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Letter of Comment No. 085
File Reference: REC
Project No. 3-20
Date Received: 02/26/2021

STATE REPRESENTATIVE
TOM WEBER
64TH DISTRICT

To: Director of Research and Technical Activities – Subject: Project Nos. 3-20 and 3-25

I am an Illinois State Representative elected to the 64th House District and prior to that, a Lake County Board Member for eight years. I worked on our family farm as a child and now own a small contracting business. My goal for Illinois taxpayers is to stop the out of control spending, balance the budget and reduce taxes. In that, we need reforms.

As a business owner, I analyze my company's finances by reviewing its financial report. As a state representative, I find it nearly impossible to analyze the state's finances by reviewing the Illinois' Comprehensive Annual Financial Report, because it is voluminous and confusing.

This state budgets at a fund level. I am disturbed as to why the liabilities reported on the governmental funds statements do not include Illinois' massive unfunded debt. After all, this debt will be financed through taxes received by the general fund.

The 2019 General Fund indicates that the general fund deficit is \$7.5 billion. I also know that Illinois has underfunded its pension debt by more than \$100 billion. Elected officials and the public are entitled to know how much needed to pay for the unfunded benefits promised.

For transparency, no agency should be supplying only a short-term view. All liabilities should be included. We all need to know the long-term consequences of our decisions. A state's audited financial statements should answer the following questions:

- Is the general fund balanced by pushing costs onto future taxpayers?
- What additional debt did the state's operations incur that will eventually have to be paid?
- What is the total needed in the general fund in the future to pay all the state's debt?

It would be beneficial for everyone to reissue standards requiring all states to prepare a general fund balance sheet that includes its long term debt and a general income statement that includes all of the expenses incurred.

Until then, I have filed HB3387 to attempt to correct the issue in Illinois and an attempt to bring this issue out in the open to the taxpayers of Illinois.

Sincerely,

A handwritten signature in black ink that reads "Tom Weber".

Tom Weber,
State Representative, 64th District