



AGENDA
Finance Committee
Special Meeting
Village Hall

1900 Hassell Road, Hoffman Estates, IL 60169

May 18, 2026 **Council Chambers** **6:55 PM**

1. **CALL TO ORDER/ROLL CALL**

2. **PUBLIC COMMENT**

3. **NEW BUSINESS**
 - A. Approval of an ordinance to amend the FY2025 Budget as a result of the completed financial audit.

4. **OTHER**

5. **ADJOURNMENT**

Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at www.hoffmanestates.org and/or in person in the Village Clerk's office. The Village of Hoffman Estates complies with the Americans with Disabilities Act (ADA). For accessibility assistance, call the ADA Coordinator at 847/882-9100.



AGENDA ITEM REPORT

Finance Committee
May 18, 2026
ITEM 3A

REQUEST: Approval of an ordinance to amend the FY2025 Budget as a result of the completed financial audit.

FROM: Rachel Musiala, Finance Director

ITEM TYPE: Ordinance - Committee

REQUEST SUMMARY

As it relates to the Village's annual operating budget, it is probable that certain revenue and expenditure accounts will come in either under or over budget during the course of any fiscal year. What is important, however, is to ensure that expenditures do not exceed the budget at the department/fund level.

Several factors can necessitate a budget adjustment. Certain actions taken by the Village Board to approve contracts or expenditures must be realigned with the budget ordinance that serves as the Village's legal spending authority. Also, new programs and purchases obligating budget resources also require an amendment to the budget ordinance. In addition to the above factors, during the course of the annual audit, it becomes necessary to adjust certain revenue and expenditure accounts for events unforeseen at the time the original budget ordinance was adopted.

A final year-end budget adjustment is necessary to reflect these changes. All the budget adjustments needed are detailed on the attached budget adjustment request forms. The ordinance is also attached for review.

FINANCIAL IMPACT

In each case where an adjustment was needed to the Village's budget, adequate revenues or unallocated fund equity were available to absorb the adjustment.

RECOMMENDATION

Request approval of an ordinance to amend the 2025 Budget as a result of the completed financial audit and to close out the fiscal year.

ATTACHMENTS

1. Budgetord-amend (5-18-26)
2. Year End Budget Adjustments 25

ORDINANCE NO. _____ - 2026
VILLAGE OF HOFFMAN ESTATES
AN ORDINANCE AUTHORIZING
AMENDMENTS TO THE 2025 BUDGET ORDINANCE

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Hoffman Estates, Cook County, Illinois, as follows:

Section 1: That pursuant to authority granted by the statutes of the State of Illinois, there is hereby an amendment to the budget ordinance in an amount not in excess of the aggregate of additional revenues or fund reserves available to the Village. The sums of money hereinafter itemized for each of the respective corporate objects specified hereby increase or decrease the amounts included in the original budget ordinance, Ordinance No. 5127-2024 dated December 2, 2024. The appropriate sums shall be received from sources other than the tax levy. The respective sums of money, together with the resulting adjustments and changes in the budget are set out in Section 2 of this Ordinance.

Section 2:

*Village of Hoffman Estates
2025 Budget Amendment*

			Current Budget	Change	Revised Budget
<u>Revenue Budget Revisions</u>					
<i>General Fund</i>					
01000010-3105	100-0000-31050	Home Rule Sales Tax	5,200,000	689,500	5,889,500
<i>CDBG Fund</i>					
04000012-3305	204-0000-33050	CDBG Grant Revenue	157,600	84,000	241,600
Fund 04	Fund 204	Decrease to Fund Balance		36,000	
<i>Higgins-Hassell TIF</i>					
72000017-3802	222-0000-38020	Note Proceeds	-	612,000	612,000
Fund 72	Fund 222	Decrease to Fund Balance		350,000	
<i>Road Improvement Fund</i>					
29000018-3904	404-0000-39040	Transfer from CDBG	-	120,000	120,000
<i>Insurance Fund</i>					
Fund 46	Fund 601	Decrease to Fund Balance		26,000	
<i>Police Pension Fund</i>					
50000015-3602	701-0000-36020	Gain on Sale of Investment	100,000	145,000	245,000
<i>Fire Pension Fund</i>					
51000015-3601	702-0000-36010	Interest Income	850,000	260,000	1,110,000

2019 Capital Project Fund

64000016-3701	414-0000-37010	Reimbursements	-	47,500	47,500
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Water & Sewer Fund

40400013-3425	501-0000-34250	Water Charges	24,360,520	850,000	25,210,520
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40400015-3601	501-0000-36010	Interest Income	250,000	440,000	690,000
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2024 G.O. Debt Service Fund

70000018-3901	307-0000-39010	Transfer from General	385,030	500	385,530
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TOTAL REVENUES				3,660,500	
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Expenditure Budget Revisions

			<u>Current Budget</u>	<u>Change</u>	<u>Revised Budget</u>
<i>General Fund</i>					
01101220-4104	100-1012-41040	Salaries & Wages, FT (GG Admin)	890,700	86,000	976,700
01101324-4567	100-1013-45670	Outside Legal Fees	185,000	603,000	788,000
01616427-4870	100-6500-48700	Transfer to 2024 GODS	385,030	500	385,530
<i>CDBG Fund</i>					
04000027-4829	204-0000-48290	Transfer to Road Improvement	-	120,000	120,000
<i>Higgins-Hassell TIF</i>					
72000025-4610	222-0000-46100	Other Capital Expenditures	-	612,000	612,000
72000026-4702	222-0000-47020	Principal Expense	-	350,000	350,000
<i>Road Improvement Fund</i>					
Fund 29	Fund 404	Increase to Fund Balance		120,000	
<i>Insurance Fund</i>					
46700024-4554	601-7000-45540	Workers Comp Claims	600,000	26,000	626,000
<i>Police Pension Fund</i>					
50000021-4507	701-0000-42070	Retirement Pensions	7,968,730	145,000	8,113,730
<i>Fire Pension Fund</i>					
51000021-4207	702-0000-42070	Retirement Pensions	6,753,830	107,000	6,860,830

51000024-4574	702-0000-45740	Trustee Fees	100,000	153,000	253,000
<i>2019 Capital Project Fund</i>					
64000024-4542	414-0000-45420	Other Contractual Services	-	47,500	47,500
<i>Water & Sewer Fund</i>					
40406724-4540	501-4067-45400	JAWA Expense	9,200,000	530,000	9,730,000
40407325-4609	501-4073-46090	Water System Improvements	2,945,000	280,000	3,225,000
40406728-4901	501-4067-49010	Water Cost Allocation	1,097,480	150,000	1,247,480
40407028-4901	501-4070-49010	Water Cost Allocation	560,410	165,000	725,410
40406824-4507	501-4068-45070	Professional Services	22,000	165,000	187,000
<i>2024 G.O. Debt Service Fund</i>					
70000026-4543	307-0000-45430	Paying Agent Fees	-	500	500
<hr/> TOTAL EXPENDITURES				<hr/> 3,660,500 <hr/>	

Section 3: That the Village Clerk is hereby authorized to publish this Ordinance in pamphlet form.

Section 4: That this Ordinance shall be in full force and effect immediately from and after its passage and approval.

PASSED THIS _____ day of _____, 2026

VOTE	AYE	NAY	ABSENT	ABSTAIN
Trustee Karen V. Mills	_____	_____	_____	_____
Trustee Anna Newell	_____	_____	_____	_____
Trustee Gary J. Pilafas	_____	_____	_____	_____
Trustee Gary G. Stanton	_____	_____	_____	_____
Trustee Karen Arnet	_____	_____	_____	_____
Trustee Patrick Kinnane	_____	_____	_____	_____
Mayor William D. McLeod	_____	_____	_____	_____

APPROVED THIS _____ DAY OF _____, 2026

Village President

ATTEST:

Village Clerk

Published in pamphlet form this _____ day of _____, 2026.

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **General Fund**

FISCAL YEAR: **2025**

DEPARTMENT: **General Government**

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
100-1012-41040	Salaries & Wages FT	\$ 86,000	\$ 890,700	\$ 976,700
100-1013-45670	Outside Legal Fees	\$ 603,000	\$ 185,000	\$ 788,000

Decrease in Expenditures/Fund Balance or Increase in Revenues:

100-0000-31050	Home Rule Sales Tax	\$ 689,000	\$ 5,200,000	\$ 5,889,000

Reasons for Adjustment Request:

GIS position added.

Unforeseen settlement agreement payments and overall increase in legal fees:

Pardilla	\$ 200,000
Gentle Dental	\$ 291,527
PSEBA	\$ 56,250

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **CDBG Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
204-0000-48290	Transfer to Road Improve Fund	\$ 120,000	\$ -	\$ 120,000

Decrease in Expenditures/Fund Balance or Increase in Revenues:

Fund 204	Decrease in Fund Balance	\$ (36,000)		
204-0000-33050	CDBG Grant Revenue	\$ 84,000	\$ 157,600	\$ 241,600
404-0000-39040	Transfer from CDBG	\$ 120,000	\$ -	\$ 120,000
Fund 404	Increase to Fund Balance			

Reasons for Adjustment Request:

Funding for part of road project.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **Higgins/Hassell TIF Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
222-0000-46100	Other Capital Expend	\$ 612,000	\$ -	\$ 612,000
222-0000-47020	Principal Expense	\$ 350,000	\$ -	\$ 350,000

Decrease in Expenditures/Fund Balance or Increase in Revenues:

222-0000-38020	Note Proceeds	\$ 612,000	\$ -	\$ 612,000
Fund 222	Decrease in Fund Balance	\$ (350,000)		

Reasons for Adjustment Request:

Issuance of TIF note and payment on those notes from TIF property taxes.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **2024 G.O. Debt Service Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
307-0000-45430	Paying Agent Fees	\$ 500	\$ -	\$ 500

Decrease in Expenditures/Fund Balance or Increase in Revenues:

307-0000-39010	Transfer from General	\$ 500	\$ 385,030	\$ 385,530
100-6500-48700	Transfer to 2024 GODS	\$ 500	\$ 385,030	\$ 385,530
100-0000-31050	Home Rule Sales Tax	\$ 500	\$ 5,200,000	\$ 5,200,500

Reasons for Adjustment Request:

Missing budget for bond paying agent annual fee.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **2019 Capital Project Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
414-0000-45420	Other Contractual Services	\$ 47,500	\$ -	\$ 47,500

Decrease in Expenditures/Fund Balance or Increase in Revenues:

414-0000-37010	Reimbursements	\$ 47,500	\$ -	\$ 47,500

Reasons for Adjustment Request:

Street light expenses offset by ComEd rebate.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **Water & Sewer Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
501-4067-45400	JAWA Expense	\$ 530,000	\$ 9,200,000	\$ 9,730,000
501-4073-46090	Water System Improvements	\$ 280,000	\$ 2,945,000	\$ 3,225,000
501-4067-49010	Water Cost Allocation	\$ 150,000	\$ 1,097,480	\$ 1,247,480
501-4070-49010	Water Cost Allocation	\$ 165,000	\$ 560,410	\$ 725,410
501-4068-45070	Professional Services	\$ 165,000	\$ 22,000	\$ 187,000

Decrease in Expenditures/Fund Balance or Increase in Revenues:

501-0000-34250	Water Charges	\$ 850,000	\$ 24,360,520	\$ 25,210,520
501-0000-36010	Interest Income	\$ 440,000	\$ 250,000	\$ 690,000

Reasons for Adjustment Request:

Higher expenses for the water fund due to projects from prior years as well as increased water supply cost due to JAWA capital funding.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **Insurance Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
601-7000-45540	Workers Comp Claims	\$ 26,000	\$ 600,000	\$ 626,000

Decrease in Expenditures/Fund Balance or Increase in Revenues:

Fund 601	Decrease in Fund Balance	\$ (26,000)		

Reasons for Adjustment Request:

Higher than anticipated workers compensation claims.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **Police Pension Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
701-0000-42070	Retirement Pensions	\$ 145,000	\$ 7,968,730	\$ 8,113,730

Decrease in Expenditures/Fund Balance or Increase in Revenues:

701-0000-36020	Gain on Sale of Investment	\$ 145,000	\$ 100,000	\$ 245,000

Reasons for Adjustment Request:

Pension increases due to new pensioners.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026

**VILLAGE OF HOFFMAN ESTATES
REQUEST FORM FOR BUDGET ADJUSTMENTS**

FUND: **Fire Pension Fund**

FISCAL YEAR: **2025**

DEPARTMENT:

PROGRAM:

Increase in Expenditures:

<i>Account No.</i>	<i>Account Title</i>	<i>Amount</i>	<i>Current Annual Budget</i>	<i>Annual Budget After Adjustment</i>
702-0000-45740	Trustee Fees	\$ 153,000	\$ 100,000	\$ 253,000
702-0000-42070	Retirement Pensions	\$ 107,000	\$ 6,753,830	\$ 6,860,830

Decrease in Expenditures/Fund Balance or Increase in Revenues:

702-0000-36010	Interest Income	\$ 260,000	\$ 850,000	\$ 1,110,000

Reasons for Adjustment Request:

Monthly trustee expenses unknown at the time of the budget due to new pooling.

Retirement pensions increased due to new retirements.

Approval Requested By: _____

Date: _____

Approved by Department Head: _____

Date: _____

Finance Department Approval: Rachel Musiala

Date: 5/14/2026