

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2022

ILLINOIS



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

ILLINOISCOMPTROLLER.GOV

STATE OF ILLINOIS

Annual Comprehensive Financial Report

~ 2022 ~

For Fiscal Year Ended June 30, 2022

Comptroller Susana A. Mendoza

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Introductory Section

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SUSANA A. MENDOZA

ILLINOIS STATE COMPTROLLER

August 15, 2023

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

I am pleased to present to you the *State of Illinois Annual Comprehensive Financial Report (ACFR)* for the year ended June 30, 2022. The ACFR is the State's official annual report which provides the readers with the financial position of the State as of June 30, 2022, and results of operations during the fiscal year. The report is intended to provide the State's taxpayers, managers, investors, creditors, lawmakers, and other users with information in accordance with generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data as well as the completeness and fairness of presentation of this report rests with my Office and other State agency management.

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

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

The financial activities of the State are organized on the basis of individual funds, each of which is a separate accounting entity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, and limitations. Major funds are the focus of the State's financial statements and include the General Fund (including the General Revenue Account, the Education Assistance Account, the Common School Account, the Advancement of Education Account, the Commitment to Human Services Account, and the Budget Stabilization Account), the Unemployment Compensation Trust Fund, 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, and component units where all component units are presented. Combination of funds is necessary due to the existence of approximately 840 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 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's population, as of the 2020 census, is estimated to be approximately 12.8 million residents. The State has a total area (land and water) of approximately 57,900 square miles.

Illinois' government is divided into three branches: executive, legislative, and judicial. An organizational chart, showing the relationships between the Citizens of the State of Illinois, the three branches of Illinois State government, and those of the various agencies, boards, commissions, and universities which provide a full range of State government services, is presented on page 7.

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. However, Public Act 102-0291 amended this act to reduce the extended lapse period to October 31 for fiscal year 2022 and future fiscal periods.

Public Act 96-1501 extended the lapse period to October 31 for fiscal year 2021 and future fiscal years for medical payments of the Department of Veterans' Affairs and medical, childcare, and substance abuse treatment payments of the Department of Human Services.

Many State programs are accounted for in the General Fund. As analyzed in the MD&A, the GAAP basis financial position of the General Fund at June 30, 2022, increased from June 30, 2021. The fund deficit in the State's General Fund decreased by \$4.536 billion on a GAAP basis, from a fund deficit of \$3.057 billion to a fund balance of \$1.479 billion.

On the *budgetary basis*, there was a \$63.613 million fund deficit at June 30, 2022, compared to a \$2.804 billion fund deficit at June 30, 2021, resulting in a \$2.740 billion decrease 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.

According to the U.S. Bureau of Labor Statistics, Illinois averaged 5.936 million nonfarm payroll jobs and an unemployment rate of 5.0% in fiscal year 2022.

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

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 and Public Act 102-0016, 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 60 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% of the present value of pension benefits for members who have terminated service, have enough service credit to qualify for a retirement annuity, and have not received a retirement annuity. The Accelerated Pension Benefit Payment at Retirement Option provides Tier 1 members an option to have their automatic annual increase (AAI) reduced in exchange for an accelerated pension benefit payment equal to 70% of the difference between the present value of the AAI under the Tier 1 provision and the present value of the reduced AAI. These voluntary programs expire on June 30, 2024.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

The fiscal year 2022 ACFR reveals improvement from the previously reported underlying financial weaknesses which significantly impacted the State's overall fiscal health in regards to deferred liabilities, ongoing operational concerns related to cash management, and long-term concerns related to pension and other postemployment obligations.

Deferred Liabilities

Section 25 of the State Finance Act permits the payment of selected prior year expenses in the current fiscal year. The section was originally created to address billing and adjudication issues connected with such expenditures. In some years, however, the significant amount of liabilities deferred using Section 25 effectively reduced the appropriation levels needed to fund certain programs within any given fiscal year and pushed expenditures into the next fiscal year. The State ended fiscal year 2022 with \$402 million in such costs. This represents a decrease of \$949 million from the fiscal year 2021 balance of \$1.351 billion. This is the 5th consecutive year of a decrease in Section 25 liabilities.

Cash Management

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 over the years have been greatly affected by the aforementioned budgetary practices in relation to deferred liabilities which place additional pressure in the first and second quarters of the year to pay those expenses. Additionally, the majority of the State's tax collections are received in the second half of the fiscal year with large income tax collections arriving in the spring of each year which further contributes to the payment delays seen within the fiscal year.

In 2000, legislation was enacted to create the State's Budget Stabilization Account in order to assist the State in meeting cash flow deficits as needed. The statutory goal for funding this reserve was set at 5% of the General Revenue Account's revenues in any given year. Public Act 99-0524, which became effective June 30, 2016, appropriated \$275 million of the balance in the Budget Stabilization Account across approximately 40 agencies to help defray operating costs through December 31, 2016. Over the years, the balance in the Budget Stabilization Account has been insufficient in practical terms to address the State's annual cash management needs and timing variations between spending and revenues.

Public Act 102-0700, effective April 19, 2022, required a transfer of \$720 million from the General Account to the Budget Stabilization Account by no later than June 30, 2022. This same act required an additional transfer of \$280 million during fiscal year 2023, for a total of \$1.0 billion. The fund balance in the Budget Stabilization Account increased from \$7.6 million at June 30, 2021, to \$745.9 million at June 30, 2022. In addition, Public Act 102-0699, effective April 19, 2022, requires monthly transfers of \$3.75 million beginning in fiscal year 2023.

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, 2022, the State reported a net pension liability totaling \$139.846 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, 2022, the State reported an OPEB liability totaling \$46.611 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.

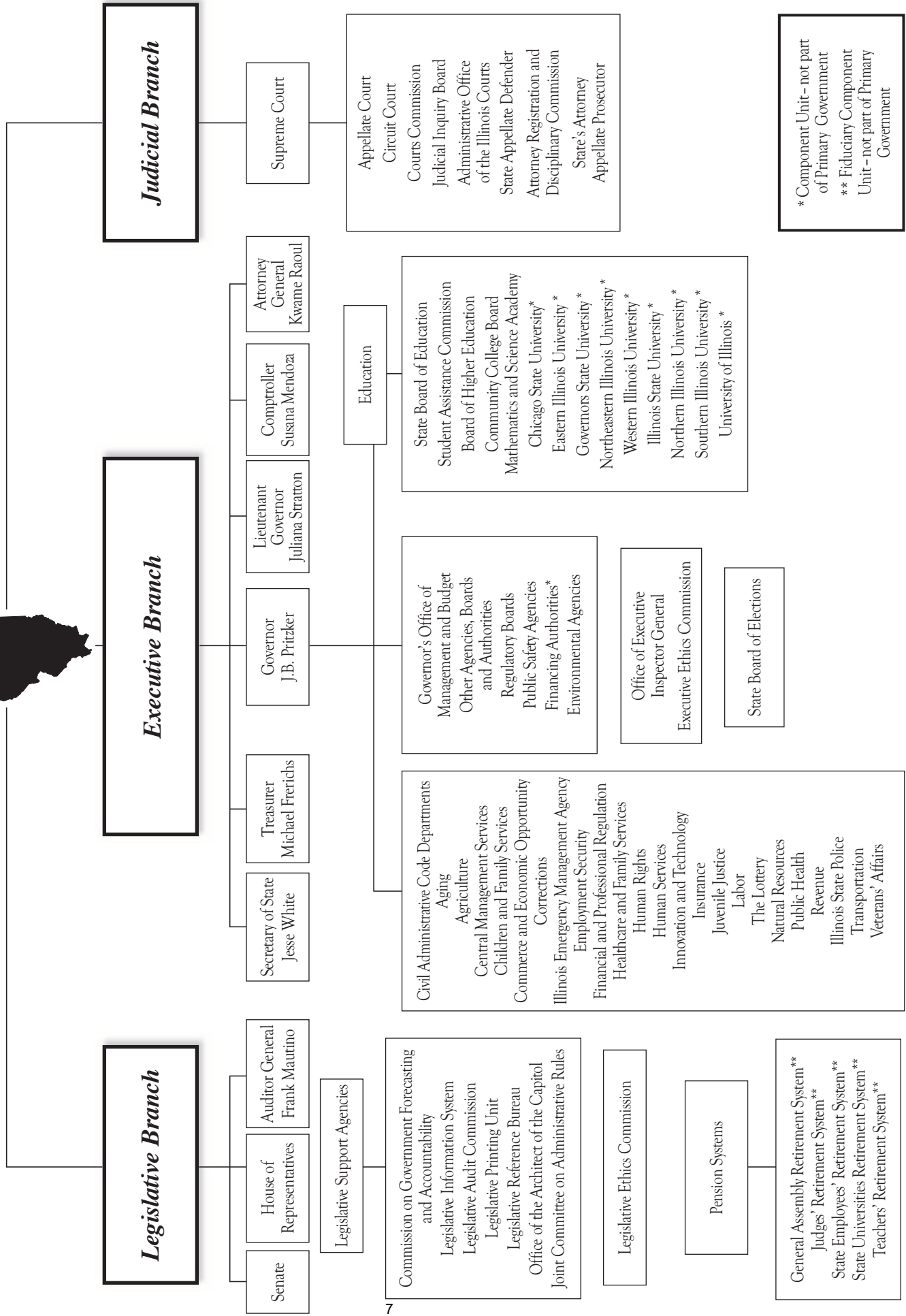
ACKNOWLEDGMENTS

The preparation of the State's ACFR 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

STATE OF ILLINOIS
Organizational Chart
June 30, 2022



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

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Financial Section

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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 A. Mendoza, Comptroller

Report on the Audit of the Financial Statements

Disclaimer of Opinion and Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the General Fund, the statement of net position of the Unemployment Compensation Trust Fund, the Water Revolving Fund, the Prepaid Tuition Fund, and the aggregate remaining fund information, and we were engaged to audit the statements of revenues, expenses, and changes in net position and cash flows of the Unemployment Compensation Trust Fund, of the State of Illinois, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Illinois' basic financial statements as listed in the table of contents of the State of Illinois' Annual Comprehensive Financial Report.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Qualified
Aggregate Discretely Presented Component Units	Unmodified
General Fund	Unmodified
Unemployment Compensation Trust Fund – Statement of Net Position	Qualified
Unemployment Compensation Trust Fund – Statements of Revenues, Expenses, and Changes in Net Position and Cash Flows	Disclaimer
Water Revolving Fund	Unmodified
Prepaid Tuition Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Disclaimer of Opinion on the Unemployment Compensation Trust Fund Statements of Revenues, Expenses, and Changes in Net Position and Cash Flows

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on Unemployment Compensation Trust Fund Statements of Revenues, Expenses, and Changes in Net Position and Cash Flows* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the statements of revenues, expenses, and changes in net position and cash flows of the Unemployment Compensation Trust Fund. Accordingly, we do not express an opinion on these statements.

Qualified Opinions on the Business-Type Activities and Unemployment Compensation Trust Fund Statement of Net Position

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion on Unemployment Compensation Trust Fund Statement of Net Position* and the *Basis for Qualified Opinion on Business-Type Activities* paragraphs, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the State of Illinois, as of June 30, 2022, 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.

Unmodified Opinions on Each of the Other Opinion Units

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, aggregate discretely presented component units, 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, 2022, 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.

We did not audit the financial statements of certain university related organizations, which represent 11%, 25%, 3%, 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.

Basis for Disclaimer of Opinion on the Unemployment Compensation Trust Fund Statements of Revenues, Expenses, and Changes in Net Position and Cash Flows

During fiscal years ending June 30, 2021 and 2022, the State of Illinois, Department of Employment Security (IDES) did not maintain certain accounting records and supporting documents for the Unemployment Compensation Trust Fund relating to transactions with its beneficiaries, nor were the internal controls for the Unemployment Compensation Trust Fund adequate to provide safeguards over Unemployment Compensation Trust Fund assets and to assure the proper recording of transactions. As such, we were unable to satisfy ourselves by performing other auditing

procedures concerning both the opening net position at July 1, 2021, as well as the activity for the year ended June 30, 2022. Since opening balances enter in the determination of revenues, expenses, and cash flows, we were unable to determine whether any adjustments might have been necessary in respect of the changes in net position for the year reported in the statement of revenues, expenses, and changes in net position and the cash flows reported in the cash flow statement.

Basis for Opinions

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

Basis for Qualified Opinion on the Unemployment Compensation Trust Fund Statement of Net Position

The State of Illinois, IDES outsourced unemployment benefit claims processing to a service organization for the Pandemic Unemployment Assistance (PUA) program as well as several other pandemic related programs. 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. The Department recorded approximately \$73 million in receivables related to these programs, primarily reimbursements expected from the federal government. They also recorded approximately \$391 million in payables related to these programs, primarily due to the federal government. 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 related program payables and receivables were free of material misstatement

Basis for Qualified Opinion on Business-Type Activities

The State of Illinois, business-type activities is comprised of three major enterprise funds – Unemployment Compensation Trust Fund, Water Revolving Fund, and Prepaid Tuition Fund – and the aggregate remaining nonmajor enterprise funds. The problems noted for business-type activities were strictly limited to the conditions noted in the *Basis for Disclaimer of Opinion on Unemployment Compensation Trust Fund* and *Basis for Qualified Opinions on Unemployment Compensation Trust Fund Statement of Net Position* paragraphs. As a result, we were unable to obtain sufficient appropriate audit evidence to conclude the financial statements of the business-type activities were free from material misstatement.

Emphasis of Matters

As discussed in Note 2 to the financial statements, the State of Illinois restated beginning balances to correct errors in the understatement of capital assets and intergovernmental receivables. Our opinions are not modified with respect to this matter.

As discussed in Note 2 to the financial statements, the State of Illinois restated beginning balances resulting from the implementation of GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

The deficit for net position of governmental activities decreased during Fiscal Year 2022. The deficit decreased by \$14,341,062,000, from \$199,152,440,000 at June 30, 2021, as restated, to \$184,811,378,000 at June 30, 2022. This deficit, which is presented on an accrual basis, is the excess of total liabilities and deferred inflows of resources over total assets and deferred outflows of resources and represents a deferral of current and prior year costs to future periods. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Auditor's Responsibilities for the Audit of the Unemployment Compensation Trust Fund Statements of Revenues, Expenses, and Changes in Net Position and Cash Flows

Our responsibility is to conduct an audit of the State's financial statements in accordance with GAAS and *Government Auditing Standards* and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Unemployment Compensation Trust Fund – Statements of Revenues, Expenses, and Changes in Net Position and Cash Flows.

We are required to be independent of the State, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

Auditor's Responsibilities for the Audit of the Governmental Activities, the Business-Type Activities, the Aggregate Discretely Presented Component Units, the General Fund, the Statement of Net

Position of the Unemployment Compensation Trust Fund, the Water Revolving Fund, the Prepaid Tuition Fund, and the Aggregate Remaining Fund Information

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Defined Benefit Pension Plan Schedules, and Defined Benefit Other Postemployment Benefit Plans - Schedules of Funding Progress on pages 17-29, 186-189, 190-196, and 197-198, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and,

although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2023, 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 15, 2023

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, 2022. 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 lease obligations, financed purchase agreements, compensated absences, certificates of participation, pension and other postemployment benefit liabilities, and bonds and notes payable appear as liabilities and related deferred outflows/inflows of resources in the government-wide statements, but are not reported in the governmental funds statements.
- Capital outlay spending results in recording capital assets on the government-wide statements, but is reported as expenditures on the governmental fund statements.
- Bond and note proceeds result in liabilities on the government-wide statements, but are recorded as other financing sources on the governmental fund statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements, but are reported as expenditures on the governmental funds statements.

The Notes to the Basic Financial Statements provide additional information that is integral to understanding the data provided in the government-wide and fund financial statements. The notes can be found beginning on page 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 199. The State's funds are divided into three categories – governmental, proprietary, and fiduciary – with each using a different accounting method.

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

liabilities that are due in the current period. Governmental funds include the General Fund and special revenue, capital project, debt service, and permanent funds.

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

Fiduciary funds – The State acts as a trustee or fiduciary for its employee pension plans. The State is also responsible for other assets that, because of a trust arrangement or other contractual arrangement, can be used only for the trust beneficiaries. The State’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position beginning on page 42. These funds, which include pension (and other employee benefit) trust, private-purpose trust, investment trust, and custodial funds, are reported using accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the State to finance its operations.

Additional Required Supplementary Information

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

Other Supplementary Information

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

FINANCIAL ANALYSIS OF THE STATE

The State’s combined net position increased \$17.741 billion or 8.9% during the current fiscal year. The net position of the State’s governmental activities increased \$14.435 billion or 7.2% and the net position of the State’s business-type activities increased \$3.306 billion or 969.5%. 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, 2022 and 2021:

Net Position as of June 30 (amounts in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other non-current assets	\$ 42,064	\$ 29,973	\$ 9,254	\$ 8,213	\$ 51,318	\$ 38,186
Capital assets	24,889	23,319	3	3	24,892	23,322
Total assets	66,953	53,292	9,257	8,216	76,210	61,508
Deferred outflows of resources	16,359	18,810	62	52	16,421	18,862
Other liabilities	24,067	20,956	4,229	6,308	28,296	27,264
Long-term liabilities	218,326	241,510	1,321	1,521	219,647	243,031
Total liabilities	242,393	262,466	5,550	7,829	247,943	270,295
Deferred inflows of resources	25,730	8,882	122	98	25,852	8,980
Net position:						
Invested in capital assets	16,758	16,014	3	3	16,761	16,017
Restricted	6,292	4,754	3,871	4,087	10,163	8,841
Unrestricted	(207,861)	(220,014)	(227)	(3,749)	(208,088)	(223,763)
Total net position	\$ (184,811)	\$ (199,246)	\$ 3,647	\$ 341	\$ (181,164)	\$ (198,905)

The State's largest asset is its capital assets (\$24.892 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 (\$139.846 billion), other postemployment benefits liability (\$46.611 billion), and bonds and notes payable (\$30.706 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 \$14.702 billion from \$61.508 billion at June 30, 2021, to \$76.210 billion at June 30, 2022, due mainly to \$11.790 billion more in cash equity with the State Treasurer and \$1.570 billion more in capital assets. The increase in capital assets is due to significant additions to infrastructure, as well as the implementation of GASB Statement No. 87, *Leases*.

The State's liabilities decreased \$22.352 billion from \$270.295 billion at June 30, 2021, to \$247.943 billion at June 30, 2022. Net pension liabilities and OPEB liabilities decreased \$12.025 and \$10.059 billion, respectively, based on the actuarial valuations of the related plans. Short-term notes payable decreased \$2.434 billion due to repayment of a portion of the federal advances to the Unemployment Compensation Trust Fund.

The State's deferred outflows of resources decreased \$2.441 billion from \$18.862 billion at June 30, 2021, to \$16.421 billion at June 30, 2022, while the deferred inflows of resources increased \$16.872 billion from \$8.980 billion at June 30, 2021, to \$25.852 billion at June 30, 2022. These fluctuations were due mostly to differences in the actuarial valuations between the projected and actual earnings for the pension plans, as well as the changes of assumptions in the actuarial valuations of the OPEB plan.

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

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

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2022	2021	2022	2021	2022	2021	2021 to 2022
Revenues							
Program revenues							
Charges for services	\$ 4,026	\$ 3,936	\$ 5,370	\$ 6,144	\$ 9,396	\$ 10,080	(6.8%)
Operating grants and contributions	37,501	35,224	3,164	18,481	40,665	53,705	(24.3%)
Capital grants and contributions	1,676	1,844	-	-	1,676	1,844	(9.1%)
General revenues							
Income taxes	36,575	28,303	-	-	36,575	28,303	29.2%
Sales taxes	15,285	13,658	-	-	15,285	13,658	11.9%
Motor fuel taxes	2,486	2,362	-	-	2,486	2,362	5.2%
Public utility taxes	1,421	1,359	-	-	1,421	1,359	4.6%
Riverboat taxes	346	200	-	-	346	200	73.0%
Medical providers assessment taxes	3,114	3,168	-	-	3,114	3,168	(1.7%)
Other taxes	4,425	3,719	-	-	4,425	3,719	19.0%
Operating grants and contributions	5,531	-	-	-	5,531	-	100.0%
Interest and investment earnings	(218)	64	(23)	(4)	(241)	60	(501.7%)
Other revenue	1,367	1,256	-	-	1,367	1,256	8.8%
Total revenues	113,535	95,093	8,511	24,621	122,046	119,714	1.9%
Expenses							
Health and social services	44,596	42,469	-	-	44,596	42,469	5.0%
Education	24,543	28,503	-	-	24,543	28,503	(13.9%)
General government	3,805	3,713	-	-	3,805	3,713	2.5%
Employment and economic development	2,343	2,157	-	-	2,343	2,157	8.6%
Transportation	4,505	5,800	-	-	4,505	5,800	(22.3%)
Public protection and justice	3,386	4,223	-	-	3,386	4,223	(19.8%)
Environment and business regulation	1,091	1,183	-	-	1,091	1,183	(7.8%)
Unemployment compensation fund	-	-	5,234	24,016	5,234	24,016	(78.2%)
Water revolving fund	-	-	120	120	120	120	0.0%
Prepaid tuition programs	-	-	-	14	-	14	(100.0%)
Lottery	-	-	2,580	2,687	2,580	2,687	(4.0%)
Other business-type activities	-	-	162	133	162	133	21.8%
Intergovernmental	11,108	7,968	-	-	11,108	7,968	39.4%
Interest	1,419	1,500	-	-	1,419	1,500	(5.4%)
Total expenses	96,796	97,516	8,096	26,970	104,892	124,486	(15.7%)
Excess (deficiency) before transfers	16,739	(2,423)	415	(2,349)	17,154	(4,772)	459.5%
Transfers	(2,398)	719	2,398	(719)	-	-	0.0%
Increase (decrease) in net position	14,341	(1,704)	2,813	(3,068)	17,154	(4,772)	459.5%
Net position - beginning, as restated*	(199,152)	(197,542)	834	3,409	(198,318)	(194,133)	(2.2%)
Net position - ending	\$ (184,811)	\$ (199,246)	\$ 3,647	\$ 341	\$ (181,164)	\$ (198,905)	8.9%

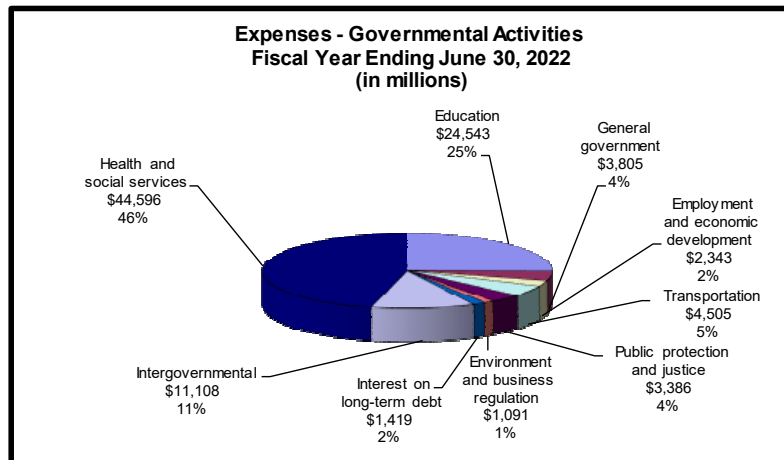
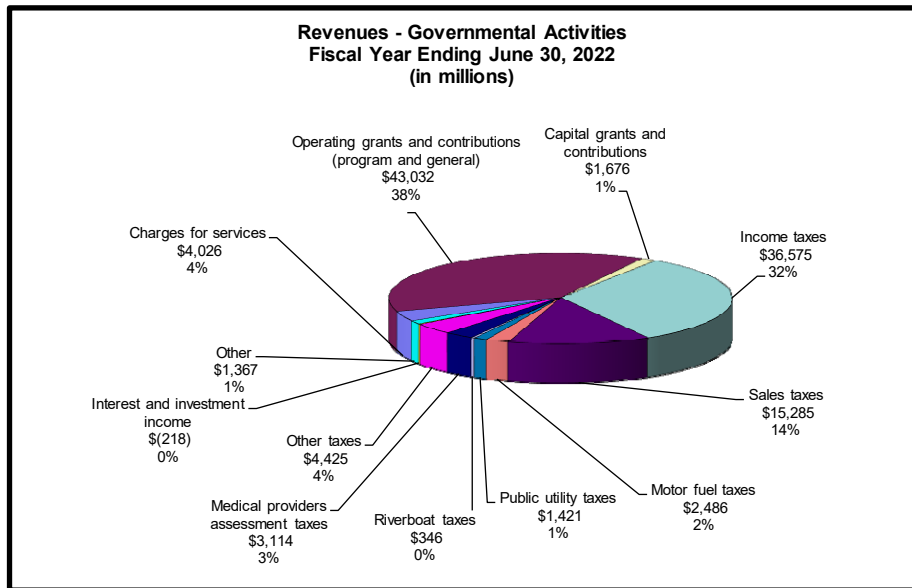
* The 2022 beginning net position has been restated to reflect the implementation of GASB Statement No. 87, *Leases*, the correction of the understatement of capital assets by the Department of Corrections, and the correction of the understatement of intergovernmental receivables by the Department of Employment Security.

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 \$18.442 billion (19.4%) during fiscal year 2022 with the largest revenue increases consisting of \$8.272 billion in income taxes and \$7.808 billion in program and general operating grants and contributions. The Supplemental Nutrition Assistance Program, the Coronavirus Relief Fund, and the SBE Federal Department of Education Fund saw increases in federal grant revenue totaling \$848 million, \$1.736 billion, and \$1.090 billion, respectively.

The State's governmental activities expenses decreased \$720 million (0.7%) during fiscal year 2022. Pension and OPEB expenses decreased approximately \$2.769 billion, but were then offset by increases across all expense functions due to the increase in spending relating to federal government grants.

Business-type Activities:

The net position of business-type activities increased \$3.306 billion during the fiscal year 2022. This increase was attributed mainly to a \$2.700 billion transfer from the State Coronavirus Urgent Remediation Emergency Fund to the Unemployment Compensation Trust Fund, to repay a portion of the federal advances that were borrowed as a result of 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 199. 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.

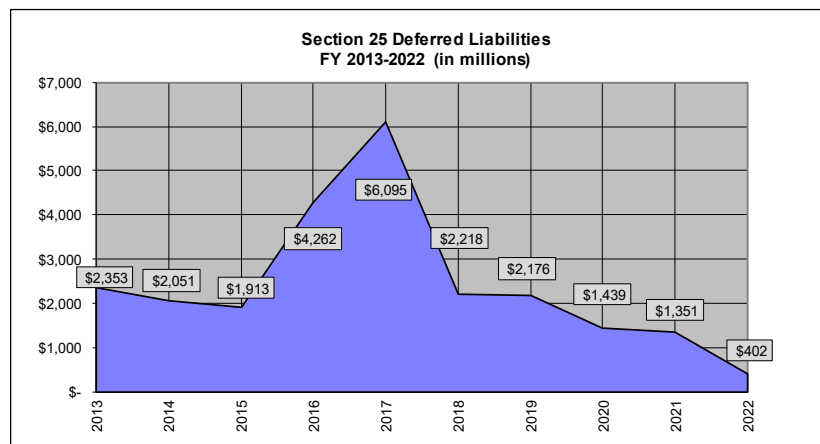
The State's General Funds' budgetary fund balance ended fiscal year 2022 with a deficit for the twenty-first consecutive year. At June 30, 2022, the General Funds' budgetary fund balance was a deficit of \$63.613 million compared to a \$2.804 billion deficit recorded at June 30, 2021. The final budget projected a \$9.176 billion deficit.

The \$9.112 billion increase in the General Funds' budgetary balance between the final budget and the actual results was due to \$8.254 billion more in actual revenue than budgeted revenue, combined with \$858 million less in actual expenditures than budgeted expenditures.

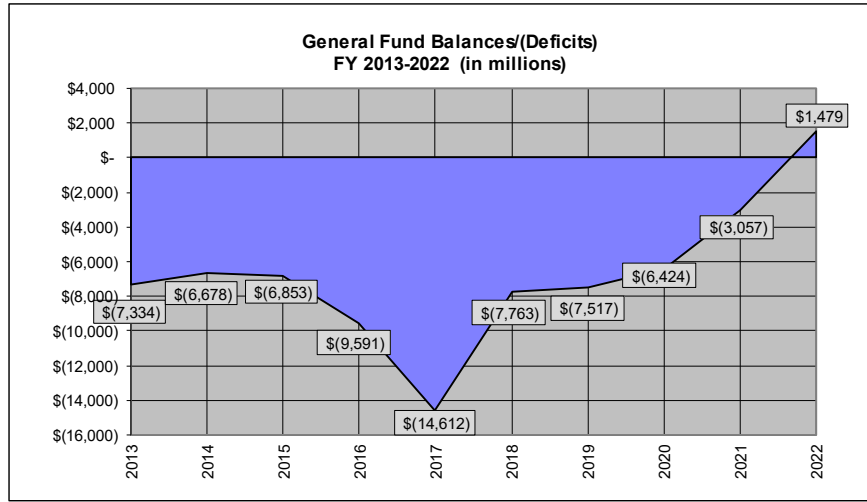
The General Fund's assets at June 30, 2022, were \$22.171 billion, which is an increase of \$8.496 billion from the June 30, 2021, balance of \$13.675 billion. Cash equity with the State Treasurer and other receivables increased \$7.144 billion and \$851 million, respectively.

The General Fund's liabilities at June 30, 2022, were \$18.295 billion, which is an increase of \$3.114 billion from the June 30, 2021, balance of \$15.181 billion. The increase was due mostly from the increase in unearned revenues of \$2.470 billion, due to the receipt of Federal Cares Act funds in the prior year that were expended in the current year.

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 \$949 million from \$1.351 billion at June 30, 2021, to \$402 million at June 30, 2022.



During fiscal year 2022, the General Fund's fund deficit decreased from \$3.057 billion to a fund balance of \$1.479 billion, a \$4.536 billion decrease.



During fiscal year 2022, General Fund revenues increased \$10.068 billion to \$73.204 billion, while expenditures only increased \$2.567 billion to \$62.090 billion. The most significant increases in revenue resulted from a \$5.929 billion and a \$2.999 billion increase in income tax and federal government revenue, respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

At June 30, 2022, the State had \$24.892 billion in capital assets, net of accumulated depreciation, in the following categories:

	Governmental Activities		Business-type Activities		Total	
	2022	2021*	2022	2021*	2022	2021*
Land and land improvements	\$ 3,646	\$ 3,621	\$ -	\$ -	\$ 3,646	\$ 3,621
Site improvements	127	139	-	-	127	139
Buildings and building improvements	1,673	1,660	1	2	1,674	1,662
Equipment	686	642	1	1	687	643
Leases - buildings	478	405	1	-	479	405
Leases - equipment	20	19	-	-	20	19
Leases - other	1	1	-	-	1	1
Intangible assets	861	797	-	-	861	797
Infrastructure	16,626	15,942	-	-	16,626	15,942
Other	13	13	-	-	13	13
Subtotal	24,131	23,239	3	3	24,134	23,242
Construction in progress	758	589	-	-	758	589
Total	\$ 24,889	\$ 23,828	\$ 3	\$ 3	\$ 24,892	\$ 23,831

* The 2021 capital assets has been restated to reflect the implementation of GASB Statement No. 87, Leases, and the correction of the understatement of capital assets by the Department of Corrections.

Infrastructure assets consist of 67% of the State’s net capital assets and comprise \$1.951 billion of the \$2.766 billion (71%) of the current year additions to capital assets. The State capitalizes and depreciates its roads and road improvements over a twenty-year period and its bridges over a forty-year period. More detailed information regarding the State’s capital assets is presented in Note 7 of the financial statements on page 89.

Debt Administration:

Bonded Indebtedness

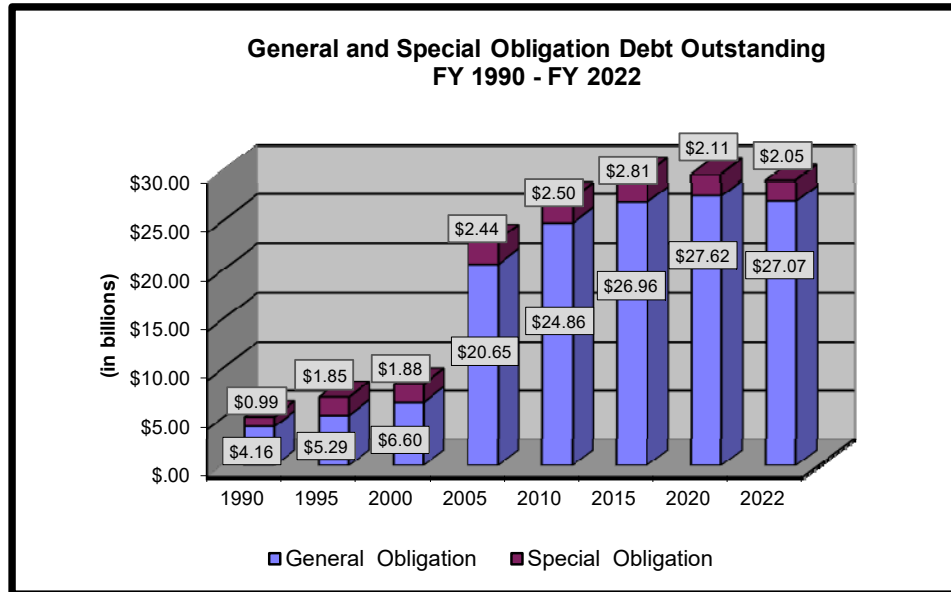
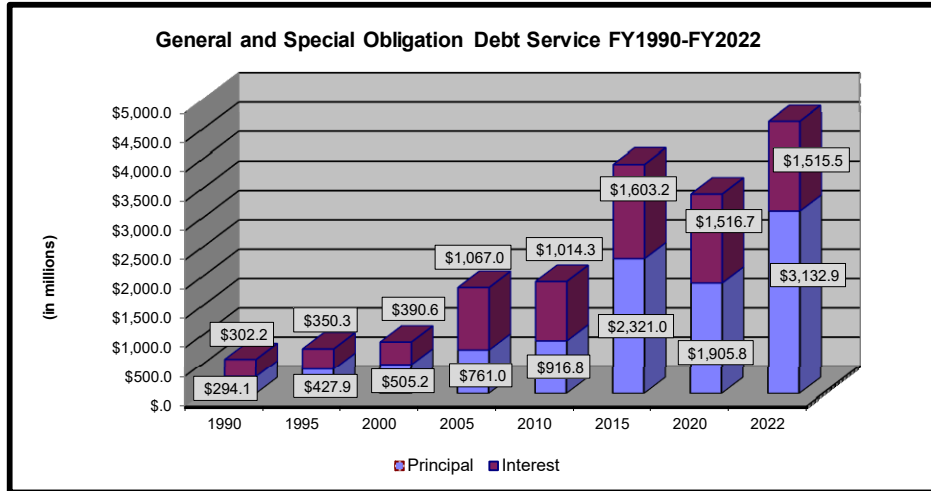
The State, certain State agencies, and component units of the State are empowered by law to authorize, issue, and sell debt obligations. General obligation bonds, issued by the State, are backed by the full faith and credit of the State and are considered a direct debt of the State. Special obligation 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	
	2022	2021	2022	2021	2022	2021
	General obligation bonds (backed by the State)	\$ 27,065	\$ 27,670	\$ -	\$ -	\$ 27,065
Special obligation bonds (backed by specific fee revenue)	2,047	1,941	-	-	2,047	1,941
Revenue bonds (backed by specific tax and fee revenue)	561	671	82	102	643	773
	<u>\$ 29,673</u>	<u>\$ 30,282</u>	<u>\$ 82</u>	<u>\$ 102</u>	<u>\$ 29,755</u>	<u>\$ 30,384</u>

As shown above, Illinois had outstanding general and special obligation bonds at June 30, 2022, totaling \$29.112 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 \$8.025 billion for pension purposes, issued in 2003, is included in the outstanding general obligation bonds as of June 30, 2022.

Debt service principal of \$3.133 billion and interest costs of \$1.515 billion were paid and charged, respectively, in fiscal year 2022 for general and special obligation bonds and notes. The dramatic increase in debt service payments and outstanding debt since fiscal year 1990 is displayed in the following charts:



In addition to general and special obligation bonds, the primary government had \$643 million of revenue bonds and \$3.433 billion of non-retirement long-term obligations outstanding as of June 30, 2022.

The State’s general obligation bond ratings were Baa1 with a Stable Outlook by Moody’s Investor Services, BBB+ with a Stable Outlook by Standard and Poor’s, and BBB+ with a Stable Outlook by Fitch Ratings as of June 30, 2022. Since June 30, 2022, Moody’s Investor Services revised its rating to A3 with a Stable Outlook, Standard and Poor’s revised its rating to A- with a Stable Outlook, and Fitch Ratings revised its rating to BBB+ with a Positive Outlook.

The State's special obligation—Build Illinois Bonds – ratings were Baa1 with a Stable Outlook by Moody's Investor Services, A- with a Stable Outlook by Standard and Poor's, and A with a Stable Outlook by Fitch Ratings as of June 30, 2022. Since June 30, 2022, Moody's Investor Services revised its rating to A3 with a Stable Outlook, Standard and Poor's revised its rating to A with a Stable Outlook, and Fitch Ratings revised its rating to A 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 2022, the net pension liability as reported in the financial statements totaled \$139.846 billion, a decrease of \$12.025 billion from the fiscal year 2021 balance of \$151.871 billion.

During fiscal year 2022, 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 \$46.611 billion as of June 30, 2022, a decrease of \$10.059 billion from the fiscal year 2021 balance of \$56.670 billion.

ECONOMIC CONDITION AND OUTLOOK

Fiscal Year 2022

Illinois' non-agricultural employment (derived from survey data from Illinois companies) averaged 5.936 million workers in fiscal year 2022, an increase of 236,000 jobs or 4.14% above 2021 employment. A second Illinois employment estimate, obtained through household surveys, also showed an increase in Illinois employment. According to these surveys, an average of 6.079 million Illinoisans was employed in fiscal year 2022, an increase over the average of 5.804 million in fiscal year 2021.

The average Illinois unemployment rate decreased from 6.6% and 7.8% in fiscal years 2020 and 2021, respectively, to 5.0% in fiscal year 2022. At June 30, 2022, the rate was 4.7%. The

decreased average unemployment rate was caused by the increase in employment levels and the decrease in the average number of unemployed which decreased from approximately 494,000 during fiscal year 2021 to approximately 319,000 for fiscal year 2022.

A more comprehensive measure of Illinois' economic performance is the change in state personal income adjusted for inflation. This value decreased 4.4% in fiscal year 2022 as nominal personal income rose 2.5% and the consumer price index was up 7.2%. State personal income adjusted for inflation had shown an increase in 2020 of 2.7% and an increase of 5.0% in 2021.

Outlook

The State has shown significant improvement during fiscal year 2022, with a positive fund balance in the General Fund, increased funding in the Budget Stabilization Account, decreases in the net pension liability and OPEB liability, and rating increases on debt issuances of the State. Fiscal year 2022 saw a significant increase in income tax revenues which contributed to this improvement; however, this revenue source is especially susceptible to changes in the economy and thus, could fluctuate year over year.

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, 2022. 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, 2022 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash equity with State Treasurer	\$ 24,541,040	\$ 855,836	\$ 25,396,876	\$ 1,098,727
Cash and cash equivalents	345,295	1,036,456	1,381,751	1,743,753
Securities lending collateral of State Treasurer	3,798,595	90,649	3,889,244	3,085
Investments	46,676	761,337	808,013	2,923,770
Receivables, net:				
Taxes	3,038,064	377,546	3,415,610	
Intergovernmental	4,029,815	570,280	4,600,095	276,515
Other	2,464,948	556,473	3,021,421	819,491
Internal balances	(4,592)	4,592	-	
Due from fiduciary funds	43,751	966	44,717	
Due from component units	490,588	6,819	497,407	18,498
Due from primary government				1,776,440
Inventories	373,050		373,050	47,073
Prepaid expenses	270,024	386	270,410	85,636
Unamortized bond insurance costs	8,091		8,091	8,664
Loans and notes receivable, net	155,819	1,076,146	1,231,965	1,305,977
Restricted assets:				
Cash equity with State Treasurer	1,841,958		1,841,958	226,799
Cash and cash equivalents	499,266	8,952	508,218	2,410,633
Investments	13,733		13,733	6,634,784
Taxes receivable	24,103		24,103	
Intergovernmental receivables	1,490		1,490	
Other receivables	22,139	41,926	64,065	45,610
Loans and notes receivable, net		3,865,262	3,865,262	27,917
Other assets	33,298		33,298	6,297
Derivative instruments				18,330
Lease receivable	10,717		10,717	83,394
Other assets	15,510		15,510	113,877
Capital assets not being depreciated	4,802,744		4,802,744	3,790,085
Capital assets being depreciated, net	20,086,526	3,435	20,089,961	14,116,442
Total assets	66,952,648	9,257,061	76,209,709	37,581,797
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments				812
Deferred outflows of resources - unamortized deferred amounts on bond refundings	13,979		13,979	227,312
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings				241
Deferred outflows of resources - pensions	14,284,919	38,324	14,323,243	134,384
Deferred outflows of resources - OPEB	2,060,188	23,843	2,084,031	362,950
Total deferred outflows of resources	16,359,086	62,167	16,421,253	725,699

State of Illinois

Statement of Net Position

June 30, 2022 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts payable and accrued liabilities	7,461,766	426,989	7,888,755	1,536,007
Intergovernmental payables	7,028,665	435,066	7,463,731	51,441
Due to fiduciary funds	485,055		485,055	
Due to component units	392,323	1,379,318	1,771,641	18,498
Due to primary government				493,973
Unearned revenue	4,900,009	33,636	4,933,645	847,452
Obligations under securities lending of State Treasurer	3,798,595	90,649	3,889,244	3,085
Assets held for others				163,616
Short-term notes payable		1,863,632	1,863,632	15,813
Derivative instruments				1,081
Other liabilities				10,093
Long-term obligations:				
Due within one year	3,788,855	151,630	3,940,485	636,462
Due subsequent to one year	214,537,358	1,169,233	215,706,591	17,219,870
Total liabilities	242,392,626	5,550,153	247,942,779	20,997,391
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - accumulated increase in fair value of derivative instruments				18,393
Deferred inflows of resources - unamortized deferred amounts on bond refundings	29,650	16,844	46,494	5
Deferred inflows of resources - unamortized deferred amounts on certificates of participation refundings				260
Deferred inflows of resources - service concession arrangements				93,872
Deferred inflows of resources - irrevocable split-interest agreements				21,516
Deferred inflows of resources - leases	14,045		14,045	78,364
Deferred inflows of resources - pensions	10,825,654	50,305	10,875,959	82,763
Deferred inflows of resources - OPEB	14,861,137	54,490	14,915,627	641,905
Total deferred inflows of resources	25,730,486	121,639	25,852,125	937,078
NET POSITION				
Net investment in capital assets	16,758,303	3,420	16,761,723	7,838,582
Restricted for:				
Debt service	2,263,394	44,097	2,307,491	540,687
Capital grants/projects	1,808,372		1,808,372	31,259
Repayment of loan from component unit		3,726,423	3,726,423	
Municipal lending		100,620	100,620	
Education	19,075		19,075	
Employment and economic development	267,763		267,763	
Health and social services	199,629		199,629	
Public protection and justice	71,382		71,382	
Environment and business regulation	197,112		197,112	
Transportation	90,308		90,308	
Other purposes	1,315,458		1,315,458	
Funds held as permanent investments:				
Nonexpendable purposes	54,333		54,333	2,187,828
Expendable purposes	4,383		4,383	4,005,561
Unrestricted	(207,860,890)	(227,124)	(208,088,014)	1,769,110
Total net position	\$ (184,811,378)	\$ 3,647,436	\$ (181,163,942)	\$ 16,373,027

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, 2022 (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	\$ 44,595,896	\$ 304,980	\$ 29,559,489	\$ 25
Education	24,543,250	9,705	4,844,457	
General government	3,804,935	2,952,861	68,738	5,936
Employment and economic development	2,343,176	24,572	1,632,541	
Transportation	4,505,250	93,983	293,127	1,666,068
Public protection and justice	3,386,451	148,076	631,390	
Environment and business regulation	1,090,662	491,441	470,553	3,608
Intergovernmental-revenue sharing	11,107,543			
Interest	1,418,600			
Total governmental activities	<u>96,795,763</u>	<u>4,025,618</u>	<u>37,500,295</u>	<u>1,675,637</u>
Business-type activities				
Unemployment compensation trust	5,233,847	1,829,342	2,974,947	
Water revolving	119,705	82,181	131,659	
Prepaid tuition program	(1)	(48,515)		
Lottery	2,580,344	3,401,169	7,000	
Other	161,965	106,080	50,750	
Total business-type activities	<u>8,095,860</u>	<u>5,370,257</u>	<u>3,164,356</u>	
Total primary government	<u>\$ 104,891,623</u>	<u>\$ 9,395,875</u>	<u>\$ 40,664,651</u>	<u>\$ 1,675,637</u>
Component units				
Authorities				
Illinois Housing Development Authority	\$ 970,831	\$ 74,828	\$ 822,524	
Illinois State Toll Highway Authority	1,195,799	1,459,804		
Other authorities	69,408	55,175		\$ 695
Universities				
Illinois State University	654,581	297,619	128,976	98
Northern Illinois University	573,622	203,194	108,463	
Southern Illinois University	1,285,101	560,203	209,072	3,337
University of Illinois	7,106,745	3,800,256	1,470,140	23,142
Other universities	885,313	240,641	222,031	2,311
Total component units	<u>\$ 12,741,400</u>	<u>\$ 6,691,720</u>	<u>\$ 2,961,206</u>	<u>\$ 29,583</u>
General revenues				
Taxes:				
Income taxes				
Sales taxes				
Motor fuel taxes				
Public utility taxes				
Riverboat taxes				
Medical providers assessment taxes				
Other taxes				
Operating grants and contributions				
Interest and investment income				
Other revenues				
Pension and OPEB revenue recognized				
Payments from the State of Illinois				
Additions to permanent endowments				
Transfers				
Total general revenues, additions to permanent endowments, and transfers				
Change in net position				
Net position, July 1, 2021, as restated				
Net position, June 30, 2022				

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
\$ (14,731,402)		\$ (14,731,402)	
(19,689,088)		(19,689,088)	
(777,400)		(777,400)	
(686,063)		(686,063)	
(2,452,072)		(2,452,072)	
(2,606,985)		(2,606,985)	
(125,060)		(125,060)	
(11,107,543)		(11,107,543)	
(1,418,600)		(1,418,600)	
<u>(53,594,213)</u>			
	\$ (429,558)	(429,558)	
	94,135	94,135	
	(48,514)	(48,514)	
	827,825	827,825	
	(5,135)	(5,135)	
	<u>438,753</u>		
		(53,155,460)	
			\$ (73,479)
			264,005
			(13,538)
			(227,888)
			(261,965)
			(512,489)
			(1,813,207)
			(420,330)
			<u>(3,058,891)</u>
36,575,223		36,575,223	
15,284,938		15,284,938	
2,486,017		2,486,017	
1,421,425		1,421,425	
345,808		345,808	
3,113,765		3,113,765	
4,425,343		4,425,343	
5,531,275		5,531,275	
(218,259)	(23,469)	(241,728)	(393,488)
1,367,393		1,367,393	500,058
			2,124,412
			1,294,505
			104,653
<u>(2,397,653)</u>	<u>2,397,653</u>	<u>-</u>	
67,935,275	2,374,184	70,309,459	3,630,140
14,341,062	2,812,937	17,153,999	571,249
(199,152,440)	834,499	(198,317,941)	15,801,778
<u>\$ (184,811,378)</u>	<u>\$ 3,647,436</u>	<u>\$ (181,163,942)</u>	<u>\$ 16,373,027</u>

State of Illinois

**Balance Sheet -
Governmental Funds**

June 30, 2022 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS			
Cash equity with State Treasurer	\$ 11,542,602	\$ 14,520,243	\$ 26,062,845
Cash and cash equivalents	10,687	765,296	775,983
Securities lending collateral of State Treasurer	2,872,296	888,042	3,760,338
Investments		60,409	60,409
Receivables, net:			
Taxes	2,297,390	764,777	3,062,167
Intergovernmental	1,791,533	2,237,536	4,029,069
Other	2,052,347	402,819	2,455,166
Due from other funds	1,200,732	1,459,521	2,660,253
Due from component units	13,010	460,303	473,313
Inventories	256,046	113,907	369,953
Loans and notes receivable, net	118,768	37,051	155,819
Leases receivable	581	9,888	10,469
Other assets	15,000	33,808	48,808
Total assets	\$ 22,170,992	\$ 21,753,600	\$ 43,924,592
LIABILITIES			
Accounts payable and accrued liabilities	\$ 5,369,812	\$ 1,251,040	\$ 6,620,852
Intergovernmental payables	3,529,528	3,488,590	7,018,118
Due to other funds	2,284,994	1,666,114	3,951,108
Due to component units	139,638	252,373	392,011
Unearned revenue	4,098,374	801,530	4,899,904
Obligations under securities lending of State Treasurer	2,872,296	888,042	3,760,338
Matured portion of long-term liabilities	78	518	596
Total liabilities	18,294,720	8,348,207	26,642,927
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	2,395,928	1,048,096	3,444,024
Deferred inflows of resources - leases	549	9,504	10,053
Total deferred inflows of resources	2,396,477	1,057,600	3,454,077
FUND BALANCES (DEFICITS)			
Nonspendable - long-term portion of			
loans and notes receivable	1,414		1,414
Nonspendable - inventories	256,046	113,907	369,953
Nonspendable - endowments and similar funds		54,333	54,333
Restricted	379,213	5,346,600	5,725,813
Committed	4,049,290	7,429,741	11,479,031
Assigned		606	606
Unassigned	(3,206,168)	(597,394)	(3,803,562)
Total fund balances (deficits)	1,479,795	12,347,793	13,827,588
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 22,170,992	\$ 21,753,600	\$ 43,924,592

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, 2022
(Expressed in Thousands)

Total fund balances-governmental funds \$ 13,827,588

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 \$805,654, are not financial resources and therefore are not reported in the funds. 24,083,616

Prepaid expenses for governmental activities, not including amounts included as assets in internal service funds of \$841, are current uses of financial resources for funds. 269,183

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. 8,091

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. (15,671)

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. 557,759

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. 3,444,024

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 \$976,963, consist of:

Net pension liability	(139,632,474)	
Deferred outflows of resources - pensions	14,284,919	
Deferred inflows of resources - pensions	(10,825,654)	
OPEB liability	(46,502,507)	
Deferred outflows of resources - OPEB	2,060,188	
Deferred inflows of resources - OPEB	(14,861,137)	
General obligation bonds	(27,065,258)	
Special obligation bonds	(2,047,280)	
Revenue bonds	(561,310)	
Unamortized premiums	(964,646)	
Unamortized discounts	19,217	
Compensated absences	(419,910)	
Pollution remediation obligation	(41,450)	
Auto liability	(18,663)	
Leases	(114,373)	
Accrued interest	(295,630)	
	(226,985,968)	(226,985,968)

Net position of governmental activities **\$ (184,811,378)**

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, 2022 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES			
Income taxes	\$ 30,416,464	\$ 6,074,363	\$ 36,490,827
Sales taxes	10,691,978	4,592,960	15,284,938
Motor fuel taxes		2,485,991	2,485,991
Public utility taxes	802,176	639,743	1,441,919
Riverboat taxes		345,808	345,808
Medical providers assessment taxes	3,093,737		3,093,737
Other taxes	3,352,061	940,728	4,292,789
Federal government	23,180,399	19,466,380	42,646,779
Licenses and fees	495,966	3,023,049	3,519,015
Interest and other investment income	(197,857)	(19,184)	(217,041)
Other	1,369,415	1,681,577	3,050,992
Total revenues	73,204,339	39,231,415	112,435,754
EXPENDITURES			
Current:			
Health and social services	33,809,300	10,912,834	44,722,134
Education	20,239,433	5,357,834	25,597,267
General government	2,915,782	1,209,843	4,125,625
Employment and economic development	796,958	1,387,709	2,184,667
Transportation	658,583	2,802,740	3,461,323
Public protection and justice	3,378,538	761,417	4,139,955
Environment and business regulation	171,931	936,659	1,108,590
Debt service:			
Principal	18,616	3,250,570	3,269,186
Interest	6,199	1,550,140	1,556,339
Capital outlays	94,429	2,458,290	2,552,719
Intergovernmental		11,107,543	11,107,543
Total expenditures	62,089,769	41,735,579	103,825,348
Excess (deficiency) of revenues over (under) expenditures	11,114,570	(2,504,164)	8,610,406
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
General and special obligation bonds issued		1,675,000	1,675,000
Premiums on general and special obligation bonds issued		137,798	137,798
General and special obligation refunding bonds issued		856,120	856,120
Premiums on general and special obligation refunding bonds issued		58,989	58,989
Transfers-in	2,075,404	7,338,403	9,413,807
Transfers-out	(8,688,753)	(3,198,207)	(11,886,960)
Payments to refunded bond escrow agent		(929,624)	(929,624)
Lease financing	22,995	11,259	34,254
Net other sources (uses) of financial resources	(6,590,354)	5,949,738	(640,616)
Net change in fund balances	4,524,216	3,445,574	7,969,790
Fund balances (deficits), July 1, 2021	(3,056,718)	8,905,087	5,848,369
Increase (decrease) for changes in inventories	12,297	(2,868)	9,429
FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 1,479,795	\$ 12,347,793	\$ 13,827,588

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, 2022
(Expressed in Thousands)

Net change in fund balances	\$ 7,969,790
Change in inventories	9,429
	7,979,219

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.

99,112

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	\$ 2,552,719	
Depreciation expense	(1,555,268)	
Excess of capital outlays over depreciation expense		997,451

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.

28,851

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.

(16,581)

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.

(23,680)

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.

(114,055)

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.

996,171

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 \$196,787	(2,727,907)	
Payments to refunded bond escrow agent	929,624	
Bond principal retirements	2,227,290	
Deferred gain on current year refundings of debt	(15,146)	
Accrued interest paid to refunding agent	(16,805)	
Amortization of bond premiums	198,965	
Amortization of bond discounts	(1,465)	
Amortization of bond insurance costs	(978)	
Amortization of deferred amounts on refundings of debt	(1,030)	
General obligation note payable repayments	1,015,255	
Lease proceeds	(34,254)	
Lease principal retirements	26,641	
Net increase in change in fund balance of governmental funds from long-term debt transactions		1,600,190

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.

Decrease in net pension liability	11,995,290	
Decrease in deferred outflows of resources - pensions	(2,001,606)	
Increase in deferred inflows of resources - pensions	(9,589,638)	
Decrease in OPEB liability	10,043,273	
Decrease in deferred outflows of resources - OPEB	(443,846)	
Increase in deferred inflows of resources - OPEB	(7,234,894)	
Decrease in compensated absences obligation	9,808	
Interest accreted on capital appreciation debt	(859)	
Increase in auto liability obligation	(1,741)	
Decrease in accrued interest on obligations	18,597	
Net increase in expenses for net increase in long-term liabilities not reported in governmental funds		2,794,384

Change in net position of governmental activities	\$ 14,341,062
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The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Net Position -
Proprietary Funds

June 30, 2022 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major				Total	
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds		
ASSETS						
Cash equity with State Treasurer		\$ 400,589	\$ 224,136	\$ 231,111	\$ 855,836	\$ 320,153
Cash and cash equivalents	\$ 1,008,103		1,039	27,314	1,036,456	68,578
Securities lending collateral of State Treasurer		64,416		26,233	90,649	38,257
Investments			125,516	95,105	220,621	
Receivables, net:						
Taxes	377,546				377,546	
Intergovernmental:						
Pandemic Unemployment Assistance (PUA)	3,230				3,230	
Federal Pandemic Unemployment Compensation (FPUC) associated with PUA	1,518				1,518	
Other unemployment insurance and related programs	564,909				564,909	
Other intergovernmental				623	623	2,236
Other:						
PUA	2,219				2,219	
FPUC associated with PUA	64,119				64,119	
Lost Wage Assistance (LWA) associated with PUA	1,461				1,461	
Other unemployment insurance and related programs	180,272				180,272	
Other		15,632	215,305	72,132	303,069	31,921
Due from other funds	6,911			142,338	149,249	869,932
Due from component units	87	6,732			6,819	17,275
Loans and notes receivable, net		58,092			58,092	
Restricted assets:						
Cash and cash equivalents				8,952	8,952	
Other receivables, net		13,456		28,470	41,926	
Loans and notes receivable, net		254,792		18,275	273,067	
Inventories						3,097
Prepaid expenses		21		365	386	841
Total current assets	2,210,375	813,730	565,996	650,918	4,241,019	1,352,290
Investments			288,338	252,378	540,716	
Other receivables, net			5,333		5,333	
Loans and notes receivable, net		1,018,054			1,018,054	
Restricted loans and notes receivable, net		3,458,175		134,020	3,592,195	
Leases receivable						248
Capital assets not being depreciated						58,911
Capital assets being depreciated, net		165		3,270	3,435	746,743
Total noncurrent assets		4,476,394	293,671	389,668	5,159,733	805,902
Total assets	2,210,375	5,290,124	859,667	1,040,586	9,400,752	2,158,192
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - pensions		10,077		28,247	38,324	
Deferred outflows of resources - OPEB		8,742		15,101	23,843	
Total deferred outflows of resources		18,819		43,348	62,167	
LIABILITIES						
Accounts payable and accrued liabilities:						
PUA	1,330				1,330	
FPUC associated with PUA	1,517				1,517	
Other unemployment insurance and related programs	10,394				10,394	
Other accounts payable and accrued liabilities	97,182	446	213,968	102,152	413,748	545,284
Intergovernmental payables:						
PUA	167,868				167,868	
FPUC associated with PUA	151,514				151,514	
LWA associated with PUA	68,972				68,972	
Other intergovernmental payables	13,504	141		33,067	46,712	10,547
Due to other funds	1,261	360	171	141,899	143,691	24,973
Due to component units		1,377,807	47	1,464	1,379,318	312
Unearned revenue				33,636	33,636	105
Obligations under securities lending of State Treasurer		64,416		26,233	90,649	38,257
Short-term notes payable	1,812,645			50,987	1,863,632	
Current portion of long-term obligations		1,055	122,861	27,714	151,630	177,047
Total current liabilities	2,326,187	1,444,225	337,047	417,152	4,524,611	796,525
Noncurrent portion of long-term obligations		92,155	537,382	539,696	1,169,233	799,916
Total noncurrent liabilities		92,155	537,382	539,696	1,169,233	799,916
Total liabilities	2,326,187	1,536,380	874,429	956,848	5,693,844	1,596,441
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unamortized deferred amounts on bond refundings				16,844	16,844	
Deferred inflows of resources - leases						3,992
Deferred inflows of resources - pensions		5,777		44,528	50,305	
Deferred inflows of resources - OPEB		10,643		43,847	54,490	
Total deferred inflows of resources		16,420		105,219	121,639	3,992
NET POSITION						
Net investment in capital assets		165		3,255	3,420	413,989
Net position restricted for:						
Debt service				44,097	44,097	
Repayment of loan from component unit		3,726,423			3,726,423	
Municipal lending		100,620			100,620	
Unrestricted	(115,812)	(71,065)	(14,762)	(25,485)	(227,124)	143,770
Total net position	\$ (115,812)	\$ 3,756,143	\$ (14,762)	\$ 21,867	\$3,647,436	\$ 557,759

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, 2022 (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			\$ 195	\$ 3,490,202	\$ 3,490,397	\$ 3,752,929
Interest income pledged as revenue bond security				9,627	9,627	
Interest and other investment income		\$ 82,181	(48,710)	6	33,477	
Employer contributions	\$ 1,829,342				1,829,342	
Other				5,315	5,315	1,444
Total operating revenues	1,829,342	82,181	(48,515)	3,505,150	5,368,158	3,754,373
OPERATING EXPENSES						
Cost of sales and services				280,547	280,547	879,731
Benefit payments and refunds:						
PUA	438,105				438,105	
FPUC associated with PUA	399,776				399,776	
LWA associated with PUA	(513)				(513)	
Other unemployment insurance and related programs	4,396,479				4,396,479	
Other benefit payments and refunds				36,907	36,907	2,864,592
Prizes and claims				2,211,364	2,211,364	
Accreted tuition expense			(3,909)		(3,909)	
General and administrative		21,592	2,753	181,769	206,114	81,283
Depreciation		5		1,000	1,005	128,728
Other		53,432	1,155	21,088	75,675	
Total operating expenses	5,233,847	75,029	(1)	2,732,675	8,041,550	3,954,334
Operating income (loss)	(3,404,505)	7,152	(48,514)	772,475	(2,673,392)	(199,961)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income		(2,756)		(20,713)	(23,469)	(1,115)
Interest expense		(44,441)		(7,951)	(52,392)	(44,518)
Federal government:						
PUA	280,627				280,627	
FPUC associated with PUA	364,856				364,856	
LWA associated with PUA	(66,969)				(66,969)	
Other unemployment insurance and related programs	2,396,433				2,396,433	
Other federal government		131,659		57,750	189,409	38,078
Other revenues				2,099	2,099	336
Other expenses		(235)		(1,683)	(1,918)	(10,155)
Income (loss) before contributions and transfers	(429,558)	91,379	(48,514)	801,977	415,284	(217,335)
Contributions of capital assets						27,780
Transfers-in	2,800,030	64,816	250,000	7,791	3,122,637	78,362
Transfers-out	(13,879)			(711,105)	(724,984)	(2,862)
Change in net position	2,356,593	156,195	201,486	98,663	2,812,937	(114,055)
Net position, July 1, 2021, as restated	(2,472,405)	3,599,948	(216,248)	(76,796)	834,499	671,814
NET POSITION, JUNE 30, 2022	\$ (115,812)	\$ 3,756,143	\$ (14,762)	\$ 21,867	\$ 3,647,436	\$ 557,759

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, 2022 (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			\$ 195	\$ 114,995	\$ 115,190	\$ 190,823
Cash received from lottery sales				3,386,893	3,386,893	
Cash received from transactions with other funds				12,000	12,000	4,659,618
Cash payments to suppliers for goods and services		\$ (613)	(1,455)	(219,426)	(221,494)	(4,349,969)
Cash payments for interfund services		(2,129)		(2,126)	(4,255)	(60,428)
Cash payments to employees for services		(20,384)	(815)	(53,360)	(74,559)	(211,059)
Cash payments for lottery prizes				(2,228,569)	(2,228,569)	
Cash payments for commissions and bonuses				(175,136)	(175,136)	
Cash receipts from unemployment taxes	\$ 2,136,123				2,136,123	
Cash payments for unemployment benefits:						
PUA	(644,243)				(644,243)	
FPUC associated with PUA	(665,900)				(665,900)	
LWA associated with PUA	(6,073)				(6,073)	
Other unemployment insurance and related programs	(4,379,643)				(4,379,643)	
Cash receipts from prepaid tuition contract sales			4,789		4,789	
Cash payments for tuition			(100,968)		(100,968)	
Cash payments for tuition contract refunds			(21,946)		(21,946)	
Cash receipts from student loan principal				36,908	36,908	
Cash receipts from student loan interest				5,713	5,713	
Cash payments for workers' compensation						(94,251)
Cash receipts from other operating activities				14,871	14,871	119,228
Cash payments for other operating activities				(93,482)	(93,482)	
Net cash provided (used) by operating activities	(3,559,736)	(23,126)	(120,200)	799,281	(2,903,781)	253,962
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from revenue bonds and other borrowings	279,772	336,629			616,401	
Principal paid on revenue bonds and other borrowings	(2,700,000)			(33,597)	(2,733,597)	(10,032)
Interest paid on revenue bonds and other borrowings				(1,141)	(1,141)	(145,835)
Grants received:						
PUA	446,218				446,218	
FPUC associated with PUA	514,853				514,853	
LWA associated with PUA	2,003				2,003	
Other unemployment insurance and related programs	2,471,434				2,471,434	
Other grants received		128,317		62,974	191,291	41,925
Grants paid				(1,930)	(1,930)	
Transfers-in from other funds	2,800,029	64,816	280,000	11,584	3,156,429	79,162
Transfers-out to other funds	(13,755)			(848,573)	(862,328)	(2,862)
Net cash provided (used) by noncapital financing activities	3,800,554	529,762	280,000	(810,683)	3,799,633	(37,642)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets		(165)		(549)	(714)	(40,170)
Principal paid on capital debt				(150)	(150)	(49,516)
Interest paid on capital debt				(28)	(28)	(8,577)
Net cash used by capital and related financing activities		(165)		(727)	(892)	(98,263)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities			(74,629)	(59,689)	(134,318)	
Proceeds from sales and maturities of investment securities			127,531	72,034	199,565	
Cash paid to investment managers			(277)		(277)	
Cash paid for long-term annuity prizes payable				(25,630)	(25,630)	
Loan disbursements		(485,183)			(485,183)	
Loan repayments		101,928		2,000	103,928	
Interest and dividends on investments		40,893	10,453	1,400	52,746	(1,307)
Net cash provided (used) by investing activities		(342,362)	63,078	(9,885)	(289,169)	(1,307)
Net increase (decrease) in cash and cash equivalents	240,818	164,109	222,878	(22,014)	605,791	116,750
Cash and cash equivalents, July 1, 2021	767,285	236,480	2,297	289,391	1,295,453	271,981
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 1,008,103	\$ 400,589	\$ 225,175	\$ 267,377	\$ 1,901,244	\$ 388,731
Reconciliation of cash and cash equivalents to the Statement of Net Position:						
Total cash and cash equivalents per Statement of Net Position	\$ 1,008,103		\$ 1,039	\$ 27,314	\$ 1,036,456	\$ 68,578
Add: cash equity with State Treasurer		\$ 400,589	224,136	231,111	855,836	320,153
Add: restricted cash equivalents				8,952	8,952	
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 1,008,103	\$ 400,589	\$ 225,175	\$ 267,377	\$ 1,901,244	\$ 388,731

State of Illinois

Statement of Cash Flows -

Proprietary Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major				Total	
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (3,404,505)	\$ 7,152	\$ (48,514)	\$ 772,475	\$ (2,673,392)	\$ (199,961)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		5		1,000	1,005	128,728
Provision for uncollectible accounts	1,197,287	53,432		4,070	1,254,789	118
Interest and investment income		(82,181)	49,865	127	(32,189)	
Interest expense		387		(2,538)	(2,151)	
Miscellaneous income						336
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:						
(Increase) decrease in accounts receivable:						
PUA	(168,976)				(168,976)	
FPUC associated with PUA	(171,170)				(171,170)	
LWA associated with PUA	(8,878)				(8,878)	
Other unemployment insurance and related programs	(803,069)				(803,069)	
Other (increase) decrease in accounts receivable			(208,614)	(17,323)	(225,937)	(1,945)
(Increase) decrease in intergovernmental receivables	7,387			(38)	7,349	49
(Increase) decrease in due from other funds	(6,176)			11,050	4,874	1,090,293
(Increase) decrease in due from component units	(79)				(79)	(113)
(Increase) decrease in loans and notes receivable				32,068	32,068	
(Increase) decrease in inventories						464
(Increase) decrease in prepaid expenses		(11)		1,440	1,429	(840)
(Increase) decrease in deferred outflows of resources		(8,359)		(2,294)	(10,653)	
Increase (decrease) in accounts payable and accrued liabilities:						
PUA	(71,702)				(71,702)	
FPUC associated with PUA	(31,666)				(31,666)	
LWA associated with PUA	(1,562)				(1,562)	
Other unemployment insurance and related programs	(76,563)				(76,563)	
Other increase (decrease) in accounts payable and accrued liabilities	(8,800)	239	213,030	(20,208)	184,261	(755,558)
Increase (decrease) in intergovernmental payables	(10,679)	110		31,318	20,749	(1,615)
Increase (decrease) in due to other funds	(538)	269	37	(633)	(865)	(8,634)
Increase (decrease) in due to component units	(47)	(3)	21	1,462	1,433	34
Increase (decrease) in unearned revenue				444	444	(9)
Increase (decrease) in net pension liability		(2,999)		(25,966)	(28,965)	
Increase (decrease) in OPEB liability		846		(15,418)	(14,572)	
Increase (decrease) in other liabilities		399	(126,025)	1,642	(123,984)	2,908
Increase (decrease) in long-term annuity prizes payable				6,351	6,351	
Increase (decrease) in deferred inflows of resources		7,588		20,252	27,840	(293)
Total adjustments	(155,231)	(30,278)	(71,686)	26,806	(230,389)	453,923
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (3,559,736)	\$ (23,126)	\$ (120,200)	\$ 799,281	\$ (2,903,781)	\$ 253,962
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Cost of capital asset acquisitions financed by leases					\$	134,917
Gain (loss) on disposal of capital assets						(18)
Transfer of assets/liabilities from (to) other state funds						17,643
Loan repayments held at Trustee		\$ 313,102			\$	313,102
Increase (decrease) in fair value of investments			\$ (60,775)	\$ (30,214)		(90,989)
Interest accreted on investments				7,889		7,889
Interest accreted on long-term annuity prizes payable				(7,889)		(7,889)

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, 2022 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ASSETS				
Cash equity with State Treasurer	\$ 413,883		\$ 6	\$ 912,782
Cash and cash equivalents	1,179,906	\$ 4,478,325	148	71,338
Securities lending collateral of State Treasurer	76,692		1	92,634
Investments:				
Equities	30,741,792	5,663,046	536	
Fixed income	13,965,669	12,057,551	174	855,595
Private equity	10,195,515			
Real estate	14,462,857			
Other	14,480,447			
Equity in Illinois State Board of Investments	23,136,455			
Securities lending collateral	2,361,023			
Receivables, net:				
Taxes				254,608
Members	142,573			
Employers	29,261			
Investment income	271,115	63,275		
Intergovernmental	107			1,757
Pending investment sales	5,113,938			170,947
Other	14,628			
Due from other funds	197			
Due from primary government funds	434,724			50,331
Prepaid expenses	249			
Other assets				
Capital assets not being depreciated	5,681			
Capital assets being depreciated, net	32,331			
Total assets	117,059,043	22,262,197	865	2,409,992
LIABILITIES				
Accounts payable and accrued liabilities	300,712	27,254		202,241
Intergovernmental payables				1,190,565
Due to other funds	197			
Due to primary government funds	43,751	966		
Obligations under securities lending of State Treasurer	76,692		1	92,634
Securities lending collateral	2,360,662			
Payable to brokers for unsettled trades	4,936,260			
Long-term obligations:				
Due within one year	234			
Due subsequent to one year	4,685			
Total liabilities	7,723,193	28,220	1	1,485,440
NET POSITION				
Restricted for:				
Pension	108,936,095			
Postemployment benefits other than pensions	523,349			
Pool participants		22,233,977		
Individuals, organizations, and other governments			864	924,552
Unrestricted	(123,594)			
Total net position	\$ 109,335,850	\$ 22,233,977	\$ 864	\$ 924,552

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, 2022 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Employer State	\$ 3,103,618			\$ 11,070
Participants	8,056,321	\$ 2,006,945		81,188
Members:				3
Employees	1,777,584			110,970
Federal Medicare Part D	494			
Other contributions	8,773			
Total contributions	12,946,790	2,006,945		203,231
Investment income:				
Interest and other investment income	2,917,994	521,298	\$ 21	2,536
Net increase (decrease) in fair value of investments	(4,932,023)	(2,598,192)	(133)	(7,327)
Less investment expense	(1,089,287)	(3,763)	(12)	(20)
Net investment income	(3,103,316)	(2,080,657)	(124)	(4,811)
Capital share and individual account transactions:				
Shares sold		14,665,110		
Reinvested distributions		18,595		
Shares redeemed		(12,921,655)		
Net capital share and individual account transactions		1,762,050		
Collections/deposits:				
Sales tax collections for other governments				3,302,309
Public utility tax collections for other governments				123,059
Motor fuel tax collections for other governments				80,418
Other tax collections for other governments				1,842,473
License and fee collections for other governments				98,338
Collateral deposits received				161,242
Custodial fund deposits received				1,120,456
Other				21,689
Total collections/deposits				6,749,984
Total additions	9,843,474	1,688,338	(124)	6,948,404
DEDUCTIONS				
Benefit payments	13,933,126			
Refunds	172,406			
Payments to participants/beneficiaries		1,268,838		
Distribution to pool investors		18,595		
Depreciation	4,415			
General and administrative	79,710	37,893		1,992
Payment of sales tax to other governments				3,299,910
Payment of public utility tax to other governments				123,059
Payment of motor fuel tax to other governments				80,456
Payment of other tax to other governments				1,840,879
Payment of licenses and fees to other governments				98,341
Collateral deposits returned				227,635
Custodial funds disbursed				1,116,376
Contributions disbursed to third party investors				198,384
Other				37,122
Total deductions	14,189,657	1,325,326		7,024,154
Change in net position				
Restricted for:				
Pension benefits	(4,388,298)			
Retiree health insurance benefits	45,926			
Other employee benefits	(3,811)			
Pool participants		363,012		
Individuals, organizations, and other governments			(124)	(75,750)
Net position, July 1, 2021	113,682,033	21,870,965	988	1,000,302
NET POSITION, JUNE 30, 2022	\$ 109,335,850	\$ 22,233,977	\$ 864	\$ 924,552

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, 2022 (Expressed in Thousands)

	Housing Development Authority	Illinois State Toll Highway Authority	Other Authorities	Illinois State University	Northern Illinois University
ASSETS					
Cash equity with State Treasurer		\$ 1,098,316			
Cash and cash equivalents	\$ 11,581	58,923	\$ 12,964	\$ 192,004	\$ 21,532
Securities lending collateral of State Treasurer			3,020		
Investments	310,187		43,264	230,421	146,222
Receivables, net:					
Intergovernmental		74,233			
Other	2,075	69,866	497	38,567	38,025
Due from component units			18,002	115	
Due from primary government	41,618	88,912	1,377,598	2,045	947
Inventories				2,175	1,928
Prepaid expenses		19,273	142	5,898	336
Unamortized bond insurance costs		2,283		579	3,610
Loans and notes receivable, net	1,229,050		17,313	3,952	2,516
Restricted assets:					
Cash equity with State Treasurer		206,943	19,856		
Cash and cash equivalents	997,984	553,398	513,257	38,068	42,448
Investments	1,506,282	400,000	156,520	143,940	67,575
Other receivables, net	38,368	30	350	4,687	
Loans and notes receivable, net			27,917		
Other assets				338	
Derivative instruments	8,188				
Other assets	25,236		1,148	4,243	7,548
Leases receivable			31,642	28	372
Capital assets not being depreciated		3,055,895	37,137	57,273	31,355
Capital assets being depreciated, net	30,777	7,800,358	23,287	473,721	354,344
Total assets	4,201,346	13,428,430	2,283,914	1,198,054	718,758
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments	523				
Deferred outflows of resources - unamortized deferred amounts on bond refundings		210,401		635	
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings					
Deferred outflows of resources - pensions		85,294	175	615	1,486
Deferred outflows of resources - OPEB		58,787		3,868	8,241
Total deferred outflows of resources	523	354,482	175	5,118	9,727
LIABILITIES					
Accounts payable and accrued liabilities	115,033	490,578	42,161	27,502	43,682
Intergovernmental payables		46,072			2,975
Due to component units				91	
Due to primary government	423,549	37,394	6,732	10	120
Unearned revenue	283,687	229,352	1,383	14,896	17,224
Obligations under securities lending collateral of State Treasurer			3,020		
Assets held for others	149,196		5		
Short-term notes payable				6,000	
Derivative instruments	523				
Other liabilities				4,340	
Long-term obligations:					
Due within one year	58,772	186,908	105,295	18,113	9,577
Due subsequent to one year	1,896,519	9,185,894	1,908,240	219,755	365,668
Total liabilities	2,927,279	10,176,198	2,066,836	290,707	439,246
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - accumulated increase in fair value of derivative instruments	8,188				
Deferred inflows of resources - unamortized deferred amounts on bond refundings					
Deferred inflows of resources - unamortized deferred amounts on certificates of participation refundings				26	
Deferred inflows of resources - irrevocable split-interest agreements					
Deferred inflows of resources - service concession arrangements					
Deferred inflows of resources - leases			30,796	27	363
Deferred inflows of resources - pensions		81,857	906		
Deferred inflows of resources - OPEB		155,670		8,611	12,558
Total deferred inflows of resources	8,188	237,527	31,702	8,664	12,921
NET POSITION					
Net investment in capital assets	8,616	3,285,663	46,408	351,946	69,272
Restricted for:					
Debt service		518,594			
Capital projects					
Nonexpendable purposes				120,812	60,902
Other expendable purposes	955,194		60,787	265,135	132,602
Unrestricted	302,592	(435,070)	78,356	165,908	13,542
Total net position	\$ 1,266,402	\$ 3,369,187	\$ 185,551	\$ 903,801	\$ 276,318

Southern Illinois University	University of Illinois	Other Universities	Total
		\$ 411	\$ 1,098,727
\$ 88,533	\$ 1,128,525	229,691	1,743,753
		65	3,085
208,997	1,962,320	22,359	2,923,770
	189,264	13,018	276,515
53,883	567,404	49,174	819,491
31	225	125	18,498
22,292	235,572	7,456	1,776,440
6,548	32,863	3,559	47,073
4,709	52,498	2,780	85,636
852		1,340	8,664
9,711	37,367	6,068	1,305,977
			226,799
31,791	165,655	68,032	2,410,633
365,596	3,787,294	207,577	6,634,784
		2,175	45,610
			27,917
		5,959	6,297
	10,142		18,330
11,481	62,679	1,542	113,877
4,649	44,968	1,735	83,394
52,012	435,895	120,518	3,790,085
745,543	3,966,287	722,125	14,116,442
1,606,628	12,678,958	1,465,709	37,581,797
	289		812
1,672	14,413	191	227,312
		241	241
2,921	42,074	1,819	134,384
35,089	246,059	10,906	362,950
39,682	302,835	13,157	725,699
42,350	718,552	56,149	1,536,007
		2,394	51,441
207	18,081	119	18,498
8,757	17,327	84	493,973
38,711	239,914	22,285	847,452
		65	3,085
11,849	2,500	66	163,616
	9,813		15,813
	558		1,081
		5,753	10,093
43,579	188,731	25,487	636,462
394,116	2,979,965	269,713	17,219,870
539,569	4,175,441	382,115	20,997,391
	10,205		18,393
		5	5
234			260
	21,068	448	21,516
	65,737	28,135	93,872
4,624	40,851	1,703	78,364
			82,763
49,403	388,845	26,818	641,905
54,261	526,706	57,109	937,078
562,433	2,894,024	620,220	7,838,582
14,906		7,187	540,687
30,825		434	31,259
164,355	1,712,545	129,214	2,187,828
145,599	2,290,511	155,733	4,005,561
134,362	1,382,566	126,854	1,769,110
\$ 1,052,480	\$ 8,279,646	\$ 1,039,642	\$ 16,373,027

State of Illinois

Statement of Activities -

Component Units

For the Year Ended June 30, 2022 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue	
		Charges for services	Operating grants and contributions		Capital grants and contributions
Authorities:					
Illinois Housing Development Authority	\$ 970,831	\$ 74,828	\$ 822,524	\$ (73,479)	
Illinois State Toll Highway Authority	1,195,799	1,459,804		264,005	
Other authorities	69,408	55,175		(13,538)	
			\$ 695		
Universities:					
Illinois State University	654,581	297,619	128,976	98	(227,888)
Northern Illinois University	573,622	203,194	108,463		(261,965)
Southern Illinois University	1,285,101	560,203	209,072	3,337	(512,489)
University of Illinois	7,106,745	3,800,256	1,470,140	23,142	(1,813,207)
Other universities	885,313	240,641	222,031	2,311	(420,330)
Total	<u>\$ 12,741,400</u>	<u>\$ 6,691,720</u>	<u>\$ 2,961,206</u>	<u>\$ 29,583</u>	<u>\$ (3,058,891)</u>

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

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, 2021, as restated	Net position, June 30, 2022
	State appropriations	Interest and investment income	Other					
		\$ (39,072)	\$ 75		\$ (38,997)	\$ (112,476)	\$ 1,378,878	\$ 1,266,402
		2,369	33,217		35,586	299,591	3,069,596	3,369,187
		1,559	83		1,642	(11,896)	197,447	185,551
\$ 136,394	\$ 73,770	(13,855)	42,338	\$ 6,325	244,972	17,084	886,717	903,801
122,096	92,997	(11,737)	55,626	929	259,911	(2,054)	278,372	276,318
289,846	207,150	(46,199)	47,088	8,649	506,534	(5,955)	1,058,435	1,052,480
1,361,005	698,117	(272,021)	318,589	82,949	2,188,639	375,432	7,904,214	8,279,646
215,071	222,471	(14,532)	3,042	5,801	431,853	11,523	1,028,119	1,039,642
<u>\$ 2,124,412</u>	<u>\$ 1,294,505</u>	<u>\$ (393,488)</u>	<u>\$ 500,058</u>	<u>\$ 104,653</u>	<u>\$ 3,630,140</u>	<u>\$ 571,249</u>	<u>\$ 15,801,778</u>	<u>\$ 16,373,027</u>

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STATE OF ILLINOIS
Notes to the Financial Statements
June 30, 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

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

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

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

Fiduciary Component Units

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

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

Blended Component Unit

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

1. *Railsplitter Tobacco Settlement Authority (RTSA)*. The RTSA was established in July 2010 as a special purpose corporation to sell revenue bonds, repayment of which is supported solely by future tobacco settlement revenues (TSRs). The State relinquished

rights to \$4.1 billion of TSRs to RTSA in exchange for a significant portion of the revenue bond proceeds and a residual certificate representing the State's ownership in excess TSRs to be received by RTSA during the term of the Sales Agreement. (Administrative Offices: State of Illinois Building, 555 W. Monroe Street, Suite 1500 S-GOMB, Chicago, Illinois 60661.)

Discretely Presented Component Units

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

1. *Illinois Housing Development Authority (IHDA).* The IHDA issues notes and bonds to make loans for the acquisition, construction, and rehabilitation of housing and to encourage home ownership. The State approves bonds and notes issued by the IHDA and is secondarily liable for its debt if there is not sufficient IHDA monies available to pay principal and interest. (Administrative Offices: 111 E. Wacker Drive, Suite 1000, Chicago, Illinois 60601.)
2. *Illinois State Toll Highway Authority (THA).* The THA operates a toll highway system to promote the public welfare and to facilitate vehicular traffic by providing convenient, safe, modern, and limited access highways within Illinois. The State approves new toll highways and issuance of bonds. The THA reports on a December 31 year-end. (Administrative Offices: 2700 Ogden Avenue, Downers Grove, Illinois 60515.)
3. *Illinois Comprehensive Health Insurance Plan (ICHIP) Board.* Public Act 102-0159 ceased the operations of ICHIP as of December 31, 2021. The ICHIP provided an alternate market for health insurance for eligible Illinois residents having a pre-existing health condition. The State provided significant operating subsidies to the ICHIP.
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." (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, Hovey Hall, Campus Box 1100, Normal, Illinois 61790
- NIU, 300 Altgeld Hall, DeKalb, Illinois 60115
- SIU, 1400 Douglas Drive, Carbondale, Illinois 62901
- U of I, 349 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801.)

Joint Venture

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

A state becomes a member of the Fund by agreeing to contribute an amount set forth in the Articles of Incorporation. The required contribution from all member states at incorporation was \$81 million. The Fund's net position on December 31, 2021, was \$164.865 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 2021 of \$295 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 six primary sub-accounts (General Revenue, Education Assistance, Common School, Advancement of Education, Commitment to Human Services, and Budget Stabilization) with numerous secondary sub-accounts.

The State reports the following major proprietary funds:

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

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

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 leases, financed purchases, workers' compensation, net pension liability, and other postemployment benefit liability).

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

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

Proprietary Fund Types:

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

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

Fiduciary Fund Types:

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

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

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

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

Component Units

The component units' statements provide aggregate information about the State's discretely presented component units, emphasizing major component units. The State's major component

units are the Illinois Housing Development Authority, the Illinois State Toll Highway Authority, Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois.

C. Measurement Focus and Basis of Accounting

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

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

Governmental Fund Financial Statements

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

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

D. Eliminations

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

reported in the funds as receivable from or payable to fiduciary funds have been included in the statement of net position as receivable from and payable to external parties, rather than as internal balances.

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

E. Cash Equivalents

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

F. Investments

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

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

The State’s financial statements contain certain investments that meet the definition of “derivative instruments.” Derivative instrument investments included in the pension trust funds are described in more detail in Note 14.

G. Inventories and Prepaid Expenditures

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

For governmental funds, prepaid expenditures are recognized when paid.

H. Interfund Transactions

The State has the following types of interfund transactions:

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

Services provided and used - sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts at year-end are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

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

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

I. Capital Assets

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

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 Software	1,000
Non-Internally Generated Software	25
Right-to-Use Lease Assets	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.

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

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

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

J. Retirement Costs and Other Post-Employment Benefit Costs

Retirement

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

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, expense, and expenditures associated with the State’s contribution

requirements, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with terms of the plan. Investments are reported at fair value.

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

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

Post-Employment Benefits Other Than Pensions (OPEB)

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

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

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

K. Compensated Absences

The liability for compensated absences reported in the government-wide, proprietary, and fiduciary fund financial statements consists of 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.

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

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

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

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

M. 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.

N. Net Position/Fund Balances

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

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

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

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

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

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

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

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

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

O. Endowments

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

P. Use of Estimates

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

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

Q. New Accounting Pronouncements

Effective for the year ending June 30, 2022, the State adopted 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. Information regarding the State's leases is disclosed in Note 13. Additionally, the requirements of this statement resulted in the restatement of beginning net position, as detailed in Note 2.

Effective for the year ending June 30, 2022, the State adopted 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 implementation of this statement had no financial impact on the State's net position or results of operations.

Effective for the year ending June 30, 2022, the State adopted 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 implementation of this statement had no financial impact on the State's net position or results of operations.

Effective for the year ending June 30, 2022, the State adopted 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 implementation of this statement had no financial impact on the State's net position or results of operations.

Effective for the year ending June 30, 2022, the State adopted the remaining portion of 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 Statement No. 32, which enhances 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 implementation of this statement had no financial impact on the State's net position or results of operations.

Effective for the year ending June 30, 2022, the State adopted portions of GASB Statement No. 99, *Omnibus 2022*, the objective of which is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues identified during the implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of the statement related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to GASB Statement No. 53 and Statement No. 63 were effective upon issuance of the statement. The implementation of this portion of this statement had no financial impact on the State's net position or results of operations.

R. Future Adoption of GASB Statements

Effective for the year ending June 30, 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, 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, 2023, the State will adopt additional portions of GASB Statement No. 99, *Omnibus 2022*, the objective of which is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues identified during the implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this statement required to be adopted at this time are those related to the clarification of provisions within GASB Statement No. 87 related to the lease term, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives; clarification of provisions within GASB Statement No. 94 related to PPP terms, recognition and measurement of installment payments, and transfers of underlying PPP assets; and within GASB Statement No. 96 related to the term, classification as a short-term arrangement and recognition and measurement of a subscription liability. The State has not yet determined the impact on its financial statements as a result of adopting this portion of the statement.

Effective for the year ending June 30, 2024, the State will adopt the remaining portions of GASB Statement No. 99, *Omnibus 2022*. Specifically, the requirements within this GASB related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 that do not meet the definition of either an investment derivative or hedging derivative instrument are effective with this final implementation period. The State has not yet determined the impact on its financial statements as a result of adopting this portion of the statement.

Effective for the year ending June 30, 2024, the State will adopt GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, which enhances the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The statement defines what constitutes an accounting change and addresses corrections of errors in previously issued financial statements. The statement also prescribes the accounting and financial reporting for each type of accounting change and error correction and provides information on the required disclosures in the notes to the financial statements, required supplementary information, and supplementary information. 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, 2025, the State will adopt GASB Statement No. 101, *Compensated Absences*, the objective of which is to better meet the needs of the financial statement user by updating the recognition and measurement guidance for compensated absences. The statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The statement further identifies certain types of compensated absences and when a liability should be recognized. Additionally, it establishes guidance for measuring a liability for leave and amends existing guidance for note disclosures. The 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, 2022, 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	\$ 1,414	\$ -	\$ 1,414
Inventories	256,046	113,907	369,953
Endowments and Similar Funds	-	54,333	54,333
Total Nonspendable	257,460	168,240	425,700
Restricted For:			
Debt Service	-	2,125,465	2,125,465
Capital Grants/Projects			
Transportation Construction/Maintenance	-	946,627	946,627
Other	-	855,201	855,201
Health and Social Services	43,012	135,243	178,255
Education	120	17,959	18,079
General Government			
Unclaimed Property	-	113,176	113,176
Pension Acceleration Program	-	138,890	138,890
Other	333,208	123,910	457,118
Employment and Economic Development	535	210,308	210,843
Transportation	-	90,308	90,308
Public Protection and Justice	2,338	65,588	67,926
Environment and Business Regulation			
Abandoned Mined Land Reclamation	-	69,613	69,613
Other	-	454,312	454,312
Total Restricted	379,213	5,346,600	5,725,813
Committed For:			
Capital Grants/Projects			
Transportation Construction/Maintenance	-	1,222,961	1,222,961
Other	287,707	49,811	337,518
Health and Social Services			
Healthcare/Pharmaceutical Provider Relief	1,512,479	-	1,512,479
Adoption/Foster Care Services	-	286,663	286,663
Other	424,673	316,144	740,817
Education			
Education Assistance	502,565	-	502,565
Other	-	27,350	27,350
General Government			
School Infrastructure	150,691	-	150,691
Affordable Housing	-	579,529	579,529
State Universities Pension	-	42,129	42,129
Real Estate Tax-Relief Loan Program	-	60,088	60,088
Identification Security and Theft Prevention Measures	-	34,347	34,347
Other	834,084	1,160,768	1,994,852
Employment and Economic Development			
Low Income Energy Assistance	-	186,787	186,787
Tourism Promotion	-	89,075	89,075
Renewable Energy Programs	-	128,873	128,873
Other	70,237	79,297	149,534
Transportation			
Downstate Public Transportation	-	220,232	220,232
Regional Transportation Capital Improvements	-	326,873	326,873
Other	163,386	1,375,058	1,538,444
Public Protection and Justice	87,521	517,198	604,719
Environment and Business Regulation			
Clean Water Activities	-	21,598	21,598
Open Space Lands Acquisition and Development	-	157,074	157,074
Parks and Conservation Activities	-	3,809	3,809
Insurance Regulation and Administration	-	198,872	198,872
Other	15,947	345,205	361,152
Total Committed	4,049,290	7,429,741	11,479,031
Assigned For:			
Health and Social Services	-	606	606
Total Assigned	-	606	606
Unassigned	<u>(3,206,168)</u>	<u>(597,394)</u>	<u>(3,803,562)</u>
	<u>\$ 1,479,795</u>	<u>\$ 12,347,793</u>	<u>\$ 13,827,588</u>

B. Restatements

As shown in tables 2-2 and 2-3, the financial statements have been restated as of July 1, 2021, due to the following:

	Governmental Activities		Business-Type Activities		
	Internal Service Funds	Governmental Activities	Proprietary Funds		Business-Type Activities
			Unemployment Compensation Trust Fund	Nonmajor Enterprise Funds	
Net Position, July 1, 2021, as previously reported	\$ 672,418	\$ (199,246,133)	\$ (2,966,021)	\$ (76,796)	\$ 340,883
Correction of Prior Errors					
Understatement of capital assets by the Department of Corrections	-	93,700	-	-	-
Understatement of intergovernmental receivables	-	-	493,616	-	493,616
Implementation of New Accounting Standard					
Implementation of GASB Statement No. 87					
Assets	319,177	426,717	-	995	995
Liabilities	(315,496)	(411,147)	-	(995)	(995)
Deferred inflows of resources	(4,285)	(15,577)	-	-	-
Net Position, July 1, 2021, as restated	<u>\$ 671,814</u>	<u>\$ (199,152,440)</u>	<u>\$ (2,472,405)</u>	<u>\$ (76,796)</u>	<u>\$ 834,499</u>

Table 2-3 (amounts expressed in thousands)

	Component Units					Component Units
	Component Units					
	Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	
Net Position, July 1, 2021, as previously reported	\$ 1,374,797	\$ 886,717	\$ 278,372	\$ 1,058,435	\$ 7,902,475	\$ 15,795,958
Implementation of New Accounting Standard						
Implementation of GASB Statement No. 87						
Assets	7,264	10,142	586	68,750	89,737	176,479
Liabilities	(3,183)	(10,105)	(511)	(63,297)	(53,924)	(131,020)
Deferred inflows of resources	-	(37)	(75)	(5,453)	(34,074)	(39,639)
Net Position, July 1, 2021, as restated	<u>\$ 1,378,878</u>	<u>\$ 886,717</u>	<u>\$ 278,372</u>	<u>\$ 1,058,435</u>	<u>\$ 7,904,214</u>	<u>\$ 15,801,778</u>

C. Net Position Restricted by Enabling Legislation

The government-wide statement of net position reports \$10.162 billion of restricted net position, of which \$2.074 billion is restricted by enabling legislation.

D. Budget Stabilization Account

The Budget Stabilization Account, a sub-account of the General Fund, was created under P.A. 91-0703, effective May 16, 2000. Transfers into the account include 10% of the net monthly revenue in the Cannabis Regulation Fund, as defined in the Cannabis Regulation and Tax Act, which became effective June 25, 2019. In addition, P.A. 102-0700, effective April 19, 2022, provided for a transfer of \$720 million from the General Revenue Account to the Budget

Stabilization Account no later than June 30, 2022, with an additional \$280 million to be transferred in fiscal year 2023.

The State may transfer moneys from the Budget Stabilization Account to the General Revenue Account in order to meet cash flow deficits resulting from timing variations between disbursements and the receipt of funds within a fiscal year. Any moneys so borrowed shall be repaid by June 30 of the fiscal year in which they were borrowed. For Fiscal Year 2020 through 2022, any transfers into the Budget Stabilization Account pursuant to the Cannabis Regulation and Tax Act may be transferred to the General Revenue Account and shall not be subject to repayment back into the Budget Stabilization Account. As of June 30, 2022, the fund balance in the Budget Stabilization Account was \$745.864 million and is included in the committed fund balance of the General Fund.

3 DEPOSITS AND INVESTMENTS

The State Treasurer is the custodian of the State’s deposits and investments for most funds and maintains these deposits and investments in the State Treasury. The investment authority and guidelines for the Treasurer’s published investment policy for the State Treasury is found in Section 22.8 of the Deposit of State Moneys Act (15 ILCS 520). The pooling of cash allows the Treasurer to invest monies not needed to pay immediate obligations so that investment earnings on available cash are maximized. Investments of the State Treasury are not segregated by fund; rather, each contributing fund’s balance is treated as equity in the State Treasury. Accordingly, the State Treasury is not reported as a separate fund in this report. Instead, each State fund’s and each component unit’s balance in the State Treasury is presented as “Cash equity with State Treasurer.” Investments held by the State Treasurer in the State Treasury at June 30, 2022, consisted of the following:

Table 3-1 (amounts expressed in thousands)

Investment Type	Fair Value
Repurchase agreements	\$ 2,991,716
U.S. Treasury obligations	3,942,078
U.S. Agency obligations	1,185,581
Supranational bonds	180,874
Municipal debt	174,752
Commercial paper	4,284,209
Corporate debt securities	1,583,151
Money market mutual funds	7,719,372
Private equity	500,039
Equity in Public Treasurers' Investment Pool	8,760,559
Equity in other investment pools	1
Securities lending collateral invested in repurchase agreements	4,061,656
Total fair value	\$ 35,383,988

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, 2022, except for investments held by ISBI, TRS, and SURS, consisted of the following:

Investment Type	Fair Value
Negotiable certificates of deposit	\$ 5,537
Nonnegotiable certificates of deposit	994
U.S. Treasury obligations	1,030,626
U.S. Agency obligations	26,799
Municipal debt	100,809
Corporate debt securities	38,096
Debt mutual funds	5,664,481
Equity in Public Treasurers' Investment Pool	6,940,950
Equity in Illinois State Board of Investments	41,520
Equity in State Universities Retirement System	14,848
Government notes - non U.S.	1,644
Cash and pending trades	(83)
Money market mutual funds	1,425,540
Equity securities	116,354
Equity mutual funds	8,615,168
Blended mutual funds	2,186
Bond trust funds	47,472
Other	182,489
Total fair value	\$ 24,255,430

The ISBI is considered to be an internal investment pool of the State of Illinois, operating solely from investment income. The ISBI manages and invests the pension assets of three separate public employee retirement systems: General Assembly Retirement System, Judges' Retirement System of Illinois, and State Employees' Retirement System of Illinois. Additionally, ISBI reports one custodial fund, the Illinois Power Agency Trust Fund. The ISBI's member systems retain all of the cash necessary for current operating expenditures in the State Treasury. The amount of cash received by the ISBI's member systems in excess of their current operating expenditures is transferred to the ISBI for purposes of long-term investment. The ISBI is not reported as a separate fund in this report. Instead, each member system's balance in the ISBI is presented as "Equity in the Illinois State Board of Investments." The member system's equity is approximately \$25.889 million more than the deposits and investments of the ISBI, due to net liabilities of the ISBI.

Investments held by ISBI at June 30, 2022, consisted of the following:

Investment Type	Fair Value
U.S. Treasury obligations	\$ 445,961
U.S. Agency obligations	242
Corporate obligations	288,961
Common stock and equity funds	4,011,633
Foreign debt obligations	1,974
Foreign equity securities	253,767
Commingled funds	11,082,750
Private credit	1,384,144
Hedge funds	558
Real estate	2,853,235
Private equity	2,059,446
Money market instruments	167,509
Infrastructure funds	447,873
Bank loans	142,598
Total Investments	\$ 23,140,651

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 \$678.012 million and \$696.974 million at June 30, 2022, respectively. Of the total bank balance of these cash deposits at June 30, 2022, \$104.892 million was uninsured with collateral held by the pledging financial institution in the State's name, \$20.900 million was uninsured with collateral held by the pledging financial institution but not in the State's name, and \$2.160 million was uninsured and uncollateralized. In addition to the cash deposits held outside of the State Treasury, the Unemployment Compensation Trust Fund had \$919.063 million in deposits held by the federal government.

ISBI's policy outlines the control procedures used to monitor custodial credit risk for deposits. These deposits are under the custody of Northern Trust which has an A+ Long-term Deposit/Debt rating by Standard and Poor's and an A2 rating by Moody's. The carrying amount and bank balance of ISBI's cash deposits were both \$11.343 million at June 30, 2022.

TRS's foreign currency held by investment managers at June 30, 2022, totaled \$97.615 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, 2022, the carrying amount was \$1.074 billion and the bank balance was \$949.699 million, of which \$7.651 million was uninsured and uncollateralized.

Investments***Primary Government:***

The State does not have a formal policy for custodial credit risk of investments held outside of the State Treasury. Of the total balance of primary government investments held outside of the State Treasury, except for investments held by ISBI, TRS, and SURS, \$832.798 million was held by the counterparty, but not in the State's name, at June 30, 2022. These investments were held in negotiable certificates of deposit, nonnegotiable certificates of deposit, U.S. Treasury obligations, U.S. Agency obligations, municipal debt, corporate debt securities, and foreign debt securities, in

the amounts of \$5.537 million, \$994 thousand, \$685.414 million, \$17.550 million, \$100.198 million, \$21.609 million, and \$1.496 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, 2022:

Table 3-4 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	P-1	P-2	Not Rated	Total
Repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ 608,066	\$ -	\$ 2,383,650	\$ 2,991,716
U.S. Agency obligations	1,185,581	-	-	-	-	-	-	1,185,581
Supranational bonds	180,874	-	-	-	-	-	-	180,874
Municipal debt	8,060	48,548	23,019	-	-	-	95,125	174,752
Commercial paper	-	-	-	-	3,315,158	919,056	49,995	4,284,209
Corporate debt securities	129,694	149,279	1,245,944	6,434	-	-	51,800	1,583,151
Money market mutual funds	7,719,372	-	-	-	-	-	-	7,719,372
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	8,760,559 *	8,760,559
Equity in other investment pools	-	-	-	-	-	-	1	1
Securities lending collateral: Invested in repurchase agreements	-	-	-	-	-	-	4,061,656 **	4,061,656
Total subject to credit risk	\$ 9,223,581	\$ 197,827	\$ 1,268,963	\$ 6,434	\$ 3,923,224	\$ 919,056	\$ 15,402,786	30,941,871
U.S. Treasury obligations	-	-	-	-	-	-	-	3,942,078
Total fixed income securities								\$ 34,883,949

* 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: 6.61% Aaa, 3.27% Aa, 8.29% A, 2.59% Baa, 4.56% Ba, 5.07% B, 3.19% Caa, 0.20% Ca, 0.04% C, 66.18% 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, 2022:

Table 3-5 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	Not Rated	Withdrawn	Total
Negotiable certificates of deposit	\$ -	\$ -	\$ 477	\$ -	\$ -	\$ -	\$ 5,060	\$ -	\$ 5,537
Nonnegotiable certificates of deposit	-	-	-	-	-	-	994	-	994
U.S. Agency obligations	17,238	201	14	92	43	-	151	9,060	26,799
Municipal debt	16,626	65,951	12,368	1,500	-	-	2,304	2,060	100,809
Corporate debt securities	6,508	2,115	22,671	2,015	112	-	4,563	112	38,096
Government notes - non U.S.	-	-	1,496	148	-	-	-	-	1,644
Mutual funds	598	10	755	36	20	7	5,663,055	-	5,664,481
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	6,940,950 *	-	6,940,950
Money market mutual funds	678,837	-	-	-	-	-	746,703	-	1,425,540
Bond trust funds	-	-	-	-	-	-	47,472	-	47,472
Total subject to credit risk	\$ 719,807	\$ 68,277	\$ 37,781	\$ 3,791	\$ 175	\$ 7	\$ 13,411,252	\$ 11,232	14,252,322
U.S. Treasury obligations	-	-	-	-	-	-	-	-	1,030,626
Total fixed income securities									\$ 15,282,948

* 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, 2022:

Table 3-6 (amounts expressed in thousands)

Quality Rating	Corporate Debt Obligations	Foreign Debt Obligations	U.S. Agency Obligations	Money Market Instruments	Total
Aaa	\$ -	\$ -	\$ 242	\$ -	\$ 242
Aa	9,642	-	-	-	9,642
A	177,005	-	-	-	177,005
Baa	2,952	-	-	-	2,952
Ba	8,465	-	-	-	8,465
B	7,044	-	-	-	7,044
Caa	5,846	-	-	-	5,846
Ca	175	-	-	-	175
Not rated	77,832	1,974	-	167,509	247,315
Total subject to credit risk	\$ 288,961	\$ 1,974	\$ 242	\$ 167,509	\$ 458,686

The following table summarizes the Moody's credit quality ratings for debt securities held by TRS at June 30, 2022:

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	\$ 151,233	\$ 503	\$ 95,298	\$ -	\$ 145,273	\$ 392,307
Aa	130,376	22,760	-	1,947	835,896	990,979
A	1,042,317	133,075	-	-	1,730,502	2,905,894
Baa	1,446,805	334,131	-	-	67,286	1,848,222
Ba	805,678	214,023	-	1,683	1,242	1,022,626
B	481,477	5,891	-	-	-	487,368
Caa	114,897	6,757	-	-	-	121,654
Ca	6,723	815	-	-	-	7,538
C	13,761	-	-	-	-	13,761
Not rated	79,302	7,526	-	25	-	86,853
Total subject to credit risk	\$ 4,272,569	\$ 725,481	\$ 95,298	\$ 3,655	\$ 2,780,199	7,877,202
U.S. Treasury obligations						852,635
Total fixed income securities						\$ 8,729,837

The following table summarizes the Standard and Poor's credit quality ratings for debt securities held by SURS at June 30, 2022:

Table 3-8 (amounts expressed in thousands)

Quality Rating	Corporate Debt Securities	Foreign Debt Securities	U.S. Agency Obligations	Municipal Obligations	Total
AAA	\$ 73,403	\$ 5,457	\$ -	\$ 23,443	\$ 102,303
AA	49,137	10,958	499,047	72,881	632,023
A	108,261	21,345	-	5,833	135,439
BBB	413,023	53,143	-	1,615	467,781
BB	414,232	42,148	2,339	-	458,719
B	278,048	33,725	-	-	311,773
CCC	107,239	3,034	-	364	110,637
CC	6,444	-	-	-	6,444
D	3,372	-	-	-	3,372
Not rated	73,024	3,324	-	292	76,640
Total subject to credit risk	\$ 1,526,183	\$ 173,134	\$ 501,386	\$ 104,428	2,305,131
U.S. Treasury obligations					3,042,019
U.S. Agency obligations explicitly guaranteed by U.S. government					48,534
Less cash equivalents					(156,256)
Total fixed income securities					\$ 5,239,428

INTEREST RATE RISK

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

Primary Government:

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

The following table summarizes the segmented time distribution of debt securities held by the State Treasurer in the State Treasury at June 30, 2022:

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years
Repurchase agreements	\$ 2,991,716	\$ 2,991,716	\$ -	\$ -
U.S. Treasury obligations	3,942,078	2,319,851	905,143	717,084
U.S. Agency obligations	1,185,581	224,320	603,548	357,713
Supranational bonds	180,874	139,704	41,170	-
Municipal debt	174,752	13,104	95,849	65,799
Commercial paper	4,284,209	4,284,209	-	-
Corporate debt securities	1,583,151	577,006	609,149	396,996
Money market mutual funds	7,719,372	7,719,372	-	-
Equity in Public Treasurers' Investment Pool	8,760,559	8,760,559	-	-
Equity in other investment pools	1	1	-	-
Securities lending collateral:				
Invested in repurchase agreements	4,061,656	3,956,656	105,000	-
Total fixed income investments	\$ 34,883,949	\$ 30,986,498	\$ 2,359,859	\$ 1,537,592

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, 2022. 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.

Investment Type	Fair Value	Weighted Average Maturity (Years)
Negotiable certificates of deposit	\$ 5,537	2.564
Nonnegotiable certificates of deposit	994	0.362
U.S. Treasury obligations	1,030,626	4.081
U.S. Agency obligations	26,799	9.372
Municipal debt	100,809	10.487
Corporate debt securities	38,096	10.008
Government notes - non U.S.	1,644	2.300
Mutual funds	5,664,481	5.534
Equity in Public Treasurers' Investment Pool	6,940,950	0.156
Money market mutual funds	1,425,540	0.080
Bond trust funds	47,472	8.650
Total fixed income investments	\$ 15,282,948	

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, 2022, the effective weighted duration of ISBI's fixed income portfolio was 6.9 years and the effective duration of the benchmark index was 6.4 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, 2022:

Table 3-11 (amounts expressed in thousands)

Investment Type	Fair Value	Effective Weighted Duration (Years)
Government and agency obligations:		
U.S. Treasury obligations	\$ 445,961	8.6
U.S. Agency obligations	242	4.3
	\$ 446,203	
Corporate obligations:		
Banks	143,995	5.3
Insurance	27,046	3.4
Other	117,920	3.3
	288,961	
Foreign obligations	1,974	2.5
Total subject to interest rate risk	\$ 737,138	

For the ISBI bank loan portfolio, the appropriate measure of interest rate risk is WAM. WAM is the average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. WAM measures the sensitivity of fixed-income portfolios to interest rate changes. At June 30, 2022, the WAM of ISBI's bank loan portfolio was 5.2 years.

TRS manages its exposure to fair value loss arising from increasing interest rates by diversifying the debt securities portfolio. The following table summarizes the segmented time distribution of the debt securities held by TRS at June 30, 2022:

Table 3-12 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	10 to 20 Years	More Than 20 Years
U.S. Treasury obligations	\$ 852,635	\$ 160,515	\$ 622,843	\$ 30,129	\$ 24,791	\$ 14,357
U.S. Agency obligations	95,298	70	2,180	-	53,011	40,037
Municipal obligations	3,655	-	-	574	1,135	1,946
Corporate debt securities	4,272,569	213,071	2,112,273	1,125,495	356,334	465,396
Foreign debt securities	725,481	17,668	113,092	380,846	186,890	26,985
Commingled funds	2,780,199	786,209	353,514	1,286,363	103,662	250,451
Derivative instruments	(4,884)	(2,681)	2,919	(5,122)	-	-
Total subject to interest rate risk	8,724,953	\$ 1,174,852	\$ 3,206,821	\$ 2,818,285	\$ 725,823	\$ 799,172
Less derivative instruments	4,884					
Total fixed income securities	\$ 8,729,837					

SURS manages its exposure to fair value loss arising from increasing interest rates by diversifying the debt securities portfolio. SURS has not adopted a formal policy specific to interest rate risk. The following table summarizes the segmented time distribution of the debt securities held by SURS at June 30, 2022:

Table 3-13 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	10 to 20 Years	More Than 20 Years
U.S. Treasury and Agency obligations	\$ 3,591,939	\$ 485,905	\$ 1,126,653	\$ 747,835	\$ 404,852	\$ 826,694
Municipal obligations	104,428	571	32,806	43,298	22,637	5,116
Corporate debt securities	1,526,183	19,959	583,443	548,507	137,159	237,115
Foreign debt securities	173,134	775	102,203	22,201	21,924	26,031
Derivative instruments - swaps	(3,712)	-	(3,318)	(394)	-	-
Total subject to interest rate risk	5,391,972	\$ 507,210	\$ 1,841,787	\$ 1,361,447	\$ 586,572	\$ 1,094,956
Less derivative instruments - swaps	3,712					
Less cash equivalents	(156,256)					
Total fixed income securities	\$ 5,239,428					

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, 2022, the policy target for international equities was 16%, with a rebalancing range of 12% to 19% 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, 2022:

Table 3-14 (amounts expressed in thousands)

Currency Denomination	Foreign Short-term Deposits	Foreign Debt Securities	Foreign Currency and Pending Currency Transactions
Canadian Dollar	\$ 27	\$ -	\$ -
Euro	110	148	(194)
Japanese Yen	72	-	-
Mexican Peso	95	-	-
New Israeli Shekel	-	1,496	-
Total deposits and investments subject to foreign currency risk	\$ 304	\$ 1,644	\$ (194)

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, 2022:

Table 3-15 (amounts expressed in thousands)

Currency Denomination	Foreign Equity Securities	Foreign Obligations
Australian Dollar	\$ 6,139	\$ -
Brazilian Real	10,830	-
British Pound Sterling	34,004	361
Canadian Dollar	10,770	1,100
Danish Krone	3,460	-
Euro	98,687	-
Hong Kong Dollar	6,871	-
Japanese Yen	31,841	-
South Korean Won	17,491	-
Swedish Krona	4,117	-
Swiss Franc	22,788	-
Other currencies	6,769	513
Total investments subject to foreign currency risk	\$ 253,767	\$ 1,974

In addition, certain investments held in real estate, private equity, private credit, and infrastructure funds trade in a reported currency of Euro based or British Pound Sterling based dollars valued at \$367.448 million at June 30, 2022.

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by TRS as of June 30, 2022:

Table 3-16 (amounts expressed in thousands)

Currency Denomination	Foreign Currency	Foreign Equity Securities	Foreign Debt Obligations	Foreign Derivative Instrument Obligations	Total
Australian Dollar	\$ 3,456	\$ 373,780	\$ -	\$ -	\$ 377,236
Brazilian Real	5,880	142,373	109,175	(1,911)	255,517
British Pound Sterling	8,727	895,787	77	-	904,591
Canadian Dollar	6,689	569,481	-	-	576,170
Chinese Yuan Renminbi	(17,751)	250,044	37,476	-	269,769
Danish Krone	1,685	172,379	-	-	174,064
Euro	26,384	1,742,829	35,074	-	1,804,287
Hong Kong Dollar	4,501	562,879	-	-	567,380
Indian Rupee	299	281,992	-	-	282,291
Indonesian Rupiah	1,847	93,522	74,880	-	170,249
Japanese Yen	15,546	1,198,962	-	-	1,214,508
Mexican Peso	3,352	66,080	93,225	(750)	161,907
New Taiwan Dollar	806	325,066	-	(1,214)	324,658
Russian Ruble	2,086	-	1,427	-	3,513
South African Rand	146	75,353	90,912	(701)	165,710
South Korean Won	20	355,743	-	(1,487)	354,276
Swedish Krona	2,658	193,559	-	-	196,217
Swiss Franc	2,154	525,557	-	-	527,711
Thailand Baht	612	105,682	47,721	(239)	153,776
Other currencies	28,518	386,080	235,514	905	651,017
Total deposits and investments subject to foreign currency risk	\$ 97,615	\$ 8,317,148	\$ 725,481	\$ (5,397)	\$ 9,134,847

In addition, TRS has foreign currency investments in private equity with fair values totaling \$541.641 million (payable in Euros), \$110.230 million (payable in British Pound Sterling), \$3.042 million (payable in South Korean Won), and \$202 thousand (payable in Canadian Dollars), real estate with fair values totaling \$444.701 million (payable in Euros), and private credit with fair values totaling \$26.580 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, 2022:

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	\$ 39,257	\$ 165	\$ 6,755	\$ -	\$ -	\$ 46,177
Brazilian Real	31,714	-	2,024	-	-	33,738
British Pound Sterling	253,952	24,878	(23,649)	(8)	(394)	254,779
Canadian Dollar	62,164	3,124	(2,891)	14	-	62,411
Danish Krone	23,344	-	1	-	-	23,345
Euro	523,995	144,735	(123,400)	1	(108)	545,223
Hong Kong Dollar	81,110	-	8,894	-	-	90,004
Japanese Yen	273,874	-	1,965	-	-	275,839
New Taiwan Dollar	30,292	-	-	-	-	30,292
Norwegian Krone	10,015	-	6,212	(5)	-	16,222
Singapore Dollar	10,056	-	525	6	-	10,587
South Korean Won	18,769	-	2,574	-	-	21,343
Swedish Krona	24,318	-	12,078	-	-	36,396
Swiss Franc	87,666	-	(15,204)	8	-	72,470
Other currencies	34,997	232	(11,331)	194	-	24,092
Total investments subject to foreign currency risk	\$ 1,505,523	\$ 173,134	\$ (135,447)	\$ 210	\$ (502)	\$ 1,542,918

COMPONENT UNITS

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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Investments

Table 3-18 (amounts expressed in thousands)

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	\$ 1,454,498	\$ 140,793	\$ 30,267	\$ 4,898	\$ 1,278,540
Municipal debt	*	8,441	5,712	2,001	-	728
Commercial paper	A-1/P-1	293,793	293,793	-	-	-
Money market mutual funds	AAA/Aaa	977,064	977,064	-	-	-
Total subject to credit risk		2,733,796	1,417,362	32,268	4,898	1,279,268
U.S. Treasury obligations		59,737	41,644	17,123	885	85
Total subject to interest rate risk		2,793,533	\$ 1,459,006	\$ 49,391	\$ 5,783	\$ 1,279,353
Less cash equivalents		(977,064)				
Total investments		\$ 1,816,469				

*Of the \$8,441 of Municipal debt, \$6,109 is rated AA, and \$2,332 is not rated by Standard & Poor's. In addition, \$1,756 is rated Aaa, \$3,890 is rated Aa, and \$2,795 is not rated by Moody's.

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

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

Concentration of credit risk: IHDA places no limit on the amount that may be invested in any one issuer. More than 5 percent of IHDA's investments are in Government National Mortgage Association (\$720.629 million), Federal National Mortgage Association (\$530.565 million), and Federal Home Loan Bank (\$164.247 million).

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

Investments

Table 3-19 (amounts expressed in thousands)

Investment Type	Rating Standard & Poors/Moody's	Fair Value	Less Than 1 Year	1 to 5 Years
Money market mutual funds	AAA/Aaa	\$ 553,398	\$ 553,398	\$ -
Total subject to credit risk		553,398	553,398	-
U.S. Treasury obligations		400,000	66,000	334,000
Total subject to interest rate risk		953,398	\$ 619,398	\$ 334,000
Less cash equivalents		(553,398)		
Total investments		\$ 400,000		

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)

Investment Type	Rating Moody's/ Standard & Poor's	Fair Value	Less Than 1 Year	1 to 6 Years
U.S. Agency obligations	Aaa/AA+	\$ 81,744	\$ 15,004	\$ 66,740
Illinois Public Treasurers' Investment Pool	Not Rated/AAA	31,160	31,160	-
Money market mutual funds	Aaa/AAA	112,004	112,004	-
Total subject to credit risk		224,908	158,168	66,740
U.S. Treasury obligations		68,201	14,988	53,213
Total subject to interest rate risk		293,109	<u>\$ 173,156</u>	<u>\$ 119,953</u>
Less cash equivalents		<u>(143,164)</u>		
Total investments of the University		149,945		
Investments of component units		224,416		
Total investments		<u>\$ 374,361</u>		

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 (\$71.762 million).

NORTHERN ILLINOIS UNIVERSITY (NIU)

Investments

Table 3-21 (amounts expressed in thousands)

Investment Type	Rating Standard & Poor's	Fair Value	Less Than 1 Year
U.S. Agency obligations	AA	\$ 9,886	\$ 9,886
Money market mutual funds	AAA	9,853	9,853
Illinois Public Treasurers' Investment Pool	AAA	37,333	37,333
Total subject to credit risk		57,072	57,072
U.S. Treasury obligations		29,873	29,873
Total subject to interest rate risk		86,945	<u>\$ 86,945</u>
Less cash equivalents		<u>(9,853)</u>	
Total investments of the University		77,092	
Investments of component units		136,705	
Total investments		<u>\$ 213,797</u>	

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

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

Concentration of credit risk: More than 5 percent of NIU's investments are in Federal Home Loan Bank (\$9.886 million).

SOUTHERN ILLINOIS UNIVERSITY (SIU)

Investments

Table 3-22 (amounts expressed in thousands)

Investment Type	Rating Standard and Poor's	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years
U.S. Agency obligations	*	\$ 85,058	\$ -	\$ 42,337	\$42,721
Corporate debt securities	**	14,208	2,197	12,011	-
Commercial paper	A	49,050	49,050	-	-
Equity in Public Treasurers' Investment Pool	AAA	61,857	61,857	-	-
Total subject to credit risk		210,173	113,104	54,348	42,721
U.S. Treasury obligations		108,518	35,589	48,578	24,351
Total subject to interest rate risk		318,691	\$ 148,693	\$102,926	\$67,072
Common stock		44			
Less cash equivalents		(61,857)			
Total investments of the University		256,878			
Investments of component units		317,715			
Total investments		\$574,593			

*Of the \$85,058 of U.S. Agency obligations, \$15,713 is rated AAA and \$69,345 is rated AA by Standard & Poor's.

**Of the \$14,208 of Corporate debt securities, \$3,677 is rated AA, \$6,936 is rated A, and \$3,595 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 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, 2022, are illustrated below:

Table 3-23 (amounts expressed in thousands)

Investment Type	Fair Value	Standard and Poor's				Less Than BB or Not Rated
		AAA	AA	A	BBB	
U.S. Treasury obligations	\$ 353,522	\$ -	\$ 182,755	\$ -	\$ -	\$ -
U.S. Agency obligations	182,755	-	38,006	40,743	-	-
Commercial paper	78,749	-	114,467	515,736	390,833	6,146
Corporate bonds	1,033,854	4,303	-	-	-	-
Money market mutual funds	1,242,218	1,242,218	-	-	-	-
Illinois Public Treasurers' Investment Pool	7,362	7,362	-	-	-	-
Non government mortgage-backed securities	95,485	79,041	3,488	470	1,990	-
Other asset-backed securities	342,900	339,065	1,044	657	422	-
Government bonds - non U.S.	23,287	16,840	4,646	848	794	159
Global fixed income	10,128	-	90	14	18	-
Municipal bonds	28,419	6,967	14,581	6,118	228	-
Total subject to credit risk	3,045,157	\$ 1,695,796	\$ 359,077	\$ 564,586	\$ 394,285	\$ 6,305
U.S. Treasury obligations	353,522	-	-	-	-	-
Total fixed income securities	\$ 3,398,679	-	-	-	-	-

At June 30, 2022, the U of I's operating funds pool portfolio had an effective duration of 1.1 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, 2022, the U of I debt securities and quality ratings are as shown in the chart below:

Table 3-24 (amounts expressed in thousands)

Investment Type	Fair Value	Standard and Poor's				Less Than BB or Not Rated
		AAA	AA	A	BBB	
U.S. Agency obligations	\$ 182,755	\$ -	\$ 182,755	\$ -	\$ -	\$ -
Commercial paper	78,749	-	38,006	40,743	-	-
Corporate bonds	1,033,854	4,303	114,467	515,736	390,833	6,146
Money market mutual funds	1,242,218	1,242,218	-	-	-	-
Illinois Public Treasurers' Investment Pool	7,362	7,362	-	-	-	-
Non government mortgage-backed securities	95,485	79,041	3,488	470	1,990	-
Other asset-backed securities	342,900	339,065	1,044	657	422	-
Government bonds - non U.S.	23,287	16,840	4,646	848	794	159
Global fixed income	10,128	-	90	14	18	-
Municipal bonds	28,419	6,967	14,581	6,118	228	-
Total subject to credit risk	3,045,157	\$ 1,695,796	\$ 359,077	\$ 564,586	\$ 394,285	\$ 6,305
U.S. Treasury obligations	353,522	-	-	-	-	-
Total fixed income securities	\$ 3,398,679	-	-	-	-	-

SECURITIES LENDING TRANSACTIONS

The investment policies of certain State agencies and component units, principally the State Treasurer, ISBI, TRS, and SURS, permit them to enter into securities lending transactions. In

these transactions, the agency loans their securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. The agencies' securities custodians are agents in lending the securities for collateral of at least 100% of the fair value of the securities. Collateral can consist of cash, cash equivalents, government securities, commercial paper, or irrevocable letters of credit. Depending on their nature, securities on loan at year-end are presented as classified or unclassified in the preceding schedule of custodial credit risk. Generally, at year-end, agencies had no credit risk exposure to borrowers because the amounts they owed to borrowers exceeded the amounts borrowers owed the agencies. Policies regarding indemnification vary among agencies. Some agencies' contracts with custodians require them to indemnify the agency if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or the borrowers fail to pay the agency for income distributions by the securities' issuers while the securities are out on loan. Other agencies have no provisions for indemnification.

Generally, securities loans can be terminated on demand by either the agency or the borrower, although the average term of the loans is approximately 1 to 7 days. Cash collateral is generally invested in the lending agents' short-term investment pools, which at year-end had weighted average maturities of approximately 1 to 53 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, 2022.

Table 3-25 (amounts expressed in thousands)

<u>State Agency/Component Unit</u>	<u>Fair Value</u>	<u>Collateral Value</u>
State Treasurer	\$ 3,998,568	\$ 4,061,656
Teachers' Retirement System	2,160,536	2,218,363
State Universities Retirement System	195,057	198,406

4 TAXES RECEIVABLE AND TAX ABATEMENTS

Taxes receivable for the primary government at June 30, 2022, 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	\$ 1,514,279	\$ 209,285	\$ 1,723,564	\$ -	\$ -
Less allowance	(424,812)	(37,890)	(462,702)	-	-
Net income tax	1,089,467	171,395	1,260,862	-	-
Sales tax	598,380	284,847	883,227	-	-
Less allowance	(69,411)	(25,624)	(95,035)	-	-
Net sales tax	528,969	259,223	788,192	-	-
Motor fuel tax	-	219,071	219,071	-	-
Less allowance	-	(7,373)	(7,373)	-	-
Net motor fuel tax	-	211,698	211,698	-	-
Public utility tax	42,956	10,594	53,550	-	-
Less allowance	(36,862)	(25)	(36,887)	-	-
Net public utility tax	6,094	10,569	16,663	-	-
Medical providers assessment tax	81,013	-	81,013	-	-
Less allowance	(2,476)	-	(2,476)	-	-
Net medical providers assessment tax	78,537	-	78,537	-	-
Other tax	601,663	114,749	716,412	-	-
Less allowance	(7,340)	(2,857)	(10,197)	-	-
Net other tax	594,323	111,892	706,215	-	-
Unemployment compensation tax	-	-	-	786,916	-
Less allowance	-	-	-	(409,370)	-
Net unemployment compensation tax	-	-	-	377,546	-
Taxes assessed by other governments	-	-	-	-	254,608
Total taxes receivable, net	\$ 2,297,390	\$ 764,777	\$ 3,062,167	\$ 377,546	\$ 254,608

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, 2022, the State abated income taxes totaling approximately \$165.8 million and \$8.2 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 \$9.6 million and \$453 thousand, respectively.

5 INTERFUND BALANCES AND ACTIVITY

Interfund due to and due from balances at June 30, 2022, 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	\$ -	\$ 1,017,339	\$ -	\$ -	\$ -	\$ 139,186	\$ 5,639	\$ 38,568	\$ 1,200,732
Nonmajor Governmental Funds	1,062,600	395,199	1,261	1	-	135	325	-	1,459,521
Unemployment Compensation Trust Fund	6,028	883	-	-	-	-	-	-	6,911
Nonmajor Enterprise Funds	133,978	5,243	-	-	122	1,909	120	966	142,338
Internal Service Funds	645,848	198,935	-	359	49	669	18,889	5,183	869,932
Fiduciary Funds	436,540	48,515	-	-	-	-	-	197	485,252
Total	\$ 2,284,994	\$ 1,666,114	\$ 1,261	\$ 360	\$ 171	\$ 141,899	\$ 24,973	\$ 44,914	\$ 4,164,686

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.

Interfund transfers activity at June 30, 2022, consisted of the following:

Table 5-2 (amounts expressed in thousands)

Transfers-In	Transfers-Out					Total
	General Fund	Nonmajor Governmental Funds	Unemployment Compensation Trust Fund	Nonmajor Enterprise Funds	Internal Service Funds	
General Fund	\$ -	\$ 1,377,054	\$ -	\$ 698,350	\$ -	\$ 2,075,404
Nonmajor Governmental Funds	5,525,153	1,794,407	13,879	4,964	-	7,338,403
Unemployment Compensation Trust Fund	2,800,000	30	-	-	-	2,800,030
Water Revolving Fund	38,100	26,716	-	-	-	64,816
Prepaid Tuition Fund	250,000	-	-	-	-	250,000
Nonmajor Enterprise Funds	-	-	-	7,791	-	7,791
Internal Service Funds	75,500	-	-	-	2,862	78,362
Total	\$ 8,688,753	\$ 3,198,207	\$ 13,879	\$ 711,105	\$ 2,862	\$ 12,614,806

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, 2022, consisted of the following:

Due To	Due From								
	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	\$ 719	\$ -	\$ -	\$ -	\$ 120	\$ 716	\$ 11,455	\$ -	\$ 13,010
Nonmajor Governmental Funds	422,830	37,394	-	10	-	-	66	3	460,303
Unemployment Compensation Trust Fund	-	-	-	-	-	15	48	24	87
Water Revolving Fund	-	-	6,732	-	-	-	-	-	6,732
Internal Service Funds	-	3,434	-	-	-	8,026	5,758	57	17,275
Total	\$ 423,549	\$ 40,828 *	\$ 6,732	\$ 10	\$ 120	\$ 8,757	\$ 17,327	\$ 84	\$ 497,407

* The Illinois State Toll Highway Authority reported \$37,394 at December 31, 2021, its fiscal year-end.

The due to amounts for the State of Illinois to its component units, as of June 30, 2022, 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	\$ 83	\$ 109	\$ -	\$ -	\$ -	\$ 14,659	\$ 123,786	\$ 1,001	\$ 139,638
Nonmajor Governmental Funds	41,535	84,000	5	1,606	244	7,479	111,240	6,264	252,373
Water Revolving Fund	-	-	1,377,593	-	-	76	138	-	1,377,807
Prepaid Tuition Fund	-	-	-	-	-	7	-	40	47
Nonmajor Enterprise Funds	-	3	-	439	703	60	118	141	1,464
Internal Service Funds	-	1	-	-	-	11	290	10	312
Total	\$ 41,618	\$ 84,113 *	\$ 1,377,598	\$ 2,045	\$ 947	\$ 22,292	\$ 235,572	\$ 7,456	\$ 1,771,641

* The Illinois State Toll Highway Authority reported \$88,912 at December 31, 2021, 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, 2022, consisted of the following:

Table 6-1 (amounts expressed in thousands)

	Primary Government					
	Governmental Activities			Business-type Activities		
	General Fund	Nonmajor Governmental Funds	Total	Water Revolving Fund	Nonmajor Enterprise Funds	Total
Student loan program	\$ 35,650	\$ -	\$ 35,650	\$ -	\$ 231,365	\$ 231,365
Local government infrastructure	-	-	-	4,789,113	-	4,789,113
Real estate tax-relief loan program	-	33,597	33,597	-	-	-
Other	117,571	4,678	122,249	-	-	-
	153,221	38,275	191,496	4,789,113	231,365	5,020,478
Less: Allowance for uncollectible accounts	34,453	1,224	35,677	-	79,070	79,070
Total	118,768	37,051	155,819	4,789,113	152,295	4,941,408
Less: Amounts representing restricted assets	-	-	-	3,712,967	152,295	3,865,262
Loans and notes receivable, net	\$ 118,768	\$ 37,051	\$ 155,819	\$ 1,076,146	\$ -	\$ 1,076,146

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	\$ 1,347,367	\$ -	\$ -	\$ -	\$ -
Student loan program	-	4,841	3,350	10,121	40,011
	1,347,367	4,841	3,350	10,121	40,011
Less: Allowance for uncollectible accounts	118,317	889	834	410	2,644
Loans and notes receivable, net	\$ 1,229,050	\$ 3,952	\$ 2,516	\$ 9,711	\$ 37,367

7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Table 7-1 (amounts expressed in thousands)

	Beginning Balance, as Restated	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government					
Governmental activities					
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 3,621,245	\$ 27,802	\$ 3,970	\$ 1,082	\$ 3,646,159
Intangible assets	411,884	136,791	126	(162,497)	386,052
Historical treasures and works of art	12,663	-	-	-	12,663
Construction in progress	588,931	301,491	8,415	(124,137)	757,870
Total capital assets not being depreciated/amortized	<u>4,634,723</u>	<u>466,084</u>	<u>12,511</u>	<u>(285,552)</u>	<u>4,802,744</u>
Capital assets being depreciated/amortized:					
Infrastructure	29,979,085	1,951,082	1,031,947	505	30,898,725
Site improvements	722,405	2,586	276	2,160	726,875
Buildings and building improvements	5,210,960	25,137	4,314	82,192	5,313,975
Equipment	1,660,426	137,471	32,436	10,538	1,775,999
Historical treasures and works of art	1,095	-	28	-	1,067
Intangible assets	706,644	10,719	549	162,497	879,311
Right-to-use lease assets					
Buildings	405,482	161,932	8,787	-	558,627
Equipment	18,977	10,081	-	-	29,058
Other	1,292	143	-	-	1,435
Total capital assets being depreciated/amortized	<u>38,706,366</u>	<u>2,299,151</u>	<u>1,078,337</u>	<u>257,892</u>	<u>40,185,072</u>
Less accumulated depreciation/amortization for:					
Infrastructure	14,037,604	1,267,520	1,031,944	-	14,273,180
Site improvements	583,328	16,698	252	-	599,774
Buildings and building improvements	3,551,346	93,459	4,234	250	3,640,821
Equipment	1,018,777	127,302	28,470	(27,910)	1,089,699
Historical treasures and works of art	1,095	-	28	-	1,067
Intangible assets	321,324	82,895	549	-	403,670
Right-to-use lease assets					
Buildings	-	86,605	5,787	-	80,818
Equipment	-	9,041	-	-	9,041
Other	-	476	-	-	476
Total accumulated depreciation/amortization	<u>19,513,474</u>	<u>1,683,996</u>	<u>1,071,264</u>	<u>(27,660)</u>	<u>20,098,546</u>
Total capital assets being depreciated/amortized, net	<u>19,192,892</u>	<u>615,155</u>	<u>7,073</u>	<u>285,552</u>	<u>20,086,526</u>
Governmental activities capital assets, net	<u>\$ 23,827,615</u>	<u>\$ 1,081,239</u>	<u>\$ 19,584</u>	<u>\$ -</u>	<u>\$ 24,889,270</u>
Depreciation/amortization expense for governmental activities was charged to functions as follows:					
Health and social services					\$ 45,936
Education					10,133
General government					49,559
Employment and economic development					10,518
Transportation					1,321,672
Public protection and justice					86,457
Environmental and business regulation					30,993
Internal service funds					128,728
Total					<u>\$ 1,683,996</u>

Table 7-2 (amounts expressed in thousands)

	Beginning Balance, as Restated	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government					
Business-type activities					
Water Revolving Fund:					
Capital assets being depreciated:					
Equipment	\$ 321	\$ 165	\$ 25	\$ -	\$ 461
Total capital assets being depreciated	321	165	25	-	461
Less accumulated depreciation for:					
Equipment	316	5	25	-	296
Total accumulated depreciation	316	5	25	-	296
Total capital assets being depreciated, net	5	160	-	-	165
Water Revolving Fund capital assets, net	5	160	-	-	165
Nonmajor enterprise funds:					
Capital assets being depreciated/amortized:					
Buildings and building improvements	2,505	13	-	-	2,518
Equipment	6,487	536	1	(19)	7,003
Intangible assets	3,357	-	-	-	3,357
Right-to-use lease assets					
Buildings	831	-	-	-	831
Equipment	164	-	-	-	164
Total capital assets being depreciated/amortized	13,344	549	1	(19)	13,873
Less accumulated depreciation/amortization for:					
Buildings and building improvements	980	87	-	-	1,067
Equipment	5,705	329	1	(19)	6,014
Intangible assets	2,938	419	-	-	3,357
Right-to-use lease assets					
Buildings	-	90	-	-	90
Equipment	-	75	-	-	75
Total accumulated depreciation/amortization	9,623	1,000	1	(19)	10,603
Total capital assets being depreciated/amortized, net	3,721	(451)	-	-	3,270
Nonmajor enterprise funds capital assets, net	3,721	(451)	-	-	3,270
Total Business-type activities					
Capital assets being depreciated/amortized, net	3,726	(291)	-	-	3,435
Business-type activities capital assets, net	\$ 3,726	\$ (291)	\$ -	\$ -	\$ 3,435
Depreciation/amortization expense for business-type activities was charged to functions as follows:					
Water revolving					\$ 5
Other					1,000
Total					<u>\$ 1,005</u>

Table 7-3 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Fiduciary Funds					
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 1,735	\$ -	\$ -	\$ -	\$ 1,735
Intangible assets	3	-	-	-	3
Construction in progress	358	4,930	-	(1,345)	3,943
Total capital assets not being depreciated/amortized	2,096	4,930	-	(1,345)	5,681
Capital assets being depreciated/amortized:					
Site improvements	1,244	39	-	-	1,283
Buildings and building improvements	26,945	462	-	931	28,338
Equipment	22,777	383	650	350	22,860
Intangible assets	25,499	3,553	-	64	29,116
Right-to-use lease assets					
Equipment	-	86	-	-	86
Total capital assets being depreciated/amortized	76,465	4,523	650	1,345	81,683
Less accumulated depreciation/amortization for:					
Site improvements	1,041	79	-	-	1,120
Buildings and building improvements	16,671	916	-	-	17,587
Equipment	20,487	676	576	-	20,587
Intangible assets	7,314	2,728	-	-	10,042
Right-to-use lease assets					
Equipment	-	16	-	-	16
Total accumulated depreciation/amortization	45,513	4,415	576	-	49,352
Total capital assets being depreciated/amortized, net	30,952	108	74	1,345	32,331
Fiduciary funds capital assets, net	\$ 33,048	\$ 5,038	\$ 74	\$ -	\$ 38,012

Table 7-4 (amounts expressed in thousands)

	Beginning Balance, as Restated	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units					
Illinois Housing Development Authority:					
Capital assets being depreciated/amortized:					
Buildings and building improvements	\$ 50,363	\$ 194	\$ -	\$ -	\$ 50,557
Equipment	2,405	351	39	-	2,717
Intangible assets	4,461	-	-	-	4,461
Right-to-use lease assets					
Buildings	7,264	-	-	-	7,264
Total capital assets being depreciated/amortized	64,493	545	39	-	64,999
Less accumulated depreciation/amortization for:					
Buildings and building improvements	25,805	1,166	-	-	26,971
Equipment	1,740	304	-	-	2,044
Intangible assets	3,546	320	-	-	3,866
Right-to-use lease assets					
Buildings	-	1,341	-	-	1,341
Total accumulated depreciation/amortization	31,091	3,131	-	-	34,222
Total capital assets being depreciated/amortized, net	33,402	(2,586)	39	-	30,777
Capital assets, net	\$ 33,402	\$ (2,586)	\$ 39	\$ -	\$ 30,777
Illinois State Toll Highway Authority:					
Capital assets not being depreciated:					
Land and land improvements	\$ 896,162	\$ 105,891	\$ -	\$ (2,761)	\$ 999,292
Construction in progress	1,510,648	1,053,341	507,386	-	2,056,603
Total capital assets not being depreciated	2,406,810	1,159,232	507,386	(2,761)	3,055,895
Capital assets being depreciated/amortized:					
Infrastructure	11,872,308	545,483	128,689	-	12,289,102
Buildings and building improvements	75,169	-	13,667	-	61,502
Equipment	466,166	23,935	5,441	-	484,660
Intangible assets	-	2,119	552	5,305	6,872
Total capital assets being depreciated/amortized	12,413,643	571,537	148,349	5,305	12,842,136
Less accumulated depreciation/amortization for:					
Infrastructure	4,357,087	479,079	128,688	-	4,707,478
Buildings and building improvements	48,191	1,430	680	-	48,941
Equipment	250,654	36,165	4,739	-	282,080
Intangible assets	-	1,287	552	2,544	3,279
Total accumulated depreciation/amortization	4,655,932	517,961	134,659	2,544	5,041,778
Total capital assets being depreciated/amortized, net	7,757,711	53,576	13,690	2,761	7,800,358
Capital assets, net	\$ 10,164,521	\$ 1,212,808	\$ 521,076	\$ -	\$ 10,856,253

Table 7-4 (continued) (amounts expressed in thousands)					
	Beginning Balance, as Restated	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units, continued					
Illinois State University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 17,936	\$ 351	\$ -	\$ -	\$ 18,287
Construction in progress	69,985	19,290	-	(50,289)	38,986
Total capital assets not being depreciated	87,921	19,641	-	(50,289)	57,273
Capital assets being depreciated/amortized:					
Infrastructure	13,147	-	-	-	13,147
Site improvements	43,098	-	274	442	43,266
Buildings and building improvements	703,244	223	2,416	49,847	750,898
Equipment	200,605	2,537	82,877	-	120,265
Intangible assets	33,868	-	-	-	33,868
Right-to-use lease assets					
Buildings	7,905	84	-	-	7,989
Equipment	2,200	182	-	-	2,382
Total capital assets being depreciated/amortized	1,004,067	3,026	85,567	50,289	971,815
Less accumulated depreciation/amortization for:					
Infrastructure	9,413	297	-	-	9,710
Site improvements	20,850	1,283	233	-	21,900
Buildings and building improvements	322,300	17,607	2,225	-	337,682
Equipment	185,269	3,919	82,775	-	106,413
Intangible assets	16,400	4,006	-	-	20,406
Right-to-use lease assets					
Buildings	-	924	-	-	924
Equipment	-	1,059	-	-	1,059
Total accumulated depreciation/amortization	554,232	29,095	85,233	-	498,094
Total capital assets being depreciated/amortized, net	449,835	(26,069)	334	50,289	473,721
Capital assets, net	\$ 537,756	\$ (6,428)	\$ 334	\$ -	\$ 530,994
Northern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 23,142	\$ -	\$ 139	\$ -	\$ 23,003
Construction in progress	4,024	6,236	88	(1,820)	8,352
Total capital assets not being depreciated	27,166	6,236	227	(1,820)	31,355
Capital assets being depreciated/amortized:					
Site improvements	92,982	-	-	868	93,850
Buildings and building improvements	767,737	-	765	952	767,924
Equipment	191,643	2,527	5,038	-	189,132
Intangible assets	3,820	-	-	-	3,820
Right-to-use lease assets					
Buildings	308	-	-	-	308
Equipment	203	-	-	-	203
Total capital assets being depreciated/amortized	1,056,693	2,527	5,803	1,820	1,055,237
Less accumulated depreciation/amortization for:					
Site improvements	63,422	3,044	-	-	66,466
Buildings and building improvements	414,186	20,320	531	-	433,975
Equipment	197,248	4,234	5,038	-	196,444
Intangible assets	3,820	-	-	-	3,820
Right-to-use lease assets					
Buildings	-	119	-	-	119
Equipment	-	69	-	-	69
Total accumulated depreciation/amortization	678,676	27,786	5,569	-	700,893
Total capital assets being depreciated/amortized, net	378,017	(25,259)	234	1,820	354,344
Capital assets, net	\$ 405,183	\$ (19,023)	\$ 461	\$ -	\$ 385,699

Table 7-4 (continued)

(amounts expressed in thousands)

	Beginning Balance, as Restated	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units, continued					
Southern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 22,562	\$ 103	\$ -	\$ -	\$ 22,665
Historic treasures and works of art	13,166	18	130	-	13,054
Construction in progress	22,141	11,097	64	(16,881)	16,293
Total capital assets not being depreciated	57,869	11,218	194	(16,881)	52,012
Capital assets being depreciated/amortized:					
Infrastructure	21,722	-	-	-	21,722
Site improvements	94,520	3	-	625	95,148
Buildings and building improvements	1,422,795	400	-	16,218	1,439,413
Equipment	309,415	12,097	35,784	38	285,766
Intangible assets	7,953	-	-	-	7,953
Right-to-use lease assets					
Building	61,070	3,004	188	-	63,886
Equipment	1,932	827	67	-	2,692
Other	295	-	4	-	291
Total capital assets being depreciated/amortized	1,919,702	16,331	36,043	16,881	1,916,871
Less accumulated depreciation/amortization for:					
Infrastructure	13,520	656	-	-	14,176
Site improvements	68,531	3,591	-	-	72,122
Buildings and building improvements	773,918	39,755	-	-	813,673
Equipment	277,148	9,851	35,365	-	251,634
Intangible assets	7,438	61	-	-	7,499
Right-to-use lease assets					
Building	-	11,417	54	-	11,363
Equipment	-	901	67	-	834
Other	-	31	4	-	27
Total accumulated depreciation/amortization	1,140,555	66,263	35,490	-	1,171,328
Total capital assets being depreciated/amortized, net	779,147	(49,932)	553	16,881	745,543
Capital assets, net	\$ 837,016	\$ (38,714)	\$ 747	\$ -	\$ 797,555
University of Illinois:					
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 141,525	\$ 8,800	\$ -	\$ 482	\$ 150,807
Intangible assets	130	-	-	-	130
Historic treasures and works of art	25,803	1,220	-	-	27,023
Construction in progress	321,926	167,554	-	(231,545)	257,935
Total capital assets not being depreciated/amortized	489,384	177,574	-	(231,063)	435,895
Capital assets being depreciated/amortized:					
Site improvements	776,326	-	-	8,639	784,965
Buildings and building improvements	5,441,293	4,549	15	208,405	5,654,232
Equipment	2,142,341	101,919	215,744	7,698	2,036,214
Intangible assets	303,604	-	2,207	6,321	307,718
Right-to-use lease assets					
Building	47,464	36,666	1,476	-	82,654
Equipment	10,134	640	-	-	10,774
Other	15	-	-	-	15
Total capital assets being depreciated/amortized	8,721,177	143,774	219,442	231,063	8,876,572
Less accumulated depreciation/amortization for:					
Site improvements	561,172	23,397	-	-	584,569
Buildings and building improvements	2,327,805	143,513	15	-	2,471,303
Equipment	1,725,104	102,507	208,037	-	1,619,574
Intangible assets	202,748	14,741	2,207	-	215,282
Right-to-use lease assets					
Building	-	16,839	518	-	16,321
Equipment	-	3,229	-	-	3,229
Other	-	7	-	-	7
Total accumulated depreciation/amortization	4,816,829	304,233	210,777	-	4,910,285
Total capital assets being depreciated/amortized, net	3,904,348	(160,459)	8,665	231,063	3,966,287
Capital assets, net	\$ 4,393,732	\$ 17,115	\$ 8,665	\$ -	\$ 4,402,182

8 CHANGES IN LONG-TERM OBLIGATIONS

Changes in long-term obligations for governmental activities for the year ended June 30, 2022, are summarized below:

Table 8-1 (amounts expressed in thousands)

	Balance July 1, 2021, as restated	Additions	Deletions	Balance June 30, 2022	Amounts Due Within One Year
Primary Government					
Governmental Activities					
Bonds and notes payable:					
General obligation bonds (note 9)	\$ 27,669,803	\$ 2,039,234 *	\$ (2,643,779)	\$ 27,065,258	\$ 2,027,291 ^
Special obligation bonds (note 10)	1,941,210	492,745	(386,675)	2,047,280	187,885
Revenue bonds (note 11)	670,965	-	(109,655)	561,310	112,260
General obligation note payable - direct borrowing (note 12)	1,015,255	-	(1,015,255)	-	-
Notes payable - direct borrowing (note 12)	20,065	-	(10,032)	10,033	10,033
Unamortized premiums:					
General obligation bonds (note 9)	836,427	147,306	(169,267)	814,466	-
Special obligation bonds (note 10)	70,103	49,481	(20,981)	98,603	-
Revenue bonds (note 11)	60,294	-	(8,717)	51,577	-
Unamortized (discounts):					
General obligation bonds (note 9)	(20,674)	-	1,463	(19,211)	-
Special obligation bonds (note 10)	(8)	-	2	(6)	-
Total bonds and notes payable	<u>32,263,440</u>	<u>2,728,766</u>	<u>(4,362,896)</u>	<u>30,629,310</u>	<u>2,337,469</u>
Other long-term obligations:					
Lease obligations (note 13)	425,746	173,290	(93,324)	505,712	86,540
Workers compensation (note 21)	558,196	99,362	(98,129)	559,429	105,605
Auto liability (note 21)	17,441	8,329	(6,511)	19,259	4,456
Pollution remediation obligation (note 19C)	41,450	-	-	41,450	1,350
Compensated absences (note 1K)	444,205	427,539	(435,672)	436,072	48,064
Net pension liability (note 16)	151,627,764	-	(11,995,290)	139,632,474	-
OPEB liability (note 17)	56,545,780	-	(10,043,273)	46,502,507	1,205,371
Total other long-term obligations	<u>209,660,582</u>	<u>708,520</u>	<u>(22,672,199)</u>	<u>187,696,903</u>	<u>1,451,386</u>
Total Governmental Activities	<u>\$ 241,924,022</u>	<u>\$ 3,437,286</u>	<u>\$ (27,035,095)</u>	<u>\$ 218,326,213</u>	<u>\$ 3,788,855</u>

* Includes \$859 of interest accreted on capital appreciation debt.
^ \$52 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 lease obligations (including financed 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 19.

Changes in long-term obligations for business-type activities for the year ended June 30, 2022, are summarized below:

Table 8-2 (amounts expressed in thousands)

	Balance July 1, 2021, as restated	Additions	Deletions	Balance June 30, 2022	Amounts Due Within One Year
Primary Government					
Business-type Activities					
Water Revolving Fund:					
Other long-term obligations:					
Compensated absences (note 1K)	\$ 1,052	\$ 1,426	\$ (1,027)	\$ 1,451	\$ 202
Net pension liability (note 16)	63,077	-	(2,999)	60,078	-
OPEB liability (note 17)	30,835	846	-	31,681	853
Total Water Revolving Fund	<u>94,964</u>	<u>2,272</u>	<u>(4,026)</u>	<u>93,210</u>	<u>1,055</u>
Prepaid Tuition Fund:					
Tuition and related accretion payable (note 19E)	786,268	4,789	(130,814)	660,243	122,861
Total Prepaid Tuition Fund	<u>786,268</u>	<u>4,789</u>	<u>(130,814)</u>	<u>660,243</u>	<u>122,861</u>
Nonmajor Enterprise Funds:					
Bonds payable:					
Revenue bonds (note 11)	102,069	-	(20,097)	81,972	-
Unamortized (discounts) (note 11)	(5,009)	-	208	(4,801)	-
Total bonds payable	<u>97,060</u>	<u>-</u>	<u>(19,889)</u>	<u>77,171</u>	<u>-</u>
Other long-term obligations:					
Lease obligations (note 13)	995	-	(152)	843	140
Lottery prize awards (note 19D)	260,216	6,351	(19,829)	246,738	24,543
Compensated absences (note 1K)	3,128	2,702	(2,670)	3,160	301
Net pension liability (note 16)	179,818	-	(25,966)	153,852	-
OPEB liability (note 17)	93,133	-	(15,913)	77,220	1,716
Other obligations (note 19F)	6,321	3,572	(1,467)	8,426	1,014
Total other long-term obligations	<u>543,611</u>	<u>12,625</u>	<u>(65,997)</u>	<u>490,239</u>	<u>27,714</u>
Total Nonmajor Enterprise Funds	<u>640,671</u>	<u>12,625</u>	<u>(85,886)</u>	<u>567,410</u>	<u>27,714</u>
Total Business-type Activities	<u>\$ 1,521,903</u>	<u>\$ 19,686</u>	<u>\$ (220,726)</u>	<u>\$ 1,320,863</u>	<u>\$ 151,630</u>

Changes in long-term obligations for fiduciary funds for the year ended June 30, 2022, are summarized below:

Table 8-3 (amounts expressed in thousands)

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Amounts Due Within One Year
Fiduciary Funds					
Lease obligations (note 13)	\$ 6	\$ 80	\$ (12)	\$ 74	\$ 17
Compensated absences (note 1K)	4,984	3,605	(3,744)	4,845	217
Total Fiduciary Funds	<u>\$ 4,990</u>	<u>\$ 3,685</u>	<u>\$ (3,756)</u>	<u>\$ 4,919</u>	<u>\$ 234</u>

Changes in long-term obligations for component units for the year ended June 30, 2022, are summarized below:

Table 8-4 (amounts expressed in thousands)

	Balance July 1, 2021, as restated	Additions	Deletions	Balance June 30, 2022	Amounts Due Within One Year
Major Component Units					
Illinois Housing Development Authority:					
Bonds and notes payable:					
Revenue bonds - direct placement (note 11)	\$ 253,715	\$ 21,810	\$ (78,350)	\$ 197,175	\$ 2,000
Revenue bonds - other (note 11)	1,424,409	551,690	(286,191)	1,689,908	41,155
Unamortized premiums - other (note 11)	36,241	9,179	(7,645)	37,775	-
Unamortized (discounts) - other (note 11)	(778)	-	124	(654)	-
Notes payable - direct borrowing (note 12)	17,653	408,020	(402,117)	23,556	12,906
Total bonds and notes payable	<u>1,731,240</u>	<u>990,699</u>	<u>(774,179)</u>	<u>1,947,760</u>	<u>56,061</u>
Other long-term obligations:					
Lease obligations (note 13)	7,264	-	(1,188)	6,076	1,256
Compensated absences (note 1K)	1,444	2,397	(2,386)	1,455	1,455
Total other long-term obligations	<u>8,708</u>	<u>2,397</u>	<u>(3,574)</u>	<u>7,531</u>	<u>2,711</u>
Total Illinois Housing Development Authority	<u>\$ 1,739,948</u>	<u>\$ 993,096</u>	<u>\$ (777,753)</u>	<u>\$ 1,955,291</u>	<u>\$ 58,772</u>
Illinois State Toll Highway Authority:					
Bonds payable:					
Revenue bonds (note 11)	\$ 6,456,360	\$ 700,000	\$ (136,505)	\$ 7,019,855	\$ 145,415
Unamortized premiums (note 11)	854,168	172,973	(53,081)	974,060	-
Total bonds payable	<u>7,310,528</u>	<u>872,973</u>	<u>(189,586)</u>	<u>7,993,915</u>	<u>145,415</u>
Other long-term obligations:					
Accrued self-insurance (note 21)	17,964	26,347	(24,479)	19,832	7,792
Compensated absences (note 1K)	12,057	5,094	(6,555)	10,596	6,600
Net pension liability (note 16)	891,871	-	(37,376)	854,495	-
OPEB liability (note 17)	580,018	-	(86,054)	493,964	27,101
Total other long-term obligations	<u>1,501,910</u>	<u>31,441</u>	<u>(154,464)</u>	<u>1,378,887</u>	<u>41,493</u>
Total Illinois State Toll Highway Authority	<u>\$ 8,812,438</u>	<u>\$ 904,414</u>	<u>\$ (344,050)</u>	<u>\$ 9,372,802</u>	<u>\$ 186,908</u>
Illinois State University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 40,220	\$ 11,500	\$ (1,580)	\$ 50,140	\$ 2,670
Revenue bonds - other (note 11)	92,290	-	(6,160)	86,130	6,455
Unamortized premiums - other (note 11)	7,150	-	(1,935)	5,215	-
Total bonds payable	<u>139,660</u>	<u>11,500</u>	<u>(9,675)</u>	<u>141,485</u>	<u>9,125</u>
Other long-term obligations:					
Lease obligations (note 13)	10,105	266	(1,698)	8,673	1,688
Certificates of participation - direct placement (note 19A)	18,660	17,315	(5,010)	30,965	4,955
Certificates of participation - other (note 19A)	18,015	-	(2,215)	15,800	-
Unamortized (discounts) (note 19A)	(124)	-	41	(83)	-
Financed purchase obligations (note 19B)	2,219	-	(121)	2,098	125
Compensated absences (note 1K)	17,262	1,642	(2,443)	16,461	1,706
OPEB liability (note 17)	24,518	-	(2,869)	21,649	402
Other obligations (note 19F)	898	34	(112)	820	112
Total other long-term obligations	<u>91,553</u>	<u>19,257</u>	<u>(14,427)</u>	<u>96,383</u>	<u>8,988</u>
Total Illinois State University	<u>\$ 231,213</u>	<u>\$ 30,757</u>	<u>\$ (24,102)</u>	<u>\$ 237,868</u>	<u>\$ 18,113</u>

Table 8-4 (continued)

(amounts expressed in thousands)

	Balance July 1, 2021, as restated	Additions	Deletions	Balance June 30, 2022	Amounts Due Within One Year
Major Component Units, continued					
Northern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 29,900	\$ -	\$ (100)	\$ 29,800	\$ 100
Revenue bonds - other (note 11)	125,315	99,035	(1,175)	223,175	1,240
Unamortized premiums - other (note 11)	21,642	19,142	(1,952)	38,832	-
Total bonds payable	<u>176,857</u>	<u>118,177</u>	<u>(3,227)</u>	<u>291,807</u>	<u>1,340</u>
Other long-term obligations:					
Lease obligations (note 13)	511	-	(186)	325	64
Financed purchase obligations (note 19B)	122,961	37	(122,256)	742	350
Certificates of participation (note 19A)	5,495	-	(1,260)	4,235	1,325
Unamortized premiums (note 19A)	475	-	(95)	380	-
Compensated absences (note 1K)	18,553	(660)	479	18,372	2,306
OPEB liability (note 17)	41,923	-	(1,624)	40,299	959
Other obligations (note 19F)	22,217	-	(3,132)	19,085	3,233
Total other long-term obligations	<u>212,135</u>	<u>(623)</u>	<u>(128,074)</u>	<u>83,438</u>	<u>8,237</u>
Total Northern Illinois University	<u>\$ 388,992</u>	<u>\$ 117,554</u>	<u>\$ (131,301)</u>	<u>\$ 375,245</u>	<u>\$ 9,577</u>
Southern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 13,050	\$ -	\$ (2,875)	\$ 10,175	\$ 2,940
Revenue bonds - other (note 11)	140,995	2,085	(14,500)	128,580	14,125 [^]
Unamortized premiums - other (note 11)	13,512	-	(910)	12,602	-
Total bonds payable	<u>167,557</u>	<u>2,085</u>	<u>(18,285)</u>	<u>151,357</u>	<u>17,065</u>
Other long-term obligations:					
Lease obligations (note 13)	63,297	3,831	(11,560)	55,568	11,827
Financed purchase obligations (note 19B)	932	657	(336)	1,253	391
Certificates of participation - direct placement (note 19A)	21,620	-	(1,690)	19,930	1,785
Certificates of participation - other (note 19A)	9,590	-	(1,385)	8,205	1,440
Unamortized premiums - other (note 19A)	284	-	(37)	247	-
Accrued self-insurance (note 21)	24,868	9	(3,010)	21,867	3,517
Compensated absences (note 1K)	48,028	4,338	(4,734)	47,632	4,256
OPEB liability (note 17)	127,985	2,668	-	130,653	3,160
Other obligations (note 19F)	1,140	27	(184)	983	138
Total other long-term obligations	<u>297,744</u>	<u>11,530</u>	<u>(22,936)</u>	<u>286,338</u>	<u>26,514</u>
Total Southern Illinois University	<u>\$ 465,301</u>	<u>\$ 13,615</u>	<u>\$ (41,221)</u>	<u>\$ 437,695</u>	<u>\$ 43,579</u>
University of Illinois:					
Bonds payable:					
Revenue bonds (note 11)	\$ 1,189,296	\$ 136,375	\$ (201,680)	\$ 1,123,991	\$ 50,215 ^{^^}
Unamortized premiums (note 11)	55,261	22,966	(12,813)	65,414	-
Total bonds payable	<u>1,244,557</u>	<u>159,341</u>	<u>(214,493)</u>	<u>1,189,405</u>	<u>50,215</u>
Other long-term obligations:					
Lease obligations (note 13)	57,613	36,747	(19,676)	74,684	18,205
Financed purchase obligations (note 19B)	109,696	-	(676)	109,020	1,876
Certificates of participation (note 19A)	76,095	-	(25,735)	50,360	9,765
Unamortized premiums (note 19A)	3,895	-	(1,468)	2,427	-
Accrued self-insurance (note 21)	272,732	90,467	(70,934)	292,265	42,714
Compensated absences (note 1K)	256,323	25,762	(29,332)	252,753	25,443
OPEB liability (note 17)	1,144,878	-	(31,429)	1,113,449	27,461
Other obligations (note 19F)	99,085	3,218	(17,970)	84,333	13,052
Total other long-term obligations	<u>2,020,317</u>	<u>156,194</u>	<u>(197,220)</u>	<u>1,979,291</u>	<u>138,516</u>
Total University of Illinois	<u>\$ 3,264,874</u>	<u>\$ 315,535</u>	<u>\$ (411,713)</u>	<u>\$ 3,168,696</u>	<u>\$ 188,731</u>

[^] \$240 of interest will be accreted on capital appreciation debt in the next year.^{^^} \$910 of interest will be accreted on capital appreciation debt in the next year.

9 GENERAL OBLIGATION BONDS

General obligation bonds outstanding and bonds authorized but unissued at June 30, 2022, are as follows:

Table 9-1 (amounts expressed in thousands)

		Original Issue Amount	Final Maturity	Interest Rate Ranges	Anti-Pollution	Capital Development	Coal Development	Income Tax Proceeds	Pension
Governmental Activities									
Multiple Purpose Series:									
October	2000	101,855	8/1/2022	Accreted*	-	3,729	-	-	-
November	2001	375,000	11/1/2026	6.0%	1,413	16,847	-	-	-
October	2002	62,079	8/1/2024	Accreted*	551	1,662	220	-	-
June	2003	10,000,000	6/1/2033	4.95% to 5.1%	-	-	-	-	8,025,000
January	2006	325,000	1/1/2031	5.5%	-	18,880	480	-	-
B.A.B.^	2010-1	1,000,000	2/1/2035	6.63%	-	193,804	-	-	-
B.A.B.^	2010-2	300,000	3/1/2035	5.95% to 6.9%	-	-	-	-	-
March	2010	56,000	3/1/2035	5.95% to 6.9%	-	-	-	-	-
B.A.B.^	2010-3	700,000	4/1/2035	6.725%	-	-	-	-	-
B.A.B.^	2010-4	300,000	7/1/2035	6.875% to 7.1%	5,320	-	-	-	-
B.A.B.^	2010-5	900,000	7/1/2035	7.35%	15,960	-	-	-	-
A-January	2012	525,000	1/1/2037	4.0% to 4.5%	-	27,580	420	-	-
B-January	2012	275,000	1/1/2037	5.0% to 5.75%	30,000	2,527	11,991	-	-
March	2012	575,000	3/1/2028	4.125%	-	2,609	-	-	-
May	2012	1,797,740	8/1/2025	4.0% to 5.0%	-	-	-	-	-
September	2012	50,000	9/1/2022	4.0%	-	5,000	-	-	-
A-April	2013	450,000	4/1/2038	4.0% to 5.0%	-	-	-	-	-
B-April	2013	350,000	4/1/2038	4.31% to 5.52%	-	17,689	-	-	-
June	2013	1,300,000	7/1/2038	4.25% to 5.5%	884	125,596	4,080	-	-
December	2013	350,000	12/1/2038	5.65%	-	65,353	-	-	-
February	2014	1,025,000	2/1/2039	5.0% to 5.25%	-	192,000	-	-	-
April	2014	250,000	4/1/2039	4.25% to 5.0%	-	-	-	-	-
May	2014	750,000	5/1/2039	3.5% to 5.0%	-	17,680	-	-	-
January	2016	480,000	1/1/2041	3.75% to 5.0%	-	60,800	-	-	-
June	2016	550,000	6/1/2041	3.5% to 5.0%	7,600	15,200	-	-	-
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%	-	71,448	-	-	-
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%	-	-	-	3,500,000	-
A-December	2017	655,000	12/1/2042	4.0% to 5.25%	-	149,005	-	-	-
B-December	2017	95,000	12/1/2027	5.0%	-	57,000	-	-	-
A-May	2018	450,000	5/1/2043	4.0% to 6.0%	-	168,000	-	-	-
B-May	2018	50,000	5/1/2028	5.0%	-	30,000	-	-	-
A-September	2018	641,160	10/1/2033	5.0%	-	-	-	-	-
B-September	2018	324,610	10/1/2033	5.0%	-	-	-	-	-
A-April	2019	300,000	4/1/2044	4.0% 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%	-	32,090	-	-	-
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	5.375% to 5.75%	-	161,000	-	-	-
A-October	2020	125,000	10/1/2025	2.25% to 3.24%	57,000	-	-	-	-
B-October	2020	325,000	10/1/2035	4.0% to 5.0%	-	130,000	-	-	-
C-October	2020	300,000	10/1/2045	4.0% to 4.25%	-	120,000	-	-	-
D-October	2020	100,000	10/1/2025	5.0%	-	80,000	-	-	-
A-March	2021	850,000	3/1/2046	4.0% to 5.0%	-	252,501	-	-	-
B-March	2021	150,000	3/1/2027	5.0%	-	125,000	-	-	-
C-March	2021	257,960	3/1/2031	4.0%	-	-	-	-	-
A-December	2021	200,000	12/1/2031	5.0%	-	-	-	-	-
B-December	2021	200,000	12/1/2041	3.0% to 5.0%	-	-	-	-	-
A-June	2022	925,000	3/1/2047	5.0% to 5.5%	-	250,000	-	-	-
B-June	2022	713,375	3/1/2036	5.0%	-	-	-	-	-
Total		\$ 37,983,204			\$ 118,728	\$ 2,494,450	\$ 17,191	\$ 4,000,000	\$ 8,025,000
Authorized but Unissued					\$ 184,754	\$ 8,614,639	\$ 88,932	\$ 1,200,000	\$ 396,348
^ Bonds issued under the American Recovery and Reinvestment Act of 2009 commonly referred to as "Build America Bonds." (B.A.B.) * Accreted bonds are shown at their accreted values as of 6/30/22. Imputed interest rates on these capital appreciation bonds range from 4.94% to 5.64%.									

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

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

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

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Changes in general obligation bonds during the year ended June 30, 2022, are summarized in Note 8. Future general obligation debt service requirements at June 30, 2022, are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2023	\$ 2,027,343	\$ 1,335,849	\$ 3,363,192
2024	2,048,148	1,256,066	3,304,214
2025	2,057,441	1,156,435	3,213,876
2026	2,111,551	1,049,797	3,161,348
2027	2,051,120	942,357	2,993,477
2028-2032	10,007,855	3,119,816	13,127,671
2033-2037	4,284,302	1,083,906	5,368,208
2038-2042	1,782,795	382,070	2,164,865
2043-2047	695,200	77,841	773,041
	27,065,755	\$ 10,404,137	\$ 37,469,892
Less: Unaccrued appreciation	(497)		
	27,065,258		
Unamortized premiums	814,466		
Unamortized (discounts)	(19,211)		
Total	\$ 27,860,513		

10 SPECIAL OBLIGATION BONDS

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

The State has pledged the following portions of the State's tax revenues, net of related expenses, to annually repay the debt service requirements of the remaining principal and interest at June 30, 2022, of \$2.6 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	\$ 684,871	\$ 15,220,657
Principal and interest requirements	\$ 287,010	
Percentage to principal and interest requirements	<u>239%</u>	

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

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

Special obligation bonds outstanding and bonds authorized but unissued for governmental activities at June 30, 2022, are as follows:

Table 10-2 (amounts expressed in thousands)

	Original Issue Amount	Final Maturity	Interest Rate Ranges	Build Illinois		
				Public Infrastructure	Business Development	Education
Series of April 2002	150,000	6/15/2027	6.0%	44,334	7,000	16,333
Series of May 2012	425,040	6/15/2036	3.081% to 4.08%	42,420	51,343	126,596
Series of May 2013	300,000	6/15/2037	2.6% to 3.88%	62,499	31,251	87,501
Series of June 2013	604,110	6/15/2026	5.0%	-	-	-
Series of March 2014	402,000	6/15/2038	3.49% to 4.62%	84,669	33,331	140,001
Series of September 2016-A	150,025	6/15/2034	3.0% to 5.0%	58,236	15,883	17,417
Series of September 2016-B	60,010	6/15/2034	2.2% to 3.17%	20,142	8,471	13,747
Series of September 2016-C	152,000	6/15/2032	4.0%	-	-	-
Series of September 2016-D	186,755	6/15/2034	3.0% to 5.0%	-	-	-
Series of October 2018-A	115,000	6/15/2043	4.0% to 5.0%	91,256	411	-
Series of October 2018-B	125,000	6/15/2043	4.75% to 5.0%	3,122	100,209	-
Series of October 2018-C	10,000	6/15/2028	3.83% to 4.125%	63	5,937	-
Series of September 2021-A	130,000	6/15/2034	3.0% to 4.0%	13,846	87,692	4,616
Series of September 2021-B	220,000	6/15/2041	0.613% to 3.259%	28,499	180,501	-
Series of September 2021-C	142,745	6/15/2033	4.0% to 5.0%	-	-	-
Total	\$ 3,172,685			\$ 449,086	\$ 522,029	\$ 406,211
Authorized but Unissued				\$ 1,269,172	\$ 1,233,277	\$ 777,076

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

<u>Environment</u>	<u>Refunding</u>	<u>Principal Outstanding June 30, 2022</u>	<u>Amount Related to Capital Assets</u>
2,333	-	70,000	4,195
27,581	-	247,940	235
6,249	-	187,500	870
-	185,880	185,880	38,086
9,999	-	268,000	-
14,364	-	105,900	4,469
-	-	42,360	27
-	117,355	117,355	19,036
-	155,505	155,505	638
4,933	-	96,600	1,875
1,669	-	105,000	24
-	-	6,000	-
13,846	-	120,000	-
-	-	209,000	-
-	130,240	130,240	300
<u>\$ 80,974</u>	<u>\$ 588,980</u>	<u>\$ 2,047,280</u>	<u>\$ 69,755</u>
<u>\$ 54,414</u>	<u>Unlimited</u>		
Unamortized premiums		98,603	3,960
Unamortized (discounts)		(6)	-
		<u>\$ 2,145,877</u>	<u>\$ 73,715</u>

Changes in special obligation bonds during the year ended June 30, 2022, are summarized in Note 8. Future special obligation debt service requirements at June 30, 2022, are as follows:

Table 10-3 (amounts expressed in thousands)

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2023	\$ 187,885	\$ 84,141	\$ 272,026
2024	180,690	76,277	256,967
2025	179,575	68,463	248,038
2026	177,725	60,644	238,369
2027	156,120	52,895	209,015
2028-2032	648,110	177,175	825,285
2033-2037	398,825	64,771	463,596
2038-2042	108,750	12,901	121,651
2043	9,600	433	10,033
	2,047,280	\$ 597,700	\$ 2,644,980
Unamortized premiums	98,603		
Unamortized (discounts)	(6)		
Total	\$ 2,145,877		

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, 2022 (except for the Illinois State Toll Highway Authority, which is as of December 31, 2021), 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	\$ 612,887	5.0%	2028
Business-type Activities			
Nonmajor enterprise fund:			
Illinois Designated Account Purchase Program	77,171	2.084%	2046
Major Component Units			
Illinois Housing Development Authority			
Direct placement	197,175	0.40% to 4.65%	2063
Other debt	1,727,029	0.10% to 4.50%	2066
Total	1,924,204		
Illinois State Toll Highway Authority	7,993,915	3.0% to 6.184%	2046
Illinois State University			
Direct placement	50,140	1.47% to 3.62%	2050
Other debt	91,345	3.25% to 5.0%	2039
Total	141,485		
Northern Illinois University			
Direct placement	29,800	2.039%	2041
Other debt	262,007	4.0% to 5.0%	2044
Total	291,807		
Southern Illinois University			
Direct placement	10,175	1.65% to 4.35%	2030
Other debt	141,182	3.625% to 5.56%	2040
Total	151,357		
University of Illinois	1,189,405	0.91% to 6.25%	2051

Changes in revenue bonds during the year ended June 30, 2022, are summarized in Note 8. Revenue bond debt service requirements, principal and interest, as of June 30, 2022, 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
2023	\$ 112,260	\$ 28,066	\$ -	\$ 1,708
2024	109,745	22,452	-	1,708
2025	107,305	16,965	-	1,708
2026	105,370	11,600	-	1,708
2027	103,360	6,331	-	1,708
2028-2032	23,270	1,164	-	8,542
2033-2037	-	-	-	8,542
2038-2042	-	-	-	8,542
2043-2046	-	-	81,972	3,533
	561,310	\$ 86,578	81,972	\$ 37,699
Unamortized premiums	51,577		-	
Unamortized (discounts)	-		(4,801)	
Total	<u>\$ 612,887</u>		<u>\$ 77,171</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
	2023	\$ 2,000	\$ 4,758	\$ 41,155	\$ 44,734	\$ 43,155
2024	2,205	4,703	47,534	44,021	49,739	48,724
2025	4,320	4,636	46,813	43,160	51,133	47,796
2026	3,980	4,541	48,419	42,315	52,399	46,856
2027	4,095	4,444	71,741	41,288	75,836	45,732
2028-2032	22,330	20,649	270,377	187,625	292,707	208,274
2033-2037	25,750	17,702	243,624	154,669	269,374	172,371
2038-2042	104,990	13,589	290,163	129,291	395,153	142,880
2043-2047	7,805	3,586	335,136	79,699	342,941	83,285
2048-2052	7,170	2,545	239,388	27,070	246,558	29,615
2053-2057	5,720	1,563	23,662	7,524	29,382	9,087
2058-2062	6,100	589	21,921	3,467	28,021	4,056
2063-2066	710	9	9,975	539	10,685	548
	197,175	\$ 83,314	1,689,908	\$ 805,402	1,887,083	\$ 888,716
Unamortized premiums	-	-	37,775	-	37,775	-
Unamortized (discounts)	-	-	(654)	-	(654)	-
Total	\$ 197,175		\$ 1,727,029		\$ 1,924,204	

Table 11-4 (amounts expressed in thousands)

Major Component Units		
Year Ending June 30	Illinois State Toll Highway Authority	
	Principal	Interest
2023	\$ 145,415	\$ 337,765
2024	45,925	345,091
2025	155,025	340,068
2026	162,715	332,124
2027	187,530	323,368
2028-2032	1,441,375	1,439,857
2033-2037	1,520,695	1,040,588
2038-2042	2,131,175	561,299
2043-2046	1,230,000	121,585
	7,019,855	\$ 4,841,745
Unamortized premiums	974,060	-
Total	\$ 7,993,915	

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
	2023	\$ 2,670	\$ 945	\$ 6,455	\$ 4,060	\$ 9,125
2024	2,645	976	6,770	3,749	9,415	4,725
2025	2,715	906	7,090	3,422	9,805	4,328
2026	2,790	833	7,435	3,080	10,225	3,913
2027	2,860	758	7,795	2,721	10,655	3,479
2028-2032	12,505	2,722	30,165	9,036	42,670	11,758
2033-2037	6,025	1,586	14,485	3,522	20,510	5,108
2038-2042	6,495	1,130	5,935	449	12,430	1,579
2043-2047	6,990	638	-	-	6,990	638
2048-2050	4,445	131	-	-	4,445	131
	50,140	\$ 10,625	86,130	\$ 30,039	136,270	\$ 40,664
Unamortized premiums	-	-	5,215	-	5,215	-
Total	\$ 50,140		\$ 91,345		\$ 141,485	

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
	2023	\$ 100	\$ 607	\$ 1,240	\$ 9,849	\$ 1,340
2024	250	604	5,425	9,787	5,675	10,391
2025	1,353	594	4,610	9,515	5,963	10,109
2026	1,394	566	8,200	9,201	9,594	9,767
2027	1,436	537	8,615	8,787	10,051	9,324
2028-2032	7,851	2,226	50,085	36,944	57,936	39,170
2033-2037	9,102	1,369	63,185	23,858	72,287	25,227
2038-2042	8,314	388	67,375	9,798	75,689	10,186
2043-2044	-	-	14,440	581	14,440	581
	29,800	\$ 6,891	223,175	\$ 118,320	252,975	\$ 125,211
Unamortized premiums	-	-	38,832	-	38,832	-
Total	<u>\$ 29,800</u>		<u>\$ 262,007</u>		<u>\$ 291,807</u>	

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
	2023	\$ 2,940	\$ 324	\$ 14,365	\$ 4,186	\$ 17,305
2024	1,110	255	14,290	3,780	15,400	4,035
2025	1,150	216	14,770	3,407	15,920	3,623
2026	1,040	176	14,830	3,011	15,870	3,187
2027	1,080	138	14,315	2,613	15,395	2,751
2028-2032	2,855	174	43,090	7,982	45,945	8,156
2033-2037	-	-	16,350	2,714	16,350	2,714
2038-2040	-	-	4,245	344	4,245	344
	10,175	\$ 1,283	136,255	\$ 28,037	146,430	\$ 29,320
Less: Unaccrued appreciation	-	-	(7,675)	-	(7,675)	-
	10,175		128,580		138,755	
Unamortized premiums	-	-	12,602	-	12,602	-
Total	<u>\$ 10,175</u>		<u>\$ 141,182</u>		<u>\$ 151,357</u>	

Table 11-8 (amounts expressed in thousands)

Major Component Units

Year Ending June 30	University of Illinois	
	Principal	Interest
2023	\$ 51,125	\$ 49,493
2024	49,515	47,110
2025	52,285	44,860
2026	54,895	42,702
2027	58,070	40,199
2028-2032	301,805	160,122
2033-2037	251,955	96,593
2038-2042	178,805	51,821
2043-2047	110,755	13,655
2048-2051	19,250	997
	1,128,460	\$ 547,552
Less: Unaccrued appreciation	(4,469)	
	1,123,991	
Unamortized premiums	65,414	
Total	<u>\$ 1,189,405</u>	

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 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 2023 through 2028. Proceeds from the Series 2017 bonds were used to advance refund \$682.375 million of the Series 2010 bonds which were paid off in 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 \$647.888 million. The total principal and interest paid for the current year and total TSRs received were \$143.203 million and \$805.987 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, 2022, \$492.847 million of residual revenues was paid to the State and \$59.639 million was recorded as a liability to the State at year-end.

ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM (IDAPP)

The majority of IDAPP's \$81.972 million of outstanding revenue bonds at June 30, 2022, 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 \$39.980 million of Homeowner Mortgage Revenue Bonds Series 2004C3, 2014A4, and 2014A5, and \$80.210 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, \$75 thousand of Homeowner Mortgage Revenue Bonds Series 2002B is also a variable rate, but not a demand bond. 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, 2022, IHDA has entered into eight pay fixed, receive variable, interest rate swap agreements and three 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.

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, 2022, was 2.039%.

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, 2022. 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 \$6.800 million for the Series 1997B bonds and \$15.855 million for the Series 2008 bond. These bonds have final maturities in 2026 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, 2022, recorded amounts of revenue bonds, net of defeased bonds, and notes outstanding as reported by authority officials are as follows:

Table 11-9 (amounts expressed in thousands)		
Authority	Amount Outstanding	Annual Maturity To
Illinois Finance Authority	\$ 20,859,608	2060
Illinois Housing Development Authority	1,399,649	2065
Southwestern Illinois Development Authority	735,409	2048
Upper Illinois River Valley Development Authority	209,389	2055
Total	<u>\$ 23,204,055</u>	

**12 GENERAL OBLIGATION NOTES AND NOTES PAYABLE/
SHORT-TERM BORROWINGS****A. General Obligation Notes and Notes Payable****Primary Government**

On December 17, 2020, the State issued \$2.000 billion of direct placement General Obligation Notes (Notes) with a single maturity date and interest payment date of December 15, 2023. The Notes were issued with an interest rate of 3.42%. The proceeds were deposited into the Coronavirus Urgent Remediation Emergency Borrowing Account, a sub-account of the General Fund. The State may opt to redeem the Notes early, however, they must notify the Municipal Liquidity Facility, LLC not less than twenty and no more than sixty days prior to the date fixed for any such optional redemption. During fiscal year 2022, the outstanding principle of \$1.015 billion was paid along with \$36.773 million of interest.

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, 2022, was \$10.033 million with a final maturity date of 2023. As of June 30, 2022, future debt service requirements consist of payments of \$10.033 million in fiscal year 2023.

Changes in the general obligation notes and notes payable during the year ended June 30, 2022, 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, 2022, was \$23.556 million with interest rates ranging from 1.37% to 2.7% and a final maturity date of 2028. Additionally, at June 30, 2022, IHDA has an unused line of credit relating to available cash advances from the Federal Home Loan Bank totaling \$226 million.

Changes in the notes payable during the year ended June 30, 2022, are summarized in Note 8. Future notes payable debt service requirements as of June 30, 2022, are as follows:

Major Component Units			
Year Ending June 30	Illinois Housing Development Authority		
	Direct Borrowing		
	Principal	Interest	
2023	\$ 12,906	\$ 346	
2024	1,768	277	
2025	375	234	
2026	388	225	
2027	402	213	
2028-2032	7,717	103	
	<u>\$ 23,556</u>	<u>\$ 1,398</u>	

B. 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 as of June 30, 2022, was \$1.813 billion.

Under the amended Emergency Unemployment Insurance Stabilization and Access Act of 2020, these loans were interest free through September 6, 2021, with interest accruing beginning on September 7, 2021. During the fiscal year ending June 30, 2022, UCTF incurred additional loan advances under Title XII in the amount of \$279.771 million. Title XII Loan Advances accrued interest at a rate of 2.28% per annum from July 1, 2021, to December 31, 2021, and at a rate of 1.59% from January 1, 2022, to June 30, 2022. Interest is due and payable to the federal government each September 30 and may not be paid from the UCTF or from federal funds. IDES paid the interest due on September 30, 2022, in the amount of \$57.331 billion. 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 \$50.987 million outstanding under this line is shown as current at June 30, 2022.

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 2022, \$12.666 million of principal and \$2.129 million of interest was collected, all of which was transferred to the trust. During the same period, the trust paid \$673 thousand for interest expense and other professional fees and \$748 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, 2022.

University of Illinois (U of I)

The U of I Foundation has a \$15 million unsecured line of credit to a bank, due October 2023, with a negotiated interest rate in irregular intervals (1.87% at June 30, 2022). The line of credit is to be used to purchase property that is to be held for the U of I. The \$9.813 million outstanding under this line is shown as current at June 30, 2022.

Changes in short-term borrowing during the year ended June 30, 2022, are as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Primary Government				
Business-type Activities				
Unemployment Compensation Trust Fund - direct borrowing	\$ 4,232,873	\$ 279,772	\$ (2,700,000)	\$ 1,812,645
Designated Account Purchase Program	64,487	-	(13,500)	50,987
	<u>\$ 4,297,360</u>	<u>\$ 279,772</u>	<u>\$ (2,713,500)</u>	<u>\$ 1,863,632</u>
Major Component Units				
Illinois State University	\$ 6,000	\$ -	\$ -	6,000
University of Illinois	7,777	2,236	(200)	9,813
	<u>\$ 13,777</u>	<u>\$ 2,236</u>	<u>\$ (200)</u>	<u>\$ 15,813</u>

13 LEASES

A. Lessee Arrangements

The State and its component units have entered into various leases for land, office facilities, office and computer equipment, medical equipment, and other right-to-use assets with remaining lease terms ranging from less than one year to 10 years. Although lease terms vary, certain leases are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured, leases requiring appropriation by the General Assembly are considered noncancelable leases for financial reporting purposes. The renewal and termination options are not included in the right-to-use asset or lease liability balance until they are reasonably certain of exercise.

Certain of the State's and its component units' leases contain both fixed and variable lease payments. These exist primarily within the leases for office facilities related to rent escalations based on the consumer price index as well as leases for parking spaces for which payment varies by the number of parking spaces leased. The remaining office facilities, equipment, and other leases do not contain variable lease payments. The variable payments are not included in the calculation of the lease liability. The total expenditures for variable payments not previously included in the measurement of the lease liability during the fiscal year ended June 30, 2022, were \$31 thousand for the State. In addition, Illinois State University and University of Illinois had \$23 thousand and \$293 thousand, respectively, of total expenditures for variable payments not previously included in the measurement of the lease liability.

At June 30, 2022, the State had commitments under leases prior to the commencement of the lease term totaling \$9.067 million.

At June 30, 2022, right-to-use assets under leases are as follows:

Primary Government	Business-Type Activities		
	Governmental Activities	Nonmajor Enterprise Funds	Fiduciary Funds
Buildings	\$ 558,627	\$ 831	\$ -
Equipment	29,058	164	86
Other	1,435	-	-
	<u>589,120</u>	<u>995</u>	<u>86</u>
Less: Accumulated amortization	90,335	165	16
	<u>\$ 498,785</u>	<u>\$ 830</u>	<u>\$ 70</u>

Major Component Units	Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Buildings	\$ 7,264	\$ 7,989	\$ 308	\$ 63,886	\$ 82,654
Equipment	-	2,382	203	2,692	10,774
Other	-	-	-	291	15
	<u>7,264</u>	<u>10,371</u>	<u>511</u>	<u>66,869</u>	<u>93,443</u>
Less: Accumulated amortization	1,341	1,983	188	12,224	19,557
	<u>\$ 5,923</u>	<u>\$ 8,388</u>	<u>\$ 323</u>	<u>\$ 54,645</u>	<u>\$ 73,886</u>

Future minimum commitments for non-cancelable leases as of June 30, 2022, are as follows:

Primary Government						
Year Ending June 30	Leases					
	Business-Type Activities					
	Governmental Activities		Nonmajor Enterprise Funds		Fiduciary Funds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 86,540	\$ 13,942	\$ 140	\$ 23	\$ 17	\$ 2
2024	75,909	11,495	113	19	17	2
2025	69,103	9,340	86	16	18	1
2026	65,341	7,327	90	14	18	-
2027	52,961	5,512	93	11	4	-
2028-2032	155,858	8,899	321	16	-	-
Total minimum lease payments	\$ 505,712	\$ 56,515	\$ 843	\$ 99	\$ 74	\$ 5

Major Component Units											
Year Ending June 30	Illinois Housing Development Authority		Illinois State University		Northern Illinois University		Southern Illinois University		University of Illinois		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
	2023	\$ 1,256	\$ 155	\$ 1,688	\$ 97	\$ 64	\$ 18	\$ 11,827	\$ 1,319	\$ 18,205	\$ 1,960
2024	1,325	119	1,201	83	62	14	11,417	1,034	14,470	1,483	
2025	1,396	81	1,019	69	65	11	9,964	753	10,520	1,123	
2026	1,470	40	969	56	56	7	7,744	524	6,969	885	
2027	629	4	951	44	59	4	5,484	347	5,684	680	
2028-2032	-	-	2,845	57	19	1	9,103	275	18,836	1,164	
2033-2037	-	-	-	-	-	-	29	1	-	-	
Total minimum lease payments	\$ 6,076	\$ 399	\$ 8,673	\$ 406	\$ 325	\$ 55	\$ 55,568	\$ 4,253	\$ 74,684	\$ 7,295	

B. Lessor Arrangements

The State and its component units lease parking lots, land, space within and attached to its buildings, and other assets to third parties. These agreements have terms ranging from less than one year to 53 years. Payments are generally fixed monthly amounts with certain variable payments not included in the measurement of the lease receivable. The State recognized \$5.249 million in lease revenue, including interest and other related revenues for the period ending June 30, 2022. Illinois State University, Northern Illinois University, Southern Illinois University, and University of Illinois recognized \$9 thousand, \$22 thousand, \$948 thousand, and \$7.492 million, respectively, in lease revenue, including interest and other related revenues for the period ending June 30, 2022. Of these amounts recognized during the fiscal year ended June 30, 2022, Illinois State University and University of Illinois recognized \$473 thousand and \$1.908 million, respectively, of revenue related to variable payments that were not previously included in the measurement of the lease receivable.

Southern Illinois University leases an asset as part of a lease-leaseback transaction. As of June 30, 2022, Southern Illinois University reported a net lease receivable of \$1.262 million related to this lease-leaseback transaction. University of Illinois has certain leases of assets that are sublease transactions; however, these amounts are minimal.

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 after one to several years.

At June 30, 2022, 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, 2022:

ISBI

Investment Derivative Instruments	Fair Value at June 30, 2022	Change in Fair Value	Notional*
Rights/Warrants	\$ 362	\$ (96)	249
Grand Totals	\$ 362	\$ (96)	249

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

TRS

Investment Derivative Instruments	Fair Value at June 30, 2022	Change in Fair Value	Notional*
Rights	\$ -	\$ 379	\$ 2
Warrants	14,031	1,129	1,823
Currency Forwards			
Purchases	4,564,468		
Sales	(4,563,140)		
	<u>1,328</u>	<u>14,225</u>	<u>-</u>
Futures**			
Equity Futures Long	-	(13,156)	75,417
Equity Futures Short	-	3,250	(16,979)
Fixed Income Futures Long	-	(21,417)	221,316
Fixed Income Futures Short	-	15,596	(51,392)
	<u>-</u>	<u>(15,727)</u>	<u>228,362</u>
Options**			
Currency Forward Options Purchased	1,509	3,129	145,946
Currency Forward Options Written	(1,207)	(2,532)	50,907
Options on Futures Purchased	-	(634)	-
	<u>302</u>	<u>(37)</u>	<u>196,853</u>
Swaptions			
Swaptions Purchased	91	(1,352)	4,412
Swaptions Written	(21)	754	822
	<u>70</u>	<u>(598)</u>	<u>5,234</u>
Credit Default Swaps			
Credit Default Swaps Buying Protection	2,383	10,239	253,690
Credit Default Swaps Selling Protection	(1,272)	(457)	14,043
	<u>1,111</u>	<u>9,782</u>	<u>267,733</u>
Index Swaps	(3,052)	(9,960)	23,901
Interest Rate/Inflation-linked Swaps			
Pay Fixed Interest Rate/Inflation Swaps	10,972	30,232	273,910
Receive Fixed Interest Rate/Inflation Swaps	(14,287)	(28,520)	426,294
	<u>(3,315)</u>	<u>1,712</u>	<u>700,204</u>
Grand Totals	\$ 10,475	\$ 905	\$ 1,424,112

* 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, 2022:

Interest Rate and Inflation Swaps							Fair Value
Asset Description	Par	Gross Notional*	TRS Receives	TRS Pays	Maturity Date	June 30, 2022	
Pay Fixed Interest							
Rate/Inflation Swaps							
Brazilian Real	385,767	\$ 74,070	3 mo. Brazilian CDI (1)	7.11% to 12.81%	1/2/2025-1/4/2027	\$ 2,431	
Chilean Peso	16,889,680	18,107	6 mo. Chile Interbank Rate	3.17% to 8.25%	6/29/2024-1/10/2027	539	
Colombian Peso	34,713,870	8,342	3 mo. IBRCO (8)	6.85% to 9.20%	1/12/2027-9/21/2027	287	
Hungarian Forint	2,991,120	8,024	6 month BUBOR (10)	2.66% to 6.25%	9/3/2026-3/17/2027	983	
Mexican Peso	300,709	14,905	28 day Mexican TIIE (3)	8.46% to 8.99%	6/9/2027-9/15/2027	115	
Polish Zloty	329,689	73,851	6 month WIBOR (4)	1.35% to 6.63%	10/5/2023-5/10/2032	4,321	
South African Rand	944,710	58,055	3 month JIBAR (5)	6.86% to 8.28%	12/15/2026-1/4/2032	2,241	
South Korean Won	7,700,000	5,935	91 day CD-KSDA (6)	2.41%	6/15/2027	294	
Thai Baht	446,210	12,621	12 month THOR (2)	3.09%	9/21/2027	(239)	
		<u>\$ 273,910</u>				<u>\$ 10,972</u>	
Receive Fixed Interest							
Rate/Inflation Swaps							
Brazilian Real	882,055	\$ 164,218	4.59% to 13.00%	3 mo. Brazilian CDI (1)	1/2/2024-1/2/2029	\$ (4,453)	
Chilean Peso	5,714,200	5,378	1.66% to 5.38%	6 mo. Chile Interbank Rate	4/23/2025-12/27/2031	(770)	
Colombian Peso	39,576,930	8,752	3.67% to 8.23%	3 month IBRCO (8)	5/7/2025-11/9/2031	(779)	
Czech Koruna	357,448	12,429	1.52% to 3.45%	6 month PRIBOR (9)	9/22/2026-1/27/2032	(2,834)	
Hungarian Forint	22,150,000	58,231	9.40%	3 month BUBOR (10)	6/27/2024	(129)	
Hungarian Forint	938,520	2,068	1.96%	6 month BUBOR (10)	5/5/2030	(404)	
Mexican Peso	379,262	17,653	5.19% to 8.88%	28 day Mexican TIIE (3)	6/9/2027-7/24/2031	(1,207)	
Malaysian Ringgit	253,130	57,162	3.74% to 4.03%	3 month KLIBOR (7)	9/21/2027	(270)	
Polish Zloty	15,800	3,202	1.80%	6 month WIBOR (4)	7/24/2024	(371)	
South African Rand	1,146,244	67,589	5.01% to 7.53%	3 month JIBAR (5)	6/25/2025-4/13/2031	(2,941)	
South Korean Won	38,586,500	29,612	2.18% to 3.64%	91 day CD-KSDA (6)	1/7/2027-9/21/2027	(129)	
		<u>\$ 426,294</u>				<u>\$ (14,287)</u>	
* Includes income/accrued payable amounts							
(1) Brazilian CDI - Brazilian Cetip Interbank Deposit							
(2) THOR - Thai Overnight Repurchase Rate							
(3) Mexican TIIE - Mexico Interbank Equilibrium Interest Rate							
(4) WIBOR - Warsaw Interbank Offered Rate							
(5) JIBAR - Johannesburg Interbank Average Rate							
(6) CD-KSDA - Certificates of Deposit, Korean Securities Dealer Assoc.							
(7) KLIBOR - Kuala Lumpur Interbank Offered Rate							
(8) IBRCO - Colombia Interbank Rate							
(9) PRIBOR - Prague Interbank Offered Rate							
(10) BUBOR - Budapest Interbank Offered Rate							

SURS

Table 14-4 (amounts expressed in thousands)

Investment Derivative Instruments	Fair Value at June 30, 2022	Changes in Fair Value	Notional*
Rights and Warrants	\$ 109	\$ (144)	\$ 279
Currency Forwards			
Purchases	13,333	4,186	-
Sales	(6,452)	(1,647)	-
	<u>6,881</u>	<u>2,539</u>	<u>-</u>
Futures			
Equity Derivative Instruments Long	(4,575)	(3,981)	464,873
Equity Derivative Instruments Short	3,423	5,397	(260,563)
Fixed Income Long	1,642	945	158,304
Fixed Income Short	(7,870)	(6,979)	(1,540,002)
Commodity Long	(6,289)	(8,217)	129,023
Commodity Short	1,792	1,948	(128,199)
Foreign Exchange Long	35	171	14,608
Foreign Exchange Short	(3,883)	(4,659)	(907,749)
	<u>(15,725)</u>	<u>(15,375)</u>	<u>(2,069,705)</u>
Options			
Equity Call	(481)	1,235	(781)
Equity Put	(342)	2,562	(781)
	<u>(823)</u>	<u>3,797</u>	<u>(1,562)</u>
Swaptions			
Call	(53)	(34)	(12,232)
Put	-	6	-
	<u>(53)</u>	<u>(28)</u>	<u>(12,232)</u>
Swaps			
Credit Default: Selling Protection	(2,602)	(14,379)	71,437
Pay Fixed Interest Rate	(2,790)	(396)	91,651
Receive Fixed Interest Rate	1,679	1,006	29,700
	<u>(3,713)</u>	<u>(13,769)</u>	<u>192,788</u>
Grand Totals	<u>\$ (13,324)</u>	<u>\$ (22,980)</u>	<u>\$(1,890,432)</u>

* 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, 2022:

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, 2022
Pay Fixed	\$ 87,400	0.25% to 0.50%	3 mo. USD-LIBOR (1)	\$ (2,396)
Pay Fixed	4,251	0.50%	1 day British Pound SONIA (2)	(394)
	<u>\$ 91,651</u>			<u>\$ (2,790)</u>
Receive Fixed	\$ 29,700	3 mo. USD-LIBOR (1)	0.36%	\$ 1,679
	<u>\$ 29,700</u>			<u>\$ 1,679</u>

(1) U.S. Dollar London Interbank Offered Rate
(2) Sterling Overnight Interbank Average 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, 2022.

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, 2022, was \$69.217 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.

Moody's Quality Rating	
Aa2	\$ 4,514
Aa3	26,489
A1	20,447
A2	16,421
A3	1,274
Baa1	72
Total subject to credit risk	\$ 69,217

Although the derivative instruments held within the TRS investment portfolio are executed with various counterparties, approximately 93 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, 2022, if all counterparties fail to perform as contracted, is \$15.1 million. This maximum exposure is reduced by \$12.7 million in liabilities and \$1.4 million in collateral held, resulting in a net credit risk exposure of approximately \$1.0 million. At June 30, 2022, 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	\$ -	\$ (53)	\$ (1,063)	\$ (1,116)
Not Rated	6,881	-	(2,650)	4,231
Total Subject to Credit Risk	\$ 6,881	\$ (53)	\$ (3,713)	\$ 3,115

HEDGING DERIVATIVE INSTRUMENTS - MAJOR COMPONENT UNITS

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

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

The objective of the interest rate cap agreements is to establish a maximum debt service which may be paid over the life of the underlying bonds. The notional amount of the swap and rate caps match the principal amount of the associated debt, as applicable, except in the case of Series 2008A where early redemption of bonds 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.

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

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

The following table displays the terms of the various hedging derivative instruments of the major component units outstanding at June 30, 2022, along with the credit rating of the associated counterparty:

Table 14-8 (amounts expressed in thousands)

Associated Bond Issue (1)	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Values (2)	Change in Fair Value	Swap Termination Date	Counterparty Credit Rating (3)
Major Component Units								
IHDA								
Interest Rate Swap Contracts								
HMRB*								
Series 2018 A-2	\$ 30,000	8/18	2.394%	70% 1 month LIBOR (a)	\$ 106		2/38	AA-/Aa1
	30,000				106	\$ 3,098		
RB**								
Series 2019B	30,000	3/19	2.431%	100% SIFMA (b) -> 70% LIBOR (a)	934		4/42	A+/Aa2
Series 2020C	40,000	10/20	1.057%	100% SIFMA (b) -> 70% LIBOR (a)	6,543		4/42	AA-/Aa1
Series 2022D	59,860	5/22	2.432%	70% SOFR (c) + 0.08%	296		4/45	A+/Aa2
MFRB Maywood	24,995	7/24	2.147%	70% SOFR (c) + 0.08% -> 70% LIBOR (a)	(197)		7/64	A+/Aa2
MFRB Burnham Manor	12,725	1/25	2.776%	70% SOFR (c) + 0.08%	(273)		1/65	A+/Aa2
	167,580				7,303	8,961		
GO****								
GO 835 Wilson	3,365	6/25	2.963%	100% SOFR (c) Compound	(52)		11/52	A/A1
GO Millbrook	2,205	7/25	2.829%	100% SOFR (c) Compound	(1)		12/52	A/A1
	5,570				(53)	(53)		
Interest Rate Cap								
HB***								
Series 2008A	10,930	1/18	6.000%	100% SIFMA (b)	57		1/27	A/A1
Series 2008C	4,220	5/22	4.000%	70% SOFR (c) Compound + 0.18%	27		7/27	A/A1
	15,150				84	72		
RB**								
Series 2022C	23,570	5/22	4.000%	100% SOFR (c) Compound + 0.11%	225		7/25	A+/Aa2
	23,570				225	225		
	\$ 241,870				\$ 7,665	\$ 12,303		
U of I								
Interest Rate Swap Contracts								
Revenue Bonds								
Series 2008								
(Health Services Facility System)								
	\$ 15,725	11/08****	3.534%	68% of LIBOR (a)	\$ (558)		10/26	A-/A2
	\$ 15,725				\$ (558)	\$ 1,303		
* Homeowner Mortgage Revenue Bonds (a) London Interbank Offered Rate								
** Revenue Bonds (b) Securities Industry and Financial Market Association								
*** Housing Bonds (c) Secured Overnight Financing Rate								
**** Swap agreement was transferred from original issue to the refunded bond issue.								
***** General Obligation Bonds								
(1) All bond issues are taxable debt instruments.								
(2) Includes accrued interest.								
(3) Credit rating companies: Standard and Poor's (S&P)/Moody's Investors Services								

Additionally, the U of I's discretely presented component unit, Prairieland Energy, Inc., entered into noncancelable, exchange-traded futures contracts for natural gas for settlement periods during fiscal years 2023 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 \$18.223 million and \$10.142 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, 2022, IHDA was not exposed to credit risk for the swaps that had negative fair value. IHDA is exposed to credit risk on the swaps and caps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value at June 30, 2022, was \$8.188 million. This represents the maximum loss that would be recognized at June 30, 2022, 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 47% 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, 2022, the U of I was not exposed to credit risk because the swap 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, 2022, one counterparty held 100% of the total notional amount of the outstanding swap. U of I does not have a policy regarding master netting arrangements.

Interest rate risk

IHDA: Because interest rates have increased since the execution of the swap agreements in the Single-Family Program Fund, they have positive fair values as of June 30, 2022. The positive fair value may be countered by increases in total interest payments required under the variable-rate bonds, creating higher synthetic interest rates. Because the coupons on the IHDA's variable rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes.

U of I: Since inception of the swap, declining interest rates exposed the U of I to interest rate risk, which adversely affected the fair values of the swap agreement.

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 swap exposes 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 the swap 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 agreement since the swap agreement extends to the maturity of the related debt.

As of June 30, 2022, debt service requirements of outstanding variable rate debt and net swap payments, assuming current interest rates remain the same, for their terms are as follows:

Table 14-9 (amounts expressed in thousands)
Swap Payments and Associated Debt
Variable Rate Debt

Major Component Units

Year Ending June 30	Illinois Housing Development Authority				University of Illinois-Revenue Bonds			
	Principal	Interest	Interest Rate Swaps, Net	Total	Principal	Interest	Interest Rate Swaps, Net	Total
2023	\$ 890	\$ 1,970	\$ 1,858	\$ 4,718	\$ 2,900	\$ 127	\$ 362	\$ 3,389
2024	1,205	1,956	1,858	5,019	3,060	99	284	3,443
2025	1,240	1,940	1,858	5,038	3,225	70	202	3,497
2026	1,280	1,924	1,858	5,062	3,295	41	116	3,452
2027	9,015	1,907	1,858	12,780	3,375	10	29	3,414
2028-2032	8,710	8,921	9,288	26,919	-	-	-	-
2033-2037	74,800	7,146	7,633	89,579	-	-	-	-
2038-2042	74,885	3,309	3,373	81,567	-	-	-	-
2043-2047	21,595	703	488	22,786	-	-	-	-
2048-2052	3,520	168	-	3,688	-	-	-	-
Total	\$ 197,140	\$ 29,944	\$ 30,072	\$ 257,156	\$ 15,855	\$ 347	\$ 993	\$ 17,195

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

15 REFUNDINGS OF LONG-TERM OBLIGATIONS

A. Current Year Refundings

During the year ended June 30, 2022, the State and several of its component units issued current refunding debt to defease long-term obligations 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, 2022 through January 1, 2052, at redemption prices of 100%. Current refunding debt issued during fiscal year 2022, was as follows:

Table 15-1 (amounts expressed in thousands)

	Par Value of Refunding Issue	Refunding Issue Interest Rates	Par Value of Bonds Refunded	Interest Rates of Bonds Refunded	Debt Service (Increased/ Reduced by Refunding	Refunding Economic Gain/ (Loss)	Accounting Gain/(Loss)
Primary Government							
Governmental Activities							
General Obligation Bonds: June 2022-B	\$ 713,375	5.00%	\$ 725,320	4.00% to 5.00%	\$ 30,030	\$ 21,910	\$ 13,210
Special Obligation Bonds: September 2021-C	\$ 142,745	0.463% to 3.259%	\$ 187,500	3.75% to 5.00%	\$ 72,943	\$ 45,611	\$ 1,936
Major Component Units							
Revenue Bonds							
Illinois Housing Development Authority Revenue Bond 2021-B	\$ 44,805	0.10% to 3.00%	\$ 44,805	0.10% to 4.50%	\$ -	\$ -	\$ -
Multi-Family Revenue Bond 2022-C	\$ 23,570	Variable	\$ 23,570	3.01% to 3.50%	\$ 7,030	\$ 6,222	\$ -
University of Illinois Auxiliary Facilities System Revenue Bonds Series 2021-A	\$ 135,355	2.125% to 5.00%	\$ 132,985	3.00% to 5.50%	\$ 35,962	\$ 29,852	\$ 425

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), a component unit of the State. For the purposes of the plan, the component unit employees are considered employees of the State.

The Teachers’ Retirement System (TRS) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan with a “special funding situation” as described below. TRS provides coverage to personnel in positions that require a certification under the teacher certification law that are employed by public school districts in Illinois (excluding Chicago), special districts, and certain State agencies. There are 851 local school districts, 130 special districts, and 10 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 60 thousand active members have chosen this option, as of the measurement date, June 30, 2021.

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 the first full year of retirement.</p> <p>If the member retires before age 60 with a reduced retirement benefit, he/she will receive a 3% pension increase every January 1 after the member turns age 60 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>	<p>A member must have a minimum of 10 years of credited service and may retire at:</p> <ul style="list-style-type: none"> • Age 67, with 10 years of credited service. • Between ages 62-67 with 10 years of credited service (reduced 1/2 of 1% for each month under age 67). <p>The retirement benefit is based on final average compensation and credited service. For regular formula employees, final average compensation is the average of the 96 highest consecutive months of service within the last 120 months of service. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less.</p> <p>If the member retires at age 67 or older, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every year on January 1, following the first full year of retirement. The calendar year 2021 rate is \$116,740.</p> <p>If the member retires before age 67 with a reduced retirement benefit, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every January 1 after the member turns age 67 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>
Alternative Formula	Alternative Formula
<p>Members eligible for the alternative formula may retire at age 50 with 25 years of service credit, or at age 55 with 20 years of service credit.</p> <p>Final average compensation is figured one of three ways:</p> <ul style="list-style-type: none"> • The average of the highest 48 consecutive months 	<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</p>

<p>over the last 120 months of service (for members in service prior to January 1, 1998).</p> <ul style="list-style-type: none"> • 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>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 2021 rate is \$116,740.</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>
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SERS also provides occupational and nonoccupational (including temporary) disability benefits. To be eligible for nonoccupational (including temporary) disability benefits, an employee must have at least 18 months of credited service with the System. The nonoccupational (including temporary) disability benefit is equal to 50% of the monthly rate of compensation of the employee on the date of removal from the payroll. Occupational disability benefits are provided when the member becomes disabled as a direct result of injuries or diseases arising out of and in the course of State employment. The monthly benefit is equal to 75% of the monthly rate of compensation on the date of removal from the payroll. This benefit amount is reduced by Workers' Compensation or payments under the Occupational Diseases Act.

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

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

SURS provides retirement benefits based on the applicable final salary under the defined benefit plan. Members under Tier 1 have vested rights to full retirement benefits at age 62 with at least 5 years of credited service, age 60 with at least 8 years of credited service, or at any age with at least 30 years of credited service. The retirement benefit is based on the final average salary, which for Tier 1 is the average salary for the highest 4 consecutive years of creditable service or the average salary for the last 48 months prior to termination. The retirement benefit formula to calculate the retirement annuity for general employees is 2.2% of the Tier 1 final average salary up to a maximum of 80%. Annual automatic increases of 3% of the current amount of retirement annuity are provided. Members under Tier 2 have vested rights to full retirement benefits at age 67 with 10 years of credited service. The retirement benefit is based on the final average salary, which for Tier 2 is the average salary for the highest 8 consecutive years within the last 10 years of credited service. The retirement benefit formula to calculate the retirement annuity for general

employees is 2.2% of the Tier 2 final average salary up to a maximum of 80%. Annual automatic increases equal to the lesser of 3% or one-half of the Consumer Price Index are provided to Tier 2 retirees.

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

As of the measurement date June 30, 2021, the following employees were covered by the defined benefit terms of each system, respectively:

	GARS	JRS	SERS	TRS	SURS
Inactive employees (and their beneficiaries) receiving benefits	430	1,269	74,907	127,518	70,111
Inactive employees entitled to but not yet receiving benefits	51	12	3,825	145,769	60,397
Active employees	122	944	62,253	159,027	86,135
Total	603	2,225	140,985	432,314	216,643

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

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

Funding policy and contributions. Member contributions are based on fixed percentages set by statute. The State’s funding requirements have been established by statute (Public Act 88-593) effective July 1, 1995 and provide for a systematic 50-year funding plan with an ultimate goal to achieve “90% funding” of the systems’ liabilities. In addition, the funding plan provided for a 15-year phase-in period to allow the State to adapt to the increased financial commitment. Since the 15-year phase-in period ended June 30, 2010, the State’s contribution will remain at a level percentage of payroll for the next 35 years until the 90% funded level is achieved. However, Public Act 94-0004 decreased the required funding levels for fiscal years 2006 and 2007 to \$938.400 million and \$1.375 billion, respectively, and required the State’s contribution to increase in equal annual increments from fiscal years 2008 to 2010, so that by fiscal year 2011, the State would be contributing at the rate otherwise required by State law. Pursuant to Public Act 93-0002, the State issued general obligation bonds, the proceeds of which were used to fund \$300 million of the State’s fiscal year 2003 required annual statutory contribution and \$1.860 billion of the State’s fiscal year 2004 required annual statutory contribution, as well as to contribute \$7.317 billion to the retirement systems in fiscal year 2004 to fund a portion of the

State’s unfunded liability. In fiscal year 2010, pursuant to Public Act 96-0043, the State made contributions from general obligation bond proceeds of \$3.452 billion to the retirement systems to fund a portion of the State’s required annual statutory contribution. In fiscal year 2011, pursuant to Public Act 96-1497, the State made contributions from general obligation bond proceeds of \$3.684 billion to the retirement systems to fund a portion of the State’s required annual statutory contribution. In fiscal year 2018, pursuant to Public Act 100-0023, the State’s funding policy was modified to include smoothing State contribution rate increases or decreases due to changes in actuarial assumptions, including investment return assumptions, over a five-year period in equal annual amounts beginning in fiscal year 2018. In addition, changes in actuarial or investment assumptions that increased or decreased the State contribution rate in fiscal years 2014 through 2017 are to be smoothed over a five-year period in equal annual amounts, applying only to the portion of the five-year phase-in that is applicable to fiscal years on and after 2018. Public Act 100-0587 created two new buyout provisions for members: an inactive vested buyout and an automatic annual increase buyout, which were scheduled to exist until June 30, 2021. Public Act 101-0010 extended both buyout programs to fiscal year 2024. These programs allow certain members eligible for a pension to elect an accelerated present value payment based on a percentage of future benefits payable in exchange for giving up those future benefits. The accelerated payment is financed through the sale of bonds. The remaining pension obligation bond proceeds that fund the buyouts are limited to \$1 billion for all participating systems and the programs are assumed to end when the buyouts reach this amount. The State met its funding requirement established by *statutory law* for the fiscal year ended June 30, 2022. 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, 2022, 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%	\$ 27,820
JRS	11.00%	\$ 152,422
SERS	4.00% - 12.50%	\$ 2,597,603
TRS	9.00%	\$ 5,693,976
SURS	8.00% - 9.50%	\$ 2,101,279

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 2022, this amount was \$130,166. 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 2022, this amount was \$119,892.

For TRS, employee contributions are fully refundable, without interest, upon withdrawal from applicable employment. For Tier 1 members, contributions are based on credible earnings. For Tier 2 members, annual compensation on which contributions are taken cannot exceed \$106,800. This amount increases annually by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2022, this amount was \$119,892.

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 2022, this amount was \$119,892.

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, 2022, was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the dates presented in Table 16-8.

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

Table 16-3 (amounts expressed in thousands)			
	GARS	JRS	SERS [^]
Total pension liability			
Service cost	\$ 2,730	\$ 48,073	\$ 844,736
Interest on total pension liability	23,604	179,915	3,369,337
Change of benefit terms	-	-	3,354
Differences between expected and actual experience	(315)	19,224	585,692
Assumption changes	2,677	42,844	1,002,207
Benefit payments	(26,064)	(172,642)	(2,853,549)
Refunds	(154)	(854)	(17,102)
Administrative expenses	(330)	(1,013)	(16,577)
Net change in total pension liability	2,148	115,547	2,918,098
Total pension liability - June 30, 2020	382,276	2,936,296	54,065,949
Total pension liability - June 30, 2021 (a)	\$ 384,424	\$ 3,051,843	\$ 56,984,047
Plan fiduciary net position			
Contributions - employer	\$ 27,299	\$ 148,625	\$ 2,478,210
Contributions - participant	1,238	14,600	280,584
Net investment income	14,810	278,836	4,814,490
Benefit payments	(26,064)	(172,642)	(2,853,549)
Refunds	(154)	(854)	(17,102)
Administrative expense	(330)	(1,013)	(16,577)
Net change in plan fiduciary net position	16,799	267,552	4,686,056
Plan fiduciary net position - June 30, 2020	63,012	1,112,885	19,197,271
Plan fiduciary net position - June 30, 2021 (b)	\$ 79,811	\$ 1,380,437	\$ 23,883,327
State's net pension liability - ending (a) - (b)	\$ 304,613	\$ 1,671,406	\$ 33,100,720
Plan fiduciary net position as a percentage of the total pension liability	20.76%	45.23%	41.91%
Covered-employee payroll	\$ 10,082	\$ 137,422	\$ 4,697,845
State's net pension liability as a percentage of covered payroll	3021.35%	1216.26%	704.59%

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

The primary government of the State reported a net pension liability at June 30, 2022, related to GARS and JRS totaling \$304.613 million and \$1.671 billion, respectively.

Related to SERS, the State reported a collective net pension liability of \$33.101 billion. Of this amount, \$32.246 billion is reported by the primary government, while \$854.495 million represent the liability of the THA.

TRS is an administrator of a cost-sharing multiple-employer defined benefit pension plan. As a nonemployer contributing entity, at June 30, 2022, the primary government reported a liability of \$77.091 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, 2021, the measurement date, the State’s proportionate share was 98.821% for the TRS plan, which was an increase of 0.0827% from its proportion measured as of the prior year measurement date of June 30, 2020.

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 \$4.219 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 2021. At June 30, 2021, the measurement date, the State’s proportionate share related to employer contributions was 0.005%, which was an increase of 5.326% from its proportion measured as of the prior year measurement date of June 30, 2020.

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, 2022, as a nonemployer contributing entity, the primary government reported a net pension liability of \$28.528 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, 2022, as follows:

Plan	Pension Expense
GARS	\$ 20,328
JRS	\$ 113,584
SERS [^]	\$ 2,196,148
TRS ^{^^}	\$ 5,521,028
SURS	\$ 2,342,460

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

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

At June 30, 2022, the State reported deferred outflows and deferred inflows of resources related to each plan, as of the measurement date of June 30, 2021, from the following sources:

	GARS		JRS		SERS ^A		TRS ^{AA}		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	\$ -	\$ 126	\$ 26,428	\$ -	\$ 519,335	\$ 28,863	\$ 442,262	\$ 317,867	\$ 113,468	\$ -
Changes of assumptions	1,074	-	45,021	11,684	1,288,483	37,651	34,161	380,974	776,968	-
Net difference between projected and actual investment earnings on pension plan investments	-	7,600	-	152,558	-	2,551,354	-	5,171,326	-	2,283,515
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	-	-	-	489,545	14,300	-	-
State contributions subsequent to the measurement date	28,500	-	155,993	-	2,665,685	-	5,695,175	-	2,159,418	-
Total	\$ 29,574	\$ 7,726	\$ 227,442	\$ 164,242	\$ 4,473,503	\$ 2,617,868	\$ 6,661,143	\$ 5,884,467	\$ 3,049,854	\$ 2,283,515

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

^{AA} 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:

	Primary Government		THA		Total SERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 505,928	\$ 28,118	\$ 13,407	\$ 745	\$ 519,335	\$ 28,863
Changes of assumptions	1,255,221	36,679	33,262	972	1,288,483	37,651
Net difference between projected and actual investment earnings on pension plan investments	-	2,485,491	-	65,863	-	2,551,354
Changes in proportion and differences between employer contributions and proportionate share of contributions	(6,492)	(14,277)	6,492	14,277	-	-
State contributions subsequent to the measurement date	2,600,573	-	65,112 ^A	-	2,665,685	-
Total	\$ 4,355,230	\$ 2,536,011	\$ 118,273	\$ 81,857	\$ 4,473,503	\$ 2,617,868

^A THA reported \$32,133 of contributions subsequent to the measurement date as of December 31, 2021, 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, 2021, 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 \$615 thousand, \$1.486 million, \$2.921 million, and \$42.074 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, 2023. 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
2023	\$ (865)	\$ (17,741)	\$ (81,868)	\$ (856,897)	\$ 34,095
2024	(1,792)	(15,155)	(22,130)	(847,291)	(197,006)
2025	(1,865)	(20,728)	(181,307)	(1,228,530)	(538,343)
2026	(2,130)	(39,169)	(524,745)	(1,939,614)	(691,825)
2027	-	-	-	(46,167)	-
Total	<u>\$ (6,652)</u>	<u>\$ (92,793)</u>	<u>\$ (810,050)</u>	<u>\$ (4,918,499)</u>	<u>\$ (1,393,079)</u>

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

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

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

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

Table 16-8

	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>	<u>TRS</u>	<u>SURS</u>
Valuation date	6/30/2021	6/30/2021	6/30/2021	6/30/2021*	6/30/2021*
Measurement date	6/30/2021	6/30/2021	6/30/2021	6/30/2021	6/30/2021
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial assumptions:					
Investment rate of return	6.50%	6.50%	6.75%	7.00%	6.50%
Projected salary increases**	2.50%	2.50%	2.75% - 7.17%	3.50% - 8.50%	3.25% - 12.25%
Inflation rate	2.25%	2.25%	2.25%	2.25%	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	1.125% 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 2017 - June 2020	July 2017 - June 2020
Mortality ^{^^^}					
GARS	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				
JRS	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				
SERS	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				
TRS	Pub-2010 adjusted for TRS experience for future mortality improvements on a fully generational basis using projection table MP-2020				
SURS	Rates based on Pub-2010 Healthy Retiree Mortality tables and the most recent MP-2020 projection scale. Teachers table was used for Academic members and General Employees table was used for Non-Academic members				

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:

	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>	<u>TRS</u>	<u>SURS</u>
Investment rate of return					6.75%
Projected salary increases**				4.50% - 9.50%	
Inflation rate				2.50%	
Postretirement benefit increases					
Tier 2				1.25% not compounded	
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

* The total pension liability presented in the June 30, 2021, actuarial valuation is based on census data as of June 30, 2020, rolled-forward to the measurement date.

** Includes inflation rate listed.

[^] Consumer Price Index

^{^^} The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined. The TRS Board of Trustees adopted a slight reduction in the utilization assumption in 2019 for the automatic annual increase buyout provision and extended the assumed buyout period to 6/30/2022 in connection with the expectation that the funds available for the buyouts are limited to \$650 million. However, the investment return assumption of 7.0 percent did not change.

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

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, 2021, 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%	5.30%
Emerging Market Equity	8%	6.50%
Private Equity	7%	6.80%
Intermediate Investment Grade Bonds	14%	0.40%
Long-term Government Bonds	4%	0.60%
TIPS	4%	0.30%
High Yield and Bank Loans	5%	2.50%
Opportunistic Debt	8%	4.30%
Emerging Market Debt	2%	2.20%
Real Estate	10%	5.60%
Infrastructure	2%	6.50%
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, 2021, that were used by the actuary are summarized in the following table:

Table 16-10

Asset Class	TRS	
	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities Large Cap	17%	6.20%
U.S. Equities Small/Mid Cap	2%	7.40%
International Equities Developed	11%	6.90%
Emerging Market Equities	4%	9.20%
U.S. Bonds Core	3%	1.60%
International Debt Developed	1%	0.40%
Emerging International Debt	4%	4.40%
Cash Equivalents	2%	0.10%
TIPS	1%	0.80%
Real Estate	16%	5.80%
Hedge Funds	10%	3.90%
Infrastructure	4%	6.30%
Private Equity	15%	10.40%
Private Debt	10%	6.50%
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, 2021, the measurement date, the best estimate of the expected arithmetic real rate of return is summarized in the following table:

Table 16-11

Asset Class	SURS	
	Strategic Policy Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	41%	6.30%
Credit Fixed Income	14%	1.82%
Core Real Assets	5%	3.92%
Options Strategies	6%	4.20%
Private Equity	8%	10.45%
Non-Core Real Assets	2%	8.83%
U.S. TIPS	6%	-0.22%
Core Fixed Income	8%	-0.81%
Systematic Trend Following	4%	3.45%
Alternative Risk Premia	3%	2.30%
Long Duration	3%	0.91%
Total	100%	4.43%
Inflation		2.25%
Expected Arithmetic Normal Return		6.68%

Discount rate. The discount rate used to measure the total pension liability for each system as calculated using the June 30, 2021 and June 30, 2020 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 1.92% based on an index of 20 year general obligation bonds with an average AA credit rating as published by the Federal

Reserve. The projection of cash flows used to determine the discount rates assumed that contributions will be made based on the statutorily required rates under Illinois law for each of the plans. Based on these assumptions, it has been determined that the fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2074, 2064, 2076, and 2075 for GARS, JRS, SERS, and SURS, respectively. As a result, the long-term expected rate of return on pension plan investments has been applied through the respective year for each plan, at which time the municipal bond rate has been applied to all remaining benefit payments. For TRS, the discount rate used to measure the total pension liability was 7.00%. This single blended discount rate was based on the expected rate of pension plan investments of 7.00% and a municipal bond rate, based on an index of 20 year general obligation bonds published by The Bond Buyer, as of the current fiscal year. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates. Based on these assumptions, the pension plan’s fiduciary net position and future contributions was projected to be available to make all projected future benefit payments as of June 30, 2021. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021.

Table 16-12

Plan	Current Discount Rate (%)	Prior Discount Rate (%)	Change (%)
GARS	6.30%	6.37%	-0.07%
JRS	6.12%	6.26%	-0.14%
SERS	6.20%	6.35%	-0.15%
TRS	7.00%	7.00%	0.00%
SURS	6.12%	6.49%	-0.37%

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	6.30%	\$ 346,783	\$ 304,613	\$ 269,292
JRS	6.12%	\$ 2,008,388	\$ 1,671,406	\$ 1,385,701
SERS [^]	6.20%	\$ 40,844,637	\$ 33,100,720	\$ 26,745,195
TRS ^{^^}	7.00%	\$ 95,481,409	\$ 77,095,683	\$ 61,823,981
SURS	6.12%	\$ 35,000,704	\$ 28,528,477	\$ 23,155,086

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

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

Payables to the pension plan. At June 30, 2022, 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, 2022.

Table 16-14 (amounts expressed in thousands)

<u>Plan</u>	<u>Payable to pension plan</u>
GARS	\$ -
JRS	\$ -
SERS [^]	\$ 65,225
TRS ^{^^}	\$ 380
SURS	\$ -

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

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

Reconciliation of Net Pension Liability as summarized in Footnote 8.

Table 16-15 (amounts expressed in thousands)

	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>	<u>TRS</u>	<u>SURS</u>	<u>Total</u>
Primary Government:						
Governmental Activities	\$ 304,613	\$ 1,671,406	\$ 32,032,295	\$ 77,095,683	\$ 28,528,477	\$ 139,632,474
Business-type Activities:						
Water Revolving Fund	-	-	60,078	-	-	60,078
Nonmajor Enterprise Funds	-	-	153,852	-	-	153,852
Component Units:						
Toll Highway Authority	-	-	854,495	-	-	854,495
Net pension liability	\$ 304,613	\$ 1,671,406	\$ 33,100,720	\$ 77,095,683	\$ 28,528,477	\$ 140,700,899

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

17 POSTEMPLOYMENT BENEFITS

Plan description. The State Employees Group Insurance Act of 1971 (Act), as amended, authorizes the Illinois State Employees Group Insurance Program (SEGIP) to provide health, dental, vision, and life insurance benefits for certain retirees and their dependents. Substantially all State and university component unit employees become eligible for these other postemployment benefits (OPEB) if they eventually become annuitants of one of the State sponsored pension plans. This includes employees of State agencies as well as employees of Illinois Toll Highway Authority (THA) and the State's nine university component units. The State sponsored pension plans include the General Assembly Retirement System (GARS), Judges Retirement System (JRS), State Employees' Retirement System of Illinois (SERS), Teachers' Retirement System (TRS), and State Universities Retirement System of Illinois (SURS). The eligibility provisions for each of the retirement systems are defined within Note 16. Additionally, certain members covered under TRS for pension purposes are eligible for retiree healthcare benefits under the Teachers' Retirement Insurance Program (TRIP). Other TRS members eligible for coverage under SEGIP include: certified teachers employed by certain State agencies, executives employed by the Board of Education, regional superintendents, regional assistant superintendents, TRS employees, and members with certain reciprocal service.

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

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

Employees covered by benefit terms. As of the measurement date June 30, 2021, the following employees were covered by the defined benefit terms of the plan.

Inactive employees or beneficiaries currently receiving benefit payments	96,712
Inactive employees entitled to but not yet receiving benefit payments	25,523
Active employees	111,250
Total	233,485

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 2022, the annual cost of the basic program of group health, dental, and vision benefits before the State’s contribution was \$11,363.04 (\$6,290.40 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$13,619.28 (\$5,623.44 if Medicare eligible) if the annuitant chose other benefits.

Total OPEB liability, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB. The total OPEB liability, as reported at June 30, 2022, was measured as of June 30, 2021, with an actuarial valuation as of June 30, 2020. 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	\$ 1,320,596
Interest on the total OPEB liability	781,102
Difference between expected and actual experience	97,180
Changes of assumptions	(8,722,033)
Benefit payments	(931,573)
Net change in total OPEB liability	(7,454,728)
Total OPEB liability at June 30, 2020	42,366,626
Total OPEB liability at June 30, 2021	\$ 34,911,898
Covered-employee payroll	\$ 8,629,836
Total OPEB liability as a percentage of covered-employee payroll	404.55%
[^] Amounts represent the collective total OPEB liability for the State, including THA and the nine university component units.	

The State recognized a credit to collective total OPEB expense, including the primary government, THA, and the nine university component units, for the year ended June 30, 2022, of \$(1.020) billion.

At June 30, 2022, the primary government and its component units reported deferred outflows and deferred inflows of resources, as of the measurement date of June 30, 2021, from the following sources:

Table 17-3 (amounts expressed in thousands)			
	Primary Government	Component Units	Total SEGIP
Deferred outflows of resources			
Differences between expected and actual experience	\$ 241,413	\$ 13,597	\$ 255,010
Changes of assumptions	747,586	42,111	789,697
Changes in proportion and differences between employer contributions and proportionate share of contributions	(246,684)	246,684	-
State contributions subsequent to the measurement date	1,096,649	61,940	1,158,589
Total deferred outflows of resources	\$ 1,838,964	\$ 364,332	\$ 2,203,296
Deferred inflows of resources			
Differences between expected and actual experience	\$ 229,941	\$ 12,954	\$ 242,895
Changes of assumptions	9,095,913	512,364	9,608,277
Changes in proportion and differences between employer contributions and proportionate share of contributions	(116,587)	116,587	-
Total deferred inflows of resources	\$ 9,209,267	\$ 641,905	\$ 9,851,172

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

	Toll Highway Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Other Universities	Total Component Units
Deferred outflows of resources							
Differences between expected and actual experience	\$ 3,608	\$ 158	\$ 294	\$ 954	\$ 8,133	\$ 450	\$ 13,597
Changes of assumptions	11,173	490	912	2,955	25,186	1,395	42,111
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,905	2,818	6,076	28,020	185,279	7,586	246,684
Contributions subsequent to the measurement date	28,483 [^]	402	959	3,160	27,461	1,475	61,940
Total deferred outflows of resources	\$ 60,169	\$ 3,868	\$ 8,241	\$ 35,089	\$ 246,059	\$ 10,906	\$ 364,332
Deferred inflows of resources							
Differences between expected and actual experience	\$ 3,437	\$ 151	\$ 280	\$ 909	\$ 7,747	\$ 430	\$ 12,954
Changes of assumptions	135,946	5,958	11,091	35,958	306,438	16,973	512,364
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,287	2,502	1,187	12,536	74,660	9,415	116,587
Total deferred inflows of resources	\$ 155,670	\$ 8,611	\$ 12,558	\$ 49,403	\$ 388,845	\$ 26,818	\$ 641,905

[^] THA reported \$27.101 million of contributions subsequent to the measurement date as of December 31, 2021, 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, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2023	\$ (2,646,898)
2024	(1,918,349)
2025	(2,190,592)
2026	(1,738,168)
2027	(312,458)
Total	\$ (8,806,465)

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

Actuarial methods and assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation for the SEGIP was based on GARS, JRS, SERS, TRS, and SURS active, inactive, and retiree data as of June 30, 2020, for eligible SEGIP employees, and SEGIP retiree data as of June 30, 2020.

Table 17-6	
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial assumptions:	
Inflation Rate	2.25%
Projected Salary Increases*	2.50% - 12.25%
Healthcare Cost Trend Rate:	
Medical and Rx (Pre-Medicare)	1.80% grading up 6.20% in the first year to 8.00%, then grading down 0.25% per year to an ultimate trend of 4.25% in year 2038. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Medical and Rx (Post-Medicare)	-7.56% grading up 15.56% in the first year to 8.00%, then grading down 0.25% per year to an ultimate trend of 4.25% in year 2038.
Dental and Vision	3.75% grading up 0.25% in the first year to 4.00% through 2038.
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 2021 and 2022 are based on actual premiums. Premiums after 2022 were projected based on the same healthcare cost trend rates applied to per capita claim costs.
<p>Note: the above actuarial assumptions were used to calculate the OPEB liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the OPEB liability as of the prior year measurement date except for the following:</p>	
Healthcare Cost Trend Rate:	
Medical and Rx (Pre-Medicare & Post-Medicare)	8.25% grading down 0.25% per year over 16 years to an ultimate trend of 4.25% in year 2037. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Dental and Vision	4.00% grading up 0.25% in the first year to 4.25% through 2037.
* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed.	

Additionally, the demographic assumptions used in this OPEB valuation are identical to those used in the June 30, 2020, valuations for GARS, JRS, SERS, TRS, and SURS as follows:

Table 17-7

	Retirement age experience study [^]	Mortality ^{^^}
GARS	July 2015 - June 2018	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
JRS	July 2015 - June 2018	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
SERS	July 2015 - June 2018	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
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 district, 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.

^{^^} 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 2.45% at June 30, 2020, and 1.92% at June 30, 2021, 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 1.92%, 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 (2.92%) or lower (0.92%) than the current rate:

Table 17-8 (amounts expressed in thousands)

	1% Decrease (0.92%)	Current Single Discount Rate Assumption (1.92%)	1% Increase (2.92%)
Total OPEB liability [^]	\$ 41,230,694	\$ 34,911,898	\$ 29,912,398

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

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate. The following presents the plan's total OPEB liability, calculated using the healthcare cost trend rates as well as what the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

Table 17-9 (amounts expressed in thousands)

	1% Decrease*	Current Healthcare Cost Trend Rates Assumption	1% Increase**
Total OPEB liability^	\$ 29,132,886	\$ 34,911,898	\$ 42,558,974

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

* One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate trend rate of 3.25% in 2038.

** One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.

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, 2021, 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, 2021, 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, 2021, the following employees were covered by the defined benefit terms of each program, respectively:

	TRIP	CIP
Inactive employees or beneficiaries currently receiving benefit payments	65,935	6,708
Inactive employees entitled to but not yet receiving benefit payments	37,596	6,214
Active employees	157,123	19,790
Total	260,654	32,712

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 2022, active members contributed 0.90% of pay, and school districts contributed an amount equal to 0.67% of each teacher’s salary. The Department of Central Management Services determines, by rule, the percentage required, which each year, shall not exceed 105% of the percentage of salary required to be paid in the previous fiscal year. In addition, the State Employees Group Insurance Act of 1971 requires the State contribute 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 \$106.576 million for fiscal year 2022.

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 2022, 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 \$4.715 million for fiscal year 2022.

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, 2022, the State reported a liability of \$12.693 billion for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2021, the State's proportion was 57.553%, based on its contribution requirement. This is an increase of 0.035% from its proportionate share measured as of the prior year measurement date of June 30, 2020.

CIP is also a cost-sharing multiple-employer defined benefit plan with a special funding situation. At June 30, 2022, the State reported a liability of \$867.766 million for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2021, 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, 2020.

As a result of the State's contribution requirements for the plans, the State recognized OPEB expense for the year ended June 30, 2022, as follows:

Plan	OPEB Expense
TRIP	\$ (175,666)
CIP	\$ (7,164)

At June 30, 2022, 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	\$ -	\$ 593,783	\$ 5,492	\$ 63,423
Changes of assumptions	4,382	4,753,118	-	165,771
Net difference between projected and actual investment earnings on OPEB plan investments	200	244	-	25
Changes in proportion and differences between employer contributions and share of contributions.	121,534	124,665	2,168	5,331
State contributions subsequent to the measurement date	106,576	-	4,715	-
Total	\$ 232,692	\$ 5,471,810	\$ 12,375	\$ 234,550

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, 2023. Other amounts reported as deferred outflows and deferred inflows of resources for TRIP and CIP as a result of the State's requirement to contribute to the plans will be recognized in expense as follows:

Table 17-13 (amounts expressed in thousands)

Year ended June 30,	TRIP	CIP
2023	\$ (1,022,344)	\$ (77,261)
2024	(1,022,259)	(57,200)
2025	(863,399)	(46,592)
2026	(646,843)	(31,777)
2027	(603,246)	(14,060)
Thereafter	(1,187,603)	-
Total	<u>\$ (5,345,694)</u>	<u>\$ (226,890)</u>

Actuarial methods and assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation of TRIP was based on TRS active, inactive, and retiree data as of June 30, 2020, and TRIP retiree data as of June 30, 2020, while the actuarial valuation of CIP was based on SURS active, inactive, and retiree data as of June 30, 2020, for eligible community college members, and CIP retiree data as of June 30, 2020.

Table 17-14	TRIP	CIP
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Inflation Rate	2.50%	2.25%
Projected Salary Increases*	4.0% - 9.50%	3.25% - 12.25%
Investment Rate of Return	2.75%	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)	1.53% grading up 6.47% in the first year to 8.00%, then grading down 0.25% per year to an ultimate trend of 4.25% in year 2038.	3.16% grading up 4.84% in the first year to 8.00%, then grading down 0.25% per year to an ultimate trend of 4.25% in year 2038.
Medical and Rx (Post-Medicare)	2.16% grading up 5.84% in the first year to 8.00%, then grading down 0.25% per year to an ultimate trend of 4.25% in year 2038.	3.59% grading up 4.41% in the first year to 8.00%, then grading down 0.25% per year to an ultimate trend of 4.25% in year 2038.
Retiree Premium	4.7% grading up 0.3% in the first year then grading down 0.25% in year 14 over 3 years to 4.25% in 2038.	0% grading up 5.00% in the first year then grading down 0.25% in year 14 over 3 years to 4.25% in 2038.
Dental and Vision	n/a	3.75% grading up 0.25% in the first year to 4.00% through 2038.
<p>Note: the above actuarial assumptions were used to calculate the OPEB liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the OPEB liability as of the prior year measurement date except for the following:</p>		
Investment Rate of Return	0.00%	
Healthcare Cost Trend Rate:		
Medical and Rx (Pre-Medicare & Post-Medicare)	8.25% grading down 0.25% per year over 16 years to an ultimate trend of 4.25% in year 2037. There is no additional trend rate adjustment due to the repeal of the Excise Tax.	8.25% grading down 0.25% per year over 16 years to an ultimate trend of 4.25% in year 2037. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Retiree Premium	5.00% grading down 0.25% in year 14 over 3 years to 4.25% in 2037.	5.00% grading down 0.25% in year 14 over 3 years to 4.25% in 2037.
Dental and Vision		4.00% grading up 0.25% in the first year to 4.25% through 2037.
<p>* 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.</p>		

As of the measurement date of June 30, 2021, the THISF and CCHISF earned \$51 thousand and \$5 thousand in interest, respectively. The market value of assets for TRIP was \$313.2 million while the market value of assets for CIP was negative primarily due to a significant payable in the plan. The long-term rate of return assumption was 2.75% for TRIP. The significant benefit payable, the low and negative asset values, and the pay-as-you-go funding policy resulted in a long-term expected rate of return assumption of zero for CIP.

Discount rate. Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 2.45% at June 30, 2020, and 1.92% at June 30, 2021, 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 1.92%, 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 (0.92%) or higher (2.92%) than the current rate is shown below:

Table 17-15 (amounts expressed in thousands)

Plan	1% Decrease (0.92%)	Current Single Discount Rate Assumption (1.92%)	1% Increase (2.92%)
TRIP	\$ 15,248,548	\$ 12,693,431	\$ 10,668,153
CIP	\$ 988,641	\$ 867,766	\$ 763,380

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 are shown below. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% for TRIP and CIP in 2038.

Table 17-16 (amounts expressed in thousands)

Plan	1% Decrease*	Current Healthcare Cost Trend Rates Assumption	1% Increase**
TRIP	\$ 10,161,731	\$ 12,693,431	\$ 16,132,559
CIP	\$ 715,026	\$ 867,766	\$ 1,072,331

* One percentage point decrease in healthcare trend rates are 7.00% in 2023, for both plans, decreasing to an ultimate trend rate of 3.25% for TRIP and CIP in 2038.

** One percentage point increase in healthcare trend rates are 9.00% in 2023, for both plans, decreasing to an ultimate trend rate of 5.25% for TRIP and CIP in 2038.

Reconciliation of Total OPEB liability as summarized in Footnote 8.

Table 17-17 (amounts expressed in thousands)				
	SEGIP	TRIP	CIP	Total
Primary Government:				
Governmental Activities	\$ 32,941,310	\$ 12,693,431	\$ 867,766	\$ 46,502,507
Business-type Activities:				
Water Revolving Fund	31,681	-	-	31,681
Nonmajor Enterprise Funds	77,220	-	-	77,220
Component Units:				
Toll Highway Authority	493,964	-	-	493,964
Other Authorities*	-	-	-	-
Illinois State University	21,649	-	-	21,649
Northern Illinois University	40,299	-	-	40,299
Southern Illinois University	130,653	-	-	130,653
University of Illinois	1,113,449	-	-	1,113,449
Other Universities*	61,672	-	-	61,672
Total OPEB liability	\$ 34,911,897	\$ 12,693,431	\$ 867,766	\$ 48,473,094

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

18 FAIR VALUE MEASUREMENTS

The State categorizes the fair value measurement of its investments held within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

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

Investments held by the State Treasurer are recorded at fair market value, with the exception of U.S. Treasury bills, U.S. Agency discount notes, supranational bond 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 and U.S. Agency discount notes 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, 2022. 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	\$ 1,844,985	\$ 1,844,985
U.S. Agency obligations	986,067	986,067
Supranational bonds	81,141	81,141
Municipal debt	174,752	174,752
Corporate debt securities	1,583,151	1,583,151
Equity in other investment pools	1	1
Total investments by fair value level	4,670,097	<u>\$ 4,670,097</u>
Investments measured at the net asset value (NAV)		
Private equity (1)	<u>500,039</u>	
Total investments measured at the NAV	500,039	
Investments measured at amortized cost		
U.S. Treasury bills	2,097,093	
U.S. Agency discount notes	199,514	
Supranational bonds	99,733	
Commercial paper	4,284,209	
Money market mutual funds	7,719,372	
Repurchase agreements	2,991,716	
Securities lending collateral invested in repurchase agreements	4,061,656	
Illinois Public Treasurers' Investment Pool	<u>8,760,559</u>	
Total investments measured at amortized cost	<u>30,213,852</u>	
Total investments	<u>\$ 35,383,988</u>	

- (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 January 4, 2025, for ITD I and October 5, 2033, 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, 2022, there are unfunded commitments of \$178.689 million.

Primary government investments held outside of the State Treasury at June 30, 2022, except for investments held by the Illinois State Board of Investments (ISBI), Teachers' Retirement System (TRS), and State Universities Retirement System (SURS), are measured at fair value. Short-term investments consisting of negotiable certificates of deposit are reported at fair value. These

investments are measured at quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices. These investments are categorized as Level 2 of the fair value hierarchy.

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

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

The following table summarizes investments and derivative instruments held outside of the State Treasury at June 30, 2022, 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)
Investments by fair value level			
Negotiable certificates of deposit	\$ 5,537	\$ -	\$ 5,537
Nonnegotiable certificates of deposit	994	994	-
U.S. Treasury obligations	1,030,626	708,098	322,528
U.S. Agency obligations	26,799	-	26,799
Municipal debt	100,809	2,144	98,665
Corporate debt securities	38,096	-	38,096
Debt mutual funds	5,664,481	5,664,481	-
Government notes - non U.S.	1,644	1,496	148
Money market mutual funds	1,424,269	1,424,269	-
Equity securities	116,354	116,354	-
Equity mutual funds	8,615,168	8,615,168	-
Blended mutual funds	2,186	2,186	-
Bond trust funds	47,472	-	47,472
Other	28,639	-	28,639
Total investments by fair value level	17,103,074	\$ 16,535,190	\$ 567,884
Investments measured at the net asset value (NAV)			
Real estate investment trust (1)	20,190		
Real estate (2)	40,154		
Infrastructure (3)	25,899		
Absolute return (4)	4,434		
High yield fund (5)	22,540		
Private equity (6)	1,709		
International equity (7)	38,924		
Total investments measured at the NAV	153,850		
Investments measured at amortized cost			
Cash and pending trades	(83)		
Money market mutual funds	1,271		
Equity in Public Treasurers' Investment Pool	6,940,950		
Total investments measured at amortized cost	6,942,138		
Equity in State Universities Retirement System	14,848		
Equity in Illinois State Board of Investments*	41,520		
Total investments	\$ 24,255,430		

* Total investments of Illinois State Board of Investments are \$23,140,651. The fair value measurement for these investments is displayed in Table 18-3.

- (1) **Real estate investment trust:** The investment manager for the real estate investment trust 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 30 days' notice. A liquidating account may be used during period of market stress to provide orderly liquidation.
- (2) **Real estate funds:** This type includes one real estate fund that invests primarily in U.S. commercial and residential real estate. Lyrical Antheus Realty Partners, III, LP recognizes the partners' capital at cost basis on their financial statements, which has been adjusted to reflect the investment on a fair value basis. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the fund will be liquidated over the next five years with 15% within fiscal year 2023.
- (3) **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 four years with 80% to 15% (varies by investment manager) within fiscal year 2023. There are unfunded commitments of \$6.164 million between these two funds.
- (4) **Absolute return fund:** The fund includes one absolute return funds of funds. This fund targets consistent, positive absolute returns with minimal beta to major equity and fixed income 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. The fund may be redeemed annually within 30 days of March 31 for class ER4 or September 30 for class ER5, with 65 days' notice. Quarterly liquidity is available for a fee. There is a fund level gate threshold of 25% of fund assets. The fund will withhold a percentage pending the completion of the annual audit. The fund is in the process of liquidating. Twenty-three million was liquidated in fiscal year 2022 with the remainder expected in fiscal year 2023.
 - (5) **High yield fund:** This fund seeks income and gains through trading and investing in securities. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Ninety percent of liquid securities are available within 30 days of quarter end with 60 days' notice prior to quarter end. Up to 25% of the fund may be invested in illiquid securities. Ten percent of any withdrawal may be held until 30 days following the annual audit. As of June 30, 2022, \$17 thousand was held in a liquidating account related to prior redemptions.
 - (6) **Private equity:** This type includes one private equity fund which invests in a diversified portfolio of private equity limited partnerships purchased in the secondary market. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the funds will be liquidated over the next three years with 25% within fiscal year 2023. 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.

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 and municipal bonds are valued by using quoted prices for similar securities in active markets. The fair value of bank loans is determined by using 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 often 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, 2022. 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	\$ 445,961	\$ -	\$ 445,961	\$ -
U.S. Agency obligations	242	242	-	-
Corporate obligations	288,961	5,517	268,101	15,343
Common stock and equity funds	4,011,633	4,000,800	-	10,833
Foreign obligations	1,974	1,100	-	874
Foreign equity securities	253,767	253,509	-	258
Bank loans	142,598	6,276	122,459	13,863
Commingled funds	9,423,826	9,423,826	-	-
Total investments by fair value level	14,568,962	\$ 13,691,270	\$ 836,521	\$ 41,171
Investments measured at the net asset value (NAV)				
Commingled funds (1)	1,658,924			
Real estate (2)	2,853,235			
Private equity (3)	2,059,446			
Private credit funds (4)	1,384,144			
Infrastructure funds (5)	447,873			
Hedge funds (6)	558			
Total investments measured at the NAV	8,404,180			
Investments measured at amortized cost				
Money market instruments	167,509			
Total investments measured at amortized cost	167,509			
Total investments	\$ 23,140,651			

- (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 35 domestic and international public equity (34) and fixed income (1) funds. Sixteen of these funds are domestic and 19 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, 2022. It is not probable that any investment will be sold at an amount different from the NAV per share (or its

- equivalent) of the plan's ownership interest. This category also includes \$5.0 million of cash contributed to alternative investment managers prior to June 30 that is being held for a pending new investment subscription to be invested in an international equity commingled fund on July 1, 2022.
- (2) **Real estate:** ISBI's assets in this category consist of investments in Core and Non-Core Real Estate Fund categories. ISBI's current Real Estate exposure consists of investments in 71 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, 2022. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$692.1 million at June 30, 2022.
- (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 107 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, 2022. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$1.258 billion at June 30, 2022.
- (4) **Private credit funds:** ISBI's assets in this category consist of investments in private fixed income markets. ISBI's current Private Credit exposure consists of investments in 82 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, 2022. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$1.201 billion at June 30, 2022.
- (5) **Infrastructure funds:** ISBI's assets in this category consist of investments in funds that target infrastructure assets that provide essential services or facilities to a community (ports, bridges, toll roads, etc.). ISBI's current infrastructure exposure consists of investments in 19 funds that seek to diversify ISBI's overall portfolio (comprised predominantly of equity and fixed income assets) and provide capital appreciation and income generation through both open-end and closed-end structures. Investments in this category are globally diversified and consist of Core and Non-Core assets. Core assets are expected to provide strong diversification through primary markets and high-income potential. Non-core assets are typically higher risk assets with stronger capital appreciation. The fair value of these investments is based on audited financial statements

of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2022. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$253.0 million at June 30, 2022.

- (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 two 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 investment will be sold at an amount different from the 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, 2022:

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	\$ 852,635	\$ -	\$ 852,635	\$ -
U.S. Agency obligations	95,298	-	95,298	-
Corporate debt securities	4,272,569	-	4,272,569	-
Foreign debt securities	725,481	-	725,481	-
Fixed income mutual funds	2,157,461	-	550,275	1,607,186
International common and preferred stock	9,106,048	9,086,555	19,493	-
U.S. equities	10,954,768	10,954,661	107	-
Municipal obligations	3,655	-	3,655	-
Real estate	5,721,952	-	-	5,721,952
Securities lending collateral	2,162,401	324,359	1,838,042	-
Total investments by fair value level	36,052,268	\$ 20,365,575	\$ 8,357,555	\$ 7,329,138
Investment derivative instruments by fair value level				
Credit default swaps	1,111	\$ -	\$ 1,111	\$ -
Index and variance swaps	(3,052)	-	(3,052)	-
Inflation rate and inflation swaps	(3,315)	-	(3,315)	-
Options/swaptions	372	-	372	-
Total investment derivative instruments by fair value level	(4,884)	\$ -	\$ (4,884)	\$ -
Investments measured at the net asset value (NAV)				
Diversifying strategies (1) (2)	4,447,347			
Commingled fixed income funds (3)	622,738			
Private debt partnerships (4)	5,685,029			
Private equity partnerships (5)	10,195,515			
Private real estate partnerships (5)	5,477,979			
Real asset partnerships (6)	1,158,005			
Total investments measured at the NAV	27,586,613			
Investments measured at amortized cost				
Short-term investments	959,098			
Total investments measured at amortized cost	959,098			
Total investments	\$ 64,593,095			

- (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. Three factor portfolio direct investments include trend/momentum exposures and alternative risk premia. One risk parity investment focuses on optimizing Chinese beta. The systematic and discretionary macro strategies include direct investment in five funds diversifying through regional and product expertise, speed of algorithms, and style of trading. Opportunistic funds, including six 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. Most strategies maintain a liquidity profile of less than one year, ranging from daily to quarterly, and require advance notice prior to redemption. As of June 30, 2022, there are unfunded commitments of \$83.8 million.
- (2) **Diversifying funds (illiquid strategies):** The diversifying strategies asset class also includes five 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 spans 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, 2022, there are unfunded commitments of \$174.9 million. TRS has no plans to liquidate as of June 30, 2022.
- (3) **Commingled fixed income funds:** The investment strategies for the four fixed income funds include ESG, high yield, defensive bond arbitrage, and global liquidity relative value. The fair value of the investments has been determined using the NAV per share (or its equivalent) of the investments. Liquidity is available monthly upon notice of redemption.
- (4) **Private debt partnerships:** Private debt funds consist of 66 funds investing across strategies such as stressed debt/credit, direct and specialty lending, real estate credit, and global multi-credit strategies. Six of these funds are custom partnerships investing in opportunistic investments. The private debt funds provide additional exposure to niche and/or specific nontraditional point-in-time opportunities that are not normally targeted by traditional fixed income managers. Funds are valued using the NAV per share (or its equivalent) and are audited annually. Redemption restrictions are in place over the life of the partnership. The average life of these funds spans 3 to 12 years and distributions are received throughout the life of the funds. The custom partnerships allow TRS to liquidate upon giving advanced notice. TRS has no plans to liquidate as of June 30, 2022, and TRS did not sell any funds on the secondary market. As of June 30, 2022, it is probable that all investments in this type will be sold at an amount difference from the current NAV per share (or its equivalent) of the plan's ownership interest. As of June 30, 2022, there are unfunded commitments of \$3.9 billion.
- (5) **Private equity and real estate partnerships:** TRS has 218 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 66 real estate limited partnerships invest in various property types across multiple geographic regions. Investments in limited partnerships are normally long-term with an approximate life of 10 to 15 years and considered illiquid. Investors are subject to redemption restrictions which limit and restrict the ability of limited partners to exit prior to dissolution. Partnership interests are valued using their respective NAV per share (or its equivalent) calculated by the general partner's fair valuation policy and are generally audited annually. The most significant element of NAV per share (or its equivalent) is the fair value of the investment holdings which are typically valued on a quarterly basis by the general partners. Distributions are received as the funds sell underlying portfolio company investments. TRS has no plans on liquidating the portfolio; however, TRS will opportunistically sell funds in the secondary market to reposition the portfolio and optimize returns. During the fiscal year, TRS sold full or partial interest in nine private equity funds on the secondary market. As of June 30, 2022, 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, 2022, there are unfunded commitments of \$8.4 billion.
- (6) **Real assets partnerships:** Real assets strategies include 11 limited partnerships investing in global infrastructure, direct energy, renewables, and non-U.S. agriculture. These partnerships are not eligible for redemption, considered illiquid, and have an approximate life of 6 to 20 years. Distributions are received during the life of the fund as underlying investments are liquidated. Partnership interests are valued by the general partner using their respective NAV per share (or its equivalent), with the most significant element of NAV per share (or its equivalent) being the fair value of the investment holdings. TRS has no plans to liquidate these funds, though two infrastructure funds were sold on the secondary market during the fiscal year. As of June 30, 2022, 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, 2022, there are unfunded commitments of \$627.8 million.

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

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

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

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, 2022. 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	\$ 3,042,019	\$ 3,042,019	\$ -	\$ -
U.S. Agency obligations	549,920	-	532,132	17,788
Municipal obligations	104,428	-	96,554	7,874
Corporate debt securities	1,526,183	-	1,464,256	61,927
Foreign obligations	173,134	-	170,061	3,073
U.S. equities	2,823,829	2,822,405	1,124	300
Foreign equity securities	1,677,907	1,672,476	-	5,431
Short-term securities and cash adjustments	7,732	7,732	-	-
Securities lending collateral	198,759	-	198,759	-
Total investments by fair value level	10,103,911	\$ 7,544,632	\$ 2,462,886	\$ 96,393
Investment derivative instruments by fair value level				
U.S. fixed income derivative instruments	(2,201)	\$ -	\$ (2,201)	\$ -
Foreign fixed income derivative instruments	(1,565)	-	(1,565)	-
U.S. equity derivative instruments	(714)	(822)	-	108
Total investment derivative instruments by fair value level	(4,480)	\$ (822)	\$ (3,766)	\$ 108
Investments measured at the net asset value (NAV)				
Commingled equity funds (1)	752,453			
Commingled foreign equity funds (1)	2,629,669			
Private real estate funds (2)	2,106,367			
Private equity funds (2)	2,805,170			
Diversifying strategy funds (3)	3,125,051			
Private credit funds (4)	267,171			
Total investments measured at the NAV	11,685,881			
Total investments subject to disclosure	21,785,312			
Less cash equivalents	(156,256)			
Less SURS Custodial Funds	(14,848)			
Total investments	\$ 21,614,208			

- (1) **Commingled funds:** One U.S. equity fund, four international equity funds, and three global equity funds 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 2-5 days.
- (2) **Private real estate and private equity funds:** The real asset investments are 40 core, value-add, and opportunistic real asset funds. The private equity funds are 118 limited partnership interests in equity or debt securities of privately held companies. Core open-end real asset funds generally provide liquidity possibilities through redemption opportunities. Real asset closed-end funds and private equity funds are not eligible for redemption. The private real estate funds eligible for redemption are eligible quarterly, with a 45-90 day redemption notice period. 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, 2022, 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 \$542.850 million and \$1.079 billion in unfunded commitments in the private real estate funds and private equity funds, respectively.
- (3) **Diversifying strategy funds:** This type of investment provides diversification benefits to the total portfolio and includes investments that show little to no correlation to traditional economic growth assets. The investments include allocations to both systematic trend following and alternative risk premia. Eight funds invest in a select

group of underlying managers that implement a number of different alternative investment strategies and invest in a variety of markets through limited partnerships, limited liability companies, and other investment entities. The funds are eligible for redemption daily, monthly, quarterly, semi-annually, and annually, with a 3-90 day redemption notice.

- (4) **Private credit funds:** This type of investment consists of limited partnerships. Strategies included in this portfolio are currently special situation, multi-strategy, specialty lending, and direct lending. The closed-end private credit partnerships have an approximate life of 5-10 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnerships, distributions are received as underlying partnership investments are realized. SURS has no plans to liquidate the total portfolio. As of June 30, 2022, 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 \$602.121 million in unfunded commitments in the private credit funds.

COMPONENT UNITS

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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

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

The following is a description of the valuation methods and assumptions used by IHDA to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2022. 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, 2022, 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	\$ 59,737	\$ 59,737	\$ -
U.S. Agency obligations	1,454,498	-	1,454,498
Municipal debt	8,441	-	8,441
Commercial paper	293,793	-	293,793
Total investments by fair value level	<u>1,816,469</u>	<u>\$ 59,737</u>	<u>\$ 1,756,732</u>
Investments measured at amortized cost			
Money market mutual funds	<u>977,064</u>		
Total investments measured at amortized cost	<u>977,064</u>		
Total investments	2,793,533		
Less cash equivalents	<u>(977,064)</u>		
Total investments	<u>\$ 1,816,469</u>		
Hedging derivative instruments by fair value level			
Interest rate swaps and caps	\$ 7,665	\$ -	\$ 7,665
Total hedging derivative instruments by fair value level	<u>\$ 7,665</u>	<u>\$ -</u>	<u>\$ 7,665</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, 2021 (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	\$ 400,000
Money market mutual funds	<u>553,398</u>
Total investments measured at amortized cost	<u>953,398</u>
Total investments	953,398
Less cash equivalents	<u>(553,398)</u>
Total investments	<u>\$ 400,000</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, 2022, 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	\$ 68,201	\$ 68,201
U.S. Agency obligations	81,744	81,744
Total investments by fair value level	149,945	<u>\$ 149,945</u>
Investments measured at amortized cost		
Illinois Public Treasurers' Investment Pool	31,160	
Money market mutual funds	112,004	
Total investments measured at amortized cost	143,164	
Total investments subject to disclosure	293,109	
Less cash equivalents	(143,164)	
Total investments of the University	<u>\$ 149,945</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, 2022, 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	\$ 29,873	\$ 29,873
U.S. Agency obligations	9,886	9,886
Total investments by fair value level	39,759	<u>\$ 39,759</u>
Investments measured at amortized cost		
Money market mutual funds	9,853	
Illinois Public Treasurers' Investment Pool	37,333	
Total investments measured at amortized cost	47,186	
Total investments subject to disclosure	86,945	
Less cash equivalents	(9,853)	
Total investments of the University	<u>\$ 77,092</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. These may include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values are provided by both SIU's external investment managers as well as the custodian bank.

The following table summarizes assets measured at fair value as of June 30, 2022, 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	\$ 108,518	\$ -	\$ 108,518
U.S. Agency obligations	85,058	-	85,058
Corporate debt securities	14,208	-	14,208
Commercial paper	49,050	-	49,050
Common stock	44	44	-
Total investments by fair value level	256,878	\$ 44	\$ 256,834
Investments measured at amortized cost			
Illinois Public Treasurers' Investment Pool	61,857		
Total investments measured at amortized cost	61,857		
Total investments subject to disclosure	318,735		
Less cash equivalents	(61,857)		
Total investments of the University	\$ 256,878		

UNIVERSITY OF ILLINOIS (U OF I)

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

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

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

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

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, 2022.

The following table summarizes assets measured at fair value as of June 30, 2022, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 353,522	\$ -	\$ 353,522	\$ -
U.S. Agency obligations	182,755	-	182,755	-
Commercial paper	78,749	-	78,749	-
Corporate bonds	1,033,854	-	1,033,854	-
Non government mortgage-backed securities	95,485	-	95,485	-
Other asset-backed securities	342,900	-	342,900	-
Government bonds - non U.S.	23,287	-	23,287	-
Municipal bonds	28,419	-	28,419	-
Global fixed income	121	121	-	-
U.S. equities	18,336	18,235	8	93
Equity funds	27,667	27,667	-	-
Real estate - farm properties	167,230	-	-	167,230
Total investments by fair value level	2,352,325	\$ 46,023	\$ 2,138,979	\$ 167,323
Investments measured at the net asset value (NAV)				
Global fixed income (1)	10,007			
Equity funds (2)	375,875			
Diversifying strategies (3)	78,305			
Private equity (4)	116,430			
Real assets (5)	51,749			
Total investments measured at the NAV	632,366			
Investments measured at amortized cost				
Money market mutual funds	1,242,218			
Illinois Public Treasurers' Investment Pool	7,362			
Total investments measured at amortized cost	1,249,580			
Total investments subject to disclosure	4,234,271			
Less cash equivalents	(1,261,154)			
Total investments of the University	\$ 2,973,117			
Hedging derivative instruments by fair value level				
Interest rate swaps	\$ (558)	\$ -	\$ (558)	\$ -
Total hedging derivative instruments by fair value level	\$ (558)	\$ -	\$ (558)	\$ -

- (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; mortgage-backed and asset-backed securities; mezzanine/subordinated debt partnerships; and restructuring/distressed debt partnerships. 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. 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 period between the dates of the last available NAV per share (or its equivalent) and June 30, 2022. There are unfunded commitments of \$15.971 million in this category.
- (2) **Equity funds:** The funds in this category invest in marketable equities that are exchange traded in the U.S. and in countries outside of the U.S. These funds can be redeemed with same business day to two business days' redemption notification. Settlement may take up to three business days. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager.
- (3) **Diversifying strategies:** The funds in this category are generally not restricted in the types of securities in which they can invest. They may invest in limited partnership vehicles or directly in equity, fixed income, and derivative instruments to achieve a stated investment objective. These funds can either be redeemed quarterly with notice periods of 60 to 65 days or cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2022. There are unfunded commitments of \$13.950 million in this category.
- (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 \$64.755 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, 2022.
- (5) **Real assets:** The funds in this category invest in real assets. These investments can either be redeemed quarterly with up to a 3-month notice period subject to general partner approval and available cash or cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2022. There are unfunded commitments of \$35.280 million in this category.

19 OTHER LONG-TERM OBLIGATIONS

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

Primary Government		Governmental Activities	Business-type Activities	
			Prepaid Tuition Fund	Nonmajor Enterprise Funds
Description	Reference			
Pollution remediation obligations	(C)	\$ 41,450	\$ -	\$ -
Obligations to Lottery Prize Winners	(D)		-	246,738
Prepaid Tuition Fund obligations	(E)	-	660,243	-
Other obligations	(F)	-	-	8,426
Total Other Long-Term Obligations		\$ 41,450	\$ 660,243	\$ 255,164

Major Component Units		Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
		University	University	University	Illinois
Description	Reference				
Certificates of participation - direct placement	(A)	\$ 30,965	\$ -	\$ 19,930	\$ -
Certificates of participation - other	(A)	15,717	4,615	8,452	52,787
Financed purchase obligations	(B)	2,098	742	1,253	109,020
Other obligations	(F)	820	19,085	983	84,333
Total Other Long-Term Obligations		\$ 49,600	\$ 24,442	\$ 30,618	\$ 246,140

A. *Certificates of Participation (Certificates)*

Certain major component units have issued Certificates representing the right to receive a proportionate share of lease-purchase or installment payments. All of these Certificates issued by major component units are considered State-issued. The outstanding balance of these Certificates as of June 30, 2022 was \$132.466 million, which includes unamortized premiums of \$3.054 million and unamortized discounts of \$83 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, 2022, are as follows:

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
2023	\$ 4,955	\$ 533	\$ -	\$ 627	\$ 1,325	\$ 178	\$ 1,785	\$ 518	\$ 1,440	\$ 395	\$ 9,765	\$ 2,378
2024	3,895	443	1,165	627	1,390	110	3,350	468	-	323	9,990	1,894
2025	3,965	377	1,205	580	1,455	39	2,025	372	-	322	9,255	1,395
2026	4,040	310	1,255	532	65	1	495	322	1,580	322	9,700	922
2027	3,525	241	1,305	487	-	-	505	310	1,645	259	5,970	437
2028-2032	10,585	431	7,415	1,633	-	-	7,525	1,237	3,540	268	5,680	142
2033-2037	-	-	3,455	215	-	-	4,245	165	-	-	-	-
	<u>30,965</u>	<u>\$ 2,335</u>	<u>15,800</u>	<u>\$ 4,701</u>	<u>4,235</u>	<u>\$ 328</u>	<u>19,930</u>	<u>\$ 3,392</u>	<u>8,205</u>	<u>\$ 1,889</u>	<u>50,360</u>	<u>\$ 7,168</u>
Unamortized premiums	-	-	-	-	380	-	-	-	247	-	2,427	-
Unamortized (discounts)	-	-	(83)	-	-	-	-	-	-	-	-	-
	<u>\$30,965</u>		<u>\$15,717</u>		<u>\$ 4,615</u>		<u>\$19,930</u>		<u>\$ 8,452</u>		<u>\$ 52,787</u>	

B. Financed Purchase Obligations

Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois, major component units, have acquired certain facilities, office and computer equipment, and other assets through financed purchase arrangements. Future commitments under financed purchase contracts as of June 30, 2022, are as follows:

Major Component Units									
Year Ending June 30	Financed Purchase Obligations								
	Illinois State University		Northern Illinois University		Southern Illinois University		University of Illinois		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ 125	\$ 69	\$ 350	\$ 36	\$ 391	\$ 43	\$ 1,876	\$ 5,087	
2024	129	65	362	19	403	28	1,937	5,021	
2025	133	60	23	2	388	12	2,008	4,953	
2026	1,711	29	7	-	71	1	2,080	4,874	
2027	-	-	-	-	-	-	2,170	4,781	
2028-2032	-	-	-	-	-	-	12,424	22,293	
2033-2037	-	-	-	-	-	-	15,586	19,071	
2038-2042	-	-	-	-	-	-	19,642	14,939	
2043-2047	-	-	-	-	-	-	24,789	9,698	
2048-2052	-	-	-	-	-	-	26,508	3,177	
	<u>\$2,098</u>	<u>\$ 223</u>	<u>\$ 742</u>	<u>\$ 57</u>	<u>\$ 1,253</u>	<u>\$ 84</u>	<u>\$109,020</u>	<u>\$ 93,894</u>	

C. Pollution Remediation Obligations

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

Tracts of land near Ottawa, Illinois were donated to the State more than 50 years ago for public purposes. Several years later, the State discovered that other parties had dumped radioactive waste on the land, before it was donated to the State. The State advised the United States Environmental Protection Agency (USEPA) of the situation and the land was transferred to the Illinois Emergency Management Agency 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 \$74.500 million. The State has estimated its portion of the liability for the clean-up to be \$37.250 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, 2022, of \$4.200 million.

D. 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. As of June 30, 2022, the final annuity payment was remitted to the prize winner. Therefore, the State has no further obligation to prize winners for group contract annuities.

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 \$246.397 million at June 30, 2022, with interest rates ranging from .062% to 7.741%. The present value of these liabilities owed to prize winners, approximating \$246.738 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, 2022, are as follows:

Primary Government Business-type Activities		State Lottery Fund Amount
Year Ending June 30		
2023		\$ 26,942
2024		26,319
2025		26,674
2026		24,896
2027		22,268
2028-2047		173,517
		300,616
Less: Present value adjustments		(53,878)
Present value of future prizes		<u>\$ 246,738</u>

E. Prepaid Tuition Fund Obligations

Tuition payable in the Illinois Prepaid Tuition Fund, a major enterprise fund, as of June 30, 2022, represents net principal payments received for contracts held by the fund in the amount of \$660.243 million, of which \$122.861 million is considered current. Included in the tuition payable is an amount for accretion, which is the present value of payments to be made in excess of the principal payments received from investments of the tuition contracts. The accretion expense is an estimate based on the average increase in tuition for Illinois colleges. It is calculated on an annual basis on the balance in the tuition payable account.

F. Other Obligations**Primary Government - Business-type Activities**

Other nonmajor enterprise funds presented other obligations in the amount of \$8.426 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 \$105.221 million. These obligations will be liquidated from resources of the reporting major component unit.

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

The Employment and Training Fund of the Department of Human Services, the Local Government Distributive Fund of the Department of Revenue, and the SBE Federal Department of Agriculture Fund and the SBE Federal Department of Education Fund of the State Board of Education, have deficits at June 30, 2022, aggregating \$232.375 million, \$20.112 million, \$216 thousand, \$177.310 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 Unemployment Compensation Trust Fund of the Department of Employment Security has a deficit at June 30, 2022, of \$115.812 million, resulting from insufficient revenues to cover unemployment compensation costs.

The Prepaid Tuition Fund of the Student Assistance Commission has a deficit at June 30, 2022, aggregating \$14.762 million, resulting from insufficient revenues to cover contractual tuition obligations.

Nonmajor Enterprise Funds

The State Lottery Fund of the Department of the Lottery has a deficit aggregating \$71.828 million at June 30, 2022, 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, 2022, aggregating \$123.594 million, resulting from insufficient contributions due to funding based on a pay-as-you-go basis.

B. Cash Flow Deficits

As of June 30, 2022, transactions totaling \$3.043 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, \$813.582 million related to intra-governmental transactions and \$1.795 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.

21 RISK MANAGEMENT**Primary Government**

The State is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers compensation; and natural disasters. The State retains the risk of loss (i.e., self-insured) for these risks except minimal commercial insurance. There were no significant reductions in insurance coverage from the prior fiscal year. The amount of settlements has not exceeded insurance coverage in the past three fiscal years. In addition, the State is exposed to various risks of loss related to employee health and dental insurance programs as described below.

Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claims liabilities are based upon the estimated ultimate cost of settling the claims including specific, incremental claim adjustment expenses, salvage and subrogation, and considering the effects of inflation and recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Nonincremental claims adjustment expenses have not been included as part of the liability.

The State's risk financing of auto liability has been determined using an estimate of claims outstanding. Matured claims have been recorded as liabilities in the General Fund and Road Fund in the amount of \$78 thousand and \$518 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 \$6.499 million and \$12.164 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 \$559.429 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 seven 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 \$127.112 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, 2022:

Table 21-1 (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:				
2021				
Auto Liability	\$ 14,366	\$ 5,362	\$ (2,287)	\$ 17,441
Workers' Compensation	579,246	61,545	(82,595)	558,196
Health Insurance	284,873	1,065,558	(941,981)	408,450
Total	<u>\$ 878,485</u>	<u>\$ 1,132,465</u>	<u>\$ (1,026,863)</u>	<u>\$ 984,087</u>
2022				
Auto Liability	\$ 17,441	\$ 8,329	\$ (6,511)	\$ 19,259
Workers' Compensation	558,196	99,362	(98,129)	559,429
Health Insurance	408,450	1,153,073	(1,434,411)	127,112
Total	<u>\$ 984,087</u>	<u>\$ 1,260,764</u>	<u>\$ (1,539,051)</u>	<u>\$ 705,800</u>
Component Units, (Information for the Illinois State Toll Highway Authority is as of December 31):				
2021				
Illinois State Toll Highway Authority	\$ 16,216	\$ 19,995	\$ (18,247)	\$ 17,964
Southern Illinois University	23,337	7,561	(6,030)	24,868
University of Illinois	279,459	37,545	(44,272)	272,732
Total	<u>\$ 319,012</u>	<u>\$ 65,101</u>	<u>\$ (68,549)</u>	<u>\$ 315,564</u>
2022				
Illinois State Toll Highway Authority	\$ 17,964	\$ 26,347	\$ (24,479)	\$ 19,832
Southern Illinois University	24,868	9	(3,010)	21,867
University of Illinois	272,732	90,467	(70,934)	292,265
Total	<u>\$ 315,564</u>	<u>\$ 116,823</u>	<u>\$ (98,423)</u>	<u>\$ 333,964</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 \$19.832 million at December 31, 2021.

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 \$21.867 million at June 30, 2022.

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 \$292.265 million at June 30, 2022.

Illinois Housing Development Authority, Illinois State Toll Highway Authority, Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois have contracted with commercial carriers to provide excess insurance coverage. These coverages have been considered in determining the accrued self-insurance liability, where applicable. There were no settlements which exceeded insurance coverage during the last three years.

The nonmajor component unit universities carry excess general liability coverage. The deductible portion of this coverage is covered by the State University Risk Management Association, a self-insurance pool.

22 COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The Department of Transportation has outstanding construction commitments for highway improvement programs of approximately \$7.3 billion as of June 30, 2022, 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 \$778.3 million as of June 30, 2022, 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 \$2.1 billion as of December 31, 2021. Southern Illinois University and the University of Illinois have outstanding construction commitments for various building and building improvement projects of approximately \$229.9 million and \$176.0 million, respectively, as of June 30, 2022.

B. Investment Commitments

The Office of the Treasurer has outstanding commitments at June 30, 2022, for Illinois Technology Development of approximately \$179 million. The Illinois State Board of Investments has total unfunded investment commitments of approximately \$3.4 billion outstanding at June 30, 2022. The Teachers' Retirement System has outstanding commitments at June 30, 2022, for the future purchase of investments in the real estate, other real assets, private equity, diversifying

strategies, and global income asset classes of approximately \$13.2 billion. The State Universities Retirement System has outstanding commitments at June 30, 2022, to private equity limited partnerships, private credit partnerships, and real estate partnerships of approximately \$1.1 billion, \$602.1 million, and \$542.9 million, respectively.

C. Illinois Housing Development Authority Loans

The Illinois Housing Development Authority has entered into commitments aggregating approximately \$60.3 million for the purchase of various home loans as of June 30, 2022.

D. Adoption Assistance and Subsidized Guardian Commitments

The Department of Children and Family Services enters into agreements with adoptive parents and permanent guardians of youth in care of the State. These agreements generally provide monthly subsidies to the adoptive parents or permanent guardians of these youth until they reach 18 years of age. As of June 30, 2022, approximately 20.2 thousand agreements were in place with total future commitments of approximately \$848 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 44.6% and 35.8%, respectively.

E. Tax Litigation

At June 30, 2022, the State of Illinois has \$15.004 million in payments received related to protested tax cases, which have not been adjudicated. In addition, the State defends many lawsuits challenging reasons for denial of tax refunds in relation to tax payments already received. The ultimate disposition of these protested tax payments received and claims for tax refunds is not determinable at this time.

F. Federal Funding

The State receives federal grants which are subject to review and audit by federal grantor agencies. Certain costs could be questioned as not being an eligible expenditure under the terms of the grants. At June 30, 2022, there were no material questioned costs that have not been resolved with the federal awarding agencies. However, questioned costs could still be identified during audits to be conducted in the future. Management of the State believes there will be no material adjustments to the federal grants and, accordingly, has not recorded a provision for possible repayment.

G. Asset Retirement Obligations

The State operates several coal-fired power plants that produce electricity and steam for certain facilities. When these plants are ultimately retired, the State will incur costs associated with legally-required disposal and environmental remediation activities. At this time, the State does not have sufficient information available to provide a reasonable estimate of the related asset retirement obligation.

H. Supplemental Nutrition Assistance Program (SNAP) Overpayment Claims

The State has significant delays in investigating and resolving overpayment claims for the Supplemental Nutrition Assistance Program (SNAP). State management cannot establish a claim against a SNAP recipient until their investigation is complete. When resolution of these claims is

complete, the State estimates it will record net receivables from beneficiaries under the program of approximately \$560 million, for benefits established on or before June 30, 2022. Additionally, it is estimated that \$412 million will be recorded as a liability to the Federal government for their share of overpayment collections. The rate used to calculate this amount, 8.84%, came from a July 6, 2020, letter from the U.S. Department of Agriculture (USDA). This rate was the calculated rate for fiscal year 2019 which is the most recent calculation of the official payment error rate by the USDA. The error rate for fiscal year 2022 is expected to be issued by the USDA in mid-2023.

I. Forward Fixed-Price Energy Contracts

The Illinois Power Agency (IPA) has entered into contracts to purchase renewable energy credits from new photovoltaic distributed energy generation devices. A total of 14 companies 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 18 companies with contracts that include incentives for low-income distributed generation and community solar projects. The total outstanding commitments for these two programs total \$51.6 million. The University of Illinois has executed forward fixed-price purchase contracts for natural gas and electricity with commitments of approximately \$68.7 million as of June 30, 2022.

J. Metropolitan Pier and Exposition Authority (Authority)

The Authority, not a part of the State of Illinois reporting entity, is authorized by the Metropolitan Pier and Exposition Authority Act to issue \$2.850 billion of bonds, excluding refunding bonds, to finance the McCormick Place expansion and certain other improvements to its facilities and Navy Pier. These bonds are special, limited obligations of the Authority and are payable from and secured by a pledge of revenues derived from Authority taxes and State sales tax deposits. For State fiscal years when these bonds are outstanding, monthly deposits of Authority taxes to the McCormick Place Expansion Project Fund, a custodial fund, are required to be made in an amount equal to 1/8 of the annual debt service as specified in the Authority's Annual Certification plus any prior months' deficiencies in transfers. Beginning in fiscal year 2011 through fiscal year 2035, the monthly deposit of Authority taxes is reduced by deposits of dedicated State sales taxes. The maximum amount that can be deposited into the McCormick Place Expansion Project Fund shall not exceed \$300 million in fiscal years 2023 through 2026, graduating to \$450 million in fiscal year 2036 until fiscal year 2060. To the extent that Authority taxes and the dedicated State sales taxes are not sufficient to satisfy the requirements of the Authority's Annual Certification, additional State sales taxes are deposited into the McCormick Place Expansion Project Fund. During fiscal year 2022, debt service requirements for these bonds were \$260.640 million. The amount paid to the Authority based on their annual certification was \$113.043 million consisting of \$81.343 million of Authority taxes and \$31.700 million in State sales taxes.

K. Regional Transportation Authority (RTA)

The RTA, not a part of the State of Illinois reporting entity, was authorized by the Regional Transportation Authority Act to issue bonds in the principal amount of \$100 million on or after January 1, 1990 with an additional \$100 million per year authorized to be issued on or after January 1st of each year until January 1, 1994, for a total authorization of \$500 million used for Strategic Capital Improvement Projects (SCIP). Effective July 1, 1999, Public Act 91-0037 authorized the RTA to issue additional bonds in the principal amount of \$260 million on or after January 1, 2000 with an additional \$260 million per year authorized to be issued on or after January 1st of each year until January 1, 2004 for an additional authorization of \$1.300 billion to

be used for SCIP. Public Act 91-0037 also authorized the issuance of refunding SCIP bonds. The proceeds of SCIP bonds were used to acquire, repair, or replace public transportation facilities in the metropolitan region as approved by the Governor.

The bonds are general obligations of the RTA to which the full faith and credit of the RTA is pledged. However, for State fiscal years in which the SCIP bonds are outstanding, the State's assistance shall be transferred monthly from the Road Fund to the Public Transportation Fund, a nonmajor governmental fund, for payment in an amount equal to the lesser of monthly debt service on the SCIP bonds or one-twelfth of the amount of the State's assistance as provided in the authorization. The authorization currently provides for \$155 million each fiscal year. During fiscal year 2022, the State provided \$130.280 million to the RTA, which is below the authorized amount of \$155 million. Although the amount of the State's assistance is measured by the debt service on the SCIP bonds, the assistance is not pledged for payment of, or security for, the SCIP bonds. The State's assistance is paid directly to the Authority and may be spent by the Authority at its discretion.

L. *Illinois Sports Facilities Authority (ISFA)*

The ISFA, not a part of the State of Illinois reporting entity, was authorized by the Illinois Sports Facilities Authority Act to issue bonds and notes in the principal amount not to exceed (1) \$150 million in connection with facilities owned by the ISFA, (2) \$399 million in connection with facilities owned by a governmental owner other than the ISFA, and (3) to refund, advance refund, or refinance any of its bonds then outstanding.

The bonds are secured by payments from the Illinois Sports Facilities Fund, a nonmajor governmental fund, from collections of (1) the State's Hotel Operator's Occupation Tax in an amount equal to the applicable advance amount plus \$5 million and (2) the City of Chicago's share of the Local Government Distributive Fund, a nonmajor governmental fund, in the amount of \$5 million. This advance amount is required to be repaid by the ISFA from collections of the ISFA's Hotel Tax to the State's General Fund. In the event of a deficiency in the Hotel Tax, amounts otherwise payable to the City of Chicago from the Local Government Distributive Fund should be used for the repayment.

Annually, the ISFA is required to certify to the State Comptroller and the State Treasurer their requirements for the next fiscal year. This certification shall be the lesser of (1) the advance amount plus \$10 million and (2) the amount to pay principal and interest and other payments relating to its obligations issued or to be issued during the fiscal year plus the amount anticipated to pay obligations under provisions of any management agreement with respect to facilities owned by the ISFA or any assistance agreement with respect to any facility for which financial assistance is provided under the Act plus an amount to pay other capital or operating expenses of the ISFA. Pursuant to the certification, the maximum advance amount for fiscal year 2022 was \$66.158 million plus \$10 million for a total of \$76.158 million. The ISFA's annual certification for fiscal year 2022 was in the amount of \$67.3 million, which is below the maximum amount authorized.

In future years, the advance amount increases by 105.615% of the preceding advance amount through fiscal year 2033. Including the additional \$10 million, the maximum which could be certified each year is \$79.873 million in fiscal year 2023, \$83.797 million in fiscal year 2024, \$87.941 million in fiscal year 2025, \$92.318 million in fiscal year 2026, \$96.941 million in fiscal year 2027, and graduating to \$130.668 million in fiscal year 2033. Of these amounts, only \$5 million per year is the State's share.

M. Southwestern Illinois Development Authority (SWIDA) Revenue Bonds

The SWIDA, a nonmajor component unit of the State, has issued revenue bonds. The proceeds of these bonds were loaned to several companies for the acquisition of land and construction of various types of facilities. These companies are primarily liable for repayment of the bonds, which are secured by SWIDA loan agreements with the companies. These bonds bear a variable interest rate and mature annually through 2026. The State has accepted a moral obligation to repay the bonds in the event the SWIDA and the companies are unable to meet the bonds' repayment commitments. As of June 30, 2022, the outstanding balance of bonds, which the State is morally obligated to repay, is \$1.421 million.

N. 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, 2022, the outstanding balance, which the State is morally obligated to repay, is \$5.900 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.

O. Legal Proceedings

The State, its units, and employees are party to numerous legal proceedings, many of which normally recur, in governmental operations. In addition, the State and its units are involved in certain other legal proceedings, which, if decided adversely to the State, may require the State to make material future expenditures for expanded services or capital facilities or may impair future revenue sources. It is neither possible to determine the outcome of these proceedings nor to estimate the possible effects adverse decisions may have on future expenditures or revenue sources.

23 SEGMENT INFORMATION**Major Component Units**

Segments are identifiable activities reported as or within a component unit for which bonds or other debt is outstanding and a revenue stream has been pledged in support of that debt. In addition, to qualify as a segment, an activity must be subject to an external requirement to separately account for the revenues, expenses, gains and losses, assets, and liabilities of the activity. All of the activities reported in the condensed financial information meet these requirements. The following paragraphs describe the various component units' segments.

Illinois State University (ISU)

ISU has issued revenue bonds with the net revenues from Auxiliary Facilities System pledged to pay the bond interest and principal. The Auxiliary Facilities System is comprised of university-owned housing units, student union, recreation and athletic facilities, and parking facilities.

Southern Illinois University (SIU)

SIU has issued revenue bonds with the net revenues from 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, 2022, 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	\$ 59,564	\$ 62,413	\$ 7,597	\$ 218,224	\$ 538,064
Noncurrent assets:					
Capital assets, net of accumulated depreciation	315,581	211,714	23,270	1,209,464	309,504
Other noncurrent assets	114,527	5,229	22,290	30,507	22,601
Total assets	489,672	279,356	53,157	1,458,195	870,169
Deferred outflows of resources	530	3,846	3,596	10,960	1,291
Liabilities					
Current liabilities	13,412	24,079	21,169	94,139	180,017
Noncurrent liabilities	134,261	143,019	20,162	1,061,861	126,940
Total liabilities	147,673	167,098	41,331	1,156,000	306,957
Deferred inflows of resources	27	3,953	5,286	5,030	312
Net Position					
Net investment in capital assets	188,805	63,823	21,441	158,015	223,884
Restricted-other expendable purposes	153,697	38,288	1,822	3,663	22,425
Unrestricted	-	10,040	(13,127)	146,447	317,882
Total net position	\$ 342,502	\$ 112,151	\$ 10,136	\$ 308,125	\$ 564,191
Condensed Statement of Revenues, Expenses and Changes in Net Position:					
Operating revenues	\$ 91,454	\$ 78,626	\$ 47,752	\$ 368,103	\$ 1,077,085
Operating expenses	(80,027)	(72,865)	(64,060)	(288,131)	(1,277,839)
Depreciation expense	(11,948)	(13,248)	(6,121)	(49,361)	(32,276)
Operating income (loss)	(521)	(7,487)	(22,429)	30,611	(233,030)
Nonoperating revenues (expenses)	2,368	15,712	22,467	24,432	273,539
Other revenues (expenses)	-	(897)	122	-	-
Increase (decrease) in net position	1,847	7,328	160	55,043	40,509
Net position, July 1, 2021, as restated	340,655	104,823	9,976	253,082	523,682
Net position, June 30, 2022	\$ 342,502	\$ 112,151	\$ 10,136	\$ 308,125	\$ 564,191

24 SUBSEQUENT EVENTS

Subsequent to June 30, 2022, the State of Illinois and its major component units have issued the following debt instruments:

Table 24-1 (amounts expressed in millions)

Series	Date of Issue	Amount of Issue	Interest Rates	Annual Maturity To
Primary Government				
Governmental Activities:				
General obligation bonds:				
October, Series 2022 A	10/13/2022	\$ 175.0	5.25% - 6.0%	2030
October, Series 2022 B	10/13/2022	\$ 245.0	5.0% - 5.25%	2038
October, Series 2022 C	10/13/2022	\$ 280.0	5.0% - 5.5%	2048
May, Series 2023 A	5/10/2023	\$ 200.0	5.111% - 5.254%	2028
May, Series 2023 B	5/10/2023	\$ 1,000.0	4.5% - 5.5%	2048
May, Series 2023 C	5/10/2023	\$ 150.0	5.0%	2033
May, Series 2023 D (Refunding)	5/10/2023	\$ 1,161.2	4.0% - 5.0%	2038
Major Component Units:				
Revenue bonds:				
Illinois Housing Development Authority				
Series 2022 E (Non-AMT)	9/22/2022	\$ 100.0	2.3% - 5.25%	2053
Series 2022 F (Non-AMT)	9/22/2022	\$ 50.0	Variable	2045
Series 2022 G (Non-AMT)	12/1/2022	\$ 150.0	4.25% - 6.25%	2053
Series 2022 H (Non-AMT)	12/1/2022	\$ 100.0	3.47%	2054
Multi-Family Revenue Bonds, Series 2023 B (Non-AMT)	2/9/2023	\$ 17.1	2.75% - 4.35%	2043
Multi-Family Revenue Bonds, Series 2023 C (Non-AMT)	2/9/2023	\$ 11.7	Variable	2066
Series 2023 A (Non-AMT)	3/29/2023	\$ 120.0	3.2% - 5.25%	2053
Series 2023 B	3/29/2023	\$ 37.5	4.895% - 5.628%	2053
Series 2023 C	3/29/2023	\$ 37.5	Variable	2047
Multi-Family Revenue Bonds, Series 2023 A (Non-AMT Refunding)	3/1/2023	\$ 8.6	1.1% - 2.9%	2064
Series 2023 D (Non-AMT)	6/1/2023	\$ 100.0	3.05% - 5.5%	2054
Series 2023 E	6/1/2023	\$ 86.6	4.447% - 5.75%	2054
Series 2023 F	6/1/2023	\$ 43.3	Variable	2047
Series 2023 G (Non-AMT)	6/1/2023	\$ 60.0	3.5%	2055
Multi-Family Revenue Bonds, Series 2023 D (Non-AMT)	7/25/2023	\$ 4.8	0.9% - 2.6%	2064
Series 2023 H (Non-AMT)	8/3/2023	\$ 160.0	3.25% - 5.75%	2054
Series 2023 I	8/3/2023	\$ 76.7	5.253% - 5.758%	2054
Series 2023 J	8/3/2023	\$ 38.3	Variable	2049
Illinois State Toll Highway Authority				
Series 2023 A (Toll Highway Senior Revenue)	5/18/2023	\$ 500.0	5.0% - 5.25%	2045
Illinois State University				
Series 2022 B (Auxiliary Facilities System Refunding)	8/16/2022	\$ 13.8	2.99%	2032
Southern Illinois University				
Series 2022 A (Housing & Auxiliary Facilities System)	7/21/2022	\$ 37.1	5.0%	2042
University of Illinois				
Series 2023 A (Auxiliary Facilities System Refunding)	4/11/2023	\$ 153.2	5.0%	2032
Certificates of Participation:				
Illinois State University				
Series 2023	8/2/2023	\$ 13.9	2.7%	2033

25 CONTRACTUAL VIOLATION

Due to conditions currently existing in the credit markets, the Illinois Designated Account Purchase Program (IDAPP) has been unable to refinance a revolving credit agreement that is past due and is currently in default under its agreement. As a result of the violation, the bank involved with the agreement has certain remedies available. 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, 2022 (Expressed in Thousands)

	General Funds			
	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES:				
Income taxes	\$ 23,209,000	\$23,209,000	\$ 30,236,581	\$7,027,581
Sales taxes	9,518,001	9,518,001	10,233,608	715,607
Public utility taxes	777,000	777,000	749,830	(27,170)
Federal government	3,941,000	3,941,000	4,444,864	503,864
Other	2,394,000	2,394,000	2,428,243	34,243
Less:				
Refunds		1,077	1,032	(45)
Total revenues	39,839,001	39,837,924	48,092,094	8,254,170
EXPENDITURES:				
Current:				
Health and social services	15,033,691	15,357,616	14,739,117	(618,499)
Education	19,236,089	19,621,409	19,563,308	(58,101)
General government	4,198,026	5,593,990	5,543,056	(50,934)
Employment and economic development	117,922	247,442	219,736	(27,706)
Public protection and justice	2,664,480	2,708,843	2,617,023	(91,820)
Environment and business regulation	74,114	174,594	171,142	(3,452)
Capital outlays	18,998	19,974	12,258	(7,716)
Total expenditures	41,343,320	43,723,868	42,865,640	(858,228)
Excess (deficiency) of revenues over (under) expenditures	(1,504,319)	(3,885,944)	5,226,454	9,112,398
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:				
Transfers-in	11,463,027	11,463,027	11,463,027	-
Transfers-out	(13,949,560)	(13,949,560)	(13,949,560)	-
Total other sources (uses) of financial resources	(2,486,533)	(2,486,533)	(2,486,533)	-
Excess (deficiency) of revenues over (under) expenditures, and other sources budgetary funds-nonbudgeted accounts	(3,990,852)	(6,372,477)	2,739,921	9,112,398
Budgetary fund balances (deficits), July 1, 2021, as previously reported	(2,803,534)	(2,803,534)	(2,803,534)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (6,794,386)	\$ (9,176,011)	\$ (63,613)	\$9,112,398

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

For the Year Ended June 30, 2022

A. Budgetary Basis of Accounting

The State Constitution requires the Governor to prepare and submit to the General Assembly an Executive Budget for the ensuing fiscal year. The budget covers most funds held by the State, but excludes all locally held funds and various treasury held funds which are not subject to appropriation pursuant to State law. The General Assembly enacts the budget through passage of specific line-item appropriations (i.e., personal services, contractual services, equipment, etc.), the sum of which must not exceed estimated revenues pursuant to the State Constitution. The Governor has the power to approve, reduce, or veto each appropriation passed by the General Assembly. Transfers-in and transfers-out contained in the Executive Budget are not a part of the General Assembly's appropriation process. The actual amounts are determined either by State law or by discretionary action available to the Governor. The Statewide Accounting Management System controls expenditures by line-item as established in approved appropriation bills and ensures that appropriated expenditure amounts are not exceeded.

The level of legal control is at the line-item appropriation level as reported in a publication titled *Detailed Report of Revenues and Expenditures – Budget to Actual – Budgetary Basis*. A separate document is necessary due to the State's large amount of appropriated line-items. Generally, administrative transfers between transferable appropriation line-items within the same treasury held fund cannot exceed 2% of the aggregate amount appropriated to those line-items for an agency from that fund. Examples of appropriation line-items with a 2% transfer limit are Contractual Services, Travel, Commodities, Printing, and Equipment. As an additional restriction, Personal Services appropriation line-items generally cannot be reduced. Legislative action is required for more substantial transfers. Unexpended appropriations at June 30 are available for subsequent expenditure to the extent that encumbrances have been incurred at June 30, provided the expenditure is presented for payment during the succeeding two month "lapse period." An exception to the lapse period requirements are expenditures described in Section 25 of the State Finance Act (30 ILCS 105/25). These Section 25 expenditures, mostly related to the reimbursement of hospitals, physicians, and pharmacists for Medicaid patients, are allowed to be paid in the following fiscal year. Certain appropriations referred to as "reappropriations" represent the continuation of a prior year's program that requires additional time for completion.

The original budgeted revenues represent estimates while original budgeted expenditures represent original and continuing appropriations enacted into law by appropriation bills. Generally accepted accounting principles (GAAP) require the final legal budget be reflected in the final budget column, therefore, updated revenue estimates have been reported. Final expenditure budgets represent original and continuing appropriations modified by supplemental and amendatory appropriations. The State's basis of budgeting is essentially on the cash basis, modified for expenditures during the lapse period (beginning and end of year) as described in the preceding paragraph.

The State Budget Law (15 ILCS 20) requires the budget for certain funds, called budgeted funds which include the General Revenue, Common School, and Educational Assistance subaccounts of the General Fund, to be prepared:

“. . . on the basis of revenue and expenditure measurement concepts that are in concert with generally accepted accounting principles for governments . . .

. . . The revenue estimates used in the State budget for the budgeted funds shall include the estimated beginning fund balance, plus revenues estimated to be received during the budgeted year, plus the estimated receipts due the State as of June 30 of the budgeted year that are expected to be collected during the lapse period following the budgeted year, minus the receipts collected during the first 2 months of the budgeted year that became due to the State in the year before the budgeted year. Revenues shall also include estimated federal reimbursements associated with the recognition of Section 25 of the State Finance Act liabilities. For any budgeted fund for which current year revenues are anticipated to exceed expenditures, the surplus shall be considered to be a resource available for expenditure in the budgeted fiscal year.

Expenditure estimates for the budgeted funds included in the State budget shall include the costs to be incurred by the State for the budgeted year, to be paid in the next fiscal year, excluding costs paid in the budgeted year which were carried over from the prior year, where the payment is authorized by Section 25 of the State Finance Act. For any budgeted fund for which expenditures are expected to exceed revenues in the current fiscal year, the deficit shall be considered as a use of funds in the budgeted fiscal year.

Revenues and expenditures shall also include transfers between funds that are based on revenues received or costs incurred during the budget year.”

The State has not presented revenue and expenditure estimates in accordance with these provisions. Also, because of cash management decisions and prioritization required due to the lack of available cash in the State Treasury for the General Revenue Account, a subaccount of the General Fund, statutorily mandated transfers from the General Revenue Account to other funds were not made by the Office of Comptroller within statutorily prescribed timelines. The timing of the payment of the transfers does not impact the amounts reported in the budgetary schedules.

The State’s General Fund has a perspective difference for financial reporting as the General Fund reported for financial reporting purposes includes amounts which are reported as a part of the State’s other fund groups as classified for budgetary purposes.

The Budgetary Comparison Schedule – Major Governmental Fund presents the original legally adopted budget, as well as comparisons of the final legally adopted budget with actual data on a budgetary basis for the General Funds.

The supplementary portion of this report includes a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for all funds of the State with annual budgets as classified for budgetary purposes. Those schedules only include the final appropriated budget.

B. Budgetary-GAAP Reporting Reconciliation

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of differences between budgetary and GAAP presentations for the year ended June 30, 2022, 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)	\$ 2,739,921
Reclassifications:	
Budgetary Special State Funds reported as part of the General Fund for GAAP reporting	6,728,416
Adjustments:	
To adjust revenues, related receivables and unavailable revenue	(3,015,722)
To adjust expenditures and related liabilities	<u>(1,928,399)</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (GAAP basis)	<u><u>\$ 4,524,216</u></u>

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)								
	2021	2020	2019	June 30, 2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 2,730	\$ 2,860	\$ 3,280	\$ 3,536	\$ 3,880	\$ 3,577	\$ 5,957	\$ 5,383
Interest on total pension liability	23,604	23,720	24,853	24,542	24,046	22,395	19,911	20,111
Differences between expected and actual experience	(315)	(1,547)	4,008	1,197	2,094	(5,401)	2,366	12,389
Assumption changes	2,677	1,929	(8,253)	(1,213)	(2,431)	42,123	(70,539)	-
Benefit payments	(26,064)	(25,710)	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)	(20,800)
Refunds	(154)	(138)	(169)	(45)	(131)	(142)	(192)	(245)
Administrative expenses	(330)	(401)	(389)	(348)	(356)	(382)	(394)	(335)
Net change in total pension liability	2,148	713	(1,228)	4,386	4,739	40,329	(64,166)	16,503
Total pension liability - beginning	382,276	381,563	382,791	378,405	373,666	333,337	397,503	381,000
Total pension liability - ending (a)	<u>\$ 384,424</u>	<u>\$ 382,276</u>	<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	\$ 27,299	\$ 25,754	\$ 23,253	\$ 21,155	\$ 21,721	\$ 16,073	\$ 15,871	\$ 13,957
Contributions - participant	1,238	1,206	1,317	1,255	1,285	1,309	1,487	1,503
Net investment income	14,810	2,581	3,450	3,734	5,140	(539)	2,287	8,363
Benefit payments	(26,064)	(25,710)	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)	(20,800)
Refunds	(154)	(138)	(169)	(45)	(131)	(142)	(192)	(245)
Administrative expense	(330)	(401)	(389)	(348)	(356)	(382)	(394)	(335)
Net change in plan fiduciary net position	16,799	3,292	2,904	2,468	5,296	(5,522)	(2,216)	2,443
Plan fiduciary net position - beginning	63,012	59,720	56,816	54,348	49,052	54,574	56,790	54,347
Plan fiduciary net position - ending (b)	<u>79,811</u>	<u>63,012</u>	<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>\$ 304,613</u>	<u>\$ 319,264</u>	<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	20.76%	16.48%	15.65%	14.84%	14.36%	13.13%	16.37%	14.29%
Covered payroll *	\$ 10,082	\$ 10,191	\$ 10,159	\$ 10,711	\$ 10,996	\$ 11,298	\$ 11,587	\$ 12,754
State's net pension liability as a percentage of covered payroll	3021.35%	3132.80%	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:								
	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Discount rate	6.30%	6.37%	6.41%	6.68%	6.66%	6.60%	6.91%	5.11%
Investment rate of return	6.50%	6.50%	6.50%	6.75%	6.75%	6.75%	7.00%	7.00%
Long-term municipal bond rate	1.92%	2.45%	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 is based on the requirements of GASB Statement No. 82.								

The following schedule of changes in the net pension liability and related ratios for JRS is presented as of the measurement dates:

Schedule of Changes in Net Pension Liability and Related Ratios JRS (amounts expressed in thousands)								
	2021	2020	2019	June 30, 2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 48,073	\$ 48,964	\$ 50,009	\$ 53,222	\$ 56,166	\$ 58,041	\$ 59,620	\$ 57,139
Interest on total pension liability	179,915	177,034	180,188	175,399	168,164	158,611	151,431	145,994
Differences between expected and actual experience	19,224	3,088	37,888	6,191	23,042	(3,260)	28,714	4,490
Assumption changes	42,844	23,771	(42,249)	(14,446)	(29,511)	205,405	9,482	-
Benefit payments	(172,642)	(165,544)	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)	(118,591)
Refunds	(854)	(438)	(991)	(482)	(975)	(658)	(946)	(688)
Administrative expenses	(1,013)	(1,032)	(910)	(897)	(914)	(942)	(983)	(832)
Net change in total pension liability	115,547	85,843	66,585	70,840	75,475	284,625	121,664	87,512
Total pension liability - beginning	2,936,296	2,850,453	2,783,868	2,713,028	2,637,553	2,352,928	2,231,264	2,143,752
Total pension liability - ending (a)	\$ 3,051,843	\$ 2,936,296	\$ 2,850,453	\$ 2,783,868	\$ 2,713,028	\$ 2,637,553	\$ 2,352,928	\$ 2,231,264
Plan fiduciary net position								
Contributions - employer	\$ 148,625	\$ 144,160	\$ 140,519	\$ 135,962	\$ 131,334	\$ 132,060	\$ 134,040	\$ 126,816
Contributions - participant	14,600	14,508	14,610	14,295	14,770	14,962	15,431	15,919
Net investment income	278,836	48,127	64,741	69,950	97,797	(6,471)	36,009	110,059
Benefit payments	(172,642)	(165,544)	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)	(118,591)
Refunds	(854)	(438)	(991)	(482)	(975)	(658)	(946)	(688)
Administrative expense	(1,013)	(1,032)	(910)	(897)	(914)	(942)	(983)	(832)
Net change in plan fiduciary net position	267,552	39,781	60,619	70,681	101,515	6,379	57,897	132,683
Plan fiduciary net position - beginning	1,112,885	1,073,104	1,012,485	941,804	840,289	833,910	776,013	643,330
Plan fiduciary net position - ending (b)	1,380,437	1,112,885	1,073,104	1,012,485	941,804	840,289	833,910	776,013
State's net pension liability - ending (a) - (b)	\$ 1,671,406	\$ 1,823,411	\$ 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	45.23%	37.90%	37.65%	36.37%	34.71%	31.86%	35.44%	34.78%
Covered payroll *	\$ 137,422	\$ 135,392	\$ 138,415	\$ 132,065	\$ 139,738	\$ 139,538	\$ 145,903	\$ 150,280
State's net pension liability as a percentage of covered payroll	1216.26%	1346.76%	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:								
	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Discount rate	6.12%	6.26%	6.34%	6.60%	6.58%	6.48%	6.85%	6.89%
Investment rate of return	6.50%	6.50%	6.50%	6.75%	6.75%	6.75%	7.00%	7.00%
Long-term municipal bond rate	1.92%	2.45%	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 is based on the requirements of GASB Statement No. 82.								

The following schedule of changes in the net pension liability and related ratios for SERS is presented as of the measurement dates:

Schedule of Changes in Net Pension Liability and Related Ratios SERS (amounts expressed in thousands)								
	2021	2020	2019	June 30, 2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 844,736	\$ 818,760	\$ 801,415	\$ 828,486	\$ 893,147	\$ 843,377	\$ 847,997	\$ 776,488
Interest on total pension liability	3,369,337	3,295,059	3,378,804	3,295,855	3,217,532	2,989,387	2,912,736	2,754,122
Change of benefit terms	3,354	-	(462,610)	-	-	-	-	-
Differences between expected and actual experience	585,692	114,763	(24,683)	(185,489)	(601,531)	(730,622)	(464,942)	150,997
Assumption changes	1,002,207	716,029	313,744	(348,811)	(884,705)	5,048,087	360,713	3,142,466
Benefit payments	(2,853,549)	(2,727,821)	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)	(1,917,062)
Refunds	(17,102)	(19,366)	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)	(23,083)
Administrative expenses	(16,577)	(17,413)	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)	(16,615)
Net change in total pension liability	2,918,098	2,180,011	1,366,252	1,082,482	253,256	5,916,892	1,581,970	4,867,313
Total pension liability - beginning	54,065,949	51,885,938	50,519,686	49,437,204	49,183,948	43,267,056	41,685,086	36,817,773
Total pension liability - ending (a)	\$ 56,984,047	\$ 54,065,949	\$ 51,885,938	\$ 50,519,686	\$ 49,437,204	\$ 49,183,948	\$ 43,267,056	\$ 41,685,086
Plan fiduciary net position								
Contributions - employer	\$ 2,478,210	\$ 2,368,905	\$ 2,274,925	\$ 1,929,175	\$ 1,798,348	\$ 1,882,243	\$ 1,804,319	\$ 1,699,448
Contributions - participant	280,584	271,749	275,675	254,442	251,611	256,198	266,139	269,232
Net investment income	4,814,490	829,329	1,118,429	1,257,040	1,812,879	(125,443)	681,377	2,169,346
Benefit payments	(2,853,549)	(2,727,821)	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)	(1,917,062)
Refunds	(17,102)	(19,366)	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)	(23,083)
Administrative expense	(16,577)	(17,413)	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)	(16,615)
Net change in plan fiduciary net position	4,686,056	705,383	1,028,611	933,098	1,491,651	(220,339)	677,301	2,181,266
Plan fiduciary net position - beginning	19,197,271	18,491,888	17,463,277	16,530,179	15,038,528	15,258,867	14,581,566	12,400,300
Plan fiduciary net position - ending (b)	23,883,327	19,197,271	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)	\$ 33,100,720	\$ 34,868,678	\$ 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	41.91%	35.51%	35.64%	34.57%	33.44%	30.58%	35.27%	34.98%
Covered payroll *	\$ 4,697,845	\$ 4,517,749	\$ 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	704.59%	771.82%	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:								
	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Discount rate	6.20%	6.35%	6.47%	6.81%	6.78%	6.64%	7.02%	7.09%
Investment rate of return	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%	7.25%	7.25%
Long-term municipal bond rate	1.92%	2.45%	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 is based on the requirements of GASB Statement No. 82.								

The following is a schedule of the State's contribution information to the single-employer plans, as of the end of the fiscal years presented:

Schedule of Contributions (amounts expressed in thousands)						
Plan	Fiscal Year Ended	Actuarial Determined Contribution ^	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll *	Actual Contribution as a % of Covered Payroll
GARS	2022	\$ 35,006	\$ 28,500	\$ 6,506	\$ 10,107	281.98%
	2021	34,433	27,299	7,134	10,082	270.77%
	2020	34,411	25,754	8,657	10,191	252.71%
	2019	32,650	23,221	9,429	10,159	228.58%
	2018	32,083	21,155	10,928	10,711	197.51%
	2017	26,985	21,721	5,264	10,996	197.54%
	2016	17,141	16,073	1,068	11,298	142.26%
	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%
JRS	2022	\$ 175,823	\$ 155,993	\$ 19,830	\$ 133,830	116.56%
	2021	173,205	148,625	24,580	137,422	108.15%
	2020	173,704	144,160	29,544	135,392	106.48%
	2019	169,632	140,469	29,163	138,415	101.48%
	2018	168,057	135,962	32,095	132,065	102.95%
	2017	152,699	131,334	21,365	139,738	93.99%
	2016	121,363	132,060	(10,697)	139,538	94.64%
	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%
SERS	2022	\$ 2,989,926	\$ 2,665,685	\$ 324,241	\$ 4,807,031	55.45%
	2021	3,037,756	2,478,210	559,546	4,697,845	52.75%
	2020	2,913,649	2,368,905	544,744	4,517,749	52.44%
	2019	2,995,968	2,274,925	721,043	4,621,647	49.22%
	2018	2,739,378	1,929,175	810,203	4,240,109	45.50%
	2017	2,129,483	1,798,348	331,135	4,192,582	42.89%
	2016	2,019,691	1,882,243	137,448	4,282,020	43.96%
	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%

^ The Statutory Funding Policy for GARS, JRS and SERS does not conform to Actuarial Standards of Practice, therefore, the actuarially determined contribution is equal to the normal cost plus an amount to amortize the unfunded actuarial accrued liability as a level percentage of payroll.

* Covered payroll is based on the requirements of GASB Statement No. 82.

Notes To Schedule of Contributions			
	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>
Actuarial Valuation Date	6/30/2020	6/30/2020	6/30/2020
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	15 years, closed	20 years, closed	20 years, closed
Asset valuation method	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial assumptions:			
Inflation rate	2.25%	2.25%	2.25%
Salary increases*	Salary increase rates based on age-related productivity and merit rates plus inflation.	Salary increase rates based on age-related productivity and merit rates plus inflation.	Salary increase rates based on age-related productivity and merit rates plus inflation.
Postretirement benefit increases			
Tier 1	3%, compounded	3%, compounded	3%, compounded
Tier 2	Lesser of 3% or annual increase in CPI [^]	Lesser of 3% or annual increase in CPI [^]	Lesser of 3% or 1/2 annual increase in CPI [^]
Investment rate of return	6.50%	6.50%	6.75%
Retirement age	Experience-based table of rates specific to type of eligibility condition	Experience-based table of rates specific to type of eligibility condition	Experience-based table of rates specific to type of eligibility condition
Mortality:			
GARS	Pub-2010 Above-Median Income General Healthy Mortality tables, sex distinct, with scaling factors of 99% for males and females, and the MP-2018 two-dimensional generational mortality improvement scale.		
JRS	Pub-2010 Above-Median Income General Healthy Mortality tables, sex distinct, with scaling factors of 102% for males and 98% for females, and the MP-2018 two-dimensional generational mortality improvement scale.		
SERS	Pub-2010 General Healthy Mortality tables, sex distinct, with scaling factors of 111% for males and females, one year set forward for females, and the MP-2018 two-dimensional generational mortality improvement scale.		
[^] Consumer Price Index * Includes inflation rate listed			

Cost-Sharing Multiple-Employer Plans

The following schedule of the State’s proportionate share of the 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)								
	2021	2020	2019	June 30, 2018	2017	2016	2015	2014
State's proportion of the net pension liability	98.83%	98.74%	98.62%	98.57%	96.83%	96.72%	96.48%	96.47%
State's proportionate share of the net pension liability [^]	\$ 77,095,683	\$ 85,132,824	\$ 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	45.15%	37.76%	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)								
	2021	2020	2019	June 30, 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%	100.00%	100.00%
State's proportionate share of the net pension liability	\$ 28,528,477	\$ 30,619,504	\$ 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	45.45%	39.05%	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*	2022***	\$ 5,693,976	\$ 5,866,800	\$ 172,824
	2021	5,140,648	5,140,648	-
	2020	4,813,452	4,813,452	-
	2019	4,466,021	4,466,021	-
	2018	4,095,125	4,095,125	-
	2017	3,986,364	3,986,364	-
	2016	3,742,469	3,742,469	-
	2015	3,377,665	3,377,665	-
	2014	3,438,383	3,438,383	-
SURS**	2022***	\$ 2,101,279	\$ 2,159,418	\$ 58,139
	2021	1,995,767	1,995,767	-
	2020	1,785,818	1,785,818	-
	2019	1,592,639	1,592,639	-
	2018	1,568,221	1,568,221	-
	2017	1,612,164	1,612,164	-
	2016	1,542,947	1,542,947	-
	2015	1,488,591	1,488,591	-
	2014	1,458,965	1,458,965	-

* TRS statutory and actual contributions amounts include actual contributions required to fund the Guaranteed Minimum Benefit Reserve equal to \$270, \$312, \$374, \$443, \$509, \$580, \$667, \$787, and \$905 for fiscal years 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014, respectively.

** 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.

*** In FY2022, the State made an additional contribution in accordance with Public Act 102-0696.

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, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability					
Service cost	\$ 1,320,596	\$ 1,454,469	\$ 1,359,787	\$ 1,372,139	\$ 1,696,977
Interest on total OPEB liability	781,102	1,174,779	1,441,517	1,435,703	1,242,237
Differences between expected and actual experience	97,180	239,944	69,153	(1,096,157)	16,224
Assumption changes	(8,722,033)	(3,233,541)	1,893,970	(898,313)	(4,805,714)
Benefit payments	(931,573)	(1,158,194)	(968,506)	(2,043,983)	(325,218)
Net change in total OPEB liability	(7,454,728)	(1,522,543)	3,795,921	(1,230,611)	(2,175,494)
Total OPEB liability - beginning	42,366,626	43,889,169	40,093,248	41,323,859	43,499,353
Total OPEB liability - ending	\$ 34,911,898	\$ 42,366,626	\$ 43,889,169	\$ 40,093,248	\$ 41,323,859
Covered-employee payroll	\$ 8,629,836	\$ 7,842,131	\$ 7,666,177	\$ 7,516,763	\$ 7,663,997
Total OPEB liability as a percentage of covered-employee payroll	404.55%	540.24%	572.50%	533.38%	539.19%
Notes to Schedule. No assets are accumulated or dedicated to funding the retiree health insurance benefit and a separate trust has not been established for the funding of OPEB.					
The calculations of the total OPEB liability for each fiscal year presented are based on the following assumptions:					
	2021	2020	2019	2018	2017
Total OPEB liability					
Discount rate	1.92%	2.45%	3.13%	3.62%	3.56%

Cost-Sharing Multiple-Employer Plans

The following schedule of the State's proportionate share of the 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, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
State's proportion of the net OPEB liability	57.55%	57.53%	57.52%	57.32%	56.77%
State's proportionate share of the net OPEB liability	\$ 12,693,431	\$ 15,381,771	\$ 15,920,463	\$ 15,100,333	\$ 14,731,764
Plan fiduciary net position as a percentage of the total OPEB liability	1.40%	0.70%	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, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
State's proportion of the net OPEB liability	50.00%	50.00%	50.00%	50.00%	49.67%
State's proportionate share of the net OPEB liability	\$ 867,766	\$ 911,381	\$ 944,270	\$ 942,626	\$ 905,774
Plan fiduciary net position as a percentage of the total OPEB liability	-6.38%	-5.07%	-4.13%	-3.54%	-2.87%

The following is a schedule of the State's contributions, as of the end of the fiscal years presented:

Schedule of State Contributions (amounts expressed in thousands)				
Plan	Fiscal Year	Statutorily Required Contribution	State Contribution	Contribution Excess/ (Deficiency)
TRIP	2022	\$ 106,576	\$ 106,576	-
	2021	137,436	137,436	-
	2020	133,896	133,896	-
	2019	120,809	120,809	-
	2018	114,168	114,168	-
	2017	109,703	109,703	-
	2016	108,259	108,259	-
	2015	100,983	100,983	-
	2014	90,430	90,430	-
	2013	86,683	86,683	-
CIP	2022	\$ 4,715	\$ 4,715	-
	2021	4,649	4,649	-
	2020	4,598	4,598	-
	2019*	4,208	9,208	\$ 5,000
	2018	4,133	4,133	-
	2017	4,309	4,309	-
	2016	4,625	4,625	-
	2015	4,479	4,479	-
	2014	4,399	4,399	-
	2013*	4,176	40,176	36,000

* 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.

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

Common School Account--to provide funding for elementary and secondary education agencies including General State Aid, School District Consolidation Incentives, and operational funding of Educational Services Regions.

Advancement of Education Account--to provide financial assistance for education programs.

Commitment to Human Services Account--to provide financial assistance for community-based human service providers and state-funded human service programs.

Budget Stabilization Account--to provide monies to the general revenue account in order to meet cash flow deficits resulting in timing variations between disbursements and the receipt of funds within a fiscal year.

State of Illinois

Combining Schedule of Accounts

General Fund

June 30, 2022 (Expressed in Thousands)

	General Revenue Account	Education Assistance Account	Common School Account	Advancement of Education Account	Commitment to Human Services Account
ASSETS					
Cash equity with State Treasurer	\$ 9,548,425	\$ 551,567	\$ 114,083	\$ 223,969	\$ 361,149
Cash and cash equivalents	10,687				
Securities lending collateral of State Treasurer	2,760,866		6,693		
Receivables, net:					
Taxes	2,034,208	74,326	133,426	27,715	27,715
Intergovernmental	1,733,528	8,078	37,195	12,732	
Other	2,046,139	5,153	39		408
Due from other funds	1,168,645	18,711	11,532		
Due from component units	13,010				
Inventories	256,046				
Loans and notes receivable, net	118,768				
Leases receivable	581				
Other assets	15,000				
Total assets	\$ 19,705,903	\$ 657,835	\$ 302,968	\$ 264,416	\$ 389,272
LIABILITIES					
Accounts payable and accrued liabilities	\$ 5,108,124	\$ 2,881	\$ 77,829	\$ 330	\$ 180,648
Intergovernmental payables	3,217,496	305,025			7,007
Due to other funds	2,150,750	279	133,968		
Due to component units	137,083	2,555			
Unearned revenue	4,024,027	61,479		6,434	6,434
Obligations under securities lending of State Treasurer	2,760,866		6,693		
Matured portion of long-term liabilities	78				
Total liabilities	17,398,424	372,219	218,490	6,764	194,089
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	2,343,838	29,316		11,387	11,387
Deferred inflows of resources - leases	549				
Total deferred inflows of resources	2,344,387	29,316		11,387	11,387
FUND BALANCES (DEFICITS)					
Nonspendable long-term portion of loans and notes receivable	1,414				
Nonspendable inventories	256,046				
Restricted	379,213				
Committed	2,532,587	256,300	84,478	246,265	183,796
Unassigned	(3,206,168)				
Total fund balances (deficits)	(36,908)	256,300	84,478	246,265	183,796
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 19,705,903	\$ 657,835	\$ 302,968	\$ 264,416	\$ 389,272

Budget Stabilization		
Account	Eliminations	Total
\$ 743,409		\$ 11,542,602
		10,687
104,737		2,872,296
		2,297,390
		1,791,533
608		2,052,347
1,847	\$ (3)	1,200,732
		13,010
		256,046
		118,768
		581
		15,000
\$ 850,601	\$ (3)	\$ 22,170,992
		\$ 5,369,812
		3,529,528
	\$ (3)	2,284,994
		139,638
		4,098,374
\$ 104,737		2,872,296
		78
104,737	(3)	18,294,720
		2,395,928
		549
		2,396,477
		1,414
		256,046
		379,213
745,864		4,049,290
		(3,206,168)
745,864		1,479,795
\$ 850,601	\$ (3)	\$ 22,170,992

State of Illinois

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2022 (Expressed in Thousands)

	General Revenue Account	Education Assistance Account	Common School Account	Advancement of Education Account	Commitment to Human Services Account
REVENUES					
Income taxes	\$ 26,289,192	\$ 2,349,200		\$ 889,036	\$ 889,036
Sales taxes	7,987,149		\$ 2,704,829		
Public utility taxes	752,603		49,573		
Medical providers assessment taxes	3,093,737				
Other taxes	3,293,086		58,975		
Federal government	23,180,399				
Licenses and fees	495,257		709		
Interest and other investment income	(190,778)		245		
Other	1,369,329	86			
Total revenues	66,269,974	2,349,286	2,814,331	889,036	889,036
EXPENDITURES					
Current:					
Health and social services	32,893,404				915,896
Education	8,163,683	2,451,747	8,696,717	927,286	
General government	2,915,782				
Employment and economic development	796,958				
Transportation	658,583				
Public protection and justice	3,378,538				
Environment and business regulation	171,931				
Debt service:					
Principal	18,535	81			
Interest	6,197	2			
Capital outlays	94,314	115			
Total expenditures	49,097,925	2,451,945	8,696,717	927,286	915,896
Excess (deficiency) of revenues over (under) expenditures	17,172,049	(102,659)	(5,882,386)	(38,250)	(26,860)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in	1,272,439	134,384	5,842,173		
Transfers-out	(14,607,939)				
Lease financing	22,995				
Net other sources (uses) of financial resources	(13,312,505)	134,384	5,842,173		
Net change in fund balances	3,859,544	31,725	(40,213)	(38,250)	(26,860)
Fund balances (deficits), July 1, 2021	(3,908,749)	224,575	124,691	284,515	210,656
Increase for changes in inventory	12,297				
FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (36,908)	\$ 256,300	\$ 84,478	\$ 246,265	\$ 183,796

Budget		
Stabilization Account	Eliminations	Total
		\$ 30,416,464
		10,691,978
		802,176
		3,093,737
		3,352,061
		23,180,399
		495,966
\$ (7,324)		(197,857)
		1,369,415
(7,324)		73,204,339

		33,809,300
		20,239,433
		2,915,782
		796,958
		658,583
		3,378,538
		171,931
		18,616
		6,199
		94,429
		62,089,769
(7,324)		11,114,570

745,594	\$ (5,919,186)	2,075,404
	5,919,186	(8,688,753)
		22,995
745,594	-	(6,590,354)
738,270	-	4,524,216
7,594		(3,056,718)
		12,297
\$ 745,864	\$ -	\$ 1,479,795

State of Illinois

Combining Balance Sheet -
Nonmajor Governmental Funds

June 30, 2022 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash equity with State Treasurer	\$ 9,772,045	\$ 1,525,277	\$ 3,207,064	\$ 15,857	\$ 14,520,243
Cash and cash equivalents	260,767	496,991	7,120	418	765,296
Securities lending collateral of State Treasurer	528,300	177,148	182,114	480	888,042
Investments	17,732			42,677	60,409
Receivables, net:					
Taxes	764,777				764,777
Intergovernmental	2,227,103	1,711	8,722		2,237,536
Other	399,353	1,073	2,390	3	402,819
Due from other funds	1,359,903	4,959	94,659		1,459,521
Due from component units	460,303				460,303
Inventories	113,907				113,907
Loans and notes receivable, net	36,001		1,050		37,051
Leases receivable	9,888				9,888
Other assets	33,808				33,808
Total assets	\$ 15,983,887	\$ 2,207,159	\$ 3,503,119	\$ 59,435	\$ 21,753,600
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,033,914		\$ 217,126		\$ 1,251,040
Intergovernmental payables	3,470,495		18,095		3,488,590
Due to other funds	1,663,849	\$ 1	2,025	\$ 239	1,666,114
Due to component units	252,372		1		252,373
Unearned revenue	795,015		6,515		801,530
Obligations under securities lending of State Treasurer	528,300	177,148	182,114	480	888,042
Matured portion of long-term liabilities	518				518
Total liabilities	7,744,463	177,149	425,876	719	8,348,207
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	1,045,453		2,643		1,048,096
Deferred inflows of resources - leases	9,504				9,504
Total deferred inflows of resources	1,054,957		2,643		1,057,600
FUND BALANCES (DEFICITS)					
Nonspendable - inventories	113,907				113,907
Nonspendable - endowments and similar funds				54,333	54,333
Restricted	1,510,379	2,030,010	1,801,828	4,383	5,346,600
Committed	6,156,969		1,272,772		7,429,741
Assigned	606				606
Unassigned	(597,394)				(597,394)
Total fund balances	7,184,467	2,030,010	3,074,600	58,716	12,347,793
Total liabilities, deferred inflows of resources, and fund balances	\$ 15,983,887	\$ 2,207,159	\$ 3,503,119	\$ 59,435	\$ 21,753,600

State of Illinois

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

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES					
Income taxes	\$ 6,074,363				\$ 6,074,363
Sales taxes	4,592,960				4,592,960
Motor fuel taxes	1,706,216		\$ 779,775		2,485,991
Public utility taxes	639,743				639,743
Riverboat taxes	345,808				345,808
Other taxes	940,728				940,728
Federal government	19,396,786	\$ 55,082	14,512		19,466,380
Licenses and fees	2,546,936		475,862	\$ 251	3,023,049
Interest and other investment income	1,523	(7,444)	(10,515)	(2,748)	(19,184)
Other	1,672,858	91	8,593	35	1,681,577
Total revenues	37,917,921	47,729	1,268,227	(2,462)	39,231,415
EXPENDITURES					
Current:					
Health and social services	10,912,828			6	10,912,834
Education	5,239,111		118,723		5,357,834
General government	1,129,603	2,972	77,268		1,209,843
Employment and economic development	1,295,025	1	92,683		1,387,709
Transportation	2,310,822		491,918		2,802,740
Public protection and justice	761,417				761,417
Environment and business regulation	918,859		17,800		936,659
Debt service:					
Principal	117,680	3,132,890			3,250,570
Interest	34,670	1,515,470			1,550,140
Capital outlays	1,319,793		1,138,497		2,458,290
Intergovernmental	11,107,543				11,107,543
Total expenditures	35,147,351	4,651,333	1,936,889	6	41,735,579
Excess (deficiency) of revenues over (under) expenditures	2,770,570	(4,603,604)	(668,662)	(2,468)	(2,504,164)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General and special obligation bonds issued	272,655		1,402,345		1,675,000
Premiums on general and special obligation bonds issued	33,687		104,111		137,798
General and special obligation refunding bonds issued		713,375	142,745		856,120
Premiums on general and special obligation refunding bonds issued		28,768	30,221		58,989
Transfers-in	2,066,773	5,123,630	148,000		7,338,403
Transfers-out	(3,068,037)	(100,015)	(26,716)	(3,439)	(3,198,207)
Payments to refunded bond escrow agent		(757,379)	(172,245)		(929,624)
Lease financing	11,259				11,259
Net other sources (uses) of financial resources	(683,663)	5,008,379	1,628,461	(3,439)	5,949,738
Net change in fund balances	2,086,907	404,775	959,799	(5,907)	3,445,574
Fund balances, July 1, 2021	5,100,428	1,625,235	2,114,801	64,623	8,905,087
(Decrease) for changes in inventories	(2,868)				(2,868)
FUND BALANCES, JUNE 30, 2022	\$ 7,184,467	\$ 2,030,010	\$ 3,074,600	\$ 58,716	\$ 12,347,793

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

SIGNIFICANT NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS DESCRIPTIONS

Treasurer

Unclaimed Property Trust Fund--to account for monies received as abandoned property or from the sale of abandoned property pursuant to the Uniform Disposition of Unclaimed Property Act.

Tobacco Settlement Recovery Fund--to account for monies received annually as a part of the Master Settlement Agreement in the People of the State of Illinois v. Philip Morris et al.

Department of Children and Family Services

DCFS Children's Services Fund--to account for revenues and expenditures related to the federal Title IV-E foster care and adoption service program.

Department of Commerce and Economic Opportunity

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

Department of Natural Resources

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 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.

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

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.

Local Government Tax Fund--to account for a 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.

Build Illinois Fund--to receive a percentage of sales, hotel, and privilege taxes to be used for monthly allocation to various State agencies for the purpose of promoting tourism related activities.

Department of Transportation

Road Fund--to account for the activities of the State highway programs including highway maintenance and construction, traffic control and safety, and administering vehicle laws and regulations.

Motor Fuel Tax Fund--to account for the activities of various transportation related program expenditures and the administrative cost of supervising the use of funds apportioned to municipalities, counties, and road districts.

Downstate Public Transportation Fund--to provide financial assistance for local governments with public transportation systems.

Transportation Renewal Fund--to provide funds for highway maintenance and construction, bridge repair, congestion relief, construction of aviation facilities, and projects related to rail and mass transit facilities.

Railsplitter Tobacco Settlement Authority

Railsplitter Trustee Account Fund--to account for the payment of principal and interest on bonds issued in exchange for rights to the State's future tobacco settlement revenues.

Illinois Gaming Board

Rebuild Illinois Projects Fund--to receive monies from the collection of initial licenses issued for newly licensed gaming facilities and wagering platforms, to be used for grants that support community development.

State Board of Education

SBE Federal Department of Agriculture Fund--to account for the federal share of nutrition programs which provide nutritious meals for children and aging adults.

SBE Federal Department of Education Fund--to receive and disburse federal monies to provide financial assistance for educational programs funded by the U.S. Department of Education.

Emergency Management Agency

Essential Government Services Support Fund--to receive and disburse federal monies for purposes permitted by Section 9901 of the American Rescue Plan Act of 2021.

State of Illinois

Combining Balance Sheet
Nonmajor Special Revenue Funds

June 30, 2022 (Expressed in Thousands)

	Treasurer	Human Services	Revenue	Transportation	Other Departments
ASSETS					
Cash equity with State Treasurer	\$ 755,913	\$ 90,493	\$ 1,795,975	\$ 2,282,113	\$ 768,122
Cash and cash equivalents	19			60,342	606
Securities lending collateral of State Treasurer			86,830	310,190	
Investments					
Receivables, net:					
Taxes			367,812	268,483	8,321
Intergovernmental		300,242		251,997	167,683
Other	573	59	504	10,150	1,446
Due from other funds	60,794	3,259	466,134	170,624	1,185
Due from component units			422,830	37,394	3
Inventories				66,239	1,874
Loans and notes receivable, net					
Leases receivable				1,039	
Other assets					
Total assets	\$ 817,299	\$ 394,053	\$ 3,140,085	\$ 3,458,571	\$ 949,240
LIABILITIES					
Accounts payable and accrued liabilities	\$ 4,612	\$ 101,810	\$ 44,191	\$ 293,686	\$ 147,207
Intergovernmental payables	2,597	4,032	1,671,159	362,002	8,923
Due to other funds	95	6,902	158,579	330,197	13,472
Due to component units	66	441	23,990	86,676	79,351
Unearned revenue		280,870	336,710	19,283	8,203
Obligations under securities lending of State Treasurer			86,830	310,190	
Matured portion of long-term liabilities				518	
Total liabilities	7,370	394,055	2,321,459	1,402,552	257,156
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue		232,373	20,112	33,682	59,080
Deferred inflows of resources - leases				1,077	
Total deferred inflows of resources	-	232,373	20,112	34,759	59,080
FUND BALANCES (DEFICITS)					
Nonspendable inventories				66,239	1,874
Restricted	113,176			58,077	
Committed	696,753		818,626	1,896,944	630,524
Assigned					606
Unassigned		(232,375)	(20,112)		
Total fund balances (deficits)	809,929	(232,375)	798,514	2,021,260	633,004
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 817,299	\$ 394,053	\$ 3,140,085	\$ 3,458,571	\$ 949,240

State Board of Education	Other Agencies, Boards, and Authorities	Other	Total
\$ 4,790	\$ 600,565	\$ 3,474,074	\$ 9,772,045
	157,594	42,206	260,767
		131,280	528,300
		17,732	17,732
		120,161	764,777
1,001,295		505,886	2,227,103
807	137,929	247,885	399,353
67	500,000	157,840	1,359,903
7		69	460,303
593		45,201	113,907
		36,001	36,001
		8,849	9,888
		33,808	33,808
\$ 1,007,559	\$ 1,396,088	\$ 4,820,992	\$ 15,983,887
\$ 49,599		\$ 392,809	\$ 1,033,914
940,607		481,175	3,470,495
10,226	\$ 826,018	318,360	1,663,849
5,574		56,274	252,372
1,043		148,906	795,015
		131,280	528,300
			518
1,007,049	826,018	1,528,804	7,744,463
178,036	137,929	384,241	1,045,453
		8,427	9,504
178,036	137,929	392,668	1,054,957
593		45,201	113,907
	432,141	906,985	1,510,379
		2,114,122	6,156,969
			606
(178,119)		(166,788)	(597,394)
(177,526)	432,141	2,899,520	7,184,467
\$ 1,007,559	\$ 1,396,088	\$ 4,820,992	\$ 15,983,887

State of Illinois

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

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Treasurer	Human Services	Revenue	Transportation	Other Departments
REVENUES					
Income taxes			\$ 6,071,269		
Sales taxes			3,564,979	\$ 439,551	
Motor fuel taxes				1,644,022	
Public utility taxes			287,897		\$ 98,124
Riverboat taxes					
Other taxes			208,138		42,592
Federal government	\$ 120,061	\$ 7,792,104	585,394	1,682,193	987,342
Licenses and fees				1,619,732	644
Interest and other investment income	900		(2,813)	(17,777)	
Other	395,827		28,625	214,424	48,548
Total revenues	516,788	7,792,104	10,743,489	5,582,145	1,177,250
EXPENDITURES					
Current:					
Health and social services	259,381	8,219,471	17,951		998,141
Education	218,000		1,513		
General government	16,191		645,931	50,683	
Employment and economic development					
Transportation				2,158,884	
Public protection and justice			2,310		
Environment and business regulation					8,780
Debt service:					
Principal	69	8		978	
Interest	2			101	
Capital outlays	430	14		1,239,515	2,581
Intergovernmental			9,420,771	917,779	
Total expenditures	494,073	8,219,493	10,088,476	4,367,940	1,009,502
Excess (deficiency) of revenues over (under) expenditures	22,715	(427,389)	655,013	1,214,205	167,748
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued					
Premiums on general obligation bonds issued					
Transfers-in	702,658	195,000	572,346	3,698	
Transfers-out	(250)		(862,471)	(816,095)	
Lease financing	182	14		1,705	
Net other sources (uses) of financial resources	702,590	195,014	(290,125)	(810,692)	
Net change in fund balances	725,305	(232,375)	364,888	403,513	167,748
Fund balances (deficits), July 1, 2021	84,624		433,626	1,614,734	466,353
Increase (decrease) for changes in inventory				3,013	(1,097)
FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 809,929	\$ (232,375)	\$ 798,514	\$ 2,021,260	\$ 633,004

State Board of Education	Other Agencies, Boards, and Authorities	Other	Total
		\$ 3,094	\$ 6,074,363
		588,430	4,592,960
		62,194	1,706,216
		253,722	639,743
		345,808	345,808
	\$ 34	689,964	940,728
\$ 4,729,045		3,500,647	19,396,786
	55,310	871,250	2,546,936
	426	20,787	1,523
	633,357	352,077	1,672,858
4,729,045	689,127	6,687,973	37,917,921
		1,417,884	10,912,828
4,750,794		268,804	5,239,111
	100	416,698	1,129,603
		1,295,025	1,295,025
		151,938	2,310,822
		759,107	761,417
		910,079	918,859
504	109,655	6,466	117,680
65	33,548	954	34,670
1,333		75,920	1,319,793
		768,993	11,107,543
4,752,696	143,303	6,071,868	35,147,351
(23,651)	545,824	616,105	2,770,570
		272,655	272,655
		33,687	33,687
	267,342	325,729	2,066,773
	(710,961)	(678,260)	(3,068,037)
		9,358	11,259
	(443,619)	(36,831)	(683,663)
(23,651)	102,205	579,274	2,086,907
(153,520)	329,936	2,324,675	5,100,428
(355)		(4,429)	(2,868)
\$ (177,526)	\$ 432,141	\$ 2,899,520	\$ 7,184,467

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Treasurer

June 30, 2022 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 156,303	\$ 599,610	\$ 755,913
Cash and cash equivalents	19		19
Other receivables		573	573
Due from other funds	1,155	59,639	60,794
Total assets	\$ 157,477	\$ 659,822	\$ 817,299
LIABILITIES			
Accounts payable and accrued liabilities	\$ 2,121	\$ 2,491	\$ 4,612
Intergovernmental payables	6	2,591	2,597
Due to other funds	45	50	95
Due to component units		66	66
Total liabilities	2,172	5,198	7,370
FUND BALANCES			
Restricted	113,176		113,176
Committed	42,129	654,624	696,753
Total fund balances	155,305	654,624	809,929
Total liabilities and fund balances	\$ 157,477	\$ 659,822	\$ 817,299

State of Illinois

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

Treasurer

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	Total
REVENUES			
Federal government		\$ 120,061	\$ 120,061
Interest and other investment income		900	900
Other	\$ 225,483	170,344	395,827
Total revenues	225,483	291,305	516,788
EXPENDITURES			
Current:			
Health and social services		259,381	259,381
Education	218,000		218,000
General government	16,191		16,191
Debt service:			
Principal	69		69
Interest	2		2
Capital outlays	430		430
Total expenditures	234,692	259,381	494,073
Excess (deficiency) of revenues over (under) expenditures	(9,209)	31,924	22,715
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Transfers-in	1,697	700,961	702,658
Transfers-out	(250)		(250)
Lease financing	182		182
Net other sources (uses) of financial resources	1,629	700,961	702,590
Net change in fund balances	(7,580)	732,885	725,305
Fund balances (deficits), July 1, 2021	162,885	(78,261)	84,624
FUND BALANCES, JUNE 30, 2022	\$ 155,305	\$ 654,624	\$ 809,929

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Human Services

June 30, 2022 (Expressed in Thousands)

	Employment and Training Fund	Food Stamp and Commodity Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 90,493		\$ 90,493
Receivables, net:			
Intergovernmental	300,242		300,242
Other	59		59
Due from other funds	3,259		3,259
Total assets	\$ 394,053	\$ -	\$ 394,053
LIABILITIES			
Accounts payable and accrued liabilities	\$ 101,810		\$ 101,810
Intergovernmental payables	4,032		4,032
Due to other funds	6,902		6,902
Due to component units	441		441
Unearned revenue	280,870		280,870
Total liabilities	394,055		394,055
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	232,373		232,373
Total deferred inflows of resources	232,373		232,373
FUND BALANCES (DEFICITS)			
Unassigned	(232,375)		(232,375)
Total fund balances (deficits)	(232,375)		(232,375)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 394,053	\$ -	\$ 394,053

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, 2022 (Expressed in Thousands)

	Employment and Training Fund	Food Stamp and Commodity Fund	Total
REVENUES			
Federal government	\$ 1,143,972	\$ 6,648,132	\$ 7,792,104
Total revenues	1,143,972	6,648,132	7,792,104
EXPENDITURES			
Current:			
Health and social services	1,571,339	6,648,132	8,219,471
Debt service:			
Principal	8		8
Capital outlays	14		14
Total expenditures	1,571,361	6,648,132	8,219,493
Excess (deficiency) of revenues over (under) expenditures	(427,389)	-	(427,389)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Transfers-in	195,000		195,000
Lease financing	14		14
Net other sources (uses) of financial resources	195,014		195,014
Net change in fund balances	(232,375)	-	(232,375)
Fund balances, July 1, 2021			-
FUND BALANCES, JUNE 30, 2022	\$ (232,375)	\$ -	\$ (232,375)

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Revenue

June 30, 2022 (Expressed in Thousands)

	State and Local Sales Tax Reform Fund	Local Government Tax Fund	Illinois Affordable Housing Trust Fund	Local Government Distributive Fund	Personal Property Tax Replacement Fund
ASSETS					
Cash equity with State Treasurer	\$ 153,623	\$ 460,098	\$ 182,456	\$ 220,545	\$ 767,865
Securities lending collateral of State Treasurer			30,822		51,337
Receivables, net:					
Taxes	33,388	110,816	11	63,863	109,380
Other			179		298
Due from other funds				95,817	358,385
Due from component units			422,830		
Total assets	\$ 187,011	\$ 570,914	\$ 636,298	\$ 380,225	\$ 1,287,265
LIABILITIES					
Accounts payable and accrued liabilities			\$ 1,957	\$ 609	\$ 23,019
Intergovernmental payables	\$ 29,737	\$ 570,914		323,451	747,057
Due to other funds	157,274				1,305
Due to component units			23,990		
Unearned revenue				56,165	280,545
Obligations under securities lending of State Treasurer			30,822		51,337
Total liabilities	187,011	570,914	56,769	380,225	1,103,263
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue				20,112	
Total deferred inflows of resources				20,112	
FUND BALANCES (DEFICITS)					
Committed			579,529		184,002
Unassigned				(20,112)	
Total fund balances (deficits)			579,529	(20,112)	184,002
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 187,011	\$ 570,914	\$ 636,298	\$ 380,225	\$ 1,287,265

Build Illinois		
Fund		Total
\$ 11,388	\$ 1,795,975	
4,671	86,830	
50,354	367,812	
27	504	
11,932	466,134	
	422,830	
\$ 78,372	\$ 3,140,085	
\$ 18,606	\$ 44,191	
	1,671,159	
	158,579	
	23,990	
	336,710	
4,671	86,830	
23,277	2,321,459	
	20,112	
	20,112	
55,095	818,626	
	(20,112)	
55,095	798,514	
\$ 78,372	\$ 3,140,085	

State of Illinois

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

Revenue

For the Year Ended June 30, 2022 (Expressed in Thousands)

	State and Local Sales Tax Reform Fund	Local Government Tax Fund	Illinois Affordable Housing Trust Fund	Local Government Distributive Fund	Personal Property Tax Replacement Fund
REVENUES					
Income taxes				\$ 1,998,618	\$ 4,072,651
Sales taxes	\$ 163,566	\$ 2,358,553		395,789	
Public utility taxes					287,897
Other taxes			\$ 60,848		
Federal government			585,394		
Interest and other investment income			(110)		(2,808)
Other			28,625		
Total revenues	163,566	2,358,553	674,757	2,394,407	4,357,740
EXPENDITURES					
Current:					
Health and social services			17,951		
Education					1,513
General government			518,593		127,338
Public protection and justice					2,310
Intergovernmental	125,766	2,358,553		2,414,596	4,521,856
Total expenditures	125,766	2,358,553	536,544	2,414,596	4,653,017
Excess (deficiency) of revenues over (under) expenditures	37,800	-	138,213	(20,189)	(295,277)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in				20,474	512,406
Transfers-out	(37,800)			(5,000)	
Net other sources (uses) of financial resources	(37,800)			15,474	512,406
Net change in fund balances	-	-	138,213	(4,715)	217,129
Fund balances (deficits), July 1, 2021			441,316	(15,397)	(33,127)
FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ -	\$ -	\$ 579,529	\$ (20,112)	\$ 184,002

Build Illinois		
Fund		Total
	\$	6,071,269
\$ 647,071		3,564,979
		287,897
147,290		208,138
		585,394
105		(2,813)
		28,625
794,466		10,743,489

		17,951
		1,513
		645,931
		2,310
		9,420,771
		10,088,476

794,466		655,013
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39,466		572,346
(819,671)		(862,471)
(780,205)		(290,125)
14,261		364,888
40,834		433,626
\$ 55,095	\$	798,514

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Transportation

June 30, 2022 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 1,538,297	\$ 123,699	\$ 143,381	\$ 476,736	\$ 2,282,113
Cash and cash equivalents	60,342				60,342
Securities lending collateral of State Treasurer	310,190				310,190
Receivables, net:					
Taxes	32,394	104,959	24,417	106,713	268,483
Intergovernmental	251,997				251,997
Other	10,150				10,150
Due from other funds	66,770		103,854		170,624
Due from component units	37,394				37,394
Inventories	66,239				66,239
Leases receivable	1,039				1,039
Total assets	\$ 2,374,812	\$ 228,658	\$ 271,652	\$ 583,449	\$ 3,458,571
LIABILITIES					
Accounts payable and accrued liabilities	\$ 289,297	\$ 2,598	\$ 15	\$ 1,776	\$ 293,686
Intergovernmental payables	72,713	113,516	37,496	138,277	362,002
Due to other funds	168,019	112,544	31	49,603	330,197
Due to component units	86,676				86,676
Unearned revenue	19,283				19,283
Obligations under securities lending of State Treasurer	310,190				310,190
Matured portion of long-term liabilities	518				518
Total liabilities	946,696	228,658	37,542	189,656	1,402,552
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	33,682				33,682
Deferred inflows of resources - leases	1,077				1,077
Total deferred inflows of resources	34,759				34,759
FUND BALANCES					
Nonspendable inventories	66,239				66,239
Restricted	58,077				58,077
Committed	1,269,041		234,110	393,793	1,896,944
Total fund balances	1,393,357		234,110	393,793	2,021,260
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,374,812	\$ 228,658	\$ 271,652	\$ 583,449	\$ 3,458,571

State of Illinois

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

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
REVENUES					
Sales taxes	\$ 157,281		\$ 282,270		\$ 439,551
Motor fuel taxes	355,280	\$ 657,428		\$ 631,314	1,644,022
Federal government	1,682,193				1,682,193
Licenses and fees	1,618,497	1,235			1,619,732
Interest and other investment income	(17,777)				(17,777)
Other	214,424				214,424
Total revenues	4,009,898	658,663	282,270	631,314	5,582,145
EXPENDITURES					
Current:					
General government	1,231	49,452			50,683
Transportation	1,719,656	16,050	211,229	211,949	2,158,884
Debt service:					
Principal	903	75			978
Interest	99	2			101
Capital outlays	1,239,395	120			1,239,515
Intergovernmental		527,245		390,534	917,779
Total expenditures	2,961,284	592,944	211,229	602,483	4,367,940
Excess (deficiency) of revenues over (under) expenditures	1,048,614	65,719	71,041	28,831	1,214,205
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in		3,698			3,698
Transfers-out	(746,564)	(69,531)			(816,095)
Lease financing	1,591	114			1,705
Net other sources (uses) of financial resources	(744,973)	(65,719)			(810,692)
Net change in fund balances	303,641	-	71,041	28,831	403,513
Fund balances, July 1, 2021	1,086,703		163,069	364,962	1,614,734
Increase for changes in inventory	3,013				3,013
FUND BALANCES, JUNE 30, 2022	\$ 1,393,357	\$ -	\$ 234,110	\$ 393,793	\$ 2,021,260

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Other Departments

June 30, 2022 (Expressed in Thousands)

	Children and Family Services	Commerce and Economic Opportunity	Natural Resources	Public Health	
	DCFS Children's Services Fund	Supplemental Low Income Energy Assistance Fund	Open Space Lands Acquisition and Development Fund	Public Health Services Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 328,894	\$ 218,756	\$ 157,227	\$ 63,245	\$ 768,122
Cash and cash equivalents	606				606
Receivables, net:					
Taxes		8,313	8		8,321
Intergovernmental	48,855			118,828	167,683
Other				1,446	1,446
Due from other funds	943			242	1,185
Due from component units				3	3
Inventories				1,874	1,874
Total assets	\$ 379,298	\$ 227,069	\$ 157,235	\$ 185,638	\$ 949,240
LIABILITIES					
Accounts payable and accrued liabilities	\$ 45,624	\$ 37,075	\$ 72	\$ 64,436	\$ 147,207
Intergovernmental payables	185	2,507	1	6,230	8,923
Due to other funds	4,538	272	88	8,574	13,472
Due to component units	11,021	428		67,902	79,351
Unearned revenue				8,203	8,203
Total liabilities	61,368	40,282	161	155,345	257,156
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	31,267			27,813	59,080
Total deferred inflows of resources	31,267			27,813	59,080
FUND BALANCES					
Nonspendable inventories				1,874	1,874
Committed	286,663	186,787	157,074		630,524
Assigned				606	606
Total fund balances	286,663	186,787	157,074	2,480	633,004
Total liabilities, deferred inflows of resources, and fund balances	\$ 379,298	\$ 227,069	\$ 157,235	\$ 185,638	\$ 949,240

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, 2022 (Expressed in Thousands)

	Children and Family Services	Commerce and Economic Opportunity	Natural Resources	Public Health	
		Supplemental Low Income Energy	Open Space Lands Acquisition and Development	Public Health	
	DCFS Children's Services Fund	Assistance Fund	Fund	Services Fund	Total
REVENUES					
Public utility taxes		\$ 98,124			\$ 98,124
Other taxes			\$ 42,592		42,592
Federal government	\$ 366,578			\$ 620,764	987,342
Licenses and fees	644				644
Other	5,782	387	1	42,378	48,548
Total revenues	373,004	98,511	42,593	663,142	1,177,250
EXPENDITURES					
Current:					
Health and social services	232,047	112,028		654,066	998,141
Environment and business regulation		59	8,721		8,780
Capital outlays	47	43		2,491	2,581
Total expenditures	232,094	112,130	8,721	656,557	1,009,502
Excess (deficiency) of revenues over (under) expenditures	140,910	(13,619)	33,872	6,585	167,748
Net change in fund balances	140,910	(13,619)	33,872	6,585	167,748
Fund balances (deficits), July 1, 2021	145,753	200,406	123,202	(3,008)	466,353
(Decrease) for changes in inventory				(1,097)	(1,097)
FUND BALANCES, JUNE 30, 2022	\$ 286,663	\$ 186,787	\$ 157,074	\$ 2,480	\$ 633,004

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

State Board of Education

June 30, 2022 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 3,068	\$ 1,722	\$ 4,790
Receivables, net:			
Intergovernmental	102,142	899,153	1,001,295
Other	228	579	807
Due from other funds		67	67
Due from component units	4	3	7
Inventories	593		593
Total assets	\$ 106,035	\$ 901,524	\$ 1,007,559
LIABILITIES			
Accounts payable and accrued liabilities	\$ 24,017	\$ 25,582	\$ 49,599
Intergovernmental payables	81,125	859,482	940,607
Due to other funds	94	10,132	10,226
Due to component units	50	5,524	5,574
Unearned revenue	170	873	1,043
Total liabilities	105,456	901,593	1,007,049
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	795	177,241	178,036
Total deferred inflows of resources	795	177,241	178,036
FUND BALANCES (DEFICITS)			
Nonspendable inventories	593		593
Unassigned	(809)	(177,310)	(178,119)
Total fund balances (deficits)	(216)	(177,310)	(177,526)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 106,035	\$ 901,524	\$ 1,007,559

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, 2022 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
REVENUES			
Federal government	\$ 1,232,100	\$ 3,496,945	\$ 4,729,045
Total revenues	<u>1,232,100</u>	<u>3,496,945</u>	<u>4,729,045</u>
EXPENDITURES			
Current:			
Education	1,232,492	3,518,302	4,750,794
Debt service:			
Principal	126	378	504
Interest	16	49	65
Capital outlays	292	1,041	1,333
Total expenditures	<u>1,232,926</u>	<u>3,519,770</u>	<u>4,752,696</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(826)</u>	<u>(22,825)</u>	<u>(23,651)</u>
Net change in fund balances	<u>(826)</u>	<u>(22,825)</u>	<u>(23,651)</u>
Fund balances (deficits), July 1, 2021	965	(154,485)	(153,520)
(Decrease) for changes in inventory	(355)		(355)
FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ (216)</u>	<u>\$ (177,310)</u>	<u>\$ (177,526)</u>

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Other Agencies, Boards, and Authorities

June 30, 2022 (Expressed in Thousands)

	Railsplitter Tobacco Settlement Authority	Illinois Gaming Board	Emergency Management Agency		
	Railsplitter Trustee Account Fund	Rebuild Illinois Projects Fund	Essential Government Services Support Fund		Total
ASSETS					
Cash equity with State Treasurer		\$ 336,686	\$ 263,879	\$	600,565
Cash and cash equivalents	\$ 157,594				157,594
Other receivables	137,929				137,929
Due from other funds			500,000		500,000
Total assets	\$ 295,523	\$ 336,686	\$ 763,879	\$	1,396,088
LIABILITIES					
Due to other funds	\$ 62,139		\$ 763,879	\$	826,018
Total liabilities	62,139		763,879		826,018
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	137,929				137,929
Total deferred inflows of resources	137,929				137,929
FUND BALANCES					
Restricted	95,455	\$ 336,686			432,141
Total fund balances	95,455	336,686			432,141
Total liabilities, deferred inflows of resources, and fund balances	\$ 295,523	\$ 336,686	\$ 763,879	\$	1,396,088

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, 2022 (Expressed in Thousands)

	Railsplitter Tobacco Settlement Authority	Illinois Gaming Board	Emergency Management Agency	
	Railsplitter Trustee Account Fund	Rebuild Illinois Projects Fund	Essential Government Services Support Fund	Total
REVENUES				
Other taxes		\$ 34		\$ 34
Licenses and fees		55,310		55,310
Interest and other investment income	\$ 426			426
Other	633,357			633,357
Total revenues	633,783	55,344		689,127
EXPENDITURES				
Current:				
General government	100			100
Debt service:				
Principal	109,655			109,655
Interest	33,548			33,548
Total expenditures	143,303			143,303
Excess (deficiency) of revenues over (under) expenditures	490,480	55,344		545,824
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Transfers-in		267,342		267,342
Transfers-out	(700,961)	(10,000)		(710,961)
Net other sources (uses) of financial resources	(700,961)	257,342		(443,619)
Net change in fund balances	(210,481)	312,686		102,205
Fund balances, July 1, 2021	305,936	24,000		329,936
FUND BALANCES, JUNE 30, 2022	\$ 95,455	\$ 336,686	\$ -	\$ 432,141

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DEBT SERVICE FUNDS

The Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

SIGNIFICANT NONMAJOR GOVERNMENTAL DEBT SERVICE FUNDS DESCRIPTIONS

Treasurer

General Obligation Bond Retirement and Interest Fund--to account for payments of principal and interest related to general obligation bonds. These bonds provide financing for the protection of the environment within the State; the acquisition, construction, reconstruction, extension, and improvement of highways; the acquisition, construction, reconstruction, and improvement of capital projects; the construction of facilities leased back to the State; and the development of mass transportation and aviation systems within the State.

Governor's Office of Management and Budget

Build Illinois Bond Retirement and Interest Fund--to account for the payment of principal and interest upon bonds issued to finance improvements related to existing or planned scientific research, manufacturing, or industrial development or expansion in Illinois. Funding consists of transfers from the Build Illinois Fund and investment income.

State of Illinois

Combining Balance Sheet
Nonmajor Debt Service Funds

June 30, 2022 (Expressed in Thousands)

	Governor's Office of Management and Budget			
	Treasurer	Build Illinois		
	General	Bond Retirement		
	Obligation Bond	and Interest	Other	Total
	Retirement and	Fund		
	Interest Fund			
ASSETS				
Cash equity with State Treasurer	\$ 1,513,767	\$ 11,510		\$ 1,525,277
Cash and cash equivalents		496,991		496,991
Securities lending collateral of State Treasurer	174,555	2,593		177,148
Receivables, net:				
Intergovernmental	1,711			1,711
Other	1,058	15		1,073
Due from other funds	4,959			4,959
Total assets	\$ 1,696,050	\$ 511,109	\$ -	\$ 2,207,159
LIABILITIES				
Due to other funds	\$ 1			\$ 1
Obligations under securities lending of State Treasurer	174,555	\$ 2,593		177,148
Total liabilities	174,556	2,593		177,149
FUND BALANCES				
Restricted	1,521,494	508,516		2,030,010
Total fund balances	1,521,494	508,516		2,030,010
Total liabilities and fund balances	\$ 1,696,050	\$ 511,109	\$ -	\$ 2,207,159

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Treasurer General Obligation Bond Retirement and Interest Fund	Governor's Office of Management and Budget Build Illinois Bond Retirement and Interest Fund	Other	Total
REVENUES				
Federal government	\$ 55,082			\$ 55,082
Interest and other investment income	(7,857)	\$ 413		(7,444)
Other	91			91
Total revenues	47,316	413		47,729
EXPENDITURES				
Current:				
General government	2,945	27		2,972
Employment and economic development			\$ 1	1
Debt service:				
Principal	2,933,715	199,175		3,132,890
Interest	1,427,635	87,835		1,515,470
Total expenditures	4,364,295	287,037	1	4,651,333
Excess (deficiency) of revenues over (under) expenditures	(4,316,979)	(286,624)	(1)	(4,603,604)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
General obligation refunding bonds issued	713,375			713,375
Premiums on general obligation refunding bonds issued	28,768			28,768
Transfers-in	4,550,625	573,005		5,123,630
Transfers-out		(100,000)	(15)	(100,015)
Payments to refunded bond escrow agent	(739,198)	(18,181)		(757,379)
Net other sources (uses) of financial resources	4,553,570	454,824	(15)	5,008,379
Net change in fund balances	236,591	168,200	(16)	404,775
Fund balances, July 1, 2021	1,284,903	340,316	16	1,625,235
FUND BALANCES, JUNE 30, 2022	\$ 1,521,494	\$ 508,516	\$ -	\$ 2,030,010

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CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition and/or construction of capital facilities and other capital assets.

SIGNIFICANT NONMAJOR GOVERNMENTAL CAPITAL PROJECTS FUNDS DESCRIPTIONS

Department of Commerce and Economic Opportunity

Build Illinois Bond Fund--to account for the proceeds from bond issues of the Build Illinois Bond Program to finance improvements related to scientific research, manufacturing, and industrial development or expansion.

Department of Transportation

Transportation Bond, Series A Fund--to account for the proceeds from bond issues to finance State highway acquisition, construction, reconstruction, extension, and improvements.

Transportation Bond, Series B Fund--to account for the proceeds from bond issues used to finance mass transportation and aviation infrastructure including, but not limited to, the acquisition of mass transportation equipment, including rail and bus, and other equipment for counties under the Regional Transportation Authority.

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, 2022 (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	\$ 555,766	\$ 2,221,358	\$ 372,843	\$ 57,097	\$ 3,207,064	
Cash and cash equivalents			7,120		7,120	
Securities lending collateral of State Treasurer		182,114			182,114	
Receivables, net:						
Intergovernmental				8,722	8,722	
Other	228	2,162			2,390	
Due from other funds	452	92,788	823	596	94,659	
Loans and notes receivable, net	1,050				1,050	
Total assets	\$ 557,496	\$ 2,498,422	\$ 380,786	\$ 66,415	\$ 3,503,119	
LIABILITIES						
Accounts payable and accrued liabilities	\$ 2,922	\$ 122,943	\$ 85,290	\$ 5,971	\$ 217,126	
Intergovernmental payables	4	18,090	1		18,095	
Due to other funds	76		1,126	823	2,025	
Due to component units	1				1	
Unearned revenue		5,687	227	601	6,515	
Obligations under securities lending of State Treasurer		182,114			182,114	
Total liabilities	3,003	328,834	86,644	7,395	425,876	
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue				2,643	2,643	
Total deferred inflows of resources				2,643	2,643	
FUND BALANCES						
Restricted	554,493	946,627	294,142	6,566	1,801,828	
Committed		1,222,961		49,811	1,272,772	
Total fund balances	554,493	2,169,588	294,142	56,377	3,074,600	
Total liabilities, deferred inflows of resources, and fund balances	\$ 557,496	\$ 2,498,422	\$ 380,786	\$ 66,415	\$ 3,503,119	

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board		Total
	Build Illinois Bond Fund	Transportation	Capital Development Fund	Other	
REVENUES					
Motor fuel taxes		\$ 779,775			\$ 779,775
Federal government				\$ 14,512	14,512
Licenses and fees		475,862			475,862
Interest and other investment income		(10,515)			(10,515)
Other	\$ 51			8,542	8,593
Total revenues	51	1,245,122		23,054	1,268,227
EXPENDITURES					
Current:					
Education	7,984		\$ 96,991	13,748	118,723
General government	7,213	3,232	66,732	91	77,268
Employment and economic development	88,263		4,420		92,683
Transportation		491,918			491,918
Environment and business regulation	7,510		10,247	43	17,800
Capital outlays	199	823,620	284,962	29,716	1,138,497
Total expenditures	111,169	1,318,770	463,352	43,598	1,936,889
Excess (deficiency) of revenues over (under) expenditures	(111,118)	(73,648)	(463,352)	(20,544)	(668,662)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General and special obligation bonds issued	350,000	802,345	250,000		1,402,345
Premiums on general and special obligation bonds issued	19,260	73,220	11,631		104,111
Special obligation refunding bonds issued	142,745				142,745
Premiums on special obligation refunding bonds issued	30,221				30,221
Transfers-in	148,000				148,000
Transfers-out				(26,716)	(26,716)
Payments to refunded bond escrow agent	(172,245)				(172,245)
Net other sources (uses) of financial resources	517,981	875,565	261,631	(26,716)	1,628,461
Net change in fund balances	406,863	801,917	(201,721)	(47,260)	959,799
Fund balances, July 1, 2021	147,630	1,367,671	495,863	103,637	2,114,801
FUND BALANCES, JUNE 30, 2022	\$ 554,493	\$ 2,169,588	\$ 294,142	\$ 56,377	\$ 3,074,600

State of Illinois

Combining Balance Sheet - Nonmajor Capital Projects Funds

Transportation

June 30, 2022 (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	\$ 405,470	\$ 182,317	\$ 134,258	\$ 1,224,146	\$ 275,167	\$ 2,221,358
Securities lending collateral of State Treasurer				182,114		182,114
Other receivables			6	2,156		2,162
Due from other funds				92,788		92,788
Total assets	\$ 405,470	\$ 182,317	\$ 134,264	\$ 1,501,204	\$ 275,167	\$ 2,498,422
LIABILITIES						
Accounts payable and accrued liabilities	\$ 14,174	\$ 13,592	\$ 4,750	\$ 90,427		\$ 122,943
Intergovernmental payables	3,026	9,807	5,242	15		18,090
Unearned revenue				5,687		5,687
Obligations under securities lending of State Treasurer				182,114		182,114
Total liabilities	17,200	23,399	9,992	278,243		328,834
FUND BALANCES						
Restricted	388,270	158,918	124,272		\$ 275,167	946,627
Committed				1,222,961		1,222,961
Total fund balances	388,270	158,918	124,272	1,222,961	275,167	2,169,588
Total liabilities and fund balances	\$ 405,470	\$ 182,317	\$ 134,264	\$ 1,501,204	\$ 275,167	\$ 2,498,422

State of Illinois

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

For the Year Ended June 30, 2022 (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				\$ 779,775		\$ 779,775
Licenses and fees				475,862		475,862
Interest and other investment income				(10,515)		(10,515)
Total revenues				1,245,122		1,245,122
EXPENDITURES						
Current:						
General government	\$ 2,274	\$ 213			\$ 745	3,232
Transportation	239,648	5,159			247,111	491,918
Capital outlays	125,648	51,098	\$ 35,946	610,928		823,620
Total expenditures	367,570	56,470	35,946	610,928	247,856	1,318,770
Excess (deficiency) of revenues over (under) expenditures	(367,570)	(56,470)	(35,946)	634,194	(247,856)	(73,648)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
General obligation bonds issued	577,345	50,000			175,000	802,345
Premiums on general obligation bonds issued	62,752	2,326			8,142	73,220
Net other sources (uses) of financial resources	640,097	52,326			183,142	875,565
Net change in fund balances	272,527	(4,144)	(35,946)	634,194	(64,714)	801,917
Fund balances, July 1, 2021	115,743	163,062	160,218	588,767	339,881	1,367,671
FUND BALANCES, JUNE 30, 2022	\$ 388,270	\$ 158,918	\$ 124,272	\$ 1,222,961	\$ 275,167	\$ 2,169,588

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PERMANENT FUNDS

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

SIGNIFICANT NONMAJOR GOVERNMENTAL PERMANENT FUNDS DESCRIPTIONS

Department of Natural Resources

Fish and Wildlife Endowment Fund--to account for resources obtained from the issuance of lifetime hunting, fishing, or sportsmen's combination licenses.

Illinois Habitat Endowment Trust Fund--to account for resources obtained from private donations and transfers or deposits from the Park and Conservation Fund. All deposits into the fund shall become part of the trust fund corpus.

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, 2022 (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	\$ 15,757	\$	\$ 100	\$	\$ 15,857
Cash and cash equivalents		\$ 353		\$ 65	418
Securities lending collateral of State Treasurer	479		1		480
Investments		212	41,520	945	42,677
Other receivables	3				3
Total assets	\$ 16,239	\$ 565	\$ 41,621	\$ 1,010	\$ 59,435
LIABILITIES					
Due to other funds		\$ 139	\$ 100		\$ 239
Obligations under securities lending of State Treasurer	\$ 479		1		480
Total liabilities	479	139	101		719
FUND BALANCES					
Nonspendable - endowments and similar funds	11,747	121	41,520	\$ 945	54,333
Restricted	4,013	305		65	4,383
Total fund balances	15,760	426	41,520	1,010	58,716
Total liabilities and fund balances	\$ 16,239	\$ 565	\$ 41,621	\$ 1,010	\$ 59,435

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Permanent Funds

For the Year Ended June 30, 2022 (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	\$ 251				\$ 251
Interest and other investment income	33	\$ 12	\$ (2,794)	\$ 1	(2,748)
Other		35			35
Total revenues	284	47	(2,794)	1	(2,462)
EXPENDITURES					
Current:					
Health and social services		6			6
Total expenditures		6			6
Excess (deficiency) of revenues over (under) expenditures	284	41	(2,794)	1	(2,468)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-out			(3,439)		(3,439)
Net other sources (uses) of financial resources			(3,439)		(3,439)
Net change in fund balances	284	41	(6,233)	1	(5,907)
Fund balances, July 1, 2021	15,476	385	47,753	1,009	64,623
FUND BALANCES, JUNE 30, 2022	\$ 15,760	\$ 426	\$ 41,520	\$ 1,010	\$ 58,716

State of Illinois

Combining Balance Sheet - Nonmajor Permanent Funds

Natural Resources

June 30, 2022 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 3,076	\$ 12,681	\$ 15,757
Securities lending collateral of State Treasurer	479		479
Other receivables	3		3
Total assets	\$ 3,558	\$ 12,681	\$ 16,239
LIABILITIES			
Obligations under securities lending of State Treasurer	\$ 479		\$ 479
Total liabilities	479		479
FUND BALANCES			
Nonspendable - endowments and similar funds	3,079	\$ 8,668	11,747
Restricted		4,013	4,013
Total fund balances	3,079	12,681	15,760
Total liabilities and fund balances	\$ 3,558	\$ 12,681	\$ 16,239

State of Illinois

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

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
REVENUES			
Licenses and fees	\$ 251		\$ 251
Interest and other investment income	12	\$ 21	33
Total revenues	263	21	284
Net change in fund balances	263	21	284
Fund balances, July 1, 2021	2,816	12,660	15,476
FUND BALANCES, JUNE 30, 2022	\$ 3,079	\$ 12,681	\$ 15,760

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ENTERPRISE FUNDS

Enterprise Funds are maintained to account for the operations where the intent of the State is to provide services to the general public in a manner similar to private business enterprises.

SIGNIFICANT NONMAJOR ENTERPRISE FUNDS DESCRIPTIONS

Department of 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

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, 2022 (Expressed in Thousands)

	Lottery	Student Assistance Commission Illinois Designated Account Purchase Program Fund	Other	Total
	State Lottery Fund	Other	Total	Total
ASSETS				
Cash equity with State Treasurer	\$ 54,005		\$ 177,106	\$ 231,111
Cash and cash equivalents	19,665	\$ 4,144	3,505	27,314
Securities lending collateral of State Treasurer			26,233	26,233
Investments	26,480	26,021	42,604	95,105
Receivables, net:				
Intergovernmental			623	623
Other	68,087		4,045	72,132
Due from other funds	134,539		7,799	142,338
Restricted assets:				
Cash and cash equivalents		8,952		8,952
Other receivables, net		28,470		28,470
Loans and notes receivable, net		18,275		18,275
Prepaid expenses	94		271	365
Total current assets	302,870	85,862	262,186	650,918
Investments	219,917		32,461	252,378
Restricted loans and notes receivable, net		134,020		134,020
Capital assets being depreciated, net	20		3,250	3,270
Total noncurrent assets	219,937	134,020	35,711	389,668
Total assets	522,807	219,882	297,897	1,040,586
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pensions	10,585	420	17,242	28,247
Deferred outflows of resources - OPEB	7,819	96	7,186	15,101
Total deferred outflows of resources	18,404	516	24,428	43,348
LIABILITIES				
Accounts payable and accrued liabilities	81,486	456	20,210	102,152
Intergovernmental payables	36	260	32,771	33,067
Due to other funds	139,746	1,909	244	141,899
Due to component units	3		1,461	1,464
Unearned revenue	1,665		31,971	33,636
Obligations under securities lending of State Treasurer			26,233	26,233
Short-term notes payable		50,987		50,987
Current portion of long-term liabilities	25,635	34	2,045	27,714
Total current liabilities	248,571	53,646	114,935	417,152
Noncurrent portion of long-term liabilities	340,067	80,432	119,197	539,696
Total liabilities	588,638	134,078	234,132	956,848
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - unamortized deferred amounts on refundings		16,844		16,844
Deferred inflows of resources - pensions	8,946	470	35,112	44,528
Deferred inflows of resources - OPEB	15,455	658	27,734	43,847
Total deferred inflows of resources	24,401	17,972	62,846	105,219
NET POSITION				
Net investment in capital assets	6		3,249	3,255
Restricted for:				
Debt service		44,097		44,097
Unrestricted	(71,834)	24,251	22,098	(25,485)
Total net position	\$ (71,828)	\$ 68,348	\$ 25,347	\$ 21,867

State of Illinois

**Combining Statement of Revenues, Expenses
and Changes in Net Position
Nonmajor Enterprise Funds**

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Lottery	Student Assistance Commission Illinois Designated Account Purchase Program Fund	Other	Total
	State Lottery Fund	Program Fund		
OPERATING REVENUES				
Charges for sales and services	\$ 3,393,755		\$ 96,447	\$ 3,490,202
Interest income pledged as revenue bond security		\$ 9,627		9,627
Interest and other investment income			6	6
Other	5,315			5,315
Total operating revenues	3,399,070	9,627	96,453	3,505,150
OPERATING EXPENSES				
Cost of sales and services	175,136		105,411	280,547
Benefit payments and refunds			36,907	36,907
Prizes and claims	2,211,364			2,211,364
General and administrative	178,916	1,578	1,275	181,769
Depreciation	38		962	1,000
Other	7,000		14,088	21,088
Total operating expenses	2,572,454	1,578	158,643	2,732,675
Operating income (loss)	826,616	8,049	(62,190)	772,475
NONOPERATING REVENUES (EXPENSES)				
Interest and investment income	(21,846)		1,133	(20,713)
Interest expense	(7,890)		(61)	(7,951)
Federal government	7,000		50,750	57,750
Other revenues	2,099			2,099
Other expenses		(1,683)		(1,683)
Income (loss) before transfers	805,979	6,366	(10,368)	801,977
Transfers-in			7,791	7,791
Transfers-out	(699,648)		(11,457)	(711,105)
Change in net position	106,331	6,366	(14,034)	98,663
Net position, July 1, 2021	(178,159)	61,982	39,381	(76,796)
NET POSITION, JUNE 30, 2022	\$ (71,828)	\$ 68,348	\$ 25,347	\$ 21,867

State of Illinois

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds**

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Lottery	Student Assistance Commission		
			Illinois Designated Account Purchase	
	State Lottery Fund	Program Fund	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from sales and services			\$ 114,995	\$ 114,995
Cash received from lottery sales	\$ 3,386,893			3,386,893
Cash received from transactions with other funds			12,000	12,000
Cash payments to suppliers for goods and services	(178,823)	\$ (1,202)	(39,401)	(219,426)
Cash payments for interfund services	(1,909)		(217)	(2,126)
Cash payments to employees for services	(21,178)	(593)	(31,589)	(53,360)
Cash payments for lottery prizes	(2,228,569)			(2,228,569)
Cash payments for commissions and bonuses	(175,136)			(175,136)
Cash receipts from student loan principal		36,908		36,908
Cash receipts from student loan interest		5,713		5,713
Cash receipts from other operating activities	13,351		1,520	14,871
Cash payments for other operating activities	(7,086)	(3,711)	(82,685)	(93,482)
Net cash provided (used) by operating activities	787,543	37,115	(25,377)	799,281
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Principal paid on revenue bonds and other borrowings		(33,597)		(33,597)
Interest paid on revenue bonds and other borrowings		(1,141)		(1,141)
Grants received	7,059		55,915	62,974
Grants paid		(1,930)		(1,930)
Transfers-in from other funds			11,584	11,584
Transfers-out to other funds	(833,323)		(15,250)	(848,573)
Net cash provided (used) by noncapital financing activities	(826,264)	(36,668)	52,249	(810,683)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(5)		(544)	(549)
Principal paid on capital debt	(26)		(124)	(150)
Interest paid on capital debt	(1)		(27)	(28)
Net cash used by capital and related financing activities	(32)		(695)	(727)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	(6,351)	(26,184)	(27,154)	(59,689)
Proceeds from sales and maturities of investment securities	27,718	22,000	22,316	72,034
Cash paid for long-term annuity prizes payable	(25,630)			(25,630)
Loan repayments			2,000	2,000
Interest and dividends on investments	12	140	1,248	1,400
Net cash provided (used) by investing activities	(4,251)	(4,044)	(1,590)	(9,885)
Net increase (decrease) in cash and cash equivalents	(43,004)	(3,597)	24,587	(22,014)
Cash and cash equivalents, July 1, 2021	116,674	16,693	156,024	289,391
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 73,670	\$ 13,096	\$ 180,611	\$ 267,377
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Total cash and cash equivalents per Statement of Net Position	\$ 19,665	\$ 4,144	\$ 3,505	\$ 27,314
Add: cash equity with State Treasurer	54,005		177,106	231,111
Add: restricted cash equivalents		8,952		8,952
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 73,670	\$ 13,096	\$ 180,611	\$ 267,377

State of Illinois

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds**

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Lottery	Student Assistance Commission		
		Illinois Designated Account Purchase	Other	Total
	State Lottery Fund	Program Fund		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
OPERATING INCOME (LOSS)	\$ 826,616	\$ 8,049	\$ (62,190)	\$ 772,475
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	38		962	1,000
Provision for uncollectible accounts	2,430	1,620	20	4,070
Interest and investment income		133	(6)	127
Interest expense		(2,538)		(2,538)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
(Increase) decrease in accounts receivable	(23,053)	(1,982)	7,712	(17,323)
(Increase) decrease in intergovernmental receivables			(38)	(38)
(Increase) decrease in due from other funds	(555)		11,605	11,050
(Increase) decrease in loans and notes receivable		32,068		32,068
(Increase) decrease in prepaid expenses	38		1,402	1,440
(Increase) decrease in deferred outflows of resources	(6,622)	237	4,091	(2,294)
Increase (decrease) in accounts payable and accrued liabilities	(19,779)	(10)	(419)	(20,208)
Increase (decrease) in intergovernmental payables			31,318	31,318
Increase (decrease) in due to other funds	(143)	(46)	(444)	(633)
Increase (decrease) in due to component units	1		1,461	1,462
Increase (decrease) in unearned revenue	172		272	444
Increase (decrease) in net pension liability	(5,518)	(219)	(20,229)	(25,966)
Increase (decrease) in OPEB liability	(2,851)	(354)	(12,213)	(15,418)
Increase (decrease) in other liabilities	18	4	1,620	1,642
Increase (decrease) in deferred inflows of resources	10,400	153	9,699	20,252
Increase (decrease) long-term annuity prizes payable	6,351			6,351
Total adjustments	(39,073)	29,066	36,813	26,806
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 787,543	\$ 37,115	\$ (25,377)	\$ 799,281
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Increase (decrease) in fair value of investments	\$ (29,736)	\$ (261)	\$ (217)	\$ (30,214)
Interest accreted on investments	7,889			7,889
Interest accreted on long-term annuity prizes payable	(7,889)			(7,889)

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INTERNAL SERVICE FUNDS

Internal Service Funds are maintained to account for the operations of State agencies which render services to other State agencies or governmental units on a cost-reimbursement basis.

SIGNIFICANT INTERNAL SERVICE FUNDS DESCRIPTIONS

Office of the Auditor General

Audit Expense Fund--to account for the costs in association with conducting audits in accordance with the State Auditing Act.

Department of Central Management Services

State Garage Revolving Fund--to account for the operation and maintenance of State garages including the servicing and repair of all automotive equipment owned or controlled by the State. Revenues consist of charges from user agencies.

Facilities Management Revolving Fund--to account for rental, maintenance, and other expenses related to the use of buildings by State agencies. Revenues consist of charges from user agencies.

Professional Services Fund--to account for the cost of professional services rendered by the Department of Central Management Services on behalf of other agencies. Revenues consist of charges from user agencies.

Workers' Compensation Revolving Fund--to account for workers' compensation expenses of State employees. Revenues consist of charges from the funds which paid the employees during the employees' active service.

Health Insurance Reserve Fund--to account for the self-insurance medical and dental plan for State employees, retirees, and qualified dependents. This fund records all contributions, appropriations, interest, dividends, and expenses related to the plan.

Department of Innovation and Technology

Technology Management Revolving Fund--to account for the purchase, maintenance, and operation of electronic data processing and informational services used by State agencies. Revenues consist of charges from user agencies.

State of Illinois

Combining Statement of Net Position
Internal Service Funds

June 30, 2022 (Expressed in Thousands)

	Auditor General		Department of Innovation and Technology			
	Audit Expense Fund	Central Management Services	Technology Management Revolving Fund	Other	Total	
ASSETS						
Cash equity with State Treasurer	\$ 42,856	\$ 227,522	\$ 37,000	\$ 12,775	\$ 320,153	
Cash and cash equivalents		68,578			68,578	
Securities lending collateral of State Treasurer		38,158		99	38,257	
Receivables, net:						
Intergovernmental		1,370	866		2,236	
Other		28,488	428	3,005	31,921	
Due from other funds	18,512	636,375	212,324	2,721	869,932	
Due from component units	486	12,961	3,486	342	17,275	
Restricted assets:						
Inventories		1,782		1,315	3,097	
Prepaid expenses		841			841	
Total current assets	61,854	1,016,075	254,104	20,257	1,352,290	
Leases receivable			248		248	
Capital assets not being depreciated		44,967	13,944		58,911	
Capital assets being depreciated, net		584,282	162,461		746,743	
Total noncurrent assets	-	629,249	176,653	-	805,902	
Total assets	61,854	1,645,324	430,757	20,257	2,158,192	
LIABILITIES						
Accounts payable and accrued liabilities	8,811	233,952	302,204	317	545,284	
Intergovernmental payables		2,488	8,059		10,547	
Due to other funds	1	7,017	14,522	3,433	24,973	
Due to component units		198	4	110	312	
Unearned revenue			105		105	
Obligations under securities lending of State Treasurer		38,158		99	38,257	
Current portion of long-term liabilities		166,011	11,036		177,047	
Total current liabilities	8,812	447,824	335,930	3,959	796,525	
Noncurrent portion of long-term liabilities		789,866	10,050		799,916	
Total liabilities	8,812	1,237,690	345,980	3,959	1,596,441	
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - leases			3,992		3,992	
Total deferred inflows of resources			3,992		3,992	
NET POSITION						
Net investment in capital assets		238,314	175,675		413,989	
Unrestricted	53,042	169,320	(94,890)	16,298	143,770	
Total net position	\$ 53,042	\$ 407,634	\$ 80,785	\$ 16,298	\$ 557,759	

State of Illinois

Combining Statement of Revenues, Expenses
and Changes in Net Position

Internal Service Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Auditor General		Department of Innovation and Technology		
	Audit Expense Fund	Central Management Services	Management Revolving Fund	Other	Total
OPERATING REVENUES					
Charges for sales and services	\$ 27,484	\$ 3,257,090	\$ 437,611	\$ 30,744	\$ 3,752,929
Other		1,283	161		1,444
Total operating revenues	27,484	3,258,373	437,772	30,744	3,754,373
OPERATING EXPENSES					
Cost of sales and services	26,235	221,856	593,426	38,214	879,731
Benefit payments and refunds		2,864,592			2,864,592
General and administrative		81,267		16	81,283
Depreciation		95,874	32,854		128,728
Total operating expenses	26,235	3,263,589	626,280	38,230	3,954,334
Operating income (loss)	1,249	(5,216)	(188,508)	(7,486)	(199,961)
NONOPERATING REVENUES (EXPENSES)					
Interest and investment income		(1,142)		27	(1,115)
Interest expense		(41,498)	(3,020)		(44,518)
Federal government		4,286	33,792		38,078
Other revenues				336	336
Other expenses	(23)		(34)	(10,098)	(10,155)
Income (loss) before contributions and transfers	1,226	(43,570)	(157,770)	(17,221)	(217,335)
Contributions of capital assets		27,780			27,780
Transfers-in		32,862	45,000	500	78,362
Transfers-out		(2,862)			(2,862)
Change in net position	1,226	14,210	(112,770)	(16,721)	(114,055)
Net position, July 1, 2021, as restated	51,816	393,424	193,555	33,019	671,814
NET POSITION, JUNE 30, 2022	\$ 53,042	\$ 407,634	\$ 80,785	\$ 16,298	\$ 557,759

State of Illinois

**Combining Statement of Cash Flows
Internal Service Funds**

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Auditor General		Department of Innovation and Technology		Total
	Audit Expense Fund	Central Management Services	Technology Management Revolving Fund	Other	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from sales and services	\$ 2,785	\$ 176,353	\$ 11,518	\$ 167	\$ 190,823
Cash received from transactions with other funds	27,097	4,103,015	472,523	56,983	4,659,618
Cash payments to suppliers for goods and services	(25,329)	(3,938,557)	(340,953)	(45,130)	(4,349,969)
Cash payments for interfund services	(25)	(32,822)	(27,565)	(16)	(60,428)
Cash payments to employees for services	(187)	(63,080)	(145,905)	(1,887)	(211,059)
Cash payments for workers' compensation		(94,251)			(94,251)
Cash receipts from other operating activities		118,892		336	119,228
Net cash provided (used) by operating activities	4,341	269,550	(30,382)	10,453	253,962
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Principal paid on other borrowings			(10,032)		(10,032)
Interest paid on other borrowings		(145,689)	(146)		(145,835)
Grants received		4,478	37,447		41,925
Transfers-in from other funds		32,862	45,000	1,300	79,162
Transfers-out to other funds		(2,862)			(2,862)
Net cash provided (used) by noncapital financing activities		(111,211)	72,269	1,300	(37,642)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(23)	(2,572)	(36,367)	(1,208)	(40,170)
Principal paid on capital debt		(48,606)	(910)		(49,516)
Interest paid on capital debt		(8,566)	(11)		(8,577)
Net cash used by capital and related financing activities	(23)	(59,744)	(37,288)	(1,208)	(98,263)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends on investments		(1,334)		27	(1,307)
Net cash provided (used) by investing activities		(1,334)		27	(1,307)
Net increase (decrease) in cash and cash equivalents	4,318	97,261	4,599	10,572	116,750
Cash and cash equivalents, July 1, 2021	38,538	198,839	32,401	2,203	271,981
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 42,856	\$ 296,100	\$ 37,000	\$ 12,775	\$ 388,731
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Total cash and cash equivalents per Statement of Net Position		\$ 68,578			\$ 68,578
Add: cash equity with State Treasurer	\$ 42,856	227,522	\$ 37,000	\$ 12,775	320,153
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 42,856	\$ 296,100	\$ 37,000	\$ 12,775	\$ 388,731
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
OPERATING INCOME (LOSS)	\$ 1,249	\$ (5,216)	\$ (188,508)	\$ (7,486)	\$ (199,961)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation		95,874	32,854		128,728
Provision for uncollectible accounts		118			118
Miscellaneous income				336	336
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:					
(Increase) decrease in accounts receivable		(3,076)	654	477	(1,945)
(Increase) decrease in intergovernmental receivables		4	33	12	49
(Increase) decrease in due from other funds	1,892	1,019,313	43,219	25,869	1,090,293
(Increase) decrease in due from component units	506	(988)	376	(7)	(113)
(Increase) decrease in inventories		223		241	464
(Increase) decrease in prepaid expenses		(841)		1	(840)
Increase (decrease) in accounts payable and accrued liabilities	705	(826,770)	82,424	(11,917)	(755,558)
Increase (decrease) in intergovernmental payables		(2,667)	1,055	(3)	(1,615)
Increase (decrease) in due to other funds	(11)	(7,634)	(3,810)	2,821	(8,634)
Increase (decrease) in due to component units		(75)		109	34
Increase (decrease) in unearned revenue			(9)		(9)
Increase (decrease) in other liabilities		1,285	1,623		2,908
Increase (decrease) in deferred inflows of resources			(293)		(293)
Total adjustments	3,092	274,766	158,126	17,939	453,923
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 4,341	\$ 269,550	\$ (30,382)	\$ 10,453	\$ 253,962
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Cost of capital asset acquisitions financed by leases		\$ 134,917			\$ 134,917
Gain (loss) on disposal of capital assets		16	\$ (34)		(18)
Transfer of assets/liabilities from (to) other state funds	\$ (23)	27,764		\$ (10,098)	17,643

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State of Illinois

Combining Statement of Net Position - Internal Service Funds

Central Management Services

June 30, 2022 (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	\$ 35,727	\$ 57,567	\$ 42,953	\$ 61,799	\$ 29,476	\$ 227,522
Cash and cash equivalents				9,276	59,302	68,578
Securities lending collateral of State Treasurer		4,233	5,134	2,930	25,861	38,158
Receivables, net:						
Intergovernmental	2				1,368	1,370
Other		760	30	17	27,681	28,488
Due from other funds	11,880	66,624	2,088	488,749	67,034	636,375
Due from component units		18			12,943	12,961
Restricted assets:						
Inventories	1,782					1,782
Prepaid expenses					841	841
Total current assets	49,391	129,202	50,205	562,771	224,506	1,016,075
Capital assets not being depreciated		44,967				44,967
Capital assets being depreciated, net	10,356	573,473	446		7	584,282
Total noncurrent assets	10,356	618,440	446		7	629,249
Total assets	59,747	747,642	50,651	562,771	224,513	1,645,324
LIABILITIES						
Accounts payable and accrued liabilities	3,722	31,498	917	393	197,422	233,952
Intergovernmental payables	3	2,454	7		24	2,488
Due to other funds	1,538	4,066	475	3	935	7,017
Due to component units	1	193	4			198
Obligations under securities lending of State Treasurer		4,233	5,134	2,930	25,861	38,158
Current portion of long-term liabilities	119	60,010	240	105,616	26	166,011
Total current liabilities	5,383	102,454	6,777	108,942	224,268	447,824
Noncurrent portion of long-term liabilities	804	333,241	1,747	453,829	245	789,866
Total liabilities	6,187	435,695	8,524	562,771	224,513	1,237,690
NET POSITION						
Net investment in capital assets	10,222	227,739	353			238,314
Unrestricted	43,338	84,208	41,774			169,320
Total net position	\$ 53,560	\$ 311,947	\$ 42,127	\$ -	\$ -	\$ 407,634

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, 2022 (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	\$ 49,335	\$ 219,580	\$ 36,908	\$ 103,648	\$ 2,847,619	\$ 3,257,090
Other	1,283					1,283
Total operating revenues	50,618	219,580	36,908	103,648	2,847,619	3,258,373
OPERATING EXPENSES						
Cost of sales and services	36,799	146,143	38,914			221,856
Benefit payments and refunds				100,886	2,763,706	2,864,592
General and administrative	11,989	10,551			58,727	81,267
Depreciation	11,811	83,824	219	2	18	95,874
Total operating expenses	60,599	240,518	39,133	100,888	2,822,451	3,263,589
Operating income (loss)	(9,981)	(20,938)	(2,225)	2,760	25,168	(5,216)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income		96	82	102	(1,422)	(1,142)
Interest expense	(22)	(11,378)	(8)		(30,090)	(41,498)
Federal government		804			3,482	4,286
Income (loss) before contributions and transfers	(10,003)	(31,416)	(2,151)	2,862	(2,862)	(43,570)
Contributions of capital assets	29	27,751				27,780
Transfers-in	30,000				2,862	32,862
Transfers-out				(2,862)		(2,862)
Change in net position	20,026	(3,665)	(2,151)	-	-	14,210
Net position, July 1, 2021	33,534	315,612	44,278			393,424
NET POSITION, JUNE 30, 2022	\$ 53,560	\$ 311,947	\$ 42,127	\$ -	\$ -	\$ 407,634

State of Illinois

Combining Statement of Cash Flows - Internal Service Funds

Central Management Services

For the Year Ended June 30, 2022 (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	\$ 336	\$ 5,469			\$ 170,548	\$ 176,353
Cash received from transactions with other funds	51,842	271,959	\$ 64,630	\$ 129,565	3,585,019	4,103,015
Cash payments to suppliers for goods and services	(23,677)	(127,511)	(33,810)	(5,877)	(3,747,682)	(3,938,557)
Cash payments for interfund services	(10,319)	(11,580)	(7,177)	(121)	(3,625)	(32,822)
Cash payments to employees for services	(16,802)	(42,112)			(4,166)	(63,080)
Cash payments for workers' compensation				(94,251)		(94,251)
Cash receipts from other operating activities	1,283				117,609	118,892
Net cash provided (used) by operating activities	2,663	96,225	23,643	29,316	117,703	269,550
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interest paid on other borrowings	(21)	(32)	(7)		(145,629)	(145,689)
Grants received		1,346	29		3,103	4,478
Transfers-in from other funds	30,000				2,862	32,862
Transfers-out to other funds				(2,862)		(2,862)
Net cash provided (used) by noncapital financing activities	29,979	1,314	22	(2,862)	(139,664)	(111,211)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(1,724)	(848)				(2,572)
Principal paid on capital debt	(14)	(48,509)	(64)	(2)	(17)	(48,606)
Interest paid on capital debt	(2)	(8,560)	(4)			(8,566)
Net cash used by capital and related financing activities	(1,740)	(57,917)	(68)	(2)	(17)	(59,744)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments		75	57	95	(1,561)	(1,334)
Net cash provided (used) by investing activities		75	57	95	(1,561)	(1,334)
Net increase (decrease) in cash and cash equivalents	30,902	39,697	23,654	26,547	(23,539)	97,261
Cash and cash equivalents, July 1, 2021	4,825	17,870	19,299	44,528	112,317	198,839
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 35,727	\$ 57,567	\$ 42,953	\$ 71,075	\$ 88,778	\$ 296,100
Reconciliation of cash and cash equivalents to the Statement of Net Position:						
Total cash and cash equivalents per Statement of Net Position				\$ 9,276	\$ 59,302	\$ 68,578
Add: cash equity with State Treasurer	\$ 35,727	\$ 57,567	\$ 42,953	61,799	29,476	227,522
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	\$ 35,727	\$ 57,567	\$ 42,953	\$ 71,075	\$ 88,778	\$ 296,100
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (9,981)	\$ (20,938)	\$ (2,225)	\$ 2,760	\$ 25,168	\$ (5,216)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	11,811	83,824	219	2	18	95,874
Provision for uncollectible accounts		118				118
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:						
(Increase) decrease in accounts receivable		(853)			(2,223)	(3,076)
(Increase) decrease in intergovernmental receivables	4					4
(Increase) decrease in due from other funds	2,798	53,880	27,722	25,915	908,998	1,019,313
(Increase) decrease in due from component units		42			(1,030)	(988)
(Increase) decrease in inventories	223					223
(Increase) decrease in prepaid expenses					(841)	(841)
Increase (decrease) in accounts payable and accrued liabilities	265	(12,767)	(1,360)	(529)	(812,379)	(826,770)
Increase (decrease) in intergovernmental payables	(29)	(2,574)	(50)	(1)	(13)	(2,667)
Increase (decrease) in due to other funds	(2,466)	(4,496)	(733)	(27)	88	(7,634)
Increase (decrease) in due to component units		(40)	4		(39)	(75)
Increase (decrease) in other liabilities	38	29	66	1,196	(44)	1,285
Total adjustments	12,644	117,163	25,868	26,556	92,535	274,766
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 2,663	\$ 96,225	\$ 23,643	\$ 29,316	\$ 117,703	\$ 269,550
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Cost of capital asset acquisitions financed by leases		\$ 134,917				\$ 134,917
Gain (loss) on disposal of capital assets		16				16
Transfer of assets/liabilities from (to) other state funds	\$ 29	27,735				27,764

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

The Pension (and Other Employee Benefit) Trust Funds are maintained to account for the resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and other employee benefit plans.

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS DESCRIPTIONS

Department of Central Management Services

Teacher Health Insurance Security--to provide health benefits for the Teachers' Retirement System recipient and dependent beneficiaries. Premiums are collected from retired and active teachers and the insurance plan is administered by private companies.

Community College Health Insurance Security--to provide health benefits for the retirees of community colleges in the State of Illinois and dependent beneficiaries. Premiums are collected from retired and active teachers and the insurance plan is administered by private companies.

General Assembly Retirement System, Judges' Retirement System, State Employees' Retirement System, Teachers' Retirement System, and State Universities Retirement System

See Note 16 for description of retirement systems.

State of Illinois

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

June 30, 2022 (Expressed in Thousands)

	Central Management Services					
	Teacher Health Insurance Security	Community College Health Insurance Security	General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System
ASSETS						
Cash equity with State Treasurer	\$ 32,067	\$ 1,924	\$ 4,816	\$ 18,876	\$ 336,644	\$ 19,556
Cash and cash equivalents	11,756	2,462				97,616
Securities lending collateral of State Treasurer	5,612	377	624	2,288	46,289	21,502
Investments:						
Equities						20,060,816
Fixed income						8,729,837
Private equity						10,195,515
Real estate						12,357,936
Other						11,086,590
Equity in Illinois State Board of Investments			72,309	1,258,906	21,805,240	
Securities lending collateral						2,162,401
Receivables, net:						
Members	10,409	182	14	13	10,150	111,156
Employers	7,749	182				14,123
Investment income	33	2	4	13	269	208,865
Intergovernmental	97	10				
Pending investment sales		432				4,954,586
Other	3,377				9,455	1,796
Due from other funds				63	134	
Due from primary government funds	367,880				66,464	380
Prepaid expenses						
Capital assets not being depreciated					971	238
Capital assets being depreciated, net			49	163	13,331	8,000
Total assets	438,980	5,571	77,816	1,280,322	22,288,947	70,030,913
LIABILITIES						
Accounts payable and accrued liabilities	15,968	128,660	5	123	12,255	104,794
Due to other funds			93	104		
Due to primary government funds	38,660	128			4,959	1
Obligations under securities lending of State Treasurer	5,612	377	624	2,288	46,289	21,502
Securities lending collateral						2,162,392
Payable to brokers for unsettled trades						4,906,430
Long term obligations:						
Due within one year	4				97	30
Due subsequent to one year	106		15	43	844	2,138
Total liabilities	60,350	129,165	737	2,558	64,444	7,197,287
NET POSITION						
Restricted for:						
Pensions			77,079	1,277,764	22,224,503	62,833,626
Postemployment benefits other than pensions	378,630					
Unrestricted		(123,594)				
Total net position	\$ 378,630	\$ (123,594)	\$ 77,079	\$ 1,277,764	\$ 22,224,503	\$ 62,833,626

State Universities Retirement System

Defined Benefit	Other Employee Benefit Plan	Total
\$ 1,061,255	\$ 6,817	\$ 413,883
		1,179,906
		76,692
10,612,731	68,245	30,741,792
5,202,378	33,454	13,965,669
		10,195,515
2,091,472	13,449	14,462,857
3,372,172	21,685	14,480,447
		23,136,455
197,353	1,269	2,361,023
10,649		142,573
7,207		29,261
61,533	396	271,115
		107
157,905	1,015	5,113,938
		14,628
		197
		434,724
249		249
4,472		5,681
10,788		32,331
22,790,164	146,330	117,059,043
38,754	153	300,712
		197
3		43,751
		76,692
197,003	1,267	2,360,662
29,639	191	4,936,260
103		234
1,539		4,685
267,041	1,611	7,723,193
22,523,123		108,936,095
	144,719	523,349
		(123,594)
\$ 22,523,123	\$ 144,719	\$ 109,335,850

State of Illinois

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

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Central Management Services		General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System
	Teacher Health Insurance Security	Community College Health Insurance Security				
ADDITIONS						
Contributions:						
Employer	\$ 78,669	\$ 4,715	\$ 28,500	\$ 155,993	\$ 2,665,685	\$ 112,150
State	106,576	4,715				5,866,800
Members:						
Employees	106,576	4,715	1,179	14,574	288,830	1,072,639
Federal Medicare Part D	436	58				
Other	46					8,727
Total contributions	292,303	14,203	29,679	170,567	2,954,515	7,060,316
Investment income:						
Interest and other investment income	143	16	1,435	25,622	442,785	2,026,899
Net increase (decrease) in fair value of investments			(6,434)	(114,888)	(1,991,527)	(1,822,406)
Less investment expense			(91)	(1,623)	(28,069)	(947,536)
Net investment income	143	16	(5,090)	(90,889)	(1,576,811)	(743,043)
Total additions	292,446	14,219	24,589	79,678	1,377,704	6,317,273
DEDUCTIONS						
Benefit payments	217,842	27,628	26,930	180,423	2,991,760	7,607,019
Refunds			4	804	26,582	62,557
Depreciation			4	12	1,141	2,245
General and administrative	9,220	6,049	383	1,112	17,045	24,331
Total deductions	227,062	33,677	27,321	182,351	3,036,528	7,696,152
Change in net position						
Restricted for:						
Pension benefits			(2,732)	(102,673)	(1,658,824)	(1,378,879)
Retiree health insurance benefits (unrestricted deficit)	65,384	(19,458)				
Other employee benefits						
Net position, July 1, 2021	313,246	(104,136)	79,811	1,380,437	23,883,327	64,212,505
NET POSITION, JUNE 30, 2022	\$ 378,630	\$ (123,594)	\$ 77,079	\$ 1,277,764	\$ 22,224,503	\$ 62,833,626

**State Universities Retirement
System**

Defined Benefit	Other Employee Benefit Plan	Total
\$ 57,906		\$ 3,103,618
2,078,153	\$ 77	8,056,321
289,071		1,777,584
		494
		8,773
2,425,130	77	12,946,790
419,860	1,234	2,917,994
(993,854)	(2,914)	(4,932,023)
(111,640)	(328)	(1,089,287)
(685,634)	(2,008)	(3,103,316)
1,739,496	(1,931)	9,843,474
2,879,644	1,880	13,933,126
82,459		172,406
1,013		4,415
21,570		79,710
2,984,686	1,880	14,189,657
(1,245,190)		(4,388,298)
		45,926
	(3,811)	(3,811)
23,768,313	148,530	113,682,033
\$ 22,523,123	\$ 144,719	\$ 109,335,850

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INVESTMENT TRUST FUNDS

Investment Trust Funds are maintained to account for the external portion of investment pools (the portion that belongs to legally separate entities that are not part of the sponsoring government's financial reporting entity).

INVESTMENT TRUST FUNDS DESCRIPTIONS

Treasurer

Public Treasurers' External Investment Pool Fund--to enhance the investment opportunities available to custodians of public agency funds throughout the State of Illinois. The pool operates as an open-ended mutual fund.

College Savings Pool Fund--to account for assets held by the Bright Start and Bright Directions College Savings Programs, qualified State tuition programs under Section 529 of the Internal Revenue Code. The programs provide an opportunity for investors to invest on a tax-favored basis toward the qualified higher education expenses of a designated beneficiary associated with attending an institution of higher education.

State of Illinois

Combining Statement of Fiduciary Net Position

Investment Trust Funds

June 30, 2022 (Expressed in Thousands)

	Treasurer			Total
	Public Treasurers' External Investment Pool Fund	College Savings Pool Fund		
ASSETS				
Cash and cash equivalents	\$ 3,400,861	\$ 1,077,464		\$ 4,478,325
Investments:				
Equities		5,663,046		5,663,046
Fixed income	3,443,866	8,613,685		12,057,551
Investment income receivables	22,760	40,515		63,275
Total assets	6,867,487	15,394,710		22,262,197
LIABILITIES				
Accounts payable and accrued liabilities		27,254		27,254
Due to primary government funds	966			966
Total liabilities	966	27,254		28,220
NET POSITION				
Net position restricted for pool participants	\$ 6,866,521	\$ 15,367,456		\$ 22,233,977

State of Illinois

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Treasurer		
	Public Treasurers' External Investment Pool Fund	College Savings Pool Fund	Total
ADDITIONS			
Participant contributions		\$ 2,006,945	\$ 2,006,945
Total contributions		2,006,945	2,006,945
Investment income:			
Interest and other investment income	\$ 22,358	498,940	521,298
Net increase (decrease) in fair value of investments		(2,598,192)	(2,598,192)
Less investment expense	(3,763)		(3,763)
Net investment income	18,595	(2,099,252)	(2,080,657)
Capital share and individual account transactions:			
Shares sold	14,665,110		14,665,110
Reinvested distributions	18,595		18,595
Shares redeemed	(12,921,655)		(12,921,655)
Net capital share and individual account transactions	1,762,050		1,762,050
Total additions	1,780,645	(92,307)	1,688,338
DEDUCTIONS			
Distribution to pool investors	18,595		18,595
Payments to participants/beneficiaries		1,268,838	1,268,838
General and administrative		37,893	37,893
Total deductions	18,595	1,306,731	1,325,326
Change in net position	1,762,050	(1,399,038)	363,012
Net position, July 1, 2021	5,104,471	16,766,494	21,870,965
NET POSITION, JUNE 30, 2022	\$ 6,866,521	\$ 15,367,456	\$ 22,233,977

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PRIVATE-PURPOSE TRUST FUNDS

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

SIGNIFICANT PRIVATE-PURPOSE TRUST FUND DESCRIPTION

Department of Children and Family Services

Katherine F. Schaffner Bequest--to account for assets held to assist with the maintenance and upkeep of the Herrick House facility.

State of Illinois

Combining Statement of Fiduciary Net Position

Private-Purpose Trust Funds

June 30, 2022 (Expressed in Thousands)

	Children and Family Services		
	Katherine F. Schaffner Bequest	Other	Total
ASSETS			
Cash equity with State Treasurer		\$ 6	\$ 6
Cash and cash equivalents	\$ 135	13	148
Investments:			
Equities	536		536
Fixed income	174		174
Securities lending collateral of State Treasurer		1	1
Total assets	845	20	865
LIABILITIES			
Obligations under securities lending of State Treasurer		1	1
Total liabilities		1	1
NET POSITION			
Restricted for individuals, organizations, and other governments	\$ 845	\$ 19	\$ 864

State of Illinois

Combining Statement of Changes in Fiduciary Net Position

Private-Purpose Trust Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Children and Family Services		
	Katherine F. Schaffner Bequest	Other	Total
ADDITIONS			
Investment income:			
Interest and other investment income	\$ 21		\$ 21
Net increase (decrease) in fair value of investments	(133)		(133)
Less investment expense	(12)		(12)
Net investment income	(124)		(124)
Total additions	(124)		(124)
Net position, July 1, 2021	969	\$ 19	988
NET POSITION, JUNE 30, 2022	\$ 845	\$ 19	\$ 864

CUSTODIAL FUNDS

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

SIGNIFICANT CUSTODIAL FUNDS DESCRIPTIONS

Department of Corrections

DOC Resident's Trust Fund--to account for monies deposited on behalf of individual residents of the Department of Corrections.

Department of Financial and Professional Regulation

Depository Fund--to hold cash and securities on deposit by title insurance companies licensed or qualified to do business in the State of Illinois, for the benefit of any insured party under a policy the title insurance companies have issued.

Department of Insurance

Security Deposit Fund--to hold securities on deposit by domestic and certain foreign domiciled insurance companies in the State for protection of all policyholders, policy obligations, and creditors of the companies.

Department of Healthcare and Family Services

Child Support Enforcement Trust Fund--to account for collections and disbursements of child support payments from non-custodial parents and other sources.

Child Support Enforcement Trust - SDU Fund--to account for collections and disbursements of child support payments from non-custodial parents, through the State Disbursement Unit of the Department of Healthcare and Family Services.

Department of Revenue

Non-Home Rule Municipal Retailers Occupation Tax Fund--to receive and record monies collected from a tax imposed upon all persons engaged in the business of selling tangible personal property at retail in municipalities with a population of less than 25,000.

Home Rule Municipal Retailers Occupation Tax Fund--to receive and record monies collected from a tax imposed upon all persons, in such municipality, in the business of selling tangible personal property.

Home Rule County Retailers Occupation Tax Fund--to receive and record monies collected from a tax imposed upon all persons, in such county, in the business of selling tangible personal property.

County Public Safety Retailers Occupation Tax Fund--to receive and record monies collected from a local tax imposed on gross receipts from the retail selling of tangible personal property.

Metropolitan Pier and Exposition Authority Trust Fund--to receive and record monies obtained under the Metropolitan Pier and Exposition Authority Act.

School Facility Occupation Tax Fund--to receive and record monies collected from taxes imposed on gross receipts from the retail selling of tangible personal property to provide revenue to be used exclusively for school facility purposes, school resource officers, and mental health professionals.

Municipal Telecommunications Fund--to receive monies collected under the Simplified Municipal Telecommunications Act to be paid to the municipalities who imposed the tax under the Act.

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

State Universities Retirement System

SURS Custodial Fund--to receive and record monies received from participating employers that are passed on to a third-party administrator of the defined contribution plan and deferred compensation plan, as well as to receive and record forfeited funds.

State of Illinois

Combining Statement of Fiduciary Net Position
Custodial Funds

June 30, 2022 (Expressed in Thousands)

	Corrections	Financial and Professional Regulation	Insurance	Healthcare and Family Services	Revenue
	DOC Resident's Trust Fund	Depository Fund	Security Deposit Fund		
ASSETS					
Cash equity with State Treasurer				\$ 13,690	\$ 815,780
Cash and cash equivalents	\$ 23,067	\$ 2,160	\$ 14,870	4,439	
Securities lending collateral of State Treasurer					89,567
Investments		22,130	811,508		
Receivables, net:					
Taxes					226,846
Intergovernmental					
Other	2			165,333	519
Due from primary government funds	1,821				48,491
Total assets	24,890	24,290	826,378	183,462	1,181,203
LIABILITIES					
Accounts payable and accrued liabilities	609			183,462	
Intergovernmental payables					1,091,636
Obligations under securities lending of State Treasurer					89,567
Total liabilities	609			183,462	1,181,203
NET POSITION					
Restricted for individuals, organizations, and other governments	\$ 24,281	\$ 24,290	\$ 826,378	\$ -	\$ -

**State Universities
Retirement
System**

SURS Custodial		
Fund	Other	Total
	\$ 83,312	\$ 912,782
\$ 5,576	21,226	71,338
	3,067	92,634
14,848	7,109	855,595
	27,762	254,608
	1,757	1,757
3,427	1,666	170,947
	19	50,331
23,851	145,918	2,409,992
8,282	9,888	202,241
	98,929	1,190,565
	3,067	92,634
8,282	111,884	1,485,440
\$ 15,569	\$ 34,034	\$ 924,552

State of Illinois

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Corrections DOC Resident's Trust Fund	Financial and Professional Regulation Depository Fund	Insurance Security Deposit Fund	Healthcare and Family Services	Revenue
ADDITIONS					
Contributions:					
Employer State					
Participants					
Employees					
Total contributions					
Investment income:					
Interest and other investment income	\$ 20	\$ 2	\$ 221		\$ 1,986
Net increase (decrease) in fair value of investments		(1,082)			(6,053)
Less investment expense					
Net investment income	20	(1,080)	221		(4,067)
Collections/deposits:					
Sales tax collections for other governments					3,107,586
Public utility tax collections for other governments					123,059
Motor fuel tax collections for other governments					
Other tax collections for other governments					1,695,753
License and fee collections for other governments					
Collateral deposits received		998	159,221		
Custodial fund deposits received	20,585			\$ 1,087,278	
Other	8,567				
Total collections/deposits	29,152	998	159,221	1,087,278	4,926,398
Total additions	29,172	(82)	159,442	1,087,278	4,922,331
DEDUCTIONS					
General and administrative					
Payment of sales tax to other governments					3,105,175
Payment of public utility tax to other governments					123,059
Payment of motor fuel tax to other governments					
Payment of other tax to other governments					1,694,097
Payment of licenses and fees to other governments					
Collateral deposits returned			226,189		
Custodial funds disbursed	13,810			1,087,278	
Contributions disbursed to third party investors					
Other	22,844				
Total deductions	36,654	-	226,189	1,087,278	4,922,331
Change in net position	(7,482)	(82)	(66,747)	-	-
Net position, July 1, 2021	31,763	24,372	893,125		
NET POSITION, JUNE 30, 2022	\$ 24,281	\$ 24,290	\$ 826,378	\$ -	\$ -

**State Universities
Retirement
System**

SURS Custodial Fund	Other	Total
\$ 11,070		\$ 11,070
81,188		81,188
	\$ 3	3
110,247	723	110,970
202,505	726	203,231
81	226	2,536
(192)		(7,327)
(20)		(20)
(131)	226	(4,811)
	194,723	3,302,309
		123,059
	80,418	80,418
	146,720	1,842,473
	98,338	98,338
	1,023	161,242
	12,593	1,120,456
	13,122	21,689
	546,937	6,749,984
202,374	547,889	6,948,404
1,268	724	1,992
	194,735	3,299,910
		123,059
	80,456	80,456
	146,782	1,840,879
	98,341	98,341
	1,446	227,635
	15,288	1,116,376
198,384		198,384
	14,278	37,122
199,652	552,050	7,024,154
2,722	(4,161)	(75,750)
12,847	38,195	1,000,302
\$ 15,569	\$ 34,034	\$ 924,552

State of Illinois

Combining Statement of Fiduciary Net Position - Custodial Funds

Healthcare and Family Services

June 30, 2022 (Expressed in Thousands)

	Child Support Enforcement Trust Fund	Child Support Enforcement Trust-SDU Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 13,690		\$ 13,690
Cash and cash equivalents	2,989	\$ 1,450	4,439
Other receivables	165,324	9	165,333
Total assets	182,003	1,459	183,462
LIABILITIES			
Accounts payable and accrued liabilities	182,003	1,459	183,462
Total liabilities	182,003	1,459	183,462
NET POSITION			
Restricted for individuals, organizations, and other governments	\$ -	\$ -	\$ -

State of Illinois

**Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
Healthcare and Family Services**

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Child Support Enforcement Trust Fund	Child Support Enforcement Trust-SDU Fund	Total
ADDITIONS			
Collections/deposits:			
Custodial fund deposits received	\$ 140,700	\$ 946,578	\$ 1,087,278
Total additions	140,700	946,578	1,087,278
DEDUCTIONS			
Custodial funds disbursed	140,700	946,578	1,087,278
Total deductions	140,700	946,578	1,087,278
Change in net position	-	-	-
Net position, July 1, 2021			
NET POSITION, JUNE 30, 2022	\$ -	\$ -	\$ -

State of Illinois

Combining Statement of Fiduciary Net Position - Custodial Funds

Revenue

June 30, 2022 (Expressed in Thousands)

	Non-Home Rule Municipal Retailers Occupation Tax Fund	Home Rule Municipal Retailers Occupation Tax Fund	Home Rule County Retailers Occupation Tax Fund	County Public Safety Retailers Occupation Tax Fund	Metropolitan Pier and Exposition Authority Trust Fund
ASSETS					
Cash equity with State Treasurer	\$ 46,904	\$ 223,437	\$ 151,467	\$ 33,348	\$ 49,648
Securities lending collateral of State Treasurer	5,866	27,080	18,286		7,404
Receivables, net:					
Taxes	10,258	78,401	58,035	5,269	15,213
Other	34	157	106		43
Due from primary government funds					
Total assets	63,062	329,075	227,894	38,617	72,308
LIABILITIES					
Intergovernmental payables	57,196	301,995	209,608	38,617	64,904
Obligations under securities lending of State Treasurer	5,866	27,080	18,286		7,404
Total liabilities	63,062	329,075	227,894	38,617	72,308
NET POSITION					
Restricted for individuals, organizations, and other governments	\$ -	\$ -	\$ -	\$ -	\$ -

School Facility Occupation Tax Fund	Municipal Telecommunications Fund	RTA Sales Tax Trust Fund	Total
\$ 46,453	\$ 31,040	\$ 233,483 30,931	\$ 815,780 89,567
11,150	382	48,138 179 48,491	226,846 519 48,491
57,603	31,422	361,222	1,181,203
57,603	31,422	330,291 30,931	1,091,636 89,567
57,603	31,422	361,222	1,181,203
\$ -	\$ -	\$ -	\$ -

State of Illinois

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

Revenue

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Non-Home Rule Municipal Retailers Occupation Tax Fund	Home Rule Municipal Retailers Occupation Tax Fund	Home Rule County Retailers Occupation Tax Fund	County Public Safety Retailers Occupation Tax Fund	Metropolitan Pier and Exposition Authority Trust Fund
ADDITIONS					
Investment income:					
Interest and other investment income	\$ 141	\$ 626	\$ 415		\$ 89
Net increase (decrease) in fair value of investments		(2,148)	(1,451)		
Net investment income	141	(1,522)	(1,036)		89
Collections/deposits:					
Sales tax collections for other governments	210,506	1,391,929	1,044,332	\$ 160,796	87,611
Public utility tax collections for other governments					59,311
Other tax collections for other governments					
Total additions	210,647	1,390,407	1,043,296	160,796	147,011
DEDUCTIONS					
Payment of sales tax to other governments	210,647	1,390,407	1,043,296	160,796	87,617
Payment of public utility tax to other governments					59,394
Payment of other tax to other governments					
Total deductions	210,647	1,390,407	1,043,296	160,796	147,011
Change in net position	-	-	-	-	-
Net position, July 1, 2021					
NET POSITION, JUNE 30, 2022	\$ -	\$ -	\$ -	\$ -	\$ -

School Facility Occupation Tax Fund	Municipal Telecommunications Fund	RTA Sales Tax Trust Fund	Total
		\$ 715	\$ 1,986
		(2,454)	(6,053)
		(1,739)	(4,067)
\$ 212,412			3,107,586
	\$ 123,059		123,059
		1,636,442	1,695,753
212,412	123,059	1,634,703	4,922,331
212,412			3,105,175
	123,059		123,059
		1,634,703	1,694,097
212,412	123,059	1,634,703	4,922,331
-	-	-	-
\$ -	\$ -	\$ -	\$ -

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COMPONENT UNITS

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable. Component Units also include certain other organizations because of the nature and significance of their relationship with the primary government.

NONMAJOR COMPONENT UNITS DESCRIPTIONS

NONMAJOR AUTHORITIES

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, 2022 (Expressed in Thousands)

	Comprehensive Health Insurance Plan Board	Illinois Finance Authority	Illinois Medical District Commission	Southwestern Illinois Development Authority
ASSETS				
Cash and cash equivalents		\$ 3,561	\$ 5,274	\$ 3,149
Securities lending collateral of State Treasurer		3,020		
Investments		43,245		
Receivables, net:				
Other		312	180	5
Due from component units			18,002	
Due from primary government		1,377,460	138	
Prepaid expenses		95		47
Loans and notes receivable, net		15,705	100	1,508
Restricted assets:				
Cash equity with State Treasurer		19,856		
Cash and cash equivalents		511,756	1,501	
Investments		155,720		800
Other receivables, net		350		
Loans and notes receivable, net		27,917		
Other assets			988	160
Leases receivable			31,585	57
Capital assets not being depreciated			36,931	206
Capital assets being depreciated, net		50	23,020	217
Total assets		2,159,047	117,719	6,149
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pensions			120	55
Total deferred outflows of resources			120	55
LIABILITIES				
Accounts payable and accrued liabilities		41,567	568	26
Due to primary government		6,732		
Unearned revenue		96	1,287	
Obligations under securities lending collateral of State Treasurer		3,020		
Assets held for others		5		
Long-term obligations:				
Due within one year		103,598	1,697	
Due subsequent to one year		1,880,196	28,044	
Total liabilities		2,035,214	31,596	26
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - leases			30,739	57
Deferred inflows of resources - pensions			741	165
Total deferred inflows of resources			31,480	222
NET POSITION				
Net investment in capital assets		13	45,972	423
Restricted for:				
Other expendable purposes		60,787		
Unrestricted		63,033	8,791	5,533
Total net position	\$ -	\$ 123,833	\$ 54,763	\$ 5,956

Upper Illinois River Valley Development Authority		Total
\$ 980	\$ 12,964	
	3,020	
19	43,264	
	497	
	18,002	
	1,377,598	
	142	
	17,313	
	19,856	
	513,257	
	156,520	
	350	
	27,917	
	1,148	
	31,642	
	37,137	
	23,287	
999	2,283,914	
	175	
	175	
	42,161	
	6,732	
	1,383	
	3,020	
	5	
	105,295	
	1,908,240	
	2,066,836	
	30,796	
	906	
	31,702	
	46,408	
	60,787	
999	78,356	
\$ 999	\$ 185,551	

State of Illinois

Combining Statement of Activities

Component Units - Other Authorities

For the Year Ended June 30, 2022 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue
		Charges for services	Capital grants and contributions	
Comprehensive Health Insurance Plan Board	\$ 13,308	\$ 594		\$ (12,714)
Illinois Finance Authority	47,870	46,772		(1,098)
Illinois Medical District Commission	7,390	7,361	\$ 695	666
Southwestern Illinois Development Authority	659	302		(357)
Upper Illinois River Valley Development Authority	181	146		(35)
Total	<u>\$ 69,408</u>	<u>\$ 55,175</u>	<u>\$ 695</u>	<u>\$ (13,538)</u>

<u>General revenues</u>		<u>Total general revenues</u>	<u>Change in net position</u>	<u>Net position, July 1, 2021</u>	<u>Net position, June 30, 2022</u>
<u>Interest and investment income</u>	<u>Other</u>				
\$ 2		\$ 2	\$ (12,712)	\$ 12,712	\$ -
675	\$ 48	723	(375)	124,208	123,833
870		870	1,536	53,227	54,763
12	35	47	(310)	6,266	5,956
			(35)	1,034	999
<u>\$ 1,559</u>	<u>\$ 83</u>	<u>\$ 1,642</u>	<u>\$ (11,896)</u>	<u>\$ 197,447</u>	<u>\$ 185,551</u>

State of Illinois

Combining Statement of Net Position

Component Units - Other Universities

June 30, 2022 (Expressed in Thousands)

	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University
ASSETS				
Cash equity with State Treasurer	\$ 411			
Cash and cash equivalents	22,369	\$ 42,142	\$ 58,140	\$ 86,008
Securities lending collateral of State Treasurer	65			
Investments		2,634	5,502	2,350
Receivables, net:				
Intergovernmental			5,082	7,936
Other	6,317	17,603	4,488	11,108
Due from component units	10	16		10
Due from primary government	2,188	277	604	2,251
Inventories	12	1,242	284	11
Prepaid expenses	683	645	914	406
Unamortized bond insurance costs		2	661	
Loans and notes receivable, net	201	3,977	1,055	333
Restricted assets:				
Cash and cash equivalents	3,584	34,264	1,807	3,929
Investments	7,645	106,163	6,105	14,168
Other receivables, net		1,974		201
Other assets				
Other assets		446		337
Leases receivable		1,017		
Capital assets not being depreciated	37,241	11,746	15,208	36,053
Capital assets being depreciated, net	109,740	212,793	102,655	133,286
Total assets	190,466	436,941	202,505	298,387
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - unamortized deferred amounts on bond refundings			17	
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings			92	
Deferred outflows of resources - pensions	186	254	238	685
Deferred outflows of resources - OPEB	2,199	3,158	915	1,264
Total deferred outflows of resources	2,385	3,412	1,262	1,949
LIABILITIES				
Accounts payable and accrued liabilities	7,855	8,153	10,795	13,699
Intergovernmental payables	291		2,103	
Due to component units	22			10
Due to primary government	3			
Unearned revenue	2,424	7,559	2,717	3,689
Obligations under securities lending collateral of State Treasurer	65			
Assets held for others				66
Other liabilities		3,739		360
Long-term obligations:				
Due within one year	2,865	6,708	3,845	4,260
Due subsequent to one year	10,501	74,651	45,981	73,136
Total liabilities	24,026	100,810	65,441	95,220
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - unamortized deferred amounts on bond refundings			5	
Deferred inflows of resources - irrevocable split-interest agreements		448		
Deferred inflows of resources - service concession arrangements				28,135
Deferred inflows of resources - leases		996		
Deferred inflows of resources - OPEB	2,011	3,067	4,327	12,602
Total deferred inflows of resources	2,011	4,511	4,332	40,737
NET POSITION				
Net investment in capital assets	143,159	160,042	82,824	99,990
Restricted for:				
Debt service		3,169	1,525	2,493
Capital projects	434			
Nonexpendable purposes	4,757	70,160	3,363	14,332
Other expendable purposes	3,630	67,148	2,940	9,877
Unrestricted	14,834	34,513	43,342	37,687
Total net position	\$ 166,814	\$ 335,032	\$ 133,994	\$ 164,379

Western Illinois		University		Total	
		\$	411		
\$	21,032		229,691		65
	11,873		22,359		
			13,018		
	9,658		49,174		
	89		125		
	2,136		7,456		
	2,010		3,559		
	132		2,780		
	677		1,340		
	502		6,068		
	24,448		68,032		
	73,496		207,577		
			2,175		
	5,959		5,959		
	759		1,542		
	718		1,735		
	20,270		120,518		
	163,651		722,125		
	337,410		1,465,709		
	174		191		
	149		241		
	456		1,819		
	3,370		10,906		
	4,149		13,157		
	15,647		56,149		
			2,394		
	87		119		
	81		84		
	5,896		22,285		
			65		
			66		
	1,654		5,753		
	7,809		25,487		
	65,444		269,713		
	96,618		382,115		
			5		
			448		
			28,135		
	707		1,703		
	4,811		26,818		
	5,518		57,109		
	134,205		620,220		
			7,187		
			434		
	36,602		129,214		
	72,138		155,733		
	(3,522)		126,854		
\$	239,423	\$	1,039,642		

State of Illinois

Combining Statement of Activities
Component Units - Other Universities

For the Year Ended June 30, 2022 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue
		Charges for services	Operating grants and contributions	
Chicago State University	\$ 124,648	\$ 22,690	\$ 27,320	\$ (74,638)
Eastern Illinois University	188,194	59,004	43,146	(86,032)
Governors State University	127,408	37,827	29,269	(58,013)
Northeastern Illinois University	186,144	46,866	52,399	(86,879)
Western Illinois University	258,919	74,254	69,897	(114,768)
Total	<u>\$ 885,313</u>	<u>\$ 240,641</u>	<u>\$ 222,031</u>	<u>\$ (420,330)</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, 2021	Net position, June 30, 2022
	State appropriations	Interest and investment income	Other					
\$ 31,831	\$ 49,629	\$ (1,083)		\$ 29	\$ 80,406	\$ 5,768	\$ 161,046	\$ 166,814
46,618	50,491	(6,237)	\$ 1,708	3,286	95,866	9,834	325,198	335,032
31,032	27,094	(514)	469	495	58,576	563	133,431	133,994
48,684	37,742	(2,373)	856		84,909	(1,970)	166,349	164,379
56,906	57,515	(4,325)	9	1,991	112,096	(2,672)	242,095	239,423
<u>\$ 215,071</u>	<u>\$ 222,471</u>	<u>\$ (14,532)</u>	<u>\$ 3,042</u>	<u>\$ 5,801</u>	<u>\$ 431,853</u>	<u>\$ 11,523</u>	<u>\$ 1,028,119</u>	<u>\$ 1,039,642</u>

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Budgetary Schedules

The following budgetary schedules for the State have been prepared in accordance with the terminology and classifications of funds used by the State in the Statewide Accounting Management System (SAMS). SAMS establishes the following budgetary fund groups to account for the State’s budgetary activities:

General – funds established to account for those services traditionally provided by a state government which are not accounted for in other funds;

Highway – funds established to receive and distribute assessments related to transportation, and to support the construction and maintenance of transportation facilities and activities of the State;

Special State – funds designated by statute as special funds in the State Treasury and not elsewhere classified;

Bond Financed – funds established to receive and administer the proceeds of various bond issues of the State;

Debt Service – funds established to finance and account for the payment of principal and interest generally associated with the general and special obligation bond issues of the State;

Federal Trust – funds established pursuant to grants and contracts or under statutory authority between State agencies and the federal government;

Revolving – funds established to finance and account for intra-governmental services; and

State Trust – funds established by statute or under statutory authority for nonfederal programs which are not deemed to be a traditional governmental activity or elsewhere classified.

As the attached schedules are presented on the budgetary basis and not the GAAP basis of accounting, all budgeted funds of the State, including those presented as required supplemental information, are presented. The schedules presented as required supplemental information classify certain major governmental funds differently for GAAP reporting purposes than the following budgetary presentation. Below is a summary of those differences:

GAAP Basis	Budgetary Basis Includes
General Fund	All General Funds Highway Funds: 1 fund included as an other highway fund Special State Funds: Income Tax Refund Fund County Provider Trust Fund Long-Term Care Provider Fund Hospital Provider Fund Public Transportation Fund Drug Rebate Fund Healthcare Provider Relief Fund and 52 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 5 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, 2022 (Expressed in Thousands)

	General Funds			Highway Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 23,209,000	\$ 30,236,581	\$ 7,027,581			
Sales taxes	9,518,001	10,233,608	715,607		\$ 132,404	\$ 132,404
Motor fuel taxes				\$ 2,458,161	2,454,867	(3,294)
Public utility taxes	777,000	749,830	(27,170)	53		(53)
Federal government	3,941,000	4,444,864	503,864	1,735,767	1,690,971	(44,796)
Other	2,394,000	2,428,243	34,243	2,373,495	2,235,339	(138,156)
Less:						
Refunds	1,077	1,032	(45)	47,540	34,718	(12,822)
Total revenues	39,837,924	48,092,094	8,254,170	6,519,936	6,478,863	(41,073)
EXPENDITURES:						
Current:						
Health and social services	15,357,616	14,739,117	(618,499)			
Education	19,621,409	19,563,308	(58,101)			
General government	5,593,990	5,543,056	(50,934)	217,766	182,489	(35,277)
Employment and economic development	247,442	219,736	(27,706)	4,000	2,092	(1,908)
Transportation				5,385,869	4,573,859	(812,010)
Public protection and justice	2,708,843	2,617,023	(91,820)			
Environment and business regulation	174,594	171,142	(3,452)	23,000	23,000	-
Debt service:						
Principal						
Interest						
Capital outlays	19,974	12,258	(7,716)	65,708	65,544	(164)
Total expenditures	43,723,868	42,865,640	(858,228)	5,696,343	4,846,984	(849,359)
Excess (deficiency) of revenues over (under) expenditures	(3,885,944)	5,226,454	9,112,398	823,593	1,631,879	808,286
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues						
Operating transfers-in	11,463,027	11,463,027	-	1,944,304	1,944,304	-
Operating transfers-out	(13,949,560)	(13,949,560)	-	(2,719,538)	(2,719,538)	-
Total other sources (uses) of financial resources	(2,486,533)	(2,486,533)	-	(775,234)	(775,234)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(6,372,477)	2,739,921	9,112,398	48,359	856,645	808,286
Budgetary fund balances (deficits), July 1, 2021, as previously reported	(2,803,534)	(2,803,534)	-	2,381,556	2,381,556	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	(2,803,534)	(2,803,534)	-	2,381,556	2,381,556	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (9,176,011)	\$ (63,613)	\$ 9,112,398	\$ 2,429,915	\$ 3,238,201	\$ 808,286

Special State Funds			Bond Financed Funds			Debt Service Funds		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 8,690,284	\$ 10,690,678	\$ 2,000,394						
2,109,295	1,983,179	(126,116)				\$ 63,988	\$ 63,988	\$ -
66,094	67,659	1,565						
659,978	662,221	2,243						
14,382,838	16,224,975	1,842,137				40,537	48,536	7,999
12,703,688	15,076,635	2,372,947	\$ 201	\$ 288	\$ 87	1,534,428	1,534,310	(118)
2,971,081	2,957,562	(13,519)						
35,641,096	41,747,785	6,106,689	201	288	87	1,638,953	1,646,834	7,881
24,916,136	22,737,397	(2,178,739)						
524,651	432,098	(92,553)	146,921	146,921	-			
16,013,584	11,850,292	(4,163,292)	258,455	255,245	(3,210)			
1,656,171	612,847	(1,043,324)	212,483	94,582	(117,901)			
1,129,593	842,982	(286,611)	739,224	710,103	(29,121)			
756,650	509,418	(247,232)						
1,429,021	1,059,778	(369,243)	46,591	46,589	(2)			
			172,651	172,651	-	4,379,496	4,248,477	(131,019)
						1,433,908	1,430,781	(3,127)
33,426	25,205	(8,221)	312,345	311,603	(742)			
46,459,232	38,070,017	(8,389,215)	1,888,670	1,737,694	(150,976)	5,813,404	5,679,258	(134,146)
(10,818,136)	3,677,768	14,495,904	(1,888,469)	(1,737,406)	151,063	(4,174,451)	(4,032,424)	142,027
336,629	336,629	-	1,978,441	1,978,441	-	739,198	739,198	-
5,887,599	5,887,599	-	148,000	148,000	-	4,402,984	4,402,984	-
(3,930,518)	(3,930,518)	-				(1,216,413)	(1,216,413)	-
2,293,710	2,293,710	-	2,126,441	2,126,441	-	3,925,769	3,925,769	-
(17,267)	(17,267)	-						
(8,541,693)	5,954,211	14,495,904	237,972	389,035	151,063	(248,682)	(106,655)	142,027
3,102,379	3,102,379	-	1,681,712	1,681,712	-	2,054,174	2,054,174	-
3,102,379	3,102,379	-	1,681,712	1,681,712	-	2,054,174	2,054,174	-
\$ (5,439,314)	\$ 9,056,590	\$ 14,495,904	\$ 1,919,684	\$ 2,070,747	\$ 151,063	\$ 1,805,492	\$ 1,947,519	\$ 142,027

(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, 2022 (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	\$ 16,712,341	\$ 17,803,671	\$ 1,091,330	\$ 977	\$ 1,855	\$ 878
Other	377,289	420,724	43,435	667,967	818,865	150,898
Less:						
Refunds	323		(323)			
Total revenues	17,089,307	18,224,395	1,135,088	668,944	820,720	151,776
EXPENDITURES:						
Current:						
Health and social services	8,114,892	3,555,543	(4,559,349)			
Education	12,469,727	4,732,924	(7,736,803)			
General government	1,324,010	465,440	(858,570)	1,218,791	994,459	(224,332)
Employment and economic development	4,576,444	3,759,621	(816,823)			
Transportation	172,983	146,811	(26,172)	50	22	(28)
Public protection and justice	980,048	348,866	(631,182)			
Environment and business regulation	1,571,545	528,380	(1,043,165)			
Debt service:						
Principal						
Interest						
Capital outlays	7,970	958	(7,012)			
Total expenditures	29,217,619	13,538,543	(15,679,076)	1,218,841	994,481	(224,360)
Excess (deficiency) of revenues over (under) expenditures	(12,128,312)	4,685,852	16,814,164	(549,897)	(173,761)	376,136
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues						
Operating transfers-in	1,110,592	1,110,592	-	157,827	157,827	-
Operating transfers-out	(2,664,289)	(2,664,289)	-	(3,527)	(3,527)	-
Total other sources (uses) of financial resources	(1,553,697)	(1,553,697)	-	154,300	154,300	-
Budgetary funds-nonbudgeted accounts	(3,596)	(3,596)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(13,685,605)	3,128,559	16,814,164	(395,597)	(19,461)	376,136
Budgetary fund balances (deficits), July 1, 2021, as previously reported	(307,891)	(307,891)	-	(25,171)	(25,171)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	(307,891)	(307,891)	-	(25,171)	(25,171)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (13,993,496)	\$ 2,820,668	\$ 16,814,164	\$ (420,768)	\$ (44,632)	\$ 376,136

State Trust Funds			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 7,554	\$ 7,554	\$ -	\$ 31,899,284	\$ 40,927,259	\$ 9,027,975
4,839	4,839	-	11,698,838	12,420,733	721,895
124,360	124,360	-	2,529,094	2,527,365	(1,729)
255,413	453,523	198,110	1,561,391	1,536,411	(24,980)
4,208,928	5,861,818	1,652,890	37,068,873	40,668,395	3,599,522
			24,259,996	28,376,222	4,116,226
312	203	(109)	3,020,333	2,993,515	(26,818)
4,600,782	6,451,891	1,851,109	105,997,143	123,462,870	17,465,727
675,006	438,007	(236,999)	49,063,650	41,470,064	(7,593,586)
20,594	6,386	(14,208)	32,783,302	24,881,637	(7,901,665)
126,816	98,178	(28,638)	24,753,412	19,389,159	(5,364,253)
221,073	221,056	(17)	6,917,613	4,909,934	(2,007,679)
			7,427,719	6,273,777	(1,153,942)
383,301	209,929	(173,372)	4,828,842	3,685,236	(1,143,606)
15,768	5,788	(9,980)	3,260,519	1,834,677	(1,425,842)
			4,552,147	4,421,128	(131,019)
			1,433,908	1,430,781	(3,127)
24,964	24,183	(781)	464,387	439,751	(24,636)
1,467,522	1,003,527	(463,995)	135,485,499	108,736,144	(26,749,355)
3,133,260	5,448,364	2,315,104	(29,488,356)	14,726,726	44,215,082
			3,054,268	3,054,268	-
227,210	227,210	-	25,341,543	25,341,543	-
(526,587)	(526,587)	-	(25,010,432)	(25,010,432)	-
(299,377)	(299,377)	-	3,385,379	3,385,379	-
(4,456,823)	(4,456,823)	-	(4,477,686)	(4,477,686)	-
(1,622,940)	692,164	2,315,104	(30,580,663)	13,634,419	44,215,082
672,488	672,488	-	6,755,713	6,755,713	-
220,614	220,614	-	220,614	220,614	-
893,102	893,102	-	6,976,327	6,976,327	-
\$ (729,838)	\$ 1,585,266	\$ 2,315,104	\$ (23,604,336)	\$ 20,610,746	\$ 44,215,082

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, 2022 (Expressed in Thousands)

	General Revenue			Common School Special Account		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 20,035,000	\$ 26,100,326	\$ 6,065,326			
Sales taxes	7,009,000	7,536,108	527,108	\$ 2,509,001	\$ 2,697,500	\$ 188,499
Public utility taxes	728,000	702,820	(25,180)			
Federal government	3,941,000	4,444,864	503,864			
Other	2,334,000	2,368,131	34,131			
Less:						
Refunds	1,077	1,032	(45)			
Total revenues	34,045,923	41,151,217	7,105,294	2,509,001	2,697,500	188,499
EXPENDITURES:						
Current:						
Health and social services	14,444,960	13,896,236	(548,724)			
Education	7,798,677	7,741,460	(57,217)			
General government	5,593,987	5,543,053	(50,934)			
Employment and economic development	247,442	219,736	(27,706)			
Public protection and justice	2,708,843	2,617,023	(91,820)			
Environment and business	174,594	171,142	(3,452)			
Capital outlays	19,593	11,877	(7,716)			
Total expenditures	30,988,096	30,200,527	(787,569)			
Excess (deficiency) of revenues over (under) expenditures	3,057,827	10,950,690	7,892,863	2,509,001	2,697,500	188,499
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	1,942,097	1,942,097	-	2	2	-
Operating transfers-out	(11,329,195)	(11,329,195)	-	(2,613,621)	(2,613,621)	-
Total other sources (uses) of financial resources	(9,387,098)	(9,387,098)	-	(2,613,619)	(2,613,619)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(6,329,271)	1,563,592	7,892,863	(104,618)	83,881	188,499
Budgetary fund balances (deficits), July 1, 2021	(3,441,804)	(3,441,804)	-	(1)	(1)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (9,771,075)	\$ (1,878,212)	\$ 7,892,863	\$ (104,619)	\$ 83,880	\$ 188,499

Education Assistance			Common School			Advancement of Education		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1,806,000	\$ 2,354,049	\$ 548,049				\$ 684,000	\$ 891,103	\$ 207,103
			\$ 49,000	\$ 47,010	\$ (1,990)			
	85	85	60,000	59,642	(358)			
1,806,000	2,354,134	548,134	109,000	106,652	(2,348)	684,000	891,103	207,103
2,149,000	2,148,191	(809)	8,733,730	8,733,655	(75)	940,002	940,002	-
3	3	-						
381	381	-						
2,149,384	2,148,575	(809)	8,733,730	8,733,655	(75)	940,002	940,002	-
(343,384)	205,559	548,943	(8,624,730)	(8,627,003)	(2,273)	(256,002)	(48,899)	207,103
140,406	140,406	-	8,634,892	8,634,892	-			
(6,467)	(6,467)	-	(259)	(259)	-	(18)	(18)	-
133,939	133,939	-	8,634,633	8,634,633	-	(18)	(18)	-
(209,445)	339,498	548,943	9,903	7,630	(2,273)	(256,020)	(48,917)	207,103
184,911	184,911	-	(5,412)	(5,412)	-	263,664	263,664	-
\$ (24,534)	\$ 524,409	\$ 548,943	\$ 4,491	\$ 2,218	\$ (2,273)	\$ 7,644	\$ 214,747	\$ 207,103

(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, 2022 (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	\$ 684,000	\$ 891,103	\$ 207,103			
Sales taxes						
Public utility taxes						
Federal government						
Other		8	8	\$ 377	\$ 377	
Less:						
Refunds						
Total revenues	684,000	891,111	207,111	377	377	
EXPENDITURES:						
Current:						
Health and social services	912,656	842,881	(69,775)			
Education						
General government						
Employment and economic development						
Public protection and justice						
Environment and business						
Capital outlays						
Total expenditures	912,656	842,881	(69,775)			
Excess (deficiency) of revenues over (under) expenditures	(228,656)	48,230	276,886	377	377	
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				\$ 745,630	745,630	-
Operating transfers-out						-
Total other sources (uses) of financial resources				745,630	745,630	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(228,656)	48,230	276,886	745,630	746,007	377
Budgetary fund balances (deficits), July 1, 2021	189,396	189,396	-	5,712	5,712	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (39,260)	\$ 237,626	\$ 276,886	\$ 751,342	\$ 751,719	\$ 377

Total		
Final Budget	Actual	Variance Over (Under)
\$ 23,209,000	\$ 30,236,581	\$ 7,027,581
9,518,001	10,233,608	715,607
777,000	749,830	(27,170)
3,941,000	4,444,864	503,864
2,394,000	2,428,243	34,243
1,077	1,032	(45)
39,837,924	48,092,094	8,254,170
15,357,616	14,739,117	(618,499)
19,621,409	19,563,308	(58,101)
5,593,990	5,543,056	(50,934)
247,442	219,736	(27,706)
2,708,843	2,617,023	(91,820)
174,594	171,142	(3,452)
19,974	12,258	(7,716)
43,723,868	42,865,640	(858,228)
(3,885,944)	5,226,454	9,112,398
11,463,027	11,463,027	-
(13,949,560)	(13,949,560)	-
(2,486,533)	(2,486,533)	-
(6,372,477)	2,739,921	9,112,398
(2,803,534)	(2,803,534)	-
\$ (9,176,011)	\$ (63,613)	\$ 9,112,398

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, 2022 (Expressed in Thousands)

	Transportation			Transportation		
	Final Budget	Road Actual	Variance Over (Under)	Final Budget	Motor Fuel Tax - State Actual	Variance Over (Under)
REVENUES:						
Sales taxes		\$ 132,404	\$ 132,404			
Motor fuel taxes				\$ 1,252,792	\$ 1,250,969	\$ (1,823)
Public utility taxes				53		(53)
Federal government	\$ 1,735,767	1,690,971	(44,796)			
Other	1,833,852	1,753,188	(80,664)	1,260	1,258	(2)
Less:						
Refunds	2,540	1,457	(1,083)	45,000	33,261	(11,739)
Total revenues	3,567,079	3,575,106	8,027	1,209,105	1,218,966	9,861
EXPENDITURES:						
Current:						
General government	133,401	132,211	(1,190)	84,365	50,278	(34,087)
Employment and economic development	4,000	2,092	(1,908)			
Transportation	3,027,533	2,734,718	(292,815)	22,452	16,964	(5,488)
Environment and business regulation				23,000	23,000	-
Capital outlays	65,663	65,520	(143)	45	24	(21)
Total expenditures	3,230,597	2,934,541	(296,056)	129,862	90,266	(39,596)
Excess (deficiency) of revenues over (under) expenditures	336,482	640,565	304,083	1,079,243	1,128,700	49,457
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	355,006	355,006	-	4,207	4,207	-
Operating transfers-out	(771,300)	(771,300)	-	(1,129,599)	(1,129,599)	-
Total other sources (uses) of financial resources	(416,294)	(416,294)	-	(1,125,392)	(1,125,392)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(79,812)	224,271	304,083	(46,149)	3,308	49,457
Budgetary fund balances (deficits), July 1, 2021	1,156,745	1,156,745	-	115,803	115,803	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 1,076,933	\$ 1,381,016	\$ 304,083	\$ 69,654	\$ 119,111	\$ 49,457

Transportation Motor Fuel Tax - Municipalities			Transportation State Construction Account			Transportation Transportation Renewal		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 1,205,369	\$ 1,203,898	\$ (1,471)
			\$ 538,383	\$ 480,893	\$ (57,490)			
			538,383	480,893	(57,490)	1,205,369	1,203,898	(1,471)
\$ 287,256	\$ 258,878	\$ (28,378)	1,126,328	681,003	(445,325)	394,250	385,247	(9,003)
287,256	258,878	(28,378)	1,126,328	681,003	(445,325)	394,250	385,247	(9,003)
(287,256)	(258,878)	28,378	(587,945)	(200,110)	387,835	811,119	818,651	7,532
258,159	258,159	-	777,436	777,436	-			
			(69)	(69)	-	(815,569)	(815,569)	-
258,159	258,159	-	777,367	777,367	-	(815,569)	(815,569)	-
(29,097)	(719)	28,378	189,422	577,257	387,835	(4,450)	3,082	7,532
(21,987)	(21,987)	-	589,612	589,612	-	67,190	67,190	-
\$ (51,084)	\$ (22,706)	\$ 28,378	\$ 779,034	\$ 1,166,869	\$ 387,835	\$ 62,740	\$ 70,272	\$ 7,532

(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, 2022 (Expressed in Thousands)

(continued)

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes					\$ 132,404	\$ 132,404
Motor fuel taxes				\$ 2,458,161	2,454,867	(3,294)
Public utility taxes				53		(53)
Federal government				1,735,767	1,690,971	(44,796)
Other				2,373,495	2,235,339	(138,156)
Less:						
Refunds				47,540	34,718	(12,822)
Total revenues				6,519,936	6,478,863	(41,073)
EXPENDITURES:						
Current:						
General government				217,766	182,489	(35,277)
Employment and economic development				4,000	2,092	(1,908)
Transportation	\$ 528,050	\$ 497,049	\$ (31,001)	5,385,869	4,573,859	(812,010)
Environment and business regulation				23,000	23,000	-
Capital outlays				65,708	65,544	(164)
Total expenditures	528,050	497,049	(31,001)	5,696,343	4,846,984	(849,359)
Excess (deficiency) of revenues over (under) expenditures	(528,050)	(497,049)	31,001	823,593	1,631,879	808,286
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	549,496	549,496	-	1,944,304	1,944,304	-
Operating transfers-out	(3,001)	(3,001)	-	(2,719,538)	(2,719,538)	-
Total other sources (uses) of financial resources	546,495	546,495	-	(775,234)	(775,234)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	18,445	49,446	31,001	48,359	856,645	808,286
Budgetary fund balances (deficits), July 1, 2021	474,193	474,193	-	2,381,556	2,381,556	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 492,638	\$ 523,639	\$ 31,001	\$ 2,429,915	\$ 3,238,201	\$ 808,286

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Comptroller			Treasurer		
	Pension Stabilization		Variance Over (Under)	Tobacco Settlement Recovery		Variance Over (Under)
	Final Budget	Actual		Final Budget	Actual	
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government				\$ 125,614	\$ 121,275	\$ (4,339)
Other	\$ 300,000	\$ 300,000	\$ -	108,696	662,307	553,611
Less:						
Refunds						
Total revenues	300,000	300,000	-	234,310	783,582	549,272
EXPENDITURES:						
Current:						
Health and social services				264,328	259,338	(4,990)
Education						
General government	300,000	300,000	-	8	8	-
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	300,000	300,000	-	264,336	259,346	(4,990)
Excess (deficiency) of revenues over (under) expenditures				(30,026)	524,236	554,262
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues						
Operating transfers-in						
Operating transfers-out				(28)	(28)	-
Total other sources (uses) of financial resources				(28)	(28)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts				(30,054)	524,208	554,262
Budgetary fund balances (deficits), July 1, 2021				70,187	70,187	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified				70,187	70,187	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ -	\$ -	\$ -	\$ 40,133	\$ 594,395	\$ 554,262

Central Management Services			Children and Family Services			Commerce and Economic Opportunity		
Health Insurance Reserve			DCFS Children's Services			Rebuild Illinois Projects		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 12,052	\$ 4,347	\$ (7,705)	\$ 367,016	\$ 376,432	\$ 9,416			
2,971,591	3,869,098	897,507	3,147	7,539	4,392	\$ 77,000	\$ 55,260	\$ (21,740)
2,983,643	3,873,445	889,802	370,163	383,971	13,808	77,000	55,260	(21,740)
			396,929	227,176	(169,753)			
4,999,999	3,010,067	(1,989,932)	4,897	4,889	(8)			
4,999,999	3,010,067	(1,989,932)	401,826	232,065	(169,761)			
(2,016,356)	863,378	2,879,734	(31,663)	151,906	183,569	77,000	55,260	(21,740)
						267,342	267,342	-
			(719)	(719)	-	(10,000)	(10,000)	-
			(719)	(719)	-	257,342	257,342	-
(2,016,356)	863,378	2,879,734	(32,382)	151,187	183,569	334,342	312,602	(21,740)
(944,617)	(944,617)	-	116,963	116,963	-	24,000	24,000	-
(944,617)	(944,617)	-	116,963	116,963	-	24,000	24,000	-
\$(2,960,973)	\$ (81,239)	\$ 2,879,734	\$ 84,581	\$ 268,150	\$ 183,569	\$ 358,342	\$ 336,602	\$ (21,740)

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	State Lottery			Healthcare and Family Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
	State Lottery Fund			County Provider Trust		
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government				\$ 1,919,034	\$ 2,132,628	\$ 213,594
Other	\$ 1,301,844	\$ 1,395,071	\$ 93,227	985,270	1,000,055	14,785
Less:						
Refunds	100	33	(67)	1,000		(1,000)
Total revenues	<u>1,301,744</u>	<u>1,395,038</u>	<u>93,294</u>	<u>2,903,304</u>	<u>3,132,683</u>	<u>229,379</u>
EXPENDITURES:						
Current:						
Health and social services				3,224,999	3,156,656	(68,343)
Education						
General government	2,229,182	633,775	(1,595,407)			
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays	8	8	-			
Total expenditures	<u>2,229,190</u>	<u>633,783</u>	<u>(1,595,407)</u>	<u>3,224,999</u>	<u>3,156,656</u>	<u>(68,343)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(927,446)</u>	<u>761,255</u>	<u>1,688,701</u>	<u>(321,695)</u>	<u>(23,973)</u>	<u>297,722</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues						
Operating transfers-in						
Operating transfers-out	(820,479)	(820,479)	-			
Total other sources (uses) of financial resources	<u>(820,479)</u>	<u>(820,479)</u>	<u>-</u>			
Budgetary funds-nonbudgeted accounts	<u>(3,748)</u>	<u>(3,748)</u>	<u>-</u>			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(1,751,673)</u>	<u>(62,972)</u>	<u>1,688,701</u>	<u>(321,695)</u>	<u>(23,973)</u>	<u>297,722</u>
Budgetary fund balances (deficits), July 1, 2021	66,890	66,890	-	(12,807)	(12,807)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	66,890	66,890	-	(12,807)	(12,807)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ (1,684,783)</u>	<u>\$ 3,918</u>	<u>\$ 1,688,701</u>	<u>\$ (334,502)</u>	<u>\$ (36,780)</u>	<u>\$ 297,722</u>

Healthcare and Family Services Long Term Care Provider			Healthcare and Family Services Hospital Provider			Healthcare and Family Services Drug Rebate Fund		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 249,035	\$ 173,877	\$ (75,158)	\$ 2,225,103	\$ 2,812,069	\$ 586,966	\$ 552,617	\$ 890,137	\$ 337,520
200,143	178,246	(21,897)	1,696,526	1,807,079	110,553	338	1,525	1,187
2,750	24	(2,726)	5,000		(5,000)			
446,428	352,099	(94,329)	3,916,629	4,619,148	702,519	552,955	891,662	338,707
553,394	350,084	(203,310)	4,200,198	4,199,596	(602)	1,300,201	1,284,939	(15,262)
3	3	-						
553,397	350,087	(203,310)	4,200,198	4,199,596	(602)	1,300,201	1,284,939	(15,262)
(106,969)	2,012	108,981	(283,569)	419,552	703,121	(747,246)	(393,277)	353,969
30,000	30,000	-				474,428	474,428	-
(20,018)	(20,018)	-	(415,128)	(415,128)	-	(39)	(39)	-
9,982	9,982	-	(415,128)	(415,128)	-	474,389	474,389	-
(96,987)	11,994	108,981	(698,697)	4,424	703,121	(272,857)	81,112	353,969
(13,990)	(13,990)	-	270,385	270,385	-	101,089	101,089	-
(13,990)	(13,990)	-	270,385	270,385	-	101,089	101,089	-
\$ (110,977)	\$ (1,996)	\$ 108,981	\$ (428,312)	\$ 274,809	\$ 703,121	\$ (171,768)	\$ 182,201	\$ 353,969

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	Healthcare and Family Services Healthcare Provider Relief			Revenue State and Local Sales Tax Reform		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes				\$ 787,513	\$ 551,542	\$ (235,971)
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 7,671,728	\$ 8,449,580	\$ 777,852			
Other	2,140,344	2,836,568	696,224			
Less:						
Refunds						
Total revenues	9,812,072	11,286,148	1,474,076	787,513	551,542	(235,971)
EXPENDITURES:						
Current:						
Health and social services	13,062,117	12,136,539	(925,578)			
Education						
General government	3,321	3,321	-	198,000	127,767	(70,233)
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	13,065,438	12,139,860	(925,578)	198,000	127,767	(70,233)
Excess (deficiency) of revenues over (under) expenditures	(3,253,366)	(853,712)	2,399,654	589,513	423,775	(165,738)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues						
Operating transfers-in	365,000	365,000	-			
Operating transfers-out	(360)	(360)	-	(493,696)	(493,696)	-
Total other sources (uses) of financial resources	364,640	364,640	-	(493,696)	(493,696)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(2,888,726)	(489,072)	2,399,654	95,817	(69,921)	(165,738)
Budgetary fund balances (deficits), July 1, 2021	576,729	576,729	-	198,453	198,453	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	576,729	576,729	-	198,453	198,453	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (2,311,997)	\$ 87,657	\$ 2,399,654	\$ 294,270	\$ 128,532	\$ (165,738)

Revenue			Revenue			Revenue		
Income Tax Refund			Grocery Tax Replacement			Local Government Distributive		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 4,467,676	\$ 4,467,676	\$ -					\$ 2,000,111	\$ 2,000,111
90,272	90,272	-						
18,990	18,990	-						
2,944,514	2,944,514	-						
1,632,424	1,632,424	-					2,000,111	2,000,111
	(1,738)	(1,738)				\$2,589,432	2,382,069	(207,363)
	(1,738)	(1,738)				2,589,432	2,382,069	(207,363)
1,632,424	1,634,162	1,738				(2,589,432)	(381,958)	2,207,474
1,155,806	1,155,806	-	\$ 325,000	\$ 325,000	\$ -	413,279	413,279	-
(395,836)	(395,836)	-				(37)	(37)	-
759,970	759,970	-	325,000	325,000	-	413,242	413,242	-
2,392,394	2,394,132	1,738	325,000	325,000	-	(2,176,190)	31,284	2,207,474
241,762	241,762	-				111,510	111,510	-
241,762	241,762	-				111,510	111,510	-
\$ 2,634,156	\$ 2,635,894	\$ 1,738	\$ 325,000	\$ 325,000	\$ -	\$ (2,064,680)	\$ 142,794	\$ 2,207,474

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	Revenue			Revenue		
	Personal Property Tax Replacement		Variance Over (Under)	Cannabis Regulation		Variance Over (Under)
	Final Budget	Actual		Final Budget	Actual	
REVENUES:						
Income taxes	\$ 4,219,830	\$ 4,219,830	\$ -			
Sales taxes						
Motor fuel taxes						
Public utility taxes	291,470	276,458	(15,012)			
Federal government						
Other	1,073	1,018	(55)	\$ 179,355	\$ 275,943	\$ 96,588
Less:						
Refunds						
Total revenues	<u>4,512,373</u>	<u>4,497,306</u>	<u>(15,067)</u>	<u>179,355</u>	<u>275,943</u>	<u>96,588</u>
EXPENDITURES:						
Current:						
Health and social services	19,099	19,069	(30)	500		(500)
Education	126,055	125,327	(728)			
General government	4,180,020	4,175,968	(4,052)	1,508	1,508	-
Employment and economic development				300	135	(165)
Transportation						
Public protection and justice	2,464	2,310	(154)	4,000	2,259	(1,741)
Environment and business regulation				21,314	7,335	(13,979)
Capital outlays	35	15	(20)			
Total expenditures	<u>4,327,673</u>	<u>4,322,689</u>	<u>(4,984)</u>	<u>27,622</u>	<u>11,237</u>	<u>(16,385)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>184,700</u>	<u>174,617</u>	<u>(10,083)</u>	<u>151,733</u>	<u>264,706</u>	<u>112,973</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues						
Operating transfers-in	155,626	155,626	-			
Operating transfers-out	(85)	(85)	-	(259,163)	(259,163)	-
Total other sources (uses) of financial resources	<u>155,541</u>	<u>155,541</u>	<u>-</u>	<u>(259,163)</u>	<u>(259,163)</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>340,241</u>	<u>330,158</u>	<u>(10,083)</u>	<u>(107,430)</u>	<u>5,543</u>	<u>112,973</u>
Budgetary fund balances (deficits), July 1, 2021	416,822	416,822	-	17,096	17,096	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	416,822	416,822	-	17,096	17,096	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ 757,063</u>	<u>\$ 746,980</u>	<u>\$ (10,083)</u>	<u>\$ (90,334)</u>	<u>\$ 22,639</u>	<u>\$ 112,973</u>

Revenue			Transportation			Transportation		
Build Illinois			Public Transportation			Downstate Public Transportation		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 644,385	\$ 644,385	\$ -	\$ 145,361	\$ 336,017	\$ 190,656	\$ 218,639	\$ 281,639	\$ 63,000
135,817	135,817	-						
780,202	780,202	-	145,361	336,017	190,656	218,639	281,639	63,000
			1,611	1,117	(494)	31	31	-
			625,091	616,297	(8,794)	454,539	208,206	(246,333)
			626,702	617,414	(9,288)	454,570	208,237	(246,333)
780,202	780,202	-	(481,341)	(281,397)	199,944	(235,931)	73,402	309,333
39,466	39,466	-	280,299	280,299	-			
(819,671)	(819,671)	-	(48)	(48)	-	(12)	(12)	-
(780,205)	(780,205)	-	280,251	280,251	-	(12)	(12)	-
(3)	(3)	-	(201,090)	(1,146)	199,944	(235,943)	73,390	309,333
4	4	-	45,274	45,274	-	122,426	122,426	-
4	4	-	45,274	45,274	-	122,426	122,426	-
\$ 1	\$ 1	\$ -	\$ (155,816)	\$ 44,128	\$ 199,944	\$ (113,517)	\$ 195,816	\$ 309,333

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)	Environmental Protection Agency Water Revolving Fund			Housing Development Authority Affordable Housing Trust		
	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	\$ 120,000	\$ 128,317	\$ 8,317			
Other	521,501	212,747	(308,754)	\$ 61,622	\$ 79,713	\$ 18,091
Less:						
Refunds						
Total revenues	641,501	341,064	(300,437)	61,622	79,713	18,091
EXPENDITURES:						
Current:						
Health and social services				113,624	18,021	(95,603)
Education						
General government	23	12	(11)	541,068	518,585	(22,483)
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation	549,446	510,103	(39,343)			
Capital outlays						
Total expenditures	549,469	510,115	(39,354)	654,692	536,606	(118,086)
Excess (deficiency) of revenues over (under) expenditures	92,032	(169,051)	(261,083)	(593,070)	(456,893)	136,177
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues	336,629	336,629	-			
Operating transfers-in				595,873	595,873	-
Operating transfers-out	(1)	(1)	-	(8)	(8)	-
Total other sources (uses) of financial resources	336,628	336,628	-	595,865	595,865	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	428,660	167,577	(261,083)	2,795	138,972	136,177
Budgetary fund balances (deficits), July 1, 2021	235,955	235,955	-	19,932	19,932	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	235,955	235,955	-	19,932	19,932	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 664,615	\$ 403,532	\$ (261,083)	\$ 22,727	\$ 158,904	\$ 136,177

Gaming			State Board of Education			Other		
State Gaming			School Infrastructure					
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 2,778	\$ 3,061	\$ 283
						313,397	169,596	(143,801)
						66,094	67,659	1,565
			\$ 37,508	\$ 35,010	\$ (2,498)	331,000	350,753	19,753
						1,050,367	1,046,041	(4,326)
\$ 281,713	\$ 353,521	\$ 71,808				1,718,718	1,886,138	167,420
50		(50)				17,667	12,991	(4,676)
281,663	353,521	71,858	37,508	35,010	(2,498)	3,464,687	3,510,257	45,570
6,800	6,061	(739)				1,773,947	1,079,918	(694,029)
			32,231	31,326	(905)	366,365	275,445	(90,920)
229,074	134,112	(94,962)	713	111	(602)	734,694	558,687	(176,007)
						1,655,871	612,712	(1,043,159)
						49,963	18,479	(31,484)
						750,186	504,849	(245,337)
						858,261	542,340	(315,921)
50	32	(18)				33,333	25,150	(8,183)
235,924	140,205	(95,719)	32,944	31,437	(1,507)	6,222,620	3,617,580	(2,605,040)
45,739	213,316	167,577	4,564	3,573	(991)	(2,757,933)	(107,323)	2,650,610
21	21	-	304,696	304,696	-	1,480,763	1,480,763	-
(219,896)	(219,896)	-	(159,987)	(159,987)	-	(315,307)	(315,307)	-
(219,875)	(219,875)	-	144,709	144,709	-	1,165,456	1,165,456	-
			(13,272)	(13,272)	-	(247)	(247)	-
(174,136)	(6,559)	167,577	136,001	135,010	(991)	(1,592,724)	1,057,886	2,650,610
16,879	16,879	-	(433,278)	(433,278)	-	1,854,715	1,854,715	-
16,879	16,879	-	(433,278)	(433,278)	-	1,854,715	1,854,715	-
\$ (157,257)	\$ 10,320	\$ 167,577	\$ (297,277)	\$ (298,268)	\$ (991)	\$ 261,991	\$ 2,912,601	\$ 2,650,610

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Income taxes	\$ 8,690,284	\$ 10,690,678	\$ 2,000,394
Sales taxes	2,109,295	1,983,179	(126,116)
Motor fuel taxes	66,094	67,659	1,565
Public utility taxes	659,978	662,221	2,243
Federal government	14,382,838	16,224,975	1,842,137
Other	12,703,688	15,076,635	2,372,947
Less:			
Refunds	2,971,081	2,957,562	(13,519)
Total revenues	<u>35,641,096</u>	<u>41,747,785</u>	<u>6,106,689</u>
EXPENDITURES:			
Current:			
Health and social services	24,916,136	22,737,397	(2,178,739)
Education	524,651	432,098	(92,553)
General government	16,013,584	11,850,292	(4,163,292)
Employment and economic development	1,656,171	612,847	(1,043,324)
Transportation	1,129,593	842,982	(286,611)
Public protection and justice	756,650	509,418	(247,232)
Environment and business regulation	1,429,021	1,059,778	(369,243)
Capital outlays	33,426	25,205	(8,221)
Total expenditures	<u>46,459,232</u>	<u>38,070,017</u>	<u>(8,389,215)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,818,136)</u>	<u>3,677,768</u>	<u>14,495,904</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Proceeds from general and special obligation bond issues	336,629	336,629	-
Operating transfers-in	5,887,599	5,887,599	-
Operating transfers-out	(3,930,518)	(3,930,518)	-
Total other sources (uses) of financial resources	<u>2,293,710</u>	<u>2,293,710</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(17,267)</u>	<u>(17,267)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(8,541,693)</u>	<u>5,954,211</u>	<u>14,495,904</u>
Budgetary fund balances (deficits), July 1, 2021	3,102,379	3,102,379	-
Reclassifications between budgetary/nonbudgetary funds-net			
Budgetary fund balances (deficits), July 1, 2021, as reclassified	3,102,379	3,102,379	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ (5,439,314)</u>	<u>\$ 9,056,590</u>	<u>\$14,495,904</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Bond Financed Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Comptroller			Department of Commerce and Economic Opportunity		
	Pension Obligation	Acceleration	Bond Fund	Pension Obligation	Acceleration	Bond Fund
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other				\$ 201	\$ 201	\$ -
Total revenues				201	201	-
EXPENDITURES:						
Current:						
Education	\$ 146,189	\$ 146,189	\$ -			
General government	135,247	135,247	-	4,929	4,838	(91)
Employment and economic development				205,886	87,985	(117,901)
Transportation						
Environment and business regulation				7,509	7,509	-
Debt service:						
Principal				172,651	172,651	-
Interest						
Capital outlays				7,608	7,608	-
Total expenditures	281,436	281,436	-	398,583	280,591	(117,992)
Excess (deficiency) of revenues over (under) expenditures	(281,436)	(281,436)	-	(398,382)	(280,390)	117,992
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues	305,289	305,289	-	540,252	540,252	-
Operating transfers-in				148,000	148,000	-
Total other sources (uses) of financial resources	305,289	305,289	-	688,252	688,252	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	23,853	23,853	-	289,870	407,862	117,992
Budgetary fund balances (deficits), July 1, 2021	116,448	116,448	-	145,741	145,741	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 140,301	\$ 140,301	\$ -	\$ 435,611	\$ 553,603	\$ 117,992

Department of Transportation Transportation Bond, Series A			Capital Development Board Capital Development Fund			Other		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
				\$ 87	\$ 87			
				87	87			
						\$ 732	\$ 732	\$ -
			\$ 115,119	112,000	(3,119)	3,160	3,160	-
			6,597	6,597	-			
\$ 355,989	\$ 355,976	\$ (13)				383,235	354,127	(29,108)
			12,366	12,364	(2)	26,716	26,716	-
			304,737	303,995	(742)			
355,989	355,976	(13)	438,819	434,956	(3,863)	413,843	384,735	(29,108)
(355,989)	(355,976)	13	(438,819)	(434,869)	3,950	(413,843)	(384,735)	29,108
637,823	637,823	-	260,567	260,567	-	234,510	234,510	-
637,823	637,823	-	260,567	260,567	-	234,510	234,510	-
281,834	281,847	13	(178,252)	(174,302)	3,950	(179,333)	(150,225)	29,108
123,622	123,622	-	547,050	547,050	-	748,851	748,851	-
\$ 405,456	\$ 405,469	\$ 13	\$ 368,798	\$ 372,748	\$ 3,950	\$ 569,518	\$ 598,626	\$ 29,108

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Bond Financed Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Other	\$ 201	\$ 288	\$ 87
Total revenues	<u>201</u>	<u>288</u>	<u>87</u>
EXPENDITURES:			
Current:			
Education	146,921	146,921	-
General government	258,455	255,245	(3,210)
Employment and economic development	212,483	94,582	(117,901)
Transportation	739,224	710,103	(29,121)
Environment and business regulation	46,591	46,589	(2)
Debt service:			
Principal	172,651	172,651	-
Interest			
Capital outlays	312,345	311,603	(742)
Total expenditures	<u>1,888,670</u>	<u>1,737,694</u>	<u>(150,976)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,888,469)</u>	<u>(1,737,406)</u>	<u>151,063</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Proceeds from general and special obligation bond issues	1,978,441	1,978,441	-
Operating transfers-in	148,000	148,000	-
Total other sources (uses) of financial resources	<u>2,126,441</u>	<u>2,126,441</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	<u>237,972</u>	<u>389,035</u>	<u>151,063</u>
Budgetary fund balances (deficits), July 1, 2021	<u>1,681,712</u>	<u>1,681,712</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ 1,919,684</u>	<u>\$ 2,070,747</u>	<u>\$ 151,063</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Debt Service Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Treasurer			Treasurer		
	General Obligation			Capital Projects		
	Bond, Retirement, and Interest					
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes				\$ 63,988	\$ 63,988	\$ -
Federal government	\$ 40,537	\$ 48,536	\$ 7,999			
Other	41,382	41,265	(117)	1,492,983	1,492,983	-
Total revenues	81,919	89,801	7,882	1,556,971	1,556,971	-
EXPENDITURES:						
Debt service:						
Principal	3,759,807	3,669,807	(90,000)			
Interest	1,433,908	1,430,781	(3,127)			
Total expenditures	5,193,715	5,100,588	(93,127)			
Excess (deficiency) of revenues over (under) expenditures	(5,111,796)	(5,010,787)	101,009	1,556,971	1,556,971	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general and special obligation bond issues	739,198	739,198	-			
Operating transfers-in	3,685,327	3,685,327	-	144,652	144,652	-
Operating transfers-out				(1,216,399)	(1,216,399)	-
Total other sources (uses) of financial resources	4,424,525	4,424,525	-	(1,071,747)	(1,071,747)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(687,271)	(586,262)	101,009	485,224	485,224	-
Budgetary fund balances (deficits), July 1, 2021	3,363,013	3,363,013	-	(1,325,966)	(1,325,966)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ 2,675,742	\$ 2,776,751	\$ 101,009	\$ (840,742)	\$ (840,742)	\$ -

Governor's Office of Management and Budget								
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)
						\$ 63,988	\$ 63,988	\$ -
						40,537	48,536	7,999
\$ 63	\$ 62	\$ (1)				1,534,428	1,534,310	(118)
63	62	(1)				1,638,953	1,646,834	7,881
619,689	578,670	(41,019)				4,379,496	4,248,477	(131,019)
						1,433,908	1,430,781	(3,127)
619,689	578,670	(41,019)				5,813,404	5,679,258	(134,146)
(619,626)	(578,608)	41,018				(4,174,451)	(4,032,424)	142,027
						739,198	739,198	-
573,005	573,005	-				4,402,984	4,402,984	-
			\$ (14)	\$ (14)	\$ -	(1,216,413)	(1,216,413)	-
573,005	573,005	-	(14)	(14)	-	3,925,769	3,925,769	-
(46,621)	(5,603)	41,018	(14)	(14)	-	(248,682)	(106,655)	142,027
17,113	17,113	-	14	14	-	2,054,174	2,054,174	-
\$ (29,508)	\$ 11,510	\$ 41,018	\$ -	\$ -	\$ -	\$ 1,805,492	\$ 1,947,519	\$ 142,027

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Commerce and Economic Opportunity			Employment Security		
	Final Budget	Local CURE Actual	Variance Over (Under)	Federal Title III Social Security and Employment Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 371,090	\$ 371,090	\$ -	\$ 372,000	\$ 315,311	\$ (56,689)
Other				421	777	356
Less:						
Refunds						
Total revenues	371,090	371,090	-	372,421	316,088	(56,333)
EXPENDITURES:						
Current:						
Health and social services						
Education						
General government	371,100	371,090	(10)	426	369	(57)
Employment and economic development	29,177	18,966	(10,211)	443,192	303,242	(139,950)
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	400,277	390,056	(10,221)	443,618	303,611	(140,007)
Excess (deficiency) of revenues over (under) expenditures	(29,187)	(18,966)	10,221	(71,197)	12,477	83,674
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out				(133)	(133)	-
Total other sources (uses) of financial resources				(133)	(133)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(29,187)	(18,966)	10,221	(71,330)	12,344	83,674
Budgetary fund balances (deficits), July 1, 2021	29,177	29,177	-	40,984	40,984	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (10)	\$ 10,211	\$ 10,221	\$ (30,346)	\$ 53,328	\$ 83,674

Human Services			Healthcare and Family Services			Public Health		
Employment and Training			Low Income Home Energy Block Grant			Public Health Services		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 444,000	\$ 1,280,686	\$ 836,686	\$ 178,050	\$ 342,724	\$ 164,674	\$ 729,034	\$ 537,961	\$ (191,073)
195,000	195,000	-				41,417	40,593	(824)
						75		(75)
639,000	1,475,686	836,686	178,050	342,724	164,674	770,376	578,554	(191,822)
3,024,400	1,491,017	(1,533,383)				2,357,483	579,829	(1,777,654)
						69	69	-
			479,999	343,927	(136,072)			
						2,522	60	(2,462)
3,024,400	1,491,017	(1,533,383)	479,999	343,927	(136,072)	2,360,074	579,958	(1,780,116)
(2,385,400)	(15,331)	2,370,069	(301,949)	(1,203)	300,746	(1,589,698)	(1,404)	1,588,294
			(3,966)	(3,966)	-			
			(3,966)	(3,966)	-			
(2,385,400)	(15,331)	2,370,069	(305,915)	(5,169)	300,746	(1,589,698)	(1,404)	1,588,294
(20)	(20)	-	(5,036)	(5,036)	-	(75,188)	(75,188)	-
\$ (2,385,420)	\$ (15,351)	\$ 2,370,069	\$ (310,951)	\$ (10,205)	\$ 300,746	\$ (1,664,886)	\$ (76,592)	\$ 1,588,294

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)	State Board of Education			State Board of Education		
	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	\$ 772,346	\$ 1,110,627	\$ 338,281	\$ 3,262,150	\$ 3,363,613	\$ 101,463
Other						
Less:						
Refunds						
Total revenues	<u>772,346</u>	<u>1,110,627</u>	<u>338,281</u>	<u>3,262,150</u>	<u>3,363,613</u>	<u>101,463</u>
EXPENDITURES:						
Current:						
Health and social services						
Education	1,082,405	1,068,628	(13,777)	10,897,313	3,504,362	(7,392,951)
General government				17	17	-
Employment and economic development						
Transportation						
Public protection and justice						
Environment and business regulation						
Capital outlays						
Total expenditures	<u>1,082,405</u>	<u>1,068,628</u>	<u>(13,777)</u>	<u>10,897,330</u>	<u>3,504,379</u>	<u>(7,392,951)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(310,059)</u>	<u>41,999</u>	<u>352,058</u>	<u>(7,635,180)</u>	<u>(140,766)</u>	<u>7,494,414</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out				(19,614)	(19,614)	-
Total other sources (uses) of financial resources				<u>(19,614)</u>	<u>(19,614)</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(1,963)</u>	<u>(1,963)</u>	<u>-</u>	<u>(273)</u>	<u>(273)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(312,022)</u>	<u>40,036</u>	<u>352,058</u>	<u>(7,655,067)</u>	<u>(160,653)</u>	<u>7,494,414</u>
Budgetary fund balances (deficits), July 1, 2021	<u>(51,311)</u>	<u>(51,311)</u>	<u>-</u>	<u>(582,289)</u>	<u>(582,289)</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ (363,333)</u>	<u>\$ (11,275)</u>	<u>\$ 352,058</u>	<u>\$ (8,237,356)</u>	<u>\$ (742,942)</u>	<u>\$ 7,494,414</u>

Illinois Emergency Management Agency State CURE			Illinois Emergency Management Agency Federal Aid Disaster			Illinois Emergency Management Agency Essential Government Services Support		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 8,484,660	\$ 8,484,660	\$ -	\$ 570,001	\$ 456,279	\$ (113,722)			
8,014	8,014	-						
8,492,674	8,492,674	-	570,001	456,279	(113,722)			
781,309	536,935	(244,374)						
17,495	17,495	-						
928,606	80,606	(848,000)						
2,967,918	2,961,280	(6,638)						
711,627	185,755	(525,872)						
			1,070,102	393,492	(676,610)			
5,406,955	3,782,071	(1,624,884)	1,070,102	393,492	(676,610)			
3,085,719	4,710,603	1,624,884	(500,101)	62,787	562,888			
45,537	45,537	-				\$ 1,000,000	\$ 1,000,000	\$ -
(1,897,080)	(1,897,080)	-				(736,121)	(736,121)	-
(1,851,543)	(1,851,543)	-				263,879	263,879	-
1,234,176	2,859,060	1,624,884	(500,101)	62,787	562,888	263,879	263,879	-
408,389	408,389	-	(131,580)	(131,580)	-			-
\$ 1,642,565	\$ 3,267,449	\$ 1,624,884	\$ (631,681)	\$ (68,793)	\$ 562,888	\$ 263,879	\$ 263,879	\$ -

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,529,010	\$ 1,540,720	\$ 11,710	\$ 16,712,341	\$ 17,803,671	\$ 1,091,330
Other	132,437	176,340	43,903	377,289	420,724	43,435
Less:						
Refunds	248		(248)	323		(323)
Total revenues	<u>1,661,199</u>	<u>1,717,060</u>	<u>55,861</u>	<u>17,089,307</u>	<u>18,224,395</u>	<u>1,135,088</u>
EXPENDITURES:						
Current:						
Health and social services	1,951,700	947,762	(1,003,938)	8,114,892	3,555,543	(4,559,349)
Education	472,514	142,439	(330,075)	12,469,727	4,732,924	(7,736,803)
General government	23,792	13,289	(10,503)	1,324,010	465,440	(858,570)
Employment and economic development	656,158	132,206	(523,952)	4,576,444	3,759,621	(816,823)
Transportation	172,983	146,811	(26,172)	172,983	146,811	(26,172)
Public protection and justice	268,421	163,111	(105,310)	980,048	348,866	(631,182)
Environment and business regulation	501,443	134,888	(366,555)	1,571,545	528,380	(1,043,165)
Capital outlays	5,448	898	(4,550)	7,970	958	(7,012)
Total expenditures	<u>4,052,459</u>	<u>1,681,404</u>	<u>(2,371,055)</u>	<u>29,217,619</u>	<u>13,538,543</u>	<u>(15,679,076)</u>
Excess (deficiency) of revenues over (under) expenditures						
	<u>(2,391,260)</u>	<u>35,656</u>	<u>2,426,916</u>	<u>(12,128,312)</u>	<u>4,685,852</u>	<u>16,814,164</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	65,055	65,055	-	1,110,592	1,110,592	-
Operating transfers-out	(7,375)	(7,375)	-	(2,664,289)	(2,664,289)	-
Total other sources (uses) of financial resources	<u>57,680</u>	<u>57,680</u>	<u>-</u>	<u>(1,553,697)</u>	<u>(1,553,697)</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(1,360)</u>	<u>(1,360)</u>	<u>-</u>	<u>(3,596)</u>	<u>(3,596)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts						
	<u>(2,334,940)</u>	<u>91,976</u>	<u>2,426,916</u>	<u>(13,685,605)</u>	<u>3,128,559</u>	<u>16,814,164</u>
Budgetary fund balances (deficits), July 1, 2021	58,983	58,983	-	(307,891)	(307,891)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ (2,275,957)</u>	<u>\$ 150,959</u>	<u>\$ 2,426,916</u>	<u>\$(13,993,496)</u>	<u>\$ 2,820,668</u>	<u>\$ 16,814,164</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Revolving Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

	Department of Innovation and Technology			Other		
	Technology Management Revolving Fund			Final Budget	Actual	Variance Over (Under)
	Final Budget	Actual	Variance Over (Under)			
REVENUES:						
Federal government	\$ 430	\$ 1,308	\$ 878	\$ 547	\$ 547	\$ -
Other	411,664	492,110	80,446	256,303	326,755	70,452
Total revenues	412,094	493,418	81,324	256,850	327,302	70,452
EXPENDITURES:						
Current:						
General government	650,594	569,441	(81,153)	568,197	425,018	(143,179)
Transportation				50	22	(28)
Total expenditures	650,594	569,441	(81,153)	568,247	425,040	(143,207)
Excess (deficiency) of revenues over (under) expenditures	(238,500)	(76,023)	162,477	(311,397)	(97,738)	213,659
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	36,473	36,473	-	121,354	121,354	-
Operating transfers-out	(1,248)	(1,248)	-	(2,279)	(2,279)	-
Total other sources (uses) of financial resources	35,225	35,225	-	119,075	119,075	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(203,275)	(40,798)	162,477	(192,322)	21,337	213,659
Budgetary fund balances (deficits), July 1, 2021	(182,004)	(182,004)	-	156,833	156,833	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (385,279)	\$ (222,802)	\$ 162,477	\$ (35,489)	\$ 178,170	\$ 213,659

Total		
Final Budget	Actual	Variance Over (Under)
\$ 977	\$ 1,855	\$ 878
667,967	818,865	150,898
668,944	820,720	151,776

1,218,791	994,459	(224,332)
50	22	(28)
1,218,841	994,481	(224,360)

(549,897)	(173,761)	376,136
157,827	157,827	-
(3,527)	(3,527)	-
154,300	154,300	-

(395,597)	(19,461)	376,136
(25,171)	(25,171)	-
\$ (420,768)	\$ (44,632)	\$ 376,136

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, 2022 (Expressed in Thousands)

	Healthcare and Family Services Public Aid Recoveries Trust			State Employees' Retirement System State Employees' Retirement System		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 77,229	\$ 66,485	\$ (10,744)			
Other	512,190	1,883,849	1,371,659	\$ 3,190,633	\$ 3,190,633	\$ -
Less:						
Refunds						
Total revenues	589,419	1,950,334	1,360,915	3,190,633	3,190,633	-
EXPENDITURES:						
Current:						
Health and social services	190,585	139,989	(50,596)			
Education						
General government	3	3	-		(2,642)	(2,642)
Employment and economic development						
Public protection and justice						
Environment and business regulation						
Capital outlays	936	155	(781)			
Total expenditures	191,524	140,147	(51,377)	-	(2,642)	(2,642)
Excess (deficiency) of revenues over (under) expenditures	397,895	1,810,187	1,412,292	3,190,633	3,193,275	2,642
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	100,000	100,000	-			
Operating transfers-out	(474,524)	(474,524)	-	(167)	(167)	-
Total other sources (uses) of financial resources	(374,524)	(374,524)	-	(167)	(167)	-
Budgetary funds-nonbudgeted accounts	(700,501)	(700,501)	-	(3,180,789)	(3,180,789)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(677,130)	735,162	1,412,292	9,677	12,319	2,642
Budgetary fund balances (deficits), July 1, 2021, as previously reported	(7,064)	(7,064)	-	318,057	318,057	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2021, as reclassified	(7,064)	(7,064)	-	318,057	318,057	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	\$ (684,194)	\$ 728,098	\$ 1,412,292	\$ 327,734	\$ 330,376	\$ 2,642

Illinois Emergency Management Agency Disaster Response and Recovery			Central Management Services State Employees Deferred Compensation Plan			Other		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 7,554	\$ 7,554	\$ -
						4,839	4,839	-
						124,360	124,360	-
\$ 74,000	\$ 266,003	\$ 192,003	\$ 307	\$ 278,801	\$ 278,494	104,184	121,035	16,851
						505,798	508,535	2,737
						312	203	(109)
74,000	266,003	192,003	307	278,801	278,494	746,423	766,120	19,697
						484,421	298,018	(186,403)
						20,594	6,386	(14,208)
			1,600	922	(678)	125,213	99,895	(25,318)
						221,073	221,056	(17)
300,001	175,661	(124,340)				83,300	34,268	(49,032)
						15,768	5,788	(9,980)
						24,028	24,028	-
300,001	175,661	(124,340)	1,600	922	(678)	974,397	689,439	(284,958)
(226,001)	90,342	316,343	(1,293)	277,879	279,172	(227,974)	76,681	304,655
						127,210	127,210	-
(45,000)	(45,000)	-				(6,896)	(6,896)	-
(45,000)	(45,000)	-				120,314	120,314	-
			(268,660)	(268,660)	-	(306,873)	(306,873)	-
(271,001)	45,342	316,343	(269,953)	9,219	279,172	(414,533)	(109,878)	304,655
(6,723)	(6,723)	-	(2,983)	(2,983)	-	371,201	371,201	-
						220,614	220,614	
(6,723)	(6,723)	-	(2,983)	(2,983)	-	591,815	591,815	-
\$ (277,724)	\$ 38,619	\$ 316,343	\$ (272,936)	\$ 6,236	\$ 279,172	\$ 177,282	\$ 481,937	\$ 304,655

(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) State Trust Funds

For the Year Ended June 30, 2022 (Expressed in Thousands)

(continued)

	Total		
	Final Budget	Actual	Variance Over (Under)
REVENUES:			
Sales taxes	\$ 7,554	\$ 7,554	\$ -
Motor fuel taxes	4,839	4,839	-
Public utility taxes	124,360	124,360	-
Federal government	255,413	453,523	198,110
Other	4,208,928	5,861,818	1,652,890
Less:			
Refunds	312	203	(109)
Total revenues	<u>4,600,782</u>	<u>6,451,891</u>	<u>1,851,109</u>
EXPENDITURES:			
Current:			
Health and social services	675,006	438,007	(236,999)
Education	20,594	6,386	(14,208)
General government	126,816	98,178	(28,638)
Employment and economic development	221,073	221,056	(17)
Public protection and justice	383,301	209,929	(173,372)
Environment and business regulation	15,768	5,788	(9,980)
Capital outlays	24,964	24,183	(781)
Total expenditures	<u>1,467,522</u>	<u>1,003,527</u>	<u>(463,995)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,133,260</u>	<u>5,448,364</u>	<u>2,315,104</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	227,210	227,210	-
Operating transfers-out	(526,587)	(526,587)	-
Total other sources (uses) of financial resources	<u>(299,377)</u>	<u>(299,377)</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(4,456,823)</u>	<u>(4,456,823)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(1,622,940)</u>	<u>692,164</u>	<u>2,315,104</u>
Budgetary fund balances (deficits), July 1, 2021, as previously reported	<u>672,488</u>	<u>672,488</u>	<u>-</u>
Reclassifications between budgetary/nonbudgetary funds-net	<u>220,614</u>	<u>220,614</u>	<u>-</u>
Budgetary fund balances (deficits), July 1, 2021, as reclassified	<u>893,102</u>	<u>893,102</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2022	<u>\$ (729,838)</u>	<u>\$ 1,585,266</u>	<u>\$ 2,315,104</u>

Statistical Section

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STATISTICAL SECTION

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

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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.	340
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.	350
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.	356
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.	364
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.	366

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

State of Illinois

Net Position by Component

Last Ten Fiscal Year Ends

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2022	2021	2020	2019	2018
Governmental Activities					
Net investment in capital assets	\$ 16,758,303	\$ 16,014,180	\$ 16,024,087	\$ 16,161,889	\$ 16,205,052
Restricted	6,291,209	4,753,216	4,633,662	4,304,948	4,658,844
Unrestricted	(207,860,890)	(220,013,529)	(218,410,590)	(213,546,660)	(209,932,970)
Total governmental activities net position	<u>(184,811,378)</u>	<u>(199,246,133)</u>	<u>(197,752,841)</u>	<u>(193,079,823)</u>	<u>(189,069,074)</u>
Business-type Activities					
Net investment in capital assets	3,420	2,731	2,907	3,210	3,651
Restricted	3,871,140	4,086,779	4,326,417	6,384,660	5,705,891
Unrestricted	(227,124)	(3,748,627)	(955,969)	(999,847)	(654,207)
Total business-type activities net position	<u>3,647,436</u>	<u>340,883</u>	<u>3,373,355</u>	<u>5,388,023</u>	<u>5,055,335</u>
Primary Government					
Net investment in capital assets	16,761,723	16,016,911	16,026,994	16,165,099	16,208,703
Restricted	10,162,349	8,839,995	8,960,079	10,689,608	10,364,735
Unrestricted	(208,088,014)	(223,762,156)	(219,366,559)	(214,546,507)	(210,587,177)
Total primary government net position	<u>\$ (181,163,942)</u>	<u>\$ (198,905,250)</u>	<u>\$ (194,379,486)</u>	<u>\$ (187,691,800)</u>	<u>\$ (184,013,739)</u>

Certain balances in 2013 and 2014 have been restated for prior period adjustments and corrections.

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,				
2017	2016	2015	2014	2013
\$ 15,992,970	\$ 15,583,035	\$ 15,180,555	\$ 15,097,043	\$ 14,805,078
3,585,489	3,436,636	3,440,869	4,142,084	3,753,003
(161,239,415)	(150,588,893)	(143,928,601)	(68,297,390)	(66,410,019)
(141,660,956)	(131,569,222)	(125,307,177)	(49,058,263)	(47,851,938)
4,205	4,803	5,748	6,532	5,628
5,450,934	5,371,256	5,240,507	4,911,161	4,291,086
(381,994)	(533,887)	(921,900)	(1,094,605)	(1,271,930)
5,073,145	4,842,172	4,324,355	3,823,088	3,024,784
15,997,175	15,587,838	15,186,303	15,103,575	14,810,706
9,036,423	8,807,892	8,681,376	9,053,245	8,044,089
(161,621,409)	(151,122,780)	(144,850,501)	(69,391,995)	(67,681,949)
<u>\$ (136,587,811)</u>	<u>\$ (126,727,050)</u>	<u>\$ (120,982,822)</u>	<u>\$ (45,235,175)</u>	<u>\$ (44,827,154)</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				
	2022	2021	2020	2019	2018
General fund (per GASB 54)					
Nonspendable	\$ 257,460	\$ 246,418	\$ 130,364	\$ 23,221	\$ 27,948
Restricted	379,213	34,941	38,958	69,038	89,798
Committed	4,049,290	3,962,683	2,992,426	2,537,792	1,923,096
Unassigned	(3,206,168)	(7,300,760)	(9,585,958)	(10,146,648)	(9,804,135)
Total general fund	<u>1,479,795</u>	<u>(3,056,718)</u>	<u>(6,424,210)</u>	<u>(7,516,597)</u>	<u>(7,763,293)</u>
All other governmental funds (per GASB 54)					
Nonspendable	168,240	177,116	172,455	161,091	149,962
Restricted	5,346,600	4,394,120	4,330,132	3,989,269	4,316,394
Committed	7,429,741	5,001,273	3,829,565	3,369,048	3,432,121
Assigned	606	-	2,170	-	-
Unassigned	(597,394)	(667,422)	(659,161)	(743,877)	(867,408)
Total all other governmental funds	<u>12,347,793</u>	<u>8,905,087</u>	<u>7,675,161</u>	<u>6,775,531</u>	<u>7,031,069</u>
Total governmental funds	<u>\$ 13,827,588</u>	<u>\$ 5,848,369</u>	<u>\$ 1,250,951</u>	<u>\$ (741,066)</u>	<u>\$ (732,224)</u>

Certain balances in 2013 have been restated for prior period adjustments and corrections.

Schedule 2

Ended June 30,				
2017	2016	2015	2014	2013
\$ 26,718	\$ 28,074	\$ 28,301	\$ 30,567	\$ 32,395
52,233	79,294	45,569	58,852	65,729
1,946,730	1,139,048	1,311,460	1,138,836	739,161
(16,637,294)	(10,837,635)	(8,238,260)	(7,906,594)	(8,171,762)
<u>(14,611,613)</u>	<u>(9,591,219)</u>	<u>(6,852,930)</u>	<u>(6,678,339)</u>	<u>(7,334,477)</u>
134,400	121,976	120,025	101,255	108,746
3,160,928	3,570,351	2,987,518	3,623,415	3,347,699
3,753,708	2,958,892	3,110,300	5,480,900	3,408,438
1,658	9,835	1,227	10,007	9,265
(1,159,331)	(1,370,410)	(1,374,629)	(1,230,375)	(1,432,956)
<u>5,891,363</u>	<u>5,290,644</u>	<u>4,844,441</u>	<u>7,985,202</u>	<u>5,441,192</u>
<u>\$ (8,720,250)</u>	<u>\$ (4,300,575)</u>	<u>\$ (2,008,489)</u>	<u>\$ 1,306,863</u>	<u>\$ (1,893,285)</u>

State of Illinois

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2022	2021	2020	2019	2018
Governmental Activities:					
Expenses					
Health and social services	\$ 44,595,896	\$ 42,468,748	\$ 34,058,246	\$ 31,068,488	\$ 29,207,200
Education	24,543,250	28,503,120	28,454,084	24,238,730	25,359,053
General government	3,804,935	3,712,603	3,425,080	3,202,284	2,892,134
Employment and economic development	2,343,176	2,156,871	843,447	906,153	756,026
Transportation	4,505,250	5,800,134	5,110,682	4,496,926	4,625,352
Public protection and justice	3,386,451	4,222,784	4,523,648	4,281,070	4,416,348
Environment and business regulation	1,090,662	1,183,335	772,169	1,000,741	778,045
Intergovernmental-revenue sharing	11,107,543	7,967,694	6,823,515	6,357,667	5,917,915
Interest	1,418,600	1,500,226	1,564,664	1,771,247	1,986,119
Total governmental activities expenses	96,795,763	97,515,515	85,575,535	77,323,306	75,938,192
Program revenues					
Charges for services:					
Health and social services	304,980	246,222	459,695	152,953	144,921
Education	9,705	7,867	8,283	10,391	10,726
General government	2,952,861	2,899,651	2,412,267	2,272,405	2,233,439
Employment and economic development	24,572	27,262	31,088	24,584	17,959
Transportation	93,983	27,288	44,513	54,189	52,404
Public protection and justice	148,076	164,868	141,387	151,038	147,209
Environment and business regulation	491,441	562,997	453,856	421,971	460,043
Operating grants and contributions	37,500,295	35,223,708	26,120,240	21,612,198	21,347,390
Capital grants and contributions	1,675,637	1,843,946	1,628,823	1,272,045	1,302,747
Total governmental activities program revenues	43,201,550	41,003,809	31,300,152	25,971,774	25,716,838
Total governmental activities net program expense	(53,594,213)	(56,511,706)	(54,275,383)	(51,351,532)	(50,221,354)
General revenues and other changes in net position					
Taxes					
Income taxes	36,575,223	28,302,904	25,379,740	24,923,946	22,431,277
Sales taxes	15,284,938	13,657,777	12,102,446	12,242,861	11,850,090
Motor fuel taxes	2,486,017	2,361,884	2,343,071	1,317,925	1,323,577
Public utility taxes	1,421,425	1,359,622	1,385,989	1,470,176	1,443,513
Riverboat taxes	345,808	200,378	329,163	453,985	469,363
Medical providers assessment taxes	3,113,765	3,167,711	2,930,665	1,720,775	1,562,007
Other taxes	4,425,343	3,719,046	2,892,250	3,047,878	2,967,862
Operating grants and contributions	5,531,275	-	-	-	-
Interest and investment income	(218,259)	63,846	243,579	396,133	123,627
Other revenues	1,367,393	1,256,047	1,277,786	990,304	880,645
Special items	-	-	-	-	-
Transfers	(2,397,653)	718,842	717,676	776,800	749,264
Total general revenues and other changes in net position	67,935,275	54,808,057	49,602,365	47,340,783	43,801,225
Total governmental activities change in net position	14,341,062	(1,703,649)	(4,673,018)	(4,010,749)	(6,420,129)

Certain balances in 2013 and 2014 have been restated for prior period adjustments and corrections.

Revenue from income taxes decreased significantly beginning in 2016 as the individual income tax rate dropped from 5.00% to 3.75% and the corporate income tax rate dropped from 7.00% to 5.25%.

Revenue from income taxes increased significantly beginning in 2018 as the State legislatures voted to raise the individual income tax rate from 3.75% to 4.95% and the corporate income tax rate from 5.25% to 7.00%.

Revenue from income taxes increased significantly in 2022 as income tax revenue is especially susceptible to changes in the economy and thus, can fluctuate year over year.

Revenue from operating grants and contributions increased significantly in 2020 through 2022 due to the receipt of Federal Cares Act Funds. In FY 2022, a portion of this revenue has been reported as general revenues.

Schedule 3

Ended June 30,				
2017	2016	2015	2014	2013
\$ 30,271,727	\$ 28,910,642	\$ 29,744,877	\$ 27,341,750	\$ 25,885,439
22,330,561	19,277,492	19,302,465	19,049,547	18,363,509
2,907,779	2,826,077	2,717,269	2,449,947	2,771,340
962,010	834,844	1,251,097	1,271,862	1,318,453
5,282,459	4,702,430	5,132,636	5,103,505	5,007,079
4,522,776	3,931,125	3,600,577	3,394,190	3,460,726
927,409	801,393	1,104,370	1,050,615	910,189
6,145,598	5,905,841	5,956,535	5,669,666	5,397,613
1,872,321	1,761,607	1,709,219	1,783,172	1,518,871
<u>75,222,640</u>	<u>68,951,451</u>	<u>70,519,045</u>	<u>67,114,254</u>	<u>64,633,219</u>
515,062	332,674	236,140	402,880	298,154
10,599	10,156	9,446	8,251	8,378
2,243,389	2,150,695	2,170,928	2,110,376	2,177,257
31,282	76,595	27,622	13,046	18,468
110,920	53,133	16,082	124,869	45,358
148,115	154,511	145,548	146,781	125,859
431,116	437,622	416,124	441,445	388,894
23,176,771	20,956,206	21,882,386	19,928,670	18,650,189
1,503,916	1,531,259	1,524,107	1,673,267	1,344,794
<u>28,171,170</u>	<u>25,702,851</u>	<u>26,428,383</u>	<u>24,849,585</u>	<u>23,057,351</u>
<u>(47,051,470)</u>	<u>(43,248,600)</u>	<u>(44,090,662)</u>	<u>(42,264,669)</u>	<u>(41,575,868)</u>
16,427,074	16,897,452	19,881,531	20,992,371	21,259,064
11,332,134	11,165,310	10,997,205	10,585,448	10,213,130
1,303,773	1,322,372	1,292,178	1,272,818	1,253,806
1,439,332	1,427,368	1,460,558	1,469,128	1,475,677
475,299	485,024	498,309	521,092	583,699
1,565,845	1,376,128	1,400,813	1,672,787	1,165,644
2,803,658	2,742,805	2,843,428	2,306,427	2,288,341
-	-	-	-	-
96,389	72,294	64,104	61,354	46,900
759,553	762,820	777,298	1,342,507	1,134,424
-	-	-	-	64,598
756,679	734,982	779,330	834,412	824,106
<u>36,959,736</u>	<u>36,986,555</u>	<u>39,994,754</u>	<u>41,058,344</u>	<u>40,309,389</u>
<u>(10,091,734)</u>	<u>(6,262,045)</u>	<u>(4,095,908)</u>	<u>(1,206,325)</u>	<u>(1,266,479)</u>

State of Illinois**Changes in Net Position****Last Ten Fiscal Years****(Accrual Basis of Accounting, Amounts in Thousands)**

(continued)

	For the Fiscal Year				
	2022	2021	2020	2019	2018
Business-Type Activities:					
Expenses					
Unemployment compensation trust	5,233,847	24,015,851	9,830,805	1,656,403	1,727,817
Water revolving	119,705	119,705	109,407	69,517	63,234
Prepaid tuition program	(1)	14,127	36,862	47,674	43,558
Lottery	2,580,344	2,687,677	2,159,808	2,238,331	2,280,857
Other	161,965	132,962	157,010	199,016	260,832
Total business-type activities expenses	8,095,860	26,970,322	12,293,892	4,210,941	4,376,298
Program revenues					
Charges for services:					
Unemployment compensation trust	1,829,342	2,404,472	1,570,873	1,776,554	1,899,802
Water revolving	82,181	83,506	80,934	77,487	70,908
Prepaid tuition program	(48,515)	89,705	9,988	33,052	49,622
Lottery	3,401,169	3,454,549	2,848,534	2,981,315	2,932,921
Other	106,080	112,188	125,152	139,396	145,016
Operating grants and contributions	3,164,356	18,480,607	6,281,734	237,338	181,675
Total business-type activities program revenues	8,534,613	24,625,027	10,917,215	5,245,142	5,279,944
Total business-type activities net program revenue (expense)	438,753	(2,345,295)	(1,376,677)	1,034,201	903,646
General revenues and other changes in net position					
Interest and investment income	(23,469)	(3,748)	79,685	75,287	37,092
Transfers	2,397,653	(718,842)	(717,676)	(776,800)	(749,264)
Total business-type activities general revenues and other changes in net position	2,374,184	(722,590)	(637,991)	(701,513)	(712,172)
Total business-type activities change in net position	2,812,937	(3,067,885)	(2,014,668)	332,688	191,474
Total primary government change in net position	\$ 17,153,999	\$ (4,771,534)	\$ (6,687,686)	\$ (3,678,061)	\$ (6,228,655)

Certain balances in 2013 and 2014 have been restated for prior period adjustments and corrections.

Program revenues and expenses increased significantly in 2020 and 2021 as a result of a significant increase in unemployment compensation claims due to the COVID-19 pandemic.

Schedule 3

Ended June 30,				
2017	2016	2015	2014	2013
1,846,247	1,904,271	1,842,424	2,758,692	3,594,082
46,947	39,200	43,880	37,355	45,840
157,576	57,776	27,931	25,595	94,691
2,129,455	2,150,110	2,138,677	2,084,750	2,097,604
254,396	251,148	258,693	289,529	331,891
<u>4,434,621</u>	<u>4,402,505</u>	<u>4,311,605</u>	<u>5,195,921</u>	<u>6,164,108</u>
1,987,231	2,206,079	2,397,199	2,643,598	3,209,935
61,059	51,881	46,568	43,823	43,516
86,303	60,993	67,762	138,703	126,025
2,850,445	2,862,056	2,850,711	2,868,500	2,902,357
148,633	153,663	148,010	156,047	163,677
262,654	238,119	270,208	943,403	1,724,991
<u>5,396,325</u>	<u>5,572,791</u>	<u>5,780,458</u>	<u>6,794,074</u>	<u>8,170,501</u>
<u>961,704</u>	<u>1,170,286</u>	<u>1,468,853</u>	<u>1,598,153</u>	<u>2,006,393</u>
25,948	64,737	50,713	34,563	7,413
<u>(756,679)</u>	<u>(734,982)</u>	<u>(779,330)</u>	<u>(834,412)</u>	<u>(824,106)</u>
<u>(730,731)</u>	<u>(670,245)</u>	<u>(728,617)</u>	<u>(799,849)</u>	<u>(816,693)</u>
<u>230,973</u>	<u>500,041</u>	<u>740,236</u>	<u>798,304</u>	<u>1,189,700</u>
<u>\$ (9,860,761)</u>	<u>\$ (5,762,004)</u>	<u>\$ (3,355,672)</u>	<u>\$ (408,021)</u>	<u>\$ (76,779)</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				
	2022	2021	2020	2019	2018
Revenues					
Income taxes	\$ 36,490,827	\$ 28,246,002	\$ 25,372,708	\$ 25,006,384	\$ 22,386,421
Sales taxes	15,284,938	13,657,777	12,102,446	12,244,809	11,850,683
Motor fuel taxes	2,485,991	2,362,025	2,343,101	1,318,993	1,322,392
Public utility taxes	1,441,919	1,366,383	1,392,449	1,478,828	1,414,502
Riverboat taxes	345,808	200,378	329,163	453,985	469,363
Medical providers assessment taxes	3,093,737	3,114,957	2,956,445	1,694,988	1,586,240
Other taxes	4,292,789	3,605,736	2,991,645	3,076,520	2,911,995
Federal government	42,646,779	36,397,836	26,362,599	21,372,784	23,314,354
Licenses and fees	3,519,015	3,555,383	2,984,000	2,788,424	2,767,206
Interest and other investment income	(217,041)	62,897	240,217	390,624	118,206
Other revenues	3,050,992	2,363,123	3,004,121	2,484,373	2,093,230
Total revenues	112,435,754	94,932,497	80,078,894	72,310,712	70,234,592
Expenditures					
Health and social services	44,722,134	42,028,459	34,309,200	29,970,452	28,835,515
Education	25,597,267	22,887,502	21,619,742	20,059,454	20,176,344
General government	4,125,625	3,547,229	2,994,165	2,909,113	2,531,734
Employment and economic development	2,184,667	2,185,550	901,340	855,666	770,706
Transportation	3,461,323	4,427,391	3,626,310	3,385,476	3,158,258
Public protection and justice	4,139,955	3,992,352	4,127,599	3,376,858	3,374,279
Environment and business regulation	1,108,590	1,063,178	825,453	848,982	753,444
Debt service:					
Principal	3,269,186	3,060,899	2,011,542	2,884,108	2,337,107
Interest	1,556,339	1,595,861	1,569,297	1,681,940	1,612,438
Capital outlay	2,552,719	2,358,196	1,721,339	1,344,935	1,365,606
Intergovernmental	11,107,543	7,967,694	6,823,515	6,357,667	5,917,915
Total expenditures	103,825,348	95,114,311	80,529,502	73,674,651	70,833,346
Deficiency of revenues (under) expenditures	8,610,406	(181,814)	(450,608)	(1,363,939)	(598,754)
Other Financing Sources (Uses)					
General and special obligation and revenue bonds issued	1,675,000	1,850,000	1,550,000	550,000	7,250,000
Premiums on general and special obligation and revenue bonds issued	137,798	198,114	64,759	12,206	559,670
Discounts on general obligation bonds issued	-	(8,629)	(12,599)	(418)	-
General and special obligation and revenue refunding bonds issued	856,120	257,960	-	1,106,050	670,965
Premiums on general and special obligation and revenue refunding bonds issued	58,989	16,959	-	67,449	90,805
General obligation notes issued	-	2,000,000	-	-	-
Transfers-in	9,413,807	7,449,680	6,317,766	6,770,458	7,000,154
Transfers-out	(11,886,960)	(6,831,141)	(5,600,890)	(5,994,458)	(6,251,374)
Payment to refunded bond escrow agent	(929,624)	(273,987)	-	(1,168,591)	(756,954)
Lease financing	34,254	7,520	3,894	5,857	9,283
Total other financing sources (uses)	(640,616)	4,666,476	2,322,930	1,348,553	8,572,549
Special Items	-	-	-	-	-
Net change in fund balances	\$ 7,969,790	\$ 4,484,662	\$ 1,872,322	\$ (15,386)	\$ 7,973,795
Debt service as a percentage of noncapital expenditures	4.76%	5.02%	4.54%	6.31%	5.69%

Certain balances in 2013 have been restated for prior period adjustments and corrections.

Revenue from income taxes decreased significantly beginning in 2016 as the individual income tax rate dropped from 5.00% to 3.75% and the corporate income tax rate dropped from 7.00% to 5.25%.

Revenue from income taxes increased significantly beginning in 2018 as the State legislatures voted to raise the individual income tax rate from 3.75% to 4.95% and the corporate income tax rate from 5.25% to 7.00%.

Revenue from income taxes increased significantly in 2022 as income tax revenue is especially susceptible to changes in the economy and thus, can fluctuate year over year.

Revenue from operating grants and contributions increased significantly in 2020 through 2022 due to the receipt of Federal Cares Act Funds.

Schedule 4

Ended June 30,				
2017	2016	2015	2014	2013
\$ 16,428,810	\$ 16,907,923	\$ 19,909,259	\$ 20,948,992	\$ 21,094,432
11,354,547	11,162,605	11,006,405	10,602,973	10,218,389
1,304,523	1,322,727	1,291,139	1,273,009	1,254,260
1,443,797	1,431,179	1,461,807	1,472,798	1,463,308
475,299	485,024	498,309	521,092	583,699
1,545,511	1,375,891	1,412,493	1,677,667	1,149,310
2,790,400	2,782,600	2,756,193	2,346,081	2,306,255
21,921,955	21,763,831	21,981,451	20,573,411	19,605,267
2,809,879	2,737,014	2,706,962	2,649,213	2,491,802
93,372	70,194	62,298	59,328	45,082
2,623,837	2,216,198	2,284,297	2,873,794	2,260,237
62,791,930	62,255,186	65,370,613	64,998,358	62,472,041
29,299,969	28,274,261	29,029,974	27,024,378	25,403,862
16,929,930	16,361,980	17,159,014	17,424,910	16,190,331
2,351,867	2,479,319	2,375,648	2,286,984	2,243,536
882,272	762,998	1,223,773	1,291,102	1,291,834
3,812,951	3,341,966	3,807,979	3,830,329	3,696,646
3,199,854	3,070,350	3,062,535	2,966,836	2,937,295
761,369	739,662	956,821	948,652	808,257
2,322,844	1,999,951	2,405,138	2,038,117	1,899,704
1,523,395	1,576,845	1,677,217	1,608,331	1,570,741
1,504,609	1,867,445	1,829,993	1,776,463	1,600,425
6,145,598	5,905,841	5,956,535	5,669,666	5,397,613
68,734,658	66,380,618	69,484,627	66,865,768	63,040,244
(5,942,728)	(4,125,432)	(4,114,014)	(1,867,410)	(568,203)
690,035	1,030,000	-	4,077,000	1,150,000
54,443	60,939	-	169,216	41,540
-	-	-	-	-
1,641,900	-	-	-	604,110
152,800	-	-	-	85,084
-	-	-	-	-
6,100,888	6,011,305	7,182,740	5,844,706	6,057,771
(5,344,060)	(5,273,483)	(6,403,418)	(5,010,303)	(5,233,178)
(1,782,885)	-	-	-	(686,236)
1,757	3,181	3,451	2,006	1,006
1,514,878	1,831,942	782,773	5,082,625	2,020,097
-	-	-	-	165,001
\$ (4,427,850)	\$ (2,293,490)	\$ (3,331,241)	\$ 3,215,215	\$ 1,616,895
5.72%	5.54%	6.03%	5.60%	5.65%

State of Illinois

Personal Income by Industry

Last Ten Calendar Years

(Amounts in Thousands)

	For the Calendar Year				
	2021	2020	2019	2018	2017
Farm earnings	\$ 7,313,489	\$ 3,824,064	\$ 1,922,356	\$ 2,991,123	\$ 2,310,305
Agricultural/forestry, fishing, and other	568,396	596,250	481,115	446,548	450,566
Mining	1,012,723	960,053	1,279,233	1,255,705	1,022,992
Construction/utilities	33,149,125	31,605,305	31,610,275	30,124,415	29,734,887
Manufacturing	59,757,223	57,137,569	57,881,401	56,993,402	54,044,780
Transportation and public utilities	28,647,584	26,777,618	27,492,182	25,820,663	23,000,688
Wholesale trade	35,246,696	33,397,883	32,715,794	32,179,568	31,590,255
Retail trade	30,424,664	27,442,214	26,627,412	25,769,602	24,733,640
Finance, insurance, and real estate	67,959,118	62,615,025	61,659,155	59,017,807	54,666,529
Services	245,413,653	224,331,556	228,298,409	221,880,594	212,603,409
Federal, civilian	9,835,410	9,588,971	9,166,760	9,142,152	8,840,189
Military	3,659,725	3,318,423	3,026,636	2,840,067	2,965,016
State and local government	62,749,551	61,378,511	60,427,105	59,227,086	57,980,681
Other	266,344,704	251,486,060	208,347,808	200,978,263	188,951,940
Total personal income	\$ 852,082,061	\$ 794,459,502	\$ 750,935,641	\$ 728,666,995	\$ 692,895,877
Tax liability	\$ 20,861,604	\$ 17,840,098	\$ 17,306,764	\$ 17,163,176	\$ 14,232,641
Average effective rate	2.45%	2.25%	2.30%	2.36%	2.05%

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

Ended December 31,

2016	2015	2014	2013	2012
\$ 2,698,961	\$ 278,111	\$ 3,552,756	\$ 7,957,882	\$ 3,210,000
460,654	460,004	406,425	334,976	397,219
844,067	1,043,414	1,355,675	1,293,675	1,271,440
28,173,738	28,143,021	26,259,508	24,252,907	21,354,976
52,335,057	53,172,370	52,097,516	51,183,891	52,943,137
22,463,663	23,501,796	23,263,866	22,732,471	19,826,411
30,375,873	30,472,389	29,506,185	28,917,961	28,424,193
24,537,249	24,863,210	24,079,150	23,654,974	23,084,384
54,004,990	52,146,866	46,146,378	38,924,400	34,985,114
206,244,403	201,823,671	193,852,649	186,011,316	179,180,906
8,688,804	8,602,460	8,338,715	8,182,682	8,477,026
2,736,799	2,336,641	2,350,601	2,489,144	2,591,007
57,462,135	58,514,598	58,275,940	57,768,484	53,511,408
182,664,558	180,131,538	167,794,599	153,966,612	158,343,942
<u>\$ 673,690,951</u>	<u>\$ 665,490,089</u>	<u>\$ 637,279,963</u>	<u>\$ 607,671,375</u>	<u>\$ 587,601,163</u>
<u>\$ 11,531,400</u>	<u>\$ 11,758,489</u>	<u>\$ 15,532,205</u>	<u>\$ 14,701,925</u>	<u>\$ 15,703,310</u>
<u>1.71%</u>	<u>1.77%</u>	<u>2.44%</u>	<u>2.42%</u>	<u>2.67%</u>

State of Illinois

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

	For the Fiscal Year				
	2022	2021	2020	2019	2018
General merchandise	\$ 24,681,946	\$ 23,318,798	\$ 22,677,715	\$ 22,718,473	\$ 22,784,722
Food	26,289,432	24,643,222	24,291,922	23,013,962	22,436,327
Drinking and eating places	27,115,675	21,274,093	22,865,211	25,957,118	25,000,446
Apparel	9,997,903	8,765,722	7,411,912	8,374,492	8,075,480
Furniture, household, and radio	13,198,903	12,206,749	10,500,398	10,412,402	10,557,835
Lumber, building, and hardware	14,146,637	13,799,122	11,867,005	10,903,988	10,707,149
Automotive and filling stations	51,782,998	48,897,370	41,687,382	43,765,261	43,036,870
Drugs and other retail	62,243,782	56,461,413	45,487,346	40,199,756	37,771,600
Agriculture and extractives	43,836,162	38,119,885	34,488,828	33,571,231	30,754,927
Manufacturing	9,176,721	8,091,754	6,904,828	7,141,907	6,515,236
Total	\$ 282,470,159	\$ 255,578,128	\$ 228,182,547	\$ 226,058,590	\$ 217,640,592

Direct sales tax rate:

Qualifying food, drugs, and medical appliances	1.00%	1.00%	1.00%	1.00%	1.00%
General merchandise	6.25%	6.25%	6.25%	6.25%	6.25%

Source: Department of Revenue

Ended June 30,				
2017	2016	2015	2014	2013
\$ 21,555,470	\$ 18,840,242	\$ 20,525,330	\$ 20,909,371	\$ 20,984,402
21,355,215	22,385,459	21,908,129	20,659,706	19,927,008
24,041,077	21,770,507	22,062,665	20,728,370	19,171,381
7,966,678	7,130,282	7,420,636	7,001,093	6,600,261
10,294,696	9,681,795	9,641,594	9,327,989	8,827,231
10,026,817	9,415,743	9,462,798	8,976,058	8,503,130
40,559,261	39,773,435	40,196,438	34,835,154	36,601,135
36,526,231	30,733,251	29,927,521	28,062,832	26,806,067
28,195,889	25,603,217	27,431,997	26,517,679	23,787,602
6,238,983	5,693,816	5,476,697	4,772,007	4,308,047
<u>\$ 206,760,317</u>	<u>\$ 191,027,747</u>	<u>\$ 194,053,805</u>	<u>\$ 181,790,259</u>	<u>\$ 175,516,264</u>
1.00%	1.00%	1.00%	1.00%	1.00%
6.25%	6.25%	6.25%	6.25%	6.25%

Personal Income Tax Filers and Liability by Income Level
Calendar Years 2021 and 2012
(Amounts in Thousands)

For the Calendar Year Ended December 31, 2021

Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
\$500,001 and higher	86,685	1.55%	\$ 5,964,781	28.59%
\$100,001 - \$500,000	1,311,790	23.44%	8,913,908	42.73%
\$50,001 - \$100,000	1,392,999	24.89%	3,625,480	17.38%
\$25,001 - \$50,000	1,283,356	22.93%	1,755,439	8.41%
\$25,000 and less	1,521,920	27.19%	601,996	2.89%
Total	5,596,750	100.00%	\$ 20,861,604	100.00%

For the Calendar Year Ended December 31, 2012

Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
\$500,001 and higher	50,917	0.92%	\$ 3,954,782	25.18%
\$100,001 - \$500,000	890,170	16.04%	5,973,161	38.04%
\$50,001 - \$100,000	1,296,412	23.35%	3,376,551	21.50%
\$25,001 - \$50,000	1,251,062	22.54%	1,637,696	10.43%
\$25,000 and less	2,062,841	37.15%	761,120	4.85%
Total	5,551,402	100.00%	\$ 15,703,310	100.00%

Note: Generally, the tax liability for a filer (an individual or married couple) is calculated by taking the filer's federal adjusted gross income and subtracting the number of exemptions and multiplying the result by the State's income tax rate. The State exemption amount was \$2,050 for calendar year 2012 and \$2,375 for calendar year 2021. 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 2022 and 2013
(Amounts in Thousands)

	For the Fiscal Year Ended June 30, 2022			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	3,226	0.17%	\$ 1,609,069	8.20%
Food	6,343	0.33%	1,184,427	6.03%
Drinking and eating places	29,281	1.51%	2,406,838	12.26%
Apparel	14,389	0.74%	817,089	4.16%
Furniture, household, and radio	10,996	0.57%	1,044,646	5.32%
Lumber, building, and hardware	11,933	0.61%	1,221,316	6.22%
Automotive and filling stations	1,704,658	87.62%	3,708,591	18.89%
Drugs and other retail	73,958	3.80%	3,869,988	19.71%
Agriculture and extractives	73,614	3.78%	3,063,789	15.60%
Manufacturing	16,888	0.87%	708,673	3.61%
Total	1,945,286	100.00%	\$ 19,634,426	100.00%

	For the Fiscal Year Ended June 30, 2013			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	1,922	0.16%	\$ 1,336,371	11.06%
Food	7,291	0.60%	843,727	6.98%
Drinking and eating places	25,966	2.15%	1,598,785	13.23%
Apparel	7,465	0.62%	548,511	4.54%
Furniture, household, and radio	12,316	1.02%	702,470	5.81%
Lumber, building, and hardware	11,602	0.96%	706,655	5.85%
Automotive and filling stations	1,012,907	83.83%	2,590,044	21.42%
Drugs and other retail	51,332	4.25%	1,576,826	13.05%
Agriculture and extractives	64,771	5.36%	1,797,284	14.87%
Manufacturing	12,710	1.05%	385,025	3.19%
Total	1,208,282	100.00%	\$ 12,085,698	100.00%

Note: Due to confidentiality, the names of the ten largest sales tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's sales tax revenue.

Source: Department of Revenue

State of Illinois

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts in Thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>For the Fiscal 2018</u>
Governmental activities					
General obligation bonds	\$ 27,860,513	\$ 28,485,556	\$ 28,373,752	\$ 28,598,365	\$ 30,926,818
Special obligation bonds	2,145,877	2,011,305	2,198,777	2,427,260	2,409,970
Revenue bonds	612,887	731,259	844,113	951,869	1,054,679
General obligation note payable	-	1,015,255	-	-	-
Notes payable	10,033	20,065	30,097	-	-
Leases	505,712	11,166	9,854	10,356	9,614
Financed purchases	-	-	-	1,572	-
Certificates of participation	-	-	-	2,745	5,335
Total governmental activities	<u>31,135,022</u>	<u>32,274,606</u>	<u>31,456,593</u>	<u>31,992,167</u>	<u>34,406,416</u>
Business-type activities					
Revenue bonds	77,171	97,060	115,253	137,620	161,391
Leases	843	-	17	37	57
Total business-type activities	<u>78,014</u>	<u>97,060</u>	<u>115,270</u>	<u>137,657</u>	<u>161,448</u>
Total primary government	<u>\$ 31,213,036</u>	<u>\$ 32,371,666</u>	<u>\$ 31,571,863</u>	<u>\$ 32,129,824</u>	<u>\$ 34,567,864</u>
Total primary government debt as a percentage of personal income	<u>3.66%</u>	<u>4.07%</u>	<u>4.20%</u>	<u>4.41%</u>	<u>4.99%</u>
Total amount of primary government debt per capita	<u>\$ 2.463</u>	<u>\$ 2.532</u>	<u>\$ 2.457</u>	<u>\$ 2.493</u>	<u>\$ 2.674</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,

	2017	2016	2015	2014	2013
\$	25,230,528	\$ 26,795,531	\$ 27,421,318	\$ 29,543,582	\$ 27,398,638
	2,658,088	2,650,435	2,912,003	3,181,684	3,000,345
	1,071,621	1,156,699	1,237,731	1,314,929	1,386,166
	-	-	-	-	-
	-	-	-	-	-
	5,862	7,580	7,244	6,073	6,818
	-	36	442	808	1,155
	15,150	24,370	33,060	41,265	49,020
	<u>28,981,249</u>	<u>30,634,651</u>	<u>31,611,798</u>	<u>34,088,341</u>	<u>31,842,142</u>
	192,133	622,017	925,265	1,457,745	1,822,051
	9	26	26	-	-
	<u>192,142</u>	<u>622,043</u>	<u>925,291</u>	<u>1,457,745</u>	<u>1,822,051</u>
\$	<u>29,173,391</u>	<u>\$ 31,256,694</u>	<u>\$ 32,537,089</u>	<u>\$ 35,546,086</u>	<u>\$ 33,664,193</u>
	<u>4.33%</u>	<u>4.70%</u>	<u>5.11%</u>	<u>5.85%</u>	<u>5.73%</u>
\$	<u>2.275</u>	<u>\$ 2.430</u>	<u>\$ 2.525</u>	<u>\$ 2.757</u>	<u>\$ 2.616</u>

State of Illinois

Ratios of General Bonded Debt Outstanding and Debt Limitations

Last Ten Fiscal Years

(Amounts in Thousands)

	2022	2021	2020	2019	For the Fiscal 2018
General bonded debt					
General obligation bonds	\$ 27,860,513	\$ 28,485,556	\$ 28,373,752	\$ 28,598,365	\$ 30,926,818
Special obligation bonds	2,145,877	2,011,305	2,198,777	2,427,260	2,409,970
	<u>30,006,390</u>	<u>30,496,861</u>	<u>30,572,529</u>	<u>31,025,625</u>	<u>33,336,788</u>
Less: Amounts restricted for debt service	2,030,010	1,625,235	1,383,517	1,384,033	1,750,450
Net total general bonded debt	<u>\$ 27,976,380</u>	<u>\$ 28,871,626</u>	<u>\$ 29,189,012</u>	<u>\$ 29,641,592</u>	<u>\$ 31,586,338</u>
Total general bonded debt as a percentage of personal income	<u>3.28%</u>	<u>3.63%</u>	<u>3.89%</u>	<u>4.07%</u>	<u>4.56%</u>
Total general bonded debt as a percentage of taxable sales	<u>9.90%</u>	<u>11.30%</u>	<u>12.79%</u>	<u>13.11%</u>	<u>14.51%</u>
Total amount of general obligation debt per capita	<u>\$ 2,208</u>	<u>\$ 2,258</u>	<u>\$ 2,272</u>	<u>\$ 2,300</u>	<u>\$ 2,444</u>
Authorized general bonded debt					
General obligation bonds	\$ 87,794,865	\$ 86,794,865	\$ 86,794,865	\$ 86,794,865	\$ 65,255,951
Special obligation bonds	9,484,681	9,484,681	9,684,681	9,684,681	6,446,009
Total authorized general bonded debt	<u>\$ 97,279,546</u>	<u>\$ 96,279,546</u>	<u>\$ 96,479,546</u>	<u>\$ 96,479,546</u>	<u>\$ 71,701,960</u>
Issued general bonded debt					
General obligation bonds	\$ 71,573,576	\$ 69,535,201	\$ 67,427,241	\$ 65,877,241	\$ 64,471,191
Special obligation bonds	9,298,106	8,805,361	9,153,362	9,153,362	5,722,228
Total issued general bonded debt	<u>\$ 80,871,682</u>	<u>\$ 78,340,562</u>	<u>\$ 76,580,603</u>	<u>\$ 75,030,603</u>	<u>\$ 70,193,419</u>
General bonded debt margin (Authorized but unissued debt)					
General obligation bonds	\$ 24,527,584	\$ 24,926,299	\$ 26,394,514	\$ 27,554,824	\$ 6,990,234
Special obligation bonds	3,333,939	3,683,939	3,878,534	3,872,431	877,884
Total general bonded debt margin	<u>\$ 27,861,523</u>	<u>\$ 28,610,238</u>	<u>\$ 30,273,048</u>	<u>\$ 31,427,255</u>	<u>\$ 7,868,118</u>
Issued bonded debt to authorized bonded debt ratio					
General obligation bonds	81.52%	80.11%	77.69%	75.90%	98.80%
Special obligation bonds	98.03%	92.84%	94.51%	94.51%	88.77%
Total issued bonded debt to authorized bonded debt ratio	83.13%	81.37%	79.37%	77.77%	97.90%

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) and the Build Illinois Bond Act (30 ILCS 425).

Schedule 10

Year Ended June 30,

2017	2016	2015	2014	2013
\$ 25,230,528	\$ 26,795,531	\$ 27,421,318	\$ 29,543,582	\$ 27,398,638
2,658,088	2,650,435	2,912,003	3,181,684	3,000,345
27,888,616	29,445,966	30,333,321	32,725,266	30,398,983
1,398,090	1,513,092	1,407,540	1,804,967	1,615,537
<u>\$ 26,490,526</u>	<u>\$ 27,932,874</u>	<u>\$ 28,925,781</u>	<u>\$ 30,920,299</u>	<u>\$ 28,783,446</u>
3.93%	4.20%	4.54%	5.09%	4.90%
12.81%	14.62%	14.91%	17.01%	16.40%
<u>\$ 2.065</u>	<u>\$ 2.171</u>	<u>\$ 2.245</u>	<u>\$ 2.398</u>	<u>\$ 2.236</u>
\$ 58,455,951	\$ 58,455,951	\$ 57,855,951	\$ 57,855,951	\$ 55,630,951
6,446,009	6,446,009	6,446,009	6,446,009	5,903,509
<u>\$ 64,901,960</u>	<u>\$ 64,901,960</u>	<u>\$ 64,301,960</u>	<u>\$ 64,301,960</u>	<u>\$ 61,534,460</u>
\$ 57,221,190	\$ 55,438,046	\$ 54,408,046	\$ 54,408,046	\$ 50,733,045
5,722,228	5,512,193	5,512,193	5,512,193	5,110,193
<u>\$ 62,943,418</u>	<u>\$ 60,950,239</u>	<u>\$ 59,920,239</u>	<u>\$ 59,920,239</u>	<u>\$ 55,843,238</u>
\$ 7,011,954	\$ 8,397,243	\$ 9,013,252	\$ 7,981,693	\$ 8,983,350
872,215	1,076,761	1,072,806	1,069,091	925,101
<u>\$ 7,884,169</u>	<u>\$ 9,474,004</u>	<u>\$ 10,086,058</u>	<u>\$ 9,050,784</u>	<u>\$ 9,908,451</u>
97.89%	94.84%	94.04%	94.04%	91.20%
88.77%	85.51%	85.51%	85.51%	86.56%
96.98%	93.91%	93.19%	93.19%	90.75%

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							
2022	\$ 794,879	\$ -	\$ 794,879	\$ 199,175	\$ 87,835	\$ 287,010	2.77
2021	645,204	-	645,204	167,710	90,965	258,675	2.49
2020	621,145	-	621,145	198,570	99,421	297,991	2.08
2019	679,557	-	679,557	214,615	104,185	318,800	2.13
2018	632,465	-	632,465	217,005	105,811	322,816	1.96
2017	627,357	-	627,357	219,410	109,316	328,726	1.91
2016	614,099	-	614,099	234,430	119,231	353,661	1.74
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
Civic Center Bond Fund - Pledged revenue of portion of sales tax collections (a)							
2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2021	-	-	-	5,405	169	5,574	-
2020	19,000	-	19,000	13,935	496	14,431	1.32
2019	19,000	-	19,000	13,630	804	14,434	1.32
2018	19,000	-	19,000	13,340	1,093	14,433	1.32
2017	19,000	-	19,000	13,070	1,365	14,435	1.32
2016	19,000	-	19,000	12,020	1,830	13,850	1.37
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
Illinois Student Assistance Commission - Pledged revenue of loans receivable repayments (b)							
2022	\$ 9,627	\$ 1,578	\$ 8,049	\$ 20,097	\$ 1,032	\$ 21,129	0.38
2021	10,958	4,425	6,533	18,401	1,532	19,933	0.33
2020	14,615	6,141	8,474	22,576	4,206	26,782	0.32
2019	17,288	7,329	9,959	23,979	5,407	29,386	0.34
2018	17,462	1,604	15,858	30,950	4,361	35,311	0.45
2017	17,822	5,925	11,897	34,836	3,897	38,733	0.31
2016	19,563	9,440	10,123	43,844	1,563	45,407	0.22
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
Railsplitter Tobacco Settlement Authority - Pledged revenue of tobacco settlement funds							
2022	\$ 539,193	\$ 451,050	\$ 88,143	\$ 109,655	\$ 33,548	\$ 143,203	0.62
2021	291,959	144,917	147,042	103,900	39,035	142,935	1.03
2020	259,593	123,458	136,135	98,565	44,210	142,775	0.95
2019	259,126	128,086	131,040	93,620	48,925	142,545	0.92
2018	334,538	180,183	154,355	89,040	54,240	143,280	1.08
2017	237,743	95,685	142,058	84,700	64,184	148,884	0.95
2016	280,797	130,634	150,163	80,655	68,028	148,683	1.01
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

(a) Illinois compiled statute 30 ILCS 355/15 was repealed on June 17, 2021.

(b) 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							
2022	\$ 69,079	\$ 13,194	\$ 55,885	\$ 364,541	\$ 42,655	\$ 407,196	0.14
2021	60,638	10,262	50,376	284,346	38,948	323,294	0.16
2020	114,314	9,766	104,548	151,027	39,216	190,243	0.55
2019	99,347	10,734	88,613	150,127	33,797	183,924	0.48
2018	47,153	8,757	38,396	122,927	29,852	152,779	0.25
2017	56,876	12,452	44,424	256,702	31,839	288,541	0.15
2016	62,512	5,523	56,989	183,750	34,377	218,127	0.26
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
Illinois State Toll Highway Authority - Pledged revenue of toll fees (c)							
2021	\$ 1,478,602	\$ 358,782	\$ 1,119,820	\$ 136,505	\$ 318,230	\$ 454,735	2.46
2020	1,288,288	380,679	907,609	129,260	290,198	419,458	2.16
2019	1,537,894	394,143	1,143,751	118,780	316,796	435,576	2.63
2018	1,485,997	402,010	1,083,987	113,160	298,597	411,757	2.63
2017	1,427,700	402,691	1,025,009	88,860	297,005	385,865	2.66
2016	1,325,311	393,588	931,723	170,525	286,437	456,962	2.04
2015	1,325,455	350,740	974,715	97,795	246,651	344,446	2.83
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
Illinois State University - Pledged revenue of usage fees and rental income							
2022	\$ 96,995	\$ 83,200	\$ 13,795	\$ 7,740	\$ 5,022	\$ 12,762	1.08
2021	90,137	78,800	11,337	7,625	5,156	12,781	0.89
2020	92,149	69,824	22,325	6,160	5,074	11,234	1.99
2019	98,209	63,302	34,907	6,015	5,212	11,227	3.11
2018	88,390	66,605	21,785	28,145	3,482	31,627	0.69
2017	85,221	52,329	32,892	4,095	3,404	7,499	4.39
2016	88,044	54,846	33,198	7,195	3,644	10,839	3.06
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
Northern Illinois University - Pledged revenue of usage fees and rental income							
2022	\$ 77,007	\$ 57,039	\$ 19,968	\$ 1,275	\$ 9,164	\$ 10,439	1.91
2021	50,273	54,031	(3,758)	1,220	6,146	7,366	(0.51)
2020	61,781	57,147	4,634	4,480	12,713	17,193	0.27
2019	66,996	43,232	23,764	4,265	12,926	17,191	1.38
2018	77,925	63,413	14,512	4,065	13,129	17,194	0.84
2017	72,399	47,647	24,752	3,905	13,288	17,193	1.44
2016	78,223	58,971	19,252	3,899	13,295	17,194	1.12
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

(c) The Illinois State Toll Highway Authority fiscal year is from January 1 to December 31.

Pledged Revenue Coverage

Last Ten Fiscal Years

(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
Southern Illinois University - Pledged revenue of usage fees, rental income, and medical fees							
2022	\$ 131,945	\$ 101,733	\$ 30,212	\$ 17,375	\$ 4,651	\$ 22,026	1.37
2021	120,301	91,103	29,198	76,065	6,924	82,989	0.35
2020	120,545	96,633	23,912	20,110	7,077	27,187	0.88
2019	128,766	98,740	30,026	19,075	7,457	26,532	1.13
2018	134,362	104,105	30,257	22,205	8,049	30,254	1.00
2017	143,911	111,434	32,477	19,595	8,520	28,115	1.16
2016	155,471	116,393	39,078	20,160	8,706	28,866	1.35
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
University of Illinois - Pledged revenue of usage fees, rental income, and medical fees							
2022	\$ 1,842,073	\$ 1,658,743	\$ 183,330	\$ 68,695	\$ 53,242	\$ 121,937	1.50
2021	1,793,234	1,643,908	149,326	65,070	54,910	119,980	1.24
2020	1,455,903	1,444,830	11,073	61,485	55,424	116,909	0.09
2019	1,463,431	1,356,937	106,494	62,600	53,129	115,729	0.92
2018	1,547,298	1,455,077	92,221	58,710	51,415	110,125	0.84
2017	1,469,247	1,387,068	82,179	57,765	52,558	110,323	0.74
2016	1,334,514	1,231,585	102,929	60,320	51,479	111,799	0.92
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

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State of Illinois

Demographic and Economic Statistics

Last Ten Calendar Years

(Amounts in Thousands)

	For the Calendar				
	2021	2020	2019	2018	2017
Population*					
State	12,671	12,785	12,850	12,889	12,925
Percentage change	-0.89%	-0.51%	-0.30%	-0.28%	0.80%
National	331,894	331,501	330,233	328,542	326,623
Percentage change	0.12%	0.38%	0.51%	0.59%	1.10%
Total Personal Income					
State	\$ 852,082,100	\$ 794,459,500	\$ 750,935,600	\$ 728,667,000	\$ 692,895,900
Percentage change	7.25%	5.80%	3.06%	5.16%	2.85%
National	\$ 21,288,709,000	\$ 19,812,171,000	\$ 18,575,467,000	\$ 17,671,054,000	\$ 16,837,337,000
Percentage change	7.45%	6.66%	5.12%	4.95%	4.63%
Per Capita Personal Income					
State	\$ 67,244	\$ 62,139	\$ 58,438	\$ 56,536	\$ 53,611
Percentage change	8.22%	6.33%	3.36%	5.46%	2.03%
National	\$ 64,143	\$ 59,765	\$ 56,250	\$ 53,786	\$ 51,550
Percentage change	7.33%	6.25%	4.58%	4.34%	3.49%
Labor Force					
State labor force	6,319	6,367	6,569	6,568	6,562
Employed	5,936	5,781	6,309	6,282	6,238
Unemployed	383	586	260	286	324
Unemployment rate	6.06%	9.20%	3.96%	4.35%	4.94%

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

* Population totals for 2017-2020 updated in 2021 due to new methodology used by the U.S. Bureau of Economic Analysis (BEA). BEA produced intercensal annual state population statistics for 2010 to 2019 that are tied to the Census Bureau decennial counts for 2010 and 2020. BEA developed intercensal population statistics because this data was not published when Census released state population data for 2020 and 2021, which are based on the 2020 decennial counts. BEA used the Census Bureau Das Gupta method, modified to account for an extra leap year day, to produce the intercensal population figures that will be used until Census releases its official intercensal population data.

Schedule 12

Year Ended,					
2016	2015	2014	2013	2012	
12,822	12,859	12,884	12,895	12,871	
-0.29%	-0.19%	-0.09%	0.19%	0.07%	
323,072	320,635	318,301	315,994	313,998	
0.76%	0.73%	0.73%	0.64%	0.73%	
\$ 673,691,000	\$ 665,490,089	\$ 637,279,963	\$ 607,671,375	\$ 587,601,163	
1.23%	4.43%	4.87%	3.42%	4.50%	
\$ 16,092,713,000	\$ 15,717,140,000	\$ 14,982,715,000	\$ 14,175,503,000	\$ 13,904,485,000	
2.39%	4.90%	5.69%	1.95%	5.07%	
\$ 52,543	\$ 51,753	\$ 49,444	\$ 47,160	\$ 45,654	
1.53%	4.67%	4.84%	3.30%	4.43%	
\$ 49,812	\$ 49,019	\$ 47,058	\$ 44,826	\$ 44,282	
1.62%	4.17%	4.98%	1.23%	4.31%	
6,559	6,506	6,514	6,549	6,582	
6,173	6,118	6,052	5,957	5,991	
386	388	462	592	591	
5.89%	5.96%	7.09%	9.04%	8.98%	

Principal Employers
Fiscal Years 2022 and 2013

Employer	2022	
	Employees	Percentage of Total State Employment
State of Illinois	63,022	1.06%
U.S. Government	51,400	0.87%
Chicago School Board	41,362	0.70%
McDonald's Corporation	36,582	0.62%
City of Chicago	35,203	0.59%
Ascension Health Alliance	33,864	0.57%
University of Illinois	31,763	0.54%
Walgreens Boots Alliance, Inc.	31,010	0.52%
County of Cook	30,201	0.51%
Albertsons Companies, Inc.	29,191	0.49%
Total	383,598	6.47%

Employer	2013	
	Employees	Percentage of Total State Employment
State of Illinois	62,836	1.05%
U.S. Government	52,700	0.88%
Wal-Mart	49,471	0.82%
AB Acquisitions LLC	45,439	0.76%
Chicago School Board	40,145	0.67%
Walgreen Co.	32,043	0.53%
City of Chicago	31,977	0.53%
University of Illinois	29,485	0.49%
U.S. Postal Service	28,500	0.47%
USF Holding Corp.	26,487	0.44%
Total	399,083	6.64%

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

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State of Illinois**Employees by Function
Last Ten Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>Employees as of 2018</u>
Health and social services	20,752	21,181	21,041	20,429	20,121
Education	778	776	730	709	683
General government	11,489	11,190	11,269	11,133	10,920
Employment and economic development	1,998	2,024	1,794	1,939	2,039
Transportation	6,512	6,664	6,722	6,808	6,874
Public protection and justice	18,129	18,654	19,187	19,758	18,749
Environment and business regulation	<u>3,457</u>	<u>3,460</u>	<u>3,464</u>	<u>3,527</u>	<u>3,641</u>
Total	<u>63,115</u>	<u>63,949</u>	<u>64,207</u>	<u>64,303</u>	<u>63,027</u>

Schedule 14

June 30,

2017	2016	2015	2014	2013
20,013	20,550	20,939	20,466	19,275
653	671	696	724	723
10,665	10,777	11,233	11,476	11,396
2,118	2,084	2,204	2,305	2,466
6,745	6,715	7,122	7,351	7,475
18,313	18,233	18,313	17,675	17,642
3,574	3,689	3,963	4,058	3,859
<u>62,081</u>	<u>62,719</u>	<u>64,470</u>	<u>64,055</u>	<u>62,836</u>

State of Illinois

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	For the Fiscal Year				
	2022	2021	2020	2019	2018
Health and Social Services					
Child abuse and neglect					
Calls to abuse/neglect hotline	216,644	200,607	249,260	268,406	276,538
Children investigated	94,699	146,127	134,526	143,042	133,564
Medical programs					
Number of children enrolled in medical programs	1,498,601	1,495,871	1,405,373	1,376,539	1,447,134
Number of non-senior adults enrolled in medical programs*	1,854,511	1,724,775	1,463,160	1,353,782	1,485,564
Child support					
Number of child support cases with orders	309,160	337,679	352,572	373,371	387,653
Persons with disabilities receiving in-home services to prevent institutionalization	23,781	22,382	23,831	23,336	29,057
General government					
Taxes					
Number of individual income tax returns processed	6,210,374	7,175,744	5,531,946	6,382,045	6,237,589
Percent of individual income tax returns filed electronically	90%	88%	89%	85%	85%
Total number of payments processed through State Treasury	11,202,763	11,748,540	14,174,018	14,562,306	14,827,574
Education					
Elementary and secondary education					
Public school enrollment	1,833,221	1,887,316	1,957,018	2,070,434	2,005,153
Graduation rate	86.8%	86.0%	88.0%	85.9%	87.6%
Dropout rate	2.5%	2.6%	3.5%	4.2%	2.1%
Higher education					
Enrollment	Not available	683,125	680,004	720,215	744,161
Transportation					
Miles of pavement maintained/improved	1,032	1,314	1,385	469	577
Number of bridges maintained/improved	75	70	61	78	92
Employment and economic development					
Unemployment insurance **					
Number of claims***	1,595,984	2,916,151	503,579	500,233	532,495
Average duration (weeks)	18.86	15.54	16.20	16.52	17.25
State Fair					
State Fair attendees ****	636,700	472,000	N/A	508,901	369,144
DuQuoin State Fair attendees ****	171,120	150,816	N/A	123,562	100,800
Tourism					
Historic site attendance (in thousands)	1,510	1,209	1,274	1,669	1,835
Public protection and justice					
Crime Rates					
Violent crime rates per 100,000 in population ** (a)	743	426	407	404	439
Property crime rates per 100,000 in population ** (a)	1316	1559	1,847	1,933	2,011
Total crime rates per 100,000 in population	2059	1985	2,254	2,337	2,450
Forensic services					
Number of original crime scenes processed	4,397	4,099	3,422	3,616	3,849
Number of Deoxyribonucleic Acid (DNA) cases worked	13,807	18,045	15,888	10,801	6,394
Total number of forensic cases worked	64,557	71,050	64,543	63,074	66,126
Number of DNA offender samples worked	6,146	10,878	16,217	21,110	26,445
Environment and business regulation					
Professional Regulation					
Professional complaints received	12,229	7,403	10,406	11,574	12,080
Licenses placed on probation	187	203	289	370	1,839

* 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.

*** The number of claims for unemployment insurance increased significantly in calendar year 2020 due to the COVID-19 pandemic.

**** Statistics for State fair attendees are based on calendar year. Due to the COVID-19 pandemic, both the Illinois State Fair and DuQuoin State Fair were canceled for 2020.

(a) In 2021, The National Incident-Based Reporting System, or NIBRS, was implemented to improve the overall quality of crime data collected by law enforcement. It captures details on each single crime incident—as well as on separate offenses within the same incident. The historic Summary Reporting System (SRS) data collection, which collected more limited information than the more robust NIBRS, was phased out.

Schedule 15

Ended or as of June 30,				
2017	2016	2015	2014	2013
252,388	245,388	222,719	231,536	236,589
120,815	127,249	110,079	109,769	108,594
1,473,581	1,490,290	1,504,802	1,546,091	1,635,686
1,236,537	1,244,883	1,247,553	1,027,702	663,844
392,473	392,500	392,331	404,918	406,748
29,379	29,325	29,595	30,357	31,406
6,253,542	6,143,475	6,185,708	6,143,408	5,946,121
84%	82%	81%	79%	79%
14,482,761	14,085,085	14,992,358	15,209,821	15,357,708
2,028,162	2,041,779	2,054,556	2,073,480	2,081,731
87.0%	85.5%	85.6%	86.0%	83.2%
2.1%	2.0%	2.3%	2.2%	2.4%
764,502	751,942	771,886	806,467	863,542
513	674	1,379	894	661
88	66	188	222	183
585,207	607,139	630,594	725,979	781,394
17.06	16.72	17.99	17.92	17.97
401,648	357,409	411,547	847,690	961,063
109,305	105,622	315,808	350,000	258,000
1,886	1,671	2,100	1,915	1,935
436	383	370	373	415
2,049	1,989	2,076	2,274	2,579
<u>2,485</u>	<u>2,372</u>	<u>2,446</u>	<u>2,647</u>	<u>2,994</u>
3,961	3,930	3,630	3,736	2,337
4,322	5,450	5,704	6,086	4,790
67,049	83,157	83,594	91,878	94,550
19,978	28,993	31,992	33,901	31,766
11,358	9,214	8,893	10,875	11,765
346	418	440	446	527

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

	For the Fiscal Year				
	2022	2021	2020	2019	2018
Health and social services					
Mental health facilities	14	14	14	14	14
Veterans homes	5	4	4	4	4
Transportation					
Highway miles	15,905	15,908	15,908	15,911	15,908
Bridges	7,870	7,871	7,861	7,856	7,852
Public protection and justice					
Adult correctional facilities	25	25	25	25	25
Juvenile correctional facilities	5	5	5	5	5
Environment and business regulation					
State park acreage	496,820	491,797	491,797	491,508	484,688
Protected natural area acreage	118,769	116,733	114,269	113,710	112,809

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
14	14	14	14	14
4	4	4	4	4
15,919	15,969	17,085	15,989	15,994
7,835	7,847	7,823	7,770	7,770
25	25	25	25	25
5	6	6	6	6
479,115	478,832	475,304	469,870	474,813
110,766	108,880	108,343	106,741	104,815