool	AAA	96,357	96,357	-	-
Total subject to credit risk		193,987	114,747	56,760	22,480
U.S. Treasury obligations		59,247	11,982	6,865	40,400
Total subject to interest rate risk		253,234	\$ 126,729	\$ 63,625	\$ 62,880
Common stock		44			
Less cash equivalents		(96,357)			
Total investments of the University		156,921			
Investments of component units		267,372			
Total investments		\$ 424,293			

*Of the \$79,226 of U.S. Agency obligations, \$6,363 is rated AAA and \$72,863 is rated AA by Standard & Poor's.

**Of the \$18,404 of Corporate debt securities, \$12,178 is rated A and \$6,226 is rated BBB 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 *Illinois 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 Barclay's Capital 90-day and Bank of America Merrill Lynch 12-month Treasury Bill Index as performance benchmarks. Core operating funds are invested in longer maturity investments. Core operating funds investment managers' performance benchmarks are the Barclay's Capital 1-3 year Government Bond Index, the Barclay's Capital 1-3 year Government Credit Bond Index, the Barclay's Capital Intermediate Government Credit Bond Index, and the Barclay's Capital Intermediate Aggregate Bond Index. The U of I's investments and maturities at June 30, 2020, 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	\$ 338,893	\$ 108,260	\$ 183,948	\$ 39,560	\$ 7,125
U.S. Agency obligations	252,685	3,248	29,059	42,076	178,302
Commercial paper	37,156	37,156	-	-	-
Corporate bonds	994,938	300,945	517,336	146,082	30,575
Money market mutual funds	985,605	985,605	-	-	-
Illinois Public Treasurers' Investment Pool	5,694	5,694	-	-	-
Non government mortgage-backed securities	104,662	-	-	197	104,465
Other asset-backed securities	241,206	3,635	194,192	18,664	24,715
Government bonds - non U.S.	3,081	64	1,361	346	1,310
Global fixed income	18,748	-	1,770	1,913	15,065
Municipal bonds	27,303	3,928	13,317	6,578	3,480
Total subject to interest rate risk	3,009,971	<u>\$ 1,448,535</u>	<u>\$ 940,983</u>	<u>\$ 255,416</u>	<u>\$ 365,037</u>
U.S. equities	23,625				
U.S. equity mutual funds	370,284				
U.S. debt and equity mutual funds	33,477				
Limited partnerships	51,014				
Real estate	147,725				
Less cash equivalents	<u>(1,007,526)</u>				
Total investments of the University	2,628,570				
Investments of component units	<u>2,263,644</u>				
Total investments	<u>\$ 4,892,214</u>				

At June 30, 2020, the U of I's operating funds pool portfolio had an effective duration of 1.4 years.

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, 2020, the U of I debt securities and quality ratings are as shown in the chart below:

Investment Type	Fair Value	Standard and Poor's					Less Than BB or Not Rated
		AAA	AA	A	BBB	BB	
U.S. Agency obligations	\$ 252,685	\$ -	\$ 252,685	\$ -	\$ -	\$ -	\$ -
Commercial paper	37,156	-	-	37,156	-	-	-
Corporate bonds	994,938	2,247	109,676	446,315	423,703	10,676	2,321
Money market mutual funds	985,605	985,605	-	-	-	-	-
Illinois Public Treasurers' Investment Pool	5,694	5,694	-	-	-	-	-
Non government mortgage-backed securities	104,662	90,728	3,665	-	-	-	10,269
Other asset-backed securities	241,206	232,506	7,426	-	1,274	-	-
Government bonds - non U.S.	3,081	-	3,081	-	-	-	-
Global fixed income	18,748	450	1,441	852	812	16	15,177
Municipal bonds	27,303	3,229	16,683	6,669	221	-	501
Total subject to credit risk	2,671,078	\$ 1,320,459	\$ 394,657	\$ 490,992	\$ 426,010	\$ 10,692	\$ 28,268
U.S. Treasury obligations	338,893	-	-	-	-	-	-
Total fixed income securities	\$ 3,009,971	-	-	-	-	-	-

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 9 to 13 days. Cash collateral is generally invested in the lending agents' short-term investment pools, which at year-end had weighted average maturities of approximately 52 to 56 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, 2020.

State Agency/Component Unit	Fair Value	Collateral Value
State Treasurer	\$ 4,290,619	\$ 4,344,268
Teachers' Retirement System	2,010,708	2,064,667
State Universities Retirement System	1,357,058	1,381,486

REVERSE REPURCHASE AGREEMENTS

SURS held approximately \$512 thousand in reverse repurchase agreements at June 30, 2020. 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 market value of the securities underlying reverse repurchase agreements exceeds the cash received, providing the counterparty a margin against a decline in market 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 market value of the underlying securities plus accrued interest and the agreement obligation including accrued interest. This credit exposure at June 30, 2020 was \$273 thousand.

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. The agreed-upon yields earned by the counterparty was 0.25%. 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, 2020, 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	\$ 2,876,689	\$ 390,376	\$ 3,267,065	\$ -	\$ -
Less allowance	(323,371)	(30,098)	(353,469)	-	-
Net income tax	2,553,318	360,278	2,913,596	-	-
Sales tax	587,864	193,779	781,643	-	-
Less allowance	(67,161)	(25,511)	(92,672)	-	-
Net sales tax	520,703	168,268	688,971	-	-
Motor fuel tax	-	200,541	200,541	-	-
Less allowance	-	(7,464)	(7,464)	-	-
Net motor fuel tax	-	193,077	193,077	-	-
Public utility tax	46,968	10,462	57,430	-	-
Less allowance	(12,586)	(51)	(12,637)	-	-
Net public utility tax	34,382	10,411	44,793	-	-
Medical providers assessment tax	55,379	-	55,379	-	-
Less allowance	(1,887)	-	(1,887)	-	-
Net medical providers assessment tax	53,492	-	53,492	-	-
Other tax	291,360	47,626	338,986	-	-
Less allowance	(7,911)	(3,483)	(11,394)	-	-
Net other tax	283,449	44,143	327,592	-	-
Unemployment compensation tax	-	-	-	647,334	-
Less allowance	-	-	-	(316,272)	-
Net unemployment compensation tax	-	-	-	331,062	-
Taxes assessed by other governments	-	-	-	-	109,587
Total taxes receivable, net	\$ 3,445,344	\$ 776,177	\$ 4,221,521	\$ 331,062	\$ 109,587

The State provides tax abatements through two programs—the Economic Development for a Growing Economy (EDGE) Program and the Angel Investment Credit 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.

The Angel Investment Credit Program is authorized under Section 220 of the Illinois Income Tax Act (35 ILCS 5). The program was created to promote job growth and expand capital investment in Illinois by offering credits to interested businesses or individuals who make an investment in qualified innovative and new business ventures. Tax credits for qualified investors are equal to 25% of their investment made in the qualified business ventures and can be applied against corporate and individual income taxes. Abatements are obtained through application to the Department of Commerce and Economic Opportunity and claimed on tax returns filed with the Department of Revenue. In addition to investing in qualified new ventures, applicants must meet various requirements including supplying information demonstrating the venture provides the potential to increase jobs and capital investment in Illinois. Credits awarded may be carried forward for five 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 no less than three years. If, during the three-year period, the qualified new business venture 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, 2020, the State abated income taxes totaling approximately \$147.0 million and \$5.1 million under the EDGE and Angel Investment Credit Programs, respectively. 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 and Angel Investment Credit Programs reduced the amounts shared by approximately \$8.1 million and \$267 thousand, respectively.

5 INTERFUND BALANCES AND ACTIVITY

Interfund due to and due from balances at June 30, 2020, consisted of the following:

Table 5-1 (amounts expressed in thousands)

Due From	Due To								
	General Fund	Nonmajor Governmental Funds	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total
General Fund	\$ -	\$ 156,105	\$ -	\$ -	\$ -	\$ 148,611	\$ 1,747	\$ 98	\$ 306,561
Nonmajor Governmental Funds	1,359,607	383,241	3,396	-	-	9	479	-	1,746,732
Unemployment Compensation Trust Fund	13,564	1,294	-	-	-	-	-	2	14,860
Nonmajor Enterprise Funds	14,039	156	-	-	340	2,669	72	480	17,756
Internal Service Funds	2,026,818	233,590	-	218	63	997	29,482	14,819	2,305,987
Fiduciary Funds	1,225,258	33,092	-	-	-	-	1,208	196	1,259,754
Total	\$ 4,639,286	\$ 807,478	\$ 3,396	\$ 218	\$ 403	\$ 152,286	\$ 32,988	\$ 15,595	\$ 5,651,650

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. Because of resource constraints in the current fiscal year, the payment time of transactions from the General Revenue Account of the General Fund was significantly slower than in previous fiscal years.

The State Lottery Fund, a nonmajor enterprise fund, has reported \$89.045 million due to the General Fund which is not expected to be repaid within one year.

Interfund transfers activity at June 30, 2020, 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	
General Fund	\$ -	\$ 1,339,980	\$ -	\$ 696,013	\$ 2,035,993
Nonmajor Governmental Funds	3,133,197	1,126,913	15,638	6,025	4,281,773
Nonmajor Enterprise Funds	-	-	-	13,183	13,183
Internal Service Funds	800	-	-	-	800
Total	\$ 3,133,997	\$ 2,466,893	\$ 15,638	\$ 715,221	\$ 6,331,749

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, 2020, consisted of the following:

Due To	Due From							Total
	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Nonmajor Authorities	Southern Illinois University	University of Illinois	Nonmajor Universities		
General Fund	\$ 162	\$ -	\$ -	\$ 1,130	\$ 20,595	\$ 283	\$ 22,170	
Nonmajor Governmental Funds	408,318	37,353	-	-	9	-	445,680	
Unemployment Compensation Trust Fund	-	-	-	68	312	63	443	
Water Revolving Fund	-	-	11,277	-	-	-	11,277	
Internal Service Funds	392	5,925	2	904	7,850	77	15,150	
Total	\$ 408,872	\$ 43,278	* \$ 11,279	\$ 2,102	\$ 28,766	\$ 423	\$494,720	

* The Illinois State Toll Highway Authority reported \$37,353 at December 31, 2019, its fiscal year-end.

The due to amounts for the State of Illinois to its component units, as of June 30, 2020, consisted of the following:

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	\$ -	\$ 15	\$ -	\$ 12,415	\$ 12,156	\$ 56,480	\$ 288,048	\$ 23,827	\$ 392,941
Nonmajor Governmental Funds	15,770	94,445	229	1,284	3,706	5,146	55,277	3,516	179,373
Water Revolving Fund	-	-	1,288,584	-	-	-	82	-	1,288,666
Prepaid Tuition Fund	-	-	-	-	-	-	9	1	10
Nonmajor Enterprise Funds	-	-	-	-	2	-	-	-	2
Internal Service Funds	-	6	-	23	-	13	675	1	718
Fiduciary Funds	-	101	-	-	-	-	-	-	101
Total	\$ 15,770	\$ 94,567	* \$1,288,813	\$ 13,722	\$ 15,864	\$ 61,639	\$ 344,091	\$ 27,345	\$1,861,811

* The Illinois State Toll Highway Authority reported \$94,618 at December 31, 2019, 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, 2020, 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	Fiduciary Funds
Student loan program	\$ 32,589	\$ 1,329	\$ 33,918	\$ -	\$ 293,647	\$ 293,647	\$ 83
Deferred compensation loan program	-	-	-	-	-	-	37,488
Local government infrastructure	-	-	-	4,660,124	-	4,660,124	-
Real estate tax-relief loan program	-	36,687	36,687	-	-	-	-
Other	138,612	5,741	144,353	-	-	-	-
	<u>171,201</u>	<u>43,757</u>	<u>214,958</u>	<u>4,660,124</u>	<u>293,647</u>	<u>4,953,771</u>	<u>37,571</u>
Less: Allowance for uncollectible accounts	29,551	960	30,511	-	75,679	75,679	46
Total	<u>141,650</u>	<u>42,797</u>	<u>184,447</u>	<u>4,660,124</u>	<u>217,968</u>	<u>4,878,092</u>	<u>37,525</u>
Less: Amounts representing restricted assets	-	-	-	3,077,597	217,968	3,295,565	-
Loans and notes receivable, net	<u>\$ 141,650</u>	<u>\$ 42,797</u>	<u>\$ 184,447</u>	<u>\$ 1,582,527</u>	<u>\$ -</u>	<u>\$ 1,582,527</u>	<u>\$ 37,525</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	\$ 1,205,592	\$ -	\$ -	\$ -	\$ -
Student loan program	-	6,853	5,142	13,772	49,440
Other	-	-	-	12	-
	<u>1,205,592</u>	<u>6,853</u>	<u>5,142</u>	<u>13,784</u>	<u>49,440</u>
Less: Allowance for uncollectible accounts	78,163	1,171	756	369	3,530
Loans and notes receivable, net	<u>\$ 1,127,429</u>	<u>\$ 5,682</u>	<u>\$ 4,386</u>	<u>\$ 13,415</u>	<u>\$ 45,910</u>

7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

Table 7-1 (amounts expressed in thousands)					
	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government					
Governmental activities					
Capital assets not being depreciated:					
Land and land improvements	\$ 3,597,989	\$ 28,964	\$ 34,991	\$ -	\$ 3,591,962
Intangible assets	339,465	59,019	-	(103,688)	294,796
Historical treasures and works of art	12,663	-	-	-	12,663
Construction in progress	263,664	208,489	878	(38,457)	432,818
Total capital assets not being depreciated	<u>4,213,781</u>	<u>296,472</u>	<u>35,869</u>	<u>(142,145)</u>	<u>4,332,239</u>
Capital assets being depreciated:					
Infrastructure	29,051,912	1,274,287	1,120,293	-	29,205,906
Site improvements	816,139	4,668	8,892	(3,763)	808,152
Buildings and building improvements	4,934,660	38,766	87,344	46,263	4,932,345
Equipment	1,502,384	143,705	55,389	(21,163)	1,569,537
Historical treasures and works of art	1,100	-	5	-	1,095
Intangible assets	456,078	16,179	967	103,688	574,978
Total capital assets being depreciated	<u>36,762,273</u>	<u>1,477,605</u>	<u>1,272,890</u>	<u>125,025</u>	<u>37,092,013</u>
Less accumulated depreciation for:					
Infrastructure	13,618,096	1,220,476	1,120,293	-	13,718,279
Site improvements	628,827	11,900	5,501	(3,563)	631,663
Buildings and building improvements	3,263,740	230,196	85,712	3,663	3,411,887
Equipment	917,640	92,959	42,448	(17,220)	950,931
Historical treasures and works of art	1,100	-	5	-	1,095
Intangible assets	160,356	46,568	967	-	205,957
Total accumulated depreciation	<u>18,589,759</u>	<u>1,602,099</u>	<u>1,254,926</u>	<u>(17,120)</u>	<u>18,919,812</u>
Total capital assets being depreciated, net	<u>18,172,514</u>	<u>(124,494)</u>	<u>17,964</u>	<u>142,145</u>	<u>18,172,201</u>
Governmental activities capital assets, net	<u>\$ 22,386,295</u>	<u>\$ 171,978</u>	<u>\$ 53,833</u>	<u>\$ -</u>	<u>\$ 22,504,440</u>
Depreciation expense for governmental activities was charged to functions as follows:					
Health and social services					\$ 42,193
Education					7,011
General government					65,453
Employment and economic development					8,563
Transportation					1,269,207
Public protection and justice					164,825
Environmental and business regulation					11,324
Internal service funds					33,523
Total					<u>\$ 1,602,099</u>

Table 7-2 (amounts expressed in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers and Reclassifications</u>	<u>Ending Balance</u>
Primary Government Business-type activities					
Water Revolving Fund:					
Capital assets being depreciated:					
Equipment	\$ 380	\$ -	\$ 43	\$ -	\$ 337
Total capital assets being depreciated	<u>380</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>337</u>
Less accumulated depreciation for:					
Equipment	371	2	43	-	330
Total accumulated depreciation	<u>371</u>	<u>2</u>	<u>43</u>	<u>-</u>	<u>330</u>
Total capital assets being depreciated, net	<u>9</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>7</u>
Water Revolving Fund capital assets, net	<u>9</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>7</u>
Nonmajor enterprise funds:					
Capital assets being depreciated:					
Buildings and building improvements	2,472	33	-	-	2,505
Equipment	5,993	312	48	(83)	6,174
Intangible assets	3,357	-	-	-	3,357
Total capital assets being depreciated	<u>11,822</u>	<u>345</u>	<u>48</u>	<u>(83)</u>	<u>12,036</u>
Less accumulated depreciation for:					
Buildings and building improvements	815	91	-	-	906
Equipment	5,503	239	48	(83)	5,611
Intangible assets	2,266	336	-	-	2,602
Total accumulated depreciation	<u>8,584</u>	<u>666</u>	<u>48</u>	<u>(83)</u>	<u>9,119</u>
Total capital assets being depreciated, net	<u>3,238</u>	<u>(321)</u>	<u>-</u>	<u>-</u>	<u>2,917</u>
Nonmajor enterprise funds capital assets, net	<u>3,238</u>	<u>(321)</u>	<u>-</u>	<u>-</u>	<u>2,917</u>
Total Business-type activities					
Capital assets being depreciated, net	3,247	(323)	-	-	2,924
Business-type activities capital assets, net	<u>\$ 3,247</u>	<u>\$ (323)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,924</u>
Depreciation expense for business-type activities was charged to functions as follows:					
Water revolving					\$ 2
Other					666
Total					<u>\$ 668</u>

Table 7-3 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Fiduciary Funds					
Capital assets not being depreciated:					
Land and land improvements	\$ 1,735	\$ -	\$ -	\$ -	\$ 1,735
Intangible assets	3	-	-	-	3
Construction in progress	3,726	818	-	(4,112)	432
Total capital assets not being depreciated	5,464	818	-	(4,112)	2,170
Capital assets being depreciated:					
Site improvements	1,133	-	-	1	1,134
Buildings and building improvements	21,525	712	-	3,513	25,750
Equipment	22,308	341	452	607	22,804
Intangible assets	13,348	6,275	-	(9)	19,614
Total capital assets being depreciated	58,314	7,328	452	4,112	69,302
Less accumulated depreciation for:					
Site improvements	893	71	-	-	964
Buildings and building improvements	15,058	878	-	-	15,936
Equipment	20,368	652	442	-	20,578
Intangible assets	3,963	1,268	-	-	5,231
Total accumulated depreciation	40,282	2,869	442	-	42,709
Total capital assets being depreciated, net	18,032	4,459	10	4,112	26,593
Fiduciary funds capital assets, net	\$ 23,496	\$ 5,277	\$ 10	\$ -	\$ 28,763

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 being depreciated:					
Buildings and building improvements	\$ 48,850	\$ 968	\$ -	\$ -	\$ 49,818
Equipment	2,263	52	1	-	2,314
Intangible assets	3,381	1,057	-	-	4,438
Total capital assets being depreciated	54,494	2,077	1	-	56,570
Less accumulated depreciation for:					
Buildings and building improvements	23,501	1,143	-	-	24,644
Equipment	981	354	-	-	1,335
Intangible assets	2,931	308	-	-	3,239
Total accumulated depreciation	27,413	1,805	-	-	29,218
Total capital assets being depreciated, net	27,081	272	1	-	27,352
Capital assets, net	\$ 27,081	\$ 272	\$ 1	\$ -	\$ 27,352
Illinois State Toll Highway Authority:					
Capital assets not being depreciated:					
Land and land improvements	\$ 614,625	\$ 74,835	\$ 1,129	\$ -	\$ 688,331
Construction in progress	1,230,632	772,650	755,404	-	1,247,878
Total capital assets not being depreciated	1,845,257	847,485	756,533	-	1,936,209
Capital assets being depreciated:					
Infrastructure	10,691,491	774,655	58,540	-	11,407,606
Buildings and building improvements	58,728	14,532	-	-	73,260
Equipment	423,499	20,453	3,574	-	440,378
Total capital assets being depreciated	11,173,718	809,640	62,114	-	11,921,244
Less accumulated depreciation for:					
Infrastructure	3,647,729	445,588	58,540	-	4,034,777
Buildings and building improvements	45,326	1,310	-	-	46,636
Equipment	239,680	27,620	3,057	-	264,243
Total accumulated depreciation	3,932,735	474,518	61,597	-	4,345,656
Total capital assets being depreciated, net	7,240,983	335,122	517	-	7,575,588
Capital assets, net	\$ 9,086,240	\$ 1,182,607	\$ 757,050	\$ -	\$ 9,511,797

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	\$ 17,904	\$ 32	\$ -	\$ -	\$ 17,936
Construction in progress	66,499	28,563	-	(33,796)	61,266
Total capital assets not being depreciated	<u>84,403</u>	<u>28,595</u>	<u>-</u>	<u>(33,796)</u>	<u>79,202</u>
Capital assets being depreciated:					
Infrastructure	13,147	-	-	-	13,147
Site improvements	42,968	-	-	130	43,098
Buildings and building improvements	659,320	1,109	40	33,666	694,055
Equipment	194,913	3,483	766	-	197,630
Intangible assets	30,826	3,390	-	-	34,216
Total capital assets being depreciated	<u>941,174</u>	<u>7,982</u>	<u>806</u>	<u>33,796</u>	<u>982,146</u>
Less accumulated depreciation for:					
Infrastructure	8,808	303	-	-	9,111
Site improvements	18,272	1,319	-	-	19,591
Buildings and building improvements	289,195	16,446	40	-	305,601
Equipment	171,504	7,181	750	-	177,935
Intangible assets	12,207	3,147	-	-	15,354
Total accumulated depreciation	<u>499,986</u>	<u>28,396</u>	<u>790</u>	<u>-</u>	<u>527,592</u>
Total capital assets being depreciated, net	<u>441,188</u>	<u>(20,414)</u>	<u>16</u>	<u>33,796</u>	<u>454,554</u>
Capital assets, net	<u>\$ 525,591</u>	<u>\$ 8,181</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 533,756</u>
Northern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 23,142	\$ -	\$ -	\$ -	\$ 23,142
Construction in progress	19,057	12,458	197	(23,752)	7,566
Total capital assets not being depreciated	<u>42,199</u>	<u>12,458</u>	<u>197</u>	<u>(23,752)</u>	<u>30,708</u>
Capital assets being depreciated:					
Site improvements	92,211	-	-	587	92,798
Buildings and building improvements	739,251	-	-	23,165	762,416
Equipment	191,935	2,472	2,147	-	192,260
Intangible assets	3,820	-	-	-	3,820
Total capital assets being depreciated	<u>1,027,217</u>	<u>2,472</u>	<u>2,147</u>	<u>23,752</u>	<u>1,051,294</u>
Less accumulated depreciation for:					
Site improvements	57,227	3,156	-	-	60,383
Buildings and building improvements	372,257	21,343	-	-	393,600
Equipment	193,249	4,516	2,108	-	195,657
Intangible assets	3,820	-	-	-	3,820
Total accumulated depreciation	<u>626,553</u>	<u>29,015</u>	<u>2,108</u>	<u>-</u>	<u>653,460</u>
Total capital assets being depreciated, net	<u>400,664</u>	<u>(26,543)</u>	<u>39</u>	<u>23,752</u>	<u>397,834</u>
Capital assets, net	<u>\$ 442,863</u>	<u>\$ (14,085)</u>	<u>\$ 236</u>	<u>\$ -</u>	<u>\$ 428,542</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	\$ 22,503	\$ 40	\$ -	\$ -	\$ 22,543
Historic treasures and works of art	12,444	1,188	35	-	13,597
Construction in progress	86,539	26,658	1,317	(83,026)	28,854
Total capital assets not being depreciated	<u>121,486</u>	<u>27,886</u>	<u>1,352</u>	<u>(83,026)</u>	<u>64,994</u>
Capital assets being depreciated:					
Infrastructure	21,722	-	-	-	21,722
Site improvements	87,641	380	-	5,816	93,837
Buildings and building improvements	1,323,450	2,249	504	77,060	1,402,255
Equipment	385,225	12,882	3,665	150	394,592
Intangible assets	7,341	612	-	-	7,953
Total capital assets being depreciated	<u>1,825,379</u>	<u>16,123</u>	<u>4,169</u>	<u>83,026</u>	<u>1,920,359</u>
Less accumulated depreciation for:					
Infrastructure	13,409	874	-	-	14,283
Site improvements	61,411	3,391	-	-	64,802
Buildings and building improvements	701,267	33,036	460	-	733,843
Equipment	356,748	11,426	3,455	-	364,719
Intangible assets	7,341	36	-	-	7,377
Total accumulated depreciation	<u>1,140,176</u>	<u>48,763</u>	<u>3,915</u>	<u>-</u>	<u>1,185,024</u>
Total capital assets being depreciated, net	<u>685,203</u>	<u>(32,640)</u>	<u>254</u>	<u>83,026</u>	<u>735,335</u>
Capital assets, net	<u>\$ 806,689</u>	<u>\$ (4,754)</u>	<u>\$ 1,606</u>	<u>\$ -</u>	<u>\$ 800,329</u>
University of Illinois:					
Capital assets not being depreciated:					
Land and land improvements	\$ 138,374	\$ 908	\$ -	\$ -	\$ 139,282
Intangible assets	130	-	-	-	130
Historic treasures and works of art	24,953	266	33	-	25,186
Construction in progress	335,549	283,985	-	(244,175)	375,359
Total capital assets not being depreciated	<u>499,006</u>	<u>285,159</u>	<u>33</u>	<u>(244,175)</u>	<u>539,957</u>
Capital assets being depreciated:					
Site improvements	760,013	-	-	599	760,612
Buildings and building improvements	4,813,587	145,479	241	229,879	5,188,704
Equipment	1,991,270	110,666	36,199	5,887	2,071,624
Intangible assets	202,166	-	-	7,763	209,929
Total capital assets being depreciated	<u>7,767,036</u>	<u>256,145</u>	<u>36,440</u>	<u>244,128</u>	<u>8,230,869</u>
Less accumulated depreciation for:					
Site improvements	514,313	23,447	-	-	537,760
Buildings and building improvements	2,059,231	130,216	8	(17)	2,189,422
Equipment	1,609,152	95,280	32,241	(30)	1,672,161
Intangible assets	187,524	5,750	-	-	193,274
Total accumulated depreciation	<u>4,370,220</u>	<u>254,693</u>	<u>32,249</u>	<u>(47)</u>	<u>4,592,617</u>
Total capital assets being depreciated, net	<u>3,396,816</u>	<u>1,452</u>	<u>4,191</u>	<u>244,175</u>	<u>3,638,252</u>
Capital assets, net	<u>\$ 3,895,822</u>	<u>\$ 286,611</u>	<u>\$ 4,224</u>	<u>\$ -</u>	<u>\$ 4,178,209</u>

8 CHANGES IN LONG-TERM OBLIGATIONS

Changes in long-term obligations for governmental activities for the year ended June 30, 2020, are summarized below:

Table 8-1 (amounts expressed in thousands)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Primary Government					
Governmental Activities					
Bonds and notes payable:					
General obligation bonds (note 9)	\$ 27,765,109	\$ 1,552,006 *	\$ (1,693,331)	\$ 27,623,784	\$1,792,828 ^
Special obligation bonds (note 10)	2,326,539	291 **	(212,505)	2,114,325	173,115
Revenue bonds (note 11)	873,430	-	(98,565)	774,865	103,900
Notes payable - direct borrowing (note 12)	-	38,577	(8,480)	30,097	10,032
Unamortized premiums:					
General obligation bonds (note 9)	834,624	64,759	(136,074)	763,309	123,372
Special obligation bonds (note 10)	100,734	-	(16,272)	84,462	14,356
Revenue bonds (note 11)	78,439	-	(9,191)	69,248	-
Unamortized (discounts):					
General obligation bonds (note 9)	(1,368)	(12,599)	626	(13,341)	(1,086)
Special obligation bonds (note 10)	(13)	-	3	(10)	(2)
Total bonds and notes payable	<u>31,977,494</u>	<u>1,643,034</u>	<u>(2,173,789)</u>	<u>31,446,739</u>	<u>2,216,515</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	10,356	3,894	(4,396)	9,854	4,189
Certificates of participation (note 13B)	2,745	-	(2,745)	-	-
Installment purchase obligations (note 13C)	1,572	-	(1,572)	-	-
Workers compensation (note 20)	596,102	86,854	(103,710)	579,246	106,357
Auto liability (note 20)	19,998	(1,909)	(3,723)	14,366	3,973
Pollution remediation obligation (note 13D)	33,675	1,500	(150)	35,025	2,200
Compensated absences (note 1L)	360,221	391,134	(354,545)	396,810	45,008
Net pension liability (note 16)	138,334,394	4,794,646	-	143,129,040	-
OPEB liability (note 17)	54,379,320	4,479,668	-	58,858,988	1,260,367
Total other long-term obligations	<u>193,738,383</u>	<u>9,755,787</u>	<u>(470,841)</u>	<u>203,023,329</u>	<u>1,422,094</u>
Total Governmental Activities	<u>\$ 225,715,877</u>	<u>\$ 11,398,821</u>	<u>\$ (2,644,630)</u>	<u>\$ 234,470,068</u>	<u>\$ 3,638,609</u>

* Includes \$2,006 of interest accreted on capital appreciation debt.
** Includes \$291 of interest accreted on capital appreciation debt.
^ \$76 of interest will be accreted on capital appreciation debt in the next year.

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

Compensated absences, certificates of participation, and capital lease obligations (including installment purchases) – 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 13.

Changes in long-term obligations for business-type activities for the year ended June 30, 2020, are summarized below:

Table 8-2 (amounts expressed in thousands)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Primary Government Business-type Activities					
Water Revolving Fund:					
Other long-term obligations:					
Compensated absences (note 1L)	\$ 958	\$ 1,052	\$ (1,014)	\$ 996	\$ 209
Net pension liability (note 16)	59,568	-	(1,429)	58,139	-
OPEB liability (note 17)	31,273	3,751	-	35,024	828
Total Water Revolving Fund	<u>91,799</u>	<u>4,803</u>	<u>(2,443)</u>	<u>94,159</u>	<u>1,037</u>
Prepaid Tuition Fund:					
Tuition and related accretion payable (note 13F)	1,018,997	32,841	(143,736)	908,102	140,782
Total Prepaid Tuition Fund	<u>1,018,997</u>	<u>32,841</u>	<u>(143,736)</u>	<u>908,102</u>	<u>140,782</u>
Nonmajor Enterprise Funds:					
Bonds payable:					
Revenue bonds (note 11)	143,046	-	(22,576)	120,470	-
Unamortized (discounts) (note 11)	(5,426)	-	209	(5,217)	-
Total bonds payable	<u>137,620</u>	<u>-</u>	<u>(22,367)</u>	<u>115,253</u>	<u>-</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	37	-	(20)	17	17
Lottery prize awards (note 13E)	264,251	-	(15,384)	248,867	22,817
Compensated absences (note 1L)	2,687	3,006	(1,905)	3,788	528
Net pension liability (note 16)	197,810	668	(39,088)	159,390	-
OPEB liability (note 17)	111,339	6,933	(15,791)	102,481	2,502
Other obligations (note 13G)	9,176	(154)	(17)	9,005	555
Total other long-term obligations	<u>585,300</u>	<u>10,453</u>	<u>(72,205)</u>	<u>523,548</u>	<u>26,419</u>
Total Nonmajor Enterprise Funds	<u>722,920</u>	<u>10,453</u>	<u>(94,572)</u>	<u>638,801</u>	<u>26,419</u>
Total Business-type Activities	<u>\$ 1,833,716</u>	<u>\$ 48,097</u>	<u>\$ (240,751)</u>	<u>\$ 1,641,062</u>	<u>\$ 168,238</u>

Changes in long-term obligations for fiduciary funds for the year ended June 30, 2020, are summarized below:

Table 8-3 (amounts expressed in thousands)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Fiduciary Funds					
Capital lease obligations (note 13A)	\$ 45	\$ -	\$ (21)	\$ 24	\$ 18
Compensated absences (note 1L)	4,085	3,165	(2,584)	4,666	333
Total Fiduciary Funds	<u>\$ 4,130</u>	<u>\$ 3,165</u>	<u>\$ (2,605)</u>	<u>\$ 4,690</u>	<u>\$ 351</u>

Changes in long-term obligations for component units for the year ended June 30, 2020, are summarized below:

Table 8-4 (amounts expressed in thousands)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Major Component Units					
Illinois Housing Development Authority:					
Bonds and notes payable:					
Revenue bonds - direct placement (note 11)	\$ 133,505	\$ 5,750	\$ (2,655)	\$ 136,600	\$ 2,680
Revenue bonds - other (note 11)	1,203,536	291,550	(148,372)	1,346,714	50,276
Unamortized premiums - other (note 11)	22,464	10,018	(3,605)	28,877	514
Unamortized (discounts) - other (note 11)	(925)	-	122	(803)	(24)
Notes payable - direct borrowing (note 12)	28,141	116,360	(126,019)	18,482	5,830
Total bonds and notes payable	<u>1,386,721</u>	<u>423,678</u>	<u>(280,529)</u>	<u>1,529,870</u>	<u>59,276</u>
Other long-term obligations:					
Compensated absences (note 1L)	876	2,136	(2,074)	938	938
Total other long-term obligations	<u>876</u>	<u>2,136</u>	<u>(2,074)</u>	<u>938</u>	<u>938</u>
Total Illinois Housing Development Authority	\$ 1,387,597	\$ 425,814	\$ (282,603)	\$ 1,530,808	\$ 60,214
Illinois State Toll Highway Authority:					
Bonds payable:					
Revenue bonds (note 11)	\$ 5,994,680	\$ 1,738,365	\$ (1,647,425)	\$ 6,085,620	\$ 129,260
Unamortized premiums (note 11)	448,931	345,157	(37,509)	756,579	48,771
Total bonds payable	<u>6,443,611</u>	<u>2,083,522</u>	<u>(1,684,934)</u>	<u>6,842,199</u>	<u>178,031</u>
Other long-term obligations:					
Accrued self-insurance (note 20)	14,699	22,830	(21,313)	16,216	7,236
Compensated absences (note 1L)	9,550	5,242	(5,637)	9,155	5,242
Net pension liability (note 16)	882,540	-	(28,721)	853,819	-
OPEB liability (note 17)	140,126	-	(8,678)	131,448	2,388
Other obligations (note 13G)	18	1	(19)	-	-
Total other long-term obligations	<u>1,046,933</u>	<u>28,073</u>	<u>(64,368)</u>	<u>1,010,638</u>	<u>14,866</u>
Total Illinois State Toll Highway Authority	\$ 7,490,544	\$ 2,111,595	\$ (1,749,302)	\$ 7,852,837	\$ 192,897
Illinois State University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 5,555	\$ -	\$ (545)	\$ 5,010	\$ 560
Revenue bonds - other (note 11)	103,790	-	(5,615)	98,175	5,885
Unamortized premiums - other (note 11)	8,378	-	(614)	7,764	614
Total bonds payable	<u>117,723</u>	<u>-</u>	<u>(6,774)</u>	<u>110,949</u>	<u>7,059</u>
Other long-term obligations:					
Certificates of participation - direct placement (note 13B)	-	12,705	(1,195)	11,510	1,350
Certificates of participation - other (note 13B)	42,675	-	(14,385)	28,290	1,870
Unamortized premiums (note 13B)	37	-	(3)	34	3
Unamortized (discounts) (note 13B)	(184)	-	51	(133)	(10)
Installment purchase obligations (note 13C)	2,448	-	(112)	2,336	117
Compensated absences (note 1L)	15,927	2,535	(1,278)	17,184	1,341
OPEB liability (note 17)	24,297	5,372	-	29,669	659
Other obligations (note 13G)	844	140	(108)	876	107
Total other long-term obligations	<u>86,044</u>	<u>20,752</u>	<u>(17,030)</u>	<u>89,766</u>	<u>5,437</u>
Total Illinois State University	\$ 203,767	\$ 20,752	\$ (23,804)	\$ 200,715	\$ 12,496

Table 8-4 (continued)

(amounts expressed in thousands)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Major Component Units, continued					
Northern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ 100
Revenue bonds - other (note 11)	175,550	126,435	(175,550)	126,435	1,120
Unamortized premiums - other (note 11)	-	23,011	(274)	22,737	1,095
Total bonds payable	<u>175,550</u>	<u>179,446</u>	<u>(175,824)</u>	<u>179,172</u>	<u>2,315</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	128,177	-	(2,701)	125,476	2,838
Certificates of participation (note 13B)	7,845	-	(1,150)	6,695	1,200
Unamortized premiums (note 13B)	666	-	(95)	571	96
Compensated absences (note 1L)	15,426	4,607	(2,185)	17,848	1,476
OPEB liability (note 17)	42,419	2,252	(167)	44,504	1,126
Other obligations (note 13G)	28,194	-	(2,942)	25,252	3,035
Total other long-term obligations	<u>222,727</u>	<u>6,859</u>	<u>(9,240)</u>	<u>220,346</u>	<u>9,771</u>
Total Northern Illinois University	\$ 398,277	\$ 186,305	\$ (185,064)	\$ 399,518	\$ 12,086
Southern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 18,510	\$ -	\$ (2,690)	\$ 15,820	\$ 2,770
Revenue bonds - other (note 11)	177,867	2,477	(17,420)	162,924	17,572 ^A
Unamortized premiums - other (note 11)	7,578	-	(739)	6,839	739
Total bonds payable	<u>203,955</u>	<u>2,477</u>	<u>(20,849)</u>	<u>185,583</u>	<u>21,081</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	883	56	(196)	743	150
Certificates of participation - direct placement (note 13B)	7,510	4,575	(1,195)	10,890	1,665
Certificates of participation - other (note 13B)	24,455	-	(1,255)	23,200	1,320
Unamortized premiums - other (note 13B)	744	-	(51)	693	51
Accrued self-insurance (note 20)	30,120	-	(6,783)	23,337	4,772
Compensated absences (note 1L)	40,720	7,513	(2,972)	45,261	3,992
OPEB liability (note 17)	137,600	16,407	-	154,007	3,437
Other obligations (note 13G)	1,167	77	(145)	1,099	126
Total other long-term obligations	<u>243,199</u>	<u>28,628</u>	<u>(12,597)</u>	<u>259,230</u>	<u>15,513</u>
Total Southern Illinois University	\$ 447,154	\$ 31,105	\$ (33,446)	\$ 444,813	\$ 36,594
University of Illinois:					
Bonds payable:					
Revenue bonds (note 11)	\$ 1,255,331	\$ 45,296	\$ (61,485)	\$ 1,239,142	\$ 67,725 ^{AA}
Unamortized premiums (note 11)	60,647	3,025	(4,218)	59,454	4,250
Total bonds payable	<u>1,315,978</u>	<u>48,321</u>	<u>(65,703)</u>	<u>1,298,596</u>	<u>71,975</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	3,800	39,789	(1,275)	42,314	1,944
Certificates of participation (note 13B)	146,740	-	(34,670)	112,070	35,975
Unamortized premiums (note 13B)	10,927	-	(2,954)	7,973	2,598
Accrued self-insurance (note 20)	242,048	81,453	(44,042)	279,459	38,728
Compensated absences (note 1L)	214,937	38,694	(19,651)	233,980	21,293
OPEB liability (note 17)	1,191,892	125,749	-	1,317,641	30,752
Other obligations (note 13G)	108,769	83,334	(15,383)	176,720	88,953
Total other long-term obligations	<u>1,919,113</u>	<u>369,019</u>	<u>(117,975)</u>	<u>2,170,157</u>	<u>220,243</u>
Total University of Illinois	\$ 3,235,091	\$ 417,340	\$ (183,678)	\$ 3,468,753	\$ 292,218

^A \$238 of interest will be accreted on capital appreciation debt in the next year.^{AA} \$2,080 of interest will be accreted on capital appreciation debt in the next year.

This Page Left Intentionally Blank

9 GENERAL OBLIGATION BONDS

General obligation bonds outstanding and bonds authorized but unissued at June 30, 2020, 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
Multiple Purpose Series:								
November	1998	\$ 122,334	8/1/2020	Accreted*	\$ -	\$ 8,129	\$ -	\$ -
October	2000	101,855	8/1/2022	Accreted*	-	6,580	-	-
November	2001	375,000	11/1/2026	6.0%	1,413	16,847	-	-
October	2002	62,079	8/1/2024	Accreted*	845	2,549	338	-
June	2003	10,000,000	6/1/2033	4.95% to 5.1%	-	-	-	-
September	2005	300,000	9/1/2030	4.5%	-	4,760	-	-
January	2006	325,000	1/1/2031	5.5%	-	18,880	480	-
June	2006	274,950	1/1/2021	5.0%	-	-	-	-
A-June	2006	285,000	6/1/2021	5.0%	-	7,480	150	-
April	2007	150,000	4/1/2032	4.75%	-	7,600	-	-
B-June	2007	329,000	1/1/2021	5.25%	-	-	-	-
A-September	2009	400,000	9/1/2027	4.0%	200	2,202	1,598	-
B.A.B.^	2010-1	1,000,000	2/1/2035	5.563% to 6.63%	-	223,620	-	-
February	2010	1,501,300	1/1/2025	5.0%	-	-	-	-
B.A.B.^	2010-2	300,000	3/1/2035	5.75% to 6.9%	-	-	-	-
March	2010	56,000	3/1/2035	5.75% to 6.9%	-	-	-	-
B.A.B.^	2010-3	700,000	4/1/2035	5.827% to 6.725%	-	-	-	-
B.A.B.^	2010-4	300,000	7/1/2035	6.125% to 7.1%	6,080	-	-	-
B.A.B.^	2010-5	900,000	7/1/2035	6.2% to 7.35%	18,240	-	-	-
A-January	2012	525,000	1/1/2037	4.0% to 5.0%	-	66,980	1,020	-
B-January	2012	275,000	1/1/2037	4.7% to 5.75%	34,000	2,864	13,590	-
March	2012	575,000	3/1/2037	4.0% to 5.0%	-	102,000	-	-
May	2012	1,797,740	8/1/2025	4.0% to 5.0%	-	-	-	-
September	2012	50,000	9/1/2022	4.0%	-	15,000	-	-
A-April	2013	450,000	4/1/2038	4.0% to 5.0%	-	46,440	-	-
B-April	2013	350,000	4/1/2038	3.86% to 5.52%	-	19,899	-	-
June	2013	1,300,000	7/1/2038	4.25% to 5.5%	988	140,372	4,560	-
December	2013	350,000	12/1/2038	4.0% to 5.65%	-	73,042	-	-
February	2014	1,025,000	2/1/2039	5.0% to 5.25%	-	216,000	-	-
April	2014	250,000	4/1/2039	4.25% to 5.0%	-	-	-	-
May	2014	750,000	5/1/2039	3.5% to 5.0%	-	19,760	-	-
January	2016	480,000	1/1/2041	3.75% to 5.0%	-	67,200	-	-
June	2016	550,000	6/1/2041	3.5% to 5.0%	8,400	16,800	-	-
October	2016	1,303,145	2/1/2032	4.0% to 5.0%	-	-	-	-
November	2016	480,000	11/1/2041	4.125% to 5.0%	-	78,593	-	-
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%	-	-	-	4,500,000
A-December	2017	655,000	12/1/2042	4.0% to 5.25%	-	163,196	-	-
B-December	2017	95,000	12/1/2027	5.0%	-	76,000	-	-
A-May	2018	450,000	5/1/2043	4.0% to 6.0%	-	184,000	-	-
B-May	2018	50,000	5/1/2028	5.0%	-	40,000	-	-
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	3.75% 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%	-	40,113	-	-
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%	-	20,057	-	-
May	2020	800,000	5/1/2045	4.875% to 5.75%	-	175,000	-	-
Total		<u>\$ 37,199,453</u>			<u>\$ 70,166</u>	<u>\$ 1,902,076</u>	<u>\$ 21,736</u>	<u>\$ 5,000,000</u>
Authorized but Unissued					<u>\$ 259,754</u>	<u>\$ 9,627,661</u>	<u>\$ 88,932</u>	<u>\$ 1,200,000</u>
^ Bonds issued under the American Recovery and Reinvestment Act of 2009 commonly referred to as "Build America Bonds." (B.A.B.)								
* Accreted bonds are shown at their accreted values as of 6/30/20. Imputed interest rates on these capital appreciation bonds range from 4.76% to 5.64%.								

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

Pension	Pension Acceleration	School Construction	Transportation "A"	Transportation "B"	Transportation "D"	Multi-Modal Transportation	Refunding	Principal Outstanding June 30, 2020	Amount Related to Capital Assets
\$ -	\$ -	\$ 200	\$ -	\$ 2,139	\$ -	\$ -	\$ -	\$ 10,468	\$ 1,672
-	-	10,175	-	-	-	-	-	16,755	1,733
-	-	21,299	8,480	4,961	-	-	-	53,000	17,040
-	-	-	5,915	845	-	-	-	10,492	2,875
8,625,000	-	-	-	-	-	-	-	8,625,000	-
-	-	3,720	2,320	1,200	-	-	-	12,000	3,733
-	-	15,840	9,760	7,040	-	-	-	52,000	16,842
-	-	-	-	-	-	-	18,330	18,330	9,664
-	-	840	1,370	1,560	-	-	-	11,400	5,465
-	-	1,840	880	1,680	-	-	-	12,000	5,095
-	-	-	-	-	-	-	23,500	23,500	12,130
-	-	-	25,360	1,040	1,600	-	-	32,000	27,650
-	-	-	198,300	90,000	88,080	-	-	600,000	320,120
-	-	-	-	-	-	-	328,240	328,240	135,430
-	-	105,000	-	-	75,000	-	-	180,000	61,410
-	-	33,600	-	-	-	-	-	33,600	-
-	-	38,400	201,600	33,000	147,000	-	-	420,000	321,964
-	-	-	103,840	38,364	43,716	-	-	192,000	139,635
-	-	-	183,520	115,092	259,148	-	-	576,000	395,710
-	-	68,000	-	119,000	102,000	-	-	357,000	107,658
-	-	136,000	-	546	-	-	-	187,000	-
-	-	-	110,840	31,280	146,880	-	-	391,000	255,804
-	-	-	-	-	-	-	770,460	770,460	288,102
-	-	-	-	-	-	-	-	15,000	15,000
-	-	61,200	18,000	31,032	167,328	-	-	324,000	160,598
-	-	28,945	70,137	107,638	25,380	-	-	251,999	98,102
-	-	87,400	76,000	304,000	374,680	-	-	988,000	414,600
-	-	64,918	22,040	48,760	57,240	-	-	266,000	89,363
-	-	216,000	10,800	205,200	90,000	-	-	738,000	156,013
-	-	-	12,540	28,500	148,960	-	-	190,000	116,812
-	-	34,200	10,640	65,284	440,116	-	-	570,000	323,595
-	-	-	-	147,840	188,160	-	-	403,200	217,223
-	-	58,800	8,400	218,400	151,200	-	-	462,000	170,815
-	-	-	-	-	-	-	1,004,290	1,004,290	414,079
-	-	18,207	-	70,400	255,200	-	-	422,400	291,835
-	-	-	-	-	-	-	-	500,000	-
-	-	-	-	-	-	-	-	4,500,000	-
-	-	-	1,758	131,821	305,825	-	-	602,600	383,295
-	-	-	-	-	-	-	-	76,000	76,000
-	-	-	-	230,000	-	-	-	414,000	134,447
-	-	-	-	-	-	-	-	40,000	40,000
-	-	-	-	-	-	-	641,160	641,160	277,107
-	-	-	-	-	-	-	324,610	324,610	189,425
-	288,000	-	-	-	-	-	-	288,000	-
-	-	-	-	-	-	-	140,280	140,280	84,623
-	-	-	133,817	11,461	38,203	76,406	-	300,000	163,891
-	-	-	133,817	11,461	38,203	76,406	-	300,000	127,243
-	-	-	66,909	5,730	19,101	38,203	-	150,000	16,848
-	225,000	-	250,000	50,000	100,000	-	-	800,000	37,809
<u>\$ 8,625,000</u>	<u>\$ 513,000</u>	<u>\$ 1,004,584</u>	<u>\$ 1,667,043</u>	<u>\$ 2,115,274</u>	<u>\$ 3,263,020</u>	<u>\$ 191,015</u>	<u>\$ 3,250,870</u>	<u>\$ 27,623,784</u>	<u>\$ 6,128,455</u>
<u>\$ 396,348</u>	<u>\$ 475,000</u>	<u>\$ 501,678</u>	<u>\$ 6,079,563</u>	<u>\$ 1,538,223</u>	<u>\$ 326,311</u>	<u>\$ 4,308,985</u>	<u>\$ 1,558,155</u>		
						Unamortized premiums		763,309	231,639
						Unamortized (discounts)		(13,341)	(598)
						Total		<u>\$ 28,373,752</u>	<u>\$ 6,359,496</u>

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 is 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.

This Page Left Intentionally Blank

Changes in general obligation bonds during the year ended June 30, 2020, are summarized in Note 8. Future general obligation debt service requirements at June 30, 2020, are as follows:

Table 9-2 (amounts expressed in thousands)

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 1,792,904	\$ 1,393,327	\$ 3,186,231
2022	1,809,462	1,305,639	3,115,101
2023	1,852,749	1,214,464	3,067,213
2024	1,882,137	1,120,747	3,002,884
2025	1,891,436	1,025,265	2,916,701
2026-2030	9,961,949	3,641,190	13,603,139
2031-2035	6,130,426	1,344,356	7,474,782
2036-2040	1,734,999	349,309	2,084,308
2041-2045	570,198	64,560	634,758
	<u>27,626,260</u>	<u>\$ 11,458,857</u>	<u>\$ 39,085,117</u>
Less: Unaccreted appreciation	(2,476)		
	27,623,784		
Unamortized premiums	763,309		
Unamortized (discounts)	(13,341)		
Total	<u>\$ 28,373,752</u>		

10 SPECIAL OBLIGATION BONDS

Special obligation bonds have been authorized and issued to provide funds for the Build Illinois Program and the State's Metropolitan Civic Center Support Program and to refund any bonds previously issued under these programs.

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, 2020, of \$2.8 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	\$ 547,335	\$ 12,041,000
Principal and interest requirements	\$ 297,991	
Percentage to principal and interest requirements	<u>184%</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.

The State’s Metropolitan Civic Center Support Program was implemented to provide funding for single or multi-purpose projects, the primary function of which is to provide public entertainment, exhibitions, or conventions or to provide parking facilities related thereto. Also, a portion (not to exceed \$10 million) is authorized for the purpose of making construction and improvement grants by the Secretary of State, as State Librarian, to public libraries and library systems.

The State originally pledged a portion of the State’s horse racing privilege tax to repay the principal and interest at June 30, 2020, of \$5.6 million in special obligation bonds related to the State’s Metropolitan Civic Center Support Program. Upon the abolishment of the horse racing privilege tax, the State annually uses amounts from the General Revenue Account, a sub-account of the General Fund, to pay the debt service of the special obligation bonds related to the State’s Metropolitan Civic Center Support Program.

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, 2020, 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 1991	\$ 74,895	12/15/2020	6.25%	\$ -	\$ -	\$ -
Series P	100,000	6/15/2022	6.5%	10,497	-	3,041
Series of April 2002	150,000	6/15/2027	6.0%	44,334	7,000	16,333
Series of December 2009-A	154,920	6/15/2021	4.0%	4,330	-	2,063
Series of June 2010	455,080	6/15/2021	4.0%	-	-	-
Series of October 2011	300,000	6/15/2036	3.75% to 5.0%	80,766	1,014	118,220
Series of May 2012	425,040	6/15/2036	2.781% to 4.08%	48,480	58,678	144,681
Series of May 2013	300,000	6/15/2037	2.25% to 3.88%	70,833	35,417	99,167
Series of June 2013	604,110	6/15/2026	5.0%	-	-	-
Series of March 2014	402,000	6/15/2038	3.01% to 4.62%	95,252	37,498	157,501
Series of September 2016-A	150,025	6/15/2034	3.0% to 5.0%	67,942	18,530	20,320
Series of September 2016-B	60,010	6/15/2034	1.75% to 3.17%	23,499	9,882	16,039
Series of September 2016-C	152,000	6/15/2032	4.0% to 5.0%	-	-	-
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%	99,947	450	-
Series of October 2018-B	125,000	6/15/2043	4.75% to 5.0%	3,419	109,753	-
Series of October 2018-C	10,000	6/15/2028	3.61% to 4.125%	84	7,916	-
Total	\$ 3,764,835			\$ 549,383	\$ 286,138	\$ 577,365
Authorized but Unissued				\$ 1,314,172	\$ 1,518,277	\$ 782,076

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

Environment	Refunding	Civic Centers		Principal Outstanding June 30, 2020	Amount Related to Capital Assets
		Civic Centers	Libraries		
\$ -	\$ -	\$ 4,683	\$ 722	\$ 5,405	\$ -
252	-	-	-	13,790	4,458
2,333	-	-	-	70,000	4,195
62	-	-	-	6,455	-
-	1,970	-	-	1,970	185
-	-	-	-	200,000	461
31,521	-	-	-	283,360	269
7,083	-	-	-	212,500	986
-	278,820	-	-	278,820	57,129
11,249	-	-	-	301,500	-
16,758	-	-	-	123,550	5,409
-	-	-	-	49,420	33
-	152,000	-	-	152,000	24,656
-	186,755	-	-	186,755	766
5,403	-	-	-	105,800	978
1,828	-	-	-	115,000	-
-	-	-	-	8,000	-
<u>\$ 76,489</u>	<u>\$ 619,545</u>	<u>\$ 4,683</u>	<u>\$ 722</u>	<u>\$ 2,114,325</u>	<u>\$ 99,525</u>
<u>\$ 69,414</u>	<u>Unlimited</u>	<u>\$ 185,317</u>	<u>\$ 9,278</u>		
			Unamortized premiums	84,462	6,864
			Unamortized (discounts)	(10)	-
				<u>\$ 2,198,777</u>	<u>\$ 106,389</u>

Changes in special obligation bonds during the year ended June 30, 2020, are summarized in Note 8. Future special obligation debt service requirements at June 30, 2020, are as follows:

Table 10-3 (amounts expressed in thousands)

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2021	\$ 173,115	\$ 91,159	\$ 264,274
2022	178,170	84,149	262,319
2023	166,885	76,350	243,235
2024	159,690	69,078	228,768
2025	158,575	61,767	220,342
2026-2030	622,600	212,099	834,699
2031-2035	473,030	94,634	567,664
2036-2040	153,460	20,287	173,747
2041-2045	28,800	2,592	31,392
	2,114,325	\$ 712,115	\$ 2,826,440
Unamortized premiums	84,462		
Unamortized (discounts)	(10)		
Total	\$ 2,198,777		

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, 2020 (except for the Illinois State Toll Highway Authority, which is as of December 31, 2019), 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			
Governmental Activities			
Blended component unit:			
Railsplitter Tobacco Settlement Authority	\$ 844,113	5.0% to 5.375%	2028
Business-type Activities			
Nonmajor enterprise fund:			
Illinois Designated Account Purchase Program	115,253	1.891%	2045
Major Component Units			
Illinois Housing Development Authority			
Direct placement	136,600	1.45% to 3.85%	2060
Other debt	1,374,788	0.047% to 5.0%	2063
Total	1,511,388		
Illinois State Toll Highway Authority	6,842,199	3.0% to 6.184%	2044
Illinois State University			
Direct placement	5,010	3.12%	2028
Other debt	105,939	3.25% to 5.0%	2039
Total	110,949		
Northern Illinois University			
Direct placement	30,000	1.328%	2041
Other debt	149,172	4.0% to 5.0%	2041
Total	179,172		
Southern Illinois University			
Direct placement	15,820	1.65% to 4.35%	2030
Other debt	169,763	3.0% to 6.2%	2035
Total	185,583		
University of Illinois	1,298,596	0.11% to 12.0%	2049

Changes in revenue bonds during the year ended June 30, 2020, are summarized in Note 8. Revenue bond debt service requirements, principal and interest, as of June 30, 2020, are as follows:

Table 11-2 (amounts expressed in thousands)

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Railsplitter Tobacco Settlement Authority		Illinois Designated Account Purchase Program	
	Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest
2021	\$ 103,900	\$ 39,035	\$ -	\$ 2,278
2022	109,655	33,548	-	2,278
2023	112,260	28,065	-	2,278
2024	109,745	22,453	-	2,278
2025	107,305	16,965	-	2,278
2026-2030	232,000	19,095	-	11,394
2031-2035	-	-	-	11,393
2036-2040	-	-	-	11,393
2041-2045	-	-	-	11,393
2046-2050	-	-	120,470	570
	774,865	\$ 159,161	120,470	\$ 57,533
Unamortized premiums	69,248		-	
Unamortized (discounts)	-		(5,217)	
Total	<u>\$ 844,113</u>		<u>\$ 115,253</u>	

Table 11-3 (amounts expressed in thousands)

Major Component Units						
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
	2021	\$ 2,680	\$ 4,277	\$ 50,276	\$ 36,969	\$ 52,956
2022	2,825	4,191	43,638	36,125	46,463	40,316
2023	2,980	4,099	44,164	35,173	47,144	39,272
2024	3,110	4,004	57,469	34,171	60,579	38,175
2025	3,220	3,904	46,235	32,881	49,455	36,785
2026-2030	18,670	17,839	239,597	146,179	258,267	164,018
2031-2035	22,150	14,598	234,375	115,363	256,525	129,961
2036-2040	26,415	10,751	210,157	86,951	236,572	97,702
2041-2045	44,360	3,705	234,193	54,785	278,553	58,490
2046-2050	5,815	1,097	162,289	18,638	168,104	19,735
2051-2055	2,925	432	10,091	3,603	13,016	4,035
2056-2060	1,450	159	10,556	1,555	12,006	1,714
2061-2065	-	-	3,674	222	3,674	222
	136,600	\$ 69,056	1,346,714	\$ 602,615	1,483,314	\$ 671,671
Unamortized premiums	-	-	28,877	-	28,877	-
Unamortized (discounts)	-	-	(803)	-	(803)	-
Total	\$ 136,600		\$ 1,374,788		\$ 1,511,388	

Table 11-4 (amounts expressed in thousands)

Major Component Units		
Year Ending June 30	Illinois State Toll Highway Authority	
	Principal	Interest
2021	\$ 129,260	\$ 287,673
2022	136,505	302,375
2023	145,415	295,448
2024	45,925	288,121
2025	155,025	283,098
2026-2030	1,079,345	1,273,193
2031-2035	1,784,245	935,147
2036-2040	1,657,000	476,574
2041-2045	952,900	72,257
	6,085,620	\$ 4,213,886
Unamortized premiums	756,579	-
Total	\$ 6,842,199	

Table 11-5 (amounts expressed in thousands)

Major Component Units

Year Ending June 30	Illinois State University Direct Placement		Illinois State University Other		Illinois State University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 560	\$ 156	\$ 5,885	\$ 4,636	\$ 6,445
2022	580	139	6,160	4,358	6,740	4,497
2023	595	121	6,455	4,061	7,050	4,182
2024	615	102	6,770	3,749	7,385	3,851
2025	635	83	7,090	3,422	7,725	3,505
2026-2030	2,025	128	34,350	12,008	36,375	12,136
2031-2035	-	-	20,150	5,350	20,150	5,350
2036-2040	-	-	11,315	1,449	11,315	1,449
	5,010	\$ 729	98,175	\$ 39,033	103,185	\$ 39,762
Unamortized premiums	-	-	7,764	-	7,764	-
Total	\$ 5,010		\$ 105,939		\$ 110,949	

Table 11-6 (amounts expressed in thousands)

Major Component Units

Year Ending June 30	Northern Illinois University Direct Placement		Northern Illinois University Other		Northern Illinois University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 100	\$ 398	\$ 1,120	\$ 5,727	\$ 1,220
2022	100	397	1,175	5,671	1,275	6,068
2023	100	395	1,240	5,613	1,340	6,008
2024	250	394	5,425	5,551	5,675	5,945
2025	1,353	387	4,610	5,279	5,963	5,666
2026-2030	7,401	1,650	26,765	22,699	34,166	24,349
2031-2035	8,579	1,125	34,180	15,302	42,759	16,427
2036-2040	9,945	515	42,395	7,126	52,340	7,641
2041-2045	2,172	22	9,525	381	11,697	403
	30,000	\$ 5,283	126,435	\$ 73,349	156,435	\$ 78,632
Unamortized premiums	-	-	22,737	-	22,737	-
Total	\$ 30,000		\$ 149,172		\$ 179,172	

Table 11-7 (amounts expressed in thousands)

Major Component Units

Year Ending June 30	Southern Illinois University Direct Placement		Southern Illinois University Other		Southern Illinois University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 2,770	\$ 455	\$ 17,810	\$ 5,990	\$ 20,580
2022	2,875	390	15,860	5,423	18,735	5,813
2023	2,940	324	16,130	4,927	19,070	5,251
2024	1,110	255	16,260	4,412	17,370	4,667
2025	1,150	216	16,820	3,906	17,970	4,122
2026-2030	4,975	488	74,705	11,358	79,680	11,846
2031-2035	-	-	17,390	2,460	17,390	2,460
	15,820	\$ 2,128	174,975	\$ 38,476	190,795	\$ 40,604
Less: Unaccreted appreciation	-	-	(12,051)	-	(12,051)	-
	15,820		162,924		178,744	
Unamortized premiums	-	-	6,839	-	6,839	-
Total	\$ 15,820		\$ 169,763		\$ 185,583	

Table 11-8 (amounts expressed in thousands)

Major Component Units			
Year Ending June 30	University of Illinois		
	Principal	Interest	
2021	\$ 69,805	\$ 53,762	
2022	72,825	51,489	
2023	57,265	48,253	
2024	54,890	45,639	
2025	57,920	43,138	
2026-2030	298,045	176,756	
2031-2035	267,255	112,908	
2036-2040	160,270	62,455	
2041-2045	175,055	24,127	
2046-2050	33,380	2,666	
	1,246,710	\$ 621,193	
Less: Unaccreted appreciation	(7,568)		
	1,239,142		
Unamortized premiums	59,454		
Total	\$ 1,298,596		

PRIMARY GOVERNMENT

RAILSPLITTER TOBACCO SETTLEMENT AUTHORITY (RTSA)

The RTSA was created on July 1, 2010, under the Railsplitter Tobacco Settlement Authority Act (30 ILCS 171). The RTSA issued \$1.503 billion of Tobacco Settlement Revenue Bonds, Series 2010 on December 8, 2010. Proceeds of the Series 2010 bonds were primarily used to provide an approximate \$1.350 billion payment to the State in exchange for rights to 100 percent of the State's future Tobacco Settlement Revenues (TSRs) through the original final maturity date of the bonds in 2028. The Series 2010 bond proceeds have been deferred and will be recognized as an expense ratably over the life of the bonds. As of June 30, 2020, the deferred amount is \$316.034 million.

The RTSA issued \$670.965 million in Tobacco Settlement Revenue Bonds, Series 2017 on December 27, 2017. The Series 2017 bonds were issued as fixed interest rate (5.0%), fixed scheduled amortization, serial, and term bonds with maturities ranging from 2022 through 2028. Proceeds from the Series 2017 bonds were used to advance refund \$682.375 million of the Series 2010 bonds. The final balance of \$103.900 million, plus interest at 5.25% and 5.375%, for the Series 2010 bonds is due on June 1, 2021.

The total TSRs sold, based on the projected payment schedule in the Master Settlement Agreement, adjusted for historical trends, is estimated to be \$4.125 billion. The RTSA has pledged the future TSRs, net of specified operating expenditures, to repay the bonds. Annual principal and interest on the bonds are expected to require, on average, less than 70% of the net TSRs. The total principal and interest remaining to be paid on the bonds is approximately \$934.026 million. The total principal and interest paid for the current year and total TSRs received were \$142.774 million and \$264.698 million, respectively. In the event of default, the trustee of the bonds may enforce its rights per the terms of its agreements or pursue legal action for the payments in default.

As part of the consideration for the sale to the RTSA by the State of the pledged settlement payments, the RTSA issued a residual certificate to the State. In accordance with the provisions of the trust indenture, upon payment in full of the deposits required by the trust indenture, the remaining balance of pledged revenues shall be transferred to the State as owner of the residual certificate. Residuals are expected to be approximately \$1.784 billion. During the year ended June 30, 2020, \$125.666 million of residual revenues was paid to the State and \$57.226 million was recorded as a liability to the State at year-end.

ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM (IDAPP)

The majority of IDAPP's \$120.470 million of outstanding revenue bonds at June 30, 2020, 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.

MAJOR COMPONENT UNITS

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Included within the IHDA's outstanding revenue bonds are \$41.400 million of Homeowner Mortgage Revenue Bonds Series 2004C3, 2014A4, and 2014A5, and \$87.645 million of Housing Bonds Series 2008A, 2008B, 2008C, 2015A3, and 2017A2, which are variable rate demand bonds. Interest rates on these bonds are determined weekly at a rate established by the remarketing agent on each rate determination date. In addition, \$1.385 million of Homeowner Mortgage Revenue Bonds Series 2001F and 2002B are also variable rate, but not demand bonds. 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, 2020, IHDA has entered into three pay fixed, receive variable, interest rate swap agreements and two interest rate cap agreements (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.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

As of December 31, 2019, the THA variable rate demand bonds Series 2007 A-1 and A-2 bonds and Series 2008 A-1 and A-2 bonds were refunded in connection with either THA Series 2018A bonds issued on January 10, 2019, or THA Series 2019C bonds issued on December 23, 2019. The purpose of both refunding bonds was to reduce risks related to variable interest rates and third-party agreements.

NORTHERN ILLINOIS UNIVERSITY (NIU)

The NIU issued Series 2020A variable rate bonds 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, 2020, was 1.328%.

The Series 2020A and Series 2020B bonds 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 and are further secured by a pledge of and lien on pledged tuition, which equaled \$125.844 million as of June 30, 2020. 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.

UNIVERSITY OF ILLINOIS (U OF I)

The U of I had outstanding variable rate demand bonds in the amount of \$9.200 million for the Series 1997B bonds, \$35.405 million for the two Series 2008 bonds, and \$31.000 million for the Series 2014C bonds. These bonds have final maturities in 2026, 2026, 2022, and 2044, respectively, and bear interest rates as determined by the remarketing agents on each rate determination date not to exceed 12% on all of the bond series. These bonds are subject to redemption if tendered by the holder at a price equal to the principal plus accrued interest upon notice and delivery to the remarketing agent. The U of I has several letters of credit agreements with liquidity facilities to purchase any bonds so tendered for purchase in accordance with the indentures with respect to which the trustee does not, on the date any such tendered bonds are required to be purchased, have sufficient funds to make such purchase. The fees on the letters of credit are based on outstanding bonds plus pro forma interest. The U of I, in the event a liquidity facility is utilized, has reimbursement agreements with associated financial entities. Generally, the reimbursement provisions require repayment in eight equal quarterly installments, at an interest rate initially set at slightly above prime or the federal funds rate. The due date of the initial payment per the reimbursement agreements varies depending upon the variable rate bond issue. The reimbursement agreements require an initial payment due date of at least 366 days after a liquidity advance. The letters of credit agreements contain provisions that the U of I may terminate and replace the letter of credit agreements so long as it has paid all of the obligations owed to the liquidity facility.

In the event of default, the bond owners may sue to command performance of the U of I. The liquidity facilities may cause the bonds to be subject to a mandatory tender or appropriate the pledged revenues by invoking the “set off” provisions in the bond documents.

DERIVATIVE INSTRUMENTS

IHDA and U of I have both 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, 2020, 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	\$ 22,716,015	2058
Illinois Housing Development Authority	1,158,127	2068
Southwestern Illinois Development Authority	820,362	2048
Upper Illinois River Valley Development Authority	215,524	2055
Total	<u>\$ 24,910,028</u>	

**12 NOTES AND GENERAL OBLIGATION CERTIFICATES PAYABLE/
SHORT-TERM BORROWINGS**

A. Notes Payable

Primary Government

Illinois Department of Information Technology obtained financing to upgrade portions of the State’s phone system. The project included the purchase and installation of phones, as well as licensing and maintenance fees. The financing is an unsecured direct borrowing with an unstated interest rate. The amount outstanding at June 30, 2020, was \$30.097 million with a final maturity date of 2023. As of June 30, 2020, future debt service requirements consist of payments of \$10.032 million in fiscal years 2021 and 2022 and \$10.033 million in fiscal year 2023.

Changes in the note payable during the year ended June 30, 2020, are summarized in Note 8.

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, 2020, was \$18.482 million with interest rates ranging from 1.89% to 2.7% and a final maturity date of 2028. Additionally, at June 30, 2020, IHDA has an unused line of credit relating to available cash advances from the Federal Home Loan Bank totaling \$81.518 million.

Changes in the notes payable during the year ended June 30, 2020, are summarized in Note 8. Future notes payable debt service requirements as of June 30, 2020, are as follows:

Year Ending June 30	Illinois Housing Development Authority Direct Borrowing	
	Principal	Interest
	2021	\$ 5,830
2022	1,652	323
2023	350	287
2024	1,767	276
2025	375	234
2026-2030	8,508	541
	<u>\$ 18,482</u>	<u>\$ 2,020</u>

B. General Obligation Certificates Payable

The State is authorized to borrow up to 15% of the State’s appropriations in a fiscal year to meet deficits caused by emergencies or failures of revenue of the State. All monies borrowed must be

repaid within one year of issuance. On June 5, 2020, the State issued \$1.200 billion of direct placement General Obligation Certificates with a single maturity date and interest payment date on June 5, 2021. The Certificates were issued with an interest rate of 3.820% and repriced on August 27, 2020, reducing the interest rate to 3.360%, effective from the date of repricing to the maturity of the Certificates. The Certificates were issued to manage cash flows during the COVID-19 pandemic. The proceeds were deposited into the General Revenue Account, a sub-account of the General Fund.

Changes in general obligation certificates payable during the year ended June 30, 2020, are as follows:

Table 12-2 (amounts expressed in thousands)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Primary Government Governmental Activities Direct Placement				
General Obligation Certificates Payable	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000

C. Short-Term Borrowings

Primary Government – Business-type Activities

Pursuant to the provisions of Title XII of the Social Security Act, as amended by the Emergency Unemployment Insurance Stabilization and Access Act of 2020, the Department of Employment Security (IDES) received advances from the Federal Government to the State’s account within the Unemployment Compensation Trust Fund (UCTF). The UCTF account, from which funds are drawn by IDES to pay unemployment benefits to claimants, was depleted due to extended high unemployment rates during the COVID-19 pandemic. This has led IDES to borrow from the Federal Government to fulfill its mandate to pay benefits required by law. On, June 23, 2020, IDES started taking advances from the Federal Government, and the total direct borrowing for fiscal year 2020 was \$236.939 million.

Under the amended Emergency Unemployment Insurance Stabilization and Access Act of 2020, these loans are interest free through the end of calendar year 2020, with interest accruing beginning on September 7, 2021. IDES projects that borrowing for the State will continue through at least calendar year 2021. The interest rate charged for a given calendar year is the earnings yield on the UCTF for the quarter ending December 31, of the previous calendar year, which is 2.278%. Interest is due and payable to the Federal Government each September 30 and may not be paid from the State’s unemployment fund or from federal funds. IDES estimates the interest due on September 30, 2021, will be approximately \$10 million. There is no explicit repayment schedule for the advances to date.

The Illinois Designated Account Purchase Program (IDAPP) has 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 has been unable to refinance this debt and is currently in payment default under the credit line agreement. In addition, IDAPP is in breach of the coverage condition ratio defined in the indenture. The breaches qualify as an Event

of Termination under which the lender would be eligible for remedies under the indenture. The lender has not exercised its remedies to date. Conversations are ongoing with the lender to resolve the issues discussed. The \$78.157 million outstanding under this line is shown as current at June 30, 2020.

Under terms of the agreement, all revenues generated by the underlying student loan portfolio are transferred to a trust. The trust then pays all expenses related to the debt service and student loan servicing costs (capped at 65 basis points of the outstanding average balance of the portfolio). During fiscal year 2020, \$13.979 million of principal and \$3.836 million of interest was collected, all of which was transferred to the trust. During the same period, the trust paid \$2.091 million for interest expense and other professional fees and \$917 thousand for servicing fees.

Major Component Units

Illinois State University (ISU)

INTO ISU, a component unit of ISU, has an agreement with one of its partners, INTO North America, Inc., which allows INTO ISU to borrow up to \$6 million in operating capital from INTO North America, Inc. at an interest rate of 6.0%. The \$6.0 million outstanding under this line is shown as current at June 30, 2020.

University of Illinois (U of I)

The U of I Foundation has a \$15 million unsecured line of credit to a bank, due October 2021, with a negotiated interest rate in irregular intervals (0.87% at June 30, 2020). The line of credit is to be used to purchase property that is to be held for the U of I. The \$7.879 million outstanding under this line is shown as current at June 30, 2020.

Changes in short-term borrowing during the year ended June 30, 2020, are as follows:

	Balance July 1, 2019		Additions	Deletions	Balance June 30, 2020	
Primary Government						
Business-type Activities						
Unemployment Compensation Trust Fund - direct borrowing	\$ -	\$ 236,939	\$ -	\$ -	\$ 236,939	
Designated Account Purchase Program	93,357	-	(15,200)		78,157	
	<u>\$ 93,357</u>	<u>\$ 236,939</u>	<u>\$ (15,200)</u>		<u>\$ 315,096</u>	
Major Component Units						
Illinois State University	\$ 4,700	\$ 1,300	\$ -		6,000	
University of Illinois	6,877	1,906	(904)		7,879	
	<u>\$ 11,577</u>	<u>\$ 3,206</u>	<u>\$ (904)</u>		<u>\$ 13,879</u>	

13 OTHER LONG-TERM OBLIGATIONS

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

Table 13-1 (amounts expressed in thousands)

Description	Reference	Business-type Activities			
		Governmental Activities	Prepaid	Nonmajor	Fiduciary Funds
			Tuition Fund	Enterprise Funds	
Capital lease obligations	(A)	\$ 9,854	\$ -	\$ 17	\$ 24
Pollution remediation obligations	(D)	35,025	-	-	-
Obligations to Lottery Prize Winners	(E)	-	-	248,867	-
Prepaid Tuition Fund obligations	(F)	-	908,102	-	-
Other obligations	(G)	-	-	9,005	-
Total Other Long-Term Obligations		\$ 44,879	\$ 908,102	\$ 257,889	\$ 24

Table 13-2 (amounts expressed in thousands)

Description	Reference	Illinois	Northern	Southern	University
		State University	Illinois University	Illinois University	of Illinois
Capital lease obligations	(A)	\$ -	\$ 125,476	\$ 743	\$ 42,314
Certificates of participation - direct placement	(B)	11,510	-	10,890	-
Certificates of participation - other	(B)	28,191	7,266	23,893	120,043
Installment purchase obligations	(C)	2,336	-	-	-
Other obligations	(G)	876	25,252	1,099	176,720
Total Other Long-Term Obligations		\$ 42,913	\$ 157,994	\$ 36,625	\$ 339,077

A. Lease Commitments

The State has entered into various capital leases for land, office facilities, office and computer equipment, and other assets. 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. Information regarding operating leases is included in Note 21.

At June 30, 2020, assets capitalized under capitalized leases are as follows:

Table 13-3 (amounts expressed in thousands)

	Governmental	Business-	Fiduciary
	Activities	type Activities	Funds
Equipment	\$ 17,261	\$ 63	\$ 77
	17,261	63	77
Less: Accumulated depreciation	8,081	51	28
	\$ 9,180	\$ 12	\$ 49

Table 13-4 (amounts expressed in thousands)

Major Component Units	Northern Illinois	Southern Illinois	University of Illinois
	University	University	Illinois
Land and land improvements	\$ -	\$ 56	\$ -
Buildings and building improvements	133,655	1,672	44,079
Equipment	795	1,801	6,507
	<u>134,450</u>	<u>3,529</u>	<u>50,586</u>
Less: Accumulated depreciation	29,506	1,227	4,239
	<u>\$ 104,944</u>	<u>\$ 2,302</u>	<u>\$ 46,347</u>

Future minimum commitments for non-cancelable capital leases as of June 30, 2020, are as follows:

Table 13-5 (amounts expressed in thousands)

Year Ending June 30	Primary Government					
	Governmental Activities		Capitalized Leases			
	Principal	Interest	Business-type Activities		Fiduciary Funds	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 4,189	\$ 967	\$ 17	\$ -	\$ 18	\$ 7
2022	2,473	433	-	-	6	-
2023	1,004	217	-	-	-	-
2024	380	163	-	-	-	-
2025	233	126	-	-	-	-
2026-2030	882	433	-	-	-	-
2031-2035	693	99	-	-	-	-
Total minimum lease payments	<u>\$ 9,854</u>	<u>\$ 2,438</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 24</u>	<u>\$ 7</u>

Table 13-6 (amounts expressed in thousands)

Year Ending June 30	Major Component Units					
	Northern Illinois University		Southern Illinois University		University of Illinois	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,838	\$ 8,462	\$ 150	\$ 32	\$ 1,945	\$ 1,817
2022	2,986	8,318	153	25	1,590	1,744
2023	2,595	8,150	154	18	1,486	1,679
2024	2,752	7,989	155	11	1,036	1,629
2025	2,855	7,818	131	4	833	1,590
2026-2030	17,375	35,994	-	-	4,528	7,383
2031-2035	24,150	29,227	-	-	5,441	6,324
2036-2040	33,665	19,715	-	-	25,455	9,826
2041-2045	36,260	6,439	-	-	-	-
Total minimum lease payments	<u>\$ 125,476</u>	<u>\$ 132,112</u>	<u>\$ 743</u>	<u>\$ 90</u>	<u>\$ 42,314</u>	<u>\$ 31,992</u>

B. 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, 2020 was \$201.793 million, which includes unamortized premiums of \$9.271

million and unamortized discounts of \$133 thousand and 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, 2020, are as follows:

Table 13-7 (amounts expressed in thousands)

Major Component Units												
Year Ending June 30	Certificates of Participation											
	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
2021	\$ 1,350	\$ 208	\$ 1,870	\$ 1,171	\$ 1,200	\$ 304	\$ 1,665	\$ 269	\$ 1,320	\$ 1,064	\$ 35,975	\$ 4,761
2022	1,375	184	1,940	1,110	1,260	243	1,690	246	1,385	998	25,735	3,244
2023	1,405	159	2,015	1,044	1,325	178	1,735	198	1,440	943	9,765	2,377
2024	1,420	134	2,110	974	1,390	110	2,950	149	345	871	9,990	1,894
2025	1,450	108	2,195	880	1,455	39	450	64	1,525	858	9,255	1,396
2026-2030	4,510	164	10,175	3,028	65	1	2,400	165	8,670	3,244	21,350	1,500
2031-2035	-	-	7,985	807	-	-	-	-	8,515	1,015	-	-
	11,510	\$ 957	28,290	\$ 9,014	6,695	\$ 875	10,890	\$ 1,091	23,200	\$ 8,993	112,070	\$ 15,172
Unamortized premiums	-	-	34	-	571	-	-	-	693	-	7,973	-
Unamortized (discounts)	-	-	(133)	-	-	-	-	-	-	-	-	-
	\$ 11,510	-	\$ 28,191	-	\$ 7,266	-	\$ 10,890	-	\$ 23,893	-	\$ 120,043	-

C. Installment Purchase Obligations

Illinois State University, a major component unit, has acquired certain land, office facilities, office and computer equipment, and other assets through installment purchase arrangements. Future commitments under installment purchase contracts as of June 30, 2020, are as follows:

Table 13-8 (amounts expressed in thousands)

Major Component Unit			
Year Ending June 30	Illinois State University		
	Principal	Interest	Total
2021	\$ 117	\$ 77	\$ 194
2022	121	73	194
2023	125	69	194
2024	129	65	194
2025	134	61	195
2026-2030	1,710	29	1,739
	\$ 2,336	\$ 374	\$ 2,710

D. 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 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. These corporations are defunct and in recognition of the State’s lack of culpability, the USEPA has estimated the remaining cost for clean-up to the site and adjacent property to be approximately \$61.350 million. The State has estimated its portion of the liability for the clean-up to be \$30.675 million.

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, 2020, of \$4.350 million.

E. Obligations to Lottery Prize Winners

The State has obligations to certain lottery prize winners for awards payable in annual installments ranging from nineteen years to the life of the prize winner, with the first payment being made after the claim is presented for payment. For certain prize winners, annuities were purchased in the name of the State for which the State has retained the rights of ownership. Effective July 30, 1985, State law provides that the State Treasurer, with the consent of the Director of the Department of Lottery, may contract to invest in securities, which provide payments corresponding to its obligation to these winners. The present value of these liabilities owed to prize winners, approximating \$108 thousand, have been reported in the financial statements of the State Lottery Fund, a nonmajor enterprise fund.

In addition to the prize obligations discussed above, the State has provided for other 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 \$296.977 million at June 30, 2020, with interest rates ranging from 1.8% to 7.7%. The present value of these liabilities owed to prize winners, approximating \$248.759 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, 2020, are as follows:

Table 13-9 (amounts expressed in thousands)

Primary Government Business-type Activities		State Lottery Fund
Year Ending June 30		Amount
2021		\$ 26,718
2022		24,050
2023		25,022
2024		23,649
2025		24,003
2026-2045		191,296
		<u>314,738</u>
Less: Present value adjustments		(65,871)
Present value of future prizes		<u>\$ 248,867</u>

F. Prepaid Tuition Fund Obligations

Tuition payable in the Illinois Prepaid Tuition Fund, a major enterprise fund, as of June 30, 2020, represents net principal payments received for contracts held by the fund in the amount of \$908.102 million, of which \$140.782 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.

G. Other Obligations

Primary Government - Business-type Activities

Other nonmajor enterprise funds presented other obligations in the amount of \$9.005 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 \$203.947 million. These obligations will be liquidated from resources of the reporting major component unit.

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 instrument securities. These derivative instrument securities 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 financial instruments used to replicate the effect of investing in debt obligations of corporate bond issuers as a means to manage bond exposure, effectively buying or selling insurance protection in case of default. Credit default swaps may be specific to an individual security or to a specific market sector (index swaps).
- 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.
- d) Volatility swap agreements involve two parties taking opposite sides of the future volatility of an underlying instrument (e.g., an index, individual security, or exchange rate) without the influence of its price. Payoff is determined by the future realized volatility. Volatility swaps are often utilized to trade the spread between realized and implied volatility or to hedge the volatility exposure of other positions in a portfolio.

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 from one to several years.

At June 30, 2020, 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, 2020:

ISBI

Investment Derivative Instruments	Fair Value at June 30, 2020	Change in Fair Value	Notional*
Options	\$ (112)	\$ (112)	(8,670)
Rights/Warrants	27	25	580
Swap Liabilities	507	2,132	17,825
Grand Totals	<u>\$ 422</u>	<u>\$ 2,045</u>	<u>9,735</u>

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

TRS

Investment Derivative Instruments	Fair Value at June 30, 2020	Change in Fair Value	Notional*
Rights	\$ 650	\$ (173)	\$ 1,647
Warrants	10,356	4,199	3,242
Currency Forwards			
Purchases	3,516,811		
Sales	(3,524,029)		
	(7,218)	43,534	-
Futures**			
Equity Futures Long	-	4,706	86,751
Equity Futures Short	-	10,347	(44,093)
Fixed Income Futures Long	-	38,959	108,938
Fixed Income Futures Short	-	(19,053)	(206,072)
Commodity Futures Long	-	(442)	-
Commodity Futures Short	-	(377)	-
	-	34,140	(54,476)
Options**			
Currency Forward Options Purchased	963	5,664	102,635
Currency Forward Options Written	(480)	(2,726)	16,910
Options on Futures Written	-	384	-
	483	3,322	119,545
Swaptions			
Swaptions Purchased	183	8,180	99,956
Swaptions Written	(69)	159	76,768
	114	8,339	176,724
Credit Default Swaps			
Credit Default Swaps Buying Protection	1,664	1,016	52,126
Credit Default Swaps Selling Protection	(267)	(4,549)	10,734
	1,397	(3,533)	62,860
Index Swaps	(530)	(4,069)	32,134
Interest Rate/Inflation-linked Swaps			
Pay Fixed Interest Rate/Inflation Swaps	(1,046)	(83,087)	53,750
Receive Fixed Interest Rate/Inflation Swaps	5,766	16,556	198,128
	4,720	(66,531)	251,878
Grand Totals	\$ 9,972	\$ 19,228	\$ 593,554

* 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 instrument securities is disclosed in Note 3. Both interest rate and inflation rate swaps have fair values that are sensitive to interest rate changes. TRS had the following interest rate and inflation swaps at June 30, 2020:

Asset Description	Par	Gross Notional*	TRS Receives	TRS Pays	Maturity Date	Fair Value June 30, 2020
Pay Fixed Interest						
Rate/Inflation Swaps						
Chinese Yuan	128,030	18,008	7 day CNRR (1)	2.45%	3/18/2025	(104)
Indian Rupee	610,000	7,839	6 month LIBOR (2)	5.17%	2/24/2025	(396)
Mexican Peso	407,110	17,668	28 day Mexican TIIE (3)	5.09%	5/9/2025	(219)
Polish Zloty	12,240	3,095	6 month WIBOR (4)	0.71%	6/9/2025	(29)
South African Rand	123,500	7,140	3 month JIBAR (5)	7.38% to 7.54%	3/6/2030-5/14/2030	(298)
		<u>\$ 53,750</u>				<u>\$ (1,046)</u>
Receive Fixed Interest						
Rate/Inflation Swaps						
Brazilian Real	90,224	\$ 16,751	5.07% to 6.53%	3 mo. Brazilian CDI (6)	1/2/2023-1/4/2027	\$ 319
Chilean Peso	2,412,800	3,082	1.66% to 3.16%	6 mo. Chile Interbank Rate	4/23/2025-12/16/2029	134
Chinese Yuan	373,775	53,419	2.03% to 3.17%	7 day CNRR (1)	4/10/2024-6/15/2025	470
Chinese Yuan	60,000	8,514	1.80% to 2.75%	3 month SHIBOR (7)	8/6/2024-4/17/2025	(2)
Colombian Peso	13,846	3,792	3.67%	3 month IBRCO (8)	5/7/2025	89
Czech Koruna	164,020	7,554	1.52% to 1.61%	6 month PRIBOR (9)	1/27/2030-2/3/2030	593
Hungarian Forint	938,520	2,990	1.96%	6 month BUBOR (10)	5/5/2030	16
Indian Rupee	659,000	8,677	3.91% to 4.11%	6 month MIBOR (11)	4/22/2025-5/18/2025	(51)
Mexican Peso	1,430,676	64,599	4.69% to 8.09%	28 day Mexican TIIE (3)	5/6/2022-1/28/2030	2,532
Polish Zloty	15,800	4,313	1.80%	6 month WIBOR (4)	7/24/2024	252
Russian Ruble	1,013,295	15,060	6.15% to 6.31%	3 month RUB (12)	3/4/2025-6/17/2025	723
Russian Ruble	446,000	6,982	7.73%	3 month MOSPR (13)	6/17/2025	704
South African Rand	41,800	2,395	5.01%	3 month JIBAR (5)	6/25/2025	(13)
		<u>\$ 198,128</u>				<u>\$ 5,766</u>
* Includes income/accrued payable amounts						
(1) CNRR - China Fixing Repo Rates						
(2) LIBOR - London Interbank Offered Rate						
(3) Mexican TIIE - Mexico Interbank Equilibrium Interest Rate						
(4) WIBOR - Warsaw Interbank Offered Rate						
(5) JIBAR - Johannesburg Interbank Agreed Rate						
(6) Brazilian CDI - Brazilian Certificado de Deposito Interbancario						
(7) SHIBOR - Shanghai Interbank Offered Rate						
(8) IBRCO - Columbia Interbank Rate						
(9) PRIBOR - Czech Interbank Offered Rate						
(10) BUBOR - Budapest Interbank Offered Rate						
(11) MIBOR - Mumbai Interbank Offered Rate						
(12) RUB - Russia Interbank Rate						
(13) MOSPR - MosPrime Rate						

SURS

Investment Derivative Instruments	Fair Value at June 30, 2020	Changes in Fair Value	Notional*
Rights and Warrants	\$ 26	\$ (187)	\$ 528
Currency Forwards			
Purchases	4,789	3,941	-
Sales	(8,891)	(6,958)	-
	(4,102)	(3,017)	-
Futures			
Equity Derivative Instruments Long	1,509	1,411	86,336
Equity Derivative Instruments Short	8	560	(7,895)
Fixed Income Long	(259)	(694)	383,748
Fixed Income Short	284	431	(146,916)
Commodity Long	125	325	8,519
Commodity Short	(210)	(210)	(12,860)
Foreign Exchange Long	40	40	55,911
Foreign Exchange Short	(192)	(182)	(23,680)
	1,305	1,681	343,163
Options			
Equity Call	(4,250)	(2,953)	(383)
Equity Put	(4,836)	(3,154)	(383)
	(9,086)	(6,107)	(766)
Swaptions			
Call	(33)	(246)	(28,000)
Put	(17)	(113)	(28,000)
	(50)	(359)	(56,000)
Swaps			
Credit Default			
Buying Protection	-	485	-
Selling Protection	30	(242)	269,438
Receive Fixed Inflation-linked Swaps	-	(49)	-
Pay Fixed Interest Rate	(10,603)	198	136,065
Receive Fixed Interest Rate	(1,523)	(275)	35,977
	(12,096)	117	441,480
Grand Totals	\$ (24,003)	\$ (7,872)	\$ 728,405

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

Interest rate risk for derivative instrument securities is disclosed in Note 3. Both interest rate and inflation rate swaps have fair values that are sensitive to interest rate changes. SURS had the following interest rate and inflation swaps at June 30, 2020:

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, 2020
pay fixed	\$ 116,600	1.50% to 2.75%	3 mo. USD-LIBOR (1)	\$ (10,473)
pay fixed	19,465	0.30%	6 mo. JPY-LIBOR (2)	(130)
	<u>\$ 136,065</u>			<u>\$ (10,603)</u>
receive fixed	\$ 28,440	3 mo. USD-LIBOR (1)	1.50% to 2.75%	\$ (1,620)
receive fixed	7,537	6 mo. GBP-LIBOR (3)	0.50%	97
	<u>\$ 35,977</u>			<u>\$ (1,523)</u>

(1) US Dollar London Interbank Offered Rate

(2) Japanese Yen London Interbank Offered Rate

(3) British Pound London Interbank Offered 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 instrument securities 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 instrument securities 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, 2020.

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, 2020, was \$46.035 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	\$ 9,502
Aa3	15,067
A1	5,683
A2	7,009
A3	8,774
Total subject to credit risk	<u>\$ 46,035</u>

Although the derivative instruments held within the TRS investment portfolio are executed with various counterparties, approximately 94 percent of the net 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, 2020, if all counterparties fail to perform as contracted, is \$7.0 million. This maximum exposure is reduced by \$1.6 million in collateral held, resulting in a net credit risk exposure of approximately \$5.4 million. At June 30, 2020, the counterparties' credit ratings for currency forwards, swaptions, and swaps subject to credit risk are as follows:

Standard & Poor's Quality Rating	Forwards	Swaptions	Swaps	Total
A	\$ -	\$ (50)	\$ -	\$ (50)
Not Rated	(4,102)	-	(12,096)	(16,198)
Total Subject to Credit Risk	\$ (4,102)	\$ (50)	\$ (12,096)	\$ (16,248)

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), the Illinois State Toll Highway Authority (THA), and the University of Illinois (U of I).

IHDA: The IHDA has three swap contracts and two interest rate caps. All are considered cash flow hedges. The objective of the three 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 two 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 swap and rate caps match the principal amount of the associated debt, as applicable, except in the case of Series 2001F where early redemption of bonds have 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.

THA: The THA has no derivative instruments outstanding as of December 31, 2019 (THA's fiscal year end). The derivative instrument liability and corresponding accumulated decrease in fair value of hedging derivatives as of December 31, 2018, each in the amount of \$107.496 million, were removed as of December 31, 2019 to reflect the fact that all swaps were terminated

prior to December 31, 2019 and THA has no swaps or other derivative instruments outstanding as of December 31, 2019.

U of I: The U of I has entered into three separate pay-fixed, receive variable interest rate swap agreements in connection with certain bond issues.

The objective of these swaps was to effectively change the U of I's variable interest rate on the bonds to a synthetic fixed rate. All of the swap agreements were entered at the same time as the original bonds were issued and terminate with maturity of the existing bonds. No cash was paid or received when the original swap agreements were entered into. The U of I engaged a third-party consultant to determine the fair value of the swap agreements.

The following table displays the terms of the various hedging derivative instruments of the major component units outstanding at June 30, 2020 (except for the THA, for which the fiscal year-end is December 31, 2019), along with the credit rating of the associated counterparty:

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 2001F	1,000	1/02	6.615%	1 mo. LIBOR (a)+40bp (b)	(32)		8/20	A-/A2
Series 2018 A-2	30,000	8/18	2.394%	USD (d) - LIBOR (a) BBA (e) *70%	(4,570)		2/38	AA-/Aa2
Series 2019B	30,000	3/19	2.431%	Weekly Reset - SIFMA (c)	(4,530)		4/42	A+/Aa2
	<u>61,000</u>				<u>(9,132)</u>	\$ (4,198)		
Interest Rate Cap								
HB**								
Series 2008A	10,930	1/18	6.00%	N/A	14		1/27	A/A1
Series 2008C	4,470	6/06	4.75%	N/A	-		6/21	A+/Aa2
	<u>15,400</u>				<u>14</u>	-		
	<u>\$ 76,400</u>				<u>\$ (9,118)</u>	<u>\$ (4,198)</u>		
THA-								
	<u>\$ -</u>				<u>\$ -</u>	<u>\$ 107,496</u>		
U of I								
Interest Rate Swap Contracts								
Revenue Bonds								
Series 2008 (South Campus)	\$ 7,105	2/06***	4.086%	68% of 1 mo. LIBOR (a)	\$ (318)		1/22	BBB+/A3
Series 2008 (South Campus)	6,900	2/06***	4.092%	68% of 1 mo. LIBOR (a)	(309)		1/22	A+/Aa2
Series 2008 (Health Services Facility System)	21,225	11/08***	3.534%	68% of 1 mo. LIBOR (a)	(2,471)		10/26	BBB+/A3
	<u>\$ 35,230</u>				<u>\$ (3,098)</u>	<u>\$ 52</u>		
~ As of 12/31/2019 (THA's fiscal year-end).								
* Homeowner Mortgage Revenue Bonds			(a) London Interbank Offered Rate					
** Housing Bonds			(b) Basis points					
*** Swap agreement was transferred from original issue to the refunded bond issue.			(c) Securities Industry and Financial Market Association					
			(d) United States dollar					
			(e) British Bankers' Association					
(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 2021 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 \$10.957 million and (\$1.164) 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, 2020, IHDA was not exposed to credit risk for the swaps that had negative fair value. IHDA is exposed to credit risk on the caps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value at June 30, 2020, was \$14 thousand. This represents the maximum loss that would be recognized at June 30, 2020, 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 45% of the total notional amount of the outstanding swaps. IHDA does not have a policy regarding master netting arrangements.

U of I: As of June 30, 2020, the U of I was not exposed to credit risk because its swaps had a negative fair value. If interest rates change and the fair value of the swaps become positive, the U of I would be exposed to credit risk in the amount of the derivative instruments' fair value. Since they are negative numbers, they represent an approximation of the amount of money the U of I may have to pay a swap provider to terminate the swap. The counterparty may have to post collateral in the U of I's favor in certain conditions, and the U of I would never be required to post collateral in the counterparty's favor. At June 30, 2020, one counterparty held 60%, another held 20%, and a third held 20% of the total notional amount of the outstanding swaps. U of I does not have a policy regarding master netting arrangements.

Interest rate risk

IHDA: Because interest rates have declined since the execution of the swap agreements, they have negative fair values as of June 30, 2020. The negative fair value may be countered by reductions in total interest payments required under the variable-rate bonds, creating lower 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.

U of I: During fiscal year 2020, declining interest rates exposed the U of I to interest rate risk, which adversely affected the fair values of the swap agreements.

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.

U of I: The swaps expose the U of I to basis risk should the relationship between LIBOR and the variable weekly rate determined by remarketing agents change, changing the synthetic rate on the bonds. If a change occurs that results in the difference in rates widening, the expected cost savings may not be realized.

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.

U of I: The U of I has the option to terminate any of the swaps early. The U of I or the counterparties may terminate a swap if the other party fails to perform under the terms of the contract. The U of I may terminate a swap if both credit ratings of the counterparties fall below BBB+ as issued by Standard & Poor's and Baa1 as issued by Moody's Investors Services. If a swap is terminated, the variable-rate bonds would no longer carry a synthetic fixed interest rate. In addition, if at the time of termination, a swap has a negative fair value, the U of I would be liable to the counterparties for a payment equal to the swap's fair value.

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.

U of I: The U of I is not exposed to rollover risk on its swap agreements since the swap agreements extend to the maturity of the related debt.

As of June 30, 2020, 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	Illinois Housing Development Authority				University of Illinois-Revenue Bonds				
	June 30	Principal	Interest	Interest Rate Swaps, Net	Total	Principal	Interest	Interest Rate Swaps, Net	Total
2021	\$ 920	\$ 81	\$ 1,397	\$ 2,398	\$ 9,545	\$ 297	\$ 858	\$ 10,700	
2022	480	104	1,370	1,954	10,005	161	611	10,777	
2023	490	103	1,370	1,963	2,900	17	471	3,388	
2024	495	102	1,370	1,967	3,060	14	368	3,442	
2025	500	102	1,369	1,971	3,225	11	260	3,496	
2026-2030	9,585	469	6,847	16,901	6,670	11	185	6,866	
2031-2035	22,765	377	6,194	29,336	-	-	-	-	
2036-2040	32,185	151	2,499	34,835	-	-	-	-	
2041-2045	8,180	14	212	8,406	-	-	-	-	
Total	\$ 75,600	\$ 1,503	\$ 22,628	\$ 99,731	\$ 35,405	\$ 511	\$ 2,753	\$ 38,669	

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

15 REFUNDINGS OF LONG-TERM OBLIGATIONS

A. Advance Refundings

During the year ended June 30, 2020, the Illinois State Toll Highway Authority (THA), a major component unit, issued advanced refunding debt to reduce future debt service payments (THA reports on a December 31 year-end). These revenue bonds were issued to refund portions of an earlier bond issuance. The principal of the refunded debt will be redeemed at a redemption price of 100%. The outstanding balance of the refunded revenue bonds was \$998.485 million, with redemption dates through 2020.

Proceeds from the bond sales were placed in an irrevocable trust used to service the debt requirements of the old debt until redemption. As a result, the refunded debt is considered to be defeased and the liability for the debt has been removed from the financial statements of the State and THA, respectively.

Advance refundings issued during fiscal year 2020 were 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)
Major Component Units							
Revenue Bonds							
Illinois State Toll Highway Authority Series 2019-B	\$ 225,245	5.00%	\$ 276,560	4.00% to 5.25%	\$ 70,005	\$ 61,421	\$ (1,229)
Illinois State Toll Highway Authority Series 2019-C	\$ 697,870	5.00%	\$ 721,925	Variable	\$ (16,341)	\$ (21,336)	\$ (150,660)

B. Current Year Refundings

During the year ended June 30, 2020, three 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 April 1, 2020 through April 1, 2041, at redemption prices of 100%. Current refunding debt issued during fiscal year 2020, was as follows:

Table 15-2 (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)
Major Component Units							
Revenue Bonds							
Illinois State Toll Highway Authority Series 2018 A	\$ 515,250	5.00%	\$ 530,160	Variable	\$ (12,109)	\$ (6,768)	\$ -
Northern Illinois University Auxiliary Facilities System, Series 2020 A&B	\$ 156,435	3.00% to 5.00%	\$ 175,550	5.00% to 8.147%	\$ 52,131	\$ 43,101	\$ 53
Certificates of Participation							
Illinois State University Certificates of Participation Series 2019	\$ 12,705	1.81%	\$ 12,580	4.00% to 4.50%	\$ 1,443	\$ 1,286	\$ (191)

C. Prior Year Refunding

In prior years, the State defeased certain callable maturities of general obligation, special obligation, and revenue bonds and certificates of participation by placing the proceeds of new debt in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the State's financial statements. At June 30, 2020, the outstanding balances of prior year defeased debt were as follows:

Table 15-3 (amounts expressed in thousands)

	Major Component Units	
	Railsplitter Tobacco Settlement Authority	Illinois Housing Development Authority
Revenue bonds	\$ 577,430	\$ 18,605
	\$ 577,430	\$ 18,605

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 Toll Highway Authority (THA) and Illinois Comprehensive Health Insurance Plan (ICHIP), both of which are component units 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, 127 special districts, and 12 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 18 thousand of the approximately 75 thousand active members have chosen this option, as of the measurement date, June 30, 2019.

SURS also became an administrator of a defined contribution plan, effective January 1, 1998, known as the Self-Managed Plan. This plan is offered to employees of all SURS employers who elect to participate. All but three SURS employers participate in the Self-Managed Plan. The Self-Managed Plan is a qualified money purchase plan under Section 401(a) of the Internal Revenue Code. The assets are maintained under a trust administered by the SURS Board of Trustees in accordance with the Illinois Pension Code. Approximately 13 thousand of the approximately 76 thousand active members have chosen this option. \$3.023 billion of the \$22.640 billion total plan net position at June 30, 2020, relate to the Self-Managed Plan. Plan member contributions were \$95.728 million and the State contributions, along with employer contributions consisting of grant reimbursements, were \$78.253 million for the year ended June 30, 2020. The State, as a nonemployer contributing entity, makes the required employer contribution to SURS on behalf of the Self-Managed Plan employers at a rate of 7.6% of the members' gross earnings. The State's contribution represents 100% of the required contributions to the plan. The State's required contribution is reduced by forfeitures, which for the year ended June 30, 2020, were \$7.941 million.

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 service and for noncovered employees it is 2.2% for each year of 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</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 2019 rate is \$114,952.</p> <p>If the member retires before age 67 with a reduced</p>

<p>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>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>
<p>Alternative Formula</p>	<p>Alternative Formula</p>
<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 2019 rate is \$114,952.</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 consecutive 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 consecutive 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. 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 offers retirement benefits under the Self-Managed Plan payable when members meet the minimum vesting requirements of 5 years of service credit at age 62, 8 years of service credit at age 55, or 30 years of service credit regardless of age. The distribution options available upon reaching retirement eligibility are a lump sum distribution consisting of all employee and employer contributions and related investment earnings; a single life annuity; a 50% or 100% joint and survivor annuity; a single life annuity with a guaranteed period of 10, 15, or 20 years as elected by the member; and a 50% or 100% joint and survivor annuity with a guaranteed period of 10, 15, or 20 years as elected by the member.

SURS also provides disability and death benefits under all plans. 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, 2019, the following employees were covered by the defined benefit terms of each system, respectively:

	GARS	JRS	SERS	TRS	SURS
Retirees and beneficiaries receiving benefits	429	1,234	74,589	124,299	67,842
Inactive members entitled to but not yet receiving benefits	54	10	3,843	136,178	83,044
Active employees	126	956	62,026	163,027	62,589
Total	609	2,200	140,458	423,504	213,475

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.com.

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, 2020. 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, 2020, are shown in Table 16-2.

Table 16-2 (amounts expressed in thousands)

Contribution Rates/Amounts		
Plan	Member (% of Covered Payroll)	State (Statutorily Required)
GARS	11.50%	\$ 25,754
JRS	11.00%	\$ 144,160
SERS	4.00% - 12.50%	\$ 2,359,203
TRS	9.00%	\$ 4,813,452
SURS	8.00% - 9.50%	\$ 1,785,818

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 2020, this amount was \$124,630. 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 2020, this amount was \$115,929.

For TRS, employee contributions are fully refundable, without interest, upon withdrawal from applicable employment. 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 2020, this amount was \$115,929.

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 2020, this amount was \$115,929.

Under the SURS Self-Managed Plan, upon termination of service with less than five years of credited service, a lump sum distribution is available consisting of employee contributions and related investment earnings. The employer contributions and related investment earnings are forfeited. Upon termination of service with greater than five years of credited service but where the member is not yet eligible for retirement, a lump sum distribution is available consisting of employee and employer contributions and related investment earnings.

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, 2020, was measured as of June 30, 2019, 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	\$ 3,280	\$ 50,009	\$ 801,415
Interest on total pension liability	24,853	180,188	3,378,804
Change of benefit terms	-	-	(462,610)
Differences between expected and actual experience	4,008	37,888	(24,683)
Assumption changes	(8,253)	(42,249)	313,744
Benefit payments	(24,558)	(157,350)	(2,601,306)
Refunds	(169)	(991)	(24,133)
Administrative expenses	(389)	(910)	(14,979)
Net change in total pension liability	(1,228)	66,585	1,366,252
Total pension liability - June 30, 2018 (a)	382,791	2,783,868	50,519,686
Total pension liability - June 30, 2019 (a)	\$ 381,563	\$ 2,850,453	\$ 51,885,938
Plan fiduciary net position			
Contributions - employer	\$ 23,253	\$ 140,519	\$ 2,274,925
Contributions - participant	1,317	14,610	275,675
Net investment income	3,450	64,741	1,118,429
Benefit payments	(24,558)	(157,350)	(2,601,306)
Refunds	(169)	(991)	(24,133)
Administrative expense	(389)	(910)	(14,979)
Net change in plan fiduciary net position	2,904	60,619	1,028,611
Plan fiduciary net position - June 30, 2018	56,816	1,012,485	17,463,277
Plan fiduciary net position - June 30, 2019 (b)	\$ 59,720	\$ 1,073,104	\$ 18,491,888
State's net pension liability - ending (a) - (b)	\$ 321,843	\$ 1,777,349	\$ 33,394,050
Plan fiduciary net position as a percentage of the total pension liability	15.65%	37.65%	35.64%
Covered-employee payroll	\$ 10,159	\$ 138,415	\$ 4,621,647
State's net pension liability as a percentage of covered payroll	3168.06%	1284.07%	722.56%

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

The primary government of the State reported a net pension liability at June 30, 2020, related to GARS and JRS totaling \$321.843 million and \$1.777 billion, respectively.

Related to SERS, the State reported a collective net pension liability of \$33.394 billion. Of this amount, \$32.539 billion is reported by the primary government, while \$853.819 million and \$1.069 million represent liabilities of the THA and ICHIP, respectively.

TRS is an administrator of a cost-sharing multiple-employer defined benefit pension plan. As a nonemployer contributing entity, at June 30, 2020, the primary government reported a liability of \$79.984 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, 2019, the measurement date, the State's proportionate share was 98.614% for the TRS plan, which was an increase of 0.0539% from its proportion measured as of the prior year measurement date of June 30, 2018.

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 \$3.844 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 2019. At June 30, 2019, the measurement date, the State’s proportionate share related to employer contributions was 0.005%, which was a decrease of 12.985% from its proportion measured as of the prior year measurement date of June 30, 2018.

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 net pension liability and reports the amount as a long-term obligation within the Statement of Net Position. At June 30, 2020, as a nonemployer contributing entity, the primary government reported a net pension liability of \$28.720 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, 2020, as follows:

Table 16-4 (amounts expensed in thousands)

Plan	Pension Expense
GARS	\$ 21,177
JRS	\$ 201,445
SERS^	\$ 2,915,837
TRS^^	\$ 8,672,862
SURS	\$ 3,094,666

^ The amount represents the collective pension expense for the State, including THA and ICHIP.

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

At June 30, 2020, the State reported deferred outflows and deferred inflows of resources related to each plan, as of the measurement date of June 30, 2019, from the following sources:

Table 16-5 (amounts expressed in thousands)

	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	\$ 1,509	\$ -	\$ 38,184	\$ 48	\$ -	\$ 417,564	\$ 1,311,589	\$ -	\$ 160,133	\$ 80,171
Changes of assumptions	-	3,107	3,001	47,555	930,777	482,068	1,792,280	1,535,363	773,321	-
Net difference between projected and actual investment earnings on pension plan investments	338	-	-	4,364	-	48,743	126,709	-	-	55,457
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	-	-	-	935,217	35,233	-	-
State contributions subsequent to the measurement date	25,754	-	144,160	-	2,362,181	-	4,814,416	-	1,785,818	-
Total	\$ 27,601	\$ 3,107	\$ 185,345	\$ 51,967	\$ 3,292,958	\$ 948,375	\$ 8,980,211	\$ 1,570,596	\$ 2,719,272	\$ 135,628

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

^^ 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		ICHIP		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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 406,875	\$ -	\$ 10,676	\$ -	\$ 13	\$ -	\$ 417,564
Changes of assumptions	906,949	469,727	23,798	12,326	30	15	930,777	482,068
Net difference between projected and actual investment earnings on pension plan investments	-	47,495	-	1,246	-	2	-	48,743
Changes in proportion and differences between employer contributions and proportionate share of contributions	(6,270)	(36,834)	6,270	34,310	-	2,524	-	-
State contributions subsequent to the measurement date	2,300,924	-	61,178	-	79	-	2,362,181	-
Total	\$ 3,201,603	\$ 887,263	\$ 91,246	\$ 58,558	\$ 109	\$ 2,554	\$ 3,292,958	\$ 948,375

[^] THA reported \$29,705 of contributions subsequent to the measurement date as of December 31, 2019, 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, 2019, 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 \$781 thousand, \$1.330 million, \$2.888 million, and \$38.900 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, 2021. 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
2021	\$ (1,073)	\$ 2,629	\$ 283,537	\$ 1,850,108	\$ 786,021
2022	(313)	(12,057)	(365,148)	(95,048)	(11,535)
2023	52	(1,970)	2,137	400,723	(6,661)
2024	74	616	61,876	410,043	30,001
2025	-	-	-	29,373	-
Total	<u>\$ (1,260)</u>	<u>\$ (10,782)</u>	<u>\$ (17,598)</u>	<u>\$ 2,595,199</u>	<u>\$ 797,826</u>

[^] The amounts represent the collective deferred outflows and inflows of resources for the State, including THA and ICHIP, 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	6/30/2019	6/30/2019	6/30/2019	6/30/2018*	6/30/2018*
Measurement date	6/30/2019	6/30/2019	6/30/2019	6/30/2019	6/30/2019
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%	6.75%
Projected salary increases**	2.50%	2.50%	2.75% - 7.17%	4.00% - 9.50%	3.25% - 12.25%
Inflation rate	2.25%	2.25%	2.25%	2.50%	2.25%
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 2015 - June 2018	July 2015 - June 2018	July 2015 - June 2018	July 2014 - June 2017	July 2014 - June 2017
Mortality ^{^^^}	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, scaling factors of 99% for males and females and generational mortality improvements using MP-2018 two-dimensional mortality improvement scales				
GARS	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, scaling factors of 102% for males and 98% for females and generational mortality improvements using MP-2018 two-dimensional mortality improvement scales				
JRS	Pub-2010 General and Public Safety Healthy Retiree mortality tables, sex distinct, with rates projected to 2018 generational mortality improvement factors were updated to projection scale MP-2018.				
SERS	RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017				
TRS	RP-2014 White Collar, gender distinct, projected using MP-2014 two dimensional mortality improvement scale, set forward one year for male and female annuitants				
SURS					
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
Investment rate of return	6.75%	6.75%	7.00%		
Projected salary increases**	2.75%	2.75%	3.00% - 7.42%		
Inflation rate	2.50%	2.50%	2.50%		
Retirement age experience study ^{^^}	July 2012 - June 2015	July 2012 - June 2015	July 2012 - June 2015		
Mortality	RP-2014 White Collar Total Healthy Annuitant mortality table, sex distinct, set forward 1 year for males and set back 1 year for females and generational mortality improvements using MP-2014 two-dimensional mortality improvement scales	RP-2014 White Collar Total Healthy Annuitant mortality table, sex distinct, set forward 1 year for males and set back 1 year for females and generational mortality improvements using MP-2014 two-dimensional mortality improvement scales	105 percent of the RP 2014 Healthy Annuitant mortality table, sex distinct, with rates projected to 2015; generational mortality improvement factors were added		
<p>* The total pension liability is based on an actuarial valuation date of June 30, 2018, rolled-forward to the measurement date using generally accepted actuarial procedures.</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 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, 2019, 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	23%	4.80%
Developed Foreign Equity	13%	4.60%
Emerging Market Equity	8%	6.90%
Private Equity	7%	6.80%
Intermediate Investment Grade Bonds	14%	0.70%
Long-term Government Bonds	4%	1.00%
TIPS	4%	0.80%
High Yield and Bank Loans	5%	2.70%
Opportunistic Debt	8%	4.20%
Emerging Market Debt	2%	2.70%
Real Estate	10%	4.40%
Infrastructure	2%	4.10%
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, 2019, that were used by the actuary are summarized in the following table:

Asset Class	TRS	
	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities Large Cap	15%	6.30%
U.S. Equities Small/Mid Cap	2%	7.70%
International Equities Developed	14%	7.00%
Emerging Market Equities	3%	9.50%
U.S. Bonds Core	8%	2.20%
U.S. Bonds High Yield	4%	4.00%
International Debt Developed	2%	1.10%
Emerging International Debt	3%	4.40%
Real Estate	16%	5.20%
Real Return	4%	1.80%
Absolute Return	14%	4.10%
Private Equity	15%	9.70%
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, 2019, 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
U.S. Equity	23%	5.25%
Private Equity	6%	8.65%
Non U.S. Equity	19%	6.75%
Global Equity	8%	6.25%
Fixed Income	19%	1.85%
Treasury Inflation-Protected Securities	4%	1.20%
Emerging Market Debt	3%	4.00%
Real Estate	10%	10.55%
Hedged Strategies	5%	2.85%
Commodities	2%	2.00%
Opportunity Fund	1%	7.00%
Total	100%	4.80%
Inflation		2.75%
Expected Arithmetic Normal Return		7.55%

Discount rate. The discount rate used to measure the total pension liability for each system as calculated using the June 30, 2019 and June 30, 2018 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 3.13% 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 2072, 2063, 2073, 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 plan’s fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2121.

Table 16-12

Plan	Current Discount Rate (%)	Prior Discount Rate (%)	Change (%)
GARS	6.41%	6.68%	-0.27%
JRS	6.34%	6.60%	-0.26%
SERS	6.47%	6.81%	-0.34%
TRS	7.00%	7.00%	0.00%
SURS	6.59%	6.65%	-0.06%

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	6.41%	\$ 364,537	\$ 321,843	\$ 286,147
JRS	6.34%	\$ 2,095,826	\$ 1,777,349	\$ 1,507,668
SERS [^]	6.47%	\$ 40,386,119	\$ 33,394,050	\$ 27,645,296
TRS ^{^^}	7.00%	\$ 97,698,511	\$ 79,988,144	\$ 65,426,702
SURS	6.59%	\$ 34,786,852	\$ 28,720,071	\$ 23,712,555

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

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

Payables to the pension plan. At June 30, 2020, 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, 2020.

Table 16-14 (amounts expressed in thousands)

Plan	Payable to pension plan
GARS	\$ -
JRS	\$ -
SERS [^]	\$ 264,075
TRS ^{^^}	\$ 641,247
SURS	\$ 116,890

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

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

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 Toll Highway Authority (THA), Illinois Comprehensive Health Insurance Plan (ICHIP), 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, 2019, the following employees were covered by the defined benefit terms of the plan.

Table 17-1	
Inactive employees or beneficiaries currently receiving benefit payments	94,800
Inactive employees entitled to but not yet receiving benefit payments	24,200
Active employees	107,796
Total	226,796

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 retirement 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 2020, the annual cost of the basic program of group health, dental, and vision benefits before the State's contribution was \$11,681.04 (\$6,703.92 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$14,959.44 (\$5,592.24 if Medicare eligible) if the annuitant chose other benefits. The State is not required to fund the plan other than the pay-as-you-go amount necessary to provide the current benefits to retirees.

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, 2020, was measured as of June 30, 2019, with an actuarial valuation as of June 30, 2018. The schedule of changes in the State's total OPEB liability, as of the measurement date, are presented below:

Table 17-2 (amounts expressed in thousands)	
Total OPEB liability[^]	
Service cost	\$ 1,359,787
Interest on the total OPEB liability	1,441,517
Difference between expected and actual experience	69,153
Changes of assumptions	1,893,970
Benefit payments	(968,506)
Net change in total OPEB liability	3,795,921
Total OPEB liability at June 30, 2018	40,093,248
Total OPEB liability at June 30, 2019	\$ 43,889,169
Covered-employee payroll	\$ 7,666,177
Total OPEB liability as a percentage of covered-employee payroll	572.50%
[^] Amounts represent the collective total OPEB liability for the State, including THA, ICHIP, and the nine university component units.	

The following table presents the total OPEB liability allocated between the primary government and the component units of the State.

Table 17-3 (amounts expressed in thousands)	
Primary Government	\$42,131,760
Component Units:	
Toll Highway Authority	\$ 131,448
Other Authorities - Illinois	
Comprehensive Health Insurance Plan	614
Illinois State University	29,669
Northern Illinois University	44,504
Southern Illinois University	154,007
University of Illinois	1,317,641
Other Universities	79,526
Total Component Units	1,757,409
Total OPEB liability	\$43,889,169

The State recognized a collective total OPEB expense, including the primary government, THA, ICHIP, and the nine university component units, for the year ended June 30, 2020, of \$1.925 billion.

At June 30, 2020, the primary government and its component units reported deferred outflows and deferred inflows of resources, as of the measurement date of June 30, 2019, from the following sources:

Table 17-4 (amounts expressed in thousands)

	Primary Government	Component Units	Total SEGIP
Deferred outflows of resources			
Differences between expected and actual experience	\$ 60,481	\$ 2,522	\$ 63,003
Changes of assumptions	1,464,781	61,098	1,525,879
Changes in proportion and differences between employer contributions and proportionate share of contributions	(68,951)	68,951	-
State contributions subsequent to the measurement date	1,125,203	45,309	1,170,512
Total deferred outflows of resources	<u>\$ 2,581,514</u>	<u>\$ 177,880</u>	<u>\$ 2,759,394</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 642,717	\$ 26,809	\$ 669,526
Changes of assumptions	2,599,868	108,446	2,708,314
Changes in proportion and differences between employer contributions and proportionate share of contributions	(312,918)	312,918	-
Total deferred inflows of resources	<u>\$ 2,929,667</u>	<u>\$ 448,173</u>	<u>\$ 3,377,840</u>

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

Table 17-5 (amounts expressed in thousands)

	Toll Highway Authority	Other Authorities ICHIP	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	\$ 188	\$ 1	\$ 43	\$ 64	\$ 221	\$ 1,891	\$ 114	\$ 2,522
Changes of assumptions	4,570	21	1,031	1,547	5,354	45,810	2,765	61,098
Changes in proportion and differences between employer contributions and proportionate share of contributions	26,938		2,522	3,069	2,775	32,202	1,445	68,951
Contributions subsequent to the measurement date	7,434 [^]	14	659	1,126	3,437	30,752	1,887	45,309
Total deferred outflows of resources	<u>\$ 39,130</u>	<u>\$ 36</u>	<u>\$ 4,255</u>	<u>\$ 5,806</u>	<u>\$ 11,787</u>	<u>\$ 110,655</u>	<u>\$ 6,211</u>	<u>\$ 177,880</u>
Deferred inflows of resources								
Differences between expected and actual experience	\$ 2,006	\$ 9	\$ 452	\$ 679	\$ 2,349	\$ 20,101	\$ 1,213	\$ 26,809
Changes of assumptions	8,111	38	1,831	2,746	9,504	81,309	4,907	108,446
Changes in proportion and differences between employer contributions and proportionate share of contributions	35,378	2,775	4,301	5,675	42,170	190,934	31,685	312,918
Total deferred inflows of resources	<u>\$ 45,495</u>	<u>\$ 2,822</u>	<u>\$ 6,584</u>	<u>\$ 9,100</u>	<u>\$ 54,023</u>	<u>\$ 292,344</u>	<u>\$ 37,805</u>	<u>\$ 448,173</u>

[^] THA reported \$2.388 billion of contributions subsequent to the measurement date as of December 31, 2019, 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, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Table 17-6 (amounts expressed in thousands)		
Year ended June 30,		
2021	\$	(885,650)
2022		(885,650)
2023		(400,837)
2024		327,712
2025		55,467
Total	\$	<u>(1,788,958)</u>

The amounts represent the collective deferred outflows and inflows of resources for the State, including THA, ICHIP, 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, 2018, for eligible SEGIP employees, and SEGIP retiree data as of June 30, 2018.

Table 17-7	
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial assumptions:	
Inflation Rate	2.50%
Projected Salary Increases*	2.75% - 12.25%
Discount Rate	3.13%
Healthcare Cost Trend Rate:	
Medical (Pre-Medicare)	8.00% grading down 0.50% in the first year to 7.50%, then grading down 0.11% in the second year to 7.39%, followed by grading down of 0.50% per year over 5 years to 4.89% in year 7
Medical (Post-Medicare)	9.00% grading down 0.50% per year over 9 years to 4.50%
Dental and Vision	6.00% grading down 0.50% per year over 3 years to 4.50%
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 2019 and 2020 are based on actual premiums. Premiums after 2020 were projected based on the same healthcare cost trend rates applied to per capita claim costs but excluding the additional trend rate that estimates the impact of the Excise Tax.
* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed.	

Since the last measurement date on June 30, 2019, the State has not made any significant changes to the benefit terms affecting the measurement of the collective total OPEB liability. On December 20, 2019, the *Further Consolidated Appropriations Act, 2020* (Public Law 116-94) was signed into law repealing the federal excise taxes of 40% on total employer premium spending in excess of specified dollar amounts, also known as the "Cadillac Tax." The impact of this repeal to the State's financial statements, which could be significant, is not known at this time.

Additionally, the demographic assumptions used in this OPEB valuation are identical to those used in the June 30, 2018 valuations for GARS, JRS, SERS, TRS, and SURS as follows:

Table 17-8

	Retirement age experience study [^]	Mortality ^{^^}
GARS	July 2012 - June 2015	RP-2014 White Collar Total Healthy Annuitant mortality table, sex distinct, set forward 1 year for males and set back 1 year for females and generational mortality improvements using MP-2014 two-dimensional mortality improvement scales
JRS	July 2012 - June 2015	RP-2014 White Collar Total Healthy Annuitant mortality table, sex distinct, set forward 1 year for males and set back 1 year for females and generational mortality improvements using MP-2014 two-dimensional mortality improvement scales
SERS	July 2012 - June 2015	105 percent of the RP 2014 Healthy Annuitant mortality table, sex distinct, with rates projected to 2015; generational mortality improvement factors were added
TRS	July 2014 - June 2017	RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017
SURS	July 2014 - June 2017	RP-2014 White Collar, gender distinct, projected using MP-2014 two dimensional mortality improvement scale, set forward one year for male and female annuitants

[^] The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined. A modified experience review was completed for SERS for the 3-year period ending June 30, 2015. Changes were made to the assumptions regarding investment rate of return, projected salary increases, inflation rate, and mortality based on this review. All other assumptions remained unchanged.

^{^^} 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 3.62% at June 30, 2018, and 3.13% at June 30, 2019, 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 3.13%, 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 (4.13%) or lower (2.13%) than the current rate:

Table 17-9 (amounts expressed in thousands)

	1% Decrease (2.13%)	Current Single Discount Rate Assumption (3.13%)	1% Increase (4.13%)
Total OPEB liability [^]	\$ 51,691,041	\$ 43,889,169	\$ 37,648,427

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

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate. The following presents the plans 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 2020 decreasing to an ultimate trend rate of 4.89% in 2027, for non-Medicare coverage, and 9.00% decreasing to an ultimate trend rate of 4.50% in 2029 for Medicare coverage.

Table 17-10 (amounts expressed in thousands)

	1% Decrease*	Current Healthcare Cost Trend Rates Assumption	1% Increase**
Total OPEB liability^	\$ 36,801,234	\$ 43,889,169	\$ 53,069,156

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

* One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate trend rate of 3.89% in 2027, for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2029 for Medicare coverage.

** One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.89% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2029 for Medicare coverage.

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, 2019, there were 979 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, 2019, 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, 2019, the following employees were covered by the defined benefit terms of each program, respectively:

	TRIP	CIP
Inactive employees or beneficiaries currently receiving benefit payments	65,570	6,507
Inactive employees entitled to but not yet receiving benefit payments	38,916	6,084
Active employees	155,119	19,707
Total	<u>259,605</u>	<u>32,298</u>

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 2020, active members contributed 1.24% of pay, and school districts contributed an amount equal to 0.92% 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 1.24% 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 \$133.896 million for fiscal year 2020.

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 2020, 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 0.50% of salary and every community college district or association of community college boards to contribute to the plan an amount equal to 0.50% of the salary paid to its full-time employees who are required to contribute to the plan. The State is also required to contribute 0.50% 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 \$4.598 million for fiscal year 2020.

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, 2020, the State reported a liability of \$15.920 billion for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2019, the State’s proportion was 57.521%, based on its contribution requirement. This is an increase of 0.359% from its proportionate share measured as of the prior year measurement date of June 30, 2018.

CIP is also a cost-sharing multiple-employer defined benefit plan with a special funding situation. At June 30, 2020, the State reported a liability of \$944.270 million for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2019, 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, 2018.

As a result of the State’s contribution requirements for the plans, the State recognized OPEB expense for the year ended June 30, 2020, as follows:

Plan	OPEB Expense
TRIP	\$ 697,165
CIP	\$ 39,443

At June 30, 2020, the State reported deferred outflows and deferred inflows of resources related to each plan, as of the measurement date from the following sources:

	TRIP		CIP	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 264,187	\$ 11,067	\$ 19,969
Changes of assumptions	6,036	1,825,004	-	131,559
Net difference between projected and actual investment earnings on OPEB plan investments	-	521	-	42
Changes in proportion and differences between employer contributions and share of contributions.	170,748	223,995	4,367	14,453
State contributions subsequent to the measurement date	133,896	-	4,598	-
Total	\$ 310,680	\$ 2,313,707	\$ 20,032	\$ 166,023

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 respective net OPEB liability for each of the plans during the year ended June 30, 2021. 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:

Year ended June 30,	TRIP	CIP
2021	\$ (440,575)	\$ (40,265)
2022	(440,575)	(40,265)
2023	(440,534)	(40,263)
2024	(440,449)	(20,202)
2025	(281,662)	(9,594)
Thereafter	(93,128)	-
Total	\$ (2,136,923)	\$ (150,589)

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, 2018, and TRIP retiree data as of June 30, 2018, while the actuarial valuation of CIP was based on SURS active, inactive, and retiree data as of June 30, 2018, for eligible community college members, and CIP retiree data as of June 30, 2018.

Table 17-15	TRIP	CIP
Valuation Date	June 30, 2018	June 30, 2018
Measurement Date	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Inflation Rate	2.50%	2.25%
Projected Salary Increases*	3.25% - 9.50%	3.25% - 12.25%
Investment Rate of Return	0.00%	0.00%
Retirement age experience study ^	July 2014 - June 2017	July 2014 - June 2017
Mortality	RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017	RP-2014 White Collar, gender distinct, projected using MP-2014 two dimensional mortality improvement scale, set forward one year for male and female annuitants.
Healthcare Cost Trend Rate:		
Medical and Rx (Pre-Medicare)	8.00% grading down 0.50% in the first year to 7.50%, then grading down 0.19% in the second year to 7.31%, followed by grading down of 0.50% per year over 5 years to 4.81% in year 7.	8.00% grading down 0.50% per year over 3 years to 6.50%, then grading down 0.10% in year 4 to 6.40%, followed by grading down of 0.50% per year over 3 years to 4.90% in year 7.
Medical and Rx (Post-Medicare)	9.00% grading down 0.50% per year over 9 years to 4.50%.	9.00% grading down 0.50% per year over 9 years to 4.50%.
Retiree Premium	5.00% grading down 0.50% in year 7.	5.00% grading down 0.50% in year 7.
Dental and Vision	n/a	4.50% over 9 years
* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed.		
^ The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined.		

As of the measurement date of June 30, 2019, the THSIF and CCHISF earned \$397 thousand and \$48 thousand in interest, respectively. The market value of assets for TRIP was \$68 million while the market value of assets for CIP was negative primarily due to a significant payable in the plan. 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 both plans.

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 3.62% at June 30, 2018, and 3.13% at June 30, 2019, was used to measure the net OPEB liability for both TRIP and CIP.

Sensitivity of net OPEB liability to changes in the single discount rate. The net OPEB liability for each plan calculated using the single discount rate of 3.13%, as well as what the net OPEB

liability would be if it were calculated using a single discount rate that is one percentage point lower (2.13%) or higher (4.13%) than the current rate is shown below:

Table 17-16 (amounts expressed in thousands)

Plan	1% Decrease (2.13%)	Current Single Discount Rate Assumption (3.13%)	1% Increase (4.13%)
TRIP	\$ 19,142,174	\$ 15,920,463	\$ 13,376,002
CIP	\$ 1,083,773	\$ 944,270	\$ 825,867

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate. The net OPEB liability for each plan calculated using the healthcare cost trend rates as well as what the 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 is shown below. The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.81% for TRIP and 4.90% for CIP in 2027, for non-Medicare coverage, and 9.00% in 2020 decreasing to an ultimate trend rate of 4.50% for both plans in 2029, for Medicare coverage.

Table 17-17 (amounts expressed in thousands)

Plan	1% Decrease*	Current Healthcare Cost Trend Rates Assumption	1% Increase**
TRIP	\$ 12,862,435	\$ 15,920,463	\$ 20,050,715
CIP	\$ 783,687	\$ 944,270	\$ 1,156,472

* One percentage point decrease in healthcare trend rates are 7.00% in 2020 for both plans decreasing to an ultimate trend rate of 3.81% for TRIP and 3.90% for CIP in 2027, for non-Medicare coverage, and 8.00% in 2020, decreasing to an ultimate trend rate of 3.50% in 2027 for TRIP and 3.50% in 2029 for Medicare coverage for both plans.

** One percentage point increase in healthcare trend rates are 9.00% in 2020, for both plans, decreasing to an ultimate trend rate of 5.81% for TRIP and 5.90% for CIP in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2029 for Medicare coverage for both plans.

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, U.S. Agency discount notes, commercial paper, money market mutual funds, repurchase agreements, and Illinois Public Treasurers' Investment Pool, which are valued at amortized cost. Certain short-term investments have a maturity date of less than one year from the acquisition date and are valued at amortized cost as permitted by GASB Statement No. 72. The Treasurer's investments in U.S. Treasury bills 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, 2020. 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)
Investments by fair value level		
U.S. Treasury obligations	\$ 1,006,406	\$ 1,006,406
U.S. Agency obligations	849,738	849,738
Supranational bonds	197,354	197,354
Municipal debt	143,767	143,767
Corporate debt securities	994,900	994,900
Equity in other investment pools	7	7
Total investments by fair value level	3,192,172	\$ 3,192,172
Investments measured at the net asset value (NAV)		
Private equity (1)	183,774	
Total investments measured at the NAV	183,774	
Investments measured at amortized cost		
U.S. Treasury bills	3,371,411	
U.S. Agency discount notes	99,936	
Commercial paper	3,280,459	
Money market mutual funds	3,100,821	
Repurchase agreements	1,309,366	
Securities lending collateral invested in repurchase agreements	4,344,267	
Illinois Public Treasurers' Investment Pool	2,273,381	
Total investments measured at amortized cost	17,779,641	
Total investments	\$ 21,155,587	

- (1) **Private equity:** The Illinois Technology Development I and II (ITD I and ITD II) investments cannot be redeemed with the funds. Instead, the nature of these 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 companies, 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 February 10, 2024 for ITD I and September 16, 2031 for ITD II, with the bulk of the proceeds being received sooner. 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 net asset value per share (or its equivalent) for limited partner investors. As of June 30, 2020, there are unfunded commitments of \$141.267 million.

Primary government investments held outside of the State Treasury at June 30, 2020, 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 annuities measured at Level 3 of the fair value hierarchy were purchased under group contracts with insurance companies to provide prize payments directly to lottery winners. Investments were purchased with maturities scheduled to coincide with cash requirements, and, therefore, the annuities are held to maturity to satisfy the annual installment obligations to prize winners. The fair value at maturity is the face value of the annuity, regardless of the fluctuations in value during the time period that the investments are outstanding. Investments may not be redeemed as these are obligation payments to prize winners.

The following table summarizes investments and derivative instruments held outside of the State Treasury at June 30, 2020, 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.

Table 18-2 (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				
Negotiable certificates of deposit	\$ 6,189	\$ -	\$ 6,189	\$ -
U.S. Treasury obligations	1,074,432	743,466	330,966	-
U.S. Agency obligations	44,115	20	44,095	-
Municipal debt	152,308	2,314	149,994	-
Corporate debt securities	76,414	-	76,414	-
Debt mutual funds	4,775,325	4,775,325	-	-
Government notes - non U.S.	2,760	1,505	1,255	-
Money market mutual funds	1,353,235	1,353,235	-	-
Equity securities	152,466	152,466	-	-
Equity mutual funds	7,376,461	7,376,461	-	-
Blended mutual funds	1,907	1,907	-	-
Guaranteed investment contracts	638,480	638,480	-	-
Bond trust funds	68,692	-	68,692	-
Equity trust funds	1,160,673	1,160,673	-	-
Mixed trust funds	2,654,482	2,654,482	-	-
Annuities	108	-	-	108
Other	49,046	-	49,046	-
Total investments by fair value level	19,587,093	\$ 18,860,334	\$ 726,651	\$ 108
Investments measured at the net asset value (NAV)				
High yield fund (1)	30,012			
Absolute return fund (2)	26,770			
Real estate investment trust (3)	28,551			
Infrastructure funds (4)	29,930			
Real estate funds (5)	39,788			
Private equity (6)	8,964			
International equity (7)	47,516			
U.S. equity mutual fund (8)	8,950			
U.S. debt mutual fund (8)	2,552			
Total investments measured at the NAV	223,033			
Investments measured at amortized cost				
Cash and pending trades	(3,018)			
Money market mutual funds	5,809			
Equity in Public Treasurers' Investment Pool	4,397,455			
Total investments measured at amortized cost	4,400,246			
Equity in Illinois State Board of Investments*	39,386			
Total investments	\$ 24,249,758			

* Total investments of Illinois State Board of Investments are \$19,809,845. The fair value measurement for these investments is displayed in Table 18-3.

- (1) **High yield fund:** The 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. As of June 30, 2020, \$91 thousand was held in a liquidating account related to prior redemptions.
- (2) **Absolute return fund:** The fund includes two absolute return funds of funds. One targets consistent, positive absolute returns with minimal beta to major equity and fixed income markets. The other is a multi-manager fund in the global commodity and commodity related markets. 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. Both have annual liquidity with quarterly liquidity available for a fee. Both have fund level gate thresholds of 20% to 25% of fund assets. Both will withhold a percentage pending the completion of the annual audit.

- (3) **Real estate investment trust:** The fund opportunistically sources, structures, and executes investments in real estate operating companies. The fair values of the investment in this type have been determined using the NAV per share (or its equivalent) of the investment. This investment can be redeemed quarterly with a 30 days' notice. A liquidating account may be used during periods of market stress to provide orderly liquidation.
- (4) **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 five years with 10% to 20% (varies by investment manager) within fiscal year 2021. There are unfunded commitments of \$7.344 million between these two funds.
- (5) **Real estate funds:** The two real estate funds invest primarily in U.S. commercial and residential real estate. 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, with the exception of Lyrical Antheus Realty Partners III, LP, where the partners' capital, which is recognized at cost basis on their financial statements, 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 funds will be liquidated over the next six years with 10% and 100% (varies by investment manager) within fiscal year 2021.
- (6) **Private equity:** This type includes two private equity funds. One holds portfolio securities. The second fund 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 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 four years with 0% to 15% (varies by investment manager) within fiscal year 2021. There are unfunded commitments of \$314 thousand in these investments.
- (7) **International equity:** This type includes two international equity funds. DFA World ex U.S. Core Equity Portfolio is a mutual fund. They strike a daily price each evening following a trading day. The other fund, Ativo International Equity Fund, invests in undervalued companies that display above average growth characteristics, domiciled in, or primarily exposed to, developed and emerging countries outside of the U.S. The fund is redeemable monthly with a 15-day notice. If withdrawal is greater than 95% of the account, then the amount greater than 95% will be held until completion of the annual audit.
- (8) **U.S. debt/equity mutual fund:** The funds in this category invest in marketable equities that are exchange traded in the U.S. and in countries outside the U.S. The fair value of the investment has been determined using the NAV per share (or its equivalent) provided by the trust administrator. The funds can be redeemed at any point in time. The redemption is processed the same day if received by the ABLE Fund's Program Manager before the close of the market, or the next day if received after the close of the market. Settlement may take up to ten business days.

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 broker-quoted prices in an active market. Corporate bonds are valued by using quoted prices for similar securities in active markets. The fair value of bank loans is determined by using discounted cash flow, internal assumptions, weighting of the best available pricing inputs, and third-party pricing services. Common stock and equity funds, foreign preferred stocks, 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 considered “alternative investments” and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. ISBI values these investments based on the partnerships’ audited financial statements as of June 30. If June 30 financial statement valuations are not available, the investment value is adjusted from the most recently available financial statements, taking into account subsequent calls and distributions, and adjusting for unrealized appreciation or depreciation, other income, and fees.

The following table summarizes the investments held by ISBI as of June 30, 2020. 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	\$ 64,309	\$ -	\$ 64,309	\$ -
U.S. Agency obligations	171,718	264	171,454	-
Municipal debt	1,676	-	1,676	-
Corporate obligations	1,006,215	1,400	972,554	32,261
Common stock and equity funds	2,872,261	2,868,864	468	2,929
Foreign obligations	11,674	-	10,735	939
Foreign equity securities	215,659	213,354	-	2,305
Bank loans	242,975	-	214,364	28,611
Commingled funds	9,575,457	9,575,457	-	-
Total investments by fair value level	14,161,944	\$ 12,659,339	\$ 1,435,560	\$ 67,045
Investments measured at the net asset value (NAV)				
Commingled funds (1)	1,383,275			
Real estate (2)	1,960,846			
Private equity (3)	942,875			
Infrastructure funds (4)	279,400			
Opportunistic debt (5)	822,485			
Hedge funds (6)	46,355			
Total investments measured at the NAV	5,435,236			
Investments measured at amortized cost				
Money market instruments	212,665			
Total investments measured at amortized cost	212,665			
Total investments	\$ 19,809,845			

- (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 24 domestic and international public equity (23) and fixed income (1) funds. Seven of these funds are domestic and 17 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, 2020. It is not probable that any investments sold will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest.
- (2) **Real estate:** ISBI's assets in this category consist of investments in the Core and Non-Core Real Estate Fund categories. ISBI's current Real Estate exposure consists of investments in forty-eight 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, 2020. It is not probable that any investments sold will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$458.0 million at June 30, 2020.
- (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 seventy-four 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. 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, 2020. It is not probable that any investments sold will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$1.015 billion at June 30, 2020.
- (4) **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.) and are typically made as a part of a privatization initiative on the part of a government entity. ISBI's current infrastructure exposure consists of investments in nine funds that seek to diversify ISBI's overall portfolio (comprised predominantly of equity and fixed income assets) and provide capital appreciation and income generation. 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, 2020. It is not probable that any investments sold will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$105.6 million at June 30, 2020.
- (5) **Opportunistic debt:** ISBI's assets in this category consist of investments in private fixed income markets. ISBI's current Opportunistic Debt exposure consists of investments in forty-two 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. 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, 2020. It is not probable that any investments sold will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$875.7 million as of June 30, 2020.
- (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 six funds 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. It is not probable that any investments sold will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest.

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 judgement 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, 2020:

Table 18-4 (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	\$ 383,343	\$ -	\$ 383,343	\$ -
U.S. Agency obligations	280,488	-	280,488	-
Corporate debt securities	4,599,502	-	4,599,502	-
Foreign debt securities	1,343,897	-	1,343,897	-
Fixed income mutual funds	2,516,004	-	355,396	2,160,608
International common and preferred stock	8,699,263	8,683,822	15,441	-
U.S. equities	7,768,676	7,768,673	3	-
Municipal obligations	5,804	-	5,804	-
Real estate	4,779,929	-	-	4,779,929
Securities lending collateral	1,968,682	280,832	1,687,850	-
Total investments by fair value level	32,345,588	\$ 16,733,327	\$ 8,671,724	\$ 6,940,537
Investment derivative instruments by fair value level				
Credit default swaps	1,397	\$ -	\$ 1,397	\$ -
Index and variance swaps	(530)	-	(530)	-
Inflation swaps	4,720	-	4,720	-
Options	483	-	483	-
Swaptions	114	-	114	-
Total investment derivative instruments by fair value level	6,184	\$ -	\$ 6,184	\$ -
Investments measured at the net asset value (NAV)				
Diversifying strategies (1) (2)	5,542,576			
Commingled fixed income funds (3)	758,881			
International equity commingled funds (4)	296,500			
Private debt partnerships (5)	2,916,258			
Private equity partnerships (6)	6,519,059			
Private real estate partnerships (6)	2,937,046			
Real asset partnerships (7)	368,868			
Total investments measured at the NAV	19,339,188			
Investments measured at amortized cost				
Short-term investments	1,652,528			
Total investments measured at amortized cost	1,652,528			
Total investments subject to disclosure	53,343,488			
Less cash equivalents	(156,937)			
Total investments	\$ 53,186,551			

- (1) **Diversifying funds (liquid strategies):** 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. Risk parity consists of one direct investment focusing on market neutral and long only expressions of cross-asset risk. Four factor portfolio direct investments include trend/momentum exposures and alternative risk premia. The systematic and discretionary macro strategies include direct investment in 7 funds diversifying through regional and product expertise, speed of algorithms, and style of trading. Opportunistic funds, including seven direct investments and one diversified fund of funds, use idiosyncratic alpha capture through liquidity and security selection. The fair value of these investments has been determined using the NAV per share (or its equivalent) of the investments. The strategies maintain a liquidity profile of less than one year, ranging from daily to quarterly, and require advance notice prior to redemption. TRS submitted redemption request for one direct investment, valued at \$168.6 million, with final exit date of September 30, 2020.
- (2) **Diversifying funds (illiquid strategies):** The diversifying strategies asset class also includes three opportunistic alpha funds in which redemptions are restricted over the life of the partnership. The partnership's interest is valued using the NAV per share (or its equivalent). The most significant element of NAV per share (or its equivalent) is the fair value of the underlying investment holdings which are valued on a monthly basis by the general partner and are audited annually. The average life of these funds span 5 to 10

- years and the funds will distribute any free cash from the master fund in excess of the amount needed to maintain prudent liquidity. As of June 30, 2020, there are unfunded commitments of \$42.3 million. TRS has no plans to liquidate as of June 30, 2020.
- (3) **Commingled fixed income funds:** The investment strategies for the four fixed income funds include high yield, defensive bond arbitrage, emerging market debt, and relative value. The fair value of the investments has been determined using the NAV per share (or its equivalent) of the investments. Liquidity ranges from monthly to quarterly upon notice of redemption. As of June 30, 2020, TRS plans to liquidate one fund valued at \$101.8 million.
- (4) **International equity commingled funds:** This category includes one fund investing in emerging market small cap equities diversified across multiple sectors. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the investments. Daily liquidity is available.
- (5) **Private debt partnerships:** Private debt funds consist of 44 funds investing across strategies such as stressed debt/credit, direct and specialty lending, real estate credit and bank loans. Five 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 span 3 to 12 years and distributions are received throughout the life of the funds. The custom partnerships allow TRS to liquidate upon giving advanced notice. TRS has no plans to liquidate as of June 30, 2020; however, during the fiscal year, TRS did sell one fund on the secondary market. As of June 30, 2020, there are unfunded commitments of \$2.3 billion.
- (6) **Private equity and real estate partnerships:** TRS has 176 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 53 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 did not sell any private equity funds on the secondary market. As of June 30, 2020, 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, 2020, there are unfunded commitments of \$7.0 billion.
- (7) **Real assets partnerships:** Real assets strategies include seven limited partnerships investing in global infrastructure, direct energy, 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, 2020, 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, 2020, there are unfunded commitments of \$1.1 billion.

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 market or fair value.

Equity (including real estate investment trust securities) and derivative instrument securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt and debt derivative instrument securities 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 instrument securities 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, 2020. 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	\$ 2,097,737	\$ 2,097,737	\$ -	\$ -
U.S. Agency obligations	825,887	-	805,092	20,795
Municipal obligations	48,434	-	40,505	7,929
Corporate debt securities	1,907,208	-	1,829,371	77,837
Fixed income mutual funds	665,866	665,866	-	-
Foreign obligations	234,353	-	224,757	9,596
U.S. equities	4,695,526	4,695,211	10	305
Foreign equity securities	1,762,579	1,761,220	-	1,359
Short-term securities and cash adjustments	15,567	15,567	-	-
Real estate funds	43,456	43,456	-	-
Equity funds	1,733,559	1,733,559	-	-
Securities lending collateral	1,381,940	-	1,381,940	-
Total investments by fair value level	15,412,112	\$ 11,012,616	\$ 4,281,675	\$ 117,821
Investment derivative instruments by fair value level				
U.S. fixed income derivative instruments	(12,003)	\$ -	\$ (12,003)	\$ -
Foreign fixed income derivative instruments	(143)	-	(143)	-
U.S. equity derivative instruments	(5,675)	(5,675)	-	-
Foreign equity derivative instruments	(3,385)	(3,385)	-	-
Total investment derivative instruments by fair value level	(21,206)	\$ (9,060)	\$ (12,146)	\$ -
Investments measured at the net asset value (NAV)				
Commingled fixed income funds (1)	468,936			
Commingled equity funds (1)	283,696			
Private real estate funds (2)	1,132,349			
Private equity funds (2)	1,983,757			
Hedge funds (3)	2,910,196			
Commodity funds (4)	118,500			
Stable value fund (5)	80,058			
Commingled equity pools (6)	361,800			
Total investments measured at the NAV	7,339,292			
Total investments subject to disclosure	22,730,198			
Less cash equivalents	(78,599)			
Total investments	\$ 22,651,599			

- (1) **Commingled funds:** Two fixed income funds, one international equity fund, and one real estate investment fund are considered to be 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 1-10 days or 2-5 days.
- (2) **Private real estate and private equity funds:** The real estate investments are 21 core, value-add, and opportunistic real estate funds. The private equity funds are 240 limited partnership interests in equity or debt securities of privately held companies. Real estate 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. Non-core 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, 2020, 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 \$247.257 million and \$1.072 billion in unfunded commitments in the private real estate funds and private equity funds, respectively.

- (3) **Hedge funds:** Six 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) **Commodity funds:** The fund is invested with one active long/short manager. The funds may be redeemed either daily or monthly, with a notice period of 1-30 days.
- (5) **Stable value fund:** The fund is invested in fixed income securities and shares of money market funds. It is 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 fund may be redeemed daily or annually, with a redemption notice of 1-365 days.
- (6) **Commingled equity pools:** The two pools are commingled in nature. Each is 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 pools may be redeemed daily, if eligible, with a 1 day notice.

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, 2020. 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, 2020, 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	\$ 142,356	\$ 142,356	\$ -
U.S. Agency obligations	1,175,533	-	1,175,533
Municipal debt	5,693	-	5,693
Commercial paper	168,727	-	168,727
Total investments by fair value level	<u>1,492,309</u>	<u>\$ 142,356</u>	<u>\$ 1,349,953</u>
Investments measured at amortized cost			
Money market mutual funds	342,244		
Total investments measured at amortized cost	<u>342,244</u>		
Total investments	1,834,553		
Less cash equivalents	<u>(342,244)</u>		
Total investments	<u>\$ 1,492,309</u>		
Hedging derivative instruments by fair value level			
Interest rate swaps and caps	\$ (9,118)	\$ -	\$ (9,118)
Total hedging derivative instruments by fair value level	<u>\$ (9,118)</u>	<u>\$ -</u>	<u>\$ (9,118)</u>

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, 2019 (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	\$ 325,000
Money market mutual funds	<u>241,582</u>
Total investments measured at amortized cost	<u>566,582</u>
Total investments	566,582
Less cash equivalents	<u>(241,582)</u>
Total investments	<u>\$ 325,000</u>

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, 2020, 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	Significant Other Observable Inputs (Level 2)
Investments by fair value level		
U.S. Treasury obligations	\$ 66,877	\$ 66,877
U.S. Agency obligations	72,044	72,044
Total investments by fair value level	138,921	<u>\$ 138,921</u>
Investments measured at amortized cost		
Illinois Public Treasurers' Investment Pool	81,313	
Money market mutual funds	2,956	
Total investments measured at amortized cost	84,269	
Total investments subject to disclosure	223,190	
Less cash equivalents	(84,269)	
Total investments of the University	<u>\$ 138,921</u>	

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. NIU only has Level 2 investments which are valued primarily through a multidimensional relational model including standard inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers, and reference data. There have been no significant changes in valuation techniques.

The following table summarizes assets measured at fair value as of June 30, 2020, 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	\$ 15,079	\$ 15,079
U.S. Agency obligations	10,032	10,032
Total investments by fair value level	25,111	<u>\$ 25,111</u>
Investments measured at amortized cost		
Money market mutual funds	11,127	
Illinois Public Treasurers' Investment Pool	40,628	
Total investments measured at amortized cost	51,755	
Total investments subject to disclosure	76,866	
Less cash equivalents	(11,127)	
Total investments of the University	<u>\$ 65,739</u>	

SOUTHERN ILLINOIS UNIVERSITY (SIU)

SIU categorizes fair values according to the hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) for identical assets or

liabilities in active markets. Level 2 inputs are inputs other than quoted prices that are observable for an asset or liability, directly or indirectly. 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, 2020, 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	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	\$ 59,247	\$ -	\$ 59,247
U.S. Agency obligations	79,226	-	79,226
Corporate debt securities	18,404	-	18,404
Common stock	44	44	-
Total investments by fair value level	156,921	\$ 44	\$ 156,877
Investments measured at amortized cost			
Illinois Public Treasurers' Investment Pool	96,357		
Total investments measured at amortized cost	96,357		
Total investments subject to disclosure	253,278		
Less cash equivalents	(96,357)		
Total investments of the University	\$ 156,921		

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. Level 1 securities would include bond funds, equity funds, and exchange traded equities.

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. Level 2 securities include U.S. Treasury bonds and bills, U.S. government agencies, international government bonds and agencies, non-government mortgage-backed securities, asset-backed securities, corporate bonds, commercial paper, and municipal bonds.

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. Level 3 securities include equities and farm properties.

U of I engaged a third-party consultant to determine the fair value of the swap agreements. The fair values provided by the consultant were derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant market conditions.

There have been no changes in valuation techniques used for any assets measured at fair value during the year ended June 30, 2020.

The following table summarizes investments and derivative instruments measured at fair value as of June 30, 2020, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-11 (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	\$ 338,893	\$ -	\$ 338,893	\$ -
U.S. Agency obligations	252,685	-	252,685	-
Commercial paper	37,156	-	37,156	-
Corporate bonds	994,938	-	994,937	1
Non government mortgage-backed securities	104,662	-	104,662	-
Other asset-backed securities	241,206	-	241,206	-
Government bonds - non U.S.	3,081	-	3,081	-
Municipal bonds	27,303	-	27,303	-
Global fixed income	3,684	3,684	-	-
U.S. equities	23,625	23,530	-	95
Equity funds	20,649	20,649	-	-
Real estate - farm properties	106,632	-	-	106,632
Total investments by fair value level	2,154,514	\$ 47,863	\$ 1,999,923	\$ 106,728
Investments measured at the net asset value (NAV)				
Global fixed income (1)	15,064			
Equity funds (2)	349,635			
Diversifying strategies (3)	33,477			
Private equity (4)	51,014			
Real assets (5)	41,093			
Total investments measured at the NAV	490,283			
Investments measured at amortized cost				
Money market mutual funds	985,605			
Illinois Public Treasurers' Investment Pool	5,694			
Total investments measured at amortized cost	991,299			
Total investments subject to disclosure	3,636,096			
Less cash equivalents	(1,007,526)			
Total investments of the University	\$ 2,628,570			
Hedging derivative instruments by fair value level				
Interest rate swaps	\$ (3,098)	\$ -	\$ (3,098)	\$ -
Total hedging derivative instruments by fair value level	\$ (3,098)	\$ -	\$ (3,098)	\$ -

- (1) **Global fixed income:** The funds in this category invest in bonds and other debt instruments. Investments may include government, corporate, municipal and convertible bonds, along with other debt securities such as mortgage-backed and asset-backed securities. These funds can be redeemed with same business day to two business days redemption notification requirement determined by the managers. Settlement may take up to seven business days.
- (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 same business day to two business days' redemption notification requirement determined by

the managers. Settlement may take up to seven business days. The fund 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 be redeemed monthly (subject to a redemption charge) or quarterly depending on the partnership agreement within redemption notice periods of 30 to 60 days. There are unfunded commitments of \$18.876 million in this category. The fund values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager.
- (4) **Private equity:** The funds in this category 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 \$66.625 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, 2020.
- (5) **Real assets:** The funds in this category invest in real estate. Subject to general partner approval and available cash, these funds can be redeemed quarterly with up to a 3-month notice period. Distributions of operating cash flow are paid out on a quarterly basis as determined by the general partner. 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, 2020. There are unfunded commitments of \$20.627 million in this category.

19 FUND DEFICITS/CASH FLOW DEFICITS

A. Fund Deficits

Primary Government - Governmental Activities

Major Governmental Funds

The State's General Fund, from which a significant portion of day to day operating expenditures are paid, has a GAAP deficit aggregating \$6.424 billion at June 30, 2020. This deficit results from spending in excess of revenues recognized.

Nonmajor Governmental Funds

The Local Government Distributive Fund and the Personal Property Tax Replacement Fund of the Department of Revenue have deficits aggregating \$11.860 million and \$140.697 million, respectively, at June 30, 2020, resulting from spending and transfers to other State funds in excess of revenues recognized.

The Tobacco Settlement Recovery Fund of the Treasurer, the DHS Recoveries Trust Fund of the Department of Human Services, the Federal/Local Airport Fund of the Department of Transportation, and the SBE Federal Department of Education Fund of the State Board of Education have deficits at June 30, 2020, aggregating \$204.284 million, \$44.626 million, \$68.451 million, and \$118.334 million, respectively, resulting from the recognition of fund liabilities in excess of accrued revenues on the modified accrual basis.

Primary Government – Business-Type Activities

Major Enterprise Funds

The Prepaid Tuition Fund of the Student Assistance Commission has a deficit at June 30, 2020, aggregating \$321.826 million, resulting from insufficient revenues to cover contractual tuition obligations.

Nonmajor Enterprise Funds

The Bank and Trust Company Fund of the Department of Financial and Professional Regulation, the State Lottery Fund of the Lottery, and the Student Loan Operation Fund of the Student Assistance Commission have deficits aggregating \$74.670 million, \$167.681 million, and \$31.584 million, respectively, at June 30, 2020, 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 has a deficit at June 30, 2020, aggregating \$87.971 million, resulting from insufficient contributions due to funding based on a pay-as-you-go basis.

B. Cash Flow Deficits

As of June 30, 2020, transactions totaling \$9.264 billion that had been approved for payment by the State remained unpaid at year end due to the State's cash flow difficulties. Of this total, \$1.901 billion related to intra-governmental transactions and \$3.392 billion 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.

20 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 \$391 thousand and \$228 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 \$5.813 million and \$7.934 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 \$579.246 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 six 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 \$284.873 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, 2020:

Table 20-1 (amounts expressed in thousands)				
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:				
2019				
Auto Liability	\$ 17,014	\$ 5,285	\$ (2,301)	\$ 19,998
Workers' Compensation	603,493	70,059	(77,450)	596,102
Health Insurance	649,209	838,348	(887,891)	599,666
Total	<u>\$ 1,269,716</u>	<u>\$ 913,692</u>	<u>\$ (967,642)</u>	<u>\$ 1,215,766</u>
2020				
Auto Liability	\$ 19,998	\$ (1,909)	\$ (3,723)	\$ 14,366
Workers' Compensation	596,102	86,854	(103,710)	579,246
Health Insurance	599,666	880,851	(1,195,644)	284,873
Total	<u>\$ 1,215,766</u>	<u>\$ 965,796</u>	<u>\$ (1,303,077)</u>	<u>\$ 878,485</u>
Component Units, (Information for the Illinois State Toll Highway Authority is as of December 31):				
2019				
Illinois State Toll Highway Authority	\$ 15,591	\$ 17,183	\$ (18,075)	\$ 14,699
Southern Illinois University	29,205	2,447	(1,532)	30,120
University of Illinois	235,048	65,048	(58,048)	242,048
Total	<u>\$ 279,844</u>	<u>\$ 84,678</u>	<u>\$ (77,655)</u>	<u>\$ 286,867</u>
2020				
Illinois State Toll Highway Authority	\$ 14,699	\$ 22,830	\$ (21,313)	\$ 16,216
Southern Illinois University	30,120	-	(6,783)	23,337
University of Illinois	242,048	81,453	(44,042)	279,459
Total	<u>\$ 286,867</u>	<u>\$ 104,283</u>	<u>\$ (72,138)</u>	<u>\$ 319,012</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, 715 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 \$16.216 million at December 31, 2019.

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 \$23.337 million at June 30, 2020.

The University of Illinois, a major component unit, records an accrued self-insurance liability which covers hospital patient liability, hospital and medical professional liability, estimated general and contract liability, and workers' compensation liability related to employees paid by the University. The University's accrued self-insurance liability was \$279.459 million at June 30, 2020.

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.

21 COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The Department of Transportation has outstanding construction commitments for highway improvement programs of approximately \$3.4 billion as of June 30, 2020, 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 \$276.3 million as of June 30, 2020, 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 \$1.6 billion as of December 31, 2019. Southern Illinois University and the University of Illinois have outstanding construction commitments for various building and building improvement projects of approximately \$212.0 million and \$291.3 million, respectively, as of June 30, 2020.

B. Investment Commitments

The Office of the Treasurer has outstanding commitments at June 30, 2020, for Illinois Technology Development of approximately \$141 million. The Illinois State Board of Investments has total unfunded investment commitments of approximately \$2.4 billion outstanding at June 30, 2020. The Teachers' Retirement System has outstanding commitments at June 30, 2020, for the future purchase of investments in the real estate, other real assets, private equity, diversifying strategies, and global fixed income asset classes of approximately \$10.4 billion. The State Universities Retirement System has outstanding commitments at June 30, 2020, to private equity limited partnerships, real estate partnerships, and infrastructure partnerships of approximately \$1.1 billion, \$236.9 million, and \$10.3 million, respectively.

C. Illinois Housing Development Authority Loans

The Illinois Housing Development Authority has entered into commitments aggregating approximately \$92.4 million for the purchase of various home loans as of June 30, 2020.

D. Operating Leases

The State has entered into various operating leases for land, office facilities, office and computer equipment, and other assets. 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. Any operating leases with scheduled rent increases are considered immaterial to the future minimum lease payments and current rental expenditures.

Future minimum commitments for non-cancelable operating leases as of June 30, 2020, are as follows:

Table 21-1 (amounts expressed in thousands)

Year Ending June 30	Major Component Units					
	Primary Government	Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
2021	\$ 88,392	\$ 2,732	\$ 1,220	\$ 706	\$ 12,206	\$ 11,666
2022	56,813	2,122	1,041	213	8,516	9,912
2023	40,710	1,817	312	69	7,969	7,580
2024	24,012	1,817	25	2	6,516	5,530
2025	10,450	1,818	13	-	2,534	3,752
2026-2030	9,290	2,423	-	-	8,977	3,991
2031-2035	-	-	-	-	-	1
2036-2040	-	-	-	-	-	1
2041-2045	-	-	-	-	-	3
Total minimum lease payments	<u>\$ 229,667</u>	<u>\$ 12,729</u>	<u>\$ 2,611</u>	<u>\$ 990</u>	<u>\$ 46,718</u>	<u>\$ 42,436</u>

Rental payments for operating leases charged to operations during the year ended June 30, 2020, aggregated \$257.757 million for the governmental and business-type activities and \$569 thousand for fiduciary funds. Illinois Housing Development Authority, Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois (major component units) had rental payments charged to operations during the year ended June 30, 2020, of \$2.732 million, \$1.833 million, \$700 thousand, \$13.538 million, and \$14.681 million, respectively.

E. 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, 2020, approximately 20.2 thousand agreements were in place with total future commitments of approximately \$809 million. 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 45.47% and 37.58%, respectively.

F. Tax Litigation

At June 30, 2020, the State of Illinois has \$85.914 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.

G. 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, 2020, 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.

H. 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.

I. 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.

J. 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 have contracts to sell renewable energy credits to IPA. In addition, IPA has implemented the Illinois Solar For All Program which has a total of 13 companies with contracts that include incentives for low-income distributed generation and community solar projects. The total outstanding commitments for these two programs total \$50.9 million. The University of Illinois has executed forward fixed-price purchase contracts for natural gas and electricity with commitments of approximately \$49 million as of June 30, 2020.

K. 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, an agency 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 years 2021 through 2025, 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 2020, debt service requirements for these bonds were \$200.356 million. The amount paid to the Authority based on their annual certification was \$189.920 million consisting of \$158.220 million of Authority taxes and \$31.700 million in State sales taxes.

L. 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 2020, the State provided \$129.800 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.

M. Illinois Sports Facilities Authority (ISFA)

The ISFA, not a part of the State of Illinois reporting entity, was authorized by the Illinois Sports Facilities 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 2020 was \$59.309 million plus \$10 million for a total of \$69.309 million. The ISFA's annual certification

for fiscal year 2020 was in the amount of \$58 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 2032. Including the additional \$10 million, the maximum which could be certified each year is \$72.640 million in fiscal year 2021, \$76.158 million in fiscal year 2022, \$79.873 million in fiscal year 2023, \$83.797 million in fiscal year 2024, \$87.941 million in fiscal year 2025, and graduating to \$124.252 million in fiscal year 2032. Of these amounts, only \$5 million per year is the State's share.

N. *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 an interest rate of 6.050% 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, 2020, the outstanding balance of bonds, which the State is morally obligated to repay, is \$3.322 million.

O. *Upper Illinois River Valley Development Authority (UIRVDA) Revenue Bonds*

The UIRVDA, a nonmajor component unit of the State, has issued revenue bonds. The proceeds of these bonds were loaned to various companies to provide permanent financing for the acquisition and construction of various types of facilities. These companies are primarily liable for repayment of the bonds, which are secured by an assignment and a pledge of revenues derived from a separate loan agreement between the UIRVDA and these companies. These bonds mature annually through 2030 and bear an interest rate of 8.850%. The State has accepted a moral obligation to repay the bonds in the event the UIRVDA and the companies are unable to meet the bonds' repayment commitments. At June 30, 2020, the outstanding balance, which the State is morally obligated to repay, is \$6.900 million. Effective January 29, 2016, Public Act 099-0499 eliminated the UIRVDA's authority to issue bonds on a prospective basis with the State's moral obligation to repay the bonds in the event the UIRVDA and the borrower are unable to meet a given bond's repayment commitments.

22 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 two segments pledged to pay the bond interest and principal. The Housing and Auxiliary Facilities System segment is comprised of university-owned housing units, student centers, recreation and athletic facilities, and similar auxiliary enterprise units. The Medical Facilities System segment is comprised of clinical facilities used to provide patient care at the School of Medicine in Springfield.

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, 2020, for the segments described above:

Major Component Units	Illinois State University	Southern Illinois University		University of Illinois	
	Auxiliary Facilities System	Housing and Auxiliary Facilities System	Medical Facilities System	Auxiliary Facilities System	Health Services Facilities System
Condensed Statement of Net Position:					
Assets					
Current assets	\$ 41,043	\$ 61,034	\$ 7,251	\$ 193,002	\$ 505,241
Noncurrent assets:					
Capital assets, net of accumulated depreciation	322,154	235,295	25,663	1,213,816	266,480
Other noncurrent assets	96,608	2,296	-	77,275	25,712
Total assets	459,805	298,625	32,914	1,484,093	797,433
Deferred outflows of resources	582	2,648	1,365	15,057	3,549
Liabilities					
Current liabilities	14,629	25,672	18,912	119,086	239,699
Noncurrent liabilities	105,578	173,158	5,821	1,129,690	131,561
Total liabilities	120,207	198,830	24,733	1,248,776	371,260
Deferred inflows of resources	-	3,782	5,640	-	-
Net Position					
Net investment in capital assets	213,910	57,119	20,332	116,438	166,286
Restricted-other expendable purposes	126,270	37,577	1,884	19,391	25,712
Unrestricted	-	3,965	(18,310)	114,545	237,724
Total net position	\$ 340,180	\$ 98,661	\$ 3,906	\$ 250,374	\$ 429,722
Condensed Statement of Revenues, Expenses and Changes in Net Position:					
Operating revenues	\$ 80,950	\$ 74,015	\$ 40,710	\$ 313,050	\$ 843,834
Operating expenses	(65,329)	(68,615)	(51,997)	(293,415)	(1,095,428)
Depreciation expense	(10,637)	(13,184)	(1,333)	(44,170)	(22,608)
Operating income (loss)	4,984	(7,784)	(12,620)	(24,535)	(274,202)
Nonoperating revenues (expenses)	6,704	6,464	11,595	21,829	281,228
Other revenues (expenses)	-	428	399	-	-
Increase (decrease) in net position	11,688	(892)	(626)	(2,706)	7,026
Net position, July 1, 2019	328,492	99,553	4,532	253,080	422,696
Net position, June 30, 2020	\$ 340,180	\$ 98,661	\$ 3,906	\$ 250,374	\$ 429,722

23 SUBSEQUENT EVENTS

Subsequent to June 30, 2020, the State of Illinois and its major component units have issued the following debt instruments:

Series	Date of Issue	Amount of Issue	Interest Rates	Annual Maturity To
Primary Government				
Governmental Activities:				
General obligation bonds:				
October, Taxable Series 2020 A	10/27/2020	\$ 125.0	1.9% - 3.24%	2025
October, Series 2020 B	10/27/2020	\$ 325.0	4.0% - 5.0%	2035
October, Series 2020 C	10/27/2020	\$ 300.0	4.0% - 4.25%	2045
October, Series 2020 D	10/27/2020	\$ 100.0	5.0%	2025
March, Series 2021 A	3/24/2021	\$ 850.0	4.0%-5.0%	2046
March, Series 2021 B	3/24/2021	\$ 150.0	5.0%	2027
March, Series 2021 C (Refunding)	3/24/2021	\$ 258.0	4.0%	2031
General obligation notes:				
December, Series 2020	12/17/2020	\$ 2,000.0	3.42%	2023
Major Component Units:				
Revenue bonds:				
Illinois Housing Development Authority				
Multi-Family Revenue Bonds, Series 2020 B (Refunding)	7/1/2020	\$ 2.9	2.15% - 4.15%	2062
Multi-Family Revenue Bonds, Series 2020 C (Refunding)	7/1/2020	\$ 1.7	2.2% - 4.2%	2052
Series 2020 B	10/15/2020	\$ 80.0	0.15% - 3.0%	2050
Series 2020 C	10/15/2020	\$ 40.0	Variable	2042
Multi-Family Revenue Bonds, Series 2020 D (Refunding)	10/30/2020	\$ 1.7	3.3% - 4.65%	2062
Multi-Family Revenue Bonds, Series 2021 A	1/29/2021	\$ 84.9	2.07%	2041
Series 2021 A	2/18/2021	\$ 95.0	0.1% - 3.0%	2051
Multi-Family Revenue Bonds, Series 2021 B	6/3/2021	\$ 28.7	0.4% - 2.06%	2042
Series 2021 B	6/29/2021	\$ 125.0	0.1% - 3.0%	2051
Series 2021 C	6/29/2021	\$ 19.3	0.203% - 2.228 %	2031
Illinois State Toll Highway Authority				
Series 2020 A	12/17/2020	\$ 500.0	5.0%	2045
Illinois State University				
Series 2020 A (Auxiliary Facilities System)	7/30/2020	\$ 37.0	1.47%	2050
Northern Illinois University				
Series 2021 (Auxiliary Facilities System)	7/7/2021	\$ 99.0	4.0% - 5.0%	2043
Southern Illinois University				
Series 2021 A (Housing and Auxiliary Facilities System Refunding)	6/1/2021	\$ 49.1	4.0% - 5.0%	2040
University of Illinois				
Series 2020 A (Auxiliary Facilities System)	7/9/2020	\$ 59.8	4.0% - 5.0%	2050
Series 2020 B (Auxiliary Facilities System Refunding)	7/9/2020	\$ 31.2	2.95% - 4.0%	2044
Series 2021 A (Auxiliary Facilities System)	7/8/2021	\$ 135.4	2.125% - 5.0%	2051
Certificates of participation:				
Illinois State University				
Series 2021 A (Refunding)	3/31/2021	\$ 8.5	1.34%	2032
Southern Illinois University				
Series 2021 A (Refunding)	5/28/2021	\$ 12.4	2.58%	2034

24 CONTRACTUAL VIOLATION

The Illinois Designated Account Purchase Program (IDAPP) was not in compliance with a debt covenant relating to a revolving credit agreement. As a result of the violation, the bank involved with the agreement has certain remedies available, including the right to call the loan and take possession of the portion of the student loan portfolio provided as collateral for the loan. In addition, IDAPP is in breach of the coverage condition ratio defined in the indenture. Since the coverage condition cannot be satisfied within two business days, this would qualify as an Event of Termination under which Citibank would be eligible for remedies under the indenture. Citibank has reserved its rights to remedies in the indenture. Discussions are ongoing with the lender to determine remedies to the violations, but no resolution has been reached.

Required Supplementary Information

State of Illinois

**Budgetary Comparison Schedule
Major Governmental Fund**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	General Funds			
	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES:				
Income taxes	\$ 21,188,000	\$ 21,188,000	\$20,552,111	\$ (635,889)
Sales taxes	8,537,000	8,537,000	8,255,205	(281,795)
Public utility taxes	846,000	846,000	830,501	(15,499)
Federal government	3,525,000	3,525,000	3,529,536	4,536
Other	2,961,005	2,961,005	2,437,471	(523,534)
Less:				
Refunds		7,323	117	(7,206)
Total revenues	37,057,005	37,049,682	35,604,707	(1,444,975)
EXPENDITURES:				
Current:				
Health and social services	13,883,643	14,329,088	12,770,586	(1,558,502)
Education	17,673,178	17,684,519	17,667,083	(17,436)
General government	4,166,948	4,320,512	4,269,038	(51,474)
Employment and economic development	91,721	92,406	72,648	(19,758)
Public protection and justice	2,549,542	2,584,042	2,509,884	(74,158)
Environment and business regulation	69,572	68,846	62,764	(6,082)
Capital outlays	18,566	16,363	11,780	(4,583)
Total expenditures	38,453,170	39,095,776	37,363,783	(1,731,993)
Excess (deficiency) of revenues over (under) expenditures	(1,396,165)	(2,046,094)	(1,759,076)	287,018
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:				
Proceeds from general obligation bond issues	1,198,405	1,198,405	1,198,405	-
Transfers-in	10,636,448	10,636,448	10,636,448	-
Transfers-out	(10,114,142)	(10,114,142)	(10,114,142)	-
Total other sources (uses) of financial resources	1,720,711	1,720,711	1,720,711	-
Excess (deficiency) of revenues over (under) expenditures, and other sources budgetary funds-nonbudgeted accounts	324,546	(325,383)	(38,365)	287,018
Budgetary fund balances (deficits), July 1, 2019, as previously reported	5,713,117	(5,713,117)	(5,713,117)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 6,037,663	\$ (6,038,500)	\$ (5,751,482)	\$ 287,018

**Notes to Budgetary Comparison Schedule
– Major Governmental Funds**

For the Year Ended June 30, 2020

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 Fund.

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, 2020, 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)	\$ (38,365)
Reclassifications: Budgetary Special State Funds reported as part of the General Fund for GAAP reporting	2,543,278
Adjustments: To adjust revenues, related receivables and unavailable revenue	(1,291,569)
To adjust expenditures and related liabilities	(229,290)
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (GAAP basis)	\$ 984,054

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).

All schedules are intended to present information for 10 years. Additional years will be displayed prospectively as they become available.

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,					
	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 3,280	\$ 3,536	\$ 3,880	\$ 3,577	\$ 5,957	\$ 5,383
Interest on total pension liability	24,853	24,542	24,046	22,395	19,911	20,111
Differences between expected and actual experience	4,008	1,197	2,094	(5,401)	2,366	12,389
Assumption changes	(8,253)	(1,213)	(2,431)	42,123	(70,539)	-
Benefit payments	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)	(20,800)
Refunds	(169)	(45)	(131)	(142)	(192)	(245)
Administrative expenses	(389)	(348)	(356)	(382)	(394)	(335)
Net change in total pension liability	<u>(1,228)</u>	<u>4,386</u>	<u>4,739</u>	<u>40,329</u>	<u>(64,166)</u>	<u>16,503</u>
Total pension liability - beginning	<u>382,791</u>	<u>378,405</u>	<u>373,666</u>	<u>333,337</u>	<u>397,503</u>	<u>381,000</u>
Total pension liability - ending (a)	<u>\$ 381,563</u>	<u>\$ 382,791</u>	<u>\$ 378,405</u>	<u>\$ 373,666</u>	<u>\$ 333,337</u>	<u>\$ 397,503</u>
Plan fiduciary net position						
Contributions - employer	\$ 23,253	\$ 21,155	\$ 21,721	\$ 16,073	\$ 15,871	\$ 13,957
Contributions - participant	1,317	1,255	1,285	1,309	1,487	1,503
Net investment income	3,450	3,734	5,140	(539)	2,287	8,363
Benefit payments	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)	(20,800)
Refunds	(169)	(45)	(131)	(142)	(192)	(245)
Administrative expense	(389)	(348)	(356)	(382)	(394)	(335)
Net change in plan fiduciary net position	<u>2,904</u>	<u>2,468</u>	<u>5,296</u>	<u>(5,522)</u>	<u>(2,216)</u>	<u>2,443</u>
Plan fiduciary net position - beginning	<u>56,816</u>	<u>54,348</u>	<u>49,052</u>	<u>54,574</u>	<u>56,790</u>	<u>54,347</u>
Plan fiduciary net position - ending (b)	<u>59,720</u>	<u>56,816</u>	<u>54,348</u>	<u>49,052</u>	<u>54,574</u>	<u>56,790</u>
State's net pension liability - ending (a) - (b)	<u>\$ 321,843</u>	<u>\$ 325,975</u>	<u>\$ 324,057</u>	<u>\$ 324,614</u>	<u>\$ 278,763</u>	<u>\$ 340,713</u>
Plan fiduciary net position as a percentage of the total pension liability	15.65%	14.84%	14.36%	13.13%	16.37%	14.29%
Covered payroll *	\$ 10,159	\$ 10,711	\$ 10,996	\$ 11,298	\$ 11,587	\$ 12,754
State's net pension liability as a percentage of covered payroll	3168.06%	3043.37%	2947.04%	2873.20%	2405.83%	2671.42%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:						
	2019	2018	2017	2016	2015	2014
Total pension liability						
Discount rate	6.41%	6.68%	6.66%	6.60%	6.91%	5.11%
Investment rate of return	6.50%	6.75%	6.75%	6.75%	7.00%	7.00%
Long-term municipal bond rate	3.13%	3.62%	3.56%	2.85%	3.80%	4.29%
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 was restated to comply with 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,					
	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 50,009	\$ 53,222	\$ 56,166	\$ 58,041	\$ 59,620	\$ 57,139
Interest on total pension liability	180,188	175,399	168,164	158,611	151,431	145,994
Differences between expected and actual experience	37,888	6,191	23,042	(3,260)	28,714	4,490
Assumption changes	(42,249)	(14,446)	(29,511)	205,405	9,482	-
Benefit payments	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)	(118,591)
Refunds	(991)	(482)	(975)	(658)	(946)	(688)
Administrative expenses	(910)	(897)	(914)	(942)	(983)	(832)
Net change in total pension liability	66,585	70,840	75,475	284,625	121,664	87,512
Total pension liability - beginning	2,783,868	2,713,028	2,637,553	2,352,928	2,231,264	2,143,752
Total pension liability - ending (a)	\$ 2,850,453	\$ 2,783,868	\$ 2,713,028	\$ 2,637,553	\$ 2,352,928	\$ 2,231,264
Plan fiduciary net position						
Contributions - employer	\$ 140,519	\$ 135,962	\$ 131,334	\$ 132,060	\$ 134,040	\$ 126,816
Contributions - participant	14,610	14,295	14,770	14,962	15,431	15,919
Net investment income	64,741	69,950	97,797	(6,471)	36,009	110,059
Benefit payments	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)	(118,591)
Refunds	(991)	(482)	(975)	(658)	(946)	(688)
Administrative expense	(910)	(897)	(914)	(942)	(983)	(832)
Net change in plan fiduciary net position	60,619	70,681	101,515	6,379	57,897	132,683
Plan fiduciary net position - beginning	1,012,485	941,804	840,289	833,910	776,013	643,330
Plan fiduciary net position - ending (b)	1,073,104	1,012,485	941,804	840,289	833,910	776,013
State's net pension liability - ending (a) - (b)	\$ 1,777,349	\$ 1,771,383	\$ 1,771,224	\$ 1,797,264	\$ 1,519,018	\$ 1,455,251
Plan fiduciary net position as a percentage of the total pension liability	37.65%	36.37%	34.71%	31.86%	35.44%	34.78%
Covered payroll *	\$ 138,415	\$ 132,065	\$ 139,738	\$ 139,538	\$ 145,903	\$ 150,280
State's net pension liability as a percentage of covered payroll	1284.07%	1341.30%	1267.53%	1288.01%	1041.11%	968.36%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:						
	2019	2018	2017	2016	2015	2014
Total pension liability						
Discount rate	6.34%	6.60%	6.58%	6.48%	6.85%	6.89%
Investment rate of return	6.50%	6.75%	6.75%	6.75%	7.00%	7.00%
Long-term municipal bond rate	3.13%	3.62%	3.56%	2.85%	3.80%	4.29%
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 was restated to comply with 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,					
	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 801,415	\$ 828,486	\$ 893,147	\$ 843,377	\$ 847,997	\$ 776,488
Interest on total pension liability	3,378,804	3,295,855	3,217,532	2,989,387	2,912,736	2,754,122
Change of benefit terms	(462,610)	-	-	-	-	-
Differences between expected and actual experience	(24,683)	(185,489)	(601,531)	(730,622)	(464,942)	150,997
Assumption changes	313,744	(348,811)	(884,705)	5,048,087	360,713	3,142,466
Benefit payments	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)	(1,917,062)
Refunds	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)	(23,083)
Administrative expenses	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)	(16,615)
Net change in total pension liability	1,366,252	1,082,482	253,256	5,916,892	1,581,970	4,867,313
Total pension liability - beginning	50,519,686	49,437,204	49,183,948	43,267,056	41,685,086	36,817,773
Total pension liability - ending (a)	\$ 51,885,938	\$ 50,519,686	\$ 49,437,204	\$ 49,183,948	\$ 43,267,056	\$ 41,685,086
Plan fiduciary net position						
Contributions - employer	\$ 2,274,925	\$ 1,929,175	\$ 1,798,348	\$ 1,882,243	\$ 1,804,319	\$ 1,699,448
Contributions - participant	275,675	254,442	251,611	256,198	266,139	269,232
Net investment income	1,118,429	1,257,040	1,812,879	(125,443)	681,377	2,169,346
Benefit payments	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)	(1,917,062)
Refunds	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)	(23,083)
Administrative expense	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)	(16,615)
Net change in plan fiduciary net position	1,028,611	933,098	1,491,651	(220,339)	677,301	2,181,266
Plan fiduciary net position - beginning	17,463,277	16,530,179	15,038,528	15,258,867	14,581,566	12,400,300
Plan fiduciary net position - ending (b)	18,491,888	17,463,277	16,530,179	15,038,528	15,258,867	14,581,566
State's net pension liability - ending (a) - (b)	\$ 33,394,050	\$ 33,056,409	\$ 32,907,025	\$ 34,145,420	\$ 28,008,189	\$ 27,103,520
Plan fiduciary net position as a percentage of the total pension liability	35.64%	34.57%	33.44%	30.58%	35.27%	34.98%
Covered payroll *	\$ 4,621,647	\$ 4,240,109	\$ 4,192,582	\$ 4,282,020	\$ 4,452,369	\$ 4,414,784
State's net pension liability as a percentage of covered payroll	722.56%	779.61%	784.89%	797.41%	629.06%	613.93%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:						
	2019	2018	2017	2016	2015	2014
Total pension liability						
Discount rate	6.47%	6.81%	6.78%	6.64%	7.02%	7.09%
Investment rate of return	6.75%	7.00%	7.00%	7.00%	7.25%	7.25%
Long-term municipal bond rate	3.13%	3.62%	3.56%	2.85%	3.80%	4.29%
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 was restated to comply with 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	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%	
	2015	16,901	15,871	1,030	11,587	136.97%	
	2014	17,110	13,957	3,153	12,754	109.43%	
	2013	17,065	14,150	2,915	14,876	95.12%	
	2012	13,366	10,502	2,864	15,263	68.81%	
	2011	13,086	11,434	1,652	15,188	75.28%	
JRS	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%	
	2015	124,216	134,040	(9,824)	145,903	91.87%	
	2014	125,062	126,816	(1,754)	150,280	84.39%	
	2013	125,577	88,240	37,337	156,142	56.51%	
	2012	110,923	63,644	47,279	153,551	41.45%	
	2011	95,490	62,695	32,795	169,155	37.06%	
SERS	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%	
	2015	2,045,354	1,804,319	241,035	4,452,369	40.52%	
	2014	1,956,841	1,699,447	257,394	4,414,784	38.49%	
	2013	1,741,286	1,531,932	209,354	4,235,366	36.17%	
	2012	1,614,835	1,391,416	223,419	4,328,768	32.14%	
	2011	1,289,002	1,127,887	161,115	4,211,186	26.78%	

[^] 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 for fiscal years on and after June 30, 2012, were restated to comply with the requirements of GASB Statement No. 82.

Notes To Schedule of Contributions			
	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>
Actuarial Valuation Date	6/30/2018	6/30/2018	6/30/2018
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	17 years, closed	22 years, closed	22 years, closed
Asset valuation method	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial assumptions:			
Inflation rate	2.50%	2.50%	2.50%
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	6.75%	6.75%	7.00%
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	RP-2014 White Collar Healthy Annuitant mortality table, sex distinct, and generational mortality improvements using the MP-2014 two-dimensional mortality improvement scales.		
JRS	RP-2014 White Collar Healthy Annuitant mortality table, sex distinct, and generational mortality improvements using the MP-2014 two-dimensional mortality improvement scales.		
SERS	105% of the RP 2014 Healthy Annuitant mortality table, sex distinct, and generational mortality improvements.		
<hr/>			
^ Consumer Price Index			
* Includes inflation rate listed			

Cost-Sharing Multiple-Employer Plans

The following schedule of the State’s proportionate share of the net pension liability for TRS is presented as of the measurement dates:

Schedule of the State's Proportionate Share of the Net Pension Liability TRS (amounts expressed in thousands)						
	June 30,					
	2019	2018	2017	2016	2015	2014
State's proportion of the net pension liability	98.62%	98.57%	96.83%	96.72%	96.48%	96.47%
State's proportionate share of the net pension liability [^]	\$ 79,988,144	\$ 76,827,641	\$ 73,979,435	\$ 76,344,452	\$ 63,203,638	\$ 58,710,342
Plan fiduciary net position as a percentage of the total pension liability	39.64%	40.00%	39.26%	36.44%	41.47%	42.95%

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

The following schedule of the State’s proportionate share of the net pension liability for SURS is presented as of the measurement dates:

Schedule of the State's Proportionate Share of the Net Pension Liability SURS (amounts expressed in thousands)						
	June 30,					
	2019	2018	2017	2016	2015	2014
State's proportion of the net pension liability	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
State's proportionate share of the net pension liability	\$ 28,720,071	\$ 27,494,557	\$ 25,481,106	\$ 25,965,272	\$ 23,756,361	\$ 21,790,983
Plan fiduciary net position as a percentage of the total pension liability	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%

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*	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	-
	2015	3,377,665	3,377,665	-
	2014	3,438,383	3,438,383	-
SURS**	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	-
	2015	1,488,591	1,488,591	-
	2014	1,458,965	1,458,965	-
<p>* TRS statutory and actual contributions amounts include actual contributions required to fund the Guaranteed Minimum Benefit Reserve equal to \$374, \$443, \$509, \$580, \$667, \$787, and \$905 for fiscal years 2020, 2019, 2018, 2017, 2016, 2015, and 2014, 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>				

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, 2019	June 30, 2018	June 30, 2017
Total OPEB liability			
Service cost	\$ 1,359,787	\$ 1,372,139	\$ 1,696,977
Interest on total OPEB liability	1,441,517	1,435,703	1,242,237
Differences between expected and actual experience	69,153	(1,096,157)	16,224
Assumption changes	1,893,970	(898,313)	(4,805,714)
Benefit payments	(968,506)	(2,043,983)	(325,218)
Net change in total OPEB liability	3,795,921	(1,230,611)	(2,175,494)
Total OPEB liability - beginning	40,093,248	41,323,859	43,499,353
Total OPEB liability - ending	\$ 43,889,169	\$ 40,093,248	\$ 41,323,859
Covered-employee payroll	\$ 7,666,177	\$ 7,516,763	\$ 7,663,997
Total OPEB liability as a percentage of covered-employee payroll	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:			
	2019	2018	2017
Total OPEB liability			
Discount rate	3.13%	3.62%	3.56%

Cost-Sharing Multiple-Employer Plans

The following schedule of the State’s proportionate share of the net OPEB liability for TRIP is presented as of the measurement dates:

Schedule of the State’s Proportionate Share of the Net OPEB Liability TRIP (amounts expressed in thousands)			
	June 30, 2019	June 30, 2018	June 30, 2017
State’s proportion of the net OPEB liability	57.52%	57.32%	56.77%
State’s proportionate share of the net OPEB liability	\$ 15,920,463	\$ 15,100,333	\$ 14,731,764
Plan fiduciary net position as a percentage of the total OPEB liability	0.25%	-0.07%	-0.17%

The following schedule of the State’s proportionate share of the net OPEB liability for CIP is presented as of the measurement dates:

Schedule of the State’s Proportionate Share of the Net OPEB Liability CIP (amounts expressed in thousands)			
	June 30, 2019	June 30, 2018	June 30, 2017
State’s proportion of the net OPEB liability	50.00%	50.00%	49.67%
State’s proportionate share of the net OPEB liability	\$ 944,270	\$ 942,626	\$ 905,774
Plan fiduciary net position as a percentage of the total OPEB liability	-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	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	-
	2015	100,983	100,983	-
	2014	90,430	90,430	-
	2013	86,683	86,683	-
	2012	87,622	87,622	-
	2011	85,953	85,953	-
	CIP	2020	\$ 4,598	\$ 4,598
2019		*	4,208	5,000
2018		4,133	4,133	-
2017		4,309	4,309	-
2016		4,625	4,625	-
2015		4,479	4,479	-
2014		4,399	4,399	-
2013		*	4,176	36,000
2012		4,396	4,396	-
2011		5,237	5,237	-

* In FY 2019 and FY 2013, the State made additional contributions from the General Revenue Fund of \$5 million and \$36 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.

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.

Education Assistance Account--to provide funding for elementary and secondary education programs and for higher education programs.

University of Illinois Hospital Services Account--to provide for services at the University of Illinois Hospital.

County Hospital Services Account--to provide for services at Cook County hospitals.

Care Provider For Persons With Developmental Disabilities Account--to provide for services for the administration of the Developmentally Disabled Care Provider Program.

Long-Term Care Provider Account--to provide for services at long-term health care centers.

Medicaid Buy-In Program Revolving Account--to provide for services for the administration of the Medicaid Buy-In Program.

State of Illinois

Combining Schedule of Accounts

General Fund

June 30, 2020 (Expressed in Thousands)

	General Revenue Account	Medicaid Provider Assessment Program	Common School Account	Education Assistance Account	Eliminations	Total
ASSETS						
Cash equity with State Treasurer	\$ 5,607,820	\$ 53,201	\$ 133,731	\$ 17,806		\$ 5,812,558
Cash and cash equivalents	5,062					5,062
Securities lending collateral of State Treasurer	3,039,075	17,265	23,722			3,080,062
Receivables, net:						
Taxes	3,130,336	9,549	130,140	175,319		3,445,344
Intergovernmental	2,218,270	154,819				2,373,089
Other	888,752	45	57	1,966		890,820
Due from other funds	246,651	28,880	59,910		\$ (28,880)	306,561
Due from component units	1,980	20,190				22,170
Inventories	127,108					127,108
Loans and notes receivable, net	141,650					141,650
Other assets	15,000					15,000
Total assets	\$ 15,421,704	\$ 283,949	\$ 347,560	\$ 195,091	\$ (28,880)	\$ 16,219,424
LIABILITIES						
Accounts payable and accrued liabilities	\$ 5,059,466	\$ 97,027	\$ 107,796	\$ 20,390		\$ 5,284,679
Intergovernmental payables	2,346,174	47,170		16		2,393,360
Due to other funds	4,025,090	157	640,510	2,409	\$ (28,880)	4,639,286
Due to component units	85,997	95,715		211,229		392,941
Unearned revenue	3,954,855			60,615		4,015,470
Obligations under securities lending of State Treasurer	3,039,075	17,265	23,722			3,080,062
General obligation certificates payable	1,200,000					1,200,000
Matured portion of long-term liabilities	391					391
Total liabilities	19,711,048	257,334	772,028	294,659	(28,880)	21,006,189
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue	1,521,628	99,055		16,762		1,637,445
Total deferred inflows of resources	1,521,628	99,055		16,762		1,637,445
FUND BALANCES (DEFICITS)						
Nonspendable long-term portion of loans and notes receivable	3,256					3,256
Nonspendable inventories	127,108					127,108
Restricted	38,958					38,958
Committed	2,974,373	18,053				2,992,426
Unassigned	(8,954,667)	(90,493)	(424,468)	(116,330)		(9,585,958)
Total fund balances (deficits)	(5,810,972)	(72,440)	(424,468)	(116,330)		(6,424,210)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 15,421,704	\$ 283,949	\$ 347,560	\$ 195,091	\$ (28,880)	\$ 16,219,424

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2020 (Expressed in Thousands)

	General Revenue Account	Medicaid Provider Assessment Program	Common School Account	Education Assistance Account	Eliminations	Total
REVENUES						
Income taxes	\$ 20,806,633		\$ 47,434	\$ 1,701,482		\$ 22,555,549
Sales taxes	6,409,142		2,145,268			8,554,410
Public utility taxes	783,259		55,310			838,569
Medical providers assessment taxes	2,781,314	\$ 175,131				2,956,445
Other taxes	2,478,519	28,383	61,549			2,568,451
Federal government	13,781,633	1,668,371				15,450,004
Licenses and fees	515,007	351	717			516,075
Interest and other investment income	150,524	1,181	796			152,501
Other	1,126,669	811,100		150		1,937,919
Total revenues	48,832,700	2,684,517	2,311,074	1,701,632		55,529,923
EXPENDITURES						
Current:						
Health and social services	25,351,919	2,729,836				28,081,755
Education	8,235,054		8,369,012	2,018,060		18,622,126
General government	2,343,623					2,343,623
Employment and economic development	107,377					107,377
Transportation	540,787					540,787
Public protection and justice	3,554,203					3,554,203
Environment and business regulation	148,372					148,372
Debt service:						
Principal	1,976	1		42		2,019
Interest	7,458			6		7,464
Capital outlays	42,366			202		42,568
Total expenditures	40,333,135	2,729,837	8,369,012	2,018,310		53,450,294
Excess (deficiency) of revenues over (under) expenditures	8,499,565	(45,320)	(6,057,938)	(316,678)		2,079,629
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in	1,204,038	77,879	6,066,026	160,759	\$ (5,472,709)	2,035,993
Transfers-out	(8,586,706)	(20,000)			5,472,709	(3,133,997)
Capital lease financing	2,429					2,429
Net other sources (uses) of financial resources	(7,380,239)	57,879	6,066,026	160,759	-	(1,095,575)
Net change in fund balances	1,119,326	12,559	8,088	(155,919)	-	984,054
Fund balances (deficits), July 1, 2019	(7,038,631)	(84,999)	(432,556)	39,589		(7,516,597)
Increase for changes in inventory	108,333					108,333
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (5,810,972)	\$ (72,440)	\$ (424,468)	\$ (116,330)	\$ -	\$ (6,424,210)

State of Illinois

Combining Schedule of Accounts - General Fund

Medicaid Provider Assessment Program

June 30, 2020 (Expressed in Thousands)

	University of Illinois Hospital Services Account	County Hospital Services Account	Care Provider For Persons With Developmental Disabilities Account	Long-Term Care Provider Account	Medicaid Buy-In Program Revolving Account	Total
ASSETS						
Cash equity with State Treasurer	\$ 2,466	\$ 2,322	\$ 16,186	\$ 31,433	\$ 794	\$ 53,201
Securities lending collateral of State Treasurer	489	5,002	4,557	6,971	246	17,265
Receivables, net:						
Taxes			453	9,096		9,549
Intergovernmental	53,570	43,314	230	57,705		154,819
Other	1	12	11	17	4	45
Due from other funds	27,880				1,000	28,880
Due from component units	20,190					20,190
Total assets	\$ 104,596	\$ 50,650	\$ 21,437	\$ 105,222	\$ 2,044	\$ 283,949
LIABILITIES						
Accounts payable and accrued liabilities		\$ 121	\$ 444	\$ 96,459	\$ 3	\$ 97,027
Intergovernmental payables		45,424	1	1,745		47,170
Due to other funds		103	5	47	2	157
Due to component units	\$ 95,715					95,715
Obligations under securities lending of State Treasurer	489	5,002	4,557	6,971	246	17,265
Total liabilities	96,204	50,650	5,007	105,222	251	257,334
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue	63,411	14,444	170	21,030		99,055
Total deferred inflows of resources	63,411	14,444	170	21,030		99,055
FUND BALANCES (DEFICITS)						
Committed			16,260		1,793	18,053
Unassigned	(55,019)	(14,444)		(21,030)		(90,493)
Total fund balances (deficits)	(55,019)	(14,444)	16,260	(21,030)	1,793	(72,440)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 104,596	\$ 50,650	\$ 21,437	\$ 105,222	\$ 2,044	\$ 283,949

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - General Fund
Medicaid Provider Assessment Program**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	University of Illinois Hospital Services Account	County Hospital Services Account	Care Provider For Persons With Developmental Disabilities Account	Long-Term Care Provider Account	Medicaid Buy-In Program Revolving Account	Total
REVENUES						
Medical providers assessment taxes			\$ 18,343	\$ 156,788		\$ 175,131
Other taxes				28,383		28,383
Federal government	\$ 122,983	\$ 1,328,024	19,574	197,790		1,668,371
Licenses and fees					\$ 351	351
Interest and other investment income	95	584	150	330	22	1,181
Other	35,390	775,710				811,100
Total revenues	158,468	2,104,318	38,067	383,291	373	2,684,517
EXPENDITURES						
Current:						
Health and social services	241,322	2,057,137	36,899	394,319	159	2,729,836
Debt service:						
Principal				1		1
Total expenditures	241,322	2,057,137	36,899	394,320	159	2,729,837
Excess (deficiency) of revenues over (under) expenditures	(82,854)	47,181	1,168	(11,029)	214	(45,320)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in	47,879			30,000		77,879
Transfers-out				(20,000)		(20,000)
Net other sources (uses) of financial resources	47,879			10,000		57,879
Net change in fund balances	(34,975)	47,181	1,168	(1,029)	214	12,559
Fund balances (deficits), July 1, 2019	(20,044)	(61,625)	15,092	(20,001)	1,579	(84,999)
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (55,019)	\$ (14,444)	\$ 16,260	\$ (21,030)	\$ 1,793	\$ (72,440)

State of Illinois

Combining Balance Sheet -
Nonmajor Governmental Funds

June 30, 2020 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash equity with State Treasurer	\$ 4,742,563	\$ 1,277,916	\$ 1,902,920	\$ 15,278	\$ 7,938,677
Cash and cash equivalents	267,633	100,235	8,226	280	376,374
Securities lending collateral of State Treasurer	461,493	323,485	115,661	815	901,454
Investments	16,302			40,585	56,887
Receivables, net:					
Taxes	776,177				776,177
Intergovernmental	1,550,820	17,377	3,817		1,572,014
Other	434,979	862	1,933	7	437,781
Due from other funds	1,402,667	4,504	339,561		1,746,732
Due from component units	445,680				445,680
Inventories	120,660				120,660
Loans and notes receivable, net	41,447		1,350		42,797
Other assets	40,892				40,892
Total assets	10,301,313	1,724,379	2,373,468	56,965	14,456,125
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - intra-entity transfers of future revenues	316,033				316,033
Total deferred outflows of resources	316,033				316,033
Total assets and deferred outflows of resources	\$ 10,617,346	\$ 1,724,379	\$ 2,373,468	\$ 56,965	\$ 14,772,158
LIABILITIES					
Accounts payable and accrued liabilities	\$ 954,094		\$ 304,353		\$ 1,258,447
Intergovernmental payables	2,323,718		37,793		2,361,511
Due to other funds	803,696		3,640	\$ 142	807,478
Due to component units	179,245		128		179,373
Unearned revenue	484,216		7,026		491,242
Obligations under securities lending of State Treasurer	461,493	\$ 323,485	115,661	815	901,454
Matured portion of long-term liabilities	228				228
Total liabilities	5,206,690	323,485	468,601	957	5,999,733
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	761,498	17,377	2,356		781,231
Deferred inflows of resources - intra-entity transfers of future revenues	316,033				316,033
Total deferred inflows of resources	1,077,531	17,377	2,356		1,097,264
FUND BALANCES (DEFICITS)					
Nonspendable - inventories	120,660				120,660
Nonspendable - endowments and similar funds				51,795	51,795
Restricted	1,619,140	1,383,517	1,323,262	4,213	4,330,132
Committed	3,250,316		579,249		3,829,565
Assigned	2,170				2,170
Unassigned	(659,161)				(659,161)
Total fund balances	4,333,125	1,383,517	1,902,511	56,008	7,675,161
Total liabilities, deferred inflows of resources, and fund balances	\$ 10,617,346	\$ 1,724,379	\$ 2,373,468	\$ 56,965	\$ 14,772,158

State of Illinois

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

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES					
Income taxes	\$ 2,817,159				\$ 2,817,159
Sales taxes	3,548,036				3,548,036
Motor fuel taxes	1,652,108		\$ 690,993		2,343,101
Public utility taxes	553,880				553,880
Riverboat taxes	329,163				329,163
Other taxes	423,194				423,194
Federal government	10,861,407	\$ 27,510	23,678		10,912,595
Licenses and fees	2,020,677		447,187	\$ 61	2,467,925
Interest and other investment income	46,339	26,723	12,639	2,015	87,716
Other	1,062,391		3,803	8	1,066,202
Total revenues	23,314,354	54,233	1,178,300	2,084	24,548,971
EXPENDITURES					
Current:					
Health and social services	6,227,433			12	6,227,445
Education	2,964,217		33,399		2,997,616
General government	605,951	118	44,473		650,542
Employment and economic development	734,108	13	59,842		793,963
Transportation	2,444,596		640,927		3,085,523
Public protection and justice	571,168		2,228		573,396
Environment and business regulation	661,425		15,656		677,081
Debt service:					
Principal	100,933	1,908,581	9		2,009,523
Interest	45,145	1,516,687	1		1,561,833
Capital outlays	264,316		1,414,455		1,678,771
Intergovernmental	6,823,515				6,823,515
Total expenditures	21,442,807	3,425,399	2,210,990	12	27,079,208
Excess (deficiency) of revenues over (under) expenditures	1,871,547	(3,371,166)	(1,032,690)	2,072	(2,530,237)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued	225,000		1,325,000		1,550,000
Premiums on general obligation bonds issued			64,759		64,759
Discounts on general obligation bonds issued	(3,543)		(9,056)		(12,599)
Transfers-in	676,947	3,594,511	10,315		4,281,773
Transfers-out	(2,230,077)	(223,861)	(11,107)	(1,848)	(2,466,893)
Capital lease financing	1,465				1,465
Net other sources (uses) of financial resources	(1,330,208)	3,370,650	1,379,911	(1,848)	3,418,505
Net change in fund balances	541,339	(516)	347,221	224	888,268
Fund balances, July 1, 2019	3,780,424	1,384,033	1,555,290	55,784	6,775,531
Increase for changes in inventories	11,362				11,362
FUND BALANCES, JUNE 30, 2020	\$ 4,333,125	\$ 1,383,517	\$ 1,902,511	\$ 56,008	\$ 7,675,161

This Page Left Intentionally Blank

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

Attorney General

Attorney General's State Projects and Court Ordered Distribution Fund--to account for monies received from court distributions to be used in accordance with limitations of settlement.

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.

State Pension Obligation Acceleration Bond Fund--to account for monies received from the issuance of the State Pension Obligation Acceleration Bonds. Monies in the fund may be used for accelerated pension benefit payments or for the payment of principal and interest due on the bonds.

Department of Children and Family Services

DCFS Childrens' 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.

Supplemental Low Income Energy Assistance Fund--to provide assistance to low-income households in paying heating and cooling costs.

Tourism Promotion Fund--to provide assistance for the promotion and marketing of local tourist attractions and services throughout the State.

Department of Natural Resources

Abandoned Mined Land Reclamation Set-Aside Fund--to record and disburse monies received under the Federal Surface Mining Control and Reclamation Act.

Open Space Lands Acquisition and Development Fund--to receive deposits from monies collected under the Real Estate Transfer Tax Act to be transferred, appropriated, and used only for the purposes authorized by the Open Space Lands Acquisition and Development Act.

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

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.

DHS Special Purposes Trust Fund--to receive and disburse federal grants, gifts, and legacies not elsewhere designated by statute to be deposited and disbursed.

DHS Recoveries Trust Fund--to receive and record monies obtained from recoveries as authorized by the appropriate sections and articles of the Public Aid Code.

Food Stamp and Commodity Fund--to account for food stamps and commodities received from the federal government.

Illinois Power Agency

Illinois Power Agency Renewable Energy Resources Fund--to account for the procurement of renewable energy resources.

Department of Insurance

Insurance Producers' Administration Fund--to account for fees collected and expenditures in administering insurance regulation in accordance with the Illinois Insurance Code.

Insurance Financial Regulation Fund--to account for fees collected and expenditures in administering financial regulation in accordance with the Illinois Insurance Code.

Department of Healthcare and Family Services

Child Support Administration Fund--to receive and record fees related to the administration of the Child Support Enforcement Program.

Department of Public Health

Public Health Services Fund--to account for funds received from the federal government for various federal project awards.

Department of Revenue

State and Local Sales Tax Reform Fund--to record proceeds from the 1% use tax on food and drugs and 20% of the proceeds from the 6.25% sales tax.

County and Mass Transit District Fund--to record 4% of the proceeds from a 6.25% Retailers' and Service Occupation Tax.

Local Government Tax Fund--to account for 15% share of various sales taxes that will be distributed to cities and counties.

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.

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.

Senior Citizens' Real Estate Deferred Tax Revolving Fund--to make payments to county collectors as provided in the Senior Citizens' Real Estate Deferral Act. All monies received in payment of deferred taxes and accrued interest under section seven of this Act are deposited into this fund.

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.

Federal/Local Airport Fund--to receive and manage federal funds for airport construction.

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.

Criminal Justice Information Authority

Criminal Justice Trust Fund--to account for funds received for the implementation of the Omnibus Crime Control and Safe Streets Act of 1968.

Illinois Gaming Board

State Gaming Fund--to receive and record fees obtained from owners' license applications for riverboat gambling operations.

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.

Office of the State Fire Marshal

Underground Storage Tank Fund--to record underground storage tank registration fees collected by the State Fire Marshal expended for the purposes of the Leaking Underground Storage Tank program.

State of Illinois

Combining Balance Sheet
Nonmajor Special Revenue Funds

June 30, 2020 (Expressed in Thousands)

	Attorney General				
	Attorney General's State Projects and Court Ordered Distribution Fund	Treasurer	Commerce and Economic Opportunity	Natural Resources	Human Services
ASSETS					
Cash equity with State Treasurer	\$ 45,095	\$ 388,591	\$ 117,638	\$ 114,503	\$ 100,390
Cash and cash equivalents	1				
Securities lending collateral of State Treasurer	120		8,650	19,460	
Investments					
Receivables, net:					
Taxes			8,412	7	
Intergovernmental		28,567			229,229
Other	56	215	22	47	130,232
Due from other funds	81	62,837	220,714	58,003	
Due from component units					2
Inventories					
Loans and notes receivable, net			500		
Other assets			38,906		
Total assets	45,353	480,210	394,842	192,020	459,853
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - TSR's					
Total assets and deferred outflows of resources	\$ 45,353	\$ 480,210	\$ 394,842	\$ 192,020	\$ 459,853
LIABILITIES					
Accounts payable and accrued liabilities	\$ 381	\$ 54,255	\$ 5,566	\$ 90	\$ 99,031
Intergovernmental payables	3	2,132	2,745	203	55,350
Due to other funds	219	2,626	665	47	6,636
Due to component units		243	286		2,403
Unearned revenue			1,371		2,465
Obligations under securities lending of State Treasurer	120		8,650	19,460	
Matured portion of long-term liabilities					
Total liabilities	723	59,256	19,283	19,800	165,885
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	56		15		130,197
Deferred inflows of resources - TSR's		316,033			
Total deferred inflows of resources	56	316,033	15		130,197
FUND BALANCES (DEFICITS)					
Nonspendable inventories					
Restricted	44,574	291,862	76,408	62,753	208,397
Committed		17,343	299,136	109,467	
Assigned					
Unassigned		(204,284)			(44,626)
Total fund balances (deficits)	44,574	104,921	375,544	172,220	163,771
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 45,353	\$ 480,210	\$ 394,842	\$ 192,020	\$ 459,853

Insurance	Revenue	Transportation	Other Departments	State Board of Education	Other Agencies, Boards, and Authorities	Other	Total
\$ 54,517	\$ 964,951	\$ 1,104,182	\$ 296,918	\$ 1,244	\$ 98,565	\$ 1,455,969	\$ 4,742,563
	54,076	57,091	1,612		163,608	45,321	267,633
		235,462			24,477	119,248	461,493
						16,302	16,302
	514,730	201,574			5,337	46,117	776,177
		277,529	214,862	554,237	16,196	230,200	1,550,820
3,970	15,561	6,525	23,849	265	134,459	119,778	434,979
68,000	122,316	266,414	155,378	4,346	88,597	355,981	1,402,667
	408,318	37,353		7			445,680
		72,619	1,830	1,698		44,513	120,660
	36,687					4,260	41,447
						1,986	40,892
126,487	2,116,639	2,258,749	694,449	561,797	531,239	2,439,675	10,301,313
					316,033		316,033
\$ 126,487	\$ 2,116,639	\$ 2,258,749	\$ 694,449	\$ 561,797	\$ 847,272	\$ 2,439,675	\$ 10,617,346
\$ 1,428	\$ 57,683	\$ 278,814	\$ 162,531	\$ 18,561	\$ 24,763	\$ 250,991	\$ 954,094
54	1,031,378	436,764	92,405	529,542	2,831	170,311	2,323,718
1,278	247,238	340,531	17,241	8,833	77,772	100,610	803,696
	14,048	98,567	13,470	2,119	90	48,019	179,245
	327,823	21,065	7,222	878		35,710	87,682
	54,076	235,462				24,477	119,248
		228					228
2,760	1,732,246	1,411,431	292,869	559,933	165,643	776,861	5,206,690
484	27,291	95,220	93,618	118,796	134,083	161,738	761,498
							316,033
484	27,291	95,220	93,618	118,796	134,083	161,738	1,077,531
		72,619	1,830	1,698		44,513	120,660
		54,886	84,129	44	419,915	376,172	1,619,140
123,243	509,659	693,044	219,833		127,631	1,150,960	3,250,316
		2,170					2,170
	(152,557)	(68,451)		(118,674)		(70,569)	(659,161)
123,243	357,102	752,098	307,962	(116,932)	547,546	1,501,076	4,333,125
\$ 126,487	\$ 2,116,639	\$ 2,258,749	\$ 694,449	\$ 561,797	\$ 847,272	\$ 2,439,675	\$ 10,617,346

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	<u>Attorney General</u>				
	Attorney General's State Projects and Court Ordered Distribution Fund	Treasurer	Commerce and Economic Opportunity	Natural Resources	Human Services
REVENUES					
Income taxes					
Sales taxes					
Motor fuel taxes					
Public utility taxes			\$ 100,250		
Riverboat taxes					
Other taxes			42,014	\$ 26,411	
Federal government		\$ 87,996	8,072	5,600	\$ 4,113,023
Licenses and fees					
Interest and other investment income	\$ 6	887	1,481	1,036	
Other	35,124	179,507	88	2	13,745
Total revenues	<u>35,130</u>	<u>268,390</u>	<u>151,905</u>	<u>33,049</u>	<u>4,126,768</u>
EXPENDITURES					
Current:					
Health and social services		214,045	53,254		4,077,544
Education		480,536			
General government	15,037	86,754			
Employment and economic development			45,919		
Transportation					
Public protection and justice					
Environment and business regulation				14,094	
Debt service:					
Principal	122	14			3
Interest		4			2
Capital outlays	957	2,946	538		
Intergovernmental					
Total expenditures	<u>16,116</u>	<u>784,299</u>	<u>99,711</u>	<u>14,094</u>	<u>4,077,549</u>
Excess (deficiency) of revenues over (under) expenditures	19,014	(515,909)	52,194	18,955	49,219
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued		225,000			
Discounts on general obligation bonds issued		(3,543)			
Transfers-in	3,183	227,321			
Transfers-out	(3,183)		(60,000)		
Capital lease financing	769				
Net other sources (uses) of financial resources	769	448,778	(60,000)		
Net change in fund balances	19,783	(67,131)	(7,806)	18,955	49,219
Fund balances (deficits), July 1, 2019	24,791	172,052	383,350	153,265	114,552
Increase (decrease) for changes in inventory					
FUND BALANCES (DEFICITS), JUNE 30, 2020	<u>\$ 44,574</u>	<u>\$ 104,921</u>	<u>\$ 375,544</u>	<u>\$ 172,220</u>	<u>\$ 163,771</u>

Insurance	Revenue	Transportation	Other Departments	State Board of Education	Other Agencies, Boards, and Authorities	Other	Total
	\$ 2,811,282					\$ 5,877	\$ 2,817,159
	3,258,218	\$ 200,807				89,011	3,548,036
		1,585,296			\$ 66,515	297	1,652,108
	234,025					219,605	553,880
	145,215				329,163		329,163
		1,780,541	\$ 919,885	\$ 2,385,020	83,220	1,478,050	10,861,407
\$ 56,824		1,242,570	448		10,718	710,117	2,020,677
	6,272	11,950	1,461		3,998	19,248	46,339
357	66,455	96,135	104,166		262,785	304,027	1,062,391
57,181	6,521,467	4,917,299	1,025,960	2,385,020	756,399	3,035,786	23,314,354
	15,296		887,032		2,011	978,251	6,227,433
	1,523			2,394,784		87,374	2,964,217
	194,185	44,598	747		2,113	262,517	605,951
			220,999			467,190	734,108
		2,423,567				21,029	2,444,596
34,438	1,797				135,955	433,416	571,168
					29,738	583,155	661,425
18		462	558		98,571	1,185	100,933
3		175	88		44,210	663	45,145
39		180,827	2,034	3,676	38	73,261	264,316
	5,691,526	949,035			60,985	121,969	6,823,515
34,498	5,904,327	3,598,664	1,111,458	2,398,460	373,621	3,030,010	21,442,807
22,683	617,140	1,318,635	(85,498)	(13,440)	382,778	5,776	1,871,547
							225,000
							(3,543)
	139,082	33,351	43,958			230,052	676,947
	(812,964)	(725,166)			(470,778)	(157,986)	(2,230,077)
39		279	127			251	1,465
39	(673,882)	(691,536)	44,085		(470,778)	72,317	(1,330,208)
22,722	(56,742)	627,099	(41,413)	(13,440)	(88,000)	78,093	541,339
100,521	413,844	107,734	348,484	(103,775)	635,546	1,430,060	3,780,424
		17,265	891	283		(7,077)	11,362
\$ 123,243	\$ 357,102	\$ 752,098	\$ 307,962	\$ (116,932)	\$ 547,546	\$ 1,501,076	\$ 4,333,125

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Treasurer

June 30, 2020 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	State Pension Obligation Acceleration Bond Fund	Total
ASSETS				
Cash equity with State Treasurer	\$ 166,998	\$ 81,122	\$ 140,471	\$ 388,591
Receivables, net:				
Intergovernmental		28,567		28,567
Other	150	65		215
Due from other funds	5,611	57,226		62,837
Total assets	\$ 172,759	\$ 166,980	\$ 140,471	\$ 480,210
LIABILITIES				
Accounts payable and accrued liabilities	\$ 1,403	\$ 52,852		\$ 54,255
Intergovernmental payables	25	2,107		2,132
Due to other funds	9	29	\$ 2,588	2,626
Due to component units		243		243
Total liabilities	1,437	55,231	2,588	59,256
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - TSR's		316,033		316,033
Total deferred inflows of resources		316,033		316,033
FUND BALANCES (DEFICITS)				
Restricted	153,979		137,883	291,862
Committed	17,343			17,343
Unassigned		(204,284)		(204,284)
Total fund balances (deficits)	171,322	(204,284)	137,883	104,921
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 172,759	\$ 166,980	\$ 140,471	\$ 480,210

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds

Treasurer

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	State Pension Obligation Acceleration Bond Fund	Total
REVENUES				
Federal government		\$ 87,996		\$ 87,996
Interest and other investment income		887		887
Other	\$ 177,947	1,560		179,507
Total revenues	177,947	90,443		268,390
EXPENDITURES				
Current:				
Health and social services		214,045		214,045
Education	215,000		\$ 265,536	480,536
General government	12,683		74,071	86,754
Debt service:				
Principal	14			14
Interest	4			4
Capital outlays	2,946			2,946
Total expenditures	230,647	214,045	339,607	784,299
Excess (deficiency) of revenues over (under) expenditures	(52,700)	(123,602)	(339,607)	(515,909)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
General obligation bonds issued			225,000	225,000
Discounts on general obligation bonds issued			(3,543)	(3,543)
Transfers-in	9,255	218,066		227,321
Net other sources (uses) of financial resources	9,255	218,066	221,457	448,778
Net change in fund balances	(43,445)	94,464	(118,150)	(67,131)
Fund balances (deficits), July 1, 2019	214,767	(298,748)	256,033	172,052
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 171,322	\$ (204,284)	\$ 137,883	\$ 104,921

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Commerce and Economic Opportunity

June 30, 2020 (Expressed in Thousands)

	State Small Business Credit Initiative Fund	Supplemental Low Income Energy Assistance Fund	Tourism Promotion Fund	Total
ASSETS				
Cash equity with State Treasurer	\$ 38,776	\$ 65,220	\$ 13,642	\$ 117,638
Securities lending collateral of State Treasurer	8,650			8,650
Receivables, net:				
Taxes		8,255	157	8,412
Other	22			22
Due from other funds		142,000	78,714	220,714
Loans and notes receivable, net	500			500
Other assets	38,906			38,906
Total assets	\$ 86,854	\$ 215,475	\$ 92,513	\$ 394,842
LIABILITIES				
Accounts payable and accrued liabilities	\$ 422	\$ 2,825	\$ 2,319	\$ 5,566
Intergovernmental payables		2,672	73	2,745
Due to other funds	3	203	459	665
Due to component units		286		286
Unearned revenue	1,371			1,371
Obligations under securities lending of State Treasurer	8,650			8,650
Total liabilities	10,446	5,986	2,851	19,283
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - unavailable revenue			15	15
Total deferred inflows of resources			15	15
FUND BALANCES				
Restricted	76,408			76,408
Committed		209,489	89,647	299,136
Total fund balances	76,408	209,489	89,647	375,544
Total liabilities, deferred inflows of resources, and fund balances	\$ 86,854	\$ 215,475	\$ 92,513	\$ 394,842

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Commerce and Economic Opportunity**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	State Small Business Credit Initiative Fund	Supplemental Low Income Energy Assistance Fund	Tourism Promotion Fund	Total
REVENUES				
Public utility taxes		\$ 100,250		\$ 100,250
Other taxes			\$ 42,014	42,014
Federal government			8,072	8,072
Interest and other investment income	\$ 1,481			1,481
Other		88		88
Total revenues	1,481	100,338	50,086	151,905
EXPENDITURES				
Current:				
Health and social services		53,254		53,254
Employment and economic development	1,006		44,913	45,919
Capital outlays		50	488	538
Total expenditures	1,006	53,304	45,401	99,711
Excess (deficiency) of revenues over (under) expenditures	475	47,034	4,685	52,194
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Transfers-out			(60,000)	(60,000)
Net other sources (uses) of financial resources	-	-	(60,000)	(60,000)
Net change in fund balances	475	47,034	(55,315)	(7,806)
Fund balances, July 1, 2019	75,933	162,455	144,962	383,350
FUND BALANCES, JUNE 30, 2020	\$ 76,408	\$ 209,489	\$ 89,647	\$ 375,544

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Natural Resources

June 30, 2020 (Expressed in Thousands)

	Abandoned Mined Land Reclamation Set- Aside Fund	Open Space Lands Acquisition and Development Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 62,706	\$ 51,797	\$ 114,503
Securities lending collateral of State Treasurer	19,460		19,460
Receivables, net:			
Taxes		7	7
Other	47		47
Due from other funds		58,003	58,003
Total assets	\$ 82,213	\$ 109,807	\$ 192,020
LIABILITIES			
Accounts payable and accrued liabilities		\$ 90	\$ 90
Intergovernmental payables		203	203
Due to other funds		47	47
Obligations under securities lending of State Treasurer	\$ 19,460		19,460
Total liabilities	19,460	340	19,800
FUND BALANCES			
Restricted	62,753		62,753
Committed		109,467	109,467
Total fund balances	62,753	109,467	172,220
Total liabilities and fund balances	\$ 82,213	\$ 109,807	\$ 192,020

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Natural Resources**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Abandoned Mined Land Reclamation Set- Aside Fund	Open Space Lands Acquisition and Development Fund	Total
REVENUES			
Other taxes		\$ 26,411	\$ 26,411
Federal government	\$ 5,600		5,600
Interest and other investment income	1,036		1,036
Other		2	2
Total revenues	6,636	26,413	33,049
EXPENDITURES			
Current:			
Environment and business regulation		14,094	14,094
Total expenditures		14,094	14,094
Excess (deficiency) of revenues over (under) expenditures	6,636	12,319	18,955
Net change in fund balances	6,636	12,319	18,955
Fund balances, July 1, 2019	56,117	97,148	153,265
FUND BALANCES, JUNE 30, 2020	\$ 62,753	\$ 109,467	\$ 172,220

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Human Services

June 30, 2020 (Expressed in Thousands)

	Employment and Training Fund	DHS Special Purposes Trust Fund	DHS Recoveries Trust Fund	Food Stamp and Commodity Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 2,770	\$ 88,692	\$ 8,928	\$ -	\$ 100,390
Receivables, net:					
Intergovernmental	2,411	226,818			229,229
Other		131	130,101		130,232
Due from component units		2			2
Total assets	\$ 5,181	\$ 315,643	\$ 139,029	\$ -	\$ 459,853
LIABILITIES					
Accounts payable and accrued liabilities	\$ 2,680	\$ 95,969	\$ 382	\$ -	\$ 99,031
Intergovernmental payables	84	1,666	53,600		55,350
Due to other funds	2,411	3,011	1,214		6,636
Due to component units	6	2,397			2,403
Unearned revenue		2,465			2,465
Total liabilities	5,181	105,508	55,196		165,885
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue		1,738	128,459		130,197
Total deferred inflows of resources		1,738	128,459		130,197
FUND BALANCES (DEFICITS)					
Restricted		208,397			208,397
Unassigned			(44,626)		(44,626)
Total fund balances (deficits)		208,397	(44,626)		163,771
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 5,181	\$ 315,643	\$ 139,029	\$ -	\$ 459,853

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, 2020 (Expressed in Thousands)

	Employment and Training Fund	DHS Special Purposes Trust Fund	DHS Recoveries Trust Fund	Food Stamp and Commodity Fund	Total
REVENUES					
Federal government	\$ 389,874	\$ 459,003		\$ 3,264,146	\$ 4,113,023
Other			\$ 13,745		13,745
Total revenues	389,874	459,003	13,745	3,264,146	4,126,768
EXPENDITURES					
Current:					
Health and social services	389,445	411,673	12,280	3,264,146	4,077,544
Debt service:					
Principal		2	1		3
Interest		1	1		2
Total expenditures	389,445	411,676	12,282	3,264,146	4,077,549
Excess (deficiency) of revenues over (under) expenditures	429	47,327	1,463	-	49,219
Net change in fund balances	429	47,327	1,463	-	49,219
Fund balances (deficits), July 1, 2019	(429)	161,070	(46,089)		114,552
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ -	\$ 208,397	\$ (44,626)	\$ -	\$ 163,771

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Insurance

June 30, 2020 (Expressed in Thousands)

	Insurance Producers' Administration Fund	Insurance Financial Regulation Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 31,623	\$ 22,894	\$ 54,517
Other receivables, net	356	3,614	3,970
Due from other funds	45,000	23,000	68,000
Total assets	\$ 76,979	\$ 49,508	\$ 126,487
LIABILITIES			
Accounts payable and accrued liabilities	\$ 685	\$ 743	\$ 1,428
Intergovernmental payables	23	31	54
Due to other funds	814	464	1,278
Total liabilities	1,522	1,238	2,760
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	333	151	484
Total deferred inflows of resources	333	151	484
FUND BALANCES			
Committed	75,124	48,119	123,243
Total fund balances	75,124	48,119	123,243
Total liabilities, deferred inflows of resources, and fund balances	\$ 76,979	\$ 49,508	\$ 126,487

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Insurance**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Insurance Producers' Administration Fund	Insurance Financial Regulation Fund	Total
REVENUES			
Licenses and fees	\$ 33,338	\$ 23,486	\$ 56,824
Other	265	92	357
Total revenues	33,603	23,578	57,181
EXPENDITURES			
Current:			
Environment and business regulation	16,122	18,316	34,438
Debt service:			
Principal	13	5	18
Interest	2	1	3
Capital outlays	39		39
Total expenditures	16,176	18,322	34,498
Excess (deficiency) of revenues over (under) expenditures	17,427	5,256	22,683
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Capital lease financing	39		39
Net other sources (uses) of financial resources	39		39
Net change in fund balances	17,466	5,256	22,722
Fund balances, July 1, 2019	57,658	42,863	100,521
FUND BALANCES, JUNE 30, 2020	\$ 75,124	\$ 48,119	\$ 123,243

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds
Revenue

June 30, 2020 (Expressed in Thousands)

	State and Local Sales Tax Reform Fund	County and Mass Transit District Fund	Local Government Tax Fund	Illinois Affordable Housing Trust Fund	Local Government Distributive Fund
ASSETS					
Cash equity with State Treasurer	\$ 114,341	\$ 81,479	\$ 296,465	\$ 24,878	\$ 138,796
Securities lending collateral of State Treasurer				10,944	
Receivables, net:					
Taxes	44,382	4,573	62,425	11	156,440
Other				26	
Due from other funds				10,000	102,866
Due from component units				408,318	
Loans and notes receivable, net					
Total assets	\$ 158,723	\$ 86,052	\$ 358,890	\$ 454,177	\$ 398,102
LIABILITIES					
Accounts payable and accrued liabilities				\$ 1,123	\$ 1,242
Intergovernmental payables	\$ 35,529	\$ 52,984	\$ 358,890		344,126
Due to other funds	123,194	33,068			
Due to component units				14,048	
Unearned revenue					52,734
Obligations under securities lending of State Treasurer				10,944	
Total liabilities	158,723	86,052	358,890	26,115	398,102
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue					11,860
Total deferred inflows of resources					11,860
FUND BALANCES (DEFICITS)					
Committed				428,062	
Unassigned					(11,860)
Total fund balances (deficits)				428,062	(11,860)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 158,723	\$ 86,052	\$ 358,890	\$ 454,177	\$ 398,102

Personal Property Tax Replacement Fund	Senior Citizens' Real Estate Deferred Tax Revolving Fund	Build Illinois Fund	Total
\$ 283,295	\$ 19,824	\$ 5,873	\$ 964,951
37,628		5,504	54,076
212,289		34,610	514,730
91	15,431	13	15,561
		9,450	122,316
			408,318
	36,687		36,687
\$ 533,303	\$ 71,942	\$ 55,450	\$ 2,116,639
\$ 30,458		\$ 24,860	\$ 57,683
239,849			1,031,378
90,976			247,238
			14,048
275,089			327,823
37,628		5,504	54,076
674,000		30,364	1,732,246
	\$ 15,431		27,291
	15,431		27,291
	56,511	25,086	509,659
(140,697)			(152,557)
(140,697)	56,511	25,086	357,102
\$ 533,303	\$ 71,942	\$ 55,450	\$ 2,116,639

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds

Revenue

For the Year Ended June 30, 2020 (Expressed in Thousands)

	State and Local Sales Tax Reform Fund	County and Mass Transit District Fund	Local Government Tax Fund	Illinois Affordable Housing Trust Fund	Local Government Distributive Fund
REVENUES					
Income taxes					\$ 1,367,604
Sales taxes	\$ 165,658	\$ 364,607	\$ 1,831,971		386,447
Public utility taxes					
Other taxes				\$ 37,729	
Interest and other investment income				2,431	
Other				66,455	
Total revenues	165,658	364,607	1,831,971	106,615	1,754,051
EXPENDITURES					
Current:					
Health and social services				15,296	
Education					
General government				68,708	
Public protection and justice					
Intergovernmental	127,858	364,607	1,831,971		1,750,509
Total expenditures	127,858	364,607	1,831,971	84,004	1,750,509
Excess (deficiency) of revenues over (under) expenditures	37,800	-	-	22,611	3,542
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in					3,812
Transfers-out	(37,800)				(5,000)
Net other sources (uses) of financial resources	(37,800)				(1,188)
Net change in fund balances	-	-	-	22,611	2,354
Fund balances (deficits), July 1, 2019				405,451	(14,214)
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ -	\$ -	\$ -	\$ 428,062	\$ (11,860)

	Personal Property Tax Replacement Fund	Senior Citizens' Real Estate Deferred Tax Revolving Fund	Build Illinois Fund	Total
\$	1,443,678		\$ 509,535	\$ 2,811,282
	234,025			3,258,218
			107,486	234,025
	1,715	\$ 1,755	371	145,215
				6,272
				66,455
	1,679,418	1,755	617,392	6,521,467
				15,296
	1,523			1,523
	125,477			194,185
	1,797			1,797
	1,616,581			5,691,526
	1,745,378			5,904,327
	(65,960)	1,755	617,392	617,140
	95,804		39,466	139,082
	(89,129)		(681,035)	(812,964)
	6,675		(641,569)	(673,882)
	(59,285)	1,755	(24,177)	(56,742)
	(81,412)	54,756	49,263	413,844
\$	(140,697)	\$ 56,511	\$ 25,086	\$ 357,102

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Transportation

June 30, 2020 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Federal/Local Airport Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 689,287	\$ 95,767	\$ 3,532	\$ 51,814	\$ 263,782	\$ 1,104,182
Cash and cash equivalents	57,091					57,091
Securities lending collateral of State Treasurer	235,462					235,462
Receivables, net:						
Taxes		98,101		13,834	89,639	201,574
Intergovernmental	205,959		71,570			277,529
Other	6,525					6,525
Due from other funds	162,560			103,854		266,414
Due from component units	37,353					37,353
Inventories	72,619					72,619
Total assets	\$ 1,466,856	\$ 193,868	\$ 75,102	\$ 169,502	\$ 353,421	\$ 2,258,749
LIABILITIES						
Accounts payable and accrued liabilities	\$ 264,644	\$ 3,370	\$ 9,791	\$ 79	\$ 930	\$ 278,814
Intergovernmental payables	130,944	93,964	63,911	35,439	112,506	436,764
Due to other funds	208,676	96,534			35,321	340,531
Due to component units	98,432		135			98,567
Unearned revenue	19,800		1,265			21,065
Obligations under securities lending of State Treasurer	235,462					235,462
Matured portion of long-term liabilities	228					228
Total liabilities	958,186	193,868	75,102	35,518	148,757	1,411,431
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue	26,769		68,451			95,220
Total deferred inflows of resources	26,769		68,451			95,220
FUND BALANCES (DEFICITS)						
Nonspendable inventories	72,619					72,619
Restricted	54,886					54,886
Committed	354,396			133,984	204,664	693,044
Unassigned			(68,451)			(68,451)
Total fund balances (deficits)	481,901		(68,451)	133,984	204,664	752,098
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 1,466,856	\$ 193,868	\$ 75,102	\$ 169,502	\$ 353,421	\$ 2,258,749

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Transportation**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Federal/Local Airport Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
REVENUES						
Sales taxes				\$ 200,807		\$ 200,807
Motor fuel taxes	\$ 349,379	\$ 614,832			\$ 621,085	1,585,296
Federal government	1,686,266		\$ 94,275			1,780,541
Licenses and fees	1,241,621	949				1,242,570
Interest and other investment income	11,950					11,950
Other	87,689		8,446			96,135
Total revenues	3,376,905	615,781	102,721	200,807	621,085	4,917,299
EXPENDITURES						
Current:						
General government	558	44,040				44,598
Transportation	2,139,425	2,438	60,691	221,013		2,423,567
Debt service:						
Principal	462					462
Interest	175					175
Capital outlays	180,827					180,827
Intergovernmental		532,614			416,421	949,035
Total expenditures	2,321,447	579,092	60,691	221,013	416,421	3,598,664
Excess (deficiency) of revenues over (under) expenditures	1,055,458	36,689	42,030	(20,206)	204,664	1,318,635
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in		33,351				33,351
Transfers-out	(655,126)	(70,040)				(725,166)
Capital lease financing	279					279
Net other sources (uses) of financial resources	(654,847)	(36,689)				(691,536)
Net change in fund balances	400,611	-	42,030	(20,206)	204,664	627,099
Fund balances (deficits), July 1, 2019	64,025		(110,481)	154,190		107,734
Increase for changes in inventory	17,265					17,265
FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 481,901	\$ -	\$ (68,451)	\$ 133,984	\$ 204,664	\$ 752,098

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Other Departments

June 30, 2020 (Expressed in Thousands)

	Children and Family Services	Employment Security	Illinois Power Agency	Healthcare and Family Services	Public Health	
	DCFS Childrens' Services Fund	Title III Social Security and Employment Service Fund	Illinois Power Agency Renewable Energy Resources Fund	Child Support Administration Fund	Public Health Services Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 124,384	\$ 95,111	\$ 25,697	\$ 32,007	\$ 19,719	\$ 296,918
Cash and cash equivalents	1,612					1,612
Receivables, net:						
Intergovernmental	60,410	47,672		16,299	90,481	214,862
Other		38		22,272	1,539	23,849
Due from other funds	930	3,703	132,500	16,320	1,925	155,378
Inventories	411	220			1,199	1,830
Total assets	\$ 187,747	\$ 146,744	\$ 158,197	\$ 86,898	\$ 114,863	\$ 694,449
LIABILITIES						
Accounts payable and accrued liabilities	\$ 90,989	\$ 18,467	\$ 1,577	\$ 7,507	\$ 43,991	\$ 162,531
Intergovernmental payables	5,354	8,068		36,464	42,519	92,405
Due to other funds	96	5,992		10,158	995	17,241
Due to component units	12,203				1,267	13,470
Unearned revenue		113			7,109	7,222
Total liabilities	108,642	32,640	1,577	54,129	95,881	292,869
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue	35,835	29,755		12,415	15,613	93,618
Total deferred inflows of resources	35,835	29,755		12,415	15,613	93,618
FUND BALANCES						
Nonspendable inventories	411	220			1,199	1,830
Restricted		84,129				84,129
Committed	42,859		156,620	20,354		219,833
Assigned					2,170	2,170
Total fund balances	43,270	84,349	156,620	20,354	3,369	307,962
Total liabilities, deferred inflows of resources, and fund balances	\$ 187,747	\$ 146,744	\$ 158,197	\$ 86,898	\$ 114,863	\$ 694,449

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Other Departments**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Children and Family Services	Employment Security	Illinois Power Agency	Healthcare and Family Services	Public Health	
	DCFS Childrens' Services Fund	Title III Social Security and Employment Service Fund	Illinois Power Agency Renewable Energy Resources Fund	Child Support Administration Fund	Public Health Services Fund	Total
REVENUES						
Federal government	\$ 358,676	\$ 190,842		\$ 77,551	\$ 292,816	\$ 919,885
Licenses and fees	11	37	\$ 400			448
Interest and other investment income		1,461				1,461
Other	6,592	940	1,898	53,618	41,118	104,166
Total revenues	365,279	193,280	2,298	131,169	333,934	1,025,960
EXPENDITURES						
Current:						
Health and social services	403,872			153,626	329,534	887,032
General government		747				747
Employment and economic development		212,677	8,322			220,999
Debt service:						
Principal		452		50	56	558
Interest		69		16	3	88
Capital outlays		5		155	1,874	2,034
Total expenditures	403,872	213,950	8,322	153,847	331,467	1,111,458
Excess (deficiency) of revenues over (under) expenditures	(38,593)	(20,670)	(6,024)	(22,678)	2,467	(85,498)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in		15,638		28,320		43,958
Capital lease financing				103	24	127
Net other sources (uses) of financial resources		15,638		28,423	24	44,085
Net change in fund balances	(38,593)	(5,032)	(6,024)	5,745	2,491	(41,413)
Fund balances, July 1, 2019	81,452	89,449	162,644	14,609	330	348,484
Increase (decrease) for changes in inventory	411	(68)			548	891
FUND BALANCES, JUNE 30, 2020	\$ 43,270	\$ 84,349	\$ 156,620	\$ 20,354	\$ 3,369	\$ 307,962

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

State Board of Education

June 30, 2020 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 629	\$ 615	\$ 1,244
Receivables, net:			
Intergovernmental	45,446	508,791	554,237
Other	265		265
Due from other funds	28	4,318	4,346
Due from component units	7		7
Inventories	1,698		1,698
Total assets	\$ 48,073	\$ 513,724	\$ 561,797
LIABILITIES			
Accounts payable and accrued liabilities	\$ 11,925	\$ 6,636	\$ 18,561
Intergovernmental payables	34,121	495,421	529,542
Due to other funds	79	8,754	8,833
Due to component units		2,119	2,119
Unearned revenue	206	672	878
Total liabilities	46,331	513,602	559,933
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	340	118,456	118,796
Total deferred inflows of resources	340	118,456	118,796
FUND BALANCES (DEFICITS)			
Nonspendable inventories	1,698		1,698
Restricted	44		44
Unassigned	(340)	(118,334)	(118,674)
Total fund balances (deficits)	1,402	(118,334)	(116,932)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 48,073	\$ 513,724	\$ 561,797

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, 2020 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
REVENUES			
Federal government	\$ 822,738	\$ 1,562,282	\$ 2,385,020
Total revenues	<u>822,738</u>	<u>1,562,282</u>	<u>2,385,020</u>
EXPENDITURES			
Current:			
Education	822,280	1,572,504	2,394,784
Capital outlays	820	2,856	3,676
Total expenditures	<u>823,100</u>	<u>1,575,360</u>	<u>2,398,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(362)</u>	<u>(13,078)</u>	<u>(13,440)</u>
Net change in fund balances	<u>(362)</u>	<u>(13,078)</u>	<u>(13,440)</u>
Fund balances (deficits), July 1, 2019	1,481	(105,256)	(103,775)
Increase for changes in inventory	283		283
FUND BALANCES (DEFICITS), JUNE 30, 2020	<u>\$ 1,402</u>	<u>\$ (118,334)</u>	<u>\$ (116,932)</u>

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Other Agencies, Boards, and Authorities

June 30, 2020 (Expressed in Thousands)

	Criminal Justice Information Authority	Railsplitter Tobacco Settlement Authority	Illinois Gaming Board	Office of the State Fire Marshal	
	Criminal Justice Trust Fund	Railsplitter Trustee Account Fund	State Gaming Fund	Underground Storage Tank Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 37,484		\$ 18,089	\$ 42,992	\$ 98,565
Cash and cash equivalents		\$ 163,608			163,608
Securities lending collateral of State Treasurer	11,519			12,958	24,477
Receivables, net:					
Taxes				5,337	5,337
Intergovernmental	16,196				16,196
Other	28	132,349	337	1,745	134,459
Due from other funds	29		2,268	86,300	88,597
Total assets	65,256	295,957	20,694	149,332	531,239
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - TSR's		316,033			316,033
Total assets and deferred outflows of resources	\$ 65,256	\$ 611,990	\$ 20,694	\$ 149,332	\$ 847,272
LIABILITIES					
Accounts payable and accrued liabilities	\$ 15,270		\$ 3,003	\$ 6,490	\$ 24,763
Intergovernmental payables	2,356		41	434	2,831
Due to other funds	311	\$ 59,726	17,630	105	77,772
Due to component units	90				90
Unearned revenue	35,710				35,710
Obligations under securities lending of State Treasurer	11,519			12,958	24,477
Total liabilities	65,256	59,726	20,674	19,987	165,643
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue		132,349	20	1,714	134,083
Total deferred inflows of resources		132,349	20	1,714	134,083
FUND BALANCES					
Restricted		419,915			419,915
Committed				127,631	127,631
Total fund balances		419,915		127,631	547,546
Total liabilities, deferred inflows of resources, and fund balances	\$ 65,256	\$ 611,990	\$ 20,694	\$ 149,332	\$ 847,272

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Special Revenue Funds
Other Agencies, Boards, and Authorities**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Criminal Justice Information Authority	Railsplitter Tobacco Settlement Authority	Illinois Gaming Board	Office of the State Fire Marshal	
	Criminal Justice Trust Fund	Railsplitter Trustee Account Fund	State Gaming Fund	Underground Storage Tank Fund	Total
REVENUES					
Motor fuel taxes				\$ 66,515	\$ 66,515
Riverboat taxes			\$ 329,163		329,163
Federal government	\$ 83,220				83,220
Licenses and fees			10,670	48	10,718
Interest and other investment income	161	\$ 2,422		1,415	3,998
Other		262,198		587	262,785
Total revenues	83,381	264,620	339,833	68,565	756,399
EXPENDITURES					
Current:					
Health and social services			2,011		2,011
General government		115		1,998	2,113
Public protection and justice	83,381		48,111	4,463	135,955
Environment and business regulation				29,738	29,738
Debt service:					
Principal		98,565		6	98,571
Interest		44,209		1	44,210
Capital outlays			7	31	38
Intergovernmental			60,985		60,985
Total expenditures	83,381	142,889	111,114	36,237	373,621
Excess (deficiency) of revenues over (under) expenditures	-	121,731	228,719	32,328	382,778
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-out		(218,066)	(228,719)	(23,993)	(470,778)
Net other sources (uses) of financial resources		(218,066)	(228,719)	(23,993)	(470,778)
Net change in fund balances	-	(96,335)	-	8,335	(88,000)
Fund balances, July 1, 2019		516,250		119,296	635,546
FUND BALANCES, JUNE 30, 2020	\$ -	\$ 419,915	\$ -	\$ 127,631	\$ 547,546

This Page Left Intentionally Blank

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, 2020 (Expressed in Thousands)

	Treasurer		Governor's Office of Management and Budget		Other	Total		
	General	Obligation Bond Retirement and Interest Fund	Build Illinois Bond Retirement and Interest Fund					
ASSETS								
Cash equity with State Treasurer	\$	1,254,557	\$	20,162	\$	3,197	\$	1,277,916
Cash and cash equivalents				82,647		17,588		100,235
Securities lending collateral of State Treasurer		319,388		4,097				323,485
Receivables, net:								
Intergovernmental		17,377						17,377
Other		852		10				862
Due from other funds		4,504						4,504
Total assets	\$	1,596,678	\$	106,916	\$	20,785	\$	1,724,379
LIABILITIES								
Obligations under securities lending of State Treasurer	\$	319,388	\$	4,097			\$	323,485
Total liabilities		319,388		4,097				323,485
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows of resources - unavailable revenue		17,377						17,377
Total deferred inflows of resources		17,377						17,377
FUND BALANCES								
Restricted		1,259,913		102,819	\$	20,785		1,383,517
Total fund balances		1,259,913		102,819		20,785		1,383,517
Total liabilities, deferred inflows of resources, and fund balances	\$	1,596,678	\$	106,916	\$	20,785	\$	1,724,379

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Treasurer		Governor's Office of Management and Budget		Other	Total
	General	Obligation Bond Retirement and Interest Fund	Build Illinois Bond Retirement and Interest Fund			
REVENUES						
Federal government	\$	27,510				\$ 27,510
Interest and other investment income		22,711	\$ 3,753	\$	259	26,723
Total revenues		<u>50,221</u>	<u>3,753</u>		<u>259</u>	<u>54,233</u>
EXPENDITURES						
Current:						
General government		63	55			118
Employment and economic development					13	13
Debt service:						
Principal		1,693,331	198,570		16,680	1,908,581
Interest		1,416,770	99,421		496	1,516,687
Total expenditures		<u>3,110,164</u>	<u>298,046</u>		<u>17,189</u>	<u>3,425,399</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(3,059,943)</u>	<u>(294,293)</u>		<u>(16,930)</u>	<u>(3,371,166)</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in		3,078,124	504,213		12,174	3,594,511
Transfers-out			(223,861)			(223,861)
Net other sources (uses) of financial resources		<u>3,078,124</u>	<u>280,352</u>		<u>12,174</u>	<u>3,370,650</u>
Net change in fund balances		<u>18,181</u>	<u>(13,941)</u>		<u>(4,756)</u>	<u>(516)</u>
Fund balances, July 1, 2019		<u>1,241,732</u>	<u>116,760</u>		<u>25,541</u>	<u>1,384,033</u>
FUND BALANCES, JUNE 30, 2020	\$	<u>1,259,913</u>	\$ <u>102,819</u>	\$	<u>20,785</u>	\$ <u>1,383,517</u>

This Page Left Intentionally Blank

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.

Transportation Bond, Series D Fund--to account for the proceeds from bond issues used to finance State highways, arterial highways, freeways, roads, bridges, structures separating highways and railroads and roads, and bridges on roads maintained by counties, municipalities, townships, or road districts.

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.

State of Illinois

Combining Balance Sheet
Nonmajor Capital Projects Funds

June 30, 2020 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board		Other	Total
	Build Illinois Bond Fund	Transportation	Capital Development Fund			
ASSETS						
Cash equity with State Treasurer	\$ 298,733	\$ 1,356,141	\$ 223,402	\$ 24,644		\$ 1,902,920
Cash and cash equivalents			8,226			8,226
Securities lending collateral of State Treasurer		115,661				115,661
Receivables, net:						
Intergovernmental			1,326	2,491		3,817
Other	525	1,408				1,933
Due from other funds	467	325,335	11,656	2,103		339,561
Loans and notes receivable, net	1,350					1,350
Total assets	\$ 301,075	\$ 1,798,545	\$ 244,610	\$ 29,238		\$ 2,373,468
LIABILITIES						
Accounts payable and accrued liabilities	\$ 3,622	\$ 180,412	\$ 116,279	\$ 4,040		\$ 304,353
Intergovernmental payables	6,030	30,430	1,333			37,793
Due to other funds	105	254	2,504	777		3,640
Due to component units			128			128
Unearned revenue		6,416		610		7,026
Obligations under securities lending of State Treasurer		115,661				115,661
Total liabilities	9,757	333,173	120,244	5,427		468,601
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue		141	1,326	889		2,356
Total deferred inflows of resources		141	1,326	889		2,356
FUND BALANCES						
Restricted	291,318	900,151	123,040	8,753		1,323,262
Committed		565,080		14,169		579,249
Total fund balances	291,318	1,465,231	123,040	22,922		1,902,511
Total liabilities, deferred inflows of resources, and fund balances	\$ 301,075	\$ 1,798,545	\$ 244,610	\$ 29,238		\$ 2,373,468

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board		Total
	Build Illinois Bond Fund	Transportation	Capital Development Fund	Other	
REVENUES					
Motor fuel taxes		\$ 690,993			\$ 690,993
Federal government			\$ 10,793	\$ 12,885	23,678
Licenses and fees		447,187			447,187
Interest and other investment income		12,639			12,639
Other	\$ 4		91	3,708	3,803
Total revenues	4	1,150,819	10,884	16,593	1,178,300
EXPENDITURES					
Current:					
Education			23,260	10,139	33,399
General government	7,447	3,340	33,686		44,473
Employment and economic development	46,109		13,733		59,842
Transportation		640,927			640,927
Public protection and justice			2,228		2,228
Environment and business regulation	6,574		9,082		15,656
Debt service:					
Principal			9		9
Interest			1		1
Capital outlays	622	1,159,678	246,600	7,555	1,414,455
Total expenditures	60,752	1,803,945	328,599	17,694	2,210,990
Excess (deficiency) of revenues over (under) expenditures	(60,748)	(653,126)	(317,715)	(1,101)	(1,032,690)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued		1,049,717	275,283		1,325,000
Premiums on general obligation bonds issued		56,101	8,658		64,759
Discounts on general obligation bonds issued		(6,300)	(2,756)		(9,056)
Transfers-in		315	10,000		10,315
Transfers-out	(747)	(315)		(10,045)	(11,107)
Net other sources (uses) of financial resources	(747)	1,099,518	291,185	(10,045)	1,379,911
Net change in fund balances	(61,495)	446,392	(26,530)	(11,146)	347,221
Fund balances, July 1, 2019	352,813	1,018,839	149,570	34,068	1,555,290
FUND BALANCES, JUNE 30, 2020	\$ 291,318	\$ 1,465,231	\$ 123,040	\$ 22,922	\$ 1,902,511

State of Illinois

Combining Balance Sheet - Nonmajor Capital Projects Funds

Transportation

June 30, 2020 (Expressed in Thousands)

	Transportation Bond, Series A Fund	Transportation Bond, Series B Fund	Transportation Bond, Series D Fund	State Construction Account	Multi-Modal Transportation Bond Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 358,394	\$ 146,108	\$ 259,121	\$ 385,460	\$ 207,058	\$ 1,356,141
Securities lending collateral of State Treasurer				115,661		115,661
Other receivables, net				1,408		1,408
Due from other funds				325,335		325,335
Total assets	\$ 358,394	\$ 146,108	\$ 259,121	\$ 827,864	\$ 207,058	\$ 1,798,545
LIABILITIES						
Accounts payable and accrued liabilities	\$ 5,224	\$ 12,082	\$ 22,819	\$ 140,287		\$ 180,412
Intergovernmental payables	1,418	16,173	12,814	25		30,430
Due to other funds				254		254
Unearned revenue				6,416		6,416
Obligations under securities lending of State Treasurer				115,661		115,661
Total liabilities	6,642	28,255	35,633	262,643		333,173
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue				141		141
Total deferred inflows of resources				141		141
FUND BALANCES						
Restricted	351,752	117,853	223,488		\$ 207,058	900,151
Committed				565,080		565,080
Total fund balances	351,752	117,853	223,488	565,080	207,058	1,465,231
Total liabilities, deferred inflows of resources, and fund balances	\$ 358,394	\$ 146,108	\$ 259,121	\$ 827,864	\$ 207,058	\$ 1,798,545

State of Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Capital Projects Funds
Transportation**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Transportation Bond, Series A Fund	Transportation Bond, Series B Fund	Transportation Bond, Series D Fund	State Construction Account	Multi-Modal Transportation Bond Fund	Total
REVENUES						
Motor fuel taxes				\$ 690,993		\$ 690,993
Licenses and fees				447,187		447,187
Interest and other investment income				12,639		12,639
Total revenues				1,150,819		1,150,819
EXPENDITURES						
Current:						
General government	\$ 1,919	\$ 294	\$ 677		\$ 450	3,340
Transportation	254,642	93,383	47,769	245,133		640,927
Capital outlays			113,735	1,045,943		1,159,678
Total expenditures	256,561	93,677	162,181	1,291,076	450	1,803,945
Excess (deficiency) of revenues over (under) expenditures	(256,561)	(93,677)	(162,181)	(140,257)	(450)	(653,126)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
General obligation bonds issued	584,543	78,652	195,507		191,015	1,049,717
Premiums on general obligation bonds issued	28,886	2,474	8,248		16,493	56,101
Discounts on general obligation bonds issued	(3,937)	(787)	(1,576)			(6,300)
Transfers-in			315			315
Transfers-out		(315)				(315)
Net other sources (uses) of financial resources	609,492	80,024	202,494	-	207,508	1,099,518
Net change in fund balances	352,931	(13,653)	40,313	(140,257)	207,058	446,392
Fund balances (deficits), July 1, 2019	(1,179)	131,506	183,175	705,337		1,018,839
FUND BALANCES, JUNE 30, 2020	\$ 351,752	\$ 117,853	\$ 223,488	\$ 565,080	\$ 207,058	\$ 1,465,231

This Page Left Intentionally Blank

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.

Department of Human Services

DHS Permanent Trust Fund--to account for resources obtained for the maintenance and support of residents of an institution of the Department.

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, 2020 (Expressed in Thousands)

	Natural Resources	Human Services DHS Permanent Trust Fund	Illinois Power Agency Illinois Power Agency Trust Fund	Other	Total
ASSETS					
Cash equity with State Treasurer	\$ 15,278				\$ 15,278
Cash and cash equivalents		\$ 208		\$ 72	280
Securities lending collateral of State Treasurer	815				815
Investments		254	\$ 39,386	945	40,585
Other receivables	7				7
Total assets	\$ 16,100	\$ 462	\$ 39,386	\$ 1,017	\$ 56,965
LIABILITIES					
Due to other funds		\$ 142			\$ 142
Obligations under securities lending of State Treasurer	\$ 815				815
Total liabilities	815	142			957
FUND BALANCES					
Nonspendable endowments and similar funds	11,304	160	\$ 39,386	\$ 945	51,795
Restricted	3,981	160		72	4,213
Total fund balances	15,285	320	39,386	1,017	56,008
Total liabilities and fund balances	\$ 16,100	\$ 462	\$ 39,386	\$ 1,017	\$ 56,965

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Permanent Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Natural Resources	Human Services DHS Permanent Trust Fund	Illinois Power Agency Illinois Power Agency Trust Fund	Other	Total
REVENUES					
Licenses and fees	\$ 61				\$ 61
Interest and other investment income	242	\$ 13	\$ 1,746	\$ 14	2,015
Other		8			8
Total revenues	303	21	1,746	14	2,084
EXPENDITURES					
Current:					
Health and social services		1		11	12
Total expenditures		1		11	12
Excess (deficiency) of revenues over (under) expenditures	303	20	1,746	3	2,072
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-out			(1,848)		(1,848)
Net other sources (uses) of financial resources			(1,848)		(1,848)
Net change in fund balances	303	20	(102)	3	224
Fund balances, July 1, 2019	14,982	300	39,488	1,014	55,784
FUND BALANCES, JUNE 30, 2020	\$ 15,285	\$ 320	\$ 39,386	\$ 1,017	\$ 56,008

State of Illinois

Combining Balance Sheet - Nonmajor Permanent Funds

Natural Resources

June 30, 2020 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 2,634	\$ 12,644	\$ 15,278
Securities lending collateral of State Treasurer	815		815
Other receivables	2	5	7
Total assets	\$ 3,451	\$ 12,649	\$ 16,100
LIABILITIES			
Obligations under securities lending of State Treasurer	\$ 815		\$ 815
Total liabilities	815		815
FUND BALANCES			
Nonspendable endowments and similar funds	2,636	\$ 8,668	11,304
Restricted		3,981	3,981
Total fund balances	2,636	12,649	15,285
Total liabilities and fund balances	\$ 3,451	\$ 12,649	\$ 16,100

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Permanent Funds
Natural Resources

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
REVENUES			
Licenses and fees	\$ 61		\$ 61
Interest and other investment income	43	\$ 199	242
Total revenues	<u>104</u>	<u>199</u>	<u>303</u>
Net change in fund balances	<u>104</u>	<u>199</u>	<u>303</u>
Fund balances, July 1, 2019	<u>2,532</u>	<u>12,450</u>	<u>14,982</u>
FUND BALANCES, JUNE 30, 2020	<u>\$ 2,636</u>	<u>\$ 12,649</u>	<u>\$ 15,285</u>

This Page Left Intentionally Blank

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

Student Loan Operation Fund--to account for the administration of the student loan guaranty program.

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, 2020 (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	\$ 11,848	\$ 45,597	\$ 61,431	\$ 77,512	\$ 196,388		
Cash and cash equivalents		13,609	9,404	4,168	27,181		
Securities lending collateral of State Treasurer	4,039		19,118	21,982	45,139		
Investments		24,250	20,598	33,462	78,310		
Receivables, net:							
Intergovernmental			367	10,012	10,379		
Other	6,116	112,436	46	5,470	124,068		
Due from other funds	12,000	3	2,977	2,776	17,756		
Restricted assets:							
Cash and cash equivalents			8,486		8,486		
Other receivables, net			24,533		24,533		
Loans and notes receivable, net			26,156		26,156		
Prepaid expenses		223		1,306	1,529		
Total current assets	34,003	196,118	173,116	156,688	559,925		
Investments		272,835		31,801	304,636		
Restricted loans and notes receivable, net			191,812		191,812		
Capital assets being depreciated, net		29	1,100	1,788	2,917		
Total noncurrent assets		272,864	192,912	33,589	499,365		
Total assets	34,003	468,982	366,028	190,277	1,059,290		
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows of resources - pensions	5,117	9,271	10,273	205	24,866		
Deferred outflows of resources - OPEB	1,742	3,178	3,560	55	8,535		
Total deferred outflows of resources	6,859	12,449	13,833	260	33,401		
LIABILITIES							
Accounts payable and accrued liabilities	6,261	99,554	1,586	15,329	122,730		
Intergovernmental payables	19	43	534	2,705	3,301		
Due to other funds	204	59,827	2,568	642	63,241		
Due to component units			2		2		
Unearned revenue		1,411		31,552	32,963		
Obligations under securities lending of State Treasurer	4,039		19,118	21,982	45,139		
Short-term notes payable			78,157		78,157		
Current portion of long-term liabilities	838	24,142	757	682	26,419		
Total current liabilities	11,361	184,977	102,722	72,892	371,952		
Due to other funds		89,045			89,045		
Noncurrent portion of long-term liabilities	83,024	355,129	164,002	10,227	612,382		
Total noncurrent liabilities	83,024	444,174	164,002	10,227	701,427		
Total liabilities	94,385	629,151	266,724	83,119	1,073,379		
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources - unamortized deferred amounts on refundings			24,929		24,929		
Deferred inflows of resources - pensions	11,186	7,293	35,482	92	54,053		
Deferred inflows of resources - OPEB	9,961	12,668	29,131	99	51,859		
Total deferred inflows of resources	21,147	19,961	89,542	191	130,841		
NET POSITION							
Net investment in capital assets		12	1,100	1,788	2,900		
Restricted for:							
Debt service			31,839		31,839		
Education				48,991	48,991		
Unrestricted	(74,670)	(167,693)	(9,344)	56,448	(195,259)		
Total net position	\$ (74,670)	\$ (167,681)	\$ 23,595	\$ 107,227	\$ (111,529)		

State of Illinois

Combining Statement of Revenues, Expenses
and Changes in Net Position

Nonmajor Enterprise Funds

For the Year Ended June 30, 2020 (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	\$ 18,627	\$ 2,841,724	\$ 8,631	\$ 83,220	\$ 2,952,202	
Interest income pledged as revenue bond security			14,615		14,615	
Interest and other investment income				28	28	
Other		6,780			6,780	
Total operating revenues	18,627	2,848,504	23,246	83,248	2,973,625	
OPERATING EXPENSES						
Cost of sales and services	7,080	154,938	9,202	80,973	252,193	
Benefit payments and refunds				34,790	34,790	
Prizes and claims		1,842,188			1,842,188	
Interest	8		1,249		1,257	
General and administrative		153,614	(3,726)	11,420	161,308	
Depreciation		27	417	222	666	
Other				14,504	14,504	
Total operating expenses	7,088	2,150,767	7,142	141,909	2,306,906	
Operating income (loss)	11,539	697,737	16,104	(58,661)	666,719	
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	284	32,346	1,048	2,779	36,457	
Interest expense		(9,008)		(4)	(9,012)	
Federal government				77,760	77,760	
Other revenues		30		31	61	
Other expenses		(33)	(867)		(900)	
Income (loss) before transfers	11,823	721,072	16,285	21,905	771,085	
Transfers-in			10,707	2,476	13,183	
Transfers-out	(5,970)	(696,068)	(2,476)	(10,707)	(715,221)	
Change in net position	5,853	25,004	24,516	13,674	69,047	
Net position, July 1, 2019	(80,523)	(192,685)	(921)	93,553	(180,576)	
NET POSITION, JUNE 30, 2020	\$ (74,670)	\$ (167,681)	\$ 23,595	\$ 107,227	\$ (111,529)	

State of Illinois

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Financial and Professional Regulation		Student Assistance Commission	Other	Total
	Bank and Trust Company Fund	State Lottery Fund			
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from sales and services	\$ 24,873		\$ 7,919	\$ 131,252	\$ 164,044
Cash received from lottery sales		\$ 2,786,215			2,786,215
Cash payments to suppliers for goods and services		(142,041)	(4,763)	(43,555)	(190,359)
Cash payments for interfund services		(4,128)		(219)	(4,347)
Cash payments to employees for services	(12,543)	(20,190)	(8,654)	(14,543)	(55,930)
Cash payments for lottery prizes		(1,805,100)			(1,805,100)
Cash payments for commissions and bonuses		(154,938)			(154,938)
Cash receipts from student loan principal			38,129		38,129
Cash receipts from student loan interest			8,512		8,512
Cash payments for student loans issued			(1,891)		(1,891)
Cash receipts from other operating activities		6,839		1,356	8,195
Cash payments for other operating activities	(659)	(192)	(4,948)	(135,412)	(141,211)
Net cash provided (used) by operating activities	11,671	666,465	34,304	(61,121)	651,319
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Principal paid on revenue bonds and other borrowings			(37,776)		(37,776)
Interest paid on revenue bonds and other borrowings			(5,772)	(5)	(5,777)
Grants received				80,812	80,812
Grants paid			(159)		(159)
Transfers-in from other funds			10,578	2,539	13,117
Transfers-out to other funds	(5,970)	(656,174)	(2,539)	(10,578)	(675,261)
Net cash provided (used) by noncapital financing activities	(5,970)	(656,174)	(35,668)	72,768	(625,044)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets				(345)	(345)
Principal paid on capital debt		(20)			(20)
Net cash provided (used) by capital and related financing activities		(20)		(345)	(365)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities			(44,425)	(32,324)	(76,749)
Proceeds from sales and maturities of investment securities		24,392	43,207	27,096	94,695
Loan disbursements	(11,000)			(2,000)	(13,000)
Cash paid for long-term annuity prizes payable		(24,425)			(24,425)
Interest and dividends on investments	306	39	1,376	2,331	4,052
Net cash provided (used) by investing activities	(10,694)	6	158	(4,897)	(15,427)
Net increase (decrease) in cash and cash equivalents	(4,993)	10,277	(1,206)	6,405	10,483
Cash and cash equivalents, July 1, 2019	16,841	48,929	80,527	75,275	221,572
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 11,848	\$ 59,206	\$ 79,321	\$ 81,680	\$ 232,055
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Total cash and cash equivalents per Statement of Net Position		\$ 13,609	\$ 9,404	\$ 4,168	\$ 27,181
Add: cash equity with State Treasurer	\$ 11,848	45,597	61,431	77,512	196,388
Add: restricted cash equivalents			8,486		8,486
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 11,848	\$ 59,206	\$ 79,321	\$ 81,680	\$ 232,055

(continued)

State of Illinois

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

(continued)

	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)	\$ 11,539	\$ 697,737	\$ 16,104	\$ (58,661)	\$	666,719
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		27	417	222		666
Provision for uncollectible accounts	(11)	2,561	3,178			5,728
Interest and investment income			(507)	(28)		(535)
Interest expense			1,249			1,249
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:						
(Increase) decrease in accounts receivable	271	(57,100)	(3,227)	1,061		(58,995)
(Increase) decrease in intergovernmental receivables			44	(225)		(181)
(Increase) decrease in due from other funds		2	(323)	(38)		(359)
(Increase) decrease in loans and notes receivable			35,201			35,201
(Increase) decrease in prepaid expenses		82		(1,121)		(1,039)
(Increase) decrease in deferred outflows of resources	582	1,481	5,845	(260)		7,648
Increase (decrease) in accounts payable and accrued liabilities	5,733	24,464	520	(2,465)		28,252
Increase (decrease) in intergovernmental payables	(14)	(41)		(329)		(384)
Increase (decrease) in due to other funds	(22)	(330)	(84)	154		(282)
Increase (decrease) in due to component units		(2)	(8)			(10)
Increase (decrease) in unearned revenue		150		(700)		(550)
Increase (decrease) in net pension liability	(4,656)	(3,317)	(31,115)	668		(38,420)
Increase (decrease) in OPEB liability	2,091	4,028	(15,548)	571		(8,858)
Increase (decrease) in other liabilities	36	93	962	(161)		930
Increase (decrease) in deferred inflows of resources	(3,878)	(3,370)	21,596	191		14,539
Total adjustments	132	(31,272)	18,200	(2,460)		(15,400)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 11,671	\$ 666,465	\$ 34,304	\$ (61,121)	\$	651,319
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Increase (decrease) in fair value of investments			\$ 245	\$ 480	\$	725
Interest accreted on investments	\$	9,008				9,008
Interest accreted on long-term annuity prizes payable		(9,008)				(9,008)

State of Illinois

Combining Statement of Net Position - Nonmajor Enterprise Funds

Student Assistance Commission

June 30, 2020 (Expressed in Thousands)

	Student Loan Operation Fund	Illinois Designated Account Purchase Program Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 61,431		\$ 61,431
Cash and cash equivalents		\$ 9,404	9,404
Securities lending collateral of State Treasurer	19,118		19,118
Investments		20,598	20,598
Receivables, net:			
Intergovernmental	367		367
Other	46		46
Due from other funds	2,830	147	2,977
Restricted assets:			
Cash and cash equivalents		8,486	8,486
Other receivables, net		24,533	24,533
Loans and notes receivable, net		26,156	26,156
Total current assets	83,792	89,324	173,116
Restricted loans and notes receivable, net		191,812	191,812
Capital assets being depreciated, net	1,100		1,100
Total noncurrent assets	1,100	191,812	192,912
Total assets	84,892	281,136	366,028
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	9,380	893	10,273
Deferred outflows of resources - OPEB	3,188	372	3,560
Total deferred outflows of resources	12,568	1,265	13,833
LIABILITIES			
Accounts payable and accrued liabilities	1,080	506	1,586
Intergovernmental payables		534	534
Due to other funds	578	1,990	2,568
Due to component units	2		2
Obligations under securities lending of State Treasurer	19,118		19,118
Short-term notes payable		78,157	78,157
Current portion of long-term liabilities	712	45	757
Total current liabilities	21,490	81,232	102,722
Noncurrent portion of long-term liabilities	44,235	119,767	164,002
Total liabilities	65,725	200,999	266,724
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unamortized deferred amounts on refundings		24,929	24,929
Deferred inflows of resources - pensions	34,841	641	35,482
Deferred inflows of resources - OPEB	28,478	653	29,131
Total deferred inflows of resources	63,319	26,223	89,542
NET POSITION			
Net investment in capital assets	1,100		1,100
Restricted for:			
Debt service		31,839	31,839
Unrestricted	(32,684)	23,340	(9,344)
Total net position	\$ (31,584)	\$ 55,179	\$ 23,595

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, 2020 (Expressed in Thousands)

	Student Loan Operation Fund	Illinois Designated Account Purchase Program Fund	Total
OPERATING REVENUES			
Charges for sales and services	\$ 8,631		\$ 8,631
Interest income pledged as revenue bond security		\$ 14,615	14,615
Total operating revenues	8,631	14,615	23,246
OPERATING EXPENSES			
Cost of sales and services	9,202		9,202
Interest		1,249	1,249
General and administrative	(9,867)	6,141	(3,726)
Depreciation	417		417
Total operating expenses	(248)	7,390	7,142
Operating income (loss)	8,879	7,225	16,104
NONOPERATING REVENUES (EXPENSES)			
Interest and investment income	1,048		1,048
Other expenses		(867)	(867)
Income (loss) before transfers	9,927	6,358	16,285
Transfers-in	10,707		10,707
Transfers-out	(2,476)		(2,476)
Change in net position	18,158	6,358	24,516
Net position, July 1, 2019	(49,742)	48,821	(921)
NET POSITION, JUNE 30, 2020	\$ (31,584)	\$ 55,179	\$ 23,595

State of Illinois

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

Student Assistance Commission

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Student Loan Operation Fund	Illinois Designated Account Purchase Program Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from sales and services	\$ 7,919		\$ 7,919
Cash payments to suppliers for goods and services	(3,199)	\$ (1,564)	(4,763)
Cash payments to employees for services	(8,078)	(576)	(8,654)
Cash receipts from student loan principal		38,129	38,129
Cash receipts from student loan interest		8,512	8,512
Cash payments for student loans issued		(1,891)	(1,891)
Cash payments for other operating activities	(4,948)		(4,948)
Net cash provided (used) by operating activities	(8,306)	42,610	34,304
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Principal paid on revenue bonds and other borrowings		(37,776)	(37,776)
Interest paid on revenue bonds and other borrowings		(5,772)	(5,772)
Grants paid		(159)	(159)
Transfers-in from other funds	10,578		10,578
Transfers-out to other funds	(2,539)		(2,539)
Net cash provided (used) by noncapital financing activities	8,039	(43,707)	(35,668)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investment securities		(44,425)	(44,425)
Proceeds from sales and maturities of investment securities		43,207	43,207
Interest and dividends on investments	1,114	262	1,376
Net cash provided (used) by investing activities	1,114	(956)	158
Net increase (decrease) in cash and cash equivalents	847	(2,053)	(1,206)
Cash and cash equivalents, July 1, 2019	60,584	19,943	80,527
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 61,431	\$ 17,890	\$ 79,321
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Total cash and cash equivalents per Statement of Net Position		\$ 9,404	\$ 9,404
Add: cash equity with State Treasurer	\$ 61,431		61,431
Add: restricted cash equivalents		8,486	8,486
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 61,431	\$ 17,890	\$ 79,321
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
OPERATING INCOME (LOSS)	\$ 8,879	\$ 7,225	\$ 16,104
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	417		417
Provision for uncollectible accounts		3,178	3,178
Interest and investment income		(507)	(507)
Interest expense		1,249	1,249
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
(Increase) decrease in accounts receivable		(3,227)	(3,227)
(Increase) decrease in intergovernmental receivables	44		44
(Increase) decrease in due from other funds	(176)	(147)	(323)
(Increase) decrease in loans and notes receivable		35,201	35,201
(Increase) decrease in deferred outflows of resources	5,564	281	5,845
Increase (decrease) in accounts payable and accrued liabilities	573	(53)	520
Increase (decrease) in due to other funds	(69)	(15)	(84)
Increase (decrease) in due to component units	(8)		(8)
Increase (decrease) in net pension liability	(31,042)	(73)	(31,115)
Increase (decrease) in OPEB liability	(15,791)	243	(15,548)
Increase (decrease) in other liabilities	964	(2)	962
Increase (decrease) in deferred inflows of resources	22,339	(743)	21,596
Total adjustments	(17,185)	35,385	18,200
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (8,306)	\$ 42,610	\$ 34,304
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Increase (decrease) in fair value of investments		\$ 245	\$ 245

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 Corrections

Working Capital Revolving Fund--to account for the income and expenses associated with the production by factories, farms, and service programs at several State correctional facilities for use by other State agencies.

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, 2020 (Expressed in Thousands)

	Auditor General	Central Management Services	Corrections Working Capital Revolving Fund	Department of Innovation and Technology Technology Management Revolving Fund	Other	Total
ASSETS						
Cash equity with State Treasurer	\$ 34,724	\$ 47,269	\$ 905	\$ 12,979	\$ 1,659	\$ 97,536
Cash and cash equivalents		83,174				83,174
Securities lending collateral of State Treasurer		16,871			178	17,049
Receivables, net:						
Intergovernmental		5,530	2	1,004		6,536
Other		21,834	63	444	4,296	26,637
Due from other funds	18,499	1,868,612	35,719	378,048	5,109	2,305,987
Due from component units	2,248	10,806	2	1,808	286	15,150
Inventories		1,887	5,452		1,562	8,901
Prepaid expenses		40,310				40,310
Total current assets	55,471	2,096,293	42,143	394,283	13,090	2,601,280
Capital assets not being depreciated		38,838	339	316		39,493
Capital assets being depreciated, net		127,236	2,697	149,195		279,128
Total noncurrent assets		166,074	3,036	149,511		318,621
Total assets	55,471	2,262,367	45,179	543,794	13,090	2,919,901
LIABILITIES						
Accounts payable and accrued liabilities	6,942	1,332,528	13,387	416,825	3,734	1,773,416
Intergovernmental payables	1	2,576	27	14,782		17,386
Due to other funds	2	8,881	2,572	20,044	1,489	32,988
Due to component units		705	4	9		718
Unearned revenue				4,109		4,109
Obligations under securities lending of State Treasurer		16,871			178	17,049
Current portion of long-term liabilities		107,033	150	10,653		117,836
Total current liabilities	6,945	1,468,594	16,140	466,422	5,401	1,963,502
Noncurrent portion of long-term liabilities		477,413	751	27,562		505,726
Total liabilities	6,945	1,946,007	16,891	493,984	5,401	2,469,228
NET POSITION						
Net investment in capital assets		166,074	3,036	148,733		317,843
Unrestricted	48,526	150,286	25,252	(98,923)	7,689	132,830
Total net position	\$ 48,526	\$ 316,360	\$ 28,288	\$ 49,810	\$ 7,689	\$ 450,673

State of Illinois

Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Auditor General	Central	Corrections	Department of Innovation and Technology		
	Audit Expense	Management	Working Capital	Technology	Other	Total
	Fund	Services	Revolving Fund	Management Revolving Fund		
OPERATING REVENUES						
Charges for sales and services	\$ 26,785	\$ 3,164,125	\$ 32,864	\$ 309,354	\$ 34,093	\$ 3,567,221
Other		91				91
Total operating revenues	26,785	3,164,216	32,864	309,354	34,093	3,567,312
OPERATING EXPENSES						
Cost of sales and services	25,902	246,708	28,496	388,841	33,603	723,550
Benefit payments and refunds		2,748,402				2,748,402
General and administrative		75,855	6,432		11	82,298
Depreciation		19,634	518	13,371		33,523
Other		12				12
Total operating expenses	25,902	3,090,611	35,446	402,212	33,614	3,587,785
Operating income (loss)	883	73,605	(2,582)	(92,858)	479	(20,473)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income		3,037			148	3,185
Interest expense		(82,788)	(725)	(59,275)		(142,788)
Federal government		5,297		18,864		24,161
Other revenues			645			645
Other expenses		(25)		(1,233)		(1,258)
Income (loss) before contributions and transfers	883	(874)	(2,662)	(134,502)	627	(136,528)
Contributions of capital assets		2,162	6	665		2,833
Transfers-in					800	800
Change in net position	883	1,288	(2,656)	(133,837)	1,427	(132,895)
Net position, July 1, 2019	47,643	315,072	30,944	183,647	6,262	583,568
NET POSITION, JUNE 30, 2020	\$ 48,526	\$ 316,360	\$ 28,288	\$ 49,810	\$ 7,689	\$ 450,673

State of Illinois

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Auditor General	Central	Corrections	Department of Innovation and Technology		
	Audit Expense Fund	Management Services	Working Capital Revolving Fund	Technology Management Revolving Fund	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 1,983	\$ 141,793	\$ 1,247	\$ 11,354		\$ 156,377
Cash received from transactions with other funds	23,244	3,765,439	31,513	239,062	\$ 40,932	4,100,190
Cash payments to suppliers for goods and services	(25,101)	(3,697,598)	(24,135)	(104,502)	(40,161)	(3,891,497)
Cash payments for interfund services	(9)	(28,975)	(910)	(14,020)	(11)	(43,925)
Cash payments to employees for services	(554)	(58,524)	(7,985)	(125,191)	(1,686)	(193,940)
Cash payments for workers compensation		(99,909)				(99,909)
Cash receipts from other operating activities		82,449	637			83,086
Net cash provided (used) by operating activities	(437)	104,675	367	6,703	(926)	110,382
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from other borrowings				38,851		38,851
Principal paid on other borrowings				(8,480)		(8,480)
Interest paid on other borrowings		(149,808)	(688)	(35,026)		(185,522)
Grants received		5,457				5,457
Net cash provided (used) by noncapital financing activities		(144,351)	(688)	(4,655)		(149,694)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets		(12,111)	(823)	(10,565)		(23,499)
Principal paid on capital debt				(1,572)		(1,572)
Proceeds from sales of capital assets			8			8
Net cash provided (used) by capital and related financing activities		(12,111)	(815)	(12,137)		(25,063)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments		3,144			151	3,295
Net cash provided (used) by investing activities		3,144			151	3,295
Net increase (decrease) in cash and cash equivalents	(437)	(48,643)	(1,136)	(10,089)	(775)	(61,080)
Cash and cash equivalents, July 1, 2019	35,161	179,086	2,041	23,068	2,434	241,790
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 34,724	\$ 130,443	\$ 905	\$ 12,979	\$ 1,659	\$ 180,710
Reconciliation of cash and cash equivalents to the statement of net position:						
Total cash and cash equivalents per statement of net position		\$ 83,174				\$ 83,174
Add: cash equity with State Treasurer	\$ 34,724	47,269	\$ 905	\$ 12,979	\$ 1,659	97,536
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 34,724	\$ 130,443	\$ 905	\$ 12,979	\$ 1,659	\$ 180,710
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ 883	\$ 73,605	\$ (2,582)	\$ (92,858)	\$ 479	\$ (20,473)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		19,634	518	13,371		33,523
Miscellaneous income			637			637
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable		1,301	50	(70)	3,437	4,718
(Increase) decrease in intergovernmental receivables		13	4	2,499		2,516
(Increase) decrease in due from other funds	(260)	750,770	(215)	(53,274)	3,375	700,396
(Increase) decrease in due from component units	(1,298)	28	21	(1,028)	30	(2,247)
(Increase) decrease in inventories		4	156		4	164
(Increase) decrease in prepaid expenses		(40,310)				(40,310)
Increase (decrease) in accounts payable and accrued liabilities	238	(671,773)	2,000	127,838	73	(541,624)
Increase (decrease) in intergovernmental payables		(548)		3,627		3,079
Increase (decrease) in due to other funds		(9,209)	(173)	5,912	(8,321)	(11,791)
Increase (decrease) in due to component units		244	(1)	9		252
Increase (decrease) in unearned revenue		(2,699)			(3)	(2,702)
Increase (decrease) in other liabilities		(16,385)	(48)	677		(15,756)
Total adjustments	(1,320)	31,070	2,949	99,561	(1,405)	130,855
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (437)	\$ 104,675	\$ 367	\$ 6,703	\$ (926)	\$ 110,382
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Gain (loss) on disposal of capital assets		\$ (8)	\$ (1)	\$ (1,233)		\$ (1,242)
Transfer of assets/liabilities from (to) other state funds		2,145	6	665		2,816

This Page Left Intentionally Blank

State of Illinois

Combining Statement of Net Position - Internal Service Funds

Central Management Services

June 30, 2020 (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	\$ 2,048	\$ 8,603	\$ 2,033	\$ 11,474	\$ 23,111	\$ 47,269
Cash and cash equivalents				7,298	75,876	83,174
Securities lending collateral of State Treasurer		2,265	983	2,918	10,705	16,871
Receivables, net:						
Intergovernmental	8				5,522	5,530
Other	4	5	2	7	21,816	21,834
Due from other funds	23,505	123,569	41,241	561,385	1,118,912	1,868,612
Due from component units		23			10,783	10,806
Inventories	1,887					1,887
Prepaid expenses					40,310	40,310
Total current assets	27,452	134,465	44,259	583,082	1,307,035	2,096,293
Capital assets not being depreciated		38,838				38,838
Capital assets being depreciated, net	23,881	102,997	358			127,236
Total noncurrent assets	23,881	141,835	358			166,074
Total assets	51,333	276,300	44,617	583,082	1,307,035	2,262,367
LIABILITIES						
Accounts payable and accrued liabilities	6,305	28,185	2,421	845	1,294,772	1,332,528
Intergovernmental payables	31	2,452	52	1	40	2,576
Due to other funds	2,690	3,856	1,092	17	1,226	8,881
Due to component units	31	641	10		23	705
Obligations under securities lending of State Treasurer		2,265	983	2,918	10,705	16,871
Current portion of long-term liabilities	140	333	126	106,384	50	107,033
Total current liabilities	9,197	37,732	4,684	110,165	1,306,816	1,468,594
Noncurrent portion of long-term liabilities	765	2,108	1,404	472,917	219	477,413
Total liabilities	9,962	39,840	6,088	583,082	1,307,035	1,946,007
NET POSITION						
Net investment in capital assets	23,881	141,835	358			166,074
Unrestricted	17,490	94,625	38,171			150,286
Total net position	\$ 41,371	\$ 236,460	\$ 38,529	\$ -	\$ -	\$ 316,360

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, 2020 (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	\$ 50,516	\$ 191,973	\$ 43,998	\$ 89,291	\$ 2,788,347	\$ 3,164,125
Other	91					91
Total operating revenues	50,607	191,973	43,998	89,291	2,788,347	3,164,216
OPERATING EXPENSES						
Cost of sales and services	34,183	175,871	36,654			246,708
Benefit payments and refunds				89,812	2,658,590	2,748,402
General and administrative	10,920	9,821			55,114	75,855
Depreciation	6,689	12,910	35			19,634
Other	12					12
Total operating expenses	51,804	198,602	36,689	89,812	2,713,704	3,090,611
Operating income (loss)	(1,197)	(6,629)	7,309	(521)	74,643	73,605
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income		98	80	521	2,338	3,037
Interest expense	(29)	(488)	7		(82,278)	(82,788)
Federal government					5,297	5,297
Other expenses	(17)	(6)	(2)			(25)
Income (loss) before contributions and transfers	(1,243)	(7,025)	7,394	-	-	(874)
Contributions of capital assets		2,162				2,162
Change in net position	(1,243)	(4,863)	7,394	-	-	1,288
Net position, July 1, 2019	42,614	241,323	31,135			315,072
NET POSITION, JUNE 30, 2020	\$ 41,371	\$ 236,460	\$ 38,529	\$ -	\$ -	\$ 316,360

State of Illinois

Combining Statement of Cash Flows - Internal Service Funds

Central Management Services

For the Year Ended June 30, 2020 (Expressed in Thousands)

	State Garage Revolving Fund	Facilities Management Revolving Fund	Professional Services Fund	Workers' Compensation Revolving Fund	Health Insurance Reserve Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 298	\$ 1,901			\$ 139,594	\$ 141,793
Cash received from transactions with other funds	55,581	198,412	\$ 33,529	\$ 99,009	3,378,908	3,765,439
Cash payments to suppliers for goods and services	(26,014)	(145,723)	(30,771)	(6,757)	(3,488,333)	(3,697,598)
Cash payments for interfund services	(5,840)	(10,280)	(5,927)	(105)	(6,823)	(28,975)
Cash payments to employees for services	(16,372)	(38,133)			(4,019)	(58,524)
Cash payments for workers compensation				(99,909)		(99,909)
Cash receipts from other operating activities	91				82,358	82,449
Net cash provided (used) by operating activities	7,744	6,177	(3,169)	(7,762)	101,685	104,675
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interest paid on other borrowings	(188)	(902)	(28)		(148,690)	(149,808)
Grants received					5,457	5,457
Net cash provided (used) by noncapital financing activities	(188)	(902)	(28)		(143,233)	(144,351)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(10,827)	(1,163)	(121)			(12,111)
Net cash provided (used) by capital and related financing activities	(10,827)	(1,163)	(121)			(12,111)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments		105	90	535	2,414	3,144
Net cash provided (used) by investing activities		105	90	535	2,414	3,144
Net increase (decrease) in cash and cash equivalents	(3,271)	4,217	(3,228)	(7,227)	(39,134)	(48,643)
Cash and cash equivalents, July 1, 2019	5,319	4,386	5,261	25,999	138,121	179,086
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 2,048	\$ 8,603	\$ 2,033	\$ 18,772	\$ 98,987	\$ 130,443
Reconciliation of cash and cash equivalents to the statement of net position:						
Total cash and cash equivalents per statement of net position				\$ 7,298	\$ 75,876	\$ 83,174
Add: cash equity with State Treasurer	\$ 2,048	\$ 8,603	\$ 2,033	11,474	23,111	47,269
CASH AND CASH EQUIVALENTS, JUNE 30, 2020	\$ 2,048	\$ 8,603	\$ 2,033	\$ 18,772	\$ 98,987	\$ 130,443
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (1,197)	\$ (6,629)	\$ 7,309	\$ (521)	\$ 74,643	\$ 73,605
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	6,689	12,910	35			19,634
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	(4)				1,305	1,301
(Increase) decrease in intergovernmental receivables	13				(13)	13
(Increase) decrease in due from other funds	7,413	13,956	(10,471)	9,718	730,154	750,770
(Increase) decrease in due from component units		29			(1)	28
(Increase) decrease in inventories	4					4
(Increase) decrease in prepaid expenses					(40,310)	(40,310)
Increase (decrease) in accounts payable and accrued liabilities	(5,581)	(4,909)	(148)	(84)	(661,051)	(671,773)
Increase (decrease) in intergovernmental payables	(2)	(533)	1	(1)	(13)	(548)
Increase (decrease) in due to other funds	348	(6,389)	(105)	(15)	(3,048)	(9,209)
Increase (decrease) in due to component units	(22)	233	10		23	244
Increase (decrease) in unearned revenue		(2,699)				(2,699)
Increase (decrease) in other liabilities	83	208	200	(16,859)	(17)	(16,385)
Total adjustments	8,941	12,806	(10,478)	(7,241)	27,042	31,070
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 7,744	\$ 6,177	\$ (3,169)	\$ (7,762)	\$ 101,685	\$ 104,675
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Gain (loss) on disposal of capital assets		\$ (6)	\$ (2)			\$ (8)
Transfer of assets from (to) other state funds	\$ (17)	2,162				2,145

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, defined contribution plans, and other employee benefit plans.

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS DESCRIPTIONS

Department of Central Management Services

Deferred Compensation Plan--to account for the assets held in the State's Internal Revenue Code Section 457 Plan. All employees of the State are eligible to voluntarily elect to contribute a portion of their compensation to the Plan through payroll deductions.

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, 2020 (Expressed in Thousands)

	Central Management Services					
	Deferred Compensation Plan	Teacher Health Insurance Security	Community College Health Insurance Security	General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System
ASSETS						
Cash equity with State Treasurer	\$ 7,035	\$ 15,977	\$ 690	\$ 5,914	\$ 35,935	\$ 284,999
Cash and cash equivalents	104,150	11,321	1,692			
Securities lending collateral of State Treasurer	1,072	5,137	332	1,190	7,574	54,881
Investments:						
Equities	3,815,155					
Fixed income	154,127					
Private equity						
Real estate						
Other	638,480					
Equity in Illinois State Board of Investments				57,128	1,076,891	18,637,515
Securities lending collateral						
Receivables, net:						
Members		9,820	234	41	86	12,589
Employers		7,285	234			
Investment income	4	12	1	3	18	132
Intergovernmental		1,008	132			
Pending investment sales						
Other	974	3,518	377			15,282
Due from other funds					71	125
Due from primary government funds		205,228				259,139
Prepaid expenses		7,005				
Loans and notes receivable, net	37,488					
Capital assets not being depreciated						971
Capital assets being depreciated, net				38	125	11,110
Total assets	4,758,485	266,311	3,692	64,314	1,120,700	19,276,743
LIABILITIES						
Accounts payable and accrued liabilities	1,619	69,392	91,292		104	11,952
Intergovernmental payables	1	2				
Due to other funds				99	97	
Due to primary government funds	31	2,863	33			11,710
Obligations under securities lending of State Treasurer	1,072	5,137	332	1,190	7,574	54,881
Securities lending collateral						
Payable to brokers for unsettled trades						
Obligations under reverse repurchase agreements						
Long term obligations:						
Due within one year	24	7				152
Due subsequent to one year	31	88	6	13	40	777
Total liabilities	2,778	77,489	91,663	1,302	7,815	79,472
NET POSITION						
Restricted for pension and other postemployment benefits	4,755,707	188,822		63,012	1,112,885	19,197,271
Unrestricted			(87,971)			
Total net position	\$ 4,755,707	\$ 188,822	\$ (87,971)	\$ 63,012	\$ 1,112,885	\$ 19,197,271

**State Universities Retirement
System**

Teachers' Retirement System	Defined Benefit	Defined Contribution	Total
\$ 24,330			\$ 374,880
236,290	\$ 1,266,767		1,620,220
55,194			125,380
16,764,439	8,668,194	\$ 1,485,764	30,733,552
9,887,919	4,994,947	265,749	15,302,742
6,519,059			6,519,059
8,085,843	1,124,008	51,797	9,261,648
9,960,609	3,466,046	1,213,154	15,278,289
			19,771,534
1,968,682	1,381,940		3,350,622
71,554	11,158	4,560	110,042
10,867	6,205	2,103	26,694
131,879	47,440		179,489
			1,140
3,639,265	1,952,548		5,591,813
			20,151
			196
641,578	116,890		1,222,835
1,649	134		8,788
			37,488
238	961		2,170
5,893	9,427		26,593
58,005,288	23,046,665	3,023,127	109,565,325
			263,956
57,184	32,413		3
			196
280	2		14,919
55,194			125,380
1,968,682	1,381,486		3,350,168
3,605,268	2,013,886		5,619,154
	512		512
102	66		351
2,100	1,284		4,339
5,688,810	3,429,649		9,378,978
52,316,478	19,617,016	3,023,127	100,274,318
			(87,971)
\$ 52,316,478	\$ 19,617,016	\$ 3,023,127	\$ 100,186,347

State of Illinois

**Combining Statement of Changes in Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds**

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Central Management Services			General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System
	Deferred Compensation Plan	Teacher Health Insurance Security	Community College Health Insurance Security			
ADDITIONS						
Contributions:						
Employer State		\$ 98,816	\$ 4,598	\$ 25,754	\$ 144,160	\$ 2,362,181
Members:						
Employees	\$ 164,984	133,896	4,598	1,206	14,508	278,473
Federal Medicare Part D		794	97			
Other	53,521	101				
Total contributions	218,505	367,503	13,891	26,960	158,668	2,640,654
Investment income:						
Interest and other investment income	22,520	193	25	687	12,298	209,467
Net increase (decrease) in fair value of investments	141,289			1,970	37,274	644,850
Reimbursements of expenses not separable from investment income	3,047					
Less investment expense	(499)			(76)	(1,445)	(24,988)
Net investment income	166,357	193	25	2,581	48,127	829,329
Total additions	384,862	367,696	13,916	29,541	206,795	3,469,983
DEDUCTIONS						
Benefit payments	315,503	237,466	22,802	25,710	165,544	2,727,821
Refunds	108			138	438	19,366
Depreciation				4	7	985
General and administrative	2,446	9,472	4,229	397	1,025	16,428
Other	3,651					
Total deductions	321,708	246,938	27,031	26,249	167,014	2,764,600
Change in net position						
Restricted for:						
Pension benefits				3,292	39,781	705,383
Retiree health insurance benefits (unrestricted deficit)		120,758	(13,115)			
Defined contribution	63,154					
Net position, July 1, 2019	4,692,553	68,064	(74,856)	59,720	1,073,104	18,491,888
NET POSITION, JUNE 30, 2020	\$ 4,755,707	\$ 188,822	\$ (87,971)	\$ 63,012	\$ 1,112,885	\$ 19,197,271

**State Universities Retirement
System**

Teachers' Retirement System	Defined Benefit	Defined Contribution	Total
\$ 84,666	\$ 52,968	\$ 9,379	\$ 2,782,522
4,813,452	1,785,818	68,874	6,806,638
994,401	282,367	95,728	1,970,161
7,992			891
5,900,511	2,121,153	173,981	61,614
			11,621,826
1,758,882	396,979		2,401,051
(612,670)	213,670	223,640	650,023
			3,047
(870,543)	(68,471)		(966,022)
275,669	542,178	223,640	2,088,099
6,176,180	2,663,331	397,621	13,709,925
7,035,308	2,676,193	67,928	13,274,275
64,217	69,002	35,408	188,677
1,104	769		2,869
21,862	17,699	765	74,323
			3,651
7,122,491	2,763,663	104,101	13,543,795
(946,311)	(100,332)		(298,187)
			107,643
		293,520	356,674
53,262,789	19,717,348	2,729,607	100,020,217
\$ 52,316,478	\$ 19,617,016	\$ 3,023,127	\$ 100,186,347

This Page Left Intentionally Blank

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.

Illinois Secure Choice Savings Program--to provide a state-administered retirement savings program for Illinois workers who do not have access to an employer-sponsored retirement plan.

**Combining Statement of Fiduciary Net Position
Investment Trust Funds**

June 30, 2020 (Expressed in Thousands)

	<u>Treasurer</u>		Total
	Public Treasurers' External Investment Pool Fund	Illinois Secure Choice Savings Program	
ASSETS			
Cash and cash equivalents	\$ 2,054,298	\$ 1,150	\$ 2,055,448
Investments:			
Equities		25,499	25,499
Fixed income	2,238,716	109	2,238,825
Receivables, net:			
Investment income	5,464	8	5,472
Other		1	1
Total assets	<u>4,298,478</u>	<u>26,767</u>	<u>4,325,245</u>
LIABILITIES			
Accounts payable and accrued liabilities	651	14	665
Due to primary government funds	480		480
Other liabilities		283	283
Total liabilities	<u>1,131</u>	<u>297</u>	<u>1,428</u>
NET POSITION			
Net position restricted for pool participants	<u>\$ 4,297,347</u>	<u>\$ 26,470</u>	<u>\$ 4,323,817</u>

State of Illinois

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Treasurer		
	Public Treasurers' External Investment Pool Fund	Illinois Secure Choice Savings Program	Total
ADDITIONS			
Participant contributions		\$ 25,568	\$ 25,568
Total contributions		25,568	25,568
Investment income:			
Interest and other investment income	\$ 75,902	401	76,303
Net increase (decrease) in fair value of investments		428	428
Less investment expense	(3,209)	(80)	(3,289)
Net investment income	72,693	749	73,442
Capital share and individual account transactions:			
Shares sold	14,875,662		14,875,662
Reinvested distributions	72,693		72,693
Shares redeemed	(14,348,962)		(14,348,962)
Net capital share and individual account transactions	599,393		599,393
Total additions	672,086	26,317	698,403
DEDUCTIONS			
Distribution to pool investors	72,693		72,693
Payments to participants/beneficiaries		2,992	2,992
Total deductions	72,693	2,992	75,685
Change in net position	599,393	23,325	622,718
Net position, July 1, 2019	3,697,954	3,145	3,701,099
NET POSITION, JUNE 30, 2020	\$ 4,297,347	\$ 26,470	\$ 4,323,817

This Page Left Intentionally Blank

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

Treasurer

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

Private-Purpose Trust Funds

June 30, 2020 (Expressed in Thousands)

	Treasurer College Savings Pool Fund	Other	Total
ASSETS			
Cash equity with State Treasurer		\$ 6	\$ 6
Cash and cash equivalents	\$ 991,409	180	991,589
Securities lending collateral of State Treasurer		2	2
Investments:			
Equities	7,349,701	9,449	7,359,150
Fixed income	4,619,905	3,765	4,623,670
Receivables, net:			
Investment income	25,402		25,402
Other		16	16
Loans and notes receivable, net		37	37
Total assets	12,986,417	13,455	12,999,872
LIABILITIES			
Accounts payable and accrued liabilities	24,920		24,920
Obligations under securities lending of State Treasurer		2	2
Other liabilities		16	16
Total liabilities	24,920	18	24,938
NET POSITION			
Net position restricted for individuals, organizations, and other governments	\$ 12,961,497	\$ 13,437	\$ 12,974,934

State of Illinois

Combining Statement of Changes in Fiduciary Net Position

Private-Purpose Trust Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Treasurer College Savings Pool Fund	Other	Total
ADDITIONS			
Contributions:			
Participants	\$ 1,632,971	\$ 7,345	\$ 1,640,316
Total contributions	<u>1,632,971</u>	<u>7,345</u>	<u>1,640,316</u>
Investment income:			
Interest and other investment income	318,752	166	318,918
Net increase (decrease) in fair value of investments	87,519	32	87,551
Net investment income	<u>406,271</u>	<u>198</u>	<u>406,469</u>
Total additions	<u>2,039,242</u>	<u>7,543</u>	<u>2,046,785</u>
DEDUCTIONS			
Payments to participants/beneficiaries	996,362	1,814	998,176
General and administrative	34,652		34,652
Total deductions	<u>1,031,014</u>	<u>1,814</u>	<u>1,032,828</u>
Change in net position restricted for individuals, organizations, and other governments	1,008,228	5,729	1,013,957
Net position, July 1, 2019	<u>11,953,269</u>	<u>7,708</u>	<u>11,960,977</u>
NET POSITION, JUNE 30, 2020	<u>\$ 12,961,497</u>	<u>\$ 13,437</u>	<u>\$ 12,974,934</u>

This Page Left Intentionally Blank

AGENCY FUNDS

Agency funds are maintained to account for resources held by the State in a purely custodial capacity.

SIGNIFICANT AGENCY FUNDS DESCRIPTIONS

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 of child support payments on behalf of non-TANF child support clients to the appropriate non-TANF recipient.

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.

RTA Sales Tax Trust Fund--to receive and record deposits of the RTA Sales Tax.

State of Illinois

Combining Statement of Fiduciary Net Position

Agency Funds

June 30, 2020 (Expressed in Thousands)

	Insurance	Healthcare and Family Services			
	Security Deposit Fund	Child Support Enforcement Trust Fund	Revenue	Other	Total
ASSETS					
Cash equity with State Treasurer		\$ 31,426	\$ 322,113	\$ 137,820	\$ 491,359
Cash and cash equivalents	\$ 15,281	297		37,981	53,559
Securities lending collateral of State Treasurer			95,672	13,508	109,180
Investments	905,054			29,383	934,437
Receivables, net:					
Taxes			61,750	47,837	109,587
Intergovernmental				542	542
Other		193,657	230	3,413	197,300
Due from primary government funds			33,068	3,655	36,723
Other assets				137	137
Total assets	\$ 920,335	\$ 225,380	\$ 512,833	\$ 274,276	\$ 1,932,824
LIABILITIES					
Accounts payable and accrued liabilities		\$ 31,212		\$ 20,846	\$ 52,058
Intergovernmental payables			\$ 417,161	168,654	585,815
Due to component units				101	101
Obligations under securities lending of State Treasurer			95,672	13,508	109,180
Depository and other liabilities	\$ 920,335	194,168		71,167	1,185,670
Total liabilities	\$ 920,335	\$ 225,380	\$ 512,833	\$ 274,276	\$ 1,932,824

State of Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

Agency/Fund	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Insurance:				
Security Deposit Fund				
Assets				
Cash and cash equivalents	\$ 633	\$ 42,113	\$ 27,465	\$ 15,281
Investments	908,169	244,966	248,081	905,054
Total assets	\$ 908,802	\$ 287,079	\$ 275,546	\$ 920,335
Liabilities				
Depository and other liabilities	\$ 908,802	\$ 287,079	\$ 275,546	\$ 920,335
Total liabilities	\$ 908,802	\$ 287,079	\$ 275,546	\$ 920,335
Healthcare and Family Services:				
Child Support Enforcement Trust Fund				
Assets				
Cash equity with State Treasurer	\$ 13,344	\$ 201,017	\$ 182,935	\$ 31,426
Cash and cash equivalents	304	71,879	71,886	297
Other receivables, net	195,025	199,649	201,017	193,657
Total assets	\$ 208,673	\$ 472,545	\$ 455,838	\$ 225,380
Liabilities				
Accounts payable and accrued liabilities	\$ 14,489	\$ 55,617	\$ 38,894	\$ 31,212
Depository and other liabilities	194,184	215,911	215,927	194,168
Total liabilities	\$ 208,673	\$ 271,528	\$ 254,821	\$ 225,380
Revenue:				
Assets				
Cash equity with State Treasurer	\$ 487,483	\$ 3,218,780	\$ 3,384,150	\$ 322,113
Securities lending collateral of State Treasurer	103,240	7,265,821	7,273,389	95,672
Taxes receivable, net	121,798	3,007,589	3,067,637	61,750
Other receivables, net	705	7,023	7,498	230
Due from primary government funds	38,123	138,590	143,645	33,068
Total assets	\$ 751,349	\$ 13,637,803	\$ 13,876,319	\$ 512,833
Liabilities				
Intergovernmental payables	\$ 648,109	\$ 3,153,202	\$ 3,384,150	\$ 417,161
Obligations under securities lending of State Treasurer	103,240	7,265,821	7,273,389	95,672
Total liabilities	\$ 751,349	\$ 10,419,023	\$ 10,657,539	\$ 512,833
Other:				
Assets				
Cash equity with State Treasurer	\$ 168,018	\$ 1,355,679	\$ 1,385,877	\$ 137,820
Cash and cash equivalents	39,840	1,185,769	1,187,628	37,981
Securities lending collateral of State Treasurer	8,853	657,765	653,110	13,508
Investments	27,920	7,632	6,169	29,383
Taxes receivable, net	46,240	942,707	941,110	47,837
Intergovernmental receivables, net	520	2,585	2,563	542
Other receivables, net	986	401,059	398,632	3,413
Due from primary government funds	2,903	8,044	7,292	3,655
Other assets	137			137
Total assets	\$ 295,417	\$ 4,561,240	\$ 4,582,381	\$ 274,276
Liabilities				
Accounts payable and accrued liabilities	\$ 22,679	\$ 1,446,877	\$ 1,448,710	\$ 20,846
Intergovernmental payables	198,775	951,750	981,871	168,654
Due to component units	16	603	518	101
Obligations under securities lending of State Treasurer	8,853	657,765	653,110	13,508
Depository and other liabilities	65,094	127,800	121,727	71,167
Total liabilities	\$ 295,417	\$ 3,184,795	\$ 3,205,936	\$ 274,276

State of Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Total - All Funds				
Assets				
Cash equity with State Treasurer	\$ 668,845	\$ 4,775,476	\$ 4,952,962	\$ 491,359
Cash and cash equivalents	40,777	1,299,761	1,286,979	53,559
Securities lending collateral of State Treasurer	112,093	7,923,586	7,926,499	109,180
Investments	936,089	252,598	254,250	934,437
Taxes receivable, net	168,038	3,950,296	4,008,747	109,587
Intergovernmental receivables, net	520	2,585	2,563	542
Other receivables, net	196,716	607,731	607,147	197,300
Due from primary government funds	41,026	146,634	150,937	36,723
Other assets	137			137
Total assets	\$ 2,164,241	\$ 18,958,667	\$ 19,190,084	\$ 1,932,824
Liabilities				
Accounts payable and accrued liabilities	\$ 37,168	\$ 1,502,494	\$ 1,487,604	\$ 52,058
Intergovernmental payables	846,884	4,104,952	4,366,021	585,815
Due to component units	16	603	518	101
Obligations under securities lending of State Treasurer	112,093	7,923,586	7,926,499	109,180
Depository and other liabilities	1,168,080	630,790	613,200	1,185,670
Total liabilities	\$ 2,164,241	\$ 14,162,425	\$ 14,393,842	\$ 1,932,824

State of Illinois

Combining Statement of Fiduciary Net Position - Agency Funds

Revenue

June 30, 2020 (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	RTA Sales Tax Trust Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 30,604	\$ 117,527	\$ 60,670	\$ 113,312	\$ 322,113
Securities lending collateral of State Treasurer	7,129	31,358	22,673	34,512	95,672
Receivables, net:					
Taxes	2,571	23,915	11,277	23,987	61,750
Other	17	75	55	83	230
Due from primary government funds				33,068	33,068
Total assets	\$ 40,321	\$ 172,875	\$ 94,675	\$ 204,962	\$ 512,833
LIABILITIES					
Intergovernmental payables	\$ 33,192	\$ 141,517	\$ 72,002	\$ 170,450	\$ 417,161
Obligations under securities lending of State Treasurer	7,129	31,358	22,673	34,512	95,672
Total liabilities	\$ 40,321	\$ 172,875	\$ 94,675	\$ 204,962	\$ 512,833

State of Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds - Revenue

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Non-Home Rule Municipal Retailers				
Occupation Tax Fund				
Assets				
Cash equity with State Treasurer	\$ 31,997	\$ 150,107	\$ 151,500	\$ 30,604
Securities lending collateral of State Treasurer	6,871	497,787	497,529	7,129
Taxes receivable, net	7,602	144,572	149,603	2,571
Other receivables, net	47	474	504	17
Total assets	\$ 46,517	\$ 792,940	\$ 799,136	\$ 40,321
Liabilities				
Intergovernmental payables	\$ 39,646	\$ 145,046	\$ 151,500	\$ 33,192
Obligations under securities lending of State Treasurer	6,871	497,787	497,529	7,129
Total liabilities	\$ 46,517	\$ 642,833	\$ 649,029	\$ 40,321
Home Rule Municipal Retailers				
Occupation Tax Fund				
Assets				
Cash equity with State Treasurer	\$ 163,774	\$ 1,033,178	\$ 1,079,425	\$ 117,527
Securities lending collateral of State Treasurer	32,778	2,317,691	2,319,111	31,358
Taxes receivable, net	50,086	1,004,628	1,030,799	23,915
Other receivables, net	224	2,230	2,379	75
Total assets	\$ 246,862	\$ 4,357,727	\$ 4,431,714	\$ 172,875
Liabilities				
Intergovernmental payables	\$ 214,084	\$ 1,006,858	\$ 1,079,425	\$ 141,517
Obligations under securities lending of State Treasurer	32,778	2,317,691	2,319,111	31,358
Total liabilities	\$ 246,862	\$ 3,324,549	\$ 3,398,536	\$ 172,875
Home Rule County Retailers				
Occupation Tax Fund				
Assets				
Cash equity with State Treasurer	\$ 117,398	\$ 766,132	\$ 822,860	\$ 60,670
Securities lending collateral of State Treasurer	22,356	1,644,909	1,644,592	22,673
Taxes receivable, net	31,591	744,145	764,459	11,277
Other receivables, net	153	1,575	1,673	55
Total assets	\$ 171,498	\$ 3,156,761	\$ 3,233,584	\$ 94,675
Liabilities				
Intergovernmental payables	\$ 149,142	\$ 745,720	\$ 822,860	\$ 72,002
Obligations under securities lending of State Treasurer	22,356	1,644,909	1,644,592	22,673
Total liabilities	\$ 171,498	\$ 2,390,629	\$ 2,467,452	\$ 94,675
RTA Sales Tax Trust Fund				
Assets				
Cash equity with State Treasurer	\$ 174,314	\$ 1,269,363	\$ 1,330,365	\$ 113,312
Securities lending collateral of State Treasurer	41,235	2,805,434	2,812,157	34,512
Taxes receivable, net	32,519	1,114,244	1,122,776	23,987
Other receivables, net	281	2,744	2,942	83
Due from primary government funds	38,123	138,590	143,645	33,068
Total assets	\$ 286,472	\$ 5,330,375	\$ 5,411,885	\$ 204,962
Liabilities				
Intergovernmental payables	\$ 245,237	\$ 1,255,578	\$ 1,330,365	\$ 170,450
Obligations under securities lending of State Treasurer	41,235	2,805,434	2,812,157	34,512
Total liabilities	\$ 286,472	\$ 4,061,012	\$ 4,142,522	\$ 204,962

State of Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds - Revenue

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Total - All Funds				
Assets				
Cash equity with State Treasurer	\$ 487,483	\$ 3,218,780	\$ 3,384,150	\$ 322,113
Securities lending collateral of State Treasurer	103,240	7,265,821	7,273,389	95,672
Taxes receivable, net	121,798	3,007,589	3,067,637	61,750
Other receivables, net	705	7,023	7,498	230
Due from primary government funds	38,123	138,590	143,645	33,068
Total assets	\$ 751,349	\$ 13,637,803	\$ 13,876,319	\$ 512,833
Liabilities				
Intergovernmental payables	\$ 648,109	\$ 3,153,202	\$ 3,384,150	\$ 417,161
Obligations under securities lending of State Treasurer	103,240	7,265,821	7,273,389	95,672
Total liabilities	\$ 751,349	\$ 10,419,023	\$ 10,657,539	\$ 512,833

This Page Left Intentionally Blank

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

Comprehensive Health Insurance Plan Board--to provide an alternate market for health insurance for eligible Illinois residents having a preexisting health condition.

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, 2020 (Expressed in Thousands)

	Comprehensive Health Insurance Plan Board	Illinois Finance Authority	Illinois Medical District Commission	Southwestern Illinois Development Authority
ASSETS				
Cash and cash equivalents	\$ 17,177	\$ 5,004	\$ 7,749	\$ 4,501
Securities lending collateral of State Treasurer Investments		5,918 46,707		
Receivables, net:				
Other		509	140	2
Due from component units		441	20,732	
Due from primary government		1,288,539	274	
Prepaid expenses	2	146	169	16
Loans and notes receivable, net		12,142		1,524
Restricted assets:				
Cash equity with State Treasurer		19,298		
Cash and cash equivalents		286,668	250	
Investments		94,738		285
Other receivables, net		93		
Loans and notes receivable, net		24,236		
Other assets			1,468	
Capital assets not being depreciated			35,496	100
Capital assets being depreciated, net		46	23,965	230
Total assets	17,179	1,784,485	90,243	6,658
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - unamortized deferred amounts on bond refundings		70		
Deferred outflows of resources - pensions	109		311	
Deferred outflows of resources - OPEB	36			
Total deferred outflows of resources	145	70	311	
LIABILITIES				
Accounts payable and accrued liabilities	48	34,644	1,973	21
Due to primary government	2	11,277		
Unearned revenue	134	66	51	
Obligations under securities lending collateral of State Treasurer		5,918		
Assets held for others		5		
Other liabilities	605			
Long-term obligations:				
Due within one year	14	88,108	1,541	
Due subsequent to one year	1,700	1,520,095	31,309	20
Total liabilities	2,503	1,660,113	34,874	41
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pensions	2,554		347	7
Deferred inflows of resources - OPEB	2,822			
Total deferred inflows of resources	5,376		347	7
NET POSITION				
Net investment in capital assets		46	44,676	330
Restricted for:				
Other expendable purposes	9,445	60,258	153	
Unrestricted		64,138	10,504	6,280
Total net position	\$ 9,445	\$ 124,442	\$ 55,333	\$ 6,610

**Upper Illinois
River Valley
Development
Authority**

Total

\$	852	\$	35,283
			5,918
	56		46,763

	651
	21,173
	1,288,813
	333
	13,666

	19,298
	286,918
	95,023
	93
	24,236
	1,468
	35,596
	24,241

908	1,899,473
-----	-----------

	70
	420
	36
	526

	36,686
	11,279
	251
	5,918
	5
	605

	89,663
	1,553,124
	1,697,531

	2,908
	2,822
	5,730

	45,052
--	--------

	69,856		
908	81,830		
\$	908	\$	196,738

State of Illinois

Combining Statement of Activities

Component Units - Other Authorities

For the Year Ended June 30, 2020 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue
		Charges for services	Capital grants and contributions	
Comprehensive Health Insurance Plan Board	\$ 1,110	\$ 1,440		\$ 330
Illinois Finance Authority	42,929	34,450		(8,479)
Illinois Medical District Commission	7,145	5,881	\$ 1,228	(36)
Southwestern Illinois Development Authority	591	725		134
Upper Illinois River Valley Development Authority	234	303		69
Total	<u>\$ 52,009</u>	<u>\$ 42,799</u>	<u>\$ 1,228</u>	<u>\$ (7,982)</u>

<u>General revenues</u>		<u>Total general revenues</u>	<u>Change in net position</u>	<u>Net position, July 1, 2019</u>	<u>Net position, June 30, 2020</u>
<u>Interest and investment income</u>	<u>Other</u>				
\$ 236	\$ 1,500	\$ 1,736	\$ 2,066	\$ 7,379	\$ 9,445
9,266	260	9,526	1,047	123,395	124,442
978		978	942	54,391	55,333
41	36	77	211	6,399	6,610
			69	839	908
<u>\$ 10,521</u>	<u>\$ 1,796</u>	<u>\$ 12,317</u>	<u>\$ 4,335</u>	<u>\$ 192,403</u>	<u>\$ 196,738</u>

State of Illinois

Combining Statement of Net Position

Component Units - Other Universities

June 30, 2020 (Expressed in Thousands)

	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University
ASSETS				
Cash equity with State Treasurer	\$ 470			
Cash and cash equivalents	17,513	\$ 21,492	\$ 52,810	\$ 62,156
Securities lending collateral of State Treasurer	146			
Investments		2,671	4,711	711
Receivables, net:				
Intergovernmental			1,206	4,781
Other	11,426	15,081	4,888	15,797
Due from component units	10	2		13
Due from primary government	450	7,112	8,085	836
Inventories	12	1,437	91	13
Prepaid expenses	760	562	377	865
Unamortized bond insurance costs		6	587	
Loans and notes receivable, net	343	4,900	1,908	529
Restricted assets:				
Cash and cash equivalents	5,800	24,398	3,738	3,898
Investments	7,526	91,579	10,011	14,373
Other receivables, net		2,001		
Loans and notes receivables, net				
Other assets				
Other assets		337	4	1,392
Capital assets not being depreciated	24,634	4,908	9,067	34,537
Capital assets being depreciated, net	116,218	233,308	104,527	143,700
Total assets	185,308	409,794	202,010	283,601
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - unamortized deferred amounts on bond refundings				
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings				
Deferred outflows of resources - pensions	181	142	109	1,014
Deferred outflows of resources - OPEB	342	739	503	2,617
Total deferred outflows of resources	523	881	612	3,631
LIABILITIES				
Accounts payable and accrued liabilities	5,884	7,478	9,569	8,790
Intergovernmental payables	456		2,915	
Due to component units	37			10
Due to primary government				80
Unearned revenue	4,732	4,959	2,983	1,445
Obligations under securities lending collateral of State Treasurer	146			
Assets held for others		169		745
Other liabilities		4,626		656
Long-term obligations:				
Due within one year	2,198	6,823	3,645	4,293
Due subsequent to one year	14,798	82,357	53,250	93,729
Total liabilities	28,251	106,412	72,362	109,748
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - irrevocable split-interest agreements		464		
Deferred inflows of resources - service concession arrangements				29,849
Deferred inflows of resources - OPEB	5,936	4,045	19,972	4,130
Total deferred inflows of resources	5,936	4,509	19,972	33,979
NET POSITION				
Net investment in capital assets	134,133	164,614	80,456	103,290
Restricted for:				
Debt service		3,143	878	2,284
Capital projects	450			
Nonexpendable purposes	3,894	64,179	2,396	12,666
Other expendable purposes	4,827	49,324	3,419	8,201
Unrestricted	8,340	18,494	23,139	17,064
Total net position	\$ 151,644	\$ 299,754	\$ 110,288	\$ 143,505

Western Illinois		
University	Total	
	\$	470
\$ 16,743		170,714
		146
11,432		19,525
		5,987
7,880		55,072
61		86
10,862		27,345
1,104		2,657
121		2,685
28		621
58		7,738
25,767		63,601
58,445		181,934
1,476		3,477
818		818
6,096		6,096
639		2,372
11,769		84,915
183,041		780,794
336,340		1,417,053
258		258
276		276
442		1,888
2,010		6,211
2,986		8,633
13,819		45,540
		3,371
78		125
343		423
5,406		19,525
		146
		914
2,020		7,302
9,139		26,098
79,108		323,242
109,913		426,686
		464
		29,849
3,722		37,805
3,722		68,118
133,129		615,622
		6,305
		450
36,642		119,777
62,420		128,191
(6,500)		60,537
\$ 225,691	\$	930,882

State of Illinois

Combining Statement of Activities
Component Units - Other Universities

For the Year Ended June 30, 2020 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue	
		Charges for services	Operating grants and contributions		
Chicago State University	\$ 113,267	\$ 26,154	\$ 18,156	\$ 8	\$ (68,949)
Eastern Illinois University	172,461	55,196	30,973	670	(85,622)
Governors State University	100,533	40,652	21,400	422	(38,059)
Northeastern Illinois University	178,894	52,381	45,129		(81,384)
Western Illinois University	232,027	74,409	47,825		(109,793)
Total	<u>\$ 797,182</u>	<u>\$ 248,792</u>	<u>\$ 163,483</u>	<u>\$ 1,100</u>	<u>\$ (383,807)</u>

Pension and OPEB revenue recognized	General revenues			Additions to permanent endowments	Total general revenues and additions to permanent endowments	Change in net position	Net position, July 1, 2019	Net position, June 30, 2020
	State appropriations	Interest and investment income	Other					
\$ 27,236	\$ 39,412	\$ 466		\$ 750	\$ 67,864	\$ (1,085)	\$ 152,729	\$ 151,644
37,991	43,490	4,771	\$ 1,839	\$ 1,775	89,866	4,244	295,510	299,754
22,379	23,878	1,228	503	59	48,047	9,988	100,300	110,288
46,215	35,989	695	857		83,756	2,372	141,133	143,505
51,310	51,399	2,926	468	1,245	107,348	(2,445)	228,136	225,691
<u>\$ 185,131</u>	<u>\$ 194,168</u>	<u>\$ 10,086</u>	<u>\$ 3,667</u>	<u>\$ 3,829</u>	<u>\$ 396,881</u>	<u>\$ 13,074</u>	<u>\$ 917,808</u>	<u>\$ 930,882</u>

This Page Left Intentionally Blank

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 Drug Rebate Fund Healthcare Provider Relief Fund Public Transportation Fund and 50 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: Public Assistance Recoveries Trust Fund Disaster Response and Recovery Fund and 2 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, 2020 (Expressed in Thousands)

	General Funds			Highway Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 21,188,000	\$ 20,552,111	\$ (635,889)			
Sales taxes	8,537,000	8,255,205	(281,795)			
Motor fuel taxes				\$ 2,326,606	\$ 2,250,029	\$ (76,577)
Public utility taxes	846,000	830,501	(15,499)			
Federal government	3,525,000	3,529,536	4,536	1,847,144	1,648,514	(198,630)
Other	2,961,005	2,437,471	(523,534)	1,658,277	1,707,227	48,950
Less:						
Refunds	7,323	117	(7,206)	42,575	30,627	(11,948)
Total revenues	37,049,682	35,604,707	(1,444,975)	5,789,452	5,575,143	(214,309)
EXPENDITURES:						
Current:						
Health and social services	14,329,088	12,770,586	(1,558,502)			
Education	17,684,519	17,667,083	(17,436)			
General government	4,320,512	4,269,038	(51,474)	244,440	217,015	(27,425)
Employment and economic development	92,406	72,648	(19,758)	4,000	4,000	-
Transportation				4,500,369	4,203,396	(296,973)
Public protection and justice	2,584,042	2,509,884	(74,158)			
Environment and business regulation	68,846	62,764	(6,082)	23,000	23,000	-
Debt service:						
Principal						
Interest						
Capital outlays	16,363	11,780	(4,583)	54,254	53,649	(605)
Total expenditures	39,095,776	37,363,783	(1,731,993)	4,826,063	4,501,060	(325,003)
Excess (deficiency) of revenues over (under) expenditures	(2,046,094)	(1,759,076)	287,018	963,389	1,074,083	110,694
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	1,198,405	1,198,405	-			
Operating transfers-in	10,636,448	10,636,448	-	1,833,981	1,833,981	-
Operating transfers-out	(10,114,142)	(10,114,142)	-	(2,888,362)	(2,888,362)	-
Total other sources (uses) of financial resources	1,720,711	1,720,711	-	(1,054,381)	(1,054,381)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(325,383)	(38,365)	287,018	(90,992)	19,702	110,694
Budgetary fund balances (deficits), July 1, 2019, as previously reported	(5,713,117)	(5,713,117)	-	1,091,894	1,091,894	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2019, as reclassified	(5,713,117)	(5,713,117)	-	1,091,894	1,091,894	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (6,038,500)	\$ (5,751,482)	\$ 287,018	\$ 1,000,902	\$ 1,111,596	\$ 110,694

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)
\$ 4,078,456	\$ 5,347,576	\$ 1,269,120				\$ 61,338	\$ 61,338	\$ -
1,775,145	1,778,932	3,787						
73,896	68,930	(4,966)						
601,698	593,977	(7,721)						
10,722,953	11,792,700	1,069,747				44,993	36,243	(8,750)
12,187,765	12,054,085	(133,680)	\$ 155	\$ 160	\$ 5	1,126,347	1,117,536	(8,811)
2,411,552	2,397,786	(13,766)						
27,028,361	29,238,414	2,210,053	155	160	5	1,232,678	1,215,117	(17,561)
19,858,177	17,784,783	(2,073,394)						
444,428	406,802	(37,626)	268,616	268,616	-			
10,518,216	7,449,042	(3,069,174)	224,456	215,211	(9,245)			
1,005,376	580,850	(424,526)	190,963	59,633	(131,330)			
1,010,467	747,316	(263,151)	532,823	532,809	(14)			
627,495	380,473	(247,022)						
1,410,672	1,077,901	(332,771)	74,846	31,319	(43,527)			
						2,190,729	2,187,497	(3,232)
						1,434,952	1,434,952	-
23,894	18,517	(5,377)	219,195	211,334	(7,861)			
34,898,725	28,445,684	(6,453,041)	1,510,899	1,318,922	(191,977)	3,625,681	3,622,449	(3,232)
(7,870,364)	792,730	8,663,094	(1,510,744)	(1,318,762)	191,982	(2,393,003)	(2,407,332)	(14,329)
377,756	377,756	-	1,596,773	1,596,773	-			
2,782,196	2,782,196	-	10,315	10,315	-	3,664,741	3,664,741	-
(4,278,948)	(4,278,948)	-	(10,315)	(10,315)	-	(1,128,147)	(1,128,147)	-
(1,118,996)	(1,118,996)	-	1,596,773	1,596,773	-	2,536,594	2,536,594	-
(14,910)	(14,910)	-						
(9,004,270)	(341,176)	8,663,094	86,029	278,011	191,982	143,591	129,262	(14,329)
1,686,328	1,686,328	-	1,291,499	1,291,499	-	1,912,158	1,912,158	-
(5,081)	(5,081)	-						
1,681,247	1,681,247	-	1,291,499	1,291,499	-	1,912,158	1,912,158	-
\$ (7,323,023)	\$ 1,340,071	\$ 8,663,094	\$ 1,377,528	\$ 1,569,510	\$ 191,982	\$ 2,055,749	\$ 2,041,420	\$ (14,329)

(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, 2020 (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	\$ 4,645,538	\$ 4,654,777	\$ 9,239	\$ 377	\$ 384	\$ 7
Other	175,242	200,313	25,071	674,617	578,171	(96,446)
Less:						
Refunds	323	3	(320)	5	4	(1)
Total revenues	4,820,457	4,855,087	34,630	674,989	578,551	(96,438)
EXPENDITURES:						
Current:						
Health and social services	3,112,969	1,713,527	(1,399,442)			
Education	3,936,518	2,352,640	(1,583,878)			
General government	18,307	9,228	(9,079)	1,181,512	781,605	(399,907)
Employment and economic development	1,660,427	476,020	(1,184,407)			
Transportation	131,106	131,106	-	150	65	(85)
Public protection and justice	1,751,653	130,067	(1,621,586)	43,196	34,834	(8,362)
Environment and business regulation	616,493	163,051	(453,442)			
Debt service:						
Principal						
Interest						
Capital outlays	8,267	1,966	(6,301)	2,250	1,135	(1,115)
Total expenditures	11,235,740	4,977,605	(6,258,135)	1,227,108	817,639	(409,469)
Excess (deficiency) of revenues over (under) expenditures	(6,415,283)	(122,518)	6,292,765	(552,119)	(239,088)	313,031
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues						
Operating transfers-in	2,772,678	2,772,678	-	178,102	178,102	-
Operating transfers-out	(40,941)	(40,941)	-	(8,890)	(8,890)	-
Total other sources (uses) of financial resources	2,731,737	2,731,737	-	169,212	169,212	-
Budgetary funds-nonbudgeted accounts	(139,100)	(139,100)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(3,822,646)	2,470,119	6,292,765	(382,907)	(69,876)	313,031
Budgetary fund balances (deficits), July 1, 2019, as previously reported	(150,499)	(150,499)	-	84,820	84,820	-
Reclassifications between budgetary/nonbudgetary funds-net	(142)	(142)	-			
Budgetary fund balances (deficits), July 1, 2019, as reclassified	(150,641)	(150,641)	-	84,820	84,820	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (3,973,287)	\$ 2,319,478	\$ 6,292,765	\$ (298,087)	\$ 14,944	\$ 313,031

State Trust Funds			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 5,153	\$ 5,153	\$ -	\$ 25,266,456	\$ 25,899,687	\$ 633,231
			10,378,636	10,100,628	(278,008)
			2,400,502	2,318,959	(81,543)
161,723	161,723	-	1,609,421	1,586,201	(23,220)
3,800,293	3,706,911	(93,382)	24,586,298	25,369,065	782,767
826,315	1,566,984	740,669	19,609,723	19,661,947	52,224
312	262	(50)	2,462,090	2,428,799	(33,291)
4,793,172	5,440,509	647,337	81,388,946	82,507,688	1,118,742
450,310	358,986	(91,324)	37,750,544	32,627,882	(5,122,662)
18,784	6,883	(11,901)	22,352,865	20,702,024	(1,650,841)
136,252	120,580	(15,672)	16,643,695	13,061,719	(3,581,976)
5,884	5,011	(873)	2,959,056	1,198,162	(1,760,894)
			6,174,915	5,614,692	(560,223)
30,147	10,751	(19,396)	5,036,533	3,066,009	(1,970,524)
21,310	10,215	(11,095)	2,215,167	1,368,250	(846,917)
			2,190,729	2,187,497	(3,232)
			1,434,952	1,434,952	-
1,355	468	(887)	325,578	298,849	(26,729)
664,042	512,894	(151,148)	97,084,034	81,560,036	(15,523,998)
4,129,130	4,927,615	798,485	(15,695,088)	947,652	16,642,740
			3,172,934	3,172,934	-
71,549	71,549	-	21,950,010	21,950,010	-
(3,126,742)	(3,126,742)	-	(21,596,487)	(21,596,487)	-
(3,055,193)	(3,055,193)	-	3,526,457	3,526,457	-
(1,604,203)	(1,604,203)	-	(1,758,213)	(1,758,213)	-
(530,266)	268,219	798,485	(13,926,844)	2,715,896	16,642,740
676,708	676,708	-	879,791	879,791	-
(250,710)	(250,710)	-	(255,933)	(255,933)	-
425,998	425,998	-	623,858	623,858	-
\$ (104,268)	\$ 694,217	\$ 798,485	\$ (13,302,986)	\$ 3,339,754	\$ 16,642,740

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, 2020 (Expressed in Thousands)

	General Revenue			Common School Special Account		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 18,136,000	\$ 17,590,275	\$ (545,725)			
Sales taxes	6,292,000	6,083,525	(208,475)	\$ 2,233,000	\$ 2,159,463	\$ (73,537)
Public utility taxes	786,000	771,286	(14,714)			
Federal government	3,525,000	3,529,536	4,536			
Other	2,897,000	2,373,305	(523,695)			
Less:						
Refunds	7,323	117	(7,206)			
Total revenues	31,628,677	30,347,810	(1,280,867)	2,233,000	2,159,463	(73,537)
EXPENDITURES:						
Current:						
Health and social services	13,514,637	11,991,610	(1,523,027)			
Education	6,566,909	6,550,735	(16,174)			
General government	4,320,512	4,269,039	(51,473)			
Employment and economic development	92,406	72,648	(19,758)			
Public protection and justice	2,584,042	2,509,884	(74,158)			
Environment and business	68,846	62,764	(6,082)			
Capital outlays	15,936	11,354	(4,582)			
Total expenditures	27,163,288	25,468,034	(1,695,254)			
Excess (deficiency) of revenues over (under) expenditures	4,465,389	4,879,776	414,387	2,233,000	2,159,463	(73,537)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	1,198,405	1,198,405	-			
Operating transfers-in	2,304,322	2,304,322	-			
Operating transfers-out	(7,975,117)	(7,975,117)	-	(2,111,932)	(2,111,932)	-
Total other sources (uses) of financial resources	(4,472,390)	(4,472,390)	-	(2,111,932)	(2,111,932)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources non-budgeted accounts	(7,001)	407,386	414,387	121,068	47,531	(73,537)
Budgetary fund balances (deficits), July 1, 2019	(5,502,412)	(5,502,412)	-	45,546	45,546	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (5,509,413)	\$ (5,095,026)	\$ 414,387	\$ 166,614	\$ 93,077	\$ (73,537)

Education Assistance			Common School			Fund for the Advancement of Education		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1,643,000	\$ 1,593,528	\$ (49,472)	\$ 49,000	\$ 47,434	\$ (1,566)	\$ 680,000	\$ 660,437	\$ (19,563)
			12,000	12,217	217			
			60,000	59,215	(785)			
	317	317	63,000	63,213	213			
1,643,000	1,593,845	(49,155)	184,000	182,079	(1,921)	680,000	660,437	(19,563)
2,010,138	2,008,917	(1,221)	8,368,772	8,368,772	-	738,700	738,659	(41)
427	426	(1)						
2,010,565	2,009,343	(1,222)	8,368,772	8,368,772	-	738,700	738,659	(41)
(367,565)	(415,498)	(47,933)	(8,184,772)	(8,186,693)	(1,921)	(58,700)	(78,222)	(19,522)
195,253	195,253	-	8,118,893	8,118,893	-			
(9,447)	(9,447)	-	(239)	(239)	-	(15)	(15)	-
185,806	185,806	-	8,118,654	8,118,654	-	(15)	(15)	-
(181,759)	(229,692)	(47,933)	(66,118)	(68,039)	(1,921)	(58,715)	(78,237)	(19,522)
1,411	1,411	-	(555,661)	(555,661)	-	127,268	127,268	-
\$ (180,348)	\$ (228,281)	\$ (47,933)	\$ (621,779)	\$ (623,700)	\$ (1,921)	\$ 68,553	\$ 49,031	\$ (19,522)

(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, 2020 (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	\$ 680,000	\$ 660,437	\$ (19,563)			
Sales taxes						
Public utility taxes						
Federal government						
Other	1,000	631	(369)	\$ 5	\$ 5	\$ -
Less:						
Refunds						
Total revenues	681,000	661,068	(19,932)	5	5	-
EXPENDITURES:						
Current:						
Health and social services	814,451	778,976	(35,475)			
Education						
General government					(1)	(1)
Employment and economic development						
Public protection and justice						
Environment and business						
Capital outlays						
Total expenditures	814,451	778,976	(35,475)		(1)	(1)
Excess (deficiency) of revenues over (under) expenditures	(133,451)	(117,908)	15,543	5	6	1
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues						
Operating transfers-in	10,500	10,500	-	7,480	7,480	-
Operating transfers-out	(10,500)	(10,500)	-	(6,892)	(6,892)	-
Total other sources (uses) of financial resources	-	-	-	588	588	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(133,451)	(117,908)	15,543	593	594	1
Budgetary fund balances (deficits), July 1, 2019	167,173	167,173	-	3,558	3,558	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 33,722	\$ 49,265	\$ 15,543	\$ 4,151	\$ 4,152	\$ 1

Total		
Final Budget	Actual	Variance Over (Under)
\$ 21,188,000	\$ 20,552,111	\$ (635,889)
8,537,000	8,255,205	(281,795)
846,000	830,501	(15,499)
3,525,000	3,529,536	4,536
2,961,005	2,437,471	(523,534)
7,323	117	(7,206)
37,049,682	35,604,707	(1,444,975)
14,329,088	12,770,586	(1,558,502)
17,684,519	17,667,083	(17,436)
4,320,512	4,269,038	(51,474)
92,406	72,648	(19,758)
2,584,042	2,509,884	(74,158)
68,846	62,764	(6,082)
16,363	11,780	(4,583)
39,095,776	37,363,783	(1,731,993)
(2,046,094)	(1,759,076)	287,018
1,198,405	1,198,405	-
10,636,448	10,636,448	-
(10,114,142)	(10,114,142)	-
1,720,711	1,720,711	-
(325,383)	(38,365)	287,018
(5,713,117)	(5,713,117)	-
\$ (6,038,500)	\$ (5,751,482)	\$ 287,018

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, 2020 (Expressed in Thousands)

	Road			Motor Fuel Tax - State		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes				\$ 1,303,285	\$ 1,226,708	\$ (76,577)
Federal government	\$ 1,790,144	\$ 1,648,514	\$ (141,630)	57,000		(57,000)
Other	1,103,174	1,248,194	145,020	1,129	1,063	(66)
Less:						
Refunds	2,575	1,657	(918)	40,000	28,970	(11,030)
Total revenues	2,890,743	2,895,051	4,308	1,321,414	1,198,801	(122,613)
EXPENDITURES:						
Current:						
General government	163,176	162,078	(1,098)	81,264	54,937	(26,327)
Employment and economic development	4,000	4,000	-			
Transportation	2,197,242	2,077,822	(119,420)	19,659	15,218	(4,441)
Environment and business regulation				23,000	23,000	-
Capital outlays	54,199	53,634	(565)	55	15	(40)
Total expenditures	2,418,617	2,297,534	(121,083)	123,978	93,170	(30,808)
Excess (deficiency) of revenues over (under) expenditures	472,126	597,517	125,391	1,197,436	1,105,631	(91,805)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	357,001	357,001	-	33,351	33,351	-
Operating transfers-out	(786,240)	(786,240)	-	(1,153,267)	(1,153,267)	-
Total other sources (uses) of financial resources	(429,239)	(429,239)	-	(1,119,916)	(1,119,916)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	42,887	168,278	125,391	77,520	(14,285)	(91,805)
Budgetary fund balances (deficits), July 1, 2019	253,725	253,725	-	103,015	103,015	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 296,612	\$ 422,003	\$ 125,391	\$ 180,535	\$ 88,730	\$ (91,805)

Motor Fuel Tax - Municipalities			State Construction Account			Transportation Renewal		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 1,023,321	\$ 1,023,321	\$ -
			\$ 553,974	\$ 457,970	\$ (96,004)			
			553,974	457,970	(96,004)	1,023,321	1,023,321	-
\$ 302,375	\$ 261,514	\$ (40,861)	1,239,722	1,239,033	(689)	415,000	327,463	(87,537)
302,375	261,514	(40,861)	1,239,722	1,239,033	(689)	415,000	327,463	(87,537)
(302,375)	(261,514)	40,861	(685,748)	(781,063)	(95,315)	608,321	695,858	87,537
266,741	266,741	-	667,657	667,657	-			
			(250,034)	(250,034)	-	(645,820)	(645,820)	-
266,741	266,741	-	417,623	417,623	-	(645,820)	(645,820)	-
(35,634)	5,227	40,861	(268,125)	(363,440)	(95,315)	(37,499)	50,038	87,537
(20,666)	(20,666)	-	681,552	681,552	-			
\$ (56,300)	\$ (15,439)	\$ 40,861	\$ 413,427	\$ 318,112	\$ (95,315)	\$ (37,499)	\$ 50,038	\$ 87,537

(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, 2020 (Expressed in Thousands)

(continued)

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes				\$ 2,326,606	\$ 2,250,029	\$ (76,577)
Federal government				1,847,144	1,648,514	(198,630)
Other				1,658,277	1,707,227	48,950
Less:						
Refunds				42,575	30,627	(11,948)
Total revenues				5,789,452	5,575,143	(214,309)
EXPENDITURES:						
Current:						
General government				244,440	217,015	(27,425)
Employment and economic development				4,000	4,000	-
Transportation	\$ 326,371	\$ 282,346	\$ (44,025)	4,500,369	4,203,396	(296,973)
Environment and business regulation				23,000	23,000	-
Capital outlays				54,254	53,649	(605)
Total expenditures	326,371	282,346	(44,025)	4,826,063	4,501,060	(325,003)
Excess (deficiency) of revenues over (under) expenditures	(326,371)	(282,346)	44,025	963,389	1,074,083	110,694
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	509,231	509,231	-	1,833,981	1,833,981	-
Operating transfers-out	(53,001)	(53,001)	-	(2,888,362)	(2,888,362)	-
Total other sources (uses) of financial resources	456,230	456,230	-	(1,054,381)	(1,054,381)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	129,859	173,884	44,025	(90,992)	19,702	110,694
Budgetary fund balances (deficits), July 1, 2019	74,268	74,268	-	1,091,894	1,091,894	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 204,127	\$ 248,152	\$ 44,025	\$ 1,000,902	\$ 1,111,596	\$ 110,694

This Page Left Intentionally Blank

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, 2020 (Expressed in Thousands)

	Elected Officials			Code Departments		
	Treasurer					
	State Pensions					
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes				\$ 4,077,013	\$ 5,341,999	\$ 1,264,986
Sales taxes				1,302,468	1,328,599	26,131
Motor fuel taxes						
Public utility taxes				233,144	239,243	6,099
Federal government				9,390,498	10,563,436	1,172,938
Other	\$ 26	\$ 26	\$ -	9,451,698	9,857,207	405,509
Less:						
Refunds				2,391,183	2,382,359	(8,824)
Total revenues	26	26	-	22,063,638	24,948,125	2,884,487
EXPENDITURES:						
Current:						
Health and social services				17,864,634	16,470,399	(1,394,235)
Education	215,000	214,977	(23)	125,780	124,763	(1,017)
General government	17,132	16,272	(860)	9,636,652	6,819,840	(2,816,812)
Employment and economic development						
Transportation				568,091	511,179	(56,912)
Public protection and justice				2,204	1,796	(408)
Environment and business regulation						
Capital outlays				45	2	(43)
Total expenditures	232,132	231,249	(883)	28,197,406	23,927,979	(4,269,427)
Excess (deficiency) of revenues over (under) expenditures	(232,106)	(231,223)	883	(6,133,768)	1,020,146	7,153,914
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues						
Operating transfers-in	279,737	279,737	-	1,900,414	1,900,414	-
Operating transfers-out	(50,500)	(50,500)	-	(3,024,304)	(3,024,304)	-
Total other sources (uses) of financial resources	229,237	229,237	-	(1,123,890)	(1,123,890)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(2,869)	(1,986)	883	(7,257,658)	(103,744)	7,153,914
Budgetary fund balances (deficits), July 1, 2019, as previously reported	14,341	14,341	-	36,057	36,057	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2019, as reclassified	14,341	14,341	-	36,057	36,057	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 11,472	\$ 12,355	\$ 883	\$ (7,221,601)	\$ (67,687)	\$ 7,153,914

Agencies, Boards & Commissions			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 1,443	\$ 5,577	\$ 4,134	\$ 4,078,456	\$ 5,347,576	\$ 1,269,120
			472,677	450,333	(22,344)	1,775,145	1,778,932	3,787
			73,896	68,930	(4,966)	73,896	68,930	(4,966)
			368,554	354,734	(13,820)	601,698	593,977	(7,721)
\$ 125,059	\$ 113,439	\$ (11,620)	1,207,396	1,115,825	(91,571)	10,722,953	11,792,700	1,069,747
1,085,653	515,986	(569,667)	1,650,388	1,680,866	30,478	12,187,765	12,054,085	(133,680)
50		(50)	20,319	15,427	(4,892)	2,411,552	2,397,786	(13,766)
1,210,662	629,425	(581,237)	3,754,035	3,660,838	(93,197)	27,028,361	29,238,414	2,210,053
6,800	3,226	(3,574)	1,986,743	1,311,158	(675,585)	19,858,177	17,784,783	(2,073,394)
			103,648	67,062	(36,586)	444,428	406,802	(37,626)
181,971	107,872	(74,099)	682,461	505,058	(177,403)	10,518,216	7,449,042	(3,069,174)
			1,005,376	580,850	(424,526)	1,005,376	580,850	(424,526)
			442,376	236,137	(206,239)	1,010,467	747,316	(263,151)
			625,291	378,677	(246,614)	627,495	380,473	(247,022)
619,004	575,732	(43,272)	791,668	502,169	(289,499)	1,410,672	1,077,901	(332,771)
50	16	(34)	23,799	18,499	(5,300)	23,894	18,517	(5,377)
807,825	686,846	(120,979)	5,661,362	3,599,610	(2,061,752)	34,898,725	28,445,684	(6,453,041)
402,837	(57,421)	(460,258)	(1,907,327)	61,228	1,968,555	(7,870,364)	792,730	8,663,094
377,756	377,756	-				377,756	377,756	-
20	20	-	602,025	602,025	-	2,782,196	2,782,196	-
(248,450)	(248,450)	-	(955,694)	(955,694)	-	(4,278,948)	(4,278,948)	-
129,326	129,326	-	(353,669)	(353,669)	-	(1,118,996)	(1,118,996)	-
			(14,910)	(14,910)	-	(14,910)	(14,910)	-
532,163	71,905	(460,258)	(2,275,906)	(307,351)	1,968,555	(9,004,270)	(341,176)	8,663,094
118,228	118,228	-	1,517,702	1,517,702	-	1,686,328	1,686,328	-
			(5,081)	(5,081)	-	(5,081)	(5,081)	-
118,228	118,228	-	1,512,621	1,512,621	-	1,681,247	1,681,247	-
\$ 650,391	\$ 190,133	\$ (460,258)	\$ (763,285)	\$ 1,205,270	\$ 1,968,555	\$ (7,323,023)	\$ 1,340,071	\$ 8,663,094

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 - Code Departments

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Central Management Services			Healthcare and Family Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Public utility taxes						
Federal government	\$ 3,555	\$ 8,897	\$ 5,342	\$ 8,954,081	\$ 10,103,052	\$ 1,148,971
Other	3,065,309	2,988,876	(76,433)	4,710,830	5,564,618	853,788
Less:						
Refunds				8,750	5	(8,745)
Total revenues	3,068,864	2,997,773	(71,091)	13,656,161	15,667,665	2,011,504
EXPENDITURES:						
Current:						
Health and social services				17,380,542	16,055,651	(1,324,891)
Education						
General government	5,000,000	2,978,936	(2,021,064)			
Transportation						
Public protection and justice						
Capital outlays						
Total expenditures	5,000,000	2,978,936	(2,021,064)	17,380,542	16,055,651	(1,324,891)
Excess (deficiency) of revenues over (under) expenditures	(1,931,136)	18,837	1,949,973	(3,724,381)	(387,986)	3,336,395
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	231,000	231,000	-	743,376	743,376	-
Operating transfers-out				(395,408)	(395,408)	-
Total other sources (uses) of financial resources	231,000	231,000	-	347,968	347,968	-
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of financial resources	(1,700,136)	249,837	1,949,973	(3,376,413)	(40,018)	3,336,395
Budgetary fund balances (deficits), July 1, 2019	(1,430,542)	(1,430,542)	-	397,134	397,134	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (3,130,678)	\$ (1,180,705)	\$ 1,949,973	\$(2,979,279)	\$ 357,116	\$ 3,336,395

Revenue			Transportation Public Transportation			Other Other Code Departments		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 4,077,013	\$ 5,341,999	\$ 1,264,986						
1,002,468	1,097,220	94,752	\$ 300,000	\$ 231,379	\$ (68,621)			
233,144	239,243	6,099						
83,550	83,550	-				\$ 349,312	\$ 367,937	\$ 18,625
143,993	144,040	47				1,531,566	1,159,673	(371,893)
2,382,333	2,382,333	-				100	21	(79)
3,157,835	4,523,719	1,365,884	300,000	231,379	(68,621)	1,880,778	1,527,589	(353,189)
18,099	18,099	-				465,993	396,649	(69,344)
125,780	124,763	(1,017)						
3,379,730	3,367,004	(12,726)	1,611	1,030	(581)	1,255,311	472,870	(782,441)
			568,091	511,179	(56,912)			
2,204	1,796	(408)						
35	1	(34)				10	1	(9)
3,525,848	3,511,663	(14,185)	569,702	512,209	(57,493)	1,721,314	869,520	(851,794)
(368,013)	1,012,056	1,380,069	(269,702)	(280,830)	(11,128)	159,464	658,069	498,605
646,281	646,281	-	279,746	279,746	-	11	11	-
(1,996,672)	(1,996,672)	-	(31)	(31)	-	(632,193)	(632,193)	-
(1,350,391)	(1,350,391)	-	279,715	279,715	-	(632,182)	(632,182)	-
(1,718,404)	(338,335)	1,380,069	10,013	(1,115)	(11,128)	(472,718)	25,887	498,605
1,014,529	1,014,529	-	47,418	47,418	-	7,518	7,518	-
\$ (703,875)	\$ 676,194	\$ 1,380,069	\$ 57,431	\$ 46,303	\$ (11,128)	\$ (465,200)	\$ 33,405	\$ 498,605

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 - Code Departments

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Total		
	Final Budget	Actual	Variance Over (Under)
REVENUES:			
Income taxes	\$ 4,077,013	\$ 5,341,999	\$ 1,264,986
Sales taxes	1,302,468	1,328,599	26,131
Public utility taxes	233,144	239,243	6,099
Federal government	9,390,498	10,563,436	1,172,938
Other	9,451,698	9,857,207	405,509
Less:			
Refunds	2,391,183	2,382,359	(8,824)
Total revenues	22,063,638	24,948,125	2,884,487
EXPENDITURES:			
Current:			
Health and social services	17,864,634	16,470,399	(1,394,235)
Education	125,780	124,763	(1,017)
General government	9,636,652	6,819,840	(2,816,812)
Transportation	568,091	511,179	(56,912)
Public protection and justice	2,204	1,796	(408)
Capital outlays	45	2	(43)
Total expenditures	28,197,406	23,927,979	(4,269,427)
Excess (deficiency) of revenues over (under) expenditures	(6,133,768)	1,020,146	7,153,914
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	1,900,414	1,900,414	-
Operating transfers-out	(3,024,304)	(3,024,304)	-
Total other sources (uses) of financial resources	(1,123,890)	(1,123,890)	-
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of financial resources	(7,257,658)	(103,744)	7,153,914
Budgetary fund balances (deficits), July 1, 2019	36,057	36,057	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (7,221,601)	\$ (67,687)	\$ 7,153,914

This Page Left Intentionally Blank

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 - Department of Healthcare and Family Services

For the Year Ended June 30, 2020 (Expressed in Thousands)

	County Provider Trust			Long Term Care Provider		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,288,736	\$ 1,363,670	\$ 74,934	\$ 210,147	\$ 172,841	\$ (37,306)
Other	813,917	765,651	(48,266)	198,370	187,173	(11,197)
Less:						
Refunds	1,000	-	(1,000)	2,750	5	(2,745)
Total revenues	2,101,653	2,129,321	27,668	405,767	360,009	(45,758)
EXPENDITURES:						
Current:						
Health and social services	2,525,000	2,100,266	(424,734)	553,353	403,209	(150,144)
Total expenditures	2,525,000	2,100,266	(424,734)	553,353	403,209	(150,144)
Excess (deficiency) of revenues over (under) expenditures	(423,347)	29,055	452,402	(147,586)	(43,200)	104,386
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				30,000	30,000	-
Operating transfers-out				(20,021)	(20,021)	-
Total other sources (uses) of financial resources				9,979	9,979	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(423,347)	29,055	452,402	(137,607)	(33,221)	104,386
Budgetary fund balances (deficits), July 1, 2019	(36,632)	(36,632)	-	(20,876)	(20,876)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (459,979)	\$ (7,577)	\$ 452,402	\$ (158,483)	\$ (54,097)	\$ 104,386

Hospital Provider			Drug Rebate Fund			Healthcare Provider Relief		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1,994,349	\$ 2,040,466	\$ 46,117	\$ 690,180	\$ 519,177	\$ (171,003)	\$ 4,770,669	\$ 6,006,898	\$ 1,236,229
1,544,435	1,497,025	(47,410)	451	1,026	575	2,153,657	3,113,743	960,086
5,000		(5,000)						
3,533,784	3,537,491	3,707	690,631	520,203	(170,428)	6,924,326	9,120,641	2,196,315
3,350,200	3,218,169	(132,031)	1,500,200	985,756	(514,444)	9,451,789	9,348,251	(103,538)
3,350,200	3,218,169	(132,031)	1,500,200	985,756	(514,444)	9,451,789	9,348,251	(103,538)
183,584	319,322	135,738	(809,569)	(465,553)	344,016	(2,527,463)	(227,610)	2,299,853
			371,928	371,928	-	341,448	341,448	-
(375,115)	(375,115)	-	(41)	(41)	-	(231)	(231)	-
(375,115)	(375,115)	-	371,887	371,887	-	341,217	341,217	-
(191,531)	(55,793)	135,738	(437,682)	(93,666)	344,016	(2,186,246)	113,607	2,299,853
280,618	280,618	-	70,507	70,507	-	103,517	103,517	-
\$ 89,087	\$ 224,825	\$ 135,738	\$ (367,175)	\$ (23,159)	\$ 344,016	\$ (2,082,729)	\$ 217,124	\$ 2,299,853

(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 - Department of Healthcare and Family Services

For the Year Ended June 30, 2020 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Federal government	\$ 8,954,081	\$ 10,103,052	\$ 1,148,971
Other	4,710,830	5,564,618	853,788
Less:			
Refunds	8,750	5	(8,745)
Total revenues	<u>13,656,161</u>	<u>15,667,665</u>	<u>2,011,504</u>
EXPENDITURES:			
Current:			
Health and social services	17,380,542	16,055,651	(1,324,891)
Total expenditures	<u>17,380,542</u>	<u>16,055,651</u>	<u>(1,324,891)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,724,381)</u>	<u>(387,986)</u>	<u>3,336,395</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	743,376	743,376	-
Operating transfers-out	(395,408)	(395,408)	-
Total other sources (uses) of financial resources	<u>347,968</u>	<u>347,968</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	<u>(3,376,413)</u>	<u>(40,018)</u>	<u>3,336,395</u>
Budgetary fund balances (deficits), July 1, 2019	397,134	397,134	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	<u>\$ (2,979,279)</u>	<u>\$ 357,116</u>	<u>\$ 3,336,395</u>

This Page Left Intentionally Blank

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 - Department of Revenue

For the Year Ended June 30, 2020 (Expressed in Thousands)

	State and Local Sales Tax Reform			Income Tax Refund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes				\$ 2,661,885	\$ 2,661,885	\$ -
Sales taxes	\$ 491,245	\$ 585,997	\$ 94,752			
Public utility taxes						
Federal government				83,550	83,550	-
Other				11,859	11,859	-
Less:						
Refunds				2,382,333	2,382,333	-
Total revenues	491,245	585,997	94,752	374,961	374,961	-
EXPENDITURES:						
Current:						
Health and social services						
Education						
General government	128,750	122,589	(6,161)		(2,336)	(2,336)
Public protection and justice						
Capital outlays						
Total expenditures	128,750	122,589	(6,161)		(2,336)	(2,336)
Excess (deficiency) of revenues over (under) expenditures	362,495	463,408	100,913	374,961	377,297	2,336
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	1,501	1,501	-	150,037	150,037	-
Operating transfers-out	(452,681)	(452,681)	-	(862,824)	(862,824)	-
Total other sources (uses) of financial resources	(451,180)	(451,180)	-	(712,787)	(712,787)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(88,685)	12,228	100,913	(337,826)	(335,490)	2,336
Budgetary fund balances (deficits), July 1, 2019	74,121	74,121	-	616,964	616,964	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (14,564)	\$ 86,349	\$ 100,913	\$ 279,138	\$ 281,474	2,336

Local Government Distributive			Personal Property Tax Replacement			Build Illinois		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 8,432	\$ 1,273,418	\$ 1,264,986	\$ 1,406,696	\$ 1,406,696	\$ -	\$ 511,223	\$ 511,223	\$ -
			233,144	239,243	6,099			
			1,787	1,834	47	130,347	130,347	-
8,432	1,273,418	1,264,986	1,641,627	1,647,773	6,146	641,570	641,570	-
			18,099	18,099	-			
1,639,643	1,639,639	(4)	125,780	124,763	(1,017)			
			1,611,337	1,607,112	(4,225)			
			2,204	1,796	(408)			
			35	1	(34)			
1,639,643	1,639,639	(4)	1,757,455	1,751,771	(5,684)			
(1,631,211)	(366,221)	1,264,990	(115,828)	(103,998)	11,830	641,570	641,570	-
359,449	359,449	-	95,828	95,828	-	39,466	39,466	-
(32)	(32)	-	(100)	(100)	-	(681,035)	(681,035)	-
359,417	359,417	-	95,728	95,728	-	(641,569)	(641,569)	-
(1,271,794)	(6,804)	1,264,990	(20,100)	(8,270)	11,830	1	1	-
67,736	67,736	-	255,706	255,706	-	2	2	-
\$ (1,204,058)	\$ 60,932	\$ 1,264,990	\$ 235,606	\$ 247,436	\$ 11,830	\$ 3	\$ 3	\$ -

(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 - Department of Revenue

For the Year Ended June 30, 2020 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Income taxes	\$ 4,077,013	\$ 5,341,999	\$ 1,264,986
Sales taxes	1,002,468	1,097,220	94,752
Public utility taxes	233,144	239,243	6,099
Federal government	83,550	83,550	-
Other	143,993	144,040	47
Less:			
Refunds	2,382,333	2,382,333	-
Total revenues	<u>3,157,835</u>	<u>4,523,719</u>	<u>1,365,884</u>
EXPENDITURES:			
Current:			
Health and social services	18,099	18,099	-
Education	125,780	124,763	(1,017)
General government	3,379,730	3,367,004	(12,726)
Public protection and justice	2,204	1,796	(408)
Capital outlays	35	1	(34)
Total expenditures	<u>3,525,848</u>	<u>3,511,663</u>	<u>(14,185)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(368,013)</u>	<u>1,012,056</u>	<u>1,380,069</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	646,281	646,281	-
Operating transfers-out	(1,996,672)	(1,996,672)	-
Total other sources (uses) of financial resources	<u>(1,350,391)</u>	<u>(1,350,391)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	<u>(1,718,404)</u>	<u>(338,335)</u>	<u>1,380,069</u>
Budgetary fund balances (deficits), July 1, 2019	<u>1,014,529</u>	<u>1,014,529</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	<u>\$ (703,875)</u>	<u>\$ 676,194</u>	<u>\$ 1,380,069</u>

This Page Left Intentionally Blank

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 - Other Code Departments

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Children and Family Services			State Lottery		
	DCFS Children's Services			State Lottery Fund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 349,312	\$ 367,937	\$ 18,625			
Other	4,155	3,146	(1,009)	\$ 1,527,411	\$ 1,156,527	\$ (370,884)
Less:						
Refunds				100	21	(79)
Total revenues	353,467	371,083	17,616	1,527,311	1,156,506	(370,805)
EXPENDITURES:						
Current:						
Health and social services	465,993	396,649	(69,344)			
General government	1,811	1,452	(359)	1,253,500	471,418	(782,082)
Capital outlays				10	1	(9)
Total expenditures	467,804	398,101	(69,703)	1,253,510	471,419	(782,091)
Excess (deficiency) of revenues over (under) expenditures	(114,337)	(27,018)	87,319	273,801	685,087	411,286
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	10	10	-	1	1	-
Operating transfers-out	(1,318)	(1,318)	-	(630,875)	(630,875)	-
Total other sources (uses) of financial resources	(1,308)	(1,308)	-	(630,874)	(630,874)	-
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of financial resources	(115,645)	(28,326)	87,319	(357,073)	54,213	411,286
Budgetary fund balances (deficits), July 1, 2019	39,945	39,945	-	(32,427)	(32,427)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (75,700)	\$ 11,619	\$ 87,319	\$ (389,500)	\$ 21,786	\$ 411,286

Total		
Final Budget	Actual	Variance Over (Under)
\$ 349,312	\$ 367,937	\$ 18,625
1,531,566	1,159,673	(371,893)
100	21	(79)
1,880,778	1,527,589	(353,189)
465,993	396,649	(69,344)
1,255,311	472,870	(782,441)
10	1	(9)
1,721,314	869,520	(851,794)
159,464	658,069	498,605
11	11	-
(632,193)	(632,193)	-
(632,182)	(632,182)	-
(472,718)	25,887	498,605
7,518	7,518	-
\$ (465,200)	\$ 33,405	\$ 498,605

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 - Agencies, Boards and Commissions

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Illinois Gaming Board State Gaming Fund			Environmental Protection Agency Water Revolving Fund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 125,059	\$ 113,439	\$ (11,620)
Other	\$ 458,918	\$ 359,742	\$ (99,176)	626,735	156,244	(470,491)
Less:						
Refunds	50		(50)			
Total revenues	458,868	359,742	(99,126)	751,794	269,683	(482,111)
EXPENDITURES:						
Current:						
Health and social services	6,800	3,226	(3,574)			
General government	181,971	107,872	(74,099)			
Environment and business regulation				619,004	575,732	(43,272)
Capital outlays	50	16	(34)			
Total expenditures	188,821	111,114	(77,707)	619,004	575,732	(43,272)
Excess (deficiency) of revenues over (under) expenditures	270,047	248,628	(21,419)	132,790	(306,049)	(438,839)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues				377,756	377,756	-
Operating transfers-in	20	20	-			
Operating transfers-out	(247,022)	(247,022)	-	(1,428)	(1,428)	-
Total other sources (uses) of financial resources	(247,002)	(247,002)	-	376,328	376,328	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	23,045	1,626	(21,419)	509,118	70,279	(438,839)
Budgetary fund balances (deficits), July 1, 2019	11,855	11,855	-	106,373	106,373	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 34,900	\$ 13,481	\$ (21,419)	\$ 615,491	\$ 176,652	\$ (438,839)

Total		
Final Budget	Actual	Variance Over (Under)
\$ 125,059	\$ 113,439	\$ (11,620)
1,085,653	515,986	(569,667)
50		(50)
1,210,662	629,425	(581,237)

6,800	3,226	(3,574)
181,971	107,872	(74,099)
619,004	575,732	(43,272)
50	16	(34)
807,825	686,846	(120,979)
402,837	(57,421)	(460,258)

377,756	377,756	-
20	20	-
(248,450)	(248,450)	-
129,326	129,326	-

532,163	71,905	(460,258)
118,228	118,228	-
\$ 650,391	\$ 190,133	\$ (460,258)

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, 2020 (Expressed in Thousands)

	Elected Officers			Code Departments		
	Comptroller			Department of Transportation		
	Pension Obligation Acceleration Bond Fund			Transportation Bond, Series A		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other						
Total revenues						
EXPENDITURES:						
Current:						
Education	\$ 264,957	\$ 264,957	\$ -			
General government	82,341	82,341	-			
Employment and economic development						
Transportation				\$ 250,272	\$ 250,272	\$ -
Environment and business regulation						
Capital outlays						
Total expenditures	347,298	347,298	-	250,272	250,272	-
Excess (deficiency) of revenues over (under) expenditures	(347,298)	(347,298)	-	(250,272)	(250,272)	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	220,438	220,438	-	607,573	607,573	-
Operating transfers-in						
Operating transfers-out						
Total other sources (uses) of financial resources	220,438	220,438	-	607,573	607,573	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(126,860)	(126,860)	-	357,301	357,301	-
Budgetary fund balances (deficits), July 1, 2019	267,331	267,331	-	1,092	1,092	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 140,471	\$ 140,471	\$ -	\$ 358,393	\$ 358,393	\$ -

Agencies, Boards and Commissions								
Capital Development Board								
Capital Development Fund			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
	\$ 5	\$ 5	\$ 155	\$ 155	\$ -	\$ 155	\$ 160	\$ 5
	5	5	155	155	-	155	160	5
			\$ 3,659	3,659	-	268,616	268,616	-
\$ 127,862	118,684	(9,178)	14,253	14,186	(67)	224,456	215,211	(9,245)
13,710	13,710	-	177,253	45,923	(131,330)	190,963	59,633	(131,330)
			282,551	282,537	(14)	532,823	532,809	(14)
17,041	17,014	(27)	57,805	14,305	(43,500)	74,846	31,319	(43,527)
211,469	210,424	(1,045)	7,726	910	(6,816)	219,195	211,334	(7,861)
370,082	359,832	(10,250)	543,247	361,520	(181,727)	1,510,899	1,318,922	(191,977)
(370,082)	(359,827)	10,255	(543,092)	(361,365)	181,727	(1,510,744)	(1,318,762)	191,982
280,157	280,157	-	488,605	488,605	-	1,596,773	1,596,773	-
10,000	10,000	-	315	315	-	10,315	10,315	-
			(10,315)	(10,315)	-	(10,315)	(10,315)	-
290,157	290,157	-	478,605	478,605	-	1,596,773	1,596,773	-
(79,925)	(69,670)	10,255	(64,487)	117,240	181,727	86,029	278,011	191,982
230,335	230,335	-	792,741	792,741	-	1,291,499	1,291,499	-
\$ 150,410	\$ 160,665	\$ 10,255	\$ 728,254	\$ 909,981	\$ 181,727	\$ 1,377,528	\$ 1,569,510	\$ 191,982

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, 2020 (Expressed in Thousands)

	General Obligation Bond, Retirement, and Interest			Capital Projects		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes				\$ 61,338	\$ 61,338	\$ -
Federal government	\$ 44,993	\$ 36,243	\$ (8,750)			
Other	64,592	55,779	(8,813)	1,061,478	1,061,478	-
Total revenues	109,585	92,022	(17,563)	1,122,816	1,122,816	-
EXPENDITURES:						
Debt service:						
Principal	1,675,222	1,675,222	-			
Interest	1,434,952	1,434,952	-			
Total expenditures	3,110,174	3,110,174	-			
Excess (deficiency) of revenues over (under) expenditures	(3,000,589)	(3,018,152)	(17,563)	1,122,816	1,122,816	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	3,144,038	3,144,038	-	7,061	7,061	-
Operating transfers-out				(1,128,147)	(1,128,147)	-
Total other sources (uses) of financial resources	3,144,038	3,144,038	-	(1,121,086)	(1,121,086)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	143,449	125,886	(17,563)	1,730	1,730	-
Budgetary fund balances (deficits), July 1, 2019	3,452,980	3,452,980	-	(1,562,531)	(1,562,531)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ 3,596,429	\$ 3,578,866	\$ (17,563)	\$(1,560,801)	\$(1,560,801)	\$ -

Build Illinois Bond, Retirement, and Interest			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 61,338	\$ 61,338	\$ -
						44,993	36,243	(8,750)
\$ 277	\$ 279	\$ 2				1,126,347	1,117,536	(8,811)
277	279	2				1,232,678	1,215,117	(17,561)
501,007	497,844	(3,163)	\$ 14,500	\$ 14,431	\$ (69)	2,190,729	2,187,497	(3,232)
						1,434,952	1,434,952	-
501,007	497,844	(3,163)	14,500	14,431	(69)	3,625,681	3,622,449	(3,232)
(500,730)	(497,565)	3,165	(14,500)	(14,431)	69	(2,393,003)	(2,407,332)	(14,329)
504,213	504,213	-	9,429	9,429	-	3,664,741	3,664,741	-
						(1,128,147)	(1,128,147)	-
504,213	504,213	-	9,429	9,429	-	2,536,594	2,536,594	-
3,483	6,648	3,165	(5,071)	(5,002)	69	143,591	129,262	(14,329)
13,512	13,512	-	8,197	8,197	-	1,912,158	1,912,158	-
\$ 16,995	\$ 20,160	\$ 3,165	\$ 3,126	\$ 3,195	\$ 69	\$ 2,055,749	\$ 2,041,420	\$ (14,329)

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, 2020 (Expressed in Thousands)

	Code Departments					
	Human Services			Agencies, Boards and Commissions		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 649,860	\$ 693,796	\$ 43,936	\$ 2,227,099	\$ 2,235,222	\$ 8,123
Other						
Less:						
Refunds						
Total revenues	649,860	693,796	43,936	2,227,099	2,235,222	8,123
EXPENDITURES:						
Current:						
Health and social services	1,023,836	717,601	(306,235)			
Education				3,604,175	2,200,050	(1,404,125)
General government						
Employment and economic development				636,000		(636,000)
Transportation						
Public protection and justice				1,500,000		(1,500,000)
Environment and business regulation						
Capital outlays						
Total expenditures	1,023,836	717,601	(306,235)	5,740,175	2,200,050	(3,540,125)
Excess (deficiency) of revenues over (under) expenditures	(373,976)	(23,805)	350,171	(3,513,076)	35,172	3,548,248
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	11,552	11,552	-	2,700,000	2,700,000	-
Operating transfers-out	(455)	(455)	-	(17,224)	(17,224)	-
Total other sources (uses) of financial resources	11,097	11,097	-	2,682,776	2,682,776	-
Budgetary funds-nonbudgeted accounts	(1,178)	(1,178)	-	(128,879)	(128,879)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(364,057)	(13,886)	350,171	(959,179)	2,589,069	3,548,248
Budgetary fund balances (deficits), July 1, 2019, as previously reported	1,409	1,409	-	(325,373)	(325,373)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2019, as reclassified	1,409	1,409	-	(325,373)	(325,373)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (362,648)	\$ (12,477)	\$ 350,171	\$ (1,284,552)	\$ 2,263,696	\$ 3,548,248

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$	1,768,579	\$ 1,725,759	\$ (42,820)	\$ 4,645,538	\$ 4,654,777	\$ 9,239
	175,242	200,313	25,071	175,242	200,313	25,071
	323	3	(320)	323	3	(320)
	1,943,498	1,926,069	(17,429)	4,820,457	4,855,087	34,630
	2,089,133	995,926	(1,093,207)	3,112,969	1,713,527	(1,399,442)
	332,343	152,590	(179,753)	3,936,518	2,352,640	(1,583,878)
	18,307	9,228	(9,079)	18,307	9,228	(9,079)
	1,024,427	476,020	(548,407)	1,660,427	476,020	(1,184,407)
	131,106	131,106	-	131,106	131,106	-
	251,653	130,067	(121,586)	1,751,653	130,067	(1,621,586)
	616,493	163,051	(453,442)	616,493	163,051	(453,442)
	8,267	1,966	(6,301)	8,267	1,966	(6,301)
	4,471,729	2,059,954	(2,411,775)	11,235,740	4,977,605	(6,258,135)
	(2,528,231)	(133,885)	2,394,346	(6,415,283)	(122,518)	6,292,765
	61,126	61,126	-	2,772,678	2,772,678	-
	(23,262)	(23,262)	-	(40,941)	(40,941)	-
	37,864	37,864	-	2,731,737	2,731,737	-
	(9,043)	(9,043)	-	(139,100)	(139,100)	-
	(2,499,410)	(105,064)	2,394,346	(3,822,646)	2,470,119	6,292,765
	173,465	173,465	-	(150,499)	(150,499)	-
	(142)	(142)	-	(142)	(142)	-
	173,323	173,323	-	(150,641)	(150,641)	-
\$	(2,326,087)	\$ 68,259	\$ 2,394,346	\$ (3,973,287)	\$ 2,319,478	\$ 6,292,765

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 - Department of Human Services

For the Year Ended June 30, 2020 (Expressed in Thousands)

	Employment & Training			DHS Special Purpose Trust		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 360,000	\$ 356,148	\$ (3,852)	\$ 289,860	\$ 337,648	\$ 47,788
Total revenues	360,000	356,148	(3,852)	289,860	337,648	47,788
EXPENDITURES:						
Current:						
Health and social services	485,000	305,223	(179,777)	538,836	412,378	(126,458)
Total expenditures	485,000	305,223	(179,777)	538,836	412,378	(126,458)
Excess (deficiency) of revenues over (under) expenditures	(125,000)	50,925	175,925	(248,976)	(74,730)	174,246
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				11,552	11,552	-
Operating transfers-out				(455)	(455)	-
Total other sources (uses) of financial resources				11,097	11,097	-
Budgetary funds-nonbudgeted accounts				(1,178)	(1,178)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(125,000)	50,925	175,925	(239,057)	(64,811)	174,246
Budgetary fund balances (deficits), July 1, 2019	(49,938)	(49,938)	-	51,347	51,347	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (174,938)	\$ 987	\$ 175,925	\$ (187,710)	\$ (13,464)	\$ 174,246

Total		
Final Budget	Actual	Variance Over (Under)
\$ 649,860	\$ 693,796	\$ 43,936
649,860	693,796	43,936
1,023,836	717,601	(306,235)
1,023,836	717,601	(306,235)
(373,976)	(23,805)	350,171
11,552	11,552	-
(455)	(455)	-
11,097	11,097	-
(1,178)	(1,178)	-
(364,057)	(13,886)	350,171
1,409	1,409	-
\$ (362,648)	\$ (12,477)	\$ 350,171

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 - Agencies, Boards and Commissions

For the Year Ended June 30, 2020 (Expressed in Thousands)

	State Board of Education			Illinois Emergency Management Agency State Cure Fund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 2,227,099	\$ 2,235,222	\$ 8,123			
Total revenues	<u>2,227,099</u>	<u>2,235,222</u>	<u>8,123</u>			
EXPENDITURES:						
Current:						
Education	3,604,175	2,200,050	(1,404,125)			
Employment and economic development				\$ 636,000		\$ (636,000)
Public protection and justice				1,500,000		(1,500,000)
Total expenditures	<u>3,604,175</u>	<u>2,200,050</u>	<u>(1,404,125)</u>	<u>2,136,000</u>		<u>(2,136,000)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,377,076)</u>	<u>35,172</u>	<u>1,412,248</u>	<u>(2,136,000)</u>		<u>2,136,000</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				2,700,000	\$ 2,700,000	-
Operating transfers-out	(17,224)	(17,224)	-			
Total other sources (uses) of financial resources	<u>(17,224)</u>	<u>(17,224)</u>	<u>-</u>	<u>2,700,000</u>	<u>2,700,000</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(128,879)</u>	<u>(128,879)</u>	<u>-</u>			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(1,523,179)</u>	<u>(110,931)</u>	<u>1,412,248</u>	<u>564,000</u>	<u>2,700,000</u>	<u>2,136,000</u>
Budgetary fund balances (deficits), July 1, 2019	(325,373)	(325,373)	-			
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	<u>\$ (1,848,552)</u>	<u>\$ (436,304)</u>	<u>\$ 1,412,248</u>	<u>\$ 564,000</u>	<u>\$ 2,700,000</u>	<u>\$ 2,136,000</u>

Total		
Final Budget	Actual	Variance Over (Under)
\$ 2,227,099	\$ 2,235,222	\$ 8,123
2,227,099	2,235,222	8,123
3,604,175	2,200,050	(1,404,125)
636,000		(636,000)
1,500,000		(1,500,000)
5,740,175	2,200,050	(3,540,125)
(3,513,076)	35,172	3,548,248
2,700,000	2,700,000	-
(17,224)	(17,224)	-
2,682,776	2,682,776	-
(128,879)	(128,879)	-
(959,179)	2,589,069	3,548,248
(325,373)	(325,373)	-
\$ (1,284,552)	\$ 2,263,696	\$ 3,548,248

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 - State Board of Education

For the Year Ended June 30, 2020 (Expressed in Thousands)

	S.B.E. Federal Department of Agriculture			S.B.E. Federal Department of Education		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 781,994	\$ 750,860	\$ (31,134)	\$ 1,445,105	\$ 1,484,362	\$ 39,257
Total revenues	781,994	750,860	(31,134)	1,445,105	1,484,362	39,257
EXPENDITURES:						
Current:						
Education	1,082,405	757,378	(325,027)	2,521,770	1,442,672	(1,079,098)
Total expenditures	1,082,405	757,378	(325,027)	2,521,770	1,442,672	(1,079,098)
Excess (deficiency) of revenues over (under) expenditures	(300,411)	(6,518)	293,893	(1,076,665)	41,690	1,118,355
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out				(17,224)	(17,224)	-
Total other sources (uses) of financial resources				(17,224)	(17,224)	-
Budgetary funds-nonbudgeted accounts	(668)	(668)	-	(128,211)	(128,211)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(301,079)	(7,186)	293,893	(1,222,100)	(103,745)	1,118,355
Budgetary fund balances (deficits), July 1, 2019	(37,988)	(37,988)	-	(287,385)	(287,385)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (339,067)	\$ (45,174)	\$ 293,893	\$ (1,509,485)	\$ (391,130)	\$ 1,118,355

Total		
Final Budget	Actual	Variance Over (Under)
\$ 2,227,099	\$ 2,235,222	\$ 8,123
2,227,099	2,235,222	8,123
3,604,175	2,200,050	(1,404,125)
3,604,175	2,200,050	(1,404,125)
(1,377,076)	35,172	1,412,248
(17,224)	(17,224)	-
(17,224)	(17,224)	-
(128,879)	(128,879)	-
(1,523,179)	(110,931)	1,412,248
(325,373)	(325,373)	-
\$ (1,848,552)	\$ (436,304)	\$ 1,412,248

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, 2020 (Expressed in Thousands)

	Code Departments					
	Innovation and Technology			Other		
	Technology Management Revolving Fund					
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 360	\$ 370	\$ 10	\$ 17	\$ 14	\$ (3)
Other	381,156	292,387	(88,769)	293,461	285,784	(7,677)
Less:						
Refunds				5	4	(1)
Total revenues	381,516	292,757	(88,759)	293,473	285,794	(7,679)
EXPENDITURES:						
Current:						
General government	650,589	387,561	(263,028)	530,923	394,044	(136,879)
Transportation				150	65	(85)
Public protection and justice				43,196	34,834	(8,362)
Capital outlays				2,250	1,135	(1,115)
Total expenditures	650,589	387,561	(263,028)	576,519	430,078	(146,441)
Excess (deficiency) of revenues over (under) expenditures	(269,073)	(94,804)	174,269	(283,046)	(144,284)	138,762
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	26	26	-	178,076	178,076	-
Operating transfers-out	(1,546)	(1,546)	-	(7,344)	(7,344)	-
Total other sources (uses) of financial resources	(1,520)	(1,520)	-	170,732	170,732	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(270,593)	(96,324)	174,269	(112,314)	26,448	138,762
Budgetary fund balances (deficits), July 1, 2019	(43,680)	(43,680)	-	128,500	128,500	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (314,273)	\$ (140,004)	\$ 174,269	\$ 16,186	\$ 154,948	\$ 138,762

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 377	\$ 384	\$ 7	
674,617	578,171	(96,446)	
5	4	(1)	
<u>674,989</u>	<u>578,551</u>	<u>(96,438)</u>	
1,181,512	781,605	(399,907)	
150	65	(85)	
43,196	34,834	(8,362)	
2,250	1,135	(1,115)	
<u>1,227,108</u>	<u>817,639</u>	<u>(409,469)</u>	
(552,119)	(239,088)	313,031	
178,102	178,102	-	
(8,890)	(8,890)	-	
<u>169,212</u>	<u>169,212</u>	-	
(382,907)	(69,876)	313,031	
84,820	84,820	-	
<u>\$ (298,087)</u>	<u>\$ 14,944</u>	<u>\$ 313,031</u>	

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, 2020 (Expressed in Thousands)

	Code Departments			Agencies, Boards & Commissions		
	Healthcare and Family Services			Illinois Emergency Management Agency		
	Public Aid Recoveries Trust			Disaster Response and Recovery		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes						
Public utility taxes						
Federal government	\$ 177,099	\$ 80,420	\$ (96,679)	\$ 3,519,919	\$ 3,519,919	\$ -
Other	293,897	950,027	656,130	600	3,719	3,119
Less:						
Refunds						
Total revenues	470,996	1,030,447	559,451	3,520,519	3,523,638	3,119
EXPENDITURES:						
Current:						
Health and social services	165,969	123,808	(42,161)			
Education						
General government						
Employment and Economic Development						
Public protection and justice				12,500	6,519	(5,981)
Environment and business regulation						
Capital outlays	936	50	(886)			
Total expenditures	166,905	123,858	(43,047)	12,500	6,519	(5,981)
Excess (deficiency) of revenues over (under) expenditures	304,091	906,589	602,498	3,508,019	3,517,119	9,100
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				41,600	41,600	-
Operating transfers-out	(392,634)	(392,634)	-	(2,700,000)	(2,700,000)	-
Total other sources (uses) of financial resources	(392,634)	(392,634)	-	(2,658,400)	(2,658,400)	-
Budgetary funds-nonbudgeted accounts	(696,516)	(696,516)	-	(431,919)	(431,919)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(785,059)	(182,561)	602,498	417,700	426,800	9,100
Budgetary fund balances (deficits), July 1, 2019, as previously reported	110,964	110,964	-	255,430	255,430	-
Reclassifications between budgetary/nonbudgetary funds-net				(255,273)	(255,273)	-
Budgetary fund balances (deficits), July 1, 2019, as reclassified	110,964	110,964	-	157	157	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2020	\$ (674,095)	\$ (71,597)	\$ 602,498	\$ 417,857	\$ 426,957	\$ 9,100

Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 5,153	\$ 5,153	\$ -	\$ 5,153	\$ 5,153	\$ -
161,723	161,723	-	161,723	161,723	-
103,275	106,572	3,297	3,800,293	3,706,911	(93,382)
531,818	613,238	81,420	826,315	1,566,984	740,669
312	262	(50)	312	262	(50)
801,657	886,424	84,767	4,793,172	5,440,509	647,337
284,341	235,178	(49,163)	450,310	358,986	(91,324)
18,784	6,883	(11,901)	18,784	6,883	(11,901)
136,252	120,580	(15,672)	136,252	120,580	(15,672)
5,884	5,011	(873)	5,884	5,011	(873)
17,647	4,232	(13,415)	30,147	10,751	(19,396)
21,310	10,215	(11,095)	21,310	10,215	(11,095)
419	418	(1)	1,355	468	(887)
484,637	382,517	(102,120)	664,042	512,894	(151,148)
317,020	503,907	186,887	4,129,130	4,927,615	798,485
29,949	29,949	-	71,549	71,549	-
(34,108)	(34,108)	-	(3,126,742)	(3,126,742)	-
(4,159)	(4,159)	-	(3,055,193)	(3,055,193)	-
(475,768)	(475,768)	-	(1,604,203)	(1,604,203)	-
(162,907)	23,980	186,887	(530,266)	268,219	798,485
310,314	310,314	-	676,708	676,708	-
4,563	4,563	-	(250,710)	(250,710)	-
314,877	314,877	-	425,998	425,998	-
\$ 151,970	\$ 338,857	\$ 186,887	\$ (104,268)	\$ 694,217	\$ 798,485

This Page Left Intentionally Blank

Statistical Section

This Page Left Intentionally Blank

STATISTICAL SECTION

This part of the Comprehensive Annual 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.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the State's financial performance and well-being have changed over time.	354
Revenue Capacity	
These schedules contain information to help the reader assess the State's most significant revenue sources: the personal income tax and the sales tax.	364
Debt Capacity	
These schedules present information to help the reader assess the affordability of the State's current levels of outstanding debt and the State's ability to issue additional debt in the future.	370
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.	378
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the State's financial report relates to the services the State provides and the activities it performs.	380

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual 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				
	2020	2019	2018	2017	2016
Governmental Activities					
Net investment in capital assets	\$ 16,024,087	\$ 16,161,889	\$ 16,205,052	\$ 15,992,970	\$ 15,583,035
Restricted	4,633,662	4,304,948	4,658,844	3,585,489	3,436,636
Unrestricted	(218,410,590)	(213,546,660)	(209,932,970)	(161,239,415)	(150,588,893)
Total governmental activities net position	<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>
Business-type Activities					
Net investment in capital assets	2,907	3,210	3,651	4,205	4,803
Restricted	4,326,417	6,384,660	5,705,891	5,450,934	5,371,256
Unrestricted	(955,969)	(999,847)	(654,207)	(381,994)	(533,887)
Total business-type activities net position	<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>
Primary Government					
Net investment in capital assets	16,026,994	16,165,099	16,208,703	15,997,175	15,587,838
Restricted	8,960,079	10,689,608	10,364,735	9,036,423	8,807,892
Unrestricted	(219,366,559)	(214,546,507)	(210,587,177)	(161,621,409)	(151,122,780)
Total primary government net position	<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>

Note: Balances have been restated for prior period adjustments, corrections, and reclassifications when practical.

The deficit balance of net position increased significantly in 2015 due to the implementation of GASB Statement No. 68.

The deficit balance of net position increased significantly in 2018 due to the implementation of GASB Statement No. 75.

Schedule 1

Ended June 30,				
2015	2014	2013	2012	2011
\$ 15,180,555	\$ 15,097,043	\$ 14,805,078	\$ 14,990,452	\$ 14,696,923
3,440,869	4,142,084	3,753,003	3,568,812	3,447,715
(143,928,601)	(68,297,390)	(66,410,019)	(65,144,723)	(61,753,364)
<u>(125,307,177)</u>	<u>(49,058,263)</u>	<u>(47,851,938)</u>	<u>(46,585,459)</u>	<u>(43,608,726)</u>
5,748	6,532	5,628	4,673	3,890
5,240,507	4,911,161	4,291,086	2,253,093	2,362,947
(921,900)	(1,094,605)	(1,271,930)	(422,682)	(1,129,243)
<u>4,324,355</u>	<u>3,823,088</u>	<u>3,024,784</u>	<u>1,835,084</u>	<u>1,237,594</u>
15,186,303	15,103,575	14,810,706	14,995,125	14,700,813
8,681,376	9,053,245	8,044,089	5,821,905	5,810,662
(144,850,501)	(69,391,995)	(67,681,949)	(65,567,405)	(62,882,607)
<u><u>\$(120,982,822)</u></u>	<u><u>\$ (45,235,175)</u></u>	<u><u>\$ (44,827,154)</u></u>	<u><u>\$(44,750,375)</u></u>	<u><u>\$(42,371,132)</u></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				
	2020	2019	2018	2017	2016
General fund (per GASB 54)					
Nonspendable	\$ 130,364	\$ 23,221	\$ 27,948	\$ 26,718	\$ 28,074
Restricted	38,958	69,038	89,798	52,233	79,294
Committed	2,992,426	2,537,792	1,923,096	1,946,730	1,139,048
Unassigned	(9,585,958)	(10,146,648)	(9,804,135)	(16,637,294)	(10,837,635)
Total general fund	<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>
All other governmental funds (per GASB 54)					
Nonspendable	172,455	161,091	149,962	134,400	121,976
Restricted	4,330,132	3,989,269	4,316,394	3,160,928	3,570,351
Committed	3,829,565	3,369,048	3,432,121	3,753,708	2,958,892
Assigned	2,170	-	-	1,658	9,835
Unassigned	(659,161)	(743,877)	(867,408)	(1,159,331)	(1,370,410)
Total all other governmental funds	<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>
Total governmental funds	<u>\$ 1,250,951</u>	<u>\$ (741,066)</u>	<u>\$ (732,224)</u>	<u>\$ (8,720,250)</u>	<u>\$ (4,300,575)</u>

Notes: Balances have been restated for prior period adjustments, corrections, and reclassifications when practical.

Schedule 2

Ended June 30,				
2015	2014	2013	2012	2011
\$ 28,301	\$ 30,567	\$ 32,395	\$ 34,652	\$ 32,108
45,569	58,852	65,729	40,572	37,247
1,311,460	1,138,836	739,161	917,589	1,132,322
<u>(8,238,260)</u>	<u>(7,906,594)</u>	<u>(8,171,762)</u>	<u>(10,070,984)</u>	<u>(9,211,633)</u>
<u>(6,852,930)</u>	<u>(6,678,339)</u>	<u>(7,334,477)</u>	<u>(9,078,171)</u>	<u>(8,009,956)</u>
120,025	101,255	108,746	85,281	78,447
2,987,518	3,623,415	3,347,699	3,248,413	3,192,381
3,110,300	5,480,900	3,408,438	3,783,223	3,437,839
1,227	10,007	9,265	7,959	20,984
<u>(1,374,629)</u>	<u>(1,230,375)</u>	<u>(1,432,956)</u>	<u>(1,553,553)</u>	<u>(1,698,486)</u>
<u>4,844,441</u>	<u>7,985,202</u>	<u>5,441,192</u>	<u>5,571,323</u>	<u>5,031,165</u>
<u>\$ (2,008,489)</u>	<u>\$ 1,306,863</u>	<u>\$ (1,893,285)</u>	<u>\$ (3,506,848)</u>	<u>\$ (2,978,791)</u>

State of Illinois

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2020	2019	2018	2017	2016
Governmental Activities:					
Expenses					
Health and social services	\$ 34,058,246	\$ 31,068,488	\$ 29,207,200	\$ 30,271,727	\$ 28,910,642
Education	28,454,084	24,238,730	25,359,053	22,330,561	19,277,492
General government	3,425,080	3,202,284	2,892,134	2,907,779	2,826,077
Employment and economic development	843,447	906,153	756,026	962,010	834,844
Transportation	5,110,682	4,496,926	4,625,352	5,282,459	4,702,430
Public protection and justice	4,523,648	4,281,070	4,416,348	4,522,776	3,931,125
Environment and business regulation	772,169	1,000,741	778,045	927,409	801,393
Intergovernmental-revenue sharing	6,823,515	6,357,667	5,917,915	6,145,598	5,905,841
Interest	1,564,664	1,771,247	1,986,119	1,872,321	1,761,607
Total governmental activities expenses	85,575,535	77,323,306	75,938,192	75,222,640	68,951,451
Program revenues					
Charges for services:					
Health and social services	459,695	152,953	144,921	515,062	332,674
Education	8,283	10,391	10,726	10,599	10,156
General government	2,412,267	2,272,405	2,233,439	2,243,389	2,150,695
Employment and economic development	31,088	24,584	17,959	31,282	76,595
Transportation	44,513	54,189	52,404	110,920	53,133
Public protection and justice	141,387	151,038	147,209	148,115	154,511
Environment and business regulation	453,856	421,971	460,043	431,116	437,622
Operating grants and contributions	26,120,240	21,612,198	21,347,390	23,176,771	20,956,206
Capital grants and contributions	1,628,823	1,272,045	1,302,747	1,503,916	1,531,259
Total governmental activities program revenues	31,300,152	25,971,774	25,716,838	28,171,170	25,702,851
Total governmental activities net program expense	(54,275,383)	(51,351,532)	(50,221,354)	(47,051,470)	(43,248,600)
General revenues and other changes in net position					
Taxes					
Income taxes	25,379,740	24,923,946	22,431,277	16,427,074	16,897,452
Sales taxes	12,102,446	12,242,861	11,850,090	11,332,134	11,165,310
Motor fuel taxes	2,343,071	1,317,925	1,323,577	1,303,773	1,322,372
Public utility taxes	1,385,989	1,470,176	1,443,513	1,439,332	1,427,368
Riverboat taxes	329,163	453,985	469,363	475,299	485,024
Medical providers assessment taxes	2,930,665	1,720,775	1,562,007	1,565,845	1,376,128
Other taxes	2,892,250	3,047,878	2,967,862	2,803,658	2,742,805
Interest and investment income	243,579	396,133	123,627	96,389	72,294
Other revenues	1,277,786	990,304	880,645	759,553	762,820
Special items	-	-	-	-	-
Transfers	717,676	776,800	749,264	756,679	734,982
Total general revenues and other changes in net position	49,602,365	47,340,783	43,801,225	36,959,736	36,986,555
Total governmental activities change in net position	(4,673,018)	(4,010,749)	(6,420,129)	(10,091,734)	(6,262,045)

Note: Balances have been restated for prior period adjustments, corrections, and reclassifications when practical.

Revenue from income taxes increased significantly beginning in 2011 as the State legislatures voted to raise the individual income tax rate from 3.00% to 5.00% and the corporate income tax rate from 4.80% to 7.00%. In January 2015, 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%.

Schedule 3

Ended June 30,				
2015	2014	2013	2012	2011
\$ 29,744,877	\$ 27,341,750	\$ 25,885,439	\$ 26,021,677	\$ 24,972,973
19,302,465	19,049,547	18,363,509	17,703,469	17,839,554
2,717,269	2,449,947	2,771,340	2,575,789	1,755,142
1,251,097	1,271,862	1,318,453	1,332,412	1,581,353
5,132,636	5,103,505	5,007,079	4,471,245	4,867,065
3,600,577	3,394,190	3,460,726	3,621,072	3,579,498
1,104,370	1,050,615	910,189	1,033,428	1,055,309
5,956,535	5,669,666	5,397,613	5,329,498	5,191,373
1,709,219	1,783,172	1,518,871	1,608,440	1,368,509
<u>70,519,045</u>	<u>67,114,254</u>	<u>64,633,219</u>	<u>63,697,030</u>	<u>62,210,776</u>
236,140	402,880	298,154	175,218	228,431
9,446	8,251	8,378	6,666	4,886
2,170,928	2,110,376	2,177,257	2,177,712	2,195,738
27,622	13,046	18,468	17,107	22,681
16,082	124,869	45,358	27,096	45,553
145,548	146,781	125,859	131,729	121,456
416,124	441,445	388,894	446,925	316,821
21,882,386	19,928,670	18,650,189	18,378,500	19,734,925
1,524,107	1,673,267	1,344,794	1,555,210	1,586,140
<u>26,428,383</u>	<u>24,849,585</u>	<u>23,057,351</u>	<u>22,916,163</u>	<u>24,256,631</u>
<u>(44,090,662)</u>	<u>(42,264,669)</u>	<u>(41,575,868)</u>	<u>(40,780,867)</u>	<u>(37,954,145)</u>
19,881,531	20,992,371	21,259,064	19,585,251	14,407,585
10,997,205	10,585,448	10,213,130	9,800,153	9,619,503
1,292,178	1,272,818	1,253,806	1,269,484	1,302,295
1,460,558	1,469,128	1,475,677	1,487,570	1,572,930
498,309	521,092	583,699	495,055	457,865
1,400,813	1,672,787	1,165,644	964,307	942,557
2,843,428	2,306,427	2,288,341	2,341,243	1,800,980
64,104	61,354	46,900	53,597	62,254
777,298	1,342,507	1,134,424	1,029,051	1,019,165
-	-	64,598	-	-
779,330	834,412	824,106	778,423	695,390
<u>39,994,754</u>	<u>41,058,344</u>	<u>40,309,389</u>	<u>37,804,134</u>	<u>31,880,524</u>
<u>(4,095,908)</u>	<u>(1,206,325)</u>	<u>(1,266,479)</u>	<u>(2,976,733)</u>	<u>(6,073,621)</u>

State of Illinois

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting, Amounts in Thousands)

(continued)

	For the Fiscal Year				
	2020	2019	2018	2017	2016
Business-Type Activities:					
Expenses					
Unemployment compensation trust	9,830,805	1,656,403	1,727,817	1,846,247	1,904,271
Water revolving	109,407	69,517	63,234	46,947	39,200
Prepaid tuition program	36,862	47,674	43,558	157,576	57,776
Lottery	2,159,808	2,238,331	2,280,857	2,129,455	2,150,110
Other	157,010	199,016	260,832	254,396	251,148
Total business-type activities expenses	12,293,892	4,210,941	4,376,298	4,434,621	4,402,505
Program revenues					
Charges for services:					
Unemployment compensation trust	1,570,873	1,776,554	1,899,802	1,987,231	2,206,079
Water revolving	80,934	77,487	70,908	61,059	51,881
Prepaid tuition program	9,988	33,052	49,622	86,303	60,993
Lottery	2,848,534	2,981,315	2,932,921	2,850,445	2,862,056
Other	125,152	139,396	145,016	148,633	153,663
Operating grants and contributions	6,281,734	237,338	181,675	262,654	238,119
Total business-type activities program revenues	10,917,215	5,245,142	5,279,944	5,396,325	5,572,791
Total business-type activities net program revenue (expense)	(1,376,677)	1,034,201	903,646	961,704	1,170,286
General revenues and other changes in net position					
Interest and investment income	79,685	75,287	37,092	25,948	64,737
Other revenues	-	-	-	-	-
Transfers	(717,676)	(776,800)	(749,264)	(756,679)	(734,982)
Total business-type activities general revenues and other changes in net position	(637,991)	(701,513)	(712,172)	(730,731)	(670,245)
Total business-type activities change in net position	(2,014,668)	332,688	191,474	230,973	500,041
Total primary government change in net position	\$ (6,687,686)	\$ (3,678,061)	\$ (6,228,655)	\$ (9,860,761)	\$ (5,762,004)

Note: Balances have been restated for prior period adjustments, corrections, and reclassifications when practical.

Program revenues and expenses increased significantly in 2020 as a result of a significant increase in unemployment compensation claims due to the COVID-19 pandemic.

Schedule 3

Ended June 30,				
2015	2014	2013	2012	2011
1,842,424	2,758,692	3,594,082	5,087,631	6,424,471
43,880	37,355	45,840	85,366	84,114
27,931	25,595	94,691	193,523	94,405
2,138,677	2,084,750	2,097,604	1,941,324	1,601,387
258,693	289,529	331,891	406,902	465,965
<u>4,311,605</u>	<u>5,195,921</u>	<u>6,164,108</u>	<u>7,714,746</u>	<u>8,670,342</u>
2,397,199	2,643,598	3,209,935	3,216,031	2,626,928
46,568	43,823	43,516	42,958	44,393
67,762	138,703	126,025	35,294	170,250
2,850,711	2,868,500	2,902,357	2,682,379	2,269,675
148,010	156,047	163,677	182,577	291,268
270,208	943,403	1,724,991	2,891,670	4,196,904
<u>5,780,458</u>	<u>6,794,074</u>	<u>8,170,501</u>	<u>9,050,909</u>	<u>9,599,418</u>
<u>1,468,853</u>	<u>1,598,153</u>	<u>2,006,393</u>	<u>1,336,163</u>	<u>929,076</u>
50,713	34,563	7,413	39,750	41,959
-	-	-	-	3,314
<u>(779,330)</u>	<u>(834,412)</u>	<u>(824,106)</u>	<u>(778,423)</u>	<u>(695,390)</u>
<u>(728,617)</u>	<u>(799,849)</u>	<u>(816,693)</u>	<u>(738,673)</u>	<u>(650,117)</u>
<u>740,236</u>	<u>798,304</u>	<u>1,189,700</u>	<u>597,490</u>	<u>278,959</u>
<u>\$ (3,355,672)</u>	<u>\$ (408,021)</u>	<u>\$ (76,779)</u>	<u>\$ (2,379,243)</u>	<u>\$ (5,794,662)</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				
	2020	2019	2018	2017	2016
Revenues					
Income taxes	\$ 25,372,708	\$ 25,006,384	\$ 22,386,421	\$ 16,428,810	\$ 16,907,923
Sales taxes	12,102,446	12,244,809	11,850,683	11,354,547	11,162,605
Motor fuel taxes	2,343,101	1,318,993	1,322,392	1,304,523	1,322,727
Public utility taxes	1,392,449	1,478,828	1,414,502	1,443,797	1,431,179
Riverboat taxes	329,163	453,985	469,363	475,299	485,024
Medical providers assessment taxes	2,956,445	1,694,988	1,586,240	1,545,511	1,375,891
Other taxes	2,991,645	3,076,520	2,911,995	2,790,400	2,782,600
Federal government	26,362,599	21,372,784	23,314,354	21,921,955	21,763,831
Licenses and fees	2,984,000	2,788,424	2,767,206	2,809,879	2,737,014
Interest and other investment income	240,217	390,624	118,206	93,372	70,194
Other revenues	3,004,121	2,484,373	2,093,230	2,623,837	2,216,198
Total revenues	80,078,894	72,310,712	70,234,592	62,791,930	62,255,186
Expenditures					
Health and social services	34,309,200	29,970,452	28,835,515	29,299,969	28,274,261
Education	21,619,742	20,059,454	20,176,344	16,929,930	16,361,980
General government	2,994,165	2,909,113	2,531,734	2,351,867	2,479,319
Employment and economic development	901,340	855,666	770,706	882,272	762,998
Transportation	3,626,310	3,385,476	3,158,258	3,812,951	3,341,966
Public protection and justice	4,127,599	3,376,858	3,374,279	3,199,854	3,070,350
Environment and business regulation	825,453	848,982	753,444	761,369	739,662
Debt service:					
Principal	2,011,542	2,884,108	2,337,107	2,322,844	1,999,951
Interest	1,569,297	1,681,940	1,612,438	1,523,395	1,576,845
Capital outlay	1,721,339	1,344,935	1,365,606	1,504,609	1,867,445
Intergovernmental	6,823,515	6,357,667	5,917,915	6,145,598	5,905,841
Total expenditures	80,529,502	73,674,651	70,833,346	68,734,658	66,380,618
Deficiency of revenues (under) expenditures	(450,608)	(1,363,939)	(598,754)	(5,942,728)	(4,125,432)
Other Financing Sources (Uses)					
General and special obligation and revenue bonds issued	1,550,000	550,000	7,250,000	690,035	1,030,000
Premiums on general and special obligation and revenue bonds issued	64,759	12,206	559,670	54,443	60,939
Discounts on general obligation bonds issued	(12,599)	(418)	-	-	-
General and special obligation and revenue refunding bonds issued	-	1,106,050	670,965	1,641,900	-
Premiums on general and special obligation and revenue refunding bonds issued	-	67,449	90,805	152,800	-
Transfers-in	6,317,766	6,770,458	7,000,154	6,100,888	6,011,305
Transfers-out	(5,600,890)	(5,994,458)	(6,251,374)	(5,344,060)	(5,273,483)
Payment to refunded bond escrow agent	-	(1,168,591)	(756,954)	(1,782,885)	-
Capital lease financing	3,894	5,857	9,283	1,757	3,181
Total other financing sources (uses)	2,322,930	1,348,553	8,572,549	1,514,878	1,831,942
Special Items	-	-	-	-	-
Net change in fund balances	\$ 1,872,322	\$ (15,386)	\$ 7,973,795	\$ (4,427,850)	\$ (2,293,490)
Debt service as a percentage of noncapital expenditures	4.54%	6.31%	5.69%	5.72%	5.54%

Notes: Balances have been reclassified for prior period adjustments, corrections, and reclassifications when practical.

Revenue from income taxes increased significantly beginning in 2011 as the State legislatures voted to raise the individual income tax rate from 3.00% to 5.00% and the corporate income tax rate from 4.80% to 7.00%. In January 2015, 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%.

Schedule 4

Ended June 30,				
2015	2014	2013	2012	2011
\$ 19,909,259	\$ 20,948,992	\$ 21,094,432	\$ 19,597,757	\$ 14,410,452
11,006,405	10,602,973	10,218,389	9,794,571	9,627,310
1,291,139	1,273,009	1,254,260	1,275,042	1,299,397
1,461,807	1,472,798	1,463,308	1,495,251	1,578,941
498,309	521,092	583,699	495,055	457,865
1,412,493	1,677,667	1,149,310	961,546	944,635
2,756,193	2,346,081	2,306,255	2,168,203	1,815,470
21,981,451	20,573,411	19,605,267	18,213,961	20,389,879
2,706,962	2,649,213	2,491,802	2,587,031	2,406,475
62,298	59,328	45,082	52,495	51,462
<u>2,284,297</u>	<u>2,873,794</u>	<u>2,260,237</u>	<u>2,095,164</u>	<u>2,175,221</u>
<u>65,370,613</u>	<u>64,998,358</u>	<u>62,472,041</u>	<u>58,736,076</u>	<u>55,157,107</u>
29,029,974	27,024,378	25,403,862	25,643,420	24,571,136
17,159,014	17,424,910	16,190,331	15,064,753	15,681,944
2,375,648	2,286,984	2,243,536	2,214,383	1,383,859
1,223,773	1,291,102	1,291,834	1,298,303	1,534,519
3,807,979	3,830,329	3,696,646	3,272,768	3,617,622
3,062,535	2,966,836	2,937,295	3,180,977	3,043,677
956,821	948,652	808,257	930,414	945,980
2,405,138	2,038,117	1,899,704	1,819,303	1,975,685
1,677,217	1,608,331	1,570,741	1,576,539	1,353,275
1,829,993	1,776,463	1,600,425	1,916,674	2,024,842
5,956,535	5,669,666	5,397,613	5,329,498	5,191,373
<u>69,484,627</u>	<u>66,865,768</u>	<u>63,040,244</u>	<u>62,247,032</u>	<u>61,323,912</u>
<u>(4,114,014)</u>	<u>(1,867,410)</u>	<u>(568,203)</u>	<u>(3,510,956)</u>	<u>(6,166,805)</u>
-	4,077,000	1,150,000	2,100,040	6,403,460
-	169,216	41,540	80,268	6,607
-	-	-	-	(90)
-	-	604,110	1,797,740	-
-	-	85,084	165,789	-
7,182,740	5,844,706	6,057,771	6,099,132	9,694,259
(6,403,418)	(5,010,303)	(5,233,178)	(5,334,744)	(9,068,773)
-	-	(686,236)	(1,934,435)	-
3,451	2,006	1,006	2,788	1,282
<u>782,773</u>	<u>5,082,625</u>	<u>2,020,097</u>	<u>2,976,578</u>	<u>7,036,745</u>
-	-	165,001	-	-
<u>\$ (3,331,241)</u>	<u>\$ 3,215,215</u>	<u>\$ 1,616,895</u>	<u>\$ (534,378)</u>	<u>\$ 869,940</u>
<u>6.03%</u>	<u>5.60%</u>	<u>5.65%</u>	<u>5.63%</u>	<u>5.61%</u>

State of Illinois**Personal Income by Industry****Last Ten Calendar Years****(Amounts in Thousands)**

	For the Calendar Year				
	2019	2018	2017	2016	2015
Farm earnings	\$ 2,171,453	\$ 3,315,128	\$ 2,227,408	\$ 2,564,057	\$ 278,111
Agricultural/forestry, fishing, and other	464,784	444,820	450,336	460,052	460,004
Mining	1,301,375	1,251,370	1,022,710	844,216	1,043,414
Construction/utilities	31,206,042	30,069,284	29,727,148	28,175,265	28,143,021
Manufacturing	57,558,676	56,961,039	54,044,261	52,323,602	53,172,370
Transportation and public utilities	27,453,290	25,805,457	23,010,515	22,460,117	23,501,796
Wholesale trade	32,893,951	32,198,566	31,598,317	30,372,830	30,472,389
Retail trade	26,586,849	25,782,295	24,733,758	24,525,676	24,863,210
Finance, insurance, and real estate	61,758,416	59,078,029	54,706,404	54,012,362	52,146,866
Services	227,684,853	221,884,045	212,508,490	206,151,047	201,823,671
Federal, civilian	9,296,383	9,182,950	8,882,287	8,678,166	8,602,460
Military	2,887,712	2,733,524	2,499,927	2,327,983	2,336,641
State and local government	60,954,922	59,222,893	57,967,353	57,559,651	58,514,598
Other	202,422,021	199,134,680	189,894,793	181,564,838	180,131,538
Total personal income	\$ 744,640,727	\$ 727,064,080	\$ 693,273,707	\$ 672,019,862	\$ 665,490,089
Tax liability	\$ 17,306,764	\$ 17,163,176	\$ 14,232,641	\$ 11,531,400	\$ 11,758,489
Average effective rate	2.32%	2.36%	2.05%	1.72%	1.77%

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,				
2014	2013	2012	2011	2010
\$ 3,552,756	\$ 7,957,882	\$ 3,210,000	\$ 5,532,292	\$ 2,682,784
406,425	334,976	397,219	334,697	400,042
1,355,675	1,293,675	1,271,440	1,259,647	1,055,190
26,259,508	24,252,907	21,354,976	21,977,275	22,168,867
52,097,516	51,183,891	52,943,137	47,835,270	44,739,656
23,263,866	22,732,471	19,826,411	18,671,925	15,909,648
29,506,185	28,917,961	28,424,193	26,825,228	24,751,332
24,079,150	23,654,974	23,084,384	22,108,376	21,188,835
46,146,378	38,924,400	34,985,114	33,124,647	41,170,325
193,852,649	186,011,316	179,180,906	170,633,157	161,269,661
8,338,715	8,182,682	8,477,026	8,651,107	8,688,814
2,350,601	2,489,144	2,591,007	2,665,531	2,933,969
58,275,940	57,768,484	53,511,408	53,141,184	52,870,403
167,794,599	153,966,612	158,343,942	149,532,130	141,431,602
<u>\$ 637,279,963</u>	<u>\$ 607,671,375</u>	<u>\$ 587,601,163</u>	<u>\$ 562,292,466</u>	<u>\$ 541,261,128</u>
<u>\$ 15,532,205</u>	<u>\$ 14,701,925</u>	<u>\$ 15,703,310</u>	<u>\$ 12,855,244</u>	<u>\$ 8,131,062</u>
<u>2.44%</u>	<u>2.42%</u>	<u>2.67%</u>	<u>2.29%</u>	<u>1.50%</u>

State of Illinois

**Taxable Sales by Industry
Last Ten Fiscal Years
(Amounts in Thousands)**

	For the Fiscal Year				
	2020	2019	2018	2017	2016
General merchandise	\$ 22,677,715	\$ 22,718,473	\$ 22,784,722	\$ 21,555,470	\$ 18,840,242
Food	24,291,922	23,013,962	22,436,327	21,355,215	22,385,459
Drinking and eating places	22,865,211	25,957,118	25,000,446	24,041,077	21,770,507
Apparel	7,411,912	8,374,492	8,075,480	7,966,678	7,130,282
Furniture, household, and radio	10,500,398	10,412,402	10,557,835	10,294,696	9,681,795
Lumber, building, and hardware	11,867,005	10,903,988	10,707,149	10,026,817	9,415,743
Automotive and filling stations	41,687,382	43,765,261	43,036,870	40,559,261	39,773,435
Drugs and other retail	45,487,346	40,199,756	37,771,600	36,526,231	30,733,251
Agriculture and extractives	34,488,828	33,571,231	30,754,927	28,195,889	25,603,217
Manufacturing	6,904,828	7,141,907	6,515,236	6,238,983	5,693,816
Total	\$ 228,182,547	\$ 226,058,590	\$ 217,640,592	\$ 206,760,317	\$ 191,027,747

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

Schedule 6

Ended June 30,				
2015	2014	2013	2012	2011
\$ 20,525,330	\$ 20,909,371	\$ 20,984,402	\$ 21,379,802	\$ 12,406,368
21,908,129	20,659,706	19,927,008	20,602,149	19,700,141
22,062,665	20,728,370	19,171,381	19,377,805	18,408,341
7,420,636	7,001,093	6,600,261	6,601,677	14,736,097
9,641,594	9,327,989	8,827,231	9,201,686	8,833,159
9,462,798	8,976,058	8,503,130	8,593,170	8,332,430
40,196,438	34,835,154	36,601,135	35,771,184	33,575,575
29,927,521	28,062,832	26,806,067	27,458,332	25,180,327
27,431,997	26,517,679	23,787,602	24,608,599	24,720,332
5,476,697	4,772,007	4,308,047	4,308,079	4,294,155
\$ 194,053,805	\$ 181,790,259	\$ 175,516,264	\$ 177,902,483	\$ 170,186,925

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 2019 and 2010
(Amounts in Thousands)

For the Calendar Year Ended December 31, 2019

<u>Income Level</u>	<u>Number of Filers</u>	<u>Percentage of Total</u>	<u>Personal Income Tax Liability</u>	<u>Percentage of Total</u>
\$500,001 and higher	63,004	1.14%	\$ 3,691,573	21.33%
\$100,001 - \$500,000	1,173,632	21.18%	7,799,721	45.07%
\$50,001 - \$100,000	1,350,180	24.37%	3,476,669	20.09%
\$25,001 - \$50,000	1,264,244	22.82%	1,697,135	9.80%
\$25,000 and less	1,688,963	30.49%	641,666	3.71%
Total	<u>5,540,023</u>	<u>100.00%</u>	<u>\$ 17,306,764</u>	<u>100.00%</u>

For the Calendar Year Ended December 31, 2010

<u>Income Level</u>	<u>Number of Filers</u>	<u>Percentage of Total</u>	<u>Personal Income Tax Liability</u>	<u>Percentage of Total</u>
\$500,001 and higher	39,449	0.71%	\$ 1,655,406	20.36%
\$100,001 - \$500,000	792,044	14.32%	3,061,042	37.65%
\$50,001 - \$100,000	1,302,826	23.55%	1,981,843	24.37%
\$25,001 - \$50,000	1,277,583	23.10%	972,386	11.96%
\$25,000 and less	2,119,700	38.32%	460,385	5.66%
Total	<u>5,531,602</u>	<u>100.00%</u>	<u>\$ 8,131,062</u>	<u>100.00%</u>

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 \$2,000 for calendar year 2010 and \$2,275 for calendar year 2019. 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 2020 and 2011
(Amounts in Thousands)

	For the Fiscal Year Ended June 30, 2020			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	2,341	0.20%	\$ 1,408,131	9.22%
Food	6,170	0.54%	1,022,566	6.70%
Drinking and eating places	28,276	2.46%	2,027,275	13.28%
Apparel	10,913	0.95%	600,228	3.93%
Furniture, household, and radio	11,136	0.97%	832,248	5.45%
Lumber, building, and hardware	11,738	1.02%	1,029,314	6.74%
Automotive and filling stations	924,050	80.53%	2,904,727	19.04%
Drugs and other retail	65,707	5.73%	2,518,947	16.50%
Agriculture and extractives	71,476	6.23%	2,372,047	15.54%
Manufacturing	15,765	1.37%	549,215	3.60%
Total	1,147,572	100.00%	\$ 15,264,698	100.00%

	For the Fiscal Year Ended June 30, 2011			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	2,316	0.18%	\$ 905,376	7.71%
Food	7,617	0.60%	826,656	7.04%
Drinking and eating places	25,989	2.05%	1,536,470	13.09%
Apparel	8,119	0.64%	974,023	8.29%
Furniture, household, and radio	14,093	1.11%	705,713	6.01%
Lumber, building, and hardware	12,710	1.00%	687,693	5.86%
Automotive and filling stations	1,057,848	83.28%	2,398,215	20.42%
Drugs and other retail	59,007	4.65%	1,493,398	12.72%
Agriculture and extractives	69,161	5.44%	1,814,966	15.46%
Manufacturing	13,292	1.05%	398,841	3.40%
Total	1,270,152	100.00%	\$ 11,741,351	100.00%

Note: Due to confidentiality issues, 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)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>For the Fiscal 2016</u>
Governmental activities					
General obligation bonds	\$ 28,373,752	\$ 28,598,365	\$ 30,926,818	\$ 25,230,528	\$ 26,795,531
Special obligation bonds	2,198,777	2,427,260	2,409,970	2,658,088	2,650,435
Revenue bonds	844,113	951,869	1,054,679	1,071,621	1,156,699
Notes payable	30,097	-	-	-	-
Capital leases	9,854	10,356	9,614	5,862	7,580
Installment purchases	-	1,572	-	-	36
Certificates of participation	-	2,745	5,335	15,150	24,370
Total governmental activities	<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>
Business-type activities					
Revenue bonds	115,253	137,620	161,391	192,133	622,017
Capital leases	17	37	57	9	26
Total business-type activities	<u>115,270</u>	<u>137,657</u>	<u>161,448</u>	<u>192,142</u>	<u>622,043</u>
Total primary government	<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>
Total primary government debt as a percentage of personal income	<u>4.24%</u>	<u>4.42%</u>	<u>5.01%</u>	<u>4.33%</u>	<u>4.79%</u>
Total amount of primary government debt per capita	<u>\$ 2.491</u>	<u>\$ 2.525</u>	<u>\$ 2.704</u>	<u>\$ 2.274</u>	<u>\$ 2.430</u>

Notes: Details regarding the State's debt can be found in Notes 9 through 13 of the financial statements.

Due to the implementation of GASB 65 in fiscal year 2014, deferred amounts on refundings are now reported as deferred inflows/outflows of resources on the statement of net position and are no longer included as liabilities. For fiscal years prior to 2014, deferred amounts on refundings are included in the amounts reported as outstanding debt.

Schedule 9

Year Ended June 30,				
2015	2014	2013	2012	2011
\$ 27,421,318	\$ 29,543,582	\$ 27,398,638	\$ 28,141,980	\$ 28,256,367
2,912,003	3,181,684	3,000,345	2,934,527	2,394,597
1,237,731	1,314,929	1,386,166	1,450,094	1,509,846
-	-	-	-	-
7,244	6,073	6,818	7,648	6,632
442	808	1,155	3,412	8,109
33,060	41,265	49,020	58,190	66,870
<u>31,611,798</u>	<u>34,088,341</u>	<u>31,842,142</u>	<u>32,595,851</u>	<u>32,242,421</u>
925,265	1,457,745	1,822,051	590,704	704,284
26	-	-	-	4
<u>925,291</u>	<u>1,457,745</u>	<u>1,822,051</u>	<u>590,704</u>	<u>704,288</u>
<u>\$ 32,537,089</u>	<u>\$ 35,546,086</u>	<u>\$ 33,664,193</u>	<u>\$ 33,186,555</u>	<u>\$ 32,946,709</u>
<u>5.17%</u>	<u>5.92%</u>	<u>5.73%</u>	<u>5.90%</u>	<u>6.09%</u>
<u>\$ 2.524</u>	<u>\$ 2.758</u>	<u>\$ 2.616</u>	<u>\$ 2.580</u>	<u>\$ 2.566</u>

State of Illinois

Ratios of General Bonded Debt Outstanding and Debt Limitations

Last Ten Fiscal Years

(Amounts in Thousands)

	2020	2019	2018	2017	For the Fiscal 2016
General bonded debt					
General obligation bonds	\$ 28,373,752	\$ 28,598,365	\$ 30,926,818	\$ 25,230,528	\$ 26,795,531
Special obligation bonds	2,198,777	2,427,260	2,409,970	2,658,088	2,650,435
	<u>30,572,529</u>	<u>31,025,625</u>	<u>33,336,788</u>	<u>27,888,616</u>	<u>29,445,966</u>
Less: Amounts restricted for debt service	1,383,517	1,384,033	1,750,450	1,398,090	1,513,092
Net total general bonded debt	<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>
Total general bonded debt as a percentage of personal income	<u>3.92%</u>	<u>4.08%</u>	<u>4.56%</u>	<u>3.94%</u>	<u>4.20%</u>
Total general bonded debt as a percentage of taxable sales	<u>12.79%</u>	<u>13.11%</u>	<u>14.51%</u>	<u>12.81%</u>	<u>14.62%</u>
Total amount of general obligation debt per capita	<u>\$ 2.303</u>	<u>\$ 2.330</u>	<u>\$ 2.470</u>	<u>\$ 2.065</u>	<u>\$ 2.171</u>
Authorized general bonded debt					
General obligation bonds	\$ 86,794,865	\$ 86,794,865	\$ 65,255,951	\$ 58,455,951	\$ 58,455,951
Special obligation bonds	9,684,681	9,684,681	6,446,009	6,446,009	6,446,009
Total authorized general bonded debt	<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>
Issued general bonded debt					
General obligation bonds	\$ 67,427,241	\$ 65,877,241	\$ 64,471,191	\$ 57,221,190	\$ 55,438,046
Special obligation bonds	9,153,362	9,153,362	5,722,228	5,722,228	5,512,193
Total issued general bonded debt	<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>
General bonded debt margin (Authorized but unissued debt)					
General obligation bonds	\$ 26,394,514	\$ 27,554,824	\$ 6,990,234	\$ 7,011,954	\$ 8,397,243
Special obligation bonds	3,878,534	3,872,431	877,884	872,215	1,076,761
Total general bonded debt margin	<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>
Issued bonded debt to authorized bonded debt ratio					
General obligation bonds	77.69%	75.90%	98.80%	97.89%	94.84%
Special obligation bonds	94.51%	94.51%	88.77%	88.77%	85.51%
Total issued bonded debt to authorized bonded debt ratio	79.37%	77.77%	97.90%	96.98%	93.91%

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.

Due to the implementation of GASB 65 in fiscal year 2014, deferred amounts on refundings are now reported as deferred inflows/outflows of resources on the statement of net position and are no longer included as liabilities. For fiscal years prior to 2014, deferred amounts on refundings are included in the amounts reported as outstanding debt.

The State's authorized bonded debt limits are established by the General Obligation Bond Act (30 ILCS 330), the Metropolitan Civic Center Support Act (30 ILCS 355), and the Build Illinois Bond Act (30 ILCS 425).

Schedule 10

Year Ended June 30,

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 27,421,318	\$ 29,543,582	\$ 27,398,638	\$ 28,141,980	\$ 28,256,367
2,912,003	3,181,684	3,000,345	2,934,527	2,394,597
<u>30,333,321</u>	<u>32,725,266</u>	<u>30,398,983</u>	<u>31,076,507</u>	<u>30,650,964</u>
1,407,540	1,804,967	1,615,537	1,478,072	1,366,885
<u>\$ 28,925,781</u>	<u>\$ 30,920,299</u>	<u>\$ 28,783,446</u>	<u>\$ 29,598,435</u>	<u>\$ 29,284,079</u>
<u>4.54%</u>	<u>5.09%</u>	<u>4.90%</u>	<u>5.26%</u>	<u>5.41%</u>
<u>14.91%</u>	<u>17.01%</u>	<u>16.40%</u>	<u>16.64%</u>	<u>17.21%</u>
<u>\$ 2.245</u>	<u>\$ 2.398</u>	<u>\$ 2.236</u>	<u>\$ 2.301</u>	<u>\$ 2.281</u>
\$ 57,855,951	\$ 57,855,951	\$ 55,630,951	\$ 54,014,151	\$ 54,014,151
6,446,009	6,446,009	5,903,509	5,903,509	4,815,509
<u>\$ 64,301,960</u>	<u>\$ 64,301,960</u>	<u>\$ 61,534,460</u>	<u>\$ 59,917,660</u>	<u>\$ 58,829,660</u>
\$ 54,408,046	\$ 54,408,046	\$ 50,733,045	\$ 49,883,046	\$ 46,710,306
5,512,193	5,512,193	5,110,193	4,810,193	4,085,153
<u>\$ 59,920,239</u>	<u>\$ 59,920,239</u>	<u>\$ 55,843,238</u>	<u>\$ 54,693,239</u>	<u>\$ 50,795,459</u>
\$ 9,013,252	\$ 7,981,693	\$ 8,983,350	\$ 7,852,278	\$ 10,481,559
1,072,806	1,069,091	925,101	1,221,821	852,891
<u>\$ 10,086,058</u>	<u>\$ 9,050,784</u>	<u>\$ 9,908,451</u>	<u>\$ 9,074,099</u>	<u>\$ 11,334,450</u>
94.04%	94.04%	91.20%	92.35%	86.48%
85.51%	85.51%	86.56%	81.48%	84.83%
93.19%	93.19%	90.75%	91.28%	86.34%

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							
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
2015	604,324	-	604,324	240,995	128,985	369,980	1.63
2014	570,824	-	570,824	218,619	133,039	351,658	1.62
2013	553,946	-	553,946	212,379	129,518	341,897	1.62
2012	530,664	-	530,664	180,589	118,942	299,531	1.77
2011	509,368	-	509,368	180,565	118,598	299,163	1.70
Civic Center Bond Fund - Pledged revenue of portion of sales tax collections							
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
2015	19,000	-	19,000	11,415	2,492	13,907	1.37
2014	19,000	-	19,000	10,705	3,112	13,817	1.38
2013	19,000	-	19,000	10,095	3,690	13,785	1.38
2012	19,000	-	19,000	9,555	4,242	13,797	1.38
2011	19,000	-	19,000	9,085	4,761	13,846	1.37
Illinois Student Assistance Commission - Pledged revenue of loans receivable repayments (a)							
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
2015	22,253	9,103	13,150	54,134	3,848	57,982	0.23
2014	25,371	15,256	10,115	52,047	4,527	56,574	0.18
2013	29,858	18,899	10,959	92,362	6,765	99,127	0.11
2012	36,110	26,091	10,019	109,497	8,530	118,027	0.08
2011	45,434	35,211	10,223	982,105	11,416	993,521	0.01
Railsplitter Tobacco Settlement Authority - Pledged revenue of tobacco settlement funds							
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
2015	261,917	114,350	147,567	76,820	71,869	148,689	0.99
2014	270,085	123,917	146,168	70,860	74,938	145,798	1.00
2013	273,681	131,267	142,414	63,550	77,480	141,030	1.01
2012	275,468	133,160	142,308	59,375	79,599	138,974	1.02
2011	402,666	248,429	154,237	-	38,252	38,252	4.03

(a) The Commission redeemed \$59.950 million of principal by the sale of a portion of their student loan portfolio during fiscal year 2013.

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							
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
2015	56,126	9,493	46,633	336,936	41,163	378,099	0.12
2014	66,045	10,675	55,370	218,678	49,851	268,529	0.21
2013	65,062	9,584	55,478	349,020	60,467	409,487	0.14
2012	81,132	11,933	69,199	267,187	57,897	325,084	0.21
2011	74,874	6,483	68,391	243,050	58,716	301,766	0.23
Illinois State Toll Highway Authority - Pledged revenue of toll fees (b)							
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
2014	1,100,033	314,538	785,495	92,855	240,893	333,748	2.35
2013	1,068,367	296,793	771,574	56,365	211,314	267,679	2.88
2012	995,573	269,094	726,479	53,040	206,323	259,363	2.80
2011	728,578	266,506	462,072	49,910	211,493	261,403	1.77
2010	706,445	277,282	429,163	1,065	204,881	205,946	2.08
Illinois State University - Pledged revenue of usage fees and rental income							
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
2015	87,449	58,231	29,218	7,160	3,683	10,843	2.69
2014	84,936	60,890	24,046	2,755	3,720	6,475	3.71
2013	81,249	57,399	23,850	14,590	4,285	18,875	1.26
2012	87,124	64,890	22,234	6,190	3,758	9,948	2.24
2011	83,258	61,508	21,750	6,280	3,839	10,119	2.15
Northern Illinois University - Pledged revenue of usage fees and rental income							
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
2015	80,768	64,079	16,689	3,890	13,300	17,190	0.97
2014	80,797	67,566	13,231	3,729	13,301	17,030	0.78
2013	85,191	83,957	1,234	6,295	13,403	19,698	0.06
2012	86,240	71,704	14,536	6,930	14,296	21,226	0.68
2011	78,426	67,201	11,225	6,300	3,857	10,157	1.11

(b) 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							
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
2015	162,707	120,094	42,613	18,645	10,061	28,706	1.48
2014	155,028	117,631	37,397	17,805	10,495	28,300	1.32
2013	151,239	115,212	36,027	18,100	10,415	28,515	1.26
2012	153,006	118,090	34,916	19,790	10,536	30,326	1.15
2011	146,101	110,760	35,341	16,120	10,661	26,781	1.32
University of Illinois - Pledged revenue of usage fees, rental income, and medical fees							
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
2015	1,243,699	1,158,801	84,898	46,870	53,236	100,106	0.85
2014	1,196,041	1,117,078	78,963	46,130	46,754	92,884	0.85
2013	1,195,843	1,100,918	94,925	42,100	46,821	88,921	1.07
2012	1,115,945	1,023,263	92,682	38,895	47,070	85,965	1.08
2011	1,013,468	937,189	76,279	35,425	45,781	81,206	0.94

This Page Left Intentionally Blank

State of Illinois**Demographic and Economic Statistics****Last Ten Calendar Years****(Amounts in Thousands)**

	2019	2018	2017	2016	For the Calendar 2015
Population					
State	12,672	12,723	12,779	12,821	12,859
Percentage change	-0.40%	-0.44%	-0.33%	-0.30%	-0.19%
National	328,240	326,688	324,986	322,941	320,635
Percentage change	0.48%	0.52%	0.63%	0.72%	0.73%
Total Personal Income					
State	\$ 744,640,727	\$ 727,064,080	\$ 693,273,707	\$ 672,019,862	\$ 665,490,089
Percentage change	2.42%	4.87%	3.16%	0.98%	4.43%
National	\$ 18,542,262,000	\$ 17,839,255,000	\$ 16,937,582,000	\$ 16,151,881,000	\$ 15,717,140,000
Percentage change	3.94%	5.32%	4.86%	2.77%	4.90%
Per Capita Personal Income					
State	\$ 58,764	\$ 57,145	\$ 54,252	\$ 52,417	\$ 51,753
Percentage change	2.83%	5.33%	3.50%	1.28%	4.67%
National	\$ 56,490	\$ 54,606	\$ 52,118	\$ 50,015	\$ 49,019
Percentage change	3.45%	4.77%	4.20%	2.03%	4.17%
Labor Force					
State labor force	6,447	6,464	6,478	6,542	6,506
Employed	6,191	6,185	6,159	6,162	6,118
Unemployed	256	279	319	380	388
Unemployment rate	3.97%	4.32%	4.92%	5.81%	5.96%

Source: U.S. Bureau of Economic Analysis and Department of Employment Security

Year Ended,				
2014	2013	2012	2011	2010
12,884	12,895	12,871	12,862	12,840
-0.09%	0.19%	0.07%	0.17%	0.34%
318,301	315,994	313,998	311,719	309,347
0.73%	0.64%	0.73%	0.77%	0.84%
\$ 637,279,963	\$ 607,671,375	\$ 587,601,163	\$ 562,292,466	\$ 541,261,128
4.87%	3.42%	4.50%	3.89%	1.81%
\$ 14,982,715,000	\$ 14,175,503,000	\$ 13,904,485,000	\$ 13,233,436,000	\$ 12,459,613,000
5.69%	1.95%	5.07%	6.21%	3.15%
\$ 49,444	\$ 47,160	\$ 45,654	\$ 43,718	\$ 42,154
4.84%	3.30%	4.43%	3.71%	1.50%
\$ 47,058	\$ 44,826	\$ 44,282	\$ 42,453	\$ 40,277
4.98%	1.23%	4.31%	5.40%	2.29%
6,514	6,549	6,582	6,587	6,625
6,052	5,957	5,991	5,948	5,937
462	592	591	639	688
7.09%	9.04%	8.98%	9.70%	10.38%

**Principal Employers
Fiscal Years 2020 and 2011**

Employer	2020	
	Employees	Percentage of Total State Employment
State of Illinois	64,207	1.04%
U.S. Government	53,820	0.87%
Walmart	42,533	0.69%
Albertson's Companies	41,088	0.66%
Chicago School Board	38,571	0.62%
City of Chicago	35,439	0.57%
University of Illinois	31,414	0.51%
U.S. Postal Service	27,580	0.45%
AMITA Health	25,929	0.42%
Caterpillar Inc.	25,785	0.42%
Total	386,366	6.25%

Employer	2011	
	Employees	Percentage of Total State Employment
State of Illinois	68,146	1.15%
U.S. Government	55,100	0.93%
Walmart	45,780	0.77%
Chicago School Board	39,945	0.68%
City of Chicago	36,889	0.62%
Jewel Food Stores	33,030	0.56%
U.S. Postal Service	30,500	0.52%
University of Illinois	28,573	0.48%
Sears	24,050	0.41%
Cook County	23,892	0.40%
Total	385,905	6.52%

Source: Department of Commerce and Economic Opportunity and various employer websites

This Page Left Intentionally Blank

State of Illinois
Employees by Function
Last Ten Fiscal Years

	Employees as of				
	2020	2019	2018	2017	2016
Health and social services	21,041	20,429	20,121	20,013	20,550
Education	730	709	683	653	671
General government	11,269	11,133	10,920	10,665	10,777
Employment and economic development	1,794	1,939	2,039	2,118	2,084
Transportation	6,722	6,808	6,874	6,745	6,715
Public protection and justice	19,187	19,758	18,749	18,313	18,233
Environment and business regulation	3,464	3,527	3,641	3,574	3,689
Total	64,207	64,303	63,027	62,081	62,719

Schedule 14

June 30,				
2015	2014	2013	2012	2011
20,939	20,466	19,275	19,976	21,519
696	724	723	713	727
11,233	11,476	11,396	11,286	11,905
2,204	2,305	2,466	2,990	3,119
7,122	7,351	7,475	7,386	7,529
18,313	17,675	17,642	18,013	19,134
3,963	4,058	3,859	3,964	4,213
64,470	64,055	62,836	64,328	68,146

State of Illinois

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	For the Fiscal Year				
	2020	2019	2018	2017	2016
Health and Social Services					
Child abuse and neglect					
Calls to abuse/neglect hotline	249,260	268,406	276,538	252,388	245,388
Children investigated	134,526	143,042	133,564	120,815	127,249
Medical programs					
Number of children enrolled in medical programs	1,405,373	1,376,539	1,447,134	1,473,581	1,490,290
Number of non-senior adults enrolled in medical programs*	1,463,160	1,353,782	1,485,564	1,236,537	1,244,883
Child support					
Number of child support cases with orders	352,572	373,371	387,653	392,473	392,500
Persons with disabilities receiving in-home services to prevent institutionalization	23,831	23,336	29,057	29,379	29,325
Immunization rates of children under age two	51%	51%	56%	54%	51%
General government					
Taxes					
Number of individual income tax returns processed	5,531,946	6,382,045	6,237,589	6,253,542	6,143,475
Percent of individual income tax returns filed electronically	89%	85%	85%	84%	82%
Total number of payments processed through State Treasury	14,174,018	14,562,306	14,827,574	14,482,761	14,085,085
Education					
Elementary and secondary education					
Public school enrollment	1,957,018	2,070,434	2,005,153	2,028,162	2,041,779
Graduation rate	88.0%	85.9%	87.6%	87.0%	85.5%
Dropout rate	3.5%	4.2%	2.1%	2.1%	2.0%
Higher education					
Enrollment	Not available	720,215	744,161	764,502	751,942
Transportation					
Miles of pavement maintained/improved	1,385	469	577	513	674
Number of bridges maintained/improved	61	78	92	88	66
Employment and economic development					
Unemployment insurance **					
Number of claims	503,579	500,233	532,495	585,207	607,139
Average duration (weeks)	16.20	16.52	17.25	17.06	16.72
State Fair					
State Fair attendees ***	N/A	508,901	369,144	401,648	357,409
DuQuoin State Fair attendees ***	N/A	123,562	100,800	109,305	105,622
Tourism					
Historic site attendance (in thousands)	1,274	1,669	1,835	1,886	1,671
Public protection and justice					
Crime Rates					
Violent crime rates per 100,000 in population **	407	404	439	436	383
Property crime rates per 100,000 in population **	1,847	1,933	2,011	2,049	1,989
Total crime rates per 100,000 in population	2,254	2,337	2,450	2,485	2,372
Forensic services					
Number of original crime scenes processed	3,422	3,616	3,849	3,961	3,930
Number of Deoxyribonucleic Acid (DNA) cases worked	15,888	10,801	6,394	4,322	5,450
Total number of forensic cases worked	64,543	63,074	66,126	67,049	83,157
Number of DNA offender samples worked	16,217	21,110	26,445	19,978	28,993
Environment and business regulation					
Professional Regulation					
Professional complaints received	10,406	11,574	12,080	11,358	9,214
Licenses placed on probation	289	370	1,839	346	418

* Fluctuation due to the implementation of the Affordable Care Act in fiscal year 2014.

** Statistics for unemployment insurance and crime rates are based on the previous ending calendar year.

*** 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.

Schedule 15

Ended or as of June 30,				
2015	2014	2013	2012	2011
222,719	231,536	236,589	253,444	258,999
110,079	109,769	108,594	106,220	101,508
1,504,802	1,546,091	1,635,686	1,685,822	1,663,260
1,247,553	1,027,702	663,844	635,262	621,851
392,331	404,918	406,748	404,752	410,433
29,595	30,357	31,406	32,820	38,682
45%	76%	83%	77%	83%
6,185,708	6,143,408	5,946,121	5,961,003	5,961,385
81%	79%	79%	78%	71%
14,992,358	15,209,821	15,357,708	15,337,111	16,143,902
2,054,556	2,073,480	2,081,731	2,087,628	2,087,762
85.6%	86.0%	83.2%	82.3%	83.8%
2.3%	2.2%	2.4%	2.5%	2.7%
771,886	806,467	863,542	884,053	924,749
1,379	894	661	921	931
188	222	183	262	263
630,594	725,979	781,394	763,319	863,328
17.99	17.92	17.97	19.01	21.34
411,547	847,690	961,063	918,534	817,393
315,808	350,000	258,000	285,100	351,000
2,100	1,915	1,935	1,990	1,940
370	373	415	429	435
2,076	2,274	2,579	2,689	2,681
<u>2,446</u>	<u>2,647</u>	<u>2,994</u>	<u>3,118</u>	<u>3,116</u>
3,630	3,736	2,337	2,328	2,529
5,704	6,086	4,790	4,982	5,225
83,594	91,878	94,550	101,076	104,043
31,992	33,901	31,766	29,589	30,736
8,893	10,875	11,765	12,466	10,634
440	446	527	470	431

State of Illinois**Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years**

	For the Fiscal Year				
	2020	2019	2018	2017	2016
Health and social services					
Mental health facilities	14	14	14	14	14
Veterans homes	4	4	4	4	4
Transportation					
Highway miles	15,908	15,911	15,908	15,919	15,969
Bridges	7,861	7,856	7,852	7,835	7,847
Public protection and justice					
Adult correctional facilities	25	25	25	25	25
Juvenile correctional facilities	5	5	5	5	6
Environment and business regulation					
State park acreage	491,797	491,508	484,688	479,115	478,832
Protected natural area acreage	114,269	113,710	112,809	110,766	108,880

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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
14	14	14	17	17
4	4	4	4	4
17,085	15,989	15,994	16,000	16,018
7,823	7,770	7,770	7,734	7,726
25	25	25	27	27
6	6	6	8	8
475,304	469,870	474,813	473,761	473,500
108,343	106,741	104,815	99,866	96,255