



70 East Lake Street, Suite 1700
 Chicago, IL • 60601
www.ctbaonline.org

ILLINOIS FY 2011 OPERATING AND TOTAL DEFICIT REMAINING UNDER HB 859, SA 1, 2, 3.

May 26, 2010

Spending*

Carry Forward of Unpaid Bills	\$6.0 B
Repayment of Debt/Prior Fund Transfers	\$4.61 B
General Fund Approps	<u>\$26.32 B</u>
Total Revenue Needed	\$36.93 B

Revenue

Recurring

Estimated 2011 Own Source Gen Fund Revenue	\$21.412 B
Estimated 2011 Federal Transfers	<u>\$5.382 B</u>
Total Recurring Revenue	\$26.794 B

FY 2011 Operating Deficit **(-\$10.136 B)**

Operating Deficit as % of Total GRF 38.5%

One-Time, Nonrecurring Revenue/Debt*

Securitization of Tobacco Litigation Proceeds	\$1.2 B
Carry Forward of Federal ARRA Transfers	\$.650 B
Tax Amnesty Program	\$.250 B
Raiding Special Funds	<u>\$1.0 B</u>
Total One-Time Nonrecurring Revenue	\$3.1 B

One-Time Revenue as % of Total GRF 11.78%

Minimum Remaining Deficit **(-\$7.036 B)**

As Percentage of Total GRF 26.7%

The 2011 estimates for recurring revenue are over \$10 billion short of 2011 estimated expenditures. After all revenue sources, recurring and non-recurring are included, Illinois's 2011 budget deficit is 26.7% of its General Revenue Fund. Consider that over 90% of General Funds are spent on four areas: Education; Healthcare; Human Services; and Public Safety. The General Fund is the area of the budget that elected officials have the ability to manipulate. So, if the budget is to be balanced by cutting 26.7% of spending, these four areas, all of which provide critical services to Illinoisans, will be first on the chopping block. Under the Emergency Budget Act the Governor has been given the authority to make additional cuts in two areas: "discretionary human services" up to \$2.2 B, and "discretionary operational and state

government" up to \$1.2 B. In the FY 2010 budget human services (including the Departments of Aging, Children and Family Services, and Human Services) were cut by \$2.1 B (38%) from FY 2009.

All spending and revenue data above are based on CTBA analysis of the budget that passed on May 25, 2010. Final data are subject to change, based upon budgetary changes. Text of HB 859, and Senate Amendments 1, 2, and 3 are available on the Illinois General Assembly website: <http://www.ilga.gov>.

*Note, due to some ambiguities in itemized appropriations, neither spending nor one-time revenues analyzed above include the borrowing the state will incur of up to \$4.157 B to make its FY 2011 pension contribution. As soon as said ambiguities are resolved, CTBA will update this fact sheet.

For more information, contact:

Ralph M. Martire
Executive Director
(312) 332-1049
rmartire@ctbaonline.org

Ron P. Baiman, Ph.D.
Director of Budget and Policy Analysis
(312) 332-1481
rbaiman@ctbaonline.org

Yerik Kaslow
Research Associate
(312) 332-2151
ykaslow@ctbaonline.org

Center for Tax and Budget Accountability

70 E. Lake Street, Suite 1700
Chicago, Illinois 60601
Fax: (312) 578-9258
www.ctbaonline.org

