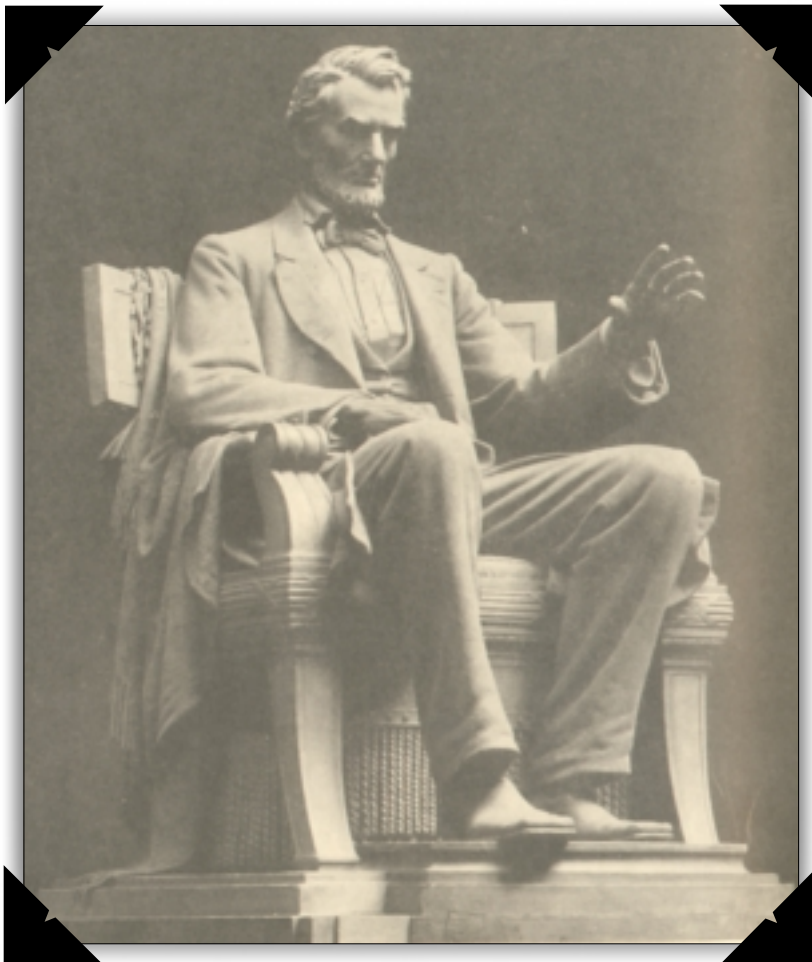


STATE OF ILLINOIS

Comprehensive Annual Financial Report

~ *For Fiscal Year Ended June 30, 2000* ~



“LINCOLN”

By Henry Hering, 1935 - Indianapolis, Indiana

Photo courtesy of Illinois State Library, Springfield, IL

Comptroller Daniel W. Hynes

STATE OF ILLINOIS

Comprehensive Annual Financial Report

~ 2000 ~

For Fiscal Year Ended June 30, 2000

Comptroller Daniel W. Hynes



Comprehensive Annual Financial Report

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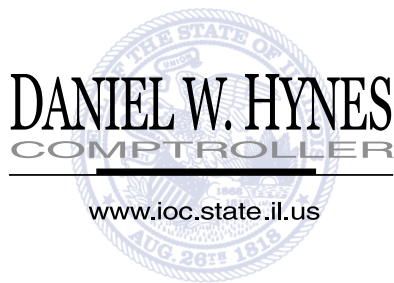
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DANIEL W. HYNES
COMPTROLLER

www.ioc.state.il.us



DANIEL W. HYNES

January 31, 2001

*A Message for Illinois Citizens,
Governor George Ryan,
and Members of the Illinois General Assembly:*

I am proud to present to you the State of Illinois Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2000. This year's expanded CAFR provides the readers with the financial position of the State at June 30, 2000, and results of operations during the fiscal year in accordance with generally accepted accounting principles (GAAP) as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). Also included is the Service Efforts and Accomplishments (SEA) report, part of the Comptroller's Public Accountability Project, on the outcomes of 40 of the State's largest agencies, including higher education.

For the second year in a row, Illinois' financial position using GAAP has deteriorated. Although the drop in the GAAP balance was only \$12 million to \$315 million, it still represents the second year in a row that Illinois' financial condition has worsened following 5 straight years of deficit reduction. The increase in the GAAP deficit is attributable to a number of factors including an increase in Section 25 accrued liabilities and an increase in reimbursable grant programs but was offset by an increase in assets and revenues due to continued economic expansion experienced in FY 2000. The trend of increasing Section 25 liabilities is a concern in that FY 2000 marked the third year in a row that Section 25 liabilities grew, exceeding \$1 billion for the first time since FY 1995. Without increased revenues and assets driven by economic expansion, Section 25 liabilities could once again pose serious difficulties.

Decision-makers need to begin to put Illinois on more solid financial ground by considering some structural changes that will last beyond the next year's budget. As a long-time advocate for the creation of a Rainy Day Fund, it was gratifying to see that budget tool finally become a fiscal reality in FY 2000. However, it is funded with a one-time infusion from the Tobacco Settlement Recovery Fund, to be made in FY 2002, and has no ability to be used during fiscal difficulties. A more reasoned approach to the Rainy Day Fund concept is the establishment of a permanent funding stream and a mechanism to use the fund when needed. Moreover, the State should be prepared to re-evaluate budgetary practices in

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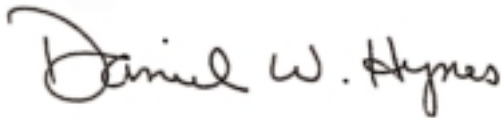
preparation for an expected softening of the economy.

The accompanying report is divided into four sections: introductory; financial; statistical and economic; and service efforts and accomplishments. Responsibility for the accuracy of the data as well as completeness and fairness of the presentation of this report rests with my Office and other State agency management. This report necessarily includes certain amounts which are based on management's best estimates and judgments.

This CAFR includes a copy of the 16th Certificate of Achievement for Excellence in Financial Reporting awarded to the State of Illinois by the Government Finance Officers Association (GFOA) for last year's CAFR. This certificate is a prestigious national award, which recognizes conformance with the highest standards for preparation of state and local governmental financial reports.

We welcome any comments and suggestions at our web site at www.ioc.state.il.us. We look forward to hearing from you.

Sincerely,



Daniel W. Hynes
Comptroller



January 31, 2001

To the Citizens of the State of Illinois,
Honorable George Ryan, Governor and
Honorable Members of the General Assembly:

I am pleased to present to you the *State of Illinois Comprehensive Annual Financial Report (CAFR)* for the year ended June 30, 2000. The CAFR is the State's official annual report and provides the readers with the financial position of the State as of June 30, 2000, 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). The statements are presented using the "pyramid" approach to governmental financial reporting as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). 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. This report necessarily includes certain amounts which are based on management's best estimates and judgments.

The CAFR is presented in the following sections: introductory; financial; statistical and economic; and Service Efforts and Accomplishments (SEA) reporting. The *introductory section* includes the table of contents, the Comptroller's letter of transmittal, SEA Performance Measurement Initiative, and the State's organization chart. The *financial section* includes the Auditor General's report on the financial statements, the general purpose

financial statements, required supplementary information and the combining and individual fund financial statements and schedules. The *statistical and economic section* includes selected demographic and business data, generally on a multi-year basis. The SEA reporting section includes the State's report for fiscal year 2000.

The accompanying financial statements are prepared in conformity with GAAP applicable to State governments as prescribed by the GASB. This office supports the Governmental Accounting Standards Board, contributed to its formation and participates in the development of pronouncements, providing testimony at public hearings and submitting comments and recommendations as proposed standards are distributed for exposure.

The CAFR includes all funds, account groups, elected offices, departments and agencies of the State, as well as all boards, commissions, authorities and universities for which the State's executive or legislative 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 State or another entity's 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 and account groups, 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. The reporting entity, fund types and account groups are described in detail in Note 1 to the financial statements. To ensure readability of the financial statements, generally only funds with total assets, liabilities, fund equity, revenues or expenditures greater than 2% of the total for that fund type are presented separately in the combining statements, except component units where all units are presented and special revenue funds where .5% of the total are presented.

Combination of funds is necessary due to the existence of more than 700 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.

Universities, and their related foundations and alumni associations are reported as "discretely presented component units." The Combined Statements of Changes in Fund Balances and Current Funds Revenues, Expenditures and Other Changes for university funds are presented separately within the general purpose financial statements in conformity with GAAP.

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 I-30.

ECONOMIC AND FISCAL OUTLOOK

ECONOMIC OUTLOOK

The Illinois economy experienced its eighth consecutive year of economic growth during fiscal year 2000. Strong demand for consumer and capital goods has allowed the economy to maintain steady employment growth. Through the adoption of productivity enhancing new technology, economic expansion, the resulting tight labor markets, and moderate inflation have been able to coexist.

Illinois came out of the economic crisis of the 1980's with many innovative aggressive businesses able to compete on an equal footing with competitors throughout the world. Illinois companies have performed well in this highly competitive economic environment. The continued success of the Illinois economy is apparent with a 715,000 or 13.6% increase in jobs since fiscal year 1991 and a 4.3% average unemployment rate for fiscal year 2000, the fourth consecutive year Illinois unemployment has averaged below 5%.

Home to major exporters such as Caterpillar and Motorola, Illinois merchandise exports totaled \$30.9 billion during 1999 – sixth highest among the States. Illinois exports were down 8.8% in calendar year 1999 reflecting a strong dollar and low world crop prices. However, Illinois exports were up 51.6% between 1993 and 1999, compared to a 49% increase in the value of total U.S. exports during this period.

Manufacturing exports are led by industrial machinery and computers accounting for 28% of exports in 1999 followed by electric and electronic equipment accounting for 18.5%. The next four largest manufacturing export sectors were chemical products (13.7%), transportation equipment (7.7%), scientific and measuring instruments (5.3%), and food products (4.7%).

Illinois ranked fifth in agricultural export sales in 1999 with total agricultural exports valued at \$2.8 billion – down \$300 million or 10.2% from the prior year. Specialization in corn and soybean production is reflected in Illinois' rank as the second largest exporter of each crop. Depressed commodity prices are putting financial stress on the Illinois farm sector which has been offset in part by increased government payments.

Illinois' success in the competitive world market has been based on technical expertise, a strong resource base and a skilled labor force as the State has maintained its position as one of the country's wealthiest States. Illinois per capita income during fiscal year 2000 stood at \$31,974, 8.5% or \$2,500 greater than the national average.

The Illinois economy takes advantage of its many natural strengths. During 1999 the State was the second largest producer of corn and soybeans and the fourth largest producer of hogs. Illinois agri-business has developed to add value to these products. Illinois is the number one ethanol producer among the States. With such major Illinois companies as Archer Daniels Midland and A.E. Staley (both headquartered in Decatur, the soybean capital of the world), Illinois produces a wide variety of specialized products based on corn and soybeans.

Illinois continues to be home to major producers of heavy equipment. Examples include agricultural equipment (such as the Deere plants in the Quad Cities), construction equipment (Caterpillar, which is based in Peoria and is the world's largest earth moving equipment company), and machine tools (a specialty of the Rockford area). From a low of 921,000 jobs during fiscal year 1992, Illinois manufacturing payrolls recovered to 977,000 jobs in fiscal year 1998. In the past two years, manufacturing employment has declined slightly, totaling 954,000 jobs during fiscal year 2000.

Illinois' central location makes it the logical transportation hub for the nation. Illinois is home to O'Hare airport, one of the nation's largest, and an excellent highway and railroad network. The low distribution costs from basing an operation in Illinois allow for the continued generation of new

jobs in transportation and merchandising. During fiscal year 2000, 347,000 Illinoisans were employed in the transportation, communications, and public utilities sector, while over 1.3 million were employed in wholesale and retail trade.

The State's role as the central distribution point for agricultural commodities allowed it to develop the world's leading futures market. Illinois continues to be a national leader in financial industries such as banking, derivatives trading, and insurance and is corporate headquarters for many of the country's leading companies. Illinois is also home to an emerging venture capital industry which more than tripled to over \$1.5 billion in funds to Illinois start-ups during fiscal year 2000. Finance, insurance, and real estate firms employed an average of 407,000 Illinoisans during the year.

Illinois serves as the logical corporate headquarters for many Midwest based companies. Illinois is home to 37 of the Fortune 500 companies, ranking fourth among the States, trailing only New York, California, and Texas. With its excellent communications and transportation facilities and its strong legal, accounting, financial, and advertising resources, Illinois is also the home to many regional headquarters of major multi-national companies.

Illinois' reputation for research and technical innovation is well founded. Illinois is home to major government research laboratories such as the Argonne National Laboratory and the Fermi National Accelerator Lab, major private research labs such as those operated by BP Amoco and Lucent Technologies, major private universities including Northwestern University and the University of Chicago, and the State's network of nine public universities including the University of Illinois, home of the Beckman Institute. The brainpower generated from these institutions continues to make Illinois a major center for technological advancement and a logical location for the production of advanced products.

Forecast for the Future

The most recent economic forecast for the Illinois economy prepared by the consulting firm of DRI/McGraw-Hill sees continued moderate Illinois

employment growth despite the constraints of weak export markets, a tight labor market, and a slowdown in the domestic economy over the next four years. The forecasted 1.0% annual average increase in Illinois employment between 1999 and 2001 is expected to continue for the period between 2001 and 2004. The strengths of the Illinois economy are its diversified economy and its role as the regional center for finance, trade, and exports.

The longer-term forecast expects continued growth in the Illinois economy, particularly in the service sectors. Between 2000 and 2017, Illinois is expected to add 708,000 jobs, an 11.8% increase. Service employment is forecast to increase by 680,000 jobs or 36.7%, while continued automation of production processes is expected to cause manufacturing employment to decline by 115,000 jobs, or 12.2%, over the next seventeen years.

The long term forecast is vulnerable to unexpected economic fluctuations. Traditionally, the Illinois economy, with its emphasis on durable manufacturing, has been extremely sensitive to the business cycle. However, the increased emphasis on services and finance in the Illinois economy and better control over inventories by manufacturers could serve to reduce the impact of economic downturns on Illinois.

Long-Term Demographic Trends

The steady increase in the Illinois population is expected to continue into the twenty-first century. The current Illinois Bureau of the Budget estimate (1997), which is based on 1990 Census data, predicts that the Illinois population will increase from 11.4 million in 1990 to 13.3 million in 2020. New forecasts will be prepared as 2000 Census data becomes available.

As the baby boomers reach age 65, a shift in the age distribution of the Illinois population is expected that will have an impact on the types of services demanded from State government. In 1990, 39.8% of the Illinois population was in the 20-44 age group and 18.7% was in the 45-64 age group. In 2020, the portion in the 20-44 bracket is expected to decline to 37.1% with the 45-64 share increasing to 22.0%. As the baby boom reaches age 65 after

2015, the population will age fairly quickly and a significant increase in the proportion of the elderly, in relation to the entire population, is expected.

FISCAL OUTLOOK

Fiscal year 2000 marked the eighth straight improvement in the State's General Fund budgetary balance (measured on a cash basis) as the balance rose from a \$503 million *surplus* in fiscal year 1999 to a \$777 million *surplus* in 2000--the fourth positive budgetary balance in a row and the highest on record. However, the State's General Fund GAAP balance fell, from a \$303 million deficit in 1999 to a \$315 million deficit in 2000. This marks the second consecutive drop in the GAAP balance following five years of improvement.

The cash-basis improvements were due in part to the continued strength of the economy, as Illinois' General Fund saw an increase of \$1.576 billion or 7.3% in revenue for fiscal year 2000. This is the second largest dollar increase on record. Between them, personal income and sales taxes grew \$878 million and accounted for 55.7% of the total revenue increase. Some of the year's annual revenue growth was also due to one-time factors such as the annualization of last year's liquor tax increase and a large one-time corporate income tax payment.

The factors that determine the GAAP balance include accrued liabilities payable from future year's appropriations. One of the largest components of those liabilities is Section 25 deferrals. After falling substantially from 1995 through 1997, Section 25 deferred liabilities increased in each of the last three years, reaching \$752 million in 1998, \$894 million in 1999, and \$1.075 billion in 2000 – the first time since 1995 that these deferrals have exceeded \$1 billion. The \$181 million growth in 2000 included a \$183 million *increase* under the State's Medicaid program and a \$2 million *decrease* under the group health insurance program for employees, retirees, and their dependents administered by the Department of Central Management Services.

In evaluating the fiscal health of governments, it is generally held that the ability to maintain working balances in the range of 4%-5% of annual budgetary expenditures indicates a strong fiscal position. As evident in the chart on page I-12, the State's General Fund end-of-month balance in June (\$1.517 billion) was, in fact, over the 4% threshold. However, the chart also shows that end-of-month balances for much of the year still fell below the recommended threshold.

The fact that the GAAP deficit worsened in fiscal year 2000 for the second consecutive year demonstrates there is significant room for improvement. But in order to improve its fiscal health, the State faces several challenges. To keep balances at acceptable levels and payment cycles under control, resources must continue to be directed to these purposes. The ability to allocate resources may be constrained on the one hand by limited revenue growth and on the other hand by competing budgetary needs.

Some current economic forecasts are predicting a slowing in economic growth over the next few years and since revenue growth generally mirrors the strength of the economy, the record revenue growth of the past few years may not be repeated. In fact, fiscal year 2001 revenues are currently expected to grow \$810 million (compared to \$1.576 billion growth for 2000), including slower growth in personal and corporate income and sales taxes.

On the spending side of the budget, fiscal improvements will be competing with the needs of programs such as education and those administered by the Departments of Human Services, Corrections, Children and Family Services, and Public Aid. One area that bears close scrutiny is the growth of medical costs and the deferral of those costs to future years.

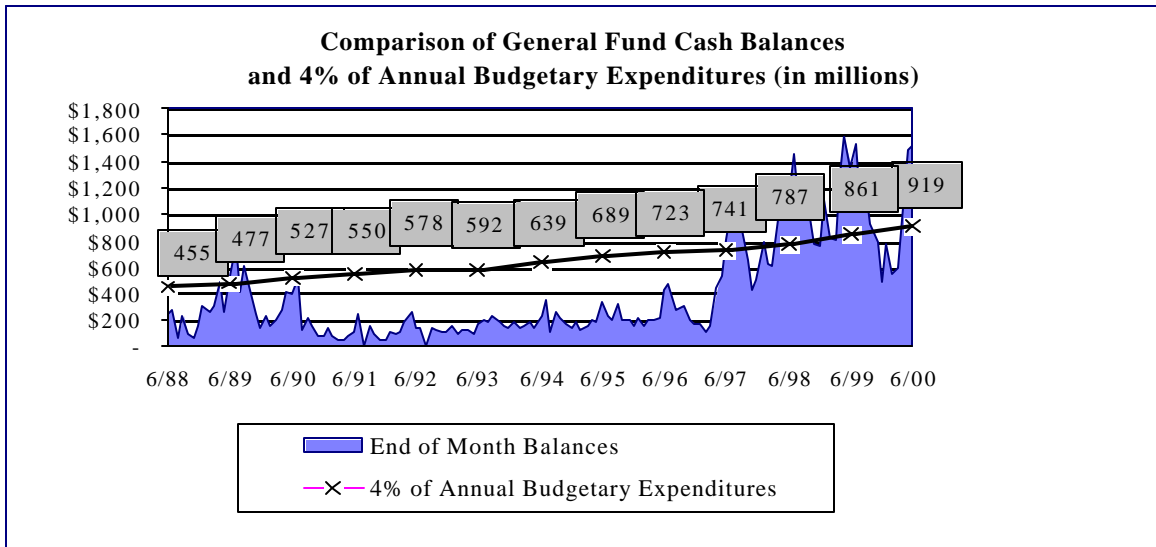
While it appears that Section 25 deferred liabilities are still largely under control, the fact that there have been three consecutive increases suggests that continued efforts will be required to keep deferrals from again becoming a budgetary burden. This is especially applicable to the Medicaid program.

The size, scope and demographics of Medicaid are not static but are driven by several dynamic factors. New and beneficial advancements in medicine are often extremely costly. The aging of the population in general, and in Illinois in particular, means that one of the fastest growing and most expensive to treat segments of the population will exert an even stronger influence on the demand for health care. In addition, some experts are forecasting an increase in the cost of medical care over the next few years.

Historically there appears to be a pronounced relationship between the State's financial position and Section 25 deferred liabilities. Over the last two years the deterioration in the GAAP balance has not been as large as might be indicated by the growth of those liabilities. This is largely due to the economy's ability to exert enough positive influence to counteract the negative impact of the deferrals. If the economy falters, however, the positive influences will lessen while the deferrals remain. Those will have to be addressed in the budgetary process regardless of economic activity.

Future budgets will also have to address other long-term issues, particularly legislated increases in funding for pensions and education. In the past, fiscal problems occurred when revenue growth slowed and spending pressures remained. Attention must continue to focus on lessons learned and on maintaining budget discipline.

The drop in the GAAP balance in spite of sizeable cash-based improvements in 2000 serves as a reminder that past financial performance is no guarantee of future results, and high end-of-year cash balances and even record budgetary balances do not in themselves indicate fiscal health.



MAJOR INITIATIVES

Major initiatives generally reflect the priorities set in the budgetary process. Some initiatives are one-time or short-term in nature while others impact multiple years. Some major short-term initiatives adopted by the General Assembly in fiscal year 2000 include: a three-year Earned Income Tax Credit (EIC), a property tax rebate, and a six-month suspension of the State sales tax on motor fuel.

Initiatives that impact multiple years include a three-year phase-in of both a doubling of the standard income tax exemption and a change in the formula for computing tax liability for multi-State businesses operating in Illinois (effective for tax years 1998 and after), and a school tuition tax credit (K-12) against the individual income tax (effective for tax years 2000 and after). Also included in this multiple-year group is a permanent expansion of the circuit breaker program (effective January 1, 2001), the Illinois FIRST program, gaming reform, and enactment of a budget stabilization fund.

Income Tax Changes

State law raised the standard income tax exemption and changed the formula for computing tax liability for multi-state businesses operating in Illinois. After a three-year phase-in period, these tax changes are expected to impact

State revenue by more than \$350 million annually.

The standard exemption for individual taxpayers and their dependents increased for the first time since the State income tax was imposed in 1969. Under the legislation, the standard exemption increased to \$1,300 for income earned during 1998, \$1,650 for 1999 income and \$2,000 for 2000 income.

Prior to this change in State law, the Illinois taxable income for multi-state businesses was determined using a three factor formula. After a three-year transition period, multi-state businesses will determine their allocation of income using one factor, the share of corporate sales in Illinois. As proposed, this formula change would reduce the tax liability for companies with a large share of their assets and payroll in Illinois, but increase the tax liability for companies with large sales but few assets or employees in Illinois.

School Tuition Tax Credit

The School Tuition Tax Credit grants a tax credit equal to 25% of the amount paid for school tuition, books, and lab fees for K-12 students in Illinois. In order to claim the tax credit, taxpayers must spend at least \$250 on tuition, books, and fees. This credit begins with tax returns filed for calendar year 2000 and is limited to a maximum credit of \$500 per family.

Temporary Exemption of Motor Fuel

Meeting in a special session called by the Governor in June 2000, the General Assembly passed a six-month suspension of the 5% State portion of the sales tax on motor fuel. Effective July 2000, this temporary exemption is estimated to have impacted State sales tax revenues by \$150 million to \$180 million.

Illinois FIRST and Gaming Reform

Two of the major legislative packages passed by the General Assembly during its spring 1999 session were the Governor's Illinois FIRST initiative and changes to the State's gaming laws. Originally proposed at \$12.2 billion, Illinois FIRST (Fund for Infrastructure, Roads, Schools and Transit) is the largest public works program in the history of the State. Financing for the original plan included: \$4.5 billion in State bonds, \$2.0 billion in pay-as-you go funding, \$1.6 billion in Regional Transportation Authority (RTA) bonds, \$1.1 billion in local school matching funds and \$3.0 billion in leveraged federal funds. The final negotiated package included an additional \$399 million in bond authorizations. These additions bring the program total to approximately \$12.6 billion.

Funding for the State's portion of the plan includes: various tax and fee increases estimated to raise \$572 million annually, the transfer of \$560 million from the General Revenue Fund (\$285 million in June 1999, \$15 million in June 2000, and \$260 million in July 2000) and monthly transfers of \$5.0 million from General Revenue Fund to the School Infrastructure Fund to pay for bonded indebtedness.

At the same time, the State made major statutory changes to the gaming laws. These changes included provisions to allow dockside gambling, the relocation of a riverboat licensee and the dedication of 15% of the adjusted gross receipts from the relocated riverboat to the horse racing industry. These changes are expected to have a positive effect on State revenues in the future.

When viewed as a whole, these packages are

expected to reduce General Revenue Fund resources by an estimated \$1.116 billion from fiscal year 1999 through 2005. This estimated impact is comprised of \$1.067 billion in additional resources and \$2.183 billion in additional spending and transfers out.

Tapping Tobacco Settlement Revenues

Illinois' share of the national tobacco settlement is estimated at \$9.1 billion through 2025. During the spring 2000 legislative session, the General Assembly authorized \$687 million in spending from the Tobacco Settlement Recovery Fund financed by the first few payments from the national settlement. Spending authorizations include:

- \$30 million for smoking prevention, enforcement, and cessation programs;
- \$14 million for medical research;
- \$41 million for technology initiatives regarding medical and biotech research;
- \$27 million for non-health related capital programs;
- \$280 million to fund a property tax rebate program;
- \$35 million to fund the first year of the circuit breaker expansion;
- \$35 million to pay refunds resulting from the first year of the new EIC; and
- \$225 million (estimated, the actual amount of the transfer could be less) to be transferred to the new Budget Stabilization Fund.

Rainy Day Fund Legislation

Until recently, Illinois was the only major industrial State without some sort of budget stabilization fund intended to accumulate financial reserves to help weather fiscal emergencies. During its spring 2000 legislative session, the General Assembly enacted rainy day fund legislation. In order to serve its intended purpose, however, such a fund must have sufficient resources available and a method to access those resources. Unfortunately, Illinois' budget stabilization fund has neither. At the same time the fund was established, legislation was enacted providing for a one-time transfer of leftover money from the State's Tobacco Settlement

Recovery Fund after June 30, 2001. That exact amount is yet to be determined, but assuming there are no more appropriations from the Tobacco Settlement Recovery Fund during fiscal year 2001, there may potentially be about \$175 million available for transfer.

The Illinois Public Accountability (SEA) Report is contained in the final section of this CAFR.

Receivables Reporting

The Office of the Comptroller continues to establish and enforce measures to help reduce the amount of receivables owed to the State. Effective January 1, 1998, all debts that exceed \$1,000 and are more than 90 days past due are required to be reported in the Comptroller's Offset System. Prior to this date, only debts in excess of \$1,000 and more than 1 year past due were required to be reported. The new legislation enables the Comptroller's Office to intercept tax refunds and other payments that may otherwise be paid to the State's debtors. Due to stricter monitoring of State agency compliance, the Office of the Comptroller have effected the recovery of millions of dollars in fiscal year 2000.

The Public Accountability Report of Service Efforts and Accomplishments (SEA)

One of the priorities of this Comptroller is to improve the accountability of State governmental agencies to the public they serve by reporting on the efficiency, effectiveness, and outcomes of government programs. To this end the Comptroller has launched the Public Accountability Project, which, in cooperation with the Governor's Office of Strategic Planning, has instituted a process by which State agencies annually report on their performance in carrying out their statutory missions. The instrument for this process is Service Efforts and Accomplishments (SEA) Reporting as outlined by the Governmental Accounting Standards Board (GASB). The Office of the Comptroller is working with the GASB to determine and set standards for this type of financial reporting. Illinois has been designated by the GASB as an official "experimentation site" for SEA reporting.

FINANCIAL INFORMATION

The following balance sheet and operating statements have been condensed from the statements included in the State of Illinois

Comprehensive Annual Financial Report utilizing the “memorandum only” column of the primary government.

State of Illinois			State of Illinois		
Balance Sheet - Primary Government			Operating Statement - Primary Government		
	<u>Amounts (in millions)</u>			<u>Amounts (in millions)</u>	
	<u>FY2000</u>	<u>FY1999</u>		<u>FY2000</u>	<u>FY1999</u>
Assets (and other debits)			Revenues		
Cash	\$ 10,612	\$ 9,292	Taxes -		
Investments	55,525	50,904	Income	\$ 9,675	\$ 9,250
Receivables, net	8,489	7,200	Sales	8,209	7,689
Fixed assets	5,814	5,416	Other taxes	6,150	5,866
Other assets	1,606	1,576	Federal government	10,139	9,356
Other debits	23,242	21,626	Charges for sales and services	2,964	2,849
Total assets and other debits	<u>\$ 105,288</u>	<u>\$ 96,014</u>	Interest income	5,827	5,032
Liabilities			Contributions	2,489	2,949
Payables	\$ 8,476	\$ 7,971	Licenses and fees	1,527	1,157
Pension liability	12,913	12,116	Other	2,099	1,492
Bonds outstanding	9,962	9,277		<u>49,079</u>	<u>45,640</u>
Depository and other	5,872	4,270	Expenditures/Expenses		
Other	2,688	2,462	Health and social services	12,310	10,891
Total liabilities	<u>39,911</u>	<u>36,096</u>	Education	8,668	7,540
Equity and Other Credits			General government/administrative	6,989	6,189
Investment in fixed assets	5,747	5,348	Social assistance	2,676	3,233
General	(315)	(303)	Transportation	3,290	2,567
Special revenue *	3,712	3,402	Public protection and justice	2,011	1,899
Debt service	934	828	Debt service	977	964
Capital projects	510	480	Benefit payments and refunds	3,448	3,125
Proprietary	305	323	Prizes and claims	799	813
Trust	54,484	49,840	Other	2,237	1,579
Total fund equity	<u>65,377</u>	<u>59,918</u>		<u>43,405</u>	<u>38,800</u>
Total liabilities and fund equity	<u>\$ 105,288</u>	<u>\$ 96,014</u>	Net other sources (uses) and		
			nonoperating revenues (expenses)	(613)	(1,093)
			Excess of revenues over expendi-		
			tures/expenses and net other us	\$ 5,061	\$ 5,747

* As restated

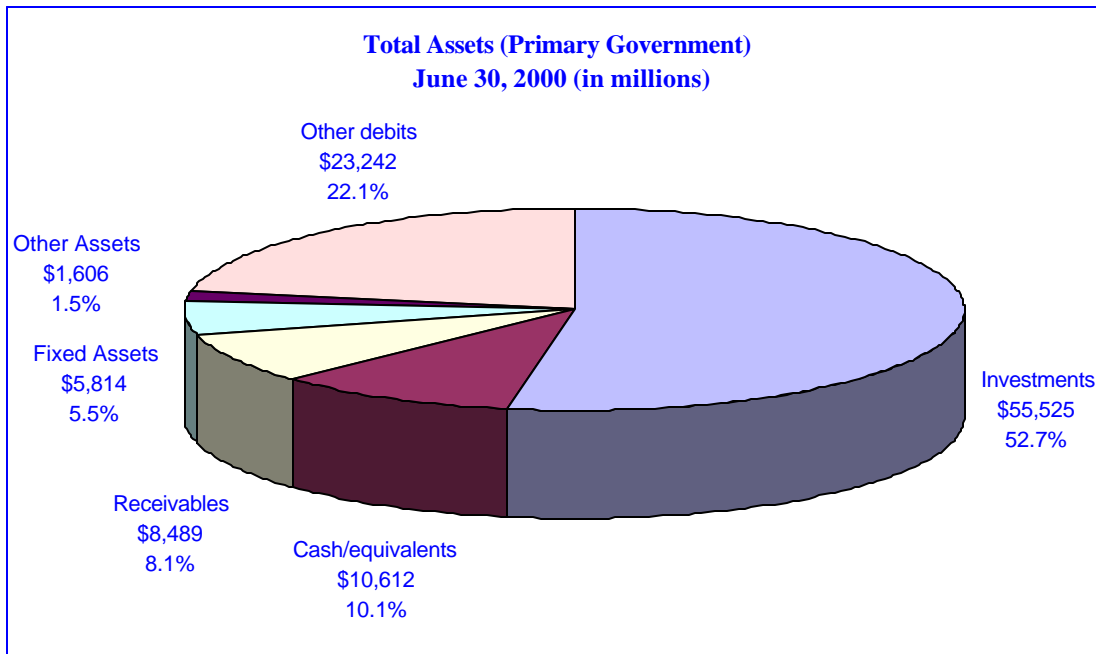
Assets (and “other debits”)

Total assets (and other debits) of the State of Illinois at June 30, 2000 were approximately \$105.3 billion. This was an increase of \$9.3 billion (9.7%) over fiscal year 1999. The largest increase was in the State’s investments

(\$4.6 billion). The Pension Funds accounted for \$4.8 billion of the investment increase, while the Investment Trust Funds investment balances decreased \$690 million.

Comparison of Total Assets (in millions) *				
Account	FY2000	FY2000 %	% Change from FY1999	FY1999
Investments	\$ 55,525	52.7%	9.1%	\$ 50,904
Cash & cash equivalents	10,612	10.1%	14.2%	9,292
Receivables	8,489	8.1%	17.9%	7,200
Fixed assets	5,814	5.5%	7.3%	5,416
Other assets	1,606	1.5%	1.9%	1,576
Other debits	23,242	22.1%	7.5%	21,626
Total Assets	\$ 105,288	100.0%	9.7%	\$ 96,014

*The above numbers include primary government funds only.



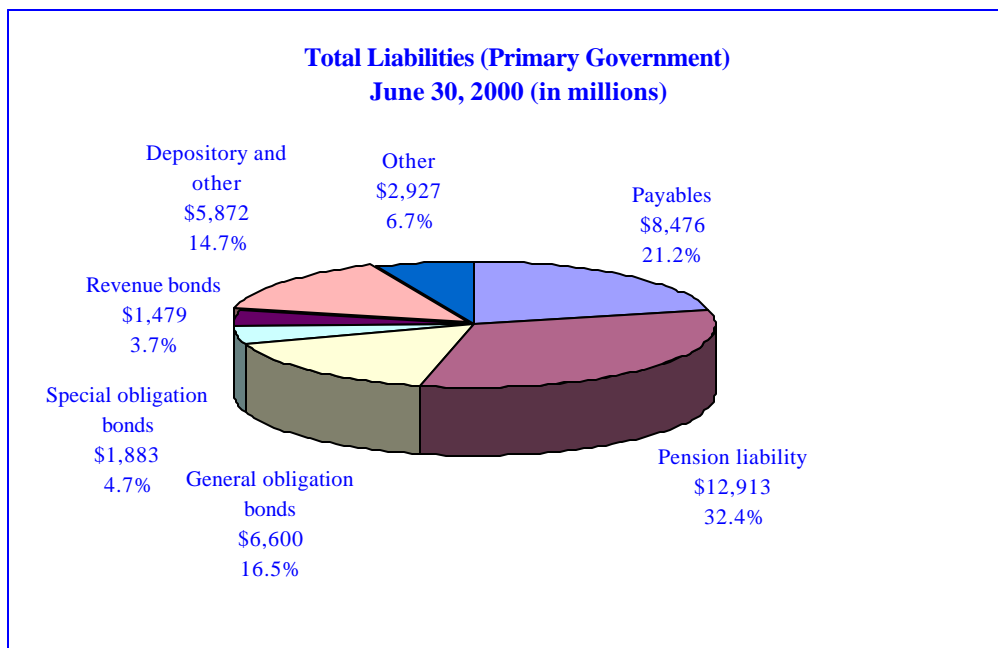
Liabilities

Total liabilities increased to \$39.9 billion at June 30, 2000, \$3.8 billion (10.6%) more than fiscal year 1999. The largest increases were the State's depository and other liabilities (\$1.6 billion). There was also an increase (\$797

million) in the pension liability due, in large part, to an increase in the pension obligation of \$568 million in the Teachers' Retirement System and \$217 million in the State Universities Retirement System.

Comparison of Total Liabilities (in millions) *					
Account	FY2000	FY2000 %	% Change from FY1999	FY1999	
Payables	\$ 8,476	21.2%	21.2%	\$ 7,971	
Pension liability	12,913	32.4%	32.4%	12,116	
General obligation bonds	6,600	16.5%	16.5%	6,126	
Special obligation bonds	1,883	4.7%	4.7%	1,828	
Revenue bonds	1,479	3.7%	3.7%	1,323	
Depository and other	5,872	14.7%	14.7%	4,270	
Other	2,688	6.7%	6.7%	2,462	
Total Liabilities	\$ 39,911	100.0%	10.6%	\$ 36,096	

*The above numbers include primary government funds only.



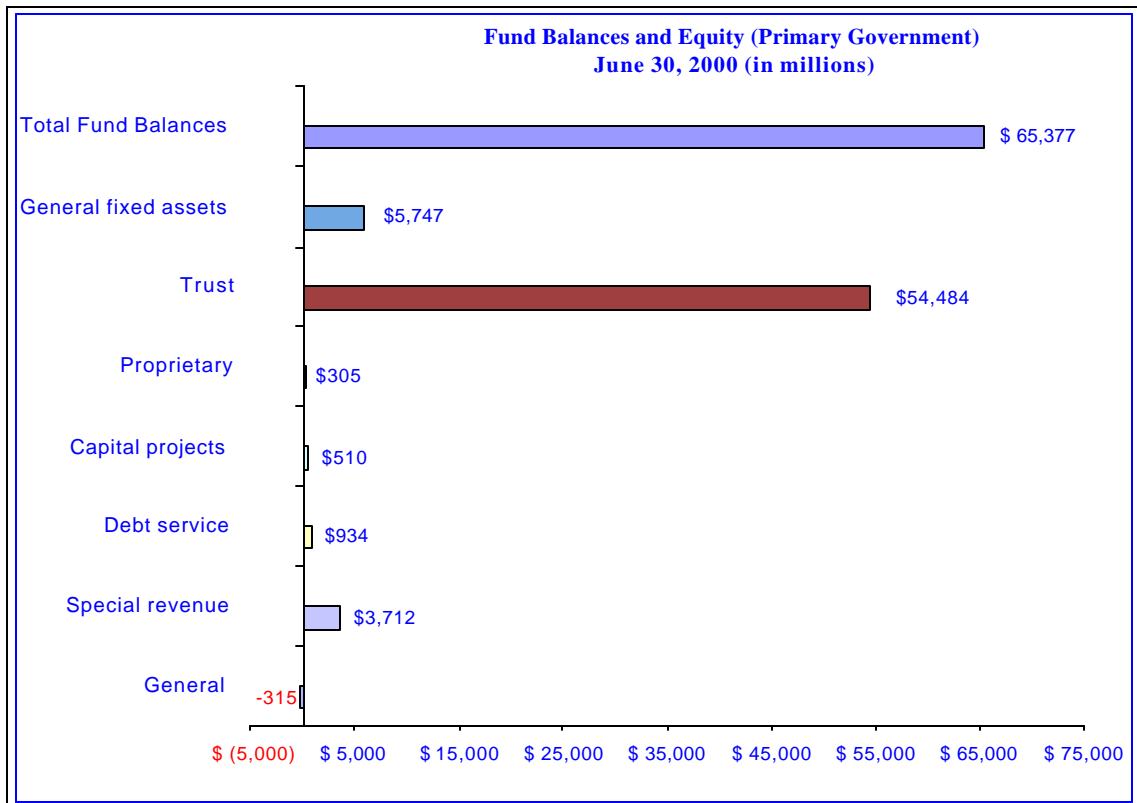
Equity and Other Credits

The fund balances and retained earnings for all primary government funds combined was \$65.3 billion at June 30, 2000 representing a 9.1% increase from fiscal year 1999. By far, the major-

ity of the increases were in the trust funds (\$4.6 billion). Within those funds, the Pension Funds balances increased \$4.5 billion.

Comparison of Total Fund Balances (Deficits) and Retained Earnings (in millions) *				
Fund Types/ Account Group	FY2000	FY2000 %	% Change from FY1999	FY1999
General	\$ (315)	(0.5%)	4.0%	\$ (303)
Special revenue	3,712	5.7%	9.1%	3,402
Debt service	934	1.4%	12.8%	828
Capital projects	510	0.8%	6.3%	480
Proprietary	305	0.5%	(5.6%)	323
Trust	54,484	83.3%	9.3%	49,840
General fixed assets	5,747	8.8%	7.5%	5,348
Total Fund Balances	\$ 65,377	100.0%	9.1%	\$ 59,918

*The above numbers include primary government funds only.

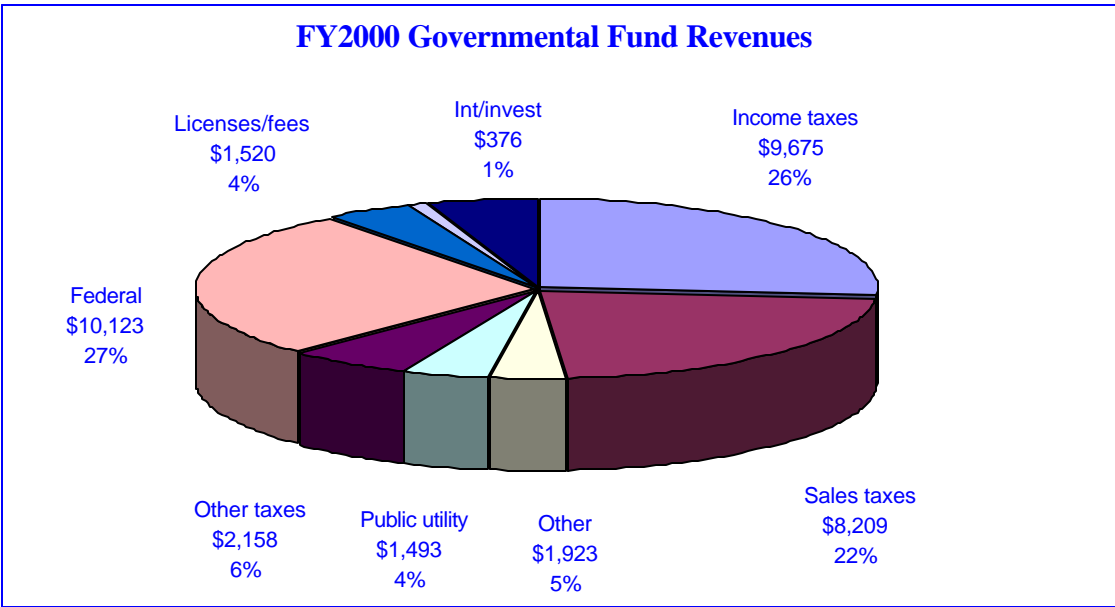


General Governmental Revenues

The governmental fund types are those through which most State functions are financed. These fund types (the general, special revenue, capital projects, and debt service funds) are presented on the modified accrual basis of accounting. Throughout the year, the Comptroller's Office publishes a quarterly publication, *Fiscal Focus*, which summarizes the status of general fund revenues and expenditures and analyzes various programs and activities. These reports are available on request.

Revenues on the modified accrual basis are recognized when they are both measurable and available to finance current operations. Revenues (amounts expressed in millions) from various sources for fiscal years 2000 and 1999 are as follows:

Revenue Source	Amount		Percentage of Total		Increase (Decrease) from FY1999	Percentage Incr (Decr) from FY1999
	FY2000	FY1999	FY2000	FY1999		
Taxes:						
Income	\$ 9,675	\$ 9,250	27%	27%	\$ 425	5%
Sales	8,209	7,689	22%	23%	520	7%
Motor fuel	1,343	1,306	4%	4%	37	3%
Public utility	1,493	1,438	4%	4%	55	4%
Other	2,158	1,961	6%	6%	197	10%
Federal government	10,123	9,340	27%	28%	783	8%
Licenses & fees	1,520	1,152	4%	3%	368	32%
Interest/investment	376	332	1%	1%	44	13%
Other	1,923	1,331	5%	4%	592	44%
Total	\$ 36,820	\$ 33,799	100%	100%	\$ 3,021	9%



Fiscal year 2000 governmental funds revenues increased by \$3,021 million (9%) over 1999 revenues. State-imposed taxes including income, sales, motor fuel, public utility, and miscellaneous other taxes remained the largest overall revenue source for fiscal year 2000 and comprised nearly 62% of total State revenues.

Income Tax

Income tax revenues, increased \$425 million (5%) from fiscal year 1999. The increase is generally the result of a healthy economy and resulting growth in personal and corporate income taxes.

Sales Taxes

Sales taxes remained the second largest tax revenue source for fiscal year 2000, increasing \$520 million (7%) from fiscal year 1999. The increase is due to general growth in retail sales in an improved economy.

Federal Government Revenues

Federal government revenues for fiscal year 2000 increased \$783 million from fiscal year 1999, and continue as the second largest revenue source on a GAAP basis for 2000 (second only to the State-imposed taxes discussed above). Of this increase, federal government revenues at the Department of Human Services increased \$465 million reflecting an increase in

the federal government reimbursement revenues of the Medicaid Assessment Program and of General Fund medical programs.

Licenses and Fees

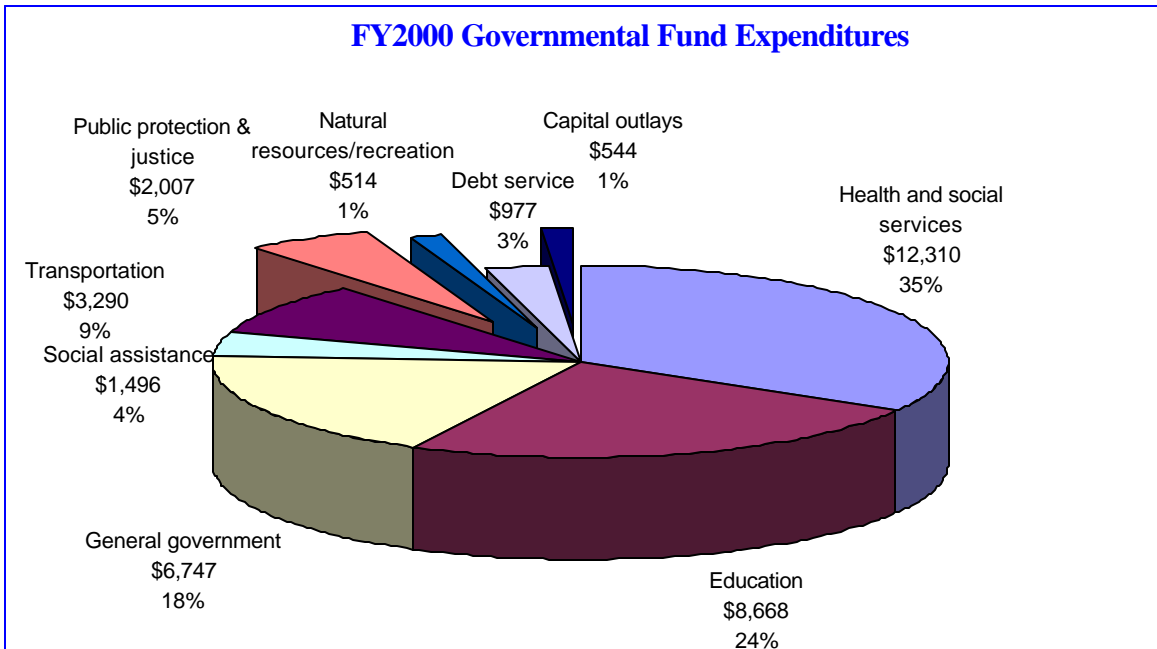
Licenses and fees increased \$368 million (32%) from fiscal year 1999. This significant increase is due largely to an increase in vehicle registration fees to fund the Illinois First Program. The fee increases became effective January 1, 2000.

Expenditures

Expenditures for governmental fund types are presented on the modified accrual basis of accounting and are generally recognized when the fund liability is incurred regardless of when payment is made. Governmental funds expenditures of \$36,553 million in fiscal year 2000 increased \$3,870 million (12%) over 1999 and were \$287 million less than revenues on a GAAP basis.

Expenditures (amounts expressed in millions) for major governmental fund functions in fiscal year 2000 and 1999 were as follows:

Expenditure Function	Amount		Percentage of Total		Increase	Percentage
	FY2000	FY1999	FY2000	FY1999	(Decrease)	Incr (Decr)
					from FY1999	from FY1999
Health and social services	\$ 12,310	\$ 10,891	35%	33%	\$ 1,419	13%
Education	8,668	7,540	24%	23%	1,128	15%
General government	6,747	5,942	18%	18%	805	14%
Social assistance	1,496	2,086	4%	6%	(590)	(28%)
Transportation	3,290	2,567	9%	8%	723	28%
Public protection and justice	2,007	1,897	5%	6%	110	6%
Natural resources/recreation	514	452	1%	2%	62	14%
Debt service	977	964	3%	3%	13	1%
Capital outlays	544	344	1%	1%	200	58%
Total	\$ 36,553	\$ 32,683	100%	100%	\$ 3,870	12%



Health and Social Services Expenditures

Health and social services expenditures of \$12.3 billion were the largest expenditure function for fiscal year 2000, *increasing* by \$1.4 billion (13%) over fiscal year 1999. This expenditure function is 34% of total spending on a GAAP basis, increasing slightly from 33% in fiscal year 1999. Significant fluctuations occurred at several agencies. A \$594 million increase in General Fund expenditures at the Department of Human Services (DHS) represents an increase in Health and Social Services programs and a decrease in social assistance programs. The Department of Public Aid showed a \$347 million increase in General Fund spending. The increase is attributable to a change in the Medicaid accrual allocation for fiscal year 2000. The Medicaid assessment funds' expenditures increased by \$369 million.

Education Expenditures

Education expenditures were once again the second largest expenditure function in the governmental funds for fiscal year 2000. Education expenditures increased \$1.1 billion (15%) from fiscal year 1999 on a GAAP basis.

Significant education expenditure increases in

fiscal year 2000 were at the State Board of Education where General Fund expenditures increased \$244 million in the General Revenue Account, \$51 million in the Common School Account, \$388 million in the Education Assistance Account and \$139 million in the federal programs. These increases reflect the State's continuing budgetary emphasis on education.

Social Assistance Expenditures

Social assistance expenditures decreased \$590 million (28%) from the last fiscal year. The largest decrease occurred at the Department of Human Services in the General Fund (\$594 million) because of the change from the Aid To Families With Dependent Children (AFDC) Program to the Temporary Assistance For Needy Families (TANF) Program. The TANF Program imposes a time limit on assistance that has reduced expenditures.

General Government

General government expenditures increased \$805 million (14%) from fiscal year 1999 to 2000. Expenditure increases occurred at the Secretary of State (\$67 million) due to reallocation of expenditures from the Road Fund and at the

Department of Central Management Services due to the State Group Insurance Program. In addition, the Department of Revenue's expenditures increased \$76 million in the Local Government Tax Fund and \$69 million in the Local Government Distributive Fund. This growth was mainly attributable to larger payments to units of local government because of income tax revenue increases.

Internal Control

Each State agency's management is responsible for establishing and maintaining internal control designed to ensure that the assets of the State are protected from loss, theft or misuse, and to ensure that adequate accounting data are 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 Controls 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. The first annual certifications by State agency CEOs were due November 15, 1990. Subsequent certifications are due May 1st each year. The FCIAA also requires that certain agencies have a chief internal auditor with a specified minimum level of professional competency.

Budgetary Controls

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. A reconciliation between the GAAP and budgetary basis of accounting is presented in Note 2 of the financial statements. The budgetary system (i.e., SAMS) classifies funds into traditional groupings which do not conform with the fund type classifications set forth by the GASB; therefore, a reclassification of budget categories to GAAP financial statement fund types also is presented in Note 2.

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 or services encumbered as of June 30 and received prior to August 31 are reported with other encumbrances as reservations of June 30 fund balances and not as liabilities or expenditures.

Investment Management

The Illinois State Treasurer is responsible for investing all cash resources of the State, with the exception of those held by the retirement systems and certain debt service, enterprise, agency, universities' endowments and other locally-held funds. Of the five retirement systems, three pool their resources for investment and two invest their resources under investment master trustee arrangements with individual investment managers. The universities are granted independent powers to invest their funds which are held outside the State Treasury. Interest income earned on the cash resources received and invested by the State Treasurer is allocated to the various funds (where specified by law) based on the average daily cash balances invested. A comparison

with prior years of the State's investments (including component units) at June 30 is presented below.

State agencies had \$4.8 billion more invested at June 30, 2000 than at June 30, 1999. The pension funds accounted for \$4.8 billion of the investment increase.

Agreements signed between the State of Illinois and the Financial Management Service (FMS) of

the U.S. Treasury since July 1993, set out procedures for drawing federal funds and methods for computing interest liabilities for programs subject to the federal Cash Management Improvement Act (CMIA). Illinois submitted the fiscal year 1999 *CMIA Annual Report* in December 1999, and after review by FMS paid the federal government \$2.4 million in State interest liabilities by the February 2000, due date.

Comparison of Investment Portfolios at June 30, (In millions)								
Investment Type	2000		1999		1998		1997	
	Amount	%	Amount	%	Amount	%	Amount	%
Corporate Equity Securities	\$ 18,845	29%	\$ 16,794	28%	\$ 13,550	24%	\$ 13,513	29%
Mutual Funds	11,698	18%	14,270	23%	15,962	28%	11,963	26%
U.S. Treasury & Agency Obligations	13,592	20%	8,563	14%	10,164	18%	8,151	17%
Corporate Debt Securities	5,542	8%	8,465	14%	5,981	12%	4,538	10%
Tangible Property	2,580	4%	2,502	4%	2,687	5%	2,631	6%
Repurchase Agreements	3,531	5%	4,259	7%	4,025	7%	3,197	7%
Commercial Paper	3,186	5%	3,147	5%	2,252	4%	1,833	4%
Investment Contracts/Security								
Lending Investment Pools	7,543	11%	2,912	5%	982	2%	844	1%
Totals	\$ 66,517	100%	\$ 60,912	100%	\$ 55,603	100%	\$ 46,670	100%

Cash Management

The State of Illinois' daily activities are operated on a "cash basis," where bills are paid with the available balances of cash on hand. As chief fiscal officer of the State of Illinois, the Comptroller maintains the State's central fiscal accounts and is responsible for ordering all payments into and out of the funds held by the State Treasurer. The State's end of year cash balance improved again in fiscal year 2000. The General Fund's available balance at June 30, 2000 was \$1.517 billion, \$166 million greater than the balance at June 30, 1999. The cash balance generally is affected by the same events previously discussed in the *General Governmental Functions* Section.

The General Fund includes the three school and General Revenue Fund accounts which administer about 40% of the State's annual expenditures. The General Revenue Account is

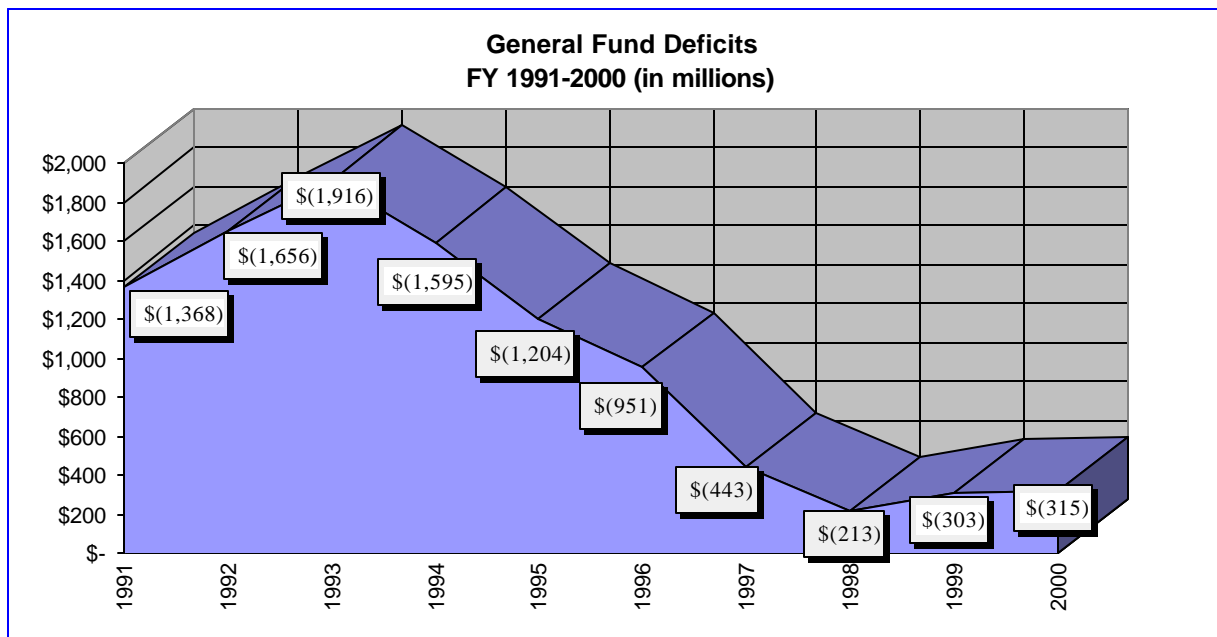
also the State's basic operating fund, funding at least a portion of the operating budget of every major agency. Because of the sheer size of the General Revenue Fund, annual changes in the General Fund end-of-year available cash balance are usually governed by changes in the General Revenue Fund. For fiscal year 2000, however, all of the improvement in the cash balance occurred in the school funds.

General Fund

Many State programs are accounted for in the General Fund. As demonstrated by the tables on page I-24 (in millions), the State's GAAP basis financial position at June 30, 2000 worsened from fiscal year 1999. The *fund* deficit in the State's General Fund fell by \$12 million on a GAAP basis (from a deficit \$303 million to a deficit \$315 million). On the *budgetary basis*, there was a \$777 million fund balance at June 30, 2000 compared to a \$503 million balance at June 30, 1999, a \$274 million improvement.

The *undesignated* fund deficit on a GAAP basis improved by \$281 million from a deficit of \$775 million to a deficit of \$494 million.

Expenditures and transfers-out exceeded revenues and transfers-in to the General Fund by \$12 million in fiscal year 2000.



Expendable Trust Funds

Total revenues for the State's expendable trust funds increased \$31 million (1.9%) from \$1.563 billion in fiscal year 1999 to \$1.594 billion in fiscal year 2000. Total expenditures increased \$49 million (4.0%) from \$1.197 billion in 1999 to \$1.246 billion in 2000.

By far the largest expendable trust fund is the State Unemployment Compensation Trust Fund (Trust Fund). The unemployment insurance (UI) system is a joint state-federal program designed to provide cash assistance to involuntarily unemployed workers regardless of need. During fiscal year 2000, the UI system provided 5.3 million weeks of benefits to laid off workers at an average weekly stipend for recipients of regular benefits of \$243. The State is responsible for determining benefit levels and eligibility criteria, and for setting State UI tax levels sufficient to pay the benefits. The federal government provides all administrative funding and mandates minimal coverage requirements. A separate federal unemployment tax is assessed by the federal government to finance these administrative costs, provide a source of funds for states to borrow against during periods of high unemployment, and to pay the federal share

of extended and emergency unemployment benefits.

Current year revenues exceeded expenditures by \$128 million. The fund continues to be in a fiscally sound position, as demonstrated by its \$2.438 billion fund balance at June 30, 2000. The fiscal health of the fund has been so good that legislation was signed into law in February 1996 that reduced the minimum tax rate to .5% from .6% and the maximum rate to 6.8% from 8.2%.

Investment Trust Funds

The State has two Investment Trust Funds: the Illinois Public Treasurers' External Investment Pool and the Deferred Lottery Prize Winners Trust Fund. The State's investment trust funds account for transactions, assets, liabilities and fund balances reserved for pool participants for depositors that are not part of the State's financial reporting entity. During fiscal year 2000, the Illinois Public Treasurers' External Investment Pool recorded \$101 million of participants' deposits, \$2.8 million of net investment loss and distributions to pool investors of \$168.3 million. The Deferred Lottery Prize Winners Trust Fund

recorded investment income of \$127.4 million and participants' withdrawals of \$415 million.

Proprietary Funds

Proprietary funds are the State's "business-type" activities and include enterprise and internal service funds. Combined operating revenues for the State's enterprise funds increased \$32.6 million (1.7%) from \$1.883 billion in fiscal year 1999 to \$1.916 billion in fiscal year 2000. Combined operating expenses were \$1.402 billion, an increase of \$51 million (3.7%) from fiscal year 1999. The increase in total enterprise fund expenses was the result of an increase in Local Government Health Insurance Reserve Fund and Teachers Health Insurance Security Fund benefit payments (Department of Central Management Services) of \$48 million.

The State's internal service funds, which provide data processing, motor pool vehicles, telephone communications, printing services, self insurance and other services to State agencies, operated at a loss for fiscal year 2000. Combined internal service funds revenues and expenses for fiscal year 2000 were \$1.143 billion and \$909 million, respectively. This represents an increase of \$48 million (4.4%) in revenues and an increase of \$42 million (4.9%) in expenses from fiscal year 1999 to 2000. The increases in both revenues and expenditures are attributable to increased revenues and claims in the following funds: the Statistical Services Revolving Fund (charges for sales and services increased \$8 million and cost of sales and services increased \$12 million); the Health Insurance Reserve Fund (charges for sales and services increased \$86 million and benefit payment increased \$61 million); and the Communications Revolving Fund (charges for sales and services increased \$4 million and total operating expenses increased \$16 million).

Component Units

Universities. Illinois operates a comprehensive program of higher education, including nine State universities and support for a statewide network of 49 community colleges, 103 private, not-for-profit institutions, 20 proprietary institutions, and a student financial assistance program. During fiscal year 2000, university expenditures increased \$513 million (11%) over 1999.

Proprietary. Certain business-type activities that are not a part of the primary government are included as component units. The largest proprietary component units in terms of assets are the Illinois Toll Highway Authority and the Illinois Housing Development Authority. Combined proprietary fund component units' operating revenues and expenses for the current fiscal year were \$682 million and \$554 million, respectively. This compares to revenues of \$482 million and expenses of \$352 million for fiscal year 1999.

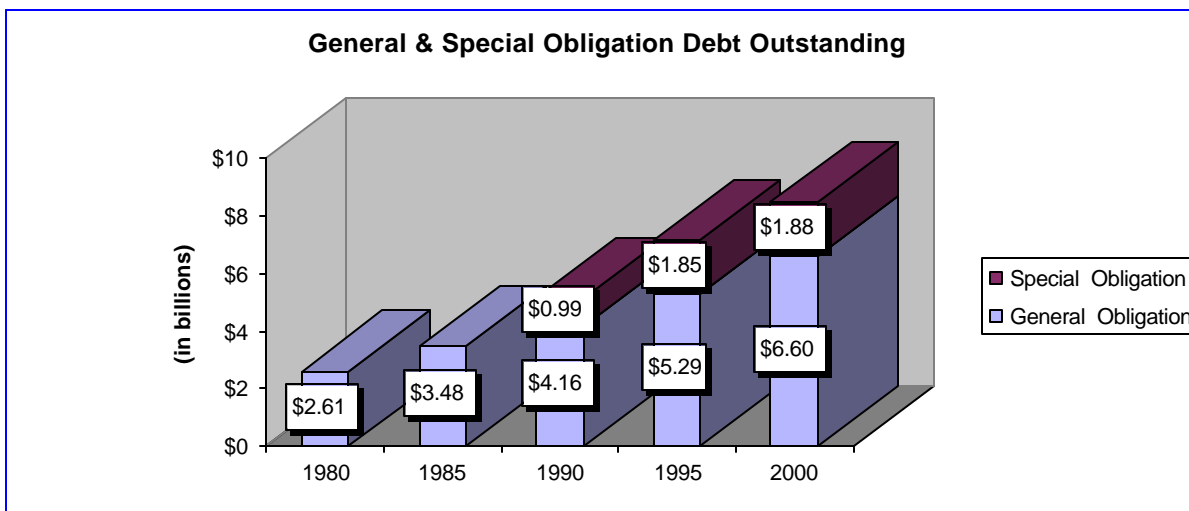
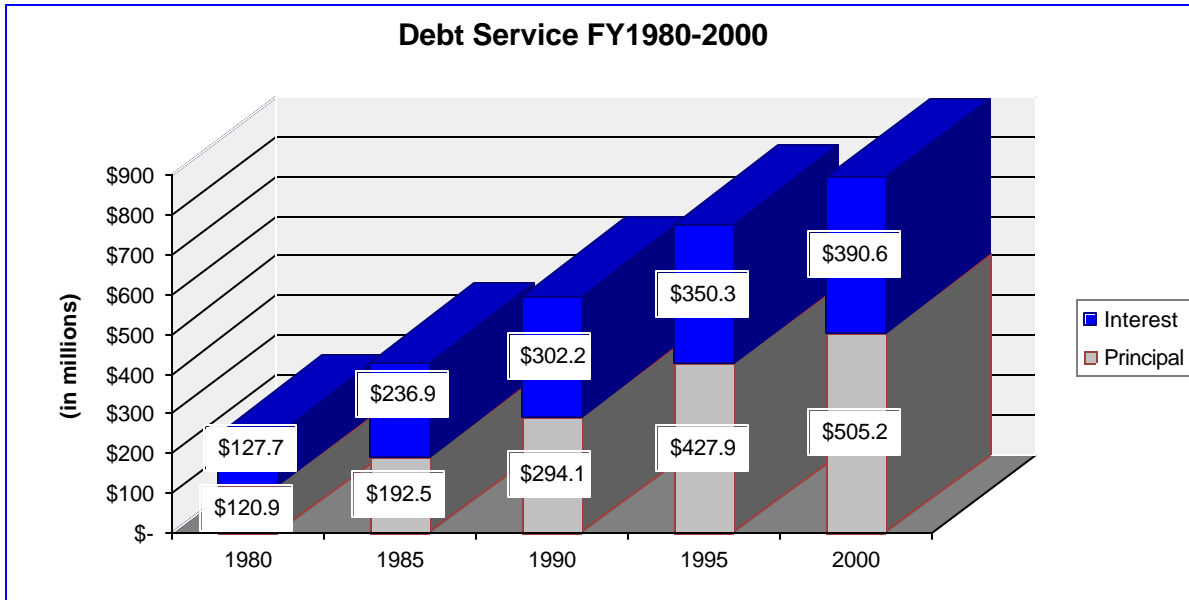
Debt Administration

During June 1998, the Illinois general obligation bond rating was increased from "Aa3" to "Aa2" by Moody's Investors Service. Also, during June 1998, Standard & Poor's Corporation ("S & P") rating was increased to "AA" from "AA-". In June 2000, Fitch IBCA upgraded the State's General Obligation Rating from "AA" to "AA+" The higher bond ratings were attributed to the State's improved financial condition. Special obligation bond ratings remained the same, ranging from "AAA" by S & P for Build Illinois bonds to "A1" by Moody's for Civic Center bonds. Among the states, Illinois is a moderate debt state with outstanding general and special obligation bonds at June 30, 2000 totaling \$8.483 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.

issued during fiscal year 2000 at average interest rates ranging from 5.0% to 7.6%. This is an increase of \$87.7 million and \$65 million, respectively, from fiscal year 1999. Debt service principal and interest costs of \$505.2 million and \$390.6 million, respectively were paid in fiscal year 2000. The dramatic increase since fiscal year 1980 is displayed in the following chart:

General and special obligation bonds aggregating \$860 million and \$125 million, respectively, were



In addition to general and special obligation bonds, Illinois has \$5.475 billion of revenue bonds, \$159.1 million of notes payable and

\$1.845 billion of other long-term obligations outstanding as of June 30, 2000.

Retirement Systems

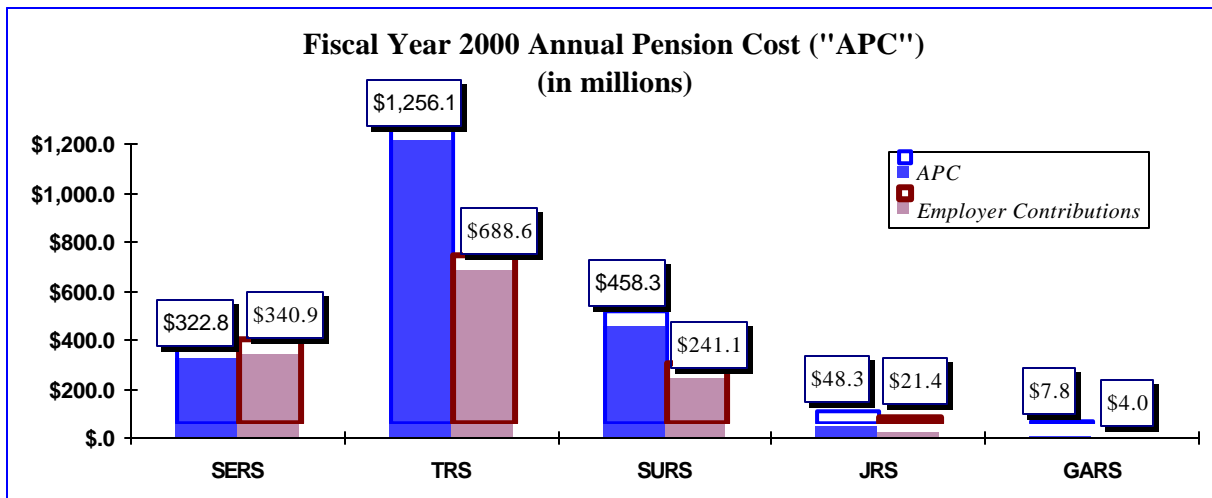
Total net assets of the State’s five pension trust funds, on a “fair value” basis, aggregated \$46 billion at June 30, 2000, an increase of \$4.5 billion (11%) from the previous year. During fiscal year 1997, the State adopted GASB Statement 27, *Accounting for Pensions by State and Local Governmental Employers*. The statement requires, among other things, that assets be valued at *fair market value*.

The \$4.5 billion increase in net assets can be explained by three accounts. Investments (at fair value) grew by \$4.7 billion. \$3.5 billion of the growth represented net appreciation in fair value and \$1 billion represented new purchases of investments. The large investment increase was offset by a \$1.4 billion increase in Other Liabilities at Teachers Retirement System (TRS) and Universities Retirement System. Other liabilities generally relate to securities lending transactions.

GASB Statement 27 focuses the reader of the State’s CAFR on annual pension cost (“APC”) in

accordance with certain accounting parameters as compared to the amount contributed. The State retirement systems were underfunded by \$797.4 million during fiscal year 2000 and this amount has been added to the Net Pension Obligation (NPO) in the General Long-Term Obligations Account Group (See chart below). Of the \$797.4 million, \$567.5 million occurred at TRS where the APC was calculated to be \$1.26 billion and employer contributions were \$688.6 million.

During fiscal year 2000, all of the State systems were funded in accordance with the *statutory funding* requirement. The new law enacted in fiscal year 1996 provides for a 50-year funding plan with a 15 year phase-in and a “continuing appropriation.” 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* meet the more stringent 40-year minimum amortization “parameters” required to be reported in the State’s financial statements in accordance with GASB Statement 27.



Risk Management

The State’s risk management program encompasses a wide range of State government activities. Generally, the State has elected to retain most exposures to risk, with only limited

purchase of commercial insurance. Among the exceptions are coverage for real property at the James R. Thompson Center in Chicago, the State Retirement Systems building, and the Regional State Office complex in Collinsville. Limited commercial coverage for personal property

includes a small portion of the State's fleet of motor vehicles, certain telecommunications equipment, the fixed and rotary wing aircraft fleet, some State watercraft, selected items of electronic data processing equipment, a portion of the State's collection of fine art, as well as a small number of other property and liability exposures.

The State retains workers' compensation and auto liability exposures, including claims management. Other major retained risks include employee fidelity and surety, as well as general liability. The State's risk management program also includes legal representation and indemnification of employees sued for violation of civil and constitutional rights and other tort liabilities while acting in an official capacity.

Independent Audit

The Illinois Auditor General has performed an audit of the accompanying general purpose financial statements in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. His unqualified opinion appears at the beginning of the financial section of this report. In addition, the Illinois Auditor General is conducting an Audit pursuant to the requirements set forth in the Federal Single Audit Act Amendments of 1996 and the related U.S. Office of Management Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. This report is issued separately.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting ("Certificate") to the State of Illinois for its comprehensive annual financial report ("CAFR") for the fiscal year ended June 30, 1999. This is the sixteenth consecutive year that the State has received this prestigious award in governmental financial reporting. In order to be awarded a Certificate,

the State of Illinois published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate is valid for a period of one year only. As this current comprehensive annual financial report is expected to meet the Certificate of Achievement Program's requirements, it is being submitted to the GFOA to determine its eligibility for another certificate.

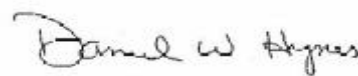
Acknowledgments

The preparation of the State's Comprehensive Annual Financial Report 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.

SEA Reporting

The Illinois Office of the Comptroller also wishes to express thanks to all the personnel at the reporting state agencies who, in good faith, engaged in a process to identify and report on the outcomes of their efforts in certain programs. The extent to which state government programs can affect certain, broader outcomes related to the quality of life of our citizens – such as the crime rate or income and poverty levels – varies from one program area to another. The review of their Service Effort and Accomplishments you see here is the product of their labor. I would also like to thank the University of Illinois at Springfield and their staff for their contributions.

Sincerely,



Daniel W. Hynes
Comptroller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of
Illinois

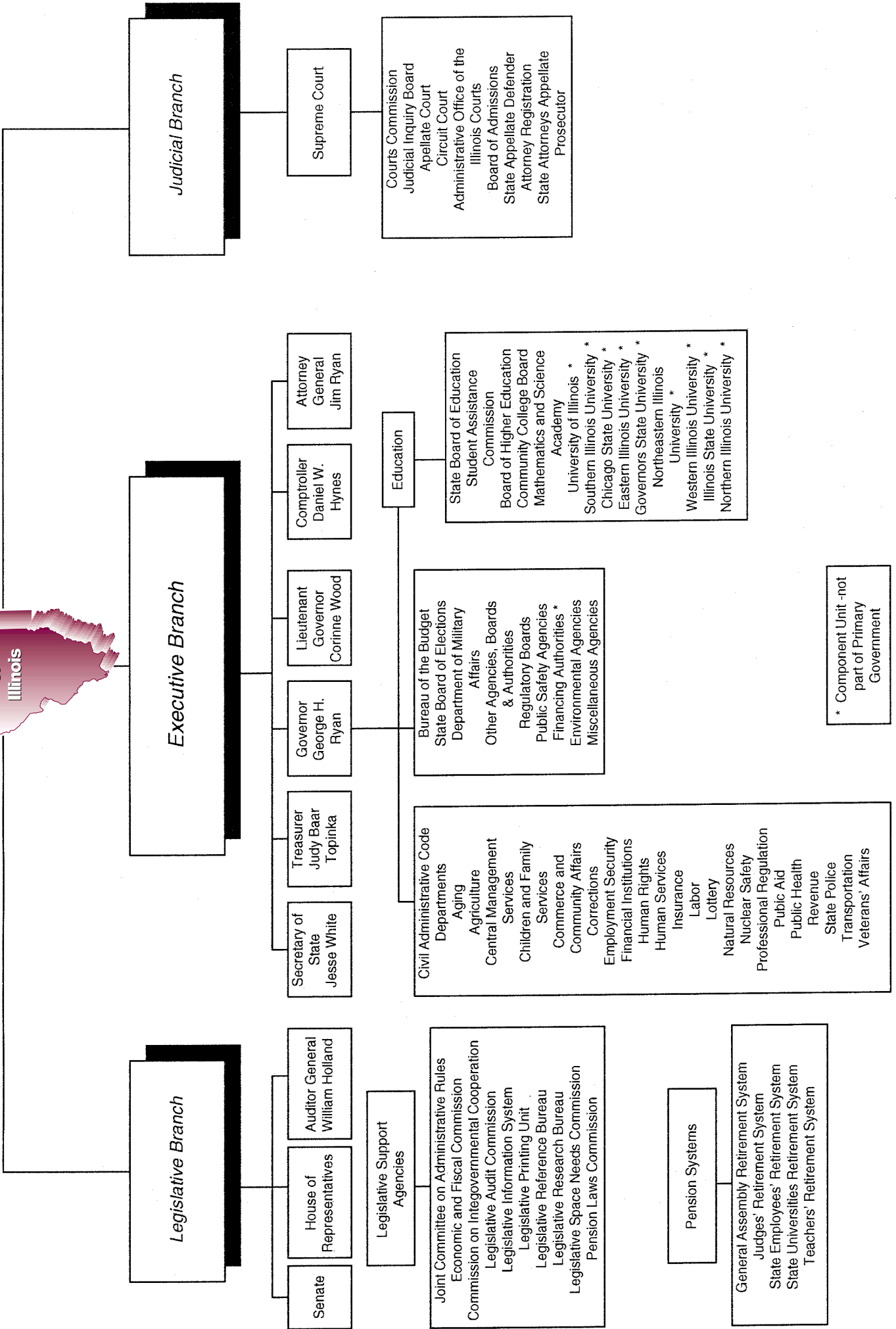
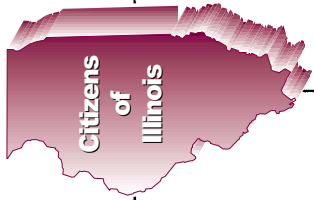
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director



* Component Unit -not part of Primary Government



STATE OF ILLINOIS
WILLIAM G. HOLLAND
AUDITOR GENERAL

Honorable James "Pate" Philip, President of the Senate
Honorable Michael J. Madigan, Speaker of the House
Members of the General Assembly
Honorable George Ryan, Governor
Honorable Daniel Hynes, Comptroller

We have audited the accompanying general-purpose financial statements of the State of Illinois as of and for the year ended June 30, 2000 as listed in the foregoing Table of Contents for Section II. These general-purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements listed in the foregoing Table of Contents for Section II present fairly, in all material respects, the financial position of the State of Illinois as of June 30, 2000, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have issued a report dated January 31, 2001, on our consideration of the State of Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

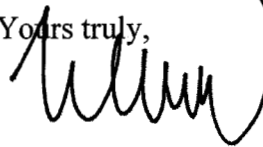
The required supplementary information as listed in the foregoing Table of Contents for Section II is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied

certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements, and budgetary schedules, listed in the Table of Contents for Section II are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the State of Illinois. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

The statistical and economic data listed in the Table of Contents for Section III and service efforts and accomplishments data listed in the Table of Contents for Section IV were not audited by us, and accordingly, we do not express an opinion thereon.

Yours truly,

A handwritten signature in black ink, appearing to read "William G. Holland", written over a large, faint, stylized signature that is part of the document's background or a watermark.

WILLIAM G. HOLLAND
Auditor General
State of Illinois

Springfield, Illinois
January 31, 2001

State of Illinois

Combined Balance Sheet - All Fund Types, Account Groups
and Discretely Presented Component Units

June 30, 2000 (Expressed in Thousands)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency
ASSETS AND OTHER DEBITS							
Assets:							
Cash and cash equivalents	\$ 991,345	\$ 3,892,151	\$ 787,425	\$ 608,860	\$ 143,049	\$ 99,765	\$ 4,089,388
Investments	842,053	475	117,027	1	240,319		54,325,283
Receivables, net:							
Taxes	892,423	390,174					317,000
Intergovernmental	1,003,978	506,462		3,386	10,898	860	7,819
Other	39,633	209,003	4,100	6,086	52,352	2,371	1,626,703
Due from other funds	539,747	369,605	1,018	9,059	50,782	159,975	70,617
Due from component units	15,704	2,771				3,183	1,994
Due from primary government							
Inventories	33,719	32,414			5,454	14,720	
Prepaid expenses					269	1,521	
Loans and notes receivable, net	12,171	876,968	25,500		1,274,889		63
Restricted assets (\$94,455 cash equivalents)					246,800	108	
Property, plant and equipment, net					4,275	40,718	22,462
Other assets	9,470	15,170					1,247,922
Other debits:							
Amount available in debt service funds for:							
Retirement of general obligation bonds							
Retirement of special obligation bonds							
Retirement of other obligations							
Amount to be provided for:							
Retirement of general obligation bonds							
Retirement of special obligation bonds							
Retirement of other obligations							
Pension liabilities							
Total assets and other debits	\$ 4,380,243	\$ 6,295,193	\$ 935,070	\$ 627,392	\$ 2,029,087	\$ 323,221	\$ 61,709,251
LIABILITIES, EQUITY AND OTHER CREDITS							
Liabilities:							
Accounts payable and accrued liabilities	\$ 2,808,186	\$ 485,487	\$ 57	\$ 98,691	\$ 102,998	\$ 163,483	\$ 909,428
Intergovernmental payables	1,134,700	1,105,251		13,644	1	125	347,300
Due to other funds	354,305	723,162		1,498	5,526	3,855	112,457
Due to component units	88,692	16,228	884	14		27	30
Due to primary government							
Deferred revenues	309,435	249,215		2,832	9,402		3,205
Liabilities payable from restricted assets		4,125					
Depository and other liabilities		100	339	323	27,761	11,275	5,832,291
Notes payable					100,594		
Net pension obligation							
General obligation bonds payable							
Special obligation bonds payable							
Revenue bonds payable					1,459,017		20,052
Other obligations					160,712	2,375	
Total liabilities	4,695,318	2,583,568	1,280	117,002	1,866,011	181,140	7,224,763
Equity and other credits:							
Contributed capital						19,275	
Investment in fixed assets							
Retained earnings:							
Reserved					133,758		
Unreserved					29,318	122,806	
Fund balances (deficits):							
Reserved for:							
Employees' pension benefits							46,023,081
External investment pool participants							4,320,618
Other	178,949	2,370,422	24,551	1,042,498			2,440,072
Unreserved:							
Designated		8,696	909,239				1,653,725
Undesignated (deficit)	(494,024)	1,332,507		(532,108)			46,992
Total equity (deficit) and other credits	(315,075)	3,711,625	933,790	510,390	163,076	142,081	54,484,488
Total liabilities, equity and other credits	\$ 4,380,243	\$ 6,295,193	\$ 935,070	\$ 627,392	\$ 2,029,087	\$ 323,221	\$ 61,709,251

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

Account Groups		Total (Memorandum Only)		Total (Memorandum Only)
General	Long-Term	Primary	Component	Reporting
Fixed Assets	Obligations	Government	Units	Entity
		\$ 10,611,983	\$ 832,228	\$ 11,444,211
		55,525,158	2,688,575	58,213,733
		1,599,597		1,599,597
		1,533,403	12,859	1,546,262
		1,940,248	222,060	2,162,308
		1,200,803	39,437	1,240,240
		23,652		23,652
			103,186	103,186
		86,307	44,267	130,574
		1,790	36,241	38,031
		2,189,591	1,976,961	4,166,552
		246,908	283,465	530,373
\$ 5,746,650		5,814,105	8,037,997	13,852,102
		1,272,562	112,450	1,385,012
	\$ 469,263	469,263		469,263
	457,135	457,135		457,135
	7,392	7,392		7,392
	6,130,181	6,130,181		6,130,181
	1,426,208	1,426,208		1,426,208
	1,838,088	1,838,088		1,838,088
	12,913,098	12,913,098		12,913,098
\$ 5,746,650	\$ 23,241,365	\$ 105,287,472	\$ 14,389,726	\$ 119,677,198
	\$ 4,568,330	\$ 848,000	\$ 5,416,330	
	2,601,021	1,676	2,602,697	
	1,200,803	39,437	1,240,240	
	105,875		105,875	
		23,079	23,079	
		574,089	79,325	653,414
		4,125	29,671	33,796
		5,872,089	218,163	6,090,252
		100,594	58,512	159,106
\$ 12,913,098		12,913,098		12,913,098
	6,599,444	6,599,444		6,599,444
	1,883,343	1,883,343		1,883,343
		1,479,069	3,995,481	5,474,550
	1,845,480	2,008,567	283,376	2,291,943
	23,241,365	39,910,447	5,576,720	45,487,167
		19,275	37,604	56,879
\$ 5,746,650		5,746,650	5,194,604	10,941,254
		133,758	310,771	444,529
		152,124	1,372,435	1,524,559
		46,023,081		46,023,081
		4,320,618		4,320,618
		6,056,492	1,842,753	7,899,245
		2,571,660	36,731	2,608,391
		353,367	18,108	371,475
5,746,650		65,377,025	8,813,006	74,190,031
\$ 5,746,650	\$ 23,241,365	\$ 105,287,472	\$ 14,389,726	\$ 119,677,198

State of Illinois

Combined Statement of Revenues, Expenditures, Other Sources and Uses of Financial Resources and Changes in Fund Balances - All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Component Units

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
REVENUES					
Income taxes	\$ 8,855,410	\$ 820,038			
Sales taxes	6,021,670	2,187,527			
Motor fuel taxes		1,342,733			
Public utility taxes	1,079,693	413,196			
Other taxes	1,467,911	689,997			\$ 1,156,859
Federal government	5,143,556	4,971,615	\$ 75	\$ 7,663	16,256
Licenses and fees	72,770	1,446,561	234		7,146
Interest and other investment income	239,800	84,190	51,603	475	271,912
Other	1,030,519	873,657	1,365	17,536	142,334
Total revenues	23,911,329	12,829,514	53,277	25,674	1,594,507
EXPENDITURES					
Current:					
Health and social services	10,945,917	1,362,443	605	923	347
Education	6,676,480	1,641,214		350,216	
General government	1,734,990	4,941,032	86	71,049	60,848
Social assistance	364,791	1,131,164			1,179,911
Transportation	63,242	3,047,528		179,328	
Public protection and justice	1,626,691	379,868		350	4,279
Natural resources and recreation	171,320	302,559	1,222	39,228	358
Debt service:					
Principal	13,468	5,666	510,378		
Interest	35,259	14,189	398,001	18	
Capital outlays	125,478	125,513	507	292,729	530
Total expenditures	21,757,636	12,951,176	910,799	933,841	1,246,273
Excess (deficiency) of revenues over (under) expenditures	2,153,693	(121,662)	(857,522)	(908,167)	348,234
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Proceeds from general/special obligation bond issues				988,143	
Proceeds from certificates of participation				34,155	
Operating transfers-in	1,604,152	2,892,432	963,093	9,854	1,092
Operating transfers from component units		174			
Operating transfers-out	(2,470,392)	(2,434,594)	(97)	(17,923)	(11,887)
Operating transfers to component units	(1,307,919)	(36,761)		(75,436)	
Operating transfers to primary government					
Capital lease financing	7,993	10,194			
Net other sources (uses) of financial resources	(2,166,166)	431,445	962,996	938,793	(10,795)
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(12,473)	309,783	105,474	30,626	337,439
Fund balances (deficits), July 1, 1999, as previously reported	(302,602)	3,570,692	828,316	479,764	3,790,819
Restatement of fund balances		(168,850)			
Fund balances (deficits), July 1, 1999, as restated	(302,602)	3,401,842	828,316	479,764	3,790,819
FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (315,075)	\$ 3,711,625	\$ 933,790	\$ 510,390	\$ 4,128,258

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

	Total (Memorandum Only) Primary Government		Component Units	Total (Memorandum Only) Reporting Entity
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\$	9,675,448			\$ 9,675,448
	8,209,197			8,209,197
	1,342,733			1,342,733
	1,492,889			1,492,889
	3,314,767	\$	28,859	3,343,626
	10,139,165		12,748	10,151,913
	1,526,711		34	1,526,745
	647,980		2,835	650,815
	2,065,411		7,545	2,072,956
	38,414,301		52,021	38,466,322

	12,310,235		1,272	12,311,507
	8,667,910		10	8,667,920
	6,808,005		15,252	6,823,257
	2,675,866			2,675,866
	3,290,098			3,290,098
	2,011,188			2,011,188
	514,687		1,969	516,656
	529,512		96	529,608
	447,467		190	447,657
	544,757		33	544,790
	37,799,725		18,822	37,818,547
	614,576		33,199	647,775

	988,143			988,143
	34,155			34,155
	5,470,623			5,470,623
	174			174
	(4,934,893)		(8,052)	(4,942,945)
	(1,420,116)			(1,420,116)
			(1)	(1)
	18,187			18,187

	156,273		(8,053)	148,220
--	---------	--	---------	---------

	770,849		25,146	795,995
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	8,366,989		205,047	8,572,036
	(168,850)			(168,850)
	8,198,139		205,047	8,403,186

\$	8,968,988	\$	230,193	\$ 9,199,181
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State of Illinois

Combined Statement 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 (See Note 2)

For the Year Ended June 30, 2000 (Expressed in Thousands)

	General Funds			Highway Funds		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES						
Income taxes	\$ 8,600,000	\$ 8,894,349	\$ 294,349			
Sales taxes	5,770,000	6,026,859	256,859			
Motor fuel taxes				\$ 1,270,146	\$ 1,291,593	\$ 21,447
Public utility taxes	1,000,000	874,068	(125,932)			
Federal government	3,673,000	3,755,824	82,824	695,869	853,656	157,787
Other	1,805,000	2,175,129	370,129	843,656	1,093,511	249,855
Less:						
Refunds	46,065	43,421	(2,644)	19,309	17,711	(1,598)
Total revenues	20,801,935	21,682,808	880,873	2,790,362	3,221,049	430,687
EXPENDITURES						
Current:						
Health and social services	9,459,667	9,386,537	(73,130)			
Education	7,918,304	7,877,459	(40,845)			
General government	1,477,192	1,462,306	(14,886)	234,397	219,165	(15,232)
Transportation	79,219	66,740	(12,479)	2,740,778	2,719,383	(21,395)
Social assistance	230,802	220,329	(10,473)	2,000	1,507	(493)
Public protection and justice	1,662,596	1,624,115	(38,481)	52,733	52,732	(1)
Natural resources and recreation	179,400	177,801	(1,599)			
Debt service:						
Principal						
Interest						
Capital outlays	81,429	59,344	(22,085)	28,226	27,400	(826)
Total expenditures	21,088,609	20,874,631	(213,978)	3,058,134	3,020,187	(37,947)
Excess (deficiency) of revenues over (under) expenditures	(286,674)	808,177	1,094,851	(267,772)	200,862	468,634
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Proceeds from general and special obligation bond issues						
Operating transfers-in	3,601,000	3,789,776	188,776	1,344,172	1,345,146	974
Operating transfers-out	(4,323,933)	(4,323,933)	-	#####	#####	-
Total other sources (uses) of financial resources	(722,933)	(534,157)	188,776	(134,050)	(133,076)	974
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(1,009,607)	274,020	1,283,627	(401,822)	67,786	469,608
Budgetary fund balances (deficits), July 1, 1999, as previously reported	502,575	502,575	-	834,852	834,852	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 1999, as reclassified	502,575	502,575	-	834,852	834,852	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (507,032)	\$ 776,595	\$ 1,283,627	\$ 433,030	\$ 902,638	\$ 469,608

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

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)
\$ 1,903,153	\$ 1,903,153	\$ -						
579,449	606,588	27,139						
71,270	64,690	(6,580)						
394,044	401,299	7,255						
1,683,142	1,678,469	(4,673)				\$ 340	\$ 60	\$ (280)
3,851,891	4,543,165	691,274				20,903	21,158	255
1,146,851	1,141,303	(5,548)						
7,336,098	8,056,061	719,963				21,243	21,218	(25)
2,503,663	2,135,493	(368,170)						
476,682	426,052	(50,630)	\$ 360,519	\$ 359,553	\$ (966)			
4,460,097	4,160,675	(299,422)	95,244	87,344	(7,900)			
268,242	244,932	(23,310)	128,486	128,486				
22,709	21,771	(938)						
314,540	240,950	(73,590)	350	350	-			
506,879	433,531	(73,348)	62,029	57,123	(4,906)			
						259,332	258,289	(1,043)
						723,893	716,143	(7,750)
10,000	9,173	(827)	318,556	307,515	(11,041)			
8,562,812	7,672,577	(890,235)	965,184	940,371	(24,813)	983,225	974,432	(8,793)
(1,226,714)	383,484	1,610,198	(965,184)	(940,371)	24,813	(961,982)	(953,214)	8,768
			750,000	988,144	238,144			
1,632,931	1,816,737	183,806				913,978	949,252	35,274
(1,821,842)	(1,821,842)	-						
(188,911)	(5,105)	183,806	750,000	988,144	238,144	913,978	949,252	35,274
(129,485)	(129,485)	-						
(1,545,110)	248,894	1,794,004	(215,184)	47,773	262,957	(48,004)	(3,962)	44,042
1,664,159	1,664,159	-	518,595	518,595	-	461,819	461,819	-
(975)	(975)	-						
1,663,184	1,663,184	-	518,595	518,595	-	461,819	461,819	-
\$ 118,074	\$ 1,912,078	\$ 1,794,004	\$ 303,411	\$ 566,368	\$ 262,957	\$ 413,815	\$ 457,857	\$ 44,042

(continued)

State of Illinois

Combined Statement 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 (See Note 2)

For the Year Ended June 30, 2000 (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	\$ 2,706,236	\$ 2,443,227	\$ (263,009)	\$ 280,115	\$ 283,975	\$ 3,860
Other	132,275	105,063	(27,212)			
Less:						
Refunds	2,840	353	(2,487)	8,104	40	(8,064)
Total revenues	2,835,671	2,547,937	(287,734)	272,011	283,935	11,924
EXPENDITURES						
Current:						
Health and social services	808,646	694,550	(114,096)			
Education	1,410,930	1,081,005	(329,925)			
General government	633,219	300,964	(332,255)	296,939	260,689	(36,250)
Transportation	88,325	88,325		1,000	1,000	-
Social assistance	364,490	214,090	(150,400)			
Public protection and justice	285,378	94,263	(191,115)	50,712	46,711	(4,001)
Natural resources and recreation	65,520	41,084	(24,436)			
Debt service:						
Principal						
Interest						
Capital outlays	11,379	4,815	(6,564)	4,337	2,795	(1,542)
Total expenditures	3,667,887	2,519,096	(1,148,791)	352,988	311,195	(41,793)
Excess (deficiency) of revenues over (under) expenditures	(832,216)	28,841	861,057	(80,977)	(27,260)	53,717
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Proceeds from general and special obligation bond issues						
Operating transfers-in	1,059	60,245	59,186	462	1,482	1,020
Operating transfers-out	(1,152)	(1,152)	-	(50)	(50)	-
Total other sources (uses) of financial resources	(93)	59,093	59,186	412	1,432	1,020
Budgetary funds-nonbudgeted accounts	(3,943)	(3,943)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(836,252)	83,991	920,243	(80,565)	(25,828)	54,737
Budgetary fund balances (deficits), July 1, 1999, as previously reported	(121,354)	(121,354)	-	48,182	48,182	-
Reclassifications between budgetary/nonbudgetary funds-net	1,230	1,230	-			
Budgetary fund balances (deficits), July 1, 1999, as reclassified	(120,124)	(120,124)	-	48,182	48,182	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (956,376)	\$ (36,133)	\$ 920,243	\$ (32,383)	\$ 22,354	\$ 54,737

State Trust Funds			Total (Memorandum Only)		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 388,057	\$ 388,057	\$ -	\$ 10,503,153	\$ 10,797,502	\$ 294,349
27,506	27,506	-	6,737,506	7,021,504	283,998
			1,368,922	1,383,789	14,867
			1,394,044	1,275,367	(118,677)
231,504	103,705	(127,799)	8,990,091	8,834,941	(155,150)
492,688	742,335	249,647	7,426,528	8,964,336	1,537,808
1,300	1,290	(10)	1,224,469	1,204,118	(20,351)
1,138,455	1,260,313	121,858	35,195,775	37,073,321	1,877,546
53,473	40,040	(13,433)	12,825,449	12,256,620	(568,829)
200,738	117,743	(82,995)	10,367,173	9,861,812	(505,361)
190,796	159,658	(31,138)	7,387,884	6,650,801	(737,083)
			3,306,050	3,248,866	(57,184)
192,001	155,225	(36,776)	812,002	612,922	(199,080)
3,575	2,433	(1,142)	2,369,884	2,061,554	(308,330)
4,722	1,761	(2,961)	818,550	711,300	(107,250)
			259,332	258,289	(1,043)
			723,893	716,143	(7,750)
2,760	1,722	(1,038)	456,687	412,764	(43,923)
648,065	478,582	(169,483)	39,326,904	36,791,071	(2,535,833)
490,390	781,731	291,341	(4,131,129)	282,250	4,413,379
			750,000	988,144	238,144
5,000	5,000	-	7,498,602	7,967,638	469,036
(116,836)	(116,836)	-	(7,742,035)	(7,742,035)	-
(111,836)	(111,836)	-	506,567	1,213,747	707,180
(622,762)	(622,762)	-	(756,190)	(756,190)	-
(244,208)	47,133	291,341	(4,380,752)	739,807	5,120,559
151,981	151,981	-	4,060,809	4,060,809	-
4,755	4,755	-	5,010	5,010	-
156,736	156,736	-	4,065,819	4,065,819	-
\$ (87,472)	\$ 203,869	\$ 291,341	\$ (314,933)	\$ 4,805,626	\$ 5,120,559

State of Illinois

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances - All Proprietary Fund Types, Nonexpendable Trust Funds, and Discretely Presented Component Units

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Proprietary Fund Type		Fiduciary Fund Type	Total (Memorandum Only) Primary Government	Component Units	Total (Memorandum Only) Reporting Entity
	Enterprise	Internal Service	Non-expendable Trust			
OPERATING REVENUES						
Charges for sales and services	\$ 1,770,175	\$ 1,193,741	\$ 38	2,963,954	\$ 386,837	\$ 3,350,791
Interest and other investment income	119,092	28	172	119,292	119,038	238,330
Other	26,776	5,879	7	32,662	175,723	208,385
Total operating revenues	1,916,043	1,199,648	217	3,115,908	681,598	3,797,506
OPERATING EXPENSES						
Cost of sales and services	151,171	254,501		405,672	101,041	506,713
Benefit payments and refunds	215,949	651,416		867,365	71,367	938,732
Prizes and claims	798,866			798,866		798,866
Interest	81,792	2		81,794	6,205	87,999
General and administrative	121,806	31,812	21	153,639	242,305	395,944
Depreciation	1,589	14,066		15,655	132,154	147,809
Other	30,478	8,118		38,596	1,421	40,017
Total operating expenses	1,401,651	959,915	21	2,361,587	554,493	2,916,080
Operating income	514,392	239,733	196	754,321	127,105	881,426
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	3,666	2,766	456	6,888	57,456	64,344
Interest expense	(1,203)	(247)		(1,450)	(180,923)	(182,373)
Other revenues	272	347		619	5,846	6,465
Other expenses	(303)	(1,293)		(1,596)		(1,596)
Income before operating transfers	516,824	241,306	652	758,782	9,484	768,266
Operating transfers-in	10,259	2,040	842	13,141	8,052	21,193
Operating transfers from primary government					17,324	17,324
Operating transfers-out	(541,702)	(7,084)	(85)	(548,871)		(548,871)
Operating transfers to component units		(239,306)		(239,306)		(239,306)
Operating transfers to primary government					(170)	(170)
Net income (loss)	(14,619)	(3,044)	1,409	(16,254)	34,690	18,436
Retained earnings/fund balances July 1, 1999	177,695	125,850	11,122	314,667	1,648,983	1,963,650
RETAINED EARNINGS/FUND BALANCES, JUNE 30, 2000	\$ 163,076	\$ 122,806	\$ 12,531	\$ 298,413	\$ 1,683,673	\$ 1,982,086

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

State of Illinois

**Combined Statement of Cash Flows - All Proprietary Fund Types,
Nonexpendable Trust Funds and Discretely Presented Component Units**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Proprietary Fund Type		Fiduciary Fund Type	Total (Memorandum Only)	Component Units	Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	Primary Government		Reporting Entity
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 1,813,248	\$ 1,180,639	\$ 38	\$ 2,993,925	\$ 638,391	\$ 3,632,316
Cash payments to suppliers for goods and services	(368,334)	(874,874)		(1,243,208)	(124,469)	(1,367,677)
Cash payments to employees for services	(111,531)	(56,599)		(168,130)	(91,041)	(259,171)
Cash payments for lottery prizes	(784,229)			(784,229)		(784,229)
Cash receipts from other operating activities	204,974	74	21	205,069	183,012	388,081
Cash payments for other operating activities	(368,800)	(1,030)	(20)	(369,850)	(455,492)	(825,342)
Net cash provided by operating activities	385,328	248,210	39	633,577	150,401	783,978
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from sales of revenue bonds and other borrowings	199,317			199,317	375,230	574,547
Principal paid on revenue bonds and other borrowings	(39,980)	(94)		(40,074)	(362,425)	(402,499)
Interest paid on revenue bonds and other borrowings	(1,241)			(1,241)	(125,380)	(126,621)
Operating transfers-in from other funds	10,279	2,040	442	12,761	8,052	20,813
Operating transfers from primary government					21,404	21,404
Operating transfers-out to other funds	(519,202)	(7,088)	(55)	(526,345)		(526,345)
Operating transfers to component units		(239,306)		(239,306)		(239,306)
Operating transfers to primary government					(156)	(156)
Other noncapital financing activities	(44)			(44)	3,286	3,242
Net cash provided (used) by noncapital financing activities	(350,871)	(244,448)	387	(594,932)	(79,989)	(674,921)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from sales of revenue bonds	16	312		328		328
Acquisition and construction of capital assets	(1,448)	(12,160)		(13,608)	(198,178)	(211,786)
Principal paid on bond maturities and equipment contracts	(5,764)	(2,837)		(8,601)	(27,835)	(36,436)
Interest paid on bond maturities and equipment contracts	(7)	(148)		(155)	(48,959)	(49,114)
Proceeds from sale of equipment		40		40	1,404	1,444
Other capital and related financing activities		(4)		(4)	64	60
Net cash (used) in capital and related financing activities	(7,203)	(14,797)		(22,000)	(273,504)	(295,504)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities	(363,626)		(70)	(363,696)	(2,027,641)	(2,391,337)
Proceeds from sale and maturities of investment securities	207,356			207,356	2,184,959	2,392,315
Interest and dividends on investments	19,724	2,839	597	23,160	72,216	95,376
Net cash provided (used) by investing activities	(136,546)	2,839	527	(133,180)	229,534	96,354
Net increase (decrease) in cash and cash equivalents	(109,292)	(8,196)	953	(116,535)	26,442	(90,093)
Cash and cash equivalents, July 1, 1999	321,124	107,961	9,801	438,886	378,802	817,688
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 211,832	\$ 99,765	\$ 10,754	\$ 322,351	\$ 405,244	\$ 727,595
Reconciliation of cash and cash equivalents to the balance sheet:						
Total cash and cash equivalents per the balance sheet	\$ 143,049	\$ 99,765	\$ 10,754	\$ 253,568	832,228	\$ 1,085,796
Add: restricted cash equivalents	68,783			68,783	25,672	94,455
Less: nonproprietary component units					(452,656)	(452,656)
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 211,832	\$ 99,765	\$ 10,754	\$ 322,351	\$ 405,244	\$ 727,595
Reconciliation of operating income to net cash provided by operating activities:						
OPERATING INCOME	\$ 514,392	\$ 239,733	\$ 196	\$ 754,321	\$ 127,105	\$ 881,426
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	1,589	14,066		15,655	132,154	147,809
Provision for uncollectible accounts	2,492	(130)		2,362	2,559	4,921
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	(199,289)	(1,017)	(1)	(200,307)	(144,075)	(344,382)
(Increase) decrease in due from other funds	(136)	(3,149)		(3,285)	163	(3,122)
(Increase) decrease in due from primary government		120		120		120
(Increase) decrease in due from component units		909		909		909
(Increase) decrease in inventory	85	(2,185)		(2,100)		(2,100)
(Increase) decrease in prepaid expenses	26	(415)		(389)	287	(102)
Increase (decrease) in accounts payable and accrued liability	19,488	14,924		34,412	28,091	62,503
Increase (decrease) in intergovernmental payables	(1)	(122)	1	(122)	(5,170)	(5,292)
Increase (decrease) in due to other funds	(438)	769		331	19	350
Increase (decrease) in due to primary government		6		6	6	12
Increase (decrease) in due to component units		2		2		2
Increase (decrease) in deferred revenue	(1,764)	(15,398)		(17,162)	894	(16,268)
Increase (decrease) in other liabilities	53,019	97		53,116	15,500	68,616
Other	(4,135)		(157)	(4,292)	(7,132)	(11,424)
Total adjustments	(129,064)	8,477	(157)	(120,744)	23,296	(97,448)
Net cash provided by operating activities	\$ 385,328	\$ 248,210	\$ 39	\$ 633,577	\$ 150,401	\$ 783,978

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

*State of Illinois***Combining Statement of Changes in Net Assets -
Pension and Investment Trust Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Pension Trust	Investment Trust	Total (Memorandum Only)
ADDITIONS			
Contributions:			
Employer	\$ 1,310,661		\$ 1,310,661
Plan Members	1,035,750		1,035,750
Other	42,011		42,011
Total Contributions	<u>2,388,422</u>		<u>2,388,422</u>
Participants' deposits, net		\$ 100,971	100,971
Total contributions and participants' deposits, net	<u>2,388,422</u>	<u>100,971</u>	<u>2,489,393</u>
Investment income:			
Interest and other investment income	1,516,147	298,463	1,814,610
Net appreciation (depreciation) of investments	3,510,376	(57,158)	3,453,218
Investment expense	(205,295)	(2,804)	(208,099)
Net investment income	<u>4,821,228</u>	<u>238,501</u>	<u>5,059,729</u>
Total additions	<u>7,209,650</u>	<u>339,472</u>	<u>7,549,122</u>
DEDUCTIONS			
Benefit payments and refunds	2,580,732		2,580,732
Participants' withdrawals, net	48,338	415,012	463,350
Interest expense	1,398		1,398
Distributions to pool investors		168,257	168,257
Depreciation	2,078		2,078
General and administration	27,747		27,747
Other	42		42
Total deductions	<u>2,660,335</u>	<u>583,269</u>	<u>3,243,604</u>
Net additions (deductions)	<u>4,549,315</u>	<u>(243,797)</u>	<u>4,305,518</u>
Fund balances reserved for employees' pension benefits and external investment pool participants, July 1, 1999	<u>41,473,766</u>	<u>4,564,415</u>	<u>46,038,181</u>
FUND BALANCES RESERVED FOR EMPLOYEES' PENSION BENEFITS AND EXTERNAL INVESTMENT POOL PARTICIPANTS, JUNE 30, 2000	<u>\$ 46,023,081</u>	<u>\$ 4,320,618</u>	<u>\$ 50,343,699</u>

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

State of Illinois

**Combining Statement of Changes in Fund Balances -
University Component Units**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Component Units					
	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University	Western Illinois University	Illinois State University
REVENUES AND OTHER ADDITIONS						
Unrestricted current fund revenues	\$ 25,292	\$ 67,810	\$ 29,109	\$ 28,591	\$ 85,861	\$ 142,608
Federal and local grants and contracts-restricted	16,532	6,685	9,016	11,002	12,985	12,479
State grants and contracts-restricted		4,155	2,401	781		8,061
Other state sources		74			1,433	
Private gifts, grants and contracts-restricted	505	4,277	1,063	2,670	4,964	10,499
Investment income	52	4,348	163	76	1,982	2,379
Realized gain on investments-restricted (net)						321
Interest and fees on loans receivable	320	26		108	38	222
Expended for plant facilities:						
Current funds		6,437	2,351	6,095	9,832	20,945
Plant funds	14,580	3,414		845	1,848	1,602
Other			(98)			
Retirement of long-term obligations		1,016		1,048	1,141	4,263
Other	25	5,048	476	1,141	13,167	2,877
Total revenues and other additions	57,306	103,290	44,481	52,357	133,251	206,256
EXPENDITURES AND OTHER DEDUCTIONS						
Educational and general expenditures	86,822	115,366	65,487	86,025	138,675	233,106
Auxiliary enterprises expenditures	3,580	20,408	1,108	2,167	29,446	37,498
Hospital expenditures						
Independent operations expenditures		959				
Foundation expenditures	1,081			305	4,172	
Indirect costs recovered		330		384	831	629
Refunds of grants and adjustments to grants						
Loan cancellation and write-offs	25	100	122	58	46	232
Change in allowance for uncollectible notes	143			53	(9)	(30)
Administrative and collection cost	32	36	152	40	65	22
Expended for plant facilities (including noncapitalized expenditures of \$42,548)	6,488	8,387		1,146	6,346	7,356
Retirement of long-term obligations		3,292		573	3,609	5,648
Disposal of plant facilities	1,292	10,306	1,795	3,670	2,867	605
Other	3,568	1,428			12,544	8,125
Total expenditures and other deductions	103,031	160,612	68,664	94,421	198,592	293,191
TRANSFERS-ADDITIONS (DEDUCTIONS)						
Student loan matching grants						(4)
Nonmandatory transfers:						
Operating transfers-in		28		38		
Operating transfers from primary government	54,078	67,351	34,256	54,805	81,668	118,086
Operating transfers-out		(5)			(7)	(51)
Operating transfers to primary government						
Other	(2,095)	(2,671)	(8,692)	(38)	(10,754)	(842)
Total transfers-additions	51,983	64,703	25,564	54,805	70,907	117,189
Net increase (decrease)	6,258 (decrease)	7,381	1,381	12,741	5,566	30,254
Fund balances, July 1, 1999	80,642	180,608	75,959	119,438	234,843	436,228
FUND BALANCES, JUNE 30, 2000	\$ 86,900	\$ 187,989	\$ 77,340	\$ 132,179	\$ 240,409	\$ 466,482

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

Component Units (continued)			
Northern Illinois University	Southern Illinois University	University of Illinois	Total
\$ 154,205	\$ 479,985	\$ 1,065,739	\$ 2,079,200
16,740	50,542	386,735	522,716
	9,475	77,055	101,928
8,448			9,955
16,251	69,414	209,349	318,992
3,650	8,581	38,816	60,047
976		49,308	50,605
182	404	1,451	2,751
41,999	12,691	105,877	206,227
10,152	4,834	82,926	120,201
		73,451	73,353
44,318	4,811	23,839	80,436
1,618	11,349	331,149	366,850
298,539	652,086	2,445,695	3,993,261
253,130	555,493	2,085,037	3,619,141
53,567	60,679	164,788	373,241
		272,590	272,590
		6,744	7,703
5,246		31,337	42,141
2,114	4,826	92,840	101,954
	433	4,551	4,984
83	82	451	1,199
54	134	6	351
205	184	2,082	2,818
42,141	28,474	108,678	209,016
16,351	8,100	55,507	93,080
4,671	2,430	69,957	97,593
40,809	12,419	290,651	369,544
418,371	673,254	3,185,219	5,195,355
		(4)	
	2,676	194	2,936
153,980	94,220	983,654	1,642,098
(86)		(2,787)	(2,936)
		(3)	(3)
(16,701)	(16,542)	(1,420)	(59,755)
137,193	80,354	979,638	1,582,336
17,361	59,186	240,114	380,242
428,729	820,692	4,082,445	6,459,584
\$ 446,090	\$ 879,878	\$ 4,322,559	\$ 6,839,826

State of Illinois

**Combining Statement of University Current Funds -
Revenues, Expenditures and Other Changes
University Component Units**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Unrestricted					
	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University	Western Illinois University	Illinois State University
REVENUES						
Tuition and fees	\$ 18,920	\$ 38,743	\$ 11,541	\$ 22,901	\$ 33,570	\$ 74,105
Federal and local grants and contracts		192		321		417
State grants and contracts		171		14		172
Private gifts, grants and contracts	537	65		267	75	91
Investment income	13	1,348	266	740	2,213	928
Sales and services	3,242	25,459	972	3,463	45,838	56,197
Other	2,580	1,832	16,330	885	4,165	10,698
Total revenues	25,292	67,810	29,109	28,591	85,861	142,608
EXPENDITURES AND MANDATORY TRANSFERS						
Educational and general:						
Instruction	35,321	50,153	20,041	28,217	42,309	78,394
Research	459	311	21	23	1,271	2,030
Public service	769	1,764		1,171	2,720	5,710
Academic support	4,499	10,601	2,149	6,632	29,600	12,574
Student services	6,460	12,308	1,042	5,734	13,193	22,349
Institutional support	9,635	13,119	24,539	18,284	16,733	47,939
Operation and maintenance of plant	7,531	10,098	4,391	10,532	12,557	22,320
Scholarships and fellowships	3,143	4,172	497	1,668	3,390	8,467
Total educational and general	67,817	102,526	52,680	72,261	121,773	199,783
Auxiliary enterprises	3,379	20,408	1,108	2,150	29,446	37,498
Hospitals						
Independent operations		189				
Total expenditures	71,196	123,123	53,788	74,411	151,219	237,281
Mandatory transfers:						
Retirement of long-term obligations		2,393		573	3,375	5,466
Student loan matching grant		253	40	38	16	4
Renewal and replacement	1,487			712	2,688	5,865
Other	1,333		143		259	
Total mandatory transfers	2,820	2,646	183	1,323	6,338	11,335
Total expenditures and mandatory transfers	74,016	125,769	53,971	75,734	157,557	248,616
OPERATING TRANSFERS AND ADDITIONS (DEDUCTIONS)						
Operating transfers-in						
Operating transfers from primary government	48,592	61,896	30,826	52,236	75,382	112,025
Operating transfers-out						
Other transfers	(238)	(5,142)		(1,119)	(1,646)	(1,001)
Other additions (deductions)		(23)	(5,961)			1,469
Total operating transfers and additions (deductions)	48,354	56,731	24,865	51,117	73,736	112,493
TOTAL INCREASE (DECREASE) IN FUND BALANCE	\$ (370)	\$ (1,228)	\$ 3	\$ 3,974	\$ 2,040	\$ 6,485

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

Unrestricted (continued)			
Northern Illinois University	Southern Illinois University	University of Illinois	Total
\$ 70,882	\$ 100,250	\$ 328,415	\$ 699,327
1,270	3,057	80,847	86,104
1,254	971	3,572	6,154
900	4,384	11,095	17,414
2,231	5,603	(3,031)	10,311
73,806	103,760	613,069	925,806
3,862	261,960	31,772	334,084
154,205	479,985	1,065,739	2,079,200
99,341	189,870	642,818	1,186,464
4,520	11,860	99,056	119,551
5,144	14,262	121,262	152,802
24,937	78,799	142,007	311,798
10,657	36,197	60,895	168,835
55,181	77,259	149,633	412,322
15,881	49,226	140,965	273,501
11,368	8,417	109,247	150,369
227,029	465,890	1,465,883	2,775,642
53,533	60,011	164,785	372,318
		272,590	272,590
		6,744	6,933
280,562	525,901	1,910,002	3,427,483
9,870	7,478	40,499	69,654
22	133	162	668
3,065	613	5,198	19,628
1,042			2,777
13,999	8,224	45,859	92,727
294,561	534,125	1,955,861	3,520,210
138,191	61,850	933,344	1,514,342
		(115)	(115)
676	(2,447)	(44,729)	(55,646)
(2,501)			(7,016)
136,366	59,403	888,615	1,451,680
\$ (3,990)	\$ 5,263	\$ (1,507)	\$ 10,670

State of Illinois

**Combining Statement of University Current Funds -
Revenues, Expenditures and Other Changes
University Component Units**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Restricted					
	Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University	Western Illinois University	Illinois State University
REVENUES						
Tuition and fees						
Federal and local grants and contracts	\$ 16,415	\$ 6,607	\$ 8,800	\$ 10,640	\$ 12,934	\$ 11,689
State grants and contracts		3,438	2,401	275		8,061
Private gifts, grants and contracts	316	3,578	1,032	2,307	4,442	9,489
Investment income	7	1,453	86	73	592	855
Sales and services						
Other	136	136	422		1,022	1,397
Total revenues	16,874	15,212	12,741	13,295	18,990	31,491
EXPENDITURES AND MANDATORY TRANSFERS						
Educational and general:						
Instruction	2,399	294	1,814	1,058	1,032	3,028
Research	757	279	11	176	5,404	9,806
Public service	3,421	5,658	1,280	6,112	4,001	3,221
Academic support	1,813	546	50	45	3,886	81
Student services	1,423	57	8,291	115	18	190
Institutional support	520	320	1,179	143	673	6,251
Operation and maintenance of plant	33	1,559		4	756	2,255
Scholarships and fellowships	9,607	4,236	182	6,415	6,356	8,491
Total educational and general	19,973	12,949	12,807	14,068	22,126	33,323
Auxiliary enterprises				17		
Hospitals						
Independent operations		770				
Total expenditures	19,973	13,719	12,807	14,085	22,126	33,323
Mandatory transfers:						
Retirement of long-term obligations						
Student loan matching grant		(214)				
Renewal and replacement						
Other			(143)		(259)	
Total mandatory transfers		(214)	(143)		(259)	
Total expenditures and mandatory transfers	19,973	13,505	12,664	14,085	21,867	33,323
OPERATING TRANSFERS AND ADDITIONS (DEDUCTIONS)						
Operating transfers-in		28		38		
Operating transfers from primary government	3,305	3,684	1,640	913	3,571	3,055
Operating transfers-out		(5)			(7)	(51)
Operating transfers to primary government						
Other transfers	(327)	(354)			124	(1,066)
Excess (deficiency) of restricted receipts over transfers to revenue		485	31	654	323	
Other additions (deductions)		(4,000)	(1,640)			(57)
Total operating transfers and additions (deductions)	2,978	(162)	31	1,605	4,011	1,881
TOTAL INCREASE (DECREASE) IN FUND BALANCE	\$ (121)	\$ 1,545	\$ 108	\$ 815	\$ 1,134	\$ 49

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

Restricted (continued)

Northern Illinois University	Southern Illinois University	University of Illinois	Total	Total Current Funds
				\$ 699,327
\$ 15,307	\$ 46,866	\$ 299,755	\$ 429,013	515,117
7,759	7,550	63,350	92,834	98,988
9,290	35,591	201,978	268,023	285,437
178	2,515	14,410	20,169	30,480
34			34	925,840
1,566	1,104	127,387	133,170	467,254
34,134	93,626	706,880	943,243	3,022,443
2,229	8,082	140,942	160,878	1,347,342
6,462	22,714	314,091	359,700	479,251
7,685	32,626	124,120	188,124	340,926
36	664	23,032	30,153	341,951
27	952	2,449	13,522	182,357
1,757	2,296	3,191	16,330	428,652
2,032	86	1,046	7,771	281,272
10,804	22,138	41,620	109,849	260,218
31,032	89,558	650,491	886,327	3,661,969
34	668	3	722	373,040
				272,590
			770	7,703
31,066	90,226	650,494	887,819	4,315,302
		1,945	1,945	71,599
			(214)	454
				19,628
			(402)	2,375
		1,945	1,329	94,056
31,066	90,226	652,439	889,148	4,409,358
	2,676	79	2,821	2,936
7,710	15,800	17,629	57,307	1,571,649
(86)		(2,672)	(2,821)	(2,936)
		(3)	(3)	(3)
(1,859)	(20,956)	(15,832)	(40,270)	(95,916)
26	25,788	(25,821)	1,486	1,486
(7,796)	(357)	(4,549)	(18,399)	(25,415)
(2,005)	22,951	(31,169)	121	1,451,801
\$ 1,063	\$ 26,351	\$ 23,272	\$ 54,216	\$ 64,886

STATE OF ILLINOIS

Notes to the Financial Statements

June 30, 2000

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Financial Reporting Entity

The State of Illinois is a “primary government” whose financial statements consist of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The financial statements include all funds, account groups, 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 the State’s governing body appoints a majority of an organization’s governing board and (1) the State can impose its will upon the organization or (2) there is a potential for the organization to provide specific financial benefit to, or impose specific financial burdens 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, Attorney General, Secretary of State, Comptroller and Treasurer. The judicial branch is composed of a seven-member Supreme Court, five Appellate

court districts and twenty-two 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 are 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 and is generally the focal point for users of the financial statements. Component units are legally separate organizations for which the State is financially accountable. An overview of the State’s component units is presented in the financial statements by “discrete” presentation (i.e., columns presented separately from the primary government). Condensed financial statements for the State’s discretely presented component units are displayed in Note 18.

Discretely Presented Component Units

Component units are reported in separate columns to emphasize that they are legally separate from the State. Complete financial statements of the individual component units can be obtained from the respective component unit’s administrative offices (as listed in parentheses below). The component units presented below have governing bodies appointed by the governing board of the State.

1. *Illinois Distance Learning Foundation* (“*Foundation*”). The Foundation promotes increased use of communication and information technology in rural school districts in the State of Illinois in order to improve curriculum, access to skilled faculty, parental participation and adult education opportunities. The State has the ability to impose its will on the Foundation through appointment of the Foundation’s

- governing board. (Administrative Offices: 305 Stratton Building, Springfield, Illinois 62706).
2. *Illinois Literacy Foundation* (“*Foundation*”). The Foundation promotes literacy among the residents of the State of Illinois by supporting literacy programs and enhancing Statewide literacy awareness. The State has the ability to impose its will on the Foundation through appointment of the Foundation’s governing board. (Administrative Offices: 124 Howlett Building, Springfield, Illinois 62756)
 3. *Illinois Grain Insurance Corporation* (“*Corporation*”). The Corporation was created for the purpose of improving the economic stability of agriculture in the State of Illinois by establishing a fund to pay grain producers and other claimants for losses incurred by the failure of a grain dealer or warehouseman. The State has the ability to impose its will on the Corporation through appointment of the Corporation’s governing board. (Administrative Offices: State Fairgrounds, Springfield, Illinois 62794).
 4. *Illinois Conservation Foundation* (“*Foundation*”). The Foundation was created to promote, support, assist, sustain and encourage the charitable, educational, scientific and recreational programs, projects and policies of the Illinois Department of Natural Resources. The State has the ability to impose its will on the Foundation through appointment of the Foundation’s governing board. (Administrative Offices: 524 South Second Street, Springfield, Illinois 62701-1787).
 5. *East St. Louis Financial Advisory Authority* (“*Authority*”). The Authority was created to provide a secure financial basis for and to furnish assistance to the city of East St. Louis. The State substantively approves the Authority’s budget. (Administrative Offices: 10 Collinsville Avenue, East St. Louis, Illinois 62201).
 6. *East St. Louis Development Authority* (“*Authority*”). The Authority was created to provide funding for industrial, commercial and manufacturing development to the City of East St. Louis. The State substantially approves the Authority’s budget. The Authority is currently defunct. The funds used to record the Authority’s activities will be dissolved in fiscal year 2001.
 7. *Illinois Development Finance Authority* (“*IDFA*”). The IDFA provides funding for industrial, commercial and manufacturing development in areas of Illinois with critical unemployment. The State appropriates funds for certain IDFA programs. (Administrative Offices: 233 South Wacker Drive, Suite 5310, Chicago, Illinois 60606).
 8. *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 are not sufficient IHDA monies to pay principal and interest. (Administrative Offices: 401 North Michigan Avenue, Suite 900, Chicago, Illinois 60611).
 9. *Illinois Medical District Commission* (“*Commission*”). The Commission was created to maintain and expand a designated “medical district.” The State substantively approves the Commission’s budget. (Administrative Offices: 600 South Hoyne, Chicago, Illinois 60612).
 10. *Community Development Finance Corporation* (“*Corporation*”). The Corporation assists various community development corporations to promote economic redevelopment in designated areas within the State of Illinois. The State has the ability to impose its will on the Corporation through appointment of the Corporation’s governing board. (Administrative Offices: 300 West Jefferson, Springfield, Illinois 62702).

11. *Comprehensive Health Insurance Plan (“CHIP”) Board.* The CHIP 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 CHIP. (Administrative Offices: 400 West Monroe Street, Suite 202, Springfield, Illinois 62704).
12. *Illinois Farm Development Authority (“Authority”).* The Authority develops various programs designed to maintain and promote the agricultural economy of the State of Illinois. The State has the ability to impose its will on the Authority through appointment of the Authority’s governing board. (Administrative Offices: 427 East Monroe, Suite 201, Springfield, Illinois 62701).
13. *Illinois Health Facilities Authority (“Authority”).* The Authority provides assistance and alternative methods of financing private and public institutions, which are consistent with the orderly and economic development of health facilities and services. The State has the ability to impose its will on the Authority through appointment of the Authority’s governing board. (Administrative Offices: 180 North Stetson, Suite 1100, Chicago, Illinois 60601).
14. *Illinois Educational Facilities Authority (“Authority”).* The Authority provides tax-exempt financing for the acquisition or construction of educational facilities and education loans for private institutions of higher education, certain related not-for-profit academic institutions, private cultural institutions and education loan corporations within the State of Illinois. The State has the ability to impose its will on the Authority through appointment of the Authority’s governing board. (Administrative Offices: 105 West Orchard Street, Itasca, Illinois 60143).
15. *Illinois Rural Bond Bank (“Bond Bank”).* The Bond Bank provides assistance to rural governmental units by providing adequate capital markets and facilities for borrowing money and financing public improvements at low interest rates. The State is secondarily liable for payment of principal and interest on the Bond Bank debt. Excess reserves of the Bond Bank must be returned to the State’s General Fund. (Administrative Offices: 427 East Monroe Street, Suite 202, Springfield, Illinois 62701).
16. *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. (Administrative Offices: One Authority Drive, Downers Grove, Illinois 60515). The THA reports on a December 31 year-end.
17. *Quad Cities Regional Economic Development Authority (“Authority”).* The Authority promotes economic development within the counties of Rock Island, Henry and Mercer in the State of Illinois. The State approves bonds and notes issued by the authority and is secondarily liable for its debt if there are not sufficient Authority monies to pay principal and interest. (Administrative Offices: 1504 3rd Avenue, Box 3368, Rock Island, Illinois 61204-3368).
18. *Southwestern Illinois Development Authority (“Authority”).* The Authority promotes economic development within the counties of St. Clair and Madison in the State of Illinois. The State approves bonds and notes issued by the authority and is secondarily liable for its debt if there are not sufficient Authority monies to pay principal and interest. (Administrative Offices: 1022 Eastport Plaza, Collinsville, Illinois 62234).

19. *Upper Illinois River Valley Development Authority* (“*Authority*”). The Authority 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 authority and is secondarily liable for its debt if there are not sufficient Authority monies to pay principal and interest. (Administrative Offices: 321 West Main Street, Ottawa, Illinois 61350).

20. *Boards of Trustees 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*”) and *Northern Illinois University* (“*NIU*”) (“*boards*”). 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. (Administrative Offices:

- ? CSU, 9501 South King Drive, Chicago, Illinois 60628
- ? EIU, 113 West Old Main, Charleston, Illinois 61920
- ? GSU, Route 54 & Stuenkel Road, University Park, Illinois 60466
- ? NEIU, 5500 North St. Louis Avenue, Chicago, Illinois 60625
- ? WIU, 1 University Circle, Macomb, Illinois 61455
- ? ISU, Campus Box 1200, Normal, Illinois 61790-1200
- ? NIU, 104 Altgeld Hall, DeKalb, Illinois 60115).

21. *Board of Trustees of Southern Illinois University* (“*SIU Board*”). The SIU Board operates, manages, controls and maintains Southern Illinois University. The State provides significant financial support to the SIU Board. (Administrative Offices: Colyer Hall, Carbondale, Illinois 62901).

22. *Board of Trustees of the University of Illinois* (“*U of I Board*”). The U of I Board operates, manages, controls and maintains the University of Illinois. The U of I Board consists of appointed trustees who manage the University of Illinois. As existing board members’ terms expire they will be appointed by the Governor. The State provides significant financial support to the U of I Board. (Administrative Offices: 346 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 nation’s first multi-state environmental endowment 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. In August 1998, Illinois made its final payment of \$4.2 million for a total contribution of \$15 million. There is still an outstanding amount due of \$938 thousand due to the Fund from Illinois for previous interest owed. The required contribution from all member states at incorporation was \$81 million. The Fund’s net assets on December 31, 1999 were \$134 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 elect 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 in 1999 of \$837 thousand. In accordance with the Articles of Incorporation, Illinois' state share will be used each year to reduce the amount of interest due until such time as the entire amount is eliminated. Illinois may make a cash payment at any time to expedite the reduction of interest due. The affirmative vote of all of the members is required for all actions of the Fund. Complete financial statements of the Fund can be obtained from the Fund's Administrative Offices at 35 East Wacker Drive, Suite 1880, Chicago, Illinois, 60601.

Related Organizations

The State's officials are also responsible for appointing the majority of the boards of other organizations, but the State's accountability does not go beyond making the appointments. The State, generally the Governor, in certain instances with the advice and consent of the Senate, appoints the members of the following boards:

- ? Central Midwest Interstate Low-Level Radioactive Waste Commission
- ? Havana Regional Port District
- ? Kaskaskia Regional Port District
- ? Mt. Carmel Regional Port District
- ? Shawneetown Regional Port District
- ? Southwest Regional Port District
- ? Tri-City Regional Port District
- ? Waukegan Port District
- ? White County Regional Port District
- ? Illinois Community College System Foundation

The State maintains accounting records for the Central Midwest Interstate Low-Level

Radioactive Waste Commission. The Illinois Community College Board received final payment for previous nominal support services from the Illinois Community College System Foundation in 2000. These are the only related party activities that the State has with the above organizations.

Jointly Governed Organizations

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. The Governor, sometimes with the advice and consent of the Senate, appoints the number of board members (as indicated in parentheses below) of the following organizations:

- ? Bi-State Development Agency of the Missouri/Illinois Metropolitan District (5 of 10)
- ? Education Commission of the States (7 of approximately 350)
- ? Illinois Valley Regional Port District (2 of 5)
- ? Illinois-Missouri Bridge Commission
- ? Interstate Mining Commission (1 of 17)
- ? Jackson/Union Counties Regional Port District (4 of 23)
- ? Joliet Regional Port District (3 of 7)
- ? Lawyers Trust Fund (3 of 9)
- ? Midwestern Higher Education Commission (5 of 60)
- ? Northeastern Illinois Planning Commission (5 of 34)
- ? Ohio River Valley Water Sanitation Commission (3 of 24)
- ? Southwestern Illinois Metropolitan & Regional Planning Commission (8 appointed)
- ? Wabash Valley Interstate Commission (7 of 14)

The State has no significant related-party activities with the above organizations.

C. Fund Accounting

Financial activities of the State are organized on the basis of individual funds and account groups, each of which is a separate accounting entity segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations. The financial activities of the State accounted for in the accompanying financial statements have been classified into the following fund categories and account groups:

Government Fund Types

General – Transactions related to resources obtained and used for those services traditionally provided by a state government which are not required to be accounted for in other funds are accounted for in the General Fund. These services include, among others, social assistance, education (other than institutions of higher 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 four primary sub-accounts (General Revenue, Education Assistance, Common School and Medicaid Provider Assessment Program) with numerous secondary sub-accounts.

Special Revenue – Transactions related to resources obtained from specific revenue sources (other than for expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes are accounted for in special revenue funds. 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 – Transactions related to governmental resources obtained and accumulated to pay interest and principal on general long-term obligations (other than capital leases, compensated absences, workers' compensation and unfunded retirement costs) are

generally accounted for in debt service funds.

Capital Projects – Transactions related to resources obtained and used for the acquisition or construction of major capital facilities, including those provided to political subdivisions and other public organizations, which are charged to expenditures (other than those financed by proprietary, fiduciary and university fund types) are accounted for in capital project funds. Such resources are derived principally from proceeds of general and special obligation bond issues.

Proprietary Fund Types

Enterprise – Enterprise 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, or where periodic measurement of the results of operations is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service – Internal service funds account for the operations of State agencies which render services and provide goods to other State agencies or governmental units on a cost reimbursement basis.

Fiduciary Fund Types

Trust

Expendable – Expendable trust funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations.

Nonexpendable – Nonexpendable trust funds account for assets held by the State in a trustee capacity where only the income may be expended in the course of the funds' designated operations.

Pension – Pension trust funds account for transactions, assets, liabilities and fund balances reserved for employees' pension benefits of the various State public employee retirement systems.

Investment – Investment trust funds account for transactions, assets, liabilities and fund balances reserved for pool participants.

Agency

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

Universities

University funds account for the operations of State universities, including their related foundations and associations (referred to as university related organizations or “UROs”). The UROs are component units of their related universities and the universities are, in turn, component units of the State. The discrete presentation of the universities within the State’s financial statements is in accordance with National Association of College and University Business Offices’ accounting and reporting principles. The universities are reported in the financial statements based upon their legal ownership as follows:

- ? Chicago State, Eastern Illinois, Governors State, Northeastern Illinois, Western Illinois, Illinois State and Northern Illinois are managed, operated, controlled and maintained by individual boards of trustees at those universities.
- ? Board of Trustees of Southern Illinois University – Southern Illinois University at Carbondale, Edwardsville, and the Medical School at Springfield are operated, managed, controlled and maintained by the SIU Board of Trustees.
- ? University of Illinois Board of Trustees – The University of Illinois at Champaign-Urbana, Chicago, Springfield and the Medical Center at Chicago are managed by the University of Illinois Board of Trustees.

Account Groups

General Fixed Assets - General fixed assets acquired or constructed for use by the State in the conduct of its activities, other than those accounted for in proprietary, fiduciary and university fund types are accounted for in the General Fixed Assets Account Group.

General Long-Term Obligations - Unmatured general and special obligation bonds, unfunded retirement costs and other long-term obligations not recorded in proprietary, fiduciary and university fund types are recorded in the General Long-Term Obligations Account Group.

D. *Basis of Accounting and Measurement Focus*

Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

Governmental Funds and Expendable Trust Funds. The accounts of the general, special revenue, debt service, capital projects and expendable trust funds are reported using a current financial resources measurement focus and modified accrual basis of accounting. Under this measurement focus only current assets and current liabilities are included on the balance sheet. Fund balance represents a measure of “available spendable resources.” Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available to finance expenditures of the fiscal year. “Measurable” means when the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay

liabilities of the current period). Expenditures are recorded when the related fund liability is incurred. Significant revenue sources which are susceptible to accrual include individual and corporate income taxes, sales taxes, public utility taxes and motor fuel taxes.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one type, monies must be expended on the specific purpose or project before any amounts will be paid to the State; therefore, revenues are recognized based upon the expenditure recorded. In the other type, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Modifications to the accrual basis of accounting include:

- ? Self assessed taxes, principally income, excise and wealth taxes, are recognized as receivables and revenues in the period to which they apply subject to their availability.
- ? Fines, penalties, licenses and other miscellaneous revenues are recognized when received since they normally are only measurable at that time.
- ? Interest on long-term obligations reflected in the General Long-Term Obligations Account Group is recognized in the debt service funds when it becomes payable.

Proprietary Funds, Nonexpendable Trust, Pension Trust and Investment Trust Funds. The accounts of the enterprise, internal service, nonexpendable trust, pension trust and investment trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, all assets and liabilities

associated with the operation of these funds are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings components for enterprise and internal service funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

As permitted by GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, generally, the State has elected to apply only statements and interpretations of the Financial Accounting Standards Board, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The following major agencies, departments or component units, however, have elected to apply all statements and interpretations of the Financial Accounting Standards Board:

- ? Illinois Student Assistance Commission
- ? Comprehensive Health Insurance Board
- ? Illinois Farm Development Authority

Agency Funds. The accounts of agency funds are reported using the modified accrual basis of accounting as described above for governmental and expendable trust funds. Agency funds do not measure nor report operations. Instead, changes in assets and liabilities are presented for agency funds.

University Funds. The accounts of the university funds are reported using the accrual basis of accounting with the following exceptions:

- ? Depreciation expense related to plant fund assets generally is not recorded.
- ? Revenues and expenditures of an academic term encompassing more than one fiscal year are solely reported in the fiscal year in which the program is predominantly conducted.

E. Eliminations

Eliminations have been integrated into the report to eliminate those items that would significantly overstate the financial activities of certain funds and intrafund accounts within the related fund type.

F. Total (Memorandum Only) Columns

Total columns represent an aggregation of the fund type and account group financial statements. They are presented for informational purposes and do not represent consolidated financial information.

G. Budgetary Process

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 ("SAMS") 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 fund level by agency or department as reported in a publication titled *Illinois Detailed Annual Report of Revenues and Expenditures* (i.e. Office of the Comptroller, Department of Human Services, Department of Corrections, etc). A separate document is

necessary since the State has approximately 11,175 appropriated line items. Administrative transfers between certain appropriation line items within the same treasury held fund cannot exceed 2% of the aggregate amount appropriated to an agency from that fund. Examples of appropriation line items with a 2% transfer limit are Personal Services, Travel, Commodities, Printing and Equipment. 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 they are presented for payment during the succeeding 2-month "lapse period." Certain appropriations referred to as "reappropriations" represent the continuation of a prior year's program that requires additional time for completion.

Budgeted revenues in the accompanying Combined Statement of Revenues, Expenditures, Other Sources and Uses of Financial Resources and Changes in Budgetary Fund Balances – Budget and Actual (Non-GAAP) represent original estimates, while budgeted expenditures represent original/continuing appropriations modified by supplemental and amendatory appropriations aggregating \$1.3 billion. Budgets are essentially on the cash basis, modified for expenditures during the lapse period (beginning and end of year) as described in the preceding paragraph.

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 required to be 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.

H. Cash Equivalents

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

I. Investments

Investments are stated at fair value in accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Generally, the State's pension systems' marketable securities are valued at closing prices listed on national securities exchanges and quotes from independent pricing services as of June 30. Real estate and venture capital are valued based upon appraisals and discounted cash flow analysis.

The Illinois Funds operates as a 2a7-like pool and thus reports all investments at amortized cost rather than market value. 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. It may be obtained by contacting them at Jefferson Terrace, 300 West Jefferson Street, Second Level, Springfield, Illinois 62702.

Investment income is recorded as revenue in the General Fund, except for resources of retirement systems and certain other individual funds that are statutorily authorized to be separately invested and specifically credited with the income realized thereon. The State's financial statements contain certain investments that meet the definition of "derivatives." Derivative investments are included in the pension trust funds as disclosed in Note 4.

J. Inventories

Inventories for governmental funds are valued at cost, principally on the first-in, first-out purchases method.

K. Interfund Transactions

The State has the following types of interfund transactions:

Quasi-external transactions – Charges for services rendered by one fund to another are treated as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

Reimbursements – Reimbursement of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Residual Equity Transfers – Nonroutine or nonrecurring transfers between funds are reported as additions to or deductions from fund equity.

Operating Transfers – Legally authorized transfers other than residual equity transfers are reported as operating transfers.

L. Property, Plant and Equipment

Fixed assets are recorded at cost or, for donated assets, at fair market value at date of acquisition.

General Fixed Assets – Fixed asset records are used by the State primarily to assure accountability. Historical cost records for certain general fixed assets are incomplete or not available. Accordingly, estimated historical costs have been used. Public domain (infrastructure) general fixed assets such as highways, bridges and lighting systems are not capitalized. Depreciation is not provided on general fixed assets and interest expenditures incurred during the construction period are not capitalized.

Proprietary and Fiduciary Fund Types – It is the State’s policy to capitalize interest expense incurred on significant assets during their construction. Generally, property, plant and equipment, excluding land, are depreciated on the straight-line method over the estimated service lives of the respective assets as follows:

Years

Land improvements 20-50

Buildings/building improvements 20-50

Equipment 3-10

University Funds – Generally, public domain (infrastructure) assets such as streets, sidewalks and lighting systems are not capitalized. Depreciation generally is not provided on property, plant and equipment.

M. Retirement Costs

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 10). The State also maintains and funds public employee retirement systems for employees of the various State supported universities, 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. Based on actuarial consultations, the State’s contributions have been less than the retirement benefits paid during the year for the last nineteen 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.

Effective July 1, 1996, the State adopted the provisions of GASB Statement 27, *Accounting for Pensions by State and Local Governmental Employers*, to determine pension costs. Accordingly, calculated pension cost comprises the employer’s annual required contributions (i.e., the “ARC”), which equals normal cost plus interest on unfunded prior service costs and amortization of prior service cost over forty years, one year’s interest on the net pension obligation and an adjustment to the ARC to offset the effect of actuarial amortization of past under or over contributions.

N. 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 “accretes” (i.e., the discount is reduced) over the life of the bonds. For general and special obligation bonds, the accreted amounts are included in the General Long-Term Obligations Account Group.

O. Compensated Absences

The amounts of vested unpaid vacation and sick leave accumulated by State employees are accrued when incurred in proprietary, pension trust and university fund types and in component

units, which use the accrual basis of accounting. In the governmental funds, only the amounts that normally would be liquidated with expendable available financial resources are accrued as current-year expenditures. 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. The State's liability for unused vested sick leave and vacation time, including salary related costs (e.g., social security and Medicare tax), is recorded in the accompanying financial statements at the employees' current salary level. Unless it is anticipated that compensated absences will be used in excess of a normal year's accumulation, no additional expenditures are accrued. Therefore, the entire unpaid liability for the governmental funds, including governmental component units, is recorded in the General Long-Term Obligations Account Group.

P. Workers' Compensation Liability

The fund liabilities of the General Fund and the Road and Mental Health (Special Revenue) Funds include the amount of workers' compensation claims that would normally be liquidated with expendable available financial resources. The remaining liability, based on the State's workers' compensation laws, is reported in the General Long-Term Obligations Account Group and University Funds.

Q. Encumbrances

The State employs encumbrance accounting for all governmental fund types. All contracts, purchase orders and other commitments for goods or services that have not been received/rendered by June 30 are reported as reservations of fund balances, not as expenditures.

R. Reservations/Designations of Fund Equity

Reservations

Governmental and Fiduciary Funds – Fund balances of governmental and fiduciary fund types that are legally restricted to a specific future use or that are not available for appropriation or expenditure are reported as reservations of fund balances.

University Funds – Fund balances of university funds that are legally restricted by outside sources to specific future use are reported as reservations of fund balances.

Proprietary Funds – Reserved retained earnings of the proprietary funds are legally restricted for the payment of capital maintenance and debt service related to revenue bonds and bond anticipation notes and for other purposes.

Designations

Designations of unreserved fund balances in governmental, fiduciary and university funds indicate the State's plan for use of financial resources in future periods.

S. Future Adoption of GASB Statement

Effective for the year ending June 30, 2001, the State will adopt GASB Statement 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which establishes accounting and financial reporting standards for nonexchange transactions involving financial or capital resources such as grants and private donations. The State has not yet determined the impact of the statement adoption on the financial statements.

2 BUDGETARY BASIS VS. GAAP

The accompanying Combined Statement 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, presents comparisons of the legally adopted budget (more fully described in Note 1-G) with actual data on a budgetary basis.

The University fund type is no longer a budgeted fund type and is therefore not shown in this non-GAAP presentation. The one fund that was budgeted as a university fund type in the prior year is now budgeted as a special state fund.

Table 2-1 (amounts expressed in thousands)

BUDGETARY FUND GROUPS	Primary Government				
	General	Highway	Special State	Bond Financed	Debt Service
FINANCIAL STATEMENT FUND TYPES	General		Special Revenue	Capital Projects	Debt Service
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources (budgetary basis)	\$ 274,020	\$ 67,786	\$ 248,894	\$ 47,773	\$ (3,962)
Adjustments:					
To adjust revenues, related receivables and deferred revenue	712,080	(460,672)	(412,954)	1,093	30,079
To adjust expenditures/expenses and related liabilities	(673,312)	553,463	502,198	(21,648)	81,816
To adjust for lapse period expenditures which were not recorded as liabilities	<u>(181,796)</u>	<u>10,167</u>	<u>(86,266)</u>	<u>451</u>	
Excess (deficiency) or revenues over (under) expenditures/expenses and other sources (uses) of financial resources into financial resources (GAAP basis) - budgetary classifications	130,992	170,744	251,872	27,669	107,933
Reclassifications & adjustments:					
To reclassify excess (deficiency) of revenues over (under) expenditures/expenses and other sources (uses) of financial resources into financial statements fund types	(148,586)	(170,744)	62,495	1,643	(319)
To record excess (deficiency) of revenues over (under) expenditures/expenses and other sources (uses) of financial resources for nonbudgeted funds and accounts	<u>5,121</u>		<u>(4,584)</u>	<u>1,314</u>	<u>(2,140)</u>
Excess (deficiency) of revenues over (under) expenditures/expenses and other sources (uses) of financial resources (GAAP basis)	\$ (12,473)	\$ -	\$ 309,783	\$ 30,626	\$ 105,474

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 generally accepted accounting principles, a reconciliation of

resulting basis, perspective, entity and timing differences in the excess (deficiency) of revenues over (under) expenditures/expenses and other sources (uses) of financial resources for the year ended June 30, 2000 is presented below:

Table 2-2 (amounts expressed in thousands)

Primary Government (Continued)						Component Units	
Federal Trust	Revolving	State Trust	Enterprise	Expendable Trust	Non-expendable Trust	Governmental	Proprietary
	Internal Service						
\$ 83,991	\$ (25,828)	\$ 47,133					
82,929	20,344	(821,925)					
(159,233)	1,687	734,467					
1,029	(1)	5,908					
8,716	(3,798)	(34,417)					
(8,716)	151	34,417	\$ (8,265)	\$ 214,338	\$ 70	\$ 23,516	
	603		(6,354)	123,101	1,339	1,630	\$ 34,690
\$ -	\$ (3,044)	\$ -	\$ (14,619)	\$ 337,439	\$ 1,409	\$ 25,146	\$ 34,690

3 **RESTATEMENT OF FUND BALANCES**

The fund balance of the Road Fund, a primary government special revenue fund, has been restated due to an overstatement of intergovernmental receivables. These receivables relate to the accumulated difference between the amounts annually apportioned by the Federal Highway Administration and the obligation ceilings set by the federal government.

In addition the fund balance of the Fund for Illinois' Future, a primary government special revenue fund, has been restated from amounts previously reported to correct an accounting error in the amount of deferred revenue previously reported.

The July 1, 1999 fund balances have been restated as follows:

Table 3-1 (amounts expressed in thousands)	
	Primary Government
	<u>Fund Types</u>
	<u>Special Revenue</u>
Fund Balance, July 1, 1999, as previously reported	\$ 3,570,692
Restatements:	
To adjust for overstatement of intergovernmental receivables	(453,850)
To adjust for correction of deferred revenue	<u>285,000</u>
Fund Balance July 1, 1999, as restated	<u>\$ 3,401,842</u>

4 **DEPOSITS AND INVESTMENTS**

The State Treasurer is the custodian of the State's cash, cash equivalents and investments for most funds maintained in the State Treasury. Funds maintained outside the State Treasury (locally held funds) have independent authority to manage their own cash and investments. As described later, the funds of the State's retirement systems are invested separately.

Investment Policy –

General

Statutes authorize public agencies, including the State of Illinois primary government and its component units, to engage in a wide variety of investment activities. These include bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the United States; interest-bearing savings accounts,

certificates of deposit, or interest-bearing time deposits or any other investments that constitute direct obligations of any bank; short-term obligations of certain qualified United States corporations; short-term discount obligations of the Federal National Mortgage Association; shares or other securities legally issued by certain state or federal savings and loan associations; insured dividend-bearing share accounts and certain other accounts of chartered credit unions; certain money market mutual funds; Public Treasurer's Pool; and repurchase agreements that meet certain instrument and transaction requirements. Statutes require that investments purchased must mature or be redeemable prior to the date they will be needed to pay expenditures.

The investments of the State's five retirement systems (classified as pension trust funds) are governed by the State Pension Code. Authorized

investments consist of bonds, equities, real estate, venture capital and other activities that are consistent with the “prudent person” rule. The “prudent person” rule, as adopted by the Illinois General Assembly in 1982, states that fiduciaries must discharge their duties with the care, skill, prudence and diligence which a prudent person acting in a like capacity and familiar with such matters would use under conditions prevailing at the time.

In addition to statutory requirements, primary government agencies and component units have adopted their own supplemental investment practices which further regulate such activities.

Derivatives

Certain State agencies, principally Teachers’ Retirement System (TRS), Illinois State Board of Investments (ISBI) and State Universities Retirement System (SURS), invest in derivative securities. A derivative security is an investment whose return on investment depends upon the underlying value of other assets such as commodity prices, bond and stock prices or a market index. In general, a derivative is used to modify exposure to undesirable risks, to increase portfolio liquidity and flexibility or to enhance investment yields within the level of risk defined in the agency’s investment guidelines.

Derivative transactions involve, to varying degrees, credit risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to terms. In order to eliminate credit risk, all derivative securities of TRS, ISBI and SURS are done through a clearinghouse which guarantees delivery and accepts the risk of default by either party. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle. The market risk associated with derivatives, the prices of which are constantly fluctuating, is regulated by TRS, ISBI and SURS by imposing strict limits as to the types, amounts and degree of risk that investment managers may undertake. These limits are approved by governing bodies and senior

management, and the risk positions of the investment managers are reviewed periodically to monitor compliance with limits.

TRS, ISBI and SURS invest in the following types of derivatives: foreign currency forward contracts, collateralized mortgage obligations (CMO’s), financial futures and financial options.

Foreign currency forward contracts are used to hedge against the currency risk in agencies’ foreign stock and fixed income security portfolios. Foreign currency forward contracts are an agreement to buy or sell a specific amount of a foreign currency at a specified delivery or maturity date for an agreed upon price. Fluctuations in the market value of foreign currency forward contracts are recognized as incurred rather than at the maturity or the settlement date of the contract. Foreign currency forward contracts represent an off-balance sheet obligation because there are no balance sheet assets or liabilities associated with those contracts.

Financial futures are agreements to buy or sell a specific amount of an asset at a specified delivery or a maturity date for an agreed-upon price. As the market value of the futures contract varies from the original contract price, a gain or loss is recognized and paid to the clearinghouse. Financial futures represent an off-balance sheet obligation because there are no balance sheet assets or liabilities associated with those contracts.

Financial options are agreements that give one party the right, but not the obligation, to buy 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, TRS and SURS 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. Fluctuations in the fair value of financial options are recognized in the financial statements as incurred rather than at the time the options are exercised or when they

expire. As a purchaser of financial options, SURS pays 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 and gains/losses are recognized when the options are exercised by the

agency or they expire.

As of June 30, 2000, TRS's fair value (expressed in thousands) of option contracts written was (\$2,441). The fair value of option contracts written represents the amount to be paid to close all positions as of that date.

Table 4-1 (amounts expressed in thousands)

Type of Derivative Contract	Contractual Principal Outstanding*		
	Teachers' Retirement System	Universities Retirement System	Illinois State Board of Investments
Domestic Interest Rate Products			
Fixed income futures (net)	\$ 41,894	\$ 207,700	
Fixed income put options (written, purchased)	782,005	1,956,000	
Fixed Income call options (written)	129,505	43,200	
International Interest Rate Products			
International fixed income futures (net)	74,602	531,000	
International fixed income options (net)		209,000	
Domestic Equity Products			
S & P 500 Index and other equity futures purchased	698,449	316,743	
Foreign Currency Products			
Forward foreign currency futures (net)	76,406	(2,849)	\$ 342

* The contractual principal amounts listed above represent the fair value of the underlying assets the derivative contracts control. Contractual principal values do not represent actual balance sheet values.

The preceding table represents the derivative positions held by TRS, ISBI and SURS at June 30, 2000 in financial futures and financial options. Additional information concerning the derivative investments of TRS, ISBI and SURS can be obtained from their separately issued annual reports.

Contractual principal amounts are often used to express the volume of these transactions but do not reflect the extent to which positions may offset one another. These amounts do not represent the much smaller amounts potentially subject to risk.

Deposits –

Primary Government

On June 30, 2000, the carrying amount (amounts expressed in thousands) of the State's primary government cash deposits was \$3,500,878 and the bank balance was \$4,653,052. Of the bank balance, \$4,540,201 was covered by federal depository insurance or by collateral held by the State or the State's agent in the State's name, \$2,291 was covered by collateral held in the pledging bank's trust department or by its agent in the State's name, and \$110,560 was uninsured and uncollateralized.

Component Units

On June 30, 2000, the carrying amount (amounts expressed in thousands) of the State's component units' cash deposits was \$196,116, and the bank balance was \$235,956. Of the bank balance, \$200,366 was covered by federal depository insurance or by collateral held by the State or the State's agent in the State's name, \$29,400 was covered by collateral held in the pledging bank's trust department or by its agent in the State's name, and \$6,190 was uninsured and uncollateralized. At June 30, 2000, the State Treasurer held \$302,608 of the component unit agencies' bank balances. By statute, public monies deposited in financial institutions must either be collateralized; insured by an agency of the federal government; or not exceed 75% of the capital stock and surplus, 75% of the net worth, or 50% of the unimpaired capital and surplus of a financial institution.

Investments –

Investments are categorized below to give an indication of the level of custodial credit risk assumed by the State at June 30, 2000. Category 1 includes investments that are insured or registered or for which the securities are held by the State or its agent in the State's name. Category 2 includes

uninsured and unregistered investments for which the securities are held by the counterparty trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments (whether or not held in the State's name) and securities held by any other party (State's agent, counterparty's trust department or agent) but not in the State's name. Of the amounts shown below in Category 3, 74% pertain to enterprise fund types and 26% pertain to pension fund types.

Additionally, the State had \$2.16 billion in investments with the U.S. Treasury for the payment of unemployment claims which are not subject to categorization.

The master repurchase agreements utilized by the Treasurer require the broker or financial institution to maintain the fair value of collateral securities at 102% of the agreement. The carrying amount (amounts expressed in thousands), including accrued interest, was approximately \$979,166 and the fair value of the collateral securities to be resold based on commitments under the repurchase agreements was approximately \$1,016,525 as of June 30, 2000.

The carrying amount of investments included in restricted assets at June 30, 2000 was \$435,918.

Table 4-2 (amounts expressed in thousands)

Primary Government	Category			Carrying Amount	Fair Value
	1	2	3		
Repurchase agreements	\$ 2,926,970	\$ 28,606		\$ 2,955,576	\$ 2,955,576
U.S. Treasury and Agency obligations	10,289,110		\$ 179,077	10,468,187	10,469,326
Commercial paper	3,119,903	3,579		3,123,482	3,123,482
Corporate debt securities	5,255,756		22,098	5,277,854	5,277,854
Corporate equity securities	18,635,529		30,266	18,665,795	18,665,795
	<u>\$ 40,227,268</u>	<u>\$ 32,185</u>	<u>\$ 231,441</u>	40,490,894	40,492,033
Investment contracts/ security lending investments pools				7,419,119	7,419,119
Tangible property				2,515,587	2,515,587
Investments in mutual funds				10,606,186	10,606,186
US Treasury Investments held for unemployment claims				2,161,200	2,161,200
Total Primary Government				<u>\$ 63,192,986</u>	<u>\$ 63,194,125</u>

Table 4-3 (amounts expressed in thousands)

Component Units	Category			Carrying Amount	Fair Value
	1	2	3		
Repurchase agreements	\$ 478,721	\$ 96,908		\$ 575,629	\$ 575,629
U.S. Treasury and Agency obligations	850,797	83,828	\$ 27,862	962,487	961,204
Commercial paper	43,625	5,193	13,553	62,371	62,371
Corporate debt securities	249,468	14,758		264,226	264,226
Corporate equity securities	170,185	6,291	2,427	178,903	178,903
	\$ 1,792,796	\$ 206,978	\$ 43,842	2,043,616	2,042,333
Investment contracts				124,368	124,368
Tangible property				38,762	64,252
Investments in mutual funds				1,091,591	1,091,591
				\$ 3,298,337	\$ 3,322,544

Of the amounts shown above in Category 3, the university funds constitute 36%, and governmental fund types constitute 64%.

Securities Lending Transactions –

The investment policies of certain State agencies, principally the retirement systems and certain universities, 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 102% 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 and maturities on non-cash collateral received are longer than the lesser of the maturities of the securities lent or the term of the lending transactions. 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 10 to 29 days. Cash collateral is invested in the lending agent's short-term investment pool, which at year-end has a weighted average maturity of 30 to 51 days. The relationship between the maturities of the investment pool and the agency's loans are affected by the maturities of the securities loans made by other entities that use the agent's pool, which the agency cannot determine. The agencies cannot pledge or sell collateral securities received unless the borrower defaults.

As of June 30, 2000, agencies had outstanding loaned investment securities (amounts expressed in thousands) having a fair value of \$4,350,745 against which they had received collateral having a fair value of \$4,479,152.

Supplemental Cash Flows Information -

Noncash changes in fair market value of investments in proprietary type funds decreased \$115.4 million during the year ended June 30, 2000.

5**TAXES RECEIVABLE**

Taxes receivable at June 30, 2000 consisted of the following:

	Fund Types			Total (Memorandum Only)
	General	Special Revenue	Trust and Agency	
Income taxes	\$ 718,204	\$ 90,571	\$ 2,976	\$ 811,751
Sales taxes	672,330	210,784	68,214	951,328
Motor fuel taxes		303,918	1,401	305,319
Public utility taxes	22,915	79,200		102,115
Unemployment compensation taxes			231,330	231,330
Other taxes	183,349	21,518	13,079	217,946
	<u>\$ 1,596,798</u>	<u>\$ 705,991</u>	<u>\$ 317,000</u>	<u>\$ 2,619,789</u>
Less: Allowance for uncollectible taxes	<u>704,375</u>	<u>315,817</u>		<u>1,020,192</u>
Taxes Receivable, net	<u>\$ 892,423</u>	<u>\$ 390,174</u>	<u>\$ 317,000</u>	<u>\$ 1,599,597</u>

6

DUE FROM/TO OTHER FUNDS AND COMPONENT UNITS

The following balances at June 30, 2000 and component units:
represent due from/to balances among all funds

Table 6-1 (amounts expressed in thousands)						
Fund Type/Fund	Due From			Due To		
	Other Funds	Component Units	Primary Government	Other Funds	Component Units	Primary Government
Primary Government						
General	\$ 539,747	\$ 15,704		\$ 354,305	\$ 88,692	
Special Revenue:						
State Construction Account	88,638					
Local Government Distributive	109,933			625		
Public Transportation	41,435					
Motor Fuel Tax				51,083		
Road	29,171	410		109,792	6,494	
Tourism Promotion	8,385			81	202	
RTA Occupation and Use Tax Replacement	5,082					
Special Purposes Trust	6,501	199		409		
Personal Property Tax Replacement				85,059		
State and Local Sales Tax Reform				40,656		
County and Mass Transit District				22,350		
Build Illinois	9,450					
State Gaming				65,311		
Rate Adjustment				7,311		
Child Support Enforcement	991			9,090		
Special Services	5,980	3		2,040	24	
Vehicle Inspection	5,886			52	2	
Hazardous Waste				11,136		
Tobacco Settlement				280,000		
Social Security and Employment Services	11,961			3,922	158	
Unemployment Compensation	2,132			11,568		
Local Initiative	5,000			5	74	
Other	39,060	2,159		22,672	9,274	
	<u>369,605</u>	<u>2,771</u>		<u>723,162</u>	<u>16,228</u>	
Debt Service:						
Other	1,018				884	
Capital Projects:						
Build Illinois Bond	8,978					
Other	81			1,498	14	
	<u>9,059</u>			<u>1,498</u>	<u>14</u>	
Enterprise:						
State Lottery	50,460			890		
Other	322			4,636		
	<u>50,782</u>			<u>5,526</u>		
Internal Service:						
Communications Revolving	28,796	850		2,000	23	
Statistical Service Revolving	25,951	21		682		
State Garage Revolving	5,024	4		36	4	
Health Insurance Reserve	93,977	2,307		694		
Working Capital Revolving	5,834			349		
Other	393	1		94		
	<u>159,975</u>	<u>3,183</u>		<u>3,855</u>	<u>27</u>	

Note 6 (Continued)

Fund Type/Fund	Due From			Due To		
	Other Funds	Component Units	Primary Government	Other Funds	Component Units	Primary Government
Trust and Agency						
Expendable Trust:						
Other	1,990	100		2,269	30	
Nonexpendable Trust:						
Other	400			30		
Pension Trust:						
State Employee's Retirement System	17,905			75		
Other	121	1,798		148		
	18,026	1,798		223		
Investment Trust:						
Other				1,030		
Agency:						
Public Assistance Recoveries Trust				29,653		
Group Insurance Premium Fund	4	96		14,241		
RTA Sales Tax Trust	22,350					
Recoveries Trust				23,003		
Child Support and Enforcement	8,461					
Social Services	14,626			29,116		
Other	4,760			12,892		
	50,201	96		108,905		
Total Trust and Agency	70,617	1,994		112,457	30	
Total (Memorandum Only)						
Primary Government	1,200,803	23,652		1,200,803	105,875	
Component Units						
Governmental:						
Other	100		\$ 30	1,133		
Proprietary:						
Other	4,956			3,875	\$ 42	
Universities:						
Southern Illinois University	4,062		15,026	3,853		1,409
University of Illinois	26,278		81,582	26,887		20,477
Other	4,041		6,548	3,689		1,151
	34,381		103,156	34,429		23,037
Total Component Units	39,437		103,186	39,437		23,079
Total (Memorandum Only)						
Reporting Entity	\$ 1,240,240	\$ 23,652	\$ 103,186	\$ 1,240,240	\$ 105,875	\$ 23,079

The Illinois State Toll Highway Authority (THA), a component unit, has no amounts reported as due from or to the primary government or other component units at December 31, 1999.

At June 30, 2000, THA would report due from primary government of \$2,689 and due to primary government of \$573.

7 LOANS AND NOTES RECEIVABLE

Loans and notes receivable at June 30, 2000 consisted of the following:

	Fund Types					Total (Memorandum Only) Primary Government	Component Units
	General	Special Revenue	Debt Service	Enterprise	Expendable Trust		
Mortgage loan program	\$ 13	\$ 86				\$ 99	\$ 1,811,003
Student loan program	21,513	1,577		\$ 1,277,414	\$ 63	1,300,567	114,010
Local government infrastructure		833,242				833,242	92,920
Business loan program	29,557	10,897				40,454	190
Port district construction	15,408					15,408	
Other	1,860	33,645	\$ 25,500			61,005	1,986
	\$ 68,351	\$ 879,447	\$ 25,500	\$ 1,277,414	\$ 63	\$ 2,250,775	\$ 2,020,109
Less: Allowance for uncollectible accounts	56,180	2,479		2,525		61,184	43,148
Loans and notes receivable, net	\$ 12,171	\$ 876,968	\$ 25,500	\$ 1,274,889	\$ 63	\$ 2,189,591	\$ 1,976,961

In the accompanying financial statements, the general, special revenue, debt service and expendable trust fund types reflect loans and notes receivable of \$914.7 million. Fund balances in the amount of \$842.1 million have been reserved to indicate their long-term nature and that they are not available to meet current appropriation or expenditure needs.

A portion of the General fund type business loan programs (\$29.4 million) represents various funds' pooled resources that the State has invested in a pilot mortgage program since fiscal year 1983. The only remaining program is categorized as a hotel loan and is discussed below.

Effective January 12, 1987, two of the program's outstanding mortgage loans aggregating \$28.9 million were restructured. One of these loans with an original balance of \$15.5 million was restructured again effective January 1, 1990. The remaining loan totaling \$13.4 million in original value was restructured effective January 1, 1991. Through June 30, 1998, the Treasurer recorded a provision for the write-down of \$17.1 million for these two properties based on independent valuations. These two loans have been classified as non-performing assets.

In 1995, the Treasurer authorized the trustee to sell the mortgage loans. However, the Attorney General opined that both his and the Governor's consent were required which was not provided. Affiliates of the owners of the hotel loans filed a lawsuit against the trustee and the Treasurer seeking specific performance of the buy-sell agreement on the agreed-to terms. This lawsuit is still pending and the ultimate outcome of this proceeding is not presently determinable.

On October 31, 1997, the trustee filed suit against the Hotel ventures for making improper deductions in determining payments due, creating a default and making the loan balances due upon demand. At the time of the filing of the suit, the trustee presented letters of credit with a value of \$2.7 million, which serve as collateral for the loans of one of the properties, for collection. The ventures obtained a restraining order to prevent collection of the letters of credit.

On December 9, 1997, the Circuit Court dissolved the restraining order of one Hotel venture and denied the venture's motion to stop the trustee from calling the letter of credit. The court stayed the effectiveness of this order pending appeal. The Appellate Court subsequently reversed the Circuit Court's ruling.

The Treasurer and trustee have appealed this ruling which was denied by the Illinois Supreme Court. The matter is now before the trial court. The ultimate outcome of this proceeding is not presently determinable.

The lawsuit against the other venture has been stayed pending the resolution of certain related issues discussed above. Once the Illinois Supreme Court rules on the related issues, a decision will likely be made on whether or not to lift the stay. The outcome of this litigation is not presently determinable.

The write-down of the above Hotel loans is not considered forgiveness of the obligations and collection efforts will continue for the entire loan

balance including principal and interest.

On December 2, 1999, the judge in the Circuit Court in Madison county granted the motions of the plaintiffs for a partial summary judgement of the 1995 lawsuit. The court found that the plaintiffs were ready, willing and able to perform the buy-sell agreements at the time originally set for closing in 1995. Since the buy-sell agreements limited the relief available under their terms to specific performance, the Court directed preparation of a final decree allowing plaintiffs' claim for this form of relief and providing the terms for consummating the sale. The Treasurer is considering her options, which include the possibility of appealing this decision.

8 **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment at June 30, 2000 consisted of the following:

Table 8-1 (amounts expressed in thousands)

	Fund Types					Total (Memorandum Only) Primary Government	Component Units
	General Fixed Assets Account Group	Enterprise	Internal Service	Non-expendable Trust	Pension Trust		
Land and land improvements	\$ 673,618	\$ 188	\$ 335	\$ 104	\$ 1,967	\$ 676,212	\$ 3,038,978
Buildings and building improvements	3,371,725	451	17,288		13,965	3,403,429	3,625,461
Equipment	1,484,796	13,320	134,273		25,190	1,657,579	2,233,008
Construction in progress	216,511					216,511	771,061
	<u>5,746,650</u>	<u>13,959</u>	<u>151,896</u>	<u>104</u>	<u>41,122</u>	<u>5,953,731</u>	<u>9,668,508</u>
Less: Accumulated depreciation		9,684	111,178		18,764	139,626	1,630,511
	<u><u>\$5,746,650</u></u>	<u><u>\$ 4,275</u></u>	<u><u>\$ 40,718</u></u>	<u><u>\$ 104</u></u>	<u><u>\$ 22,358</u></u>	<u><u>\$ 5,814,105</u></u>	<u><u>\$ 8,037,997</u></u>

Changes in general fixed assets for the year ended June 30, 2000 are presented below:

	Balance July 1, 1999	Additions	(Deletions)/ Net Transfers	Balance June 30, 2000
Land and land improvements	\$ 640,841	\$ 29,157	\$ 3,620	\$ 673,618
Buildings and building improvements	3,245,469	75,784	50,472	3,371,725
Equipment	1,406,020	221,987	(143,211)	1,484,796
Construction in progress	55,646	290,242	(129,377)	216,511
	<u>\$ 5,347,976</u>	<u>\$617,170</u>	<u>\$(218,496)</u>	<u>\$ 5,746,650</u>

Construction in progress for general fixed assets and component units as of June 30, 2000 is composed of the following:

Project	Project Authorization	Expended through June 30, 2000	Committed as of June 30, 2000	Available Authorization
General Fixed Assets Account Group -				
Lawrenceville Correctional Center	\$ 85,200	\$ 54,299	\$ 28,134	\$ 2,767
IYC Kewanee	42,750	26,989	12,495	3,266
DNR Office Building	30,608	13,532	13,666	3,410
Rushville Juvenile Correctional Facility	33,024	468	1,506	31,050
Stateville Correctional Center	104,000	6,884	76,465	20,651
Savanna Maximum Security Prison	125,490	47,483	65,279	12,728
Alton Building Addition, MHC	11,924	178	475	11,271
Lincoln Presidential Library	12,450	5,128	3,882	3,440
Hopkins Park Correctional Facility	80,000	89	4,333	75,578
Other	315,171	61,461	82,965	170,745
Total	<u>\$ 840,617</u>	<u>\$ 216,511</u>	<u>\$ 289,200</u>	<u>\$ 334,906</u>
Component Units -				
State Toll Highway Improvements *	\$ 726,802	\$ 617,275	\$ 109,527	
Student Residence Halls - U of I	60,000	3,072	17,941	\$ 38,987
South Campus Development - U of I	71,445	11,100	7,618	52,727
Campus Union Upgrade - U of I	14,000	424	11	13,565
College of Medicine Research Facility - U of I	76,924	2,268	10,934	63,722
ACES Library - U of I	21,100	8,450	10,913	1,737
Daniels Hall - U of I	12,100	5,654	5,584	862
DIA Indoor Practice Facility - U of I	12,500	4,765	6,747	988
Engineering Hall Rehabilitation - U of I	14,625	10,463	3,702	460
Fire Substation/Parking Structure - U of I	14,100	1,797	11,069	1,234
Mechanical Engineering Lab Addition - U of I	10,580	837	35	9,708
Construction for Faraday Hall Addition - NIU	20,414	20,404	3	7
Construction & Equipment for Engineering Building - NI	20,986	20,895	88	3
Renovate & Equipment for Altgeld Hall - NIU	19,150	4,184	13,562	1,404
Naperville Education Center - NIU	20,000	14,910		5,090
Convocation Center - NIU	38,410	1,099		37,311
Stevenson Towers Renovation Phase I - NIU	16,055	13,009	64	2,982
Stevenson Towers Renovation Phase II - NIU	10,000	9,488	423	89
Total	<u>\$ 1,179,191</u>	<u>750,094</u>	<u>\$ 198,221</u>	<u>\$ 230,876</u>
Projects less than \$10,000		20,967		
Total		<u>\$ 771,061</u>		

* Information as of December 31, 1999.

9

NOTES PAYABLE

The State agencies listed below generally issue short-term notes, normally secured by specific revenue sources, to provide temporary financing.

Outstanding notes payable at June 30, 2000 were as follows:

Table 9-1 (amounts expressed in thousands)

Fund Type/Agency	Amount Outstanding	Interest Rates	Annual Maturity To
Primary Government -			
Enterprise:			
Illinois Student Assistance Commission	<u>\$ 100,594</u>	3.54 - 9.00%	Various
Component Units -			
Governmental:			
Illinois Medical District Commission	<u>3,173</u>	6.25%	2019
Proprietary:			
Southwestern Illinois Development Authority	81	0%	2008
Rural Bond Bank	<u>40,000</u>	4.0% - 5.25%	2001
	<u>40,081</u>		
Universities:			
Northern Illinois University	865	5 - 7%	2003
Western Illinois University	101	2.25 - 16.72%	2005
Governors State University	511	4.96 - 15.75%	2004
Chicago State University	6,287	5.17%	2009
Illinois State University	1,200	6.75%	2002
Southern Illinois University	2,493	3%	2009
University of Illinois	<u>3,801</u>	5.39 - 6.78%	Demand
	<u>15,258</u>		
Total Component Units	<u>58,512</u>		
Total (Memorandum Only) Reporting Entity	<u><u>\$ 159,106</u></u>		

Illinois Student Assistance Commission (ISAC) –

The ISAC is authorized to issue Student Loan Revenue Notes. The notes and related interest are payable solely from the revenues and other resources of the ISAC. On June 30, 2000, the ISAC had \$101 million of notes outstanding due 2005, 2029 or upon demand. Assets acquired and revenues generated under the individual notes serve as collateral for their respective note issues.

Illinois Medical District Commission (Commission) –

The Commission's notes payable consist of a 20-year mortgage and a line of credit. The mortgage of \$2.9 million is for the Chicago Technology

Park Enterprise Center which was completed in fiscal year 1999. The 20-year mortgage has an interest rate of 6.25%, matures in 2019 and is secured by the related building and land.

Southwestern Illinois Development Authority (SWIDA) –

The SWIDA obtained a note payable from the Department of Commerce and Community Affairs in the amount of \$100 thousand in fiscal year 1997, the proceeds of which were used for start-up costs. This note is non-interest bearing and matures on July 1, 2008. As of June 30, 2000, there were notes payable outstanding of \$81 thousand.

Universities –

Universities have issued notes payable aggregating \$15.3 million at June 30, 2000. The notes are generally secured through revenues (i.e., lease payment agreements) derived from the operations of the projects constructed, although portions of the notes outstanding are unsecured.

Illinois Rural Bond Bank-

The Illinois Rural Bond Bank obtained two notes payable in the amount of \$40 million in fiscal year 2000, the proceeds of which are to be used for construction projects. The notes and related interest are paid solely from the revenues and other resources of the Illinois Bond Bank.

10 RETIREMENT SYSTEMS

Plan Descriptions. The State of Illinois sponsors five public employee retirement systems (“PERS”) 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.).

The Teachers’ Retirement System (“TRS”) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan with “special funding situations.” It provides coverage to teachers employed by public school districts in Illinois (excluding Chicago) even though most covered employees are not State employees. There are 893 local school districts, 137 special districts and 29 other State agencies that contribute to the TRS plan. At June 30, 2000, the TRS had outstanding receivables of \$214 million for payroll deduction agreements with members for optional services, refund repayments and upgrade balances owed to the TRS. The State Universities Retirement System (“SURS”) is the administrator of a cost-sharing multiple-employer public employee defined benefit pension plan and a defined contribution plan. They also have “special funding situations.” 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 12 universities, 39 community colleges and 14 other State agencies

that contribute to the SURS plan.

The State of Illinois is legally mandated to make contributions to the TRS and SURS. Because the State contributes most of the TRS and SURS employer contributions, the single employer provisions of GASB Statement 27 have been followed for reporting those systems in the statewide CAFR. The TRS and SURS are governed by articles 16 and 15, respectively, of the Illinois Pension Code.

Effective January 1, 1998, legislation established an alternative defined benefit program known as the Portable Benefit Option Plan within the SURS. This option is offered in addition to the existing traditional benefit option. 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 14,600 of the approximately 77,800 members have chosen this option.

Legislation, effective January 1, 1998, also required the SURS to offer a Self-Managed Plan. This is a defined contribution plan and is offered to employees of all SURS employers who elect to participate. All but two SURS employers participate in the Self-Managed Plan. The contribution rate is 8% of their gross earnings. It is a qualified money purchase plan under Section

401(a) of the Internal Revenue Code. The assets are maintained under a trust administered by the SURS Board of Trustees in accordance with the Illinois Pension Code. 5,405 of the approximately 78,000 members have chosen this option. \$73.4 million of the \$12.1 billion total assets relate to the Self-Managed Plan. Plan member contributions were \$15.5 million and employer contributions were \$14.7 million for the year ended June 30, 2000.

Each of the five State-sponsored retirement systems provide retirement, death and disability benefits to members and beneficiaries. Each plan also issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports 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.
- ? State Employees' Retirement System, 2101 South Veterans Parkway, PO Box 19255, Springfield, Illinois, 62794-9255, (217)785-2340.
- ? Teachers' Retirement System, 2815 West Washington Street, PO Box 19253, Springfield, Illinois, 62794-9253, (217)753-0311.
- ? State Universities Retirement System, 1901 Fox Drive, Champaign, Illinois, 61820-7333, (217)378-8800.

Funding Policy and Annual Pension Cost.

Member contributions are based on fixed percentages set by statute ranging from 4% to 11.5%. 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 provides for a 15-year phase-in period to allow the State to adapt to the increased financial commitment. Once the 15-year phase-in period is complete, the

State's contribution will then remain at a level percentage of payroll for the next 35 years until the 90% funded level is achieved. As illustrated in Table 10-1, the State met its funding requirement established by *statutory law* for the fiscal year ended June 30, 2000. 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.

This statutory funding requirement differs significantly from the annual pension cost ("APC") because the statutory plan does not conform with the GASB Statement 27 accounting parameters. The State's APC for the current year and related information for each plan are included in Table 10-1.

TABLE 10-1 (dollar amounts in thousands)

	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>	<u>TRS</u>	<u>SURS</u>
Actuarially required contribution ("ARC")	\$ 6,312	\$ 40,205	\$ 299,082	\$ 1,003,612	\$ 325,327
Plus: Interest on net pension obligation ("NPC")	3,196	17,224	101,054	601,815	305,266
Adjustment to the ARC	(1,700)	(9,163)	(77,290)	(349,326)	(172,251)
Annual pension cost ("APC")	7,808	48,266	322,846	1,256,101	458,342
Employer contributions	3,951	21,412	340,873	688,586	241,111
Increase(decrease) in NPO	3,857	26,854	(18,027)	567,515	217,231
NPO at June 30, 1999***	39,953	215,295	1,188,871	7,080,180	3,591,369
NPO at June 30, 2000	\$ 43,810	\$ 242,149	\$ 1,170,844	\$ 7,647,695	\$ 3,808,600
Required contribution amounts/rates:					
* Statutory required contribution - State Members	\$ 3,951 11.5%	\$ 21,388 11%	\$ 327,429 4% - 9.5%	\$ 686,384 9%	\$ 241,100 8% - 9.5%
Actuarial valuation date	6/30/2000	6/30/2000	6/30/2000	6/30/2000	6/30/2000
Actuarial cost method	Proj. Unit Credit	Proj. Unit Credit	Proj. Unit Credit	Proj. Unit Credit	Proj. Unit Credit
Amortization method	Level % of pay	Level % of pay	Level % of pay	Level % of pay	Level % of pay
Remaining amortization period	40 years. Open	40 years. Open	40 years. Open	40 years. Open	40 years. Open
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Fair value
Actuarial assumptions:					
Investment rate of return	8%	8%	8.5%	8.5%	8.5%
Projected salary increases	6.5%	6%	.5% - 4.7%	6% - 9.3% **	5.5%
Postretirement benefit increases	3%	3%	3%	3%	3%
Inflation rate	4%	4%	3.5%	4%	5%

* Public Act 88-593 provides for 50-year funding including 15-year phase-in of employer contributions as a percentage of active member payroll increasing until fiscal year 2010, and remaining at that level until fiscal year 2045 when the Systems' funded ratios will be 90%.

** Composite, 7%

*** Prior year balance for SURS revised due to changes in actuarial calculations.

Trend Information. The annual pension cost, the percentage of annual pension cost contributed for the year and the net pension obligation at the end of the year are presented in the following Table 10-2:

Table 10-2 (dollar amounts in thousands)

	<u>GARS</u>	<u>JRS</u>	<u>SERS</u>	<u>TRS</u>	<u>SURS</u>
Annual Pension Cost ("APC")					
6/30/1998	\$ 6,545	\$ 35,188	\$ 239,048	\$ 1,184,289	\$ 415,291
6/30/1999	\$ 7,448	\$ 45,681	\$ 343,772	\$ 1,165,453	\$ 428,373
6/30/2000	\$ 7,808	\$ 48,266	\$ 322,846	\$ 1,256,101	\$ 458,342
% of APC Contributed					
6/30/1998	47.56%	44.59%	83.98%	40.33%	54.85%
6/30/1999	49.68%	40.91%	91.78%	51.79%	55.53%
6/30/2000	50.60%	44.36%	105.58%	54.82%	52.60%
Net Pension Obligation					
6/30/1998	\$ 36,205	\$ 188,303	\$ 1,160,624	\$ 6,518,330	\$ 3,400,896
6/30/1999	\$ 39,953	\$ 215,295	\$ 1,188,871	\$ 7,080,180	\$ 3,591,369
6/30/2000	\$ 43,810	\$ 242,149	\$ 1,170,844	\$ 7,647,695	\$ 3,808,600

The prior year amount for SURS was revised due to a change in actuarial calculations.

Postemployment Benefits. In addition to providing pension benefits, the State Employees

Group Insurance Act requires that the State pay the cost of basic noncontributory health and dental, and life insurance benefits to annuitants who are former State employees. This includes annuitants of all of the State's retirement systems, except the non-state employee members of TRS.

Effective January 1, 1996, legislation transferred the administration of the TRS health insurance program to the Illinois Department of Central Management Services ("CMS"). The legislation also established a funding mechanism consisting of a one-half of one percent contribution from active teachers and matching appropriations from the State to pay the subsidy portion of participating annuitants during fiscal year 1996 and thereafter. Persons enrolling in TRS managed care or residing in areas with no managed care receive a 75% premium subsidy. All others receive a 50% subsidy. At June 30, 2000 there were approximately 32,300 TRS annuitants enrolled in the health plan. Payments into this plan by the annuitants as well as the state subsidy were approximately \$59.5 million. The teachers' health insurance program is accounted for in the Teachers' Health Insurance Security

Fund, an enterprise fund. TRS is responsible for program enrollment and eligibility determination. CMS is responsible for providing information and consultation to plan participants.

Substantially all of the State's employees may become eligible for postemployment benefits if they eventually become an annuitant. Health and dental benefits include basic benefits for annuitants under the State's self-insurance plan and insurance contracts currently in force. Life insurance benefits are limited to \$5,000 per annuitant age 60 and older. For fiscal year 2000 the State did not segregate payments made to annuitants from those made to current employees for health and dental, and life insurance benefits. The total cost of all members, including postemployment health and dental, and life insurance benefits, is recognized as an expenditure in the accompanying financial statements as claims are reported and are financed on a pay-as-you-go basis. For fiscal year 2000 the cost of providing postemployment health and dental, and life insurance benefits for the approximately 77,300 annuitants was estimated to be \$228.6 million and \$10.0 million,

II **GENERAL OBLIGATIONS BONDS**

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 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 as an energy source. 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. General obligation bonds are redeemed over a period not to exceed 30 years from available resources in the debt service funds. However, the State of Illinois has generally issued 25 year serial bonds with equal amounts of principal and interest maturing each year, except for capital appreciation and refunding bonds which mature in varying amounts. With the exception of anti-pollution bonds, Illinois offerings generally have a call option of 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 102% of par value.

General obligation bonds outstanding and bonds authorized but unissued at June 30, 2000 are as follows:

Purpose	Outstanding		Authorized but Unissued
	Interest Rates	Amount	
Capital development	3.50% to 7.90%	\$ 2,798,768	\$ 1,496,830
Transportation	3.50% to 7.90%	\$ 1,686,240	\$ 2,783,397
Anti-Pollution	3.50% to 12.0%	\$ 271,343	\$ 71,663
School construction	3.50% to 7.90%	\$ 556,292	\$ 1,644,456
Coal development	3.50% to 7.90%	\$ 51,500	\$ 86,214
Refunding	3.50% to 6.50%	\$ 1,235,301	\$ 566,806
		<u>\$ 6,599,444</u>	<u>\$ 6,649,366</u>

Changes in general obligation bonds during the year ended June 30, 2000 are summarized in Note

15. Future general obligation debt service requirements at June 30, 2000 are as follows:

Year Ending June 30	Principal	Interest	Total
2001	\$ 528,190	\$ 246,123	\$ 774,313
2002	511,035	230,227	741,262
2003	512,525	213,682	726,207
2004	501,160	197,703	698,863
2005	477,080	183,087	660,167
Thereafter	4,915,029	1,413,164	6,328,193
	<u>\$ 7,445,019</u>	<u>\$ 2,483,986</u>	<u>\$ 9,929,005</u>
Less: Unaccreted appreciation	<u>845,575</u>		
	<u>\$ 6,599,444</u>		

In prior years, the State defeased certain callable maturities of general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. At June 30, 2000, the outstanding balance of these defeased bonds is \$174.1 million. These bonds, bearing interest at rates ranging from 5.0% to 7.70%, are to be redeemed

on various dates through 2002 at redemption prices varying from 100% to 102%.

Subsequent to June 30, 2000, the State issued \$701,855,029 in general obligations bonds. The bonds issued August 1, 2000, October 19, 2000, and December 19, 2000 mature annually from 2001 through 2025, 2002 through 2022 and 2001 through 2025, respectively. Interest rates range from 5.00% to 5.625%, 4.49% to 5.64% and 4.50% to 5.75%, respectively.

12 SPECIAL OBLIGATION BONDS

Special obligation bonds have been authorized and issued to provide funds for the Build Illinois Program and the State's Metropolitan Civic Center Support Program, and to refund any bonds previously issued under these programs.

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's Metropolitan Civic Center Support Act (Support Act) was amended on September 3, 1985, to allow the issuance of bonds to refinance the State's Metropolitan Civic Center Support Program and to provide additional capital for new projects to be financed under the Support Act. The refinancing of the State's Metropolitan Civic Center Support Program is discussed further in Note 14. The Support Act was amended further on September 11, 1990, to allow the issuance of

bonds for making construction and improvement grants by the Secretary of State, as State Librarian, to public libraries and library systems. Special obligation bonds are payable primarily from dedicated portions of the State's sales tax and the horse racing privilege tax and are redeemed over a period of not more than 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 at June 30, 2000, are as follows:

Table 12-1 (amounts expressed in thousands)

Purpose	Outstanding		Authorized but Unissued
	Interest Rates	Amount	
Build Illinois:			
Public infrastructure	3.9% to 7.5%	\$ 595,254	\$ 515,584
Business development	5.6% to 7.5%	30,635	43,001
Education	3.9% to 7.5%	239,816	96,198
Environment	3.9% to 7.5%	11,752	85,665
Refunding	3.9% to 7.0%	842,074	Unlimited
		1,719,531	740,448
Civic Center:			
Civic centers	5.5% to 7.4%	58,348	136,694
Libraries	5.5% to 6.4%	6,584	3,415
Refunding	3.65% to 7.35%	98,880	Unlimited
		163,812	140,109
		\$1,883,343	\$ 880,557

Changes in special obligation bonds during the year ended June 30, 2000, are summarized in

Note 15. Future special obligation debt service requirements at June 30, 2000, are as follows:

Table 12-2 (amounts expressed in thousands)

Year Ending	Principal	Interest	Total
June 30			
2001	\$ 84,145	\$ 99,100	\$ 183,245
2002	85,400	95,406	180,806
2003	87,250	92,223	179,473
2004	88,900	88,647	177,547
2005	90,935	85,233	176,168
Thereafter	1,530,860	614,394	2,145,254
	\$ 1,967,490	\$1,075,003	\$3,042,493
Less: Unaccrued appreciation	84,147		
	\$1,883,343		

In prior years, the State defeased certain callable maturities of Build Illinois and Civic Center bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. At June 30, 2000, the outstanding balance of the defeased bonds is \$302.8 million. These bonds, with

interest rates ranging from 5.6% to 7.6%, are to be redeemed on various dates through 2008 at redemption prices varying from 100% to 102%.

The State issued special obligation Build Illinois Bonds, Illinois FIRST Series of May 2000, in the aggregate principal amount of \$125 million. The bonds are dated May 15, 2000, mature annually from 2001 through 2020 and bear interest at rates ranging from 5.375% to 6.250%.

13 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. In addition, certain authorities have issued debt which is classified as “conduit” debt of the State.

Revenue bonds issued by individual agencies are supported by fees, rentals, tolls assessed to users and loan repayments. Issuing agencies of the primary government include the Illinois Student Assistance Commission (Student Loan Revenue Bonds) and the State Universities Retirement System of Illinois (State Universities Retirement System Special Revenue Bonds). Component units issuing agencies include the Illinois Housing Development Authority (Housing Development, Multi-Family Housing, Residential Mortgage, Multi-Family Program, Homeowner Mortgage Revenue and Affordable Housing Program Trust Fund Bonds), Illinois State Toll Highway Authority (Construction Revenue Bonds), Illinois Rural Bond Bank (Bond Bank Revenue Bonds), and universities consisting of Chicago State University, Eastern Illinois

University, Northeastern Illinois University, Western Illinois University, Illinois State University, Northern Illinois University, Southern Illinois University and University of Illinois (University Revenue Producing Facilities Construction Bonds). Bonds outstanding at June 30, 2000 (except for the Illinois State Toll Highway Authority which is as of December 31, 1999), net of unamortized discounts, are as follows:

Table 13-1 (amounts expressed in thousands)

Agency	Amount Outstanding	Outstanding Interest Rates	Annual Maturity To
Primary Government -			
Enterprise:			
Illinois Student Assistance Commission	\$ 1,459,017	3.25% to 18.000%	2035
Trust:			
State Universities Retirement System	20,052	7.25% to 7.450%	2005
Total (Memorandum Only) Primary Government	1,479,069		
Component Unit -			
Proprietary:			
Illinois Housing Development Authority	2,054,270	3.00% to 15.000%	2034
Illinois State Toll Highway Authority	867,979	2.40% to 6.450%	2017
Illinois Rural Bond Bank	95,660	3.00% to 7.300%	2031
	<u>3,017,909</u>		
Universities and Colleges:			
Chicago State University	25,650	3.65% to 5.500%	2023
Eastern Illinois University	46,515	4.05% to 5.625%	2018
Northeastern Illinois University	5,830	4.50% to 6.200%	2017
Western Illinois University	47,297	4.50% to 6.850%	2020
Illinois State University	57,485	4.50% to 7.350%	2016
Northern Illinois University	118,192	4.70% to 10.200%	2029
Southern Illinois University	132,492	4.10% to 6.750%	2029
University of Illinois	544,111	3.00% to 9.700%	2030
	<u>977,572</u>		
Total Component Units	3,995,481		
Total (Memorandum Only) Reporting Entity	\$5,474,550		

Changes in revenue bonds during the year ended June 30, 2000 are summarized in Note 15. Revenue bond debt service requirements,

principal and interest as of June 30, 2000 are as follows:

Table 13-2 (amounts expressed in thousands)

Year Ending	Primary Government					
	Enterprise		Trust		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
June 30						
2001	\$ 49,645	\$ 89,080			\$ 49,645	\$ 89,080
2002	33,935	86,325	\$ 5,825		39,760	86,325
2003	46,485	83,822			46,485	83,822
2004	81,925	81,195	10,000		91,925	81,195
2005	103,125	77,606			103,125	77,606
Thereafter	1,150,735	1,286,662	10,000		1,160,735	1,286,662
	<u>1,465,850</u>	<u>\$1,704,690</u>	25,825	<u>\$ -</u>	1,491,675	<u>\$1,704,690</u>
Less:						
Unaccrued appreciation	-		(5,773)		(5,773)	
	<u>\$1,465,850</u>		<u>\$ 20,052</u>		<u>\$1,485,902</u>	

Table 13-3 (amounts expressed in thousands)

Year Ending June 30	Component Units					
	Proprietary		University and College		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$ 81,845	\$ 174,901	\$ 40,025	\$ 37,702	\$ 121,870	\$ 212,603
2002	89,075	171,847	43,880	36,463	132,955	208,310
2003	92,685	167,177	43,015	35,355	135,700	202,532
2004	98,630	162,204	44,105	34,271	142,735	196,475
2005	104,045	156,740	46,935	33,046	150,980	189,786
Thereafter	2,643,337	1,675,399	1,088,285	369,287	3,731,622	2,044,686
	3,109,617	<u>\$ 2,508,268</u>	1,306,245	<u>\$ 546,124</u>	4,415,862	<u>\$ 3,054,392</u>
Less:						
Unaccrued appreciation	(54,496)		(324,322)		(378,818)	
	<u>\$ 3,055,121</u>		<u>\$ 981,923</u>		<u>\$ 4,037,044</u>	

Total principal debt service requirements for the primary government includes bond discounts of \$6.8 million for enterprise funds. Component unit bond discounts and refundings include \$37.2 million for proprietary funds and \$4.3 million for university funds.

Illinois Student Assistance Commission (Commission) -

The Commission issues student loan revenue bonds, the proceeds of which are used to purchase student loans from eligible lenders and to originate Stafford subsidized and nonsubsidized loans to Illinois residents. The bonds mature annually in varying amounts, bearing interest rates ranging from 3.25% to 18%.

Bonds outstanding exclusive of refunding issues may not exceed \$2,100 million (\$1,459.0 million was outstanding at June 30, 2000, net of \$6.8 million of unamortized discounts). All student loans purchased by the Commission and all loans financed from the proceeds of bonds issued, along with all revenues received from or on account of these bonds, are pledged as collateral for the bonds. Any losses are guaranteed as to principal and interest by the Commission's Guarantee Loan Program, which can be subrogated to the United States Department of Education.

The bond resolutions provide for early retirement for various bond issues at rates ranging from 100% to 102.5% of par value, with premiums decreasing periodically until unmatured bonds

can only be retired at par value. Pursuant to the bond resolutions, reserves for bond retirement and interest payments aggregated \$97.7 million at June 30, 2000.

Included in the \$1,459.0 million of outstanding revenue bonds are \$343.4 million of variable rate demand bonds, (Series B, Series C, Series D, Series 1996A and 1996B, Series 1997A, Series 1997B, Series 1998A and Series 1998B), the proceeds of which were used to purchase and originate student loans. The bonds mature at various dates, bearing interest rates as determined by the remarketing agent that would enable the bonds to be sold at a price equal to their principal amount, but not to exceed 18% per annum for the Series B and Series C bonds, 15% per annum for the Series D, Series 1996B, Series 1997B, and Series 1998B bonds, 12% per annum for the Series 1996A bonds, Series 1997A and Series 1998A bonds.

The bonds, if in a weekly or monthly mode, are subject to purchase on demand of the holder at a price equal to principal plus accrued interest on seven days' notice and delivery to the remarketing agent. The remarketing agent is authorized to sell the repurchased bonds at a price equal to their principal amount by adjusting the interest rate.

Irrevocable letters of credit have been issued by various credit facilities in order to permit the Trustee to draw amounts to pay the tender price of the variable rate demand bonds tendered for payment under early redemption and demand

provisions of the bond issues. Under these letters of credit, the various credit facilities, acting as tender agent, paying agent, and bond registrar for the respective bond issues are entitled to draw the amount needed (a) to pay interest on the bonds on each interest payment date; (b) to pay principal and interest on the bonds called for redemption; (c) to pay principal and interest on the bonds resulting from an acceleration of maturity due to an event of default; and (d) to pay the tender price of bonds tendered or required to be tendered for purchase which is not to be paid from remarketing proceeds or from certain funds held under the indenture. The letters of credit have variable interest rates ranging from the Federal funds rate plus .5% to 20% per annum and expire at various dates from December 1, 1999 through February 25, 2002. If the remarketing agent is unable to resell any bonds that are "put" within 180 days of the "put" date, the Commission is required to repay the amounts drawn on the letters of credit for the redemption of these bonds. Repayment of amounts drawn on the letters of credit will be made by the Commission from the trustee accounts.

The Commission is required to pay to the credit facilities an origination fee based on the line of credit amounts and thereafter, a quarterly commitment fee based on the available amount of the letters of credit. Quarterly commitment fees currently in effect range from .375% to .55% of the available amount of the letters of credit.

Subsequent to June 30, 2000, ISAC issued Series 5 and 6 for \$75.0 million; Series 7A, 7B, 7C and 8 for \$250.0 million; and Series VV-I, VV-II, VV-III, WW and XX for \$150.0 million, with all bonds having variable interest rates, except for Series WW and XX which range from 4.50% to 5.10%.

State Universities Retirement System (System) –

The System issued revenue bonds to finance the design, acquisition, construction and equipping of a new permanent administrative office building. The bonds are capital appreciation bonds with interest rates ranging from 7.25% to 7.45%.

These bonds are payable solely from and secured by a pledge of and first lien on the net revenues derived from investments of the System. They are not payable from any employer or employee contributions to the System. The bond resolutions do not provide for early redemption prior to maturity. At June 30, 2000, bonds outstanding were \$20.1 million.

Illinois Housing Development Authority (IHDA) –

The IHDA was created in 1967 to increase the production of low and moderate income housing in Illinois by providing mortgage loans. The IHDA is authorized to have bonds and notes outstanding in an aggregate principal amount not to exceed \$3,600 million exclusive of refunding issues. Bonds issued must mature within 50 years from the date of issue, bearing interest rates as determined by the IHDA. Subsequent to July 1, 1983, the maximum interest rate cannot exceed 11% or 70% of the prime rate, whichever is greater. All revenue bonds, issued to provide mortgage loans, are secured by first mortgage liens on the related developments.

At June 30, 2000 bonds outstanding aggregated \$2,071.0 million, before unamortized discounts of \$16.8 million. Sinking funds established pursuant to bond resolutions at year end aggregated \$149.1 million. The bonds mature annually through 2034, bearing interest rates from 3% to 15%. The bonds provide for early redemption at the option of the IHDA, in whole or in part, in inverse order of maturity at varying premiums which decrease periodically.

The bonds outstanding are general obligations of the IHDA with the exception of \$882.3 million of Homeowner Mortgage Revenue Bonds, \$99.0 million of Affordable Housing Program Trust Fund Bonds, \$8.1 million of Multi-Family Variable Rate Demand Bonds, \$23.6 million of Multi-Family Housing Bonds, 1995 Series A, \$44.8 million of Multi-Family Program Bonds, Series 7 and 8, \$17.0 million of Housing Finance Bonds, Series 1999B and 2000A and \$43.7 million of Multi-Family Housing Revenue Bonds, Series 2000A, which are special limited

obligations of the IHDA and are payable from pledged property as defined in their respective bond general resolutions. The IHDA has also pledged its general obligation to the payment of the Affordable Housing Program Trust Fund Bonds to a limited extent and amounts.

A portion of the general obligation bonds of the IHDA, outstanding in the amount of \$545.7 million, is a moral obligation of the State. In the event that the IHDA determines that funds will not be sufficient for the payment of principal and interest on these bonds, the Chairman of the IHDA shall certify to the Governor as soon as practicable the amount required by the IHDA to enable it to pay such principal and interest. The Governor shall include the amount so certified in the State budget; however, the General Assembly has no obligation to appropriate funds to IHDA.

Included within the IHDA's outstanding revenue bonds are \$8.1 million of Multi-Family Variable Rate Demand Bonds Series 1996A and \$57.9 million of Multi-Family Housing Revenue Bonds Series 1997 and Series 2000A which are variable rate demand bonds. Interest rates on these bonds are determined weekly at a rate established by the remarketing agents on each rate determination date. The IHDA has agreements with liquidity providers to purchase any bonds 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. Payment of the principal of and interest on the bonds when due are insured by a financial guarantee insurance policy. The IHDA has a general obligation to reimburse the insurer for any such payments made.

The IHDA has also issued special limited obligations with a claim for repayment solely from payments received with respect to the mortgage loans. The bonds are not general obligations of the IHDA or an obligation of the State. These bonds do, however, apply toward the IHDA's authorized debt limit. As of June 30, 2000, these bonds were outstanding in the amount of \$220.1 million.

Subsequent to June 30, 2000, the IHDA Homeowner Mortgage Revenue Bonds, Series 2000 B-1 and 2000 B-2 were remarketed in the aggregate principal amounts of \$15.9 million bearing interest rates from 4.50% to 5.95%. IHDA also remarketed Series 1999 G-1 and 1999 G-2 for \$19.1 million bearing interest rates 4.70% to 6.05%. Additionally, IHDA issued Series 2000 E-1, E-2, E-3 and E-4 in the aggregate principal amount of \$31.8 million bearing interest rates from 4.35% to 5.95%.

Subsequent to June 30, 2000, IHDA issued Homeowner Mortgage Revenue Bonds, Series 2000 D-1, D-2, D-3 and D-4, in the aggregate principal amount of \$48.6 million bearing interest from 4.45% to 6.05%. IHDA also issued Series 2000F for \$5 million with interest of 7.71%.

Illinois State Toll Highway Authority (THA) –

The THA issued revenue bonds to finance construction of the State toll highway system and to refund in advance of maturity certain outstanding bonds of the Authority. The bond resolutions, with the exception of Series 1996A and Series 1998A, provide for early redemption at the option of the THA in whole or part. Of the outstanding bonds, this option has not been exercised and remains available for the Series 1993A bonds maturing on January 1, 2005 and the variable rate bonds, Series 1993B and Series 1998B. The Series 1993A bonds noted above are callable on or after January 1, 2003. All of the other outstanding bonds are redeemable at maturity. In accordance with the provisions of the bond resolutions, debt reserves on deposit with and invested by the Bond Trustee at December 31, 1999 (the THA's reporting year) aggregated \$66.0 million.

At December 31, 1999, THA had bonds outstanding in the amount of \$868.0 million, net of unamortized deferred amount from refunding of \$20.4 million. These bonds mature at various dates through 2017 and bear interest rates ranging from 2.4% to 6.45%.

Included within the THA's outstanding revenue bonds are variable rate demand bonds in the amount of \$178.2 million for the Series 1993B bonds and \$123.1 million for the Series 1998B bonds. These bonds mature in 2010 and 2017, respectively and bear interest rates as determined by the remarketing agents on each rate determination date not to exceed 22% and 25%, respectively. 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 THA has agreements with liquidity providers 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 THA has obtained a financial guarantee insurance policy to guarantee the payment of principal and interest on the scheduled maturity dates. The THA has an obligation to reimburse the insurer for any such payments made.

To mitigate the effect of interest rate changes, the THA has entered into Interest Rate Swap Agreements for both the Series 1993B bonds and the Series 1998B bonds. These agreements effectively change the THA's interest rates to a synthetic fixed rate of 4.92% and 4.325%, respectively. The THA will be exposed to variable rates if a counter party to the swap agreement defaults or if the swap is terminated. However, the THA does not anticipate nonperformance. The amounts shown in the schedule of revenue bond debt service requirements are based on the fixed rate effects of this interest rate swap.

Illinois Rural Bond Bank (Bank) –

The Bank issues revenue bonds and notes whose proceeds are used for (1) the purchase of securities of local Illinois governmental units to include the establishing or increasing reserves in securing the payment of the bonds and/or interest on the bonds and (2) to pay, fund or refund any bonds issued by the Bank. The Bank is authorized to have bonds and notes outstanding in an aggregate original principal amount not to

exceed \$200 million.

In the event that the Bank determines that funds will not be sufficient for the payment of the principal and interest on its bonds and notes, the Chairman of the Bank shall certify to the Governor, as soon as possible, the amount required by the Bank to enable it to pay such principal and interest. The Governor shall include the amount so certified in the State budget as soon as practically possible; however, the General Assembly has no obligation to appropriate funds for the Bank.

At June 30, 2000, bonds outstanding aggregated \$95.7 million. Sinking funds established pursuant to bond resolutions at year end aggregated \$7.1 million. The bonds mature annually through 2031, bearing interest at rates ranging from 3.0% to 7.30%. The bonds provide for early redemption at the option of the Bank in whole or in part. Bonds maturing on various dates between February 1, 2001 through February 1, 2010 are redeemable at 102% of par, with the premium decreasing periodically until February 1, 2009. Thereafter, the bonds are redeemable at par value.

Included within the \$95.7 million of outstanding revenue bonds are \$21.1 million of bonds which do not require the Governor to include in the State budget the amount necessary for payment of principal and interest. Payment of principal and interest on these bonds is guaranteed by a municipal bond insurance policy.

Universities –

The Boards of Chicago State University, Eastern Illinois University, Northeastern Illinois University, Western Illinois University, Illinois State University, Northern Illinois University, Southern Illinois University and the University of Illinois (hereinafter the "Boards"), as empowered by enabling acts, have issued various revenue bonds to support construction of student housing and other revenue producing facilities at State universities. These bonds do not constitute general obligations of either the State of Illinois or the Boards but, together with interest thereon,

are payable solely from and are secured by, subject to the prior pledge and lien of existing refunded bonds, (i) the net revenues of the Boards; (ii) debt service grants; (iii) income received from certain special accounts; (iv) retained tuition fees (subject to prior payment of related operating and maintenance expenses); (v) certain debt service reserves; (vi) certain repair and replacement reserves; and (vii) the principal of the special accounts arising on refundings, all as defined in the various bond resolutions. In accordance with provisions of the bond resolutions, debt service funds and reserves on deposit aggregated \$161.1 million at June 30, 2000. The bonds are callable prior to their maturity in accordance with the provisions of the bond resolutions, including premiums of up to 5%.

Subsequent to June 30, 2000, the Board of Trustees of University of Illinois issued the Auxiliary Facilities System Revenue Bonds, Series 2000 in the amount of \$11.5 million. The Series 2000 bonds mature annually from 2003 through 2031 at interest rates ranging from 5.5% to 5.8%. Also, Eastern Illinois University issued \$10 million Auxiliary Facilities System Revenue Bonds, Series 2000. The Series 2000 bonds mature annually from 2002 through 2026 at interest rates ranging from 5% to 5.5%.

Contingent Liabilities -

Metropolitan Pier and Exposition Authority (McCormick Place) –

In July 1998, the State amended the Metropolitan Pier and Exposition Authority Act (Act) to authorize the issuance of McCormick Place Expansion Project bonds in the aggregate original principal amount of \$1,037 million (excluding the amount of any refunding bonds and notes). In July 1999, the act was amended to increase the authorization amount (excluding the amount of any refunding bonds and notes), to \$1,307 million. The Act also authorizes the McCormick Place to levy certain taxes (MPEA Taxes) to secure the bonds and for certain other purposes. The MPEA Taxes would include (i) a sales tax within portions of the City of Chicago on food,

alcoholic beverages, and soft drinks sold for consumption on the premises and on certain sales for immediate consumption off the premises, (ii) a tax at the rate of 2.5% of the gross rental receipts of hotels located within the City of Chicago, (iii) a 6% tax on gross receipts of the business of renting automobiles in Cook County, Illinois, (iv) a 6% use tax on automobiles rented outside Illinois which are titled or registered with an agency of the State for use in Cook County, Illinois, and (v) a tax on taxis and livery vehicles ranging from \$2 per taxi departure to \$27 per bus having a capacity of over 24 passengers. In addition, subject to appropriation, amounts of State sales tax ranging from \$75 million for fiscal year 2000 and graduating to \$145 million for fiscal year 2013 and thereafter (until 2029) would be available for the payment of debt service on the additional bonds to the extent that the MPEA Taxes are not sufficient for such purpose.

The McCormick Place issued revenue bonds Series 1992A, Series 1994B, Series 1998B, Series 1999A and 1999B in the aggregate principal amount of \$1,304.1 million to finance the McCormick Place expansion and certain other improvements to its facilities and Navy Pier. The McCormick Place also issued revenue refunding bonds Series 1994A, Series 1996A, Series 1998A, Series 1999C and Series 1999D in the aggregate principal amount of \$913.0 million to refund in advance of their maturity \$609.4 million of the Series 1992A bonds, \$73.8 million of the Series 1994 A&B bonds, \$11.5 million of the Series 1996A bonds and \$12.0 million of Series 1998A and 1998B bonds.

As of June 30, 2000, the outstanding bonds, which the State is contingently obligated to pay, are \$1,618.6 million. These bonds bear interest at rates ranging from 4.5% to 8.5% with the exception of certain bonds. The Series 1994B bonds maturing in 2004 and the Series 1998B bonds maturing in 2009 bear interest at a rate of 50%. These bonds, in the aggregate principal amount of \$10.2 million, were sold at a premium with effective yields ranging from 4.7% to 5.7%. The McCormick Place bonds mature annually until 2029.

In addition, as of June 30, 2000, the McCormick Place has \$706.6 million of revenue bonds outstanding which have been advance refunded. U. S. Government securities have been deposited in an irrevocable trust with an escrow agent to satisfy all future debt service requirements of these bonds. As a result, these bonds are considered defeased and the State is no longer contingently liable for them.

Southwestern Illinois Development Authority (SWIDA) –

The SWIDA, whose mission is to promote and enhance economic development in the counties of Madison and St. Clair, Illinois, has issued \$117.6 million of 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 interest at rates ranging from 3.4% to 9.25% and mature annually through 2021. 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.

During the fiscal year, the SWIDA issued the Alton Center Business Park Project Revenue Bonds, Series 2000, in the aggregate principal amount of \$11.5 million to provide financing for the acquisition and development of areas within the city of Alton.

As of June 30, 2000 the outstanding balance of bonds, which the State is morally obligated to repay, is \$84.7 million. The outstanding balance of the refunded bonds is \$6.9 million.

The SWIDA has also issued \$208.2 million of revenue bonds, the proceeds of which were loaned to several companies. Unlike the bonds in the preceding paragraph, the State has not accepted a moral obligation to repay the bonds in the event SWIDA and the companies are unable to meet the bond's repayment commitments. At June 30, 2000, the outstanding balance is \$181.0 million.

Quad Cities Regional Economic Development Authority (Authority) –

The Authority has issued \$27.2 million of revenue bonds, the proceeds of which were loaned to HDC, Inc. and to Thoms-Proestler Company 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 (i) mortgages and security agreements from HDC, Inc. and Thoms-Proestler Company to the Authority, (ii) a leasehold mortgage and security agreement from HDC, Inc. to the Authority, (iii) an assignment of leases, rents and revenues from HDC, Inc. to the Authority, and (iv) a guaranty by HDC, Inc. to the trustee. The bonds mature semiannually through 2017 and bear interest at rates of 8.7% and 9.75%. The State has accepted a moral obligation to repay the bonds in the event the Authority and the companies are unable to meet the bonds' repayment commitments. At June 30, 2000, the outstanding balance is \$15.2 million.

The Authority has also issued \$17.3 million of revenue bonds. These bonds are special, limited obligations of the authority and can only be repaid from payments by the companies. Unlike the bonds of the preceding paragraph, the State has not accepted a moral obligation to repay the bonds in the event the Authority and the companies are unable to meet the bonds' repayment commitments. At June 30, 2000, the outstanding balance is \$15.6 million.

Upper Illinois River Valley Development Authority (UIRVDA) –

The UIRVDA, whose mission is to promote and enhance economic development within the counties of Grundy, LaSalle, Bureau, Putnam, Kendall and Marshall, Illinois, has issued \$7.0 million of revenue bonds. The proceeds from these bonds were loaned to Waste Recovery – Illinois (the Company) to finance the acquisition, construction, equipment and installation of a tire recycling and tire-derived fuel processing facility and to refund in advance of their maturity certain

bonds. The Series 1994 bonds, outstanding in the amount of \$2.9 million, were refunded through the issuance of a like amount of the Solid Waste Refunding Revenue bonds, Series 1998, (Waste Recovery – Illinois Project). The Series 1994 bonds were refunded for the purpose of extending the maturity dates over an additional ten years and to effect a decrease in interest rates of .6%.

The Company is 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 the Company. These bonds mature annually through 2014 and bear interest at a rate of 5.9%. The State has accepted a moral obligation to repay the bonds in the event the UIRVDA and the Company are unable to meet the bonds' repayment commitments. At June 30, 2000, the outstanding balance is \$2.7 million.

The UIRVDA has also issued \$16.6 million of revenue bonds, the proceeds of which were loaned to Exolon-Esk Company and General Electric Company. These bonds are special, limited obligations of the UIRVDA and can only be repaid from payments by Exolon-Esk Company and General Electric Company. Unlike the bonds in the preceding paragraph, the State has not 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, 2000, the outstanding balance is \$16.6 million.

Defeased Revenue Bonds –

In June 2000 Illinois Housing Development Authority issued \$43.7 million of revenue bonds with variable interest rates to current refund \$43.7 million of revenue bonds with interest rates ranging from 6.9% to 7.8%.

The refunding transaction resulted in the recognition of an accounting loss of approximately \$.6 million based upon the required deposit to the irrevocable trust and the write off of related unamortized deferred bond issuance costs. The Authority also reduced its aggregate debt service payments by

approximately \$17.7 million over the life of the new bonds and obtained an economic gain or present value savings of approximately \$8.3 million.

In addition on February 23, 2000, the Illinois Student Assistance Commission (ISAC) issued \$34.8 million of new bonds with interest rates ranging from 4.10% to 5.60% to currently refund a like amount of bonds maturing March 1, 2000, with interest rates ranging from 4.57% to 7.2%.

The current refunding resulted in no difference between the reacquisition price and the net carrying amount of the old debt. However, the current refunding increased the total debt service payments by \$7.1 million over the life of the new debt and resulted in an economic present value loss of \$6.1 million.

The State Toll Highway Authority, the Illinois Housing Development Authority, the Southwestern Illinois Development Authority and State universities consisting of Chicago State University, Eastern Illinois University, Western Illinois University, Northern Illinois University, Illinois State University, Southern Illinois University, and the University of Illinois had previously defeased outstanding bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the financial statements. On June 30, 2000, \$753.3 million of bonds outstanding are considered defeased. These bonds have interest rates ranging from .05% to 10.8% with principal maturing until 2027.

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, 2000, recorded amounts of revenue bonds, net of defeased bonds and notes outstanding as reported by authority officials are as follows:

Table 13-4 (amounts expressed in thousands)

Authority	Amount Outstanding	Annual Maturity To
Illinois Health Facilities Authority	\$ 7,412,211	2033
Illinois Development Finance Authority		
Environmental facilities	\$ 1,418,209	2032
501 (c) 3 not for profit	2,648,239	2040
Industrial development	1,048,137	2032
Infrastructure	1,011,526	2029
Housing	603,241	2039
Financially distressed city	18,150	2013
Leases and certificates of participation	<u>48,701</u>	2019
	6,796,203	
Illinois Educational Facilities Authority	2,673,789	2039
Illinois Housing Development Authority	220,131	2034
Southwestern Illinois Development Authority	180,970	2038
Illinois Farm Development Authority	88,589	2040
Quad Cities Regional Economic Development Authority	15,609	2018
Upper River Valley Development Authority	<u>16,600</u>	2023
	<u><u>\$17,404,102</u></u>	

14 OTHER LONG-TERM OBLIGATIONS

Other long-term obligations reported in the and disclosed below are as follows:
General Long-Term Obligations Account Group

Table 14-1 (amounts expressed in millions)

Description	Reference	Amount
Metropolitan Pier and Exposition Authority (McCormick Place) liability	(A)	\$ 301.1
Compensated absences	(B)	517.1
Regional Transportation Authority liability	(C)	733.1
Workers' compensation liability	(D)	53.1
Capital lease obligations	(E)	17.5
Illinos Sports Facilities Authority liability	(F)	26.7
Installment purchase obligations	(G)	21.4
Certificates of participation	(H)	155.3
Department of Nuclear Safety	(I)	16.5
Other obligations	(J)	3.6
Total Other Long-Term Obligations		<u><u>\$1,845.4</u></u>

(A) *Metropolitan Pier and Exposition Authority Liability* -

In July 1984, and November 1985, the State amended the "Metropolitan Fair and Exposition Authority Act" (Act) to authorize the issuance of

\$265 and \$47.5 million, respectively, for a total authorization of \$312.5 million, in additional bonds. Bond proceeds were used (1) to pay construction costs of completing the McCormick Place expansion, (2) to pay the construction costs of projects authorized by the Illinois General Assembly in the future and (3) to refund any outstanding bonds of the McCormick Place that were issued prior to July 1, 1984. The Act was further amended in July and August 1986 to authorize the issuance of refunding bonds either on a parity with or subordinated to the 1984 and 1985 bonds. In addition, in July 1989 the Act was amended to change the name to Metropolitan Pier and Exposition Authority and to expand its purposes to provide for the acquisition and improvement of the Navy Pier in Chicago.

The Illinois General Assembly also amended certain tax laws in July 1984 and November 1985 to provide for 1.75% of total State sales tax revenues, 3% of 94% of

total hotel room rental receipts, and \$1.7 million per year out of 7% of State racing tax revenues to be deposited into the Build Illinois Fund, which replaced the Tourism Fund, as collected. The legislation provides for credits to separate accounts within the Build Illinois Fund of which the "McCormick Place Account" is one and has first priority credit of the amounts collected.

As of June 30, 2000, the irrevocable trust has provided for all future debt service payments, on old bonds that are no longer active.

As of June 30, 2000, the balance of the bonds outstanding was \$301.1 million and is included as "Other Obligations" in the General Long-Term Obligations Account Group. Future McCormick Place debt service requirements at June 30, 2000 are as follows:

Table 14-2 (amounts expressed in thousands)

Year Ending	Principal	Interest	Total
June 30			
2001	\$ 13,785	\$ 17,807	\$ 31,592
2002	14,645	16,985	31,630
2003	15,530	16,067	31,597
2004	16,545	15,080	31,625
2005	17,595	14,015	31,610
Thereafter	223,020	67,910	290,930
	\$301,120	\$ 147,864	\$448,984

(B) Compensated Absences –

Most employees earn annual leave ranging from 1 to 2 days per month with maximum accumulation ranging from 20 to 50 days. At June 30, 2000, the liability for accrued annual leave was approximately \$275.7 million, including salary-related costs of \$17.2 million, for the governmental funds.

Until January 1, 1984, sick leave, which generally is earned one day per month with unlimited accumulation, was paid only when an employee was absent due to illness or other acceptable circumstances as outlined by personnel regulations. Effective January 1, 1984, upon death, retirement, resignation or termination from State employment, employees are able to receive payment for one half of accumulated sick leave earned subsequent to January 1, 1984, or full service credit for such accumulated sick leave

under the State Employees Article of the State Pension Code.

During fiscal year 1998, Public Act 90-65 was enacted, which eliminated compensation for sick leave accumulated on or after January 1, 1998. However, the unused sick leave may be used to establish retirement system service credit as provided in the Illinois Pension Code.

At June 30, 2000, the liability for sick leave earned subsequent to January 1, 1984 was \$241.4 million, including \$14.5 million of salary-related costs. Thus, the State's liability for compensated absences reported in the General Long-Term Obligations Account Group amounted to \$517.1 million at June 30, 2000. As explained in Note 1-O, this amount does not include compensated absences liabilities for propriety, pension trust and component units.

(C) Regional Transportation Authority (“Authority”) Liability -

The Authority was authorized by the Regional Transportation Authority Act to issue bonds in the principal amount of \$100 million on or after January 1, 1990 and increasing \$100 million per 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 91-37 authorized an increased authorization from \$500 million to \$800 million. Public Act 91-37 also authorized the issue of refunding bonds for Strategic Capital Improvement Projects (SCIP). These projects were used to acquire, repair or replace public transportation facilities in the metropolitan region as approved by the Governor.

On August 24, 1999, the Authority issued \$298.7 million in bonds with interest rates ranging from 5% to 6% and maturing annually through 2025 to advance refund \$288.2 million of certain callable maturities of 1992 A, 1993 A, 1994 A and 1994 C Series bonds which had interest rates ranging from 5.7% to 7.1%. The net proceeds of \$305.6 million, which includes a premium of \$6.7 million, were used to purchase U.S. governmental securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered defeased and the liability for those bonds has been removed from the General Long-Term Obligation Account Group. On June 1, 2000, the Authority issued \$260 million in Series 2000A bonds with interest rates ranging from 5.75% to 6.5% and maturing annually through 2035. At June 30, 2000, the outstanding balance of the defeased bonds was \$288.2 million.

The refunding transaction has saved the Authority aggregate debt service payments of \$22.2 million and will result in an economic gain or present value savings of \$11.4 million of the life of the refunded bonds.

Currently, the Authority has bonds with principal outstanding of \$733.1 million with

interest rates ranging from 3.75% to 9% and maturing annually through 2030.

The bonds are general obligations of the Authority to which the full faith and credit of the Authority is pledged. However, for State fiscal years in which the SCIP bonds are outstanding, the State's assistance shall be transferred monthly from the General Revenue Fund to the Public Transportation 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 \$55 million each year. 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. As of June 30, 2000, the outstanding balance included in the General Long-Term Obligations Account Group is \$733.1 million.

Future Regional Transportation Authority debt service requirements at June 30, 2000 are as follows:

Year Ending	Principal	Interest	Total
June 30			
2001	\$ 9,340	\$ 38,876	\$ 48,216
2002	9,870	45,151	55,021
2003	14,060	44,491	58,551
2004	14,970	43,577	58,547
2005	16,005	42,596	58,601
Thereafter	668,900	544,718	1,213,618
	\$733,145	\$759,409	\$1,492,554

(D) Workers’ Compensation Liability -

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 that will be liquidated with expendable available financial resources have been recorded as a liability in the General Fund, Road Fund and Mental Health Fund (special revenue funds), in

the amounts of \$32.0, \$15.9 and \$19.2 million, respectively. The remaining portion of the liability, \$53.1 million as of June 30, 2000, is included in the General Long-Term Obligations Account Group. Of this liability, \$24.5, \$10.7 and \$17.9 million are expected to be paid from future resources of the General Fund, the Road Fund and the Mental Health Fund, respectively. In addition, a \$7.1 million workers' compensation liability has been included in the University fund type included in component units.

(E) Lease Commitments –

The State leases 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. At June 30, 2000 assets capitalized under capitalized leases included in property, plant and equipment are as follows:

Table 14-4 (amounts expressed in thousands)

	Primary Government		
	General		
	Fixed Assets	Proprietary Fund Types	Component Units
Land and land improvements			\$ 500
Buildings and building improvements	\$ 9,593	\$ 1,808	2,455
Equipment	5,786	104	11,478
	<u>15,379</u>	<u>1,912</u>	<u>14,433</u>
Less: Accumulated depreciation		608	
	<u>\$ 15,379</u>	<u>\$ 1,304</u>	<u>\$ 14,433</u>

Future minimum commitments for noncancelable leases as of June 30, 2000 are as follows:

Table 14-5 (amounts expressed in thousands)

Year Ending June 30	Primary Government			
	Operating Leases	Capitalized Leases		Total
		Long-Term Obligations	Proprietary Fund Types	
2001	\$ 117,884	\$ 4,820	\$ 225	\$ 122,929
2002	93,227	4,149	210	97,586
2003	74,640	3,411	210	78,261
2004	46,503	2,979	210	49,692
2005	30,820	2,969	210	33,999
Thereafter	<u>226,545</u>	<u>4,715</u>		<u>231,260</u>
Total minimum lease payments	<u>\$ 589,619</u>	23,043	1,065	<u>\$ 613,727</u>
Less amounts representing interest		<u>5,511</u>	<u>144</u>	
Present value of net minimum lease payments		<u>\$ 17,532</u>	<u>\$ 921</u>	

Table 14-6 (amounts expressed in thousands)

Component Units		Capitalized Leases		
Year Ending June 30	Operating Leases	University Funds	Proprietary Fund Types	Total
2001	\$ 6,626	\$ 2,166		\$ 8,792
2002	5,009	1,439		6,448
2003	3,359	1,188		4,547
2004	1,796	503		2,299
2005	401	438		839
Thereafter	91	1,592		1,683
Total minimum lease payments	<u>\$ 17,282</u>	7,326		<u>\$ 24,608</u>
Less amounts representing interest		665		
Present value of net minimum lease payments		<u>\$ 6,661</u>	<u>\$ -</u>	

Rental payments (amounts expressed in thousands) operating leases charged to operations during the year ended June 30, 2000 aggregated \$312,059 for the primary government and \$20,575 for component units.

(F) Illinois Sports Facilities Authority (“Authority”) Liability -

The Authority is authorized by the Illinois Sports Facilities Authority Act to issue bonds in the principal amount of \$150 million to be used for providing sports stadiums for professional sports teams. During fiscal year 1999, the Authority issued \$103.8 million of revenue bonds with interest rates ranging from 4.0% to 5.0% to currently refund \$111.4 million of 1989 revenue bonds with interest rates ranging from 7.45% of 7.875%.

The bonds are secured by payments from the Illinois Sports Facilities Fund that consist of annual payments of \$5 million from the State's Hotel Operator's Occupation Tax, \$8 million from the Authority's Hotel Tax and \$5 million from the City of Chicago's share of the Local Government Distributive Fund. The State's maximum liability is limited to \$13 million annually, but the State anticipates that \$8 million, derived from the Authority's Hotel Tax, will reduce this liability to \$5 million annually. In fiscal year 2000, receipts from the Authority's Hotel Tax totaled \$25.0 million. As of June 30, 2000, the State's share of the outstanding principal balance was \$26.7 million.

The State (and non-State) share of future Illinois Sports Facilities Authority debt service requirements at June 30, 2000 are as follows:

Table 14-7 (amounts expressed in thousands)

Year Ending June 30	State Share		Non-State Share		Total	
	Principal	Interest	Principa	Interest	Principa	Interest
2001	\$ 2,174	\$ 1,257	\$ 5,651	\$ 3,269	\$ 7,825	\$ 4,526
2002	2,261	1,170	5,879	3,043	8,140	4,213
2003	2,351	1,080	6,114	2,807	8,465	3,887
2004	2,446	986	6,359	2,563	8,805	3,549
2005	2,568	864	6,677	2,245	9,245	3,109
Thereafter	14,899	2,258	38,736	5,872	53,635	8,130
	<u>\$ 26,699</u>	<u>\$ 7,615</u>	<u>\$ 69,416</u>	<u>\$ 19,799</u>	<u>\$ 96,115</u>	<u>\$ 27,414</u>

(G) Installment Purchase Obligations -

The State 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, 2000 are as follows:

Table 14-8 (amounts expressed in thousands)

Year Ending June 30	Primary Government					Component Units		
	General Long-Term Obligations		Proprietary Fund Types		Total	University Funds		
	Principal	Interest	Principa	Interest		Principal	Interest	Total
2001	\$ 12,712	\$ 493	\$ 2,554	\$ 142	\$15,901	\$ 340	\$ 173	\$ 513
2002	5,257	249	1,361	35	6,902	323	155	478
2003	1,945	99	206	10	2,260	322	139	461
2004	1,014	52	46	2	1,114	323	121	444
2005	494	21			515	340	104	444
Thereafter						1,806	229	2,035
Total future commitments	\$ 21,422	\$ 914	\$ 4,167	\$ 189	\$26,692	\$ 3,454	\$ 921	\$ 4,375

(H) Certificates of Participation -

State-issued Certificates of Participation. The State is authorized to issue certificates of participation ("Certificates") representing the right to receive a proportionate share in lease-purchase or installment purchase payments to be made for the benefit of State agencies for the acquisition or improvement of real or personal property, refinancing of such property, payment of expenses of such property or payment of expenses related to the issuance. During fiscal year 1996, the State, acting by and through the Bureau of the Budget, issued \$38.8 million of these certificates to provide for the construction and lease purchase of certain correctional facilities to be operated by the Department of Corrections at various sites within the State. The certificates have interest rates ranging from 4.15% to 6.375% and mature annually through 2017. The outstanding balance of the certificates as of June 30, 2000, included in the General Long-Term Obligations Account Group is \$36.0 million.

The University of Illinois has also issued certificates of participation representing the right to receive a proportionate share of lease-purchase or installment payments. On August 1, 1990, the University of Illinois issued \$3.3 million of the certificates, with an interest rate of 7.25% and

that mature in 2000, to finance the construction of a facility to house academic units in Area Studies and International Programs. On April 1, 1995, \$29.9 million of the certificates were issued, at interest rates ranging from 4.1% to 5.4% and mature semiannually through 2005, to finance the purchase of a firm supply of natural gas from Mid-Con Gas Services Corporation. On September 15, 1997, \$46.0 million of the certificates were issued, at interest rates ranging from 4% to 5.75% and mature annually through 2009, to finance various utility system development projects. On August 15, 1999, the University of Illinois issued \$78.5 million of the certificates, which mature annually from 2001 through 2016 and bear interest rates ranging from 4.1% to 5.5%, to provide financing for the acquisition and construction of utility improvements.

Northern Illinois University (NIU) has also issued certificates of participation representing the right to receive a proportionate share of lease-purchase or installment payments. On October 1, 1992, NIU issued \$3.4 million of the certificates, with interest rates ranging from 3.75% to 6.8% and that mature annually through 1999, to finance the acquisition of telecommunication equipment. On August 15, 1993, \$8.5 million of the certificates were issued, at interest rates ranging from 2.95% to 5.4% and mature annually through

2016, to refund outstanding certificates issued for additional improvements to the Hoffman Estates Education Center. On June 1, 1997, \$3.1 million of the certificates were issued, at interest rates ranging from 4% to 4.875% and mature annually through 2004, to finance the acquisition of data processing equipment. At June 30, 2000, NIU had an outstanding balance of previously defeased, advanced refunded, bonds of \$6.4 million.

The outstanding balance of the certificates as of June 30, 2000 is \$149.2 million and is included as "Other Obligations" in the component units.

Non-State-issued Certificates of Participation.

The State also finances the purchase of certain state-owned real and personal property through third party (non-State issued) certificates. These non-State issued certificates are sold by private concerns and are repaid by State agency appropriations pursuant to installment purchase agreements. The outstanding balance of non-State issued certificates included in the General Long-Term Obligations Account Group as of June 30, 2000 is \$119.4 million. There are no outstanding non-State issued certificates in the component units as of June 30, 2000.

On June 29, 1999, non-state issued certificates in the amount of \$19.2 million with interest rates varying from 4.50% to 5.25% were used to refund \$20.7 million of certain callable maturities of previous non-state issued certificates with interest rates ranging from 5.7% to 6.95%. The net proceeds were used to purchase U.S. government securities which were deposited with an escrow agent to provide for all future debt service payments on the refunded certificates. As a result, the refunded certificates are considered to be defeased and the liability for those bonds has been removed from the General Long-Term Obligations Account Group. At June 30, 2000, the outstanding balance of the defeased certificates is \$20.0 million.

The advance refunding transaction has reduced aggregate debt service payments by \$1.4 million, resulting in an economic gain of \$1.0 million over the life of the refunded bonds.

Future commitments by the State to make installment payments to pay for the assets acquired and related financing costs for State and non-State issued certificates at June 30, 2000 are as follows:

Table 14-9 (amounts expressed in thousands)

Year Ending June 30	Certificates of Participation					
	General Long-Term Obligations Account Group					
	State Issued		Non-State Issued		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$ 1,240	\$ 2,023	\$ 6,150	\$ 6,423	\$ 7,390	\$ 8,446
2002	1,295	1,962	6,525	6,104	7,820	8,066
2003	1,360	1,896	6,865	5,759	8,225	7,655
2004	1,425	1,825	6,280	5,420	7,705	7,245
2005	1,500	1,750	6,605	5,088	8,105	6,838
Thereafter	29,150	12,711	86,910	34,063	116,060	46,774
	<u>\$ 35,970</u>	<u>\$ 22,167</u>	<u>\$ 119,335</u>	<u>\$ 62,857</u>	<u>\$ 155,305</u>	<u>\$ 85,024</u>

Table 14-10 (amounts expressed in thousands)

Year Ending June 30	Certificates of Participation					
	Component Units					
	State Issued		Non-State Issued		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$ 7,490	\$ 7,569			\$ 7,490	\$ 7,569
2002	10,470	7,143			10,470	7,143
2003	10,965	6,635			10,965	6,635
2004	11,520	6,069			11,520	6,069
2005	14,550	5,478			14,550	5,478
Thereafter	94,240	27,975			94,240	27,975
	<u>\$ 149,235</u>	<u>\$ 60,869</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,235</u>	<u>\$ 60,869</u>

(I) Department of Nuclear Safety -

Tracts of land near Ottawa, Illinois were donated to the State of Illinois Department of Conservation 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 Department of Nuclear Safety 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 recommended that the State pay 50% of the estimated \$33 million clean-up plan. The State has recorded a liability for the clean-up in the General Long-Term Obligation Account Group in the amount of \$16.5 million at June 30, 2000.

(J) Other Obligations -

The State's risk financing of auto liability has been determined using an estimate of claims outstanding. Claims that will be liquidated with expendable available financial resources have been recorded as a liability in the General Fund and Road Fund in the amount of \$.5 million and \$1.0 million, respectively. The remaining portion of the liability is expected to be paid from future resources of the General Fund and Road Fund in the amount of \$.5 million and \$2.2 million, respectively.

As discussed in Note 1-B, the State has an outstanding amount due of \$938 thousand in interest to the Great Lakes Protection Fund.

(K) Metropolitan Exposition Auditorium and Office Building Authorities -

The General Assembly, through adoption of the "Metropolitan Civic Center Support Act" (Support Act), created the Metropolitan

Exposition Auditorium and Office Building Fund (Fund) into which 33.5% of all monies received by the State as horse racing taxes are deposited. At June 30, 2000, the balance of the Fund is \$33.0 million. The purpose of the Fund is to secure and retire a proportionate share of locally issued revenue bonds, the proceeds of which were used to construct local civic and exposition centers. The Support Act was amended in September 1985 to provide State financial support by issuing direct, limited obligation revenue bonds for the advanced refunding of any civic center bond issued before July 1, 1985 and for newly certified applicants after July 1, 1985. It was further amended to increase the limitation of the aggregate amount of principal issued and outstanding in State and local bonds subject to State financial support for all Authorities from \$75 million to \$200 million. In addition, further restrictions exist as to the amount to be committed on behalf of any single taxing authority.

On December 15, 1985, the State defeased previous State supported guarantees by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the State supported guarantees. Accordingly, the trust account assets and the liability for the guarantees are not included in the State's financial statements. The bonds used to defease the State supported guarantees are further discussed in Note 12, Special Obligation Bonds.

At June 30, 2000, the unpaid principal on State supported guarantees are as follows:

Authority	Amount Defeased	Interest Rates	Annual Maturity To
DeKalb	\$ 1,700	10.85%	2003
Joliet	900	9.40%	2003
	<u>\$ 2,600</u>		

Beginning July 1, 1985, the following newly certified local governmental units have received

Quad Cities	Ogle County	River Forest	Benton
Rosemont	Collinsville	Aurora	Herrin
Centre East	Bureau County	Pekin	Rockford
Quincy	Orland Park	LaSalle County	Bowdre Township
Peoria	Knox County	Aledo	Mason County

grants ranging from \$.4 to \$20 million through June 30, 2000:

(L) 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. In addition, the State has fulfilled its obligations for certain other prize winners through the purchase of annuities under group contracts.

Prior to July 1985, the State purchased annuity contracts in the name of the prize winner through agreements with insurance companies which provide payments corresponding to the Lottery's obligation to the prize winner. The State would be contingently liable for such future payments if the insurance company defaulted on their payment obligation.

As the State has met its primary obligation for these future payments, the liability and corresponding value of the annuity contracts are not included in these financial statements. The present value of future installment payments owed to these prize winners approximates \$25.9 million at June 30, 2000.

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 Lottery, may contract to invest in securities, which provide payments corresponding to the Lottery's obligation to these winners. The present value of these annuities and the related liabilities owed to prize winners, approximating \$63.0 million, have been reported in the financial statements of the State Lottery

Fund, a proprietary fund.

In addition to the prize obligations discussed above, the State has provided for other payments corresponding to the Lottery's 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 in the Deferred Lottery Prize Winners Trust Fund, a special trust fund separate and apart from all public money or 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. Since these monies are invested by the State on behalf of external legally separate entities (the prize winners), with specific investments being acquired for these individual entities for which the income from and changes in the value of the investments affect only the prize winners for whom they were acquired, in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Deferred Lottery Prize Winners Trust Fund is reported as an investment trust fund. The investments of the fund are reported at fair value, which approximated \$1.31 billion at year-end and the fund balance is reported as reserved for external investment pool participants.

15

CHANGES IN LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2000 are summarized as follows:

Table 15-1 (amounts expressed in thousands)

	Proprietary and Other		General Long-Term Obligations Account Group			
	Notes Payable (Note 9)	Revenue Bonds (Note 13)	Net Pension Obligation (Note 10)	General Obligation Bonds (Note 11)	Special Obligation Bonds (Note 12)	Other Long-Term Obligations (Note 14)
Balances at July 1, 1999	\$ 110,592	\$ 5,109,144	\$ 12,115,695	\$ 6,126,444	\$ 1,827,664	\$ 1,555,926
Primary Government:						
Compensated absences earned						284,272
Increase in workers' compensation liability						(1,943)
Debt issues		198,585		860,000 *	125,000 *	593,130 *
Increase in lease and installment purchase obligations						73,859
Compensated absences taken						(281,786)
Amortization of bond discounts and bond issuance costs		444				
Amortization of deferred amounts on bond refundings		249				
Increase in accreted value of capital appreciation bonds		1,545		111,627	10,085	
Principal retirements and termination	(200)	(44,767)		(498,627)	(79,406)	(396,341)
Excess of annual pension cost ("APC") over employer contributions from governmental fund types			797,403			
Other						18,363
Total Primary Government	(200)	156,056	797,403	473,000	55,679	289,554
Component Units:						
Debt issues	50,286	610,355				
Amortization of bond discounts and bond issuance costs		(944)				
Amortization of deferred amounts on bond refundings		1,505				
Increase in accreted value of capital appreciation bonds		24,923				
Principal retirements and termination	(1,572)	(426,489)				
Total Component Units	48,714	209,350				
Balances at June 30, 2000	\$ 159,106	\$ 5,474,550	\$ 12,913,098	\$ 6,599,444	\$ 1,883,343	\$ 1,845,480

*The debt issues amount represents the gross issuance amount and not the net proceeds that are reported in the operating statements.

16 FUND EQUITY

A. Fund equity reservations and designations not displayed separately on the combined balance sheet at June 30, 2000 consisted of the following:

	Fund Types						Total (Memorandum Only) Primary Government	Component Units
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Expendable Trust		
Fund Equity:								
Retained Earnings:								
Reserved for:								
Revenue bond and note retirement					\$ 103,857		\$ 103,857	\$ 260,936
High risk insurance program and other				29,901			29,901	49,835
Total reserved retained earnings				\$ 133,758			\$ 133,758	\$ 310,771
Fund Balances:								
Reserved for other:								
Intergovernmental receive	\$ 362	\$ 593					\$ 955	\$ 4,500
Other receivables		4,712					4,712	
Loans and notes receivabl	11,877	810,701	\$ 24,551			\$ 63	847,192	137,956
Encumbrances	129,753	1,507,238		\$ 1,042,498		18	2,679,507	31,358
Inventories	33,719	32,414					66,133	
Restricted fund balances								678,138
Endowment and similar funds								963,137
Unemployment Compensation Benefits					2,438,121		2,438,121	
Other	3,238	14,764				1,870	19,872	27,664
Total fund balances reserved for other	\$ 178,949	\$ 2,370,422	\$ 24,551	\$ 1,042,498		\$ 2,440,072	\$ 6,056,492	\$ 1,842,753
Unreserved:								
Designated for:								
Debt Service			\$ 909,239				\$ 909,239	
Deferred compensation benefits					\$ 1,653,725		1,653,725	
Other	\$ 8,696						8,696	\$ 36,731
Total unreserved, designated fund balances	\$ 8,696	\$ 909,239			\$ 1,653,725		\$ 2,571,660	\$ 36,731

As disclosed in Note 1-R, the above fund equity reservations are not available to finance current operations of State government at the balance sheet date or are legally restricted to a specific future use. In governmental funds, the reserves represent portions of asset accounts that are non-current.

B. During the year, contributed capital increased pursuant to the following schedule:

Table 16-2 (amounts expressed in thousands)

	Contributed Capital		Fixed Assets		Contributed Capital
	7/1/1999		Additions	Deletions	
Primary Government -					
Internal Service:					
Central Management Services:					
Statistical Services Revolving Fund	\$ 8,157				\$ 8,157
Department of Corrections:					
Working Capital Revolving Fund	9,253	\$ 28			9,281
Other	1,837				1,837
Total Internal Service	19,247	28			19,275
Total (Memorandum Only)					
Primary Government	19,247	28			19,275
Component Units -					
Development Finance Authority	18,508				18,508
Farm Development Authority	12,232	4,080			16,312
Rural Bond Bank	2,784				2,784
Total Component Units	33,524	4,080			37,604
Total (Memorandum Only)					
Reporting Entity	\$ 52,771	\$ 4,108	\$ -		\$ 56,879

17 FUND DEFICITS

Primary Government:

The State's General Fund, from which a significant portion of day to day operating expenditures are paid, has a GAAP deficit aggregating \$315.1 million at June 30, 2000, although the budgetary basis fund balance at that date was \$777 million. This deficit results from recognition of fund liabilities significantly in excess of accrued revenues.

The Drivers Education Fund of the State Board of Education (reported as a special revenue fund) has a deficit at June 30, 2000, aggregating \$10.7 million, resulting from reimbursement to school

districts for drivers education program costs incurred in the current year but not paid until the subsequent year.

The Mental Health Fund of the Department of Human Services (reported as a special revenue fund) has a deficit at June 30, 2000, aggregating \$14.3 million, resulting from workers' compensation claims incurred in the current year, but not paid until the subsequent year.

The Federal Department of Agriculture Fund of the State Board of Education (reported as a special revenue fund) has a deficit at June 30, 2000, aggregating \$39 thousand, resulting from

program costs incurred in the current year but not paid until the subsequent year.

The Federal Department of Education Fund of the State Board of Education (reported as a special revenue fund) has a deficit at June 30, 2000, aggregating \$1.9 million, resulting from a liability recorded due to a lawsuit settlement during fiscal year 2000.

The Local Government Health Insurance Reserve Fund (reported as an enterprise fund) has a deficit at June 30, 2000, aggregating \$14.1 million, resulting from a rate structure which was insufficient to support fund deficits from prior fiscal years and unanticipated growth in health claims and new enrollees. The rate structure was amended for both fiscal year 2000 and fiscal year 2001 with the intention of eliminating the fund deficit.

The Prepaid Tuition Fund of the Illinois Student Assistance Commission (reported as an enterprise fund) has a deficit at June 30, 2000, aggregating \$3.1 million, resulting from program costs incurred since the inception of the program which will be paid in subsequent years.

The Self-Insurer's Security Fund of the Industrial Commission (reported as an expendable trust fund) has a deficit at June 30, 2000, aggregating \$1.8 million, resulting from an increase in liabilities for unpaid claims.

The above Governmental Funds' deficits will be eliminated by future revenue increases and/or expenditure reductions in the following year(s).

18

**CONDENSED FINANCIAL STATEMENTS-DISCRETELY
PRESENTED COMPONENT UNITS**

Condensed financial statements for the State's discretely presented component units for the fiscal year ended June 30, 2000 are as follows:

**CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
BALANCE SHEETS**

Table 18-1 (amounts expressed in thousands)

	Governmental				
	Illinois Distance Learning Foundation	Illinois Literacy Foundation	Illinois Grain Insurance Corporation	Illinois Conservation Foundation	East St. Louis Financial Advisory Authority
Assets:					
Due from other funds					
Due from primary government			\$ 30		
Other current assets	\$ 40	\$ 67	4,399	\$ 2,569	\$ 3,566
Property, plant, and equipment					
Other assets				3	1,454
Total assets	<u>\$ 40</u>	<u>\$ 67</u>	<u>\$ 4,429</u>	<u>\$ 2,572</u>	<u>\$ 5,020</u>
Liabilities:					
Due to other funds					
Due to primary government					
Other current liabilities				\$ 40	
Bonds payable					
Other long-term liabilities					
Total liabilities				<u>40</u>	
Equity:					
Contributed capital					
Investment in fixed assets					
Retained earnings					
Fund balance	\$ 40	\$ 67	\$ 4,429	2,532	\$ 5,020
Total equity	<u>40</u>	<u>67</u>	<u>4,429</u>	<u>2,532</u>	<u>5,020</u>
Total liabilities and equity	<u>\$ 40</u>	<u>\$ 67</u>	<u>\$ 4,429</u>	<u>\$ 2,572</u>	<u>\$ 5,020</u>

**CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY**

Table 18-1 (amounts expressed in thousands)

	Governmental				
	Illinois Distance Learning Foundation	Illinois Literacy Foundation	Illinois Grain Insurance Corporation	Illinois Conservation Foundation	East St. Louis Financial Advisory Authority
Revenues	\$ 2	\$ 31	\$ 542	\$ 2,793	\$ 260
Expenditures					
Current	10	4		1,969	9
Capital outlays					
Debt service					
Transfers (out)					
Capital lease financing					
Excess (deficiency) of revenues over (under) expenditures and other financing sources/Uses	(8)	27	542	824	251
Fund balance-beginning	48	40	3,887	1,708	4,769
Fund balance-ending	<u>\$ 40</u>	<u>\$ 67</u>	<u>\$ 4,429</u>	<u>\$ 2,532</u>	<u>\$ 5,020</u>

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
BALANCE SHEETS (continued)

Table 18-1 (amounts expressed in thousands)				
Governmental (continued)				
East St. Louis Development Authority	Development Finance Authority	Housing Development Authority	Illinois Medical District Commission	
			\$ 100	
\$ 2	\$ 4,700	\$ 77,659	3,529	
			21,710	
		141,287	7	
<u>\$ 2</u>	<u>\$ 4,700</u>	<u>\$ 218,946</u>	<u>\$ 25,346</u>	
	\$ 1	\$ 1,082	\$ 50	
		4,750	3,296	
	<u>1</u>	<u>5,832</u>	<u>3,346</u>	
			21,710	
\$ 2	4,699	213,114	290	
<u>2</u>	<u>4,699</u>	<u>213,114</u>	<u>22,000</u>	
<u>\$ 2</u>	<u>\$ 4,700</u>	<u>\$ 218,946</u>	<u>\$ 25,346</u>	

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY (continued)

Table 18-1 (amounts expressed in thousands)					
Governmental (continued)					
East St. Louis Development Authority	Development Finance Authority	Housing Development Authority	Illinois Medical District Commission	Total	
		\$ 46,742	\$ 1,651	\$ 52,021	
		15,239	1,272	18,503	
			33	33	
			286	286	
		(8,053)		(8,053)	
		23,450	60	25,146	
\$ 2	\$ 4,699	189,664	230	205,047	
<u>\$ 2</u>	<u>\$ 4,699</u>	<u>\$ 213,114</u>	<u>\$ 290</u>	<u>\$ 230,193</u>	

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
BALANCE SHEETS (continued)

Table 18-2 (amounts expressed in thousands)					
	Proprietary				
	Community Development Finance Corporation	Comprehensive Health Insurance Board	Farm Development Authority	Health Facilities Authority	Educational Facilities Authority
Assets:					
Due from other funds					
Due from primary government					
Other current assets	\$ 7	\$ 83,230	\$ 16,661	\$ 8,351	\$ 855
Property, plant, and equipment		118	33	31	
Other assets			1,394	3	
Total assets	\$ 7	\$ 83,348	\$ 18,088	\$ 8,385	\$ 855
Liabilities:					
Due to other funds					
Due to primary government		\$ 13	\$ 2		
Other current liabilities		33,425	113	\$ 99	\$ 89
Bonds payable					
Other long-term liabilities					
Total liabilities		33,438	115	99	89
Equity:					
Contributed capital			16,312		
Investment in fixed assets					
Retained earnings	\$ 7	49,910	1,661	8,286	766
Fund balance					
Total equity	7	49,910	17,973	8,286	766
Total liabilities and equity	\$ 7	\$ 83,348	\$ 18,088	\$ 8,385	\$ 855

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY (continued)

Table 18-2 (amounts expressed in thousands)					
	Proprietary				
	Community Development Finance Corporation	Comprehensive Health Insurance Board	Farm Development Authority	Health Facilities Authority	Educational Facilities Authority
Operating Revenues		\$ 30,664	\$ 1,159	\$ 1,491	\$ 367
Operating Expenses:					
Depreciation		49	14	13	
Other		75,472	1,380	1,608	382
Operating Income (loss)		(44,857)	(235)	(130)	(15)
Other non-operating revenue (expense)	\$ 1	10,321	169	366	36
Transfers from (to) primary government		17,324			
Transfers in (out)					
Net income for the year	1	(17,212)	(66)	236	21
Equity-beginning	6	67,122	1,727	8,050	745
Contributed capital			16,312		
Equity-ending	\$ 7	\$ 49,910	\$ 17,973	\$ 8,286	\$ 766

* Information as of December 31, 1999.

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
BALANCE SHEETS (continued)

Table 18-2 (amounts expressed in thousands)
Proprietary (continued)

Development Finance Authority	Housing Development Authority	Rural Bond Bank	State Toll Highway Authority*	Quad Cities Regional Economic Development Authority	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority
\$ 3,874	\$ 1,082					
27,082	475,561	\$ 40,703	\$ 367,653	\$ 263	\$ 3,387	\$ 228
5	534	38	1,899,842		597	
10,551	2,060,576	101,597	90,829		3,030	
<u>\$ 41,512</u>	<u>\$ 2,537,753</u>	<u>\$ 142,338</u>	<u>\$ 2,358,324</u>	<u>\$ 263</u>	<u>\$ 7,014</u>	<u>\$ 228</u>
\$ 3,873	\$ 2	\$ 27				
2,232	232,264	2,586	\$ 141,060		\$ 2,986	
	2,054,270	95,660	867,979			
		40,000		\$ 77	81	
<u>6,105</u>	<u>2,286,536</u>	<u>138,273</u>	<u>1,009,039</u>	<u>77</u>	<u>3,067</u>	
18,508		2,784				
16,899	251,217	1,281	1,349,285	186	3,947	\$ 228
35,407	251,217	4,065	1,349,285	186	3,947	228
<u>\$ 41,512</u>	<u>\$ 2,537,753</u>	<u>\$ 142,338</u>	<u>\$ 2,358,324</u>	<u>\$ 263</u>	<u>\$ 7,014</u>	<u>\$ 228</u>

CONDENSED STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY (continued)

Table 18-2 (amounts expressed in thousands)
Proprietary (continued)

Development Finance Authority	Housing Development Authority	Rural Bond Bank	State Toll Highway Authority*	Quad Cities Regional Economic Development Authority	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority	Total
\$ 2,738	\$ 294,546	\$ 7,000	\$ 342,681	\$ 66	\$ 670	\$ 216	\$ 681,598
19	179	8	131,846		26		132,154
3,097	186,199	6,901	146,725	56	391	128	422,339
(378)	108,168	91	64,110	10	253	88	127,105
1,896	(97,463)		(33,092)	11	134		(117,621)
		(14)	(156)				17,154
	8,052						8,052
1,518	18,757	77	30,862	21	387	88	34,690
15,381	232,460	1,204	1,318,423	165	3,560	140	1,648,983
18,508		2,784					37,604
<u>\$ 35,407</u>	<u>\$ 251,217</u>	<u>\$ 4,065</u>	<u>\$ 1,349,285</u>	<u>\$ 186</u>	<u>\$ 3,947</u>	<u>\$ 228</u>	<u>\$1,721,277</u>

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
BALANCE SHEETS (continued)

	University				
	Chicago	Eastern	Governor's	Northeastern	Western
	State	Illinois	State	Illinois	Illinois
	University	University	University	University	University
Assets:					
Due from other funds	\$ 271				\$ 386
Due from primary government	916	\$ 453	\$ 2,519	\$ 79	142
Other current assets	15,718	94,616	14,163	26,837	68,492
Property, plant, and equipment	122,755	189,150	76,134	131,598	253,980
Other assets		662	1,157	345	
Total assets	\$139,660	\$284,881	\$ 93,973	\$ 158,859	\$ 323,000
Liabilities:					
Due to other funds	\$ 271		\$ 705		\$ 175
Due to primary government		\$ 39	497	\$ 171	168
Other current liabilities	25,063	40,483	15,431	18,771	31,582
Bonds payable	25,650	46,515		5,830	47,297
Other long-term liabilities	1,776	9,855		1,908	3,369
Total liabilities	52,760	96,892	16,633	26,680	82,591
Equity:					
Contributed capital					
Investment in fixed assets	90,319	140,306	75,623	127,945	212,406
Retained earnings					
Fund balance	(3,419)	47,683	1,717	4,234	28,003
Total equity	86,900	187,989	77,340	132,179	240,409
Total liabilities and equity	\$139,660	\$284,881	\$ 93,973	\$ 158,859	\$ 323,000

CONDENSED FINANCIAL STATEMENTS-DISCRETELY PRESENTED COMPONENT UNITS:
BALANCE SHEETS (continued)

Table 18-3 (amounts expressed in thousands) University (continued)				
Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Total
\$ 1,079	\$ 2,305	\$ 4,062	\$ 26,278	\$ 39,437
1,020	1,419	15,026	81,582	103,186
124,435	129,619	313,403	1,854,888	3,762,683
439,206	512,804	807,817	3,581,645	8,037,997
376	8,929	3,190	21,033	2,446,423
\$ 566,116	\$ 655,076	\$ 1,143,498	\$ 5,565,426	\$ 14,389,726
\$ 1,079	\$ 1,459	\$ 3,853	\$ 26,887	\$ 39,437
276		1,409	20,477	23,079
40,711	58,682	120,568	421,040	1,195,271
57,485	118,192	130,492	544,111	3,993,481
83	30,653	7,298	230,352	325,452
99,634	208,986	263,620	1,242,867	5,576,720
				37,604
390,281	363,820	694,030	3,078,164	5,194,604
				1,683,673
76,201	82,270	185,848	1,244,395	1,897,125
466,482	446,090	879,878	4,322,559	8,813,006
\$ 566,116	\$ 655,076	\$ 1,143,498	\$ 5,565,426	\$ 14,389,726

19 SEGMENT INFORMATION - ENTERPRISE FUNDS

Selected financial information by enterprise fund segment is as follows:

Table 19-1 (amounts expressed in thousands)

Primary Government	Department	Student	Other	Total
	of	Assistance		
	Lottery	Commission		
	State			
Lottery	(1)	(2)	(3)	
Operating revenues	\$ 1,490,946	\$ 119,038	\$ 306,059	\$ 1,916,043
Depreciation	685	128	776	1,589
Operating income (loss)	532,167	5,036	(22,811)	514,392
Operating transfers-out	(538,617)	(588)	(2,497)	(541,702)
Operating transfers-in			10,259	10,259
Nonoperating revenues	98		3,840	3,938
Nonoperating expenses			(1,506)	(1,506)
Net income (loss)	(6,352)	4,448	(12,715)	(14,619)
Property, Plant and Equipment:				
Additions	583	106	972	1,661
Deletions	637		831	1,468
Net working capital	28,852	(270,523)	29,526	(212,145)
Total assets	136,980	1,770,769	121,338	2,029,087
Bonds and other long-term liabilities payable from:				
Operating revenues		962,177	10,795	972,972
Other revenues	45,847	114,798	67	160,712
Total equity	29,901	94,619	38,556	163,076

The above referenced organizations and activities generate enterprise fund revenues as follows:

- (1) Illinois State Lottery revenues and operations.
- (2) Administration of State-authorized financial aid programs for post-secondary students in Illinois.
- (3) Service and processing fees charged by the following board, departments, and commissions for their operations:

Elected Officials

- State Treasurer’s Office

Board

- Board of Admissions to the Bar

Departments

- ? Central Management Services
- ? Corrections
- ? Human Services
- ? Insurance
- ? Veterans’ Affairs

Commissions

- ? Attorney Registration & Disciplinary Commission
- ? Office of Banks and Real Estate
- ? Illinois Industrial Commission

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RISK MANAGEMENT

The State has elected to retain the following liability exposures: workers' compensation, vehicle, employee fidelity and surety, legal representation and employee indemnification, general liability and other tort liability. The State purchases minimal commercial insurance. The insurance in force on State-owned assets is limited except for certain university facilities. Further, the State makes no provision for anticipated losses in the event of involuntary conversions. Liabilities for claims, including claims incurred but not reported, are recorded in the funds or the General Long-Term Obligations Account Group as appropriate. Claims liabilities

are carried at present value discounted at 5.61%, which is the average interest rate for fiscal year 2000 general obligation debt issues. The amounts are based on actual claims that are outstanding, historical trend data and known inflation and cost of living factors. 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. The following is a reconciliation of the State's claims liabilities for its major claims categories for the current fiscal year and prior year (amounts expressed in thousands):

Table 20-1 (amounts expressed in thousands)

Year Ended June 30	Changes in Claims Liability Balances			Ending Balance
	Beginning Balance	Claims Incurred	Decreases	
1999	\$ 58,895	\$ 61,191	\$ 59,438	\$ 60,648
2000	\$ 60,648	\$ 66,686	\$ 67,197	\$ 60,137

The State administers the following public entity risk pools for non-state employers: 1) The Local Government Health Insurance Reserve Fund offers a health insurance program to local governments for its employees and retirees, 2) the Teacher Health Insurance Security Fund offers health insurance to school districts for its teachers and retirees and 3) The Community College Health Insurance Security Fund offers health insurance to community college retirees and their

dependent beneficiaries. These funds are presented as enterprise funds in the State's CAFR. Detailed information on these programs can be obtained from the Department of Central Management Services, which administers the plans. The Financial audit report for the Department of Central Management Services includes fund financial statements and the required pool supplementary disclosures for these three plans.

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CONTINGENCIES

In October 1997, a state Supreme Court decision held that the Illinois Privilege Tax (215 ILCS 5/409), as in effect prior to 1998, was unconstitutional under the Illinois Constitution's Uniformity Clause. On remand, the trial court was to determine whether Plaintiffs should get all protested privilege tax payments now on deposit or, as asserted by the State, any recovery should

be offset by an amount representing an increased liability for the Plaintiffs under the Illinois Retaliatory Tax Statute (215 ILCS 5/444 and 5/444.1). The case was remanded to the Trial Court and in June 1999, the Court ruled in favor of the plaintiffs, that protested privilege taxes on deposit of approximately \$109 million should be returned. The case is currently pending on a

Motion for Reconsideration.

The State is treating the full amount of the protest account as a contingent claim of \$109 million, unless the State is successful on reconsideration or subsequent appeal.

In 2000 the State was made party to a number of additional suits by companies seeking refunds of privilege tax payments made, but not under protest, prior to 1998. The State has asserted, inter alia, that no such refund right exists and that Plaintiffs' claims are barred by principals of sovereign immunity and administrative law. The State has made its Motion To Dismiss these actions, however no ruling has yet been entered. The Plaintiffs in these cases have claimed refunds of \$225 million dollars.

Pursuant to the Balanced Budget Act of 1997, the Illinois Student Assistance Commission is required to refund \$19.7 million to the U.S. Department of Education by September 30, 2002.

The Illinois State Toll Highway Authority has entered into commitments for road construction of \$157 million. The Illinois Housing Development Authority has entered into commitments aggregating \$47.8 million for home loans.

In December 1994, the Health Care Financing Administration (HCFA) informed the State that there is a potential disallowance of federal financial participation of \$112 million related to the FY93 Nursing Home Assessment. On June 15, 2000, HCFA provided a draft audit report that indicated that the State owes \$89.6 million and gave the State until July 15, 2000 to respond. The State's Department of Public Aid responded on July 14, 2000, challenging HCFA's draft report. On December 19, 2000, HCFA issued its final report, which recommended that the State repay \$89.6 million within 30 days. The final report further stated that if repayment was not made within 30 days, a formal disallowance would be issued. On January 19, 2001, a formal disallowance was issued.

The Department intends to file an appeal of the disallowance before the U.S. Department of Health and Human Services Department Grant Appeals Board within the allotted time, on or before February 19, 2001. While the appeal is pending, repayment need not be made, although interest will accrue on any portion that the State may have to repay.

A Master Settlement Agreement (MSA) was executed in November of 1998 between five tobacco companies and 46 states, including the State of Illinois. The MSA called for, among other things, the payment of more than \$200 billion allocated to the states in installments payable until the year 2025 with additional payments continuing thereafter in perpetuity. The Illinois share is expected to be \$9.1 billion through 2025. The payments are subject to various adjustments such as those for volume shipped, inflation, and the success of litigation by other governmental units and could amount to less than the expected amounts. Various aspects of the MSA have been challenged in court both locally and nationally. In addition, an attorney's lien potentially in the amount of \$910 million has been filed against Illinois' proceeds, but the amount of loss to the lien, if any, is uncertain and, in any event, is subject to an offset of \$121 million awarded by an arbitrator for legal fees out of separate funds under the MSA. The State has moved to dismiss the fee petition on jurisdictional grounds, but the motion was denied by the trial court. The denial was upheld on appeal, but the Illinois Supreme Court has allowed the State's petition for leave to appeal. The trial court ordered that 10% of all tobacco settlement monies received by the State, less an adjustment based on the payment of the arbitrator's award, be placed in a separate escrow account. At January 30, 2001, the escrow account held \$38 million. Because of the novelty of the MSA and of the many related claims and because of the uncertainty inherent in calculation under the MSA, it is not possible to accurately predict the amount of money that will actually be received by the State with reasonable certainty. The State received \$350 million in fiscal year 2000 and \$90 thousand in fiscal year 2001 through November 30, 2000.

The State receives significant financial assistance from the U.S. Government in the form of grants and entitlements. Entitlement to these resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any adjudicated disallowance as a result of these audits becomes a liability of the State.

Also, the State, its units and employees are parties 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.

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SUBSEQUENT EVENTS

Subsequent to June 30, 2000, Public Act 91-927 amended the minimum age of retirement in order to receive a retirement annuity for public employees with more than eight years of creditable service. Entitled "The Rule of 85", a public employee having between eight and twenty-five years of credible service may claim a retirement annuity upon or after attainment of age sixty or any lesser age which, when added to the number of years of the individual's creditable service, equals at least eighty-five. In addition, a lower retirement annuity may be claimed by a public employee upon or after attainment of age fifty-five and having at least twenty-five years of creditable service. The estimated cost of this legislation to the State is not determinable.

On July 15, 2000, the State of Illinois transferred \$260 million from the General Fund to the Fund for Illinois' Future in accordance with Public Act 91-38. This transfer combined with previous transfers brings the total amount transferred to the Fund for Illinois' Future from the General Fund to \$560 million. The Fund for Illinois' Future makes grants and expenditures for planning, engineering, acquisition, construction, reconstruction, development, improvement, and extension of public infrastructure in the State of Illinois.

Effective July 1, 2000, the State of Illinois temporarily repealed the 5% state sales tax on

gasoline for six months. The cost of the repeal is estimated at between \$150 and \$180 million.

Between August and December 2000, the State of Illinois issued a total of approximately \$279 million in property tax rebates. These property tax rebates were paid from Illinois' share of the Master Settlement Agreement between 46 states, including Illinois and five tobacco companies.

In December 2000, the American Society of Consultant Pharmacists filed a suit seeking to enjoin emergency rules that the Department of Public Aid adopted on December 15, 2000, which decreased Medicaid pharmaceutical cost reimbursements and dispensing fee rates for a 150 day period ending May 13, 2001. The Society alleges that the changes violate the Federal statute on Medicaid reimbursement (42 U.S.C. § 1396a(a)(30)) and State law. If the reimbursement rate were to change in accordance with the Society's suit, the additional annual cost of the Medicaid program would be approximately \$50 million. The Society's motion for a temporary restraining order using the new reimbursement rate has been denied in two different courts. The State's motion to dismiss is pending. Briefing on the Society's complaint for a preliminary injunction is stayed while jurisdictional issues are being considered.

Required Supplementary Information
Pension Trust Funds – Schedule of Funding Progress
(Unaudited)

The following schedule of funding progress (dollar amounts in thousands) for the State of Illinois' retirement systems is provided for fiscal years ended June 30, 1998, 1999 and 2000.

	(a)	(b)	(c)	(d)	(e)	(f)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability ("AAL") Projected Unit Credit	Unfunded AAL ("UAAL") (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll (c/e)
General Assembly						
6/30/1998	\$ 62,738	\$ 150,408	\$ 87,671	41.7%	\$ 10,005	876.3%
6/30/1999	66,833	160,871	94,038	41.5%	10,467	898.4%
6/30/2000	70,471	169,363	98,892	41.6%	10,763	918.8%
Judges'						
6/30/1998	356,693	747,276	390,583	47.7%	94,626	412.8%
6/30/1999	389,762	805,587	415,825	48.4%	99,200	419.2%
6/30/2000	422,934	871,153	448,219	48.5%	104,000	431.0%
State Employees'						
6/30/1998	7,064,495	9,341,898	2,277,403	75.6%	3,096,087	73.6%
6/30/1999	7,986,433	9,998,205	2,011,772	79.9%	3,212,569	62.6%
6/30/2000	8,910,901	10,912,988	2,002,087	81.7%	3,370,696	59.4%
Teachers'						
6/30/1998	19,965,887	29,908,241	9,942,354	66.8%	5,323,403	186.8%
6/30/1999	22,237,709	33,205,513	10,967,804	67.0%	5,698,117	192.5%
6/30/2000	24,481,413	35,886,404	11,404,991	68.2%	6,062,884	188.1%
State Universities						
6/30/1998	9,792,000	11,416,100	1,624,100	85.8%	2,377,600	68.3%
6/30/1999	10,761,700	12,617,500	1,855,800	85.3%	2,411,100	77.0%
6/30/2000	12,063,950	13,679,039	1,615,089	88.2%	2,424,200	66.6%

State of Illinois

Combining Schedule of Accounts
General Fund

June 30, 2000 (Expressed in Thousands)

	General Revenue	Education Assistance	Common School	Medicaid Provider Assessment Program	Eliminations	Total
ASSETS						
Cash and cash equivalents	\$ 329,630	\$ 416,833	\$ 129,820	\$ 115,062		\$ 991,345
Investments	842,053					842,053
Receivables, net:						
Taxes	759,028	25,841	100,824	6,730		892,423
Intergovernmental	699,588			304,390		1,003,978
Other	39,280		108	245		39,633
Due from other funds	475,938	63,744	65			539,747
Due from component units	5,131	7		10,566		15,704
Inventories	33,719					33,719
Loans and notes receivable	12,171					12,171
Other assets	9,470					9,470
Total assets	\$ 3,206,008	\$ 506,425	\$ 230,817	\$ 436,993	\$ -	\$ 4,380,243
LIABILITIES						
Accounts payable and accrued liabilities	\$ 2,385,242	\$ 216	\$ 82,618	\$ 340,110		\$ 2,808,186
Intergovernmental payables	878,115	256,514		71		1,134,700
Due to other funds	302,100	215	49,605	2,385		354,305
Due to component units	60,748	8,417		19,527		88,692
Deferred revenues	225,458	7,801	5,989	70,187		309,435
Total liabilities	3,851,663	273,163	138,212	432,280		4,695,318
FUND BALANCE (DEFICIT)						
Reserved for:						
Encumbrances	108,763	15,570	5,420			129,753
Long-term portion of:						
Intergovernmental receivables	362					362
Loans and notes receivable	11,877					11,877
Inventories	33,719					33,719
Other	3,238					3,238
Unreserved, undesignated (deficit)	(803,614)	217,692	87,185	4,713		(494,024)
Total fund balance (deficit)	(645,655)	233,262	92,605	4,713		(315,075)
Total liabilities and fund balance	\$ 3,206,008	\$ 506,425	\$ 230,817	\$ 436,993	\$ -	\$ 4,380,243

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balance
General Fund

For the Year Ended June 30, 2000 (Expressed in Thousands)

	General Revenue	Education Assistance	Common School	Medicaid Provider Assessment Program	Eliminations	Total
REVENUES						
Income taxes	\$ 8,201,478	\$ 653,932				\$ 8,855,410
Sales taxes	4,515,563		\$ 1,506,107			6,021,670
Public utility taxes	961,349		118,344			1,079,693
Other taxes	1,215,243		148,061	\$ 104,607		1,467,911
Federal government	4,288,220			855,336		5,143,556
Licenses and fees	72,209		561			72,770
Interest and other investment income	237,157		941	1,702		239,800
Other	450,452	219		579,848		1,030,519
Total revenues	19,941,671	654,151	1,774,014	1,541,493		23,911,329
EXPENDITURES						
Current:						
Health and social services	9,356,930			1,588,987		10,945,917
Education	2,683,674	903,844	3,088,962			6,676,480
General government	1,734,990					1,734,990
Social assistance	364,791					364,791
Transportation	63,242					63,242
Public protection and justice	1,626,691					1,626,691
Natural resources and recreation	171,320					171,320
Debt service:						
Principal	13,468					13,468
Interest	35,259					35,259
Capital outlays	125,257	221				125,478
Total expenditures	16,175,622	904,065	3,088,962	1,588,987		21,757,636
Excess (deficiency) of revenues over (under) expenditures	3,766,049	(249,914)	(1,314,948)	(47,494)		2,153,693
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in	587,074	363,796	1,334,799	114,707	\$ (796,224)	1,604,152
Operating transfers-out	(3,200,776)	(3,165)	(120)	(62,555)	796,224	(2,470,392)
Operating transfers to component units	(1,174,310)	(133,609)				(1,307,919)
Capital lease financing	7,993					7,993
Net other sources (uses) of financial resources	(3,780,019)	227,022	1,334,679	52,152		(2,166,166)
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(13,970)	(22,892)	19,731	4,658		(12,473)
Fund balance (deficit), July 1, 1999	(631,685)	256,154	72,874	55		(302,602)
FUND BALANCE (DEFICIT), JUNE 30, 2000	\$ (645,655)	\$ 233,262	\$ 92,605	\$ 4,713	\$ -	\$ (315,075)

State of Illinois

Combining Schedule of Accounts - General Fund
Medicaid Provider Assessment Program

June 30, 2000 (Expressed in Thousands)

	University of Illinois Hospital Services	Long-Term Care Provider	Hospital	Other	Total
ASSETS					
Cash and cash equivalents	\$ 3,564	\$ 97,734	\$ 7,281	\$ 6,483	\$ 115,062
Receivables, net:					
Taxes		5,991		739	6,730
Intergovernmental	14,451	91,513	195,837	2,589	304,390
Other		164	58	23	245
Due from component units	10,566				10,566
Total assets	\$ 28,581	\$ 195,402	\$ 203,176	\$ 9,834	\$ 436,993
LIABILITIES					
Accounts payable and accrued liabilities		\$ 181,161	\$ 154,399	\$ 4,550	\$ 340,110
Intergovernmental payables		5		66	71
Due to other funds	\$ 2,377	7		1	2,385
Due to component units	19,527				19,527
Deferred revenues	6,677	14,229	48,777	504	70,187
Total liabilities	28,581	195,402	203,176	5,121	432,280
FUND BALANCE					
Unreserved, undesignated				4,713	4,713
Total fund balance				4,713	4,713
Total liabilities and fund balance	\$ 28,581	\$ 195,402	\$ 203,176	\$ 9,834	\$ 436,993

State of Illinois

**Combining Schedule of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balance - General Fund
Medicaid Provider Assessment Program**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	University of Illinois Hospital Services	Long-Term Care Provider	Hospital	Other	Total
REVENUES					
Other taxes		\$ 88,336	\$ 160	\$ 16,111	\$ 104,607
Federal government	\$ 85,416	177,434	574,330	18,156	855,336
Interest and other investment income		1,150	366	186	1,702
Other	55,288		524,560		579,848
Total revenues	140,704	266,920	1,099,416	34,453	1,541,493
EXPENDITURES					
Health and social services	123,027	336,919	1,099,255	29,786	1,588,987
Total expenditures	123,027	336,919	1,099,255	29,786	1,588,987
Excess (deficiency) of revenues over (under) expenditures	17,677	(69,999)	161	4,667	(47,494)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Operating transfers-in	44,702	70,004		1	114,707
Operating transfers-out	(62,379)	(5)	(161)	(10)	(62,555)
Net other sources (uses) of financial resources	(17,677)	69,999	(161)	(9)	52,152
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources				4,658	4,658
Fund balance, July 1, 1999				55	55
FUND BALANCE, JUNE 30, 2000	\$ -	\$ -	\$ -	\$ 4,713	\$ 4,713

SIGNIFICANT SPECIAL REVENUE FUNDS DESCRIPTIONS

Treasurer

Tobacco Settlement Recovery Fund--to account for monies received from the Master Settlement Agreement in State of Illinois vs. Philip Morris and any future payments from tobacco production companies.

Department of Commerce and Community Affairs

Supplemental Low Income Home Energy Assistance Block Grant Fund--to provide assistance to low-income households in paying heating and cooling costs.

Fund for Illinois' Future--to account for grants and expenditures for planning, engineering, acquisition, construction, reconstruction, development, improvement and extension of public infrastructure in the State of Illinois.

Low Income Home Energy Assistance Block Grant Fund--to provide assistance to low-income households in paying heating and cooling costs.

Job Training Partnership Fund--to aid the disadvantaged and dislocated workers in the development of skills to fulfill the need of local firms at no cost or reduced cost to those firms.

Build Illinois Capital Revolving Loan Fund--to provide grants, capital or equity loans to small businesses and incubator of programs.

Department of Human Services

Alcoholism and Substance Abuse Block Grant Fund--to record and disburse monies received from the Federal Alcoholism and Substance Abuse Block Grant.

Mental Health Fund--to help finance the advancement of mental health facilities and services in the State of Illinois.

Vocational Rehabilitation Fund--to account for federal monies or grants from private or public sources for vocational rehabilitation.

Special Purposes Trust Fund--to receive and disburse federal grants, gifts or legacies not elsewhere designated by statute to be deposited and disbursed.

U.S.D.A. Women, Infants and Children Fund--to provide for the administration of the federal special Supplemental Food Program for Women, Infants, and Children.

Food Stamp and Commodity Credit Fund--to account for food stamps and commodities received from the federal government.

Department of Revenue

State Gaming Fund--to receive and record fees obtained from owners' license applications for riverboat gambling operations.

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 15% share of various sales taxes that will be distributed to cities and counties.

Local Government Distributive Fund--a portion of State income tax collections that are distributed to the various municipalities and counties within the State. On a monthly basis, 1/12 of the income tax receipts are transferred to this fund from the General Fund for such distributions.

Personal Property Tax Replacement Fund--the net revenue received from the personal property replacement income tax. Expenditures consist of allocations to each taxing district within the State and administrative costs.

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--monies collected for the purpose of administering State highway programs. Funding sources include federal aid, State motor fuel taxes and various license and fee charges. Expenditures are for highway maintenance and construction, traffic control and safety, and administering motor vehicle laws and regulations.

Motor Fuel Tax Fund--various transportation related program expenditures and the administrative cost of supervising the use of funds apportioned to municipalities, counties and road districts. Revenue is derived from State fuel taxes and an allocation (transfer) of State sales tax collections from the General Fund.

Grade Crossing Protection Fund--to pay the State's portion of the cost of installing protection devices at all places where public highways intersect with a railroad.

Federal/Local Airport Fund--to receive and manage federal funds for airport construction.

State Rail Freight Loan Repayment Fund--to receive and record repayments of loans of State funds made by the Illinois Department of Transportation to any railroad, unit of local government, rail user or owner or lessee of railroad right of way to rehabilitate, improve or construct rail facilities.

Public Transportation Fund--to receive and record monthly transfers from the General Revenue Fund representing statutory shares under various sales tax acts. Monies in the Fund are then distributed to the Regional Transportation Authority pursuant to a statutory formula.

State Construction Account Fund--a portion of motor vehicle registration fees, weight taxes and transfers from the Motor Fuel Tax Fund. The fund is used exclusively for the construction, reconstruction, and maintenance of the State maintained highway system.

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 Natural Resources

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 Services Fund--to account for monies received from the federal government for the specific purpose of administering the Unemployment Compensation Act.

Department of Financial Institutions

State Pensions Fund--receipts from the sale of abandoned property. Expenditures are primarily to the various State retirement systems for the reduction of the accrued actuarial unfunded liability.

Department of Public Aid

Child Support Enforcement Trust Fund--to record child support payments, federal grants, and incentive payments that are related to the Child Support Enforcement Program.

State Board of Education

Drivers Education Fund--to account for monies used to reimburse school districts for each pupil completing a driver education course that meets the minimum requirements of the Driver Education Act.

Special Education Medicaid Matching Fund--to record monies received from the federal government for educationally related services authorized under Section 1903 of the Social Security Act. Monies in the Fund are to be distributed to school districts by the State Board of Education for Medicaid eligible special education children claims.

Federal Department of Agriculture Fund--to account for the federal share of nutrition programs which provide nutritious meals for children and aging adults.

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.

School Technology Revolving Loan Program Fund--to receive and record all monies obtained from transfers from the School Infrastructure Fund, to be expended for the purpose of making school technology hardware improvements affordable.

Capital Development Board

School Infrastructure Fund--to receive and record one-half of monies obtained from a telecommunication tax in accordance with the Telecommunications Excise Tax Act as amended. Monies in the Fund may be expended for the purpose of discharging the principal and interest on bond indebtedness for construction of school improvements, making payments to the School Technology Revolving Loan Fund and grants for school construction projects.

Environmental Protection Agency

Water Pollution Control Revolving Fund--to assist units of local government in financing the construction of wastewater treatment facilities by making direct loans at or below market interest rates.

Metropolitan Pier and Exposition Authority

McCormick Place Expansion Project Fund--to receive and record monies obtained from transfers from the Metropolitan Pier and Exposition Authority Trust Fund and the sales tax deposits.

State Fire Marshal

Underground Storage Tank Fund--to record underground storage tank registration fees collected by the State Fire Marshall, expended for the purposes of the Leaking Underground Storage Tank program.

State of Illinois

Combining Balance Sheet
Special Revenue Funds

June 30, 2000 (Expressed in Thousands)

	Treasurer		Commerce and Community Affairs	Human Services	Revenue	Transportation	Other Departments	State Board of Education
	Tobacco Settlement Recovery							
ASSETS								
Cash and cash equivalents	\$ 356,160	\$ 170,028	\$ 47,445	\$ 657,728	\$ 1,186,009	\$ 284,321	\$ 34,333	
Investments								
Receivables, net:								
Taxes		6,085	617	172,573	192,921			
Intergovernmental		5,940	20,984	96,048	92,372	52,191	131,912	
Other	1,942	164	14,642	718	83,444	71,595	154	
Due from other funds			7,640	119,383	161,713	13,497	1,965	
Due from component units		1,011	199		410	52		
Inventories			2,690		19,075	1,843	1,237	
Loans and notes receivable		9,573			27,519			
Other assets		10,856	244		2,354	475		
Total assets	\$ 358,102	\$ 203,657	\$ 94,461	\$ 1,046,450	\$ 1,765,817	\$ 423,974	\$ 169,601	
LIABILITIES								
Accounts payable and accrued liabilities		\$ 12,479	\$ 50,292	\$ 24,687	\$ 187,067	\$ 92,319	\$ 1,181	
Intergovernmental payables		2,954	143	747,618	134,711	31,212	106,697	
Due to other funds	\$ 280,000	871	1,047	214,001	161,640	13,280	1,129	
Due to component units		1,079	91		6,533	2,721	185	
Deferred revenues			38,847	15,572	91,180	50,540	3,890	
Liabilities payable from restricted assets							4,125	
Other liabilities								
Total liabilities	280,000	17,383	90,420	1,001,878	581,131	190,072	117,207	
FUND BALANCES								
Reserved for:								
Encumbrances		3,280	2,224	2	1,339,427	39,545	1,175	
Long-term portion of:								
Intergovernmental receivables					593			
Other receivables					1,130			
Loans and notes receivable		7,463			25,290			
Inventories			2,690		19,075	1,843	1,237	
Other		10,856			2,354			
Unreserved:								
Designated: other						8,696		
Unreserved, undesignated (deficit)	78,102	164,675	(873)	44,570	(203,183)	183,818	49,982	
Total fund balances	78,102	186,274	4,041	44,572	1,184,686	233,902	52,394	
Total liabilities and fund balances	\$ 358,102	\$ 203,657	\$ 94,461	\$ 1,046,450	\$ 1,765,817	\$ 423,974	\$ 169,601	

Other Agencies, Boards and Authorities	Student Assistance Commission		Total
	Student Loan	Other	
\$ 272,709	\$ 89,776	\$ 793,642 475	\$ 3,892,151 475
10,651		7,327	390,174
354	28,709	77,952	506,462
858		35,486	209,003
		65,407	369,605
		1,099	2,771
		7,569	32,414
827,230		12,646	876,968
		1,241	15,170
\$ 1,111,802	\$ 118,485	\$ 1,002,844	\$ 6,295,193
\$ 4,036	\$ 9,227	\$ 104,199	\$ 485,487
11,654	13,546	56,716	1,105,251
204	620	50,370	723,162
9		5,610	16,228
2,914		46,272	249,215
			4,125
		100	100
18,817	23,393	263,267	2,583,568
50,781		70,804	1,507,238
			593
		3,582	4,712
767,093		10,855	810,701
		7,569	32,414
		1,554	14,764
			8,696
275,111	95,092	645,213	1,332,507
1,092,985	95,092	739,577	3,711,625
\$ 1,111,802	\$ 118,485	\$ 1,002,844	\$ 6,295,193

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances
Special Revenue Funds

For the Year Ended June 30, 2000 (Expressed in Thousands)

	<u>Treasurer</u>					
	Tobacco Settlement Recovery	Commerce and Community Affairs	Human Services	Revenue	Transportation	Other Departments
REVENUES						
Income taxes				\$ 820,038		
Sales taxes				2,169,571		
Motor fuel taxes					\$ 1,274,558	
Public utility taxes		\$ 76,181		211,663		
Other taxes			\$ 2,689	569,613		\$ 20,201
Federal government		192,659	1,220,914		975,262	403,332
Licenses and fees				1,265	1,104,861	90
Interest and other investment income	\$ 8,588	6,001	149	4,124	40,033	
Other	349,514	12	84,243		69,067	66,024
Total revenues	358,102	274,853	1,307,995	3,776,274	3,463,781	489,647
EXPENDITURES						
Current:						
Health and social services			529,531			413,895
Education		18,415				
General government		370,542		3,823,970	211,084	73,056
Social assistance			774,946			334,337
Transportation		4,093			2,986,233	
Public protection and justice		13,388			52,732	4,928
Natural resources and recreation		23,211				14,628
Debt service:						
Principal					1,456	18
Interest				11,971	339	2
Capital outlays		729	1,229	363	43,882	18,897
Total expenditures		430,378	1,305,706	3,836,304	3,295,726	859,761
Excess (deficiency) of revenues over (under) expenditures	358,102	(155,525)	2,289	(60,030)	168,055	(370,114)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in		15,000	1	1,057,839	934,574	356,744
Operating transfers from component units						
Operating transfers-out	(280,000)	(5,425)	(2,251)	(985,614)	(930,902)	(16,145)
Operating transfers to component units		(2,560)	(1,657)		(994)	(14,646)
Capital lease financing					1,366	95
Net other sources (uses) of financial resources	(280,000)	7,015	(3,907)	72,225	4,044	326,048
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	78,102	(148,510)	(1,618)	12,195	172,099	(44,066)
Fund balances, July 1, 1999		49,784	5,659	32,377	1,466,437	277,968
Restatement of fund balances		285,000			(453,850)	
Fund balances, July 1, 1999, as restated		334,784	5,659	32,377	1,012,587	277,968
FUND BALANCES, JUNE 30, 2000	\$ 78,102	\$ 186,274	\$ 4,041	\$ 44,572	\$ 1,184,686	\$ 233,902

State Board of Education	Other Agencies, Boards and Authorities	Student Assistance Commission		Total
		Student Loan	Other	
			\$ 17,956	\$ 820,038
	\$ 68,116		59	2,187,527
	106,343		19,009	413,196
			97,494	689,997
\$ 1,303,280	98,177	\$ 126,272	651,719	4,971,615
11,696	303	240	328,106	1,446,561
1,482	10,486	1,378	11,949	84,190
21,845	127,413		155,539	873,657
1,338,303	410,838	127,890	1,281,831	12,829,514
			419,017	1,362,443
1,328,363	139,359	119,492	35,585	1,641,214
	75,868		386,512	4,941,032
			21,881	1,131,164
			57,202	3,047,528
	2,805		306,015	379,868
	43,795		220,925	302,559
34	17		4,141	5,666
2	1		1,874	14,189
578	516	473	58,846	125,513
1,328,977	262,361	119,965	1,511,998	12,951,176
9,326	148,477	7,925	(230,167)	(121,662)
16,110	32,500		479,664	2,892,432
			174	174
(6,687)	(59,810)	(11,250)	(136,510)	(2,434,594)
(2,048)			(14,856)	(36,761)
	14		8,719	10,194
7,375	(27,296)	(11,250)	337,191	431,445
16,701	121,181	(3,325)	107,024	309,783
35,693	971,804	98,417	632,553	3,570,692
				(168,850)
35,693	971,804	98,417	632,553	3,401,842
\$ 52,394	\$ 1,092,985	\$ 95,092	\$ 739,577	\$ 3,711,625

State of Illinois

Combining Balance Sheet - Special Revenue Funds

Commerce & Community Affairs

June 30, 2000 (Expressed in Thousands)

	Supplemental Low Income Energy Assistance Fund	Fund For Illinois' Future	Low Income Home Energy Assistance Block Grant	Job Training Partnership	Build Illinois Loan Programs	Total
ASSETS						
Cash and cash equivalents	\$ 20,678	\$ 130,184	\$ 40	\$ 29	\$ 19,097	\$ 170,028
Receivables, net:						
Taxes	6,085					6,085
Intergovernmental			3,168	2,772		5,940
Other		77			87	164
Due from component units		1,011				1,011
Loans and notes receivable					9,573	9,573
Other assets					10,856	10,856
Total assets	\$ 26,763	\$ 131,272	\$ 3,208	\$ 2,801	\$ 39,613	\$ 203,657
LIABILITIES						
Accounts payable and accrued liabilities	\$ 7,291	\$ 168	\$ 3,006	\$ 1,469	\$ 545	\$ 12,479
Intergovernmental payables	1	2,745	146	60	2	2,954
Due to other funds	21		18	823	9	871
Due to component units	122	466	38	449	4	1,079
Total liabilities	7,435	3,379	3,208	2,801	560	17,383
FUND BALANCES						
Reserved for:						
Encumbrances	203	2,483	249	345		3,280
Loans and notes receivable					7,463	7,463
Other					10,856	10,856
Unreserved, undesignated (deficit)	19,125	125,410	(249)	(345)	20,734	164,675
Total fund balances (deficits)	19,328	127,893			39,053	186,274
Total liabilities and fund balances	\$ 26,763	\$ 131,272	\$ 3,208	\$ 2,801	\$ 39,613	\$ 203,657

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Special Revenue Funds
Commerce & Community Affairs

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Supplemental Low Income Energy Assistance Fund	Fund For Illinois' Future	Low Income Home Energy Assistance Block Grant	Job Training Partnership	Build Illinois Loan Programs	Total
REVENUES						
Public utility taxes	\$ 76,181					\$ 76,181
Federal government			\$ 74,436	\$ 118,223		192,659
Interest and other investment income					\$ 6,001	6,001
Other				12		12
Total revenues	<u>76,181</u>		<u>74,436</u>	<u>118,235</u>	<u>6,001</u>	<u>274,853</u>
EXPENDITURES						
Current:						
Education		\$ 18,415				18,415
General government	73,165	110,804	74,436	112,137		370,542
Transportation		4,093				4,093
Public protection and justice		13,388				13,388
Natural resources and recreation		23,211				23,211
Capital outlays	405	42		279	3	729
Total expenditures	<u>73,570</u>	<u>169,953</u>	<u>74,436</u>	<u>112,416</u>	<u>3</u>	<u>430,378</u>
Excess (deficiency) of revenues over (under) expenditures	2,611	(169,953)		5,819	5,998	(155,525)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in		15,000				15,000
Operating transfers-out	(9)	(106)		(5,307)	(3)	(5,425)
Operating transfers to component units		(2,048)		(512)		(2,560)
Net other sources (uses) of financial resources	(9)	12,846		(5,819)	(3)	7,015
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	2,602	(157,107)			5,995	(148,510)
Fund balances, July 1, 1999	16,726				33,058	49,784
Restatement of fund balances		285,000				285,000
Fund balances, July 1, 1999, as restated	<u>16,726</u>	<u>285,000</u>			<u>33,058</u>	<u>334,784</u>
FUND BALANCES (DEFICIT), JUNE 30, 2000	<u>\$ 19,328</u>	<u>\$ 127,893</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,053</u>	<u>\$ 186,274</u>

State of Illinois

Combining Balance Sheet - Special Revenue Funds

Human Services

June 30, 2000 (Expressed in Thousands)

	Substance Abuse Block Grant	Mental Health	Vocational Rehabilitation	Special Purposes Trust	USDA Women, Infants and Children	Food Stamp and Commodity Fund	Total
ASSETS							
Cash and cash equivalents	\$ 15,465	\$ 2,288	\$ 5,832	\$ 16,564	\$ 7,296		\$ 47,445
Receivables, net:							
Taxes		617					617
Intergovernmental		745	19,243	996			20,984
Other		3,475	218	47	10,902		14,642
Due from other funds		1,064		6,501	75		7,640
Due from component units				199			199
Inventories			301		2,173	\$ 216	2,690
Other assets						244	244
Total assets	\$ 15,465	\$ 8,189	\$ 25,594	\$ 24,307	\$ 20,446	\$ 460	\$ 94,461
LIABILITIES							
Accounts payable and accrued liabilities	\$ 5,067	\$ 21,534	\$ 4,451	\$ 8,920	\$ 10,320		\$ 50,292
Intergovernmental payables	5	4	102	24	8		143
Due to other funds	30	193	386	409	29		1,047
Due to component units	59		32				91
Deferred revenues	10,304	726	2,530	14,954	10,089	\$ 244	38,847
Total liabilities	15,465	22,457	7,501	24,307	20,446	244	90,420
FUND BALANCES (DEFICITS)							
Reserved for:							
Encumbrances	22		182	1,971	49		2,224
Inventories			301		2,173	216	2,690
Unreserved, undesignated (deficit)	(22)	(14,268)	17,610	(1,971)	(2,222)		(873)
Total fund balances (deficits)		(14,268)	18,093			216	4,041
Total liabilities and fund balances	\$ 15,465	\$ 8,189	\$ 25,594	\$ 24,307	\$ 20,446	\$ 460	\$ 94,461

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Special Revenue Funds
Human Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Substance Abuse Block Grant	Mental Health	Vocational Rehabilitation	Special Purposes Trust	USDA Women, Infants and Children	Food Stamp and Commodity Fund	Total
REVENUES							
Other taxes		\$ 2,689					\$ 2,689
Federal government	\$ 61,032	7,572	\$ 105,566	\$ 124,095	\$ 147,543	\$ 775,106	1,220,914
Interest and other investment income					149		149
Other		18,108	6,261		59,874		84,243
Total revenues	61,032	28,369	111,827	124,095	207,566	775,106	1,307,995
EXPENDITURES							
Current:							
Health and social services	60,777	29,299	109,171	123,074	207,210		529,531
Social assistance						774,946	774,946
Capital outlays	161	20	545	173	330		1,229
Total expenditures	60,938	29,319	109,716	123,247	207,540	774,946	1,305,706
Excess (deficiency) of revenues over (under) expenditures	94	(950)	2,111	848	26	160	2,289
OTHER SOURCES (USES) OF FINANCIAL RESOURCES							
Operating transfers-in		1					1
Operating transfers-out	(19)	(1,318)	(51)	(837)	(26)		(2,251)
Operating transfers to component units	(75)		(1,571)	(11)			(1,657)
Net other sources (uses) of financial resources	(94)	(1,317)	(1,622)	(848)	(26)		(3,907)
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources		(2,267)	489			160	(1,618)
Fund balances (deficits), July 1, 1999		(12,001)	17,604			56	5,659
FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ -	\$ (14,268)	\$ 18,093	\$ -	\$ -	\$ 216	\$ 4,041

State of Illinois

Combining Balance Sheet - Special Revenue Funds
Revenue

June 30, 2000 (Expressed in Thousands)

	State Gaming	State and Local Sales Tax Reform	County and Mass Transit District	Local Government Tax	Local Government Distributive	Personal Property Tax Replacement	Build Illinois
ASSETS							
Cash and cash equivalents	\$ 97,650	\$ 40,847	\$ 42,832	\$ 239,678	\$ 18,412	\$ 209,304	\$ 9,005
Receivables, net:							
Taxes	3,420	11,292	13,718	66,943	1,437	46,733	29,030
Intergovernmental						96,048	
Other	10					613	95
Due from other funds					109,933		9,450
Total assets	\$ 101,080	\$ 52,139	\$ 56,550	\$ 306,621	\$ 129,782	\$ 352,698	\$ 47,580
LIABILITIES							
Accounts payable and accrued liabilities	\$ 243				\$ 1,348	\$ 4,265	\$ 18,831
Intergovernmental payables	18,333	\$ 10,164	\$ 33,948	\$ 302,737	127,712	254,724	
Due to other funds	65,311	40,656	22,350		625	85,059	
Deferred revenues		1,319	252	3,884	97	8,650	1,370
Total liabilities	83,887	52,139	56,550	306,621	129,782	352,698	20,201
FUND BALANCES							
Encumbrances						2	
Unreserved, undesignated (deficit)	17,193					(2)	27,379
Total fund balances	17,193						27,379
Total liabilities and fund balances	\$ 101,080	\$ 52,139	\$ 56,550	\$ 306,621	\$ 129,782	\$ 352,698	\$ 47,580

Total

\$ 657,728

172,573

96,048

718

119,383

\$ 1,046,450

\$ 24,687

747,618

214,001

15,572

1,001,878

2

44,570

44,572

\$ 1,046,450

Total

\$ 820,038
2,169,571
211,663

569,613
1,265
4,124

3,776,274

3,823,970

11,971

363

3,836,304

(60,030)

1,057,839

(985,614)

72,225

12,195

32,377

\$ 44,572

State of Illinois

Combining Balance Sheet - Special Revenue Funds
Transportation

June 30, 2000 (Expressed in Thousands)

	Road	Motor Fuel Tax	Grade Crossing Protection	Federal/Local Airport	State Rail Freight Loan Repayment	Public Transportation	State Construction Account
ASSETS							
Cash and cash equivalents	\$ 747,166	\$ 115,919	\$ 39,709	\$ 3,906	\$ 5,997	\$ 3,817	\$ 269,495
Receivables, net:							
Taxes		192,921					
Intergovernmental	71,874			20,498			
Other	82,169				31		1,244
Due from other funds	29,171		2,250	219		41,435	88,638
Due from component units	410						
Inventories	19,075						
Loans and notes receivable					27,519		
Other assets	2,354						
Total assets	\$ 952,219	\$ 308,840	\$ 41,959	\$ 24,623	\$ 33,547	\$ 45,252	\$ 359,377
LIABILITIES							
Accounts payable and accrued liabilities	\$ 122,388	\$ 6,917	\$ 1,598	\$ 2,384	\$ 49		\$ 53,731
Intergovernmental payables	10,515	59,835	1,368	17,741		45,252	
Due to other funds	109,792	51,083			765		
Due to component units	6,494			39			
Deferred revenues	50	86,671		4,459			
Total liabilities	249,239	204,506	2,966	24,623	814	45,252	53,731
FUND BALANCES							
Reserved for:							
Encumbrances	850,934		38,733	20,256	122		429,382
Long-term portion of:							
Intergovernmental receivables	593						
Other receivables	1,130						
Loans and notes receivable					25,290		
Inventories	19,075						
Other	2,354						
Unreserved, undesignated (deficit)	(171,106)	104,334	260	(20,256)	7,321		(123,736)
Total fund balances	702,980	104,334	38,993	(20,256)	32,733		305,646
Total liabilities and fund balances	\$ 952,219	\$ 308,840	\$ 41,959	\$ 24,623	\$ 33,547	\$ 45,252	\$ 359,377

Total

\$ 1,186,009
192,921
92,372
83,444
161,713
410
19,075
27,519
2,354
\$ 1,765,817

\$ 187,067
134,711
161,640
6,533
91,180
581,131

1,339,427

593
1,130
25,290
19,075
2,354
(203,183)
1,184,686
\$ 1,765,817

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Special Revenue Funds
Transportation

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Road	Motor Fuel Tax	Grade Crossing Protection	Federal/Local Airport	State Rail Freight Loan Repayment	Public Transportation
REVENUES						
Motor fuel taxes		\$ 1,274,558				
Federal government	\$ 899,930			\$ 75,332		
Licenses and fees	648,243	758				
Interest and other investment income	29,233				\$ 1,033	
Other	53,592			15,475		
Total revenues	1,630,998	1,275,316		90,807	1,033	
EXPENDITURES						
Current:						
General government	145,850	65,234				
Transportation	1,354,244	589,297	\$ 27,392	92,248		\$ 200,409
Public protection and justice	52,732					
Debt service:						
Principal	1,123	333				
Interest	309	30				
Capital outlays	41,870	2,012				
Total expenditures	1,596,128	656,906	27,392	92,248		200,409
Excess (deficiency) of revenues over (under) expenditures	34,870	618,410	(27,392)	(1,441)	1,033	(200,409)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in	384,531	56,310	27,750	1,591	307	200,420
Operating transfers-out	(223,251)	(705,953)	(1,501)	(150)		(11)
Operating transfers to component units	(994)					
Capital lease financing	329	1,037				
Net other sources (uses) of financial resources	160,615	(648,606)	26,249	1,441	307	200,409
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	195,485	(30,196)	(1,143)		1,340	
Fund balances, July 1, 1999	961,345	134,530	40,136		31,393	
Restatement/reclassification of fund balances	(453,850)					
Fund balances, July 1, 1999, as restated	507,495	134,530	40,136		31,393	
FUND BALANCES, JUNE 30, 2000	\$ 702,980	\$ 104,334	\$ 38,993	\$ -	\$ 32,733	\$ -

**State
Construction
Account Total**

	\$ 1,274,558		
		975,262	
\$ 455,860		1,104,861	
	9,767	40,033	
		69,067	
465,627		3,463,781	

		211,084	
722,643		2,986,233	
		52,732	

		1,456	
		339	
		43,882	
722,643		3,295,726	

(257,016)		168,055	
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263,665		934,574	
(36)		(930,902)	
		(994)	
		1,366	

263,629		4,044	
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6,613		172,099	
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299,033		1,466,437	
		(453,850)	
299,033		1,012,587	

\$ 305,646	\$ 1,184,686		
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State of Illinois

Combining Balance Sheet - Special Revenue Funds

Other Code Departments

June 30, 2000 (Expressed in Thousands)

	Children and Family Services	Natural Resources	Employment Security	Financial Institutions	Public Aid		
	Childrens' Services	Open Space Lands Acquisition and Development	Title III Social Security and Employment Service	State Pensions	Child Support Enforcement Trust		Total
ASSETS							
Cash and cash equivalents	\$ 79,955	\$ 47,029	\$ 30,392	\$ 63,995	\$ 62,950	\$	284,321
Receivables, net:							
Intergovernmental	28,471		14,277		9,443		52,191
Other					71,595		71,595
Due from other funds	545		11,961		991		13,497
Due from component units	52						52
Inventories			1,843				1,843
Other assets			475				475
Total assets	\$ 109,023	\$ 47,029	\$ 58,948	\$ 63,995	\$ 144,979	\$	423,974
LIABILITIES							
Accounts payable and accrued liabilities	\$ 69,287	\$ 27	\$ 8,168	\$ 647	\$ 14,190	\$	92,319
Intergovernmental payables	107	283	267		30,555		31,212
Due to other funds	220	5	3,922	43	9,090		13,280
Due to component units	2,560	3	158				2,721
Deferred revenues	8,861				41,679		50,540
Total liabilities	81,035	318	12,515	690	95,514		190,072
FUND BALANCES							
Reserved for:							
Encumbrances	145	37,290	1,216	274	620		39,545
Inventories			1,843				1,843
Unreserved:							
Designated for child support payments					8,696		8,696
Unreserved, undesignated	27,843	9,421	43,374	63,031	40,149		183,818
Total fund balances	27,988	46,711	46,433	63,305	49,465		233,902
Total liabilities and fund balances	\$ 109,023	\$ 47,029	\$ 58,948	\$ 63,995	\$ 144,979	\$	423,974

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Special Revenue Funds
Other Code Departments

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Children and Family Services	Natural Resources	Employment Security	Financial Institutions	Public Aid	
	Childrens' Services	Open Space Lands Acquisition and Development	Title III Social Security and Employment Service	State Pensions	Child Support Enforcement Trust	Total
REVENUES						
Other taxes		\$ 20,201				\$ 20,201
Federal government	\$ 144,336		\$ 173,371		\$ 85,625	403,332
Licenses and fees					90	90
Other	5,718		412	\$ 80,162	(20,268)	66,024
Total revenues	150,054	20,201	173,783	80,162	65,447	489,647
EXPENDITURES						
Current:						
Health and social services	413,895					413,895
General government				71,517	1,539	73,056
Social assistance			173,815		160,522	334,337
Public protection and justice				4,928		4,928
Natural resources and recreation		14,628				14,628
Debt service:						
Principal				18		18
Interest				2		2
Capital outlays	9,590	25	6,392	206	2,684	18,897
Total expenditures	423,485	14,653	180,207	76,671	164,745	859,761
Excess (deficiency) of revenues over (under) expenditures	(273,431)	5,548	(6,424)	3,491	(99,298)	(370,114)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in	269,505	2	13,037		74,200	356,744
Operating transfers-out	(16,135)	(10)				(16,145)
Operating transfers to component units	(1,892)	(4)	(143)	(12,607)		(14,646)
Capital lease financing				95		95
Net other sources (uses) of financial resources	251,478	(12)	12,894	(12,512)	74,200	326,048
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(21,953)	5,536	6,470	(9,021)	(25,098)	(44,066)
Fund balances, July 1, 1999	49,941	41,175	39,963	72,326	74,563	277,968
FUND BALANCES, JUNE 30, 2000	\$ 27,988	\$ 46,711	\$ 46,433	\$ 63,305	\$ 49,465	\$ 233,902

State of Illinois

Combining Balance Sheet - Special Revenue Funds

State Board of Education

June 30, 2000 (Expressed in Thousands)

	Drivers Education	Special Education Medicaid Matching	Federal Department of Agriculture	Federal Department of Education	School Technology Loan Program Fund	Total
ASSETS						
Cash and cash equivalents	\$ 3,001	\$ 2	\$ 527	\$ 365	\$ 30,438	\$ 34,333
Receivables, net:						
Intergovernmental	183	52,857	18,122	39,977	20,773	131,912
Other					154	154
Due from other funds	1,886		37	42		1,965
Inventories			1,237			1,237
Total assets	\$ 5,070	\$ 52,859	\$ 19,923	\$ 40,384	\$ 51,365	\$ 169,601
LIABILITIES						
Accounts payable and accrued liabilities	\$ 12		\$ 251	\$ 918		\$ 1,181
Intergovernmental payables	15,750	\$ 35,327	18,879	36,741		106,697
Due to other funds	3		832	294		1,129
Due to component units				185		185
Deferred revenues					\$ 3,890	3,890
Liabilities payable from restricted assets				4,125		4,125
Total liabilities	15,765	35,327	19,962	42,263	3,890	117,207
FUND BALANCES (DEFICITS)						
Reserved for:						
Encumbrances			61	1,114		1,175
Inventories			1,237			1,237
Unreserved, undesignated (deficit)	(10,695)	17,532	(1,337)	(2,993)	47,475	49,982
Total fund balances (deficits)	(10,695)	17,532	(39)	(1,879)	47,475	52,394
Total liabilities and fund balances	\$ 5,070	\$ 52,859	\$ 19,923	\$ 40,384	\$ 51,365	\$ 169,601

State of Illinois

**Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Special Revenue Funds
State Board of Education**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Drivers Education	Special Education Medicaid Matching	Federal Department of Agriculture	Federal Department of Education	School Technology Loan Program Fund	Total
REVENUES						
Federal government		\$ 225,000	\$ 333,222	\$ 745,058		\$ 1,303,280
Licenses and fees	\$ 11,696					11,696
Interest and other investment income					\$ 1,482	1,482
Other	5,964			40	15,841	21,845
Total revenues	<u>17,660</u>	<u>225,000</u>	<u>333,222</u>	<u>745,098</u>	<u>17,323</u>	<u>1,338,303</u>
EXPENDITURES						
Education	16,540	224,922	329,825	740,965	16,111	1,328,363
Debt service:						
Principal	6		14	14		34
Interest			1	1		2
Capital outlays	21		242	315		578
Total expenditures	<u>16,567</u>	<u>224,922</u>	<u>330,082</u>	<u>741,295</u>	<u>16,111</u>	<u>1,328,977</u>
Excess of revenues over expenditures	<u>1,093</u>	<u>78</u>	<u>3,140</u>	<u>3,803</u>	<u>1,212</u>	<u>9,326</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in					16,110	16,110
Operating transfers-out		(6)	(2,949)	(3,732)		(6,687)
Operating transfers to component units			(98)	(1,950)		(2,048)
Net other sources (uses) of financial resources		<u>(6)</u>	<u>(3,047)</u>	<u>(5,682)</u>	<u>16,110</u>	<u>7,375</u>
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	<u>1,093</u>	<u>72</u>	<u>93</u>	<u>(1,879)</u>	<u>17,322</u>	<u>16,701</u>
Fund balances (deficits), July 1, 1999	(11,788)	17,460	(132)		30,153	35,693
FUND BALANCES (DEFICITS), JUNE 30, 2000	<u>\$ (10,695)</u>	<u>\$ 17,532</u>	<u>\$ (39)</u>	<u>\$ (1,879)</u>	<u>\$ 47,475</u>	<u>\$ 52,394</u>

State of Illinois

Combining Balance Sheet - Special Revenue Funds
Other Agencies, Boards and Authorities

June 30, 2000 (Expressed in Thousands)

	Capital Development Board	Environmental Protection Agency	Metropolitan Pier and Exposition Authority	State Fire Marshal	
	School Infrastructure Fund	Water Revolving	McCormick Place Expansion Project	Underground Storage Tank	Total
ASSETS					
Cash and cash equivalents	\$ 40,130	\$ 158,184		\$ 74,395	\$ 272,709
Receivables, net:					
Taxes	2,201			8,450	10,651
Intergovernmental		354			354
Other		831		27	858
Loans and notes receivable		827,230			827,230
Total assets	\$ 42,331	\$ 986,599	\$ -	\$ 82,872	\$ 1,111,802
LIABILITIES					
Accounts payable and accrued liabilities	\$ 3,163			\$ 873	\$ 4,036
Intergovernmental payables	11,530	\$ 95		29	11,654
Due to other funds	11	164		29	204
Due to component units		9			9
Deferred revenues	291			2,623	2,914
Total liabilities	14,995	268		3,554	18,817
FUND BALANCES					
Reserved for:					
Encumbrances	26,963	23,794		24	50,781
Long-term portion of:					
Loans and notes receivable		767,093			767,093
Unreserved, undesignated	373	195,444		79,294	275,111
Total fund balances	27,336	986,331		79,318	1,092,985
Total liabilities and fund balances	\$ 42,331	\$ 986,599	\$ -	\$ 82,872	\$ 1,111,802

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Special Revenue Funds
Other Agencies, Boards and Authorities

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Capital Development Board	Environmental Protection Agency	Metropolitan Pier and Exposition Authority	State Fire Marshal	
	School Infrastructure Fund	Water Revolving	McCormick Place Expansion Project	Underground Storage Tank	Total
REVENUES					
Motor fuel taxes				\$ 68,116	\$ 68,116
Public utility taxes	\$ 106,343				106,343
Federal government		\$ 98,177			98,177
Licenses and fees				303	303
Interest and other investment income		10,486			10,486
Other		35,327	\$ 74,763	17,323	127,413
Total revenues	106,343	143,990	74,763	85,742	410,838
EXPENDITURES					
Current:					
Education	139,359				139,359
General government	404		74,763	701	75,868
Public protection and justice				2,805	2,805
Natural resources and recreation				43,795	43,795
Debt service:					
Principal		10		7	17
Interest				1	1
Capital outlays	28	218		270	516
Total expenditures	139,791	228	74,763	47,579	262,361
Excess (deficiency) of revenues over (under) expenditures	(33,448)	143,762		38,163	148,477
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Operating transfers-in	30,000	2,500			32,500
Operating transfers-out	(45,127)	(529)		(14,154)	(59,810)
Capital lease financing				14	14
Net other sources (uses) of financial resources	(15,127)	1,971		(14,140)	(27,296)
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(48,575)	145,733		24,023	121,181
Fund balances (deficits), July 1, 1999	75,911	840,598		55,295	971,804
FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 27,336	\$ 986,331	\$ -	\$ 79,318	\$ 1,092,985

SIGNIFICANT 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.

Department of Central Management Services

ESCO COP Debt Service Fund--to account for payments of principal and interest related to ESCO Certificates of Participation.

Department of Commerce and Community Affairs

Illinois Civic Center Bond Retirement and Interest Fund--to account for the payment of principal and interest upon bonds issued to finance the construction of local civic centers. Funding consists of transfers from the Metropolitan Exposition Auditorium and Office Building Fund and investment income.

Bureau of the 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
Debt Service Funds

June 30, 2000 (Expressed in Thousands)

	Treasurer General Obligation BR&I	Central Management Services ESCO COP Debt Service	Commerce and Community Affairs Illinois Civic Center BR&I	Bureau of the Budget Build Illinois BR&I	Other	Total
ASSETS						
Cash and cash equivalents	\$ 440,136	\$ 128	\$ 13,185	\$ 326,710	\$ 7,266	\$ 787,425
Investments		1,918	7,988	107,121		117,027
Other receivables	2,733		349	1,016	2	4,100
Due from other funds	894				124	1,018
Loans and notes receivable	25,500					25,500
Total assets	\$ 469,263	\$ 2,046	\$ 21,522	\$ 434,847	\$ 7,392	\$ 935,070
LIABILITIES						
Accounts payable and accrued liabilities				\$ 57		\$ 57
Due to component units		\$ 884				884
Other liabilities			\$ 339			339
Total liabilities		884	339	57		1,280
FUND BALANCES						
Reserved for:						
Long-term portion of loans and notes receivable	\$ 24,551					24,551
Unreserved, designated for debt service	444,712	1,162	21,183	434,790	\$ 7,392	909,239
Total fund balances	469,263	1,162	21,183	434,790	7,392	933,790
Total liabilities and fund balances	\$ 469,263	\$ 2,046	\$ 21,522	\$ 434,847	\$ 7,392	\$ 935,070

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances
Debt Service Funds

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Treasurer General Obligation BR&I	Central Management Services ESCO COP Debt Service	Commerce and Community Affairs Illinois Civic Center BR&I	Bureau of the Budget Build Illinois BR&I	Other	Total
REVENUES						
Federal government	\$ 75					\$ 75
Licenses and fees	234					234
Interest and other investment income	22,062	\$ 80	\$ 2,677	\$ 24,776	\$ 2,008	51,603
Other	804				561	1,365
Total revenues	23,175	80	2,677	24,776	2,569	53,277
EXPENDITURES						
Current:						
Health and social services					605	605
General government			8	77	1	86
Natural resources and recreation					1,222	1,222
Debt service:						
Principal	430,464	1,460	4,710	68,534	5,210	510,378
Interest	286,680	913	11,561	90,454	8,393	398,001
Capital outlays					507	507
Total expenditures	717,144	2,373	16,279	159,065	15,938	910,799
(Deficiency) of revenues (under) expenditures	(693,969)	(2,293)	(13,602)	(134,289)	(13,369)	(857,522)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-in	692,108	484	14,429	242,937	13,135	963,093
Operating transfers-out		(87)			(10)	(97)
Net other sources (uses) of financial resources	692,108	397	14,429	242,937	13,125	962,996
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(1,861)	(1,896)	827	108,648	(244)	105,474
Fund balances, July 1, 1999	471,124	3,058	20,356	326,142	7,636	828,316
FUND BALANCES, JUNE 30, 2000	\$ 469,263	\$ 1,162	\$ 21,183	\$ 434,790	\$ 7,392	\$ 933,790

SIGNIFICANT CAPITAL PROJECTS FUNDS DESCRIPTIONS

Department of Commerce and Community Affairs

Coal Development Fund--to account for financial support of coal research, demonstration and commercialization activities.

Build Illinois Bond Fund--to account for the proceeds of bond sales from the Build Illinois Bond Program. The proceeds are used to finance improvements related to scientific research, manufacturing, and industrial development or expansion.

Department of Natural Resources

Conservation 2000 Projects Fund--to account for proceeds from general obligation bonds from the Capital Development Board and other monies as may be provided by law. Monies in the fund are to be used for purposes relating to natural resource protection, recreation, tourism, and compatible agricultural and economic development activities.

Department of Transportation

Transportation Bond Series A Fund--to account for proceeds of bond issues to finance State highway acquisition, construction, reconstruction, extension and improvements.

Transportation Bond Series B Fund--to provide funds through the sale of bond issues for mass transportation and aviation purposes 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.

IDOT COP Capital Projects Fund--to account for proceeds from the issuances of certificates of participation for the purchases and renovation of a building for use by the Illinois Department of Transportation.

Capital Development Board

Capital Development Fund--to account for proceeds from bond issues and disbursements for capital development projects within the State.

School Construction Fund--to account for the proceeds from bond issues under school construction building projects.

Capital Development Board 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.

State of Illinois

Combining Balance Sheet
Capital Projects Funds

June 30, 2000 (Expressed in Thousands)

	Commerce and Community Affairs	Natural Resources		Capital Development Board	Other	Total
		Conservation 2000 Projects	Transportation			
ASSETS						
Cash and cash equivalents	\$ 156,021	\$ 12,802	\$ 154,170	\$ 278,808	\$ 7,059	\$ 608,860
Investments					1	1
Receivables, net:						
Intergovernmental				3,386		3,386
Other				78	6,008	6,086
Due from other funds	8,978			81		9,059
Total assets	\$ 164,999	\$ 12,802	\$ 154,170	\$ 282,353	\$ 13,068	\$ 627,392
LIABILITIES						
Accounts payable and accrued liabilities	\$ 2,188	\$ 134	\$ 14,897	\$ 81,472		\$ 98,691
Intergovernmental payables	750		2,188	10,706		13,644
Due to other funds			219	1,279		1,498
Due to component units			14			14
Deferred revenues				2,832		2,832
Other liabilities				323		323
Total liabilities	2,938	134	17,318	96,612		117,002
FUND BALANCES						
Reserved for encumbrances	18,765	3,721	326,684	693,328		1,042,498
Unreserved, undesignated (deficit)	143,296	8,947	(189,832)	(507,587)	\$ 13,068	(532,108)
Total fund balances	162,061	12,668	136,852	185,741	13,068	510,390
Total liabilities and fund balances	\$ 164,999	\$ 12,802	\$ 154,170	\$ 282,353	\$ 13,068	\$ 627,392

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances
Capital Projects Funds

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Commerce and Community Affairs	Natural Resources Conservation 2000 Projects	Transportation	Capital Development Board	Other	Total
REVENUES						
Federal government				\$ 7,663		\$ 7,663
Interest and other investment income				1	\$ 474	475
Other	\$ 830			16,636	70	17,536
Total revenues	830			24,300	544	25,674
EXPENDITURES						
Current:						
Health and social services				923		923
Education	4,782			345,434		350,216
General government	24,054	\$ 2,942		44,047	6	71,049
Transportation	5,530		\$ 173,255	543		179,328
Public protection and justice				350		350
Natural resources and recreation	12,509	620		25,921	178	39,228
Interest				18		18
Capital outlays	392	2,713		289,545	79	292,729
Total expenditures	47,267	6,275	173,255	706,781	263	933,841
Excess (deficiency) of revenues over (under) expenditures	(46,437)	(6,275)	(173,255)	(682,481)	281	(908,167)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Proceeds from general/special obligation bond issues	136,435		238,482	610,213	3,013	988,143
Proceeds from certificates of participation			34,155			34,155
Operating transfers-in		8,000	594		1,260	9,854
Operating transfers-out	(3,022)	(3)	(1,590)	(10,302)	(3,006)	(17,923)
Operating transfers to component units	(2,284)			(73,152)		(75,436)
Net other sources (uses) of financial resources	131,129	7,997	271,641	526,759	1,267	938,793
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	84,692	1,722	98,386	(155,722)	1,548	30,626
Fund balances, July 1, 1999	77,369	10,946	38,466	341,463	11,520	479,764
FUND BALANCES, JUNE 30, 2000	\$ 162,061	\$ 12,668	\$ 136,852	\$ 185,741	\$ 13,068	\$ 510,390

State of Illinois

Combining Balance Sheet - Capital Projects Funds

Commerce and Community Affairs

June 30, 2000 (Expressed in Thousands)

	Coal Development	Build Illinois Bond	Total
ASSETS			
Cash and cash equivalents	\$ 14,225	\$ 141,796	\$ 156,021
Due from other funds		8,978	8,978
Total assets	\$ 14,225	\$ 150,774	\$ 164,999
LIABILITIES			
Accounts payable and accrued liabilities		\$ 2,188	\$ 2,188
Intergovernmental payables		750	750
Total liabilities		2,938	2,938
FUND BALANCES			
Reserved for encumbrances		18,765	18,765
Unreserved, undesignated	\$ 14,225	129,071	143,296
Total fund balances	14,225	147,836	162,061
Total liabilities and fund balances	\$ 14,225	\$ 150,774	\$ 164,999

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Capital Projects Funds
Commerce & Community Affairs

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Coal Development	Build Illinois Bond	Total
REVENUES			
Other	\$ 830		\$ 830
Total revenues	<u>830</u>		<u>830</u>
EXPENDITURES			
Current:			
Education		\$ 4,782	4,782
General government	4,276	19,778	24,054
Transportation		5,530	5,530
Natural resources and recreation		12,509	12,509
Capital outlays		392	392
Total expenditures	<u>4,276</u>	<u>42,991</u>	<u>47,267</u>
(Deficiency) of revenues (under) expenditures	<u>(3,446)</u>	<u>(42,991)</u>	<u>(46,437)</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES			
Proceeds from general/special obligation bond issues	10,095	126,340	136,435
Operating transfers-out		(3,022)	(3,022)
Operating transfers to component units	(2,033)	(251)	(2,284)
Net other sources (uses) of financial resources	<u>8,062</u>	<u>123,067</u>	<u>131,129</u>
Excess of revenues over expenditures and net other sources (uses) of financial resources	<u>4,616</u>	<u>80,076</u>	<u>84,692</u>
Fund balances, July 1, 1999	<u>9,609</u>	<u>67,760</u>	<u>77,369</u>
FUND BALANCES, JUNE 30, 2000	<u>\$ 14,225</u>	<u>\$ 147,836</u>	<u>\$ 162,061</u>

State of Illinois

Combining Balance Sheet - Capital Projects Funds

Transportation

June 30, 2000 (Expressed in Thousands)

	Transportation Bond Series A	Transportation Bond Series B	IDOT COP Capital Projects	Total
ASSETS				
Cash and cash equivalents	\$ 110,325	\$ 43,845		\$ 154,170
Total assets	\$ 110,325	\$ 43,845	\$ -	\$ 154,170
LIABILITIES				
Accounts payable and accrued liabilities	\$ 13,657	\$ 1,240		\$ 14,897
Intergovernmental payables		2,188		2,188
Due to other funds		219		219
Due to component units		14		14
Total liabilities	13,657	3,661		17,318
FUND BALANCES				
Reserved for encumbrances	163,416	163,268		326,684
Unreserved, undesignated (deficit)	(66,748)	(123,084)		(189,832)
Total fund balances	96,668	40,184		136,852
Total liabilities and fund balances	\$ 110,325	\$ 43,845	\$ -	\$ 154,170

State of Illinois

**Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Capital Projects Funds
Transportation**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Transportation Bond Series A	Transportation Bond Series B	IDOT COP Capital Projects	Total
EXPENDITURES				
Current:				
Transportation	\$ 80,660	\$ 57,846	\$ 34,749	\$ 173,255
Total expenditures	<u>80,660</u>	<u>57,846</u>	<u>34,749</u>	<u>173,255</u>
(Deficiency) of revenues (under) expenditures	<u>(80,660)</u>	<u>(57,846)</u>	<u>(34,749)</u>	<u>(173,255)</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Proceeds from general/special obligation bond issues	177,328	61,154		238,482
Proceeds from certificates of participation			34,155	34,155
Operating transfers-in			594	594
Operating transfers-out		(1,590)		(1,590)
Net other sources (uses) of financial resources	<u>177,328</u>	<u>59,564</u>	<u>34,749</u>	<u>271,641</u>
Excess of revenues over expenditures and net other sources (uses) of financial resources	<u>96,668</u>	<u>1,718</u>		<u>98,386</u>
Fund balances, July 1, 1999		38,466		38,466
FUND BALANCES, JUNE 30, 2000	<u>\$ 96,668</u>	<u>\$ 40,184</u>	<u>\$ -</u>	<u>\$ 136,852</u>

State of Illinois

Combining Balance Sheet - Capital Projects Funds

Capital Development Board

June 30, 2000 (Expressed in Thousands)

	Capital Development	School Construction	CDB Contributory Trust	Total
ASSETS				
Cash and cash equivalents	\$ 167,900	\$ 106,016	\$ 4,892	\$ 278,808
Receivables, net:				
Intergovernmental			3,386	3,386
Other	78			78
Due from other funds	81			81
Total assets	\$ 168,059	\$ 106,016	\$ 8,278	\$ 282,353
LIABILITIES				
Accounts payable and accrued liabilities	\$ 76,026		\$ 5,446	\$ 81,472
Intergovernmental payables	1,701	\$ 9,005		10,706
Due to other funds	1,279			1,279
Deferred revenues			2,832	2,832
Other liabilities	323			323
Total liabilities	79,329	9,005	8,278	96,612
FUND BALANCES				
Reserved for encumbrances	369,121	278,593	45,614	693,328
Unreserved, undesignated (deficit)	(280,391)	(181,582)	(45,614)	(507,587)
Total fund balances	88,730	97,011		185,741
Total liabilities and fund balances	\$ 168,059	\$ 106,016	\$ 8,278	\$ 282,353

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances - Capital Projects Funds
Capital Development Board

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Capital Development	School Construction	CDB Contributory Trust	Total
REVENUES				
Federal government			\$ 7,663	\$ 7,663
Interest and other investment income	\$ 1			1
Other	84		16,552	16,636
Total revenues	85		24,215	24,300
EXPENDITURES				
Current:				
Health and social services	923			923
Education	40,180	\$ 292,152	13,102	345,434
General government	43,076		971	44,047
Transportation	543			543
Public protection and justice	350			350
Natural resources and recreation	25,921			25,921
Interest	18			18
Capital outlays	282,042		7,503	289,545
Total expenditures	393,053	292,152	21,576	706,781
Excess (deficiency) of revenues over (under) expenditures	(392,968)	(292,152)	2,639	(682,481)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES				
Proceeds from general/special obligation bond issues	291,288	318,925		610,213
Operating transfers-out	(8,000)		(2,302)	(10,302)
Operating transfers to component units	(72,815)		(337)	(73,152)
Net other sources (uses) of financial resources	210,473	318,925	(2,639)	526,759
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(182,495)	26,773		(155,722)
Fund balances, July 1, 1999	271,225	70,238		341,463
FUND BALANCES, JUNE 30, 2000	\$ 88,730	\$ 97,011	\$ -	\$ 185,741

SIGNIFICANT ENTERPRISE FUNDS DESCRIPTIONS

Department of Central Management Services

Local Government Health Insurance Reserve Fund--to provide health and dental insurance to participating local government entities. Premiums are collected from units of local government and the insurance plan is administered by private companies.

Teacher Health Insurance Security Fund--to provide health benefits for the Teachers' Retirement System recipient and dependent beneficiaries.

Department of Insurance

Office of the Special Deputy Receiver Fund--to account for expenses in connection with the liquidation, conservation and rehabilitation of insurance companies.

Department of 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 General Fund.

Student Assistance Commission

Designated Account Purchase Program Fund--to account for bond proceeds used to purchase defaulted loans from lenders. Revenue is generated primarily from investment income and bond proceeds.

Illinois Opportunity Loan Program Fund--to account for a direct loan program that assists full-time Illinois college students.

State of Illinois

Combining Balance Sheet
Enterprise Funds

June 30, 2000 (Expressed in Thousands)

	Central Management Services	Insurance Office of the Special Deputy Receiver	Lottery State Lottery	Student Assistance Commission	Other	Total
ASSETS						
Cash and cash equivalents	\$ 39,854	\$ 339	\$ 8,976	\$ 61,633	\$ 32,247	\$ 143,049
Investments, short-term			17,178	156,659	14,758	188,595
Receivables, net:						
Intergovernmental	577			10,321		10,898
Other	2,473	1,710	9,726	31,256	7,187	52,352
Due from other funds			50,460		322	50,782
Inventories			3,635		1,819	5,454
Prepaid expenses			109		160	269
Restricted assets (\$68,783 cash equivalents)				68,783		68,783
Total current assets	42,904	2,049	90,084	328,652	56,493	520,182
Investments			45,837		5,887	51,724
Loans and notes receivable				1,263,755	11,134	1,274,889
Restricted assets				178,017		178,017
Property, plant & equipment, net			1,059	345	2,871	4,275
Total assets	\$ 42,904	\$ 2,049	\$ 136,980	\$ 1,770,769	\$ 76,385	\$ 2,029,087
LIABILITIES						
Accounts payable and accrued liabilities	\$ 42,814	\$ 1,649	\$ 40,387	\$ 15,381	\$ 2,767	\$ 102,998
Intergovernmental payables					1	1
Due to other funds	17	400	890	750	3,469	5,526
Deferred revenues			2,777		6,625	9,402
Notes payable, current				100,394		100,394
Revenue bonds payable, current				482,650	3,595	486,245
Other liabilities	85		17,178		10,498	27,761
Total current liabilities	42,916	2,049	61,232	599,175	26,955	732,327
Notes payable				200		200
Revenue bonds payable				961,977	10,795	972,772
Other obligations			45,847	114,798	67	160,712
Total liabilities	42,916	2,049	107,079	1,676,150	37,817	1,866,011
FUND EQUITY						
Retained earnings:						
Reserved for:						
Revenue bond and note retirement				97,683	6,174	103,857
Other			29,901			29,901
Unreserved (deficit)	(12)			(3,064)	32,394	29,318
Total fund equity	(12)		29,901	94,619	38,568	163,076
Total liabilities and fund equity	\$ 42,904	\$ 2,049	\$ 136,980	\$ 1,770,769	\$ 76,385	\$ 2,029,087

State of Illinois

**Combining Statement of Revenues, Expenses and
Changes in Retained Earnings
Enterprise Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Central Management Services	Insurance Office of the Special Deputy Receiver	Lottery State Lottery	Student Assistance Commission	Other	Total
OPERATING REVENUES						
Charges for sales and services	\$ 181,397	\$ 49,381	\$ 1,466,457	\$ 1,163	\$ 71,777	\$ 1,770,175
Interest and other investment income				117,875	1,217	119,092
Other	1,686		24,489		601	26,776
Total operating revenues	183,083	49,381	1,490,946	119,038	73,595	1,916,043
OPERATING EXPENSES						
Cost of sales and services		5,117	97,023		49,031	151,171
Benefit payments and refunds	210,917				5,032	215,949
Prizes and claims			798,866			798,866
Interest				81,791	1	81,792
General and administrative	3,108	27,361	62,205	26,735	2,397	121,806
Depreciation			685	128	776	1,589
Other		16,903		5,348	8,227	30,478
Total operating expenses	214,025	49,381	958,779	114,002	65,464	1,401,651
Operating income (loss)	(30,942)		532,167	5,036	8,131	514,392
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	1,873		98		1,695	3,666
Interest expense					(1,203)	(1,203)
Other revenues					272	272
Other expenses					(303)	(303)
Income (loss) before operating transfers	(29,069)		532,265	5,036	8,592	516,824
Operating transfers-in					10,259	10,259
Operating transfers-out	(17)		(538,617)	(588)	(2,480)	(541,702)
Net income (loss)	(29,086)		(6,352)	4,448	16,371	(14,619)
Retained earnings, July 1, 1999	29,074		36,253	90,171	22,197	177,695
RETAINED EARNINGS, JUNE 30, 2000	\$ (12)	\$ -	\$ 29,901	\$ 94,619	\$ 38,568	\$ 163,076

State of Illinois

**Combining Statement of Cash Flows
Enterprise Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Central Management Services	Insurance Office of the Special Deputy Receiver	Lottery State Lottery	Student Assistance Commission	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services	\$ 185,333	\$ 49,469	\$ 1,462,481	\$ 46,178	\$ 69,787	\$ 1,813,248
Cash payments to suppliers for goods and services	(188,436)	(49,549)	(75,015)	(19,003)	(36,331)	(368,334)
Cash payments to employees for services	(1,254)		(84,053)	(9,104)	(17,120)	(111,531)
Cash payments for lottery prizes			(784,229)			(784,229)
Cash receipts from other operating activities			2,214	200,210	2,550	204,974
Cash payments for other operating activities				(363,885)	(4,915)	(368,800)
Net cash provided (used) by operating activities	(4,357)	(80)	521,398	(145,604)	13,971	385,328
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from sales of revenue bonds and other borrowings				199,277	40	199,317
Principal paid on revenue bonds and other borrowings				(39,980)		(39,980)
Interest paid on revenue bonds and other borrowings				(37)	(1,204)	(1,241)
Operating transfers-in from other funds					10,279	10,279
Operating transfers-out to other funds	(11)		(516,118)	(588)	(2,485)	(519,202)
Other noncapital financing activities					(44)	(44)
Net cash provided (used) by noncapital financing activities	(11)		(516,118)	158,672	6,586	(350,871)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from sales of revenue bonds					16	16
Acquisition and construction of capital assets			(601)	(106)	(741)	(1,448)
Principal paid on bond maturities and equipment contracts					(5,764)	(5,764)
Interest paid on bond maturities and equipment contracts					(7)	(7)
Net cash used in capital and related financing activities			(601)	(106)	(6,496)	(7,203)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investment securities				(353,543)	(10,083)	(363,626)
Proceeds from sales and maturities of investment securities				195,829	11,527	207,356
Interest and dividends on investments	1,867		98	16,066	1,693	19,724
Net cash provided (used) by investing activities	1,867		98	(141,648)	3,137	(136,546)
Net increase (decrease) in cash and cash equivalents	(2,501)	(80)	4,777	(128,686)	17,198	(109,292)
Cash and cash equivalents, July 1, 1999	42,355	419	4,199	259,102	15,049	321,124
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 39,854	\$ 339	\$ 8,976	\$ 130,416	\$ 32,247	\$ 211,832
Reconciliation of cash and cash equivalents to the balance sheet:						
Total cash and cash equivalents per the balance sheet	\$ 39,854	\$ 339	\$ 8,976	\$ 61,633	\$ 32,247	\$ 143,049
Add: restricted cash equivalents				68,783		68,783
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 39,854	\$ 339	\$ 8,976	\$ 130,416	\$ 32,247	\$ 211,832
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)	\$ (30,942)		\$ 532,167	\$ 5,036	\$ 8,131	\$ 514,392
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation			685	128	776	1,589
Provision for uncollectible accounts			2,492			2,492
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	1,195	\$ 87	(4,184)	(200,342)	3,955	(199,289)
(Increase) decrease in due from other funds					(136)	(136)
(Increase) decrease in inventories			242		(157)	85
(Increase) decrease in prepaid expenses			(14)		40	26
Increase (decrease) in accounts payable and accrued liabilities	26,024	(159)	(10,198)	3,374	447	19,488
Increase (decrease) in intergovernmental payables					(1)	(1)
Increase (decrease) in due to other funds	(638)				200	(438)
Increase (decrease) in deferred revenues			208		(1,972)	(1,764)
Increase (decrease) in other liabilities	4	(8)		50,362	2,661	53,019
Other				(4,162)	27	(4,135)
Total adjustments	26,585	(80)	(10,769)	(150,640)	5,840	(129,064)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (4,357)	\$ (80)	\$ 521,398	\$ (145,604)	\$ 13,971	\$ 385,328

State of Illinois

Combining Balance Sheet - Enterprise Funds

Central Management Services

June 30, 2000 (Expressed in Thousands)

	Local Government Health Insurance Reserve	Teacher Health Insurance Security	Total
ASSETS			
Cash and cash equivalents	\$ 4,825	\$ 35,029	\$ 39,854
Receivables, net:			
Intergovernmental	577		577
Other	428	2,045	2,473
Total assets	<u>\$ 5,830</u>	<u>\$ 37,074</u>	<u>\$ 42,904</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 19,832	\$ 22,982	\$ 42,814
Due to other funds	6	11	17
Other liabilities	43	42	85
Total liabilities	<u>19,881</u>	<u>23,035</u>	<u>42,916</u>
FUND EQUITY (DEFICIT)			
Retained earnings, unreserved (deficit)	(14,051)	14,039	(12)
Total fund equity (deficit)	<u>(14,051)</u>	<u>14,039</u>	<u>(12)</u>
Total liabilities and fund equity	<u>\$ 5,830</u>	<u>\$ 37,074</u>	<u>\$ 42,904</u>

State of Illinois

Combining Statement of Revenues, Expenses and
Changes in Retained Earnings - Enterprise Funds
Central Management Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Local Government Health Insurance Reserve	Teacher Health Insurance Security	Total
OPERATING REVENUES			
Charges for sales and services	\$ 73,056	\$ 108,341	\$ 181,397
Other	550	1,136	1,686
Total operating revenues	73,606	109,477	183,083
OPERATING EXPENSES			
Benefit payments and refunds	85,086	125,831	210,917
General and administrative	1,384	1,724	3,108
Total operating expenses	86,470	127,555	214,025
Operating (loss)	(12,864)	(18,078)	(30,942)
NONOPERATING REVENUES (EXPENSES)			
Interest and investment income	99	1,774	1,873
Income (loss) before operating transfers	(12,765)	(16,304)	(29,069)
Operating transfers-out	(6)	(11)	(17)
Net income (loss)	(12,771)	(16,315)	(29,086)
Retained earnings (deficit), July 1, 1999	(1,280)	30,354	29,074
RETAINED EARNINGS (DEFICIT), JUNE 30, 2000	\$ (14,051)	\$ 14,039	\$ (12)

State of Illinois

Combining Statement of Cash Flows - Enterprise Funds

Central Management Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Local Government Health Insurance Reserve	Teacher Health Insurance Security	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from sales and services	\$ 75,874	\$ 109,459	\$ 185,333
Cash payments to suppliers for goods and services	(73,523)	(114,913)	(188,436)
Cash payments to employees for services	(591)	(663)	(1,254)
Net cash provided (used) by operating activities	1,760	(6,117)	(4,357)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating transfers-out to other funds		(11)	(11)
Net cash (used) by noncapital financing activities		(11)	(11)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends on investments	93	1,774	1,867
Net cash provided used by investing activities	93	1,774	1,867
Net increase (decrease) in cash and cash equivalents	1,853	(4,354)	(2,501)
Cash and cash equivalents, July 1, 1999	2,972	39,383	42,355
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 4,825	\$ 35,029	\$ 39,854
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
OPERATING INCOME (LOSS)	\$ (12,864)	\$ (18,078)	\$ (30,942)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	1,213	(18)	1,195
Increase (decrease) in accounts payable and accrued liabilities	13,416	12,608	26,024
Increase (decrease) in due to other funds	(3)	(635)	(638)
Increase (decrease) in other liabilities	(2)	6	4
Total adjustments	14,624	11,961	26,585
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,760	\$ (6,117)	\$ (4,357)

State of Illinois

Combining Balance Sheet - Enterprise Funds

Student Assistance Commission

June 30, 2000 (Expressed in Thousands)

	Prepaid		
	Tuition Fund	Operating	Total
ASSETS			
Cash and cash equivalents	\$ 31,242	\$ 30,391	\$ 61,633
Investments, short-term	81,523	75,136	156,659
Receivables, net:			
Intergovernmental		10,321	10,321
Other	151	31,105	31,256
Restricted assets (\$68,783 cash equivalents)		68,783	68,783
Total current assets	112,916	215,736	328,652
Loans and notes receivable		1,263,755	1,263,755
Restricted assets		178,017	178,017
Property, plant & equipment, net	5	340	345
Total assets	\$ 112,921	\$ 1,657,848	\$ 1,770,769
LIABILITIES			
Accounts payable and accrued liabilities	\$ 137	\$ 15,244	\$ 15,381
Due to other funds	750		750
Notes payable, current	100	100,294	100,394
Revenue bonds payable, current		482,650	482,650
Total current liabilities	987	598,188	599,175
Notes payable	200		200
Revenue bonds payable		961,977	961,977
Other obligations	114,798		114,798
Total liabilities	115,985	1,560,165	1,676,150
FUND EQUITY (DEFICIT)			
Retained earnings:			
Reserved for revenue bond and note retirement		97,683	97,683
Unreserved (deficit)	(3,064)		(3,064)
Total fund equity (deficit)	(3,064)	97,683	94,619
Total liabilities and fund equity	\$ 112,921	\$ 1,657,848	\$ 1,770,769

State of Illinois

**Combining Statement of Revenues, Expenses and
Changes in Retained Earnings - Enterprise Funds
Student Assistance Commission**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Prepaid Tuition Fund	Operating	Total
OPERATING REVENUES			
Charges for sales and services	\$ 1,163		\$ 1,163
Interest and other investment income	4,096	\$ 113,779	117,875
Total operating revenues	5,259	113,779	119,038
OPERATING EXPENSES			
Interest	37	81,754	81,791
General and administrative	2,228	24,507	26,735
Depreciation	1	127	128
Other	5,348		5,348
Total operating expenses	7,614	106,388	114,002
Operating income (loss)	(2,355)	7,391	5,036
Income (loss) before operating transfers	(2,355)	7,391	5,036
Operating transfers-out		(588)	(588)
Net income (loss)	(2,355)	6,803	4,448
Retained earnings (deficit), July 1, 1999	(709)	90,880	90,171
RETAINED EARNINGS (DEFICIT), JUNE 30, 2000	\$ (3,064)	\$ 97,683	\$ 94,619

State of Illinois

Combining Statement of Cash Flows - Enterprise Funds
Student Assistance Commission

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Prepaid Tuition Fund	Operating	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from sales and services	\$ 46,178		\$ 46,178
Cash payments to suppliers for goods and services	(1,614)	\$ (17,389)	(19,003)
Cash payments to employees for services	(609)	(8,495)	(9,104)
Cash receipts from other operating activities		200,210	200,210
Cash payments for other operating activities		(363,885)	(363,885)
Net cash provided (used) by operating activities	43,955	(189,559)	(145,604)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from sale of revenue bonds and other borrowings		199,277	199,277
Principal paid on revenue bonds and other borrowings	(700)	(39,280)	(39,980)
Interest paid on revenue bonds and other borrowings	(37)		(37)
Operating transfers-out to other funds		(588)	(588)
Net cash provided (used) by noncapital financing activities	(737)	159,409	158,672
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(1)	(105)	(106)
Net cash used in capital and related financing activities	(1)	(105)	(106)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investment securities	(78,000)	(275,543)	(353,543)
Proceeds from sales and maturities of investment securities		195,829	195,829
Interest and dividends on investments	665	15,401	16,066
Net cash provided used by investing activities	(77,335)	(64,313)	(141,648)
Net increase (decrease) in cash and cash equivalents	(34,118)	(94,568)	(128,686)
Cash and cash equivalents, July 1, 1999	65,360	193,742	259,102
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	<u>\$ 31,242</u>	<u>\$ 99,174</u>	<u>\$ 130,416</u>
Reconciliation of cash and cash equivalents to the balance sheet:			
Total cash and cash equivalents per the balance sheet	\$ 31,242	\$ 30,391	\$ 61,633
Add: restricted cash equivalents		68,783	68,783
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	<u>\$ 31,242</u>	<u>\$ 99,174</u>	<u>\$ 130,416</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
OPERATING INCOME (LOSS)	<u>\$ (2,355)</u>	<u>\$ 7,391</u>	<u>\$ 5,036</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation		127	128
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	91	(200,433)	(200,342)
Increase (decrease) in accounts payable and accrued liabilities	18	3,356	3,374
Increase (decrease) in other liabilities	50,362		50,362
Other	(4,162)		(4,162)
Total adjustments	46,310	(196,950)	(150,640)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 43,955</u>	<u>\$ (189,559)</u>	<u>\$ (145,604)</u>

SIGNIFICANT INTERNAL SERVICE FUNDS DESCRIPTIONS

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 to user agencies.

Statistical Services Revolving Fund--to account for the purchase, maintenance, and operation of electronic data processing and information devices used by State agencies. Revenues consist of charges from the user agencies.

Communications Revolving Fund--to account for the expenses related to telecommunications services for State agencies. Revenues consist of reimbursements from user agencies.

Health Insurance Reserve Fund--to account for the self-insurance medical and dental plan for State employees 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 industrial operations at the several State institutions.

State of Illinois

Combining Balance Sheet
Internal Service Funds

June 30, 2000 (Expressed in Thousands)

	Central Management Services	Corrections Working Capital Revolving	Other	Total
ASSETS				
Cash and cash equivalents	\$ 81,008	\$ 15,624	\$ 3,133	\$ 99,765
Receivables, net:				
Intergovernmental	762	63	35	860
Other	1,879	492		2,371
Due from other funds	153,748	5,834	393	159,975
Due from component units	3,182		1	3,183
Inventories	1,742	12,825	153	14,720
Prepaid expenses	1,505	16		1,521
Total current assets	243,826	34,854	3,715	282,395
Restricted assets	108			108
Property, plant & equipment, net	32,230	8,229	259	40,718
Total assets	\$ 276,164	\$ 43,083	\$ 3,974	\$ 323,221
LIABILITIES				
Accounts payable and accrued liabilities	\$ 160,831	\$ 2,462	\$ 190	\$ 163,483
Intergovernmental payables	125			125
Due to other funds	3,412	349	94	3,855
Due to component units	27			27
Other liabilities	9,280	1,723	272	11,275
Total current liabilities	173,675	4,534	556	178,765
Other obligations	2,315	1	59	2,375
Total liabilities	175,990	4,535	615	181,140
FUND EQUITY				
Contributed capital	9,292	9,281	702	19,275
Retained earnings, unreserved	90,882	29,267	2,657	122,806
Total fund equity	100,174	38,548	3,359	142,081
Total liabilities and fund equity	\$ 276,164	\$ 43,083	\$ 3,974	\$ 323,221

*State of Illinois***Combining Statement of Revenues, Expenses and
Changes in Retained Earnings
Internal Service Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Central Management Services	Corrections Working Capital Revolving	Other	Total
OPERATING REVENUES				
Charges for sales and services	\$ 1,138,038	\$ 50,361	\$ 5,342	\$ 1,193,741
Interest and other investment income	28			28
Other	5,386	485	8	5,879
Total operating revenues	1,143,452	50,846	5,350	1,199,648
OPERATING EXPENSES				
Cost of sales and services	212,383	39,680	2,438	254,501
Benefit payments and refunds	651,416			651,416
Interest			2	2
General and administrative	24,116	5,595	2,101	31,812
Depreciation	12,534	1,459	73	14,066
Other	8,118			8,118
Total operating expenses	908,567	46,734	4,614	959,915
Operating income	234,885	4,112	736	239,733
NONOPERATING REVENUES (EXPENSES)				
Interest and investment income	2,762	4		2,766
Interest expense	(244)	(3)		(247)
Other revenues		270	77	347
Other expenses	(1,088)	(201)	(4)	(1,293)
Income before operating transfers	236,315	4,182	809	241,306
Operating transfers-in	2,040			2,040
Operating transfers-out	(7,011)	(39)	(34)	(7,084)
Operating transfers to component units	(239,306)			(239,306)
Net income (loss)	(7,962)	4,143	775	(3,044)
Retained earnings, July 1, 1999,	98,844	25,124	1,882	125,850
RETAINED EARNINGS, JUNE 30, 2000	\$ 90,882	\$ 29,267	\$ 2,657	\$ 122,806

State of Illinois

**Combining Statement of Cash Flows
Internal Service Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Central Management Services	Corrections Working Capital Revolving	Other	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from sales and services	\$ 1,123,172	\$ 52,217	\$ 5,250	\$ 1,180,639
Cash payments to suppliers for goods and services	(841,489)	(31,341)	(2,044)	(874,874)
Cash payments to employees for services	(39,412)	(14,851)	(2,336)	(56,599)
Cash receipts from other operating activities	66		8	74
Cash payments for other operating activities		(1,028)	(2)	(1,030)
Net cash provided by operating activities	<u>242,337</u>	<u>4,997</u>	<u>876</u>	<u>248,210</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Principal paid on revenue bonds and other borrowings	(74)		(20)	(94)
Operating transfers-in from other funds	2,040			2,040
Operating transfers-out to other funds	(7,011)	(39)	(38)	(7,088)
Operating transfers to component units	(239,306)			(239,306)
Net cash (used) by noncapital financing activities	<u>(244,351)</u>	<u>(39)</u>	<u>(58)</u>	<u>(244,448)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sales of revenue bonds	312			312
Acquisition and construction of capital assets	(10,832)	(1,275)	(53)	(12,160)
Principal paid on bond maturities and equipment contracts	(2,780)	(57)		(2,837)
Interest paid on bond maturities and equipment contracts	(140)	(4)	(4)	(148)
Proceeds from sale of equipment		40		40
Other capital and related financing activities			(4)	(4)
Net cash (used) in capital and related financing activities	<u>(13,440)</u>	<u>(1,296)</u>	<u>(61)</u>	<u>(14,797)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends on investments	2,762		77	2,839
Net cash provided by investing activities	<u>2,762</u>		<u>77</u>	<u>2,839</u>
Net increase (decrease) in cash and cash equivalents	(12,692)	3,662	834	(8,196)
Cash and cash equivalents, July 1, 1999	93,700	11,962	2,299	107,961
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	<u>\$ 81,008</u>	<u>\$ 15,624</u>	<u>\$ 3,133</u>	<u>\$ 99,765</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
OPERATING INCOME	\$ 234,885	\$ 4,112	\$ 736	\$ 239,733
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	12,534	1,459	73	14,066
Provision for uncollectible accounts	(127)		(3)	(130)
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(857)	(149)	(11)	(1,017)
(Increase) decrease in due from other funds	(5,003)	1,932	(78)	(3,149)
(Increase) decrease in due from primary government		120		120
(Increase) decrease in due from component units			1	909
(Increase) decrease in inventories	(241)	(1,956)	12	(2,185)
(Increase) decrease in prepaid expenses	(413)	(2)		(415)
Increase (decrease) in accounts payable and accrued liabilities	15,449	(532)	7	14,924
Increase (decrease) in intergovernmental payables	(122)			(122)
Increase (decrease) in due to other funds	679	59	31	769
Increase (decrease) in due to primary government	6			6
Increase (decrease) in due to component units	2			2
Increase (decrease) in deferred revenues	(15,398)			(15,398)
Increase (decrease) in other liabilities	35	(46)	108	97
Total adjustments	<u>7,452</u>	<u>885</u>	<u>140</u>	<u>8,477</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 242,337</u>	<u>\$ 4,997</u>	<u>\$ 876</u>	<u>\$ 248,210</u>

State of Illinois

Combining Balance Sheet - Internal Service Funds

Central Management Services

June 30, 2000 (Expressed in Thousands)

	State Garage Revolving	Statistical Services Revolving	Communications Revolving	Health Insurance Reserve	Total
ASSETS					
Cash and cash equivalents	\$ 1,345	\$ 17,612	\$ 25,784	\$ 36,267	\$ 81,008
Receivables, net:					
Intergovernmental	133	4	625		762
Other			1,657	222	1,879
Due from other funds	5,024	25,951	28,796	93,977	153,748
Due from component units	4	21	850	2,307	3,182
Inventories	1,502	240			1,742
Prepaid expenses		1,505			1,505
Total current assets	8,008	45,333	57,712	132,773	243,826
Restricted assets	108				108
Property, plant & equipment, net	2,232	17,655	12,343		32,230
Total assets	\$ 10,348	\$ 62,988	\$ 70,055	\$ 132,773	\$ 276,164
LIABILITIES					
Accounts payable and accrued liabilities	\$ 5,899	\$ 5,089	\$ 18,172	\$ 131,671	\$ 160,831
Intergovernmental payables	7	118			125
Due to other funds	36	682	2,000	694	3,412
Due to component units	4		23		27
Other liabilities	2,290	5,600	982	408	9,280
Total current liabilities	8,236	11,489	21,177	132,773	173,675
Other obligations	1,141	1,108	66		2,315
Total liabilities	9,377	12,597	21,243	132,773	175,990
FUND EQUITY					
Contributed capital	1,078	8,157	57		9,292
Retained earnings, unreserved (deficit)	(107)	42,234	48,755		90,882
Total fund equity	971	50,391	48,812		100,174
Total liabilities and fund equity	\$ 10,348	\$ 62,988	\$ 70,055	\$ 132,773	\$ 276,164

*State of Illinois***Combining Statement of Revenues, Expenses and
Changes in Retained Earnings - Internal Service Funds
Central Management Services**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Garage Revolving	Statistical Services Revolving	Communications Revolving	Health Insurance Reserve	Total
OPERATING REVENUES					
Charges for sales and services	\$ 32,928	\$ 92,710	\$ 122,686	\$ 889,714	\$ 1,138,038
Interest and other investment income	28				28
Other	38	192		5,156	5,386
Total operating revenues	32,994	92,902	122,686	894,870	1,143,452
OPERATING EXPENSES					
Cost of sales and services	24,228	76,831	111,324		212,383
Benefit payments and refunds				651,416	651,416
General and administrative	7,582	2,373	7,251	6,910	24,116
Depreciation	665	6,995	4,874		12,534
Other	554		7,564		8,118
Total operating expenses	33,029	86,199	131,013	658,326	908,567
Operating income (loss)	(35)	6,703	(8,327)	236,544	234,885
NONOPERATING REVENUES (EXPENSES)					
Interest and investment income				2,762	2,762
Interest expense	(104)	(138)	(2)		(244)
Other expenses	(313)	(686)	(89)		(1,088)
Income (loss) before operating transfers	(452)	5,879	(8,418)	239,306	236,315
Operating transfers-in		2,040			2,040
Operating transfers-out	(2)	(7,003)	(6)		(7,011)
Operating transfers to component units				(239,306)	(239,306)
Net income (loss)	(454)	916	(8,424)		(7,962)
Retained earnings, July 1, 1999	347	41,318	57,179		98,844
RETAINED EARNINGS (DEFICIT), JUNE 30, 2000	\$ (107)	\$ 42,234	\$ 48,755	\$ -	\$ 90,882

State of Illinois

Combining Statement of Cash Flows - Internal Service Funds

Central Management Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Garage Revolving	Statistical Services Revolving	Communications Revolving	Health Insurance Reserve	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from sales and services	\$ 32,712	\$ 73,058	\$ 119,851	\$ 897,551	\$ 1,123,172
Cash payments to suppliers for goods and services	(23,555)	(63,847)	(113,950)	(640,137)	(841,489)
Cash payments to employees for services	(8,136)	(20,306)	(8,145)	(2,825)	(39,412)
Cash receipts from other operating activities	66				66
Net cash provided (used) by operating activities	1,087	(11,095)	(2,244)	254,589	242,337
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Principal paid on revenue bonds and other borrowings	(74)				(74)
Operating transfers-in from other funds		2,040			2,040
Operating transfers-out to other funds	(2)	(7,003)	(6)		(7,011)
Operating transfers to component units				(239,306)	(239,306)
Net cash (used) by noncapital financing activities	(76)	(4,963)	(6)	(239,306)	(244,351)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sales of revenue bonds	312				312
Acquisition and construction of capital assets	(643)	(5,153)	(5,036)		(10,832)
Principal paid on bond maturities and equipment contracts	(417)	(2,289)	(74)		(2,780)
Interest paid on bond maturities and equipment contracts		(138)	(2)		(140)
Net cash (used) in capital and related financing activities	(748)	(7,580)	(5,112)		(13,440)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends on investments				2,762	2,762
Net cash provided by investing activities				2,762	2,762
Net increase (decrease) in cash and cash equivalents	263	(23,638)	(7,362)	18,045	(12,692)
Cash and cash equivalents, July 1, 1999	1,082	41,250	33,146	18,222	93,700
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 1,345	\$ 17,612	\$ 25,784	\$ 36,267	\$ 81,008
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
OPERATING INCOME (LOSS)	\$ (35)	\$ 6,703	\$ (8,327)	\$ 236,544	\$ 234,885
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	665	6,995	4,874		12,534
Provision for uncollectible accounts		(188)	61		(127)
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(39)	(6)	(910)	98	(857)
(Increase) decrease in due from other funds	(177)	(4,417)	(2,540)	2,131	(5,003)
(Increase) decrease in due from component units		(19)	475	452	908
(Increase) decrease in inventories	(157)	(84)			(241)
(Increase) decrease in prepaid expenses		(413)			(413)
Increase (decrease) in accounts payable and accrued liabilities	914	(4,225)	3,785	14,975	15,449
Increase (decrease) in intergovernmental payables		(122)			(122)
Increase (decrease) in due to other funds	(34)	218	165	330	679
Increase (decrease) In due to primary government	6				6
Increase (decrease) in due to component units	3		(1)		2
Increase (decrease) in deferred revenues		(15,398)			(15,398)
Increase (decrease) in other liabilities	(59)	(139)	174	59	35
Total adjustments	1,122	(17,798)	6,083	18,045	7,452
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,087	\$ (11,095)	\$ (2,244)	\$ 254,589	\$ 242,337

SIGNIFICANT TRUST AND AGENCY FUNDS DESCRIPTIONS

EXPENDABLE TRUST FUNDS:

Department of Central Management Services

Deferred Compensation Plan Fund--to defer gross compensation of any State employee and invest the funds until retirement, death or extreme hardship.

Department of Employment Security

Unemployment Compensation Trust Fund--to provide for unemployment insurance benefit claims. Funding is through employer contributions and Federal Unemployment Trust advances.

Industrial Commission

Self-Insurer's Security Fund--to cover claims for compensation made on self-insured employers with respect to employment-related injuries and diseases.

STATE PENSION FUNDS:

See Note 10 on page 50 for description of pension funds.

INVESTMENT TRUST FUNDS:

Treasurer

Public Treasurers' External Investment Pool Fund--to hold and invest public funds deposited by local Treasurers to enhance investment opportunities - in effect a mutual fund.

Department of Lottery

Deferred Lottery Prize Winners Trust Fund--to hold the proceeds of investments that will be paid to Illinois State Lottery prize winners. Investment contracts are executed by the State Treasurer with the State Lottery Director's approval in a manner which ensures the timely payment to prize winners.

AGENCY FUNDS:

Treasurer

Protest Fund--to provide a "holding" fund for taxes paid under protest, pending the outcome of litigation.

Department of Human Services

Public Assistance Recoveries Trust Fund--to account for the deposit of recoveries from federally-aided assistance programs.

DHS Recoveries Trust Fund--to account for the deposit of recoveries under Public Act 91-24.

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 Public Aid

Child Support Enforcement Agency Fund--to account for that portion of the Child Support Enforcement Trust Fund that hold monies recovered under the Child Support Enforcement Program until they can be paid over to the appropriate third parties.

Department of Revenue

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.

Metropolitan Pier and Exposition Authority Trust Fund--to receive and record monies obtained under the Metropolitan Pier and Exposition Authority Act.

RTA Sales Tax Fund--to record and receive deposits of the RTA Sales Tax.

State of Illinois

Combining Balance Sheet
Trust and Agency Funds

June 30, 2000 (Expressed in Thousands)

	Trust				Agency	
	Expendable	Non-Expendable Other	Pension	Investment	Total	
ASSETS						
Cash and cash equivalents	\$ 2,217,478	\$ 10,754	\$ 601,419	\$ 630,469	\$ 629,268	\$ 4,089,388
Investments	1,666,095	1,181	48,958,633	3,691,630	7,744	54,325,283
Receivables, net:						
Taxes	236,462				80,538	317,000
Intergovernmental	6,293				1,526	7,819
Other	46,866	129	1,157,040	240	422,428	1,626,703
Due from other funds	1,990	400	18,026		50,201	70,617
Due from component units	100		1,798		96	1,994
Loans and notes receivable	63					63
Property, plant & equipment, net		104	22,358			22,462
Other assets					1,247,922	1,247,922
Total assets	\$ 4,175,347	\$ 12,568	\$ 50,759,274	\$ 4,322,339	\$ 2,439,723	\$ 61,709,251
LIABILITIES						
Account payable and accrued liabilities	\$ 31,824		\$ 857,052	\$ 92	\$ 20,460	\$ 909,428
Intergovernmental payables	4,951	\$ 7			342,342	347,300
Due to other funds	2,269	30	223	1,030	108,905	112,457
Due to component units	30					30
Deferred revenues	3,205					3,205
Other liabilities	4,810		3,858,866	599	1,968,016	5,832,291
Revenue bonds payable			20,052			20,052
Total liabilities	47,089	37	4,736,193	1,721	2,439,723	7,224,763
FUND BALANCES						
Reserved for:						
Encumbrances	18					18
Unemployment compensation benefits	2,438,121					2,438,121
Employees' pension benefits			46,023,081			46,023,081
External investment pool participants				4,320,618		4,320,618
Loans and Notes Receivable	63					63
Other	1,870					1,870
Unreserved:						
Designated for deferred compensation benefits	1,653,725					1,653,725
Undesignated	34,461	12,531				46,992
Total fund balances	4,128,258	12,531	46,023,081	4,320,618		54,484,488
Total liabilities and fund balances	\$ 4,175,347	\$ 12,568	\$ 50,759,274	\$ 4,322,339	\$ 2,439,723	\$ 61,709,251

State of Illinois

Combining Balance Sheet
Expendable Trust Funds

June 30, 2000 (Expressed in Thousands)

	Central Management Services State Employees Deferred Compensation Plan	Employment Security Unemployment Compensation Trust	Industrial Commission Self-Insurer's Security	Other	Total
ASSETS					
Cash and cash equivalents	\$ 5,598	\$ 2,191,275	\$ 2,326	\$ 18,279	\$ 2,217,478
Investments	1,652,741			13,354	1,666,095
Receivables, net:					
Taxes		233,462		3,000	236,462
Intergovernmental		6,293			6,293
Other	270	45,619	12	965	46,866
Due from other funds		1,853		137	1,990
Due from component units		100			100
Loans and notes receivable				63	63
Total assets	\$ 1,658,609	\$ 2,478,602	\$ 2,338	\$ 35,798	\$ 4,175,347
LIABILITIES					
Accounts payable and accrued liabilities	\$ 608	\$ 30,188	\$ 98	\$ 930	\$ 31,824
Intergovernmental payables		4,950	1		4,951
Due to other funds	34	2,138	2	95	2,269
Due to component units				30	30
Deferred revenues		3,205			3,205
Other liabilities			4,016	794	4,810
Total liabilities	642	40,481	4,117	1,849	47,089
FUND BALANCES (DEFICITS)					
Reserved for:					
Encumbrances				18	18
Unemployment compensation benefits		2,438,121			2,438,121
Loans and notes receivable				63	63
Other				1,870	1,870
Unreserved:					
Designated for deferred compensation benefits	1,653,725				1,653,725
Unreserved, undesignated (deficit)	4,242		(1,779)	31,998	34,461
Total fund balances (deficit)	1,657,967	2,438,121	(1,779)	33,949	4,128,258
Total liabilities and fund balances	\$ 1,658,609	\$ 2,478,602	\$ 2,338	\$ 35,798	\$ 4,175,347

State of Illinois

**Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances
Expendable Trust Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Central Management Services	Employment Security	Industrial Commission		
	State Employees Deferred Compensation Plan	Unemployment Compensation Trust	Self-Insurer's Security	Other	Total
REVENUES					
Other taxes		\$ 1,156,161	\$ 651	\$ 47	\$ 1,156,859
Federal government		16,256			16,256
Licenses and fees	\$ 1,471			5,675	7,146
Interest and other investment income	136,323	134,694	163	732	271,912
Other	129,159	54		13,121	142,334
Total revenues	266,953	1,307,165	814	19,575	1,594,507
EXPENDITURES					
Current:					
Health and social services				347	347
General government	54,602			6,246	60,848
Social assistance		1,179,480	78	353	1,179,911
Public protection and justice			4,245	34	4,279
Natural resources and recreation				358	358
Capital outlays	43			487	530
Total expenditures	54,645	1,179,480	4,323	7,825	1,246,273
Excess (deficiency) of revenues over (under) expenditures	212,308	127,685	(3,509)	11,750	348,234
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Operating transfers-in				1,092	1,092
Operating transfers-out	(18)	(11,835)		(34)	(11,887)
Net other sources (uses) of financial resources	(18)	(11,835)		1,058	(10,795)
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	212,290	115,850	(3,509)	12,808	337,439
Fund balances, July 1, 1999	1,445,677	2,322,271	1,730	21,141	3,790,819
FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 1,657,967	\$ 2,438,121	\$ (1,779)	\$ 33,949	\$ 4,128,258

State of Illinois

Combining Statement of Net Assets
Pension Trust Funds

June 30, 2000 (Expressed in Thousands)

	General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System	State Universities Retirement System		Total
					Defined Benefit	Defined Contribution	
ASSETS							
Cash and cash equivalents	\$ 1,638	\$ 7,753	\$ 97,638	\$ 3,214	\$ 491,176		\$ 601,419
Investments	68,917	414,758	8,786,654	26,775,854	12,840,662	\$ 71,788	48,958,633
Other receivables, net	10	426	10,015	488,215	656,750	1,624	1,157,040
Due from other funds		51	17,905		70		18,026
Due from component units					1,798		1,798
Property, plant & equipment, net	4	7	3,355	3,420	15,572		22,358
TOTAL ASSETS	\$ 70,569	\$ 422,995	\$ 8,915,567	\$ 27,270,703	\$ 14,006,028	\$ 73,412	\$ 50,759,274
LIABILITIES							
Accounts payable and accrued liabilities	\$ 47	\$ 53	\$ 4,591	\$ 836,907	\$ 15,454		\$ 857,052
Due to other funds	51	8	75	65	24		223
Other liabilities				1,952,318	1,906,548		3,858,866
Revenue bonds payable					20,052		20,052
Total liabilities	98	61	4,666	2,789,290	1,942,078		4,736,193
FUND BALANCES							
Reserved for employees' pension benefits	70,471	422,934	8,910,901	24,481,413	12,063,950	\$ 73,412	46,023,081
Total fund balances	70,471	422,934	8,910,901	24,481,413	12,063,950	73,412	46,023,081
Total liabilities and fund balances	\$ 70,569	\$ 422,995	\$ 8,915,567	\$ 27,270,703	\$ 14,006,028	\$ 73,412	\$ 50,759,274

State of Illinois

Combining Statement of Changes in Net Assets
Pension Trust Fund

For the Year Ended June 30, 2000 (Expressed in Thousands)

	General Assembly Retirement System	Judges' Retirement System	State Employees' Retirement System	Teachers' Retirement System	State Universities Retirement System		Total
					Defined Benefit	Defined Contribution	
ADDITIONS							
Contributions:							
Employer	\$ 3,951	\$ 21,412	\$ 340,873	\$ 688,586	\$ 241,111	\$ 14,728	\$ 1,310,661
Plan members	1,317	12,005	164,792	619,623	222,459	15,554	1,035,750
Other				42,011			42,011
Total contributions	5,268	33,417	505,665	1,350,220	463,570	30,282	2,388,422
Interest and other investment income	1,860	10,906	225,205	1,052,085	225,721	370	1,516,147
Net appreciation of investments	5,859	34,879	725,684	1,451,074	1,286,242	6,638	3,510,376
Investment expense	(157)	(937)	(19,626)	(166,942)	(17,633)		(205,295)
Total investment income	7,562	44,848	931,263	2,336,217	1,494,330	7,008	4,821,228
Total additions	12,830	78,265	1,436,928	3,686,437	1,957,900	37,290	7,209,650
DEDUCTIONS							
Benefit payments and refunds	8,939	44,717	505,814	1,431,043	588,669	1,550	2,580,732
Participant's withdrawals, net					48,338		48,338
Interest expense					1,398		1,398
Depreciation	3	4	245	465	1,361		2,078
General and administration	250	372	6,369	11,215	9,541		27,747
Other			32	10			42
Total deductions	9,192	45,093	512,460	1,442,733	649,307	1,550	2,660,335
Net additions	3,638	33,172	924,468	2,243,704	1,308,593	35,740	4,549,315
Fund balances reserved for employees' pension benefits, July 1, 1999	66,833	389,762	7,986,433	22,237,709	10,761,726	31,303	41,473,766
Residual equity transfer					(6,369)	6,369	
FUND BALANCES RESERVED FOR EMPLOYEES' PENSION BENEFITS, JUNE 30, 2000	\$ 70,471	\$ 422,934	\$ 8,910,901	\$ 24,481,413	\$ 12,063,950	\$ 73,412	\$ 46,023,081

State of Illinois

Combining Statement of Net Assets
Investment Trust Funds

June 30, 2000 (Expressed in Thousands)

	<u>Treasurer</u>	<u>Lottery</u>	
	<u>Public</u>		
	<u>Treasurers'</u>	<u>Deferred</u>	
	<u>External</u>	<u>Prize</u>	
	<u>Investment</u>	<u>Winners'</u>	
	<u>Pool</u>	<u>Trust</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 628,988	\$ 1,481	\$ 630,469
Investments	2,380,479	1,311,151	3,691,630
Other receivables, net	240		240
TOTAL ASSETS	\$ 3,009,707	\$ 1,312,632	\$ 4,322,339
LIABILITIES			
Accounts payable and accrued liabilities	\$ 92		\$ 92
Due to other funds	148	\$ 882	1,030
Other liabilities		599	599
Total liabilities	240	1,481	1,721
FUND BALANCES			
Reserved for external investment pool participants	3,009,467	1,311,151	4,320,618
Total fund balances	3,009,467	1,311,151	4,320,618
Total liabilities and fund balances	\$ 3,009,707	\$ 1,312,632	\$ 4,322,339

State of Illinois

Combining Statement of Changes in Net Assets
Investment Trust Funds

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Treasurer Public Treasurers' External Investment Pool	Lottery Deferred Prize Winners' Trust	Total
ADDITIONS			
Participant's deposits, net	\$ 100,971	\$	100,971
Investment income:			
Interest and other investment income	171,061	\$ 127,402	298,463
Net appreciation (depreciation) of investments		(57,158)	(57,158)
Investment expense	(2,804)		(2,804)
Net investment income	168,257	70,244	238,501
Total additions	269,228	70,244	339,472
DEDUCTIONS			
Participants' withdrawals, net		415,012	415,012
Distributions to pool investors	168,257		168,257
Total deductions	168,257	415,012	583,269
Net additions (deductions)	100,971	(344,768)	(243,797)
Fund balances reserved for external investment pool participants, July 1, 1999	2,908,496	1,655,919	4,564,415
FUND BALANCES RESERVED FOR EXTERNAL INVESTMENT POOL PARTICIPANTS, JUNE 30, 2000	\$ 3,009,467	\$ 1,311,151	\$ 4,320,618

State of Illinois

Combining Balance Sheet

Agency Funds

June 30, 2000 (Expressed in Thousands)

	<u>Treasurer</u>		<u>Insurance</u>	<u>Public Aid</u>			
	<u>Protest</u>	<u>Human Services</u>	<u>Security Deposit</u>	<u>Child Support Enforcement Trust</u>	<u>Revenue</u>	<u>Other</u>	<u>Total</u>
ASSETS							
Cash and cash equivalents	\$ 199,409	\$ 64,990			\$ 250,048	\$ 114,821	\$ 629,268
Investments						7,744	7,744
Receivables, net:							
Taxes	4,442				50,779	25,317	80,538
Intergovernmental						1,526	1,526
Other		115,227		\$ 293,564	432	13,205	422,428
Due from other funds				8,461	22,350	19,390	50,201
Due from component units						96	96
Other assets			\$ 1,227,916			20,006	1,247,922
Total assets	\$ 203,851	\$ 180,217	\$ 1,227,916	\$ 302,025	\$ 323,609	\$ 202,105	\$ 2,439,723
LIABILITIES							
Accounts payable and accrued liabilities				\$ 2,170	\$ 826	\$ 17,464	\$ 20,460
Intergovernmental payables		\$ 46,535			212,330	83,477	342,342
Due to other funds	\$ 1,043	52,656			249	54,957	108,905
Other liabilities	202,808	81,026	\$ 1,227,916	299,855	110,204	46,207	1,968,016
Total liabilities	\$ 203,851	\$ 180,217	\$ 1,227,916	\$ 302,025	\$ 323,609	\$ 202,105	\$ 2,439,723

State of Illinois

Combining Balance Sheet - Agency Funds

Human Services

June 30, 2000 (Expressed in Thousands)

	Public Assistance Recoveries Trust	DHS Recoveries Trust	Total
ASSETS			
Cash and cash equivalents	\$ 57,959	\$ 7,031	\$ 64,990
Other assets	76,489	38,738	115,227
Total assets	\$ 134,448	\$ 45,769	\$ 180,217
LIABILITIES			
Intergovernmental payables	\$ 24,295	\$ 22,240	\$ 46,535
Due to other funds	29,653	23,003	52,656
Other liabilities	80,500	526	81,026
Total liabilities	\$ 134,448	\$ 45,769	\$ 180,217

State of Illinois

Combining Balance Sheet - Agency Funds
Revenue

June 30, 2000 (Expressed in Thousands)

	Home Rule Municipal Retailers Occupation Tax	Metropolitan Pier and Exposition Authority Trust	RTA Sales Tax Trust	Surety Bond	Total
ASSETS					
Cash and cash equivalents	\$ 40,766	\$ 45,718	\$ 53,360	\$ 110,204	\$ 250,048
Receivables, net:					
Taxes	18,500	7,745	24,534		50,779
Other	100	184	148		432
Due from other funds			22,350		22,350
Total assets	\$ 59,366	\$ 53,647	\$ 100,392	\$ 110,204	\$ 323,609
LIABILITIES					
Accounts payable and accrued liabilities	\$ 802	\$ 24			\$ 826
Intergovernmental payables	58,562	53,376	\$ 100,392		212,330
Due to other funds	2	247			249
Other liabilities				\$ 110,204	110,204
Total liabilities	\$ 59,366	\$ 53,647	\$ 100,392	\$ 110,204	\$ 323,609

State of Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

For the Year Ended June 30, 2000 (Expressed in Thousands)

AGENCY/FUND	Assets						
	Cash and Cash Equivalents	Investments	Receivables			Due from Other Funds	Due From Component Units
			Taxes	Intergovernmental	Other		
Treasurer:							
Protest							
Balance July 1, 1999	\$ 205,918		\$ 791				
Additions	23,849		4,442				
Deductions	30,358		791				
Balance June 30, 2000	<u>199,409</u>		<u>4,442</u>				
Human Services:							
Public Assistance Recoveries Trust							
Balance July 1, 1999	59,138				\$ 41,954		
Additions	22,840				223,312		
Deductions	16,988				150,039		
Balance June 30, 2000	<u>64,990</u>				<u>115,227</u>		
Insurance:							
Security Deposit							
Balance July 1, 1999							
Additions							
Deductions							
Balance June 30, 2000							
Public Aid							
Child Support Enforcement Trust							
Balance July 1, 1999					253,318		
Additions					323,722	\$ 8,461	
Deductions					283,476		
Balance June 30, 2000					<u>293,564</u>	<u>8,461</u>	
Revenue:							
Home Rule Municipal Retailer							
Occupation Tax							
Balance July 1, 1999	35,350		18,749		76		
Additions	389,081		18,500		100		
Deductions	383,665		18,749		76		
Balance June 30, 2000	<u>40,766</u>		<u>18,500</u>		<u>100</u>		
Metropolitan Pier and Exposition Authority Trust							
Balance July 1, 1999	45,435		6,985		144		
Additions	89,425		7,745		184		
Deductions	89,142		6,985		144		
Balance June 30, 2000	<u>45,718</u>		<u>7,745</u>		<u>184</u>		
RTA Sales Tax Trust							
Balance July 1, 1999	50,770		25,423		121	21,765	
Additions	608,942		24,534		148	22,350	
Deductions	606,352		25,423		121	21,765	
Balance June 30, 2000	<u>53,360</u>		<u>24,534</u>		<u>148</u>	<u>22,350</u>	
Other:							
Balance July 1, 1999	139,649		24,629	\$ 1,579	10,382	4,791	\$ 115
Additions	2,339,663	\$ 7,744	25,317	1,526	13,198	19,390	96
Deductions	2,254,287		24,629	1,579	10,375	4,791	115
Balance June 30, 2000	<u>225,025</u>	<u>7,744</u>	<u>25,317</u>	<u>1,526</u>	<u>13,205</u>	<u>19,390</u>	<u>96</u>
Total-All Agency Funds:							
Balance July 1, 1999	536,260		76,577	1,579	305,995	26,556	115
Additions	3,473,800	7,744	80,538	1,526	560,664	50,201	96
Deductions	3,380,792		76,577	1,579	444,231	26,556	115
Balance June 30, 2000	<u>\$ 629,268</u>	<u>\$ 7,744</u>	<u>\$ 80,538</u>	<u>\$ 1,526</u>	<u>\$ 422,428</u>	<u>\$ 50,201</u>	<u>\$ 96</u>

		Liabilities				
Other Assets	Total Assets	Accounts Payable and Accrued Liabilities	Intergovernmental Payables	Due To Other Funds	Depository and Other Liabilities	Total Liabilities
	\$ 206,709			\$ 366	\$ 206,343	\$ 206,709
	28,291			1,043	28,291	29,334
	31,149			366	31,826	32,192
	<u>203,851</u>			<u>1,043</u>	<u>202,808</u>	<u>203,851</u>
	101,092		\$ 44,996	40,244	15,852	101,092
	246,152		134,965	124,022	103,977	362,964
	167,027		133,426	111,610	38,803	283,839
	<u>180,217</u>		<u>46,535</u>	<u>52,656</u>	<u>81,026</u>	<u>180,217</u>
\$ 1,218,381	1,218,381				1,218,381	1,218,381
412,634	412,634				412,634	412,634
403,099	403,099				403,099	403,099
<u>1,227,916</u>	<u>1,227,916</u>				<u>1,227,916</u>	<u>1,227,916</u>
	253,318				253,318	253,318
	332,183	\$ 2,170			299,855	302,025
	283,476				253,318	253,318
	<u>302,025</u>	<u>2,170</u>			<u>299,855</u>	<u>302,025</u>
	54,175	622	53,551	2		54,175
	407,681	802	58,562	2		59,366
	402,490	622	53,551	2		54,175
	<u>59,366</u>	<u>802</u>	<u>58,562</u>	<u>2</u>		<u>59,366</u>
	52,564	11	52,317	236		52,564
	97,354	24	53,376	247		53,647
	96,271	11	52,317	236		52,564
	<u>53,647</u>	<u>24</u>	<u>53,376</u>	<u>247</u>		<u>53,647</u>
	98,079		98,079			98,079
	655,974		100,392			100,392
	653,661		98,079			98,079
	<u>100,392</u>		<u>100,392</u>			<u>100,392</u>
19,875	201,020	14,741	85,799	41,885	58,595	201,020
5,742	2,412,676	193,770	645,457	417,703	663,117	1,920,047
5,611	2,301,387	191,047	647,779	404,631	565,301	1,808,758
<u>20,006</u>	<u>312,309</u>	<u>17,464</u>	<u>83,477</u>	<u>54,957</u>	<u>156,411</u>	<u>312,309</u>
1,238,256	2,185,338	15,374	334,742	82,733	1,752,489	2,185,338
418,376	4,592,945	196,766	992,752	543,017	1,507,874	3,240,409
408,710	4,338,560	191,680	985,152	516,845	1,292,347	2,986,024
<u>\$ 1,247,922</u>	<u>\$ 2,439,723</u>	<u>\$ 20,460</u>	<u>\$ 342,342</u>	<u>\$ 108,905</u>	<u>\$ 1,968,016</u>	<u>\$ 2,439,723</u>

*State of Illinois***Schedule of Changes in General Fixed Assets**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Balance July 1, 1999	Additions	(Deletions)/ Net Transfers	Balance June 30, 2000
Land and land improvements	\$ 640,841	\$ 29,157	\$ 3,620	\$ 673,618
Buildings and building improvements	3,245,469	75,784	50,472	3,371,725
Equipment	1,406,020	221,987	(143,211)	1,484,796
Construction in progress	55,646	290,242	(129,377)	216,511
Total	\$ 5,347,976	\$ 617,170	\$ (218,496)	\$ 5,746,650

*State of Illinois***Schedule of Changes in General Fixed Assets****By Function**

For the Year Ended June 30, 2000 (Expressed in Thousands)

Function	Balance July 1, 1999	Additions	(Deletions)/ Net Transfers	Balance June 30, 2000
General Government:				
Legislative	\$ 20,701	\$ 3,165	\$ (3,282)	\$ 20,584
Elected officials	392,298	17,168	(1,931)	407,535
Departments and agencies	551,652	11,429	(19,340)	543,741
Total general government	964,651	31,762	(24,553)	971,860
Health and social services	1,007,085	57,402	(20,244)	1,044,243
Public protection and justice	1,784,713	72,571	2,233	1,859,517
Natural resources and recreation	884,216	46,409	(8,094)	922,531
Transportation	461,976	80,554	(18,720)	523,810
Social assistance	80,802	23,029	(18,965)	84,866
Education	108,887	15,201	(776)	123,312
Construction in progress	55,646	290,242	(129,377)	216,511
Total general fixed assets	\$ 5,347,976	\$ 617,170	\$ (218,496)	\$ 5,746,650

Schedule of General Fixed Assets By Function

June 30, 2000 (Expressed in Thousands)

Function	Total	Land and Land Improvements	Buildings and Building Improvements	Equipment
General Government:				
Legislative	\$ 20,584		\$ 33	\$ 20,551
Elected officials	407,535	\$ 6,956	316,108	84,471
Departments and agencies	543,741	21,105	454,142	68,494
Total general government	971,860	28,061	770,283	173,516
Health and social services	1,038,704	80,838	706,641	251,225
Public protection and justice	1,859,517	122,758	1,355,003	381,756
Natural resources and recreation	922,531	427,396	330,737	164,398
Transportation	523,810	10,695	140,415	372,700
Social assistance	84,866	-	-	84,866
Education	123,312	3,870	63,107	56,335
Total general fixed assets allocated to functions	5,524,600	673,618	3,366,186	1,484,796
Construction in progress	222,050			
Total general fixed assets	<u>\$ 5,746,650</u>			

Schedule of Changes in General Long-Term Obligations

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Accrued Retirement Costs	General Obligation Bonds	Special Obligation Bonds	Other Long-Term Obligations	Total
BALANCES JULY 1, 1999	\$ 12,115,695	\$ 6,126,444	\$ 1,827,664	\$ 1,555,926	\$ 21,625,729
Compensated absences earned				284,272	284,272
Increase in workers' compensation liability				(1,943)	(1,943)
Debt issues		860,000	125,000	593,130	1,578,130
Increase in lease and installment purchase obligations				73,859	73,859
Compensated absences taken				(281,786)	(281,786)
Increase in accreted value of capital appreciation bonds		111,627	10,085		121,712
Principal retirements and terminations		(498,627)	(79,406)	(396,341)	(974,374)
Excess of annual pension cost ("APC") over employer contributions from governmental fund types	797,403				797,403
Other				18,363	18,363
BALANCES JUNE 30, 2000	\$ 12,913,098	\$ 6,599,444	\$ 1,883,343	\$ 1,845,480	\$ 23,241,365

SIGNIFICANT COMPONENT UNITS DESCRIPTIONS

GOVERNMENTAL:

Illinois Distance Learning Foundation--to account for funding of the Illinois Distance Learning Foundation. The purpose of the foundation is to promote communication and information technology rural school districts.

Illinois Literacy Foundation--to account for supplemental funds raised from the private sector to promote the Illinois Literacy Foundation.

Illinois Grain Insurance Corporation--to account for monies held to compensate grain producers for losses from the failure of a grain dealer.

Illinois Conservation Foundation--to provide additional funding for the Illinois Department of Natural Resources' conservation programs that either are not receiving adequate State funding or else cannot be implemented because State funding is not available.

East St. Louis Financial Advisory Authority--to provide a secure financial basis for and to furnish assistance to the City of East St. Louis.

East St. Louis Development Authority--to provide funding for development in the City of East St. Louis.

Illinois Development Finance Authority--to provide funding for industrial, commercial, and manufacturing development in areas of Illinois with critical unemployment.

Illinois Housing Development Authority--to make loans and issue notes and bonds for the acquisition, construction, and rehabilitation of housing and to make loans to encourage home ownership.

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.

PROPRIETARY:

Community Development Finance Corporation--to promote economic redevelopment within designated areas.

The Comprehensive Health Insurance Board--to provide an alternate market for health insurance for eligible Illinois residents having a preexisting health condition.

Illinois Farm Development Authority--to develop various programs designed to maintain and promote the agricultural economy of the State.

Illinois Health Facilities Authority--to provide alternative methods of financing to not-for-profit and public health care providers.

Illinois Educational Facilities Authority--to provide tax exempt financing for the acquisition or construction of educational facilities.

Illinois Development Finance Authority--to provide funding for industrial, commercial, and manufacturing development in areas of Illinois with critical unemployment.

Illinois Housing Development Authority--to make loans and issue notes and bonds for the acquisition, construction, and rehabilitation of housing and to make loans to encourage home ownership.

Illinois Rural Bond Bank--to provide assistance to rural government units by providing adequate capital markets and facilities for borrowing money and financing improvements at low interest rates.

Illinois State Toll Highway Authority--to operate 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.

Quad Cities Regional Economic Development--to provide funding for development in the Quad cities region.

Southwestern Illinois Development Authority--to promote and enhance economic development in the 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.

UNIVERSITY:

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.

Board of Trustees of Illinois State University--to operate, manage, control, and maintain Illinois State University. The Board was created on January 1, 1996 with the dissolution of the Board of Regents.

Board of Trustees of Northern Illinois University--to operate, manage, control, and maintain Northern Illinois University. The Board was created on January 1, 1996 with the dissolution of the Board of Regents.

Board of Trustees of Southern Illinois University--to operate, manage, control, and maintain Southern Illinois University. The Board was created on July 1, 1949. Southern Illinois University consists of campuses at Carbondale and Edwardsville. In addition, the University operates a medical school.

Board of Trustees of University of Illinois--to manage the University of Illinois. The Board is a separately elected body created by law on July 1, 1876. The University of Illinois consists of campuses at Champaign-Urbana, Springfield, and Chicago. In addition, the University operates a medical school.

State of Illinois

Combining Balance Sheet - Component Units

All Fund Types and Account Groups

June 30, 2000 (Expressed in Thousands)

	Governmental Fund Types	Proprietary Fund Types	University Funds					
			Chicago State University	Eastern Illinois University	Governors State University	Northeastern Illinois University	Western Illinois University	
ASSETS								
Assets:								
Cash and cash equivalents	\$ 55,747	\$ 379,572	\$ 7,554	\$ 41,416	\$ 6,797	\$ 19,366	\$ 27,789	
Investments	33,647	784,888	4,571	35,862	893		30,812	
Receivables, net:								
Intergovernmental	6,780				203	2,161		
Other	348	33,624	2,930	10,146	3,208	1,697	5,319	
Due from other funds	100	4,956	271				386	
Due from primary government	30		916	453	2,519	79	142	
Inventories	9		69	1,686	33	149	2,727	
Prepaid expenses		4,057		764			1,569	
Loans and notes receivable, short-term	142,741	1,730,857	594	4,742	3,029	1,895	1,845	
Restricted assets (\$25,672 cash equivalents)		282,215						
Property, plant & equipment, net	21,710	1,901,198	122,755	189,150	76,134	131,598	253,980	
Other assets	10	76,748		662	1,157	345		
Total assets	\$ 261,122	\$ 5,198,115	\$ 139,660	\$ 284,881	\$ 93,973	\$ 158,859	\$ 323,000	
LIABILITIES, EQUITY AND OTHER CREDITS								
Liabilities:								
Account payable and accrued liabilities	\$ 4,821	\$ 216,026	\$ 17,012	\$ 28,554	\$ 10,747	\$ 15,428	\$ 28,558	
Intergovernmental payables		1,626						
Due to other funds	1,133	3,875	271		705		175	
Due to primary government		42		39	497	171	168	
Deferred revenues	87	3,050	1,578	10,885	1,209	3,303	1,640	
Liabilities payable from restricted assets		26,221			2,964		486	
Other liabilities		167,931	186	1,044		40	797	
Notes payable	3,173	40,081	6,287		511		101	
Revenue bonds payable, net		3,017,909	25,650	46,515		5,830	47,297	
Other obligations	5	77	1,776	9,855		1,908	3,369	
Total liabilities	9,219	3,476,838	52,760	96,892	16,633	26,680	82,591	
Equity and other credits:								
Contributed capital		37,604						
Investment in fixed assets	21,710		90,319	140,306	75,623	127,945	212,406	
Retained earnings:								
Reserved for:								
Revenue bond and note retirement		260,936						
Other		49,835						
Unreserved		1,372,435						
Fund balances (deficits):								
Reserved for:								
Encumbrances	1						1,259	
Long-term portion of:								
Intergovernmental receivables	4,500							
Loans and notes receivable	137,956							
Restricted fund balances			3,512	31,021	5,216	874	21,026	
Endowments and similar funds			1,360	22,987	687	1,044	12,709	
Other	96							
Unreserved:								
Designated, other						357		
Undesignated	87,640	467	(8,291)	(6,325)	(4,186)	1,959	(6,991)	
Total equity and other credits	251,903	1,721,277	86,900	187,989	77,340	132,179	240,409	
Total liabilities, equity and other credits	\$ 261,122	\$ 5,198,115	\$ 139,660	\$ 284,881	\$ 93,973	\$ 158,859	\$ 323,000	

University Funds (continued)

Illinois State University	Northern Illinois University	Southern Illinois University	University of Illinois	Total
\$ 474	\$ 14,246	\$ 70,574	\$ 208,693	\$ 832,228
104,351	93,255	174,614	1,425,682	2,688,575
	1,495	2,220		12,859
6,364	9,292	34,078	115,054	222,060
1,079	2,305	4,062	26,278	39,437
1,020	1,419	15,026	81,582	103,186
2,241	3,712	6,891	26,750	44,267
1,731		7,532	20,588	36,241
9,274	7,619	16,244	58,121	1,976,961
		1,250		283,465
439,206	512,804	807,817	3,581,645	8,037,997
376	8,929	3,190	21,033	112,450
\$ 566,116	\$ 655,076	\$ 1,143,498	\$ 5,565,426	\$ 14,389,726
\$ 36,423	\$ 47,665	\$ 99,886	\$ 342,880	\$ 848,000
	50			1,676
1,079	1,459	3,853	26,887	39,437
276		1,409	20,477	23,079
2,721	6,137	17,653	31,062	79,325
				29,671
367	3,965	536	43,297	218,163
1,200	865	2,493	3,801	58,512
57,485	118,192	132,492	544,111	3,995,481
83	30,653	5,298	230,352	283,376
99,634	208,986	263,620	1,242,867	5,576,720
				37,604
390,281	363,820	694,030	3,078,164	5,194,604
				260,936
				49,835
				1,372,435
			30,098	31,358
				4,500
				137,956
12,714	69,539	108,183	426,053	678,138
25,987	21,269	59,866	817,228	963,137
27,568				27,664
8,313		15,108	12,953	36,731
1,619	(8,538)	2,691	(41,937)	18,108
466,482	446,090	879,878	4,322,559	8,813,006
\$ 566,116	\$ 655,076	\$ 1,143,498	\$ 5,565,426	\$ 14,389,726

State of Illinois

**Combining Balance Sheet
Component Units - Governmental Funds**

June 30, 2000 (Expressed in Thousands)

	Illinois Distance Learning Foundation	Illinois Literacy Foundation	Illinois Grain Insurance Corporation	Illinois Conservation Foundation	East St. Louis Financial Advisory Authority	East St. Louis Development Authority	Development Finance Authority
ASSETS							
Cash and cash equivalents	\$ 40	\$ 67	\$ 4,394	\$ 2,440	\$ 1,074	\$ 2	\$ 200
Investments				120	2,492		
Receivables, net:							
Intergovernmental							4,500
Other			5				
Due from other funds							
Due from primary government			30				
Inventories				9			
Loans and notes receivable					1,454		
Property, plant and equipment							
Other assets				3			
Total assets	\$ 40	\$ 67	\$ 4,429	\$ 2,572	\$ 5,020	\$ 2	\$ 4,700
LIABILITIES							
Accounts payable and accrued liabilities				\$ 40			
Due to other funds							\$ 1
Deferred revenues							
Notes payable, current							
Other liabilities							
Total liabilities				40			1
EQUITY AND OTHER CREDITS							
Investment in fixed assets							
Fund balances:							
Reserved for:							
Encumbrances							
Long-term portion of:							
Intergovernmental receivables							4,500
Loans and notes receivable					\$ 1,088		
Other							
Unreserved, undesignated	\$ 40	\$ 67	\$ 4,429	2,532	3,932	2	199
Total equity and other credits	40	67	4,429	2,532	5,020	2	4,699
Total liabilities, equity and other credits	\$ 40	\$ 67	\$ 4,429	\$ 2,572	\$ 5,020	\$ 2	\$ 4,700

Housing Development Authority	Medical District Commission	Total
\$ 47,294	\$ 236	\$ 55,747
27,862	3,173	33,647
2,280		6,780
223	120	348
	100	100
		30
		9
141,287		142,741
	21,710	21,710
	7	10
\$ 218,946	\$ 25,346	\$ 261,122
\$ 4,750	\$ 31	\$ 4,821
1,082	50	1,133
	87	87
	3,173	3,173
	5	5
5,832	3,346	9,219
	21,710	21,710
1		1
		4,500
136,868		137,956
	96	96
76,245	194	87,640
213,114	22,000	251,903
\$ 218,946	\$ 25,346	\$ 261,122

State of Illinois

Combining Statement of Revenues, Expenditures, Other Sources and Uses of
Financial Resources and Changes in Fund Balances
Component Units - Governmental Funds

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Illinois Distance Learning Foundation	Illinois Literacy Foundation	Illinois Grain Insurance Corporation	Illinois Conservation Foundation	East St. Louis Financial Advisory Authority	East St. Louis Development Authority
REVENUES						
Other taxes						
Federal government				\$ 941		
Licenses and fees						
Interest and other investment income	\$ 2		\$ 224	129	\$ 189	
Other		\$ 31	318	1,723	71	
Total revenues	2	31	542	2,793	260	
EXPENDITURES						
Current:						
Health and social services						
Education	10					
General government		4			9	
Natural resources and recreation				1,969		
Debt service:						
Principal						
Interest						
Capital outlays						
Total expenditures	10	4		1,969	9	
Excess (deficiency) of revenues over (under) expenditures	(8)	27	542	824	251	
OTHER SOURCES (USES) OF FINANCIAL RESOURCES						
Operating transfers-out						
Operating transfers to primary government						
Net other sources (uses) of financial resources						
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	(8)	27	542	824	251	
Fund balances, July 1, 1999	48	40	3,887	1,708	4,769	\$ 2
FUND BALANCES, JUNE 30, 2000	\$ 40	\$ 67	\$ 4,429	\$ 2,532	\$ 5,020	\$ 2

Development Finance Authority	Housing Development Authority	Medical District Commission	Total
	\$ 28,859		\$ 28,859
	11,807		12,748
	34		34
	2,281	\$ 10	2,835
	3,761	1,641	7,545
	46,742	1,651	52,021
		1,272	1,272
			10
	15,239		15,252
			1,969
		96	96
		190	190
		33	33
	15,239	1,591	18,822
	31,503	60	33,199
	(8,052)		(8,052)
	(1)		(1)
	(8,053)		(8,053)
	23,450	60	25,146
\$ 4,699	189,664	230	205,047
\$ 4,699	\$ 213,114	\$ 290	\$ 230,193

State of Illinois

Combining Balance Sheet
Component Units - Proprietary Funds

June 30, 2000 (Expressed in Thousands)

	Community Development Finance Corporation	Comprehensive Health Insurance Board	Farm Development Authority	Health Facilities Authority	Educational Facilities Authority	Development Finance Authority	Housing Development Authority
ASSETS							
Cash and cash equivalents	\$ 7	\$ 23,447	\$ 15,027	\$ 4,917	\$ 288	\$ 23,870	\$ 16,997
Investments, short-term		58,913	1,092	2,842	522	33	379,041
Other receivables		867	542	568	42	117	19,580
Due from other funds						3,874	1,082
Prepaid expenses		3		24	3	5	
Loans and notes receivable, current						2,684	37,658
Restricted assets (\$25,672 cash equivalents)						373	22,285
Total current assets	7	83,230	16,661	8,351	855	30,956	476,643
Investments			1,394			3,603	276,948
Loans and notes receivable						4,240	1,594,103
Restricted assets						2,708	121,183
Property, plant & equipment, net		118	33	31		5	534
Other assets				3			68,342
Total assets	\$ 7	\$ 83,348	\$ 18,088	\$ 8,385	\$ 855	\$ 41,512	\$ 2,537,753
LIABILITIES							
Accounts payable and accrued liabilities		\$ 8,251	\$ 113	\$ 57	\$ 89	\$ 662	\$ 94,959
Intergovernmental payables						1,570	
Due to other funds						3,873	2
Due to primary government		13	2				
Deferred revenues				42			
Liabilities payable from restricted assets							
Revenue bonds payable, current							99,436
Other liabilities		25,174					137,305
Total current liabilities		33,438	115	99	89	6,105	331,702
Notes payable							
Revenue bonds payable							1,954,834
Other obligations							
Total liabilities		33,438	115	99	89	6,105	2,286,536
FUND EQUITY							
Contributed capital			16,312			18,508	
Retained earnings:							
Reserved for:							
Revenue bond and note retirement							149,100
Other		49,910		(1,150)			
Unreserved	\$ 7		1,661	9,436	766	16,899	102,117
Undesignated							
Total fund equity	7	49,910	17,973	8,286	766	35,407	251,217
Total liabilities and fund equity	\$ 7	\$ 83,348	\$ 18,088	\$ 8,385	\$ 855	\$ 41,512	\$ 2,537,753

* Information as of December 31, 1999.

Rural Bond Bank	State Toll Highway Authority*	Quad Cities Regional Economic Development	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority	Total
\$ 1,408	\$ 291,405	\$ 164	\$ 1,814	\$ 228	\$ 379,572
37,521			191		480,155
1,774	9,631	99	404		33,624
	4,022				4,956
			532		4,057
	62,595		446		40,874
40,703	367,653	263	3,387	228	85,699
					1,028,937
2,000	20,788				304,733
91,640					1,689,983
7,957	64,668				196,516
38	1,899,842		597		1,901,198
	5,373		3,030		76,748
\$ 142,338	\$ 2,358,324	\$ 263	\$ 7,014	\$ 228	\$ 5,198,115
\$ 54	\$ 111,831		\$ 10		\$ 216,026
56					1,626
					3,875
27					42
	3,008				3,050
	26,221				26,221
5,120	33,580				138,136
2,476			2,976		167,931
7,733	174,640		2,986		556,907
40,000			81		40,081
90,540	834,399				2,879,773
		\$ 77			77
138,273	1,009,039	77	3,067		3,476,838
2,784					37,604
45,797	66,039				260,936
	884		191		49,835
(44,516)	1,282,362	186	3,289	\$ 228	1,372,435
			467		467
4,065	1,349,285	186	3,947	228	1,721,277
\$ 142,338	\$ 2,358,324	\$ 263	\$ 7,014	\$ 228	\$ 5,198,115

State of Illinois

**Combining Statement of Revenues, Expenses and
Changes in Retained Earnings
Component Units - Proprietary Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Community Development Finance Corporation	Comprehensive Health Insurance Board	Farm Development Authority	Health Facilities Authority	Educational Facilities Authority	Development Finance Authority
OPERATING REVENUES						
Charges for sales and services		\$ 30,664	\$ 550	\$ 1,491	\$ 367	\$ 2,233
Interest and other investment income			609			505
Other						
Total operating revenues		30,664	1,159	1,491	367	2,738
OPERATING EXPENSES						
Cost of sales and services				886		
Benefit payments and refunds		71,367				
Interest						
General and administrative		4,105	98	722	382	3,097
Depreciation		49	14	13		19
Other			1,282			
Total operating expenses		75,521	1,394	1,621	382	3,116
Operating income (loss)		(44,857)	(235)	(130)	(15)	(378)
NONOPERATING REVENUES (EXPENSES)						
Interest and investment income	\$ 1	4,951	169	366	36	1,910
Interest expense						(14)
Other revenues		5,370				
Income (loss) before operating transfers	1	(34,536)	(66)	236	21	1,518
Operating transfers-in						
Operating transfers from primary government		17,324				
Operating transfers to primary government						
Net income (loss)	1	(17,212)	(66)	236	21	1,518
Retained earnings, July 1, 1999	6	67,122	1,727	8,050	745	15,381
RETAINED EARNINGS, JUNE 30, 2000	\$ 7	\$ 49,910	\$ 1,661	\$ 8,286	\$ 766	\$ 16,899

* Information as of December 31, 1999.

Housing Development Authority	Rural Bond Bank	State Toll Highway Authority*	Quad Cities Regional Economic Development	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority	Total
\$ 8,025		\$ 342,681		\$ 616	\$ 210	\$ 386,837
111,187	\$ 6,677			54	6	119,038
175,334	323		\$ 66			175,723
294,546	7,000	342,681	66	670	216	681,598
		100,068			87	101,041
	6,205					71,367
186,199	557	46,657	56	391	41	242,305
179	8	131,846		26		132,154
	139					1,421
186,378	6,909	278,571	56	417	128	554,493
108,168	91	64,110	10	253	88	127,105
35,048		14,893	11	71		57,456
(132,511)		(48,393)		(5)		(180,923)
		408		68		5,846
10,705	91	31,018	21	387	88	9,484
8,052						8,052
						17,324
	(14)	(156)				(170)
18,757	77	30,862	21	387	88	34,690
232,460	1,204	1,318,423	165	3,560	140	1,648,983
\$ 251,217	\$ 1,281	\$ 1,349,285	\$ 186	\$ 3,947	\$ 228	\$ 1,683,673

State of Illinois

**Combining Statement of Cash Flows
Component Units - Proprietary Funds**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Community Development Finance Corporation	Comprehensive Health Insurance Board	Farm Development Authority	Health Facilities Authority	Educational Facilities Authority	Development Finance Authority
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from sales and services		\$ 30,721	\$ 716	\$ 1,462	\$ 344	\$ 2,185
Cash payments to suppliers for goods and services		(63,025)		(1,144)		
Cash payments to employees for services			(76)	(452)		
Cash receipts from other operating activities			587	1		668
Cash payments for other operating activities			(1,268)	(12)	(363)	(3,305)
Net cash provided (used) by operating activities		(32,304)	(41)	(145)	(19)	(452)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from sales of revenue bonds and other borrowing						
Principal paid on revenue bonds and other borrowing						(14)
Interest paid on revenue bonds and other borrowing						
Operating transfers-in from other funds						
Operating transfers from primary government		17,324	4,080			
Operating transfers to primary government						
Other noncapital financing activities		5,370				
Net cash provided (used) by noncapital financing activities		22,694	4,080			(14)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets		(68)		(16)		(5)
Principal paid on bond maturities and equipment contracts						
Interest paid on bond maturities and equipment contracts						
Proceeds from sale of equipment						22
Other capital and related financing activities						
Net cash provided (used) in capital and related financing activities		(68)		(16)		17
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investment securities		(30,323)	(293)		(512)	(2,100)
Proceeds from sales and maturities of investment securities		39,750		2,997	637	1,812
Interest and dividends on investments	\$ 1	5,199	169	452	6	1,914
Net cash provided (used) by investing activities	1	14,626	(124)	3,449	131	1,626
Net increase (decrease) in cash and cash equivalents	1	4,948	3,915	3,288	112	1,177
Cash and cash equivalents, July 1, 1999	6	18,499	11,112	1,629	176	22,693
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 7	\$ 23,447	\$ 15,027	\$ 4,917	\$ 288	\$ 23,870
Reconciliation of cash and cash equivalents to the balance sheet:						
Total cash and cash equivalents per the balance sheet	\$ 7	\$ 23,447	\$ 15,027	\$ 4,917	\$ 288	\$ 23,870
Add: restricted cash equivalents						
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 7	\$ 23,447	\$ 15,027	\$ 4,917	\$ 288	\$ 23,870
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
OPERATING INCOME (LOSS)		\$ (44,857)	\$ (235)	\$ (130)	\$ (15)	\$ (378)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation		49	14	13		19
Provision for uncollectible accounts			159			(56)
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable		57	(17)	(29)	(24)	173
(Increase) decrease in due from other funds			2			(22)
(Increase) decrease in prepaid expenses				(12)		(5)
Increase (decrease) in accounts payable and accrued liabilities		3,734	37	19	20	(69)
Increase (decrease) in intergovernmental payables						(136)
Increase (decrease) in due to other funds			(2)			22
Increase (decrease) in due to primary government		6	1			
Increase (decrease) in deferred revenues				(7)		
Increase (decrease) in other liabilities		8,707				
Other				1		
Total adjustments		12,553	194	(15)	(4)	(74)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ -	\$ (32,304)	\$ (41)	\$ (145)	\$ (19)	\$ (452)

* Information as of December 31, 1999.

Housing Development Authority	Rural Bond Bank	State Toll Highway Authority*	Quad Cities Regional Economic Development	Southwestern Illinois Development Authority	Upper Illinois River Valley Development Authority	Total
\$ 260,677		\$ 341,388	\$ 83	\$ 599	\$ 216	\$ 638,391
(11,239)		(48,457)	(58)	(418)	(128)	(124,469)
(8,387)		(82,126)				(91,041)
174,667	\$ 7,035			54		183,012
(436,381)	(14,097)			(66)		(455,492)
(20,663)	(7,062)	210,805	25	169	88	150,401
349,260	25,970					375,230
(358,530)	(3,895)					(362,425)
(125,340)			(11)	(15)		(125,380)
8,052						8,052
						21,404
		(156)				(156)
(2,084)						3,286
(128,642)	22,075	(156)	(11)	(15)		(79,989)
(95)	(7)	(197,601)		(386)		(198,178)
		(27,835)				(27,835)
		(48,959)				(48,959)
		1,382				1,404
	(4)			68		64
(95)	(11)	(273,013)		(318)		(273,504)
(1,863,363)	(15,080)	(115,970)				(2,027,641)
1,976,770	1,000	161,993				2,184,959
44,687		19,707	10	71		72,216
158,094	(14,080)	65,730	10	71		229,534
8,694	922	3,366	24	(93)	88	26,442
8,303	486	313,265	140	2,353	140	378,802
\$ 16,997	\$ 1,408	\$ 316,631	\$ 164	\$ 2,260	\$ 228	\$ 405,244
\$ 16,997	\$ 1,408	\$ 291,405	\$ 164	\$ 1,814	\$ 228	\$ 379,572
		25,226		446		25,672
\$ 16,997	\$ 1,408	\$ 316,631	\$ 164	\$ 2,260	\$ 228	\$ 405,244
\$ 108,168	\$ 91	\$ 64,110	\$ 10	\$ 253	\$ 88	\$ 127,105
179	8	131,846		26		132,154
2,100		356				2,559
(143,191)	(1,435)	386	17	(12)		(144,075)
183						163
	3	282		19		287
11,472	(31)	12,893	(2)	18		28,091
	(5,034)					(5,170)
(1)						19
	(1)					6
		906		(5)		894
6,738	185			(130)		15,500
(6,311)	(848)	26				(7,132)
(128,831)	(7,153)	146,695	15	(84)		23,296
\$ (20,663)	\$ (7,062)	\$ 210,805	\$ 25	\$ 169	\$ 88	\$ 150,401

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, 2000 (Expressed in Thousands)

	General Revenue			Special Account		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 7,972,000	\$ 8,242,968	\$ 270,968			
Sales taxes	4,328,000	4,528,002	200,002	\$ 1,442,000	\$ 1,498,857	\$ 56,857
Public utility taxes	892,000	753,600	(138,400)			
Federal government	3,673,000	3,755,824	82,824			
Other	1,658,000	2,027,400	369,400			
Less:						
Refunds	46,065	43,421	(2,644)			
Total revenues	18,476,935	19,264,373	787,438	1,442,000	1,498,857	56,857
EXPENDITURES:						
Current:						
Health and social services	9,459,667	9,386,537	(73,130)			
Education	4,037,972	3,997,847	(40,125)			
General government	1,477,192	1,462,306	(14,886)			
Transportation	79,219	66,740	(12,479)			
Social assistance	230,802	220,329	(10,473)			
Public protection and justice	1,662,596	1,624,115	(38,481)			
Natural resources and recreation	179,400	177,801	(1,599)			
Capital outlays	81,354	59,270	(22,084)			
Total expenditures	17,208,202	16,994,945	(213,257)			
Excess (deficiency) of revenues over (under) expenditures	1,268,733	2,269,428	1,000,695	1,442,000	1,498,857	56,857
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	517,000	649,887	132,887			
Operating transfers-out	(2,825,258)	(2,825,258)	-	#####	#####	-
Total other sources (uses) of financial resources	(2,308,258)	(2,175,371)	132,887	#####	#####	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(1,039,525)	94,057	1,133,582	(56,405)	452	56,857
Budgetary fund balances, July 1, 1999	184,365	184,365	-	68,069	68,069	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (855,160)	\$ 278,422	\$ 1,133,582	\$ 11,664	\$ 68,521	\$ 56,857

Education Assistance			Common School			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 628,000	\$ 651,381	\$ 23,381				\$ 8,600,000	\$ 8,894,349	\$ 294,349
			\$ 108,000	\$ 120,468	\$ 12,468	5,770,000	6,026,859	256,859
						1,000,000	874,068	(125,932)
						3,673,000	3,755,824	82,824
-	227	227	147,000	147,502	502	1,805,000	2,175,129	370,129
						46,065	43,421	(2,644)
628,000	651,608	23,608	255,000	267,970	12,970	20,801,935	21,682,808	880,873
						9,459,667	9,386,537	(73,130)
791,361	790,649	(712)	3,088,971	3,088,963	(8)	7,918,304	7,877,459	(40,845)
						1,477,192	1,462,306	(14,886)
						79,219	66,740	(12,479)
						230,802	220,329	(10,473)
						1,662,596	1,624,115	(38,481)
						179,400	177,801	(1,599)
75	74	(1)				81,429	59,344	(22,085)
791,436	790,723	(713)	3,088,971	3,088,963	(8)	21,088,609	20,874,631	(213,978)
(163,436)	(139,115)	24,321	(2,833,971)	(2,820,993)	12,978	(286,674)	808,177	1,094,851
250,000	330,006	80,006	2,834,000	2,809,883	(24,117)	3,601,000	3,789,776	188,776
(150)	(150)	-	(120)	(120)	-	(4,323,933)	(4,323,933)	-
249,850	329,856	80,006	2,833,880	2,809,763	(24,117)	(722,933)	(534,157)	188,776
86,414	190,741	104,327	(91)	(11,230)	(11,139)	(1,009,607)	274,020	1,283,627
208,026	208,026	-	42,115	42,115	-	502,575	502,575	-
\$ 294,440	\$ 398,767	\$ 104,327	\$ 42,024	\$ 30,885	\$ (11,139)	\$ (507,032)	\$ 776,595	\$ 1,283,627

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, 2000 (Expressed in Thousands)

	Road			Motor Fuel Tax-State		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes				\$ 1,270,146	\$ 1,291,593	\$ 21,447
Federal government	\$ 695,769	\$ 853,656	\$ 157,887	100	-	(100)
Other	538,412	669,367	130,955	-	758	758
Less:						
Refunds	1,309	1,301	(8)	18,000	16,410	(1,590)
Total revenues	1,232,872	1,521,722	288,850	1,252,246	1,275,941	23,695
EXPENDITURES:						
Current:						
General government	157,980	152,815	(5,165)	76,417	66,350	(10,067)
Transportation	1,403,387	1,383,006	(20,381)	9,555	8,717	(838)
Social assistance	2,000	1,507	(493)			
Public protection and justice	52,733	52,732	(1)			
Capital outlays	28,047	27,226	(821)	179	174	(5)
Total expenditures	1,644,147	1,617,286	(26,861)	86,151	75,241	(10,910)
Excess (deficiency) of revenues over (under) expenditures	(411,275)	(95,564)	315,711	1,166,095	1,200,700	34,605
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	437,818	397,902	(39,916)	101,557	82,098	(19,459)
Operating transfers-out	(183,563)	(183,563)	-	#####	(1,293,122)	-
Total other sources (uses) of financial resources	254,255	214,339	(39,916)	#####	(1,211,024)	(19,459)
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(157,020)	118,775	275,795	(25,470)	(10,324)	15,146
Budgetary fund balances (deficits), July 1, 1999	414,824	414,824	-	117,310	117,310	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 257,804	\$ 533,599	\$ 275,795	\$ 91,840	\$ 106,986	\$ 15,146

Grade Crossing Protection			State Construction Account			Motor Fuel Tax-Counties		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 100	\$ -	\$ (100)	\$ 305,144	\$ 423,386	\$ 118,242			
100	-	(100)	305,144	423,386	118,242			
25,541	25,365	(176)	729,795	729,795	-	\$ 200,400	\$ 200,400	-
25,541	25,365	(176)	729,795	729,795	-	200,400	200,400	-
(25,441)	(25,365)	76	(424,651)	(306,409)	118,242	(200,400)	(200,400)	-
18,000	27,000	9,000	291,697	264,626	(27,071)	173,300	200,789	27,489
(1,501)	(1,501)	-	(36)	(36)	-			
16,499	25,499	9,000	291,661	264,590	(27,071)	173,300	200,789	27,489
(8,942)	134	9,076	(132,990)	(41,819)	91,171	(27,100)	389	27,489
39,576	39,576	-	311,314	311,314	-	(16,865)	(16,865)	-
\$ 30,634	\$ 39,710	\$ 9,076	\$ 178,324	\$ 269,495	\$ 91,171	\$ (43,965)	\$ (16,476)	\$ 27,489

(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, 2000 (Expressed in Thousands)

(continued)

	Motor Fuel Tax-Municipalities			Motor Fuel Tax-Township		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes						
Federal government						
Other						
Less:						
Refunds						
Total revenues						
EXPENDITURES:						
Current:						
General government						
Transportation	\$ 281,100	\$ 281,100	\$ -	\$ 91,000	\$ 91,000	\$ -
Social assistance						
Public protection and justice						
Capital outlays						
Total expenditures	281,100	281,100	-	91,000	91,000	-
Excess (deficiency) of revenues over (under) expenditures	(281,100)	(281,100)	-	(91,000)	(91,000)	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	243,100	281,598	38,498	78,700	91,133	12,433
Operating transfers-out						
Total other sources (uses) of financial resources	243,100	281,598	38,498	78,700	91,133	12,433
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(38,000)	498	38,498	(12,300)	133	12,433
Budgetary fund balances (deficits), July 1, 1999	(23,652)	(23,652)	-	(7,655)	(7,655)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (61,652)	\$ (23,154)	\$ 38,498	\$ (19,955)	\$ (7,522)	12,433

Total		
Final Budget	Actual	Variance Over (Under)

\$ 1,270,146	\$ 1,291,593	\$ 21,447
695,869	853,656	157,787
843,656	1,093,511	249,855

19,309	17,711	(1,598)
2,790,362	3,221,049	430,687

234,397	219,165	(15,232)
2,740,778	2,719,383	(21,395)
2,000	1,507	(493)
52,733	52,732	(1)
28,226	27,400	(826)
3,058,134	3,020,187	(37,947)

(267,772)	200,862	468,634
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1,344,172	1,345,146	974
(1,478,222)	(1,478,222)	-
(134,050)	(133,076)	974

(401,822)	67,786	469,608
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834,852	834,852	-
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\$ 433,030	\$ 902,638	\$ 469,608
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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, 2000 (Expressed in Thousands)

	Elected Officials			Code Departments		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes				\$ 1,903,153	\$ 1,903,153	\$ -
Sales taxes				563,101	589,327	26,226
Motor fuel taxes						
Public utility taxes				290,188	280,998	(9,190)
Federal government				1,197,287	1,334,339	137,052
Other	\$ 81,500	\$ 435,299	\$ 353,799	3,077,170	3,331,014	253,844
Less:						
Refunds				1,143,441	1,138,550	(4,891)
Total revenues	81,500	435,299	353,799	5,887,458	6,300,281	412,823
EXPENDITURES:						
Current:						
Health and social services				2,352,905	2,044,395	(308,510)
Education				17,104	17,089	(15)
General government	86,270	84,781	(1,489)	3,827,669	3,740,137	(87,532)
Transportation				246,811	223,920	(22,891)
Social assistance						
Public protection and justice	4,374	3,891	(483)	84,197	47,523	(36,674)
Natural resources and recreation				51,020	49,207	(1,813)
Capital outlays	100	93	(7)	4,825	4,672	(153)
Total expenditures	90,744	88,765	(1,979)	6,584,531	6,126,943	(457,588)
Excess (deficiency) of revenues over (under) expenditures	(9,244)	346,534	355,778	(697,073)	173,338	870,411
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				1,409,035	1,502,896	93,861
Operating transfers-out				(1,744,140)	(1,744,140)	-
Total other sources (uses) of financial resources				(335,105)	(241,244)	93,861
Budgetary funds-nonbudgeted accounts				(128,480)	(128,480)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(9,244)	346,534	355,778	(1,160,658)	(196,386)	964,272
Budgetary fund balances, July 1, 1999 as previously reported	71,638	71,638	-	805,727	805,727	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances, July 1, 1999, as reclassified	71,638	71,638	-	805,727	805,727	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 62,394	\$ 418,172	\$ 355,778	\$ (354,931)	\$ 609,341	\$ 964,272

Agencies, Boards & Commissions			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 16,348	\$ 17,261	\$ 913	\$ 1,903,153	\$ 1,903,153	\$ -
\$ 71,270	\$ 64,690	\$ (6,580)				579,449	606,588	27,139
94,500	108,730	14,230	9,356	11,571	2,215	71,270	64,690	(6,580)
393,612	270,836	(122,776)	92,243	73,294	(18,949)	394,044	401,299	7,255
134,697	163,390	28,693	558,524	613,462	54,938	1,683,142	1,678,469	(4,673)
						3,851,891	4,543,165	691,274
222	44	(178)	3,188	2,709	(479)	1,146,851	1,141,303	(5,548)
693,857	607,602	(86,255)	673,283	712,879	39,596	7,336,098	8,056,061	719,963
			150,758	91,098	(59,660)	2,503,663	2,135,493	(368,170)
418,897	384,933	(33,964)	40,681	24,030	(16,651)	476,682	426,052	(50,630)
86,551	68,002	(18,549)	459,607	267,755	(191,852)	4,460,097	4,160,675	(299,422)
			21,431	21,012	(419)	268,242	244,932	(23,310)
			22,709	21,771	(938)	22,709	21,771	(938)
3,151	2,837	(314)	222,818	186,699	(36,119)	314,540	240,950	(73,590)
267,482	245,527	(21,955)	188,377	138,797	(49,580)	506,879	433,531	(73,348)
310	286	(24)	4,765	4,122	(643)	10,000	9,173	(827)
776,391	701,585	(74,806)	1,111,146	755,284	(355,862)	8,562,812	7,672,577	(890,235)
(82,534)	(93,983)	(11,449)	(437,863)	(42,405)	395,458	(1,226,714)	383,484	1,610,198
56,581	102,761	46,180	167,315	211,080	43,765	1,632,931	1,816,737	183,806
(43,037)	(43,037)	-	(34,665)	(34,665)	-	(1,821,842)	(1,821,842)	-
13,544	59,724	46,180	132,650	176,415	43,765	(188,911)	(5,105)	183,806
			(1,005)	(1,005)	-	(129,485)	(129,485)	-
(68,990)	(34,259)	34,731	(306,218)	133,005	439,223	(1,545,110)	248,894	1,794,004
346,594	346,594	-	440,200	440,200	-	1,664,159	1,664,159	-
			(975)	(975)	-	(975)	(975)	-
346,594	346,594	-	439,225	439,225	-	1,663,184	1,663,184	-
\$ 277,604	\$ 312,335	\$ 34,731	\$ 133,007	\$ 572,230	\$ 439,223	\$ 118,074	\$ 1,912,078	\$ 1,794,004

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 - Elected Officials

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Comptroller			State Treasurer		
	Tobacco Settlement Recovery		Variance Over (Under)	State Pensions		Variance Over (Under)
	Final Budget	Actual		Final Budget	Actual	
REVENUES:						
Other	\$ -	\$ 355,137	\$ 355,137	\$ 81,500	\$ 80,162	\$ (1,338)
Total revenues	-	355,137	355,137	81,500	80,162	(1,338)
EXPENDITURES:						
Current:						
General government				86,270	84,781	(1,489)
Public protection and justice				4,374	3,891	(483)
Capital outlays				100	93	(7)
Total expenditures				90,744	88,765	(1,979)
Excess (deficiency) of revenues over (under) expenditures	-	355,137	355,137	(9,244)	(8,603)	641
Budgetary fund balances, July 1, 1999				71,638	71,638	-
BUDGETARY FUND BALANCES, JUNE 30, 2000	\$ -	\$ 355,137	\$ 355,137	\$ 62,394	\$ 63,035	\$ 641

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 81,500	\$ 435,299	\$ 353,799	
81,500	435,299	353,799	

86,270	84,781	(1,489)
4,374	3,891	(483)
100	93	(7)
90,744	88,765	(1,979)

(9,244)	346,534	355,778
71,638	71,638	-
\$ 62,394	\$ 418,172	\$ 355,778

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, 2000 (Expressed in Thousands)

	Central Management Services			Commerce and Community Affairs		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Public utility taxes				\$ 82,125	\$ 72,935	\$ (9,190)
Federal government	\$ 16,837	\$ 19,399	\$ 2,562			
Other	955,785	1,010,500	54,715	4,344	4,327	(17)
Less:						
Refunds						
Total revenues	972,622	1,029,899	57,277	86,469	77,262	(9,207)
EXPENDITURES:						
Current:						
Health and social services				250	-	(250)
Education				17,104	17,089	(15)
General government	929,860	928,604	(1,256)	237,982	219,433	(18,549)
Transportation				2,763	2,763	-
Public protection and justice				13,429	13,388	(41)
Natural resources and recreation				23,201	23,201	-
Capital outlays				2,987	2,984	(3)
Total expenditures	929,860	928,604	(1,256)	297,716	278,858	(18,858)
Excess (deficiency) of revenues over (under) expenditures	42,762	101,295	58,533	(211,247)	(201,596)	9,651
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				69,701	82,937	13,236
Operating transfers-out	(18)	(18)	-	(38,149)	(38,149)	-
Total other sources (uses) of financial resources	(18)	(18)	-	31,552	44,788	13,236
Budgetary funds-nonbudgeted accounts	(128,480)	(128,480)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(85,736)	(27,203)	58,533	(179,695)	(156,808)	22,887
Budgetary fund balances (deficits), July 1, 1999	(18,413)	(18,413)	-	335,842	335,842	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (104,149)	\$ (45,616)	\$ 58,533	\$ 156,147	\$ 179,034	\$ 22,887

Human Services			Public Aid			Revenue		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 1,903,153	\$ 1,903,153	\$ -
						563,101	589,327	26,226
						208,063	208,063	-
\$ 61,500	\$ 61,188	\$ (312)	\$ 709,146	\$ 778,781	\$ 69,635			
27,722	27,268	(454)	698,389	777,640	79,251	502,104	639,060	136,956
100	7	(93)	4,750	17	(4,733)	1,137,832	1,137,794	(38)
89,122	88,449	(673)	1,402,785	1,556,404	153,619	2,038,589	2,201,809	163,220
100,758	89,864	(10,894)	1,816,125	1,535,459	(280,666)			
						2,273,379	2,272,560	(819)
5	3	(2)				96	36	(60)
100,763	89,867	(10,896)	1,816,125	1,535,459	(280,666)	2,273,475	2,272,596	(879)
(11,641)	(1,418)	10,223	(413,340)	20,945	434,285	(234,886)	(70,787)	164,099
-	1	1	44,700	114,707	70,007	1,052,922	1,052,922	-
(1,290)	(1,290)	-	(96,019)	(96,019)	-	(1,068,443)	(1,068,443)	-
(1,290)	(1,289)	1	(51,319)	18,688	70,007	(15,521)	(15,521)	-
(12,931)	(2,707)	10,224	(464,659)	39,633	504,292	(250,407)	(86,308)	164,099
9,835	9,835	-	14,145	14,145	-	464,287	464,287	-
\$ (3,096)	\$ 7,128	\$ 10,224	\$ (450,514)	\$ 53,778	\$ 504,292	\$ 213,880	\$ 377,979	\$ 164,099

(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, 2000 (Expressed in Thousands)

(continued)

	Transportation			Other Code Departments		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes						
Public utility taxes						
Federal government				\$ 409,804	\$ 474,971	\$ 65,167
Other				888,826	872,219	(16,607)
Less:						
Refunds				759	732	(27)
Total revenues				1,297,871	1,346,458	48,587
EXPENDITURES:						
Current:						
Health and social services				435,772	419,072	(16,700)
Education						
General government				386,448	319,540	(66,908)
Transportation	\$ 244,048	\$ 221,157	\$ (22,891)			
Public protection and justice				70,768	34,135	(36,633)
Natural resources and recreation				27,819	26,006	(1,813)
Capital outlays				1,737	1,649	(88)
Total expenditures	244,048	221,157	(22,891)	922,544	800,402	(122,142)
Excess (deficiency) of revenues over (under) expenditures	(244,048)	(221,157)	22,891	375,327	546,056	170,729
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	230,422	232,155	1,733	11,290	20,174	8,884
Operating transfers-out	(7,291)	(7,291)	-	(532,930)	(532,930)	-
Total other sources (uses) of financial resources	223,131	224,864	1,733	(521,640)	(512,756)	8,884
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(20,917)	3,707	24,624	(146,313)	33,300	179,613
Budgetary fund balances (deficits), July 1, 1999	14,965	14,965	-	(14,934)	(14,934)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (5,952)	\$ 18,672	\$ 24,624	\$ (161,247)	\$ 18,366	\$ 179,613

	Total		
Final Budget	Actual	Variance Over (Under)	

\$ 1,903,153	\$ 1,903,153	\$ -
563,101	589,327	26,226
290,188	280,998	(9,190)
1,197,287	1,334,339	137,052
3,077,170	3,331,014	253,844

1,143,441	1,138,550	(4,891)
5,887,458	6,300,281	412,823

2,352,905	2,044,395	(308,510)
17,104	17,089	(15)
3,827,669	3,740,137	(87,532)
246,811	223,920	(22,891)
84,197	47,523	(36,674)
51,020	49,207	(1,813)
4,825	4,672	(153)

6,584,531	6,126,943	(457,588)
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(697,073)	173,338	870,411
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1,409,035	1,502,896	93,861
(1,744,140)	(1,744,140)	-
(335,105)	(241,244)	93,861

(128,480)	(128,480)	-
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(1,160,658)	(196,386)	964,272
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805,727	805,727	-
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\$ (354,931)	\$ 609,341	\$ 964,272
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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 Central Management Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Employees Deferred Compensation Plan			Health Insurance Reserve		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 16,837	\$ 19,399	\$ 2,562
Other	\$ 130,752	\$ 130,752	\$ -	825,033	879,748	54,715
Total revenues	130,752	130,752	-	841,870	899,147	57,277
EXPENDITURES:						
Current:						
General government	1,857	1,115	(742)	928,003	927,489	(514)
Total expenditures	1,857	1,115	(742)	928,003	927,489	(514)
Excess (deficiency) of revenues over (under) expenditures	128,895	129,637	742	(86,133)	(28,342)	57,791
OTHER (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out	(18)	(18)	-			
Total other (uses) of financial resources	(18)	(18)	-			
Budgetary funds-nonbudgeted accounts	(128,480)	(128,480)	-			
Excess (deficiency) of revenues over (under) expenditures, other (uses) of financial resources and budgetary funds-nonbudgeted accounts	397	1,139	742	(86,133)	(28,342)	57,791
Budgetary fund balances (deficits), July 1, 1999	3,377	3,377	-	(21,790)	(21,790)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 3,774	\$ 4,516	\$ 742	\$ (107,923)	\$ (50,132)	\$ 57,791

Total		
Final Budget	Actual	Variance Over (Under)
\$ 16,837	\$ 19,399	\$ 2,562
955,785	1,010,500	54,715
972,622	1,029,899	57,277

929,860	928,604	(1,256)
929,860	928,604	(1,256)

42,762	101,295	58,533
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(18)	(18)	-
(18)	(18)	-

(128,480)	(128,480)	-
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(85,736)	(27,203)	58,533
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(18,413)	(18,413)	-
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\$ (104,149)	\$ (45,616)	\$ 58,533
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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 Commerce and Community Affairs

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Metropolitan Exposition Auditorium and Office Building			Supplemental Low Income Energy		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Public utility taxes				\$ 82,125	\$ 72,935	\$ (9,190)
Other	\$ 4,323	\$ 4,323	\$ -			
Total revenues	4,323	4,323	-	82,125	72,935	(9,190)
EXPENDITURES:						
Current:						
Health and social services						
Education						
General government				90,000	73,713	(16,287)
Transportation						
Public protection and justice						
Natural resources and recreation						
Capital outlays						
Total expenditures				90,000	73,713	(16,287)
Excess (deficiency) of revenues over (under) expenditures	4,323	4,323	-	(7,875)	(778)	7,097
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	35,057	35,057	-			
Operating transfers-out	(38,129)	(38,129)	-	(9)	(9)	-
Total other sources (uses) of financial resources	(3,072)	(3,072)	-	(9)	(9)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	1,251	1,251	-	(7,884)	(787)	7,097
Budgetary fund balances, July 1, 1999	31,766	31,766	-	9,680	9,680	-
BUDGETARY FUND BALANCES, JUNE 30, 2000	\$ 33,017	\$ 33,017	\$ -	\$ 1,796	\$ 8,893	\$ 7,097

Fund for Illinois' Future			Tourism Promotion			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
			\$ 21	\$ 4	\$ (17)	\$ 82,125	\$ 72,935	\$ (9,190)
			21	4	(17)	4,344	4,327	(17)
			21	4	(17)	86,469	77,262	(9,207)
\$ 250	\$ -	\$ (250)				250	-	(250)
17,104	17,089	(15)				17,104	17,089	(15)
112,425	112,075	(350)	35,557	33,645	(1,912)	237,982	219,433	(18,549)
2,763	2,763	-				2,763	2,763	-
13,429	13,388	(41)				13,429	13,388	(41)
23,201	23,201	-				23,201	23,201	-
2,886	2,886	-	101	98	(3)	2,987	2,984	(3)
172,058	171,402	(656)	35,658	33,743	(1,915)	297,716	278,858	(18,858)
(172,058)	(171,402)	656	(35,637)	(33,739)	1,898	(211,247)	(201,596)	9,651
-	15,000	15,000	34,644	32,880	(1,764)	69,701	82,937	13,236
			(11)	(11)	-	(38,149)	(38,149)	-
-	15,000	15,000	34,633	32,869	(1,764)	31,552	44,788	13,236
(172,058)	(156,402)	15,656	(1,004)	(870)	134	(179,695)	(156,808)	22,887
285,000	285,000	-	9,396	9,396	-	335,842	335,842	-
\$ 112,942	\$ 128,598	\$ 15,656	\$ 8,392	\$ 8,526	\$ 134	\$ 156,147	\$ 179,034	\$ 22,887

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 Human Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Mental Health			Substance Abuse Block Grant		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 61,500	\$ 61,188	\$ (312)
Other	\$ 27,722	\$ 27,268	\$ (454)			
Less:						
Refunds	100	7	(93)			
Total revenues	27,622	27,261	(361)	61,500	61,188	(312)
EXPENDITURES:						
Current:						
Health and social services	31,612	28,798	(2,814)	69,146	61,066	(8,080)
Capital outlays				5	3	(2)
Total expenditures	31,612	28,798	(2,814)	69,151	61,069	(8,082)
Excess (deficiency) of revenues over (under) expenditures	(3,990)	(1,537)	2,453	(7,651)	119	7,770
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	-	1	1			
Operating transfers-out	(1,271)	(1,271)	-	(19)	(19)	-
Total other sources (uses) of financial resources	(1,271)	(1,270)	1	(19)	(19)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(5,261)	(2,807)	2,454	(7,670)	100	7,770
Budgetary fund balances (deficits), July 1, 1999	(369)	(369)	-	10,204	10,204	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (5,630)	\$ (3,176)	\$ 2,454	\$ 2,534	\$ 10,304	\$ 7,770

Total		
Final Budget	Actual	Variance Over (Under)
\$ 61,500	\$ 61,188	\$ (312)
27,722	27,268	(454)
100	7	(93)
89,122	88,449	(673)
100,758	89,864	(10,894)
5	3	(2)
100,763	89,867	(10,896)
(11,641)	(1,418)	10,223
-	1	1
(1,290)	(1,290)	-
(1,290)	(1,289)	1
(12,931)	(2,707)	10,224
9,835	9,835	-
\$ (3,096)	\$ 7,128	\$ 10,224

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 Public Aid

For the Year Ended June 30, 2000 (Expressed in Thousands)

	University of Illinois Hospital Services			County Hospital Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 101,015	\$ 91,332	\$ (9,683)	\$ 439,610	\$ 566,760	\$ 127,150
Other	71,849	66,607	(5,242)	445,236	572,033	126,797
Less:						
Refunds				1,000	-	(1,000)
Total revenues	172,864	157,939	(14,925)	883,846	1,138,793	254,947
EXPENDITURES:						
Current:						
Health and social services	173,400	130,315	(43,085)	1,230,119	1,112,574	(117,545)
Total expenditures	173,400	130,315	(43,085)	1,230,119	1,112,574	(117,545)
Excess (deficiency) of revenues over (under) expenditures	(536)	27,624	28,160	(346,273)	26,219	372,492
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	44,700	44,702	2			
Operating transfers-out	(96,003)	(96,003)	-			
Total other sources (uses) of financial resources	(51,303)	(51,301)	2			
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(51,839)	(23,677)	28,162	(346,273)	26,219	372,492
Budgetary fund balances (deficits), July 1, 1999	25,799	25,799	-	(18,938)	(18,938)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (26,040)	\$ 2,122	\$ 28,162	\$ (365,211)	\$ 7,281	\$ 372,492

Care Provider Fund for Persons with Developmental Disabilities			Long Term Care Provider			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 17,307	\$ 16,151	\$ (1,156)	\$ 151,214	\$ 104,538	\$ (46,676)	\$ 709,146	\$ 778,781	\$ 69,635
17,286	17,265	(21)	164,018	121,735	(42,283)	698,389	777,640	79,251
1,000	9	(991)	2,750	8	(2,742)	4,750	17	(4,733)
33,593	33,407	(186)	312,482	226,265	(86,217)	1,402,785	1,556,404	153,619
36,117	31,130	(4,987)	376,489	261,440	(115,049)	1,816,125	1,535,459	(280,666)
36,117	31,130	(4,987)	376,489	261,440	(115,049)	1,816,125	1,535,459	(280,666)
(2,524)	2,277	4,801	(64,007)	(35,175)	28,832	(413,340)	20,945	434,285
-	1	1	-	70,004	70,004	44,700	114,707	70,007
(10)	(10)	-	(6)	(6)	-	(96,019)	(96,019)	-
(10)	(9)	1	(6)	69,998	70,004	(51,319)	18,688	70,007
(2,534)	2,268	4,802	(64,013)	34,823	98,836	(464,659)	39,633	504,292
2,919	2,919	-	4,365	4,365	-	14,145	14,145	-
\$ 385	\$ 5,187	\$ 4,802	\$ (59,648)	\$ 39,188	\$ 98,836	\$ (450,514)	\$ 53,778	\$ 504,292

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, 2000 (Expressed in Thousands)

	State Gaming			State and Local Sales Tax Reform		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes						
Sales taxes				\$ 183,781	\$ 208,939	\$ 25,158
Public utility taxes						
Other	\$ 338,300	\$ 475,488	\$ 137,188			
Less:						
Refunds	38	-	(38)			
Total revenues	338,262	475,488	137,226	183,781	208,939	25,158
EXPENDITURES:						
Current:						
General government	95,457	94,962	(495)	39,878	39,878	-
Capital outlays	70	10	(60)			
Total expenditures	95,527	94,972	(555)	39,878	39,878	-
Excess (deficiency) of revenues over (under) expenditures	242,735	380,516	137,781	143,903	169,061	25,158
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out	(330,004)	(330,004)	-	(164,300)	(164,300)	-
Total other sources (uses) of financial resources	(330,004)	(330,004)	-	(164,300)	(164,300)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(87,269)	50,512	137,781	(20,397)	4,761	25,158
Budgetary fund balances, July 1, 1999	31,555	31,555	-	32,578	32,578	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (55,714)	\$ 82,067	\$ 137,781	\$ 12,181	\$ 37,339	\$ 25,158

Income Tax Refund			McCormick Place Expansion Project			Local Government Distributive		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 1,072,462	\$ 1,072,462	\$ -				\$ 24,504	\$ 25,572	\$ 1,068
			\$ 74,995	\$ 74,763	\$ (232)			
1,137,794	1,137,794	-						
(65,332)	(65,332)	-	74,995	74,763	(232)	24,504	25,572	1,068
			74,996	74,763	(233)	1,014,086	1,014,086	-
			74,996	74,763	(233)	1,014,086	1,014,086	-
(65,332)	(65,332)	-	(1)	-	1	(989,582)	(988,514)	1,068
						994,121	994,121	-
(94,725)	(94,725)	-				(40)	(40)	-
(94,725)	(94,725)	-				994,081	994,081	-
(160,057)	(160,057)	-	(1)	-	1	4,499	5,567	1,068
194,549	194,549	-				12,541	12,541	-
\$ 34,492	\$ 34,492	\$ -	\$ (1)	\$ -	\$ 1	\$ 17,040	\$ 18,108	\$ 1,068

(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, 2000 (Expressed in Thousands)

(continued)

	Personal Property Tax Replacement			Build Illinois		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Income taxes	\$ 830,691	\$ 830,691	\$ -			
Sales taxes				\$ 354,816	\$ 354,816	\$ -
Public utility taxes	208,063	208,063	-			
Other	3,010	3,010	-	85,799	85,799	-
Less:						
Refunds						
Total revenues	1,041,764	1,041,764	-	440,615	440,615	-
EXPENDITURES:						
Current:						
General government	1,048,962	1,048,871	(91)			
Capital outlays	26	26	-			
Total expenditures	1,048,988	1,048,897	(91)			
Excess (deficiency) of revenues over (under) expenditures	(7,224)	(7,133)	91	440,615	440,615	-
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	20,078	20,078	-	38,723	38,723	-
Operating transfers-out	(36)	(36)	-	(479,338)	(479,338)	-
Total other sources (uses) of financial resources	20,042	20,042	-	(440,615)	(440,615)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	12,818	12,909	91	-	-	-
Budgetary fund balances, July 1, 1999	193,064	193,064	-			
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 205,882	\$ 205,973	\$ 91	\$ -	\$ -	\$ -

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 1,903,153	\$ 1,903,153	\$ -	
563,101	589,327	26,226	
208,063	208,063	-	
502,104	639,060	136,956	
1,137,832	1,137,794	(38)	
2,038,589	2,201,809	163,220	
2,273,379	2,272,560	(819)	
96	36	(60)	
2,273,475	2,272,596	(879)	
(234,886)	(70,787)	164,099	
1,052,922	1,052,922	-	
(1,068,443)	(1,068,443)	-	
(15,521)	(15,521)	-	
(250,407)	(86,308)	164,099	
464,287	464,287	-	
\$ 213,880	\$ 377,979	\$ 164,099	

State of Illinois

**Combining Schedule of Expenditures, Other Sources and Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Special State Funds - Department of Transportation**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Public Transportation			Downstate Public Transportation		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
EXPENDITURES:						
Current:						
Transportation	\$ 209,296	\$ 193,751	\$ (15,545)	\$ 34,752	\$ 27,406	\$ (7,346)
Total expenditures	209,296	193,751	(15,545)	34,752	27,406	(7,346)
(Deficiency) of revenues (under) expenditures	(209,296)	(193,751)	15,545	(34,752)	(27,406)	7,346
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	195,704	197,503	1,799	34,718	34,652	(66)
Operating transfers-out	(11)	(11)	-	(7,280)	(7,280)	-
Total other sources (uses) of financial resources	195,693	197,492	1,799	27,438	27,372	(66)
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(13,603)	3,741	17,344	(7,314)	(34)	7,280
Budgetary fund balances, July 1, 1999	76	76	-	14,889	14,889	-
BUDGETARY FUND BALANCES (DEFICIT), JUNE 30, 2000	\$ (13,527)	\$ 3,817	\$ 17,344	\$ 7,575	\$ 14,855	\$ 7,280

	Total		
Final Budget	Actual	Variance	Over (Under)

\$ 244,048	\$ 221,157	\$ (22,891)	
244,048	221,157	(22,891)	
(244,048)	(221,157)	22,891	

230,422	232,155	1,733	
(7,291)	(7,291)	-	
223,131	224,864	1,733	

(20,917)	3,707	24,624	
14,965	14,965	-	
\$ (5,952)	\$ 18,672	\$ 24,624	

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 - Other Code Departments

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Agriculture			Children and Family Services		
	Agricultural Premium			DCFS Children's Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 394,157	\$ 456,476	\$ 62,319
Other	\$ 18,736	\$ 8,941	\$ (9,795)	11,271	5,711	(5,560)
Less:						
Refunds	1	-	(1)			
Total revenues	18,735	8,941	(9,794)	405,428	462,187	56,759
EXPENDITURES:						
Current:						
Health and social services				435,772	419,072	(16,700)
General government	20,854	20,608	(246)	1,420	1,307	(113)
Public protection and justice	6,568	6,472	(96)			
Natural resources and recreation						
Capital outlays	236	234	(2)			
Total expenditures	27,658	27,314	(344)	437,192	420,379	(16,813)
Excess (deficiency) of revenues over (under) expenditures	(8,923)	(18,373)	(9,450)	(31,764)	41,808	73,572
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	10,290	19,669	9,379			
Operating transfers-out	(50)	(50)	-	(16,135)	(16,135)	-
Total other sources (uses) of financial resources	10,240	19,619	9,379	(16,135)	(16,135)	-
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of financial resources	1,317	1,246	(71)	(47,899)	25,673	73,572
Budgetary fund balances (deficits), July 1, 1999	1,420	1,420	-	(17,898)	(17,898)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 2,737	\$ 2,666	\$ (71)	\$ (65,797)	\$ 7,775	\$ 73,572

Corrections			Lottery			Natural Resources		
Corrections Reimbursements			State Lottery			Wildlife and Fish		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 9,947	\$ 11,862	\$ 1,915				\$ 5,700	\$ 6,633	\$ 933
9,889	18,157	8,268	\$ 825,000	\$ 815,236	\$ (9,764)	23,930	24,174	244
			50	26	(24)	708	706	(2)
19,836	30,019	10,183	824,950	815,210	(9,740)	28,922	30,101	1,179
			364,174	297,625	(66,549)			
64,200	27,663	(36,537)				27,819	26,006	(1,813)
			422	411	(11)	1,079	1,004	(75)
64,200	27,663	(36,537)	364,596	298,036	(66,560)	28,898	27,010	(1,888)
(44,364)	2,356	46,720	460,354	517,174	56,820	24	3,091	3,067
			1,000	500	(500)	-	5	5
(24)	(24)	-	(515,295)	(515,295)	-	(1,426)	(1,426)	-
(24)	(24)	-	(514,295)	(514,795)	(500)	(1,426)	(1,421)	5
(44,388)	2,332	46,720	(53,941)	2,379	56,320	(1,402)	1,670	3,072
19,311	19,311	-	(18,806)	(18,806)	-	1,039	1,039	-
\$ (25,077)	\$ 21,643	\$ 46,720	\$ (72,747)	\$ (16,427)	\$ 56,320	\$ (363)	\$ 2,709	\$ 3,072

(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 - Other Code Departments

For the Year Ended June 30, 2000 (Expressed in Thousands)

(continued)

	Total		
	Final Budget	Actual	Variance Over (Under)
REVENUES:			
Federal government	\$ 409,804	\$ 474,971	\$ 65,167
Other	888,826	872,219	(16,607)
Less:			
Refunds	759	732	(27)
Total revenues	1,297,871	1,346,458	48,587
EXPENDITURES:			
Current:			
Health and social services	435,772	419,072	(16,700)
General government	386,448	319,540	(66,908)
Public protection and justice	70,768	34,135	(36,633)
Natural resources and recreation	27,819	26,006	(1,813)
Capital outlays	1,737	1,649	(88)
Total expenditures	922,544	800,402	(122,142)
Excess (deficiency) of revenues over (under) expenditures	375,327	546,056	170,729
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:			
Operating transfers-in	11,290	20,174	8,884
Operating transfers-out	(532,930)	(532,930)	-
Total other sources (uses) of financial resources	(521,640)	(512,756)	8,884
Excess (deficiency) of revenues over (under) expenditures, and other sources (uses) of financial resources	(146,313)	33,300	179,613
Budgetary fund balances (deficits), July 1, 1999	(14,934)	(14,934)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (161,247)	\$ 18,366	\$ 179,613

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 - Agencies, Boards and Commissions

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Environmental Protection Agency			State Board of Education		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes						
Public utility taxes						
Federal government	\$ 168,612	\$ 98,693	\$ (69,919)	\$ 225,000	\$ 172,143	\$ (52,857)
Other	76,301	99,685	23,384	25,000	26,288	1,288
Less:						
Refunds						
Total revenues	244,913	198,378	(46,535)	250,000	198,431	(51,569)
EXPENDITURES:						
Current:						
Education				275,000	241,036	(33,964)
General government	2,208	1,854	(354)			
Public protection and justice						
Natural resources and recreation	209,110	201,546	(7,564)			
Capital outlays	111	111	-			
Total expenditures	211,429	203,511	(7,918)	275,000	241,036	(33,964)
Excess (deficiency) of revenues over (under) expenditures	33,484	(5,133)	(38,617)	(25,000)	(42,605)	(17,605)
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	25,000	25,000	-			
Operating transfers-out	(11)	(11)	-	(6)	(6)	-
Total other sources (uses) of financial resources	24,989	24,989	-	(6)	(6)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	58,473	19,856	(38,617)	(25,006)	(42,611)	(17,605)
Budgetary fund balances, July 1, 1999	151,154	151,154	-	37,725	37,725	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 209,627	\$ 171,010	\$ (38,617)	\$ 12,719	\$ (4,886)	\$ (17,605)

Other Agencies, Boards, and Commissions			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 71,270	\$ 64,690	\$ (6,580)	\$ 71,270	\$ 64,690	\$ (6,580)
94,500	108,730	14,230	94,500	108,730	14,230
			393,612	270,836	(122,776)
33,396	37,417	4,021	134,697	163,390	28,693
222	44	(178)	222	44	(178)
198,944	210,793	11,849	693,857	607,602	(86,255)
143,897	143,897	-	418,897	384,933	(33,964)
84,343	66,148	(18,195)	86,551	68,002	(18,549)
3,151	2,837	(314)	3,151	2,837	(314)
58,372	43,981	(14,391)	267,482	245,527	(21,955)
199	175	(24)	310	286	(24)
289,962	257,038	(32,924)	776,391	701,585	(74,806)
(91,018)	(46,245)	44,773	(82,534)	(93,983)	(11,449)
31,581	77,761	46,180	56,581	102,761	46,180
(43,020)	(43,020)	-	(43,037)	(43,037)	-
(11,439)	34,741	46,180	13,544	59,724	46,180
(102,457)	(11,504)	90,953	(68,990)	(34,259)	34,731
157,715	157,715	-	346,594	346,594	-
\$ 55,258	\$ 146,211	\$ 90,953	\$ 277,604	\$ 312,335	\$ 34,731

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 - Environmental Protection Agency

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Water Pollution Control			Vehicle Inspection		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 168,612	\$ 98,693	\$ (69,919)			
Other	41,300	66,098	24,798	\$ 35,001	\$ 33,587	\$ (1,414)
Total revenues	209,912	164,791	(45,121)	35,001	33,587	(1,414)
EXPENDITURES:						
Current:						
General government				2,208	1,854	(354)
Natural resources and recreation	153,143	151,264	(1,879)	55,967	50,282	(5,685)
Capital outlays				111	111	-
Total expenditures	153,143	151,264	(1,879)	58,286	52,247	(6,039)
Excess (deficiency) of revenues over (under) expenditures						
	56,769	13,527	(43,242)	(23,285)	(18,660)	4,625
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				25,000	25,000	-
Operating transfers-out				(11)	(11)	-
Total other sources (uses) of financial resources				24,989	24,989	-
Excess of revenues over expenditures and other sources (uses) of financial resources						
	56,769	13,527	(43,242)	1,704	6,329	4,625
Budgetary fund balances, July 1, 1999	141,776	141,776	-	9,378	9,378	-
BUDGETARY FUND BALANCES, JUNE 30, 2000	\$ 198,545	\$ 155,303	\$ (43,242)	\$ 11,082	\$ 15,707	\$ 4,625

Total		
Final Budget	Actual	Variance Over (Under)
\$ 168,612	\$ 98,693	\$ (69,919)
76,301	99,685	23,384
244,913	198,378	(46,535)

2,208	1,854	(354)
209,110	201,546	(7,564)
111	111	-
211,429	203,511	(7,918)

33,484	(5,133)	(38,617)
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25,000	25,000	-
(11)	(11)	-
24,989	24,989	-

58,473	19,856	(38,617)
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151,154	151,154	-
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\$ 209,627	\$ 171,010	\$ (38,617)
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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 - State Board of Education

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Special Education Medicaid Matching			School Technology Revolving Loan		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 225,000	\$ 172,143	\$ (52,857)			
Other				\$ 25,000	\$ 26,288	\$ 1,288
Total revenues	225,000	172,143	(52,857)	25,000	26,288	1,288
EXPENDITURES:						
Current:						
Education	225,000	224,925	(75)	50,000	16,111	(33,889)
Total expenditures	225,000	224,925	(75)	50,000	16,111	(33,889)
Excess (deficiency) of revenues over (under) expenditures	-	(52,782)	(52,782)	(25,000)	10,177	35,177
OTHER (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out	(6)	(6)	-			
Total other (uses) of financial resources	(6)	(6)	-			
Excess (deficiency) of revenues over (under) expenditures and other (uses) of financial resources	(6)	(52,788)	(52,782)	(25,000)	10,177	35,177
Budgetary fund balances, July 1, 1999	17,464	17,464	-	20,261	20,261	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 17,458	\$ (35,324)	\$ (52,782)	\$ (4,739)	\$ 30,438	\$ 35,177

Total		
Final Budget	Actual	Variance Over (Under)

\$ 225,000	\$ 172,143	\$ (52,857)
25,000	26,288	1,288
250,000	198,431	(51,569)

275,000	241,036	(33,964)
275,000	241,036	(33,964)

(25,000)	(42,605)	(17,605)
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(6)	(6)	-
(6)	(6)	-

(25,006)	(42,611)	(17,605)
37,725	37,725	-

\$ 12,719	\$ (4,886)	\$ (17,605)
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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 - Other Agencies, Boards and Commissions

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Fire Marshal			Housing Development Authority		
	Underground Storage Tank			Illinois Affordable Housing		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Motor fuel taxes	\$ 71,270	\$ 64,690	\$ (6,580)			
Public utility taxes						
Other	430	394	(36)	\$ 32,966	\$ 37,023	\$ 4,057
Less:						
Refunds	222	44	(178)			
Total revenues	71,478	65,040	(6,438)	32,966	37,023	4,057
EXPENDITURES:						
Current:						
Education						
General government	711	700	(11)	51,650	34,613	(17,037)
Public protection and justice	3,151	2,837	(314)			
Natural resources and recreation	58,372	43,981	(14,391)			
Capital outlays	199	175	(24)			
Total expenditures	62,433	47,693	(14,740)	51,650	34,613	(17,037)
Excess (deficiency) of revenues over (under) expenditures	9,045	17,347	8,302	(18,684)	2,410	21,094
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	-	17,326	17,326			
Operating transfers-out	(14,002)	(14,002)	-	(1)	(1)	-
Total other sources (uses) of financial resources	(14,002)	3,324	17,326	(1)	(1)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(4,957)	20,671	25,628	(18,685)	2,409	21,094
Budgetary fund balances, July 1, 1999	48,383	48,383	-	37,112	37,112	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 43,426	\$ 69,054	\$ 25,628	\$ 18,427	\$ 39,521	\$ 21,094

Capital Development Board			Metropolitan Pier and Exposition Authority			Total		
School Infrastructure			Metropolitan Fair and Exposition Authority Improvement Bond					
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 94,500	\$ 108,730	\$ 14,230				\$ 71,270	\$ 64,690	\$ (6,580)
						94,500	108,730	14,230
						33,396	37,417	4,021
						222	44	(178)
94,500	108,730	14,230				198,944	210,793	11,849
143,897	143,897	-				143,897	143,897	-
400	400	-	\$ 31,582	\$ 30,435	\$ (1,147)	84,343	66,148	(18,195)
						3,151	2,837	(314)
						58,372	43,981	(14,391)
						199	175	(24)
144,297	144,297	-	31,582	30,435	(1,147)	289,962	257,038	(32,924)
(49,797)	(35,567)	14,230	(31,582)	(30,435)	1,147	(91,018)	(46,245)	44,773
-	30,000	30,000	31,581	30,435	(1,146)	31,581	77,761	46,180
(29,017)	(29,017)	-				(43,020)	(43,020)	-
(29,017)	983	30,000	31,581	30,435	(1,146)	(11,439)	34,741	46,180
(78,814)	(34,584)	44,230	(1)	-	1	(102,457)	(11,504)	90,953
72,220	72,220	-				157,715	157,715	-
\$ (6,594)	\$ 37,636	\$ 44,230	\$ (1)	\$ -	\$ 1	\$ 55,258	\$ 146,211	\$ 90,953

State of Illinois

**Combining Schedule of 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, 2000 (Expressed in Thousands)

	Commerce and Community Affairs Build Illinois Bond			Transportation		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
EXPENDITURES:						
Current:						
Education	\$ 3,675	\$ 3,673	\$ (2)			
General government	38,693	31,572	(7,121)			
Transportation	4,780	4,780	-	\$ 123,392	\$ 123,392	\$ -
Public protection and justice						
Natural resources and recreation	12,157	12,157	-			
Capital outlays	492	492	-			
Total expenditures	59,797	52,674	(7,123)	123,392	123,392	-
(Deficiency) of revenues (under) expenditures	(59,797)	(52,674)	7,123	(123,392)	(123,392)	-
OTHER SOURCES OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	-	126,340	126,340	52,000	238,482	186,482
Total other sources of financial resources	-	126,340	126,340	52,000	238,482	186,482
Excess (deficiency) of revenues over (under) expenditures and other sources of financial resources	(59,797)	73,666	133,463	(71,392)	115,090	186,482
Budgetary fund balances, July 1, 1999	67,864	67,864	-	39,080	39,080	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 8,067	\$ 141,530	\$ 133,463	\$ (32,312)	\$ 154,170	\$ 186,482

Capital Development Board			Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 356,844	\$ 355,880	\$ (964)				\$ 360,519	\$ 359,553	\$ (966)
51,071	50,292	(779)	\$ 5,480	\$ 5,480	\$ -	95,244	87,344	(7,900)
314	314	-				128,486	128,486	-
350	350	-				350	350	-
47,372	42,466	(4,906)	2,500	2,500	-	62,029	57,123	(4,906)
318,064	307,023	(11,041)				318,556	307,515	(11,041)
774,015	756,325	(17,690)	7,980	7,980	-	965,184	940,371	(24,813)
(774,015)	(756,325)	17,690	(7,980)	(7,980)	-	(965,184)	(940,371)	24,813
633,000	610,213	(22,787)	65,000	13,109	(51,891)	750,000	988,144	238,144
633,000	610,213	(22,787)	65,000	13,109	(51,891)	750,000	988,144	238,144
(141,015)	(146,112)	(5,097)	57,020	5,129	(51,891)	(215,184)	47,773	262,957
398,681	398,681	-	12,970	12,970	-	518,595	518,595	-
\$ 257,666	\$ 252,569	\$ (5,097)	\$ 69,990	\$ 18,099	\$ (51,891)	\$ 303,411	\$ 566,368	\$ 262,957

State of Illinois

Combining Schedule of Expenditures, Other Sources and Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)

Bond Financed Funds - Department of Transportation

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Transportation Bond Series A			Transportation Bond Series B		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
EXPENDITURES:						
Current:						
Transportation	\$ 67,003	\$ 67,003	\$ -	\$ 56,389	\$ 56,389	\$ -
Total expenditures	67,003	67,003	-	56,389	56,389	-
(Deficiency) of revenues (under) expenditures	(67,003)	(67,003)	-	(56,389)	(56,389)	-
OTHER SOURCES OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	-	177,328	177,328	52,000	61,154	9,154
Total other sources of financial resources	-	177,328	177,328	52,000	61,154	9,154
Excess (deficiency) of revenues over (under) expenditures and other sources of financial resources	(67,003)	110,325	177,328	(4,389)	4,765	9,154
Budgetary fund balances, July 1, 1999				39,080	39,080	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (67,003)	\$ 110,325	\$ 177,328	\$ 34,691	\$ 43,845	\$ 9,154

Total		
Final Budget	Actual	Variance Over (Under)

\$ 123,392	\$ 123,392	\$ -
123,392	123,392	-

(123,392)	(123,392)	-
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52,000	238,482	186,482
52,000	238,482	186,482

(71,392)	115,090	186,482
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39,080	39,080	-
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\$ (32,312)	\$ 154,170	\$ 186,482
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State of Illinois

**Combining Schedule of Expenditures, Other Sources and Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Bond Financed Funds - Capital Development Board**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Capital Development			School Construction		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
EXPENDITURES:						
Current:						
Education	\$ 60,455	\$ 59,491	\$ (964)	\$ 296,389	\$ 296,389	\$ -
General government	51,071	50,292	(779)			
Transportation	314	314	-			
Public protection and justice	350	350	-			
Natural resources and recreation	47,372	42,466	(4,906)			
Capital outlays	318,064	307,023	(11,041)			
Total expenditures	477,626	459,936	(17,690)	296,389	296,389	-
(Deficiency) of revenues (under) expenditures	(477,626)	(459,936)	17,690	(296,389)	(296,389)	-
OTHER SOURCES OF FINANCIAL RESOURCES:						
Proceeds from general obligation bond issues	383,000	291,288	(91,712)	250,000	318,925	68,925
Total other sources of financial resources	383,000	291,288	(91,712)	250,000	318,925	68,925
Excess (deficiency) of revenues over (under) expenditures and other sources of financial resources	(94,626)	(168,648)	(74,022)	(46,389)	22,536	68,925
Budgetary fund balances, July 1, 1999	315,201	315,201	-	83,480	83,480	-
BUDGETARY FUND BALANCES, JUNE 30, 2000	\$ 220,575	\$ 146,553	\$ (74,022)	\$ 37,091	\$ 106,016	\$ 68,925

			Total
Final Budget	Actual	Variance Over (Under)	
\$ 356,844	\$ 355,880	\$ (964)	
51,071	50,292	(779)	
314	314	-	
350	350	-	
47,372	42,466	(4,906)	
318,064	307,023	(11,041)	
774,015	756,325	(17,690)	
(774,015)	(756,325)	17,690	
633,000	610,213	(22,787)	
633,000	610,213	(22,787)	
(141,015)	(146,112)	(5,097)	
398,681	398,681	-	
\$ 257,666	\$ 252,569	\$ (5,097)	

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, 2000 (Expressed in Thousands)

	Build Illinois Bond, Retirement and Interest			General Obligations Bond, Retirement and Interest		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 340	\$ 60	\$ (280)
Other	\$ 150	\$ 625	\$ 475	20,503	20,087	(416)
Total revenues	150	625	475	20,843	20,147	(696)
EXPENDITURES:						
Debt service:						
Principal	243,413	243,413	-	1,000	1,000	-
Interest				723,893	716,143	(7,750)
Total expenditures	243,413	243,413	-	724,893	717,143	(7,750)
(Deficiency) of revenues (under) expenditures	(243,263)	(242,788)	475	(704,050)	(696,996)	7,054
OTHER SOURCES OF FINANCIAL RESOURCES:						
Operating transfers-in	229,922	242,937	13,015	669,627	691,886	22,259
Total other sources of financial resources	229,922	242,937	13,015	669,627	691,886	22,259
Excess (deficiency) of revenues over (under) expenditures and other sources of financial resources	(13,341)	149	13,490	(34,423)	(5,110)	29,313
Budgetary fund balances, July 1, 1999	1,705	1,705	-	445,246	445,246	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (11,636)	\$ 1,854	\$ 13,490	\$ 410,823	\$ 440,136	\$ 29,313

Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)

			\$ 340	\$ 60	\$ (280)
\$ 250	\$ 446	\$ 196	20,903	21,158	255
250	446	196	21,243	21,218	(25)

14,919	13,876	(1,043)	259,332	258,289	(1,043)
			723,893	716,143	(7,750)
14,919	13,876	(1,043)	983,225	974,432	(8,793)

(14,669)	(13,430)	1,239	(961,982)	(953,214)	8,768
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14,429	14,429	-	913,978	949,252	35,274
14,429	14,429	-	913,978	949,252	35,274

(240)	999	1,239	(48,004)	(3,962)	44,042
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14,868	14,868	-	461,819	461,819	-
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\$ 14,628	\$ 15,867	\$ 1,239	\$ 413,815	\$ 457,857	\$ 44,042
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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

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Code Departments			Agencies, Boards & Commissions		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,119,860	\$ 1,078,769	\$ (41,091)	\$ 1,362,062	\$ 1,175,602	\$ (186,460)
Other	113,312	87,000	(26,312)	14	165	151
Less:						
Refunds	2,335	291	(2,044)			
Total revenues	1,230,837	1,165,478	(65,359)	1,362,076	1,175,767	(186,309)
EXPENDITURES:						
Current:						
Health and social services	737,546	646,058	(91,488)			
Education				1,294,752	1,052,068	(242,684)
General government	567,052	262,115	(304,937)			
Transportation	75,840	75,840	-			
Social assistance	327,547	199,948	(127,599)			
Public protection and justice				94,891	44,196	(50,695)
Natural resources and recreation				43,365	27,510	(15,855)
Capital outlays	8,632	2,851	(5,781)	2,003	1,310	(693)
Total expenditures	1,716,617	1,186,812	(529,805)	1,435,011	1,125,084	(309,927)
Excess (deficiency) of revenues over (under) expenditures	(485,780)	(21,334)	464,446	(72,935)	50,683	123,618
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	84	48,853	48,769			
Operating transfers-out	(858)	(858)	-			
Total other sources (uses) of financial resources	(774)	47,995	48,769			
Budgetary funds-nonbudgeted accounts	(2,791)	(2,791)	-	(34)	(34)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(489,345)	23,870	513,215	(72,969)	50,649	123,618
Budgetary fund balances (deficits), July 1, 1999, as previously reported	(35,895)	(35,895)	-	(112,493)	(112,493)	-
Reclassifications between budgetary/nonbudgetary funds-net						
Budgetary fund balances (deficits), July 1, 1999, as reclassified	(35,895)	(35,895)	-	(112,493)	(112,493)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (525,240)	\$ (12,025)	\$ 513,215	\$ (185,462)	\$ (61,844)	\$ 123,618

Other			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 224,314	\$ 188,856	\$ (35,458)	\$ 2,706,236	\$ 2,443,227	\$ (263,009)
18,949	17,898	(1,051)	132,275	105,063	(27,212)
505	62	(443)	2,840	353	(2,487)
242,758	206,692	(36,066)	2,835,671	2,547,937	(287,734)
71,100	48,492	(22,608)	808,646	694,550	(114,096)
116,178	28,937	(87,241)	1,410,930	1,081,005	(329,925)
66,167	38,849	(27,318)	633,219	300,964	(332,255)
12,485	12,485	-	88,325	88,325	-
36,943	14,142	(22,801)	364,490	214,090	(150,400)
190,487	50,067	(140,420)	285,378	94,263	(191,115)
22,155	13,574	(8,581)	65,520	41,084	(24,436)
744	654	(90)	11,379	4,815	(6,564)
516,259	207,200	(309,059)	3,667,887	2,519,096	(1,148,791)
(273,501)	(508)	272,993	(832,216)	28,841	861,057
975	11,392	10,417	1,059	60,245	59,186
(294)	(294)	-	(1,152)	(1,152)	-
681	11,098	10,417	(93)	59,093	59,186
(1,118)	(1,118)	-	(3,943)	(3,943)	-
(273,938)	9,472	283,410	(836,252)	83,991	920,243
27,034	27,034	-	(121,354)	(121,354)	-
1,230	1,230	-	1,230	1,230	-
28,264	28,264	-	(120,124)	(120,124)	-
\$ (245,674)	\$ 37,736	\$ 283,410	\$ (956,376)	\$ (36,133)	\$ 920,243

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, 2000 (Expressed in Thousands)

	Commerce and Community Affairs			Human Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 291,470	\$ 270,641	\$ (20,829)	\$ 452,970	\$ 476,606	\$ 23,636
Other	337	37	(300)	62,474	59,070	(3,404)
Less:						
Refunds	1,720	291	(1,429)	240	-	(240)
Total revenues	290,087	270,387	(19,700)	515,204	535,676	20,472
EXPENDITURES:						
Current:						
Health and social services				609,343	548,570	(60,773)
General government	567,052	262,115	(304,937)			
Transportation				119,164	22,096	(97,068)
Social assistance						
Capital outlays	82	42	(40)	4,699	578	(4,121)
Total expenditures	567,134	262,157	(304,977)	733,206	571,244	(161,962)
Excess (deficiency) of revenues over (under) expenditures	(277,047)	8,230	285,277	(218,002)	(35,568)	182,434
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				84	48,853	48,769
Operating transfers-out	(858)	(858)	-			
Total other sources (uses) of financial resources	(858)	(858)	-	84	48,853	48,769
Budgetary funds-nonbudgeted accounts				(2,655)	(2,655)	-
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(277,905)	7,372	285,277	(220,573)	10,630	231,203
Budgetary fund balances (deficits), July 1, 1999	(14,814)	(14,814)	-	(23,497)	(23,497)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (292,719)	\$ (7,442)	\$ 285,277	\$ (244,070)	\$ (12,867)	\$ 231,203

Other Code Departments			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 375,420	\$ 331,522	\$ (43,898)	\$ 1,119,860	\$ 1,078,769	\$ (41,091)
50,501	27,893	(22,608)	113,312	87,000	(26,312)
375	-	(375)	2,335	291	(2,044)
425,546	359,415	(66,131)	1,230,837	1,165,478	(65,359)
128,203	97,488	(30,715)	737,546	646,058	(91,488)
			567,052	262,115	(304,937)
75,840	75,840	-	75,840	75,840	-
208,383	177,852	(30,531)	327,547	199,948	(127,599)
3,851	2,231	(1,620)	8,632	2,851	(5,781)
416,277	353,411	(62,866)	1,716,617	1,186,812	(529,805)
9,269	6,004	(3,265)	(485,780)	(21,334)	464,446
			84	48,853	48,769
			(858)	(858)	-
			(774)	47,995	48,769
(136)	(136)	-	(2,791)	(2,791)	-
9,133	5,868	(3,265)	(489,345)	23,870	513,215
2,416	2,416	-	(35,895)	(35,895)	-
\$ 11,549	\$ 8,284	\$ (3,265)	\$ (525,240)	\$ (12,025)	\$ 513,215

State of Illinois

**Combining Schedule of Revenues, Expenditures, Other Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Federal Trust Funds - Department of Commerce and Community Affairs**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Low Income Home Energy Assistance Block Grant			Community Services Block Grant		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 70,390	\$ 72,541	\$ 2,151	\$ 22,000	\$ 25,196	\$ 3,196
Other						
Less:						
Refunds	600	143	(457)	170	3	(167)
Total revenues	<u>69,790</u>	<u>72,398</u>	<u>2,608</u>	<u>21,830</u>	<u>25,193</u>	<u>3,363</u>
EXPENDITURES:						
Current:						
General government	122,215	74,395	(47,820)	45,842	26,305	(19,537)
Capital outlays	20	19	(1)	8	7	(1)
Total expenditures	<u>122,235</u>	<u>74,414</u>	<u>(47,821)</u>	<u>45,850</u>	<u>26,312</u>	<u>(19,538)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(52,445)</u>	<u>(2,016)</u>	<u>50,429</u>	<u>(24,020)</u>	<u>(1,119)</u>	<u>22,901</u>
OTHER (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out						
Total other (uses) of financial resources						
Excess (deficiency) of revenues over (under) expenditures and other (uses) of financial resources	<u>(52,445)</u>	<u>(2,016)</u>	<u>50,429</u>	<u>(24,020)</u>	<u>(1,119)</u>	<u>22,901</u>
Budgetary fund (deficits), July 1, 1999	(1,307)	(1,307)	-	(423)	(423)	-
BUDGETARY FUND (DEFICITS), JUNE 30, 2000	<u>\$ (53,752)</u>	<u>\$ (3,323)</u>	<u>\$ 50,429</u>	<u>\$ (24,443)</u>	<u>\$ (1,542)</u>	<u>\$ 22,901</u>

Community Development/ Small Cities Block Grant			Job Training Partnership			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 69,060	\$ 46,012	\$ (23,048)	\$ 130,020	\$ 126,892	\$ (3,128)	\$ 291,470	\$ 270,641	\$ (20,829)
306	25	(281)	31	12	(19)	337	37	(300)
300	6	(294)	650	139	(511)	1,720	291	(1,429)
69,066	46,031	(23,035)	129,401	126,765	(2,636)	290,087	270,387	(19,700)
163,004	44,399	(118,605)	235,991	117,016	(118,975)	567,052	262,115	(304,937)
14	12	(2)	40	4	(36)	82	42	(40)
163,018	44,411	(118,607)	236,031	117,020	(119,011)	567,134	262,157	(304,977)
(93,952)	1,620	95,572	(106,630)	9,745	116,375	(277,047)	8,230	285,277
(25)	(25)	-	(833)	(833)	-	(858)	(858)	-
(25)	(25)	-	(833)	(833)	-	(858)	(858)	-
(93,977)	1,595	95,572	(107,463)	8,912	116,375	(277,905)	7,372	285,277
(2,091)	(2,091)	-	(10,993)	(10,993)	-	(14,814)	(14,814)	-
\$ (96,068)	\$ (496)	\$ 95,572	\$ (118,456)	\$ (2,081)	\$ 116,375	\$ (292,719)	\$ (7,442)	\$ 285,277

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources 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, 2000 (Expressed in Thousands)

	Vocational Rehabilitation			DHS Special Purpose Trust		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 104,502	\$ 111,520	\$ 7,018	\$ 82,594	\$ 80,543	\$ (2,051)
Other	981	473	(508)	20	587	567
Less:						
Refunds	5	-	(5)			
Total revenues	105,478	111,993	6,515	82,614	81,130	(1,484)
EXPENDITURES:						
Current:						
Health and social services	125,353	114,453	(10,900)	106,161	101,691	(4,470)
Social assistance				119,164	22,096	(97,068)
Capital outlays	2,031	357	(1,674)	1	-	(1)
Total expenditures	127,384	114,810	(12,574)	225,326	123,787	(101,539)
Excess (deficiency) of revenues over (under) expenditures	(21,906)	(2,817)	19,089	(142,712)	(42,657)	100,055
OTHER SOURCES OF FINANCIAL RESOURCES:						
Operating transfers-in				-	48,853	48,853
Total other sources of financial resources				-	48,853	48,853
Budgetary funds-nonbudgeted accounts	(202)	(202)	-	(2,453)	(2,453)	-
Excess (deficiency) of revenues over (under) expenditures, other sources of financial resources and budgetary funds-nonbudgeted accounts	(22,108)	(3,019)	19,089	(145,165)	3,743	148,908
Budgetary fund balances (deficits), July 1, 1999	3,736	3,736	-	1,568	1,568	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (18,372)	\$ 717	\$ 19,089	\$ (143,597)	\$ 5,311	\$ 148,908

Old Age Survivors Insurance			DHS Federal Projects			USDA Women, Infants & Children		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 61,540	\$ 54,342	\$ (7,198)	\$ 30,440	\$ 47,157	\$ 16,717	\$ 154,394	\$ 162,621	\$ 8,227
2	-	(2)	150	1,639	1,489	61,321	56,371	(4,950)
			25	-	(25)	200	-	(200)
61,542	54,342	(7,200)	30,565	48,796	18,231	215,515	218,992	3,477
69,163	53,666	(15,497)	59,418	41,442	(17,976)	216,906	208,925	(7,981)
1,820	9	(1,811)	568	10	(558)	279	202	(77)
70,983	53,675	(17,308)	59,986	41,452	(18,534)	217,185	209,127	(8,058)
(9,441)	667	10,108	(29,421)	7,344	36,765	(1,670)	9,865	11,535
			84	-	(84)			
			84	-	(84)			
(9,441)	667	10,108	(29,337)	7,344	36,681	(1,670)	9,865	11,535
(3,217)	(3,217)	-	(8,527)	(8,527)	-	(18,368)	(18,368)	-
\$ (12,658)	\$ (2,550)	\$ 10,108	\$ (37,864)	\$ (1,183)	\$ 36,681	\$ (20,038)	\$ (8,503)	\$ 11,535

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Sources 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, 2000 (Expressed in Thousands)

(continued)

	Maternal and Child Health Services Block Grant			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 19,500	\$ 20,423	\$ 923	\$ 452,970	\$ 476,606	\$ 23,636
Other				62,474	59,070	(3,404)
Less:						
Refunds	10	-	(10)	240	-	(240)
Total revenues	19,490	20,423	933	515,204	535,676	20,472
EXPENDITURES:						
Current:						
Health and social services	32,342	28,393	(3,949)	609,343	548,570	(60,773)
Social assistance				119,164	22,096	(97,068)
Capital outlays				4,699	578	(4,121)
Total expenditures	32,342	28,393	(3,949)	733,206	571,244	(161,962)
Excess (deficiency) of revenues over (under) expenditures	(12,852)	(7,970)	4,882	(218,002)	(35,568)	182,434
OTHER SOURCES OF FINANCIAL RESOURCES:						
Operating transfers-in				84	48,853	48,769
Total other sources of financial resources				84	48,853	48,769
Budgetary funds-nonbudgeted accounts				(2,655)	(2,655)	-
Excess (deficiency) of revenues over (under) expenditures, other sources of financial resources and budgetary funds-nonbudgeted accounts	(12,852)	(7,970)	4,882	(220,573)	10,630	231,203
Budgetary fund balances (deficits), July 1, 1999	1,311	1,311	-	(23,497)	(23,497)	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (11,541)	\$ (6,659)	\$ 4,882	\$ (244,070)	\$ (12,867)	\$ 231,203

State of Illinois

Combining Schedule of Revenues, Expenditures and Changes
in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Federal Trust Funds - Other Code Departments

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Employment Security			Transportation		
	Title III Social Security & Employment Service			Federal/Local Airport		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 165,000	\$ 174,964	\$ 9,964	\$ 90,000	\$ 57,786	\$ (32,214)
Other	10,000	8,584	(1,416)	40,000	19,302	(20,698)
Less:						
Refunds	300	-	(300)			
Total revenues	174,700	183,548	8,848	130,000	77,088	(52,912)
EXPENDITURES:						
Current:						
Health and social services						
Transportation				75,840	75,840	-
Social assistance	208,383	177,852	(30,531)			
Capital outlays	2,475	1,506	(969)			
Total expenditures	210,858	179,358	(31,500)	75,840	75,840	-
Excess (deficiency) of revenues over (under) expenditures	(36,158)	4,190	40,348	54,160	1,248	(52,912)
Budgetary funds-nonbudgeted accounts						
Excess (deficiency) of revenues over (under) expenditures and budgetary funds-non-budgeted accounts	(36,158)	4,190	40,348	54,160	1,248	(52,912)
Budgetary fund balances (deficits), July 1, 1999	12,473	12,473	-	2,355	2,355	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (23,685)	\$ 16,663	\$ 40,348	\$ 56,515	\$ 3,603	\$ (52,912)

Aging Services for Older Americans			Public Health Public Health Services			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 49,920	\$ 45,733	\$ (4,187)	\$ 70,500	\$ 53,039	\$ (17,461)	\$ 375,420	\$ 331,522	\$ (43,898)
1	-	(1)	500	7	(493)	50,501	27,893	(22,608)
			75	-	(75)	375	-	(375)
49,921	45,733	(4,188)	70,925	53,046	(17,879)	425,546	359,415	(66,131)
52,599	47,905	(4,694)	75,604	49,583	(26,021)	128,203	97,488	(30,715)
						75,840	75,840	-
						208,383	177,852	(30,531)
1	1	-	1,375	724	(651)	3,851	2,231	(1,620)
52,600	47,906	(4,694)	76,979	50,307	(26,672)	416,277	353,411	(62,866)
(2,679)	(2,173)	506	(6,054)	2,739	8,793	9,269	6,004	(3,265)
(136)	(136)	-				(136)	(136)	-
(2,815)	(2,309)	506	(6,054)	2,739	8,793	9,133	5,868	(3,265)
(5,884)	(5,884)	-	(6,528)	(6,528)	-	2,416	2,416	-
\$ (8,699)	\$ (8,193)	\$ 506	\$ (12,582)	\$ (3,789)	\$ 8,793	\$ 11,549	\$ 8,284	\$ (3,265)

State of Illinois

**Combining Schedule of Revenues, Expenditures and Changes
in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Federal Trust Funds - Agencies, Boards and Commissions**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Board of Education			Environmental Protection Agency U. S. Environmental Protection		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government	\$ 1,281,746	\$ 1,106,272	\$ (175,474)	\$ 46,016	\$ 26,689	\$ (19,327)
Other	-	40	40	14	125	111
Total revenues	1,281,746	1,106,312	(175,434)	46,030	26,814	(19,216)
EXPENDITURES:						
Current:						
Education	1,294,752	1,052,068	(242,684)			
Public protection and justice						
Natural resources and recreation				43,365	27,510	(15,855)
Capital outlays	805	566	(239)	1,198	744	(454)
Total expenditures	1,295,557	1,052,634	(242,923)	44,563	28,254	(16,309)
Excess (deficiency) of revenues over (under) expenditures	(13,811)	53,678	67,489	1,467	(1,440)	(2,907)
Budgetary funds-nonbudgeted accounts	(34)	(34)	-			
Excess (deficiency) of revenues over (under) expenditures and budgetary funds-nonbudgeted accounts	(13,845)	53,644	67,489	1,467	(1,440)	(2,907)
Budgetary fund balances (deficits), July 1, 1999	(112,181)	(112,181)	-	3,355	3,355	-
BUDGETARY FUND BALANCE (DEFICITS), JUNE 30, 2000	\$ (126,026)	\$ (58,537)	\$ 67,489	\$ 4,822	\$ 1,915	\$ (2,907)

Criminal Justice Information Authority			Total		
Criminal Justice Trust					
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 34,300	\$ 42,641	\$ 8,341	\$ 1,362,062	\$ 1,175,602	\$ (186,460)
			14	165	151
34,300	42,641	8,341	1,362,076	1,175,767	(186,309)

			1,294,752	1,052,068	(242,684)
94,891	44,196	(50,695)	94,891	44,196	(50,695)
			43,365	27,510	(15,855)
			2,003	1,310	(693)
94,891	44,196	(50,695)	1,435,011	1,125,084	(309,927)

(60,591)	(1,555)	59,036	(72,935)	50,683	123,618
			(34)	(34)	-

(60,591)	(1,555)	59,036	(72,969)	50,649	123,618
(3,667)	(3,667)	-	(112,493)	(112,493)	-
\$ (64,258)	\$ (5,222)	\$ 59,036	\$ (185,462)	\$ (61,844)	\$ 123,618

State of Illinois

**Combining Schedule of Revenues, Expenditures and Changes
in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
Federal Trust Funds - State Board of Education**

For the Year Ended June 30, 2000 (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	\$ 386,350	\$ 339,137	\$ (47,213)	\$ 895,396	\$ 767,135	\$ (128,261)
Other				-	40	40
Total revenues	386,350	339,137	(47,213)	895,396	767,175	(128,221)
EXPENDITURES:						
Current:						
Education	391,148	308,335	(82,813)	903,604	743,733	(159,871)
Capital outlays	253	236	(17)	552	330	(222)
Total expenditures	391,401	308,571	(82,830)	904,156	744,063	(160,093)
Excess (deficiency) of revenues over (under) expenditures	(5,051)	30,566	35,617	(8,760)	23,112	31,872
Budgetary funds-nonbudgeted accounts	(22)	(22)	-	(12)	(12)	-
Excess (deficiency) of revenues over (under) expenditures and budgetary funds-nonbudgeted accounts	(5,073)	30,544	35,617	(8,772)	23,100	31,872
Budgetary fund (deficits), July 1, 1999	(50,263)	(50,263)	-	(61,918)	(61,918)	-
BUDGETARY FUND (DEFICITS), JUNE 30, 2000	\$ (55,336)	\$ (19,719)	\$ 35,617	\$ (70,690)	\$ (38,818)	\$ 31,872

Total		
Final Budget	Actual	Variance Over (Under)
\$ 1,281,746	\$ 1,106,272	\$ (175,474)
-	40	40
1,281,746	1,106,312	(175,434)

1,294,752	1,052,068	(242,684)
805	566	(239)
1,295,557	1,052,634	(242,923)

(13,811)	53,678	67,489
(34)	(34)	-

(13,845)	53,644	67,489
(112,181)	(112,181)	-
\$ (126,026)	\$ (58,537)	\$ 67,489

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, 2000 (Expressed in Thousands)

	Central Management Services			Corrections Working Capital		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other	\$ 230,956	\$ 227,002	\$ (3,954)	\$ 44,992	\$ 52,738	\$ 7,746
Less:						
Refunds	8,060	1	(8,059)	34	34	-
Total revenues	222,896	227,001	4,105	44,958	52,704	7,746
EXPENDITURES:						
Current:						
Education						
General government	291,244	257,542	(33,702)			
Transportation						
Public protection and justice				50,712	46,711	(4,001)
Capital outlays	1,284	984	(300)	2,907	1,810	(1,097)
Total expenditures	292,528	258,526	(34,002)	53,619	48,521	(5,098)
Excess (deficiency) of revenues over (under) expenditures	(69,632)	(31,525)	38,107	(8,661)	4,183	12,844
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in	462	1,482	1,020			
Operating transfers-out	(11)	(11)	-	(39)	(39)	-
Total other sources (uses) of financial resources	451	1,471	1,020	(39)	(39)	-
Excess (deficiency) of revenues over (under) expenditures and other sources (uses) of financial resources	(69,181)	(30,054)	39,127	(8,700)	4,144	12,844
Budgetary fund balances, July 1, 1999	41,200	41,200	-	5,472	5,472	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (27,981)	\$ 11,146	\$ 39,127	\$ (3,228)	\$ 9,616	\$ 12,844

Final Budget	Other		Final Budget	Total	
	Actual	Variance Over (Under)		Actual	Variance Over (Under)
\$ 4,167	\$ 4,235	\$ 68	\$ 280,115	\$ 283,975	\$ 3,860
10	5	(5)	8,104	40	(8,064)
4,157	4,230	73	272,011	283,935	11,924

5,695	3,147	(2,548)	296,939	260,689	(36,250)
1,000	1,000	-	1,000	1,000	-
			50,712	46,711	(4,001)
146	1	(145)	4,337	2,795	(1,542)
6,841	4,148	(2,693)	352,988	311,195	(41,793)
(2,684)	82	2,766	(80,977)	(27,260)	53,717

			462	1,482	1,020
			(50)	(50)	-
			412	1,432	1,020

(2,684)	82	2,766	(80,565)	(25,828)	54,737
1,510	1,510	-	48,182	48,182	-
\$ (1,174)	\$ 1,592	\$ 2,766	\$ (32,383)	\$ 22,354	\$ 54,737

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 - Department of Central Management Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	State Garage			Statistical Services		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Other	\$ 33,129	\$ 32,968	\$ (161)	\$ 67,200	\$ 73,875	\$ 6,675
Less:						
Refunds	10	1	(9)	8,000	-	(8,000)
Total revenues	33,119	32,967	(152)	59,200	73,875	14,675
EXPENDITURES:						
Current:						
General government	36,283	32,743	(3,540)	112,486	93,878	(18,608)
Capital outlays	1,046	794	(252)	106	102	(4)
Total expenditures	37,329	33,537	(3,792)	112,592	93,980	(18,612)
(Deficiency) of revenues (under) expenditures	(4,210)	(570)	3,640	(53,392)	(20,105)	33,287
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in				462	1,482	1,020
Operating transfers-out	(2)	(2)	-	(3)	(3)	-
Total other sources (uses) of financial resources	(2)	(2)	-	459	1,479	1,020
(Deficiency) of revenues (under) expenditures and other sources (uses) of financial resources	(4,212)	(572)	3,640	(52,933)	(18,626)	34,307
Budgetary fund balances (deficits), July 1, 1999	(4,634)	(4,634)	-	30,681	30,681	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (8,846)	\$ (5,206)	\$ 3,640	\$ (22,252)	\$ 12,055	\$ 34,307

Communications			Total		
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$ 130,627	\$ 120,159	\$ (10,468)	\$ 230,956	\$ 227,002	\$ (3,954)
50	-	(50)	8,060	1	(8,059)
130,577	120,159	(10,418)	222,896	227,001	4,105
142,475	130,921	(11,554)	291,244	257,542	(33,702)
132	88	(44)	1,284	984	(300)
142,607	131,009	(11,598)	292,528	258,526	(34,002)
(12,030)	(10,850)	1,180	(69,632)	(31,525)	38,107
			462	1,482	1,020
(6)	(6)	-	(11)	(11)	-
(6)	(6)	-	451	1,471	1,020
(12,036)	(10,856)	1,180	(69,181)	(30,054)	39,127
15,153	15,153	-	41,200	41,200	-
\$ 3,117	\$ 4,297	\$ 1,180	\$ (27,981)	\$ 11,146	\$ 39,127

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, 2000 (Expressed in Thousands)

	Code Departments			State Board of Education		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes	\$ 388,057	\$ 388,057	\$ -			
Motor fuel taxes	27,506	27,506	-			
Federal government	77,659	61,167	(16,492)	\$ 400	\$ 5,000	\$ 4,600
Other	427,728	581,696	153,968	514	28,290	27,776
Less:						
Refunds						
Total revenues	920,950	1,058,426	137,476	914	33,290	32,376
EXPENDITURES:						
Current:						
Health and social services				35,000	34,616	(384)
Education						
General government	162,612	144,749	(17,863)			
Social assistance	191,801	155,225	(36,576)			
Public protection and justice						
Natural resources and recreation						
Capital outlays	2,277	1,248	(1,029)			
Total expenditures	356,690	301,222	(55,468)	35,000	34,616	(384)
Excess (deficiency) of revenues over (under) expenditures	564,260	757,204	192,944	(34,086)	(1,326)	32,760
OTHER SOURCES (USES) OF FINANCIAL RESOURCES:						
Operating transfers-in						
Operating transfers-out	(99,651)	(99,651)	-			
Total other sources (uses) of financial resources	(99,651)	(99,651)	-			
Budgetary funds-nonbudgeted accounts	(600,903)	(600,903)	-			
Excess (deficiency) of revenues over (under) expenditures, other sources (uses) of financial resources and budgetary funds-nonbudgeted accounts	(136,294)	56,650	192,944	(34,086)	(1,326)	32,760
Budgetary fund balances July 1, 1999, as previously reported	51,675	51,675	-	2,905	2,905	-
Reclassifications between budgetary-nonbudgetary funds-net						
Budgetary fund balances July 1, 1999 as reclassified	51,675	51,675	-	2,905	2,905	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (84,619)	\$ 108,325	\$ 192,944	\$ (31,181)	\$ 1,579	\$ 32,760

Student Assistance Commission			Other			Total		
ISAC Student Loan								
Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
						\$ 388,057	\$ 388,057	\$ -
						27,506	27,506	-
\$ 125,000	\$ 22,717	\$ (102,283)	\$ 28,445	\$ 14,821	\$ (13,624)	231,504	103,705	(127,799)
45,000	91,246	46,246	19,446	41,103	21,657	492,688	742,335	249,647
1,300	1,290	(10)				1,300	1,290	(10)
168,700	112,673	(56,027)	47,891	55,924	8,033	1,138,455	1,260,313	121,858
			18,473	5,424	(13,049)	53,473	40,040	(13,433)
199,495	117,673	(81,822)	1,243	70	(1,173)	200,738	117,743	(82,995)
			28,184	14,909	(13,275)	190,796	159,658	(31,138)
			200	-	(200)	192,001	155,225	(36,776)
			3,575	2,433	(1,142)	3,575	2,433	(1,142)
			4,722	1,761	(2,961)	4,722	1,761	(2,961)
469	461	(8)	14	13	(1)	2,760	1,722	(1,038)
199,964	118,134	(81,830)	56,411	24,610	(31,801)	648,065	478,582	(169,483)
(31,264)	(5,461)	25,803	(8,520)	31,314	39,834	490,390	781,731	291,341
			5,000	5,000	-	5,000	5,000	-
(10,255)	(10,255)	-	(6,930)	(6,930)	-	(116,836)	(116,836)	-
(10,255)	(10,255)	-	(1,930)	(1,930)	-	(111,836)	(111,836)	-
			(21,859)	(21,859)	-	(622,762)	(622,762)	-
(41,519)	(15,716)	25,803	(32,309)	7,525	39,834	(244,208)	47,133	291,341
90,397	90,397	-	7,004	7,004	-	151,981	151,981	-
			4,755	4,755	-	4,755	4,755	-
90,397	90,397	-	11,759	11,759	-	156,736	156,736	-
\$ 48,878	\$ 74,681	\$ 25,803	\$ (20,550)	\$ 19,284	\$ 39,834	\$ (87,472)	\$ 203,869	\$ 291,341

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
State Trust Funds - Code Departments

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Central Management Services			Public Aid		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes						
Motor fuel taxes						
Federal government	\$ 1,310	\$ 791	\$ (519)	\$ 76,349	\$ 60,376	\$ (15,973)
Other	141,192	138,406	(2,786)	285,312	442,066	156,754
Total revenues	142,502	139,197	(3,305)	361,661	502,442	140,781
EXPENDITURES:						
Current:						
General government	160,166	142,355	(17,811)	1,568	1,525	(43)
Social assistance				191,801	155,225	(36,576)
Capital outlays	18	9	(9)	2,259	1,239	(1,020)
Total expenditures	160,184	142,364	(17,820)	195,628	157,989	(37,639)
Excess (deficiency) of revenues over (under) expenditures	(17,682)	(3,167)	14,515	166,033	344,453	178,420
OTHER (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out	(14)	(14)	-	(99,637)	(99,637)	-
Total other (uses) of financial resources	(14)	(14)	-	(99,637)	(99,637)	-
Budgetary funds-nonbudgeted accounts				(191,031)	(191,031)	-
Excess (deficiency) of revenues over (under) expenditures, other (uses) of financial resources and budgetary funds-nonbudgeted accounts	(17,696)	(3,181)	14,515	(124,635)	53,785	178,420
Budgetary fund balances (deficits), July 1, 1999	(8,742)	(8,742)	-	23,872	23,872	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ (26,438)	\$ (11,923)	\$ 14,515	\$ (100,763)	\$ 77,657	\$ 178,420

	Revenue			Total		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
\$	388,057	\$ 388,057	\$ -	\$ 388,057	\$ 388,057	\$ -
	27,506	27,506	-	27,506	27,506	-
				77,659	61,167	(16,492)
	1,224	1,224	-	427,728	581,696	153,968
	416,787	416,787	-	920,950	1,058,426	137,476
	878	869	(9)	162,612	144,749	(17,863)
				191,801	155,225	(36,576)
				2,277	1,248	(1,029)
	878	869	(9)	356,690	301,222	(55,468)
	415,909	415,918	9	564,260	757,204	192,944
				(99,651)	(99,651)	-
				(99,651)	(99,651)	-
	(409,872)	(409,872)	-	(600,903)	(600,903)	-
	6,037	6,046	9	(136,294)	56,650	192,944
	36,545	36,545	-	51,675	51,675	-
\$	42,582	\$ 42,591	\$ 9	\$ (84,619)	\$ 108,325	\$ 192,944

State of Illinois

Combining Schedule of Revenues, Expenditures, Other Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
State Trust Funds - Department of Central Management Services

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Local Government Health Insurance Reserve			Group Insurance Premium		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 1,310	\$ 791	\$ (519)
Other	\$ 76,279	\$ 72,149	\$ (4,130)	64,913	66,257	1,344
Total revenues	76,279	72,149	(4,130)	66,223	67,048	825
EXPENDITURES:						
Current:						
General government	85,166	73,721	(11,445)	75,000	68,634	(6,366)
Capital outlays	18	9	(9)			
Total expenditures	85,184	73,730	(11,454)	75,000	68,634	(6,366)
(Deficiency) of revenues (under) expenditures	(8,905)	(1,581)	7,324	(8,777)	(1,586)	7,191
OTHER (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out	(6)	(6)	-	(8)	(8)	-
Total other (uses) of financial resources	(6)	(6)	-	(8)	(8)	-
(Deficiency) of revenues (under) expenditures and other (uses) of financial resources	(8,911)	(1,587)	7,324	(8,785)	(1,594)	7,191
Budgetary fund (deficits), July 1, 1999	(3,680)	(3,680)	-	(5,062)	(5,062)	-
BUDGETARY FUND (DEFICITS), JUNE 30, 2000	\$ (12,591)	\$ (5,267)	\$ 7,324	\$ (13,847)	\$ (6,656)	\$ 7,191

Total		
Final Budget	Actual	Variance Over (Under)
\$ 1,310	\$ 791	\$ (519)
141,192	138,406	(2,786)
142,502	139,197	(3,305)

160,166	142,355	(17,811)
18	9	(9)
160,184	142,364	(17,820)

(17,682)	(3,167)	14,515
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(14)	(14)	-
(14)	(14)	-

(17,696)	(3,181)	14,515
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(8,742)	(8,742)	-
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\$ (26,438)	\$ (11,923)	\$ 14,515
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State of Illinois

**Combining Schedule of Revenues, Expenditures, Other Uses of Financial Resources
and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP)
State Trust Funds - Department of Public Aid**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Public Aid Recoveries Trust			Child Support Enforcement Trust		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Federal government				\$ 76,349	\$ 60,376	\$ (15,973)
Other	\$ 215,311	\$ 215,311	\$ -	70,001	226,755	156,754
Total revenues	215,311	215,311	-	146,350	287,131	140,781
EXPENDITURES:						
Current:						
General government				1,568	1,525	(43)
Social assistance	12,472	7,136	(5,336)	179,329	148,089	(31,240)
Capital outlays	458	413	(45)	1,801	826	(975)
Total expenditures	12,930	7,549	(5,381)	182,698	150,440	(32,258)
Excess (deficiency) of revenues over (under) expenditures	202,381	207,762	5,381	(36,348)	136,691	173,039
OTHER (USES) OF FINANCIAL RESOURCES:						
Operating transfers-out	(99,637)	(99,637)	-			
Total other (uses) of financial resources	(99,637)	(99,637)	-			
Budgetary funds-nonbudgeted accounts	(97,938)	(97,938)	-	(93,093)	(93,093)	-
Excess (deficiency) of revenues over (under) expenditures, other (uses) of financial resources and budgetary funds, non-budgeted accounts	4,806	10,187	5,381	(129,441)	43,598	173,039
Budgetary fund balances, July 1, 1999	21,388	21,388	-	2,484	2,484	-
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30, 2000	\$ 26,194	\$ 31,575	\$ 5,381	\$ (126,957)	\$ 46,082	\$ 173,039

Total		
Final Budget	Actual	Variance Over (Under)
\$ 76,349	\$ 60,376	\$ (15,973)
285,312	442,066	156,754
361,661	502,442	140,781

1,568	1,525	(43)
191,801	155,225	(36,576)
2,259	1,239	(1,020)
195,628	157,989	(37,639)

166,033	344,453	178,420
(99,637)	(99,637)	-
(99,637)	(99,637)	-

(191,031)	(191,031)	-
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(124,635)	53,785	178,420
23,872	23,872	-
\$ (100,763)	\$ 77,657	\$ 178,420

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 - Department of Revenue**

For the Year Ended June 30, 2000 (Expressed in Thousands)

	Home Rule Municipal ROT			County Option Motor Fuel Tax		
	Final Budget	Actual	Variance Over (Under)	Final Budget	Actual	Variance Over (Under)
REVENUES:						
Sales taxes	\$ 388,057	\$ 388,057	\$ -			
Motor fuel taxes				\$ 27,506	\$ 27,506	\$ -
Other	1,040	1,040	-	184	184	-
Total revenues	389,097	389,097	-	27,690	27,690	-
EXPENDITURES:						
Current:						
General government	343	343	-	535	526	(9)
Total expenditures	343	343	-	535	526	(9)
Excess of revenues over expenditures	388,754	388,754	-	27,155	27,164	9
Budgetary funds-nonbudgeted accounts	(383,322)	(383,322)	-	(26,550)	(26,550)	-
Excess of revenues over expenditures and budgetary funds-nonbudgeted accounts	5,432	5,432	-	605	614	9
Budgetary fund balances, July 1, 1999	31,525	31,525	-	5,020	5,020	-
BUDGETARY FUND BALANCES JUNE 30, 2000	\$ 36,957	\$ 36,957	\$ -	\$ 5,625	\$ 5,634	\$ 9

	Total		
Final Budget	Actual	Variance Over (Under)	
\$ 388,057	\$ 388,057	\$ -	
27,506	27,506	-	
1,224	1,224	-	
416,787	416,787	-	

878	869	(9)
878	869	(9)

415,909	415,918	9
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(409,872)	(409,872)	-
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6,037	6,046	9
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36,545	36,545	-
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\$ 42,582	\$ 42,591	\$ 9
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**Combined Statement of Revenues, Expenditures,
Other Sources and Uses of Financial Resources - GAAP Basis
All Governmental Fund Types and Expendable Trust Funds**

For the Last Ten Fiscal Years (Expressed in Thousands)

	2000	1999	1998	1997	1996
REVENUES					
Income taxes.....	\$ 9,675,448	\$ 9,250,492	\$ 8,810,664	\$ 7,931,647	\$ 7,350,286
Sales taxes.....	8,209,197	7,688,996	7,167,852	6,823,157	6,520,321
Motor fuel taxes.....	1,342,733	1,306,238	1,287,585	1,231,754	1,197,288
Public utility taxes.....	1,492,889	1,437,604	1,207,894	1,092,681	1,047,020
Other taxes.....	3,314,767	3,121,697	2,774,555	2,854,650	2,901,397
Federal government.....	10,139,165	9,355,944	8,950,849	8,909,679	8,409,885
Licenses and fees.....	1,526,711	1,156,885	1,093,463	1,078,001	1,020,758
Interest and other investment income.....	647,980	586,270	421,478	359,404	351,718
Other.....	2,065,411	1,458,372	1,551,962	1,395,495	1,099,356
Total revenues	38,414,301	35,362,498	33,266,302	31,676,468	29,898,029
EXPENDITURES					
Current:					
Health and social services.....	12,310,235	10,891,395	9,963,460	9,289,837	8,732,071
Education.....	8,667,910	7,540,069	6,785,608	6,131,774	5,752,793
General government.....	6,808,005	5,988,951	5,565,134	4,986,851	4,917,335
Social assistance.....	2,675,866	3,233,091	3,539,969	3,873,387	4,131,674
Transportation.....	3,290,098	2,566,850	2,649,178	2,697,520	2,627,170
Public protection and justice.....	2,011,188	1,899,057	1,678,187	1,613,345	1,481,413
Natural resources and recreation.....	514,687	452,290	414,082	418,567	364,848
Debt service:					
Principal.....	529,512	531,373	522,953	501,299	456,350
Interest.....	447,467	432,128	443,161	442,578	433,587
Capital outlays.....	544,757	344,516	342,900	374,703	366,518
Total expenditures	37,799,725	33,879,720	31,904,632	30,329,861	29,263,759
Excess (deficiency) of revenues over (under) expenditures	614,576	1,482,778	1,361,670	1,346,607	634,270
OTHER SOURCES (USES) OF FINANCIAL RESOURCES					
Proceeds from notes and general/special obligation bond issues.....	988,143	661,539	597,428	406,473	728,944
Proceeds from general/special obligation refunding bond issues.....	5,470,623	173,179	308,738	84,803	318,040
Operating transfers-in.....	174	6,382,561	4,545,916	4,460,454	4,395,048
Operating transfers from component units.....	(4,934,893)	15	247	777	18
Operating transfers-out.....	(1,420,116)	(5,866,140)	(4,040,335)	(3,876,480)	(3,790,475)
Operating transfers to component units.....		(1,572,189)	(1,492,592)	(1,423,032)	(1,402,746)
Capital lease financing.....	18,187	23,667	11,990	19,249	26,411
Payment to refunded bond escrow agent.....		(173,179)	(308,738)	(84,803)	(318,040)
Proceeds from certificates of participation.....	34,155				90,052
Proceeds from certificates of participation refunding....					
Net other sources (uses) of financial resources	156,273	(370,547)	(377,346)	(412,559)	47,252
Excess (deficiency) of revenues over (under) expenditures and net other sources (uses) of financial resources	\$ 770,849	\$ 1,112,231	\$ 984,324	\$ 934,048	\$ 681,522

	1995	1994	1993	1992	1991
\$	6,862,484	\$ 6,341,405	\$ 5,927,379	\$ 5,645,604	\$ 5,472,105
	6,271,692	5,984,237	5,514,941	5,183,617	5,263,439
	1,154,482	1,098,820	1,056,565	1,032,741	1,020,294
	985,016	1,011,616	970,740	952,493	927,745
	3,266,077	3,110,413	2,739,100	1,972,536	1,903,844
	8,639,857	8,404,474	8,078,948	7,075,372	5,583,518
	1,001,099	996,453	1,144,715	1,317,403	839,862
	311,898	202,119	171,410	254,302	339,960
	1,035,374	1,308,394	552,133	470,987	416,791
	29,527,979	28,457,931	26,155,931	23,905,055	21,767,558
	8,623,643	2 7,855,039	7,387,137	6,369,477	5,117,272
	5,395,845	5,128,035	4,857,626	4,679,110	4,667,968
	4,571,183	4,417,418	4,182,189	3,967,119	4,147,658
	3,995,466	4,698,546	4,706,918	4,649,024	3,935,452
	2,713,372	2,535,653	2,372,496	2,605,775	2,540,051
	1,437,874	1,412,870	1,168,459	1,114,520	1,089,656
	388,607	426,270	369,944	394,158	429,966
	443,676	427,646	394,935	379,301	354,320
	444,490	396,971	380,755	350,639	343,337
	290,361	263,573	272,729	253,729	367,077
	28,304,517	27,562,021	26,093,188	24,762,852	22,992,757
	1,223,462	895,910	62,743	(857,797)	(1,225,199)
	776,220	686,929	522,808	588,673	621,703
		501,162	880,673	436,203	
	4,149,874	3,559,780	3,546,143	3,402,400	3,204,329
	40	113			
	(3,564,180)	(3,002,277)	(4,136,820)	(3,965,878)	(3,861,013)
	(1,377,869)	(1,284,315)			
	10,711	23,148	41,719	21,245	35,642
		(501,162)	(880,673)	(438,686)	
	18,802				
				2,483	
	13,598	(16,622)	(26,150)	46,440	661
\$	1,237,060	\$ 879,288	\$ 36,593	\$ (811,357)	\$ (1,224,538)

State of Illinois

**Ratio of General and Special Obligation Bonded Debt
to Assessed Value and Net Bonded Debt Per Capita**

For the Last Ten Fiscal Years (Expressed in Thousands Except Ratio and Per Capita Data)

For the Year Ended June 30	Population	Equalized Assessed Value	General and Special Obligation Bond Debt			Net General and Special Obligation Bond Debt	
			Total	Less Debt Service Fund	Net	Ratio to Assessed Value	Per Capita
1991	11,543	\$ 127,707,027	\$ 5,520,230	\$ 251,506	\$ 5,268,724	4.13 %	456.44
1992	11,613	136,609,057	5,918,461	257,655	5,660,806	4.14	487.45
1993	11,697	144,468,536	6,274,656	355,254	5,919,402	4.10	506.06
1994	11,752	150,144,693	6,699,950	361,549	6,338,401	4.22	539.35
1995	11,830	157,653,737	7,143,804	416,068	6,727,736	4.27	568.70
1996	11,847	165,443,101	7,537,521	499,319	7,038,202	4.25	594.09
1997	11,896	171,381,749	7,539,564	605,629	6,933,935	4.05	582.88
1998	12,045	173,812,593	7,718,410	708,468	7,009,942	4.03	581.98
1999	12,128	182,730,045	7,954,108	792,122	7,161,986	3.92	590.53
2000	12,419	192,100,000 e	8,482,788	925,632	7,557,156	3.93 e	608.52

e-estimated

**Source: Illinois Property Tax Statistics - Illinois Department of Revenue,
U.S. Department of Commerce, Bureau of the Census.**

**Ratio of Annual Debt Service for General and Special Obligation
Debt to Total Revenues and Expenditures - GAAP Basis
All Governmental Fund Types
(Primary Government and Component Units)**

For the Last Ten Fiscal Years (Expressed in Thousands Except Ratio Data)

For the Year Ended June 30	Principal	Interest	Total Debt Service	Revenues	Ratio	Expenditures	Ratio
1991	\$ 323,270	\$ 299,723	\$ 622,993	\$ 21,767,558	2.86 %	\$ 22,992,757	2.71 %
1992	349,878	296,405	646,283	23,905,055	2.70	24,762,852	2.61
1993	369,687	318,813	688,500	26,155,931	2.63	26,093,188	2.64
1994	410,292	323,309	733,601	28,463,037	2.58	27,567,179	2.66
1995	427,902	350,295	778,197	29,555,580	2.63	28,311,850	2.75
1996	440,080	352,906	792,986	29,945,854	2.65	29,281,140	2.71
1997	479,810	359,718	839,528	31,716,307	2.65	30,345,472	2.77
1998	496,882	357,405	854,287	33,318,487	2.56	31,918,915	2.68
1999	428,718	280,593	709,311	35,415,609	2.00	33,792,060	2.10
2000	505,168	389,608	894,776	38,469,758	2.33	37,818,547	2.37

State of Illinois

Revenue Bond Coverage
Proprietary

For the Last Ten Fiscal Years (Expressed in Thousands Except Coverage Data)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
PRIMARY GOVERNMENT							
Illinois Student Assistance Commission -							
1991	\$ 73,133 (a)	\$ 12,859	\$ 60,274	\$ 33,200 (a)	\$ 17,184	\$ 50,384	1.20 %
1992	121,320 (b)	9,600	111,720	58,690 (b)	38,526	97,216	1.15
1993	131,411 (c)	12,591	118,820	68,930 (c)	40,367	109,297	1.09
1994	202,314 (d)	13,053	189,261	140,680 (d)	42,548	183,228	1.03
1995	117,416 (e)	14,142	103,274	61,720 (e)	44,596	106,316	0.97
1996	124,164 (f)	15,338	108,826	61,025 (f)	47,692	108,717	1.00
1997	144,930 (g)	20,078	124,852	76,165 (g)	51,995	128,160	0.97
1998	107,397 (o)	21,125	86,272	29,995 (o)	57,604	87,599	0.98
1999	122,697 (q)	24,327	98,370	39,320 (q)	63,494	102,814	0.96
2000	119,038 (r)	32,083	86,955	39,765 (r)	21,832	61,597	1.41
COMPONENT UNITS							
Illinois State Toll Highway Authority -							
1991	\$ 247,381	\$ 99,256	\$ 148,125	\$ 15,735	\$ 40,231	\$ 55,966	2.65 %
1992	258,248	101,506	156,742	27,230	48,385	75,615	2.07
1993	262,209	90,311	171,898	17,710	47,818	65,528	2.62
1994	293,092	127,132	165,960	21,545	52,149	73,694	2.25
1995	314,657	186,967	127,690	24,250	53,962	78,212	1.63
1996	325,410	167,580	157,830	25,750	54,354	80,104	1.97
1997	460,329 (p)	178,901	281,428	174,590 (p)	54,565	229,155	1.23
1998	330,713	124,470	206,243	26,610	51,553	78,163	2.64
1999	333,900	133,284	200,616	27,835	30,302	58,137	3.45
2000	342,681	46,657	296,024	33,580	46,258	79,838	3.71
Illinois Housing Development Authority -							
1991	\$ 521,256 (h)	\$ 12,224	\$ 509,032	\$ 421,485 (h)	\$ 176,302	\$ 597,787	.85 %
1992	277,018 (i)	12,979	264,039	146,388 (i)	184,577	330,965	.80
1993	272,645 (j)	14,651	257,994	328,676 (j)	172,455	501,131	.51
1994	329,589 (k)	18,429	311,160	793,354 (k)	149,209	942,563	.33
1995	220,268 (l)	16,446	203,822	226,107 (l)	121,482	347,589	.59
1996	360,854 (m)	174,136	186,718	173,146 (m)	129,502	302,648	.62
1997	162,470	9,970	152,500	194,067	132,541	326,608	.47
1998	291,916	174,521	117,395	387,165	145,732	532,897	.22
1999	269,691	161,769	107,922	234,080	127,247	361,327	.30
2000	294,546	186,199	108,347	119,344	130,889	250,233	.43
Illinois Rural Bond Bank -							
1992 (n)	\$ 1,343	\$ 700	\$ 643	\$ 95	\$ 279	\$ 374	1.72 %
1993	1,917	535	1,382	630	1,384	2,014	.69
1994	2,528	642	1,886	1,135	1,730	2,865	.66
1995	3,068	564	2,504	1,325	2,455	3,780	.66
1996	3,338	511	2,827	1,875	2,932	4,807	.59
1997	3,940	730	3,210	2,130	3,469	5,599	.57
1998	5,966	1,016	4,950	2,975	4,410	7,385	.67
1999	7,136	1,349	5,787	3,295	4,503	7,798	.74
2000	7,000	696	6,304	4,190	6,019	10,209	.62

- (a) The Commission redeemed \$33.2 million of principal with bond proceeds in February 1991.
- (b) The Commission redeemed \$58.69 million of principal with bond proceeds in January 1992.
- (c) The Commission redeemed \$68.27 million of principal with bond proceeds in December 1992.
- (d) The Commission redeemed \$135.86 million of principal with bond proceeds in February 1994.
- (e) The Commission redeemed \$49.695 million of principal with bond proceeds in February 1995.
- (f) The Commission redeemed \$49.9 million of principal with bond proceeds in February 1996.
- (g) The Commission \$68.0 million of principal with bond issuance of \$23.7 million in February 1997 and \$44.3 million in May 1997.
- (h) The Authority advance refunded their previously issued bonds throughout the year. The amount of the proceeds used for refunding was \$301,737.
- (i) The Authority advance refunded their previously issued bonds throughout the year. The amount of the proceeds used for refunding was \$58,750
- (j) The Authority redeemed \$58.005 million of principal with bond proceeds throughout the year. In addition, the Authority \$4.241 million from the sale of mortgage loan receivable to redeem bond issues.
- (k) The Authority redeemed \$146.645 million of principal with bond proceeds throughout the year.
- (l) The Authority redeemed \$57.625 million of principal with the bonds proceeds of November 1994.
- (m) The Authority redeemed \$32.44 million of principal with bond proceeds in November 1995.
- (n) The first year issued revenue bonds.
- (o) The Commission redeemed \$19.3 million of principal with bond issuance proceeds of \$19.3 million in February 1998.
- (p) The Authority issued \$148.3 million of revenue bonds in October 1996, to current refund of \$144.3 million of revenue bonds
- (q) The Commission redeemed \$34.6 million of principal with bond issuance proceeds in February 1999.
- (r) The Commission redeemed \$99.8 million of principal with bond issuance proceeds in February 2000.

State of Illinois

Revenue Bond Coverage *

University

For the Last Ten Fiscal Years (Expressed in Thousands Except Coverage Data)

Fiscal Year	Revenues/ Other Additions	Expenditures/ Other Deductions	Net Revenue/ Additions Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	\$ 313,066	\$ 253,813	\$ 59,253	\$ 20,031	\$ 22,233	\$ 42,264	1.40 %
1992	336,807	272,979	63,828	20,160	26,176	46,336	1.38
1993	413,427	345,794	67,633	19,323	27,546	46,869	1.44
1994	361,832	295,495	66,337	21,600	27,224	48,824	1.36
1995	362,303	291,301	71,002	21,495	29,232	50,727	1.40
1996	457,926	383,897	74,029	25,059	28,754	53,813	1.38
1997	787,489	685,854	101,635	28,161	32,229	60,390	1.68
1998	833,590	720,247	113,343	32,520	39,139	71,659	1.58
1999	210,594	168,813	41,781	13,430	16,694	30,124	1.39
2000	246,040	200,525	45,515	13,812	18,070	31,882	1.43

* Chicago State, Eastern, Northeastern, Western, Illinois State, Northern, Southern Illinois, and the University of Illinois. The above amounts do not include student tuition and fees which are generally available, if necessary, to cover bond debt service requirements. The tuition and fees amounts, if included, would significantly increase debt service coverage.

State of Illinois

Population by Age Group

ILLINOIS				
	1980	Percent	1990	Percent
Under 5 years	842,324	7.4 %	848,141	7.4 %
5 - 19 years	2,836,273	24.8	2,451,088	21.5
20 - 44 years	4,221,949	37.0	4,553,416	39.8
45 - 64 years	2,264,972	19.8	2,141,412	18.7
65 years and over	1,261,911	11.0	1,436,545	12.6
Total	11,427,429	100.0 %	11,430,602	100.0 %

UNITED STATES				
	1980	Percent	1990	Percent
Under 5 years	16,298,350	7.2 %	18,354,443	7.4 %
5 - 19 years	56,117,954	24.8	56,976,857	22.9
20 - 44 years	84,112,743	37.1	95,765,733	38.5
45 - 64 years	44,518,372	19.6	46,371,009	18.6
65 years and over	25,498,386	11.3	31,241,831	12.6
Total	226,545,805	100.0	248,709,873	100.0

* Age groups for the year 2000 not available.

Sources: *Illinois Bureau of the Budget, Current Population Reports: Local Population Estimates, Series P-26, August 1987.*

Illinois Bureau of the Budget, Current Population Reports: Population Estimates and Projections, Series P-25, July 1988.

Illinois Bureau of the Budget, Data From 1990 Census

State of Illinois

Total Personal Income

For the Last Ten Fiscal Years

Year	Amount (millions)	Percent Change	Per Capita Personal Income	
			Illinois	United States
1991	\$ 241,929	5.02 %	\$ 21,165	\$ 20,040
1992	254,492	5.19	22,061	20,728
1993	270,035	6.11	23,208	21,560
1994	280,488	3.86	23,917	22,260
1995	297,871	6.21	25,233	23,289
1996	313,082	5.11	26,343	24,205
1997	331,144	5.77	27,704	25,399
1998	351,256	6.09	29,243	26,744
1999	370,231	5.40	30,674	28,077
2000	387,798	4.75	31,974	29,474

Source: *Survey of Current Business, U.S. Department of Commerce*

*State of Illinois***Employment/Unemployed**

For the Last Ten Fiscal Years

Year	Total Employment	Unemployment	
		Unemployed	Rate (Percent)
1991	5,534,388	390,743	6.6
1992	5,509,351	476,998	8.0
1993	5,557,911	442,825	7.4
1994*	5,627,506	399,996	6.6
1995*	5,753,199	317,745	5.2
1996*	5,814,414	325,368	5.3
1997*	5,880,276	305,227	4.9
1998*	5,926,303	284,056	4.6
1999*	6,039,249	272,298	4.3
2000*	6,148,597	275,567	4.3

* Due to changes in the employment survey, the results of the employment survey beginning in 1994 and after are not comparable to earlier reports.

Source: U.S. Department of Labor, Bureau of Labor Statistics Employment and Earnings

*State of Illinois***Employment by Industry**

For the Last Ten Fiscal Years (Expressed in Thousands)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Mining	19	18	17	15	14	13	12	11	11	11
Construction	213	200	197	206	214	220	229	233	243	255
Manufacturing	965	921	928	944	958	965	971	977	974	954
Transportation and Public Utilities	307	302	307	314	321	328	336	343	350	347
Wholesale and Retail Trade	1,259	1,240	1,238	1,262	1,301	1,309	1,316	1,324	1,347	1,348
Finance, Insurance and Real Estate	380	376	381	390	385	385	392	402	408	407
Services	1,357	1,385	1,437	1,487	1,547	1,612	1,664	1,730	1,795	1,830
Government	770	773	775	777	795	803	808	811	814	833
Total	<u>5,270</u>	<u>5,215</u>	<u>5,280</u>	<u>5,395</u>	<u>5,535</u>	<u>5,635</u>	<u>5,728</u>	<u>5,831</u>	<u>5,942</u>	<u>5,985</u>

Source: U.S. Department of Labor

State of Illinois

**Contracts for Future Construction
And Residential Building Activity**

For the Last Ten Fiscal Years

Year	Contracts For Future Construction (millions)	Residential Building Activity	
		Permits	Valuation (millions)
1991	\$ 8,923	32,367	\$ 3,008
1992	10,026	37,358	3,582
1993	10,851	40,381	3,882
1994	11,041	47,168	4,891
1995	11,182	48,506	4,918
1996	11,556	49,304	4,915
1997	11,666	49,248	5,128
1998	11,850	45,576	5,398
1999	15,377	49,547	5,891
2000	14,950	54,379	6,244

**Sources: Illinois Department of Commerce
& Community Affairs**

**Dodge Division, McGraw Hill
Information System Co.**

State of Illinois

**Sales of All Retail Stores
Annual**

For the Last Ten Fiscal Years (Expressed in Millions)

Year	Illinois*	Percent of Change	
		Illinois*	United States
1991	\$ 90,390	4.8	2.3
1992	91,792	1.6	2.3
1993	93,777	2.2	6.0
1994	97,313	3.8	7.3
1995	101,481	4.3	6.7
1996	107,867	6.2	4.9
1997	110,779	2.7	4.2
1998	116,793	5.4	4.8
1999	122,500	4.9	7.2
2000	131,295	7.2	9.2

* The U.S. Department of Commerce has discontinued their monthly state retail sales series. Fiscal years 1996, 1997, 1998 and 1999 are estimated, by the Illinois Department of Commerce and Community Affairs based on sales tax collections from the Illinois Department of Revenue. Fiscal year 2000 amounts are actual.

**Source: Illinois Department of Commerce
& Community Affairs**

*State of Illinois***Largest Manufacturers
(Ranked by Number of Employees)**

Company	Number of Employees	Number of Illinois Installations
Caterpillar, Inc.	30,700	36
Motorola, Inc.	26,700	55
Abbott Laboratories	15,300	14
Deere & Company	11,400	22
Lucent Technologies	10,600	20
General Electric Company	10,300	95
Kraft Foods Inc.	8,000	29
Illinois Tool Works, Inc.	7,400	82
RR Donnelly & sons	6,800	25
Baxter Healthcare Corporation	6,000	15
BP (Amoco)	6,000	73
Ford Motor Company	6,000	17
Textron, Inc.	6,000	24
Chicago Tribune Company	5,700	33
Zenith Electronics Corp.	5,400	6
General Motors Corporation	5,000	53
Dana Corporation	5,000	16
United Technologies (Sunstrand, Otis Elev.)	4,900	30
Tenneco Inc.	4,700	8
Archer Daniels Midland Company	4,500	78
Hollinger Publishing (Sun Times)	4,200	27
Honeywell Inc.	4,000	34
Smurfit Stone Corporation	4,000	36
Alberto-Culver Company	4,000	108
Quebecor World Printing	4,000	17

**Source: Illinois Department of Commerce
and Community Affairs**

*State of Illinois***Bituminous Coal Production
Annual**

For the Last Ten Calendar Years (Expressed in Millions of Tons)

Year	Surface	Underground	Total	Percent Total of U.S.
1991	15,903	44,132	60,035	6.1 %
1992	12,848	47,484	60,332	6.2
1993	7,937	34,207	42,144	4.5
1994	9,246	44,781	54,027	5.3
1995	6,878	42,659	49,537	4.0
1996	7,600	39,700	47,300	4.5
1997	6,300	35,000	41,300	3.8
1998	4,415	39,224	43,639	3.5
1999	3,637	36,679	40,316	3.7
2000 a	2,010	15,679	17,689	3.3

a - Information provided through June 2000.

Source: Illinois Department of Natural Resources