



State of Illinois

Budget Update and Rating Discussion



September 2022

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1. Executive Summary



Delivering Fiscal Responsibility



Strong operating performance plus fiscal prudence position the State well for the future

FY 2023 Budget Accomplishments

- Cooperation between legislative and executive branches has led to fourth consecutive balanced budget passed on time on April 9, 2022
- **Record Budget Stabilization Funding level -** Current balance of \$1.04 billion (2.4% of General Funds State source revenues)
 - ✓ **Permanent dedicated revenue streams created**
- Accelerated debt paydown of \$5.3 billion across FY 2022/FY 2023
- Eliminated the bill backlog in FY 2022; now operating with current accounts payable

Commitment to Pension Obligations

- \$500 million of additional pension payments above certified amount across FY 2022/2023
- FY 2023 budget fully funds the certified contribution of \$9.63 billion from General Funds
- Conservative return assumption is below US median
- Committed to Statutory Funding Plan
 - ✓ 27 years into 50 year plan

Strong Fiscal and Economic Foundation

- Diverse economy supports improving economic trends
- Illinois' population estimated to have grown in the last decade
 - ✓ Census Bureau's Post Enumeration Survey (PES) report issued on 5/8/22 found that Illinois' population was significantly undercounted by 2020 Census (by ~250,000 people)
- State prudently taking advantage of economic conditions to fund reserves
- Continued economic recovery resulting in a preliminary FY 2022 revenue increase of 12% over actual FY 2021
- World class infrastructure with America's 5th largest GDP
- Illinois ranks 3rd among the 10 most populous states by per capita personal income and 11th amongst all states
- Illinois boasts the world's 18th largest economy according to the World Bank

Investing in Illinois Future

- FY 2023 budget increases investments in education, public safety, health and welfare of residents
- FY 2023 budget provides total capital appropriations (new and reappropriated) of \$48.0 billion

2. Financial Update



American Rescue Plan Act (“ARPA”) State Fiscal Recovery Funds

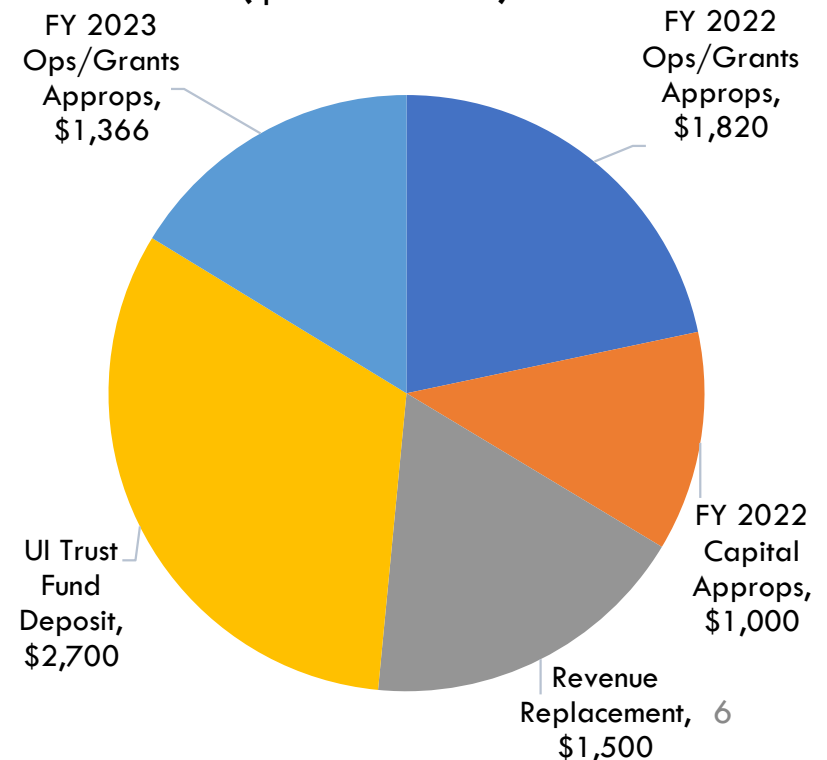


State is strategically using ARPA funds to recover from pandemic and invest in one-time expenditures

- Public Act 102-696 dedicates \$2.7 billion of ARPA recovery fund dollars to stabilize the State’s unemployment insurance trust fund, thereby helping small businesses
- FY 2022 budget provided one-time operating and capital appropriations to improve the State’s economy, public health and educational infrastructure in response to the COVID-19 pandemic
- FY 2023 budget allocates most of the remaining ARPA Coronavirus State Fiscal Recovery Fund dollars
 - ✓ While funds have been appropriated, the State has until 2026 to spend (multi-year spend out)

Total ARPA Expenditure Allocations (\$ in millions)	
FY 2022 and FY 2023 Ops/Grants Appropriations	\$3,186
Department of Commerce and Economic Opportunity	756
Department of Human Services	659
Department of Healthcare and Family Services	595
Illinois Emergency Management Agency	458
Illinois Housing Development Authority	225
Illinois Criminal Justice Information Authority	139
Department of Public Health	134
Department of Corrections	120
Other Agencies	100
FY 2022 Capital Appropriations*	\$1,000
Build Illinois Bond Fund Deposit	424
Broadband Internet	320
Water Infrastructure	246
Sewer and Drainage Infrastructure	10
Revenue Replacement	\$1,500
UI Trust Fund Deposit	\$2,700
Grand Total	\$8,386

Illinois Total ARPA Expenditure Allocations (\$ in millions)



* Illinois will receive \$254 million from the Coronavirus Capital Projects Fund to support a portion of the broadband capital appropriations.

State Backlog Is “Accounts Payable”



Closing the chapter on interfund state borrowing

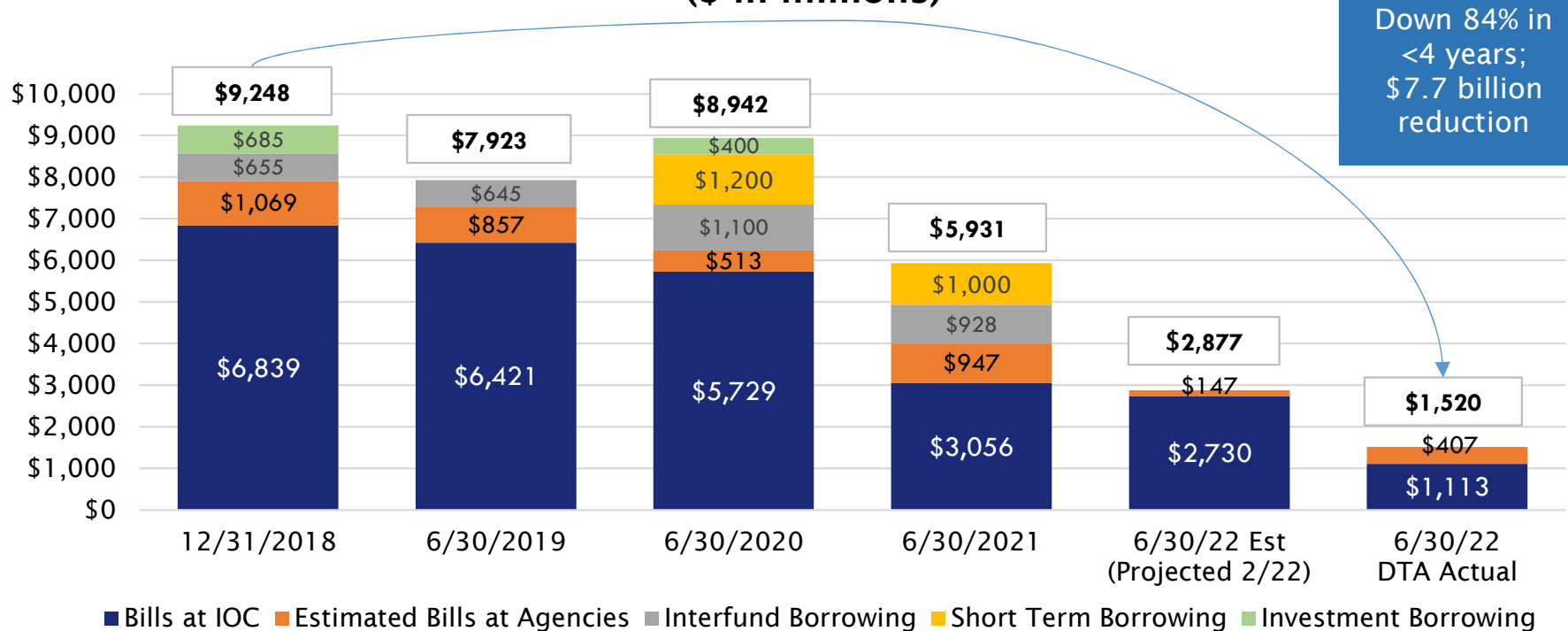
When revenues began to rebound in FY 2021, early repayment of the COVID borrowings was a priority

- Entire \$3.2 billion MLF borrowing¹ repaid early, saving taxpayers \$82 million as of January 26, 2022
- Final \$297 million in interfund borrowing repaid as of March 30, 2022

End of FY 2022 accounts payable estimate totals \$1.52 billion, a reduction of \$7.7 billion, a 84% reduction in less than 4 years and significantly below Feb 2022 estimates

- Accounts Payable primarily include bills under 30 days and transfers to other State accounts
- On average, less than half of what the State spends in a month
- End of FY 2023 Accounts Payable expected to be close to end of FY 2022 level

Accounts Payable and Outstanding Borrowing (\$ in millions)



¹ Short Term borrowing encompasses the issuance of the 2020 CURE Borrowing Act Notes and the 2020 Short-Term Certificates (together, the “MLF Borrowings”)

Illinois Returns to Pre-Great Recession Fiscal Performance

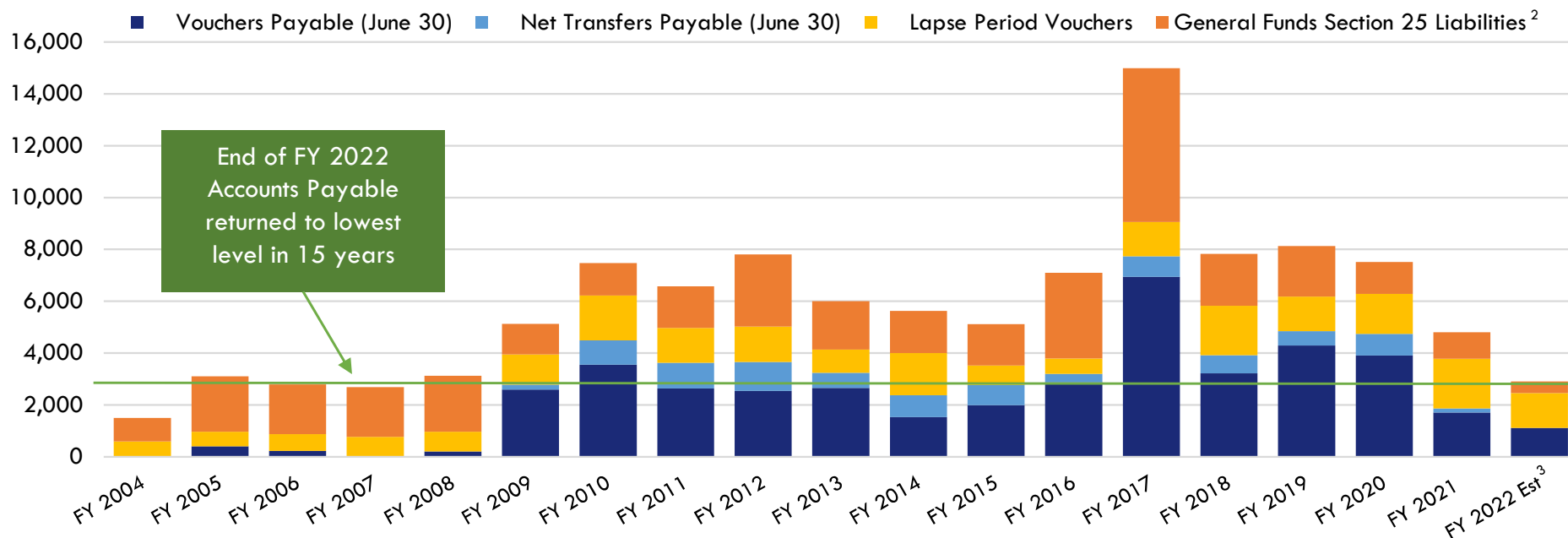


FY 2022 General Funds accounts payable estimated to be at lowest level since 2007

Strong economy driven revenue performance was dedicated towards reducing unpaid bills

- Using the State's broader measure of A/P (OS Table 5), FY 2022 levels should be at the lowest level in 15 years
- Section 25 Liabilities expected to be at the lowest level in recent history
 - ✓ Appropriated \$898 million in Spring 2022 to eliminate remaining delays in the State employee/retiree health insurance plan
- Majority of remaining unpaid Vouchers Payable are pending vouchers to transfer dollars to other State funds

General Funds Accounts Payable Estimate¹
(Budget Basis - Official Statement Table 5)



Source: IOC Traditional Budgetary Financial Report (TBFR), Annual Comprehensive Financial Reports (ACFR), GOMB Est.

¹ This amount includes General Funds Lapse Period Transactions as reported in the TBFR. Lapse Period Warrants plus 6/30 Vouchers and Transfers Payable. Lapse period vouchers are expenditures that occur in the months following the fiscal year end, but are utilizing prior fiscal year appropriations.

² 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

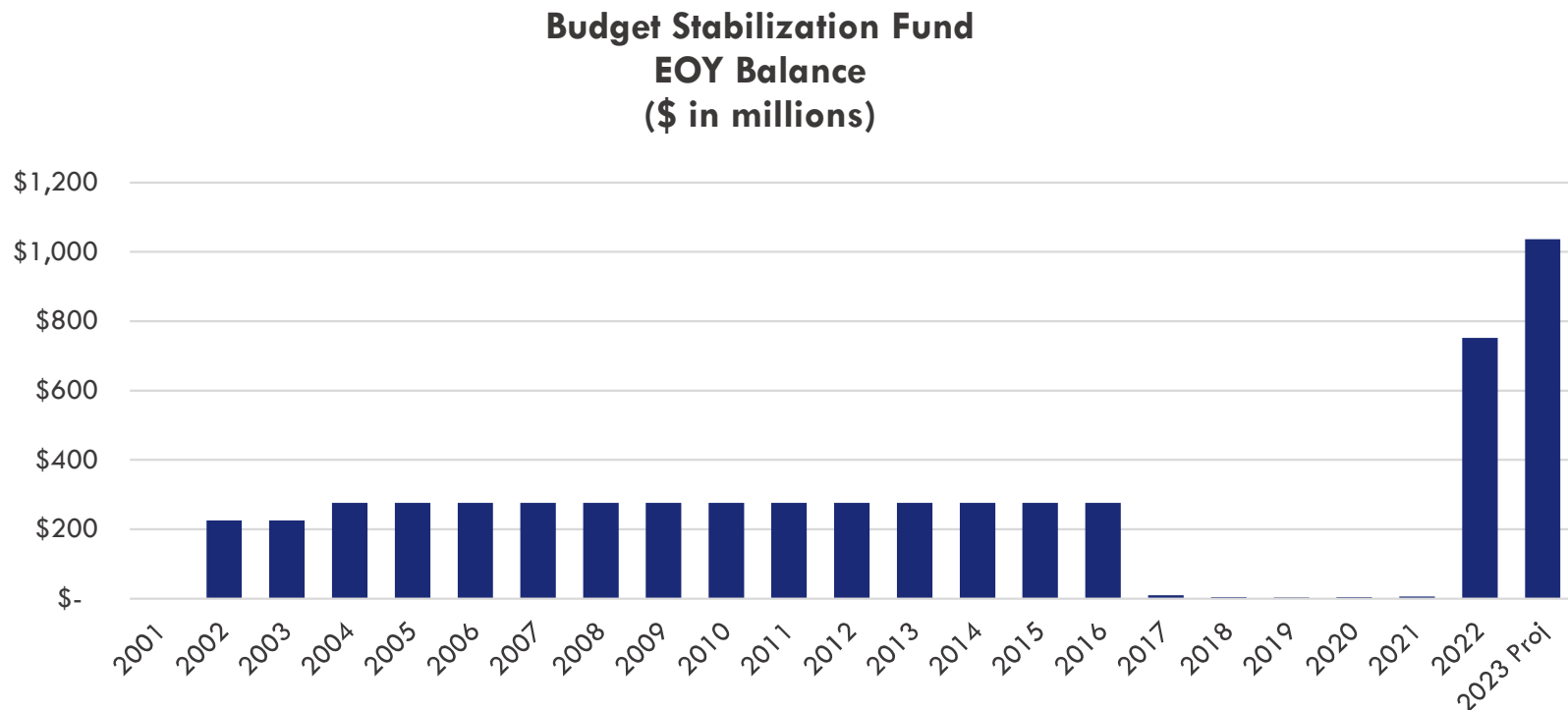
³ FY 2022 amounts are preliminary and subject to change, based on IOC DTA report and Governor's Office of Management and Budget(GOMB) estimates. FY 2022 Vouchers Payable includes \$1.031 billion in transfers to other State funds.

Restoring the Budget Stabilization Fund



Committed to a new era of fiscal responsibility by planning for rainy days

- Illinois allocated a total of \$1 billion across FY 2022 and FY 2023 to replenish the Budget Stabilization Fund -- the first deposits in 18 years
 - Budget Stabilization Fund, Illinois' 'rainy day' fund, was created in 2001
 - Balance was spent down during the impasse and held \$5.7 million at the end of FY 2021
- Enacted FY 2023 budget creates **permanent revenue streams** for the Budget Stabilization Fund by depositing an ongoing portion of cannabis revenues (10% or approximately \$30 million) PLUS monthly transfers of \$3.75 million beginning July 1, 2023
- **Record funding level** -- On August 31, 2022, the total balance of the Budget Stabilization Fund was \$1.038 billion



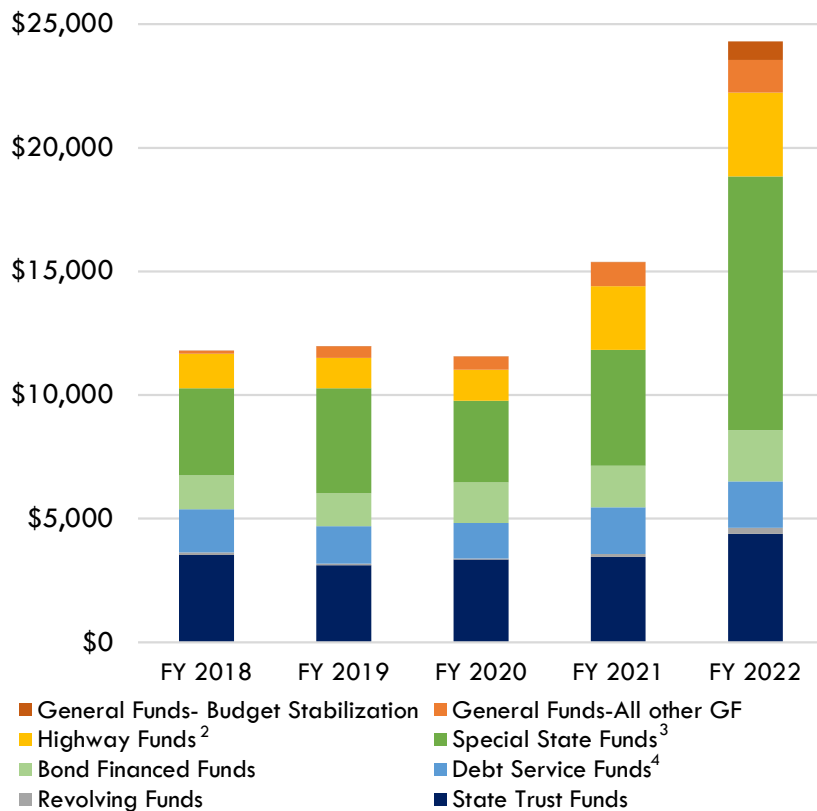
Strong Cash Balances



Illinois' cash position continues to outperform previous years

- The State's cash balance was \$24.3 billion for end of FY 2022

**Cash Balance by Fund Category¹
As of End of Fiscal Years 2018 - 2022
(\$ in millions)**



**Cash Balance by Fund Category
As of End of Fiscal Years 2018 - 2022
(\$ in millions)**

Fund Category ¹	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
General Funds- Budget Stabilization	\$4	\$4	\$4	\$6	\$752
General Funds- All other GF	121	462	527	969	1,312
Highway Funds ²	1,391	1,228	1,272	2,568	3,389
Special State Funds ³	3,530	4,259	3,289	4,699	10,275
Bond Financed Funds	1,372	1,330	1,642	1,684	2,073
Debt Service Funds ⁴	1,752	1,518	1,442	1,893	1,869
Revolving Funds	103	62	40	116	247
State Trust Funds	3,525	3,113	3,344	3,447	4,383
June 30th Amounts	\$11,797	\$11,975	\$11,560	\$15,381	\$24,300

Source: Illinois Office of the Comptroller and GOMB.

Note: Totals may not add due to rounding. Increase in cash balance is temporary and partly due to the timing of expenditures.

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 FY 2022 balances were higher than historical averages due, in part, to the timing of payments in FY 2023, including \$2.6 billion in the Income Tax Refund Fund, and are expected to revert closer to historical averages during the year.

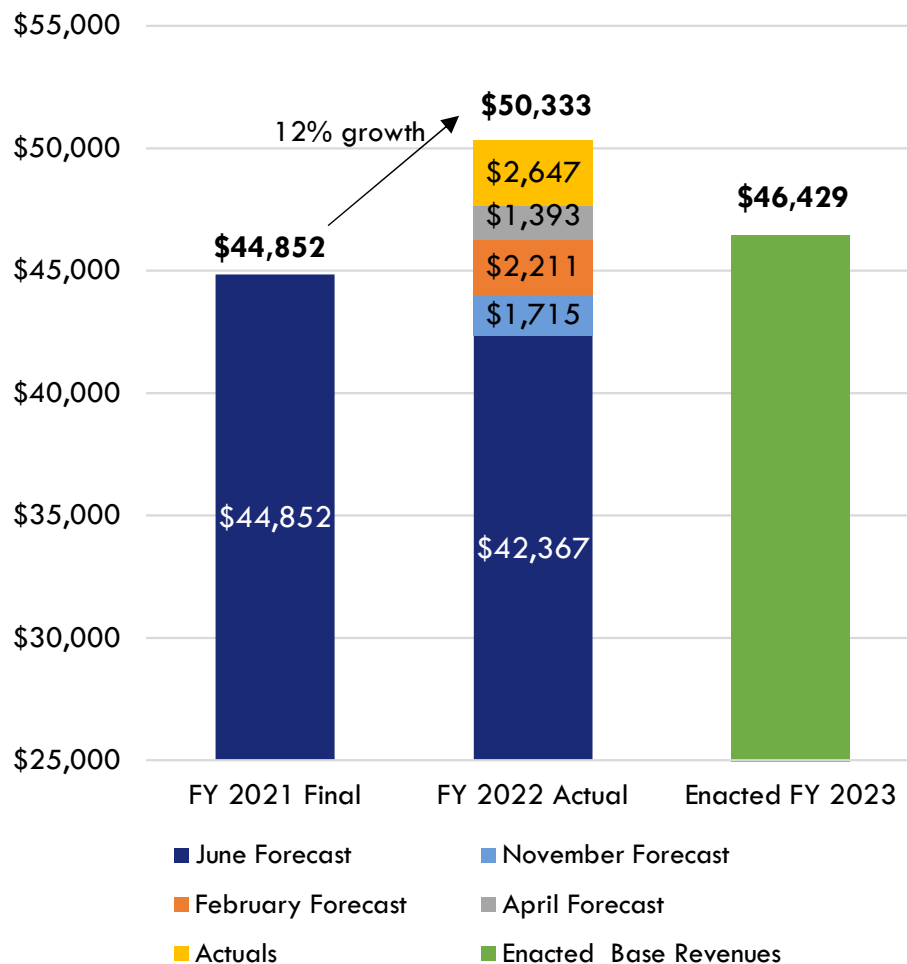
4 Includes the General Obligation Bond Retirement and Interest Fund.

FY 2022 Outperformed Expectations



12% Growth in base revenues from FY 2021 to FY 2022

**Base Revenue Forecasts – General Funds
(\$ in millions)**



FY 2022 economic performance was strong

- FY 2022 revenue forecast revision of \$8 billion
- Total nonfarm payroll grew by 245,700 jobs in June year over year
- Illinois GDP grew 8.9% in CY 2021
- Continued increased disposable personal income above pre-pandemic levels

FY 2023 began on a positive note

- July State source revenues hit estimates, August state source revenues exceeded estimates by 11%
- Seasonably adjusted unemployment rate reached its lowest point since the pandemic began coming in at 4.4%¹ in July
- US retail sales up 10.3% July year over year

¹ Preliminary, U.S. Bureau of Labor Statistics

3. FY 2023 Enacted Budget Update

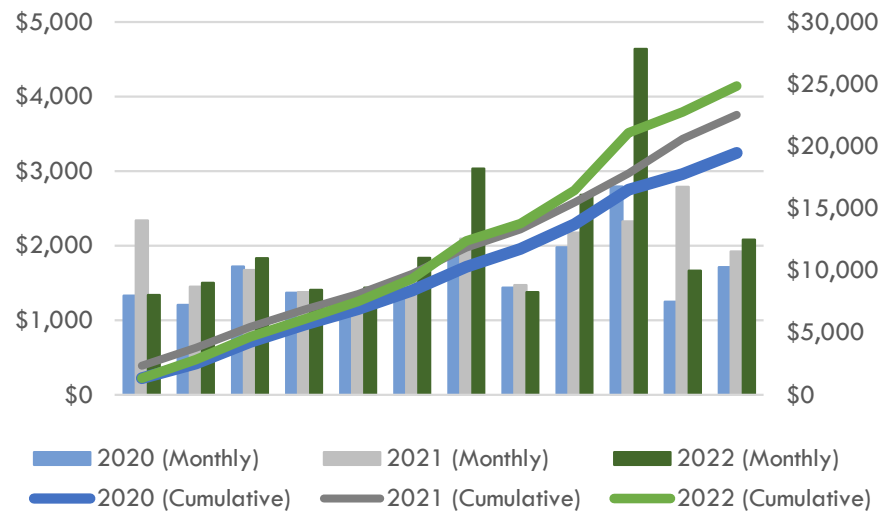


General Funds Monthly Revenues

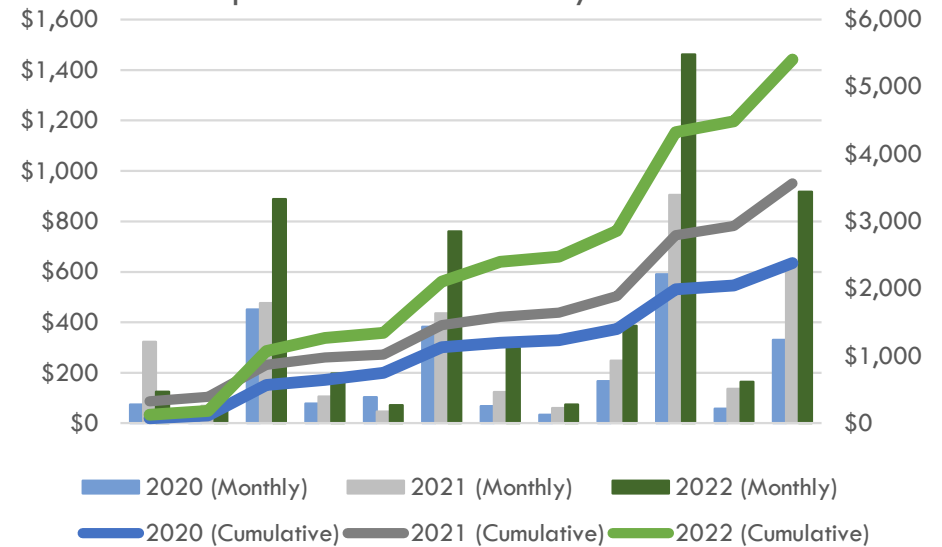


Preliminary FY 2022 revenues rebounded to more than 130% of pre-pandemic revenues

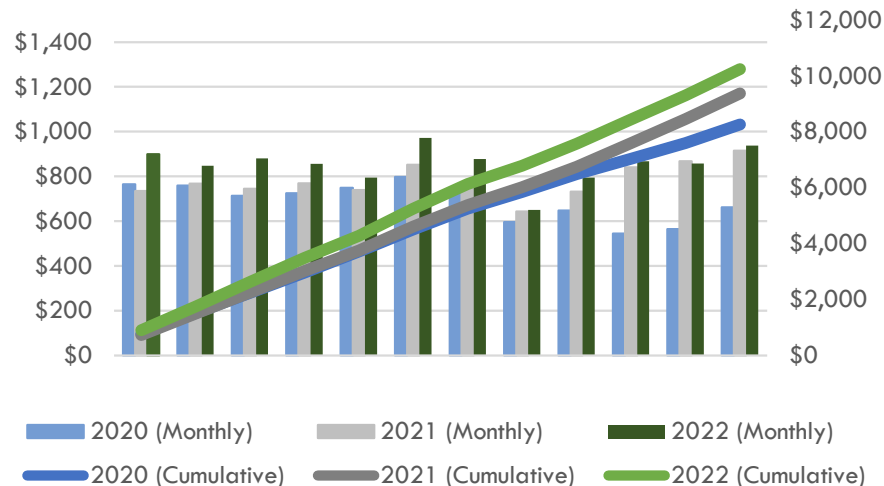
Individual Income Taxes by Fiscal Year



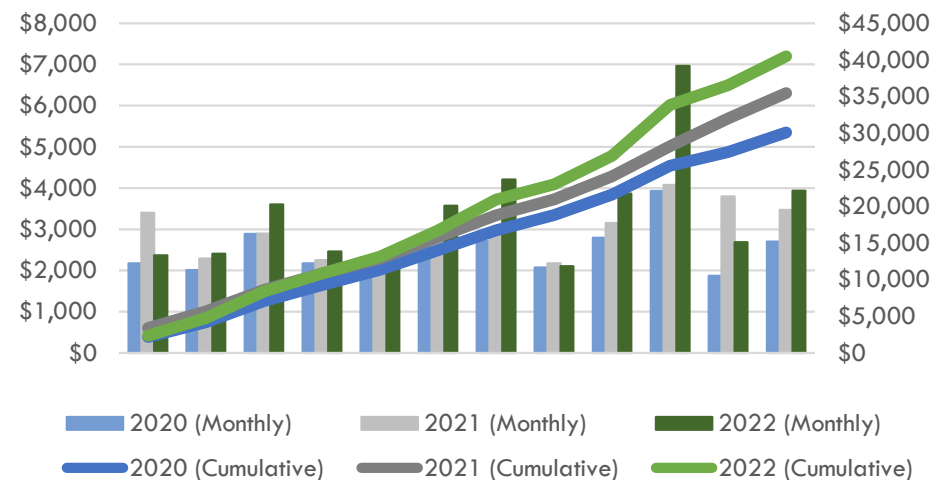
Corporate Income Taxes by Fiscal Year



Sales Tax by Fiscal Year



All Taxes by Fiscal Year



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 Revenues Continue to Outpace Historical Revenues

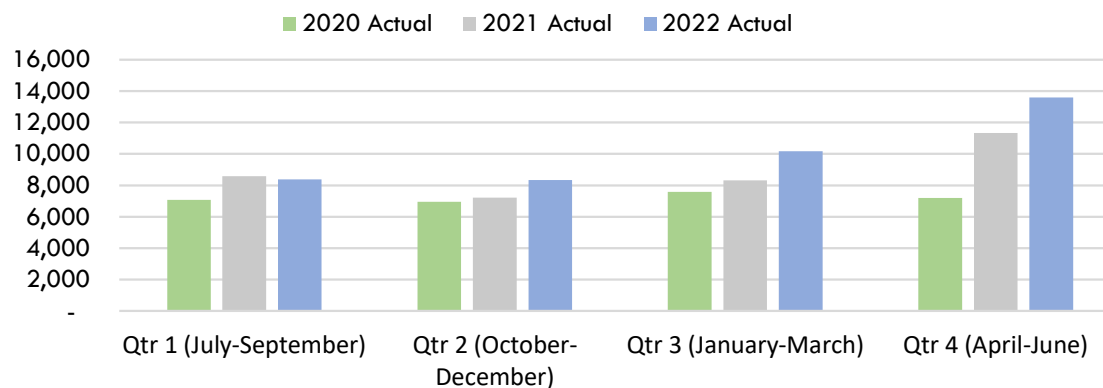


Tax Revenues Comparison (\$ in Millions)				22 Act. vs. 21 Act.		22 Act. v. 20 Act.	
Individual Income Tax	2020 Actual	2021 Actual	2022 Actual	Diff.	%Diff.	Diff.	%Diff.
Qtr 1 (July-September)	4,262	5,468	4,678	(790)	-14.4%	416	9.8%
Qtr 2 (October-December)	4,125	4,273	4,684	411	9.6%	559	13.6%
Qtr 3 (January-March)	5,329	5,744	7,094	1,350	23.5%	1,765	33.1%
Qtr 4 (April-June)	4,756	7,041	8,382	1,341	19.0%	3,626	76.2%
YTD Total	18,472	22,526	24,838	2,313	10.3%	6,366	34.5%
Corporate Income Tax							
Qtr 1 (July-September)	568	870	1,072	202	23.2%	504	88.8%
Qtr 2 (October-December)	565	588	1,031	443	75.3%	466	82.5%
Qtr 3 (January-March)	268	432	760	328	75.8%	492	183.6%
Qtr 4 (April-June)	680	1,672	2,544	872	52.2%	1,864	274.1%
YTD Total	2,081	3,563	5,408	1,845	51.8%	3,327	159.9%
Sales Tax							
Qtr 1 (July-September)	2,236	2,246	2,627	381	17.0%	391	17.5%
Qtr 2 (October-December)	2,272	2,360	2,623	263	11.1%	351	15.4%
Qtr 3 (January-March)	1,979	2,139	2,323	183	8.6%	344	17.4%
Qtr 4 (April-June)	1,768	2,622	2,662	40	1.5%	894	50.6%
YTD Total	8,255	9,368	10,235	867	9.3%	1,980	24.0%
Total Top 3 GF Taxes							
Qtr 1 (July-September)	7,066	8,584	8,377	(207)	-2.4%	1,311	18.6%
Qtr 2 (October-December)	6,962	7,221	8,338	1,117	15.5%	1,376	19.8%
Qtr 3 (January-March)	7,576	8,316	10,177	1,861	22.4%	2,601	34.3%
Qtr 4 (April-June)	7,204	11,335	13,588	2,253	19.9%	6,384	88.6%
YTD Total	28,808	35,456	40,480	5,024	14.2%	5,289	18.4%

Notes:

¹In 2020 the individual and corporate income tax filing date was extended from April 15 to July 15. The revenues have been adjusted downward to reflect a shift of \$1 billion of individual income tax and \$300 million in corporate income tax from July 2020 (FY 2021). Gray shading represents monthly revenues that have been adjusted to reflect the extension from April 2020 to July 2020 filing date.

Quarterly Top 3 GF Taxes by Fiscal Year



FY 2023 Enacted Operating Budget



A balanced budget that builds on three years of progress

The enacted \$46 billion FY 2023 budget continues on the path of economic and budgetary stability with further steps toward structural balance.

Balanced Budget Yields Improved Finances

- Balances budget and directs estimated FY 2022 surplus toward debt repayment, pension funding and Budget Stabilization Fund
- Pays debts and saves for a rainy day for the first time in 18 years
- Funds programs to help all Illinoisans

Protects Key Investment Areas

- Increases Evidence-Based Education Funding (EBF) \$350 million from FY 2022 levels – \$9.7 billion in General Funds
- Increases General Funds support for universities and community colleges 5% above FY 2022 levels
- Increases the Monetary Award Program (MAP) by \$122 million to a total of \$601 million
- Increases funding for safety net human services agencies
- Fully funds the certified FY 2023 pension contribution of \$9.6 billion and pledges an additional \$500 million which reduces liability by an estimated \$1.8 billion

Provides \$1.83 billion in Tax and Fee Relief for Illinois Families

- One-time tax rebate payments of 5% of property taxes paid, up to \$300 - \$520 million
- One-time tax rebate payment of \$50/adult and \$100/dependent - \$685 million
- One-year suspension of state tax on groceries (\$400 million) and 6 month delay in MFT COLA change
- One-time Back to School Tax Relief for Families and Teachers - \$50 million
- Ongoing expansion of the Earned Income Credit for working families - \$100 million

4. Investing in Our Future

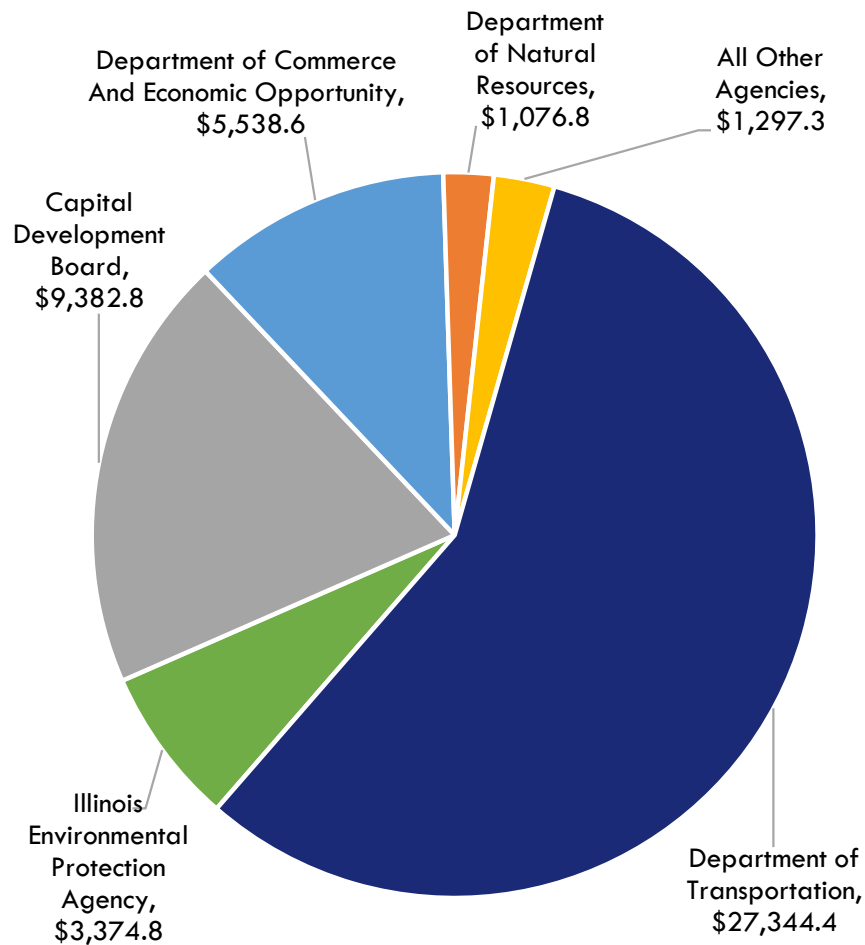


FY 2023 Enacted Capital Budget

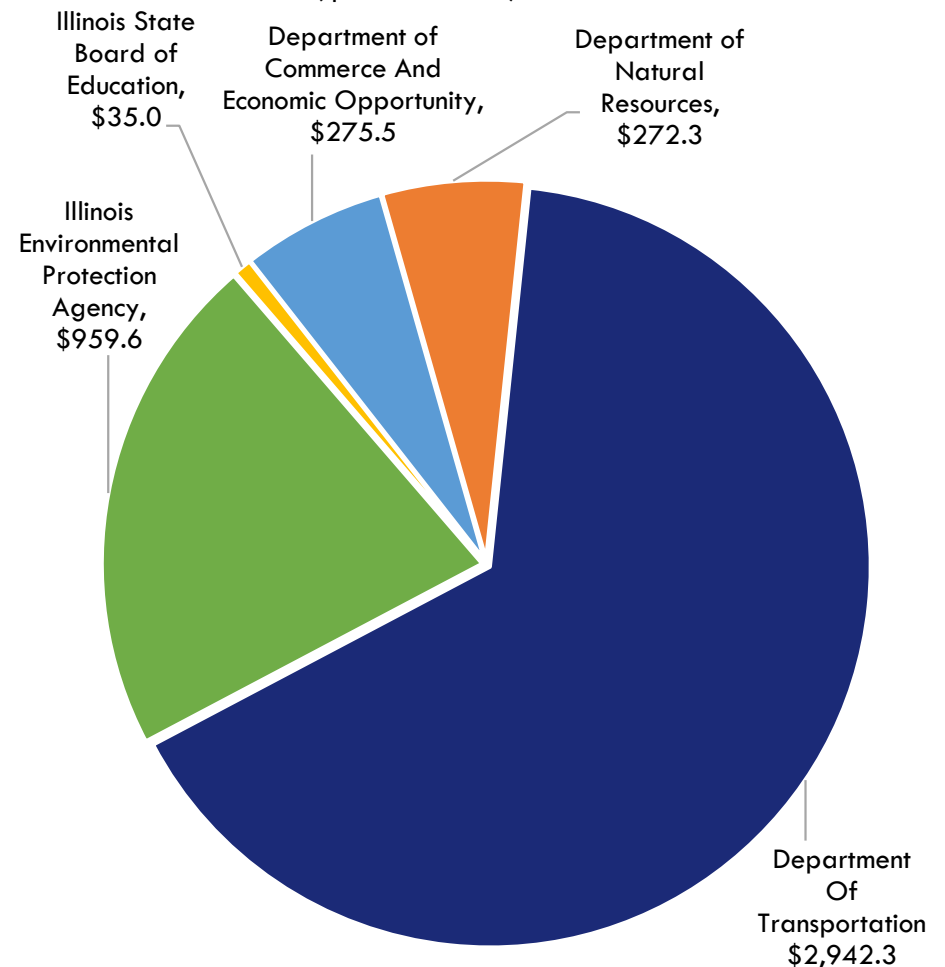


Creating jobs and investing in Illinois' infrastructure

**\$48.0 Billion in FY 2023 Total Capital
Appropriations (new and reappropriated)
(\$ in millions)**



**\$4.5 Billion in FY 2023 New Capital
Appropriations
(\$ in millions)**



Continuing to Invest in Infrastructure Through Rebuild IL (RBI)



Passage of RBI uniquely positioned the State to take advantage of additional federal programs

Examples of progress under the Rebuild Illinois Plan include:

- Total Capital spend July 1, 2019 – June 30, 2022 (36 months): \$13.869 billion.

Transportation

- Since the start of Rebuild Illinois, the Illinois Department of Transportation (IDOT) has made approximately \$8.6 billion in improvements statewide on 4,422 miles of highway, 412 bridges and 621 additional safety improvements.
- The Rebuild Illinois capital plan's framework ideally positioned Illinois to take advantage of increased federal commitments. Utilizing federal Infrastructure Investment & Jobs Act funding, the State has increased planned investments in Illinois' roads and bridges in its most recent six-year program by \$4 billion.

State Facilities

- More than \$1.5 billion in Capital Development Board (CDB)-managed projects at state facilities have been released since the beginning of Rebuild Illinois. These projects range from smaller maintenance projects to new multi-million-dollar projects to provide new facilities.
- In August 2022, CDB announced nearly \$270 million in active or upcoming investments are being managed for the Illinois Department of Corrections, totaling nearly 93 projects to improve the agency's facilities around the state.

Education

- Over \$940 million in CDB-managed projects have been released for institutions of higher education since the beginning of Rebuild Illinois, including investments in both community colleges and public universities.
- Planning and design are underway for large projects statewide like the \$26.3 million Center for Advanced Technology and Innovation (CATI) at McHenry County College, made possible by \$18.2 million from the Rebuild Illinois plan.
- 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.
- In July 2022, CDB opened the first \$60 million opportunity for Early Childhood Education Construction Grants. Rebuild Illinois provides \$100 million total for the program, which funds expansion, renovation and modernization of early childhood education facilities.

Connect Illinois

- Rebuild Illinois provided \$420 million to expand access to high-speed broadband internet. The State plans to utilize American Rescue Plan Act funds to accelerate the Connect Illinois Program, and Illinois expects to receive at least \$100 million in federal Infrastructure Investment and Jobs Act dollars to add to the program.

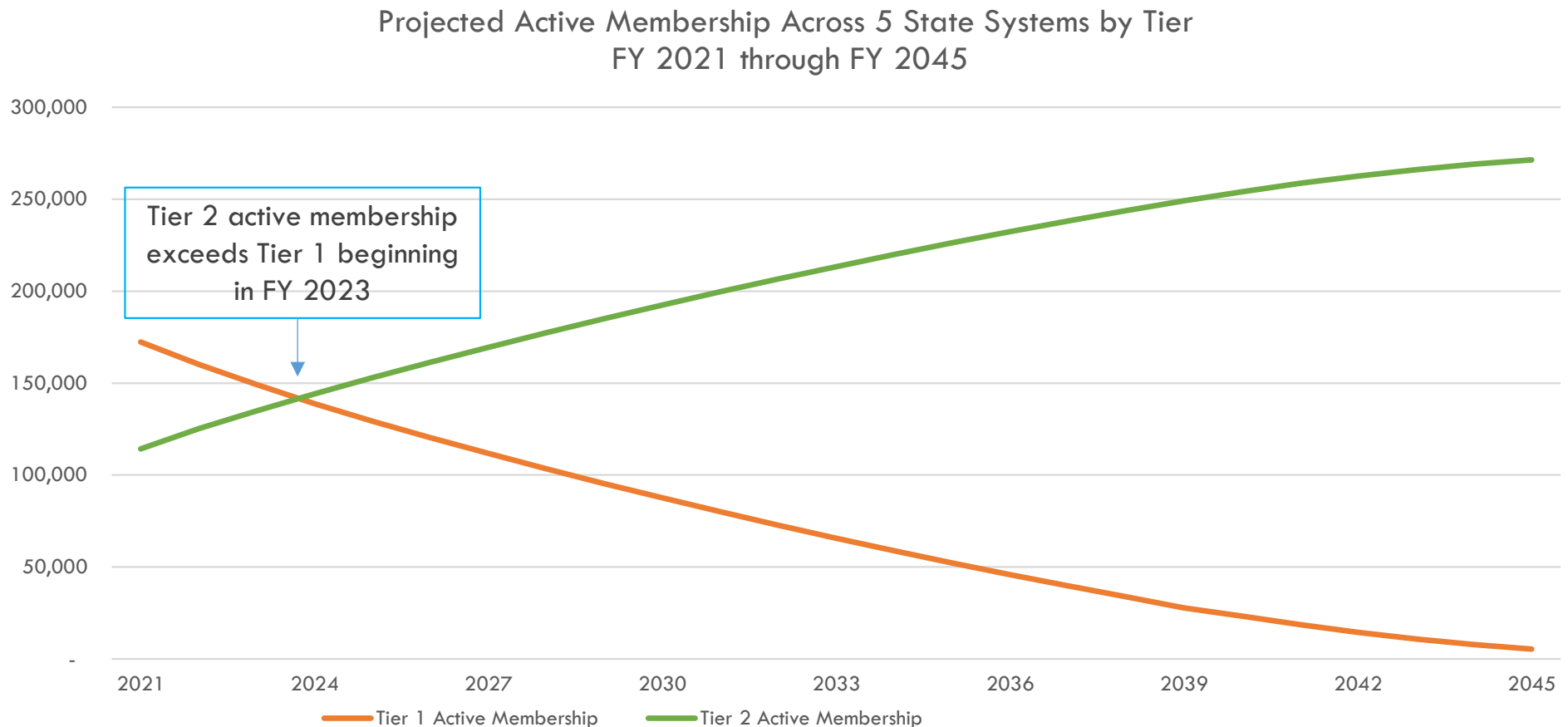
5. Pension Update



Tier 1 and Tier 2 Active Membership



Tier 2 active membership expected to overtake Tier 1 in FY 2023

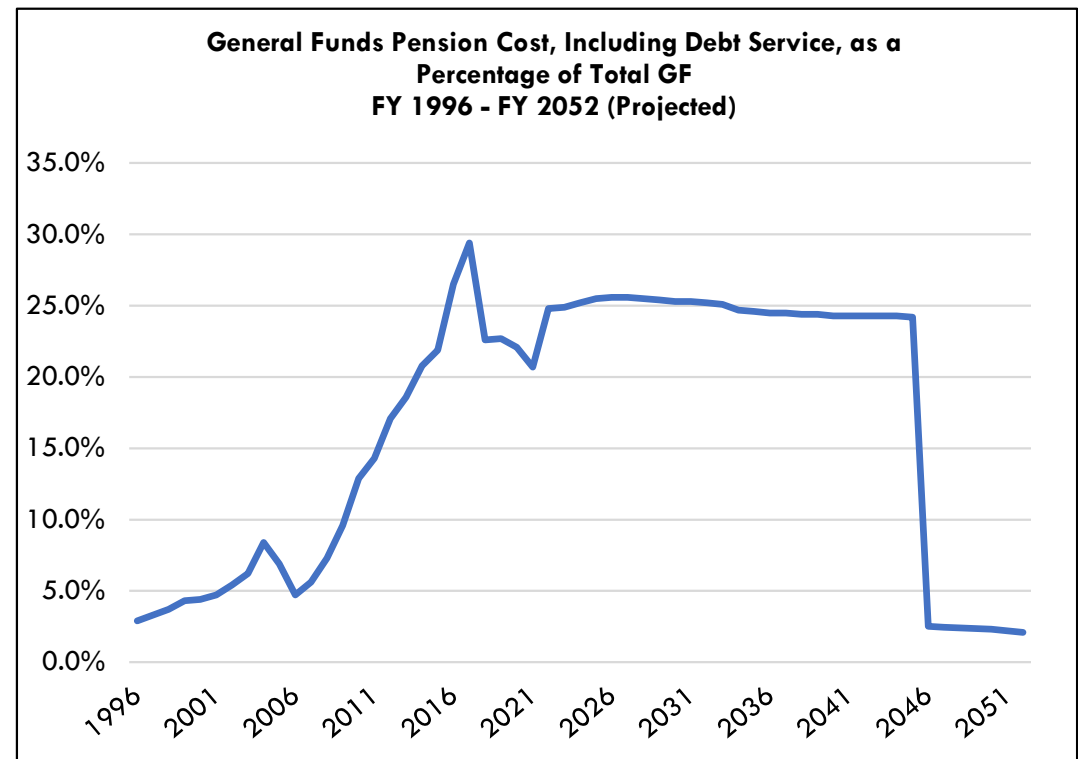


Funding Pension Obligations



2010s era escalating pension costs are projected to level off

- FY 2023 budget fully funds the certified contribution of \$9.63 billion from the General Funds.
- Annual pension contributions have grown to approximately 25% of the state's General Funds budget.
 - However, the percentage share dedicated to pension contributions is expected to level out.
- Governor continues to explore additional ways to manage our pension commitments:
 - Public Act 102-718 authorizes an additional \$1 billion in GO Bond Authorization towards the pension buyout programs and extends the option to participate to June 30, 2026
 - Public Act 102-696 makes an extra payment of \$300 million in FY 2022 and enacted budget another \$200 million in FY 2023 to the State's Pension Stabilization Fund, estimated to reduce liabilities by over \$1.8 billion



Source: Commission on Government Forecasting Accountability

Notes: FY 2023 through FY 2045 projections of State pension contributions come from the Retirement System Actuaries from 2021 valuations. Projections beyond FY 2045 were estimated by the Governor's Office of Management and Budget.

Pension Investment Rate of Return Assumptions



Strong FY 2021 investment results improve funding status

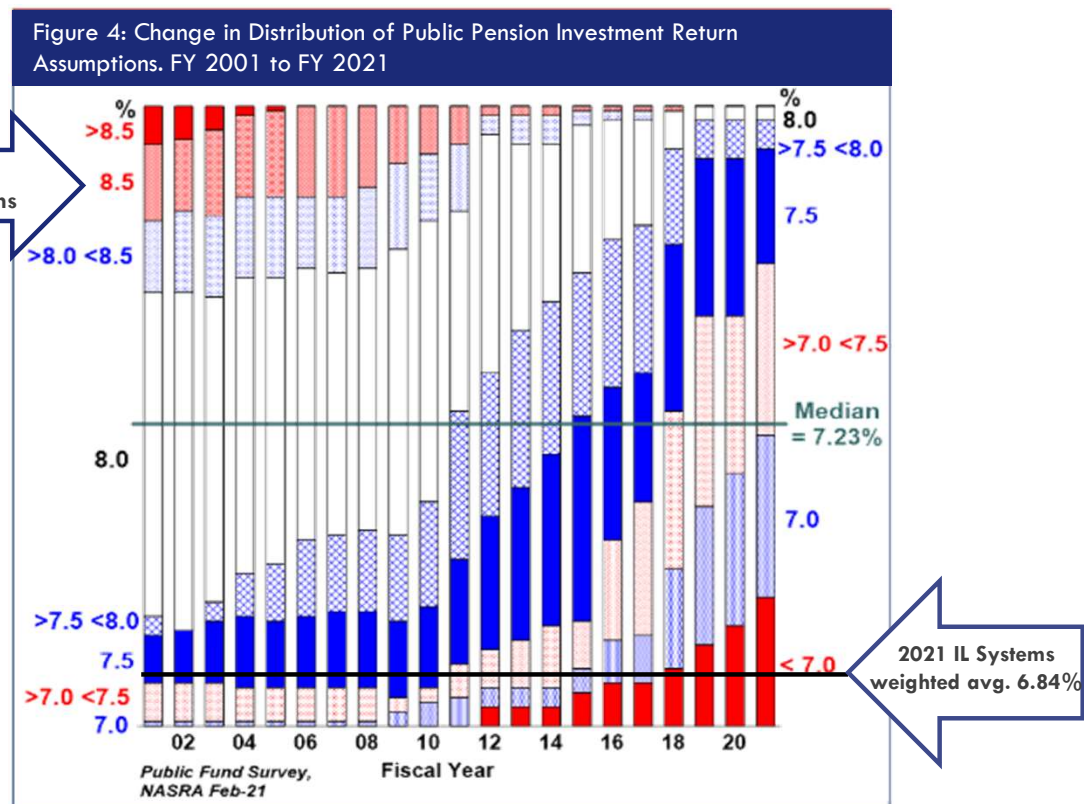
- Weighted average of the assumed investment rate of return of Illinois' five State backed pension plans has decreased significantly since 2001, to 6.84%¹, well below the US national median for public pension plans (7.23%), see bottom right
- Investment performance as of June 30, 2021 for TRS was 25.5%, SURS was 23.8%, SERS 24.9%, GARS was 22.9%, and JRS was 24.9%
- Investment performance as of March 31, 2022 for TRS was 4.16%, SURS was 4.1%, and SERS, GARS and JRS was 1.1%.

Investment Rate of Return Assumptions
Used by the Retirement Systems

	2001	2021
TRS	8.50%	7.00%
SURS	8.50%	6.50%
SERS	8.50%	6.75%
GARS	8.00%	6.50%
JRS	8.00%	6.50%
Weighted Average*	8.49%	6.84%

*Each plan's rate of return has been weighted according to FY 2021 fiduciary net position

Change in Distribution of Public Pension
Investment Return Assumptions, FY 2001-2021



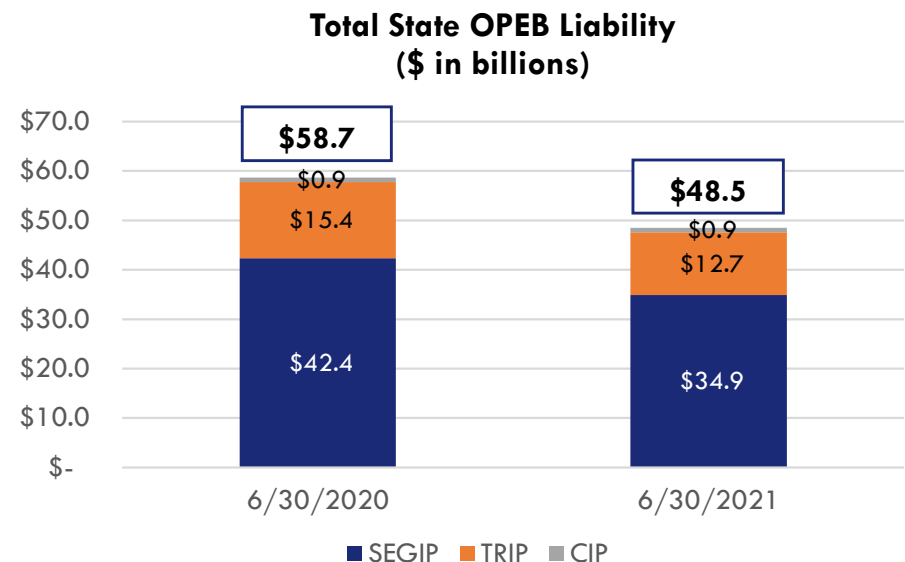
Other Post Employment Benefits Reductions



Proactive cost management is reducing OPEB liabilities

- State contributes to three programs to provide OPEB to retirees through:
 - ✓ State Employees Group Insurance Program (SEGIP) for state and university employees and their dependents
 - ✓ Teachers' Retirement Insurance Program (TRIP) for retired teachers covered by TRS pension system
 - ✓ College Insurance Program (CIP) for retired community college employees outside of Chicago
- While the State is the primary funder for SEGIP, the TRIP and CIP programs are jointly funded by the State, local employers, active employees and retirees.
 - ✓ For allocation of FY 2021 TRIP OPEB liability, the State is allocated 57.5% as a non-employer contributing entity
 - ✓ For allocation of the FY 2021 CIP OPEB liability, the State is allocated 50%

- FY 2021 Actuarial Valuations reflect the results of pro-active management to reduce costs in the State's health insurance programs with a 17.4% reduction in State OPEB liability



Source: FY 2021 Actuarial Valuations, FY 2021 ACFR. Pursuant to GASB 75, reflects state share for TRIP and CIP.

Note: FY 2021 information will be incorporated into FY 2022 ACFR.

Appendix A. Additional Financial Detail Tables



Fiscal Responsibility Results



Paying down debt in advance while planning for rainy days

Across FY 2022 and FY 2023 - \$5.3 billion in Debt Paydown

- ✓ All COVID-related borrowing repaid
- ✓ All interfund borrowing repaid
- ✓ \$500 million contributed to the Pension Stabilization Fund
- ✓ Over \$2.5 billion dedicated to accounts payable reduction
- ✓ Eliminating the hold cycle on group health insurance claims for the first time since 2007
- ✓ **PLUS over \$1 billion dedicated to replenishing Budget Stabilization Fund**

Restoring Illinois' Fiscal House

Debt Paydown
(\$ in millions)

FY 2022:

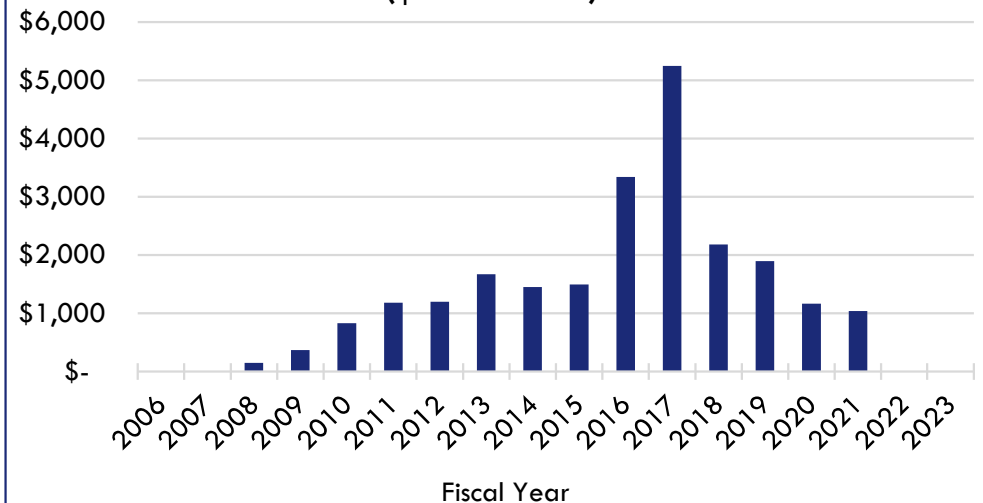
Early COVID borrowing repayment	\$1,985
Unfunded College Illinois! liabilities	230
Additional Pension Contribution	300
Debt Transparency Act Accounts Payable Reduction	2,467

FY 2023:

Additional Pension Contribution	200
Accounts Payable Reduction	124

Total Debt Paydown \$5,306

CMS Group Health Insurance Claims Hold EOY (\$ in Millions)



General Funds Accounts Payable Estimate



Accounts payable are improving – reducing outstanding bills 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 ³	FY 2017 ³	FY 2018 ³	FY 2019	FY 2020	FY 2021	FY 2022 EST ⁴
General Funds Budget Basis Accounts Payable¹																			
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	1,917	1,345
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	1,712	1,113
Net Transfers Payable (June 30)						185	940	989	1,109	581	844	776	318	797	701	553	827	150	
General Funds Section 25 Liabilities²	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	1,230	1,026	450
Total General Funds Accounts Payables	1,497	3,105	2,795	2,685	3,123	5,123	7,474	6,580	7,802	6,006	5,627	5,119	7,096	14,993	7,827	8,132	7,512	4,805	2,908
Section 25 Liabilities - Other State Funds	390	750	433	1,460	220	321	270	237	850	489	429	316	956	162	214	224	208	325	

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

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

² 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. FY 2022 numbers are estimates.

³ FY 2016 - FY2018 were understated due to the lack of appropriations of certain liabilities due to the impasse.

⁴ FY 2022 amounts are preliminary and subject to change; based on IOC DTA report and GOMB estimates. FY 2022 Vouchers Payable includes \$1.031 billion in transfers to other State funds.

General Fund Monthly Revenues



Strong revenue performance throughout FY 2022

General Funds Monthly Revenues, July 2020-August 2022

(\$ in millions)

	Fiscal Year 2021											
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
State Source Revenues:												
Individual Income Tax	2,339	1,453	1,676	1,379	1,275	1,618	2,096	1,472	2,176	2,326	2,791	1,924
Corporate Income Tax	323	70	477	106	46	436	124	61	248	905	136	631
Sales Tax	734	767	745	769	739	852	766	642	731	841	867	914
Other Sources/Transfers In	378	338	633	294	221	363	451	401	471	388	293	420
State Source Revenues	3,775	2,629	3,531	2,548	2,282	3,270	3,437	2,576	3,626	4,460	4,087	3,889
Federal Sources	304	329	154	19	852	1,325	74	326	391	553	212	205
Total Base Revenues	4,078	2,957	3,685	2,567	3,134	4,595	3,511	2,902	4,017	5,013	4,299	4,094
Short-Term Borrowing	-	-	-	(200)	-	(160)	-	-	(445)	(250)	-	-
Interfund Borrowing	-	-	-	-	-	-	(5)	-	-	(105)	-	(18)
Treasurer's Investment Borrowing	-	-	-	-	400	-	-	-	-	-	(402)	-
Total Revenues	4,078	2,957	3,685	2,367	3,534	6,433	3,506	2,902	3,572	4,658	3,053	3,766

	Fiscal Year 2022												Fiscal Year 2023	
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
State Source Revenues:														
Individual Income Tax	1,342	1,501	1,835	1,407	1,438	1,839	3,034	1,377	2,683	4,638	1,664	2,080	1,401	1,615
Corporate Income Tax	125	58	889	198	72	761	298	75	387	1,462	165	918	164	93
Sales Tax	900	847	880	856	795	972	877	651	795	867	857	937	930	924
Other Sources/Transfers In	351	433	699	309	321	472	436	433	489	444	325	557	454	445
State Source Revenues	2,718	2,840	4,303	2,770	2,626	4,044	4,646	2,536	4,354	7,411	3,011	4,492	2,949	3,077
Federal Sources	481	374	539	316	403	82	585	291	479	625	74	333	61	392
Total Base Revenues	3,199	3,214	4,842	3,086	3,029	4,126	5,231	2,827	4,833	8,037	3,085	4,825	3,010	3,469
CURE Borrowing	-	-	-	(150)	-	(600)	(302)	-	-	-	-	-	-	-
ARPA Reimbursement	-	-	-	144	-	295	-	-	-	-	-	298	584	180
Interfund Borrowing	-	-	(2)	(4)	-	(10)	(194)	(280)	(442)	-	-	-	-	-
Total Revenues	3,199	3,214	4,840	3,076	3,029	3,811	4,735	2,547	4,391	8,037	3,085	5,122	3,594	3,649

Appendix B. Illinois' Strong and Diverse Economy



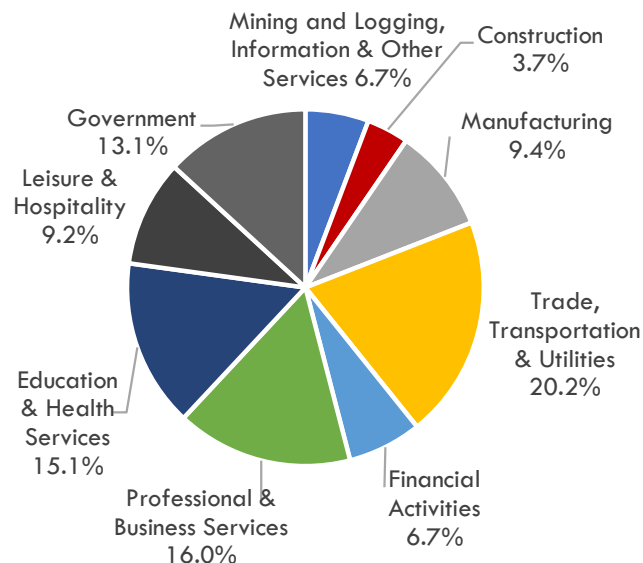
Illinois' Strong Economic Foundation



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

Strong and Diverse Economy

- Illinois is well-positioned for long-term stability through economic cycles
- Broad employment base with no industry accounting for more than 21%¹
- State's deep and diversified economy is a major attraction for workers and recent graduates across the nation
- Illinois is home to 37 Fortune 500 companies⁵



Expansive Transportation and Logistics Network

- State is home to the 4th and 26th busiest U.S. airports - O'Hare and Midway²
- Illinois is the only state where all seven Class I railroads in the United States operate³
- For the 9th year in a row, Chicago ranks as the Top Tier 1 Metro by Site Selection Magazine⁶



Highly Educated Population

- Illinois is home to top ranked universities, bringing talented and educated individuals to the State
- 35.5% of Illinois residents have college degrees, above the U.S. at 32.9% and the Midwest region at 29.2%⁴



1. Bureau of Labor Statistics, preliminary, as of June 2022 2. FAA, Commercial Service (Rank Order) based on Calendar Year 2021 preliminary data as of June 6, 2022 3. IDOT, <http://idot.illinois.gov/transportation-system/Network-Overview/rail-system/index>

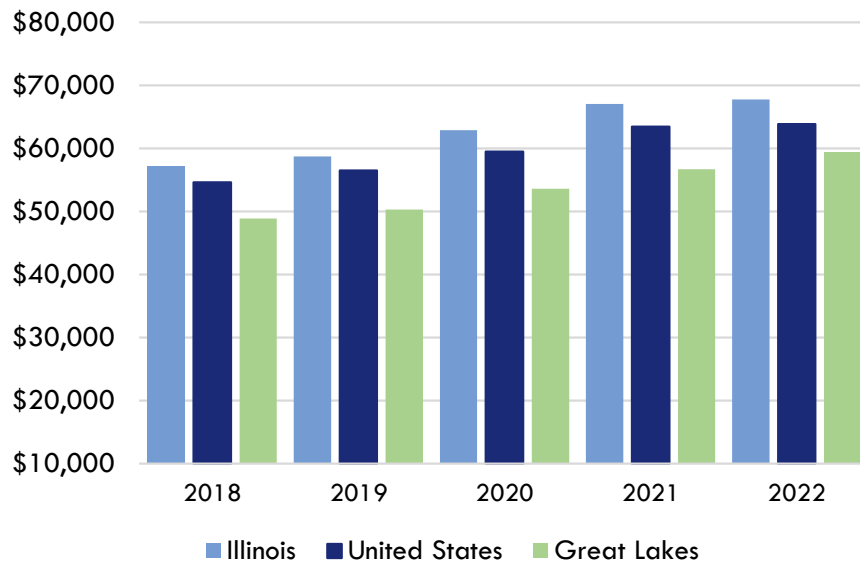
4. 2020 ACS 5-year estimates, those with a bachelor's degree or higher as a share of population 25 years or older. 5. Fortune 500 rankings for 2022 6. Accessed 4/5/22 from <https://siteselection.com/issues/2022/mar/la-is-back-chicago-still-rules.cfm>

Illinois' Robust Economic Indicators

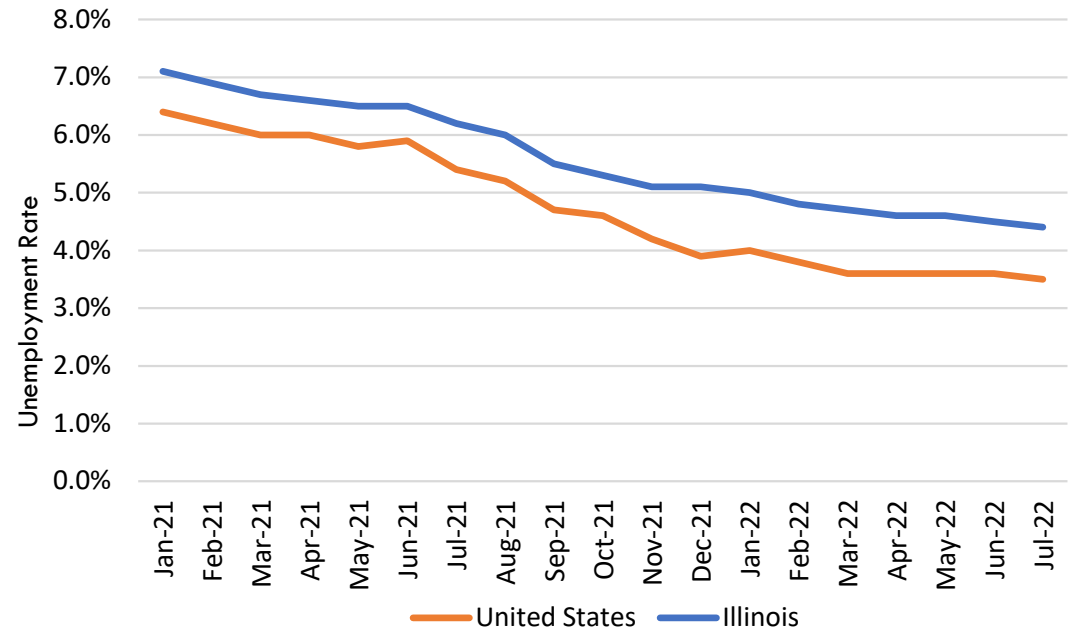


The State's recovery in economic indicators demonstrates the State's resiliency

Per Capita Personal Income Surpasses National and Regional Measures ^{1, 2}



Unemployment Rate Continues to Decline Post-Covid and Is in Line with the Nation³



- Illinois' GDP grew 9.9% since pre-pandemic levels of January 2020 (\$885.6 billion), with State GDP reaching \$987.4 billion by 1st Quarter 2022, exceeding Saudi Arabia's GDP ⁴
- Illinois had the Highest Number and Highest Growth Rate for Business Startups in the Midwest in 2021, 6th Highest Nationally⁵
- Since January 2021, Illinois' seasonally adjusted unemployment rate has fallen from 7.1% to 4.4% in July 2022³
- Illinois' per capita income is ranked 1st among the Great Lakes region³ and 3rd among the 10 most populous states¹

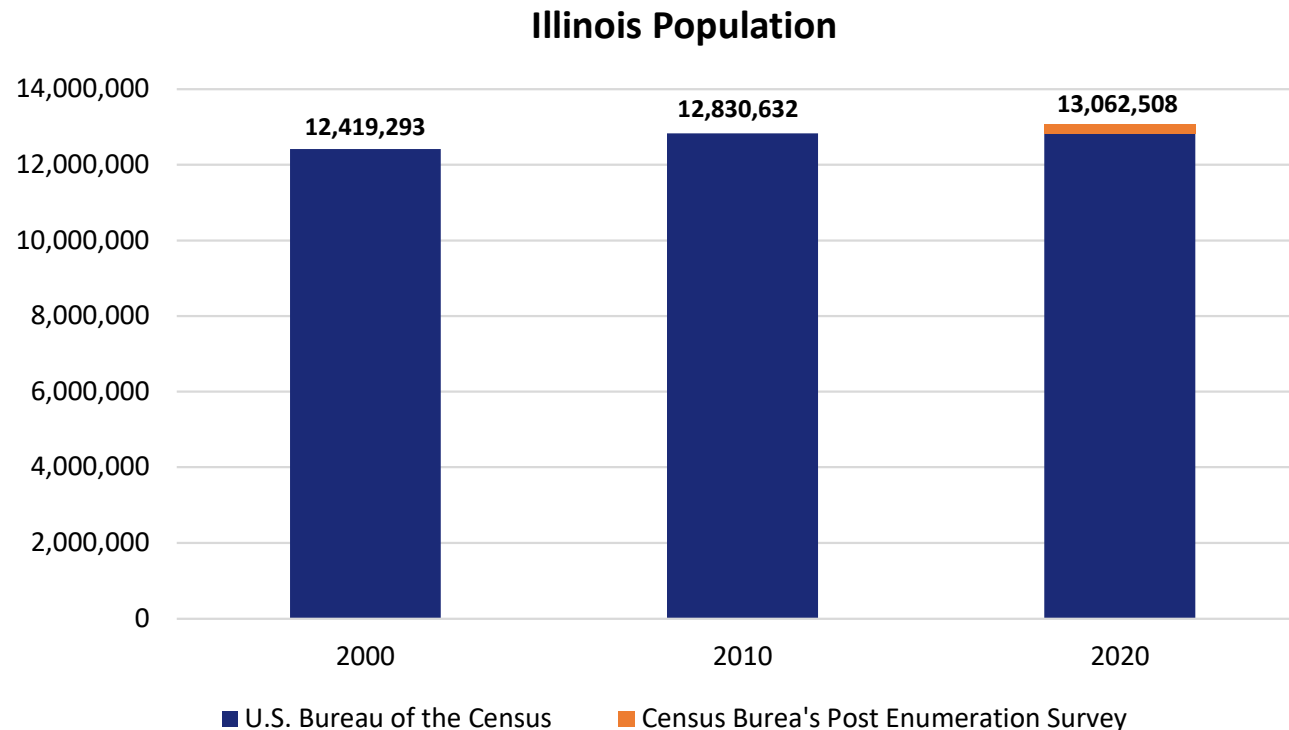
1. Bureau of Economic Analysis as of June 22, 2022. 2. The Great Lakes region includes Illinois, Indiana, Michigan, Ohio and Wisconsin. The measures here reported are the averages of those states' measures. 3. U.S. Bureau of Labor Statistics, seasonally adjusted. 4. International Monetary Fund, World Economic Outlook (October 2021) <https://statisticstimes.com/economy/projected-world-gdp-ranking.php>; St Louis Federal Reserve, Source: BEA, <https://fred.stlouisfed.org/series/ILNQGSP> 5. Illinois Department of Commerce & Economic Opportunity, Illinois Emerges as Regional and National Leader in Startup Creation in 2021 https://www2.illinois.gov/ISNews/24480-Illinois_Emerges_as_Regional_and_National_Leader_in_Startup_Creation_in_2021.pdf

Illinois' Stable Population



Updated census data indicates Illinois has surpassed 13 million residents for the first time in history

- Illinois' population estimated to have grown in the last decade
- Census Bureau's Post Enumeration Survey (PES) report issued on 5/8/22 found that Illinois had its population significantly undercounted by the 2020 Census (by ~250,000 people)



Note: For illustration purposes only. The Census Bureau's Post Enumeration Survey (PES) is a follow-up survey to the census count meant to examine the results for accuracy through additional statistical sampling

¹ Adjusted total includes the estimated 250,000 undercount found in 2020 Post-Enumeration Survey Estimation Report plus the April 1, 2020 State of Illinois's population base estimate of 12,812,508

Source: U.S. Census, www2.census.gov/programs-surveys/decennial/coversage-measurement/pes/census-coverage-estimates-for-people-in-the-united-states-by-state-and-census-operations.pdf

Illinois' Debt Burden Measures

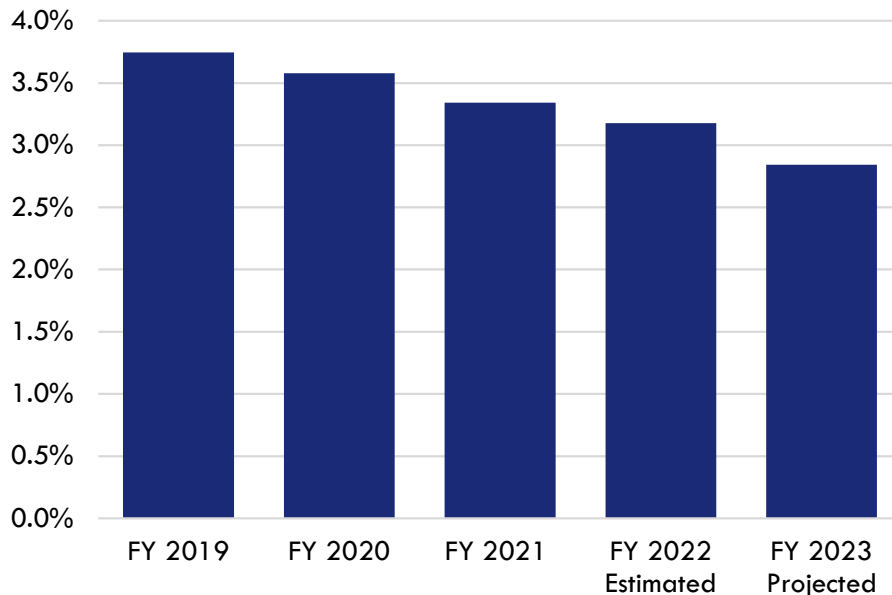


Illinois has a conservative debt profile with strong legal protections

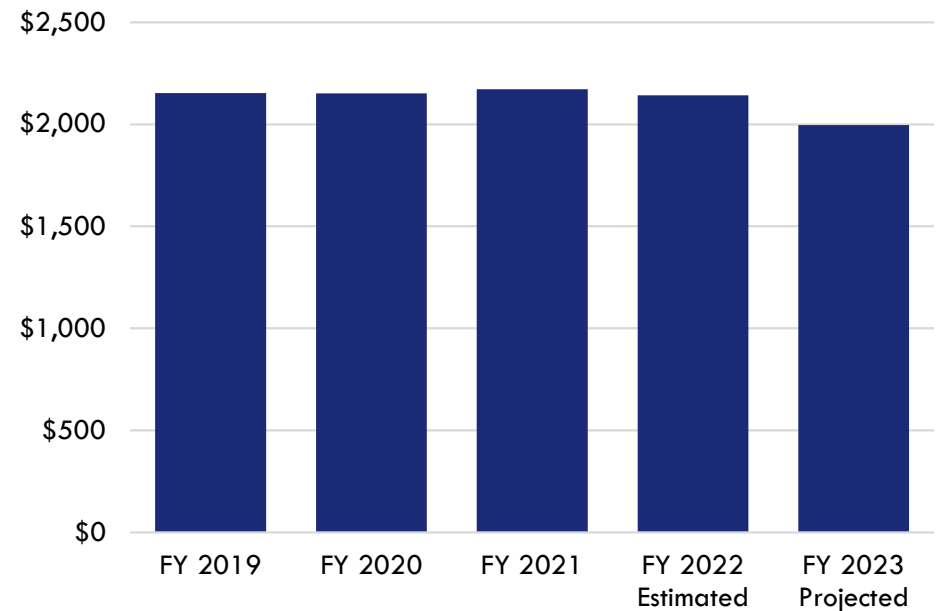
Debt Service for Long-Term GO Bonds as a Percentage of Appropriations¹

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Projected
Total Appropriations (in millions)	\$43,557	\$47,324	\$49,904	\$53,625	\$54,855
Total GO Debt Service as a Percentage of Appropriations	9.3%	6.6%	6.4%	6.2%	6.1%

Outstanding Long-Term GO Debt as a Percentage of Total Personal Income²



Outstanding Long-Term GO Debt per Capita²



Note: Estimated and projected personal income numbers come from IHS Markit's projections and actuals from the Bureau of Economic Analysis. FY 2022 data include IHS Markit projections for the final quarter of the State's FY 2022 estimates.

¹Appropriations 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.

² 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.