

Chicago Board of Education:

*Bond Issue Notification Act (BINA) Hearing
December 18, 2025*



Bond Authorization - Process

- **The Purpose of today's hearing is to discuss CPS' request to authorize the issuance of up to \$1.8B in General Obligation Alternate Revenue Source Bonds**
- **Since 1988, Illinois State Statute prescribes the process for authorizing General Obligation Alternate Revenue Source Bonds for all school districts**
 - There are currently three steps in this process
 - The first two steps are being taken today
 - CPS must seek additional Board approval to take the third step

Step 1: Bond Issue Notification Act (BINA) Hearing

Public hearing to explain the proposed issuance and receive comments on the sale of the bonds.

Step 2: Bond Authorization

Board approves bond authorization that is good for 3-years and caps the amount of bonds

Step 3: Approval of Actual Bond Resolution

CPS must seek additional Board approval for specific bonds to be issued



Bond Authorization - Request

- **The authorization request is for approval to issue an amount of not to exceed \$1.8 billion in General Obligation Alternate Revenue Bonds**
- Additional approvals will then be needed for each specific series of bonds to be sold
 - No bonds can be sold until passing a specific bond resolution is completed
- All of the \$1.8 billion in authorization is not required to be used
- This authorization will cover future issuances of bonds for a period up to 3-years
- The next series of bonds (when issued in approx. Oct/Nov 2026) will pay for capital project spending estimated to occur in CPS Fiscal Year 2026 & 2027
 - Items financed are typically prior years capital plans
 - Capital projects are paid by bond proceeds after the project is completed; depending on the project complexity, it often takes multiple years to fully finish certain projects

Estimated Bond Authorization Use Example		
Series 2026	FY 2023, 24 & 25 Capital Spending	\$600M~
Series 2027	FY 2024 & 25 Capital Spending	\$600M~
Series 2028	FY 2025 & 26 Capital Spending	\$600M~
Total Requested Authorization		\$1.8B



Connection Between CPS Capital Budgets & Bonds

- **CPS Capital Budgets fund physical investments in our District, such as the repairs and renovations to existing schools, and other major projects**
- CPS Capital Budgets are primarily paid by issuing long term bonds
- **A strong stable overall financial position contributes to the ability to access investors who purchase CPS bonds**
- CPS's Capital Budgets provide capital projects at schools across our City
- An equity index is used by the Facilities team (who does the work) to help determine where to undertake projects
- Prioritized critical building needs that support academic initiatives often financed are:
 - Mechanical Systems (HVAC & Controls)
 - Building Envelope (Roof, Masonry, Windows)
 - Safety, ADA & Other
- Continued education investments also being financed often include:
 - State-of-the-Art High School Science Labs
 - High Speed Internet Access and Device Replacements
 - Expansion of Full Day Pre-K
 - Accessibility Improvements
 - IB, Stem, Magnet and Classical Expansion



