

FISCAL YEAR
2025



**POPULAR ANNUAL
FINANCIAL REPORT**

Fiscal Year Ended December 31, 2025



POPULAR ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

- 03 Community at a Glance

- 04 About the PAFR

- 05 About the Organization

- 06 Economic Success Stories

- 08 Statement of Net Position

- 09 General Fund Overview

- 10 General Fund Revenues & Expenditures

- 12 Water & Sewer Fund Overview

- 13 Gaming Tax Fund Overview

- 14 Property Taxes

- 15 Citywide Revenue Trends

- 16 Debt Status

- 17 Key Terms



A LETTER TO RESIDENTS

FROM THE CITY MANAGER

Dear Residents, as City Officials, we strongly believe that maintaining good communication with our residents is vital in order to have a successful and responsive government. We are pleased to present the 2025 Popular Annual Financial Report (PAFR) for the fourteenth consecutive year.

The PAFR is a summary of the financial activities of the City and is drawn from information found in the 2025 Annual Comprehensive Financial Report. Please note that the Annual Comprehensive Financial Report discloses detailed information regarding the government-wide, fund-level and audited basic financial statements with notes as well as mandatory reporting and other required supplementary information. The Des Plaines Library is a component unit of the City and is included in the Annual Comprehensive Financial Report; however, the Library will not be discussed in this report since it is governed by a separate board.

It is important to note that the information contained in this report is unaudited and presented in accordance with Generally Accepted Accounting Principles. Therefore, it is not intended to replace the fully detailed financial statements and note disclosures contained in the Annual Comprehensive Financial Report.

We thank you for taking an active role in your City and community. We hope the information in this report will provide you with an easy-to-understand overview of the City's economic and financial outlook.

SINCERELY,

Dorothy Wisniewski
City Manager

Agnes Podbial
Director of Finance



ABOUT DES PLAINES

COMMUNITY AT A GLANCE

The City of Des Plaines is located approximately 17 miles northwest of downtown Chicago, near O’Hare International Airport. It is a vibrant, diverse collection of residential, commercial and industrial land uses, encompassing roughly 15 square miles of land area. The City of Des Plaines was incorporated in 1869 and operates under the statutory Council-Manager form of government, with policy direction provided by an elected Mayor and an eight-member City Council.

The City Manager serves as the City’s Chief Administrative Officer and is responsible to the Mayor and City Council for the efficient management and operation of all of the affairs of the City and its departments. City staff members are committed to exceptional service delivery and to maintaining a fiscally responsible approach to managing the City’s finances and resources.



**DES PLAINES,
ILLINOIS**

Approximately 17 miles northwest of Chicago

COMMUNITY SNAPSHOT

Incorporated	1869	Government Type	Council-Manager
Population	60,675	Number of Households	22,537
Median Age	42.3	Median Household Income	\$97,875
Household Size	2.58	Median Home Value	\$335,600
Area	14.33 sq mi	Full-Time City Employees	369
Sales Tax Rate	10.0%		

Source: United States Census Bureau

THE REPORT

ABOUT THE PAFR

The Popular Annual Financial Report (PAFR) is intended to provide selected information on the City’s financial condition in a summarized, easily understandable format.

This PAFR is based on the Annual Comprehensive Financial Report, a more detailed report containing annually audited financial information pertaining to the City.

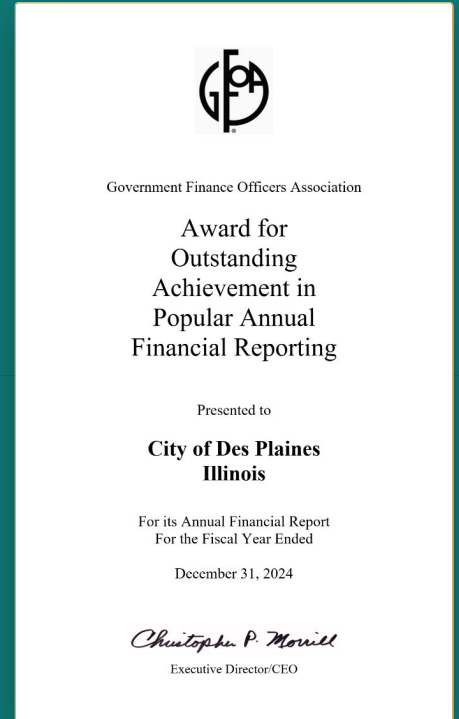
The information contained within this report will highlight only the most significant funds of the City of Des Plaines. For a more in-depth look at the City’s current financial position, please see the Annual Comprehensive Financial Report at our website: desplainesil.gov/budget.

On our website, you can also find additional financial documents, including our Annual Budget and Treasurer’s Report.



RECOGNIZED EXCELLENCE

AWARD FOR OUTSTANDING REPORTING



13 CONSECUTIVE GFOA AWARDS

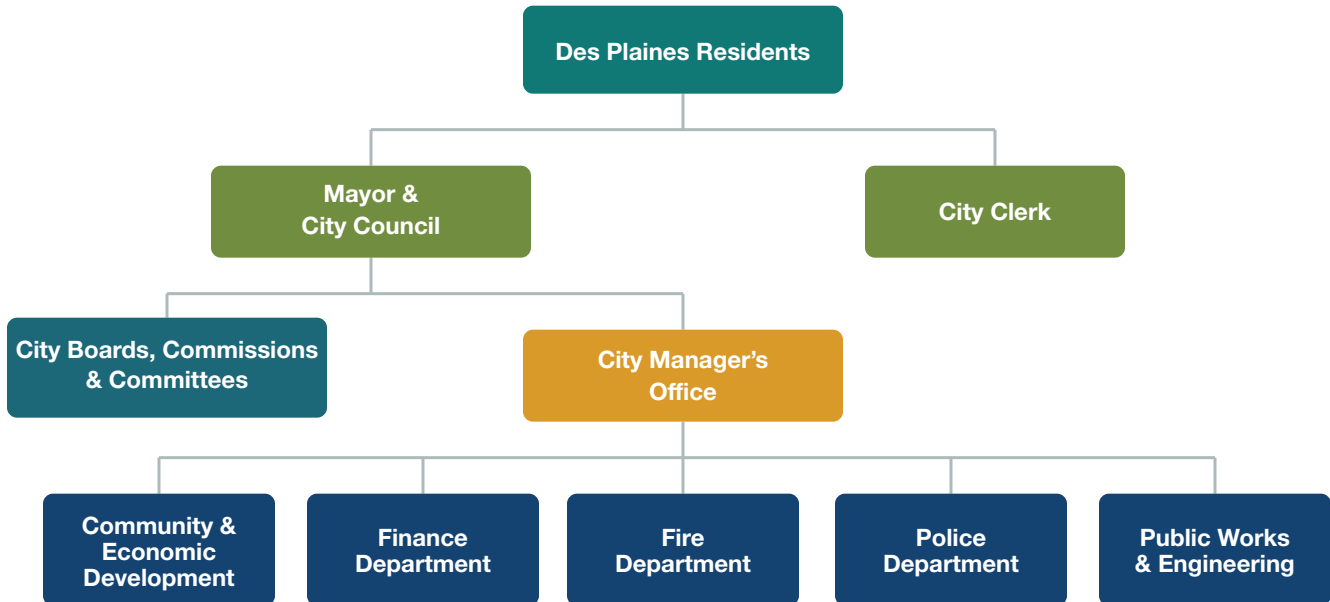
The Government Finance Officers Association (GFOA) presented its Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Des Plaines for the fiscal year ending Dec. 31, 2024.

To qualify, a government must publish a report that conforms to the program’s standards of creativity, presentation, understandability and reader appeal.

The City of Des Plaines has received a Popular Award for the past 13 consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements.

ABOUT THE ORGANIZATION

ORGANIZATIONAL CHART



OUR ELECTED OFFICIALS



MAYOR

Andrew Goczkowski



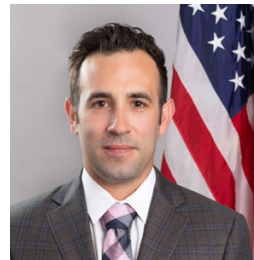
CITY CLERK

Dominik Bronakowski



FIRST WARD

Margaret Chlebek



SECOND WARD

Colt Moylan



THIRD WARD

Sean Oskerka



FOURTH WARD

Dick Sayad



FIFTH WARD

Thomas Merlin



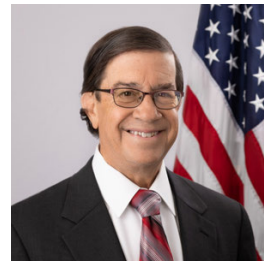
SIXTH WARD

Mark Walsten



SEVENTH WARD

Patsy Smith



EIGHTH WARD

Mike Charewicz

**As of Dec. 31, 2025*

ECONOMIC SUCCESS STORIES

DEVELOPMENT AND INVESTMENT IN 2025

92

New registered businesses welcomed in 2025

\$187.2M ▲ 93%

Permitted construction value, up from \$96.9M in 2024

2,890 ▲ 2%

Building permits issued, up from 2,839 in 2024

CITY PROPERTY PORTFOLIO & PLANNING

- Finalized and adopted the re:DDP Economic Development Strategy, the City's blueprint for guiding investment and redevelopment in Downtown Des Plaines.
- Approved a Lease and Operation agreement for 678 Lee St, the former Des Plaines State Bank building.
- Acquired 1504 Miner St, the former Leona's.
- Acquired 1032–1062 Lee St for \$675,000 using funds from TIF #8.



Mayor Andrew Goczkowski with restaurant developer David Villegas at 678 Lee St, the future home of The Dime.

CONSTRUCTION COMPLETED & OCCUPIED

- **Dine-In Restaurants:** Galaxy Hot Pot & Grill (1417 Ellinwood St), Ostras Latin-Asian Cuisine (3003 Mannheim Rd), and KOW Korean BBQ (1518 Market St) opened to the public.
- **Fast-Casual Restaurants:** Cava (2761 Mannheim Rd), Guzman y Gomez (2741 Mannheim Rd), Popeye's (3025 Mannheim Rd), Jimmy John's (1465 Ellinwood St), Pronto Italian Sandwiches (1641 Oakton Pl), Little Villa Pizza Co (933 E Oakton St), Island World (632 W Algonquin Rd), Port of Peri Peri (850 Elmhurst Rd), and Biggby Coffee (1177 Lee St) opened for business.
- **Townhome Residential:** The final units at Halston Market by M/I Homes, a 125-townhome development at 1050 E Oakton St, secured final occupancies.



Halston Market at 1050 E Oakton St.

ECONOMIC SUCCESS STORIES continued

CONSTRUCTION COMMENCED / IN PROGRESS

- **Industrial:** The Vetter Pharmaceutical manufacturing facility at 10 W Algonquin Rd began construction. The initial build-out of the Iron Mountain Data Center at 1680 E Touhy Ave continued through its final stages, and a new Bridge Industrial warehouse logistics building was underway at 555 Howard Ave.
- **Educational:** Construction began on the major rehabilitation of the new Brickton Montessori school at 1695 S Des Plaines River Rd.

PRE-PERMIT PROGRESS

- **Residential:** Approved a PUD for a 150-unit assisted living facility known as Heritage Woods at 2200 E Golf Rd.
- **Industrial:** Approved new speculative logistics buildings by Seefried Industrial at 1055 S Mt. Prospect Rd, 1125 S Mt. Prospect Rd and 25 E Algonquin Rd.



The future Seefried Industrial logistics site at 1055 S Mt. Prospect Rd.

BUSINESS & COMMUNITY ASSISTANCE

- The City Council updated the Business Assistance Grant program into three tiers: SPROUT (up to \$20K), BOOST (up to \$140K), and GROWTH (over \$140K), reimbursing a percentage of eligible costs so the program is accessible to businesses of all sizes. In 2025 the Council awarded one SPROUT and one BOOST grant totaling \$110,000 (an interior build-out for Galaxy Hot Pot & Grill and an HVAC replacement for Balkanika Restaurant).
- Hosted five Technical Assistance Meetings with prospective developers, reviewing proposals including a Costco Business Center (2200–2400 E Devon Ave), a residential development at the former Fishermen’s Dude Ranch (9661 W Golf Rd), an industrial logistics redevelopment, an office-to-residential conversion, and an annexation of an attached-rowhome development.
- Used its HUD-funded CDBG program to complete five home repair projects and one emergency home repair, totaling over \$235,000.
- Human Services administers annual City Council–approved funding for local agencies and programs benefiting residents; in 2025, social service agencies were awarded \$357,515 of City grant funding.

\$110,000 BUSINESS ASSISTANCE GRANTS

\$235,000+ CDBG HOME REPAIRS

\$357,515 CITY GRANT FUNDING

STATEMENT OF NET POSITION

One of the most important questions asked about the City’s finances is, “Is the City better off or worse off as a result of the year’s activities?” The Statement of Net Position helps answer this, reporting bottom-line results for the City’s governmental and business-type activities.

STATEMENT OF NET POSITION (in millions*)						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current & Other Assets	261.0	222.7	34.5	21.8	295.5	244.5
Capital Assets	284.2	277.6	67.4	69.6	351.6	347.2
Total Assets	545.2	500.3	101.9	91.4	647.1	591.7
DEFERRED OUTFLOWS OF RESOURCES	13.1	22.6	0.4	1.4	13.5	24.0
LIABILITIES						
Current Liabilities	33.4	26.8	2.3	1.9	35.7	28.7
Noncurrent Liabilities	196.2	217.4	1.7	1.7	197.9	219.1
Total Liabilities	229.6	244.2	4.0	3.6	233.6	247.8
DEFERRED INFLOWS OF RESOURCES	62.6	37.2	5.1	3.6	67.7	40.8
NET POSITION						
Net Investment in Capital Assets	276.6	267.3	67.1	69.4	343.7	336.7
Restricted	19.9	10.8	2.4	–	22.3	10.8
Unrestricted	(30.4)	(36.5)	23.7	16.1	(6.7)	(20.4)
Total Net Position	266.1	241.6	93.2	85.5	359.3	327.1

*Due to rounding, some figures will have slight variances from the Annual Comprehensive Financial Report.

NET POSITION OVERVIEW

The statement distinguishes governmental activities (general government, public safety, public works, streets and highways, and economic development) from business-type activities (water and sewer, parking). Total assets for the City as of Dec. 31, 2025, were \$647.1 million, an increase of \$55.4 million or 9.4%. Total liabilities as of Dec. 31, 2025, were \$233.6 million, a decrease of \$14.2 million or 5.7%.

Net position was \$359.3 million in fiscal 2025, an increase of \$32.2 million. Of the City’s net position, \$343.7 million was net investment in capital assets, while \$22.3 million was restricted by the City or other legal requirements and was not available to finance day-to-day operations of the City. Unrestricted net position increased \$13.7 million or approximately 67.2% to negative \$6.7 million.

The City’s net position continued to improve this year, reflecting strong financial management despite higher expenses from necessary investments in 2025. This improvement was driven by revenues exceeding expenses and highlights the City’s continued ability to manage spending within available resources while supporting long-term financial stability.

GENERAL FUND OVERVIEW

The General Fund is the City’s primary operating fund and is the foundation for all governmental activities. The vast majority of revenue for the General Fund is comprised of various types of taxes, the largest source being property taxes. Sales, income and other intergovernmental taxes are distributed by the State of Illinois on the basis of population.

WHAT IS A FUND?

A fund is a system used to track and manage financial resources for specific government activities or services.

The functional expenditures of the General Fund include the operational costs of the following departments/divisions:

GENERAL GOVERNMENT

City Administration, Finance and related departments.

PUBLIC SAFETY

Police and Fire departments.

PUBLIC WORKS

Facilities and Grounds, Water and Sewer Systems, Vehicle Maintenance, and related divisions.

STREETS & HIGHWAYS

Engineering, Street Maintenance and associated divisions.

ECONOMIC DEVELOPMENT

Community and Economic Development department and other departments.

The City of Des Plaines seeks to maintain a minimum unassigned General Fund balance equal to at least 25% of total General Fund expenditures.



REVENUES & EXPENDITURES

\$85.5M

TOTAL REVENUES

\$80.1M

TOTAL EXPENDITURES

\$86.7M

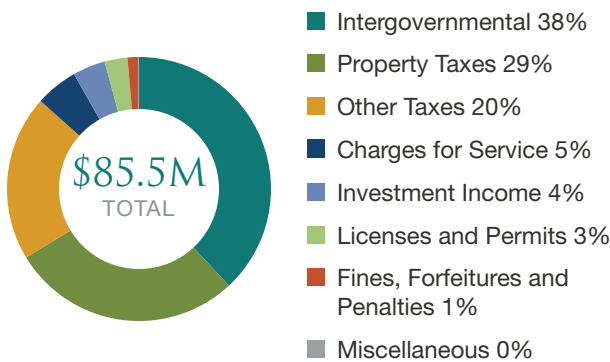
FUND BALANCE, DEC. 31, 2025

TOP REVENUE SOURCES

	2025	2024
Property Tax	\$24,219,240	\$25,263,265
Municipal Sales Tax	19,151,472	17,051,430
HR Sales Tax	5,719,753	4,870,435
Income Tax	11,007,678	10,434,983
Total	60,098,143	57,620,113
Total Revenues	\$85,530,283	\$82,188,189

While the City has diversified revenue sources, property, sales and income taxes account for over 70% of General Fund revenues.

2025 REVENUES



2025 EXPENDITURES



2025 STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE (in millions*)

	2025	2024	2023
REVENUES			
Property Taxes	24.2	25.3	24.5
Other Taxes	17.4	15.9	15.3
Licenses and Permits	2.4	2.2	2.8
Intergovernmental	32.5	31.1	32.3
Charges for Service	4.4	4.7	3.9
Fines, Forfeitures and Penalties	1.1	0.8	0.5
Investment Income	3.4	2.0	1.5
Miscellaneous	0.1	0.2	0.2
TOTAL REVENUES	85.5	82.2	81.0
EXPENDITURES			
General Government	11.8	10.7	10.2
Public Safety	53.9	52.1	50.4
Public Works	5.2	5.3	4.6
Streets and Highways	5.3	4.8	4.8
Economic Development	0.5	0.6	0.6
Capital Outlay	3.1	–	–
Debt Service	0.3	–	–
TOTAL EXPENDITURES	80.1	73.5	70.6
Excess of Revenues over Expenditures	5.3	8.6	10.4
Proceeds from Sale of Capital Assets	0.2	0.2	–
Software Subscription	3.1	–	–
Transfers In	0.1	0.1	0.1
Transfers Out	(2.8)	(11.8)	(7.0)
Net Change in Fund Balance	5.9	(3.1)	3.5
Fund Balance, Jan. 1	80.8	80.2	69.2
Fund Balance, Dec. 31	86.7	77.1	72.7

*Due to rounding, there will be slight variances from the Annual Comprehensive Financial Report.

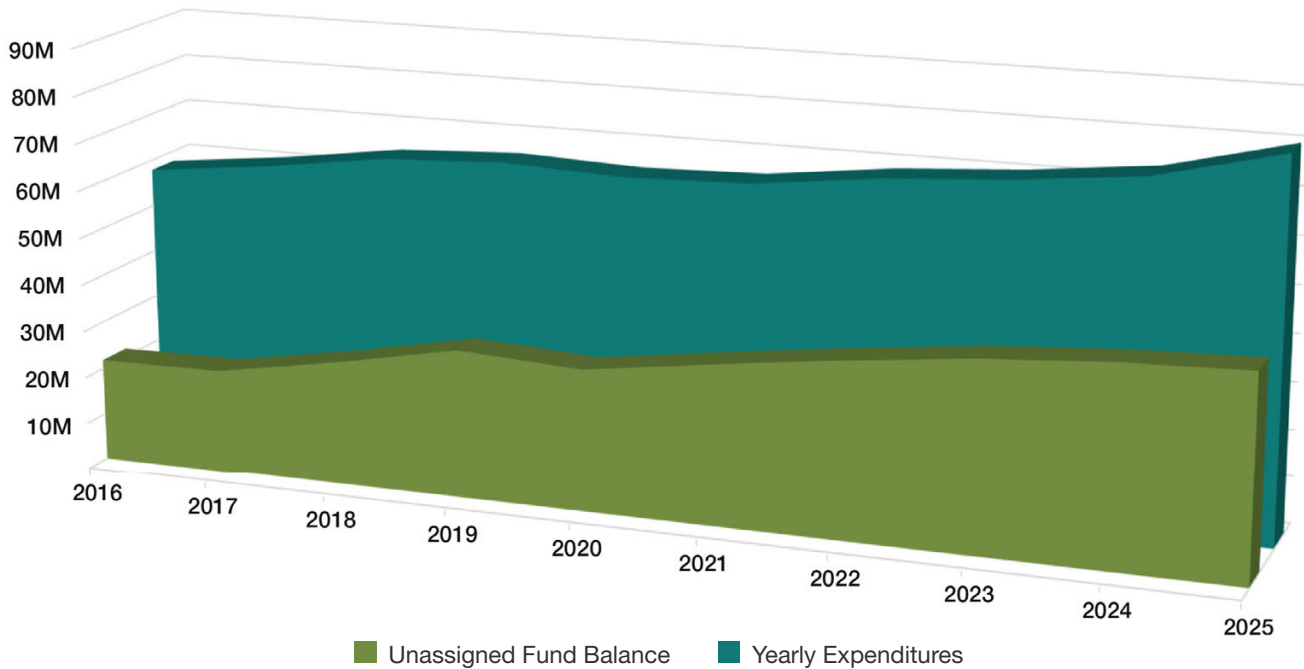
UNASSIGNED BALANCE TREND

As presented on the previous page, the General Fund balance as of Dec. 31, 2025, was \$86.7 million, an increase of \$6.0 million from fiscal 2024. The nonspendable fund balance was \$22.3 million and the assigned fund balance was \$21.0 million, resulting in an unassigned fund balance of \$43.5 million.

The unassigned balance of the General Fund can be used to cover day-to-day service delivery and was at 54.3% of the 2025 General Fund expenditures.

Year	Unassigned Balance	Yearly Expenditures	%
2016	21,833,793	57,871,619	37.7%
2017	22,135,880	60,731,332	36.4%
2018	26,643,211	64,482,430	41.3%
2019	31,828,170	65,746,799	48.4%
2020	30,409,850	64,756,085	47.0%
2021	34,149,343	65,521,844	52.1%
2022	37,607,773	68,763,545	54.7%
2023	40,627,087	70,609,485	57.5%
2024	42,564,902	73,522,367	57.9%
2025	43,532,567	80,140,004	54.3%

UNASSIGNED BALANCE VS. YEARLY EXPENDITURES



54.3%

OF EXPENDITURES

In 2025, the City's unassigned balance reached **54.3% of total General Fund expenditures**, far exceeding the City's minimum reserve policy of **25%**.



ENTERPRISE FUND

WATER & SEWER FUND OVERVIEW

<p>\$74.2M ▲ \$8.7M</p> <p>FUND NET POSITION</p>	<p>17,200+</p> <p>CUSTOMERS SERVED</p>	<p>4.9M</p> <p>GALLONS PER DAY</p>
---	---	---

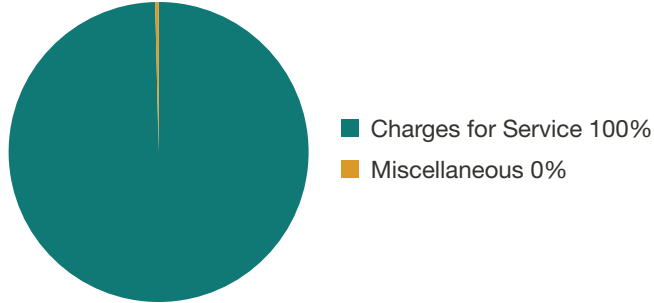
WATER & SEWER FUND

An enterprise fund is a self-supporting government fund that sells goods and services to the public for a fee and should be supported by user fees rather than taxes or other outside sources. The City’s most substantial enterprise fund is the Water & Sewer Fund, which accounts for the transmission, treatment, storage and sale of water and the maintenance of the City’s sanitary sewer mains.

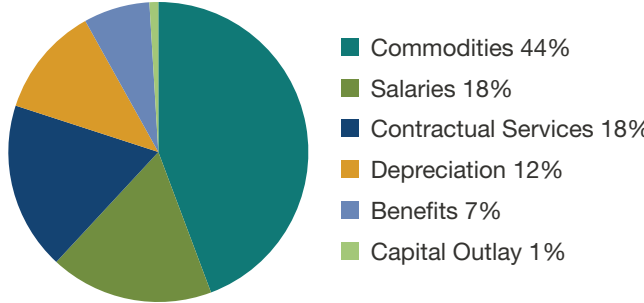
PROVIDING WATER

Des Plaines is a wholesale purchaser of water from the City of Chicago and the Northwest Water Commission, providing service to over 17,200 customers with average daily consumption of over 4.9 million gallons. In 2025, revenue increased by \$3.4 million, driven by a strategic effort to set fees at levels sufficient to cover expenses and support improvements to aging infrastructure.

2025 OPERATING REVENUES



2025 OPERATING EXPENSES



EXCESS REVENUES OVER EXPENSES (in millions)

	2025	2024	2023
Operating Revenues	26.8	23.5	19.7
Operating Expenses	21.0	17.9	18.0
Operating Income (Loss)	5.8	5.6	1.7

The Water & Sewer Fund’s net position as of Dec. 31, 2025, totaled \$74.2 million, an increase of \$8.7 million from the prior year.

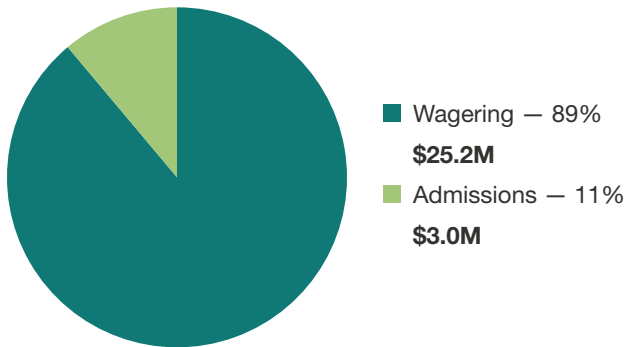
GAMING TAX FUND OVERVIEW

ABOUT GAMING TAXES

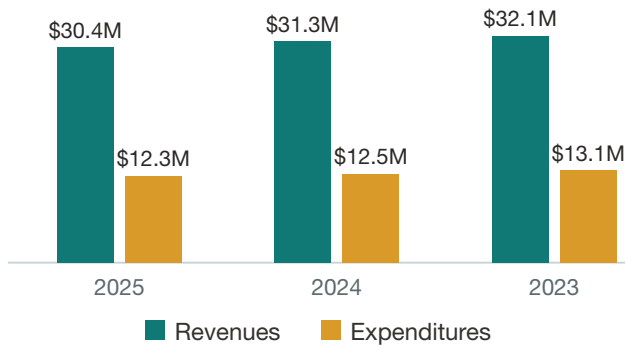
In July 2011, Rivers Casino opened in Des Plaines, elevating the City’s financial position. Revenues from Gaming Taxes are allocated to a special revenue fund. As a special revenue fund, this money is limited to specific uses. The city gaming tax policy restricts use of funds primarily for infrastructure improvements and debt repayment.

- **Admissions Tax** — \$1 for every person entering the casino.
- **Wagering Tax** — 5% of all wagering activities within the casino.

2025 GAMING TAX REVENUE



EXCESS REVENUES OVER EXPENSES · millions



BENEFITING COMMUNITIES

Historically, the State of Illinois has received \$10 million every year from the City’s gaming tax proceeds, while 40% of any revenues over \$10 million have been shared amongst 10 benefitting communities. This left 60% of all revenues over \$10 million to be utilized by the City. Additionally, pursuant to Section 13 (b-4) of the Illinois Gambling Act, 230 ILCS 10/13 (b-4), the State of Illinois is required to make annual payments to the City in the amount of \$5 million from the tax revenue deposited.

Recipient	Amount
State of Illinois	\$10,000,000
City of Chicago Heights	2,121,711
City of Harvey	1,569,202
City of Markham	900,337
Village of Summit	861,733
Village of Riverdale	823,283
Village of Robbins	357,402
Village of Dixmoor	229,543
Village of Ford Heights	139,980
Village of Phoenix	131,873
Village of Hodgkins	115,814
Total Shared Revenues	\$17,250,878

The revenue received from Rivers Casino not only benefits the City of Des Plaines, but also a host of other Chicagoland communities as well.

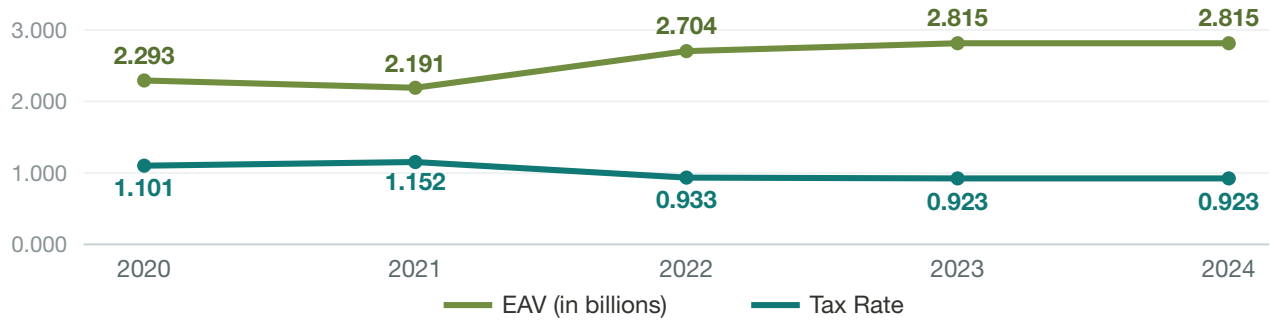
\$15.9M

The City’s portion of gaming tax revenue retained in 2025 was \$15.9 million, after all contractual obligations and inclusive of the \$5 million annual payment from the State of Illinois. The 2025 gaming tax revenue allocation will be approved during the 2027 Budget process.

PROPERTY TAXES

The City has a diverse revenue base, with only 22.0% of its revenue derived from property taxes. It remains a major source used to support daily operations and fund public safety pensions. The City’s tax rate has an inverse relationship with the City’s total EAV. In other words, when EAVs decline, the effect is usually an increase to the tax rate.

THE CITY’S PROPERTY TAX RATE VS. EAV



TAX LEVY ALLOCATION

The 2024 Tax Levy amount remained the same as the prior year. To maintain sufficient funding for the police and fire pensions without increasing the total levy amount, a portion of the tax levy allocation had to be diverted from general purposes. The 2024 Tax Levy was collected during the 2025 fiscal year.

Distribution	2020	2021	2022	2023	2024
General	\$9,282,822	\$8,190,198	\$8,190,198	\$8,317,254	\$7,563,338
Fire Pension	7,349,577	7,997,490	7,823,497	8,228,456	9,110,671
Police Pension	7,856,751	8,301,462	8,475,455	8,678,115	8,549,816
Debt Service	-	-	-	-	-
Total Tax Levy	\$24,489,150	\$24,489,150	\$24,489,150	\$25,223,825	\$25,223,825

WHERE DO YOUR PROPERTY TAXES GO?



Based on a 2024 tax bill (payable in 2025) for a Maine Township property owner.

City keeps ≈10¢

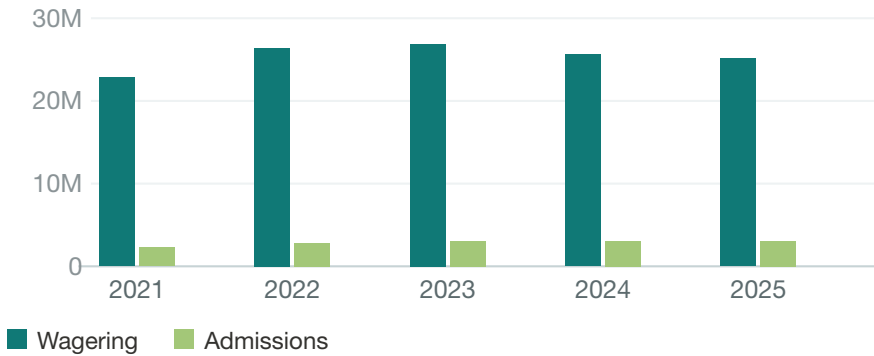
For every dollar of property tax collected, the City of Des Plaines receives only about **10 cents**.

- 69.0% Schools
- 10.3% City of Des Plaines
- 6.7% Cook County
- 4.9% Park District
- 3.9% Water Reclamation
- 2.5% Library
- 2.7% Other

CITYWIDE REVENUE TRENDS

The most significant sources of revenue for the City outside of property taxes are gaming, sales and income taxes.

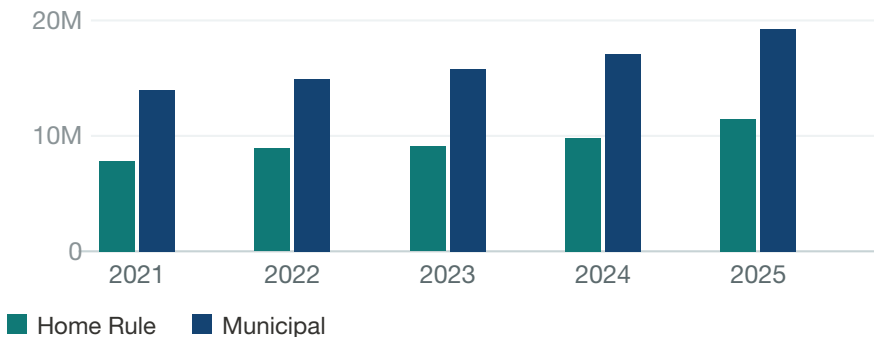
GAMING REVENUE TRENDS · millions



\$28.1M
2025 GAMING TAX

Gaming tax revenue from both wagering and admissions remained comparable to the prior year, with a modest decline.

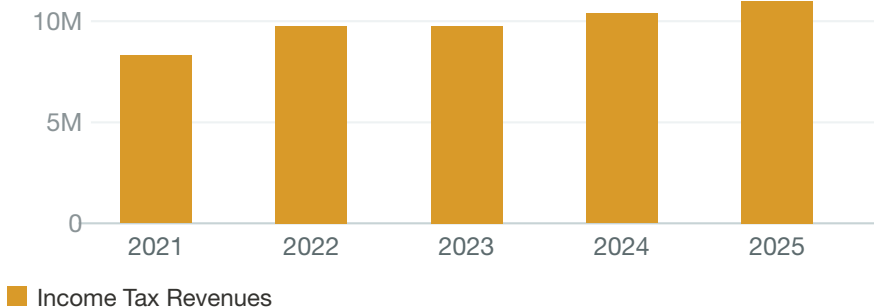
SALES TAX REVENUE TRENDS · millions



\$30.6M
2025 SALES TAX

The increase in home rule and municipal sales taxes was attributed to economic growth, higher consumer spending, and the addition of new businesses within the City.

INCOME TAX REVENUE TRENDS · millions

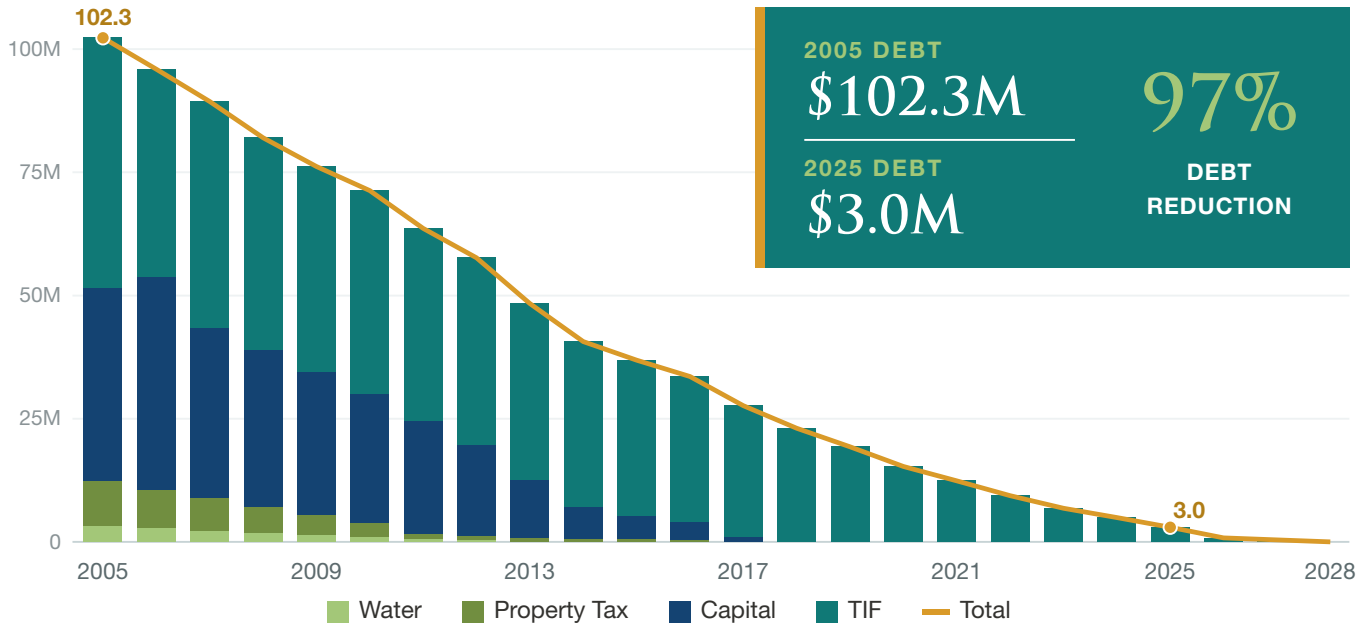


\$11.0M
2025 INCOME TAX

Income tax revenues increased slightly from 2024 to 2025, consistent with the prior year.

DEBT STATUS

DEBT SERVICE PAYOFF (in millions)



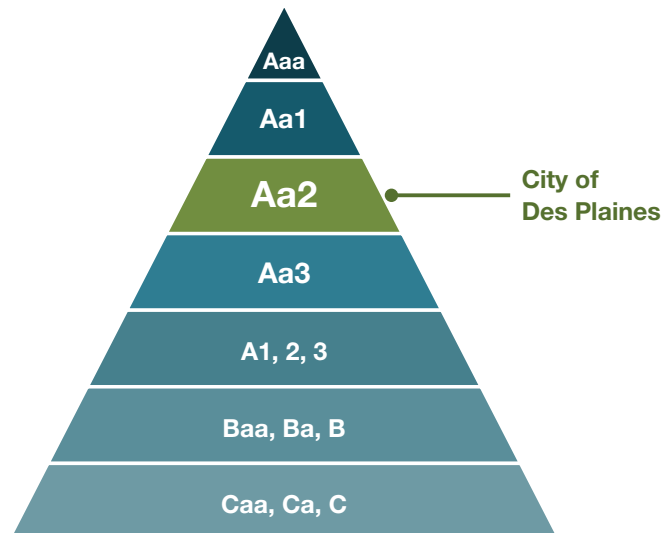
All general obligation notes and bonds payable are backed by the full faith and credit of the City. The City had \$3.0 million in principal outstanding general obligation debt at the end of 2025. The majority of the City’s debt burden is supported by Tax Increment Financing (TIF) revenues, sales and utility taxes, sewer fees and other fees. The City does not have any property-tax-supported debt.

All current debt will be retired by the end of 2028.

MOODY’S INVESTORS SERVICE RATING

Moody’s Investors Service has assigned an **Aa2** rating to the City’s outstanding municipal bond issues. The City has taken advantage of this rating to refinance its outstanding debt for better interest rates and pay off debt early to save on future interest costs.

The City’s **Aa2** rating places it in the **High Quality, Very Low Credit Risk** tier (Aaa–Aa3).



KEY TERMS

Deferred Inflow of Resources — An acquisition of net assets by the government that is applicable to a future reporting period. For example, advance collections (revenues collected before a service was rendered).

Deferred Outflow of Resources — A consumption of net assets by the government that is applicable to a future reporting period. For example, prepaid items (expenses paid before a service was rendered).

Equalized Assessed Value (EAV) — The product of the assessed value of your property (both land and improvements) and the State equalization factor, which is set by the Illinois Department of Revenue.

Net Assets — The difference between an entity's assets and its liabilities.

Net Investment in Capital Assets — Capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets.

Net Position — The difference between an entity's assets plus deferred outflows of resources and its liabilities plus deferred inflows of resources. Net position has three components: net investment in capital assets; restricted net position; and unassigned net position.

Restricted Net Position — Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Tax Abatement — A reduction of taxes granted by a government to encourage economic development.

Tax Increment Financing (TIF) — A public financing method used by municipal governments to stimulate economic development in a targeted geographical area by utilizing future tax revenues to pay for necessary public improvements.

Unassigned Net Position — Net position that is not "restricted" or "net invested in capital assets."

CITY ADMINISTRATION

City Manager	Dorothy Wisniewski
General Counsel	Peter Friedman, Elrod Friedman LLP
Director of Finance	Agnes Podbial
Chief of Police	David Anderson
Fire Chief	Matthew Matzl
Public Works & Engineering	Timothy Watkins
Community & Economic Development	Jeffrey Rogers

CITY OF DES PLAINES

1420 Miner Street
Des Plaines, IL 60016
Phone: 847-391-5300
Monday–Friday, 8:30 a.m.-5 p.m.

Comments or suggestions for improving this document can be addressed to the Finance Department or emailed to finance@desplainesil.gov.