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PENSIONS: Local Pension Legislation

Tim Blair, Pension Manager

As of April 30, 2004, the following bills relating to local pension funds (Downstate Police and Firefighter Pension Funds) and IMRF have been passed from the chamber of origin by the 93rd General Assembly.

HB 0599 – Downstate Firefighters’ Pension Fund: HB 0599, as amended by Senate Amendment 1, makes the following changes to the Downstate Firefighters’ Article of the Pension Code:

100% Survivors’ Annuities

Currently, the surviving spouse of a deceased firefighter receives a benefit of 54% of salary, plus 12% of salary for each minor or disabled child. These annuities are never increased. HB 0599, as amended by Senate Amendment 1, provides for a surviving spouse annuity of 100% of the deceased firefighter’s annuity, effective January 1, 2004. These survivors’ annuities would not be eligible for any automatic annual increases and no separate child’s annuity would be payable. The provision applies to the widows of all retirees, regardless of the date of retirement or death.

Minimum Annuity Increase

Public Act 90-0466 provided for minimum retirement, disability and surviving spouse pensions of \$1,000, beginning January 1, 2001. These annuities are never increased. HB 0599, as amended by Senate Amendment 1, incrementally increases the minimum retirement, disability, and surviving spouse pensions beginning January 1, 2004. The minimum annuities would gradually increase (by 3% annually) from \$1,030 on January 1, 2004, to \$1,159.27 on January 1, 2008.

Child’s Annuity Increases

Minor or disabled children of deceased firefighters receive a child’s annuity upon the death of the surviving spouse. The child’s annuity is equal to 20% of the monthly salary of the firefighter. This annuity is never increased. HB 0599, as amended by Senate Amendment 1, provides a one-time increase in each child’s annuity equal to 1/12th of 3% of the amount of the pension, multiplied by the number of months the benefit has payable. Then, on each January 1 for the following four years, all children’s annuities would be increased by 3% of the annuity, including any previous increases received.

FISCAL IMPACT: Based on 2001 membership data for all Downstate Firefighters' pension funds provided by the Department of Insurance, the Commission's actuary estimates that HB 0599, as amended by Senate Amendment 1, would increase the accrued liability of the funds by \$324.5 million. The estimated increase in total annual costs is \$24.2 million, or 5.63% of payroll. The annual cost would increase commensurate with payroll and may vary greatly by employer.

HB 4109 – Illinois Municipal Retirement

Fund: The IMRF Article of the Pension Code requires municipalities who attain a population of 5,000 or more to begin participation in IMRF, unless the municipality provides Social Security coverage to employees. For these municipalities, IMRF participation is optional. When a municipality begins IMRF participation, employees receive service credit (without making contributions) for 5 years or 20% of service with the employer, whichever is less. The employer is then required to make annual contributions to amortize the unfunded liability (over 10 years) created by employees' past service credit.

HB 4109, as amended by House Amendment 1, provides that a qualifying municipality may elect to prohibit the establishment of service credit for prior service with the employer. Qualifying municipalities are defined as those who maintain an independent defined benefit plan, have at least 35 employees, and are located in a county with at least 2,000,000 inhabitants.

Effectively, HB 4109, as amended by House Amendment 1, allows qualifying municipalities who elected to be excluded from IMRF when first eligible to begin participation, to elect to join IMRF without granting any prior service credit to current employees. The municipality would have to adopt a resolution or ordinance to begin IMRF participation and adopt a resolution to restrict service credit for prior service.

Employees of qualifying municipalities could decide to continue in the municipality's independent defined benefit plan or to begin IMRF participation for service that occurs after the municipality's effective date of IMRF participation. The amendment specifies that only employees on the effective date would be eligible to make this election and the election would have to be made within 90 days of the municipality's effective date of IMRF participation.

According to IMRF staff, only the Village of Morton Grove would be considered a qualifying municipality under the provisions of HB 4109, as amended by House Amendment 1.

FISCAL IMPACT: HB 4109, as amended by House Amendment 1, would not affect the accrued liabilities or annual costs of any current IMRF employers. Any qualifying municipalities who elect to participate in IMRF for employees hired after the effective date of IMRF participation would be required to make IMRF employer contributions. In 2004, the employer normal cost (cost of benefits earned in a year) is 7.6% of payroll. No amortization payment would be required, as there would be no past service credit established.

HB 5189 – Illinois Municipal Retirement

Fund: HB 5189 makes the following changes to the IMRF Article of the Pension Code:

SLEP Flat Rate Retirement Formula

Currently, the IMRF SLEP formula provides an annuity of 2.5% of final earnings for the 1st 20 years of service, plus 2% of final earnings for the next 10 years of service, plus 1% of final earnings for each year in excess of 30, up to a maximum annuity of 75% of final earnings. For SLEP members retiring after July 1, 2004, HB 5189 increases the SLEP formula to 2.5% of final earnings for each year of

service and increases the maximum annuity to 80% of final earnings.

The SERS alternative formula provides a non-coordinated retirement formula of 3% of FAS for each year of service, while the Downstate Police pension funds provide an annuity of 50% of final salary for the 1st 20 years of service, plus 2.5% for each year of service in excess of 20, up to a maximum retirement annuity of 75% of final salary. The Chicago Police Pension Fund provides an annuity of 50% of final salary for the 1st 20 years and 2% of salary for each year after 20, up to a maximum of 75% of final salary.

Conversion of Regular IMRF Service to SLEP Service

Currently, it is not possible to convert regular IMRF service (non-SLEP) into sheriff's law enforcement (SLEP) service credit. Instead, the retirement annuities for non-SLEP service credit and SLEP service credit are computed separately. HB 5189 allows SLEP employees who have service in any other (non-SLEP) capacity to convert up to 10 years of regular service to SLEP service credit. HB 5189 requires only the corresponding employee and employer contributions, plus interest.

Eliminate Survivor's Annuity Reduction

Currently, IMRF grants surviving spouse annuities equal to ½ of the member's actual (retirees) or earned (active member) pension. The surviving spouse annuity is actuarially reduced further if the surviving spouse is more than 5 years younger than the deceased IMRF member. HB 5189 eliminates this reduction if the IMRF member dies after the effective date of the Amendatory Act.

Repayment of Refunds

Currently, all IMRF members who take a refund and return to service must be re-employed for two years before they are allowed to repay the refund. Beginning

July 1, 2004, HB 5189 allows members who take a refund and subsequently return to service as a sheriff's law enforcement employee (SLEP), to repay the refund (with interest) and receive the service credit immediately. Members who return as regular employees (non-SLEP) would still have to wait two years to repay the refund and receive the service credit.

Increase SLEP Employee Contributions

Currently, SLEP members of IMRF contribute an additional 2% of salary, due mainly to higher benefit levels for SLEP members. HB 5189 provides that the additional contributions will be 2.5% of earnings after July 1, 2004. The bill specifies that the increase in the additional contributions for SLEP members is intended to defray the cost of the SLEP benefit increases provided by HB 5189.

FISCAL IMPACT: According to IMRF, HB 5189 would increase the accrued liabilities of the Fund by \$72.0 million. The corresponding increase in average annual cost (including normal cost) is estimated to be 2.61% of payroll for SLEP employers, assuming amortization of the increase in accrued liabilities over 27 years. This cost would be reduced by 0.5% due to increased employee contributions. Therefore, the total annual cost of HB 5189 is estimated to be 2.11% of payroll for SLEP employers, or \$4.1 million in the first year. The cost will vary among employers and grow commensurate with payroll.

The cost estimate is based on a modified retirement rate assumption, as the formula increase provided by HB

5168 reduces the number of years of service required to achieve the maximum annuity of 80% of final average salary.

ECONOMY

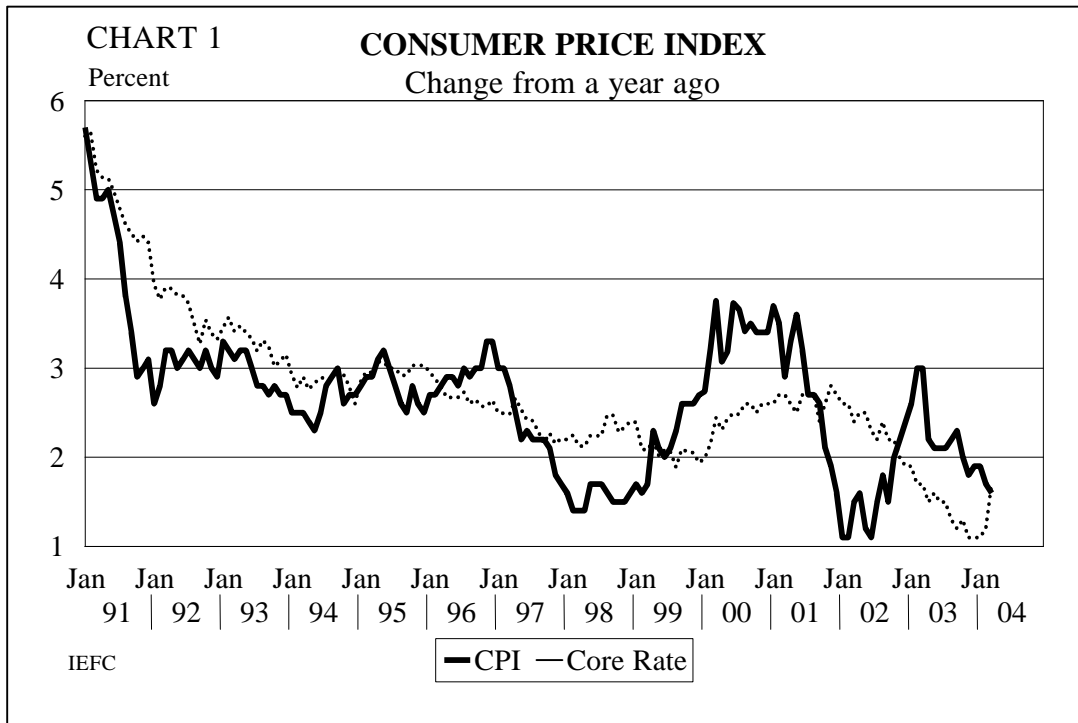
“T” Replaces “D” as the New Worry

Edward H. Boss, Jr., Chief Economist

Inflation has emerged as the new worry on the horizon for the financial markets, particularly as it relates to future monetary policy decisions to raise interest rates designed to combat upward price pressures. In March consumer prices, as measured by the CPI, rose 0.5% following gains of 0.3% and 0.5% in January and February. Thus, on a compound annual rate basis, the CPI has risen at a 5.1% rate in the first quarter of 2004. This is in sharp contrast to recent price behavior. As shown in Chart 1, overall consumer prices are up only 1.7%

from March of last year and, even excluding the volatile food and energy sectors, these prices are up only 1.6% over the past 12-months. Still, looking at the chart, it seems likely that the low in inflation may well be behind us.

Concern over inflation has replaced earlier fears of deflation, generally defined as a prolonged period of declining prices. As U.S. prices softened in the past few years, it raised concerns that, while unlikely, the country could be following the path of the economic experience of the late 1920s and 1930s. Then consumer prices in the U.S. were in decline and there was an accompanying collapse in the economy with real GDP falling sharply.



Earlier last year, prices already were falling in Japan, had slowed to below 1% in Germany, and fears were rising that this could spread to the U.S., U.K., and Canada. Early last year Federal Reserve Chairman Alan Greenspan addressed this deflationary concern in Congressional testimony. Indeed, concern over deflation was one factor in the Federal Reserve's initiation and continuation of a stimulative monetary policy resulting in short-term interest rates declining to and now hovering around 40-year lows. (*For a discussion of deflation concerns at the time, see IEFM Monthly Revenue Briefing of May 2003*).

To a large extent, the recent sharp upward reversal in prices may be attributed to rapid gains in energy prices and continued rapid increases in medical care costs. Of the 5.1% annual rate of increase in the overall CPI in the first quarter of 2004, about half the gain was attributed to energy costs, which soared at an annual rate of 38.6%. Excluding food and energy, the core rate of inflation rose at an annual rate of 2.9% in the first quarter of 2004, up from 1.1% in all of 2003 and 1.9% in all of 2002.

Most of the acceleration last month was accounted for by larger increases in the indexes for shelter and for medical care and apparel. Moreover, there is likely to be little relief in price pressures in the months immediately ahead. Last year consumer prices declined by 0.3% in April and fell again by 0.1% in May of 2003. Thus, as pointed out by *International Strategy & Investment*, even if the CPI were to increase by only 0.2% in each of the next two months, the year-ago comparisons will increase the year-ago inflation rate from its current level of 1.7% to 2.5%. Further, large increases

in energy, medical, or other major components of the price index would elevate the inflation rate even higher.

Federal Reserve Chairman Alan Greenspan stated in testimony before the Senate Banking Committee in mid-April that ... " *Threats of deflation, which were a significant concern last year, by all indications are no longer an issue before us... That clearly is a change that has occurred in the last number of weeks, and it's a change...that's been long overdue and is most welcome.*" The economy continues to recover at a strong pace as exemplified by Thursday's report that the nation's real gross domestic product (GDP) rose at a seasonally-adjusted annual rate of 4.2% in the first quarter of 2004, up from 4.1% in the final quarter of 2003 and continuing well above its long-term historical growth rate.

Perhaps, more importantly, the price index associated with GDP, the GDP deflator, accelerated to a 2.5% annual rate, up from 1.5% in the previous quarter and the fastest rise in these prices since the second quarter of 2001. Thus, it is becoming clear that the next move in monetary policy will be toward higher interest rates. The question is when and how high. In the same testimony, the Chairman said that labor costs—the biggest component of consumer price inflation—were well contained and..." *Inflationary pressures will be well contained, so long as productivity is moving at a reasonably good clip.*" At the current time, most analysts seem to feel the Federal Reserve will reverse course toward higher interest rates in late summer. Much will depend on the strength of the economy, the pace of price increases, and most importantly, how fast the labor market improves in the months ahead.

INDICATORS OF ILLINOIS ECONOMIC ACTIVITY

<u>INDICATORS</u>	<u>March 2004</u>	<u>Feb. 2003</u>	<u>March 2003</u>
Unemployment Rate (Average)	6.0%	6.2%	6.6%
Annual Rate of Inflation (Chicago)	-0.6%	6.5%	0.8%
<hr/>			
	<u>LATEST</u>	<u>% CHANGE</u>	<u>% CHANGE</u>
	<u>MONTH</u>	<u>OVER PRIOR</u>	<u>OVER A</u>
		<u>MONTH</u>	<u>YEAR AGO</u>
Civilian Labor Force (thousands) (March)	6,375	-0.3%	1.0%
Employment (thousands) (March)	5,992	-0.1%	1.6%
New Car & Truck Registration (March)	59,236	45.8%	8.7%
Single Family Housing Permits (March)	4,289	65.5%	20.4%
Total Exports (\$ mil) (February)	2,213	1.6%	11.1%
Chicago Purchasing Managers Index (April)	63.9	10.9%	34.2%

Fee Tracking through the 3rd Quarter of Fiscal Year 2004

Mike Moore, Revenue Analyst

The Illinois Economic and Fiscal Commission has completed its latest analysis of new fee revenues. The original enacted budget projections for fee revenues attributed to the various fee increases was \$421 million. The Commission asked state agencies that participate in the fee collection process to provide an updated fee revenue estimate for fiscal year 2004. As shown on the following page, the revised estimate reflects anticipated total fee collection to be approximately \$346 million. This is \$75 million lower than what was included in the FY 2004 budget. Using agency fee reports and Comptroller data, approximately \$216 million has been reported to the Commission through April. Fee collections over the remainder of the fiscal year must total \$130 million to reach the new projection.

Several noticeable drops in agency estimates can be attributed to the reduction

in expected revenue. Notably, the Illinois Commerce Commission dropped its estimate from \$2.6 million to \$676 thousand, the Office of State Treasurer reports that the \$4 surcharge on traffic offenses is not bringing in the original \$11 million anticipated and will more likely be around \$500 thousand, and the Office of Banks and Real Estate has lowered their estimate by \$15.7 million, from \$25.4 million to \$9.75 million.

The Secretary of State reports to the Commission that, to date, the Commercial Distribution Fee has brought in \$82 million. However, actual Comptroller receipts indicate that as of April 30th, 2004 the CDF has brought in \$54.6 million. There appears to be a significant lag from the point of collection by the Secretary of State and receipt by the Comptroller. Taking actual receipts into consideration, the Commission estimates the CDF fee will bring in an estimated \$77 million in FY 2004, although the Office of Secretary of State estimates that approximately \$112 million will be collected in FY 2004. (In several instances the Commission used updated information

from the Comptroller data warehouse to update S.O.S amounts through April 30th).

It should be noted that while \$346 million in increased fee revenue is anticipated, in order for all of that money

to be made available to the general funds, in a number of cases, the GOMB must order the transfer of these fee increases into GRF, per P.A 93-0032 (30 ILCS 105/8j). As the following section on special transfers details, through April, \$44 million of such fee transfers have taken place.

AGENCY	Enacted Budget Amount	Updated FY 04 Revenue Estimate IEFC/Agency	Year-to-Date	Remaining
Environmental Protection Agency	\$55,000,000.00	\$55,000,000.00	\$39,199,247.00	\$15,800,753.00
Illinois Commerce Commission	\$2,600,000.00	\$676,005.00	\$376,903.00	\$299,102.00
Dept. of Insurance/ Industrial Commission ¹	\$47,600,000.00	\$47,600,000.00	\$44,072,788.00	\$3,527,212.00
State Treasurer ²	\$11,000,000.00	\$500,000.00	\$301,245.00	\$198,755.00
Dept. of Natural Resources	\$1,200,000.00	\$1,700,000.00	\$1,063,613.00	\$646,387.00
Ofc. of the State Fire Marshall	\$1,100,000.00	\$750,000.00	\$342,800.00	\$407,200.00
Ofc. of Banks and Real Estate	\$25,400,000.00	\$9,750,000.00	\$6,484,571.71	\$3,265,428.29
Dept. of Revenue ³	\$33,700,000.00	\$33,700,000.00	\$8,773,100.00	\$24,926,900.00
Secretary of State ⁴	\$122,300,000.00	\$101,636,200.00	\$49,819,833.75	\$51,816,366.25
Dept. of Agriculture	\$2,200,000.00	\$2,200,000.00	\$1,608,274.57	\$591,725.43
Capitol Development Board	\$3,500,000.00	\$3,500,000.00	\$775,700.00	\$2,724,300.00
Dept. of Financial Institutions	\$4,600,000.00	\$4,600,000.00	\$2,357,277.00	\$2,242,723.00
Dept. of Public Health	\$1,700,000.00	\$1,700,000.00	\$1,173,117.00	\$526,883.00
Liquor License Increase	\$7,000,000.00	\$6,000,000.00	\$5,158,335.67	\$841,664.33
Commerce Distribution Fee ⁵	\$102,000,000.00	*\$77,000,000.00	\$54,577,735.00	\$22,422,265.00
TOTALS	\$420,900,000.00	\$346,312,205.00	\$216,084,540.70	\$130,227,664.30

¹The Dept. of Insurance is the lead collection agency for the Illinois Industrial Commission's Operations Fund Surcharge. Therefore, for the purposes of this report both agencies have been combined.

²The Ofc. of the State Treasurer is responsible for the collection of this fee as it is received from the various county clerks office's throughout the State. Recent news coverage of this fee has suggested that the low receipt total is due to the fact that in many cases the presiding judge does not impose the fine on a traffic offense.

³The Dept. of Revenue maintains that the new revenue associated with fee increases will generate approximately \$33.7 million. Collections year-to-date from DOR have been \$8.8 million dollars. Not shown in new revenue is the collection of delinquent account fees. DOR estimated that delinquent account fees would generate approximately \$16.5 million in new revenue. The Dept. of Revenue reports to the Commission that at the present time they are not capable of tracking this fee. Software updates will enable them to track this fee in the future and they hope to provide an accurate amount for delinquent fee collections by the end of this fiscal year.

⁴Secretary of State information is through January 31, 2004. Some information has been updated by the Commission when there were identifiable revenue sources via the Comptroller data warehouse.

⁵The Office of the Secretary of State reports that \$82 million has been collected to date under the Commercial Distribution Fee. However, according to the Comptroller, only \$54.6 million has been receipted thus far.

*The Economic and Fiscal Commission estimates that the actual receipted funds for the Commercial Distribution Fee for FY 2004 will be approximately \$77.0 million. The Office of Secretary of State estimates that total collections for the Commercial Distribution Fee for FY 2004 will be \$112.0 million. However, there is a lag time from the point of collection until the time the monies are actually reported to the Comptroller.

Special Transfers to GRF
Lynnae Kapp, Revenue/Bond Analyst

The FY 2004 budget was implemented based in large part on special transfers to the General Revenue Fund as a result of Public Act 93-0032 and Executive Order 2003-10. Under Public Act 93-0032, the Director of the Office of Management and Budget can direct fund transfers via administrative chargebacks (30 ILCS 105/8h) as well as from increased fee revenues (30 ILCS 105/8j). To date, transfers from chargebacks to the General Revenue Fund have totaled \$201.9 million, while increased fee revenue transfers equal \$44.0 million. Also included in the

Public Act was a listing of statutory transfers in the amount of \$158.5 million, which were transferred in July and August of 2003. In addition, Executive Order 2003-10 authorizes the consolidation and transfer of facilities management, internal audit, and staff legal functions from agencies directly responsible to the Governor to Central Management Services. The savings from consolidation are transferred to GRF, which to date equal \$5.5 million. The following table lists the 209 funds from which these special transfers have occurred by the types of transfers in descending order of amount. For the first ten months of FY 2004, these special transfers total \$409.9 million.

Special Transfers in FY 2004 YTD as of 4/30/2004						
FUND #	FUND NAME	Chargebacks	Statute (Funds Sweep)	Executive Order 10	Fee Increase	TOTAL
0011	Road Fund	\$81,819,670	\$50,000,000	\$911,288		\$132,730,958
0902	State Construction Account	\$36,132,250				\$36,132,250
0534	Industrial Commission Operations Fund				\$18,000,000	\$18,000,000
0072	Underground Storage Tank		\$12,100,000	\$33,936		\$12,133,936
0731	IL Clean Water Fund			\$142,011	\$10,000,000	\$10,142,011
0078	Solid Waste Management	\$995,200		\$78,245	\$7,837,400	\$8,910,845
0286	IL Affordable Housing Trust	\$3,804,000	\$5,000,000			\$8,804,000
0763	Tourism Promotion	\$2,933,200	\$5,000,000	\$100,788		\$8,033,988
0907	Health Insurance Reserve	\$6,437,115		\$64,354		\$6,501,469
0019	Grade Crossing Protection		\$6,500,000			\$6,500,000
0502	Early Intervention Services Revolving Fund	\$6,424,000				\$6,424,000
0569	School Technology Revolving Loan fund		\$6,000,000			\$6,000,000
0922	Insurance Producer Administration	\$1,070,000		\$195,024	\$4,090,300	\$5,355,324
0973	Build IL Capital Revolving Loan Fund		\$5,000,000			\$5,000,000
0743	Statewide Economic Development Fund		\$4,800,000			\$4,800,000
0771	Digital Divide Elimination Infrastructure (No. Approp)		\$4,000,000			\$4,000,000
0617	CDB Contributory Trust	\$3,495,764				\$3,495,764
0564	Renewable Energy Resources Trust Fund	\$461,200	\$3,000,000			\$3,461,200
0728	Drug Rebate Fund	\$3,378,674				\$3,378,674
0031	Drivers Education	\$876,530	\$2,500,000			\$3,376,530
0059	Public Utility	\$1,228,712	\$2,000,000			\$3,228,712
0648	Downstate Public Transportation	\$3,188,882				\$3,188,882
0523	Department of Corrections Reimbursement	\$2,823,600				\$2,823,600
0421	Public Aid Recoveries Trust	\$2,531,704				\$2,531,704
0362	Securities Audit and Enforcement	\$526,000	\$2,000,000			\$2,526,000
0994	IL Agricultural Loan Guarantee (RAL Loan Guarantee)		\$2,500,000			\$2,500,000
0262	Mandatory Arbitration Fund	\$470,000	\$2,000,000			\$2,470,000

Special Transfers in FY 2004 YTD as of 4/30/2004						
FUND #	FUND NAME	Chargebacks	Statute (Funds Sweep)	Executive Order 10	Fee Increase	TOTAL
0018	Transportation Regulatory Fund	\$256,200	\$2,000,000			\$2,256,200
0047	Fire Prevention Fund		\$2,000,000	\$218,485		\$2,218,485
0828	Hazardous Waste Fund	\$1,664,000	\$500,000			\$2,164,000
0900	Petroleum Violation Fund		\$2,000,000	\$85,339		\$2,085,339
0997	Insurance Financial Regulation		\$920,000	\$178,607	\$970,700	\$2,069,307
0193	Local Government Health Insurance Reserve	\$2,052,900				\$2,052,900
0795	Bank & Trust Company	\$815,120	\$640,000	\$560,593		\$2,015,713
0021	Financial Institution Fund	\$366,400	\$300,000	\$169,025	\$1,179,000	\$2,014,425
0344	Care Providers for Persons w/ Developmental Disabilities	\$2,009,968				\$2,009,968
0171	Solid Waste Management Revolving Loan		\$2,000,000			\$2,000,000
0613	Wireless Carrier Reimbursement		\$2,000,000			\$2,000,000
0057	IL State Pharmacy Disciplinary Fund	\$301,600	\$1,500,000			\$1,801,600
0012	Motor Fuel Tax		\$1,535,000	\$257,852		\$1,792,852
0022	General Professions Dedicated Fund	\$750,800	\$1,000,000			\$1,750,800
0243	Credit Union	\$280,000	\$500,000	\$68,724	\$863,800	\$1,712,524
0093	IL State Medical Disciplinary Fund	\$201,200	\$1,500,000			\$1,701,200
0039	State Boating Act	\$664,552			\$1,033,600	\$1,698,152
0632	Horse Racing	\$962,000	\$630,000	\$95,576		\$1,687,576
0483	Secretary of State Special Services	\$1,668,000				\$1,668,000
0925	Coal Technology Development Assistance	\$1,518,800		\$120,722		\$1,639,522
0054	State Pensions	\$1,533,811				\$1,533,811
0299	Open Space Lands Acquisition and Development		\$1,510,000			\$1,510,000
0205	Illinois Farmer & Agri-business Loan Guarantee		\$1,500,000			\$1,500,000
0635	Death Certificate Surcharge		\$1,500,000			\$1,500,000
0619	Quincy Veterans Home Fund	\$1,386,400				\$1,386,400
0940	Self-Insurers Security Fund	\$1,375,182				\$1,375,182
0482	Unclaimed Property Trust	\$1,355,505				\$1,355,505
0457	Group Insurance Premium Fund	\$1,314,200				\$1,314,200
0040	State Parks	\$665,600	\$593,000			\$1,258,600
0637	State Police Wireless Service Emergency	\$55,750	\$1,200,000			\$1,255,750
0571	Energy Efficiency Trust Fund	\$248,400	\$1,000,000			\$1,248,400
0244	Savings & Residential Finance Regulatory	\$389,600	\$850,000	\$8,302		\$1,247,902
0863	Cycle Rider Safety Training	\$205,600	\$1,000,000			\$1,205,600
0850	Real Estate License Administration	\$424,000	\$750,000	\$3,285		\$1,177,285
0942	Radioactive Waste Facility Development & Operation	\$139,200	\$1,000,000			\$1,139,200
0608	Conservation 2000	\$1,120,000	\$15,000			\$1,135,000
0888	Design Professionals Administration & Investigation	\$118,400	\$1,000,000			\$1,118,400
0397	Trauma Center Fund	\$1,118,000				\$1,118,000
0151	Registered CPA Administration & Disciplinary	\$75,600	\$1,000,000			\$1,075,600
0050	Mental Health		\$1,000,000			\$1,000,000
0126	New Technology Recovery		\$1,000,000			\$1,000,000
0220	DCFS Childrens Services		\$1,000,000			\$1,000,000
0342	Audit Expense		\$1,000,000			\$1,000,000
0962	Park & Conservation		\$1,000,000			\$1,000,000
0622	Motor Vehicle License Plate Fund	\$956,000				\$956,000
0821	Dram Shop	\$275,469	\$560,000			\$835,469
0980	Manteno Veterans Home	\$803,600				\$803,600
0906	State Police Services	\$802,884				\$802,884
0156	Motor Vehicle Theft Prevention Fund	\$494,240	\$250,000	\$5,800		\$750,040
0610	Energy Assistance Contribution		\$750,000			\$750,000
0067	Radiation Protection	\$466,400	\$240,000	\$21,783		\$728,183
0215	Capital Development Board Revolving		\$500,000	\$222,823		\$722,823
0975	Large Business Attraction Fund	\$136,400	\$500,000			\$636,400
0245	Fair & Exposition Fund	\$132,880	\$500,000			\$632,880
0281	IL Tax Increment	\$600,000	\$20,000			\$620,000
0929	Violent Crime Victims Assistance	\$620,000				\$620,000
0014	Food & Drug Safety	\$96,000	\$500,000			\$596,000
0921	DHS Recoveries Trust	\$592,000				\$592,000
0621	International Tourism Fund	\$581,200				\$581,200
0026	Live & Learn Fund	\$576,167				\$576,167

FUND #	FUND NAME	Chargebacks	Statute (Funds Sweep)	Executive Order 10	Fee Increase	TOTAL
0258	Nurse Dedicated & Professional Fund	\$553,600				\$553,600
0373	State Treasurer's Bank Service	\$540,000				\$540,000
0218	Professions Indirect Cost Fund			\$531,144		\$531,144
0294	Used Tire Management Fund	\$523,600				\$523,600
0372	Plumbing Licensure & Program Fund	\$120,000	\$400,000			\$520,000
0288	Community Water Supply Lab		\$500,000			\$500,000
0883	Intra-Agency Services Fund			\$498,725		\$498,725
0969	Local Tourism Fund	\$497,335				\$497,335
0796	Nuclear Safety Emergency Preparedness		\$460,000	\$21,060		\$481,060
0808	Medical Special Purpose Trust Fund	\$466,885				\$466,885
0175	Illinois School Asbestos Abatement	\$52,000	\$400,000			\$452,000
0130	School District Emergency Financial Assistance	\$441,646				\$441,646
0757	Child Support Administrative		\$170,000	\$268,756		\$438,756
0536	Leads Maintenance	\$221,600	\$180,000			\$401,600
0770	Digital Divide Elimination Fund	\$400,000				\$400,000
0920	Metabolic Screening & Treatment Fund	\$395,663				\$395,663
0709	IL Thoroughbred Breeders Fund	\$192,560	\$160,000			\$352,560
0237	Medicaid Fraud/Abuse Prevent		\$350,000			\$350,000
0978	Deferred Lottery Prize Winners Trust Fund	\$340,380				\$340,380
0944	Environmental Protection Permit & Inspection	\$333,600		\$141		\$333,741
0886	Criminal Justice Information Systems Trust		\$300,000	\$13,960		\$313,960
0577	Community College Health Insurance Security	\$311,691				\$311,691
0879	Traffic & Criminal Conviction Surcharge		\$250,000	\$59,006		\$309,006
0384	Tax Compliance & Administration	\$150,487	\$150,000			\$300,487
0845	Environmental Protection Trust Fund	\$286,800				\$286,800
0368	Drug Treatment Fund	\$277,600				\$277,600
0298	Natural Areas Acquisition Fund	\$271,600				\$271,600
0152	State Crime Laboratory		\$250,000			\$250,000
0945	Landfill Closure & Post-Close		\$250,000			\$250,000
0360	Lead Poisoning, Screening, Prevention & Abatement Fund	\$235,200				\$235,200
0711	State Lottery Fund			\$217,248		\$217,248
0538	IL Historic Sites	\$191,600	\$15,000			\$206,600
0085	Illinois Gaming Law Enforcement		\$200,000			\$200,000
0386	Appraisal Administration	\$176,000	\$10,000	\$7,346		\$193,346
0905	IL Forestry Development Fund	\$193,200				\$193,200
0163	Weights and Measures	\$181,600				\$181,600
0576	Pesticide Control	\$172,000				\$172,000
0982	IL Beach Marina	\$171,384				\$171,384
0214	Brownfields Redevelopment Fund	\$168,000				\$168,000
0137	Plugging & Restoration	\$46,400	\$120,000			\$166,400
0893	Library Trust Fund	\$163,096				\$163,096
0524	Health Facility Plan Review Fund	\$160,000				\$160,000
0340	Public Health Services Revolving Fund	\$152,000				\$152,000
0261	Underground Resource Conservation Enforcement	\$51,200	\$100,000			\$151,200
0074	EPA Special State Projects Trust		\$150,000			\$150,000
0574	Off-Highway Vehicle Trails	\$49,200	\$100,000			\$149,200
0257	AML Reclamation Set Aside Fund	\$59,000	\$90,000			\$149,000
0304	Statistical Services Revolving Fund			\$143,708		\$143,708
0195	IPTIP Administrative Trust Fund	\$135,639				\$135,639
0089	Subtitle D Management Fund	\$125,600				\$125,600
0222	State Police DUI Fund	\$22,250	\$100,000			\$122,250
0896	Public Health State Projects	\$120,000				\$120,000
0438	IL State Fair	\$114,862				\$114,862
0422	Alternative Fuels Fund	\$114,800				\$114,800
0884	DNR Special Projects Fund	\$107,468				\$107,468
0224	Asbestos Abatement Fund	\$106,250				\$106,250
0091	Clean Air Act (CAA) Permit Fund			\$104,772		\$104,772
0993	Public Infrastructure Construction Loan	\$101,200				\$101,200
0246	State Police Vehicle		\$101,000			\$101,000

Special Transfers in FY 2004 YTD as of 4/30/2004						
FUND #	FUND NAME	Chargebacks	Statute (Funds Sweep)	Executive Order 10	Fee Increase	TOTAL
0746	Home Inspector Administration		\$100,000			\$100,000
0147	Coal Mining Regulatory Fund	\$15,750	\$80,000			\$95,750
0514	State Asset Forfeiture Fund	\$88,250				\$88,250
0238	IL Health Facilities Planning Fund	\$88,000				\$88,000
0276	Drunk & Drugged Driving Prevention Fund	\$78,378				\$78,378
0259	Optometric Licensing & Disciplinary Committee	\$75,600				\$75,600
0732	SOS DUI Administration Fund	\$71,250				\$71,250
0745	State's Attorneys Appellate Prosecutor's County	\$71,220				\$71,220
0823	IL State Dental Disciplinary Fund	\$69,750				\$69,750
0703	State Whistleblower Reward & Protection	\$68,800				\$68,800
0295	SOS Interagency Grant Fund	\$68,443				\$68,443
0223	DMH/DD Accounts Receivable Fund	\$62,720				\$62,720
0251	Dept. of Labor Special State Trust Fund	\$59,974				\$59,974
0369	Feed Control Fund	\$56,000				\$56,000
0641	Auction Regulation Administration		\$50,000	\$4,357		\$54,357
0024	IL Dept. of Ag. Laboratory Services Fund	\$50,800				\$50,800
0378	Insurance Premium Tax Refund Fund	\$50,039				\$50,039
0173	Emergency Planning & Training		\$50,000			\$50,000
0543	Comptroller's Administrative		\$50,000			\$50,000
0733	Tobacco Settlement Recovery		\$50,000			\$50,000
0750	Real Estate Audit		\$50,000			\$50,000
0341	Provider Inquiry Trust Fund	\$48,000				\$48,000
0550	Supplemental Low Income Energy Assistance			\$46,143		\$46,143
0436	Safety Responsibility Fund	\$45,227				\$45,227
0649	Motor Carrier Safety Inspection	\$45,139				\$45,139
0207	Pollution Control Board State Trust Fund	\$36,258				\$36,258
0865	Domestic Violence Shelter & Service Fund	\$35,200				\$35,200
0708	IL Standardized Breeders		\$35,000			\$35,000
0146	Aggregate Operation Regulatory	\$22,800	\$10,000			\$32,800
0113	Community Health Center Care Fund	\$32,000				\$32,000
0520	Federal Asset Forfeiture Fund	\$30,250				\$30,250
0849	Real Estate Research & Education		\$30,000			\$30,000
0390	IL Habitat Endowment Trust Fund	\$26,538				\$26,538
0370	Tanning Facility Permit Fund	\$26,000				\$26,000
0774	Oil Spill Response Fund	\$25,423				\$25,423
0909	IL Wildlife Preservation Fund	\$24,400				\$24,400
0280	IL Racing Board Grant Fund	\$22,188				\$22,188
0290	Fertilizer Control Fund	\$21,500				\$21,500
0535	Sex Offender Registration		\$21,000			\$21,000
0669	Airport Land Loan Revolving Fund	\$20,500				\$20,500
0510	IL Fire Fighters' Memorial Fund	\$20,400				\$20,400
0840	Hazardous Waste Research Fund	\$20,000				\$20,000
0529	IL State Board of Investments Fund	\$19,034				\$19,034
0274	Self-Insurers Administration Fund	\$18,746				\$18,746
0573	Petroleum Resources Revolving Fund	\$15,750				\$15,750
0265	State Rail Freight Loan Repayment Fund	\$15,000				\$15,000
0357	Child Labor Enforcement Trust		\$15,000			\$15,000
0650	Municipal Economic Development Fund	\$14,917				\$14,917
0562	Pawnbroker Regulation Fund	\$7,500		\$6,096		\$13,596
0323	Motor Vehicle Review Board Fund	\$13,250				\$13,250
0285	Long-Term Care Monitor/Receiver Fund	\$12,500				\$12,500
0044	Lobbyist Registration Administration Fund	\$12,250				\$12,250
0096	Cemetery Consumer Protection Fund	\$11,575				\$11,575
0292	Securities Investors Education Fund	\$11,250				\$11,250
0129	State Gaming Fund			\$8,232		\$8,232
0167	Registered Limited Liability Partnership Fund	\$7,000				\$7,000
0248	Racing Board Fingerprint License Fund	\$6,019				\$6,019
0145	Explosives Regulatory		\$4,000			\$4,000
0270	Water Revolving Fund			\$3,543		\$3,543
0765	Federal Surface Mining Control & Reclamation			\$3,435		\$3,435
0041	Wildlife & Fish Fund			\$1,220		\$1,220
0297	Guardianship & Advocacy Fund			\$1,033		\$1,033
0045	Agricultural Premium Fund			\$477		\$477
	TOTAL	\$201,903,113	\$158,514,000	\$5,482,964	\$43,974,800	\$409,874,877

REVENUE

Strong Base Growth and Higher Transfers Boost April Revenues

Jim Muschinske, Revenue Manager

April's general revenue receipts rose \$283 million. The increase was due to a very good month for the larger economically-tied sources. In addition, transfers in from other State funds were also up significantly as the result of recent legislation, timing of transfers, chargebacks, transfers from fee increases, and Executive Order 10 transfers. April had the same number of receipting days as last year.

Only public utility taxes suffered a decline in April, as all of the other tax sources were either flat or managed to post gains for the month. Gross personal income tax led advancers with receipts up \$83 million (although on a net of refund basis the gain was \$37 million). Gross corporate income taxes did very well and gained \$48 million, or \$24 million net of refunds. Sales taxes increased \$30 million, as did other sources to the general funds. Approximately \$13 million of the latter's increase was due to Public Act 93-665 [see the March monthly briefing for a full discussion of this new law]. The Cook County intergovernmental transfer was up \$13 million, while insurance taxes and fees gained \$7 million. Inheritance tax rose by \$6 million and liquor taxes increased by \$2 million.

Overall transfers were up \$147 million for the month. While lottery transfers dipped \$3 million, riverboat transfers and receipts were up \$5 million and

other transfers rose \$145 million. Of that amount, approximately \$48 million was the result of P.A. 93-665 that called for a transfer from the State Pension Fund to the GRF. In addition, approximately \$54 million was transferred from the Tobacco Settlement Recovery Fund (TSRF) to the GRF as a re-transfer. [Since the State does not receive its annual allotment from the national tobacco settlement until April, throughout the first two-thirds of the fiscal year the GRF transfers monies into the TSRF to help fund programs paid for out of that Fund. Then, when the annual payment is received in April, the TSRF re-transfers those monies back into the GRF]. In addition to those transfers, the Governor's Office of Management and Budget ordered the transfer of \$26 million in increased fee revenue, \$17 million due to fund chargebacks and \$0.6 million under Executive Order 10. Federal sources gained only \$5 million during the month of April.

Year to Date

With two months remaining in the fiscal year, excluding revenues attributed to short-term borrowing and Budget Stabilization and Pension Contribution funds transfers, receipts are up \$2.223 billion over the same period last fiscal year. The increase in federal source receipts still represents the majority of the revenue gains—55%, but the acceleration of monies due to the tax amnesty program as well as administrative chargebacks and other funds transfers have contributed significantly to the increase.

In large part due to tax amnesty, gross corporate income taxes are up \$351 million, or \$197 million net of refunds. Approximately \$225 million in

gross corporate income taxes (\$152 million net of refunds) were coded and reported under tax amnesty designation. Sales taxes are up \$252 million through April, with approximately \$94 million of that coded as tax amnesty. Gross personal income taxes are up \$226 million, although on a net of refund basis are actually down \$45 million. Cook County intergovernmental transfers are up \$50 million, while insurance taxes and fees are up \$42 million. All other sources experiencing gains total an additional \$62 million.

A couple of sources are down though the first ten months of the fiscal year. Inheritance taxes, despite decoupling, are still lagging and are lower by \$30 million, while interest from investments are down \$9 million due to low rates of return.

Through April, overall transfers are up \$477 million. While lottery transfers are up \$36 million and riverboat transfers and receipts have increased \$71 million as the result of the increased wagering and admission tax, \$370 million of the increase is due to other transfers. Of that amount, approximately \$202 million is due to administrative chargebacks, \$44 million due to requested transfers related to fee increases, and \$5 million due to Executive Order 2003-10, \$48 million due to P.A. 93-665, and \$54 million due to the timing of the TSRF transfer. Finally, federal sources continue to be up dramatically for the year-- \$1.227 billion. That remarkable increase is due to \$422 million in flexible federal grants, a higher Medicaid reimbursement rate, and a concerted effort to spend down the Medicaid payment cycle earlier in the fiscal year.

Despite several consecutive months of improvement in the performance of the

larger most-closely tied economically-related sources, excluding short-term borrowing and Pension Contribution Fund transfers, overall revenues must still grow by \$213 million or 5.1% over the remaining two months of the fiscal year to reach the Commission's estimate. It will be difficult to generate monthly gains in May as last May the State entered into \$1.5 billion in short-term borrowing which allowed a dramatic increase in reimbursable spending which resulted in an extremely high month for federal sources. Absent similar actions, May federal sources should fall well below last year's level.

In conclusion, while the economic recovery appears to have finally manifested in an actual improvement in base revenues, a number of uncertainties still weigh on the overall revenue picture. As shown in earlier sections, while the budget was predicated on \$421 million from increased revenues from fees, based on performance to date it appears that fee revenues will fall short of those expectations (the Commission's latest estimate of these fees revenues was revised down by \$60 million in March to a total of \$351 million, but even that estimate may be in jeopardy of being reached). In addition, the FY 2004 budget was based on \$422 million in administrative fund chargebacks. Through April those chargebacks total approximately \$202 million, meaning that over the remaining two months they must increase substantially from their current rate. Since the beginning of the fiscal year, the Commission's estimate of these chargebacks has been a more conservative \$347 million, but even that forecast calls for a significant pick-up in such transfers over the

remaining two months. Also, both the Commission's and the GOMB's forecast for FY 2004 included \$233 million from the sale/lease/mortgage of various State properties. As of now, only \$200 million from the mortgage agreement on the Thompson Center seems likely, although even that has not been finalized to date.

GENERAL FUNDS RECEIPTS: APRIL

FY 2004 vs. FY 2003
(\$ million)

Revenue Sources	APRIL FY 2004	APRIL FY 2003	\$ CHANGE	% CHANGE
State Taxes				
Personal Income Tax	\$1,070	\$987	\$83	8.4%
Corporate Income Tax (regular)	218	170	\$48	28.2%
Sales Taxes	525	495	\$30	6.1%
Public Utility Taxes (regular)	99	117	(\$18)	-15.4%
Cigarette Tax	33	33	\$0	0.0%
Liquor Gallonage Taxes	11	9	\$2	22.2%
Vehicle Use Tax	3	3	\$0	0.0%
Inheritance Tax (Gross)	22	16	\$6	37.5%
Insurance Taxes and Fees	63	56	\$7	12.5%
Corporate Franchise Tax & Fees	11	11	\$0	0.0%
Interest on State Funds & Investments	5	5	\$0	0.0%
Cook County IGT	58	45	\$13	28.9%
Other Sources	44	14	\$30	214.3%
Subtotal	\$2,162	\$1,961	\$201	10.2%
Transfers				
Lottery	45	48	(\$3)	-6.3%
Riverboat transfers & receipts	48	43	\$5	11.6%
Other	186	41	\$145	353.7%
Total State Sources	\$2,441	\$2,093	\$348	16.6%
Federal Sources	\$282	\$277	\$5	1.8%
Total Federal & State Sources	\$2,723	\$2,370	\$353	14.9%
Nongeneral Funds Distribution:				
Refund Fund				
Personal Income Tax	(\$125)	(\$79)	(\$46)	58.2%
Corporate Income Tax	(\$70)	(46)	(\$24)	52.2%
Subtotal General Funds	\$2,528	\$2,245	\$283	12.6%
Short-Term Borrowing	\$0	\$0	\$0	N/A
Budget Stabilization Fund Transfer	\$0	\$0	\$0	N/A
Pension Contribution Fund Transfer	\$0	\$0	\$0	N/A
Total General Funds	\$2,528	\$2,245	\$283	12.6%

IEFC SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

4-May-04

GENERAL FUNDS RECEIPTS: YEAR TO DATE

FY 2004 vs. FY 2003

(\$ million)

Revenue Sources	FY 2004	FY 2003	CHANGE FROM FY 2003	% CHANGE
State Taxes				
Personal Income Tax	\$6,835	\$6,609	\$226	3.4%
Corporate Income Tax (regular)	1,171	820	\$351	42.8%
Sales Taxes	5,267	5,015	\$252	5.0%
Public Utility Taxes (regular)	905	866	\$39	4.5%
Cigarette Tax	333	333	\$0	0.0%
Liquor Gallonage Taxes	105	103	\$2	1.9%
Vehicle Use Tax	29	28	\$1	3.6%
Inheritance Tax (Gross)	175	205	(\$30)	-14.6%
Insurance Taxes and Fees	291	249	\$42	16.9%
Corporate Franchise Tax & Fees	131	118	\$13	11.0%
Interest on State Funds & Investments	47	56	(\$9)	-16.1%
Cook County IGT	338	288	\$50	17.4%
Other Sources	265	258	\$7	2.7%
Subtotal	\$15,892	\$14,948	\$944	6.3%
Transfers				
Lottery	463	427	\$36	8.4%
Riverboat transfers & receipts	541	470	\$71	15.1%
Other	849	479	\$370	77.2%
Total State Sources	\$17,745	\$16,324	\$1,421	8.7%
Federal Sources	\$4,290	\$3,063	\$1,227	40.1%
Total Federal & State Sources	\$22,035	\$19,387	\$2,648	13.7%
Nongeneral Funds Distribution:				
Refund Fund				
Personal Income Tax	(\$800)	(\$529)	(\$271)	51.2%
Corporate Income Tax	(\$376)	(\$222)	(\$154)	69.4%
Subtotal General Funds	\$20,859	\$18,636	\$2,223	11.9%
Short-Term Borrowing	\$0	\$700	(\$700)	N/A
Budget Stabilization Fund Transfer	\$226	\$226	\$0	0.0%
Pension Contribution Fund Transfer	\$1,395	\$0	\$1,395	N/A
Total General Funds	\$22,480	\$19,562	\$2,918	14.9%

SOURCE: Office of the Comptroller, State of Illinois: Some totals may not equal, due to rounding.

IEFC

4-May-04

GENERAL FUNDS GROWTH NEEDED TO MEET ESTIMATE

FY 2004 ESTIMATE vs. FY 2003 ACTUAL

(\$ million)

	March-04 ESTIMATE FY 2004	FYTD 2004	AMOUNT NEEDED FY 2004 EST.	FYTD 2003	GROWTH NEEDED	% CHANGE
Revenue Sources						
<i>State Taxes</i>						
Personal Income Tax	\$8,110	\$6,835	\$1,275	\$6,609	(\$95)	-6.9%
Corporate Income Tax (regular)	1,302	1,171	\$131	820	(\$60)	-31.4%
Sales Taxes	6,265	5,267	\$998	5,015	(\$46)	-4.4%
Public Utility Taxes (regular)	1,030	905	\$125	866	(\$15)	-10.7%
Cigarette Tax	400	333	\$67	333	\$0	0.0%
Liquor Gallonage Taxes	122	105	\$17	103	(\$3)	-15.0%
Vehicle Use Tax	35	29	\$6	28	\$0	0.0%
Inheritance Tax (Gross)	215	175	\$40	205	\$8	25.0%
Insurance Taxes and Fees	342	291	\$51	249	(\$13)	-20.3%
Corporate Franchise Tax & Fees	160	131	\$29	118	\$5	20.8%
Interest on State Funds & Investments	50	47	\$3	56	(\$7)	-70.0%
Cook County IGT	440	338	\$102	288	\$35	52.2%
Other Sources	878	265	\$613	258	\$522	573.6%
Subtotal	\$19,349	\$15,892	\$3,457	\$14,948	\$331	10.6%
<i>Transfers</i>						
Lottery	550	463	\$87	427	(\$26)	-23.0%
Riverboat transfers & receipts	654	541	\$113	470	\$29	34.5%
Other	1,048	849	\$199	479	\$89	80.9%
Total State Sources	\$21,601	\$17,745	\$3,856	\$16,324	\$423	12.3%
Federal Sources	\$4,987	\$4,290	\$697	\$3,063	(\$180)	-20.5%
Total Federal & State Sources	\$26,588	\$22,035	\$4,553	\$19,387	\$243	5.6%
Nongeneral Funds Distribution:						
<i>Refund Fund</i>						
Personal Income Tax	(\$949)	(\$800)	(\$149)	(\$529)	(\$40)	36.7%
Corporate Income Tax	(417)	(\$376)	(\$41)	(222)	\$10	-19.6%
Subtotal General Funds	\$25,222	\$20,859	\$4,363	\$18,636	\$213	5.1%
Short-Term Borrowing	\$0	\$0	\$0	\$700	(\$975)	N/A
Budget Stabilization Fund Transfer	\$226	\$226	\$0	\$226	\$0	N/A
Proceeds from Pension Obligation Bonds	\$1,395	\$1,395	\$0	\$0	(\$300)	-100.0%
Total General Funds	\$26,843	\$22,480	\$4,363	\$19,562	(\$1,062)	-19.6%
IEFC						4-May-04

GENERAL FUNDS PERFORMANCE TO DATE
GOVERNOR'S OFFICE OF MANANGEMENT AND BUDGET

FY 2004 ESTIMATE vs. FY 2003 ACTUALS

(\$ million)

<u>Revenue Sources</u>	*GOMB FEB-04 Estimate FY 2004	FYTD 2004	AMOUNT NEEDED FY 2004 Est.	FYTD 2003	GROWTH NEEDED	% CHANGE
State Taxes						
Personal Income Tax	\$8,051	\$6,835	\$1,216	\$6,609	(\$154)	-11.2%
Corporate Income Tax (regular)	1,296	1,171	\$125	820	(\$66)	-34.6%
Sales Taxes	6,280	5,267	\$1,013	5,015	(\$31)	-3.0%
Public Utility Taxes (regular)	1,062	905	\$157	866	\$17	12.1%
Cigarette Tax	450	333	\$117	333	\$50	74.6%
Liquor Gallonage Taxes	123	105	\$18	103	(\$2)	-10.0%
Vehicle Use Tax	35	29	\$6	28	\$0	0.0%
Inheritance Tax (Gross)	240	175	\$65	205	\$33	103.1%
Insurance Taxes and Fees	333	291	\$42	249	(\$22)	-34.4%
Corporate Franchise Tax & Fees	175	131	\$44	118	\$20	83.3%
Interest on State Funds & Investments	50	47	\$3	56	(\$7)	-70.0%
Cook County IGT	440	338	\$102	288	\$35	52.2%
Other Sources	1,187	265	\$922	258	\$831	913.2%
Subtotal	\$19,722	\$15,892	\$3,830	\$14,948	\$704	22.5%
Transfers						
Lottery	540	463	\$77	427	(\$36)	-31.9%
Gaming Fund Transfer	639	541	\$98	470	\$14	16.7%
Other	1,128	849	\$279	479	\$169	153.6%
Total State Sources	\$22,029	\$17,745	\$4,284	\$16,324	\$851	24.8%
Federal Sources	\$4,987	\$4,290	\$697	\$3,063	(\$180)	-20.5%
Total Federal & State Sources	\$27,016	\$22,035	\$4,981	\$19,387	\$671	15.6%
Nongeneral Funds Distribution:						
Refund Fund						
Personal Income Tax	(\$942)	(\$800)	(\$142)	(\$529)	(\$33)	30.3%
Corporate Income Tax	(415)	(376)	(\$39)	(222)	\$12	-23.5%
Subtotal General Funds	\$25,659	\$20,859	\$4,800	\$18,636	\$650	15.7%
Short-Term Borrowing	\$0	\$0	\$0	\$700	(\$975)	N/A
Budget Stabilization Fund Transfer	\$226	\$226	\$0	\$226	\$0	N/A
Proceeds from Pension Obligation Bonds	\$1,600	\$1,395	\$205	\$0	(\$95)	-31.7%
Total General Funds	\$27,485	\$22,480	\$5,005	\$19,562	(\$420)	-7.7%

* GOMB forecast based on information provided in FY 2005 Budget Book. For comparison sake, the GOMB figure of \$27.115 billion was adjusted by \$144 million (in other transfers) per actual FY 2004 "fund sweep" receipt experience. In addition, \$226 million was included for Budget Stabilization Fund transfers.