



State of Illinois  
**Rating Agency Presentation**  
August 2021

# Executive Summary



# Executive Summary



## *At a pivotal point for the State - taking a comprehensive approach to investing in the future*

### Shoring up the State's Finances

- Reduced the bill backlog drastically so Illinois is paying its vendors on time for the first time in two decades.
- Balanced three straight budgets - strategically investing in the State's future in areas like education, healthcare, and human services while paying down state debt.

### Economic Development

- Prioritized job creation, with pre-pandemic statewide unemployment reaching historic lows and with every region in the state creating jobs simultaneously for the first time in 20 years.
- Introduced 5-year economic plan for Illinois to reinvigorate state's economy by focusing on the nation's fastest growing industries.
- As part of Rebuild Illinois, the State will invest \$200 million, along with \$230 million in federal funding, for the Quantum Exchange to support quantum science infrastructure to put Illinois at the forefront of creating jobs for the next century.

### Education

- Strengthened early education and childcare with biggest state investment ever into early childhood programs and facilities; set a goal to make Illinois the best state in the nation for raising young families.
- Increased base elementary and secondary school education funding formula.
- Increased funding for need-based and merit scholarship aid for Illinois college students while investing in key capital projects at state universities and community colleges.

### Infrastructure

- Achieved bipartisan support for and is managing the execution of the \$45 billion Rebuild IL Capital program, the state's largest-ever infrastructure program which includes improvements to the state's roads, bridges, public buildings, colleges, waterways, ports, parks and public transportation.
- Dedicated more than \$400 million to Connect Illinois, the largest high speed internet expansion effort in Illinois history.

# COVID-19 Update



# COVID-19 Pandemic Response



## *Adept Management of the Pandemic Supports the State's Inherent Credit Strengths*

- ✓ Resolute actions to limit the pandemic's impact on public health and the economy:
  - ✓ Provided coverage of COVID-19 testing and treatment to all Illinois residents at no cost and opened all community-based testing sites to anyone regardless of insurance or symptoms.
  - ✓ Began a massive vaccination campaign, now over 7.8 million residents have at least one dose of the vaccine (72.1% 12+/74.0% of adults).<sup>1</sup>
- ✓ Used available financial management tools to mitigate the impact of COVID-19 on the state's fiscal position.
- ✓ Maintained liquidity throughout the pandemic with access to internal and external funds and provided critical services timely and effectively to support the State's residents and local governments.
- ✓ Unemployment rates raised to as high as 16.5% in April 2020 but have significantly improved to 7.2% as of June 2021, demonstrating the State's resiliency.
- ✓ Continued to invest in the State's future with strategic investments in priority areas while shoring up the State's finances.

<sup>1</sup> <http://dph.illinois.gov/covid19/vaccinatedata?county=Illinois> as of 7/29/21 – CDC records for Vaccines Administered to Illinoisans

# American Rescue Plan Act (“ARPA”)



## *State is strategically using ARPA funds to recover from pandemic and invest in future*

- ✓ The State received \$8.1 billion in Coronavirus State Fiscal Recovery Fund (“CSFRF”) funds from ARPA.
- ✓ Funds must be used for expenses incurred through December 31, 2024.
- ✓ Additionally, Illinois is expected to receive \$254 million from the Coronavirus Capital Projects Fund.
- ✓ The State’s FY 2022 budget includes \$2.8 billion in initial ARPA CSFRF appropriations generally being used for capital investments and one-time recovery and rebuilding measures.

<b>FY 2022 ARPA CSFRF Funds</b>	<b>(\$’s in millions)</b>
State Agency Funding to Support COVID-19 Response	\$380.0
Economic Recovery for small businesses, job training and negatively impacted industries	573.3
Healthcare Response and Improving Public Health Outcomes	406.5
Violence Prevention and Youth Employment	128.9
Affordable Housing/Homelessness	114.2
Improving Educational Outcomes/Addressing Educational Disparities	55.8
Community Support Programs to Address Disparities in Public Health Outcomes	163.8
Capital Infrastructure	1,000.0
<b>Total</b>	<b>\$2,822.5</b>

- ✓ Aside from the \$8.1 billion received from the CSFRF within ARPA, additional funds are expected to be received by the State and the following amounts are included in the FY 2022 budget by program area: Elementary and secondary education (\$5.28 billion), Higher education (\$1.27 billion), Human services (\$1.49 billion), Public health (\$515 million), Housing (\$1.05 billion), Dept on Aging (\$51.2 million), Economic Development (\$553.2 million), Transportation (\$14 million), and Government services (\$4.9 million).

# Proactively paying down pandemic-related borrowings



## Allowing for significant savings in interest costs

- ✓ Maintained adequate liquidity to provide essential services during the pandemic.
  - ✓ The State took advantage of the MLF program to provide liquidity and avoid increasing the backlog.
- ✓ Reduced outstanding liabilities from \$8.9 billion as of June 2020 to \$5.9 billion by June 2021.
  - ✓ IOC Debt Transparency Report estimate of 6/30/21 backlog down to \$4.0 billion.
  - ✓ Unpaid bill backlog nearly half of December 2018 level.
- ✓ Worked to significantly reduce vendor payment delays in Spring 2021, essentially eliminating the delay in GRF commercial vouchers.
- ✓ Proactively repaying borrowings and saving interest costs.

### Federal Reserve Municipal Liquidity Facility (MLF)

- ✓ In FY 2021, the State set aside \$2.2 billion to repay a portion of the \$3.2 billion in MLF debt.
- ✓ Outstanding balance of the MLF debt reduced to \$1.0 billion in July 2021.
- ✓ The State intends to prepay the remaining \$1 billion in MLF debt in FY 2022.

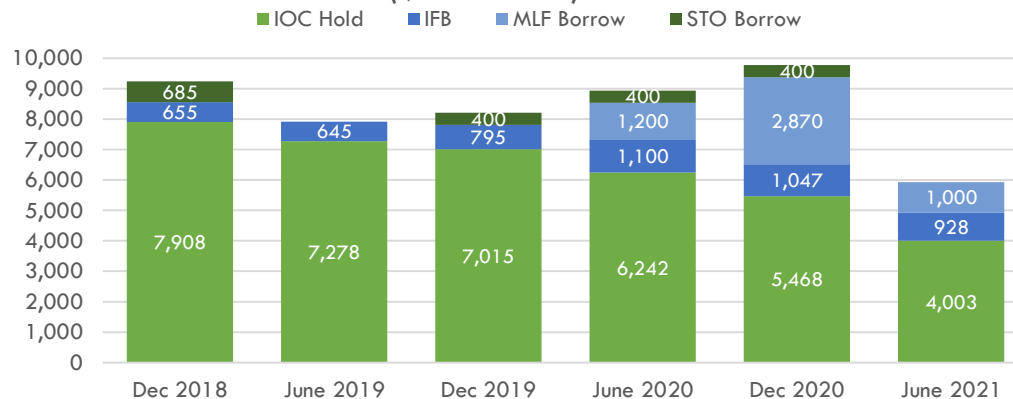
### Interfund Borrowing (IFB)

- ✓ Repaid \$170 million of outstanding IFB during FY 2021.

### Treasurer Investment Borrowing (STO)

- ✓ Repaid \$400 million amount borrowed during the pandemic from the State's portfolio under investment borrowing tool allowed under PA 100-1107.

Unpaid Bill Backlog and Borrowing  
(\$ in millions)



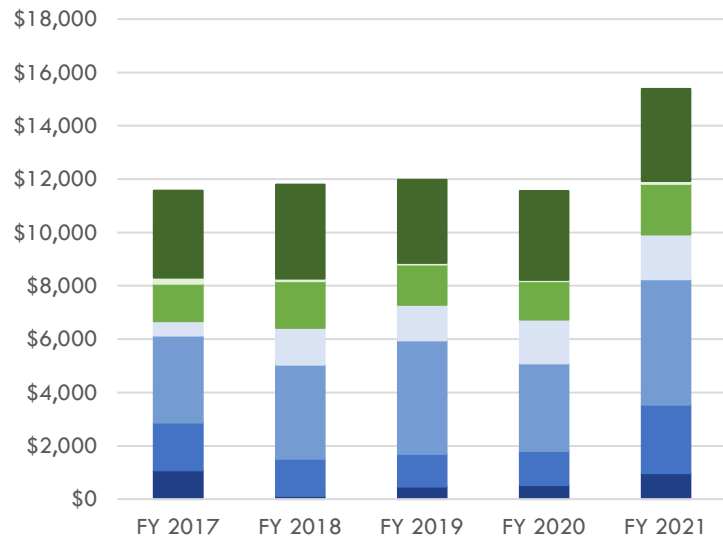


# Cash Balances

## Illinois' cash position continues to be very strong

- ✓ The State's FY 2021 year-end cash balance of \$15.38 billion was significantly higher than previous year-end cash balances.
- ✓ FY 2020 year-end cash balance looked strong relative to previous years, even with the COVID-19 economic impact.

Cash Balances by fund FY 2017 - FY 2021  
(\$ Millions)



■ General Funds     
 ■ Highway Funds     
 ■ Special State Funds  
■ Bond Financed Funds     
 ■ Debt Service Funds     
 ■ Revolving Funds  
■ State Trust Funds

Cash Balance by Fund Category as of End of FY2017-2021 (\$ Millions) <sup>2</sup>					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Fund Category <sup>1</sup>					
General Funds	\$1,077	\$125	\$466	\$531	\$975
Highway funds <sup>2</sup>	1,796	1,391	1,228	1,272	2,568
Special State Funds	3,257	3,530	4,259	3,289	4,699
Bond Financed Funds	541	1,372	1,330	1,642	1,684
Debt Service Funds <sup>3</sup>	1,411	1,752	1,518	1,442	1,893
Revolving Funds	224	103	62	40	116
State Trust Funds	3,261	3,525	3,113	3,344	3,447
<b>TOTAL</b>	<b>\$11,567</b>	<b>\$11,797</b>	<b>\$11,975</b>	<b>\$11,560</b>	<b>\$15,381</b>

Source: Illinois Office of the Comptroller and the Governor's Office of Management and Budget ("GOMB").

Note: Totals may not add due to rounding.

1 Does not include Federal Trust Funds.

2 Highway Funds are limited by the Illinois Constitution and State statute to support construction and maintenance of transportation and the debt service on certain GO Bonds issued for transportation projects.

3 Includes the General Obligation Bond Retirement and Interest Fund.



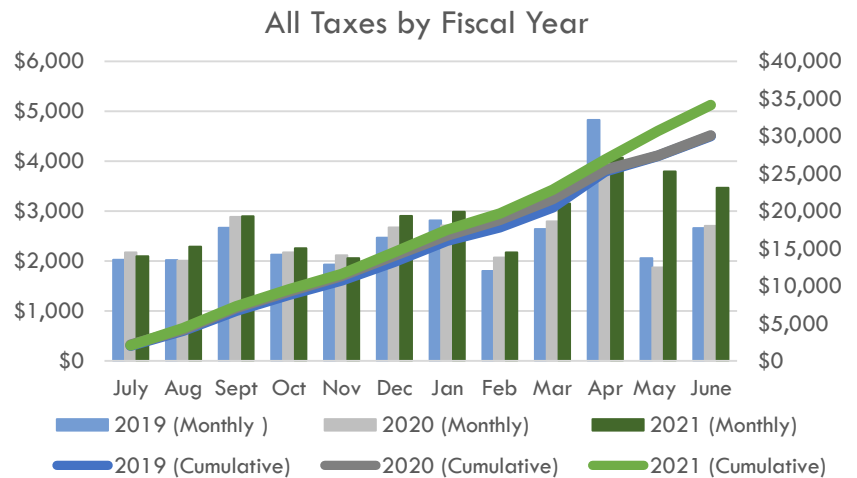
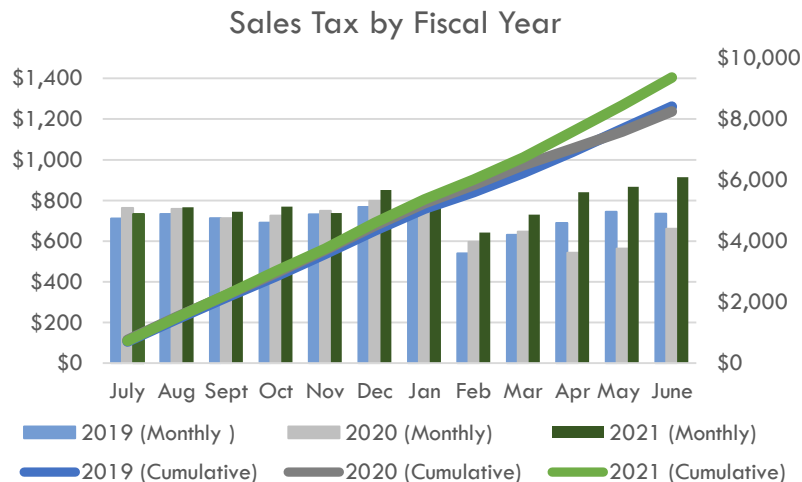
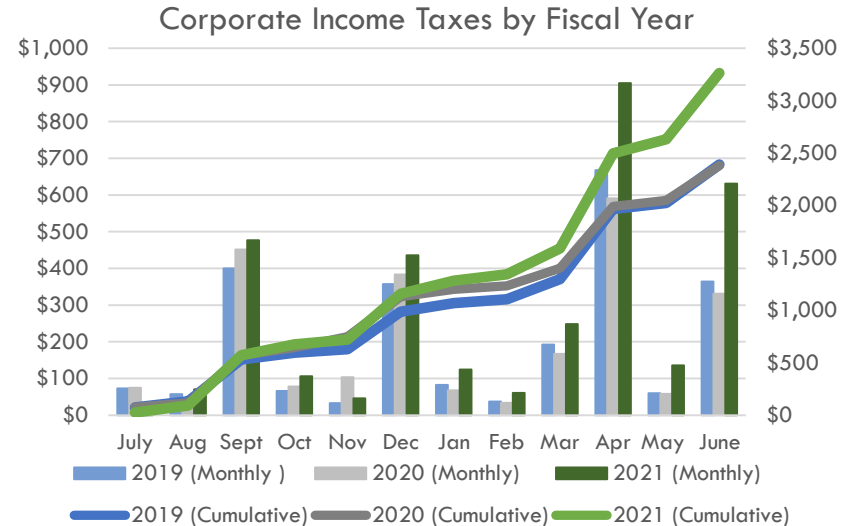
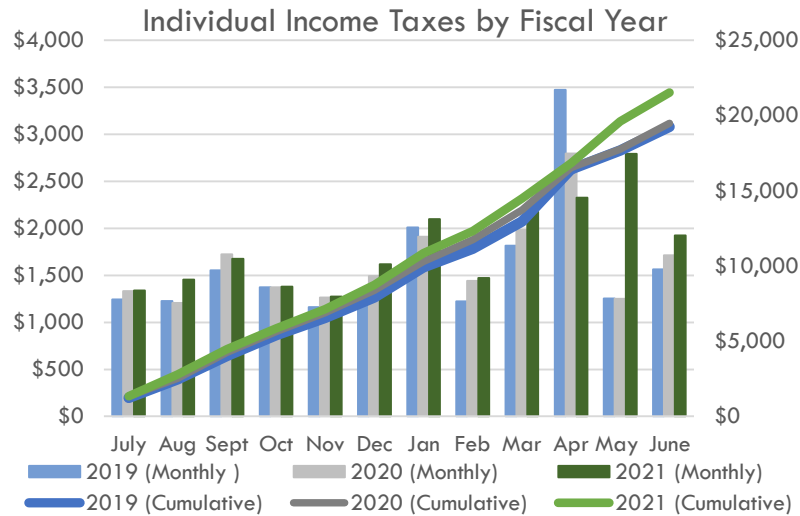
# FY 2021 Preliminary Results and FY 2022 Enacted Budget



# General Fund Monthly Revenues



**Revenues have rebounded to more than 110% of pre-pandemic revenues**



Note: For purposes of this calculation, it was assumed that revenues started to be adversely impacted by the pandemic in March 2020 thus July 2020 to February 2021 revenues are compared to July 2019 to February 2020 revenues and March 2021 to June 2021 revenues are compared to March 2019 to June 2019 revenues. Also in 2020 the individual and corporate income tax filing date was extended from April 15 to July 15. The revenues have been adjusted to reflect a shift of \$1 billion of individual income tax and \$300 million in corporate income tax from July 2020 (FY 2021) back to April 2020 (FY 2020). The top three revenues of the General Fund are included. See Appendix for details of the data in tabular form.

# FY 2022 Enacted Operating Budget



## *A Balanced Budget that Builds on a New Era of Progress*

The enacted \$42.3 billion FY 2022 base budget restores economic and budgetary stability through continued steps toward structural balance.

### Balanced

- ✓ Balanced approach that holds the line on spending, helping to bend the cost curve of government
- ✓ Strategically deploys state and federal resources.
- ✓ The enacted FY 2022 budget estimates a surplus of \$88 million.

### Protects Key Investment Areas

- ✓ Increases funding for safety net human services agencies, while spending for most agencies is held flat.
- ✓ Increases Evidence-Based Education Funding (EBF) \$350M from FY 2021 levels – \$7.6 billion general funds.
- ✓ Holds general funds support for universities and community colleges flat to fiscal year 2021 levels.
- ✓ Increases the Monetary Award Program (MAP) by \$28.0 million to a total of \$479.6 million.
- ✓ Fully pays the certified FY 2022 General Funds pension contribution of \$9.4 billion.

### Revenue Changes and Savings

- ✓ Closes various corporate tax loopholes to generate a total of \$655 million in additional revenue.
- ✓ Budget continues to benefit from the \$900 million in estimated health insurance savings:
  - ✓ \$650 million in health insurance costs through FY 2023 through collective bargaining.
  - ✓ An additional \$260 million in savings come from negotiated insurance rates and contract terms.

# FY 2021 and FY 2022 General Funds Revenues Summary



*Following FY21 robust revenue performance the State continues to conservatively forecast revenues*

- ✓ Base General Funds revenues are estimated to total \$42.4 billion, a \$2.49 billion, or 5.5%, decrease from FY 21 preliminary results demonstrating the conservative nature of the estimates.
- ✓ Individual income taxes are forecasted to be below FY 21 due to the extension of the April 2020 tax filing deadline to July 2020 – in FY21.
- ✓ Federal revenue forecast equals \$4,203 million, a reduction from FY 21 due to only a half year of enhanced Medicaid match.
  - ✓ Includes assumption enhanced match extends through CY21.
- ✓ FY 22 revenue forecast benefits from closure of several tax loopholes.

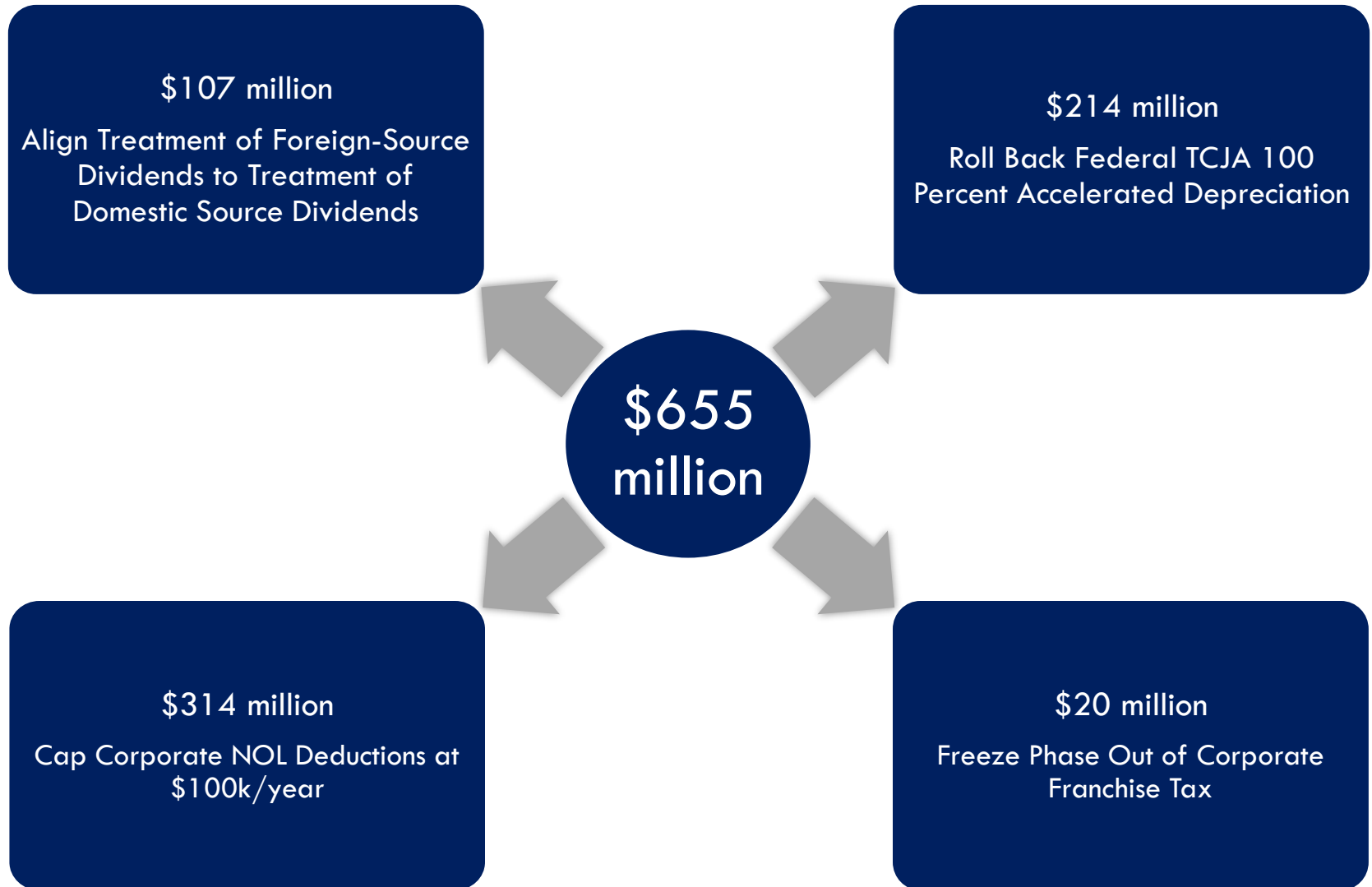
(\$ in millions)	Preliminary Results FY 2021	Enacted Budget FY 2022	Dollar Change	Percent Change
<b>RESOURCES</b>				
<b>State Sources: Revenues</b>				
Net Individual Income Taxes	22,525	20,792	(1,733)	(7.7%)
Net Corporate Income Taxes	3,563	3,293	(270)	(7.6%)
Net Sales Taxes	9,368	9,255	(113)	(1.2%)
Public Utility Taxes	752	751	(1)	(0.1%)
All Other Sources	2,350	2,377	27	1.1%
<b>Total State Sources: Revenues</b>	<b>38,558</b>	<b>36,467</b>	<b>(2,091)</b>	<b>(5.4%)</b>
<b>State Sources: Transfers In</b>				
Lottery Transfer	777	739	(38)	(4.9%)
Gaming Transfer	-	98	98	-
Adult-Use Cannabis Transfer	71	90	19	26.8%
Other Transfers	702	770	68	9.7%
<b>Total State Sources</b>	<b>40,108</b>	<b>38,164</b>	<b>(1,944)</b>	<b>(4.8%)</b>
Federal Sources	4,744	4,203	(541)	(11.4%)
<b>TOTAL RESOURCES</b>	<b>44,852</b>	<b>42,367</b>	<b>(2,485)</b>	<b>(5.5%)</b>
Interfund Borrowing	-	-	-	-
Municipal Liquidity Facility	1,998	-	(1,998)	(100.0%)
ARPA Reimbursement for Essential Government Services	-	2,000	2,000	-
<b>TOTAL RESOURCES WITH COVID-RELATED FEDERAL</b>	<b>46,850</b>	<b>44,367</b>	<b>(2,483)</b>	<b>(5.3%)</b>

Note: Totals may not add due to rounding

# Closing Corporate Loopholes



## *"Off the Top" Expenditures of State Tax Dollars*



# FY 2021 and 2022 General Funds Expenditures Summary



## Holding the line on spending while paying down pandemic related debt

- ✓ Enacted FY 22 General Funds operating expenditures total \$30.8 billion, a \$43 million increase from FY 21 preliminary results.
- ✓ The budget reflects full payment of the certified FY 22 pension contribution.
- ✓ Total FY 22 General Funds expenditures are \$42.3 billion, a \$868 million (2.0%) decrease from FY 21 preliminary results.
- ✓ Reduction in the FY22 general funds appropriation for Healthcare line (Medicaid) of \$566 million is due primarily to:
  - ✓ lower than anticipated liabilities in FY20 and FY21
  - ✓ continuing receipt of the 6.2 percentage points enhanced federal match through end of CY21
- ✓ Estimated FY 22 budgetary surplus of \$88 million.

(\$ in millions)	Preliminary Results FY 2021	Enacted Budget FY 2022	Dollar Change	Percent Change
<b>EXPENDITURES</b>				
<b>1. Education</b>	<b>10,870</b>	<b>11,233</b>	<b>363</b>	<b>3.3%</b>
PreK-12 Education	8,897	9,240	342	3.8%
Higher Education	1,973	1,993	20	1.0%
<b>2. Economic Development</b>	<b>81</b>	<b>95</b>	<b>14</b>	<b>16.8%</b>
<b>3. Public Safety</b>	<b>1,915</b>	<b>1,937</b>	<b>21</b>	<b>1.1%</b>
<b>4. Human Services</b>	<b>7,177</b>	<b>7,563</b>	<b>385</b>	<b>5.4%</b>
<b>5. Healthcare</b>	<b>8,179</b>	<b>7,613</b>	<b>(566)</b>	<b>(6.9%)</b>
<b>6. Environment and Culture</b>	<b>61</b>	<b>64</b>	<b>3</b>	<b>4.7%</b>
<b>7. Government Services</b>	<b>3,786</b>	<b>3,478</b>	<b>(307)</b>	<b>(8.1%)</b>
Group Health Insurance	2,022	1,851	(170)	(8.4%)
Chicago Teachers' Pension System	267	277	11	4.0%
Government Services	1,497	1,349	(148)	(9.9%)
<b>8. Unspent Appropriations (FY21 amount finalized Sept)</b>	<b>(1,320)</b>	<b>(1,189)</b>	<b>131</b>	<b>(9.9%)</b>
<b>Total Operating Budget</b>	<b>30,751</b>	<b>30,794</b>	<b>43</b>	<b>0.1%</b>
<b>EXPENDITURES: PENSIONS</b>				
K-12 Education Pensions	5,141	5,694	553	10.8%
State Universities' Pensions	1,781	1,883	102	5.7%
State Employees' Pensions	1,702	1,786	84	4.9%
<b>Total Pension Costs</b>	<b>8,624</b>	<b>9,363</b>	<b>739</b>	<b>8.6%</b>
<b>EXPENDITURES: TRANSFERS OUT OF GENERAL FUNDS</b>				
Statutory Transfers Out	517	368	(149)	(28.8%)
Debt Service	1,529	1,781	252	16.5%
Interfund Borrowing Repayment	140	-	(140)	(100.0%)
Treasurer's Investment Borrowing Repayment <sup>1</sup>	405	-	(405)	(100.0%)
COVID-Related Debt Repayment (June 2020 MLF) <sup>2</sup>	1,209	-	(1,209)	(100.0%)
<b>Total Transfers Out</b>	<b>3,800</b>	<b>2,149</b>	<b>(1,651)</b>	<b>(43.5%)</b>
<b>TOTAL EXPENDITURES</b>	<b>43,175</b>	<b>42,306</b>	<b>(868)</b>	<b>(2.0%)</b>
COVID-Related Debt Paydown (December 2020 MLF) <sup>2</sup>	1,000	1,045	45	4.5%
Interfund Borrowing Paydown	-	928	928	-
<b>TOTAL EXPENDITURES WITH DEBT PAYDOWN</b>	<b>44,175</b>	<b>44,280</b>	<b>105</b>	<b>0.2%</b>

<sup>1</sup> Treasurer's Investment Borrowing, authorized by PA 100-1107, allows the State Treasurer to provide funds to assist with the state's accounts payable. Principal of funds invested and repaid within a fiscal year are not included here.

<sup>2</sup> GOMB executed two separate borrowing transactions through the Federal Municipal Liquidity Facility program. The first borrowing was executed in June of 2020, totaling \$1.2 billion. Repayment of this borrowing was completed in FY2021. The second borrowing was executed in December 2020, totaling \$2.0 billion. Repayment of this borrowing is scheduled over the next three fiscal years, with \$690 million due in FY2022, \$713 million due in FY2023, and \$736 million due in FY2024. Currently reflected is the intention to pay off the December 2020 borrowing in full in FY2021 and FY2022.

# Pension Update

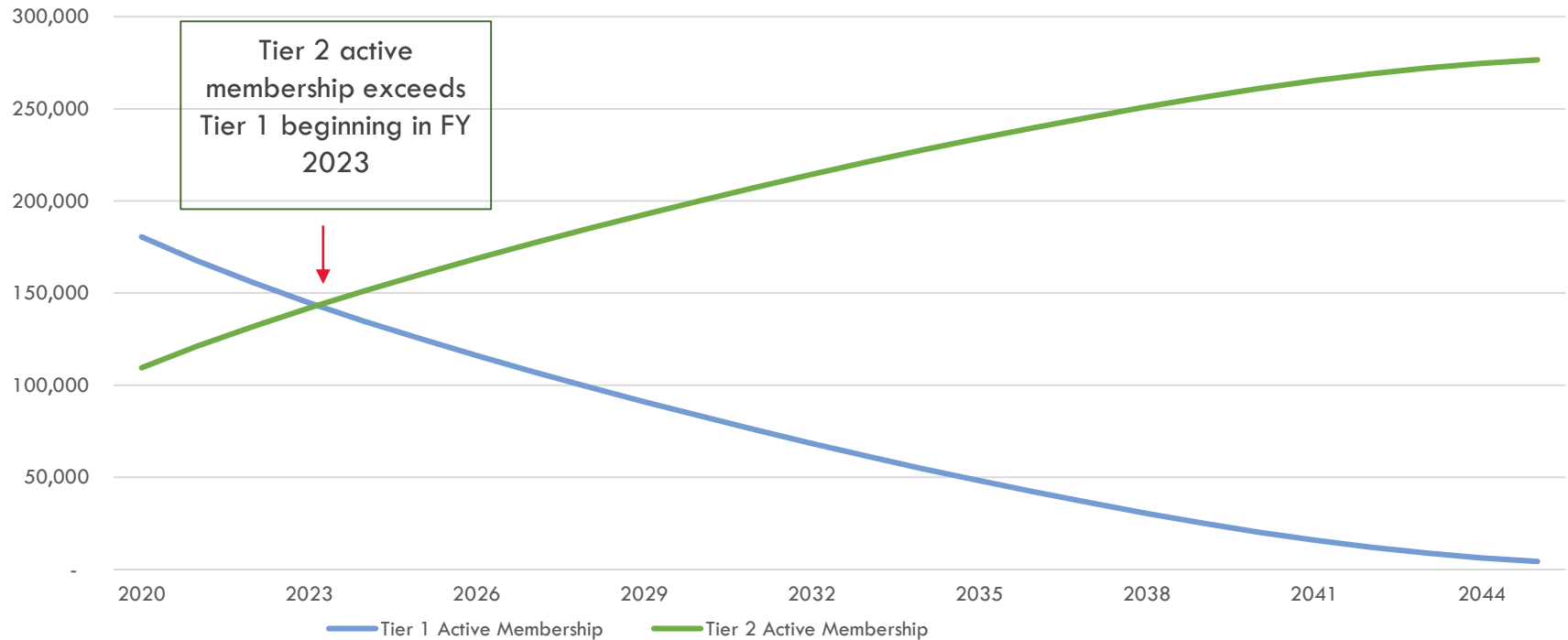


# Tier 1 and Tier 2 active membership



**Tier 2 active membership expected to overtake Tier 1 in FY23**

Projected Active Membership Across 5 State Systems by Tier  
FY 2020 through FY 2045



Source: State System FY 2020 Actuarial Valuations



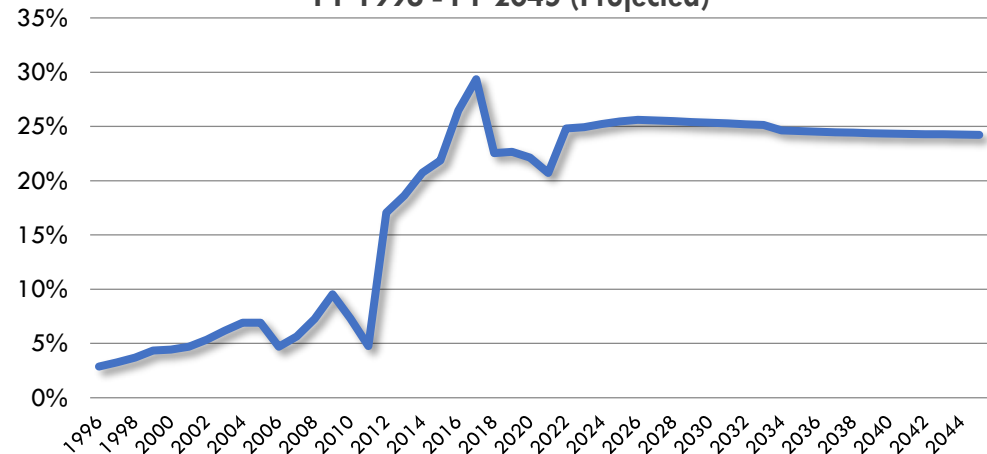
# Funding Pension Obligations



## 2010s era escalating pension costs are projected to level off

- ✓ Illinois' current pension payment schedule follows the plan set forth in 1994, 27 years ago.
- ✓ The FY2022 budget fully funds the certified contribution of \$9.4 billion from the General Funds.
- ✓ Annual pension costs have grown to approximately 25% of the state's General Funds revenues.
  - ✓ However, the percentage share dedicated to pension contributions is expected to level out.
- ✓ The Governor continues to explore additional ways to manage our pension commitments:
  - ✓ Pension buyout option programs were extended an additional 3 years in the 2019 legislative session.
  - ✓ Following the passage of legislation to consolidate investments of 649 suburban and downstate pension funds, opportunities for further consolidation and for asset transfers for the benefit of the systems continue to be considered.

**GF Pension Cost as a Percentage of Total General Funds Revenues**  
**Current Law;**  
**FY 1996 - FY 2045 (Projected)**



Source: Illinois State Retirement Systems report, CGFA 2021

Note: General Funds portion of the regular pension appropriation plus pension bond debt service is shown here. The debt service payments on the FY 2003 Pension Bonds and FY 2010 & FY 2011 Pension Notes as well as the FY 2019 & FY 2020 Pension Obligation Acceleration Bonds for the buyout programs are shown here.

# Investing in Our Future



# Prioritizing Investing In Economic Development



## *Creating jobs and investing in small businesses*

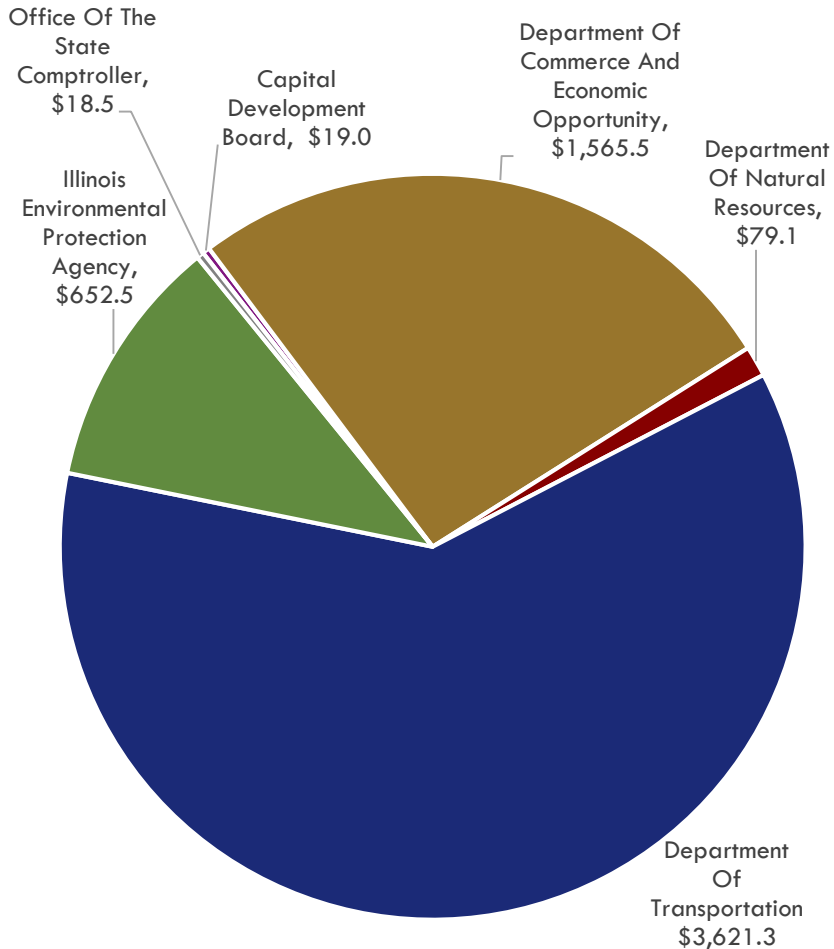
- ✓ Prioritized job creation, with pre-pandemic statewide unemployment reaching historic lows and with every region in the state creating jobs simultaneously for the first time in 20 years.
- ✓ Achieved bipartisan support for and is managing the execution of the \$45 billion Rebuild IL Capital program, the state's largest-ever infrastructure program which includes improvements to the state's roads, bridges, public buildings, colleges, waterways, ports, parks, and public transportation.
- ✓ Introduced 5-year economic plan for Illinois to reinvigorate state's economy by focusing on the nation's fastest growing industries.
- ✓ Secured \$1 billion investment in research centers of excellence focused on Illinois' industries, located at the newly created Discovery Partners Institute.
- ✓ Dedicated more than \$400 million to Connect Illinois, the largest high speed internet expansion effort in Illinois history.
- ✓ Attracted \$5 billion in new data centers to Illinois with targeted tax incentive, creating new high paying tech and construction jobs.
- ✓ Created a business apprenticeship tax credit, encouraging job growth and workforce development.
- ✓ Extended the film industry tax credit, creating and supporting thousands of entertainment industry jobs.
- ✓ Strengthened Illinois Works Jobs Program by investing \$25 million for community-based organizations to recruit diverse apprentices to work on state's Rebuild Illinois capital program.
- ✓ Created incentives for job creation on new construction and renovations in underserved communities.
- ✓ Established annual reporting on corporate board diversity for public companies to encourage greater representation.
- ✓ Invested \$15 million in two downstate Manufacturing Training Academies: an electric vehicle jobs partnership with Rivian at Heartland Community College in Normal and an Advanced Manufacturing Center at Southwestern Illinois College.
- ✓ Positioned Illinois to be an electric vehicle technology hub in the Midwest by providing companies with competitive incentives.

# FY 22 Enacted Capital Budget

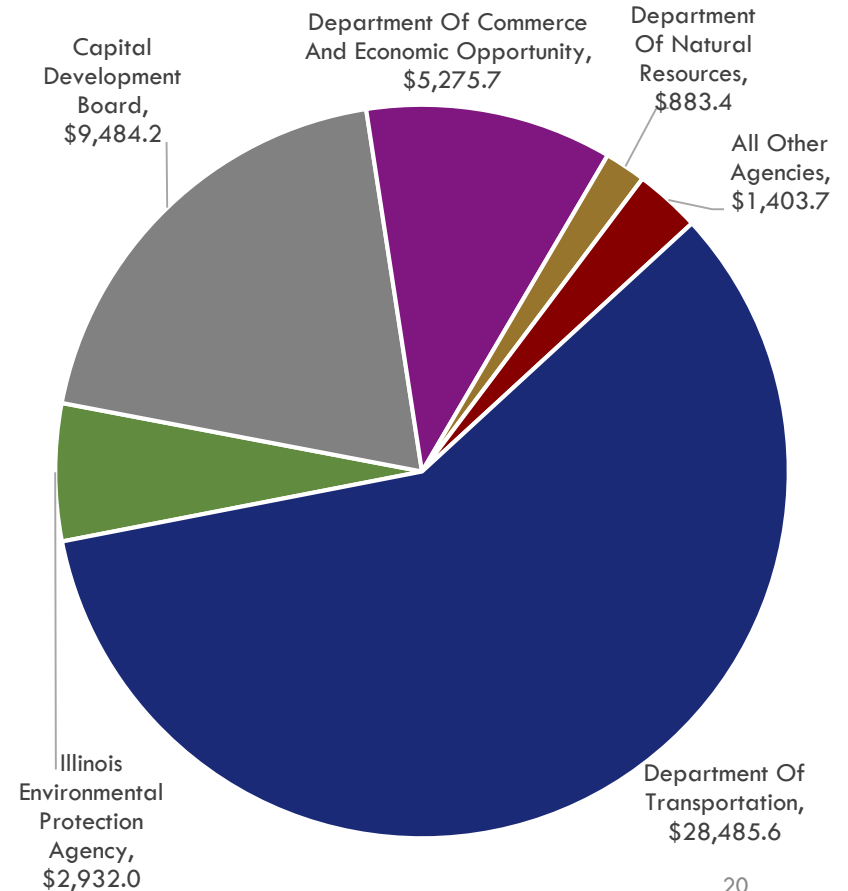


## Creating jobs and investing in Illinois' infrastructure

\$5.95B in FY2022 New Capital Appropriations  
(\$ millions)



\$48.45B in FY2022 Total Capital Appropriations  
(new and reappropriated)  
(\$ millions)



# Continuing to Invest in Infrastructure Through Rebuild IL



## Key investments will continue throughout the six-year plan

### Examples of progress under the Rebuild Illinois Plan include:

- ✓ Total Capital spend July 1, 2019 – June 30, 2021 (24 months): \$9.343 billion.

#### Higher Education Infrastructure

- ✓ \$103.5 million has been released for infrastructure improvements at 15 community colleges, leveraging \$34.5 million in local commitments for a total investment of over \$138 million in communities across the state.
- ✓ Planning and design are underway for large university projects statewide like the \$89 million Performing Arts Center at Western Illinois University and a \$79 million new education building at Northeastern Illinois University.
- ✓ Rebuild Illinois includes a total of \$200 million to support quantum science infrastructure in partnership with U of I, the University of Chicago and the Chicago Quantum Exchange (CQE). The investments provided by Rebuild Illinois will support state-of-the-art quantum research infrastructure and facilities in Hyde Park in Chicago and Urbana-Champaign.

#### State Facilities

- ✓ \$21.1 million is supporting renovation and new construction at the former Lincoln Developmental center in Logan County, creating a new Illinois Youth Center that is centrally located in the state as part of the 21st Century Transformation Model, a new community-based plan that will transform the state’s juvenile justice system over the next four years.
- ✓ Rebuild Illinois provides \$60 million for DJJ transformation projects.

#### Connect Illinois

- ✓ \$50 million in Connect Illinois grants have been awarded to support 28 projects across the state. The \$50 million in state grants will be matched by \$65 million in nonstate funding for a total of \$115 million, with plans to expand access for more than 26,000 homes, businesses, farms, and community institutions across Illinois.
- ✓ A second \$50 million round of grant funding for broadband expansion was announced in October 2020 and will be awarded in the summer of 2021.

#### Roads and Bridges

- ✓ The Illinois Department of Transportation (IDOT) completed more than 600 highway projects, ranging from minor resurfacings to interstate and bridge reconstructions, in the first year of Rebuild Illinois. IDOT made approximately \$5.2 billion in improvements to 3,020 miles of highway and 270 bridges, as well as 428 additional safety improvements since the passage of Rebuild Illinois.

Total Capital Expenditures Since the Passage of Rebuild Illinois by Category (\$ millions)	
Broadband Deployment	\$ 18
Economic and Community Development	124
Education	130
Environment/Conservation	1,227
Healthcare and Human Services	74
State Facilities	640
Transportation	7,130
<b>Grand Total</b>	<b>\$ 9,343</b>

# Appendix A. Additional Financial Detail Tables



# General Funds Accounts Payable Estimate



*Accounts payable are improving – reducing to nearly pre-Great Recession levels*

Historical General Funds Accounts Payable Estimate  
(Budget Basis - Official Statement Table 5)

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 <sup>3</sup>	FY 2017 <sup>3</sup>	FY 2018 <sup>3</sup>	FY 2019	FY 2020 <sup>4</sup>
<b>General Funds Budget Basis Accounts Payable<sup>1</sup></b>																	
Lapse Period Vouchers	588	566	647	776	767	1,168	1,732	1,353	1,368	898	1,626	752	590	1,325	1,904	1,333	1,545
Vouchers Payable (June 30)	4	405	234	1	208	2,600	3,552	2,634	2,547	2,663	1,535	1,993	2,881	6,939	3,218	4,293	3,910
Net Transfers Payable (June 30)						185	940	989	1,109	581	844	776	318	797	701	553	827
<b>General Funds Section 25 Liabilities<sup>2</sup></b>	905	2,134	1,914	1,908	2,148	1,170	1,250	1,604	2,778	1,864	1,622	1,598	3,307	5,932	2,004	1,953	1,231
<b>Total General Funds Accounts Payables</b>	<b>1,497</b>	<b>3,105</b>	<b>2,795</b>	<b>2,685</b>	<b>3,123</b>	<b>5,123</b>	<b>7,474</b>	<b>6,580</b>	<b>7,802</b>	<b>6,006</b>	<b>5,627</b>	<b>5,119</b>	<b>7,096</b>	<b>14,993</b>	<b>7,827</b>	<b>8,132</b>	<b>7,513</b>
<b>Section 25 Liabilities - Other State Funds</b>	390	750	433	1,460	220	321	270	237	850	489	429	316	956	162	214	224	208

Source: Illinois Office of the Comptroller. Section 25 Liabilities are reported in the CAFR. Budget Basis Accounts Payable as reported on page 11 of the TBFR. FY21 #s are GOMB estimates.

<sup>1</sup> This amount includes General Funds Lapse Period Transactions as reported in the TBFR. Lapse Period Warrants plus 6/30 Vouchers and Transfers Payable.

<sup>2</sup> Section 25 Liabilities are incurred in one Fiscal Year and payable from future Fiscal Year appropriations. This amount is the General Funds portion of Section 25 liabilities. FY2020 and FY2021 numbers are estimates.

<sup>3</sup> FY2016 - FY2018 were understated due to the lack of appropriations of certain liabilities due to the impasse.

<sup>4</sup> Fiscal Year 2020 Section 25 liability amounts are preliminary and subject to change. Final numbers will be released with the State's Fiscal Year 2020 CAFR.

# General Funds Monthly Revenues



**Top three General Fund revenues have rebounded to over 110% of Pre-pandemic levels**

2018-2019 FY	July	August	September	October	November	December	January	February	March	April	May	June	Total	
Individual Income Taxes <sup>1</sup>	1,243	1,227	1,553	1,372	1,162	1,342	2,010	1,224	1,816	3,471	1,253	1,562	19,235	
Corporate Income Taxes	73	57	400	66	33	357	82	37	192	668	60	364	2,389	
Sales Tax	711	733	713	691	732	768	720	540	632	690	745	735	8,410	
<b>All Taxes</b>	<b>2,027</b>	<b>2,017</b>	<b>2,666</b>	<b>2,129</b>	<b>1,927</b>	<b>2,467</b>	<b>2,812</b>	<b>1,801</b>	<b>2,640</b>	<b>4,829</b>	<b>2,058</b>	<b>2,661</b>	<b>30,034</b>	
2019- 2020 FY														
Individual Income Taxes <sup>2</sup>	1,332	1,207	1,723	1,371	1,262	1,492	1,910	1,439	1,980	2,793	1,250	1,712	19,471	
Corporate Income Taxes	75	41	451	78	103	383	68	34	167	591	58	331	2,380	
Sales Tax	764	759	713	725	749	798	736	596	647	544	564	661	8,256	
<b>All Taxes</b>	<b>2,171</b>	<b>2,007</b>	<b>2,887</b>	<b>2,174</b>	<b>2,114</b>	<b>2,673</b>	<b>2,714</b>	<b>2,069</b>	<b>2,794</b>	<b>3,928</b>	<b>1,872</b>	<b>2,704</b>	<b>30,107</b>	
2020-2021 FY														
Individual Income Taxes <sup>2,3</sup>	1,339	1,453	1,676	1,379	1,275	1,618	2,096	1,472	2,176	2,326	2,791	1,924	21,525	
Corporate Income Taxes	23	70	477	106	46	436	124	61	248	905	136	631	3,263	
Sales Tax	734	767	745	769	739	852	766	642	731	841	867	914	9,367	
<b>All Taxes</b>	<b>2,096</b>	<b>2,290</b>	<b>2,898</b>	<b>2,254</b>	<b>2,060</b>	<b>2,906</b>	<b>2,986</b>	<b>2,175</b>	<b>3,155</b>	<b>4,072</b>	<b>3,794</b>	<b>3,469</b>	<b>34,155</b>	
Cumulative														
Individual Income Taxes	2019	1,243	2,470	4,023	5,395	6,557	7,899	9,909	11,133	12,949	16,420	17,673	19,235	
	2020	1,332	2,539	4,262	5,633	6,895	8,387	10,297	11,736	13,716	16,509	17,759	19,471	
	2021	1,339	2,792	4,468	5,847	7,122	8,740	10,836	12,308	14,484	16,810	19,601	21,525	
Corporate Income Taxes	2019	73	130	530	596	629	986	1,068	1,105	1,297	1,965	2,025	2,389	
	2020	75	116	567	645	748	1,131	1,199	1,233	1,400	1,991	2,049	2,380	
	2021	23	93	570	676	722	1,158	1,282	1,343	1,591	2,496	2,632	3,263	
Sales Tax	2019	711	1,444	2,157	2,848	3,580	4,348	5,068	5,608	6,240	6,930	7,675	8,410	
	2020	764	1,523	2,236	2,961	3,710	4,508	5,244	5,840	6,487	7,031	7,595	8,256	
	2021	734	1,501	2,246	3,015	3,754	4,606	5,372	6,014	6,745	7,586	8,453	9,367	
All Taxes	2019	2,027	4,044	6,710	8,839	10,766	13,233	16,045	17,846	20,486	25,315	27,373	30,034	
	2020	2,171	4,178	7,065	9,239	11,353	14,026	16,740	18,809	21,603	25,531	27,403	30,107	
	2021	2,096	4,386	7,284	9,538	11,598	14,504	17,490	19,665	22,820	26,892	30,686	34,155	
FY 2021 Revenues As % of Pre-Pandemic Revenues <sup>4</sup>	July	August	September	October	November	December	January	February	March	April	May	June	Average	
Individual Income Taxes	101%	120%	97%	101%	101%	108%	110%	102%	120%	67%	223%	123%	114%	
Corporate Income Taxes	31%	171%	106%	136%	45%	114%	182%	179%	129%	135%	227%	173%	136%	
Sales Tax	96%	101%	104%	106%	99%	107%	104%	108%	116%	122%	116%	124%	109%	
<b>All Taxes</b>	<b>97%</b>	<b>114%</b>	<b>100%</b>	<b>104%</b>	<b>97%</b>	<b>109%</b>	<b>110%</b>	<b>105%</b>	<b>120%</b>	<b>84%</b>	<b>184%</b>	<b>130%</b>	<b>112.9%</b>	
FY 2021 Revenues As % of Pre-Pandemic Revenues Weighted Based on FY 2019 Monthly Revenues as a % of Total <sup>4</sup>														Total
Individual Income Taxes	6%	8%	8%	7%	6%	8%	11%	7%	11%	12%	15%	10%	109%	
Corporate Income Taxes	1%	4%	18%	4%	1%	17%	6%	3%	10%	38%	6%	26%	134%	
Sales Tax	8%	9%	9%	9%	9%	10%	9%	7%	9%	10%	10%	11%	109%	
<b>All Taxes</b>	<b>7%</b>	<b>8%</b>	<b>9%</b>	<b>7%</b>	<b>6%</b>	<b>9%</b>	<b>10%</b>	<b>6%</b>	<b>11%</b>	<b>14%</b>	<b>13%</b>	<b>12%</b>	<b>110.5%</b>	

<sup>1</sup>April revenues reflect "April Surprise" due to tax changes.

<sup>2</sup>In 2020 the individual and corporate income tax filing date was extended from April 15 to July 15. The revenues have been adjusted to reflect a shift of \$1 billion of individual income tax and \$300 million in corporate income tax from July 2020 (FY 2021) back to April 2020 (FY 2020).

<sup>3</sup>In 2021 the individual income tax filing date was extended from April 15 to May 17. Since the extension did not cross fiscal year end the revenues have not been adjusted consistent with the change in deadline.

<sup>4</sup>For purposes of this calculation it was assumed that revenues started to be adversely impacted by the pandemic in March 2020 thus July 2020 to February 2021 revenues are compared to July 2019 to February 2020 revenues and March 2021 to June 2021 revenues are compared to March 2019 to June 2019 revenues.

Gray shading represents monthly revenues that have been adjusted to reflect the tax extension from April 2020 to July 2020 filing date.



# Appendix B. Illinois' Strong and Diverse Economy



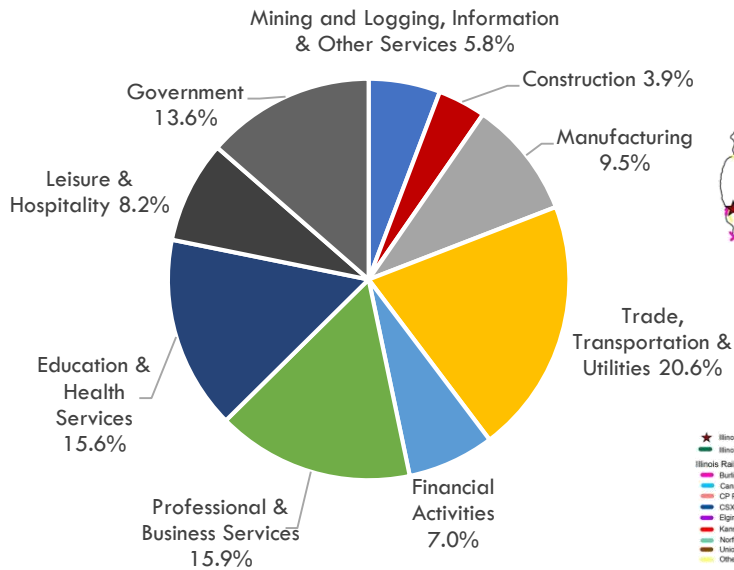
# Illinois' Strong Economic Foundation



*The strength of the State's economic foundation has been evident through the pandemic.*

## Strong and Diverse Economy

- Broad employment base with no industry accounting for more than 21%<sup>1</sup>
- Illinois is well-positioned for long-term stability through economic cycles
- State's deep and diversified economy is a major attraction for workers and recent graduates across the nation
- Illinois is home to 38 Fortune 500 companies<sup>5</sup>



## Expansive Transportation and Logistics Network

- The State is home to the 4<sup>th</sup> and 26<sup>th</sup> busiest U.S. airports in O'Hare and Midway<sup>2</sup>
- Illinois is the only state where all 7 class 1 railroads in the United States operate<sup>3</sup>



## Highly Educated Population

- Illinois is home to top ranked universities, bringing talented and educated individuals to the State
- 35.8% of Illinois residents have college degrees, above the US at 33.1% and the Midwest region at 31.6%<sup>4</sup>



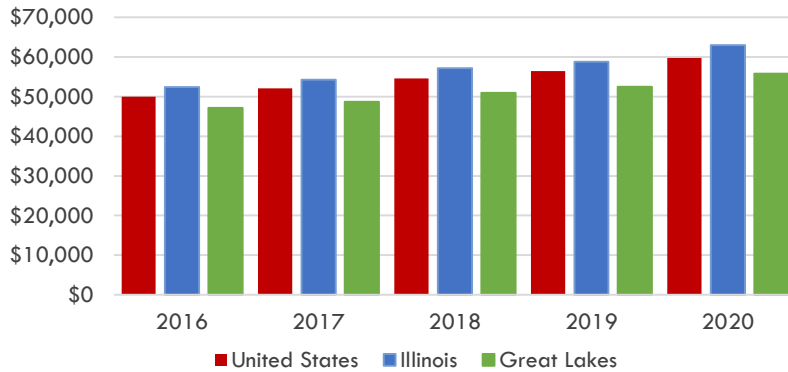
1. Bureau of Labor Statistics, preliminary, as of May 2021 2. FAA, Commercial Service (Rank Order) based on Calendar Year 2020 data as of June 8, 2021 3. IDOT, <http://idot.illinois.gov/transportation-system/Network-Overview/rail-system/index> 4. 2019 American Community Survey 1 year estimates (most recent data available), those with a bachelor's degree or higher as a share of population 25 years or older. 5. Fortune 500 rankings for 2021

# Illinois' Robust Economic Indicators

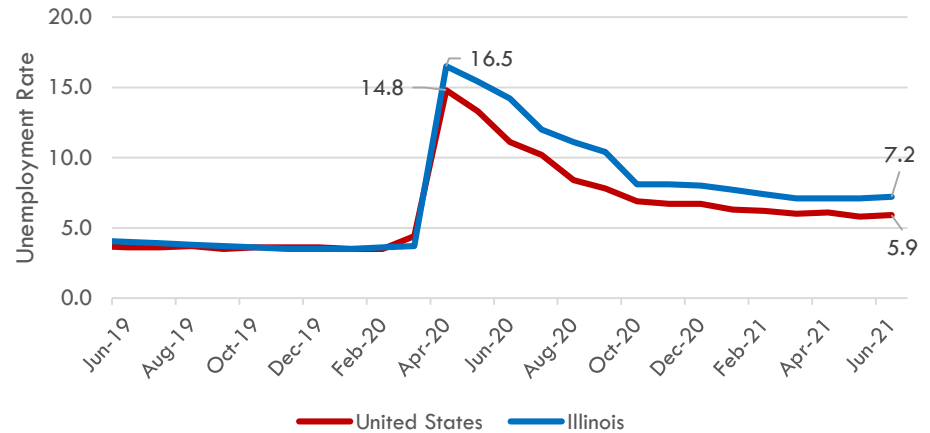


*The State's recovery in economic indicators demonstrates the State's resiliency.*

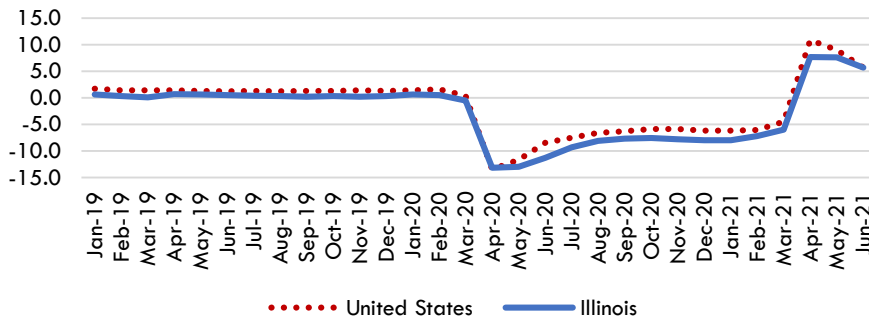
Per Capita Personal Income Surpasses National and Regional Measures <sup>1,3</sup>



Unemployment Fell Below 4% pre-COVID, & Increased in Line with the Nation <sup>2</sup>



12 month % Change in Employment Levels <sup>4</sup>



- ✓ Since April 2020 peak, Illinois' unemployment rate has fallen more than nine percentage points to 7.2%<sup>2</sup>
- ✓ Illinois' per capita income is ranked 1st among the Great Lakes region<sup>3</sup> and 3rd among the 10 most populous states<sup>1</sup>

1: Bureau of Economic Analysis as of March 24, 2021. 2: Bureau of Labor Statistics, seasonally adjusted, June 2021 Illinois unemployment is preliminary 3: The Great Lakes region includes Illinois, Indiana, Michigan, Ohio and Wisconsin. The measures here reported are the averages of those states' measures. 4: Bureau of Labor Statistics

# Illinois' Debt Burden Measures



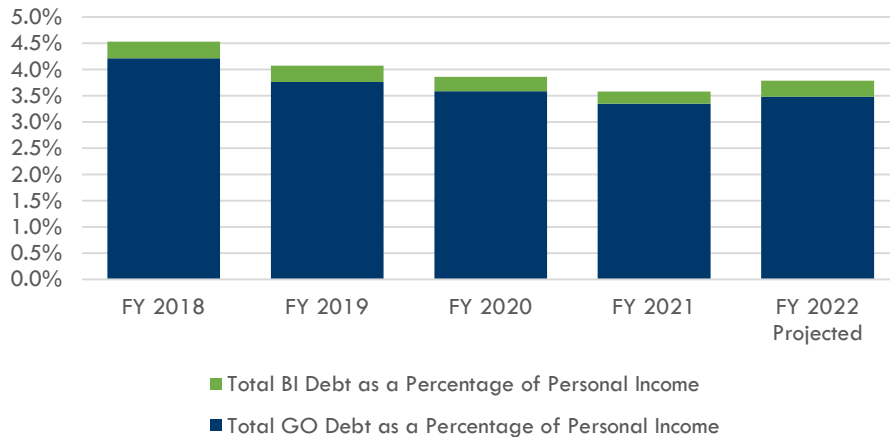
*Illinois has a conservative debt profile with strong legal protections.*

**Debt Service for BI and Long-Term GO as a Percentage of Appropriations<sup>1</sup>**

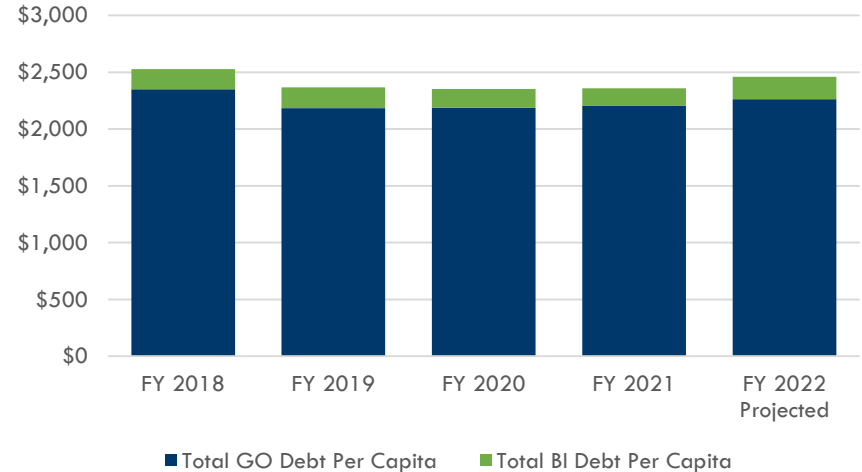
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 Projected
Total Appropriations (in millions)	\$42,361	\$43,557	\$47,324	\$49,904	\$51,226
<b>Total BI Debt Service as a Percentage of Appropriations</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.6%</b>
<b>Total GO Debt Service as a Percentage of Appropriations</b>	<b>8.2%</b>	<b>9.3%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>6.9%</b>

<sup>1</sup> Appropriations include the Road Fund and the General Funds. The General Funds include the General Revenue Fund, the Education Assistance Fund, the Common School Fund, the General Revenue-Common School Special Account Fund, the Fund for the Advancement of Education, the Commitment to Human Services Fund and the Budget Stabilization Fund. Appropriations in this table have been restated to include all the funds currently included in the definition of General Funds.

**Outstanding Long-Term Debt as a Percentage of Total State Personal Income<sup>2</sup>**



**Outstanding Long-Term Debt per Capita<sup>2</sup>**



<sup>2</sup> GO Debt includes only debt issued under the General Obligation Bond Act and not debt issued under the Short-Term Borrowing Act or CURE Borrowing Act.

Note: Estimated and projected personal income numbers come from IHS Markit's projections and actuals from the Bureau of Economic Analysis.