

CITY OF CHICAGO > 2026

BUDGET FORECAST



CITY OF CHICAGO

2026 BUDGET FORECAST



2026 BUDGET FORECAST
LETTER FROM THE MAYOR



Dear Fellow Chicagoans,

Every year, the Budget Forecast provides an unvarnished look at the City's finances—what we face today, what challenges are coming tomorrow, and how we can act together to shape a better future. The numbers presented here are not a budget; they are a roadmap. They show us where we are headed if we do nothing, and they help set the table for the choices and opportunities that lie ahead.

This year's forecast underscores the seriousness of our work. Instead of closing 2025 with a surplus, the City now projects a \$146 million deficit, driven by the exhaustion of one-time pandemic-era federal resources and continued uncertainty around reimbursement for a portion of pension contributions tied to Chicago Public Schools employees. Looking ahead, we face a projected \$1.15 billion gap in 2026—slightly higher than the \$1.12 billion forecast a year ago. Put plainly: our structural challenges are deepening, with personnel, healthcare, and pension costs continuing to rise even as one-time supports fall away.

But the story does not end with a number. It is about how we respond. Over the last year, we have made supplemental pension contributions, strengthened revenues through targeted reforms, and invested in neighborhoods to expand opportunity. These actions have built a stronger foundation, but the fiscal outlook makes clear that sustainable, long-term solutions are required in the 2026 budget process.

The forecast also shows us the risks on the horizon. Inflation remains above target, tariffs and global trade uncertainty continue to pressure households and businesses, and federal pandemic relief has fully expired. At the same time, Chicago's economy is diverse and resilient. Our tax base remains strong, local revenues continue to demonstrate underlying growth, and our city is a national leader in tourism, transportation, and innovation. These strengths are the foundation on which we must confront today's challenges.

The Budget Forecast is about transparency and accountability. It gives City Council, civic partners, and every Chicagoan a clear picture of our finances months before a budget is introduced. That openness is how we build trust. It is also how we ground the coming debates in facts: where the money comes from, where it goes, and what trade-offs we must consider to achieve structural balance.

In the coming months, my administration will work with Council members, labor, business, and community leaders to translate this forecast into a balanced budget recommendation. That process will require tough decisions, but it will also be guided by our core values—protecting essential services, prioritizing equity, and investing in the people of Chicago.

This forecast makes clear the urgency of the moment, and it challenges us to act boldly and responsibly. I have every confidence that together, we will rise to the occasion and chart a course toward a stronger, fairer Chicago for generations to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brandon Johnson'.

Mayor Brandon Johnson

2026 BUDGET FORECAST
LETTER FROM THE BUDGET DIRECTOR AND CHIEF FINANCIAL OFFICER



The release of the City's 2026 Budget Forecast provides a candid look at both the progress we have made and the significant fiscal challenges that remain ahead. While 2025 is expected to close with a deficit of \$146.0 million, the City faces a projected \$1,149.3 million Corporate Fund gap in 2026. This forecast helps frame the hard choices required to ensure a balanced and sustainable plan.

The gap reflects structural factors that cannot be addressed with one-time measures alone. Revenues are projected to decline by over 9 percent, relative to 2025, due to the expiration of one-time revenue sources, while expenditures are projected to grow by more than 10 percent. Personnel costs—including wages, healthcare and pensions—account

for the largest share of this increase, rising by more than \$629 million. At the same time, other recurring obligations, including debt service and contractual services, continue to exert upward pressure on expenses.

The City has made important strides in recent years to strengthen its long-term fiscal footing. Local tax revenues remain resilient, outpacing expectations, and the City has made over \$820 million in supplemental pension contributions, since 2023, to slow the growth of unfunded liabilities. These investments, coupled with responsible management of borrowing and reserves, demonstrate our commitment to building structural balance and safeguarding core services.

This forecast also takes into account a changing economic landscape. Inflationary pressures, tariff-related costs and a moderating labor market all introduce uncertainty. Our baseline scenario assumes modest growth with persistent inflation into 2026, though outcomes could vary under more pessimistic or optimistic conditions. This range of scenarios underscores why disciplined fiscal planning, paired with strategic decision-making, is essential.

As we move into the budget development process, our shared priority will be to protect investments in public safety, neighborhood services and Chicago's workforce, while identifying recurring solutions to close the gap. A balanced budget recommendation will be presented to City Council this fall, reflecting both the seriousness of these challenges and our determination to address them with transparency and rigor.


Together, we will meet this moment with clarity and responsibility—ensuring that today's decisions set the foundation for a stronger, more sustainable Chicago tomorrow.

Sincerely,


Annette Guzman
Budget Director

Jill Jaworski
Chief Financial Officer

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2026 BUDGET FORECAST DISCLAIMER AND ADVICE TO READERS

The City of Chicago (“City”) presents the 2026 Budget Forecast, the purpose of which is to provide general information about the history and future of major components of the City’s overall finances and City budget. Information is presented as of July 2025.

Throughout this document, specific items of revenues and/or expenditures are grouped together with other items of revenue and/or expenditure for purposes of presentation. The manner in which such items are grouped and labeled is consistent with the groups and labels in the City’s annual appropriation ordinance and not in the City’s audited Annual Comprehensive Financial Report (“ACFR”). Therefore, the manner of grouping and labeling herein may not match the manner in which such revenues and/or expenditures are grouped and labeled in the ACFR.

This discussion includes forward-looking statements based on current beliefs and expectations about future events. Those events are uncertain and do not take into account events that may alter actual outcomes; their outcome may differ from current expectations which may in turn significantly affect expected results.

Where information is presented that has come from sources other than the City, the City presents that information only for convenience of the reader. Specifically, the projections set forth in the pension section rely on information produced by the Retirement Funds’ independent actuaries (unless specifically noted) and were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information. The City does not independently verify such information.

Where the tables present aggregate information, such combined information results solely from the application of arithmetic to the data presented from the source information and may not conform to the requirements for the presentation of such information by the Governmental Accounting Standards Board.

Readers are cautioned not to place undue reliance on the prospective financial information. Neither the City, the City’s independent auditors, nor any other independent accountants or actuaries have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and such parties (other than the City) assume no responsibility for, and disclaim any association with, the prospective financial information.

The discussion of City revenues and debt does not include debt and associated revenues which are not reported in the City’s ACFR, nor in the City’s annual budget. These debt and associated revenues consist of (i) conduit debt (debt issued by the City to finance privately owned projects and repayable solely from loan repayments from the project owners) as well as revenues received from such project owners and used to repay the conduit debt; and (ii) special assessment bonds and the special assessments on specified properties in the City which are the sole source of repayment for such bonds.

This Budget Forecast has not been prepared to give information for making decisions on buying or selling securities and should not be relied upon by investors in making investment decisions. With respect to any bonds, notes, or other debt obligations of the City, please refer to information in the City’s ordinances and notifications of sale and the related disclosure documents, if any, or continuing disclosure filings, if any, for such bonds, notes, or other debt obligations.

The information is provided “as is” without warranty of any kind. Neither the City nor any of its agencies nor any of its officers or employees shall be held liable for any use of the information described and/or contained in this document.

EXECUTIVE SUMMARY



2026 BUDGET FORECAST EXECUTIVE SUMMARY

The Budget Forecast is required by Executive Order 2023-19 to provide the City of Chicago's residents with an analysis that identifies the opportunities and challenges of the upcoming budget year. This is achieved through a data-driven review of the current and future financial health of the City's revenues and expenditures to provide the framework for the development of the City's Annual Budget.

The 2026 Budget Forecast discusses the City's 2025 year-end estimates, as well as projections for 2026 to 2028 with three revenue and expense scenarios: a base outlook, a negative outlook, and a positive outlook. These projections are based on historical revenue and expenditure data, current economic trends and conditions, and other known factors that are anticipated to have an impact on the City's finances. This includes the end of COVID-19 pandemic relief programs and the impact of federal policy on the City's regional economy.

The City currently projects the Corporate Fund to end 2025 with a deficit of \$146.0 million. Revenue is estimated to be \$253.0 million (or -4.4 percent) below budget, driven by three primary factors: (i) declining Personal Property Replacement Tax (PPRT) revenue from business income, (ii) a lower than anticipated use of prior-year fund balance, and (iii) continued uncertainty surrounding Chicago Public Schools' reimbursement of the \$175 million pension payment for a second consecutive year. While these factors drive revenue down, local tax revenue in the City remains resilient. Following new rate changes approved in the 2025 budget, the City has increased revenues to mitigate persistent budget gaps or structural imbalance. Currently, local tax revenues are expected to increase 10.8 percent year-over-year and outperform budgeted expectations by 4.3 percent. Expenditures are currently estimated to end the year \$107.0 million (or 1.8 percent) below budget.

Based on current revenue and expenditure projections, the City anticipates a Corporate Fund budget gap of \$1,149.3 million in 2026. The variance reflects both structural revenue constraints and upward expenditure pressures.

On the revenue side, the expiration of one-time resources utilized in 2025 creates a material shortfall entering 2026. While recurring local tax revenues are projected to remain resilient, the absence of prior-year reserves and temporary measures significantly reduces available resources.

On the expenditure side, personnel-related costs continue to represent the principal driver of budgetary growth. Personnel expenditures are projected to increase by approximately \$629 million year-over-year, reaching \$4,156.3 million in 2026, primarily due to contractual wage adjustments, prevailing rate increases, updated pension contributions, and higher healthcare costs. In addition, contractual services are forecast to rise by \$21.7 million relative to the 2025 budget, reflecting both inflationary adjustments and contractual obligations.

A significant driver of the pressure on the City's expenditures continues to be the City's contribution to its four pension funds. This year marked the third consecutive year of supplemental contributions made across all four local funds, totaling more than \$820 million since 2023, with the objective of mitigating long-term unfunded liabilities. In addition, 2026 will represent the seventh year in which contributions to the Police and Fire Pension Funds, and the fifth year for the Municipal and Laborers Funds, are based on actuarially determined, statutorily required funding levels.

Pension forecasts also reflect the anticipated impact of Public Act 104-0065, which expands benefit provisions for Chicago Police Officers and Firefighters and is expected to generate additional liabilities beginning in 2027. For 2026, the Corporate Fund's pension obligations are projected at \$907.8 million, consisting of \$688.4 million in required statutory contributions and \$219.4 million in supplemental payments. These supplemental payments, while discretionary, have become a key component of the City's pension funding strategy to stabilize funded ratios, address legacy cost pressures, and ultimately, lower the out-year contribution costs.

The City continues to consider the long-term outlook when ensuring each budget includes structural solutions to offset future revenue and expenditure changes.

FINANCIAL FORECAST



INTRODUCTION

This section addresses the City's 2025 year-end estimates, 2026 preliminary revenue and expense projections, and three revenue and expense scenarios for the years 2026 through 2028: a base outlook, a negative outlook, and a positive outlook. These projections are based on historical revenue and expenditure data, current economic and expense trends and conditions, and other known factors that are anticipated to have an impact on the City's finances. The purpose of this analysis is to ensure that the 2026 budget is formulated within the context of the City's current financial state, including an informed view of future conditions. This way, the City appropriately incorporates any long-term fiscal consequences of today's decisions.

The forecast focuses on the Corporate Fund, which accounts for core services provided by the City and has historically experienced the largest disparity between revenues and expenditures. Projections for the City's major Special Revenue and Enterprise Funds are included at the end of this section.

METHODOLOGY

The preliminary revenue and expense projections for 2026 reflect the City's budget gap. This is defined as any anticipated budget imbalance between existing revenues and expenses for that budget year.

Prior to 2019, the budget gap methodology did not define long-term liabilities for future years as structural budget imbalances. Beginning with the 2020 Budget Forecast, the methodology for projecting the budget gap now includes known long-term liabilities such as pensions and debt service. Future years' budget gaps included in this document are projections for the City's Corporate Fund based on various economic scenarios founded on anticipated revenues and expenditures.

The Mayor's Budget Recommendation, presented each fall with revenues and expenditures balanced, may include revised figures for 2025 and 2026 as needed to incorporate new information and changes from the time of this forecast's publication.

GENERAL ECONOMIC CONSIDERATIONS

Economy

Recent indicators show that the U.S. economy has demonstrated resilience the first half of 2025 though momentum is moderating, with emerging signs of persistent inflationary pressure and softening labor conditions. Amid evolving tariffs and trade agreements,

inflationary pressures are mounting as prices remain elevated with the Consumer Price Index (CPI) above the Federal Reserve's targeted longer-run goal of 2 percent.

At the same time, the Producer Price Index (PPI) (the wholesale costs sellers pay compared to CPI which measures consumer prices) rose to a three-year high in July 2025, signaling elevated input costs that are likely to translate into higher consumer prices in the months ahead.

Although U.S. Gross Domestic Product (GDP) rebounded in the second quarter of 2025, overall growth during the first half of the year remained below the pace observed in the prior two years. The reported 3.0 percent annualized GDP increase was largely attributable to a decline in imports rather than underlying demand. Real final sales—a more accurate measure of core economic activity—expanded by only 1.2 percent, underscoring the relative weakness of domestic consumption and investment fundamentals.

Between May and July of 2025, labor market performance weakened significantly, with employment levels revised downward by 258,000 positions from initial estimates. It remains uncertain whether this adjustment reflects a temporary anomaly or signals a sustained softening in job growth. The outcome will be an important factor in shaping the Federal Reserve's policy response amid persistent inflationary pressures. Current market expectations indicate a probable rate cut in September. Such a move is anticipated to lower borrowing costs, stimulate consumption and investment, and could provide, for the City, a modest boost to local tax revenues.

Chicago maintains one of the most diverse and resilient economies in the United States, with established strengths in financial services, manufacturing, education, healthcare, transportation, and logistics. This broad base provides relative stability across economic cycles while supporting growth in emerging sectors such as technology, tourism, biotechnology, and life sciences. The city is home to the nation's third-largest workforce and functions as a major hub for global freight, air travel, and commerce.

As with any forward-looking analysis, this forecast is subject to uncertainty and cannot fully account for unforeseen developments. Projections reflect information available as of July 2025.

This forecast incorporates three potential economic paths: a positive scenario characterized by robust growth, a baseline scenario reflecting modest expansion, and a negative scenario that anticipates a recession beginning in late 2025 and extending into 2026.

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The City's 2026 projection is anchored in the baseline outlook, which assumes that recessionary conditions will be avoided. Under this scenario, inflation is expected to remain elevated and growth subdued over the near term, before moderating price pressures and steadier economic expansion emerge by 2027.

Business

Chicago has been rated the number one U.S. metro for corporate relocation and site selection 12 years running by Site Selection magazine. World Business Chicago reported a total of 140 "pro-Chicagoland decisions," in 2024. This includes 110 expansions and 30 relocations or new market entries generating over 14,800 jobs. As of August 2025, companies making known "pro-Chicagoland decisions" already totals 102, with 70 expansions and 32 relocations or new market entries.

Labor Force

Revised Bureau of Labor Statistics (BLS) data show that unemployment in the Chicago metropolitan area surged to unprecedented levels in 2020 during the height of the pandemic, driven by record volumes of new unemployment claims. As pandemic conditions eased

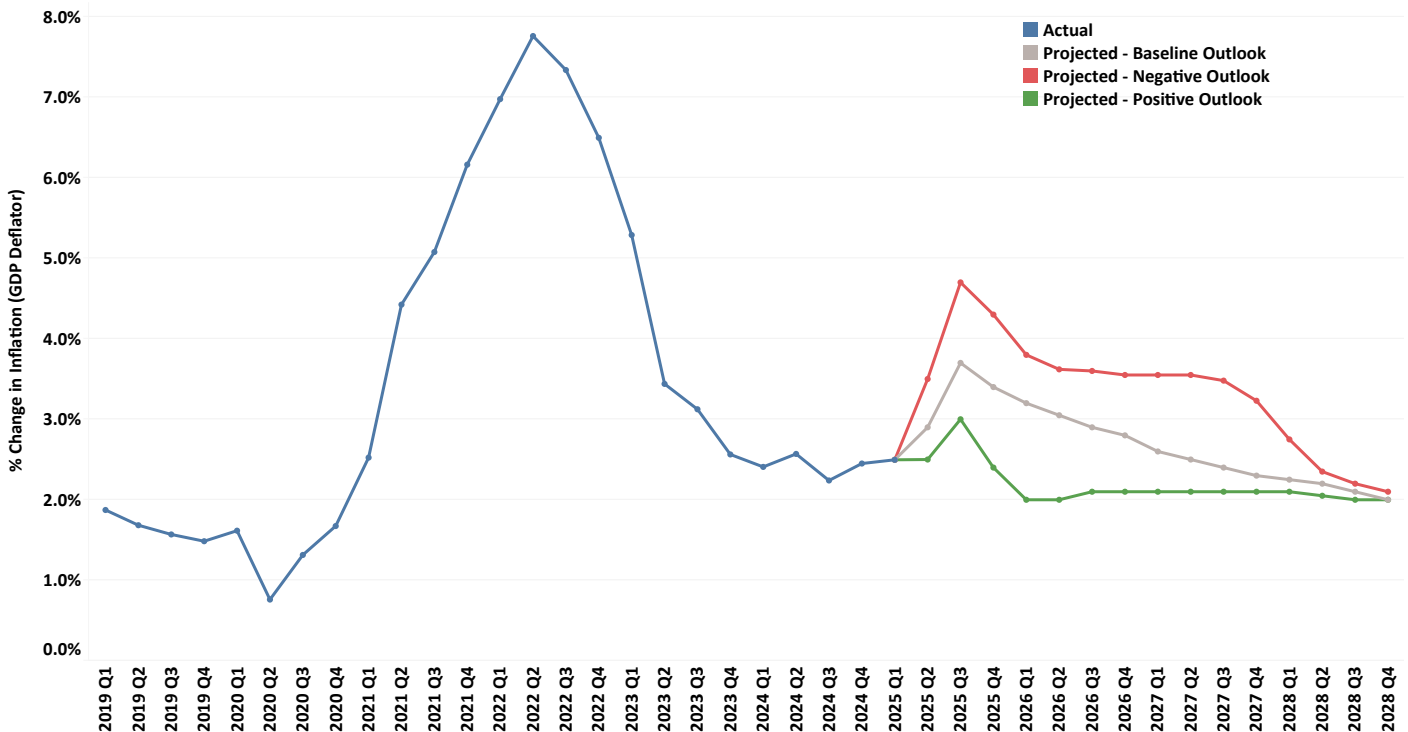
and businesses reopened, labor market conditions improved, with unemployment rates normalizing by early 2023. Beginning in 2024, the regional unemployment rate began trending upward, led primarily by softening in the professional services sector, while most other industries remained stable and healthcare continued to represent the region's largest employment base.

Tourism

Tourism remains a vital contributor to Chicago's economy, generating an estimated \$20.9 billion in economic impact and \$2.83 billion in state and local tax revenue in 2024, according to Choose Chicago. Visitor volume reached more than 55 million in 2024, an increase of 3.4 million from the prior year, while international arrivals rose 11 percent year-over-year to 2.04 million. Hotel performance reflected this momentum, with 11.6 million room nights sold, a 5.3 percent increase over 2023, underscoring the sector's sustained recovery and expansion.

In 2025, Chicago's tourism industry is navigating global macroeconomic uncertainty while continuing to strengthen its positioning as a premier travel destination. A key milestone was the June 2025 hosting of the U.S. Travel Association's IPW, the largest international inbound travel

Inflation Rate



Source: Oxford Economics for 2024, Blue Chip Economic Indicators for 2025 and 2026, and FOMC for 2027 and 2028

2026 BUDGET FORECAST FINANCIAL FORECAST

trade show in the United States. The event attracted more than 5,000 delegates from 64 countries and is projected to generate 10.9 million additional U.S. visitors and \$26.1 billion in spending over the next three years, with Chicago expected to capture a significant share of that impact.

Looking forward, the city is set to benefit from a robust pipeline of major events, including the 2026 NAACP Annual Convention and the 2027 MLB All-Star Game, both of which are expected to drive substantial economic and fiscal benefits.

GENERAL EXPENSE CONDITIONS

Personnel-related expenditures, including salaries and wages, pensions, healthcare, overtime pay, workers' compensation, and unemployment compensation account for the majority of total Corporate Fund expenditures in recent years and is one of the largest drivers of expense growth.

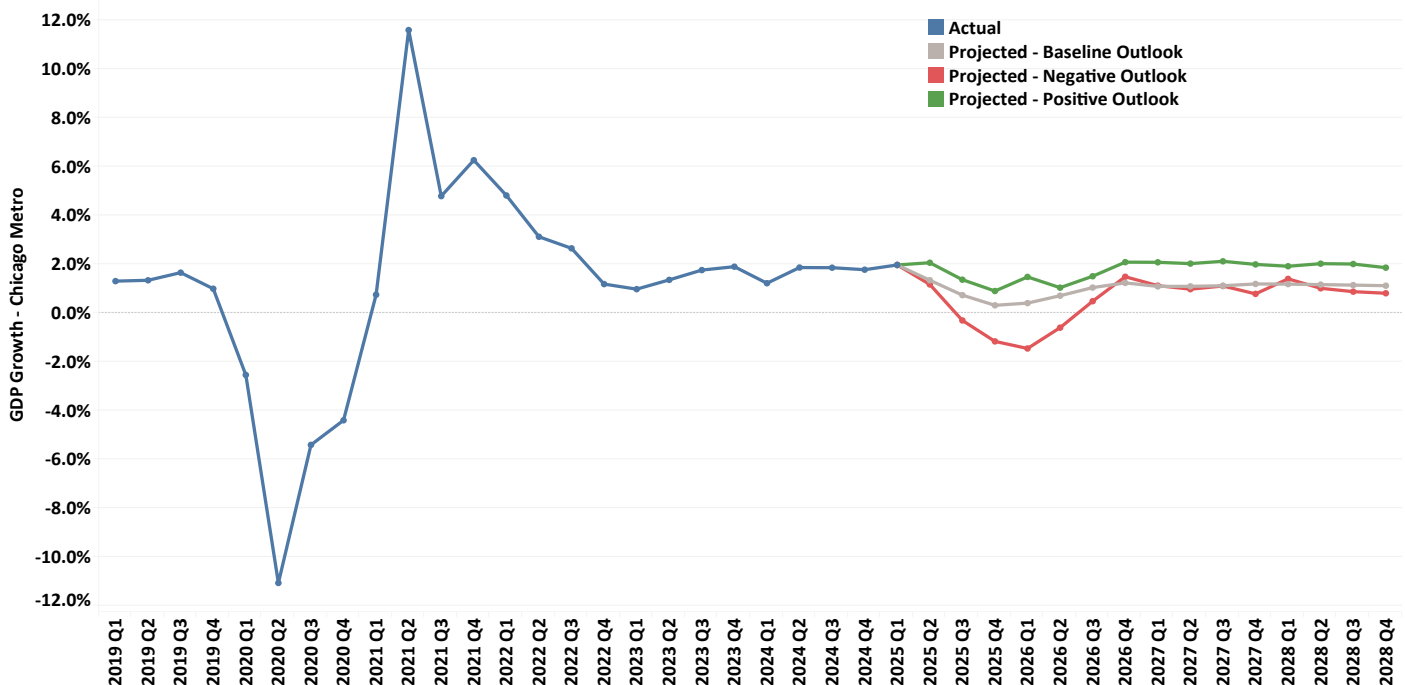
Over the past decade, the City's workforce has grown from 34,129 budgeted full-time equivalents (FTEs) in 2015 to 36,807 budgeted FTEs in 2024. Within this total, the share of positions supported by the Corporate Fund has declined by 6.6 percent, moving from 25,545 FTEs in 2015 to 23,860 FTEs in 2025. While the overall headcount

has risen modestly, personnel-related expenditures have grown substantially over the same period, reflecting contractual and prevailing wage adjustments, rising healthcare costs, and increasing pension obligations.

The projected growth in personnel expenditures is driven primarily by wage increases mandated under collective bargaining agreements (CBAs). Approximately 90 percent of the City's workforce is represented by a CBA. The City maintains agreements with more than 40 unions, most of which include provisions for cost-of-living adjustments and step increases tied to years of service. These contractual obligations contribute to consistent year-over-year growth in personnel costs.

While personnel-related costs are expected to remain the primary driver of future expenditure growth, non-personnel categories—including fuel, commodities, equipment, information technology, and professional services—also present potential budgetary risks. These costs are particularly sensitive to global economic conditions and trade-related pressures, including tariffs. With respect to energy procurement, the City employs price-hedging strategies designed to capture favorable market opportunities while maintaining budgetary stability and predictability.

Gross Domestic Product (GDP)



Source: Oxford Economics for 2024, Blue Chip Economic Indicators for 2025 and 2026, and FOMC for 2027 and 2028

2026 BUDGET FORECAST FINANCIAL FORECAST

These broader expenditure factors are accounted for in the following projections. The year-end projections and the base outlook present what are currently viewed as the most likely scenario. The positive and negative outlooks provide insight into how changes in employment, salary and wages, benefits, and other related factors could affect the City's finances over the next several years.

CORPORATE FUND YEAR-END ESTIMATES

The estimates provided herein incorporate actual revenues and expenditures through July 2025. Note that fluctuations in economic conditions could further impact the City's finances positively or negatively. At present, the City currently estimates the Corporate Fund to end 2025 with total expenses exceeding resources by \$146.0 million (or -2.5 percent).

YEAR-END REVENUES

Corporate Fund resources are estimated to end the year \$253.0 million below budgeted levels of \$5,788.0 million.

A significant driver of the variance is the Personal Property Replacement Tax (PPRT), which is projected to decline by \$76.1 million (or 27.5 percent). PPRT revenues, collected by the State of Illinois from corporations, partnerships, and trusts, are distributed to local governments to offset the elimination of their authority to levy personal property taxes on these entities.

Another major revenue shortfall arose from Chicago Public Schools' (CPS) non-payment of pension reimbursement costs for non-teacher employees in 2024. While this \$175 million contribution had been budgeted in line with prior years, the non-payment by CPS in 2024 forced the City to draw on reserves already committed to balancing the 2025 budget, reducing available prior-year resources by approximately \$90.0 million. Looking ahead, reimbursement of the pension payment in the 2025 budget remains uncertain, creating additional fiscal risk and lowering revenue projections.

Conversely, local tax revenues are outperforming expectations and are projected to exceed budget by more than \$100 million (or 4.3 percent). Transaction taxes are estimated at 5.0 percent, or \$48.8 million, above budget, led by continued strength in the Personal Property Lease Tax (PPLT) from increased demand for cloud-based services. Utility taxes are projected to finish 8.1 percent, or \$30.1 million, above budget, reflecting higher natural gas prices and consumption. Transportation taxes are forecast at 6.9 percent, or \$30.2 million, above budget, driven by stronger-than-anticipated performance of both the Ground Transportation and Parking Taxes despite prior rate adjustments. Business taxes are expected to close 0.9 percent, or \$1.7 million, above budget, supported by higher hotel tax collections, with room demand through mid-2025 up 2.9 percent year-over-year compared to a national increase of only 0.1 percent. Recreation taxes are projected at 1.5 percent, or \$5.6 million, above budget, with growth in the Amusement Tax—up \$3.8 million, or

1.3 percent—driven by large-scale events and continued demand for streaming services.

By contrast, local non-tax revenues are expected to underperform by 13.3 percent, or \$218.3 million, primarily due to the non-payment of the pension payment by CPS along with lower reimbursements from the federally funded Ground Emergency Medical Transportation (GEMT) program, which provides supplemental Medicaid reimbursement for ambulance services.

Finally, proceeds and transfers are projected to close within 3.0 percent of budget, largely reflecting residual sales tax revenue from the Sales Tax Securitization Corporation (STSC).

YEAR-END EXPENDITURES

Corporate Fund expenditures are projected to close 2025 at 1.8 percent, or \$107.0 million, below budget. Estimates incorporate data available through July 2025 and reflect payroll trends, commodity pricing, and other known or anticipated developments for the remainder of the year. Personnel services are expected to finish \$14.3 million under budget, driven by attrition and targeted hiring strategies, though partially offset by elevated overtime costs. Contractual services are projected to end \$60.8 million below budget, reflecting lower-than-anticipated spending relative to appropriations.

2026 BUDGET FORECAST FINANCIAL FORECAST

CORPORATE FUND PROJECTION

The variance between projected resources and projected expenditures in the preliminary Corporate Fund budget represents the estimated deficit, commonly referred to as the “budget gap.”

Based on current revenue and expenditure projections of existing operations, the City estimates a Corporate Fund gap of \$1,149.3 million for 2026.

The projections outlined below reflect the City’s preliminary operating revenue and expenditure outlook, based on reasonable assumptions for the continuation of current service levels. These estimates do not incorporate prospective cost-saving measures or new revenue initiatives, which will be developed as part of the budget formulation process. Consistent with prior practice, gap-closing adjustments will be identified in consultation with

elected officials, and a balanced budget will be presented in the Mayor’s Budget Recommendations to City Council.

Income Statement - Corporate Fund

	2025 BUDGET AS AMENDED	2025 YEAR-END ESTIMATES	2026 PROJECTED	2027 PROJECTED	2028 PROJECTED
Revenues					
Local Tax Revenue	\$2,435.5M	\$2,541.4M	\$2,599.8M	\$2,671.8M	\$2,747.1M
Proceeds and Transfers In	\$600.0M	\$584.3M	\$560.7M	\$556.4M	\$597.8M
Intergovernmental Revenue	\$740.3M	\$705.4M	\$753.7M	\$806.5M	\$863.9M
Local Non-Tax Revenue	\$1,644.6M	\$1,426.4M	\$1,346.4M	\$1,329.0M	\$1,326.2M
Prior Year Assigned and Unassigned Available Resource	\$367.6M	\$277.6M	\$0.0M	\$0.0M	\$0.0M
Total Resources	\$5,788.0M	\$5,535.0M	\$5,260.6M	\$5,363.7M	\$5,534.9M
Expenditures					
Commodities and Materials	\$103.3M	\$96.0M	\$114.4M	\$126.7M	\$140.3M
Contingencies	\$0.2M	\$0.1M	\$0.2M	\$0.2M	\$0.2M
Contractual Services	\$595.9M	\$535.1M	\$617.6M	\$640.0M	\$663.3M
Equipment	\$1.5M	\$0.9M	\$1.7M	\$1.9M	\$2.2M
Financial Costs	\$329.7M	\$324.0M	\$233.4M	\$269.6M	\$282.7M
Pension Costs	\$943.4M	\$943.4M	\$907.8M	\$1,064.2M	\$1,081.1M
Permanent Improvements	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Personnel Services	\$3,527.3M	\$3,513.0M	\$4,156.3M	\$4,048.8M	\$4,212.4M
Specific Items and Projects	\$352.5M	\$335.3M	\$371.0M	\$371.0M	\$371.0M
Transfers and Reimbursements	(\$67.9M)	(\$68.1M)	\$6.1M	\$6.1M	\$6.1M
Travel	\$2.1M	\$1.4M	\$1.4M	\$1.4M	\$1.4M
Total Expenses	\$5,788.0M	\$5,681.0M	\$6,409.9M	\$6,530.0M	\$6,760.8M
GAP (RESOURCES LESS EXPENDITURES)	\$0.0M	(\$146.0M)	(\$1,149.3M)	(\$1,166.3M)	(\$1,225.9M)

2026 BUDGET FORECAST FINANCIAL FORECAST

REVENUE PROJECTION

Corporate Fund resources for 2026 are projected at \$5,260.6 million, a decline of 9.1 percent, or \$527.5 million, relative to the 2025 budget. The reduction is driven primarily by (i) the use of \$424.6 million in one-time revenues in 2025 that are not anticipated in 2026, and (ii) continued uncertainty regarding the \$175 million reimbursement from Chicago Public Schools for pension costs associated with non-teacher employees.

Local tax revenues are forecast to rise 6.7 percent, or \$164.2 million, supported by continued strength in transaction and transportation-related taxes. Transaction taxes are projected to increase 9.8 percent, or \$95.0 million, led by growth in the Personal Property Lease Tax (PPLT), while transportation taxes are expected to increase 8.7 percent, or \$38.1 million, driven by parking and transportation network provider (TNP) activity. Additional growth includes a \$13.8 million (or 3.7 percent) increase in Recreation Taxes, and a \$4.8 million (or 2.8 percent) increase in business taxes, supported by higher hotel occupancy tied to tourism and convention activity.

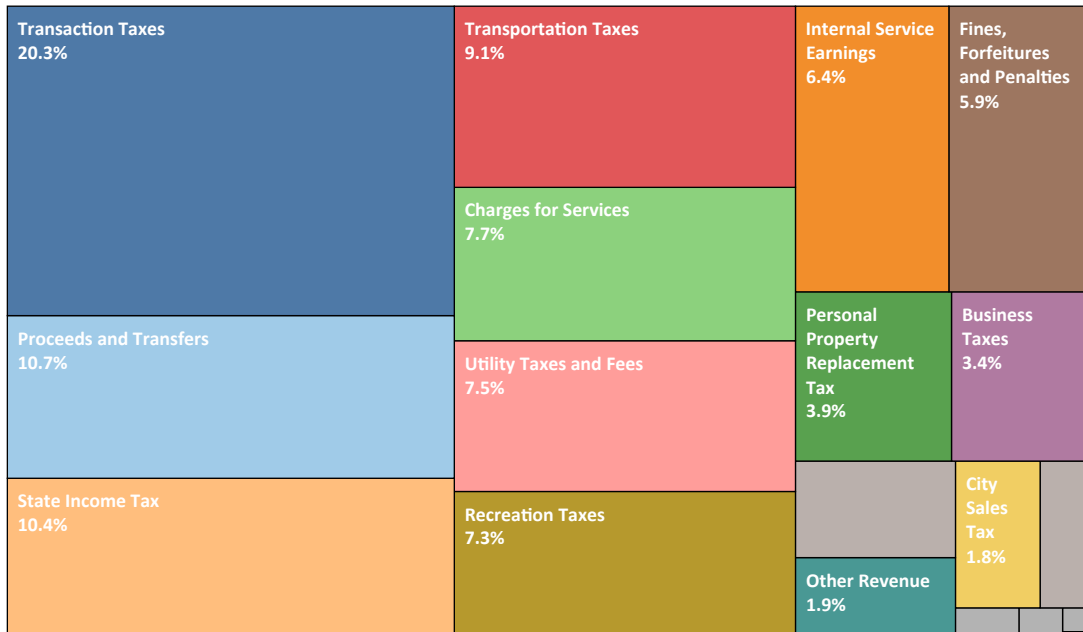
Intergovernmental revenues are projected to increase \$13.4 million (or 1.8 percent) relative to 2025. This reflects an offsetting shift between the Personal Property Replacement Tax (PPRT) and state income tax receipts. PPRT revenues are expected to decline \$74.3 million (or 26.8 percent) while state income tax revenues are

projected to rise \$88.9 million (or 19.5 percent). Despite this rebalancing, combined receipts from these sources remain \$224.5 million (or 23.1 percent) below their 2022 peak.

Local non-tax revenues are projected to decline \$298.2 million (or 18.1 percent) reflecting the elimination of one-time revenues, lower license and permit revenue consistent with current-year collection trends, and the uncertainty of reimbursement for the MEABF employer contribution by CPS.

Proceeds and transfers are expected to fall \$39.3 million (or 6.5 percent) due primarily to lower residual sales tax transfers from the Sales Tax Securitization Corporation (STSC) and the scheduled expiration of the 1 percent grocery tax at year-end under state law. The projected \$40 million revenue loss associated with the grocery tax could be avoided if reinstated under City Ordinance prior to October 1; however, for purposes of this forecast, continuation is assumed only after the budget process is completed, beyond the statutory deadline.

Projected Resources - Corporate Fund: \$5,260.6 Million



Licenses, Permits and Certificates = 2.2%; Interest Income = 1.1%; Leases, Rentals and Sales = 0.3%; Municipal Enterprises = 0.2%; Municipal Auto Rental Tax = 0.1%; Reimbursements for City Services = 0.0%

(Chart may not sum due to rounding)

2026 BUDGET FORECAST FINANCIAL FORECAST

EXPENDITURE PROJECTION

Corporate Fund expenditures for 2026 are projected at \$6,409.9 million, an increase of 10.7 percent, or \$621.9 million, relative to the 2025 budget. These projections are based on current-year budgeted and actual expenditures, adjusted for anticipated cost growth and known changes in key categories, including personnel, pensions, contractual services, commodities, and materials.

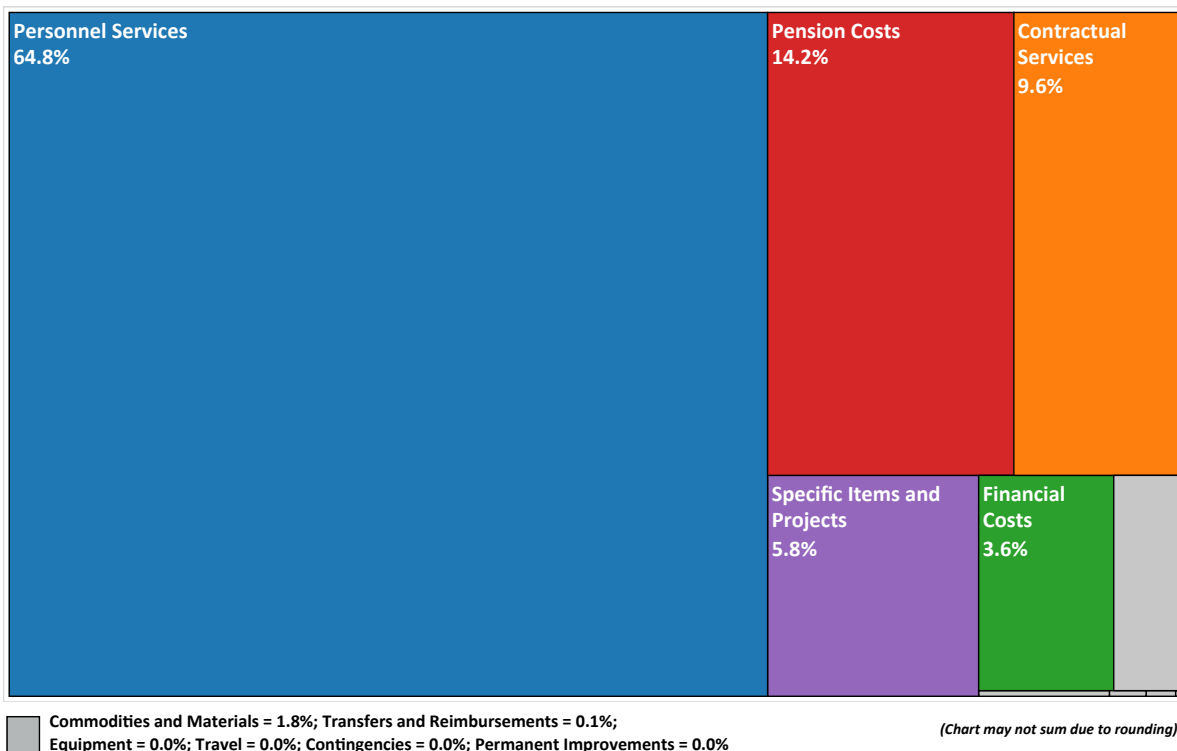
The largest driver of the increase is personnel services, which are projected to rise by approximately \$629.0 million, bringing the total to \$4,156.3 million. This growth reflects scheduled contractual wage adjustments, prevailing rate increases, and cost-of-living adjustments.

Pension costs are projected to decline by \$35.6 million compared to 2025, reflecting the combination of statutorily required actuarially determined contributions and supplemental pension payments. Details are provided in the pension section of this forecast.

Contractual services are expected to increase by \$21.7 million (or 3.6 percent) driven by inflationary adjustments and other contractual obligations.

Transfers and reimbursements are projected to decrease due to the expiration of American Rescue Plan Act (ARPA) revenue replacement funds, which will no longer be available in 2026.

Projected Expenditures - Corporate Fund: \$6,409.9 Million



OUTLOOK FOR CORPORATE FUND

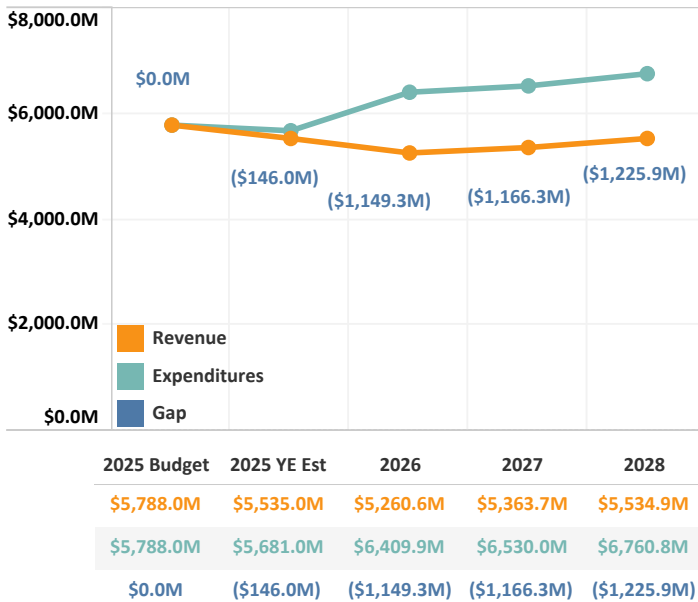
The following three scenarios project budget gaps for the years 2026 through 2028 for the City's Corporate Fund based on different revenue and expenditure outlooks. In each outlook, budget-gap projections change year-over-year to varying degrees with expenses ultimately outpacing revenues on a recurring basis. The range of the budget gaps demonstrate how future economic conditions can positively or negatively impact City finances. As noted earlier, future-year projections incorporate the best available economic and expenditure data as of July 2025.

The primary drivers of projected expenditure growth are personnel and pension obligations. Personnel cost estimates incorporate scheduled contractual wage and prevailing rate increases under existing collective bargaining agreements, as well as assumed salary growth for agreements currently under negotiation.

On the revenue side, forecast projections differ under the alternative economic scenarios presented. Each scenario reflects varying assumptions regarding the pace of economic growth over the forecast horizon, as well as adjustments to account for uncertainty surrounding certain revenue streams that remain unresolved or subject to external factors.

BASE OUTLOOK

Corporate Fund Projections - Base Outlook



The baseline economic scenario assumes modest economic expansion over the forecast horizon, reflecting a balance between pro-growth policies such as

deregulation and tax reductions and offsetting measures including higher tariff rates and federal spending cuts. Under this scenario, tariff impacts are expected to weigh on the U.S. economy in 2025 and 2026, resulting in higher inflation and slower real GDP growth. By 2027, inflation is projected to decline below 3 percent, with real GDP growth recovering at a more moderate pace.

Within this framework, after adjusting for one-time revenue losses, City recurring revenues are projected to increase at an average growth rate of 2.6 percent beginning in 2026. The baseline scenario incorporates several policy-related assumptions: (i) a half-year revenue impact of approximately \$40 million from the repeal of state-authorized local sales tax on groceries effective January 1, 2026 and adoption of a City ordinance as part of the 2025 budget; (ii) no reimbursement from the Chicago Public Schools for a portion of its share of pension costs; (iii) no property tax increases; and (iv) declines in the annual Tax Increment Financing (TIF) surplus declarations below the 2025 budgeted level of \$132 million.

Corporate Fund expenditures are projected to grow at a faster rate than revenues throughout the forecast period, primarily driven by increases in wages, personnel-related costs, and pension obligations. Pension costs incorporate the impact of (i) Public Act 103-0582 (effective December 2023), which provides Tier 1 Chicago Police retirees age 55 and older with at least 20 years of service an annual 3 percent, non-compounded cost-of-living adjustment (COLA), and (ii) Public Act 104-0065 (effective January 2026), which changes the method of calculating the final average salary for Tier II Chicago Police retirees, as well as increasing the pensionable salary limits for Tier II Police and Fire retirees.

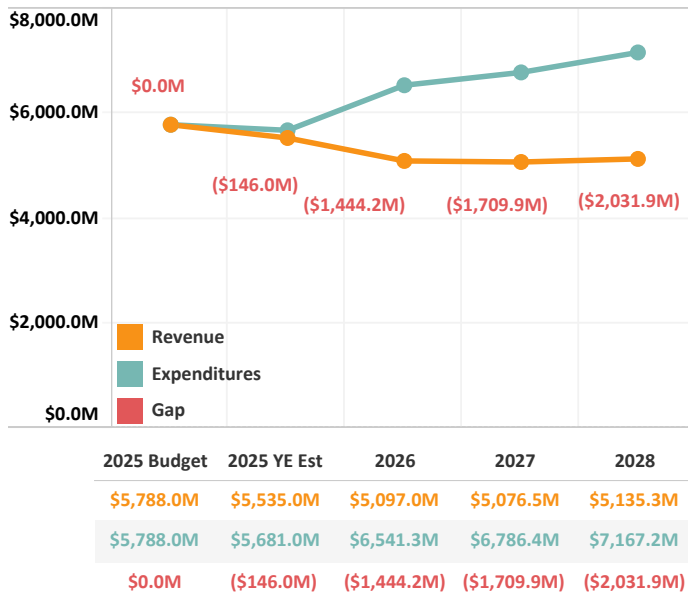
Expenditures are projected to reach \$6,530.0 million in 2027 and \$6,760.8 million in 2028. While most non-personnel expenditures are assumed to grow in line with historical averages, salaries, wages, and healthcare—together representing the largest share of the operating budget—are expected to continue exerting significant upward pressure. Projections assume a stable workforce, with costs increasing in accordance with long-term historical trends.

Under this baseline outlook, the City is projected to face budget shortfalls of \$1,166.3 million in 2027 and \$1,225.9 million in 2028, reflecting the persistence of structural expenditure growth exceeding recurring revenue gains.

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NEGATIVE OUTLOOK

Corporate Fund Projections - Negative Outlook



The negative economic scenario assumes substantially weaker GDP growth and persistently higher inflation relative to the baseline outlook. Elevated tariff rates are expected to increase costs and contribute to supply chain disruptions, keeping inflation well above the Federal Reserve's 2 percent target for most of the forecast period. Higher prices suppress consumer spending, weaken business activity, and ultimately drive the economy into recession from late 2025 through early 2026. Both the U.S. and the Chicago metropolitan area are projected to experience three consecutive quarters of real GDP contraction, with recovery beginning in the second quarter of 2026. Real GDP growth is then assumed to normalize by 2027–2028, though at a slower pace than the historical two-decade average, with year-over-year growth of 1.6 percent and 1.7 percent, respectively.

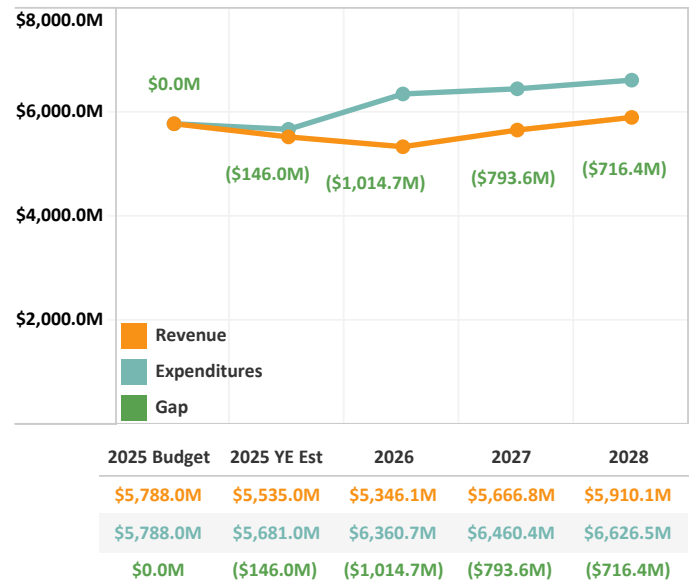
From a fiscal perspective, this outlook incorporates the expiration of the grocery tax, resulting in an \$80 million annual revenue loss, as well as the absence of the \$175 million reimbursement from Chicago Public Schools for a portion of the employer contribution cost associated with its non-teacher employees within the Municipal Employees' Annuity and Benefit Fund.

On the expenditure side, costs are projected to grow at a significantly faster rate, particularly in personnel-related categories. Under this scenario, Corporate Fund expenditures are projected at \$6,786.4 million in 2027 and \$7,167.2 million in 2028, reflecting sustained structural cost growth outpacing revenue performance.

As a result, projected budget gaps widen considerably, with shortfalls of \$1,709.9 million in 2027 and \$2,031.9 million in 2028, underscoring the heightened fiscal vulnerability associated with prolonged inflationary pressures and weaker economic activity.

POSITIVE OUTLOOK

Corporate Fund Projections - Positive Outlook

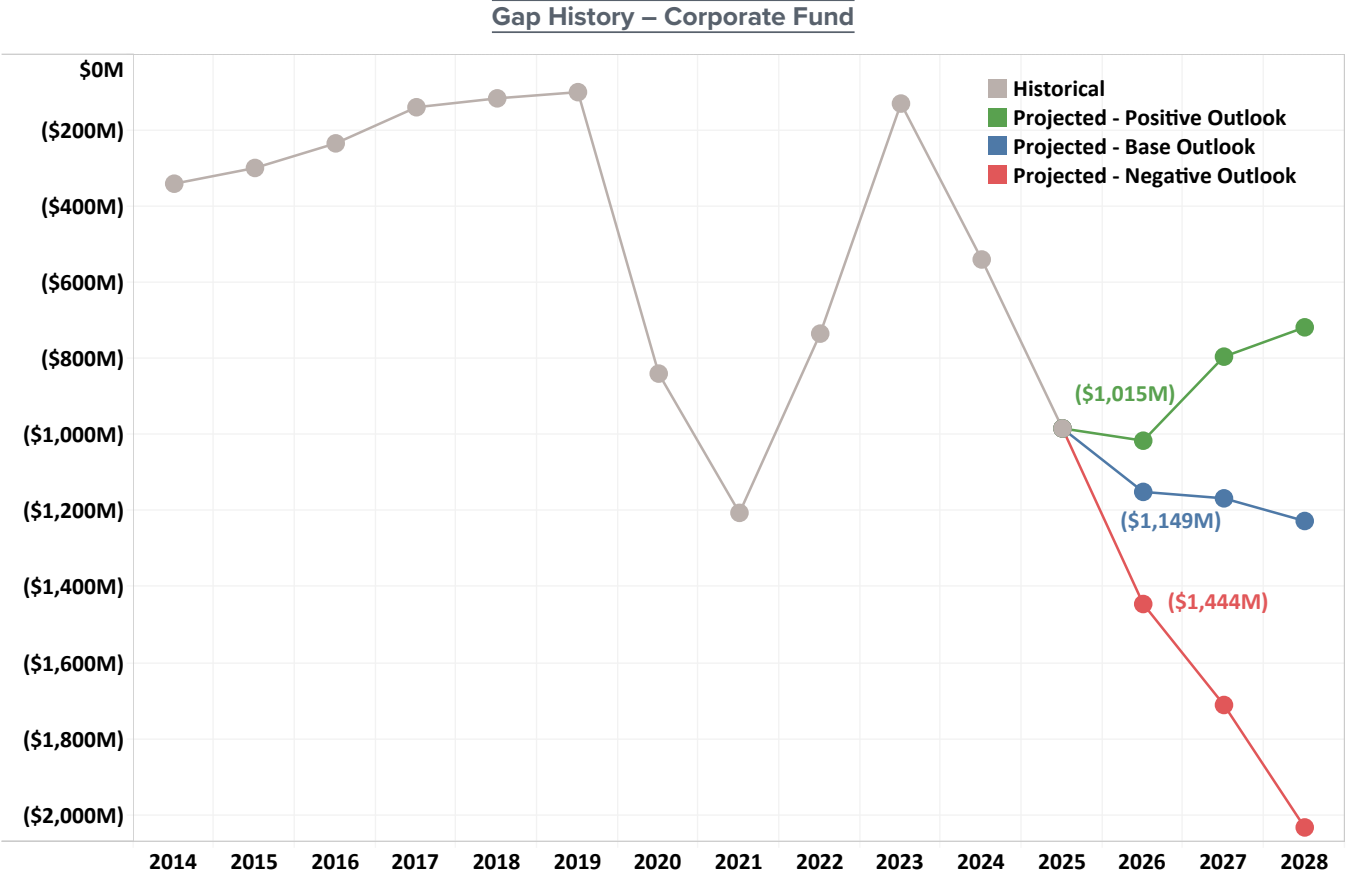


The optimistic economic scenario assumes stronger real GDP growth and lower inflation relative to the baseline outlook. While tariffs are still expected to dampen short-term economic activity, their impact is assumed to be more limited, allowing U.S. real GDP to expand by 1.7 percent in 2025 and 2.0 percent in 2026. By 2027 and 2028, growth is projected to align with the long-term historical average of 2.6–2.7 percent annually. Inflationary pressures are expected to ease following a temporary increase in 2025 linked to tariff effects, supported by greater stability in trade policy and reduced uncertainty in global markets.

Under this scenario, local revenues benefit from the continuation of the grocery tax, assumed to be reauthorized before the October 1 deadline, and the resumption of the \$175 million annual pension reimbursement from Chicago Public Schools in fiscal years 2027 and 2028. Expenditure growth is also more moderate, particularly in personnel-related categories, resulting in projected Corporate Fund expenditures of \$6,460.4 million in 2027 and \$6,626.5 million in 2028.

As a result, budget shortfalls narrow meaningfully compared to the baseline and negative cases, with deficits projected at \$793.6 million in 2027 and \$716.4 million in 2028, reflecting a more favorable balance of revenue performance and expenditure growth.

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OUTLOOK FOR SPECIAL REVENUE FUNDS

The City maintains a number of special revenue funds supported by dedicated revenue streams. Projections for these funds, consistent with the Corporate Fund forecast, are based on actual collections through July 2025 and reflect reasonable assumptions for the remainder of the year. Final year-end results may vary as collections in the second half of the year are subject to economic and seasonal factors.

The Emergency Communications Fund, supported by the City's \$5.00 monthly 911 surcharge on wireless and landline connections, finances 911 operations and system investments. 2025 year-end revenues are estimated at \$163.1 million, or 3.2 percent below budgeted revenue levels, though in line with 2024 actuals.

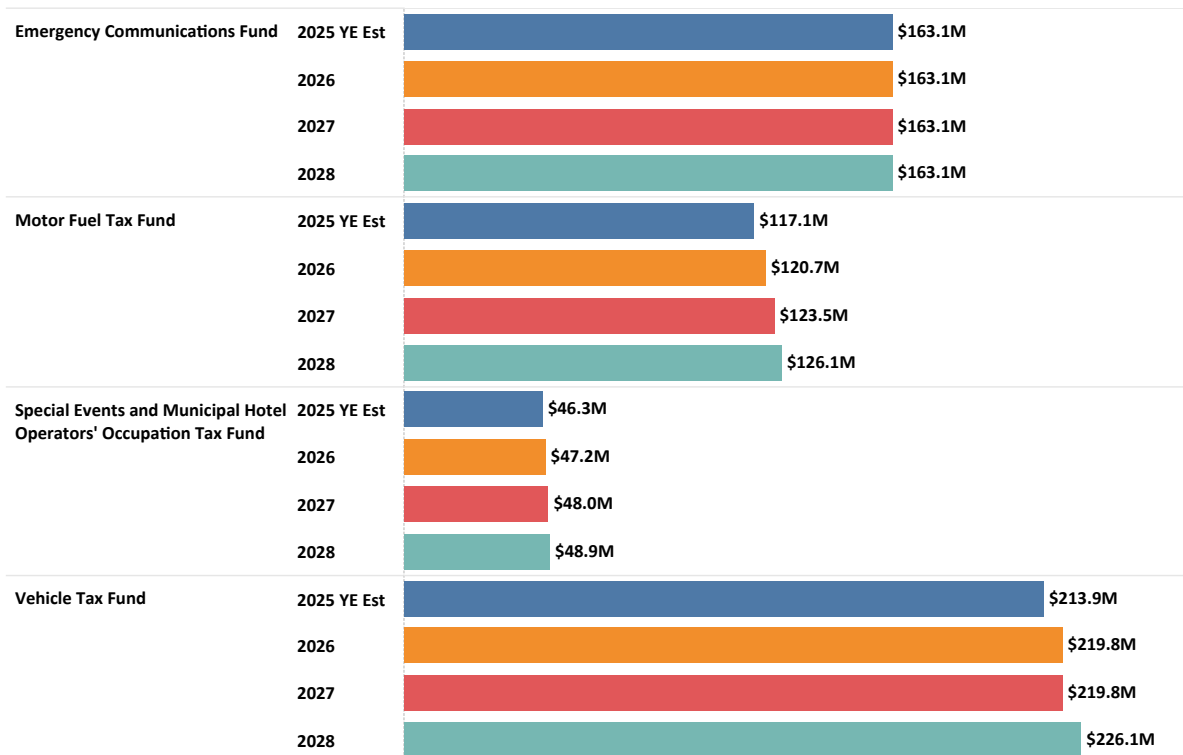
The Motor Fuel Tax Fund is also projected to close 2025 below the budgeted \$148.6 million, as revenue growth has underperformed assumptions. Looking forward, receipts are expected to grow in line with inflation and historical trends, with modest gains in the distributive state share.

The Special Events and Municipal Hotel Operators' Occupation Tax Fund is forecast to end the year below the estimated revenue budget. While hotel tax revenues remain strong, supported by continued growth in tourism and large-scale events, special event fee revenue continues to trail

pre-pandemic levels. Future growth in this fund is assumed but at a more moderate pace, reflecting a reset from 2024's actual performance.

The Vehicle Tax Fund, comprised primarily of vehicle sticker revenues, is expected to close 2025 below the budgeted revenue estimate. The variance is driven by capital-related project reimbursements falling short of planned levels. Although sticker prices are scheduled to adjust biennially with inflation, revenue growth has not kept pace with expenditure demands within the fund.

Outlook for Special Revenue Funds



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OUTLOOK FOR ENTERPRISE FUNDS

WATER AND SEWER FUNDS

The Water Fund and Sewer Fund operate as separate enterprise funds, supporting the operation and maintenance of the City's water and sewer systems. The Water Fund encompasses approximately 4,245 miles of water mains serving a 5.3 million population across an 806-square-mile service area. The Sewer Fund covers approximately 4,500 miles of sewer lines, 205,000 collection structures, and 146,000 manholes, serving 2.7 million residents across 230 square miles.

For 2025, year-end revenues are projected at \$928.2 million for the Water Fund and \$492.0 million for the Sewer Fund, both in line with budgeted expectations. Forecasts for subsequent years assume steady growth driven by routine inflationary rate adjustments.

AVIATION FUNDS

Revenues for the O'Hare and Midway International Airport Funds are structured to fully support operating requirements and debt service obligations. For 2025, year-end revenues for both funds are projected to align with budgeted levels. Looking ahead, revenues are expected to grow in line with historical trends, supported by ongoing capital investments aimed at enhancing connectivity, efficiency, and capacity, while ensuring facilities are maintained in a state of good repair and support the infrastructure upgrades and planned new terminals.

Outlook for Enterprise Funds

Water Fund	2025 YE Est	\$928.2M
	2026	\$938.7M
	2027	\$959.9M
	2028	\$979.0M
Sewer Fund	2025 YE Est	\$492.0M
	2026	\$497.8M
	2027	\$503.2M
	2028	\$508.0M
O'Hare Airport Fund	2025 YE Est	\$1,941.5M
	2026	\$2,032.8M
	2027	\$2,128.3M
	2028	\$2,228.4M
Midway Airport Fund	2025 YE Est	\$399.3M
	2026	\$410.4M
	2027	\$421.9M
	2028	\$433.8M

PENSION

Overview

The City's employees are covered under four defined benefit retirement plans established by State statute and administered by independent pension boards. These plans are the Municipal Employees' Annuity and Benefit Fund ("MEABF"), the Laborers' Annuity and Benefit Fund ("LABF"), the Policemen's Annuity and Benefit Fund ("PABF"), and the Firemen's Annuity and Benefit Fund ("FABF").

State statute mandates the payments to the City's four pension funds. Prior to pension reforms in 2015 and 2017, state law required the City to contribute a statutory multiple of the amount contributed to each pension fund by the employees who were members in that fund two years prior. This funding formula did not adjust for changes in benefits or changes in the funding level of each pension fund, resulting in a City contribution that did not adequately support the pension funds. The City's 2014 budget was the final year the City's employer contribution for all four pension funds was based on this statutory multiplier calculation and totaled \$478.3 million to all four pension funds.

In 2015, the State passed a new funding formula for the City's PABF and FABF, establishing five years of increasing fixed contributions set in statute between 2015 and 2020, after which the City's annual payment is based on an actuarially determined contribution designed to bring the two funds to a 90 percent funded ratio by 2055. Similarly, the funding formula for the City's MEABF and LABF was revised in 2017 to establish a five-year period of increasing fixed contributions between 2017 and 2021, after which the City's annual payment will be based on an actuarially determined contribution to bring the two funds to a 90 percent funded ratio by 2058.

In 2016 City Council passed a dedicated tax on water and sewer usage to pay for increased contributions to the MEABF. In 2018, the City Council increased the 911 surcharge to generate sufficient revenue to pay for all eligible 911 operations and emergency preparedness costs. This allowed Corporate Fund resources previously appropriated for 911 operations to be dedicated to other Corporate Fund expenses, including pensions. The 2022 budget included the final year of increased statutory contributions for the MEABF and LABF. The same year, both funds moved to actuarially determined contributions.

CPS Pension Payment

In 2020, concurrent with Chicago Public Schools' transition to a fully elected school board independent of the City,

the Chicago Board of Education and the City entered into an intergovernmental agreement (IGA) requiring CPS to assume a share of the City's employer contribution to the Municipal Employees' Annuity and Benefit Fund (MEABF) on behalf of its non-teacher employees. CPS employees now represent approximately 63 percent of active MEABF membership and nearly half of pensionable payroll, resulting in an estimated 48 percent share of the statutory employer contribution on a payroll allocation basis. This proportion has risen materially since 2018, reflecting growth in CPS non-teacher positions relative to City employment within the fund over the same period.

Employees in MEABF

Employer	2018	2024	Change %
CPS	17,146	24,385	42%
City	14,058	14,209	1%
Total	31,204	38,594	24%

MEABF Pensionable Payroll

Employer	2018	2024	Change %
CPS	\$690,490,231	\$1,251,687,098	81%
City	\$1,036,870,966	\$1,342,521,657	29%
Total	\$1,727,361,197	\$2,594,208,755	50%

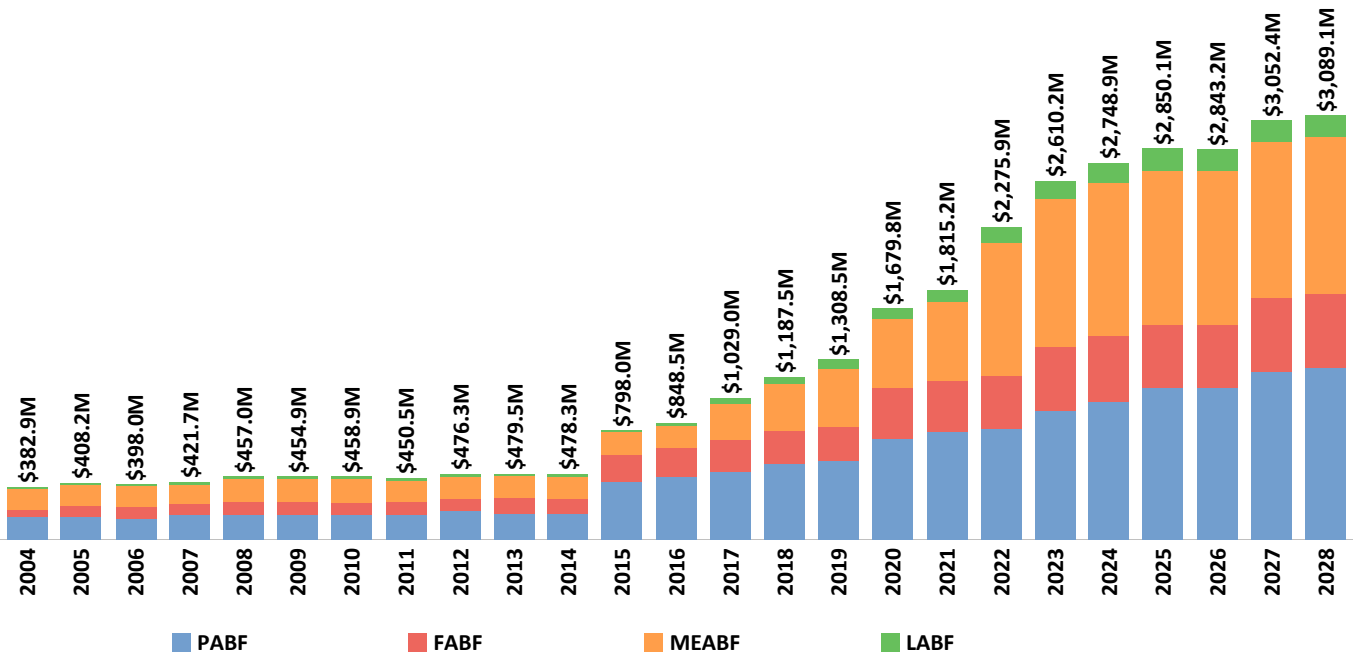
By 2024, the employer contribution for CPS employees within MEABF equaled approximately \$452 million of the total required contribution of \$941 million. Despite CPS's multi-year commitment to reimburse the city for a portion of its proportional share of the employer contribution, the payment was not made in 2024, resulting in a significant budget shortfall for the City in fiscal year 2024. The forecast continues to reflect uncertainty regarding receipt of this reimbursement in the City's 2025 budget.

Pension Advance Policy

In 2022, the City adopted a Pension Advance Policy requiring supplemental pension contributions to be made in addition to the statutory actuarially-determined amounts. These supplemental payments are designed to slow the growth of unfunded liabilities and improve the funded status of the City's pension systems over time. In 2023, supplemental contributions totaled \$242.0 million within the City's overall pension payment of \$2.610 billion. In 2024, supplemental contributions increased to \$306.6 million of the \$2.749 billion total, followed by \$272.0 million of the \$2.850 billion pension payment in 2025. For 2026, supplemental payments are projected at \$259.6 million, included within an estimated \$2.843 billion total pension cost. Over the three-year period from 2023 to 2025, the City has contributed over \$820 million in

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Historic and Projected Pension Contributions



- 1) The 2015 and 2016 MEABF and LABF amounts reflect a revised employer contribution amount made by the City after Public Act 98-641 was declared unconstitutional by the Illinois Supreme Court in 2016. All other years represent the amounts found in the annual appropriation ordinance.
- 2) The projected contributions from 2026 through 2028 for all pension funds are based on the actuarial reports for the year ending December 31, 2024 with estimated impacts of newly approved Public Act 104-0065 as explained in this forecast. These projections will shift over time based on investment returns, experience studies, and other pension fund changes, including any other state law changes.
- 3) The 2023-2028 contributions include required contributions and supplemental pension payments.

advance payments toward its pension liabilities.

Historically, supplemental payments from the Corporate Fund were supported by a one-time assigned fund balance, which was fully depleted after the 2025 advance payment. As a result, beginning in 2026, supplemental contributions are unfunded and are projected to add directly to the Corporate Fund budget gap each year of the forecast period.

Pension Fund Outlook

Looking ahead, the 2026 budget will represent the seventh consecutive year in which the City makes actuarially-determined contributions to the Police Annuity and Benefit Fund (PABF) and Firemen’s Annuity and Benefit Fund (FABF). Beginning in 2027, recently enacted state legislation will expand pension benefits for police officers and firefighters, including higher salary caps and enhanced cost-of-living adjustments. This legislation is projected to add approximately \$11 billion in liabilities to the police and fire pension systems through 2055, and increase the City’s required contributions by roughly \$60 million annually starting in 2027, with total costs rising to approximately \$200 million annually when supplemental

pension payments are included to mitigate the long-term liability impact.

Historically, the City’s required pension contributions have been made primarily from the proceeds of an annual property tax levy for each fund. However, State law also allows for the use of other legally available funds in lieu of a property tax levy to make contributions to the pension funds.

DEBT

Long-Term Debt

The City uses long-term debt to finance infrastructure projects throughout the City, including street and alley construction and improvements, lighting, sidewalk replacement, curb and gutter repairs and replacement, and transportation improvements, including street resurfacing, bridge rehabilitation and traffic safety improvements.

The City also utilizes long-term debt to strategically bolster economic growth and meet housing needs. The Housing and Economic Development Bonds are allocated to fund projects that support housing; business, innovation and job growth; and cultural and community assets. These strategic investments will support sustainable growth in the City. The repayment of the bonds will be supported by increases in incremental property taxes in the Corporate Fund that will be realized as TIF districts expire.

General Obligation Debt is backed by the full faith and credit of the City. The City has two types of General Obligation Bonds (“G.O. Bonds”) outstanding: Tax Levy Bonds for which an annual property tax levy has been established to make payments, and Alternate Revenue Bonds for which an annual property tax levy is established but annually abated if certain other revenues are available that year to make payments.

Water and Wastewater Bonds are secured by revenues of the Water and Sewer Systems, respectively, and are primarily issued to fund capital projects for such systems. Additionally, the City periodically receives loans through the Illinois Environmental Protection Agency State Revolving Loan Funds Program. The City has also entered into a Water Infrastructure Finance and Innovation Act (“WIFIA”) loan agreement with the United States Environmental Protection Agency, which will be drawn on periodically through 2027.

O’Hare and Midway Bonds are issued to fund capital improvements and are backed by general revenues generated at the respective facility. Additionally, the City has issued bonds to fund capital improvements at O’Hare, secured by Passenger Facility Charges and Customer Facility Charges (“CFC”) collected at O’Hare. CFC revenues are also pledged to the repayment of an outstanding Transportation Infrastructure Finance and Innovation Act (“TIFIA”) loan to fund the airport transit system extension at the new O’Hare multi-modal facility.

In 2017, the City sold its right, title, and interest in Sales

Tax revenues collected by the State to the Sales Tax Securitization Corporation (“STSC”). The STSC was organized as an instrumentality of the City in 2017 for the limited purpose of purchasing certain Sales Tax revenues and issuing bonds, notes, or other obligations for the benefit of the City. Beginning in 2017, the STSC issued bonds to refund outstanding City of Chicago Sales Tax revenue bonds as well as certain outstanding G.O. Bonds for debt-service savings.

In November 2020, City Council approved the issuance of \$1.56 billion in G.O. Bonds for the purpose of supporting Chicago Recovery Plan and Chicago Works projects. \$1.325 billion in G.O. Bonds have been issued pursuant to this authority. In April 2024, City Council approved the issuance of \$1.25 billion in G.O. Bonds for the purpose of supporting housing and economic development projects. These bonds are expected to be issued in multiple series over the next several years. The inaugural issuance of these Housing and Economic Development Bonds was in June 2025 for an amount of approximately \$82.5 million. In February 2025, City Council approved the issuance of \$830 million in G.O. bonds for various purposes, including lead service line replacement; \$76 million has been issued pursuant to this authority.

Short-Term Debt

In addition to the long-term debt discussed above, the City issues certain types of short-term debt to address various operating, liquidity, and capital needs.

The General Obligation Short-Term Borrowing Program has historically been used by the City for working capital, in anticipation of receipt of other revenue, to fund capital projects, debt refinancing or restructuring, and to pay noncapital expenditures, such as settlements and judgments or retroactive payment of employment salaries and wages. The City currently has two facilities in place under the General Obligation Short-Term Borrowing program: (1) one line of credit facility for up to \$265.5 million; and (2) a second line of credit facility for up to \$250 million. One of the credit facilities is partially drawn and in the future the City expects to repay that line of credit facility with the issuance of long-term G.O. Bonds. The City also expects to increase the capacity of existing line of credit facilities, enter into an additional line of credit facility under the program, and make additional draws to reimburse capital expenses before the end of 2025.

Water and Sewer Systems Commercial Paper Notes and Line of Credit Notes have been authorized for the purposes of financing or refinancing capital improvements

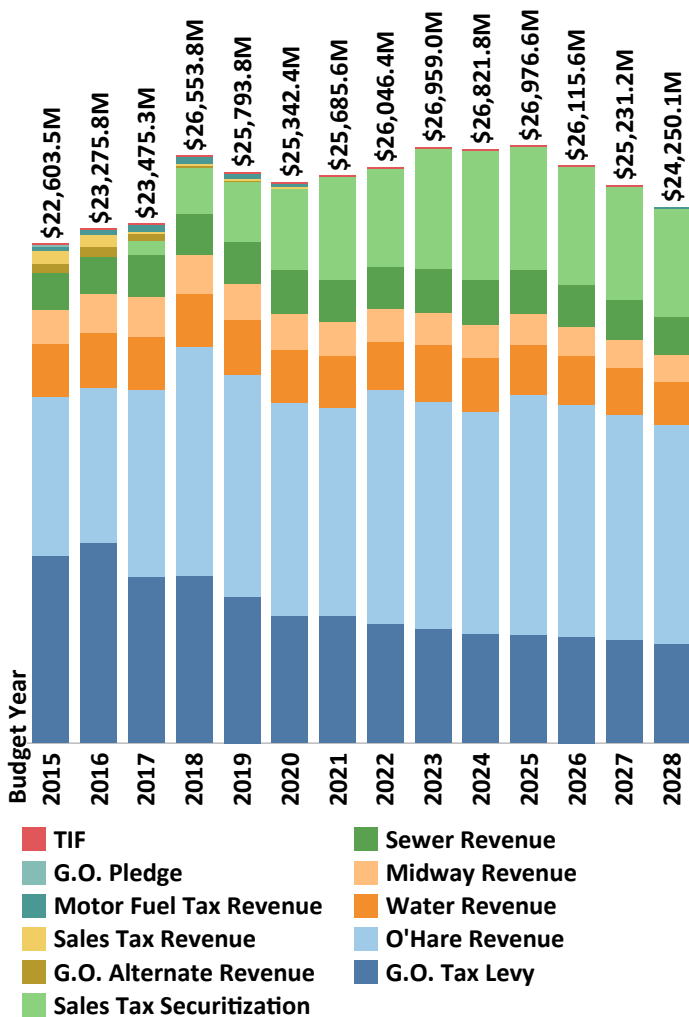
2026 BUDGET FORECAST FINANCIAL FORECAST

to the Water and Sewer Systems, or providing funds to meet the cash flow needs of the respective system. There is one Credit Agreement Notes facility in place for the Water System. Pursuant to the Water Supply Agreement between the City of Chicago and City of Joliet dated May 1, 2023, the City of Chicago agreed to provide a funding source for City water infrastructure improvements that will be necessary to supply Joliet with water beginning in 2030. The line of credit facility is the funding source for those improvements and in the future the City expects to repay the line of credit facility with the issuance of long-term Water Revenue Bonds.

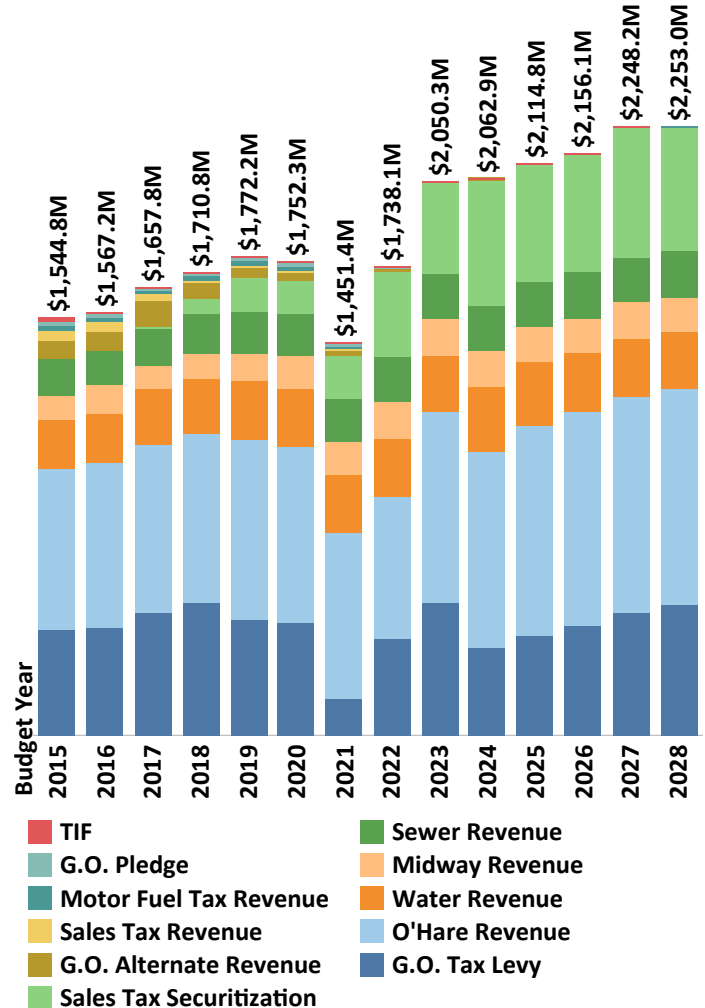
Chicago O'Hare International Airport Commercial Paper Notes and Credit Agreement Notes can be used by the airport for working capital in anticipation of receipt of other revenue, to fund capital projects, and for debt refinancing or restructuring. There are currently four Credit Agreement

Notes facilities in place at O'Hare for capital projects: (1) a line of credit facility for up to \$300 million; (2) a line of credit facility for up to \$200 million; (3) a line of credit facility for up to \$150 million; and (4) a line of credit facility for up to \$100 million. Three of the four line of credit facilities are partially drawn and one credit facility is not drawn. Each of the three partially drawn credit facilities are expected to be repaid before the end of the year with the issuance of long-term General Airport Revenue Bonds. Chicago Midway Airport Commercial Paper Notes and Credit Agreement Notes are available to support cashflow needs at Midway, to fund capital projects, and for debt refinancing or restructuring. There are no such programs currently in place and there are no notes currently outstanding.

Outstanding Long-Term Debt



Long-Term Debt Service Payments



APPENDICES



HISTORICAL REVIEW

This section provides a 10-year review of the revenues and expenditures in the City's Local Funds, beginning with the Corporate Fund.

CORPORATE FUND - HISTORICAL REVIEW

Corporate Fund Revenue

Corporate Fund revenues are divided into five broad categories including local tax revenue, intergovernmental revenue, local non-tax revenue, proceeds and transfers, and prior year available resources.

Local tax revenue consists of taxes collected by the City, including utility, transportation, transaction, recreation, and business taxes. In 2024, local tax revenue made up approximately 42.2 percent of total Corporate Fund revenues.

Local non-tax revenue totaled 26.3 percent of Corporate Fund revenues in 2024 and includes fines, penalties, charges for service, reimbursements, leases, land sales, and other locally generated fee or miscellaneous revenue. The City's portion of any TIF surplus is also included in this category.

Intergovernmental revenue totaled 13.1 percent of Corporate Fund revenues in 2024 and includes the City's share of State Income Tax, Personal Property Replacement Tax, and Municipal Auto Rental Tax. Prior to 2018 and the creation of the Sales Tax Securitization Corporation ("STSC"), the City's share of state-collected Sales Tax was included in this revenue category.

Proceeds and transfers consist of amounts transferred into the Corporate Fund from outside sources, including STSC residual sales tax revenue. In 2024, this revenue source totaled 9.4 percent of Corporate Fund revenues.

The City's revenue from most state and local sales taxes appears in the budget as a transfer, since the creation of the STSC, in 2017. This revenue securitization structure was developed because of legislation passed by the Illinois General Assembly, allowing all home rule municipalities to create a special purpose corporation organized for the sole purpose of issuing bonds paid for from revenues collected by the State. In December 2017, the City entered into a sale agreement ("Agreement") with the STSC. Under the Agreement, the City sold to the STSC the City's rights to receive Sales Tax revenues collected by the State. In return, the City received the proceeds of bonds issued by the STSC as well as a residual certificate. Sales Tax revenues received by the STSC are paid first to cover

the STSC's operating expenses and debt service on the STSC's bonds. All remaining Sales Tax revenues are then paid to the City as the holder of the residual certificate.

Prior year available resources are the result of higher revenues and/or lower spending than budgeted or expected. Any available funds, both assigned and unassigned, can be carried into the next year and treated as a one-time revenue source. In 2024, this category made up 8.9 percent of total Corporate Fund revenues.

Corporate Fund Expenditures

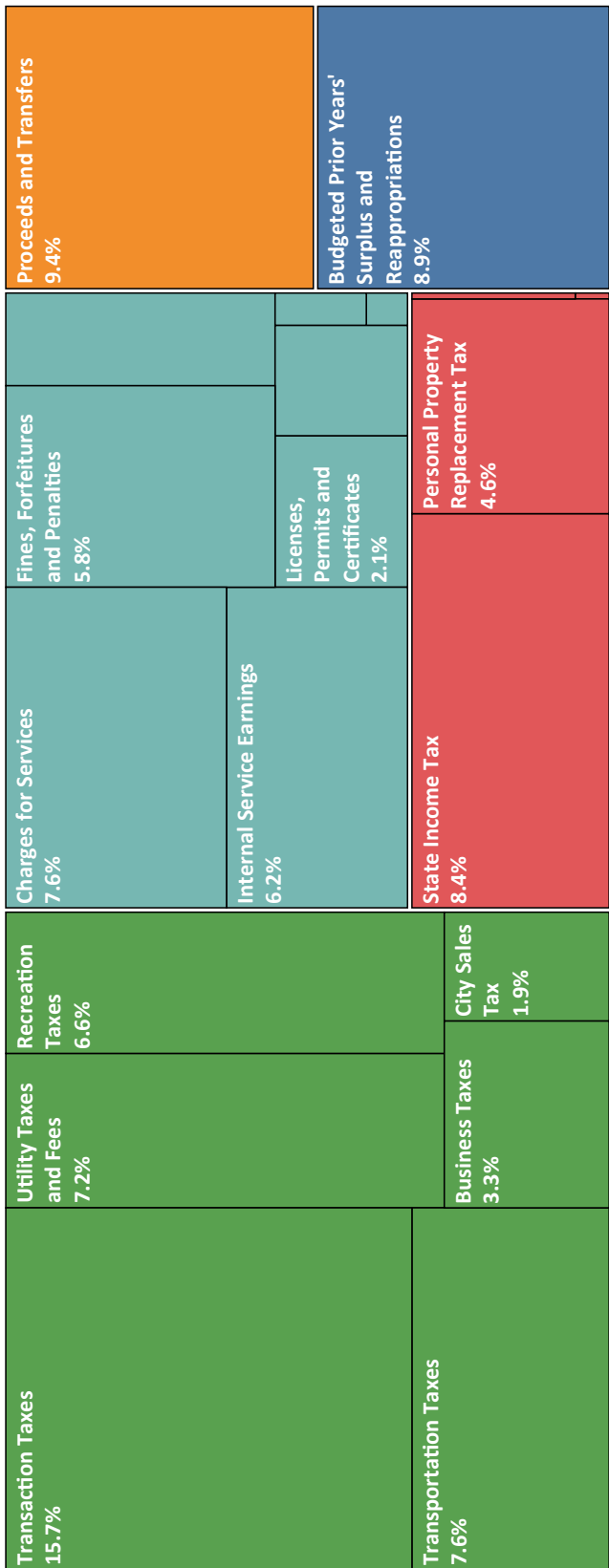
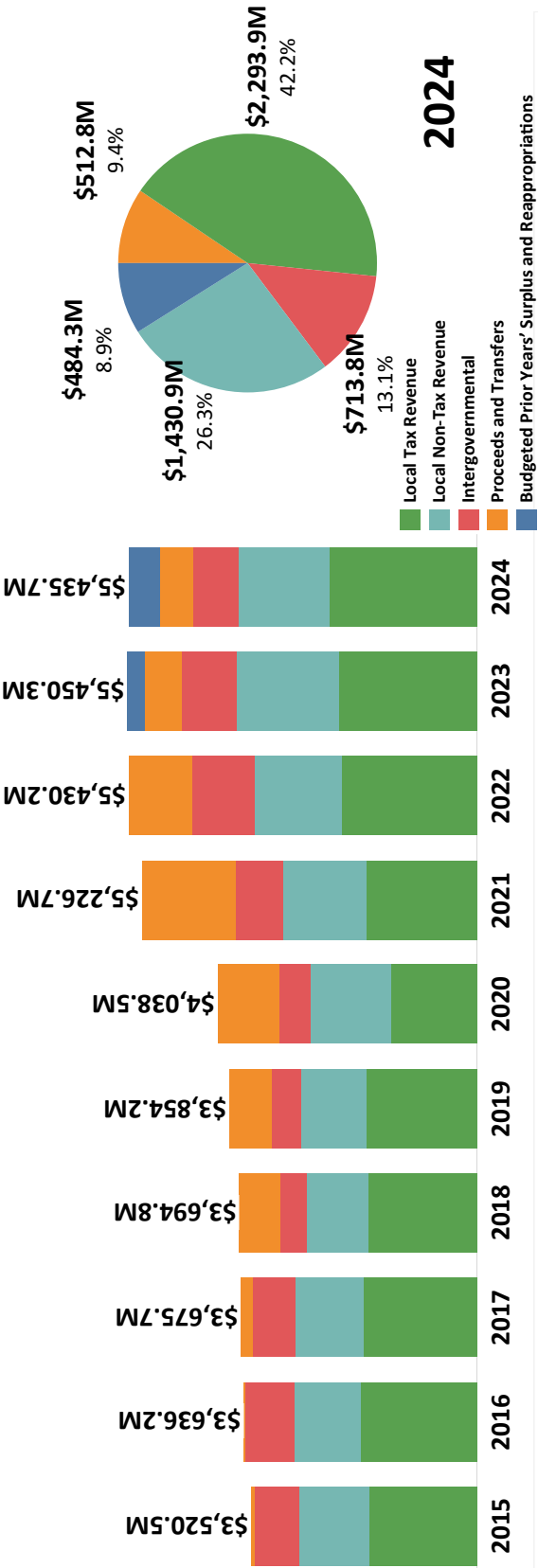
Corporate Fund Expenditures are reported as a major governmental fund within the general fund in the City's basic financial statements. Overall, Corporate Fund expenditures totaled \$5.7 billion in 2024. This report breaks down these expenditures into the three broad categories of personnel, non-personnel, and other.

Personnel expenditures represent a significant majority of City expenses. These expenditures include employee pay, benefits, workers' compensation, and the City's Corporate Fund pension allocation. In 2024, personnel expenditures represented approximately 77.2 percent of the City's Corporate Fund expenditures.

Non-personnel expenditures accounted for 19.8 percent of Corporate Fund expenditures. This category includes contractual services, refunds, rebates, legal costs, utilities, commodities, delegate agencies, employee travel, and contingent expenses. This category also encompasses the City's payments for settlements and judgments. The City has historically used a combination of Corporate Fund and Enterprise Fund resources, as well as bond proceeds, to cover these costs.

Other expenditures totaled \$173.7 million in 2024, or approximately 3.1 percent of the total expenditures. These expenses include operating transfers to other funds, cash match for grants, financing costs, and indirect costs.

Corporate Fund - Revenue



Other Revenue = 1.5%; Interest Income = 1.8%; Leases, Rentals & Sales = 0.3%; Municipal Parking = 0.1% Municipal Auto Rental Tax = 0.1%; Reimbursements for City Services = 0.0%

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Corporate Fund - Resources

Local Tax Revenue		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Municipal Public Utility Taxes and Fees	Electricity Taxes	\$182.8M	\$190.1M	\$183.7M	\$189.4M	\$184.7M	\$180.0M	\$183.4M	\$182.7M	\$173.6M	\$179.0M
	Natural Gas Use and Occupation Tax	\$119.7M	\$111.1M	\$124.7M	\$128.6M	\$128.3M	\$114.4M	\$134.3M	\$165.4M	\$133.8M	\$129.3M
	Telecommunication Taxes	\$105.5M	\$103.6M	\$101.9M	\$87.4M	\$77.6M	\$73.0M	\$66.8M	\$63.1M	\$61.8M	\$64.2M
	Cable Television Fees	\$29.8M	\$29.6M	\$28.7M	\$26.7M	\$26.1M	\$24.0M	\$23.5M	\$21.6M	\$19.3M	\$16.4M
	Total	\$437.8M	\$434.4M	\$439.0M	\$432.1M	\$416.7M	\$391.4M	\$408.0M	\$432.9M	\$388.6M	\$388.9M
	City Sales Tax / HROT	\$308.9M	\$308.1M	\$229.9M	\$57.0M	\$63.7M	\$58.7M	\$77.7M	\$93.9M	\$101.3M	\$103.8M
	Total	\$308.9M	\$308.1M	\$229.9M	\$57.0M	\$63.7M	\$58.7M	\$77.7M	\$93.9M	\$101.3M	\$103.8M
	Transaction Taxes	\$191.1M	\$197.1M	\$161.7M	\$175.5M	\$152.4M	\$130.3M	\$184.1M	\$196.4M	\$133.6M	\$145.4M
	Real Property Transfer Tax	\$192.5M	\$259.9M	\$265.7M	\$295.4M	\$328.7M	\$344.1M	\$491.1M	\$602.3M	\$639.2M	\$701.3M
	Personal Property Lease Transaction Tax	\$6.7M	\$6.6M	\$6.8M	\$6.6M	\$6.7M	\$3.0M	\$4.1M	\$5.2M	\$5.9M	\$6.4M
Transportation Taxes	Motor Vehicle Lessor Tax	\$390.3M	\$463.6M	\$434.2M	\$477.5M	\$487.8M	\$477.5M	\$679.4M	\$803.9M	\$778.7M	\$853.1M
	Total	\$390.3M	\$463.6M	\$434.2M	\$477.5M	\$487.8M	\$477.5M	\$679.4M	\$803.9M	\$778.7M	\$853.1M
	Parking Garage Tax	\$131.5M	\$134.5M	\$135.4M	\$134.0M	\$144.1M	\$65.4M	\$104.6M	\$133.2M	\$147.3M	\$151.4M
	Vehicle Fuel Tax	\$49.3M	\$53.0M	\$54.2M	\$53.7M	\$54.1M	\$34.1M	\$54.9M	\$57.0M	\$57.3M	\$58.7M
	Ground Transportation Tax	\$17.1M	\$59.6M	\$85.4M	\$119.4M	\$138.8M	\$94.4M	\$96.2M	\$142.9M	\$187.4M	\$203.0M
	Other Transportation Tax										\$0.0M
	Total	\$197.9M	\$247.1M	\$275.0M	\$307.1M	\$337.0M	\$193.9M	\$255.7M	\$333.2M	\$391.9M	\$413.0M
	Recreation Taxes	\$145.7M	\$163.6M	\$172.6M	\$195.5M	\$196.5M	\$104.3M	\$159.1M	\$233.2M	\$262.5M	\$269.9M
	Automatic Amusement Tax	\$0.5M	\$0.5M	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.3M	\$0.3M	\$0.4M
	Boat Mooring Tax	\$1.4M	\$1.3M	\$1.3M	\$1.8M	\$1.1M	\$1.0M	\$1.5M	\$1.5M	\$1.7M	\$1.6M
Business Taxes	Liquor Tax	\$33.7M	\$33.1M	\$32.6M	\$33.0M	\$32.0M	\$27.5M	\$29.8M	\$29.7M	\$30.1M	\$29.7M
	Cigarette Tax	\$22.8M	\$23.1M	\$21.3M	\$21.3M	\$19.8M	\$20.8M	\$17.4M	\$16.5M	\$14.7M	\$13.2M
	Non-Alcoholic Beverage Tax	\$22.9M	\$24.4M	\$24.3M	\$27.0M	\$25.3M	\$22.2M	\$25.9M	\$27.9M	\$30.7M	\$36.3M
	Off Track Betting Tax	\$0.5M	\$0.6M	\$0.6M	\$0.5M	\$0.4M	\$0.3M	\$0.3M	\$0.2M	\$0.0M	\$0.0M
	Cannabis Excise Tax						\$1.7M	\$5.1M	\$5.6M	\$5.6M	\$5.2M
	Total	\$227.5M	\$246.6M	\$253.1M	\$279.5M	\$275.5M	\$178.1M	\$239.4M	\$314.9M	\$345.6M	\$356.3M
	Hotel Accommodations Tax	\$109.8M	\$113.5M	\$131.6M	\$130.4M	\$133.7M	\$25.7M	\$65.5M	\$119.6M	\$134.7M	\$148.2M
	Employer Expense Tax										\$0.0M
	Foreign Fire Insurance Tax	\$6.0M	\$5.4M	\$5.6M	\$4.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$8.2M
	Checkout Bag Tax			\$5.6M	\$6.4M	\$6.4M	\$6.3M	\$7.5M	\$19.0M	\$15.3M	\$22.3M
Intergovernmental	Total	\$115.8M	\$118.9M	\$142.9M	\$141.7M	\$140.1M	\$31.9M	\$72.9M	\$138.6M	\$150.0M	\$178.7M
	Proceeds and Transfers In	\$1,678.1M	\$1,818.7M	\$1,774.1M	\$1,694.8M	\$1,720.7M	\$1,331.5M	\$1,733.2M	\$2,117.3M	\$2,156.1M	\$2,293.9M
	Proceeds of Debt						\$450.0M				\$0.0M
	Transfers In	\$53.9M	\$8.0M	\$180.2M	\$627.5M	\$640.9M	\$500.5M	\$1,450.9M	\$969.4M	\$556.7M	\$512.8M
	Total	\$53.9M	\$8.0M	\$180.2M	\$627.5M	\$640.9M	\$950.5M	\$1,450.9M	\$969.4M	\$556.7M	\$512.8M
	State Income Tax	\$53.9M	\$8.0M	\$180.2M	\$627.5M	\$640.9M	\$950.5M	\$1,450.9M	\$969.4M	\$556.7M	\$512.8M
	State Income Tax	\$286.5M	\$254.0M	\$239.9M	\$255.0M	\$284.2M	\$321.4M	\$376.7M	\$412.4M	\$428.9M	\$457.3M
	Total	\$286.5M	\$254.0M	\$239.9M	\$255.0M	\$284.2M	\$321.4M	\$376.7M	\$412.4M	\$428.9M	\$457.3M
	Municipal Retailers Occupation Tax	\$356.9M	\$366.4M	\$270.5M							\$0.0M
	Total	\$356.9M	\$366.4M	\$270.5M							\$0.0M
Total	Personal Property Replacement Tax	\$50.5M	\$159.7M	\$148.3M	\$137.4M	\$185.6M	\$165.8M	\$370.7M	\$559.8M	\$426.9M	\$250.1M
	Total	\$50.5M	\$159.7M	\$148.3M	\$137.4M	\$185.6M	\$165.8M	\$370.7M	\$559.8M	\$426.9M	\$250.1M
	Municipal Auto Rental Tax	\$4.2M	\$4.2M	\$4.1M	\$4.1M	\$4.4M	\$2.1M	\$3.9M	\$5.0M	\$5.1M	\$5.3M
	Total	\$4.2M	\$4.2M	\$4.1M	\$4.1M	\$4.4M	\$2.1M	\$3.9M	\$5.0M	\$5.1M	\$5.3M
	Other Reimbursements	\$1.8M	\$1.9M	\$2.5M	\$3.4M	\$1.5M	\$1.4M	\$1.8M	\$2.1M	\$2.3M	\$1.1M
	Total	\$1.8M	\$1.9M	\$2.5M	\$3.4M	\$1.5M	\$1.4M	\$1.8M	\$2.1M	\$2.3M	\$1.1M
	Reimbursements for City Services	\$699.9M	\$786.2M	\$665.4M	\$400.0M	\$475.8M	\$490.8M	\$753.2M	\$979.2M	\$863.3M	\$713.8M
	Total	\$699.9M	\$786.2M	\$665.4M	\$400.0M	\$475.8M	\$490.8M	\$753.2M	\$979.2M	\$863.3M	\$713.8M
	Licenses, Permits and Certificates	\$12.5M	\$12.2M	\$12.7M	\$12.5M	\$13.3M	\$10.1M	\$14.3M	\$11.8M	\$13.1M	\$12.3M

Amounts shown as \$0.0M represent amounts less than \$100,000.
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2026 BUDGET FORECAST APPENDICES

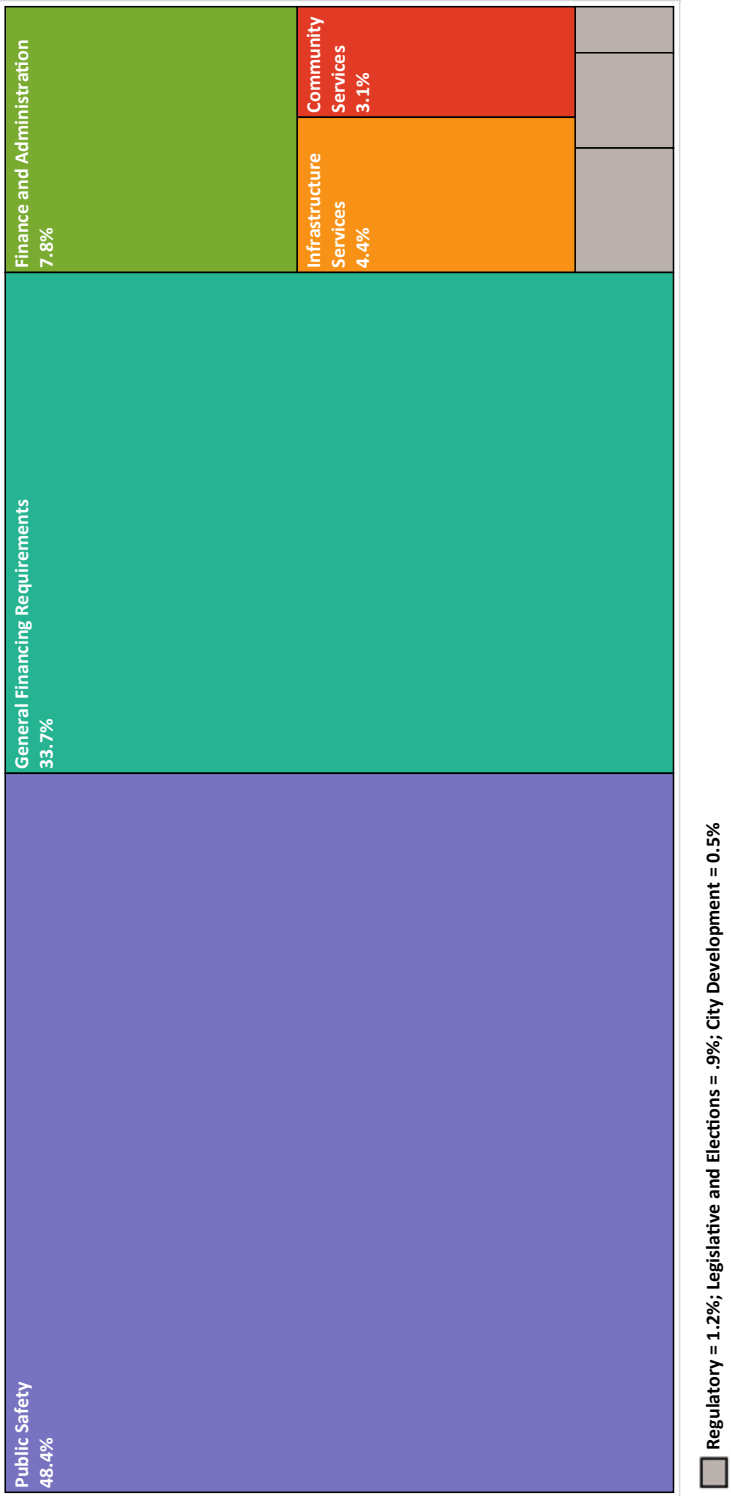
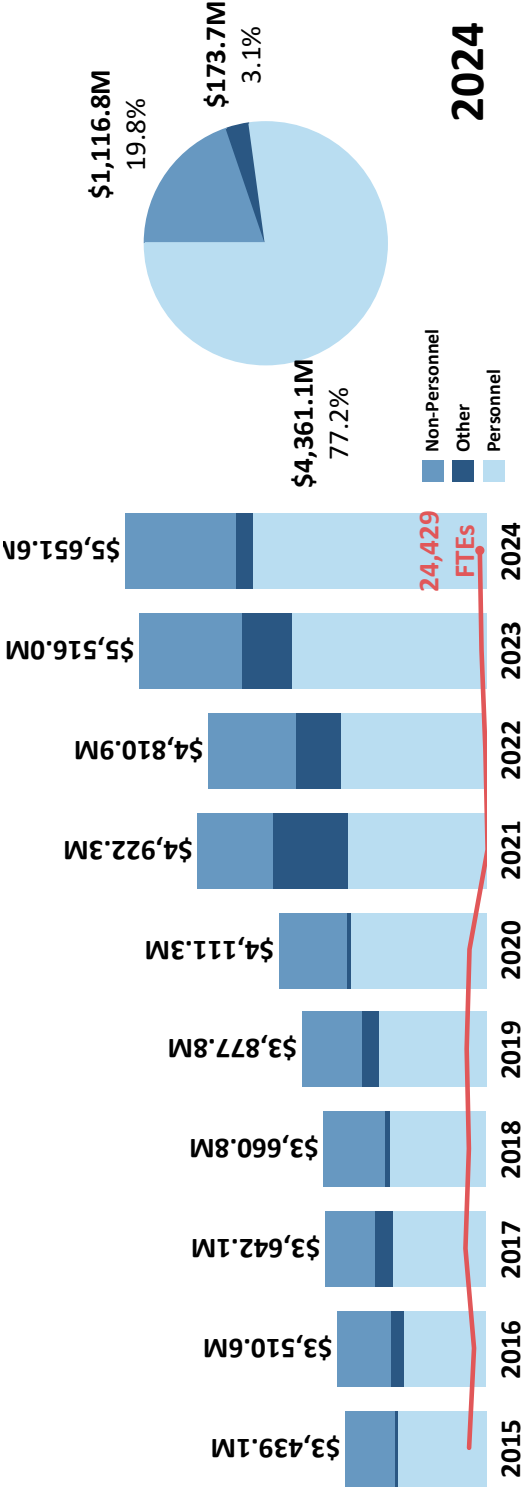
Corporate Fund - Resources (cont.)

Local Non-Tax Revenue	Licenses, Permits and Certificates	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Business Licenses	\$19.4M	\$18.5M	\$22.3M	\$21.2M	\$25.4M	\$33.1M	\$24.3M	\$24.5M	\$26.1M	\$25.2M
	Building Permits	\$43.7M	\$43.5M	\$43.2M	\$42.5M	\$40.1M	\$33.1M	\$33.0M	\$35.3M	\$32.5M	\$30.5M
	Other Permits/Certificates	\$45.0M	\$48.3M	\$49.3M	\$48.1M	\$51.6M	\$39.9M	\$32.2M	\$37.7M	\$36.4M	\$43.3M
	Prior Period Fines	\$6.2M	\$7.9M	\$6.1M	\$4.9M	\$5.5M	\$3.3M	\$4.8M	\$4.2M	\$3.8M	\$4.6M
	Total	\$126.7M	\$130.4M	\$133.5M	\$129.3M	\$136.0M	\$107.8M	\$115.6M	\$113.5M	\$111.8M	\$115.9M
	Fines, Forfeitures and Penalties	\$366.3M	\$318.4M	\$344.9M	\$335.9M	\$319.2M	\$230.6M	\$316.0M	\$307.6M	\$299.5M	\$315.8M
	Total	\$366.3M	\$318.4M	\$344.9M	\$335.9M	\$319.2M	\$230.6M	\$316.0M	\$307.6M	\$299.5M	\$315.8M
	Charges for Services	\$15.0M	\$13.1M	\$12.7M	\$13.1M	\$14.6M	\$11.7M	\$12.1M	\$9.6M	\$10.4M	\$10.7M
	Inspection										
	Health										
	Information	\$0.7M	\$1.5M	\$0.3M	\$1.1M	\$1.2M	\$0.9M	\$1.0M	\$1.0M	\$1.1M	\$1.1M
	Safety	\$61.5M	\$77.3M	\$70.0M	\$73.7M	\$80.2M	\$266.5M	\$78.0M	\$344.3M	\$363.9M	\$356.4M
	Current Expense	\$13.0M	\$6.3M	\$6.3M	\$4.6M	\$7.4M	\$7.9M	\$6.7M	\$7.5M	\$6.8M	\$7.8M
	Other Current Charges	\$29.4M	\$32.5M	\$28.9M	\$30.2M	\$31.0M	\$30.9M	\$31.1M	\$34.6M	\$35.1M	\$35.5M
	Total	\$119.6M	\$130.8M	\$118.2M	\$122.7M	\$134.4M	\$317.9M	\$328.9M	\$397.0M	\$417.2M	\$411.6M
	Municipal Parking	\$6.5M	\$7.5M	\$7.7M	\$7.8M	\$7.7M	\$7.1M	\$7.4M	\$7.0M	\$7.3M	\$7.5M
	Other Enterprise										
	Total	\$6.5M	\$7.5M	\$7.7M	\$7.8M	\$7.7M	\$7.1M	\$7.4M	\$7.0M	\$7.3M	\$7.5M
	Leases, Rentals and Sales	\$14.0M	\$13.0M	\$13.2M	\$26.5M	\$25.5M	\$6.0M	\$10.8M	\$17.4M	\$11.2M	\$12.8M
	Rentals and Leases										
	Sale of Land	\$3.5M	\$9.6M	\$10.8M	\$6.2M	\$0.2M	\$1.0M	\$1.1M	\$6.7M	\$2.6M	\$0.4M
	Vacation of Streets	\$6.5M	\$2.2M	\$0.9M	\$2.2M	\$15.8M	\$4.1M	\$2.6M	\$1.5M	\$3.1M	\$3.1M
	Sale of Impounded Autos	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
	Sale of Materials	\$1.4M	\$1.3M	\$1.0M	\$0.7M	\$0.4M	\$0.2M	\$1.0M	\$0.6M	\$0.5M	\$0.5M
	Total	\$25.5M	\$26.1M	\$25.9M	\$35.7M	\$42.0M	\$11.3M	\$15.5M	\$26.2M	\$15.6M	\$16.7M
	Interest Income	\$0.9M	\$8.3M	\$7.0M	\$1.9M	\$31.4M	\$24.1M	(\$5.0M)	(\$77.6M)	\$95.6M	\$83.9M
	Total	\$0.9M	\$8.3M	\$7.0M	\$1.9M	\$31.4M	\$24.1M	(\$5.0M)	(\$77.6M)	\$95.6M	\$83.9M
	Internal Service Earnings	\$137.1M	\$168.4M	\$162.6M	\$171.9M	\$173.6M	\$176.4M	\$175.2M	\$182.7M	\$188.7M	\$196.0M
	Enterprise Funds										
	Special Revenue Funds	\$138.0M	\$128.5M	\$133.5M	\$51.5M	\$62.6M	\$49.6M	\$52.2M	\$52.1M	\$65.2M	\$81.2M
	Intergovernmental Funds	\$42.0M	\$32.9M	\$37.0M	\$35.3M	\$33.6M	\$146.7M	\$145.2M	\$244.1M	\$254.3M	\$45.0M
	Other Reimbursements	\$28.4M	\$12.9M	\$14.7M	\$11.5M	\$1.5M	\$71.9M	\$12.9M	\$7.6M	\$10.4M	\$12.7M
	Total	\$345.4M	\$342.6M	\$347.7M	\$270.2M	\$271.3M	\$444.6M	\$385.6M	\$486.6M	\$518.5M	\$334.8M
	Other Revenue	\$97.6M	\$59.3M	\$71.2M	\$69.0M	\$74.9M	\$122.3M	\$125.5M	\$103.9M	\$135.7M	\$144.6M
	Total	\$97.6M	\$59.3M	\$71.2M	\$69.0M	\$74.9M	\$122.3M	\$125.5M	\$103.9M	\$135.7M	\$144.6M
	Total	\$1,088.6M	\$1,023.4M	\$1,056.1M	\$972.4M	\$1,016.8M	\$1,265.7M	\$1,289.4M	\$1,364.2M	\$1,601.3M	\$1,430.9M
	Prior Year Assigned and Unassigned Available Resources									\$272.9M	\$484.3M
	Total									\$272.9M	\$484.3M
	Grand Total	\$3,520.5M	\$3,636.2M	\$3,675.7M	\$3,694.8M	\$3,854.2M	\$4,038.5M	\$5,226.7M	\$5,430.2M	\$5,450.3M	\$5,435.7M

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

Corporate Fund - Expenditures



2026 BUDGET FORECAST APPENDICES

Corporate Fund - Expenditures by Department

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Finance and Administration										
Office of The Mayor	\$6.1M	\$6.6M	\$6.9M	\$7.1M	\$7.3M	\$9.8M	\$9.6M	\$10.4M	\$10.0M	\$11.0M
Office of Budget and Management	\$2.2M	\$4.8M	\$3.6M	\$2.9M	\$3.0M	\$2.9M	\$2.8M	\$2.2M	\$2.7M	\$3.9M
Department of Technology and Innovation	\$25.1M	\$20.1M	\$16.0M	\$19.6M	\$21.2M	\$0.6M	(\$0.1M)	(\$0.1M)	\$0.0M	\$34.2M
City Clerk	\$2.9M	\$2.9M	\$2.9M	\$3.8M	\$3.6M	\$3.3M	\$3.5M	\$3.4M	\$4.3M	\$5.0M
Department of Finance	\$59.2M	\$61.9M	\$60.3M	\$63.2M	\$61.8M	\$58.7M	\$57.2M	\$62.1M	\$65.1M	\$67.4M
City Treasurer	\$2.1M	\$1.3M	\$1.4M	\$1.4M	\$1.4M	\$1.6M	\$1.7M	\$1.9M	\$2.3M	\$3.0M
Department of Administrative Hearings	\$7.8M	\$7.8M	\$7.9M	\$7.8M	\$7.6M	\$6.4M	\$6.9M	\$6.8M	\$7.0M	\$7.3M
Department of Law	\$27.3M	\$26.7M	\$26.7M	\$27.7M	\$28.8M	\$28.2M	\$27.5M	\$27.1M	\$30.7M	\$35.3M
Department of Human Resources	\$5.3M	\$5.6M	\$5.7M	\$6.0M	\$6.3M	\$6.1M	\$5.9M	\$5.4M	\$7.4M	\$9.8M
Department of Procurement Services	\$6.1M	\$5.7M	\$6.3M	\$6.4M	\$6.1M	\$5.9M	\$5.6M	\$5.4M	\$7.5M	\$8.5M
Department of Fleet and Facility Management	\$157.1M	\$186.3M	\$179.5M	\$195.5M	\$207.0M	\$218.2M	\$218.5M	\$234.3M	\$267.5M	\$255.7M
Total	\$301.3M	\$329.6M	\$317.2M	\$341.4M	\$354.0M	\$341.6M	\$339.1M	\$360.4M	\$404.5M	\$441.0M
Infrastructure Services										
Department of Streets and Sanitation	\$199.6M	\$137.6M	\$137.2M	\$147.4M	\$155.3M	\$153.8M	\$173.6M	\$177.1M	\$184.0M	\$198.8M
Chicago Department of Transportation	\$67.1M	\$35.4M	\$50.1M	\$54.4M	\$56.6M	\$51.9M	\$55.2M	\$33.9M	\$33.8M	\$48.2M
Department of Aviation										\$0.0M
Department of Water Management		\$0.0M				\$0.0M				\$0.0M
Total	\$266.8M	\$173.0M	\$187.3M	\$201.8M	\$212.0M	\$205.6M	\$228.8M	\$211.0M	\$217.8M	\$247.1M
Public Safety										
Office of Public Safety Administration						\$12.3M	\$27.5M	\$41.8M	\$52.3M	\$58.6M
Police Board	\$0.4M	\$0.8M	\$0.4M	\$0.4M	\$0.4M	\$1.0M	\$0.4M	\$0.5M	\$0.6M	\$0.4M
(Independent Police Review Authority)	\$7.4M	\$7.7M	\$3.2M	\$0.1M	\$0.0M					\$0.0M
Chicago Police Department	\$1,369.7M	\$1,463.0M	\$1,498.2M	\$1,568.5M	\$1,620.2M	\$1,532.2M	\$1,622.9M	\$1,731.7M	\$1,866.9M	\$1,957.4M
Office of Emergency Management and Communications	\$78.8M	\$95.2M	\$100.1M	\$26.0M	\$25.4M	\$18.4M	\$11.0M	\$9.7M	\$9.7M	\$10.5M
Chicago Fire Department	\$563.3M	\$583.0M	\$576.3M	\$578.1M	\$604.1M	\$606.5M	\$654.1M	\$660.9M	\$623.6M	\$690.6M
Civilian Office of Police Accountability		\$0.0M	\$6.6M	\$11.0M	\$11.7M	\$10.6M	\$11.9M	\$12.4M	\$13.5M	\$14.5M
Community Commission for Public Safety and Accountability								\$0.4M	\$2.2M	\$2.9M
Total	\$2,019.5M	\$2,149.8M	\$2,184.8M	\$2,184.0M	\$2,261.8M	\$2,181.0M	\$2,327.9M	\$2,457.2M	\$2,568.7M	\$2,735.0M
Community Services										
Department of Public Health	\$26.0M	\$29.4M	\$30.1M	\$30.8M	\$33.6M	\$34.7M	\$35.0M	\$48.0M	\$56.3M	\$59.8M
Commission on Human Relations	\$1.0M	\$1.0M	\$1.1M	\$1.0M	\$1.0M	\$0.9M	\$0.9M	\$1.0M	\$1.1M	\$1.4M
Mayor's Office For People With Disabilities	\$1.0M	\$1.4M	\$1.4M	\$1.5M	\$1.4M	\$1.3M	\$1.3M	\$2.1M	\$2.6M	\$2.9M
Department of Family and Support Services	\$58.8M	\$62.2M	\$68.1M	\$79.3M	\$82.2M	\$83.2M	\$84.8M	\$93.8M	\$97.9M	\$110.4M
Chicago Public Library		\$0.1M								\$0.0M
Total	\$86.9M	\$94.2M	\$100.7M	\$112.6M	\$118.2M	\$120.0M	\$122.1M	\$144.9M	\$158.0M	\$174.4M
City Development										
Department of Housing	\$0.0M			\$0.0M	\$4.0M	\$14.7M	\$9.6M	\$9.8M	\$10.5M	\$10.8M
Department of Cultural Affairs and Special Events		\$0.4M								
Department of Planning and Development										
Total	\$28.0M	\$20.5M	\$13.3M	\$13.7M	\$10.1M	\$10.2M	\$10.9M	\$12.5M	\$15.6M	\$15.0M
Regulatory										
Office of Inspector General	\$28.0M	\$20.9M	\$13.3M	\$13.6M	\$14.0M	\$24.9M	\$20.4M	\$22.3M	\$26.1M	\$25.8M
Department of Buildings	\$2.4M	\$2.9M	\$4.9M	\$5.5M	\$6.0M	\$6.1M	\$7.4M	\$9.3M	\$9.5M	\$10.6M
Department of Business Affairs and Consumer Protection	\$21.6M	\$24.6M	\$22.1M	\$22.9M	\$22.8M	\$22.0M	\$21.3M	\$20.6M	\$22.4M	\$28.0M
Department of Environment	\$15.6M	\$16.1M	\$16.1M	\$16.4M	\$16.6M	\$16.9M	\$17.2M	\$18.2M	\$19.8M	\$21.7M
Chicago Animal Care and Control				\$0.0M			\$0.0M		\$0.3M	\$1.1M
License Appeal Commission	\$5.2M	\$5.5M	\$6.1M	\$6.5M	\$6.7M	\$6.2M	\$6.1M	\$6.3M	\$6.5M	\$6.8M
Board of Ethics	\$0.1M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.1M	\$0.2M	\$0.1M	\$0.2M
	\$0.8M	\$0.8M	\$0.8M	\$0.8M	\$0.8M	\$0.8M	\$0.8M	\$0.8M	\$0.9M	\$0.9M

Inactive departments shown in parenthesis.
Amounts shown as \$0.0M represent amounts less than \$100,000.
Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

Corporate Fund - Expenditures by Department (cont.)

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Regulatory	Total	\$45.7M	\$50.1M	\$50.2M	\$52.3M	\$53.1M	\$52.2M	\$52.9M	\$55.5M	\$59.4M	\$69.3M
Legislative and Elections	City Council	\$25.0M	\$25.2M	\$25.6M	\$26.0M	\$24.9M	\$25.6M	\$26.2M	\$28.7M	\$29.5M	\$34.6M
	Board of Election Commissioners	\$28.5M	\$14.9M	\$12.3M	\$15.8M	\$31.1M	\$17.4M	\$11.4M	\$18.1M	\$41.1M	\$19.1M
	Total	\$53.6M	\$40.0M	\$37.9M	\$41.7M	\$56.0M	\$43.0M	\$37.6M	\$46.8M	\$70.6M	\$53.6M
Finance	Finance General	\$637.4M	\$653.0M	\$750.7M	\$713.5M	\$808.7M	\$1,143.0M	\$1,793.5M	\$1,512.8M	\$2,010.9M	\$1,905.2M
General	Total	\$637.4M	\$653.0M	\$750.7M	\$713.5M	\$808.7M	\$1,143.0M	\$1,793.5M	\$1,512.8M	\$2,010.9M	\$1,905.2M
Grand Total		\$3,439.1M	\$3,510.6M	\$3,642.1M	\$3,660.9M	\$3,877.8M	\$4,111.3M	\$4,922.3M	\$4,810.9M	\$5,516.0M	\$5,651.6M

Inactive departments shown in parenthesis.

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

Corporate Fund - Expenditures By Type

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Personnel										
Employee Pay	\$2,361.1M	\$2,375.7M	\$2,458.9M	\$2,438.7M	\$2,569.1M	\$2,498.5M	\$2,859.1M	\$2,674.4M	\$2,841.4M	\$2,994.9M
Employee Benefits	\$416.3M	\$401.2M	\$341.7M	\$390.1M	\$403.5M	\$470.1M	\$395.5M	\$403.1M	\$419.7M	\$456.0M
Pension Allocation	\$71.8M	\$11.6M	\$106.3M	\$107.5M	\$79.7M	\$336.9M	\$85.5M	\$329.2M	\$644.9M	\$833.7M
Workers' Compensation	\$68.0M	\$64.3M	\$58.8M	\$58.6M	\$52.8M	\$66.7M	\$72.6M	\$77.9M	\$76.8M	\$76.5M
Total	\$2,917.2M	\$2,852.7M	\$2,965.7M	\$2,995.0M	\$3,105.1M	\$3,372.2M	\$3,412.6M	\$3,484.6M	\$3,982.8M	\$4,361.1M
Non-Personnel										
Contractual Services	\$322.6M	\$315.5M	\$315.0M	\$323.6M	\$391.8M	\$408.4M	\$484.4M	\$572.7M	\$674.8M	\$721.3M
Refunds, Rebates & Legal Costs	\$50.9M	\$115.0M	\$66.3M	\$142.1M	\$80.7M	\$141.8M	\$153.8M	\$158.8M	\$192.3M	\$223.0M
Utilities	\$45.1M	\$61.0M	\$45.6M	\$42.1M	\$45.5M	\$36.5M	\$32.8M	\$49.0M	\$52.8M	\$53.4M
Commodities	\$48.1M	\$15.8M	\$40.7M	\$46.0M	\$48.1M	\$52.0M	\$45.4M	\$53.9M	\$68.5M	\$66.4M
Delegate Agencies	\$18.9M	\$21.6M	\$26.3M	\$60.6M	\$45.3M	\$54.4M	\$37.5M	\$46.9M	\$47.2M	\$51.5M
Employee Travel Expenses	\$1.3M	\$1.3M	\$1.4M	\$1.6M	\$1.6M	\$0.6M	\$0.7M	\$0.7M	\$1.6M	\$1.1M
Contingencies	\$0.1M	\$0.1M	\$0.1M	\$0.0M	\$0.1M	\$0.0M	\$0.1M	\$0.1M	\$0.1M	\$0.1M
Total	\$487.1M	\$530.3M	\$495.4M	\$616.0M	\$613.1M	\$693.8M	\$754.7M	\$882.1M	\$1,037.4M	\$1,116.8M
Other										
Transfers Out	\$6.5M	\$85.6M	\$142.0M	\$15.2M	\$109.4M		\$215.2M			
Cash Matching - Grants	\$12.2M	\$14.8M	\$15.9M	\$19.2M	\$18.4M	\$26.2M	\$26.3M	\$25.0M	\$60.1M	\$96.3M
Financing Costs	\$15.0M	\$24.5M	\$20.6M	\$13.0M	\$29.0M	\$16.6M	\$511.0M	\$416.6M	\$431.2M	\$65.2M
Indirect Costs	\$1.1M	\$2.7M	\$2.5M	\$2.4M	\$2.7M	\$2.4M	\$2.5M	\$2.7M	\$4.5M	\$12.3M
Total	\$34.8M	\$127.6M	\$181.0M	\$49.8M	\$159.6M	\$45.3M	\$755.0M	\$444.3M	\$495.8M	\$173.7M
Grand Total	\$3,439.1M	\$3,510.6M	\$3,642.1M	\$3,660.8M	\$3,877.8M	\$4,111.3M	\$4,922.3M	\$4,810.9M	\$5,516.0M	\$5,651.6M

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

SPECIAL REVENUE FUNDS - HISTORICAL REVIEW

The City's Special Revenue Funds are established to account for revenues derived from dedicated sources that are legally or administratively restricted for specific purposes, including road maintenance, library services, 911 operations, special events, and tourism promotion.

Vehicle Tax Fund

Includes revenue from vehicle sticker sales, impoundment fees, abandoned auto sale fees, and pavement cut fees. Vehicle Tax Fund revenues are reported as a non-major Special Revenue Fund in the City's basic financial statements.

Motor Fuel Tax Fund

Revenues derived from the Motor Fuel Tax ("MFT") are reported as a non-major Special Revenue Fund in the City's basic financial statements. MFT Fund expenses include costs associated with streetlight energy, salt purchases for snow removal, street pavement, bridge maintenance, and related personnel costs. A total of \$3 million of these funds are also transferred annually to the Chicago Transit Authority ("CTA") to support public transportation.

Special Events and Municipal Hotel Operators' Occupation Tax Fund

Includes revenues from the Municipal Hotel Operator's Occupation Tax and special event fees, which are used to support the promotion of tourism, cultural and recreational activities. Revenues to this fund are reported as a non-major Special Revenue Fund in the City's basic financial statements.

Library Fund

Revenue to this fund is derived from an annual library operations property tax levy. The Library Fund supports the maintenance and operations of the Chicago Public Library System. Library Fund revenues are reported as a non-major Special Revenue Fund in the City's basic financial statements.

Emergency Communication Fund

Revenues for the Emergency Communications Fund are derived from the City's 911 surcharge on all billed telecommunications subscribers in Chicago. These revenues are dedicated to supporting the 911 system and emergency preparedness activities administered by the Office of Emergency Management and Communications (OEMC). For financial reporting purposes, this fund is classified as a non-major Special Revenue Fund within the City's basic financial statements.

Garbage Collection Fund

This fund is supported by the City's monthly Garbage Fee, assessed on single-family residences and multi-family buildings with four or fewer units. Revenues offset a portion of the costs associated with providing refuse collection services to these households, with the remainder subsidized by the City's Corporate Fund. For financial reporting purposes, these revenues are accounted for within the General Fund in the City's basic financial statements.

In addition to the funds listed above, the City budget also identifies the following funds as Special Revenue Funds:

CTA Real Property Transfer Tax Fund

Revenues for this fund are generated from a supplemental real estate transfer tax, the proceeds of which are dedicated to the Chicago Transit Authority (CTA). For financial reporting purposes, this fund is classified as a non-major Special Revenue Fund in the City's basic financial statements.

Affordable Housing Opportunity Fund ("AHOF")

Revenues for this fund are derived from the City's density bonus program and the Affordable Requirements Ordinance. These resources support the construction, rehabilitation, and preservation of affordable housing, as well as other housing-related programs. A portion of revenues is allocated to the Chicago Low-Income Housing Trust Fund, which provides annual rent subsidies to serve the needs of low-income residents. For financial reporting purposes, AHOF revenues are classified as Special Revenue funds in the City's basic financial statements.

Neighborhood Opportunity Fund ("NOF")

Revenues for this fund are derived from the Neighborhood Opportunity Bonus, which allows developers to make payments in exchange for density bonuses that permit construction above existing zoning limits at designated sites. 80 percent of these revenues support the NOF to finance commercial development and job creation in disinvested neighborhoods. The remaining proceeds are allocated to the Citywide Adopt-a-Landmark Fund (10 percent) for the preservation and improvement of City landmarks, and the Local Impact Fund (10 percent) for infrastructure investments within one mile of the contributing development. For financial reporting purposes, NOF revenues are classified as agency funds in the City's basic financial statements.

TIF Administration Fund

This fund accounts for all administrative expenses incurred by the City to operate and maintain its TIF program.

Controlled Substances Fund

The City appropriates funds to the Controlled Substances Fund pursuant to the Illinois Controlled Substances Act. Funds must be used in the enforcement of laws regulating controlled substances and cannabis.

Chicago Police CTA Detail Fund

Under an intergovernmental agreement between the Chicago Police Department (CPD) and the Chicago Transit Authority (CTA), sworn officers may provide security services on CTA property during off-duty hours through the voluntary Special Employment Program. The CTA reimburses the City for these costs, which are recorded in this fund.

Chicago Parking Meters Fund

Under the City's 2008 parking meter agreement, the City is required to make reconciliation payments to Chicago Parking Meters LLC when meter rates are not adjusted in line with Consumer Price Index (CPI) increases or when metered spaces are taken out of service. These payments are recorded separately within this fund.

Houseshare Surcharge - Homeless Services Fund

Revenues to the Homeless Services Fund are dedicated to services for homeless families. A four percent hotel tax surcharge assessed on vacation rentals or shared-housing units are accounted for in this fund.

Houseshare Surcharge - Domestic Violence Fund

Domestic Violence Fund revenue is generated through the two percent Hotel Tax surcharge assessed on vacation rentals or shared housing units. These resources fund services for victims of domestic violence.

Foreign Fire Insurance Tax Fund

Foreign Fire Insurance Tax revenues are collected by the City and distributed to the Foreign Fire Insurance Board per State statute.

Cannabis Regulation Tax Fund

Cannabis Regulation Tax Fund revenue is generated through State taxes, license fees, and other revenues derived from recreational cannabis shared with local governments based on population.

Special Revenue - Revenues

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vehicle Tax Fund	\$182.7M	\$202.0M	\$216.2M	\$195.6M	\$202.7M	\$168.6M	\$195.7M	\$191.7M	\$223.6M	\$215.4M
Motor Fuel Tax	\$55.5M	\$58.3M	\$55.7M	\$57.5M	\$78.5M	\$87.1M	\$98.4M	\$115.7M	\$103.6M	\$122.9M
Special Events and Municipal Hotel Operators' Occupation Tax Fund	\$40.8M	\$44.4M	\$44.2M	\$43.1M	\$51.8M	\$15.2M	\$22.0M	\$37.3M	\$40.4M	\$44.5M
Library Fund	\$84.8M	\$99.6M	\$98.2M	\$100.9M	\$110.1M	\$115.8M	\$114.8M	\$115.7M	\$115.5M	\$113.3M
Emergency Communications Fund	\$102.7M	\$101.3M	\$100.5M	\$131.2M	\$136.8M	\$141.5M	\$144.8M	\$145.0M	\$166.2M	\$163.3M
Garbage Collection Fund		\$54.4M	\$64.0M	\$63.0M	\$62.0M	\$57.6M	\$62.6M	\$62.1M	\$62.4M	\$61.0M
Grand Total	\$466.5M	\$560.0M	\$578.7M	\$591.5M	\$641.9M	\$585.8M	\$638.3M	\$667.4M	\$711.8M	\$720.4M

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

Special Revenue - Expenditures

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vehicle Tax Fund	\$196.2M	\$186.9M	\$206.8M	\$203.7M	\$227.2M	\$179.6M	\$188.5M	\$214.1M	\$234.6M	\$253.5M
Motor Fuel Tax Fund	\$70.7M	\$45.5M	\$54.8M	\$62.1M	\$67.4M	\$97.8M	\$107.6M	\$106.1M	\$110.7M	\$132.0M
Special Events and Municipal Hotel Operators' Occupation Tax Fund	\$40.5M	\$47.2M	\$44.6M	\$46.5M	\$50.6M	\$25.4M	\$25.1M	\$38.2M	\$41.5M	\$57.1M
Library Fund	\$85.5M	\$97.8M	\$98.1M	\$102.6M	\$107.6M	\$108.4M	\$101.3M	\$110.0M	\$120.9M	\$129.3M
Emergency Communication Fund	\$109.6M	\$96.4M	\$94.0M	\$110.6M	\$145.4M	\$132.0M	\$138.7M	\$142.9M	\$139.7M	\$145.1M
Garbage Collection Fund		\$59.8M	\$61.0M	\$59.4M	\$59.1M	\$65.9M	\$58.8M	\$52.9M	\$60.8M	\$74.8M
Grand Total	\$502.6M	\$533.6M	\$559.3M	\$584.9M	\$657.4M	\$609.1M	\$620.0M	\$664.2M	\$708.2M	\$791.8M

Does not include amounts designated for debt service.

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

ENTERPRISE FUNDS - HISTORICAL REVIEW

The City's Enterprise Funds finance the operations, maintenance, and capital programs of the water and sewer systems, as well as Chicago O'Hare International Airport ("O'Hare") and Chicago Midway International Airport ("Midway"). These funds are self-supporting, with revenues generated primarily through user fees and charges established under a residual ratemaking methodology. Capital improvement costs are incorporated within the overall budgets of each enterprise fund. For financial reporting purposes, Enterprise Fund revenues are classified as major proprietary funds in the City's basic financial statements.

Water Fund

Revenues from the sale of the City's water provide for the operations and maintenance of the water system and debt service of the water bonds. The Water Fund receives no share of any State, local property, or income taxes. The City receives water system operating revenues only from the users of the water system. The operating revenues from users of the water system do not flow through the State, any State agency or any other political subdivision, but are paid directly to the City.

Sewer Fund

Revenues from sewer service charges provide funds for the operation and maintenance of the Sewer System and debt service on sewer bonds and loans. The City obtains sewer system operating revenues only from the users of the sewer system. The Sewer Fund receives no share of any State or local property or income taxes. The operating revenues from users of the sewer system do not flow through the State, any State agency or any other political subdivision, but are paid directly to the City.

O'Hare Fund and Midway Fund

O'Hare and Midway operating revenues are comprised of landing fees, terminal area rental/use charges, other rentals as well as non-airline sources, such as charges for parking and revenues from concessions. The City charges airlines based on a projection of revenues and recognizes revenues from the airlines only to the extent required to fund operating costs, including debt service.

Enterprise Funds - Revenue

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
0200 - Water Fund	\$772.7M	\$762.6M	\$772.5M	\$781.1M	\$768.9M	\$758.3M	\$779.5M	\$715.3M	\$851.5M	\$889.4M
0314 - Sewer Fund	\$379.8M	\$386.7M	\$368.4M	\$379.4M	\$362.8M	\$349.4M	\$368.4M	\$372.7M	\$375.9M	\$435.7M
0610 - Midway Fund	\$238.6M	\$260.8M	\$281.8M	\$267.8M	\$286.3M	\$305.6M	\$296.2M	\$318.2M	\$360.1M	\$338.6M
0740 - O'Hare Fund	\$1,146.5M	\$1,240.6M	\$1,315.1M	\$1,451.0M	\$1,694.4M	\$1,604.7M	\$1,560.9M	\$1,633.0M	\$1,727.4M	\$2,019.5M
Grand Total	\$2,537.6M	\$2,650.8M	\$2,737.8M	\$2,879.3M	\$3,112.4M	\$3,018.0M	\$3,005.1M	\$3,039.1M	\$3,314.9M	\$3,683.1M

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

2026 BUDGET FORECAST APPENDICES

Enterprise Funds – Expenditures

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
0200 - Water Fund										
Administrative & General	\$22.1M	\$20.3M	\$13.6M	\$13.0M	\$13.0M	\$13.9M	\$14.9M	\$14.2M	\$14.2M	\$17.0M
Central Services & General Fund Reimbursements	\$129.1M	\$126.4M	\$121.7M	\$127.0M	\$124.0M	\$139.8M	\$133.1M	\$145.2M	\$146.2M	\$155.5M
Customer Accounting & Collection	\$14.7M	\$15.3M	\$18.2M	\$22.1M	\$27.2M	\$27.0M	\$26.5M	\$22.9M	\$26.5M	\$19.4M
Non-Operating Expenses	\$106.1M	\$209.6M	\$108.3M	\$91.3M	\$97.0M	\$95.9M	\$94.0M	\$91.0M	\$104.9M	\$100.0M
Pension Expense	\$12.7M	\$12.3M	\$24.4M	\$32.1M	\$39.8M	\$44.4M	\$50.3M	\$77.3M	\$92.2M	\$91.4M
Power & Pumping	\$41.3M	\$39.6M	\$41.4M	\$41.1M	\$42.7M	\$40.7M	\$45.2M	\$45.3M	\$53.0M	\$62.1M
Purification	\$57.1M	\$57.5M	\$60.5M	\$62.9M	\$67.8M	\$61.8M	\$62.3M	\$73.5M	\$87.3M	\$83.2M
Source of supply	\$0.2M	\$0.1M	\$0.1M	\$0.2M	\$0.4M	\$0.2M	\$0.1M	\$0.2M	\$0.2M	\$0.1M
Transmission & Distribution	\$37.3M	\$39.2M	\$39.6M	\$59.7M	\$71.8M	\$71.7M	\$74.8M	\$61.8M	\$86.5M	\$98.1M
Total	\$420.6M	\$520.4M	\$427.9M	\$449.3M	\$483.8M	\$495.4M	\$501.3M	\$531.3M	\$611.2M	\$626.8M
0314- Sewer Fund										
Administrative & General	\$12.3M	\$11.8M	\$12.6M	\$13.5M	\$12.4M	\$12.3M	\$13.9M	\$14.1M	\$13.3M	\$16.1M
Engineering	\$3.3M	\$2.2M	\$2.5M	\$3.7M	\$3.5M	\$4.8M	\$5.3M	\$6.2M	\$6.9M	\$9.2M
General Fund Reimbursements	\$40.0M	\$50.8M	\$47.5M	\$51.2M	\$53.7M	\$54.5M	\$55.9M	\$55.5M	\$54.6M	\$56.2M
Maintenance	\$25.3M	\$21.9M	\$24.7M	\$24.9M	\$23.0M	\$24.4M	\$25.9M	\$14.4M	\$16.9M	\$16.5M
Non-Operating Expenses	\$153.9M	\$81.7M	\$81.4M	\$77.6M	\$80.0M	\$80.3M	\$83.7M	\$83.9M	\$105.1M	\$118.4M
Pension Expense	\$4.4M	\$4.4M	\$9.5M	\$12.7M	\$15.7M	\$17.1M	\$19.9M	\$29.0M	\$32.4M	\$33.8M
Repairs	\$42.1M	\$36.4M	\$41.9M	\$43.7M	\$41.6M	\$47.4M	\$44.1M	\$27.5M	\$36.0M	\$31.8M
Total	\$281.4M	\$209.2M	\$220.0M	\$227.2M	\$229.8M	\$240.8M	\$248.7M	\$230.6M	\$265.3M	\$282.0M
0610 - Midway Airport Fund										
Non-Operating Expenses	\$84.1M	\$89.4M	\$62.6M	\$60.8M	\$69.5M	\$58.7M	\$71.6M	\$86.4M	\$71.4M	\$69.3M
Other Operating Expenses	\$14.7M	\$17.1M	\$13.7M	\$15.7M	\$15.9M	\$20.9M	\$33.4M	\$13.1M	\$27.7M	\$15.5M
Pension Expense	\$6.1M	\$6.7M	\$9.5M	\$11.5M	\$13.9M	\$17.5M	\$19.1M	\$24.2M	\$25.6M	\$25.4M
Professional & Engineering Services	\$21.0M	\$20.9M	\$24.3M	\$24.1M	\$22.1M	\$20.8M	\$22.0M	\$23.5M	\$28.1M	\$30.8M
Repairs and Maintenance	\$44.1M	\$48.3M	\$44.5M	\$47.3M	\$47.0M	\$43.7M	\$48.9M	\$53.1M	\$61.5M	\$68.8M
Salaries and Wages	\$43.3M	\$48.5M	\$48.2M	\$51.4M	\$55.6M	\$56.0M	\$57.5M	\$60.1M	\$63.8M	\$68.3M
Total	\$213.4M	\$230.8M	\$202.8M	\$210.9M	\$224.0M	\$217.6M	\$252.5M	\$260.5M	\$278.0M	\$278.1M
0740 - O'Hare Airport Fund										
Hilton Expenses					\$43.0M	\$20.2M	\$24.2M	\$35.6M	\$38.6M	\$43.1M
Non-Operating Expenses	\$342.2M	\$326.8M	\$348.2M	\$326.1M	\$324.4M	\$335.6M	\$427.3M	\$555.5M	\$474.3M	\$481.7M
Other Operating Expenses	\$92.1M	\$101.4M	\$103.4M	\$115.1M	\$149.1M	\$117.3M	\$146.7M	\$132.0M	\$152.0M	\$143.2M
Pension Expense	\$25.8M	\$27.5M	\$38.7M	\$46.7M	\$56.4M	\$71.0M	\$77.1M	\$107.4M	\$119.1M	\$116.1M
Professional & Engineering Services	\$83.3M	\$95.6M	\$101.8M	\$111.6M	\$134.0M	\$141.0M	\$149.4M	\$172.7M	\$191.5M	\$207.4M
Repairs and Maintenance	\$98.9M	\$104.5M	\$95.3M	\$115.0M	\$143.2M	\$145.0M	\$170.2M	\$153.5M	\$183.4M	\$200.9M
Salaries and Wages	\$191.8M	\$204.1M	\$206.0M	\$222.6M	\$214.1M	\$222.9M	\$219.9M	\$232.5M	\$247.7M	\$267.3M
Total	\$834.1M	\$860.0M	\$893.4M	\$937.2M	\$1,064.2M	\$1,052.9M	\$1,214.9M	\$1,389.3M	\$1,406.6M	\$1,459.8M
Grand Total	\$1,749.5M	\$1,820.4M	\$1,744.1M	\$1,824.5M	\$2,001.8M	\$2,006.8M	\$2,217.4M	\$2,411.8M	\$2,561.1M	\$2,646.6M

Non-cash expenses are excluded from this chart as there is no budgetary impact. See the Debt section for information regarding annual debt service payments.

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

Outstanding Long-Term Debt

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
G.O. Tax Levy	\$8,440.4M	\$9,102.4M	\$7,473.9M	\$7,579.9M	\$6,573.4M	\$5,769.8M	\$5,748.0M	\$5,406.6M	\$5,188.6M	\$4,964.7M	\$4,912.1M	\$4,812.0M	\$4,671.7M	\$4,505.9M
O'Hare Revenue	\$7,245.3M	\$6,970.6M	\$8,531.5M	\$10,318.0M	\$10,047.6M	\$9,609.6M	\$9,414.9M	\$10,567.9M	\$10,302.5M	\$10,040.4M	\$10,807.0M	\$10,507.3M	\$10,217.3M	\$9,914.1M
Water Revenue	\$2,391.4M	\$2,468.4M	\$2,401.0M	\$2,457.3M	\$2,497.2M	\$2,408.8M	\$2,341.4M	\$2,194.0M	\$2,490.3M	\$2,387.3M	\$2,304.4M	\$2,181.6M	\$2,062.2M	\$1,937.6M
Midway Revenue	\$1,482.9M	\$1,755.8M	\$1,755.8M	\$1,713.5M	\$1,677.0M	\$1,628.8M	\$1,574.9M	\$1,514.8M	\$1,446.3M	\$1,516.8M	\$1,400.1M	\$1,335.4M	\$1,272.3M	\$1,201.2M
Sewer Revenue	\$1,686.2M	\$1,692.8M	\$1,861.4M	\$1,893.6M	\$1,895.5M	\$1,953.1M	\$1,885.1M	\$1,814.3M	\$2,041.0M	\$2,032.2M	\$1,927.9M	\$1,846.0M	\$1,778.6M	\$1,715.1M
Sales Tax Securitization			\$743.7M	\$2,036.4M	\$2,638.9M	\$3,652.6M	\$4,609.0M	\$4,459.8M	\$5,419.3M	\$5,855.6M	\$5,610.7M	\$5,424.8M	\$5,226.9M	\$4,974.6M
G.O. Alternate Revenue	\$472.6M	\$426.4M	\$355.0M	\$216.9M	\$148.3M	\$87.4M	\$64.9M	\$49.3M	\$31.1M	\$24.8M	\$14.3M	\$8.5M	\$2.2M	\$1.6M
Sales Tax Revenue	\$528.5M	\$514.7M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Motor Fuel Tax Revenue	\$207.4M	\$234.1M	\$249.9M	\$245.4M	\$240.3M	\$173.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
G.O. Pledge	\$88.3M	\$77.2M	\$75.1M	\$72.8M	\$59.6M	\$46.3M	\$39.7M	\$39.7M	\$39.7M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
TIF	\$60.7M	\$33.5M	\$27.9M	\$19.9M	\$16.2M	\$12.1M	\$7.7M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Grand Total	\$22,603.5M	\$23,275.8M	\$23,475.3M	\$26,553.8M	\$25,793.8M	\$25,342.4M	\$25,685.6M	\$26,046.4M	\$26,959.0M	\$26,821.8M	\$26,976.6M	\$26,115.6M	\$25,231.2M	\$24,250.1M

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

Long-Term Debt Service Payments

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
G.O. Tax Levy	\$394.7M	\$399.1M	\$452.1M	\$488.8M	\$426.9M	\$415.9M	\$133.5M	\$358.5M	\$492.3M	\$323.4M	\$367.7M	\$402.4M	\$456.6M	\$487.3M
O'Hare Revenue	\$592.6M	\$607.8M	\$620.5M	\$625.7M	\$668.0M	\$654.4M	\$617.1M	\$524.3M	\$706.3M	\$725.6M	\$779.6M	\$792.7M	\$792.3M	\$793.4M
Water Revenue	\$179.2M	\$184.6M	\$206.4M	\$205.1M	\$217.3M	\$211.9M	\$213.3M	\$215.9M	\$203.8M	\$237.1M	\$229.9M	\$220.1M	\$220.1M	\$209.8M
Midway Revenue	\$91.9M	\$102.2M	\$90.4M	\$91.9M	\$99.1M	\$122.1M	\$124.7M	\$133.8M	\$138.9M	\$138.3M	\$130.1M	\$125.7M	\$130.5M	\$130.6M
Sewer Revenue	\$135.0M	\$126.8M	\$138.3M	\$145.5M	\$156.0M	\$154.8M	\$158.0M	\$164.1M	\$164.2M	\$161.2M	\$166.5M	\$170.7M	\$165.0M	\$169.3M
Sales Tax Securitization			\$0.0M	\$54.7M	\$123.3M	\$121.0M	\$156.2M	\$314.2M	\$335.4M	\$464.7M	\$434.5M	\$437.8M	\$482.9M	\$461.8M
G.O. Alternate Revenue	\$68.3M	\$70.3M	\$97.8M	\$71.9M	\$45.7M	\$39.8M	\$26.9M	\$18.0M	\$7.9M	\$11.8M	\$6.6M	\$6.7M	\$0.8M	\$0.8M
Sales Tax Revenue	\$36.9M	\$39.4M	\$24.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Motor Fuel Tax Revenue	\$14.4M	\$14.3M	\$15.1M	\$15.4M	\$15.6M	\$12.4M	\$8.6M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
G.O. Pledge	\$16.6M	\$16.1M	\$5.2M	\$5.0M	\$15.7M	\$15.2M	\$8.1M	\$1.4M	\$1.4M	\$0.7M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
TIF	\$15.2M	\$6.5M	\$7.1M	\$6.9M	\$4.6M	\$4.8M	\$4.9M	\$7.9M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Grand Total	\$1,544.8M	\$1,567.2M	\$1,657.8M	\$1,710.8M	\$1,772.2M	\$1,752.3M	\$1,451.4M	\$1,738.1M	\$2,050.3M	\$2,062.9M	\$2,114.8M	\$2,156.1M	\$2,248.2M	\$2,253.0M

Amounts shown as \$0.0M represent amounts less than \$100,000.

Blank records denote that no applicable dollar amount exists for that line item in the referenced fiscal year.

ASSET LEASE AND CONCESSION RESERVES

In 2005, the City entered into a 99-year lease of the Chicago Skyway, under which a private company was granted the right to operate and collect tolls from the Skyway. In return, the City received an upfront payment of \$1.8 billion. Approximately \$850.0 million of this amount was used to pay off existing debt, including \$446.3 million to refund the outstanding Skyway bonds at the time of the transaction.

In 2009, the City entered into a 75-year concession agreement for its metered parking system, under which a private company was granted the right to operate and collect revenue from the parking meter system and the City received an upfront payment of \$1.12 billion.

Both of these transactions resulted in the establishment of a long-term reserve fund and a mid-term reserve fund.

The City established a \$500.0 million long-term reserve with a portion of the proceeds of the Chicago Skyway lease. The principal of this fund was intended to supplement Corporate Fund reserves, with interest earnings to be used for City operating expenses. For years when the market value has exceeded the principal amount, the interest has been utilized as planned and transferred to the Corporate Fund.

Similarly, the City created a \$400.0 million perpetual reserve from the parking meter concession proceeds to offset foregone parking meter revenues. By ordinance, the reserve was structured to transfer \$20 million annually to the Corporate Fund, while maintaining the \$400.0 million principal. Beginning in 2009, however, the City drew upon principal balances to subsidize operations, which materially reduced both the fund balance and its associated earnings capacity. In 2012, the original ordinance was amended to require that only interest earnings, and not principal, be transferred, allowing the City to begin rebuilding the reserves.

Asset Lease & Concession Reserve Funds – Total Assets

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Balance	\$624.5M	\$640.2M	\$668.3M	\$652.5M	\$714.7M	\$753.3M	\$729.7M	\$622.8M	\$623.3M	\$637.8M

CAPITAL INVESTMENTS

The City's Capital Improvement Program ("CIP") funds the physical improvement or replacement of City-owned infrastructure and facilities with long, useful lives, such as roads, buildings, and green spaces.

The City creates a Five-Year CIP, producing a spending "blueprint" based upon the most current revenue projections and project priorities. Continued investments in infrastructure and facilities are critical to support and enhance neighborhoods, stimulate the economy, and improve services. The CIP is primarily funded through the following sources:

General Obligation Bonds

These bonds are backed by property tax revenue and are used for a variety of City infrastructure and facility projects.

Water and Sewer Revenue Bonds

These bonds are backed by water and sewer user fees, respectively, and are used for the construction and repair of water and sewer lines and related facilities.

O'Hare and Midway Revenue Bonds

These bonds are backed by airport revenues and are used to fund airfield and terminal improvements and related facilities. The City also uses other airport operating revenues to fund capital improvements at both O'Hare and Midway Airport.

Tax Increment Financing ("TIF")

TIF is used to fund neighborhood infrastructure such as roads, lighting, libraries, and bridges. TIFs are also used to promote general economic development in communities.

State and Federal Funds

State and federal funds are predominately used by the Chicago Department of Transportation ("CDOT") for bridges and roadways, the Department of Water Management ("DWM") for water and sewer improvements, and the Chicago Department of Aviation ("CDA") for O'Hare and Midway Airport improvements.

TAX INCREMENT FINANCING

Tax Increment Financing ("TIF") is a funding tool used to improve neighborhood infrastructure and promote investment in select communities across the City. The program is governed by State law, which allows municipalities to capture property tax revenues derived from the amount of incremental equalized assessed value

("EAV"), above the base EAV, that existed when an area was designated as a TIF district.

There has been a total of 185 TIF designations in Chicago since the start of the TIF program in 1984. The number of active TIF districts peaked in 2011 at 163 but has since declined to 108, with eight of these scheduled to expire in 2025. The Illinois General Assembly and Chicago City Council can, however, collectively choose to extend some of these expiring districts by the end of the year.

TIF revenues are used to fund community projects, public improvements, and provide incentives to attract private investment to the area. Funds are used to build and repair neighborhood streets, alleys, bridges, and lighting; modernize and improve schools; construct and upgrade the transit system; build and improve parks; increase affordable housing; and promote neighborhood economic development.

On an annual basis, the City declares a portion of the funds in an active TIF as surplus, which is then distributed on a proportionate basis to each of the overlapping taxing districts. Surplus declaration occurs during the budget process and is pursuant to State law, which requires that any incremental revenues not designated for eligible costs be declared as surplus.

In the 2025 budget, the City surplussed a record \$570 million in TIF funds to support not only City initiatives but also the operational and capital needs of other taxing bodies like the Board of Education ("BOE"). This historic TIF surplus of \$570 million included \$131 million in surplus to the City, over \$300 million to BOE, and record amounts to other taxing bodies such as the Chicago Park District, Chicago City Colleges, Chicago Public Libraries, Cook County and the Metropolitan Water Reclamation District.

Expenditure data, categorized at a high level into financing, public improvement, site preparation, administration, development, and job training costs, can be found online in the audited annual financial reports for each TIF at www.chicago.gov/TIF.

PROPERTY TAX

The City is one of several taxing districts reflected on a typical Chicago property tax bill. There are hundreds of units of local governments located in whole or in part in Cook County with taxing power. The major local government units that have taxing power over property within Chicago include the City, the Chicago Park District, the Chicago Board of Education (“CPS”), Community Colleges of Chicago (“Community College District No. 508”), the Metropolitan Water Reclamation District of Greater Chicago, Cook County, and the Forest Preserve District of Cook County.

A taxing district’s levy is the fixed amount of property tax revenue that the taxing district requests for the year. While there are multiple taxing districts and levies reflected on a single tax bill (City levy, County levy, School District levy, Park District levy, etc.), this section only discusses the property tax levy directly associated with the City’s budget – the City and Library levy. Authorization of the City’s property tax levy occurs through bond ordinances and property tax levy ordinances in connection with the City’s annual appropriation ordinance.

Revenue from the City and Library property tax levies are used to pay debt service on general obligation debt, the City’s pension contributions, and for library operations. Property tax-derived revenue includes tax increment financing (“TIF”) revenue; however, TIF revenue must be utilized for specific types of expenses in designated areas and is not general purpose revenue.

Calculating Property Tax Bills

Cook County administers and collects property taxes on behalf of all taxing districts based on the amount of each taxing district’s levy. For many taxing districts, including CPS, the levy amount is limited by State legislation that places a cap on the amount that the taxing district can request and extend; this is called the Property Tax Extension Limitation Law (“PTELL”). Currently, depending on the property, approximately 25 percent of a property taxpayer’s total bill is allocated to the City and the Chicago Public Library, and approximately 55 percent is allocated to CPS and the Chicago School Building and Improvement Fund.

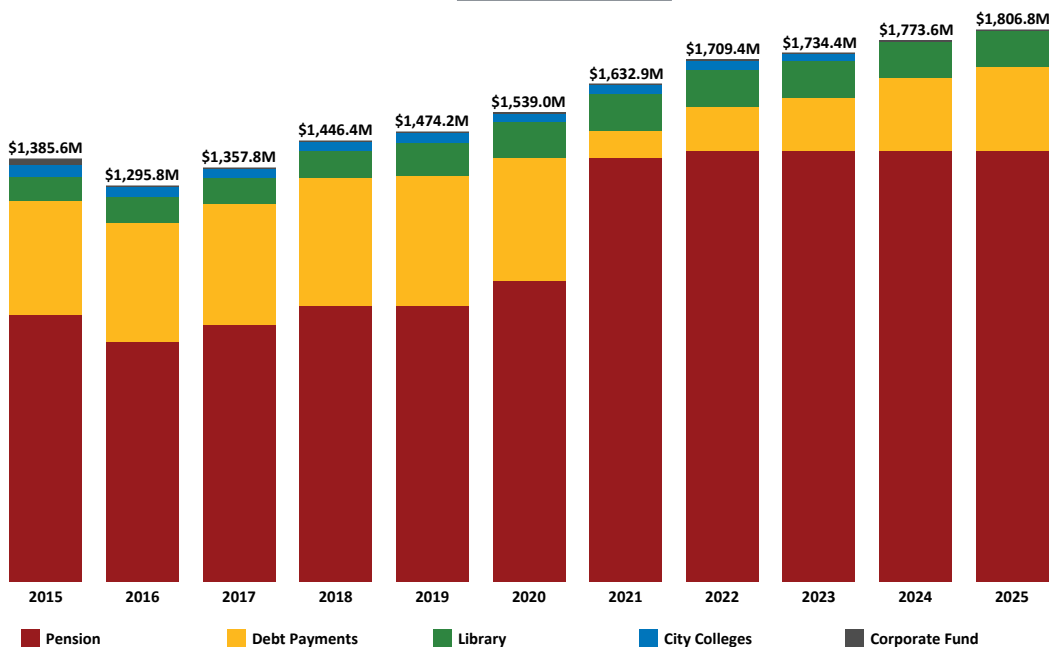
City Property Tax Levy

The 2025 budget did not include any property tax rate increase other than the natural increase in the levy attributable to new properties that have been added to the tax roll. Similarly, the 2026 baseline scenario also assumes no property tax increase.

The City’s property tax levy is used to pay for debt service and pension contributions. In 2025, the City budgeted \$395.0 million in property tax revenue to fund libraries and debt payments and \$1,411.9 million to fund the City’s contribution to pension funds.

Historically, the City levy has included amounts dedicated to the payment of bonds for City Colleges of Chicago and, in prior years, a portion of the revenue from the City’s property tax levy was used for general operating purposes.

Property Tax Levy



The County determines the amount billed to an individual taxpayer on behalf of a taxing district based on the taxing district's final extension, the value of all property in the taxing district, and the value of the taxpayer's property.

The County reassesses all property values every three years, based on three prior years of sales. The City of Chicago recently underwent a reassessment in 2024. The assessed value of a property is adjusted using a state equalizer, which determines the final value of the property for purposes of taxation. This final value is referred to as the Equalized Assessed Value ("EAV").

The County divides the taxing district's levy by the taxing district's aggregate EAV (subtracting the value of any property tax exemptions and incremental EAV for property located in a TIF), in order to determine the district's tax rate.

Taxing District's Tax Rate = Taxing District's Requested Levy / Aggregate EAV of Taxing District.

The County determines a tax rate for each taxing district, and the sum of these tax rates for all taxing districts is the composite property tax rate, or the total rate that a taxpayer sees on their property tax bill. This composite tax rate is applied to the EAV of each taxpayer's property, and the result is the dollar amount that the taxpayer must pay in a given year. Property tax bills are sent and paid one year in arrears, so the bills received by taxpayers in the current year reflect last year's tax extensions, tax rates, and valuations.

Amount of Property Taxes Owed = Composite Tax Rate x EAV of Taxpayer's Property

The annual tax bill is divided into two installments. The first installment is usually due in March and is equal to 55 percent of the prior year's total tax bill. The second installment is usually issued after July, when the property values, exemptions, and tax rates for the tax year are finalized. The second installment is the total taxed amount less the amount already billed in the first installment. Each bill includes a list of the amount being collected on behalf of each taxing district.

Cook County has notified taxing districts of the anticipated delay in 2025 second installment tax bills, with property tax collections anticipated during the fourth quarter of 2025 instead of being received in August of this year.

Cook County Property Tax Exemptions

The Homeowner Exemption provides tax relief by reducing the EAV of an eligible residence by \$10,000. First-time applicants must have been the occupants of the property as of January 1 of the tax year in question.

The Senior Citizen Exemption provides tax relief by reducing the EAV of an eligible residence for seniors who own and occupy their homes (in addition to savings from the homeowner exemption).

The Senior Freeze Exemption allows qualified senior citizens to apply for a freeze of the EAV of their properties for the year preceding the year in which they first apply. For example, if a senior applies in 2024 for the freeze, it would be retroactive to the 2023 tax year.

The Home Improvement Exemption allows homeowners to make up to \$75,000 worth of property improvements without an increase in property taxes for at least four years. The value varies depending on the reduction of the assessed value and the tax rates. Any exemption that is granted is reflected on the second installment tax bill.

Veterans Returning from Active Duty in armed conflict are eligible to receive a \$5,000 reduction in the EAV of their property for the taxable year in which they return.

The Disabled Veteran Homestead Exemption provides property tax relief to veterans certified as disabled by the U.S. Department of Veterans Affairs. The exemption reduces equalized assessed value (EAV) based on the severity of disability, with veterans rated at 70 percent or greater eligible for up to a \$250,000 EAV reduction, which in most cases effectively eliminates the property tax liability on the qualifying residence.

The Disabled Persons Exemption provides disabled persons with an annual \$2,000 reduction in the EAV of their property.

GLOSSARY



Actuarially-Calculated Contribution:

An amount determined sufficient to increase the funded ratio of the City of Chicago's pension funds, including the Municipal Employees' Annuity and Benefit Fund, the Laborers' Annuity and Benefit Fund, the Policemen's Annuity and Benefit Fund, and the Firemen's Annuity and Benefit Fund, to a statutorily required amount over a number of years.

Amusement Tax:

A tax imposed upon the patrons of amusement activities within the City of Chicago including sporting events, theater productions, and a variety of other entertainment activities. The tax does not apply to admission fees to witness in-person live theatrical, live musical, or other live cultural performances that take place in a venue whose maximum capacity is 1,500 persons or fewer. The tax rate is 9.0 percent of the fee paid to witness in-person live theatrical, live musical, or other live cultural performances that take place in a venue whose maximum capacity is more than 1,500 persons. As of January 2025, the Amusement Tax for Subscribers of Paid Television Programming was established at a rate of 10.25 percent and applies to businesses who subscribe to paid programming in Chicago whose providers do not collect the 9% Amusement Tax. Authorization: Municipal Code 4-156-020.

Annual Comprehensive Financial Report ("ACFR"):

Provides complete and accurate financial information from an independent third-party auditor which complies with the reporting requirements of the Municipal Code of Chicago.

Appropriation:

An amount of money in the budget, authorized by the City Council, for expenditures for specific purposes. Appropriations are made by account group within each department and fund.

Asset Lease and Concession Reserves:

Reserve funds are funds that the City of Chicago sets aside as an economic safety net to mitigate current and future risks such as contingencies, emergencies, or revenue shortfalls. Asset lease and concession reserves are reserve funds established in connection with the long-term lease or concession of City of Chicago assets, specifically the Skyway and parking meters.

Automatic Amusement Tax:

A tax imposed on each automatic amusement device or machine used within the City of Chicago for gain or profit.

The tax rate is \$150 per amusement device annually. Authorization: Municipal Code 4-156-160.

Aviation Funds:

Funds established to account for acquisition, operation, and maintenance of the City of Chicago's airports. Aviation funds are comprised of the O'Hare International Airport Fund and the Midway International Airport Fund.

Benefits:

Includes costs such as healthcare, workers' compensation, life insurance, social security contributions and Medicare contributions.

Boat Mooring Tax:

A tax imposed on the mooring or docking of any watercraft for a fee in or on a harbor, river, or other body of water within the corporate limits or jurisdiction of the City of Chicago. The tax rate is 7.0 percent of the mooring or docking fee. Authorization: Municipal Code 3-16-030.

Bonds:

Long-term debt primarily used to finance infrastructure projects including street and alley construction and improvements, lighting, sidewalk replacement, curb and gutter repairs and replacement, and transportation improvements, as well as Enterprise Fund related projects. The City of Chicago has several different types of bonds including general obligation bonds, sales tax bonds, water and wastewater bonds, and O'Hare and Midway bonds.

Business Taxes:

Consists of revenue from the City of Chicago's tax on hotel accommodations, the Checkout Bag Tax, and prior to 2019, Foreign Fire Insurance.

Capital Improvement Program ("CIP"):

A five-year plan that identifies capital projects, provides a planning schedule and identifies options for financing projects.

Charges for Services:

Charges levied for services provided by the City of Chicago that are not covered by general tax revenue. Such services include building inspections, information requests, emergency medical services, and safety services.

Checkout Bag Tax:

A tax of \$0.10 per bag on the retail sale or use of paper and

plastic checkout bags in Chicago, of which retail merchants retain \$0.01 and the remaining \$0.09 is remitted to the City of Chicago. Authorization: Municipal Code 3-50-030.

Cigarette Tax:

A tax of \$0.059 per cigarette (\$1.18 per pack of twenty) is imposed upon all cigarettes possessed for sale within the City of Chicago. The tax is paid through the purchase of tax stamps from the City of Chicago's Department of Finance. In the City of Chicago's budget, this also includes the liquid nicotine product tax, which is imposed on the retail sale of liquid nicotine products in the City of Chicago at \$1.50 per product unit and \$1.20 per fluid milliliter of consumable nicotine solution. Authorization: Municipal Code 3-42-020 (cigarette) and 3-47-030 (liquid nicotine).

Refunds, Rebates and Legal Costs:

Includes expenses incurred with claims filed against the City of Chicago, legal settlements and judgments, and related legal fees including attorney costs.

Collective Bargaining Agreement ("CBA"):

A written legal contract between an employer and union representing employees.

Commercial Paper:

A short-term debt instrument issued by an organization, typically for the financing of short-term liabilities.

Consumer Price Index ("CPI"):

CPI is an instrument to measure inflation. CPI measures the average change over time in the prices paid for a set of consumer goods and services.

Contractual Services:

Costs incurred for services provided to the City of Chicago under contractual agreements, such as information technology support, auditing, and other professional services.

Corporate Fund:

The City of Chicago's general operating fund, used to account for basic City operations and services such as public safety, business and consumer services, and tree trimming.

COVID-19:

An infectious disease caused by severe acute respiratory syndrome coronavirus 2, known as SARS-CoV-2.

Delegate Agencies:

Organizations that provide services on behalf of the City of Chicago through a grant contract.

Emergency Communication Surcharge:

A surcharge imposed on all billed subscribers of telecommunications services within the City of Chicago for the purpose of funding a portion of the maintenance and operation of the City's emergency 911 system. The surcharge is \$5.00 per month for each network connection and wireless number. Municipal Code 3-64-030 and 7-50-020.

Emergency Communication Fund:

A Special Revenue Fund that is comprised of funds from the collection of the emergency communication surcharge, and funds 911 and emergency preparedness activities of the Office of Emergency Management and Communication.

Enterprise Funds:

Funds established to account for acquisition, operation, and maintenance of government services such as water, sewer, and the airports. These funds are self-supporting in that they derive revenue from user charges.

Equalized Assessed Value ("EAV"):

The equalized assessed value of a property is the result of applying a State equalization factor to the assessed value of a parcel of property. The State equalization factor is used to bring all property in Illinois to a uniform level of assessment.

Fines, Forfeitures, and Penalties:

Fines and any associated penalties levied for violations of the Municipal Code. The primary source of this type of revenue is from parking tickets. Also included in this category are redlight and automated speed enforcement fines, moving violations, booting-related fees, sanitation code violations, and housing court fines.

Fiscal Year ("FY"):

The City of Chicago's fiscal year aligns with the calendar year: January 1 to December 31.

Full Time Equivalent ("FTE"):

The ratio of the total number of paid hours during a period by the number of working hours in that period. One FTE is equivalent to one employee working full-time.

Foreign Fire Insurance Tax:

A tax imposed on any business not incorporated in the State of Illinois that is engaged in selling fire insurance in the City of Chicago. The tax is paid for the maintenance, use, and benefit of the Chicago Fire Department. The tax rate is 2.0 percent of the gross receipts received for premiums. Authorization: Municipal Code 4-308-020.

Garbage Fee:

Chicago residences receiving City-provided garbage collection services are charged a \$9.50 monthly fee per dwelling unit. City-provided garbage collection services are provided to single family homes and multifamily buildings with four units or fewer. Authorization: Municipal Code 7-28-235.

General Obligation Debt:

Comprises two types of general obligation bonds including Tax Levy Bonds and Alternate Revenue Bonds.

General Financing Requirements:

Comprised of the Finance General budgeting category that represents cross-departmental expenses such as information technology systems, employee benefits, contributions to employee pension funds, and long-term debt service payments.

Governmental Accounting Standards Board ("GASB"):

An independent, private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles.

Ground Transportation Tax:

A tax imposed on the provision of hired ground transportation to passengers in the City of Chicago. The tax rate is \$98 per month on medallion licensees. There is a \$3.50 per day charge for each non-taxicab vehicle with a seating capacity of 10 or fewer passengers, \$6.00 per day for each non-taxicab vehicle with a seating capacity of 11 to 24 passengers, \$9 per day for each non-taxicab vehicle with a capacity of more than 24 passengers. Transportation network provider vehicles are charged \$1.13 per trip for single ride trips that begin or end in Chicago, or \$0.53 for shared rides that begin or end in Chicago, and \$0.10 per trip Accessibly Fund payment for all trips that begin or end in Chicago. Additionally, a \$5.00 per trip surcharge on all transportation network provider vehicles for airport, Navy Pier, and McCormick Place pickup and drop-off. As of 2025, the City adjusted its downtown surcharge

to every day from 6 am to 10 pm but lowered the rate to \$1.50 per trip for single rides and \$0.60 per trip for shared rides. Lastly, the City of Chicago charges \$1.00 per day for pedicabs for each day in service. Authorization: Municipal Code 3-46-030.

Hotel Accommodations Tax

A 4.5 percent tax imposed on the rental or lease of hotel accommodations in the City of Chicago. For vacation rentals and shared housing units, a 6.0 percent surcharge is added to the 4.5 percent base rate for a total City tax rate of 10.5 percent of the gross rental or leasing charge. Authorization: Municipal Code 3-24-030.

Income Tax:

A tax imposed by the State of Illinois on the privilege of earning or receiving income in Illinois. The tax rate is 7.0 percent of net income for corporations and 4.95 percent of net income for individuals, trusts, and estates. Of the net income tax receipts after refund, 6.47 percent of personal income tax receipts and 6.85 percent of corporate income tax receipts is placed in the Local Government Distributive Fund, which is then distributed to municipalities based on population. Authorization: 35 ILCS 5/201, 5/901; 30 ILCS 115/1, 115/2.

Intergovernmental Tax Revenue:

Consists of the City of Chicago's share of State Income Tax, Personal Property Replacement Tax and Municipal Auto Rental Tax received through the State of Illinois.

Internal Service Earnings:

Reimbursements from other City of Chicago funds to the Corporate Fund for services that are provided to other City funds. Certain internal service earnings are allocated using cost accounting methods, while others are reimbursed using intergovernmental purchase orders.

Licenses and Permits:

Licenses and permits are required for the operation of certain construction and business activities in the City of Chicago. Fees for these licenses and permits vary with the type of activity authorized.

Liquor Tax:

A tax imposed on the retail sale of alcoholic beverages in the City of Chicago. Each wholesale dealer who sells to a retail dealer located in the City of Chicago collects the tax and any such retail alcoholic beverage dealer in turn

collects the tax from the retail purchaser. The tax rate is \$0.29 per gallon of beer, \$0.36 per gallon for alcoholic liquor containing 14.0 percent or less alcohol by volume, \$0.89 per gallon for liquor containing more than 14.0 percent and less than 20.0 percent alcohol by volume, and \$2.68 per gallon for liquor containing 20.0 percent or more alcohol by volume. Authorization: Municipal Code 3-44-030.

Local Funds:

All funds used by the City of Chicago for non-capital operations other than Grant Funds. Includes the Corporate Fund, Enterprise Funds, and Special Revenue Funds.

Local Non-Tax Revenue:

Local non-tax revenue consists of fees charged for the issuance of licenses and permits; fines, forfeitures and penalties for traffic or other violations; various charges for services; municipal parking; leases, rentals, and sales of City-owned property; internal service earnings; and interest and other revenue.

Local Tax Revenue:

Consists of taxes collected by the City of Chicago, including utility, transportation, transaction, recreation, and business taxes.

Long-Term Debt:

Used to finance infrastructure projects in City of Chicago neighborhoods including street and alley construction and improvements, lighting, sidewalk replacement, curb and gutter repairs and replacement, and transportation improvements, including street resurfacing, bridge rehabilitation and traffic safety improvements, as well as Enterprise Fund related projects.

Midway Airport Fund:

A fund established to account for the operation, maintenance and capital programs of Midway International Airport.

Motor Fuel Tax:

A tax imposed by the State of Illinois on the sale of motor fuel within the State. The tax rate is \$0.483 per gallon of gasoline and \$0.558 per gallon of diesel fuel. A portion of the revenue is distributed to municipalities and townships based on population via a Statewide allocation formula. Authorization: 35 ILCS 505/2, 505/8.

Motor Fuel Tax Fund:

A Special Revenue Fund which includes the City's distributive share of the State's Motor Fuel Tax revenue that funds expenses such as costs associated with streetlight energy, salt purchases for snow removal, street pavement, bridge maintenance, and related personnel costs.

Motor Vehicle Lessor Tax:

A tax imposed on the leasing of motor vehicles in the City of Chicago to a lessee on a daily or weekly basis. The lessor is allowed to pass this tax on to lessees as a separate charge on rental bills or invoices. The tax is \$2.75 per vehicle per rental period. Authorization: Municipal Code 3-48-030.

Municipal Hotel Operators' Occupation Tax:

A tax authorized by State legislation and imposed on the activity of renting hotel accommodations in the City of Chicago. The tax rate is 1.0 percent of gross receipts. The tax is administered and collected by the Illinois Department of Revenue and distributed monthly to the City of Chicago. Authorization: Municipal Code 3-40-470.

Municipal Parking:

A category of revenues that currently includes revenue generated by various parking permits.

O'Hare Airport Fund:

A fund established to account for the operation, maintenance and capital programs of O'Hare International Airport.

Parking Garage Tax:

A tax imposed on the privilege of parking a motor vehicle in any commercial parking lot or garage in the City of Chicago. The tax rate is currently 23.25 percent for daily, weekly, monthly, and valet parking. Authorization: Municipal Code 4-236-020.

Personnel Services:

Personnel-related costs, which include salaries and wages, pension contributions, healthcare, overtime pay, and unemployment compensation.

Pension Funds:

The City of Chicago's employees are covered under four defined-benefit retirement plans established by State statute and administered by independent pension boards. These plans are the Municipal Employees' Annuity and Benefit Fund, the Laborers' Annuity and Benefit Fund, the

Policemen's Annuity and Benefit Fund, and the Firemen's Annuity and Benefit Fund. Each independent pension board has authority to invest the assets of its respective plan subject to the limitations set forth in 40 ILCS 5/1-113.

Personal Property Lease Transaction Tax:

A tax imposed on the lease, rental or use of rented, personal property or nonpossessory computer leases of software and infrastructure (referred to as cloud software and cloud infrastructure) in the City of Chicago is 11.0 percent. Authorization: Municipal Code 3-32-030.

Personal Property Replacement Tax:

Two categories of taxes levied by the State and distributed to local governments to replace personal property taxes no longer allowed under the Illinois Constitution: 1. An income-based tax on corporations, partnerships, and other business entities. The tax rate is 2.5 percent for corporations and 1.5 percent for partnerships, trusts, and subchapter S corporations. The tax allocation formula for local governments in Cook County is based on the 1976 distribution of the repealed personal property tax. Authorization: 35 ILCS 5/201(c), (d); 30 ILCS 115/12. 2. A tax on invested capital imposed by the State of Illinois on public utilities. The tax rate is 0.8 percent on invested capital. The tax allocation formula for local governments in Cook County is based on the 1976 distribution of the repealed personal property tax. Authorization: 35 ILCS 610/2a.1, 615/2a.1, 620/2a.1, 625/2a.1; 30 ILCS 115/12.

Prior Year Available Resources:

The result of savings and sustainable revenue growth, along with spending controls and other efficiencies, resulting in healthy growth of the Corporate Fund balance.

Proceeds and Transfers In:

Consists of amounts transferred into the general fund from outside sources.

Proceeds of Debt:

Funds generated from the sale of bonds or notes.

Property Tax:

A tax levied on the equalized assessed valuation of real property in the City of Chicago. Cook County collects the tax with assistance from the Illinois Department of Revenue. Authorization for the City's property tax levy occurs through bond ordinances and property tax levy ordinances in connection with the annual appropriation ordinances.

Real Property Transfer Tax:

A tax imposed on the transfer of title to, or beneficial interest in, real property located in the City of Chicago. The tax rate is \$3.75 per \$500 of transfer price, or fraction thereof, and is paid by the transferee. Authorization: Municipal Code 3-33-030.

Real Property Transfer Tax—CTA Portion:

A supplemental tax on the transfer of real property in the City of Chicago for the purpose of providing financial assistance to the Chicago Transit Authority. The tax rate is \$1.50 per \$500 of the transfer price or fraction thereof and is paid by the transferor. Authorization: Municipal Code 3-33-030.

Recreation Taxes:

Consist of taxes on amusement activities and devices, the mooring of boats, liquor, cigarettes, non-alcoholic beverages, and off-track betting.

Reserves:

Funds that the City of Chicago sets aside as an economic safety net to mitigate current and future risks such as contingencies, emergencies, or revenue shortfalls.

Sales Tax Securitization Corporation Residual Revenues:

In October 2017, the City Council passed an ordinance authorizing the creation of a Sales Tax Securitization Corporation ("STSC"). This revenue securitization structure was developed because of legislation passed by the Illinois General Assembly, allowing all home rule municipalities to create a special purpose corporation organized for the sole purpose of issuing bonds paid for from revenues collected by the State. In December 2017, the City of Chicago entered into a sale agreement ("Agreement") with the STSC. Under the Agreement, the City sold to the STSC the City's rights to receive Sales Tax revenues collected by the State. In return, the City received the proceeds of bonds issued by the STSC as well as a residual certificate. Sales Tax revenues received by the STSC are paid first to cover the STSC's operating expenses and debt service on the STSC's bonds. All remaining Sales Tax revenues are then paid to the City as the holder of the residual certificate.

Sewer Fund:

An Enterprise Fund that supports the operation, maintenance, and capital programs of the City of Chicago's sewer systems.

Short Term Debt:

Comprises debt issued to address various operating, liquidity, and capital needs, including general obligation short-term borrowing program, water and sewer systems commercial paper notes and line of credit notes, Chicago O'Hare International Airport commercial paper notes and credit agreement notes, and Chicago Midway Airport commercial paper notes.

Special Events and Municipal Hotel Operators' Occupation Tax Fund:

Includes revenues from the Municipal Hotel Operator's Occupation Tax and is used to support the promotion of tourism, cultural and recreational activities.

Special Revenue Fund:

A fund established to account for the operations of a specific activity and the revenue generated for carrying out that activity. Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Structural Budget Deficit:

Any structural budget imbalance between existing revenues and anticipated expenses for that budget year. Commonly referred to as the "gap".

Tax Increment Financing ("TIF"):

TIF is a funding tool used to improve neighborhood infrastructure and promote investment in communities across the City of Chicago. The program is governed by a State law allowing municipalities to capture property tax revenues derived from the amount of incremental Equalized Assessed Value ("EAV") above the base EAV that existed before an area was designated as a TIF district.

Transaction Taxes:

Consist of taxes on the transfer of real estate, the lease or rental of personal property, and the short-term lease of motor vehicles within the City of Chicago.

Transportation Network Providers ("TNP"):

Rideshare companies that provide prearranged transportation services for compensation through an Internet-enabled application or digital platform to connect passengers with drivers of vehicles for hire.

Transportation Taxes:

Consist of taxes on vehicle fuel, garage parking, and hired ground transportation.

Transfers Out:

The movement of resources from local funds to reserves and other non-recurring revenue sources.

Vehicle Fuel Tax:

A tax imposed on the purchase of vehicle fuel purchased or dispensed within the City of Chicago. The tax rate is \$0.08 per gallon and \$0.05 per gallon for aviation fuel. Authorization: Municipal Code 3-52-020.

Vehicle Tax Fund:

Includes revenue from vehicle sticker sales, impoundment fees, abandoned auto sale fees, and pavement cut fees.

Water Fund:

An Enterprise Fund that supports the operation, maintenance, and capital programs of the City of Chicago's water systems.

Water and Sewer User Fees:

A fee imposed on water and sewer usage within the City of Chicago. The revenue collected via water charges and the sewer surcharges on City of Chicago utility bills. The Water and Sewer Funds are segregated funds where water fund revenue is used to support the water system and sewer fund revenue is used to support the sewer system. Authorization: Municipal Code 11-12-260.

Water and Sewer Tax:

A utility tax assessed on water and sewer use within the City of Chicago. The current rate is \$2.51 per 1,000 gallons of water and sewer use. Authorization: Municipal Code 3-80-040.

Wheel Tax (referred to as the Vehicle Sticker Fee):

An annual fee imposed on the privilege of operating a motor vehicle within the City of Chicago that is owned by a resident of the City of Chicago. The annual fee is \$100.17 for smaller passenger automobiles (less than 4,500 pounds) and \$159.12 for larger passenger automobiles (4,500 pounds or more). The fee varies for other vehicle classifications. Authorization: Municipal Code 3-56-050.

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