City of Chicago
Chicago O'Hare International Airport
An Enterprise Fund of the City of Chicago

Annual Comprehensive Financial Report
For the Years Ended December 31, 2022

Brandon Johnson, Mayor
Jill Jaworski, Chief Financial Officer
Reshma N. Soni, City Comptroller
Jamie L. Rhee, Commissioner

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CHICAGO O'HARE INTERNATIONAL AIRPORT

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PART I

INTRODUCTORY SECTION

CITY OF CHICAGO

CHICAGO DEPARTMENT OF AVIATION

June 30, 2023

To the Honorable Mayor Brandon Johnson, Members of the City Council and Citizens of the City of Chicago:

I am pleased to submit the Annual Comprehensive Financial Report ("ACFR") of Chicago O'Hare International Airport ("Airport") for the year ended December 31, 2022. State law requires that all governmental units publish within six months of the close of each fiscal year financial statements presented in conformity with generally accepted accounting principles ("GAAP") and audited by a licensed public accountant.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the City of Chicago ("City") Department of Aviation and Comptroller's Office. The purpose of the ACFR is to provide complete and accurate information that complies with reporting requirements. The Chicago O'Hare International Airport's Management's Discussion and Analysis ("MD&A") can be found immediately following the independent auditors' report.

ECONOMIC CONDITION AND OUTLOOK

According to statistics compiled by Airports Council International (ACI), for the 12-month period ended December 31, 2022, O'Hare was the second busiest airport in the United States and worldwide for total aircraft operations, and fourth busiest in the United States and worldwide in terms of total passengers.

A series of investments in air cargo continue to pay off, as the Airport saw cargo value increase and cargo volume hold steady, despite a volatile international trade environment. OAG released a "Megahubs 2022" study that named O'Hare as the world's most connected airport for the first time since 2016. In 2022, the Airport offered nonstop service to 260 destinations: 189 domestic airports and 71 foreign airports.

Domestic travel has rebounded sharply, except for very business traveler dependent routes. O'Hare now serves nearly the number of nonstop domestic destinations it did pre-COVID (approximately 189 in December 2022 and 191 in December 2019). While international travel has been somewhat slower to rebound, transatlantic demand has been a particular bright spot. 2022 saw the highest number of international destinations served from Chicago since before COVID-19 emerged (71 vs. 76 in 2019). Chicago is currently also one of only six cities globally with nonstop service to the six major inhabited regions of the world)

Chicago has a unique position and role in the national and global transportation infrastructure, and the pandemic has not changed that. As the country discusses the importance of investment in infrastructure, CDA will push the economic benefits and growth opportunities for our city through our airports.

REPORTING ENTITY

The Airport is the primary commercial airport for the City, and the region, as well as an important transfer and connecting point for numerous domestic and international flights. Located 18 miles northwest of the City's central business district, the Airport occupies approximately 7,265 acres of land. The Airport is accessed by a network of highways, including several regional expressways that are part of the federal Interstate Highway System, and is directly linked to the central business district by a rapid transit rail system. The airlines serving the Airport operate out of four terminal buildings with a maximum total of 202 gates, depending on the configuration as of December 31, 2022. Three domestic terminal buildings, having a maximum total of 172 aircraft gates depending on the configuration, serve domestic flights and certain international departures. Terminal 5, with a maximum 30 aircraft gates depending on the configuration and five hardstand positions, serves the remaining international departures, all international arrivals requiring customs clearance, and select domestic flights.

MAJOR INITIATIVES

The Airport is continuing with several significant capital projects designed to enhance and fortify its competitive position. The centerpiece of the capital development program at the Airport is called O'Hare 21. It includes all current and future projects associated with expanding the Airport's capacity and connectivity and improving customer service at facilities including and surrounding the terminals. O'Hare 21 centers around a Terminal Area Plan (TAP) and Capital Improvement Plan (CIP) approved by the City of Chicago, the Airport and its airline partners as part of the Airline Use and Lease Agreement authorized by City Council on March 28, 2018.

The TAP will provide for a new O'Hare Global Terminal to replace the existing Terminal 2 and two new satellite concourses, as well as enhancements throughout existing terminals to yield a significantly elevated experience for passengers and efficiencies for airport partners. The TAP will outfit the Airport with new technology and security enhancements and transform the passenger experience with increased amenities and services within the terminal buildings, to include: the modernization and replacement of the oldest terminal facilities at O'Hare; integration of domestic and international terminal operations; and enhancements to passenger and baggage connectivity. Construction of the major elements of TAP will take place over the next decade.

Additionally, the CDA continues to make tremendous progress on the $1.3 billion expansion and renovation of Terminal 5. Ten new wide-body gates opened in 2022 in the Terminal's new East Concourse, and 10 newly renovated gates re-opened last October to serve Delta Air Lines, which relocated operations to Terminal 5 and opened a new Delta Sky Club lounge there. Additionally, the Terminal 5 added 350,000 square feet of terminal area and increased passenger amenity space by 75%. Final components of the project underway this year include improvements to Terminal 5's security lanes and immigration facilities, and the replacement of critical baggage handling systems.

Additionally, in June 2022, crews broke ground on a new, six-story parking garage at Terminal 5 to replace the existing surface Parking Lot D. Projected to be completed in 2024, the new garage will more than double the amount of available parking at Terminal 5 and expand capacity to offer a mix of short- and long-term parking options, like those available at the airport's main terminals. Additional landside improvements will include re-striping of airport roadways to rebalance lane capacity and an expansion of the curbside area, including physical drive lanes, dedicated entry and exit roadways, escalators, and pedestrian areas.

In addition to the above, the Airport is also implementing an ongoing five-year Capital Improvement Plan (CIP) for the Airport. The CIP includes airfield improvements, noise mitigation projects, parking and roadway improvements, heating and refrigeration plant improvements, safety and security improvements, other terminal enhancements and planning initiatives.

The Airport expects these capital programs will be funded from the following sources: proceeds of airport revenue bonds, Passenger Facility Charge (PFC) and Customer Facility Charge (CFC) revenues on a pay-as-you-go basis, CFC and PFC-backed bonds, federal grants, a TIFIA loan and other available Airport funds.

FINANCIAL INFORMATION

The Departments of Finance and Aviation are responsible for implementing and maintaining an internal control structure to ensure the integrity of the Airport's operations and to allow for the preparation of financial statements in conformity with generally accepted accounting principles. As the cost of a control should not exceed the benefits to be derived, the internal control structure is designed to provide reasonable, rather than absolute, assurance to all stakeholders that the financial statements reflect operations free of theft, neglect or material misstatements that could affect the efficiency of operations at the Airport. This objective is being met by adequate supervision of employees, segregation of the duties and multiple approval and budgetary controls over all expenditures.

The Airport's budget is developed in connection with the City's annual budget and is based on an analysis of the Airport's historical operating expenses. The Commissioner of Aviation recommends the final proposed budget to the Budget Director. After approval by the Budget Director, the proposed budget is recommended to the Mayor for submission to the City Council for its approval following public hearings.

The budget process is designed to ensure that the Airport will have adequate funding for operations. The Airport cannot, by law, exceed the level of funding as established by the City Council-approved budget. The Budget Director uses an allotment system to manage each department's expenditures against its respective annual appropriation. The Budget Director, through the allotment system, has the authority to institute economic measures for the Airport to ensure that its expenditures do not exceed its revenue collection. The Airport uses encumbrances to control expenditures by preventing appropriated dollars from being used for any purpose other than that for which they have been legally appropriated.

RELEVANT FINANCIAL POLICIES

The Airport is owned by the City and operated by the Chicago Department of Aviation (CDA) and is accounted for as a self-supporting enterprise fund of the City. The City maintains the books, records and accounts of the Airport in accordance with generally accepted accounting principles and as required by the provisions of the Airport Use Agreements, the Bond Ordinance and Bond Indentures as supplemented and amended.

The Airline Use and Lease Agreement (AULA) specifies a residual rate-making methodology for the calculation of airline rates and charges. Under this methodology, total operating and maintenance expenses and debt service (including coverage) are calculated for each cost-revenue center and offset by non-airline revenues. The AULA provides that the aggregate of Airport Fees and Charges paid by the Airline Parties must be sufficient to pay for the net cost of operating, maintaining, and developing the Airport including the satisfaction of Debt Service coverage, deposit and payment requirements of the Bond Ordinance and the Indentures. The Airport's current AULA is effective as of May 12, 2018, and is a 15-year lease agreement that modernizes the existing terminal and gate space allocation and rates and charges structure for the Airport as well as authorizes funding of the TAP and CIP. In addition, it provides more flexibility for funding future capital investments and provides greater competition between airlines.

INDEPENDENT AUDIT

Various bond indentures require the Airport financial statements to be audited by independent certified public accountants. The audit was conducted by Deloitte & Touche LLP and a consortium of Chicago-based minority and women-owned certified public accounting firms. An unmodified audit opinion, rendered by Deloitte & Touche LLP, is included in the financial section of this report.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Airport for its ACFR for the fiscal year ended December 31, 2021. This was the 25th consecutive year that the Airport has received this prestigious award, which is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

This ACFR could not have been prepared without the dedication and effective help of the entire staff of the CDA and the Comptroller's Office. I wish to express my appreciation to them, particularly those that contributed directly to the preparation of the report.

Respectfully submitted,

Jamie L. Rhee
Commissioner

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Chicago O'Hare International Airport
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

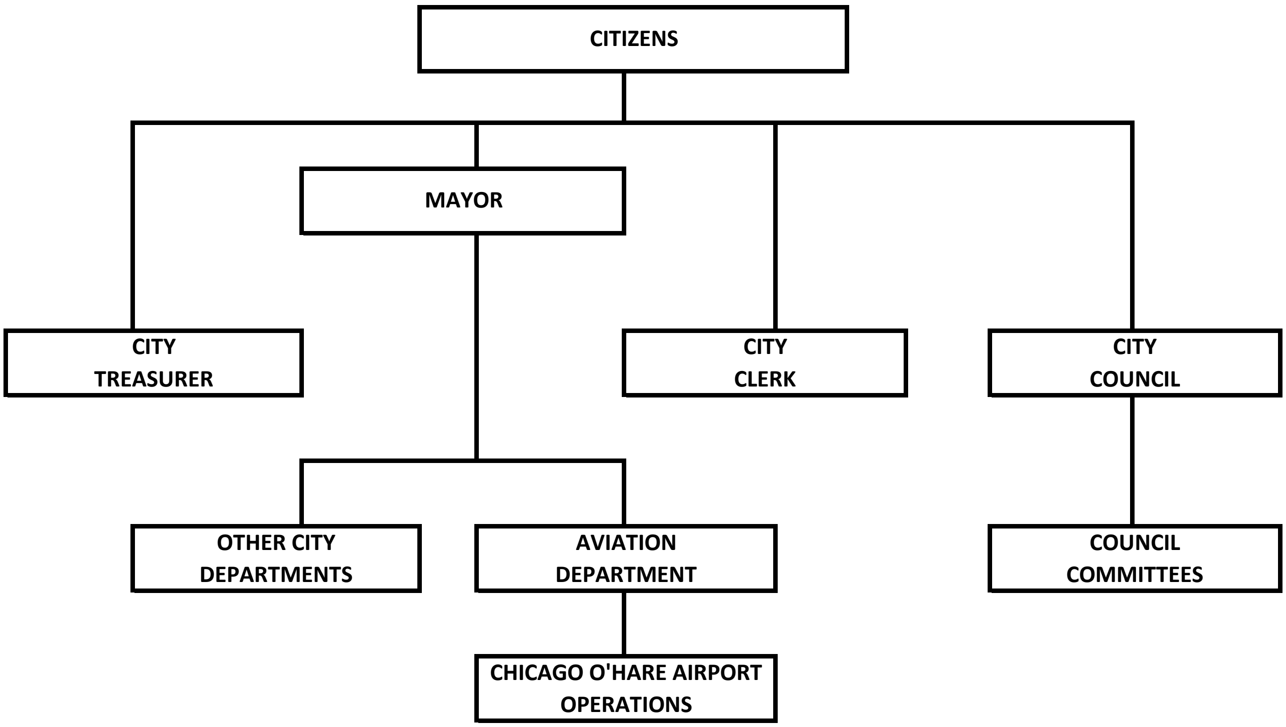
December 31, 2021

Christopher P. Morrill

Executive Director/CEO

CITY OF CHICAGO
CHICAGO O'HARE INTERNATIONAL AIRPORT
ORGANIZATION CHART

AS OF 12/31/2022



List of Principal Officials

Brandon Johnson	Mayor
Jamie L. Rhee	Commissioner

PART II

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Brandon Johnson, Mayor
and Members of the City Council
City of Chicago, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Chicago O'Hare International Airport (the "Airport"), an enterprise fund of the City of Chicago, Illinois (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Chicago O'Hare International Airport, as of December 31, 2022, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Airport, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

As discussed in Note 1, the basic financial statements present only Chicago O'Hare International Airport, an enterprise fund of the City, and do not purport to, and do not, present fairly the financial position of the City as of December 31, 2022, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the Airport presented its financial statements to reflect the effects of the adoption of Governmental Accounting Standards Board Statement No. 87, *Leases*, on January 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of Changes in the Net Pension Liability and Related Ratios, and the Schedule of Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport's basic financial statements. The additional supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte & Touche LLP

June 30, 2023

The following discussion and analysis of Chicago O'Hare International Airport's (the "Airport" or "O'Hare") financial performance provides an introduction and overview of the Airport's financial activities for the fiscal year ended December 31, 2022. Please read this discussion in conjunction with the Airport's basic financial statements and the notes to basic financial statements immediately following this section.

FINANCIAL HIGHLIGHTS

Operating revenues for 2022 increased by $114,281 (10.0%) compared to prior year operating revenues due to an increase in terminal use charges and landing fees of $24,390; increases in concessions and other rental revenues of $66,695; and an increase in hotel revenues of $23,196, all due to an increase in passenger and flight activity as the Airport continued to recover from the impacts of the COVID-19 pandemic on travel.

Operating expenses before depreciation, amortization and loss on capital asset disposals increased by $117,438 (15.2%) compared to 2021, primarily due to the increase salary and wages of $12,592 due to contractual increases and the increase in fringe benefit costs, increases in professional and engineering expenses of $23,321 (15.6%) due to ongoing planning efforts related to the O'Hare 21 program, which includes the Terminal Area Plan expansion, Terminal 5 expansion, major airfield projects including the completion of the O'Hare Modernization Program, on airport hotel developments and other capital projects, and planning of new facilities which increased during 2022, hotel expenses of $11,364 (46.9%) due to the ongoing recovery of hotel business from the impact of the COVID-19 pandemic on travel and tourism, the completion of the majority of the Terminal 5 expansion and upgrades, and an increase in pension expense of $101,531 (162.6%) primarily due to the composition of amounts being amortized from deferred inflows and outflows related to prior assumptions changes and differences between projected and actual earnings on pension plan investments, offset by a decrease in repairs and maintenance of $16,654 (9.8%) due to the impact of upgrades to existing infrastructure which require less maintenance, such as the Terminal 5 upgrades, and $14,716 (10.0%) for other operating maintenance expense for expenses related to concessions relief during 2021 that were not incurred in 2022.

The Airport's total net position at December 31, 2022, was $909,951, which is a decrease of $168,132 (15.6%) over total net position at December 31, 2021 primarily due to increases in pension expense of $101,531 due to changes in allocation of pension expense, changes in pension assumptions and the impact of pension investments, and increase in investment loss of $91,819 due to the impact of the global market volatility on investments, offset by increases in PFC and CFC balances totaling $33,501 as the collection of PFC and CFC balances increased during 2022.

Capital asset additions for 2022 were $703,333, which primarily included additions related to the continuing construction of new runway projects, ongoing work related to the Terminal 5 expansion including TAP Phase 1 utilities, parking garage, baggage handling systems; parking structure improvements, completion of the expansion of the Automated Train System (ATS), terminal improvements and capital maintenance. Completed projects totaling $552,352 were transferred from construction in progress to applicable buildings and other facilities.

During 2022, the Airport implemented GASB Statement No. 87, *Leases* ("GASB 87"). Due to this implementation, the Airport had a right to use asset of $13,081 and lease receivable of $494,702 (short-term and long-term portion), lease liability of $13,219 (short-term and long-term portions) and deferred inflow on leases of $493,158 related to the lessor and lessee activity of the Airport as of December 31, 2022.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Airport's basic financial statements. The Airport is included in the City of Chicago, Illinois' (the "City") reporting entity as an enterprise fund. The Airport's basic financial statements comprise the basic financial statements and the notes to basic financial statements. In addition to the basic financial statements, this report also presents additional and statistical information after the notes to basic financial statements.

The Statement of Net Position present all of the Airport's assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting. The difference between assets and deferred outflows and liabilities and deferred inflows is reported as Net Position. The increase or decrease in net position may serve as an indicator, over time, whether the Airport's financial position is improving or deteriorating. However, the consideration of other non-financial factors, such as changes within the airline industry, may be necessary in the assessment of overall financial position and health of the Airport.

The Statement of Revenues, Expenses and Changes in Net Position present all current fiscal year revenues and expenses, regardless of when cash is received or paid, and the ensuing change in Net Position.

The Statement of Cash Flows report how cash and cash equivalents were provided and used by the Airport's operating, capital financing, and noncapital financing and investing activities. These statements present the cash received and disbursed, the net increase or decrease in cash and cash equivalents for the year and the cash and cash equivalents balance at year-end.

The Notes to Basic Financial Statements are an integral part of the basic financial statements; accordingly, such disclosures are essential to a full understanding of the information provided in the basic financial statements.

The Required Supplementary Information section presents the schedule of changes in the net pension liability and related ratios and the schedule of contributions.

In addition to the basic financial statements, this report includes the Additional Supplementary Information and Statistical Information. The Additional Supplementary Information section presents the debt service coverage calculations, and the Statistical Information section includes certain information related to the Airport's historical financial and non-financial operating results and capital activities.

The basic financial statements include all of the Airport's funds and all the operations of Hilton O'Hare, which was transferred back to the Airport on January 1, 2019, as the 30-year lease term with HLT O'Hare, Inc. ended on December 31, 2018. The Airport has entered into a 10-year operating agreement with Hilton Management, LLC for hotel operations and Hyde Park Hospitality, LLC and food and beverage operations.

FINANCIAL ANALYSIS

Landing fees, terminal area use charges, and fueling system charges are assessed to the various airlines throughout each fiscal year based on estimated rates. Such rates are designed to yield collections from airlines adequate to cover certain expenses and required debt service and fund deposits as determined under provisions of the Airline Use and Lease Agreement ("AULA"). In 2018, the City Council approved the new AULA for airlines operating at O'Hare, which went into effect as of July 1, 2018, for provisions regarding rates and charges. Incremental amounts due from the airlines arise when amounts assessed, based on the estimated rates used during the year, are less than actual expenses and required deposits for the year. Such incremental amounts due from airlines are included in amounts to be billed. Incremental amounts due to the airlines arise when amounts assessed, based on the estimated rates used during the year, exceed actual expenses and required deposits for the year. Such incremental amounts due to airlines are included in billings over amounts earned.

At December 31, 2022, the Airport's financial position included total assets and deferred outflows of $14,998,333, total liabilities and deferred inflows of $14,088,382 and net position of $909,951.

A comparative condensed summary of the Airport's net position at December 31, 2022 and 2021, is as follows (dollars in thousands):

	Net Position	
	2022	**2021**
Current unrestricted assets	$ 533,442	$ 426,072
Restricted and other assets—noncurrent	3,772,147	2,736,795
Capital assets—net	10,474,618	10,146,677
Total assets	14,780,207	13,309,544
Deferred outflows	218,126	213,352
Total assets and deferred outflows	$14,998,333	$13,522,896
Current unrestricted liabilities	$ 249,610	$ 222,731
Liabilities payable from restricted assets and noncurrent liabilities	13,291,643	12,148,413
Total liabilities	13,541,253	12,371,144
Deferred inflows	53,971	73,669
Deferred inflows of resources for leases	493,158	-
Total liabilities and deferred inflows	$14,088,382	$12,444,813
Net position:		
Net investment in capital assets	$ 945,118	$ 1,301,406
Restricted	1,318,135	1,123,192
Unrestricted	(1,353,302)	(1,346,515)
Total net position	$ 909,951	$ 1,078,083

Current unrestricted assets increased by $107,370 (25.2%) primarily due to an increase in cash and cash equivalents of $52,192 due to timing of payments and better collections and investments of $7,281, due to funds received from COVID-19 relief grants that have been set aside to use in future years, and lease receivables of $34,393 due to the implementation of the lessor portion of GASB 87 related to future cash collections from active leases. The Airport's current ratio (current unrestricted assets/current unrestricted liabilities) at December 31, 2022 and 2021 was 2.14:1 and 1.91:1, respectively. This increase in the current ratio was primarily due to an increase of cash and cash equivalents and investments, combined with a decrease in unearned revenue, as amounts due to the airlines related to 2022 were less than in previous years. Restricted and other assets—Noncurrent increased by $1,035,352 (37.8%), primarily due to an increase in the construction funds for capital improvement projects of $391,806 in cash and cash equivalents and $89,407 investments from 2022 bond issuances related to the ongoing O'Hare 21 program, and $460,309 in lease receivables due to the implementation of GASB 87, which is related to future cash collections for existing leases where the Airport is a lessor. Net capital assets increased by $327,941 (3.2%) primarily due to ongoing capital activities of the O'Hare 21 Program, including the Terminal 5 expansion, baggage handling systems, landside improvements and repurposing; Terminal Area Plan Phase 1 Utilities; Terminal 2 O'Hare Global Terminal planning, ongoing Capital Improvement Program upgrades and the final additions to complete the ATS.

The increase in unrestricted current liabilities of $26,879 (12.1%) is mainly related to the increase of due to other city funds of $45,330 for employee benefit and reimbursement costs due to the City Corporate Fund and lease liability of $2,078 due to the implementation of GASB 87 (short-term portion), offset by the decrease in accounts payable and accrued liabilities of $1,239, due to timing differences of payments, advances for terminal and hangar rents of $11,938 related to 2023 advance rent collections as there was a decrease in prepaid rents compared to 2021, and a decrease of $7,352 of unearned revenue calculated under the residual rate setting making methodology in the AULA as there was a reduction in the amounts due to the airlines for 2021 and 2022.

Liabilities payable from restricted assets and noncurrent liabilities increased by $1,143,230 (9.4%) due primarily to the issuance of O'Hare General Airport Revenue Bonds (GARB) issued during 2022, which increased the balance by $987,443. The net pension liability in the amount of $1,665,864 increased by $95,896 (6.1%) compared to 2021 primarily as a result of changes in actuarial assumptions, impacts of investment returns, and the increase in allocation of pension costs to the Airport compared to Governmental funds and certain Enterprise funds. This was offset by a net decrease in Line of Credit Payable of $71,100, of which $568,400 was refunded through the Series 2022 O'Hare GARB issuance and $497,300 of line of credit was issued during 2022.

Deferred outflows slightly increased by $4,774 (2.2%) and deferred inflows decreased by $19,698 (26.7%) during 2022 due to changes in assumptions and the difference between 2022 projected and actual earnings on pension plan investments. Deferred inflows related to leases was $493,158 at December 31, 2022 due to the implementation of GASB 87.

As of December 31, 2022, total net position was $909,951, which was a decrease of $168,132 (15.6%) from 2021 primarily due to increases in investment loss of $91,819 due to the global market volatility on recognized earnings which impact short-term market value, increase in interest expense of $12,281 related to scheduled bond interest payments, and reduction of grant revenues of $32,519 as the need for COVID-19 relief funds reduced during 2022.

A comparative condensed summary of the Airport's changes in net position for the years ended December 31, 2022 and 2021 is as follows (dollars in thousands):

	Changes in Net Position	
	2022	**2021**
Operating revenues:		
Landing fees and terminal charges	$ 840,343	$ 815,953
Rents, concessions, and other	363,307	296,612
Hilton O'Hare revenues	55,783	32,587
Total operating revenues	1,259,433	1,145,152
Operating expenses:		
Salaries and wages	232,514	219,922
Pension expense	163,979	62,448
Repairs and maintenance	153,522	170,176
Professional and engineering	172,740	149,419
Other operating expenses	132,016	146,732
Hilton O'Hare expenses	35,598	24,234
Depreciation and amortization	375,346	314,122
Loss on capital asset disposals	-	4,754
Total operating expenses	1,265,715	1,091,807
Operating income (Loss)	(6,282)	53,345
Nonoperating Revenues (Expenses)		
Passenger facility charge revenue	134,920	110,689
Customer facility charge revenue	34,329	25,059
Other nonoperating revenues	8,522	21,024
Noise mitigation	(16,129)	(3,804)
Cost of issuance	(11,789)	-
Investment income (loss)	(106,997)	(15,178)
Interest expense	(420,612)	(408,331)
Interest income (expense) on Leases	20,139	-
Grant revenues	144,931	177,450
Total nonoperating revenues (expenses)	(212,686)	(93,091)
Income (loss) before capital grants	(218,968)	(39,746)
Capital grants	50,836	81,539
Change in net position	(168,132)	41,793
Net position beginning of year	1,078,083	1,036,290
Net position end of year	$ 909,951	$1,078,083

Landing fees and terminal area use charges for the years 2022 and 2021 were $840,343 and $815,953, respectively. Rents, concessions, and other revenues were $363,307 and $296,612 for the years 2022 and 2021, respectively. The increase in 2022 operating revenues of $114,281 (10.0%) compared to 2021 was primarily due to increase of terminal area use charges of $74,757, hotel revenues of $23,196 and other rentals and fueling systems of $5,562 as passenger and flight activity increased as the Airport continued to recover from the impact of the COVID-19 pandemic on travel and tourism.

Salaries and wages increased by $12,592 (5.7%) in 2022 compared to 2021, which was due to contractual wage increases. Repairs and maintenance expenses decreased by $16,654 (9.8%) due to the reduction of maintenance as existing upgrades were placed into service, such as the extension of the ATS and upgrades to parking structures. Professional and engineering costs increased $23,321 (15.6%) due to ongoing planning work for the $8.5 billion O'Hare 21 Program. Other operating expenses decreased by $14,716 (10.0%) due to the reduction of the provision of doubtful accounts as outstanding collections from tenants were received. Other operating expenses are mainly comprised of certain employee costs, insurance premiums, indirect costs, materials and supplies, utilities, vehicle purchases and the provision for doubtful accounts.

Pension expense was $163,979 in 2022 and $62,448 in 2021, which is an increase of $101,531 as a result of composition of amounts being amortized from deferred inflows and outflows related to prior assumptions changes and differences between projected and actual earnings on pension plan investments, changes in allocation of pension contributions and increase in the City's pension contribution compared to 2021. During 2022, the Airport made cash contributions of $107,472 toward the pension plans.

The 2022 nonoperating revenues of $342,841 are comprised of PFCs of $134,920 (an increase of $24,231, or 21.9%), CFCs of $34,329 (an increase of $9,270, or 37.0%), other nonoperating revenue of $8,522 (a decrease of $12,502, or 59.5%) due to a reduction in the Build America Bonds subsidy and lease interest income of $20,139 due to the implementation of the lessor portion of GASB 87. The increases were impacted by the increase of passenger traffic as the Airport continued to recover from the impact of the COVID-19 pandemic and more passengers purchased tickets and rented cars. The Airport recognized ARP Act grant revenue of $144,931 during 2022 from the Federal Aviation Administration (FAA) to help mitigate losses in revenue and provide relief to concessionaires due to the impact of the COVID-19 pandemic on air travel and tourism. This was a decrease of $32,519 (18.3%) compared to 2021 as the need for COVID-19 relief funds reduced during 2022.

Nonoperating expenses were $555,527 and $427,313 for the years 2022 and 2021, respectively. The increase of $128,214 (30.0%) from 2021 to 2022 was mainly due to the increase in interest expense of $12,281 due to schedule increases in debt service payments, $11,789 related to the cost of issuance for the Series 2022 GARBs, an increase of $12,325 related to increases in noise mitigation costs as the airport and investment loss of $106,997, an increase of $91,819 (604.9%), due to global market volatility that impacted the fair market value of investments at December 31, 2022.

Capital grants, comprised mainly of federal grants, decreased from $81,539 in 2021 to $50,836 in 2022, a 37.7% decrease, mainly as a result of the timing associated with when capital expenditures became eligible for grant reimbursement from the federal government and a one-time increase in the allotment of Airport Improvement Program (AIP) grant funding from the FAA during 2020 and 2021 as a part of COVID-19 relief efforts.

A comparative summary of the Airport's changes in cash flows for the years ended December 31, 2022 and 2021 is as follows (dollars in thousands):

	Cash Flows	
	2022	**2021**
Cash provided by (used in) activities:		
Operating	$ 381,422	$ 378,148
Capital and related financing	202,641	(1,157,965)
Noncapital financing	177,652	173,660
Investing	(210,148)	257,413
Net change in cash and cash equivalents	551,567	(348,744)
Cash and cash equivalents:		
Beginning of year	845,955	1,194,699
End of year	$ 1,397,522	$ 845,955

As of December 31, 2022, the Airport's cash and cash equivalents of $1,397,522 increased by $551,567 compared to $845,955 at December 31, 2021 due to current year debt proceeds from the issuance of bonds (Series 2022 O'Hare GARBs) during 2022 and increase in cash collections from revenues as the Airport continued to recover from the impacts of the COVID-19 pandemic, offset by expenditures on capital projects and purchases of investments. Total cash and cash equivalents at December 31, 2022, were comprised of unrestricted and restricted cash and cash equivalents of $258,590 and $1,138,932, respectively.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of 2022 and 2021, the Airport had $10,474,618 and $10,146,677, respectively, invested in net capital assets. During 2022, the Airport had additions of $703,333 related to capital activities. This included construction Terminal 5 expansion and upgrades, concourse improvement, ATS rail, terminal improvements and runway and taxiway improvements.

During 2022, completed projects totaling $552,352 were transferred from construction in progress to applicable buildings and other facilities capital accounts. These major completed projects were related to elevated parking structure upgrades, Terminal 5 additional gates and upgrades, ATS, HVAC upgrades, terminal improvements, and runway and taxiway improvements.

The Airport's capital assets at December 31, 2022 and 2021 are summarized as follows (dollars in thousands):

	Capital Assets at Year-End	
	2022	**2021**
Capital assets not depreciated:		
Land	$ 893,044	$ 892,998
Construction in progress	1,637,420	1,486,485
Total capital assets not depreciated	2,530,464	2,379,483
Capital assets depreciated:		
Buildings and other facilities	13,001,426	12,449,216
Less accumulated depreciation for:		
Buildings and other facilities	(5,057,272)	(4,682,022)
Total capital assets depreciated—net	7,944,154	7,767,194
Total property and facilities—net	$ 10,474,618	$ 10,146,677

The Airport's capital activities are funded through Airport revenue bonds, federal and state grants, PFC revenue and CFC revenue. Additional information on the Airport's capital assets is presented in Note 5 of the notes to the basic financial statements.

During 2022, the Airport drew $497,300 and paid off $568,400 million of its revolving line of credit to finance certain capital projects at the O'Hare through the proceeds from the issuance of Series 2022 O'Hare GARBs. There was no outstanding line of credit balance at December 31, 2022.

The Airport's outstanding debt at December 31, 2022 and 2021 is summarized as follows (dollars in thousands):

	Outstanding Debt at Year-End	
	2022	**2021**
Revenue bonds, notes and TIFIA Loan	$ 10,567,896	$ 9,486,016
Unamortized— Bond premium	581,744	569,446
Total outstanding debt—net	11,149,640	10,055,462
Current portion	(265,378)	(99,825)
Total long-term revenue bonds and notes payable—net	$ 10,884,262	$ 9,955,637

Additional information on the Airport's long-term debt is presented in Note 4 of the notes to basic financial statements, and the Statistical Information section of this report.

The Airport's revenue bonds at December 31, 2022, had credit ratings with each of the four major rating agencies as follows:

	Moody's Investor Services	Standard & Poor's	Fitch Ratings	Kroll Ratings
Senior Lien General Airport Revenue Bonds	A2	A+	A+	A+
PFC Revenue Bonds	A2	A+	A	NR
CFC Revenue Bonds	Baa1	BBB	NR	NR

At December 31, 2022, the Airport believes it was in compliance with the debt covenants as stated within the Master Trust Indentures.

In June 2022, Standard & Poor's revised the outlook for the O'Hare Customer Facility Charge Bonds to Positive from Stable.

In August 2022, Standard & Poor's upgraded O'Hare General Airport Revenue Bonds and Passenger Facility Charge Bonds to A+ from A.

In August 2022, Fitch upgraded O'Hare General Airport Revenue Bonds to A+ from A.

ECONOMIC FACTORS AND NEXT YEAR RATES AND CHARGES

In 2022, despite the impact of the COVID-19 pandemic on travel and tourism, the Airport was ranked as the second busiest airport in the world, measured in terms of total aircraft operations, fourth in the United States in terms of total passengers, and seventh in the United States in terms of cargo. The Airport had 34.1 million and 26.9 million enplaned passengers in 2022 and 2021, respectively. The strong origin-destination passenger demand and the Airport's central geographical location near the center of the United States and along the most heavily traveled east/west air routes make the Airport a natural hub location, which has been beneficial as the Airport continues to recover from the COVID-19 pandemic.

United Airlines and American Airlines each use the Airport as one of their major hubs. United Airlines (including its regional affiliates) comprised 45.6% of the Airport's enplaned passengers in 2022 and 42.9% of the enplaned passengers in 2021, while American Airlines (including its regional affiliates) comprised 32.6% of the Airport's enplaned passengers in 2022 and 37.8% of the enplaned passengers in 2021.

Based on the Airport's rates and charges for fiscal year 2023, total budgeted Operating and Maintenance Expenses (including Allowable Airline Liaison Office Expenses) are projected at $800,969 (including $35,015 of ARP Act funds credits applied to reduce Operating and Maintenance Expenses) and total Capital Costs (including net debt service, coverage requirements, program fees and pre-approved allowances) and fund deposit requirements, are projected at $674,914. Additionally, 2023 nonairline revenues and credits are budgeted at $438,002, of which $7,522 relates to the application of the ARP Act funds to supplement impacts to revenue, which were allocated to the Airport by the FAA, resulting in a net airline requirement of $1,037,881 that will be funded through landing fees, terminal area use charges, common use and joint use charges.

REQUESTS FOR INFORMATION

This financial report is designed to provide the reader with a general overview of the Airport's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Chicago Department of Finance.

BASIC FINANCIAL STATEMENTS

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022
(Dollars in thousands)

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents (Note 2)	$ 258,590
Investments (Note 2)	93,369
Accounts receivable—net of allowance for doubtful accounts of approximately $14,034	74,402
Due from other City funds	64,639
Prepaid expenses	6,947
Interest receivable	1,102
Lease receivable	34,393
Cash and cash equivalents (Note 2)—restricted	730,376
Prepaid expenses—restricted	4,989
Total current assets	1,268,807
NONCURRENT ASSETS:	
Cash and cash equivalents (Note 2)—restricted	408,556
Investments (Note 2)—restricted	2,068,050
Lease receivable	460,309
Right of use lease asset (Note 5)	13,081
Passenger facility charges and other receivables—restricted	39,965
Interest receivable—restricted	9,942
Prepaid expenses—restricted	21,314
Due from other governments—restricted	10,480
Other assets	5,085
Property and facilities (Note 5):	
Land	893,044
Buildings and other facilities	13,001,426
Construction in progress	1,637,420
Total property and facilities	15,531,890
Less accumulated depreciation	(5,057,272)
Property and facilities—net	10,474,618
Total noncurrent assets	13,511,400
Total assets	14,780,207
DEFERRED OUTFLOWS (Note 10)	218,126
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 14,998,333

LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable and accrued liabilities	$ 113,333
Due to other City funds	63,990
Advances for terminal and hangar rent	14,249
Billings over amounts earned	55,960
Lease liability (Note 6)	2,078
Liabilities payable from restricted assets:	
Accounts payable	220,655
Current portion of revenue bonds and notes payable (Note 4)	265,378
Interest payable	229,098
Advance from Federal	15,245
Total current liabilities	979,986
NONCURRENT LIABILITIES:	
Revenue bonds payable—net of premium (Note 4)	10,593,224
Net pension liability (Note 7)	1,665,864
TIFIA loan (Note 4)	291,038
Lease liability (Note 6)	11,141
Total noncurrent liabilities	12,561,267
Total liabilities	13,541,253
DEFERRED INFLOWS (Note 10)	53,971
DEFERRED INFLOWS OF RESOURCES FOR LEASES	493,158
NET POSITION (Note 1):	
Net investment in capital assets	945,118
Restricted net position (Note 1):	
Debt service	241,753
Capital projects	113,985
Passenger facility charges	316,250
Airline use agreement*	384,788
Airport general fund (Note 3)	218,940
Customer facility charge	30,849
Other restricted funds	11,570
Total restricted net position	1,318,135
Unrestricted Net Position (Deficit)	(1,353,302)
Total net position	909,951
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	$ 14,998,333

* Airline Use Agreements includes Aeronautical Real Estate Fund, Commercial Real Estate Fund, O&M Reserve, Supplemental O&M Reserve and Maintenance Reserve Funds

See notes to basic financial statements.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022
(Dollars in thousands)

OPERATING REVENUES:	
Landing fees and terminal area use charges	$ 840,343
Rents, concessions, and other (Note 6)	363,307
Hilton revenues (Note 1)	55,783
Total operating revenues	1,259,433
OPERATING EXPENSES:	
Salaries and wages	232,514
Pension expense (Note 7)	163,979
Repairs and maintenance	153,522
Professional and engineering services	172,740
Other operating expenses	132,016
Hilton expenses (Note 1)	35,598
Total operating expenses before depreciation and amortization	890,369
Depreciation and amortization	375,346
Total operating expenses	1,265,715
OPERATING (LOSS)	(6,282)
NONOPERATING REVENUES (EXPENSES):	
Passenger facility charge revenue	134,920
Customer facility charge revenue	34,329
Other nonoperating revenue	8,522
Noise mitigation costs	(16,129)
Costs of issuance	(11,789)
Investment (loss)	(106,997)
Interest expense (Note 4)	(420,612)
Lease interest income	20,139
Grant revenues (Note 1)	144,931
Total nonoperating (expenses) revenues	(212,686)
CHANGE IN NET POSITION BEFORE CAPITAL GRANTS	(218,968)
CAPITAL GRANTS	50,836
CHANGE IN NET POSITION	(168,132)
TOTAL NET POSITION—Beginning of year	1,078,083
TOTAL NET POSITION—End of year	$ 909,951

See notes to basic financial statements.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Dollars in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Landing fees and terminal area use charges	$ 834,597
Rents, concessions, and other	401,486
Payments to vendors	(440,035)
Payments to employees	(222,628)
Transactions with other City funds—(used in)	(191,998)
Cash flows provided by operating activities	381,422
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from issuance of bonds	1,839,142
Proceeds from line of credit	497,100
Payments to line of credit	(568,200)
Proceeds from TIFIA	12,282
Proceeds from O'Hare 2010B Senior Lien Build America Bonds subsidy	6,343
Payments to refund bonds	(537,499)
Principal paid on bonds	(99,825)
Bond issuance and other related costs	(9,054)
Interest paid on bonds and note	(453,306)
Acquisition and construction of capital assets	(766,922)
Capital grants	50,111
Interest income from leases	20,139
Principal payment on leases	(2,031)
Principal received from leases	62,184
Customer facility charge revenue	34,329
Passenger facility charge revenue and other receipts	117,848
Cash flows provided by capital and related financing activities	202,641
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Proceeds from miscellaneous settlements and agreements	65
Proceeds from COVID-19 Relief Funds	193,716
Cash paid for noise mitigation program	(16,129)
Cash flows provided by noncapital financing activities	177,652
CASH FLOWS FROM INVESTING ACTIVITIES:	
Sales (purchases) investments—net	(247,534)
Investment interest	37,386
Cash flows (used in) investing activities	(210,148)
NET CHANGE IN CASH AND CASH EQUIVALENTS	551,567
CASH AND CASH EQUIVALENTS—Beginning of year	845,955
CASH AND CASH EQUIVALENTS—End of year	$ 1,397,522

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Dollars in thousands)

RECONCILIATION TO CASH AND CASH EQUIVALENTS REPORTED ON THE STATEMENT OF NET ASSETS:	
Unrestricted	$ 258,590
Restricted:	
Current	730,376
Noncurrent	408,556
TOTAL	$ 1,397,522
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:	
Operating income (loss)	$ (6,282)
Adjustments to reconcile:	
Depreciation and amortization	375,346
Amortization of right-of-use asset	2,169
Changes in assets, deferred outflows, liabilities, and deferred inflows:	
Accounts receivable	(1,259)
Due from other City funds	(7,676)
Prepaid expenses	1,609
Accounts payable	(1,239)
Due to other City funds	45,330
Deferred inflows	(7,221)
Prepaid terminal rent	(12,003)
Billings over amounts billed	(7,352)
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	$ 381,422

SUPPLEMENTAL DISCLOSURE OF NONCASH ITEMS:

Property additions in 2022 was $210,100 are included in accounts payable.

The fair value adjustments gain (loss) to investments for 2022 was ($168,789).

See notes to basic financial statements. (Concluded)

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization—Chicago O'Hare International Airport (the "Airport" or "O'Hare") is operated by the City of Chicago Illinois (the "City") Department of Aviation. The Airport is included in the City's reporting entity as an enterprise fund. The City is a member of the Chicago-Gary Regional Airport Authority, which was created in 1995 to address the air transportation needs of the Chicago-Northwest Indiana Region. The Airline Use and Lease Agreement ("AULA") authorized by City Council that includes the provisions regarding rates and charges became effective on July 1, 2018. The AULA expiration date is December 31, 2033.

The basic financial statements of the Airport includes the Hilton O'Hare hotel. The Airport has entered into a 10-year operating agreement with Hilton Management, LLC for hotel operations and Hyde Park Hospitality, LLC for food and beverage operations.

Basis of Accounting and Measurement Focus—The accounting policies of the Airport are based upon accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB). The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The accounts of the Airport are reported using the flow of economic resources measurement focus.

The Airport uses the accrual basis of accounting, under which revenues are recognized when earned and expenses are recognized when incurred.

Annual Appropriated Budget—The Airport has a legally adopted annual budget, which is not required to be reported.

Management's Use of Estimates—The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows and the disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Cash, Cash equivalents, and Investments—Cash, cash equivalents, and investments generally are held with the City treasurer as required by the Municipal Code of Chicago (the "Code"). Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances. Due to contractual agreements or legal restrictions, the cash and investments of certain funds are segregated and earn and receive interest directly.

The Code permits deposits only to City Council-approved depositories, which must be regularly organized state or national banks and federal or state savings and loan associations, located within the City, whose deposits are federally insured.

Investments are limited to those authorized by the Code. Investments authorized by the Code include, but are not limited to, interest-bearing general obligations of the City, the State of Illinois (the "State"), and the U.S. government; U.S. Treasury bills and other non-interest-bearing general obligations of the U.S. government purchased in the open market below face value; commercial paper; domestic money market mutual funds regulated by and in good standing with the Securities and Exchange Commission; and tax anticipation warrants issued by the City (see Note 2). The City is prohibited by ordinance from investing in derivative instruments, as defined, without City Council approval.

The Airport values its investments at fair value or amortized cost as applicable. U.S. government securities and commercial paper purchased at a price other than par with a maturity of less than one year are reported at amortized cost.

Repurchase agreements can be purchased only from banks and certain other institutions authorized to do business in the State. The City Treasurer requires that securities pledged to secure these agreements have a fair value equal to the cost of the repurchase agreements plus accrued interest.

Investments, generally, do not have a maturity in excess of 30 years from the date of purchase. Certain other investment balances are held in accordance with the specific provisions of the applicable bond ordinances.

Cash equivalents include investments with maturities of three months or less when purchased.

Accounts Receivable Allowance—Management has provided an allowance for amounts recorded at year-end, which may be uncollectible.

Due from other Governments—These are receivables due from federal and state agencies, related to grants receivable. These funds are for reimbursement of capital improvements under the Airport Improvement Program.

Transactions with the City—The City's general fund provides services to the Airport. The amounts allocated to the Airport for these services are treated as operating expenses by the Airport and consist mainly of employee benefits, self-insured risks, and administrative expenses.

Property and Facilities—Property and facilities are recorded at cost or, for donated assets, donated works of art and similar items, and capital assets received in a consortium arrangement at acquisition value. Expenditures greater than $5,000 for the acquisition, construction, or equipping of capital projects, together with related design, architectural, and engineering fees, are capitalized. Expenditures for vehicles and other movable equipment are expensed as incurred.

Depreciation and amortization are provided using the straight-line method and begin in the year following the year of acquisition or completion. Estimated useful lives are as follows:

Runways, aprons, tunnels, taxiways, and paved roads	30 years
Water drainage and sewer system	20–50 years
Refrigeration and heating systems	30 years
Buildings	40 years
Building/land improvements	8–40 years
Electrical system	15–20 years
Other	3–30 years

Deferred Outflows—Deferred outflows represent unamortized loss on bond refundings and differences between estimated and actual investment earnings related to pensions, and changes in actuarial assumptions related to pensions.

Debt—Debt is defined as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For disclosure purposes, debt does not include leases, except for contracts reported as financed purchase of the underlying asset, or accounts payable.

Deferred Inflows and Deferred Inflows of Resources for Leases—Deferred inflows represent the differences between projected and actual actuarial experience and changes in assumptions related to pensions. Deferred inflows of resources for leases represents the resources related to the lease arrangements that will be recognized as revenue in future years over the terms of the leases between the City and the lessors.

Net Position—Net position comprises the net earnings from operating and nonoperating revenues, expenses, and capital grants. Net position is displayed in three components—net investment in capital assets; restricted for debt service, capital projects, PFCs, airline use agreement and airport general fund, CFCs, and other assets; and unrestricted. Net investment in capital assets consists of all capital assets, net of accumulated depreciation, and reduced by outstanding debt, net of debt service reserve and unspent proceeds. Restricted net position consists of net position on which constraints are placed by external parties (such as lenders and grantors), laws, regulations and enabling legislation. Unrestricted net position consists of all other net position not categorized as either of the above.

Employee Benefits—Employee benefits are granted for vacation and sick leave, workers' compensation, and health care. Specified unused vacation leave is accrued and may be carried over for one year. Sick leave is accumulated at the rate of one day for each month worked, up to a maximum of 200 days. Severance of employment terminates all rights to receive compensation for any unused sick leave. Sick leave pay is not accrued. Employee benefit claims outstanding, including claims incurred but not reported, are estimated and recorded as liabilities. The Airport maintains insurance from a commercial carrier for workers' compensation claims. Settlements in each of the past three years have been less than insurance coverage maintained.

Employees are eligible to defer a portion of their salaries until future years under the City's deferred compensation plan created in accordance with Internal Revenue Code Sections 457 and 401(a). The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Third-party administrators who maintain the investment portfolio administer the Plan. The plan's assets have been placed in trust accounts with the plan administrators for the exclusive benefit of participants and their beneficiaries and are not considered assets of the City.

The City is subject to the State of Illinois Unemployment Compensation Act and has elected the reimbursing employer option for providing unemployment insurance benefits for eligible former employees. Under this option, the City reimburses the State for claims paid by the State.

Bond Insurance Costs, and Bond Premiums, and Discounts—Bond insurance costs and bond premiums and discounts are deferred and amortized over the term of the related debt. Other debt issuance costs are expenses in the period incurred.

Capitalized Interest—Interest expense on construction bond proceeds are expensed as incurred.

Capital Grants—The Airport reports capital grants as revenue on the statement of revenues, expenses, and changes in net position. Capital grants are on a reimbursement basis and revenues are recognized when associated capital expenditures become eligible and are spent for grant reimbursement.

Noise Mitigation Costs—Funds expended for the noise mitigation program are recorded as nonoperating expenses in the period they are incurred.

Revenue Recognition—Revenues from landing fees, terminal area use charges, fueling system charges, aeronautical real estate revenue, parking revenue, hotel revenue and concessions are reported as operating revenues. The Airport adheres to the guidelines outlined in the FAA revenue use policy. Landing fees, terminal area use charges, and fueling system charges are assessed to the various airlines throughout each fiscal year based on estimated rates. Such rates are designed to yield collections from airlines adequate to cover certain expenses and required debt service and fund deposits as determined under provisions of the AULA. As noted above, in 2018, the City Council approved the new AULA for airlines operating at O’Hare. Provisions regarding rates and charges became effective on July 1, 2018. The structure of rates and charges was updated to better align costs to airlines based on their preferential versus common use status. Incremental amounts due from the airlines arise when amounts assessed, based on the estimated rates used during the year, are less than actual expenses and required deposits for the year. Such incremental amounts due from airlines are included in amounts to be billed. Incremental amounts due to the airlines arise when amounts assessed, based on the estimated rates used during the year, exceed actual expenses and required deposits for the year. Such incremental amounts due to airlines are included in billings over amounts earned. In addition, the revenues earned by the Hilton O’Hare are included in the financials, as Hilton O’Hare was transferred back to the Airport on January 1, 2019.

Passenger Facility Charge (PFC) Revenue—The Airport imposed PFCs of $4.50 per eligible enplaned passenger for the year ended December 31, 2022. PFCs are available, subject to Federal Aviation Administration regulation and approval, to finance specific eligible capital projects. The City reports PFC revenue as nonoperating revenue and related noncapital expenses as nonoperating expenses in conformity with industry practice.

Customer Facility Charge (CFC) Revenue—The Airport imposed a CFC of $8.00 per contract day on each customer for motor vehicle rentals at the Airport for the year ended December 31, 2022. CFCs are available to finance specific eligible capital projects. The City reports CFC revenue as nonoperating revenue and related noncapital expenses as nonoperating expenses in conformity with industry practice.

Grants and Federal Reimbursements—Grants and Federal reimbursements are recorded as revenue in the accounting period in which eligibility requirements have been met to receive reimbursement of federal funds.

The Coronavirus Response and Relief Supplemental Appropriations (“CRRSA”) and American Rescue Plan (“ARP”) Acts funds approved by the United States Congress and signed by the President in 2021, are actions to address the crisis created by the COVID-19 pandemic and includes among its relief measures direct aid for airports (collectively, the COVID-19 Relief Funds). The Airport was eligible to receive $253.6 million of ARP Act funds and drew down $61.5 million of cash in 2021 and $185.0 million in 2022; $8.8 million of CRRSA Act funds allocated to Concessions Relief and drew down the entire amount in 2022; and $35.0 million of ARP Act funds allocated to Concessions Relief during 2021, which will be drawn down in the future. The COVID-19 Relief Funds allow airports to request reimbursement of any lawful expense. For ease of administration, the Airport requested reimbursement for payroll and anticipates doing so beyond 2022.

Leases—The Airport follows GASB Statement No. 87, *Leases*, which defines the Airport's leasing arrangement as the right to use an underlying asset as a lessor or lessee.

As lessee, the Airport recognizes a lease liability and an intangible right-of-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. As there is no implicit rate per the lease agreements, the right-of use lease assets are measured based on the net present value of the future lease payments at inception using the incremental borrowing rate. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability. The Airport calculates the amortization of the discount on the lease liability and report that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability.

As a lessee or lessor, the Airport does not consider variable lease payments in the lease liability and lease receivable calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

For lease contracts that are short-term, the Airport recognizes short-term lease payments as inflows of resources (revenues) based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period.

As lessor, the Airport recognizes a lease receivable. The lease receivable is measured using the net present value of future lease payments to be received for the lease term and deferred inflow of receivables at the beginning of the lease term. Periodic payments are reflected as a reduction of the discounted lease receivable and as interest revenue for that period. Deferred inflows of resources are recognized as inflows on a straight-line basis over the term of the lease.

Re-measurement of lease receivables occur when there are modifications including, but not limited to, changes in the contract price, lease term and adding or removing an underlying asset to the lease agreements. In the case of a partial or full lease termination, the carrying value of the lease receivable and the related deferred inflow of resources will be reduced and will include a gain or loss for the difference.

Expenses—Salaries and wages, pension expense, repair and maintenance, professional and engineering services, hotel expenses and other expenses that relate to Airport operations are reported as operating expenses. Interest expense, PFC expenses, financing costs, and noise mitigation costs are reported as nonoperating expenses.

Adopted and Upcoming Accounting Standards

GASB Statement	Impact
GASB Statement No. 87, *Leases* ("GASB 87")	This statement will better meet the information needs of financial statement users by improving accounting and financial reporting for leases. The statement introduces a single lease model that defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. A lessor recognizes a lease receivable and a deferred inflow of resources, and a lessee recognizes a lease payable and an intangible right-to-use lease asset. The Airport adopted GASB 87 as of January 1, 2022. The adoption of GASB 87 resulted in a right to use asset, leases liability, leases receivable, and deferred inflows of resources. Right to use assets and leases liability were $15,249, whereas leases receivable and deferred inflows of resources were $557,748 as of January 1, 2022. The adoption of GASB 87 had no impact on the beginning net position.
GASB Statement No. 91, Conduit Debt Obligations ("GASB 91")	Establishes a single method of reporting conduit debt obligations by issuers and clarifies associated accounting requirements. The Airport adopted GASB 91 as of and for the year ended December 31, 2022. There was no material impact to the basic financial statements upon adoption.
GASB Statement No. 93, Replacement of Interbank Offered Rates ("GASB 93") – Remaining provisions	Addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The Airport adopted GASB 93 as of and for the year ended December 31, 2022. There was no material impact to the basic financial statements upon adoption.
GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* ("GASB 97") – Remaining provisions	Requires that a Section 457 plan be classified as either a pension plan or another employee benefit plan depending on whether the plan meets the definition of a pension plan. The Airport adopted the remaining provisions of GASB 97 as of and for the year ended December 31, 2022. There was no material impact to the basic financial statements upon adoption.

Upcoming Accounting Standards—GASB has issued the following pronouncements that may affect the future financial position, results of operations, cash flows, or financial presentation of the Airport upon implementation. Management has not yet evaluated the effect of implementation of these standards.

GASB Accounting Standard	Required Year of Adoption
GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* ("GASB 94")	2023
GASB Statement No. 96, *Subscription-based Information Technology Arrangements* ("GASB 96")	2023
GASB Statement No. 99, *Omnibus 2022* ("GASB 99") – Remaining provisions	2023 & 2024
GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62* ("GASB 100")	2024
GASB Statement No. 101, *Compensated Absences* ("GASB 101")	2024

2. RESTRICTED AND UNRESTRICTED CASH EQUIVALENTS AND INVESTMENTS

Cash Equivalents and Investments—The Airport had investments as of December 31, 2022, as follows (dollars in thousands):

	Maturities (in Years)				
Investment Type	**Less than 1**	**1–5**	**6–10**	**More than 10**	**Fair Value**
US agencies	$ 47,796	$ 1,062,285	$ 4,779	$ -	$ 1,114,860
Corporate ABS		10,727	-	-	10,727
Commercial paper	899,698	-	-	-	899,698
Corporate bonds	9,562	308,029	149,853	32,834	500,278
Municipal bonds	491	94,854	20,139	15,825	131,309
Money market funds	901,864	-	-	-	901,864
Subtotal	$ 1,859,411	$ 1,475,895	$ 174,771	$ 48,659	$ 3,558,736

US agencies include investments in government-sponsored enterprises, such as Federal National Mortgage Association, Federal Home Loan Banks, and Federal Home Loan Mortgage Corp.

Investments Fair Value Measurements—The City categorizes the fair value measurements of its investments based the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation techniques used to measure fair value.

Level 1—Inputs are unadjusted quoted prices in active markets for identical assets

Level 2—Observable inputs other than quoted market prices, and

Level 3—Unobservable Inputs

The investments measured at fair value as of December 31, 2022, were (dollars in thousands):

	Level 1	Level 2	Level 3
US agencies	$ -	$ 1,091,859	$ -
Corporate ABS	-	10,727	-
Corporate bonds	-	494,715	-
Municipal bonds	-	131,309	-
Total investments at fair value	$ -	$ 1,728,610	$ -

Investments that are valued through other observable inputs (Level 2), are valued using methods that include, but are not limited to, model processes, benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing.

Money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less and are held by governments other than the external investment pools are measured at amortized cost and are not reflected in the table above. The total of these investments at amortized cost for O'Hare are $1.8 billion as of December 31, 2022.

Interest Rate Risk—As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy requires that investments generally may not have a maturity date in excess of 30 years from the date of purchase. Certain other investments are held in accordance with the specific provisions of applicable ordinances.

Credit Risk—With regard to credit risk, the Code limits the investments in securities to:

(1) Interest-bearing general obligations of the United States and the State of Illinois;

(2) United States treasury bills and other non-interest-bearing general obligations of the United States or United States government agencies when offered for sale at a price below the face value of same, so as to afford the City a return on such investment in lieu of interest;

(3) Tax anticipation warrants, municipal bonds, notes, commercial paper or other instruments representing a debt obligation issued by the City of Chicago;

(4) Commercial paper which: (1) at the time of purchase, is rated in the two highest classifications by at least two accredited ratings agencies; and (2) matures not more than 270 days after the date of purchase;

(5) Reverse repurchase agreement if: (1) the term does not exceed 90 days; and (2) the maturity of the investment acquired with the proceeds of the reverse repurchase agreement does not exceed the expiration date of the reverse repurchase agreement; Reverse repurchase agreements may be transacted with primary dealers and financial institutions, provided that the City has on file a master repurchase agreement;

(6) Certificates of deposit of banks or savings and loan associations designated as municipal depositories which are insured by federal deposit insurance; provided that any amount of the deposit in excess of the federal deposit insurance shall be collateralized as noted in Custodial Credit Risk—Cash and Certificates of Deposit below;

(7) Bankers' acceptance of banks whose senior obligations, at the time of purchase, are rated in either the AAA or AA rating categories by at least two accredited ratings agencies;

(8) Tax-exempt securities exempt from federal arbitrage provisions applicable to investments of proceeds of the City's tax-exempt debt obligations;

(9) Domestic money market mutual funds regulated by and in good standing with the Securities and Exchange Commission; provided that such money market mutual funds' portfolios are limited to investments authorized by this section;

(10) Any other suitable investment instrument permitted by state laws governing municipal investments generally, subject to the reasonable exercise of prudence in making investments of public funds;

(11) Except where otherwise restricted or prohibited, a non-interest-bearing savings account, non-interest-bearing checking account or other non-interest-bearing demand account established in a national or state bank, or a federal or state savings and loan association, when, in the determination of the treasurer, the placement of such funds in the non-interest-bearing account is used as compensating balances to offset fees associated with that account that will result in cost savings to the City;

(12) Bonds of companies organized in the United States with assets exceeding $500 million that, at the time of purchase, are rated not less than two ratings above investment grade, or equivalent rating, by at least two accredited ratings agencies;

(13) Debt instruments of international financial institutions, including but not limited to the World Bank and the International Monetary Fund, that, at the time of purchase, are rated within 4 intermediate credit ratings of the United States sovereign credit rating by at least two accredited ratings agencies, but not less than an A-rating, or equivalent rating. The maturity of investments authorized in this subsection shall not exceed 10 years. For purposes of this subsection, an "international financial institution" means a financial institution that has been established or chartered by more than one country and the owners or shareholders are generally national governments or other international institutions such as the United Nations;

(14) United States dollar denominated debt instruments of foreign sovereignties that, at the time of purchase, are rated within 4 intermediate credit ratings of the United States sovereign credit rating by at least two accredited ratings agencies, but not less than an A-rating or equivalent rating;

(15) Interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the city or held under a custodial agreement at a bank. The bonds shall be rated, at the time of purchase, not less than A-, or equivalent rating, by at least two accredited rating agencies with nationally recognized expertise in rating bonds of states and their political subdivisions;

(16) Bonds registered and regulated by the Securities and Exchange Commission and for which the full faith and credit of the State of Israel is pledged for payment; provided that the bonds have an A-rating or above or equivalent rating by at least two accredited ratings agencies;

(17) Bonds, notes, debentures, or other similar obligations of agencies of the United States.

Total holdings across all funds held by the Airport shall have no less than an overall average rating. The Airport's exposure to credit risk as of December 31, 2022, is as follows (dollars in thousands):

Quality Rating	
Moody's/S & P:	
AAA	$ 2,093,925
AA+	491
AA	273,539
AA-	3,103
A	129,609
A1	761,643
A2	150,124
BBB	146,302
Total funds	$ 3,558,736

Custodial Credit Risk—Cash and Certificates of Deposit—This is the risk that in the event of a bank failure, the City's Deposits may not be returned. The City's Investment Policy states that in order to protect the City public fund deposits, depository institutions are to maintain collateral pledges on City deposits and certificates of deposit during the term of the deposit.

For certificates of deposit of banks or savings and loan associations designated as municipal depositories which are insured by federal deposit insurance, any amount of the deposit in excess of the federal deposit insurance shall be either: (1) fully collateralized at least 100% by: (i) marketable U.S. government securities marked to market at least monthly; (ii) bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States; or (iii) bonds, notes or other securities constituting a direct and general obligation of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois or of any other state, or of any political subdivision or agency of the State of Illinois or any other state which are rated in either the AAA or AA rating categories by at least two accredited ratings agencies and maintaining such rating during the term of such investments; (2) secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois and having a claims-paying rating in the top rating category as rated by a nationally recognized statistical rating organization and maintaining such rating during the term of such investment; or (3) fully collateralized at least 102% by an irrevocable letter of credit issued in favor of the City of Chicago by the Federal Home Loan Bank, provided that the Federal Home Loan Bank's short-term debt obligations are rated in the highest rating category by at least one accredited ratings agency throughout the term of the certificate of deposit.

The collateral required to secure City funds must be held in safekeeping and pursuant to collateral agreements which would prohibit release or substitution of pledged assets without proper written notification and authorization of the City Treasurer. The final maturity of acceptable collateral pledged shall not exceed 120 months.

The bank balance of cash and certificates of deposit with the City's various municipal depositories was $307.6 million. 100% of the bank balance was either insured or collateralized with securities held by City agents in the City's name. There were no uncollateralized bank balances at December 31, 2022.

Custodial Credit Risk—Investments—For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City has no custodial credit risk exposure because investment securities are insured, registered and held by the City.

The investments reported in the basic financial statements as of December 31, 2022, is as follows (dollars in thousands):

Per Note 2—Investments—airport	$ 3,558,736
Per financial statements:	
Restricted investments	$ 2,068,050
Unrestricted investments	93,369
Investments classified as cash and cash equivalents on the statement of net position	1,397,317
	$ 3,558,736

3. RESTRICTED ASSETS

The General Airport Revenue Bond Ordinance ("Bond Ordinance"), the Master Indenture of Trust Securing Chicago-O'Hare International Airport Second Lien Obligations ("Second Lien Indenture"), the Master Indenture of Trust Securing Chicago O'Hare International Airport Third Lien Obligations ("Third Lien Indenture"), the Use Agreement, and federal regulations contain various limitations and restrictions which, among other things, require the creation and maintenance of separate accounts, certain of which must be held by a trustee and into which required deposits are made by the Airport on a periodic basis to fund construction, debt retirement, operation and maintenance, and contingencies.

Restricted cash, cash equivalents, and investment balances in accordance with the Bond Ordinance, the Second Lien Indenture, and the Third Lien Indenture requirements are as follows (dollars in thousands):

Account	
Construction	$ 847,495
Capitalized interest	86,903
Debt service reserve	845,004
Debt service interest	430,375
Debt service principal	36,924
Operation and maintenance reserve	123,497
Maintenance reserve	3,000
Supplemental operation and maintenance reserve	43,718
Customer Facility Charge	41,329
Airport General Fund	226,198
Aeronautical Real Estate Fund	130,237
Commercial Real Estate Fund	55,254
Pre-Approved Allowances Fund	41,291
Other funds	18,428
Subtotal—Bond Ordinance, Master Indenture Accounts	2,929,653
Passenger Facility Charge	277,329
Total	$ 3,206,982

Construction and capitalized interest accounts are restricted for authorized capital improvements and payment of interest costs during construction.

The debt service reserve account is restricted to the payment of debt service in the event that the balance in the debt service account is insufficient.

The debt service principal and interest accounts are restricted to the payment of bond principal and interest.

The operation and maintenance reserve account is restricted to make loans to the operation and maintenance account, as needed, which are to be repaid as funds become available. The maintenance reserve account is restricted to extraordinary maintenance expenditures.

The City has entered into arbitrage agreements under which the City has agreed to comply with certain requirements of the Internal Revenue Code of 1986, as amended, in order to maintain the exclusion of the interest on the bonds from the gross income of the recipients thereof for federal income tax purposes. The rebate account relating to each series of the bonds has been established to account for any liability of the City to make arbitrage rebate payments to the federal government relating to such series of bonds.

The Airport General Fund is restricted and may be used by the Airport for any lawful Airport purpose. Pursuant to section 301 in the O'Hare 2018 Master Indenture, the Special Capital Projects Fund and the Airport Development Fund are discontinued. The monies held in the Special Capital Projects Fund and the Airport Development Fund have been transferred to the Airport General Fund.

Other funds include the federal and state grant funds and the special capital projects fund. The Passenger Facility Charge account is restricted to fund eligible and approved PFC projects.

The Aeronautical Real Estate Fund is restricted and may be used by the Airports for the parcels and other areas of the Airport where aviation support, cargo, hangar and maintenance activities occur, including all roads and facilities serving such areas and associated air rights.

The Commercial Real Estate Fund is restricted and may be used by the Airport for the parcels and other areas of the Airport where commercial non-aeronautical activities such as hotel, office, non-terminal retail, public vehicle fueling and charging stations not otherwise located in facilities included in the Parking and Ground Transportation Cost Center, and other real estate development occur, including all roads, utilities and facilities serving such areas and associated air rights.

The Customer Facility Charge account is restricted to fund eligible and approved CFC projects.

At December 31, 2022, the Airport believes it was in compliance with the funding requirements and restrictions as stated in the Bond Ordinance and Master Indenture.

4. LONG-TERM DEBT

Long Term Debt—Long-term debt at December 31, 2022, consisted of the following (dollars in thousands):

Senior lien bonds (formerly third lien):	
$21,000 Series 2004 F third lien revenue refunding bonds issued December 2, 2004, due through 2023; interest at 5.35%	$ 2,825
$578,000 Series 2010 B third lien revenue bonds issued April 29, 2010, due through 2040; interest at 6.145%–6.845%	328,000
$336,350 Series 2013 A senior lien revenue refunding bonds issued October 17, 2013, due through 2026; interest at 2.00%–5.00%	34,005
$165,435 Series 2013 B senior lien revenue refunding bonds issued October 17, 2013 due through 2029; interest at 2.00%–5.25%	17,620
$98,375 Series 2013 C senior lien revenue bonds issued October 17, 2013 due through 2044; interest at 5.00%–5.50%	2,245
$297,745 Series 2013 D senior lien revenue bonds issued October 17, 2013 due through 2044; interest at 3.00%–5.25%	6,900
$428,640 Series 2015 A senior lien revenue refunding bonds issued October 15, 2015 due through 2037; interest at 2.00%–5.00%	414,400
$1,191,540 Series 2015 B senior lien revenue refunding bonds issued October 15, 2015 due through 2035; interest at 4.00%–5.00%	971,380

(Continued)

\$195,690 Series 2015 C senior lien revenue bonds issued October 15, 2015 due through 2046; interest at 3.625%–5.000%	\$ 187,645
\$131,510 Series 2015 D senior lien revenue bonds issued October 15, 2015 due through 2046; interest at 4.000%–5.000%	126,005
\$27,335 Series 2016 A senior lien revenue refunding bonds issued December 5, 2016 due through 2037; interest at 3.00%–5.00%	23,740
\$461,945 Series 2016 B senior lien revenue refunding bonds issued December 5, 2016 due through 2041; interest at 4.00%–5.00%	279,190
\$525,055 Series 2016 C senior lien revenue refunding bonds issued December 5, 2016 due through 2038; interest at 5.00%	446,990
\$739,335 Series 2016 D senior lien revenue bonds issued January 10, 2017 due through 2052; interest at 5.000%–5.250%	723,495
\$156,575 Series 2016 E senior lien revenue bonds issued January 10, 2017 due through 2028; interest at 5.000%–5.250%	156,575
\$156,090 Series 2016 F senior lien revenue bonds issued January 10, 2017 due through 2052; interest at 2.000%–5.250%	145,910
\$65,250 Series 2016 G senior lien revenue bonds issued January 10, 2017 due through 2052; interest at 5.000%–5.250%	63,900
\$55,915 Series 2017 A senior lien revenue refunding bonds issued June 28, 2017 due through 2040; interest at 3.125%–5.000%	55,065
\$356,385 Series 2017 B senior lien revenue refunding bonds issued June 28, 2017 due through 2039; interest at 5.000%	354,565
\$122,120 Series 2017 C senior lien revenue refunding bonds issued June 28, 2017 due through 2041; interest at 4.000%–5.000%	98,205
\$278,075 Series 2017 D senior lien revenue bonds issued June 28, 2017 due through 2052; interest at 5.000%	274,145
\$600,785 Series 2018 A senior lien revenue refunding bonds issued December 12, 2018 due through 2053; interest at 4.000% to 5.000%	594,365
\$612,095 Series 2018 B senior lien revenue bonds issued December 12, 2018 due through 2053; interest at 4.000% to 5.000%	612,095
\$800,000 Series 2018 C senior lien revenue bonds issued December 12, 2018, due through 2054; interest at 4.472%–4.572%	800,000
\$494,360 Series 2020 A senior lien revenue refunding bonds issued October 7, 2020, due through 2040; interest at 4.000%–5.000%	494,360
\$137,150 Series 2020 B senior lien revenue refunding bonds issued October 7, 2020, due through 2035; interest at 4.000%–5.000%	137,150

(Continued)

$59,865 Series 2020 C senior lien revenue refunding bonds issued October 7, 2020, due through 2039; interest at 4.000%	$ 59,865
$465,785 Series 2020 D senior lien revenue refunding bonds issued October 7, 2020, due through 2038; interest at 0.959%–3.006%	465,785
$61,955 Series 2020 E senior lien revenue refunding bonds issued October 7, 2020, due through 2040; interest at 4.000%–5.000%	61,955
$1,110,055 Series 2022 A senior lien revenue bonds issued October 4, 2022 due through 2055; interest at 4.500% to 5.500%	1,110,055
$150,450 Series 2022 B senior lien revenue bonds issued October 4, 2022 due through 2056; interest at 4.500% to 5.250%	150,450
$164,420 Series 2022 C senior lien revenue refunding bonds issued October 4, 2022 due through 2044; interest at 5.000%	164,420
$343,080 Series 2022 D senior lien revenue refunding bonds issued October 4, 2022 due through 2044; interest at 4.000% to 5.000%	343,080
Subtotal—senior lien bonds	9,706,385
Passenger Facility Charge Revenue Bonds:	
$48,495 Series 2010 C Passenger Facility Charge Revenue Bonds issued May 27, 2010, due through 2031; interest at 5.272%–6.395%	38,150
$12,190 Series 2011 A Passenger Facility Charge Revenue Refunding Bonds issued May 5, 2011, due through 2032; interest at 5.00%–5.625%	1,520
$33,815 Series 2011 B Passenger Facility Charge Revenue Refunding Bonds issued May 5, 2011, due through 2033; interest at 5.0%–6.0%	3,170
$114,855 Series 2012 A Passenger Facility Charge Revenue Refunding Bonds issued September 12, 2012, due through 2032; interest at 3.0%–5.0%	84,715
$337,240 Series 2012 B Passenger Facility Charge Revenue Refunding Bonds issued September 12, 2012, due through 2032; interest at 2.5%–5.0%	216,270
Subtotal—Passenger Facility Charge Revenue Bonds	343,825
Customer Facility Charge Revenue Bonds—$248,750 Series 2013 A Senior Lien CFC Bonds issued August 22, 2013, due through 2043; interest at 3.0%–5.75%	222,725
TIFIA Loan outstanding at December 31, 2018, due through 2052; interest at 3.86%	294,961
Total revenue bonds, notes and loan	10,567,896
Unamortized premium	581,744
Total revenue bonds payable—net of unamortized premium (discount)	11,149,640
Current portion	(265,378)
Total long-term revenue bonds payable, line of credit payable & TIFIA loan payable	$ 10,884,262

(Concluded)

Long-term debt during the year ended December 31, 2022, changed as follows (dollars in thousands):

	Balance January 31	Additions	Reductions	Balance December 31	Due within One Year
Revenue bonds, notes, LOC & loan	$ 9,486,016	$ 2,281,310	$ (1,199,430)	$ 10,567,896	$ 265,378
Unamortized premium (discount)	569,446	71,137	(58,839)	581,744	-
Total long-term debt	$ 10,055,462	$ 2,352,447	$ (1,258,269)	$ 11,149,640	$ 265,378

Interest expense includes amortization of the deferred loss on bond refunding for 2022 of $9.1 million, and amortization of $50.5 million of premium, net.

Issuance of Debt—In December 2021, the Airport entered into a Revolving Line of Credit Agreement (AMT) with Bank of America, N.A. that allows the Airport to draw on the line of credit in an aggregate amount not to exceed $300.0 million. In April 2022, the Airport increased its revolving line of credit agreement from $300.0 million to $500.0 million. In 2022, the Airport drew $424.0 million from its line of credit to finance certain capital projects at O'Hare. As of December 31, 2022, O'Hare had an unused line of credit of $500.0 million. The line of credit was paid off through the issuance of the O'Hare 2022 A&B Senior Lien Revenue Bonds, as mentioned below, and thus had no outstanding balance at December 31, 2022. The line of credit expires December 4, 2024.

In July 2022, the Airport entered into a Revolving Line of Credit Agreement (AMT) with Wells Fargo Bank, N.A. that allows the Airport to draw on the line of credit in an aggregate amount not to exceed $100.0 million. In 2022, the Airport drew $73.1 million from its line of credit to finance certain capital projects at O'Hare. As of December 31, 2022, O'Hare had an unused line of credit of $100.0 million. The line of credit was paid off through the issuance of the O'Hare 2022 A&B Senior Lien Revenue Bonds, as mentioned below, and thus had no outstanding balance at December 31, 2022. The line of credit expires July 22, 2024.

In October 2022, the Airport sold $1,110.1 million of Chicago O'Hare International Airport Senior Lien Revenue Refunding Bonds, Series 2022 A (AMT) at a premium of $34.3 million. The bonds have interest rates ranging from 4.500% to 5.500% and mandatory redemption maturity dates from January 1, 2025, through January 1, 2053. Certain net proceeds were used to pay a portion of the Revolving Line of Credit ($564.7 million). Certain net proceeds of $434.3 million will be used to finance various airport projects; certain net proceeds of $79.3 million were used to fund the debt service reserve requirement; certain net proceeds of $56.5 million were used to fund the capitalized interest deposit requirement; and certain net proceeds of $9.6 million were used to pay the cost of the issuance of the bonds.

In October 2022, the Airport sold $150.5 million of Chicago O'Hare International Airport Senior Lien Revenue Refunding Bonds, Series 2022 B (Non-AMT) at a premium of $.1 million. The bonds have interest rates ranging from 4.500% to 5.250% and has a final maturity date on January 1, 2056. Certain net proceeds were used to pay a portion of the Revolving Line of Credit ($3.5 million). Certain net proceeds of $123.4 million will be used to finance various airport projects; certain net proceeds of $10.4 million were used to fund the debt service reserve requirement; certain net proceeds of $12.2 million were used to fund the capitalized interest deposit requirement; and certain net proceeds of $1.1 million were used to pay the cost of the issuance of the bonds.

In October 2022, the Airport sold $164.4 million of Chicago O'Hare International Airport Senior Lien Revenue Bonds, Series 2022C (AMT) at a premium of $8.5 million. The bonds have an interest rate of 5% and have maturity dates from January 1, 2023, through January 1, 2044. Certain net proceeds of $84.0 million were used to partially defease the Series 2013A General Airport Revenue Bonds ($82.5 million of principal and $1.5 million of interest); certain net proceeds of $88.0 million were used to partially defease the Series 2013C General Airport Revenue Bonds ($86.4 million of principal and $1.6 million of interest); and certain net proceeds of $0.9 million were used to pay the cost of issuance of the bonds. The current refunding resulted in a difference between the acquisition price and the net carrying amount of $0.3 million that will be charged to the operations over 2 years using the straight-line method. The current refunding decreased the Airport's total debt service by $10.6 million and resulted in an economic gain (difference between the present values of the old debt and the new debt service payments) of $10.0 million.

In October 2022, the Airport sold $343.0 million of Chicago O'Hare International Airport Senior Lien Revenue Bonds, Series 2022 D (Non-AMT) at a premium of $28.2 million. The bonds have an interest rate ranging from 4% to 5% and have maturity dates from January 1, 2023, through January 1, 2044. Certain net proceeds of $103.5 million were used to partially defease the Series 2013B General Airport Revenue Bonds ($101.7 million of principal and $1.8 million of interest); certain net proceeds of $265.5 million were used to partially defease the Series 2013D General Airport Revenue Bonds ($260.9 million of principal and $4.6 million of interest); and certain net proceeds of $2.2 million were used to pay the cost of issuance of the bonds. The current refunding resulted in a difference between the acquisition price and the net carrying amount of $.8 million that will be charged to the operations over 2 years using the straight-line method. The current refunding decreased the Airport's total debt service by $35.1 million and resulted in an economic gain (difference between the present values of the old debt and the new debt service payments) of $33.0 million.

In August 2013, the City entered into a loan agreement with the United States Department of Transportation under the Transportation Infrastructure Finance and Innovation Act (TIFIA) program to fund a portion of Consolidated Rental Car Facility at O'Hare, additions, extensions, and improvements to the Airport Transit System (ATS) including the purchase of new ATS vehicles and certain public parking facilities. The loan amount of $288.1 million is subordinate to the O'Hare Customer Facility Charge Senior Lien Revenue Bonds, Series 2013. The interest rate is 3.86% and the final maturity of the loan is January 1, 2052. A disbursement of $16.2 million was made in 2022. As of December 31, 2022, the total disbursements for the TIFIA loan were $288.1 million and the outstanding loan amount including $6.9 million of accrued interest, was $295.0 million.

Defeased Bonds—Defeased bonds have been removed from the balance sheet because the related assets have been placed in irrevocable trusts, together with interest earned thereon, will provide an amount sufficient for payment of all principal and interest. Defeased bonds at December 31, 2022 are as follows (dollars in thousands):

	Defeased	Outstanding
Chicago O'Hare General Airport Revenue Bonds, Series 2012A	$ 167,435	$ -
Chicago O'Hare General Airport Revenue Bonds, Series 2012B	186,000	-
Chicago O'Hare General Airport Revenue Bonds, Series 2013A	115,320	82,475
Chicago O'Hare General Airport Revenue Bonds, Series 2013B	117,955	101,650
Chicago O'Hare General Airport Revenue Bonds, Series 2013C	88,550	86,415
Chicago O'Hare General Airport Revenue Bonds, Series 2013D	267,435	260,865
Chicago O'Hare General Airport Revenue Bonds, Series 2015B	53,490	-
Chicago O'Hare General Airport Revenue Bonds, Series 2015D	2,820	-
Chicago O'Hare General Airport Revenue Bonds, Series 2016B	2,105	-
Total	$ 1,001,110	$ 531,405

Debt Redemption—Following is a schedule of debt service requirements to maturity of the senior lien bonds. For issues with variable rates, interest is imputed at the effective rate as of December 31, 2022, as follows (dollars in thousands):

Years Ending December 31	Principal	Interest	Total
2023	$ 227,980	$ 435,609	$ 663,589
2024	222,920	448,953	671,873
2025	267,300	438,215	705,515
2026	279,150	425,983	705,133
2027	291,765	412,981	704,746
2028–2032	1,541,030	1,855,934	3,396,964
2033–2037	1,866,045	1,443,086	3,309,131
2038–2042	1,412,485	1,021,117	2,433,602
2043–2047	961,235	761,826	1,723,061
2048–2052	1,485,920	459,340	1,945,260
2053–2056	1,150,555	101,182	1,251,737
Total	$ 9,706,385	$ 7,804,226	$ 17,510,611

The debt service requirements to maturity of the PFC Revenue Bonds as of December 31, 2022, is as follows (dollars in thousands):

Years Ending December 31	**Principal**	**Interest**	**Total**
2023	$ 27,475	$ 16,292	$ 43,767
2024	28,880	14,855	43,735
2025	30,355	13,340	43,695
2026	31,905	11,742	43,647
2027	33,545	10,169	43,714
2028–2032	188,495	25,035	213,530
2033	3,170	95	3,265
Total	$ 343,825	$ 91,528	$ 435,353

The debt service requirements to maturity of the CFC Revenue Bonds as of December 31, 2022, is as follows (dollars in thousands):

Years Ending December 31	**Principal**	**Interest**	**Total**
2023	$ 6,000	$ 12,129	$ 18,129
2024	6,295	11,818	18,113
2025	6,625	11,474	18,099
2026	6,980	11,102	18,082
2027	7,365	10,708	18,073
2028–2032	42,975	47,310	90,285
2033–2037	55,680	34,124	89,804
2038–2042	73,510	15,788	89,298
2043	17,295	490	17,785
Total	$ 222,725	$ 154,943	$ 377,668

The debt service requirements to maturity of the TIFIA Loan as of December 31, 2022, is as follows (dollars in thousands):

Years Ending December 31	**Principal**	**Interest**	**Total**
2023	$ 3,923	$ 11,310	$ 15,233
2024	4,041	11,157	15,198
2025	4,159	10,999	15,158
2026	4,336	10,835	15,171
2027	4,513	10,664	15,177
2028–2032	25,308	50,516	75,824
2033–2037	30,588	45,136	75,724
2038–2042	36,987	38,636	75,623
2043–2047	77,870	28,280	106,150
2048–2052	103,236	10,278	113,514
Total	$ 294,961	$ 227,811	$ 522,772

Debt Covenants—The Master Indenture of Trust securing Chicago O'Hare International Airport General Airport Senior Lien Obligations requires that the City will fix and establish, and revise from time to time whenever necessary, the rentals, rates and other charges for the use and operation of O'Hare and for services rendered by the City in the operation of O'Hare in order that Revenues in each Fiscal Year, together with Other Available Moneys deposited with the Trustee with respect to that Fiscal Year and any cash balance held in the Revenue Fund on the first day of that Fiscal Year not then required to be deposited in any Fund or Account, will be at least sufficient: (i) to provide for the payment of Operation and Maintenance Expenses for the Fiscal Year; and (ii) to provide for the greater of (a) the sum of the amounts needed to make the deposits required to be made pursuant to all resolutions, ordinances, indentures and trust agreements pursuant to which all outstanding Senior Lien Obligations or other outstanding Airport Obligations are issued and secured, and (b) one and fifteen-hundredths times Aggregate Debt Service for the Bond Year commencing during that Fiscal Year, reduced by any proceeds of Airport Obligations held by the Trustee for disbursement during that Bond Year to pay principal of and interest on Senior Lien Obligations. This requirement was met at December 31, 2020.

The Master Trust Indenture securing Chicago O'Hare International Airport Passenger Facility Charge (PFC) Obligations requires PFC Revenues, as defined, received by the City to be deposited into the PFC Revenue Fund. The City covenants to pay from the PFC Revenue Fund not later than the twentieth day of each calendar month the following amounts in the following order of priority: (1) to the Trustee for deposit in the Bond Fund, the sum required to make all of the Sub-Fund Deposits and Other Required Deposits to be disbursed from the Bond Fund [to meet debt service and debt service reserve requirements] in the calendar month pursuant to the Master Indenture; (2) to make any payments required for the calendar month with respect to Subordinated PFC Obligations; and (3) all moneys and securities remaining in the PFC Revenue Fund shall be transferred by the City (or the Trustee if it then holds the PFC Revenue Fund pursuant to the Master Indenture) to the PFC Capital Fund.

The Indenture of Trust Securing Chicago O'Hare International Airport Customer Facility Charge Senior Lien Revenue Bonds requires that, as long as any Bonds remain Outstanding, in each Fiscal Year, the City shall set the amount of the CFC (when multiplied by the total number of projected Contract Days) plus projected Facility Rent at an annual level sufficient to provide sufficient funds (1) to pay principal of and interest on the Bonds due in such Fiscal Year, (2) to reimburse the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund and any Subordinate Reserve Fund for any drawings upon such Funds over a period not to exceed twelve months, as determined by the City, (3) to provide funds necessary to pay any "yield reduction payments" or rebate amounts due to the United States under the Indenture for which funds in the Rebate Fund or the CFC Stabilization Fund are not otherwise available, (4) to maintain the balance of the CFC Stabilization Fund in an amount of no less than the CFC Stabilization Fund Minimum Requirement and to reimburse any drawings below the CFC Stabilization Fund Minimum Requirement over a period not to exceed twelve months, as determined by the City, and (5) to maintain the balance of the Operation and Maintenance Fund in an amount of no less than the Operation and Maintenance Fund Requirement and to reimburse any drawings below the Operation and Maintenance Fund Minimum Requirement over a period of not to exceed twelve months, as determined by the City.

During 2022, the Airport received cash of $185.0 million of ARP Act Funds, which are available for any airport purpose, including debt service payments, plus $8.8 million of CRRSA Act funds related to Concessions, which were applied as revenues. Thus, ARP and CRRSA Acts Funds have been included in the calculation of the debt service covenant.

Conduit Debt— The Airport from time-to-time, issues special facility revenue bonds on behalf of various airlines, as well as certain non-airline parties, as third-party obligors of such bonds, to finance or refinance a portion of the capital improvements at the Airport. These special facility revenue bonds are secured separately from general airport revenue bonds and customer facility charge revenue bonds and are secured solely by amounts received by a debt trustee from such airlines and non-airline parties pursuant to the terms of related special facility financing agreements. Further, with respect to the special facility revenue bonds, airline or non-airline party, respectively, and not the Airport, is responsible for fulfilling the debt service obligations of such bonds and ensuring the tax-exempt status of such bonds. Given the Airport's limited commitment, there has been no obligation recognized as of December 31, 2022.

5. CHANGES IN CAPITAL ASSETS

Capital assets during the year ended December 31, 2022 changed as follows (dollars in thousands):

	Balance January 1	Additions	Disposals and Transfers	Balance December 31
Capital assets not depreciated:				
Land	$ 892,998	$ 46	$ -	$ 893,044
Construction in progress	1,486,485	703,287	(552,352)	1,637,420
Total capital assets not depreciated	2,379,483	703,333	(552,352)	2,530,464
Capital assets depreciated—buildings and other facilities[1]	12,449,216	552,307	(97)	13,001,426
Less accumulated depreciation for—buildings and other facilities	(4,682,022)	(375,347)	97	(5,057,272)
Total capital assets depreciated—net	7,767,194	176,960	-	7,944,154
Total property and facilities—net	$ 10,146,677	$ 880,293	$ (552,352)	$ 10,474,618

1 Reference Note 1—Property and Facilities Significant Accounting Policies.

As of December 31, 2022, the total amount of right-to-use lease assets by major class, and the related accumulated amortization, disclosed separately from other capital assets, is as follows (in thousands):

	Balance January 1, 2022	Additions	Deductions	Balance December 31, 2022
Leased assets being amortized:				
Leased—Building	$ 5,044	$ -	$ -	$ 5,044
Leased—Equipment	10,205	-	-	10,205
Total leased assets not depreciated	15,249	-	-	15,249
Less accumulated amortization:				
Leased—Building		(196)		(196)
Leased—Equipment	-	(1,972)	-	(1,972)
Total accumulated amortization	-	(2,168)	-	(2,168)
Total—net of accumulated amortization	$15,249	$(2,168)	$ -	$13,081

6. LEASES

As Lessee:

The Airport leases equipment from other vendors. These leases have terms between one and five years. The long-term lease liability as of December 31, 2022, is as follows (in thousands):

	Balance January 1, 2022	Additions	Reductions	Balance December 31, 2022	Due within One Year
Lease liability	$ 15,249	$ -	$ (2,030)	$ 13,219	$ 2,078

The expected future principal and interest payments that are included in the measurement of the lease liability as of December 31, 2022 are as follows (in thousands):

Years Ending December 31	Principal	Interest	Amount
2023	$ 2,078	$ 272	$ 2,350
2024	2,559	406	2,965
2025	2,400	321	2,721
2026	2,168	237	2,405
2027	166	189	355
2028–2032	705	848	1,553
2033–2037	1,015	643	1,658
2038–2042	1,282	368	1,650
2043–2045	846	56	902
Total	$ 13,219	$ 3,340	$ 16,559

As Lessor:

The Airport leases terminal square footage (except for regulated leases), aircraft maintenance, cargo facilities, hangars, and other structures to air carriers and other tenants under various operating leases, a majority of which is non-cancellable and terminate no later than August 2055. Certain provisions of the leases provide for fixed and variable rental payments to be received by the Airport, and all are generally designed to allow the Airport to meet its debt service requirements and recover certain operating, maintenance and fund deposit costs. In addition, certain agreements under which the Airport receives revenue under concessions operations at the Airport provide for payment of fee based on the greater of an aggregated percentage of gross receipts or guaranteed minimum.

In accordance with GASB 87, the Airport recognizes a lease receivable and a deferred inflow of resources at commencement of the lease term, with exceptions for regulated leases, and short-term leases. This provision was implemented as of January 1, 2022.

a) Regulated Leases

Regulated leases comprise certain agreements with airline tenants that govern the use of airport gates, aprons, airline ticket counters, ticketing and check-in stations, baggage claim facilities, and other aeronautical uses (e.g. cargo and hangar). These agreements are subject to the U.S. Department of Transportation and the Federal Aviation Administration regulations and oversight that set limits on lease rates and require consistent terms to tenants. The regulations require leasing opportunities are made available to any potential lessee should a facility become vacant. In accordance with GASB 87, the Airport recognizes lease payments related to regulated leases as inflows of resources (revenues) based on payment provisions of those agreements.

The Airport operates under signatory airlines use and lease agreements and non-signatory airlines lease agreements. These agreements define the responsibilities of the Airport, and the airlines, and establish a cost structure to operate airfield and terminal facilities primarily through charges to airlines in the forms of landing fees, terminal rentals, joint use fees, common use fees (check-in counter, baggage make-up, baggage claim and gate) and federal inspection service fees. Landing fees are charged for each landing at the Airport based on the maximum weight of the aircraft. Terminal rents are set at the beginning of each fiscal year and adjusted during the year to estimate the annual cost to operate terminal buildings. They are allocated to airlines based on square footage occupied. Joint use and common use fees are calculated based on a combination of terminal square footage and activity. Federal inspection service fees are charged for each arriving applicable international passenger. The total revenues related to regulated leases was $840,343 plus $97,638 which is included in the Rentals, Concessions and other revenue of $363,307.

Expected future minimum lease payments to be received from Regulated Leases at December 31, 2022 are as follows (in thousands), projected by the City using the following assumptions: 1) Revenues earned from the Signatory Airlines (long-term and short-term) for the year ended December 31, 2022, 2) through the expiration of the agreements with the Signatory Airlines, 3) without considering future expansion changes in operations by the Airport.

Years Ending December 31	**Amount**
2023	$ 350,734
2024	345,058
2025	345,058
2026	345,058
2027	345,058
2028–2032	1,621,980
2033–2037	731,487
2038–2042	147,566
2043–2047	135,958
2048–2052	17,634
Total future minimum rental income	$ 4,385,591

b) Non-regulated Leases

These contracts allow control of the right to use the Airport's assets and facilities to lessees for non-aeronautical uses. They are not subject to external laws, regulations, or legal rulings. Lease inflows for non-regulated leases with maximum possible term greater 12 months at commencement of the leases are recognized in accordance with the provisions of GASB 87. Lease inflows for non-regulated leases with maximum possible term of 12 months or less at commencement of the leases are recognized in accordance with the payment provisions of those leases. The Airport's non-regulated leases are grouped into the following categories:

i. Ground and facilities

The Airport is a lessor for agreements with tenants that develop the Airport's real estate for airport-related uses, and concurrent commercial development. The agreements require periodic payments based on ground and facilities rental rates or other

amounts as specified in each lease agreement and is based on square footage. In addition, these agreements may require payment of reimbursable costs and other variable payments. These variable inflows were not included in the measurement of the lease receivable.

ii. Concessions

The Airport is a lessor on contracts that provide concessionaires the right to operate at the Airport. These agreements typically require an operator to pay a minimum guaranteed annual rent amount plus a percentage of the concession operator's gross receipts above a certain threshold. The agreements may also require the operator to reimburse the Airport costs it incurs to maintain areas and facilities used for operations. Performance based and other variable inflows are not included in the measurement of the lease receivable.

iii. Rent-A-Car

The Airport leases square footage to car rental companies at the on-site car rental facility. These agreements require payment of ground rents based on the Airport's ground rental rate and acreage leased. Inflows for ground rents were included in the measurements of the lease receivable. Additionally, these agreements require certain payments based on the lessees' gross receipts in the form of minimum annual guaranteed rents and percent rents, and reimbursement to the Airport of certain costs it incurs to maintain the car rental facility and transportation to and from the terminal areas. Lessees that conduct rental operations from other facilities outside of the Airport's boundaries are required to pay a percent rent based on their gross receipts and certain reimbursable costs to the Airport. The performance-based and variable inflows are not included in the measurement of the lease receivable.

The expected future principal and interest payments that are included in the measurement of the lease receivable as of December 31, 2022 are as follows (in thousands):

Years Ending December 31	**Principal**	**Interest**	**Amount**
2023	$ 34,394	$ 20,903	$ 55,297
2024	18,752	19,970	38,722
2025	19,496	19,147	38,643
2026	20,139	18,293	38,432
2027	21,029	17,404	38,433
2028–2032	117,573	72,403	189,976
2033–2037	115,305	46,020	161,325
2038-2042	131,620	19,270	150,890
2043-2047	15,284	497	15,781
2048-2052	656	169	825
2053-2055	454	27	481
Total	$ 494,702	$ 234,103	$ 728,805

The inflows (revenues) recognized in the year ended December 31, 2022, are as follows (in thousands):

	Amortization of deferred inflows of resources for leases	**Inflows from short-term Leases and variable lease payments**	**Total**
Ground and Facilities	$ 1,779	$ 8,345	$ 10,124
Concessions	21,644	180,252	201,896
Rent-A-Car	29,399	23,686	53,085
Total	$ 52,822	$ 212,283	$ 265,105

7. PENSION PLANS

General Information about the Pension Plan

Plan Description—Eligible O'Hare Fund employees participate in one of four single-employer defined benefit pension plans (Plans). These Plans are: the Municipal Employees' Annuity and Benefit Fund of Chicago (Municipal Employees'); the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago (Laborers'); the Policemen's Annuity and Benefit Fund of Chicago (Policemen's); and the Firemen's Annuity and Benefit Fund of Chicago (Firemen's). The plans are administered by individual retirement boards of trustees comprised of City officials or their designees and of trustees elected by Plan members. Certain employees of the Chicago Board of Education participate in Municipal Employees' or Laborers'. Each Plan issues a publicly available financial report that includes financial statements and required supplementary information that can be obtained at www.meabf.org, www.labfchicago.org, www.chipabf.org, and www.fabf.org.

Benefits Provided—The Plans provide retirement, disability, and death benefits as established by State of Illinois law. Benefits generally vest after 10 years of credited service. Employees qualify for an unreduced retirement age minimum formula annuity based on a combination of years of service and age of retirement. Employees may also receive a reduced retirement age minimum formula annuity if they do not meet the age and service requirements for the unreduced retirement age annuity. The requirements of age and service are different for employees depending on when they first became members of their respective Plans. For all four Plans, employees who became members before January 1, 2011 are considered Tier 1 Employees. For Policemen's and Firemen's, those employees who became members on or after January 1, 2011 are considered Tier 2 Employees. For Municipal Employees' and Laborers', those employees who became members on or after January 1, 2011 but before July 6, 2017 are considered Tier 2 Employees. For Municipal Employees' and Laborers', those employees who became members on or after July 6, 2017 are considered Tier 3 Employees. Public Act 100-0023 (P.A. 100-0023), which established the requirements for Tier 3 employees, includes a provision for Tier 2 employees to elect to be considered as Tier 3 employees. The annuity is computed by multiplying the final average salary by a percentage ranging from 2.2% to 2.5% per year of credited service. The final average salary is the employee's highest average annual salary for any four consecutive years within the last 10 years of credited service for participants who are Tier 1 Employees and any eight consecutive years within the last 10 years of credited service for participants who are Tier 2 Employees or Tier 3 Employees.

Benefit terms provide for annual adjustments to each employee's retirement allowance subsequent to the employees' retirement date. For Tier 1 Employees, the annual adjustments for Municipal Employees' and Laborers' are 3.0%, compounded, and for Policemen's and the majority of participants in Firemen's 3.0%, simple, for annuitants born before January 1, 1966 and 1.5%, simple, born after January 1, 1966 or later. For Tier 2 Employees and Tier 3 Employees, the annual adjustments are equal to the lesser of 3.0% and 50% of CPI-U of the original benefit.

Employees Covered by Benefit Terms—At December 31, 2022, the following City employees were covered by the benefit terms:

	Municipal Employees'	Laborers'	Policemen's	Firemen's	Total
Inactive employees or beneficiaries currently receiving benefits	25,894	3,527	14,639	5,300	49,360
Inactive employees entitled to but not yet receiving benefits	22,586	1,388	1,151	139	25,264
Active employees	35,369	2,624	11,868	4,767	54,628
	83,849	7,539	27,658	10,206	129,252

Contributions—For the Municipal Employees' and Laborers' Plans, P.A. 100-0023 was enacted on July 6, 2017. P.A. 100-0023 requires the City to contribute specific amounts to the Municipal Employees' and the Laborers' Plans in the aggregate amounts as follows: in payment year 2019, $392.0 million; in payment year 2020, $481.0 million; in payment year 2021, $571.0 million; in payment year 2022, $660.0 million. Additionally, P.A. 100-0023 requires that the City's contributions are at actuarially determined rates beginning in payment year 2023 and future funding be sufficient to produce a funding level of 90% by the year end of 2058.

For Policemen's and Firemen's, Public Act 99-0506 (P.A. 99-0506) was enacted on May 31, 2016. P.A. 99-0506 requires the City to contribute specific amounts to Policemen's and Firemen's Plans in the aggregate amounts as follows: in payment year 2019, $792.0 million; in payment year 2020, $824.0 million. Additionally, P.A. 99-0506 requires that the City's contributions are at actuarially determined rates beginning in payment year 2021 and future funding be sufficient to produce a funding level of 90% by the year end of 2055. In 2021, P.A. 101-0673 was enacted, which changed the terms of the automatic benefit increase provisions and eligibility for certain Tier 1 participants for Firemen's.

The City's contributions are budgeted in the same year as the applicable levy year for the property taxes funding the contributions. The City's contributions are then paid to the pension funds in the following year (which is when the levied property taxes are collected and paid to the City by the Cook County Treasurer).

The contribution to all four pension plans from the Airport was $107.4 million for the year ended December 31, 2022.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Airport reported a liability of $1,665.9 million for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Changes in Actuarial Assumptions—Changes in the municipal bond rate resulted in an increase in the single discount rate for Laborers' and Policemen's and a decrease in the single discount rate for Municipal Employees'. See discount rate section below.

The change in the single discount rate and other assumptions decreased the net pension liability by $12.1 million for Policemen and $7.5 million for Laborers' and increased in the net pension liability by $2.7 million for Firemen and $9.9 million for Municipal Employees. These changes are being amortized into expense over a 4-year period for Municipal Employees' Laborers' and a 6-year period for Policemen's and Firemen's.

The Airport's proportion of the net pension liability was determined based on the rates of the Airport's salaries within each corresponding pension plan to the total budgeted salaries for 2022. At December 31, 2022, the Airport's proportion was 6.8% of the Municipal Employees' Plan, 6.8% of the Laborer's Plan, 1.7% of the Policemen's Plan and 5.0%, of the Firemen's Plan.

For the year ended December 31, 2022, the Airport recognized pension expense of $164.0 million.

At December 31, 2022, the reported deferred outflows of resources of $99.9 million and deferred inflows of resources of $35.8 million related to pensions from the following sources:

Municipal Employees' (dollars in thousands):

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 11,782	$ -
Changes of assumptions	7,886	-
Net difference between projected and actual earnings on pension plan investments	22,345	-
Total	$ 42,013	$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Municipal Employees' pensions will be recognized in pension expense/(benefit) as follows:

Year Ended December 31	
2023	$ 7,982
2024	11,855
2025	9,432
2026	12,744
Total	$ 42,013

Laborers' (dollars in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,874
Changes of assumptions	1,575	5,740
Net difference between projected and actual earnings on pension plan investments	7,667	-
Total	$ 9,242	$ 8,614

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Laborers' pensions will be recognized in pension expense/(benefit) as follows:

Year Ended December 31	
2023	$ (1,808)
2024	(743)
2025	518
2026	2,661
Total	$ 628

Policemen's (dollars in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,464	$ 1,436
Changes of assumptions	10,808	10,947
Net difference between projected and actual earnings on pension plan investments	5,661	-
Total	$ 24,933	$ 12,383

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Policemen's pensions will be recognized in pension expense as follows:

Year Ended December 31	
2023	$ 2,726
2024	4,425
2025	4,152
2026	2,363
2027	(1,117)
Thereafter	1
Total	$ 12,550

Firemen's (dollars in thousands):

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 7,980	$ 2,888
Changes of assumptions	9,536	11,950
Net difference between projected and actual earnings on pension plan investments	6,228	-
Total	$ 23,744	$ 14,838

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Firemen's pensions will be recognized in pension expense/(benefit) as follows:

Year Ended December 31	
2023	$ 4,090
2024	2,433
2025	1,872
2026	1,478
2027	(1,107)
Thereafter	140
Total	$ 8,906

Deferred Outflows Related to Changes in Proportionate Share of Contributions—For the year ended December 31, 2022, the Airport reported pension charge/(benefit) of $11.4 million, related to changes in its proportionate share of contributions. As of December 31, 2022, the Airport Funds reported deferred inflows of $18.1, and deferred outflows of $13.6 million, related to changes in its proportionate share of contributions. This deferred amount will be recognized as pension charge/(benefit) over a period of five years.

Actuarial Assumptions—The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Municipal Employees'	Laborers'	Policemen's	Firemen's
Inflation	2.50 %	2.25 %	2.25 %	2.50 %
Salary Increases	2.50%-14.00% (a)	3.00 % (b)	3.50 % (c)	3.50%-25.00% (d)
Investment Rate of Return	6.75 % (e)	7.25 % (e)	6.75 %	6.75 % (e)

(a) varying by years of service and employer
(b) Plus a service—based increase in the first 9 years
(c) Plus service based increases consistent with bargaining contracts
(d) Varying by years of service
(e) Net of investment expense

Mortality Assumptions

Bargaining Plan Members		Mortality Table Name	Mortality Improvement
Municipal Employees'	Post Retirement	PubG-2010 Retiree Amount-weighted Below Median Mortality Table (sex-specific)	Generational – Scale MP-2021
	Beneficiary	PubG-2010 Contingent Survivor Table Amount-weighted Below Median Mortality Table (sex-specific)	Generational – Scale MP-2021
	Pre-Retirement	PubG-2010 Employee Amount-weighted Below Median Mortality Table (sex-specific)	Generational – Scale MP-2021
Laborers'	Post Retirement	Pub-2010 Amount-weighted Below Median Income General Healthy Retiree Mortality Tables, Sex Distinct	Generational – Scale MP-2020 2-dimensional
	Pre-Retirement	Pub-2010 Amount-weighted Below Median Income General Employee Mortality Tables, Sex Distinct	Generational – Scale MP-2020 2-dimensional
Policemen's	Post Retirement	Pub-2010 Amount-weighted Safety Healthy Retiree Mortality Table, Sex Distinct	Generational – Scale MP-2018 2-dimentional
	Disabled	Pub-2010 Amount-weighted Safety Healthy Retiree Mortality Table, Sex Distinct	Generational – Scale MP-2018 2-dimentional
	Pre-Retirement	Pub-2010 Amount-weighted Safety Employee Mortality Table, Sex Distinct	Generational – Scale MP-2018 2-dimentional
Firemen's	Post Retirement	PubS-2010 Retiree Amount-weighted Mortality Table	Generational – Scale MP-2021
	Disabled	PubS-2010 Disabled Retiree Amount-weighted Mortality Table	Generational – Scale MP-2021
	Beneficiary	Pub-2010 Contingent Survivor Amount-weighted Mortality Table	Generational – Scale MP-2021
	Pre-Retirement	PubS-2010 Employee Amount-weighted Mortality Table	Generational – Scale MP-2021

The mortality actuarial assumptions used in the December 31, 2022 valuation were adjusted based on the results of actuarial experience study for the following periods:

Municipal Employees'	January 1, 2017–December 31, 2021
Laborers'	January 1, 2017–December 31, 2019
Policemen's	January 1, 2014–December 31, 2018
Firemen's	January 1, 2017–December 31, 2021

The long term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of December 31, 2022, are summarized in the following table:

	Target Allocation				Long-Term Expected Real Rate of Return			
	Municipal Employees'	Laborers'	Policemen's	Firemen's	Municipal Employees'	Laborers'	Policemen's	Firemen's
Asset class:								
Equity	- %	- %	29.5 %	57.0 %	- %	- %	7.85 %	7.40 %
Domestic equity	26.0	-	-	-	7.10	-	-	-
U.S. equity	-	25.0	-	-	-	5.20	-	-
Non U.S. equity	-	20.0	19.5	-	-	5.40	9.65	-
Global equity	5.0	-	-	-	6.80	-	-	-
Global low volatility equity	-	5.0	-	-	-	4.50	-	-
International equity	17.0	-	-	-	7.40	-	-	-
Fixed income	22.0	20.0	15.0	22.0	4.90	1.60	3.62	4.60
Hedge funds	10.0	10.0	5.00	-	5.30	3.10	5.48	-
Infrastructure	3.0	-	-	-	6.90	-	-	-
Private debt	4.0	3.0	-	-	10.10	8.20	-	-
Private equity	4.0	4.0	-	-	11.40	9.30	-	-
Private markets	-	-	20.0	-	-	-	11.20	-
Real estate	9.0	10.0	-	-	6.80	4.50	-	-
Real assets	-	-	11.0	-	-	-	5.99	-
Private real assets	-	3.0	-	-	-	4.80	-	-
Other investments	-	-	-	21.0	-	-	-	6.50
Total	100 %	100 %	100 %	100 %				

Discount Rate

Municipal Employees'—

The Single Discount Rate used to measure the total pension liability as of December 31, 2022 was 6.57%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made according to the contribution rate applicable for each member's tier and that employer contributions will be made as specified by Public Act 100-0023. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions and contributions from future plan members that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through the year 2078. Therefore, the long-term expected rate of return on pension plan investments of 6.75% was applied to projected benefits for all periods through 2077 and the municipal bond index rate of 3.72% was applied thereafter to determine total pension liability.

Laborers'—A Single Discount Rate of 7.13% was used to measure the total pension liability as of December 31, 2022. This Single Discount Rate was based on an expected rate of return on pension plan investments of 7.25% as of December 31, 2022, and a municipal bond rate of 4.05% as of December 31, 2022 (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at under the statutory funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2076. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2076, and the municipal bond rate was applied to all benefit payments after that date.

Policemen's—A Single Discount Rate of 6.64% was used to measure the total pension liability as of December 31, 2022. This Single Discount Rate was based on an expected rate of return on pension plan investments of 6.75% for December 31, 2022, and a municipal bond rate of 4.05% as of December 31, 2022 (based on the most recent date available on or before the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions and employer contributions are made in accordance with the statutory requirements. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2079. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2079, and the municipal bond rate was applied to all benefit payments after that date.

Firemen's—A Single Discount Rate of 6.75% was used to measure the total pension liability as of December 31, 2022. This Single Discount Rate was based on an expected rate of return on pension plan investments of 6.75% for December 31, 2022, and a municipal bond rate of 3.72% and as of December 31, 2022 (based on the Bond Buyer 20-Bond Index of general obligation municipal bonds). The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made according to the contribution rate applicable for each member's tier and that employer contributions will be made as specified by Public Act 99-0506. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions and contributions from future plan members that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on the assumptions as of December 31, 2022, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members throughout the projection period. As a result, as of December 31, 2022, the long-term expected rate of return on pension plan investments was applied to projected benefits for all periods.

Sensitivity of the Airport's Net Pension Liability to Changes in the Discount Rate

Municipal Employees'—The following presents the allocated share of the net pension liability to the Airport as of December 31, 2022, calculated using the discount rate of 6.57%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.57%) or 1 percentage point higher (7.57%) than the current rate (dollars in thousands):

Net Pension Liability	1% Decrease	Current Discount Rate	1% Increase
Municipal Employees' discount rate	5.57 %	6.57 %	7.57 %
Municipal Employees' net pension liability	$1,196,670	$1,037,514	$904,555

Laborers'—The following presents the allocated share of the net pension liability to the Airport as of December 31, 2022, calculated using the discount rate of 7.13% as well as what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.13%) or 1% point higher (8.13%) than the current rate (dollars in thousands):

Net Pension Liability	1% Decrease	Current Discount Rate	1% Increase
Laborers' discount rate	6.13 %	7.13 %	8.13 %
Laborers' net pension liability	$137,361	$115,444	$96,978

Policemen's—The following presents the allocated share of the net pension liability to the Airport as of December 31, 2022, calculated using the discount rate of 6.64%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (5.64%) or 1% point higher (7.64%) than the current rate (dollars in thousands):

Net Pension Liability	1% Decrease	Current Discount Rate	1% Increase
Policemen's discount rate	5.64 %	6.64 %	7.64 %
Policemen's net pension liability	$253,202	$219,516	$191,394

Firemen's—The following presents the allocated share of the net pension liability to the Airport as of December 31, 2022, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (5.75%) or 1% point higher (7.75%) than the current rate (dollars in thousands):

Net Pension Liability	1% Decrease	Current Discount Rate	1% Increase
Firemen's discount rate	5.75 %	6.75 %	7.75 %
Firemen's net pension liability	$335,823	$293,390	$257,750

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Pension Plans reports.

8. RELATED-PARTY TRANSACTIONS

Included in operating expenses are reimbursements to the general fund of the City for services provided by other City departments, employee fringe benefits, and certain payments made on behalf of the Airport. Such reimbursements amounted to $175.6 million in 2022.

9. COMMITMENTS AND CONTINGENCIES

The Airport has certain contingent liabilities resulting from litigation, claims, and commitments incident to its ordinary course of business. Management expects that the final resolution of these contingencies will not have a material adverse effect on the financial position or results of operations of the Airport.

The Airport provides employee health benefits under a self-insurance program, administered by the City. Such claims outstanding, including claims incurred but not reported, are estimated and recorded as liabilities in the basic financial statements.

Uninsured claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Changes in the claims liability amount for the year ended December 31, 2022 are as follows (dollars in thousands):

Beginning balance—January 1	$ 2,765
Total claims incurred (expenditures)	27,260
Claims paid	(27,195)
Claims liability—December 31	$ 2,830

The City's property and liability insurance premiums are approximately $14.5 million per year. The City maintains property and liability insurance coverage for both O'Hare and Midway and allocates the cost of the premiums between the two airports. The property coverage was renewed on December 31, 2022, with a limit of $3.5 billion and includes $3.5 billion in terrorism coverage, and the liability coverage was renewed May 15, 2023, with a limit of $1 billion and includes $1 billion in war and terrorism liability coverage.

At December 31, 2022, the Airport had commitments in the amounts of approximately $201.2 million in connection with contracts entered into for construction projects.

10. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources:	
Deferred outflows from pension activities	$ 99,917
Changes in proportionate share of pension contribution	13,555
Unamortized deferred bond refunding costs	104,654
Total deferred outflows of resources	$ 218,126
Deferred Inflows of resources—deferred inflows from pension activities	$ 53,971
Deferred inflows of leases	493,158

Refer to Note 7 Pension Plans—Deferred Outflows and Deferred Inflows Related to Pension Activities and to Changes in Proportionate Share of Contributions sections.

11. SUBSEQUENT EVENTS

There were no subsequent events as of the date of this report.

* * * * * *

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS
(Dollars are in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
MUNICIPAL EMPLOYEES':								
Total pension liability:								
Service cost*	$ 263,993	$ 246,066	$ 236,302	$ 228,465	$ 223,528	$ 572,534	$ 619,743	$ 226,816
Interest	1,269,645	1,228,905	1,190,694	1,159,253	1,123,348	915,711	878,369	909,067
Benefit changes	-	-	-	-	-	-	-	2,140,009
Differences between expected and actual experience	84,258	121,988	100,938	16,676	95,540	(177,755)	(127,119)	(109,865)
Assumption changes	143,996	-	-	-	-	(7,431,191)	(578,920)	8,711,755
Benefit payments including refunds	(1,055,585)	(1,010,191)	(973,478)	(952,652)	(916,198)	(888,174)	(859,672)	(826,036)
Net change in total pension liability	706,307	586,768	554,456	451,742	526,218	(7,008,875)	(67,599)	11,051,746
Total pension liability—beginning	18,401,580	17,814,812	17,260,356	16,808,614	16,282,396	23,291,271	23,358,870	12,307,094
Total pension liability—ending (a)	19,107,887	18,401,580	17,814,812	17,260,356	16,808,614	16,282,396	23,291,271	23,358,840
Plan fiduciary net position:								
Contributions—employer	959,550	573,198	496,992	418,269	349,574	261,764	149,718	149,225
Contributions—employee	176,339	163,411	157,798	146,645	138,400	134,765	130,391	131,428
Net investment income	(429,912)	498,299	335,403	560,940	(204,975)	610,515	281,419	114,025
Benefit payments including refunds of employee contribution	(1,055,585)	(1,010,191)	(973,478)	(952,652)	(916,198)	(888,174)	(859,672)	(826,036)
Administrative expenses	(6,873)	(6,687)	(7,118)	(6,740)	(6,639)	(6,473)	(7,056)	(6,701)
Other	-	-	-	-	-	5,394	-	-
Net change in plan fiduciary net position	(356,481)	218,030	9,597	166,462	(639,838)	117,791	(305,200)	(438,059)
Plan fiduciary net position—beginning	4,308,269	4,090,239	4,080,642	3,914,180	4,554,018	4,436,227	4,741,427	5,179,486
Plan fiduciary net position—ending (b)	3,951,788	4,308,269	4,090,239	4,080,642	3,914,180	4,554,018	4,436,227	4,741,427
NET PENSION LIABILITY—Ending (a)-(b)	$ 15,156,099	$ 14,093,311	$ 13,724,573	$ 13,179,714	$ 12,894,434	$ 11,728,378	$ 18,855,044	$ 18,617,413
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	20.68 %	23.41 %	22.96 %	23.64 %	23.29 %	27.97 %	19.05 %	20.30 %
ALLOCATED COVERED PAYROLL**	$ 148,286	$ 138,259	$ 131,080	$ 127,065	$ 119,395	$ 114,809	$ 99,483	$ 95,705
EMPLOYER'S NET PENSION LIABILITY AS A PERCENTAGE OF ALLOCATED COVERED PAYROLL	699.67 %	704.25 %	737.13 %	731.07 %	743.37 %	695.41 %	1,144.85 %	1,132.81 %
ALLOCATED NET PENSION LIABILITY	$ 1,037,514	$ 973,686	$ 966,221	$ 928,935	$ 887,542	$ 798,400	$ 1,138,937	$ 1,084,148
ALLOCATED PERCENTAGE	6.85 %	6.91 %	7.05 %	7.05 %	6.88 %	6.80 %	6.04 %	5.82 %

* Includes pension plan administrative expense.
** Allocated Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.
Ten year information will be provided prospectively starting with year 2015.

(Continued)

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS
(Dollars are in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
LABORERS':								
Total pension liability:								
Service cost *	$ 39,331	$ 40,411	$ 39,216	$ 38,522	$ 40,801	$ 80,232	$ 82,960	$ 38,389
Interest	193,347	192,343	191,099	188,347	183,135	154,047	150,166	153,812
Benefit changes	-	-	-	-	-	150	-	384,033
Differences between expected and actual experience	(27,236)	(31,083)	(18,992)	(8,820)	15,143	(62,178)	(30,428)	(46,085)
Assumption changes	(109,355)	21,870	44,034	32,846	(11,788)	(1,074,754)	(62,905)	1,175,935
Benefit payments including refunds	(177,162)	(172,514)	(169,056)	(164,959)	(160,061)	(157,050)	(154,683)	(152,530)
Pension plan administrative expense	(3,607)	(3,837)	(3,616)	(3,691)	(3,933)	(3,985)	(4,080)	(3,844)
Net change in total pension liability	(84,682)	47,190	82,685	82,245	63,297	(1,063,538)	(18,970)	1,549,710
Total pension liability—beginning	2,905,524	2,858,334	2,775,649	2,693,404	2,630,107	3,693,645	3,712,615	2,162,905
Total pension liability—ending (a)	2,820,842	2,905,524	2,858,334	2,775,649	2,693,404	2,630,107	3,693,645	3,712,615
Plan fiduciary net position:								
Contributions—employer	116,176	84,969	73,744	59,346	47,844	35,457	12,603	12,412
Contributions—employee	19,069	17,637	18,064	18,143	17,837	17,411	17,246	16,844
Net investment income	(161,680)	138,105	163,057	184,027	(75,219)	207,981	57,997	(22,318)
Benefit payments including refunds of employee contribution	(177,162)	(172,514)	(169,056)	(164,959)	(160,061)	(157,050)	(154,683)	(152,530)
Administrative expenses	(3,607)	(3,837)	(3,616)	(3,691)	(3,933)	(3,985)	(4,080)	(3,844)
Other	-	-	-	-	661	-	-	-
Net change in plan fiduciary net position	(207,204)	64,360	82,193	92,866	(172,871)	99,814	(70,917)	(149,436)
Plan fiduciary net position—beginning	1,334,102	1,269,742	1,187,549	1,094,683	1,267,554	1,167,740	1,238,657	1,388,093
Plan fiduciary net position—ending (b)	1,126,898	1,334,102	1,269,742	1,187,549	1,094,683	1,267,554	1,167,740	1,238,657
NET PENSION LIABILITY—Ending (a)-(b)	$ 1,693,944	$ 1,571,422	$ 1,588,592	$ 1,588,100	$ 1,598,721	$ 1,362,553	$ 2,525,905	$2,473,958
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	39.95 %	45.92 %	44.42 %	42.78 %	40.64 %	48.19 %	31.61 %	33.36 %
ALLOCATED COVERED PAYROLL**	$ 14,590	$ 14,922	$ 14,495	$ 13,751	$ 13,288	$ 13,172	$ 12,408	$ 12,730
EMPLOYER'S NET PENSION LIABILITY AS A PERCENTAGE OF ALLOCATED COVERED PAYROLL	791.25 %	740.81 %	766.71 %	750.49 %	755.96 %	653.68 %	1,213.47 %	128.15 %
ALLOCATED NET PENSION LIABILITY	$ 115,444	$ 110,542	$ 111,135	$ 103,200	$ 100,454	$ 86,106	$ 150,573	$ 153,802
ALLOCATED PERCENTAGE	6.82 %	7.03 %	7.00 %	6.50 %	6.28 %	6.30 %	5.96 %	6.22 %

* Includes pension plan administrative expense.
** Allocated Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.
Ten year information will be provided prospectively starting with year 2015.

(Continued)

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS
(Dollars are in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
POLICEMEN'S:								
Total pension liability:								
Service cost*	$ 294,515	$ 284,707	$ 286,537	$ 240,383	$ 242,998	$ 237,333	$ 220,570	$ 213,585
Interest	1,011,977	963,417	942,623	944,739	931,731	917,720	851,098	832,972
Benefit changes	40,210	-	-	24,216	-	-	606,250	-
Differences between expected and actual experience	179,968	450,528	61,914	(68,010)	(281,151)	(299,923)	1,801	(105,969)
Assumption changes	(700,065)	37,029	260,021	1,140,418	(259,052)	238,975	112,585	-
Benefit payments including refunds	(947,589)	(887,076)	(841,598)	(800,668)	(771,104)	(747,891)	(707,196)	(676,777)
Pension plan administrative expense	(4,394)	(3,337)	(4,359)	(4,734)	(4,626)	(4,843)	(4,750)	(4,508)
Net change in total pension liability	(125,378)	845,268	705,138	1,476,344	(141,204)	341,371	1,080,358	259,303
Total pension liability—beginning	16,340,008	15,494,740	14,789,602	13,313,258	13,454,462	13,113,091	12,032,733	11,773,430
Total pension liability—ending (a)	16,214,630	16,340,008	15,494,740	14,789,602	13,313,258	13,454,462	13,113,091	12,032,733
Plan fiduciary net position:								
Contributions—employer	801,706	788,770	739,441	581,936	588,035	494,483	272,428	572,836
Contributions—employee	114,403	136,225	113,622	110,792	107,186	103,011	101,476	107,626
Net investment income	(324,259)	370,141	271,891	369,982	(137,977)	412,190	142,699	(5,334)
Benefit payments including refunds of employee contribution	(947,589)	(887,076)	(841,598)	(800,668)	(771,104)	(747,891)	(707,196)	(676,777)
Administrative expenses	(4,394)	(3,337)	(4,359)	(4,734)	(4,626)	(4,843)	(4,750)	(4,508)
Other	368	91	472	32	1,600	97	1,413	3,092
Net change in plan fiduciary net position	(359,765)	404,814	279,469	257,340	(216,886)	257,047	(193,930)	(3,065)
Adjustment—beginning	(119)	(48)	-	(91)	-	-	-	-
Plan fiduciary net position—beginning	3,846,664	3,441,898	3,162,429	2,905,180	3,122,066	2,865,019	3,058,949	3,062,014
Plan fiduciary net position—ending (b)	3,486,780	3,846,664	3,441,898	3,162,429	2,905,180	3,122,066	2,865,019	3,058,949
NET PENSION LIABILITY—Ending (a)-(b)	$ 12,727,850	$ 12,493,344	$ 12,052,842	$ 11,627,173	$ 10,408,078	$ 10,332,396	$ 10,248,072	$ 8,973,784
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	21.50 %	23.54 %	22.21 %	21.38 %	21.82 %	23.20 %	21.85 %	25.42 %
ALLOCATED COVERED PAYROLL**	21,973	20,962	20,226	21,481	16,965	16,071	15,834	14,540
EMPLOYER'S NET PENSION LIABILITY AS A PERCENTAGE OF ALLOCATED COVERED PAYROLL	999.03 %	992.86 %	1,007.78 %	946.08 %	863.51 %	898.15 %	915.39 %	825.85 %
ALLOCATED NET PENSION LIABILITY	219,516	208,124	203,837	203,224	146,498	144,344	144,940	120,078
ALLOCATED PERCENTAGE	1.72 %	1.67 %	1.69 %	1.75 %	1.41 %	1.40 %	1.41 %	1.34 %

* Includes pension plan administrative expense
** Allocated Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.
Ten year information will be provided prospectively starting with year 2015.

(Continued)

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS
(Dollars are in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
FIREMEN'S:								
Total pension liability:								
Service cost	$ 111,917	$ 112,730	$ 109,487	$ 102,141	$ 97,143	$ 93,367	$ 94,115	$ 87,203
Interest	466,819	429,630	410,128	408,586	410,821	371,622	342,085	338,986
Benefit changes	11,737	196,531	-	-	-	-	227,213	-
Differences between expected and actual experience	(30,667)	93,928	174,717	(65,213)	(56,418)	26,954	24,110	(7,981)
Assumption changes	53,665	(340,370)	30,468	190,954	382,611	414,219	(74,373)	176,282
Benefit payments including refunds	(401,968)	(388,674)	(366,160)	(346,337)	(324,662)	(306,098)	(286,759)	(278,017)
Pension plan administrative expense	-	-	-	-	(3,285)	(3,172)	(3,217)	(3,149)
Net change in total pension liability	211,503	103,775	358,640	290,131	506,210	596,892	323,174	313,324
Total pension liability—beginning	7,004,906	6,901,131	6,542,491	6,252,360	5,746,150	5,149,258	4,826,084	4,512,760
Total pension liability—ending (a)	7,216,409	7,004,906	6,901,131	6,542,491	6,252,360	5,746,150	5,149,258	4,826,084
Plan fiduciary net position:								
Contributions—employer	399,210	367,481	368,423	255,382	249,684	228,453	154,101	236,104
Contributions—employee	53,031	52,268	54,414	46,623	45,894	47,364	48,960	46,552
Net investment income	(155,590)	129,513	105,367	161,082	(58,000)	140,570	60,881	7,596
Benefit payments including refunds of employee contribution	(401,968)	(388,674)	(366,160)	(346,337)	(324,662)	(306,098)	(286,759)	(278,017)
Administrative expenses	(3,390)	(3,082)	(2,991)	(3,226)	(3,285)	(3,172)	(3,217)	(3,149)
Other	5	5	13	507	6	22	(53)	7
Net change in plan fiduciary net position	(108,702)	157,511	159,066	114,031	(90,363)	107,139	(26,087)	9,093
Plan fiduciary net position—beginning	1,466,398	1,308,887	1,149,821	1,035,790	1,126,153	1,019,014	1,045,101	1,036,008
Plan fiduciary net position—ending (b)	1,357,696	1,466,398	1,308,887	1,149,821	1,035,790	1,126,153	1,019,014	1,045,101
NET PENSION LIABILITY—Ending (a)-(b)	$ 5,858,713	$ 5,538,508	$ 5,592,244	$ 5,392,670	$5,216,570	$4,619,997	$4,130,244	$3,780,983
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	18.81 %	20.93 %	18.97 %	17.57 %	16.57 %	19.60 %	19.79 %	21.66 %
ALLOCATED COVERED PAYROLL*	$ 26,315	$ 26,067	$ 25,077	$ 992	$ 23,293	$ 23,419	$ 23,680	$ 22,654
EMPLOYER'S NET PENSION LIABILITY AS A PERCENTAGE OF ALLOCATED COVERED PAYROLL**	1,114.92 %	1,065.01 %	1,117.63 %	1,179.80 %	1,141.56 %	984.22 %	863.22 %	812.71 %
ALLOCATED NET PENSION LIABILITY	$ 293,390	$ 277,616	$ 280,262	$ 271,256	$ 265,904	$ 230,490	$ 204,414	$ 184,109
ALLOCATED PERCENTAGE	5.01 %	5.01 %	5.01 %	5.03 %	5.10 %	4.99 %	4.95 %	4.87 %

* Includes pension plan administrative expense.
** Allocated Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.
Ten year information will be provided prospectively starting with year 2015.

(Concluded)

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
(Dollars are in thousands)

Municipal Employees'

Years Ended December 31	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency	Covered Payroll*	Contributions as a Percentage of Covered Payroll
2013	$ 820,023	$148,197	$671,826	$1,580,289	9.38 %
2014	839,039	149,747	689,292	1,602,978	9.34
2015	677,200	149,225	527,975	1,643,481	9.08
2016	961,770	149,718	812,052	1,646,939	9.09
2017	1,005,457	261,764	743,693	1,686,533	15.52
2018	1,049,916	349,574	700,342	1,734,596	20.15
2019	1,117,388	418,269	699,119	1,802,790	23.20
2020	1,167,154	496,992	670,162	1,861,905	26.69
2021	1,218,361	573,198	645,163	2,001,181	28.64
2022	1,262,413	959,550	302,863	2,166,182	44.30

* Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.

** The schedule of contribution amounts are presented City-wide, as the statutory requirement for contribution is for the City of Chicago and not the individual Enterprise fund.

Laborers'

Years Ended December 31	Actuarially Determined Contributions*	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency	Covered Payroll**	Contributions as a Percentage of Covered Payroll
2013	$ 106,199	$ 11,583	$ 94,616	$ 200,352	5.78 %
2014	106,019	12,161	93,858	202,673	6.00
2015	79,851	12,412	67,439	204,773	6.06
2016	117,033	12,603	104,430	208,155	6.05
2017	124,226	35,457	88,769	208,442	17.01
2018	129,247	47,844	81,403	211,482	22.62
2019	148,410	59,346	89,064	211,608	28.05
2020	155,794	73,744	82,050	207,195	35.59
2021	155,245	84,969	70,276	212,122	40.06
2022	153,023	116,176	36,847	214,083	54.27

* The LABF Statutory Funding does not conform to Actuarial Standards of Practice, therefore, the actuarially determined contribution is equal to the normal cost plus an amount to amortize the unfunded liability using dollar payments and a 30 year open amortization period.

** Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.

*** The schedule of contribution amounts are presented City-wide, as the statutory requirement for contribution is for the City of Chicago and not the individual Enterprise fund.

(Continued)

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
(Dollars are in thousands)

Policemen's

Years Ended December 31	Actuarially Determined Contributions*	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency	Covered Payroll**	Contributions as a Percentage of Covered Payroll
2013	$ 474,177	$179,521	$294,656	$1,015,426	17.68 %
2014	491,651	178,158	313,493	1,074,333	16.58
2015	785,501	575,928	209,573	1,086,608	53.00
2016	785,695	273,840	511,855	1,119,527	24.46
2017	910,938	494,580	416,358	1,150,406	42.99
2018	924,654	589,635	335,019	1,205,324	48.92
2019	933,770	581,968	351,802	1,228,987	47.35
2020	1,037,582	739,913	297,669	1,195,980	61.87
2021	1,047,839	788,770	258,978	1,258,338	62.69
2022	1,085,159	802,074	283,085	1,274,050	62.95

* The PABF Statutory Funding does not conform to Actuarial Standards of Practice; therefore, the 2015 and after, the actuarially determined contribution is equal to the normal cost plus a 30-year dollar amortization of the unfunded actuarial liability. Prior to 2015 the actuarially determined contribution was equal to the "ARC" which was equal to normal cost plus a 30-year open level percent amortization of the unfunded actuarial liability.

** Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.

*** The schedule of contribution amounts are presented City-wide, as the statutory requirement for contribution is for the City of Chicago and not the individual Enterprise fund.

Firemen's

Years Ended December 31	Actuarially Determined Contributions*	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency	Covered Payroll**	Contributions as a Percentage of Covered Payroll
2013	$ 294,878	$103,669	$191,209	$ 416,492	24.89 %
2014	304,265	107,334	196,931	460,190	23.32
2015	323,545	236,104	87,441	465,232	50.75
2016	333,952	154,101	179,851	478,471	32.21
2017	372,845	228,453	144,392	469,407	48.67
2018	412,220	249,684	162,536	456,969	54.64
2019	442,045	255,382	186,663	457,082	55.87
2020	466,556	368,423	98,133	500,368	73.63
2021	476,498	367,481	109,017	520,047	70.66
2022	509,936	399,210	110,726	525,480	75.97

* The FABF Statutory Funding does not conform to Actuarial Standards of Practice, therefore, the Actuarially Determined Contribution is equal to the normal cost plus an amount to amortize the unfunded liability using level dollar payments and a 30 year open amortization period. Amounts for fiscal years prior to 2015 were based on the "ARC" which was equal to normal cost plus an amount to amortize the unfunded liability using a 30-year open period level dollar amortization.

** Covered payroll is the amount in force as of the actuarial valuation date and likely differs from actual payroll paid during fiscal year.

*** The schedule of contribution amounts are presented City-wide, as the statutory requirement for contribution is for the City of Chicago and not the individual Enterprise fund.

(Continued)

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
(Dollars are in thousands)

Actuarial Methods and Assumptions	**Municipal Employees'**		**Laborers'**		**Policemen's**		**Firemen's**	
Actuarial valuation date	12/31/2021		12/31/2021		12/31/2021		12/31/2021	
Actuarial cost method	Entry age normal		Entry age normal		Entry age normal		Entry age normal	
Asset valuation method	5-yr. Smoothed Market		5-yr. Smoothed Market		5-yr. Smoothed Market		5-yr. Smoothed Market	
Actuarial assumptions:								
Inflation	2.50%		2.25%		2.25%		2.50%	
Salary increases	3.50%–7.75%	(a)	3.00%	(b)	3.50%	(c)	3.5%–25.00%	(d)
Investment rate of return	7.00%	(e)	7.25%	(f)	6.75%		6.75%	(e)
Retirement age	(g)		(h)		(i)		(j)	
Mortality	(k)		(l)		(m)		(n)	
Other information	(o)		(p)		(q)		(o)	

(a) Varying by years of service and employer.

(b) Plus a service-based increase in the first 9 years.

(c) Plus service based increases consistent with bargaining contracts.

(d) Varying by years of service.

(e) Net of investment expense

(f) Net of investment expense, including inflation

(g) For employees first hired prior to January 1, 2011, rates of retirement are based on the recent experience of the Fund (effective December 31, 2022). For employees first hired on or after January 1, 2011 and before July 6, 2017, rates of retirement for each age from 62 to 80 were used (effective December 31, 2011). For employees first hired on or after July 6, 2017, rates of retirement for each age from 60 to 80 were used (effective December 31, 2018).

(h) Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the December 31, 2020, valuation pursuant to an experience study of the period January 1, 2017, through December 31, 2019.

(i) Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the December 31, 2019, actuarial valuation pursuant to an experience study of the period January 1, 2014, through December 31, 2018.

(j) Retirement rates are based on the recent experience of the Fund (effective December 31, 2022).

(k) Post-retirement mortality rates were based on the RP-2014 Healthy Annuitant Mortality Tables, set forward two years for males and one year for females, and projected generationally using scale MP-2016. Pre-retirement mortality rates were based on 120% of the RP-2014 Employee Mortality Tables projected generationally using scale MP-2016.

(l) Post Retirement Mortality: Scaling factors of 109% for males, and 108% for females of the Pub-2010 Amount-weighted Below-median Income General Healthy Retiree Mortality Tables, sex distinct, with generational mortality improvement using MP-2020 2-dimensional mortality improvement scales recently released by the SOA. This assumption provides a margin for mortality improvements. Pre Retirement Mortality: Scaling factors of 111% for males, and 115% for females of the Pub-2010 Amount-weighted Below-median Income General Employee Mortality Tables, sex distinct, with generational mortality improvement using MP-2020 2-dimensional mortality improvement scales recently released by the SOA. This assumption provides a margin for mortality improvements.

Pre Retirement Mortality: Scaling factors of 111% for males, and 115% for females of the Pub-2010 Amount-weighted Below-median Income General Employee Mortality Tables, sex distinct, with generational mortality improvement using MP-2020 2-dimensional mortality improvement scales recently released by the SOA. This assumption provides a margin for mortality improvements.

(m) Post-Retirement Healthy mortality rates: Sex distinct Pub-2010 Amount-weighted Safety Healthy Retiree Mortality Tables weighted 119% for males and 102% for females, set forward one year for males. Pre-Retirement mortality rates: Sex distinct Pub-2010 Amount-weighted Safety Employee Mortality Tables weighted 100% for males and 100% for females. Disabled Mortality: Sex distinct Pub-2010 Amount-weighted Safety Healthy Retiree Mortality Tables weighted 129% for males and 112% for females, set forward one year for males. Future mortality improvements are reflected by projecting the base mortality tables forward using the MP-2018 projection scale.

(n) Post-retirement mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Mortality Tables, scaled by 106% for males and 98% for females, and projected generationally using scale MP-2017. Disabled mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Mortality Tables, scaled by 107% for males and 99% for females, and projected generationally using scale MP-2017. Pre-retirement mortality rates were based on the RP-2014 Blue Collar Employee Mortality, scaled by 92% for males and 100% for females, projected generationally using scale MP-2017.

(o) Other assumptions: Same as those used in the December 31, 2021, actuarial funding valuations.

(p) The actuarial valuation is based on the statutes in effect as of December 31, 2020.

(q) The actuarially determined contribution for fiscal year ending December 31, 2022 was determined in the funding actuarial valuation as of December 31, 2021 and the statutory contribution (upon which the actual contribution was based) for fiscal year ending December 31, 2022 was determined in the funding actuarial valuation as of December 31, 2020, which were both based on the assumptions summarized above.

(Concluded)

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

ADDITIONAL SUPPLEMENTARY INFORMATION
SENIOR LIEN GENERAL AIRPORT REVENUE BONDS
CALCULATIONS OF COVERAGE COVENANT
FOR THE YEAR ENDED DECEMBER 31, 2022
(Dollars in thousands)

	Sec 404 (a)	Sec 404 (b)
REVENUES:		
Total revenues—as defined	$ 1,259,748	$ 1,259,748
Other available moneys (PFC for debt service, BAB Subsidy and COVID-19 Relief Funds)	167,739	167,739
Cash balance in revenue fund on the first day of fiscal year (Note 2)	99,421	-
TOTAL AVAILABLE FOR COVERAGE COVENANT	$ 1,526,908	$ 1,427,487
COVERAGE REQUIREMENTS—Deposits required:		
Operation and maintenance reserve	$ 8,514	
Maintenance reserve	2,325	
Supplemental O & M Reserve	23,897	
Senior lien debt service fund	543,990	
TOTAL DEPOSITS REQUIREMENTS	$ 578,726	
AGGREGATE SENIOR LIEN DEBT SERVICE	$ 637,483	$ 637,483
LESS AMOUNTS TRANSFERRED FROM CAPITALIZED INTEREST ACCOUNTS	(18,765)	(18,765)
NET AGGREGATE DEBT SERVICE	618,718	$ 618,718
COVENANT REQUIREMENT	1.25x	
NET AGGREGATE DEBT SERVICE	$ 773,398	
COVERAGE REQUIREMENT (Greater of total deposit requirements or 125% of net aggregate debt service)	$ 773,398	
OPERATION AND MAINTENANCE EXPENSES—As defined	597,704	597,704
TOTAL REQUIREMENT	$ 1,371,102	$ 1,216,422
TOTAL AVAILABLE FOR COVERAGE COVENANT	$ 1,526,908	$ 1,427,487

See notes to calculations of coverage.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SENIOR LIEN GENERAL AIRPORT REVENUE BONDS
NOTES TO CALCULATIONS OF COVERAGE
FOR THE YEAR ENDED DECEMBER 31, 2022

1. RATE COVENANT

In the Master Indenture of Trust securing Chicago O'Hare International Airport Senior Lien Obligations:

The City covenants that it will fix and establish, and revise from time to time whenever necessary, the rentals, rates, and other charges for the use and operation of the Airport and for services rendered by the City in the operation of it in order that Revenues in each Fiscal Year, together with Other Available Moneys deposited with the Trustee with respect to that Fiscal Year and any cash balance held in the Revenue Fund on the first day of that Fiscal Year not then required to be deposited in any Fund or Account, will be at least sufficient: (i) to provide for the payment of Operation and Maintenance Expenses for the Fiscal Year; and (ii) to provide for the greater of (A) the sum of the amounts needed to make the deposits required to be made pursuant to all resolutions, ordinances, indentures and trust agreements pursuant to which all Outstanding Senior Lien Obligations or other outstanding Airport Obligations are issued and secured, and (B) one and twenty-five-hundredths times Aggregate Debt Service for the Bond Year commencing during that Fiscal Year, reduced by any proceeds of Airport Obligations held by the Trustee for disbursement during that Bond Year to pay principal of and interest on Senior Lien Obligations.

The City further covenants that it will fix and establish, and revise from time to time whenever necessary, the rentals, rates and other charges for the use and operation of the Airport and for services rendered by the City in the operation of it in order that Revenues in each Fiscal Year, together with Other Available Moneys consisting solely of (i) any passenger facility charges deposited with the Trustee for that Fiscal Year, and (ii) any other moneys received by the City in the immediately prior Fiscal Year and deposited with the Trustee no later than the last day of the immediately prior Fiscal Year, will be at least sufficient: (i) to provide for the payment of Operation and Maintenance Expenses for the Fiscal Year, and (ii) to provide for the payment of Aggregate Debt Service for the Bond Year commencing during that Fiscal Year reduced by any proceeds of Airport Obligations held by the Trustee for disbursement during the Bond Year to pay the principal of and interest on Senior Lien Obligations.

O'Hare contributed $107.5 million to the pension funds. In addition, COVID-19 Relief Funds of $110.0 million were applied to reduce the airline-based operating and maintenance costs in 2022 and $30.0 million were applied as revenues in 2022.

2. REVENUE FUND BALANCE

The Revenue Fund balance includes all cash, cash equivalents and investments held in any Airport account which were available to the Revenue Fund to satisfy the coverage requirement under the terms of the Bond Ordinance. This balance also includes airfield credits, ARE and CRE net revenues from prior years that are required to be applied to the 2022 rates and charges in accordance with Section 8 of the 2018 O'Hare Airport Airline Use and Lease Agreement.

* * * * * *

PART III

STATISTICAL SECTION
(UNAUDITED)

STATISTICAL INFORMATION

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the Airport's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the Airport's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Airport's most significant revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Airport's current levels of outstanding debt and the Airport's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Airport's financial activities takes place.

Operating Information

These schedules contains data to help the reader understand how the information in the Airport's financial report relates to the services the Airport provides and the activities it performs.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL OPERATING RESULTS
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022
(Dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OPERATING REVENUES:										
Landing fees	$169,323	$211,982	$ 253,347	$ 301,285	$ 300,247	$ 336,168	$ 370,945	$ 365,580	$ 562,241	$ 511,873
Rental revenues:										
Terminal rental and use charges	273,611	340,449	292,706	333,939	350,727	373,765	440,325	274,283	253,713	328,470
Other rentals and fueling system fees	44,813	45,330	48,199	52,870	62,905	84,513	113,567	90,646	121,473	127,035
Subtotal rental revenues	318,424	385,779	340,905	386,809	413,632	458,278	553,892	364,929	375,186	455,505
Concessions:										
Auto parking	95,614	97,834	99,210	103,813	106,620	103,975	103,459	39,624	73,599	107,913
Auto rentals	26,274	27,863	29,176	28,436	28,028	29,971	32,559	28,372	27,591	19,775
Restaurants	42,662	45,432	49,366	52,786	54,657	57,972	61,690	28,819	34,330	50,655
News and gifts	18,367	24,086	24,355	25,082	24,354	25,465	25,012	23,309	12,325	21,921
Hilton Revenues	-	-	-	-	-	-	66,614	18,365	32,587	55,783
Other	40,337	45,082	41,908	43,074	43,762	43,240	32,813	30,163	21,415	30,257
Subtotal concessions	223,254	240,297	244,015	253,191	257,421	260,623	322,147	168,652	201,847	286,304
Reimbursements	6,679	6,466	6,961	6,532	4,879	6,844	6,501	6,451	5,878	5,751
Total operating revenues (1)	717,680	844,524	845,228	947,817	976,179	1,061,913	1,253,485	905,612	1,145,152	1,259,433
OPERATING AND MAINTENANCE EXPENSES:										
Salaries and wages (2)	192,744	212,576	203,216	208,578	210,649	227,219	221,763	228,173	213,023	225,303
Pension expense	-	-	339,546	245,491	145,992	145,920	159,153	45,419	62,448	163,979
Repairs and maintenance	85,484	110,928	98,945	104,536	95,310	115,008	143,231	144,975	170,176	153,522
Energy	32,895	34,519	34,090	39,500	34,773	35,027	42,297	35,350	35,004	34,430
Materials and supplies	8,961	10,573	9,876	10,886	6,937	16,284	14,647	7,670	13,876	16,368
Engineering and other professional services	81,070	88,143	83,265	95,608	101,798	111,642	133,994	140,982	149,419	172,740
Hilton Expenses	-	-	-	-	-	-	43,021	20,157	24,234	35,597
Other operating expenses	24,895	38,268	36,773	46,611	57,035	59,166	84,478	68,999	104,751	88,430
Total operating and maintenance expenses before depreciation and amortization (3)	426,049	495,007	805,710	751,210	652,494	710,266	842,584	691,725	772,931	890,369
NET OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION (4)	$291,631	$349,517	$ 39,518	$ 196,607	$ 323,685	$ 351,647	$ 410,901	$ 213,887	$ 372,221	$ 369,064
FIRST AND SECOND LIEN BONDS—Net revenues for calculating coverage less fund deposit requirements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
AGGREGATE DEBT SERVICE LESS DISBURSEMENTS FROM CAPITALIZED INTEREST ACCOUNTS (5)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
DEBT SERVICE COVERAGE RATIO (6)	-	-	-	-	-	-	-	-	-	-
THIRD LIEN BONDS—Net revenues for calculating coverage per master indenture third lien	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
COVERAGE REQUIRED PER MASTER INDENTURE—Third lien	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL AVAILABLE SOURCES FOR CALCULATING COVERAGE PER MASTER INDENTURE—Senior Lien	$853,216	$989,929	$1,010,311	$1,130,225	$1,183,777	$1,277,670	$1,456,750	$1,351,388	$1,358,971	$ 1,526,908
TOTAL REQUIREMENT PER MASTER INDENTURE—Senior lien (7)	$825,116	$985,375	$ 981,095	$1,091,007	$1,126,312	$1,193,799	$1,290,806	$1,173,826	$1,209,820	$ 1,371,102
COVERAGE COVENANT RATIO PER MASTER INDENTURE—Senior Lien	1.10	1.10	1.10	1.10	1.10	1.10	1.13	1.15	1.12	1.11
OPERATION AND MAINTENANCE EXPENSES PER MASTER INDENTURE—Senior Lien (8)	$415,749	$484,448	$ 468,426	$ 508,531	$ 506,323	$ 579,040	$ 632,686	$ 556,633	$ 654,742	$ 597,704
NET REVENUES AVAILABLE FOR SENIOR LIEN DEBT SERVICE	$437,467	$505,481	$ 541,885	$ 621,694	$ 677,454	$ 698,630	$ 824,064	$ 794,755	$ 704,229	$ 929,204
AGGREGATE DEBT SERVICE—Senior Lien (8)	$372,152	$455,388	$ 466,063	$ 529,524	$ 563,626	$ 558,872	$ 572,278	$ 514,327	$ 444,062	$ 618,718
COVERAGE RATIO (8)	1.18	1.11	1.16	1.17	1.20	1.25	1.44	1.55	1.59	1.50

(1) Average annual compound growth rate for 2013–2022 for total operating revenues is 6.4%.
(2) Salaries and wages includes charges for pension, health care and other employee benefits.
(3) Average annual compound growth rate for 2013–2022 for total operating and maintenance expenses before depreciation and amortization is 8.5%.
(4) Amount for 2022 may be reconciled to operating loss of $6,282 reported in the 2022 Statements of Revenues, Expenses and Changes in Net Position by deducting depreciation and amortization of $375,346. Amount for prior years may be reconciled through similar calculation.
(5) Represents debt service on first and second lien bonds.
(6) Represents debt service coverage ratio on first and second lien bonds.
(7) Represents Total Requirement for Operation and Maintenance Expenses and Aggregate Debt Service per Senior Lien Master Indenture.
(8) Represents calculations per Section 404(a) of the Senior Lien Master Indenture.
Note: $107.5 million is the portion of the City's pension cash contribution payable in 2022 to the pension funds and allocable to O'Hare Airport. This portion is included in Operating Expenses for purposes of calculation of the debt service coverage ratios.

Source: Chicago O'Hare International Airport Audited Financial Statements and City of Chicago Comptroller's Office.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

DEBT SERVICE SCHEDULE
(Dollars in thousands)

The following table sets forth aggregate annual debt service for outstanding General Airport Revenue Bonds (GARB), PFC revenue bonds and CFC revenue bonds:

Year Ending December 31	Total Debt Service on Senior Lien Bonds	Total GARB Debt Service	Total PFC Debt Service	Total CFC Debt Service	Total TIFIA Loan Debt Service	Total Debt Service
2023	$ 663,589	$ 663,589	$ 43,767	$ 18,129	$ 15,233	$ 740,718
2024	671,873	671,873	43,735	18,113	15,197	748,918
2025	705,515	705,515	43,695	18,099	15,157	782,466
2026	705,133	705,133	43,647	18,082	15,171	782,033
2027	704,746	704,746	43,714	18,072	15,177	781,709
2028	694,787	694,787	43,670	18,081	15,176	771,714
2029	673,442	673,442	43,625	18,073	15,169	750,309
2030	676,605	676,605	43,468	18,059	15,154	753,286
2031	676,238	676,238	43,411	18,043	15,162	752,854
2032	675,892	675,892	39,356	18,029	15,162	748,439
2033	676,500	676,500	3,265	18,014	15,154	712,933
2034	713,680	713,680	-	17,976	15,167	746,823
2035	729,939	729,939	-	17,955	15,142	763,036
2036	594,409	594,409	-	17,939	15,137	627,485
2037	594,603	594,603	-	17,920	15,124	627,647
2038	593,333	593,333	-	17,902	15,131	626,366
2039	591,348	591,348	-	17,881	15,127	624,356
2040	479,866	479,866	-	17,862	15,141	512,869
2041	423,622	423,622	-	17,838	15,116	456,576
2042	345,433	345,433	-	17,815	15,110	378,358
2043	345,274	345,274	-	17,785	15,120	378,179
2044	344,933	344,933	-	-	22,785	367,718
2045	344,418	344,418	-	-	22,759	367,177
2046	344,319	344,319	-	-	22,737	367,056
2047	344,117	344,117	-	-	22,749	366,866
2048	343,840	343,840	-	-	22,732	366,572
2049	573,567	573,567	-	-	22,718	596,285
2050	342,934	342,934	-	-	22,704	365,638
2051	342,622	342,622	-	-	22,689	365,311
2052	342,297	342,297	-	-	22,672	364,969
2053	332,980	332,980	-	-	-	332,980
2054	432,927	432,927	-	-	-	432,927
2055	331,811	331,811	-	-	-	331,811
2056	154,019	154,019	-	-	-	154,019
	$17,510,611	$17,510,611	$435,353	$377,667	$522,772	$18,846,403

Note: The annual debt service tables in the Official Statements for the above debt were presented with a year ended January 1. The information above is presented with a year ended December 31. The change has been made to facilitate reconciliation to revenue bonds payable at December 31, 2022.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

CAPITAL IMPROVEMENT PLAN (CIP), 2023–2027
(Dollars in thousands)

ESTIMATED USES—Five-Year Capital Improvement Program:	
Airfield improvements	$ 707,154
Terminal improvements	800,403
Noise mitigation	107,381
Fueling system	28,901
Parking/roadway projects	191,291
Heating and refrigeration	168,954
Safety and security	35,155
Infrastructure and land support	100,000
Total estimated uses	$ 2,139,239
ESTIMATED SOURCES:	
Federal AIP discretionary grants	$ 123,243
Federal AIP entitlement grants	50,000
Bipartisan Infrastructure Law	50,000
Airport Development Funds	33,755
TSA funds	-
State grants	16,780
Prior Airport revenue bond proceeds	24,971
2022 Bonds	170,227
Future Airport obligation proceeds	1,670,263
Total estimated sources	$ 2,139,239

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

OPERATIONS OF THE AIRPORT
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

Airport Activity

According to statistics compiled by Airport Council International (ACI), for the 12-month period ended December 31, 2022, the Airport was ranked as the second busiest airport in the world for total aircraft operations. According to the U.S. Department of Transportation, the Airport was fourth in the world in terms of total passengers, and seventh in the United States in terms of cargo volume. According to Innovata, during 2022, nonstop service was provided from the Airport to 260 destinations, 189 domestic airports and 71 foreign airports.

Chicago O'Hare International Airport Historical Connecting Passengers

Year	Total Enplanements	Total Originating Enplanements [1]	Total Connecting Enplanements [1]	Connecting Enplanements Percentage
2013	33,297,578	17,044,643	16,252,935	48.8 %
2014	34,952,762	17,115,535	17,837,227	51.0
2015	38,395,905	20,096,191	18,299,714	47.7
2016	38,872,669	20,991,241	17,881,428	46.0
2017	39,815,888	22,429,433	17,386,455	43.7
2018	41,563,343	23,483,289	18,080,054	43.5
2019	42,248,370	23,836,209	18,412,161	43.6
2020[2]	15,351,046	8,550,533	6,800,513	44.3
2021	26,945,359	15,259,775	11,685,584	43.4
2022	34,095,710	20,484,251	13,611,459	39.9
	Average Annual Compound Growth Rates			
2013–2022	0.3%	2.1%	-2.0%	

(1) Originating enplanements, resulting connecting enplanements and percentages have been recalculated based on updated information.
(2) Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O’HARE INTERNATIONAL AIRPORT

ENPLANED COMMERCIAL PASSENGERS BY AIRLINE
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

	2013		2014		2015		2016		2017		2018		2019		2020		2021		2022	
Airline [1]	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total	Enplanements	% of Total
United Airlines	8,293,334	24.9 %	9,227,495	26.4 %	10,556,509	27.5 %	11,722,663	30.2 %	12,534,578	31.5 %	12,831,523	30.9 %	12,915,154	30.6 %	4,055,574	26.4 %	9,892,279	36.7 %	12,332,209	36.2%
American Airlines	7,209,709	21.7	7,064,555	20.2	8,668,309	22.6	9,606,479	24.7	9,763,126	24.5	10,053,968	24.2	10,153,179	24.0	3,651,968	23.8	7,480,403	27.8	8,327,290	24.4
Envoy Airlines (dba American Eagle)	4,022,596	12.1	2,868,392	8.2	2,992,870	7.8	3,494,513	9.0	2,606,809	6.5	2,890,716	7.0	3,211,822	7.6	1,270,603	8.3	1,753,714	6.5	2,145,486	6.3
Sky West (dba United Express, Delta, American)	1,386,813	4.2	1,873,838	5.4	2,363,825	6.2	2,279,699	5.9	3,997,933	10.0	3,781,224	9.1	3,222,470	7.6	430,071	2.8	1,049,239	3.9	2,660,758	7.8
Mesa (dba United Express)	540,671	1.6	454,299	1.3	2,365	-	-	-	76	-	-	-	-	-	-	-	67,923	0.3	55,869	0.2
Shuttle America (dba United Express)	903,682	2.7	816,617	2.3	716,874	1.9	619,873	1.6	23,061	0.1	-	-	-	-	-	-	-	-	-	-
Continental Airlines	697,398	2.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US Airways	1,068,630	3.2	1,024,772	2.9	1,025,863	2.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Go Jet (UA Express, Delta)	795,407	2.4	783,363	2.2	867,993	2.3	750,452	1.9	709,925	1.8	694,348	1.7	609,533	1.4	466,546	3.0	743,699	2.8	250,532	0.7
Delta Airlines	716,938	2.1	844,445	2.4	972,132	2.5	906,920	2.3	898,063	2.3	1,080,185	2.6	1,456,569	3.4	430,071	2.8	897,678	3.3	1,287,158	3.8
Trans State Air (dba United Express)	475,863	1.4	637,489	1.8	279,635	0.7	353,453	0.9	486,191	1.2	361,901	0.9	524,954	1.2	86,554	0.6	-	-	-	-
Air Canada	80,190	0.2	6,664	-	33,773	0.1	78,189	0.2	206,178	0.5	-	-	-	-	-	-	13,717	0.1	49,281	0.1
Chautauqua (dba United Express)	6,086	-	51,553	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Air Wisconsin (dba United Express)	1	-	2	-	-	-	-	-	106,052	0.3	223,405	0.5	1,552,041	3.7	505,815	3.3	856,582	3.2	1,153,660	3.4
All other [2]	7,100,260	21.3	9,299,278	26.8	9,915,757	25.7	9,060,428	23.3	8,483,896	21.3	9,646,073	23.2	8,602,648	20.4	4,453,844	29.0	4,190,125	15.6	5,833,467	17.1
Total	33,297,578	100.0 %	34,952,762	100.0 %	38,395,905	100.0 %	38,872,669	100.0 %	39,815,888	100.0 %	41,563,343	100.0 %	42,248,370	100.0 %	15,351,046	100.0 %	26,945,359	100.0 %	34,095,710	100.0%

[1] Each airline listed is a signatory to a 1983 Airport Use Agreement and/or 2018 Airline Use Agreement

[2] Other includes airlines with minimal shares and those no longer operating at the Airport

AIRLINES PROVIDING SERVICE AT THE AIRPORT

As of December 31, 2022, the Airport had scheduled air service by 49 airlines, including 19 domestic airlines, and 30 foreign flag airlines. Passenger service to the Airport is provided by 11 of the 13.
“Group III Carriers,” which are defined by the U.S. Department of Transportation, Bureau of Transportation Statistics, Office of Airline Information to include domestic air carriers with annual operating revenues in excess of $1 billion.

United Airlines and American Airlines (including their commuter affiliates) together accounted for approximately 78.1% of the enplaned commercial passengers at the Airport in 2022.

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL PASSENGER TRAFFIC
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

Year	Total Domestic Passengers	Percent of Total Passengers	Total International Passengers	Percent of Total Passengers	Total Passengers	Annual Percent Change
2013	56,728,189	84.8 %	10,181,394	15.2 %	66,909,583	0.1 %
2014	59,321,544	84.7	10,753,660	15.3	70,075,204	4.7
2015	65,943,490	85.7	11,006,014	14.3	76,949,504	9.8
2016	66,210,437	84.9	11,750,192	15.1	77,960,629	1.3
2017	67,362,667	84.4	12,465,516	15.6	79,828,183	2.4
2018	69,298,241	83.2	13,947,231	16.8	83,245,472	4.3
2019	70,450,326	83.2	14,198,789	16.8	84,649,115	1.7
2020(1)	27,227,540	88.3	3,619,262	11.7	30,846,802	(63.6)
2021	48,410,636	89.6	5,614,148	10.4	54,024,784	75.1
2022	57,065,945	83.5	11,274,724	16.5	68,340,669	26.5
	Average Annual Compound Growth Rates					
2013–2022	0.1%		1.1%		0.2%	

(1) Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL TOTAL ORIGIN AND DESTINATION (O&D) ENPLANEMENTS
CHICAGO REGION AIRPORTS
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

	Chicago O'Hare International Airport		Chicago Midway International Airport		
Year	Total O&D Enplanements [1]	Percent of Total Chicago	Total O&D Enplanements [1]	Percent of Total Chicago	Total O&D Enplanements
2013	17,044,643	72.4 %	6,505,206	27.6 %	23,549,849
2014	17,115,535	72.6	6,446,497	27.4	23,562,032
2015	20,096,191	75.0	6,682,549	25.0	26,778,740
2016	20,991,241	74.5	7,181,858	25.5	28,173,099
2017	22,429,433	75.1	7,446,996	24.9	29,876,429
2018	23,483,289	76.5	7,197,512	23.5	30,680,801
2019	23,836,209	77.4	6,944,982	22.6	30,781,191
2020[2]	8,550,533	74.6	2,912,068	25.4	11,462,601
2021	15,259,775	75.1	5,054,877	24.9	20,314,652
2022	20,491,251	76.6	6,266,354	23.4	26,757,605
	Average Annual Compound Growth Rates				
2013–2022	2.1%		-0.4%		1.4%

[1] Originating enplanements, resulting connecting enplanements and percentages have been recalculated based on updated information.
[2] Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

ENPLANEMENT SUMMARY
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

	Total O'Hare Enplanements				
Year	Total Domestic Air Carrier Enplanements	Percent of Total O'Hare	Total International Enplanements	Percent of Total O'Hare	Total[1] Enplanements
2013	28,195,077	84.7 %	5,102,501	15.3 %	33,297,578
2014	29,559,975	84.6	5,392,787	15.4	34,952,762
2015	32,877,967	85.6	5,517,938	14.4	38,395,905
2016	33,015,851	84.9	5,856,818	15.1	38,872,669
2017	33,587,845	84.4	6,228,043	15.6	39,815,888
2018	35,598,046	83.2	6,965,297	16.8	41,563,343
2019	35,168,714	83.2	7,079,656	16.8	42,248,370
2020[2]	13,549,416	88.3	1,801,630	11.7	15,351,046
2021	24,169,431	89.7	2,775,928	10.3	26,945,359
2022	28,459,387	83.5	5,636,323	16.5	34,095,710
	Average Annual Compound Growth Rates				
2013–2022	0.1%		1.1%		0.3%

(1) Total Enplanements equals Total Domestic Air Carrier Enplanements plus Total Domestic Commuter Enplanements plus Total International Enplanements.
(2) Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

AIRCRAFT OPERATIONS
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

	Annual Aircraft Operations					
Year	**Domestic Air Carrier**	**International Air Carrier**	**Total Air Carrier**	**All-Cargo**	**General Aviation**	**Total**
2013	784,681	71,858	856,539	16,326	10,422	883,287
2014	779,708	76,258	855,966	15,433	10,534	881,933
2015	775,091	70,729	845,820	17,698	11,618	875,136
2016	762,664	75,395	838,059	17,932	11,644	867,635
2017	759,810	77,524	837,334	19,083	10,632	867,049
2018	785,629	83,628	869,257	24,052	10,438	903,747
2019	785,618	99,545	885,163	24,411	10,130	919,704
2020[1]	460,757	41,966	502,723	30,402	5,086	538,211
2021	584,907	59,458	644,365	31,752	8,084	684,201
2022	593,533	76,839	670,372	30,913	10,276	711,561
	Average Annual Compound Growth Rates					
2013–2022	-3.1%	0.7%	-2.7%	7.4%	-0.2%	-2.4%

[1] Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

NET AIRLINE REQUIREMENT AND COST PER ENPLANED PASSENGER
FOR THE YEAR ENDED DECEMBER 31, 2022
(Dollars in thousands)

Calculation of cost per enplaned passenger:	
Operating and maintenance expenses [1]	$ 597,704
Net debt service [1]	570,689
Debt service coverage requirement [2]	43,664
Fund deposits [3]	34,735
Total airport expenses [1]	1,246,792
Less:	
Non-airline revenue [1]	(245,971)
COVID-19 Relief Funds applied to Revenue and shortfall of PFCs	(29,950)
2021 ARE and CRE Net Revenues applied to 2022 Rates and Charges	(54,020)
Airfield Credit from 2020 Final Accounting	(11,785)
Other	1,307
Net airline requirement [4]	906,373
Enplaned passengers	34,095,710
Cost per enplaned passenger	$ 26.58

[1] This analysis excludes the Airport General Fund, CFC Fund and PFC Fund.
[2] Incremental adjustment required which provides 1.25x coverage on aggregate debt service.
[3] Deposits to the Operations and Maintenance Reserve, Supplemental Operations and Maintenance Reserve, Maintenance Reserve.
[4] Revenue required to be collected from all Airline Parties under the ORD Airport Use Agreement.

Source: City of Chicago Comptroller's Office and Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL PFC REVENUES
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022
(Dollars in thousands)

Year	Total Enplanements	PFC Enplanements [1]	PFC Revenues (Net of Airline Collection Fees) [2]	PFC Interest Income	Total PFC Revenues
2013	33,297,578	29,516,583	129,578	1,527	131,105
2014	34,952,762	31,962,719	140,316	1,275	141,591
2015	38,395,905	32,425,502	142,348	918	143,266
2016	38,872,669	34,993,891	153,623	941	154,564
2017	39,815,888	34,753,751	152,569	1,306	153,875
2018	41,563,343	37,088,975	162,871	3,230	166,101
2019	42,248,370	41,138,976	180,600	5,193	185,793
2020[3]	15,351,046	15,713,735	68,983	3,922	72,905
2021	26,945,359	22,507,518	98,808	1,750	100,558
2022	34,095,710	30,390,783	133,416	2,390	135,806

(1) Historical collection information reflects an actual percentage of eligible PFC enplanements of 89.1% in 2022.

(2) Actual amounts above are recorded on a cash basis but are reported in the Airport's audited financial statements on an accrual basis. The cash basis PFC audit for 2022 has not yet been issued.

(3) Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Comptroller's Office and Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

PASSENGER FACILITY CHARGE (PFC) DEBT SERVICE COVERAGE
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022
(Dollars in thousands)

Bond Year Ended	PFC Revenues	PFC Bonds Debt Service	Coverage by PFC Revenues [1]
January 1, 2014	$ 131,105	$ 70,860	1.85
January 1, 2015	141,591	65,307	2.17
January 1, 2016	143,266	66,791	2.14
January 1, 2017	154,564	66,425	2.33
January 1, 2018	153,875	66,425	2.32
January 1, 2019	166,101	50,358	3.30
January 1, 2020	185,793	48,293	3.85
January 1, 2021[2]	72,905	47,661	1.53
January 1, 2022	100,558	44,471	2.26
January 1, 2023	135,806	44,466	3.05

[1] Actual amounts above are recorded on a cash basis and includes interest earnings.
[2] Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: City of Chicago Comptroller's Office and Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

NET POSITION BY COMPONENT
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022
(Dollars in thousands)

	2013*	2014	2015	2016**	2017	2018	2019	2020	2021	2022
Net position:										
Net investment in capital assets	$ 582,175	$ 644,430	$ 707,991	$ 1,001,744	$ 1,117,543	$ 1,243,830	$ 1,362,522	$ 1,437,834	$ 1,301,406	$ 945,118
Restricted	709,665	780,514	828,216	679,180	623,642	700,023	898,995	1,031,864	1,123,192	1,318,135
Unrestricted (deficit)	35,559	35,140	(1,061,607)	(1,298,327)	(1,325,243)	(1,394,984)	(1,510,345)	(1,433,408)	(1,346,515)	(1,353,302)
Total net position	$1,327,399	$1,460,084	$ 474,600	$ 382,597	$ 415,942	$ 548,869	$ 751,172	$ 1,036,290	$ 1,078,083	$ 909,951

* Amounts were restated due to the implementation of GASB 65.
** Amounts were restated due to the implementation of GASB 68.

Source: Chicago O'Hare International Airport Audited Financial Statements and City of Chicago Comptroller's Office.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

CHANGE IN NET POSITION
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022
(Dollars in thousands)

	2013*	2014	2015	2016**	2017	2018	2019	2020[1]	2021	2022
TOTAL OPERATING REVENUES	$ 717,680	$ 844,524	$ 845,228	$ 947,816	$ 976,179	$1,061,913	$1,253,485	$ 905,612	$1,145,152	$ 1,259,433
OPERATING EXPENSES:										
Salaries and wages	162,233	182,984	191,842	204,136	205,957	222,550	214,069	222,855	219,922	232,514
Pension expense	-	-	339,546	245,491	145,992	145,920	159,153	45,419	62,448	163,979
Repairs and maintenance	85,484	110,928	98,945	104,536	95,310	115,008	143,231	144,975	170,176	153,522
Professional and engineering services	81,070	88,143	83,265	95,608	101,798	111,642	133,994	140,982	149,419	172,740
Other operating expenses	97,262	112,952	92,112	101,439	103,437	115,146	149,116	117,337	146,732	132,016
Hilton expenses	-	-	-	-	-	-	43,021	20,157	24,234	35,598
Depreciation and amortization	196,352	218,211	231,670	254,689	262,331	259,467	287,648	292,212	314,122	375,346
Loss on capital asset disposal	205	-	3,320	-	18,711	22,218	37,505	-	4,754	-
Total operating expenses	622,606	713,218	1,040,700	1,005,899	933,536	991,951	1,167,737	983,937	1,091,807	1,265,715
OPERATING (LOSS) INCOME	95,074	131,306	(195,472)	(58,083)	42,643	69,962	85,748	(78,325)	53,345	(6,282)
NONOPERATING REVENUES (EXPENSES):										
Passenger facility charge revenue	127,235	136,351	147,697	154,044	158,175	163,263	171,993	61,279	110,689	134,920
Customer facility charges	34,898	36,284	39,204	39,930	39,094	38,837	40,315	14,992	25,059	34,329
Passenger facility charge expenses	(9,159)	(4,630)	(2,341)	(2,410)	(6,359)	(42)	(2,495)	(21)	-	-
Other nonoperating revenues	27,071	30,845	18,315	15,553	26,860	19,267	15,792	9,320	21,024	8,522
Final settlement of 1983 AULA	-	-	-	-	-	-	-	122,668	-	-
Noise mitigation	(19,639)	(15,892)	(8,998)	(2,310)	(16,445)	(6,097)	(2,475)	(5,872)	(3,804)	(16,129)
Cost of issuance	(8,008)	(154)	(11,441)	(5,912)	(12,193)	(14,192)	(31)	(9,333)	-	(11,789)
Investment income	(7,699)	29,838	19,328	12,640	32,771	36,707	66,102	45,054	(15,178)	(106,997)
Interest expense	(270,528)	(300,295)	(319,373)	(316,119)	(313,202)	(305,798)	(319,369)	(320,370)	(408,331)	(420,612)
Lease interest income	-	-	-	-	-	-	-			20,139
Grant revenues	-	-	-	-	-	-	-	294,442	177,450	144,931
Total nonoperating revenue (expenses)	(125,829)	(87,653)	(117,609)	(104,584)	(91,299)	(68,055)	(30,168)	212,159	(93,091)	(212,686)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(30,755)	43,653	(313,081)	(162,667)	(48,656)	1,907	55,580	133,834	(39,746)	(218,968)
CAPITAL GRANTS	203,536	89,032	76,689	70,664	82,001	131,020	77,923	151,284	81,539	50,836
CAPITAL CONTRIBUTIONS	-	-	-	-	-	-	68,800	-	-	-
CHANGE IN NET POSITION	$ 172,781	$ 132,685	$ (236,392)	$ (92,003)	$ 33,345	$ 132,927	$ 202,303	$ 285,118	$ 41,793	$ (168,132)

* Amounts were restated due to the implementation of GASB 65.

** Amounts were restated due to the implementation of GASB 68.

[1] Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

Source: Chicago O'Hare International Airport Audited Financial Statements and City of Chicago Comptroller's Office.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

LONG-TERM DEBT
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022
(Dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020[1]	2021	2022
First lien bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Second lien bonds	-	-	-	-	-	-	-	-	-	-
Third lien bonds	-	-	-	-	-	-	-	-	-	-
Senior lien bonds	6,696,365	6,563,780	6,586,490	6,404,030	7,564,355	9,296,015	9,034,660	8,702,045	8,537,745	9,706,385
Commercial paper notes	20,000	51,026	-	-	102,239	-	-	-	-	-
Passenger facility	-	-	-	-	-	-	-	-	-	-
Passenger facility charge revenue bonds	700,090	663,780	631,245	595,630	558,635	519,790	495,070	394,905	369,990	343,825
Customer facility	-	-	-	-	-	-	-	-	-	-
Customer facility charge revenue bonds	248,750	248,750	248,750	248,750	248,750	244,025	239,065	233,860	228,425	222,725
Revolving line of credit-AMT	-	-	-	-	-	-	-	-	71,100	-
Revolving line of credit	-	-	-	12,098	12,098	-	-	-	-	-
TIFIA Loan	-	-	-	-	159,803	258,150	278,756	278,756	278,756	294,961
Total revenue bonds and notes	7,665,205	7,527,336	7,466,485	7,260,508	8,645,880	10,317,980	10,047,551	9,609,566	9,486,016	10,567,896
Unamortized premium	224,056	199,169	374,179	453,456	607,459	610,467	559,884	620,589	569,446	581,744
Total revenue bonds payable, net of unamortized premium (discount)	$ 7,889,261	$ 7,726,505	$ 7,840,664	$ 7,713,964	$ 9,253,339	$10,928,447	$10,607,435	$10,230,155	$10,055,462	$11,149,640
Enplanements	33,297,578	34,952,762	38,395,905	38,872,669	39,815,888	41,563,343	42,248,370	15,351,046	26,945,359	34,095,710
Debt per enplanement	$ 230	$ 215	$ 194	$ 187	$ 217	$ 248	$ 238	$ 626	$ 352	$ 310

[1] Reduction in Enplanements due to the impact of the COVID-19 pandemic on air travel.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

FULL-TIME EQUIVALENT CHICAGO O'HARE AIRPORT EMPLOYEES BY FUNCTION
FOR EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration (pre-2009 executive directions)	110	-	-	-	-	-	-	-	-	-
Capital development	34	18	18	20	61	67	70	79	65	77
Financial administration	-	35	36	38	44	44	46	42	43	43
Human resources management	-	-	-	-	-	-	-	-	-	-
Capital finance management	-	-	-	-	-	-	-	-	-	-
Contract administration	-	12	12	13	12	12	14	15	15	15
Business information services	-	-	-	-	-	-	-	-	-	-
Business communication	-	-	-	-	-	-	-	-	-	-
Commercial development and concessions	3	13	13	13	18	17	17	18	17	24
Administration	-	47	46	46	43	43	48	67	60	73
Airfield operations	305	306	306	346	461	463	488	512	506	511
Landside operations	22	239	240	237	225	223	212	218	207	209
Security management	236	361	306	305	317	345	338	424	421	470
Facility management	504	311	324	322	345	323	349	349	338	344
Safety management	7	-	-	-	-	-	-	-	-	
Total	1,221	1,342	1,301	1,340	1,526	1,537	1,582	1,724	1,672	1,766

Source: City of Chicago's Program and Budget Summary.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

STATISTICAL DATA
PRINCIPAL EMPLOYERS (NONGOVERNMENT)
CURRENT YEAR AND NINE YEARS AGO (NOTE AT THE END OF THIS PAGE)

	2022 (1)			2013 (3)		
Employer	Number of Employees	Rank	Percentage of Total City Employment (2)	Number of Employees	Rank	Percentage of Total City Employment
Amazon.Com Inc	28,994	1	2.2%	-	-	- %
Advocate Health (4)	26,841	2	2.03	-	-	-
Northwestern Memorial Healthcare	24,120	3	1.83	-	-	-
University of Chicago	21,618	4	1.64	-	-	-
Walgreens Boots Alliance Inc.(5)	17,344	5	1.31	2,869	9	0.26
Walmart Inc.	17,300	6	1.31	-	-	-
United Continental Holdings Inc. (6)	15,565	7	1.18	8,199	2	0.75
JPMorgan Chase & Co. (7)	14,293	8	1.08	8,499	1	0.78
North Shore Edward-Elmhurst Health (8)	14,216	9	1.08	-	-	-
Jewel-Osco (9)	11,436	10	0.87	4,441	6	0.41
Accenture LLP	-	-	-	5,821	3	0.53
Northern Trust	-	-	-	5,353	4	0.49
Ford Motor Company	-	-	-	5,103	5	0.47
ABM Janitorial Services—North Central	-	-	-	3,399	7	0.31
Bank of America NT & SA (10)	-	-	-	3,392	8	0.31
American Airlines	-	-	-	2,749	10	0.25

NOTES:

(1) Source: Reprinted with permission from the February 27, 2023 issue of Crain's Chicago Business.

(2) Source: Bureau of Labor Statistics data used in calculation of Total City Employment.

(3) Source: City of Chicago, Department of Revenue, Employer's Expense Tax Returns.
Prior to 2014, the source for information was the City of Chicago, Bureau of Revenue Tax–Division report which is no longer available.

(4) Advocate Health formerly known as Advocate Aurora Health.

(5) In 2014, Walgreens purchased 55% of Alliance Boots forming Walgreens Boots Alliance, Inc.

(6) United Continental Holdings Inc. formerly known as United Airlines.

(7) JP Morgan & Co. formerly known as J.P. Morgan Chase.

(8) North Shore Edward-Elmhurst Health formerly known as NorthShore University HealthSystem.

(9) Jewel-Osco formerly known as Jewel Food Stores, Inc.

(10) Bank of America NT & SA formerly known as Bank of America NT.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

STATISTICAL DATA
POPULATION AND INCOME STATISTICS
EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

Year	Population (1)	Median Age (2)	Number of Households (2)	City Employment	Unemployment Rate (3)	Per Capita Income (4)	Total Income
2013	2,695,598	33.5	1,062,029	1,153,725	8.3 %	49,071	$132,275,689,458
2014	2,695,598	33.9	1,031,672	1,264,234	5.7	50,690	136,639,862,620
2015	2,695,598	34.2	1,053,229	1,273,733	5.7	53,886	145,254,993,828
2016	2,695,598	34.4	1,053,986	1,282,117	5.4	55,621	149,931,856,358
2017	2,695,598	34.6	1,047,695	1,289,325	4.7	58,315	157,193,797,370
2018	2,695,598	34.9	1,077,886	1,288,755	4.0	61,089	164,671,386,222
2019	2,695,598	35.2	1,080,345	1,286,484	3.2	65,306	176,038,722,988
2020	2,695,598	34.8	1,081,143	1,165,441	8.2	67,671	182,413,812,258
2021	2,746,388	35.8	1,139,537	1,247,060	4.1	71,992	197,717,964,896
2022	2,746,388	N/A (5)	N/A (5)	1,319,764	4.2	N/A (5)	N/A (5)

Notes:

(1) Source: U.S. Census Bureau.

(2) Source: U.S. Census Bureau—American Community Survey data estimates. Data not available in 2022.

(3) Source: Bureau of Labor Statistics 2022, Unemployment rate for Chicago-Naperville-Illinois Metropolitan Area.

(4) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Personal Income for Chicago-Naperville-Illinois Metropolitan Area.

(5) N/A means not available at time of publication.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

SUMMARY—2022 TERMINAL RENTALS, FEES AND CHARGES
ANNUALIZED RATES

AIRFIELD AND TERMINAL RATES

Description:	
Landing fee (rate/1,000 lbs.)	$ 10.553
Base rent/sq. ft.	159.35
Discount rent/sq. ft.	119.51

TERMINAL COMMON USE CHARGES

Description:	
Domestic Common Use Gate Fee per delivered seat	$ 1.15
Domestic Common Use Baggage Make-Up Fee per outbound checked bag	2.20
Common Use Baggage Claim Fee per arriving domestic seat (incl pre-cleared)	0.43
Domestic Common Use Check-in Fee per check-in hour	12.04
International Common Use Gate Fee per departing seat and arriving international seat without FIS User	2.49
International Common Use Baggage Make-Up Fee per outbound checked bag	3.21
International Common Use Check-In Fee per check-in hour	23.72
Federal Inspection Services (FIS) Facility Fee	14.60

Source: City of Chicago Department of Aviation.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

AIRPORT MARKET SHARE OF RENTAL CAR BRANDS OPERATING ON-AIRPORT

	Brand(s)	2022 Airport Market
Corporate Entity [1]:		
On-airport		
Enterprise Holdings, Inc.	Enterprise Rent-A-Car [1]	33.19
		33.19
Avis Budget Group, Inc.	Avis (Incl. ZIPCAR)	30.14
	Payless-Avis Budget	1.58
	Budget Rent-A-Car	-
		31.72
Hertz Global Holdings, Inc.	Hertz Rent A Car	26.46
	DTG dba Dollar/Thrifty	-
		26.46
Fox Rent a Car		3.80
Sixt Rent A Car LLC		4.65
Off-airport:		
Routes Car Rental USA Inc		0.18
Total		100.00

[1] Alamo and National are reported jointly.

Sources: City of Chicago Department of Aviation

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL VISITING O&D ENPLANED PASSENGERS
EACH OF THE TEN YEARS ENDED DECEMBER 31, 2013–2022

Year	Total Enplaned Passengers	Total O & D Enplaned Passengers [1]	Total O & D Percentage of Total	Resident O & D Enplaned Passengers	Resident Percentage of Total O & D	Visiting O & D Enplaned Passengers [1]	Visitor Percentage of Total O & D
2013	33,284,788	17,038,092	51.2 %	9,541,332	56.0 %	7,496,761	44.0 %
2014	34,952,762	17,115,535	49.0	9,534,351	55.7	7,491,276	43.8
2015	38,395,905	19,469,276	50.7	10,902,795	56.0	8,566,481	44.0
2016	38,872,669	20,991,241	54.0	11,545,183	55.0	9,446,059	45.0
2017	39,815,888	22,429,433	56.3	12,380,081	55.2	10,049,352	44.8
2018	41,563,343	23,480,691	56.5	12,397,298	52.8	11,083,393	47.2
2019	42,248,870	23,836,209	56.6	13,159,926	55.2	10,676,283	44.8
2020	15,351,046	8,550,533	55.7	4,856,703	56.8	3,693,830	43.2
2021	26,945,359	17,444,606	64.7	10,300,884	59.0	7,143,722	41.0
2022 [2]	34,095,710	20,484,251	60.1	11,532,364	56.3	8,951,887	43.7

[1] Certain estimations were used by Ricondo & Associates to derive visiting O & D enplaned passengers, as data for foreign flag carriers were not available.

[2] The O & D percent share is calculated for the four quarters ending with the fourth quarter of 2022 O&D and connecting enplanements are based upon that share. Includes GA, Military and Misc.

Source: City of Chicago, Department of Aviation Management Records (historical total, resident, and visitor O & D enplaned passengers), June 2023.
US Department of Transportation (historical total, resident, and visitor O & D enplaned passengers) June 2023.

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL CFC COLLECTIONS ON SITE AIRPORT RENTAL CAR COMPANIES
(Dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	$ 2,021,728	$ 2,095,216	$ 2,058,208	$ 2,160,680	$ 2,063,208	$ 2,170,560	$ 2,165,344	$ 2,106,352	$ 801,040	$ 1,678,712
February	2,023,816	2,037,496	1,975,312	2,096,296	2,072,496	2,170,704	2,138,949	2,060,648	802,304	1,771,160
March	2,380,208	2,365,224	2,411,096	2,528,296	2,551,656	2,711,416	2,629,384	1,405,448	1,124,792	2,296,408
First quarter total	6,425,752	6,497,936	6,444,616	6,785,272	6,687,360	7,052,680	6,933,677	5,572,448	2,728,136	5,746,280
Annual percent change	(3.5)%	1.1 %	(0.8)%	5.3 %	(1.4)%	5.5 %	(1.7)%	(19.6)%	(51.0)%	110.6 %
April	2,532,288	2,663,448	2,833,576	2,978,640	2,721,344	2,939,824	2,984,248	303,616	1,340,640	2,556,808
May	3,161,456	3,403,440	3,457,424	3,554,312	3,337,584	3,579,464	3,740,304	429,152	1,776,464	3,099,800
June	3,335,392	3,575,576	3,512,048	3,554,312	3,672,320	3,733,568	3,916,008	696,008	2,094,120	3,180,768
Second quarter total	9,029,136	9,642,464	9,803,048	10,087,264	9,731,248	10,252,856	10,640,560	1,428,776	5,211,224	8,837,376
Annual percent change	0.3 %	6.8 %	1.7 %	2.9 %	(3.5)%	5.4 %	3.8 %	(86.6)%	264.7 %	69.6 %
July	3,362,504	3,579,976	3,920,712	3,999,848	3,855,952	4,119,976	4,364,512	952,600	2,611,376	3,689,080
August	3,764,952	3,579,976	3,979,920	4,078,696	4,019,608	4,211,240	4,522,104	1,078,760	2,672,832	3,829,384
September	3,496,664	3,579,976	3,756,256	3,771,264	3,569,744	3,671,400	3,911,672	1,093,664	2,408,840	3,408,232
Third quarter total	10,624,120	10,739,928	11,656,888	11,849,808	11,445,304	12,002,616	12,798,288	3,125,024	7,693,048	10,926,696
Annual percent change	4.0 %	4.2 %	5.3 %	1.7 %	(3.4)%	4.9 %	6.6 %	(75.6)%	146.2 %	42.0 %
October	3,456,280	3,612,656	3,815,136	3,684,456	3,534,248	3,645,920	3,829,296	1,157,616	2,545,016	3,420,104
November	2,798,264	2,891,736	2,937,088	2,939,008	2,905,032	2,997,032	3,000,800	887,928	2,221,288	2,887,544
December	2,564,448	2,572,952	2,478,696	2,419,432	2,441,312	2,592,224	2,781,152	776,856	1,938,680	2,510,584
Fourth quarter total	8,818,992	9,077,344	9,230,920	9,042,896	8,880,592	9,235,176	9,611,248	2,822,400	6,704,984	8,818,232
Annual total	$34,898,000	$35,957,672	$37,135,472	$37,765,240	$36,744,504	$38,543,328	$39,983,773	$12,948,648	$22,337,392	$34,328,584
Annual Percent Change	4.0 %	4.2 %	5.3 %	1.7 %	(2.7)%	4.9 %	3.7 %	(67.6)%	72.5 %	53.7 %
Year to date total (through May)	12,119,496	12,564,824	12,735,616	13,318,224	12,746,288	13,571,968	13,658,229	6,305,216	5,845,240	11,402,888
Annual percentage change	(2.1)%	3.7 %	1.4 %	4.6 %	(4.3)%	6.5 %	0.6 %	(53.8)%	(7.3)%	95.1 %

Source: City of Chicago Comptroller's Office

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

HISTORICAL CFC COLLECTIONS ON AND OFF SITE AIRPORT RENTAL CAR COMPANIES
(Dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	$ 2,021,728	$ 2,095,216	$ 2,190,072	$ 2,366,544	$ 2,179,944	$ 2,195,136	$ 2,193,032	$ 2,358,816	$ 946,688	$ 1,678,712
February	2,023,816	2,037,496	2,091,544	2,287,024	2,168,312	2,200,168	2,165,325	2,329,552	947,648	1,771,160
March	2,380,208	2,365,224	2,531,080	2,692,120	2,717,168	2,731,144	2,652,600	1,569,744	1,298,920	2,296,408
First quarter total	6,425,752	6,497,936	6,812,696	7,345,688	7,065,424	7,126,448	7,010,957	6,258,112	3,193,256	5,746,280
Annual percent change	(3.5)%	1.1 %	4.8 %	7.8 %	(3.8)%	0.9 %	(1.6)%	(10.7)%	(49.0)%	80.0 %
April	2,532,288	2,663,448	2,962,240	3,143,320	2,929,808	2,960,600	3,012,680	373,848	1,537,080	2,556,808
May	3,161,456	3,403,440	3,623,328	3,741,768	3,551,752	3,602,744	3,768,256	520,320	2,009,176	3,099,800
June	3,335,392	3,575,576	3,691,640	3,780,904	3,862,184	3,757,056	3,947,280	825,216	2,351,000	3,180,768
Second quarter total	9,029,136	9,642,464	10,277,208	10,665,992	10,343,744	10,320,400	10,728,216	1,719,384	5,897,256	8,837,376
Annual percent change	0.3 %	6.8 %	6.6 %	3.8 %	(3.0)%	(0.2)%	4.0 %	(84.0)%	243.0 %	49.9 %
July	3,362,504	3,579,976	4,127,848	4,185,472	4,051,040	4,149,976	4,391,640	1,120,216	2,903,160	3,689,080
August	3,764,952	3,948,912	4,188,848	4,289,320	4,260,320	4,244,320	4,551,608	1,321,240	2,970,720	3,829,384
September	3,496,664	3,537,496	3,934,624	3,947,136	3,838,864	3,695,336	3,939,360	1,274,824	2,646,952	3,408,232
Third quarter total	10,624,120	11,066,384	12,251,320	12,421,928	12,150,224	12,089,632	12,882,608	3,716,280	8,520,832	10,926,696
Annual percent change	4.0 %	4.2 %	10.7 %	1.4 %	(2.2)%	(0.5)%	6.6 %	(71.2)%	129.3 %	28.2 %
October	3,456,280	3,612,656	4,012,344	3,868,232	3,818,288	3,667,592	3,856,736	1,330,576	2,791,232	3,420,104
November	2,798,264	2,891,736	3,144,944	3,094,176	3,131,064	3,018,440	3,026,960	1,054,232	2,460,776	2,887,544
December	2,564,448	2,572,952	2,705,784	2,533,912	2,585,976	2,614,808	2,809,896	913,656	2,194,992	2,510,584
Fourth quarter total	8,818,992	9,077,344	9,863,072	9,496,320	9,535,328	9,300,840	9,693,592	3,298,464	7,447,000	8,818,232
Annual total	$34,898,000	$36,284,128	$39,204,296	$39,929,928	$39,094,720	$38,837,320	$40,315,373	$14,992,240	$ 25,058,344	$ 34,328,584
Annual Percent Change										
Year to date total (through May)	$12,119,496	$12,564,824	$13,398,264	$14,230,776	$13,546,984	$13,689,792	$13,791,893	$ 7,152,280	$ 6,739,512	$ 11,402,888
Annual percentage change	(2.1)%	3.7 %	6.6 %	6.2 %	(4.8)%	1.1 %	0.7 %	(48.1)%	(5.8)%	69.2 %

Source: City of Chicago Comptroller's Office

CITY OF CHICAGO, ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT

RACS AND OFF-AIRPORT AND RELATED BRANDS OPERATING AT THE AIRPORT

RAC Legal Entity	Rental Car Brands	Legal Organization	Current Status of Brand(s) at Airport
Enterprise Leasing Company of Chicago LLC	Enterprise Rent-A-Car Alamo Rent-A-Car National Car Rental	Delaware limited liability company and subsidiary of Enterprise Holdings, Inc	Existing On-Airport
The Hertz Corporation	Hertz Rent-A-Car Dollar Rent-A-Car Thrifty Car Rental	Delaware limited liability company and subsidiary of Hertz Global Holdings, Inc (NYSE: HTZ)	Existing On-Airport
Avis Budget Car Rental, LLC	Avis Car Rental Budget Rent-A-Car Payless Car Rental	Delaware limited liability company and subsidiary of Avis Budget Group, Inc (NASDAQ: CAR)	Existing On-Airport
Routes Car Rental USA, Inc.	Routes	Delaware limited liability company	Existing Off-Airport
Fox Rent A Car, Inc.	Fox Rent-A-Car	Delaware limited liability company	Existing On-Airport
Sixt Rent A Car, LLC	Sixt Rent-A-Car	Delaware limited liability company	Existing On-Airport

Source: City of Chicago Department of Aviation