

State of Illinois - Governor's Office of Management and Budget
PARTIAL Statement of Revenues, Expenditures and Other Financing Sources and Uses- UNAUDITED
and PARTIAL Statement of Expenditures Compared to Budget - UNAUDITED
Report Purpose, Management Assumptions, and Footnotes
Year to Date September 30, 2010 (Expressed in Thousands)

Report Purpose

The partial quarterly statement of revenues, expenditures, and other financing sources report is prepared for management purposes by the Governor's Office of Management and Budget (GOMB) to assess the financial position of agencies and funds which have a significant impact on the financial results of the state. It was prepared with the objective of providing timely and transparent financial reporting. As a result, the GOMB utilizes the information provided by numerous state agencies, which is supplied shortly after the end of the reporting period.

The Governor's Office of Management and Budget posts a statutorily required report called Fiscal Year 2011 First Quarter Financial Review (Cash Basis) containing only the State's General Funds. Because that report is compiled on the cash basis, the numbers may differ from these statements. The differences are primarily timing differences between cash and modified accrual.

Management Assumptions

This report is unaudited. It uses estimates of revenues and expenditure which are based on information available to management of various state agencies at the time it is prepared. Information contained in this report may differ from audited financial statements of the same period and released at a later date.

Other state agencies may report financial information periodically throughout the year and at year end. This report is not intended to replace or supplement the financial reporting of any other state agencies. The data contained within this report may not correlate with the information contained in the reports of other agencies due to a variety of factors, including but not limited to, differences in timing of transactions, basis of accounting, fund inclusion or exclusion, or changes in estimates.

This report was designed to capture the most significant financial activities of the state. Approximately 90 to 95% of the state's revenues, expenditures, and other financing sources and uses have been included. Internal service, enterprise, and fiduciary funds were excluded, Many smaller agencies were also excluded

The "general funds" includes the general revenue fund, education assistance fund, and common school fund. All other activities deemed significant for reporting purposes are included in the "non-general funds".

Modified accrual was the primary basis of accounting used in preparing this report. However, the cash basis of accounting was also used for reporting revenues and expenditures of select agencies or funds.

This report contains taxes that are collected by the State and passed through to local governments such as income, sales, motor fuel and personal property replacement taxes.

Footnotes

These statements do not necessarily reflect 25% of what the State will spend in fiscal year 2011. In addition to reserves that have been put on agency budgets that are reflected in these statements, the Governor has told agencies to reduce spending in the first six months of the year. This allows the state to complete the payment of 2010 bills before 2011 bills will need to be paid. Also the State's debt payments are not paid evenly throughout the year. During the second half of the year the debt payments for short term borrowing will be due.

As previously noted these statements are prepared closest to the modified accrual basis of accounting. Consequently, the numbers in this report do not contain any unpaid benefit accruals that are required for full accrual statements. The State does not fully fund pensions nor does it fund post-employment benefits. In the State's Comprehensive Annual Financial Report for fiscal 2009 the annual unfunded amount was about \$3 billion for both pensions and other post-employment benefits actuarially determined according to government generally accepted accounting principles

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Year to Date September 30, 2010 (Expressed in Thousands)

	<u>General Funds</u>	<u>Non-General Funds</u>	<u>Total</u>
REVENUES			
Taxes		-	-
Individual income	1,948,063	186,563	2,134,626
Corporate income	265,032	62,556	327,587
Sales	1,605,680	158,297	1,763,976
Personal Property Replacement Tax	-	145,415	145,415
Motor fuel	-	325,448	325,448
Public utility	263,290	70,577	333,867
Riverboat	-	135,621	135,621
Hospital assessment	-	614,859	614,859
Other	273,118	31,863	304,981
Federal government	2,395,284	2,754,046	5,149,330
Licenses and fees	1,771	237,637	239,408
Interest and other investment income	4,087	2,709	6,797
Other sources	42,142	329,805	371,947
Total revenues	<u>6,798,467</u>	<u>5,055,397</u>	<u>11,853,863</u>
EXPENDITURES			
HUMAN SERVICES			
Department on Aging	124,578	4,519	129,098
Department of Children and Family Services	269,533	10,862	280,395
Department of Healthcare and Family Services	2,969,154	2,093,879	5,063,033
Department of Human Services	811,231	290,119	1,101,349
Department of Public Health	57,486	45,196	102,682
PUBLIC SAFETY			
Department of Corrections	313,929	4,219	318,147
Department of State Police	69,010	-	69,010
Illinois Emergency Management Agency	486	4,715	5,200
ECONOMIC DEVELOPMENT AND INFRASTRUCTURE			
Department of Commerce and Economic Opportunity	3,463	96,483	99,946
Department of Transportation	6,542	1,011,397	1,017,939
Department of Employment Security	34,586	69,527	104,113
Department of Agriculture	7,259	950	8,209
ENVIRONMENT AND BUSINESS REGULATIONS			
GOVERNMENT SERVICES			
Department of Revenue	25,097	567,537	592,634
Illinois Gaming Board	-	54,803	54,803
EDUCATION			
Elementary and Secondary Education	1,963,648	107,676	2,071,324
University Funds	532,892	24,000	556,892
Illinois Community College Board	331,139	-	331,139
Illinois Student Assistance Commission	124,782	-	124,782
OTHER AGENCIES	144,645	11,436	156,081
DEBT PAYMENTS	-	840,769	840,769
Total Expenditures	<u>7,796,538</u>	<u>5,349,181</u>	<u>13,145,718</u>
Excess (deficiency) of revenues over (under) expenditures before transfers	<u>(998,071)</u>	<u>(293,784)</u>	<u>(1,291,855)</u>
OTHER FINANCING SOURCES/USES			
Short term borrowing	1,300,000		1,300,000
Transfers to general fund from non-general funds	116,566	(116,566)	
Transfers from general fund to non-general funds	(1,134,380)	1,134,380	-
Other transfers in	349,122	333,703	682,825
Other transfers out	(453,313)	(277,732)	(731,045)
Total other financing sources/uses	<u>177,994</u>	<u>1,073,786</u>	<u>1,251,780</u>
Net Change in Fund Balance	<u>(820,076)</u>	<u>780,002</u>	<u>(40,075)</u>

Please see report purpose, management assumptions and footnotes at page 1

State of Illinois - Governor's Office of Management and Budget
PARTIAL Statement of Expenditures Compared to Budget - UNAUDITED
Year to Date September 30, 2010 (Expressed in Thousands)

	General Funds			Non-General Funds		
	Actual Expenditures	Budget	Variance Over (Under) Budget	Actual Expenditures	Budget	Variance Over (Under) Budget
HUMAN SERVICES						
Department on Aging	124,578	628,827	(504,248)	4,519	88,598	(84,079)
Department of Children and Family Services	269,533	833,014	(563,481)	10,862	435,800	(424,938)
Department of Healthcare and Family Services	2,969,154	7,640,586	(4,671,432)	2,093,879	8,562,509	(6,468,630)
Department of Human Services	811,231	3,521,226	(2,709,995)	290,119	2,128,325	(1,838,207)
Department of Public Health	57,486	137,404	(79,918)	45,196	255,499	(210,303)
PUBLIC SAFETY						
Department of Corrections	313,929	1,114,880	(800,951)	4,219	70,000	(65,781)
Department of State Police	69,010	272,004	(202,994)	-	-	-
Illinois Emergency Management Agency	486	3,181	(2,696)	4,715	438,091	(433,376)
ECONOMIC DEVELOPMENT AND INFRASTRUCTURE						
Department of Commerce and Economic Opportunity	3,463	40,437	(36,973)	96,483	1,991,765	(1,895,282)
Department of Transportation	6,542	45,893	(39,351)	1,011,397	2,252,373	(1,240,976)
Department of Employment Security	34,586	6,908	27,678	69,527	329,625	(260,098)
Department of Agriculture	7,259	30,140	(22,881)	950	19,966	(19,015)
ENVIRONMENT AND BUSINESS REGULATIONS	7,078	51,495	(44,417)	111,094	488,914	(377,820)
GOVERNMENT SERVICES						
Department of Revenue	25,097	127,548	(102,451)	567,537	4,324,934	(3,757,397)
Illinois Gaming Board	-	-	-	54,803	137,359	(82,557)
EDUCATION						
Elementary and Secondary Education	1,963,648	7,933,574	(5,969,926)	107,676	4,125,347	(4,017,671)
University Funds	532,892	1,468,412	(935,519)	24,000	185,000	(161,000)
Illinois Community College Board	331,139	331,699	(559)	-	-	-
Illinois Student Assistance Commission	124,782	415,824	(291,042)	-	-	-
OTHER AGENCIES	144,645	692,605	(547,960)	11,436	121,264	(109,827)
DEBT PAYMENTS				840,769	4,695,833	(3,855,064)
Total expenditures	7,796,538	25,295,654	(17,499,116)	5,349,181	30,651,201	(25,302,021)

Please see report purpose, management assumptions and footnotes at page 1