Illinois

Capital Budget • Fiscal Year 2012

State of Illinois
Pat Quinn, Governor

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Illinois Jobs Now!

Pat Quinn, Governor

Fiscal Year 2012
CAPITAL BUDGET

STATE OF ILLINOIS
Pat Quinn
Governor

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Office of the Governor
207 State Capitol, Springfield, Illinois 62706

Pat Quinn
Governor

February 16, 2011

To the Honorable Members of the General Assembly and the People of the State of Illinois:

I respectfully submit to you the fiscal year 2012 capital budget, which demonstrates the significant progress we have made in creating jobs, supporting business and growing our economy through *Illinois Jobs Now!*, the state's first capital program in nearly a decade. This $31 billion plan is jump-starting our economy, improving our infrastructure, increasing energy efficiency, and will create and retain 439,000 jobs and over the next several years.

Our goal is long-term economic stability, and we are using every available resource to support business and put people to back to work. We are maximizing federal stimulus dollars from the American Recovery and Reinvestment Act to build the state's first high-speed rail route from St. Louis to Chicago. Workers have already begun track upgrades, and Illinois is on track to create the nation's first high-speed rail network. The federal government is proposing additional spending for high-speed rail, and we are committed to attracting even more money necessary to making Illinois the high-speed rail capitol of the Midwest.

Illinois' construction season will kick off in the weeks ahead, putting an estimated 90,000 people to work on projects to improve infrastructure all over the state. Nearly $6 billion will go towards easing congestion by repairing roads, bridges, transit and rail. An additional $2 billion will be invested in improving our students' school buildings, increasing sustainability and energy efficiency, and supporting local economies.

All of these efforts are putting us in an even better position to take advantage of our state's existing opportunities: a location that has made Illinois the hub of the nation's rail network and the aviation gateway to the world; an unmatched transportation infrastructure that makes Illinois the distribution center of North America; world-class universities and research institutions that attract minds from all over the world; and a long-standing place as one of the world's top financial centers.

Businesses from around the country and across the world are recognizing what we have known for some time: Illinois is a great place to do business. Major corporations, such as Boeing, Chrysler, Ford, Mitsubishi, and Navistar, along with innovators such as Groupon, are choosing to invest in Illinois. Our efforts are helping us compete in the global economy, and we'll continue working with businesses to help them expand in Illinois.

These proposals are just the beginning of the continuing revitalization of Illinois' economy. As Illinois' Jobs Governor, I am committed to building new infrastructure, creating good-paying jobs and keeping Illinois moving in the right direction. Together, we can show the world what the great people of Illinois can build and why Illinois remains a national and global leader.

Sincerely,

Pat Quinn

Pat Quinn
Governor, State of Illinois

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The State of Illinois
Fiscal Year 2012 Budget Book
can be accessed online at

www.state.il.us/budget

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Readers Guide

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INTRODUCTION

This chapter is meant to help readers understand the organization and content of the State of Illinois Capital Budget, which sets forth the governor's budget recommendations. It includes the following sections:

- **BUDGET DOCUMENTS**
- **BUDGET DOCUMENT ORGANIZATION**
- **CONSTITUTIONAL REQUIREMENTS**
- **WHAT IS A CAPITAL BUDGET?**
- **HOW IS A CAPITAL BUDGET CREATED?**
- **DIFFERENCES BETWEEN CAPITAL AND OPERATING BUDGETS**
- **SUBMISSION OF A SEPARATE CAPITAL BUDGET**
- **IMPACT OF CAPITAL EXPENDITURES ON THE OPERATING BUDGET**
- **FUNDING SOURCES FOR THE CAPITAL BUDGET**
- **BOND AUTHORIZATION**

BUDGET DOCUMENTS

This document presents the fiscal year 2012 Illinois Capital Budget, *Illinois Jobs Now!.*

While state capital and operating budgets are subject to the same procedures, the fiscal year 2012 Illinois Capital Budget is presented in a separate document in an effort to facilitate transparency and understandability. Both documents are available at www.state.il.us/budget.

BUDGET DOCUMENT ORGANIZATION

The State of Illinois Capital Budget Document is organized as follows:

- **THE GOVERNOR'S LETTER OF TRANSMITTAL** to the General Assembly and the residents of the state
- **TABLE OF CONTENTS**
- **Chapter 1: THE READER'S GUIDE**
- **Chapter 2: OVERVIEW** - Information on the state's overall capital budget priorities and a summary of fiscal year 2011.
- **Chapters 3 through 9:** Budget recommendations for agencies grouped by capital program components:

  3. NEXT GENERATION
  4. ECONOMIC DEVELOPMENT
  5. INLAND PORTS
  6. TRANSPORTATION
  7. EDUCATION
  8. ENVIRONMENT, ENERGY AND TECHNOLOGY
  9. STATE FACILITIES

- **Chapter 10: DEBT MANAGEMENT** - The state's affordability model, borrowing activities and financing schedule.
- **Chapter 11: APPENDICES** - Tables and charts of the governor's capital budget recommendations. Also included are tables displaying an expenditure plan for the proposed budget, cash-flows for all capital-supporting funds and debt service requirements for bond funds.
- **Chapter 12: GLOSSARY**

CONSTITUTIONAL REQUIREMENTS OF THE BUDGETARY PROCESS

The Illinois Constitution requires the governor to prepare and present a budget recommendation for the State of Illinois to the General Assembly.

The constitution also requires a balanced budget that includes recommended spending levels for state agencies, estimated funds available from tax collections and other sources, and state debt and liabilities.

The Governor's Office of Management and Budget (GOMB) is by statute a unit within the governor's office that is responsible for estimating revenues and developing budget recommendations that reflect the governor's programmatic and spending priorities.

WHAT IS A CAPITAL BUDGET?

A capital budget is a spending blueprint identifying capital projects that generate assets with a long economic life, such as roads and bridges, transit facilities, schools, economic development projects, environmental

infrastructure, energy programs, information technology and state facilities.

Types of expenditures in the capital budget include financial and physical planning, land acquisition, architecture and engineering, construction, purchases of durable equipment, and grants and loans to other entities for capital purposes. The capital budget also recommends funding sources including bond proceeds, current revenues and available federal funds.

The goal is to maximize all resources available to benefit the State of Illinois by strategically investing in initiatives and programs that improve the economy and create jobs. Particular attention is given to maintaining existing assets in order to avoid future repairs. This is in conjunction with the fiscal restraint imposed by allowing available revenue to determine the amount of affordable debt needed to support investments.

This document details the governor's proposed fiscal year 2012 Illinois Capital Budget. It includes capital appropriations and distinguishes between reappropriations and new appropriations for various programs.

HOW IS A CAPITAL BUDGET CREATED?

GOMB works with the following state agencies to review potential capital investments and projects: the Illinois Department of Transportation (IDOT), the Department of Commerce and Economic Opportunity (DCEO), the Department of Natural Resources (DNR), the Illinois Environmental Protection Agency (IEPA), the Capital Development Board (CDB), the Illinois Board of Higher Education (IBHE), local schools and other agencies, authorities and commissions.

CDB provides technical evaluation of the requests. Teams of architects and engineers verify projects' scope and cost estimates. CDB develops a statewide list that ranks requested projects based on the following criteria:

- **Life and safety factors.** Examples include fire alarms, removal of hazardous materials and repairing dangerous conditions.
- **Code compliance.** This includes the Americans with Disabilities Act and other building codes.
- **Infrastructure maintenance.** Examples include repairing roofs before water damage occurs to structures and reducing deferred maintenance to hold down future years' costs.
- **Targeted new construction.** New, substantially converted, or expanded space may be necessary to meet new programmatic needs, increase efficiency or decrease costs.

GOMB, CDB and requesting agencies evaluate the CDB-combined agency priority list. With the growing backlog of deferred maintenance, GOMB currently gives preference to maintenance or renovation of existing state facilities over new construction. GOMB also factors in broader considerations, using different criteria for different types of projects, including:

- **Strategic priorities:** the investments support state government's core missions such as economic development and job creation, education, public safety and health.
- **Long term plans:** for demolition, sale or disposition of assets, and avoidance of investments in structures that will not be needed in a few years.
- **Deferred maintenance impacts:** spending a smaller amount of money on upkeep in order to prevent the need for more expensive repairs in the future.
- **Facility condition:** impact on the state's long-term capital condition and financing structure.
- **Agency program needs:** including caseload or enrollment trends.
- **Future operating costs:** the potential to decrease costs, such as utilities and staffing, by investing capital dollars judiciously.
- **Matching support:** utilizing all sources of funds available from federal, local or private sources.
- **Statewide space needs:** developing efficiencies for improved space utilization in state facilities.
- **Debt service impacts of spending**: the impact of spreading spending and bond offerings over several years.
- **Energy efficiency:** impact on utility usage in state owned facilities.
- **Green design:** ensuring that all new state-funded building construction and major

renovations of existing state facilities meet the current Leadership in Energy and Environmental Design (LEED) standards.

Agencies under the governor occupy approximately 60 million square feet of space. These facilities are quite diverse, with various building types, such as office buildings, hospitals, state fairgrounds, laboratories, prisons, residential care facilities, garages for heavy construction equipment, state park lodges and historic structures.

Other capital investments, such as highways, public transit, airport facilities and school facilities are reviewed by the responsible state agencies. Ongoing programs, such as revolving loan funds for local government water and sewer infrastructure are managed by other agencies.

DIFFERENCES BETWEEN CAPITAL AND OPERATING BUDGETS

The operating budget provides annual funding for the day-to-day services, programs and operations of the state. In contrast, the capital budget provides funding for the construction of buildings, roads and other infrastructure. These projects usually require multi-year appropriations.

Capital spending and operating spending have different timeframes, financial sources and assumptions. Operating revenues and appropriations are received and spent respectively within a given year. Capital funding sources and appropriations are received and spent over a longer time period, typically a number of years, reflecting activities such as architectural and engineering planning that precede actual construction of infrastructure. Some of the major differences between capital and operating are summarized in Appendix A, Table 1.

SUBMISSION OF A SEPARATE CAPITAL BUDGET

Key advantages of a separate submission include:

- **Accountability and disclosure.** Allows the public and legislators to clearly see how all of the capital dollars are spent.
- **Project monitoring.** Facilitates tracking and management of projects over multiple years.
- **Clarification of re-appropriations.** Quantifies the amount of capital spending each year from funds originally appropriated in prior years and re-appropriated for ongoing projects.
- **Comparability.** Highlights money spent in one year (operating appropriations) and money spent over several years (capital appropriations) for increased public awareness.
- **Identification of revenue source.** Details used to pay for capital projects that would not be included in a 12-month operating budget; this is presented in Charts 3 through 6 in Appendix A.

IMPACT OF CAPITAL EXPENDITURES ON THE OPERATING BUDGET

The state's capital and operating budgets contain interconnecting components. For example, the operating budget reflects amounts for the annual debt service appropriations for bonds supporting capital projects. Further, operational efficiencies, enhanced by capital projects, can benefit the operating budget by introducing cost-saving measures and improved facilities.

The total impact of capital expenditures on the operating budget is carefully considered before capital appropriations are made. The amount of debt service needed to support bonds determines the need for new revenues. This capital budget is designed to fit within the limits of available new revenues in order to support the debt service on bonds issued for capital appropriations.

Investments in state facilities and the regular Multi-Year Road Program are heavily weighted towards repair and renovation of existing facilities. These investments reduce the backlog of deferred maintenance and lower future maintenance and repair costs by forestalling structural deterioration and avoiding inflationary increases. Other areas focus on investments in the communities that will create jobs and stimulate the economy.

Appendix A, Charts 1 and 2 summarize the five-

year impact of state facilities' projects on the operating budget. Capital projects can result in either savings (for example, reduced energy and maintenance costs) or additional costs (for example, costs to staff and operate a new or expanded facility). The methodology used to calculate the operating impact involves modeling key drivers like prevailing energy costs and consumption levels at the various state facilities.

The remainder of the capital budget is targeted towards grants and loans to other entities, including local governments, businesses and non-profits. This allows the state to leverage the efforts of these entities in order to achieve key goals in education, transportation, preservation of the environment, economic development and job creation, without taking on the liability of future maintenance or replacement of the assets financed.

FUNDING SOURCES FOR THE CAPITAL BUDGET

Capital appropriations are made up of new appropriations for capital projects that will be initiated starting in fiscal year 2012, but may require two or more years to complete, and reappropriations of projects and programs first appropriated in prior years and not yet completed.

GOMB's role includes evaluating and making recommendations on the overall size of the capital program, the projects and programs submitted by each agency responsible for capital investments, and on the appropriate balance of investments among these competing demands for scarce capital resources.

Funding of capital investments can be classified into two broad categories: bond proceeds and pay-as-you-go (i.e., current revenues). Capital spending in a given year is financed either by borrowing money (debt financed) or by using current revenues (pay-as-you-go financed). Debt financing takes the form of bonded debt, whereby the state borrows money from the capital markets through issuance of General Obligation or Build Illinois Bonds (see the Debt Management chapter for more details). The projects are funded out of current revenues, including certain portions of the road program and many environmental programs funded primarily from dedicated revenue streams or from federal monies. Current revenues can include state sources, existing user fees such as the Motor Fuel Tax and federal funds. While in some instances (for example, the Water Revolving Fund) the state has leveraged these proceeds by bonding, in most cases, the spending in these categories is limited by the revenues projected for the coming year and the available fund balance.

Bond-funded programs, including state and higher education facilities, school construction grants, portions of the road program, transit and aviation funding, many economic development programs, coal development, and some of the environmental programs, are also constrained by available revenues. Debt service implications of proposed bond issuances are calculated and, along with existing debt service from prior bond issues, are used to evaluate the debt service amount that must be paid out of funds that also support the state's operating budget, if dedicated revenues are insufficient.

Bond funds and their purposes are described in more detail in the Debt Management chapter. With the exception of Transportation A Bonds (which are used for highways, roads and bridges), the debt service on General Obligation Bonds is repaid from the state's general revenues and revenues from the Capital Projects Fund. Transportation A Bonds' debt service is paid from the Road Fund. Debt service on Build Illinois Bonds is paid from a dedicated allocation of sales tax as well as the Capital Projects Fund.

BOND AUTHORIZATION

The State of Illinois is authorized to issue, sell and provide for the retirement of General Obligation Bonds and Build Illinois Bonds that pay for the capital program. The total amount of bonds the state may issue for a given purpose is limited by legislated maximums for each of several bond authorization categories or purposes. Bonded capital projects only commence when there is adequate bond authorization to completely fund the appropriate phases of the project.

Budget Overview

www.state.il.us/budget

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ILLINOIS JOBS NOW! OVERVIEW

In the spring of 2010, the General Assembly passed and the governor signed into law *Illinois Jobs Now!*, a $31 billion capital program, $16 billion of which is bonded. This program includes construction projects in communities throughout the state to stimulate job growth and the Illinois economy. When fully implemented, *Illinois Jobs Now!* will support nearly 439,000 jobs. *Illinois Jobs Now!* will provide funding to build and improve schools and roads, repair bridges, protect natural resources, improve public transit, make investments in energy, and provide access to capital for economic development, affordable housing and our health care infrastructure throughout the state.

Illinois Jobs Now! is a multi-year program. In 2010 the General Assembly authorized $6.6 billion in bond authorization of which $4 billion has been issued. From the *Illinois Jobs Now!*'s bonded projects, $5.3 billion has been released. In January of 2011, the General Assembly authorized an additional $5.3 billion in bond authorization. Bonded projects only proceed when there is adequate bonding authority to completely fund the project even though the bonds will be issued over the life of the project.
Illinois Jobs Now! includes $1.6 billion in state funds and $1.6 billion in local matching funds for the construction and maintenance of schools. This includes $1.5 billion to fund school construction projects and $100 million to fund school maintenance projects. In accordance with the existing school construction program, those schools with pending awards dating back to 2002 will be funded first. In addition, $45 million has been set aside to fund an early childhood facilities program.

Illinois Jobs Now! includes more than $1 billion to communities throughout Illinois to stimulate job growth, provide affordable housing, improve community health care centers, make investments in energy, improve infrastructure, develop new industries and technologies, and attract new businesses to Illinois.

Illinois Jobs Now! enhances Illinois' inland ports through the Chicago Regional Environmental and Transportation Efficiency Program (CREATE), the South Suburban Airport, and High Speed Rail, helping develop Illinois' reputation as a premier inland port.
Illinois' inland ports provide:

1. Access to major container seaports;
2. Access to intermodal facilities serviced by a Class I railroad;
3. Access to a minimum of 1,000 acres of land;
4. Foreign trade zone status;
5. Access to strong local markets;
6. Easy access to north/south and east/west interstate highways, and
7. Access to a talented local labor force.

Illinois' transportation systems create new opportunities to reduce the number of links in the supply chain for local, regional and international transportation of goods. Illinois has received $1.5 billion in American Recovery and Reinvestment Act (ARRA) and other federal funds to improve, enhance and upgrade rail tracks, grade crossing signals, Amtrak stations, rail passenger equipment, and rail freight facilities. The state is committed to investing an additional $850 million in *Illinois Jobs Now!* For transportation.

Illinois Jobs Now! appropriations are presented as the total appropriations in fiscal year 2010 and 2011 versus the re-appropriated mark down amount to allow a holistic picture of the current capital program.

Illinois Jobs Now! will support nearly 439,000 jobs and stimulate Illinois' economy during a time of great economic challenges.

ILLINOIS JOBS NOW! EXPANSION

The governor seeks an expansion of *Illinois Jobs Now!* for primary and secondary education. The expansion would include $266 million for capital improvements and repairs to the state's public universities and $160 million to the state's community colleges.

An expansion of *Illinois Jobs Now!* will provide $37 million to communities around Illinois for a wide range of economic and workforce development programs including green business development, new industry and technology.

The *Illinois Jobs Now!* expansion will also add an additional $519 million to improve the health and safety of Illinois citizens. This funding allows needed repairs and upgrades to state-owned facilities, provides an economic boost to the state and promotes energy efficient and environmentally friendly facilities.

An additional $616 million would fund environment, energy and technology programs in Illinois. These programs would protect and improve Illinois' environment and natural assets. Enhancements to the technology infrastructure in Illinois would bring new technology-based projects to the state. The expansion would also continue to reduce Illinois' dependence on foreign oil, stabilize gasoline and home heating prices, create jobs, and reduce energy use, while protecting the environment in new innovative ways.

ILLINOIS JOBS NOW! HIGHLIGHTS

Next Generation

- $425 million for weatherization
- $45 million for early childhood education facilities

Economic Development

- More than $800 million to communities around Illinois to stimulate job growth, provide affordable housing, improve community health care, and develop new industries and technologies.

Inland Ports

- $300 million for CREATE
- $400 million for High-Speed Rail
- $110 million for South Suburban Airport

Transportation

- $14 billion for repair, maintenance and improvements to the state's roads, highways, interstates and bridges
- $3 billion for mass transit agencies to purchase buses and rail cars; build train stations, bus garages and rail yards; and reconstruct commuter rail bridges and elevated rail structures
- $150 million for improvements to rail tracks and rail freight facilities
- $20 million for improvements to airports throughout Illinois

Education

Higher Education

- More than $788 million for public university capital projects
- $400 million for community college capital projects

Pre K-12

- $1.5 billion for school construction
- $100 million for school maintenance

Environment, Energy and Technology
Department of Natural Resources

- $45 million for the Illinois Conservation Reserve Enhancement Program
- $42 million to waterway improvement programs

Department of Commerce and Economic Opportunity

- $60 million to the Petascale computing facility
- $17 million to the Fermi National Accelerator Lab
- $13 million to the Argonne National Laboratory

State Facilities

- $14.4 million for renovation of Heating, Ventilation and Air Conditioning (HVAC) systems at the Supreme Court Building in Springfield
- $65.5 million to design and build a new veterans' home in Chicago
- $42 million to design and build the Illinois State Police Belleville Forensic Lab

FEDERAL RECOVERY OVERVIEW

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for capital programs, which supplemented and enhanced *Illinois Jobs Now!* The ARRA specifically funded programs promoted by the Department of Commerce and Economic Opportunity (DCEO), the Illinois Department of Transportation (IDOT), the Illinois Environmental Protection Agency (IEPA), the Department of Natural Resources (DNR) and other state agencies.

Department of Commerce and Economic Opportunity

- $242.5 million for the Illinois Home Weatherization Assistance Program (IHWAP)
- $1.4 million for enhancing state government energy assurance capabilities and planning for Smart Grid Resiliency
- $101.3 million for the state energy program, the most comprehensive effort to date to address the state's energy production needs

Illinois Department of Transportation

Highways

- $936 million in highway funds
- $627 million for state projects
- $281 million for local projects
- $28 million for transportation enhancement projects

Transit

- $8.4 billion available for public transportation systems. Funding is allocated between Transit Capital Assistance, Fixed Guideway Infrastructure and Capital Investment Grants (New Starts)
- $321 million expected for transit capital assistance ($300 million for urbanized areas and $21 million for non-urbanized areas)
- $96 million expected for fixed Guideway Infrastructure
- $750 million available for Capital Investment Grants. New Starts program competitively awarded by the Federal Transit Authority (FTA)

Rail

- $8 billion available to develop intercity passenger rail service and high-speed passenger rail service projects. Illinois has received $1.5 billion in grants

Aeronautics

- $1.1 billion available for airport improvement grants awarded at the discretion of the Federal Aviation Administration (FAA)

Illinois Environmental Protection Agency

Wastewater and Drinking Water Infrastructure Funding

- $177 million for wastewater infrastructure projects
- $80 million for drinking water projects
- 20 percent to be reserved for green infrastructure projects

Leaking Underground Storage Tanks

- $14.8 million for leaking underground storage tanks

Diesel Emissions Reduction Act

- $1.7 million in federal formula grants for diesel emission reduction projects
- Up to $3 million in competitive grants for diesel emissions reduction projects

State Facilities

Military Affairs

- Discretionary funds are available to U.S. Military branches for construction of defense facilities. Projects will be selected by the U.S. Military in coordination with the Secretary of Defense.

Veterans Affairs

- The U.S. Department of Veterans Affairs (USDVA) will receive discretionary funds for grants to assist states with construction of state extended care facilities for veterans. Projects will be selected by USDVA. These

funds will reimburse eligible projects already completed.

ILLINOIS JOBS NOW! FUNDING

Funding for *Illinois Jobs Now!* will be provided by a combination of state, federal and local funds. The debt service will be supported by:

Road Fund Supported Bonds

- Road and bridge construction projects are funded by increases in motor vehicle registration, driver's license fees and Road Fund monies.

Transit Bonding

- Statewide transit projects are funded by increases in the motor vehicle title fees.

Liquor, Sales Tax, Lottery and Gaming

- School construction, environmental protection, conservation, economic development and higher education are funded from increases in taxes or fees on alcohol and candy; the legalization and regulation of video poker; the private management of the Illinois Lottery; and the sale of lottery tickets on the internet.

Sources of funds for other capital appropriations and re-appropriations include user fees, such as the Motor Fuel Taxes and related fees, General Obligation Bonds, Build Illinois Bonds, which is supported by sales tax, and federal funds. Taxes, investment income, legal settlements, sale of land, loan repayments and lease revenues are much smaller sources.

HISTORICAL PERSPECTIVE

Charts A and B provide an historical perspective on the proposed fiscal year 2011 Illinois Capital Budget. Two views are presented: one describes total capital appropriations (new appropriations and reappropriations) since fiscal year 2001 by major funding source; the other describes the new capital appropriations since fiscal year 2001 by major funding source. The following observations can be drawn from those charts:

- In 2005, 2007 and 2008, minimal new bonded capital was appropriated
- In 2006 and 2007, bonded appropriations allowed spending on critical needs for basic state facilities and grant programs
- Total fiscal year 2006 and 2007 bonded appropriations remained well below total bonded appropriations for fiscal years 2001-2004.

Proposed new appropriations under *Illinois Jobs Now!* for fiscal year 2012 will use bonded debt to fund new programs for school construction, public transit, higher education, energy and economic development.

Chart A

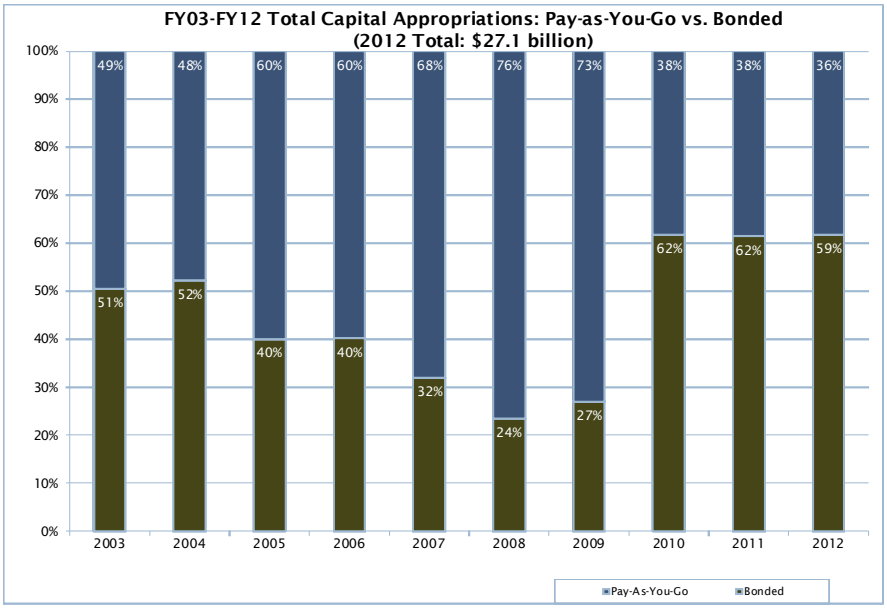
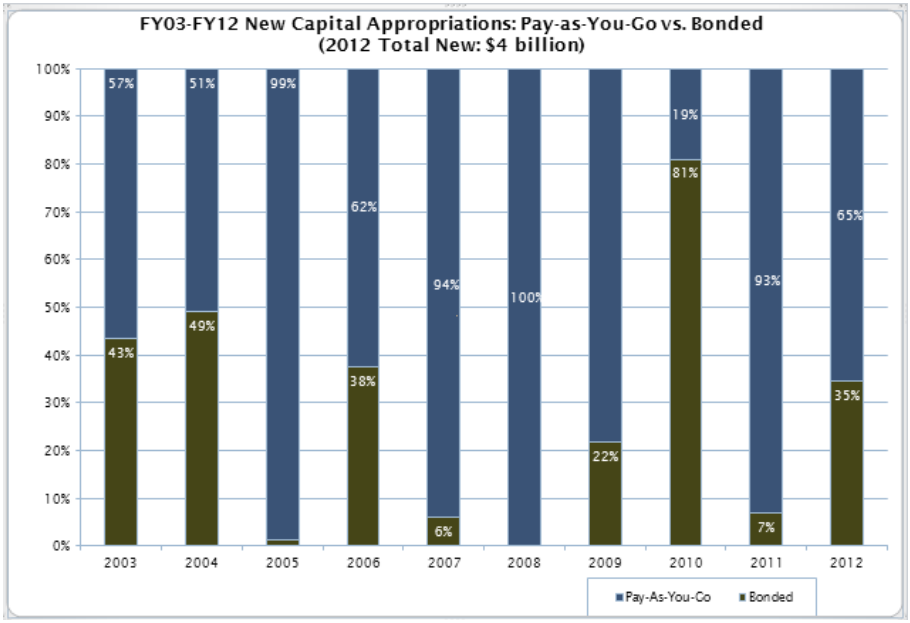


Chart B



New Bonded and Pay-As-You-Go Capital Appropriations by Capital Component ($ millions)

Next Generation	219.0
Economic Development	36.4
Transportation	2,226.5
Higher Education	425.8
Environment, Energy and Technology	613.8
State Facilities	520.5
Total New Appropriations	4,042.0

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Next Generation

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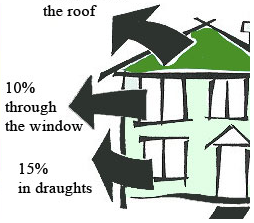
Next Generation

State of Illinois

OVERVIEW

AGENCIES



NEXT GENERATION

Bonded Appropriations By Type:	Appropriations ($ thousand)				
	Illinois Jobs Now!*			FY12 New	Total
	Year 1	Year 2	Year 3		
Capital Development Board	10,000	50,000	35,000	-	95,000
Central Management Services	-	23,000	3,000	219,000	245,000
Commerce and Economic Opportunity	82,000	307,000	199,000	-	588,000
Public Health	1,729	78,271	75,000	-	155,000
Illinois Housing Development Authority	-	86,667	43,333	-	130,000
Secretary Of State	-	25,000	25,000	-	50,000
State Board Of Education	9,000	33,500	32,500	-	75,000
Total:	102,729	603,437	412,833	219,000	1,338,000

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

NEXT GENERATION'S MISSION

Foster the development of Illinois' economy through the advancement of the state's economic, scientific and technological assets to ensure future generations will continue to flourish.

Improve energy efficiency for schools and low-income households by investing in modern technology that reduces energy costs, alleviates school overcrowding and creates jobs.

Improve quality of life; provide access to affordable housing and childcare services, minimize exposure to health hazards in residential property, expand access to health care, and modernize hospitals and health centers.

MAJOR ACCOMPLISHMENTS

- **Launched Urban Weatherization program.** As part of *Illinois Jobs Now!*, the Department of Commerce and Economic Opportunity (DCEO) implemented the Urban Weatherization Initiative (UWI) and selected its first training grant recipients to build a generation of energy auditors and weatherization specialists to stimulate a green economy in areas of underemployment.

> Weatherization creates average energy savings of $350 or more per household and reduces annual gas heating consumption by 32 percent.

- **Supported federal broadband grantees.** The state provided matching funding to Illinois organizations to increase broadband coverage in unserved and underserved areas of Illinois.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHT

Health care information technology (IT) and financial system - $200 million

Funding will provide for the creation of an integrated healthcare information system in Illinois. In response to the implementation of the federal Affordable Care Act, Illinois will launch an IT system capable of tracking and analyzing the anticipated growth in Medicaid enrollment. Funding will also provide for an update to the

states antiquated final information systems. This investment will allow greater oversight of government spending and increase efficiency throughout state government.

***ILLINOIS JOBS NOW!* HIGHLIGHTS**

Affordable Housing – $130 million
Provide affordable housing for low-income families, low-income senior citizens, low-income people with disabilities and at-risk, displaced veterans through grants, loans and investments.

Alleviate Overcrowding - $25 million
Provide school construction grants to alleviate overcrowding.

Broadband - $50 million
Provide grants and loans through the Broadband Technology Opportunities Program and Broadband Initiatives Program to expand and strengthen the existing broadband network infrastructure, and invest in health information technology, telemedicine, distance learning and public safety.

CLEAR-WIN - $5 million
Provide loans and grants to help residential property owners reduce lead paint hazards.

Community Health Center Construction Grant - $47 million
Provide grants to Federally Qualified Health Centers to purchase equipment, acquire a new physical location for health care services or construct/renovate new or existing community health center sites.

Hospital Capital Investment Program - $150 million
Improve hospital infrastructure, health information technology, patient safety and quality of care through Safety Net Hospital Grants and Community Hospital Grants.

Illinois Century Network - $45 million
Support the largest publicly owned voice and data network in the country that serves nearly 8,000 schools, libraries, hospitals, municipalities and other public institutions across the state.

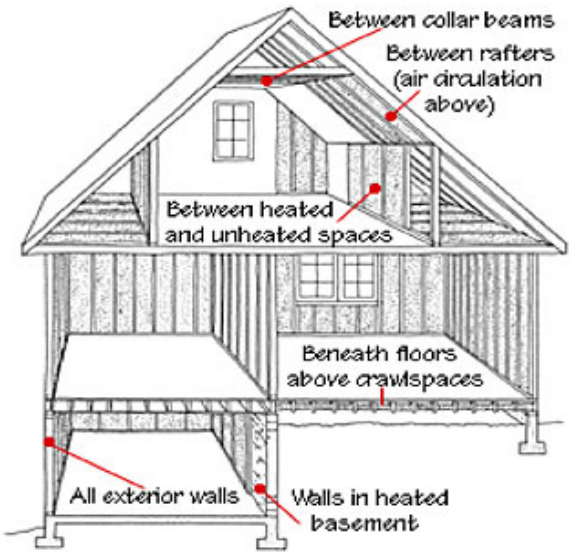
Public Library - $50 million
Provide funds for public library construction and remodeling projects.

Students eager to learn at an UNO charter school.

Early Childhood - $45 million
Provide grants to school districts and not-for-profit providers for children ages birth to 5 years of age to construct or renovate early childhood facilities. Priority is given to projects located in communities with the greatest underserved population of young children.

School Energy Efficiency - $50 million
Provide grants to school districts for energy efficiency projects.

Technology Commercialization - $15 million
Provide grants, loans and other investments to emerging technology enterprises to advance of the state's economic, scientific and technological assets.



United Neighborhood Organization - $98 million
Cover expenses schools need to qualify for a silver certification from the U.S. Green Building Council's Leadership in Energy and Environmental Design Green Building Rating System to alleviate school overcrowding.

Urban Weatherization - $425 million
Minimize the impact of high energy costs on low-income households and increase employment and entrepreneurship opportunities for weatherization specialization.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for social welfare provisions, education, health care and infrastructure.

Lead being removed from a residential building.

Broadband

- Awarded approximately $245 million during 2010 to facilitate greater access to high-speed internet throughout the state. Funds were matched with $109 million from state and other sources for a total of $354 million in broadband funding.

Weatherization

- Ranked second in the nation for the number of homes weatherized with ARRA funds, completing 11,333 homes from July 2009 through December 2010.

In 1974, the U.S. Congress passed the Safe Drinking Water Act, requiring the EPA to set federal regulatory levels for safe levels of lead in public drinking water systems. The EPA has set its most recent maximum containment level (MCL) for lead at 15 parts per billion.

Fiscal Year 2012 New Appropriations for Next Generation

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Next Generation		
Department Of Central Management Services	**219,000.0**	
Capital Development Fund	**219,000.0**	
CMS - Healthcare IT System	200,000.0	
Statewide - Illinois Century Network	19,000.0	
Next Generation Total	**219,000.0**	

Economic Development

www.state.il.us/budget

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OVERVIEW

AGENCIES

(Appropriations in thousands)

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO)

- $36,350 in new appropriation
- $866,100 in *Illinois Jobs Now!*
- $328,614 in existing appropriation
- ➢ ***Total Appropriation: $1,231,064***

ILLINOIS FINANCE AUTHORITY (IFA)

- $13,010 in existing appropriation
- ➢ ***Total Appropriation: $13,010***

Illinois has increased its wind power capacity from 50 megawatts in 2003 to about 1,850 megawatts in 2010.

ECONOMIC DEVELOPMENT'S MISSION

Raise Illinois' profile as a global business destination and nexus of innovation.

Provide a foundation for the economic prosperity of all Illinoisans, through the coordination of business recruitment and retention, infrastructure building and job training efforts, and administration of state and federal grant programs.

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

Bonded Appropriations By Type:	Appropriations ($ thousand)					
		Illinois Jobs Now!*				
	Existing	Year 1	Year 2	Year 3	FY12 New	Total
Business Development	15,000	9,000	4,000	-	10,000	38,000
Infrastructure	-	113,263	146,437	41,000	13,300	314,000
Regional Economic Development	297,604	100,878	241,322	210,200	13,050	863,054
Total:	312,604	223,141	391,759	251,200	36,350	1,215,054

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

MAJOR ACCOMPLISHMENTS

- **Revitalized riverfronts in major cities.** Utilizing River's Edge funding, DCEO targeted River's Edge funding to four cities with waterfront areas that have become environmentally-challenged that have tremendous economic development potential.

- **Invested in a green economy.** Illinois has partnered with Mitsubishi Motors to support the advancement of electric vehicle and renewable energy technologies in Illinois.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHT

Asian Carp Market Development- $10 million
Funding will support development of a private sector grant program for new and existing commercial fisheries and processing facilities to reduce and eliminate Asian Carp populations in Illinois rivers.

ILLINOIS JOBS NOW! HIGHLIGHTS

Economic Development - $40 million
This program provides assistance to private and non-profit businesses, as well as local governments, for infrastructure projects. This assistance can include construction, renovation, equipment and technology related projects.

Fresh Foods - $10 million
These funds will be distributed as grants for capital-related projects (land acquisition, equipment purchases, etc.) to increase access to fresh foods in underserved areas across the state.

River's Edge and Brownfield's Sites - $38 million
This program provides assistance to businesses and municipalities to finance capital improvements necessary to further

redevelopment within designated River Edge Redevelopment Zones.

Transportation Electrification - $10 million
Illinois is poised to make an investment in the infrastructure needed to make electric vehicles practical for 21st century Illinois drivers.

REAPPROPRIATION HIGHLIGHT

Large Business Development Program - $25 million
This program is used to foster economic development throughout the state. As part of the program, in fiscal year 2011, $3.5 million was awarded to Chrysler Group LLC to expand a body shop in Belvidere. This grant will help retain around 1,950 full-time jobs.

This is one of more than 1,100 wind turbines in Illinois.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for DCEO programs.

Smart Grid Workforce Development Project - $25 million

- Illinois Institute of Technology received $12 million, including capture of $5 million federal award and nearly $5 million in private funding.

ILLINOIS FINANCE AUTHORITY

MAJOR ACCOMPLISHMENTS

- **Issued the first Midwestern Disaster Area Bond** in Illinois for the long awaited ten-story Kone Centre Complex in Moline, which was finalized in January after the Illinois Finance Authority (IFA) assisted in securing low-interest financing, in partnership with the Quad City Regional Economic Development Authority.

- **Helped strengthen Chicago** as a National Center of Higher Education, after overcoming difficult obstacles to close the new Roosevelt University Project.

- **Supported individual conduit bond issuances.** IFA issued more than $2.2 billion to support 27 individual hospitals and health care projects.

- **Expanded the Agricultural Guarantee Programs** in 2010 to include working capital. IFA issued more than $9.3 million in individual conduit Beginning Farmer Bond projects throughout Illinois.

In fiscal year 2010, IFA issued 111 Conduit Bonds worth $3.1 billion to retain and create jobs in Illinois.

- **Continuing Care Retirement Community projects** received 24 bond issuances valued at $668 million.

The 2010 expansion of Rush University Medical Center.

- **Issued Natural Gas Supply Bonds** to support infrastructure investment by Peoples Gas. Assisted the City of East St. Louis in restructuring its existing debt. Ensured accountability and transparency in the "Host" Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982.

- **Received authority to support Multi-State bond issuances.** IFA can support not-for-profit conduit bonds giving Illinois an important competitive advantage in the financing of hospital systems, continuing care retirement community projects and higher education projects.

Navistar International Corporation

- **Used Federal Facility Zone bonds** to keep Navistar's corporate headquarters in Illinois through a creative partnership with counties and cities. Navistar International Corporation, a major Illinois employer for over 175 years, pledged to remain in the State of Illinois and to retain and create thousands of jobs after the IFA approved up to $314 million of Tax-Exempt Revenue Bonds. The financing will help fund Navistar's New Headquarters, Research and Development Facility in Lisle, and a warehouse in Joliet.

- **Issued the first U.S. Department of Transportation Freight Transfer Facilities Revenue Bonds in Illinois' history.**

PROGRAM HIGHLIGHTS

REAPPROPRIATION HIGHLIGHTS

Fire Truck Revolving Loan Program - $6 million
Provides financing for local fire departments and emergency responders to purchase fire trucks.

Ambulance Revolving Loan Program - $7 million
Provides financing for local fire departments and emergency responders to purchase ambulances.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for programs within IFA.

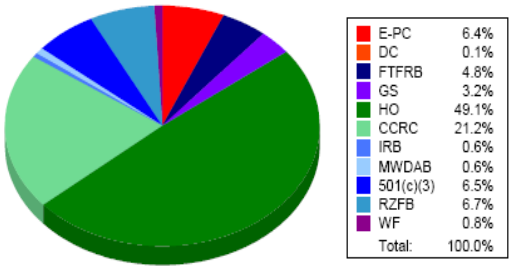
Federal Financing Tools

- Maximized the use of expiring Federal Financing Tools provided by ARRA. IFA worked effectively with such financing tools as the Recovery Zone Facility Bonds, Midwestern Disaster Area Bonds and Qualified Energy Conservation Bonds.

Bonds Issued in 2010
(Excludes Beginner Farmer Bonds)

Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,310,247
6	Education - Private College	201,895,000
1	Financially Distressed Cities	1,985,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Midwest Disaster Area Bonds	20,200,000
8	501(c)(3) Not-for-Profit	203,041,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Exempt Facilities Bonds	25,000,000
111		$3,156,446,926



Fiscal Year 2012 New Appropriations for Economic Development

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Economic Development		
Department Of Commerce And Economic Opportunity	**36,350.0**	
Build Illinois Bond Fund	**36,350.0**	
Grants for Community and Education Programs	20,050.0	
Statewide- Asian Carp and Business and Market Development	10,000.0	
Grant for infrastructure to match Federal funds	6,300.0	
Economic Development Total	**36,350.0**	

Inland Ports

www.state.il.us/budget

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AGENCY

(Appropriations in thousands)

Illinois Department of Transportation (IDOT)

- $810,500 in *Illinois Jobs Now!*
- $2,264,704 in existing appropriation
- ***Total Appropriation: $3,075,204***

INLAND PORTS' MISSION

Over the last two decades, the United States has experienced a surge in global trade volume and seen several changes in worldwide production systems that have increased the need for faster and more efficient transportation services. High fuel and oil prices, the value of the dollar, the increasing demand for imported goods and the introduction of enhanced security needs have forced the U.S. to find new ways to reduce transportation budgets and move goods throughout the country more resourcefully.

Inland ports can provide the means to optimize transportation efficiency and related costs. The logistic attributes of inland ports, according to the Heitman Real Estate Investment Management Firm, include: access to major container seaport, an intermodal facility serviced by a Class I railroad, a minimum of 1,000 acres of total land, foreign trade zone status, strong local market access, nearby access to north-south and east-west interstate highways, and access to a strong local labor pool. The multi-modal combinations of an inland port create new opportunities to reduce the number of links in the supply chain for local, regional and international transportation of goods.

Illinois' modern transportation system utilizes air, ground transportation, intermodal rail and waterways to provide direct routes to every U.S. market and international port. Located at the center of the nation's interstate highway system and rail network, Illinois is a hub for the transport of many goods throughout the Midwest. In addition, Illinois' waterways and international airports allow global distribution. Improvements and additions will be made to each mode of the Illinois transportation system for an even more efficient supply chain.

ILLINOIS INTERSTATE HIGHWAYS

Bonded Appropriations By Type:	Appropriations ($ thousand)				
	Illinois Jobs Now!*			FY12 New	Total
	Year 1	Year 2	Year 3		
CREATE	43,348	156,652	100,000	-	300,000
High Speed Rail	110,613	289,387	-	-	400,000
South Suburban Airport	28,500	41,000	41,000	-	110,500
Total:	182,461	487,039	141,000	-	810,500

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

OVERVIEW

Illinois lies at the heart of the nation's interstate highway system. Three coast-to-coast interstates (I-70, I-80 and I-90) pass through Illinois. These are joined by major north-south interstates, including I-39, I-55 and I-57; major east-west interstates that include I-24, I-64 and I-74; as well as I-72, I-94, I-88 and I-155. In all, 2,169 miles of interstate highway serve Illinois. Only two states have more interstate miles. Illinois also benefits from major east/west/north/south interchanges located in more than a dozen communities. The interstate system is part of a network of more than 16,000 miles of state highways that make the interstate routes easily accessible from every region of Illinois. Illinois is home to more than 6,300 trucking companies.

Interstate 55, planned during the 60's, largely follows the former U.S. 66 route through Illinois.

MAJOR ACCOMPLISHMENT

- **Reached an agreement.** Governor Pat Quinn along with Indiana's Governor Mitch Daniels signed a bill that solidified plans to build the new east-west corridor between northeast Illinois and northwest Indiana. Between the two states, it is estimated that building it will take at least two years and create nearly 14,000 long term jobs.

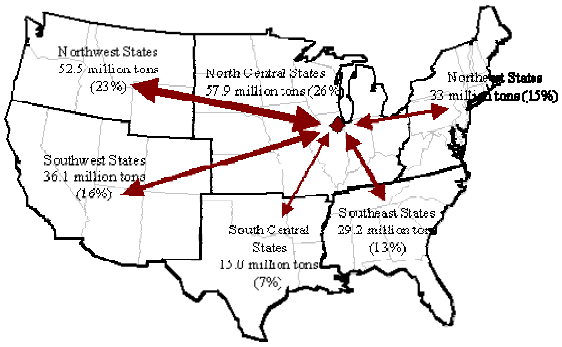
  The Illiana Corridor has been part of long-range transportation plans for the Illinois/Indiana region since the early 1900's. Daniel Burnham's 1909 Plan of Chicago envisioned a system of highways throughout the region, including a corridor linking Will County and northwest Indiana. Since that time, the region has experienced tremendous growth, with Will County being one of the fastest growing counties in the nation for many years, and emerging as a major freight distribution center. Existing east-west corridors such as I-80 and US 30 carry considerable volumes of traffic. The Illiana Expressway would be expected to relieve congestion along these corridors, including truck traffic, and strengthen the economy by improving area access.

  The Illiana Expressway Corridor has the potential to crystallize the development of a logistics hub for freight movement and transfer for the nation. The highway itself would tie together the new South Suburban Airport and numerous rail-highway intermodal terminals that are developing across Will County. Such a logistic corridor would invigorate the Chicago freight hub by infusing a new robustness for integrated freight transfer and global market penetration for industrial and manufacturing firms locating in Will County. For the construction only, the cost of this expressway in Illinois will conservatively reach multi-billions.

  IDOT and the State of Illinois are working closely with Indiana officials to plan construction of this vital corridor. Illinois' analysis will reflect the national impacts of improving the extension of the corridor from I-57 to I-55, including the synergies of planned investments in the South Suburban Airport and numerous rail-highway intermodal facilities being developed in the area. It will also focus on how this development can occur within the context of Smart Growth for community livability and sustainability.

ILLINOIS RAILROADS

Rail Commodity Flows To and From Chicago, 2003



OVERVIEW

Illinois is the center of the nation's rail network. Chicago is the largest U.S. rail gateway. Another major rail center is located in East St. Louis. In all, 52 railroads provide service from Illinois to every part of the United States. Approximately 500 freight trains (with a total of about 37,500 freight cars) and 700 passenger trains pass through Chicago every day. By 2020, demand

for freight rail service in Chicago is expected to nearly double to an estimated 67,000 rail cars per day. This forecast is dependent on addressing rail capacity and infrastructure needs.

Union Pacific's new Global III Intermodal Facility in Rochelle is the industry's finest state-of-the-art terminal. This new facility offers customers multiple business advantages, including direct interstate highway routes with easy access to major east-west and north-south markets, the efficient interchange of shipments to and from rail connections, and expedited operations of more than 25 trains and 3,000 containers daily.

Union Pacific's Rochelle Global III Intermodal Terminal serves as a critical interchange hub and loading/unloading terminal for rail intermodal shipments moving through western Iowa and Wisconsin.

MAJOR ACCOMPLISHMENT

- **Completed rail operation tower project in July 2010** along an Amtrak route that connects Chicago and Indiana.

PROGRAM HIGHLIGHTS

ILLINOIS JOBS NOW!
HIGHLIGHTS

Chicago Region Environmental and Transportation Efficiency (CREATE) Program - $300 million

www.createprogram.org/index.html

CREATE is a groundbreaking public-private partnership between U.S. Department of Transportation, the State of Illinois, City of Chicago, Metra, Amtrak and the nation's freight railroads.

By improving rail facilities and separating rail from road traffic, CREATE is a long-term program that will help relieve freight congestion and speed the delivery of cargo through the Chicago area.

Goals for the program include:

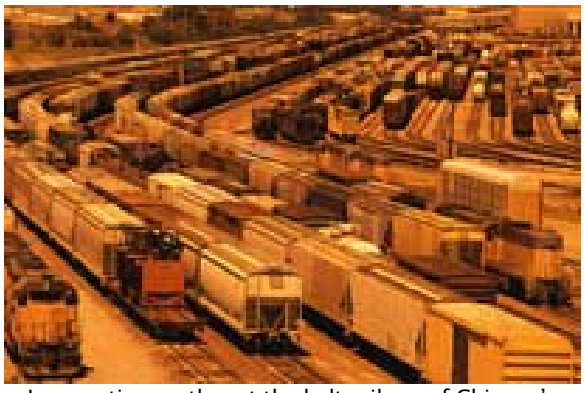
- Reduce rail and motorist congestion
- Improve passenger rail service
- Enhance public safety
- Promote economic development
- Create jobs
- Improve air quality
- Reduce noise from idling or slow-moving trains

CREATE will commit approximately $1.5 billion over 10 years to projects designed to reduce rail congestion and traffic-related delays caused by the daily convergence of approximately 500 freight trains and 700 commuter and intercity passenger trains in the Chicago area. A total of $300 million in federal pass-through funding was appropriated in fiscal year 2010 to the program and the six major private railroads operating in Illinois have agreed to commit up to $212 million. The remaining balance will come mainly from federal funds, but will also include some state and local funds. This program consists of:

- Plans for more than 80 projects, mostly for railroad improvements and grade-separation projects at key roadways in the Chicago area. These projects would improve rail service, boost employment, reduce negative impacts on highway traffic at grade rail crossings in high-traffic areas, improve safety, reduce congestion and improve air quality. These grade separations would also help reduce commuter delays.

1,200 trains pass through the region daily, powering the Illinois economy with more than 38,000 rail-related jobs, accounting for more than $1.7 billion in annual wages, and $22 billion in annual economic value to the region's manufacturers and businesses.

- Improvements to five rail corridors, including one primarily for passenger trains, and implement six rail-to-rail flyovers to separate passenger from freight operations.



Locomotives gather at the belt railway of Chicago's giant clearing classification yard.

CREATE Benefits

- Employment benefits.
  - o CREATE will sustain 17,000 jobs through 2020 in northeastern Illinois, according to the Regional Economics Applications Laboratory at the University of Illinois at Urbana - Champaign.
  - o Freight and passenger railroads employ 18,601 people in Illinois.
  - o Railroad wages are highly competitive, averaging $68,600 plus benefits in 2006.

- Environmental benefits. This $1.5 billion federal-state-local partnership with private railroads will shorten motorist delays at railroad crossings by up to 34 percent, resulting in numerous air-quality benefits for metropolitan Chicago in its first full year, including:
  - o 1,400 ton reduction in nitrogen oxide emissions;
  - o 400 ton reduction in carbon monoxide emissions;
  - o 100 ton reduction in volatile organic compounds emissions and
  - o 51 ton reduction in airborne particulate matter emissions

CREATE received $100 million in Transportation Investment Generating Economic Recovery (TIGER) Grants under the American Recovery and Reinvestment Act (ARRA). The grant funding will be targeted to 6 projects benefiting 13 Illinois communities. The projects will range in scope from rail line and viaduct improvements to a highway-rail grade separation. The completion of these projects by 2012 will support an estimated 1,087 jobs.

HIGH-SPEED RAIL

OVERVIEW

With Chicago as the hub, the Midwest High-speed Rail Network will link Chicago with other Midwestern cities through safe, convenient and comfortable 110 mph train service. A high-speed rail network will improve mobility, create jobs and spur economic growth by connecting the regional economy. It will also protect our environment by reducing congestion and pollution.

After decades of planning, the Midwest High-speed Rail Network took a huge leap this year as the president and Congress approved $8 billion for high-speed rail development in the United States.

High-Speed Rail Benefits

- Energy efficient and cleaner air
  - o High-speed trains in the Midwest would be three times as energy efficient as cars and six times as energy efficient as

planes. Additionally, trains pollute less than cars and airplanes, improving air quality.
  - Decrease the region's reliance on automotive transportation and therefore help reduce ozone emissions.

- Convenience and mobility
  - At distances of less than 400 miles, high-speed trains can deliver passengers almost as fast as airplanes, at a fraction of the cost, and can do so in virtually all weather.
  - With wide seats, fax machines, places to plug in your laptop computer and food service, high-speed trains provide a convenient, productive alternative to cars and airplanes.
  - The estimated value of the improved mobility has been valued at $13.2 billion through 2030.
  - Constructing a mid-west high-speed rail network supports commuter and light-rail.
  - A single railroad track can carry as many people as a ten lane highway, but at a fraction of the cost.

- New jobs and economic growth = $9.1 billion
  - For the city of Chicago, a high-speed rail hub will have the equivalent economic impact of a medium-sized airport located in the heart of the central business district – without having to displace a single office.
  - 15,000 jobs during construction and 2,000 permanent jobs during operation.
  - The Midwest's railcar manufacturing industry will prosper as a result of the addition of high-speed rail to the region.
  - A study for the City of Chicago estimated that high-speed rail would bring $8-10 billion dollars of new economic activity to Chicago.
  - The development of improved rail service can provide a significant boost to travel and tourism by facilitating weekend leisure trips taken by families from smaller towns to major cities and vice-versa.

High-speed rail progress being made along the Chicago - St. Louis route.

MAJOR ACCOMPLISHMENTS

- **Began track improvements on Chicago-St. Louis corridor in preparation for high-speed rail service.** The first construction project on the route began in fiscal year 2011 with a $98 million contract to replace ties and rail on nearly 90 miles of track between Alton and Lincoln. Additional track work between Lincoln and Joliet is planned in fiscal year 2011.

- **Signed historic public-private partnership agreement.** A cooperative agreement by the federal government, state government, Union Pacific Railroad and Amtrak was signed as a crucial advance in the development of a planned high-speed passenger rail network outlining plans for service between Chicago and St Louis

PROGRAM HIGHLIGHTS

ILLINOIS JOBS NOW! HIGHLIGHTS

High-speed rail - $400 million

The State of Illinois was awarded $1.2 billion of federal funds for the Midwest High-Speed Rail network as part of the ARRA. In addition, the project received $400 million in state funding for fiscal year 2010. Illinois' high-speed signature rail route will go from Chicago to St. Louis and is estimated to reduce total trip time by more than an hour.

The improvements planned to this 284 mile route include an overhaul of track, signal systems and existing stations, as well as the implementation of state-of-the-art train control technology that will improve train safety. An additional $1.25 million was awarded to complete an environmental impact study for a second track along the same route. Plans for the investment from the federal government are expected to generate approximately 6,000 jobs in Illinois.

Finally, a $133 million ARRA grant was awarded to support the construction of the Englewood Flyover, a CREATE project that will benefit future high-speed rail by eliminating a rail-rail intersection on Chicago's south side.

THE ILLINOIS AIR TRANSPORT SYSTEM

OVERVIEW

Illinois' central location makes it a natural hub for air travel. Home to Chicago's O'Hare International Airport (one of the world's busiest airports), as well as a major commuter hub at Midway Airport, and with more than 137 public use airports, 270 heliports and over 840 aviation facilities, Illinois is a convenient location for those needing air transport. In fact, an airport with commercial airline service or with the capability to handle business jets serves virtually every Illinois city with a population of at least 30,000 people. With more than 1.7 million tons of cargo and approximately 76.2 million travelers passing through O'Hare in 2007, and more than one arrival or departure every minute, it is obvious that travelers have maximum scheduling flexibility in Illinois.

The Federal Aviation Administration (FAA) forecast for air cargo is measured by revenue ton-miles flown, one revenue ton-mile being one ton of cargo transported one mile by air. Domestic revenue ton-miles are forecast to increase at a rate of 3.2 percent per year through 2017. International cargo growth is anticipated to grow at a higher rate of 6.3 percent annually through 2017, reflecting an increase in demand for expedited air cargo services.

Air Cargo Flows, 2003

	Air Cargo (tons)		
Airport	**Inbound**	**Outbound**	**Total**
O'Hare International (ORD)	639,907	493,207	1,133,114
Midway International (MDW)	11,391	10,158	21,549
Total	651,299	503,364	1,154,663

PROGRAM HIGHLIGHTS

ILLINOIS JOBS NOW! HIGHLIGHTS

A recently submitted report defines the location and configuration for a 9,500 foot runway with an airport terminal of six gates.

South Suburban Airport - $110.5 million
With approval of *Illinois Jobs Now!*, the state capital program enacted in 2009, IDOT has allocated more than $110.5 million to cover land acquisition and related expenses for a new commercial service airport in Chicago's south suburbs.

www.southsuburbanairport.com/default.asp

Illinois' airport system is the second largest in the nation and includes 136 airports, 280 heliports and nine balloon ports. Eighty airports are publicly owned and operated and 11 of them offer regularly scheduled airline service. In 2006, Chicago's O'Hare International Airport saw nearly 50 million passenger enplanements and currently ranks as one of the world's busiest airports with numerous domestic and international airlines. O'Hare Airport also plays a

major role in national and international freight shipments. O'Hare's cargo facilities handle more than 1.6 million tons of freight and mail annually. Recently, the FAA approved a Record of Decision allowing for the redevelopment of O'Hare to reduce congestion and provide additional airfield capacity.

General Information:

- Established a field office. Allows for on-site presence and enhances community outreach.
- Created the Bureau of the South Suburban Airport within the Division of Aeronautics in 2006.
- Continued security patrols. Overall, security incidents and property damage have been minimal.
- Reports: The South Suburban Airport (SSA) Team provides numerous reports on the status of the SSA project.

Land Acquisition:

- Total Land Purchased to Date:
  - 1,940 Acres – approximately 45 percent of the land needed for inaugural airport

In all, a total of $110.5 million has been allocated for the South Suburban Airport, which will cover costs pertaining to land acquisition and related expenses.

ILLINOIS WATERWAYS

OVERVIEW

Illinois has 1,118 miles of navigable waterways bordering or passing through the state. These waterways provide Illinois with a link between the Atlantic Ocean (through the St. Lawrence Seaway and Great Lakes) and the Gulf of Mexico. The significance of the Illinois waterways cannot be underestimated. They function as cost-effective highways to move Illinois' products to consumers around the world.

The Illinois waterway freight transportation system is used almost exclusively by the agriculture and power generation industries. Inter- and intrastate shipments along the Illinois Waterway are more varied, with coal, sand/gravel, primary metal, chemicals and petroleum products dominating. Studies indicate that the transportation of freight by water within Illinois is expected to grow in 2020 to 205 million tons with a value of $37 billion, a substantial increase from the 116.9 million tons carried in 2004.

Conservation police protecting and preserving one of the state's inland ports.

The Port of Chicago offers terminals that handle ocean and lake vessels, as well as barges. Owned by the Illinois International Port District, the Lake Michigan port is served by 12 railroads and has direct access to Interstates 90 and 94. There are also 12 other port districts in Illinois. Both the Illinois International Port District and the Tri-City Regional Port District near St. Louis are Foreign Trade Zones, providing low-cost production and warehousing facilities for imported and export-bound products. Foreign Trade Zones also are located in Peoria, Lawrenceville, Rockford and the Quad Cities.

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Transportation

www.state.il.us/budget

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AGENCY

(Appropriations in thousands)

Illinois Department of Transportation (IDOT)

- $2,226,529 in new appropriation
- $8,692,884 in *Illinois Jobs Now!*
- $5,083,136 in existing appropriation
- ➢ ***Total Appropriation: $16,002,549***

TRANSPORTATION'S MISSION

Create a foundation for economic vitality and job creation by providing a modern, efficient and safe transportation infrastructure.

Improve safety, enhance mobility and preserve the intermodal infrastructure by making the best use of available funds, while leveraging federal and private funds to the advantage of the entire state.

Illinois has 8.77 million licensed drivers.

Utilize the currently extended federal transportation bill called the Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). This bill contains state highway and transit earmarks for individual projects, as well as formula funding. SAFETEA-LU has provided more than $8 billion in earmarks and formula funds to Illinois for highway and transit from federal fiscal year 2005 through 2010.

Keep the state's more than 16,100 mile network of interstate, primary and secondary highways in safe working order. The Illinois Department of Transportation adds lanes, preserves and maintains nearly 7,900 bridges and maintains roadways at key points of congestion.

Evaluate repair needs and prioritize projects using detailed ratings of road and bridge conditions.

Play a central role in creating new jobs and keeping the state's economy vibrant. The department's transportation programs are directly responsible for creating and supporting tens of thousands of private sector jobs each year with countless more jobs and businesses dependent on the state transportation infrastructure.

ILLINOIS DEPARTMENT OF TRANSPORTATION

Bonded Appropriations By Type:	Appropriations ($ thousand)					
	Existing	Illinois Jobs Now!*			FY12 New	Total
		Year 1	Year 2	Year 3		
Roads and Bridges	-	2,689,637	965,404	1,862,843	-	5,517,884
Transit	63,761	1,485,472	394,528	1,125,000	-	3,068,761
Rail	20,333	-	150,000	-	-	170,333
Aeronautics	-	3,479	16,521	-	33,000	53,000
Total:	84,094	4,178,589	1,526,452	2,987,843	33,000	8,809,978

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs.

ROADS AND BRIDGES (IDOT ROAD PROGRAM)

OVERVIEW

IDOT is responsible for designing, building, maintaining and operating the state's system of roads, highways and bridges. To plan for statewide maintenance and capital improvement needs, the department annually produces a multi-year capital improvement plan, called the Multi-Year Highway Program (MYP).

MYP strategic priorities include:

- preservation and modernization of the interstate highway system,
- preservation and modernization of U.S. and Illinois route marked highways,
- expansion and improvements that reduce congestion, and

- construction of new arterial routes and bridge improvements to enhance mobility, safety and economic development.

The Congress Parkway

The Illinois Road Program is a significant generator of jobs for the construction industry across Illinois, as well as for related industries. An average of 13 direct construction jobs result from every $1 million spent in construction, according to federal and state estimates. This means a $2 billion construction program will create or support as many as 26,000 direct construction jobs, depending on the type of projects included.

Illinois has the third largest bridge inventory in the nation. There are 26,327 bridges and 7,708 on the state system.

FUNDING

Funding	Revenues
Transportation A Fund	General Obligation Bonds
State Construction	Motor Fuel Tax Motor Vehicle Registration Fees Interest and Investment Income
Road Fund	Motor Fuel Tax Motor Vehicle Registration Fees Interest and Investment Income Federal Revenues Local Revenues
Federal Funds	SAFETEA – LU Extension American Recovery and Reinvestment Act of 2009
Transportation D Fund	General Obligation Bonds

Resources for the Road Program come from state, federal and local sources, with state funding from motor-fuel revenues and vehicle license fees accounting for a majority of the state supported program. Current estimates for fiscal year 2011 show the State of Illinois will fund approximately 24 percent of the road program, the federal government 69 percent and local government will fund 7 percent.

Federal funds are authorized over a six-year period and allocated on an annual basis. The current federal authorization bill (SAFETEA-LU extension) has authorized more than $8 billion for Illinois highways and highway safety programs for federal fiscal year 2005 through 2010. IDOT is basing the current revenues forecast on SAFETEA-LU funding levels. Local funds will round out highway funding. Congress will be working through this year on reauthorization proposals, in addition to a stimulus package.

Current revenue projects are expected to translate into nearly $1.9 billion for the Illinois Road Program in fiscal year 2012.

Passage of a state capital program in 2009 and the American Recovery and Reinvestment Act (ARRA) of 2009 increased program funding significantly from previously projected totals through fiscal year 2011, as program figures for 2010 and 2011 increased to more than $2 billion per year. Approval of the capital program and the additional federal stimulus funding has helped IDOT speed delivery of projects in the statewide MYP through 2016, and bring additional projects into the MYP that would not have been considered otherwise.

The momentum created by both the *Illinois Jobs Now!* capital program and the 2009 ARRA, helped accelerate nearly $1.6 billion worth of highway projects into early summer 2010. These projects, necessary to maintain sound road and bridge conditions as well as help address congestion needs, are contingent on the successful passage of the Transportation Series A Bond supplemental this spring. This action can maintain and create an estimated 20,000 direct construction jobs and continue to add to the financial recovery of the Illinois economy.

Fund	New Appropriations (in millions)
Road Fund	1,180
Township Bridge	*15*
Local Benefits	*36*
Construction	*1,129*
Construction Fund	720
Total FY 2012 Annual Element	1,900

MAJOR ACCOMPLISHMENTS

- **Exceeded fiscal year 2010 target improvement goals**. In fiscal year 2010, IDOT improved 2,620 miles of pavement, accomplished 292 bridge improvements and completed 266 specific safety improvements throughout the state. These totals greatly exceeded target goals as unanticipated funds from ARRA and the state capital program improved accomplishment totals.

- **Continued improvement in fiscal year 2011.** Through the second quarter in fiscal year 2011, IDOT has improved 582 miles of pavement (78 percent of the fiscal year 2010 target), 120 structures (52.6 percent of the fiscal year 2010 target) and 115 safety improvements (92 percent of the fiscal 2010 target).

An ARRA funded project on Illinois Route 17 under construction.

- **Stepped up schedules for statewide bridge inspections.** These inspections have continued into calendar year 2011.

- **Improved state system bridge condition ratings to 93 percent in 2010.** IDOT maintained an overall bridge condition rating of 93 percent of state bridges in acceptable condition, with the rest targeted for assortment repairs, repaving and rehabilitation.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

Selected projects to be completed through the Multi-Year Road Program include:

Region 1

- Wacker Drive, from Randolph Street to West Congress Parkway in Chicago, Bridge Rehabilitation
- I-55 at Central Avenue, Cook County, Bridge Rehabilitation, Interchange Reconstruction

Region 2

- U.S. 20 (west State Street) from Sunset Avenue to west of Kent Creek in Rockford, Reconstruction, and Intersection Improvements
- IL 40, Rock River between Sterling and Rock Falls, Whiteside County, Bridge Replacement
- I-80, 2.1 miles east of IL 178 to Fox River north of Ottawa, LaSalle County, Resurfacing
- U.S. 34, west of Big Rock Creek in Plano to west of Eldamain Road, Kendall County, Additional Lanes, Reconstruction

Region 3

- IL 9/41 from IL 41 (N) to 2 miles west of Spoon River in Fulton County, Resurfacing and Retaining Wall
- I-155, Feather Road to south of Birchwood Avenue in Morton, Tazewell County, Resurfacing
- I-74 from Downs to east of Leroy in McLean County, Resurfacing
- I-57, south of Olympian Drive to 2 miles south of Thomasboro, Champaign County, Rubblization

Region 4

- I-55/155, 0.6 miles north of IL 10 to 2.1 miles west of I-55 Business Loop north of Lincoln, Logan County, Bridge New Deck, Bridge Superstructure
- IL 78 at Panther Creek southwest of Chandlerville, Bridge Replacement
- I-57 from Effingham County Line to 0.7 miles north of the Shelby County Line, Resurfacing
- IL 130 from Richland County Line to Pine Street in Albion, Resurfacing

Region 5

- I-270, Chain of Rocks Canal, Madison County, Bridge Replacement, Bridge Rehabilitation
- New Mississippi River Bridge, St. Clair County, Paving, New Bridge, Interchange Reconstruction
- IL 15, over IL 13 and ICG Railroad 1.4 miles east of IL 159, St. Clair County, Bridge Replacement, New Bridge

***Illinois Jobs Now! Highlights*:**

Region 1

- Algonquin Bypass, New Construction, New Bridge
- I-190, Bessie Coleman Drive to I-90, Cook County, Reconstruction and Additional Lanes

Adopt-a-Highway volunteers collect 32,000 bags of litter each year.

Region 2

- I-90/39, Wisconsin State Line to Rockton Road, Winnebago County, Additional Lanes, Reconstruction
- US 20 (Freeport Bypass), US 20 Business west of Freeport to west of IL 26, Stephenson County, Additional Lanes
- IL 47, north of US 34 to IL 71 in Yorkville, Kendall County, Additional Lanes

Region 3

- IL 8, Summit Drive to Legion Road in Washington, Tazewell County, Additional Lanes, Resurfacing

Region 4

- Expansion of IL 29 & US 51 in Central Illinois
- U.S. 67/IL 104, 2.2 miles east of IL 100 to 0.2 miles east of Concord/Arenzville Road, Morgan County New Construction

Region 5

- I-70/I-57, Fayette Avenue to 4th Street in Effingham, Effingham County, Additional Lanes, Reconstruction
- IL 13, Skyline Drive to Walton Way in Marion, Williamson County, Culvert Extension, New Bridge Retaining Wall

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for highway and rail programs.

Road and Bridge Repairs

- Highway and bridge projects include, but are not limited to, construction, reconstruction, rehabilitation, resurfacing, restoration and operational improvements for highways (including Interstate highways) and bridges.

- Funding from the federal ARRA stimulus initiative provided an additional $935 million through 2012 for state and local highway projects, and more than $1.2 billion for high-speed rail projects.

Job Creation

The additional federal funding created or supported more than 4,000 construction jobs through 2010. ARRA funded pavement improvements totaling 1,019 miles, along with 62 bridge improvements in Illinois.

TRANSIT

OVERVIEW

The state makes major investments in public transportation infrastructure, helping more people get to their jobs and to other destinations across Illinois, while reducing traffic congestion on roads and bridges. Public transportation projects address: 1) statewide capital needs for building new transit facilities, as well as preserving and rehabilitating existing ones, and replacing over-aged passenger rail cars and buses, 2) transit needs of rural areas, including the retention of basic service in areas where needed, and the coordination of state and federal funding programs; and 3) the expansion of public transportation where necessary and logical.

> The Division of Public and Intermodal Transportation provides technical assistance and administers state and federal funding to more than 50 public transit systems throughout the state.

The public transit capital program is typically divided into two parts: one for northeastern Illinois and one for downstate Illinois. In northeastern Illinois, IDOT provides capital funding for the Regional Transportation Authority (RTA). After consulting with IDOT, the RTA distributes this funding to its three service boards: the Chicago Transit Authority (CTA), the Metra commuter rail service and the PACE suburban bus system.

Riders boarding Chicago's Blue Line Train.

The RTA's capital program emphasizes bringing the existing system to a state of good repair, and modernizing it where appropriate. Capital improvements have generally included the purchase of rolling stock (e.g., rapid transit cars, locomotives, rail cars and buses), reconstruction of track, station improvements, and security/communications upgrades

In downstate Illinois, the transit capital program includes rolling stock replacement and facility construction. The program addresses mobility needs with funding to support the operation of public transportation in rural and downstate urban areas, and to purchase rolling stock for transit systems serving elderly persons and people with disabilities. The expansion of transit systems in downstate Illinois also helps serve additional or growing markets, such as the recent extension of the MetroLink light rail transit system in St. Clair County.

Funding for public transit capital comes from state, federal and local sources. The majority of state support is funded with General Obligation bonds. IDOT typically uses these Transportation B (Tran B) bonds in two ways: 1) to fund projects exclusively from state funds (although local municipalities are often required to provide at least some matching funds; and 2) to leverage an 80 percent federal match. The federal surface transportation funding act (currently SAFETEA-LU extension) provides the formula and funds for the federal portion of the Illinois public transit capital budget in fiscal year 2011. All projections for fiscal year 2011 public transportation funding are based on current funding formulas in SAFETEA-LU.

The federal transit capital program consists of three categories: formula apportionments for rail modernization, discretionary grants for new starts and discretionary grants for major bus capital needs.

Federal rail modernization funds are used for preservation and improvements on commuter rail and CTA rapid transit lines in northeastern Illinois, as well as for the MetroLink light-rail line in the St. Louis region.

Funding for new mass transit projects across the state will better meet the needs of employers and workers by improving efficiency, reliability

and affordability. The proposed state capital program for fiscal year 2012 includes more than $2 billion in *Illinois Jobs Now!* Series B bond funds for mass transportation. This level of funding will permit Illinois' mass transportation districts to purchase buses and rail cars; build train stations, bus garages and rail yards; and reconstruct commuter rail bridges and elevated rail structures.

MAJOR ACCOMPLISHMENTS

- **Increased ridership in northeastern Illinois.** IDOT provided more than $462 million in capital and operating funds for public transportation in the Chicagoland area, supporting ridership totaling more than 607 million riders in fiscal year 2010.
- **Increased ridership in downstate Illinois.** IDOT provided more than $137.8 million in funding for downstate public transit services. This outlay for fiscal year 2010 supported ridership increases of more than 37.3 million riders in downstate Illinois.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

State Improvements
Public transportation infrastructure for northeast Illinois and downstate Illinois will receive funding for state improvements, through the *Illinois Jobs Now!*

Chicago Transit Authority
Preliminary engineering on the Chicago Transit Authority's planned Circle Line – adding a circumferential loop, connecting all CTA and Metra rail lines in Chicago and modernizing and replacing Chicago Transit Authority railcars.

Metra's STAR
Preliminary engineering on Metra's STAR line, connecting four Metra rail lines and providing direct access to O'Hare airport.

New transit facilities
New transit facilities for rapid transit and intercity rail in various downstate public transit districts.

New buses
New buses and other related equipment for downstate public transit districts.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for transit programs.

Transit

- IDOT was allocated $21 million for public transportation systems. The vast majority of Illinois' share will be distributed directly to transit service providers through existing formulas and discretionary grants. This funding is allocated between Transit Capital Assistance, Fixed Guideway Infrastructure and Capital Investment Grants (New Starts).

RAIL

OVERVIEW

IDOT plays an integral role in planning statewide passenger and freight rail projects by building new high and conventional speed passenger rail routes, mitigating the negative impacts of rail abandonment, facilitating economic development and job creation, and attracting more riders to Amtrak.

MAJOR ACCOMPLISHMENTS

- **Doubled Amtrak passenger rail ridership** on the four Illinois routes from approximately 644,000 riders in 2002 to nearly 1.6 million riders in 2010.

- **Began construction** on the first track improvement for high-speed rail between Chicago and St. Louis in fiscal year 2011. The initial $98 million construction project called for replacing and upgrading rails and ties between Alton and Lincoln.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

St. Louis High-Speed Rail - $1.2 billion
Illinois was chosen to receive more than $1.1 billion in federal ARRA funds for high-speed rail upgrades between Chicago and St. Louis through 2014, as well as $133 million for construction of the Englewood Flyover on Chicago's South Side.

Freight Rail Grant and Program - $3.7 million
Illinois Rail Freight Program provides assistance to communities, railroads, and shippers to preserve and improve rail freight service. It consists of grants and low-interest loans to finance rail improvements. The program focuses on projects with the greatest potential for improving access to markets and maintaining transportation cost savings, and where state participation will leverage private investments to solve rail service problems.

> Illinois has the 2nd largest number of public, at-grade rail crossings in the U.S. totaling 7,822.

ILLINOIS JOBS NOW! HIGHLIGHTS

AMTRAK - Chicago to Quad Cities - $45 million
IDOT is providing $45 million in state capital funds to match Illinois' share of a $230 million federal grant that will establish passenger rail service from Chicago to the Quad Cities and on into Iowa. At an estimated 13 jobs per each million dollars of investment, the new service will result in more than 2,000 new jobs.

AMTRAK - Chicago to Galena/Dubuque via Rockford - $60 million
IDOT is providing $60 million in state capital funds to establish passenger rail service from Chicago to Galena/Dubuque via Rockford. The new service could result in as many as 800 new jobs.

AMTRAK - Galesburg Congestion Mitigation Project - $45 million
IDOT is providing $45 million in state capital funds to add capacity near Galesburg that will improve freight and passenger train movements along the Chicago-Quincy Amtrak corridor.

Chicago Region Environmental and Transportation Efficiency (CREATE) Program - $300 million
CREATE is groundbreaking public private partnership involving Illinois, the federal government, the City of Chicago and several private railroads. By improving rail facilities throughout northeastern Illinois, CREATE is helping relieve freight congestion and speed the delivery of cargo through the Chicago area.

High Speed Rail - $400 million
With approval of *Illinois Jobs Now!*, the state capital program enacted in 2009, and in combination with the $1.1 billion federal ARRA grant discussed above, IDOT received funding for a high speed rail route that will go from Chicago to St. Louis and is estimated to reduce total trip time by over an hour. The improvements planned to this 284 mile route include an overhaul of track, signal systems and

existing stations as well as the implementation of state-of-the-art train control technology that will improve train safety.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for rail programs.

Chicago Region Environmental and Transportation Efficiency (CREATE) Program

- CREATE received $100 million in Transportation Investment Generating Economic Recovery (TIGER) Grants under the ARRA. The grant funding will target six projects benefiting 13 Illinois communities. The projects will range in scope from rail line and viaduct improvements to a highway-rail grade separation. The completion of these projects in 2013 will support an estimated 1,087 jobs.

Illinois' airport system is the second largest in the nation and includes 138 airports, 280 heliports and 9 balloon ports.

AERONAUTICS

OVERVIEW

Funding and technical assistance for the state's system of public airports is provided through the Airport Improvement Program (AIP). This plan provides a road map for preserving, modernizing and expanding Illinois' regional system of airports. The AIP has been developed to address the following goals:

- resolving congestion problems at large metropolitan airports,
- maximizing opportunities for economic development and job creation, and
- improving aviation safety.

MAJOR ACCOMPLISHMENT

- **Provided capital funds** for airport improvements during fiscal year 2010 that resulted in 35 airport improvement projects and supported more than 40 million commercial enplanements at Illinois airports.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION

State and Local Airport Improvements throughout Illinois - $137 million
$137 million for state and local airport improvements throughout Illinois.

ILLINOIS JOBS NOW! HIGHLIGHT

South Suburban Airport - $110.5 million
With approval of *Illinois Jobs Now!*, the state capital program enacted in 2009, IDOT has allocated more than $110.5 million to cover land acquisition and related expenses for a new commercial service airport in Chicago's south suburbs.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for aeronautics programs.

Airport Improvement Grants

- $1.1 billion is made available nationally for airport improvement grants and will be awarded at the discretion of the Federal Aviation Administration.

ILLINOIS STATE TOLL HIGHWAY AUTHORITY

OVERVIEW

The Illinois State Toll Highway Authority (ISTHA), also commonly referred to as the Illinois Tollway, maintains and operates 286 miles of interstate tollways in 12 counties in northern Illinois. ISTHA is dedicated to providing and promoting a safe and efficient system of toll highways. The Tollway is working to make the system convenient, reliable and technologically advanced. In addition, the Tollway is committed to providing the highest level of service to its customers.

Traffic on the Des Plaines River Valley Bridge on the Veterans Memorial Tollway (I-355).

FUNDING

ISTHA is a pay-as-you-go system funded by those who use it. Daily maintenance and operations are predominantly supported by revenues received from toll collections and evasion recoveries. Additional income is derived from concessions and fuel sales at Illinois Tollway Oases, permit revenues and investment income. No state or federal tax dollars are used to maintain and operate the Illinois Tollway System. The projected 2011 revenues for ISTHA are $680 million.

The Illinois Tollway processes 2.2 million toll transactions a day – the most transactions by any tolling agency in the nation.

PROGRAM HIGHLIGHTS

Tri-State Tollway - $14.4 million
The fiscal year 2011 capital budget for the Tri-State Tollway (I-80/I-294/I-94) corridor is $14.4 million. The Tri-State Tollway is the main bypass around the Chicago-Metro Area, starting from an intersection with IL Route 394, near South Holland, to just south of the Wisconsin State Line. As part of the CRP, the Tollway is investing nearly $2 billion to rebuild and widen the Tri-State Tollway. In 2011, $2.9 is estimated to be spent to complete the North Chicago Wetland Mitigation project; $2 million is budgeted for design of the rehabilitation projects inclusive of bridges and roadways from 95th Street to Balmoral Avenue, which is scheduled for construction in 2012; $3.5 million is allocated to complete landscaping and noisewall installation on the Edens Spur and for design of the rehabilitation of I-94 between the Edens Spur and Half Day Road.

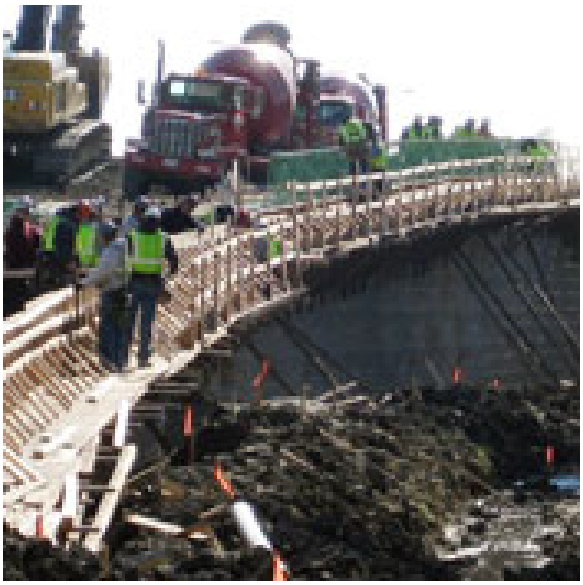
Jane Addams Memorial Tollway - $104.9 million
The Jane Addams Memorial Tollway runs in a northwest direction from near O'Hare International Airport to near South Beloit. At the end of 2009, the 14.3 mile section of the corridor north of Rockford was widened from two to three lanes in each direction and the Cherry Valley Interchange at I-90/I-39 was reconstructed and reconfigured to allow for more efficient traffic movements. The fiscal year 2011 capital budget for the Jane Addams Memorial Corridor is $104.9 million which includes work on two sections for roadway rehabilitation/resurfacing from Barrington Road to the Elgin Toll Plaza and U.S. 20 to Genoa Road. Design efforts for pavement repairs and resurfacing between the Kennedy Expressway and Barrington Road will also be performed.

Reagan Memorial Tollway - $7.6 million
The fiscal year 2011 capital budget for the Reagan Memorial Tollway (I-88) corridor is $7.6 million, which is allocated to complete remaining landscaping and close-out work for projects completed in 2010 and to perform design services for the resurfacing of Deerpath Road to IL Route 251, which is scheduled to start construction in 2012. The Reagan Memorial Tollway runs east-west from Hillside to Rock Falls.

Veterans Memorial Tollway – $5.2 million
The Veterans Memorial Tollway (I-355) is the newest of the four Tollways in Illinois with the section from Addison to I-55 opening in 1989. On Veterans' Day 2007, a new 12.5 mile extension opened connecting I-55 to I-80, lengthening the tollway to 29.8 miles. The fiscal year 2011 capital budget for the Veterans Memorial corridor is $5.2 million. This work includes completion of remaining landscaping and closeout work for the 2010 projects that were substantially complete and open to traffic.

Systemwide Projects - $59.4 million
The fiscal year 2011 capital budget allocates $59.4 million to maintain the integrity of the existing Tollway System. This includes the preservation, replacement, repairs, renewals and reconstruction including bridge rehabilitations, pavement improvements, and other systemwide infrastructure improvements.

This work is part of a maintenance and repair plan that was derived from an extensive review of the Tollway's 286 miles of roadway and structures. The scope of work was developed from assessment reports of pavement condition evaluations, bridge inspections and the review of various roadway appurtenances by the Tollway's general consulting eEngineer. Appurtenances included drainage structures, embankments, guardrail, barriers, pavement markings, fencing, signage, lighting, and other miscellaneous structures.



Crews pour concrete for a retaining wall just south of Des Plaines River Road on the central Tri-State Tollway (I-294).

Fiscal Year 2012 New Appropriations for Transportation

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Transportation		
Department Of Transportation	**2,226,529.1**	
Federal Local Airport Fund	**130,000.0**	
Statewide - Financial Assistance to Airports (Federal and Local share)	130,000.0	
Federal Mass Transit Trust Fund	**38,000.0**	
Statewide - Grant for the Federal Share of Capital, Operating, Consultant Services, and Technical Assistance	38,000.0	
Grade Crossing Protection Fund	**39,000.0**	
Statewide - Installation of Grade Crossing Protection or Grade Separations	39,000.0	
Rail Freight Loan Repayment Fund	**500.0**	
Statewide - Rail Freight Loan Repayment Program (Federal)	500.0	
Road Fund	**1,263,329.1**	
Statewide - Road Improvements- Local Share of Road Fund/Road Program	565,185.7	
Statewide - Transportation and Related Construction	564,000.0	
Statewide - Maintenance, Traffic and Physical Research/Formal Contract (A)	34,429.1	
Statewide - Apportionment to Counties Under One Million in Population	21,800.0	
Statewide - Township Bridge	15,000.0	
Statewide - Permanent Improvements to IDOT Facilities	13,500.0	
Statewide - Maintenance, Traffic and Physical Research/Formal Contract (B)	13,150.0	
Statewide -TIGER II Federal earmarks	12,800.0	
Statewide - Apportionment to Needy Road Districts And Townships	10,014.3	
Statewide - Motorist Damage to Highway Structures	5,500.0	
Statewide - Apportionment to High Growth Cities	4,000.0	
Statewide - Local match for TIGER II federal earmarks	3,200.0	
Statewide - Disposal of Hazardous Materials	750.0	
State Construction Account Fund	**720,000.0**	
Statewide - Transportation and Related Construction	720,000.0	
State Rail Freight Loan Repayment Fund	**2,700.0**	
Statewide - Rail Freight Loan Repayment Program (State)	2,700.0	
Transportation Bond, Series B Fund	**33,000.0**	
Statewide - grants and awards for air navigation	33,000.0	
Transportation Total	**2,226,529.1**	

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Education

www.state.il.us/budget

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OVERVIEW

School districts are currently using 596 temporary classrooms to ease overcrowding.

AGENCIES

(Appropriations in thousands)

Pre-K-12 Schools
- $1,675,000 in *Illinois Jobs Now!*
- $31,886 in existing appropriation
- ***Total Appropriation: $1,706,886***

Public Universities
- $265,388 in new appropriation
- $788,095 in *Illinois Jobs Now!*
- $271,521 in existing appropriation
- ***Total Appropriation: $1,325,004***

Private Universities
- $300,000 in *Illinois Jobs Now!*
- ***Total Appropriation: $300,000***

Community Colleges
- $160,437 in new appropriation
- $399,708 in *Illinois Jobs Now!*
- $105,815 in existing appropriation
- ***Total Appropriation: $665,960***

EDUCATION'S MISSION

Provide safe, productive and efficient educational facilities in order to meet the learning needs of the children of Illinois.

Enhance students' success by assisting both public and private universities and community colleges develop and maintain educational facilities.

Education standards in Illinois ensure that learning environments provide equal opportunities for all students.

PRE-K-12 SCHOOLS

Bonded Appropriations By Type:	Appropriations ($ thousand)					
	Existing	Illinois Jobs Now!*			FY12 New	Total
		Year 1	Year 2	Year 3		
School Construction	31,886	420,000	515,000	565,000	-	1,531,886
School Maintenance	-	-	50,000	50,000	-	100,000
Other	-	-	50,000	25,000	-	75,000
Total:	31,886	420,000	615,000	640,000	-	1,706,886

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

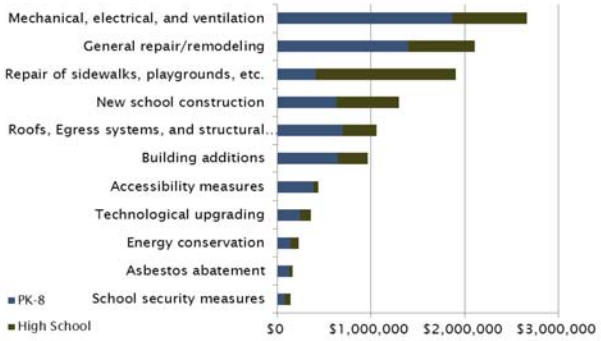
MAJOR ACCOMPLISHMENTS

- **Issued school construction grants.** The fiscal year 2010 *Illinois Jobs Now!* capital plan provided an additional $1.5 billion for the School Construction Grant Program. The program has provided $420 million in state grants to 42 school districts and the matching state funds will help build 11 new schools, 66 additions and 106 school renovations to provide improved learning environments for Illinois students.

- **Reported capital needs assessment.** More than 450 elementary, secondary and unit school districts reported over $11.3 billion in capital needs in fiscal year 2011 the State of Illinois is addressing.

Education

State of Illinois



PROGRAM HIGHLIGHTS

ILLINOIS JOBS NOW! HIGHLIGHTS

School Construction Program - $1.5 billion
Matched with local funding, the state's contribution will support new school construction and maintenance to districts with fast-growing educational and aging infrastructure needs through a continually successful state/local partnership.

School Maintenance Grants - $100 million
A dollar-for-dollar match to local funding will be used for small repair and maintenance projects at every school district in the state.

PUBLIC UNIVERSITIES

Bonded Appropriations By Type:	Appropriations ($ thousand)					
	Existing	Illinois Jobs Now!*			FY12 New	Total
		Year 1	Year 2	Year 3		
New Construction	76,214	156,574	82,341	208,508	43,000	566,638
Renovation	149,001	88,534	81,370	108,090	6,500	433,495
Capital Renewal	46,306	-	62,677	-	215,888	324,871
Total:	271,521	245,109	226,389	316,598	265,388	1,325,004

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

MAJOR ACCOMPLISHMENTS

- **Commenced renovation and expansion** of the Western Illinois University Quad City campus. The renovation of the Riverfront Campus project includes three new buildings, one of which refurbishes the John Deere Technical Center. Construction is projected to be complete by October of 2011.

- **Initiated construction** of a transportation education center at Southern Illinois University (SIU) Carbondale. Funding has supported the construction of a 272,000 square foot facility at the Southern Illinois airport, including classrooms, laboratories, airplane hangar and engine testing equipment. With 17 percent of work completed, the facility is anticipated to be completed in August, 2011.

Renovation efforts at University of Illinois' Lincoln Hall

- **Began restoring Lincoln Hall** at the University of Illinois (U of I) Urbana/Champaign campus. Currently in the construction phase, this University of Illinois staple began its modification and modernization in March of 2010 and with 40 percent completed, is expected to be completed in fiscal year 2012.

Illinois Jobs Now! continues to generate an estimated 2,800 additional jobs.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

All higher education projects will meet Leadership in Energy and Environmental Design (LEED) certification standards.

University of Illinois – Chicago Advanced Chemical Technology Building - $107 million
This new 78,000 square foot infrastructure will house laboratory space, faculty offices and support facilities, and other research and scientific resources to update old technology and infrastructure needs.

Chicago State University - $6.5 million
Scope of work includes replacement of outdated and malfunctioning electrical systems at eight campus facilities.

ILLINOIS JOBS NOW! HIGHLIGHTS

Northeastern Illinois University - $73 million
This new education building will include general and specialized classrooms, clinics/laboratories for undergraduate and graduate students, and for teachers returning for continuing education. The facility will provide modernized space for teacher training and centralize all education departments into one building. The university has one of the largest teacher preparation programs for Chicago Public Schools.

Western Illinois University - $59.8 million
Conceptual plans have been proposed to bring to the campus a new performing arts building, which will house the university's College of Fine Arts and Communication classes and production needs.

Illinois Mathematics and Science Academy (IMSA) - $6.2 million
State assistance will provide new residence halls for the IMSA campus, in addition to updating infrastructure to the main building.

DEFERRED MAINTENANCE

Deferred Maintenance - $3.3 billion
Public universities and community colleges statewide report a deferred maintenance backlog of almost $3.3 billion. Funding in the *Illinois Jobs Now!* Program will help bring down this backlog.

PRIVATE UNIVERSITIES

NEW APPROPRIATION HIGHLIGHTS

Private Universities - $300 million
Funding will support cost of construction, renovations, modernizations and maintenance to non-public universities.

COMMUNITY COLLEGES

Bonded Appropriations By Type:	Appropriations ($ thousand)					
	Existing	Illinois Jobs Now!*			FY12 New	Total
		Year 1	Year 2	Year 3		
New Construction	2,241	29,835	168,674	78,195	66,325	345,270
Renovation	68,050	27,294	34,726	33,661	-	163,732
Capital Renewal	35,524	9,108	18,215	-	94,112	156,958
Total:	105,815	66,237	221,615	111,856	160,437	665,960

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

MAJOR ACCOMPLISHMENTS

- **Planned an arts instructional center at Rock Valley College.** Project is currently in the design and construction phase and will put laborers to work for more than two years.
- **Began design of a student services center at Parkland Community College.** Project is currently in the design and construction phase and is projected to be complete by May, 2013.
- **Began various capital improvements at Prairie State College.** Construction contracts were granted in December 2010 with an anticipated project completion date of December 2012.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

Joliet Junior College - $23.6 million
Funding a new academic facility will not only provide a structure that meets the newest codes and LEED certifications, but create a substantially better learning environment for students.

Spoon River College (Canton) - $5 million
State funding will permit the college to remodel and expand their currently outdated Taylor and Centers Buildings, allowing the institution to deliver new and developing technologies to better assist faculty and prepare students.

Lincoln Land College (Taylorville) - $3 million
This Eastern Regional Center Expansion project will deliver educational services to students who do not live within a reasonable commuting distance to the main campus in Springfield. The present structure will ensure a more positive learning environment and will be remodeled to meet current health and safety standards.

ILLINOIS JOBS NOW! HIGHLIGHTS

Parkland Community College - $22.6 million
Scope of work provides for the construction of a 95,000 square foot Student Services Center, including classrooms, laboratories, offices, study, library space, and support areas.

Harper College - $16.3 million
Renovation of the Engineering and Technology Center will reconfigure interior spaces for classrooms and laboratories along with upgrading the mechanical, electrical, plumbing, and HVAC systems.

Joliet Junior College - $8.8 million
Replace temporary facilities by constructing a 36,000 square foot building to accommodate Facility Services and Central Shipping/Receiving departments currently housed in multiple, outdated wood frame buildings.

Community colleges' reached a record enrollment of 390,000 students, 8 percent higher than the previous record set in 2009.

Fiscal Year 2012 New Appropriations for Education

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Higher Education		
Chicago State University	**11,492.0**	
Capital Development Fund	**11,492.0**	
Chicago State University - Cook County - Electrical work at eight facilities. (via CDB)	6,500.0	
Chicago State University - Cook County - Capital Renewal (via CDB)	4,992.0	
Eastern Illinois University	**7,990.8**	
Capital Development Fund	**7,990.8**	
Eastern Illinois University - Coles County - Capital Renewal (via CDB)	7,990.8	
Governors State University	**2,940.9**	
Capital Development Fund	**2,940.9**	
Governors State University - Will County - Capital Renewal (via CDB)	2,940.9	
Illinois Community College Board	**160,436.7**	
Capital Development Fund	**160,436.7**	
Statewide - ICCB - Capital Renewal (via CDB)	94,111.9	
Richard J. Daley College - Cook County - To construct a new Industrial Technology Center (via CDB)	32,761.1	
Joliet Junior College - Will County - For Constructing a City Center/Adult Education Facility (via CDB)	21,565.5	G
Spoon River College - Fulton County - For Expanding and Renovating Educational Buildings (via CDB)	4,942.2	G
Lincoln Land Community College - Christian County - For Expanding the Regional Education Center in Taylorville (via CDB)	3,024.3	G
Sauk Valley Community College - Lee County - For Renovating Natural Sciences Laboratories (via CDB)	2,721.0	G
Southeastern Illinois College - White County - For Constructing a Vocational Building in Carmi (via CDB)	1,310.7	G
Illinois State University	**15,830.7**	
Capital Development Fund	**15,830.7**	
Illinois State University - McLean County - Capital Renewal (via CDB)	15,830.7	
Northeastern Illinois University	**5,946.8**	
Capital Development Fund	**5,946.8**	
Northeastern Illinois University - Cook County - Capital Renewal (via CDB)	5,946.8	
Northern Illinois University	**17,964.5**	
Capital Development Fund	**17,964.5**	
Northern Illinois University - DeKalb County - Capital Renewal (via CDB)	17,964.5	
Southern Illinois University	**37,015.0**	
Capital Development Fund	**37,015.0**	
SIU - Carbondale - Jackson County - Capital Renewal (via CDB)	25,187.5	
SIU - Edwardsville - Madison County - Capital Renewal (via CDB)	11,827.5	
University Of Illinois	**153,928.3**	
Capital Development Fund	**153,928.3**	
University of Illinois - Urbana/Champaign - Champaign County - Capital Renewal (via CDB)	64,329.1	
University of Illinois - Chicago - Cook County - Capital Renewal (via CDB)	43,047.6	
University of Illinois - Chicago - Cook County - For Constructing an Advanced Chemical Technology Facility, in Addition to Funds Previously Appropriated (via CDB)	43,000.0	G
University of Illinois - Springfield - Sangamon County - Capital Renewal (via CDB)	3,551.6	
Western Illinois University	**12,279.1**	
Capital Development Fund	**12,279.1**	
Western Illinois University - McDonough County - Capital Renewal (via CDB)	12,279.1	
Higher Education Total	**425,824.8**	
Education Total	**425,824.8**	

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Environment, Energy and Technology

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OVERVIEW

AGENCIES

(Appropriations in thousands)

DEPARTMENT OF NATURAL RESOURCES (DNR)

- $171,415 in new appropriation
- $401,465 in *Illinois Jobs Now!*
- $305,111 in existing appropriation
- ➢ ***Total Appropriation: $877,991***

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY (EPA)

- $426,400 in new appropriation
- $240,700 in *Illinois Jobs Now!*
- $1,142,701 in existing appropriation
- ➢ ***Total Appropriation: $1,809,801***

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO)

- $160,500 in *Illinois Jobs Now!*
- $117,674 in existing appropriation
- ➢ ***Total Appropriation: $278,174***

Coal reserves in Illinois contain more basic energy, measured in BTUs, than the crude oil values of Kuwait and Saudi Arabia combined.

ENVIRONMENT, ENERGY AND TECHNOLOGY'S MISSION

Protect and improve our environment and natural assets with effective capital projects and programs today to reap economic dividends well into the future by means of clean air and water, recreational opportunities and attractive business locations.

Encourage the use of Illinois' products in the generation of new energy in order to support Illinois' independence from traditional energy sources.

Enhance the technology infrastructure in Illinois in order to bring new technology-based projects to the state to encourage job and economic growth.

DEPARTMENT OF NATURAL RESOURCES

Bonded Appropriations By Type:	Appropriations ($ thousand)					
		Illinois Jobs Now!*				
	Existing	Year 1	Year 2	Year 3	FY12 New	Total
Recreation	10,000	56,000	67,500	92,500	7,750	233,750
Water Resources	65,798	57,525	47,450	47,490	110,400	328,663
Conservation	55,342	8,000	25,000	-	20,000	108,342
Other	2,798	-	-	-	-	2,798
Total:	133,938	121,525	139,950	139,990	138,150	673,553

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

MAJOR ACCOMPLISHMENTS

- **Initiated three new dam safety projects and completed another,** while starting a new urban flood control project in fiscal year 2011.

  The Oglesby Dam and Hoffman Dam projects will correct safety hazards at both locations.

DNR manages over 150 structures that are listed on, or eligible for nomination to, the National Register of Historic Places.

The Crystal Creek Flood Control Project will significantly reduce repetitive flooding in the cities of Schiller Park and Bensenville, making significant improvements to the regional economy.

The Yorkville dam safety project eliminated dangerous currents below the dam and provided a first-of-its-kind recreational bypass channel in

the Midwest, a feature that will attract many canoeing and kayaking enthusiasts while greatly improving fish passage at this dam.

- **Initiated the new Park and Recreation Facilities Construction (PARC) grant program** to address infrastructure, building and facility repairs and improvements within local units of government.

- **Restarted the Public Museum Capital grants program** to provide nearly $15 million to over 50 institutions for facility and exhibit restoration and construction.

- **Expanded the Conservation Reserve and Enhancement Program (CREP)** to include the Kaskaskia River Basin, adding eligible counties. CREP is a voluntary, incentive-based federal, state and local conservation program that works with private landowners to establish conservation practices on erodible lands to help reduce runoff and sedimentation of waterways and enhance fish and wildlife habitat.

The Department of Natural Resources manages over 468,720 acres of property, with public attendance of over 41.5 million visitors annually.

The dam spillway at Lake of Egypt in Williamson County aids in control of the flow of water from the lake.

- **Entered into agreement with U.S. Army Corps of Engineers** to begin removal of two dams and the notching of a third on the Des Plaines River near the villages of Lyons and Riverside. The project will restore river habitat, allow for fish migrations, improve sediment transport, increase water quality and prevent further human casualty.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

Illinois Conservation Reserve Enhancement Program (CREP) - $30 million

CREP is a partnership between DNR and the United States Department of Agriculture. Its objectives are to reduce erosion, improve water quality and increase the habitat for a wide variety of species. This $30 million in funding will leverage federal match dollars by a 1-to-4 ratio and will be in addition to the $45 million appropriated for this program in *Illinois Jobs Now!*.

Dam Safety & Levee Rehabilitation - $43.7 million

DNR owns and manages more dam structures than any other single entity in the state. These dams provide recreational boating and fishing opportunities at state parks and recreation areas, and maintain miles of levees for waterfowl area impoundment purposes. A majority of structures were built decades ago and are in desperate need of renovation or replacement. These problems must be corrected to ensure the safety of the dams and levees.

Abandoned Well Plugging Program - $20 million

The abandoned well plugging program protects groundwater and surface resources by properly sealing unplugged wells that are an avenue for the migration of crude oil, saltwater and natural gas into groundwater and surface water systems. There are approximately 4,000 unplugged, abandoned wells in Illinois. These unplugged wells pose a threat to the public health and safety.

REAPPROPRIATION HIGHLIGHTS

Illinois Rivers 2020 - $15 million

This program combines federal, state and local government efforts to restore the value of the Illinois River basin through documentation of restoration needs and implementation of feasibility studies.

Waterway Improvement Program - $82.5 million
This program helps local governments implement flood control and dam projects independently or in cooperation with federal agencies.

Natural Areas Program, the Open Space Land Acquisition and Development (OSLAD) Program – More than $94 million

These programs are among the open space, public recreation and natural resources protection programs that will receive reappropriations. They include land acquisition and grant programs for development of trails and boat launch facilities. Many programs receive federal matching funds that can be used for grants to local governments as well as for direct acquisition.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

Bonded Appropriations By Type:	Appropriations ($ thousand)					
	Existing	Illinois Jobs Now!*			FY12 New	Total
		Year 1	Year 2	Year 3		
Wastewater and Drinking Water Revolving Loan	37,567	30,000	95,000	35,400	29,400	227,367
LUST	-	25,000	25,000	25,000	-	75,000
Hazardous Waste Cleanup and Remediation	18,777	-	5,300	-	-	24,077
Unsewered Community Grant	15,708	-	-	-	-	15,708
Total:	72,052	55,000	125,300	60,400	29,400	342,152

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

MAJOR ACCOMPLISHMENTS

- **Launched a new Green Infrastructure Grant Program in fiscal year 2011,** which received a strong response from local communities by the April 2010 application deadline for the first $5 million in grants. The grants cover stormwater control projects including techniques to reduce water pollution caused by runoff and erosion. The grant program is one of the results of the Green Infrastructure for Clean Water Act signed by Governor Quinn in 2009 that emphasizes preventive approaches.

Projects under construction include a new water storage tower and treatment plant in Pittsfield and a new wastewater treatment plant in Pecatonica.

Construction of the water storage tower in Pittsfield.

- **Programs are constantly evolving** to meet the demands of more stringent standards to protect drinking water quality and prevent water pollution, and to address newer technologies, such as the ion exchange treatment process being implemented at the new Pittsfield treatment plant.

- **Twenty percent of the projects funded** each year from now on must use "green"

approaches, such as energy and water conservation, efficiency and other environmentally innovative approaches. Among these "Green Reserve" projects funded recently are ones that include the reuse and production of alternative energy sources, such as using biogas from wastewater treatment plants to generate power, natural control of storm water and wet weather flows, and the elimination of waste outfalls through the increased use of land irrigation technologies.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

Green Infrastructure Grant Program - $5 million
Grants during the second fiscal year of this new program will provide financial assistance for projects that address erosion and pollutants carried by storm water runoff. The projects will include techniques that use natural landscape features, such as forest, floodplains, headwaters, and wetlands, to hold and infiltrate storm water. Typical projects include constructing green roofs, permeable pavement, rain gardens, infiltration plants and rainwater harvesting.

Wastewater and Drinking Water Revolving Loan Programs - $29.4 million
These funds will be used as a state match to leverage approximately $93 million in federal funds for the wastewater infrastructure program and $53 million in federal funds for the drinking water infrastructure program. The loan programs are funded through 80 percent federal grants with a 20 percent state match and the repayment of existing loans.

RE-APPROPRIATION HIGHLIGHTS

River Edge Municipal Brownfields Redevelopment Grants - $5.3 million
This program assists municipalities with designated River Edge Redevelopment Zones to support clean-up, remediation and redevelopment efforts that will lead to economic revitalization in these areas. This initiative is administered jointly by the Illinois EPA and the Department of Commerce and Economic Opportunity, which will provide economic and tax incentives.

Wastewater and Drinking Water Revolving Loan Programs - $1.1 billion
These programs have provided more than $3 billion to local communities to upgrade and expand wastewater treatment and sewage collection systems and drinking water treatment plants, distribution lines and storage. The loans have also been used by communities to meet new federal drinking water standards, such as added treatment for naturally-occurring radium and arsenic in groundwater in some areas of the state.

Small Community Water Supply Compliance Grant Program - $2 million
Small community water supplies, those with less than 100 connections, often serve small rural communities, isolated subdivisions or mobile home parks with low-income populations. These funds will provide financial assistance to supplies that have documented environmental compliance problems. This initiative is needed because these supplies typically do not have the resources or meet other loan eligibility requirements of the Drinking Water State Revolving Loan Program.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for several programs within IEPA.

Wastewater and Drinking Water Infrastructure Funding

- Created approximately 5,200 construction jobs, ensured safe drinking water and reduced water pollution while improving the quality of life in communities across Illinois.

- Administering 148 loans totaling $516 million for wastewater and drinking water infrastructure projects made possible by ARRA funds and other leveraged federal and state funds.

- Continued to use zero interest and interest forgiveness provisions, as approved by state legislation in 2010, in some cases to allow more communities to proceed with these vitally needed projects at a reduced burden to rate-payers.

Leaking Underground Storage Tanks

- Continued to clean up orphan abandoned leaking underground storage tank sites, including many in low-income areas of the state, and made them available for productive use, such as a long-abandoned car dealership in East St. Louis that was turned into a farmer's market.
- Received more than $4.1 million of $7.4 million with 10 sites completed, 14 underway and 6 under investigation.

Diesel Emissions Reduction Act

- Provided grants to reduce air pollution from diesel engines from $4.7 million received.
- Awarded grants to businesses, local governments, school districts, mass transit districts, universities, truck operators and companies, to purchase and install retrofit equipment to reduce diesel emissions from existing vehicles.

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

Bonded Appropriations By Type:	Appropriations ($ thousand)					
	Existing	Illinois Jobs Now!*			FY12 New	Total
		Year 1	Year 2	Year 3		
Coal Development	69,843	10,000	14,500	3,000	-	97,343
Energy	20,400	-	15,000	-	-	35,400
Technology	10,432	90,000	13,000	-	-	113,432
Infrastructure	-	5,000	10,000	-	-	15,000
Total:	100,674	105,000	52,500	3,000	-	261,174

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

MAJOR ACCOMPLISHMENTS

- **Funded more than 340 energy efficiency projects** with the Energy Efficiency Portfolio, called Illinois Energy Now within the first two years. Energy efficiency projects were conducted by local governments, schools, community colleges, universities and more. Annual energy use in public facilities was reduced by more than one-half percent.
- **Ranked in the top ten in the nation for clean energy by Clean Energy Leaders (Clean Edge)** and ranked sixth in wind capacity by the American Wind Energy Association (AWEA).

Wind turbines, such as this, have helped grow Illinois' reputation as one of the national leaders in clean energy production.

- **Funded more than 146 projects** with an investment of $99.5 million of ARRA funding, with the State Energy Plan. These projects resulted in total investment of $801 million and are expected to create 12,000 jobs.

- **Developed new energy coal projects** representing nearly $12 billion in private dollar investment. Result will be a surge of construction, operations and indirect jobs in five separate regions of Illinois. They include the internationally significant FutureGen, along with the Chicago Clean Energy and Power Holdings Illinois projects, converting more than four million tons of Illinois coal annually to electricity and synthetic natural gas while capturing and sequestering nearly all carbon dioxide emissions from the plants.

- **Became a hub for Smart Grid research and development,** and signed an agreement with the Republic of Korea, which is expected to bring between $5-10 million in foreign direct investment to Illinois over the next three years.

For every $1 spent on energy efficiency, approximately $2 to $4 is saved

Fiscal Year 2012 New Appropriations for Environment, Energy and Technology

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Environment		
Department Of Agriculture	**16,000.0**	
Capital Development Fund	**8,000.0**	
Agriculture-Statewide-Grants to Soil and Water Conservation Districts	8,000.0	
Partners for Conservation Projects Fund	**8,000.0**	
Agriculture-Statewide-Grants to Soil and Water Conservation Districts	8,000.0	
Department Of Natural Resources	**171,415.0**	
Abandoned Mined Lands Reclamation Council Federal Trust Fund	**6,000.0**	
Statewide-Grants and contract to conduct research, planning and construction to eliminate hazards of abandoned mines	6,000.0	
Abandoned Mined Lands Reclamation Set-Aside Fund	**1,500.0**	
Statewide-Grants and contract to conduct research, planning and construction to eliminate hazards of abandoned mines	1,500.0	
Adeline Jay Geo-Karis Illinois Beach Marina Fund	**375.0**	
Lake County-Rehabilitation, Reconstruction, Repair, Replace Fixed Assets and Improve Facilities at North Point Marina	375.0	
Build Illinois Bond Fund	**20,000.0**	
Statewide - Abandoned Well Plugging	20,000.0	
Capital Development Fund	**110,300.0**	
Statewide - Safety at Dams and Waterway Infrastructure Projects	43,700.0	
Statewide - Illinois Conservation Reserve Enhancement Program	30,000.0	G
Statewide - Flood Control Program - Water Resources management projects as authorized by subsection (g) of Section 3 of GO bond Act or for grants to State agencies for such purposes	24,350.0	
Statewide- State Match for Corp Projects - Projects under Federal Water Resources Development Act authorities for CORPS ecosystem restoration projects	12,250.0	
Federal Title IV Fire Protection Assistance Fund	**325.0**	
Statewide-Rural Community Fire Protection Programs	325.0	
Flood Control Land Lease Fund	**900.0**	
Statewide-Disbursements of federal flood control monies to counties	900.0	
Forest Reserve Fund	**500.0**	
Statewide-US Forest Service Programs - provides pass through payments to counties containing National Forests in lieu of property taxes	500.0	
Illinois Forestry Development Fund	**925.0**	
Statewide-Timber Growers Forestry Management Practices - cost-sharing grants to forest owners for management practices, including reforestation, vegetation control, thinning, pruning, and fencing to exclude livestock	625.0	
Statewide-Forest Stewardship Technical Assistance	300.0	
Illinois Habitat Fund	**1,600.0**	
Statewide-Preservation and maintenance of High Quality Habitat Lands	1,350.0	
Statewide-Preservation and maintenance of a high quality fish and wildlife habitat and to promote the heritage of outdoor sports in Illinois from revenue derived from the sale of Sportsmen Series License Plates	250.0	
Land and Water Recreation Fund	**2,500.0**	
Statewide-Federal 50% reimbursement grant-in-aid program for state outdoor recreation planning, acquisition and development initiatives and grants to local units of government for land acquisition projects for public outdoor recreation purposes	2,500.0	
Natural Areas Acquisition Fund	**2,000.0**	
Statewide-Acquisition, preservation and stewardship of natural areas	2,000.0	
Off-Highway Vehicle Trails Fund	**400.0**	
Statewide-Grants for Off-Highway Vehicle Trails - Grants to government agencies, not-for-profit organizations, and other eligible groups or individuals to develop, operate, maintain, and acquire land for OHV facilities that are open to the public	400.0	
Open Space Lands Acquisition and Development Fund	**11,000.0**	
Statewide - Open Space Lands Acquisition and Development (OSLAD) grants to local governments for acquisition and/or development of land for public parks and open space; funding assistance up to 50% of approved project	11,000.0	

Fiscal Year 2012 New Appropriations for Environment, Energy and Technology

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Environment		
Department Of Natural Resources	**171,415.0**	
Park and Conservation Fund	**4,750.0**	
Statewide-Recreational Trails Program - Develop and maintain recreational trails and related projects and issue grants for similar projects per the federal Intermodal Surface Transportation Act	2,000.0	
Statewide-Bicycle Path Grant Program to local units of government to assist in acquisition, construction, and rehabilitation of public nonmotorized bicycle paths; provides up to 50% funding assistance of approved project costs	1,000.0	
Statewide-Maintenance of sites	1,000.0	
Statewide-Program for acquisition, development and maintenance of public bike paths on state lands and provide portion of cost share for federal SAFETEA-LU related projects	750.0	
Plugging and Restoration Fund	**110.0**	
Statewide-Landowner Grant Program authorized under the Illinois Oil and Gas Act, as amended by PA 90-0260	110.0	
Snowmobile Trail Establishment Fund	**80.0**	
Statewide-Snowmobile Trails (Nonprofit Clubs/Organizations) - grants to construct, maintain and rehabilitate snowmobile trails and facilities on public lands, road right-of-ways, or private lands open to public use	80.0	
State Boating Act Fund	**4,070.0**	
Statewide-Boating Infrastructure Grant Program (Big-P) - federally supported program provides up to 75% funding for approved cost of developing transient boater storm shelters, way stations or fishing and recreational facilities	1,575.0	
Statewide - Development of Boating Access Facilities on state-owned bodies of water and at state-owned properties along the major rivers; program receives 75% federal reimbursement of costs for projects	1,500.0	
Statewide-Boat Access Area Development Grants - assist. to local government agencies for public boat and canoe access areas; reimbursement up to 100% of construction costs 90% of land acquisition	725.0	
Grant to Chain O'Lakes-Fox River Waterway Management Agency for operating expenses	150.0	
Statewide-Snowmobile Trails (Local Government) Grants - up to 50% reimbursement of approved facility development/rehabilitation costs and 90% of approved trail corridor land acquisition costs for public snowmobile trails and areas in the state	120.0	
State Furbearer Fund	**110.0**	
Statewide-Conservation of furbearing mammals per Section 5/1.32 of the Wildlife Code	110.0	
State Migratory Waterfowl Stamp Fund	**1,070.0**	
Statewide-Attracting waterfowl and improve public migratory waterfowl areas	750.0	
Statewide-Migratory waterfowl restoration	160.0	
Statewide-North American Waterfowl Management Plan	160.0	
State Parks Fund	**2,150.0**	
Debt Service and associated permanent improvements for the WSRC.	2,000.0	
Statewide-Multiple Use Facilities (park and trail purposes) - provides state match for federal Recreational Trails Program projects on Department sites	150.0	
State Pheasant Fund	**550.0**	
Statewide-Conservation of pheasants per Section 5/1.31 of the Wildlife Code	550.0	
Wildlife and Fish Fund	**200.0**	
Statewide-North American Waterfowl Management Plan - for the protection and/or development of waterfowl areas in Canada or the United States that provide waterfowl for the Mississippi Flyway	100.0	
Statewide-Construction and renovation of waste reception facilities for recreational boaters and grants per Clean Vessel Act	100.0	
Illinois Environmental Protection Agency	**426,400.0**	
Anti-Pollution Fund	**29,400.0**	
Water Revolving Fund State Match	29,400.0	
Water Revolving Fund	**397,000.0**	
IEPA-Statewide-Wastewater Loan Program	286,000.0	G

Fiscal Year 2012 New Appropriations for Environment, Energy and Technology

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
Environment		
Illinois Environmental Protection Agency	**426,400.0**	
Water Revolving Fund	**397,000.0**	
IEPA-Statewide-Drinking Water Loan Program	106,000.0	G
Green Infrastructure Grant Program	5,000.0	G
Environment Total	**613,815.0**	
Environment, Energy and Technology Total	**613,815.0**	

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State Facilities

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OVERVIEW

AGENCIES

(Appropriations in thousands)

Bonded Appropriations By Type:	Appropriations ($ thousand)					
		Illinois Jobs Now!*				
	Existing	Year 1	Year 2	Year 3	FY12 New	Total
Agriculture	299	6,647	-	-	19,374	26,320
Architect Of The Capitol	1,582	33,000	16,762	-	6,259	57,603
Attorney General	66	378	1,149	-	521	2,114
Capital Development Board	139,522	18,200	23,074	-	35,900	216,695
Central Management Services	9,466	11,630	17,961	-	70,918	109,975
Children and Family Services	-	7,532	-	221	18,000	25,753
Corrections	252,155	27,393	800	815	136,600	417,763
Emergency Management Agency	-	-	12,500	12,500	-	25,000
Historic Preservation	10,334	1,950	-	-	25,165	37,449
Human Services	43,043	27,273	3,500	2,085	51,333	127,234
Medical District Commission	3,864	-	-	-	-	3,864
Military Affairs	2,991	10,466	34,326	-	23,400	71,183
Natural Resources	13,301	7,164	-	-	42,500	62,965
Public Health	167	-	-	-	15,000	15,167
Revenue	8,314	2,791	120	-	15,300	26,525
Secretary Of State	8,478	4,252	2,535	250,000	23,117	288,382
State Board Of Education	-	10,000	-	-	-	10,000
State Police	2,700	6,250	-	37,000	13,456	59,406
Supreme Court	1,509	2,000	12,400	-	1,141	17,050
Veterans' Affairs	5,120	24,366	-	48,500	20,595	98,581
Total:	502,911	201,293	125,126	351,121	518,579	1,699,029

*Illinois Jobs Now! appropriations do not reflect reappropriation mark downs

STATE FACILITIES

Agencies under the governor occupy approximately 60 million square feet of space. The diversity of these facilities is significant, with various building types such as: office buildings, hospitals, state fairgrounds, laboratories, prisons, residential care facilities, garages for heavy construction equipment, state park lodges and historic structures. The state is responsible for keeping these structures safe for the public, and for ensuring that they can be used in the manner that the state requires.

> Green roofs can reduce the amount of storm water runoff by retaining as much as 75 percent per one-inch rainfall.

A recent facility condition assessment estimates that deferred maintenance and maintenance needed in the 2011 fiscal year totals more than $3.4 billion. This capital budget proposal requests only a portion of the estimated $3 billion to be used for repairs that directly affect the health, life and safety of the public or the clients of the agency. Sixty-three percent of the needed work is to replace heating, ventilation and air conditioning (HVAC) systems, plumbing and electrical systems that are failing or at the end of their useful life. Another 14 percent is for improvements and repairs necessary to meet code requirements and repair building shell elements such as roofs, windows and doors.

Because the amount of funds requested will only fund a portion of the work that is needed,

maximum flexibility is needed for agencies to manage ongoing issues and emergencies. The governor's plan includes tools for maximizing agency flexibility.

This capital plan makes appropriations that are necessary for the safety of Illinois' citizens and allows much-needed repairs and upgrades to state-owned facilities. In addition, it provides an economic boost to the state. It is estimated that for every $1 million in construction, seven jobs are created. This equates to approximately 4,700 jobs through the *Illinois Jobs Now!!!* program and 3,600 additional jobs being created with the new capital proposal for state facilities projects alone.

MAJOR ACCOMPLISHMENTS

- **Implementation of Public Act 096-0706 – Senate Bill 351** requires bidders to include their MBE/FBE participation at the time of bid opening. The law provides for the confirmation of Minority Business Enterprise/Female Business Enterprise (MBE/FBE) participation by requiring firm commitments between contractors and subcontractors at the time of bid.

- **Implementation of the Green Building Act.** This act will help the state to ensure that its new buildings, additions and major renovations are energy-efficient and environmentally-friendly by requiring them to meet national Leadership in Energy and Environmental Design (LEED) standards. In addition to reducing the state's energy usage, LEED standards encourage waste water reduction, the use of recycled-content building materials and regionally-produced building materials, enhanced refrigerant management and careful attention to indoor environmental quality. These standards also benefit the surrounding community through careful site selection and development to protect the existing habitat and maximize green space, innovative design and reduced pollution from both the construction process and the building itself.

  Several state-funded building projects are already underway or planned that will incorporate the new green building requirements. These include:

  - new Illinois State Police Metro-East Forensic Laboratory,
  - new Chicago Veteran's Home
  - Lincoln's ChalleNGe Academy, in Rantoul, which is part of the National Guard Youth ChalleNGe Program

  For those projects not covered by the act, Capital Development Board (CDB) is working to include as many sustainable elements as possible. Two prime examples are the new green roof on the Department of Agriculture's administration building and the geo-thermal system installed at Lincoln's Tomb.

The final resting place of Abraham Lincoln was designated a National Historic Landmark in 1960.

- **Adopted the Illinois Energy Conservation Code.** Last year, per Public Act 096-0778, CDB adopted the 2009 International Energy Conservation Code for all state, commercial and residential buildings in Illinois. The 2009 Code compared to the 2006 version, boasts an unprecedented gain in energy efficiency of 12-15 percent, meaning great strides in energy efficiency and savings for the state.

PROGRAM HIGHLIGHTS

NEW APPROPRIATION HIGHLIGHTS

Elgin Mental Health Center – Elgin – $4.4 million
Renovate the central dietary facility to include new mechanical, HVAC and plumbing systems, all necessary life safety work and new, updated equipment.

Dixon Correctional Center – Dixon - $8.6 million
Upgrade the fire alarm system, intercom panels and sensors to ensure the safety and security of the facility.

Department of Agriculture's green roof will provide 10 to 15 percent in related cost reductions, as well as improving air quality.

Historic Preservation Agency – Statewide - $7 million
Repair, renovate and restore Lincoln-related sites throughout the state. These funds will be used to ensure the safety of visitors and to preserve these important sites for generations to come.

Stateville Correctional Center – Crest Hill - $55 million
Construct a centralized medical and long-term care facility for statewide housing of inmate patients to provide more efficient and effective inmate healthcare.

Stateville Correctional Center – Crest Hill - $20 million
Construct an "X-House" style offender housing unit to consolidate the housing of offenders that are required to travel to and from Chicago for court appearances.

Public Health Laboratory – Chicago - $15 million
Funding will provide for the initial stages of renovating the outdated public health lab in Chicago. Restoration will return full functionality of this lab by constructing lab space and a training center to meet the requirements for statewide exercises and education not currently being fulfilled.

ILLINOIS JOBS NOW!!! HIGHLIGHTS

Department of Military Affairs - $38 million
Provides for the construction of an educational facility including classrooms, computer labs, multi-purpose rooms, offices, library and common areas at Lincoln's ChalleNGe Academy, in Rantoul. The work also provides for construction of an auditorium/athletic facility for graduation ceremonies, physical training, basketball and other athletic programs, and a dining facility and maintenance garage.

New Veterans' Home – Chicago - $65.5 million
Plan and begin new veterans' home. The Illinois Veterans' Home system does not include enough beds to accommodate the number of Illinois veterans who require service. This project will begin the planning and construction of a 200-bed skilled care and Alzheimer care facility.

Supreme Court Building - Springfield - $14.4 million
Restoration of this building will encompass a wide variety of renovations and upgrades to allow usage of currently vacated areas; including, mechanical and electrical upgrades, restoring floors, walls, ceilings and doors, asbestos abatement, and Americans with Disabilities Act (ADA) accessibility.

McFarland Mental Health Center - $2.8 million
Upgrading the fire alarm system will replace an out-dated system for which parts are no longer available and ensure that all areas of the campus have adequate fire protection.

Choate Mental Health Center - $7.3 million
Upgrading the fire alarm system that requires constant maintenance and for which parts are

no longer available. The upgrades will occur in 22 buildings.

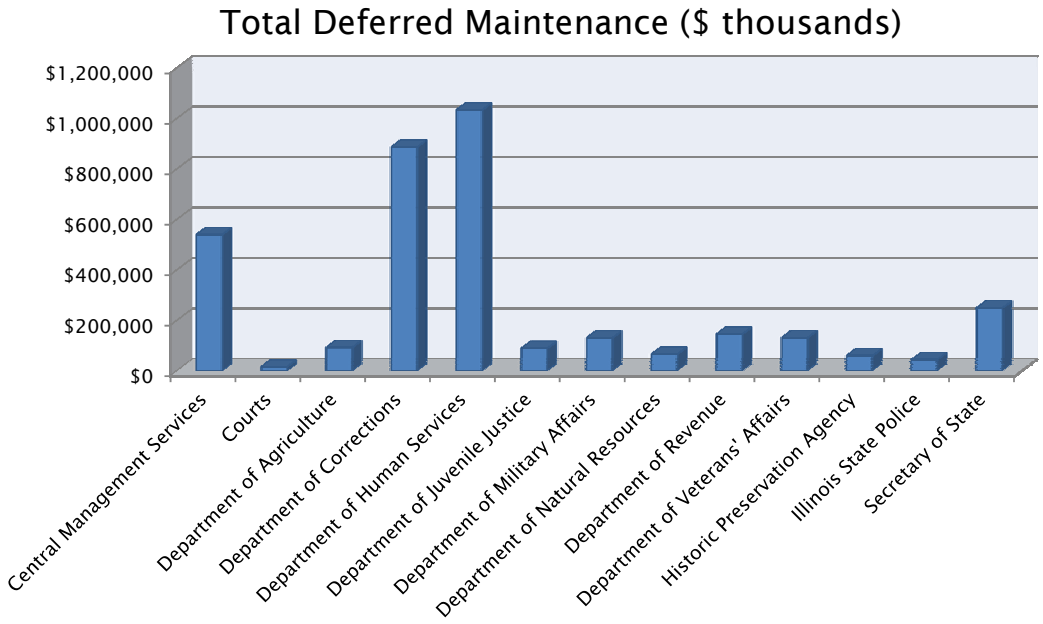
Department of State Police - $42 million
Construct the Metro-East Forensic Laboratory. These funds will be used construct a new forensic lab in Belleville to replace current lab space that is inadequate and does not meet the requirements necessary to process the increased amount of forensic workload.

FEDERAL RECOVERY

The American Recovery and Reinvestment Act (ARRA) of 2009 contained funding for various types of energy projects.

Replace and upgrade HVAC and lighting
The State of Illinois has been approved for approximately $8.3 million in funding for nine projects including:

- replacing or upgrading the HVAC and lighting at the Collinsville Regional Office Building;
- replacing lighting at the James R. Thompson Center; and
- replacing lighting and water heaters at the Department of Agriculture's administration building.



Fiscal Year 2012 New Appropriations for State Facilities

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
State Facilities		
Capital Development Board	**35,900.0**	
Capital Development Fund	**35,900.0**	
Statewide - Emergencies/Minor Repairs and Remodeling	12,000.0	
Statewide - Hazardous Materials	5,000.0	
Statewide - Upgrade Elevators	5,000.0	
Statewide - ADA Upgrades	5,000.0	
Statewide - Energy Efficiency Upgrades	5,000.0	G
Statewide - Exterior Repairs/Tuckpointing	3,000.0	
Statewide - Capital Planning and Condition Assessment and Analysis	900.0	
Department Of Agriculture	**21,074.0**	
Agricultural Premium Fund	**1,700.0**	
Illinois State Fairgrounds-Springfield-Sangamon County-Various projects	1,200.0	
DuQuoin State Fairgrounds-Perry County-Various projects	500.0	
Capital Development Fund	**19,374.0**	
Illinois State Fairgrounds - Sangamon County - Upgrade Electrical System - Phase II (via CDB)	11,200.0	G
DuQuoin Fairgrounds - Perry County - Life/Safety Improvements (via CDB)	3,000.0	
Illinois State Fairgrounds - Sangamon County - Life/Safety Improvements (via CDB)	3,000.0	
Illinois State Fairgrounds - Sangamon County - Replace Roofs - Various Buildings (via CDB)	2,174.0	
Department Of Central Management Services	**70,918.0**	
Capital Development Fund	**70,918.0**	
For Offender Tracking System Conversion	20,000.0	
For a One Stop Shop Pilot Program	10,000.0	
Statewide - Upgrading/Replacing HVAC Systems (via CDB)	8,000.0	G
Illinois Center for Rehabilitation and Education (Roosevelt) Chicago - Cook County - Renovate Facility (via CDB)	5,813.0	
Springfield Computer Facility - Springfield - Sangamon County - Upgrade HVAC and Electrical Systems (via CDB)	5,078.0	G
James R. Thompson Center - Chicago - Cook County - Exterior Repairs (via CDB)	5,000.0	
James R. Thompson Center - Chicago - Cook County - Upgrade Elevators/Renovations (via CDB)	4,932.0	
Statewide - Renovation of State-Owned Space for Office Use (via CDB)	4,000.0	
Statewide - Replace Roofing Systems, Windows, and Repair Exterior Facades (via CDB)	4,000.0	
James R. Thompson Center - Chicago - Cook County - Plan and Begin the Upgrade/Replacement of the HVAC System (via CDB)	2,500.0	G
Illinois Center For Rehabilitation And Education (Wood Road) -Chicago - Cook County - ADA and Life/Safety Improvements (via CDB)	1,004.0	
Research and Collection Center - Springfield - Sangamon County - Replace Chiller and Cooling Tower (via CDB)	350.0	
Courts - Elgin Roof (via CDB)	241.0	
Department Of Children And Family Services	**18,000.0**	
Capital Development Fund	**18,000.0**	
Statewide - Upgrade HVAC Systems/Utilities (via CDB)	8,000.0	G
Statewide - Security Upgrades/Improvements (via CDB)	5,000.0	
Statewide - Replace Roofing Systems (via CDB)	5,000.0	
Department Of Corrections	**136,600.0**	
Capital Development Fund	**136,600.0**	
Stateville Correctional Center - Joliet - Will County - Construct a Centralized Medical and Long-Term Care Facility (via CDB)	55,000.0	G
Statewide - Upgrading HVAC Systems/Site Utilities (via CDB)	25,000.0	G
Stateville Correctional Center - Joliet - Will County - Construct an X-House (via CDB)	20,000.0	G
Statewide - Replacing Roofing Systems (via CDB)	10,000.0	
Statewide - Upgrade Secruity/Locks (via CDB)	10,000.0	
Dixon Correctional Center - Lee County - Upgrade Fire Alarm System (via CDB)	8,600.0	
Statewide - Life/Safety Improvements (via CDB)	7,000.0	

Fiscal Year 2012 New Appropriations for State Facilities

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
State Facilities		
Department Of Corrections	**136,600.0**	
Capital Development Fund	**136,600.0**	
Pinckneyville Correctional Center - Pickneyville - Perry County - Plan and Begin the Correction of Structural Issues (via CDB)	1,000.0	
Department Of Human Services	**51,333.0**	
Capital Development Fund	**51,333.0**	
Statewide - Life/Safety Improvements (via CDB)	15,000.0	
Statewide - Replace Roofing Systems (via CDB)	6,500.0	
Murray Developmental Center - Centralia - Clinton County - Renovate Central Dietary/Residential Kitchens (via CDB)	5,028.0	
Shapiro Developmental Center - Kankakee - Kankakee County - Upgrade Steam and Condensate Lines (via CDB)	5,000.0	
Elgin Mental Health Center - Kane County - Renovate Central Dietary (via CDB)	4,354.0	
Ludeman Developmental Center - Park Forest - Cook County - Renovate 7 Residences (via CDB)	3,550.0	
McFarland Mental Health Center - Sangamon County - Upgrade Electrical System (via CDB)	3,101.0	
Rushville Treatment and Detention Facility - Rushville - Schyuler County - Plan and Begin Construction of an Addition or New Facility (via CDB)	3,000.0	G
Jacksonville Developmental Center - Morgan County - Upgrade Power Plant (via CDB)	2,278.0	
Fox Developmental Center - Dwight - Livingston County - Plan and Begin Power Plant Renovation (via CDB)	2,000.0	
Madden Mental Health Center - Hines - Cook County - Renovate for Life/Safety (via CDB)	625.0	
Kiley Developmental Center - Waukegan - Lake County - Replace Sprinkler Heads/Upgrade Fire Alarm System (via CDB)	481.0	
Chester Mental Health Center - Randolph County - Replace Roofing Systems - 22 Buildings (via CDB)	416.0	
Department Of Military Affairs	**23,600.0**	
Capital Development Fund	**23,400.0**	
Statewide - System Upgrades/Interior and Exterior Renovations (via CDB)	10,000.0	
North Riverside MEB Armory - Cook County - Plan and Begin a New Readiness Center (via CDB)	6,500.0	
Statewide - Replace Roofing Systems (via CDB)	5,000.0	
Camp Lincoln - Springfield - Sangamon County - Land Acquisition (via CDB)	1,500.0	
Camp Lincoln - Springfield - Sangamon County - Install Geothermal System - AGO Building (via CDB)	400.0	G
Illinois National Guard Armory Construction Fund	**200.0**	
Construction of ILANG Facilities	200.0	
Department Of Natural Resources	**42,500.0**	
Capital Development Fund	**42,500.0**	
Statewide - Upgrade Waste Treatment/Sewage Systems (via CDB)	12,000.0	
Statewide - Upgrade Campground and Electrical/Site Utilities (via CDB)	10,000.0	
Statewide - Dam Safety Improvements (via CDB)	7,000.0	
Statewide - Renovate/Replace Lodge, Concession, Site Office Buildings (via CDB)	5,000.0	
Statewide - Replace Roofing Systems (via CDB)	3,000.0	
Statewide - Replace Bridges (via CDB)	3,000.0	
Statewide - Replace/Construct Vault Toilet (via CDB)	2,000.0	
Statewide - Construct/Replace Playground Equipment (via CDB)	500.0	
Department Of Public Health	**15,000.0**	
Capital Development Fund	**15,000.0**	
Chicago - Cook County - Plan and begin a new lab (via CDB)	15,000.0	G
Department Of Revenue	**15,300.0**	
Capital Development Fund	**15,300.0**	
Willard Ice Building - Springfield - Sangamon County - System Upgrades/Building Renovations (via CDB)	15,000.0	
Willard Ice Building - Springfield - Sangamon County - Plan and Begin Security Upgrades (via CDB)	300.0	

Fiscal Year 2012 New Appropriations for State Facilities

($ thousands)

Capital Component Name Agency Name	FY 2012 New Appropriations	Green Initiative
State Facilities		
Department Of State Police	**13,456.0**	
Capital Development Fund	**13,456.0**	
Elgin, Pecatonica, Litchfield - Kane, Winnebego, Montgomery Counties - Upgrade Firing Ranges (via CDB)	7,000.0	
ISP Central Headquarters - Springfield - Sangamon County - Upgrade HVAC System - Facility Building (via CDB)	3,956.0	G
Chicago Heights, Crestwood, Savanna, Fairfield - Cook, Carroll, Wayne Counties - Construct/Replace Communication Towers/Buildings (via CDB)	2,500.0	
Department Of Veterans' Affairs	**20,595.0**	
Capital Development Fund	**20,595.0**	
Quincy Veterans Home - Adams County - Life/Safety Improvements and Upgrade HVAC and Utilities Systems (via CDB)	8,000.0	G
Manteno Veterans Home - Kankakee County - Life/Safety Improvements/Upgrade HVAC and Utilities Systems (via CDB)	6,000.0	
LaSalle Veterans Home - LaSalle County - Life/Safety Improvements/Upgrade HVAC and Utilities Systems (via CDB)	4,000.0	G
Anna Veterans Home - Union County - Life/Safety Improvements/Upgrade HVAC and Utilities Systems (via CDB)	2,000.0	G
Anna Vets home Roofing Repairs (via CDB)	425.0	
Quincy Veterans Home - Adams County - Plan and Begin Cemetery Renovation (via CDB)	100.0	
Manteno Veterans Home - Kankakee County - Plan and Begin Cemetery Renovation (via CDB)	70.0	
Illinois Historic Preservation Agency	**25,165.0**	
Capital Development Fund	**25,165.0**	
Executive Mansion - Springfield - Sangamon County - Capital Upgrades (via CDB)	13,000.0	
Statewide - Lincoln Sites - Repairs/Renovation/Restoring Lincoln-Related Historic Sites (via CDB)	7,000.0	
Old State Capitol Historic Site - Springfield - Sangamon County- Replace Elevators/Restore Interior and Exterior (via CDB)	3,819.0	
Mt. Pulaski Courthouse - Logan County - Restore Interior and Exterior (via CDB)	1,346.0	
Office Of The Architect Of The Capitol	**6,259.0**	
Capital Development Fund	**6,259.0**	
Capitol Complex - Sangamon County - Replace Vestibule & Doors/Upgrade Security (via CDB)	5,703.0	
Capitol Complex - Sangamon County - ADA Upgrades - East Entrance (via CDB)	556.0	
Office Of The Attorney General	**521.0**	
Capital Development Fund	**521.0**	
Attorney General Building - Springfield - Sangamon County - Install Emergency Generator (via CDB)	521.0	
Office Of The Secretary Of State	**23,117.0**	
Capital Development Fund	**23,117.0**	
Motor Vehicle Services (Dirksen Parkway) - Springfield - Sangamon County - Upgrade for Life/Safety/Replace Roof/Upgrade HVAC System (via CDB)	15,854.0	
Capitol Complex - Springfield - Sangamon County - Upgrade HVAC and Utilities Systems/Replace Roofs/Life/Safety Improvements (via CDB)	5,000.0	
Capitol Complex - Springfield - Capital Upgrades (via CDB)	1,670.0	G
Capitol Complex - Springfield - Sangamon County - Replace Steam Absorbtion Chillers (via CDB)	593.0	
Supreme Court	**1,141.0**	
Capital Development Fund	**1,141.0**	
Mt. Vernon Appellate Court Building - Jefferson County - Renovate Building Phase II (via CDB)	929.0	
Ottawa Appellate Court Building - LaSalle County - ADA/Security Updates (via CDB)	212.0	
State Facilities Total	**520,479.0**	

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Debt Management

www.state.il.us/budget

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Debt Management

State of Illinois

The governor, through the Governor's Office of Management and Budget (GOMB), is responsible for the issuance of General Obligation (GO) and Build Illinois (BI) bonds. These long-term debt obligations, coupled with pay-as-you-go resources, are used to fund a wide range of capital projects and activities in the capital budget.

The GOMB is charged with the management of the resulting indebtedness long after the funds have been used to support projects or grants. Due to the ongoing nature of this process, debt management is an integral part of the state's budgeting process.

The state's debt management goals are to:

- maintain debt affordability standards, focus capital spending on projects with the greatest economic development impact and limit capital borrowing and funding to the current available revenue structure;
- borrow at the lowest possible cost of funds and adapt to investor demand;
- monitor the state's outstanding indebtedness for possible refunding opportunities;
- maintain ongoing relationships with the rating agencies to obtain the highest ratings possible given the State's changing financial condition;
- foster the growth of minority-owned, female-owned and regional firms through participation objectives, which afford these firms opportunities to work on the state's debt-related activities.

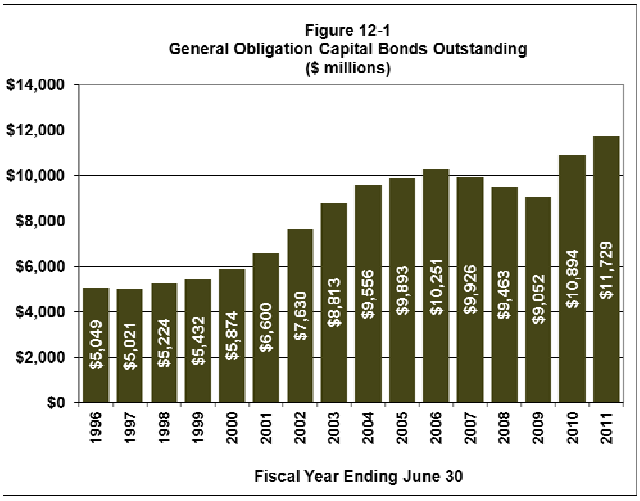
ILLINOIS JOBS NOW!

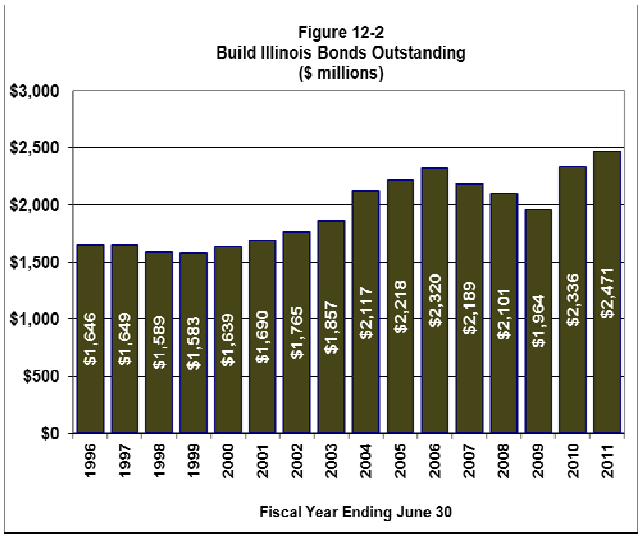
Illinois Jobs Now! is an expansive $31 billion capital program, which focuses on putting money directly into the Illinois economy, with the aim of spurring economic stimulus by creating jobs for the citizens of Illinois. *Illinois Jobs Now!* includes funding for schools, roads, transit, economic development, environment and energy projects, thus providing an opportunity to invest in Illinois' future and workforce. Funding for *Illinois Jobs Now!* will be provided by a combination of state debt, with federal and local matching funds. The debt service on the bonds issued will primarily be supported by: (1) motor vehicle title fees; (2) license plate fees; (3) revenues from sales taxes on candy, sweet tea, coffee, grooming and hygiene products; (4) wine and spirits taxes; (5) establishing a new licensing and taxation program for video gaming terminals; (6) using existing monies deposited into the Road Fund; and (7) lottery improvements.

STATE-SUPPORTED INDEBTEDNESS

State Debt Profile

From fiscal years 2006 to 2009, the state paid off more capital bond principal than it issued. These decreases in outstanding state debt are illustrated in Figure 12-1 and Figure 12-2 below. The decreases in outstanding indebtedness created capacity for new capital investment in subsequent fiscal years. Figure 12-1 below assumes an issuance of approximately $1.5 billion in fiscal year 2011, of which $1.2 billion has already been issued.





State Debt Comparison

Illinois, one of the largest states both in terms of population and overall economy, is ranked 13th in net tax-supported debt as a percentage of gross state domestic product, according to the most recent Moody's 2010 State Debt Medians Report, published in May of 2010. Further, Illinois ranked 11th and 14th, respectively, in net tax-supported debt per capita and as a percentage of personal income. Illinois' debt load as shown in this context is below other large states such as California, New York and New Jersey.

Municipal Bond Ratings

The state's outstanding indebtedness is rated by credit rating agencies that assign credit ratings (ratings) to issuers of certain types of debt obligations. The ratings measure the state's credit worthiness and therefore affect the borrowing cost to the state. The credit rating agencies review the state's current and projected financial condition, economic growth, and levels of indebtedness, which all factor in the rating assigned to the state. Although the state's credit worthiness is reflected in the ratings for both programs, the Build Illinois credit is considered AAA by Standard & Poor's due to the state's pledge of a strong revenue stream and high debt service coverage. The state's current underlying long-term credit ratings are reported in Table 12-1.

Table 12-1
Long Term Underlying Ratings

	General Obligation Bonds	Build Illinois Bonds
Standard & Poor's	A+ Negative	AAA Stable
Moody's Investor Service	A1 Negative	A1 Negative
Fitch Ratings	A- Stable	AA+ Stable

Minority-Owned and Woman-Owned Business Participation

Illinois is dedicated to inclusion of Minority-Owned Business Enterprises (MBE) and Woman-Owned Business Enterprises (WBE) in its capital market financing. As Table 12-2 illustrates, the state has exceeded its goal of 19 percent MBE/WBE participation in the fiscal year in which the negotiated sale method was utilized. In fiscal years 2008 and 2009, with Bond Act restrictions requiring competitive sales, the percentage of MBE/WBE underwriter participation was zero because it was much harder for these firms to access the capital required to participate in, and win, competitive sales.

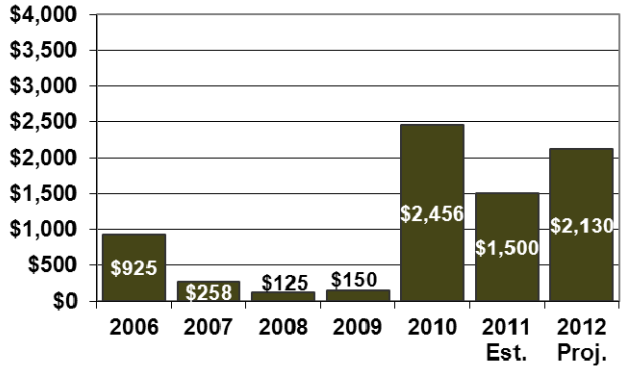
Tabel 12-2
MBE & WBE PARTICIPATION SUMMARY
($ in Millions)

Bond Series	Bond Type	Project/ Refunding	Amt	Sale Type	MBE & WBE Firm Participation: Underwriting	Legal	Financial Advisory
Sep-04	GO	Projects	$ 285	Comp	0.4%	0.0%	0.0%
Nov-04	GO	Projects	$ 275	Neg	28.7%	23.1%	0.0%
Feb-05	BI	Projects	$ 75	Comp	0.0%	0.0%	100.0%
Apr-05	GO	Projects	$ 315	Neg	38.5%	15.0%	0.0%
Jun-05	BI	Projects	$ 125	Neg.	100.0%	100.0%	100.0%
Fiscal Year 2005 Average					33.0%	23.9%	22.6%
Sep-05	GO	Projects	$ 300	Comp	0.0%	0.0%	100.0%
Jan-06	GO	Projects	$ 325	Neg	40.0%	47.8%	0.0%
Mar-06	BI	Projects	$ 65	Comp	0.0%	0.0%	100.0%
Jun-06	BI	Projects	$ 150	Neg	100.0%	100.0%	100.0%
Jun-06	GO	Projects	$ 300	Neg	4.5%	40.7%	0.0%
Jun-06	GO	Refunding	$ 275	Neg	78.4%	0.0%	100.0%
Fiscal Year 2006 Average					35.5%	37.4%	55.9%
Apr-07	GO	Projects	$ 150	Comp	0.0%	0.0%	0.0%
Jun-07	GO	Projects	$ 108	Neg	72.7%	87.0%	0.0%
Jun-07	GO	Refunding	$ 329	Neg	84.1%	13.0%	0.0%
Fiscal Year 2007 Average					65.4%	32.2%	0.0%
Jul-07	BI	Projects	$ 50	Comp	0.0%	0.0%	100.0%
Apr-08	GO	Projects	$ 125	Comp	0.0%	0.0%	0.0%
Fiscal Year 2008 Average					0.0%	0.0%	28.6%
Apr-09	GO	Projects	$ 150	Comp	0.0%	0.0%	0.0%
Fiscal Year 2009 Average					0.0%	0.0%	0.0%
Sep-09	GO	Projects	$400	Comp	0.0%	0.0%	0.0%
Dec-09	BI	Projects	$155	Comp	0.0%	40.8%	100.0%
Dec-09	BI	Projects	$375	Neg	75.0%	40.8%	100.0%
Jan-10	GO	Pensions	$3,466	Neg	31.0%	36.4%	100.0%
Jan-10	GO	Projects	$1,000	Neg	7.5%	0.0%	100.0%
Mar-10	GO	Refunding	$1,501	Neg	19.0%	41.0%	100.0%
Apr-10	GO	Projects	$56	Comp	0.0%	0.0%	0.0%
Apr-10	GO	Projects	$300	Comp	0.0%	0.0%	0.0%
Apr-10	GO	Projects	$700	Neg	0.0%	0.0%	0.0%
Apr-10	GO	Special	$246	Comp	0.0%	0.0%	0.0%
Jun-10	BI	Refunding	$455	Neg	62.5%	45.5%	100.0%
Fiscal Year 2010 Average					21.7%	27.8%	73.0%
Jul-10	GO	Projects	$300	Comp	0.0%	50.0%	100.0%
Jul-10	GO	Projects	$900	Neg	22.5%	46.2%	100.0%
Fiscal Year 2011 Average					13.9%	46.7%	100.0%
Cumulative FY 2005 - FY 2011 Average					24.1%	27.7%	57.2%

General Obligation Bonding Program

Program Overview. The General Obligation Bond program is the primary vehicle for capital market financing for the state. It is governed by the General Obligation Bond Act, 30 ILCS 330 et seq. (GO Bond Act). General Obligation Bonds are secured by general tax revenues and guaranteed by the full faith and credit of the state. Proceeds are used for capital facilities, transportation, school construction, anti-pollution projects, economic development and coal development. Figure 12-3 presents bond sales between fiscal years 2006 and 2012.

Figure 12-3
GO Bond Sales for Capital Purposes
($ millions)



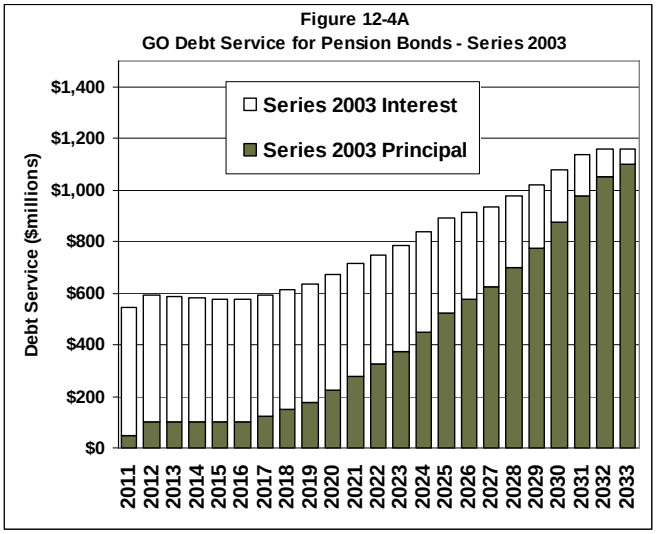
Build America Bonds. The American Reinvestment and Recovery Act temporarily created a new alternative to traditional tax-exempt financings for capital projects. These Build America Bonds are taxable but provide a 35 percent interest subsidy from the federal government. The state authorized and issued five GO Build America Bonds during fiscal years 2010 and 2011 as they provided a significantly lower cost of capital. For example, the $1 billion Build America Bonds Series 2010-1 came at a total cost of 4.05 percent. If the state issued traditional tax-exempt bonds instead, the total cost would have been approximately 50 basis points higher.

Capital Purposes. The GO Bond Act currently authorizes the state to issue GO Bonds for the purposes and in the amounts listed below.

General Obligation Bonding Categories	
$7,968,463,443	Capital Development - Construction funds for higher education, corrections, conservation, child care facilities, mental and public health facilities, local governments, the Open Land Trust program and other state capital purposes.
$6,447,123,000	Transportation - Roads and bridge projects
$3,501,670,000	Public Transportation - Air and rail
$3,570,000,000	School Construction - Grants to school districts for school improvement projects.
$595,315,000	Anti-pollution - Construction of municipal sewage treatment plants, solid waste disposal facilities, deposits into the Water Revolving Fund and U.S. Environmental Protection Fund, and funding claims under the Leaking Underground Storage Tanks Program.
$698,200,000	Coal and Energy Development - Research, development and demonstration of coal and alternate energy sources and financial assistance for new power generating initiatives.
$250,000,000	Medicaid Enhancement Funding – Special purpose funding of Medicaid services due to the enhanced federal participation
$17,582,342,300	GO Pension Bonds – For the funding or reimbursing a portion of the state's contributions to state retirement systems.
$40,583,128,743	Aggregate GO Bond Authorization

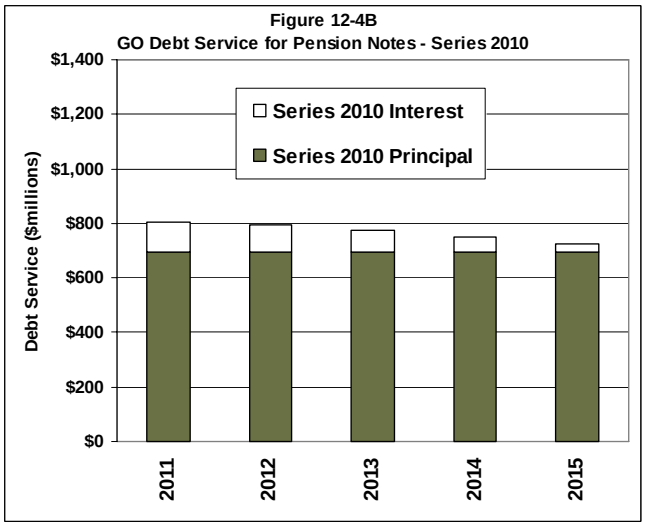
Pension Obligation Bonds. GO supported Pension Obligation Bonds (POB) were issued in 2003 as a replacement financing of a pre-existing unfunded pension liability. Debt service payments on the POBs are supported by

deductions from the unfunded liability payment that would have been required had the POBs not been issued and had the pension funds not received the additional funding.



Based on consultation and advice from state retirement systems management, the structure of the POBs was designed to exactly mirror the characteristic shape of the unfunded liability payment schedule established by the 1995 Pension Funding Plan (see "Public Retirement Systems" chapter). This structure maximizes the earning potential of the retirement systems, versus the 5.05 percent cost of the POBs when issued. The debt service requirements of the POBs are included in the statutory debt service limit versus base appropriations.

During the 2009 spring session, the General Assembly approved the issuance of $3.466 billion in Pension Obligation Notes. These notes, to be repaid in five annual installments, funded the majority of the required contributions to the state's five pension funds for fiscal year 2010. The notes were issued on January 15, 2010. Future debt service is shown in Figure 12-4B.



In January 2011, the governor signed into law Public Act 1497 authorizing the sale of 8-year final maturity Pension Obligation Bonds for the state's fiscal year 2011 contribution to the designated retirement systems. The first installment of principal will not come due until 2014 and thus is structured with the prior year's Pension Obligation Notes in mind limiting the financial impact to the state. The proceeds of the sale will be used to reimburse any payments made from the General Revenue Fund or Common School Fund to the retirement systems, followed by contributions to the state's five pension funds. The bonds are expected to close in March of this year.

Security of the Bonds. GO Bonds are direct, general obligations of the state and, by law, the full faith and credit of the state is pledged for the payment of interest and principal due on these bonds. The GO Bond Act provides that the sections of the GO Bond Act containing such a pledge shall not be repealed until all GO Bonds issued under the GO Bond Act have been paid in full.

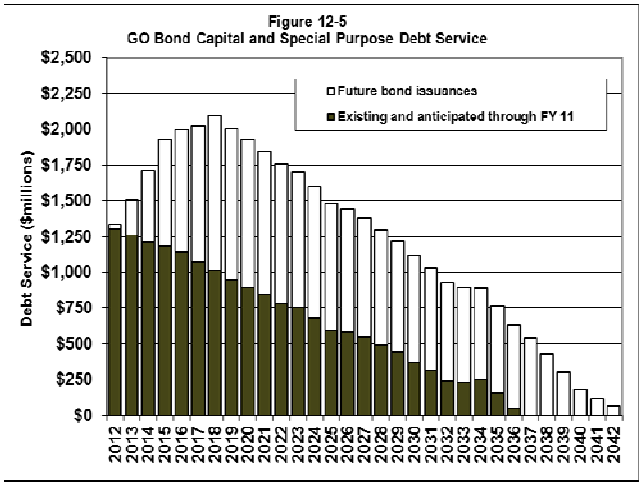
Continuing Appropriation. If, for any reason, there are insufficient funds in the General Revenue Fund, or the Road Fund, to make transfers to the General Obligation Bond Retirement and Interest Fund (GOBRI), as required by the GO Bond Act, or the General Assembly fails to make appropriations sufficient to pay the principal and interest on the outstanding GO Bonds, the GO Bond Act

constitutes an irrevocable and continuing appropriation of all amounts necessary for that purpose and the irrevocable and continuing authority for, and direction to, the treasurer and the comptroller to make the necessary transfers, as directed by the governor, out of, and disbursements from, the revenues and funds of the state.

Debt Service Obligation. GO Bonds are primarily supported by revenue realized in the state's General Revenue Fund. The primary revenue sources that repay the GO Bonds are sales taxes, income taxes and motor fuel taxes. In addition, bonds issued for certain capital investments are supported by the following budgetary resources:

- Roads and Bridges – GO Bonds issued for road construction projects are primarily supported by motor fuel taxes received by the Road Fund.
- School Construction - GO Bonds for school construction purposes are repaid, in part, from cigarette and telecommunications taxes received by the School Infrastructure Fund.
- *Illinois Jobs Now!* – GO Bonds issued for *Illinois Jobs Now!* will be primarily supported by revenue realized in the state's Capital Projects Fund.

Figure 12-5 below displays GO Capital Bond debt service for all bonds issued and expected to be issued by June 30, 2011, and debt service for anticipated future issuances of Capital Bonds in fiscal years 2012-2017.



Refunding Bonds. The GO Bond Act also authorizes the issuance of General Obligation Refunding Bonds in an amount up to $4,839,025,000 outstanding. Refunding bonds are issued to refund or advance refund the GO Bonds that are currently outstanding, in order to take advantage of favorable market conditions and reduce the state's debt service.

In February 2010, GO refunding bonds were issued to refund all or a portion of certain maturities of outstanding General Obligation bonds. Pursuant to the General Obligation Bond Act (30 ILCS 330), refunding bonds may only be issued if the net present value of debt service savings is at least 3 percent of the principal amount of the refunding bonds to be issued. The Series February 2010 bonds achieved approximately 7 percent, or $106 million, in net present value savings and also reduced the average life of the refunded bonds.

Interest Rate Exchange Agreements. The use of derivative instruments, such as interest rate exchange agreements, allows the state to limit its exposure to interest rate fluctuations on variable rate bonds. An interest rate exchange consists of an agreement between two parties (known as counterparties), in which one stream of future interest payments is exchanged for another, with one stream being fixed and the other often linked to the London Interbank Offered Rate (LIBOR) or Securities Industry and Financial Markets Association (SIFMA) rate. In October 2003, the state entered into fixed interest rate exchanges with five separate counterparties (as shown below) in connection

with the issuance of $600 million of variable rate GO Bonds. This issuance remains the state's only derivative linked issuance.

Table 12-3
Interest Rate Exchange Agreements
($ in Millions)

Counterparty	Notional Amount	Ratings Moody's	S&P	Fitch
Deutsche Bank AG	$ 384,000	Aa3	A+	AA-
Bank of America	$ 54,000	A2	A	A+
AIG Financial Products Corp.	$ 54,000	A3	A-	A
Merrill Lynch	$ 54,000	A2	A	A+
JP Morgan Chase Bank, N.A.	$ 54,000	Aa1	AA-	AA-
Total Notional Amount	**$ 600,000**			

Short Term Debt. Pursuant to the Short Term Borrowing Act (30 ILCS 340), the state is authorized, under the direction of the governor, comptroller and treasurer, to issue short term certificates or notes in an amount not to exceed (a) 5 percent of the state's appropriations for that fiscal year, if significant timing variations occur between disbursement and receipt of budgeted funds within a fiscal year and the debt is paid within that fiscal year; or (b) 15 percent of the state's appropriations for that fiscal year for up to 12 months, if there is a failure in revenues.

In February 2007, September 2007 and April 2008, short term certificates were issued to provide liquidity to the Hospital Provider Fund to make supplemental payments to certain public and non-public hospitals within the state, pursuant to the Medicaid State Plan approved by the federal government on November 30, 2006. The Hospital Assessment Tax receipts, together with Federal Medicaid matching funds related to making the supplemental payments, were used to repay the certificates. In December 2008, certificates were issued for the purpose of supplementing fiscal year 2009 liquidity. In May and August of 2009, certificates were issued due to failures in revenue. In July 2010, certificates were issued for the purpose of making payments on fiscal year 2010 obligations, due to a shortfall in revenues from budgeted amounts in that year. The following table shows the state's history of short term borrowing.

Table 12-4
SHORT TERM CERTIFICATES ISSUED
($ Millions)

Date Issued	Amount Issued	Final Maturity
July 2010	$1,300	June 2011
August 2009	1,250	June 2010
May 2009	1,000	May 2010
December 2008	1,400	June 2009
April 2008*	1,200	June 2008
September 2007*	1,200	November 2007
February 2007*	900	June 2007
November 2005	1,000	June 2006
March 2005*	765	June 2005
June 2004	850	October 2004
May 2003	1,500	May 2004
July 2002	1,000	June 2003
August 1995	500	June 1996
August 1994	687	June 1995
August 1993	900	June 1994
October 1992	300	June 1993
August 1992	600	May 1993
February 1992	500	October 1992
August 1991	185	June 1991
February 1987	100	February 1988
June-July 1983	200	May 1984

*Hospital Assessment Conduit Financings

College Saving Bonds. In 1988, the College Savings Bond program was created as an alternate method of saving for future higher education expenses. This program allows Illinois citizens to invest in bonds, which are secured by the General Obligation pledge. Additional financial grants, subject to appropriation by the General Assembly, may be available in the year the College Savings Bonds mature for students attending an Illinois higher education institution. The last issuance of the College Saving Bond program was October 2002.

Table 12-5
College Savings Bonds
($ in Millions)

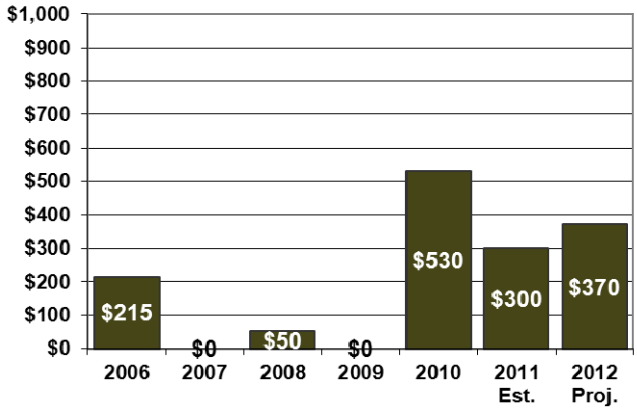
College Savings Bond Series	Original Issue Principal	Maturity	Remaining Principal
October 2002	$ 62.1	$ 88.0	$ 24.0
October 2000	101.9	168.7	36.6
November 1998	122.3	187.4	32.8
November 1997	168.3	300.9	58.0
October 1994	209.8	382.7	29.9
October 1993	169.4	271.6	19.4
October 1992	250.0	479.8	25.1
September 1991	209.8	420.2	12.6
November 1990	250.0	521.8	6.6
November 1989	250.0	531.0	-
October 1988	225.0	506.7	-
January 1988	93.0	219.9	-
Total	**$ 2,111.6**	**$ 4,078.7**	**$ 245.0**

Healthcare Provider Relief Fund Bonds. In the spring session of 2010, the governor signed into law PA 96-885 amending the General Obligation Bond Act to allow for the sale of one-year maturity GO Bonds to fund deposits into the Healthcare Provider Relief Fund. The proceeds of the sale were for the exclusive purpose of funding Medicaid services subject to the enhanced federal participation under the American Reinvestment and Recovery Act. The bonds were issued on April 12, 2010, and will mature on March 31, 2011.

Build Illinois Bonding Program

Program Overview. The Build Illinois Bond Act (BI Bond Act), 30 ILCS 425 et. seq. established the Build Illinois Sales Tax Revenue Bonding program in 1985. The Build Illinois Sales Tax Revenue Bonding program complements the state's efforts in economic development by funding infrastructure, educational and vocational facilities, and environment protection projects, and by providing incentives for business location and expansion in Illinois. Figure 12-6 displays bond sales between fiscal years 2006 and 2012.

Figure 12-6
Build Illinois Bond Sales
($ millions)



Capital and Grant Purposes. The BI Bond Act authorizes the state to issue Build Illinois Sales Tax Revenue Bonds (BI Bonds) for the purposes and in the amounts listed below:

Build Illinois Bonding Categories	
$2,917,000,000	**Infrastructure** – Construction, reconstruction, modernization and extension of the state's infrastructure
$1,352,358,100	**Education** – Educational, scientific, technical and vocational programs and facilities, and the expansion of health and human services
$150,150,900	**Environmental** – Protection, restoration and conservation of the state's environmental benefits
$196,000,000	**Economic Development** – Incentives for the location and expansion of businesses in Illinois resulting in increased economic benefits.
$4,615,509,000	**Aggregate BI Bond Authorization**

Security of the Bonds. BI Bonds are limited obligations of the state payable solely from a senior lien on (a) 3.8 percent of the state's Sales Tax revenues (BI Tax Act Amount) and (b) all additional state Sales Tax revenues (other than 1.75 percent thereof) to the extent that the BI Tax Act amount, together with the other revenues of the state, are insufficient in any month to provide the amounts required by the BI Bond Act to be transferred to the Build Illinois Bond Retirement and Interest Fund (BIBRI Fund).

Debt Service Obligation. The state has pledged that the governor shall include in each annual state budget, and the General Assembly shall annually appropriate for each fiscal year, the Required Bond Transfer from the BIBRI Fund, in an amount estimated to equal the greater of (i) the annual debt service requirement for such fiscal year as certified by the Trustee or (ii) the BI Tax Act Amount for the fiscal year.

The Required Bond Transfer is pursuant to the BI Bond Act and the Master Trust Indenture. The BI Bond Act further provides that, in the event that such an appropriation is not made, the BI Bond Act constitutes the irrevocable and continuing authority and provides direction to the treasurer and comptroller to make the necessary transfers and deposits, as directed by the governor, and to make the payments of principal and interest as required by the BI Bond Act to support outstanding BI Bonds.

Refunding Bonds. BI Refunding Bonds may be issued for the purpose of refunding or advance refunding any BI Bonds previously issued under the BI Bond Act.

In June 2010, BI refunding bonds were issued to refund certain outstanding Build Illinois Bonds. Due to advantageous market conditions, the refunding allowed for the state to realize significant cost savings. Pursuant to the Build Illinois Bond Act (30 ILCS 425), refunding bonds may only be issued if the net present value of debt service savings is at least 3 percent of the principal amount of the refunding bonds to be issued. The Junior Refunding Bonds, Series 2010 achieved 6.3 percent or approximately $30 million in net present value savings to the state.

OTHER STATE-SUPPORTED INDEBTEDNESS

State-Supported Revenue Bonds. Revenue bonds are either those bonds for which the state earmarks a specific revenue source for debt service or bonds under which the state is committed to retire debt issued by certain state authorities or Illinois municipalities pursuant to law. The state's commitment is based upon various Illinois statutes and upon contractual arrangements with the issuing authorities. The table below identifies the bonding program's name, issuing authority or agency and total revenue bond outstanding for each respective program. See the appendix following this chapter for a complete debt service schedule.

Table 12-6
Other Revenue Bonds Outstanding
(Projected as of June 30, 2011)

Bonding Program	Issuing Authority/Agency	Bonds Outstanding ($ in Millions)
Civic Center Bonds	Metropolitan Exposition and Auditorium Authorities	$82.3
Dedicated State Sales Tax Revenue Bonds	Metropolitan Pier and Exposition Authority	$18.0
McCormick Place Expansion Project Bonds	Metropolitan Pier and Exposition Authority	$2,465.6
ISFA Bonds	Illinois Sports Facilities Authority	$433.0
Certificates of Participation	Central Management Services	$18.3
	Total	$ 3,017.2

Certificates of Participation. The state has incurred certain long-term obligations in the form of certificates of participation to finance renovations and buildings that are leased to state agencies. The total amount outstanding is displayed in Table 12-6 above. No additional debt obligations of this type have been incurred since 1996, and the authorization subsequently ended with PA 93-0839.

STATE-RELATED INDEBTEDNESS

Moral Obligation Pledges. Seven state bond authorities are currently permitted to issue moral obligation bonds. The state's moral obligation pledge has been used by these regional authorities to issue bonds, enhanced by the governor's pledge to request the General Assembly to support the debt service requirement of the enhanced bonds, if the borrower defaults. The moral obligation pledge may be invoked by the issuing authority if it determines that it does not have sufficient resources for the payment of principal and interest in the upcoming year. At that time, the authority must certify to the governor the amount of that deficiency and request state appropriations for the amount of the shortfall. The following table shows the number and outstanding amount of all bond issues currently bearing the state's moral obligation pledge.

State of Illinois

Table 12-7
Total Moral Obligation Bonded Debt
(As of December 31, 2010)

($ in Millions) Issuing Authority	Bond Series	Principal at 12/31/10
Southwestern Illinois Development Authority	5	$ 31.6
Quad Cities Regional Economic Development Authority	0	$ -
Upper Illinois River Valley Development Authority	2	$ 20.5
Tri-county River Valley Development Authority	0	$ -
Will-Kankakee Regional Development Authority	0	$ -
Illinois Finance Authority	34	$ 275.1
Illinois Housing Development Authority	7	$ 0.1
Total	**48**	**$ 327.3**

State law requires each authority to certify amounts withdrawn from bond reserve funds to pay principal and interest on moral obligation bonds. The amounts, so certified, are recommended for annual appropriation at the governor's executive discretion.

The moral obligation does not constitute a legally enforceable obligation of the governor to recommend an appropriation. Moreover, the General Assembly is not statutorily required to make an appropriation for an authority's certified amount, nor must the governor sign any such appropriation bill if passed by the General Assembly.

Moral Obligation Bonds in Default. Currently there are four moral obligation enhanced projects that are in default and receive financial support from the state. The two regional development authorities, Southwestern Illinois Development Authority (SWIDA) and Upper Illinois River Valley Development Authority (UIRVDA), have certified that in fiscal year 2012 there will not be sufficient resources to pay the amounts due on certain issues from 1998 to 2000 backed by the moral obligation pledge.

Table 12-8 shows the principal remaining at the end of calendar year 2010, as well as the appropriation request necessary to fund debt service anticipated in fiscal year 2012.

Table 12-8
Moral Obligation Bonded Debt
(As of December 31, 2010)

Moral Obligation Project Appropriations ($ thousands) Year	Issuing Authority	Defaulted Project Name	FY 2012 Appropriation Request	Principal at 12/31/10
1998	Southwestern Illinois Development Authority	Waste Recovery-Illinois	$ 291.9	$ 1,540.0
1998	Upper Illinois River Valley Development Authority	Waste Recovery-Illinois	$ 292.7	$ 1,215.0
1990	Southwestern Illinois Development Authority	Laclede Steel	$ 1,115.1	$ 11,085.0
2000	Southwestern Illinois Development Authority	Alton Center Busn Park	$ 681.9	$ 5,745.4
Total			**$ 2,381.6**	**$ 19,585.4**

Agricultural Loan Guarantees. The Illinois Finance Authority (IFA) administers loan guarantee programs for lenders to qualifying farmers and agribusiness purpose borrowers. The guarantees are backed by reserve funds held by the IFA and a standby continuing appropriation from the General Revenue Fund. Annual continuation of a loan guarantee requires lenders to perform borrower and collateral monitoring pursuant to IFA guaranty agreement policy.

In the event of a default, up to 85 percent of an outstanding loan balance may be paid to a secured lender, with the first 15 percent of losses from subsequent collateral recovery to be incurred by the lender. Table 12-9 below summarizes the current loan guarantee programs the IFA administers.

Table 12-9
Outstanding Agricultural Loan Guarantees
As of December 31, 2010

Loan Guarantee Funds ($ millions)	Statutorily Authorized	Originally Issued	Loans 12/31/2010	Number of Loans	Reserves 12/31/2010
Agricultural	$ 160.0	$ 28.0	$ 18.8	97	$ 10.0
Farmer and Agri-Business	$ 225.0	$ 60.2	$ 45.0	55	$ 7.7
Total	**$ 385.0**	**$ 88.2**	**$ 63.8**	**$ 152.0**	**$ 17.7**

Illinois Student Assistance Commission State Guarantee. Pursuant to authority granted under the provisions of Section 152 of the Higher Education Student Assistance Act, approved and effective May 7, 2009 (the Guarantee Legislation), the Illinois Student Assistance Commission (ISAC) has designated its Student Loan Revenue Bonds, Series 2009 (State Guaranteed) as guaranteed by the state (the Guaranteed Bonds). The Guaranteed Bonds were issued in late May 2009, in the aggregate principal amount of $50 million. The state's guarantee constitutes a general obligation of the state and the full faith, credit and resources of the state are irrevocably pledged to the punctual payment of the principal of, and interest on, the Guaranteed Bonds as the same becomes due, whether at maturity or upon redemption. The guarantee of the state is limited to bonds so designated by the ISAC in an aggregate principal amount of not greater than $50 million.

Railsplitter Tobacco Settlement Authority. Pursuant to the Emergency Budget Act (P.A. 96-0958) the Railsplitter Tobacco Settlement Authority Act was created to provide fiscal relief by delivering a large, one-time revenue source to the state. Pursuant to this Act, the state sold to the Railsplitter Tobacco Settlement Authority (Railsplitter) its interest in the tobacco settlement revenues under the Master Settlement Agreement. Railsplitter then sold, via a bond issuance, a portion of the tobacco settlement revenues through a process called securitization, which essentially converted the future revenue stream into a lump sum. In exchange for the future tobacco revenues, Railsplitter transferred to the state the proceeds of the bonds. Further, each year all excess amounts of tobacco revenues left after debt service will be transferred to the state. This transaction was completed in December 2010 and provided approximately $1.3 billion to the state.

APPENDIX

Estimated Annual Issuance for General Obligation and Build Illinois Capital Bonds (In millions)

By Fiscal Year for:	2011	2012	2013	2014	2015	2016	2017
General Obligation Bonds	1,500	2,130	2,600	2,600	1,300	1,125	1,625
Build Illinois Bonds	300	370	400	550	500	375	375
Total	**1,800**	**2,500**	**3,000**	**3,150**	**1,800**	**1,500**	**2,000**

Debt Service on Existing and Anticipated Capital Bond Issuances (In millions)

By Fiscal Year for:	2011	2012	2013	2014	2015	2016	2017
GO Bonds issued through February 10, 2011	1,301	1,301	1,262	1,214	1,182	1,140	1,076
BI Bonds issued through February 10, 2011	299	292	285	276	266	250	226
Proposed new GO issuances	-	30	242	496	744	856	947
Proposed new BI issuances	-	30	66	105	157	203	236
Total Debt Service	**1,601**	**1,652**	**1,856**	**2,091**	**2,349**	**2,449**	**2,484**

Standard Measures of Debt Burden

Outstanding Debt ($millions)	FY-2007 Actual	FY-2008 Actual	FY-2009 Actual	FY-2010 Actual	FY-2011 Estimated	FY-2012 Projected
Build Illinois Bonds	$ 2,188.9	$ 2,100.8	$ 1,963.7	$ 2,336.1	$ 2,471.0	$ 2,677.1
Civic Center Bonds	115.7	108.1	100.0	91.4	82.3	72.8
Capital Purposes - GO	9,925.7	9,462.9	9,051.8	10,894.0	11,729.0	13,186.5
Bonded Debt - Capital Purpose	**$ 12,230.3**	**$ 11,671.8**	**$ 11,115.5**	**$ 13,321.5**	**$ 14,282.3**	**$ 15,936.4**
Pension Bonds	10,000.0	9,950.0	9,900.0	13,316	16,272.8	15,479.6
Bonded Debt - Total	**$ 22,230.3**	**$ 21,621.8**	**$ 21,015.5**	**$ 26,637.5**	**$ 30,555.1**	**$ 31,416.0**
Illinois Population (millions)	**12.853**	**12.836**	**12.893**	**12.944**	**12.944**	**12.944**
Debt Per Capita - Capital Purpose	951.6	909.3	862.1	1,029.2	1,103.4	1,231.2
Debt Per Capita - Pension	778.1	775.2	767.9	1,028.7	1,257.2	1,195.9
Per Capita - Total	**$ 1,729.6**	**$ 1,684.5**	**$ 1,630.0**	**$ 2,057.9**	**$ 2,360.6**	**$ 2,427.1**
Illinois Personal Income ($millions)	**$ 518,560**	**$ 547,219**	**$ 546,888**	**$ 546,160**	**$ 546,160**	**$ 546,160**
Percent of Income - Capital Purpose	2.36%	2.13%	2.03%	2.44%	2.62%	2.92%
Percent of Income - Pension Bonds	1.93%	1.82%	1.81%	2.44%	2.98%	2.83%
Percent of Income - Total Debt	**4.29%**	**3.95%**	**3.84%**	**4.88%**	**5.59%**	**5.75%**
GRF and Road Fund Base Approps	**$ 30,952**	**$ 32,405**	**$ 37,356**	**$ 34,880**	**$ 34,686**	**$ 34,686**
Debt Service as % Approps - Build Illinois Bonds	0.85%	0.82%	0.71%	0.79%	0.86%	0.93%
Debt Service as % Approps - Civic Center Bonds	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
Debt Service % Approps - GO Capital & Special Purposes	3.81%	3.66%	3.11%	3.25%	3.75%	3.84%
Debt Service as % Approps- All Capital Purposes	**4.71%**	**4.52%**	**3.86%**	**4.08%**	**4.65%**	**4.80%**
% Approps - GO Pension Bonds	1.60%	1.69%	1.46%	1.56%	3.88%	4.61%
Debt Service as % Approps - Total	**6.31%**	**6.21%**	**5.31%**	**5.64%**	**8.53%**	**9.41%**

Note: Pension bonds outstanding assumes $3.7B issued in March 2011.

MATURITY SCHEDULE - GENERAL OBLIGATION BONDS
(Actual as of June 30, 2010)

	GO Capital and Special Purpose Bonds			GO Pension Bonds			Total
Fiscal Year June 30	Total Principal	Total Interest	Total Debt Service	Principal	Interest	Debt Service	Combined Total Debt Service
2011	911,155,031	620,116,581	1,531,271,612	743,200,000	601,177,049	1,344,377,049	2,875,648,661
2012	624,473,439	579,989,298	1,204,462,737	793,200,000	591,186,628	1,384,386,628	2,588,849,365
2013	629,850,751	536,950,024	1,166,800,775	793,200,000	568,262,716	1,361,462,716	2,528,263,491
2014	631,199,607	488,343,952	1,119,543,559	793,200,000	541,391,544	1,334,591,544	2,454,135,103
2015	651,400,720	437,325,895	1,088,726,615	793,200,000	509,221,372	1,302,421,372	2,391,147,987
2016	639,091,341	409,672,218	1,048,763,559	100,000,000	474,525,000	574,525,000	1,623,288,559
2017	611,286,341	374,194,648	985,480,989	125,000,000	470,175,000	595,175,000	1,580,655,989
2018	587,972,806	335,153,222	923,126,029	150,000,000	464,737,500	614,737,500	1,537,863,529
2019	554,312,317	304,950,960	859,263,277	175,000,000	458,212,500	633,212,500	1,492,475,777
2020	528,511,629	282,123,071	810,634,701	225,000,000	449,550,000	674,550,000	1,485,184,701
2021	512,370,883	249,917,472	762,288,355	275,000,000	438,412,500	713,412,500	1,475,700,855
2022	487,967,410	214,392,062	702,359,472	325,000,000	424,800,000	749,800,000	1,452,159,472
2023	479,732,922	194,128,388	673,861,310	375,000,000	408,712,500	783,712,500	1,457,573,810
2024	443,893,968	163,323,304	607,217,272	450,000,000	390,150,000	840,150,000	1,447,367,272
2025	376,283,835	143,995,209	520,279,043	525,000,000	367,200,000	892,200,000	1,412,479,043
2026	387,270,000	122,320,508	509,590,508	575,000,000	340,425,000	915,425,000	1,425,015,508
2027	376,185,000	102,760,017	478,945,017	625,000,000	311,100,000	936,100,000	1,415,045,017
2028	341,845,000	83,383,750	425,228,750	700,000,000	279,225,000	979,225,000	1,404,453,750
2029	310,610,000	64,535,683	375,145,683	775,000,000	243,525,000	1,018,525,000	1,393,670,683
2030	255,500,000	49,912,933	305,412,933	875,000,000	204,000,000	1,079,000,000	1,384,412,933
2031	211,455,000	37,694,217	249,149,217	975,000,000	159,375,000	1,134,375,000	1,383,524,217
2032	152,575,000	28,298,890	180,873,890	1,050,000,000	109,650,000	1,159,650,000	1,340,523,890
2033	151,865,000	20,784,197	172,649,197	1,100,000,000	56,100,000	1,156,100,000	1,328,749,197
2034	185,035,000	11,606,337	196,641,337	-	-	-	196,641,337
2035	98,240,000	4,040,510	102,280,510	-	-	-	102,280,510
2036	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-
Total	11,140,082,999	5,859,913,346	16,999,996,345	13,316,000,000	8,861,114,309	22,177,114,309	39,177,110,654

MATURITY SCHEDULE - GENERAL OBLIGATION BONDS
(Actual and Anticipated Bond Issuances Through June 30, 2011)

	GO Capital and Special Purpose Bonds			GO Pension Bonds			Total
Fiscal Year June 30	Total Principal	Total Interest	Total Debt Service	Principal	Interest	Debt Service	Combined Total Debt Service
2011	911,155,031	642,309,206	1,553,464,237	743,200,000	601,177,049	1,344,377,049	2,897,841,286
2012	684,473,439	646,144,938	1,330,618,377	793,200,000	805,365,628	1,598,565,628	2,929,184,005
2013	689,850,751	601,612,794	1,291,463,545	793,200,000	782,981,716	1,576,181,716	2,867,645,261
2014	691,199,607	551,247,092	1,242,446,699	893,200,000	755,570,544	1,648,770,544	2,891,217,243
2015	711,400,720	498,131,115	1,209,531,835	1,093,200,000	719,122,372	1,812,322,372	3,021,854,207
2016	699,091,341	468,338,338	1,167,429,679	700,000,000	669,840,000	1,369,840,000	2,537,269,679
2017	671,286,341	430,615,783	1,101,902,124	1,025,000,000	633,318,000	1,658,318,000	2,760,220,124
2018	647,972,806	389,147,047	1,037,119,854	1,050,000,000	576,274,500	1,626,274,500	2,663,394,354
2019	614,312,317	356,384,485	970,696,802	1,075,000,000	514,993,500	1,589,993,500	2,560,690,302
2020	588,511,629	330,881,671	919,393,301	225,000,000	449,550,000	674,550,000	1,593,943,301
2021	572,370,883	296,071,897	868,442,780	275,000,000	438,412,500	713,412,500	1,581,855,280
2022	547,967,410	257,917,937	805,885,347	325,000,000	424,800,000	749,800,000	1,555,685,347
2023	539,732,922	234,861,913	774,594,835	375,000,000	408,712,500	783,712,500	1,558,307,335
2024	503,893,968	201,100,679	704,994,647	450,000,000	390,150,000	840,150,000	1,545,144,647
2025	436,283,835	178,716,434	615,000,268	525,000,000	367,200,000	892,200,000	1,507,200,268
2026	447,270,000	154,085,583	601,355,583	575,000,000	340,425,000	915,425,000	1,516,780,583
2027	436,185,000	131,560,167	567,745,167	625,000,000	311,100,000	936,100,000	1,503,845,167
2028	401,845,000	109,210,200	511,055,200	700,000,000	279,225,000	979,225,000	1,490,280,200
2029	370,610,000	87,388,433	457,998,433	775,000,000	243,525,000	1,018,525,000	1,476,523,433
2030	315,500,000	69,691,983	385,191,983	875,000,000	204,000,000	1,079,000,000	1,464,191,983
2031	271,455,000	54,499,567	325,954,567	975,000,000	159,375,000	1,134,375,000	1,460,329,567
2032	212,575,000	42,130,540	254,705,540	1,050,000,000	109,650,000	1,159,650,000	1,414,355,540
2033	211,865,000	31,642,147	243,507,147	1,100,000,000	56,100,000	1,156,100,000	1,399,607,147
2034	245,035,000	19,490,587	264,525,587	-	-	-	264,525,587
2035	158,240,000	8,851,060	167,091,060	-	-	-	167,091,060
2036	60,000,000	1,836,850	61,836,850	-	-	-	61,836,850
2037	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-
Total	12,640,082,999	6,793,868,446	19,433,951,445	17,016,000,000	10,240,868,309	27,256,868,309	46,690,819,754

MATURITY SCHEDULE -- REVENUE BONDS
(As of June 30, 2010)

Year Ending June 30	Build Illinois	MPEA D.S.T.R.B.	MPEA Expansion Project	Civic Center Program	Sports Facilities Authority	Illinois Certificates of Participation	Total Principal	Total Interest	Total Debt Service
2011	164,834,169	25,595,000	63,289,090	9,085,000	2,786,432	2,055,000	267,644,692	254,047,097	521,691,788
2012	164,143,399	26,735,000	38,426,743	9,555,000	3,787,861	2,170,000	244,818,003	277,608,905	522,426,908
2013	167,492,124	28,145,000	36,491,366	10,095,000	4,742,354	2,305,000	249,270,844	276,380,893	525,651,737
2014	175,019,306	29,600,000	35,991,812	10,705,000	5,649,695	2,440,000	259,405,813	268,174,733	527,580,546
2015	173,026,038	4,850,000	36,234,751	11,415,000	6,517,832	2,590,000	234,633,621	267,130,204	501,763,825
2016	174,080,000	-	45,846,956	12,020,000	7,363,337	2,750,000	242,060,293	250,628,833	492,689,126
2017	159,060,000	-	50,075,228	5,488,409	8,151,095	2,915,000	225,689,733	256,136,105	481,825,838
2018	144,300,000	-	50,037,243	5,668,835	6,355,418	3,140,000	209,501,496	263,050,064	472,551,560
2019	131,310,000	-	57,165,083	5,875,462	6,569,442	-	200,919,987	261,448,480	462,368,467
2020	115,265,000	-	65,259,453	6,103,026	6,977,726	-	193,605,206	260,518,996	454,124,202
2021	84,405,000	-	104,202,400	5,405,000	7,374,846	-	201,387,246	222,864,760	424,252,006
2022	94,865,000	-	81,118,012	-	7,767,537	-	183,750,549	258,075,601	441,826,150
2023	82,540,000	-	140,272,495	-	8,156,172	-	230,968,667	211,846,306	442,814,973
2024	75,280,000	-	80,281,436	-	8,543,953	-	164,105,388	270,517,797	434,623,185
2025	74,085,000	-	85,297,449	-	8,891,669	-	168,274,118	264,802,405	433,076,523
2026	72,160,000	-	149,351,189	-	14,950,731	-	236,461,920	194,619,867	431,081,787
2027	63,345,000	-	180,115,836	-	31,842,372	-	275,303,208	147,282,930	422,586,138
2028	57,240,000	-	162,087,687	-	36,240,797	-	255,568,485	161,733,677	417,302,162
2029	36,205,000	-	169,405,321	-	41,040,210	-	246,650,531	151,112,206	397,762,738
2030	33,080,000	-	10,277,690	-	52,405,825	-	95,763,515	296,901,660	392,665,175
2031	28,080,000	-	9,145,954	-	75,355,000	-	112,580,954	278,638,921	391,219,875
2032	22,080,000	-	8,140,997	-	84,295,000	-	114,515,997	274,449,203	388,965,200
2033	22,080,000	-	7,243,844	-	-	-	29,323,844	270,004,681	299,328,525
2034	22,080,000	-	6,447,732	-	-	-	28,527,732	269,673,868	298,201,600
2035	-	-	5,737,216	-	-	-	5,737,216	269,257,459	274,994,675
2036	-	-	5,107,150	-	-	-	5,107,150	269,887,525	274,994,675
2037	-	-	4,545,622	-	-	-	4,545,622	270,449,053	274,994,675
2038	-	-	4,043,951	-	-	-	4,043,951	270,950,724	274,994,675
2039	-	-	3,600,523	-	-	-	3,600,523	271,394,152	274,994,675
2040	-	-	3,202,467	-	-	-	3,202,467	271,792,208	274,994,675
2041	-	-	66,137,223	-	-	-	66,137,223	208,857,452	274,994,675
2042	-	-	265,360,000	-	-	-	265,360,000	9,638,738	274,998,738
Total	2,336,055,037	114,925,000	2,029,939,917	91,415,732	435,765,305	20,365,000	5,028,465,991	7,749,875,503	12,778,341,495

MATURITY SCHEDULE -- REVENUE BONDS
(Actual and Anticipated Bond Issuances Through June 30, 2011)

Year Ending June 30	Build Illinois	MPEA D.S.T.R.B.	MPEA Expansion Project	Civic Center Program	Sports Facilities Authority	Illinois Certificates of Participation	Total Principal	Total Interest	Total Debt Service
2011	164,834,169	-	20,474,090	9,085,000	2,786,432	2,055,000	199,234,692	226,043,835	425,278,527
2012	176,143,399	4,145,000	28,182,186	9,555,000	3,787,861	2,170,000	223,983,446	275,723,055	499,706,501
2013	179,492,124	4,370,000	26,649,492	10,095,000	4,742,354	2,305,000	227,653,970	281,761,946	509,415,916
2014	187,019,306	4,600,000	16,709,911	10,705,000	5,649,695	2,440,000	227,123,912	265,997,357	493,121,269
2015	185,026,038	4,850,000	19,097,380	11,415,000	6,517,832	2,590,000	229,496,250	284,987,935	514,484,185
2016	186,080,000	-	26,871,956	12,020,000	7,363,337	2,750,000	235,085,293	283,609,504	518,694,797
2017	171,060,000	-	30,050,228	5,488,409	8,151,095	2,915,000	217,664,733	289,464,249	507,128,982
2018	156,300,000	-	28,912,243	5,668,835	6,355,418	3,140,000	200,376,496	296,783,505	497,160,001
2019	143,310,000	-	34,870,083	5,875,462	6,569,442	-	190,624,987	295,648,323	486,273,310
2020	127,265,000	-	41,714,453	6,103,026	6,977,726	-	182,060,206	295,164,908	477,225,114
2021	96,405,000	-	79,332,400	5,405,000	7,374,846	-	188,517,246	258,141,508	446,658,753
2022	106,865,000	-	53,878,012	-	7,767,537	-	168,510,549	293,878,004	462,388,554
2023	94,540,000	-	107,057,495	-	8,156,172	-	209,753,667	248,484,862	458,238,529
2024	87,280,000	-	45,216,436	-	8,543,953	-	141,040,388	308,306,653	449,347,041
2025	86,085,000	-	48,272,449	-	8,891,669	-	143,249,118	303,756,730	447,005,848
2026	84,160,000	-	55,469,129	-	14,950,731	-	154,579,860	272,549,907	427,129,768
2027	75,345,000	-	94,458,545	-	31,842,372	-	201,645,917	227,993,820	429,639,738
2028	69,240,000	-	126,032,687	-	36,240,797	-	231,513,485	212,864,133	444,377,618
2029	48,205,000	-	131,295,321	-	41,040,210	-	220,540,531	203,489,494	424,030,026
2030	45,080,000	-	10,277,690	-	52,405,825	-	107,763,515	349,479,335	457,242,850
2031	40,080,000	-	9,145,954	-	75,355,000	-	124,580,954	330,516,596	455,097,550
2032	34,080,000	-	8,140,997	-	84,295,000	-	126,515,997	325,626,878	452,142,875
2033	34,080,000	-	7,243,844	-	-	-	41,323,844	320,482,356	361,806,200
2034	34,080,000	-	6,447,732	-	-	-	40,527,732	319,451,543	359,979,275
2035	12,000,000	-	5,737,216	-	-	-	17,737,216	318,235,134	335,972,350
2036	12,000,000	-	5,107,150	-	-	-	17,107,150	318,165,200	335,272,350
2037	-	-	4,545,622	-	-	-	4,545,622	318,026,728	322,572,350
2038	-	-	4,043,951	-	-	-	4,043,951	318,528,399	322,572,350
2039	-	-	3,600,523	-	-	-	3,600,523	318,971,827	322,572,350
2040	-	-	3,202,467	-	-	-	3,202,467	319,369,883	322,572,350
2041	-	-	66,137,223	-	-	-	66,137,223	256,435,127	322,572,350
2042	-	-	265,360,000	-	-	-	265,360,000	57,216,413	322,576,413
2043	-	-	36,068,330	-	-	-	36,068,330	278,979,346	315,047,675
2044	-	-	33,701,220	-	-	-	33,701,220	281,346,455	315,047,675
2045	-	-	31,689,253	-	-	-	31,689,253	283,353,422	315,042,675
2046	-	-	29,798,833	-	-	-	29,798,833	285,248,842	315,047,675
2047	-	-	76,946,212	-	-	-	76,946,212	238,100,332	315,046,544
2048	-	-	273,730,000	-	-	-	273,730,000	41,314,378	315,044,378
2049	-	-	287,825,000	-	-	-	287,825,000	27,220,299	315,045,299
2050	-	-	302,750,000	-	-	-	302,750,000	12,185,294	314,935,294
Total	2,636,055,036	17,965,000	2,486,043,712	91,415,732	435,765,305	20,365,000	5,687,609,786	10,442,903,513	16,130,513,299

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Appendices

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APPROPRIATION PERSPECTIVE

A series of presentations can be found in the following Appendices. These presentations include:

- **Appendix A:** Fiscal Year 2012 Capital Budget Supporting Charts. Contains the following:
  - Table 1: Differences between Capital and Operating Budgets
  - Chart 1: 5-Year Savings Impact on the Operating Budget
  - Chart 2: 5-Year Cost Impact on the Operating Budget
  - Chart 3: Sources of Fiscal Year 2012 New Appropriations
  - Chart 4: Uses of Fiscal Year 2012 New Appropriations
  - Chart 5: Sources of Fiscal Year 2012 Reappropriations
  - Chart 6: Uses of Fiscal Year 2012 Reappropriations
- **Appendix B:** Capital Budget Cash Flows. Provides cash flow estimates based on fiscal year 2012 budgeted amounts for all funds that support capital. Some funds listed support both operating and capital, and those funds are grouped separately.
  - Summary of Appropriated Capital Budget Funds
  - Road Fund
  - Motor Fuel Tax Fund
- **Appendix C:** Fiscal Year 2012 General Obligation Bonds Capital Expenditure Plan
- **Appendix D:** Capital Budget Performance Measures
- The Capital Project list is available on the attached text file or at www.state.il.us/budget. The list can be sorted by fund, agency and fiscal year.

Appendix A
Table 1
Differences between Capital and Operating Budgets

CAPITAL BUDGET	OPERATING BUDGET
Appropriations are for assets that have a long-term life and provide benefits in future years (e.g., buildings, highways, underground or surface infrastructure, durable equipment, and land).	Appropriations are for consumable goods and services (e.g., personnel and benefits, commodities, utilities, professional services) that are purchased and used during any one fiscal year.
Spending occurs over one to several years: a typical road construction project, for instance, might take four years, with the majority of spending occurring in years two and three, and only design and engineering work occurring in the first year. Reappropriations for projects originally appropriated in prior years, but still under construction, will make up the majority of capital dollars appropriated in any given budget year.	Spending occurs over the course of one given fiscal year with occasional, usually minor, amounts reappropriated into the next fiscal year.
Funding sources can include general revenues but are more likely to include bond transfers or federal grants because of the one-time, large, and occasional nature of capital expenditures, and dedicated revenue sources (e.g., special fees related to the asset being funded, such as a motor fuel tax).	Funding sources usually include general revenues (e.g., taxes, fees, etc.) because of the usually current, ongoing and regular nature of operating expenditures.
Financing is more likely to be from long-term bond proceeds that are paid back in increments over the life of the bonds, or other long-term means. Financing can be spread anywhere from 5 to 30 years which generally is less than the useful lifespan of the assets they finance.	Financing is from current revenue streams – the time frame of revenue received usually matches the time frame of the services or commodities purchased – i.e., within a single fiscal year. The operating budget balances spending with revenues annually.
Impacts on the Operating Budget: Increases in the operating budget caused by capital investment can include, for example, increased need for operating spending (e.g., opening a new facility thereby requiring more staff), increased debt service requirements, or creating eventual future maintenance and replacement needs. Decreases in the operating budget caused by capital expenditures can include, for instance, reduction in future maintenance expenditures by investing in more durable assets, lowering utility costs by installing energy efficient lighting or windows, or allowing more efficient staffing patterns by changing a building layout.	Impacts on the Capital Budget: Increases in the capital budget caused by operating spending can include need for expanded facilities to accommodate expanded services; increased wear and tear on assets by increased use; different facilities needed to match changes in how services are delivered, etc. Decreases in the capital budget caused by changes in operating spending can occur, for instance, due to implementation of more efficient staffing patterns, service reductions, outsourcing of functions, and by regular and conscientious maintenance which can prevent larger and more expensive structural repairs from being needed.

Appendix A

Chart 1: 5-Year Savings Impact on the Operating Budget ($1.6 million)

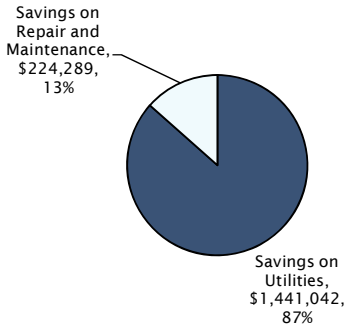
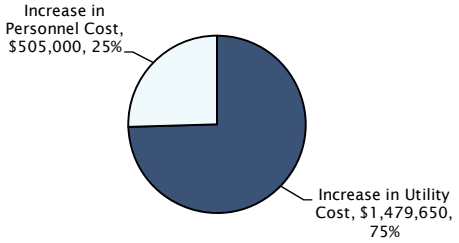


Chart 2: 5-Year Cost Impact on the Operating Budget ($2.0 million)



Select State Facility Maintenance Projects: Anticipated Operational Savings

($ whole)

User Agency and Location	Project Description [1]	Fiscal Year [2] 2013	2014	2015	2016	2017	Total [3]
State Facilities							
Department of Agriculture							
Centralia Diagnostic Lab	Replace Roof	$13,571	$6,816	$6,816	$6,816	$6,816	$40,835
Illinois State Fairgrounds	Replace HVAC - Administration Building Chillers	$43,226	$39,186	$39,186	$39,186	$39,186	$199,969
Illinois State Fairgrounds	Replace Roof	$84,483	$42,428	$42,428	$42,428	$42,428	$254,196
Office of the Architect of the Capitol							
Capital Complex	HVAC Renovation & Upgrade	$36,388	$36,388	$36,388	$36,388	$36,388	$181,941
Central Management Services							
James R. Thompson Center	HVAC Renovation and Upgrade	$27,132	$27,132	$27,132	$27,132	$27,132	$135,662
Elgin Regional Office Building	Upgrade HVAC System	$33,459	$28,409	$28,409	$28,409	$28,409	$147,093
Collinsville State Office Building	Replace Roof	$55,357	$25,632	$25,632	$25,632	$25,632	$157,886
Office of the Attorney General							
Attorney General Building	Replace Light Ballasts	$73,633	$73,633	$73,633	$73,633	$73,633	$368,166
Department of Human Services							
Illinois School for Visually Impaired	Replace Roof	$4,807	$2,414	$2,414	$2,414	$2,414	$14,462
Department of Corrections							
Southwestern Correctional Center	Replace Roof	$7,824	$3,929	$3,929	$3,929	$3,929	$23,541
Logan Correctional Center	Replace Roof	$7,824	$3,929	$3,929	$3,929	$3,929	$23,541
Vienna Correctional Center	Replace Roof	$8,400	$4,218	$4,218	$4,218	$4,218	$25,273
Department of Juvenile Justice							
Illinois Youth Center-Joliet	Replace Roof	$1,171	$588	$588	$588	$588	$3,525
Illinois Youth Center-Pere Marquette	Replace Roof	$2,086	$1,047	$1,047	$1,047	$1,047	$6,276
Illinois Youth Center-St Charles	HVAC replacement for residential cottages	$19,825	$15,785	$15,785	$15,785	$15,785	$82,966
ANTICIPATED TOTAL OPERATING SAVINGS		**$419,186**	**$311,536**	**$311,536**	**$311,536**	**$311,536**	**$1,665,331**

Select State Facility Projects: Anticipated Impact on Operational Costs

($ whole)

User Agency and Location	Project Description [1]	Fiscal Year [2] 2013	2014	2015	2016	2017	Total [3]
State Facilities							
Illinois Historic Preservation							
Springfield	Purchase the Tinley Dry Goods Store	$43,430	$43,430	$43,430	$43,430	$43,430	$217,150
Illinois State Police							
Belleville	Construct New Metro-East Forensic Lab	$101,000	$101,000	$101,000	$101,000	$101,000	$505,000
		$252,500	$252,500	$252,500	$252,500	$252,500	$1,262,500
ANTICIPATED TOTAL OPERATING COSTS		**$396,930**	**$396,930**	**$396,930**	**$396,930**	**$396,930**	**$1,984,650**

Footnotes:

[1] Projects listed are presented as part of the FY10 Illinois Jobs Now! Capital Plan. Projects are subject to change depending upon such factors as funding availability and unforeseen emergencies at other state facilities, etc.

[2] Project completion estimates are provided by the Capital Development Board.

[3] Amounts represented are in present day dollars and not adjusted for inflation.

Appendix A
Sources and Uses of Fiscal Year 2012 Appropriations

Chart 3: Sources of FY12 New Appropriations

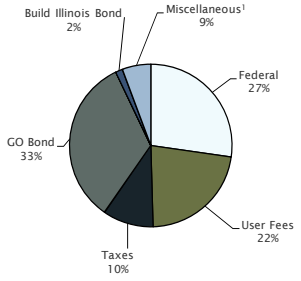
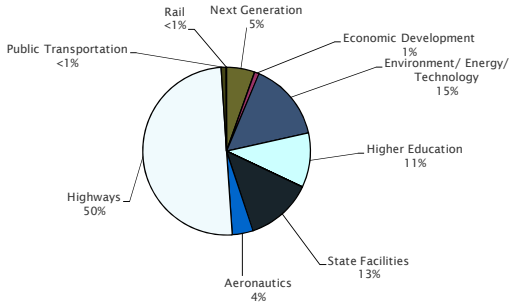


Chart 4: Uses of FY12 New Appropriations



($ thousands)	Next Generation	Economic Development	Environment / Energy/ Technology	Higher Education	Pre K-12 Education	State Facilities	Aeronautics	Highways	Public Transportation	Rail	Total[2]
Federal	-	-	201,531	-	-	-	123,321	739,540	38,000	-	**1,102,392**
User Fees	-	-	13,391	-	-	1,700	6,679	877,960	-	-	**899,731**
Taxes	-	-	14,715	-	-	-	-	394,385	-	-	**409,101**
GO Bond	219,000	-	147,700	425,825	-	518,579	33,000	-	-	-	**1,344,104**
Tran-A/GO Bond	-	-	-	-	-	-	-	-	-	-	-
Build Illinois Bond	-	36,350	20,000	-	-	-	-	-	-	-	**56,350**
Miscellaneous[1]	-	-	216,477	-	-	200	-	10,443	-	3,200	**230,320**
Total[2]	**219,000**	**36,350**	**613,815**	**425,825**	**-**	**520,479**	**163,000**	**2,022,329**	**38,000**	**3,200**	**4,041,998**

Chart 5: Sources of FY12 Reappropriations

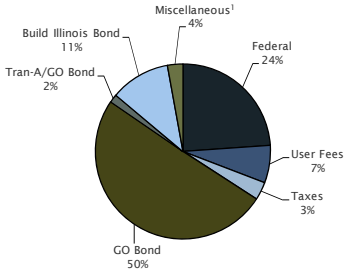
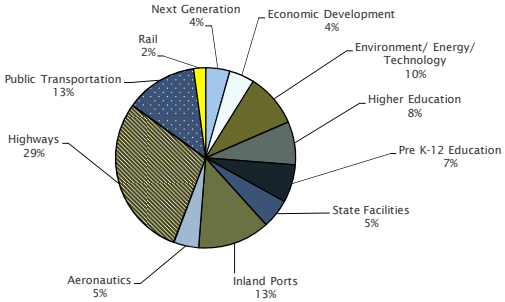


Chart 6: Uses of FY12 Reappropriations



($ thousands)	Next Generation	Economic Development	Environment / Energy/ Technology	Higher Education	Pre K-12 Education	State Facilities	Inland Ports	Aeronautics	Highways	Public Transportation	Rail	Total[2]
Federal	-	-	540,093	-	-	-	2,132,152	995,337	1,609,459	65,528	170,627	**5,513,196**
User Fees	-	1,220	45,040	-	-	0	98,719	53,911	1,317,161	-	90,002	**1,606,052**
Taxes	-	-	91,557	-	-	-	31,454	-	614,369	-	28,677	**766,057**
GO Bond	120,000	134,010	613,594	1,401,918	1,572,672	1,169,295	729,553	-	2,825,178	2,923,761	162,884	**11,652,865**
Tran-A/GO Bond	-	-	-	-	-	-	-	-	353,362	-	-	**353,362**
Build Illinois Bond	888,057	880,528	365,900	386,367	-	33,829	-	-	-	-	-	**2,554,681**
Miscellaneous[1]	-	28,536	565,130	-	-	385	2,380	-	21,465	-	36,251	**654,146**
Total[2]	**1,008,057**	**1,044,293**	**2,221,315**	**1,788,285**	**1,572,672**	**1,203,509**	**2,994,257**	**1,049,248**	**6,740,994**	**2,989,290**	**488,439**	**23,100,359**

1 Includes loan repayments, investment income, and settlements.

2 Numbers may not add due to rounding.

Appendix B

Capital Budget Cash Flows

Summary of Appropriated Capital Budget Funds, Fiscal Year 2012

($ thousands)

Fund Group and Fund Name	Cash Balance, Beginning of Year	*plus* Receipts			*equals* Total Resources	*minus* Disbursements		*equals* Cash Balance, End of Year
		Revenues from		Transfers In		Transfers Out	Warrants Issued	
		State Sources	Federal Sources					
FUNDS PRESENTED WITH OPERATING BUDGET:								
Abandoned Mined Lands Reclamation Council Federal Trust	2,280	0	9,217	0	11,497	0	8,856	2,641
Adeline Jay Geo-Karis Illinois Beach Marina	390	2,729	0	0	3,119	943	1,789	387
Agricultural Premium	11,183	2,066	0	23,765	37,014	232	22,322	14,461
Asbestos Abatement	7,199	3,754	0	0	10,953	0	2,596	8,357
Federal Mass Transit Trust	0	0	27,150	0	27,150	0	27,150	0
Illinois Forestry Development	831	820	794	0	2,445	0	2,101	344
Illinois Habitat	3,536	1,211	0	0	4,747	80	933	3,734
Motor Fuel Tax	112,974	1,234,014	0	0	1,346,987	1,154,241	85,721	107,025
Motor Fuel Tax Counties	0	0	0	198,877	198,877	0	198,876	0
Motor Fuel Tax Municipalities	0	0	0	278,916	278,916	0	278,916	0
Motor Fuel Tax Townships and Road Districts	0	0	0	90,264	90,264	0	90,264	0
Natural Areas Acquisition	6,029	5,857	0	0	11,886	30	5,803	6,053
Open Space Lands Acquisition and Development	39,879	13,686	0	15,000	68,565	110	19,896	48,559
Park and Conservation	2,401	4,836	1,969	20,000	29,205	10,700	18,072	433
Plugging and Restoration	397	473	0	0	870	15	651	204
Road	663,605	1,065,343	1,521,768	338,730	3,589,446	516,710	2,713,293	359,443
State Boating Act	4,215	4,382	2,638	5,040	16,276	291	13,524	2,461
State Furbearer	152	90	0	15	257	0	88	169
State Migratory Waterfowl Stamp	4,181	1,060	148	0	5,389	0	465	4,924
State Parks	2,737	10,609	0	0	13,346	191	12,552	604
State Pheasant	1,082	441	0	75	1,598	0	268	1,330
Underground Storage Tank	6,407	71,642	0	0	78,049	14,000	60,100	3,949
Water Revolving	449,300	870,900	273,000	0	1,593,200	0	1,484,284	108,915
Wildlife and Fish	18,271	45,172	15,910	0	79,353	111	67,513	11,730
TOTAL	**1,337,048**	**3,339,086**	**1,852,594**	**970,682**	**7,499,410**	**1,697,653**	**5,116,034**	**685,723**
CAPITAL BUDGET FUNDS:								
BOND FUNDS:								
Anti-Pollution	8,245	75,000	0	0	83,245	0	82,731	514
Build Illinois Bond	146,841	370,000	0	0	516,841	0	496,000	20,841
Capital Development	129,312	500,000	0	0	629,312	0	581,950	47,362
Coal Development	734	4,600	0	0	5,334	0	4,624	710
School Construction	284,357	100,000	0	0	384,357	0	349,000	35,357
Transportation Bond, Series A	241,837	0	0	0	241,837	0	99,598	142,239
Transportation Bond, Series B	161,068	500,000	0	0	661,068	0	574,460	86,607
Transportation Bond, Series D	252,448	400,000	0	0	652,448	0	567,163	85,285
NON BOND FUNDS:								
Ambulance Revolving Loan	3,131	0	0	3,302	6,433	0	0	6,433
AML Reclamation Set Aside	14,995	99	1,000	0	16,094	0	0	16,094
Federal High Speed Rail Trust	0	0	150,000	0	150,000	0	150,000	0
Federal Title IV Fire Protection Assistance	110	0	666	0	776	0	636	140
Federal/Local Airport	2,971	7,270	123,000	53	133,294	0	130,200	3,094
Fire Truck Revolving Loan	3,420	2,232	0	0	5,652	0	0	5,652
Flood Control Land Lease	5	797	0	0	802	0	801	0
Grade Crossing Protection	16,881	0	0	42,000	58,881	3,001	45,000	10,880
Illinois National Guard Armory Construction	134	0	0	0	134	0	130	5

Appendix B

Capital Budget Cash Flows

Summary of Appropriated Capital Budget Funds, Fiscal Year 2012

($ thousands)

Fund Group and Fund Name	Cash Balance, Beginning of Year	*plus* Receipts			*equals* Total Resources	*minus* Disbursements		*equals* Cash Balance, End of Year
		Revenues from		Transfers In		Transfers Out	Warrants Issued	
		State Sources	Federal Sources					
CAPITAL BUDGET FUNDS:								
Land and Water Recreation	93	0	792	0	885	0	792	93
Off-Highway Vehicle Trails	1,208	358	0	0	1,566	0	380	1,186
Partners for Conservation Projects	1,327	0	0	0	1,327	0	200	1,127
Rail Freight Loan Repayment	2,759	657	0	0	3,416	0	1,500	1,916
Snowmobile Trail Establishment	33	73	0	0	107	0	64	42
State Construction Account	86,298	518,173	0	209,229	813,700	34	603,000	210,666
State Rail Freight Loan Repayment	4,475	3,317	0	8,492	16,283	0	4,500	11,783
TOTAL	1,362,682	2,482,576	275,458	263,076	4,383,793	3,035	3,692,731	688,027
GRAND TOTAL	2,699,730	5,821,663	2,128,053	1,233,758	11,883,203	1,700,688	8,808,765	1,373,750

Budgetary Balance equals Beginning of Year Available Cash Balance minus the Prior Year's Lapse Period Spending	Cash Balance, Beginning of Year	*plus* Receipts			*equals* Total Resources	*minus* Disbursements		*equals* Cash Balance, End of Year
		Revenues from		Transfers In		Transfers Out	Warrants Issued	
		State Sources	Federal Sources					
GRAND TOTAL	2,561,202	5,821,663	2,128,053	1,233,758	11,744,675	1,700,688	8,808,765	1,235,222

Appendix B
Table III-A - Road Fund

($ millions)	Actual 2009	Actual 2010	Estimated 2011	Projected 2012
Receipts				
State Sources				
Motor Vehicle and Operators License Fees	868.6	854.8	889.4	896.1
Transfers from Motor Fuel Tax Fund	317.3	299.7	312.0	318.2
Other Earnings, Reimbursements and Transfers	124.5	108.3	153.4	169.6
Total State Sources	**1,310.4**	**1,262.8**	**1,354.8**	1,383.9
Total Federal Source	**1,234.2**	**1,298.3**	**1,230.6**	**1,136.8**
Total Federal Recovery	**48.1**	**506.9**	**550.0**	**385.0**
TOTAL RECEIPTS	2,592.7	3,068.0	3,135.4	2,905.8
Disbursements				
Department of Transportation - Construction	1,005.8	1,048.1	1,059.5	1,078.2
Department of Transportation - Operations	745.9	779.9	815.0	879.4
Department of Transportation - All Other	87.8	83.3	85.4	87.3
Secretary of State	135.0	5.7	2.3	
Department of State Police	114.7			
All Other Agencies	146.7	151.4	168.2	
Federal Recovery	48.5	506.9	550.0	385.0
Transfers to Other Funds for Capital, Debt Service & Operating Purposes[1]	279.1	335.4	502.5	520.9
TOTAL DISBURSEMENTS	2,563.6	2,910.6	3,183.0	2,950.7
NET CHANGE IN CASH (Receipts minus Disbursements)	29.1	157.4	-47.6	-45.0
plus: CASH BALANCE AT BEGINNING OF YEAR	**388.4**	**417.5**	**574.9**	**527.3**
equals: CASH BALANCE AT END OF YEAR	417.5	574.9	527.3	482.4

Appendix B
Table III-B - State Motor Fuel Tax Fund

($ millions)	Actual 2009	Actual 2010	Estimated 2011	Projected 2012
GROSS RECEIPTS	$ 1,393.5	$ 1,269.1	$ 1,294.5	$ 1,326.9
Nonallocable Receipts				
Refunds on Nontaxable Motor Fuel	$ (18.4)	$ (20.3)	$ (21.7)	$ (21.3)
International Fuel Tax Agreement to Other States	$ (38.2)	$ (16.1)	$ (17.0)	$ (17.2)
Total Allocable Receipts	**$ 1,336.9**	**$ 1,232.7**	**$ 1,255.7**	**$ 1,288.3**
Disbursements				
Transfers Out				
State Construction Account Fund	$ 215.3	$ 219.3	$ 217.1	$ 224.7
Road Fund	$ 317.3	$ 299.3	$ 312.0	$ 318.2
County MFT Fund	$ 210.3	$ 198.4	$ 206.8	$ 214.0
Municipal MFT Fund	$ 295.0	$ 278.2	$ 290.1	$ 300.3
Township MFT Fund	$ 95.5	$ 90.0	$ 93.9	$ 97.2
Grade Crossing Protection Fund	$ 27.0	$ 40.8	$ 42.0	$ 42.8
State Boating Act Fund	$ 5.0	$ 5.0	$ 5.0	$ 5.1
Vehicle Inspection and Maintenance Fund	$ 30.0	$ 30.0	$ 30.0	$ 30.0
Other Funds	$ 5.0	$ 0.1	$ 4.6	$ 4.8
Total Transfers Out	**$ 1,200.3**	**$ 1,161.1**	**$ 1,201.6**	**$ 1,237.2**
Expenditures[1]				
Revenue (net IFTA and Refunds)	$ 44.0	$ 42.0	$ 46.0	$ 44.6
Secretary of State	$ 1.2	$ 1.3	$ 1.3	$ 1.3
Transportation	$ 9.5	$ 10.3	$ 12.7	$ 12.9
Refunds on Nontaxable Motor Fuel	$ 18.4	$ 20.3	$ 21.7	$ 21.3
International Fuel Tax Agreement to Other States	$ 38.2	$ 16.1	$ 17.0	$ 17.2
Total Expenditures	**$ 111.3**	**$ 89.8**	**$ 96.5**	**$ 95.6**
TOTAL DISBURSEMENTS	$ 1,311.6	$ 1,250.9	$ 1,298.1	$ 1,332.8
Sams Adjustment	$ 4.9	$ 3.9	$ 13.2	$ 13.2
Net Change in Cash	$ 81.9	$ 18.2	$ (3.6)	$ (5.9)
Plus: CASH BALANCE AT BEGINNING OF YEAR	**$ 10.8**	**$ 97.6**	**$ 120.0**	**$ 129.6**
Year End Cash Balance	$ 97.6	$ 120.0	$ 129.6	$ 136.9

[1]These figures have been adjusted to account for lapse period spending

Appendix C
Fiscal Year 2012 General Obligation Bonds
Capital Expenditure Plan
($ thousands)

Fund Name	FY12 Appropriations	Spending from FY12 Appropriations					
		FY12	FY13	FY14	FY15	FY16	FY17
Capital Development							
Prior Appropriations	992,042	54,184	98,516	118,220	118,220	118,220	118,220
Illinois Jobs Now!	2,250,703	331,545	329,736	315,260	257,612	257,612	257,612
New Appropriations	1,281,704	194,271	321,748	116,520	124,168	124,168	124,168
Total Capital Development	**4,524,448**	**580,000**	**750,000**	**550,000**	**500,000**	**500,000**	**500,000**
School Construction							
Prior Appropriations	31,886	6,696	4,783	4,464	3,826	3,826	3,826
Illinois Jobs Now!	1,465,786	343,147	395,217	345,536	180,943	180,943	20,000
New Appropriations	-	-	-	-	-	-	-
Total School Construction	**1,497,672**	**349,843**	**400,000**	**350,000**	**184,769**	**184,769**	**23,826**
Anti-Pollution							
Prior Appropriations	12,651	-	-	-	-	-	-
Illinois Jobs Now!	155,430	33,698	25,000	25,000	20,400	20,400	20,400
New Appropriations	29,400	29,400		-	-	-	-
Total Anti-Pollution	**197,481**	**63,098**	**25,000**	**25,000**	**20,400**	**20,400**	**20,400**
Transportation Series A							
Prior Appropriations	-	-	-	-	-	-	-
Illinois Jobs Now!	353,362	353,362	-	-	-	-	-
New Appropriations	-	-	-	-	-	-	-
Total Transportation Series A	**353,362**	**353,362**	**-**	**-**	**-**	**-**	**-**
Transportation Series B							
Prior Appropriations	80,299	12,050	21,690	16,067	8,033	8,033	8,033
Illinois Jobs Now!	3,735,848	541,460	388,425	773,622	108,787	108,787	108,787
New Appropriations	33,000	33,000	-	-	-	-	-
Total Transportation Series B	**3,849,147**	**586,510**	**410,115**	**789,689**	**116,820**	**116,820**	**116,820**
Transportation Series D							
Prior Appropriations	-	-	-	-	-	-	-
Illinois Jobs Now!	2,825,178	640,000	572,000	550,000	500,000	500,000	63,177
New Appropriations	-	-	-	-	-	-	-
Total Transportation Series D	**2,825,178**	**640,000**	**572,000**	**550,000**	**500,000**	**500,000**	**63,177**
Coal Development							
Prior Appropriations	86,843	9,784	13,977	17,471	10,483	10,483	5,000
Illinois Jobs Now!	16,200	10,000	6,200	-	-	-	0
New Appropriations	-	-	-	-	-	-	-
Total Coal Development	**103,043**	**19,784**	**20,177**	**17,471**	**10,483**	**10,483**	**5,000**
All Funds							
Prior Appropriations	1,203,720	82,714	138,966	156,222	140,562	140,562	135,079
Illinois Jobs Now!	10,802,507	2,253,212	1,716,578	2,009,418	1,067,742	1,067,742	469,976
New Appropriations	1,344,104	256,671	321,748	116,520	124,168	124,168	124,168
Total All Funds	**13,350,331**	**2,592,597**	**2,177,292**	**2,282,160**	**1,332,472**	**1,332,472**	**729,223**

Appendix D
Capital Budget Performance Measures

CAPITAL DEVELOPMENT BOARD (CDB)

The Capital Development Board (CDB) works with state agencies to present capital needs to the Governor's Office of Management and Budget (GOMB) based on safety, health and programmatic priorities. GOMB works with CDB and state agencies to set a level for maintaining existing assets and new construction. A release schedule is prepared by GOMB based on affordability and availability of bond funds. The total headcount for CDB in fiscal year 2011 is 123.

	FY07	FY08	FY09	FY10	FY11	FY12
# of capital projects *	598	506	430	329	264	TBD
Capital budget spending**	362,700	222,000	140,400	128,900	251,000	850,000
Jobs created	2,534	1,554	980	903	1,757	5,950

* Capital Projects for CDB during fiscal year 2010 will be managed by their staff of 123 people.

** Spending in thousands.

Performance Metric	Actual (percent complete)			Estimated	Projected
	FY 2008	FY 2009	FY2010	FY2011	FY2012
Average variation from planned schedule - construction phase	N/A	-6.3	6.5	15	15
Percent of labor hours that are performed by minorities or females	15	14.7	15.9	15	15
Percent of late projects resulting in action - construction phase	50	36.4	8.3	70	70
Percent of late projects resulting in action - design phase	50	38.1	48.5	70	70
Percent of projects with project labor agreements	15	23.2	40.1	25	25

CENTRAL MANAGEMENT SERVICES (CMS)

The Central Management Services (CMS) Bureau of Communication and Computer Services (BCCS) is charged with providing a common Information Technology (IT) and telecommunications infrastructure to support state agencies, universities and other entities. The original plan for developing this shared infrastructure and replacing outdated assets involved a five-year capital outlay. Limited funding has been authorized and made available to date. The long term efficiencies, savings and security of the state's technology services platform will require substantial capital investment. Capital funds spent in fiscal year 2012 will allow BCCS to continue standardization and modernization of the information technology and communications infrastructure and facilities, thereby generating long term efficiencies and stability of agency business operations.

In addition, BCCS was awarded $62 million in American Recovery and Reinvestment Act (ARRA) of 2009 stimulus funding to migrate the Illinois Century Network (ICN) to a state-owned fiber optic network to significantly reduce operating costs while increasing speeds and capacity. This award carried a $34.5 million state match requirement, of which $32.5 million is expected to be from capital funds. To date, $26 million in capital funds has been appropriated. The new fiber optic network will directly connect more than 400 community anchor institutions across 55 counties, benefiting as many as 9.4 million people and 285,000 businesses.

Performance Metrics	FY 10	Estimated FY 11	Projected FY2012
LAN Devices Uptime	99.98	100	100
Email Service Uptime	99.99	100	100
Mainframe Uptime	99.42	99.63	99.7
Midrange Uptime	99.83	99.28	99.5
WAN Uptime	98.70	99.11	99.25
Construction Underway for 15% of Backbone Spans	NA	NA	165 Miles
Construction Underway for 25% of Community Anchor Fiber Miles	NA	NA	275 Miles
Rights of Way Agreements Executed for All New Builds	NA	NA	Completed
Agreements for Leased Fiber Executed and Equipment Installation, Testing and Turn Up for the Leased Fiber Underway	NA	NA	900 Miles

Appendix D
Capital Budget Performance Measures

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO)

The Department of Commerce and Economic Opportunity (DCEO) serves to administer, rather than select, the majority of capital projects, which are appropriated to the agency. The department receives appropriations for various bureaus, which manage different aspects of the agency mission. DCEO will develop guidelines for new capital programs, such as Food Deserts and Urban Weatherization; as well as performance measures related to capital projects, such as job creation. The agency does not track race, gender or other statistics of not-for-profit grantees, corporations, local governments, school districts and universities.

Project name	Jobs Created	Jobs Retained	Private investment leverage ($ in millions)
Biofuels Retrofit	160	100	15.0
Biofuels Manufacturing of Illinois (BMI)	100	25	40.0
Robbins	150	34	30.0

Performance Metric	Actual			Estimated	Projected
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Jobs Created and Retained	37,272	41,695	32,247	38,500	40,000
Private Investment Leveraged ($ millions)	4,303.50	4,438.7	2,603.30	4,800	3,750
LIHEAP/Weatherization Services Provided	N/A	755,476	594,266	475,000	380,000
New Businesses Started	326	425	378	340	400
World Institute for Strategic Economic Research (WISER) Export Sales ($ billions)	51.8	47.4	45.1	51.0	52.7

DEPARTMENT OF NATURAL RESOURCES (DNR)

The Department of Natural Resources (DNR) uses the following formula to estimate job creation:

Project Cost * .25 / $42,500 (estimated average salary) = number of jobs created

It is important to note that this approach is intended to be used when tying funding to specific "brick and mortar" projects. DNR has varying project types that often do not fit this model.

The department uses competitive bidding to select contractors through either the Capital Development Board (CDB) or the Illinois Department of Transportation's (IDOT) processes and procedures unless the project meets the "small project" definition and is less than $39,000. IDOT and CDB track the percentage of the capital awards going to minorities, women and disabled-owned companies. Design services are selected through Quality Based Selection (QBS) process as stated in statute. Small projects are selected on cost, experience and use of small business enterprise experience. There is no requirement that minority, women and disabled-owned companies receive grant awards, as existing state statute does not provide a means to do so.

	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Number of Capital Projects	10	17	19	18	20	28	98
Capital Budget Spending (in thousands)	14.0	34.0	11.0	16.0	96.0	42.0	64.2
Jobs Created	82	200	65	94	565	247	378

Note: Approximately 5 percent of annual funding comes from federal grants.

Program Type	Selection Criteria
Recreational Grants	Determined on a competitive basis per defined criteria established in statute and/or administrative rule
Permanent Improvement Projects	Recommended through an internal review process based upon greatest need or urgency
Water Resource Projects	Studied to determine if a positive benefit-to-cost ratio exists before funding
Land Acquisitions	Evaluated on a resource quality and property availability basis
Office of Resource Conservation's (ORC) Corp of Engineers Projects	Developed in conjunction with Corp of Engineers recommendations
Other	Some are addressed when the need becomes urgent and loss of resources or facility is imminent

Appendix D
Capital Budget Performance Measures

	FY11		FY12	
Programs	Expended (in thousands)	Jobs Created	Expended (in thousands)	Jobs Created
Bike path	1.6	9	1.5	9
Multi-Use Trails	1.8	11	2.2	13
Open Space	19.0	112	18.5	109
Boat Access	3.0	18	3.1	18
Museums	4.0	24	6.4	38
Off-Highway Vehicle	1.1	6	.9	5
Snowmobile Trails	.3	2	.3	2
Waterfowl Improvements	1.2	7	1.1	6
Conservation Reserve	6.0	35	7.6	45
Flood Control	4.0	24	7.6	45
Campground Improvements	0	0	3.4	20
Park Infrastructure	0	0	3.0	18
Dam & Levee Safety	0	0	4.7	28
Lodge & Concession Upgrades	0	0	2.2	13
Bridge & Road Repairs	0	0	1.1	6
Roof & Structure Repairs	0	0	.6	4
Program Totals	42.0	247	64.2	378

ENVIRONMENTAL PROTECTION AGENCY (EPA)

The Environmental Protection Agency (EPA) project selection process is governed by four primary sets of administrative rules: procedures for issuing loans from the Water Pollution Control Program, Municipal Wastewater Treatment Works, Public Water Supply Program and Drinking Water Supply Loan Program, all detailed in Chapter 35 of the Illinois Administrative Code, Parts 365, 366, 662 and 663, respectively.

Each project is subject to current federal Disadvantaged Business Enterprise (DBE) requirements as defined in 40 CFR Part 33, including the reporting of DBE contractors utilized in meeting state DBE goals. As such, no set percentage is allocated by the agency for companies owned by minorities, females or disabled persons.

Job creation was not tracked in relation to water loan programs before the implementation of the American Recovery and Reinvestment Act (ARRA) of 2009. Illinois EPA job creation totals are based on Governor's Office of Management and Budget Guidance that applies to full time equivalent (FTE) formulas to weekly payrolls received from sub-recipients of ARRA funding.

	In Percent		
Program Type	**Federal**	**State**	**Local**
Water Revolving Fund	83	16	N/A
State Revolving Fund (SRF) Loan Program	83	16	N/A
Unsewered Community Grants	N/A	70*	30

* Plus 30 percent local match

	FY06	FY07	FY08	FY09	FY10	FY11
Number of Capital Projects*	56	41	41	48	174	149
Capital Budget Spending**	135,712	187,338	169,285	203,475	316,607	439,602
Jobs Created	950	1,311	1,185	1,424	1,792	5,286

* EPA manages approximately 290 active projects and 750 projects in repayment at a given time with 24 full-time staff dedicated to managing them.
** Spending in thousands.

Appendix D
Capital Budget Performance Measures

	Metric	FY12	FY13	FY14	FY15	Total
Unsewered Community Grants	Population Served by New Centralized Sewer	15,000	10,000	10,000		35,000
Grants to Agricultural Producers for Nutrient Reduction Practices	Reduction of Nitrogen and Phosphorus (Measured in Tons)	15,000	20,000	25,000	25,000	85,000
Grants to Local Governments for Public Wastewater and Drinking Water System Connections	Population Served by Compliant Sewer or Water Utility	5,000	5,000	5,000	5,000	20,000
Abandoned Schools Remediation Program	Land Remediated (Measured in Acres)	1,000	1,000	1,000	1,000	4,000
Abandoned Contaminated Sites Cleanup Program	Land Remediated (Measured in Acres)	10,000	12,000	12,000	12,000	46,000
Education School Waste Collections	Waste Diverted from Landfills (Measured in Tons)	150	150	150	150	600
Municipal Brownfields Program	Land Remediated (Measured in Acres)	3,000	3,000	4,000	5,000	15,000

ILLINOIS DEPARTMENT OF TRANSPORTATION (IDOT)

The Department of Transportation (IDOT) has approximately 2,600 employees with capital related duties. Recent experience in counting these jobs for ARRA indicate that job counts range from about 6.4 per million on relatively simple projects, like resurfacing, to perhaps 20 to 25 per million on more complex projects. Currently, about 11.5 percent of contract awards go to Disadvantaged Business Enterprises. Funding targets and technical guidelines are issued to the department's nine highway districts to develop, prioritize and submit projects for inclusion in the Multi- Year Program (MYP). Core issues are identified annually and forms the basis for the proposed highway improvement program for the upcoming fiscal year. The program is reviewed and announced by the governor. The published MYP is a highway improvement program developed by engineers using technical data. It is presented to the General Assembly and the public for review and discussion during the appropriation process.

FY12	State	Federal	Local
Percent of Funding	24	69	7

	FY11	FY12	FY13	FY14	FY15	FY16	Totals FY11-16
Highways Construction Expenditures (RF, SCAF, Tran A) (in billions)	3.6	2.2	2.0	1.7	1.6	1.6	12.9
Transportation Series D (Projects and Grants) (in millions)	6.9	5.7	7.1	6.9	4.7	2.0	3.3
Total Transit and All Rail (in millions)	1.8	4.7	7.3	6.1	5.7	4.4	3.0
Estimated Capital Expenditures (in billions)	4.5	3.3	3.5	3.0	2.7	2.2	19.2
Capital Projects - (estimated)	2,100	1,500	1,600	1,300	1,100	900	8,500
Jobs Created (estimated at 13 Jobs per $1 million)	58,418	42,884	45,164	39,395	34,907	28,676	249,444

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Glossary

www.state.il.us/budget

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Activity Measure - Information or data used to count the delivery of state services; for instance, the number of people served and the number of cases closed.

All Funds - Every fund appropriated to or spent by an agency.

Appropriation - Spending authority from a specific fund given by the General Assembly and approved by the governor for a specific amount, purpose and time period.

American Recovery and Reinvestment Act (ARRA) - The federal government's $787 billion plan to jump-start the U.S. economy and create jobs. It includes modernizing healthcare, improving schools, building and repairing infrastructure, and investing in the clean energy technologies of the future. Programs in Illinois that are receiving funding through ARRA are denoted in the Budget Book as "Federal recovery."

Available Fund Balance - The total amount of money in a fund at a particular point in time, typically at the beginning of a month or the year.

Balance Sheet - Presentation of the financial condition at a specific point in time including assets, liabilities and fund balance.

Benchmark - Allows comparison to other similar organizations, especially among a relevant peer group. Can be used to track performance over time.

Bond - A debt security that grants the holder specific and binding authority to receive a return of principal and periodic interest payments up to and including the instrument's maturity. The state uses bonds to finance some of its long-term capital projects.

Bond Authorization - Legislatively enacted dollar amount of bonds that may be issued by the state, for each category and subcategory of the Bond Acts.

Bond Fund - A fund that receives proceeds from the sale of bonds to be used for capital projects.

Bond Rating - An assessment of the credit risk with respect to a specific bond issue.

Bond Retirement and Interest Fund - A fund used to repay principal and interest on bonds or other debt obligations, typically spent pursuant to a continuing and irrevocable appropriation.

Budgetary Balance - Available cash balance on June 30 of a fiscal year, minus lapse period spending occurring from that fiscal year's appropriations.

Budget Deficit - The excess of expenditures over revenues in a fiscal year.

Build Illinois - A state economic development and public infrastructure program begun in 1986 and primarily funded by dedicated state sales tax revenue bonds.

Capital - Buildings, structures, equipment and land. Acquisition, development, construction and improvement of capital is typically funded through bond funds.

Capital Expenditure - Capital expenditures include expenditures from all aspects of the capital budget: financial and physical planning, land acquisition, architecture and engineering, construction and durable equipment purchases, and grants and loans to other entities for capital purposes.

Cash Flow - The amount of cash available for use during a period of time, calculated by subtracting spending from the sum of the receipts and the beginning balance.

Certificate of Participation - Similar to bonds or other debt instruments, a security issued by the state or a third party that gives the holder a share of the stream of annual appropriated lease payments made by the state.

Client - A person or family receiving services, typically from a human service agency.

Commodities - Line item for consumable items used in connection with current agency operations, for instance, household, medical or office supplies; food for those in institutions;

coal, bottled and natural gas; and equipment costing less than $100.

Continuing Appropriation - Statutory authority for the comptroller and treasurer to spend funds in the event the legislature fails to appropriate, or appropriates an insufficient amount, for a specified purpose. Examples of continuing appropriations are for debt service on state bonds or payments to the state retirement systems.

Debt Service - Payment of principal, interest and other obligations associated with the retirement of debt.

Dedicated Funds - Revenues assessed and collected for a specific state program.

Depreciation - The allocation of the value of capital assets over time.

Designated Purpose - Appropriation line for a general program purpose without specific line items identified.

Divisions - Organizational units within agencies designated as such for programmatic or administrative convenience.

Electronic Data Processing (EDP) - Line item for lease or purchase of computer or other data processing equipment and related services including supplies, services and personnel.

Equipment - Line item for non-consumable items of tangible personal property used in connection with current agency operations, for instance, office furniture, vehicles or machinery, and scientific or other major instruments and apparatus.

Executive Branch - Distinguished from the legislative and judicial branches of state government, it is charged with the detail of carrying out and effectuating the law through the day-to-day operations and activities of state government. The governor, as chief executive officer of the state, is responsible for the operation and administration of state agencies.

Executive Order - A decree or mandate issued by the governor for the purpose of interpreting or implementing a provision of the law. Executive orders often are used to reorganize and assign functions among executive agencies, create advisory and special commissions and boards, or direct state agencies regarding policy.

Expenditure - State spending. Agencies submit vouchers to the comptroller's office, which prepares a state check (warrant) and maintains accounting records. Warrants are presented to the treasurer, who maintains and invests state funds.

Federal Aid - Funding provided by the federal government.

Fiscal Year - Illinois state government's fiscal year is July 1 through June 30. This is the period during which obligations are incurred, encumbrances are made and appropriations are expended. The federal government's fiscal year is October 1 through September 30.

Full Faith and Credit - A pledge or promise to repay general obligation debt, typically includes all of an issuer's taxing powers.

Fund - An account established to hold money for specific programs, activities or objectives.

General Funds - Refers to the following group of funds, inclusively: the General Revenue Fund, the Education Assistance Fund, the Common School Fund, and the General Revenue-Common School Special Account Fund.

General Obligation Bonds - Bonds issued for capital purposes as direct legal obligations secured by general tax revenues and guaranteed by the full faith and credit of the state.

General Revenue Fund - The largest of four funds that comprise the state general funds. It receives the majority of undedicated tax revenues, mostly income and sales taxes, for use generally to operate and administer state programs.

GOMB - The Governor's Office of Management and Budget serves the governor's financial, management and budgeting needs by providing accurate, timely and objective information.

Grant - An award or contribution to be used either for a specific or a general purpose, typically with no repayment provision.

Highway Fund - A fund that receives special dedicated revenues related to transportation, for example, the motor fuel tax or the grade crossing protection fund, to be used to support the construction and maintenance of transportation facilities and activities.

Infrastructure - The underlying foundation or framework of a system or organization, it is indispensable to supporting the purposes and operations of a wide range of public and private sector entities and activities. The physical infrastructure of the State of Illinois is the framework of facilities including: prisons; universities; mental health centers and state parks, and the transportation network encompassing highways; bridges; airports; public transit rail; freight rail and passenger systems.

Judicial Branch - Distinguished from the legislative and executive branches of state government, it is charged with interpreting and applying laws.

Lapse - The portion of an appropriation that is not spent during the authorized period, typically the fiscal year, including the lapse period.

Lapse Period - The two-month period following the fiscal year (July 1 to August 31) when agencies can liquidate liabilities incurred before the end of that fiscal year (June 30). Public Act 89-511, effective in fiscal year 1997, reduced the lapse period from three months to two months.

Lapse Period Spending - Spending that occurs during the lapse period from the previous year's appropriation.

LEED - Leadership in Energy and Environmental Design standard for Green Building design. It is an internationally accepted certification system used to confirm that a building was designed and built using metrics such as conserving water, reducing CO^2 emissions and saving energy.

Legislative Branch - Distinguished from the judicial and executive branches of state government, it is charged with making and enacting the law, including appropriations.

Legislative Transfer - Reallocation of appropriation amounts among line items by the General Assembly during the fiscal year. Distinguished from a two percent transfer, which may be accomplished by the executive branch without participation of the legislative branch.

Line Item - Specific purpose of an appropriation, for instance, personal services, retirement, printing or travel.

Liquidate - To settle or pay a debt or to convert assets into cash.

Mandate - A law or regulation that generally should be followed, whether or not funding is provided. The State Mandates Act permits certain regulations and laws to be ignored if funding is not provided.

Match - Contribution to program required to receive a program grant. It may be either money, "hard match," or services a "soft match."

Moral Obligation - A duty that is not binding or enforceable by law, typically debt service on bonds issued by others that the state agrees to consider funding if the issuer is unable to pay. There is no legal guarantee the state will make such payments.

Opportunity Returns - A program created in 2003 to coordinate state, federal and local economic development expenditures in the state and organize development activities by ten distinct economic regions.

Other Funds - All state and federal funds except the four general funds.

Performance Measure - Information or data used to determine the quality and outcomes of state capital ventures, for instance, the number of people who receive jobs as a result of capital construction projects, improved environmental conditions following green infrastructure initiatives or enhanced operational efficiency from investments in more modern technologies.

Personal Services - Line item for salary payments to employees.

Program Area - Major organizational categories of state government, including education, human services, public safety, environment and business regulations, economic development and infrastructure and government services.

Re-appropriation - An unspent appropriation that continues into the next fiscal year, typically for a capital or other multi-year project or liability.

Recommended - Governor's budget requests presented to the General Assembly for its approval.

Refunding Bonds - Bonds issued to refinance other outstanding bonds, which generally were originally issued at higher interest rates.

Repair and Maintenance - Line item for upkeep, restoration and improvement of equipment and facilities in connection with current agency operations.

Reserve - Portion of appropriation intentionally set aside and not spent, either to increase lapse or as a contingency for increased liabilities in other line items.

Resources - All assets available for use by agencies, whether appropriated or not.

Retirement - Line item for employer's share of contributions to the state retirement system.

Revenues - Receipts from taxes, fees, assessments, grants and other payments used to fund programs.

Revolving Fund - Receives payments from state and local governments for services performed, which are then reinvested for future services.

Road Fund - Receives motor fuel tax and other transportation-related revenues for use to operate the Department of Transportation, Illinois State Police and the Secretary of State's Office, and to build and maintain roads, bridges and other transportation facilities.

Special State Funds - All state funds except the general funds, bond-financed funds, debt service funds, federal trust funds and state trust funds.

State Agency - Government organization created by statute to administer and implement particular legislation.

Statute - A law enacted by the General Assembly and approved by the governor.

Structural Deficit - When the collective expenses of state obligations increase at a rate faster than the revenues received over an extended period covering more than one fiscal year.

Superfund - Superfund is the federal environmental program established to address the most serious hazardous waste sites.

Supplemental Appropriation - Additional spending authority given by the General Assembly during the fiscal year, following passage of the initial budget.

Target - A quantifiable metric to which an organization aspires. Incorporates elements of both performance and time to enable ranking of performance.

Transfer - Reallocation of resources, typically movement of money from one fund to another, or shift of appropriation authority among line items by the legislative or the executive branch.

Trust Fund - Receives revenues assessed and collected for a specific state program.

Voids - Checks (warrants) that are not cashed.

Voucher - Document requesting payment submitted to the comptroller, who then writes and issues a warrant.

Warrant - Check issued by the comptroller to a third party who cashes it with the treasurer.

Zero Coupon Bonds - Bonds without interest coupons for semi-annual payment. Interest accrues over the life of the bond and is paid on maturity along with the principal.

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