

Village of Hoffman Estates

SPECIAL FINANCE COMMITTEE MEETING MINUTES

November 6, 2025

I. Roll call

Members in Attendance:

**Trustee Gary Pilafas, Chair
Trustee Anna Newell, Vice Chairperson
Trustee Gary Stanton
Trustee Patrick Kinnane
Trustee Karen Arnet
Mayor William McLeod**

Members Absent:

Trustee Karen Mills – excused

**Management Team Members
in Attendance:**

**Eric Palm, Village Manager
Jon Pape, Asst. Village Manager
Rachel Musiala, Finance Director
Ryan Downes, Accounting Manager
Kasia Cawley, Police Chief
Monica Saavedra, Director of H&HS
Joe Nebel, Director of Public Works
Jenny Horn, Dir. of Planning & Transportation
Sanyo Kapur, Director of Bldg & Code Enforce.
Kevin Kramer, Director of Economic Develop.
Alan Wenderski, Director of Engineering
Darek Raszka, IT Director
Ben Gibbs, NOW Arena General Manager
Alan Wax, Fire Chief**

The Special Finance Committee meeting was called to order at 6:00 p.m.

A quorum was present.

II. Public Comment – None

NEW BUSINESS

1. Review and discussion of the Proposed FY2026 Operating & Capital Budget.

Village Manager Eric Palm gave an overview of the Proposed FY2026 Operating and Capital Budget. This budget was a challenging one. We had to go through some difficult exercises to sharpen our pencil. We do commend all departments for helping with the process. We had originally planned to use \$5.45 million of the general fund reserves to pay for capital needs and

balance the budget. Revenues for this year are better than expected due to sales tax, engineering fees, and interest income coming in higher than anticipated. Currently we are projecting to only need to utilize \$2.186 million of reserves.

The FY2026 proposed budget is reflecting a 3.8% increase in General Fund revenues and a 3.3% increase in General Fund expenses. We are again proposing to utilize fund reserves to pay for capital in the amount of \$5,253,210. At the end of FY2026, the Village will still have a fund balance reserve of 33.8%, well above the 25% required.

Major revenues in the General Fund are holding stable for the most part. A major decrease in Local Use Tax is being offset by increases in Sales Taxes due to a shift of how online purchases are being taxed. Building Permits are decreasing only because above average permit activity happened in FY2025.

For the Village in total, revenues are increasing by 0.2% and expenses are increasing by 0.7%. The deficit of \$15,320,210 Village-wide is resulting from the spend-down of accumulated reserves and bond proceeds.

For the property tax levy planned for FY2026, the Village is levying an increase of 4.2% due to the increases needed in the pension funds. Due to a projected increase in the EAV because it will be a triennial reassessment year, the Village's tax rate should decrease.

New personnel being added includes one additional social worker. This is being offset by the elimination of several vacant positions.

Jon Pape gave an overview of the General Government Department accomplishments, goals, and budget highlights.

Kasia Cawley gave an overview of the Police Department accomplishments, goals, and budget highlights.

Alan Wax gave an overview of the Fire Department accomplishments, goals, and budget highlights.

Joe Nebel gave an overview of the Public Works Department accomplishments, goals, and budget highlights.

Motion by Trustee Kinnane, seconded by Trustee Arnet to take a 10 minute break. All ayes. Motion carried.

The Special Finance Committee was called back to order at 7:26 p.m.

Roll Call to re-establish quorum**Members in Attendance:**

Trustee Gary Pilafas, Chair
Trustee Anna Newell, Vice Chairperson
Trustee Gary Stanton
Trustee Patrick Kinnane
Trustee Karen Arnet
Mayor William McLeod

Jenny Horn gave an overview of the Development Services Department accomplishments, goals, and budget highlights.

Monica Saavedra gave an overview of Health & Human Services accomplishments, goals, and budget highlights.

Darek Raszka gave an overview of the Information Technology Department accomplishments, goals, and budget highlights.

Ben Gibbs gave an overview of the NOW Arena accomplishments and goals.

Eric Palm gave an overview of the Boards and Commissions budget highlights.

2. Request approval of the FY2026 – FY2030 Capital Improvements Program as recommended by the Capital Improvements Board.

Motion by Trustee Arnet, seconded by Trustee Kinnane to request approval of the FY2026 - FY2030 Capital Improvements Program. All Ayes. Motion carried.

3. Direct staff to publish the Notice of Availability of Budget and Public Hearing on the 2026 Proposed Budget. With Committee's concurrence, the Public Hearing will be scheduled for Monday, December 1, 2025 at 6:55 p.m. in the Council Chambers prior to the Village Board Meeting. (Notice of this public hearing will be given at least one week prior to the hearing date).

Motion by Trustee Stanton, seconded by Mayor McLeod, to direct staff to publish the Notice of Availability of Budget and Public Hearing on the 2026 Proposed Budget. With Committee's concurrence, the Public Hearing will be scheduled for Monday, December 1, 2025 at 6:55 p.m. in the Council Chambers prior to the Village Board Meeting. (Notice of public hearing will be given at least on week prior to the hearing date). All ayes. Motion carried.

4. Direct staff to draft the Tax Levy and Tax Abatement Ordinances, which will appear on the December 1, 2025 Village Board Agenda.

Motion by Trustee Arnet, seconded by Trustee Kinnane to direct staff to draft the Tax Levy and Tax Abatement Ordinances, which will appear on the December 1, 2025 Village Board Agenda. All ayes. Motion carried.

III. Adjournment

Motion by Trustee Arnet, seconded by Trustee Stanton, to adjourn the meeting at 8:10 p.m. Voice vote taken. All ayes. Motion carried.

Minutes submitted by:

Rachel Musiala, Director of Finance

Date