

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2021

ILLINOIS

ILLINOISCOMPTRROLLER.GOV



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

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STATE OF ILLINOIS

Annual Comprehensive Financial Report

~ 2021 ~

For Fiscal Year Ended June 30, 2021

Comptroller Susana A. Mendoza

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Introductory Section

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SUSANA A. MENDOZA

ILLINOIS STATE COMPTROLLER

June 21, 2022

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

I am pleased to present to you the *State of Illinois Annual Comprehensive Financial Report (ACFR)* for the year ended June 30, 2021. The ACFR is the State's official annual report which provides the readers with the financial position of the State as of June 30, 2021, and results of operations during the fiscal year. The report is intended to provide the State's taxpayers, managers, investors, creditors, lawmakers, and other users with information in accordance with generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data as well as the completeness and fairness of presentation of this report rests with my Office and other State agency management.

The Management's Discussion and Analysis (MD&A), which begins on page 16 of this report, provides a narrative introduction, overview, and analysis to the accompanying basic financial statements. This letter is intended to complement the MD&A and should be read in conjunction with the MD&A. The accompanying basic financial statements are prepared in conformity with GAAP applicable to State governments as prescribed by the Governmental Accounting Standards Board (GASB). This Office supports the GASB, contributed to its formation, and participates in the development of pronouncements by submitting comments and recommendations as proposed standards are distributed for exposure.

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

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

liabilities and deferred inflows of resources, fund balances/net position, revenues, or expenditures/expenses greater than 2% of the total for that fund type are presented separately in the individual fund financial statements, except special revenue funds where funds greater than 1% of the total are presented, and component units where all component units are presented. Combination of funds is necessary due to the existence of approximately 830 funds in the State's reporting entity. Funds used by more than one agency are classified with what is determined to be the primary administering agency.

Internal Controls

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

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

Independent Audit

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

PROFILE OF THE STATE

Illinois, located in the Midwest, became the twenty-first state in 1818. The State has 56,400 square miles and is the 24th largest state in size. Per the 2020 census, Illinois is the 6th largest state in population with approximately 12.8 million residents. On May 19, 2022, the U.S. Census Bureau issued a Post-Enumeration Survey Estimation Report, which indicated that the population for Illinois was undercounted by an error rate of 1.97%. Taking into consideration the error rate, the State's estimated population would be above 13 million, with a ranking as the 5th largest state.

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

The State provides a full range of services including: the construction and maintenance of highways and infrastructure, education, social and health services, public safety, conservation of natural resources, economic development, and recreation facilities and development. The State of Illinois is financially accountable for three separate entities which have been included as a part of the State's financial statements. In addition, the State of Illinois is financially accountable for 16 legally separate entities which have been reported separately within the State's financial statements. Additional information on all of these legally separate entities can be found in the notes to the financial statements.

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

The State of Illinois has a two-month "lapse period." During this time, July 1 to August 31, State agencies can expend funds appropriated in the prior fiscal year if encumbered by June 30. For all fund types, goods or services received prior to June 30 are recorded as liabilities and expenditures or expenses, whichever is appropriate. For governmental fund types, lapse period expenditures for goods encumbered as of June 30 and received prior to August 31 are reported within the existing fund balance classifications at June 30 and not as liabilities or expenditures. Public Act 97-0691 extended the lapse period to December 31 for fiscal year 2013 and future fiscal years for medical assistance payments of the Department of Healthcare and Family Services. Public Act 96-1501 extended the lapse period to October 31 for fiscal year 2021 for medical payments of the Department of Veterans' Affairs and medical, childcare, and substance abuse treatment payments of the Department of Human Services. In addition, P.A. 102-0016 extended the lapse period to September 30 for fiscal year 2021 to allow the State time to pay fiscal year 2021 expenditures.

Many State programs are accounted for in the General Fund. As analyzed in the MD&A, the GAAP basis financial position of the General Fund at June 30, 2021, increased from June 30, 2020. The fund deficit in the State's General Fund decreased by \$3.367 billion on a GAAP basis, from a deficit of \$6.424 billion to a deficit of \$3.057 billion. On the *budgetary basis*, there was a \$2.804 billion fund deficit at June 30, 2021, compared to a \$5.751 billion fund deficit at June 30, 2020, resulting in a \$2.947 billion decrease in the budgetary deficit.

FACTORS AFFECTING FINANCIAL CONDITION

Economy

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

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) a pandemic. According to the U.S. Bureau of Labor Statistics, Illinois averaged 5.678 million nonfarm payroll jobs and an unemployment rate of 8.5% in fiscal year 2021. The increase in the

unemployment rate, from 4.3% and 6.6% in fiscal years 2019 and 2020, respectively, is attributed to the mitigation efforts put in place during the pandemic, including stay-at-home orders and temporary business closures.

MAJOR INITIATIVES

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

Revenues Initiative

Effective beginning July 1, 2019, the legislature voted to enact the Managed Care Organization Provider Assessment, which provides for a three-tier assessment for Medicaid managed care organizations. This assessment is effective for fiscal years 2020-2025.

Transfers to Defray Operating Costs

Public Act 100-0023, as amended by Public Act 101-0636 and Public Act 102-0016, authorized interfund borrowings of up to \$1.5 billion to the General Funds and the Health Insurance Reserve Fund from various other state funds. The Act requires repayment of the interfund borrowings within 60 months from the date borrowed.

Accelerated Pension Benefit Program

Public Act 100-0587, as amended by Public Act 101-0010, provides two voluntary accelerated pension payment options for certain members of the State Employees' Retirement System, Teachers' Retirement System, and State Universities Retirement System. The Vested Inactive Accelerated Pension Benefit Payment Option offers a pension buyout in an amount estimated at 60 percent of the present value of pension benefits for members who have terminated service, have enough service credit to qualify for a retirement annuity, and have not received a retirement annuity. The Accelerated Pension Benefit Payment at Retirement Option provides Tier 1 members an option to have their automatic annual increase (AAI) reduced in exchange for an accelerated pension benefit payment equal to 70 percent of the difference between the present value of the AAI under the Tier 1 provision and the present value of the reduced AAI. These voluntary programs expire on June 30, 2024.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

The fiscal year 2021 ACFR reveals continuing underlying financial weaknesses which significantly impact the State's overall fiscal health in regards to deferred liabilities, ongoing operational concerns related to cash management, and long-term concerns related to pension and other postemployment obligations.

Deferred Liabilities

Section 25 of the State Finance Act permits the payment of selected prior year expenses in the current fiscal year. The section was originally created to address billing and adjudication issues connected with such expenditures. In some years, however, the significant amount of liabilities deferred using Section 25 effectively reduced the appropriation levels needed to fund certain

programs within any given fiscal year and pushed expenditures into the next fiscal year. The State ended fiscal year 2021 with \$1.351 billion in such costs. This represents a decrease of \$88 million from the fiscal year 2020 balance of \$1.439 billion. This is the 4th consecutive year of a decrease in Section 25 liabilities.

Cash Management

Cash flow continues to be an issue as Illinois has had a running General Revenue Fund deficit defined as bills on hand exceeding available cash, with few exceptions, since November of 2000. Cash management practices are greatly affected by the aforementioned budgetary practices in relation to deferred liabilities which place additional pressure in the first and second quarters of the year to pay those expenses. Additionally, the majority of the State's tax collections are received in the second half of the fiscal year with large income tax collections arriving in the spring of each year which further contributes to the payment delays seen within the fiscal year.

In 2000, legislation was enacted to create the State's Budget Stabilization Fund in order to assist the State in meeting cash flow deficits as needed. The statutory goal for funding this reserve was set at five percent of the General Fund's revenues in any given year. Public Act 99-0524, which became effective June 30, 2016, appropriated \$275 million of the balance in the Budget Stabilization Fund across approximately 40 agencies to help defray operating costs through December 31, 2016. As of June 30, 2021, the balance in the Budget Stabilization Fund was \$5.708 million, an amount insufficient in practical terms to address the State's annual cash management needs and timing variations between spending and revenues.

Pension Obligations

Legislation enacted in 1995 set a long-term funded ratio (assets to actuarial accrued liabilities) target for the State's five retirement systems at 90% and established a plan for contributions in order for the State to reach this target by fiscal year 2045. For fiscal year 2006 through fiscal year 2007, the relevant State statutes were amended to allow for significantly lower State contribution levels to the retirement systems with levels increasing in fiscal years 2008, 2009, and 2010 before returning to the mandated levels of the 1995 law for fiscal year 2011. Additionally, in fiscal year 2004, 2010, and 2011, general obligation pension bonds were issued in the amounts of \$10.0 billion, \$3.5 billion, and \$3.7 billion, respectively. As of June 30, 2021, the State reported a net pension liability totaling \$151.871 billion.

Other Postemployment Obligations

The State Employees Group Insurance Program provides other postemployment benefits (OPEB) relating to health, dental, vision, and life insurance to State and University retirees. In addition, the State administers cost-sharing OPEB plans for teachers at school districts and community colleges in Illinois. As of June 30, 2021, the State reported an OPEB liability totaling \$56.670 billion.

Debt Management

Public Act 93-0839, known as the Debt Responsibility Act, effective July 30, 2004, placed new restrictions on the issuance of general obligation bonds. At least 25% of general obligation bonds issued within a year must be sold pursuant to notice of sale and public bid. General obligation bonds must be issued with equal principal or mandatory redemption amounts in each fiscal year following the year of issuance for a term not to exceed 25 years. General obligation bonds may

not be issued if, in the next fiscal year after issuance, the amount of debt service on all then outstanding general obligation bonds exceeds 7% of the General and Road Fund appropriations for the fiscal year immediately preceding the issuance unless the Comptroller and Treasurer waive this requirement. No general obligation refunding bonds can be issued unless the refunding produces a net present value savings of at least 3% of the bonds being refunded and the maturities of the refunding bonds do not extend beyond the maturities of the bonds being refunded.

Public Act 101-0030, effective June 28, 2019, suspended some of the restrictions for general obligation bonds issued in fiscal year 2019. Under Public Act 101-0030, the requirements that at least 25% of the general obligation bonds issued within a fiscal year must be sold pursuant to notice of sale and public bid, and that general obligation bonds must be issued with principal or mandatory redemption amounts in equal amounts in each fiscal year beginning the year following issuance, do not apply to refunding general obligation issued. Also under Public Act 100-0023, as amended by Public Act 101-0030, the requirement that general obligation bonds may not be issued if, after their issuance, in the next State fiscal year after issuance the amount of debt service on all then-outstanding general obligation bonds exceeds 7% of the General, Road, and State Construction Account Fund appropriations for the fiscal year immediately preceding the issuance, does not apply to general obligation bonds issued for new money purposes in an aggregate principal amount of up to \$2 billion or to general obligation bonds issued for refunding purposes in an aggregate principal amount of up to \$2 billion in fiscal year 2019.

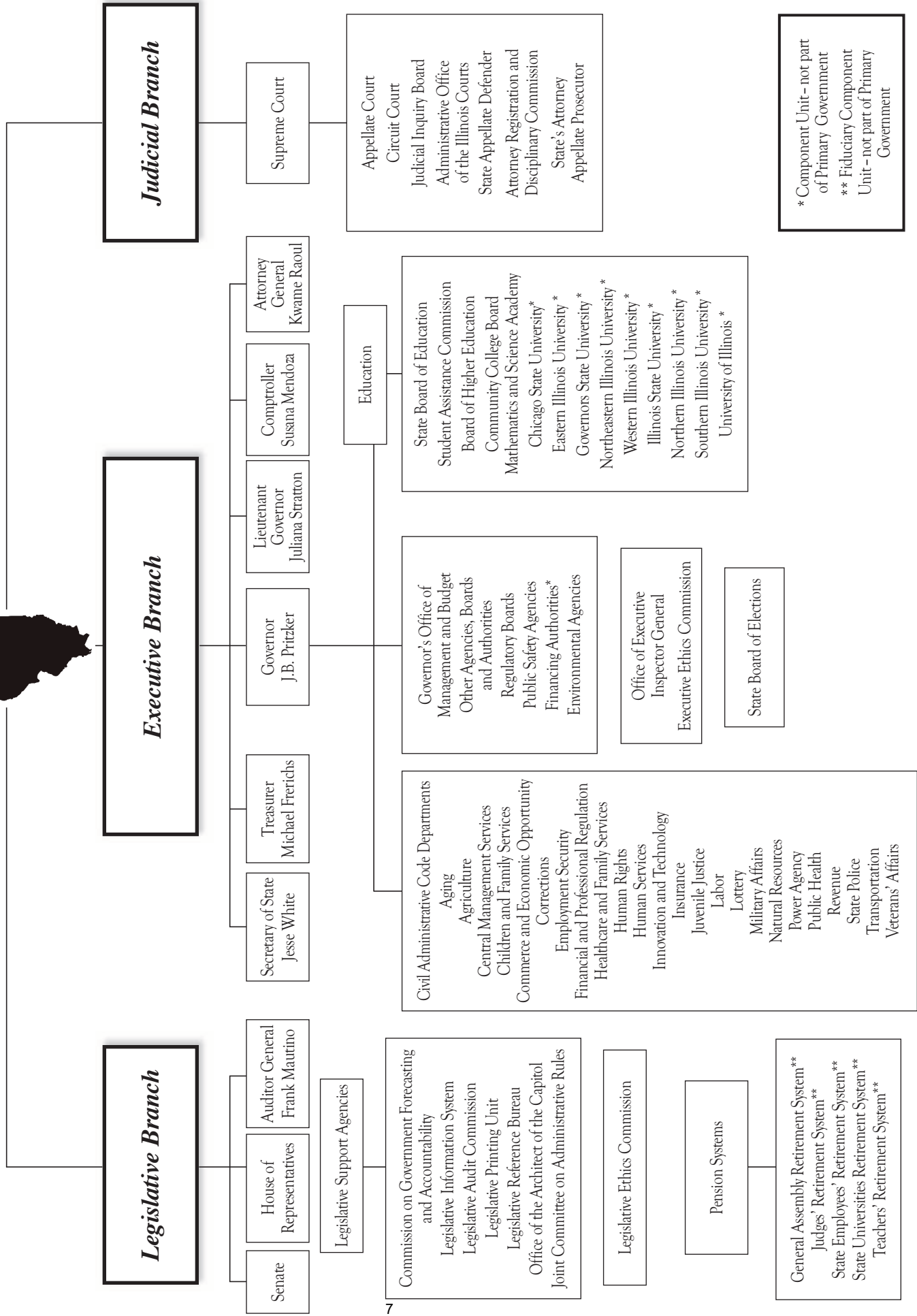
ACKNOWLEDGMENTS

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

Sincerely,

Susana A. Mendoza
Illinois State Comptroller

STATE OF ILLINOIS
Organizational Chart
June 30, 2021



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

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Financial Section

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Illinois, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State of Illinois' basic financial statements as listed in the Table of Contents for Section II of the State of Illinois' Annual Comprehensive Financial Report.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain university related organizations, which represent 12%, 27%, 11%, and 5%, respectively, of the total assets and deferred outflows of resources, total net position, total revenues, and total expenses of the aggregate discretely presented component unit amounts. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these university related organizations, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

Summary of Opinions

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

Basis for Disclaimer of Opinion on Unemployment Compensation Trust Fund

The State of Illinois, Department of Employment Security (IDES) did not maintain certain accounting records and supporting documents for the Unemployment Compensation Trust Fund relating to transactions with its beneficiaries, nor were the internal controls for the Unemployment Compensation Trust Fund adequate to provide safeguards over Unemployment Compensation Trust Fund assets and to assure the proper recording of transactions. Accordingly, we were unable to determine the extent to which the financial statements of the Unemployment Compensation Trust Fund may have been affected by these conditions.

Basis for Qualified Opinion on Business-Type Activities

The State of Illinois, business-type activities is comprised of three major enterprise funds – Unemployment Compensation Trust Fund, Water Revolving Fund, and Prepaid Tuition Fund – and the aggregate remaining nonmajor enterprise funds. The problems noted for business-type activities were strictly limited to the conditions noted in the *Basis for Disclaimer of Opinion on Unemployment*

Compensation Trust Fund paragraph. As a result, we were unable to obtain sufficient appropriate audit evidence to conclude the financial statements of the business-type activities were free from material misstatement.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on Unemployment Compensation Trust Fund* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Unemployment Compensation Trust Fund. Accordingly, we do not express an opinion on these financial statements.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinions on Business-Type Activities* paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the State of Illinois, as of June 30, 2021, and the respective changes in its financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, aggregate discretely presented component units, the General Fund, the Water Revolving Fund, the Prepaid Tuition Fund, and the aggregate remaining fund information of the State of Illinois, as of June 30, 2021, and the respective changes in its financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the financial statements, the State of Illinois restated beginning balances to correct errors in the Other Postemployment Benefits (OPEB) liability and related deferred inflows and outflows of resources. Our opinions are not modified with respect to this matter.

As discussed in Note 2 to the financial statements, the State of Illinois restated beginning balances resulting from the implementation of GASB Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

The deficit for net position of governmental activities continued to increase during Fiscal Year 2021. The deficit increased by \$1,703,649,000, from \$197,542,484,000 at June 30, 2020, to \$199,246,133,000 at June 30, 2021. This deficit, which is presented on an accrual basis, is the excess of total liabilities and deferred inflows of resources over total assets and deferred outflows of resources and represents a deferral of current and prior year costs to future periods. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Defined Benefit Pension Plan Schedules, and Defined Benefit Other Postemployment Benefit Plans - Schedules of Funding Progress on pages 16-29, 187-190, 191-197, and 198-199, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Illinois' basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022, on our consideration of the State of Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing

of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Illinois' internal control over financial reporting and compliance.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General
State of Illinois

SIGNED ORIGINAL ON FILE

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

Springfield, Illinois
June 21, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of the State of Illinois' (the State's) financial performance providing an overview of the activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the transmittal letter and with the State's financial statements which follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The Statement of Net Position (pages 30 and 31) presents net position as the difference between the State's non-fiduciary assets plus deferred outflows of resources less liabilities less deferred inflows of resources. Over time, increases and decreases in net position measure whether the State's financial position is improving or deteriorating.

The Statement of Activities (pages 32 and 33) presents all of the State's non-fiduciary revenues and expenses with the difference showing how the State's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and unused accrued absences).

Both statements report three activities:

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

Included within the basic financial statements are two schedules (pages 35 and 37) that reconcile the amounts reported on the governmental fund financial statements (modified accrual accounting) with governmental activities on the appropriate government-wide statements (accrual accounting). Modified accrual accounting focuses on current financial resources, which are the

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

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

The Notes to the Basic Financial Statements provide additional information that is integral to understanding the data provided in the government-wide and fund financial statements. The notes can be found beginning on page 49 of this report.

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

The fund financial statements begin on page 34 and provide more detail than the government-wide financial statements, concentrating on information about the major individual funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the State uses to keep track of specific sources of funding and spending for a particular purpose. In addition to the major funds, individual fund data for the nonmajor funds is presented beginning on page 201. The State's funds are divided into three categories – governmental, proprietary, and fiduciary – with each using a different accounting method.

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

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

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

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

Additional Required Supplementary Information

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

Other Supplementary Information

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

FINANCIAL ANALYSIS OF THE STATE

The State’s combined net position decreased \$4.525 billion or 2.3% during the current fiscal year. The net position of the State’s governmental activities decreased \$1.493 billion or 0.8% and the net position of the State’s business-type activities decreased \$3.032 billion or 89.9%. The following condensed financial information was derived from the government-wide Statement of Net Position and reflects the State’s financial position as of June 30, 2021 and 2020:

Net Position as of June 30 (amounts in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and other non-current assets	\$ 29,973	\$ 29,078	\$ 8,213	\$ 7,474	\$ 38,186	\$ 36,552
Capital assets	23,319	22,504	3	3	23,322	22,507
Total assets	53,292	51,582	8,216	7,477	61,508	59,059
Deferred outflows of resources	18,810	18,031	52	42	18,862	18,073
Other liabilities	20,956	24,938	6,308	2,356	27,264	27,294
Long-term liabilities	241,510	234,470	1,521	1,641	243,031	236,111
Total liabilities	262,466	259,408	7,829	3,997	270,295	263,405
Deferred inflows of resources	8,882	7,958	98	149	8,980	8,107
Net position:						
Invested in capital assets	16,014	16,024	3	3	16,017	16,027
Restricted	4,754	4,634	4,087	4,326	8,841	8,960
Unrestricted	(220,014)	(218,411)	(3,749)	(956)	(223,763)	(219,367)
Total net position	\$ (199,246)	\$ (197,753)	\$ 341	\$ 3,373	\$ (198,905)	\$ (194,380)

The State's largest asset is its capital assets (\$23.322 billion) consisting of land, buildings, equipment, infrastructure, and other items with estimated useful lives of greater than one year. The largest portion of the State's long-term liabilities is its net pension liability (\$151.871 billion), other postemployment benefits liability (\$56.670 billion), and bonds and notes payable (\$32.361 billion), including unamortized premiums and discounts. The State's net position includes the State's investment in capital assets, less any related debt that was recorded to acquire or construct the assets. The restricted net position balance consists of resources subject to external restrictions or enabling legislation as to their use. The remaining portion, unrestricted net position, is the net position available to be used at the State's discretion or need, to be replenished by revenues in future periods.

The State's assets increased \$2.449 billion from \$59.059 billion at June 30, 2020, to \$61.508 billion at June 30, 2021, due mainly to \$1.201 billion more in cash equity with the State Treasurer, \$1.066 billion more in securities lending collateral, and \$482 million more in other receivables. The State's deferred outflows of resources increased \$789 million from \$18.073 billion at June 30, 2020, to \$18.862 billion at June 30, 2021.

The State's liabilities increased \$6.890 billion from \$263.405 billion at June 30, 2020, to \$270.295 billion at June 30, 2021. Net pension liabilities increased \$8.524 billion. OPEB liabilities decreased \$1.865 billion from the June 30, 2020, balance of \$58.535 billion, as restated. Short-term notes payable increased \$2.782 billion due to the increase in borrowing by the Unemployment Compensation Trust Fund due to the significant increased unemployment compensation claims during the COVID-19 pandemic. Unearned revenues decreased \$1.957 billion, due to the receipt of Federal Cares Act funds in the prior year that were expended in the current year.

The State's deferred inflows of resources increased \$873 million from \$8.107 billion at June 30, 2020, to \$8.980 billion at June 30, 2021.

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

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

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2021	2020	2021	2020	2021	2020	2020 to 2021
Revenues							
Program revenues							
Charges for services	\$ 3,936	\$ 3,551	\$ 6,144	\$ 4,635	\$ 10,080	\$ 8,186	23.1%
Operating grants and contributions	35,224	26,120	18,481	6,282	53,705	32,402	65.7%
Capital grants and contributions	1,844	1,629	-	-	1,844	1,629	13.2%
General revenues							
Income taxes	28,303	25,380	-	-	28,303	25,380	11.5%
Sales taxes	13,658	12,102	-	-	13,658	12,102	12.9%
Motor fuel taxes	2,362	2,343	-	-	2,362	2,343	0.8%
Public utility taxes	1,359	1,386	-	-	1,359	1,386	(1.9%)
Riverboat taxes	200	329	-	-	200	329	(39.2%)
Medical providers assessment taxes	3,168	2,931	-	-	3,168	2,931	8.1%
Other taxes	3,719	2,892	-	-	3,719	2,892	28.6%
Interest and investment earnings	64	244	(4)	80	60	324	(81.5%)
Other revenue	1,256	1,278	-	-	1,256	1,278	(1.7%)
Total revenues	95,093	80,185	24,621	10,997	119,714	91,182	31.3%
Expenses							
Health and social services	42,469	34,058	-	-	42,469	34,058	24.7%
Education	28,503	28,454	-	-	28,503	28,454	0.2%
General government	3,713	3,425	-	-	3,713	3,425	8.4%
Employment and economic development	2,157	843	-	-	2,157	843	155.9%
Transportation	5,800	5,111	-	-	5,800	5,111	13.5%
Public protection and justice	4,223	4,524	-	-	4,223	4,524	(6.7%)
Environment and business regulation	1,183	772	-	-	1,183	772	53.2%
Unemployment compensation fund	-	-	24,016	9,831	24,016	9,831	144.3%
Water revolving fund	-	-	120	109	120	109	10.1%
Prepaid tuition programs	-	-	14	37	14	37	(62.2%)
Lottery	-	-	2,687	2,160	2,687	2,160	24.4%
Other business-type activities	-	-	133	157	133	157	(15.3%)
Intergovernmental	7,968	6,824	-	-	7,968	6,824	16.8%
Interest	1,500	1,565	-	-	1,500	1,565	(4.2%)
Total expenses	97,516	85,576	26,970	12,294	124,486	97,870	27.2%
Excess (deficiency) before transfers	(2,423)	(5,391)	(2,349)	(1,297)	(4,772)	(6,688)	28.6%
Transfers	719	718	(719)	(718)	-	-	0.0%
Increase (decrease) in net position	(1,704)	(4,673)	(3,068)	(2,015)	(4,772)	(6,688)	28.6%
Net position - beginning, as restated*	(197,542)	(193,080)	3,409	5,388	(194,133)	(187,692)	(3.4%)
Net position - ending	<u>\$ (199,246)</u>	<u>\$ (197,753)</u>	<u>\$ 341</u>	<u>\$ 3,373</u>	<u>\$ (198,905)</u>	<u>\$ (194,380)</u>	<u>(2.3%)</u>

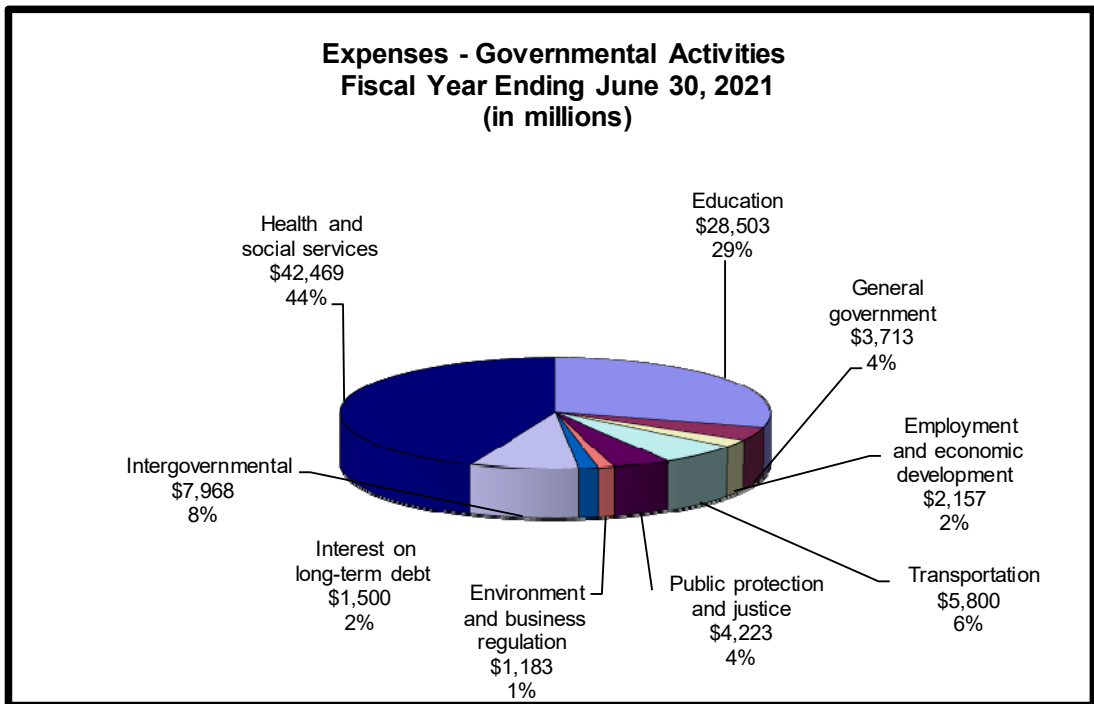
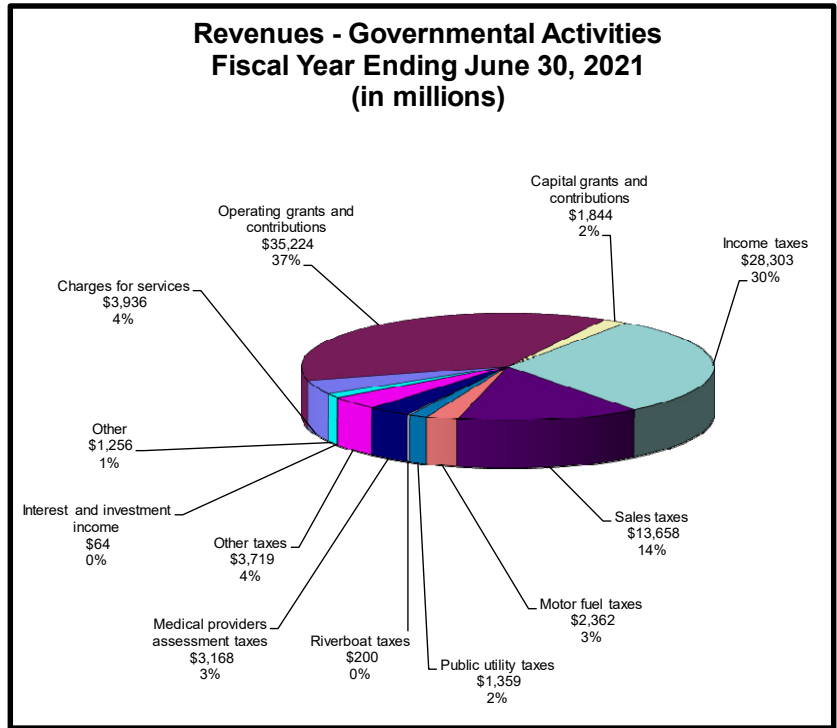
* The 2021 beginning net position has been restated to reflect the correction of the allocation of the other postemployment benefits liability, deferred outflows of resources, and deferred inflows of resources.

Governmental Activities:

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

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

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



The State's governmental activities revenues increased \$14.908 billion (18.6%) during fiscal year 2021 with the largest revenue increase consisting of \$9.104 billion in operating grants and contributions. The Supplemental Nutrition Assistance Program, the Coronavirus Relief Fund, and the Healthcare Provider Relief Fund saw increases in federal grant revenue totaling \$2.536 billion, \$1.652 billion, and \$1.149 billion, respectively.

The State's governmental activities expenses increased \$11.940 billion (14.0%) during fiscal year 2021, due mostly to pension and OPEB expense totaling approximately \$6.518 billion. In addition, increases were seen across all expense functions due to the increase spending relating to federal government grants.

Business-type Activities:

The net position of business-type activities decreased \$3.068 billion during the fiscal year 2021. This decrease was attributed mainly to a \$3.289 billion decrease in net position of the Unemployment Compensation Trust Fund, which resulted from a continued significant increase in unemployment compensation claims due to the COVID-19 pandemic.

FINANCIAL ANALYSIS OF THE STATE'S MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for resources obtained and used for those services traditionally provided by the State which are not accounted for in another fund. Accordingly, the majority of the State's tax revenues and program support expenses are accounted for in the General Fund. For financial reporting purposes, the General Fund consists of several accounts of the State which are described on page 201. For budgetary purposes the General Funds consist of the General Revenue, Common School-Special, Education Assistance, Common School, Advancement of Education, Commitment to Human Services, and Budget Stabilization Accounts.

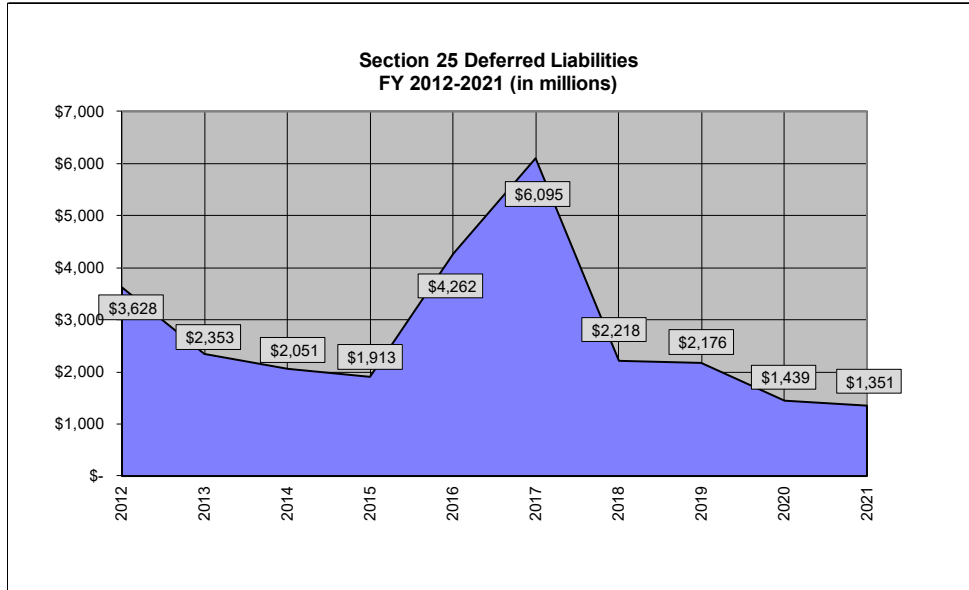
The State's General Funds' budgetary fund balance ended fiscal year 2021 with a deficit for the twentieth consecutive year. At June 30, 2021, the General Funds' budgetary fund balance was a deficit of \$2.804 billion compared to a \$5.751 billion deficit recorded at June 30, 2020. The final budget projected a \$8.393 billion deficit.

The \$5.590 billion increase in the General Funds' budgetary balance between the final budget and the actual results was due to \$4.264 billion more in actual revenue than budgeted revenue, combined with \$1.325 billion less in actual expenditures than budgeted expenditures.

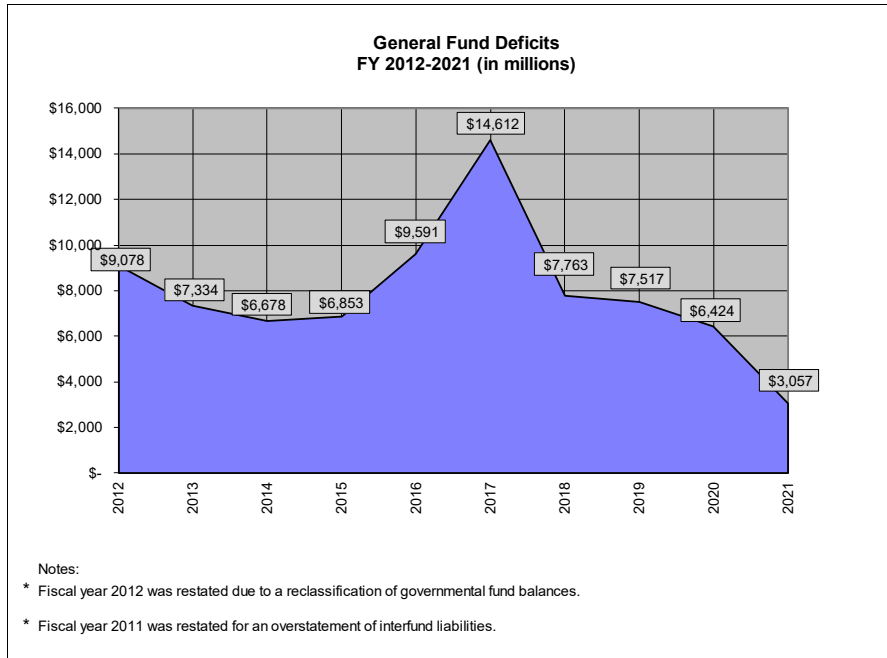
The General Fund's assets at June 30, 2021, were \$13.675 billion, which is a decrease of \$2.544 billion from the June 30, 2020, balance of \$16.219 billion. Cash equity with the State Treasurer and taxes receivable decreased \$1.414 billion and \$1.329 billion, respectively.

The General Fund's liabilities at June 30, 2021, were \$15.181 billion, which is a decrease of \$5.825 billion from the June 30, 2020, balance of \$21.006 billion. The decrease was due mostly from the decrease in unearned revenues of \$2.387 billion, due to the receipt of Federal Cares Act funds in the prior year that were expended in the current year. Liabilities also decreased due to the repayment of \$1.200 billion in short-term general obligation certificates payable, which were issued in fiscal year 2020 to manage cashflow during the COVID-19 pandemic.

A factor that determines a significant portion of the General Fund liabilities is the accrued liabilities payable from future year's appropriations. One of the largest components of those liabilities is Section 25 of the State Finance Act (Section 25) deferrals which consist mostly of self-insurance and Medicaid program liabilities. These statutory deferrals allow expenses incurred during one fiscal year to be paid for from the subsequent fiscal year's budget in limited situations. Section 25 deferrals decreased \$88 million from \$1.439 billion at June 30, 2020, to \$1.351 billion at June 30, 2021.



During fiscal year 2021, the General Fund's fund deficit decreased from \$6.424 billion to \$3.057 billion, a \$3.367 billion decrease.



During fiscal year 2021, General Fund revenues increased \$7.606 billion to \$63.136 billion. General Fund expenditures increased \$6.073 billion to \$59.523 billion in fiscal year 2021 due mainly to increased spending on health and social services programs of \$4.526 billion.

Cash flow problems caused the State to hold over \$4.750 billion in payments and interfund transfers from the General Fund at June 30, 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

At June 30, 2021, the State had \$23.322 billion in capital assets, net of accumulated depreciation, in the following categories:

Capital Assets as of June 30 (net of depreciation, amounts in millions)						
	Governmental		Business-type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Land and land improvements	\$ 3,621	\$ 3,592	\$ -	\$ -	\$ 3,621	\$ 3,592
Site improvements	138	176	-	-	138	176
Buildings and building improvements	1,612	1,520	2	2	1,614	1,522
Equipment	651	619	1	-	652	619
Intangible assets	753	664	-	1	753	665
Infrastructure	15,942	15,487	-	-	15,942	15,487
Other	13	13	-	-	13	13
Subtotal	22,730	22,071	3	3	22,733	22,074
Construction in progress	589	433	-	-	589	433
Total	\$ 23,319	\$ 22,504	\$ 3	\$ 3	\$ 23,322	\$ 22,507

Infrastructure assets consist of 69% of the State's net capital assets and comprise \$1.692 billion of the \$2.420 billion (70%) of the current year additions to capital assets. The State capitalizes and depreciates its roads and road improvements over a twenty-year period and its bridges over a forty-year period. More detailed information regarding the State's capital assets is presented in Note 7 of the financial statements on page 89.

Debt Administration:

Bonded Indebtedness

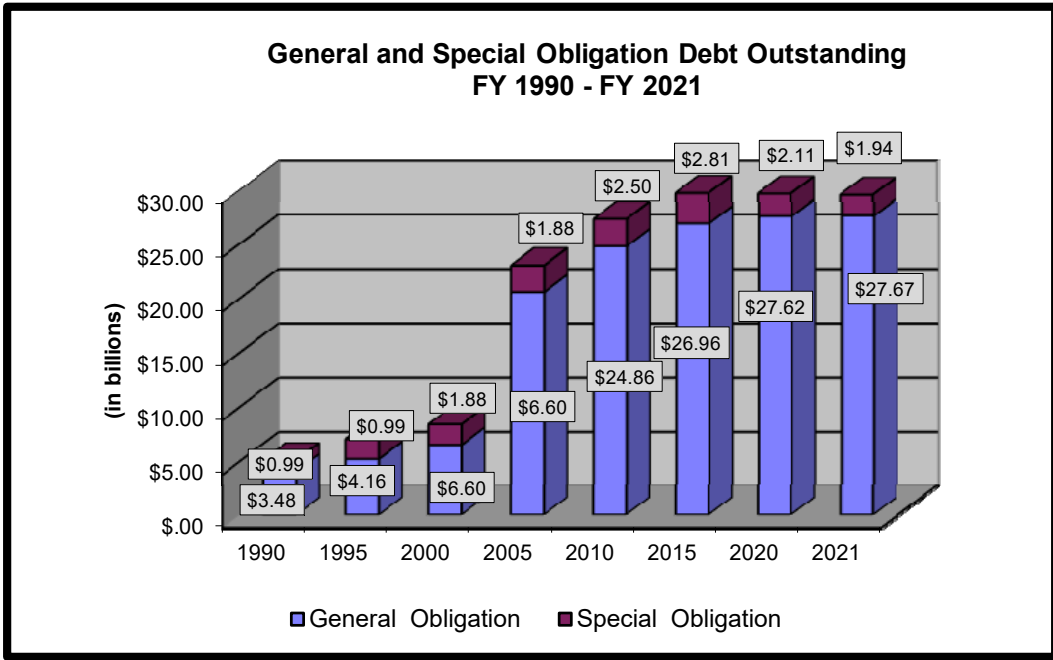
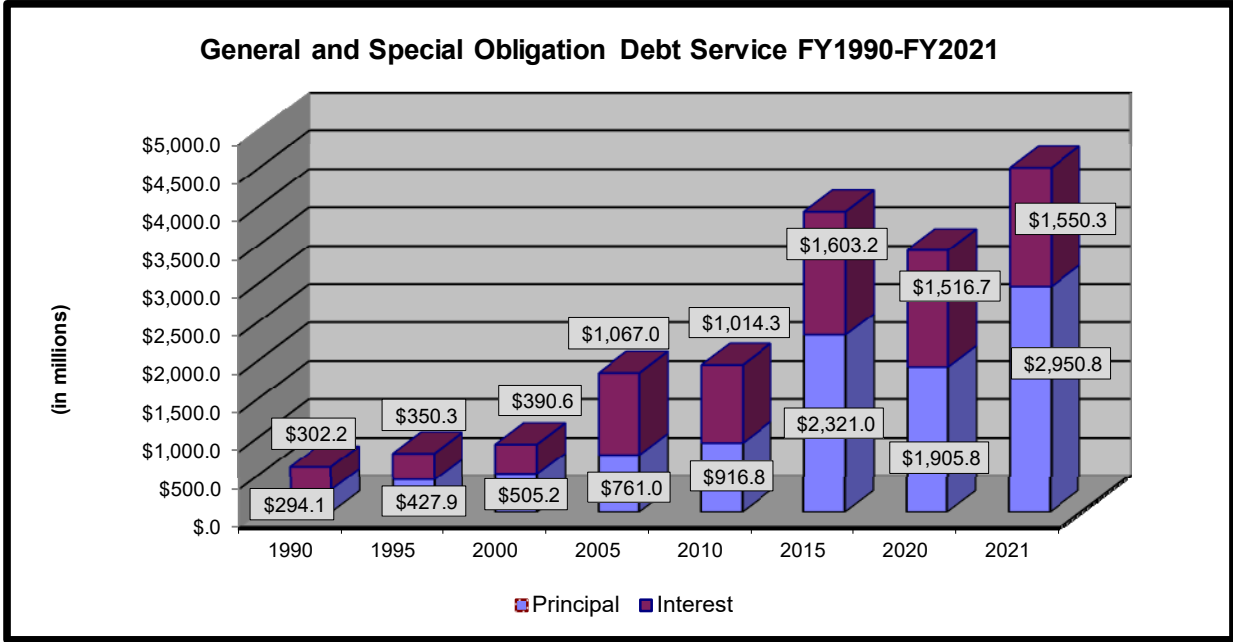
The State, certain State agencies, and component units of the State are empowered by law to authorize, issue, and sell debt obligations. General obligation bonds, issued by the State, are backed by the full faith and credit of the State and are considered a direct debt of the State. Special obligation bonds are also considered direct debt of the State but are not backed by the full faith and credit of the State. Rather, special obligation bonds are supported and repaid only by a dedicated State revenue source. Revenue bonds are not backed by the full faith and credit of the State but are backed by a specific revenue stream. Some revenue bonds can be considered moral

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

Outstanding Bonded Debt as of June 30 (Amounts in millions)						
Primary Government	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
	General obligation bonds (backed by the State)	\$ 27,670	\$ 27,624	\$ -	\$ -	\$ 27,670
Special obligation bonds (backed by specific fee revenue)	1,941	2,114	-	-	1,941	2,114
Revenue bonds (backed by specific tax and fee revenue)	671	775	102	120	773	895
	<u>\$ 30,282</u>	<u>\$ 30,513</u>	<u>\$ 102</u>	<u>\$ 120</u>	<u>\$ 30,384</u>	<u>\$ 30,633</u>

As shown above, Illinois had outstanding general and special obligation bonds at June 30, 2021, totaling \$29.611 billion. Bonds have been issued primarily to provide funds for acquisition and construction of capital facilities for higher education, public and mental health, correction and conservation purposes, and for maintenance and construction of highway and waterway facilities. Bonds also have been issued to provide assistance to municipalities for construction of sewage treatment facilities, port districts, aquarium facilities, local schools, mass transportation and aviation purposes, and to fund research and development of coal and alternative energy sources. In addition, bonds have been issued to make pension contributions to the State's retirement systems and to fund a portion of the State's unfunded portion of prior year's retirement liabilities. The outstanding amount of \$8.350 billion for pension purposes, issued in 2003, is included in the outstanding general obligation bonds as of June 30, 2021.

Debt service principal of \$2.951 billion and interest costs of \$1.550 billion were paid and charged, respectively, in fiscal year 2021 for general and special obligation bonds. The dramatic increase in debt service payments and outstanding debt since fiscal year 1990 is displayed in the following charts:



In addition to general and special obligation bonds, the primary government had \$773 million of revenue bonds and \$4.106 billion of non-retirement long-term obligations outstanding as of June 30, 2021.

The State’s general obligation bond ratings were Baa2 with a Stable Outlook by Moody’s Investor Services, BBB- with a Stable Outlook by Standard and Poor’s, and BBB- with a Positive Outlook by Fitch Ratings as of June 30, 2021. Since June 30, 2021, Moody’s revised its rating to Baa1 with a Stable Outlook, Standard and Poor’s revised its rating to BBB+ with a Stable Outlook, and Fitch revised its rating to BBB+ with a Stable Outlook.

The State's special obligation—Build Illinois Bonds – ratings were Baa2 with a Stable Outlook by Moody's Investor Services, BBB with a Stable Outlook by Standard and Poor's, and BBB+ with a Positive Outlook by Fitch Ratings as of June 30, 2021. Since June 30, 2021, Moody's revised its rating to Baa1 with a Stable Outlook, Standard and Poor's revised its rating to A- with a Stable Outlook, and Fitch revised its rating to A with a Stable Outlook.

Retirement Liabilities

The State's largest liability is its net pension liability. The State sponsors five public employee retirement systems that are included in the State's financial statements as pension trust funds. As the State is statutorily required to make contributions to these retirement systems, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, requires the State to recognize a proportionate share of the collective net pension liability for each of these plans. During fiscal year 2021, the net pension liability as reported in the financial statements totaled \$151.871 billion, an increase of \$8.524 billion from the fiscal year 2020 balance of \$143.347 billion.

During fiscal year 2021, all of the State systems were substantially funded in accordance with the *statutory funding* requirement. The law enacted in fiscal year 1996 provides for a 50-year funding plan with a 15-year phase-in and a “continuing appropriation.” For fiscal years 2006 and 2007, however, the law was amended allowing for decreased contributions to the systems of only \$938.4 million and \$1,374.7 million, respectively, and requiring equal annual increments from fiscal year 2008 to 2010 (the end of the 15-year phase-in) so that by fiscal year 2011, the State would be contributing at the rate otherwise required by State law. The continuing appropriation provides the Comptroller's Office with the authority to automatically provide funding to the pension systems based on actuarial cost requirements and amortization of the unfunded liability without being subject to the General Assembly's appropriation process. However, the State's 50-year funding plan does *not* conform to the Actuarial Standards of Practice, and although the statutory contribution requirements were met, the statutory funding method generates a contribution requirement that is less than a reasonable actuarial determined contribution.

In addition, the State is statutorily required to make contributions for OPEB to three plans that provide health, dental, vision, and life insurance benefits to certain retirees and their dependents. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State recognized its proportionate share of the OPEB liability in the amount of \$56.670 billion as of June 30, 2021, a decrease of \$1.865 billion from the fiscal year 2020 balance of \$58.535 billion, as restated.

ECONOMIC CONDITION AND OUTLOOK

Fiscal Year 2021

Economic growth continued to decline in Illinois during fiscal year 2021, as nonessential businesses were ordered to temporarily close to mitigate the spread of COVID-19. Illinois' non-agricultural employment (derived from survey data from Illinois companies) averaged 5.678 million workers in fiscal year 2021, a decrease of 260,000 jobs or 4.38% below 2020 employment. A second Illinois employment estimate, obtained through household surveys, also showed a decrease in Illinois employment. According to these surveys, an average of 5.675 million Illinoisans was employed in fiscal year 2021, a decrease over the average of 5.931 million in fiscal year 2020.

The average Illinois unemployment rate increased from 4.3% and 6.6% in fiscal years 2019 and 2020, respectively, to 8.5% in fiscal year 2021. At June 30, 2021, the rate was 7.9%. The increased average unemployment rate was caused by the decrease in employment levels and the increase in the average number of unemployed which increased from approximately 413,000 during fiscal year 2020 to approximately 524,000 for fiscal year 2021.

A more comprehensive measure of Illinois' economic performance is the change in state personal income adjusted for inflation. This value increased 5.3% in fiscal year 2021 as nominal personal income rose 7.7% and the consumer price index was up 2.3%. State personal income adjusted for inflation had shown an increase in 2019 of 2.0% and an increase of 2.5% in 2020.

Outlook

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

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

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors a general overview of the State's financial position and changes in the State's net position for the year ended June 30, 2021. If you have any questions about this report or need additional financial information, contact the Office of Comptroller at (217) 782-6000.

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

State of Illinois

Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash equity with State Treasurer	\$ 13,240,227	\$ 484,490	\$ 13,724,717	\$ 977,352
Cash and cash equivalents	180,549	355,955	536,504	1,577,316
Deposits held by federal government		447,406	447,406	
Securities lending collateral of State Treasurer	5,030,220	139,826	5,170,046	7,377
Investments	52,908	909,135	962,043	2,843,179
Receivables, net:				
Taxes	2,798,073	347,719	3,145,792	
Intergovernmental	3,441,093	205,952	3,647,045	254,735
Other	1,512,624	407,292	1,919,916	749,816
Internal balances	97,196	(97,196)	-	
Due from fiduciary funds	6,314	585	6,899	
Due from component units	445,672	6,545	452,217	19,948
Due from primary government				1,704,580
Inventories	370,122		370,122	49,241
Prepaid expenses	170,072	1,815	171,887	74,944
Unamortized bond insurance costs	9,069		9,069	6,621
Loans and notes receivable, net	162,640	778,540	941,180	1,312,180
Restricted assets:				
Cash equity with State Treasurer	1,723,841		1,723,841	218,351
Cash and cash equivalents	495,411	7,602	503,013	2,604,110
Investments	14,038		14,038	6,325,722
Taxes receivable	20,731		20,731	
Intergovernmental receivables	3,564		3,564	
Other receivables	148,887	40,843	189,730	100,498
Loans and notes receivable, net		4,176,495	4,176,495	24,362
Other assets	34,574		34,574	6,621
Derivative instruments				2,800
Other assets	15,600		15,600	99,300
Capital assets not being depreciated	4,634,723		4,634,723	3,202,508
Capital assets being depreciated, net	18,684,015	2,731	18,686,746	13,936,844
Total assets	53,292,163	8,215,735	61,507,898	36,098,405
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments				7,766
Deferred outflows of resources - unamortized deferred amounts on bond refundings	19,929		19,929	253,239
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings				3,216
Deferred outflows of resources - pensions	16,286,525	39,368	16,325,893	107,483
Deferred outflows of resources - OPEB	2,504,034	12,146	2,516,180	139,890
Total deferred outflows of resources	18,810,488	51,514	18,862,002	511,594

State of Illinois

Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts payable and accrued liabilities	7,121,626	424,032	7,545,658	1,410,755
Intergovernmental payables	5,449,900	70,381	5,520,281	46,099
Due to fiduciary funds	499,177		499,177	
Due to component units	303,010	1,342,826	1,645,836	19,948
Due to primary government				480,759
Unearned revenue	2,553,726	33,192	2,586,918	855,713
Obligations under securities lending of State Treasurer	5,030,220	139,826	5,170,046	7,377
Assets held for others				183,273
Short-term notes payable		4,297,360	4,297,360	13,777
Derivative instruments				8,084
Other liabilities				12,070
Long-term obligations:				
Due within one year	3,554,767	158,216	3,712,983	760,552
Due subsequent to one year	237,954,675	1,362,692	239,317,367	16,483,971
Total liabilities	262,467,101	7,828,525	270,295,626	20,282,378
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - accumulated increase in fair value of derivative instruments				3,064
Deferred inflows of resources - unamortized deferred amounts on bond refundings	19,424	20,886	40,310	
Deferred inflows of resources - unamortized deferred amounts on certificates of participation refundings				226
Deferred inflows of resources - service concession arrangements				96,500
Deferred inflows of resources - irrevocable split-interest agreements				22,256
Deferred inflows of resources - pensions	1,236,016	39,762	1,275,778	34,905
Deferred inflows of resources - OPEB	7,626,243	37,193	7,663,436	374,712
Total deferred inflows of resources	8,881,683	97,841	8,979,524	531,663
NET POSITION				
Net investment in capital assets	16,014,180	2,731	16,016,911	7,702,700
Restricted for:				
Debt service	2,072,607	36,941	2,109,548	493,892
Capital grants/projects	1,459,541		1,459,541	29,179
Repayment of loan from component unit		4,004,855	4,004,855	
Education	6,762	44,983	51,745	
Employment and economic development	278,264		278,264	
Health and social services	150,860		150,860	
Public protection and justice	89,258		89,258	
Environment and business regulation	180,214		180,214	
Transportation	65,285		65,285	
Other purposes	385,802		385,802	
Funds held as permanent investments:				
Nonexpendable purposes	60,341		60,341	2,111,028
Expendable purposes	4,282		4,282	4,356,683
Unrestricted	(220,013,529)	(3,748,627)	(223,762,156)	1,102,476
Total net position	\$ (199,246,133)	\$ 340,883	\$(198,905,250)	\$ 15,795,958

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

State of Illinois

Statement of Activities

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
Health and social services	\$ 42,468,748	\$ 246,222	\$ 26,739,167	\$ 313
Education	28,503,120	7,867	3,398,234	
General government	3,712,603	2,899,651	186,806	53,733
Employment and economic development	2,156,871	27,262	1,148,027	
Transportation	5,800,134	27,288	713,874	1,787,156
Public protection and justice	4,222,784	164,868	2,779,319	
Environment and business regulation	1,183,335	562,997	258,281	2,744
Intergovernmental-revenue sharing	7,967,694			
Interest	1,500,226			
Total governmental activities	<u>97,515,515</u>	<u>3,936,155</u>	<u>35,223,708</u>	<u>1,843,946</u>
Business-type activities				
Unemployment compensation trust	24,015,851	2,404,472	18,333,530	
Water revolving	119,705	83,506	96,638	
Prepaid tuition program	14,127	89,705		
Lottery	2,687,677	3,454,549	108	
Other	132,962	112,188	50,331	
Total business-type activities	<u>26,970,322</u>	<u>6,144,420</u>	<u>18,480,607</u>	
Total primary government	<u>\$ 124,485,837</u>	<u>\$ 10,080,575</u>	<u>\$ 53,704,315</u>	<u>\$ 1,843,946</u>
Component units				
Authorities				
Illinois Housing Development Authority	\$ 655,526	\$ 60,747	\$ 614,661	
Illinois State Toll Highway Authority	1,183,764	1,260,950		
Other Authorities	57,261	51,018		\$ 1,023
Universities				
Illinois State University	684,617	277,908	112,385	383
Northern Illinois University	581,280	181,993	95,557	
Southern Illinois University	1,340,263	526,884	170,397	2,092
University of Illinois	7,162,385	3,082,592	1,364,186	24,943
Other Universities	916,657	226,359	189,731	2,592
Total component units	<u>\$ 12,581,753</u>	<u>\$ 5,668,451</u>	<u>\$ 2,546,917</u>	<u>\$ 31,033</u>
General revenues				
Taxes:				
Income taxes				
Sales taxes				
Motor fuel taxes				
Public utility taxes				
Riverboat taxes				
Medical providers assessment taxes				
Other taxes				
Interest and investment income				
Other revenues				
Pension and OPEB revenue recognized				
Payments from the State of Illinois				
Additions to permanent endowments				
Transfers				
Total general revenues, payments from the State of Illinois, additions to permanent funds and transfers				
Change in net position				
Net position, July 1, 2020, as restated				
Net position, June 30, 2021				

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

Net (Expense) Revenues and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (15,483,046)		\$ (15,483,046)	
(25,097,019)		(25,097,019)	
(572,413)		(572,413)	
(981,582)		(981,582)	
(3,271,816)		(3,271,816)	
(1,278,597)		(1,278,597)	
(359,313)		(359,313)	
(7,967,694)		(7,967,694)	
<u>(1,500,226)</u>		<u>(1,500,226)</u>	
<u>(56,511,706)</u>			
	\$ (3,277,849)	(3,277,849)	
	60,439	60,439	
	75,578	75,578	
	766,980	766,980	
	29,557	29,557	
	<u>(2,345,295)</u>		
		<u>(58,857,001)</u>	
			\$ 19,882
			77,186
			<u>(5,220)</u>
			(293,941)
			(303,730)
			(640,890)
			<u>(2,690,664)</u>
			<u>(497,975)</u>
			<u>(4,335,352)</u>
28,302,904		28,302,904	
13,657,777		13,657,777	
2,361,884		2,361,884	
1,359,622		1,359,622	
200,378		200,378	
3,167,711		3,167,711	
3,719,046		3,719,046	
63,846	(3,748)	60,098	1,233,279
1,256,047		1,256,047	473,707
			2,969,692
			1,191,305
			82,738
<u>718,842</u>	<u>(718,842)</u>	<u>-</u>	
<u>54,808,057</u>	<u>(722,590)</u>	<u>54,085,467</u>	<u>5,950,721</u>
(1,703,649)	(3,067,885)	(4,771,534)	1,615,369
<u>(197,542,484)</u>	<u>3,408,768</u>	<u>(194,133,716)</u>	<u>14,180,589</u>
<u>\$ (199,246,133)</u>	<u>\$ 340,883</u>	<u>\$ (198,905,250)</u>	<u>\$ 15,795,958</u>

State of Illinois

**Balance Sheet -
Governmental Funds**

June 30, 2021 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS			
Cash equity with State Treasurer	\$ 4,399,092	\$ 10,362,487	\$ 14,761,579
Cash and cash equivalents	8,256	598,212	606,468
Securities lending collateral of State Treasurer	3,332,950	1,652,715	4,985,665
Investments		66,946	66,946
Receivables, net:			
Taxes	2,115,704	703,100	2,818,804
Intergovernmental	1,612,778	1,829,973	3,442,751
Other	1,201,104	430,505	1,631,609
Due from other funds	606,923	1,537,254	2,144,177
Due from component units	17,052	411,458	428,510
Inventories	243,749	116,775	360,524
Loans and notes receivable, net	122,409	40,231	162,640
Other assets	15,000	35,174	50,174
Total assets	13,675,017	17,784,830	31,459,847
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - intra-entity transfers of future revenues		209,630	209,630
Total deferred outflows of resources		209,630	209,630
Total assets and deferred outflows of resources	\$ 13,675,017	\$ 17,994,460	\$ 31,669,477
LIABILITIES			
Accounts payable and accrued liabilities	\$ 4,170,082	\$ 1,245,222	\$ 5,415,304
Intergovernmental payables	2,589,024	2,848,714	5,437,738
Due to other funds	3,313,791	1,157,697	4,471,488
Due to component units	146,591	156,141	302,732
Unearned revenue	1,628,282	921,897	2,550,179
Obligations under securities lending of State Treasurer	3,332,950	1,652,715	4,985,665
Matured portion of long-term liabilities	238	281	519
Total liabilities	15,180,958	7,982,667	23,163,625
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	1,550,777	897,076	2,447,853
Deferred inflows of resources - intra-entity transfers of future revenues		209,630	209,630
Total deferred inflows of resources	1,550,777	1,106,706	2,657,483
FUND BALANCES (DEFICITS)			
Nonspendable - long-term portion of loans and notes receivable	2,669		2,669
Nonspendable - inventories	243,749	116,775	360,524
Nonspendable - endowments and similar funds		60,341	60,341
Restricted	34,941	4,394,120	4,429,061
Committed	3,962,683	5,001,273	8,963,956
Unassigned	(7,300,760)	(667,422)	(7,968,182)
Total fund balances (deficits)	(3,056,718)	8,905,087	5,848,369
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 13,675,017	\$ 17,994,460	\$ 31,669,477

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

State of Illinois
Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2021
(Expressed in Thousands)

Total fund balances-governmental funds \$ 5,848,369

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

Capital assets used in governmental activities, not including amounts included as assets in internal service funds of \$411,080, are not financial resources and therefore are not reported in the funds. 22,907,658

Prepaid expenses for governmental activities, not including amounts included as assets in internal service funds of \$1, are current uses of financial resources for funds. 170,071

Bond insurance costs are reported as current expenditures in governmental funds. However, bond insurance costs are deferred and amortized over the life of the bonds and are included as governmental activities in the Statement of Net Position. 9,069

Bond refunding costs are reported as current expenditures in governmental funds. However, bond refunding costs are deferred and amortized over the life of the defeased bonds and are included in governmental activities in the Statement of Net Position. 505

Internal service funds are used to charge costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported as governmental activities in the Statement of Net Position. 672,418

Some revenues will be collected after year-end but are "unavailable" to pay for the current period's expenditures due to not being collectible for several months and therefore are deferred in governmental funds. 2,447,853

Some liabilities, deferred outflows of resources, and deferred inflows of resources reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported in governmental funds. These liabilities, deferred outflows of resources, and deferred inflows of resources not including amounts included as liabilities in internal service funds of \$592,774, consist of:

Net pension liability	(151,627,764)	
Deferred outflows of resources - pensions	16,286,525	
Deferred inflows of resources - pensions	(1,236,016)	
OPEB liability	(56,545,780)	
Deferred outflows of resources - OPEB	2,504,034	
Deferred inflows of resources - OPEB	(7,626,243)	
General obligation bonds	(27,669,803)	
Special obligation bonds	(1,941,210)	
Revenue bonds	(670,965)	
Unamortized premiums	(966,824)	
Unamortized discounts	20,682	
General obligation note payable	(1,015,255)	
Compensated absences	(429,718)	
Pollution remediation obligation	(41,450)	
Auto liability	(16,922)	
Capital leases	(11,140)	
Accrued interest	(314,227)	
	(231,302,076)	(231,302,076)

Net position of governmental activities \$ (199,246,133)

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

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES			
Income taxes	\$ 24,486,926	\$ 3,759,076	\$ 28,246,002
Sales taxes	9,656,842	4,000,935	13,657,777
Motor fuel taxes		2,362,025	2,362,025
Public utility taxes	805,363	561,020	1,366,383
Riverboat taxes		200,378	200,378
Medical providers assessment taxes	3,114,957		3,114,957
Other taxes	3,019,018	586,718	3,605,736
Federal government	20,181,477	16,216,359	36,397,836
Licenses and fees	468,174	3,087,209	3,555,383
Interest and other investment income	22,041	40,856	62,897
Other	1,381,210	981,913	2,363,123
Total revenues	63,136,008	31,796,489	94,932,497
EXPENDITURES			
Current:			
Health and social services	32,608,228	9,420,231	42,028,459
Education	19,019,947	3,867,555	22,887,502
General government	2,791,621	755,608	3,547,229
Employment and economic development	965,115	1,220,435	2,185,550
Transportation	557,793	3,869,598	4,427,391
Public protection and justice	3,316,060	676,292	3,992,352
Environment and business regulation	164,255	898,923	1,063,178
Debt service:			
Principal	3,653	3,057,246	3,060,899
Interest	5,548	1,590,313	1,595,861
Capital outlays	91,186	2,267,010	2,358,196
Intergovernmental		7,967,694	7,967,694
Total expenditures	59,523,406	35,590,905	95,114,311
Excess (deficiency) of revenues over (under) expenditures	3,612,602	(3,794,416)	(181,814)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
General obligation bonds issued		1,850,000	1,850,000
Premiums on general obligation bonds issued		198,114	198,114
Discounts on general obligation bonds issued		(8,629)	(8,629)
General obligation refunding bonds issued		257,960	257,960
Premiums on general obligation refunding bonds issued		16,959	16,959
General obligation notes issued	2,000,000		2,000,000
Transfers-in	1,980,075	5,469,605	7,449,680
Transfers-out	(4,345,836)	(2,485,305)	(6,831,141)
Payments to refunded bond escrow agent		(273,987)	(273,987)
Capital lease financing	4,010	3,510	7,520
Net other sources (uses) of financial resources	(361,751)	5,028,227	4,666,476
Net change in fund balances	3,250,851	1,233,811	4,484,662
Fund balances (deficits), July 1, 2020	(6,424,210)	7,675,161	1,250,951
Increase (decrease) for changes in inventories	116,641	(3,885)	112,756
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (3,056,718)	\$ 8,905,087	\$ 5,848,369

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

State of Illinois
Reconciliation of Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to Statement of Activities
For the Year Ended June 30, 2021
(Expressed in Thousands)

Net change in fund balances	\$ 4,484,662
Change in inventories	112,756
	4,597,418

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

Prepaid expenses are recorded as uses of current financial resources in governmental funds but do not affect the expenses reported on the Statement of Activities. Prepaid expenses increased by this amount during the year. 159,102

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

Capital outlays	\$ 2,358,196	
Depreciation expense	(1,514,615)	
Excess of capital outlays over depreciation expense		843,581

Revenues for capital assets acquired through noncash transactions are not recorded in governmental funds. However, in the Statement of Activities, program revenues are recorded for donated capital assets in this amount. 25,234

Gains and losses from capital assets no longer in use are not recorded in governmental funds but are reported as other revenues and expenses in the Statement of Activities. In the current year, these transactions include losses on capital assets scrapped, damaged, or stolen. (43,619)

Transfers of capital assets to and from proprietary funds are not recorded in governmental funds. This amount represents the net transfers of capital assets between governmental funds and proprietary funds in the Statement of Activities. (103,357)

Internal service funds are used to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported as governmental activities in the Statement of Activities. 221,745

Because some revenues will not be collected for several months, they are considered "unavailable" revenues and revenue recognition is deferred in the governmental funds. Unavailable revenues increased by this amount during the year. 29,177

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

Bond proceeds, including premiums of \$215,073 and discounts of (\$8,629)	(2,314,404)	
Payments to refunded bond escrow agent	273,987	
Bond principal retirements	2,069,920	
Deferred gain on current year refundings of debt	538	
Accrued interest paid to refunding agent	(3,832)	
Amortization of bond premiums	165,268	
Amortization of bond discounts	(1,298)	
Amortization of bond insurance costs	(1,151)	
Amortization of deferred amounts on refundings of debt	(23,058)	
General obligation note payable proceeds	(2,000,000)	
General obligation note payable repayments	984,745	
Capital lease and installment purchase agreement proceeds	(7,520)	
Capital lease and installment purchase principal retirements	6,234	
Net increase in change in fund balance of governmental funds from long-term debt transactions		(850,571)

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

Increase in net pension liability	(8,498,724)	
Increase in deferred outflows of resources - pensions	1,203,306	
Decrease in deferred inflows of resources - pensions	1,351,727	
Decrease in OPEB liability	1,853,592	
Decrease in deferred outflows of resources - OPEB	(434,772)	
Increase in deferred inflows of resources - OPEB	(1,992,704)	
Increase in compensated absences obligation	(47,127)	
Interest accreted on capital appreciation debt	(1,119)	
Increase in auto liability obligation	(3,175)	
Increase in pollution remediation obligations	(6,425)	
Increase in accrued interest on obligations	(6,938)	
Net increase in expenses for net increase in long-term liabilities not reported in governmental funds		(6,582,359)

Change in net position of governmental activities	\$ (1,703,649)
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The accompanying notes to the financial statements are an integral part of this statement.

State of Illinois

Statement of Net Position -
Proprietary Funds

June 30, 2021 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
ASSETS						
Cash equity with State Treasurer		\$ 236,480	\$ 714	\$ 247,296	\$ 484,490	\$ 202,489
Cash and cash equivalents	\$ 319,879		1,583	34,493	355,955	69,492
Deposits held by federal government	447,406				447,406	
Securities lending collateral of State Treasurer		88,301		51,525	139,826	44,555
Investments			131,019	92,052	223,071	
Receivables, net:						
Taxes	347,719				347,719	
Intergovernmental	195,057	474		10,421	205,952	1,906
Other	323,092	13,214	3,799	59,147	399,252	29,902
Due from other funds	734		30,000	20,771	51,505	1,964,714
Due from component units	8	6,537			6,545	17,162
Loans and notes receivable, net		52,367			52,367	
Restricted assets:						
Cash and cash equivalents				7,602	7,602	
Other receivables, net		14,343		26,500	40,843	
Loans and notes receivable, net		266,564		22,318	288,882	
Inventories						9,598
Prepaid expenses		10		1,805	1,815	1
Total current assets	1,633,895	678,290	167,115	573,930	3,053,230	2,339,819
Investments			395,963	290,101	686,064	
Other receivables, net			8,040		8,040	
Loans and notes receivable, net		726,173			726,173	
Restricted loans and notes receivable, net		3,723,948		163,665	3,887,613	
Capital assets not being depreciated						50,958
Capital assets being depreciated, net		5		2,726	2,731	360,122
Total noncurrent assets		4,450,126	404,003	456,492	5,310,621	411,080
Total assets	1,633,895	5,128,416	571,118	1,030,422	8,363,851	2,750,899
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - pensions		8,160		31,208	39,368	
Deferred outflows of resources - OPEB		2,300		9,846	12,146	
Total deferred outflows of resources		10,460		41,054	51,514	
LIABILITIES						
Accounts payable and accrued liabilities	300,716	209	938	122,169	424,032	1,392,095
Intergovernmental payables	64,605	3,780		1,996	70,381	12,162
Due to other funds	1,675	91	134	57,171	59,071	33,070
Due to component units	47	1,342,751	26	2	1,342,826	278
Unearned revenue				33,192	33,192	3,547
Obligations under securities lending of State Treasurer		88,301		51,525	139,826	44,555
Short-term notes payable	4,232,873			64,487	4,297,360	
Current portion of long-term obligations		902	129,465	27,849	158,216	116,280
Total current liabilities	4,599,916	1,436,034	130,563	358,391	6,524,904	1,601,987
Due to other funds				89,045	89,045	
Noncurrent portion of long-term obligations		94,062	656,803	611,827	1,362,692	476,494
Total noncurrent liabilities		94,062	656,803	700,872	1,451,737	476,494
Total liabilities	4,599,916	1,530,096	787,366	1,059,263	7,976,641	2,078,481
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unamortized deferred amounts on bond refundings				20,886	20,886	
Deferred inflows of resources - pensions		3,156		36,606	39,762	
Deferred inflows of resources - OPEB		5,676		31,517	37,193	
Total deferred inflows of resources		8,832		89,009	97,841	
NET POSITION						
Net investment in capital assets		5		2,726	2,731	410,535
Net position restricted for:						
Debt service				36,941	36,941	
Repayment of loan from component unit		4,004,855			4,004,855	
Education				44,983	44,983	
Unrestricted	(2,966,021)	(404,912)	(216,248)	(161,446)	(3,748,627)	261,883
Total net position	\$ (2,966,021)	\$ 3,599,948	\$ (216,248)	\$ (76,796)	\$ 340,883	\$ 672,418

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

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
OPERATING REVENUES						
Charges for sales and services			\$ 201	\$ 3,548,913	\$ 3,549,114	\$ 3,731,058
Interest income pledged as revenue bond security				10,958	10,958	
Interest and other investment income		\$ 83,506	89,504	3	173,013	
Employer contributions	\$ 2,404,472				2,404,472	
Other				6,863	6,863	17
Total operating revenues	2,404,472	83,506	89,705	3,566,737	6,144,420	3,731,075
OPERATING EXPENSES						
Cost of sales and services				253,174	253,174	773,121
Benefit payments and refunds	24,015,851			34,148	24,049,999	2,850,742
Prizes and claims				2,329,353	2,329,353	
General and administrative		20,080	3,416	176,753	200,249	80,218
Depreciation		2		862	864	46,707
Other		54,726	10,711	14,850	80,287	36
Total operating expenses	24,015,851	74,808	14,127	2,809,140	26,913,926	3,750,824
Operating income (loss)	(21,611,379)	8,698	75,578	757,597	(20,769,506)	(19,749)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	3,047	1,380		(8,175)	(3,748)	440
Interest expense		(41,811)		(8,946)	(50,757)	(42,121)
Federal government	18,333,530	96,638		50,439	18,480,607	71,063
Other revenues						8,531
Other expenses		(3,086)		(2,553)	(5,639)	(80)
Income (loss) before contributions and transfers	(3,274,802)	61,819	75,578	788,362	(2,349,043)	18,084
Contributions of capital assets						103,358
Transfers-in		46,000	30,000	10,674	86,674	103,362
Transfers-out	(14,600)			(790,916)	(805,516)	(3,059)
Change in net position	(3,289,402)	107,819	105,578	8,120	(3,067,885)	221,745
Net position, July 1, 2020, as restated	323,381	3,492,129	(321,826)	(84,916)	3,408,768	450,673
NET POSITION, JUNE 30, 2021	\$ (2,966,021)	\$ 3,599,948	\$ (216,248)	\$ (76,796)	\$ 340,883	\$ 672,418

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

State of Illinois

Statement of Cash Flows -

Proprietary Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services			\$ 201	\$ 125,467	\$ 125,668	\$ 187,511
Cash received from lottery sales				3,509,304	3,509,304	
Cash received from transactions with other funds						3,893,254
Cash payments to suppliers for goods and services		\$ (19)	(3,219)	(187,813)	(191,051)	(3,702,838)
Cash payments for interfund services		(3,303)		(1,615)	(4,918)	(55,158)
Cash payments to employees for services		(17,875)	(1,600)	(53,396)	(72,871)	(195,767)
Cash payments for lottery prizes				(2,294,302)	(2,294,302)	
Cash payments for commissions and bonuses				(186,247)	(186,247)	
Cash receipts from unemployment taxes	\$ 1,439,211				1,439,211	
Cash payments for unemployment benefits	(23,476,068)				(23,476,068)	
Cash receipts from prepaid tuition contract sales			6,713		6,713	
Cash payments for tuition			(108,682)		(108,682)	
Cash payments for tuition contract refunds			(23,485)		(23,485)	
Cash receipts from student loan principal				33,780	33,780	
Cash receipts from student loan interest				6,459	6,459	
Cash payments for student loans issued				(2,272)	(2,272)	
Cash payments for workers' compensation						(86,053)
Cash receipts from other operating activities				8,396	8,396	94,667
Cash payments for other operating activities				(92,156)	(92,156)	
Net cash provided (used) by operating activities	(22,036,857)	(21,197)	(130,072)	865,605	(21,322,521)	135,616
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from revenue bonds and other borrowings	3,995,934	194,742			4,190,676	
Principal paid on revenue bonds and other borrowings				(32,071)	(32,071)	(10,032)
Interest paid on revenue bonds and other borrowings				(1,637)	(1,637)	(136,302)
Grants received	18,384,577	100,310		50,091	18,534,978	83,800
Grants paid				(2,174)	(2,174)	
Transfers-in from other funds		46,000		7,259	53,259	104,162
Transfers-out to other funds	(16,859)			(797,121)	(813,980)	(2,862)
Federal recovery funds	178,113				178,113	
Net cash provided (used) by noncapital financing activities	22,541,765	341,052		(775,653)	22,107,164	38,766
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets				(671)	(671)	(83,557)
Principal paid on capital debt						(5)
Interest paid on capital debt				(17)	(17)	(1)
Proceeds from sales of capital assets						2
Net cash used by capital and related financing activities				(688)	(688)	(83,561)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities			(137,123)	(84,587)	(221,710)	
Proceeds from sales and maturities of investment securities			258,904	75,749	334,653	
Cash paid to investment managers			(345)		(345)	
Cash paid for long-term annuity prizes payable				(24,674)	(24,674)	
Loan disbursements		(503,700)			(503,700)	
Loan repayments		177,841			177,841	
Interest and dividends on investments	3,047	64,941	7,007	1,584	76,579	450
Net cash provided (used) by investing activities	3,047	(260,918)	128,443	(31,928)	(161,356)	450
Net increase (decrease) in cash and cash equivalents	507,955	58,937	(1,629)	57,336	622,599	91,271
Cash and cash equivalents, July 1, 2020	259,330	177,543	3,926	232,055	672,854	180,710
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 767,285	\$ 236,480	\$ 2,297	\$ 289,391	\$ 1,295,453	\$ 271,981
Reconciliation of cash and cash equivalents to the Statement of Net Position:						
Total cash and cash equivalents per Statement of Net Position	\$ 319,879		\$ 1,583	\$ 34,493	\$ 355,955	\$ 69,492
Add: cash equity with State Treasurer		\$ 236,480	714	247,296	484,490	202,489
Add: deposits held by federal government	447,406				447,406	
Add: restricted cash equivalents				7,602	7,602	
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 767,285	\$ 236,480	\$ 2,297	\$ 289,391	\$ 1,295,453	\$ 271,981

State of Illinois

Statement of Cash Flows -

Proprietary Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Major					
	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (21,611,379)	\$ 8,698	\$ 75,578	\$ 757,597	\$ (20,769,506)	\$ (19,749)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		2		862	864	46,707
Provision for uncollectible accounts	9,237	54,726		4,425	68,388	
Interest and investment income		(83,506)	(87,760)	(22)	(171,288)	
Interest expense		193			193	
Miscellaneous income						334
Other expense				(2,417)	(2,417)	
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:						
(Increase) decrease in accounts receivable	(272,108)		5,181	60,552	(206,375)	(3,275)
(Increase) decrease in intergovernmental receivables	(3,028)			247	(2,781)	97
(Increase) decrease in due from other funds	14,126			337	14,463	332,166
(Increase) decrease in due from component units	435				435	(2,012)
(Increase) decrease in loans and notes receivable				29,856	29,856	
(Increase) decrease in inventories						(697)
(Increase) decrease in prepaid expenses				(276)	(276)	40,309
(Increase) decrease in deferred outflows of resources		(1,819)		(9,944)	(11,763)	
Increase (decrease) in accounts payable and accrued liabilities	(176,645)	(149)	(984)	(342)	(178,120)	(231,244)
Increase (decrease) in intergovernmental payables	1,920	9		(1,278)	651	(5,224)
Increase (decrease) in due to other funds	538	(127)	(269)	257	399	(12)
Increase (decrease) in due to component units	47	229	16		292	(440)
Increase (decrease) in unearned revenue		(58)		229	171	(562)
Increase (decrease) in net pension liability		4,938		20,428	25,366	
Increase (decrease) in OPEB liability		(3,791)		(8,230)	(12,021)	
Increase (decrease) in other liabilities		56	(121,834)	(3,344)	(125,122)	(20,782)
Increase (decrease) in long-term annuity prizes payable				26,671	26,671	
Increase (decrease) in deferred inflows of resources		(598)		(10,003)	(10,601)	
Total adjustments	(425,478)	(29,895)	(205,650)	108,008	(553,015)	155,365
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (22,036,857)	\$ (21,197)	\$ (130,072)	\$ 865,605	\$ (21,322,521)	\$ 135,616
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Cost of capital asset acquisitions financed by capital leases						\$ 31
Gain (loss) on disposal of capital assets						(79)
Transfer of assets/liabilities from (to) other state funds						103,357
Loan repayments held at Trustee		\$ 167,740			\$ 167,740	
Increase (decrease) in fair value of investments			\$ 80,578	\$ (18,577)	62,001	
Interest accreted on investments				8,946	8,946	
Interest accreted on long-term annuity prizes payable				(8,946)	(8,946)	

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

State of Illinois

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

June 30, 2021 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ASSETS				
Cash equity with State Treasurer	\$ 404,181		\$ 6	\$ 729,351
Cash and cash equivalents	2,075,631	\$ 3,878,920	134	66,877
Securities lending collateral of State Treasurer	176,996		4	137,302
Investments:				
Equities	35,115,607	9,731,958	644	
Fixed income	15,976,085	8,241,722	204	932,772
Private equity	10,178,045			
Real estate	11,130,306			
Other	13,306,378			
Equity in Illinois State Board of Investments	24,812,968			
Securities lending collateral	4,509,043			
Receivables, net:				
Taxes				291,806
Members	132,463			
Employers	26,636			
Investment income	181,987	48,014		
Intergovernmental	582			2,490
Pending investment sales	4,308,298			
Other	13,340			185,565
Due from other funds	173			
Due from primary government funds	453,251			45,926
Prepaid expenses	11,439			
Other assets				137
Capital assets not being depreciated	2,096			
Capital assets being depreciated, net	30,952			
Total assets	<u>122,846,457</u>	<u>21,900,614</u>	<u>992</u>	<u>2,392,226</u>
LIABILITIES				
Accounts payable and accrued liabilities	245,293	29,064		212,194
Intergovernmental payables	2			1,042,428
Due to other funds	173			
Due to primary government funds	6,314	585		
Obligations under securities lending of State Treasurer	176,996		4	137,302
Securities lending collateral	4,508,443			
Payable to brokers for unsettled trades	4,221,589			
Obligations under reverse repurchase agreements	624			
Long-term obligations:				
Due within one year	254			
Due subsequent to one year	4,736			
Total liabilities	<u>9,164,424</u>	<u>29,649</u>	<u>4</u>	<u>1,391,924</u>
NET POSITION				
Restricted for:				
Pension and other postemployment benefits	113,786,169			
Pool participants		21,870,965		
Individuals, organizations, and other governments			988	1,000,302
Unrestricted	(104,136)			
Total net position	<u>\$ 113,682,033</u>	<u>\$ 21,870,965</u>	<u>\$ 988</u>	<u>\$ 1,000,302</u>

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

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Employer State	\$ 2,906,987			\$ 9,950
Participants	7,207,042			71,458
Members:		\$ 1,837,814		
Employees	1,750,515			98,527
Federal Medicare Part D	1,850			
Other contributions	8,154			
Total contributions	11,874,548	1,837,814		179,935
Investment income:				
Interest and other investment income	2,424,566	344,086	\$ 15	1,722
Net increase (decrease) in fair value of investments	21,545,982	2,721,516	188	1,689
Less investment expense	(1,024,721)	(3,722)	(11)	(32)
Net investment income	22,945,827	3,061,880	192	3,379
Capital share and individual account transactions:				
Shares sold		11,782,187		
Reinvested distributions		7,413		
Shares redeemed		(10,982,476)		
Net capital share and individual account transactions		807,124		
Collections/deposits:				
Sales tax collections for other governments				2,566,694
Public utility tax collections for other governments				137,677
Motor fuel tax collections for other governments				49,268
Other tax collections for other governments				1,490,622
License and fee collections for other governments				123,048
Collateral deposits received				249,063
Custodial fund deposits received				1,239,901
Other				10,461
Total collections/deposits				5,866,734
Total additions	34,820,375	5,706,818	192	6,050,048
DEDUCTIONS				
Benefit payments	13,428,816			
Refunds	161,432			
Payments to participants/beneficiaries		1,051,671		
Distribution to pool investors		7,413		
Depreciation	3,582			
General and administrative	71,504	35,613		2,666
Payment of sales tax to other governments				2,567,472
Payment of public utility tax to other governments				137,677
Payment of motor fuel tax to other governments				49,285
Payment of other tax to other governments				1,491,058
Payment of licenses and fees to other governments				123,050
Collateral deposits returned				276,905
Custodial funds disbursed				1,201,823
Contributions disbursed to third party investors				178,536
Other				24,614
Total deductions	13,665,334	1,094,697		6,053,086
Change in net position				
Restricted for:				
Pension benefits	21,017,731			
Retiree health insurance benefits	108,259			
Other employee benefits	29,051			
Pool participants		4,612,121		
Individuals, organizations, and other governments			192	(3,038)
Net position, July 1, 2020, as restated	92,526,992	17,258,844	796	1,003,340
NET POSITION, JUNE 30, 2021	\$ 113,682,033	\$ 21,870,965	\$ 988	\$ 1,000,302

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

State of Illinois

Statement of Net Position -
Component Units

June 30, 2021 (Expressed in Thousands)

	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Other Authorities	Illinois State University	Northern Illinois University
ASSETS					
Cash equity with State Treasurer		\$ 977,196			
Cash and cash equivalents	\$ 95,327	58,333	\$ 38,947	\$ 154,719	\$ 22,647
Securities lending collateral of State Treasurer			6,824		
Investments	136,068	49,997	32,436	233,365	150,043
Receivables, net:					
Intergovernmental		52,776			
Other	2,122	60,622	460	51,987	32,796
Due from component units			19,395	122	
Due from primary government	45,220	101,697	1,342,831	1,690	231
Inventories				2,371	1,791
Prepaid expenses		6,288	143	4,197	546
Unamortized bond insurance costs		2,483		626	2,049
Loans and notes receivable, net	1,225,445		20,692	4,800	3,302
Restricted assets:					
Cash equity with State Treasurer		199,151	19,200		
Cash and cash equivalents	1,056,060	636,531	578,437	71,162	55,473
Investments	1,292,845	95,000	269,784	96,824	45,040
Other receivables, net	89,570	226	735	5,152	
Loans and notes receivable, net			23,743		
Other assets					
Derivative instruments	1,585				
Other assets	3,167		471	4,960	7,354
Capital assets not being depreciated		2,406,810	37,690	87,921	27,166
Capital assets being depreciated, net	26,138	7,757,711	22,695	439,730	377,506
Total assets	3,973,547	12,404,821	2,414,483	1,159,626	725,944
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - accumulated decrease in fair value of derivative instruments	6,223				
Deferred outflows of resources - unamortized deferred amounts on bond refundings		235,815	49	699	
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings					
Deferred outflows of resources - pensions		59,742	481	708	1,365
Deferred outflows of resources - OPEB		43,550	32	3,263	2,425
Total deferred outflows of resources	6,223	339,107	562	4,670	3,790
LIABILITIES					
Accounts payable and accrued liabilities	95,414	441,838	45,722	22,941	35,829
Intergovernmental payables		38,681			4,593
Due to component units				34	
Due to primary government	411,815	37,394	6,539	4	95
Unearned revenue	216,971	223,436	1,204	14,053	16,019
Obligations under securities lending collateral of State Treasurer			6,824		
Assets held for others	140,281		5	1,722	
Short-term notes payable				6,000	
Derivative instruments	6,223				
Other liabilities			358	5,690	
Long-term obligations:					
Due within one year	90,240	227,444	150,117	14,069	12,652
Due subsequent to one year	1,642,444	8,584,994	2,004,773	207,039	375,829
Total liabilities	2,603,388	9,553,787	2,215,542	271,552	445,017
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - accumulated increase in fair value of derivative instruments	1,585				
Deferred inflows of resources - unamortized deferred amounts on certificates of participation refundings					
Deferred inflows of resources - service concession arrangements					
Deferred inflows of resources - irrevocable split-interest agreements					
Deferred inflows of resources - pensions		33,054	1,851		
Deferred inflows of resources - OPEB		87,491	205	6,027	6,345
Total deferred inflows of resources	1,585	120,545	2,056	6,027	6,345
NET POSITION					
Net investment in capital assets	7,853	3,159,828	46,021	356,286	76,947
Restricted for:					
Debt service		474,330			
Capital projects					
Nonexpendable purposes				115,431	59,589
Other expendable purposes	1,087,980	4	74,197	266,311	143,339
Unrestricted	278,964	(564,566)	77,229	148,689	(1,503)
Total net position	\$ 1,374,797	\$ 3,069,596	\$ 197,447	\$ 886,717	\$ 278,372

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

Southern Illinois University	University of Illinois	Other Universities	Total
\$ 95,410	\$ 896,274	\$ 156	\$ 977,352
		215,659	1,577,316
		553	7,377
187,714	2,023,052	30,504	2,843,179
	189,840	12,119	254,735
46,223	500,063	55,543	749,816
9	351	71	19,948
22,230	186,506	4,175	1,704,580
7,589	34,862	2,628	49,241
5,051	54,227	4,492	74,944
922		541	6,621
11,114	40,216	6,611	1,312,180
			218,351
51,867	90,152	64,428	2,604,110
359,311	3,951,496	215,422	6,325,722
		4,815	100,498
		619	24,362
		6,621	6,621
	1,215		2,800
12,306	68,705	2,337	99,300
57,869	489,384	95,668	3,202,508
715,850	3,852,051	745,163	13,936,844
1,573,465	12,378,394	1,468,125	36,098,405
	1,543		7,766
1,858	14,604	214	253,239
	3,005	211	3,216
2,798	40,550	1,839	107,483
9,675	74,878	6,067	139,890
14,331	134,580	8,331	511,594
41,320	682,048	45,643	1,410,755
		2,825	46,099
341	19,457	116	19,948
591	24,151	170	480,759
40,037	321,205	22,788	855,713
		553	7,377
14,070	26,560	635	183,273
	7,777		13,777
	1,861		8,084
		6,022	12,070
32,857	207,143	26,030	760,552
369,147	3,003,807	295,938	16,483,971
498,363	4,294,009	400,720	20,282,378
	1,479		3,064
226			226
	67,508	28,992	96,500
	21,685	571	22,256
			34,905
30,772	225,818	18,054	374,712
30,998	316,490	47,617	531,663
575,367	2,873,706	606,692	7,702,700
12,706		6,856	493,892
28,742		437	29,179
156,269	1,652,804	126,935	2,111,028
171,101	2,446,070	167,681	4,356,683
114,250	929,895	119,518	1,102,476
\$ 1,058,435	\$ 7,902,475	\$ 1,028,119	\$ 15,795,958

State of Illinois

Statement of Activities -

Component Units

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue	
		Charges for services	Operating grants and contributions		Capital grants and contributions
Authorities:					
Illinois Housing Development Authority	\$ 655,526	\$ 60,747	\$ 614,661	\$ 19,882	
Illinois State Toll Highway Authority	1,183,764	1,260,950		77,186	
Other authorities	57,261	51,018		(5,220)	
			\$ 1,023		
Universities:					
Illinois State University	684,617	277,908	112,385	383	(293,941)
Northern Illinois University	581,280	181,993	95,557		(303,730)
Southern Illinois University	1,340,263	526,884	170,397	2,092	(640,890)
University of Illinois	7,162,385	3,082,592	1,364,186	24,943	(2,690,664)
Other universities	916,657	226,359	189,731	2,592	(497,975)
Total	<u>\$ 12,581,753</u>	<u>\$ 5,668,451</u>	<u>\$ 2,546,917</u>	<u>\$ 31,033</u>	<u>\$ (4,335,352)</u>

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

Pension and OPEB revenue recognized	General revenues			Additions to permanent endowments	Total general revenues and additions to permanent endowments	Change in net position	Net position, July 1, 2020, as restated	Net position, June 30, 2021
	State appropriations	Interest and investment income	Other					
		\$ 79,119			\$ 79,119	\$ 99,001	\$ 1,275,796	\$ 1,374,797
		13,726	\$ 33,264		46,990	124,176	2,945,420	3,069,596
		1,575	1,714		3,289	(1,931)	199,378	197,447
\$ 194,564	\$ 72,118	53,331	28,895	\$ 6,231	355,139	61,198	825,519	886,717
173,683	88,166	31,038	29,810	3,882	326,579	22,849	255,523	278,372
401,525	197,173	65,479	41,138	11,649	716,964	76,074	982,361	1,058,435
1,893,423	635,135	935,545	333,599	56,799	3,854,501	1,163,837	6,738,638	7,902,475
306,497	198,713	53,466	5,287	4,177	568,140	70,165	957,954	1,028,119
<u>\$ 2,969,692</u>	<u>\$ 1,191,305</u>	<u>\$ 1,233,279</u>	<u>\$ 473,707</u>	<u>\$ 82,738</u>	<u>\$ 5,950,721</u>	<u>\$ 1,615,369</u>	<u>\$ 14,180,589</u>	<u>\$ 15,795,958</u>

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STATE OF ILLINOIS
Notes to the Financial Statements
June 30, 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

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

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

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

Fiduciary Component Units

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

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

Blended Component Unit

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

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

rights to \$4.1 billion of TSRs to RTSA in exchange for a significant portion of the revenue bond proceeds and a residual certificate representing the State's ownership in excess TSRs to be received by RTSA during the term of the Sales Agreement. (Administrative Offices: James R. Thompson Center, 100 W. Randolph Street, Suite 15-100, Chicago, Illinois 60601.)

Discretely Presented Component Units

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

1. *Illinois Housing Development Authority (IHDA).* The IHDA issues notes and bonds to make loans for the acquisition, construction, and rehabilitation of housing and to encourage home ownership. The State approves bonds and notes issued by the IHDA and is secondarily liable for its debt if there is not sufficient IHDA monies available to pay principal and interest. (Administrative Offices: 111 E. Wacker Drive, Suite 1000, Chicago, Illinois 60601.)
2. *Illinois State Toll Highway Authority (THA).* The THA operates a toll highway system to promote the public welfare and to facilitate vehicular traffic by providing convenient, safe, modern, and limited access highways within Illinois. The State approves new toll highways and issuance of bonds. The THA reports on a December 31 year-end. (Administrative Offices: 2700 Ogden Avenue, Downers Grove, Illinois 60515.)
3. *Illinois Comprehensive Health Insurance Plan (ICHIP) Board.* The ICHIP provides an alternate market for health insurance for eligible Illinois residents having a pre-existing health condition. The State provides significant operating subsidies to the ICHIP. (Administrative Offices: 320 West Washington Street, Suite 700, Springfield, Illinois 62701.)
4. *Illinois Finance Authority.* The Illinois Finance Authority was created to foster economic development to the public and private institutions that create and retain jobs and improve the quality of life in Illinois by providing access to capital. The State approves bonds and notes issued by the Illinois Finance Authority and has a moral obligation for its debt if there are not sufficient Illinois Finance Authority monies to pay principal and interest. (Administrative Offices: 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601.)
5. *Illinois Medical District Commission.* The Illinois Medical District Commission was created to maintain and expand a designated "medical district." The Illinois Finance Authority has issued bonds on its behalf. The State has a moral obligation for this debt if there are not sufficient monies to pay principal and interest. (Administrative Offices: 2100 W. Harrison Street, Chicago, Illinois 60612.)
6. *Southwestern Illinois Development Authority (SWIDA).* The SWIDA promotes economic development within the counties of St. Clair and Madison in the State of Illinois. The State approves bonds and notes issued by SWIDA and has a moral obligation for its debt if there are not sufficient SWIDA monies to pay principal and interest. (Administrative Offices: 1022 Eastport Plaza Drive, Collinsville, Illinois 62234.)

7. *Upper Illinois River Valley Development Authority (UIRVDA)*. The UIRVDA promotes economic development within the counties of Grundy, LaSalle, Bureau, Putnam, Kendall, Kane, McHenry, and Marshall in the State of Illinois. The State approves bonds and notes issued by the UIRVDA and has a moral obligation for its debt if there are not sufficient UIRVDA monies to pay principal and interest. (Administrative Offices: 633 La Salle Street, Suite 401, Ottawa, Illinois 61350.)

8. *Boards of Trustees (boards) of Chicago State University (CSU), Eastern Illinois University (EIU), Governors State University (GSU), Northeastern Illinois University (NEIU), Western Illinois University (WIU), Illinois State University (ISU), Northern Illinois University (NIU), Southern Illinois University (SIU), and University of Illinois (U of I)*. The boards of the respective universities operate, manage, control, and maintain the schools. The State provides significant financial support to the boards of the universities. Certain universities have donor restricted endowments that are restricted as to spending by the donor which are detailed in their separately issued financial statements. The Uniform Management of Institutional Funds Act permits the boards to spend net appreciation of endowments as they determine to be prudent.

(Administrative Offices:

- CSU, 9501 South King Drive, Chicago, Illinois 60628
- EIU, 600 Lincoln Avenue, Charleston, Illinois 61920
- GSU, 1 University Parkway, University Park, Illinois 60484
- NEIU, 5500 North St. Louis Avenue, Chicago, Illinois 60625
- WIU, 1 University Circle, Macomb, Illinois 61455
- ISU, 302 Hovey Hall, Normal, Illinois 61790
- NIU, 300 Altgeld Hall, DeKalb, Illinois 60115
- SIU, 1400 Douglas Drive, Carbondale, Illinois 62901
- U of I, 349 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801.)

Joint Venture

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

A state becomes a member of the Fund by agreeing to contribute an amount set forth in the Articles of Incorporation. The required contribution from all member states at incorporation was \$81 million. The Fund's net position on December 31, 2020, was \$151.039 million.

Once a state agrees to make the required contribution, that state's governor becomes a "member" of the Fund. Each member is entitled to appoint two individuals to the board of directors. Budgetary and financial decisions rest with the board of directors except where restricted by the Articles of Incorporation. Two-thirds of the Fund's income is used to finance projects compatible with the organization's objectives as set forth in the Articles of Incorporation. The remaining one-third of income is paid to member states in proportion to the amount and period of time that each state's contribution was invested with the Fund ("state shares"). Illinois received a state

share for 2020 of \$234 thousand. Complete financial statements of the Fund can be obtained from the Fund's Administrative Offices at 1560 Sherman Avenue, Suite 1370, Evanston, Illinois 60201.

Related Organizations and Jointly Governed Organizations

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

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

B. Basis of Presentation

Government-wide Financial Statements

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

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

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

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the State and for each function of the State's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a

particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

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

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

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

The State reports the following major governmental fund:

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

The State reports the following major proprietary funds:

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

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

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

Additionally, the State reports the following fund types:

Governmental Fund Types:

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

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

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

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

Proprietary Fund Types:

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

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

Fiduciary Fund Types:

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

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

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

Custodial – These funds account for collections of child support payments, sales and telecommunications taxes assessed by local governments but collected by the State, and other

deposits, deductions, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

Component Units

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

C. Measurement Focus and Basis of Accounting

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

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

Governmental Fund Financial Statements

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

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

D. Eliminations

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

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

E. Cash Equivalents

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

F. Investments

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

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

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

G. Inventories and Prepaid Expenditures

Inventory is generally reported on the financial statements at moving-average cost. For governmental funds, the State recognizes the costs of material inventories as expenditures when

purchased. The inventory amounts reported in the governmental funds do not reflect current appropriable resources, and therefore, the State reports an equivalent portion as nonspendable fund balance.

For governmental funds, prepaid expenditures are recognized when paid.

H. Interfund Transactions

The State has the following types of interfund transactions:

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

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

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

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

I. Capital Assets

Capital assets, which include property, plant, equipment, intangible items, and infrastructure, are reported at cost or estimated historical cost based on appraisals or deflated current replacement costs. Contributed assets are reported at acquisition value at the time received.

Capitalization thresholds of the primary government generally are as follows:

Capital Asset Category	Capitalization Threshold
Infrastructure	\$ 250
Land	100
Land Improvements	25
Site Improvements	25
Buildings	100
Building Improvements	25
Equipment	5
Works of Art and Historical Treasures	5
Intangible Assets - Internally Generated	1,000
Intangible Assets - Non-Internally Generated	25

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s estimated useful life are not capitalized.

Major capital outlays for capital assets and improvements are capitalized as project costs are incurred. Interest incurred during the construction phase of capital assets used in business-type activities is included as part of the capitalized value of the assets constructed.

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

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

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

J. Retirement Costs and Other Post-Employment Benefit Costs

Retirement

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

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, expense, and expenditures associated with the State’s contribution requirements, information about the fiduciary net position of the plans and additions

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

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

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

Post-Employment Benefits Other Than Pensions (OPEB)

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

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

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

K. Capital Appreciation ("deep-discount") Bonds

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

L. Compensated Absences

The liability for compensated absences reported in the government-wide, proprietary, and fiduciary fund financial statements consists of unpaid accumulated vacation and sick leave

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

Legislation that became effective January 1, 1998, capped the paid sick leave for all State Employees' Retirement System members at December 31, 1997. Employees continue to accrue twelve sick days per year but will not receive monetary compensation for any additional time earned after December 31, 1997. Sick days earned between 1984 and December 31, 1997, (with a 50% cash value) would only be used after all days with no cash value are depleted. Any sick days earned and unused after December 31, 1997, will be converted to service time for purposes of calculating employee pension benefits.

Component unit financial statements also include a liability amount for compensated absences. However, they may have adopted different compensated absences policies. These policies can be obtained from their separately issued financial statements.

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

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

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

N. Advance Refundings of Debt

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

O. Net Position/Fund Balances

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

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

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

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

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

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

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

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

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

P. Endowments

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

Q. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

R. New Accounting Pronouncements

Effective for the year ending June 30, 2021, the State adopted GASB Statement No. 84, *Fiduciary Activities*, the objective of which is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes, the recognition of liabilities to beneficiaries, and how fiduciary activities should be reported. The statement redefines the fiduciary fund types focusing on the resources to be reported within each. The types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. A statement of fiduciary net position will be used to report assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position of pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. A statement of changes in fiduciary net position will be required to report additions to and deductions from the four fiduciary fund types including the presentation of investment earnings, investment costs, net investment earnings, and deductions, disaggregated by type. The requirements of this statement resulted in the restatement of beginning net position, as detailed in Note 2.

Effective for the year ending June 30, 2021, the State adopted GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, the objective of which is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The statement defines a majority equity interest and provides information on how the holding of a majority equity interest in a legally separate organization should be accounted for based on the ownership percentage, whether the holding meets the definition of an investment, or whether the legally separate organization should be reported as a component unit. The adoption of this statement had no financial impact on the State's net position or results of operations.

Effective for the year ending June 30, 2021, the State adopted portions of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of Statement No. 32*, the objectives of which improve the consistency and comparability of the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. The objectives of this statement also include mitigating costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements. This statement was adopted in conjunction with GASB Statement No. 84, resulting in the restatement of beginning net position, as detailed in Note 2.

Effective for the year ending June 30, 2021, the State adopted GASB Statement No. 98, *The Annual Comprehensive Financial Report*, the objective of which is to establish the new title of annual comprehensive financial report (ACFR), rather than the previously used comprehensive annual financial report (CAFR). This Statement was developed in response to concerns that the common pronunciation of the acronym for comprehensive annual financial report sounded like an objectionable racial slur. Any references to the comprehensive annual financial report have been revised within this document.

S. Future Adoption of GASB Statements

Effective for the year ending June 30, 2022, the State will adopt GASB Statement No. 87, *Leases*, which is intended to improve accounting and financial reporting for leases by governments to better meet the information needs of financial statement users. The Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2022, the State will adopt GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, which enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and establishes accounting requirements for interest cost incurred before the end of a construction period. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2023, the State will adopt GASB Statement No. 91, *Conduit Debt Obligations*, the objective of which is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2022, the State will adopt GASB Statement No. 92, *Omnibus 2020*, the objective of which is to address practice issues identified during the implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to the effective date of lease reporting requirements for interim reporting, the reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan, the applicability of certain pension related guidance to reporting assets accumulated for postemployment benefits, the applicability of certain fiduciary reporting requirements to postemployment benefit arrangements, measurement of liabilities related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, non-recurring fair value measurements, and terminology used to refer to derivative instruments. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2022, the State will adopt GASB Statement No. 93, *Replacement of Interbank Offered Rates*, the objective of which is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate

(IBOR), most notably the London Interbank Offered Rate (LIBOR). By providing exceptions to the existing provisions for hedge accounting termination and lease modifications, this Statement will reduce the cost of the accounting and financial reporting ramifications of replacing IBORs with other reference rates as well as maintain the consistency and comparability of reporting hedging derivative instruments and leases after amendments are made to replace IBOR. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2023, the State will adopt GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which establishes standards of accounting and financial reporting for Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) for governments to improve the comparability of financial statements among governments that enter into these types of agreements. The standards will enhance the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2023, the State will adopt GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the objective of which is to improve accounting and financial reporting for subscription-based information technology arrangements (SBITAs) by establishing a definition for SBITAs and providing uniform guidance on accounting and financial reporting for transactions that meet that definition. SBITAs provide governments with access to vendors' information technology (IT) software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the IT software and associated tangible capital assets. The statement establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding a SBITA. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

Effective for the year ending June 30, 2022, the State will adopt the remaining portion of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of Statement No. 32*, which enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The State has not yet determined the impact on its financial statements as a result of adopting this statement.

2 FUND BALANCE / NET POSITION

A. Classification of Fund Balances

Fund Balance classifications comprise a hierarchy based primarily on the extent to which the State is bound to observe constraints imposed upon the use of resources reported in governmental funds. The specific purposes of the governmental funds fund balances at June 30, 2021, are as follows:

Table 2-1 (amounts expressed in thousands)

	General Fund	Other Nonmajor Funds	Total Governmental Funds
Fund Balances Nonspendable:			
Long-Term Portion of Loans and Notes Receivable	\$ 2,669	\$ -	\$ 2,669
Inventories	243,749	116,775	360,524
Endowments and Similar Funds	-	60,341	60,341
Total Nonspendable	<u>246,418</u>	<u>177,116</u>	<u>423,534</u>
Restricted For:			
Debt Service	-	1,931,171	1,931,171
Capital Grants/Projects			
Transportation Construction/Maintenance	-	778,904	778,904
Other	-	680,637	680,637
Health and Social Services	17,310	127,270	144,580
Education	141	4,445	4,586
General Government			
Unclaimed Property	-	98,617	98,617
Pension Acceleration Program	-	95,256	95,256
Other	2,959	137,436	140,395
Employment and Economic Development	-	226,860	226,860
Transportation	-	65,285	65,285
Public Protection and Justice	14,531	74,727	89,258
Environment and Business Regulation			
Abandoned Mined Land Reclamation	-	66,449	66,449
Other	-	107,063	107,063
Total Restricted	<u>34,941</u>	<u>4,394,120</u>	<u>4,429,061</u>
Committed For:			
Capital Grants/Projects			
Transportation Construction/Maintenance	-	588,767	588,767
Other	510,319	66,493	576,812
Health and Social Services			
Healthcare/Pharmaceutical Provider Relief	2,012,608	-	2,012,608
Adoption/Foster Care Services	-	145,753	145,753
Other	340,537	242,795	583,332
Education			
Education Assistance	509,090	-	509,090
Other	-	25,384	25,384
General Government			
School Infrastructure	245,636	-	245,636
Affordable Housing	-	441,316	441,316
State Universities Pension	-	64,268	64,268
Real Estate Tax-Relief Loan Program	-	57,957	57,957
Identification Security and Theft Prevention Measures	-	30,342	30,342
Other	129,221	246,123	375,344
Employment and Economic Development			
Low Income Energy Assistance	-	200,406	200,406
Tourism Promotion	-	70,327	70,327
Renewable Energy Programs	-	140,554	140,554
Other	-	46,284	46,284
Transportation			
Downstate Public Transportation	-	146,211	146,211
Regional Transportation Capital Improvements	-	322,120	322,120
Other	145,328	1,061,327	1,206,655
Public Protection and Justice	56,414	370,277	426,691
Environment and Business Regulation			
Clean Water Activities	-	20,927	20,927
Open Space Lands Acquisition and Development	-	123,202	123,202
Parks and Conservation Activities	-	6,124	6,124
Insurance Regulation and Administration	-	148,757	148,757
Other	13,530	435,559	449,089
Total Committed	<u>3,962,683</u>	<u>5,001,273</u>	<u>8,963,956</u>
Unassigned	<u>(7,300,760)</u>	<u>(667,422)</u>	<u>(7,968,182)</u>
	<u>\$ (3,056,718)</u>	<u>\$ 8,905,087</u>	<u>\$ 5,848,369</u>

B. Restatements

As shown in table 2-2, the financial statements have been restated as of July 1, 2020, due to the following:

- Allocation of other postemployment benefits (OPEB) liability – the allocation of the OPEB liability was revised to account for certain employees of the Illinois Toll Highway Authority (THA) who only partake in the State Employees Group Insurance Program (SEGIP) upon retirement. This error impacted the SEGIP's cost-sharing proportionate

share allocation of the OPEB liability, deferred outflows of resources, and deferred inflows of resources.

- Understatement of deferred outflows of resources for contributions subsequent to the measurement date – THA improperly classified contributions to SEGIP subsequent to SEGIP’s measurement date as expenses rather than deferred outflows of resources.
- Understatement of accrued retiree health insurance costs.
- Implementation of GASB Statement No. 84, *Fiduciary Activities*:
 - The Deferred Compensation Plan and the State Universities Retirement System Defined Contribution plan will no longer be reported as pension (and other employee benefit) trust funds.
 - The Illinois Secure Choice Savings Program will no longer be reported as an investment trust fund.
 - The Illinois Able Fund will no longer be reported as a private-purpose trust fund.
 - The College Savings Pool Fund has been reclassified from a private-purpose trust fund to an investment trust fund.
 - Custodial funds are now required to report assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position.

Table 2-2 (amounts expressed in thousands)

	Business-Type Activities				Fiduciary Funds			
	Governmental Activities	Proprietary Funds		Business-Type Activities	Pension (and Other Employee Benefit) Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
		Water Revolving Fund	Nonmajor Enterprise Funds					
Net Position, July 1, 2020, as previously reported	\$ (197,752,841)	\$ 3,483,329	\$ (111,529)	\$ 3,373,355	\$ 100,186,347	\$ 4,323,817	\$ 12,974,934	\$ -
Correction of Prior Errors								
Allocation of the OPEB liability and related deferred inflows and outflows of resources	\$ 210,357	\$ 8,800	\$ 26,613	\$ 35,413	\$ -	\$ -	\$ -	\$ -
Implementation of New Accounting Standards								
Implementation of GASB Statement No. 84	-	-	-	-	(7,659,355)	12,935,027	(12,974,138)	1,003,340
Net Position, July 1, 2020, as restated	<u>\$ (197,542,484)</u>	<u>\$ 3,492,129</u>	<u>\$ (84,916)</u>	<u>\$ 3,408,768</u>	<u>\$ 92,526,992</u>	<u>\$ 17,258,844</u>	<u>\$ 796</u>	<u>\$ 1,003,340</u>

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

	Component Units							
	Component Units							
	Illinois State Toll Highway Authority	Other Authorities	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Other Universities	Component Units
Net Position, July 1, 2020, as previously reported	\$ 3,451,112	\$ 196,738	\$ 820,901	\$ 253,980	\$ 939,080	\$ 6,554,344	\$ 930,882	\$ 14,422,833
Correction of Prior Errors								
Allocation of the OPEB liability and related deferred inflows and outflows of resources	(509,815)	2,640	4,618	1,543	43,878	184,294	27,072	(245,770)
Understatement of deferred outflows of resources for contributions subsequent to the measurement date - OPEB	16,793							16,793
Understatement of accrued retiree health insurance costs	(12,670)							(12,670)
Implementation of New Accounting Standards								
Implementation of GASB Statement No. 84	-	-	-	-	(597)	-	-	(597)
Net Position, July 1, 2020, as restated	<u>\$ 2,945,420</u>	<u>\$ 199,378</u>	<u>\$ 825,519</u>	<u>\$ 255,523</u>	<u>\$ 982,361</u>	<u>\$ 6,738,638</u>	<u>\$ 957,954</u>	<u>\$ 14,180,589</u>

C. Net Position Restricted by Enabling Legislation

The government-wide statement of net position reports \$8.840 billion of restricted net position, of which \$1.385 billion is restricted by enabling legislation.

3 DEPOSITS AND INVESTMENTS

The State Treasurer is the custodian of the State's deposits and investments for most funds and maintains these deposits and investments in the State Treasury. The investment authority and guidelines for the Treasurer's published investment policy for the State Treasury is found in Section 22.8 of the Deposit of State Moneys Act (15 ILCS 520). The pooling of cash allows the Treasurer to invest monies not needed to pay immediate obligations so that investment earnings on available cash are maximized. Investments of the State Treasury are not segregated by fund; rather, each contributing fund's balance is treated as equity in the State Treasury. Accordingly, the State Treasury is not reported as a separate fund in this report. Instead, each State fund's and each component unit's balance in the State Treasury is presented as "Cash equity with State Treasurer." Investments held by the State Treasurer in the State Treasury at June 30, 2021, consisted of the following:

Investment Type	Fair Value
Repurchase agreements	\$ 910,187
U.S. Treasury obligations	5,882,908
U.S. Agency obligations	782,676
Supranational bonds	142,729
Municipal debt	181,055
Commercial paper	3,503,695
Corporate debt securities	1,598,650
Money market mutual funds	2,744,319
Private equity	304,853
Equity in Public Treasurers' Investment Pool	3,177,405
Equity in other investment pools	4
Securities lending collateral invested in repurchase agreements	5,491,725
Total fair value	\$ 24,720,206

Funds maintained outside the State Treasury have independent statutory authority to manage their own deposits and investments. The investment authority of the Illinois State Board of Investment (ISBI), Teachers' Retirement System (TRS), and State Universities Retirement System (SURS) is governed by the Illinois Pension Code (40 ILCS 5). Authorized investments consist of bonds, equities, real estate, venture capital, and other activities to be made with the care, skill, prudence, and diligence which a prudent person acting in a like capacity and familiar with such matters would use in the conduct of investing similar retirement trusts. ISBI, TRS, and SURS each have published investment policies incorporating these guidelines. Primary government investments held outside of the State Treasury at June 30, 2021, except for investments held by ISBI, TRS, and SURS, consisted of the following:

Table 3-2 (amounts expressed in thousands)

Investment Type	Fair Value
Negotiable certificates of deposit	\$ 5,744
U.S. Treasury obligations	1,095,173
U.S. Agency obligations	39,284
Municipal debt	135,875
Annuities	49
Corporate debt securities	53,947
Debt mutual funds	5,972,943
Equity in Public Treasurers' Investment Pool	5,180,933
Equity in Illinois State Board of Investments	47,753
Equity in State Universities Retirement System	13,077
Government notes - non U.S.	3,299
Cash and pending trades	(525)
Money market mutual funds	1,525,953
Equity securities	143,730
Equity mutual funds	9,733,503
Blended mutual funds	2,339
Bond trust funds	62,429
Other	240,504
Total fair value	\$ 24,256,010

The ISBI is considered to be an internal investment pool of the State of Illinois, operating solely from investment income. The ISBI manages and invests the pension assets of three separate public employee retirement systems: General Assembly Retirement System, Judges' Retirement System of Illinois, and State Employees' Retirement System of Illinois. Additionally, ISBI reports one custodial fund, the Illinois Power Agency Trust Fund. The ISBI's member systems retain all of the cash necessary for current operating expenditures in the State Treasury. The amount of cash received by the ISBI's member systems in excess of their current operating expenditures is transferred to the ISBI for purposes of long-term investment. The ISBI is not reported as a separate fund in this report. Instead, each member system's balance in the ISBI is presented as "Equity in the Illinois State Board of Investments." The member system's equity is approximately \$40.366 million less than the deposits and investments of the ISBI, due to net liabilities of the ISBI.

Investments held by ISBI at June 30, 2021, consisted of the following:

Table 3-3 (amounts expressed in thousands)

Investment Type	Fair Value
U.S. Treasury obligations	\$ 521,518
U.S. Agency obligations	310
Corporate obligations	284,834
Common stock and equity funds	3,367,060
Foreign obligations	3,385
Foreign equity securities	277,687
Commingled funds	14,586,183
Opportunistic debt	1,131,243
Hedge funds	76,923
Real estate	2,233,919
Private equity	1,690,845
Money market instruments	250,743
Infrastructure funds	310,091
Bank loans	145,395
Total Investments	\$ 24,880,136

CUSTODIAL CREDIT RISK

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

Deposits***Primary Government:***

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

The carrying amount and bank balance of cash deposits held outside of the State Treasury, except for investments held by ISBI, TRS, and SURS, was \$626.258 million and \$603.446 million at June 30, 2021, respectively. Of the total bank balance of these cash deposits at June 30, 2021, \$327.147 million was uninsured with collateral held by the pledging financial institution in the State's name, \$20.191 million was uninsured with collateral held by the pledging financial institution but not in the State's name, and \$36.371 million was uninsured and uncollateralized.

ISBI's policy outlines the control procedures used to monitor custodial credit risk for deposits. These deposits are under the custody of Northern Trust which has an AA- Long-term Deposit/Debt rating by Standard and Poor's and an Aa2 rating by Moody's. The carrying amount and bank balance of ISBI's cash deposits were both \$21.070 million at June 30, 2021.

TRS's foreign currency held by investment managers at June 30, 2021, totaled \$112.912 million, all of which was uncollateralized.

SURS's cash held in its investment related bank account in excess of \$250,000 is uninsured. SURS has a formal policy to address custodial credit risk. Deposits are under the custody of Northern Trust Company, which has an Aa2 Long-term Bank Deposit rating by Moody's and an AA rating by Fitch. At June 30, 2021, the carrying amount was \$1.724 billion and the bank balance was \$1.659 billion, of which \$8.718 million was uninsured and uncollateralized.

Investments***Primary Government:***

The State does not have a formal policy for custodial credit risk of investments held outside of the State Treasury. Of the total balance of primary government investments held outside of the State Treasury, except for investments held by ISBI, TRS, and SURS, \$912.060 million was held by the counterparty, but not in the State's name, at June 30, 2021. These investments were held in negotiable certificates of deposit, U.S. Treasury obligations, U.S. Agency obligations, municipal debt, corporate debt securities, and foreign debt securities, in the amounts of \$5.744 million, \$722.948 million, \$19.700 million, \$134.529 million, \$27.634 million, and \$1.505 million, respectively.

CREDIT RISK

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

Primary Government:

Section 2 of the Public Funds Investment Act limits the State's investments, both inside and outside the State Treasury, to securities of the U.S. government or its agencies, short-term obligations of domestic corporations exceeding \$500 million in assets that are rated in the three highest categories by at least two nationally recognized statistical ratings organizations not to exceed ten percent of the domestic corporations outstanding obligations, money market mutual funds invested in the U.S. government and/or its agencies, and repurchase agreements securities of the U.S. government or its agencies or money market mutual funds invested in the U.S. government or its agencies. Additional investments may be authorized in certain funds as exceptions to Section 2 of the Public Funds Investment Act pursuant to State statute prescribing the activities of a fund. The following table summarizes the Moody's credit quality ratings for debt securities held by the State Treasurer in the State Treasury at June 30, 2021:

Table 3-4 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	P-1	P-2	Not Rated	Total
Repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ 810,187	\$ -	\$ 100,000	\$ 910,187
U.S. Agency obligations	757,670	-	-	-	-	-	25,006	782,676
Supranational bonds	142,729	-	-	-	-	-	-	142,729
Municipal debt	4,746	65,946	27,496	-	-	-	82,867	181,055
Commercial paper	-	-	-	-	3,295,754	207,941	-	3,503,695
Corporate debt securities	35,260	218,431	1,276,806	2,190	-	-	65,963	1,598,650
Money market mutual funds	2,744,319	-	-	-	-	-	-	2,744,319
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	3,177,405 *	3,177,405
Equity in other investment pools	-	-	-	-	-	-	4	4
Securities lending collateral: Invested in repurchase agreements	-	-	-	-	-	-	5,491,725 **	5,491,725
Total subject to credit risk	\$ 3,684,724	\$ 284,377	\$ 1,304,302	\$ 2,190	\$ 4,105,941	\$ 207,941	\$ 8,942,970	18,532,445
U.S. Treasury obligations								5,882,908
Total fixed income securities								\$ 24,415,353

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

** The breakdown of Moody's credit ratings of the collateral for securities lending collateral invested in repurchase agreements was as follows: 2.16% Aaa, 2.27% Aa, 5.61% A, 11.65% Baa, 5.06% Ba, 5.20% B, 2.13% Caa, 0.10% Ca, 0.07% C, 65.75% Not Rated.

The following table summarizes the Moody's credit quality ratings for debt securities held by the primary government, except for debt securities held by ISBI, TRS, and SURS, outside of the State Treasury at June 30, 2021:

Table 3-5 (amounts expressed in thousands)

Investment Type	Aaa	Aa	A	Baa	Ba	B	Not Rated	Withdrawn	Total
Negotiable certificates of deposit	\$ -	\$ -	\$ 380	\$ -	\$ -	\$ -	\$ 5,364	\$ -	\$ 5,744
U.S. Agency obligations	21,794	191	82	149	109	-	16,959	-	39,284
Municipal debt	30,050	82,076	18,749	2,426	-	-	2,303	271	135,875
Corporate debt securities	5,734	8,060	26,659	4,096	225	-	9,173	-	53,947
Government notes - non U.S.	-	-	1,505	381	621	-	792	-	3,299
Mutual funds	550	12	684	46	24	13	5,971,614	-	5,972,943
Equity in Public Treasurers' Investment Pool	-	-	-	-	-	-	5,180,933 *	-	5,180,933
Money market mutual funds	470,586	-	-	-	-	-	1,055,367	-	1,525,953
Bond trust funds	-	-	-	-	-	-	62,429	-	62,429
Total subject to credit risk	\$ 528,714	\$ 90,339	\$ 48,059	\$ 7,098	\$ 979	\$ 13	\$ 12,304,934	\$ 271	12,980,407
U.S. Treasury obligations									1,095,173
Total fixed income securities									\$ 14,075,580

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

The portfolios of ISBI, TRS, and SURS are managed by professional investment management firms. Each investment manager must comply with risk management guidelines individually assigned to them as part of their Investment Management Agreement. However, in circumstances where position downgrades occur, investment managers have been given permission to hold securities due to circumstances such as a higher peer group rating from another nationally recognized statistical rating organization, firm internal ratings, or other mitigating factors.

The following table summarizes the Moody's credit quality ratings for debt securities held by ISBI at June 30, 2021:

Table 3-6 (amounts expressed in thousands)

Quality Rating	Corporate Debt Obligations	Foreign Debt Obligations	U.S. Agency Obligations	Money Market Instruments	Total
Aaa	\$ -	\$ -	\$ 310	\$ -	\$ 310
A	162,967	-	-	-	162,967
Baa	1,500	-	-	-	1,500
Ba	12,635	-	-	-	12,635
B	8,427	-	-	-	8,427
Caa	5,707	-	-	-	5,707
Ca	420	-	-	-	420
C	77	-	-	-	77
Not rated	93,101	3,385	-	250,743	347,229
Total subject to credit risk	\$ 284,834	\$ 3,385	\$ 310	\$ 250,743	\$ 539,272

The following table summarizes the Moody's credit quality ratings for debt securities held by TRS at June 30, 2021:

Table 3-7 (amounts expressed in thousands)

Quality Rating	Corporate Debt Obligations	Foreign Debt Obligations	U.S. Agency Obligations	Municipal Obligations	Commingled Funds	Total
Aaa	\$ 215,017	\$ 35,383	\$ 792,808	\$ -	\$ 568,273	\$ 1,611,481
Aa	121,279	57,934	-	2,655	440,301	622,169
A	869,440	262,341	-	-	1,807,927	2,939,708
Baa	1,459,177	576,706	-	-	26,485	2,062,368
Ba	952,578	236,671	-	2,565	73,021	1,264,835
B	651,452	87,692	-	-	4,611	743,755
Caa	153,506	-	-	-	-	153,506
Ca	2,555	53,274	-	-	-	55,829
C	7,314	-	-	-	-	7,314
Not rated	51,333	58,440	-	-	-	109,773
Total subject to credit risk	\$ 4,483,651	\$ 1,368,441	\$ 792,808	\$ 5,220	\$ 2,920,618	9,570,738
U.S. Treasury obligations						650,004
Total fixed income securities						\$ 10,220,742

The following table summarizes the Standard and Poor's credit quality ratings for debt securities held by SURS at June 30, 2021:

Table 3-8 (amounts expressed in thousands)

Quality Rating	Corporate Debt Securities	Foreign Debt Securities	U.S. Agency Obligations	Municipal Obligations	Total
AAA	\$ 85,993	\$ 8,618	\$ -	\$ 13,136	\$ 107,747
AA	45,625	4,098	873,646	70,064	993,433
A	130,916	20,465	-	9,911	161,292
BBB	611,395	68,653	-	890	680,938
BB	487,184	69,783	-	-	556,967
B	439,683	74,788	-	-	514,471
CCC	104,343	19,362	-	503	124,208
CC	8,398	-	-	-	8,398
D	3,458	-	-	-	3,458
Not rated	58,599	10,296	-	317	69,212
Total subject to credit risk	\$ 1,975,594	\$ 276,063	\$ 873,646	\$ 94,821	3,220,124
U.S. Treasury obligations					2,562,987
U.S. Agency obligations explicitly guaranteed by U.S. government					52,818
Less cash equivalents					(77,499)
Total fixed income securities					\$ 5,758,430

INTEREST RATE RISK

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

Primary Government:

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

The following table summarizes the segmented time distribution of debt securities held by the State Treasurer in the State Treasury at June 30, 2021:

Table 3-9 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years
Repurchase agreements	\$ 910,187	\$ 910,187	\$ -	\$ -
U.S. Treasury obligations	5,882,908	5,100,989	376,095	405,824
U.S. Agency obligations	782,676	182,159	259,042	341,475
Supranational bonds	142,729	93,413	49,316	-
Municipal debt	181,055	23,055	103,524	54,476
Commercial paper	3,503,695	3,503,695	-	-
Corporate debt securities	1,598,650	847,473	557,145	194,032
Money market mutual funds	2,744,319	2,744,319	-	-
Equity in Public Treasurers' Investment Pool	3,177,405	3,177,405	-	-
Equity in other investment pools	4	-	4	-
Securities lending collateral:				
Invested in repurchase agreements	5,491,725	5,411,725	80,000	-
Total fixed income investments	\$ 24,415,353	\$ 21,994,420	\$ 1,425,126	\$ 995,807

The following table summarizes the Weighted Average Maturity (WAM) for debt securities held by the primary government, except for debt securities held by ISBI, TRS, and SURS, outside of the State Treasury at June 30, 2021. The WAM expresses investment time horizons – the time when investments become due and payable – in years to reflect the dollar size of individual investments within an investment type. The portfolio's WAM is derived by dollar-weighting the WAM for each investment type.

Table 3-10 (amounts expressed in thousands)

Investment Type	Fair Value	Weighted Average Maturity (Years)
Negotiable certificates of deposit	\$ 5,744	3.395
U.S. Treasury obligations	1,095,173	4.388
U.S. Agency obligations	39,284	10.657
Municipal debt	135,875	10.400
Corporate debt securities	53,947	10.914
Government notes - non U.S.	3,299	6.252
Mutual funds	5,972,943	5.002
Equity in Public Treasurers' Investment Pool	5,180,933	0.201
Money market mutual funds	1,525,953	0.180
Bond trust funds	62,429	8.300
Total fixed income investments	\$ 14,075,580	

Pensions:

ISBI manages its exposure to fair value losses arising from interest rate risk by diversifying the debt securities portfolio and maintaining the debt securities portfolio to an effective weighted duration consistent with the Barclay's U.S. Universal Index (benchmark index). As of June 30, 2021, the effective weighted duration of ISBI's fixed income portfolio was 4.7 years and the effective duration of the benchmark index was 6.2 years.

Duration is the measure of a debt investment's exposure to fair value changes arising from changing interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's fair value. The effective duration measures the sensitivity of market price to parallel shifts in the yield curve. The following table summarizes the effective duration of the debt securities held by ISBI at June 30, 2021:

Table 3-11 (amounts expressed in thousands)

Investment Type	Fair Value	Effective Weighted Duration (Years)
Government and agency obligations:		
U.S. Treasury obligations	\$ 521,518	4.9
U.S. Agency obligations	310	-
	\$ 521,828	
Corporate obligations:		
Banks	123,578	6.1
Insurance	31,824	4.4
Commercial services	9,117	4.9
Other	120,315	2.5
	284,834	
Foreign obligations	3,385	2.5
Total subject to interest rate risk	\$ 810,047	
*Effective weighted duration is not available		

For the ISBI bank loan portfolio, the appropriate measure of interest rate risk is WAM. WAM is the average time it takes for securities in a portfolio to measure weighted in proportion to the dollar amount that is invested in the portfolio. WAM measures the sensitivity of fixed-income portfolios to interest rate changes. At June 30, 2021, the WAM of ISBI's bank loan portfolio was 5.0 years.

TRS manages its exposure to fair value loss arising from increasing interest rates by diversifying the debt securities portfolio. The following table summarizes the segmented time distribution of the debt securities held by TRS at June 30, 2021:

Table 3-12 (amounts expressed in thousands)

Investment Type	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	10 to 20 Years	More Than 20 Years
U.S. Treasury obligations	\$ 650,004	\$ 35,008	\$ 341,117	\$ 223,622	\$ 28,185	\$ 22,072
U.S. Agency obligations	792,808	110,914	1,713	472	645,436	34,273
Municipal obligations	5,220	158	-	977	1,430	2,655
Corporate debt securities	4,483,651	167,081	1,769,980	1,495,842	432,634	618,114
Foreign debt securities	1,368,441	239,155	391,935	431,839	242,063	63,449
Commingled funds	2,920,618	59,623	318,366	2,297,703	244,926	-
Derivative instruments	(5,406)	3,210	(6,058)	(2,065)	(493)	-
Total subject to interest rate risk	10,215,336	\$ 615,149	\$ 2,817,053	\$ 4,448,390	\$ 1,594,181	\$ 740,563
Less derivative instruments	5,406					
Total fixed income securities	\$ 10,220,742					

SURS manages its exposure to fair value loss arising from increasing interest rates by diversifying the debt securities portfolio. SURS has not adopted a formal policy specific to interest rate risk. The following table summarizes the segmented time distribution of the debt securities held by SURS at June 30, 2021:

Table 3-13 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>10 to 20 Years</u>	<u>More Than 20 Years</u>
U.S. Treasury and Agency obligations	\$ 3,489,451	\$ 109,053	\$ 1,130,473	\$ 460,677	\$ 736,452	\$ 1,052,796
Municipal obligations	94,821	-	25,009	44,777	20,413	4,622
Corporate debt securities	1,975,594	22,314	794,551	701,303	177,194	280,232
Foreign debt securities	276,063	351	157,643	56,651	23,299	38,119
Derivative instruments - swaps	10,056	65	10,972	(981)	-	-
Total subject to interest rate risk	5,845,985	\$ 131,783	\$ 2,118,648	\$ 1,262,427	\$ 957,358	\$ 1,375,769
Less derivative instruments - swaps	(10,056)					
Less cash equivalents	(77,499)					
Total fixed income securities	\$ 5,758,430					

FOREIGN CURRENCY RISK

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

Primary Government:

Only assets held by the State Treasurer and assets held outside the State Treasury by the Prepaid Tuition Fund, a major enterprise fund, and foreign offices are allowed to be used to purchase investments in foreign securities. The State Treasurer is limited by the Deposit of State Moneys Act to investments in debt instruments issued by foreign governments, except the Republic of Sudan, that are guaranteed by the full faith and credit of the foreign government in which the foreign government has not defaulted or been late in payment on similar debt instruments at the time the Treasurer purchases the debt instrument. The Prepaid Tuition Fund's investment policy establishes targets for long-term and interim asset allocations and rebalancing ranges. As of June 30, 2021, the policy target for international equities was 21%, with a rebalancing range of 17% to 25% for the lower and upper limits.

The following table summarizes the foreign currency risk, by currency denomination, of the primary government, except for debt securities held by ISBI, TRS, and SURS, outside of the State Treasury at June 30, 2021:

<u>Currency Denomination</u>	<u>Foreign Short-term Deposits</u>	<u>Foreign Debt Securities</u>	<u>Foreign Currency and Pending Currency Transactions</u>
Canadian Dollar	\$ 40	\$ -	\$ -
Euro	56	1,173	(1,173)
Japanese Yen	64	-	-
Mexican Peso	26	-	-
New Israeli Shekel	-	1,505	-
South African Rand	-	621	(616)
Total deposits and investments subject to foreign currency risk	\$ 186	\$ 3,299	\$ (1,789)

Pensions:

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

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

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

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by ISBI as of June 30, 2021:

Table 3-15 (amounts expressed in thousands)

<u>Currency Denomination</u>	<u>Foreign Equity Securities</u>	<u>Foreign Obligations</u>
Australian Dollar	\$ 5,838	\$ -
British Pound Sterling	32,494	-
Brazilian Real	7,663	-
Canadian Dollar	11,988	1,009
Danish Krone	4,330	-
Euro	107,952	2,376
Hong Kong Dollar	14,241	-
Japanese Yen	39,987	-
South Korean Won	13,220	-
Swedish Krona	3,974	-
Swiss Franc	27,406	-
Other currencies	8,594	-
Total investments subject to foreign currency risk	<u>\$ 277,687</u>	<u>\$ 3,385</u>

In addition, certain investments held in infrastructure funds, opportunistic debt, private equity, and real estate funds trade in a reported currency of Euro based dollars valued at \$251.298 million at June 30, 2021.

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by TRS as of June 30, 2021:

Table 3-16 (amounts expressed in thousands)

Currency Denomination	Foreign Currency	Foreign Equity Securities	Foreign Debt Obligations	Foreign Derivative Instrument Obligations	Total
Australian Dollar	\$ 2,183	\$ 422,033	\$ -	\$ 301	\$ 424,517
Brazilian Real	1,635	173,572	102,117	(13)	277,311
British Pound Sterling	11,231	840,081	2,319	-	853,631
Canadian Dollar	7,609	578,066	-	-	585,675
Chinese Yuan Renminbi	(21,149)	217,429	39,837	(891)	235,226
Danish Krone	3,145	203,966	-	-	207,111
Euro	19,733	1,856,761	62,986	-	1,939,480
Hong Kong Dollar	4,197	842,639	-	225	847,061
Indian Rupee	3,845	353,197	66,743	-	423,785
Indonesian Rupiah	3,653	50,118	128,760	-	182,531
Japanese Yen	19,253	1,641,344	99,992	-	1,760,589
Mexican Peso	6,079	79,675	136,819	(4,080)	218,493
New Taiwan Dollar	4,982	641,576	-	1,133	647,691
Russian Ruble	1,187	117,191	80,730	(317)	198,791
South African Rand	(390)	65,970	102,112	431	168,123
South Korean Won	1,383	648,827	100,487	(425)	750,272
Swedish Krona	1,974	313,571	-	-	315,545
Swiss Franc	1,100	550,399	-	-	551,499
Thailand Baht	406	102,324	37,328	-	140,058
Other currencies	40,856	356,751	408,211	(435)	805,383
Total deposits and investments subject to foreign currency risk	\$ 112,912	\$ 10,055,490	\$ 1,368,441	\$ (4,071)	\$ 11,532,772

In addition, TRS has foreign currency investments in private equity with fair values totaling \$697.954 million (payable in Euros), \$97.738 million (payable in British Pound Sterling), \$16.443 million (payable in South Korean Won), and \$113 thousand (payable in Canadian Dollars), real estate with fair values totaling \$219.879 million (payable in Euros), and private credit with fair values totaling \$3.234 million (payable in Euros).

The following table summarizes the foreign currency risk by currency denomination for deposits and investments held by SURS as of June 30, 2021:

Table 3-17 (amounts expressed in thousands)

Currency Denomination	Foreign Equity Securities	Foreign Debt Obligations	Foreign Currency and Pending Currency Transactions	Net Foreign Currency Forward Contracts	Other Foreign Derivative Instrument Obligations	Total
Australian Dollar	\$ 47,214	\$ 226	\$ 12,642	\$ -	\$ -	\$ 60,082
Brazilian Real	26,022	-	1,222	190	-	27,434
British Pound Sterling	292,505	48,122	(20,484)	(57)	-	320,086
Canadian Dollar	62,162	4,749	(15,560)	193	-	51,544
Danish Krone	35,078	-	5	-	-	35,083
Euro	679,669	221,265	(169,618)	-	(49)	731,267
Hong Kong Dollar	74,392	-	2,351	-	-	76,743
Japanese Yen	348,200	-	63,423	28	-	411,651
New Taiwan Dollar	40,505	-	-	-	-	40,505
Norwegian Krone	1,400	291	17,914	8	-	19,613
Singapore Dollar	15,272	-	633	6	-	15,911
South Korean Won	25,602	-	(1)	-	-	25,601
Swedish Krona	49,290	-	(8,932)	(5)	-	40,353
Swiss Franc	83,943	-	(50,884)	-	-	33,059
Other currencies	37,913	1,410	(2,450)	458	-	37,331
Total investments subject to foreign currency risk	\$ 1,819,167	\$ 276,063	\$ (169,739)	\$ 821	\$ (49)	\$ 1,926,263

COMPONENT UNITS

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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Investments

Table 3-18 (amounts expressed in thousands)

Investment Type	Rating Standard & Poor's/Moody's	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Agency obligations	AA+/Aaa	\$ 1,276,810	\$ 90,516	\$ 11,854	\$ 22,882	\$ 1,151,558
Municipal debt	*	34,289	33,366	667	256	-
Commercial paper	A-1/P-1	54,540	54,540	-	-	-
Money market mutual funds	AAA/Aaa	881,896	881,896	-	-	-
Total subject to credit risk		2,247,535	1,060,318	12,521	23,138	1,151,558
U.S. Treasury obligations		63,274	45,970	15,604	1,600	100
Total subject to interest rate risk		2,310,809	\$ 1,106,288	\$ 28,125	\$ 24,738	\$ 1,151,658
Less cash equivalents		(881,896)				
Total investments		\$ 1,428,913				

*Of the \$34,289 of Municipal debt, \$6,757 is rated AAA, \$1,175 is rated AA, \$13,054 is rated SP-1, and \$13,303 is not rated by Standard & Poor's. In addition, \$6,957 is rated Aaa, \$770 is rated Aa, \$10,995 is rated MIG1, and \$15,567 is not rated by Moody's.

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

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

Concentration of credit risk: IHDA places no limit on the amount that may be invested in any one issuer. More than 5 percent of IHDA's investments are in Federal National Mortgage Association (\$476.228 million) and Federal Home Loan Bank (\$117.723 million).

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

Investments

Table 3-19 (amounts expressed in thousands)

Investment Type	Rating Standard & Poors/Moody's	Fair Value	Less Than 1 Year
Money market mutual funds	AAA/Aaa	\$ 636,531	\$ 636,531
Total subject to credit risk		636,531	636,531
U.S. Treasury obligations		95,000	95,000
Total subject to interest rate risk		731,531	\$ 731,531
Less cash equivalents		(636,531)	
Total investments		\$ 95,000	

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

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

ILLINOIS STATE UNIVERSITY (ISU)

Investments

Table 3-20 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Moody's/ Standard & Poor's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 6 Years</u>
U.S. Agency obligations	Aaa/AA+	\$ 40,955	\$ 15,044	\$ 25,911
Illinois Public Treasurers' Investment Pool	Not Rated/AAA	77,755	77,755	-
Money market mutual funds	Aaa/AAA	74,084	74,084	-
Total subject to credit risk		192,794	166,883	25,911
U.S. Treasury obligations		55,869	25,208	30,661
Total subject to interest rate risk		248,663	<u>\$ 192,091</u>	<u>\$ 56,572</u>
Less cash equivalents		(151,839)		
Total investments of the University		96,824		
Investments of component units		233,365		
Total investments		<u>\$ 330,189</u>		

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

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

Concentration of credit risk: ISU places no limit on the amount that may be invested in any one issuer. More than 5 percent of ISU's investments are in Federal Home Loan Bank (\$30.591 million) and Federal Farm Credit Bank (\$10.364 million).

NORTHERN ILLINOIS UNIVERSITY (NIU)

Investments

Table 3-21 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard & Poor's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>
U.S. Agency obligations	AA	\$ 5,060	\$ 5,060
Money market mutual funds	AAA	10,119	10,119
Illinois Public Treasurers' Investment Pool	AAA	42,979	42,979
Total subject to credit risk		58,158	58,158
U.S. Treasury obligations		10,093	10,093
Total subject to interest rate risk		68,251	<u>\$ 68,251</u>
Less cash equivalents		(10,119)	
Total investments of the University		58,132	
Investments of component units		136,951	
Total investments		<u>\$ 195,083</u>	

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

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

Concentration of credit risk: More than 5 percent of NIU's investments are in Federal Home Loan Bank (\$5.060 million).

SOUTHERN ILLINOIS UNIVERSITY (SIU)

Investments

Table 3-22 (amounts expressed in thousands)

<u>Investment Type</u>	<u>Rating Standard and Poor's</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>
U.S. Agency obligations	*	\$ 87,027	\$ 1,123	\$ 65,130	\$ 20,774
Corporate debt securities	**	18,062	10,799	7,263	-
Commercial paper	A	34,991	34,991	-	-
Equity in Public Treasurers' Investment Pool	AAA	92,153	92,153	-	-
Total subject to credit risk		232,233	139,066	72,393	20,774
U.S. Treasury obligations		57,233	5,010	42,913	9,310
Total subject to interest rate risk		289,466	\$ 144,076	\$ 115,306	\$ 30,084
Common stock		44			
Less cash equivalents		(92,153)			
Total investments of the University		197,357			
Investments of component units		349,669			
Total investments		\$ 547,026			

*Of the \$87,027 of U.S. Agency obligations, \$9,211 is rated AAA and \$77,816 is rated AA by Standard & Poor's.

**Of the \$18,062 of Corporate debt securities, \$12,103 is rated A and \$5,959 is rated BBB by Standard & Poor's.

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

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

UNIVERSITY OF ILLINOIS (U of I)

Investments

Interest rate risk: The U of I employs multiple investment managers, each of which has specific maturity assignments related to the operating funds. The funds are structured with different layers of liquidity. Funds expected to be used within one year are invested using the Barclay's Capital 90-day and Bank of America Merrill Lynch 12-month Treasury Bill Index as performance benchmarks. Core operating funds are invested in longer maturity investments. Core operating funds investment managers' performance benchmarks are the Barclay's Capital 1-3 year Government Bond Index, the Barclay's Capital 1-3 year Government Credit Bond Index, the Barclay's Capital Intermediate Government Credit Bond Index, and the Barclay's Capital

Intermediate Aggregate Bond Index. The U of I's investments and maturities at June 30, 2021, are illustrated below:

Table 3-23 (amounts expressed in thousands)

Investment Type	Fair Value	Standard and Poor's				Less Than BB or Not Rated
		AAA	AA	A	BBB	
U.S. Treasury obligations	\$ 395,836	\$ -	\$ 225,020	\$ -	\$ -	\$ -
U.S. Agency obligations	225,020	-	9,785	29,957	-	-
Commercial paper	39,742	-	-	-	-	-
Corporate bonds	1,024,402	2,740	81,501	468,532	462,123	6,423
Money market mutual funds	936,302	936,302	-	-	-	-
Illinois Public Treasurers' Investment Pool	21,397	21,397	-	-	-	-
Non government mortgage-backed securities	91,277	74,826	2,867	500	2,300	-
Other asset-backed securities	329,387	317,792	6,820	600	1,483	-
Government bonds - non U.S.	12,951	6,673	767	4,599	912	-
Global fixed income	6,262	5	83	15	20	-
Municipal bonds	29,436	4,910	16,033	5,996	237	-
Total subject to credit risk	2,716,176	\$ 1,364,645	\$ 342,876	\$ 510,199	\$ 467,075	\$ 6,423
U.S. Treasury obligations	395,836	-	-	-	-	-
Total fixed income securities	\$ 3,112,012	-	-	-	-	-

At June 30, 2021, the U of I's operating funds pool portfolio had an effective duration of 1.4 years.

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

At June 30, 2021, the U of I debt securities and quality ratings are as shown in the chart below:

Table 3-24 (amounts expressed in thousands)

Investment Type	Fair Value	Standard and Poor's				Less Than BB or Not Rated
		AAA	AA	A	BBB	
U.S. Agency obligations	\$ 225,020	\$ -	\$ 225,020	\$ -	\$ -	\$ -
Commercial paper	39,742	-	9,785	29,957	-	-
Corporate bonds	1,024,402	2,740	81,501	468,532	462,123	6,423
Money market mutual funds	936,302	936,302	-	-	-	-
Illinois Public Treasurers' Investment Pool	21,397	21,397	-	-	-	-
Non government mortgage-backed securities	91,277	74,826	2,867	500	2,300	-
Other asset-backed securities	329,387	317,792	6,820	600	1,483	-
Government bonds - non U.S.	12,951	6,673	767	4,599	912	-
Global fixed income	6,262	5	83	15	20	-
Municipal bonds	29,436	4,910	16,033	5,996	237	-
Total subject to credit risk	2,716,176	\$ 1,364,645	\$ 342,876	\$ 510,199	\$ 467,075	\$ 6,423
U.S. Treasury obligations	395,836	-	-	-	-	-
Total fixed income securities	\$ 3,112,012	-	-	-	-	-

SECURITIES LENDING TRANSACTIONS

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

Generally, securities loans can be terminated on demand by either the agency or the borrower, although the average term of the loans is approximately 9 to 18 days. Cash collateral is generally invested in the lending agents' short-term investment pools, which at year-end had weighted average maturities of approximately 56 to 57 days. The relationship between the maturities of the investment pools and the agencies' loans is affected by the maturities of the securities loans made by other entities that use the agents' pools, which the agencies cannot determine. The agencies cannot pledge or sell collateral securities received unless the borrower defaults.

The following table summarizes the fair value and related collateral value of outstanding loaned investment securities as of June 30, 2021.

<u>State Agency/Component Unit</u>	<u>Fair Value</u>	<u>Collateral Value</u>
State Treasurer	\$5,417,670	\$5,491,725
Teachers' Retirement System	2,407,755	2,474,785
State Universities Retirement System	2,107,498	2,143,295

REVERSE REPURCHASE AGREEMENTS

SURS held approximately \$624 thousand in reverse repurchase agreements at June 30, 2021. Investment guidelines permit certain portfolios to enter into reverse repurchase agreements, which are a sale of securities with a simultaneous agreement to repurchase the securities in the future at the same price plus a stated rate of interest. The market value of the securities underlying reverse repurchase agreements exceeds the cash received, providing the counterparty a margin against a decline in market value of the securities. If the counterparty defaults on their obligations to sell these securities back to SURS or provide cash of equal value, SURS could suffer an economic loss equal to the difference between the market value of the underlying securities plus accrued interest and the agreement obligation including accrued interest. There was no credit exposure at June 30, 2021.

SURS may enter into reverse repurchase agreements with various counterparties and such transactions are governed by Master Repurchase Agreements (MRA). MRAs are negotiated contracts and contain terms in which SURS seeks to minimize counterparty credit risk. SURS

also controls credit exposures by limiting trades with any one counterparty to stipulated amounts. The counterparty credit exposure is monitored daily and managed through the transfer of margin, in the form of cash or securities, between SURS and the counterparty.

The cash proceeds from reverse repurchase agreements are reinvested. The maturities of the purchases made with the proceeds of reverse repurchase agreements are not necessarily matched to the maturities of the agreements. The counterparty earned a variable yield that as of June 30, 2021, was -1.00%. The reverse repurchase agreements had open maturities, whereby a maturity date is not established upon entering into the agreement; however, interest rates on the agreements are negotiated daily. The agreements can be terminated at the will of either SURS or the counterparty.

4 TAXES RECEIVABLE AND TAX ABATEMENTS

Taxes receivable for the primary government at June 30, 2021, are as follows:

Table 4-1 (amounts expressed in thousands)

	Governmental Activities			Business-type Activities	
	General Fund	Nonmajor Funds	Total	Unemployment Compensation Trust Fund	Fiduciary Funds
Income tax	\$ 1,465,269	\$ 174,656	\$ 1,639,925	\$ -	\$ -
Less allowance	(399,650)	(37,439)	(437,089)	-	-
Net income tax	1,065,619	137,217	1,202,836	-	-
Sales tax	531,192	289,174	820,366	-	-
Less allowance	(69,457)	(26,534)	(95,991)	-	-
Net sales tax	461,735	262,640	724,375	-	-
Motor fuel tax	-	217,313	217,313	-	-
Less allowance	-	(4,386)	(4,386)	-	-
Net motor fuel tax	-	212,927	212,927	-	-
Public utility tax	47,523	9,307	56,830	-	-
Less allowance	(17,932)	(52)	(17,984)	-	-
Net public utility tax	29,591	9,255	38,846	-	-
Medical providers assessment tax	60,569	-	60,569	-	-
Less allowance	-	-	-	-	-
Net medical providers assessment tax	60,569	-	60,569	-	-
Other tax	508,098	83,277	591,375	-	-
Less allowance	(9,908)	(2,216)	(12,124)	-	-
Net other tax	498,190	81,061	579,251	-	-
Unemployment compensation tax	-	-	-	732,678	-
Less allowance	-	-	-	(384,959)	-
Net unemployment compensation tax	-	-	-	347,719	-
Taxes assessed by other governments	-	-	-	-	291,806
Total taxes receivable, net	\$ 2,115,704	\$ 703,100	\$ 2,818,804	\$ 347,719	\$ 291,806

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

Under the Economic Development for a Growing Economy Tax Credit Act (35 ILCS 10), special tax incentives are provided to encourage businesses to locate or expand operations in Illinois when there is active consideration of a competing location in another state. EDGE can provide tax credits to qualifying businesses equal to the amount of state income taxes withheld from the salaries of employees in the newly created jobs. Non-refundable credits can be used against corporate income taxes paid or individual income taxes paid if the business is organized as a pass-through entity. Abatements are obtained through application by a business to the Department of Commerce and Economic Opportunity and claimed on tax returns filed with the Department of Revenue. Applicants must show that if not for the credit, the project would not occur in Illinois by demonstrating that at least one other State is being considered for the project and receipt of tax credits is essential to the applicant's decision to create and/or retain jobs in the State. An applicant must agree to make an investment of at least \$5 million in capital improvements and create a minimum of 25 new full time jobs in Illinois. For a company with 100 or fewer employees, a business must agree to make a capital investment of \$1 million and create at least five new full time jobs in Illinois. Credits awarded may be carried forward for 10 taxable years. The Act provides for the recapture of abated taxes in the event a taxpayer does not fulfill the commitment it makes in return for the tax abatement. A taxpayer claiming the credit must hold the investment in the State for the full term of the agreement. If, during the term of the agreement, the project is moved from the State or otherwise ceased, the State can recapture the abated tax requiring the taxpayer to repay the full value of the credit previously claimed.

The Angel Investment Credit Program is authorized under Section 220 of the Illinois Income Tax Act (35 ILCS 5). The program was created to promote job growth and expand capital investment in Illinois by offering credits to interested businesses or individuals who make an investment in qualified innovative and new business ventures. Tax credits for qualified investors are equal to 25% of their investment made in the qualified business ventures and can be applied against corporate and individual income taxes. Abatements are obtained through application to the Department of Commerce and Economic Opportunity and claimed on tax returns filed with the Department of Revenue. In addition to investing in qualified new ventures, applicants must meet various requirements including supplying information demonstrating the venture provides the potential to increase jobs and capital investment in Illinois. Credits awarded may be carried forward for five taxable years. The Act provides for the recapture of abated taxes in the event a taxpayer does not fulfill the commitment it makes in return for the tax abatement. A taxpayer claiming the credit must hold the investment in the State for no less than three years. If, during the three-year period, the qualified new business venture is moved from the State or otherwise ceased, the State can recapture the abated tax requiring the taxpayer to repay the full value of the credit previously claimed.

For the fiscal year ended June 30, 2021, the State abated income taxes totaling approximately \$160.1 million and \$5.7 million under the EDGE and Angel Investment Credit Programs, respectively. The State Revenue Sharing Act (30 ILCS 115) requires specific portions of income tax revenues to be shared with Illinois municipalities and counties. Taxes abated under the EDGE and Angel Investment Credit Programs reduced the amounts shared by approximately \$9.3 million and \$318 thousand, respectively.

5 INTERFUND BALANCES AND ACTIVITY

Interfund due to and due from balances at June 30, 2021, consisted of the following:

Due From	Due To								Total
	General Fund	Nonmajor Governmental Funds	Unemployment Compensation Trust Fund	Water Revolving Fund	Prepaid Tuition Fund	Nonmajor Enterprise Funds	Internal Service Funds	Fiduciary Funds	
General Fund	\$ -	\$ 463,951	\$ -	\$ 1	\$ -	\$ 138,946	\$ 3,985	\$ 40	\$ 606,923
Nonmajor Governmental Funds	1,129,393	405,379	1,675	-	-	65	742	-	1,537,254
Unemployment Compensation Trust Fund	734	-	-	-	-	-	-	-	734
Prepaid Tuition Fund	30,000	-	-	-	-	-	-	-	30,000
Nonmajor Enterprise Funds	14,006	76	-	-	134	5,932	38	585	20,771
Internal Service Funds	1,685,397	243,611	-	90	-	1,273	28,069	6,274	1,964,714
Fiduciary Funds	454,261	44,680	-	-	-	-	236	173	499,350
Total	\$ 3,313,791	\$ 1,157,697	\$ 1,675	\$ 91	\$ 134	\$ 146,216	\$ 33,070	\$ 7,072	\$ 4,659,746

Interfund due to and due from balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Because of resource constraints in the current fiscal year, the payment time of transactions from the General Revenue Account of the General Fund was significantly slower than in previous fiscal years.

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

Interfund transfers activity at June 30, 2021, consisted of the following:

Transfers-In	Transfers-Out					Total
	General Fund	Nonmajor Governmental Funds	Unemployment Compensation Trust Fund	Nonmajor Enterprise Funds	Internal Service Funds	
General Fund	\$ -	\$ 1,205,630	\$ -	\$ 774,248	\$ 197	\$ 1,980,075
Nonmajor Governmental Funds	4,215,336	1,233,675	14,600	5,994	-	5,469,605
Water Revolving Fund	-	46,000	-	-	-	46,000
Prepaid Tuition Fund	30,000	-	-	-	-	30,000
Nonmajor Enterprise Funds	-	-	-	10,674	-	10,674
Internal Service Funds	100,500	-	-	-	2,862	103,362
Total	\$ 4,345,836	\$ 2,485,305	\$ 14,600	\$ 790,916	\$ 3,059	\$ 7,639,716

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

INTERENTITY

The due from amounts for the State of Illinois from its component units, as of June 30, 2021, consisted of the following:

Due To	Due From								
	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Nonmajor Authorities	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Nonmajor Universities	Total
General Fund	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ 591	\$ 16,191	\$ 95	\$ 17,052
Nonmajor Governmental Funds	411,295	-	-	3	95	-	65	-	411,458
Unemployment Compensation Trust Fund	-	-	-	1	-	-	-	7	8
Water Revolving Fund	-	-	6,537	-	-	-	-	-	6,537
Internal Service Funds	345	8,852	2	-	-	-	7,895	68	17,162
Total	\$ 411,815	\$ 8,852	* \$ 6,539	\$ 4	\$ 95	\$ 591	\$ 24,151	\$ 170	\$ 452,217

* The Illinois State Toll Highway Authority reported \$37,394 at December 31, 2020, its fiscal year-end.

The due to amounts for the State of Illinois to its component units, as of June 30, 2021, consisted of the following:

Due From	Due To								
	Illinois Housing Development Authority	Illinois State Toll Highway Authority	Nonmajor Authorities	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Nonmajor Universities	Total
General Fund	\$ 145	\$ 75	\$ 206	\$ -	\$ -	\$ 15,321	\$ 129,580	\$ 1,264	\$ 146,591
Nonmajor Governmental Funds	45,075	42,874	66	1,690	229	6,862	56,455	2,890	156,141
Unemployment Compensation Trust Fund	-	-	-	-	2	3	27	15	47
Water Revolving Fund	-	-	1,342,559	-	-	-	192	-	1,342,751
Prepaid Tuition Fund	-	-	-	-	-	-	26	-	26
Nonmajor Enterprise Funds	-	2	-	-	-	-	-	-	2
Internal Service Funds	-	2	-	-	-	44	226	6	278
Total	\$ 45,220	\$ 42,953	* \$ 1,342,831	\$ 1,690	\$ 231	\$ 22,230	\$ 186,506	\$ 4,175	\$ 1,645,836

* The Illinois State Toll Highway Authority reported \$101,697 at December 31, 2020, its fiscal year-end.

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

6 LOANS AND NOTES RECEIVABLE

Loans and notes receivable at June 30, 2021, consisted of the following:

Table 6-1 (amounts expressed in thousands)

	Primary Government					
	Governmental Activities			Business-type Activities		
	General Fund	Nonmajor Governmental Funds	Total	Water Revolving Fund	Nonmajor Enterprise Funds	Total
Student loan program	\$ 34,343	\$ -	\$ 34,343	\$ -	\$ 263,526	\$ 263,526
Local government infrastructure	-	-	-	4,769,052	-	4,769,052
Real estate tax-relief loan program	-	35,833	35,833	-	-	-
Other	119,957	5,412	125,369	-	-	-
	<u>154,300</u>	<u>41,245</u>	<u>195,545</u>	<u>4,769,052</u>	<u>263,526</u>	<u>5,032,578</u>
Less: Allowance for uncollectible accounts	31,891	1,014	32,905	-	77,543	77,543
Total	<u>122,409</u>	<u>40,231</u>	<u>162,640</u>	<u>4,769,052</u>	<u>185,983</u>	<u>4,955,035</u>
Less: Amounts representing restricted assets	-	-	-	3,990,512	185,983	4,176,495
Loans and notes receivable, net	<u>\$122,409</u>	<u>\$ 40,231</u>	<u>\$ 162,640</u>	<u>\$ 778,540</u>	<u>\$ -</u>	<u>\$ 778,540</u>

Table 6-2 (amounts expressed in thousands)

	Major Component Units				
	Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Mortgage loan program	\$ 1,317,889	\$ -	\$ -	\$ -	\$ -
Student loan program	-	6,014	4,085	11,532	43,836
Other	-	-	-	11	-
	<u>1,317,889</u>	<u>6,014</u>	<u>4,085</u>	<u>11,543</u>	<u>43,836</u>
Less: Allowance for uncollectible accounts	92,444	1,214	783	429	3,620
Loans and notes receivable, net	<u>\$ 1,225,445</u>	<u>\$ 4,800</u>	<u>\$ 3,302</u>	<u>\$ 11,114</u>	<u>\$ 40,216</u>

7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

Table 7-1 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government					
Governmental activities					
Capital assets not being depreciated:					
Land and land improvements	\$ 3,591,962	\$ 30,641	\$ 2,403	\$ 1,045	\$ 3,621,245
Intangible assets	294,796	118,334	-	(1,246)	411,884
Historical treasures and works of art	12,663	-	-	-	12,663
Construction in progress	432,818	365,098	3,324	(205,661)	588,931
Total capital assets not being depreciated	<u>4,332,239</u>	<u>514,073</u>	<u>5,727</u>	<u>(205,862)</u>	<u>4,634,723</u>
Capital assets being depreciated:					
Infrastructure	29,205,906	1,692,327	919,148	-	29,979,085
Site improvements	808,152	1,377	90,556	1,602	720,575
Buildings and building improvements	4,932,345	13,902	168,499	206,903	4,984,651
Equipment	1,569,537	169,893	41,895	(18,737)	1,678,798
Historical treasures and works of art	1,095	-	-	-	1,095
Intangible assets	574,978	27,746	1,102	1,246	602,868
Total capital assets being depreciated	<u>37,092,013</u>	<u>1,905,245</u>	<u>1,221,200</u>	<u>191,014</u>	<u>37,967,072</u>
Less accumulated depreciation for:					
Infrastructure	13,718,279	1,238,473	919,148	-	14,037,604
Site improvements	631,663	34,946	84,451	-	582,158
Buildings and building improvements	3,411,887	102,556	141,899	-	3,372,544
Equipment	950,931	128,562	36,629	(14,848)	1,028,016
Historical treasures and works of art	1,095	-	-	-	1,095
Intangible assets	205,957	56,785	1,102	-	261,640
Total accumulated depreciation	<u>18,919,812</u>	<u>1,561,322</u>	<u>1,183,229</u>	<u>(14,848)</u>	<u>19,283,057</u>
Total capital assets being depreciated, net	<u>18,172,201</u>	<u>343,923</u>	<u>37,971</u>	<u>205,862</u>	<u>18,684,015</u>
Governmental activities capital assets, net	<u>\$ 22,504,440</u>	<u>\$ 857,996</u>	<u>\$ 43,698</u>	<u>\$ -</u>	<u>\$ 23,318,738</u>
Depreciation expense for governmental activities was charged to functions as follows:					
Health and social services					\$ 46,730
Education					7,447
General government					36,601
Employment and economic development					12,772
Transportation					1,287,204
Public protection and justice					64,821
Environmental and business regulation					59,040
Internal service funds					46,707
Total					<u>\$ 1,561,322</u>

Table 7-2 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Primary Government Business-type activities					
Water Revolving Fund:					
Capital assets being depreciated:					
Equipment	\$ 337	\$ -	\$ 16	\$ -	\$ 321
Total capital assets being depreciated	337	-	16	-	321
Less accumulated depreciation for:					
Equipment	330	2	16	-	316
Total accumulated depreciation	330	2	16	-	316
Total capital assets being depreciated, net	7	(2)	-	-	5
Water Revolving Fund capital assets, net	7	(2)	-	-	5
Nonmajor enterprise funds:					
Capital assets being depreciated:					
Buildings and building improvements	2,505	-	-	-	2,505
Equipment	6,174	671	112	(246)	6,487
Intangible assets	3,357	-	-	-	3,357
Total capital assets being depreciated	12,036	671	112	(246)	12,349
Less accumulated depreciation for:					
Buildings and building improvements	906	74	-	-	980
Equipment	5,611	452	112	(246)	5,705
Intangible assets	2,602	336	-	-	2,938
Total accumulated depreciation	9,119	862	112	(246)	9,623
Total capital assets being depreciated, net	2,917	(191)	-	-	2,726
Nonmajor enterprise funds capital assets, net	2,917	(191)	-	-	2,726
Total Business-type activities					
Capital assets being depreciated, net	2,924	(193)	-	-	2,731
Business-type activities capital assets, net	\$ 2,924	\$ (193)	\$ -	\$ -	\$ 2,731
Depreciation expense for business-type activities was charged to functions as follows:					
Water revolving					\$ 2
Other					862
Total					\$ 864

Table 7-3 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Fiduciary Funds					
Capital assets not being depreciated:					
Land and land improvements	\$ 1,735	\$ -	\$ -	\$ -	\$ 1,735
Intangible assets	3	-	-	-	3
Construction in progress	432	1,489	-	(1,563)	358
Total capital assets not being depreciated	2,170	1,489	-	(1,563)	2,096
Capital assets being depreciated:					
Site improvements	1,134	-	-	110	1,244
Buildings and building improvements	25,750	225	-	970	26,945
Equipment	22,804	511	831	293	22,777
Intangible assets	19,614	5,695	-	190	25,499
Total capital assets being depreciated	69,302	6,431	831	1,563	76,465
Less accumulated depreciation for:					
Site improvements	964	77	-	-	1,041
Buildings and building improvements	15,936	735	-	-	16,671
Equipment	20,578	687	778	-	20,487
Intangible assets	5,231	2,083	-	-	7,314
Total accumulated depreciation	42,709	3,582	778	-	45,513
Total capital assets being depreciated, net	26,593	2,849	53	1,563	30,952
Fiduciary funds capital assets, net	\$ 28,763	\$ 4,338	\$ 53	\$ -	\$ 33,048

Table 7-4 (amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units					
Illinois Housing Development Authority:					
Capital assets being depreciated:					
Buildings and building improvements	\$ 49,818	\$ 781	\$ 236	\$ -	\$ 50,363
Equipment	2,314	197	106	-	2,405
Intangible assets	4,438	93	70	-	4,461
Total capital assets being depreciated	56,570	1,071	412	-	57,229
Less accumulated depreciation for:					
Buildings and building improvements	24,644	1,161	-	-	25,805
Equipment	1,335	511	106	-	1,740
Intangible assets	3,239	377	70	-	3,546
Total accumulated depreciation	29,218	2,049	176	-	31,091
Total capital assets being depreciated, net	27,352	(978)	236	-	26,138
Capital assets, net	\$ 27,352	\$ (978)	\$ 236	\$ -	\$ 26,138
Illinois State Toll Highway Authority:					
Capital assets not being depreciated:					
Land and land improvements	\$ 688,331	\$ 208,311	\$ 480	\$ -	\$ 896,162
Construction in progress	1,247,878	846,138	583,368	-	1,510,648
Total capital assets not being depreciated	1,936,209	1,054,449	583,848	-	2,406,810
Capital assets being depreciated:					
Infrastructure	11,407,606	602,546	137,844	-	11,872,308
Buildings and building improvements	73,260	1,909	-	-	75,169
Equipment	440,378	71,096	45,308	-	466,166
Total capital assets being depreciated	11,921,244	675,551	183,152	-	12,413,643
Less accumulated depreciation for:					
Infrastructure	4,034,777	460,154	137,844	-	4,357,087
Buildings and building improvements	46,636	1,555	-	-	48,191
Equipment	264,243	31,655	45,244	-	250,654
Total accumulated depreciation	4,345,656	493,364	183,088	-	4,655,932
Total capital assets being depreciated, net	7,575,588	182,187	64	-	7,757,711
Capital assets, net	\$ 9,511,797	\$ 1,236,636	\$ 583,912	\$ -	\$ 10,164,521

Table 7-4 (continued)					
(amounts expressed in thousands)					
	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units, continued					
Illinois State University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 17,936	\$ -	\$ -	\$ -	\$ 17,936
Construction in progress	61,266	16,534	-	(7,815)	69,985
Total capital assets not being depreciated	79,202	16,534	-	(7,815)	87,921
Capital assets being depreciated:					
Infrastructure	13,147	-	-	-	13,147
Site improvements	43,098	-	-	-	43,098
Buildings and building improvements	694,055	1,374	-	7,815	703,244
Equipment	197,630	4,136	1,161	-	200,605
Intangible assets	34,216	-	348	-	33,868
Total capital assets being depreciated	982,146	5,510	1,509	7,815	993,962
Less accumulated depreciation for:					
Infrastructure	9,111	302	-	-	9,413
Site improvements	19,591	1,259	-	-	20,850
Buildings and building improvements	305,601	16,699	-	-	322,300
Equipment	177,935	8,406	1,072	-	185,269
Intangible assets	15,354	1,109	63	-	16,400
Total accumulated depreciation	527,592	27,775	1,135	-	554,232
Total capital assets being depreciated, net	454,554	(22,265)	374	7,815	439,730
Capital assets, net	\$ 533,756	\$ (5,731)	\$ 374	\$ -	\$ 527,651
Northern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 23,142	\$ -	\$ -	\$ -	\$ 23,142
Construction in progress	7,566	1,964	48	(5,458)	4,024
Total capital assets not being depreciated	30,708	1,964	48	(5,458)	27,166
Capital assets being depreciated:					
Site improvements	92,798	-	-	184	92,982
Buildings and building improvements	762,416	371	135	5,274	767,926
Equipment	192,260	1,723	2,529	-	191,454
Intangible assets	3,820	-	-	-	3,820
Total capital assets being depreciated	1,051,294	2,094	2,664	5,458	1,056,182
Less accumulated depreciation for:					
Site improvements	60,383	3,039	-	-	63,422
Buildings and building improvements	393,600	20,910	135	-	414,375
Equipment	195,657	3,921	2,519	-	197,059
Intangible assets	3,820	-	-	-	3,820
Total accumulated depreciation	653,460	27,870	2,654	-	678,676
Total capital assets being depreciated, net	397,834	(25,776)	10	5,458	377,506
Capital assets, net	\$ 428,542	\$ (23,812)	\$ 58	\$ -	\$ 404,672

Table 7-4 (continued)

(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	Ending Balance
Major Component Units, continued					
Southern Illinois University:					
Capital assets not being depreciated:					
Land and land improvements	\$ 22,543	\$ 19	\$ -	\$ -	\$ 22,562
Historic treasures and works of art	13,597	12	443	-	13,166
Construction in progress	28,854	15,191	264	(21,640)	22,141
Total capital assets not being depreciated	<u>64,994</u>	<u>15,222</u>	<u>707</u>	<u>(21,640)</u>	<u>57,869</u>
Capital assets being depreciated:					
Infrastructure	21,722	-	-	-	21,722
Site improvements	93,837	94	316	905	94,520
Buildings and building improvements	1,402,255	565	760	20,735	1,422,795
Equipment	394,592	11,600	96,777	-	309,415
Intangible assets	7,953	-	-	-	7,953
Total capital assets being depreciated	<u>1,920,359</u>	<u>12,259</u>	<u>97,853</u>	<u>21,640</u>	<u>1,856,405</u>
Less accumulated depreciation for:					
Infrastructure	14,283	617	-	(1,380)	13,520
Site improvements	64,802	2,349	-	1,380	68,531
Buildings and building improvements	733,843	40,118	43	-	773,918
Equipment	364,719	9,039	96,610	-	277,148
Intangible assets	7,377	61	-	-	7,438
Total accumulated depreciation	<u>1,185,024</u>	<u>52,184</u>	<u>96,653</u>	<u>-</u>	<u>1,140,555</u>
Total capital assets being depreciated, net	<u>735,335</u>	<u>(39,925)</u>	<u>1,200</u>	<u>21,640</u>	<u>715,850</u>
Capital assets, net	<u>\$ 800,329</u>	<u>\$ (24,703)</u>	<u>\$ 1,907</u>	<u>\$ -</u>	<u>\$ 773,719</u>
University of Illinois:					
Capital assets not being depreciated:					
Land and land improvements	\$ 139,282	\$ 2,381	\$ 138	\$ -	\$ 141,525
Intangible assets	130	-	-	-	130
Historic treasures and works of art	25,186	617	-	-	25,803
Construction in progress	375,359	239,321	-	(292,754)	321,926
Total capital assets not being depreciated	<u>539,957</u>	<u>242,319</u>	<u>138</u>	<u>(292,754)</u>	<u>489,384</u>
Capital assets being depreciated:					
Site improvements	760,612	4,417	-	11,297	776,326
Buildings and building improvements	5,188,704	72,811	517	180,295	5,441,293
Equipment	2,071,624	119,601	47,908	6,174	2,149,491
Intangible assets	209,929	-	1,333	95,008	303,604
Total capital assets being depreciated	<u>8,230,869</u>	<u>196,829</u>	<u>49,758</u>	<u>292,774</u>	<u>8,670,714</u>
Less accumulated depreciation for:					
Site improvements	537,760	23,412	-	-	561,172
Buildings and building improvements	2,189,422	138,748	385	20	2,327,805
Equipment	1,672,161	99,998	45,221	-	1,726,938
Intangible assets	193,274	10,807	1,333	-	202,748
Total accumulated depreciation	<u>4,592,617</u>	<u>272,965</u>	<u>46,939</u>	<u>20</u>	<u>4,818,663</u>
Total capital assets being depreciated, net	<u>3,638,252</u>	<u>(76,136)</u>	<u>2,819</u>	<u>292,754</u>	<u>3,852,051</u>
Capital assets, net	<u>\$ 4,178,209</u>	<u>\$ 166,183</u>	<u>\$ 2,957</u>	<u>\$ -</u>	<u>\$ 4,341,435</u>

8 CHANGES IN LONG-TERM OBLIGATIONS

Changes in long-term obligations for governmental activities for the year ended June 30, 2021, are summarized below:

	Balance July 1, 2020, as restated	Additions	Deletions	Balance June 30, 2021	Amounts Due Within One Year
Primary Government					
Governmental Activities					
Bonds and notes payable:					
General obligation bonds (note 9)	\$ 27,623,784	\$ 2,109,079 *	\$ (2,063,060)	\$ 27,669,803	\$ 1,918,439 ^
Special obligation bonds (note 10)	2,114,325	-	(173,115)	1,941,210	178,170
Revenue bonds (note 11)	774,865	-	(103,900)	670,965	109,655
General obligation note payable - direct borrowing (note 12)	-	2,000,000	(984,745)	1,015,255	-
Notes payable - direct borrowing (note 12)	30,097	-	(10,032)	20,065	10,032
Unamortized premiums:					
General obligation bonds (note 9)	763,309	215,073	(141,955)	836,427	134,385
Special obligation bonds (note 10)	84,462	-	(14,359)	70,103	12,624
Revenue bonds (note 11)	69,248	-	(8,954)	60,294	-
Unamortized (discounts):					
General obligation bonds (note 9)	(13,341)	(8,629)	1,296	(20,674)	(1,463)
Special obligation bonds (note 10)	(10)	-	2	(8)	(2)
Total bonds and notes payable	<u>31,446,739</u>	<u>4,315,523</u>	<u>(3,498,822)</u>	<u>32,263,440</u>	<u>2,361,840</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	9,854	7,551	(6,239)	11,166	4,011
Workers compensation (note 20)	579,246	61,545	(82,595)	558,196	104,908
Auto liability (note 20)	14,366	5,362	(2,287)	17,441	4,079
Pollution remediation obligation (note 13D)	35,025	6,575	(150)	41,450	275
Compensated absences (note 1L)	396,810	426,737	(379,342)	444,205	45,478
Net pension liability (note 16)	143,129,040	8,498,724	-	151,627,764	-
OPEB liability (note 17)	58,399,372	-	(1,853,592)	56,545,780	1,034,176
Total other long-term obligations	<u>202,563,713</u>	<u>9,006,494</u>	<u>(2,324,205)</u>	<u>209,246,002</u>	<u>1,192,927</u>
Total Governmental Activities	<u>\$ 234,010,452</u>	<u>\$ 13,322,017</u>	<u>\$ (5,823,027)</u>	<u>\$ 241,509,442</u>	<u>\$ 3,554,767</u>

* Includes \$1,119 of interest accreted on capital appreciation debt.
 ^ \$21 of interest will be accreted on capital appreciation debt in the next year.

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

Compensated absences, certificates of participation, and capital lease obligations (including installment purchases) – by the applicable governmental and internal service funds that accounted for the salaries and wages of the related employees or incurred the obligation.

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

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

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

Other – by the applicable governmental funds that incurred the obligation as discussed in Note 13.

Changes in long-term obligations for business-type activities for the year ended June 30, 2021, are summarized below:

Table 8-2 (amounts expressed in thousands)

	Balance July 1, 2020, as restated	Additions	Deletions	Balance June 30, 2021	Amounts Due Within One Year
Primary Government					
Business-type Activities					
Water Revolving Fund:					
Other long-term obligations:					
Compensated absences (note 1L)	\$ 996	\$ 1,108	\$ (1,052)	\$ 1,052	\$ 83
Net pension liability (note 16)	58,139	4,938	-	63,077	-
OPEB liability (note 17)	34,626	-	(3,791)	30,835	819
Total Water Revolving Fund	<u>93,761</u>	<u>6,046</u>	<u>(4,843)</u>	<u>94,964</u>	<u>902</u>
Prepaid Tuition Fund:					
Tuition and related accretion payable (note 13F)	908,102	10,333	(132,167)	786,268	129,465
Total Prepaid Tuition Fund	<u>908,102</u>	<u>10,333</u>	<u>(132,167)</u>	<u>786,268</u>	<u>129,465</u>
Nonmajor Enterprise Funds:					
Bonds payable:					
Revenue bonds (note 11)	120,470	-	(18,401)	102,069	-
Unamortized (discounts) (note 11)	(5,217)	-	208	(5,009)	-
Total bonds payable	<u>115,253</u>	<u>-</u>	<u>(18,193)</u>	<u>97,060</u>	<u>-</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	17	-	(17)	-	-
Lottery prize awards (note 13E)	248,867	26,671	(15,322)	260,216	24,684
Compensated absences (note 1L)	3,788	2,805	(3,465)	3,128	309
Net pension liability (note 16)	159,390	20,662	(234)	179,818	-
OPEB liability (note 17)	101,363	4,521	(12,751)	93,133	1,996
Other obligations (note 13G)	9,005	945	(3,629)	6,321	860
Total other long-term obligations	<u>522,430</u>	<u>55,604</u>	<u>(35,418)</u>	<u>542,616</u>	<u>27,849</u>
Total Nonmajor Enterprise Funds	<u>637,683</u>	<u>55,604</u>	<u>(53,611)</u>	<u>639,676</u>	<u>27,849</u>
Total Business-type Activities	<u>\$ 1,639,546</u>	<u>\$ 71,983</u>	<u>\$ (190,621)</u>	<u>\$ 1,520,908</u>	<u>\$ 158,216</u>

Changes in long-term obligations for fiduciary funds for the year ended June 30, 2021, are summarized below:

Table 8-3 (amounts expressed in thousands)

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amounts Due Within One Year
Fiduciary Funds					
Capital lease obligations (note 13A)	\$ 24	\$ -	\$ (18)	\$ 6	\$ 6
Compensated absences (note 1L)	4,666	3,189	(2,871)	4,984	248
Total Fiduciary Funds	<u>\$ 4,690</u>	<u>\$ 3,189</u>	<u>\$ (2,889)</u>	<u>\$ 4,990</u>	<u>\$ 254</u>

Changes in long-term obligations for component units for the year ended June 30, 2021, are summarized below:

Table 8-4 (amounts expressed in thousands)

	Balance July 1, 2020, as restated	Additions	Deletions	Balance June 30, 2021	Amounts Due Within One Year
Major Component Units					
Illinois Housing Development Authority:					
Bonds and notes payable:					
Revenue bonds - direct placement (note 11)	\$ 136,600	\$ 119,875	\$ (2,760)	\$ 253,715	\$ 3,065
Revenue bonds - other (note 11)	1,346,714	359,281	(281,586)	1,424,409	72,621
Unamortized premiums - other (note 11)	28,877	13,930	(6,566)	36,241	6,482
Unamortized (discounts) - other (note 11)	(803)	-	25	(778)	(24)
Notes payable - direct borrowing (note 12)	18,482	255,920	(256,749)	17,653	6,652
Total bonds and notes payable	<u>1,529,870</u>	<u>749,006</u>	<u>(547,636)</u>	<u>1,731,240</u>	<u>88,796</u>
Other long-term obligations:					
Compensated absences (note 1L)	938	2,023	(1,517)	1,444	1,444
Total other long-term obligations	<u>938</u>	<u>2,023</u>	<u>(1,517)</u>	<u>1,444</u>	<u>1,444</u>
Total Illinois Housing Development Authority	\$ 1,530,808	\$ 751,029	\$ (549,153)	\$ 1,732,684	\$ 90,240
Illinois State Toll Highway Authority:					
Bonds payable:					
Revenue bonds (note 11)	\$ 6,085,620	\$ 500,000	\$ (129,260)	\$ 6,456,360	\$ 136,505
Unamortized premiums (note 11)	756,579	144,943	(47,354)	854,168	54,469
Total bonds payable	<u>6,842,199</u>	<u>644,943</u>	<u>(176,614)</u>	<u>7,310,528</u>	<u>190,974</u>
Other long-term obligations:					
Accrued self-insurance (note 20)	16,216	19,995	(18,247)	17,964	6,953
Compensated absences (note 1L)	9,155	7,928	(5,026)	12,057	5,100
Net pension liability (note 16)	853,819	38,052	-	891,871	-
OPEB liability (note 17)	610,337	-	(30,319)	580,018	24,417
Total other long-term obligations	<u>1,489,527</u>	<u>65,975</u>	<u>(53,592)</u>	<u>1,501,910</u>	<u>36,470</u>
Total Illinois State Toll Highway Authority	\$ 8,331,726	\$ 710,918	\$ (230,206)	\$ 8,812,438	\$ 227,444
Illinois State University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 5,010	\$ 36,950	\$ (1,740)	\$ 40,220	\$ 1,580
Revenue bonds - other (note 11)	98,175	-	(5,885)	92,290	6,160
Unamortized premiums - other (note 11)	7,764	-	(614)	7,150	614
Total bonds payable	<u>110,949</u>	<u>36,950</u>	<u>(8,239)</u>	<u>139,660</u>	<u>8,354</u>
Other long-term obligations:					
Certificates of participation - direct placement (note 13B)	11,510	8,500	(1,350)	18,660	2,390
Certificates of participation - other (note 13B)	28,290	-	(10,275)	18,015	1,090
Unamortized premiums (note 13B)	34	-	(34)	-	-
Unamortized (discounts) (note 13B)	(133)	-	9	(124)	(10)
Installment purchase obligations (note 13C)	2,336	-	(117)	2,219	121
Compensated absences (note 1L)	17,184	1,547	(1,469)	17,262	1,453
OPEB liability (note 17)	29,339	-	(4,821)	24,518	560
Other obligations (note 13G)	876	133	(111)	898	111
Total other long-term obligations	<u>89,436</u>	<u>10,180</u>	<u>(18,168)</u>	<u>81,448</u>	<u>5,715</u>
Total Illinois State University	\$ 200,385	\$ 47,130	\$ (26,407)	\$ 221,108	\$ 14,069

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

	Balance July 1, 2020, as restated	Additions	Deletions	Balance June 30, 2021	Amounts Due Within One Year
Major Component Units, continued					
Northern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 30,000	\$ -	\$ (100)	\$ 29,900	\$ 100
Revenue bonds - other (note 11)	126,435	-	(1,120)	125,315	1,175
Unamortized premiums - other (note 11)	22,737	-	(1,095)	21,642	1,096
Total bonds payable	<u>179,172</u>	<u>-</u>	<u>(2,315)</u>	<u>176,857</u>	<u>2,371</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	125,476	75	(2,590)	122,961	2,722
Certificates of participation (note 13B)	6,695	-	(1,200)	5,495	1,260
Unamortized premiums (note 13B)	571	-	(96)	475	95
Compensated absences (note 1L)	17,848	2,180	(1,475)	18,553	2,029
OPEB liability (note 17)	44,030	-	(2,107)	41,923	1,042
Other obligations (note 13G)	25,252	-	(3,035)	22,217	3,133
Total other long-term obligations	<u>219,872</u>	<u>2,255</u>	<u>(10,503)</u>	<u>211,624</u>	<u>10,281</u>
Total Northern Illinois University	<u>\$ 399,044</u>	<u>\$ 2,255</u>	<u>\$ (12,818)</u>	<u>\$ 388,481</u>	<u>\$ 12,652</u>
Southern Illinois University:					
Bonds payable:					
Revenue bonds - direct placement (note 11)	\$ 15,820	\$ -	\$ (2,770)	\$ 13,050	\$ 2,875
Revenue bonds - other (note 11)	162,924	51,366	(73,295)	140,995	14,260 [^]
Unamortized premiums - other (note 11)	6,839	8,076	(1,403)	13,512	910
Total bonds payable	<u>185,583</u>	<u>59,442</u>	<u>(77,468)</u>	<u>167,557</u>	<u>18,045</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	743	415	(226)	932	230
Certificates of participation - direct placement (note 13B)	10,890	12,395	(1,665)	21,620	1,690
Certificates of participation - other (note 13B)	23,200	-	(13,610)	9,590	1,385
Unamortized premiums - other (note 13B)	693	-	(409)	284	37
Accrued self-insurance (note 20)	23,337	7,561	(6,030)	24,868	3,813
Compensated absences (note 1L)	45,261	6,998	(4,231)	48,028	4,161
OPEB liability (note 17)	152,326	-	(24,341)	127,985	3,378
Other obligations (note 13G)	1,099	588	(547)	1,140	118
Total other long-term obligations	<u>257,549</u>	<u>27,957</u>	<u>(51,059)</u>	<u>234,447</u>	<u>14,812</u>
Total Southern Illinois University	<u>\$ 443,132</u>	<u>\$ 87,399</u>	<u>\$ (128,527)</u>	<u>\$ 402,004</u>	<u>\$ 32,857</u>
University of Illinois:					
Bonds payable:					
Revenue bonds (note 11)	\$ 1,239,142	\$ 93,030	\$ (142,876)	\$ 1,189,296	\$ 66,556 ^{^^}
Unamortized premiums (note 11)	59,454	9,795	(13,988)	55,261	6,257
Total bonds payable	<u>1,298,596</u>	<u>102,825</u>	<u>(156,864)</u>	<u>1,244,557</u>	<u>72,813</u>
Other long-term obligations:					
Capital lease obligations (note 13A)	42,314	73,599	(2,528)	113,385	2,315
Certificates of participation (note 13B)	112,070	-	(35,975)	76,095	25,735
Unamortized premiums (note 13B)	7,973	-	(4,078)	3,895	1,269
Accrued self-insurance (note 20)	279,459	37,545	(44,272)	272,732	40,460
Compensated absences (note 1L)	233,980	41,868	(19,525)	256,323	21,573
OPEB liability (note 17)	1,303,247	-	(158,369)	1,144,878	28,789
Other obligations (note 13G)	176,720	11,080	(88,715)	99,085	14,189
Total other long-term obligations	<u>2,155,763</u>	<u>164,092</u>	<u>(353,462)</u>	<u>1,966,393</u>	<u>134,330</u>
Total University of Illinois	<u>\$ 3,454,359</u>	<u>\$ 266,917</u>	<u>\$ (510,326)</u>	<u>\$ 3,210,950</u>	<u>\$ 207,143</u>

[^] \$240 of interest will be accreted on capital appreciation debt in the next year.^{^^} \$1,019 of interest will be accreted on capital appreciation debt in the next year.

9 GENERAL OBLIGATION BONDS

General obligation bonds outstanding and bonds authorized but unissued at June 30, 2021, are as follows:

Table 9-1 (amounts expressed in thousands)

		Original Issue Amount	Final Maturity	Interest Rate Ranges	Anti-Pollution	Capital Development	Coal Development	Income Tax Proceeds	Pension
Governmental Activities									
Multiple Purpose Series:									
October	2000	101,855	8/1/2022	Accreted*	-	4,681	-	-	-
November	2001	375,000	11/1/2026	6.0%	1,413	16,847	-	-	-
October	2002	62,079	8/1/2024	Accreted*	672	2,025	269	-	-
June	2003	10,000,000	6/1/2033	4.95% to 5.1%	-	-	-	-	8,350,000
January	2006	325,000	1/1/2031	5.5%	-	18,880	480	-	-
B.A.B. ^	2010-1	1,000,000	2/1/2035	5.663% to 6.63%	-	208,712	-	-	-
B.A.B. ^	2010-2	300,000	3/1/2035	5.85% to 6.9%	-	-	-	-	-
March	2010	56,000	3/1/2035	5.85% to 6.9%	-	-	-	-	-
B.A.B. ^	2010-3	700,000	4/1/2035	5.947% to 6.725%	-	-	-	-	-
B.A.B. ^	2010-4	300,000	7/1/2035	6.125% to 7.1%	5,700	-	-	-	-
B.A.B. ^	2010-5	900,000	7/1/2035	6.2% to 7.35%	17,100	-	-	-	-
A-January	2012	525,000	1/1/2037	4.0% to 5.0%	-	63,040	960	-	-
B-January	2012	275,000	1/1/2037	4.85% to 5.75%	32,000	2,695	12,791	-	-
March	2012	575,000	3/1/2037	4.0% to 5.0%	-	96,000	-	-	-
May	2012	1,797,740	8/1/2025	4.0% to 5.0%	-	-	-	-	-
September	2012	50,000	9/1/2022	4.0%	-	10,000	-	-	-
A-April	2013	450,000	4/1/2038	4.0% to 5.0%	-	43,860	-	-	-
B-April	2013	350,000	4/1/2038	4.11% to 5.2%	-	18,794	-	-	-
June	2013	1,300,000	7/1/2038	4.25% to 5.5%	936	132,984	4,320	-	-
December	2013	350,000	12/1/2038	5.65%	-	69,198	-	-	-
February	2014	1,025,000	2/1/2039	5.0% to 5.25%	-	204,000	-	-	-
April	2014	250,000	4/1/2039	4.25% to 5.0%	-	-	-	-	-
May	2014	750,000	5/1/2039	3.5% to 5.0%	-	18,720	-	-	-
January	2016	480,000	1/1/2041	3.75% to 5.0%	-	64,000	-	-	-
June	2016	550,000	6/1/2041	3.5% to 5.0%	8,000	16,000	-	-	-
October	2016	1,303,145	2/1/2032	4.0% to 5.0%	-	-	-	-	-
November	2016	480,000	11/1/2041	4.125% to 5.0%	-	75,021	-	-	-
C-November	2017	500,000	11/1/2029	5.0%	-	-	-	500,000	-
D-November	2017	4,500,000	11/1/2028	3.25% to 5.0%	-	-	-	4,000,000	-
A-December	2017	655,000	12/1/2042	4.0% to 5.25%	-	156,100	-	-	-
B-December	2017	95,000	12/1/2027	5.0%	-	66,500	-	-	-
A-May	2018	450,000	5/1/2043	4.0% to 6.0%	-	176,000	-	-	-
B-May	2018	50,000	5/1/2028	5.0%	-	35,000	-	-	-
A-September	2018	641,160	10/1/2033	5.0%	-	-	-	-	-
B-September	2018	324,610	10/1/2033	5.0%	-	-	-	-	-
A-April	2019	300,000	4/1/2044	3.75% to 6.0%	-	-	-	-	-
B-April	2019	140,280	9/1/2028	5.0% to 5.125%	-	-	-	-	-
A-November	2019	300,000	11/1/2029	5.0%	-	36,102	-	-	-
B-November	2019	300,000	11/1/2039	4.0% to 5.0%	-	40,113	-	-	-
C-November	2019	150,000	11/1/2044	4.0%	-	20,056	-	-	-
May	2020	800,000	5/1/2045	5.125% to 5.75%	-	168,000	-	-	-
A-October	2020	125,000	10/1/2025	1.9% to 3.24%	75,000	-	-	-	-
B-October	2020	325,000	10/1/2035	4.0% to 5.0%	-	130,000	-	-	-
C-October	2020	300,000	10/1/2045	4.0% to 4.25%	-	120,000	-	-	-
D-October	2020	100,000	10/1/2025	5.0%	-	100,000	-	-	-
A-March	2021	850,000	3/1/2046	4.0% to 5.0%	-	263,022	-	-	-
B-March	2021	150,000	3/1/2027	5.0%	-	150,000	-	-	-
C-March	2021	257,960	3/1/2031	4.0%	-	-	-	-	-
Total		\$ 35,944,829			\$ 140,821	\$ 2,526,350	\$ 18,820	\$ 4,500,000	\$ 8,350,000
Authorized but Unissued					\$ 184,754	\$ 8,864,639	\$ 88,932	\$ 1,200,000	\$ 396,348
^ Bonds issued under the American Recovery and Reinvestment Act of 2009 commonly referred to as "Build America Bonds." (B.A.B.) * Accreted bonds are shown at their accreted values as of 6/30/21. Imputed interest rates on these capital appreciation bonds range from 4.85% to 5.64%.									

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

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

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

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Changes in general obligation bonds during the year ended June 30, 2021, are summarized in Note 8. Future general obligation debt service requirements at June 30, 2021, are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2022	\$ 1,918,460	\$ 1,382,604	\$ 3,301,064
2023	1,961,750	1,291,262	3,253,012
2024	1,991,134	1,193,584	3,184,718
2025	2,000,437	1,093,804	3,094,241
2026	2,054,541	991,090	3,045,631
2027-2031	10,002,501	3,399,619	13,402,120
2032-2036	5,257,739	1,204,562	6,462,301
2037-2041	1,773,001	375,237	2,148,238
2042-2046	711,597	79,342	790,939
	<u>27,671,160</u>	<u>\$ 11,011,104</u>	<u>\$ 38,682,264</u>
Less: Unaccreted appreciation	(1,357)		
	27,669,803		
Unamortized premiums	836,427		
Unamortized (discounts)	(20,674)		
Total	<u>\$ 28,485,556</u>		

10 SPECIAL OBLIGATION BONDS

Special obligation bonds have been authorized and issued to provide funds for the Build Illinois Program and to refund any bonds previously issued under this program. All bonds related to the State's Metropolitan Civic Center Support Program were paid off and authorization for future issuances was repealed as of June 30, 2021.

The Build Illinois Program was implemented to expand the State's efforts in economic development by providing financing in certain areas. These areas include construction, reconstruction, modernization, and extension of the State's infrastructure; development and improvement of educational, scientific, technical, and vocational programs and facilities; expansion of health and human services in the State; protection, preservation, restoration, and conservation of the State's environmental and natural resources; and provision of incentives for the location and expansion of businesses in Illinois resulting in increased employment.

The State has pledged the following portions of the State's tax revenues, net of related expenses, to annually repay the debt service requirements of the remaining principal and interest at June 30, 2021, of \$2.6 billion in special obligation bonds related to the Build Illinois Program:

Table 10-1 (amounts expressed in thousands)		
	Annual Revenue Amount	Total Revenue for Source
4.44% of general sales tax revenues plus \$37.8 million transfers from the State and Local Sales Tax Reform Fund	\$ 624,075	\$ 13,595,024
Principal and interest requirements	\$ 258,675	
Percentage to principal and interest requirements	<u>241%</u>	

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

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

Special obligation bonds outstanding and bonds authorized but unissued for governmental activities at June 30, 2021, are as follows:

Table 10-2 (amounts expressed in thousands)

	Original Issue Amount	Final Maturity	Interest Rate Ranges	Build Illinois		
				Public Infrastructure	Business Development	Education
Series P	100,000	6/15/2022	6.5%	5,412	-	1,568
Series of April 2002	150,000	6/15/2027	6.0%	44,334	7,000	16,333
Series of October 2011	300,000	6/15/2036	3.75% to 5.0%	75,718	951	110,831
Series of May 2012	425,040	6/15/2036	2.931% to 4.08%	45,450	55,011	135,638
Series of May 2013	300,000	6/15/2037	2.45% to 3.88%	66,666	33,334	93,334
Series of June 2013	604,110	6/15/2026	5.0%	-	-	-
Series of March 2014	402,000	6/15/2038	3.31% to 4.62%	89,961	35,414	148,751
Series of September 2016-A	150,025	6/15/2034	3.0% to 5.0%	63,089	17,206	18,869
Series of September 2016-B	60,010	6/15/2034	1.9% to 3.17%	21,820	9,177	14,893
Series of September 2016-C	152,000	6/15/2032	4.0% to 5.0%	-	-	-
Series of September 2016-D	186,755	6/15/2034	3.0% to 5.0%	-	-	-
Series of October 2018-A	115,000	6/15/2043	4.0% to 5.0%	95,602	430	-
Series of October 2018-B	125,000	6/15/2043	4.75% to 5.0%	3,270	104,981	-
Series of October 2018-C	10,000	6/15/2028	3.73% to 4.125%	73	6,927	-
Total	\$ 3,079,940			\$ 511,395	\$ 270,431	\$ 540,217
Authorized but Unissued				\$ 1,314,172	\$ 1,518,277	\$ 782,076

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

<u>Environment</u>	<u>Refunding</u>	<u>Principal Outstanding June 30, 2021</u>	<u>Amount Related to Capital Assets</u>
130	-	7,110	2,298
2,333	-	70,000	4,195
-	-	187,500	433
29,551	-	265,650	252
6,666	-	200,000	928
-	232,350	232,350	47,608
10,624	-	284,750	-
15,561	-	114,725	4,841
-	-	45,890	30
-	143,905	143,905	23,343
-	171,130	171,130	701
5,168	-	101,200	1,725
1,749	-	110,000	-
-	-	7,000	-
<u>\$ 71,782</u>	<u>\$ 547,385</u>	1,941,210	86,354
<u>\$ 69,414</u>	<u>Unlimited</u>		
Unamortized premiums		70,103	5,259
Unamortized (discounts)		(8)	-
		<u>\$ 2,011,305</u>	<u>\$ 91,613</u>

Changes in special obligation bonds during the year ended June 30, 2021, are summarized in Note 8. Future special obligation debt service requirements at June 30, 2021, are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	178,170	84,149	\$ 262,319
2023	166,885	76,350	243,235
2024	159,690	69,077	228,767
2025	158,575	61,768	220,343
2026	156,725	54,643	211,368
2027-2031	575,370	184,824	760,194
2032-2036	432,595	75,293	507,888
2037-2041	94,000	13,554	107,554
2042-2043	19,200	1,299	20,499
	1,941,210	<u>\$ 620,957</u>	<u>\$ 2,562,167</u>
Unamortized premiums	70,103		
Unamortized (discounts)	(8)		
Total	<u>\$ 2,011,305</u>		

11 REVENUE BONDS

The State Constitution empowers certain State agencies and authorities to issue bonds that are not supported by the full faith and credit of the State. The bond indentures include a pledge from these agencies and authorities that income derived from acquired or constructed assets be used to retire the debt and service related interest. Bonds outstanding at June 30, 2021 (except for the Illinois State Toll Highway Authority, which is as of December 31, 2020), net of unamortized discounts, unamortized deferred amount on bond refunding, and unamortized bond premiums are as follows:

Table 11-1 (amounts expressed in thousands)

Fund Type/Agency	Amount Outstanding	Outstanding Interest Rates	Annual Maturity To
Primary Government			
Governmental Activities			
Blended component unit:			
Railsplitter Tobacco Settlement Authority	\$ 731,259	5.0%	2028
Business-type Activities			
Nonmajor enterprise fund:			
Illinois Designated Account Purchase Program	97,060	1.076%	2045
Major Component Units			
Illinois Housing Development Authority			
Direct placement	253,715	0.4% to 4.65%	2062
Other debt	1,459,872	0.1% to 5.0%	2063
Total	1,713,587		
Illinois State Toll Highway Authority	7,310,528	3.0% to 6.184%	2045
Illinois State University			
Direct placement	40,220	1.47% to 3.12%	2050
Other debt	99,440	3.25% to 5.0%	2039
Total	139,660		
Northern Illinois University			
Direct placement	29,900	1.264%	2041
Other debt	146,957	4.0% to 5.0%	2041
Total	176,857		
Southern Illinois University			
Direct placement	13,050	1.65% to 4.35%	2030
Other debt	154,507	3.625% to 5.559%	2040
Total	167,557		
University of Illinois			
	1,244,557	0.02% to 12.0%	2050

Changes in revenue bonds during the year ended June 30, 2021, are summarized in Note 8. Revenue bond debt service requirements, principal and interest, as of June 30, 2021, are as follows:

Table 11-2 (amounts expressed in thousands)

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Railsplitter Tobacco Settlement Authority		Illinois Designated Account Purchase Program	
	Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest
2022	\$ 109,655	\$ 33,548	\$ -	\$ 1,098
2023	112,260	28,065	-	1,098
2024	109,745	22,453	-	1,098
2025	107,305	16,965	-	1,098
2026	105,370	11,600	-	1,098
2027-2031	126,630	7,495	-	5,490
2032-2036	-	-	-	5,490
2037-2041	-	-	-	5,490
2042-2046	-	-	102,069	4,467
	670,965	\$ 120,126	102,069	\$ 26,427
Unamortized premiums	60,294		-	
Unamortized (discounts)	-		(5,009)	
Total	<u>\$ 731,259</u>		<u>\$ 97,060</u>	

Table 11-3 (amounts expressed in thousands)

Major Component Units							
Year Ending June 30	Illinois Housing Development Authority Direct Placement		Illinois Housing Development Authority Other		Illinois Housing Development Authority Total		
	Principal	Interest	Principal	Interest	Principal	Interest	
	2022	\$ 3,065	\$ 6,783	\$ 72,621	\$ 36,582	\$ 75,686	\$ 43,365
2023	3,580	6,684	46,087	35,786	49,667	42,470	
2024	3,725	6,576	59,424	34,955	63,149	41,531	
2025	5,940	6,455	47,033	33,841	52,973	40,296	
2026	5,700	6,302	47,348	32,956	53,048	39,258	
2027-2031	31,715	28,996	241,845	149,269	273,560	178,265	
2032-2036	36,515	24,276	211,855	122,538	248,370	146,814	
2037-2041	42,650	18,752	163,836	100,062	206,486	118,814	
2042-2046	108,215	4,071	326,950	62,340	435,165	66,411	
2047-2051	7,225	1,572	185,003	18,490	192,228	20,062	
2052-2056	2,860	771	10,556	3,207	13,416	3,978	
2057-2061	2,365	286	9,359	1,173	11,724	1,459	
2062-2063	160	4	2,492	107	2,652	111	
	<u>253,715</u>	<u>\$ 111,528</u>	<u>1,424,409</u>	<u>\$ 631,306</u>	<u>1,678,124</u>	<u>\$ 742,834</u>	
Unamortized premiums	-	-	36,241	-	36,241	-	
Unamortized (discounts)	-	-	(778)	-	(778)	-	
Total	<u>\$ 253,715</u>		<u>\$ 1,459,872</u>		<u>\$ 1,713,587</u>		

Table 11-4 (amounts expressed in thousands)

Major Component Units		
Year Ending June 30	Illinois State Toll Highway Authority	
	Principal	Interest
2022	\$ 136,505	\$ 315,847
2023	145,415	320,448
2024	45,925	313,121
2025	155,025	308,098
2026	162,715	300,154
2027-2031	1,184,720	1,341,591
2032-2036	1,590,455	969,183
2037-2041	2,044,500	506,541
2042-2045	991,100	94,208
	<u>6,456,360</u>	<u>\$ 4,469,191</u>
Unamortized premiums	854,168	-
Total	<u>\$ 7,310,528</u>	

Table 11-5 (amounts expressed in thousands)

Year Ending June 30	Illinois State University Direct Placement		Illinois State University Other		Illinois State University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2022	\$ 1,580	\$ 665	\$ 6,160	\$ 4,357	\$ 7,740
2023	1,605	632	6,455	4,061	8,060	4,693
2024	1,645	598	6,770	3,749	8,415	4,347
2025	1,675	564	7,090	3,422	8,765	3,986
2026	1,715	529	7,435	3,080	9,150	3,609
2027-2031	6,895	2,156	32,310	10,470	39,205	12,626
2032-2036	5,935	1,673	17,380	4,375	23,315	6,048
2037-2041	6,400	1,224	8,690	883	15,090	2,107
2042-2046	6,885	739	-	-	6,885	739
2047-2050	5,885	218	-	-	5,885	218
	40,220	\$ 8,998	92,290	\$ 34,397	132,510	\$ 43,395
Unamortized premiums	-	-	7,150	-	-	7,150
Total	\$ 40,220		\$ 99,440		\$ 139,660	

Table 11-6 (amounts expressed in thousands)

Year Ending June 30	Northern Illinois University Direct Placement		Northern Illinois University Other		Northern Illinois University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2022	\$ 100	\$ 378	\$ 1,175	\$ 5,671	\$ 1,275
2023	100	376	1,240	5,613	1,340	5,989
2024	250	374	5,425	5,551	5,675	5,925
2025	1,353	368	4,610	5,279	5,963	5,647
2026	1,394	351	4,840	5,049	6,234	5,400
2027-2031	7,623	1,476	28,110	21,361	35,733	22,837
2032-2036	8,836	961	35,820	13,668	44,656	14,629
2037-2041	10,244	364	44,095	5,430	54,339	5,794
	29,900	\$ 4,648	125,315	\$ 67,622	155,215	\$ 72,270
Unamortized premiums	-	-	21,642	-	21,642	-
Total	\$ 29,900		\$ 146,957		\$ 176,857	

Table 11-7 (amounts expressed in thousands)

Year Ending June 30	Southern Illinois University Direct Placement		Southern Illinois University Other		Southern Illinois University Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2022	\$ 2,875	\$ 390	\$ 14,500	\$ 4,261	\$ 17,375
2023	2,940	324	14,365	4,186	17,305	4,510
2024	1,110	255	14,290	3,780	15,400	4,035
2025	1,150	216	14,770	3,407	15,920	3,623
2026	1,040	176	14,830	3,011	15,870	3,187
2027-2031	3,935	312	53,145	9,525	57,080	9,837
2032-2036	-	-	19,300	3,562	19,300	3,562
2037-2040	-	-	5,555	566	5,555	566
	13,050	\$ 1,673	150,755	\$ 32,298	163,805	\$ 33,971
Less: Unaccreted appreciation	-	-	(9,760)	-	(9,760)	-
	13,050		140,995		154,045	
Unamortized premiums	-	-	13,512	-	13,512	-
Total	\$ 13,050		\$ 154,507		\$ 167,557	

Table 11-8 (amounts expressed in thousands)

Major Component Units

Year Ending June 30	University of Illinois	
	Principal	Interest
2022	\$ 67,575	\$ 53,106
2023	51,755	50,135
2024	50,125	47,782
2025	52,925	45,513
2026	55,795	43,102
2027-2031	305,725	176,168
2032-2036	278,060	110,828
2037-2041	171,580	60,144
2042-2046	134,730	18,904
2047-2050	26,514	1,791
	1,194,784	\$ 607,473
Less: Unaccreted appreciation	(5,488)	
	1,189,296	
Unamortized premiums	55,261	
Total	\$ 1,244,557	

PRIMARY GOVERNMENT

RAILSPLITTER TOBACCO SETTLEMENT AUTHORITY (RTSA)

The RTSA was created on July 1, 2010, under the Railsplitter Tobacco Settlement Authority Act (30 ILCS 171). The RTSA issued \$1.503 billion of Tobacco Settlement Revenue Bonds, Series 2010 on December 8, 2010. Proceeds of the Series 2010 bonds were primarily used to provide an approximate \$1.350 billion payment to the State in exchange for rights to 100 percent of the State's future Tobacco Settlement Revenues (TSRs) through the original final maturity date of the bonds in 2028. The Series 2010 bond proceeds have been deferred and will be recognized as an expense ratably over the life of the bonds. As of June 30, 2021, the deferred amount is \$209.630 million.

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

The total TSRs sold, based on the projected payment schedule in the Master Settlement Agreement, adjusted for historical trends, is estimated to be \$4.125 billion. The RTSA has pledged the future TSRs, net of specified operating expenditures, to repay the bonds. Annual principal and interest on the bonds are expected to require, on average, less than 70% of the net TSRs. The total principal and interest remaining to be paid on the bonds is approximately \$791.092 million. The total principal and interest paid for the current year and total TSRs received were \$142.935 million and \$282.872 million, respectively. In the event of default, the trustee of the bonds may enforce its rights per the terms of its agreements or pursue legal action for the payments in default.

As part of the consideration for the sale to the RTSA by the State of the pledged settlement payments, the RTSA issued a residual certificate to the State. In accordance with the provisions of the trust indenture, upon payment in full of the deposits required by the trust indenture, the remaining balance of pledged revenues shall be transferred to the State as owner of the residual

certificate. Residuals are expected to be approximately \$1.784 billion. During the year ended June 30, 2021, \$140.988 million of residual revenues was paid to the State and \$61.155 million was recorded as a liability to the State at year-end.

ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM (IDAPP)

The majority of IDAPP's \$102.069 million of outstanding revenue bonds at June 30, 2021, are variable rate bonds that have their interest rates reset quarterly. The actual interest rates for these LIBOR Floating Rate Notes were used in calculating the future interest payments. IDAPP issued bonds and notes to provide funds for student loan originations and purchases. IDAPP pledges the income derived from its assets to pay debt service.

MAJOR COMPONENT UNITS

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Included within the IHDA's outstanding revenue bonds are \$40.770 million of Homeowner Mortgage Revenue Bonds Series 2004C3, 2014A4, and 2014A5, and \$82.900 million of Housing Bonds Series 2008A, 2008B, 2008C, 2015A3, and 2017A2, which are variable rate demand bonds. Interest rates on these bonds are determined weekly at a rate established by the remarketing agent on each rate determination date. In addition, \$270 thousand of Homeowner Mortgage Revenue Bonds Series 2002B is also a variable rate, but not a demand bond. Interest rates on these bonds are based on a floating rate determined on a monthly basis and paid either monthly or semi-annually. On the variable rate demand bonds, IHDA has agreements with liquidity providers to purchase any bonds tendered for purchase in accordance with the indentures. For additional security, IHDA utilizes risk management agreements to hedge against interest rate risks. As of June 30, 2021, IHDA has entered into four pay fixed, receive variable, interest rate swap agreements and one interest rate cap agreement (see Note 14—Derivative Instruments).

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

NORTHERN ILLINOIS UNIVERSITY (NIU)

The NIU issued Series 2020A variable rate bonds in the amount of \$30 million on April 1, 2020. This bond has a final maturity of April 1, 2041. The interest rate on the bond is determined by the Bank Index Rate. The Bank Index Rate is equal to the sum of (a) the applicable factor times the one-month LIBOR rate plus (b) the applicable margin, but in no event in excess of the maximum rate of interest permitted by law. The interest rate in effect at June 30, 2021, was 1.264%.

The Series 2020A and Series 2020B bonds issued in April 2020 refunded the remaining outstanding balance of the Auxiliary Facilities Systems Revenue Bonds, Series 2010 and Series 2011. They are payable from and secured by net revenues of the System and pledged fees and are further secured by a pledge of and lien on pledged tuition, which equaled \$125.690 million as of

June 30, 2021. The Series 2020A bonds contain a provision that in the event of a default, the bonds shall bear interest at a floating rate equal to the default rate so long as the event of default has not been cured. All bond series are also secured by non-cancelable policies of municipal bond insurance.

UNIVERSITY OF ILLINOIS (U OF I)

The U of I had outstanding variable rate demand bonds in the amount of \$8.000 million for the Series 1997B bonds and \$25.860 million for the two Series 2008 bonds. These bonds have final maturities in 2026, 2026, and 2022, respectively, and bear interest rates as determined by the remarketing agents on each rate determination date not to exceed 12% on all of the bond series. These bonds are subject to redemption if tendered by the holder at a price equal to the principal plus accrued interest upon notice and delivery to the remarketing agent. The U of I has several letters of credit agreements with liquidity facilities to purchase any bonds so tendered for purchase in accordance with the indentures with respect to which the trustee does not, on the date any such tendered bonds are required to be purchased, have sufficient funds to make such purchase. The fees on the letters of credit are based on outstanding bonds plus pro forma interest. The U of I, in the event a liquidity facility is utilized, has reimbursement agreements with associated financial entities. Generally, the reimbursement provisions require repayment in eight equal quarterly installments, at an interest rate initially set at slightly above prime or the federal funds rate. The due date of the initial payment per the reimbursement agreements varies depending upon the variable rate bond issue. The reimbursement agreements require an initial payment due date of at least 366 days after a liquidity advance. The letters of credit agreements contain provisions that the U of I may terminate and replace the letter of credit agreements so long as it has paid all of the obligations owed to the liquidity facility.

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

DERIVATIVE INSTRUMENTS

IHDA and U of I have both entered into various interest rate swap agreements. Details of these agreements are discussed in Note 14—Derivative Instruments.

BUILD AMERICA BONDS

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

CONDUIT DEBT *(not included in financial statements)*

The State of Illinois, by action of the General Assembly, created various authorities for the express purpose of providing private entities with an available low cost source of capital financing for construction of facilities deemed to be in the public interest. Fees are assessed to

recover related processing and application costs incurred. Bonds issued by the authorities represent limited obligations payable solely from payments made by the borrowing entities. The majority of the bonds are secured by the property financed. Upon repayment of a bond, ownership of acquired property transfers to the entity served by the bond issuance. The State has no obligation for this debt. Accordingly, these bonds are not reflected in the accompanying financial statements.

At June 30, 2021, recorded amounts of revenue bonds, net of defeased bonds, and notes outstanding as reported by authority officials are as follows:

Table 11-9 (amounts expressed in thousands)		
Authority	Amount Outstanding	Annual Maturity To
Illinois Finance Authority	\$ 22,310,005	2060
Illinois Housing Development Authority	1,146,855	2068
Southwestern Illinois Development Authority	769,551	2048
Upper Illinois River Valley Development Authority	214,993	2055
Total	<u>\$ 24,441,404</u>	

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

A. General Obligation Notes and Notes Payable

Primary Government

On December 17, 2020, the State issued \$2.000 billion of direct placement General Obligation Notes (Notes) with a single maturity date and interest payment date of December 15, 2023. The Notes were issued with an interest rate of 3.42%. The proceeds were deposited into the Coronavirus Urgent Remediation Emergency Borrowing Account, a sub-account of the General Fund. The State may opt to redeem the Notes early, however, they must notify the Municipal Liquidity Facility, LLC not less than twenty and no more than sixty days prior to the date fixed for any such optional redemption. During fiscal year 2021, \$984.745 million of principal and \$17.913 million of interest were paid. The amount of principal outstanding at June 30, 2021, was \$1.015 billion.

Illinois Department of Information Technology obtained financing to upgrade portions of the State’s phone system. The project included the purchase and installation of phones, as well as licensing and maintenance fees. The financing is an unsecured direct borrowing with an unstated interest rate. The amount outstanding at June 30, 2021, was \$20.065 million with a final maturity date of 2023. As of June 30, 2021, future debt service requirements consist of payments of \$10.032 million in fiscal year 2022 and \$10.033 million in fiscal year 2023.

Changes in the general obligation notes and notes payable during the year ended June 30, 2021, are summarized in Note 8.

Major Component Units

Illinois Housing Development Authority (IHDA)

IHDA has obtained notes payable relating to advances from the Federal Home Loan Bank to provide financing. Under provisions of the direct borrowing agreement, the lender has rights of principal acceleration in the event of default based on nonpayment of monies owed, ceasing to be considered an eligible housing associate under the Housing Authority Act, and other defined provisions. The amount of the direct borrowing outstanding at June 30, 2021, was \$17.653 million with interest rates ranging from 1.89% to 2.7% and a final maturity date of 2028. Additionally, at June 30, 2021, IHDA has an unused line of credit relating to available cash advances from the Federal Home Loan Bank totaling \$232.347 million.

Changes in the notes payable during the year ended June 30, 2021, are summarized in Note 8. Future notes payable debt service requirements as of June 30, 2021, are as follows:

Table 12-1 (amounts expressed in thousands)

Year Ending June 30	Illinois Housing Development Authority Direct Borrowing	
	Principal	Interest
	2022	\$ 6,652
2023	350	286
2024	1,768	277
2025	375	235
2026	388	224
2027-2031	8,120	318
	<u>\$ 17,653</u>	<u>\$ 1,662</u>

B. General Obligation Certificates Payable

The State is authorized to borrow up to 15% of the State’s appropriations in a fiscal year to meet deficits caused by emergencies or failures of revenue of the State. All monies borrowed must be repaid within one year of issuance. On June 5, 2020, the State issued \$1.200 billion of direct placement General Obligation Certificates (Certificates) with a single maturity date and interest payment date on June 5, 2021. The Certificates were issued with an interest rate of 3.82% and repriced on August 27, 2020, reducing the interest rate to 3.36%, effective from the date of repricing to the maturity of the Certificates. The Certificates were issued to manage cash flows during the COVID-19 pandemic. The proceeds were deposited into the General Revenue Account, a sub-account of the General Fund.

Changes in general obligation certificates payable during the year ended June 30, 2021, are as follows:

Table 12-2 (amounts expressed in thousands)

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Primary Government Governmental Activities Direct Placement				
General Obligation Certificates Payable	<u>\$ 1,200,000</u>	<u>\$ -</u>	<u>\$ (1,200,000)</u>	<u>\$ -</u>

C. Short-Term Borrowings

Primary Government – Business-type Activities

Pursuant to the provisions of Title XII of the Social Security Act, as amended by the Emergency Unemployment Insurance Stabilization and Access Act of 2020, the Department of Employment Security (IDES) received advances from the federal government to the State's account within the Unemployment Compensation Trust Fund (UCTF). The UCTF account, from which funds are drawn by IDES to pay unemployment benefits to claimants, was depleted due to extended high unemployment rates during the COVID-19 pandemic. This has led IDES to borrow from the federal government to fulfill its mandate to pay benefits required by law. On, June 23, 2020, IDES started taking advances from the federal government, and the total direct borrowing as of June 30, 2021, was \$4.233 billion.

Under the amended Emergency Unemployment Insurance Stabilization and Access Act of 2020, these loans are interest free through September 6, 2021, with interest accruing beginning on September 7, 2021. IDES projects that borrowing for the State will continue through at least calendar year 2021. The interest rate charged for a given calendar year is the earnings yield on the UCTF for the quarter ending December 31, of the previous calendar year, which was 2.778% on December 31, 2020. Interest is due and payable to the federal government each September 30 and may not be paid from the UCTF or from federal funds. IDES paid the interest due on September 30, 2021, in the amount of \$6.384 billion. There is no explicit repayment schedule for the advances to date.

The Illinois Designated Account Purchase Program (IDAPP) has a short-term revolving credit line agreement. The revolving credit line was used to purchase eligible student loans (guaranteed or insured or an eligible loan under the Higher Education Act). The credit line expired on September 8, 2008, resulting, by terms of the Indenture, in the commencement of the Liquidation Period. On July 27, 2010, the credit line agreement became payable and due. Due in part to conditions currently existing in the credit markets, IDAPP has been unable to refinance this debt and is currently in payment default under the credit line agreement. In addition, IDAPP is in breach of the coverage condition ratio defined in the Indenture. The breaches qualify as an Event of Termination under which the lender would be eligible for remedies under the Indenture. The lender has not exercised its remedies to date. Conversations are ongoing with the lender to resolve the issues discussed. The \$64.487 million outstanding under this line is shown as current at June 30, 2021.

Under terms of the agreement, all revenues generated by the underlying student loan portfolio are transferred to a trust. The trust then pays all expenses related to the debt service and student loan servicing costs (capped at 65 basis points of the outstanding average balance of the portfolio). During fiscal year 2021, \$12.742 million of principal and \$2.663 million of interest was collected, all of which was transferred to the trust. During the same period, the trust paid \$621 thousand for interest expense and other professional fees and \$868 thousand for servicing fees.

Major Component Units

Illinois State University (ISU)

INTO ISU, a component unit of ISU, has an agreement with one of its partners, INTO North America, Inc., which allows INTO ISU to borrow up to \$6 million in operating capital from

INTO North America, Inc. at an interest rate of 6.0%. The \$6.0 million outstanding under this line is shown as current at June 30, 2021.

University of Illinois (U of I)

The U of I Foundation has a \$15 million unsecured line of credit to a bank, due October 2021, with a negotiated interest rate in irregular intervals (0.79% at June 30, 2021). The line of credit is to be used to purchase property that is to be held for the U of I. The \$7.777 million outstanding under this line is shown as current at June 30, 2021.

Changes in short-term borrowing during the year ended June 30, 2021, are as follows:

	Balance July 1, 2020			Balance June 30, 2021
	2020	Additions	Deletions	2021
Primary Government				
Business-type Activities				
Unemployment Compensation Trust Fund - direct borrowing	\$ 236,939	\$ 3,995,934	\$ -	\$ 4,232,873
Designated Account Purchase Program	78,157	-	(13,670)	64,487
	<u>\$ 315,096</u>	<u>\$ 3,995,934</u>	<u>\$ (13,670)</u>	<u>\$ 4,297,360</u>
Major Component Units				
Illinois State University	\$ 6,000	\$ -	\$ -	6,000
University of Illinois	7,879	500	(602)	7,777
	<u>\$ 13,879</u>	<u>\$ 500</u>	<u>\$ (602)</u>	<u>\$ 13,777</u>

13 OTHER LONG-TERM OBLIGATIONS

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

Description	Reference	Governmental Activities	Business-type Activities		Fiduciary Funds
			Prepaid Tuition Fund	Nonmajor Enterprise Funds	
Capital lease obligations	(A)	\$ 11,166	\$ -	\$ -	\$ 6
Pollution remediation obligations	(D)	41,450	-	-	-
Obligations to Lottery Prize Winners	(E)	-	-	260,216	-
Prepaid Tuition Fund obligations	(F)	-	786,268	-	-
Other obligations	(G)	-	-	6,321	-
Total Other Long-Term Obligations		<u>\$ 52,616</u>	<u>\$ 786,268</u>	<u>\$ 266,537</u>	<u>\$ 6</u>

Table 13-2 (amounts expressed in thousands)

Major Component Units					
Description	Reference	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
Capital lease obligations	(A)	\$ -	\$ 122,961	\$ 932	\$ 113,385
Certificates of participation - direct placement	(B)	18,660	-	21,620	-
Certificates of participation - other	(B)	17,891	5,970	9,874	79,990
Installment purchase obligations	(C)	2,219	-	-	-
Other obligations	(G)	898	22,217	1,140	99,085
Total Other Long-Term Obligations		\$ 39,668	\$ 151,148	\$ 33,566	\$ 292,460

A. Lease Commitments

The State has entered into various capital leases for land, office facilities, office and computer equipment, and other assets. Although lease terms vary, certain leases are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured, leases requiring appropriation by the General Assembly are considered noncancelable leases for financial reporting purposes. Information regarding operating leases is included in Note 21.

At June 30, 2021, assets capitalized under capitalized leases are as follows:

Table 13-3 (amounts expressed in thousands)

Primary Government	Governmental Activities	Fiduciary Funds
Equipment	\$ 18,707	\$ 77
	18,707	77
Less: Accumulated depreciation	8,144	41
	\$ 10,563	\$ 36

Table 13-4 (amounts expressed in thousands)

Major Component Units	Northern Illinois University	Southern Illinois University	University of Illinois
Buildings and building improvements	\$ 133,655	\$ -	\$ 110,342
Equipment	795	2,082	8,007
	134,450	2,082	118,349
Less: Accumulated depreciation	33,009	1,036	5,060
	\$ 101,441	\$ 1,046	\$ 113,289

Future minimum commitments for non-cancelable capital leases as of June 30, 2021, are as follows:

Primary Government				
Year Ending June 30	Capitalized Leases			
	Governmental Activities		Fiduciary Funds	
	Principal	Interest	Principal	Interest
2022	\$ 4,011	\$ 1,296	\$ 6	\$ -
2023	2,514	818	-	-
2024	1,486	505	-	-
2025	1,302	267	-	-
2026	431	113	-	-
2027-2031	943	372	-	-
2032-2036	479	50	-	-
Total minimum lease payments	<u>\$ 11,166</u>	<u>\$ 3,421</u>	<u>\$ 6</u>	<u>\$ -</u>

Major Component Units						
Year Ending June 30	Northern Illinois University		Southern Illinois University		University of Illinois	
	Principal	Interest	Principal	Interest	Principal	Interest
	2022	\$ 2,722	\$ 8,265	\$ 230	\$ 39	\$ 2,315
2023	2,873	8,101	235	28	3,098	5,145
2024	3,045	7,920	239	18	2,393	5,044
2025	2,871	7,729	218	7	2,218	4,964
2026	3,035	7,536	10	-	2,170	4,879
2027-2031	18,555	34,187	-	-	11,952	22,853
2032-2036	25,805	26,688	-	-	14,891	19,779
2037-2041	35,975	16,164	-	-	18,751	15,848
2042-2046	28,080	2,981	-	-	55,597	15,482
Total minimum lease payments	<u>\$ 122,961</u>	<u>\$ 119,571</u>	<u>\$ 932</u>	<u>\$ 92</u>	<u>\$ 113,385</u>	<u>\$ 99,237</u>

B. Certificates of Participation (Certificates)

Certain major component units have issued Certificates representing the right to receive a proportionate share of lease-purchase or installment payments. All of these Certificates issued by major component units are considered State-issued. The outstanding balance of these Certificates as of June 30, 2021 was \$154.005 million, which includes unamortized premiums of \$4.654 million and unamortized discounts of \$124 thousand and is included in the component unit financial statements. For Northern Illinois University, in the event of default, the outstanding principal balance and any accrued interest may become immediately due and payable. For the University of Illinois, in the event of default, the trustee may pursue legal action for payments or require the University to turn over possession of the financed assets to the trustee bank. If the University of Illinois exercises the option to terminate the agreement, the future installment payments are subject to mandatory prepayment.

Future commitments by the State to make installment payments to pay for the assets acquired and related financing costs for Certificates at June 30, 2021, are as follows:

Table 13-7 (amounts expressed in thousands)

Year Ending June 30	Major Component Units											
	Certificates of Participation											
	Illinois State University		Illinois State University		Northern Illinois University		Southern Illinois University		Southern Illinois University		University of Illinois	
	Direct Placement		Other		Other		Direct Placement		Other		Other	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 2,390	\$ 298	\$ 1,090	\$ 678	\$ 1,260	\$ 243	\$ 1,690	\$ 474	\$ 1,385	\$ 450	\$ 25,735	\$ 3,244
2023	2,430	259	1,125	653	1,325	178	1,785	518	1,440	394	9,765	2,377
2024	2,470	220	1,165	627	1,390	110	3,350	468	-	323	9,990	1,894
2025	2,510	180	1,205	580	1,455	39	2,025	372	-	322	9,255	1,395
2026	2,560	140	1,255	532	65	1	495	322	1,580	322	9,700	922
2027-2031	5,730	231	7,105	1,910	-	-	5,985	1,385	5,185	527	11,650	579
2032-2036	570	8	5,070	424	-	-	6,290	327	-	-	-	-
	18,660	\$ 1,336	18,015	\$ 5,404	5,495	\$ 571	21,620	\$ 3,866	9,590	\$ 2,338	76,095	\$ 10,411
Unamortized premiums	-	-	-	-	475	-	-	-	284	-	3,895	-
Unamortized (discounts)	-	-	(124)	-	-	-	-	-	-	-	-	-
	\$18,660		\$17,891		\$ 5,970		\$21,620		\$ 9,874		\$ 79,990	

C. Installment Purchase Obligations

Illinois State University, a major component unit, has acquired certain land, office facilities, office and computer equipment, and other assets through installment purchase arrangements. Future commitments under installment purchase contracts as of June 30, 2021, are as follows:

Table 13-8 (amounts expressed in thousands)

Year Ending June 30	Major Component Unit		
	Illinois State University		
	Principal	Interest	Total
2022	\$ 121	\$ 73	\$ 194
2023	125	69	194
2024	129	65	194
2025	133	60	193
2026	1,711	29	1,740
	\$2,219	\$ 296	\$2,515

D. Pollution Remediation Obligations

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

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

Although the State was not culpable for the creation of the hazard, federal law makes it, as the owner, a potentially responsible party along with the corporations that did the dumping. These corporations are defunct and in recognition of the State's lack of culpability, the USEPA has estimated the remaining cost for clean-up to the site and adjacent property to be approximately \$74.500 million. The State has estimated its portion of the liability for the clean-up to be \$37.250 million.

The Illinois Department of Transportation has recorded pollution remediation obligations for investigations and remediation of contaminated soils generally consisting of soil sampling, disposal of impact soil, and installation of groundwater monitoring wells with a balance at June 30, 2021, of \$4.200 million.

E. Obligations to Lottery Prize Winners

The State has obligations to certain lottery prize winners for awards payable in annual installments ranging from nineteen years to the life of the prize winner, with the first payment being made after the claim is presented for payment. For certain prize winners, annuities were purchased in the name of the State for which the State has retained the rights of ownership. Effective July 30, 1985, State law provides that the State Treasurer, with the consent of the Director of the Department of Lottery, may contract to invest in securities, which provide payments corresponding to its obligation to these winners. The present value of these liabilities owed to prize winners, approximating \$49 thousand, have been reported in the financial statements of the State Lottery Fund, a nonmajor enterprise fund.

In addition to the prize obligations discussed above, the State has provided for other payments corresponding to its obligation to prize winners through the purchase of direct obligations of the federal government, primarily in the form of United States Treasury zero coupon bonds. As established by State law, such securities shall be maintained separate and apart from all public money of funds of the State. These investments are purchased in amounts to provide for annual annuity payments to the prize winner(s) of each qualifying individual drawing. The fair value of the investments held totaled \$289.562 million at June 30, 2021, with interest rates ranging from .004% to 7.741%. The present value of these liabilities owed to prize winners, approximating \$260.167 million, have been reported in the financial statements of the State Lottery Fund, a nonmajor enterprise fund.

Future commitments of prizes payable as of June 30, 2021, are as follows:

Primary Government Business-type Activities		State Lottery Fund
Year Ending June 30		Amount
2022		\$ 28,444
2023		26,797
2024		25,372
2025		25,726
2026		23,948
2027-2046		191,372
		321,659
Less: Present value adjustments		(61,443)
Present value of future prizes		\$ 260,216

F. Prepaid Tuition Fund Obligations

Tuition payable in the Illinois Prepaid Tuition Fund, a major enterprise fund, as of June 30, 2021, represents net principal payments received for contracts held by the fund in the amount of \$786.268 million, of which \$129.465 million is considered current. Included in the tuition payable is an amount for accretion, which is the present value of payments to be made in excess of the principal payments received from investments of the tuition contracts. The accretion expense is an estimate based on the average increase in tuition for Illinois colleges. It is calculated on an annual basis on the balance in the tuition payable account.

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

Other nonmajor enterprise funds presented other obligations in the amount of \$6.321 million. These obligations, consisting mostly of future workers' compensation benefit payments for self-insured companies, are expected to be paid with current resources of the reporting fund.

Major Component Units

Major component units presented other miscellaneous obligations in the amount of \$123.340 million. These obligations will be liquidated from resources of the reporting major component unit.

14 DERIVATIVE INSTRUMENTS**INVESTMENT DERIVATIVE INSTRUMENTS - PENSIONS**

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

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

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

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

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

- a) Credit default swaps are financial instruments used to replicate the effect of investing in debt obligations of corporate bond issuers as a means to manage bond exposure, effectively buying or selling insurance protection in case of default. Credit default swaps may be specific to an individual security or to a specific market sector (index swaps).
- b) Interest rate swaps are agreements between parties to exchange a set of cash flow streams over a period of time. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counterparty who, in turn, agrees to make return interest payments that float with some reference rate.
- c) Inflation-linked swaps are agreements where a fixed payment is exchanged for a variable payment linked to an inflation index. These swaps can protect against unfavorable changes in inflation expectations and are used to transfer inflation risk from one counterparty to another.
- d) Volatility swap agreements involve two parties taking opposite sides of the future volatility of an underlying instrument (e.g., an index, individual security, or exchange rate) without the influence of its price. Payoff is determined by the future realized volatility. Volatility swaps are often utilized to trade the spread between realized and implied volatility or to hedge the volatility exposure of other positions in a portfolio.

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

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

At June 30, 2021, investment derivative instruments are reported as investments in the Statement of Fiduciary Net Position. The change in the fair value of derivative instrument investments is included in investment income on the Statement of Changes in Fiduciary Net Position. Following are summaries of investment derivative instruments held at each agency at June 30, 2021:

ISBI

Table 14-1 (amounts expressed in thousands)

Investment Derivative Instruments	Fair Value at June 30, 2021	Change in Fair Value	Notional*
Options	\$ -	\$ 112	-
Rights/Warrants	458	432	752
Swap Liabilities	-	(507)	-
Grand Totals	\$ 458	\$ 37	752

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

TRS

Table 14-2 (amounts expressed in thousands)

Investment Derivative Instruments	Fair Value at June 30, 2021	Change in Fair Value	Notional*
Rights	\$ 150	\$ 505	\$ 110
Warrants	14,255	5,327	1,846
Currency Forwards			
Purchases	3,945,561		
Sales	(3,932,509)		
	<u>13,052</u>	<u>(24,055)</u>	<u>-</u>
Futures**			
Equity Futures Long	-	32,651	119,450
Equity Futures Short	-	(12,026)	(43,068)
Fixed Income Futures Long	-	(5,268)	200,595
Fixed Income Futures Short	-	8,207	(227,535)
	<u>-</u>	<u>23,564</u>	<u>49,442</u>
Options**			
Currency Forward Options Purchased	654	(3,281)	173,194
Currency Forward Options Written	(670)	6,271	156,380
Options on Futures Purchased	-	(314)	-
	<u>(16)</u>	<u>2,676</u>	<u>329,574</u>
Swaptions			
Swaptions Purchased	60	445	39,600
Swaptions Written	(23)	771	39,600
	<u>37</u>	<u>1,216</u>	<u>79,200</u>
Credit Default Swaps			
Credit Default Swaps Buying Protection	562	(1,215)	55,101
Credit Default Swaps Selling Protection	157	169	10,380
	<u>719</u>	<u>(1,046)</u>	<u>65,481</u>
Index Swaps	3,189	29,456	126,196
Interest Rate/Inflation-linked Swaps			
Pay Fixed Interest Rate/Inflation Swaps	(515)	1,217	237,949
Receive Fixed Interest Rate/Inflation Swaps	(8,820)	(14,151)	562,624
	<u>(9,335)</u>	<u>(12,934)</u>	<u>800,573</u>
Grand Totals	\$ 22,051	\$ 24,709	\$ 1,452,422

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

Interest rate risk for derivative instrument securities is disclosed in Note 3. Both interest rate and inflation rate swaps have fair values that are sensitive to interest rate changes. TRS had the following interest rate and inflation swaps at June 30, 2021:

Table 14-3 (amounts expressed in thousands)

Interest Rate and Inflation Swaps

Asset Description	Par	Gross Notional*	TRS Receives	TRS Pays	Maturity Date	Fair Value June 30, 2021
Pay Fixed Interest						
Rate/Inflation Swaps						
Brazilian Real	140,884	\$ 28,077	3 mo. Brazilian CDI (6)	7.06% to 8.57%	1/2/2025-1/4/2027	\$ 448
Chilean Peso	3,211,800	4,412	6 mo. Chile Interbank Rate	3.17% to 3.68%	6/23/2026-5/3/2031	77
Colombian Peso	9,000,000	2,412	3 mo. IBRCO (8)	3.79%	3/15/2026	125
Hungarian Forint	1,320,000	4,464	6 month BUBOR (10)	2.15%	5/14/2026	49
Mexican Peso	8,430	424	28 day Mexican TIIE (3)	5.80%	6/10/2026	14
Malaysian Ringgit	69,100	16,651	3 mo. KLIBOR (11)	2.60% to 2.67%	4/8/2026-4/27/2026	(58)
Polish Zloty	7,610	1,999	6 month WIBOR (4)	1.75%	6/17/2031	1
United States Dollar	136,990	136,998	3 mo. LIBOR (2)	0.98% to 1.86%	3/23/2026-2/22/2051	(1,471)
South African Rand	605,620	42,512	3 month JIBAR (5)	4.98% to 7.54%	8/21/2025-4/9/2031	300
		<u>\$ 237,949</u>				<u>\$ (515)</u>
Receive Fixed Interest						
Rate/Inflation Swaps						
Brazilian Real	260,348	\$ 51,016	4.25% to 8.57%	3 mo. Brazilian CDI (6)	1/2/2023-1/2/2029	\$ (868)
Chilean Peso	1,812,000	2,362	1.66%	6 mo. Chile Interbank Rate	4/23/2025	(134)
Chinese Yuan	261,745	39,949	2.03% to 2.54%	3 mo. CNRR (1)	5/9/2025-10/30/2025	(651)
Chinese Yuan	235,040	36,358	2.57% to 2.60%	3 mo. LIBOR (2)	7/16/2025-7/20/2025	(209)
Chinese Yuan	50,000	7,714	2.66%	3 month SHIBOR (7)	9/17/2025	(32)
Colombian Peso	36,945,650	9,633	3.67% to 4.60%	3 month IBRCO (8)	5/7/2025-6/10/2026	(262)
Czech Koruna	194,843	8,942	1.52% to 1.73%	6 month PRIBOR (9)	1/27/2030-6/15/2031	(164)
Hungarian Forint	938,520	3,036	1.96%	6 month BUBOR (10)	5/5/2030	(135)
Mexican Peso	4,345,921	214,343	4.80% to 6.92%	28 day Mexican TIIE (3)	2/27/2023-5/28/2031	(4,013)
Polish Zloty	29,485	7,979	1.48% to 1.80%	6 month WIBOR (4)	7/24/2024-6/11/2026	162
Russian Ruble	747,700	9,934	6.65%	3 month MOSPR (13)	6/16/2026	(317)
South African Rand	86,849	6,100	5.01% to 7.53%	3 month JIBAR (5)	6/25/2025-4/13/2031	(30)
South Korean Won	33,700,000	29,652	1.41%	91 day CD-KSDA (12)	3/12/2026	(288)
United States Dollar	45,780	45,773	0.44%	3 mo. LIBOR (2)	3/23/2024	(62)
United States Dollar	91,650	89,833	2.34% to 2.47%	U.S. CPI URNSA (14)	3/23/2026-2/22/2051	(1,817)
		<u>\$ 562,624</u>				<u>\$ (8,820)</u>

* Includes income/accrued payable amounts

- (1) CNRR - China Fixing Repo Rates
- (2) LIBOR - London Interbank Offered Rate
- (3) Mexican TIIE - Mexico Interbank Equilibrium Interest Rate
- (4) WIBOR - Warsaw Interbank Offered Rate
- (5) JIBAR - Johannesburg Interbank Average Rate
- (6) Brazilian CDI - Brazilian Cetip Interbank Deposit
- (7) SHIBOR - Shanghai Interbank Offered Rate
- (8) IBRCO - Colombia Interbank Rate
- (9) PRIBOR - Prague Interbank Offered Rate
- (10) BUBOR - Budapest Interbank Offered Rate
- (11) KLIBOR - Kuala Lumpur Interbank Offered Rate
- (12) CD-KSDA - Certificates of Deposit, Korean Securities Dealer Assoc.
- (13) MOSPR - MosPrime Rate
- (14) U.S. CPI URNSA - Consumer Price Index Urban Consumers NSA Index Rate

SURS

Table 14-4 (amounts expressed in thousands)

Investment Derivative Instruments	Fair Value at June 30, 2021	Changes in Fair Value	Notional*
Rights and Warrants	\$ 253	\$ 227	\$ 311
Currency Forwards			
Purchases	9,147	4,358	-
Sales	(4,805)	4,086	-
	<u>4,342</u>	<u>8,444</u>	<u>-</u>
Futures			
Equity Derivative Instruments Long	(594)	(2,103)	99,689
Equity Derivative Instruments Short	(1,974)	(1,982)	(43,578)
Fixed Income Long	697	956	718,494
Fixed Income Short	(891)	(1,175)	(377,914)
Commodity Long	1,928	1,803	103,224
Commodity Short	(156)	54	(25,689)
Foreign Exchange Long	(136)	(176)	72,239
Foreign Exchange Short	776	968	(159,584)
	<u>(350)</u>	<u>(1,655)</u>	<u>386,881</u>
Options			
Equity Call	(1,716)	2,534	(341)
Equity Put	(2,904)	1,932	(340)
	<u>(4,620)</u>	<u>4,466</u>	<u>(681)</u>
Swaptions			
Call	(19)	14	(86,184)
Put	(6)	11	(10,080)
	<u>(25)</u>	<u>25</u>	<u>(96,264)</u>
Swaps			
Credit Default: Selling Protection	11,777	11,747	168,759
Pay Fixed Interest Rate	(2,394)	8,209	134,940
Receive Fixed Interest Rate	673	2,196	82,889
	<u>10,056</u>	<u>22,152</u>	<u>386,588</u>
Grand Totals	\$ 9,656	\$ 33,659	\$ 676,835

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

Interest rate risk for derivative instrument securities is disclosed in Note 3. Both interest rate and inflation rate swaps have fair values that are sensitive to interest rate changes. SURS had the following interest rate and inflation swaps at June 30, 2021:

Table 14-5 (amounts expressed in thousands)

SURS Interest Rate Swaps

Pay Fixed / Receive Fixed	Notional Amount	SURS Rate	Counterparty Rate	Fair Value June 30, 2021
Pay Fixed	\$ 134,940	0.25% to 1.75%	3 mo. USD-LIBOR (1)	\$ (2,394)
	<u>\$ 134,940</u>			<u>\$ (2,394)</u>
Receive Fixed	\$ 74,600	3 mo. USD-LIBOR (1)	0.36%	\$ 673
Receive Fixed	8,289	1 day British Pound SONIA (2)	0.50%	-
	<u>\$ 82,889</u>			<u>\$ 673</u>

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

Credit risk

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

ISBI: ISBI did not hold any forward currency contracts as of June 30, 2021.

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

The aggregate fair value of non-exchange traded derivative instruments in asset positions at June 30, 2021, was \$46.830 million, as shown in the table below. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted.

Moody's Quality Rating	
Aa2	\$ 5,056
Aa3	23,064
A1	6,428
A2	5,097
A3	7,185
Total subject to credit risk	\$ 46,830

Although the derivative instruments held within the TRS investment portfolio are executed with various counterparties, approximately 95 percent of the net fair value exposure to credit risk is for non-exchange traded derivative instrument contracts held with 10 counterparties.

SURS: The maximum loss that would be recognized at June 30, 2021, if all counterparties fail to perform as contracted, is \$21.9 million. This maximum exposure is reduced by \$2.6 million in collateral held, resulting in a net credit risk exposure of approximately \$19.3 million. At June 30, 2021, the counterparties' credit ratings for currency forwards, swaptions, and swaps subject to credit risk are as follows:

Standard & Poor's Quality Rating	Forwards	Swaptions	Swaps	Total
A	\$ -	\$ (22)	\$ -	\$ (22)
BBB	-	(3)	-	(3)
Not Rated	4,342	-	10,056	14,398
Total Subject to Credit Risk	\$ 4,342	\$ (25)	\$ 10,056	\$ 14,373

HEDGING DERIVATIVE INSTRUMENTS - MAJOR COMPONENT UNITS

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

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

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

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

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

The following table displays the terms of the various hedging derivative instruments of the major component units outstanding at June 30, 2021, along with the credit rating of the associated counterparty:

Table 14-8 (amounts expressed in thousands)

Associated Bond Issue (1)	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Values (2)	Change in Fair Value	Swap Termination Date	Counterparty Credit Rating (3)
Major Component Units								
IHDA								
Interest Rate Swap Contracts								
HMRB*								
Series 2018 A-2	\$ 30,000	8/18	2.394%	70% 1 month LIBOR (a)	\$ (2,992)	\$ 1,610	2/38	AA-/Aa2
	30,000				(2,992)			
RB**								
Series 2019B	30,000	3/19	2.431%	100% SIFMA (b) -> 70% LIBOR (a)	(2,873)		4/42	A+/Aa2
Series 2020C	40,000	10/20	1.057%	100% SIFMA (b) -> 70% LIBOR (a)	1,573		4/42	AA-/Aa2
MFRB Maywood	24,995	7/24	2.147%	70% SOFR (c) Compound + 0.08% -> 70% LIBOR (a)	(358)		7/64	AA-/Aa2
	94,995				(1,658)	2,872		
Interest Rate Cap								
HB***								
Series 2008A	10,930	1/18	6.00%	100% SIFMA (b)	12		1/27	A/A1
	10,930				12	(2)		
	\$ 135,925				\$ (4,638)	\$ 4,480		
U of I								
Interest Rate Swap Contracts								
Revenue Bonds								
Series 2008								
(South Campus)	\$ 3,638	2/06****	4.086%	68% of LIBOR (a)	\$ (91)		1/22	BBB+/A1
(South Campus)	3,523	2/06****	4.092%	68% of LIBOR (a)	(88)		1/22	A+/Aa2
Series 2008								
(Health Services Facility System)	18,545	11/08****	3.534%	68% of LIBOR (a)	(1,682)		10/26	BBB+/A3
	\$ 25,706				\$ (1,861)	\$ 1,237		
* Homeowner Mortgage Revenue Bonds (a) London Interbank Offered Rate								
** Revenue Bonds (b) Securities Industry and Financial Market Association								
*** Housing Bonds (c) Secured Overnight Financing Rate								
**** Swap agreement was transferred from original issue to the refunded bond issue.								
(1) All bond issues are taxable debt instruments.								
(2) Includes accrued interest.								
(3) Credit rating companies: Standard and Poor's (S&P)/Moody's Investors Services								

Additionally, the U of I's discretely presented component unit, Prairieland Energy, Inc., entered into noncancelable, exchange-traded futures contracts for natural gas for settlement periods during fiscal years 2022 through 2028. These futures contracts are used to reduce exposure to the risk of volatile natural gas prices and are considered to be effective hedging instruments. The contracts have a net notional value and fair value of \$17.295 million and \$1.215 million, respectively.

Risks

Credit risk

IHDA: As interest rates change and the fair value becomes positive, IHDA is exposed to credit risk in the amount of the swap's or cap's fair value. As of June 30, 2021, IHDA was not exposed to credit risk for the swaps that had negative fair value. IHDA is exposed to credit risk on the swaps and caps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value at June 30, 2021, was \$1.585 million. This represents the maximum loss that would be recognized at June 30, 2021, if all counterparties failed to perform as contracted as no collateral is in place. Fair value is a factor only upon termination. The counterparty with the largest notional amount holds 68% of the total notional amount of the outstanding swaps. IHDA does not have a policy regarding master netting arrangements.

U of I: As of June 30, 2021, the U of I was not exposed to credit risk because its swaps had a negative fair value. If interest rates change and the fair value of the swaps become positive, the U of I would be exposed to credit risk in the amount of the derivative instruments' fair value. Since they are negative numbers, they represent an approximation of the amount of money the U of I may have to pay a swap provider to terminate the swap. The counterparty may have to post

collateral in the U of I's favor in certain conditions, and the U of I would never be required to post collateral in the counterparty's favor. At June 30, 2021, one counterparty held 72%, another held 14%, and a third held 14% of the total notional amount of the outstanding swaps. U of I does not have a policy regarding master netting arrangements.

Interest rate risk

IHDA: Because interest rates have declined since the execution of the swap agreements, they have negative fair values as of June 30, 2021, except for Series 2020C which was entered in the current fiscal year. The negative fair value may be countered by reductions in total interest payments required under the variable-rate bonds, creating lower synthetic interest rates. Because the coupons on the IHDA's variable rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes.

U of I: During fiscal year 2021, declining interest rates exposed the U of I to interest rate risk, which adversely affected the fair values of the swap agreements.

Basis risk

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

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

Termination risk

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

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

Rollover risk

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

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

As of June 30, 2021, debt service requirements of outstanding variable rate debt and net swap payments, assuming current interest rates remain the same, for their terms are as follows:

Table 14-9 (amounts expressed in thousands)									
Swap Payments and Associated Debt									
Variable Rate Debt									
Major Component Units									
Year Ending June 30	Illinois Housing Development Authority				University of Illinois-Revenue Bonds				
	Principal	Interest	Interest Rate		Principal	Interest	Interest Rate		Total
Swaps, Net			Total	Swaps, Net			Total		
2022	\$ -	\$ 30	\$ 1,841	\$ 1,871	\$ 10,005	\$ 8	\$ 764	\$ 10,777	
2023	490	36	1,841	2,367	2,900	3	485	3,388	
2024	495	36	1,840	2,371	3,060	3	380	3,443	
2025	500	36	1,840	2,376	3,225	2	270	3,497	
2026	505	35	1,840	2,380	3,295	1	155	3,451	
2027-2031	9,265	165	9,202	18,632	3,375	1	39	3,415	
2032-2036	46,140	129	7,668	53,937	-	-	-	-	
2037-2041	48,770	44	2,684	51,498	-	-	-	-	
2042-2046	8,035	2	94	8,131	-	-	-	-	
Total	\$ 114,200	\$ 513	\$ 28,850	\$ 143,563	\$ 25,860	\$ 18	\$ 2,093	\$ 27,971	

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

15 REFUNDINGS OF LONG-TERM OBLIGATIONS

A. Current Year Refundings

During the year ended June 30, 2021, the State and several of its component units issued current refunding debt to defease long-term obligations which were currently outstanding. Proceeds from the sales, together with other funds, were used to currently refund earlier issues maturing on dates ranging from July 1, 2020 through October 1, 2050, at redemption prices of 100%. Current refunding debt issued during fiscal year 2021, was as follows:

Table 15-1 (amounts expressed in thousands)

	Par Value of Refunding Issue	Refunding Issue Interest Rates	Par Value of Bonds Refunded	Interest Rates of Bonds Refunded	Debt Service (Increased)/ Reduced by Refunding	Refunding Economic Gain/ (Loss)	Accounting Gain/(Loss)
Primary Government							
Governmental Activities							
General Obligation Bonds: March 2021-C	\$ 257,960	4.00%	\$ 270,155	4.00% to 5.00%	\$ 23,237	\$ 21,764	\$ (538)
Major Component Units							
Revenue Bonds							
Illinois Housing Development Authority Multi-Family Revenue Bond 2020-C	\$ 1,650	2.20% to 4.10%	\$ 1,650	2.63% (variable rate in effect at date of redemption)	\$ -	\$ -	\$ -
Southern Illinois University Housing and Auxiliary Facilities System Series 2021-A	\$ 49,075	4.00% to 5.00%	\$ 55,485	3.15% to 6.20%	\$ 3,640	\$ 5,945	\$ 346
University of Illinois Auxiliary Facilities System Revenue Bonds Series 2020-A	\$ 41,580	4.00% to 5.00%	\$ 46,805	4.00% to 5.25%	\$ (5,256)	\$ 3,953	\$ 526
University of Illinois Auxiliary Facilities System Revenue Bonds Series 2020-B	\$ 31,175	2.95% to 4.00%	\$ 31,000	2.07%	\$ (3,417)	\$ (7,093)	\$ (59)
Certificates of Participation							
Illinois State University Series 2021-A	\$ 8,500	1.34%	\$ 8,405	4.75% to 5.375%	\$ 1,757	\$ 1,613	\$ 32
Southern Illinois University Series 2021-A	\$ 12,395	2.58%	\$ 12,290	3.50% to 4.75%	\$ 1,221	\$ 1,119	\$ 315

B. Prior Year Refunding

In prior years, the State defeased certain callable maturities of general obligation, special obligation, and revenue bonds and certificates of participation by placing the proceeds of new debt in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the State’s financial statements. At June 30, 2021, the outstanding balances of prior year defeased debt were as follows:

Table 15-2 (amounts expressed in thousands)

	Major Component Unit
	Illinois Housing Development Authority
Revenue bonds	\$ 14,930
	<u>\$ 14,930</u>

16 RETIREMENT SYSTEMS

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

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

The Teachers' Retirement System (TRS) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan with a "special funding situation" as described below. TRS provides coverage to personnel in positions that require a certification under the teacher certification law that are employed by public school districts in Illinois (excluding Chicago), special districts, and certain State agencies. There are 851 local school districts, 129 special districts, and 10 other State agencies that contribute to the TRS plan.

The State Universities Retirement System (SURS) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan with a "special funding situation" as described below. In addition to the existing traditional benefit option, SURS established an alternative defined benefit program known as the Portable Benefit Option Plan which was effective January 1, 1998. All members who are eligible for the traditional benefit option are eligible for the portable option. New and existing members are provided a window period in which to make an irrevocable election. The portable option provides an enhanced refund at termination for those who leave SURS with at least five years of service. Offsetting this additional cost is the elimination of the survivor benefit package. This program is designed to be cost-neutral in relation to the traditional option. Approximately 18 thousand of the approximately 63 thousand active members have chosen this option, as of the measurement date, June 30, 2020.

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

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

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

January 1, 2011. The provisions below apply to both Tier 1 and Tier 2 members, except where noted.

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

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

JRS provides retirement benefits based on the applicable final average salary. Members under Tier 1 have vested rights to full retirement benefits at age 60 with at least 10 years of credited service or reduced retirement benefits beginning at age 55. Members also have vested rights to full retirement benefits at age 62 upon completing 6 years of credited service or at age 55 upon completing 26 years of credited service. The retirement benefit formula to calculate the retirement annuity is 3.5% for each of the first 10 years of service, plus 5% for each year of service in excess of 10. The maximum retirement annuity is 85% of the applicable final average salary. Annual automatic increases of 3% of the current amount of retirement annuity are provided. Members under Tier 2 have vested rights to full retirement benefits at age 67 with at least 8 years of credited service or reduced retirement benefits at age 62 with at least 8 years of credited service. The retirement benefit formula to calculate the retirement annuity is 3% for each year of service based upon the applicable final average salary. The maximum retirement annuity is 60% of the applicable final average salary. Annual automatic increases equal to the lesser of 3% or the annual change in the Consumer Price Index are provided.

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

SERS provides retirement benefits based on the member's final average compensation and the number of years of service credit that have been established. The retirement benefit formula available to general State employees that are covered under the Federal Social Security Act is 1.67% for each year of service and for noncovered employees it is 2.2% for each year of service. Alternative formula employees have a formula of 2.5% for covered service and 3.0% for noncovered service. The maximum retirement annuity payable is 75% of final average compensation for regular employees and 80% for alternative formula employees. The minimum monthly retirement annuity payable is \$15 for each year of covered service and \$25 for each year of noncovered service.

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

Tier 1	Tier 2
Regular Formula	Regular Formula
<p>A member must have a minimum of eight years of service credit and may retire at:</p> <ul style="list-style-type: none"> • Age 60, with 8 years of service credit. • Any age, when the member’s age (years & whole months) plus years of service credit (years & whole months) equal 85 years (1,020 months) (Rule of 85) with 8 years of credited service. • Between ages 55-60 with 25-30 years of service credit (reduced 1/2 of 1% for each month under age 60). <p>The retirement benefit is based on final average compensation and credited service. Final average compensation is the 48 highest consecutive months of service within the last 120 months of service.</p> <p>Under the Rule of 85, a member is eligible for the first 3% increase on January 1 following the first full year of retirement, even if the member is not age 60. If the member retires at age 60 or older, he/she will receive a 3% pension increase every year on January 1, following the first full year of retirement.</p> <p>If the member retires before age 60 with a reduced retirement benefit, he/she will receive a 3% pension increase every January 1 after the member turns age 60 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>	<p>A member must have a minimum of 10 years of credited service and may retire at:</p> <ul style="list-style-type: none"> • Age 67, with 10 years of credited service. • Between ages 62-67 with 10 years of credited service (reduced 1/2 of 1% for each month under age 67). <p>The retirement benefit is based on final average compensation and credited service. For regular formula employees, final average compensation is the average of the 96 highest consecutive months of service within the last 120 months of service. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less.</p> <p>If the member retires at age 67 or older, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every year on January 1, following the first full year of retirement. The calendar year 2020 rate is \$115,929.</p> <p>If the member retires before age 67 with a reduced retirement benefit, he/she will receive a pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, every January 1 after the member turns age 67 and has been retired at least one full year. These pension increases are not limited by the 75% maximum.</p>
Alternative Formula	Alternative Formula
<p>Members eligible for the alternative formula may retire at age 50 with 25 years of service credit, or at age 55 with 20 years of service credit.</p> <p>Final average compensation is figured one of three ways:</p> <ul style="list-style-type: none"> • The average of the highest 48 consecutive months over the last 120 months of service (for members in service prior to January 1, 1998). • Average of last 48 months of service. • Final rate of pay: cannot exceed the average of the last 24 months of pay by 115%. <p>Alternative formula retirees receive their first 3% pension increase on January 1 following the first full year of retirement after age 55. These increases are not limited by the 80% maximum.</p>	<p>Members eligible for the alternative formula may retire at age 60 with 20 years of service.</p> <p>Final average compensation is the average monthly salary during the 96 highest consecutive months of service within the last 120 months. The retirement benefit is calculated on a maximum salary of \$106,800. This amount increases annually by 3% or one-half of the Consumer Price Index, whichever is less. The calendar year 2020 rate is \$115,929.</p> <p>Alternative formula retirees receive their first pension increase of 3% or one-half of the Consumer Price Index for the preceding calendar year, whichever is less, following the first full year of retirement after age 60. These increases are not limited by the 80% maximum.</p>

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

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

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

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

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

As of the measurement date June 30, 2020, the following employees were covered by the defined benefit terms of each system, respectively:

	GARS	JRS	SERS	TRS	SURS
Retirees and beneficiaries receiving benefits	427	1,247	74,372	125,927	69,172
Inactive members entitled to but not yet receiving benefits	51	7	3,774	138,279	83,744
Active employees	124	947	62,621	163,115	63,206
Total	602	2,201	140,767	427,321	216,122

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

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

Funding policy and contributions. Member contributions are based on fixed percentages set by statute. The State’s funding requirements have been established by statute (Public Act 88-593) effective July 1, 1995 and provide for a systematic 50-year funding plan with an ultimate goal to achieve “90% funding” of the systems’ liabilities. In addition, the funding plan provided for a 15-year phase-in period to allow the State to adapt to the increased financial commitment. Since the 15-year phase-in period ended June 30, 2010, the State’s contribution will remain at a level percentage of payroll for the next 35 years until the 90% funded level is achieved. However, Public Act 94-0004 decreased the required funding levels for fiscal years 2006 and 2007 to \$938.400 million and \$1.375 billion, respectively, and required the State’s contribution to increase in equal annual increments from fiscal years 2008 to 2010, so that by fiscal year 2011, the State would be contributing at the rate otherwise required by State law. Pursuant to Public Act 93-0002, the State issued general obligation bonds, the proceeds of which were used to fund \$300 million of the State’s fiscal year 2003 required annual statutory contribution and \$1.860 billion of the State’s fiscal year 2004 required annual statutory contribution, as well as to contribute \$7.317 billion to the retirement systems in fiscal year 2004 to fund a portion of the State’s unfunded liability. In fiscal year 2010, pursuant to Public Act 96-0043, the State made contributions from general obligation bond proceeds of \$3.452 billion to the retirement systems to fund a portion of the State’s required annual statutory contribution. In fiscal year 2011, pursuant to Public Act 96-1497, the State made contributions from general obligation bond proceeds of \$3.684 billion to the retirement systems to fund a portion of the State’s required annual statutory contribution. In fiscal year 2018, pursuant to Public Act 100-0023, the State’s funding policy was modified to include smoothing State contribution rate increases or decreases due to changes in actuarial assumptions, including investment return assumptions, over a five-year period in equal annual amounts beginning in fiscal year 2018. In addition, changes in actuarial or investment assumptions that increased or decreased the State contribution rate in fiscal years 2014 through 2017 are to be smoothed over a five-year period in equal annual amounts, applying only to the portion of the five-year phase-in that is applicable to fiscal years on and after 2018. Public Act 100-0587 created two new buyout provisions for members: an inactive vested buyout and an automatic annual increase buyout, which were scheduled to exist until June 30, 2021. Public Act 101-0010 extended both buyout programs to fiscal year 2024. These programs allow certain

members eligible for a pension to elect an accelerated present value payment based on a percentage of future benefits payable in exchange for giving up those future benefits. The accelerated payment is financed through the sale of bonds. The remaining pension obligation bond proceeds that fund the buyouts are limited to \$1 billion for all participating systems and the programs are assumed to end when the buyouts reach this amount. The State met its funding requirement established by *statutory law* for the fiscal year ended June 30, 2021. Actual contributions varied slightly from contributions required by statute mainly because of differences between estimated and actual federal contributions.

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

The contribution rates/amounts established by statute for both plan members and the State of Illinois for the fiscal year ended June 30, 2021, are shown in Table 16-2.

Contribution Rates/Amounts		
Plan	Member (% of Covered Payroll)	State (Statutorily Required)
GARS	11.50%	\$ 27,299
JRS	11.00%	\$ 148,618
SERS	4.00% - 12.50%	\$ 2,475,149
TRS	9.00%	\$ 5,140,648
SURS	8.00% - 9.50%	\$ 1,995,767

For GARS, JRS, and SERS, employee contributions are fully refundable, without interest, upon withdrawal from State employment. Tier 1 members contribute based on total annual compensation. Tier 2 members under GARS and JRS contribute based on an annual compensation rate not to exceed \$106,800 with limitations for future years increased by the lesser of 3% or the annual percentage increase in the Consumer Price Index. For 2021, this amount was \$126,375. Tier 2 members under SERS contribute based on an annual compensation rate not to exceed \$106,800 with limitations for future years increased by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2021, this amount was \$116,740.

For TRS, employee contributions are fully refundable, without interest, upon withdrawal from applicable employment. For Tier 1 members, contributions are based on credible earnings. For Tier 2 members, annual compensation on which contributions are taken cannot exceed \$106,800. This amount increases annually by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2021, this amount was \$116,740.

For SURS, a lump sum refund is available to all members upon withdrawal from applicable employment. Under the traditional Tier 1 and Tier 2 benefit package, this refund consists of all member contributions and interest at 4.5%. For Tier 1 members, there is no annual compensation limit on contributions. For Tier 2 members, annual compensation on which contributions are taken cannot exceed \$106,800. This amount increases annually by the lesser of 3% or one-half of the annual percentage increase in the Consumer Price Index. For 2021, this amount was \$116,740.

Pension liability, deferred outflows of resources, deferred inflows of resources, and expense related to pensions. The net pension liability for each plan, as reported at June 30, 2021, was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the dates presented in Table 16-8.

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

	GARS	JRS	SERS [^]
Total pension liability			
Service cost	\$ 2,860	\$ 48,964	\$ 818,760
Interest on total pension liability	23,720	177,034	3,295,059
Change of benefit terms	-	-	-
Differences between expected and actual experience	(1,547)	3,088	114,763
Assumption changes	1,929	23,771	716,029
Benefit payments	(25,710)	(165,544)	(2,727,821)
Refunds	(138)	(438)	(19,366)
Administrative expenses	(401)	(1,032)	(17,413)
Net change in total pension liability	713	85,843	2,180,011
Total pension liability - June 30, 2019	381,563	2,850,453	51,885,938
Total pension liability - June 30, 2020 (a)	\$ 382,276	\$ 2,936,296	\$ 54,065,949
Plan fiduciary net position			
Contributions - employer	\$ 25,754	\$ 144,160	\$ 2,368,905
Contributions - participant	1,206	14,508	271,749
Net investment income	2,581	48,127	829,329
Benefit payments	(25,710)	(165,544)	(2,727,821)
Refunds	(138)	(438)	(19,366)
Administrative expense	(401)	(1,032)	(17,413)
Net change in plan fiduciary net position	3,292	39,781	705,383
Plan fiduciary net position - June 30, 2019	59,720	1,073,104	18,491,888
Plan fiduciary net position - June 30, 2020 (b)	\$ 63,012	\$ 1,112,885	\$ 19,197,271
State's net pension liability - ending (a) - (b)	\$ 319,264	\$ 1,823,411	\$ 34,868,678
Plan fiduciary net position as a percentage of the total pension liability	16.48%	37.90%	35.51%
Covered-employee payroll	\$ 10,191	\$ 135,392	\$ 4,517,749
State's net pension liability as a percentage of covered payroll	3132.80%	1346.76%	771.82%
[^] The amounts represent the collective changes in the net pension liability for the State, including THA and ICHIP.			

The primary government of the State reported a net pension liability at June 30, 2021, related to GARS and JRS totaling \$319.264 million and \$1.823 billion, respectively.

Related to SERS, the State reported a collective net pension liability of \$34.869 billion. Of this amount, \$33.976 billion is reported by the primary government, while \$891.871 million and \$1.151 million represent liabilities of the THA and ICHIP, respectively.

TRS is an administrator of a cost-sharing multiple-employer defined benefit pension plan. As a nonemployer contributing entity, at June 30, 2021, the primary government reported a liability of \$85.128 billion for its proportionate share of the collective net pension liability for the TRS plan.

The State’s proportionate share of the collective net pension liability was based on the actual contributions relative to actual contributions of all participating employers made to the TRS plan during the fiscal year. At June 30, 2020, the measurement date, the State’s proportionate share was 98.739% for the TRS plan, which was an increase of 0.1268% from its proportion measured as of the prior year measurement date of June 30, 2019.

Additionally, as the TRS plan includes certain employees of State agencies who are not members in one of the other State public employee retirement systems, the primary government reported an additional liability of \$4.427 million for its proportionate share of the collective net pension liability associated with State employees participating in the plan. The State’s proportionate share of the collective net pension liability was based on the actual employer contributions made to the TRS plan during fiscal year 2020. At June 30, 2020, the measurement date, the State’s proportionate share related to employer contributions was 0.005135%, which was an increase of 8.333% from its proportion measured as of the prior year measurement date of June 30, 2019.

SURS is an administrator of a cost-sharing multiple-employer defined benefit pension plan. For employees paid from trust, grant, or federal funds, the employer must make pension contributions from those funds sufficient to cover the accruing normal costs of the plan. The State’s contributions fund the normal actuarially-determined cost of the plan plus the amortization of the historical unfunded liability. The State has been allocated 100% of the net pension liability and reports the amount as a long-term obligation within the Statement of Net Position. At June 30, 2021, as a nonemployer contributing entity, the primary government reported a net pension liability of \$30.620 billion.

As a result of the State’s contribution requirements for all of the plans, the State recognized pension expense for the year ended June 30, 2021, as follows:

Plan	Pension Expense
GARS	\$ 20,887
JRS	\$ 155,269
SERS [^]	\$ 3,150,089
TRS ^{^^}	\$ 9,057,121
SURS	\$ 3,364,411

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

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

At June 30, 2021, the State reported deferred outflows and deferred inflows of resources related to each plan, as of the measurement date of June 30, 2020, from the following sources:

Table 16-5 (amounts expressed in thousands)

	GARS		JRS		SERS [^]		TRS ^{^^}		SURS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 631	\$ 24,195	\$ -	\$ 89,122	\$ 136,849	\$ 825,034	\$ 22,721	\$ 170,987	\$ -
Changes of assumptions	787	-	18,139	26,597	735,551	205,656	348,832	893,244	473,020	-
Net difference between projected and actual investment earnings on pension plan investments	872	-	8,433	-	193,677	-	2,541,938	-	474,659	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	-	-	-	722,065	24,470	-	-
State contributions subsequent to the measurement date	27,299	-	148,625	-	2,478,208	-	5,141,716	-	1,995,767	-
Total	\$ 28,958	\$ 631	\$ 199,392	\$ 26,597	\$ 3,496,558	\$ 342,505	\$ 9,579,585	\$ 940,435	\$ 3,114,433	\$ -

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

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

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

Table 16-6 (amounts expressed in thousands)

	Primary Government		THA		ICHIP		Total SERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 86,840	\$ 133,344	\$ 2,279	\$ 3,500	\$ 3	\$ 5	\$ 89,122	\$ 136,849
Changes of assumptions	716,713	200,389	18,814	5,260	24	7	735,551	205,656
Net difference between projected and actual investment earnings on pension plan investments	188,717	-	4,954	-	6	-	193,677	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	(2,107)	(25,618)	2,081	24,294	26	1,324	-	-
State contributions subsequent to the measurement date	2,413,362	-	64,763	[^] -	83	-	2,478,208	-
Total	\$ 3,403,525	\$ 308,115	\$ 92,891	\$ 33,054	\$ 142	\$ 1,336	\$ 3,496,558	\$ 342,505

[^] THA reported \$31,614 of contributions subsequent to the measurement date as of December 31, 2020, its fiscal year end.

In addition to the above amounts, the State's university component units make contributions to the SURS retirement system. The contributions made subsequent to the measurement date of June 30, 2020, have been recorded as a deferred outflow of resources. Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois have recorded \$708 thousand, \$1.365 million, \$2.798 million, and \$40.550 million, respectively, on the Statement of Net Position.

The amounts reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Table 16-7 (amounts expressed in thousands)

<u>Year ended June 30,</u>	<u>GARS</u>	<u>JRS</u>	<u>SERS[^]</u>	<u>TRS^{^^}</u>	<u>SURS</u>
2022	\$ 108	\$ (1,422)	\$ (96,577)	\$ 591,157	\$ 435,272
2023	317	8,664	270,708	1,087,583	346,428
2024	338	11,250	330,446	1,097,077	183,484
2025	265	5,678	171,268	716,062	153,482
2026	-	-	-	5,555	-
Total	<u>\$ 1,028</u>	<u>\$ 24,170</u>	<u>\$ 675,845</u>	<u>\$ 3,497,434</u>	<u>\$ 1,118,666</u>

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

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

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

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

	GARS	JRS	SERS	TRS	SURS
Valuation date	6/30/2020	6/30/2020	6/30/2020	6/30/2019*	6/30/2019*
Measurement date	6/30/2020	6/30/2020	6/30/2020	6/30/2020	6/30/2020
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial assumptions:					
Investment rate of return	6.50%	6.50%	6.75%	7.00%	6.75%
Projected salary increases**	2.50%	2.50%	2.75% - 7.17%	4.00% - 9.50%	3.25% - 12.25%
Inflation rate	2.25%	2.25%	2.25%	2.50%	2.25%
Postretirement benefit increases					
Tier 1	3%, compounded	3%, compounded	3%, compounded	3%, compounded	3%
Tier 2	Lesser of 3% or annual increase in CPI [^] , compounded	Lesser of 3% or annual increase in CPI [^] , compounded	Lesser of 3% or 1/2 of CPI [^] , on original benefit	1.25% not compounded	Lesser of 3% or 1/2 of CPI [^]
Retirement age experience study ^{^^}	July 2015 - June 2018	July 2015 - June 2018	July 2015 - June 2018	July 2014 - June 2017	July 2014 - June 2017
Mortality ^{^^^}					
GARS	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, scaling factors of 99% for males and females and generational mortality improvements using MP-2018 two-dimensional mortality improvement scales				
JRS	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, scaling factors of 102% for males and 98% for females and generational mortality improvements using MP-2018 two-dimensional mortality improvement scales				
SERS	Pub-2010 General and Public Safety Healthy Retiree mortality tables, sex distinct, with rates projected to 2018 generational mortality improvement factors were updated to projection scale MP-2018.				
TRS	RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017				
SURS	RP-2014 White Collar, gender distinct, projected using MP-2014 two dimensional mortality improvement scale, set forward one year for male and female annuitants				
<p>* The total pension liability is based on an actuarial valuation date of June 30, 2019, rolled-forward to the measurement date using generally accepted actuarial procedures.</p> <p>** Includes inflation rate listed.</p> <p>[^] Consumer Price Index</p> <p>^{^^} The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined. The TRS Board of Trustees adopted a slight reduction in the utilization assumption in 2019 for the automatic annual increase buyout provision and extended the assumed buyout period to 6/30/2022 in connection with the expectation that the funds available for the buyouts are limited to \$650 million. The 2020 actuarial valuation utilization assumption remained the same as in 2019.</p> <p>^{^^^} Mortality rates are based on mortality tables published by the Society of Actuaries' Retirement Plans Experience Committee.</p>					

Long-term expected return on plan assets. The investments of GARS, JRS, and SERS are managed by the Illinois State Board of Investment (ISBI), thus the long-term expected rate of return on pension plan investments is determined for the pool of investments. The long-term expected rate of return on pension plan investments is determined using the best estimates of geometric real rates of return for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plans' target asset allocation, calculated as of the measurement date of June 30, 2020, the best estimates of geometric real rates of return are summarized in the following table:

Table 16-9

Asset Class	GARS, JRS, and SERS	
	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	23%	5.50%
Developed Foreign Equity	13%	5.90%
Emerging Market Equity	8%	7.80%
Private Equity	7%	7.50%
Intermediate Investment Grade Bonds	14%	1.10%
Long-term Government Bonds	4%	1.10%
TIPS	4%	1.00%
High Yield and Bank Loans	5%	3.70%
Opportunistic Debt	8%	4.70%
Emerging Market Debt	2%	2.70%
Real Estate	10%	3.20%
Infrastructure	2%	3.90%
Total	100%	

The long-term expected rate of return assumption on pension plan investments under the TRS plan was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020, that were used by the actuary are summarized in the following table:

Table 16-10

Asset Class	TRS	
	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities Large Cap	17%	6.10%
U.S. Equities Small/Mid Cap	2%	7.20%
International Equities Developed	12%	7.00%
Emerging Market Equities	3%	9.40%
U.S. Bonds Core	7%	2.20%
U.S. Bonds High Yield	3%	4.10%
International Debt Developed	3%	1.50%
Emerging International Debt	3%	4.50%
Real Estate	16%	5.70%
Private Debt	5%	6.30%
Hedge Funds	10%	4.30%
Private Equity	15%	10.50%
Infrastructure	4%	6.20%
Total	100%	

The long-term expected rate of return on pension plan investments under the SURS plan is determined using a building-block method, which includes best estimate ranges of expected future real rates of return, developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2020, the measurement date, the best estimate of the expected arithmetic real rate of return is summarized in the following table:

Table 16-11

Asset Class	SURS	
	Strategic Policy Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	44%	6.67%
Credit Fixed Income	14%	2.39%
Core Real Assets	5%	4.14%
Options Strategies	6%	4.44%
Private Equity	8%	9.66%
Non-Core Real Assets	3%	8.70%
U.S. TIPS	6%	0.13%
Core Fixed Income	8%	-0.45%
Systematic Trend Following	2%	2.16%
Alternative Risk Premia	2%	1.60%
Long Duration	2%	0.86%
Total	100%	4.84%
Inflation		2.25%
Expected Arithmetic Normal Return		7.09%

Discount rate. The discount rate used to measure the total pension liability for each system as calculated using the June 30, 2020 and June 30, 2019 measurement dates, respectively, is shown in Table 16-12. These single discount rates were based on the expected rate of returns on pension plan investments as noted in Table 16-8 and a municipal bond rate of 2.45% based on an index of 20 year general obligation bonds with an average AA credit rating as published by the Federal Reserve. The projection of cash flows used to determine the discount rates assumed that contributions will be made based on the statutorily required rates under Illinois law for each of the plans. Based on these assumptions, it has been determined that the fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2074, 2064, 2075, and 2075 for GARS, JRS, SERS, and SURS, respectively. As a result, the long-term expected rate of return on pension plan investments has been applied through the respective year for each plan, at which time the municipal bond rate has been applied to all remaining benefit payments. For TRS, the plan’s fiduciary net position and future contributions will be sufficient to finance the benefit payments through the year 2122.

Table 16-12

Plan	Current Discount Rate (%)	Prior Discount Rate (%)	Change (%)
GARS	6.37%	6.41%	-0.04%
JRS	6.26%	6.34%	-0.08%
SERS	6.35%	6.47%	-0.12%
TRS	7.00%	7.00%	0.00%
SURS	6.49%	6.59%	-0.10%

Sensitivity of the net pension liability to changes in the discount rate. The net pension liability for each system was calculated using the stated discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate are shown in Table 16-13 below:

Table 16-13 (amounts expressed in thousands)

Plan	Current Discount Rate (%)	1% Decrease	Current Discount Rate	1% Increase
GARS	6.37%	\$ 361,762	\$ 319,264	\$ 283,707
JRS	6.26%	\$ 2,149,046	\$ 1,823,411	\$ 1,547,408
SERS [^]	6.35%	\$ 42,149,807	\$ 34,868,678	\$ 28,883,922
TRS ^{^^}	7.00%	\$ 103,335,743	\$ 85,132,824	\$ 70,146,557
SURS	6.49%	\$ 36,893,470	\$ 30,619,504	\$ 25,441,838

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

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

Payables to the pension plan. At June 30, 2021, the State reported the following payable amounts to the retirement systems for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2021.

Table 16-14 (amounts expressed in thousands)

Plan	Payable to pension plan
GARS	\$ -
JRS	\$ -
SERS [^]	\$ 147,767
TRS ^{^^}	\$ 5,024
SURS	\$ -

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

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

17 POSTEMPLOYMENT BENEFITS

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

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

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

Employees covered by benefit terms. As of the measurement date June 30, 2020, the following employees were covered by the defined benefit terms of the plan.

Inactive employees or beneficiaries currently receiving benefit payments	96,283
Inactive employees entitled to but not yet receiving benefit payments	24,886
Active employees	109,120
Total	<u>230,289</u>

Funding policy and annual other postemployment benefit cost. OPEB offered through SEGIP are financed through a combination of retiree premiums, State contributions, and Federal government subsidies from the Medicare Part D program. Contributions are deposited in the Health Insurance Reserve Fund, which covers both active State employees and retirement members. Annuitants may be required to contribute towards health and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested do not contribute toward health and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant’s contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health and vision benefits. All annuitants are required to pay for dental benefits regardless of retirement date. The Director of Central Management Services shall, on an annual basis, determine the amount the State shall contribute toward the basic program of group health benefits. State contributions are made primarily from the General Revenue Fund on a pay-as-you-go basis. No assets are accumulated or dedicated to funding the retiree health insurance benefit and a separate trust has not been established for the funding of OPEB.

For fiscal year 2021, the annual cost of the basic program of group health, dental, and vision benefits before the State’s contribution was \$12,260.64 (\$6,910.32 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$15,224.16 (\$6,449.28 if Medicare eligible) if the annuitant chose other benefits.

Total OPEB liability, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB. The total OPEB liability, as reported at June 30, 2021, was measured as of June 30, 2020, with an actuarial valuation as of June 30, 2019. The schedule of changes in the State’s total OPEB liability, as of the measurement date, are presented below:

Table 17-2 (amounts expressed in thousands)

Total OPEB liability[^]	
Service cost	\$ 1,454,469
Interest on the total OPEB liability	1,174,779
Difference between expected and actual experience	239,944
Changes of assumptions	(3,233,541)
Benefit payments	(1,158,194)
Net change in total OPEB liability	(1,522,543)
Total OPEB liability at June 30, 2019	43,889,169
Total OPEB liability at June 30, 2020	\$ 42,366,626
Covered-employee payroll	\$ 7,842,131
Total OPEB liability as a percentage of covered-employee payroll	540.24%

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

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

Table 17-3 (amounts expressed in thousands)

Primary Government	\$ 40,376,596
Component Units:	
Toll Highway Authority	\$ 580,018
Other Authorities - Illinois	
Comprehensive Health	
Insurance Plan	544
Illinois State University	24,518
Northern Illinois University	41,923
Southern Illinois University	127,985
University of Illinois	1,144,878
Other Universities	70,164
Total Component Units	<u>1,990,030</u>
Total OPEB liability	<u>\$ 42,366,626</u>

The State recognized a collective total OPEB expense, including the primary government, THA, ICHIP, and the nine university component units, for the year ended June 30, 2021, of \$1.172 billion.

At June 30, 2021, the primary government and its component units reported deferred outflows and deferred inflows of resources, as of the measurement date of June 30, 2020, from the following sources:

Table 17-4 (amounts expressed in thousands)

	Primary Government	Component Units	Total SEGIP
Deferred outflows of resources			
Differences between expected and actual experience	\$ 228,493	\$ 11,262	\$ 239,755
Changes of assumptions	1,103,405	54,383	1,157,788
Changes in proportion and differences between employer contributions and proportionate share of contributions	(14,450)	14,450	-
State contributions subsequent to the measurement date	894,906	46,711	941,617
Total deferred outflows of resources	<u>\$ 2,212,354</u>	<u>\$ 126,806</u>	<u>\$ 2,339,160</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 434,781	\$ 21,429	\$ 456,210
Changes of assumptions	4,054,806	199,848	4,254,654
Changes in proportion and differences between employer contributions and proportionate share of contributions	(153,435)	153,435	-
Total deferred inflows of resources	<u>\$ 4,336,152</u>	<u>\$ 374,712</u>	<u>\$ 4,710,864</u>

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

Table 17-5 (amounts expressed in thousands)

	Toll Highway Authority	Other Authorities ICHIP	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Other Universities	Total Component Units
Deferred outflows of resources								
Differences between expected and actual experience	\$ 3,282	\$ 3	\$ 139	\$ 237	\$ 724	\$ 6,479	\$ 398	\$ 11,262
Changes of assumptions	15,851	15	670	1,146	3,498	31,287	1,916	54,383
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	1,894	-	2,075	8,323	2,158	14,450
Contributions subsequent to the measurement date	11,333	14	560	1,042	3,378	28,789	1,595	46,711
Total deferred outflows of resources	<u>\$ 30,466</u>	<u>\$ 32</u>	<u>\$ 3,263</u>	<u>\$ 2,425</u>	<u>\$ 9,675</u>	<u>\$ 74,878</u>	<u>\$ 6,067</u>	<u>\$ 126,806</u>
Deferred inflows of resources								
Differences between expected and actual experience	\$ 6,246	\$ 6	\$ 264	\$ 451	\$ 1,378	\$ 12,328	\$ 756	\$ 21,429
Changes of assumptions	58,248	55	2,462	4,210	12,853	114,974	7,046	199,848
Changes in proportion and differences between employer contributions and proportionate share of contributions	22,997	144	3,301	1,684	16,541	98,516	10,252	153,435
Total deferred inflows of resources	<u>\$ 87,491</u>	<u>\$ 205</u>	<u>\$ 6,027</u>	<u>\$ 6,345</u>	<u>\$ 30,772</u>	<u>\$ 225,818</u>	<u>\$ 18,054</u>	<u>\$ 374,712</u>

^ THA reported \$24.417 million of contributions subsequent to the measurement date as of December 31, 2020, its fiscal year end.

The amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction to the OPEB liability during the year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Table 17-6 (amounts expressed in thousands)	
Year ended June 30,	
2022	\$ (1,469,232)
2023	(984,419)
2024	(255,870)
2025	(528,112)
2026	(75,688)
Total	\$ (3,313,321)

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

Actuarial methods and assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation for the SEGIP was based on GARS, JRS, SERS, TRS, and SURS active, inactive, and retiree data as of June 30, 2019, for eligible SEGIP employees, and SEGIP retiree data as of June 30, 2019.

Table 17-7	
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial assumptions:	
Inflation Rate	2.25%
Projected Salary Increases*	2.50% - 12.25%
Healthcare Cost Trend Rate:	
Medical and Rx (Pre-Medicare & Post-Medicare)	8.25% grading down 0.25% per year over 16 years to an ultimate trend of 4.25% in year 2037. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Dental and Vision	4.00% grading up 0.25% in the first year to 4.25% through 2037.
Retirees' share of benefit-related costs	Healthcare premium rates for members depend on the date of retirement and the years of service earned at retirement. Members who retired before January 1, 1998, are eligible for single coverage at no cost to the member. Members who retire after January 1, 1998, are eligible for single coverage provided they pay a portion of the premium equal to 5 percent for each year of service under 20 years. Eligible dependents receive coverage provided they pay 100 percent of the required dependent premium. Premiums for plan year 2020 and 2021 are based on actual premiums. Premiums after 2021 were projected based on the same healthcare cost trend rates applied to per capita claim costs.
Note: the above actuarial assumptions were used to calculate the OPEB liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the OPEB liability as of the prior year measurement date except for the following:	
Inflation Rate	2.50%
Projected Salary Increases*	2.75% - 12.25%
Healthcare Cost Trend Rate:	
Medical and Rx (Pre-Medicare)	8.00% grading down 0.50% in the first year to 7.50%, then grading down 0.11% in the second year to 7.39%, followed by grading down of 0.50% per year over 5 years to 4.89% in year 7
Medical and Rx (Post-Medicare)	9.00% grading down 0.50% per year over 9 years to 4.50%
Dental and Vision	6.00% grading down 0.50% per year over 3 years to 4.50%
* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed.	

Additionally, the demographic assumptions used in this OPEB valuation are identical to those used in the June 30, 2019, valuations for GARS, JRS, SERS, TRS, and SURS as follows:

Table 17-8

	Retirement age experience study [^]	Mortality ^{^^}
GARS	July 2015 - June 2018	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, scaling factors of 99% for males and females and generational mortality improvements using MP-2018 two-dimensional mortality improvement scales
JRS	July 2015 - June 2018	Pub-2010 Above-Median Income General Healthy Retiree Mortality tables, sex distinct, scaling factors of 102% for males and 98% for females and generational mortality improvements using MP-2018 two-dimensional mortality improvement scales
SERS	July 2015 - June 2018	Pub-2010 General and Public Safety Healthy Retiree mortality tables, sex distinct, with rates projected to 2018 generational mortality improvement factors were updated to projection scale MP-2018
TRS	July 2014 - June 2017	RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017
SURS	July 2014 - June 2017	RP-2014 White Collar, gender distinct, projected using MP-2014 two dimensional mortality improvement scale, set forward one year for male and female annuitants

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

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

Discount rate. Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.13% at June 30, 2019, and 2.45% at June 30, 2020, was used to measure the total OPEB liability.

Sensitivity of total OPEB liability to changes in the single discount rate. The following presents the plan’s total OPEB liability, calculated using a single discount rate of 2.45%, as well as what the plan’s total OPEB liability would be if it were calculated using a single discount rate that is one percentage point higher (3.45%) or lower (1.45%) than the current rate:

Table 17-9 (amounts expressed in thousands)

	1% Decrease (1.45%)	Current Single Discount Rate Assumption (2.45%)	1% Increase (3.45%)
Total OPEB liability [^]	\$ 49,869,306	\$ 42,366,626	\$ 36,382,969

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

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

rates. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

Table 17-10 (amounts expressed in thousands)

	1% Decrease*	Current Healthcare Cost Trend Rates Assumption	1% Increase**
Total OPEB liability^	\$ 35,467,146	\$ 42,366,626	\$ 51,413,699

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

* One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.

** One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

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

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

To be eligible, retirees of public schools must have been certified educators or administrators during their time of employment. Eligibility to participate in the plan is currently limited to former full-time employees, or if not a full-time employee, an individual that is in a permanent and continuous basis in a position in which services are expected to be rendered for at least one school term, and their dependents. As of the measurement date of June 30, 2020, there were 979 school districts participating.

The Community College Health Insurance Security Fund (CCHISF) (also known as The College Insurance Program, CIP) is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Amounts deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college

districts throughout the State of Illinois, excluding the City Colleges of Chicago. The Department administers the plan with the cooperation of SURS and the boards of trustees of the various community college districts.

All members receiving benefits from SURS who have been full-time employees of a community college district or an association of a community college who have paid the required active member contributions prior to retirement age are eligible to participate in CIP. Survivors of an annuitant or benefit recipient eligible for CIP coverage are also eligible for coverage under CIP. As of the measurement date of June 30, 2020, there were 39 community college districts participating.

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

Employees covered by benefit terms. As of the measurement date of June 30, 2020, the following employees were covered by the defined benefit terms of each program, respectively:

	TRIP	CIP
Inactive employees or beneficiaries currently receiving benefit payments	66,018	6,667
Inactive employees entitled to but not yet receiving benefit payments	38,390	6,181
Active employees	157,206	19,757
Total	261,614	32,605

Funding policy and contributions. For TRIP retiree healthcare benefits are funded on a pay-as-you-go basis. The cost of TRIP is shared among active members, retirees, the individual school districts, and the State. For fiscal year 2021, active members contributed 1.24% of pay, and school districts contributed an amount equal to 0.92% of each teacher’s salary. The Department of Central Management Services determines, by rule, the percentage required, which each year, shall not exceed 105% of the percentage of salary required to be paid in the previous fiscal year. In addition, the State Employees Group Insurance Act of 1971 requires the State contribute 1.24% of salaries. The State contribution amount is annually adjusted to true-up the contribution that was certified two years prior using actual covered payroll. The State contributed \$137.436 million for fiscal year 2021.

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

For CIP retiree healthcare benefits are funded on a pay-as-you-go basis. The cost of CIP is shared among active members, retirees, community college districts, and the State. For fiscal year 2021, the Act required every active contributor of SURS, who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.50% of salary and every community college district or association of community college boards to contribute to the plan an amount equal to 0.50% of the salary paid to its full-time employees who are required to contribute to the plan. The State is also required to contribute 0.50% of salaries. The State contribution amount is annually adjusted to true-up the

contribution that was certified two years prior using actual covered payroll. The State contributed \$4.649 million for fiscal year 2021.

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

OPEB liabilities, deferred outflows and inflows of resources related to OPEB, and OPEB expense. TRIP is a cost-sharing multiple-employer defined benefit plan with a special funding situation. As a nonemployer contributing entity, at June 30, 2021, the State reported a liability of \$15.382 billion for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. At June 30, 2020, the State's proportion was 57.532%, based on its contribution requirement. This is an increase of 0.019% from its proportionate share measured as of the prior year measurement date of June 30, 2019.

CIP is also a cost-sharing multiple-employer defined benefit plan with a special funding situation. At June 30, 2021, the State reported a liability of \$911.381 million for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. At June 30, 2020, the State's proportionate share of the liability was 50.000% based on its contribution requirement consistent with its proportionate share measured as of the prior year measurement date of June 30, 2019.

As a result of the State's contribution requirements for the plans, the State recognized OPEB expense for the year ended June 30, 2021, as follows:

Plan	OPEB Expense
TRIP	\$ 428,734
CIP	\$ 16,209

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

	TRIP		CIP	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 408,678	\$ 8,279	\$ 51,008
Changes of assumptions	5,209	438	-	39
Net difference between projected and actual investment earnings on OPEB plan investments	-	2,537,204	-	145,696
Changes in proportion and differences between employer contributions and share of contributions.	144,986	174,329	3,267	9,892
State contributions subsequent to the measurement date	137,436	-	4,649	-
Total	\$ 287,631	\$ 3,120,649	\$ 16,195	\$ 206,635

The amounts reported as deferred outflows of resources resulting from State contributions to TRIP and CIP, respectively, subsequent to the measurement date will be recognized as a reduction of the respective net OPEB liability for each of the plans during the year ended June 30,

2022. Other amounts reported as deferred outflows and deferred inflows of resources for TRIP and CIP as a result of the State's requirement to contribute to the plans will be recognized in expense as follows:

Year ended June 30,	TRIP	CIP
2022	\$ (614,441)	\$ (58,262)
2023	(614,401)	(58,260)
2024	(614,316)	(38,200)
2025	(455,504)	(27,591)
2026	(239,020)	(12,776)
Thereafter	(432,772)	-
Total	\$ (2,970,454)	\$ (195,089)

Actuarial methods and assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation of TRIP was based on TRS active, inactive, and retiree data as of June 30, 2019, and TRIP retiree data as of June 30, 2019, while the actuarial valuation of CIP was based on SURS active, inactive, and retiree data as of June 30, 2019, for eligible community college members, and CIP retiree data as of June 30, 2019.

Table 17-15	TRIP	CIP
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Inflation Rate	2.50%	2.25%
Projected Salary Increases*	4.0% - 9.50%	3.25% - 12.25%
Investment Rate of Return	0.00%	0.00%
Retirement age experience study ^	July 2014 - June 2017	July 2014 - June 2017
Mortality	RP-2014 with future mortality improvements on a fully generational basis using projection table MP-2017	RP-2014 White Collar, gender distinct, projected using MP-2014 two dimensional mortality improvement scale, set forward one year for male and female annuitants.
Healthcare Cost Trend Rate:		
Medical and Rx (Pre-Medicare & Post-Medicare)	8.25% grading down 0.25% per year over 16 years to an ultimate trend of 4.25% in year 2037. There is no additional trend rate adjustment due to the repeal of the Excise Tax.	8.25% grading down 0.25% per year over 16 years to an ultimate trend of 4.25% in year 2037. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Retiree Premium	5.00% grading down 0.25% in year 14 over 3 years to 4.25% in 2037.	5.00% grading down 0.25% in year 14 over 3 years to 4.25% in 2037.
Dental and Vision	n/a	4.00% grading up 0.25% in the first year to 4.25% through 2037.
<p>Note: the above actuarial assumptions were used to calculate the OPEB liability as of the current year measurement date and are consistent with the actuarial assumptions used to calculate the OPEB liability as of the prior year measurement date except for the following:</p>		
Projected Salary Increases*	3.25% - 9.50%	
Healthcare Cost Trend Rate:		
Medical and Rx (Pre-Medicare)	8.00% grading down 0.50% in the first year to 7.50%, then grading down 0.19% in the second year to 7.31%, followed by grading down of 0.50% per year over 5 years to 4.81% in year 7	8.00% grading down 0.50% over 3 years to 6.50%, then grading down 0.10% in year 4 to 6.40%, followed by grading down of 0.50% per year over 3 years to 4.90% in year 7
Medical and Rx (Post-Medicare)	9.00% grading down 0.50% per year over 9 years to 4.50%	9.00% grading down 0.50% per year over 9 years to 4.50%
Retiree Premium	5.00% grading down 0.50% in year 7	5.00% grading down 0.50% in year 7
Dental and Vision		4.50% over 9 years
<p>* Dependent upon service and participation in the respective retirement systems. Includes inflation rate listed.</p> <p>^ The actuarial assumptions used in the respective actuarial valuations are based on the results of actuarial experience studies for the periods defined.</p>		

As of the measurement date of June 30, 2020, the THISF and CCHISF earned \$193 thousand and \$25 thousand in interest, respectively. The market value of assets for TRIP was \$189 million while the market value of assets for CIP was negative primarily due to a significant payable in the plan. The significant benefit payable, the low and negative asset values, and the pay-as-you-go funding policy resulted in a long-term expected rate of return assumption of zero for both plans.

Discount rate. Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.13% at June 30, 2019, and 2.45% at June 30, 2020, was used to measure the net OPEB liability for both TRIP and CIP.

Sensitivity of net OPEB liability to changes in the single discount rate. The net OPEB liability for each plan calculated using the single discount rate of 2.45%, as well as what the net OPEB liability would be if it were calculated using a single discount rate that is one percentage point lower (1.45%) or higher (3.45%) than the current rate is shown below:

Plan	1% Decrease (1.45%)	Current Single Discount Rate Assumption (2.45%)	1% Increase (3.45%)
TRIP	\$ 18,486,710	\$ 15,381,771	\$ 12,921,877
CIP	\$ 1,038,451	\$ 911,381	\$ 801,803

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate. The net OPEB liability for each plan calculated using the healthcare cost trend rates as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or higher than the current healthcare cost trend rates are shown below. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% for TRIP and CIP in 2037.

Plan	1% Decrease*	Current Healthcare Cost Trend Rates Assumption	1% Increase**
TRIP	\$ 12,371,628	\$ 15,381,771	\$ 19,450,915
CIP	\$ 755,170	\$ 911,381	\$ 1,118,587

* One percentage point decrease in healthcare trend rates are 7.25% in 2021 for both plans decreasing to an ultimate trend rate of 3.25% for TRIP and CIP in 2037.

** One percentage point increase in healthcare trend rates are 9.25% in 2021, for both plans, decreasing to an ultimate trend rate of 5.25% for TRIP and CIP in 2037.

18 FAIR VALUE MEASUREMENTS

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

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

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

The following table summarizes the investments held by the State Treasurer in the State Treasury as of June 30, 2021. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-1 (amounts expressed in thousands)

Investment Type	Fair Value	Significant Other Observable Inputs (Level 2)
Investments by fair value level		
U.S. Treasury obligations	\$ 1,109,116	\$ 1,109,116
U.S. Agency obligations	757,678	757,678
Supranational bonds	142,729	142,729
Municipal debt	181,055	181,055
Corporate debt securities	1,598,650	1,598,650
Equity in other investment pools	4	4
Total investments by fair value level	3,789,232	\$ 3,789,232
Investments measured at the net asset value (NAV)		
Private equity (1)	304,853	
Total investments measured at the NAV	304,853	
Investments measured at amortized cost		
U.S. Treasury bills	4,773,792	
U.S. Agency discount notes	24,998	
Commercial paper	3,503,695	
Money market mutual funds	2,744,319	
Repurchase agreements	910,187	
Securities lending collateral invested in repurchase agreements	5,491,725	
Illinois Public Treasurers' Investment Pool	3,177,405	
Total investments measured at amortized cost	20,626,121	
Total investments	\$ 24,720,206	

- (1) **Private equity:** The Illinois Technology Development I and II (ITD I and ITD II) investments cannot be redeemed with the funds. Instead, the nature of these investments is that distributions are received through various means including, but not limited to, the cash distributed by the fund from business income from portfolio companies, dividend payments paid by a company to a fund, or the liquidation of the underlying assets or interests of the fund over the contractual term lives of each partnership investment. The contractual terms of these investments generally range between 10-15 years from the original investment date depending upon whether optional extensions are exercised by the general partners of the partnerships. Based on the terms of the limited partnership investments, it is anticipated that the last of the proceeds of these investments will be returned no later than February 10, 2024, for ITD I and September 16, 2031, for ITD II, with the bulk of the proceeds being received sooner. The fair values of the ownership interests in the various limited partnership investments have been determined based on the most recent capital account balances provided by the respective general partners of each limited partnership. Due to the uniqueness and illiquid nature of the underlying privately-held investments, general partners use valuation techniques that rely on unobservable inputs such as estimates and appraisals derived from comparable market transactions to determine the net asset value per share (or its equivalent) for limited partner investors. As of June 30, 2021, there are unfunded commitments of \$184.734 million.

Primary government investments held outside of the State Treasury at June 30, 2021, except for investments held by the Illinois State Board of Investments (ISBI), Teachers' Retirement System (TRS), and State Universities Retirement System (SURS), are measured at fair value. Short-term investments consisting of negotiable certificates of deposit are reported at fair value. These investments are measured at quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices. These investments are categorized as Level 2 of the fair value hierarchy.

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

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

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

The following table summarizes investments and derivative instruments held outside of the State Treasury at June 30, 2021, except for investments held by ISBI, TRS, and SURS. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-2 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Negotiable certificates of deposit	\$ 5,744	\$ -	\$ 5,744	\$ -
U.S. Treasury obligations	1,095,173	742,319	352,854	-
U.S. Agency obligations	39,284	10	39,274	-
Municipal debt	135,875	2,567	133,308	-
Corporate debt securities	53,947	-	53,947	-
Debt mutual funds	5,972,943	5,972,943	-	-
Government notes - non U.S.	3,299	1,505	1,794	-
Money market mutual funds	1,522,652	1,522,652	-	-
Equity securities	143,730	143,730	-	-
Equity mutual funds	9,733,503	9,733,503	-	-
Blended mutual funds	2,339	2,339	-	-
Bond trust funds	62,429	-	62,429	-
Annuities	49	-	-	49
Other	36,319	-	36,319	-
Total investments by fair value level	18,807,286	\$ 18,121,568	\$ 685,669	\$ 49
Investments measured at the net asset value (NAV)				
Real estate investment trust (1)	29,326			
Real estate (2)	38,193			
Infrastructure (3)	27,512			
Absolute return (4)	26,659			
High yield fund (5)	26,128			
Private equity (6)	9,163			
International equity (7)	47,204			
Total investments measured at the NAV	204,185			
Investments measured at amortized cost				
Cash and pending trades	(525)			
Money market mutual funds	3,301			
Equity in Public Treasurers' Investment Pool	5,180,933			
Total investments measured at amortized cost	5,183,709			
Equity in State Universities Retirement System	13,077			
Equity in Illinois State Board of Investments*	47,753			
Total investments	\$ 24,256,010			

* Total investments of Illinois State Board of Investments are \$24,880,136. The fair value measurement for these investments is displayed in Table 18-3.

- (1) **Real estate investment trust:** The investment manager for the real estate investment trust fund opportunistically sources, structures, and executes investments in real estate operating companies. The fair values of the investment in this type have been determined using the NAV per share (or its equivalent) of the investment. This investment can be redeemed quarterly with 30 days' notice. A liquidating account may be used during period of market stress to provide orderly liquidation.
- (2) **Real estate funds:** This type includes one real estate fund that invests primarily in U.S. commercial and residential real estate. Lyrical Antheus Realty Partners, III, LP recognizes the partners' capital at cost basis on their financial statements, which has been adjusted to reflect the investment on a fair value basis. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying

- investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the fund will be liquidated over the next four years with 10% within fiscal year 2022.
- (3) **Infrastructure funds:** This fund includes two infrastructure funds which invest in infrastructure and related assets in the U.S., Asia, and Europe. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the funds will be liquidated over the next three years with 60% to 15% (varies by investment manager) within fiscal year 2022. There are unfunded commitments of \$6.758 million between these two funds.
- (4) **Absolute return fund:** The fund includes two absolute return funds of funds. One targets consistent, positive absolute returns with minimal beta to major equity and fixed income markets. The other is a multi-manager fund in the global commodity and commodity related markets. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Both have annual liquidity with quarterly liquidity available for a fee. Both have fund level gate thresholds of 20% to 25% of fund assets. Both will withhold a percentage pending the completion of the annual audit. One investment manager has only an audit holdback as of June 30, 2021, which was paid out in July 2021. The other fund is in the process of liquidating. Fifteen million was liquidated in August 2021 with the remainder expected in fiscal year 2022.
- (5) **High yield fund:** This fund seeks income and gains through trading and investing in securities. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Ninety percent of liquid securities are available within 30 days of quarter end with 60 days' notice prior to quarter end. Up to 25% of the fund may be invested in illiquid securities. Ten percent of any withdrawal may be held until 30 days following the annual audit. As of June 30, 2021, \$10 thousand was held in a liquidating account related to prior redemptions.
- (6) **Private equity:** This type includes two private equity funds. One holds portfolio securities. The second fund invests in a diversified portfolio of private equity limited partnerships purchased in the secondary market. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Illinois Prepaid Tuition Program's ownership investment in partners' capital. Private market investments are illiquid in nature. Distributions from each fund will be received as the underlying investments of the funds are liquidated by the general partner. It is expected that the underlying assets of the funds will be liquidated over the next three years with 0% to 25% (varies by investment manager) within fiscal year 2022. There are unfunded commitments of \$314 thousand in these investments.
- (7) **International equity:** This type includes two international equity funds. DFA World ex U.S. Core Equity Portfolio is a mutual fund. They strike a daily price each evening following a trading day. The other fund, Ativo International Equity Fund, invests in undervalued companies that display above average growth characteristics, domiciled in, or primarily exposed to, developed and emerging countries outside of the U.S. The fund is redeemable monthly with a 15-day notice. If withdrawal is greater than 95% of the account, then the amount greater than 95% will be held until completion of the annual audit.

ISBI categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. Fair value measurements are determined within a

framework that utilizes a three-tier hierarchy, which maximizes the use of observable inputs and minimizes the use of unobservable inputs. ISBI values U.S. Treasury obligations and U.S. Agency obligations by using quoted prices for identical securities in markets that are not active. Foreign government obligations and foreign corporate obligations are valued by using broker-quoted prices in an active market. Corporate bonds and municipal bonds are valued by using quoted prices for similar securities in active markets. The fair value of bank loans is determined by using discounted cash flow, internal assumptions, weighting of the best available pricing inputs, and third-party pricing services. Common stock and equity funds, foreign preferred stocks, foreign equity securities, and commingled funds (domestic and foreign) are valued by using quoted prices for identical securities in an active market or from broker-quoted prices in an active market. Money market funds are measured at amortized cost.

Investments valued using the NAV per share (or its equivalent) are considered “alternative investments” and, unlike more traditional investments, generally do not have readily obtainable market values and often take the form of limited partnerships. ISBI values these investments based on the partnerships’ audited financial statements as of June 30. If June 30 financial statement valuations are not available, the investment value is adjusted from the most recently available financial statements, taking into account subsequent calls and distributions, and adjusting for unrealized appreciation or depreciation, other income, and fees.

The following table summarizes the investments held by ISBI as of June 30, 2021. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-3 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 521,518	\$ -	\$ 521,518	\$ -
U.S. Agency obligations	310	310	-	-
Corporate obligations	284,834	3,719	253,721	27,394
Common stock and equity funds	3,367,060	3,352,174	8,270	6,616
Foreign obligations	3,385	-	-	3,385
Foreign equity securities	277,687	277,221	-	466
Bank loans	145,395	-	118,375	27,020
Commingled funds	12,517,723	12,517,723	-	-
Total investments by fair value level	17,117,912	\$ 16,151,147	\$ 901,884	\$ 64,881
Investments measured at the net asset value (NAV)				
Commingled funds (1)	2,068,460			
Real estate (2)	2,233,919			
Private equity (3)	1,690,845			
Infrastructure funds (4)	310,091			
Opportunistic debt (5)	1,131,243			
Hedge funds (6)	76,923			
Total investments measured at the NAV	7,511,481			
Investments measured at amortized cost				
Money market instruments	250,743			
Total investments measured at amortized cost	250,743			
Total investments	\$ 24,880,136			

- (1) **Commingled funds:** ISBI’s assets in this category consist of various investments that are blended together in order to provide economies of scale, allowing for lower trading costs per dollar of investment and diversification. These investments provide primarily liquid exposure to publicly traded equity and fixed income markets. The equity and fixed

- income portfolios provide diversification benefits and return enhancement to the overall fund in both domestic and international markets. Commingled funds are also called “pooled funds” and “master trusts.” ISBI’s current NAV per share (or its equivalent) measured commingled fund exposure consists of investments in 34 domestic and international public equity (32) and fixed income (2) funds. Nine of these funds are domestic and 25 are international. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2021. It is not probable that any investment will be sold at an amount different from the current NAV per share (or its equivalent) of the plan’s ownership interest.
- (2) **Real estate:** ISBI’s assets in this category consist of investments in Core and Non-Core Real Estate Fund categories. ISBI’s current Real Estate exposure consists of investments in 60 funds with the goals of diversifying ISBI’s overall portfolio, providing capital appreciation, and supplementing the total return of the portfolio through exposure to private real estate assets in both open-end and closed-end structures. Investments in this category are globally diversified and consist of office, industrial, multi-family, retail, storage, and other types of assets. Core assets are expected to provide strong diversification through primary markets and high-income potential. Non-Core assets are typically higher risk assets with stronger capital appreciation. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2021. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan’s ownership interest. There are unfunded commitments of \$619.3 million at June 30, 2021.
- (3) **Private equity:** ISBI’s assets in this category consist of investments in funds not listed on public exchanges. ISBI’s current Private Equity exposure consists of investments in 91 funds with the goals of generating returns significantly greater than typically available in the public market and diversifying ISBI’s overall portfolio that is comprised predominantly of equity and fixed income assets. The strategies of Private Equity funds include, but are not limited to, leveraged buyouts, venture capital, and growth capital. Returns are commensurate with the risks presented by this asset class which includes illiquidity. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2021. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan’s ownership interest. There are unfunded commitments of \$1.176 billion at June 30, 2021.
- (4) **Infrastructure funds:** ISBI’s assets in this category consist of investments in funds that target infrastructure assets that provide essential services or facilities to a community (ports, bridges, toll roads, etc.). ISBI’s current infrastructure exposure consists of investments in 12 funds that seek to diversify ISBI’s overall portfolio (comprised predominantly of equity and fixed income assets) and provide capital appreciation and income generation. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2021. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan’s ownership interest. There are unfunded commitments of \$276.5 million at June 30, 2021.
- (5) **Opportunistic debt:** ISBI’s assets in this category consist of investments in private fixed income markets. ISBI’s current Opportunistic Debt exposure consists of investments in 65 funds with the goals of diversifying ISBI’s overall portfolio, providing

- downside protection through assets that are capital collateralized, and supplementing the total return of the portfolio which is comprised predominantly of equity and fixed income assets. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. ISBI has no plans to liquidate these investments as of June 30, 2021. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan's ownership interest. There are unfunded commitments of \$1.127 billion as of June 30, 2021.
- (6) **Hedge funds:** ISBI's assets in this category have historically consisted of investments in funds that seek to generate better than average return and provide a hedge against a downward trend in the overall market. ISBI is currently in the process of transitioning investments in hedge fund vehicles to long-only equity vehicles. ISBI's current Hedge Fund exposure consists of investments in three funds including hedge fund and long-only equity assets. Returns are commensurate with the risks presented by this asset class which includes illiquidity. The fair value of these investments is based on audited financial statements of the funds adjusted for activity from the audit date to year end. It is not probable that any investment will be sold at an amount different from the NAV per share (or its equivalent) of the plan's ownership interest.

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

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

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

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

Debt securities classified as Level 3 include valuations using significant unobservable inputs, valuations using proprietary information, inputs that cannot be corroborated by observable market data, and securities valued with last trade date due to limited trading volume. Real assets classified as Level 3 include direct investments in real estate. Valuations for real estate

investments are performed quarterly by investment managers. An appraisal by an independent third party member of the Appraisal Institute is obtained once every three years for each property and is used to establish fair market value.

The following table summarizes the valuation of TRS investments by the fair value hierarchy levels as of June 30, 2021:

Table 18-4 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 650,004	\$ -	\$ 650,004	\$ -
U.S. Agency obligations	792,808	-	792,808	-
Corporate debt securities	4,483,651	-	4,483,651	-
Foreign debt securities	1,368,441	-	1,368,441	-
Fixed income mutual funds	2,274,713	-	361,372	1,913,341
International common and preferred stock	11,206,327	11,170,918	35,409	-
U.S. equities	11,201,200	11,201,091	109	-
Municipal obligations	5,220	-	5,220	-
Real estate	5,113,968	-	-	5,113,968
Securities lending collateral	2,366,899	355,035	2,011,864	-
Total investments by fair value level	39,463,231	\$ 22,727,044	\$ 9,708,878	\$ 7,027,309
Investment derivative instruments by fair value level				
Credit default swaps	719	\$ -	\$ 719	\$ -
Index and variance swaps	3,189	-	3,189	-
Inflation swaps	(9,335)	-	(9,335)	-
Options	(16)	-	(16)	-
Swaptions	37	-	37	-
Total investment derivative instruments by fair value level	(5,406)	\$ -	\$ (5,406)	\$ -
Investments measured at the net asset value (NAV)				
Diversifying strategies (1) (2)	5,541,737			
Commingled fixed income funds (3)	645,905			
Private debt partnerships (4)	4,069,872			
Private equity partnerships (5)	10,178,045			
Private real estate partnerships (5)	3,739,822			
Real asset partnerships (6)	715,954			
Total investments measured at the NAV	24,891,335			
Investments measured at amortized cost				
Short-term investments	1,545,973			
Total investments measured at amortized cost	1,545,973			
Total investments subject to disclosure	65,895,133			
Less cash equivalents	(22,372)			
Total investments	\$ 65,872,761			

- (1) **Diversifying funds (liquid strategies):** The diversifying strategies asset class applies various strategies that provide diversification to the total investment portfolio. Investments focus on reducing equity-like risk characteristics encompassed in the overall TRS portfolio by enhancing exposures to strategies that show little to no correlation to growth factors while adding positive skew and active risk management characteristics. Four factor portfolio direct investments include trend/momentum exposures and alternative risk premia. The systematic and discretionary macro strategies include direct investment in six funds diversifying through regional and product expertise, speed of algorithms, and style of trading. Opportunistic funds, including five direct investments and one diversified fund of funds, use idiosyncratic alpha capture through liquidity and security selection. The fair value of these investments has been determined using the NAV per share (or its equivalent) of the investments. The strategies maintain a liquidity profile of less than one year, ranging from daily to quarterly, and require advance notice prior to redemption.
- (2) **Diversifying funds (illiquid strategies):** The diversifying strategies asset class also includes four opportunistic alpha funds in which redemptions are restricted over the life

- of the partnership. The partnership's interest is valued using the NAV per share (or its equivalent). The most significant element of NAV per share (or its equivalent) is the fair value of the underlying investment holdings which are valued on a monthly basis by the general partner and are audited annually. The average life of these funds spans 5 to 10 years and the funds will distribute any free cash from the master fund in excess of the amount needed to maintain prudent liquidity. As of June 30, 2021, there are unfunded commitments of \$215.1 million. TRS has no plans to liquidate as of June 30, 2021.
- (3) **Commingled fixed income funds:** The investment strategies for the three fixed income funds include high yield, defensive bond arbitrage, and global liquidity relative value. The fair value of the investments has been determined using the NAV per share (or its equivalent) of the investments. Liquidity ranges from monthly to quarterly upon notice of redemption.
- (4) **Private debt partnerships:** Private debt funds consist of 50 funds investing across strategies such as stressed debt/credit, direct and specialty lending, real estate credit, and global multi-credit strategies. Five of these funds are custom partnerships investing in opportunistic investments. The private debt funds provide additional exposure to niche and/or specific nontraditional point-in-time opportunities that are not normally targeted by traditional fixed income managers. Funds are valued using the NAV per share (or its equivalent) and are audited annually. Redemption restrictions are in place over the life of the partnership. The average life of these funds spans 3 to 12 years and distributions are received throughout the life of the funds. The custom partnerships allow TRS to liquidate upon giving advanced notice. TRS has no plans to liquidate as of June 30, 2021; however, during the fiscal year, TRS did sell one fund on the secondary market. As of June 30, 2021, there are unfunded commitments of \$3.0 billion.
- (5) **Private equity and real estate partnerships:** TRS has 197 private equity partnerships which include investments in privately held equity, such as buyouts, co-investments, venture capital, and growth equity, as well as privately held debt. The 58 real estate limited partnerships invest in various property types across multiple geographic regions. Investments in limited partnerships are normally long-term with an approximate life of 10 to 15 years and considered illiquid. Investors are subject to redemption restrictions which limit and restrict the ability of limited partners to exit prior to dissolution. Partnership interests are valued using their respective NAV per share (or its equivalent) calculated by the general partner's fair valuation policy and are generally audited annually. The most significant element of NAV per share (or its equivalent) is the fair value of the investment holdings which are typically valued on a quarterly basis by the general partners. Distributions are received as the funds sell underlying portfolio company investments. TRS has no plans on liquidating the portfolio; however, TRS will opportunistically sell funds in the secondary market to reposition the portfolio and optimize returns. During the fiscal year, TRS did not sell any private equity funds on the secondary market. As of June 30, 2021, it is probable that all investments in this type will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. As of June 30, 2021, there are unfunded commitments of \$8.0 billion.
- (6) **Real assets partnerships:** Real assets strategies include 12 limited partnerships investing in global infrastructure, direct energy, renewables, and non-U.S. agriculture. These partnerships are not eligible for redemption, considered illiquid, and have an approximate life of 6 to 20 years. Distributions are received during the life of the fund as underlying investments are liquidated. Partnership interests are valued by the general partner using their respective NAV per share (or its equivalent), with the most significant element of NAV per share (or its equivalent) being the fair value of the investment holdings. TRS has no plans to liquidate these funds. As of June 30, 2021, it is probable that all

investments in this type will be sold at an amount different from the current NAV per share (or its equivalent) of the plan's ownership interest. As of June 30, 2021, there are unfunded commitments of \$1.2 billion.

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

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

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

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

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

The following table summarizes the investments held by SURS as of June 30, 2021. The amounts are segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

Table 18-5 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 2,562,987	\$ 2,562,987	\$ -	\$ -
U.S. Agency obligations	926,464	-	902,277	24,187
Municipal obligations	94,821	-	89,797	5,024
Corporate debt securities	1,975,594	-	1,889,110	86,484
Fixed income mutual funds	4,910	4,910	-	-
Foreign obligations	276,063	-	272,312	3,751
U.S. equities	3,449,609	3,448,105	1,188	316
Foreign equity securities	2,016,754	2,016,724	-	30
Short-term securities and cash adjustments	69,341	69,341	-	-
Securities lending collateral	2,143,295	-	2,143,295	-
Total investments by fair value level	13,519,838	\$ 8,102,067	\$ 5,297,979	\$ 119,792
Investment derivative instruments by fair value level				
U.S. fixed income derivative instruments	10,079	\$ -	\$ 10,079	\$ -
Foreign fixed income derivative instruments	(48)	-	(48)	-
U.S. equity derivative instruments	(2,552)	(2,650)	-	98
Foreign equity derivative instruments	(1,815)	(1,815)	-	-
Total investment derivative instruments by fair value level	5,664	\$ (4,465)	\$ 10,031	\$ 98
Investments measured at the net asset value (NAV)				
Commingled fixed income funds (1)	516,547			
Commingled equity funds (1)	1,153,974			
Commingled foreign equity funds (1)	3,449,145			
Private real estate funds (2)	1,561,400			
Private equity funds (2)	2,649,811			
Diversifying strategy funds (3)	1,576,900			
Total investments measured at the NAV	10,907,777			
Total investments subject to disclosure	24,433,279			
Less cash equivalents	(77,499)			
Less SURS Custodial Funds	(13,077)			
Total investments	\$ 24,342,703			

- (1) **Commingled funds:** Two fixed income funds, one U.S. equity fund, three international equity funds, and three global equity funds are considered to be commingled in nature. Each are valued at the NAV per share (or its equivalent) of units held at the end of the period based upon the fair value of the underlying investments. The redemption frequency is daily or monthly with a notice period of 1-10 days or 2-5 days.
- (2) **Private real estate and private equity funds:** The real asset investments are 34 core, value-add, and opportunistic real estate funds. The private equity funds are 204 limited partnership interests in equity or debt securities of privately held companies. The private credit equity funds are three yield oriented and opportunistic private credit funds. Core open-end real asset funds generally provide liquidity possibilities through redemption opportunities. Real asset closed-end funds and private equity funds are not eligible for redemption. The private real estate funds eligible for redemption are eligible quarterly, with a 45-90 day redemption notice period. Non-core funds do not offer redemptions. The nature of these investments is that distributions from each investment will be received as the underlying investments are liquidated. SURS has no plans to liquidate the total portfolio. As of June 30, 2021, it is probable all of the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of SURS's ownership interest in partner's capital. There are \$428.643 million and \$1.306 billion in unfunded commitments in the private real estate funds and private equity funds, respectively.
- (3) **Diversifying strategy funds:** Eight funds invest in a select group of underlying managers that implement a number of different alternative investment strategies and invest in a variety of markets through limited partnerships, limited liability companies,

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

COMPONENT UNITS

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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

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

The following is a description of the valuation methods and assumptions used by IHDA to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2021. IHDA management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

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

The following table summarizes investments and derivative instruments measured at fair value as of June 30, 2021, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-6 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level			
U.S. Treasury obligations	\$ 63,274	\$ 63,274	\$ -
U.S. Agency obligations	1,276,810	-	1,276,810
Municipal debt	34,289	-	34,289
Commercial paper	54,540	-	54,540
Total investments by fair value level	1,428,913	\$ 63,274	\$ 1,365,639
Investments measured at amortized cost			
Money market mutual funds	881,896		
Total investments measured at amortized cost	881,896		
Total investments	2,310,809		
Less cash equivalents	(881,896)		
Total investments	\$ 1,428,913		
Hedging derivative instruments by fair value level			
Interest rate swaps and caps	\$ (4,638)	\$ -	\$ (4,638)
Total hedging derivative instruments by fair value level	\$ (4,638)	\$ -	\$ (4,638)

ILLINOIS STATE TOLL HIGHWAY AUTHORITY (THA)

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

The following table summarizes assets measured at fair value as of December 31, 2020 (THA's fiscal year-end), segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

<u>Investment Type</u>	<u>Fair Value</u>
Investments measured at amortized cost	
U.S. Treasury obligations	\$ 95,000
Money market mutual funds	<u>636,531</u>
Total investments measured at amortized cost	<u>731,531</u>
Total investments	731,531
Less cash equivalents	<u>(636,531)</u>
Total investments	<u>\$ 95,000</u>

ILLINOIS STATE UNIVERSITY (ISU)

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

The following table summarizes assets measured at fair value as of June 30, 2021, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-8 (amounts expressed in thousands)

Investment Type	Fair Value	Significant Other Observable Inputs (Level 2)
Investments by fair value level		
U.S. Treasury obligations	\$ 55,869	\$ 55,869
U.S. Agency obligations	<u>40,955</u>	<u>40,955</u>
Total investments by fair value level	96,824	<u>\$ 96,824</u>
Investments measured at amortized cost		
Illinois Public Treasurers' Investment Pool	77,755	
Money market mutual funds	<u>74,084</u>	
Total investments measured at amortized cost	<u>151,839</u>	
Total investments subject to disclosure	248,663	
Less cash equivalents	<u>(151,839)</u>	
Total investments of the University	<u>\$ 96,824</u>	

NORTHERN ILLINOIS UNIVERSITY (NIU)

NIU categorizes its fair value measurements in accordance with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. NIU only has Level 2 investments which are valued primarily through a multidimensional relational model including standard inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers, and reference data. There have been no significant changes in valuation techniques.

The following table summarizes assets measured at fair value as of June 30, 2021, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-9 (amounts expressed in thousands)

Investment Type	Fair Value	Significant Other Observable Inputs (Level 2)
Investments by fair value level		
U.S. Treasury obligations	\$ 10,093	\$ 10,093
U.S. Agency obligations	<u>5,060</u>	<u>5,060</u>
Total investments by fair value level	15,153	<u>\$ 15,153</u>
Investments measured at amortized cost		
Money market mutual funds	10,119	
Illinois Public Treasurers' Investment Pool	<u>42,979</u>	
Total investments measured at amortized cost	<u>53,098</u>	
Total investments subject to disclosure	68,251	
Less cash equivalents	<u>(10,119)</u>	
Total investments of the University	<u>\$ 58,132</u>	

SOUTHERN ILLINOIS UNIVERSITY (SIU)

SIU categorizes fair values according to the hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets. Level 2 inputs are inputs other than quoted prices that are observable for an asset or liability, directly or indirectly. The fair values are provided by both SIU's external investment managers as well as the custodian bank.

The following table summarizes assets measured at fair value as of June 30, 2021, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-10 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level			
U.S. Treasury obligations	\$ 57,233	\$ -	\$ 57,233
U.S. Agency obligations	87,027	-	87,027
Corporate debt securities	18,062	-	18,062
Commercial paper	34,991	-	34,991
Common stock	44	44	-
Total investments by fair value level	197,357	\$ 44	\$ 197,313
Investments measured at amortized cost			
Illinois Public Treasurers' Investment Pool	92,153		
Total investments measured at amortized cost	92,153		
Total investments subject to disclosure	289,510		
Less cash equivalents	(92,153)		
Total investments of the University	\$ 197,357		

UNIVERSITY OF ILLINOIS (U OF I)

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

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

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

government mortgage-backed securities, asset-backed securities, corporate bonds, commercial paper, and municipal bonds.

Investments may be classified as Level 3 when the values include inputs that are unobservable and Level 1 and Level 2 inputs are not available. The values are based upon the best information available under the circumstances and may include management's own data. Level 3 securities include equities and farm properties.

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

There have been no changes in valuation techniques used for any assets measured at fair value during the year ended June 30, 2021.

The following table summarizes investments and derivative instruments measured at fair value as of June 30, 2021, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Table 18-11 (amounts expressed in thousands)

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury obligations	\$ 395,836	\$ -	\$ 395,836	\$ -
U.S. Agency obligations	225,020	-	225,020	-
Commercial paper	39,742	-	39,742	-
Corporate bonds	1,024,402	-	1,024,402	-
Non government mortgage-backed securities	91,277	-	91,277	-
Other asset-backed securities	329,387	-	329,387	-
Government bonds - non U.S.	12,951	-	12,951	-
Municipal bonds	29,436	-	29,436	-
Global fixed income	122	122	-	-
U.S. equities	31,672	31,186	-	486
Equity funds	37,255	37,255	-	-
Real estate - farm properties	120,699	-	-	120,699
Total investments by fair value level	2,337,799	\$ 68,563	\$ 2,148,051	\$ 121,185
Investments measured at the net asset value (NAV)				
Global fixed income (1)	6,140			
Equity funds (2)	493,706			
Diversifying strategies (3)	72,530			
Private equity (4)	91,656			
Real assets (5)	38,437			
Total investments measured at the NAV	702,469			
Investments measured at amortized cost				
Money market mutual funds	936,302			
Illinois Public Treasurers' Investment Pool	21,397			
Total investments measured at amortized cost	957,699			
Total investments subject to disclosure	3,997,967			
Less cash equivalents	(963,497)			
Total investments of the University	\$ 3,034,470			
Hedging derivative instruments by fair value level				
Interest rate swaps	\$ (1,861)	\$ -	\$ (1,861)	\$ -
Total hedging derivative instruments by fair value level	\$ (1,861)	\$ -	\$ (1,861)	\$ -

- (1) **Global fixed income:** The funds in this category invest in bonds and other debt instruments. Investments may include government, corporate, municipal, and convertible bonds; mortgage-backed and asset-backed securities; mezzanine/subordinated debt partnerships; and restructuring/distressed debt partnerships. These investments cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received as the underlying investments of the funds are liquidated over time. The fair value of this investment has been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2021.
- (2) **Equity funds:** The funds in this category invest in marketable equities that are exchange traded in the U.S. and in countries outside of the U.S. These funds can be redeemed with same business day to two business days' redemption notification. Settlement may take up to three business days. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager.
- (3) **Diversifying strategies:** The funds in this category are generally not restricted in the types of securities in which they can invest. They may invest in limited partnership vehicles or directly in equity, fixed income, and derivative instruments to achieve a stated investment objective. These funds can either be redeemed quarterly with notice periods of 60 to 65 days or cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2021. There are unfunded commitments of \$123.787 million in this category.
- (4) **Private equity:** The funds in this category invest in the following types of investments in the U.S. and outside of the U.S.: venture capital partnerships, buyout partnerships, mezzanine/subordinated debt partnerships, restructuring/distressed debt partnerships, special situation partnerships, and directly in portfolio companies. These investments cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received as the underlying investments of the funds are liquidated over time. There are unfunded commitments of \$41.769 million in this category. The fair value of this investment has been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the time period between the dates of the last available NAV per share (or its equivalent) and June 30, 2021.
- (5) **Real assets:** The funds in this category invest in real estate and farmland. These investments can either be redeemed quarterly with up to a 3-month notice period subject to general partner approval and available cash or cannot be redeemed during the life of the partnership; however, they may be able to be transferred to another eligible investor. Distributions will be received for the funds that cannot be redeemed as the underlying investments of the funds are liquidated over time. The fair values of these investments have been estimated using the NAV per share (or its equivalent) provided by the fund manager and an adjustment determined by management for the period between the dates of the last available NAV per share (or its equivalent) and June 30, 2021. There are unfunded commitments of \$28.334 million in this category.

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

The State's General Fund, from which a significant portion of day to day operating expenditures are paid, has a GAAP deficit aggregating \$3.057 billion at June 30, 2021. This deficit results from spending in excess of revenues recognized.

Nonmajor Governmental Funds

The Local Government Distributive Fund and the Personal Property Tax Replacement Fund of the Department of Revenue have deficits aggregating \$15.397 million and \$33.127 million, respectively, at June 30, 2021, resulting from spending and transfers to other State funds in excess of revenues recognized.

The Tobacco Settlement Recovery Fund of the Treasurer, the DCEO Projects Fund of the Department of Commerce and Economic Opportunity, the DHS Recoveries Trust Fund of the Department of Human Services, the Federal/Local Airport Fund of the Department of Transportation, the Public Health Services Fund of the Department of Public Health, the SBE Federal Department of Education Fund of the State Board of Education, and the Federal Aid Disaster Fund of the Emergency Management Agency have deficits at June 30, 2021, aggregating \$78.261 million, \$152.349 million, \$40.655 million, \$59.746 million, \$3.008 million, \$154.485 million, and \$53.210 million, respectively, resulting from the recognition of fund liabilities in excess of accrued revenues on the modified accrual basis.

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

The Unemployment Compensation Trust Fund of the Department of Employment Security has a deficit at June 30, 2021 of \$2.966 billion, resulting from insufficient revenues to cover unemployment compensation claims.

The Prepaid Tuition Fund of the Student Assistance Commission has a deficit at June 30, 2021, aggregating \$216.248 million, resulting from insufficient revenues to cover contractual tuition obligations.

Nonmajor Enterprise Funds

The State Lottery Fund of the Department of the Lottery and other nonmajor enterprise funds have deficits aggregating \$178.159 million and \$55.163 million, respectively, at June 30, 2021, resulting from the recognition of a proportionate share of the net pension liability and OPEB liability.

Fiduciary Funds

Pension (and Other Employee Benefit) Trust Funds

The Community College Health Insurance Security Fund of the Department of Central Management Services has a deficit at June 30, 2021, aggregating \$104.136 million, resulting from insufficient contributions due to funding based on a pay-as-you-go basis.

B. Cash Flow Deficits

As of June 30, 2021, transactions totaling \$5.883 billion that had been approved for payment by the State remained unpaid at year end due to the State's cash flow difficulties. Of this total, \$1.500 billion related to intra-governmental transactions and \$2.920 billion related to statutorily mandated transfers, the latter of which would represent noncompliance with State law. The majority of these unpaid transactions were payable from the General Revenue Fund.

20 RISK MANAGEMENT

Primary Government

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

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

The State's risk financing of auto liability has been determined using an estimate of claims outstanding. Matured claims have been recorded as liabilities in the General Fund and Road Fund in the amount of \$238 thousand and \$281 thousand, respectively. The remaining portion of the liability is included in the government-wide financial statements and is expected to be paid from future resources of the General Fund and Road Fund in the amount of \$6.649 million and \$10.273 million, respectively.

The workers' compensation liability has been determined using claims outstanding and a projection of claims to be submitted, based upon prior years' experience of the State. Claims incurred have been recorded as a liability in the Workers' Compensation Revolving Fund, an internal service fund, in the amount of \$558.196 million. Payments to the Workers' Compensation Revolving Fund are based on estimates of amounts needed to pay current year claims and are made from the applicable fund that would have paid the salaries and wages of the related employees.

The State uses the Health Insurance Reserve Fund to account for employee health and dental insurance benefit programs, which are partially self-funded. Employees may obtain health care services through participation in the State's group health insurance plan or through membership in one of six health maintenance organization plans under contract with the State. The State maintains the risk of insurance for employees who participate in the State's group health insurance plan. Expenses and liabilities for claims, which include incurred but not reported or not processed benefit claims, have been recorded as liabilities in the amount of \$408.450 million. Payments to the Health Insurance Reserve Fund are based on estimates of amounts needed to pay prior year unprocessed and current year claims and are made from the applicable fund that paid the salaries and wages of the related employee.

The following is a reconciliation of the State's claims liabilities for the year ended June 30, 2021:

Table 20-1 (amounts expressed in thousands)				
Year Ended June 30	Changes in Claims Liability Balances			
	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance
Primary Government-Governmental Activities:				
2020				
Auto Liability	\$ 19,998	\$ (1,909)	\$ (3,723)	\$ 14,366
Workers' Compensation	596,102	86,854	(103,710)	579,246
Health Insurance	599,666	880,851	(1,195,644)	284,873
Total	<u>\$ 1,215,766</u>	<u>\$ 965,796</u>	<u>\$ (1,303,077)</u>	<u>\$ 878,485</u>
2021				
Auto Liability	\$ 14,366	\$ 5,362	\$ (2,287)	\$ 17,441
Workers' Compensation	579,246	61,545	(82,595)	558,196
Health Insurance	284,873	1,065,558	(941,981)	408,450
Total	<u>\$ 878,485</u>	<u>\$ 1,132,465</u>	<u>\$ (1,026,863)</u>	<u>\$ 984,087</u>
Component Units, (Information for the Illinois State Toll Highway Authority is as of December 31):				
2020				
Illinois State Toll Highway Authority	\$ 14,699	\$ 22,830	\$ (21,313)	\$ 16,216
Southern Illinois University	30,120	-	(6,783)	23,337
University of Illinois	242,048	81,453	(44,042)	279,459
Total	<u>\$ 286,867</u>	<u>\$ 104,283</u>	<u>\$ (72,138)</u>	<u>\$ 319,012</u>
2021				
Illinois State Toll Highway Authority	\$ 16,216	\$ 19,995	\$ (18,247)	\$ 17,964
Southern Illinois University	23,337	7,561	(6,030)	24,868
University of Illinois	279,459	37,545	(44,272)	272,732
Total	<u>\$ 319,012</u>	<u>\$ 65,101</u>	<u>\$ (68,549)</u>	<u>\$ 315,564</u>

The State administers a public entity risk pool offering health insurance to local governments in the Local Government Health Insurance Reserve Fund, a nonmajor enterprise fund. The financial statements of the fund can be obtained from the Department of Central Management Services, 715 Stratton Office Building, Springfield, Illinois, 62706.

Component Units

The Illinois State Toll Highway Authority, a major component unit, records an accrued self-insurance liability which covers workers' compensation liability. The Authority's accrued self-insurance liability was \$17.964 million at December 31, 2020.

Southern Illinois University, a major component unit, records an accrued self-insurance liability which covers general and professional liability and limited student health care liability in excess of costs not covered by other primary provider plans. The University's accrued self-insurance liability was \$24.868 million at June 30, 2021.

The University of Illinois, a major component unit, records an accrued self-insurance liability which covers hospital patient liability, hospital and medical professional liability, estimated general and contract liability, and workers' compensation liability related to employees paid by the University. The University's accrued self-insurance liability was \$272.732 million at June 30, 2021.

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

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

21 COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The Department of Transportation has outstanding construction commitments for highway improvement programs of approximately \$5.5 billion as of June 30, 2021, which will be financed through State reappropriations. Also, the Capital Development Board has outstanding construction commitments for building and building additions and improvements of approximately \$515.1 million as of June 30, 2021, which will be financed through State reappropriations. The Illinois State Toll Highway Authority, reported on a December 31st year-end, has entered into commitments for road construction of approximately \$2.3 billion as of December 31, 2020. Southern Illinois University and the University of Illinois have outstanding construction commitments for various building and building improvement projects of approximately \$216.6 million and \$222.2 million, respectively, as of June 30, 2021.

B. Investment Commitments

The Office of the Treasurer has outstanding commitments at June 30, 2021, for Illinois Technology Development of approximately \$184 million. The Illinois State Board of Investments has total unfunded investment commitments of approximately \$3.2 billion outstanding at June 30, 2021. The Teachers' Retirement System has outstanding commitments at June 30, 2021, for the future purchase of investments in the real estate, other real assets, private equity, diversifying strategies, and global fixed income asset classes of approximately \$12.5 billion. The State Universities Retirement System has outstanding commitments at June 30, 2021, to private equity limited partnerships, real estate partnerships, infrastructure partnerships, and farmland partnerships of approximately \$1.3 billion, \$290.6 million, \$92.1 million, and \$45.9 million, respectively.

C. Illinois Housing Development Authority Loans

The Illinois Housing Development Authority has entered into commitments aggregating approximately \$40.5 million for the purchase of various home loans as of June 30, 2021.

D. Operating Leases

The State has entered into various operating leases for land, office facilities, office and computer equipment, and other assets. Although lease terms vary, certain leases are renewable subject to appropriation by the General Assembly. If renewal is reasonably assured, leases requiring appropriation by the General Assembly are considered noncancelable leases for financial reporting purposes. Any operating leases with scheduled rent increases are considered immaterial to the future minimum lease payments and current rental expenditures.

Future minimum commitments for non-cancelable operating leases as of June 30, 2021, are as follows:

Year Ending June 30	Operating Leases					
	Primary Government	Major Component Units				
		Illinois Housing Development Authority	Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois
2022	\$ 90,367	\$ 2,122	\$ 1,786	\$ 331	\$ 13,829	\$ 14,198
2023	69,565	1,817	1,380	86	12,335	11,399
2024	50,325	1,817	1,160	13	12,012	8,822
2025	37,294	1,817	1,139	11	10,476	6,498
2026	16,203	1,817	1,011	-	8,186	3,595
2027-2031	13,036	606	-	-	13,563	7,559
2032-2036	-	-	-	-	-	1
2037-2041	-	-	-	-	-	1
2042-2046	-	-	-	-	-	3
Total minimum lease payments	\$ 276,790	\$ 9,996	\$ 6,476	\$ 441	\$ 70,401	\$ 52,076

Rental payments for operating leases charged to operations during the year ended June 30, 2021, aggregated \$268.240 million for the governmental and business-type activities and \$500 thousand for fiduciary funds. Illinois Housing Development Authority, Illinois State University, Northern Illinois University, Southern Illinois University, and the University of Illinois (major component units) had rental payments charged to operations during the year ended June 30, 2021, of \$2.732 million, \$1.798 million, \$664 thousand, \$13.799 million, and \$16.035 million, respectively.

E. Adoption Assistance and Subsidized Guardian Commitments

The Department of Children and Family Services enters into agreements with adoptive parents and permanent guardians of youth in care of the State. These agreements generally provide monthly subsidies to the adoptive parents or permanent guardians of these youth until they reach 18 years of age. As of June 30, 2021, approximately 20.4 thousand agreements were in place with total future commitments of approximately \$830 million. These commitments will be partially offset by the federal government through the Title IV-E Adoptive Assistance and Title IV-E Guardianship Assistance Program, at an approximate rate of reimbursement of 44.6% and 35.8%, respectively.

F. Tax Litigation

At June 30, 2021, the State of Illinois has \$67.832 million in payments received related to protested tax cases, which have not been adjudicated. In addition, the State defends many lawsuits challenging reasons for denial of tax refunds in relation to tax payments already received. The ultimate disposition of these protested tax payments received and claims for tax refunds is not determinable at this time.

G. Federal Funding

The State receives federal grants which are subject to review and audit by federal grantor agencies. Certain costs could be questioned as not being an eligible expenditure under the terms of the grants. At June 30, 2021, there were no material questioned costs that have not been resolved with the federal awarding agencies. However, questioned costs could still be identified during audits to be conducted in the future. Management of the State believes there will be no material adjustments to the federal grants and, accordingly, has not recorded a provision for possible repayment.

H. Asset Retirement Obligations

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

I. Legal Proceedings

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

J. Forward Fixed-Price Energy Contracts

The Illinois Power Agency (IPA) has entered into contracts to purchase renewable energy credits from new photovoltaic distributed energy generation devices. A total of 14 companies have contracts to sell renewable energy credits to IPA. In addition, IPA has implemented the Illinois Solar For All Program which has a total of 13 companies with contracts that include incentives for low-income distributed generation and community solar projects. The total outstanding commitments for these two programs total \$47.3 million. The University of Illinois has executed forward fixed-price purchase contracts for natural gas and electricity with commitments of approximately \$53.1 million as of June 30, 2021.

K. Metropolitan Pier and Exposition Authority (Authority)

The Authority, not a part of the State of Illinois reporting entity, is authorized by the Metropolitan Pier and Exposition Authority Act to issue \$2.850 billion of bonds, excluding refunding bonds, to finance the McCormick Place expansion and certain other improvements to its facilities and Navy

Pier. These bonds are special, limited obligations of the Authority and are payable from and secured by a pledge of revenues derived from Authority taxes and State sales tax deposits. For State fiscal years when these bonds are outstanding, monthly deposits of Authority taxes to the McCormick Place Expansion Project Fund, a custodial fund, are required to be made in an amount equal to 1/8 of the annual debt service as specified in the Authority's Annual Certification plus any prior months' deficiencies in transfers. Beginning in fiscal year 2011 through fiscal year 2035, the monthly deposit of Authority taxes is reduced by deposits of dedicated State sales taxes. The maximum amount that can be deposited into the McCormick Place Expansion Project Fund shall not exceed \$300 million in fiscal years 2022 through 2025, graduating to \$450 million in fiscal year 2036 until fiscal year 2060. To the extent that Authority taxes and the dedicated State sales taxes are not sufficient to satisfy the requirements of the Authority's Annual Certification, additional State sales taxes are deposited into the McCormick Place Expansion Project Fund. During fiscal year 2021, debt service requirements for these bonds were \$228.125 million. The amount paid to the Authority based on their annual certification was \$95.085 million consisting of \$63.385 million of Authority taxes and \$31.700 million in State sales taxes.

L. Regional Transportation Authority (RTA)

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

The bonds are general obligations of the RTA to which the full faith and credit of the RTA is pledged. However, for State fiscal years in which the SCIP bonds are outstanding, the State's assistance shall be transferred monthly from the Road Fund to the Public Transportation Fund, a nonmajor governmental fund, for payment in an amount equal to the lesser of monthly debt service on the SCIP bonds or one-twelfth of the amount of the State's assistance as provided in the authorization. The authorization currently provides for \$155 million each fiscal year. During fiscal year 2021, the State provided \$124.250 million to the RTA, which is below the authorized amount of \$155 million. Although the amount of the State's assistance is measured by the debt service on the SCIP bonds, the assistance is not pledged for payment of, or security for, the SCIP bonds. The State's assistance is paid directly to the Authority and may be spent by the Authority at its discretion.

M. Illinois Sports Facilities Authority (ISFA)

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

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

Annually, the ISFA is required to certify to the State Comptroller and the State Treasurer their requirements for the next fiscal year. This certification shall be the lesser of (1) the advance amount plus \$10 million and (2) the amount to pay principal and interest and other payments relating to its obligations issued or to be issued during the fiscal year plus the amount anticipated to pay obligations under provisions of any management agreement with respect to facilities owned by the ISFA or any assistance agreement with respect to any facility for which financial assistance is provided under the Act plus an amount to pay other capital or operating expenses of the ISFA. Pursuant to the certification, the maximum advance amount for fiscal year 2021 was \$62.640 million plus \$10 million for a total of \$72.640 million. The ISFA's annual certification for fiscal year 2021 was in the amount of \$38.5 million, which is below the maximum amount authorized.

In future years, the advance amount increases by 105.615% of the preceding advance amount through fiscal year 2033. Including the additional \$10 million, the maximum which could be certified each year is \$76.158 million in fiscal year 2022, \$79.873 million in fiscal year 2023, \$83.797 million in fiscal year 2024, \$87.941 million in fiscal year 2025, \$92.318 million in fiscal year 2026, and graduating to \$124.252 million in fiscal year 2032. Of these amounts, only \$5 million per year is the State's share.

N. Southwestern Illinois Development Authority (SWIDA) Revenue Bonds

The SWIDA, a nonmajor component unit of the State, has issued revenue bonds. The proceeds of these bonds were loaned to several companies for the acquisition of land and construction of various types of facilities. These companies are primarily liable for repayment of the bonds, which are secured by SWIDA loan agreements with the companies. These bonds bear a variable interest rate and mature annually through 2026. The State has accepted a moral obligation to repay the bonds in the event the SWIDA and the companies are unable to meet the bonds' repayment commitments. As of June 30, 2021, the outstanding balance of bonds, which the State is morally obligated to repay, is \$1.779 million.

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

The UIRVDA, a nonmajor component unit of the State, has issued revenue bonds. The proceeds of these bonds were loaned to various companies to provide permanent financing for the acquisition and construction of various types of facilities. These companies are primarily liable for repayment of the bonds, which are secured by an assignment and a pledge of revenues derived from a separate loan agreement between the UIRVDA and these companies. These bonds mature annually through 2030 and bear an interest rate of 8.850%. The State has accepted a moral obligation to repay the bonds in the event the UIRVDA and the companies are unable to meet the bonds' repayment commitments. At June 30, 2021, the outstanding balance, which the State is morally obligated to repay, is \$6.400 million. Effective January 29, 2016, Public Act 099-0499 eliminated the UIRVDA's authority to issue bonds on a prospective basis with the State's moral

obligation to repay the bonds in the event the UIRVDA and the borrower are unable to meet a given bond's repayment commitments.

22 *SEGMENT INFORMATION*

Major Component Units

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

Illinois State University (ISU)

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

Southern Illinois University (SIU)

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

University of Illinois (U of I)

U of I has issued revenue bonds with the net revenues from two segments pledged to pay the bond interest and principal. The Auxiliary Facilities System segment is comprised of university-owned housing units, student unions, recreation and athletic facilities, and similar auxiliary service units, including parking. The Health Services Facilities System segment is comprised of the U of I Hospital and associated clinical facilities providing patient care.

The following are the condensed financial statements at June 30, 2021, for the segments described above:

Table 22-1 (amounts expressed in thousands)

Major Component Units	Illinois State	Southern Illinois		University of	
	University	Housing and	Medical	Auxiliary	Health Services
	Auxiliary	Auxiliary	Facilities	Facilities	Facilities
	Facilities	Facilities	System	System	System
	System	System	System	System	System
Condensed Statement of Net Position:					
Assets					
Current assets	\$ 109,012	\$ 57,061	\$ 7,326	\$ 174,122	\$ 562,054
Noncurrent assets:					
Capital assets, net of accumulated depreciation	320,960	222,642	24,316	1,224,647	293,919
Other noncurrent assets	57,137	5,106	-	32,906	34,417
Total assets	487,109	284,809	31,642	1,431,675	890,390
Deferred outflows of resources	523	2,424	1,053	12,952	2,587
Liabilities					
Current liabilities	14,003	22,498	15,486	106,784	227,217
Noncurrent liabilities	132,974	157,840	4,154	1,084,789	141,135
Total liabilities	146,977	180,338	19,640	1,191,573	368,352
Deferred inflows of resources	-	2,072	3,079	-	-
Net Position					
Net investment in capital assets	188,355	60,552	20,706	139,156	197,802
Restricted-other expendable purposes	152,300	37,832	2,097	3,590	34,417
Unrestricted	-	6,439	(12,827)	110,308	292,406
Total net position	\$ 340,655	\$ 104,823	\$ 9,976	\$ 253,054	\$ 524,625
Condensed Statement of Revenues, Expenses and Changes in Net Position:					
Operating revenues	\$ 77,632	\$ 66,639	\$ 41,855	\$ 252,149	\$ 910,533
Operating expenses	(73,950)	(74,718)	(68,768)	(281,597)	(1,290,855)
Depreciation expense	(10,863)	(13,559)	(1,298)	(46,484)	(28,023)
Operating income (loss)	(7,181)	(21,638)	(28,211)	(75,932)	(408,345)
Nonoperating revenues (expenses)	7,656	24,646	30,055	78,612	485,691
Other revenues (expenses)	-	200	(164)	-	-
Increase (decrease) in net position	475	3,208	1,680	2,680	77,346
Net position, July 1, 2020, as restated	340,180	101,615	8,296	250,374	447,279
Net position, June 30, 2021	\$ 340,655	\$ 104,823	\$ 9,976	\$ 253,054	\$ 524,625

23 SUBSEQUENT EVENTS

A. Debt Issuances

Subsequent to June 30, 2021, the State of Illinois and its major component units have issued the following debt instruments:

Table 23-1 (amounts expressed in millions)

Series	Date of Issue	Amount of Issue	Interest Rates	Annual Maturity To
Primary Government				
Governmental Activities:				
General obligation bonds:				
December, Series 2021 A	12/15/2021	\$ 200.0	5.0%	2031
December, Series 2021 B	12/15/2021	\$ 200.0	3.0% - 5.0%	2041
June, Series 2022 A	6/2/2022	\$ 925.0	5.0% - 5.5%	2047
June, Series 2022 B (Refunding)	6/2/2022	\$ 713.4	5.0%	2036
Special obligation bonds:				
Series 2021 A (Junior)	9/8/2021	\$ 130.0	3.0% - 4.0%	2034
Taxable Series 2021 B (Junior)	9/29/2021	\$ 220.0	0.463% - 3.259%	2041
Series 2021 C (Junior Refunding Tax Exempt)	9/29/2021	\$ 142.7	4.0% - 5.0%	2033
Major Component Units:				
Revenue bonds:				
Illinois Housing Development Authority				
Multi-Family Revenue Bonds, Series 2021 C (Non-AMT)	9/29/2021	\$ 78.0	0.6% - 3.05%	2065
Series 2021 D	9/23/2021	\$ 125.0	0.1% - 3.0%	2051
Taxable Series 2021 E	9/23/2021	\$ 19.3	0.27% - 2.08%	2031
Multi-Family Revenue Bonds, Series 2022 A (Non-AMT)	2/17/2022	\$ 21.8	2.65%	2062
Series 2022 A (Non-AMT)	4/21/2022	\$ 125.0	1.5% - 3.75%	2052
Series 2022 B	4/21/2022	\$ 20.0	2.5% - 4.03%	2032
Multi-Family Revenue Bonds, Series 2022 B (Non-AMT)	5/12/2022	\$ 10.8	2.05% - 4.45%	2062
Multi-Family Revenue Bonds, Series 2022 C	5/12/2022	\$ 23.6	Variable	2052
Series 2022 C (Non-AMT)	5/19/2022	\$ 90.1	2.05% - 4.5%	2052
Series 2022 D (Non-AMT)	5/19/2022	\$ 59.9	Variable	2045

Table 23-1 (continued) (amounts expressed in millions)					
Series	Date of Issue	Amount of Issue	Interest Rates	Annual Maturity To	
Major Component Units, continued:					
Revenue bonds:					
Illinois State Toll Highway Authority Series 2021 A (Toll Highway Senior Revenue)	12/16/2021	\$ 700.0	4.0% - 5.0%	2046	
Northern Illinois University Series 2021 (Auxiliary Facilities System)	7/7/2021	\$ 99.0	4.0% - 5.0%	2043	
University of Illinois Series 2021 A (Auxiliary Facilities System)	7/8/2021	\$ 135.4	2.125% - 5.0%	2051	
Certificates of participation - direct placement:					
Illinois State University Series 2021 B	10/28/2021	\$ 15.1	1.83%	2031	

B. Public Education Funding

The Illinois State Board of Education is responsible for the administration of Evidence-Based Funding (EBF) per 105 ILCS 5/18-8.15. EBF is the State’s primary funding formula for public education. It is designed to ensure that each organizational unit is guaranteed each year to receive the amount of EBF it received in the prior year, provided sufficient appropriations, plus the unit’s equitable portion of new funding made available.

Subsequent to year end, it was determined that a coding error was made by an agency contractor in spring 2018 during the development of the enrollment verification system used for EBF calculations. The system was used in the verification of enrollment data for fiscal year 2019 EBF calculations. The coding error resulted in the overstatement of the enrollment of students attending state-authorized charter schools in districts with more than one state-authorized charter school. The incorrect enrollment count compounded in each subsequent year after 2019. Chicago Public Schools is the only organizational unit with more than one state-authorized charter school within its boundaries.

The coding error resulted in overstated payments to Chicago Public Schools of \$6.727 million in FY 2019, \$17.911 million in FY 2020, \$17.911 million in FY 2021, and \$44.964 million in FY 2022 for a cumulative total of \$87.513 million. The overstated payments to Chicago Public Schools resulted in cumulative underpayments to 762 organizational units totaling \$87.517 million. Public Act 102-0698 provided a FY22 supplemental appropriation in the amount of \$87.517 million to make all 762 organizational units whole for the underpayments caused by the coding error.

24 CONTRACTUAL VIOLATION

Due to conditions currently existing in the credit markets, the Illinois Designated Account Purchase Program (IDAPP) has been unable to refinance a revolving credit agreement that is past due and is currently in default under its agreement. As a result of the violation, the bank involved with the agreement has certain remedies available. Citibank has reserved its rights to remedies in the indenture. Discussions are ongoing with the lender to determine remedies to the violations, but no resolution has been reached.

Required Supplementary Information

State of Illinois

**Budgetary Comparison Schedule
Major Governmental Fund**

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Funds			
	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES:				
Income taxes	\$ 22,615,000	\$ 22,615,000	\$ 26,109,130	\$ 3,494,130
Sales taxes	9,038,000	9,038,000	9,368,812	330,812
Public utility taxes	828,000	828,000	751,382	(76,618)
Federal government	3,625,000	3,625,000	4,323,513	698,513
Other	2,533,004	2,533,004	2,350,109	(182,895)
Less:				
Refunds		1,076	529	(547)
Total revenues	38,639,004	38,637,928	42,902,417	4,264,489
EXPENDITURES:				
Current:				
Health and social services	14,946,702	15,111,172	14,018,245	(1,092,927)
Education	18,174,994	18,206,188	18,163,505	(42,683)
General government	4,227,144	4,433,279	4,384,077	(49,202)
Employment and economic development	104,099	204,909	152,413	(52,496)
Public protection and justice	2,630,548	2,630,859	2,552,349	(78,510)
Environment and business regulation	71,892	71,070	66,220	(4,850)
Capital outlays	18,764	16,074	11,357	(4,717)
Total expenditures	40,174,143	40,673,551	39,348,166	(1,325,385)
Excess (deficiency) of revenues over (under) expenditures	(1,535,139)	(2,035,623)	3,554,251	5,589,874
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:				
Transfers-in	12,939,268	12,939,268	12,939,268	-
Transfers-out	(13,545,571)	(13,545,571)	(13,545,571)	-
Total other sources (uses) of financial resources	(606,303)	(606,303)	(606,303)	-
Excess (deficiency) of revenues over (under) expenditures, and other sources budgetary funds-nonbudgeted accounts	(2,141,442)	(2,641,926)	2,947,948	5,589,874
Budgetary fund balances (deficits), July 1, 2020, as previously reported	(5,751,482)	(5,751,482)	(5,751,482)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (7,892,924)	\$ (8,393,408)	\$ (2,803,534)	\$ 5,589,874

Notes to Budgetary Comparison Schedule
– Major Governmental Funds

For the Year Ended June 30, 2021

A. Budgetary Basis of Accounting

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

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

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

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

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

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

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

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

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

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

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

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

B. Budgetary-GAAP Reporting Reconciliation

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of differences between budgetary and GAAP presentations for the year ended June 30, 2021, is presented below for the major governmental funds (amounts expressed in thousands):

	MAJOR GOVERNMENTAL FUND
	General Fund
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (budgetary basis)	\$ 2,947,948
Reclassifications: Budgetary Special State Funds reported as part of the General Fund for GAAP reporting	(1,831,908)
Adjustments: To adjust revenues, related receivables and unavailable revenue	1,049,613
To adjust expenditures and related liabilities	<u>1,085,198</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (GAAP basis)	<u><u>\$ 3,250,851</u></u>

Required Supplementary Information

Defined Benefit Pension Plans

Required supplementary information is provided for the following plans: the General Assembly Retirement System (GARS), Judges' Retirement System (JRS), State Employees' Retirement System (SERS), Teachers' Retirement System (TRS), and State Universities Retirement System (SURS).

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

Single-Employer Plans

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

Schedule of Changes in Net Pension Liability and Related Ratios							
GARS							
(amounts expressed in thousands)							
	2020	2019	2018	June 30, 2017	2016	2015	2014
Total pension liability							
Service cost	\$ 2,860	\$ 3,280	\$ 3,536	\$ 3,880	\$ 3,577	\$ 5,957	\$ 5,383
Interest on total pension liability	23,720	24,853	24,542	24,046	22,395	19,911	20,111
Differences between expected and actual experience	(1,547)	4,008	1,197	2,094	(5,401)	2,366	12,389
Assumption changes	1,929	(8,253)	(1,213)	(2,431)	42,123	(70,539)	-
Benefit payments	(25,710)	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)	(20,800)
Refunds	(138)	(169)	(45)	(131)	(142)	(192)	(245)
Administrative expenses	(401)	(389)	(348)	(356)	(382)	(394)	(335)
Net change in total pension liability	713	(1,228)	4,386	4,739	40,329	(64,166)	16,503
Total pension liability - beginning	381,563	382,791	378,405	373,666	333,337	397,503	381,000
Total pension liability - ending (a)	\$ 382,276	\$ 381,563	\$ 382,791	\$ 378,405	\$ 373,666	\$ 333,337	\$ 397,503
Plan fiduciary net position							
Contributions - employer	\$ 25,754	\$ 23,253	\$ 21,155	\$ 21,721	\$ 16,073	\$ 15,871	\$ 13,957
Contributions - participant	1,206	1,317	1,255	1,285	1,309	1,487	1,503
Net investment income	2,581	3,450	3,734	5,140	(539)	2,287	8,363
Benefit payments	(25,710)	(24,558)	(23,283)	(22,363)	(21,841)	(21,275)	(20,800)
Refunds	(138)	(169)	(45)	(131)	(142)	(192)	(245)
Administrative expense	(401)	(389)	(348)	(356)	(382)	(394)	(335)
Net change in plan fiduciary net position	3,292	2,904	2,468	5,296	(5,522)	(2,216)	2,443
Plan fiduciary net position - beginning	59,720	56,816	54,348	49,052	54,574	56,790	54,347
Plan fiduciary net position - ending (b)	63,012	59,720	56,816	54,348	49,052	54,574	56,790
State's net pension liability - ending (a) - (b)	\$ 319,264	\$ 321,843	\$ 325,975	\$ 324,057	\$ 324,614	\$ 278,763	\$ 340,713
Plan fiduciary net position as a percentage of the total pension liability	16.48%	15.65%	14.84%	14.36%	13.13%	16.37%	14.29%
Covered payroll *	\$ 10,191	\$ 10,159	\$ 10,711	\$ 10,996	\$ 11,298	\$ 11,587	\$ 12,754
State's net pension liability as a percentage of covered payroll	3132.80%	3168.06%	3043.37%	2947.04%	2873.20%	2405.83%	2671.42%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:							
	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Discount rate	6.37%	6.41%	6.68%	6.66%	6.60%	6.91%	5.11%
Investment rate of return	6.50%	6.50%	6.75%	6.75%	6.75%	7.00%	7.00%
Long-term municipal bond rate	2.45%	3.13%	3.62%	3.56%	2.85%	3.80%	4.29%
The difference between the actual and expected experience for each plan includes the impact of the change in the respective single discount rates based on the plans' respective long-term expected rate of return on pension plan investments at year end. The changes were measured using the actuarial assumption for the period, respectively.							
* Covered payroll was restated to comply with the requirements of GASB Statement No. 82.							

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

Schedule of Changes in Net Pension Liability and Related Ratios							
JRS							
(amounts expressed in thousands)							
	2020	2019	2018	June 30, 2017	2016	2015	2014
Total pension liability							
Service cost	\$ 48,964	\$ 50,009	\$ 53,222	\$ 56,166	\$ 58,041	\$ 59,620	\$ 57,139
Interest on total pension liability	177,034	180,188	175,399	168,164	158,611	151,431	145,994
Differences between expected and actual experience	3,088	37,888	6,191	23,042	(3,260)	28,714	4,490
Assumption changes	23,771	(42,249)	(14,446)	(29,511)	205,405	9,482	-
Benefit payments	(165,544)	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)	(118,591)
Refunds	(438)	(991)	(482)	(975)	(658)	(946)	(688)
Administrative expenses	(1,032)	(910)	(897)	(914)	(942)	(983)	(832)
Net change in total pension liability	85,843	66,585	70,840	75,475	284,625	121,664	87,512
Total pension liability - beginning	2,850,453	2,783,868	2,713,028	2,637,553	2,352,928	2,231,264	2,143,752
Total pension liability - ending (a)	\$ 2,936,296	\$ 2,850,453	\$ 2,783,868	\$ 2,713,028	\$ 2,637,553	\$ 2,352,928	\$ 2,231,264
Plan fiduciary net position							
Contributions - employer	\$ 144,160	\$ 140,519	\$ 135,962	\$ 131,334	\$ 132,060	\$ 134,040	\$ 126,816
Contributions - participant	14,508	14,610	14,295	14,770	14,962	15,431	15,919
Net investment income	48,127	64,741	69,950	97,797	(6,471)	36,009	110,059
Benefit payments	(165,544)	(157,350)	(148,147)	(140,497)	(132,572)	(125,654)	(118,591)
Refunds	(438)	(991)	(482)	(975)	(658)	(946)	(688)
Administrative expense	(1,032)	(910)	(897)	(914)	(942)	(983)	(832)
Net change in plan fiduciary net position	39,781	60,619	70,681	101,515	6,379	57,897	132,683
Plan fiduciary net position - beginning	1,073,104	1,012,485	941,804	840,289	833,910	776,013	643,330
Plan fiduciary net position - ending (b)	1,112,885	1,073,104	1,012,485	941,804	840,289	833,910	776,013
State's net pension liability - ending (a) - (b)	\$ 1,823,411	\$ 1,777,349	\$ 1,771,383	\$ 1,771,224	\$ 1,797,264	\$ 1,519,018	\$ 1,455,251
Plan fiduciary net position as a percentage of the total pension liability	37.90%	37.65%	36.37%	34.71%	31.86%	35.44%	34.78%
Covered payroll *	\$ 135,392	\$ 138,415	\$ 132,065	\$ 139,738	\$ 139,538	\$ 145,903	\$ 150,280
State's net pension liability as a percentage of covered payroll	1346.76%	1284.07%	1341.30%	1267.53%	1288.01%	1041.11%	968.36%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:							
Total pension liability	2020	2019	2018	2017	2016	2015	2014
Discount rate	6.26%	6.34%	6.60%	6.58%	6.48%	6.85%	6.89%
Investment rate of return	6.50%	6.50%	6.75%	6.75%	6.75%	7.00%	7.00%
Long-term municipal bond rate	2.45%	3.13%	3.62%	3.56%	2.85%	3.80%	4.29%
The difference between the actual and expected experience for each plan includes the impact of the change in the respective single discount rates based on the plans' respective long-term expected rate of return on pension plan investments at year end. The changes were measured using the actuarial assumptions for the period, respectively.							
* Covered payroll was restated to comply with the requirements of GASB Statement No. 82.							

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

Schedule of Changes in Net Pension Liability and Related Ratios SERS (amounts expressed in thousands)							
	2020	2019	2018	June 30, 2017	2016	2015	2014
Total pension liability							
Service cost	\$ 818,760	\$ 801,415	\$ 828,486	\$ 893,147	\$ 843,377	\$ 847,997	\$ 776,488
Interest on total pension liability	3,295,059	3,378,804	3,295,855	3,217,532	2,989,387	2,912,736	2,754,122
Change of benefit terms	-	(462,610)	-	-	-	-	-
Differences between expected and actual experience	114,763	(24,683)	(185,489)	(601,531)	(730,622)	(464,942)	150,997
Assumption changes	716,029	313,744	(348,811)	(884,705)	5,048,087	360,713	3,142,466
Benefit payments	(2,727,821)	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)	(1,917,062)
Refunds	(19,366)	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)	(23,083)
Administrative expenses	(17,413)	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)	(16,615)
Net change in total pension liability	2,180,011	1,366,252	1,082,482	253,256	5,916,892	1,581,970	4,867,313
Total pension liability - beginning	51,885,938	50,519,686	49,437,204	49,183,948	43,267,056	41,685,086	36,817,773
Total pension liability - ending (a)	\$ 54,065,949	\$ 51,885,938	\$ 50,519,686	\$ 49,437,204	\$ 49,183,948	\$ 43,267,056	\$ 41,685,086
Plan fiduciary net position							
Contributions - employer	\$ 2,368,905	\$ 2,274,925	\$ 1,929,175	\$ 1,798,348	\$ 1,882,243	\$ 1,804,319	\$ 1,699,448
Contributions - participant	271,749	275,675	254,442	251,611	256,198	266,139	269,232
Net investment income	829,329	1,118,429	1,257,040	1,812,879	(125,443)	681,377	2,169,346
Benefit payments	(2,727,821)	(2,601,306)	(2,464,832)	(2,328,621)	(2,190,501)	(2,034,858)	(1,917,062)
Refunds	(19,366)	(24,133)	(27,469)	(26,609)	(26,709)	(23,129)	(23,083)
Administrative expense	(17,413)	(14,979)	(15,258)	(15,957)	(16,127)	(16,547)	(16,615)
Net change in plan fiduciary net position	705,383	1,028,611	933,098	1,491,651	(220,339)	677,301	2,181,266
Plan fiduciary net position - beginning	18,491,888	17,463,277	16,530,179	15,038,528	15,258,867	14,581,566	12,400,300
Plan fiduciary net position - ending (b)	19,197,271	18,491,888	17,463,277	16,530,179	15,038,528	15,258,867	14,581,566
State's net pension liability - ending (a) - (b)	\$ 34,868,678	\$ 33,394,050	\$ 33,056,409	\$ 32,907,025	\$ 34,145,420	\$ 28,008,189	\$ 27,103,520
Plan fiduciary net position as a percentage of the total pension liability	35.51%	35.64%	34.57%	33.44%	30.58%	35.27%	34.98%
Covered payroll *	\$ 4,517,749	\$ 4,621,647	\$ 4,240,109	\$ 4,192,582	\$ 4,282,020	\$ 4,452,369	\$ 4,414,784
State's net pension liability as a percentage of covered payroll	771.82%	722.56%	779.61%	784.89%	797.41%	629.06%	613.93%
Notes to Schedule. The calculations of the total pension liability for each fiscal year presented are based on the following assumptions:							
	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Discount rate	6.35%	6.47%	6.81%	6.78%	6.64%	7.02%	7.09%
Investment rate of return	6.75%	6.75%	7.00%	7.00%	7.00%	7.25%	7.25%
Long-term municipal bond rate	2.45%	3.13%	3.62%	3.56%	2.85%	3.80%	4.29%
The difference between the actual and expected experience for each plan includes the impact of the change in the respective single discount rates based on the plans' respective long-term expected rate of return on pension plan investments at year end. The changes were measured using the actuarial assumptions for the period, respectively.							
* Covered payroll was restated to comply with the requirements of GASB Statement No. 82.							

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

Schedule of Contributions (amounts expressed in thousands)							Actual Contribution as a % of Covered Payroll
Plan	Fiscal Year Ended	Actuarial Determined Contribution ^	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll *		
GARS	2021	\$ 34,433	\$ 27,299	\$ 7,134	\$ 10,082	270.77%	
	2020	34,411	25,754	8,657	10,191	252.71%	
	2019	32,650	23,221	9,429	10,159	228.58%	
	2018	32,083	21,155	10,928	10,711	197.51%	
	2017	26,985	21,721	5,264	10,996	197.54%	
	2016	17,141	16,073	1,068	11,298	142.26%	
	2015	16,901	15,871	1,030	11,587	136.97%	
	2014	17,110	13,957	3,153	12,754	109.43%	
	2013	17,065	14,150	2,915	14,876	95.12%	
	2012	13,366	10,502	2,864	15,263	68.81%	
JRS	2021	\$ 173,205	\$ 148,625	\$ 24,580	\$ 137,422	108.15%	
	2020	173,704	144,160	29,544	135,392	106.48%	
	2019	169,632	140,469	29,163	138,415	101.48%	
	2018	168,057	135,962	32,095	132,065	102.95%	
	2017	152,699	131,334	21,365	139,738	93.99%	
	2016	121,363	132,060	(10,697)	139,538	94.64%	
	2015	124,216	134,040	(9,824)	145,903	91.87%	
	2014	125,062	126,816	(1,754)	150,280	84.39%	
	2013	125,577	88,240	37,337	156,142	56.51%	
	2012	110,923	63,644	47,279	153,551	41.45%	
SERS	2021	\$ 3,037,756	\$ 2,478,210	\$ 559,546	\$ 4,697,845	52.75%	
	2020	2,913,649	2,368,905	544,744	4,517,749	52.44%	
	2019	2,995,968	2,274,925	721,043	4,621,647	49.22%	
	2018	2,739,378	1,929,175	810,203	4,240,109	45.50%	
	2017	2,129,483	1,798,348	331,135	4,192,582	42.89%	
	2016	2,019,691	1,882,243	137,448	4,282,020	43.96%	
	2015	2,045,354	1,804,319	241,035	4,452,369	40.52%	
	2014	1,956,841	1,699,447	257,394	4,414,784	38.49%	
	2013	1,741,286	1,531,932	209,354	4,235,366	36.17%	
	2012	1,614,835	1,391,416	223,419	4,328,768	32.14%	

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

* Covered payroll for fiscal years on and after June 30, 2012, were restated to comply with the requirements of GASB Statement No. 82.

Notes To Schedule of Contributions			
	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>
Actuarial Valuation Date	6/30/2019	6/30/2019	6/30/2019
Note:	Actuarially determined contribution rates are calculated as of June 30, 12 months prior to the beginning of the fiscal year in which contributions will be made.		
Methods and Assumptions Used to Determine Contribution Rates as of the Valuation Date:			
Actuarial cost method	Proj. Unit Credit	Proj. Unit Credit	Proj. Unit Credit
Amortization method	Level % of pay	Level % of pay	Level % of pay
Remaining amortization period	16 years, closed	21 years, closed	21 years, closed
Asset valuation method	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial assumptions:			
Inflation rate	2.25%	2.25%	2.25%
Salary increases*	Salary increase rates based on age-related productivity and merit rates plus inflation.	Salary increase rates based on age-related productivity and merit rates plus inflation.	Salary increase rates based on age-related productivity and merit rates plus inflation.
Postretirement benefit increases			
Tier 1	3%, compounded	3%, compounded	3%, compounded
Tier 2	Lesser of 3% or annual increase in CPI [^]	Lesser of 3% or annual increase in CPI [^]	Lesser of 3% or 1/2 annual increase in CPI [^]
Investment rate of return	6.50%	6.50%	6.75%
Retirement age	Experience-based table of rates specific to type of eligibility condition	Experience-based table of rates specific to type of eligibility condition	Experience-based table of rates specific to type of eligibility condition
Mortality:			
GARS	Pub-2010 Above-Median Income General Healthy Mortality tables, sex distinct, with scaling factors of 99% for males and females, and the MP-2018 two-dimensional generational mortality improvement scale.		
JRS	Pub-2010 Above-Median Income General Healthy Mortality tables, sex distinct, with scaling factors of 102% for males and 98% for females, and the MP-2018 two-dimensional generational mortality improvement scale.		
SERS	Pub-2010 General Healthy Mortality tables, sex distinct, with scaling factors of 111% for males and females, one year set forward for females, and the MP-2018 two-dimensional generational mortality improvement scale.		
<hr/>			
^ Consumer Price Index			
* Includes inflation rate listed			

Cost-Sharing Multiple-Employer Plans

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

Schedule of the State's Proportionate Share of the Net Pension Liability TRS (amounts expressed in thousands)							
	2020	2019	2018	June 30, 2017	2016	2015	2014
State's proportion of the net pension liability	98.74%	98.62%	98.57%	96.83%	96.72%	96.48%	96.47%
State's proportionate share of the net pension liability [^]	\$ 85,132,824	\$ 79,988,144	\$ 76,827,641	\$ 73,979,435	\$ 76,344,452	\$ 63,203,638	\$ 58,710,342
Plan fiduciary net position as a percentage of the total pension liability	37.76%	39.64%	40.00%	39.26%	36.44%	41.47%	42.95%

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

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

Schedule of the State's Proportionate Share of the Net Pension Liability SURS (amounts expressed in thousands)							
	2020	2019	2018	June 30, 2017	2016	2015	2014
State's proportion of the net pension liability	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
State's proportionate share of the net pension liability	\$ 30,619,504	\$ 28,720,071	\$ 27,494,557	\$ 25,481,106	\$ 25,965,272	\$ 23,756,361	\$ 21,790,983
Plan fiduciary net position as a percentage of the total pension liability	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%

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

Schedule of State Contributions (amounts expressed in thousands)				
Plan	Fiscal Year	Statutorily Required Contribution	State Contribution	Contribution Excess/ (Deficiency)
TRS*	2021	\$ 5,140,648	\$ 5,140,648	-
	2020	4,813,452	4,813,452	-
	2019	4,466,021	4,466,021	-
	2018	4,095,125	4,095,125	-
	2017	3,986,364	3,986,364	-
	2016	3,742,469	3,742,469	-
	2015	3,377,665	3,377,665	-
	2014	3,438,383	3,438,383	-
SURS**	2021	\$ 1,995,767	\$ 1,995,767	-
	2020	1,785,818	1,785,818	-
	2019	1,592,639	1,592,639	-
	2018	1,568,221	1,568,221	-
	2017	1,612,164	1,612,164	-
	2016	1,542,947	1,542,947	-
	2015	1,488,591	1,488,591	-
	2014	1,458,965	1,458,965	-
<p>* TRS statutory and actual contributions amounts include actual contributions required to fund the Guaranteed Minimum Benefit Reserve equal to \$312, \$374, \$443, \$509, \$580, \$667, \$787, and \$905 for fiscal years 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014, respectively.</p>				
<p>** SURS statutorily required contribution is calculated using the total statutorily required State contribution requirement to SURS less the actual contributions made to the Self Managed Defined Contribution plan.</p>				

Defined Benefit Other Postemployment Benefit Plans

Required supplementary information is provided for the State's single-employer defined benefit other postemployment benefit (OPEB) plan, the Illinois State Employees Group Insurance Program (SEGIP), as well as the cost-sharing defined benefit OPEB plans administered by the State for teachers at school districts in Illinois (excluding Chicago), the Teachers' Retirement Insurance Program (TRIP), and for teachers at community colleges in Illinois, the College Insurance Program (CIP).

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

Single-employer plan

The following schedule of changes in the total OPEB liability and related ratios is presented as of the measurement date:

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

Cost-Sharing Multiple-Employer Plans

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

Schedule of the State’s Proportionate Share of the Net OPEB Liability TRIP (amounts expressed in thousands)				
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
State’s proportion of the net OPEB liability	57.53%	57.52%	57.32%	56.77%
State’s proportionate share of the net OPEB liability	\$ 15,381,771	\$ 15,920,463	\$ 15,100,333	\$ 14,731,764
Plan fiduciary net position as a percentage of the total OPEB liability	0.70%	0.25%	-0.07%	-0.17%

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

Schedule of the State’s Proportionate Share of the Net OPEB Liability CIP (amounts expressed in thousands)				
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
State’s proportion of the net OPEB liability	50.00%	50.00%	50.00%	49.67%
State’s proportionate share of the net OPEB liability	\$ 911,381	\$ 944,270	\$ 942,626	\$ 905,774
Plan fiduciary net position as a percentage of the total OPEB liability	-5.07%	-4.13%	-3.54%	-2.87%

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

Schedule of State Contributions (amounts expressed in thousands)				
Plan	Fiscal Year	Statutorily Required Contribution	State Contribution	Contribution Excess/ (Deficiency)
TRIP	2021	\$ 137,436	\$ 137,436	-
	2020	133,896	133,896	-
	2019	120,809	120,809	-
	2018	114,168	114,168	-
	2017	109,703	109,703	-
	2016	108,259	108,259	-
	2015	100,983	100,983	-
	2014	90,430	90,430	-
	2013	86,683	86,683	-
	2012	87,622	87,622	-
	CIP	2021	\$ 4,649	\$ 4,649
2020		4,598	4,598	-
2019		4,208	9,208	5,000
2018		4,133	4,133	-
2017		4,309	4,309	-
2016		4,625	4,625	-
2015		4,479	4,479	-
2014		4,399	4,399	-
2013		4,176	40,176	36,000
2012		4,396	4,396	-

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

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GENERAL FUND

The General Fund is used to account for resources obtained and used for those services traditionally provided by State government which are not accounted for in another fund.

SIGNIFICANT GENERAL FUND ACCOUNT DESCRIPTIONS

General Revenue Account--to account for resources obtained and used which are not accounted for in another fund or account.

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

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

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

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

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

State of Illinois

Combining Schedule of Accounts

General Fund

June 30, 2021 (Expressed in Thousands)

	General Revenue Account	Education Assistance Account	Common School Account	Advancement of Education Account	Commitment to Human Services Account
ASSETS					
Cash equity with State Treasurer	\$ 3,628,381	\$ 213,055	\$ 25,691	\$ 270,768	\$ 255,489
Cash and cash equivalents	8,256				
Securities lending collateral of State Treasurer	3,311,563		20,527		
Receivables, net:					
Taxes	1,861,383	73,197	123,608	28,758	28,758
Intergovernmental	1,612,778				
Other	1,195,454	5,226	14		409
Due from other funds	508,447	24,521	72,075		
Due from component units	17,041	11			
Inventories	243,749				
Loans and notes receivable, net	122,409				
Other assets	15,000				
Total assets	\$ 12,524,461	\$ 316,010	\$ 241,915	\$ 299,526	\$ 284,656
LIABILITIES					
Accounts payable and accrued liabilities	\$ 4,023,865	\$ 3,415	\$ 91,286	\$ 240	\$ 51,276
Intergovernmental payables	2,581,231	33			7,760
Due to other funds	3,306,343	1,922	5,411		120
Due to component units	143,261	3,257			73
Unearned revenue	1,557,950	58,888		5,722	5,722
Obligations under securities lending of State Treasurer	3,311,563		20,527		
Matured portion of long-term liabilities	238				
Total liabilities	14,924,451	67,515	117,224	5,962	64,951
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	1,508,759	23,920		9,049	9,049
Total deferred inflows of resources	1,508,759	23,920		9,049	9,049
FUND BALANCES (DEFICITS)					
Nonspendable long-term portion of loans and notes receivable	2,669				
Nonspendable inventories	243,749				
Restricted	34,941				
Committed	3,118,246	224,575	124,691	284,515	210,656
Unassigned	(7,308,354)				
Total fund balances (deficits)	(3,908,749)	224,575	124,691	284,515	210,656
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 12,524,461	\$ 316,010	\$ 241,915	\$ 299,526	\$ 284,656

Budget Stabilization Account			Eliminations	Total
\$	5,708		\$	4,399,092
	860			8,256
				3,332,950
				2,115,704
				1,612,778
	1			1,201,104
	1,886	\$	(6)	606,923
				17,052
				243,749
				122,409
				15,000
\$	8,455	\$	(6)	\$ 13,675,017
			\$	4,170,082
				2,589,024
\$	1	\$	(6)	3,313,791
				146,591
	860			1,628,282
				3,332,950
				238
	861		(6)	15,180,958
				1,550,777
				1,550,777
				2,669
				243,749
				34,941
				3,962,683
	7,594			(7,300,760)
	7,594			(3,056,718)
\$	8,455	\$	(6)	\$ 13,675,017

State of Illinois

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Revenue Account	Education Assistance Account	Common School Account	Advancement of Education Account	Commitment to Human Services Account
REVENUES					
Income taxes	\$ 20,997,809	\$ 1,931,233	\$ 14,902	\$ 771,491	\$ 771,491
Sales taxes	7,175,357		2,481,485		
Public utility taxes	753,064		52,299		
Medical providers assessment taxes	3,114,957				
Other taxes	2,955,842		63,176		
Federal government	20,181,477				
Licenses and fees	467,498		676		
Interest and other investment income	21,826		208		
Other	1,380,444	766			
Total revenues	57,048,274	1,931,999	2,612,746	771,491	771,491
EXPENDITURES					
Current:					
Health and social services	31,939,605				668,623
Education	8,187,108	1,617,767	8,621,006	594,066	
General government	2,791,621				
Employment and economic development	965,115				
Transportation	557,793				
Public protection and justice	3,316,060				
Environment and business regulation	164,255				
Debt service:					
Principal	3,610	43			
Interest	5,544	4			
Capital outlays	91,117	69			
Total expenditures	48,021,828	1,617,883	8,621,006	594,066	668,623
Excess (deficiency) of revenues over (under) expenditures	9,026,446	314,116	(6,008,260)	177,425	102,868
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation notes issued	2,000,000				
Transfers-in	1,186,204	26,789	6,557,419		
Transfers-out	(10,138,826)				
Capital lease financing	4,010				
Net other sources (uses) of financial resources	(6,948,612)	26,789	6,557,419		
Net change in fund balances	2,077,834	340,905	549,159	177,425	102,868
Fund balances (deficits), July 1, 2020	(6,103,224)	(116,330)	(424,468)	107,090	107,788
Increase for changes in inventory	116,641				
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (3,908,749)	\$ 224,575	\$ 124,691	\$ 284,515	\$ 210,656

Budget Stabilization		
Account	Eliminations	Total
		\$ 24,486,926
		9,656,842
		805,363
		3,114,957
		3,019,018
		20,181,477
		468,174
\$ 7		22,041
		1,381,210
7		63,136,008

		32,608,228
		19,019,947
		2,791,621
		965,115
		557,793
		3,316,060
		164,255
		3,653
		5,548
		91,186
		59,523,406
7		3,612,602

		2,000,000
16,894	\$ (5,807,231)	1,980,075
(14,241)	5,807,231	(4,345,836)
		4,010
2,653	-	(361,751)
2,660	-	3,250,851
4,934		(6,424,210)
		116,641
\$ 7,594	\$ -	\$ (3,056,718)

State of Illinois

Combining Balance Sheet -
Nonmajor Governmental Funds

June 30, 2021 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash equity with State Treasurer	\$ 6,759,484	\$ 1,295,408	\$ 2,292,120	\$ 15,475	\$ 10,362,487
Cash and cash equivalents	263,515	323,197	11,165	335	598,212
Securities lending collateral of State Treasurer	905,543	544,788	201,401	983	1,652,715
Investments	17,996			48,950	66,946
Receivables, net:					
Taxes	703,100				703,100
Intergovernmental	1,809,173	16,443	4,357		1,829,973
Other	428,623	439	1,442	1	430,505
Due from other funds	1,431,347	4,365	101,542		1,537,254
Due from component units	411,458				411,458
Inventories	116,775				116,775
Loans and notes receivable, net	39,031		1,200		40,231
Other assets	35,174				35,174
Total assets	12,921,219	2,184,640	2,613,227	65,744	17,784,830
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - intra-entity transfers of future revenues	209,630				209,630
Total deferred outflows of resources	209,630				209,630
Total assets and deferred outflows of resources	\$ 13,130,849	\$ 2,184,640	\$ 2,613,227	\$ 65,744	\$ 17,994,460
LIABILITIES					
Accounts payable and accrued liabilities	\$ 976,105		\$ 269,117		\$ 1,245,222
Intergovernmental payables	2,833,638		15,076		2,848,714
Due to other funds	1,153,117		4,442	\$ 138	1,157,697
Due to component units	155,871		270		156,141
Unearned revenue	914,941		6,956		921,897
Obligations under securities lending of State Treasurer	905,543	\$ 544,788	201,401	983	1,652,715
Matured portion of long-term liabilities	281				281
Total liabilities	6,939,496	544,788	497,262	1,121	7,982,667
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue	881,295	14,617	1,164		897,076
Deferred inflows of resources - intra-entity transfers of future revenues	209,630				209,630
Total deferred inflows of resources	1,090,925	14,617	1,164		1,106,706
FUND BALANCES (DEFICITS)					
Nonspendable - inventories	116,775				116,775
Nonspendable - endowments and similar funds				60,341	60,341
Restricted	1,305,062	1,625,235	1,459,541	4,282	4,394,120
Committed	4,346,013		655,260		5,001,273
Unassigned	(667,422)				(667,422)
Total fund balances	5,100,428	1,625,235	2,114,801	64,623	8,905,087
Total liabilities, deferred inflows of resources, and fund balances	\$ 13,130,849	\$ 2,184,640	\$ 2,613,227	\$ 65,744	\$ 17,994,460

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES					
Income taxes	\$ 3,759,076				\$ 3,759,076
Sales taxes	4,000,935				4,000,935
Motor fuel taxes	1,632,271		\$ 729,754		2,362,025
Public utility taxes	561,020				561,020
Riverboat taxes	200,378				200,378
Other taxes	586,718				586,718
Federal government	16,077,257	\$ 71,857	67,245		16,216,359
Licenses and fees	2,537,868		549,170	\$ 171	3,087,209
Interest and other investment income	25,823	3,216	1,759	10,058	40,856
Other	977,783	2	4,076	52	981,913
Total revenues	30,359,129	75,075	1,352,004	10,281	31,796,489
EXPENDITURES					
Current:					
Health and social services	9,420,222			9	9,420,231
Education	3,803,167		64,388		3,867,555
General government	641,690	985	112,933		755,608
Employment and economic development	1,150,349	6	70,080		1,220,435
Transportation	2,858,867		1,010,731		3,869,598
Public protection and justice	675,737		555		676,292
Environment and business regulation	881,858		17,065		898,923
Debt service:					
Principal	106,479	2,950,765	2		3,057,246
Interest	40,025	1,550,288			1,590,313
Capital outlays	639,311		1,627,699		2,267,010
Intergovernmental	7,967,694				7,967,694
Total expenditures	28,185,399	4,502,044	2,903,453	9	35,590,905
Excess (deficiency) of revenues over (under) expenditures	2,173,730	(4,426,969)	(1,551,449)	10,272	(3,794,416)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued	211,978		1,638,022		1,850,000
Premiums on general obligation bonds issued	17,976		180,138		198,114
Discounts on general obligation bonds issued	(1,036)		(7,593)		(8,629)
General obligation refunding bonds issued		257,960			257,960
Premiums on general obligation refunding bonds issued		16,959			16,959
Transfers-in	732,163	4,735,342	2,100		5,469,605
Transfers-out	(2,367,133)	(67,587)	(48,928)	(1,657)	(2,485,305)
Payments to refunded bond escrow agent		(273,987)			(273,987)
Capital lease financing	3,510				3,510
Net other sources (uses) of financial resources	(1,402,542)	4,668,687	1,763,739	(1,657)	5,028,227
Net change in fund balances	771,188	241,718	212,290	8,615	1,233,811
Fund balances, July 1, 2020	4,333,125	1,383,517	1,902,511	56,008	7,675,161
(Decrease) for changes in inventories	(3,885)				(3,885)
FUND BALANCES, JUNE 30, 2021	\$ 5,100,428	\$ 1,625,235	\$ 2,114,801	\$ 64,623	\$ 8,905,087

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SPECIAL REVENUE FUNDS

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

SIGNIFICANT NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS DESCRIPTIONS

Treasurer

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

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

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

Department of Children and Family Services

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

Department of Commerce and Economic Opportunity

DCEO Projects Fund--to receive and disburse monies from other state agencies pursuant to the terms of grant and interagency agreements.

State Small Business Credit Initiative Fund--to receive and record monies obtained from capital provided in accordance with the provisions of the State Small Business Credit Initiative.

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

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

Department of Natural Resources

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

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

Department of Employment Security

Title III Social Security and Employment Service Fund--to account for monies received from the federal government for the specific purpose of administering the Unemployment Compensation Act.

Department of Financial and Professional Regulation

Illinois State Medical Disciplinary Fund--to deposit monies received as license renewal fees under Section 14 of the Medical Practice Act for use by the Medical Disciplinary Board and for costs in administering the Act.

Department of Human Services

Employment and Training Fund--to receive and disburse monies in accordance with the provisions of Title IV-A of the Federal Social Security Act, the Food Stamp Act, Title 7 of the United States Code, and related rules and regulations governing the use of those monies for the purposes of providing employment and training services.

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

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

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

Illinois Power Agency

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

Department of Insurance

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

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

Department of Public Health

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

Department of Revenue

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

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

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

Illinois Affordable Housing Trust Fund--to account for a portion of the State real estate transfer tax used for grants and low or no interest mortgages or other loans to acquire, construct, rehabilitate, develop, operate, insure, and retain affordable single family and multi-family housing for low-income households.

Local Government Distributive Fund--to receive a portion of the State's income tax and sales tax collections to distribute to various municipalities and counties within the State.

Personal Property Tax Replacement Fund--to allocate and disburse to each taxing district within the State the net revenue received from the personal property replacement tax.

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

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

Department of Transportation

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

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

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

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

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

Railsplitter Tobacco Settlement Authority

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

State Board of Education

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

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

Emergency Management Agency

Federal Aid Disaster Fund--to provide grants to local governmental units for reimbursement of services rendered in cases of disaster.

Office of the State Fire Marshal

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

State of Illinois

Combining Balance Sheet
Nonmajor Special Revenue Funds

June 30, 2021 (Expressed in Thousands)

	Treasurer	Commerce and Economic Opportunity	Natural Resources	Human Services	Insurance
ASSETS					
Cash equity with State Treasurer	\$ 356,229	\$ 403,746	\$ 131,800	\$ 129,199	\$ 80,404
Cash and cash equivalents					
Securities lending collateral of State Treasurer		11,675	23,678		
Investments					
Receivables, net:					
Taxes		8,099	10		
Intergovernmental				75,293	
Other	25	9	16	102,834	3,536
Due from other funds	63,352	217,694	58,000		68,000
Due from component units		14			
Inventories					
Loans and notes receivable, net		500			
Other assets		34,574			
Total assets	419,606	676,311	213,504	307,326	151,940
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - TSR's					
Total assets and deferred outflows of resources	\$ 419,606	\$ 676,311	\$ 213,504	\$ 307,326	\$ 151,940
LIABILITIES					
Accounts payable and accrued liabilities	\$ 5,662	\$ 7,565	\$ 93	\$ 113,493	\$ 1,242
Intergovernmental payables	3,145	669	2	49,935	55
Due to other funds	21,231	349	80	7,721	1,092
Due to component units	58	395		2,841	
Unearned revenue		460,302		309	
Obligations under securities lending of State Treasurer		11,675	23,678		
Matured portion of long-term liabilities					
Total liabilities	30,096	480,955	23,853	174,299	2,389
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue		1		103,873	794
Deferred inflows of resources - TSR's	209,630				
Total deferred inflows of resources	209,630	1		103,873	794
FUND BALANCES (DEFICITS)					
Nonspendable inventories					
Restricted	193,873	76,971	66,449	69,809	
Committed	64,268	270,733	123,202		148,757
Unassigned	(78,261)	(152,349)		(40,655)	
Total fund balances (deficits)	179,880	195,355	189,651	29,154	148,757
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 419,606	\$ 676,311	\$ 213,504	\$ 307,326	\$ 151,940

Revenue	Transportation	Other Departments	State Board of Education	Other Agencies, Boards, and Authorities	Other	Total
\$ 1,433,919	\$ 2,011,925	\$ 368,356	\$ 2,784	\$ 49,572	\$ 1,791,550	\$ 6,759,484
	58,146	623		158,961	45,785	263,515
97,256	590,224	10,153		16,695	155,862	905,543
					17,996	17,996
374,019	238,516			5,714	76,742	703,100
	295,916	234,530	761,978	166,912	274,544	1,809,173
16,065	16,939	2,160	1,182	141,453	144,404	428,623
271,475	171,264	161,394	49	86,323	333,796	1,431,347
411,295	45		9		95	411,458
	63,226	3,143	948		49,458	116,775
35,833					2,698	39,031
					600	35,174
2,639,862	3,446,201	780,359	766,950	625,630	2,893,530	12,921,219
				209,630		209,630
\$ 2,639,862	\$ 3,446,201	\$ 780,359	\$ 766,950	\$ 835,260	\$ 2,893,530	\$ 13,130,849
\$ 55,675	\$ 294,470	\$ 203,135	\$ 34,546	\$ 4,201	\$ 256,023	\$ 976,105
1,348,216	450,815	33,568	718,481	1,600	227,152	2,833,638
267,225	379,474	7,447	10,302	228,172	230,024	1,153,117
23,028	48,087	10,765	1,815	14	68,868	155,871
325,484	20,612	7,859	817		99,558	914,941
97,256	590,224	10,153		16,695	155,862	905,543
	281					281
2,116,884	1,783,963	272,927	765,961	250,682	1,037,487	6,939,496
31,395	107,250	86,021	154,509	194,652	202,800	881,295
						209,630
31,395	107,250	86,021	154,509	194,652	202,800	1,090,925
	63,226	3,143	948		49,458	116,775
	51,508	84,966	17	305,936	455,533	1,305,062
540,107	1,500,000	339,281		137,200	1,222,465	4,346,013
(48,524)	(59,746)	(5,979)	(154,485)	(53,210)	(74,213)	(667,422)
491,583	1,554,988	421,411	(153,520)	389,926	1,653,243	5,100,428
\$ 2,639,862	\$ 3,446,201	\$ 780,359	\$ 766,950	\$ 835,260	\$ 2,893,530	\$ 13,130,849

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Treasurer	Commerce and Economic Opportunity	Natural Resources	Human Services	Insurance
REVENUES					
Income taxes					
Sales taxes					
Motor fuel taxes					
Public utility taxes		\$ 98,587			
Riverboat taxes					
Other taxes		22,700	\$ 31,023		
Federal government	\$ 115,301	103,774	3,500	\$ 6,668,768	\$ 115
Licenses and fees					62,510
Interest and other investment income	43	765	205		
Other	224,409	68	7	13,290	1,783
Total revenues	339,753	225,894	34,735	6,682,058	64,408
EXPENDITURES					
Current:					
Health and social services	241,524	107,771		6,816,667	
Education	373,432				
General government	131,651				
Employment and economic development		297,925			
Transportation					
Public protection and justice					
Environment and business regulation			17,304		38,869
Debt service:					
Principal	17			5	22
Interest	1			3	3
Capital outlays	171	387		10	20
Intergovernmental					
Total expenditures	746,796	406,083	17,304	6,816,685	38,914
Excess (deficiency) of revenues over (under) expenditures	(407,043)	(180,189)	17,431	(134,627)	25,494
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
General obligation bonds issued	211,978				
Premiums on general obligation bonds issued	17,976				
Discounts on general obligation bonds issued	(1,036)				
Transfers-in	253,084				
Transfers-out					
Capital lease financing				10	20
Net other sources (uses) of financial resources	482,002			10	20
Net change in fund balances	74,959	(180,189)	17,431	(134,617)	25,514
Fund balances (deficits), July 1, 2020	104,921	375,544	172,220	163,771	123,243
Increase (decrease) for changes in inventory					
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 179,880	\$ 195,355	\$ 189,651	\$ 29,154	\$ 148,757

Revenue	Transportation	Other Departments	State Board of Education	Other Agencies, Boards, and Authorities	Other	Total
\$ 3,750,272					\$ 8,804	\$ 3,759,076
3,660,500	\$ 233,116				107,319	4,000,935
	1,566,323			\$ 65,290	658	1,632,271
242,500					219,933	561,020
103,105					200,378	200,378
17	2,337,797	\$ 1,419,364	\$ 3,269,774	139,214	429,890	586,718
	1,631,554	19,603		41	824,160	16,077,257
3,494	5,634	172		167	15,343	25,823
19,447	93,564	35,489		280,379	309,347	977,783
7,779,335	5,867,988	1,474,628	3,269,774	485,091	4,135,465	30,359,129
15,340		1,058,827			1,180,093	9,420,222
1,513			3,303,578		124,644	3,803,167
162,815	49,319	350		2,232	295,323	641,690
		328,733			523,691	1,150,349
	2,785,552				73,315	2,858,867
2,200				4,360	669,177	675,737
		3,876		214,525	607,284	881,858
	525	279		103,907	1,724	106,479
	118	21		39,035	844	40,025
	555,513	2,634	2,034	38	78,504	639,311
6,868,528	868,210				230,956	7,967,694
7,050,396	4,259,237	1,394,720	3,305,612	364,097	3,785,555	28,185,399
728,939	1,608,751	79,908	(35,838)	120,994	349,910	2,173,730
						211,978
						17,976
						(1,036)
206,072	9,964	14,600			248,443	732,163
(800,530)	(806,511)	(3,641)		(275,313)	(481,138)	(2,367,133)
	79	584			2,817	3,510
(594,458)	(796,468)	11,543		(275,313)	(229,878)	(1,402,542)
134,481	812,283	91,451	(35,838)	(154,319)	120,032	771,188
357,102	752,098	328,236	(116,932)	544,245	1,528,677	4,333,125
	(9,393)	1,724	(750)		4,534	(3,885)
\$ 491,583	\$ 1,554,988	\$ 421,411	\$ (153,520)	\$ 389,926	\$ 1,653,243	\$ 5,100,428

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Treasurer

June 30, 2021 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	State Pension Obligation Acceleration Bond Fund	Total
ASSETS				
Cash equity with State Treasurer	\$ 162,698	\$ 77,083	\$ 116,448	\$ 356,229
Other receivables		25		25
Due from other funds	2,197	61,155		63,352
Total assets	\$ 164,895	\$ 138,263	\$ 116,448	\$ 419,606
LIABILITIES				
Accounts payable and accrued liabilities	\$ 1,714	\$ 3,948		\$ 5,662
Intergovernmental payables	266	2,879		3,145
Due to other funds	30	9	\$ 21,192	21,231
Due to component units		58		58
Total liabilities	2,010	6,894	21,192	30,096
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - TSR's		209,630		209,630
Total deferred inflows of resources		209,630		209,630
FUND BALANCES (DEFICITS)				
Restricted	98,617		95,256	193,873
Committed	64,268			64,268
Unassigned		(78,261)		(78,261)
Total fund balances (deficits)	162,885	(78,261)	95,256	179,880
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 164,895	\$ 138,263	\$ 116,448	\$ 419,606

State of Illinois

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

Treasurer

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Unclaimed Property Trust Fund	Tobacco Settlement Recovery Fund	State Pension Obligation Acceleration Bond Fund	Total
REVENUES				
Federal government		\$ 115,301		\$ 115,301
Interest and other investment income		43		43
Other	\$ 223,526	883		224,409
Total revenues	223,526	116,227		339,753
EXPENDITURES				
Current:				
Health and social services		241,524		241,524
Education	215,000		\$ 158,432	373,432
General government	18,538		113,113	131,651
Debt service:				
Principal	17			17
Interest	1			1
Capital outlays	171			171
Total expenditures	233,727	241,524	271,545	746,796
Excess (deficiency) of revenues over (under) expenditures	(10,201)	(125,297)	(271,545)	(407,043)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
General obligation bonds issued			211,978	211,978
Premiums on general obligation bonds issued			17,976	17,976
Discounts on general obligation bonds issued			(1,036)	(1,036)
Transfers-in	1,764	251,320		253,084
Net other sources (uses) of financial resources	1,764	251,320	228,918	482,002
Net change in fund balances	(8,437)	126,023	(42,627)	74,959
Fund balances (deficits), July 1, 2020	171,322	(204,284)	137,883	104,921
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 162,885	\$ (78,261)	\$ 95,256	\$ 179,880

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Commerce and Economic Opportunity

June 30, 2021 (Expressed in Thousands)

	DCEO Projects Fund	State Small Business Credit Initiative Fund	Supplemental Low Income Energy Assistance Fund	Tourism Promotion Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 304,053	\$ 42,920	\$ 54,436	\$ 2,337	\$ 403,746
Securities lending collateral of State Treasurer		11,675			11,675
Receivables, net:					
Taxes			8,099		8,099
Other		9			9
Due from other funds	3,807		142,000	71,887	217,694
Due from component units				14	14
Loans and notes receivable, net		500			500
Other assets		34,574			34,574
Total assets	\$ 307,860	\$ 89,678	\$ 204,535	\$ 74,238	\$ 676,311
LIABILITIES					
Accounts payable and accrued liabilities		\$ 931	\$ 3,066	\$ 3,568	\$ 7,565
Intergovernmental payables		1	642	26	669
Due to other funds		7	25	317	349
Due to component units			395		395
Unearned revenue	\$ 460,209	93			460,302
Obligations under securities lending of State Treasurer		11,675			11,675
Total liabilities	460,209	12,707	4,128	3,911	480,955
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue			1		1
Total deferred inflows of resources			1		1
FUND BALANCES (DEFICITS)					
Restricted		76,971			76,971
Committed			200,406	70,327	270,733
Unassigned	(152,349)				(152,349)
Total fund balances (deficits)	(152,349)	76,971	200,406	70,327	195,355
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 307,860	\$ 89,678	\$ 204,535	\$ 74,238	\$ 676,311

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	DCEO Projects Fund	State Small Business Credit Initiative Fund	Supplemental Low Income Energy Assistance Fund	Tourism Promotion Fund	Total
REVENUES					
Public utility taxes			\$ 98,587		\$ 98,587
Other taxes				\$ 22,700	22,700
Federal government	\$ 102,367	\$ 1,278	76	53	103,774
Interest and other investment income		765			765
Other			68		68
Total revenues	102,367	2,043	98,731	22,753	225,894
EXPENDITURES					
Current:					
Health and social services			107,771		107,771
Employment and economic development	254,716	1,480		41,729	297,925
Capital outlays			43	344	387
Total expenditures	254,716	1,480	107,814	42,073	406,083
Excess (deficiency) of revenues over (under) expenditures	(152,349)	563	(9,083)	(19,320)	(180,189)
Net change in fund balances	(152,349)	563	(9,083)	(19,320)	(180,189)
Fund balances, July 1, 2020		76,408	209,489	89,647	375,544
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (152,349)	\$ 76,971	\$ 200,406	\$ 70,327	\$ 195,355

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Natural Resources

June 30, 2021 (Expressed in Thousands)

	Abandoned Mined Land Reclamation Set- Aside Fund	Open Space Lands Acquisition and Development Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 66,433	\$ 65,367	\$ 131,800
Securities lending collateral of State Treasurer	23,678		23,678
Receivables, net:			
Taxes		10	10
Other	16		16
Due from other funds		58,000	58,000
Total assets	\$ 90,127	\$ 123,377	\$ 213,504
LIABILITIES			
Accounts payable and accrued liabilities		\$ 93	\$ 93
Intergovernmental payables		2	2
Due to other funds		80	80
Obligations under securities lending of State Treasurer	\$ 23,678		23,678
Total liabilities	23,678	175	23,853
FUND BALANCES			
Restricted	66,449		66,449
Committed		123,202	123,202
Total fund balances	66,449	123,202	189,651
Total liabilities and fund balances	\$ 90,127	\$ 123,377	\$ 213,504

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Abandoned Mined Land Reclamation Set- Aside Fund	Open Space Lands Acquisition and Development Fund	Total
REVENUES			
Other taxes		\$ 31,023	\$ 31,023
Federal government	\$ 3,500		3,500
Interest and other investment income	205		205
Other		7	7
Total revenues	3,705	31,030	34,735
EXPENDITURES			
Current:			
Environment and business regulation	9	17,295	17,304
Total expenditures	9	17,295	17,304
Excess (deficiency) of revenues over (under) expenditures	3,696	13,735	17,431
Net change in fund balances	3,696	13,735	17,431
Fund balances, July 1, 2020	62,753	109,467	172,220
FUND BALANCES, JUNE 30, 2021	\$ 66,449	\$ 123,202	\$ 189,651

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Human Services

June 30, 2021 (Expressed in Thousands)

	Employment and Training Fund	DHS Special Purposes Trust Fund	DHS Recoveries Trust Fund	Food Stamp and Commodity Fund	Total
ASSETS					
Cash equity with State Treasurer	\$ 38,101	\$ 84,120	\$ 6,978		\$ 129,199
Receivables, net:					
Intergovernmental	6,926	68,367			75,293
Other		145	102,689		102,834
Total assets	\$ 45,027	\$ 152,632	\$ 109,667	\$ -	\$ 307,326
LIABILITIES					
Accounts payable and accrued liabilities	\$ 37,955	\$ 74,769	\$ 769		\$ 113,493
Intergovernmental payables	121	1,216	48,598		49,935
Due to other funds	6,926	625	170		7,721
Due to component units	25	2,816			2,841
Unearned revenue		309			309
Total liabilities	45,027	79,735	49,537		174,299
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue		3,088	100,785		103,873
Total deferred inflows of resources		3,088	100,785		103,873
FUND BALANCES (DEFICITS)					
Restricted		69,809			69,809
Unassigned			(40,655)		(40,655)
Total fund balances (deficits)		69,809	(40,655)		29,154
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 45,027	\$ 152,632	\$ 109,667	\$ -	\$ 307,326

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Employment and Training Fund	DHS Special Purposes Trust Fund	DHS Recoveries Trust Fund	Food Stamp and Commodity Fund	Total
REVENUES					
Federal government	\$ 517,319	\$ 351,574		\$ 5,799,875	\$ 6,668,768
Other			\$ 13,290		13,290
Total revenues	517,319	351,574	13,290	5,799,875	6,682,058
EXPENDITURES					
Current:					
Health and social services	517,319	490,159	9,314	5,799,875	6,816,667
Debt service:					
Principal		3	2		5
Interest			3		3
Capital outlays			10		10
Total expenditures	517,319	490,162	9,329	5,799,875	6,816,685
Excess (deficiency) of revenues over (under) expenditures	-	(138,588)	3,961	-	(134,627)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Capital lease financing			10		10
Net other sources (uses) of financial resources			10		10
Net change in fund balances	-	(138,588)	3,971	-	(134,617)
Fund balances (deficits), July 1, 2020		208,397	(44,626)		163,771
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ -	\$ 69,809	\$ (40,655)	\$ -	\$ 29,154

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Insurance

June 30, 2021 (Expressed in Thousands)

	Insurance Producers' Administration Fund	Insurance Financial Regulation Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 52,292	\$ 28,112	\$ 80,404
Other receivables	552	2,984	3,536
Due from other funds	45,000	23,000	68,000
Total assets	\$ 97,844	\$ 54,096	\$ 151,940
LIABILITIES			
Accounts payable and accrued liabilities	\$ 623	\$ 619	\$ 1,242
Intergovernmental payables	24	31	55
Due to other funds	583	509	1,092
Total liabilities	1,230	1,159	2,389
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	458	336	794
Total deferred inflows of resources	458	336	794
FUND BALANCES			
Committed	96,156	52,601	148,757
Total fund balances	96,156	52,601	148,757
Total liabilities, deferred inflows of resources, and fund balances	\$ 97,844	\$ 54,096	\$ 151,940

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Insurance Producers' Administration Fund	Insurance Financial Regulation Fund	Total
REVENUES			
Federal government	\$ 86	\$ 29	\$ 115
Licenses and fees	39,129	23,381	62,510
Other	1,364	419	1,783
Total revenues	40,579	23,829	64,408
EXPENDITURES			
Current:			
Environment and business regulation	19,530	19,339	38,869
Debt service:			
Principal	15	7	22
Interest	2	1	3
Capital outlays	10	10	20
Total expenditures	19,557	19,357	38,914
Excess (deficiency) of revenues over (under) expenditures	21,022	4,472	25,494
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Capital lease financing	10	10	20
Net other sources (uses) of financial resources	10	10	20
Net change in fund balances	21,032	4,482	25,514
Fund balances, July 1, 2020	75,124	48,119	123,243
FUND BALANCES, JUNE 30, 2021	\$ 96,156	\$ 52,601	\$ 148,757

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds
Revenue

June 30, 2021 (Expressed in Thousands)

	State and Local Sales Tax Reform Fund	County and Mass Transit District Fund	Local Government Tax Fund	Illinois Affordable Housing Trust Fund	Local Government Distributive Fund
ASSETS					
Cash equity with State Treasurer	\$ 224,011	\$ 94,687	\$ 397,318	\$ 43,163	\$ 185,676
Securities lending collateral of State Treasurer				14,121	
Receivables, net:					
Taxes	28,300	25,695	143,898	14	61,925
Other				10	
Due from other funds				10,000	92,830
Due from component units				411,295	
Loans and notes receivable, net					
Total assets	\$ 252,311	\$ 120,382	\$ 541,216	\$ 478,603	\$ 340,431
LIABILITIES					
Accounts payable and accrued liabilities				\$ 138	\$ 436
Intergovernmental payables	\$ 31,780	\$ 75,745	\$ 541,216		286,093
Due to other funds	220,531	44,637			
Due to component units				23,028	
Unearned revenue					53,902
Obligations under securities lending of State Treasurer				14,121	
Total liabilities	252,311	120,382	541,216	37,287	340,431
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - unavailable revenue					15,397
Total deferred inflows of resources					15,397
FUND BALANCES (DEFICITS)					
Committed				441,316	
Unassigned					(15,397)
Total fund balances (deficits)				441,316	(15,397)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 252,311	\$ 120,382	\$ 541,216	\$ 478,603	\$ 340,431

Personal Property Tax Replacement Fund	Senior Citizens' Real Estate Deferred Tax Revolving Fund	Build Illinois Fund	Total
\$ 458,083	\$ 22,124	\$ 8,857	\$ 1,433,919
73,825		9,310	97,256
76,090		38,097	374,019
51	15,998	6	16,065
153,090		15,555	271,475
			411,295
	35,833		35,833
\$ 761,139	\$ 73,955	\$ 71,825	\$ 2,639,862
\$ 33,420		\$ 21,681	\$ 55,675
413,382			1,348,216
2,057			267,225
			23,028
271,582			325,484
73,825		9,310	97,256
794,266		30,991	2,116,884
	\$ 15,998		31,395
	15,998		31,395
	57,957	40,834	540,107
(33,127)			(48,524)
(33,127)	57,957	40,834	491,583
\$ 761,139	\$ 73,955	\$ 71,825	\$ 2,639,862

State of Illinois

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

Revenue

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State and Local Sales Tax Reform Fund	County and Mass Transit District Fund	Local Government Tax Fund	Illinois Affordable Housing Trust Fund	Local Government Distributive Fund
REVENUES					
Income taxes					\$ 1,629,180
Sales taxes	\$ 181,222	\$ 401,429	\$ 2,052,512		439,063
Public utility taxes					
Other taxes				\$ 44,317	
Federal government					
Interest and other investment income				1,554	
Other				19,447	
Total revenues	181,222	401,429	2,052,512	65,318	2,068,243
EXPENDITURES					
Current:					
Health and social services				15,340	
Education					
General government				36,724	
Public protection and justice					
Intergovernmental	143,422	401,429	2,052,512		2,080,296
Total expenditures	143,422	401,429	2,052,512	52,064	2,080,296
Excess (deficiency) of revenues over (under) expenditures	37,800	-	-	13,254	(12,053)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-in					13,516
Transfers-out	(37,800)				(5,000)
Net other sources (uses) of financial resources	(37,800)				8,516
Net change in fund balances	-	-	-	13,254	(3,537)
Fund balances (deficits), July 1, 2020				428,062	(11,860)
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ -	\$ -	\$ -	\$ 441,316	\$ (15,397)

Personal Property Tax Replacement Fund	Senior Citizens' Real Estate Deferred Tax Revolving Fund	Build Illinois Fund	Total
\$ 2,121,092			\$ 3,750,272
242,500		\$ 586,274	3,660,500
		58,788	242,500
17			103,105
434	\$ 1,446	60	17
			3,494
			19,447
2,364,043	1,446	645,122	7,779,335
			15,340
1,513			1,513
126,091			162,815
2,200			2,200
2,190,869			6,868,528
2,320,673			7,050,396
43,370	1,446	645,122	728,939
153,090		39,466	206,072
(88,890)		(668,840)	(800,530)
64,200		(629,374)	(594,458)
107,570	1,446	15,748	134,481
(140,697)	56,511	25,086	357,102
\$ (33,127)	\$ 57,957	\$ 40,834	\$ 491,583

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Transportation

June 30, 2021 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Federal/Local Airport Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 1,374,177	\$ 121,199	\$ 2,282	\$ 69,778	\$ 444,489	\$ 2,011,925
Cash and cash equivalents	58,146					58,146
Securities lending collateral of State Treasurer	590,224					590,224
Receivables, net:						
Taxes	7,517	106,716		23,786	100,497	238,516
Intergovernmental	221,520		74,396			295,916
Other	16,939					16,939
Due from other funds	67,410			103,854		171,264
Due from component units	45					45
Inventories	63,226					63,226
Total assets	\$ 2,399,204	\$ 227,915	\$ 76,678	\$ 197,418	\$ 544,986	\$ 3,446,201
LIABILITIES						
Accounts payable and accrued liabilities	\$ 280,852	\$ 2,493	\$ 10,070		\$ 1,055	\$ 294,470
Intergovernmental payables	106,427	113,037	65,461	\$ 34,349	131,541	450,815
Due to other funds	219,662	112,384			47,428	379,474
Due to component units	46,939	1	1,147			48,087
Unearned revenue	20,612					20,612
Obligations under securities lending of State Treasurer	590,224					590,224
Matured portion of long-term liabilities	281					281
Total liabilities	1,264,997	227,915	76,678	34,349	180,024	1,783,963
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue	47,504		59,746			107,250
Total deferred inflows of resources	47,504		59,746			107,250
FUND BALANCES (DEFICITS)						
Nonspendable inventories	63,226					63,226
Restricted	51,508					51,508
Committed	971,969			163,069	364,962	1,500,000
Unassigned			(59,746)			(59,746)
Total fund balances (deficits)	1,086,703		(59,746)	163,069	364,962	1,554,988
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 2,399,204	\$ 227,915	\$ 76,678	\$ 197,418	\$ 544,986	\$ 3,446,201

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Road Fund	Motor Fuel Tax Fund	Federal/Local Airport Fund	Downstate Public Transportation Fund	Transportation Renewal Fund	Total
REVENUES						
Sales taxes	\$ 7,517			\$ 225,599		\$ 233,116
Motor fuel taxes	339,148	\$ 634,437			\$ 592,738	1,566,323
Federal government	1,816,743		\$ 521,054			2,337,797
Licenses and fees	1,630,411	1,143				1,631,554
Interest and other investment income	5,634					5,634
Other	92,077		1,487			93,564
Total revenues	3,891,530	635,580	522,541	225,599	592,738	5,867,988
EXPENDITURES						
Current:						
General government	1,106	48,213				49,319
Transportation	1,988,247	23,495	513,836	196,514	63,460	2,785,552
Debt service:						
Principal	525					525
Interest	118					118
Capital outlays	554,789	724				555,513
Intergovernmental		499,230			368,980	868,210
Total expenditures	2,544,785	571,662	513,836	196,514	432,440	4,259,237
Excess (deficiency) of revenues over (under) expenditures	1,346,745	63,918	8,705	29,085	160,298	1,608,751
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in	3,031	6,933				9,964
Transfers-out	(735,660)	(70,851)				(806,511)
Capital lease financing	79					79
Net other sources (uses) of financial resources	(732,550)	(63,918)				(796,468)
Net change in fund balances	614,195	-	8,705	29,085	160,298	812,283
Fund balances (deficits), July 1, 2020	481,901		(68,451)	133,984	204,664	752,098
(Decrease) for changes in inventory	(9,393)					(9,393)
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 1,086,703	\$ -	\$ (59,746)	\$ 163,069	\$ 364,962	\$ 1,554,988

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Other Departments

June 30, 2021 (Expressed in Thousands)

	Children and Family Services	Employment Security	Financial and Professional Regulation	Illinois Power Agency	Public Health	
	DCFS Children's Services Fund	Title III Social Security and Employment Service Fund	Illinois State Medical Disciplinary Fund	Illinois Power Agency Renewable Energy Resources Fund	Public Health Services Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 201,029	\$ 112,047	\$ 27,127	\$ 9,745	\$ 18,408	\$ 368,356
Cash and cash equivalents	623					623
Securities lending collateral of State Treasurer			10,153			10,153
Receivables, net:						
Intergovernmental	36,381	83,925			114,224	234,530
Other		2	240		1,918	2,160
Due from other funds	935	1,472	26,000	132,500	487	161,394
Inventories		172			2,971	3,143
Total assets	\$ 238,968	\$ 197,618	\$ 63,520	\$ 142,245	\$ 138,008	\$ 780,359
LIABILITIES						
Accounts payable and accrued liabilities	\$ 73,339	\$ 41,759	\$ 123	\$ 1,691	\$ 86,223	\$ 203,135
Intergovernmental payables	1,024	14,673	8		17,863	33,568
Due to other funds	478	4,924	85		1,960	7,447
Due to component units	9,422				1,343	10,765
Unearned revenue		43			7,816	7,859
Obligations under securities lending of State Treasurer			10,153			10,153
Total liabilities	84,263	61,399	10,369	1,691	115,205	272,927
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unavailable revenue	8,952	51,081	177		25,811	86,021
Total deferred inflows of resources	8,952	51,081	177		25,811	86,021
FUND BALANCES (DEFICITS)						
Nonspendable inventories		172			2,971	3,143
Restricted		84,966				84,966
Committed	145,753		52,974	140,554		339,281
Unassigned					(5,979)	(5,979)
Total fund balances (deficits)	145,753	85,138	52,974	140,554	(3,008)	421,411
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 238,968	\$ 197,618	\$ 63,520	\$ 142,245	\$ 138,008	\$ 780,359

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Children and Family Services	Employment Security	Financial and Professional Regulation	Illinois Power Agency	Public Health	
	DCFS Children's Services Fund	Title III Social Security and Employment Service Fund	Illinois State Medical Disciplinary Fund	Illinois Power Agency Renewable Energy Resources Fund	Public Health Services Fund	Total
REVENUES						
Federal government	\$ 395,184	\$ 298,882	\$ 7		\$ 725,291	\$ 1,419,364
Licenses and fees	232	42	19,329			19,603
Interest and other investment income		93	79			172
Other	5,363	58	408	\$ 458	29,202	35,489
Total revenues	400,779	299,075	19,823	458	754,493	1,474,628
EXPENDITURES						
Current:						
Health and social services	298,296				760,531	1,058,827
General government		350				350
Employment and economic development		312,209		16,524		328,733
Environment and business regulation			3,876			3,876
Debt service:						
Principal		259			20	279
Interest		20			1	21
Capital outlays		583			2,051	2,634
Total expenditures	298,296	313,421	3,876	16,524	762,603	1,394,720
Excess (deficiency) of revenues over (under) expenditures	102,483	(14,346)	15,947	(16,066)	(8,110)	79,908
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Transfers-in		14,600				14,600
Transfers-out			(3,601)		(40)	(3,641)
Capital lease financing		583			1	584
Net other sources (uses) of financial resources		15,183	(3,601)		(39)	11,543
Net change in fund balances	102,483	837	12,346	(16,066)	(8,149)	91,451
Fund balances (deficits), July 1, 2020	43,270	84,349	40,628	156,620	3,369	328,236
Increase (decrease) for changes in inventory		(48)			1,772	1,724
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 145,753	\$ 85,138	\$ 52,974	\$ 140,554	\$ (3,008)	\$ 421,411

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

State Board of Education

June 30, 2021 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 2,062	\$ 722	\$ 2,784
Receivables, net:			
Intergovernmental	52,331	709,647	761,978
Other	230	952	1,182
Due from other funds	1	48	49
Due from component units	6	3	9
Inventories	948		948
Total assets	\$ 55,578	\$ 711,372	\$ 766,950
LIABILITIES			
Accounts payable and accrued liabilities	\$ 20,445	\$ 14,101	\$ 34,546
Intergovernmental payables	33,768	684,713	718,481
Due to other funds	138	10,164	10,302
Due to component units	3	1,812	1,815
Unearned revenue	206	611	817
Total liabilities	54,560	711,401	765,961
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	53	154,456	154,509
Total deferred inflows of resources	53	154,456	154,509
FUND BALANCES (DEFICITS)			
Nonspendable inventories	948		948
Restricted	17		17
Unassigned		(154,485)	(154,485)
Total fund balances (deficits)	965	(154,485)	(153,520)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 55,578	\$ 711,372	\$ 766,950

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	SBE Federal Department of Agriculture Fund	SBE Federal Department of Education Fund	Total
REVENUES			
Federal government	\$ 862,331	\$ 2,407,443	\$ 3,269,774
Total revenues	862,331	2,407,443	3,269,774
EXPENDITURES			
Current:			
Education	861,141	2,442,437	3,303,578
Capital outlays	877	1,157	2,034
Total expenditures	862,018	2,443,594	3,305,612
Excess (deficiency) of revenues over (under) expenditures	313	(36,151)	(35,838)
Net change in fund balances	313	(36,151)	(35,838)
Fund balances (deficits), July 1, 2020	1,402	(118,334)	(116,932)
(Decrease) for changes in inventory	(750)		(750)
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 965	\$ (154,485)	\$ (153,520)

State of Illinois

Combining Balance Sheet - Nonmajor Special Revenue Funds

Other Agencies, Boards, and Authorities

June 30, 2021 (Expressed in Thousands)

	Railsplitter Tobacco Settlement Authority	Emergency Management Agency	Office of the State Fire Marshal	
	Railsplitter Trustee Account Fund	Federal Aid Disaster Fund	Underground Storage Tank Fund	Total
ASSETS				
Cash equity with State Treasurer		\$ 87	\$ 49,485	\$ 49,572
Cash and cash equivalents	\$ 158,961			158,961
Securities lending collateral of State Treasurer			16,695	16,695
Receivables, net:				
Taxes			5,714	5,714
Intergovernmental		166,912		166,912
Other	141,436		17	141,453
Due from other funds		23	86,300	86,323
Total assets	300,397	167,022	158,211	625,630
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - TSR's	209,630			209,630
Total assets and deferred outflows of resources	\$ 510,027	\$ 167,022	\$ 158,211	\$ 835,260
LIABILITIES				
Accounts payable and accrued liabilities		\$ 596	\$ 3,605	\$ 4,201
Intergovernmental payables		1,313	287	1,600
Due to other funds	\$ 62,655	165,103	414	228,172
Due to component units		10	4	14
Obligations under securities lending of State Treasurer			16,695	16,695
Total liabilities	62,655	167,022	21,005	250,682
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - unavailable revenue	141,436	53,210	6	194,652
Total deferred inflows of resources	141,436	53,210	6	194,652
FUND BALANCES (DEFICITS)				
Restricted	305,936			305,936
Committed			137,200	137,200
Unassigned		(53,210)		(53,210)
Total fund balances (deficits)	305,936	(53,210)	137,200	389,926
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 510,027	\$ 167,022	\$ 158,211	\$ 835,260

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Railsplitter Tobacco Settlement Authority	Emergency Management Agency	Office of the State Fire Marshal	
	Railsplitter Trustee Account Fund	Federal Aid Disaster Fund	Underground Storage Tank Fund	Total
REVENUES				
Motor fuel taxes			\$ 65,290	\$ 65,290
Federal government		\$ 139,197	17	139,214
Licenses and fees			41	41
Interest and other investment income	\$ 29		138	167
Other	280,372		7	280,379
Total revenues	280,401	139,197	65,493	485,091
EXPENDITURES				
Current:				
General government	125		2,107	2,232
Public protection and justice			4,360	4,360
Environment and business regulation		189,106	25,419	214,525
Debt service:				
Principal	103,900		7	103,907
Interest	39,035			39,035
Capital outlays			38	38
Total expenditures	143,060	189,106	31,931	364,097
Excess (deficiency) of revenues over (under) expenditures	137,341	(49,909)	33,562	120,994
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Transfers-out	(251,320)		(23,993)	(275,313)
Net other sources (uses) of financial resources	(251,320)		(23,993)	(275,313)
Net change in fund balances	(113,979)	(49,909)	9,569	(154,319)
Fund balances (deficits), July 1, 2020	419,915	(3,301)	127,631	544,245
FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 305,936	\$ (53,210)	\$ 137,200	\$ 389,926

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DEBT SERVICE FUNDS

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

SIGNIFICANT NONMAJOR GOVERNMENTAL DEBT SERVICE FUNDS DESCRIPTIONS

Treasurer

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

Governor's Office of Management and Budget

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

State of Illinois

Combining Balance Sheet
 Nonmajor Debt Service Funds

June 30, 2021 (Expressed in Thousands)

	Treasurer		Governor's Office of Management and Budget		Other	Total		
	General	Obligation Bond Retirement and Interest Fund	Build Illinois Bond Retirement and Interest Fund					
ASSETS								
Cash equity with State Treasurer	\$	1,278,277	\$	17,115	\$	16	\$	1,295,408
Cash and cash equivalents				323,197				323,197
Securities lending collateral of State Treasurer		538,893		5,895				544,788
Receivables, net:								
Intergovernmental		16,443						16,443
Other		435		4				439
Due from other funds		4,365						4,365
Total assets	\$	1,838,413	\$	346,211	\$	16	\$	2,184,640
LIABILITIES								
Obligations under securities lending of State Treasurer	\$	538,893	\$	5,895			\$	544,788
Total liabilities		538,893		5,895				544,788
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows of resources - unavailable revenue		14,617						14,617
Total deferred inflows of resources		14,617						14,617
FUND BALANCES								
Restricted		1,284,903		340,316	\$	16		1,625,235
Total fund balances		1,284,903		340,316		16		1,625,235
Total liabilities, deferred inflows of resources, and fund balances	\$	1,838,413	\$	346,211	\$	16	\$	2,184,640

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Treasurer		Governor's Office of Management and Budget		Other	Total
	General	Obligation Bond Retirement and Interest Fund	Build Illinois Bond Retirement and Interest Fund			
REVENUES						
Federal government	\$	71,857			\$	71,857
Interest and other investment income		3,129	\$	82	\$	5
Other		2				2
Total revenues		74,988		82		5
EXPENDITURES						
Current:						
General government		932		53		985
Employment and economic development					6	6
Debt service:						
Principal		2,777,650		167,710		5,405
Interest		1,459,154		90,965		169
Total expenditures		4,237,736		258,728		5,580
Excess (deficiency) of revenues over (under) expenditures		(4,162,748)		(258,646)		(5,575)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
General obligation refunding bonds issued		257,960				257,960
Premiums on general obligation refunding bonds issued		16,959				16,959
Transfers-in		4,186,806		546,143		2,393
Transfers-out				(50,000)		(17,587)
Payments to refunded bond escrow agent		(273,987)				(273,987)
Net other sources (uses) of financial resources		4,187,738		496,143		(15,194)
Net change in fund balances		24,990		237,497		(20,769)
Fund balances, July 1, 2020		1,259,913		102,819		20,785
FUND BALANCES, JUNE 30, 2021	\$	1,284,903	\$	340,316	\$	16
						\$ 1,625,235

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CAPITAL PROJECTS FUNDS

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

SIGNIFICANT NONMAJOR GOVERNMENTAL CAPITAL PROJECTS FUNDS DESCRIPTIONS

Department of Commerce and Economic Opportunity

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

Department of Transportation

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

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

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

State Construction Account--to account for a portion of motor fuel taxes, motor vehicle registration fees, and weight taxes, to be expended for the construction, reconstruction, and maintenance of the State maintained highway system.

Multi-Modal Transportation Bond Fund--to account for the proceeds from bond issues used to finance grade crossings, port, airport, rail, and mass transit facilities and to provide and promote public transportation with the State.

Capital Development Board

Capital Development Fund--to account for the proceeds from bond issues to finance capital development projects within the State.

CDB Contributory Trust Fund--to account for local, state, and federal funding for the construction and remodeling of buildings and the purchase of land and equipment in connection with the various contributing educational institutions, State departments, and agencies as authorized by law.

Environmental Protection Agency

Anti-Pollution Fund--to account for the proceeds from bond issues to finance environmental programs.

State of Illinois

Combining Balance Sheet
Nonmajor Capital Projects Funds

June 30, 2021 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board	Environmental Protection Agency		Other	Total
	Build Illinois Bond Fund	Transportation		Anti-Pollution Fund			
ASSETS							
Cash equity with State Treasurer	\$ 146,324	\$ 1,491,375	\$ 603,815	\$ 31,047	\$ 19,559	\$	\$ 2,292,120
Cash and cash equivalents			11,165				11,165
Securities lending collateral of State Treasurer		201,401					201,401
Receivables, net:							
Intergovernmental			3,723		634		4,357
Other	251	1,191					1,442
Due from other funds	452	97,874	2,896		320		101,542
Loans and notes receivable, net	1,200						1,200
Total assets	\$ 148,227	\$ 1,791,841	\$ 621,599	\$ 31,047	\$ 20,513	\$	\$ 2,613,227
LIABILITIES							
Accounts payable and accrued liabilities	\$ 521	\$ 201,563	\$ 67,033				\$ 269,117
Intergovernmental payables	7	15,068	1				15,076
Due to other funds	68	25	4,349				4,442
Due to component units	1		269				270
Unearned revenue		6,113	843				6,956
Obligations under securities lending of State Treasurer		201,401					201,401
Total liabilities	597	424,170	72,495				497,262
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources - unavailable revenue			1,164				1,164
Total deferred inflows of resources			1,164				1,164
FUND BALANCES							
Restricted	147,630	778,904	495,863	\$ 31,047	\$ 6,097		1,459,541
Committed		588,767	52,077		14,416		655,260
Total fund balances	147,630	1,367,671	547,940	31,047	20,513		2,114,801
Total liabilities, deferred inflows of resources, and fund balances	\$ 148,227	\$ 1,791,841	\$ 621,599	\$ 31,047	\$ 20,513	\$	\$ 2,613,227

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Commerce and Economic Opportunity		Capital Development Board	Environmental Protection Agency		Total
	Build Illinois Bond Fund	Transportation		Anti-Pollution Fund	Other	
REVENUES						
Motor fuel taxes		\$ 729,754				\$ 729,754
Federal government	\$ 62		\$ 61,335		\$ 5,848	67,245
Licenses and fees		549,170				549,170
Interest and other investment income		1,759				1,759
Other	3		4,073			4,076
Total revenues	65	1,280,683	65,408		5,848	1,352,004
EXPENDITURES						
Current:						
Education			63,898		490	64,388
General government	74,840	2,830	35,144	\$ 119		112,933
Employment and economic development	64,579		5,501			70,080
Transportation		1,010,731				1,010,731
Public protection and justice			555			555
Environment and business regulation	1,428		15,637			17,065
Debt service:						
Principal			2			2
Capital outlays	(22)	1,260,955	366,766			1,627,699
Total expenditures	140,825	2,274,516	487,503	119	490	2,903,453
Excess (deficiency) of revenues over (under) expenditures	(140,760)	(993,833)	(422,095)	(119)	5,358	(1,551,449)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
General obligation bonds issued		800,000	763,022	75,000		1,638,022
Premiums on general obligation bonds issued		98,634	81,504			180,138
Discounts on general obligation bonds issued		(4,141)	(3,452)			(7,593)
Transfers-in		1,780			320	2,100
Transfers-out	(2,928)			(46,000)		(48,928)
Net other sources (uses) of financial resources	(2,928)	896,273	841,074	29,000	320	1,763,739
Net change in fund balances	(143,688)	(97,560)	418,979	28,881	5,678	212,290
Fund balances, July 1, 2020	291,318	1,465,231	128,961	2,166	14,835	1,902,511
FUND BALANCES, JUNE 30, 2021	\$ 147,630	\$ 1,367,671	\$ 547,940	\$ 31,047	\$ 20,513	\$ 2,114,801

State of Illinois

Combining Balance Sheet - Nonmajor Capital Projects Funds

Transportation

June 30, 2021 (Expressed in Thousands)

	Transportation Bond, Series A Fund	Transportation Bond, Series B Fund	Transportation Bond, Series D Fund	State Construction Account	Multi-Modal Transportation Bond Fund	Total
ASSETS						
Cash equity with State Treasurer	\$ 123,623	\$ 191,433	\$ 180,072	\$ 656,366	\$ 339,881	\$ 1,491,375
Securities lending collateral of State Treasurer				201,401		201,401
Other receivables				1,191		1,191
Due from other funds				97,874		97,874
Total assets	\$ 123,623	\$ 191,433	\$ 180,072	\$ 956,832	\$ 339,881	\$ 1,791,841
LIABILITIES						
Accounts payable and accrued liabilities	\$ 6,180	\$ 24,976	\$ 10,052	\$ 160,355		\$ 201,563
Intergovernmental payables	1,700	3,395	9,802	171		15,068
Due to other funds				25		25
Unearned revenue				6,113		6,113
Obligations under securities lending of State Treasurer				201,401		201,401
Total liabilities	7,880	28,371	19,854	368,065		424,170
FUND BALANCES						
Restricted	115,743	163,062	160,218		\$ 339,881	778,904
Committed				588,767		588,767
Total fund balances	115,743	163,062	160,218	588,767	339,881	1,367,671
Total liabilities and fund balances	\$ 123,623	\$ 191,433	\$ 180,072	\$ 956,832	\$ 339,881	\$ 1,791,841

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Transportation Bond, Series A Fund	Transportation Bond, Series B Fund	Transportation Bond, Series D Fund	State Construction Account	Multi-Modal Transportation Bond Fund	Total
REVENUES						
Motor fuel taxes				\$ 729,754		\$ 729,754
Licenses and fees				549,170		549,170
Interest and other investment income				1,759		1,759
Total revenues				1,280,683		1,280,683
EXPENDITURES						
Current:						
General government	\$ 1,741	\$ 305	\$ 130		\$ 654	2,830
Transportation	743,356	25,513	8,998	189,976	42,888	1,010,731
Capital outlays	48,048	28,643	115,464	1,068,800		1,260,955
Total expenditures	793,145	54,461	124,592	1,258,776	43,542	2,274,516
Excess (deficiency) of revenues over (under) expenditures	(793,145)	(54,461)	(124,592)	21,907	(43,542)	(993,833)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
General obligation bonds issued	500,000	90,000	60,000		150,000	800,000
Premiums on general obligation bonds issued	59,897	10,222	2,150		26,365	98,634
Discounts on general obligation bonds issued	(2,761)	(552)	(828)			(4,141)
Transfers-in				1,780		1,780
Net other sources (uses) of financial resources	557,136	99,670	61,322	1,780	176,365	896,273
Net change in fund balances	(236,009)	45,209	(63,270)	23,687	132,823	(97,560)
Fund balances, July 1, 2020	351,752	117,853	223,488	565,080	207,058	1,465,231
FUND BALANCES, JUNE 30, 2021	\$ 115,743	\$ 163,062	\$ 160,218	\$ 588,767	\$ 339,881	\$ 1,367,671

State of Illinois

Combining Balance Sheet - Nonmajor Capital Projects Funds

Capital Development Board

June 30, 2021 (Expressed in Thousands)

	Capital Development Fund	CDB Contributory Trust Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 549,156	\$ 54,659	\$ 603,815
Cash and cash equivalents	11,165		11,165
Intergovernmental receivables	1,164	2,559	3,723
Due from other funds	909	1,987	2,896
Total assets	\$ 562,394	\$ 59,205	\$ 621,599
LIABILITIES			
Accounts payable and accrued liabilities	\$ 61,571	\$ 5,462	\$ 67,033
Intergovernmental payables	1		1
Due to other funds	3,526	823	4,349
Due to component units	269		269
Unearned revenue		843	843
Total liabilities	65,367	7,128	72,495
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unavailable revenue	1,164		1,164
Total deferred inflows of resources	1,164		1,164
FUND BALANCES			
Restricted	495,863		495,863
Committed		52,077	52,077
Total fund balances	495,863	52,077	547,940
Total liabilities, deferred inflows of resources, and fund balances	\$ 562,394	\$ 59,205	\$ 621,599

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Capital Development Fund	CDB Contributory Trust Fund	Total
REVENUES			
Federal government	\$ 7,602	\$ 53,733	\$ 61,335
Other	1	4,072	4,073
Total revenues	7,603	57,805	65,408
EXPENDITURES			
Current:			
Education	59,849	4,049	63,898
General government	35,104	40	35,144
Employment and economic development	5,501		5,501
Public protection and justice	555		555
Environment and business regulation	15,637		15,637
Debt service:			
Principal	2		2
Capital outlays	359,206	7,560	366,766
Total expenditures	475,854	11,649	487,503
Excess (deficiency) of revenues over (under) expenditures	(468,251)	46,156	(422,095)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
General obligation bonds issued	763,022		763,022
Premiums on general obligation bonds issued	81,504		81,504
Discounts on general obligation bonds issued	(3,452)		(3,452)
Net other sources (uses) of financial resources	841,074		841,074
Net change in fund balances	372,823	46,156	418,979
Fund balances, July 1, 2020	123,040	5,921	128,961
FUND BALANCES, JUNE 30, 2021	\$ 495,863	\$ 52,077	\$ 547,940

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PERMANENT FUNDS

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

SIGNIFICANT NONMAJOR GOVERNMENTAL PERMANENT FUNDS DESCRIPTIONS

Department of Natural Resources

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

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

Department of Human Services

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

Illinois Power Agency

Illinois Power Agency Trust Fund--to account for resources obtained from private grants and other monies received. No more than ninety percent of investment income may be appropriated annually, and investment income not appropriated is to be added to the principal of the fund.

State of Illinois

Combining Balance Sheet
Nonmajor Permanent Funds

June 30, 2021 (Expressed in Thousands)

	Natural Resources	Human Services DHS Permanent Trust Fund	Illinois Power Agency Illinois Power Agency Trust Fund	Other	Total
ASSETS					
Cash equity with State Treasurer	\$ 15,475				\$ 15,475
Cash and cash equivalents		\$ 271		\$ 64	335
Securities lending collateral of State Treasurer	983				983
Investments		252	\$ 47,753	945	48,950
Other receivables	1				1
Total assets	\$ 16,459	\$ 523	\$ 47,753	\$ 1,009	\$ 65,744
LIABILITIES					
Due to other funds		\$ 138			\$ 138
Obligations under securities lending of State Treasurer	\$ 983				983
Total liabilities	983	138			1,121
FUND BALANCES					
Nonspendable endowments and similar funds	11,484	159	\$ 47,753	\$ 945	60,341
Restricted	3,992	226		64	4,282
Total fund balances	15,476	385	47,753	1,009	64,623
Total liabilities and fund balances	\$ 16,459	\$ 523	\$ 47,753	\$ 1,009	\$ 65,744

State of Illinois

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Permanent Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Natural Resources	Human Services DHS Permanent Trust Fund	Illinois Power Agency Illinois Power Agency Trust Fund	Other	Total
REVENUES					
Licenses and fees	\$ 171				\$ 171
Interest and other investment income	20	\$ 13	\$ 10,024	\$ 1	10,058
Other		52			52
Total revenues	191	65	10,024	1	10,281
EXPENDITURES					
Current:					
Health and social services				9	9
Total expenditures				9	9
Excess (deficiency) of revenues over (under) expenditures	191	65	10,024	(8)	10,272
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Transfers-out			(1,657)		(1,657)
Net other sources (uses) of financial resources			(1,657)		(1,657)
Net change in fund balances	191	65	8,367	(8)	8,615
Fund balances, July 1, 2020	15,285	320	39,386	1,017	56,008
FUND BALANCES, JUNE 30, 2021	\$ 15,476	\$ 385	\$ 47,753	\$ 1,009	\$ 64,623

State of Illinois

Combining Balance Sheet - Nonmajor Permanent Funds

Natural Resources

June 30, 2021 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 2,815	\$ 12,660	\$ 15,475
Securities lending collateral of State Treasurer	983		983
Other receivables	1		1
Total assets	\$ 3,799	\$ 12,660	\$ 16,459
LIABILITIES			
Obligations under securities lending of State Treasurer	\$ 983		\$ 983
Total liabilities	983		983
FUND BALANCES			
Nonspendable endowments and similar funds	2,816	\$ 8,668	11,484
Restricted		3,992	3,992
Total fund balances	2,816	12,660	15,476
Total liabilities and fund balances	\$ 3,799	\$ 12,660	\$ 16,459

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Fish and Wildlife Endowment Fund	Illinois Habitat Endowment Trust Fund	Total
REVENUES			
Licenses and fees	\$ 171		\$ 171
Interest and other investment income	9	\$ 11	20
Total revenues	180	11	191
Net change in fund balances	180	11	191
Fund balances, July 1, 2020	2,636	12,649	15,285
FUND BALANCES, JUNE 30, 2021	\$ 2,816	\$ 12,660	\$ 15,476

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ENTERPRISE FUNDS

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

SIGNIFICANT NONMAJOR ENTERPRISE FUNDS DESCRIPTIONS

Attorney Registration and Disciplinary Commission

Attorney Registration and Disciplinary Commission Operating Fund--to account for registration and program fees for lawyers licensed to practice law in Illinois.

Department of the Lottery

State Lottery Fund--to account for all receipts and expenses from the operation of the State Lottery. The net proceeds are transferred to the Common School Account in the General Fund.

Student Assistance Commission

Federal Student Loan Fund--to account for the Federal Family Education Loan Program which funds the repayment of guaranteed loans that have gone into default to lenders.

Illinois Designated Account Purchase Program Fund--to purchase guaranteed student loans from lenders in order to reduce the lenders' collection and administration costs, and to act as a servicer of student loans.

State of Illinois

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2021 (Expressed in Thousands)

	Attorney Registration and Disciplinary Commission	Lottery	Attorney Registration and Disciplinary Commission	Student Assistance Commission	Other	Total
	Operating Fund	State Lottery Fund	Operating Fund	Commission		
ASSETS						
Cash equity with State Treasurer		\$ 94,100	\$ 46,820	\$ 106,376	\$	247,296
Cash and cash equivalents	\$ 1,949	22,574	9,091	879		34,493
Securities lending collateral of State Treasurer			16,290	35,235		51,525
Investments	42,245	27,709	22,098			92,052
Receivables, net:						
Intergovernmental			9,842	579		10,421
Other	136	47,464	11	11,536		59,147
Due from other funds		75	105	20,591		20,771
Restricted assets:						
Cash and cash equivalents			7,602			7,602
Other receivables, net			26,500			26,500
Loans and notes receivable, net			22,318			22,318
Prepaid expenses	185	132		1,488		1,805
Total current assets	44,515	192,054	160,677	176,684		573,930
Investments	28,199	261,902				290,101
Restricted loans and notes receivable, net			163,665			163,665
Capital assets being depreciated, net	1,859	11		856		2,726
Total noncurrent assets	30,058	261,913	163,665	856		456,492
Total assets	74,573	453,967	324,342	177,540		1,030,422
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - pensions		8,955	624	21,629		31,208
Deferred outflows of resources - OPEB		2,827	129	6,890		9,846
Total deferred outflows of resources		11,782	753	28,519		41,054
LIABILITIES						
Accounts payable and accrued liabilities	6,208	101,263	6,803	7,895		122,169
Intergovernmental payables		36	1,938	22		1,996
Due to other funds		50,551	5,827	793		57,171
Due to component units		2				2
Unearned revenue	16,238	1,493		15,461		33,192
Obligations under securities lending of State Treasurer			16,290	35,235		51,525
Short-term notes payable			64,487			64,487
Current portion of long-term liabilities	38	25,846	35	1,930		27,849
Total current liabilities	22,484	179,191	95,380	61,336		358,391
Due to other funds		89,045				89,045
Noncurrent portion of long-term liabilities	2,528	361,671	100,889	146,739		611,827
Total noncurrent liabilities	2,528	450,716	100,889	146,739		700,872
Total liabilities	25,012	629,907	196,269	208,075		1,059,263
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - unamortized deferred amounts on refundings			20,886			20,886
Deferred inflows of resources - pensions		4,260	490	31,856		36,606
Deferred inflows of resources - OPEB		9,741	485	21,291		31,517
Total deferred inflows of resources		14,001	21,861	53,147		89,009
NET POSITION						
Net investment in capital assets	1,859	11		856		2,726
Restricted for:						
Debt service			36,941			36,941
Education			44,983			44,983
Unrestricted	47,702	(178,170)	25,041	(56,019)		(161,446)
Total net position	\$ 49,561	\$ (178,159)	\$ 106,965	\$ (55,163)		\$ (76,796)

State of Illinois

Combining Statement of Revenues, Expenses
and Changes in Net Position

Nonmajor Enterprise Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Attorney Registration and Disciplinary Commission Operating Fund	Lottery State Lottery Fund	Student Assistance Commission	Other	Total
OPERATING REVENUES					
Charges for sales and services	\$ 21,810	\$ 3,447,686	\$ 4,862	\$ 74,555	\$ 3,548,913
Interest income pledged as revenue bond security			10,958		10,958
Interest and other investment income				3	3
Other		6,863			6,863
Total operating revenues	21,810	3,454,549	15,820	74,558	3,566,737
OPERATING EXPENSES					
Cost of sales and services		186,247	50,381	16,546	253,174
Benefit payments and refunds				34,148	34,148
Prizes and claims		2,329,353			2,329,353
General and administrative	2,789	162,524	2,347	9,093	176,753
Depreciation	215	201		446	862
Other	14,850				14,850
Total operating expenses	17,854	2,678,325	52,728	60,233	2,809,140
Operating income (loss)	3,956	776,224	(36,908)	14,325	757,597
NONOPERATING REVENUES (EXPENSES)					
Interest and investment income	1,234	(9,875)	146	320	(8,175)
Interest expense		(8,946)			(8,946)
Federal government		108	50,291	40	50,439
Other expenses		(406)	(2,147)		(2,553)
Income (loss) before transfers	5,190	757,105	11,382	14,685	788,362
Transfers-in			874	9,800	10,674
Transfers-out		(776,333)	(9,800)	(4,783)	(790,916)
Change in net position	5,190	(19,228)	2,456	19,702	8,120
Net position, July 1, 2020, as restated	44,371	(158,931)	104,509	(74,865)	(84,916)
NET POSITION, JUNE 30, 2021	\$ 49,561	\$ (178,159)	\$ 106,965	\$ (55,163)	\$ (76,796)

State of Illinois

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Attorney Registration and Disciplinary Commission Operating Fund	Lottery State Lottery Fund	Attorney Registration and Disciplinary Commission Student Assistance Commission	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from sales and services	\$ 21,831		\$ 30,617	\$ 73,019	\$ 125,467
Cash received from lottery sales		\$ 3,509,304			3,509,304
Cash payments to suppliers for goods and services		(143,302)	(1,227)	(43,284)	(187,813)
Cash payments for interfund services		(1,395)		(220)	(1,615)
Cash payments to employees for services	(11,648)	(20,318)	(562)	(20,868)	(53,396)
Cash payments for lottery prizes		(2,294,302)			(2,294,302)
Cash payments for commissions and bonuses		(186,247)			(186,247)
Cash receipts from student loan principal			33,780		33,780
Cash receipts from student loan interest			6,459		6,459
Cash payments for student loans issued			(2,272)		(2,272)
Cash receipts from other operating activities		6,946		1,450	8,396
Cash payments for other operating activities	(6,238)	(39)	(75,872)	(10,007)	(92,156)
Net cash provided (used) by operating activities	3,945	870,647	(9,077)	90	865,605
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Principal paid on revenue bonds and other borrowings			(32,071)		(32,071)
Interest paid on revenue bonds and other borrowings			(1,637)		(1,637)
Grants received		49	49,977	65	50,091
Grants paid			(2,174)		(2,174)
Transfers-in from other funds			1,002	6,257	7,259
Transfers-out to other funds		(785,953)	(6,257)	(4,911)	(797,121)
Net cash provided (used) by noncapital financing activities		(785,904)	8,840	1,411	(775,653)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(290)	(183)		(198)	(671)
Interest paid on capital debt		(17)			(17)
Net cash provided (used) by capital and related financing activities	(290)	(200)		(198)	(688)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities	(29,757)	(26,671)	(28,159)		(84,587)
Proceeds from sales and maturities of investment securities	24,874	24,269	26,606		75,749
Cash paid for long-term annuity prizes payable		(24,674)			(24,674)
Interest and dividends on investments	981	1	230	372	1,584
Net cash provided (used) by investing activities	(3,902)	(27,075)	(1,323)	372	(31,928)
Net increase (decrease) in cash and cash equivalents	(247)	57,468	(1,560)	1,675	57,336
Cash and cash equivalents, July 1, 2020	2,196	59,206	65,073	105,580	232,055
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 1,949	\$ 116,674	\$ 63,513	\$ 107,255	\$ 289,391
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Total cash and cash equivalents per Statement of Net Position	\$ 1,949	\$ 22,574	\$ 9,091	\$ 879	\$ 34,493
Add: cash equity with State Treasurer		94,100	46,820	106,376	247,296
Add: restricted cash equivalents			7,602		7,602
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 1,949	\$ 116,674	\$ 63,513	\$ 107,255	\$ 289,391

(continued)

State of Illinois

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Attorney Registration and Disciplinary Commission		Lottery		Student Assistance Commission		Other	Total
	Attorney Registration and Disciplinary Commission Operating Fund	State Lottery Fund	State Lottery Fund	Lottery	Student Assistance Commission	Student Assistance Commission	Other	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
OPERATING INCOME (LOSS)	\$ 3,956	\$ 776,224	\$ (36,908)	\$ 14,325	\$ 757,597			
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation	215	201			446			862
Provision for uncollectible accounts		2,279		2,129	17			4,425
Interest and investment income				(19)	(3)			(22)
Other expense				(2,417)				(2,417)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:								
(Increase) decrease in accounts receivable	21	62,693		(1,955)	(207)			60,552
(Increase) decrease in intergovernmental receivables					247			247
(Increase) decrease in due from other funds		(13)		148	202			337
(Increase) decrease in loans and notes receivable				29,856				29,856
(Increase) decrease in prepaid expenses	17	91			(384)			(276)
(Increase) decrease in deferred outflows of resources		564		317	(10,825)			(9,944)
Increase (decrease) in accounts payable and accrued liabilities	(29)	1,709		1,707	(3,729)			(342)
Increase (decrease) in intergovernmental payables		(7)		(1,273)	2			(1,278)
Increase (decrease) in due to other funds		344		(182)	95			257
Increase (decrease) in due to component units		2			(2)			
Increase (decrease) in unearned revenue	(530)	82			677			229
Increase (decrease) in net pension liability		4,011		(234)	16,651			20,428
Increase (decrease) in OPEB liability		(6,593)		(440)	(1,197)			(8,230)
Increase (decrease) in other liabilities	295	66		3	(3,708)			(3,344)
Increase (decrease) in long-term annuity prizes payable		26,671						26,671
Increase (decrease) in deferred inflows of resources		2,323		191	(12,517)			(10,003)
Total adjustments	(11)	94,423		27,831	(14,235)			108,008
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 3,945	\$ 870,647	\$ (9,077)	\$ 90	\$ 865,605			
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES								
Increase (decrease) in fair value of investments	\$ 298	\$ (18,822)	\$ (53)		\$ (18,577)			
Interest accreted on investments		8,946			8,946			8,946
Interest accreted on long-term annuity prizes payable		(8,946)			(8,946)			(8,946)

State of Illinois

Combining Statement of Net Position - Nonmajor Enterprise Funds

Student Assistance Commission

June 30, 2021 (Expressed in Thousands)

	Federal Student Loan Fund	Illinois Designated Account Purchase Program Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 46,820		\$ 46,820
Cash and cash equivalents		\$ 9,091	9,091
Securities lending collateral of State Treasurer	16,290		16,290
Investments		22,098	22,098
Receivables, net:			
Intergovernmental	9,842		9,842
Other	11		11
Due from other funds	105		105
Restricted assets:			
Cash and cash equivalents		7,602	7,602
Other receivables, net		26,500	26,500
Loans and notes receivable, net		22,318	22,318
Total current assets	73,068	87,609	160,677
Restricted loans and notes receivable, net		163,665	163,665
Total noncurrent assets		163,665	163,665
Total assets	73,068	251,274	324,342
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions		624	624
Deferred outflows of resources - OPEB		129	129
Total deferred outflows of resources		753	753
LIABILITIES			
Accounts payable and accrued liabilities	6,492	311	6,803
Intergovernmental payables	1,431	507	1,938
Due to other funds	3,872	1,955	5,827
Obligations under securities lending of State Treasurer	16,290		16,290
Short-term notes payable		64,487	64,487
Current portion of long-term liabilities		35	35
Total current liabilities	28,085	67,295	95,380
Noncurrent portion of long-term liabilities		100,889	100,889
Total liabilities	28,085	168,184	196,269
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - unamortized deferred amounts on refundings		20,886	20,886
Deferred inflows of resources - pensions		490	490
Deferred inflows of resources - OPEB		485	485
Total deferred inflows of resources		21,861	21,861
NET POSITION			
Restricted for:			
Debt service		36,941	36,941
Education	44,983		44,983
Unrestricted		25,041	25,041
Total net position	\$ 44,983	\$ 61,982	\$ 106,965

State of Illinois

**Combining Statement of Revenues, Expenses
and Changes in Net Position - Nonmajor Enterprise Funds
Student Assistance Commission**

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Federal Student Loan Fund	Illinois Designated Account Purchase Program Fund	Total
OPERATING REVENUES			
Charges for sales and services	\$ 4,862		\$ 4,862
Interest income pledged as revenue bond security		\$ 10,958	10,958
Total operating revenues	4,862	10,958	15,820
OPERATING EXPENSES			
Cost of sales and services	50,381		50,381
General and administrative		2,347	2,347
Total operating expenses	50,381	2,347	52,728
Operating income (loss)	(45,519)	8,611	(36,908)
NONOPERATING REVENUES (EXPENSES)			
Interest and investment income	146		146
Federal government	50,291		50,291
Other expenses		(2,147)	(2,147)
Income (loss) before transfers	4,918	6,464	11,382
Transfers-in	874		874
Transfers-out	(9,800)		(9,800)
Change in net position	(4,008)	6,464	2,456
Net position, July 1, 2020, as restated	48,991	55,518	104,509
NET POSITION, JUNE 30, 2021	\$ 44,983	\$ 61,982	\$ 106,965

State of Illinois

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

Student Assistance Commission

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Federal Student Loan Fund	Illinois Designated Account Purchase Program Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from sales and services	\$ 30,617		\$ 30,617
Cash payments to suppliers for goods and services		\$ (1,227)	(1,227)
Cash payments to employees for services		(562)	(562)
Cash receipts from student loan principal		33,780	33,780
Cash receipts from student loan interest		6,459	6,459
Cash payments for student loans issued		(2,272)	(2,272)
Cash payments for other operating activities	(75,872)		(75,872)
Net cash provided (used) by operating activities	(45,255)	36,178	(9,077)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Principal paid on revenue bonds and other borrowings		(32,071)	(32,071)
Interest paid on revenue bonds and other borrowings		(1,637)	(1,637)
Grants received	49,977		49,977
Grants paid		(2,174)	(2,174)
Transfers-in from other funds	1,002		1,002
Transfers-out to other funds	(6,257)		(6,257)
Net cash provided (used) by noncapital financing activities	44,722	(35,882)	8,840
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investment securities		(28,159)	(28,159)
Proceeds from sales and maturities of investment securities		26,606	26,606
Interest and dividends on investments	170	60	230
Net cash provided (used) by investing activities	170	(1,493)	(1,323)
Net increase (decrease) in cash and cash equivalents	(363)	(1,197)	(1,560)
Cash and cash equivalents, July 1, 2020	47,183	17,890	65,073
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 46,820	\$ 16,693	\$ 63,513
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Total cash and cash equivalents per Statement of Net Position		\$ 9,091	\$ 9,091
Add: cash equity with State Treasurer	\$ 46,820		46,820
Add: restricted cash equivalents		7,602	7,602
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 46,820	\$ 16,693	\$ 63,513
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
OPERATING INCOME (LOSS)	\$ (45,519)	\$ 8,611	\$ (36,908)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation			
Provision for uncollectible accounts		2,129	2,129
Interest and investment income		(19)	(19)
Other expense		(2,417)	(2,417)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
(Increase) decrease in accounts receivable		(1,955)	(1,955)
(Increase) decrease in due from other funds	1	147	148
(Increase) decrease in loans and notes receivable		29,856	29,856
(Increase) decrease in deferred outflows of resources		317	317
Increase (decrease) in accounts payable and accrued liabilities	1,683	24	1,707
Increase (decrease) in intergovernmental payables	(1,273)		(1,273)
Increase (decrease) in due to other funds	(147)	(35)	(182)
Increase (decrease) in net pension liability		(234)	(234)
Increase (decrease) in OPEB liability		(440)	(440)
Increase (decrease) in other liabilities		3	3
Increase (decrease) in deferred inflows of resources		191	191
Total adjustments	264	27,567	27,831
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (45,255)	\$ 36,178	\$ (9,077)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Increase (decrease) in fair value of investments		\$ (53)	\$ (53)

INTERNAL SERVICE FUNDS

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

SIGNIFICANT INTERNAL SERVICE FUNDS DESCRIPTIONS

Office of the Auditor General

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

Department of Central Management Services

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

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

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

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

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

Department of Corrections

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

Department of Innovation and Technology

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

State of Illinois

Combining Statement of Net Position

Internal Service Funds

June 30, 2021 (Expressed in Thousands)

	Auditor General		Central	Corrections	Department of Innovation and Technology		
	Audit Expense Fund		Management Services	Working Capital Revolving Fund	Management Revolving Fund	Other	Total
ASSETS							
Cash equity with State Treasurer	\$ 38,538	\$	129,347	\$ 449	\$ 32,401	\$ 1,754	\$ 202,489
Cash and cash equivalents			69,492				69,492
Securities lending collateral of State Treasurer			44,186			369	44,555
Receivables, net:							
Intergovernmental			995	12	899		1,906
Other			25,338	146	1,082	3,336	29,902
Due from other funds	20,404		1,655,722	20,652	259,198	8,738	1,964,714
Due from component units	992		11,973	44	3,862	291	17,162
Inventories			2,005	6,037		1,556	9,598
Prepaid expenses				1			1
Total current assets	59,934		1,939,058	27,341	297,442	16,044	2,339,819
Capital assets not being depreciated			41,887		9,071		50,958
Capital assets being depreciated, net			200,746	2,878	156,498		360,122
Total noncurrent assets	-		242,633	2,878	165,569		411,080
Total assets	59,934		2,181,691	30,219	463,011	16,044	2,750,899
LIABILITIES							
Accounts payable and accrued liabilities	8,106		1,160,815	4,660	210,915	7,599	1,392,095
Intergovernmental payables			5,155	3	7,004		12,162
Due to other funds	12		14,114	504	18,332	108	33,070
Due to component units			273	1	4		278
Unearned revenue					3,547		3,547
Obligations under securities lending of State Treasurer			44,186			369	44,555
Current portion of long-term liabilities			105,560		10,720		116,280
Total current liabilities	8,118		1,330,103	5,168	250,522	8,076	1,601,987
Noncurrent portion of long-term liabilities			458,164		18,330		476,494
Total liabilities	8,118		1,788,267	5,168	268,852	8,076	2,078,481
NET POSITION							
Net investment in capital assets			242,633	2,878	165,024		410,535
Unrestricted	51,816		150,791	22,173	29,135	7,968	261,883
Total net position	\$ 51,816	\$	393,424	\$ 25,051	\$ 194,159	\$ 7,968	\$ 672,418

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Auditor General		Central	Corrections	Department of Innovation and Technology		
	Audit Expense Fund		Management Services	Working Capital Revolving Fund	Technology Management Revolving Fund	Other	Total
OPERATING REVENUES							
Charges for sales and services	\$ 29,015	\$ 3,236,173	\$ 22,421	\$ 400,312	\$ 43,137	\$ 3,731,058	
Other		17				17	
Total operating revenues	29,015	3,236,190	22,421	400,312	43,137	3,731,075	
OPERATING EXPENSES							
Cost of sales and services	25,724	269,465	21,532	413,026	43,374	773,121	
Benefit payments and refunds		2,850,742				2,850,742	
General and administrative		77,079	3,132		7	80,218	
Depreciation		23,784	593	22,330		46,707	
Other		36				36	
Total operating expenses	25,724	3,221,106	25,257	435,356	43,381	3,750,824	
Operating income (loss)	3,291	15,084	(2,836)	(35,044)	(244)	(19,749)	
NONOPERATING REVENUES (EXPENSES)							
Interest and investment income		417			23	440	
Interest expense		(41,577)	(544)			(42,121)	
Federal government		10,757	4	60,302		71,063	
Other revenues			336	8,195		8,531	
Other expenses	(1)	(1)		(78)		(80)	
Income (loss) before contributions and transfers	3,290	(15,320)	(3,040)	33,375	(221)	18,084	
Contributions of capital assets		92,384		10,974		103,358	
Transfers-in		2,862		100,000	500	103,362	
Transfers-out		(2,862)	(197)			(3,059)	
Change in net position	3,290	77,064	(3,237)	144,349	279	221,745	
Net position, July 1, 2020	48,526	316,360	28,288	49,810	7,689	450,673	
NET POSITION, JUNE 30, 2021	\$ 51,816	\$ 393,424	\$ 25,051	\$ 194,159	\$ 7,968	\$ 672,418	

State of Illinois

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Auditor General	Central	Corrections	Department of Innovation and Technology		
	Audit Expense Fund	Management Services	Working Capital Revolving Fund	Technology Management Revolving Fund	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 4,009	\$ 170,945	\$ 688	\$ 11,869		\$ 187,511
Cash received from transactions with other funds	24,357	3,285,840	36,492	506,902	\$ 39,663	3,893,254
Cash payments to suppliers for goods and services	(24,283)	(3,226,691)	(30,316)	(382,764)	(38,784)	(3,702,838)
Cash payments for interfund services	(7)	(31,163)	(1,222)	(22,759)	(7)	(55,158)
Cash payments to employees for services	(261)	(59,905)	(4,508)	(128,993)	(2,100)	(195,767)
Cash payments for workers compensation		(86,053)				(86,053)
Cash receipts from other operating activities		94,333	334			94,667
Net cash provided (used) by operating activities	3,815	147,306	1,468	(15,745)	(1,228)	135,616
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Principal paid on other borrowings				(10,032)		(10,032)
Interest paid on other borrowings		(84,562)	(955)	(50,785)		(136,302)
Grants received		15,036	4	68,760		83,800
Transfers-in from other funds		2,862		100,000	1,300	104,162
Transfers-out to other funds		(2,862)				(2,862)
Net cash provided (used) by noncapital financing activities		(69,526)	(951)	107,943	1,300	38,766
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(1)	(9,811)	(975)	(72,770)		(83,557)
Principal paid on capital debt				(5)		(5)
Interest paid on capital debt				(1)		(1)
Proceeds from sales of capital assets			2			2
Net cash provided (used) by capital and related financing activities	(1)	(9,811)	(973)	(72,776)		(83,561)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments		427			23	450
Net cash provided (used) by investing activities		427			23	450
Net increase (decrease) in cash and cash equivalents	3,814	68,396	(456)	19,422	95	91,271
Cash and cash equivalents, July 1, 2020	34,724	130,443	905	12,979	1,659	180,710
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 38,538	\$ 198,839	\$ 449	\$ 32,401	\$ 1,754	\$ 271,981
Reconciliation of cash and cash equivalents to the statement of net position:						
Total cash and cash equivalents per statement of net position		\$ 69,492				\$ 69,492
Add: cash equity with State Treasurer	\$ 38,538	129,347	\$ 449	\$ 32,401	\$ 1,754	202,489
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 38,538	\$ 198,839	\$ 449	\$ 32,401	\$ 1,754	\$ 271,981
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ 3,291	\$ 15,084	\$ (2,836)	\$ (35,044)	\$ (244)	\$ (19,749)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		23,784	593	22,330		46,707
Miscellaneous income			334			334
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable		(3,514)	(83)	(638)	960	(3,275)
(Increase) decrease in intergovernmental receivables		2	(10)	105		97
(Increase) decrease in due from other funds	(1,905)	213,238	14,870	110,392	(4,429)	332,166
(Increase) decrease in due from component units	1,256	(1,167)	(42)	(2,054)	(5)	(2,012)
(Increase) decrease in inventories		(118)	(585)		6	(697)
(Increase) decrease in prepaid expenses		40,310	(1)			40,309
Increase (decrease) in accounts payable and accrued liabilities	1,164	(126,877)	(7,776)	(101,620)	3,865	(231,244)
Increase (decrease) in intergovernmental payables	(1)	2,579	(24)	(7,778)		(5,224)
Increase (decrease) in due to other funds	10	5,139	(2,068)	(1,712)	(1,381)	(12)
Increase (decrease) in due to component units		(432)	(3)	(5)		(440)
Increase (decrease) in unearned revenue				(562)		(562)
Increase (decrease) in other liabilities		(20,722)	(901)	841		(20,782)
Total adjustments	524	132,222	4,304	19,299	(984)	155,365
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 3,815	\$ 147,306	\$ 1,468	\$ (15,745)	\$ (1,228)	\$ 135,616
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Cost of capital asset acquisitions financed by capital leases				\$ 31		\$ 31
Gain (loss) on disposal of capital assets		\$ (1)		(78)		(79)
Transfer of assets/liabilities from (to) other state funds	\$ (1)	92,384		10,974		103,357

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State of Illinois

Combining Statement of Net Position - Internal Service Funds

Central Management Services

June 30, 2021 (Expressed in Thousands)

	Facilities			Workers'			
	State Garage Revolving Fund	Management Revolving Fund	Professional Services Fund	Compensation Revolving Fund	Health Insurance Reserve Fund		Total
ASSETS							
Cash equity with State Treasurer	\$ 4,825	\$ 17,870	\$ 19,299	\$ 39,859	\$ 47,494	\$	129,347
Cash and cash equivalents				4,669	64,823		69,492
Securities lending collateral of State Treasurer		6,282	7,326	13,912	16,666		44,186
Receivables, net:							
Intergovernmental	6				989		995
Other		4	5	10	25,319		25,338
Due from other funds	14,678	120,509	29,839	514,664	976,032		1,655,722
Due from component units		60			11,913		11,973
Inventories	2,005						2,005
Total current assets	21,514	144,725	56,469	573,114	1,143,236		1,939,058
Capital assets not being depreciated		41,887					41,887
Capital assets being depreciated, net	20,262	179,986	498				200,746
Total noncurrent assets	20,262	221,873	498				242,633
Total assets	41,776	366,598	56,967	573,114	1,143,236		2,181,691
LIABILITIES							
Accounts payable and accrued liabilities	3,387	28,897	2,270	922	1,125,339		1,160,815
Intergovernmental payables	32	5,028	57	1	37		5,155
Due to other funds	4,004	8,025	1,208	30	847		14,114
Due to component units	1	233			39		273
Obligations under securities lending of State Treasurer		6,282	7,326	13,912	16,666		44,186
Current portion of long-term liabilities	141	304	155	104,933	27		105,560
Total current liabilities	7,565	48,769	11,016	119,798	1,142,955		1,330,103
Noncurrent portion of long-term liabilities	677	2,217	1,673	453,316	281		458,164
Total liabilities	8,242	50,986	12,689	573,114	1,143,236		1,788,267
NET POSITION							
Net investment in capital assets	20,262	221,873	498				242,633
Unrestricted	13,272	93,739	43,780				150,791
Total net position	\$ 33,534	\$ 315,612	\$ 44,278	\$ -	\$ -		\$ 393,424

State of Illinois

**Combining Statement of Revenues, Expenses
and Changes in Net Position - Internal Service Funds
Central Management Services**

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State Garage Revolving Fund	Facilities Management Revolving Fund	Professional Services Fund	Workers' Compensation Revolving Fund	Health Insurance Reserve Fund	Total
OPERATING REVENUES						
Charges for sales and services	\$ 47,931	\$ 206,464	\$ 44,002	\$ 68,360	\$ 2,869,416	\$ 3,236,173
Other	17					17
Total operating revenues	47,948	206,464	44,002	68,360	2,869,416	3,236,190
OPERATING EXPENSES						
Cost of sales and services	33,133	198,019	38,313			269,465
Benefit payments and refunds				71,302	2,779,440	2,850,742
General and administrative	12,557	10,450			54,072	77,079
Depreciation	10,078	13,561	145			23,784
Other	36					36
Total operating expenses	55,804	222,030	38,458	71,302	2,833,512	3,221,106
Operating income (loss)	(7,856)	(15,566)	5,544	(2,942)	35,904	15,084
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income		34	48	67	268	417
Interest expense	(13)	(560)	(19)		(40,985)	(41,577)
Federal government	32	2,861	176	13	7,675	10,757
Other expenses		(1)				(1)
Income (loss) before contributions and transfers	(7,837)	(13,232)	5,749	(2,862)	2,862	(15,320)
Contributions of capital assets		92,384				92,384
Transfers-in				2,862		2,862
Transfers-out					(2,862)	(2,862)
Change in net position	(7,837)	79,152	5,749	-	-	77,064
Net position, July 1, 2020	41,371	236,460	38,529			316,360
NET POSITION, JUNE 30, 2021	\$ 33,534	\$ 315,612	\$ 44,278	\$ -	\$ -	\$ 393,424

State of Illinois

Combining Statement of Cash Flows - Internal Service Funds

Central Management Services

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State Garage Revolving Fund	Facilities Management Revolving Fund	Professional Services Fund	Workers' Compensation Revolving Fund	Health Insurance Reserve Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 138	\$ 9,377			\$ 161,430	\$ 170,945
Cash received from transactions with other funds	56,614	209,012	\$ 55,432	\$ 115,079	2,849,703	3,285,840
Cash payments to suppliers for goods and services	(22,156)	(157,055)	(30,823)	(6,107)	(3,010,550)	(3,226,691)
Cash payments for interfund services	(7,393)	(12,417)	(6,999)	(102)	(4,252)	(31,163)
Cash payments to employees for services	(15,957)	(39,616)			(4,332)	(59,905)
Cash payments for workers compensation				(86,053)		(86,053)
Cash receipts from other operating activities	17				94,316	94,333
Net cash provided (used) by operating activities	11,263	9,301	17,610	22,817	86,315	147,306
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interest paid on other borrowings	(42)	(1,887)	(19)		(82,614)	(84,562)
Grants received	32	2,629	154	13	12,208	15,036
Transfers-in from other funds				2,862		2,862
Transfers-out to other funds					(2,862)	(2,862)
Net cash provided (used) by noncapital financing activities	(10)	742	135	2,875	(73,268)	(69,526)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(8,476)	(811)	(524)			(9,811)
Net cash provided (used) by capital and related financing activities	(8,476)	(811)	(524)			(9,811)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments		35	45	64	283	427
Net cash provided (used) by investing activities		35	45	64	283	427
Net increase (decrease) in cash and cash equivalents	2,777	9,267	17,266	25,756	13,330	68,396
Cash and cash equivalents, July 1, 2020	2,048	8,603	2,033	18,772	98,987	130,443
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 4,825	\$ 17,870	\$ 19,299	\$ 44,528	\$ 112,317	\$ 198,839
Reconciliation of cash and cash equivalents to the statement of net position:						
Total cash and cash equivalents per statement of net position				\$ 4,669	\$ 64,823	\$ 69,492
Add: cash equity with State Treasurer	\$ 4,825	\$ 17,870	\$ 19,299	39,859	47,494	129,347
CASH AND CASH EQUIVALENTS, JUNE 30, 2021	\$ 4,825	\$ 17,870	\$ 19,299	\$ 44,528	\$ 112,317	\$ 198,839
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (7,856)	\$ (15,566)	\$ 5,544	\$ (2,942)	\$ 35,904	\$ 15,084
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	10,078	13,561	145			23,784
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	4				(3,518)	(3,514)
(Increase) decrease in intergovernmental receivables	2					2
(Increase) decrease in due from other funds	8,827	3,379	11,431	46,721	142,880	213,238
(Increase) decrease in due from component units		(37)			(1,130)	(1,167)
(Increase) decrease in inventories	(118)					(118)
(Increase) decrease in prepaid expenses					40,310	40,310
Increase (decrease) in accounts payable and accrued liabilities	(872)	1,634	88	77	(127,804)	(126,877)
Increase (decrease) in intergovernmental payables	1	2,576	5		(3)	2,579
Increase (decrease) in due to other funds	1,314	4,082	109	13	(379)	5,139
Increase (decrease) in due to component units	(30)	(408)	(10)		16	(432)
Increase (decrease) in other liabilities	(87)	80	298	(21,052)	39	(20,722)
Total adjustments	19,119	24,867	12,066	25,759	50,411	132,222
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 11,263	\$ 9,301	\$ 17,610	\$ 22,817	\$ 86,315	\$ 147,306
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Gain (loss) on disposal of capital assets		\$ (1)				\$ (1)
Transfer of assets from (to) other state funds		92,384				92,384

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

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

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS DESCRIPTIONS

Department of Central Management Services

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

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

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

See Note 16 for description of retirement systems.

State of Illinois

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

June 30, 2021 (Expressed in Thousands)

	Central Management Services					
	Teacher Health Insurance Security	Community College Health Insurance Security	General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System
ASSETS						
Cash equity with State Treasurer	\$ 32,421	\$ 1,050	\$ 5,617	\$ 24,738	\$ 324,092	\$ 16,263
Cash and cash equivalents	7,867	1,494				345,970
Securities lending collateral of State Treasurer	8,982	499	2,306	6,437	99,976	58,796
Investments:						
Equities						22,407,527
Fixed income						10,220,742
Private equity						10,178,045
Real estate						9,569,744
Other						11,129,804
Equity in Illinois State Board of Investments			74,220	1,355,656	23,383,092	
Securities lending collateral						2,366,899
Receivables, net:						
Members	12,610	273	28	28	9,812	99,098
Employers	9,356	273				9,822
Investment income	6	12	2	4	69	121,605
Intergovernmental	97	485				
Pending investment sales						4,229,639
Other	4,171				9,169	
Due from other funds				60	113	
Due from primary government funds	279,002	11			169,214	5,024
Prepaid expenses	7,691					3,608
Capital assets not being depreciated					971	238
Capital assets being depreciated, net			45	149	12,337	8,216
Total assets	362,203	4,097	82,218	1,387,072	24,008,845	70,771,040
LIABILITIES						
Accounts payable and accrued liabilities	38,005	107,654	2	69	20,248	36,933
Intergovernmental payables	2					
Due to other funds			85	88		
Due to primary government funds	1,866	73			4,370	1
Obligations under securities lending of State Treasurer	8,982	499	2,306	6,437	99,976	58,796
Securities lending collateral						2,366,899
Payable to brokers for unsettled trades						4,093,633
Obligations under reverse repurchase agreements						
Long term obligations:						
Due within one year	5				100	105
Due subsequent to one year	97	7	14	41	824	2,168
Total liabilities	48,957	108,233	2,407	6,635	125,518	6,558,535
NET POSITION						
Restricted for pension and other postemployment benefits	313,246		79,811	1,380,437	23,883,327	64,212,505
Unrestricted		(104,136)				
Total net position	\$ 313,246	\$ (104,136)	\$ 79,811	\$ 1,380,437	\$ 23,883,327	\$ 64,212,505

State Universities Retirement System

Defined Benefit	Other Employee Benefit Plan	Total
\$ 1,709,597	\$ 10,703	\$ 404,181
		2,075,631
		176,996
12,628,722	79,358	35,115,607
5,719,552	35,791	15,976,085
		10,178,045
1,550,844	9,718	11,130,306
2,163,190	13,384	13,306,378
		24,812,968
2,128,804	13,340	4,509,043
10,614		132,463
7,179	6	26,636
59,913	376	181,987
		582
78,169	490	4,308,298
		13,340
		173
		453,251
140		11,439
887		2,096
10,205		30,952
26,067,816	163,166	122,846,457
41,883	499	245,293
		2
		173
4		6,314
		176,996
2,128,208	13,336	4,508,443
127,159	797	4,221,589
620	4	624
44		254
1,585		4,736
2,299,503	14,636	9,164,424
23,768,313	148,530	113,786,169
		(104,136)
\$ 23,768,313	\$ 148,530	\$ 113,682,033

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Central Management Services		General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System
	Teacher Health Insurance Security	Community College Health Insurance Security				
ADDITIONS						
Contributions:						
Employer State	\$ 101,328	\$ 4,649	\$ 27,299	\$ 148,625	\$ 2,478,210	\$ 89,536
Members:						
Employees	137,436	4,649	1,238	14,600	280,584	1,023,532
Federal Medicare Part D	1,648	202				
Other	96					8,058
Total contributions	377,944	14,149	28,537	163,225	2,758,794	6,261,774
Investment income:						
Interest and other investment income	51	5	777	14,306	246,645	1,770,005
Net increase (decrease) in fair value of investments			14,123	266,220	4,597,021	12,183,214
Less investment expense			(90)	(1,690)	(29,176)	(907,065)
Net investment income	51	5	14,810	278,836	4,814,490	13,046,154
Total additions	377,995	14,154	43,347	442,061	7,573,284	19,307,928
DEDUCTIONS						
Benefit payments	244,045	25,827	26,064	172,642	2,853,549	7,323,949
Refunds			154	854	17,102	64,194
Depreciation			3	9	913	1,795
General and administrative	9,526	4,492	327	1,004	15,664	21,963
Total deductions	253,571	30,319	26,548	174,509	2,887,228	7,411,901
Change in net position						
Restricted for:						
Pension benefits			16,799	267,552	4,686,056	11,896,027
Retiree health insurance benefits (unrestricted deficit)	124,424	(16,165)				
Other employee benefits						
Net position, July 1, 2020, as restated	188,822	(87,971)	63,012	1,112,885	19,197,271	52,316,478
NET POSITION, JUNE 30, 2021	\$ 313,246	\$ (104,136)	\$ 79,811	\$ 1,380,437	\$ 23,883,327	\$ 64,212,505

**State Universities Retirement
System**

Defined Benefit	Other Employee Benefit Plan	Total
\$ 57,001	\$ 339	\$ 2,906,987
1,921,742	2,567	7,207,042
288,476		1,750,515
		1,850
		8,154
2,267,219	2,906	11,874,548
390,425	2,352	2,424,566
4,458,726	26,678	21,545,982
(86,181)	(519)	(1,024,721)
4,762,970	28,511	22,945,827
7,030,189	31,417	34,820,375
2,780,374	2,366	13,428,816
79,128		161,432
862		3,582
18,528		71,504
2,878,892	2,366	13,665,334
4,151,297		21,017,731
		108,259
	29,051	29,051
19,617,016	119,479	92,526,992
\$ 23,768,313	\$ 148,530	\$ 113,682,033

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INVESTMENT TRUST FUNDS

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

INVESTMENT TRUST FUNDS DESCRIPTIONS

Treasurer

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

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

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

June 30, 2021 (Expressed in Thousands)

	<u>Treasurer</u>			Total
	Public Treasurers' External Investment Pool Fund	College Savings Pool Fund		
ASSETS				
Cash and cash equivalents	\$ 2,821,880	\$ 1,057,040		\$ 3,878,920
Investments:				
Equities		9,731,958		9,731,958
Fixed income	2,270,112	5,971,610		8,241,722
Investment income receivables	13,284	34,730		48,014
Total assets	<u>5,105,276</u>	<u>16,795,338</u>		<u>21,900,614</u>
LIABILITIES				
Accounts payable and accrued liabilities	220	28,844		29,064
Due to primary government funds	585			585
Total liabilities	<u>805</u>	<u>28,844</u>		<u>29,649</u>
NET POSITION				
Net position restricted for pool participants	<u>\$ 5,104,471</u>	<u>\$ 16,766,494</u>		<u>\$ 21,870,965</u>

State of Illinois

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Treasurer		Total
	Public Treasurers' External Investment Pool Fund	College Savings Pool Fund	
ADDITIONS			
Participant contributions		\$ 1,837,814	\$ 1,837,814
Total contributions		1,837,814	1,837,814
Investment income:			
Interest and other investment income	\$ 11,135	332,951	344,086
Net increase (decrease) in fair value of investments		2,721,516	2,721,516
Less investment expense	(3,722)		(3,722)
Net investment income	7,413	3,054,467	3,061,880
Capital share and individual account transactions:			
Shares sold	11,782,187		11,782,187
Reinvested distributions	7,413		7,413
Shares redeemed	(10,982,476)		(10,982,476)
Net capital share and individual account transactions	807,124		807,124
Total additions	814,537	4,892,281	5,706,818
DEDUCTIONS			
Distribution to pool investors	7,413		7,413
Payments to participants/beneficiaries		1,051,671	1,051,671
General and administrative		35,613	35,613
Total deductions	7,413	1,087,284	1,094,697
Change in net position	807,124	3,804,997	4,612,121
Net position, July 1, 2020, as restated	4,297,347	12,961,497	17,258,844
NET POSITION, JUNE 30, 2021	\$ 5,104,471	\$ 16,766,494	\$ 21,870,965

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PRIVATE-PURPOSE TRUST FUNDS

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

SIGNIFICANT PRIVATE-PURPOSE TRUST FUND DESCRIPTION

Department of Children and Family Services

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

State of Illinois

Combining Statement of Fiduciary Net Position

Private-Purpose Trust Funds

June 30, 2021 (Expressed in Thousands)

	Children and Family Services		
	Katherine F. Schaffner Bequest	Other	Total
ASSETS			
Cash equity with State Treasurer		\$ 6	\$ 6
Cash and cash equivalents	\$ 121	13	134
Investments:			
Equities	644		644
Fixed income	204		204
Securities lending collateral of State Treasurer		4	4
Total assets	969	23	992
LIABILITIES			
Obligations under securities lending of State Treasurer		4	4
Total liabilities		4	4
NET POSITION			
Restricted for individuals, organizations, and other governments	\$ 969	\$ 19	\$ 988

State of Illinois

**Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds**

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Children and Family Services		
	Katherine F. Schaffner Bequest	Other	Total
ADDITIONS			
Investment income:			
Interest and other investment income	\$ 15		\$ 15
Net increase (decrease) in fair value of investments	188		188
Less investment expense	(11)		(11)
Net investment income	192		192
Total additions	192		192
Net position, July 1, 2020, as restated	777	\$ 19	796
NET POSITION, JUNE 30, 2021	\$ 969	\$ 19	\$ 988

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CUSTODIAL FUNDS

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

SIGNIFICANT CUSTODIAL FUNDS DESCRIPTIONS

Department of Corrections

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

Department of Financial and Professional Regulation

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

Department of Insurance

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

Department of Healthcare and Family Services

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

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

Department of Revenue

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

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

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

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

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

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

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

State Universities Retirement System

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

State of Illinois

Combining Statement of Fiduciary Net Position
Custodial Funds

June 30, 2021 (Expressed in Thousands)

	Corrections	Financial and Professional Regulation	Insurance	Healthcare and Family Services	Revenue
	DOC Resident's Trust Fund	Depository Fund	Security Deposit Fund		
ASSETS					
Cash equity with State Treasurer				\$ 17,901	\$ 632,964
Cash and cash equivalents	\$ 30,814	\$ 1,012	\$ 5,098	2,242	
Securities lending collateral of State Treasurer					129,711
Investments		23,360	889,650		
Receivables, net:					
Taxes					255,870
Intergovernmental					
Other	2			181,060	90
Due from primary government funds	1,254				44,637
Other assets					
Total assets	32,070	24,372	894,748	201,203	1,063,272
LIABILITIES					
Accounts payable and accrued liabilities	307		1,623	201,203	
Intergovernmental payables					933,561
Obligations under securities lending of State Treasurer					129,711
Total liabilities	307		1,623	201,203	1,063,272
NET POSITION					
Restricted for individuals, organizations, and other governments	\$ 31,763	\$ 24,372	\$ 893,125	\$ -	\$ -

State Universities
Retirement
System

SURS Custodial		
Fund	Other	Total
	\$ 78,486	\$ 729,351
\$ 3,491	24,220	66,877
	7,591	137,302
13,077	6,685	932,772
	35,936	291,806
	2,490	2,490
2,891	1,522	185,565
	35	45,926
	137	137
19,459	157,102	2,392,226
6,612	2,449	212,194
	108,867	1,042,428
	7,591	137,302
6,612	118,907	1,391,924
\$ 12,847	\$ 38,195	\$ 1,000,302

State of Illinois

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Corrections DOC Resident's Trust Fund	Financial and Professional Regulation Depository Fund	Insurance Security Deposit Fund	Healthcare and Family Services	Revenue
ADDITIONS					
Contributions:					
Employer State					
Employees					
Total contributions					
Investment income:					
Interest and other investment income	\$ 13	\$ 1	\$ 177		\$ 1,168
Net increase (decrease) in fair value of investments		28			
Less investment expense					
Net investment income	13	29	177		1,168
Collections/deposits:					
Sales tax collections for other governments					2,352,923
Public utility tax collections for other governments					137,677
Motor fuel tax collections for other governments					
Other tax collections for other governments					1,368,067
License and fee collections for other governments					
Collateral deposits received		1,000	245,893		
Custodial fund deposits received	40,858			\$ 1,178,238	
Other	5,194				
Total collections/deposits	46,052	1,000	245,893	1,178,238	3,858,667
Total additions	46,065	1,029	246,070	1,178,238	3,859,835
DEDUCTIONS					
General and administrative					
Payment of sales tax to other governments					2,353,645
Payment of public utility tax to other governments					137,677
Payment of motor fuel tax to other governments					
Payment of other tax to other governments					1,368,513
Payment of licenses and fees to other governments					
Collateral deposits returned			272,519		
Custodial funds disbursed	8,280			1,178,238	
Contributions disbursed to third party investors					
Other	20,208				
Total deductions	28,488		272,519	1,178,238	3,859,835
Change in net position	17,577	1,029	(26,449)	-	-
Net position, July 1, 2020, as restated	14,186	23,343	919,574		
NET POSITION, JUNE 30, 2021	\$ 31,763	\$ 24,372	\$ 893,125	\$ -	-

**State Universities
Retirement
System**

SURS Custodial Fund	Other	Total
\$ 9,950		\$ 9,950
71,458		71,458
98,527		98,527
179,935		179,935
147	\$ 216	1,722
1,661		1,689
(32)		(32)
1,776	216	3,379
	213,771	2,566,694
		137,677
	49,268	49,268
	122,555	1,490,622
	123,048	123,048
	2,170	249,063
	20,805	1,239,901
	5,267	10,461
-	536,884	5,866,734
181,711	537,100	6,050,048
2,578	88	2,666
	213,827	2,567,472
		137,677
	49,285	49,285
	122,545	1,491,058
	123,050	123,050
	4,386	276,905
	15,305	1,201,823
178,536		178,536
	4,406	24,614
181,114	532,892	6,053,086
597	4,208	(3,038)
12,250	33,987	1,003,340
\$ 12,847	\$ 38,195	\$ 1,000,302

State of Illinois

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

June 30, 2021 (Expressed in Thousands)

	Child Support Enforcement Trust Fund	Child Support Enforcement Trust-SDU Fund	Total
ASSETS			
Cash equity with State Treasurer	\$ 17,901	\$ 17,901	
Cash and cash equivalents	313	\$ 1,929	2,242
Other receivables	181,057	3	181,060
Total assets	199,271	1,932	201,203
LIABILITIES			
Accounts payable and accrued liabilities	199,271	1,932	201,203
Total liabilities	199,271	1,932	201,203
NET POSITION			
Restricted for individuals, organizations, and other governments	\$ -	\$ -	\$ -

State of Illinois

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

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Child Support Enforcement Trust Fund	Child Support Enforcement Trust-SDU Fund	Total
ADDITIONS			
Collections/deposits:			
Custodial fund deposits received	\$ 187,114	\$ 991,124	\$ 1,178,238
Total collections/deposits	187,114	991,124	1,178,238
Total additions	187,114	991,124	1,178,238
DEDUCTIONS			
Custodial funds disbursed	187,114	991,124	1,178,238
Total deductions	187,114	991,124	1,178,238
Change in net position	-	-	-
Net position, July 1, 2020			
NET POSITION, JUNE 30, 2021	\$ -	\$ -	\$ -

State of Illinois

Combining Statement of Fiduciary Net Position - Custodial Funds

Revenue

June 30, 2021 (Expressed in Thousands)

	Non-Home Rule Municipal Retailers Occupation Tax Fund	Home Rule Municipal Retailers Occupation Tax Fund	Home Rule County Retailers Occupation Tax Fund	County Public Safety Retailers Occupation Tax Fund	School Facility Occupation Tax Fund
ASSETS					
Cash equity with State Treasurer	\$ 40,393	\$ 174,357	\$ 106,623	\$ 32,935	\$ 45,397
Securities lending collateral of State Treasurer	10,915	39,206	21,123		
Receivables, net:					
Taxes	11,289	94,003	74,600	3,877	7,841
Other	8	27	15		
Due from primary government funds					
Total assets	62,605	307,593	202,361	36,812	53,238
LIABILITIES					
Intergovernmental payables	51,690	268,387	181,238	36,812	53,238
Obligations under securities lending of State Treasurer	10,915	39,206	21,123		
Total liabilities	62,605	307,593	202,361	36,812	53,238
NET POSITION					
Restricted for individuals, organizations, and other governments	\$ -	\$ -	\$ -	\$ -	\$ -

Municipal		
Telecommunications Fund	RTA Sales Tax Trust Fund	Total
\$ 35,292	\$ 197,967	\$ 632,964
	58,467	129,711
38	64,222	255,870
	40	90
	44,637	44,637
35,330	365,333	1,063,272
35,330	306,866	933,561
	58,467	129,711
35,330	365,333	1,063,272
\$ -	\$ -	\$ -

State of Illinois

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
Revenue

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Non-Home Rule Municipal Retailers Occupation Tax Fund	Home Rule Municipal Retailers Occupation Tax Fund	Home Rule County Retailers Occupation Tax Fund	County Public Safety Retailers Occupation Tax Fund	School Facility Occupation Tax Fund
ADDITIONS					
Investment income:					
Interest and other investment income	\$ 88	\$ 379	\$ 255		
Net investment income	88	379	255		
Collections/deposits:					
Sales tax collections for other governments	176,998	1,095,325	762,493	\$ 137,618	\$ 180,489
Public utility tax collections for other governments					
Other tax collections for other governments					
Total collections/deposits	176,998	1,095,325	762,493	137,618	180,489
Total additions	177,086	1,095,704	762,748	137,618	180,489
DEDUCTIONS					
Payment of sales tax to other governments	177,086	1,095,704	762,748	137,618	180,489
Payment of public utility tax to other governments					
Payment of other tax to other governments					
Total deductions	177,086	1,095,704	762,748	137,618	180,489
Change in net position	-	-	-	-	-
Net position, July 1, 2020					
NET POSITION, JUNE 30, 2021	\$ -	\$ -	\$ -	\$ -	\$ -

Municipal Telecommunications Fund	RTA Sales Tax Trust Fund	Total
	\$ 446	\$ 1,168
	446	1,168
		2,352,923
\$ 137,677		137,677
	1,368,067	1,368,067
137,677	1,368,067	3,858,667
137,677	1,368,513	3,859,835
		2,353,645
137,677		137,677
	1,368,513	1,368,513
137,677	1,368,513	3,859,835
-	-	-
-	-	-
\$ -	\$ -	\$ -

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COMPONENT UNITS

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

NONMAJOR COMPONENT UNITS DESCRIPTIONS

NONMAJOR AUTHORITIES

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

Illinois Finance Authority--to provide economic development to the public and private institutions in Illinois that create and retain jobs and to improve the quality of life in Illinois by providing access to capital.

Illinois Medical District Commission--to combine the resources of diverse medical institutions to promote low-cost medical care in the City of Chicago, accelerate scientific research, improve diagnostic methods and train health care professionals.

Southwestern Illinois Development Authority--to promote and enhance economic development in St. Clair and Madison counties in southwestern Illinois.

Upper Illinois River Valley Development Authority--to promote and enhance economic development within the State's Upper Illinois River Valley.

NONMAJOR UNIVERSITIES

Board of Trustees of Chicago State University--to operate, manage, control, and maintain Chicago State University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Eastern Illinois University--to operate, manage, control, and maintain Eastern Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Governors State University--to operate, manage, control, and maintain Governors State University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Northeastern Illinois University--to operate, manage, control, and maintain Northeastern Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

Board of Trustees of Western Illinois University--to operate, manage, control, and maintain Western Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Governors of State Colleges and Universities.

State of Illinois

Combining Statement of Net Position

Component Units - Other Authorities

June 30, 2021 (Expressed in Thousands)

	Comprehensive Health Insurance Plan Board	Illinois Finance Authority	Illinois Medical District Commission	Southwestern Illinois Development Authority
ASSETS				
Cash and cash equivalents	\$ 16,310	\$ 11,901	\$ 5,629	\$ 4,092
Securities lending collateral of State Treasurer Investments		6,824 32,417		
Receivables, net:				
Other		93	361	6
Due from component units			19,395	
Due from primary government		1,342,625	206	
Prepaid expenses	3	134		6
Loans and notes receivable, net		19,202		1,490
Restricted assets:				
Cash equity with State Treasurer		19,200		
Cash and cash equivalents		577,294	1,143	
Investments		269,423		361
Other receivables, net		735		
Loans and notes receivable, net		23,743		
Other assets			428	43
Capital assets not being depreciated			37,590	100
Capital assets being depreciated, net		32	22,425	238
Total assets	16,313	2,303,623	87,177	6,336
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - unamortized deferred amounts on bond refundings		49		
Deferred outflows of resources - pensions	142		258	81
Deferred outflows of resources - OPEB	32			
Total deferred outflows of resources	174	49	258	81
LIABILITIES				
Accounts payable and accrued liabilities	27	44,138	1,537	20
Due to primary government	2	6,537		
Unearned revenue	108	114	982	
Obligations under securities lending collateral of State Treasurer		6,824		
Assets held for others		5		
Other liabilities	358			
Long-term obligations:				
Due within one year	58	138,140	11,919	
Due subsequent to one year	1,681	1,983,706	19,386	
Total liabilities	2,234	2,179,464	33,824	20
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pensions	1,336		384	131
Deferred inflows of resources - OPEB	205			
Total deferred inflows of resources	1,541		384	131
NET POSITION				
Net investment in capital assets		32	45,651	338
Restricted for:				
Other expendable purposes	12,712	60,528	957	
Unrestricted		63,648	6,619	5,928
Total net position	\$ 12,712	\$ 124,208	\$ 53,227	\$ 6,266

**Upper Illinois
River Valley
Development
Authority**

Total

\$	1,015	\$	38,947
			6,824
	19		32,436

	460
	19,395
	1,342,831
	143
	20,692

	19,200
	578,437
	269,784
	735
	23,743
	471
	37,690
	22,695

1,034	2,414,483
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49
481
32
562

45,722
6,539
1,204
6,824
5
358

150,117
2,004,773
2,215,542

1,851
205
2,056

46,021

	74,197
1,034	77,229
\$	1,034
\$	197,447

State of Illinois

Combining Statement of Activities

Component Units - Other Authorities

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue
		Charges for services	Capital grants and contributions	
Comprehensive Health Insurance Plan Board	\$ 2,274	\$ 1,334		\$ (940)
Illinois Finance Authority	45,478	44,501		(977)
Illinois Medical District Commission	8,661	4,606	\$ 1,023	(3,032)
Southwestern Illinois Development Authority	572	175		(397)
Upper Illinois River Valley Development Authority	276	402		126
Total	<u>\$ 57,261</u>	<u>\$ 51,018</u>	<u>\$ 1,023</u>	<u>\$ (5,220)</u>

<u>General revenues</u>		<u>Total general revenues</u>	<u>Change in net position</u>	<u>Net position, July 1, 2020, as restated</u>	<u>Net position, June 30, 2021</u>
<u>Interest and investment income</u>	<u>Other</u>				
\$ 9	\$ 1,558	\$ 1,567	\$ 627	\$ 12,085	\$ 12,712
623	120	743	(234)	124,442	124,208
926		926	(2,106)	55,333	53,227
17	36	53	(344)	6,610	6,266
			126	908	1,034
<u>\$ 1,575</u>	<u>\$ 1,714</u>	<u>\$ 3,289</u>	<u>\$ (1,931)</u>	<u>\$ 199,378</u>	<u>\$ 197,447</u>

State of Illinois

Combining Statement of Net Position

Component Units - Other Universities

June 30, 2021 (Expressed in Thousands)

	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University
ASSETS				
Cash equity with State Treasurer	\$ 156			
Cash and cash equivalents	20,028	\$ 33,739	\$ 60,803	\$ 81,970
Securities lending collateral of State Treasurer	553			
Investments		3,135	6,244	5,364
Receivables, net:				
Intergovernmental			3,901	8,218
Other	10,109	15,799	4,386	11,471
Due from component units	10	30		1
Due from primary government	379	182	1,169	1,130
Inventories	10	1,236	315	12
Prepaid expenses	745	714	957	1,366
Unamortized bond insurance costs		4	515	
Loans and notes receivable, net	263	4,392	1,493	413
Restricted assets:				
Cash and cash equivalents	2,595	26,373	9,940	3,900
Investments	9,731	114,404		13,731
Other receivables, net		4,815		
Loans and notes receivables, net				19
Other assets				
Other assets		351		1,193
Capital assets not being depreciated	27,465	4,756	12,404	35,789
Capital assets being depreciated, net	111,945	222,061	102,028	137,877
Total assets	183,989	431,991	204,155	302,454
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - unamortized deferred amounts on bond refundings				
Deferred outflows of resources - unamortized deferred amounts on certificates of participation refundings				
Deferred outflows of resources - pensions	181	217	123	959
Deferred outflows of resources - OPEB	316	1,884	370	1,868
Total deferred outflows of resources	497	2,101	493	2,827
LIABILITIES				
Accounts payable and accrued liabilities	4,962	7,079	8,303	10,204
Intergovernmental payables	350		2,475	
Due to component units	21			10
Due to primary government				95
Unearned revenue	2,090	8,891	3,604	1,405
Obligations under securities lending collateral of State Treasurer	553			
Assets held for others		235		400
Other liabilities		4,169		449
Long-term obligations:				
Due within one year	2,386	6,489	3,920	4,160
Due subsequent to one year	12,063	79,225	48,491	85,316
Total liabilities	22,425	106,088	66,793	102,039
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - irrevocable split-interest agreements		571		
Deferred inflows of resources - service concession arrangements				28,992
Deferred inflows of resources - OPEB	1,015	2,235	4,424	7,901
Total deferred inflows of resources	1,015	2,806	4,424	36,893
NET POSITION				
Net investment in capital assets	134,238	158,167	81,600	101,467
Restricted for:				
Debt service		3,143	1,333	2,380
Capital projects	437			
Nonexpendable purposes	5,790	66,692	2,867	13,779
Other expendable purposes	4,474	71,402	4,151	12,247
Unrestricted	16,107	25,794	43,480	36,476
Total net position	\$ 161,046	\$ 325,198	\$ 133,431	\$ 166,349

Western Illinois University		Total
	\$	156
\$	19,119	215,659
		553
	15,761	30,504
		12,119
	13,778	55,543
	30	71
	1,315	4,175
	1,055	2,628
	710	4,492
	22	541
	50	6,611
	21,620	64,428
	77,556	215,422
		4,815
	600	619
	6,621	6,621
	793	2,337
	15,254	95,668
	171,252	745,163
	345,536	1,468,125
	214	214
	211	211
	359	1,839
	1,629	6,067
	2,413	8,331
	15,095	45,643
		2,825
	85	116
	75	170
	6,798	22,788
		553
		635
	1,404	6,022
	9,075	26,030
	70,843	295,938
	103,375	400,720
		571
		28,992
	2,479	18,054
	2,479	47,617
	131,220	606,692
		6,856
		437
	37,807	126,935
	75,407	167,681
	(2,339)	119,518
\$	242,095	\$ 1,028,119

State of Illinois

Combining Statement of Activities
Component Units - Other Universities

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/Programs	Expenses	Program revenues		Net (expense) revenue
		Charges for services	Operating grants and contributions	
Chicago State University	\$ 128,011	\$ 20,604	\$ 21,679	\$ (85,728)
Eastern Illinois University	202,017	52,261	35,471	(114,260)
Governors State University	129,122	36,737	23,246	(66,572)
Northeastern Illinois University	193,584	50,938	52,872	(89,774)
Western Illinois University	263,923	65,819	56,463	(141,641)
Total	<u>\$ 916,657</u>	<u>\$ 226,359</u>	<u>\$ 189,731</u>	<u>\$ (497,975)</u>

Pension and OPEB revenue recognized	General revenues			Additions to permanent endowments	Total general revenues and additions to permanent endowments	Change in net position	Net position, July 1, 2020, as restated	Net position, June 30, 2021
	State appropriations	Interest and investment income	Other					
\$ 46,186	\$ 41,044	\$ 1,365		\$ 1,000	\$ 89,595	\$ 3,867	\$ 157,179	\$ 161,046
66,444	41,599	25,969	\$ 2,436	1,801	138,249	23,989	301,209	325,198
42,992	27,299	1,487	716	392	72,886	6,314	127,117	133,431
70,126	36,590	4,331	857		111,904	22,130	144,219	166,349
80,749	52,181	20,314	1,278	984	155,506	13,865	228,230	242,095
<u>\$ 306,497</u>	<u>\$ 198,713</u>	<u>\$ 53,466</u>	<u>\$ 5,287</u>	<u>\$ 4,177</u>	<u>\$ 568,140</u>	<u>\$ 70,165</u>	<u>\$ 957,954</u>	<u>\$ 1,028,119</u>

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Budgetary Schedules

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

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

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

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

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

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

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

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

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

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

GAAP Basis	Budgetary Basis Includes
General Fund	All General Funds Highway Funds: 1 fund included as an other highway fund Special State Funds: Income Tax Refund Fund County Provider Trust Fund Long-Term Care Provider Fund Hospital Provider Fund Coronavirus Urgent Remediation Emergency Borrowing Fund Public Transportation Fund Drug Rebate Fund Healthcare Provider Relief Fund and 51 funds included as other special state funds Debt Service Funds: Capital Projects Fund Federal Trust Funds: State Cure Fund and 3 funds included as other federal trust funds State Trust Funds: Public Assistance Recoveries Trust Fund Disaster Response and Recovery Fund and 5 funds included as other state trust funds

State of Illinois

**Combined Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
All Budgeted Fund Groups**

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Funds			Highway Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 22,615,000	\$ 26,109,130	\$ 3,494,130			
Sales taxes	9,038,000	9,368,812	330,812			
Motor fuel taxes				\$ 2,628,483	\$ 2,314,285	\$ (314,198)
Public utility taxes	828,000	751,382	(76,618)			
Federal government	3,625,000	4,323,513	698,513	1,927,632	1,811,595	(116,037)
Other	2,533,004	2,350,109	(182,895)	2,390,112	2,378,377	(11,735)
Less:						
Refunds	1,076	529	(547)	47,560	35,283	(12,277)
Total revenues	38,637,928	42,902,417	4,264,489	6,898,667	6,468,974	(429,693)
EXPENDITURES:						
Current:						
Health and social services	15,111,172	14,018,245	(1,092,927)			
Education	18,206,188	18,163,505	(42,683)			
General government	4,433,279	4,384,077	(49,202)	257,249	226,131	(31,118)
Employment and economic development	204,909	152,413	(52,496)	4,000		(4,000)
Transportation				4,922,367	4,547,787	(374,580)
Public protection and justice	2,630,859	2,552,349	(78,510)			
Environment and business regulation	71,070	66,220	(4,850)	23,000	19,000	(4,000)
Debt service:						
Principal						
Interest						
Capital outlays	16,074	11,357	(4,717)	76,060	75,832	(228)
Total expenditures	40,673,551	39,348,166	(1,325,385)	5,282,676	4,868,750	(413,926)
Excess (deficiency) of revenues over (under) expenditures	(2,035,623)	3,554,251	5,589,874	1,615,991	1,600,224	(15,767)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues						
Operating transfers-in	12,939,268	12,939,268	-	2,604,535	2,604,535	-
Operating transfers-out	(13,545,571)	(13,545,571)	-	(2,934,799)	(2,934,799)	-
Total other sources (uses) of financial resources	(606,303)	(606,303)	-	(330,264)	(330,264)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts						
	(2,641,926)	2,947,948	5,589,874	1,285,727	1,269,960	(15,767)
Budgetary fund balances (deficits), July 1, 2020, as previously reported						
	(5,751,482)	(5,751,482)	-	1,111,596	1,111,596	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2020, as reclassified						
	(5,751,482)	(5,751,482)	-	1,111,596	1,111,596	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (8,393,408)	\$ (2,803,534)	\$ 5,589,874	\$ 2,397,323	\$ 2,381,556	\$ (15,767)

Special State Funds			Bond Financed Funds			Debt Service Funds		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 5,545,637	\$ 7,233,755	\$ 1,688,118						
1,859,615	1,997,329	137,714				\$ 62,641	\$ 62,641	\$ -
76,396	65,526	(10,870)						
616,047	618,321	2,274						
12,108,906	14,729,771	2,620,865				42,925	43,618	693
13,253,380	12,981,282	(272,098)	\$ 172	\$ 172	\$ -	1,315,316	1,298,305	(17,011)
3,349,090	3,335,752	(13,338)						
30,110,891	34,290,232	4,179,341	172	172	-	1,420,882	1,404,564	(16,318)
23,040,116	20,553,170	(2,486,946)						
433,239	390,250	(42,989)	160,406	159,471	(935)			
12,696,741	8,530,982	(4,165,759)	318,814	294,217	(24,597)			
1,351,631	494,207	(857,424)	809,985	71,491	(738,494)			
1,050,323	702,142	(348,181)	1,026,959	1,026,957	(2)			
739,751	445,500	(294,251)						
1,418,769	1,060,568	(358,201)	88,935	69,708	(19,227)			
						4,829,504	4,794,566	(34,938)
						1,471,428	1,471,428	-
32,858	23,531	(9,327)	422,298	318,317	(103,981)			
40,763,428	32,200,350	(8,563,078)	2,827,397	1,940,161	(887,236)	6,300,932	6,265,994	(34,938)
(10,652,537)	2,089,882	12,742,419	(2,827,225)	(1,939,989)	887,236	(4,880,050)	(4,861,430)	18,620
2,192,520	2,192,520	-	2,033,414	2,033,414	-	274,272	274,272	-
2,945,760	2,945,760	-	18,777	18,777	-	5,750,983	5,750,983	-
(5,487,075)	(5,487,075)	-				(1,151,071)	(1,151,071)	-
(348,795)	(348,795)	-	2,052,191	2,052,191	-	4,874,184	4,874,184	-
(20,025)	(20,025)	-						
(11,021,357)	1,721,062	12,742,419	(775,034)	112,202	887,236	(5,866)	12,754	18,620
1,340,071	1,340,071	-	1,569,510	1,569,510	-	2,041,420	2,041,420	-
41,246	41,246	-						
1,381,317	1,381,317	-	1,569,510	1,569,510	-	2,041,420	2,041,420	-
\$ (9,640,040)	\$ 3,102,379	\$ 12,742,419	\$ 794,476	\$ 1,681,712	\$ 887,236	\$ 2,035,554	\$ 2,054,174	\$ 18,620

(continued)

State of Illinois

**Combined Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
All Budgeted Fund Groups**

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Federal Trust Funds			Revolving Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 5,038,535	\$ 7,265,006	\$ 2,226,471	\$ 447	\$ 1,363	\$ 916
Other	173,612	157,302	(16,310)	690,476	613,110	(77,366)
Less:						
Refunds	323		(323)	5	3	(2)
Total revenues	5,211,824	7,422,308	2,210,484	690,918	614,470	(76,448)
EXPENDITURES:						
Current:						
Health and social services	6,774,099	2,817,989	(3,956,110)			
Education	12,264,935	2,809,327	(9,455,608)			
General government	1,158,985	345,995	(812,990)	1,184,299	934,997	(249,302)
Employment and economic development	2,072,257	1,458,804	(613,453)			
Transportation	566,352	566,352	-	50	20	(30)
Public protection and justice	1,760,421	277,832	(1,482,589)	44,275	26,165	(18,110)
Environment and business regulation	1,468,030	412,748	(1,055,282)			
Debt service:						
Principal						
Interest						
Capital outlays	7,664	774	(6,890)	2,250	1,739	(511)
Total expenditures	26,072,743	8,689,821	(17,382,922)	1,230,874	962,921	(267,953)
Excess (deficiency) of revenues over (under) expenditures	(20,860,919)	(1,267,513)	19,593,406	(539,956)	(348,451)	191,505
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues						
Operating transfers-in	850,421	850,421	-	312,078	312,078	-
Operating transfers-out	(1,036,783)	(1,036,783)	-	(3,742)	(3,742)	-
Total other sources (uses) of financial resources	(186,362)	(186,362)	-	308,336	308,336	-
Budgetary funds-nonbudgeted accounts	(1,173,494)	(1,173,494)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(22,220,775)	(2,627,369)	19,593,406	(231,620)	(40,115)	191,505
Budgetary fund balances (deficits), July 1, 2020, as previously reported	2,319,478	2,319,478	-	14,944	14,944	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2020, as reclassified	2,319,478	2,319,478	-	14,944	14,944	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (19,901,297)	\$ (307,891)	\$ 19,593,406	\$ (216,676)	\$ (25,171)	\$ 191,505

State Trust Funds			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 2,686	\$ (314)	\$ (3,000)	\$ 28,160,637	\$ 33,342,885	\$ 5,182,248
	3,854	3,854	10,962,942	11,428,468	465,526
5,377	138,664	133,287	2,704,879	2,383,665	(321,214)
333,470	489,839	156,369	1,449,424	1,508,367	58,943
3,885,867	5,074,074	1,188,207	23,076,915	28,664,705	5,587,790
			24,241,939	24,852,731	610,792
312	300	(12)	3,398,366	3,371,867	(26,499)
4,227,088	5,705,817	1,478,729	87,198,370	98,808,954	11,610,584
530,947	354,063	(176,884)	45,456,334	37,743,467	(7,712,867)
20,594	6,148	(14,446)	31,085,362	21,528,701	(9,556,661)
120,379	104,778	(15,601)	20,169,746	14,821,177	(5,348,569)
44,427	43,657	(770)	4,487,209	2,220,572	(2,266,637)
			7,566,051	6,843,258	(722,793)
551,900	221,780	(330,120)	5,727,206	3,523,626	(2,203,580)
16,750	7,339	(9,411)	3,086,554	1,635,583	(1,450,971)
			4,829,504	4,794,566	(34,938)
			1,471,428	1,471,428	-
936	134	(802)	558,140	431,684	(126,456)
1,285,933	737,899	(548,034)	124,437,534	95,014,062	(29,423,472)
2,941,155	4,967,918	2,026,763	(37,239,164)	3,794,892	41,034,056
			4,500,206	4,500,206	-
145,996	145,996	-	25,567,818	25,567,818	-
(999,418)	(999,418)	-	(25,158,459)	(25,158,459)	-
(853,422)	(853,422)	-	4,909,565	4,909,565	-
(4,524,743)	(4,524,743)	-	(5,718,262)	(5,718,262)	-
(2,437,010)	(410,247)	2,026,763	(38,047,861)	2,986,195	41,034,056
694,217	694,217	-	3,339,754	3,339,754	-
388,518	388,518	-	429,764	429,764	-
1,082,735	1,082,735	-	3,769,518	3,769,518	-
\$ (1,354,275)	\$ 672,488	\$ 2,026,763	\$ (34,278,343)	\$ 6,755,713	\$ 41,034,056

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) General Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Revenue			Common School Special Account		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 19,440,000	\$ 22,446,767	\$ 3,006,767			
Sales taxes	6,681,000	6,925,212	244,212	\$ 2,352,000	\$ 2,438,565	\$ 86,565
Public utility taxes	772,000	699,898	(72,102)			
Federal government	3,625,000	4,323,513	698,513			
Other	2,469,000	2,284,461	(184,539)			
Less:						
Refunds	1,076	529	(547)			
Total revenues	32,985,924	36,679,322	3,693,398	2,352,000	2,438,565	86,565
EXPENDITURES:						
Current:						
Health and social services	14,420,254	13,349,781	(1,070,473)			
Education	7,381,769	7,340,939	(40,830)			
General government	4,433,274	4,384,075	(49,199)			
Employment and economic development	204,909	152,413	(52,496)			
Public protection and justice	2,630,859	2,552,349	(78,510)			
Environment and business	71,070	66,220	(4,850)			
Capital outlays	15,541	10,845	(4,696)			
Total expenditures	29,157,676	27,856,622	(1,301,054)			
Excess (deficiency) of revenues over (under) expenditures	3,828,248	8,822,700	4,994,452	2,352,000	2,438,565	86,565
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	3,816,657	3,816,657	-	78	78	-
Operating transfers-out	(10,986,135)	(10,986,135)	-	(2,531,721)	(2,531,721)	-
Total other sources (uses) of financial resources	(7,169,478)	(7,169,478)	-	(2,531,643)	(2,531,643)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources non-budgeted accounts	(3,341,230)	1,653,222	4,994,452	(179,643)	(93,078)	86,565
Budgetary fund balances (deficits), July 1, 2020	(5,095,026)	(5,095,026)	-	93,077	93,077	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (8,436,256)	\$ (3,441,804)	\$ 4,994,452	\$ (86,566)	\$ (1)	\$ 86,565

Education Assistance			Common School			Advancement of Education		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1,760,000	\$ 2,030,065	\$ 270,065	\$ 13,000	\$ 14,902	\$ 1,902	\$ 701,000	\$ 808,698	\$ 107,698
			5,000	5,035	35			
			56,000	51,484	(4,516)			
	776	776	63,000	64,868	1,868			
1,760,000	2,030,841	270,841	137,000	136,289	(711)	701,000	808,698	107,698
1,609,803	1,607,950	(1,853)	8,620,595	8,620,595	-	594,021	594,021	-
5	5	-						
533	512	(21)						
1,610,341	1,608,467	(1,874)	8,620,595	8,620,595	-	594,021	594,021	-
149,659	422,374	272,715	(8,483,595)	(8,484,306)	(711)	106,979	214,677	107,698
231	231	-	9,103,005	9,103,005	-	2	2	-
(9,413)	(9,413)	-	(411)	(411)	-	(46)	(46)	-
(9,182)	(9,182)	-	9,102,594	9,102,594	-	(44)	(44)	-
140,477	413,192	272,715	618,999	618,288	(711)	106,935	214,633	107,698
(228,281)	(228,281)	-	(623,700)	(623,700)	-	49,031	49,031	-
\$ (87,804)	\$ 184,911	\$ 272,715	\$ (4,701)	\$ (5,412)	\$ (711)	\$ 155,966	\$ 263,664	\$ 107,698

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) General Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Commitment to Human Services			Budget Stabilization		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 701,000	\$ 808,698	\$ 107,698			
Sales taxes						
Public utility taxes						
Federal government						
Other	1,000		(1,000)	\$ 4	\$ 4	\$ -
Less:						
Refunds						
Total revenues	702,000	808,698	106,698	4	4	-
EXPENDITURES:						
Current:						
Health and social services	690,918	668,464	(22,454)			
Education						
General government					(3)	(3)
Employment and economic development						
Public protection and justice						
Environment and business						
Capital outlays						
Total expenditures	690,918	668,464	(22,454)		(3)	(3)
Excess (deficiency) of revenues over (under) expenditures	11,082	140,234	129,152	4	7	3
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	1	1	-	19,294	19,294	-
Operating transfers-out	(104)	(104)	-	(17,741)	(17,741)	-
Total other sources (uses) of financial resources	(103)	(103)	-	1,553	1,553	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	10,979	140,131	129,152	1,557	1,560	3
Budgetary fund balances (deficits), July 1, 2020	49,265	49,265	-	4,152	4,152	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 60,244	\$ 189,396	\$ 129,152	\$ 5,709	\$ 5,712	\$ 3

Total		
Final Budget	Actual	Variance Over (Under)
\$ 22,615,000	\$ 26,109,130	\$ 3,494,130
9,038,000	9,368,812	330,812
828,000	751,382	(76,618)
3,625,000	4,323,513	698,513
2,533,004	2,350,109	(182,895)
1,076	529	(547)
38,637,928	42,902,417	4,264,489
15,111,172	14,018,245	(1,092,927)
18,206,188	18,163,505	(42,683)
4,433,279	4,384,077	(49,202)
204,909	152,413	(52,496)
2,630,859	2,552,349	(78,510)
71,070	66,220	(4,850)
16,074	11,357	(4,717)
40,673,551	39,348,166	(1,325,385)
(2,035,623)	3,554,251	5,589,874
12,939,268	12,939,268	-
(13,545,571)	(13,545,571)	-
(606,303)	(606,303)	-
(2,641,926)	2,947,948	5,589,874
(5,751,482)	(5,751,482)	-
\$ (8,393,408)	\$ (2,803,534)	\$ 5,589,874

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Highway Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Road			Motor Fuel Tax - State		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes				\$ 1,375,645	\$ 1,195,487	\$ (180,158)
Federal government	\$ 1,927,574	\$ 1,811,595	\$ (115,979)	58		(58)
Other	1,839,222	1,831,737	(7,485)	1,377	1,197	(180)
Less:						
Refunds	2,560	1,894	(666)	45,000	33,389	(11,611)
Total revenues	3,764,236	3,641,438	(122,798)	1,332,080	1,163,295	(168,785)
EXPENDITURES:						
Current:						
General government	173,956	172,579	(1,377)	83,293	53,552	(29,741)
Employment and economic development	4,000		(4,000)			
Transportation	2,606,808	2,359,417	(247,391)	21,102	17,660	(3,442)
Environment and business regulation				23,000	19,000	(4,000)
Capital outlays	76,015	75,817	(198)	45	15	(30)
Total expenditures	2,860,779	2,607,813	(252,966)	127,440	90,227	(37,213)
Excess (deficiency) of revenues over (under) expenditures	903,457	1,033,625	130,168	1,204,640	1,073,068	(131,572)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	836,224	836,224	-	6,933	6,933	-
Operating transfers-out	(1,135,107)	(1,135,107)	-	(1,052,928)	(1,052,928)	-
Total other sources (uses) of financial resources	(298,883)	(298,883)	-	(1,045,995)	(1,045,995)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	604,574	734,742	130,168	158,645	27,073	(131,572)
Budgetary fund balances (deficits), July 1, 2020	422,003	422,003	-	88,730	88,730	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 1,026,577	\$ 1,156,745	\$ 130,168	\$ 247,375	\$ 115,803	\$ (131,572)

State Construction Account			Transportation Renewal			Other		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 1,252,838	\$ 1,118,798	\$ (134,040)			
\$ 549,513	\$ 545,443	\$ (4,070)						
549,513	545,443	(4,070)	1,252,838	1,118,798	(134,040)			
1,238,378	1,238,261	(117)	394,250	358,015	(36,235)	\$ 661,829	\$ 574,434	\$ (87,395)
1,238,378	1,238,261	(117)	394,250	358,015	(36,235)	661,829	574,434	(87,395)
(688,865)	(692,818)	(3,953)	858,588	760,783	(97,805)	(661,829)	(574,434)	87,395
964,447	964,447	-				796,931	796,931	-
(129)	(129)	-	(743,631)	(743,631)	-	(3,004)	(3,004)	-
964,318	964,318	-	(743,631)	(743,631)	-	793,927	793,927	-
275,453	271,500	(3,953)	114,957	17,152	(97,805)	132,098	219,493	87,395
318,112	318,112	-	50,038	50,038	-	232,713	232,713	-
\$ 593,565	\$ 589,612	\$ (3,953)	\$ 164,995	\$ 67,190	\$ (97,805)	\$ 364,811	\$ 452,206	\$ 87,395

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Highway Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Motor fuel taxes	\$ 2,628,483	\$ 2,314,285	\$ (314,198)
Federal government	1,927,632	1,811,595	(116,037)
Other	2,390,112	2,378,377	(11,735)
Less:			
Refunds	47,560	35,283	(12,277)
Total revenues	6,898,667	6,468,974	(429,693)
EXPENDITURES:			
Current:			
General government	257,249	226,131	(31,118)
Employment and economic development	4,000		(4,000)
Transportation	4,922,367	4,547,787	(374,580)
Environment and business regulation	23,000	19,000	(4,000)
Capital outlays	76,060	75,832	(228)
Total expenditures	5,282,676	4,868,750	(413,926)
Excess (deficiency) of revenues over (under) expenditures	1,615,991	1,600,224	(15,767)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	2,604,535	2,604,535	-
Operating transfers-out	(2,934,799)	(2,934,799)	-
Total other sources (uses) of financial resources	(330,264)	(330,264)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	1,285,727	1,269,960	(15,767)
Budgetary fund balances (deficits), July 1, 2020	1,111,596	1,111,596	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 2,397,323	\$ 2,381,556	\$ (15,767)

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Elected Officials			Code Departments		
	Treasurer					
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes				\$ 5,535,788	\$ 7,224,429	\$ 1,688,641
Sales taxes				1,358,422	1,615,793	257,371
Motor fuel taxes						
Public utility taxes				244,644	246,859	2,215
Federal government	\$ 102,397	\$ 144,635	\$ 42,238	10,806,455	13,527,608	2,721,153
Other	118,201	141,187	22,986	10,133,170	10,516,042	382,872
Less:						
Refunds				3,326,395	3,317,593	(8,802)
Total revenues	220,598	285,822	65,224	24,752,084	29,813,138	5,061,054
EXPENDITURES:						
Current:						
Health and social services	254,329	241,517	(12,812)	20,902,741	19,053,546	(1,849,195)
Education	215,000	214,963	(37)	126,085	125,244	(841)
General government	17,132	14,553	(2,579)	11,649,802	7,867,332	(3,782,470)
Employment and economic development						
Transportation				568,091	489,097	(78,994)
Public protection and justice				2,478	2,200	(278)
Environment and business regulation						
Capital outlays				45	19	(26)
Total expenditures	486,461	471,033	(15,428)	33,249,242	27,537,438	(5,711,804)
Excess (deficiency) of revenues over (under) expenditures	(265,863)	(185,211)	80,652	(8,497,158)	2,275,700	10,772,858
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues						
Operating transfers-in	280,974	280,974	-	1,788,275	1,788,275	-
Operating transfers-out	(505)	(505)	-	(2,821,821)	(2,821,821)	-
Total other sources (uses) of financial resources	280,469	280,469	-	(1,033,546)	(1,033,546)	-
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	14,606	95,258	80,652	(9,530,704)	1,242,154	10,772,858
Budgetary fund balances (deficits), July 1, 2020	38,240	38,240	-	(67,687)	(67,687)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 2020, as reclassified	38,240	38,240	-	(67,687)	(67,687)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 52,846	\$ 133,498	\$ 80,652	\$ (9,598,391)	\$ 1,174,467	\$ 10,772,858

Agencies, Boards & Commissions			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 9,849	\$ 9,326	\$ (523)	\$ 5,545,637	\$ 7,233,755	\$ 1,688,118
			501,193	381,536	(119,657)	1,859,615	1,997,329	137,714
			76,396	65,526	(10,870)	76,396	65,526	(10,870)
			371,403	371,462	59	616,047	618,321	2,274
\$ 123,255	\$ 100,309	\$ (22,946)	1,076,799	957,219	(119,580)	12,108,906	14,729,771	2,620,865
506,012	288,783	(217,229)	2,495,997	2,035,270	(460,727)	13,253,380	12,981,282	(272,098)
			22,695	18,159	(4,536)	3,349,090	3,335,752	(13,338)
629,267	389,092	(240,175)	4,508,942	3,802,180	(706,762)	30,110,891	34,290,232	4,179,341
			1,883,046	1,258,107	(624,939)	23,040,116	20,553,170	(2,486,946)
			92,154	50,043	(42,111)	433,239	390,250	(42,989)
1	1	-	1,029,806	649,096	(380,710)	12,696,741	8,530,982	(4,165,759)
			1,351,631	494,207	(857,424)	1,351,631	494,207	(857,424)
			482,232	213,045	(269,187)	1,050,323	702,142	(348,181)
			737,273	443,300	(293,973)	739,751	445,500	(294,251)
566,464	523,102	(43,362)	852,305	537,466	(314,839)	1,418,769	1,060,568	(358,201)
			32,813	23,512	(9,301)	32,858	23,531	(9,327)
566,465	523,103	(43,362)	6,461,260	3,668,776	(2,792,484)	40,763,428	32,200,350	(8,563,078)
62,802	(134,011)	(196,813)	(1,952,318)	133,404	2,085,722	(10,652,537)	2,089,882	12,742,419
2,192,520	2,192,520	-				2,192,520	2,192,520	-
			876,511	876,511	-	2,945,760	2,945,760	-
(1,999,206)	(1,999,206)	-	(665,543)	(665,543)	-	(5,487,075)	(5,487,075)	-
193,314	193,314	-	210,968	210,968	-	(348,795)	(348,795)	-
			(20,025)	(20,025)	-	(20,025)	(20,025)	-
256,116	59,303	(196,813)	(1,761,375)	324,347	2,085,722	(11,021,357)	1,721,062	12,742,419
176,652	176,652	-	1,192,866	1,192,866	-	1,340,071	1,340,071	-
			41,246	41,246	-	41,246	41,246	-
176,652	176,652	-	1,234,112	1,234,112	-	1,381,317	1,381,317	-
\$ 432,768	\$ 235,955	\$ (196,813)	\$ (527,263)	\$ 1,558,459	\$ 2,085,722	\$ (9,640,040)	\$ 3,102,379	\$12,742,419

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Treasurer

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State Pensions			Tobacco Settlement Recovery		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 102,397	\$ 144,635	\$ 42,238
Other				118,201	141,187	22,986
Total revenues				220,598	285,822	65,224
EXPENDITURES:						
Current:						
Health and social services				254,329	241,517	(12,812)
Education	\$ 215,000	\$ 214,963	\$ (37)			
General government	17,132	14,553	(2,579)			
Total expenditures	232,132	229,516	(2,616)	254,329	241,517	(12,812)
Excess (deficiency) of revenues over (under) expenditures	(232,132)	(229,516)	2,616	(33,731)	44,305	78,036
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	280,972	280,972	-	2	2	-
Operating transfers-out	(500)	(500)	-	(5)	(5)	-
Total other sources (uses) of financial resources	280,472	280,472	-	(3)	(3)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	48,340	50,956	2,616	(33,734)	44,302	78,036
Budgetary fund balances (deficits), July 1, 2020	12,355	12,355	-	25,885	25,885	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 60,695	\$ 63,311	\$ 2,616	\$ (7,849)	\$ 70,187	\$ 78,036

Total		
Final Budget	Actual	Variance Over (Under)
\$ 102,397	\$ 144,635	\$ 42,238
118,201	141,187	22,986
220,598	285,822	65,224

254,329	241,517	(12,812)
215,000	214,963	(37)
17,132	14,553	(2,579)
486,461	471,033	(15,428)

(265,863)	(185,211)	80,652
280,974	280,974	-
(505)	(505)	-
280,469	280,469	-

14,606	95,258	80,652
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38,240	38,240	-
\$ 52,846	\$ 133,498	\$ 80,652

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Code Departments

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Central Management Services			Healthcare and Family Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Public utility taxes						
Federal government	\$ 10,705	\$ 17,534	\$ 6,829	\$10,301,857	\$13,016,776	\$2,714,919
Other	3,130,814	3,099,870	(30,944)	5,532,265	5,813,757	281,492
Less:						
Refunds				8,750	22	(8,728)
Total revenues	3,141,519	3,117,404	(24,115)	15,825,372	18,830,511	3,005,139
EXPENDITURES:						
Current:						
Health and social services				20,490,865	18,737,038	(1,753,827)
Education						
General government	5,000,000	2,881,371	(2,118,629)	4,636	4,636	-
Transportation						
Public protection and justice						
Capital outlays						
Total expenditures	5,000,000	2,881,371	(2,118,629)	20,495,501	18,741,674	(1,753,827)
Excess (deficiency) of revenues over (under) expenditures	(1,858,481)	236,033	2,094,514	(4,670,129)	88,837	4,758,966
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	55	55	-	910,660	910,660	-
Operating transfers-out				(435,207)	(435,207)	-
Total other sources (uses) of financial resources	55	55	-	475,453	475,453	-
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of financial resources	(1,858,426)	236,088	2,094,514	(4,194,676)	564,290	4,758,966
Budgetary fund balances (deficits), July 1, 2020	(1,180,705)	(1,180,705)	-	357,116	357,116	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (3,039,131)	\$ (944,617)	\$ 2,094,514	\$(3,837,560)	\$ 921,406	\$4,758,966

Revenue			Transportation			Other		
			Public Transportation			Other Code Departments		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 5,535,788	\$ 7,224,429	\$ 1,688,641						
1,112,422	1,400,943	288,521	\$ 246,000	\$ 214,850	\$ (31,150)			
244,644	246,859	2,215						
100,881	100,881	-				\$ 393,012	\$ 392,417	\$ (595)
68,938	68,942	4				1,401,153	1,533,473	132,320
3,317,545	3,317,545	-				100	26	(74)
3,745,128	5,724,509	1,979,381	246,000	214,850	(31,150)	1,794,065	1,925,864	131,799
19,099	18,979	(120)				392,777	297,529	(95,248)
126,085	125,244	(841)						
4,377,488	4,279,877	(97,611)	1,611	934	(677)	2,266,067	700,514	(1,565,553)
			568,091	489,097	(78,994)			
2,478	2,200	(278)						
35	19	(16)				10		(10)
4,525,185	4,426,319	(98,866)	569,702	490,031	(79,671)	2,658,854	998,043	(1,660,811)
(780,057)	1,298,190	2,078,247	(323,702)	(275,181)	48,521	(864,789)	927,821	1,792,610
603,048	603,048	-	274,250	274,250	-	262	262	-
(1,608,881)	(1,608,881)	-	(98)	(98)	-	(777,635)	(777,635)	-
(1,005,833)	(1,005,833)	-	274,152	274,152	-	(777,373)	(777,373)	-
(1,785,890)	292,357	2,078,247	(49,550)	(1,029)	48,521	(1,642,162)	150,448	1,792,610
676,194	676,194	-	46,303	46,303	-	33,405	33,405	-
\$ (1,109,696)	\$ 968,551	\$ 2,078,247	\$ (3,247)	\$ 45,274	\$ 48,521	\$ (1,608,757)	\$ 183,853	\$ 1,792,610

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Code Departments

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Total		
	Final Budget	Actual	Variance Over (Under)
REVENUES:			
Income taxes	\$ 5,535,788	\$ 7,224,429	\$ 1,688,641
Sales taxes	1,358,422	1,615,793	257,371
Public utility taxes	244,644	246,859	2,215
Federal government	10,806,455	13,527,608	2,721,153
Other	10,133,170	10,516,042	382,872
Less:			
Refunds	3,326,395	3,317,593	(8,802)
Total revenues	<u>24,752,084</u>	<u>29,813,138</u>	<u>5,061,054</u>
EXPENDITURES:			
Current:			
Health and social services	20,902,741	19,053,546	(1,849,195)
Education	126,085	125,244	(841)
General government	11,649,802	7,867,332	(3,782,470)
Transportation	568,091	489,097	(78,994)
Public protection and justice	2,478	2,200	(278)
Capital outlays	45	19	(26)
Total expenditures	<u>33,249,242</u>	<u>27,537,438</u>	<u>(5,711,804)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,497,158)</u>	<u>2,275,700</u>	<u>10,772,858</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	1,788,275	1,788,275	-
Operating transfers-out	(2,821,821)	(2,821,821)	-
Total other sources (uses) of financial resources	<u>(1,033,546)</u>	<u>(1,033,546)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of nonbudgeted accounts	<u>(9,530,704)</u>	<u>1,242,154</u>	<u>10,772,858</u>
Budgetary fund balances (deficits), July 1, 2020	<u>(67,687)</u>	<u>(67,687)</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	<u>\$ (9,598,391)</u>	<u>\$ 1,174,467</u>	<u>\$ 10,772,858</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Department of Healthcare and Family Services

For the Year Ended June 30, 2021 (Expressed in Thousands)

	County Provider Trust			Long Term Care Provider		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,405,779	\$ 1,985,901	\$ 580,122	\$ 215,348	\$ 213,936	\$ (1,412)
Other	930,915	976,819	45,904	201,115	186,576	(14,539)
Less:						
Refunds	1,000		(1,000)	2,750	22	(2,728)
Total revenues	2,335,694	2,962,720	627,026	413,713	400,490	(13,223)
EXPENDITURES:						
Current:						
Health and social services	3,125,000	2,967,950	(157,050)	503,353	370,391	(132,962)
General government						
Total expenditures	3,125,000	2,967,950	(157,050)	503,353	370,391	(132,962)
Excess (deficiency) of revenues over (under) expenditures	(789,306)	(5,230)	784,076	(89,640)	30,099	119,739
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				30,015	30,015	-
Operating transfers-out				(20,007)	(20,007)	-
Total other sources (uses) of financial resources				10,008	10,008	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(789,306)	(5,230)	784,076	(79,632)	40,107	119,739
Budgetary fund balances (deficits), July 1, 2020	(7,577)	(7,577)	-	(54,097)	(54,097)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (796,883)	\$ (12,807)	\$ 784,076	\$ (133,729)	\$ (13,990)	\$ 119,739

Hospital Provider			Drug Rebate Fund			Healthcare Provider Relief		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1,991,392	\$ 2,351,735	\$ 360,343	\$ 658,472	\$ 913,738	\$ 255,266	\$ 6,030,866	\$ 7,551,466	\$ 1,520,600
1,670,133	1,708,475	38,342	331	570	239	2,729,771	2,941,317	211,546
5,000		(5,000)						
3,656,525	4,060,210	403,685	658,803	914,308	255,505	8,760,637	10,492,783	1,732,146
3,600,200	3,599,591	(609)	1,300,200	1,290,166	(10,034)	11,962,112	10,508,940	(1,453,172)
						4,636	4,636	-
3,600,200	3,599,591	(609)	1,300,200	1,290,166	(10,034)	11,966,748	10,513,576	(1,453,172)
56,325	460,619	404,294	(641,397)	(375,858)	265,539	(3,206,111)	(20,793)	3,185,318
4	4	-	500,128	500,128	-	380,513	380,513	-
(415,063)	(415,063)	-	(22)	(22)	-	(115)	(115)	-
(415,059)	(415,059)	-	500,106	500,106	-	380,398	380,398	-
(358,734)	45,560	404,294	(141,291)	124,248	265,539	(2,825,713)	359,605	3,185,318
224,825	224,825	-	(23,159)	(23,159)	-	217,124	217,124	-
\$ (133,909)	\$ 270,385	\$ 404,294	\$ (164,450)	\$ 101,089	\$ 265,539	\$ (2,608,589)	\$ 576,729	\$ 3,185,318

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Department of Healthcare and Family Services

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Federal government	\$ 10,301,857	\$ 13,016,776	\$ 2,714,919
Other	5,532,265	5,813,757	281,492
Less:			
Refunds	8,750	22	(8,728)
Total revenues	<u>15,825,372</u>	<u>18,830,511</u>	<u>3,005,139</u>
EXPENDITURES:			
Current:			
Health and social services	20,490,865	18,737,038	(1,753,827)
General government	4,636	4,636	-
Total expenditures	<u>20,495,501</u>	<u>18,741,674</u>	<u>(1,753,827)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,670,129)</u>	<u>88,837</u>	<u>4,758,966</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	910,660	910,660	-
Operating transfers-out	(435,207)	(435,207)	-
Total other sources (uses) of financial resources	<u>475,453</u>	<u>475,453</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	<u>(4,194,676)</u>	<u>564,290</u>	<u>4,758,966</u>
Budgetary fund balances (deficits), July 1, 2020	<u>357,116</u>	<u>357,116</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	<u>\$ (3,837,560)</u>	<u>\$ 921,406</u>	<u>\$ 4,758,966</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Department of Revenue

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State and Local Sales Tax Reform			Income Tax Refund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes				\$ 3,350,086	\$ 3,350,086	\$ -
Sales taxes	\$ 534,910	\$ 823,264	\$ 288,354			
Public utility taxes						
Federal government				100,881	100,881	-
Other				16,789	16,789	-
Less:						
Refunds				3,317,545	3,317,545	-
Total revenues	534,910	823,264	288,354	150,211	150,211	-
EXPENDITURES:						
Current:						
Health and social services						
Education						
General government	159,500	143,329	(16,171)		(1,920)	(1,920)
Public protection and justice						
Capital outlays						
Total expenditures	159,500	143,329	(16,171)	-	(1,920)	(1,920)
Excess (deficiency) of revenues over (under) expenditures	375,410	679,935	304,525	150,211	152,131	1,920
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	1,500	1,500	-	89,784	89,784	-
Operating transfers-out	(569,331)	(569,331)	-	(281,627)	(281,627)	-
Total other sources (uses) of financial resources	(567,831)	(567,831)	-	(191,843)	(191,843)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(192,421)	112,104	304,525	(41,632)	(39,712)	1,920
Budgetary fund balances (deficits), July 1, 2020	86,349	86,349	-	281,474	281,474	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (106,072)	\$ 198,453	\$ 304,525	\$ 239,842	\$ 241,762	\$ 1,920

Local Government Distributive			Personal Property Tax Replacement			Build Illinois		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 26,908	\$ 1,715,549	\$ 1,688,641	\$ 2,158,794	\$ 2,158,794	\$ -	\$ 577,512	\$ 577,679	\$ 167
			244,644	246,859	2,215			
			470	474	4	51,679	51,679	-
26,908	1,715,549	1,688,641	2,403,908	2,406,127	2,219	629,191	629,358	167
			19,099	18,979	(120)			
			126,085	125,244	(841)			
2,210,241	2,135,500	(74,741)	2,007,747	2,002,968	(4,779)			
			2,478	2,200	(278)			
			35	19	(16)			
2,210,241	2,135,500	(74,741)	2,155,444	2,149,410	(6,034)			
(2,183,333)	(419,951)	1,763,382	248,464	256,717	8,253	629,191	629,358	167
470,632	470,632	-	1,648	1,648	-	39,484	39,484	-
(103)	(103)	-	(88,979)	(88,979)	-	(668,841)	(668,841)	-
470,529	470,529	-	(87,331)	(87,331)	-	(629,357)	(629,357)	-
(1,712,804)	50,578	1,763,382	161,133	169,386	8,253	(166)	1	167
60,932	60,932	-	247,436	247,436	-	3	3	-
\$ (1,651,872)	\$ 111,510	\$ 1,763,382	\$ 408,569	\$ 416,822	\$ 8,253	\$ (163)	\$ 4	\$ 167

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State Funds - Department of Revenue

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Final Budget	Total Actual	Variance Over (Under)
REVENUES:			
Income taxes	\$ 5,535,788	\$ 7,224,429	\$ 1,688,641
Sales taxes	1,112,422	1,400,943	288,521
Public utility taxes	244,644	246,859	2,215
Federal government	100,881	100,881	-
Other	68,938	68,942	4
Less:			
Refunds	3,317,545	3,317,545	-
Total revenues	<u>3,745,128</u>	<u>5,724,509</u>	<u>1,979,381</u>
EXPENDITURES:			
Current:			
Health and social services	19,099	18,979	(120)
Education	126,085	125,244	(841)
General government	4,377,488	4,279,877	(97,611)
Public protection and justice	2,478	2,200	(278)
Capital outlays	35	19	(16)
Total expenditures	<u>4,525,185</u>	<u>4,426,319</u>	<u>(98,866)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(780,057)</u>	<u>1,298,190</u>	<u>2,078,247</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	603,048	603,048	-
Operating transfers-out	(1,608,881)	(1,608,881)	-
Total other sources (uses) of financial resources	<u>(1,005,833)</u>	<u>(1,005,833)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	<u>(1,785,890)</u>	<u>292,357</u>	<u>2,078,247</u>
Budgetary fund balances (deficits), July 1, 2020	<u>676,194</u>	<u>676,194</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	<u>\$ (1,109,696)</u>	<u>\$ 968,551</u>	<u>\$ 2,078,247</u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State - Other Code Departments

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Children and Family Services DCFS Children's Services			State Lottery State Lottery Fund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 393,012	\$ 392,417	\$ (595)			
Other	179	15,290	15,111	\$ 1,400,974	\$ 1,518,183	\$ 117,209
Less:						
Refunds				100	26	(74)
Total revenues	393,191	407,707	14,516	1,400,874	1,518,157	117,283
EXPENDITURES:						
Current:						
Health and social services	392,777	297,529	(95,248)			
General government	3,859	3,845	(14)	2,262,208	696,669	(1,565,539)
Capital outlays				10		(10)
Total expenditures	396,636	301,374	(95,262)	2,262,218	696,669	(1,565,549)
Excess (deficiency) of revenues over (under) expenditures	(3,445)	106,333	109,778	(861,344)	821,488	1,682,832
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				262	262	-
Operating transfers-out	(989)	(989)	-	(776,646)	(776,646)	-
Total other sources (uses) of financial resources	(989)	(989)	-	(776,384)	(776,384)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgeted funds-non-budgeted accounts	(4,434)	105,344	109,778	(1,637,728)	45,104	1,682,832
Budgetary fund balances (deficits), July 1, 2020	11,619	11,619	-	21,786	21,786	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 7,185	\$ 116,963	\$ 109,778	\$(1,615,942)	\$ 66,890	\$ 1,682,832

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 393,012	\$ 392,417	\$ (595)	
1,401,153	1,533,473	132,320	
100	26	(74)	
1,794,065	1,925,864	131,799	

392,777	297,529	(95,248)
2,266,067	700,514	(1,565,553)
10	-	(10)
2,658,854	998,043	(1,660,811)
(864,789)	927,821	1,792,610

262	262	-
(777,635)	(777,635)	-
(777,373)	(777,373)	-

(1,642,162)	150,448	1,792,610
33,405	33,405	-
\$ (1,608,757)	\$ 183,853	\$ 1,792,610

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Special State - Agencies, Boards and Commissions

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Governor's Office of Budget and Management			Environmental Protection Agency		
	CURE Borrowing			Water Revolving Fund		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 123,255	\$ 100,309	\$ (22,946)
Other				506,012	288,783	(217,229)
Total revenues				629,267	389,092	(240,175)
EXPENDITURES:						
Current:						
General government				1	1	-
Environment and business regulation				566,464	523,102	(43,362)
Total expenditures				566,465	523,103	(43,362)
Excess (deficiency) of revenues over (under) expenditures				62,802	(134,011)	(196,813)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Bond proceeds	\$ 1,997,778	\$ 1,997,778	\$ -	194,742	194,742	-
Operating transfers-out	(1,997,778)	(1,997,778)	-	(1,428)	(1,428)	-
Total other sources (uses) of financial resources				193,314	193,314	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources				256,116	59,303	(196,813)
Budgetary fund balances (deficits), July 1, 2020				176,652	176,652	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ -	\$ -	\$ -	\$ 432,768	\$ 235,955	\$ (196,813)

Total		
Final Budget	Actual	Variance Over (Under)
\$ 123,255	\$ 100,309	\$ (22,946)
506,012	288,783	(217,229)
629,267	389,092	(240,175)

1	1	-
566,464	523,102	(43,362)
566,465	523,103	(43,362)

62,802	(134,011)	(196,813)
2,192,520	2,192,520	-
(1,999,206)	(1,999,206)	-
193,314	193,314	-

256,116	59,303	(196,813)
176,652	176,652	-
\$ 432,768	\$ 235,955	\$ (196,813)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Bond Financed Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Elected Officers			Code Departments		
	Comptroller			Department of Transportation		
	Pension Obligation Acceleration Bond Fund			Transportation Bond, Series A		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other						
Total revenues						
EXPENDITURES:						
Current:						
Education	\$ 159,471	\$ 159,471	\$ -			
General government	92,849	92,849	-			
Employment and economic development						
Transportation				\$ 790,168	\$ 790,166	\$ (2)
Environment and business regulation						
Capital outlays						
Total expenditures	252,320	252,320	-	790,168	790,166	(2)
Excess (deficiency) of revenues over (under) expenditures	(252,320)	(252,320)	-	(790,168)	(790,166)	2
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	228,297	228,297	-	555,395	555,395	-
Operating transfers-in						
Total other sources (uses) of financial resources	228,297	228,297	-	555,395	555,395	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(24,023)	(24,023)	-	(234,773)	(234,771)	2
Budgetary fund balances (deficits), July 1, 2020	140,471	140,471	-	358,393	358,393	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 116,448	\$ 116,448	\$ -	\$ 123,620	\$ 123,622	\$ 2

Agencies, Boards and Commissions								
Capital Development Board								
Capital Development Fund			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1	\$ 1	\$ -	\$ 171	\$ 171	\$ -	\$ 172	\$ 172	\$ -
1	1	-	171	171	-	172	172	-
			935		(935)	160,406	159,471	(935)
150,420	128,635	(21,785)	75,545	72,733	(2,812)	318,814	294,217	(24,597)
5,472	4,419	(1,053)	804,513	67,072	(737,441)	809,985	71,491	(738,494)
			236,791	236,791	-	1,026,959	1,026,957	(2)
24,858	19,352	(5,506)	64,077	50,356	(13,721)	88,935	69,708	(19,227)
422,159	318,178	(103,981)	139	139	-	422,298	318,317	(103,981)
602,909	470,584	(132,325)	1,182,000	427,091	(754,909)	2,827,397	1,940,161	(887,236)
(602,908)	(470,583)	132,325	(1,181,829)	(426,920)	754,909	(2,827,225)	(1,939,989)	887,236
838,573	838,573	-	411,149	411,149	-	2,033,414	2,033,414	-
18,395	18,395	-	382	382	-	18,777	18,777	-
856,968	856,968	-	411,531	411,531	-	2,052,191	2,052,191	-
254,060	386,385	132,325	(770,298)	(15,389)	754,909	(775,034)	112,202	887,236
160,665	160,665	-	909,981	909,981	-	1,569,510	1,569,510	-
\$ 414,725	\$ 547,050	\$ 132,325	\$ 139,683	\$ 894,592	\$ 754,909	\$ 794,476	\$ 1,681,712	\$ 887,236

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Debt Service Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Obligation Bond, Retirement, and Interest			Capital Projects		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes				\$ 62,641	\$ 62,641	\$ -
Federal government	\$ 42,925	\$ 43,618	\$ 693			
Other	58,034	41,128	(16,906)	1,256,998	1,257,108	110
Total revenues	100,959	84,746	(16,213)	1,319,639	1,319,749	110
EXPENDITURES:						
Debt service:						
Principal	4,239,733	4,239,733	-			
Interest	1,471,428	1,471,428	-			
Total expenditures	5,711,161	5,711,161	-			
Excess (deficiency) of revenues over (under) expenditures	(5,610,202)	(5,626,415)	(16,213)	1,319,639	1,319,749	110
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	274,272	274,272	-			
Operating transfers-in	5,136,290	5,136,290	-	66,157	66,157	-
Operating transfers-out				(1,151,071)	(1,151,071)	-
Total other sources (uses) of financial resources	5,410,562	5,410,562	-	(1,084,914)	(1,084,914)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(199,640)	(215,853)	(16,213)	234,725	234,835	110
Budgetary fund balances (deficits), July 1, 2020	3,578,866	3,578,866	-	(1,560,801)	(1,560,801)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 3,379,226	\$ 3,363,013	\$ (16,213)	\$(1,326,076)	\$(1,325,966)	\$ 110

Build Illinois Bond, Retirement, and Interest			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 62,641	\$ 62,641	\$ -
						42,925	43,618	693
\$ 284	\$ 69	\$ (215)				1,315,316	1,298,305	(17,011)
284	69	(215)				1,420,882	1,404,564	(16,318)
583,771	549,259	(34,512)	\$ 6,000	\$ 5,574	\$ (426)	4,829,504	4,794,566	(34,938)
						1,471,428	1,471,428	-
583,771	549,259	(34,512)	6,000	5,574	(426)	6,300,932	6,265,994	(34,938)
(583,487)	(549,190)	34,297	(6,000)	(5,574)	426	(4,880,050)	(4,861,430)	18,620
						274,272	274,272	-
546,143	546,143	-	2,393	2,393	-	5,750,983	5,750,983	-
						(1,151,071)	(1,151,071)	-
546,143	546,143	-	2,393	2,393	-	4,874,184	4,874,184	-
(37,344)	(3,047)	34,297	(3,607)	(3,181)	426	(5,866)	12,754	18,620
20,160	20,160	-	3,195	3,195	-	2,041,420	2,041,420	-
\$ (17,184)	\$ 17,113	\$ 34,297	\$ (412)	\$ 14	\$ 426	\$ 2,035,554	\$ 2,054,174	\$ 18,620

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Code Departments			Agencies, Boards and Commissions		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,329,517	\$ 2,296,671	\$ 967,154	\$ 2,480,331	\$ 3,770,731	\$ 1,290,400
Other	30,766	31,476	710	2	2	-
Less:						
Refunds	75		(75)			
Total revenues	<u>1,360,208</u>	<u>2,328,147</u>	<u>967,939</u>	<u>2,480,333</u>	<u>3,770,733</u>	<u>1,290,400</u>
EXPENDITURES:						
Current:						
Health and social services	4,552,376	1,366,733	(3,185,643)	833,609	708,387	(125,222)
Education				11,882,921	2,661,804	(9,221,117)
General government	586	508	(78)	396,105	336,884	(59,221)
Employment and economic development	758,678	537,600	(221,078)	646,000	582,261	(63,739)
Transportation	511,268	511,268	-			
Public protection and justice				1,500,000	132,172	(1,367,828)
Environment and business regulation				975,100	245,410	(729,690)
Capital outlays	2,522	75	(2,447)			
Total expenditures	<u>5,825,430</u>	<u>2,416,184</u>	<u>(3,409,246)</u>	<u>16,233,735</u>	<u>4,666,918</u>	<u>(11,566,817)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,465,222)</u>	<u>(88,037)</u>	<u>4,377,185</u>	<u>(13,753,402)</u>	<u>(896,185)</u>	<u>12,857,217</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	313,060	313,060	-	245,000	245,000	-
Operating transfers-out	(3,432)	(3,432)	-	(1,023,078)	(1,023,078)	-
Total other sources (uses) of financial resources	<u>309,628</u>	<u>309,628</u>	<u>-</u>	<u>(778,078)</u>	<u>(778,078)</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(225,521)</u>	<u>(225,521)</u>	<u>-</u>	<u>(938,281)</u>	<u>(938,281)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(4,381,115)</u>	<u>(3,930)</u>	<u>4,377,185</u>	<u>(15,469,761)</u>	<u>(2,612,544)</u>	<u>12,857,217</u>
Budgetary fund balances (deficits), July 1, 2020	(28,701)	(28,701)	-	2,255,753	2,255,753	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	<u>\$ (4,409,816)</u>	<u>\$ (32,631)</u>	<u>\$ 4,377,185</u>	<u>\$(13,214,008)</u>	<u>\$ (356,791)</u>	<u>\$12,857,217</u>

	Other			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$	1,228,687	\$ 1,197,604	\$ (31,083)	\$ 5,038,535	\$ 7,265,006	\$ 2,226,471
	142,844	125,824	(17,020)	173,612	157,302	(16,310)
	248		(248)	323	-	(323)
	1,371,283	1,323,428	(47,855)	5,211,824	7,422,308	2,210,484
	1,388,114	742,869	(645,245)	6,774,099	2,817,989	(3,956,110)
	382,014	147,523	(234,491)	12,264,935	2,809,327	(9,455,608)
	762,294	8,603	(753,691)	1,158,985	345,995	(812,990)
	667,579	338,943	(328,636)	2,072,257	1,458,804	(613,453)
	55,084	55,084	-	566,352	566,352	-
	260,421	145,660	(114,761)	1,760,421	277,832	(1,482,589)
	492,930	167,338	(325,592)	1,468,030	412,748	(1,055,282)
	5,142	699	(4,443)	7,664	774	(6,890)
	4,013,578	1,606,719	(2,406,859)	26,072,743	8,689,821	(17,382,922)
	(2,642,295)	(283,291)	2,359,004	(20,860,919)	(1,267,513)	19,593,406
	292,361	292,361	-	850,421	850,421	-
	(10,273)	(10,273)	-	(1,036,783)	(1,036,783)	-
	282,088	282,088	-	(186,362)	(186,362)	-
	(9,692)	(9,692)	-	(1,173,494)	(1,173,494)	-
	(2,369,899)	(10,895)	2,359,004	(22,220,775)	(2,627,369)	19,593,406
	92,426	92,426	-	2,319,478	2,319,478	-
\$	(2,277,473)	\$ 81,531	\$ 2,359,004	\$ (19,901,297)	\$ (307,891)	\$ 19,593,406

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds - Code Departments

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Human Services			Employment Security		
	Final Budget	Actual	Variance Over (Under)	Federal Title III Social Security and Employment Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 780,950	\$ 911,310	\$ 130,360	\$ 184,887	\$ 290,093	\$ 105,206
Other				2,071	860	(1,211)
Less:						
Refunds						
Total revenues	780,950	911,310	130,360	186,958	290,953	103,995
EXPENDITURES:						
Current:						
Health and social services	2,696,978	707,350	(1,989,628)			
General government	7	7	-	474	396	(78)
Transportation						
Employment and economic development				428,678	290,863	(137,815)
Capital outlays						
Total expenditures	2,696,985	707,357	(1,989,628)	429,152	291,259	(137,893)
Excess (deficiency) of revenues over (under) expenditures	(1,916,035)	203,953	2,119,988	(242,194)	(306)	241,888
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	11,060	11,060	-	7,000	7,000	-
Operating transfers-out	(198)	(198)	-	(147)	(147)	-
Total other sources (uses) of financial resources	10,862	10,862	-	6,853	6,853	-
Budgetary funds-nonbudgeted accounts	(197,680)	(197,680)	-	(27,841)	(27,841)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(2,102,853)	17,135	2,119,988	(263,182)	(21,294)	241,888
Budgetary fund balances (deficits), July 1, 2020	(12,477)	(12,477)	-	62,278	62,278	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$(2,115,330)	\$ 4,658	\$ 2,119,988	\$ (200,904)	\$ 40,984	\$ 241,888

Healthcare and Family Services			Public Health			Transportation		
Low Income Home Energy Block Grant			Public Health Services			Federal/State/Local Airport		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 157,125	\$ 255,168	\$ 98,043	\$ 150,357	\$ 330,577	\$ 180,220	\$ 56,198	\$ 509,523	\$ 453,325
			25,545	28,180	2,635	3,150	2,436	(714)
			75		(75)			
157,125	255,168	98,043	175,827	358,757	182,930	59,348	511,959	452,611
			1,855,398	659,383	(1,196,015)			
			105	105	-	511,268	511,268	-
330,000	246,737	(83,263)						
			2,522	75	(2,447)			
330,000	246,737	(83,263)	1,858,025	659,563	(1,198,462)	511,268	511,268	-
(172,875)	8,431	181,306	(1,682,198)	(300,806)	1,381,392	(451,920)	691	452,611
			295,000	295,000	-			
(3,087)	(3,087)	-						
(3,087)	(3,087)	-	295,000	295,000	-			
(175,962)	5,344	181,306	(1,387,198)	(5,806)	1,381,392	(451,920)	691	452,611
(10,380)	(10,380)	-	(69,382)	(69,382)	-	1,260	1,260	-
\$ (186,342)	\$ (5,036)	\$ 181,306	\$ (1,456,580)	\$ (75,188)	\$ 1,381,392	\$ (450,660)	\$ 1,951	\$ 452,611

(continued)

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds - Code Departments

For the Year Ended June 30, 2021 (Expressed in Thousands)

(continued)

	Total		
	Final Budget	Actual	Variance Over (Under)
REVENUES:			
Federal government	\$ 1,329,517	\$ 2,296,671	\$ 967,154
Other	30,766	31,476	710
Less:			
Refunds	75	-	(75)
Total revenues	<u>1,360,208</u>	<u>2,328,147</u>	<u>967,939</u>
EXPENDITURES:			
Current:			
Health and social services	4,552,376	1,366,733	(3,185,643)
General government	586	508	(78)
Transportation	511,268	511,268	-
Employment and economic development	758,678	537,600	(221,078)
Capital outlays	2,522	75	(2,447)
Total expenditures	<u>5,825,430</u>	<u>2,416,184</u>	<u>(3,409,246)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,465,222)</u>	<u>(88,037)</u>	<u>4,377,185</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	313,060	313,060	-
Operating transfers-out	(3,432)	(3,432)	-
Total other sources (uses) of financial resources	<u>309,628</u>	<u>309,628</u>	<u>-</u>
Budgetary funds-nonbudgeted accounts	<u>(225,521)</u>	<u>(225,521)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	<u>(4,381,115)</u>	<u>(3,930)</u>	<u>4,377,185</u>
Budgetary fund balances (deficits), July 1, 2020	<u>(28,701)</u>	<u>(28,701)</u>	<u>-</u>
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	<u><u>\$(4,409,816)</u></u>	<u><u>\$ (32,631)</u></u>	<u><u>\$ 4,377,185</u></u>

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State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds - Department of Human Services

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Employment & Training			DHS Special Purpose Trust		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 446,000	\$ 411,954	\$ (34,046)	\$ 334,950	\$ 499,356	\$ 164,406
Total revenues	446,000	411,954	(34,046)	334,950	499,356	164,406
EXPENDITURES:						
Current:						
Health and social services	485,000	412,961	(72,039)	2,211,978	294,389	(1,917,589)
General government				7	7	-
Total expenditures	485,000	412,961	(72,039)	2,211,985	294,396	(1,917,589)
Excess (deficiency) of revenues over (under) expenditures	(39,000)	(1,007)	37,993	(1,877,035)	204,960	2,081,995
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				11,060	11,060	-
Operating transfers-out				(198)	(198)	-
Total other sources (uses) of financial resources				10,862	10,862	-
Budgetary funds-nonbudgeted accounts				(197,680)	(197,680)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(39,000)	(1,007)	37,993	(2,063,853)	18,142	2,081,995
Budgetary fund balances (deficits), July 1, 2020	987	987	-	(13,464)	(13,464)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (38,013)	\$ (20)	\$ 37,993	\$ (2,077,317)	\$ 4,678	\$ 2,081,995

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 780,950	\$ 911,310	\$ 130,360	
780,950	911,310	130,360	
2,696,978	707,350	(1,989,628)	
7	7	-	
2,696,985	707,357	(1,989,628)	
(1,916,035)	203,953	2,119,988	
11,060	11,060	-	
(198)	(198)	-	
10,862	10,862	-	
(197,680)	(197,680)	-	
(2,102,853)	17,135	2,119,988	
(12,477)	(12,477)	-	
\$ (2,115,330)	\$ 4,658	\$ 2,119,988	

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds - Agencies, Boards and Commissions

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State Board of Education			Illinois Emergency Management Agency		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 2,225,671	\$ 3,066,719	\$ 841,048	\$ 254,660	\$ 704,012	\$ 449,352
Other	1	1	-	1	1	-
Total revenues	2,225,672	3,066,720	841,048	254,661	704,013	449,352
EXPENDITURES:						
Current:						
Health and social services				833,609	708,387	(125,222)
Education	11,882,921	2,661,804	(9,221,117)			
General government	105	105	-	396,000	336,779	(59,221)
Employment and economic development				646,000	582,261	(63,739)
Public protection and justice				1,500,000	132,172	(1,367,828)
Environment and business regulation				975,100	245,410	(729,690)
Total expenditures	11,883,026	2,661,909	(9,221,117)	4,350,709	2,005,009	(2,345,700)
Excess (deficiency) of revenues over (under) expenditures	(9,657,354)	404,811	10,062,165	(4,096,048)	(1,300,996)	2,795,052
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				245,000	245,000	-
Operating transfers-out	(17,651)	(17,651)	-	(1,005,427)	(1,005,427)	-
Total other sources (uses) of financial resources	(17,651)	(17,651)	-	(760,427)	(760,427)	-
Budgetary funds-nonbudgeted accounts	(584,456)	(584,456)	-	(353,825)	(353,825)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(10,259,461)	(197,296)	10,062,165	(5,210,300)	(2,415,248)	2,795,052
Budgetary fund balances (deficits), July 1, 2020	(436,304)	(436,304)	-	2,692,057	2,692,057	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (10,695,765)	\$ (633,600)	\$10,062,165	\$ (2,518,243)	\$ 276,809	\$ 2,795,052

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 2,480,331	\$ 3,770,731	\$ 1,290,400	
2	2	-	
2,480,333	3,770,733	1,290,400	

833,609	708,387	(125,222)	
11,882,921	2,661,804	(9,221,117)	
396,105	336,884	(59,221)	
646,000	582,261	(63,739)	
1,500,000	132,172	(1,367,828)	
975,100	245,410	(729,690)	
16,233,735	4,666,918	(11,566,817)	
(13,753,402)	(896,185)	12,857,217	

245,000	245,000	-	
(1,023,078)	(1,023,078)	-	
(778,078)	(778,078)	-	
(938,281)	(938,281)	-	

(15,469,761)	(2,612,544)	12,857,217	
2,255,753	2,255,753	-	
\$ (13,214,008)	\$ (356,791)	\$ 12,857,217	

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds - State Board of Education

For the Year Ended June 30, 2021 (Expressed in Thousands)

	S.B.E. Federal Department of Agriculture			S.B.E. Federal Department of Education		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 787,702	\$ 807,484	\$ 19,782	\$ 1,437,969	\$ 2,259,235	\$ 821,266
Other	1	1	-			
Total revenues	787,703	807,485	19,782	1,437,969	2,259,235	821,266
EXPENDITURES:						
Current:						
Education	1,082,405	813,395	(269,010)	10,800,516	1,848,409	(8,952,107)
General government				105	105	-
Total expenditures	1,082,405	813,395	(269,010)	10,800,621	1,848,514	(8,952,107)
Excess (deficiency) of revenues over (under) expenditures	(294,702)	(5,910)	288,792	(9,362,652)	410,721	9,773,373
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out				(17,651)	(17,651)	-
Total other sources (uses) of financial resources				(17,651)	(17,651)	-
Budgetary funds-nonbudgeted accounts	(227)	(227)	-	(584,229)	(584,229)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(294,929)	(6,137)	288,792	(9,964,532)	(191,159)	9,773,373
Budgetary fund balances (deficits), July 1, 2020	(45,174)	(45,174)	-	(391,130)	(391,130)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (340,103)	\$ (51,311)	\$ 288,792	\$(10,355,662)	\$ (582,289)	\$ 9,773,373

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 2,225,671	\$ 3,066,719	\$ 841,048	
1	1	-	
2,225,672	3,066,720	841,048	
11,882,921	2,661,804	(9,221,117)	
105	105	-	
11,883,026	2,661,909	(9,221,117)	
(9,657,354)	404,811	10,062,165	
(17,651)	(17,651)	-	
(17,651)	(17,651)	-	
(584,456)	(584,456)	-	
(10,259,461)	(197,296)	10,062,165	
(436,304)	(436,304)	-	
\$ (10,695,765)	\$ (633,600)	\$ 10,062,165	

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Federal Trust Funds - Illinois Emergency Management Agency

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State CURE			Federal Aid Disaster		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 228,414	\$ 228,414	\$ -	\$ 26,246	\$ 475,598	\$ 449,352
Other	1	1	-			
Total revenues	228,415	228,415	-	26,246	475,598	449,352
EXPENDITURES:						
Current:						
Health and social services	833,609	708,387	(125,222)			
General government	396,000	336,779	(59,221)			
Employment and economic development	646,000	582,261	(63,739)			
Public protection and justice	1,500,000	132,172	(1,367,828)			
Environment and business regulation				975,100	245,410	(729,690)
Total expenditures	3,375,609	1,759,599	(1,616,010)	975,100	245,410	(729,690)
Excess (deficiency) of revenues over (under) expenditures	(3,147,194)	(1,531,184)	1,616,010	(948,854)	230,188	1,179,042
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	245,000	245,000	-			
Operating transfers-out	(1,005,427)	(1,005,427)	-			
Total other sources (uses) of financial resources	(760,427)	(760,427)	-			
Budgetary funds-nonbudgeted accounts				(353,825)	(353,825)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(3,907,621)	(2,291,611)	1,616,010	(1,302,679)	(123,637)	1,179,042
Budgetary fund balances (deficits), July 1, 2020	2,700,000	2,700,000	-	(7,943)	(7,943)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$(1,207,621)	\$ 408,389	\$ 1,616,010	\$(1,310,622)	\$ (131,580)	\$ 1,179,042

Total		
Final Budget	Actual	Variance Over (Under)
\$ 254,660	\$ 704,012	\$ 449,352
1	1	-
254,661	704,013	449,352

833,609	708,387	(125,222)
396,000	336,779	(59,221)
646,000	582,261	(63,739)
1,500,000	132,172	(1,367,828)
975,100	245,410	(729,690)
4,350,709	2,005,009	(2,345,700)
(4,096,048)	(1,300,996)	2,795,052

245,000	245,000	-
(1,005,427)	(1,005,427)	-
(760,427)	(760,427)	-
(353,825)	(353,825)	-

(5,210,300)	(2,415,248)	2,795,052
2,692,057	2,692,057	-
\$ (2,518,243)	\$ 276,809	\$ 2,795,052

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Revolving Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Code Departments					
	Department of Innovation and Technology Technology Management Revolving Fund			Other		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 431	\$ 1,363	\$ 932	\$ 16		\$ (16)
Other	411,660	331,779	(79,881)	278,816	\$ 281,331	2,515
Less:						
Refunds				5	3	(2)
Total revenues	412,091	333,142	(78,949)	278,827	281,328	2,501
EXPENDITURES:						
Current:						
General government	650,586	542,660	(107,926)	533,713	392,337	(141,376)
Transportation				50	20	(30)
Public protection and justice				44,275	26,165	(18,110)
Capital outlays				2,250	1,739	(511)
Total expenditures	650,586	542,660	(107,926)	580,288	420,261	(160,027)
Excess (deficiency) of revenues over (under) expenditures	(238,495)	(209,518)	28,977	(301,461)	(138,933)	162,528
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	167,775	167,775	-	144,303	144,303	-
Operating transfers-out	(257)	(257)	-	(3,485)	(3,485)	-
Total other sources (uses) of financial resources	167,518	167,518	-	140,818	140,818	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(70,977)	(42,000)	28,977	(160,643)	1,885	162,528
Budgetary fund balances (deficits), July 1, 2020	(140,004)	(140,004)	-	154,948	154,948	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (210,981)	\$ (182,004)	\$ 28,977	\$ (5,695)	\$ 156,833	\$ 162,528

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 447	\$ 1,363	\$ 916	
690,476	613,110	(77,366)	
5	3	(2)	
690,918	614,470	(76,448)	
1,184,299	934,997	(249,302)	
50	20	(30)	
44,275	26,165	(18,110)	
2,250	1,739	(511)	
1,230,874	962,921	(267,953)	
(539,956)	(348,451)	191,505	
312,078	312,078	-	
(3,742)	(3,742)	-	
308,336	308,336	-	
(231,620)	(40,115)	191,505	
14,944	14,944	-	
\$ (216,676)	\$ (25,171)	\$ 191,505	

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) State Trust Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Code Departments					
	Healthcare and Family Services			Agencies, Boards & Commissions		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 176,305	\$ 85,344	\$ (90,961)	\$ 5,771	\$ 275,638	\$ 269,867
Other	516,053	1,513,894	997,841	2,902,245	2,899,575	(2,670)
Less:						
Refunds						
Total revenues	692,358	1,599,238	906,880	2,908,016	3,175,213	267,197
EXPENDITURES:						
Current:						
Health and social services	171,499	129,482	(42,017)			
Education						
General government	24	24	-		(2,861)	(2,861)
Employment and Economic Development						
Public protection and justice				500,000	214,648	(285,352)
Environment and business regulation						
Capital outlays	936	134	(802)			
Total expenditures	172,459	129,640	(42,819)	500,000	211,787	(288,213)
Excess (deficiency) of revenues over (under) expenditures	519,899	1,469,598	949,699	2,408,016	2,963,426	555,410
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	80,000	80,000	-	113	113	-
Operating transfers-out	(503,168)	(503,168)	-	(495,092)	(495,092)	-
Total other sources (uses) of financial resources	(423,168)	(423,168)	-	(494,979)	(494,979)	-
Budgetary funds-nonbudgeted accounts	(981,897)	(981,897)	-	(3,012,230)	(3,012,230)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(885,166)	64,533	949,699	(1,099,193)	(543,783)	555,410
Budgetary fund balances (deficits), July 1, 2020, as previously reported	(71,597)	(71,597)	-	426,957	426,957	-
Reclassifications between budgetary/nonbudgetary funds-net				428,160	428,160	-
Budgetary fund balances (deficits), July 1, 2020, as reclassified	(71,597)	(71,597)	-	855,117	855,117	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ (956,763)	\$ (7,064)	\$ 949,699	\$ (244,076)	\$ 311,334	\$ 555,410

Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 2,686	\$ (314)	\$ (3,000)	\$ 2,686	\$ (314)	\$ (3,000)
	3,854	3,854	-	3,854	3,854
5,377	138,664	133,287	5,377	138,664	133,287
151,394	128,857	(22,537)	333,470	489,839	156,369
467,569	660,605	193,036	3,885,867	5,074,074	1,188,207
312	300	(12)	312	300	(12)
626,714	931,366	304,652	4,227,088	5,705,817	1,478,729
359,448	224,581	(134,867)	530,947	354,063	(176,884)
20,594	6,148	(14,446)	20,594	6,148	(14,446)
120,355	107,615	(12,740)	120,379	104,778	(15,601)
44,427	43,657	(770)	44,427	43,657	(770)
51,900	7,132	(44,768)	551,900	221,780	(330,120)
16,750	7,339	(9,411)	16,750	7,339	(9,411)
			936	134	(802)
613,474	396,472	(217,002)	1,285,933	737,899	(548,034)
13,240	534,894	521,654	2,941,155	4,967,918	2,026,763
65,883	65,883	-	145,996	145,996	-
(1,158)	(1,158)	-	(999,418)	(999,418)	-
64,725	64,725	-	(853,422)	(853,422)	-
(530,616)	(530,616)	-	(4,524,743)	(4,524,743)	-
(452,651)	69,003	521,654	(2,437,010)	(410,247)	2,026,763
338,857	338,857	-	694,217	694,217	-
(39,642)	(39,642)	-	388,518	388,518	-
299,215	299,215	-	1,082,735	1,082,735	-
\$ (153,436)	\$ 368,218	\$ 521,654	\$ (1,354,275)	\$ 672,488	\$ 2,026,763

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of Financial Resources, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) State Trust Funds - Agencies, Board and Commissions

For the Year Ended June 30, 2021 (Expressed in Thousands)

	State Employees' Retirement System			Illinois Emergency Management Agency		
	State Employees' Retirement System			Disaster Response and Recovery		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 5,771	\$ 275,638	\$ 269,867
Other	\$ 2,899,245	\$ 2,899,245	\$ -	3,000	330	(2,670)
Total revenues	2,899,245	2,899,245	-	8,771	275,968	267,197
EXPENDITURES:						
Current:						
General government		(2,861)	(2,861)			
Public protection and justice				500,000	214,648	(285,352)
Total expenditures		(2,861)	(2,861)	500,000	214,648	(285,352)
Excess (deficiency) of revenues over (under) expenditures	2,899,245	2,902,106	2,861	(491,229)	61,320	552,549
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	113	113	-			-
Operating transfers-out	(92)	(92)	-	(495,000)	(495,000)	-
Total other sources (uses) of financial resources	21	21	-	(495,000)	(495,000)	-
Budgetary funds-nonbudgeted accounts	(3,012,230)	(3,012,230)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources, and budgetary funds-nonbudgeted accounts	(112,964)	(110,103)	2,861	(986,229)	(433,680)	552,549
Budgetary fund balances (deficits), July 1, 2020				426,957	426,957	-
Reclassifications between budgetary/nonbudgetary funds-net	428,160	428,160	-			
Budgetary fund balances (deficits), July 1, 2020, as reclassified	428,160	428,160	-	426,957	426,957	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2021	\$ 315,196	\$ 318,057	\$ 2,861	\$ (559,272)	\$ (6,723)	\$ 552,549

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 5,771	\$ 275,638	\$ 269,867	
2,902,245	2,899,575	(2,670)	
2,908,016	3,175,213	267,197	

-	(2,861)	(2,861)	
500,000	214,648	(285,352)	
500,000	211,787	(288,213)	

2,408,016	2,963,426	555,410	
113	113	-	
(495,092)	(495,092)	-	
(494,979)	(494,979)	-	
(3,012,230)	(3,012,230)	-	

(1,099,193)	(543,783)	555,410	
426,957	426,957	-	
428,160	428,160	-	

855,117	855,117	-	
\$ (244,076)	\$ 311,334	\$ 555,410	

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Statistical Section

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STATISTICAL SECTION

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the State's financial performance and well-being have changed over time.	370
Revenue Capacity	
These schedules contain information to help the reader assess the State's most significant revenue sources: the personal income tax and the sales tax.	380
Debt Capacity	
These schedules present information to help the reader assess the affordability of the State's current levels of outstanding debt and the State's ability to issue additional debt in the future.	386
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.	394
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the State's financial report relates to the services the State provides and the activities it performs.	396

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

State of Illinois

Net Position by Component

Last Ten Fiscal Year Ends

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2021	2020	2019	2018	2017
Governmental Activities					
Net investment in capital assets	\$ 16,014,180	\$ 16,024,087	\$ 16,161,889	\$ 16,205,052	\$ 15,992,970
Restricted	4,753,216	4,633,662	4,304,948	4,658,844	3,585,489
Unrestricted	<u>(220,013,529)</u>	<u>(218,200,233)</u>	<u>(213,546,660)</u>	<u>(209,932,970)</u>	<u>(161,239,415)</u>
Total governmental activities net position	<u>(199,246,133)</u>	<u>(197,542,484)</u>	<u>(193,079,823)</u>	<u>(189,069,074)</u>	<u>(141,660,956)</u>
Business-type Activities					
Net investment in capital assets	2,731	2,907	3,210	3,651	4,205
Restricted	4,086,779	4,326,417	6,384,660	5,705,891	5,450,934
Unrestricted	<u>(3,748,627)</u>	<u>(920,556)</u>	<u>(999,847)</u>	<u>(654,207)</u>	<u>(381,994)</u>
Total business-type activities net position	<u>340,883</u>	<u>3,408,768</u>	<u>5,388,023</u>	<u>5,055,335</u>	<u>5,073,145</u>
Primary Government					
Net investment in capital assets	16,016,911	16,026,994	16,165,099	16,208,703	15,997,175
Restricted	8,839,995	8,960,079	10,689,608	10,364,735	9,036,423
Unrestricted	<u>(223,762,156)</u>	<u>(219,120,789)</u>	<u>(214,546,507)</u>	<u>(210,587,177)</u>	<u>(161,621,409)</u>
Total primary government net position	<u><u>\$ (198,905,250)</u></u>	<u><u>\$ (194,133,716)</u></u>	<u><u>\$ (187,691,800)</u></u>	<u><u>\$ (184,013,739)</u></u>	<u><u>\$ (136,587,811)</u></u>

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

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

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

Schedule 1

Ended June 30,				
2016	2015	2014	2013	2012
\$ 15,583,035	\$ 15,180,555	\$ 15,097,043	\$ 14,805,078	\$ 14,990,452
3,436,636	3,440,869	4,142,084	3,753,003	3,568,812
(150,588,893)	(143,928,601)	(68,297,390)	(66,410,019)	(65,144,723)
(131,569,222)	(125,307,177)	(49,058,263)	(47,851,938)	(46,585,459)
4,803	5,748	6,532	5,628	4,673
5,371,256	5,240,507	4,911,161	4,291,086	2,253,093
(533,887)	(921,900)	(1,094,605)	(1,271,930)	(422,682)
4,842,172	4,324,355	3,823,088	3,024,784	1,835,084
15,587,838	15,186,303	15,103,575	14,810,706	14,995,125
8,807,892	8,681,376	9,053,245	8,044,089	5,821,905
(151,122,780)	(144,850,501)	(69,391,995)	(67,681,949)	(65,567,405)
<u>\$(126,727,050)</u>	<u>\$(120,982,822)</u>	<u>\$(45,235,175)</u>	<u>\$(44,827,154)</u>	<u>\$(44,750,375)</u>

State of Illinois

Fund Balances, Governmental Funds

Last Ten Fiscal Year Ends

(Modified Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2021	2020	2019	2018	2017
General fund (per GASB 54)					
Nonspendable	\$ 246,418	\$ 130,364	\$ 23,221	\$ 27,948	\$ 26,718
Restricted	34,941	38,958	69,038	89,798	52,233
Committed	3,962,683	2,992,426	2,537,792	1,923,096	1,946,730
Unassigned	(7,300,760)	(9,585,958)	(10,146,648)	(9,804,135)	(16,637,294)
Total general fund	<u>(3,056,718)</u>	<u>(6,424,210)</u>	<u>(7,516,597)</u>	<u>(7,763,293)</u>	<u>(14,611,613)</u>
All other governmental funds (per GASB 54)					
Nonspendable	177,116	172,455	161,091	149,962	134,400
Restricted	4,394,120	4,330,132	3,989,269	4,316,394	3,160,928
Committed	5,001,273	3,829,565	3,369,048	3,432,121	3,753,708
Assigned	-	2,170	-	-	1,658
Unassigned	(667,422)	(659,161)	(743,877)	(867,408)	(1,159,331)
Total all other governmental funds	<u>8,905,087</u>	<u>7,675,161</u>	<u>6,775,531</u>	<u>7,031,069</u>	<u>5,891,363</u>
Total governmental funds	<u>\$ 5,848,369</u>	<u>\$ 1,250,951</u>	<u>\$ (741,066)</u>	<u>\$ (732,224)</u>	<u>\$ (8,720,250)</u>

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

Schedule 2

Ended June 30,				
2016	2015	2014	2013	2012
\$ 28,074	\$ 28,301	\$ 30,567	\$ 32,395	\$ 34,652
79,294	45,569	58,852	65,729	40,572
1,139,048	1,311,460	1,138,836	739,161	917,589
(10,837,635)	(8,238,260)	(7,906,594)	(8,171,762)	(10,070,984)
<u>(9,591,219)</u>	<u>(6,852,930)</u>	<u>(6,678,339)</u>	<u>(7,334,477)</u>	<u>(9,078,171)</u>
121,976	120,025	101,255	108,746	85,281
3,570,351	2,987,518	3,623,415	3,347,699	3,248,413
2,958,892	3,110,300	5,480,900	3,408,438	3,783,223
9,835	1,227	10,007	9,265	7,959
<u>(1,370,410)</u>	<u>(1,374,629)</u>	<u>(1,230,375)</u>	<u>(1,432,956)</u>	<u>(1,553,553)</u>
<u>5,290,644</u>	<u>4,844,441</u>	<u>7,985,202</u>	<u>5,441,192</u>	<u>5,571,323</u>
<u>\$ (4,300,575)</u>	<u>\$ (2,008,489)</u>	<u>\$ 1,306,863</u>	<u>\$ (1,893,285)</u>	<u>\$ (3,506,848)</u>

State of Illinois

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2021	2020	2019	2018	2017
Governmental Activities:					
Expenses					
Health and social services	\$ 42,468,748	\$ 34,058,246	\$ 31,068,488	\$ 29,207,200	\$ 30,271,727
Education	28,503,120	28,454,084	24,238,730	25,359,053	22,330,561
General government	3,712,603	3,425,080	3,202,284	2,892,134	2,907,779
Employment and economic development	2,156,871	843,447	906,153	756,026	962,010
Transportation	5,800,134	5,110,682	4,496,926	4,625,352	5,282,459
Public protection and justice	4,222,784	4,523,648	4,281,070	4,416,348	4,522,776
Environment and business regulation	1,183,335	772,169	1,000,741	778,045	927,409
Intergovernmental-revenue sharing	7,967,694	6,823,515	6,357,667	5,917,915	6,145,598
Interest	1,500,226	1,564,664	1,771,247	1,986,119	1,872,321
Total governmental activities expenses	97,515,515	85,575,535	77,323,306	75,938,192	75,222,640
Program revenues					
Charges for services:					
Health and social services	246,222	459,695	152,953	144,921	515,062
Education	7,867	8,283	10,391	10,726	10,599
General government	2,899,651	2,412,267	2,272,405	2,233,439	2,243,389
Employment and economic development	27,262	31,088	24,584	17,959	31,282
Transportation	27,288	44,513	54,189	52,404	110,920
Public protection and justice	164,868	141,387	151,038	147,209	148,115
Environment and business regulation	562,997	453,856	421,971	460,043	431,116
Operating grants and contributions	35,223,708	26,120,240	21,612,198	21,347,390	23,176,771
Capital grants and contributions	1,843,946	1,628,823	1,272,045	1,302,747	1,503,916
Total governmental activities program revenues	41,003,809	31,300,152	25,971,774	25,716,838	28,171,170
Total governmental activities net program expense	(56,511,706)	(54,275,383)	(51,351,532)	(50,221,354)	(47,051,470)
General revenues and other changes in net position					
Taxes					
Income taxes	28,302,904	25,379,740	24,923,946	22,431,277	16,427,074
Sales taxes	13,657,777	12,102,446	12,242,861	11,850,090	11,332,134
Motor fuel taxes	2,361,884	2,343,071	1,317,925	1,323,577	1,303,773
Public utility taxes	1,359,622	1,385,989	1,470,176	1,443,513	1,439,332
Riverboat taxes	200,378	329,163	453,985	469,363	475,299
Medical providers assessment taxes	3,167,711	2,930,665	1,720,775	1,562,007	1,565,845
Other taxes	3,719,046	2,892,250	3,047,878	2,967,862	2,803,658
Interest and investment income	63,846	243,579	396,133	123,627	96,389
Other revenues	1,256,047	1,277,786	990,304	880,645	759,553
Special items	-	-	-	-	-
Transfers	718,842	717,676	776,800	749,264	756,679
Total general revenues and other changes in net position	54,808,057	49,602,365	47,340,783	43,801,225	36,959,736
Total governmental activities change in net position	(1,703,649)	(4,673,018)	(4,010,749)	(6,420,129)	(10,091,734)

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

Revenue from income taxes decreased significantly beginning in 2016 as the individual income tax rate dropped from 5.00% to 3.75% and the corporate income tax rate dropped from 7.00% to 5.25%.

Revenue from income taxes increased significantly beginning in 2018 as the State legislatures voted to raise the individual income tax rate from 3.75% to 4.95% and the corporate income tax rate from 5.25% to 7.00%.

Revenue from the federal government increased significantly in 2020 and 2021 due to the receipt of Federal Cares Act Funds.

Schedule 3

Ended June 30,				
2016	2015	2014	2013	2012
\$ 28,910,642	\$ 29,744,877	\$ 27,341,750	\$ 25,885,439	\$ 26,021,677
19,277,492	19,302,465	19,049,547	18,363,509	17,703,469
2,826,077	2,717,269	2,449,947	2,771,340	2,575,789
834,844	1,251,097	1,271,862	1,318,453	1,332,412
4,702,430	5,132,636	5,103,505	5,007,079	4,471,245
3,931,125	3,600,577	3,394,190	3,460,726	3,621,072
801,393	1,104,370	1,050,615	910,189	1,033,428
5,905,841	5,956,535	5,669,666	5,397,613	5,329,498
1,761,607	1,709,219	1,783,172	1,518,871	1,608,440
<u>68,951,451</u>	<u>70,519,045</u>	<u>67,114,254</u>	<u>64,633,219</u>	<u>63,697,030</u>
332,674	236,140	402,880	298,154	175,218
10,156	9,446	8,251	8,378	6,666
2,150,695	2,170,928	2,110,376	2,177,257	2,177,712
76,595	27,622	13,046	18,468	17,107
53,133	16,082	124,869	45,358	27,096
154,511	145,548	146,781	125,859	131,729
437,622	416,124	441,445	388,894	446,925
20,956,206	21,882,386	19,928,670	18,650,189	18,378,500
1,531,259	1,524,107	1,673,267	1,344,794	1,555,210
<u>25,702,851</u>	<u>26,428,383</u>	<u>24,849,585</u>	<u>23,057,351</u>	<u>22,916,163</u>
<u>(43,248,600)</u>	<u>(44,090,662)</u>	<u>(42,264,669)</u>	<u>(41,575,868)</u>	<u>(40,780,867)</u>
16,897,452	19,881,531	20,992,371	21,259,064	19,585,251
11,165,310	10,997,205	10,585,448	10,213,130	9,800,153
1,322,372	1,292,178	1,272,818	1,253,806	1,269,484
1,427,368	1,460,558	1,469,128	1,475,677	1,487,570
485,024	498,309	521,092	583,699	495,055
1,376,128	1,400,813	1,672,787	1,165,644	964,307
2,742,805	2,843,428	2,306,427	2,288,341	2,341,243
72,294	64,104	61,354	46,900	53,597
762,820	777,298	1,342,507	1,134,424	1,029,051
-	-	-	64,598	-
734,982	779,330	834,412	824,106	778,423
<u>36,986,555</u>	<u>39,994,754</u>	<u>41,058,344</u>	<u>40,309,389</u>	<u>37,804,134</u>
<u>(6,262,045)</u>	<u>(4,095,908)</u>	<u>(1,206,325)</u>	<u>(1,266,479)</u>	<u>(2,976,733)</u>

State of Illinois**Changes in Net Position****Last Ten Fiscal Years****(Accrual Basis of Accounting, Amounts in Thousands)**

(continued)

	For the Fiscal Year				
	2021	2020	2019	2018	2017
Business-Type Activities:					
Expenses					
Unemployment compensation trust	24,015,851	9,830,805	1,656,403	1,727,817	1,846,247
Water revolving	119,705	109,407	69,517	63,234	46,947
Prepaid tuition program	14,127	36,862	47,674	43,558	157,576
Lottery	2,687,677	2,159,808	2,238,331	2,280,857	2,129,455
Other	132,962	157,010	199,016	260,832	254,396
Total business-type activities expenses	26,970,322	12,293,892	4,210,941	4,376,298	4,434,621
Program revenues					
Charges for services:					
Unemployment compensation trust	2,404,472	1,570,873	1,776,554	1,899,802	1,987,231
Water revolving	83,506	80,934	77,487	70,908	61,059
Prepaid tuition program	89,705	9,988	33,052	49,622	86,303
Lottery	3,454,549	2,848,534	2,981,315	2,932,921	2,850,445
Other	112,188	125,152	139,396	145,016	148,633
Operating grants and contributions	18,480,607	6,281,734	237,338	181,675	262,654
Total business-type activities program revenues	24,625,027	10,917,215	5,245,142	5,279,944	5,396,325
Total business-type activities net program revenue (expense)	(2,345,295)	(1,376,677)	1,034,201	903,646	961,704
General revenues and other changes in net position					
Interest and investment income	(3,748)	79,685	75,287	37,092	25,948
Transfers	(718,842)	(717,676)	(776,800)	(749,264)	(756,679)
Total business-type activities general revenues and other changes in net position	(722,590)	(637,991)	(701,513)	(712,172)	(730,731)
Total business-type activities change in net position	(3,067,885)	(2,014,668)	332,688	191,474	230,973
Total primary government change in net position	\$ (4,771,534)	\$ (6,687,686)	\$ (3,678,061)	\$ (6,228,655)	\$ (9,860,761)

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

Program revenues and expenses increased significantly in 2020 and 2021 as a result of a significant increase in unemployment compensation claims due to the COVID-19 pandemic.

Schedule 3

Ended June 30,				
2016	2015	2014	2013	2012
1,904,271	1,842,424	2,758,692	3,594,082	5,087,631
39,200	43,880	37,355	45,840	85,366
57,776	27,931	25,595	94,691	193,523
2,150,110	2,138,677	2,084,750	2,097,604	1,941,324
251,148	258,693	289,529	331,891	406,902
<u>4,402,505</u>	<u>4,311,605</u>	<u>5,195,921</u>	<u>6,164,108</u>	<u>7,714,746</u>
2,206,079	2,397,199	2,643,598	3,209,935	3,216,031
51,881	46,568	43,823	43,516	42,958
60,993	67,762	138,703	126,025	35,294
2,862,056	2,850,711	2,868,500	2,902,357	2,682,379
153,663	148,010	156,047	163,677	182,577
238,119	270,208	943,403	1,724,991	2,891,670
<u>5,572,791</u>	<u>5,780,458</u>	<u>6,794,074</u>	<u>8,170,501</u>	<u>9,050,909</u>
<u>1,170,286</u>	<u>1,468,853</u>	<u>1,598,153</u>	<u>2,006,393</u>	<u>1,336,163</u>
64,737	50,713	34,563	7,413	39,750
<u>(734,982)</u>	<u>(779,330)</u>	<u>(834,412)</u>	<u>(824,106)</u>	<u>(778,423)</u>
<u>(670,245)</u>	<u>(728,617)</u>	<u>(799,849)</u>	<u>(816,693)</u>	<u>(738,673)</u>
<u>500,041</u>	<u>740,236</u>	<u>798,304</u>	<u>1,189,700</u>	<u>597,490</u>
<u>\$ (5,762,004)</u>	<u>\$ (3,355,672)</u>	<u>\$ (408,021)</u>	<u>\$ (76,779)</u>	<u>\$ (2,379,243)</u>

State of Illinois

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting, Amounts in Thousands)

	For the Fiscal Year				
	2021	2020	2019	2018	2017
Revenues					
Income taxes	\$ 28,246,002	\$ 25,372,708	\$ 25,006,384	\$ 22,386,421	\$ 16,428,810
Sales taxes	13,657,777	12,102,446	12,244,809	11,850,683	11,354,547
Motor fuel taxes	2,362,025	2,343,101	1,318,993	1,322,392	1,304,523
Public utility taxes	1,366,383	1,392,449	1,478,828	1,414,502	1,443,797
Riverboat taxes	200,378	329,163	453,985	469,363	475,299
Medical providers assessment taxes	3,114,957	2,956,445	1,694,988	1,586,240	1,545,511
Other taxes	3,605,736	2,991,645	3,076,520	2,911,995	2,790,400
Federal government	36,397,836	26,362,599	21,372,784	23,314,354	21,921,955
Licenses and fees	3,555,383	2,984,000	2,788,424	2,767,206	2,809,879
Interest and other investment income	62,897	240,217	390,624	118,206	93,372
Other revenues	2,363,123	3,004,121	2,484,373	2,093,230	2,623,837
Total revenues	94,932,497	80,078,894	72,310,712	70,234,592	62,791,930
Expenditures					
Health and social services	42,028,459	34,309,200	29,970,452	28,835,515	29,299,969
Education	22,887,502	21,619,742	20,059,454	20,176,344	16,929,930
General government	3,547,229	2,994,165	2,909,113	2,531,734	2,351,867
Employment and economic development	2,185,550	901,340	855,666	770,706	882,272
Transportation	4,427,391	3,626,310	3,385,476	3,158,258	3,812,951
Public protection and justice	3,992,352	4,127,599	3,376,858	3,374,279	3,199,854
Environment and business regulation	1,063,178	825,453	848,982	753,444	761,369
Debt service:					
Principal	3,060,899	2,011,542	2,884,108	2,337,107	2,322,844
Interest	1,595,861	1,569,297	1,681,940	1,612,438	1,523,395
Capital outlay	2,358,196	1,721,339	1,344,935	1,365,606	1,504,609
Intergovernmental	7,967,694	6,823,515	6,357,667	5,917,915	6,145,598
Total expenditures	95,114,311	80,529,502	73,674,651	70,833,346	68,734,658
Deficiency of revenues (under) expenditures	(181,814)	(450,608)	(1,363,939)	(598,754)	(5,942,728)
Other Financing Sources (Uses)					
General and special obligation and revenue bonds issued	1,850,000	1,550,000	550,000	7,250,000	690,035
Premiums on general and special obligation and revenue bonds issued	198,114	64,759	12,206	559,670	54,443
Discounts on general obligation bonds issued	(8,629)	(12,599)	(418)	-	-
General and special obligation and revenue refunding bonds issued	257,960	-	1,106,050	670,965	1,641,900
Premiums on general and special obligation and revenue refunding bonds issued	16,959	-	67,449	90,805	152,800
General obligation notes issued	2,000,000	-	-	-	-
Transfers-in	7,449,680	6,317,766	6,770,458	7,000,154	6,100,888
Transfers-out	(6,831,141)	(5,600,890)	(5,994,458)	(6,251,374)	(5,344,060)
Payment to refunded bond escrow agent	(273,987)	-	(1,168,591)	(756,954)	(1,782,885)
Capital lease financing	7,520	3,894	5,857	9,283	1,757
Total other financing sources (uses)	4,666,476	2,322,930	1,348,553	8,572,549	1,514,878
Special Items	-	-	-	-	-
Net change in fund balances	\$ 4,484,662	\$ 1,872,322	\$ (15,386)	\$ 7,973,795	\$ (4,427,850)
Debt service as a percentage of noncapital expenditures	5.02%	4.54%	6.31%	5.69%	5.72%

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

Revenue from income taxes decreased significantly beginning in 2016 as the individual income tax rate dropped from 5.00% to 3.75% and the corporate income tax rate dropped from 7.00% to 5.25%.

Revenue from income taxes increased significantly beginning in 2018 as the State legislatures voted to raise the individual income tax rate from 3.75% to 4.95% and the corporate income tax rate from 5.25% to 7.00%.

Revenue from the federal government increased significantly in 2020 and 2021 due to the receipt of Federal Cares Act Funds.

Schedule 4

Ended June 30,				
2016	2015	2014	2013	2012
\$ 16,907,923	\$ 19,909,259	\$ 20,948,992	\$ 21,094,432	\$ 19,597,757
11,162,605	11,006,405	10,602,973	10,218,389	9,794,571
1,322,727	1,291,139	1,273,009	1,254,260	1,275,042
1,431,179	1,461,807	1,472,798	1,463,308	1,495,251
485,024	498,309	521,092	583,699	495,055
1,375,891	1,412,493	1,677,667	1,149,310	961,546
2,782,600	2,756,193	2,346,081	2,306,255	2,168,203
21,763,831	21,981,451	20,573,411	19,605,267	18,213,961
2,737,014	2,706,962	2,649,213	2,491,802	2,587,031
70,194	62,298	59,328	45,082	52,495
2,216,198	2,284,297	2,873,794	2,260,237	2,095,164
<u>62,255,186</u>	<u>65,370,613</u>	<u>64,998,358</u>	<u>62,472,041</u>	<u>58,736,076</u>
28,274,261	29,029,974	27,024,378	25,403,862	25,643,420
16,361,980	17,159,014	17,424,910	16,190,331	15,064,753
2,479,319	2,375,648	2,286,984	2,243,536	2,214,383
762,998	1,223,773	1,291,102	1,291,834	1,298,303
3,341,966	3,807,979	3,830,329	3,696,646	3,272,768
3,070,350	3,062,535	2,966,836	2,937,295	3,180,977
739,662	956,821	948,652	808,257	930,414
1,999,951	2,405,138	2,038,117	1,899,704	1,819,303
1,576,845	1,677,217	1,608,331	1,570,741	1,576,539
1,867,445	1,829,993	1,776,463	1,600,425	1,916,674
5,905,841	5,956,535	5,669,666	5,397,613	5,329,498
<u>66,380,618</u>	<u>69,484,627</u>	<u>66,865,768</u>	<u>63,040,244</u>	<u>62,247,032</u>
<u>(4,125,432)</u>	<u>(4,114,014)</u>	<u>(1,867,410)</u>	<u>(568,203)</u>	<u>(3,510,956)</u>
1,030,000	-	4,077,000	1,150,000	2,100,040
60,939	-	169,216	41,540	80,268
-	-	-	-	-
-	-	-	604,110	1,797,740
-	-	-	85,084	165,789
-	-	-	-	-
6,011,305	7,182,740	5,844,706	6,057,771	6,099,132
(5,273,483)	(6,403,418)	(5,010,303)	(5,233,178)	(5,334,744)
-	-	-	(686,236)	(1,934,435)
3,181	3,451	2,006	1,006	2,788
<u>1,831,942</u>	<u>782,773</u>	<u>5,082,625</u>	<u>2,020,097</u>	<u>2,976,578</u>
-	-	-	165,001	-
<u>\$ (2,293,490)</u>	<u>\$ (3,331,241)</u>	<u>\$ 3,215,215</u>	<u>\$ 1,616,895</u>	<u>\$ (534,378)</u>
<u>5.54%</u>	<u>6.03%</u>	<u>5.60%</u>	<u>5.65%</u>	<u>5.63%</u>

State of Illinois

Personal Income by Industry

Last Ten Calendar Years

(Amounts in Thousands)

	For the Calendar Year				
	2020	2019	2018	2017	2016
Farm earnings	\$ 5,532,689	\$ 2,123,314	\$ 2,984,341	\$ 2,348,587	\$ 2,698,961
Agricultural/forestry, fishing, and other	463,396	480,179	445,706	450,103	460,654
Mining	1,069,816	1,274,124	1,252,218	1,022,407	844,067
Construction/utilities	31,833,361	31,550,726	30,122,810	29,733,455	28,173,738
Manufacturing	56,307,942	57,883,613	57,002,379	54,035,444	52,335,057
Transportation and public utilities	26,626,860	27,448,087	25,831,170	23,009,765	22,463,663
Wholesale trade	32,493,401	32,685,711	32,178,635	31,586,081	30,375,873
Retail trade	27,322,394	26,625,156	25,772,969	24,728,787	24,537,249
Finance, insurance, and real estate	64,804,370	61,576,791	59,051,955	54,680,113	54,004,990
Services	224,373,500	228,037,791	221,955,960	212,578,055	206,244,403
Federal, civilian	9,632,718	9,224,283	9,187,601	8,884,780	8,688,804
Military	3,262,131	3,021,020	2,828,147	2,947,665	2,736,799
State and local government	60,878,440	60,354,052	59,153,041	57,902,671	57,462,135
Other	247,534,440	206,526,778	200,599,230	189,423,043	182,664,558
Total personal income	\$ 792,135,458	\$ 748,811,625	\$ 728,366,162	\$ 693,330,956	\$ 673,690,951
Tax liability	\$ 17,840,098	\$ 17,306,764	\$ 17,163,176	\$ 14,232,641	\$ 11,531,400
Average effective rate	2.25%	2.31%	2.36%	2.05%	1.71%

Note: The total direct rate for personal income is not available.

Average effective rate equals tax collections divided by income.

Source: U.S. Bureau of Economic Analysis

Ended December 31,

2015	2014	2013	2012	2011
\$ 278,111	\$ 3,552,756	\$ 7,957,882	\$ 3,210,000	\$ 5,532,292
460,004	406,425	334,976	397,219	334,697
1,043,414	1,355,675	1,293,675	1,271,440	1,259,647
28,143,021	26,259,508	24,252,907	21,354,976	21,977,275
53,172,370	52,097,516	51,183,891	52,943,137	47,835,270
23,501,796	23,263,866	22,732,471	19,826,411	18,671,925
30,472,389	29,506,185	28,917,961	28,424,193	26,825,228
24,863,210	24,079,150	23,654,974	23,084,384	22,108,376
52,146,866	46,146,378	38,924,400	34,985,114	33,124,647
201,823,671	193,852,649	186,011,316	179,180,906	170,633,157
8,602,460	8,338,715	8,182,682	8,477,026	8,651,107
2,336,641	2,350,601	2,489,144	2,591,007	2,665,531
58,514,598	58,275,940	57,768,484	53,511,408	53,141,184
180,131,538	167,794,599	153,966,612	158,343,942	149,532,130
<u>\$ 665,490,089</u>	<u>\$ 637,279,963</u>	<u>\$ 607,671,375</u>	<u>\$ 587,601,163</u>	<u>\$ 562,292,466</u>
<u>\$ 11,758,489</u>	<u>\$ 15,532,205</u>	<u>\$ 14,701,925</u>	<u>\$ 15,703,310</u>	<u>\$ 12,855,244</u>
<u>1.77%</u>	<u>2.44%</u>	<u>2.42%</u>	<u>2.67%</u>	<u>2.29%</u>

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

	For the Fiscal Year				
	2021	2020	2019	2018	2017
General merchandise	\$ 23,318,798	\$ 22,677,715	\$ 22,718,473	\$ 22,784,722	\$ 21,555,470
Food	24,643,222	24,291,922	23,013,962	22,436,327	21,355,215
Drinking and eating places	21,274,093	22,865,211	25,957,118	25,000,446	24,041,077
Apparel	8,765,722	7,411,912	8,374,492	8,075,480	7,966,678
Furniture, household, and radio	12,206,749	10,500,398	10,412,402	10,557,835	10,294,696
Lumber, building, and hardware	13,799,122	11,867,005	10,903,988	10,707,149	10,026,817
Automotive and filling stations	48,897,370	41,687,382	43,765,261	43,036,870	40,559,261
Drugs and other retail	56,461,413	45,487,346	40,199,756	37,771,600	36,526,231
Agriculture and extractives	38,119,885	34,488,828	33,571,231	30,754,927	28,195,889
Manufacturing	8,091,754	6,904,828	7,141,907	6,515,236	6,238,983
Total	\$ 255,578,128	\$ 228,182,547	\$ 226,058,590	\$ 217,640,592	\$ 206,760,317

Direct sales tax rate:

Qualifying food, drugs, and medical appliances	1.00%	1.00%	1.00%	1.00%	1.00%
General merchandise	6.25%	6.25%	6.25%	6.25%	6.25%

Source: Department of Revenue

Schedule 6

Ended June 30,				
2016	2015	2014	2013	2012
\$ 18,840,242	\$ 20,525,330	\$ 20,909,371	\$ 20,984,402	\$ 21,379,802
22,385,459	21,908,129	20,659,706	19,927,008	20,602,149
21,770,507	22,062,665	20,728,370	19,171,381	19,377,805
7,130,282	7,420,636	7,001,093	6,600,261	6,601,677
9,681,795	9,641,594	9,327,989	8,827,231	9,201,686
9,415,743	9,462,798	8,976,058	8,503,130	8,593,170
39,773,435	40,196,438	34,835,154	36,601,135	35,771,184
30,733,251	29,927,521	28,062,832	26,806,067	27,458,332
25,603,217	27,431,997	26,517,679	23,787,602	24,608,599
5,693,816	5,476,697	4,772,007	4,308,047	4,308,079
<u>\$ 191,027,747</u>	<u>\$ 194,053,805</u>	<u>\$ 181,790,259</u>	<u>\$ 175,516,264</u>	<u>\$ 177,902,483</u>

1.00%	1.00%	1.00%	1.00%	1.00%
6.25%	6.25%	6.25%	6.25%	6.25%

Personal Income Tax Filers and Liability by Income Level
Calendar Years 2020 and 2011
(Amounts in Thousands)

For the Calendar Year Ended December 31, 2020

Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
\$500,001 and higher	65,365	1.15%	\$ 3,981,202	22.32%
\$100,001 - \$500,000	1,191,024	21.01%	8,021,894	44.97%
\$50,001 - \$100,000	1,363,143	24.04%	3,510,591	19.68%
\$25,001 - \$50,000	1,267,770	22.36%	1,699,022	9.51%
\$25,000 and less	1,782,547	31.44%	627,389	3.52%
Total	5,669,849	100.00%	\$ 17,840,098	100.00%

For the Calendar Year Ended December 31, 2011

Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
\$500,001 and higher	34,154	0.63%	\$ 1,779,034	13.84%
\$100,001 - \$500,000	812,315	14.91%	5,366,045	41.74%
\$50,001 - \$100,000	1,274,370	23.39%	3,327,240	25.88%
\$25,001 - \$50,000	1,240,896	22.77%	1,619,296	12.60%
\$25,000 and less	2,086,884	38.30%	763,629	5.94%
Total	5,448,619	100.00%	\$ 12,855,244	100.00%

Note: Generally, the tax liability for a filer (an individual or married couple) is calculated by taking the filer's federal adjusted gross income and subtracting the number of exemptions and multiplying the result by the State's income tax rate. The State exemption amount was \$2,000 for calendar year 2011 and \$2,325 for calendar year 2020. An exemption is allowed on a return for each filer and dependent. Additional exemptions are allowed for each filer who is 65 or older and for each filer who is legally blind.

Source: Department of Revenue

Sales Tax Revenue Payers by Industry
Fiscal Years 2021 and 2012
(Amounts in Thousands)

	For the Fiscal Year Ended June 30, 2021			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	2,791	0.21%	\$ 1,508,866	8.76%
Food	6,187	0.47%	1,062,065	6.16%
Drinking and eating places	28,488	2.16%	1,861,475	10.80%
Apparel	13,110	0.99%	704,239	4.09%
Furniture, household, and radio	11,097	0.84%	968,366	5.62%
Lumber, building, and hardware	11,857	0.90%	1,189,778	6.90%
Automotive and filling stations	1,087,462	82.48%	3,394,133	19.71%
Drugs and other retail	68,760	5.21%	3,338,373	19.37%
Agriculture and extractives	72,647	5.51%	2,586,969	15.01%
Manufacturing	16,274	1.23%	617,730	3.58%
Total	1,318,673	100.00%	\$ 17,231,994	100.00%

	For the Fiscal Year Ended June 30, 2012			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General merchandise	2,069	0.17%	\$ 1,376,317	11.23%
Food	7,489	0.61%	870,276	7.10%
Drinking and eating places	25,865	2.09%	1,616,394	13.19%
Apparel	7,900	0.64%	554,988	4.53%
Furniture, household, and radio	13,315	1.08%	734,222	5.99%
Lumber, building, and hardware	12,218	0.99%	710,003	5.79%
Automotive and filling stations	1,032,114	83.42%	2,541,039	20.73%
Drugs and other retail	55,838	4.51%	1,602,041	13.07%
Agriculture and extractives	67,476	5.44%	1,850,792	15.10%
Manufacturing	12,992	1.05%	400,817	3.27%
Total	1,237,276	100.00%	\$ 12,256,889	100.00%

Note: Due to confidentiality issues, the names of the ten largest sales tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's sales tax revenue.

Source: Department of Revenue

State of Illinois

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts in Thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>For the Fiscal 2017</u>
Governmental activities					
General obligation bonds	\$ 28,485,556	\$ 28,373,752	\$ 28,598,365	\$ 30,926,818	\$ 25,230,528
Special obligation bonds	2,011,305	2,198,777	2,427,260	2,409,970	2,658,088
Revenue bonds	731,259	844,113	951,869	1,054,679	1,071,621
General obligation note payable	1,015,255	-	-	-	-
Notes payable	20,065	30,097	-	-	-
Capital leases	11,166	9,854	10,356	9,614	5,862
Installment purchases	-	-	1,572	-	-
Certificates of participation	-	-	2,745	5,335	15,150
Total governmental activities	<u>32,274,606</u>	<u>31,456,593</u>	<u>31,992,167</u>	<u>34,406,416</u>	<u>28,981,249</u>
Business-type activities					
Revenue bonds	97,060	115,253	137,620	161,391	192,133
Capital leases	-	17	37	57	9
Total business-type activities	<u>97,060</u>	<u>115,270</u>	<u>137,657</u>	<u>161,448</u>	<u>192,142</u>
Total primary government	<u>\$ 32,371,666</u>	<u>\$ 31,571,863</u>	<u>\$ 32,129,824</u>	<u>\$ 34,567,864</u>	<u>\$ 29,173,391</u>
Total primary government debt as a percentage of personal income	<u>4.09%</u>	<u>4.22%</u>	<u>4.41%</u>	<u>4.99%</u>	<u>4.33%</u>
Total amount of primary government debt per capita	<u>\$ 2.572</u>	<u>\$ 2.492</u>	<u>\$ 2.525</u>	<u>\$ 2.705</u>	<u>\$ 2.275</u>

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

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

Schedule 9

Year Ended June 30,				
2016	2015	2014	2013	2012
\$ 26,795,531	\$ 27,421,318	\$ 29,543,582	\$ 27,398,638	\$ 28,141,980
2,650,435	2,912,003	3,181,684	3,000,345	2,934,527
1,156,699	1,237,731	1,314,929	1,386,166	1,450,094
-	-	-	-	-
-	-	-	-	-
7,580	7,244	6,073	6,818	7,648
36	442	808	1,155	3,412
24,370	33,060	41,265	49,020	58,190
<u>30,634,651</u>	<u>31,611,798</u>	<u>34,088,341</u>	<u>31,842,142</u>	<u>32,595,851</u>
622,017	925,265	1,457,745	1,822,051	590,704
26	26	-	-	-
<u>622,043</u>	<u>925,291</u>	<u>1,457,745</u>	<u>1,822,051</u>	<u>590,704</u>
<u>\$ 31,256,694</u>	<u>\$ 32,537,089</u>	<u>\$ 35,546,086</u>	<u>\$ 33,664,193</u>	<u>\$ 33,186,555</u>
<u>4.70%</u>	<u>5.11%</u>	<u>5.85%</u>	<u>5.73%</u>	<u>5.90%</u>
<u>\$ 2.430</u>	<u>\$ 2.525</u>	<u>\$ 2.757</u>	<u>\$ 2.616</u>	<u>\$ 2.580</u>

State of Illinois

Ratios of General Bonded Debt Outstanding and Debt Limitations

Last Ten Fiscal Years

(Amounts in Thousands)

	2021	2020	2019	2018	For the Fiscal 2017
General bonded debt					
General obligation bonds	\$ 28,485,556	\$ 28,373,752	\$ 28,598,365	\$ 30,926,818	\$ 25,230,528
Special obligation bonds	2,011,305	2,198,777	2,427,260	2,409,970	2,658,088
	<u>30,496,861</u>	<u>30,572,529</u>	<u>31,025,625</u>	<u>33,336,788</u>	<u>27,888,616</u>
Less: Amounts restricted for debt service	1,625,235	1,383,517	1,384,033	1,750,450	1,398,090
Net total general bonded debt	<u>\$ 28,871,626</u>	<u>\$ 29,189,012</u>	<u>\$ 29,641,592</u>	<u>\$ 31,586,338</u>	<u>\$ 26,490,526</u>
Total general bonded debt as a percentage of personal income	<u>3.64%</u>	<u>3.90%</u>	<u>4.07%</u>	<u>4.56%</u>	<u>3.93%</u>
Total general bonded debt as a percentage of taxable sales	<u>11.30%</u>	<u>12.79%</u>	<u>13.11%</u>	<u>14.51%</u>	<u>12.81%</u>
Total amount of general obligation debt per capita	<u>\$ 2.294</u>	<u>\$ 2.304</u>	<u>\$ 2.329</u>	<u>\$ 2.470</u>	<u>\$ 2.065</u>
Authorized general bonded debt					
General obligation bonds	\$ 86,794,865	\$ 86,794,865	\$ 86,794,865	\$ 65,255,951	\$ 58,455,951
Special obligation bonds	9,484,681	9,684,681	9,684,681	6,446,009	6,446,009
Total authorized general bonded debt	<u>\$ 96,279,546</u>	<u>\$ 96,479,546</u>	<u>\$ 96,479,546</u>	<u>\$ 71,701,960</u>	<u>\$ 64,901,960</u>
Issued general bonded debt					
General obligation bonds	\$ 69,535,201	\$ 67,427,241	\$ 65,877,241	\$ 64,471,191	\$ 57,221,190
Special obligation bonds	8,805,361	9,153,362	9,153,362	5,722,228	5,722,228
Total issued general bonded debt	<u>\$ 78,340,562</u>	<u>\$ 76,580,603</u>	<u>\$ 75,030,603</u>	<u>\$ 70,193,419</u>	<u>\$ 62,943,418</u>
General bonded debt margin (Authorized but unissued debt)					
General obligation bonds	\$ 24,926,299	\$ 26,394,514	\$ 27,554,824	\$ 6,990,234	\$ 7,011,954
Special obligation bonds	3,683,939	3,878,534	3,872,431	877,884	872,215
Total general bonded debt margin	<u>\$ 28,610,238</u>	<u>\$ 30,273,048</u>	<u>\$ 31,427,255</u>	<u>\$ 7,868,118</u>	<u>\$ 7,884,169</u>
Issued bonded debt to authorized bonded debt ratio					
General obligation bonds	80.11%	77.69%	75.90%	98.80%	97.89%
Special obligation bonds	92.84%	94.51%	94.51%	88.77%	88.77%
Total issued bonded debt to authorized bonded debt ratio	81.37%	79.37%	77.77%	97.90%	96.98%

Note: Details regarding the State's general obligation bonds can be found in Note 9 of the financial statements.
Details regarding the State's special obligation bonds can be found in Note 10 of the financial statements.

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

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

Year Ended June 30,

2016	2015	2014	2013	2012
\$ 26,795,531	\$ 27,421,318	\$ 29,543,582	\$ 27,398,638	\$ 28,141,980
2,650,435	2,912,003	3,181,684	3,000,345	2,934,527
<u>29,445,966</u>	<u>30,333,321</u>	<u>32,725,266</u>	<u>30,398,983</u>	<u>31,076,507</u>
1,513,092	1,407,540	1,804,967	1,615,537	1,478,072
<u>\$ 27,932,874</u>	<u>\$ 28,925,781</u>	<u>\$ 30,920,299</u>	<u>\$ 28,783,446</u>	<u>\$ 29,598,435</u>
<u>4.20%</u>	<u>4.54%</u>	<u>5.09%</u>	<u>4.90%</u>	<u>5.26%</u>
<u>14.62%</u>	<u>14.91%</u>	<u>17.01%</u>	<u>16.40%</u>	<u>16.64%</u>
<u>\$ 2.171</u>	<u>\$ 2.245</u>	<u>\$ 2.398</u>	<u>\$ 2.236</u>	<u>\$ 2.301</u>
\$ 58,455,951	\$ 57,855,951	\$ 57,855,951	\$ 55,630,951	\$ 54,014,151
6,446,009	6,446,009	6,446,009	5,903,509	5,903,509
<u>\$ 64,901,960</u>	<u>\$ 64,301,960</u>	<u>\$ 64,301,960</u>	<u>\$ 61,534,460</u>	<u>\$ 59,917,660</u>
\$ 55,438,046	\$ 54,408,046	\$ 54,408,046	\$ 50,733,045	\$ 49,883,046
5,512,193	5,512,193	5,512,193	5,110,193	4,810,193
<u>\$ 60,950,239</u>	<u>\$ 59,920,239</u>	<u>\$ 59,920,239</u>	<u>\$ 55,843,238</u>	<u>\$ 54,693,239</u>
\$ 8,397,243	\$ 9,013,252	\$ 7,981,693	\$ 8,983,350	\$ 7,852,278
1,076,761	1,072,806	1,069,091	925,101	1,221,821
<u>\$ 9,474,004</u>	<u>\$ 10,086,058</u>	<u>\$ 9,050,784</u>	<u>\$ 9,908,451</u>	<u>\$ 9,074,099</u>
94.84%	94.04%	94.04%	91.20%	92.35%
85.51%	85.51%	85.51%	86.56%	81.48%
93.91%	93.19%	93.19%	90.75%	91.28%

Pledged Revenue Coverage

Last Ten Fiscal Years

(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
PRIMARY GOVERNMENT							
Build Illinois Bond Fund - Pledged revenue of portion of sales tax collections							
2021	\$ 645,204	\$ -	\$ 645,204	\$ 167,710	\$ 90,965	\$ 258,675	2.49
2020	621,145	-	621,145	198,570	99,421	297,991	2.08
2019	679,557	-	679,557	214,615	104,185	318,800	2.13
2018	632,465	-	632,465	217,005	105,811	322,816	1.96
2017	627,357	-	627,357	219,410	109,316	328,726	1.91
2016	614,099	-	614,099	234,430	119,231	353,661	1.74
2015	604,324	-	604,324	240,995	128,985	369,980	1.63
2014	570,824	-	570,824	218,619	133,039	351,658	1.62
2013	553,946	-	553,946	212,379	129,518	341,897	1.62
2012	530,664	-	530,664	180,589	118,942	299,531	1.77
Civic Center Bond Fund - Pledged revenue of portion of sales tax collections (a)							
2021	\$ -	\$ -	\$ -	\$ 5,405	\$ 169	\$ 5,574	-
2020	19,000	-	19,000	13,935	496	14,431	1.32
2019	19,000	-	19,000	13,630	804	14,434	1.32
2018	19,000	-	19,000	13,340	1,093	14,433	1.32
2017	19,000	-	19,000	13,070	1,365	14,435	1.32
2016	19,000	-	19,000	12,020	1,830	13,850	1.37
2015	19,000	-	19,000	11,415	2,492	13,907	1.37
2014	19,000	-	19,000	10,705	3,112	13,817	1.38
2013	19,000	-	19,000	10,095	3,690	13,785	1.38
2012	19,000	-	19,000	9,555	4,242	13,797	1.38
Illinois Student Assistance Commission - Pledged revenue of loans receivable repayments (b)							
2021	\$ 10,958	\$ 4,425	\$ 6,533	\$ 18,401	\$ 1,532	\$ 19,933	0.33
2020	14,615	6,141	8,474	22,576	4,206	26,782	0.32
2019	17,288	7,329	9,959	23,979	5,407	29,386	0.34
2018	17,462	1,604	15,858	30,950	4,361	35,311	0.45
2017	17,822	5,925	11,897	34,836	3,897	38,733	0.31
2016	19,563	9,440	10,123	43,844	1,563	45,407	0.22
2015	22,253	9,103	13,150	54,134	3,848	57,982	0.23
2014	25,371	15,256	10,115	52,047	4,527	56,574	0.18
2013	29,858	18,899	10,959	92,362	6,765	99,127	0.11
2012	36,110	26,091	10,019	109,497	8,530	118,027	0.08
Railsplitter Tobacco Settlement Authority - Pledged revenue of tobacco settlement funds							
2021	\$ 291,959	\$ 144,917	\$ 147,042	\$ 103,900	\$ 39,035	\$ 142,935	1.03
2020	259,593	123,458	136,135	98,565	44,210	142,775	0.95
2019	259,126	128,086	131,040	93,620	48,925	142,545	0.92
2018	334,538	180,183	154,355	89,040	54,240	143,280	1.08
2017	237,743	95,685	142,058	84,700	64,184	148,884	0.95
2016	280,797	130,634	150,163	80,655	68,028	148,683	1.01
2015	261,917	114,350	147,567	76,820	71,869	148,689	0.99
2014	270,085	123,917	146,168	70,860	74,938	145,798	1.00
2013	273,681	131,267	142,414	63,550	77,480	141,030	1.01
2012	275,468	133,160	142,308	59,375	79,599	138,974	1.02

(a) Illinois compiled statute 30 ILCS 355/15 was repealed on June 17, 2021.

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

Pledged Revenue Coverage

Last Ten Fiscal Years

(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
MAJOR COMPONENT UNITS							
Illinois Housing Development Authority - Pledged revenue of loans receivable repayments							
2021	\$ 60,638	\$ 10,262	\$ 50,376	\$ 284,346	\$ 38,948	\$ 323,294	0.16
2020	114,314	9,766	104,548	151,027	39,216	190,243	0.55
2019	99,347	10,734	88,613	150,127	33,797	183,924	0.48
2018	47,153	8,757	38,396	122,927	29,852	152,779	0.25
2017	56,876	12,452	44,424	256,702	31,839	288,541	0.15
2016	62,512	5,523	56,989	183,750	34,377	218,127	0.26
2015	56,126	9,493	46,633	336,936	41,163	378,099	0.12
2014	66,045	10,675	55,370	218,678	49,851	268,529	0.21
2013	65,062	9,584	55,478	349,020	60,467	409,487	0.14
2012	81,132	11,933	69,199	267,187	57,897	325,084	0.21
Illinois State Toll Highway Authority - Pledged revenue of toll fees (c)							
2020	\$ 1,288,288	\$ 380,679	\$ 907,609	\$ 129,260	\$ 290,198	\$ 419,458	2.16
2019	1,537,894	394,143	1,143,751	118,780	316,796	435,576	2.63
2018	1,485,997	402,010	1,083,987	113,160	298,597	411,757	2.63
2017	1,427,700	402,691	1,025,009	88,860	297,005	385,865	2.66
2016	1,325,311	393,588	931,723	170,525	286,437	456,962	2.04
2015	1,325,455	350,740	974,715	97,795	246,651	344,446	2.83
2014	1,100,033	314,538	785,495	92,855	240,893	333,748	2.35
2013	1,068,367	296,793	771,574	56,365	211,314	267,679	2.88
2012	995,573	269,094	726,479	53,040	206,323	259,363	2.80
2011	728,578	266,506	462,072	49,910	211,493	261,403	1.77
Illinois State University - Pledged revenue of usage fees and rental income							
2021	\$ 90,137	\$ 78,800	\$ 11,337	\$ 7,625	\$ 5,156	\$ 12,781	0.89
2020	92,149	69,824	22,325	6,160	5,074	11,234	1.99
2019	98,209	63,302	34,907	6,015	5,212	11,227	3.11
2018	88,390	66,605	21,785	28,145	3,482	31,627	0.69
2017	85,221	52,329	32,892	4,095	3,404	7,499	4.39
2016	88,044	54,846	33,198	7,195	3,644	10,839	3.06
2015	87,449	58,231	29,218	7,160	3,683	10,843	2.69
2014	84,936	60,890	24,046	2,755	3,720	6,475	3.71
2013	81,249	57,399	23,850	14,590	4,285	18,875	1.26
2012	87,124	64,890	22,234	6,190	3,758	9,948	2.24
Northern Illinois University - Pledged revenue of usage fees and rental income							
2021	\$ 50,273	\$ 54,031	\$ (3,758)	\$ 1,220	\$ 6,146	\$ 7,366	(0.51)
2020	61,781	57,147	4,634	4,480	12,713	17,193	0.27
2019	66,996	43,232	23,764	4,265	12,926	17,191	1.38
2018	77,925	63,413	14,512	4,065	13,129	17,194	0.84
2017	72,399	47,647	24,752	3,905	13,288	17,193	1.44
2016	78,223	58,971	19,252	3,899	13,295	17,194	1.12
2015	80,768	64,079	16,689	3,890	13,300	17,190	0.97
2014	80,797	67,566	13,231	3,729	13,301	17,030	0.78
2013	85,191	83,957	1,234	6,295	13,403	19,698	0.06
2012	86,240	71,704	14,536	6,930	14,296	21,226	0.68

(c) The Illinois State Toll Highway Authority fiscal year is from January 1 to December 31.

Pledged Revenue Coverage

Last Ten Fiscal Years

(Amounts in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
Southern Illinois University - Pledged revenue of usage fees, rental income, and medical fees							
2021	\$ 120,301	\$ 91,103	\$ 29,198	\$ 76,065	\$ 6,924	\$ 82,989	0.35
2020	120,545	96,633	23,912	20,110	7,077	27,187	0.88
2019	128,766	98,740	30,026	19,075	7,457	26,532	1.13
2018	134,362	104,105	30,257	22,205	8,049	30,254	1.00
2017	143,911	111,434	32,477	19,595	8,520	28,115	1.16
2016	155,471	116,393	39,078	20,160	8,706	28,866	1.35
2015	162,707	120,094	42,613	18,645	10,061	28,706	1.48
2014	155,028	117,631	37,397	17,805	10,495	28,300	1.32
2013	151,239	115,212	36,027	18,100	10,415	28,515	1.26
2012	153,006	118,090	34,916	19,790	10,536	30,326	1.15
University of Illinois - Pledged revenue of usage fees, rental income, and medical fees							
2021	\$ 1,793,234	\$ 1,643,908	\$ 149,326	\$ 65,070	\$ 54,910	\$ 119,980	1.24
2020	1,455,903	1,444,830	11,073	61,485	55,424	116,909	0.09
2019	1,463,431	1,356,937	106,494	62,600	53,129	115,729	0.92
2018	1,547,298	1,455,077	92,221	58,710	51,415	110,125	0.84
2017	1,469,247	1,387,068	82,179	57,765	52,558	110,323	0.74
2016	1,334,514	1,231,585	102,929	60,320	51,479	111,799	0.92
2015	1,243,699	1,158,801	84,898	46,870	53,236	100,106	0.85
2014	1,196,041	1,117,078	78,963	46,130	46,754	92,884	0.85
2013	1,195,843	1,100,918	94,925	42,100	46,821	88,921	1.07
2012	1,115,945	1,023,263	92,682	38,895	47,070	85,965	1.08

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State of Illinois

Demographic and Economic Statistics

Last Ten Calendar Years

(Amounts in Thousands)

	For the Calendar				
	2020	2019	2018	2017	2016
Population					
State	12,588	12,667	12,725	12,780	12,822
Percentage change	-0.62%	-0.46%	-0.43%	-0.33%	-0.29%
National	329,484	328,330	326,838	325,122	323,072
Percentage change	0.35%	0.46%	0.53%	0.63%	0.76%
Total Personal Income					
State	\$ 792,135,500	\$ 748,811,600	\$ 728,366,200	\$ 693,331,000	\$ 673,691,000
Percentage change	5.79%	2.81%	5.05%	2.92%	1.23%
National	\$ 19,607,447,000	\$ 18,402,004,000	\$ 17,681,159,000	\$ 16,845,028,000	\$ 16,092,713,000
Percentage change	6.55%	4.08%	4.96%	4.67%	2.39%
Per Capita Personal Income					
State	\$ 62,930	\$ 59,115	\$ 57,240	\$ 54,252	\$ 52,543
Percentage change	6.45%	3.28%	5.51%	3.25%	1.53%
National	\$ 59,510	\$ 56,047	\$ 54,098	\$ 51,811	\$ 49,812
Percentage change	6.18%	3.60%	4.41%	4.01%	1.62%
Labor Force					
State labor force	6,249	6,446	6,472	6,485	6,559
Employed	5,657	6,189	6,189	6,164	6,173
Unemployed	592	257	283	321	386
Unemployment rate	9.47%	3.99%	4.37%	4.95%	5.89%

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

Year Ended,				
2015	2014	2013	2012	2011
12,859	12,884	12,895	12,871	12,862
-0.19%	-0.09%	0.19%	0.07%	0.17%
320,635	318,301	315,994	313,998	311,719
0.73%	0.73%	0.64%	0.73%	0.77%
\$ 665,490,089	\$ 637,279,963	\$ 607,671,375	\$ 587,601,163	\$ 562,292,466
4.43%	4.87%	3.42%	4.50%	3.89%
\$ 15,717,140,000	\$ 14,982,715,000	\$ 14,175,503,000	\$ 13,904,485,000	\$ 13,233,436,000
4.90%	5.69%	1.95%	5.07%	6.21%
\$ 51,753	\$ 49,444	\$ 47,160	\$ 45,654	\$ 43,718
4.67%	4.84%	3.30%	4.43%	3.71%
\$ 49,019	\$ 47,058	\$ 44,826	\$ 44,282	\$ 42,453
4.17%	4.98%	1.23%	4.31%	5.40%
6,506	6,514	6,549	6,582	6,587
6,118	6,052	5,957	5,991	5,948
388	462	592	591	639
5.96%	7.09%	9.04%	8.98%	9.70%

Principal Employers

Fiscal Years 2021 and 2012

Employer	2021	
	Employees	Percentage of Total State Employment
State of Illinois	63,949	1.13%
U.S. Government	51,700	0.91%
Chicago School Board	40,013	0.71%
McDonald's Corporation	36,582	0.65%
City of Chicago	34,754	0.61%
University of Illinois	31,869	0.56%
Ascension Health Alliance	33,864	0.60%
Walgreens Boots Alliance, Inc.	31,010	0.55%
County of Cook	30,201	0.53%
Albertsons Companies, Inc.	29,191	0.52%
Total	383,133	6.77%

Employer	2012	
	Employees	Percentage of Total State Employment
State of Illinois	64,328	1.08%
Jewel Food Stores	55,161	0.93%
U.S. Government	52,800	0.89%
Walmart	50,008	0.84%
Chicago School Board	39,667	0.67%
City of Chicago	36,448	0.61%
U.S. Postal Service	29,500	0.50%
University of Illinois	28,532	0.48%
Sears	26,433	0.44%
AON PLC	24,877	0.42%
Total	407,754	6.86%

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

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State of Illinois

**Employees by Function
Last Ten Fiscal Years**

	Employees as of				
	2021	2020	2019	2018	2017
Health and social services	21,181	21,041	20,429	20,121	20,013
Education	776	730	709	683	653
General government	11,190	11,269	11,133	10,920	10,665
Employment and economic development	2,024	1,794	1,939	2,039	2,118
Transportation	6,664	6,722	6,808	6,874	6,745
Public protection and justice	18,654	19,187	19,758	18,749	18,313
Environment and business regulation	3,460	3,464	3,527	3,641	3,574
Total	<u>63,949</u>	<u>64,207</u>	<u>64,303</u>	<u>63,027</u>	<u>62,081</u>

Schedule 14

June 30,				
2016	2015	2014	2013	2012
20,550	20,939	20,466	19,275	19,976
671	696	724	723	713
10,777	11,233	11,476	11,396	11,286
2,084	2,204	2,305	2,466	2,990
6,715	7,122	7,351	7,475	7,386
18,233	18,313	17,675	17,642	18,013
3,689	3,963	4,058	3,859	3,964
<u>62,719</u>	<u>64,470</u>	<u>64,055</u>	<u>62,836</u>	<u>64,328</u>

State of Illinois

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	For the Fiscal Year				
	2021	2020	2019	2018	2017
Health and Social Services					
Child abuse and neglect					
Calls to abuse/neglect hotline	200,607	249,260	268,406	276,538	252,388
Children investigated	146,127	134,526	143,042	133,564	120,815
Medical programs					
Number of children enrolled in medical programs	1,495,871	1,405,373	1,376,539	1,447,134	1,473,581
Number of non-senior adults enrolled in medical programs*	1,724,775	1,463,160	1,353,782	1,485,564	1,236,537
Child support					
Number of child support cases with orders	337,679	352,572	373,371	387,653	392,473
Persons with disabilities receiving in-home services to prevent institutionalization	22,382	23,831	23,336	29,057	29,379
Immunization rates of children under age two	53%	51%	51%	56%	54%
General government					
Taxes					
Number of individual income tax returns processed	7,175,744	5,531,946	6,382,045	6,237,589	6,253,542
Percent of individual income tax returns filed electronically	88%	89%	85%	85%	84%
Total number of payments processed through State Treasury	11,748,540	14,174,018	14,562,306	14,827,574	14,482,761
Education					
Elementary and secondary education					
Public school enrollment	1,887,316	1,957,018	2,070,434	2,005,153	2,028,162
Graduation rate	86.0%	88.0%	85.9%	87.6%	87.0%
Dropout rate	2.6%	3.5%	4.2%	2.1%	2.1%
Higher education					
Enrollment	Not available	680,004	720,215	744,161	764,502
Transportation					
Miles of pavement maintained/improved	1,314	1,385	469	577	513
Number of bridges maintained/improved	70	61	78	92	88
Employment and economic development					
Unemployment insurance **					
Number of claims***	2,916,151	503,579	500,233	532,495	585,207
Average duration (weeks)	15.54	16.20	16.52	17.25	17.06
State Fair					
State Fair attendees ****	472,000	N/A	508,901	369,144	401,648
DuQuoin State Fair attendees ****	150,816	N/A	123,562	100,800	109,305
Tourism					
Historic site attendance (in thousands)	1,209	1,274	1,669	1,835	1,886
Public protection and justice					
Crime Rates					
Violent crime rates per 100,000 in population **	426	407	404	439	436
Property crime rates per 100,000 in population **	1559	1,847	1,933	2,011	2,049
Total crime rates per 100,000 in population	1985	2,254	2,337	2,450	2,485
Forensic services					
Number of original crime scenes processed	4,099	3,422	3,616	3,849	3,961
Number of Deoxyribonucleic Acid (DNA) cases worked	18,045	15,888	10,801	6,394	4,322
Total number of forensic cases worked	71,050	64,543	63,074	66,126	67,049
Number of DNA offender samples worked	10,878	16,217	21,110	26,445	19,978
Environment and business regulation					
Professional Regulation					
Professional complaints received	7,403	10,406	11,574	12,080	11,358
Licenses placed on probation	203	289	370	1,839	346

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

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

*** The number of claims for unemployment insurance increased significantly in calendar year 2020 due to the COVID-19 pandemic.

**** Statistics for State fair attendees are based on calendar year. Due to the COVID-19 pandemic, both the Illinois State Fair and DuQuoin State Fair were canceled for 2020.

Schedule 15

Ended or as of June 30,				
2016	2015	2014	2013	2012
245,388	222,719	231,536	236,589	253,444
127,249	110,079	109,769	108,594	106,220
1,490,290	1,504,802	1,546,091	1,635,686	1,685,822
1,244,883	1,247,553	1,027,702	663,844	635,262
392,500	392,331	404,918	406,748	404,752
29,325	29,595	30,357	31,406	32,820
51%	45%	76%	83%	77%
6,143,475	6,185,708	6,143,408	5,946,121	5,961,003
82%	81%	79%	79%	78%
14,085,085	14,992,358	15,209,821	15,357,708	15,337,111
2,041,779	2,054,556	2,073,480	2,081,731	2,087,628
85.5%	85.6%	86.0%	83.2%	82.3%
2.0%	2.3%	2.2%	2.4%	2.5%
751,942	771,886	806,467	863,542	884,053
674	1,379	894	661	921
66	188	222	183	262
607,139	630,594	725,979	781,394	763,319
16.72	17.99	17.92	17.97	19.01
357,409	411,547	847,690	961,063	918,534
105,622	315,808	350,000	258,000	285,100
1,671	2,100	1,915	1,935	1,990
383	370	373	415	429
1,989	2,076	2,274	2,579	2,689
<u>2,372</u>	<u>2,446</u>	<u>2,647</u>	<u>2,994</u>	<u>3,118</u>
3,930	3,630	3,736	2,337	2,328
5,450	5,704	6,086	4,790	4,982
83,157	83,594	91,878	94,550	101,076
28,993	31,992	33,901	31,766	29,589
9,214	8,893	10,875	11,765	12,466
418	440	446	527	470

State of Illinois

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

	For the Fiscal Year				
	2021	2020	2019	2018	2017
Health and social services					
Mental health facilities	14	14	14	14	14
Veterans homes	4	4	4	4	4
Transportation					
Highway miles	15,908	15,908	15,911	15,908	15,919
Bridges	7,871	7,861	7,856	7,852	7,835
Public protection and justice					
Adult correctional facilities	25	25	25	25	25
Juvenile correctional facilities	5	5	5	5	5
Environment and business regulation					
State park acreage	491,797	491,797	491,508	484,688	479,115
Protected natural area acreage	116,733	114,269	113,710	112,809	110,766

Note: No capital asset indicators are available for the education, general government, and employment and economic development functions.

Schedule 16

Ended or as of June 30,

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
14	14	14	14	17
4	4	4	4	4
15,969	17,085	15,989	15,994	16,000
7,847	7,823	7,770	7,770	7,734
25	25	25	25	27
6	6	6	6	8
478,832	475,304	469,870	474,813	473,761
108,880	108,343	106,741	104,815	99,866