



## Illinois Still Near the Bottom

### Financial State of Illinois

Illinois' financial condition improved in 2022, but the state still needed \$175.4 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of \$41,600, earning it an "F" grade from Truth in Accounting.

Like many states in this year's report, Illinois' economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Illinois' pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Illinois' 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to [Data-Z.org](https://Data-Z.org).

# Illinois' Financial Breakdown

- Illinois had \$51.8 billion available to pay \$227.2 billion worth of bills.
- The outcome was a \$175.4 billion shortfall, which breaks down to a burden of \$41,600 per taxpayer.
- Illinois' financial condition improved mostly because of the way the state's actuaries calculated its unfunded retiree healthcare benefits. Despite the resulting significant decrease in the amount of these unfunded benefits, Illinois still did not have enough money to pay its bills.

## The State's Bills Exceeded Its Assets

Total Assets	\$111,521,093,000
Minus: Capital Assets	-\$42,799,232,000
Restricted Assets	-\$16,927,684,000
Assets Available to Pay Bills	\$51,794,177,000
Minus: Total Bills*	\$227,229,180,000
Money needed to pay bills	\$175,435,003,000
Each taxpayer's share of this burden	\$41,600

## \*Breakdown of Total Bills

Bonds	\$42,388,621,000
Other Liabilities	\$35,376,612,000
Minus: Debt Related to Capital Assets	-\$18,198,927,000
Unfunded Pension Benefits	\$146,301,267,000
Unfunded Retiree Health Care Benefits	\$21,361,607,000
Total Bills	\$227,229,180,000

**Grade:**

**F**

Bottom line: Illinois would need \$41,600 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than \$20,000 is given an "F" grade.

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