

STATE OF ILLINOIS BUDGET SUMMARY



FISCAL YEAR 2025

COMMISSION ON GOVERNMENT FORECASTING & ACCOUNTABILITY
ILLINOIS GENERAL ASSEMBLY

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FY 2025 BUDGET SUMMARY

July 30, 2024

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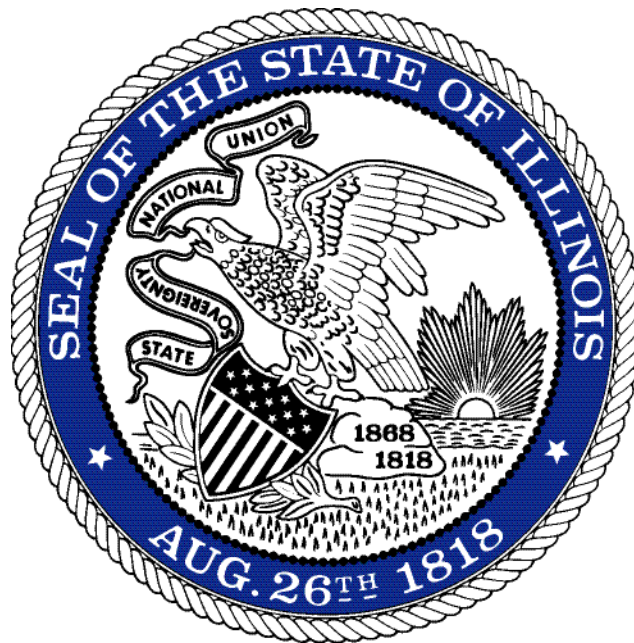
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INTRODUCTION

- **Introduction**
- **The Budget Process**
- **Basis of Budgeting**
- **FY 2025 Budget Chronology**
- **FY 2025 Budget Bills**



INTRODUCTION

Public Act 92-0067 mandates that the Commission on Government Forecasting and Accountability (CGFA) prepare and publish a *Budget Summary Report* detailing Illinois' most recently enacted budget. The report is to be made available to all citizens of the State of Illinois who request a copy. The summary report is to include information pertaining to the major categories of appropriations, issues the General Assembly faced in allocating appropriations, comparisons of appropriations from previous State fiscal years and other information related to the current State of Illinois Budget.

The following report fulfills this mandate. The report begins with a discussion of the budgeting process. The budgetary process is then summarized chronologically. A highlighting of the bills that constitute the budget follows, along with other major legislation passed during the past spring legislative session. A review of the previous year's budget is then provided. The FY 2025 budget is summarized including a listing of appropriations by agency. Various areas of the budget and State government operations, such as Elementary/Secondary Education, Medicaid, and State pensions, are looked at in detail. The report concludes with a Glossary of Terms and a Description of the various funds.

The Commission on Government Forecasting and Accountability would like to thank the four Legislative Appropriations Staffs and other state agencies, in particular, the Governor's Office of Management and Budget, Central Management Services, the Department of Healthcare and Family Services, the Department of Revenue, and the Office of the Comptroller for supplying information making this report possible.



THE BUDGET PROCESS

The Illinois Constitution requires the Governor to prepare and submit a budget to the General Assembly that includes recommended spending levels for state agencies, estimated funds available from tax collections and other sources, and State debt and liabilities. The Office of Management and Budget (GOMB), by statute a part of the Governor's office, is responsible for estimating revenues and developing budget recommendations that reflect the Governor's programmatic and spending priorities. The Commission on Government Forecasting and Accountability, by statute, is responsible for estimating revenues for the legislative branch of government.

State agencies begin the budget process for the next fiscal year almost as soon as appropriations for the current fiscal year, which begins July 1, are enacted. Budget analysts and agency staff identify and estimate the cost of potential spending pressures for the next fiscal year, including maintaining or annualizing current program levels, expanding services for existing programs and initiating new programs. Revenue estimates for the current fiscal year and preliminary estimates for the coming fiscal year are made by both the Governor's Office of Management and Budget and the Commission on Government Forecasting and Accountability.

During November and December, a detailed financial and programmatic review of agency budgets is conducted. Funding requests typically exceed available resources. The Office of Management and Budget works closely with agencies and the Governor's senior staff to try and reduce programs and to redesign others to make them more efficient. Once budget options are developed, they are presented to the Governor for his final decisions. Narrative statements explaining the budget and complete budget request forms are printed in the budget book.

Concurrent with the operations and grants budgeting process, agencies develop a capital budget. The Capital Development Board conducts a technical review and prepares cost estimates for State facility projects for which it will be responsible. Other types of capital projects such as highway construction, mass transit and airport facilities, alternative energy or school facilities are reviewed by other state agencies. Once reviewed, projects are ranked by category considering need, availability of resources and the Governor's priorities regarding repair and maintenance projects versus new construction.

The Governor presents his recommended budget to a joint session of the Illinois General Assembly. By law, the Governor must present his budget to the General Assembly no later than the third Wednesday in February of each year. In addition to the Governor's official presentation, briefings are held to acquaint legislators, their staffs, the media, and others with the budget recommendations.

Legislative review of the Governor's budget recommendations begins almost immediately with hearings before House and Senate appropriations committees. Appropriations committees may adopt amendments to change the funding level recommended by the Governor. Once adopted by the first committee, the appropriation bill moves to the full House or Senate for debate,

amendment and a vote. When an appropriation bill passes in one chamber the bill moves to the second chamber, where a similar process takes place. Changes made in either chamber must ultimately be accepted by both the House and the Senate for the bill to pass and be presented to the Governor.

By statute, any proposed amendments to the budget and any substantive legislation with fiscal or revenue impacts must be accompanied by a Fiscal Note to describe such impacts. Final approval of the budget usually does not occur until the end of the legislative session. Appropriation bills require an effective date on or before the start of the fiscal year in order to be available for expenditure at the beginning of the fiscal year, July 1. The Illinois Constitution requires a simple majority vote of the General Assembly for a bill passed on or before May 31 to take effect immediately. On or after June 1, a three-fifths vote of the General Assembly is required in order for a bill to take effect.

Once the General Assembly passes the budget, the Governor must sign the appropriation bills before funds can be spent. If the Governor does not want to approve a specific appropriation, he may either line item veto (eliminate) it or reduce it. The rest of the appropriation bill is unaffected by these vetoes and becomes effective. Line items that have been vetoed or reduced must be reconsidered by the General Assembly during the fall session. The General Assembly may return an item to the enacted level by majority vote in both houses in the case of a reduction veto and by a three-fifths vote in the case of a line item veto.

If additional resources beyond those initially approved in the budget become necessary, a supplemental appropriation bill may be passed any time the General Assembly is in session.

BASIS OF BUDGETING

Over time, the Illinois budget has been viewed as balanced in several ways, both at the time it is presented by the Governor and at the time it is passed by the General Assembly. Illinois' daily activities and annual budget historically have been operated and presented on a cash basis. Expenditures are made from the available cash balances on hand, and the budget balances estimated expenditures with estimated resources. The State's Comprehensive Annual Financial Report, however, conforms to Generally Accepted Accounting Principles (GAAP) as prescribed in pronouncements of the Governmental Accounting Standards Board. Public Act 90-479, effective as of fiscal year 1999, amended the Civil Administrative Code to provide guidance to the Governor, as he proposes the budget, and to the General Assembly, as it makes appropriations, regarding the balanced budget requirements in the State constitution. This act incorporates aspects of a modified accrual basis into the budget process for certain designated funds, including the General Funds.

State law and the constitution require the Governor to prepare and submit to the General Assembly an Executive Budget for the next fiscal year, which sets forth the Governor's recommended appropriations, estimated revenues from taxes and other sources, estimated balance of funds available for appropriation at the beginning of the fiscal year, and the plan for expenditures during the fiscal year for every department of the State. Constitutionally, the Governor must balance the budget by proposing expenditure recommendations that do not exceed funds estimated to be available for the fiscal year. The budget includes most state funds but excludes locally held funds and those state funds that are not subject to appropriation pursuant to state law. It is submitted by line item with accompanying program information, including personnel and capital detail, and performance and activity measures.

The General Assembly makes appropriations for all expenditures of public funds. Constitutionally, the General Assembly must balance the budget by appropriating amounts not to exceed funds they estimate to be available during the year. The Governor has the power to approve, reduce or veto each appropriation passed by the General Assembly, and the General Assembly may override these vetoes. Transfers in and out of funds pursuant to law or discretionary acts of the Governor are not part of the appropriation process.

The State's General Funds include the General Revenue Fund, the Common School Fund, the General Revenue-Common School Special Account Fund, the Education Assistance Fund, the Fund for the Advancement of Education, the Commitment to Human Services Fund, and the Budget Stabilization Fund. All state revenues, not otherwise restricted by law, including the majority of the State's major revenue sources, the income and sales taxes, are deposited into these funds to specifically fund education programs and to generally fund the rest of state government.

FY 2025 BUDGET CHRONOLOGY

Below is a chronological summary of the process of passing the FY 2025 budget, beginning with the Governor’s introduced budget through his approving or vetoing of the proposed legislation, and finally any veto overrides by the General Assembly. Historically, most spring legislative sessions conclude near the end of May.

February 21

On February 21, 2024, Governor J.B. Pritzker presented his proposed FY 2025 budget before a joint session of the Illinois General Assembly.

May 26-29

During the latter part of May, the General Assembly passed the budget for FY 2025 consisting primarily of four pieces of legislation; 1) an appropriation bill, 2) a bond authorization bill, 3) the Budget Implementation Bill and 4) a revenue omnibus bill.

June 5-7

Governor Pritzker approved the BIMP and the appropriations bill on June 5 and the bond authorization and revenue omnibus bills on June 7.

FY 2025 BUDGET VOTE TOTALS AND GOVERNOR ACTIONS

Subject Matter	Bill #	House Vote	House Vote Date	Senate Vote	Senate Vote Date	Governor Action	Governor Action Date	Public Act
FY25 Budget Implementation Act	HB 4959 as amended by SFA 2	62-46-0	5/29/24	41-18-0	5/26/24	Approved	6/5/24	P.A. 103-0588
FY25 Appropriations/Reappropriations and FY24 Supplemental Appropriations	SB 0251 as amended by SFA 3	65-45-0	5/29/24	38-21-0	5/26/24	Approved	6/5/24	P.A. 103-0589
Bond Authorization	HB 4582 as amended by SFA 1	72-38-0	5/29/24	40-18-0	5/26/24	Approved	6/7/24	P.A. 103-0591
Revenue Omnibus	HB 4951 as amended by SCA 1 and SFA 2, 3, 4, and 5	60-47-0	5/29/24	37-22-0	5/26/24	Approved	6/7/24	P.A. 103-0592

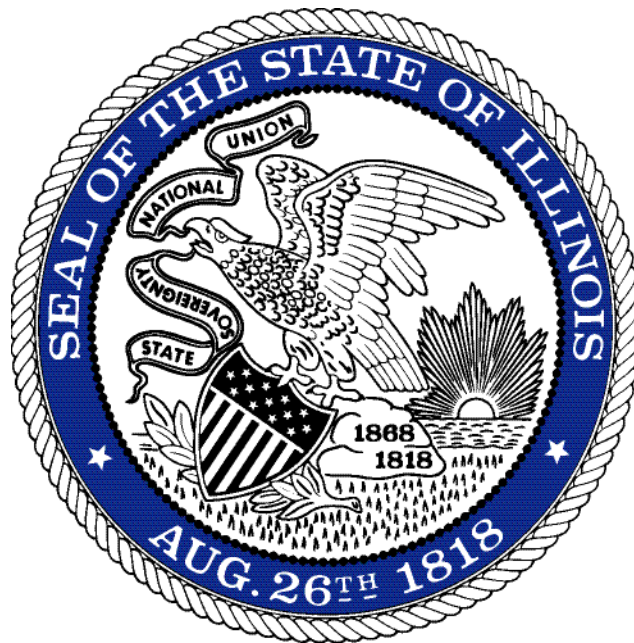
SFA = Senate Floor Amendment, SCA = Senate Committee Amendment

FY 2025 BUDGET BILLS

<i>Bill #</i>	<i>Sponsor</i>	<i>Description</i>	<i>Status</i>
HB 4959	Senate: Sims Jr. – Peters House: Gabel – Gordon-Booth, et al.	FY 2025 Budget Implementation Act Budget implementation (BIMP) bill for the FY 2025 budget	P.A. 103-0588
SB 0251	Senate: Sims, Jr. – Aquino House: Gordon-Booth	FY 2025 Appropriations and FY 2024 Supplemental Appropriations FY 2025 Capital and Operating Appropriations/Reappropriations and FY 2024 Supplemental Appropriations	P.A. 103-0589
HB 4582	Senate: Harmon House: Rita	Bond Authorization Act of 2024 Amends the General Obligation Bond Act and the Build Illinois Bond Acts. Makes changes to bond authorization levels. Makes changes to funding sources under the Build Illinois Bond Act. Makes changes related to the funding for construction for schools.	P.A. 103-0591
HB 4951	Senate: Villanueva – Sims, Jr. - Aquino House: Burke – Welch	Revenue Omnibus A revenue omnibus bill that includes sales tax exemptions, income tax credits and exemptions, taxation of “re-renters”, an environmental impact tax extension, sports wagering tax changes, and video gaming tax changes.	P.A. 103-0592

SECTION 1. FY 2024 BUDGET REVIEW

- **FY 2024 Revenue Recap**
- **Review of FY 2024 Revenue Estimates vs. Actuals**



FY 2024 REVENUE RECAP

<i>Summary of Receipts</i>				
GENERAL FUNDS RECEIPTS: YEAR END				
<i>FY 2023 vs. FY 2024</i>				
<i>(\$ millions)</i>				
Federal Sources [base]	FY 2023	FY 2024	\$ CHANGE	% CHANGE
Net Personal Income Tax	\$23,750	\$25,605	\$1,855	7.8%
Net Corporate Income Tax	\$5,828	\$5,227	(\$601)	-10.3%
Net Sales Tax	\$10,451	\$10,465	\$14	0.1%
All Other State Sources	\$3,628	\$3,968	\$340	9.4%
Transfers In	\$3,248	\$2,550	(\$698)	-21.5%
Federal Sources [base]	\$3,802	\$3,893	\$91	2.4%
Base General Funds	\$50,707	\$51,708	\$1,001	2.0%
<i>Transfer of Excess PA 102-700 Funds to GRF</i>	\$0	\$248	\$248	N/A
<i>Prior Year Federal Matching Funds</i>	\$0	\$633	\$633	N/A
<i>ARPA Reimb. for Essential Gov't Services</i>	\$1,064	\$0	(\$1,064)	N/A
<i>SLFRF Allocation Transfer</i>	\$1,363	\$0	(\$1,363)	N/A
Total General Funds	\$53,134	\$52,589	(\$545)	-1.0%
<small>Total Federal Sources (incl. ARPA & SLFRF)</small>				<small>2-Jul-24</small>

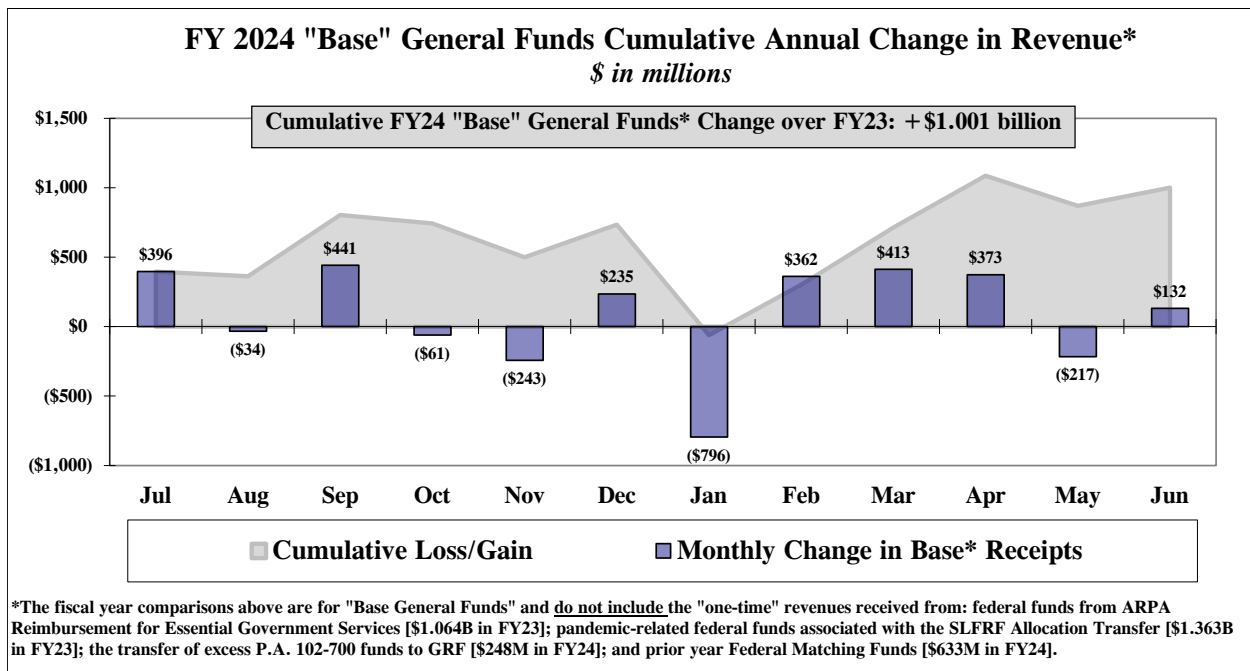
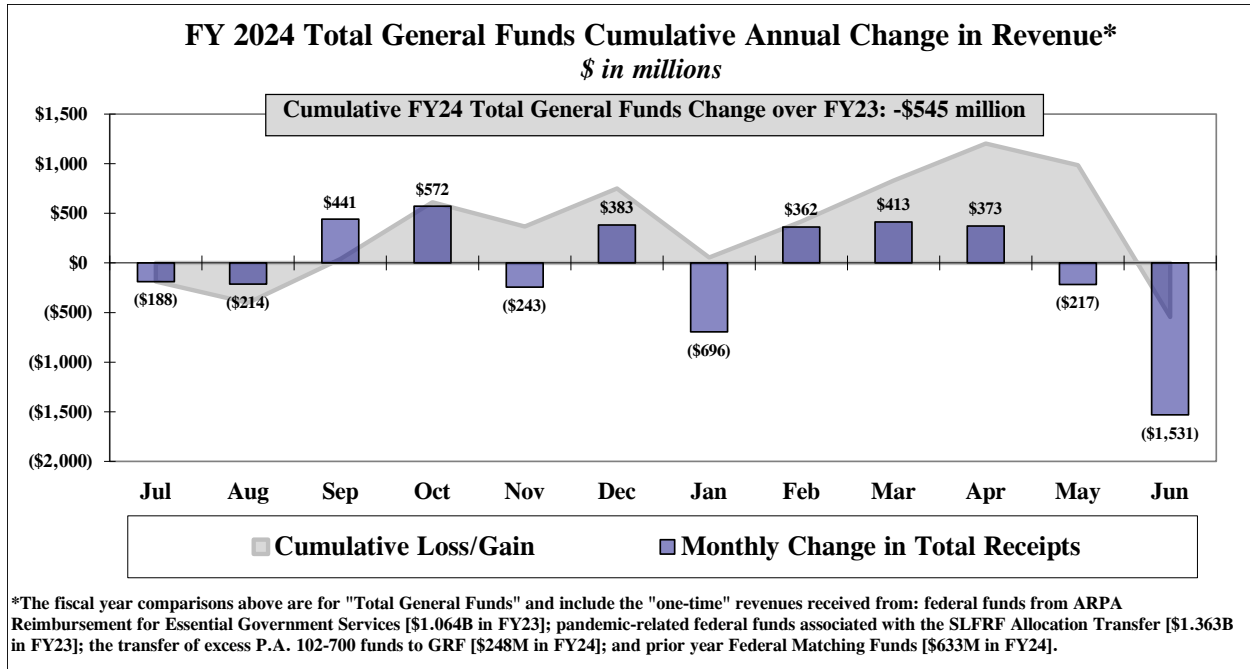
FY 2024 finished the year with a General Funds total of \$52.589 billion. This total is nearly identical to the Commission’s most recent forecast of \$52.590 billion released in March. As shown in the table above, the FY 2024 total is \$545 million below the FY 2023 total of \$53.134 billion for a final year-over-year decline of -1.0%.

From a base perspective, revenues in FY 2024 were approximately \$1.001 billion above FY 2023 levels, a difference of +2.0%. This calculation comes from removing the \$2.427 billion in one-time federal aid that was receipted in FY 2023, while also removing the \$881 million in one-time revenues received in FY 2024 (\$633 million from prior year federal matching funds and \$248 million in transfers from excess P.A. 102-700 funding).

Graphs displaying the performance of General Funds revenues, in terms of the timing of receipts, are shown on the following page. These charts allow the reader to see how each month’s revenue totals of FY 2024 compared to FY 2023 levels. The first graph is in terms of total receipts while the second graph is in terms of “base” receipts. Each graph also displays (in gray) the cumulative loss/gain of the receipts throughout the fiscal year.

For most of the year, FY 2024 was ahead of FY 2023’s pace from both a total revenue and base revenue perspective. However, this changed in June when the vast majority of the pandemic related federal funds of FY 2023 was receipted. The \$1.531 billion overall drop in June revenues caused the cumulative balance to fall from a gain of \$986 million, at the end of May, to a year-over-year decline of \$545 million. While significant, this occurrence was anticipated in FY 2024

forecasts, including FY 2024's enacted budget. Again, the below graph removes these one-time federal dollars from the equation and is why base revenues are shown to end FY 2024 with a cumulative gain of \$1.001 billion.



In terms of individual revenue sources, the largest generator of revenues continues to come from the Personal Income Tax. The FY 2024 total of \$30.134 billion is \$2.245 billion above FY 2023 levels for an annual percentage growth value of +8.0%. On a net basis, when subtracting out distributions to the Refund Fund and the Local Government Distributive Fund, the net growth was \$1.855 billion or +7.8%. This growth was aided by approximately \$1.077 billion in business-related income tax revenues being redistributed towards the Personal Income Tax distributions in FY 2024 as part of the Department of Revenue’s annual “true-up” process.

While the Personal Income Tax preformed quite well, Corporate Income Tax receipts receded somewhat in FY 2024. The fiscal year total of \$6.525 billion is \$793 million less than the amount received in FY 2023, a decline of -10.8%. The net difference is a decline of \$601 million or -10.3%. Part of this decline, however, is due to the negative impact of the “true-up” on Corporate Income Tax distributions, lowering FY 2024’s total by approximately \$259 million. Still, even accounting for the impact of these reallocations, the Corporate Income Tax would have still trailed FY 2023’s revenue total, but by a lesser extent.

After two years of above-average growth coming out of the pandemic, Sales Tax Revenues slowed in FY 2024, but still managed positive growth of approximately \$121 million or +1.0%. On a net basis, when removing the growing distributions to the Road Fund and certain transportation funds, Sales Tax net receipts grew a mere \$14 million, a difference of only +0.1%.

In terms of the remaining State Sources, revenues were a combined \$340 million above last year’s levels. The largest increase came from Interest on State Funds & Investments which benefitted from higher interest rates throughout much of the fiscal year to rise \$247 million in FY 2024. Also completing a strong fiscal year was the Inheritance Tax (Estate Tax) with an annual gain of \$124 million. In addition, revenues from Other Sources grew \$87 million for the fiscal year. These revenue gains were offset somewhat by lower tax receipts from Public Utility Taxes [-\$56 million]; the Cigarette Tax [-\$31 million]; the Corporate Franchise Tax [-\$23 million]; Insurance Taxes [-\$6 million]; and the Liquor Tax [-\$2 million].

In the category of Transfers In, the results were mixed. Lottery Transfers had a solid year with growth of \$151 million in FY 2024. Other Transfers increased \$73 million while Cannabis Transfers eked out a gain of \$3 million. Gaming Transfers only managed growth of \$1 million, despite the recent expansion of casinos throughout the State. However, these gains were easily offset by the anticipated \$926 million reduction in the Income Tax Refund Fund Transfer (and the reason for the significant decline in January receipts shown in the previous graphs). In total, Transfers In were \$698 million short of FY 2023’s levels. It should be noted that this total does not include the combined \$248 million in one-time transfers that the State received from excess P.A. 102-700 funds (related to prior year rebates and the suspension of the sales tax on

groceries). If included, the overall change in transfers would improve to a year-over-year decline of \$450 million.

Federal Sources, from a base perspective, rose \$91 million in FY 2024, a modest gain of 2.4%. However, when including the aforementioned \$2.427 billion in one-time pandemic-related funds from FY 2023 and the \$633 million in FY 2024 funds from prior year federal matching, Federal Sources fell a net \$1.703 billion this fiscal year.

A more detailed look at the General Funds revenue that make up the FY 2024 total of \$52.589 billion, and how it compares to FY 2023 values, is displayed in the table on the following page.

GENERAL FUNDS RECEIPTS: YEAR END

FY 2023 vs. FY 2024

(\$ millions)

Revenue Sources	FY 2023	FY 2024	\$ CHANGE	% CHANGE
State Taxes				
Personal Income Tax	\$27,889	\$30,134	\$2,245	8.0%
Corporate Income Tax (regular)	7,318	6,525	(793)	-10.8%
Sales Taxes	11,589	11,710	121	1.0%
Public Utility Taxes (regular)	751	695	(56)	-7.5%
Cigarette Tax	235	204	(31)	-13.2%
Liquor Gallonage Taxes	181	179	(2)	-1.1%
Inheritance Tax	503	627	124	24.7%
Insurance Taxes and Fees	492	486	(6)	-1.2%
Corporate Franchise Tax & Fees	225	202	(23)	-10.2%
Interest on State Funds & Investments	407	654	247	60.7%
Cook County IGT	244	244	0	0.0%
Other Sources	590	677	87	14.7%
Total State Taxes	\$50,424	\$52,337	\$1,913	3.8%
Transfers In				
Lottery	\$726	\$877	\$151	20.8%
Gaming	157	158	1	0.6%
Cannabis	111	114	3	2.7%
Refund Fund	1,481	555	(926)	-62.5%
Other	773	846	73	9.4%
Total Transfers In	\$3,248	\$2,550	(\$698)	-21.5%
Total State Sources	\$53,672	\$54,887	\$1,215	2.3%
Federal Sources [base]	\$3,802	\$3,893	\$91	2.4%
Total Federal & State Sources	\$57,474	\$58,780	\$1,306	2.3%
Nongeneral Funds Distributions/Direct Receipts:				
Refund Fund				
Personal Income Tax	(\$2,580)	(\$2,758)	(\$178)	6.9%
Corporate Income Tax	(1,062)	(914)	148	-13.9%
Local Government Distributive Fund				
Personal Income Tax	(1,559)	(1,771)	(212)	13.6%
Corporate Income Tax	(429)	(384)	45	-10.4%
Sales Tax Distributions				
Deposits into Road Fund	(484)	(570)	(86)	17.8%
Distribution to the PTF and DPTF	(654)	(675)	(21)	3.2%
General Funds Subtotal [Base]	\$50,707	\$51,708	\$1,001	2.0%
Transfer of Excess PA 102-700 Funds to GRF	\$0	\$248	\$248	N/A
Prior Year Federal Matching Funds	\$0	\$633	\$633	N/A
ARPA Reimb. for Essential Gov't Services	\$1,064	\$0	(\$1,064)	N/A
SLFRF Allocation Transfer	\$1,363	\$0	(\$1,363)	N/A
Total General Funds	\$53,134	\$52,589	(\$545)	-1.0%

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

REVIEW OF FY 2024 REVENUE ESTIMATES VS. ACTUALS

The original budget for FY 2024 was enacted with an assumed revenue total of \$50.611 billion. After the first half of the fiscal year was completed, there were several factors that led to both CGFA and GOMB revising up their revenue projections for FY 2024. These factors included: the Income Tax Refund Fund Transfer being \$255 million above original estimates; \$633 million in one-time revenues from prior year federal matching funds not assumed in the original budget; \$248 million in one-time transfers from excess P.A. 102-700 funds not assumed in the original budget; and strong year-to-date gains from Interest Income and the Inheritance Tax.

In response to these factors, CGFA in March released an updated FY 2024 revenue projection of \$52.590 billion. In most years, CGFA would have provided a revised estimate in May following the important tax revenue month of April. Upon review of its March forecasts, while the Commission acknowledged that some adjustments (both positive and negative) to individual revenue lines was warranted, it was felt that no official revision was necessary as the bottom-line revenue projection total would not be significantly different than the March forecast. This proved to be the case. As shown in the table below, the FY 2024 actual total of \$52.589 billion is only \$1 million different than the Commission's March forecast. While the Commission was a little too bullish in its March projections for revenues from income and sales taxes, these shortfalls were nearly completely offset by improved revenues from All Other State Sources, Transfers In, and Federal Sources.

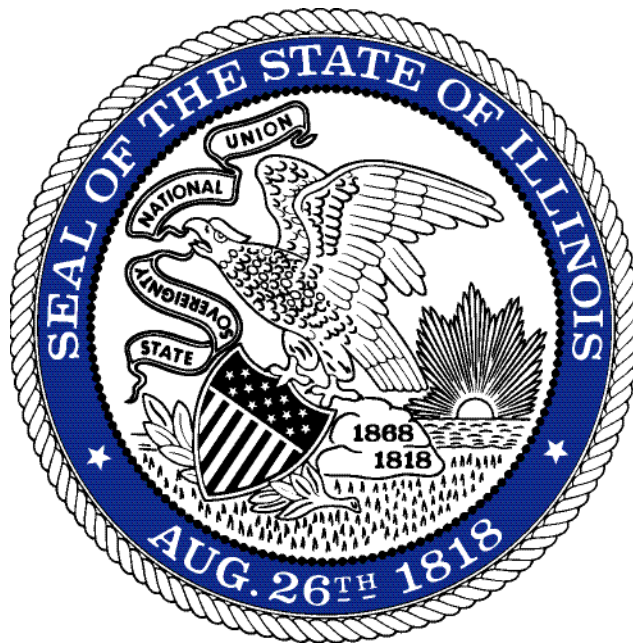
In February 2024, in reaction to the factors mentioned above, GOMB increased their FY 2024 forecast to \$52.216 billion. In May, they further increased their estimate by an additional \$250 million to \$52.466 billion. As shown, this revised total is \$123 million below the FY 2024 actual of \$52.590 billion, a difference of only 0.2%. In the end, it was a strong showing by both CGFA and GOMB in their projections for General Funds revenues in FY 2024.

FY 2024 General Funds Actuals vs. Most Recent Official Estimates of CGFA and GOMB					
(\$ millions)					
Revenue Sources	FY 2024 <u>ACTUALS</u>	FY 2024 CGFA Revised <u>March '24</u>	Difference from <u>Actuals</u>	FY 2024 GOMB Revised <u>May '24</u>	Difference from <u>Actuals</u>
Personal Income Taxes [Net]	\$25,605	\$25,711	\$106	\$25,541	(\$64)
Corporate Income Taxes [Net]	\$5,226	\$5,383	\$157	\$5,169	(\$57)
Sales Tax [Net]	\$10,465	\$10,487	\$22	\$10,516	\$51
All Other State Sources	\$3,968	\$3,912	(\$56)	\$3,986	\$18
Transfers In	\$2,550	\$2,542	(\$8)	\$2,517	(\$33)
Federal Sources [Base]	\$3,893	\$3,675	(\$218)	\$3,855	(\$38)
General Funds Subtotal [Base]	\$51,708	\$51,709	\$1	\$51,585	(\$123)
Transfer of Excess P.A. 102-700 Funds to GRF	\$248	\$248	\$0	\$248	\$0
Prior Year Federal Matching Funds	\$633	\$633	\$0	\$633	\$0
Total General Funds Revenues	\$52,589	\$52,590	\$1	\$52,466	(\$123)

Note: Some totals may not equal, due to rounding.

SECTION 2. FY 2025 BUDGET

- **FY 2025 Budget Summary**
- **FY 2025 Revenue Assumptions**
- **FY 2025 General Funds Budget Plan**
- **FY 2025 Budget Implementation Act (P.A. 103-0588)**
- **Bond Authorization Act of 2024 (P.A. 103-0591)**
- **Revenue Omnibus Bill (P.A. 103-0592)**
- **FY 2025 Appropriations by Agency**



FY 2025 BUDGET SUMMARY

Below is a table showing the new appropriations, continuing appropriations, and reappropriations for all appropriated funds for FY 2025. The data shown is preliminary data from the Office of the Comptroller’s Statewide Accounting Management System (SAMS) data warehouse as of July 18, 2024. The grand total of all appropriations is \$204.2 billion for FY 2025. This is \$17.8 billion, or 9.5%, above FY 2024’s total of \$186.4 billion. The largest increase in appropriations can be seen in Special State Funds which were up almost \$15 billion. Highway Fund appropriations were also up just over \$2 billion. Federal Trust Funds were down over 8% or almost \$1.8 billion. Historical data since FY 2019 can be seen in the bottom table.

A breakdown of the appropriations by agency can be found on page 32 and a description of the different types of funds can be found in Appendix B on page 146.

FY 2025 BUDGET SUMMARY							
(\$ Millions)*							
Fund Group	New Appropriations	Continuing Appropriations	Reappropriations	Total Appropriations	\$ Change FY 24 to FY 25	% Change FY 24 to FY 25	
General Funds	\$51,749		\$0	\$40	\$51,790	\$1,115	2.2%
Highway Funds	\$8,121		\$0	\$12,913	\$21,034	\$2,024	10.6%
Special State Funds	\$49,978	\$20,603	\$5,696	\$76,277	\$14,905	24.3%	
Bond Financed Funds	\$4,071		\$315	\$22,700	\$27,086	\$1,640	6.4%
Debt Service Funds	\$4,261		\$0	\$0	\$4,261	\$109	2.6%
Federal Trust Funds	\$18,021		\$0	\$2,469	\$20,490	-\$1,794	-8.1%
Revolving Funds	\$1,269		\$0	\$0	\$1,269	-\$178	-12.3%
State Trust Funds	\$1,854		\$2	\$142	\$1,998	-\$38	-1.9%
Grand Total	\$139,325	\$20,920	\$43,960	\$204,205	\$17,782	9.5%	
*Preliminary Data							
Source: Office of the Comptroller, Statewide Accounting Management Data Warehouse as of 7/18/24							

TOTAL APPROPRIATIONS HISTORY							
(\$ Millions)							
Fund Group	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*	FY 2025*
General Funds	\$37,234	\$39,113	\$40,695	\$43,750	\$47,721	\$50,674	\$51,790
Highway Funds	\$8,999	\$16,965	\$17,590	\$18,246	\$17,941	\$19,011	\$21,034
Special State Funds	\$36,216	\$41,114	\$47,785	\$53,710	\$61,666	\$61,373	\$76,277
Bond Financed Funds	\$7,559	\$28,130	\$29,584	\$28,164	\$26,866	\$25,446	\$27,086
Debt Service Funds	\$5,850	\$3,626	\$6,301	\$5,814	\$5,265	\$4,152	\$4,261
Federal Trust Funds	\$8,401	\$12,239	\$26,545	\$31,708	\$26,323	\$22,285	\$20,490
Revolving Funds	\$1,217	\$1,227	\$1,231	\$1,219	\$1,319	\$1,446	\$1,269
State Trust Funds	\$676	\$688	\$1,315	\$1,882	\$2,149	\$2,037	\$1,998
Grand Total	\$106,152	\$143,102	\$171,046	\$184,493	\$189,250	\$186,424	\$204,205
*Preliminary Data							
Source: Office of the Comptroller, Statewide Accounting Management Data Warehouse as of 7/18/24							

FY 2025 REVENUE ASSUMPTIONS

At the end of the Spring 2024 Legislative Session, there were several prominent bills that were set into law to set the framework for the FY 2025 Budget:

- P.A. 103-0588 (HB 4959 – BIMP)
- P.A. 103-0589 (SB 0251 – FY 2025 Appropriations)
- P.A. 103-0591 (HB 4582 – Bond Authorization)
- P.A. 103-0592 (HB 4951 – Revenue Omnibus)

Synopses of these public acts are provided on the following pages. Collectively, these public acts were used to establish a FY 2025 General Funds budget with base expenditures set at \$53.070 billion. To support this spending, the enacted budget's revenue assumptions were set at \$53.281 billion. The details behind these assumed revenues are displayed on the following table.

The assumed revenue total of \$53.281 billion is 1.3% higher than the FY 2024 final total of \$52.589 billion. However, this relatively modest growth rate is in large part because FY 2025 does not anticipate any one-time revenues that helped boost the FY 2024 final total. Removing the \$881 million in FY 2024 non-base revenues from the equation, the FY 2025 assumed revenue total of \$53.281 billion is approximately 3.0% above the FY 2024 General Funds “Base” total of \$51.708 billion.

The FY 2025 assumed revenue total includes the impact of P.A. 103-0592, a revenue omnibus package that GOMB estimates will generate approximately \$1.092 billion in new revenues for the State's General Funds. A synopsis of these changes is provided on page 30.

The Personal Income Tax will continue to be the largest revenue generator of revenues for the State's General Funds. This source will again benefit from a reallocation of business-related tax revenues in FY 2025 as part of the Department of Revenue's annual “true-up” process, boosting its expected total by approximately \$1.289 billion. Conversely, the Corporate Income Tax will again be negatively impacted by the true-up adjustment with an expected adjustment of -\$268 million in FY 2025. However, the reinstatement of the net operating loss deduction (with a higher limit), will result in notably higher tax revenues than would have been without this change.

While Sales Tax revenues are expected to improve in FY 2025 due to the anticipated lowering of interest rates and the recently enacted retailer's discount limit, these gains will be offset somewhat by additional dollars redistributed to the Road Fund. The anticipated decline in interest rates is also expected to diminish the levels recently seen from Interest on State Funds and Investments. Also, negatively impacting FY 2025 totals will be an expected reduction in the Income Tax Refund Fund Transfer. Otherwise, the trends recently seen in the remaining revenue individual lines will likely continue into FY 2025, absent the newly enacted changes.

General Funds Revenues
FY 2024 Actuals vs. FY 2025 Enacted Budget Revenue Assumptions*
(\$ millions)

Revenue Sources	FY 2024 Actuals	FY 2025 Revenue Assumptions*	\$ Change	% Change
State Taxes				
Personal Income Tax	\$30,134	\$31,195	\$1,061	3.5%
Corporate Income Tax (regular)	\$6,525	\$6,713	\$188	2.9%
Sales Taxes	\$11,710	\$12,164	\$454	3.9%
Public Utility (regular)	\$695	\$701	\$6	0.9%
Cigarette Tax	\$204	\$195	(\$9)	-4.4%
Liquor Gallonage Taxes	\$179	\$182	\$3	1.7%
Estate Tax	\$627	\$635	\$8	1.3%
Insurance Taxes & Fees	\$486	\$522	\$36	7.4%
Corporate Franchise Tax & Fees	\$202	\$208	\$6	3.0%
Interest on State Funds & Investments	\$654	\$500	(\$154)	-23.5%
Cook County Intergovernmental Transfer	\$244	\$244	\$0	0.0%
<u>Other Sources</u>	<u>\$677</u>	<u>\$717</u>	<u>\$40</u>	<u>5.9%</u>
Total State Taxes	\$52,337	\$53,976	\$1,639	2.4%
Transfers In				
Lottery	\$877	\$902	\$25	2.9%
Gaming	\$158	\$177	\$19	12.0%
Sports Wagering	\$0	\$200	\$200	N/A
Cannabis	\$114	\$123	\$9	7.9%
Refund Fund	\$555	\$300	(\$255)	-45.9%
<u>Other</u>	<u>\$846</u>	<u>\$859</u>	<u>\$13</u>	<u>1.5%</u>
Total Transfers In	\$2,550	\$2,561	\$11	0.4%
Total State Sources	\$54,887	\$56,537	\$1,650	3.0%
Federal Sources [Base]	\$3,893	\$4,024	\$131	3.4%
Total Federal & State Sources	\$58,780	\$60,561	\$1,781	3.0%
Nongeneral Funds Distribution:				
Refund Fund				
Personal Income Tax [9.15% '24 & '25]	(\$2,758)	(\$2,854)	(\$96)	3.5%
Corporate Income Tax [14.0% '24 & '25]	(\$914)	(\$940)	(\$26)	2.8%
Local Government Distributive Fund				
Personal Income Tax	(\$1,771)	(\$1,834)	(\$63)	3.6%
Corporate Income Tax	(\$384)	(\$395)	(\$11)	2.9%
Sales Tax Distributions				
Sales Tax Deposits into Road Fund	(\$570)	(\$773)	(\$203)	35.6%
Sales Tax Distribution to the PTF and DPTF	(\$675)	(\$484)	\$191	-28.3%
General Funds Subtotal [Base]	\$51,708	\$53,281	\$1,573	3.0%
Non-Base Revenues	\$881	\$0	(\$881)	-100.0%
Total Revenues General Funds	\$52,589	\$53,281	\$692	1.3%

*Source: GOMB: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

FY 2025 GENERAL FUNDS BUDGET PLAN
Expenditures, Revenues/Resources, and Resulting Estimated Surplus
{Amounts per GOMB}
\$ in millions

Revenues/Resources

Revenue Source	FY 2025 Estimate [June'24]
Personal Income Taxes (Net):	\$26,507
Corporate Income Taxes (Net):	\$5,378
Sales Tax (Net):	\$10,907
All Other State Sources:	\$3,904
Transfers In:	\$2,561
Federal Sources:	\$4,024
Total Base Revenues:	\$53,281

Expenditures

Purpose	FY 2025 Amount
K-12 Education:	\$10,897
Higher Education:	\$2,615
Pensions:	\$10,489
Human Services:	\$11,520
Healthcare:	\$8,961
Group Insurance:	\$2,327
Government Services:	\$2,467
Public Safety:	\$2,523
Debt Service:	\$1,720
Statutory Transfers Out:	\$445
Lapsed Appropriations:	-\$895
Total Base Expenditures:	\$53,070
Fiscal Year 2025 Est. General Funds "Base Surplus":	\$211
Budget Stabilization Fund Contribution:	-\$198
Adjusted General Funds Surplus:	\$13

Source: <https://budget.illinois.gov/> Note: To be consistent with similar tables from previous editions, the GOMB's figures for Economic Development (\$387M) and Environment and Culture (\$133M) are included in "Government Services" in the above table, but does not include Chicago Teachers' Pension System expenditures (\$354M), which the Commission includes in the "Pensions" line.

FY 2025 BUDGET IMPLEMENTATION ACT (P.A. 103-0588)

P.A. 103-0588 (HB 4959) is the Budget Implementation (BIMP) Act for FY 2025. The bill does the following to implement the FY 2025 budget:

Finance

- Creates the Department on Aging Federal Indirect Cost Fund and authorizes deposit of indirect cost reimbursement.
- Codifies the DCEO Projects Fund and allow the fund to receive revenues from any public or private source, excluding funds already directed by law to another fund. The DCEO Projects fund was administratively created, it is being codified to promote transparency and accountability.
- Authorizes the Department of Commerce and Economic Opportunity (DCEO) to receive direct appropriations from the Clean Air Act Permit Fund to support its Small Business Environmental Regulatory Assistance Program.
- Authorizes the Illinois Environmental Protection Agency (IEPA) to spend from the Energy Efficiency Trust Fund on administrative cost.
- Clarifies the distribution of scratch-off lottery proceeds from the Illinois DREAM fund which is designed to make scholarships, college savings, and prepaid tuition programs available to undocumented students who graduated from Illinois high schools.
- Limits the Illinois Emergency Management Agency and Office of Homeland Security (IEMA-OHS) nonprofit security grant program to non-medical organizations.
- Creates the Professions Licensure Fund for the Department of Financial and Professional Regulation (DFPR) to utilize for its electronic licensure project.
- Modifies the authorized uses of the Fund for Illinois' Future.
- Clarifies the authorized uses of the Rebuild Illinois Projects Fund.
- Authorizes the Illinois Department of Transportation (IDOT) to pay PACE paratransit grants, Regional Transit Authority (RTA) reduced fare subsidy grants, and Amtrak subsidies from the Road Fund.
- Authorizes IEPA to utilize the Road Fund for deposits into the Electric Vehicle Rebate Fund. This provides a source of revenue to support electric vehicle rebate payments.
- Increases agency appropriation transfer limit to 4% for FY 2025.
- Continues allowing Personal Property Tax Replacement Fund money to be used for Illinois Community College Board (ICCB) community college base operating grants and Department of Public Health (DPH) local health protection grants to local health departments.

- Continues the practice of the Executive Ethics Commission (EEC) setting aside amounts necessary for the use of the Chief Procurement Officers for the ordinary and contingent expenses of their respective procurement offices.
- Requires 9.15% of personal income taxes and 14.0% of corporate income taxes be deposited into the Tax Refund Fund during FY 2025.
- Clarifies the eligible recipients and uses of violent crime witness protection program grants funded through the Illinois Criminal Justice Information Authority (ICJIA).
- Authorizes the Illinois Department of Employment Security (IDES) to return excess cash to the General Revenue Fund (GRF) that derived from GRF fund deposit for repayment to the Federal Emergency Management Agency (FEMA) for the Lost Wage Assistance program.
- Authorizes the Illinois Board of Higher Education (IBHE) to make grants to public universities to support the implementation of the Mental Health Early Action on Campus Act.
- Clarifies the reimbursement rate increases for substance use disorder treatment and intervention services that are scheduled to take effect on 7/1/24. Clarifies that these rates are subject to annual increases based on CPI not to exceed 2%, also provides for emergency rule making.
- Modifies the assistance provided to foreign-born victims of trafficking, torture or other serious crimes to remove the food assistance component for persons residing in a shelter that provides a majority of their meals.
- Creates the Summer EBT Program Fund and establishes authority for the Department of Human Services (DHS) to operate the federally funded program Electronic Benefit Transfer (EBT) Program for Children.
- Authorizes IDOT to pay from the Road Fund prompt payment interest resulting from federal funds expenditures and from expenditures made from the transportation bond fund.
- Allows the Comptroller to make payments to the five state sponsored pension systems that are greater than 1/12 of the required annual State contribution in a month. This will allow the Comptroller to front load the pension payments when the Comptroller has additional cash on hand in a month.
- Rate increase for homemaker services shall be increased to \$29.63 to sustain a minimum wage of \$18 per hour for direct service workers.
- Provides an additional \$5 million dollars for the annual equalization grants, per capita and area grants to library systems, and per capita grants to public libraries, under Section 8 of the Illinois Library System Act.
- Allows the Attorney General to pay advanced payments for expert witnesses.
- Provides \$30 million for the Veterans Property Tax Relief Reimbursement Pilot Program.

- Creates the Health Equity and Access Fund to allow the Department of Healthcare and Family Services (HFS) to pay for medical expenses or grants that advance health equity initiatives in Illinois.
- Creates the Restore Fund to allow for the payment of expenses directly related to the development and implementation of an automated criminal record sealing program.

Grants

- Authorizes DCEO to enter contracts and grants payable from the Rebuild Illinois Project Fund.
- Authorizes DCEO to make grants from the workforce, technology and economic development fund.
- Provides that the Used Tire Management Fund may provide grants for research and development of methods to reduce the toxicity of tires.
- Amends the Homelessness Prevention Act and provides that a grantee's case management and administrative cost cannot exceed 20% of the total grant awarded. Under prior law, these costs could not exceed 15% of the grant.
- Requires matching funds from any convention and tourism bureau receiving a grant from DCEO. The local bureau shall provide matching funds equal to no less than 30% of the grant amount in FY 2025. In FY 2026 DCEO shall require that any convention and tourism bureau receiving a grant to provide a matching fund equal to no less than 40% of the grant amount.
- Provides that IEMA shall adopt rules for which grantees may receive a working capital advance of up to 25% of the total award amount if the grantee demonstrates a need for funds to commence a project. The remaining funds must be paid through reimbursement after the grantee presents sufficient supporting documentation of expenditures.
- Amends the Law Enforcement Camera Grant Program, allows for grant money to be used for leasing of body cameras.
- Removes the requirement of in-kind operating commitment requirements for the Department of Children and Family Services (DCFS) child abuse prevention shelter program and DHS community-based youth services. Under prior law, a program must have provided 10% matching for DHS grants and a 20% match for DCFS grants.

Transfers

- Transfer \$20.0 million from the Road Fund to the Federal/State/Local Airport Fund. Includes technical language to codify the name of the administratively created

Federal/State/Local Airport Fund. This allows IDOT to make payments from the fund while awaiting federal awards for reimbursement.

- Audit Expense Fund transfers of \$26.8 million to fund state audits. \$20.7 million of this amount comes from GRF and \$6.1 million comes from other state funds (OSF).
- Extends through FY 2025 the annual transfer from GRF to the Partners for Conservation Fund at the \$14 million level that was in effect from FY 2021- FY 2023.
- Transfers \$12.9 million from numerous SOS funds to the Secretary of State Identification Security and Theft prevention fund.
- Transfers \$350 million GRF to the Fund for Illinois' Future during FY 2024.
- Transfers \$500,000 from GRF to the Governor's Administrative fund. This fund allows the Governor's office to share in federal grants and other sources of funding received by state agencies.
- Transfers \$500,000 from GRF to the Grant Accountability Transparency Fund to provide working capital for the Governor's Office of Management and Budget's (GOMB) Grant Accountability and Transparency Unit.
- Transfers \$20.0 million from the Capital Projects Fund to the Illinois Works Fund to support the Illinois Works pre-apprenticeship program at DCEO.
- Transfers an additional \$150 million from the Road Fund and \$50.0 million from the Underground Tanker Fund to the Public Transportation Fund (PTF) and the Downstate Public Transportation Fund (DPTF) for FY 2025 only. Current law provides that an annual \$150 million transfer to PTF shall be made from the Road Fund.
- Transfer up to \$15.5 million from the Insurance Producer Administration Fund to the Illinois Health Benefits Exchange fund at the direction of the Department of Insurance (DOI). Provides seed money to continue the transition from the Illinois Health Benefits Exchange to the state-based exchange by plan year 2026.
- Transfers \$5 million from the Solid Waste Management Fund to GRF.
- Transfers \$10 million from the Underground Storage Tank Fund to GRF.
- Transfers \$25.0 million from the Violent Crime Witness Protection Program Fund to GRF.
- Provides for a \$3.2 million transfer from the Horse Racing Purse Equity Fund to race tracks in Illinois.
- Makes a \$2.0 million transfer from the Fair and Exposition Fund to the Standardbred Horse Breeders Fund.

State Government and Education

- Clarifies travel reimbursement provisions included in the FY 2024 BIMP, these changes will allow the Travel Regulation Council to retain rulemaking authority over how per

diem travel reimbursement is calculated. Reimbursement rates will still be determined by the federal government.

- Adds the Department of Early Childhood to the list of agencies to be served by the Department of Innovation and Technology (DoIT).
- Lessens the information requirements related to intergenerational poverty that must be included in the Governor's annual budget proposals.
- Allows DPH to select a lead agent to administer grants from the African-American HIV/AIDS Response Fund.
- Extends through FY 2025, a waiver of matching requirements for Open Space Land Acquisition and Development (OSLAD) grants. During COVID, distressed communities were not required to make the 50% matching payment to receive OSLAD funds, this continues this practice in FY 2025.
- Provides a camping fee waiver during the 2024 Illinois State Fair at the three nearest Department of Natural Resources (DNR) campsites to campers who purchased a season admission ticket during a specified time window.
- Transfers statutory authority for health care telementoring from HFS to DPH.
- Provides for a \$1.00 an hour wage increases for Direct Support Personnel in community-based intellectual/developmental disability facilities and in ID/DD facilities licensed by DPH. It splits the \$1.00, with \$0.75 to be directly passed through to base wages and the other \$0.25 to be used "flexibly for base wage increases."
- Establishes that Teachers' Retirement System (TRS) retirees shall be offered vision and dental insurance starting on July 1, 2024. Additionally establishes that the premium shall not exceed 105% of the premium actually charged plus \$7.11 per TRS benefit recipient and \$28.43 per month for each TRS dependent beneficiary.
- The FY 2024 budget included a \$450,000 GRF appropriation to DHS to find and implement a vendor to set up a publicly available search function locator for supplemental substance use disorder treatment. The FY 2025 budget also includes this appropriation as a reappropriation to the Fund for Illinois' Future. The BIMP language specifies that DHS must issue a request for proposal to establish this locator function to be integrated with the existing Illinois Helpline.
- Allows retired downstate teachers to return to work in subject shortage areas until June 30, 2027. Without this, provision was going to sunset on June 30, 2024.
- Allows retired Chicago teachers to return to work in subject shortage areas until July 1, 2027. Without this, the provision was going to sunset on July 1, 2024.
- Allows state-authorized charter schools to receive state reimbursement for student transportations costs at the same rate as public school districts. Under prior law, only public-school districts were eligible to receive state reimbursement from ISBE for 80% of eligible student transportation costs.

- Requires DNR to report information to the General Assembly on which distressed local governments have received OSLAD grants in FY 2023, FY 2024, and FY 2025 with a 10% match.
- Allows the University of Illinois Springfield to build a downtown campus. The language creates the UIS Innovation Center partner which includes the U of I Board of Trustees, other institutions of higher education, not for profits, businesses and local governments.
- Amends the Early Childhood Access Consortium for Equity Act (ECACE) by: creating 3-year appointment terms for members of the ECACE advisory board. Adds new information for the ECACE advisory board to submit to the General Assembly and Governor on yearly basis. Requires the ECACE advisory board to work as one body (instead of regional hubs). Requires the ECACE advisory board to meet twice a year instead of quarterly. Codifies the ECACE Scholarship Program to provide that, subject to appropriation, the ISAC shall award annual scholarships to students enrolled in early childhood education, with a preference given to members of the incumbent workforce, recipients who received a scholarship during the previous academic year, and applicants in financial need. ECACE scholarship recipients must agree to either continue or return to teaching or direct services after they have completed their program of study.
- Requires the Department on Aging (IDoA), in consultation with HFS, DPH, and the Department of Veterans Affairs (DVA), to create an Illinois Caregiver Assistance and Resource portal through which seniors and caregivers can access a range of information regarding available benefits and resources at the state, federal, and local level. The bill is subject to appropriation and requires the portal to be implemented three years after the effective date.
- Establishes a grant program providing up to \$7,000 per school site to initiate breakfast after the bell programs. Breakfast after the bell programs provide breakfast to children after the instructional day has officially begun, thus allowing more students the chance to have breakfast.
- Creates the Pretrial Success Grants. Providing grants for community-based organizations to maximize pretrial success.

BOND AUTHORIZATION ACT OF 2024 (P.A. 103-0591)

At the end of the Spring 2024 Legislative Session, P.A. 103-0591 (HB 4582) was enacted, effective July 1, 2024, which made several changes to the State's bond acts:

- The General Obligation Bond Act was amended to increase authorization by \$2.349 billion to \$81.790 billion. The total increase would go to the Capital Facilities category:
 - \$900 million for Correctional Facilities,
 - \$871 million for State Facilities,
 - \$575 million for Higher Education, and
 - \$3 million for open and recreational spaces.
- The Build Illinois Bond Act was amended to increase authorization by \$1.339 billion to \$11.359 billion. The increased amount is divided into the following categories:
 - \$1.080 billion for economic development projects,
 - \$235 million for public infrastructure projects including grants to local governments, and
 - \$24 million for projects for development and improvement of educational, scientific, technical and vocational program facilities and the expansion of health and human services.
- G.O. and Build Illinois bonds issued during FY 2025 may be issued with principal or mandatory redemption amounts in unequal amounts.
- The State Finance Act is amended to require the Capital Projects Fund to pay for the projects under this new authorization. Under the Build Illinois Bond Act, bonds sold under this new authorization will be paid first by the Capital Projects Fund, and second, if needed, from the Build Illinois Bond Account.
- The Illinois Housing Development Act is amended to increase authorization for the Illinois Housing Development Authority by \$4.3 billion.
- The Local Government Debt Reform Act is amended to allow for any school district (was specific districts) to issue express limitation bonds for Sections 17-2.11 of the School Code, to increase the working cash fund for the district, for paying claims against the district and for any bonds to refund these bonds, all of which may have a 30 (was 25) year maturity.
- The School Code is amended to say that beginning September 1, 2024, no referendum is required to build or purchase a building if the board passes a resolution to determine that the building or purchase will result in an increase in pre-kindergarten or kindergarten classroom space in a district. Bond expenses and capitalized interest must not exceed 3% of the bond amount, and may be added to the bond sale amount. Debt and refunding bonds incurred under 19-3 of the School Code and authorized by an election held on or after November 5, 2024, shall not be considered indebtedness for the purpose of any statutory debt limitation and must mature in 30 years.

Revenue Omnibus Bill (P.A. 103-0592)

P.A. 103-0592 is a revenue omnibus that includes changes to multiple Acts related to tax revenues involving sales tax exemptions, income tax credits and exemptions, taxation of “re-renters”, an environmental impact tax extension, sports wagering tax changes, and video gaming tax changes. The primary changes impacting State revenues are listed below.

- Retailer’s Discount Limit Change
- NOL Deduction Limit Reinstated
- Sports Wagering Graduated Tax Structure Change
- Video Gaming Tax Structure Change
- Student Loan Assistance Income Tax Deduction
- Local Journalism Sustainability Income Tax Credit
- Expansion of the Live Theater Production Income Tax Credit
- Music and Musicians Income Tax Credit
- Expansion of the Returning Citizens (Formerly Ex-Felons) Income Tax Credit
- Volunteer Emergency Workers Income Tax Credit Change
- Re-Renter Tax
- Motor Fuel Environmental Fee Extension
- Sales Tax on Leased Tangible Personal Property Change
- Student-Assistance Contribution Extension
- Adoption Income Tax Credit Sunset Date Added
- Corporate Franchise Tax Exemption Increase
- Illinois Gives Income Tax Credit

At the time of enactment, the Governor’s Office estimated that the value of the revenue changes impacting the FY 2025 Budget (mostly via P.A. 103-0592) was nearly \$1.1 billion. As shown in the following table, without these enacted changes, General Funds Revenues would have totaled approximately \$52.189 billion. With the enacted revenue adjustments, the assumed revenue total for FY 2025 is \$53.281 billion.

**Assumed Revenues for FY 2025 Enacted Budget {Per GOMB}
before and when including Enacted Revenue Adjustments**
(\$ millions)

	<i>Before Enacted Revenue Adjustments</i>		<i>Including Enacted Revenue Adjustments</i>
<u>Revenue Sources</u>	<u>FY 2025 Assumed Revenues</u>	<u>Assumed Value of Enacted Adjustments</u>	<u>FY 2025 Assumed Revenues</u>
Personal Income Taxes [Net] ¹	\$26,557	(\$50)	\$26,507
Corporate Income Taxes [Net] ²	\$4,852	\$526	\$5,378
Sales Tax [Net] ³	\$10,586	\$321	\$10,907
All Other State Sources ⁴	\$3,914	(\$10)	\$3,904
Transfers In ⁵	\$2,311	\$250	\$2,561
Federal Sources ⁶	\$3,969	\$55	\$4,024
Total General Funds Revenues	\$52,189	\$1,092	\$53,281

Enacted Revenue Adjustments and their estimated fiscal impact in FY 2025 include:

¹ New Child Tax Credit (-\$50M); ² Net Operating Loss Deduction Limit of \$500K (+\$526M); ³ Retailers Discount Limit of \$1,000/month (+\$101M), Taxing Lease Stream (+\$20M), and a one-time shift in mass transit related distributions (+\$200M); ⁴ Corporate Franchise Tax exemption increase to \$10K (-\$10M); ⁵ Sports Wagering Tax Increase (+\$200M), Re-Renters impact on Build Illinois Fund Transfer via the Hotel Tax (\$25M), and one-time transfer from Violent Crime Witness Protection Program Fund to GRF (\$25M); and ⁶ Increase federal match due to enacted additional spending in DHS and Aging (\$55M).

Budget Source: <https://budget.illinois.gov/> Note: Some totals may not equal, due to rounding.

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Elementary & Secondary Education				
Illinois Education Labor Relations Board				
Total	\$4.19	\$0.00	\$0.00	\$4.19
Special State Funds	\$4.19	\$0.00	\$0.00	\$4.19
State Board of Education				
Total	\$17,457.44	\$0.00	\$152.32	\$17,609.76
General Funds	\$10,893.11	\$0.00	\$0.00	\$10,893.11
Special State Funds	\$82.43	\$0.00	\$117.55	\$199.98
Bond Financed Funds	\$0.00	\$0.00	\$25.00	\$25.00
Federal Trust Funds	\$6,458.63	\$0.00	\$9.78	\$6,468.41
State Trust Funds	\$23.26	\$0.00	\$0.00	\$23.26
Teachers' Pension and Retirement System, Chicago				
Total	\$353.88	\$0.00	\$0.00	\$353.88
General Funds	\$353.88	\$0.00	\$0.00	\$353.88
Teachers' Retirement System				
Total	\$6,318.21	\$175.00	\$0.00	\$6,493.21
General Funds	\$6,318.21	\$0.00	\$0.00	\$6,318.21
Bond Financed Funds	\$0.00	\$175.00	\$0.00	\$175.00
Elementary & Secondary Education Totals				
Total	\$24,133.71	\$175.00	\$152.32	\$24,461.04
General Funds	\$17,565.20	\$0.00	\$0.00	\$17,565.20
Highway Funds	\$0.00	\$0.00	\$0.00	\$0.00
Special State Funds	\$86.62	\$0.00	\$117.55	\$204.16
Bond Financed Funds	\$0.00	\$175.00	\$25.00	\$200.00
Debt Service Funds	\$0.00	\$0.00	\$0.00	\$0.00
Federal Trust Funds	\$6,458.63	\$0.00	\$9.78	\$6,468.41
Revolving Funds	\$0.00	\$0.00	\$0.00	\$0.00
State Trust Funds	\$23.26	\$0.00	\$0.00	\$23.26
Higher Education				
Board of Higher Education				
Total	\$91.67	\$0.00	\$4.23	\$95.90
General Funds	\$44.54	\$0.00	\$0.10	\$44.64
Special State Funds	\$16.63	\$0.00	\$0.00	\$16.63
Bond Financed Funds	\$0.00	\$0.00	\$3.94	\$3.94
Federal Trust Funds	\$30.50	\$0.00	\$0.19	\$30.69
Chicago State University				
Total	\$43.44	\$0.00	\$0.00	\$43.44
General Funds	\$40.13	\$0.00	\$0.00	\$40.13
Special State Funds	\$3.31	\$0.00	\$0.00	\$3.31
Eastern Illinois University				
Total	\$47.98	\$0.00	\$0.00	\$47.98
General Funds	\$47.97	\$0.00	\$0.00	\$47.97
Special State Funds	\$0.01	\$0.00	\$0.00	\$0.01

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Higher Education (cont.)				
Governors State University				
Total	\$26.58	\$0.00	\$0.00	\$26.58
General Funds	\$26.58	\$0.00	\$0.00	\$26.58
Illinois Community College Board				
Total	\$548.28	\$0.00	\$0.00	\$548.28
General Funds	\$380.89	\$0.00	\$0.00	\$380.89
Special State Funds	\$116.30	\$0.00	\$0.00	\$116.30
Federal Trust Funds	\$51.00	\$0.00	\$0.00	\$51.00
State Trust Funds	\$0.10	\$0.00	\$0.00	\$0.10
Illinois Math and Science Academy				
Total	\$29.91	\$0.00	\$1.50	\$31.41
General Funds	\$23.98	\$0.00	\$1.50	\$25.48
Special State Funds	\$5.93	\$0.00	\$0.00	\$5.93
Illinois State University				
Total	\$79.81	\$0.00	\$0.00	\$79.81
General Funds	\$79.78	\$0.00	\$0.00	\$79.78
Special State Funds	\$0.03	\$0.00	\$0.00	\$0.03
Illinois Student Assistance Commission				
Total	\$911.39	\$0.00	\$12.59	\$923.98
General Funds	\$823.75	\$0.00	\$9.99	\$833.74
Special State Funds	\$28.18	\$0.00	\$0.00	\$28.18
Federal Trust Funds	\$59.46	\$0.00	\$2.60	\$62.06
Northeastern Illinois University				
Total	\$41.26	\$0.00	\$0.00	\$41.26
General Funds	\$41.26	\$0.00	\$0.00	\$41.26
Northern Illinois University				
Total	\$100.64	\$0.00	\$0.00	\$100.64
General Funds	\$100.62	\$0.00	\$0.00	\$100.62
Special State Funds	\$0.02	\$0.00	\$0.00	\$0.02
State Universities Civil Service Merit Board				
Total	\$1.44	\$0.00	\$0.00	\$1.44
General Funds	\$1.44	\$0.00	\$0.00	\$1.44
State Universities Retirement System				
Total	\$2,222.00	\$0.00	\$0.00	\$2,222.00
General Funds	\$2,007.00	\$0.00	\$0.00	\$2,007.00
Special State Funds	\$215.00	\$0.00	\$0.00	\$215.00
Southern Illinois University				
Total	\$226.97	\$0.00	\$0.00	\$226.97
General Funds	\$225.70	\$0.00	\$0.00	\$225.70
Special State Funds	\$1.27	\$0.00	\$0.00	\$1.27
University of Illinois				
Total	\$721.38	\$0.00	\$0.00	\$721.38
General Funds	\$710.61	\$0.00	\$0.00	\$710.61
Special State Funds	\$10.61	\$0.00	\$0.00	\$10.61
Federal Trust Funds	\$0.16	\$0.00	\$0.00	\$0.16

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Higher Education (cont.)				
Western Illinois University				
Total	\$56.84	\$0.00	\$0.00	\$56.84
General Funds	\$56.83	\$0.00	\$0.00	\$56.83
Special State Funds	\$0.01	\$0.00	\$0.00	\$0.01
Higher Education Totals				
Total	\$5,149.59	\$0.00	\$18.32	\$5,167.90
General Funds	\$4,611.09	\$0.00	\$11.59	\$4,622.68
Highway Funds	\$0.00	\$0.00	\$0.00	\$0.00
Special State Funds	\$397.28	\$0.00	\$0.00	\$397.28
Bond Financed Funds	\$0.00	\$0.00	\$3.94	\$3.94
Debt Service Funds	\$0.00	\$0.00	\$0.00	\$0.00
Federal Trust Funds	\$141.12	\$0.00	\$2.79	\$143.91
Revolving Funds	\$0.00	\$0.00	\$0.00	\$0.00
State Trust Funds	\$0.10	\$0.00	\$0.00	\$0.10
Departments				
Aging				
Total	\$1,859.09	\$0.00	\$1.33	\$1,860.42
General Funds	\$1,658.35	\$0.00	\$1.33	\$1,659.68
Special State Funds	\$7.40	\$0.00	\$0.00	\$7.40
Federal Trust Funds	\$193.00	\$0.00	\$0.00	\$193.00
State Trust Funds	\$0.35	\$0.00	\$0.00	\$0.35
Agriculture				
Total	\$199.60	\$0.00	\$0.00	\$199.60
General Funds	\$39.82	\$0.00	\$0.00	\$39.82
Special State Funds	\$105.58	\$0.00	\$0.00	\$105.58
Federal Trust Funds	\$52.85	\$0.00	\$0.00	\$52.85
State Trust Funds	\$1.36	\$0.00	\$0.00	\$1.36
Central Management Services				
Total	\$7,687.40	\$0.00	\$0.00	\$7,687.40
General Funds	\$2,407.73	\$0.00	\$0.00	\$2,407.73
Highway Funds	\$156.49	\$0.00	\$0.00	\$156.49
Special State Funds	\$4,409.81	\$0.00	\$0.00	\$4,409.81
Revolving Funds	\$606.42	\$0.00	\$0.00	\$606.42
State Trust Funds	\$106.95	\$0.00	\$0.00	\$106.95
Children and Family Services				
Total	\$2,360.26	\$0.00	\$0.48	\$2,360.74
General Funds	\$1,477.99	\$0.00	\$0.02	\$1,478.01
Special State Funds	\$713.66	\$0.00	\$0.00	\$713.66
Bond Financed Funds	\$100.00	\$0.00	\$0.00	\$100.00
Federal Trust Funds	\$15.82	\$0.00	\$0.47	\$16.28
State Trust Funds	\$52.79	\$0.00	\$0.00	\$52.79

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Departments (cont.)				
Commerce and Economic Opportunity				
Total	\$5,538.06	\$0.00	\$5,782.11	\$11,320.17
General Funds	\$311.31	\$0.00	\$12.95	\$324.26
Special State Funds	\$2,100.02	\$0.00	\$679.93	\$2,779.95
Bond Financed Funds	\$1,553.04	\$0.00	\$4,018.21	\$5,571.24
Federal Trust Funds	\$1,533.69	\$0.00	\$1,071.03	\$2,604.71
State Trust Funds	\$40.00	\$0.00	\$0.00	\$40.00
Corrections				
Total	\$2,028.76	\$0.00	\$3.42	\$2,032.18
General Funds	\$1,917.16	\$0.00	\$3.42	\$1,920.58
Special State Funds	\$111.60	\$0.00	\$0.00	\$111.60
Early Childhood				
Total	\$4.00	\$0.00	\$0.00	\$4.00
General Funds	\$4.00	\$0.00	\$0.00	\$4.00
Employment Security				
Total	\$466.62	\$0.00	\$75.00	\$541.62
General Funds	\$22.06	\$0.00	\$0.00	\$22.06
Highway Funds	\$5.00	\$0.00	\$0.00	\$5.00
Federal Trust Funds	\$439.57	\$0.00	\$75.00	\$514.57
Financial and Professional Regulation				
Total	\$189.45	\$0.00	\$0.00	\$189.45
General Funds	\$16.25	\$0.00	\$0.00	\$16.25
Special State Funds	\$173.20	\$0.00	\$0.00	\$173.20
Healthcare and Family Services				
Total	\$39,022.83	\$0.00	\$60.00	\$39,082.83
General Funds	\$8,961.20	\$0.00	\$0.00	\$8,961.20
Special State Funds	\$29,816.79	\$0.00	\$60.00	\$29,876.79
Federal Trust Funds	\$5.35	\$0.00	\$0.00	\$5.35
State Trust Funds	\$239.49	\$0.00	\$0.00	\$239.49
Human Rights				
Total	\$28.85	\$0.00	\$0.42	\$29.27
General Funds	\$18.46	\$0.00	\$0.42	\$18.88
Special State Funds	\$5.60	\$0.00	\$0.00	\$5.60
Federal Trust Funds	\$4.79	\$0.00	\$0.00	\$4.79
Human Services				
Total	\$13,991.51	\$0.00	\$489.99	\$14,481.50
General Funds	\$7,618.54	\$0.00	\$0.00	\$7,618.54
Special State Funds	\$1,289.51	\$0.00	\$129.44	\$1,418.95
Bond Financed Funds	\$0.00	\$0.00	\$27.08	\$27.08
Federal Trust Funds	\$4,605.23	\$0.00	\$333.48	\$4,938.71
State Trust Funds	\$478.23	\$0.00	\$0.00	\$478.23
Illinois Power Agency				
Total	\$117.10	\$0.00	\$0.00	\$117.10
Special State Funds	\$105.10	\$0.00	\$0.00	\$105.10
State Trust Funds	\$12.00	\$0.00	\$0.00	\$12.00

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Departments (cont.)				
Innovation and Technology				
Total	\$954.52	\$0.00	\$130.86	\$1,085.38
General Funds	\$214.52	\$0.00	\$0.00	\$214.52
Bond Financed Funds	\$60.00	\$0.00	\$130.86	\$190.86
Revolving Funds	\$650.00	\$0.00	\$0.00	\$650.00
State Trust Funds	\$30.00	\$0.00	\$0.00	\$30.00
Insurance				
Total	\$119.47	\$5.33	\$0.00	\$124.80
Special State Funds	\$119.47	\$5.33	\$0.00	\$124.80
Juvenile Justice				
Total	\$151.41	\$0.00	\$0.00	\$151.41
General Funds	\$138.41	\$0.00	\$0.00	\$138.41
Special State Funds	\$13.00	\$0.00	\$0.00	\$13.00
Labor				
Total	\$23.90	\$0.00	\$0.00	\$23.90
General Funds	\$13.00	\$0.00	\$0.00	\$13.00
Special State Funds	\$4.50	\$0.00	\$0.00	\$4.50
Federal Trust Funds	\$6.40	\$0.00	\$0.00	\$6.40
Lottery				
Total	\$3,289.74	\$0.00	\$0.00	\$3,289.74
Special State Funds	\$3,289.74	\$0.00	\$0.00	\$3,289.74
Military Affairs				
Total	\$107.05	\$0.00	\$113.15	\$220.19
General Funds	\$20.54	\$0.00	\$0.00	\$20.54
Special State Funds	\$26.10	\$0.00	\$60.76	\$86.86
Bond Financed Funds	\$20.00	\$0.00	\$52.38	\$72.38
Federal Trust Funds	\$40.41	\$0.00	\$0.00	\$40.41
Natural Resources				
Total	\$645.11	\$0.00	\$1,344.43	\$1,989.54
General Funds	\$96.10	\$0.00	\$0.53	\$96.63
Special State Funds	\$355.32	\$0.00	\$572.34	\$927.66
Bond Financed Funds	\$7.87	\$0.00	\$430.17	\$438.04
Federal Trust Funds	\$166.96	\$0.00	\$265.39	\$432.34
State Trust Funds	\$18.86	\$0.00	\$76.01	\$94.87
Public Health				
Total	\$1,838.38	\$0.00	\$52.51	\$1,890.89
General Funds	\$398.56	\$0.00	\$0.00	\$398.56
Special State Funds	\$201.50	\$0.00	\$20.20	\$221.70
Bond Financed Funds	\$0.00	\$0.00	\$14.91	\$14.91
Federal Trust Funds	\$1,173.95	\$0.00	\$17.40	\$1,191.35
State Trust Funds	\$64.37	\$0.00	\$0.00	\$64.37

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Departments (cont.)				
Revenue				
Total	\$1,451.66	\$20,571.00	\$0.00	\$22,022.66
General Funds	\$53.04	\$0.00	\$0.00	\$53.04
Highway Funds	\$134.11	\$0.00	\$0.00	\$134.11
Special State Funds	\$1,264.00	\$20,571.00	\$0.00	\$21,835.00
Federal Trust Funds	\$0.50	\$0.00	\$0.00	\$0.50
State Trust Funds	\$0.01	\$0.00	\$0.00	\$0.01
State Police				
Total	\$923.13	\$0.00	\$122.50	\$1,045.63
General Funds	\$425.08	\$0.00	\$0.00	\$425.08
Highway Funds	\$0.10	\$0.00	\$0.00	\$0.10
Special State Funds	\$457.95	\$0.00	\$0.00	\$457.95
Bond Financed Funds	\$0.00	\$0.00	\$122.50	\$122.50
Federal Trust Funds	\$40.00	\$0.00	\$0.00	\$40.00
Transportation				
Total	\$9,423.43	\$0.00	\$23,496.77	\$32,920.21
Highway Funds	\$7,775.91	\$0.00	\$12,912.91	\$20,688.82
Special State Funds	\$1,393.26	\$0.00	\$801.81	\$2,195.07
Bond Financed Funds	\$29.00	\$0.00	\$9,277.01	\$9,306.01
Federal Trust Funds	\$225.06	\$0.00	\$505.04	\$730.10
Revolving Funds	\$0.21	\$0.00	\$0.00	\$0.21
Veterans' Affairs				
Total	\$236.47	\$0.00	\$1.00	\$237.47
General Funds	\$168.39	\$0.00	\$1.00	\$169.39
Special State Funds	\$65.47	\$0.00	\$0.00	\$65.47
Federal Trust Funds	\$2.61	\$0.00	\$0.00	\$2.61
Departments Totals				
Total	\$92,657.80	\$20,576.33	\$31,673.98	\$144,908.11
General Funds	\$25,980.51	\$0.00	\$19.66	\$26,000.17
Highway Funds	\$8,071.61	\$0.00	\$12,912.91	\$20,984.52
Special State Funds	\$46,028.58	\$20,576.33	\$2,324.48	\$68,929.39
Bond Financed Funds	\$1,769.91	\$0.00	\$14,073.12	\$15,843.02
Debt Service Funds	\$0.00	\$0.00	\$0.00	\$0.00
Federal Trust Funds	\$8,506.17	\$0.00	\$2,267.80	\$10,773.98
Revolving Funds	\$1,256.62	\$0.00	\$0.00	\$1,256.62
State Trust Funds	\$1,044.41	\$0.00	\$76.01	\$1,120.42
Other Agencies				
Abraham Lincoln Presidential Library and Museum				
Total	\$27.29	\$0.00	\$0.00	\$27.29
General Funds	\$11.67	\$0.00	\$0.00	\$11.67
Special State Funds	\$15.62	\$0.00	\$0.00	\$15.62
Arts Council				
Total	\$25.07	\$0.00	\$1.17	\$26.24
General Funds	\$23.74	\$0.00	\$0.00	\$23.74
Special State Funds	\$0.00	\$0.00	\$1.17	\$1.17
Federal Trust Funds	\$1.33	\$0.00	\$0.00	\$1.33

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Other Agencies (cont.)				
Capital Development Board				
Total	\$2,261.05	\$0.00	\$8,128.79	\$10,389.84
General Funds	\$0.50	\$0.00	\$0.00	\$0.50
Special State Funds	\$33.36	\$0.00	\$48.00	\$81.36
Bond Financed Funds	\$2,227.19	\$0.00	\$8,014.83	\$10,242.02
State Trust Funds	\$0.00	\$0.00	\$65.96	\$65.96
Civil Service Commission				
Total	\$0.51	\$0.00	\$0.00	\$0.51
General Funds	\$0.51	\$0.00	\$0.00	\$0.51
Commission on Equity and Inclusion				
Total	\$6.98	\$0.00	\$0.30	\$7.28
General Funds	\$2.98	\$0.00	\$0.30	\$3.28
Revolving Funds	\$4.00	\$0.00	\$0.00	\$4.00
Commission on Human Rights				
Total	\$5.41	\$0.00	\$0.00	\$5.41
General Funds	\$5.41	\$0.00	\$0.00	\$5.41
Coroner Training Board				
Total	\$0.46	\$0.00	\$0.00	\$0.46
Special State Funds	\$0.46	\$0.00	\$0.00	\$0.46
Council on Developmental Disabilities				
Total	\$5.13	\$0.00	\$0.00	\$5.13
General Funds	\$0.07	\$0.00	\$0.00	\$0.07
Federal Trust Funds	\$5.06	\$0.00	\$0.00	\$5.06
Court of Claims				
Total	\$72.84	\$0.00	\$0.00	\$72.84
General Funds	\$56.89	\$0.00	\$0.00	\$56.89
Highway Funds	\$0.50	\$0.00	\$0.00	\$0.50
Special State Funds	\$3.45	\$0.00	\$0.00	\$3.45
Federal Trust Funds	\$10.00	\$0.00	\$0.00	\$10.00
Revolving Funds	\$2.00	\$0.00	\$0.00	\$2.00
Criminal Justice Information Authority				
Total	\$493.58	\$0.00	\$36.50	\$530.08
General Funds	\$98.84	\$0.00	\$0.00	\$98.84
Special State Funds	\$35.42	\$0.00	\$0.00	\$35.42
Federal Trust Funds	\$152.70	\$0.00	\$36.50	\$189.20
State Trust Funds	\$206.62	\$0.00	\$0.00	\$206.62
Deaf and Hard of Hearing Commission				
Total	\$0.91	\$0.00	\$0.00	\$0.91
General Funds	\$0.66	\$0.00	\$0.00	\$0.66
Special State Funds	\$0.25	\$0.00	\$0.00	\$0.25
Environmental Protection Agency				
Total	\$2,770.24	\$0.00	\$3,561.62	\$6,331.86
Highway Funds	\$44.00	\$0.00	\$0.00	\$44.00
Special State Funds	\$1,583.24	\$0.00	\$3,152.78	\$4,736.02
Bond Financed Funds	\$2.19	\$0.00	\$327.38	\$329.57
Federal Trust Funds	\$1,133.80	\$0.00	\$81.46	\$1,215.26
State Trust Funds	\$7.00	\$0.00	\$0.00	\$7.00

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Other Agencies (cont.)				
Executive Ethics Commission				
Total	\$15.51	\$0.00	\$0.00	\$15.51
General Funds	\$12.29	\$0.00	\$0.00	\$12.29
Highway Funds	\$0.96	\$0.00	\$0.00	\$0.96
Special State Funds	\$0.84	\$0.00	\$0.00	\$0.84
Revolving Funds	\$1.43	\$0.00	\$0.00	\$1.43
Governor's Office of Management and Budget				
Total	\$620.86	\$0.00	\$0.00	\$620.86
General Funds	\$4.80	\$0.00	\$0.00	\$4.80
Special State Funds	\$0.11	\$0.00	\$0.00	\$0.11
Bond Financed Funds	\$2.05	\$0.00	\$0.00	\$2.05
Debt Service Funds	\$609.90	\$0.00	\$0.00	\$609.90
Revolving Funds	\$4.00	\$0.00	\$0.00	\$4.00
Guardianship and Advocacy Commission				
Total	\$17.41	\$0.00	\$0.00	\$17.41
General Funds	\$14.41	\$0.00	\$0.00	\$14.41
Special State Funds	\$3.00	\$0.00	\$0.00	\$3.00
Illinois Commerce Commission				
Total	\$76.31	\$0.00	\$0.00	\$76.31
Special State Funds	\$76.31	\$0.00	\$0.00	\$76.31
Illinois Emergency Management Agency				
Total	\$2,192.93	\$0.00	\$70.56	\$2,263.49
General Funds	\$31.25	\$0.00	\$0.00	\$31.25
Highway Funds	\$0.10	\$0.00	\$0.00	\$0.10
Special State Funds	\$44.69	\$0.00	\$0.00	\$44.69
Federal Trust Funds	\$1,572.11	\$0.00	\$70.56	\$1,642.67
State Trust Funds	\$544.78	\$0.00	\$0.00	\$544.78
Illinois Gaming Board				
Total	\$271.44	\$0.00	\$0.00	\$271.44
Special State Funds	\$271.44	\$0.00	\$0.00	\$271.44
Illinois Independent Tax Tribunal				
Total	\$0.67	\$0.00	\$0.00	\$0.67
General Funds	\$0.59	\$0.00	\$0.00	\$0.59
Special State Funds	\$0.08	\$0.00	\$0.00	\$0.08
Illinois Labor Relations Board				
Total	\$2.59	\$0.00	\$0.00	\$2.59
General Funds	\$2.59	\$0.00	\$0.00	\$2.59
Illinois Law Enforcement Training and Standards Board				
Total	\$145.63	\$0.00	\$2.00	\$147.63
General Funds	\$0.00	\$0.00	\$2.00	\$2.00
Special State Funds	\$137.63	\$0.00	\$0.00	\$137.63
Federal Trust Funds	\$8.00	\$0.00	\$0.00	\$8.00

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Other Agencies (cont.)				
Illinois Workers' Compensation Commission				
Total	\$30.67	\$2.00	\$0.00	\$32.67
Special State Funds	\$30.67	\$0.00	\$0.00	\$30.67
State Trust Funds	\$0.00	\$2.00	\$0.00	\$2.00
Liquor Control Commission				
Total	\$13.88	\$0.00	\$0.00	\$13.88
Special State Funds	\$13.88	\$0.00	\$0.00	\$13.88
Metropolitan Pier and Exposition Authority				
Total	\$295.75	\$0.00	\$0.00	\$295.75
Special State Funds	\$295.75	\$0.00	\$0.00	\$295.75
Office of the Executive Inspector General				
Total	\$11.63	\$0.00	\$0.00	\$11.63
General Funds	\$10.02	\$0.00	\$0.00	\$10.02
Special State Funds	\$1.61	\$0.00	\$0.00	\$1.61
Prisoner Review Board				
Total	\$5.36	\$0.00	\$0.00	\$5.36
General Funds	\$5.17	\$0.00	\$0.00	\$5.17
Special State Funds	\$0.19	\$0.00	\$0.00	\$0.19
Procurement Policy Board				
Total	\$0.57	\$0.00	\$0.00	\$0.57
General Funds	\$0.57	\$0.00	\$0.00	\$0.57
Property Tax Appeal Board				
Total	\$13.47	\$0.00	\$0.00	\$13.47
Special State Funds	\$13.47	\$0.00	\$0.00	\$13.47
Racing Board				
Total	\$4.88	\$0.00	\$0.00	\$4.88
Special State Funds	\$4.88	\$0.00	\$0.00	\$4.88
Sex Offender Management Board				
Total	\$0.10	\$0.00	\$0.00	\$0.10
Special State Funds	\$0.10	\$0.00	\$0.00	\$0.10
Sports Facilities Authority				
Total	\$80.72	\$0.00	\$0.00	\$80.72
Special State Funds	\$80.72	\$0.00	\$0.00	\$80.72
State Employees' Retirement System				
Total	\$1,758.14	\$120.00	\$0.00	\$1,878.14
General Funds	\$1,758.14	\$0.00	\$0.00	\$1,758.14
Bond Financed Funds	\$0.00	\$120.00	\$0.00	\$120.00
State Fire Marshal				
Total	\$65.61	\$4.05	\$3.43	\$73.09
Special State Funds	\$64.61	\$4.05	\$3.43	\$72.09
Federal Trust Funds	\$1.00	\$0.00	\$0.00	\$1.00
State Police Merit Board				
Total	\$4.93	\$0.00	\$0.00	\$4.93
Special State Funds	\$4.93	\$0.00	\$0.00	\$4.93

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Other Agencies Totals				
Total	\$11,298.52	\$126.05	\$11,804.37	\$23,228.93
General Funds	\$2,041.12	\$0.00	\$2.30	\$2,043.42
Highway Funds	\$45.56	\$0.00	\$0.00	\$45.56
Special State Funds	\$2,716.69	\$4.05	\$3,205.38	\$5,926.12
Bond Financed Funds	\$2,231.43	\$120.00	\$8,342.21	\$10,693.64
Debt Service Funds	\$609.90	\$0.00	\$0.00	\$609.90
Federal Trust Funds	\$2,884.00	\$0.00	\$188.52	\$3,072.52
Revolving Funds	\$11.43	\$0.00	\$0.00	\$11.43
State Trust Funds	\$758.40	\$2.00	\$65.96	\$826.36
Judicial Agencies				
Courts Commission				
Total	\$0.40	\$0.00	\$0.00	\$0.40
General Funds	\$0.40	\$0.00	\$0.00	\$0.40
Judicial Inquiry Board				
Total	\$0.85	\$0.00	\$0.00	\$0.85
General Funds	\$0.85	\$0.00	\$0.00	\$0.85
Judges' Retirement System				
Total	\$148.89	\$0.00	\$0.00	\$148.89
General Funds	\$148.89	\$0.00	\$0.00	\$148.89
Office of the State Appellate Defender				
Total	\$40.69	\$0.00	\$0.00	\$40.69
General Funds	\$40.69	\$0.00	\$0.00	\$40.69
State's Attorneys Appellate Prosecutor				
Total	\$36.37	\$0.00	\$0.00	\$36.37
General Funds	\$26.69	\$0.00	\$0.00	\$26.69
Special State Funds	\$6.73	\$0.00	\$0.00	\$6.73
Federal Trust Funds	\$0.05	\$0.00	\$0.00	\$0.05
State Trust Funds	\$2.90	\$0.00	\$0.00	\$2.90
Supreme Court				
Total	\$651.33	\$0.00	\$0.00	\$651.33
General Funds	\$569.19	\$0.00	\$0.00	\$569.19
Special State Funds	\$66.13	\$0.00	\$0.00	\$66.13
Federal Trust Funds	\$10.00	\$0.00	\$0.00	\$10.00
State Trust Funds	\$6.00	\$0.00	\$0.00	\$6.00
Supreme Court Historic Preservation Commission				
Total	\$5.40	\$0.00	\$0.00	\$5.40
General Funds	\$0.90	\$0.00	\$0.00	\$0.90
Special State Funds	\$4.50	\$0.00	\$0.00	\$4.50

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Judicial Agencies Totals				
Total	\$883.92	\$0.00	\$0.00	\$883.92
General Funds	\$787.61	\$0.00	\$0.00	\$787.61
Highway Funds	\$0.00	\$0.00	\$0.00	\$0.00
Special State Funds	\$77.36	\$0.00	\$0.00	\$77.36
Bond Financed Funds	\$0.00	\$0.00	\$0.00	\$0.00
Debt Service Funds	\$0.00	\$0.00	\$0.00	\$0.00
Federal Trust Funds	\$10.05	\$0.00	\$0.00	\$10.05
Revolving Funds	\$0.00	\$0.00	\$0.00	\$0.00
State Trust Funds	\$8.90	\$0.00	\$0.00	\$8.90
Legislative Agencies				
Architect of the Capitol				
Total	\$62.85	\$0.00	\$226.94	\$289.79
General Funds	\$5.85	\$0.00	\$0.00	\$5.85
Bond Financed Funds	\$57.00	\$0.00	\$226.94	\$283.94
Auditor General				
Total	\$46.33	\$0.00	\$0.00	\$46.33
General Funds	\$8.10	\$0.00	\$0.00	\$8.10
Special State Funds	\$38.23	\$0.00	\$0.00	\$38.23
Commission on Government Forecasting and Accountability				
Total	\$6.01	\$0.00	\$0.00	\$6.01
General Funds	\$6.01	\$0.00	\$0.00	\$6.01
General Assembly				
Total	\$91.28	\$0.00	\$6.72	\$97.99
General Funds	\$87.78	\$0.00	\$6.72	\$94.49
Special State Funds	\$3.50	\$0.00	\$0.00	\$3.50
General Assembly Retirement System				
Total	\$26.21	\$0.00	\$0.00	\$26.21
General Funds	\$26.21	\$0.00	\$0.00	\$26.21
Joint Committee on Administrative Rules				
Total	\$1.39	\$0.00	\$0.00	\$1.39
General Funds	\$1.39	\$0.00	\$0.00	\$1.39
Legislative Audit Commission				
Total	\$0.48	\$0.00	\$0.00	\$0.48
General Funds	\$0.48	\$0.00	\$0.00	\$0.48
Legislative Ethics Commission				
Total	\$0.20	\$0.00	\$0.00	\$0.20
General Funds	\$0.20	\$0.00	\$0.00	\$0.20
Legislative Information System				
Total	\$8.24	\$0.00	\$0.00	\$8.24
General Funds	\$6.64	\$0.00	\$0.00	\$6.64
Special State Funds	\$1.60	\$0.00	\$0.00	\$1.60
Legislative Inspector General				
Total	\$0.92	\$0.00	\$0.00	\$0.92
General Funds	\$0.92	\$0.00	\$0.00	\$0.92

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Legislative Agencies (cont.)				
Legislative Printing Unit				
Total	\$3.74	\$0.00	\$0.00	\$3.74
General Funds	\$3.74	\$0.00	\$0.00	\$3.74
Legislative Reference Bureau				
Total	\$4.37	\$0.00	\$0.00	\$4.37
General Funds	\$4.37	\$0.00	\$0.00	\$4.37
Legislative Agencies Totals				
Total	\$252.01	\$0.00	\$233.66	\$485.67
General Funds	\$151.69	\$0.00	\$6.72	\$158.40
Highway Funds	\$0.00	\$0.00	\$0.00	\$0.00
Special State Funds	\$43.33	\$0.00	\$0.00	\$43.33
Bond Financed Funds	\$57.00	\$0.00	\$226.94	\$283.94
Debt Service Funds	\$0.00	\$0.00	\$0.00	\$0.00
Federal Trust Funds	\$0.00	\$0.00	\$0.00	\$0.00
Revolving Funds	\$0.00	\$0.00	\$0.00	\$0.00
State Trust Funds	\$0.00	\$0.00	\$0.00	\$0.00
Constitutional Officers and Elections				
Attorney General				
Total	\$193.77	\$2.00	\$0.00	\$195.77
General Funds	\$105.35	\$0.00	\$0.00	\$105.35
Special State Funds	\$74.92	\$2.00	\$0.00	\$76.92
Federal Trust Funds	\$13.50	\$0.00	\$0.00	\$13.50
Comptroller				
Total	\$205.30	\$20.00	\$12.66	\$237.95
General Funds	\$76.27	\$0.00	\$0.00	\$76.27
Highway Funds	\$0.71	\$0.00	\$0.00	\$0.71
Special State Funds	\$117.12	\$0.00	\$6.50	\$123.62
Bond Financed Funds	\$10.00	\$20.00	\$6.16	\$36.16
Federal Trust Funds	\$0.49	\$0.00	\$0.00	\$0.49
Revolving Funds	\$0.71	\$0.00	\$0.00	\$0.71
Governor				
Total	\$18.94	\$0.00	\$0.00	\$18.94
General Funds	\$17.94	\$0.00	\$0.00	\$17.94
Special State Funds	\$1.00	\$0.00	\$0.00	\$1.00
Lieutenant Governor				
Total	\$3.11	\$0.00	\$0.00	\$3.11
General Funds	\$3.01	\$0.00	\$0.00	\$3.01
Special State Funds	\$0.10	\$0.00	\$0.00	\$0.10
Secretary of State				
Total	\$771.47	\$1.00	\$64.36	\$836.83
General Funds	\$378.20	\$0.00	\$0.00	\$378.20
Highway Funds	\$3.55	\$0.00	\$0.00	\$3.55
Special State Funds	\$379.22	\$1.00	\$42.13	\$422.35
Bond Financed Funds	\$3.00	\$0.00	\$22.24	\$25.24
Federal Trust Funds	\$7.50	\$0.00	\$0.00	\$7.50

FY 2025 APPROPRIATIONS BY AGENCY

(\$ Millions)

Agency	New Appropriation	Continuing Appropriation	Reappropriations	Total Appropriations
Constitutional Officers and Elections (cont.)				
State Board of Elections				
Total	\$49.38	\$0.00	\$0.00	\$49.38
General Funds	\$30.33	\$0.00	\$0.00	\$30.33
Special State Funds	\$19.05	\$0.00	\$0.00	\$19.05
Treasurer				
Total	\$3,707.83	\$20.00	\$0.00	\$3,727.83
General Funds	\$1.00	\$0.00	\$0.00	\$1.00
Special State Funds	\$36.80	\$20.00	\$0.00	\$56.80
Debt Service Funds	\$3,650.69	\$0.00	\$0.00	\$3,650.69
State Trust Funds	\$19.33	\$0.00	\$0.00	\$19.33
Constitutional Officers and Elections Totals				
Total	\$4,949.80	\$43.00	\$77.02	\$5,069.81
General Funds	\$612.11	\$0.00	\$0.00	\$612.11
Highway Funds	\$4.26	\$0.00	\$0.00	\$4.26
Special State Funds	\$628.21	\$23.00	\$48.63	\$699.84
Bond Financed Funds	\$13.00	\$20.00	\$28.39	\$61.39
Debt Service Funds	\$3,650.69	\$0.00	\$0.00	\$3,650.69
Federal Trust Funds	\$21.49	\$0.00	\$0.00	\$21.49
Revolving Funds	\$0.71	\$0.00	\$0.00	\$0.71
State Trust Funds	\$19.33	\$0.00	\$0.00	\$19.33
GRAND TOTALS				
Total	\$139,325.35	\$20,920.38	\$43,959.66	\$204,205.39
General Funds	\$51,749.33	\$0.00	\$40.26	\$51,789.59
Highway Funds	\$8,121.42	\$0.00	\$12,912.91	\$21,034.33
Special State Funds	\$49,978.06	\$20,603.38	\$5,696.03	\$76,277.48
Bond Financed Funds	\$4,071.33	\$315.00	\$22,699.59	\$27,085.93
Debt Service Funds	\$4,260.59	\$0.00	\$0.00	\$4,260.59
Federal Trust Funds	\$18,021.46	\$0.00	\$2,468.89	\$20,490.35
Revolving Funds	\$1,268.76	\$0.00	\$0.00	\$1,268.76
State Trust Funds	\$1,854.39	\$2.00	\$141.97	\$1,998.36

The table above uses preliminary appropriations data from the Statewide Accounting Management System Information Warehouse as of Totals may not match due to rounding.

Source: Office of the Comptroller, Statewide Accounting Management System Information Warehouse

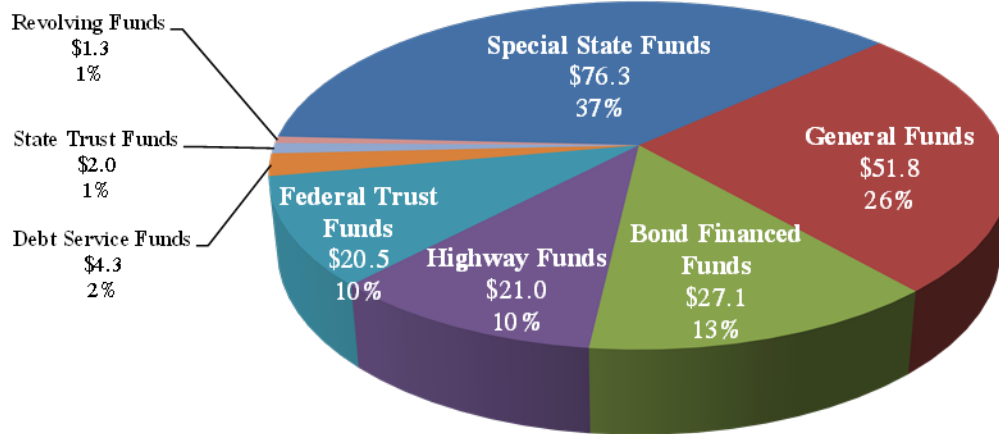
SECTION 3. FY 2025 & HISTORICAL BUDGET DATA

- **FY 2025 Budget by Funding Source**
- **FY 2025 General Funds Revenues by Source per Budget Plan**
- **FY 2025 Total Appropriations by Major Purpose**
- **FY 2025 General Funds Appropriations by Major Purpose**
- **General Funds - Appropriations**
- **Detailed General Revenue Funds History**
- **General Funds Revenue History Annual \$ Change**
- **General Funds Base Expenditures History**
- **General Funds Expenditures by Category**
- **General Funds Expenditures by Function**
- **General Funds Expenditures by Agency**
- **General Funds Balances – Cash Basis**
- **All Appropriated Funds Expenditures History**
- **All Appropriated Funds Expenditures by Category**
- **All Appropriated Funds Expenditures by Function**
- **All Appropriated Funds Expenditures by Agency**
- **Health and Social Services Expenditures History**
- **Public Protection and Justice Expenditures History**
- **General Government Expenditure History**
- **Federal COVID-19 Relief**
- **Federal COVID-19 Stimulus Funding**
- **Federal COVID-19 Stimulus Funding to Illinois**

FY 2025 BUDGET BY FUNDING SOURCE

(\$ Billions)

Total Funds: \$204.205 Billion*



*Preliminary Data

Includes new appropriations, continuing appropriations, and reappropriations

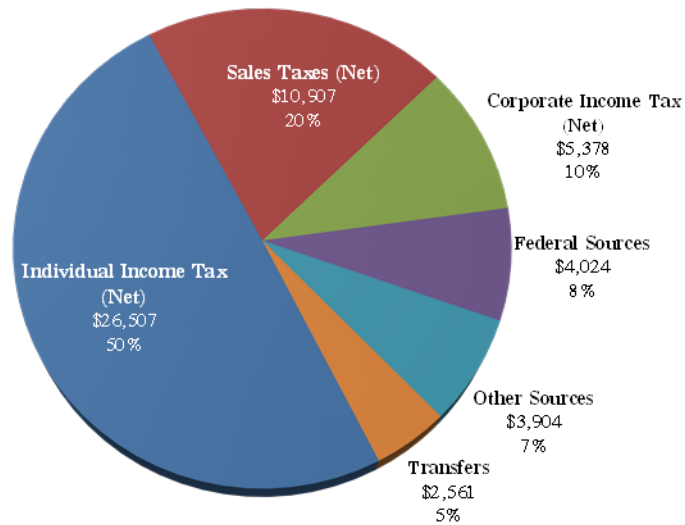
Source: Statewide Accounting Management System Data Warehouse as of 7/18/24

FY 2025 GENERAL FUNDS REVENUES BY SOURCE

Per Budget Plan

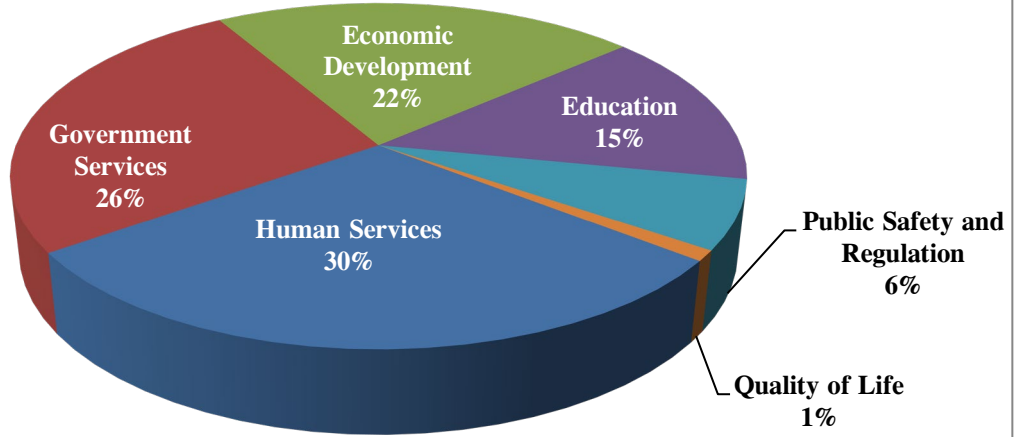
(\$ Millions)

Total General Funds Revenues: \$53.281 Billion



FY 2025 TOTAL APPROPRIATIONS BY MAJOR PURPOSE

Total Funds: \$204.205 Billion*



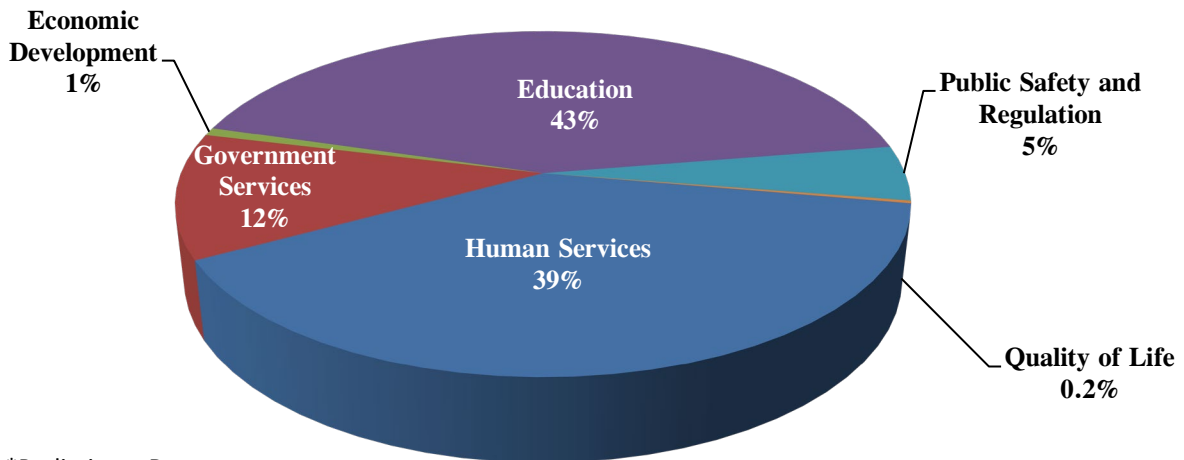
*Preliminary Data

Includes new appropriations, continuing appropriations, and reappropriations

Source: Statewide Accounting Management System Data Warehouse as of 7/18/24

FY 2025 GENERAL FUNDS APPROPRIATIONS BY MAJOR PURPOSE

General Funds: \$51.790 Billion*

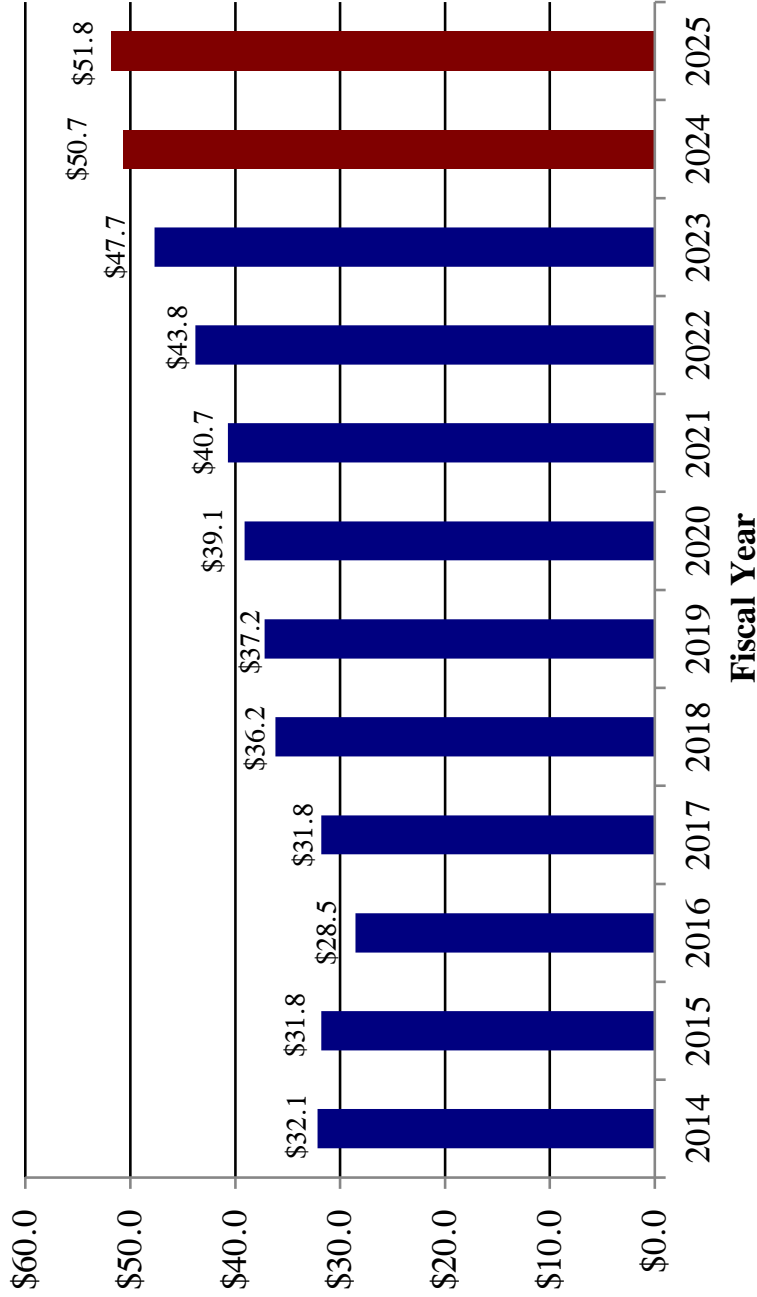


*Preliminary Data

Includes new appropriations, continuing appropriations, and reappropriations

Source: Statewide Accounting Management System Data Warehouse as of 7/18/24

General Funds - Appropriations (\$ Billions)



FY 2016 and FY 2017 include court orders and consent decrees
 FY 2024 and FY 2025 are preliminary data
 Source: Office of the Comptroller, SAMS Data Warehouse as of 7/18/24

DETAILED GENERAL FUNDS REVENUE HISTORY FY 2015 - FY 2024

(\$ millions)

Revenue Sources	Actual Receipts FY 2015	Actual Receipts FY 2016	Actual Receipts FY 2017	Actual Receipts FY 2018	Actual Receipts FY 2019	Actual Receipts FY 2020	Actual Receipts FY 2021	Actual Receipts FY 2022	Actual Receipts FY 2023	Actual Receipts FY 2024
State Taxes										
Personal Income Tax	\$17,682	\$15,299	\$15,385	\$20,784	\$22,604	\$21,657	\$26,330	\$29,137	\$27,889	\$30,134
Corporate Income Tax (regular)	3,129	2,334	1,610	2,607	3,026	2,596	4,450	6,831	7,318	6,525
Sales Taxes	8,030	8,063	8,043	8,236	8,897	8,691	9,799	10,984	11,589	11,710
Public Utility Taxes (regular)	1,006	926	884	896	863	831	752	750	751	695
Cigarette Tax	353	353	353	344	361	267	281	254	235	204
Liquor Gallonage Taxes	167	170	171	172	172	177	177	183	181	179
Inheritance Tax (Gross)	333	306	261	358	388	283	450	603	508	627
Insurance Taxes and Fees	353	398	391	432	396	361	480	455	492	486
Corporate Franchise Tax & Fees	211	207	207	207	247	210	322	216	225	202
Interest on State Funds & Investments	24	24	36	79	145	137	57	30	407	654
Cook County Intergovernmental Transfer	244	244	244	244	244	244	244	244	244	244
Other Sources	735	574	725	679	710	761	339	443	590	677
Total State Taxes	\$32,267	\$28,898	\$28,310	\$35,058	\$38,053	\$36,215	\$43,701	\$50,130	\$50,424	\$52,337
Transfers In										
Lottery	679	677	720	719	731	630	777	820	726	877
Gaming	292	277	270	272	269	195	0	140	157	158
Cannabis	0	0	0	0	0	18	71	115	111	114
Refund Fund	63	77	4	1	327	617	282	242	1,481	555
Other	1,949	550	548	1,183	708	971	420	773	846	846
Total Transfers In	\$2,983	\$1,581	\$1,542	\$2,177	\$2,035	\$2,431	\$1,550	\$2,092	\$3,248	\$2,550
Total State Sources	\$35,250	\$30,479	\$29,852	\$37,235	\$40,088	\$38,646	\$45,251	\$52,222	\$53,672	\$54,887
Federal Sources	\$3,330	\$2,665	\$2,483	\$5,238	\$3,600	\$3,551	\$4,744	\$4,584	\$3,802	\$3,893
Total Federal & State Sources	\$38,580	\$33,144	\$32,335	\$42,473	\$43,688	\$42,197	\$49,995	\$56,806	\$57,474	\$58,780
Nongeneral Funds Distribution:										
Refund Fund										
Personal Income Tax	(\$1,769)	(\$1,493)	(\$1,724)	(\$2,037)	(\$2,193)	(\$2,058)	(\$2,372)	(\$2,696)	(\$2,580)	(\$2,758)
Corporate Income Tax	(439)	(362)	(278)	(457)	(470)	(370)	(625)	(1,026)	(1,062)	(914)
Direct Deposits	(242)	(458)	(464)	0	0	0	0	0	0	0
Fund for Advancement of Education	(242)	(458)	(464)	0	0	0	0	0	0	0
Commitment to Human Services Fund	0	0	0	0	0	0	0	0	0	0
Local Government Distributive Fund										
Personal Income Tax	0	0	0	(1,022)	(1,175)	(1,128)	(1,453)	(1,602)	(1,559)	(1,771)
Corporate Income Tax	0	0	0	(133)	(167)	(145)	(262)	(398)	(429)	(384)
Sales Tax Distributions										
Deposits into Road Fund	0	0	0	0	0	0	0	(132)	(484)	(570)
Distribution to the PTF and DPTF	0	0	0	(446)	(488)	(436)	(431)	(618)	(654)	(675)
General Funds Subtotal (Base)	\$35,888	\$30,373	\$29,408	\$38,378	\$39,195	\$38,060	\$44,852	\$50,334	\$50,707	\$51,708
Change from Prior Year	(\$830)	(\$5,515)	(\$968)	\$8,973	\$817	(\$1,135)	\$6,792	\$5,482	\$373	\$1,001
Percent Change	-2.3%	-15.4%	-3.2%	30.5%	2.1%	-2.9%	17.8%	12.2%	0.7%	2.0%
Transfer of Excess PA 102-700 Funds to GRF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$248
Prior Year Federal Matching Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$633
SLFRF Allocation Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$736	\$1,363	\$0
ARPA Reimb. for Essential Gov't Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,064	\$0
Short-Term Borrowing/MLF	\$0	\$0	\$0	\$0	\$0	\$1,198	\$1,998	\$0	\$0	\$0
Treasurer's Investments	\$0	\$0	\$0	\$0	\$750	\$400	\$400	\$0	\$0	\$0
Interfund Borrowing	\$454	\$0	\$0	\$533	\$250	\$462	\$0	\$0	\$0	\$0
Income Tax Bond Fund Transfer	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Commitment Human Services	\$0	\$0	\$0	\$40	\$0	\$0	\$0	\$0	\$0	\$0
Budget Stabilization Fund Transfer	\$275	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Funds	\$36,617	\$30,498	\$29,408	\$41,451	\$40,195	\$40,120	\$47,250	\$51,070	\$53,134	\$52,589
Change from Prior Year	(\$426)	(\$6,119)	(\$1,093)	\$12,046	(\$1,256)	(\$75)	\$7,130	\$3,820	\$2,064	(\$545)
Percent Change	-1.2%	-16.7%	-3.6%	41.0%	-3.0%	-0.2%	17.8%	8.1%	4.0%	-1.0%

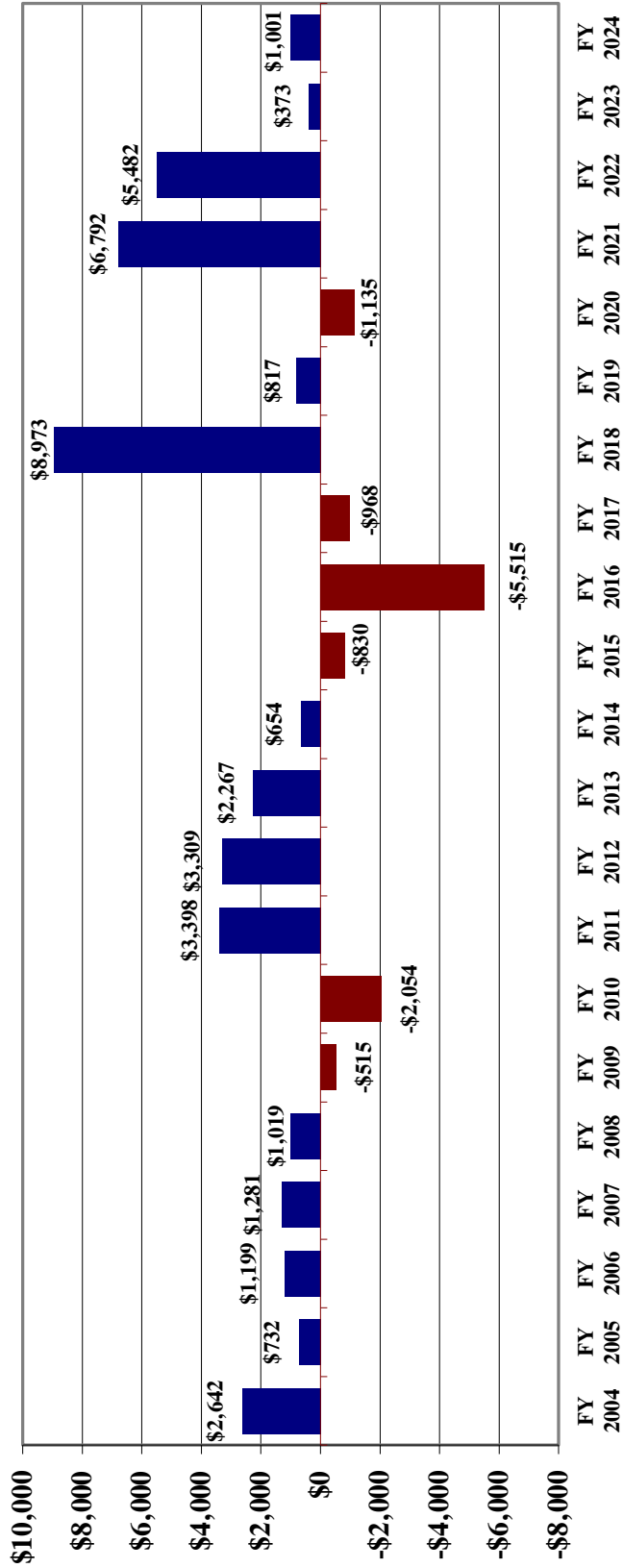
CGFA SOURCE: Office of the Comptroller. Some totals may not equal, due to rounding

GENERAL FUNDS REVENUE HISTORY: ANNUAL \$ CHANGE

FY 2004 - FY 2024

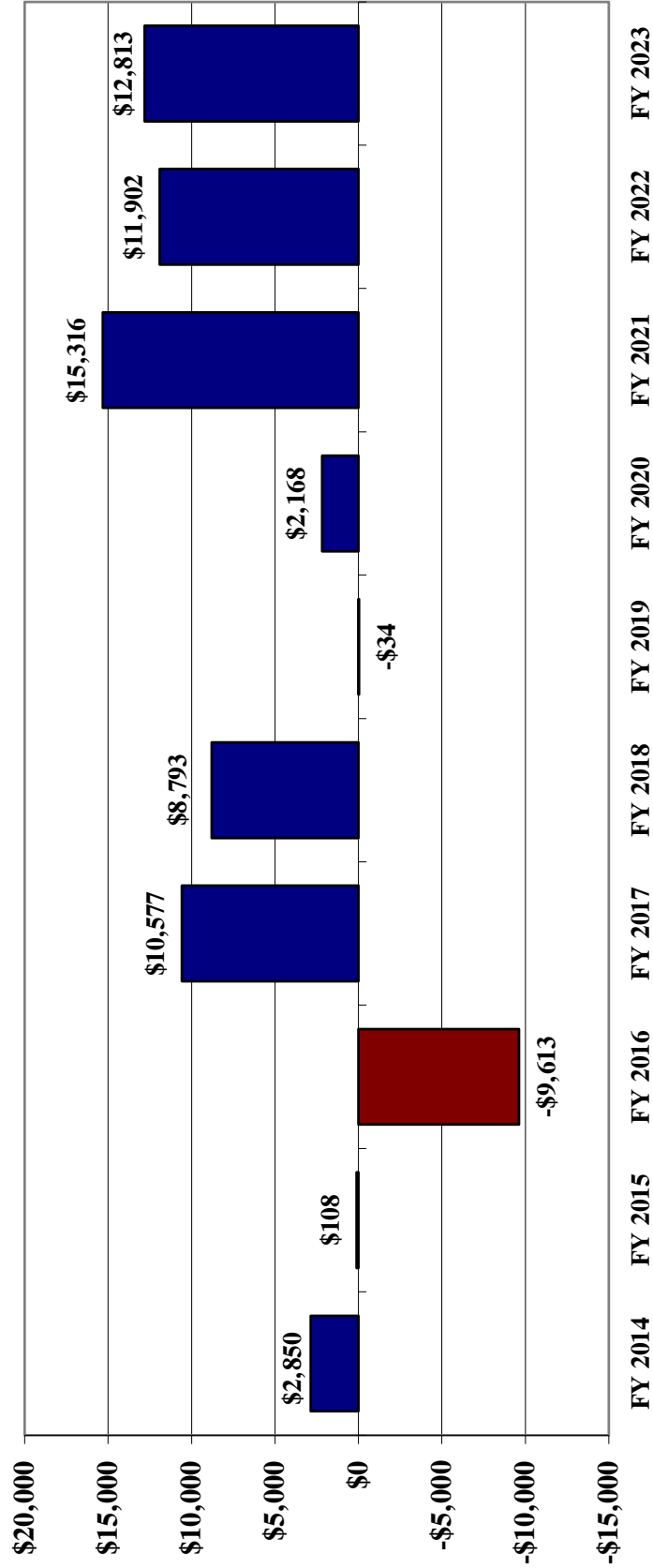
(\$ Millions)

Excludes ARPA Reimbursement for Essential Government Services Funds, SLFRF Allocation Transfer, Budget Stabilization Fund and Pension Contribution Fund Transfers, Short-Term Borrowing, and Other Related "One-Time" Transfers and Deposits



**ALL APPROPRIATED FUNDS EXPENDITURES HISTORY
ANNUAL \$ CHANGE IN MILLIONS**

Total Warrants Issued*



* Warrants were issued over 14 - 18 months, depending on the fiscal year.

Source: *Comptroller's Traditional Budgetary Financial Report*

GENERAL FUNDS EXPENDITURES BY CATEGORY

Total Warrants Issued (\$ Millions)										
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Operations	\$10,387	\$9,938	\$6,899	\$8,402	\$12,059	\$12,148	\$12,456	\$13,156	\$14,737	\$16,482
Total Awards and Grants	\$21,141	\$20,828	\$19,859	\$21,014	\$23,341	\$24,224	\$24,917	\$26,212	\$28,168	\$30,203
Other General Funds Warrants Issued	-\$49	-\$3	-\$8	\$5	-\$19	-\$11	-\$10	-\$41	-\$29	-\$44
Regular Transfers Out	\$5,222	\$4,583	\$4,451	\$4,621	\$3,482	\$3,146	\$2,316	\$3,064	\$4,707	\$4,196
Base General Funds Expenditures	\$36,701	\$35,346	\$31,201	\$34,042	\$38,863	\$39,507	\$39,679	\$42,391	\$47,583	\$50,837
Annual Change	4.2%	-3.7%	-11.7%	9.1%	14.2%	1.7%	0.4%	6.8%	12.2%	6.8%
Short-Term Borrowing Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,209	\$0	\$0
Treasurer's Investments	\$0	\$0	\$0	\$0	\$0	\$700	\$0	\$800	\$0	\$0
Treasurer's Investments - Contingency Fund Exchange	\$0	\$0	\$0	\$0	\$0	\$50	\$0	\$0	\$0	\$0
Repayment of Interfund Borrowing	\$0	\$0	\$0	\$15	\$128	\$10	\$280	\$127	\$710	\$0
Transfer to Budget Stabilization Fund	\$275	\$275	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Funds Expenditures	\$36,976	\$35,621	\$31,326	\$34,057	\$38,991	\$40,267	\$39,959	\$44,527	\$48,293	\$50,837
Annual Change	3.7%	-3.7%	-12.1%	8.7%	14.5%	3.3%	-0.8%	11.4%	8.5%	5.3%

Source: Office of the Comptroller

GENERAL FUNDS EXPENDITURES BY FUNCTION

Total Warrants Issued (\$ Millions)										
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Health and Social Services	\$12,333	\$11,627	\$10,643	\$10,676	\$13,042	\$13,281	\$12,787	\$14,047	\$14,786	\$16,835
Education	\$13,525	\$13,377	\$12,409	\$14,679	\$15,564	\$16,432	\$17,667	\$18,164	\$19,564	\$20,235
Public Protection and Justice	\$2,186	\$2,210	\$1,749	\$1,921	\$2,807	\$2,467	\$2,516	\$2,557	\$2,623	\$3,008
General Government	\$3,297	\$3,397	\$1,879	\$2,058	\$3,817	\$4,047	\$4,274	\$4,390	\$5,549	\$4,469
Other	\$138	\$152	\$70	\$87	\$151	\$134	\$119	\$169	\$354	\$2,094
Regular Transfers Out	\$5,222	\$4,583	\$4,451	\$4,621	\$3,482	\$3,146	\$2,316	\$3,064	\$4,707	\$4,196
Base General Funds Expenditures	\$36,701	\$35,346	\$31,201	\$34,042	\$38,863	\$39,507	\$39,679	\$42,391	\$47,583	\$50,837
Annual Change	4.2%	-3.7%	-11.7%	9.1%	14.2%	1.7%	0.4%	6.8%	12.2%	6.8%
Short-Term Borrowing Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,209	\$0	\$0
Treasurer's Investments	\$0	\$0	\$0	\$0	\$0	\$700	\$0	\$800	\$0	\$0
Treasurer's Investments - Contingency Fund Exchange	\$0	\$0	\$0	\$0	\$0	\$50	\$0	\$0	\$0	\$0
Repayment of Interfund Borrowing	\$0	\$0	\$0	\$15	\$128	\$10	\$280	\$127	\$710	\$0
Transfer to Budget Stabilization Fund	\$275	\$275	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Funds Expenditures	\$36,976	\$35,621	\$31,326	\$34,057	\$38,991	\$40,267	\$39,959	\$44,527	\$48,293	\$50,837
Annual Change	3.7%	-3.7%	-12.1%	8.7%	14.5%	3.3%	-0.8%	11.4%	8.5%	5.3%

Source: Office of the Comptroller

GENERAL FUNDS EXPENDITURES BY AGENCY

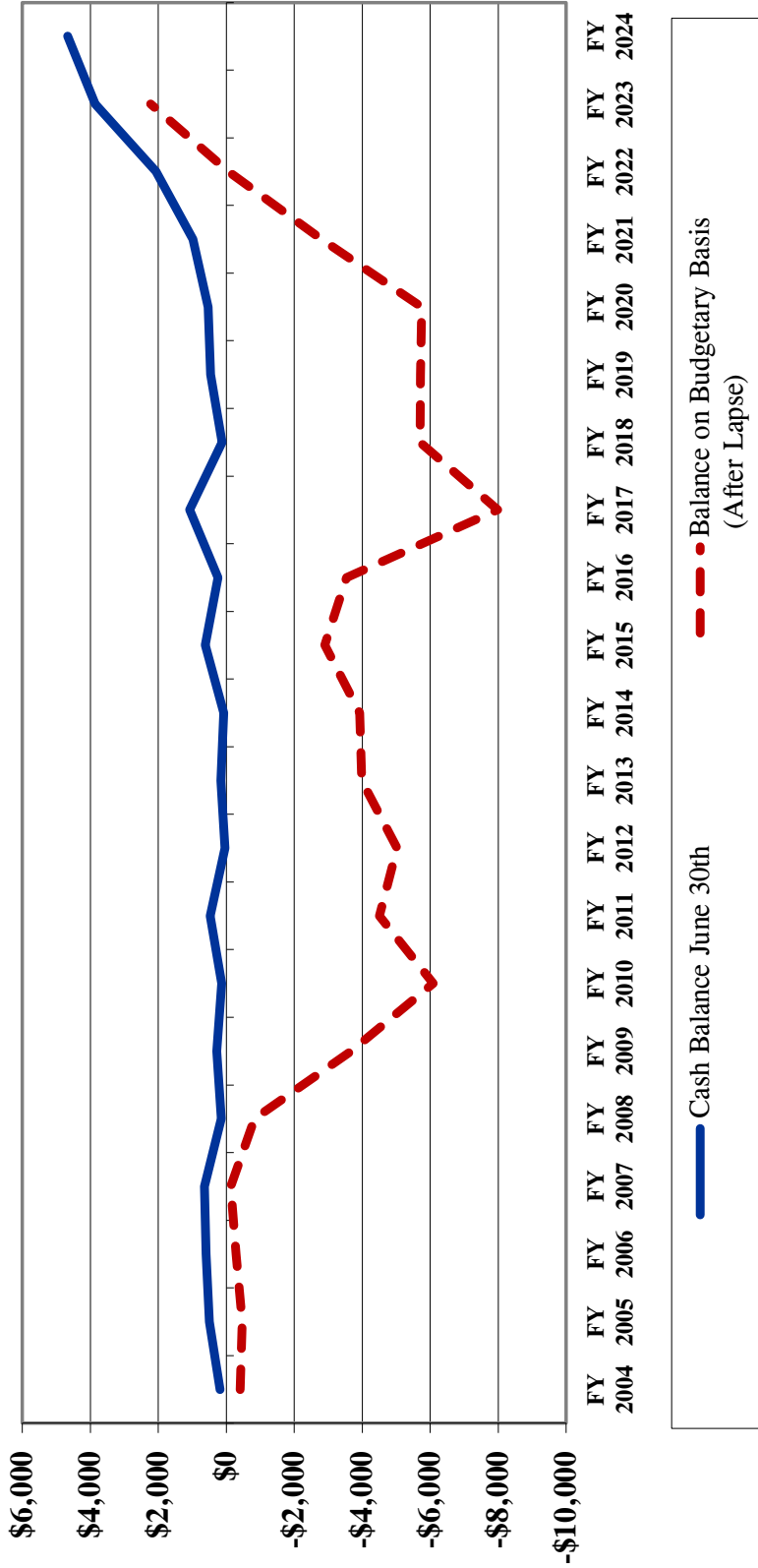
Total Warrants Issued (\$ Millions)										
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
State Board of Education	\$6,681	\$6,545	\$6,507	\$7,211	\$8,201	\$8,376	\$8,886	\$8,873	\$9,274	\$9,756
Healthcare and Family Services	\$7,292	\$6,525	\$6,090	\$5,972	\$7,601	\$7,633	\$6,743	\$7,548	\$7,810	\$8,476
Teachers Retirement System	\$3,529	\$3,479	\$3,851	\$4,096	\$4,210	\$4,592	\$4,946	\$5,278	\$5,838	\$6,001
Human Services	\$3,217	\$3,363	\$3,153	\$3,283	\$3,640	\$3,740	\$4,001	\$4,228	\$4,456	\$5,407
Total, Higher Education Agencies	\$3,303	\$3,291	\$2,039	\$3,359	\$3,141	\$3,226	\$3,578	\$3,747	\$4,174	\$4,169
Total, All Other Agencies	\$7,517	\$7,571	\$5,122	\$5,503	\$8,616	\$8,820	\$9,226	\$9,703	\$11,362	\$12,887
Other	-\$60	-\$11	-\$12	-\$3	-\$28	-\$26	-\$17	-\$50	-\$38	-\$55
Regular Transfers Out	\$5,222	\$4,583	\$4,451	\$4,621	\$3,482	\$3,146	\$2,316	\$3,064	\$4,707	\$4,196
Base General Funds Expenditures	\$36,701	\$35,346	\$31,201	\$34,042	\$38,863	\$39,507	\$39,679	\$42,391	\$47,583	\$50,837
Annual Change	4.2%	-3.7%	-11.7%	9.1%	14.2%	1.7%	0.4%	6.8%	12.2%	6.8%
Short-Term Borrowing Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,209	\$0	\$0
Treasurer's Investments	\$0	\$0	\$0	\$0	\$0	\$700	\$0	\$800	\$0	\$0
Treasurer's Investments - Contingency Fund Exchange	\$0	\$0	\$0	\$0	\$0	\$50	\$0	\$0	\$0	\$0
Repayment of Interfund Borrowing	\$0	\$0	\$0	\$15	\$128	\$10	\$280	\$127	\$710	\$0
Transfer to Budget Stabilization Fund	\$275	\$275	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Funds Expenditures	\$36,976	\$35,621	\$31,326	\$34,057	\$38,991	\$40,267	\$39,959	\$44,527	\$48,293	\$50,837
Annual Change	3.7%	-3.7%	-12.1%	8.7%	14.5%	3.3%	-0.8%	11.4%	8.5%	5.3%

Source: Office of the Comptroller

GENERAL FUNDS BALANCES - CASH BASIS

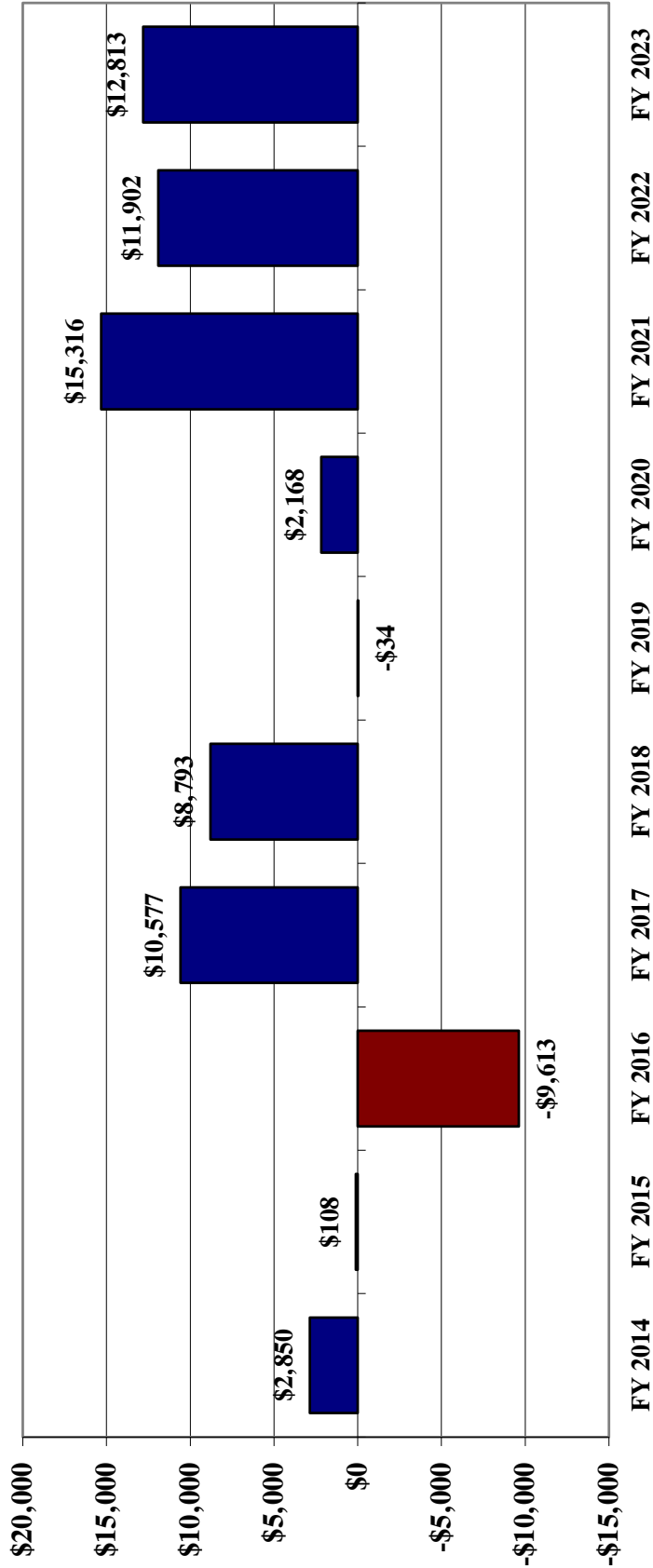
FY 2004 - FY 2024

(in millions)



**ALL APPROPRIATED FUNDS EXPENDITURES HISTORY
ANNUAL \$ CHANGE IN MILLIONS**

Total Warrants Issued*



* Warrants were issued over 14 - 18 months, depending on the fiscal year.

Source: *Comptroller's Traditional Budgetary Financial Report*

ALL APPROPRIATED FUNDS EXPENDITURES BY CATEGORY

Total Warrants Issued (\$ Millions)										
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Awards and Grants	\$46,545	\$46,755	\$43,653	\$47,314	\$50,268	\$51,833	\$54,963	\$64,420	\$72,897	\$83,625
Operations	\$18,358	\$17,512	\$12,077	\$17,170	\$24,512	\$21,162	\$22,040	\$23,986	\$28,419	\$28,615
Debt Service	\$3,588	\$4,050	\$3,536	\$5,603	\$3,960	\$5,760	\$3,622	\$6,266	\$5,852	\$5,210
Refunds	\$2,591	\$2,526	\$2,178	\$2,319	\$2,767	\$2,728	\$2,446	\$3,378	\$3,005	\$4,776
Highway/Waterway Construction	\$2,428	\$2,656	\$2,732	\$2,279	\$1,947	\$1,942	\$2,370	\$2,642	\$2,402	\$2,882
Permanent Improvements	\$238	\$324	\$36	\$104	\$135	\$226	\$257	\$374	\$395	\$718
Other	-\$85	-\$52	-\$54	-\$54	-\$61	-\$157	-\$36	-\$88	-\$90	-\$133
Total Warrants Issued	\$73,663	\$73,771	\$64,158	\$74,735	\$83,528	\$83,494	\$85,662	\$100,978	\$112,880	\$125,693
Annual Change	4.0%	0.1%	-13.0%	16.5%	11.8%	0.0%	2.6%	17.9%	11.8%	11.4%

Source: Office of the Comptroller

ALL APPROPRIATED FUNDS EXPENDITURES BY FUNCTION

Total Warrants Issued (\$ Millions)										
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Health and Social Services	\$24,978	\$26,376	\$25,132	\$26,883	\$29,126	\$29,583	\$33,397	\$39,022	\$42,295	\$48,983
Education	\$16,684	\$16,422	\$15,674	\$17,985	\$18,408	\$19,224	\$20,851	\$22,163	\$24,949	\$25,954
General Government	\$14,776	\$13,147	\$7,654	\$11,210	\$18,518	\$15,939	\$13,588	\$15,492	\$20,019	\$24,227
Transportation	\$5,695	\$5,746	\$5,563	\$5,539	\$4,905	\$4,705	\$5,670	\$6,922	\$6,341	\$6,867
Debt Service	\$3,588	\$4,050	\$3,536	\$5,603	\$3,960	\$5,760	\$3,622	\$6,266	\$5,852	\$5,210
Refunds	\$2,591	\$2,526	\$2,178	\$2,319	\$2,767	\$2,728	\$2,446	\$3,378	\$3,005	\$4,776
Employment and Economic Development	\$1,627	\$1,542	\$973	\$1,164	\$1,048	\$1,157	\$1,207	\$2,253	\$4,919	\$4,194
Public Protection and Justice	\$2,641	\$2,677	\$2,178	\$2,598	\$3,385	\$3,052	\$3,530	\$3,545	\$3,719	\$3,945
Environment and Business Regulation	\$1,168	\$1,337	\$1,324	\$1,488	\$1,472	\$1,503	\$1,387	\$2,025	\$1,871	\$1,670
Other	-\$85	-\$52	-\$54	-\$54	-\$61	-\$157	-\$36	-\$88	-\$90	-\$133
Total Warrants Issued	\$73,663	\$73,771	\$64,158	\$74,735	\$83,528	\$83,494	\$85,662	\$100,978	\$112,880	\$125,693
Annual Change	4.0%	0.1%	-13.0%	16.5%	11.8%	0.0%	2.6%	17.9%	11.8%	11.4%

Source: Office of the Comptroller

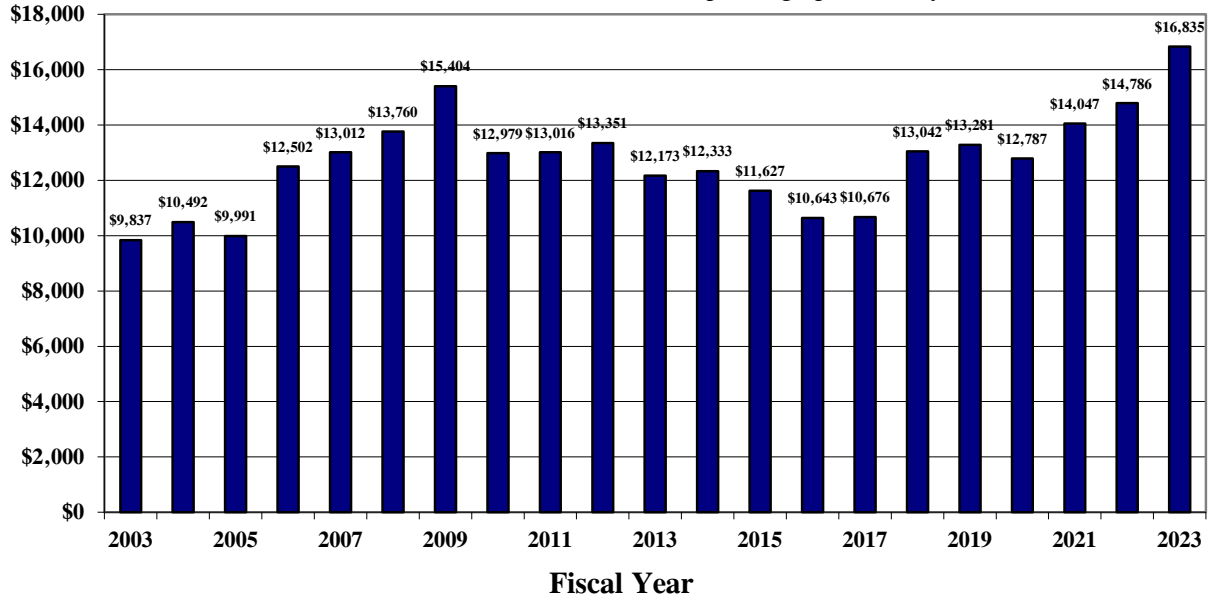
ALL APPROPRIATED FUNDS EXPENDITURES BY AGENCY

Total Warrants Issued (\$ Millions)										
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Healthcare and Family Services	\$16,629	\$17,808	\$17,790	\$18,588	\$21,166	\$21,319	\$24,350	\$28,853	\$30,923	\$36,069
State Board of Education	\$8,987	\$8,910	\$9,338	\$9,762	\$10,460	\$10,639	\$11,304	\$12,177	\$13,961	\$14,698
Revenue	\$6,945	\$7,087	\$5,674	\$5,965	\$5,912	\$6,243	\$6,089	\$8,477	\$11,055	\$13,417
Human Services	\$5,630	\$5,903	\$5,067	\$5,461	\$5,436	\$5,622	\$5,996	\$6,610	\$7,653	\$8,932
Transportation	\$5,695	\$5,747	\$5,563	\$5,538	\$4,905	\$4,705	\$5,670	\$6,922	\$6,341	\$6,867
Teachers Retirement System	\$3,529	\$3,479	\$3,851	\$4,096	\$4,211	\$4,593	\$5,211	\$5,437	\$5,984	\$6,154
Central Management Services	\$5,175	\$5,092	\$1,396	\$4,280	\$9,198	\$6,006	\$5,955	\$5,843	\$6,760	\$5,859
State Employees Retirement System	\$3,136	\$1,149	\$1,367	\$1,309	\$3,989	\$4,203	\$1,718	\$1,778	\$1,847	\$5,144
Total, Higher Education Agencies	\$3,939	\$3,736	\$2,472	\$4,071	\$3,668	\$3,718	\$4,061	\$4,236	\$4,666	\$4,698
Treasurer	\$3,174	\$3,591	\$3,096	\$4,774	\$3,500	\$5,285	\$3,158	\$5,760	\$5,147	\$4,675
Total, All Other Agencies	\$10,909	\$11,321	\$8,598	\$10,945	\$11,144	\$11,318	\$12,186	\$14,973	\$18,633	\$19,313
Other	-\$85	-\$52	-\$54	-\$54	-\$61	-\$157	-\$36	-\$88	-\$90	-\$133
Total Warrants Issued	\$73,663	\$73,771	\$64,158	\$74,735	\$83,528	\$83,494	\$85,662	\$100,978	\$112,880	\$125,693
Annual Change	4.0%	0.1%	-13.0%	16.5%	11.8%	0.0%	2.6%	17.9%	11.8%	11.4%

Source: Office of the Comptroller

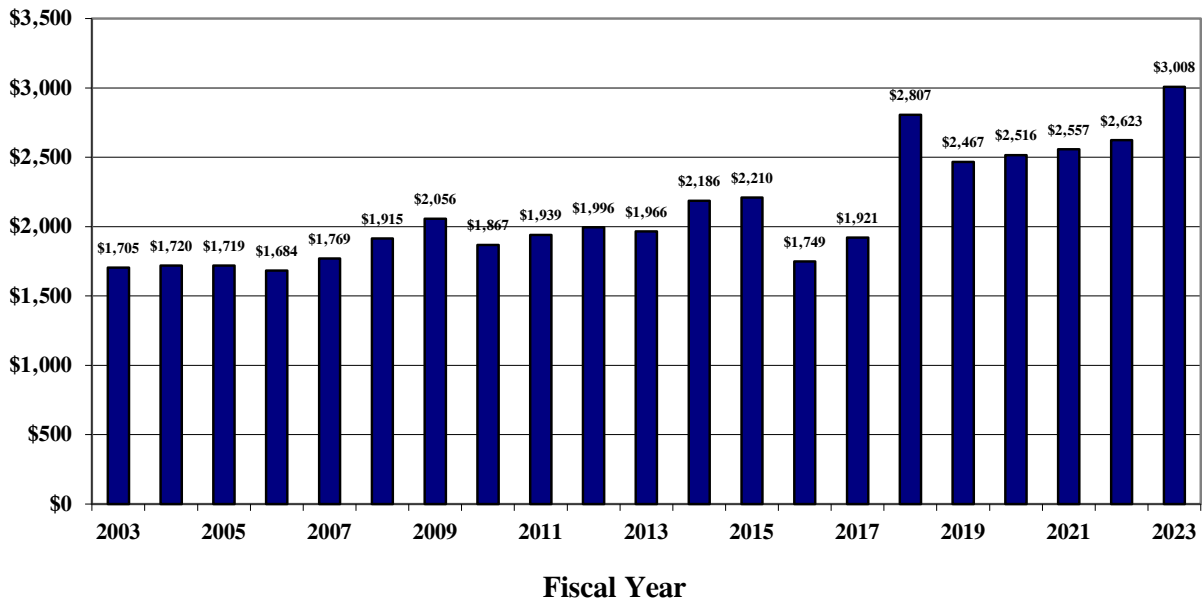
Health and Social Services Expenditure History General Funds \$ in millions

Total Warrants Issued: 14-18 months depending upon fiscal year



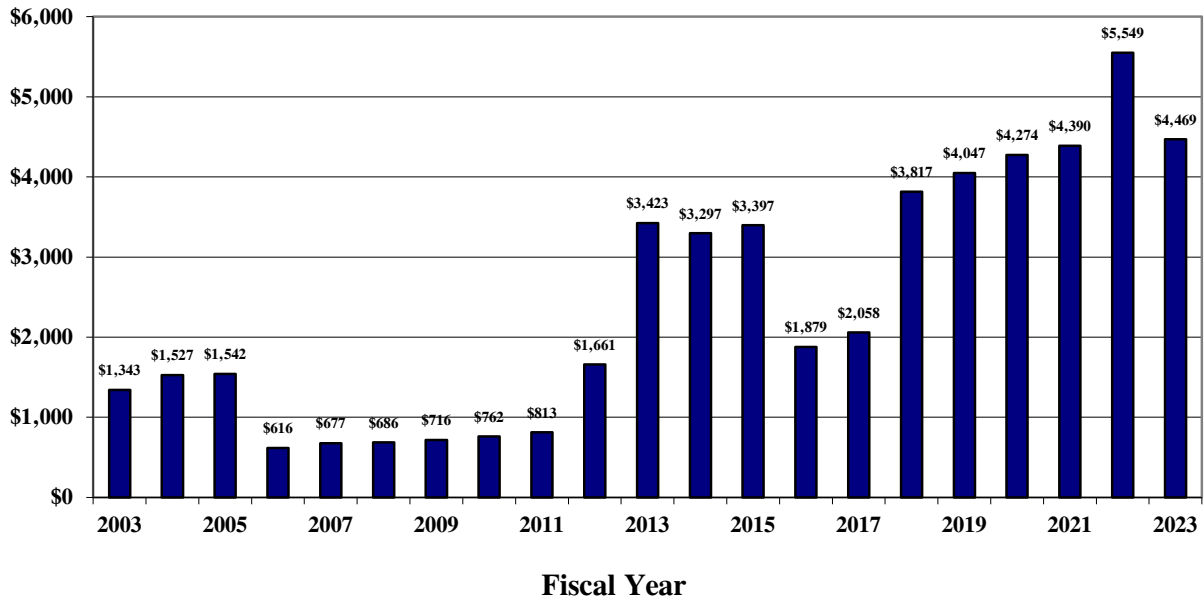
Public Protection and Justice Expenditure History General Funds \$ in millions

Total Warrants Issued: 14-18 months depending upon fiscal year



General Government Expenditure History General Funds \$ in millions

Total Warrants Issued: 14-18 months depending upon fiscal year



FEDERAL COVID-19 RELIEF

Through July 2024, the federal government has disbursed a variety of funds tied to various aspects of relief for those affected by the COVID-19 pandemic. Though the amount disbursed to this state has been dramatically reduced over time, compared to the early years of the COVID pandemic, Illinois stands to receive more through at least the end of the 2024 calendar year due to various aspects of the numerous federal COVID relief acts, including timing of disbursements in the federal legislation and ongoing allocations for state and other programs. Six major federal laws have been enacted to-date allocating COVID-related relief to Illinois.

Illinois state government received \$3.5 billion in funding under the Federal Stimulus line at the Comptroller's office, all of which was received by the Illinois Emergency Management Agency for COVID-19 related relief as of the end of the 2020 fiscal year. Various units of state government received additional federal funding for COVID-19 relief, though this funding primarily passed through state government to local governments, vendors and organizations administering relief, for purposes such as COVID-19 testing, LIHEAP assistance, and block grants. Through July 2022, six major legislative actions have been taken by the federal government that have impacted Illinois since January 2020:

1. The Coronavirus Preparedness and Response Supplemental Appropriations Act (CPRSAA). This provided approximately \$8.3 billion to combat the pandemic, with approximately \$1.05 billion allocated for state responses across the country.
2. The Families First Coronavirus Relief Act (FFCRA). This Act extended unemployment insurance benefits, expanded sick/family medical leave provisions, expanded food benefits for students, required COVID-19 testing be performed at no cost to the patient, and increased the Federal matching rate for states' Medicaid programs. Approximately \$2.5 billion was appropriated for these and other related purposes.
3. The Coronavirus Aid, Relief, and Economic Security Act (CARES). This Act was the largest COVID-relief law, in terms of dollars appropriated. Dwarfing the largest stimulus law before it, signed by President Obama in 2009, the CARES Act provided approximately \$2 trillion in funding to a wide variety of federal, state, municipal, and individual programs. Funding was provided to federal agencies to support testing, vaccine development, pandemic preparation, and support for various federal programs to alleviate the financial, medical, and other burdens on people utilizing government programs such as Medicaid and Medicare, among others. Funding was provided to states and municipalities to support their efforts in combating the effects of the COVID-19 pandemic as well, including vaccine and medical equipment procurement, financial and physical relief, unemployment compensation, K-12 and higher education, and numerous other areas affected by the pandemic. Approximately \$150 billion of CARES Act funds were allocated to state, tribal, and local governments, of which, Illinois received at least \$2.7 billion for the state and \$2.2

billion at most for municipalities. CARES Act funds were not to be used to fund general operations or make up for revenue losses due to the pandemic. This municipal funding reverts to the state if it is not all spent. Individuals also received personal stimulus payments of up to \$1,200/adult and \$500/child, depending on income level. And, the Act provided funds to help businesses continue operating during the pandemic, including some industry-specific funding.

4. The Paycheck Protection Program and Health Care Enhancement Act (PPHCEA). This Act provided approximately \$483 billion for pandemic relief, with the largest portion, \$310 billion, set aside for the Paycheck Protection Program (PPP). The PPP was intended to help businesses that would have otherwise closed due to the pandemic remain open and continue to pay their workers. Over 70,000 businesses in Illinois made use of this program. The remainder of this Act consisted of funding for economic disaster assistance loans, health care provider and hospital reimbursements for COVID-19 and other related expenses, and various smaller grants to states, municipalities, and other organizations to increase testing capacity.
5. The Consolidated Appropriations Act (CAA). This Act, passed in December 2020, appropriated \$900 billion for COVID relief as well as \$1.4 trillion for other government operations. The COVID relief component included additional funding for the Paycheck Protection Program, \$600 personal stimulus checks for individuals under similar, but slightly expanded, conditions as checks received from the CARES Act, an extension of federal unemployment benefits, and various other COVID-related funding allocations to states, municipalities, schools, and businesses. The Act also temporarily extended many provisions in previous COVID-relief laws.
6. The American Rescue Plan (ARP). This Act, the last major federal COVID-relief law to date, passed in March 2021. It included approximately \$1.9 trillion in additional appropriations, most of which supplemented appropriations in the five aforementioned COVID-relief laws. One important difference from prior laws is that the ARP appropriated funds for states and local governments that can be used for general operations, rather than for only COVID-related measures. This funding will generally be provided in two equal lump sums. An initial estimate suggested that Illinois state, county, and municipal governments will receive approximately \$8.128 billion, \$2.461 billion, and \$3.468 billion respectively, though these numbers are not final until the payments are made later in 2021 or 2022. Additionally, Illinois will receive \$254 million from the ARP for capital projects. The ARP also provided up to \$1,400 for some individuals under more restrictive criteria than the CARES Act and CAA, and it extended federal unemployment benefits and various other economic and COVID-related funding allocations.

As of July 8, 2024, the recorded federal funding disbursed to Illinois for COVID-19 related services on all levels of government, businesses, and civic organizations is estimated to total \$103.5 billion according to FFIS (Federal Funds Information for States, a non-partisan

information gathering organization). This represents approximately \$2.5 billion in funding for the State of Illinois received since the FY 2024 Budget Summary. While new COVID variants are discovered each year (and new vaccines are concurrently developed and distributed to account for these variants), it does not appear that additional significant federal stimulus actions will be taken. A comparison of the federal COVID stimulus actions to the states and an Illinois-specific breakdown of stimulus allocations are detailed in the following graphs.

FEDERAL COVID-19 STIMULUS FUNDING

State	Funding Received	State	Funding Received
Alabama	\$54,265	Montana	\$15,205
Alaska	\$13,389	Nebraska	\$25,274
Arizona	\$83,382	Nevada	\$44,370
Arkansas	\$34,325	New Hampshire	\$17,507
California	\$641,952	New Jersey	\$145,180
Colorado	\$72,640	New Mexico	\$27,403
Connecticut	\$51,873	New York	\$385,823
Delaware	\$14,622	North Carolina	\$115,385
Florida	\$265,967	North Dakota	\$14,220
Georgia	\$134,770	Ohio	\$145,207
Hawaii	\$24,961	Oklahoma	\$45,921
Idaho	\$20,038	Oregon	\$56,477
Illinois	\$183,506	Pennsylvania	\$187,632
Indiana	\$76,865	Rhode Island	\$18,642
Iowa	\$40,373	South Carolina	\$55,895
Kansas	\$35,544	South Dakota	\$14,054
Kentucky	\$52,468	Tennessee	\$75,872
Louisiana	\$67,654	Texas	\$364,468
Maine	\$18,934	Utah	\$33,347
Maryland	\$83,720	Vermont	\$11,935
Massachusetts	\$116,831	Virginia	\$98,576
Michigan	\$145,707	Washington	\$101,046
Minnesota	\$75,955	West Virginia	\$21,827
Mississippi	\$37,326	Wisconsin	\$66,382
Missouri	\$68,715	Wyoming	\$9,871

*Source: FFIS. Stimulus Funding received is in millions as of July 2024

FEDERAL COVID-19 STIMULUS FUNDING TO ILLINOIS

(\$ Millions)

Grant Funding

Federal Department	CPRSAA	FFCRA	CARES	PPPHCEA	CAA	ARP	Exec Action	Total Funding To Date
USDA		\$32	\$304		\$53	\$97	\$89	\$575
DOC			\$29		\$5	\$73		\$107
ED			\$1,141		\$3,127	\$6,619		\$10,887
ACF			\$241		\$386	\$1,680		\$2,306
ACL		\$9	\$34		\$13	\$61		\$117
CDC	\$40		\$59	\$485	\$931	\$840		\$2,355
CMS		\$4,341	\$3					\$4,344
HRSA	\$8		\$58	\$53		\$400		\$519
SAMHSA			\$15		\$164	\$113		\$292
HHS Secretary			\$5,717		\$8	\$273		\$5,998
DHS			\$1,023			\$1,032	\$1,349	\$3,404
HUD			\$412			\$204		\$616
Other			\$20		\$10	\$10		\$40
DOJ			\$31					\$31
DOL		\$42	\$33		\$1	\$87		\$163
DOT			\$2,065		\$987	\$2,026		\$5,078
Treasury			\$4,914		\$835	\$15,726		\$21,474
EPA						\$2		\$2
Subtotal	\$48	\$4,424	\$16,097	\$538	\$6,519	\$29,243	\$1,438	\$58,307

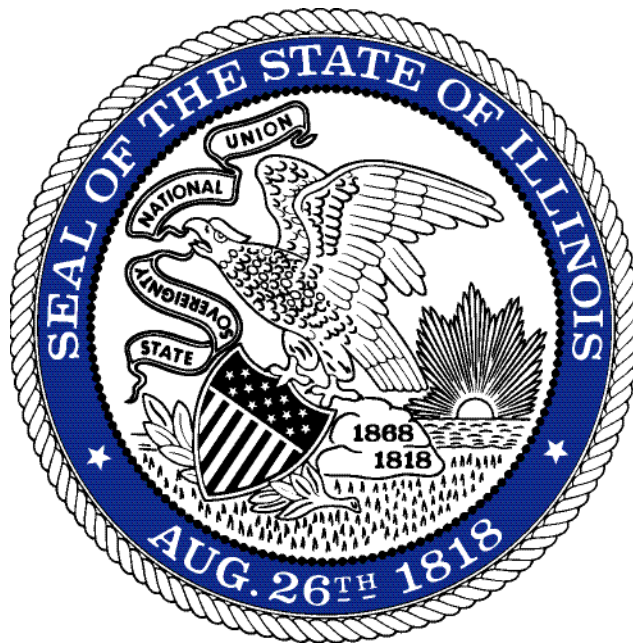
Non-Grant Funding

Federal Department	CPRSAA	FFCRA	CARES	PPPHCEA	CAA	ARP	Exec Action	Total Funding To Date
USDA		\$3,056	\$2,652		\$28			\$5,736
Other			\$53,742		\$51	\$258		\$54,051
DOL			\$25,965					\$25,965
Treasury			\$10,028		\$5,233	\$14,376		\$29,637
DHS			\$67		\$67			\$134
Fed. Res.			\$9,677					\$9,677
Subtotal	\$0	\$3,056	\$102,130	\$0	\$5,379	\$14,634	\$0	\$125,199
Grand Total	\$48	\$7,480	\$118,227	\$538	\$11,898	\$43,877	\$1,438	\$183,506

*Source: FFIS. Numbers include funding/stimulus for counties, municipalities, universities, businesses, individuals, etc. Totals as of July 2024. Exec. Action refers to executive actions taken to allocate stimulus funding outside the official federal legislative actions described in this section. Department Names - USDA: Department of Agriculture, DOC: Department of Commerce, ED: Department of Education, ACF: Administration for Children and Families, CDC: Center for Disease Control, CMS: Centers for Medicare and Medicaid Services, HRSA: Health Resources and Services Administration, SAMHSA: Substance Abuse and Mental Health Services Administration, HHS Secretary: Health and Human Services Secretary, DHS: Department of Homeland Security, HUD: Department of Housing and Urban Development, DOJ: Department of Justice, DOL: Department of Labor, DOT: Department of Transportation, Treasury: Department of the Treasury, EPA: Environmental Protection Agency, FCC: Federal Communications Commission, Fed. Res.: Federal Reserve

SECTION 4. STATE EMPLOYEE HEADCOUNT

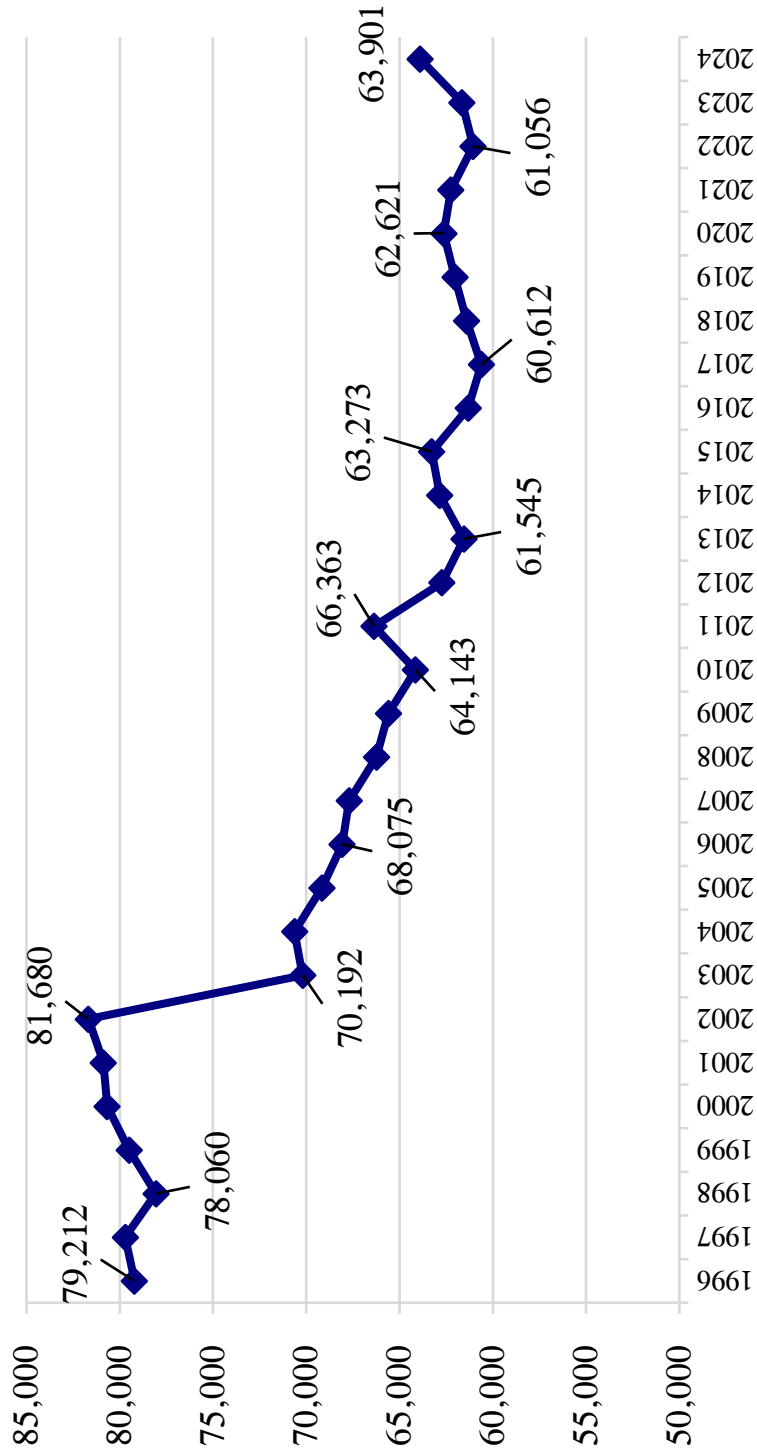
- Historical SERS Headcount
- FY 2024 SERS Headcount



HISTORICAL SERS HEADCOUNT

Total Active Members

FY 1996 - FY 2024

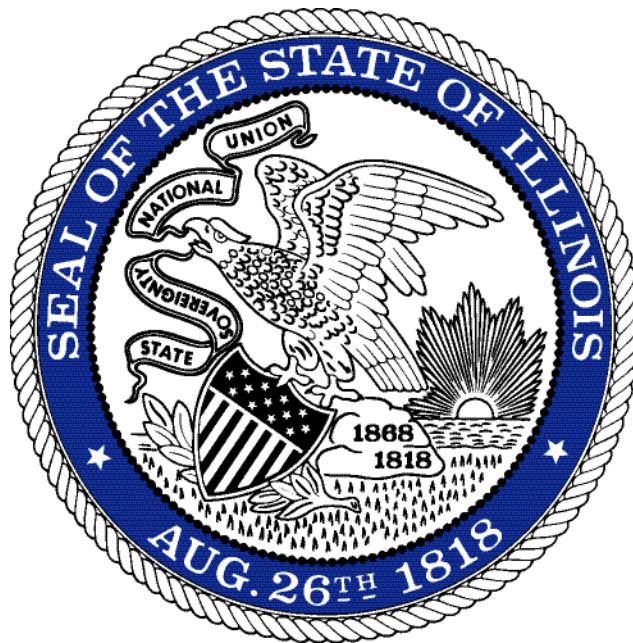


All figures except for FY 2024 are from the Comprehensive Annual Financial Reports (CAFR) of SERS. The FY 2024 data is from the FY 2024 SERS' monthly payroll table on the next page. Data on the SERS' monthly payroll table may be different from data in the CAFR.

FY 2024 SERS HEADCOUNT TRACKER. Table with columns for Agency, July, August, September, October, November, December, January, February, March, April, May, June. Lists various agencies and their employee counts for each month, ending with a TOTAL row showing 60,548 employees in July and 63,901 in June.

SECTION 5. STATE EMPLOYEES' GROUP INSURANCE

- **Group Insurance Overview**
- **Group Insurance Enrollment**
- **Group Insurance Appropriation and Liabilities**
- **Liability per Participant**
- **Group Insurance Liability Components**
- **Medicare**



GROUP INSURANCE OVERVIEW

Group Insurance refers to the program of health insurance, life insurance, and other benefits offered to Illinois state employees, retirees, and their dependents. These benefits were codified in the 1971 State Employees' Group Insurance Act and have been modified since then. A typical state employee can make use of a variety of health insurance plans, dental/vision coverage, disability coverage, and life insurance, along with other benefits. Some common terms involving health insurance utilized in this section are as follows.

HMO: Health Maintenance Organization – A type of health insurance plan that limits most coverage to care from doctors, providers and facilities who work for or contract with the HMO. This normally results in a smaller network of providers and fewer options for plan participants, in exchange for reduced expenses for the participant and for the State.

PPO: Preferred Provider Organization – A type of health insurance plan that allows participants to use a broader variety of doctors, providers, and facilities than in a traditional HMO. This normally results in a larger network of providers, with the trade-off of increased expenses for the participant and the State as a result of the more numerous options for service provided.

OAP: Open Access Plan – A type of health insurance plan that combines HMO and PPO plans to provide tiers of coverage and expenses from HMO-style networks to PPO-style networks. Depending on the tier of coverage utilized, co-payments and other expenses may be higher or lower.

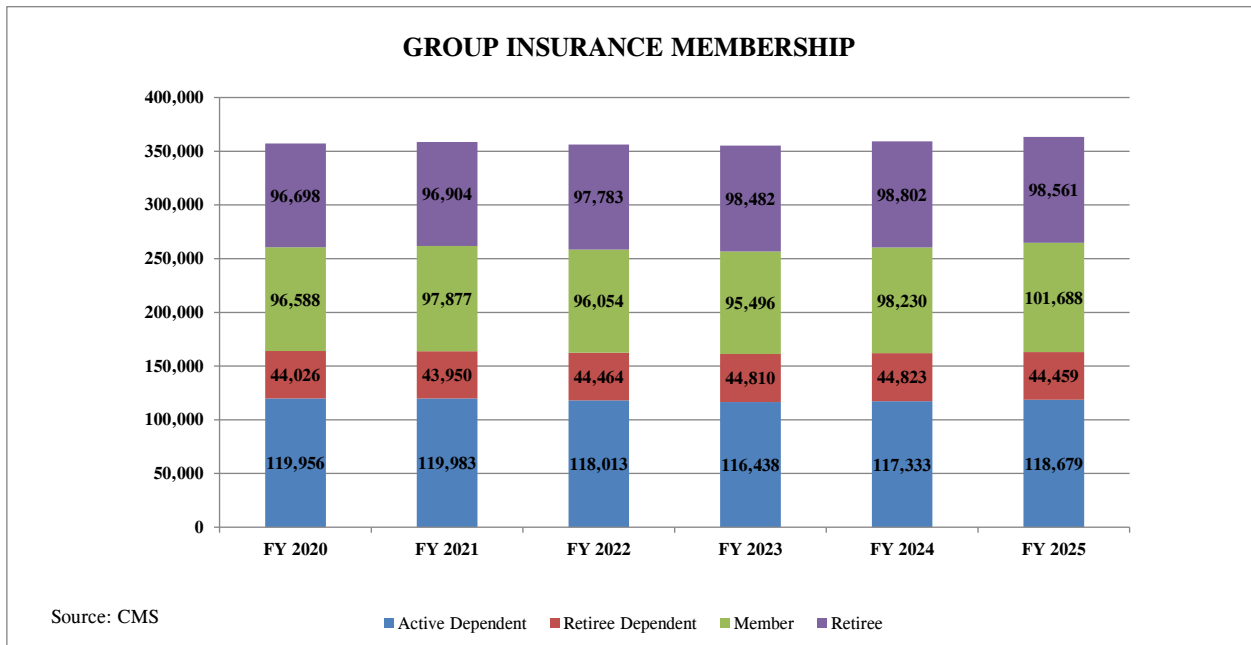
CDHP: Consumer Driven Health Plan – A type of health insurance plan developed by CMS that functions as a High-Deductible Health Plan. This type of health plan is characterized by low monthly premiums for members, but significantly higher deductibles than the other plans currently offered by the State before services (from hospitals, providers, etc.) are disbursed. This type of plan is intended for current employees and dependents rather than retirees and is intended to work in conjunction with an optional Health Savings Account that SEGIP members can set up to save for expenses or deductibles for the CDHP by setting aside money from their paychecks before any payroll tax deductions are taken.

MA PPO: Medicare Advantage Preferred Provider Organization - A type of health insurance plan that functions like a PPO, but which is specifically tailored for Medicare Advantage (MA)-eligible recipients and is only available to them or their MA-eligible dependents. Due to a new contract, there is currently no Medicare Advantage HMO option in the SEGIP.

GROUP INSURANCE ENROLLMENT

According to CMS, as of February 2024, the State Employees' Group Health Insurance Program (SEGIP) has an estimated 359,188 participants for FY 2024, of which 113,650 are in a non-Medicare Advantage HMO, 4,153 are in the CDHP, 93,562 are in a Medicare Advantage PPO, 112,226 are in an Open Access Plan (OAP), and 35,597 are in the Quality Care Health Plan (QCHP). The QCHP is estimated to have 14,016 employees, 10,221 active employee dependents, 4,530 retiree dependents, and 6,830 retirees in FY 2024. Traditional HMO plans are estimated to have 41,410 employees, 52,612 active employee dependents, 8,856 retiree dependents, and 10,772 retirees in FY 2024. The Consumer Driven Health Plan (CDHP) is estimated to have 2,080 active employees and 2,073 active employee dependents. Medicare Advantage plans in FY 2024 include 22,388 dependents and 71,174 retirees. OAPs are anticipated to have 40,724 employees, 52,427 active employee dependents, 9,049 retiree dependents, and 10,026 retirees in FY 2024.

For FY 2025, the QCHP is estimated to have 14,025 employees, 9,821 active employee dependents, 4,062 retiree dependents, and 6,144 retirees. The Medicare Advantage PPO plan is expected to have 22,696 dependents and 72,049 retirees. Non-Medicare Advantage HMO Plans are expected to have 40,416 employees, 50,325 active dependent lives, 8,357 retiree dependents, and 10,106 retirees. OAPs are expected to have 44,653 employees, 56,028 active dependents, 9,344 retiree dependents, and 10,262 retirees in FY 2025. The Consumer Driven Health Plan is projected to have 2,594 employees and 2,505 active employee dependents, which are primarily assumed to come from existing HMO plans. Total FY 2025 membership is expected to increase by 340 participants (0.1%) from 359,188 to 363,387.



As in years past, eligible retirees and their dependents have been moving steadily into the State’s Medicare Advantage PPO plan. This trend is expected to continue in FY 2025. A new contract bid period resulted in the selection of a single MA PPO plan for all eligible State of Illinois retirees and dependents. This new plan was enacted starting in January 2023, with the change occurring during the fiscal year and resulting in total lives across the fiscal year being one-half of the otherwise expected total. MA plans were initially set forth in an effort to save the State money as well as to provide quality service and care for retirees and their dependents. The table below shows the population figures involved with this program. Recent years have seen a dramatic rise in the number of people covered by a Medicare Advantage plan, as more retirees reach eligibility for Medicare Advantage and move from HMO, OAP, and (predominantly) QCHP.

Many of the 94,745 people projected to be covered in FY 2025 by the MA PPO plan came from the QCHP through labor negotiations that moved all members qualifying for Medicare Advantage to a MA PPO/HMO plan. As a result of these people being moved from QCHP into a MA PPO, the QCHP is forecasted to continue to be significantly more expensive on a per-person basis in the 2025 fiscal year and in future years.

MEDICARE ADVANTAGE PLANS			
HMO/PPO	FY 2023	FY 2024	FY 2025*
	# of Participants	# of Participants	# of Participants
Aetna HMO	3,002	0	0
Humana Benefit Plan HMO	91	0	0
Humana Health Plan HMO	2,211	0	0
Health Alliance HMO	1,267	0	0
United HealthCare PPO	38,975	0	0
Aetna PPO	46,000	93,562	94,745
TOTAL	91,546	93,562	94,745
*FY 2025 numbers are projected as of February 2024			
Source: CMS			

GROUP INSURANCE APPROPRIATION AND LIABILITIES

The FY 2025 budget notes that \$2.327 billion in General Revenue Funds is appropriated to the Department of Central Management Services for the SEGIP for FY 2025. The FY 2024 appropriation for the Group Health Insurance Program was \$2.033 billion in GRF. The FY 2025 budget additionally allocates approximately \$156 million (compared to \$148 million in FY 2024) from the Road Fund for providing health insurance. The table below shows the appropriation and liability history of the SEGIP from FY 2018 to FY 2025. In the case of FY 2018, the large one-time increase in Total Revenues resulted from a bond of approximately \$4 billion issued in November 2017 to pay down the majority of group insurance held bills. This additional revenue is included in the Total Revenues entry for FY 2018. Additionally, due to the timing of bond revenues, some additional funding was received in FY 2018. FY 2020 revenues include interfund borrowing intended for the same purpose.

The Commission’s FY 2025 liability estimate is \$3.800 billion for group insurance liability, which is \$24.4 million higher than the FY 2025 estimate from CMS of \$3.775 billion (as of February 2024). The table on the next page shows a detailed comparison of the CGFA estimate for the various cost components and the CMS projection for FY 2025. These numbers reflect an increase of 16.5 and 17.2 percent respectively from the FY 2024 liability estimate from CMS of \$3.242 billion.

GRF APPROPRIATION, REVENUE, AND LIABILITY HISTORY			
FY 2017-2024			
(\$ Millions)			
<u>Fiscal Year</u>	<u>GRF Appropriation</u>	<u>Total Revenues</u>	<u>CMS Liability*</u>
FY 2018	\$1,340.0	\$6,306.6	\$3,159.1
FY 2019	\$2,176.2	\$3,201.8	\$3,103.8
FY 2020	\$2,440.2	\$3,699.1	\$3,093.2
FY 2021	\$2,022.8	\$3,208.5	\$3,173.6
FY 2022	\$2,753.2	\$3,967.4	\$3,089.1
FY 2023	\$1,846.4	\$3,092.3	\$3,118.1
FY 2024*	\$2,033.1	\$3,306.6	\$3,241.5
FY 2025*	\$2,326.9	\$3,769.1	\$3,775.1

*Liability Estimated for FY 2024 and Projected for FY 2025
Source: CMS

The Department’s estimate of liability for FY 2025 continues increases from prior years, including their projections for FY 2024. Part of this increase in liability reflects traditional year-to-year cost increases due to inflation and other factors. There is a significant increase for FY 2025 that is due in part to recent legislative requirements for coverage options, according to CMS testimony. The increases in liability for the HMO and the Open Access Plan line are noteworthy, as they comprise much of the FY 2024 to FY 2025 increase. Most of the other lines are projected to increase at least slightly for FY 2025, including usually flat lines such as Dental, Vision, and Life Insurance coverage.

Interest payments on held group insurance bills continues to be a success story and is projected to follow the same pattern in FY 2025. The Special Programs line is significantly smaller than in prior years due to successful negotiations with the Teamsters and other groups that are anticipated to reduce liability.

FY 2025 GROUP HEALTH INSURANCE LIABILITY			
(\$ Millions)			
Liability Component	FY 2024 CMS Estimate	FY 2025 CMS Estimate	FY 2025 CGFA Estimate
QCHP Medical	\$324	\$324	\$326
QCHP Prescriptions	\$146	\$198	\$200
Dental	\$137	\$144	\$145
HMO	\$1,023	\$1,199	\$1,207
Medicare Advantage HMO/PPO	\$0	\$0	\$0
Open Access Plan	\$1,331	\$1,608	\$1,617
Consumer Driven Health Plan (CDHP)	\$28	\$37	\$38
Teamsters Opt-Out Expense	\$117	\$124	\$124
Vision	\$8	\$7	\$7
Administrative Services	\$15	\$15	\$15
Life	\$89	\$95	\$96
Special Programs* (Admin/Int./Other)	\$24	\$24	\$26
TOTAL	\$3,242	\$3,775	\$3,800
% increase over prior year	3.9%	16.5%	17.2%

*FY 2024 and FY 2025 Special Programs line includes Prompt and Timely Payment Interest.
Rounding may cause slight differences.
Source: CMS, CGFA

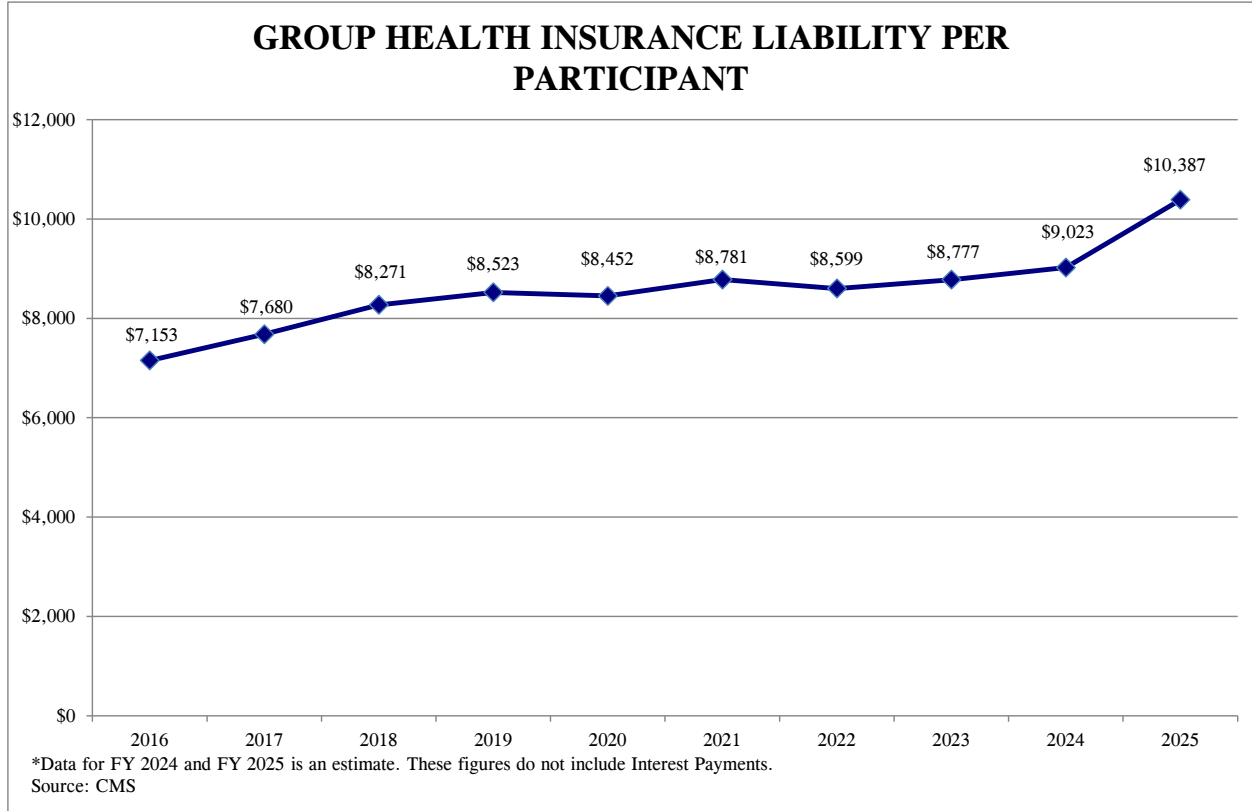
The following table illustrates the cost components for the Group Health Insurance Program from FY 2016 through FY 2025 (projected). Previously a subject of distinct concern, interest payments are projected to amount to \$1 million in FY 2025. Such a low projected amount for total interest payments reflects an expectation of timely payment of state vouchers by insurance companies, individual providers, and others submitting claims to the state.

The Consumer Driven Health Plan (CDHP) continues to grow and draw people away from more expensive health insurance plans, amounting to \$37 million in liability in FY 2025. The CDHP provides savings to Illinois compared to existing plans while providing savings to the expected individual users in the form of significantly lower premiums. While the consumer savings are predicated on low utilization of plan benefits, many of the younger users of these plans do not typically require the extensive medical services (apart from a yearly physical) utilized by participants in the other plans offered, such as the Quality Care Health Plan (QCHP). Accordingly, the State has expanded offerings of preventative care and health management services for participants to lower long-term health costs as well.

HISTORICAL GROUP HEALTH INSURANCE LIABILITY										
(\$ Millions)										
Liability Component	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025*
QCHP Medical/Rx	\$488	\$488	\$512	\$517	\$497	\$511	\$550	\$486	\$470	\$523
CDHP	\$0	\$0	\$0	\$0	\$0	\$9	\$27	\$23	\$28	\$37
HMO Medical	\$934	\$976	\$1,037	\$1,067	\$1,088	\$1,083	\$984	\$994	\$1,023	\$1,199
Medicare Advantage	\$168	\$183	\$200	\$197	\$188	\$175	\$154	\$75	\$0	\$0
Dental	\$118	\$113	\$117	\$124	\$108	\$133	\$130	\$133	\$140	\$148
Open Access Plan	\$669	\$703	\$779	\$842	\$860	\$990	\$988	\$1,169	\$1,331	\$1,608
QC Mental Health	\$5	\$6	\$5	\$6	\$6	\$6	\$0	\$0	\$0	\$0
Vision	\$8	\$8	\$8	\$8	\$8	\$9	\$8	\$8	\$8	\$7
Life Insurance	\$91	\$90	\$90	\$88	\$92	\$94	\$82	\$85	\$89	\$95
QC ASC	\$15	\$14	\$15	\$14	\$15	\$14	\$13	\$12	\$11	\$11
Interest Payments	\$262	\$196	\$275	\$104	\$73	\$24	\$25	\$0	\$0	\$0
Admin/Other	\$53	\$103	\$120	\$137	\$159	\$126	\$129	\$133	\$140	\$148
Total	\$2,810	\$2,878	\$3,159	\$3,104	\$3,093	\$3,173	\$3,090	\$3,118	\$3,240	\$3,776
% change	1.7%	2.4%	9.8%	-1.7%	-0.4%	2.6%	-2.6%	0.9%	3.9%	16.5%
* Estimate, Rounding causes slight differences in totals.										
Source: CMS										

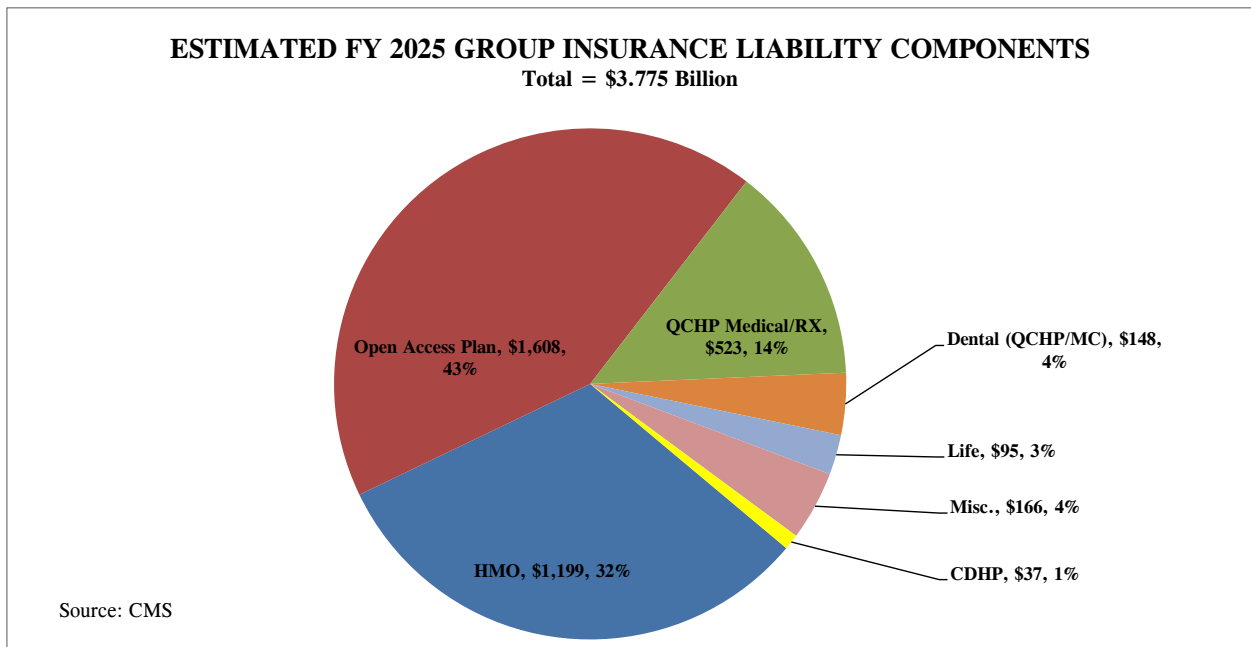
LIABILITY PER PARTICIPANT

The liability per participant in the State Employees’ Group Insurance Program is the total of the State’s liability across all participants. The following chart shows the steady increase each year in liability per participant. In FY 2016, the annual liability per participant in the group health insurance program was \$7,153. **According to CMS, the estimated liability per participant for FY 2025 is \$10,387, a 45% increase from the FY 2016 liability per participant.** The liability per participant is expected to increase sizably from FY 2024 to FY 2025, at 15.1%, compared to a more modest 2.8% increase in FY 2024. As previously mentioned, this sizable increase is mostly due to legislative coverage mandates, such as covering certain weight management medications, In-Vitro Fertilization therapies, and various genetic disease treatments, that apply to health insurance providers to the Group Insurance Program. It is necessary to note that the FY 2025 liability is only a projection which may be partially mitigated by the impact of cost saving measures such as the CDHP and various employee wellness initiatives developed by the Department of Central Management Services. In regard to the chart below, in order to better demonstrate the increase in liability over time, the portion of liability resulting from interest payments has been removed.



GROUP INSURANCE LIABILITY COMPONENTS

The following chart includes the various components of the FY 2025 CMS liability estimate of \$3.775 billion. The largest component of the State Group Insurance Program is the State’s managed care plans (HMOs, OAPs, and Medicare Advantage) representing 75% of total FY 2025 liability. The CDHP is projected to amount to 1% of total FY 2025 liability. The QCHP component (14%) is slightly lower than in FY 2024 (16%) and includes medical/prescriptions, mental health coverage, and administrative service charges. Dental care and life insurance comprise 7% of total liability. The remaining components, including various administrative service costs, comprise the remaining 4% of total FY 2025 liability.



MEDICARE

Medicare is a federal health insurance program designed specifically for individuals who are 65 years of age or older, certain younger people with disabilities, and people with certain diseases. Traditionally, Medicare has been broken out into four specific parts: A, B, C, and D. Part A of Medicare refers to hospital insurance, which covers inpatient hospital care, limited skilled nursing facility care, hospice care and some home health care. Part B of Medicare refers to general medical insurance, which covers certain doctors' services, outpatient care, medical supplies, and preventative services. Part C of Medicare refers to the federally permitted Medicare Advantage network of programs, which will be explained later in this document. Part D of Medicare refers to prescription drug coverage, which adds prescription drug coverage to original Medicare, some Medicare Cost plans, some Medicare private fee-for-service plans, and Medical Savings Accounts (MSAs). Medicare offers coverage at an 80-20 split, where individuals are responsible for 20 percent of medical costs in Parts A and B after deductibles and co-payments have been met.

Individuals may be automatically enrolled in Medicare depending on certain conditions:

1. If they are getting Social Security (SS) or Railroad Retirement Board (RRB) benefits
2. If they are under 65 years of age and disabled
3. If they have Amyotrophic Lateral Sclerosis (ALS)
4. If they live in Puerto Rico and receive SS or RRB benefits

If these conditions do not apply, individuals must apply for Parts A and B of Medicare online, in person or via telephone. Medicare premiums are automatically deducted from an individual's Social Security, Railroad Retirement, or Civil Service Retirement check. If an individual does not receive the aforementioned payments, Medicare will send a bill for the insurance premium quarterly.

Medicare Advantage

Medicare Advantage plans are typically classified under Part C of the traditional Medicare sections. In comparison to traditional Medicare coverage for types A and B (and also D, in some cases), Medicare Advantage is primarily a type of plan that is offered by private companies that contract with Medicare to provide Parts A and B benefits. In addition, Medicare Advantage plans may also contain prescription drug coverage.

Generally, Medicare Advantage plans include Health Management Organizations (HMOs), Preferred Provider Organization (PPOs), Fee for Service (FFS), Special Needs and Medical Savings Account plans. As a result of the variety of organizations participating in Medicare Advantage, the plans offered by these organizations in place of traditional Medicare can vary significantly with the original product. Depending on the needs of consumers, MA plans can be limited by geographical area and costs incurred (deductibles, co-payments, etc.). Some MA

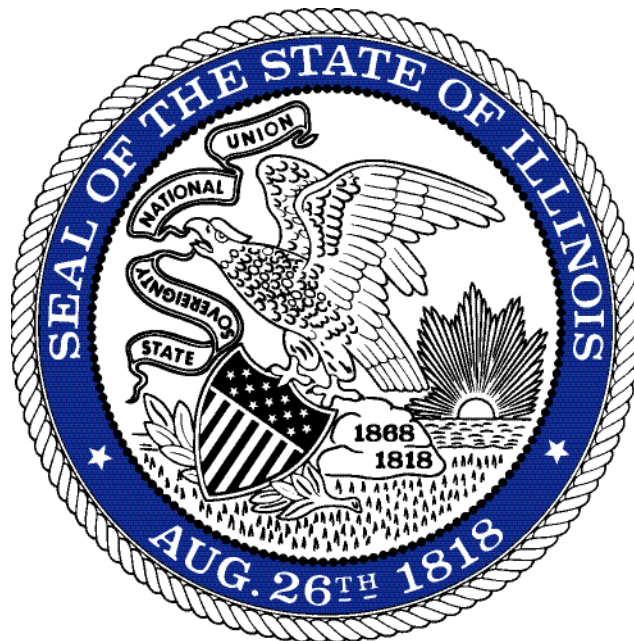
plans cover a large area of the United States, while others only offer coverage in a much smaller in-state area. CMS has stated that the MA network put into place for Illinois retirees and dependents would have a “passive” component that would allow retirees and dependents to seek services at most, if not all, Medicare providers across the country.

Medicare for State Retirees

Citing a long-standing concern for rising costs, the State of Illinois and the employee unions representing State employees came to an agreement to restructure retiree and retiree dependent contributions for health insurance. Currently, a MA PPO contract with Aetna covers all applicable state retirees/dependents. As of the date of this report, no other plan is available for MA eligible retirees/dependents. This plan was selected as it offered no premium payments required from the state of Illinois, resulting in \$0 liability for FY 2025 and the remaining years of the initial term of the contract, while providing the same benefits for existing members at substantially lower premiums. At last count, the FY 2025 projected enrollment in this program totals 94,745 individuals, an increase of 1,183 (1.2%) from FY 2024.

SECTION 6. MEDICAID

- Medicaid Requirements
- Medicaid Enrollment
- Medicaid Liability per Participant
- Medicaid Liability
- Medicaid Funding



MEDICAID REQUIREMENTS

The Illinois Department of Healthcare and Family Services (HFS) is the sole administrator of the State's Medicaid program. HFS serves as the State's largest healthcare insurer, insuring approximately 3.6 million people, predominantly through a managed care delivery system. Medicaid and related programs are authorized under Titles XIX and XXI of the Social Security Act. At the State level, Medicaid and related programs are guided by Article 5 of the Illinois Public Aid Code, the Children's Health Insurance Program Act, the Covering ALL KIDS Health Insurance Act, and other state laws. The laws and regulations that govern the Medicaid program are voluminous and complex. The items listed below are the basic requirements the State must follow in offering Medicaid.

(1) Operation. The Medicaid program must:

- Operate statewide.
- Provide beneficiaries freedom of choice of providers (enroll any willing and qualified provider).
- Provide all federally-mandated "covered" services.
- Provide comparable services to all members of each class of beneficiaries.
- Provide transportation to and from a source of medical care.
- Be overseen by a single State agency.

(2) Funding and payments. The Medicaid program generally must:

- Fund the Medicaid State plan. Match rates vary by Medical population – from 10% state match currently being required for newly eligible clients under the Patient Protection and Affordable Care Act (PPACA) to certain state-only funded programs requiring 100% of their funding from the State. The state match generally required for traditional Medicaid is currently just under 50%.
- Operate an automated claims processing system.
- Require most providers to submit claims within 6 months of the date of service (under State law).
- Pay claims timely. Clean claims for practitioners (including shared health facilities) — 90% within 30 days of receipt; 99% within 90 days of receipt. All other clean claims must be paid within 12 months of receipt.
- Pay for services furnished in another state to the same extent that it would pay for services furnished within its boundaries.

(3) Populations. The Medicaid program must cover categorically needy individuals:

- Families who meet the Temporary Assistance for Needy Families (TANF).
- Children whose income is at or below 133% of the federal poverty guideline (FPL) as adjusted per the Modified Adjusted Gross Income (MAGI) requirements of the PPACA.
- Caretakers (relatives or legal guardians who take care of children under 18 years of age).

- Pregnant women in families whose income is at or below 133% of the FPL as adjusted per the MAGI requirements of the PPACA.
- Persons who are aged, blind, or disabled who meet the AABD eligibility requirements in effect on January 1, 1972.
- Children for whom adoption assistance or foster care maintenance payments are made under Title IV-E.

And certain needs of the following special populations:

- Treatment of an emergency medical condition to certain undocumented non-citizens.
- Medicare premiums, deductibles and coinsurance for individuals whose income is at or below 100% of the FPL.
- Medicare premiums for individuals with income greater than 100% but less than 135% of the FPL.

A state need not cover medically needy persons, but if it elects to do so, it must cover:

- Pregnant women through a 60-day postpartum period.
- Children under age 18 years of age.
- Certain newborns for one year.
- Certain protected blind persons.

(4) Required services for categorically eligible:

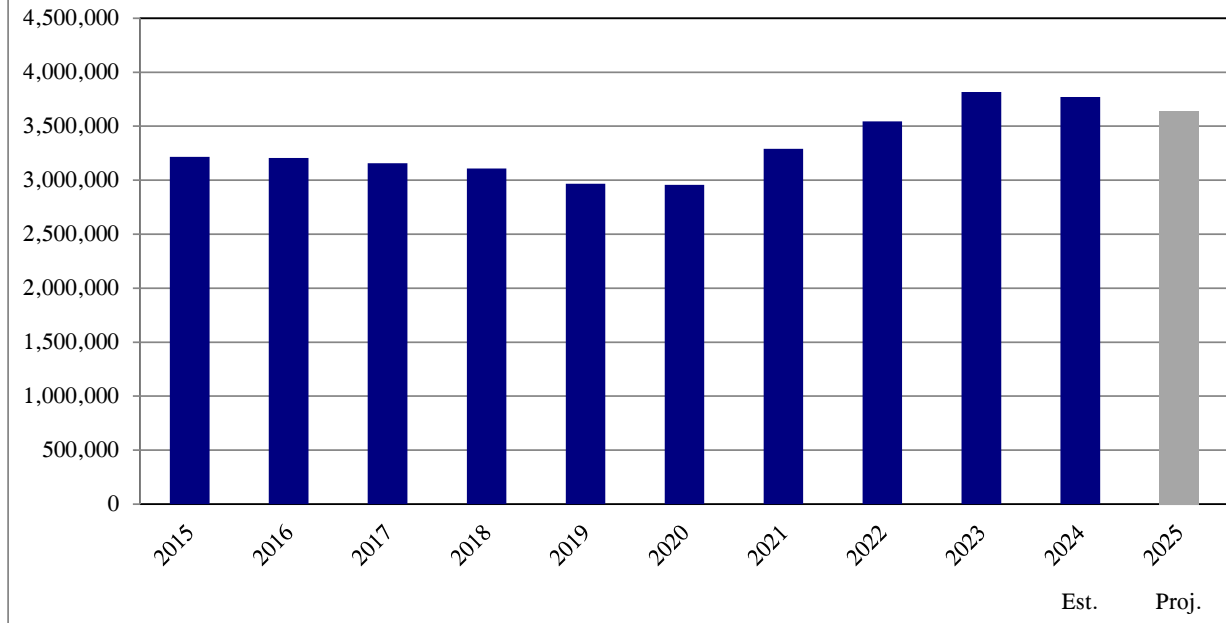
- Transportation to medical care.
- Inpatient hospital services
- Outpatient hospital services
- Rural health clinic services
- Federally qualified health center services
- Laboratory and X-ray services
- Nursing facility services
- Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services
- Family planning services
- Tobacco cessation counseling for pregnant women
- Physician services
- Home health services
- Nurse Midwife services
- Certified pediatric and family nurse practitioner services
- Freestanding birth center services when licensed or otherwise recognized by the state.
- Medication Assisted Treatment (MAT)
- Routine patient costs of items and services for beneficiaries enrolled in qualifying clinical trials.

MEDICAID ENROLLMENT

Medicaid enrollment in Illinois has steadily increased over time. Various Federal actions have affected this growth, including the passage and implementation of the PPACA. With the PPACA, adults between 19-64 years of age who have an income level at or below 133% of the federal poverty level (calculated per the requirements of the PPACA) qualify for Medicaid coverage. Accordingly, Medicaid enrollment in FY 2014 and FY 2015 increased significantly over prior years but declined from FY 2016 through FY 2019. This decline stopped in FY 2020 and rose significantly in FY 2021-2023, mainly due to federal actions to alleviate the effects of the COVID pandemic. The net state fiscal impact resulting from temporary pandemic enrollment growth was reduced due to the enactment of temporarily-enhanced federal match revenue to help offset the cost of federal enrollment maintenance requirements during the COVID-19 pandemic.

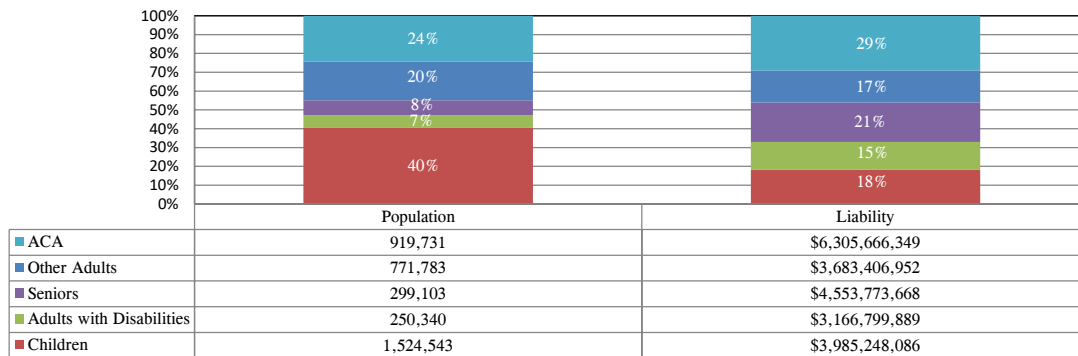
The following chart examines historical Medicaid enrollment. In FY 2015, the average Illinois Medicaid population was 3,215,660. The FY 2024 estimate of 3,771,848 reflects a variety of factors, from PPACA/COVID-influenced growth to general economic/social factors. One point of interest also is that Medicaid enrollment numbers have typically been reported three months late, given the requirement to offer retroactive eligibility for up to three months prior to application as appropriate. Additionally, the cost for individuals newly eligible under the PPACA was funded 100% by the federal government until calendar year 2017. At that time, under current law, the federal match rate gradually declined for that population to a minimum of 90% in calendar year 2020. This match rate minimum affected Illinois in the latter half of FY 2020, though this can be contrasted with a temporary matching rate increase of 6.2 percentage points (this increase began to be phased out beginning April 1, 2023) on the base Title XIX program due to federal COVID-19 legislation. As stated previously, the enactment of the COVID-enhanced federal match was intended to help offset state costs associated with required enrollment maintenance of effort during the public health emergency. The following chart details Medicaid enrollment. A gradual decline in enrollment is anticipated in FY 2024 due to resuming eligibility redeterminations as of July 2023. From a high point of 3.8 million individuals in FY 2023, Medicaid enrollment is projected to total approximately 3.6 million individuals in FY 2025.

MEDICAID ENROLLMENT



It is useful to consider the individual components of total Medicaid enrollment, as programmatic changes over time have increased the overall population beyond original expectations of the Medicaid program. Accordingly, the chart below breaks the overall population figure into its component parts. The largest population group in FY 2023, accounting for 1.5 million participants, was Children. According to state data, this group accounted for \$4.0 billion in claims-based liability expenditures. While only representing 15% of the overall Medicaid population, seniors and disabled accounted for 36% of overall Medicaid claims-based liability expenditures, consistent with FY 2022 (35%). The following chart compares overall FY 2023 claims-based liability expenditures by population category.

MEDICAID POPULATION AND LIABILITY (FY 2023)



DCN Dates: 7/1/22 to 6/30/23. Data reflects all HFS funds fee-for-service cash basis and managed care capitation expenses for FY23. Includes spending from all HFS funds. Liability by group does not include partial benefits recipients or non-claim based payments paid via C-13 invoice Vouchers. Source: HFS.

MEDICAID LIABILITY PER PARTICIPANT

A historical norm in the Medicaid program is the outsized amount of liabilities created by the Seniors and Adults with Disabilities categories compared to their total proportion of enrollment in the Medicaid program. For the Adults with Disabilities category, the average liability expenditure per participant annually in FY 2023 was \$12,650, an increase of \$612 (5.1%) from FY 2022. Likewise, the average liability expenditure per participant for senior Medicaid enrollees was \$15,225 (compared to \$14,088 in FY 2022, a \$1,137 or 8.1% increase). The average liability per participant for children was \$2,614 (compared to \$2,559 in FY 2022, a \$55 or 2.1% increase) while the average liability for other adults was \$4,773 (compared to \$4,975 in FY 2022, a \$203 or 4.1% increase). Concurrently, the average liability for individuals under the ACA was \$6,856 (compared to \$6,845 in FY 2022, a \$11 or 0.2% increase).

Due to the three-month lapse cycle in Medicaid reimbursements and enrollment, final FY 2024 liability can only be estimated at this time. Furthermore, the continuing impacts of COVID-19 and a burgeoning number of recent immigrants also affect overall enrollment/liabilities. The impact of the immigration issue will be noted for FY 2024 when DHFS issues their FY 2024 financial reports.

The table below compares the various population components of Medicaid with their corresponding total liability amounts to calculate the average liability expenditure per participant for FY 2023. Despite their large number of enrollees compared to the other categories listed, children are a relatively low liability component for the Medicaid program on a per participant basis. Conversely, seniors and adults with disabilities are a much larger liability component per participant. This is primarily due to the increased costs of care involved with these specific populations. In comparison, ACA adults and other adults have a much lower per participant liability. The current status of increased liabilities is not expected to decrease in the future absent major changes to overall enrollment or other bedrock components of the Medicaid program as a whole.

MEDICAID LIABILITY PER PARTICIPANT			
FY 2023			
Population Group	Enrollment	Liability	Liability Per Participant
Children	1,524,543	\$3,985,248,086	\$2,614
Adults with Disabilities	250,340	\$3,166,799,889	\$12,650
Seniors	299,103	\$4,553,773,668	\$15,225
Other Adults	771,783	\$3,683,406,952	\$4,773
ACA	919,731	\$6,305,666,349	\$6,856
Total	3,765,500	\$21,694,894,944	\$5,761
DCN Dates: 7/1/2022 to 6/30/2023. Data reflects all HFS funds fee-for-service cash basis and managed care capitation schedules for FY23. Includes spending from HFS funds only. Liability by group does not include partial benefits recipients or non-claim based payments paid via C-13 invoice vouchers.			
Source: HFS			

TOTAL MEDICAID LIABILITY

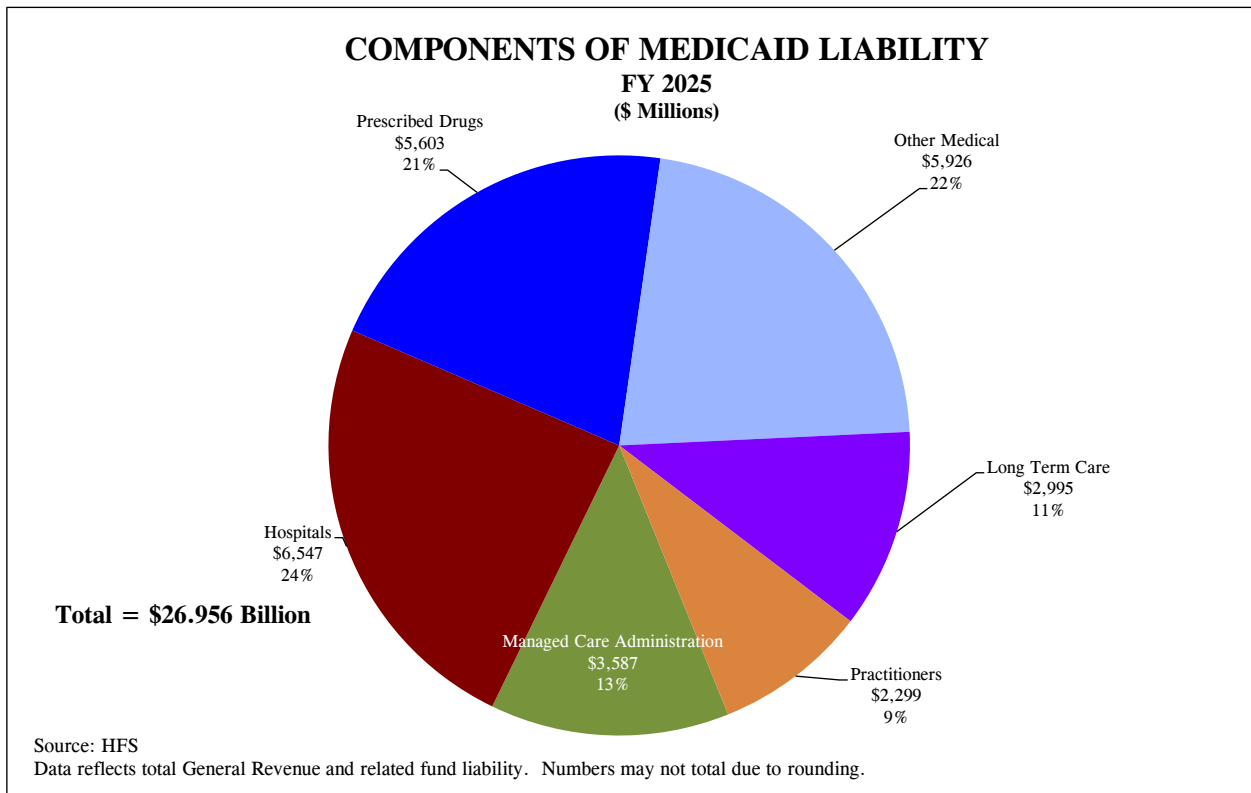
In FY 2016, overall GRF and related fund Medicaid liabilities totaled \$12.4 billion. The estimated FY 2025 liability for Medicaid is \$27.0 billion, a 117% increase. This increase is due to various factors, ranging from statutory changes, eligibility expansions (PPACA, etc.), increases to provider reimbursements, introduction of the managed care assessment, nursing home reform, lasting effects from COVID-19 enrollment, and consolidation of liability to HFS from other agencies.

HISTORIC MEDICAID LIABILITY											
(\$ Millions)											
Liability Component	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Est.	FY 2025 Proj.	Avg % Change
Long Term Care	\$1,445	\$1,325	\$1,672	\$2,018	\$2,264	\$2,414	\$2,365	\$2,803	\$2,317	\$2,995	9.5%
Hospitals	\$4,172	\$4,419	\$4,568	\$4,063	\$4,466	\$5,467	\$5,468	\$6,396	\$6,541	\$6,547	5.5%
Prescribed Drugs	\$2,583	\$2,745	\$2,889	\$2,618	\$3,080	\$3,618	\$4,391	\$5,118	\$5,527	\$5,603	9.4%
Practitioners	\$1,652	\$1,657	\$1,652	\$1,496	\$1,535	\$1,770	\$1,932	\$2,247	\$2,966	\$2,299	4.8%
Managed Care Administration	\$629	\$731	\$843	\$931	\$2,450	\$2,547	\$2,783	\$3,289	\$3,451	\$3,587	27.3%
Other Medical	\$1,951	\$2,251	\$2,445	\$2,583	\$3,346	\$4,234	\$5,284	\$5,551	\$5,937	\$5,926	13.6%
Total Liability	\$12,432	\$13,128	\$14,069	\$13,709	\$17,141	\$20,050	\$22,223	\$25,404	\$26,738	\$26,956	
<i>% Change</i>		5.60%	7.17%	-2.56%	25.03%	16.97%	10.84%	14.31%	5.25%	0.82%	9.3%

Source: HFS

**These numbers reflect total General Revenue and related fund liability. FY 2016 - FY 2019 liability growth is mainly driven by state statutory changes, federal changes (increased Medicare Part B premium charges) and consolidation of other agency fee-for-service Medicaid liability to HFS under the Managed Care expansion for long-term supports and services. FY 2020 liability growth can also be largely attributed to state statutory changes including the minimum wage increase, the start of the COVID-19 pandemic, as well as the implementation of the managed care assessment and non-emergency transportation intergovernmental transfer mechanism. The latter two FY 2020 items provide significant new resources to the Medicaid program to fund enhancements enacted during the 2019 legislative session. The numbers above may not appear to add due to rounding. The effects of the COVID-19 pandemic (FY 2020-current) are incorporated into the numbers on this table. The above numbers have been adjusted from prior year Budget Summaries due to presentation changes suggested by HFS. For FY 2016 through FY 2022, managed care capitation payments are allocated to provider types (Other Medical, Drugs, Practitioners, Long Term Care, and Hospitals) based upon that fiscal years' MCO encounter data. FY 2023 and FY 2024 use prior-year encounter data trends to estimate the allocation across provider types. This allocation is provided to more clearly reflect the ultimate provider type recipient of the payments made by MCOs (according to HFS).*

For FY 2025, Hospital Medicaid payments are projected to remain the highest single component of overall GRF and related fund liability at 24%. However, areas such as Prescribed Drugs (21%) and Other Medical (22%) comprise a growing amount of overall liability, according to HFS data. This is a general trend that has continued for over a decade at this point. As far back as FY 2016, payments to hospitals accounted for 34% of total liabilities, while in FY 2025 they are projected to account for 24%. In contrast, Managed Care Administration liability has increased from \$629 million and 5.1% of the FY 2016 liability to \$3.6 billion and 13% of the FY 2025 projected liability. Managed care administration grew significantly between FY 2019 and FY 2020 due to the introduction of the managed care assessment. Federal regulations require Medicaid agencies pay managed care organizations (MCOs) actuarially sound rates which include making Medicaid MCOs whole for the managed care assessment since it becomes a cost of those plans doing business. The following chart breaks down the various components of FY 2025 Medicaid liability.



MEDICAID FUNDING

It is important to note the various funding sources that provide the necessary revenue for Medicaid. As was the case in prior years, the FY 2025 Medicaid budget was enacted in lump sum appropriations at fund levels and is reflected in the chart on the following page.

According to the Department of Healthcare and Family Services, this indicates that a breakdown of appropriation by the standard categories of Hospitals, Managed Care, Practitioners, Other Medical, Long-Term Care, and Prescribed Drugs is not available for FY 2025 as was the case for many years prior, at this point. It is necessary to note that total spending will increase for FY 2024 due to lapse period spending for the bills that come in for payment by the state in the three months following the end of the fiscal year. Depending on the fiscal year, GRF appropriations and allocations may change as the Governor takes actions to address the State's fiscal challenges. Traditionally, appropriations include non-GRF funds from which Medical Programs liability is reimbursed.

Federal action to date, an eventual reduction in the enhanced federal match rate of 6.2%, and population enrollment should be considered to be a potential factor in final FY 2024 and FY 2025 Medicaid funding estimates. To the extent that reimbursements are affected, this translates to potential effects for future years as well. However, at this time, insufficient data is available for reliable projections of specific impacts on out-year funding estimates. It is worth noting that the enhanced federal match rate of 6.2% was de-coupled from the end of the COVID-19 public health emergency declaration, which extended enrollment of individuals in Medicaid (and concomitant state payments/reimbursements) through at least April 1 of 2024. Future federal action on this is uncertain at this time.

Another important point for consideration is the amount of Medicaid payments delayed due to the state's cashflow issues. According to state law, the imposition of Section 25 cap for HFS Medicaid applies only to the General Revenue Fund, Long-Term Care Provider Fund, Drug Rebate Fund, Tobacco Settlement Recovery Fund, and Healthcare Provider Relief Fund. That annual cap is \$100 million, which applies to bills received by the Department on or before June 30th of a fiscal year. HFS believes it will meet the FY 2024 Section 25 cap requirement as amounts in excess of \$100 million, paid from FY 2025 appropriations, are estimated to relate to FY 2024 bills received after June 30, 2024.

Regarding fees and contributions, certain medical providers in Illinois contribute to the costs of Medicaid through health care assessments and intergovernmental transfers. In collecting these fees, the State maximizes its share of available federal matching funds. Hospitals, nursing homes, managed care organizations, and long-term care facilities for the developmentally disabled currently pay provider assessments to help support the Medical Assistance program.

Illinois also uses intergovernmental transfers (IGT) to support Medicaid services. An IGT is essentially a financial transfer between government entities. When local health care entities transfer funds to the state under an IGT agreement, these funds are used for Medicaid payments

supplemented by federal matching funds. For example, certain Medicaid services provided by Cook County Health Services are currently funded via IGT arrangements. Cook County Health Services generally makes transfers providing state match which is combined with the related federal financial participation monies received by the State from the County Provider Trust Fund. By using the IGT mechanism, Medicaid services can be provided to many Cook County residents without the need for state GRF resources.

Various COVID-19 related programs have continued through HFS and their administration of the Medicaid program in Illinois through the 2024 fiscal year, including vaccine administration, testing, telehealth provision and expansion, and relief on some health premiums. As of now, HFS expects to continue vaccine administration, testing, telehealth provision and expansion into FY 2025 and has permanently eliminated All Kids Premiums.

General and related fund cash flow information is presented in the following chart. An anticipated increase in the Healthcare Provider Relief Fund is expected to be partially offset by reductions in General Revenue Fund appropriations.

MEDICAID CASH FLOW SPENDING COMPARISON			
(\$ Millions)			
Appropriation	FY 2024	FY 2025	Difference
General Revenue Fund (Including Lapse Periods)	\$7,569.9	\$6,560.6	-\$1,009.3
Healthcare Provider Relief Fund**	\$14,602.3	\$15,933.9	\$1,331.6
Drug Rebate Fund	\$2,515.5	\$2,481.8	-\$33.7
Tobacco Settlement Fund	\$590.0	\$800.0	\$210.0
Long Term Care Provider Fund	\$875.1	\$835.6	-\$39.5
Hospital Provider Fund	\$345.4	\$344.5	-\$0.9
General Revenue and Related Funds Total	\$26,498.2	\$26,956.4	\$458.2
* FY 2025 values represent estimated cashflow spending as of July 2024.			
** Healthcare Provider Relief Fund resources may be allocated to Medicaid billings from any provider type.			
Source: HFS			

SECTION 7. ELEMENTARY & SECONDARY EDUCATION

- Elementary and Secondary Education Funding



ELEMENTARY AND SECONDARY EDUCATION FUNDING

A major portion of the State's general revenues are used to fund elementary and secondary education in Illinois. For the FY 2025 budget, the State Board of Education's allotment is \$10.893 billion (PA 103-0589). This enacted budget includes a continuation of the revised education funding formula which began in FY 2018, often referred to as evidence-based school funding.

Under Public Act 100-0465, several changes to the School Code were made, which includes setting forth provisions concerning:

- An adequacy target calculation;
- A local capacity calculation;
- A base funding minimum calculation;
- A percent of adequacy and final resources calculation;
- An evidence-based funding (EBF) formula distribution system;
- State Superintendent of Education administration of funding and school district submission requirements; and
- A Professional Review Panel.

The EBF formula requires the Illinois State Board of Education to go through a data-verification process with school districts to ensure all of the data incorporated into the formula is accurate.

A more detailed overview of the new evidence-based funding formula can be found at the Illinois State Board of Education's website here:

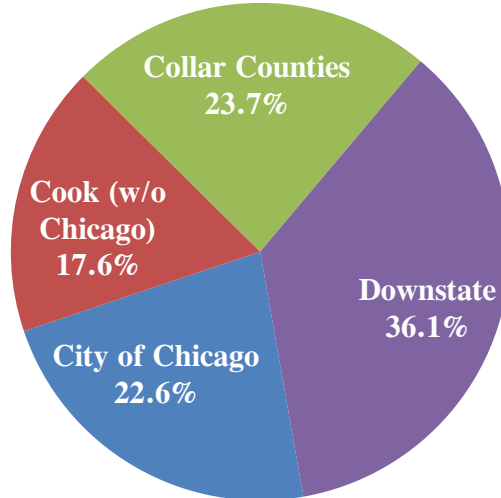
<https://www.isbe.net/Pages/EvidenceBasedFunding.aspx>

On the following page are charts displaying the distribution of the calculated net State contributions by region and by type of district. For a more detailed look of how and where the State education funding dollars are distributed, please see the ISBE's website at:

<https://www.isbe.net/Pages/ebfdistribution.aspx>

EVIDENCE BASED FUNDING Total Net FY 24 State Contribution by Region

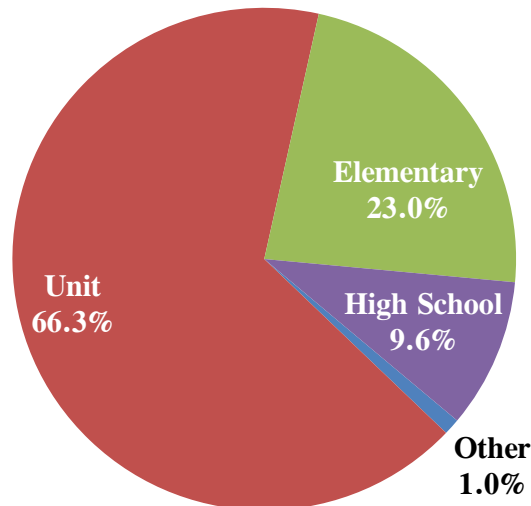
Percentage of Total
State Total: \$8.143 Billion



Source: ISBE at www.isbe.net/Pages/ebfdistribution.aspx

EVIDENCE BASED FUNDING Total Net FY 24 State Contribution by Type of District

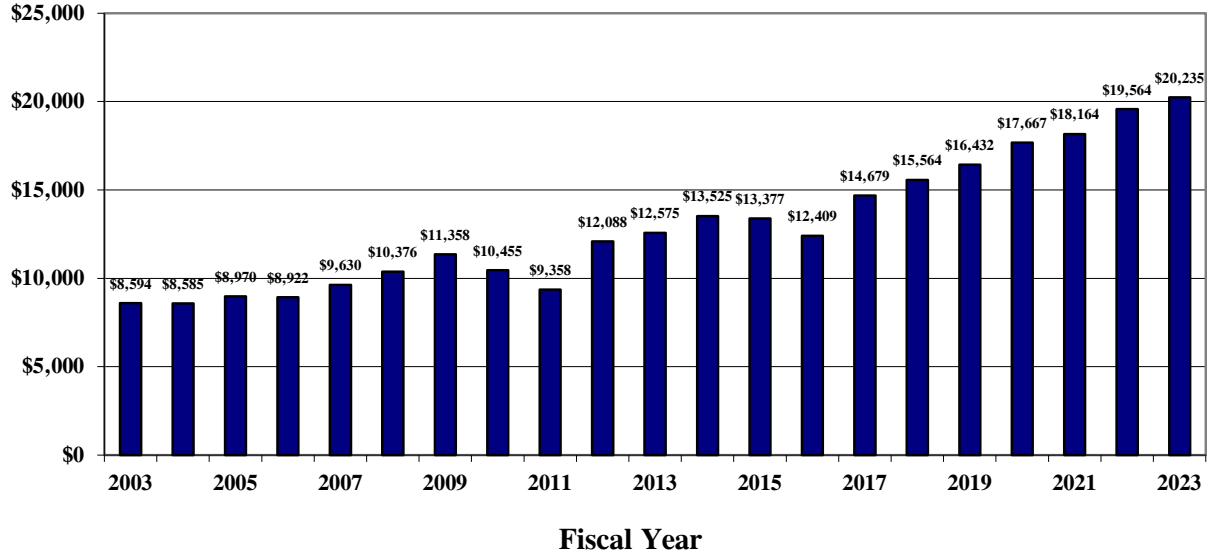
Percentage of Total
State Total: \$8.143 Billion



Source: ISBE at www.isbe.net/Pages/ebfdistribution.aspx

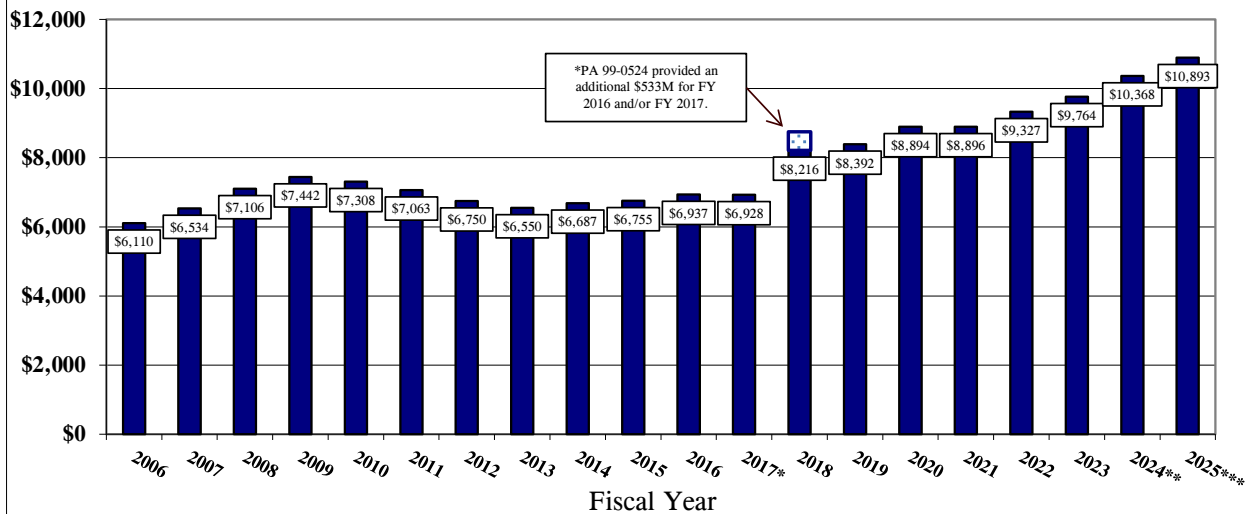
Education Expenditure History General Funds \$ in millions

Total Warrants Issued: 14-18 months depending upon fiscal year



ILLINOIS STATE BOARD OF EDUCATION GENERAL FUNDS HISTORY

Excludes Teacher Retirement System Funds
(\$ in millions)



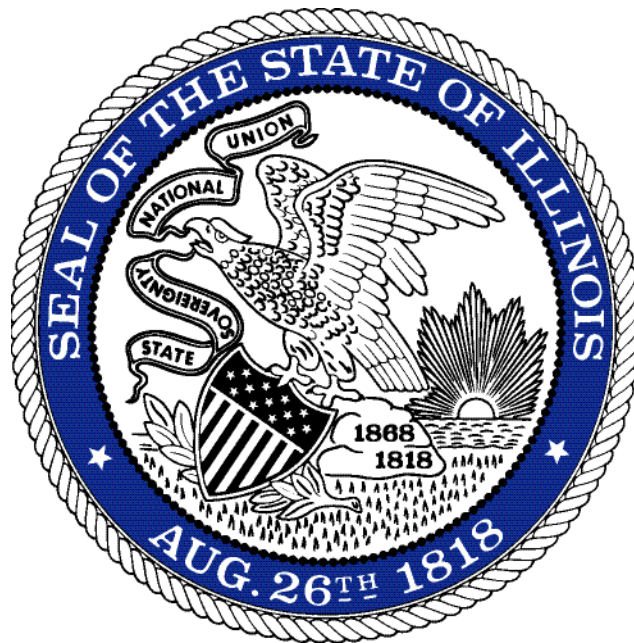
* PA 99-0524 provides the spending authority for PreK-12 education with combined General Funds appropriations of \$6.928 billion for FY 2017 and an additional \$532.6 million for FY 2016 and/or FY 2017.

** As provided by PA 103-0006 and PA 103-0589.

*** As provided by PA 103-0589.

SECTION 8. STATE FUNDED RETIREMENT SYSTEMS

- FY 2025 Budget Implementation Act
- Unfunded Liabilities



FY 2025 Budget Implementation Act

The Budget Implementation (BIMP) Act for FY 2025 was signed into law as P.A. 103-0588 (HB 4959) on June 5, 2024. The Act amends the articles of the five State retirement systems (TRS, SERS, SURS, JRS, and GARS) and the Chicago Teachers' Pension Fund (CTPF).

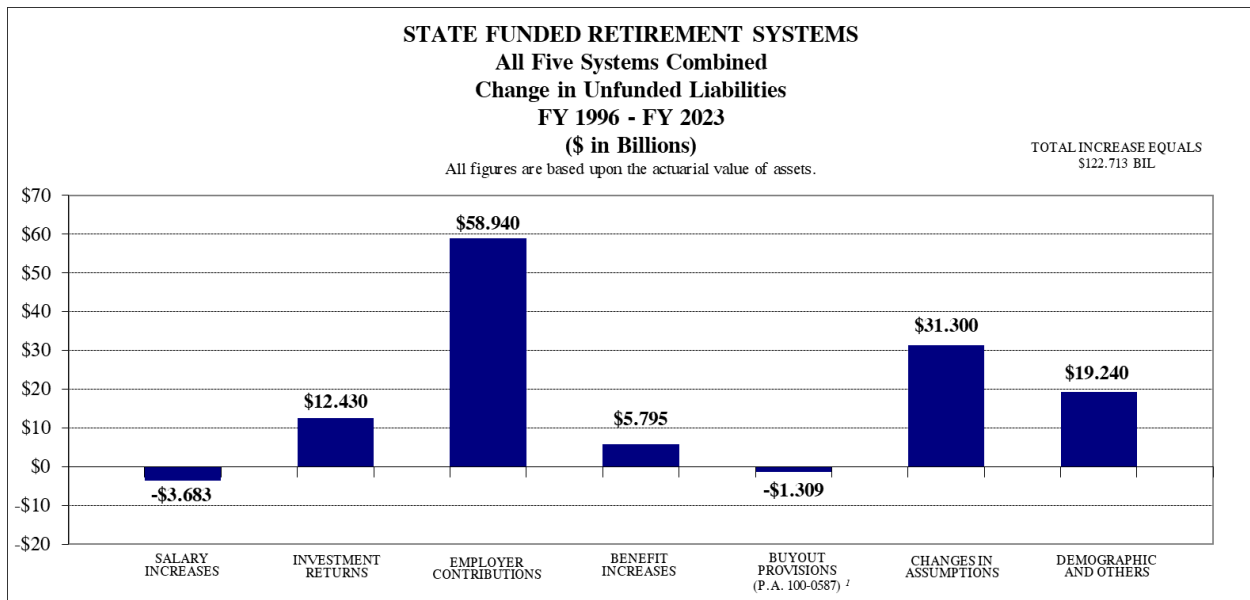
Regarding TRS and CTPF, P.A. 103-0588 extends the sunset date of a law that allows TRS and CTPF annuitants to return to work in subject shortage areas while still retaining their retirement annuity, subject to certain provisions. The sunset date of the return-to-work window is extended by three more years to June 30, 2027, from June 30, 2024. P.A. 103-0588 also allows CTPF annuitants to be re-employed as teachers or administrators for 140 days per school year until July 1, 2027, and 120 days per school year on or after July 1, 2027, without impairing their retirement pension. The sunset date for the 140-day re-employment limit without losing the pension annuity was previously July 1, 2024, and is now extended to July 1, 2027.

In addition, the FY 2025 BIMP Act implements a system of multiple-month vouchering by the five State retirement systems (TRS, SERS, SURS, JRS, and GARS), to be deployed at the behest of the Comptroller. The Comptroller may request the board of the applicable systems to submit vouchers for multiple monthly payments for advance payments of State contributions. This change provides the Comptroller with greater flexibility in distributing funds to the five State systems. Nothing in this provision allows for a greater annual appropriation than that approved by the General Assembly under P.A. 88-0593 (the 1995 pension funding law) or any supplemental appropriations the General Assembly may approve.

UNFUNDED LIABILITIES

The chart below documents the change in the unfunded liabilities of all five State systems combined over the period FY 1996 – FY 2023. FY 1996 was the first year of the funding plan under P.A. 88-593, or what is commonly referred to as the “1995 pension funding law.” While the 1995 funding law sets an ultimate goal of reaching a 90% funding ratio by FY 2045, the systems’ unfunded liabilities are projected to grow through FY 2027 even if the State makes its statutorily-required contributions. Beginning in FY 2028, unfunded liabilities are projected to begin trending downwards.

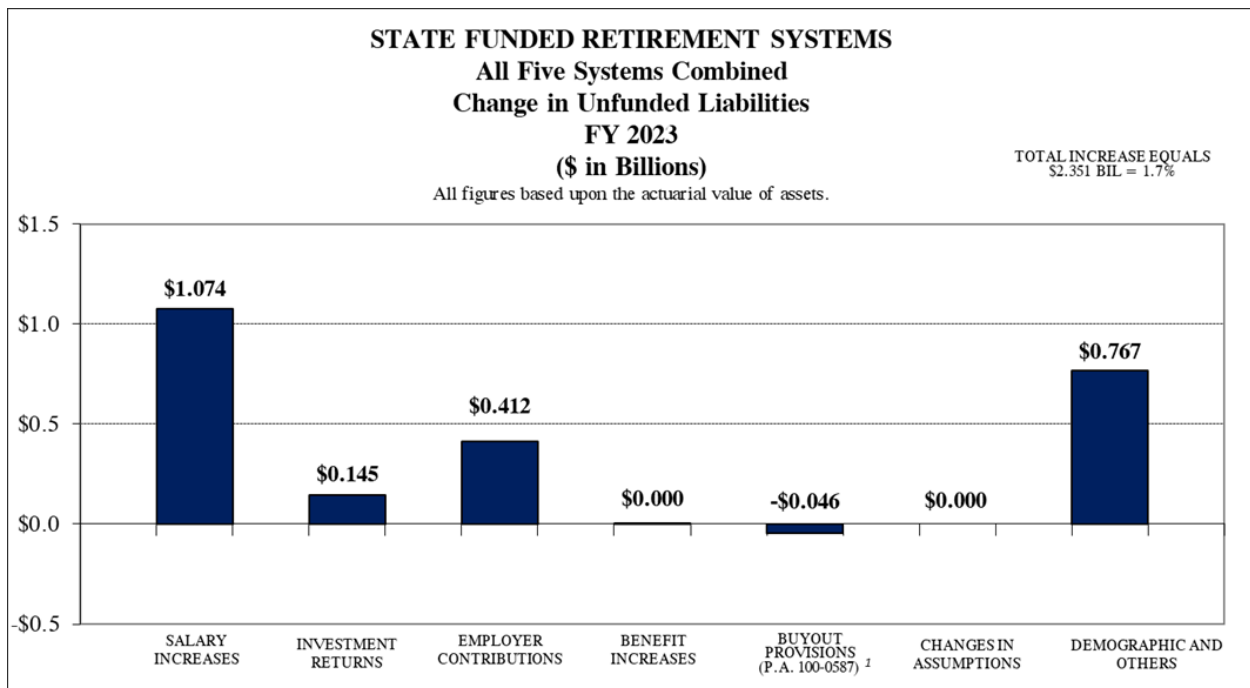
As shown in the chart below, the single largest driver of the increase in the unfunded liability since Fiscal Year 1996 has been actuarially insufficient employer contributions. Other factors contributing to the growth in the unfunded liability include 1) changes in actuarial assumptions, 2) demographic and other factors, and 3) investment losses when compared to the assumed rates of return, and 4) benefit increases such as the pension service credit multiplier upgrades in the late 1990’s. The category “demographic and other factors” encompasses miscellaneous actuarial factors such as rates of termination, disability, pre-and post-retirement mortality, among other factors. Any factors that cause the systems’ actuaries to revise their assumptions as a result of an experience study are included in the “changes in assumptions” category.



¹ P.A. 100-0587, effective June 4, 2018, created the two voluntary Accelerated Pension Benefit Payment Programs (the pension buyout programs) for TRS, SERS, and SURS. P.A. 101-0010, effective June 5, 2019, extended the buyout programs by 3 more years to June 30th, 2024. P.A. 102-0718, effective May 5, 2022, extended the programs further, until June 30, 2026. At the end of FY 2023, a \$1.3 billion decrease in the liability came from all the Big 3 systems, TRS (\$677.1 million), SERS (\$580.6 million), and SURS (\$50.8 million).

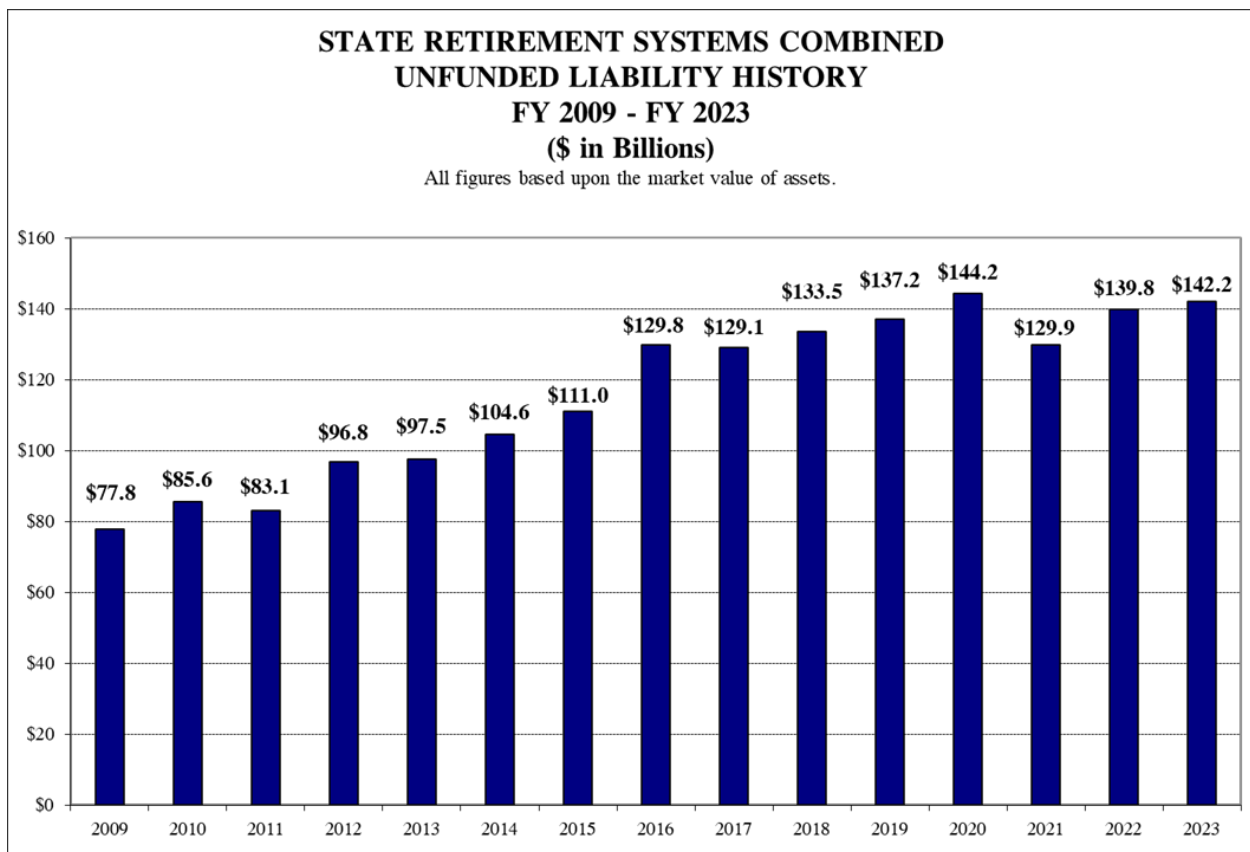
The chart below shows how actuarial factors affected unfunded liabilities of all five State systems in FY 2023. Based on the June 30, 2023 actuarial valuations, the aggregate unfunded liability increased by \$2.4 billion during FY 2023, a 1.7% increase, compared to FY 2022. The primary contributor to this amount was the unexpected increases in salary across all systems. Despite all five systems but SURS reporting negative rates of return on market value investments, through statutorily-required asset smoothing, actuarial values of investment returns resulted in a combined unfunded liability increase of just \$145 million. This helped to ease the aggregate increase in unfunded liabilities across the systems caused by the \$1.1 billion increase in salary.

Other factors in the overall increase in aggregate actuarial unfunded liability included a \$412 million actuarial loss from insufficient employer contributions and a \$767 million loss from changes in demographics and other factors. Examples of demographic and other miscellaneous changes include other actuarial experiences such as deviations between actual and expected benefit payments and refunds that were not easily attributable to one of the categories already addressed. The single aggregate actuarial gain was a small \$46 million gain from the effect of the buyout provisions pursuant to P.A. 100-0587. Although SERS did not report an actuarial gain or loss for the programs in FY 2023, TRS and SURS saw modest actuarial gains of \$35.5 million and \$11.0 million, respectively, in their unfunded liabilities due to the buyout programs.



¹ P.A. 100-0587, effective June 4, 2018, created the two voluntary Accelerated Pension Benefit Payment Programs (the pension buyout programs) for TRS, SURS, and SERS. P.A. 101-0010, effective June 5, 2019, extended the buyout programs by 3 more years to June 30th, 2024. P.A. 102-0718, effective May 5, 2022, extended the programs further, until June 30, 2026. TRS reported the most favorable buyout experience in FY 2023 that generated an actuarial gain of \$35.5 million. SURS reported an actuarial gain of \$11.0 million. SERS did not report a gain or loss in FY 2023.

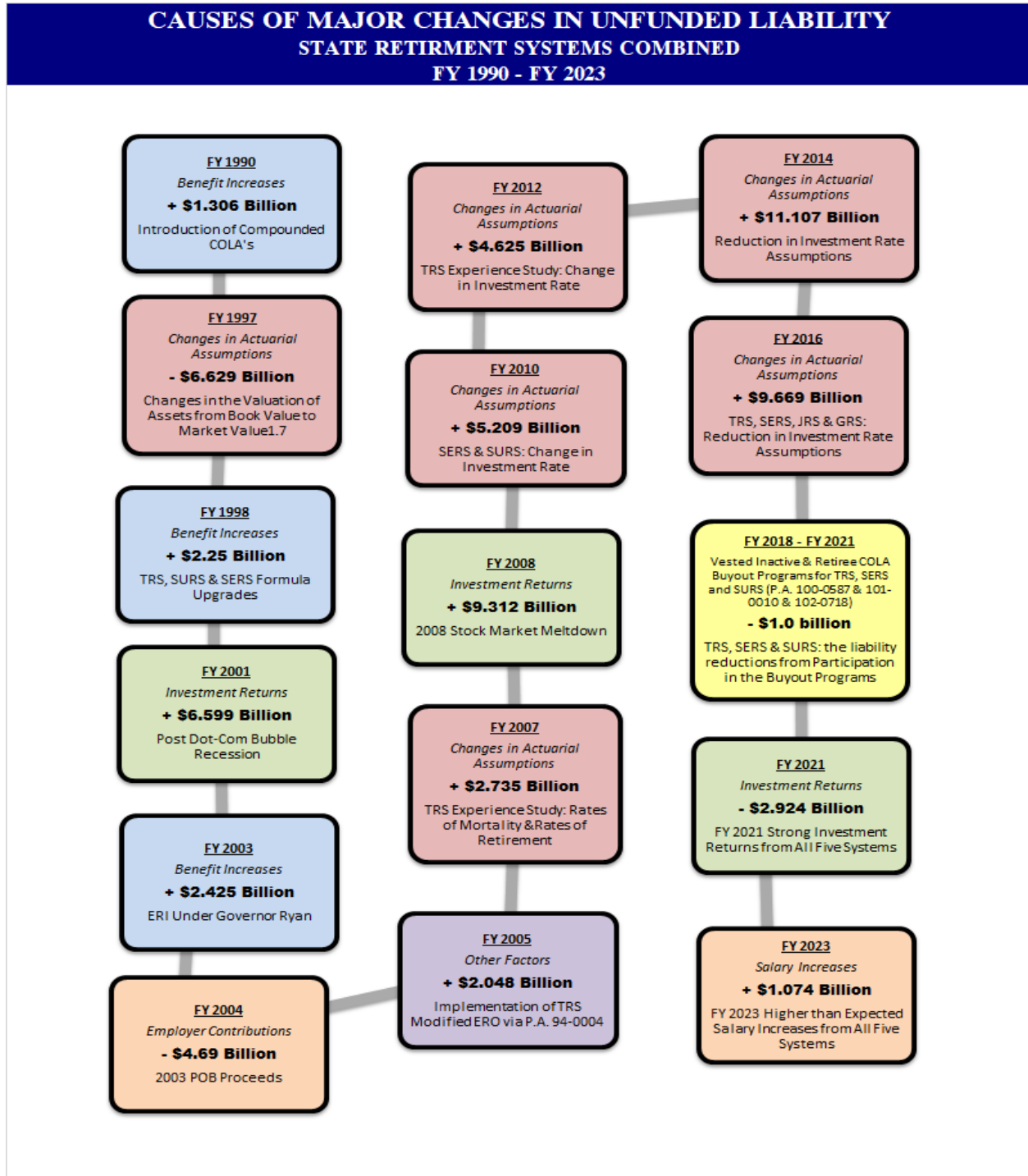
The chart below shows a 15-year history of the cumulative unfunded State pension liability. The combined liability has grown significantly over the past 15 years from \$77.8 billion in FY 2009 to \$142.2 billion in FY 2023.



The chart below displays the FY 2024 and FY 2025 State Contributions amounts appropriated to the five State systems pursuant to P.A. 103-0006 and P.A. 103-0589, respectively. The chart further breaks down the GRF/Other Funds split of contributions to the systems. FY 2024 State contributions to the five systems totaled \$10.94 billion. FY 2025 contributions totaled \$11.26 billion, amounting to an increase of \$323.97 million (all funds) or 3.0% over FY 2024.

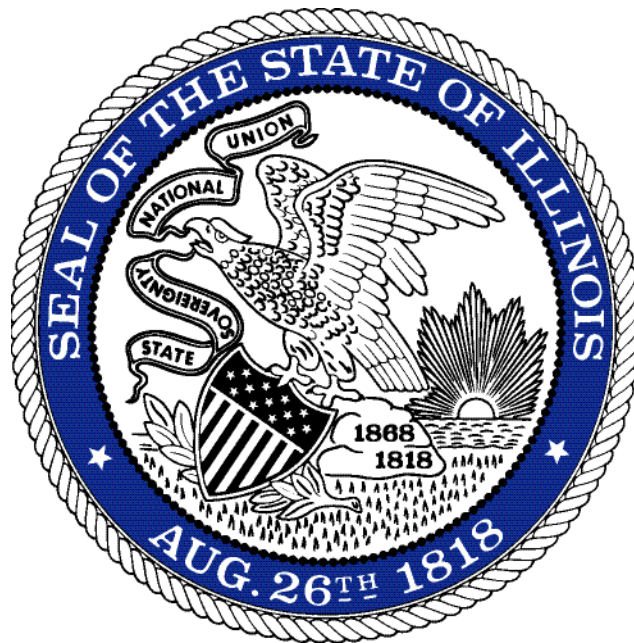
FY 2024 Pension Appropriation by Fund via P.A. 103-0006 (\$ in Millions)			
System	General Funds	Other State Funds	Total
TRS	\$6,043.45	\$0.00	\$6,043.45
SURS	\$1,923.33	\$215.00	\$2,138.33
SERS ¹	\$1,731.37	\$852.76	\$2,584.13
GARS	\$26.47	\$0.00	\$26.47
JRS	\$147.84	\$0.00	\$147.84
Total	\$9,872.46	\$1,067.76	\$10,940.22
FY 2025 Pension Appropriation by Fund via P.A. 103-0589 (\$ in Millions)			
System	General Funds	Other State Funds	Total
TRS	\$6,203.92	\$0.00	\$6,203.92
SURS	\$1,997.81	\$215.00	\$2,212.81
SERS	\$1,758.10	\$914.25	\$2,672.35
GARS	\$26.21	\$0.00	\$26.21
JRS	\$148.89	\$0.00	\$148.89
Total	\$10,134.94	\$1,129.25	\$11,264.19
¹ SERS' FY 2024 appropriation includes a total of \$117.1 million in 2003 POB debt service. Of this amount, according to SERS, \$77.2 million comes from the General Revenue Fund (GRF) and \$39.8 million comes from "Other State Funds." The SERS appropriation breakdown is based upon SERS' assumption that 67% of the SERS appropriation will come from GRF, while 33% will come from "Other State Funds."			
Total FY 2024 Pension Appropriation: \$10.94 Billion			
Total FY 2025 Pension Appropriation: \$11.26 Billion			
Total Increase, FY 2024 to FY 2025: \$323.97 Million			
Total GF Increase, FY 2024 to FY 2025: \$262.48 Million			

The chart below captures the impact of major historical legislative enactments, actuarial changes and economic occurrences that affected the combined unfunded liability of the State Systems from FY 1990 to FY 2023.



SECTION 9. DEBT OF THE STATE OF ILLINOIS

- **Illinois Bonds at a Glance**
- **History of Short-term Borrowing Act**
- **Bond Sales**
- **Pension Obligations Bonds**
- **Bond Authorization and Appropriated Amounts**
- **Bond Rating Agencies Commentary**
- **Illinois' General Obligation Bond Credit Ratings**
- **Build Illinois Bond Credit Ratings**



ILLINOIS BONDS AT A GLANCE							
(\$ in millions)							
	<u>FY 2023</u>	<u>FY 2024</u>	<u>\$ Change</u>	<u>% Change</u>	<u>FY 2025</u>	<u>\$ Change</u>	<u>% Change</u>
Bond Sales*	actual	actual			estimate		
General Obligation	\$2,050.0	\$2,675.0	\$625.0	30.5%	\$3,171.0	\$496.0	18.5%
Revenue	\$0.0	\$600.0	\$600.0	N/A	\$525.0	-\$75.0	-12.5%
Total	\$2,050.0	\$3,275.0	\$1,225.0	59.8%	\$3,696.0	\$421.0	12.9%
Outstanding Principal							
General Obligation	\$27,025.6	\$27,562.5	\$536.9	2.0%	\$28,425.2	\$862.7	3.1%
Revenue	\$1,859.4	\$2,278.3	\$418.9	22.5%	\$2,594.0	\$315.7	13.9%
Total	\$28,885.0	\$29,840.8	\$955.8	3.3%	\$31,019.2	\$1,178.4	3.9%
Debt Service**							
General Obligation	\$3,380.6	\$3,493.9	\$113.3	3.4%	\$3,681.4	\$187.5	5.4%
Revenue	\$272.0	\$267.0	-\$5.0	-1.8%	\$312.0	\$45.0	16.9%
Total	\$3,652.6	\$3,760.9	\$108.3	3.0%	\$3,993.4	\$232.5	6.2%
Source: Illinois State Budget Fiscal Year 2025							
General Revenues***	\$50,707.0	\$51,708.0	\$1,001.0	2.0%	\$52,077.0	\$369.0	0.7%
G.O. & Revenue Debt Service as %							
General Revenues	7.20%	7.27%			7.67%		
GO Bond Rating							
Moody's	A3	A3					
Standard & Poor's	A-	A-					
Fitch	BBB+	A-					
Note: Bond Sales do not include refunding sales or Short-term borrowing.							
* FY 2025 Bond Sales are estimates by GOMB.							
** FY 2025 Principal Outstanding and Debt Service amounts are CGFA estimates.							
*** FY 2025 Base General Revenues amounts are the Commission's estimates.							

In FY 2024, Illinois sold \$2.675 billion in General Obligation bonds, which included \$2.355 billion for the State’s capital programs and \$320 million of Pension Acceleration Bonds. In addition, \$600 million in Build Illinois bonds were sold.

In FY 2025, the Governor’s Budget estimates the sale of \$3.696 billion in bonds. This would consist of \$2.850 billion of G.O. capital project bonds, \$321 million of Pension Acceleration Bonds, and \$525 million in Build Illinois bonds.

HISTORY OF SHORT-TERM BORROWING ACT

Date Issued	Date Retired	Purpose	Amount (millions)
June-July 1983	May 1984	To maintain adequate cash balances caused by revenue shortfalls	\$200
February 1987	February 1988*	To improve the cash position of the General Funds	\$100
August 1991	June 1992	For cash flow purposes	\$185
February 1992	October 1992*	To pay Medicaid providers through the Medicaid Developmentally Disabled Provider Participation Fee, Medicaid Long-Term Care Provider Participation Fee, and Hospital Services Trust Funds	\$500
August 1992	May 1993	To improve payment cycle to Medicaid service providers	\$600
October 1992	June 1993	For cash flow purposes	\$300
August 1993	June 1994	For cash flow to pay Medicaid service providers through the Hospital Provider Fund	\$900
August 1994	June 1995	To pay Medicaid service providers through the Long-Term Care and Hospital Provider Funds	\$687
August 1995	June 1996	To GRF for cash flow and payment to Medicaid service providers through the Long-Term Care Provider Fund and Hospital Provider Fund	\$500
July 2002	June 2003	For Cash Flow; payments for medical assistance; to medical providers for long-term care; Income Tax Refunds	\$1,000
May 2003	May 2004*	For Cash Flow; payments for medical assistance; to medical providers for long-term care; for Income Tax Refunds; for State Aid to K-12 school districts	\$1,500
June 2004	October 2004*	For Medicaid service providers and the Children's Health Insurance Program	\$850
March 2005	June 2005	For Cash Flow; for payments to Medicaid Service Providers through the Hospital Provider Fund.	\$765
November 2005	June 2006	For Cash Flow; for payments for Medicaid and the Children's Health Insurance Program.	\$1,000
February 2007	June 2007	For the Hospital Provider Assessment Tax Program; health care related funds; General Revenue Fund liquidity.	\$900
September 2007	November 2007	For the Hospital Provider Assessment Tax Program; health care related funds; General Revenue Fund liquidity.	\$1,200
April 2008	June 2008	For the Hospital Provider Assessment Tax Program; health care related funds; General Revenue Fund liquidity.	\$1,200
December 2008	June 2009	To relieve General Revenue Fund cash flow pressures.	\$1,400
May 2009	May 2010*	Failure of Revenues	\$1,000
August 2009	June 2010	Failure of Revenues	\$1,250
July 2010	June 2011	Failure of Revenues	\$1,300
June 2020	June 2021*	Failure of Revenues - Borrowed through the Federal Reserve's Municipal Liquidity Facility due to COVID-19 shutdown effect on State revenues, for Medicaid-related vouchers.	\$1,198

*Across fiscal year borrowing

NOTE: Hospital Assessment conduit financings were issued to provide liquidity to the State's Hospital Provider Fund to make supplemental payments to certain hospitals pursuant to the federally-approved Medicaid State Plan.

CORONAVIRUS URGENT REMEDIATION EMERGENCY BORROWING ACT

December 2020	December 2023^	Failure of Revenues - Borrowed through the Federal Reserve's Municipal Liquidity Facility due to COVID-19 shutdown effect on State revenues, for Medicaid-related vouchers.	\$2,000
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^ The December 2020 Notes were not issued under the Short-Term Borrowing Act, but were borrowed under the State's CURE Act, which allowed the State to borrow from Federal Programs, such as the Municipal Liquidity Facility, up to \$5 billion dollars outstanding at one time with a 10-year maturity through negotiated (in FY 2020-FY2021) or competitive sale to meet failures of revenue and increases in expenditures from the COVID-19 pandemic.

Source: Governor's Office of Management & Budget

BOND SALES

STATE-ISSUED BOND SALES									
DATE	BOND SALE TYPE	AMOUNT	TAXABLE v. TAX- EXEMPT	NEGOTIATED v. COMPETITIVE SALE	TRUE INTEREST COST	S&P	FITCH	MOODY'S	KROLL
FY 2022									
Sep-21	Build Illinois Septemer 2021A	\$130 million	tax-exempt	competitive	1.31%	BBB+	BBB+	Baa2	AA+
Sep-21	Build Illinois Septemer 2021B	\$220 million	taxable	negotiated	2.72%	BBB+	BBB+	Baa2	AA+
Sep-21	Build Illinois Septemer 2021C refunding	\$143 million	tax-exempt	negotiated	1.25%	BBB+	BBB+	Baa2	AA+
Dec-21	General Obligation December 2021A	\$200 million	tax-exempt	competitive	1.30%	BBB	BBB-	Baa2	
Dec-21	General Obligation December 2021B	\$200 million	tax-exempt	competitive	2.50%	BBB	BBB-	Baa2	
May-22	General Obligation June 2022A	\$925 million	tax-exempt	negotiated	4.64% aggregated	BBB+	BBB+	Baa1	
May-22	General Obligation June 2022B refunding	\$713 million	tax-exempt	negotiated		BBB+	BBB+	Baa1	
FY 2023									
Sep-22	General Obligation October 2022A	\$175 million	taxable	competitive	5.78%	BBB+	BBB+	Baa1	
Sep-22	General Obligation October 2022B	\$245 million	tax-exempt	competitive	5.01%	BBB+	BBB+	Baa1	
Sep-22	General Obligation October 2022C	\$280 million	tax-exempt	competitive	5.44%	BBB+	BBB+	Baa1	
Apr-23	General Obligation May 2023A	\$200 million	taxable	negotiated	4.228% aggregated	A-	BBB+	A3	
Apr-23	General Obligation May 2023B	\$1.0 billion	tax-exempt	negotiated		A-	BBB+	A3	
Apr-23	General Obligation May 2023C	\$150 million	tax-exempt	negotiated		A-	BBB+	A3	
Apr-23	General Obligation May 2023D refunding	\$1.16 billion	tax-exempt	negotiated		A-	BBB+	A3	
FY 2024									
Nov-23	General Obligation December 2023A	\$175 million	taxable	competitive	5.47%	A-	A-	A3	
Nov-23	General Obligation December 2023B	\$350 million	tax-exempt	competitive	3.90%	A-	A-	A3	
Nov-23	General Obligation December 2023C	\$350 million	tax-exempt	competitive	4.69%	A-	A-	A3	
Jan-24	Build Illinois February 2024A	\$300 million	tax-exempt	competitive	2.94%	A	A+		AA+
Jan-24	Build Illinois February 2024B	\$150 million	tax-exempt	competitive	3.53%	A	A+		AA+
Jan-24	Build Illinois February 2024C	\$150 million	tax-exempt	competitive	4.17%	A	A+		AA+
May-24	General Obligation May 2024A	\$250 million	taxable	negotiated	4.27% aggregated	A-	A-	A3	
May-24	General Obligation May 2024b	\$1.550 billion	tax-exempt	negotiated		A-	A-	A3	

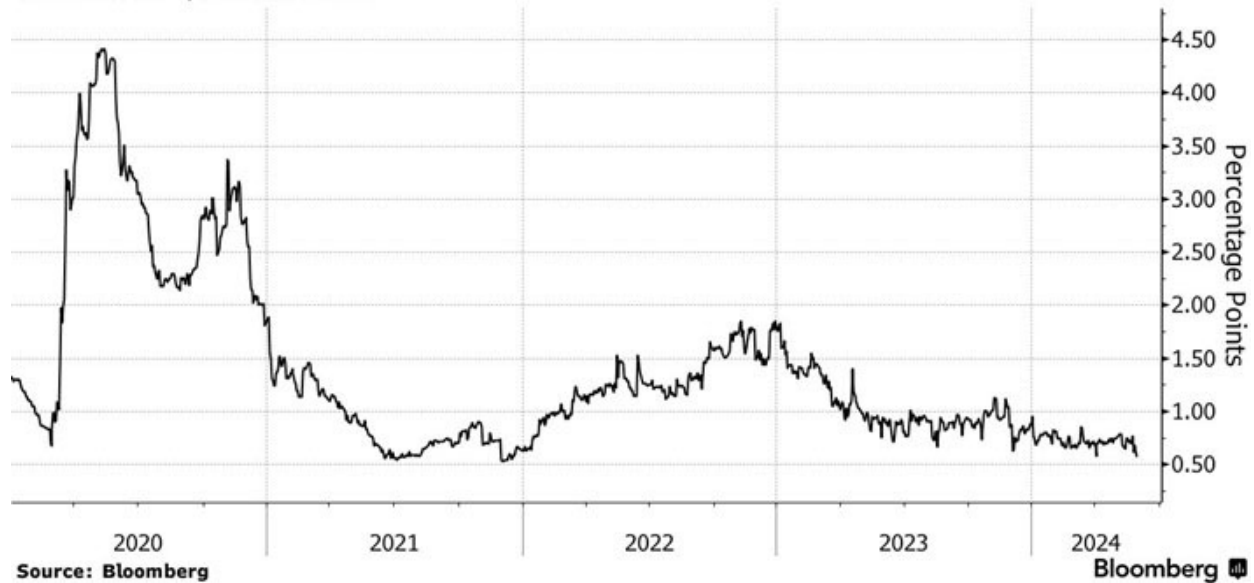
The State sold \$1.8 billion in General Obligation bonds in May 2024 in a negotiated sale. Taxable Series A was sold for \$250 million, of which \$144.5 million is for the Accelerated Pension Benefit Payment Program and the remainder will be for capital projects. Series A bonds will mature from 2025 through 2034. Tax-exempt Series B was sold for \$1.55 billion for capital projects. Series B bonds will mature from 2025 through 2049.

According to Paul Chatalas, State of Illinois' Director of Capital Markets, "After nine credit upgrades, the State of Illinois received tremendous feedback from the bond market today, and especially from retail investors, who came in at approximately \$1.5 billion in orders given the stronger ratings. Based on this very strong demand, the State accelerated its pricing to capture positive momentum and received more than \$12 billion in overall orders from 150 accounts. The final result showed some of the tightest credit spreads the State has received in recent history and a notably expanded base of investors..." [Press Release of Wednesday, May 8, 2024, Office of the Governor]. The aggregate true interest cost of the two series of bonds received was 4.270%.

Illinois Spread Shrinks

Nine rating upgrades in three years have helped shrink the penalty

■ Illinois 10-Year Spread Over AAA Munis



“Illinois’ spread above AAA 10-year municipal bonds has shrunk to under 62 basis points, down from 95 in January and more than 440 basis points in 2020, data compiled by Bloomberg show. Yet it still pays the highest penalty among peers to borrow in the muni market. Its spread is more than double that of New Jersey, which has the second-lowest rating among US states...

“Over the last several years, however, the state has passed balanced budgets on time, paid down bills, built up its rainy-day fund and boosted pension contributions. That’s helped it secure nine credit upgrades, lifting its ratings to the A level.” [Illinois muni-debt penalty shrinks as 'unexciting' budget passes, by Shruti Date Singh of Bloomberg, Crain’s Chicago Business, May 29, 2024]

In January, Illinois sold \$600 million in Build Illinois Bonds. There were three series of February 2024 bonds sold competitively with proceeds to be used for capital projects. Each tax-exempt series received 9 bids from investors. The \$300 million of February 2024A bonds received a true interest cost of 2.939% with the bonds maturing in 2034. The February 2024B series of \$150 million had a true interest cost of 3.534% and will mature in 2039. The February 2024C series of \$150 million gained a true interest cost of 4.166% with a final maturity in 2044.

Illinois competitively sold \$875 million in General Obligation Bonds in November 2023. Sold in three separate series, each Series received 9 to 10 bids from investors. The taxable December 2023A Series of \$175 million had a true interest cost of 5.466% and will be used for the Accelerated Pension Benefit Buyout Program. The tax-exempt December 2023B Series of \$350

million was sold with a true interest cost of 3.901%. The tax-exempt December 2023C Series of \$350 million was sold with a true interest cost of 4.686%. Series B and C will be used for capital projects, mainly the Rebuild Illinois capital program.

“Illinois sold the first general obligation bonds of its fiscal year into a favorable market Tuesday, seeing spreads continue to tighten considerably from what the state could garner prior to a trifecta of ratings upgrades throughout 2023, in line with recent institutional secondary trading...For the tax-exempt sales, spreads were mostly in line with recent institutional trading of the state credit, as investors had already baked in the upgrades prior to the sale. At the beginning of the year, though, Illinois saw its five-year spreads at +153 basis points to Refinitiv MMD's AAA curve, its 10-year at +173, the 20-year at +185 and the 30-year at +185 basis points. Its pricing Tuesday saw the six-year at +65 basis points, the 10-year at +70 to Refinitiv MMD, the 20-year at +75 and its long bond, 5s of 2048 at +80 basis points, or a 4.70% yield.” [Armed with stronger ratings, Illinois sells competitively into rallying market, by Lynne Funk, The Bond Buyer, November 29, 2023]

The State sold \$2.51 billion of General Obligation bonds in April 2023 with an aggregate true interest cost of 4.228%. The bonds had four series, including taxable Series A of Pension Acceleration bonds for \$200 million, Series B of \$1 billion for the Rebuild Illinois Capital program, and Series C of \$150 million for IT projects. Series D was a refunding of \$1.16 billion that brought the State approximately \$102 million in present value savings.

“The state received nearly \$12 billion of orders on the sale from more than 130 investors including retail buyers, which the state attributed to being ‘a direct benefit of stronger ratings in the A category,’ Paul Chatalas, capital markets director, said in a statement...Market participants said the oversubscription came on the long end, which was reflected in the repricing to lower yields there in the final pricing scale. Some earlier maturities struggled and additional concessions were needed, reflecting the market's current appetites and a correction that's hammered the front end...”

“One market analyst said timing is a tough call to make. ‘They definitely had to give concessions, but they also benefitted from the higher ratings. They had done a lot of marketing and if you need the money then you borrow,’ the analyst said. ‘No one has a crystal ball to see what the market will look like in the future.’”

“The state's one-, 10-, and 25-year bonds headed into the pricing at spreads to Refinitiv MMD's AAA benchmark of 55/125/145, respectively, on Monday. The final spreads settled at 90/129/145 although the final bond came with a 4.5% coupon and the MMD scale is set based on a 5%. The 10-year and 25-year bonds both tightened from the state's last primary outing

with GOs. State spreads in mid-February began trending down — at 110/163/175 basis points — after rising to 120/173/185 in mid-January. In mid-December spreads were at 100/163/175.” [Illinois’ long bonds draw strong demand, Yvette Shields, April 20, 2023, The Bond Buyer]

Illinois sold October 2022 Series A, B and C General Obligation Bonds for \$700 million on September 28, 2022. The bonds were sold by competitive sale and included both tax-exempt and taxable bonds. Taxable October 2022 Series A, of \$175 million, included \$138 million for the Accelerated Pension Benefit Buyout program and sold with a true interest cost of 5.7823%. In May 2022, the State passed Public Act 102-0718, which increased the bond authorization for the Pension Obligation Acceleration Bonds from \$1 billion to \$2 billion and lengthened the program another 2 years through the end of FY 2026. This allowed for the June 2022 Series A bond sale and the October 2022 Series A bond sale to include Pension Obligation Acceleration Bonds, which increased the amount of funding for the Accelerated Pension Benefit Buyout program to \$1.148 billion.

The remaining proceeds from the October 2022 Series A, B and C bond sales will pay for Rebuild Illinois construction projects. Tax-exempt October 2022 Series B was sold for \$245 million with a true interest cost of 5.0080%, and tax-exempt October 2022 Series C was sold for \$280 million with a true interest cost of 5.4420%. Each series received eight to nine bids.

“Illinois’ \$700 million general obligation issue drew healthy interest from bidders but the state saw spreads widen as rising marketwide interest rates trumped the state’s fiscal and credit progress...The 10-year in the deal offered a yield of 4.80%, a 152 basis point spread to Municipal Market Data’s AAA benchmark, while the long, 25-year maturity paid a 5.50% yield, a 168 bp spread. The maturities had 5% coupons...BBB benchmark rates Wednesday were at 4.17% and 4.81% on the 10 and 25-year, respectively.

“...Market participants said the spreads were in line with expectations given ongoing market volatility and rising rates, healthier supply levels this week, the deal’s size, and concessions offered on other deals. The state’s spring upgrades also were viewed as holding the spread penalties from even further widening.” [Illinois draws healthy number of bids as spreads ratchet wider, by Yvette Shields, The Bond Buyer, September 29, 2022]

PENSION OBLIGATION BONDS

The State sold three series of Pension Obligation Bonds to pay State pension payments and, in the case of the 2003 bonds, to also put funds into the five State pension systems. The FY 2010 and FY 2011 Pension Obligation bonds have been repaid. The FY 2003 Pension Obligation bonds were a 30-year bond, which will not be retired until FY 2033. The remaining Pension Obligation Bond debt service increases annually to over \$1 billion in the final years of payment.

Pension Acceleration bonds, created by Public Act 100—0587 (effective June 4, 2018), are sold to pay for employees taking an accelerated pension benefit payment under Articles 14, 15 and 16 of the Illinois Pension Code. Public Act 102-0718 increased authorization from \$1 billion to \$2 billion. The State has sold ten Pension Acceleration bond series to-date totaling \$1.679 billion. Most of these bond sales received a premium at the time of sale while a few had to be discounted, with a net positive of \$41.0 million extra for the State, which was put into the Pension Acceleration program.

FY 2019 = \$300 million
 FY 2020 = \$225 million
 FY 2021 = \$212 million
 FY 2022 = \$273 million
 FY 2023 = \$349 million
 FY 2024 = \$320 million

The remaining authorization of \$321 million is expected to be sold in FY 2025. The following table shows the debt service remaining for the 2003 Pension Obligation bonds and current Pension Acceleration bonds.

REMAINING COMBINED DEBT SERVICE OF PENSION OBLIGATION & PENSION ACCELERATION BONDS													
	\$10 Billion	\$300 Million	\$225 Million	\$125 Million	\$87 Million	\$148 Million	\$125 Million	\$149 Million	\$200 Million	\$175 Million	\$145 Million	COMBINED	
(in Millions)	FY 2003 POB Total	FY 2019 PAB Total	FY 2020 PAB Total	Oct 2020 PAB Total	Mar 2021 PAB Total	Dec 2021 PAB Total	Jun 2022 PAB Total	Oct 2022 Total	PA B Total	May 2023A PAB Total	Dec 2023A PAB Total	May 2024A PAB Total	Grand Total
FY 2024	\$840.2	\$26.2	\$20.0	\$15.9	\$7.3	\$13.5	\$11.3	\$31.5	\$58.2	\$4.3			\$1,028.3
FY 2025	\$892.2	\$25.7	\$19.5	\$15.5	\$7.2	\$13.1	\$11.0	\$30.3	\$55.9	\$43.6	\$7.2		\$1,121.2
FY 2026	\$915.4	\$25.1	\$19.0	\$8.2	\$7.0	\$12.7	\$10.8	\$29.0	\$53.4	\$41.6	\$7.7		\$1,129.9
FY 2027	\$936.1	\$24.6	\$18.5	\$6.6	\$6.8	\$12.4	\$10.5	\$27.7	\$50.9	\$39.6	\$7.7		\$1,141.3
FY 2028	\$979.2	\$24.0	\$18.0	\$6.5	\$6.6	\$12.0	\$10.3	\$26.3	\$8.4	\$37.8	\$17.7		\$1,146.7
FY 2029	\$1,018.5	\$23.3	\$17.6	\$6.3	\$6.5	\$11.6	\$10.0	\$24.9		\$35.9	\$22.1		\$1,176.7
FY 2030	\$1,079.0	\$22.7	\$17.1	\$6.1	\$6.3	\$11.3	\$9.8	\$6.1			\$41.4		\$1,199.6
FY 2031	\$1,134.4	\$22.0	\$16.6	\$5.9	\$6.1	\$10.9	\$9.5				\$34.5		\$1,239.9
FY 2032	\$1,159.7	\$21.3	\$16.1	\$5.7	\$5.9	\$10.5	\$9.3				\$27.9		\$1,256.4
FY 2033	\$1,156.1	\$20.6	\$15.6	\$5.6	\$5.8	\$10.2	\$9.0				\$21.6		\$1,244.4
FY 2034		\$19.9	\$15.1	\$5.4	\$5.6	\$9.8	\$8.8				\$10.5		\$75.1
FY 2035		\$19.2	\$14.6	\$5.3	\$5.4	\$9.4	\$8.5						\$62.4
FY 2036		\$18.5	\$14.1	\$5.1	\$5.3	\$9.2	\$8.3						\$60.4
FY 2037		\$17.8	\$13.6	\$5.0	\$5.1	\$8.9	\$8.0						\$58.3
FY 2038		\$17.0	\$13.1	\$4.9	\$4.9	\$8.6	\$7.7						\$56.2
FY 2039		\$16.3	\$12.6	\$4.7	\$4.8	\$8.3	\$7.5						\$54.1
FY 2040		\$15.6	\$12.1	\$4.6	\$4.6	\$8.0	\$7.2						\$52.1
FY 2041		\$14.9	\$11.6	\$4.4	\$4.5	\$7.7	\$6.9						\$50.0
FY 2042		\$14.2	\$11.1	\$4.3	\$4.3	\$7.5	\$6.7						\$48.0
FY 2043		\$13.4	\$10.6	\$4.1	\$4.2		\$6.4						\$38.7
FY 2044		\$12.7	\$10.0	\$4.0	\$4.0		\$6.1						\$36.8
FY 2045			\$9.5	\$3.8	\$3.8		\$5.8						\$23.0
FY 2046				\$3.7	\$3.7		\$5.6						\$12.9
FY 2047							\$5.3						\$5.3
TOTAL	\$10,110.8	\$414.9	\$325.9	\$141.6	\$125.7	\$195.4	\$199.9	\$175.8	\$226.7	\$202.8	\$198.3	\$12,317.7	
	PA 93-0002 TIC=5.05% 30-yr maturity	PA 100-0587 TIC=5.74% 25-yr maturity	PA 100-0587 TIC=5.82% 25-yr maturity	PA 100-0587 TIC=3.95%* 25-yr maturity	PA 100-0587 TIC=2.90% 25-yr maturity	PA 100-0587 TIC=2.15% 20-yr maturity	PA 102-0718 TIC=4.80% 25-yr maturity	PA 102-0718 TIC=5.78% 7-yr maturity	PA 102-0718 TIC=5.32% 5-yr maturity	PA 102-0718 TIC = 5.466% 5-yr maturity	PA 102-0718 TIC = 5.352 10-yr maturity		

* Aggregated.

BOND AUTHORIZATION AND APPROPRIATED AMOUNTS

The table below shows the status of authorization levels for each category of G.O. bonds and for State-issued revenue bonds. General Obligation capital projects total authorization is \$51.7 billion, with approximately \$16.2 billion remaining unissued as of May 31, 2024. Pension Acceleration bond authorization available as of the end of May was \$321 million. Income Tax Bonds have remaining authorization of \$1.2 billion. Build Illinois Bonds have available authorization of \$3.869 billion.

STATUS OF G.O. AND STATE-ISSUED REVENUE BONDS					
as of May 31, 2024					
(\$ in billions)	Authorization	Un-Issued	Appropriated†	Available after appropriations	Over* Committed
Capital Facilities	\$18.745	\$6.568	\$18.667	\$0.078	\$0.207
School Construction	\$4.824	\$0.479	\$4.841	-\$0.017	\$0.077
Anti-Pollution	\$0.848	\$0.136	\$0.844	\$0.005	\$0.041
Transportation A	\$11.921	\$4.158	\$12.038	-\$0.116	\$0.172
Transportation B	\$5.966	\$1.373	\$5.704	\$0.263	
Transportation D	\$4.660	\$0.325	\$4.719	-\$0.059	\$0.059
Transportation E Mutimodal	\$4.500	\$3.052	\$4.505	-\$0.005	\$0.005
Coal & Energy Development	\$0.213	\$0.059	\$0.148	\$0.065	
SUBTOTAL	\$51.679	\$16.150	\$51.465	\$0.213	\$0.560
Pension bonds	\$17.562	\$0.396	\$17.166	\$0.396	
Pension Acceleration Bonds	\$2.000	\$0.321	\$1.524	\$0.476	
Medicaid Funding Series	\$0.250	\$0.004	\$0.246	\$0.004	
Income Tax Bonds	\$7.200	\$1.200	\$6.000	\$1.200	
TOTAL	\$78.691	\$18.071	\$76.401	\$2.290	\$0.560
	Limit	Un-Issued	Principal Outstanding	Available	Over Committed
G.O. Refunding°	\$4.839	\$1.626	\$3.213	\$1.626	
	Authorization	Un-Issued	Appropriated†	Available after appropriations	Over* Committed
Build Illinois	\$10.020	\$3.869	\$12.569	-\$2.549	\$2.549
	Limit	Un-Issued	Principal Outstanding	Available	Over Committed
Build IL Refunding	Unlimited	Unlimited	\$0.506	Unlimited	

Based on the Office of the Comptroller's "Recap of General and Special Obligation Bonded Indebtedness and Update of Comparisons of General and Special Obligation Bond Activity".

†Includes appropriations up through FY 2024.

*Over Committed amounts come from specific line items under each Category in Statute that have higher appropriations than authorization. Does not include bond sale expenses.

°Refunding is limited only by how much is outstanding at one time. As principal amounts are paid off, those amounts become available for future refundings.

Note: Excludes bond premiums and expenses related to bond sales.

BOND RATING AGENCIES COMMENTARY

As of the Fitch upgrades in November 2023, all three ratings agencies have now upgraded the State three levels each over the past two and a half years, placing Illinois in “A” territory. Fitch raised Illinois’ general obligation bond rating one level to A-, with a stable outlook in November. The Fitch rating enhancement follows upgrades in March 2023 from Moody’s raising Illinois’ G.O. bonds to A3 from Baa1, and in February 2023 when Standard and Poor’s upgraded Illinois’ General Obligation Bonds to A- from BBB+. The earlier upgrades from Fitch occurred in May 2022 with an increase to Illinois General Obligation ratings two levels from BBB- to BBB+. Moody’s increased the State’s G.O. ratings by single levels twice, in the summer of 2021 and in April 2022. S&P’s previous upgrades were single levels in July 2021 and May 2022.

At the time of the May 2024 G.O. bond sale, Fitch and S&P both reaffirmed their ratings of A- with a stable outlook. Moody’s rating for the bonds remained at A3, but the rating agency raised Illinois’ outlook to positive.

The following section provides excerpts from rating agencies’ commentary in regard to the State’s General Obligation ratings at the time of the May 2024 Series General Obligation Bond sale:

Fitch: A- Stable Outlook

“Illinois’ ‘A-’ IDR reflects solid operating performance that remains weaker than most other states, with a long record of structural imbalance primarily related to pension underfunding offset by continued progress towards more sustainable budgeting practices. The ‘A-’ IDR also reflects the state’s elevated long-term liability position and resulting spending pressure. Illinois’ deep and diverse economy is only slowly growing but still provides a strong fundamental context for its credit profile.

KEY RATING DRIVERS

Revenue Framework - ‘aa’

Over the long term, Fitch expects Illinois’ broad revenue base, primarily income and sales taxes, to capture the breadth of its economy and to track its slow growth trajectory. Illinois has unlimited legal ability to raise revenues.

“Expenditure Framework - ‘a’

Illinois has adequate expenditure flexibility, with some of the broad expense-cutting ability common to most U.S. states. Carrying costs are higher than all other states and contribution demands for retiree benefits will continue to be a particular pressure point as these benefits are constitutionally protected.

“Long-Term Liability Burden - ‘a’

Long-term liabilities are an elevated but still moderate burden on Illinois' significant resource base. Constitutional limitations suggest Illinois has very limited flexibility to modify existing pension obligations. Other post-employment benefit (OPEB) obligations also have constitutional protections, but the state's recent progress in materially reducing OPEB liabilities highlights both the state's ability to manage within those protections and the inherent variability in OPEB calculations.

“Operating Performance - 'a'

Reserves have improved to historically high levels for the state and provide an important fiscal cushion, but levels remain relatively modest versus other states. Management has eliminated many outstanding budgetary liabilities and established a sustainable pattern of smoother fiscal decision-making. Sizable gaps in pension contributions relative to actuarially determined levels persist, with recent supplemental contributions helpful but insufficient to address this structural budget gap.”

Standard & Poor’s: A- Stable Outlook

“The ‘A-‘ GO rating on Illinois reflects our view of the state’s recent track record of management actions that have enhanced its financial flexibility while demonstrating a stronger commitment to fiscal sustainability; economic base that, despite the slow post-COVID recovery and medium-term forecast, features several strengths; adequate and improving liquidity; more transparent financial reporting; and declining GO debt schedule...

“The state’s progress in improving its structural budget alignment, paying down liabilities, and building its budgetary reserves all place it on a positive credit trajectory, but the stable rating outlook continues to reflect our view that there remain meaningful upside constraints that keep it separate from more highly rated states...Principally, retirement liabilities and the sizable annual funding shortfall mark Illinois as an outlier among states, and the Budget Stabilization Fund (BSF), while markedly improved, still only offers a comparatively thin bulwark against revenue decline. We also believe that the slow-growth economic outlook and early signs of weaker revenue performance in year-to-date budget results likely point to a limited likelihood that the state will be able to grow its BSF balance enough to meaningfully enhance flexibility beyond current levels within the outlook period. Given these factors, we think the state’s upside momentum is unlikely to be enough to carry it to a higher rating within the two-year outlook period.”

Moody's: A3 Positive Outlook

“The State of Illinois (A3 positive) has a large, diverse economic base with above average resident income. The state's finances continue to improve, as indicated by steady growth in fund balance and budget reserves. Still, relative to other states, Illinois' reserves are low as a share of revenue. Further, Illinois will remain an outlier among states for exposure to unfunded pension obligations, which result in the state carrying the largest long-term liability ratio of all states.

“The state's high leverage results in a similarly high fixed cost burden that limits financial flexibility. Though the state's pension burden, as adjusted by Moody's, has come down from a high in fiscal 2021, this is largely due to rising interest rates and our use of a market-based rate to discount accrued liabilities. The pension burdens of all states have declined, in many cases for the same reason. The state has taken some steps to improve pension funding, but its contribution practices remain weak, relative to more highly rated US states.

“At the same time, Illinois continues to make strides along other metrics. Stability in state revenue continues to support reserve growth. The state is on track to close fiscal 2024, which ends June 30, with further growth in reserves that are already at their strongest level in over a decade...The positive outlook reflects the possibility that continued stability in state revenue and growth in fund balance and reserves will drive an improvement in the credit rating. Though the state will carry very high leverage for the foreseeable future, actions that shore up financial health could further mitigate exposure to high liabilities and fixed costs.

“FACTORS THAT COULD LEAD TO AN UPGRADE

- Moderation of the state's long-term liability and fixed cost burdens, such that liabilities are maintained below 400% of revenue and fixed costs below 20% of revenue
- Continued improvement in state financial performance as indicated by, for example, GAAP-basis fund balance rising and remaining above 15% of revenue
- Accelerated economic expansion, especially as compared to other states, that indicates sustained and strong revenue growth
- Further increases in pension contributions that accelerate reductions in outstanding liabilities relative to current projections

“FACTORS THAT COULD LEAD TO A DOWNGRADE

- Decline in GAAP-basis fund balance to below 10% of revenue
- Growth in leverage (debt or other unfunded liabilities) or the state's fixed cost burden
- A departure from fiscal management practices that support growth in reserves and stronger pension contributions”

ILLINOIS' GENERAL OBLIGATION BOND CREDIT RATINGS

ILLINOIS' GENERAL OBLIGATION BOND RATINGS HISTORY						
Date of Rating Action	<i>Fitch</i>		<i>S&P</i>		<i>Moody's</i>	
	<i>Rating</i>	<i>up/down</i>	<i>Rating</i>	<i>up/down</i>	<i>Rating</i>	<i>up/down</i>
November 2023	A-	↑1x				
Feb-Mar 2023			A-	↑1x	A3	↑1x
Apr-May 2022	BBB+	↑2x	BBB+	↑1x	Baa1	↑1x
Jun-Jul 2021			BBB	↑1x	Baa2	↑1x
April 2020	BBB-	↓1x				
June 2017			BBB-	↓1x	Baa3	↓1x
February 2017	BBB	↓1x				
September 2016			BBB	↓1x		
June 2016			BBB+	↓1x	Baa2	↓1x
October 2015	BBB+	↓1x			Baa1	↓1x
June 2013	A-	↓1x			A3	↓1x
Jan 2013			A-	↓1x		
Aug 2012			A	↓1x		
Jan 2012					A2	↓1x
Jun 2010	A	↓1x			A1	↓1x
Mar-Apr 2010	A-/A+ recal	↓1x/↑2x			Aa3 recal	↑2x
Dec 2009			A+	↓1x	A2	↓1x
Mar-Jul 2009	A	↓2x	AA-	↓1x	A1	↓1x
Dec 2008	AA-	↓1x				
May 2003	AA	↓1x			Aa3	↓1x
Jun 2000	AA+	↑1x				
Jun 1998					Aa2	↑1x
Jul 1997			AA	↑1x		
Feb 1997					Aa3	↑1x
Sep 1996	AA	<i>initial rating</i>				
Feb 1995					A1	↓1x
Aug 1992			AA-	↓1x	Aa*	↓1x
Aug-Sep 1991			AA	↓1x	Aa1	↓1x
Mar 1983			AA+	↓1x		
Feb 1979			AAA	<i>initial rating</i>		
1973					AAA	<i>initial rating</i>

Note: "recal" means recalibration, when Fitch and Moody's revised their ratings on municipal bonds to match global/corporate ratings. These are not considered upgrades.

*Moody's rating of Aa was before that level had modifiers of Aa2 and Aa3, so it was considered one level in between AA1 and A1

BUILD ILLINOIS BOND CREDIT RATINGS

In June 2017, during the State of Illinois' budget impasse, Standard & Poor's downgraded the State's Build Illinois bonds three levels from AAA to AA-, after it began to tie them to the State's general obligation bonds. Moody's downgraded Build Illinois bonds to Baa3, after tying them to the State's G.O. bonds.

In May 2018, Fitch downgraded Illinois' Build Illinois bonds five levels from AA+ to A-. Fitch decided to tie this rating to the State's G.O. bonds due to the flow of sales tax revenues to general operations after Build Illinois debt requirements and the State's ability to transfer excess sales tax revenues to the general fund at the end of the fiscal year.

In October 2018, S&P lowered the Build Illinois rating five more levels to BBB, based on changes they made to their rating's criteria for priority-lien tax revenue debt. "Offsetting these strengths, in our view, is the state's general credit quality (general obligation [GO] rating BBB-/Stable). To date, the Build Illinois bond program's authorizing legislation has restricted its use to financing capital and infrastructure projects. While this remained the case even throughout the state's two-year budget impasse, future legislatures could enact laws broadening the program's allowable uses. In our view, the inability to prohibit future lawmakers from taking such action, combined with the state's unresolved fiscal imbalances, links the credit quality of the Build Illinois sales tax revenue bonds to the state's general creditworthiness. Therefore, the rating on the Build Illinois bonds is constrained from going higher unless we raise the state GO rating."

The State did not request a rating for its October 2018 bond sale from Moody's, but received the State's first rating from Kroll, AA+. Moody's affirmed its Baa3 rating June 4, 2019, after the State of Illinois budget passed the General Assembly, and it was announced the Governor would sign the budget.

In April 2020, Fitch downgraded the State of Illinois' Build Illinois Bonds from A- to BBB+, in concert with the State's G.O. bond downgrade. When the COVID-19 pandemic started, all three rating agencies had also put Build Illinois bonds on negative watch.

In the summer of 2021, S&P raised the State's Build Illinois bond rating to BBB+ from BBB with a stable outlook, while Moody's raised it from Baa3 to Baa2. S&P changed the State's outlook to positive in November 2021 for both General Obligation and Build Illinois bonds.

Upgrades from Fitch occurred in May 2022 with an increase to Build Illinois ratings up two levels from BBB+ to A. Moody's increased the State's Build Illinois ratings by another level, in April 2022, to Baa1.

In February 2023, along with the increase in G.O. bond ratings, S&P raised the ratings for Build Illinois Bonds from A- to A. In March 2023, Moody's increased Build Illinois bonds to A3 along with the State's General Obligation bonds. In November 2023, Fitch raised the Build Illinois ratings to A+ as it was raising the State's G.O. rating.

BUILD ILLINOIS BOND RATINGS HISTORY

Rating Agencies	Mar-Apr 2010*	June 2010	Jan 2012	June 2013	Oct 2015	Jun 2016	Jun 2017	May 2018	Oct 2018	Apr 2020	Jun-Jul 2021	Apr-May 2022	Feb-Mar 2023	Nov 2023
Fitch Ratings	AA+	AA+	AA+	AA+	AA+	AA+	AA+	A-	A-	BBB+	BBB+	A	A	A+
Standard & Poor's	AAA	AAA	AAA	AAA	AAA	AAA	AA-	AA-	BBB	BBB	BBB+	A-	A	A
Moody's	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Baa3	Baa3	Baa3	Baa2	Baa1	A3	A3
Kroll									AA+	AA+	AA+	AA+	AA+	AA+

SECTION 10. SPECIAL FUND TRANSFERS

- **FY 2018 – FY 2022 Interfund Borrowing**
- **Treasurer’s Investment Borrowing**
- **Special Fund Transfers Summary**



FY 2018 – FY 2022 INTERFUND BORROWING

Beginning in FY 2018, Interfund Borrowing was allowed for up to \$1.2 billion outstanding at one time. The initial legislation, Public Act 100-0023, allowed for borrowing from July 6, 2017 through December 31, 2018. Public Act 100-0587 extended the time for borrowing through March 1, 2019. Public Act 101-0010 extended the borrowing period to March 1, 2021 and the payback period from 24 months to 48 months. Public Act 101-636 extended the borrowing through June 30, 2021. One final Act was passed, Public Act 102-0016, which extended the borrowing through June 30, 2022 and payback to 60 months from the date on which the funds were borrowed.

Interfund Borrowing included transfers from unspecified special state funds to general funds and the Health Insurance Reserve Fund up to and outstanding at any one time of \$1.5 billion (increased from \$1.2 billion in Public Act 101-636). Additional transfers and retransfers could occur between funds as needed due to insufficient cash in the originator fund, as long as the amount outstanding was still at or below \$1.5 billion.

Original total transfers out from originator funds to the General Revenue Fund equaled \$1.246 billion (excluding \$10.5 million from other general fund Commitment to Human Service Fund, which has been paid back), while transfers to the Health Insurance Reserve Fund equaled \$231 million, for a combined total of \$1.476 billion. Transfers through the end of FY 2022 repaid the remaining \$437.1 million of principal to the originator funds, plus approximately \$4.1 million in interest, as shown in the table on the following pages.

FY 2018 - FY 2022 INTERFUND BORROWING						
30 ILCS 105/5h.5 Interfund Borrowing Transfers to GRF and HIRF through FY 2022						
Fund #	Fund Name	Transferred To GRF	Transferred To HIRF	Principal Paid Back (GRF)	Amounts to be Paid Back	Interest Paid FY 2022
0016	Teacher Certificate Fee Revolving Fund		\$3,000,000	\$3,000,000	\$0	\$0
0022	General Professions Dedicated Fund	\$100,000	\$5,000,000	\$5,100,000	\$0	\$64,754
0044	Lobbyist Registration Administration Fund	\$2,000,000		\$2,000,000	\$0	\$0
0047	Fire Prevention Fund		\$5,000,000	\$5,000,000	\$0	\$0
0048	Rural/Downstate Health Access Fund	\$200,000		\$200,000	\$0	\$0
0050	Mental Health Fund		\$2,000,000	\$2,000,000	\$0	\$0
0054	State Pensions Fund	\$50,000,000		\$50,000,000	\$0	\$0
0057	Illinois State Pharmacy Disciplinary Fund		\$1,000,000	\$1,000,000	\$0	\$12,171
0059	Public Utility Fund		\$5,000,000	\$5,000,000	\$0	\$0
0067	Radiation Protection Fund	\$1,000,000		\$1,000,000	\$0	\$38,997
0068	Hospital Licensure Fund	\$1,500,000	\$1,500,000	\$3,000,000	\$0	\$30,511
0069	Natural Heritage Endowment Trust Fund	\$340,000		\$340,000	\$0	\$694
0072	Underground Storage Tank Fund	\$99,300,000	\$40,000,000	\$139,300,000	\$0	\$1,709,919
0075	Compassionate Use of Medical Cannabis	\$5,500,000		\$5,500,000	\$0	\$122,001
0078	Solid Waste Management Fund		\$10,000,000	\$10,000,000	\$0	\$0
0082	Distance Learning Fund	\$100,000		\$100,000	\$0	\$0
0089	Subtitle D Management Fund		\$2,000,000	\$2,000,000	\$0	\$0
0093	Illinois State Medical Disciplinary Fund	\$20,000,000	\$6,000,000	\$26,000,000	\$0	\$410,280
0104	Stroke Data Collection Fund	\$150,000		\$150,000	\$0	\$0
0113	Community Health Center Care Fund	\$400,000		\$400,000	\$0	\$0
0115	Safe Bottled Water Fund	\$150,000		\$150,000	\$0	\$0
0118	Facility Licensing Fund	\$2,000,000	\$1,500,000	\$3,500,000	\$0	\$0
0145	Explosives Regulatory Fund	\$200,000		\$200,000	\$0	\$1,634
0148	Mental Health Reporting Fund	\$4,000,000		\$4,000,000	\$0	\$13,023
0150	Rental Housing Support Program Fund		\$1,000,000	\$1,000,000	\$0	\$0
0151	Registered Certified Public Accountants' Administration and Disciplinary Fund	\$500,000	\$3,000,000	\$3,500,000	\$0	\$40,598
0152	State Crime Laboratory Fund	\$2,000,000	\$1,500,000	\$3,500,000	\$0	\$0
0166	State Police Merit Board Public Safety Fund	\$500,000		\$500,000	\$0	\$4,085
0184	ICJIA Violence Prevention Fund	\$100,000		\$100,000	\$0	\$0
0238	Illinois Health Facilities Planning Fund	\$1,000,000		\$1,000,000	\$0	\$0
0240	Emergency Public Health Fund		\$500,000	\$500,000	\$0	\$0
0244	Residential Finance Regulatory Fund	\$1,000,000	\$1,000,000	\$2,000,000	\$0	\$20,341
0245	Fair and Exposition Fund	\$2,500,000		\$2,500,000	\$0	\$0
0256	Public Health Water Permit Fund	\$150,000		\$150,000	\$0	\$0
0258	Nursing Dedicated and Professional Fund	\$8,000,000	\$4,000,000	\$12,000,000	\$0	\$144,868
0259	Optometric Licensing and Disciplinary Board Fund	\$350,000		\$350,000	\$0	\$2,859
0265	State Rail Freight Loan Repayment Fund	\$6,000,000		\$6,000,000	\$0	\$279,635
0278	Income Tax Refund Fund	\$150,000,000		\$150,000,000	\$0	\$0
0286	Illinois Affordable Housing Trust Fund	\$21,295,000		\$21,295,000	\$0	\$477,809
0291	Regulatory Fund	\$100,000		\$100,000	\$0	\$316
0294	Used Tire Management Fund	\$1,500,000	\$1,000,000	\$2,500,000	\$0	\$0
0298	Natural Areas Acquisition Fund	\$2,000,000		\$2,000,000	\$0	\$0
0299	Open Space Lands Acquisition and Development Fund	\$58,000,000		\$58,000,000	\$0	\$0
0327	Tattoo and Body Piercing Establishment Registration Fund	\$500,000		\$500,000	\$0	\$0
0340	Public Health Laboratory Services Revolving Fund		\$1,500,000	\$1,500,000	\$0	\$14,573
0342	Audit Expense Fund	\$20,000,000		\$20,000,000	\$0	\$0
0343	Federal National Community Services Grant Fund	\$333,289		\$333,289	\$0	\$0

FY 2018 - FY 2022 INTERFUND BORROWING						
30 ILCS 105/5h.5 Interfund Borrowing Transfers to GRF and HIRF through FY 2021						
Fund #	Fund Name	Transferred To GRF	Transferred To HIRF	Principal Paid Back (GRF)	Amounts to be Paid Back	Interest Paid FY 2022
0356	Law Enforcement Camera Grant Fund		\$1,000,000	\$1,000,000	\$0	\$8,760
0362	Securities Audit and Enforcement Fund	\$12,000,000		\$12,000,000	\$0	\$102,011
0369	Feed Control Fund		\$1,000,000	\$1,000,000	\$0	\$0
0372	Plumbing Licensure and Program Fund	\$1,500,000	\$1,000,000	\$2,500,000	\$0	\$0
0384	Tax Compliance and Administration Fund	\$3,000,000		\$3,000,000	\$0	\$116,990
0421	Public Aid Recoveries Trust Fund	\$200,000,000		\$200,000,000	\$0	\$0
0422	Alternate Fuels Fund	\$1,500,000		\$1,500,000	\$0	\$0
0438	Illinois State Fair Fund		\$2,000,000	\$2,000,000	\$0	\$0
0453	Monitoring Device Driving Permit Administration Fee Fund	\$6,000,000		\$6,000,000	\$0	\$0
0510	Illinois Fire Fighters' Memorial Fund	\$5,000,000		\$5,000,000	\$0	\$0
0514	State Asset Forfeiture Fund	\$100,000		\$100,000	\$0	\$817
0527	Sex Offender Management Board Fund	\$100,000		\$100,000	\$0	\$0
0534	Illinois Workers' Compensation Commission Operations Fund	\$2,000,000	\$5,000,000	\$7,000,000	\$0	\$0
0536	LEADS Maintenance Fund		\$500,000	\$500,000	\$0	\$0
0539	Death Penalty Abolition Fund	\$1,500,000		\$1,500,000	\$0	\$0
0546	Public Pension Regulation Fund		\$2,000,000	\$2,000,000	\$0	\$24,342
0550	Supplemental Low-Income Energy Assistance Fund	\$112,000,000	\$30,000,000	\$142,000,000	\$0	\$0
0564	Renewable Energy Resources Trust Fund	\$1,500,000		\$1,500,000	\$0	\$0
0568	School Infrastructure Fund	\$146,000,000		\$146,000,000	\$0	\$0
0571	Energy Efficiency Trust Fund	\$4,000,000		\$4,000,000	\$0	\$0
0576	Pesticide Control Fund		\$1,500,000	\$1,500,000	\$0	\$0
0603	Port Development Revolving Loan Fund	\$204,153		\$204,153	\$0	\$0
0608	Partners for Conservation Fund	\$2,000,000		\$2,000,000	\$0	\$0
0611	Fund For Illinois' Future	\$61,181		\$61,181	\$0	\$0
0621	International Tourism Fund	\$1,500,000		\$1,500,000	\$0	\$0
0629	Real Estate Recovery Fund	\$350,000	\$1,000,000	\$1,350,000	\$0	\$0
0690	DHS Private Resources Fund	\$500,000		\$500,000	\$0	\$0
0702	Assisted Living and Shared Housing Regulatory Fund	\$500,000		\$500,000	\$0	\$3,252
0705	State Police Whistleblower Reward and Protection Fund	\$4,000,000	\$2,000,000	\$6,000,000	\$0	\$0
0708	Illinois Standardbred Breeders Fund	\$1,000,000		\$1,000,000	\$0	\$0
0709	Illinois Thoroughbred Breeders Fund	\$500,000		\$500,000	\$0	\$0
0714	Spinal Cord Injury Paralysis Cure Research Trust Fund	\$339,200		\$339,200	\$0	\$0
0718	Community Mental Health Medicaid Trust Fund		\$5,000,000	\$5,000,000	\$0	\$48,578
0722	Comptroller Debt Recovery Trust Fund	\$16,000,000		\$16,000,000	\$0	\$0
0740	Medicaid Buy-In Program Revolving Fund		\$1,000,000	\$1,000,000	\$0	\$12,171
0746	Home Inspector Administration Fund	\$300,000		\$300,000	\$0	\$2,451
0763	Tourism Promotion Fund	\$5,000,000		\$5,000,000	\$0	\$0
0792	Cemetery Oversight Licensing and Disciplinary Fund	\$1,500,000	\$1,000,000	\$2,500,000	\$0	\$0
0795	Bank and Trust Company Fund	\$2,000,000	\$10,000,000	\$12,000,000	\$0	\$168,876
0796	Nuclear Safety Emergency Preparedness Fund	\$2,000,000	\$2,000,000	\$4,000,000	\$0	\$97,425
0801	Attorney General's State Projects and Court Ordered Distribution Fund	\$10,000,000		\$10,000,000	\$0	\$24,549
0816	Money Laundering Asset Recovery Fund	\$300,000		\$300,000	\$0	\$0
0818	Grant v. Dimas Escrow Fund	\$1,360,700		\$1,360,700	\$0	\$3,957
0821	Dram Shop Fund	\$9,000,000		\$9,000,000	\$0	\$0

FY 2018 - FY 2022 INTERFUND BORROWING						
30 ILCS 105/5h.5 Interfund Borrowing Transfers to GRF and HIRF through FY 2021						
Fund #	Fund Name	Transferred To GRF	Transferred To HIRF	Principal Paid Back (GRF)	Amounts to be Paid Back	Interest Paid FY 2022
0828	Hazardous Waste Fund	\$1,000,000	\$1,500,000	\$2,500,000	\$0	\$0
0836	Illinois Power Agency Renewable Energy Resources Fund	\$160,000,000	\$10,000,000	\$170,000,000	\$0	\$0
0840	Hazardous Waste Research Fund	\$300,000		\$300,000	\$0	\$0
0845	Environmental Protection Trust Fund	\$2,000,000		\$2,000,000	\$0	\$0
0848	Settlement Fund - Illinois Chamber of Commerce v. Filan	\$5,000,000		\$5,000,000	\$0	\$0
0850	Real Estate License Administration Fund	\$1,000,000		\$1,000,000	\$0	\$38,997
0888	Design Professionals Administration and Investigation Fund	\$200,000		\$200,000	\$0	\$1,634
0896	Public Health Special State Projects Fund	\$5,000,000		\$5,000,000	\$0	\$0
0906	State Police Services Fund	\$6,000,000	\$6,000,000	\$12,000,000	\$0	\$0
0920	Metabolic Screening and Treatment Fund	\$5,000,000		\$5,000,000	\$0	\$0
0922	Insurance Producer Administration Fund	\$15,000,000	\$30,000,000	\$45,000,000	\$0	\$0
0925	Coal Technology Development Assistance	\$5,000,000		\$5,000,000	\$0	\$0
0940	Self-Insurers Security Fund		\$2,000,000	\$2,000,000	\$0	\$24,342
0942	Low-Level Radioactive Waste Facility Development and Operation Fund	\$500,000		\$500,000	\$0	\$4,085
0944	Environmental Protection Permit and Inspection Fund	\$3,100,000	\$5,000,000	\$8,100,000	\$0	\$0
0945	Landfill Closure and Post-Closure Fund	\$300,000		\$300,000	\$0	\$0
0962	Park and Conservation Fund	\$10,000,000		\$10,000,000	\$0	\$0
0974	Illinois Equity Fund	\$500,000		\$500,000	\$0	\$4,085
0975	Large Business Attraction Fund	\$100,000		\$100,000	\$0	\$817
0982	Adeline Jay Geo-Karis Illinois Beach Marina Fund	\$330,000		\$330,000	\$0	\$2,696
0997	Insurance Financial Regulation Fund	\$8,000,000	\$15,000,000	\$23,000,000	\$0	\$0
	TOTAL	\$1,245,713,523	\$231,000,000	\$1,476,713,523	\$0	\$4,079,902
* The Commitment to Human Services Fund is a General Fund.						
0644	Commitment to Human Services Fund*	\$10,500,000		\$10,500,000	\$0	\$0

TREASURER'S INVESTMENT BORROWING

Public Act 100-1107, which became effective August 27, 2018, allows the State Treasurer to invest up to \$2 billion in debt issued by the State Comptroller. The Treasurer can refinance backlogged bill debt during times of portfolio liquidity to help during the State's low revenue months. The State would then pay a lower interest rate than the normal 9%-12% on the amount refinanced, while the Treasurer gets interest off of the investment through intergovernmental agreements made for a market-based rate. When the State is projected to have better cash flow, such as during the month of April during tax payments, the State would pay off the Treasurer's investment.

The Treasurer's Office utilized this investment tool in September and October of 2018 with principal and interest paid back from December 2018 through April 2019. The actual amount used was \$700 million, but during the six-month period of one of the investments, one of the Funds, the AML Reclamation Set Aside Fund, needed the \$50 million repaid. This occurred in March and \$50 million was used from the Unclaimed Property Trust Fund for the remainder of the time period and repaid in April.

In September 2019, \$400 million was invested, with payback expected in March and April of 2020. Those amounts were re-invested from those dates, so that the Comptroller could continue to use the \$400 million to pay bills, because income tax payments from individuals and corporations were delayed by the Governor until July 16, 2020, due to the COVID-19 pandemic. The maturities for the March amounts were set for September 2020, and maturities for the April funds for July 2020.

In November of 2020, another \$400 million was invested, with principal and interest paid back in May 2021. FY 2021 payback amounts include the principal and interest payments from the March and April 2020 investments as mentioned in the paragraph above.

Below are the funds used and their repayment of principal and interest through June 30, 2021. The Office of the Treasurer reported that the total realized benefit to State Taxpayers was \$92.2 million. Interest rates on the investments ranged from 1.25% to 3.78%.

TRESURER'S INVESTMENT BORROWING

Fund #	Fund Name	FY 2019 Total Borrowed	Total Principal Paid Back	Total Interest Paid Back
0011	Road Fund	\$100,000,000	\$100,000,000	\$1,810,000
0019	Grade Crossing Protection	\$50,000,000	\$50,000,000	\$932,500
0142	Community Developmental Disability Services Medicaid Trust	\$15,000,000	\$15,000,000	\$283,500
0257	AML Reclamation Set Aside	\$50,000,000	\$50,000,000	\$657,961
0278	Income Tax Refund Fund	\$200,000,000	\$200,000,000	\$3,590,000
0482	Unclaimed Property Trust*	\$50,000,000	\$50,000,000	\$274,569
0663	Federal Student Loan	\$15,000,000	\$15,000,000	\$38,163
0902	State Construction Account	\$270,000,000	\$270,000,000	\$4,983,000
FY 2019 TOTAL		\$750,000,000	\$750,000,000	\$12,569,693

* \$50 million in March borrowed from Unclaimed Property Trust was not additional, just replacing Fund 257 because it needed to be paid back.

Fund #	Fund Name	FY 2019 Total Borrowed	Total Principal Paid Back	Total Interest Paid Back
0011	Road Fund	\$200,000,000	\$100,000,000	\$1,529,250
0019	Grade Crossing Protection	\$100,000,000	\$50,000,000	\$764,625
0902	State Construction Account	\$500,000,000	\$250,000,000	\$4,330,772
FY 2020 TOTAL		\$800,000,000	\$400,000,000	\$6,624,647

Note: Amounts borrowed in March and April of 2020 will be repaid in July and September of FY 2021.

Fund #	Fund Name	FY 2021 Total Borrowed	Total Principal Paid Back	Total Interest Paid Back
0011	Road Fund	\$400,000,000	\$500,000,000	\$3,146,500
0019	Grade Crossing Protection		\$50,000,000	\$324,500
0902	State Construction Account		\$250,000,000	\$1,312,056
FY 2021 TOTAL		\$400,000,000	\$800,000,000	\$4,783,056

Note: Amounts borrowed in March and April of 2020 were repaid with interest in early FY 2021.

SPECIAL FUND TRANSFERS SUMMARY

Beginning in FY 2003, the State initiated a policy of transferring excess moneys from funds to the General Funds to aid in decreasing the annual budget deficits. This strategy combined several different special transfers:

Fund Sweeps—specific amounts set out in Statute for transfer in a given fiscal year;

Chargebacks—transfers of a specified sum from any fund held by the State Treasurer to the General Revenue Fund in order to defray the State’s operating costs for FY 2004 through the end of FY 2007. The total transfer under this Section from any fund in any fiscal year shall not exceed the lesser of (i) 8% of the revenues to be deposited into the fund during that fiscal year or (ii) an amount that leaves a remaining fund balance of 25% of the July 1 fund balance of that fiscal year. Certain funds are exempt from this transfer (30 ILCS 105/8h);

Increased Fees Transfers—transfers from funds receiving increased revenues due to increases in fees. Revenues from increased fees go directly into their specific funds. The increased fee revenues reported here are transfers from these other funds to the General Revenue Fund after the fees have been received (30 ILCS 105/8j);

Executive Order #10 Transfers—these transfers are of unexpended appropriations and savings pertaining to functions to be consolidated at CMS, facilities management, audit functions, and staff legal functions. These transfers have only occurred in FY 2004.

Below are the Special Transfer totals from FY 2003 through FY 2010, for FY 2015 and FY 2018. There were no Special Transfers in fiscal years 2011-2014 and in fiscal years 2016-2017, and 2019-2024.

HISTORY OF SPECIAL TRANSFERS TO GRF						
(FY 2003 - FY 2018)						
Fiscal Year	Executive Order 10	Chargebacks (8h)	Statutory (Funds Sweep)	Repealed Funds	Fee Increase (8j)	TOTAL
FY 2003			\$165,000,000			\$165,000,000
FY 2004	\$5,526,569	\$269,464,457	\$158,514,000		\$88,841,000	\$522,346,026
FY 2005*		\$208,237,815	\$259,881,179		\$37,671,512	\$505,790,506
FY 2006*^		\$140,356,525	\$129,060,833	\$343,900	\$35,309,438	\$305,070,696
FY 2007		\$98,011,513	\$188,345,450		\$28,175,300	\$314,532,263
FY 2008					\$34,255,400	\$34,255,400
FY 2009					\$27,740,000	\$27,740,000
FY 2010			\$282,952,202		\$4,229,100	\$287,181,302
FY 2015			\$1,284,051,100			\$1,284,051,100
FY 2018			\$269,113,150			\$269,113,150
TOTAL	\$5,526,569	\$716,070,310	\$2,736,917,914	\$343,900	\$256,221,750	\$3,715,080,443

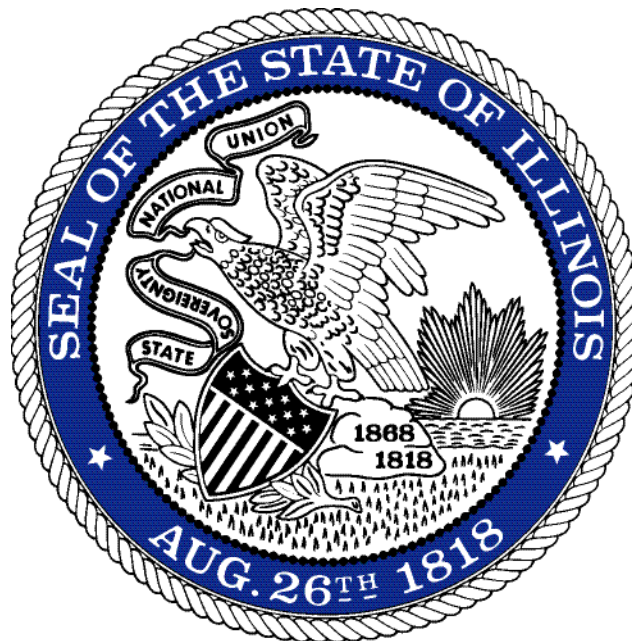
*Include the chargebacks and fee increase transfers of \$263,938,498 that were not executed by the Treasurer.
^\$38,068 was placed in regular transfers due to paperwork issues.

Approximately \$264 million of chargebacks and increased fee transfers in FY 2005 and FY 2006 were blocked by the Treasurer's Office awaiting the settlement of several court cases on the constitutionality of these transfers. Public Act 94-774 allowed \$250 million of these pending transfers to GRF to be redirected in equal shares to the Hospital Provider Fund, Long-term Care Provider Fund, and Drug Rebate Fund. Due to the block by the Treasurer's Office, the Comptroller was not allowed to use these amounts until they were released. The Public Act forced the transfer to GRF, and then the Comptroller's Office transferred the \$250 million out of GRF (1/3 to each) to the three above-mentioned funds.

For a detailed history of Special Transfers, visit the Commission on Government Forecasting and Accountability's website at <http://cgfa.ilga.gov/Resource.aspx?id=4>.

SECTION 11. APPENDICES

- **Appendix A. Glossary**
- **Appendix B. Description of Funds**
- **Appendix C. Tax Rate History of Major Revenue Sources**
- **Appendix D. Composition of Income Tax Net Revenues**



APPENDIX A. GLOSSARY

Activity Measure - information or data used to count the delivery of state services; for instance, the number of people served and the number of cases closed.

Actuarial Accrued Liability - The value, using actuarial methods and assumptions, placed on the obligations of a pension fund for outgoings, including expenses expected to fall on the fund after the date to which the calculations relate.

Actuarial Assumptions - Factors which actuaries use in estimating the cost of funding a defined benefit pension plan. Examples include: the rate of return on plan investments; mortality rates; and the rates at which plan participants are expected to leave the system because of retirement, disability, termination, etc.

Actuarial Cost Methods - An actuarial method which defines the allocation of pension costs (and contributions) over a member's working career. All standard actuarial cost methods are comprised of two components: normal cost and the actuarial accrued liability. An actuarial cost method determines the incidence of pension costs, not the ultimate cost of a pension plan; that cost is determined by the actual benefits paid less the actual investment income.

Actuarial Gain or Loss - Experience of the plan, from one year to the next, which differs from that assumed results in an actuarial gain or loss. For example, an actuarial gain would occur if assets earned 10 percent for a given year since the assumed interest rate in the valuation is 8 percent.

Actuarial Present Value - The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions (i.e., interest rate, rate of salary increases, mortality, etc.).

Actuarial Valuation - Actuarial valuations are technical reports providing full disclosure of the financial and funding status of retirement systems.

Actuarial Value of Assets - The value of pension plan investments and other property used by the actuary for the purpose of an actuarial valuation.

All Funds - every fund appropriated to or spent by an agency.

Amortization - Paying off an interest bearing liability by gradual reduction through a series of installments, as opposed to paying it off by one lump sum payment.

Annual Required Employer Contribution (ARC) - Represents the amount that an employer must report as its annual obligation to the pension fund. The ARC, expressed either as a dollar

amount or a percentage of payroll, has two components: the annual normal cost and the annual amortization payment of the UAAL.

Annualize - to provide full year funding in the next fiscal year when a program is started or a person is hired part way through the current fiscal year.

Annuitant - One who receives periodic payments from the retirement system. This term includes service and disability retirees, and their survivors.

Annuity - A series of periodic payments, usually for life, payable monthly or at other specified intervals.

Appropriation - spending authority from a specific fund given by the General Assembly and approved by the Governor for a specific amount, purpose and time period.

Assessments - a levy imposed for a specific purpose, typically the medical assessment program under which the Department of Public Aid levies a fee on long-term care and other providers to help fund Medicaid liability.

Asset - Anything that has a financial value. Examples include: buildings, equipment, shares, etc.

Asset Smoothing - A mechanism that spreads out, or smoothes, annual investment returns over a designated periods of time in order to minimize volatility.

Assumed Interest Rate - The rate of interest, or growth rate, to determine the value of an annuity contract and, therefore, the periodic income payment which can be provided to the annuitant.

Attrition - a natural reduction in caseload or staff; for example, from retirement or resignation.

Available Fund Balance - the total amount of money in a fund at a particular point in time, typically at the beginning of a month or the year.

Basis of Accounting - the method of accounting used to track and report state revenues and expenditures; for example, cash, budgetary or accrual.

Beneficiary - The person designated to receive benefits under an employee benefit plan in the event of the death of the person covered by the plan.

Bond Fund - a fund that receives proceeds from the sale of bonds to be used for capital projects.

Bond Rating - an assessment of the credit risk with respect to a specific bond issue.

Bond Retirement and Interest Fund - a fund used to repay principal and interest on bonds or other debt obligations, typically spent pursuant to a continuing and irrevocable appropriation.

Budgetary Balance - available cash balance on June 30, minus lapse period spending for the fiscal year just ended.

Build Illinois - a state economic development and public infrastructure program begun in 1986 and primarily funded by dedicated state sales tax revenue bonds.

Capital - buildings, structures, equipment and land. Acquisition, development, construction and improvement of capital are typically funded through bond funds.

Case Management - monitoring and oversight of the delivery of services, which may include coordination of all services to a client.

Caseload - the number of clients being served at a point in time, sometimes used in the context of clients per staff.

Cash Flow - the amount of cash available for use during a period of time, calculated by subtracting spending from the sum of the receipts and the beginning balance.

Census - population measure, typically of clients in a facility or program.

Certificate of Participation - similar to bonds or other debt instruments, a security issued by the state or a third party that gives the holder a share of the stream of annual appropriated lease payments made by the state.

Client - a person or family receiving services, typically from a human service agency.

Commodities - line item for consumable items used in connection with current agency operations; for instance, household, medical or office supplies; food for those in institutions; coal, bottled and natural gas; and equipment costing less than \$100.

Common School Fund - one of seven funds that comprise the state General Funds. It is used to fund Elementary and Secondary Education. If revenues to the fund from the lottery, bingo, public utility, cigarette and sales taxes and from investment income, among others, are insufficient to make monthly general state aid payments, the Common School Fund receives automatic transfers from the General Revenue Fund.

Consent Decree - an agreement between both parties in a lawsuit that binds them and determines their rights and obligations. While made under sanction of the court, it does not bind the court, and it is not a judicial sentence.

Continuing Appropriation - statutory authority for the Comptroller and Treasurer to spend funds in the event the legislature fails to appropriate or appropriates an insufficient amount for

a specified purpose. Examples of continuing appropriations are for debt service on state bonds or payments to the State retirement systems.

Contractual Services - line item for services provided by a non-state employee or vendor including, utilities; medical services for those in institutions; professional, technical or artistic consulting; and property and equipment rental.

Death Benefit - A benefit payable by reason of a member's death. The benefit can be in the form of a lump sum, an annuity or a refund of the member's contributions.

Debt Service - payment of principal, interest and other obligations associated with the retirement of debt.

Dedicated Funds - revenues assessed and collected for a specific state program.

Deferred Annuity - An annuity for which payments do not commence until a designated time in the future.

Deferred Compensation - Considerations for employment that are not payable until after the regular pay period. The most common form of deferred compensation are pension plans, but private employers may also offer bonuses, incentive clauses, etc.

Defined Benefit Plan (DB) - A pension plan providing a definite benefit formula for calculating benefit amounts - such as a flat amount per year of service; a percentage of salary; or a percentage of salary, times years of service.

Defined Contribution Plan (DC) - A pension plan in which the contributions are made to an individual account for each employee. The retirement benefit is dependent upon the account balance at retirement. The balance depends upon amounts contributed during the employee's participation in the plan and the investment experience on those contributions.

Disability Retirement - A termination of employment involving the payment of a retirement allowance as a result of an accident or sickness occurring before a participant is eligible for normal retirement.

Divisions - organizational units within agencies designated as such for programmatic or administrative convenience.

Education Assistance Fund - one of seven funds that comprise the state General Funds. It is used to fund Elementary, Secondary and Higher Education. It receives 7.3 percent of the state income tax net of refunds, as well as wagering taxes paid to the State by riverboat casinos.

Electronic Data Processing - line item for lease or purchase of computer or other data processing equipment and related services including supplies, services and personnel.

Employee Retirement Contributions Paid by State (Pension Pick-Up) - line item for payment of an employee's required contribution to the State Employees' Retirement System, which an agency has chosen or contracted to make on behalf of the employee.

Entitlement - program benefits that must be provided in a timely fashion to those who meet eligibility criteria and that may not be taken away without due process.

Equipment - line item for non-consumable items of tangible personal property used in connection with current agency operations; for instance, office furniture, vehicles or machinery, and scientific or other major instruments and apparatus.

Executive Branch - distinguished from the legislative and judicial branches of state government, it is charged with the detail of carrying out and effectuating the law through the day-to-day operations and activities of state government. The Governor, as chief executive officer of the State, is responsible for the operation and administration of state agencies.

Executive Order - a decree or mandate issued by the Governor for the purpose of interpreting or implementing a provision of the law. Executive orders often are used to reorganize and assign functions among executive agencies, create advisory and special commissions and boards or direct state agencies regarding policy.

Expenditure - state spending. Agencies submit vouchers to the Comptroller's Office, which prepares a state check (warrant) and maintains accounting records. Warrants are presented to the Treasurer, who maintains and invests state funds.

Federal Aid - funding provided by the federal government.

Fiduciary - (1) Indicates the relationship of trust and confidence where one person (the fiduciary) holds or controls property for the benefit of another person; (2) anyone who exercises power and control, management or disposition with regard to a fund's assets, or who has authority to do so or who has authority or responsibility in the plan's administration. Fiduciaries must discharge their duties solely in the interest of the participants and their beneficiaries, and are accountable for any actions which may be construed by the courts as breaching that trust.

Fiscal Year - Illinois state government's fiscal year is July 1 through June 30. This is the period during which obligations are incurred, encumbrances are made and appropriations are expended. The federal government's fiscal year is October 1 through September 30.

Full Faith and Credit - a pledge or promise to repay general obligation debt; typically includes all of an issuer's taxing powers.

Full-Time Equivalent - a calculated measure of full-time employment for comparison purposes, in which each full-time employee works 37.5 hours per week for 52 weeks per year.

Fund - an account established to hold money for specific programs, activities or objectives.

Funded Ratio - The ratio of a plan's current assets to the present value of earned pensions. There are several acceptable methods of measuring a plan's assets and liabilities. In financial reporting of public pension plans, funded status is reported using consistent measures by all governmental entities. According to the Government Accounting Standards Board (GASB), the funded ratio equals the actuarial value of assets divided by the actuarial accrued liability.

General Accounting Standards Board (GASB) - This governmental agency sets the accounting standards for state and local government operations.

General Funds - (usually lower-case) refers to the following group of funds, inclusively: the General Revenue Fund, the Education Assistance Fund, the Common School Fund, the General Revenue - Common School Special Account Fund, the Fund for the Advancement of Education, the Commitment to Human Services Fund, and the Budget Stabilization Fund.

General Obligation Bonds - bonds issued for capital purposes as direct legal obligations secured by general tax revenues and guaranteed by the full faith and credit of the State.

General Revenue - Common School Special Account Fund - one of seven funds that comprise the state General Funds. It is used for accounting purposes to receive 25 percent of state sales tax and subsequently transfer these moneys to the Common School Fund.

General Revenue Fund - the largest of seven funds that comprise the state General Funds. It receives the majority of undedicated tax revenues, mostly income and sales taxes, for use generally to operate and administer state programs.

General State Aid - an unrestricted formula-driven grant that comprises the largest portion of state assistance to local school districts. The amount of funds a district receives depends on its financial need measured by three factors: its average daily attendance, its equalized assessed valuation of property and its local tax measured by its statutory tax rate.

Grant - an award or contribution to be used either for a specific or a general purpose, typically with no repayment provision.

Group Insurance - line item for life and health insurance program for all state employees, retirees and their dependents.

Headcount - a statement of the number of employees for some period of time, typically either the actual number of staff working or a calculated full-time equivalent.

Highway Fund - a fund that receives special dedicated revenues related to transportation; for example, the motor fuel tax or federal highway trust funds, to be used to support the construction and maintenance of transportation facilities and activities.

Hiring Lag - the savings in personal services and benefits associated with the time period between an employee leaving the job and a replacement being hired.

Illinois FIRST - a \$12 billion, multi-year public works initiative begun in 1999 and funded by a combination of local, state and federal resources.

Income Tax Surcharge - a temporary increase of 0.5 percent in the state personal income tax and 0.8 percent in the corporate income tax established in July 1989 to fund education, local governments and property tax relief. Subsequently, in July 1991, one-half of the surcharge was made permanent and dedicated to education. The remaining one-half was made permanent in July 1993.

Individual Retirement Account (IRA) - A retirement account to which an individual can make annual tax-deductible contributions according to annual limits that are specified by the Internal Revenue Service.

Infant Mortality - measure of infant deaths during the first year of life per 1000 live births.

Judicial Branch - distinguished from the legislative and executive branches of state government, it is charged with interpreting and applying laws.

Lapse - the portion of an appropriation that is not spent during the authorized period, typically the fiscal year, including the lapse period.

Lapse Period - the two-month period following the fiscal year (July 1 to August 31) when agencies can liquidate liabilities incurred before the end of that fiscal year (June 30). Public Act 89-511, effective in fiscal year 1997, reduced the lapse period from three months to two months. The lapse period for a fiscal year has been extended by new legislation numerous times since then but that has been done on an individual fiscal year basis.

Lapse Period Spending - spending that occurs during the lapse period from the previous year's appropriation.

Legislative Branch - distinguished from the judicial and executive branches of state government, it is charged with making and enacting the law, including appropriations.

Legislative Transfer - reallocation of appropriation amounts among line items by the General Assembly during the fiscal year. Distinguished from a two-percent transfer, which may be accomplished by the executive branch without participation of the legislative branch.

Line Item - specific purpose of an appropriation; for instance, personal services, retirement, printing or travel.

Liquidate - to settle or pay a debt or to convert assets into cash.

Local Government Distributive Fund - receives 1/10 of the income tax proceeds to the General Funds, via a transfer, for distribution to units of local government based on population. Funds may be used for any purpose.

Lump Sum - appropriation line for a general program purpose without specific line items identified.

Managed Care - the process of coordinating and controlling all services provided to a client to assure efficient and effective results.

Mandate - a law or regulation that generally should be followed, whether or not funding is provided. The State Mandates Act permits certain regulations and laws to be ignored if funding is not provided.

Match - contribution to program required to receive a program grant, may be either money, "hard match", or services, "soft match".

Medicaid - public assistance financed jointly by state and federal governments to provide medical care for individuals who meet certain eligibility criteria.

Moral Obligation - a duty that is not binding or enforceable by law, typically debt service on bonds issued by others that the state agrees to consider funding if the issuer is unable to pay. There is no legal guarantee the state will make such payments.

Normal Cost - Computed differently under different funding methods, the normal cost generally represents the portion of the cost of projected benefits allocated to the current plan year. The employer normal cost equals the total normal cost of the plan reduced by employee contributions.

Other Funds - all state and federal funds except the seven General Funds.

Other Operations - administrative non-grant expenses of state agencies except salaries and payments for fringe benefits; for example, contractual services, travel, printing and telecommunications.

Pension - A series of periodic payments, usually for life, payable monthly or at other specified intervals. The term is frequently used to describe the part of a retirement allowance financed by employer contributions.

Pension Benefit Obligation (PBO) - The portion of the Actuarial Present Value of future benefits attributable to service credit that has been earned to date (past service).

Per Diem - by the day. An amount of so much for each day.

Performance Measure - information or data used to determine the quality and outcomes of state services; for instance, the number of people who receive jobs following job counseling and employment services or the number of people who remain off drugs following treatment services.

Personal Services - line item for salary payments to employees. Phase-In -staged expenditure pattern, such as initiating a program, hiring employees or opening an institution over time (see Annualize).

Pilot Program - tentative model for future full scale development, typically a program operated in a limited area or targeted to a limited population to analyze its effectiveness before expanding its scope.

Position Title - name and description of a job.

Present Value - The current worth of an amount or series of amounts payable in the future, after discounting each amount at an assumed rate of interest and adjusting for the probability of its payment or receipt.

Printing - line item for contractual services, materials and supplies used to produce and print information; for example, letterhead stationery, annual reports and forms.

Program Area - major organizational categories of state government, including education, human services, public safety, environment and business regulations, economic development and infrastructure and government services.

Rate of Return - The ratio of money gained or lost on an investment relative to the amount of money invested.

Real Rate of Return - The rate of return above inflation.

Reappropriation - an unspent appropriation that continues into the next fiscal year, typically for a capital or other multi-year project or liability.

Recommended - Governor's budget requests presented to the General Assembly for its approval.

Refunding Bonds - bonds issued to refinance other outstanding bonds, which generally were originally issued at higher interest rates.

Refunds - line item for return of funds to the rightful owner, typically return of overpaid taxes or fees.

Repair and Maintenance - line item for upkeep, restoration and improvement of equipment and facilities in connection with current agency operations.

Reserve - portion of appropriation intentionally set aside and not spent, either to increase lapse or as a contingency for increased liabilities in other line items.

Resources - all assets available for use by agencies, whether appropriated or not.

Retirement - line item for employer's share of contributions to the state retirement system.

Revenues - receipts from taxes, fees, assessments, grants and other payments used to fund programs.

Revolving Funds - Funds that receives intergovernmental payments charged for providing central operational services, such as computer, purchasing, state garage and telecommunications.

Road Fund - receives motor fuel tax and other transportation-related revenues for use to operate the Department of Transportation, Illinois State Police and the Secretary of State's Office and to build and maintain roads, bridges and other transportation facilities.

Social Security - line item for employer's share of contributions to the Federal Insurance Contributions Act (FICA) tax.

Special State Funds - Those funds designated in Section 5 of the Finance Act as special funds in the State Treasury and not elsewhere classified.

State Agency - government organization created by statute to administer and implement particular legislation.

Statute - a law enacted by the General Assembly and approved by the Governor.

Substitute Care - a program to place children away from their families in foster homes or residential facilities.

Supplemental Appropriation - additional spending authority given by the General Assembly during the fiscal year, following passage of the initial budget.

Transfer - reallocation of resources, typically movement of money from one fund to another or shift of appropriation authority among line items by the legislative or the executive branch.

Trust Fund - receives revenues assessed and collected for a specific state program.

Two Percent Transfer - reallocation of appropriation amounts by the Governor during the fiscal year. Limited to two percent of an agency's appropriation by fund for specific operations lines. Distinguished from a legislative transfer, which requires approval by the legislative branch.

Unfunded Actuarial Accrued Liability (UAAL) - The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets. In other words, the present value of benefits earned to date that are not covered by current plan assets.

Unfunded Liability - The excess, if any, of the pension benefit obligation over the valuation assets. This is the portion of all benefits earned to date that are not covered by plan assets.

Valuation Rate of Return - The expected rate of return on new money invested in the future, and the rate at which future liabilities and assets are discounted back to the valuation date.

Voids - checks (warrants) that are not cashed.

Voucher - document requesting payment submitted to the Comptroller, who then writes and issues a warrant.

Warrant - check issued by the Comptroller to a third party who cashes it with the Treasurer.

Zero Coupon Bonds - bonds without interest coupons for semi-annual payment. Interest accrues over the life of the bond and is paid on maturity along with the principal.

APPENDIX B. DESCRIPTION OF FUNDS

There are around one thousand funds in the Illinois accounting system. These funds are separated into two categories -- Appropriated and Non-Appropriated Funds.

The Appropriated Funds category is further broken into eight fund groups: General, Highway, Special State, Bond Financed, Debt Service, Federal Trust, Revolving and State Trust Funds. The Non-Appropriated Funds category is composed primarily of Federal and State Trust Funds, but includes a few Special State Funds also.

General Funds receive the major portion of tax revenues and pay for the regular operating and administrative expenses of most state agencies. Components of the General Funds are the General Revenue Fund, the Education Assistance Fund, the Common School Fund, the General Revenue-Common School Special Account Fund, the Fund for the Advancement of Education, the Commitment to Human Services Fund, and the Budget Stabilization Fund.

Highway Funds receive and distribute special assessments related to transportation, such as the motor fuel tax, and support the construction and maintenance of transportation facilities and activities of the State.

University Funds receive revenues such as fees, tuition and excess income from auxiliary enterprises at state universities and colleges, including related foundations and associations. Prior to fiscal year 1998, the General Assembly appropriated these funds for the support, operation and improvement of state-supported institutions of higher education. Starting in fiscal year 1998, the university funds became locally held funds and, together with other funds administered by the universities, are not subject to appropriation.

Special State Funds are designated in Section 5 of the Finance Act as special funds in the State Treasury and not elsewhere classified. They represent a segregation of accounts restricted to the revenues and expenditures of a specific source.

Bond Financed Funds receive and administer the proceeds of various state bond issues.

Debt Service Funds account for the resources obtained and accumulated to pay interest and principal on debt obligations.

Federal Trust Funds are established pursuant to grants and contracts between state agencies and the federal government. The funds are administered for specific purposes established by the terms of the grants and contracts.

Revolving Funds finance the operations of state agencies that render services to other state agencies on a cost reimbursement basis. Appropriation of these funds is dependent upon intra-governmental service requirements and appropriations of other state agencies.

State Trust Funds are established by statute or under statutory authority for specific purposes.

Other Trust Funds receive and account for resources for subsequent disbursement to a designated recipient. Escrow funds are an example of an Other Trust Fund.

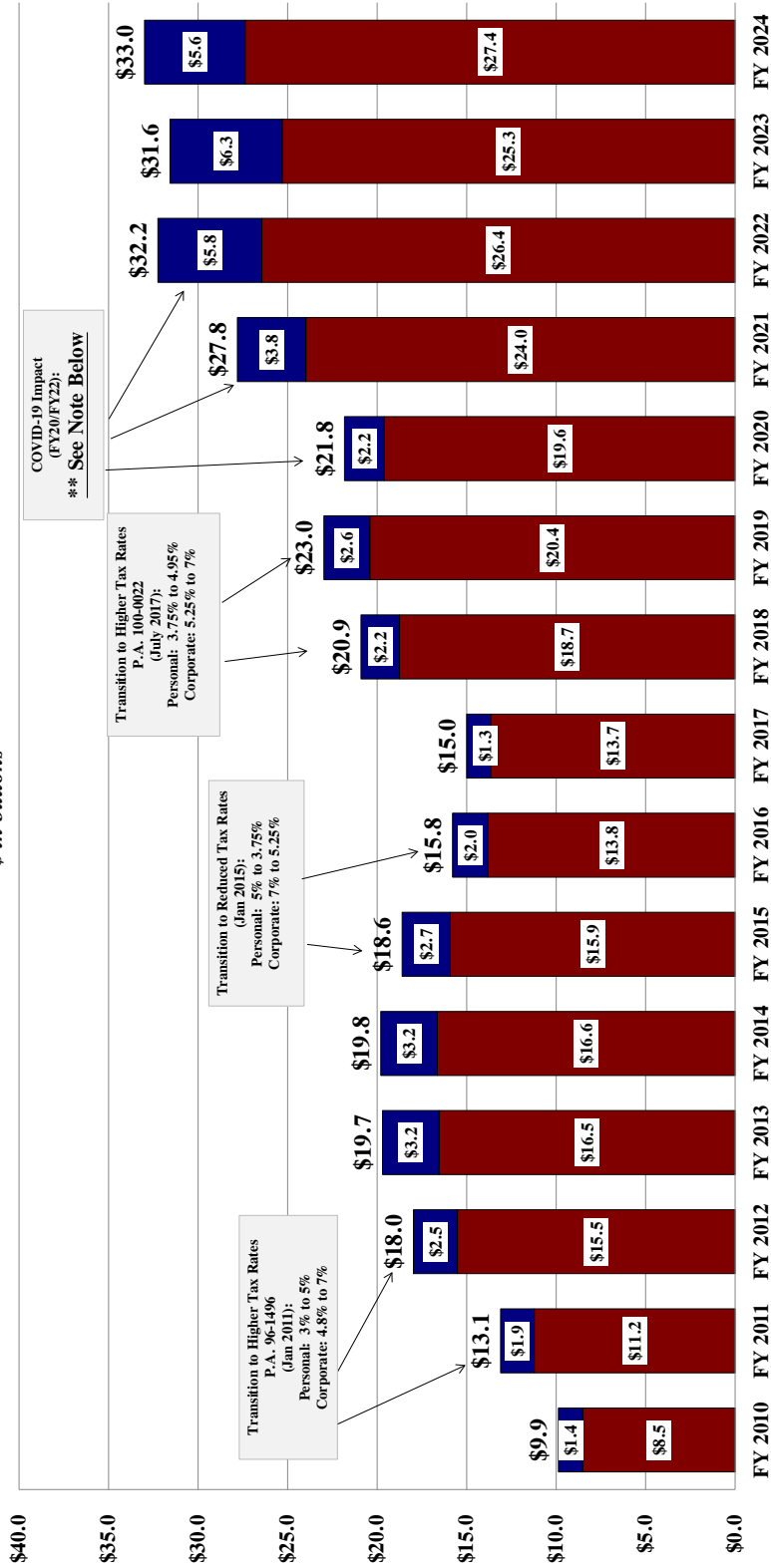
APPENDIX C. TAX RATE HISTORY OF MAJOR REVENUE SOURCES

Year	Personal Income Tax	Corporate Income Tax	Sales Tax
1933			2.00%
1935			3.00%
1941			2.00%
1955			2.50%
1959			3.00%
1961			3.50%
1967			4.25%
1969	2.50%	4.00%	4.00%
1983	3.00%	4.80%	
1984	2.50%	4.00%	5.00%
1989	3.00%	4.80%	5.00%
1990			6.25%*
2011	5.00%	7.00%	
2015	3.75%	5.25%	
2017	4.95%	7.00%	
Current Rate	4.95%	7.00%	6.25%*

*The 6.25% sales tax rate is a combined state-local rate. The State keeps 80% (the first 5 cents per \$1.00) and transfers the other 20% (1.25 cents per \$1.00) to local governments.

The year referenced in this table refers to the calendar year the change was made, though actual implementation dates may vary within that year. For information on these and other state taxes, please refer to the CGFA Illinois Tax Handbook for Legislators which can be found at <https://www.ilga.gov/commission/lru/2022TaxHandbook.pdf>.

APPENDIX D. COMPOSITION OF INCOME TAX NET REVENUES
FY 2010 - FY 2024*
\$ in billions



■ Personal Income Tax Revenues (Net of Refunds) ■ Corporate Income Tax Revenues (Net of Refunds)

* Nongeneral fund distribution subtractions to the Fund for Advancement of Education (thru FY17), Commitment to Human Services Fund (thru FY17), and the Local Government Distributive Fund (FY18+) are not applied to these figures.

** Due to the COVID-19 pandemic, the Tax Year 2020 tax deadline was moved from April 2020 to July 2020, thereby causing an estimated \$1.3 billion in net final tax payments typically received in FY 2020 to instead fall into FY 2021 (giving FY 2021 two periods of final payments). In addition, in anticipation of lower tax liability due to the uncertainties of the pandemic, estimated tax payments during Tax Year 2020 were lower than normal. As revenues outpaced expectations, higher than normal final payments were necessary to make up for these shorted estimated payments. The combination of these factors resulted in FY 2021 income tax receipts being abnormally high. FY 2022 revenues again surpassed expectations due to a combination of revenue enhancing factors including an influx of pandemic-related federal stimulus dollars to the nation's economy and strong market conditions as a result of this activity. This created elevated levels of taxable income from corporate profits and capital gains, thereby providing another significant increase in tax revenues.

COMMISSION OVERVIEW

The Commission on Government Forecasting & Accountability is a bipartisan legislative support service agency responsible for advising the Illinois General Assembly on economic and fiscal policy issues and for providing objective policy research for legislators and legislative staff. The Commission's board is comprised of twelve legislators—split evenly between the House and Senate and between Democrats and Republicans.

The Commission has three internal units—Revenue, Pensions, and Research, each of which has a staff of analysts and researchers who analyze policy proposals, legislation, state revenues & expenditures, and benefit programs, and who provide research services to members and staff of the General Assembly. The Commission's staff fulfills the statutory obligations set forth in the Commission on Government Forecasting and Accountability Act (25 ILCS 155/), the State Debt Impact Note Act (25 ILCS 65/), the Illinois Pension Code (40 ILCS 5/), the Pension Impact Note Act (25 ILCS 55/), the State Facilities Closure Act (30 ILCS 608/), the State Employees Group Insurance Act of 1971 (5 ILCS 375/), the Public Safety Employee Benefits Act (820 ILCS 320/), the Legislative Commission Reorganization Act of 1984 (25 ILCS 130/), and the Reports to the Commission on Government Forecasting and Accountability Act (25 ILCS 110/).

- The **Revenue Unit** issues an annual revenue estimate, reports monthly on the state's financial and economic condition, and prepares bill analyses and debt impact notes on proposed legislation having a financial impact on the State. The Unit publishes a number of statutorily mandated reports, as well as on-demand reports, including the Monthly Briefing newsletter and annually, the *Budget Summary*, *Capital Plan Analysis*, *Illinois Economic Forecast Report*, *Wagering in Illinois Update*, and *Liabilities of the State Employees' Group Insurance Program*, among others. The Unit's staff also fulfills the agency's obligations set forth in the State Facilities Closure Act.
- The **Pension Unit** prepares pension impact notes on proposed pension legislation and publishes several statutorily mandated reports including the *Financial Condition of the Illinois State Retirement Systems*, the *Financial Condition of Illinois Public Pension Systems and the Fiscal Analysis of the Downstate Police & Fire Pension Funds in Illinois*. The Unit's staff also fulfills the statutory responsibilities set forth in the Public Safety Employee Benefits Act.
- The **Research Unit** primarily performs research and provides information as may be requested by members of the General Assembly or legislative staffs. Additionally, the Unit maintains a research library and, per statute, collects information concerning state government and the general welfare of the state, examines the effects of constitutional provisions and previously enacted statutes, and considers public policy issues and questions of state-wide interest. Additionally, the Unit publishes *First Reading*, a quarterly newsletter which includes abstracts of annual reports or special studies from other state agencies, the *Illinois Tax Handbook for Legislators*, *Federal Funds to State Agencies*, various reports detailing appointments to State Boards and Commissions, the *1970 Illinois Constitution Annotated for Legislators*, the *Roster of Illinois Legislators*, and numerous special topic publications.

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