



Village of Hoffman Estates

FY2026 Proposed Operating & Capital Budget



FY2025 Financial Overview

- **Originally planned to use \$5.45 million of General Fund reserves to pay for capital needs**
- **Better than anticipated revenues: sales taxes, engineering fees, interest income**
- **Preliminary projections forecast only needing to utilize \$2.186 million in fund reserves**

General Fund

FY2025 Projected and FY2026 Proposed Budget

	2025 Budget	2025 Year-End Projection	Proposed 2026 Budget	% Change (Budget to Budget)
Revenues	\$77,062,960	\$79,377,660	\$79,957,030	3.8%
Expenses	\$82,491,850	\$81,564,456	\$85,185,510	3.3%
Fund Reserves Utilized	\$5,450,000	\$2,186,796	\$5,253,210	
Revenues over Expenditures	\$21,110	\$0	\$24,730	

General Fund

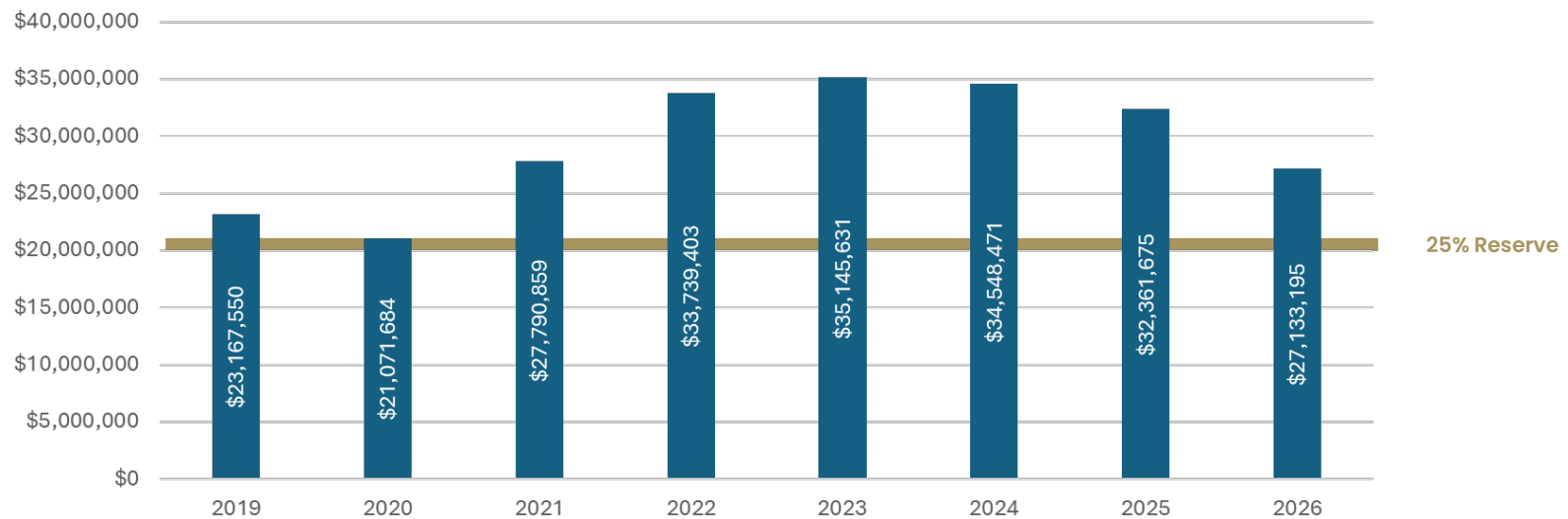
Status of Fund Reserves

	Unassigned Reserves
Fund Balance, 12/31/2024 (actual)	\$34,548,471
FY2025 Excess Revenues over Expenditures (projected)	(\$2,186,796)
Fund Balance, 12/31/2025 (projected)	\$32,361,675
FY2026 Excess Revenues over Expenditures (projected)	\$24,730
Use of Fund Reserves in FY2026: Supplement loss of revenues	(\$5,253,210)
Fund Balance, 12/31/2026 (projected)	\$27,133,195

**\$20,085,575 required for 25% reserve.
We are at 33.8% with a \$7,047,620
cushion at end of FY2026**

History of General Fund Reserves

FY2026 Budgeted General Fund Unassigned Reserves represents 33.8% of the FY2026 General Fund Budget as compared to the FY2025 budgeted reserves which represented 39.7% of the FY2025 General Fund Budget



Major Revenue Trends (General Fund)

	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Hotel Tax	1,438,091	1,472,830	1,517,806	1,480,000	1,480,000
Local Use Tax	2,128,943	2,067,674	1,866,911	736,900	194,000
HR Sales Tax	5,156,619	5,439,627	5,223,655	6,000,000	6,000,000
Sales Tax	9,413,124	9,912,739	9,698,468	10,900,000	10,600,000
Grocery Tax	0	0	0	0	800,000
Income Tax	8,625,693	8,446,080	9,042,773	9,313,100	9,351,500
Ambulance Fees	1,608,354	1,700,536	2,124,428	2,400,000	2,450,000
Interest Income	453,160	1,386,321	1,597,499	1,200,000	1,200,000
Building Permits	1,635,466	1,794,050	4,900,851	6,000,000	5,500,000
TOTAL	\$30,459,450	\$32,219,857	\$35,972,391	\$38,030,000	\$37,575,500

Building Permit Revenue

- **FY2025 Estimate:**

- Budgeted \$6,625,000
- Current year-to-date is \$1,850,824
- Still expecting revenue from Compass #1, #2 and #3 (\$4,500,000) before year-end

- **FY2026 Budget:**

- Budgeting \$5,500,000 comprised of:
 - \$1,500,000 base revenue
 - \$3,000,000 Compass #4 & #5
 - \$1,000,000 Synergy, Prairie Stone, Bell Works, etc.

General Fund by Department

	2025 Budget	2025 Estimate	2026 Budget	% Increase
General Govt	5,540,820	5,723,656	6,126,450	10.6%
Police	24,502,440	24,610,390	26,515,040	8.2%
Fire	24,378,160	23,650,990	25,822,830	5.9%
Public Works	10,231,240	9,820,160	10,155,740	-0.7%
Dev. Services	6,811,700	6,571,170	6,805,920	-0.1%
H & HS	1,549,930	1,467,870	1,700,440	9.7%
Misc. B&C	669,970	678,300	709,220	5.9%
Operating Trsfr	8,807,590	9,041,920	7,349,870	-16.6%
Total	\$82,491,850	\$81,564,456	\$85,185,510	3.3%

FY2026 Budget in Total (all funds)

	2025 Budget	2025 Estimate	2026 Budget	% Change (budget to budget)
Total Revenues	\$213,073,980	\$191,596,440	\$213,579,020	0.2%
Total Expenditures	\$227,244,650	\$204,361,966	\$228,899,230	0.7%
Net Revenues Over/(Under) Expenses	(\$14,170,670)	(\$12,765,526)	(\$15,320,210)	

Revenues:

- \$6.5 million increase in bond proceeds for the 2nd fire station
- \$1.2 million increase in investment earnings
- Decreases budgeted for permits, grants, and operating transfers

Expenditures:

- \$5.2 million increase in contractual services
- \$4.0 million decrease related to capital (shift of some technology subscriptions from capital to contractual)
- \$5.0 million decrease in operating transfers

Property Taxes

Fiscal Year	Public Safety	Debt	Police Pension	Fire Pension	Total Levy	EAV	Tax Rate
2021	11,264,510	1,492,580	5,422,671	4,272,701	22,901,511	1,612,295,657	1.421
2022	13,604,510	2,100,580	5,954,497	4,444,257	26,625,921	1,636,722,547	1.627
2023	13,604,510	2,100,580	5,954,497	4,444,257	26,625,921	1,902,750,403	1.400
2024	13,604,510	2,100,580	6,492,370	4,807,925	27,545,493	1,991,155,078	1.384
2025	13,604,510	2,100,580	6,862,911	5,013,271	28,132,897	1,990,784,349	1.413
2026	13,604,510	2,100,580	7,145,916	5,880,456	29,306,091	2,150,047,097	1.363
Increase over prior year	0%	0%	4.1%	17.3%	4.2%	8.0%	-3.5%

Employee Cost of Living Increases for FY2026

- **Police Patrol Union, 3.25% increase 1/1/2026**
- **Police Sergeants Union, in negotiation**
- **Fire Union, 3.25% increase 1/1/2026**
- **Public Works Union, in negotiation**
- **Non-Union employees – merit increase 0% – 5%**

FY2026 Personnel Changes

Department/Division	Personnel Change
Police/Health & Human Services	Additional Social Worker Added
Finance	Elimination of Revenue Collections Manager
Legal	Elimination of PT Staff Assistant
Public Works	Elimination of PT Intern
General Government	Elimination of PT Events Coordinator

Commitment to Village Board Goals

Strategic Planning Priorities

COMMUNICATION



SUSTAINABILITY



TRANSPORTATION



INFRASTRUCTURE



PUBLIC SAFETY



**FISCAL
RESPONSIBILITY**



**ECONOMIC
DEVELOPMENT**



TECHNOLOGY



**ORGANIZATIONAL
DEVELOPMENT**

Capital & Infrastructure

- **\$6.72 million street program including 3 reconstructions and 26 resurfacings proposed for FY2026**
- **\$12.0 million for new fire station 22 construction**
- **\$2.3 million for County Projects**
- **\$4.4 million Water Main Replacement Program**
- **\$2.2 million for the Hampton Lift replacement**

Presenter: Jon Pape
Assistant Village Manager

General Government



General Government Department

- Administration
- Communications
- Human Resources Management
- Finance
- Legislative
- Village Clerk's Office
- Legal
- Spatial Technology *New Division*



General Government 2025 Accomplishments

- Oversaw planning and construction efforts for Fire Station 21 & 22 and the new Village Green facility
- Project managed the implementation of the Village's new Enterprise Resource Planning (ERP) program
- Onboarded and managed staff to develop the Village's newest division, Spatial Technology
- Launched a redesigned version of *The Citizen* and Village website
- Implemented new systems including NeoGov (online application, onboarding and offboarding), PlanSource employee self-service and UKG Time and Attendance
- Administered KnowBe4 cybersecurity program



General Government 2026 Highlights & Priorities

- Manage the completion of construction for Station 21 and Village Green, and design and construction for Station 22
- Go live with the Village's new ERP software tools including BS&A and NeoGov
- Prepare succession plans and manage transitions for key Village staff leadership positions
- Communications support for the Strategic and Comprehensive Plans
- Continue to improve our Spatial Technology data and implement use cases



General Government FY2025 Budget Overview

+10.6%	Increase in General Government budget overall (\$585,630)
+31.5%	Increase in Other Commodities (\$54,480)
+2.9%	Increase in Contractual Services (\$42,550)

Presenter: Kasia Cawley
Police Chief

Police Department



Police Department 2025 Accomplishments

- Restructured Front Desk to eliminate the part time ASO Program and staff the front desk with CSOs.
- Moved the community relations program into the Tactical Division for dual purposing and additional community outreach.
- Refresh of BWC and New Taser 10 with VR Technology.
- Enhanced the RTIC and began working with stakeholders for video access to schools and local businesses.
- Researched, trained, and implemented new scheduling and payroll software.
- Utilized Lexipol to evaluate all HEPD policies and procedures to make sure they are consistent with state and federal law.



Police Department 2025 Accomplishments

- Began a new cross training program to allow officers to consistently train in investigations, tactical, and traffic.
- Began a new productivity matrix to post productivity in roll calls and evaluate officers on calls for service, traffic, self-initiated activity, and arrests.
- Redesigned our police patch.
- Utilized our speed trailers to coincide with extra enforcement patrols and target details.
- Developed new assignments and policies revolving around new law – specifically Karina's law and firearms restraining orders.
- Village website redesign initiative to make it more convenient for the public to directly access information and services.
- Sergeants promotional process to reestablish eligibility list.



Police Department 2026 Highlights & Priorities

- Continue to build and grow our RTIC and ALPR Program.
- Train all CSOs to be evidence technicians.
- Flock safety and community initiative to register cameras.
- Continue to establish private property agreements with business owners.
- School/public education on programs, safety, and ordinances.
- Vehicle graphics redesign.
- Continue to evaluate our policies and procedures.



Police Department 2026 Highlights & Priorities – Social Worker

Our social workers handled 2846 cases in 2024 and 3331 cases in 2025. This is a 17% increase.

In addition, they attend every community event and have expanded the resources they provide the community. They have a goal of expanding their co-response in 2026.

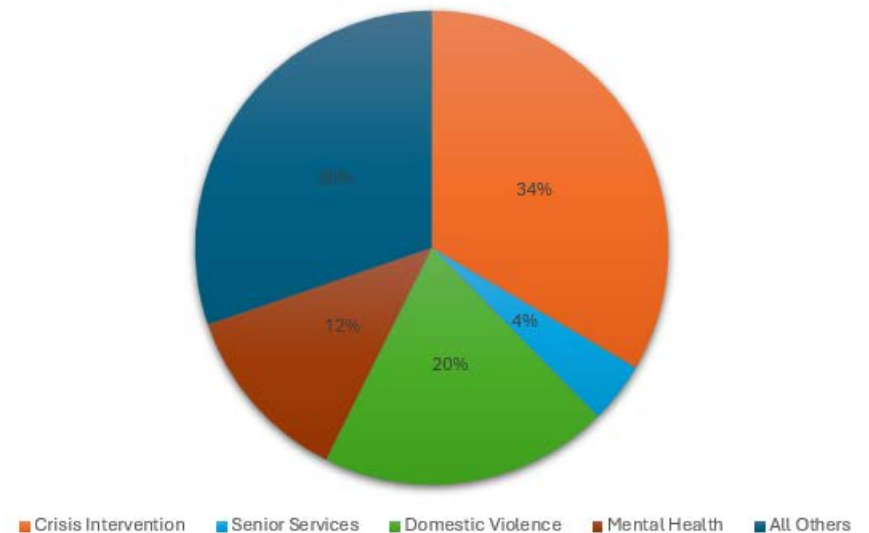


PD SW

Palatine	3 FT
RM PD	4 FT
Sch PD	5 FT
Elgin PD	4 FT
Wheeling PD	3 FT
Carol St. PD	4 FT
Naper PD	4 FT

Service	2024	2025 Jan-Oct
Crisis intervention	1002	1115
Senior	108	138
Domestic Violence	360	658
Mental Health	391	412

Social Work Division 2025



Police Department FY2026 Budget Overview

+8.2%	Increase of \$2,012,600 in overall budget primarily due to salaries, benefits, and contractual services.
+36.1%	Increase of \$703,490 in contractual services primarily due to liability insurance and the crossing guard program.
-7.2%	Decrease of \$8830 in travel and training due to additional mandated training being conducted in house and less out of state travel for training.

Presenter: Alan Wax
Fire Chief

Fire Department



Fire Department 2025 Accomplishments

- PACE Time & Attendance software was implemented
- New Fire Station 21 was constructed, and new Fire Station 22 was designed
- Completed new hire entry-level testing – eligibility list published
- Transitioned to a Fire Marshal leading the Fire Prevention Bureau, and filled the position
- Record attendance at the regular Citizen Fire Academy – Developed and implemented the inaugural Fully Involved Fire Academy for community members with special needs and disabilities
- Three new ambulances delivered, upfitted, and placed into service
- New cardiac monitor/defibrillators (FEMA grant) selected, purchased, and placed in-service
- 3 probationary members completed paramedic school and attained state licensure – 2 additional members began paramedic school
- Tablet Command software was implemented for integration with dispatch and incident command functioning –improved cost & efficiency of laptop use with iPads
- Deputy Chiefs attended the Executive Fire Officer and Chief Fire Officer programs



Fire Department 2026 Highlights & Priorities

- With Development Services, develop an ordinance related to EV parking and re-charging in parking garages
- Finalize the design of new Fire Station 22 and start construction
- Conduct promotional testing and create eligibility lists for Lieutenant and Captain positions
- Explore new opportunities for increased response efficiencies, including more collaboration with neighboring fire departments
- Prepare for, and conduct, contract negotiations with IAFF Local 2061
- Work with the Spatial Technology Division to:
 - make building preplans available online for emergency response vehicles, and
 - utilize updated 3D imaging technology for fire investigations and the creation of preplans



Fire Department FY2026 Budget Overview

+5.9%	The overall budget has increased \$1,444,670, mainly due to contractual salary and benefit adjustments.
+15.8%	The \$1,186,450 increase in employee benefits is primarily due to increases in insurance and pension contributions .
-8.6%	The \$269,100 decrease in contractual services is primarily due to a decrease in the State of Illinois GEMT cost share

Presenter: Joseph Nebel
Public Works Director

Public Works Department



Public Works 2025 Accomplishments

ADMINISTRATION

- Continued collaboration with Engineering on Capital Improvements Planning for Infrastructure Projects
- Personnel: Facility Superintendent, three FT maintenance staff, new mechanic position, one PT fleet position
- Coordinated meetings and began construction of the Village Green concessions building
- Completed 59/90 gateway electronic billboards
- Public Works space needs study

CUSTOMER SERVICE – FAST

- Continuation of the expanded Sidewalk Replacement Program
- Annual Recycling Extravaganza – 650 Cars and over 16,000lbs. of both electronics and shredding



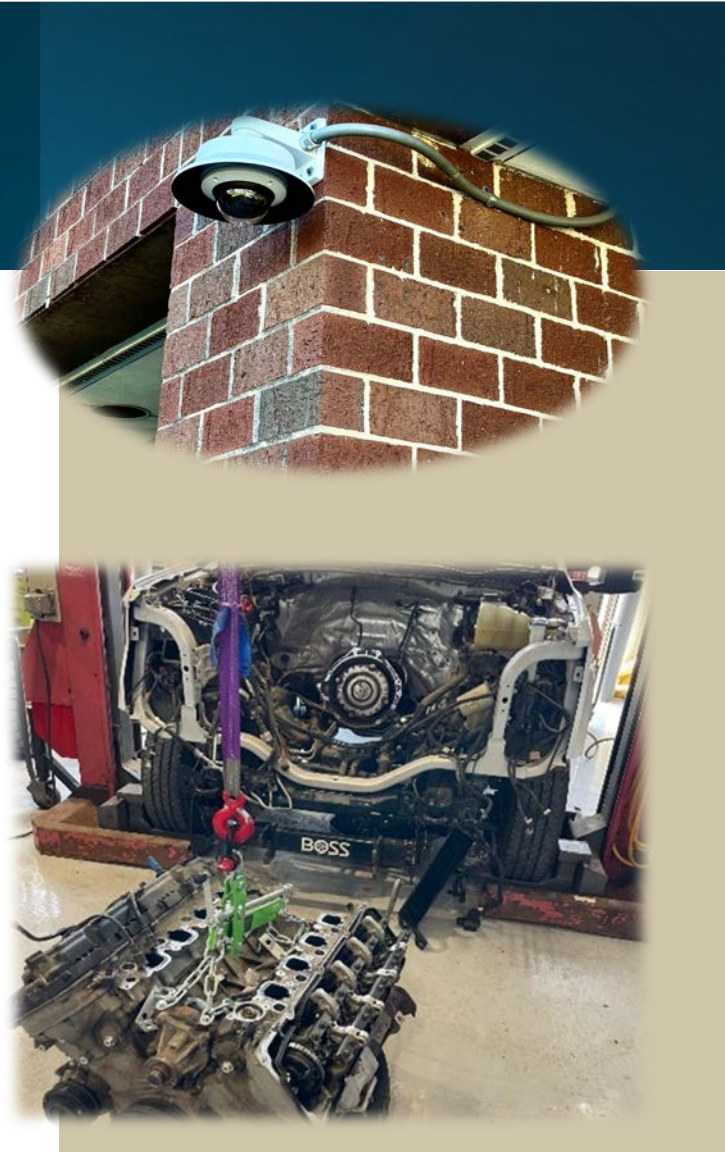
Public Works 2025 Accomplishments

FACILITIES

- Village hall lobby window replacements & sealing
- Installed new security cameras at all village buildings
- Coordinated remodeling of the Children's Advocacy Center
- Village hall lobby restroom repairs

FLEET SERVICES

- Eight Police & three Fire vehicles fully upfitted in-house for service
- Added a fifth FT mechanic for vehicle upfitting and reduced out of service times
- Vehicles prepared for Service: 4 PW, 4 DS, and 3 ambulances
- Prepared vehicles for snow & ice season and incorporated PlowOps equipment



Public Works 2025 Accomplishments

FORESTRY

- Silver Maple Removal Program: 350 removals, 550 replacement plantings
- 33% increase in trees trimmed (4,000 in 2025)
- Successful pilot testing of rental brush grinder to offer double ground mulch to VOHE residents



TRAFFIC OPERATIONS

- Developed storm sewer inspection program to help identify debris buildup and reduce roadway flooding
- Managed four full street sweeping cycles resulting in the removal of over 200 tons of debris
- Fabricated over 2,400 signs for routine roadway replacements and Village special events



Public Works 2025 Accomplishments

SNOW AND ICE

- Implementation of RWIS stations – monitor pavement/weather conditions to improve response times and reduce inefficiencies

WATER AND SEWER

- Successfully operated backup water supplies during the NSMJAWA leak shutdown lasting four days
- Completed the reconstruction of Pfizer Lift Station
- Replaced 12 hydrants, 12 valves, and performed over 60 water & sewer repair excavations
- Completed a water distribution system leak survey



Public Works 2026 Highlights & Priorities

- Continue the Silver Maple Removal Program
- Fire Hydrant Revitalization Project – Three-year program set to begin in 2026
- Evaluate the potential uses for the newly acquired adjacent property for program additions or enhancements
- Prioritize growth and development of newer Public Works management team members
- Project management of the Village Green concessions building and design work of a new amphitheater
- Collaborate with Spatial Technology staff to improve the accuracy of the GIS mapping system and enhance asset maintenance record keeping
- Evaluation of backup water supplies



Public Works Department FY2026 Budget Overview

-0.7%	Overall decrease in the Public Works General Fund budget (\$75,500), mostly due to decreases in salt and fuel expenses.
+40%	An increase in Facilities Professional Services (\$34,950) due to a request for facility assessments.
-16%	Decrease in Gas & Oil account (\$112,200) due to reduced fuel prices.
-23.8%	Decrease in the Salt account (\$75,000) due to a mild 2023/24 snow season and favorable pricing.
+13.1%	Overall increase in the Water Fund operating budget (\$5,465,780), primarily due to additional funding for infrastructure replacements and water supply payments to JAWA.
+128.3%	A requested increase in the Maintenance of Lifts account for WDA Lift flow meter replacements (\$40k), Golf Rd Lift basin aeration system (\$20k), and emergency lift station repairs (\$30k).

Presenter: DS Team

Development Services Department



Development Services 2025 Accomplishments

- **Supported Data Center Development**
 - Permit Reviews
 - Inspections
 - ComEd Distribution Extension Coordination
- **Supported Bell Works**
 - West side activation
 - Townhomes (under construction)
 - Apartments (under review)
- **Facilitated Residential Development Review**
 - Kensington Fields
 - Grand Reserve in Barrington Square
 - Higgins Crossing by DR Horton
 - Prairie Stone Apartments



Development Services 2025 Accomplishments

- Managed bids and/or completed infrastructure improvements for:
 - Streets – \$7.6M (8.9 miles)
 - Stormwater – \$4M (2.5 miles)
 - Water – \$2.5M (1 mile)
 - Sanitary – \$1.4M
 - Facilities – \$2.2M
- *Hoffman In Motion* Multimodal Plan adopted
- Initiated *Hello, Hoffman* Comprehensive & Strategic Plan
- Launched VisitHoffman and Economic Development websites



Development Services 2026 Highlights & Priorities

- Continued support for data center and multifamily residential development
- Manage Village infrastructure investment projects (streets, streetlights, stormwater, water, and sanitary)
- *Hello, Hoffman* Comprehensive & Strategic Plan efforts
- Economic Development Strategic Plan update
- *Hoffman in Motion* recommendation implementation
- Adoption of Unified Development Code
- Invest in staff training, cross-training, professional development, & onboarding of new staff



**HELLO
HOFFMAN**

Development Services FY2026 Budget Overview

+8.4%	Increase in full-time wages due to merit increased and department promotions
-\$212,000	Decrease in Economic Development Division contractual services expenditures as several sales tax rebate incentives are set to expire
-20.7%	Decrease in professional services due to the completion of several planning and transportation studies
+\$48,000	Increase in Engineering Division professional services due to increased monitoring and reporting requirements for MS4 permit established by ILEPA

Presenter: Dr. Monica
Saavedra
Health & Human Services
Director

Health & Human Services Department



Health & Human Services 2025 Accomplishments

Dementia Friendly Community Initiative:

- Hoffman Estates earned the title of Certified Dementia Friendly Community

Direct Services:

- Overall, HHS saw a 12% increase in people served
- Mental Health Therapy services increased by 9%
- Psychological Testing services quadrupled
- Preventative Health screenings increased by 20%
- Children's immunizations administered increased by 43%
- Vision and Hearing screening services increased by 9%
- Emergency Assistance services increased by 28%

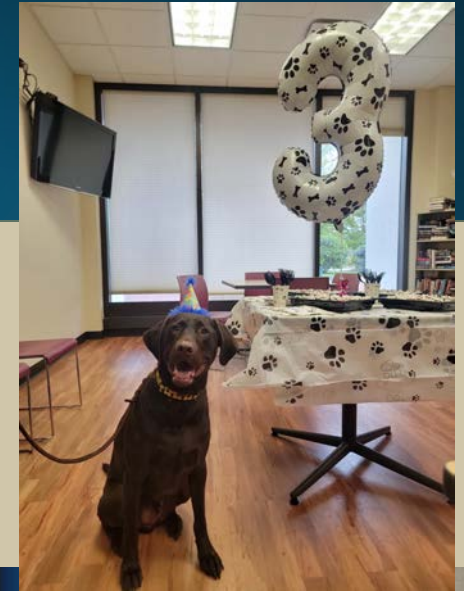
Community Grant and Outreach:

- Welcomed a full time grant funded staff member
- Building Healthy Communities Grant/Community Outreach programming
- Employee Wellness Programming



Health & Human Services 2026 Highlights & Priorities

- Expand Dementia Friendly Community initiative to phase two: local business education/programming & community education
- Building Healthy Communities Grant in final year
- Expand self-help fund outreach
- Evaluate and Expand Employee Wellness Programming
- Expand Therapy Dog Program to include new programming (The Human-Animal bond)
- Research new grant opportunities for mental health services and community outreach.

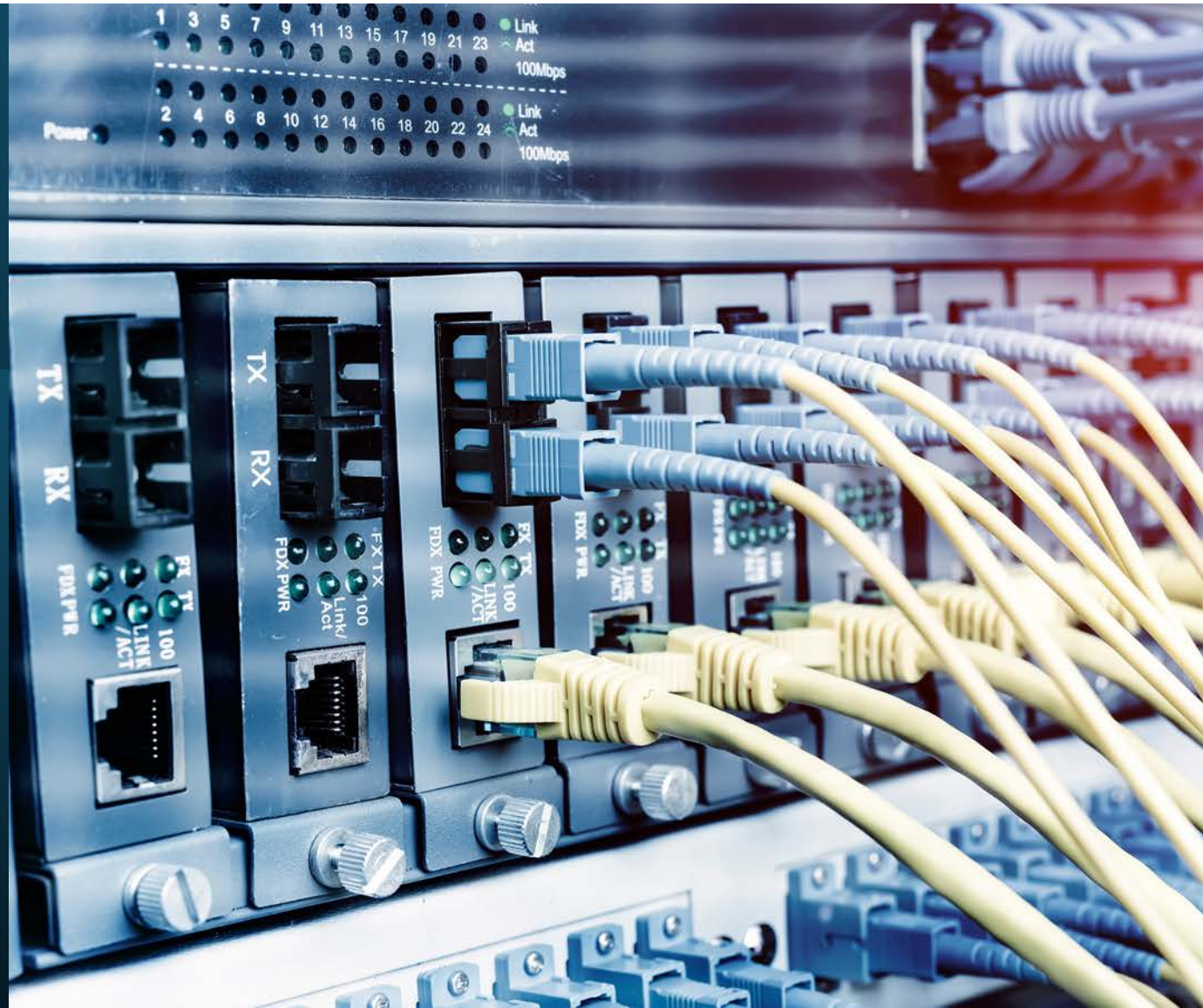


Health & Human Services FY2026 Budget Overview

+9.7%	Increase in department overall (\$150,510).
+ 11.8%	Increase in Salaries & Wages (\$111,450) is due to overtime allocations for the full-time doctoral interns and annual staff salary increases.
+33.2%	Increase in miscellaneous employee expenses (\$3,470) due to licensure fees that occur bi-annually and staff travel and training expenses.
-6.1%	Decrease in commodities (\$4,150) is due to decrease in Covid emergency supplies.
- 7.3%	Decrease in contractual services (\$12,590) is due to budgeting allocation of professional services related to the Cook County Mental Health Grant.

Presenter: Darek Raszka
Information Technology
Director

Information Technology Fund



Information Technology 2025 Accomplishments

- IT and OT security audit
- IT/OT Security Enhancements
- Firewall replacements at the Village Hall and Now Arena
- ISP enhancements
- CCTV Project
- Police Real Time Information Center
- Tablet Command
- ERP System Implementation
- Time and Attendance (UKG, PACE)



Information Technology 2026 Highlights & Priorities

- Security Enhancements
- Continuation of CCTV project
- Continuation of Police Department Real Time Information Center
- Wi-Fi System replacement at the Village Hall
- Wi-Fi System expansion at the Now Arena
- New Server Virtualization
- ERP System Implementation



Information Technology FY2026 Budget Overview

-13.2%	Decrease in department overall (\$533,840).
- 12.7%	A decrease of \$99,990 in Salaries & Wages due to staff retirement. This position vacancy has been moved to General Government for the GIS Division.
+ 12.0%	An increase of \$28,610 in Employee Benefits due to increase in health insurance costs.
+ 131.1%	An increase of \$878,380 due to enhancements to the Village's security posture and relocation of subscription services from capital outlay to contractual services. This also includes funding for the new ERP system.
- 56.1%	The decrease in Capital Assets relates to the Village reallocating software subscription services from capital outlay to contractual services, including the ERP system.

Presenter: Ben Gibbs
General Manager

NOW Arena



NOW Arena 2025 Accomplishments

- Volleyball Nations League sold a record number of tickets for a single event at 40,275 tickets with \$2,128,149 gross box office
- Levy Restaurants achieved record gross sales of \$4,418,272 FYE September 2025 – 20% increase over the previous fiscal
- Despite closing a month early due to construction, the Hideaway Brew Garden generated a record \$1,213,316 Gross F&B sales
- Windy City Bulls 2024–2025 season experienced record attendance, beating the previous season by 14%, which is the second season in a row whereby ticket sales have increased by 14% over the previous season.
- Cirque du Soliel returned for a third consecutive year, which is the first time the show has played in three consecutive years since 2010–2012.
- Received two separate grants from the state of Illinois for approximately \$250,000 in support of Volleyball Nations League and USA Gymnastics
- Currently on pace to sell a record number of tickets, forecasted at 206,000 (an 18% increase over the 2023 record)



NOW Arena 2026 Highlights & Priorities

- Celebrate the Arena's 20th Anniversary including PR campaign, customer contesting and merch collab.
- Event Income is budgeted at nearly \$3.7 million.
- Host the Volleyball Nations League (VNL) World Championship in July 2026 with goal of exceeding 30,000 paid tickets.
- The Arena will continue to support the Windy City Bulls marketing efforts to ensure a 10% increase in average paid tickets per game.
- Capital improvement projects will continue into 2026. The redesign of the northside concourse will be the largest capital improvement project on the interior of the arena since 2016.
- Build upon the success of the Hideaway Brew Garden and the new concession building by growing F&B sales by 10% and increasing Event Income by 15%.
- Leverage the new cashless parking technology and increase parking per caps by 10%



FY 2026 Operating Budget

Boards & Commissions



Boards & Commissions Budget Requests

Commission	2025 Budget	2026 Budget
4 th of July Commission	\$241,110	\$275,500
Fire & Police Commission	\$96,780	\$83,280
Sister Cities Commission	\$21,790	\$22,790
Commission for Seniors	\$37,130	\$37,130
Youth Commission	\$9,100	\$9,100
Emerging Technology Comm.	\$100	\$100
Cultural Awareness Commission	\$9,700	\$9,700
Arts Commission	\$58,650	\$58,650
Utilities Commission	\$500	\$500

Boards & Commissions Budget Requests

Commission	2025 Budget	2026 Budget
Sustainability Commission	\$1,350	\$1,450
Local Historian	\$100	\$100
Econ. Development Commission	\$8,000	\$8,000
Comm. for People w/ Disabilities	\$6,500	\$6,500
Celtic Festival	\$20,000	\$30,000
Platzkonzert Commission	\$41,900	\$41,900

Boards & Commissions FY2026 Budget Overview

+5.9%	Increase of \$39,250 in total Boards & Commissions
+14.3%	Increase of \$34,390 for the Northwest FourthFest (parade, grounds and entertainment expenses)
+50.0%	Increase of \$10,000 for the Celtic Festival
-13.9%	Decrease of \$13,500 for the Fire & Police Commission due to reduced testing needed (no Police promotional testing needed)

Board Actions Needed

- **Recommend approval of FY2026 Operating & Capital Budget to Village Board**
 - **5-Year Capital Improvements Program**
 - **Other amendments from tonight**
- **Direct staff to draft the Tax Levy and Tax Abatement Ordinances, which will appear on the December 1 Board agenda**
- **No Truth in Taxation Hearing needed**
- **Public Hearing will be held on Monday, December 1**
- **Final budget approval scheduled for Monday, December 1**



Village of Hoffman Estates

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