

**AGENDA
FINANCE COMMITTEE
Village of Hoffman Estates
June 28, 2021**

7:00 p.m. – Board Room

Members:	Gary Pilafas, Chairperson	Karen Mills, Trustee
	Anna Newell, Vice Chairperson	Gary Stanton, Trustee
	Michael Gaeta, Trustee	Karen Arnet, Trustee
		William McLeod, Mayor

I. Roll Call

II. Approval of Minutes – May 24, 2021

NEW BUSINESS

1. Presentation of the Comprehensive Annual Financial Report for the year ended December 31, 2020.
2. Presentation of the Economic Development Area Special Tax Allocation fund Annual Financial Report for the year ended December 21, 2020.
3. Request authorization to renew the Microsoft Enterprise Licensing Agreement negotiated through DELL LLC., (Microsoft Large Account Reseller Statewide Master Contract #C000000765005) for a period of three years at a total cost of \$199,732.05 with annual payments of \$66,577.35 made in 2021, 2022 and 2023.

REPORTS (INFORMATION ONLY)

1. Finance Department Monthly Report.
2. Information System Department Monthly Report.
3. NOW Arena Monthly Report.

III. President's Report

IV. Other

V. Items in Review

VI. 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.

FINANCE COMMITTEE MEETING MINUTES

May 24, 2021

I. Roll call

Members in Attendance:

**Gary Pilafas, Chair
Anna Newell, Vice Chairperson
Michael Gaeta, Trustee
Gary Stanton, Trustee
Karen Mills, Trustee
Karen Arnet, Trustee
William McLeod, Mayor**

Management Team

Members in Attendance

**Eric Palm, Village Manager
Dan O'Malley, Deputy Village Manager
Rachel Musiala, Finance Director
Art Janura, Corporation Counsel
Kathryn Cawley, Acting Police Chief
Patti Cross, Asst. Corporation Counsel
Suzanne Ostrovsky, Asst. to Village Mgr.
Monica Saavedra, Director of HHS
Joe Nebel, Director of Public Works
Pete Gugliotta, Dev. Services Director
Ric Signorella, Cable TV Coordinator
Alan Wenderski, Village Engineer
Paul Bilodeau, Acting Fire Chief**

**Management Team Members
Via Telephonic Attendance:**

**Mark Koplin, NOW Arena
Ben Gibbs, NOW Arena
Sarah Marcucci / EMA Coordinator**

The Finance Committee meeting was called to order at 7:20 p.m.

II. Approval of Minutes – April 26, 2021

Motion by Trustee Mills, seconded by Trustee Gaeta, to approve the Finance Committee Meeting Minutes from April 26, 2021. Voice vote taken. All ayes. Motion carried.

NEW BUSINESS

- 1. Request approval of an ordinance to amend the FY2020 Budget as a result of the completed financial audit and to close out the fiscal year.**

An item summary sheet from Rachel Musiala was presented to Committee.

Ms. Musiala provided comment and indicated 50% of the allotment of rescue plan funding had been received.

Motion by Trustee Gaeta, seconded by Trustee Arnet, to amend the FY2020 Budget as a result of the completed financial audit and to close out the fiscal year. Voice vote taken. All ayes. Motion carried.

REPORTS ONLY

1. Finance Department Monthly Report

The Finance Department Monthly Report was received and filed.

2. Information System Department Monthly Report

The Information System Department Monthly Report was received and filed.

3. NOW Arena Monthly Report

Mr. Gibbs provided an update on the Arena, Village Green, and COVID status.

The NOW Arena Monthly Report was received and filed.

III. President's Report

IV. Other

V. Items in Review

VI. Adjournment

Motion by Trustee Gaeta, seconded by Trustee Arnet, to adjourn the meeting at 7:26 p.m. Voice vote taken. All ayes. Motion carried.

Minutes submitted by:

Jennifer Djordjevic, Director of Operations &
Outreach / Office of the Mayor and Board

Date

COMMITTEE AGENDA ITEM VILLAGE OF HOFFMAN ESTATES

SUBJECT: 2020 Comprehensive Annual Financial Report
MEETING DATE: June 28, 2021
COMMITTEE: Finance
FROM: Rachel Musiala, Director of Finance

PURPOSE: To present the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2020. The report is included herewith.

BACKGROUND: Each year the Village retains a CPA firm to perform an audit of the Village's annual financial statements. This year, the firm of BKD CPA's & Advisors performed the audit. The 2020 audit was the second year of a five-year contract with BKD.

DISCUSSION: BKD has given the 2020 Comprehensive Annual Financial Report (Annual Report) their "unmodified opinion." This means that the financial statements are fairly presented and are prepared in accordance with generally accepted accounting principles.

A detailed summary of the Village's financial condition can be found in the Management's Discussion and Analysis (MD&A), which is located within the attached Annual Report, directly following the General Purpose External Financial Statements tab.

In the case of the Village of Hoffman Estates, liabilities exceeded assets by \$65,270,814 as of December 31, 2020 compared to liabilities exceeding assets of \$54,714,730 as of December 31, 2019. The Village's combined net position decreased by \$10,556,084. This is primarily due to the revenue impact of the COVID-19 pandemic. The Village experienced unexpected revenue losses and incurred unbudgeted expenses in response to the emergency.

The Village is required to report over \$123 million of liabilities related to the Economic Development Area (EDA), with no corresponding asset. These liabilities, however, are only payable if and to the extent incremental EDA property taxes are received and will never be a true liability of the Village's operating funds. If we exclude EDA activity, the Village is reporting a positive net position of assets exceeding liabilities by \$57,092,691 as of December 31, 2020.

The *statement of net position* (pages 4 and 5 of the Annual Report, which includes all EDA activity) presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

Related specifically to the General Fund, which includes the Municipal Waste System Fund in the Annual Report, the fund balance decreased by \$2,110,865 during the current fiscal year. The original budget included a planned drawdown of \$3,329,340, specifically for capital projects. However, when the COVID-19 pandemic happened, the Village Board took action to reduce spending by \$3.5 million. As previously mentioned, the decrease in fund balance relates to revenue losses and emergency response expenses.

At the end of FY2020, unassigned fund balance of the General Fund was \$19,047,434, while total fund balance equaled \$23,687,266. The Village's current fund balance policy states that the Village will strive to maintain an unassigned fund balance within the General Fund equal to 25 percent of the preceding year's annual operating budget. Unassigned fund balance as of December 31, 2020 represents 28.7 percent of the total budgeted General Fund expenditures.

RECOMMENDATION: Request acknowledgement of receipt and filing of the Comprehensive Annual Financial Report for the year ended December 31, 2020.

ATTACHMENT (2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT)

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT
FISCAL YEAR ENDED
DECEMBER 31, 2020**



**VILLAGE OF HOFFMAN ESTATES,
ILLINOIS**

Village of Hoffman Estates, Illinois

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2020

Prepared by Finance Department

Rachel Musiala
Director of Finance

Village of Hoffman Estates

December 31, 2020

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Village of Hoffman Estates

December 31, 2020

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Introductory Section

VILLAGE OF HOFFMAN ESTATES, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2020

LEGISLATIVE

Village Board of Trustees

William D. McLeod, President

Gary G. Stanton

Karen V. Mills

Michael Gaeta

Anna Newell

Karen J. Arnet

Gary J. Pilafas

Bev Romanoff, Village Clerk

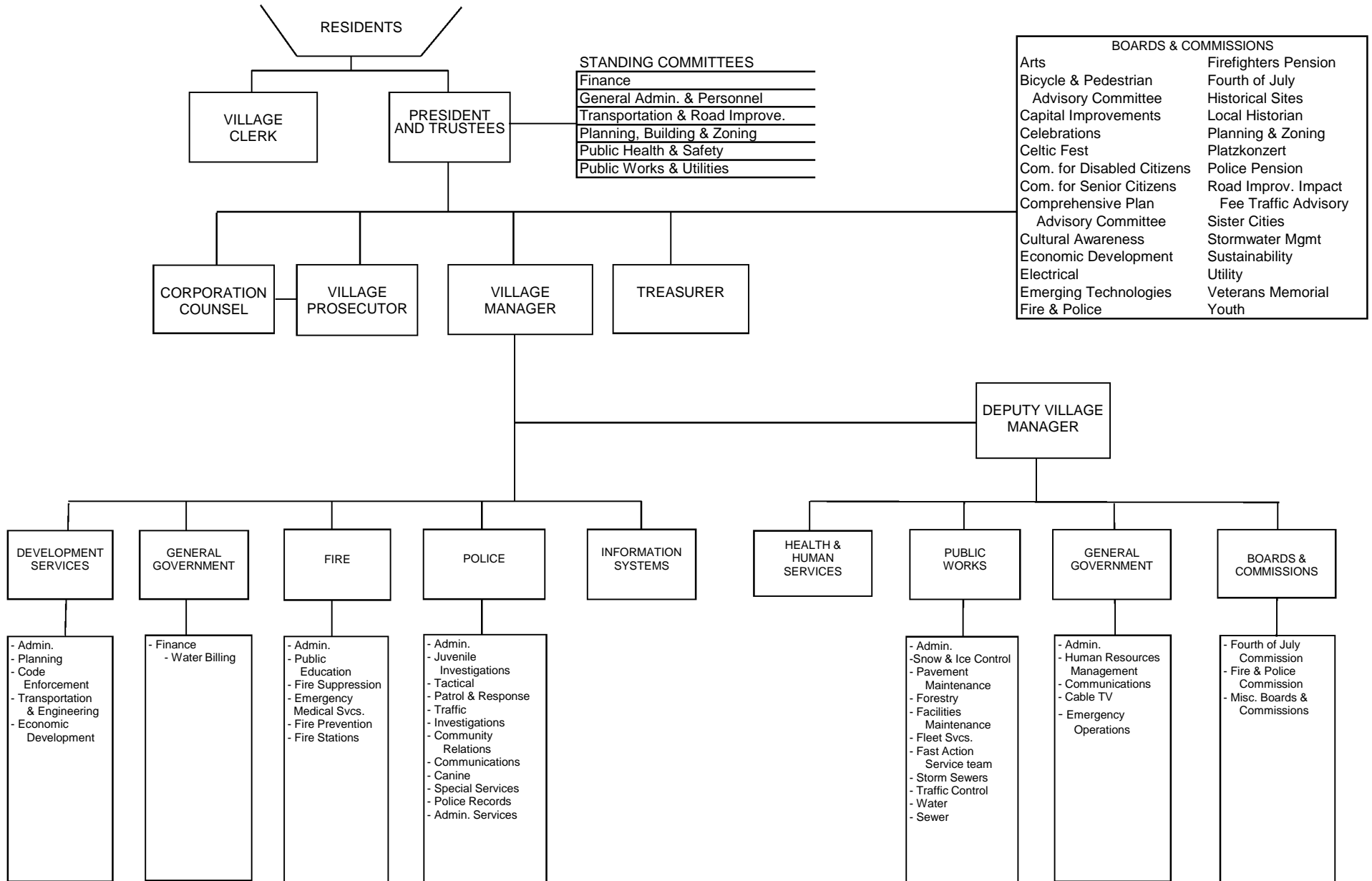
ADMINISTRATIVE

Eric Palm, Village Manager

FINANCE DEPARTMENT

Rachel Musiala, Director of Finance

VILLAGE OF HOFFMAN ESTATES ORGANIZATION CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Hoffman Estates
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO



HOFFMAN ESTATES

June 21, 2021

The Honorable William McLeod, President
Board of Trustees
Village Manager Eric Palm
Citizens of the Village of Hoffman Estates

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require an annual audit by independent certified public accountants. The accounting firm of BKD, CPAs & Advisors performed the audit this year. The independent auditor's report is included in the Financial Section of this report. The auditors have given this report an unmodified ("clean") opinion, meaning that the financial statements fairly present the Village's financial position at December 31, 2020, and the changes in financial position for the year then ended.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Village of Hoffman Estates, incorporated in 1959, operates under the council/manager form of government. The legislative body consists of the Village President and Board of six Trustees, all elected on an at-large basis to overlapping four-year terms. The Village Manager is responsible for the day-to-day administration of the Village. The Village is a home rule municipality as defined by the Illinois Constitution. Located approximately thirty miles northwest of Chicago, in the Counties of Cook and Kane, the Village occupies a land area of approximately 22.1 square miles.

Results of the 2010 Census were received in May, 2011 and show the Village's total population at 51,895. This figure represents an increase of 2,400 from the last decennial census, which was completed in 2000. The Village is projected to reach its population maximum at 58,000 residents. Results of the 2020 Census should be available late-2021.

Additional demographic information about the Village may be found in the Statistical Section of this report.

The Village provides a full range of general governmental services, including police and fire protection, health and social services, water and sewer utilities, street construction and maintenance, code enforcement, planning and zoning, and general administrative services. The financial reporting entity of the

Village of Hoffman Estates is comprised of all funds of the primary government (i.e., the Village of Hoffman Estates as legally defined) and its pension trust funds: the Hoffman Estates Police Pension Fund and the Hoffman Estates Firefighters' Pension Fund. These funds were determined to be pension trust funds due to their fiduciary and fiscal relationship with the Village as their sole purpose is to provide retirement benefits to the Village's sworn police officers and firefighters. Tax increment financing (TIF) districts have been reported as blended funds in the Village's financial statements, as they are not legally separate. No other legally separate entity qualifies as a component unit of the Village.

The annual budget serves as the foundation for the Village's financial planning and control. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object. Budgetary control is maintained by the use of encumbrance accounting under which purchase orders, contracts, and other commitments are effectively recorded as temporary expenditures in order to reserve the proper portion of the applicable budgetary account. The legal level of budgetary control is the department level, or, where no departmental segregation of a fund exists, the fund level.

Local Economy

During the first two months of FY2020, the national economy appeared to be on solid footing. The stock market hit 29,551 in mid-February, with a nationwide unemployment rate of just 3.5%. However, in March 2020, the COVID-19 pandemic began to significantly affect the global, national, and local economy. In mid-March, the Dow Jones Industrial Average plummeted to 18,592, nearly a 37% drop in a five-week span. Due to massive nationwide shutdowns, businesses were forced to temporarily close or reduce staffing, which resulted in a 14.7% unemployment rate in April. However, come December 2020, the economy started to rebound as the COVID-19 vaccinations started to become available to the public and COVID-19 cases continued to decline. The stock market reached over 30,000 and the local unemployment rate fell to 5.7% as of December 30.

In Illinois, the pandemic resulted in a state-wide shutdown that began in March 2020 and lasted until the end of May. During this period, non-essential businesses were closed, and residents were ordered to remain at home. A slow "reopening" of businesses and workplaces followed. With the majority of businesses shut down or operating at a reduced level, staff began to plan for any negative impacts from the pandemic upon Village revenues, especially General Fund revenues. An average drop of 25% was initially predicted for consumer-based revenues (e.g., state-shared and home rule sales taxes, income tax, building permits, etc.), which totaled an estimated \$4.7 million loss in General Fund revenues.

In order to mitigate the impact of revenue losses, it was also necessary to reduce some planned expenditures. In May 2020, the Finance Committee and Village Board approved a budget reduction plan in the amount of \$3.5 million to address these losses. Expenditure reductions included both operational and capital items. Operational expenditure reductions primarily included freezing vacant positions, eliminating most travel and training, and cancellation of public events. Capital expenditure reductions included vehicles, technology upgrades, and building improvements.

Unfortunately, the Village saw a number of businesses close while several others scaled back the number of employees working in the offices during the COVID-19 pandemic, which negatively impacted the state of the economy. Despite all of this, the Village was still able to experience some positive economic growth in 2020.

Office/Light Industrial: In early 2020, Swiss company, Bystronic, moved into a new 163,000 square foot North American headquarters in the Village just east of Barrington Road, along I-90. The facility features offices, manufacturing space, a showroom, and warehouses. Recognizing the impact of industrial on the tax base, Hoffman Estates rezoned a 15-acre parcel east of the Fountain Crossing Shopping Center along Barrington Road to manufacturing and subsequently approved a 250,000 square foot speculative industrial project which should attract hundreds of employees to the area. This followed on the heels of Microsoft purchasing 53 acres north of Bell Works along Lakewood Boulevard to build a new data center site. Construction started on the data center in May 2021.

Taking an important step in long-range planning, the Village continued to conceptualize a new vision for the Barrington Road Interchange with an area plan developed in conjunction with Farr Associates. In October 2020, the Village held a 3-day charrette with public open houses, individual meetings with stakeholders and a public presentation to the Planning, Building, and Zoning Committee of the Village. The study is anticipated to be complete in mid-2021.

Retail/Restaurants: While all retailers and restaurants were forced to temporarily cease indoor dining in 2020 due to the Governor's pandemic orders, most were able to continue partially operating with outdoor seating, delivery, and take-out. While a few restaurants permanently closed, several new businesses opened their doors in 2020, including the Holiday Inn Express and Suites, 7-Eleven gas station, Billy Doe Meats, Code Ninjas, BMO Harris Bank, Zeigler Automotive Group, El Taurino Mexican Grill, Mindful Medispa & Mediclinic, Honey Berry Pancakes & Café, Pure Barre, and Wingstop. Finally, the Village again leased space at the Village Green for Levy Food Service to operate the Hideaway Brew Garden. These businesses offer services for Village residents and produce tax revenue for Village operations.

Village TIF Districts:

Lakewood Center TIF District:

The Village continued to promote the Bell Works Chicagoland (formerly the AT&T headquarters) as an area for reuse and redevelopment. Throughout the year, Somerset Development continued the construction remodel of the 1.6 million square foot former office building in route to creating a new Metroburbs ultimately consisting of office, residential, retail, service, hotel, fitness and conference center uses, and where residents can live, work, explore and play. In December 2020, the first two tenants, a CPA office and a coffee shop, moved into the building with several additional small tenants taking occupancy in 1st quarter of 2021. Several additional office tenants ranging in size from 20,000 to 100,000 square feet are close to signing build-out leases for occupancy later in 2021. Additionally, a few small retailers are considering space in the building. Plans for the new Bell Works residential units directly adjacent to the TIF are currently under review by the Village.

Roselle Road TIF District:

In 2020, the Village continued to focus on the promotion and improvement of the Hoffman Plaza Shopping Center while seeking redevelopment on key parcels. By the end of 2020, Golf Center was nearly fully leased, as Robin Realty, the center owner, worked to retain and attract tenants. Sterling Organization, the owner of Hoffman Plaza, worked to redevelop the center by finishing construction on a two-unit outlot on the south side of the center including a Dairy Queen drive-thru food tenant. Sterling also received approval for another outlot for a veterinary clinic along Roselle Road with the hope of beginning construction in 2021. The Village also entered into a redevelopment agreement with a property owner to replace and improve much of the storm sewer along Higgins Road, which should improve nearby flood plain conditions. Lastly, the Village entered into an agreement for the sale of 75-85 East Golf Road to a developer to build a Popeye's Louisiana Kitchen fast food restaurant. The developer is on track to receive approvals in mid-2021 and begin construction immediately thereafter.

Higgins Hassell TIF District:

Construction completed on the rebuild of the Buona Beef on the same site, but in a new, smaller and more efficient format. The remaining outlot was marketed in 2020 with some interest already being expressed. Additionally, a 7-Eleven convenience store and gas station on the former McDonald's outlot site at the corner of Higgins Road and Governors Lane completed construction.

Barrington Higgins TIF District:

Activity in this TIF was minimal during 2020 in large part due to many of the properties being restaurant or banquet center in nature. Still, the former Macaroni Grill location was purchased by Ala Carte Entertainment and they began plans to redevelop the site to a gas station with a restaurant and convenience store. Additionally, the Stonegate Banquet and Conference Centre went through the foreclosure process and was purchased by a new buyer in 2021 with plans to remodel and reuse it as an event space similar to the prior user.

Higgins-Old Sutton TIF District:

This TIF was created in January 2020 but due to the pandemic did not have any development activity. The

current property owner did submit plans to bring utilities to the site and it is expected the plans could be approved in 2021.

Residential: Lennar Homes' completed their 108 single-family lot subdivision, Amber Meadows, with all homes sold by the end of 2020. The first permits were issued for new homes in a 21-lot Walnut Ponds subdivision. Other subdivisions continued through planning stages while several interested parties considered sites in Hoffman Estates but did not finalize contracts by the end of 2020.

Long-term Financial Planning

The Village has a history of sound planning and financial practices. The Village's first Comprehensive Plan was prepared by outside consultants and was adopted in 1969 and has been updated several times since then, most recently in April, 2009. A full update is planned in FY2022. The Comprehensive Plan is intended to guide the long range development policy of the Village. A broad array of development related issues are discussed in the plan, including transportation, land use, and economic development. The general guidance provided by the plan is considered when new developments are proposed and when specific programs are considered for implementation by the Village. Over time, it is expected that the broad policies in the plan may need to be adapted to meet changing conditions. Many of the policies of the plan are proposed with this need for flexibility in mind.

The Village also takes stringent steps in preparing for long-term capital planning. Every year, the Village produces an eight-year Capital Improvements Program (CIP) budget, which focuses on all vehicles and all capital items that are over \$25,000. The CIP is the result of an ongoing infrastructure and vehicles/equipment planning process. These planning decisions are made with regard to both existing and new facilities and equipment. For existing facilities, the planning process addresses appropriate maintenance strategies and repair versus replacement of facilities. New service demands are also considered since they will affect capital facility requirements as well.

In addition, the Village continues to implement its Sustainability Plan. This plan formally recognizes the green initiatives that the Village has already undertaken, assists in prioritizing future green initiatives and capital projects, identifies potential financial savings, and better positions the Village for future grant and rebate opportunities. The Plan calls for consideration of efficiency, environmental impact, and the long-term viability of the Village's fiscal health.

The Village Board has established guidelines for budgetary and planning purposes of the amount of unassigned fund balance in the General Fund that should be kept as a reserve. This policy states:

"The Village will strive to maintain an Unassigned Fund Balance within the General Fund equal to 25% of the preceding year's annual operating budget (not including transfers to fund capital projects), barring any unforeseen circumstances that may arise as a result of the State of Illinois' financial condition. While the General Fund is above this level of fund balance, any year where year-end revenues exceed expenditures, the amount of surplus will remain in the General Fund or be transferred to other funds to address known future financial needs. This utilization of General Fund surplus will be brought before the Village President and Board of Trustees annually, when applicable, during the Operating Budget process via a recommendation by the Village Manager."

As of December 31, 2020, General Fund unassigned fund balance is 28.7% of budgeted operating expenditures and transfers.

Relevant Financial Policies

The Village has established several specific policies to guide its financial operations. Those policies relate to financial stability and reporting, debt issuance, investment and cash management, purchasing, and budget development and adjustment. Some of the most significant policies include:

- Issue a Comprehensive Annual Financial report within 180 days of the end of each fiscal year that complies with generally accepted accounting principles. (Financial Stability and Reporting)

- Capitalize building improvements, land improvements, infrastructure, vehicles, and equipment having a minimum acquisition cost of \$10,000 or more on an individual asset basis. (Financial Stability and Reporting)
- The budget of a fund shall be considered “balanced” when planned revenues or existing fund equity equal or exceed planned expenditures, that is, total outlays or disbursements, for a fiscal year. (Budget Development and Adjustment)
- Invest public funds in a manner that will provide a competitive investment return with the maximum security while meeting daily cash flow demands of the Village and conform to all state statutes governing the investment of public funds. (Investment and Cash Management)
- Require that all bank deposits be collateralized with high-quality securities having a market value of at least 110% of the underlying securities. (Investment and Cash Management)
- Place all investment securities with a third-party custodian for safekeeping. (Investment and Cash Management)
- Conduct a formal competitive bidding process (newspaper publication) for purchases of \$20,000 or more. (Purchasing)

Major Initiatives

The Village of Hoffman Estates is dedicated to constantly improving the delivery of its services, thereby enhancing the quality of life for its residents and the operating environment for its businesses. The Village Board sets goals that provide valuable input into the financial planning and practices that will take place throughout the rest of the year, specifically during the budgeting process. The most recently established goals are:

Short-Term Goals:

- *Sustainability* - Continue to provide green programs and an enhanced sustainability/recycling program through an updated Sustainability Plan and by exploring new environmentally-friendly programs and recycling efforts such as LED streetlight conversion, alternative fuels, and textile recycling.
- *Transportation* - Partner with local, regional, and state agencies to improve and promote transportation facilities and opportunities within the Village through initiatives with PACE, including the new Park & Ride/Kiss & Ride and the Bus Rapid Transit plan; with Cook County, regarding expanded/improved bike paths along Central and Beverly Roads; and locally, through the Subsidized Taxi Program.
- *Infrastructure* - Enhance the quality of neighborhoods by continuing the annual Street Revitalization Program and reviewing maintenance of the utility infrastructure through engineering studies, including water/sewer mains; evaluation of public facilities/building; and a storm water utility capital plan.
- *Public Safety* - Continue contingency planning for the provision of reliable police, fire, and emergency services in disasters and extreme events. Promote awareness of the Village's Emergency Operations Plan/disaster preparedness by increasing outreach efforts to inform and educate residents and the business community.
- *Public Safety* - Maintain high-quality public safety services, including emergency medical services, fire, police, and health services. Collaborate with Northwest Central Dispatch on implementation of new computer-aided dispatch system for emergency 911 operations. Research expanding the

Administrative Service Officer program to augment law enforcement efforts. Evaluate opportunities for improving Fire Stations 21 and 22. Explore increased collaboration with neighboring agencies on public safety services. Increase awareness of the affordable health and wellness services available to residents and businesses.

- *Fiscal Responsibility* - Remain fiscally responsible through operational efficiencies and protecting revenue streams. Examine refinancing of existing debt to capture interest savings; explore performance contracting options; evaluate fleet leasing; continue debt collection efforts through the State Comptroller program; promote intergovernmental collaborations such as equipment/personnel sharing to reduce cost of services; and develop a contingency plan to address continued revenue reductions by the State.
- *Economic Development* - Promote the development of available properties to create a thriving local economy; update the Comprehensive Plan; undertake area plans for the Entertainment District and the I-90/Barrington Road Interchange area; support the redevelopment of the AT&T campus into a "Metroburb". Continue the redevelopment of Hoffman Plaza and encourage continued investment in other shopping centers.
- *Technology* - Investigate and analyze technology options and alternatives to improve operational efficiencies, service delivery, and convenience for residents and businesses. Implement file storage/management systems; integrate tablets into field reporting, locating, and inspections; and automate the employment application process. Pilot an offsite kiosk program to enhance resident payment options. Evaluate a new or improved mobile application. Research and explore the differing components of the Smart City Initiative, including fillable online forms, outward facing GIS, and online document retrieval.
- *Organizational Development* - Continue to advance a progressive work environment through employee training and organizational development programs and initiatives. Prepare for organizational succession by providing a leadership training program and advanced workforce planning. Conduct specific training for Time Management, Crisis Intervention, and Ethics education, and budget for position specific and technology training.

Ongoing Goals:

- *Sustainability* - Explore and implement sustainable programs and practices as outlined in the Sustainability Plan by applying for grant opportunities, and integrate sustainability into Village operations where feasible.
- *Transportation* - Collaborate with local, regional, state, and national agencies to identify and implement initiatives to improve all modes of public transportation, including bicycle and pedestrian travel, throughout the Village.
- *Infrastructure* - Maintain and improve the Village's infrastructure, including designing, funding, and implementing a comprehensive and continuing revitalization program for Village streets, water, sanitary sewer, sidewalks, and storm water management projects.
- *Public Safety* - Ensure the health, welfare, and safety of Village residents and businesses through provision of excellent public safety services, including EMS, fire, police, and emergency management, as well as affordable physical and mental health and wellness services.
- *Fiscal Responsibility* - Provide municipal services in a fiscally sustainable manner given current economic conditions, and continue to be a leader in legislative advocacy to protect local governmental revenue streams and oppose unfunded mandates.
- *Economic Development* - Create a thriving and vital local economy with a strong blend of retail, clean-industrial, commercial, and residential properties.

- *Technology* - Evaluate and integrate emerging technology and communication tools where feasible to streamline operations, improve service delivery, foster sustainability, and increase accessibility and convenience to residents and businesses.
- *Organizational Development* – Enhance the Village’s operations through employee development and training in core skill sets that will develop our employees and create a cadre of future leaders for the organization.

Awards and Acknowledgements

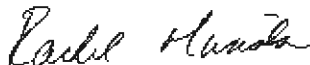
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hoffman Estates for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the thirty-seventh consecutive year the Village has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village of Hoffman Estates received the GFOA’s Distinguished Budget Presentation Award for its annual budget for the 2020 fiscal year. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This is the twelfth year the Village has received this award.

The preparation of this report on a timely basis was made possible by the efficient and dedicated services of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report. In addition, I would like to thank the Village President, the Village Trustees and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,



Rachel Musiala
Director of Finance

Financial Section

Independent Auditor's Report

Independent Auditor's Report

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hoffman Estates, Illinois (Village) as of and for the year ended December 31, 2020, and the related notes to financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the EDA Special Tax Allocation Fund, which represent 5%, 5% and 19%, respectively, of the assets, fund balance/net position and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion on the aggregate remaining fund information, insofar as it relates to the amounts included for the EDA Special Tax Allocation Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the EDA Special Tax Allocation Fund were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hoffman Estates, Illinois, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 14, the Village adopted Governmental Accounting Standards Board Statement No. 83, *Certain Asset Retirement Obligations*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule for the General Fund, pension and other postemployment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Hoffman Estates, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, other supplemental information, supplemental data, statistical section and the continuing disclosure – annual financial information – annual report as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 2020 combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statements or to the 2020 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules as of and for the year ended December 31, 2020, are fairly stated, in all material respects, in relation to the 2020 basic financial statements as a whole. We have previously audited the Village of Hoffman Estates 2019 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated June 19, 2020. We also gave an in-relation-to opinion on the combining and individual fund financial statements and schedules as of and for the year ended December 31, 2019 in that report.

The introductory, other supplemental information, supplemental data, statistical section and continuing disclosure – annual financial information – annual report have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2021, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

BKD, LLP

Oakbrook Terrace, Illinois
June 21, 2021

Management's Discussion and Analysis

**VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020**

As management of the Village of Hoffman Estates (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2020. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iv) and the Village's financial statements (beginning on page 4).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities reflect the Village's basic services, including general government, public safety, highways and streets, sanitation, health and welfare, economic development, and culture and recreation. The business-type activities include the water and sewer operations and the operation of the NOW Arena.

The government-wide financial statements can be found on pages 4 through 7 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains 28 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund which is considered a major fund. Data from the other 27 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for its General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, Internal Service Funds, and Fiduciary Funds. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 8 through 14 of this report.

Proprietary Funds. The Village maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer system as well as the operation of the NOW Arena. Formerly known as the Sears Centre Arena, ownership of the NOW Arena was taken over by the Village in late 2009 and was renamed in 2019. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for the costs of property and casualty insurance, workers' compensation insurance, and its information systems. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund, which is considered to be a major fund of the Village. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 15 through 19 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains two different types of fiduciary funds: pension trust funds and custodial funds.

The basic fiduciary fund financial statements can be found on pages 20 and 21 of this report.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 72 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 73 through 87 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 88 through 153 of this report.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Beyond presenting current-year financial information in the government-wide and major individual fund formats, the Village also presents comparative information from the prior years in the Management's Discussion and Analysis. By doing so, the Village believes that it is providing the best means of analyzing its financial condition and position as of December 31, 2020.

Net Position

The table below reflects the condensed Statement of Net Position.

Table 1
Statement of Net Position
As of December 31, 2020 and 2019
(in thousands)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 74,185.9	\$ 76,017.6	\$ 17,836.1	\$ 26,611.7	\$ 92,022.0	\$ 102,629.3
Capital Assets	150,347.9	147,808.4	89,554.9	89,293.6	239,902.8	237,102.0
<i>Total Assets</i>	<u>224,533.8</u>	<u>223,826.0</u>	<u>107,391.0</u>	<u>115,905.3</u>	<u>331,924.8</u>	<u>339,731.3</u>
Deferred Outflows of Resources	22,944.9	26,700.2	2,716.4	3,590.7	25,661.3	30,290.9
Total Assets and Deferred Outflows	247,478.7	250,526.2	110,107.4	119,496.0	357,586.1	370,022.2
Long-Term Liabilities	298,974.7	304,718.8	62,872.2	67,071.5	361,846.9	371,790.3
Other Liabilities	12,133.7	12,864.3	2,653.5	3,815.0	14,787.2	16,679.3
<i>Total Liabilities</i>	<u>311,108.4</u>	<u>317,583.1</u>	<u>65,525.7</u>	<u>70,886.5</u>	<u>376,634.1</u>	<u>388,469.6</u>
Deferred Inflows of Resources	44,834.5	35,833.9	1,388.4	433.5	46,222.9	36,267.4
Total Liabilities and Deferred Inflows	355,942.9	353,417.0	66,914.1	71,320.0	422,857.0	424,737.0
Net Position:						
Net Investment in Capital Assets	106,863.4	104,398.5	35,887.3	41,205.1	142,750.7	145,603.6
Restricted	4,609.6	4,499.2	4,278.2	12,204.4	8,887.8	16,703.6
Unrestricted	(219,937.1)	(211,788.4)	3,027.8	(5,233.5)	(216,909.3)	(217,021.9)
Total Net Position	\$ (108,464.1)	\$ (102,890.7)	\$ 43,193.3	\$ 48,176.0	\$ (65,270.8)	\$ (54,714.7)

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Village's combined Net Position deficit increased \$10,556,084, from \$54,714,730 to \$65,270,814, during the fiscal year. Net Position decreased for governmental activities by \$5,573,463 and net position for business-type activities decreased by \$4,982,621.

The Village's combined unrestricted net position decreased by \$112,596, from \$217,021,916 to \$216,909,320, during this fiscal year. Net pension and total Other Post-Employment Benefits (OPEB) liabilities decreased \$11,010,359, from \$113,549,877 as of December 31, 2019 to \$105,646,494 as of December 31, 2020. These items pertain to the Village's participation in the Hoffman Estates Firefighters' Pension Fund, Hoffman Estates Police Pension Fund, and Illinois Municipal Retirement Fund. Additionally, the Village made a determination to report information from the December 31, 2019 actuarial valuation from the Illinois Municipal Retirement Fund in order to continue its dedication to timely financial reporting. Additionally, however, changes in deferred inflows and outflows of resources related the pension & OPEB plans offset the aforementioned decrease.

Finally, a portion of the deficit in unrestricted net position is the result of the Village sponsoring one of the largest economic development area (EDA) tax increment financing (TIF) districts in the State of Illinois to induce the relocation of the headquarters of a major retailer to the Village and keeping the jobs within the state. As part of the inducement, the Village issued \$65,400,000 Senior Lien Tax Increment Revenue Bonds, Series 2005 (expired in 2010), \$68,947,092 Junior Lien Tax Increment Revenue Bonds, Series 1991 (expired in 2007), and Tax Increment Revenue Notes in the amount of \$123,255,618 (as of December 31, 2020). These bonds and notes did not produce a capital asset that is owned by the Village, and even though the Village is not generally obligated for the retirement of the debt as it is payable solely from the incremental taxes generated by the EDA, the bonds and notes are, nonetheless, required to be reported as a liability of the Village. If sufficient funds are not available in the EDA to pay the debt as of the end of the useful life of the EDA, then the obligations would be cancelled and the Village would report a gain on the cancellation of said debt. Therefore, the deficit will be reduced and eliminated over the remaining life of the EDA. It should be noted that the end of the life of the EDA was originally scheduled for 2012. However, legislation enacted by the State of Illinois has extended the EDA for an additional 15 years and it will now end in 2027.

Since the EDA distorts the financial position and results of operations of the ongoing operations of the Village, the following table displays the Village's net position without the EDA activity, which is a better measure of the financial position of the Village.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 1-a
Statement of Net Position Excluding EDA TIF Activity
As of December 31, 2020 and 2019
(in thousands)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
Current and Other Assets	\$ 73,115.6	\$ 73,722.4	\$ 17,836.1	\$ 26,611.7	\$ 90,951.7	\$ 100,334.1
Capital Assets	150,347.9	147,808.4	89,554.9	89,293.6	239,902.8	237,102.0
<i>Total Assets</i>	<u>223,463.5</u>	<u>221,530.8</u>	<u>107,391.0</u>	<u>115,905.3</u>	<u>330,854.5</u>	<u>337,436.1</u>
Deferred Outflows of Resources	22,944.9	26,700.2	2,716.4	3,590.7	25,661.30	30,290.9
<i>Total Assets and Deferred Outflows</i>	<u>246,408.4</u>	<u>248,231.0</u>	<u>110,107.4</u>	<u>119,496.0</u>	<u>356,515.8</u>	<u>367,727.0</u>
Long-Term Liabilities	175,719.1	185,532.3	62,872.2	67,071.5	238,591.3	252,603.8
Other Liabilities	11,955.4	12,855.9	2,653.5	3,815.0	14,608.9	16,670.9
<i>Total Liabilities</i>	<u>187,674.5</u>	<u>198,388.2</u>	<u>65,525.7</u>	<u>70,886.5</u>	<u>253,200.2</u>	<u>269,274.7</u>
Deferred Inflows of Resources	44,834.5	35,833.9	1,388.4	433.5	46,222.9	36,267.4
<i>Total Liabilities and Deferred Inflows</i>	<u>232,509.0</u>	<u>234,222.1</u>	<u>66,914.1</u>	<u>71,320.0</u>	<u>299,423.1</u>	<u>305,542.1</u>
Net Position:						
Net Investment in Capital Assets	106,863.4	104,398.5	35,887.3	41,205.1	142,750.7	145,603.6
Restricted	3,717.4	2,212.3	4,278.2	12,204.4	7,995.6	14,416.7
Unrestricted	(96,681.5)	(92,601.9)	3,027.8	(5,233.5)	(93,653.7)	(97,835.4)
<i>Total Net Position</i>	<u>\$ 13,899.3</u>	<u>\$ 14,008.9</u>	<u>\$ 43,193.3</u>	<u>\$ 48,176.0</u>	<u>\$ 57,092.6</u>	<u>\$ 62,184.9</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. After excluding EDA TIF activity, in the case of the Village of Hoffman Estates, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$57,092,691 as of December 31, 2020. The Village's combined net position decreased by \$5,092,177 from 2019 which is primarily attributable to the aforementioned net pension liabilities and total OPEB liability decreases. Also, spending down of fund balances decreased the net position. Fund balances were spent for unexpected revenue losses and incurred expenses due to the COVID-19 pandemic emergency. Additionally, bond proceeds that were received in 2019 were spent in 2020.

The largest portion of the Village's net position is its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 2
Net Position: Net Investment in Capital Assets
As of December 31, 2020 and 2019
(in thousands)

	<i>Governmental</i>		<i>Business-Type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	2020	2019	2020	2019	2020	2019
Capital Assets	\$ 150,347.9	\$ 147,808.4	\$ 89,554.9	\$ 86,293.6	\$ 239,902.8	\$ 234,102.0
Less Outstanding Related Debt:						
2015A G.O. Bonds	-	-	(14,015.0)	(15,930.0)	(14,015.0)	(15,930.0)
2015B G.O. Bonds	(1,075.0)	(1,195.0)	(3,145.0)	(3,435.0)	(4,220.0)	(4,630.0)
2015C G.O. Bonds	-	-	(21,765.0)	(21,765.0)	(21,765.0)	(21,765.0)
2016 G.O. Bonds	(8,345.0)	(8,450.0)	-	-	(8,345.0)	(8,450.0)
2017A G.O. Bonds	(435.0)	(475.0)	(4,980.0)	(5,260.0)	(5,415.0)	(5,735.0)
2017B G.O. Bonds	(2,360.0)	(2,390.0)	(795.0)	(800.0)	(3,155.0)	(3,190.0)
2018 G.O. Bonds	(26,770.0)	(28,210.0)	(5,600.0)	(5,600.0)	(32,370.0)	(33,810.0)
2019 G.O. Bonds	(1,631.6)	(1,727.9)	(7,457.5)	(7,897.9)	(9,089.1)	(9,625.8)
IEPA Loan	-	-	(405.8)	-	(405.8)	-
Less Accounts Payable						
related to capital assets	(673.2)	-	(196.6)	-	(869.8)	-
Less Outstanding Premiums	(3,060.2)	(3,266.9)	(806.2)	(860.4)	(3,866.4)	(4,127.3)
Plus Outstanding Discounts	-	-	219.4	244.7	219.4	244.7
Plus Loss on Refunding	820.5	895.9	1,000.9	1,102.3	1,821.4	1,998.2
Plus Unspent Bond Proceeds	45.0	1,409.0	4,278.2	15,112.8	4,323.2	16,521.8
Total	\$ 106,863.4	\$ 104,398.5	\$ 35,887.3	\$ 41,205.1	\$ 142,750.7	\$ 145,603.6

The second portion of the Village's net position, excluding EDA TIF Activity, in the amount of \$7,995,652, represents resources that are subject to external restrictions on how they may be used (i.e. capital projects). The final portion of the Village's net position, excluding EDA TIF Activity, in the amount of (\$93,653,702), represents funds that are unrestricted.

For more detailed information, see the Statement of Net Position on page 4 and 5.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Activities

The table below summarizes the revenue and expenses of the Village's activities.

Table 3
Changes in Net Position
For the Fiscal Year Ended December 31, 2020 and 2019
(in thousands)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program Revenues:						
Charges for Services	\$ 12,911.0	\$ 13,973.4	\$ 22,000.9	\$ 30,262.2	\$ 34,911.9	\$ 44,235.6
Operating Grants	2,969.9	2,650.1	-	-	2,969.9	2,650.1
Capital Grants/Contributions	1,738.7	33.9	20.8	37.4	1,759.5	71.3
General Revenues:						
Property Taxes	27,955.5	34,449.0	-	-	27,955.5	34,449.0
Other Taxes	26,182.2	27,651.0	1,739.6	2,662.1	27,921.8	30,313.1
Other	958.0	2,103.0	3,583.4	1,420.0	4,541.4	3,523.0
Total Revenues	72,715.3	80,860.4	27,344.7	34,381.7	100,060.0	115,242.1
EXPENSES						
General Government	6,433.7	6,846.7	-	-	6,433.7	6,846.7
Public Safety	41,575.9	46,590.0	-	-	41,575.9	46,590.0
Highways and Streets	13,304.9	16,146.9	-	-	13,304.9	16,146.9
Sanitation	2,979.8	3,037.1	-	-	2,979.8	3,037.1
Health and Welfare	2,407.5	2,231.2	-	-	2,407.5	2,231.2
Culture and Recreation	168.4	299.2	-	-	168.4	299.2
Economic Development	4,023.4	3,052.6	-	-	4,023.4	3,052.6
Water and Sewer	-	-	25,641.2	19,131.5	25,641.2	19,131.5
NOW Arena	-	-	7,924.4	15,929.0	7,924.4	15,929.0
Interest on Long-Term Debt	6,156.9	6,164.0	-	-	6,156.9	6,164.0
Total Expenses	77,050.5	84,367.7	33,565.6	35,060.5	110,616.1	119,428.2
Excess (Deficiency)						
Before Transfers	(4,335.2)	(3,507.3)	(6,220.9)	(678.8)	(10,556.1)	(4,186.1)
Transfers In (Out)	(1,238.2)	(633.2)	1,238.2	633.2	-	-
Change in Net Position	\$ (5,573.4)	\$ (4,140.5)	\$ (4,982.7)	\$ (45.6)	\$ (10,556.1)	\$ (4,186.1)
Net Position, January 1	\$ (102,890.7)	\$ (98,750.2)	\$ 48,176.0	\$ 48,221.6	\$ (54,714.7)	\$ (50,528.6)
Net Position, December 31	\$ (108,464.1)	\$ (102,890.7)	\$ 43,193.3	\$ 48,176.0	\$ (65,270.8)	\$ (54,714.7)

For the fiscal year ended December 31, 2020, revenues from governmental activities totaled \$72,715,299. The Village benefits from a highly diversified revenue base. Revenues from the Village's largest single source, property taxes, amounted to \$27,955,458. Property taxes support governmental activities and include the Village's contribution to the Police Pension Fund and Firefighters' Pension Fund.

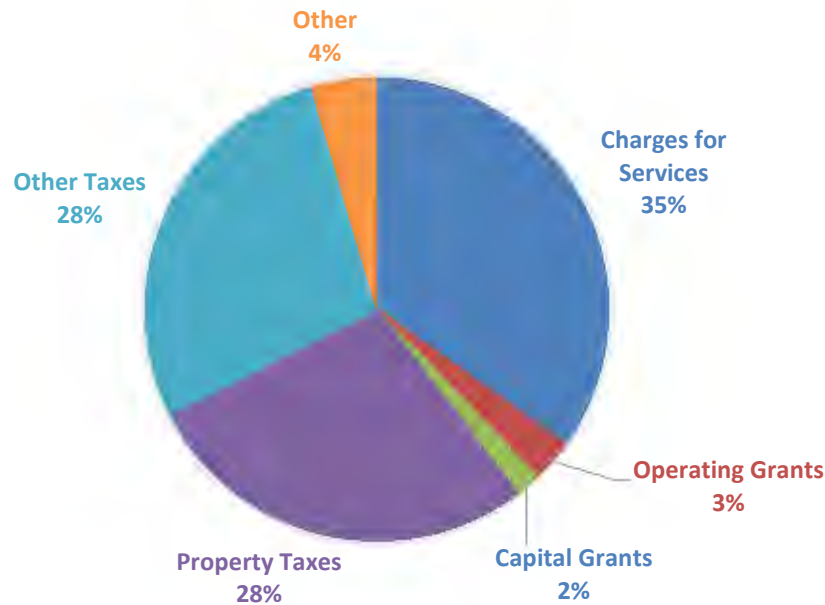
VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The "other taxes" classification includes a number of different revenue sources. Among those are sales taxes, income taxes, and telecommunications taxes. The two major types of sales taxes are the retailer's occupation tax (ROT) and the home-rule sales tax. Both of these sales taxes are collected by the State of

Illinois. A portion of the ROT is shared by the state with its municipalities based upon the point of sale. While the ROT is currently at 9.00%, the equivalent of a 1.00% tax is remitted to Hoffman Estates, in addition to another 1.00% for the Village's home-rule sales tax portion.

In 2020, total sales tax revenues, both state-shared and home-rule, were \$10,461,893 compared to \$9,856,695 in 2019, an increase of \$605,198, or 6.1%. The Village anticipated a much larger increase in 2020 since there was a one-time adjustment in 2019 due to an adjustment made by Illinois Department of Revenue negatively effecting the sales tax revenues. However, due to the COVID-19 pandemic, the Village experienced a smaller increase of sales tax due to business closures and people staying home.

Chart 1
Revenues by Source – Primary Government
For the Fiscal Year Ended December 31, 2020



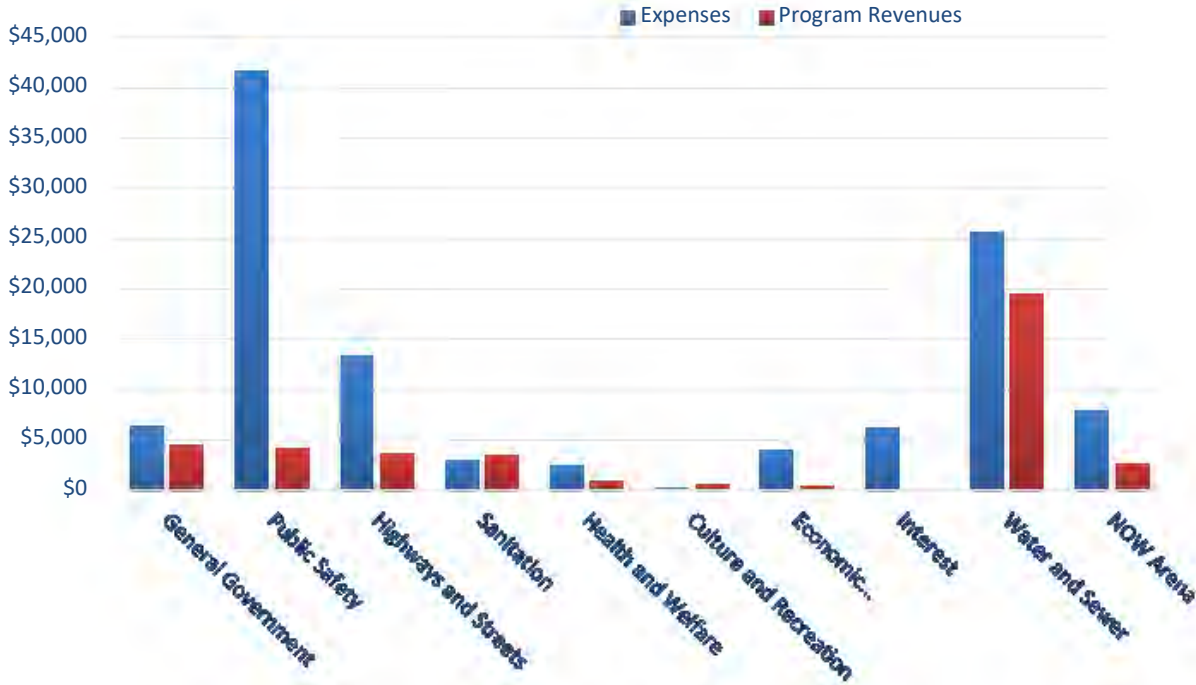
Income and local use taxes are also shared by the state, but on a per-capita basis. Between 2019 and 2020, the Village's income and local use tax revenues increased from \$7,310,628 to \$7,960,622.

A major revenue component of the "Charges for Services" classification is fees from the Village's water and sewer utility. Water and sewer fee revenue was \$19,472,378 in 2020 compared to \$19,105,209 in 2019. A 5-year water rate study was conducted in 2019 to plan needed rate increases. The Village imposed a 3.5% water rate increase in January, 2020 as a result of the water rate study.

As you can see by the chart below, very few Village programs are self-funded through program revenues. This is where general revenues like property taxes and sales taxes come in. These non-program revenues are what make it possible to fund necessary functions within the Village.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

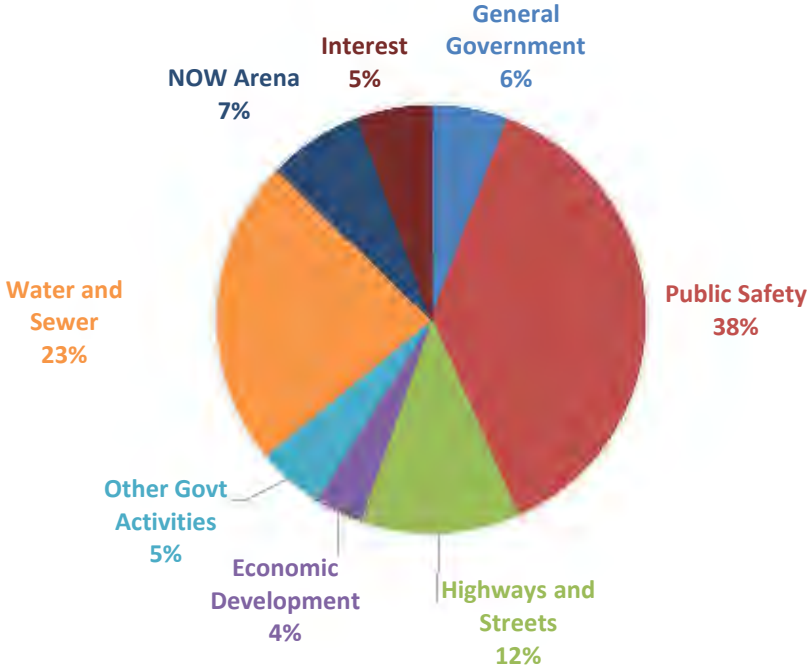
Chart 2
Expenses and Program Revenues
For the Fiscal Year Ended December 31, 2020
(Dollars in Thousands)



Village expenses amounted to \$110,616,166 in 2020. The largest share is related to Public Safety in the amount of \$41,575,926.

With a high demand for skilled employees in both the public and private sectors in this region, it is important that the Village provide competitive compensation levels for our employees. After conducting an extensive salary comparison study in 2019 and discovering many salary disparities between Village salaries and those of surrounding communities, the annual funding of the Village's performance-based employee compensation package was budgeted at an average of 5.0% increase for non-union employees for 2020. Each of the collective bargaining units (Police, Fire, and Public Works) received salary increases based on their contractual agreements. Those agreements provided for various step (seniority) and general cost of living increases.

Chart 3
Expenses by Function
For the Fiscal Year Ended December 31, 2020



VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Once again, it needs to be mentioned that the inclusion of the EDA activity distorts the results of operations of the governmental activities. Removing all EDA activity from the governmental activities results in the following:

Table 3-a
Changes in Net Position Excluding EDA TIF Activity
For the Fiscal Year Ended December 31, 2020 and 2019
(in thousands)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
REVENUES						
Program Revenues:						
Charges for Services	\$ 12,908.1	\$ 13,926.5	\$ 22,000.9	\$ 30,262.2	\$ 34,909.0	\$ 44,188.7
Operating Grants	2,969.9	2,650.1	-	-	2,969.9	2,650.1
Capital Grants/Contributions	1,738.7	33.9	20.8	37.4	1,759.5	71.3
General Revenues:						
Property Taxes	27,955.5	26,787.0	-	-	27,955.5	26,787.0
Other Taxes	26,182.2	27,651.0	1,739.6	2,662.1	27,921.8	30,313.1
Other	950.3	1,162.4	3,583.4	1,420.0	4,533.7	2,582.4
Total Revenues	72,704.7	72,210.9	27,344.7	34,381.7	100,049.4	106,592.6
EXPENSES						
General Government	6,433.7	6,846.7	-	-	6,433.7	6,846.7
Public Safety	41,575.9	46,590.0	-	-	41,575.9	46,590.0
Highways and Streets	13,304.9	16,146.9	-	-	13,304.9	16,146.9
Sanitation	2,979.8	3,037.1	-	-	2,979.8	3,037.1
Health and Welfare	2,407.5	2,231.2	-	-	2,407.5	2,231.2
Culture and Recreation	168.4	299.2	-	-	168.4	299.2
Economic Development	2,101.6	2,966.7	-	-	2,101.6	2,966.7
Water and Sewer	-	-	25,641.2	19,131.5	25,641.2	19,131.5
NOW Arena	-	-	7,924.4	15,929.0	7,924.4	15,929.0
Interest on Long-Term Debt	2,087.8	1,998.0	-	-	2,087.8	1,998.0
Total Expenses	71,059.6	80,115.8	33,565.6	35,060.5	104,625.2	115,176.3
Excess (Deficiency)						
Before Transfers	1,645.1	(7,904.9)	(6,220.9)	(678.8)	(4,575.8)	(8,583.7)
Transfers In (Out)	(1,754.7)	(613.2)	1,238.2	633.2	(516.5)	20.0
Change in Net Position	\$ (109.6)	\$ (8,518.1)	\$ (4,982.7)	\$ (45.6)	\$ (5,092.3)	\$ (8,563.7)
Net Position, January 1	\$ 14,008.9	\$ 22,527.0	\$ 48,176.0	\$ 48,221.6	\$ 62,184.9	\$ 70,748.6
Net Position, December 1	\$ 13,899.3	\$ 14,008.9	\$ 43,193.3	\$ 48,176.0	\$ 57,092.6	\$ 62,184.9

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Village's combined net position decreased by \$5,092,177 from 2019 which is primarily attributable to the aforementioned net pension liabilities and total OPEB liability decreases. Also, spending down of fund balances decreased the net position. Fund balances were spent for unexpected revenue losses and incurred expenses due to the COVID-19 pandemic emergency. Additionally, bond proceeds that were received in 2019 were spent in 2020.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

For the fiscal year ended December 31, 2020, the governmental funds reported combined ending fund balances of \$33,925,358. The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$19,047,434 while total fund balance equaled \$23,687,266. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year and as a measure of the General Fund's liquidity. It may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 28.74% of budgeted General Fund expenditures and transfers, while total fund balance represents 35.75% of that same amount.

Table 4
General Fund Budgetary Highlights
For the Fiscal Year Ended December 31, 2020
(in thousands)

	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Actual</i>	
			2020	2019
<i>REVENUES & SALE OF CAPITAL ASSETS</i>				
Taxes	\$32,466.9	\$32,533.6	\$30,503.0	\$31,960.4
Inter-Governmental	15,686.0	16,120.2	16,649.7	15,191.2
Other	14,005.3	14,030.4	12,837.9	14,488.8
Transfers In	-	-	-	-
Total Revenues	62,158.2	62,684.2	59,990.6	61,640.4
<i>EXPENDITURES AND TRANSFERS</i>				
Expenditures	(60,296.8)	(60,822.8)	(57,099.4)	(57,116.9)
Transfers Out	(5,190.8)	(5,190.8)	(5,002.0)	(3,644.6)
Total Expenditures and Transfers	(65,487.6)	(66,013.6)	(62,101.4)	(60,761.5)
Change in Fund Balance	(\$3,329.4)	(\$3,329.4)	(\$2,110.8)	\$878.9

Originally, the Village was planning to use approximately \$3.3 million of fund balance to fund capital projects. However, when COVID-19 pandemic caused unexpected revenue losses, the Village decided to postpone the majority of those capital projects in hopes to preserve as much fund balance as possible to supplement the lost revenues. As a result, the fund balance of the Village's General Fund decreased by \$2,110,865 during the current fiscal year.

In years where revenues exceed expenditures within the General Fund, excess funds are utilized according to the Village's Fund Balance Policy. This policy states that the Village will strive to maintain an unassigned fund balance within the General Fund equal to 25.00% of the preceding year's annual operating budget. While the General Fund is above this level of fund balance, any year where year-end revenues exceed expenditures, the amount of surplus will be transferred to other funds to address known future financial needs. The utilization of General Fund surplus will be brought before the Village President and Board of

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Trustees annually, when applicable, during the Operating Budget process via a recommendation by the Village Manager.

Actual General Fund revenues were less than originally budgeted revenues by \$2,167,677 during fiscal year 2019. These lower revenue levels, which are caused by the pandemic, can be attributed to decreased hotel tax, sales & home rule sales tax, engineering fees, police citations and investment income. Actual General Fund expenditures and transfers ended up being less than the amended budget by \$791,262 in 2020.

The EDA General Account Fund, typically a major fund in prior years (not a major fund in 2020) due to the amount of revenues and expenditures that are in this fund, accounts for EDA Revenue Note payments that are made when surplus revenues are available related to the EDA. There were no note payments made in 2020. There is no fund balance as of December 31, 2020.

With respect to the business-type activities, in 2020, the Waterworks and Sewerage Fund recorded a decrease in net position in the amount of \$3,908,922. This decrease in net position was from spending down of bond proceeds received in 2019 for capital projects. Restricted and unrestricted net position of the Waterworks and Sewerage Fund at the end of the year amounted to \$4,278,213 and \$2,623,274, respectively.

The NOW Arena Operating Fund was created in 2009 when the Village took over ownership of the arena. This fund is used to account for all operations of the NOW Arena. As of December 31, 2020, this fund had an unrestricted net position in the amount of \$404,508

The Village Board amended the fiscal year 2020 budget once throughout the year. The budget amendment was primarily for the following purposes:

- Increase in Department Equipment (\$170,300), Motor Vehicles (\$110,420) and Fire Apparatus (\$35,530) in Capital Vehicle & Equipment Fund for the purchase of vehicle exhaust removal system, a rapid response fire vehicle, and replacement of fleet vehicles.
- Usage of Federal Asset seizure monies to aid the in coverage of police department personnel (\$181,950).
- Increase in Prairie Stone capital (\$494,350) for the construction of a new Village storage building.
- Increase in Other Contractual Services (\$1,685,440) for 2019 Capital Projects funds for the replacement of streetlights to LED in coordination with the Performance Contract.
- Increase in Meters (\$3,554,800) and Other Contractual Services (\$3,369,780) for Water & Sewer fund for the village-wide replacement of water meters in coordination with the Performance Contract.
- Increase in Professional Services (\$225,500), Other Capital Expenditures (\$1,411,190) and Principal Expense (\$224,350) in Higgins/Hassell TIF for issuance of new note and payment of Village & Developer distributions per TIF agreement.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets for both its governmental and business-type activities as of December 31, 2020 amounted to \$239,902,816 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, roads, bridges, and storm sewers. The total investment in capital assets for the current fiscal year increased by 1.18% from 2019.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Major capital asset events during 2020 included the following:

- The Village reconstructed three (3) streets and resurfaced 33 streets in 2020, resulting in the addition of \$754,627 in new streets.
- The Village purchased and took delivery of 21 new vehicles totaling \$1,456,923: eight for Public Works, 10 for Police Department, two for the Fire Department, and one for general government.
- The Village had various building improvements totaling \$1,176,475 located at Fire Stations, Village Hall, Public Works, and Prairie Stone.
- The Village purchased numerous pieces of equipment for departments totaling \$330,673 including replacing tornado siren, front-end loader, snow-clearance machine and brush chipper for public works.
- The Village assumed responsibility for infrastructure totaling \$3,721,143 including right-of-way, storm sewer and streets in Bergman Pointe subdivision, near Adesa Auctions, and around Holiday Inn Express.

The following schedule reflects the Village's capital asset balances as of December 31, 2020.

Table 5
Capital Assets
As of December 31, 2020 and 2019
(in thousands)

	<i>Governmental</i>		<i>Business-Type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
Land and Land Right of Way	\$ 49,918.0	\$ 49,261.6	\$ 6,499.0	\$ 6,499.0	\$ 56,417.0	\$ 55,760.6
Plant System and Equipment	-	-	58,532.1	56,340.2	58,532.1	56,340.2
Buildings and Improvements	50,268.0	49,167.6	75,495.1	75,249.9	125,763.1	124,417.5
Machinery, Vehicles and Equipment	16,083.9	16,211.7	8,190.0	8,099.4	24,273.9	24,311.1
Infrastructure	133,717.9	129,968.2	-	-	133,717.9	129,968.2
Construction in Progress	2,502.3	1,367.3	1,153.1	177.0	3,655.4	1,544.3
Less:						
Accumulated Depreciation	(102,142.2)	(98,168.0)	(60,314.4)	(57,071.9)	(162,456.6)	(155,239.9)
Total	\$ 150,347.9	\$ 147,808.4	\$ 89,554.9	\$ 89,293.6	\$ 239,902.8	\$ 237,102.0

Additional information on the Village's capital assets can be found in note 4 on pages 32 to 33 of this report

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Long-Term Debt

The following table summarizes the Village's bonded and similar indebtedness.

Table 6
Bonded and Similar Indebtedness
As of December 31, 2020 and 2019
(in thousands)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
General Obligation Bonds	\$ 40,616.6	\$ 42,447.9	\$ 57,757.5	\$ 60,687.9	\$ 98,374.1	\$ 103,135.8
IEPA Loans Payable	-	-	405.8	-	405.8	-
Unamortized Prem/(Discount)	3,060.2	3,266.9	586.8	615.6	3,647.0	3,882.5
TIF Revenue Notes	133,191.1	127,935.1	-	-	133,191.1	127,935.1
Compensated Absences	2,673.9	2,673.8	380.7	341.0	3,054.6	3,014.8
Total OPEB Liability	15,396.2	18,192.5	1,710.7	2,021.4	17,106.9	20,213.9
Net Pension Liability - IMRF	5,337.6	10,784.1	1,685.6	3,405.4	7,023.2	14,189.5
Net Pension Liability - Police	66,031.0	61,445.3	-	-	66,031.0	61,445.3
Net Pension Liability - Fire	32,592.3	37,915.1	-	-	32,592.3	37,915.1
Asset Retirement Obligation	-	-	339.5	-	339.5	-
Termination Benefit	75.8	58.1	5.6	-	81.4	58.1
Total	\$ 298,974.7	\$ 304,718.8	\$ 62,872.2	\$ 67,071.3	\$ 361,846.9	\$ 371,790.1

At the end of the current fiscal year, the Village had total debt outstanding of \$361,846,872. Of this amount, \$98,374,030 comprises general obligation bonds backed by the full faith and credit of the Village. The Village also issues notes where the Village pledges incremental tax income derived from a separately created tax increment financing district. These notes are not obligations of the Village and are secured only by the incremental revenues generated by the TIF districts and the EDA.

Compared to 2019 figures, the Village's total long-term debt decreased by \$9,943,341, or 2.67%, in 2020. This decrease is primarily due to IMRF net pension liability totaling \$14,189,548 at December 31, 2019 and \$7,023,172 at December 31, 2020, a decrease of \$7,166,376. Also, total OPEB liability decreasing from \$20,213,865 in 2019 to \$17,106,889 in 2020 a decrease of \$3,106,976. However, tax increment financing note payables increased by \$5,256,016, or 4.1% in 2020.

The Village received some Illinois Environmental Protection Agency (IEPA) loans for projects that relate to our water towers and rehabilitating a lift station. Engineering for these projects started in 2019 and construction is anticipated to be complete in 2021. The amount of loan payable is \$405,747 as of December 31, 2020.

As an Illinois home-rule community, the Village is not subject to any debt limitation. The Village's general obligation bonds have been given a credit rating of AA+ from Standard & Poor's, which was reaffirmed in July 2018. Standard & Poor's rating reflected the Village's strong economy and management, and highlighted the Village's budgetary flexibility and strong liquidity.

Additional information on the Village's long-term debt can be found in note 5 on pages 34 through 39 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Property taxes imposed on property within the Village's corporate limits provide a stable revenue source. The levies for the police and fire pension plans, which are actuarially determined, increased slightly in tax levy year 2020 (fiscal year 2021). Pension funding comes from three sources: employee contributions, employer contributions and investment returns. Since employee contributions are capped by the Illinois General Assembly, the fiscal burden falls upon Village contributions (local taxpayers) to keep these funds financially solvent. By law, Hoffman Estates is mandated to fund the pension benefits of police, firefighters and other municipal employees.

All Village Sworn Police Officers and Firefighters are covered under the downstate police pension plan and fire pension plan, respectively, as governed by Illinois Compiled Statutes and amended only by the Illinois Legislature. All other Village employees are covered under the Illinois Municipal Retirement Fund (IMRF).

The 2010 census found that the median household income was \$75,506 and the median home value was \$301,500. The Village's population, per the 2010 census, is 51,895, an increase of 2,400 from the 2000 census figure of 49,495. This increase in population means that the Village will be entitled to larger portions of state-shared revenues such as income taxes and motor fuel taxes. Results of the 2020 Census should be available late-2021.

The COVID-19 pandemic had a significant impact on the Village. Some major revenues were down 10-15% from budgeted, the Village temporarily froze multiple positions, major capital spending was put on hold to help preserve fund balance to make up for revenue losses, and department spending was reduced by \$3.5 million. During the current fiscal year, unassigned fund balance in the General Fund decreased to \$19,047,434 from \$20,242,741.

All of these factors were considered in preparing the Village's budget for the 2021 fiscal year. The Village anticipated the economy to start to rebound the second half of 2021. However, the Village is still planning on utilizing \$2,300,000 of fund balance in the 2021 fiscal year budget for more capital projects that were delayed from 2019.

A water & sewer rate study was completed & presented to the Village Board in 2019. The results of the study included recommended routine rate increases to the Village water & sewer rates to adequately fund operations of the Water & Sewer Fund. In FY2019, the Village implemented a four and a quarter percent (4.25%) increase to water and sewer rates. In the 2020 budget, the Village proposed a three and a half percent (3.50%) increase to help fund operations in the Water & Sewer Fund.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability of the money it receives. Questions concerning this report or requests for additional financial information should be directed to Rachel Musiala, Director of Finance, Village of Hoffman Estates, 1900 Hassell Road, Hoffman Estates, IL 60169.

Basic Financial Statements

Village of Hoffman Estates, Illinois
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 39,718,186	\$ 9,953,252	\$ 49,671,438
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	24,482,960	-	24,482,960
Accounts	489,996	3,153,195	3,643,191
Accrued interest	6,391	-	6,391
Other	3,468,059	701,079	4,169,138
Deposits	55,000	-	55,000
Prepaid expenses	619,081	163,019	782,100
Inventories	112,536	117,777	230,313
Restricted cash	-	4,278,213	4,278,213
Internal balances	530,435	(530,435)	-
Asset held by agents	139,138	-	139,138
Due from other governments	4,564,142	-	4,564,142
Capital assets			
Not depreciated	52,420,256	7,652,119	60,072,375
Depreciated (net of accumulated depreciation)	97,927,631	81,902,810	179,830,441
Total assets	<u>224,533,811</u>	<u>107,391,029</u>	<u>331,924,840</u>
Deferred Outflows of Resources			
Pension items			
IMRF	2,901,536	916,275	3,817,811
Firefighters' Pension	4,797,414	-	4,797,414
Police Pension	10,226,458	-	10,226,458
OPEB items	4,199,073	466,564	4,665,637
Asset retirement obligation	-	332,710	332,710
Unamortized loss on refunding	820,453	1,000,856	1,821,309
Total deferred outflows of resources	<u>22,944,934</u>	<u>2,716,405</u>	<u>25,661,339</u>

(Cont.)

Village of Hoffman Estates, Illinois
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Accounts payable	\$ 4,293,412	\$ 1,642,035	\$ 5,935,447
Accrued payroll	453,505	42,277	495,782
Accrued interest payable	146,057	189,317	335,374
Claims payable	1,029,044	-	1,029,044
Benefits payable	628,440	-	628,440
Unearned revenues	416,115	779,922	1,196,037
Due to FSA participants	108,038	-	108,038
Deposits payable	5,059,038	-	5,059,038
Long-term liabilities			
Due within one year	4,679,380	3,258,064	7,937,444
Due in more than one year	294,295,364	59,614,064	353,909,428
	<u>311,108,393</u>	<u>65,525,679</u>	<u>376,634,072</u>
Total liabilities			
	<u>311,108,393</u>	<u>65,525,679</u>	<u>376,634,072</u>
Deferred Inflows of Resources			
Pension items			
IMRF	2,885,633	911,253	3,796,886
Firefighters' Pension	10,363,617	-	10,363,617
Police Pension	2,818,482	-	2,818,482
OPEB items	4,294,458	477,162	4,771,620
Property taxes	24,472,316	-	24,472,316
	<u>44,834,506</u>	<u>1,388,415</u>	<u>46,222,921</u>
Total deferred inflows of resources			
	<u>44,834,506</u>	<u>1,388,415</u>	<u>46,222,921</u>
Net Position (Deficit)			
Net investment in capital assets	106,863,396	35,887,345	142,750,741
Restricted for			
Employee loan program	40,679	-	40,679
Highways and streets	1,369,793	-	1,369,793
Capital improvements	44,990	4,278,213	4,323,203
Public safety	872,345	-	872,345
Economic development	2,281,745	-	2,281,745
Unrestricted deficit	(219,937,102)	3,027,782	(216,909,320)
	<u>(219,937,102)</u>	<u>3,027,782</u>	<u>(216,909,320)</u>
Total net position (deficit)			
	<u>\$ (108,464,154)</u>	<u>\$ 43,193,340</u>	<u>\$ (65,270,814)</u>

Village of Hoffman Estates, Illinois
Statement of Activities
Year Ended December 31, 2020

Functions/Programs Primary Government	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 6,433,742	\$ 3,916,539	\$ 571,950	\$ -
Public safety	41,575,926	3,759,221	213,819	197,080
Highways and streets	13,304,909	128,024	1,978,663	1,541,640
Sanitation	2,979,804	3,528,587	-	-
Health and welfare	2,407,532	935,905	-	-
Culture and recreation	168,353	522,410	-	-
Economic development	4,023,365	120,302	205,451	-
Interest	6,156,942	-	-	-
Total governmental activities	<u>77,050,573</u>	<u>12,910,988</u>	<u>2,969,883</u>	<u>1,738,720</u>
Business-Type Activities				
Waterworks and sewerage	25,641,206	19,472,378	-	-
NOW Arena	7,924,387	2,528,510	-	20,846
Total business-type activities	<u>33,565,593</u>	<u>22,000,888</u>	<u>-</u>	<u>20,846</u>
Total primary government	<u>\$ 110,616,166</u>	<u>\$ 34,911,876</u>	<u>\$ 2,969,883</u>	<u>\$ 1,759,566</u>

General Revenues

Taxes

- Property
- Home rule sales (nonsales)
- Real estate transfer
- Hotel/motel
- Telecommunications
- Food and beverage
- Entertainment
- Replacement
- Other

Unrestricted intergovernmental revenues

- Sales tax
- Income and local use tax

Investment income

Miscellaneous

Transfers in (out)

Total general revenues

Change in Net Position

Net Position, January 1

Net Position, December 31

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-Type Activities	Total
\$ (1,945,253)	\$ -	\$ (1,945,253)
(37,405,806)	-	(37,405,806)
(9,656,582)	-	(9,656,582)
548,783	-	548,783
(1,471,627)	-	(1,471,627)
354,057	-	354,057
(3,697,612)	-	(3,697,612)
(6,156,942)	-	(6,156,942)
<u>(59,430,982)</u>	<u>-</u>	<u>(59,430,982)</u>
-	(6,168,828)	(6,168,828)
-	<u>(5,375,031)</u>	<u>(5,375,031)</u>
-	<u>(11,543,859)</u>	<u>(11,543,859)</u>
<u>(59,430,982)</u>	<u>(11,543,859)</u>	<u>(70,974,841)</u>
27,955,458	-	27,955,458
3,074,487	-	3,074,487
1,042,874	-	1,042,874
490,502	-	490,502
1,118,040	-	1,118,040
410,194	-	410,194
47,377	1,739,637	1,787,014
292,082	-	292,082
4,358,629	-	4,358,629
7,387,406	-	7,387,406
7,960,622	-	7,960,622
301,014	69,232	370,246
657,023	3,514,180	4,171,203
<u>(1,238,189)</u>	<u>1,238,189</u>	<u>-</u>
<u>53,857,519</u>	<u>6,561,238</u>	<u>60,418,757</u>
(5,573,463)	(4,982,621)	(10,556,084)
<u>(102,890,691)</u>	<u>48,175,961</u>	<u>(54,714,730)</u>
<u>\$ (108,464,154)</u>	<u>\$ 43,193,340</u>	<u>\$ (65,270,814)</u>

Village of Hoffman Estates, Illinois
Balance Sheet – Governmental Funds
December 31, 2020

	General Fund	Nonmajor Governmental Funds	Total
Assets			
Cash and investments	\$ 20,495,371	\$ 15,103,228	\$ 35,598,599
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	21,039,359	3,443,601	24,482,960
Accounts	439,200	50,523	489,723
Accrued interest	6,391	-	6,391
Other	2,589,204	878,855	3,468,059
Prepaid items	70,911	548,170	619,081
Asset held by agents	139,138	-	139,138
Inventory	112,536	-	112,536
Due from other governments	4,391,870	172,272	4,564,142
Due from other funds	709,940	-	709,940
	\$ 49,993,920	\$ 20,196,649	\$ 70,190,569
Total assets			
Liabilities Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 1,721,527	\$ 2,433,926	\$ 4,155,453
Accrued payroll	426,546	-	426,546
Unearned revenues	367,595	48,520	416,115
Due to FSA participants	108,038	-	108,038
Due to other funds	-	179,505	179,505
Deposits payable	1,204,406	3,854,632	5,059,038
Total liabilities	3,828,112	6,516,583	10,344,695
Deferred Inflows of Resources			
Property taxes	21,030,342	3,441,974	24,472,316
Unavailable state taxes	1,448,200	-	1,448,200
Total deferred inflows of resources	22,478,542	3,441,974	25,920,516
Total liabilities and deferred inflows of resources	26,306,654	9,958,557	36,265,211

Village of Hoffman Estates, Illinois
Balance Sheet – Governmental Funds
December 31, 2020

	General Fund	Nonmajor Governmental Funds	Total
Fund Balances			
Nonspendable			
Prepaid items	\$ 70,911	\$ 548,170	\$ 619,081
Inventories	112,536	-	112,536
Restricted			
Employee loan program	40,679	-	40,679
Highways and streets	-	1,369,793	1,369,793
Public safety	-	872,345	872,345
Capital improvements	-	44,990	44,990
Economic development - state statute	-	2,281,745	2,281,745
Assigned			
Employee health	2,115,706	-	2,115,706
Subsequent budget	2,300,000	-	2,300,000
Capital improvements	-	5,275,433	5,275,433
Unassigned	19,047,434	(154,384)	18,893,050
Total fund balances	<u>23,687,266</u>	<u>10,238,092</u>	<u>33,925,358</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 49,993,920</u>	<u>\$ 20,196,649</u>	<u>\$ 70,190,569</u>

Village of Hoffman Estates, Illinois
Reconciliation of Fund Balances of Governmental Funds
to the Governmental Activities in the Statement of Net Position
December 31, 2020

Fund Balances of Governmental Funds \$ 33,925,358

Amounts reported for governmental activities in the statement of net position are different because

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds

Capital assets	150,347,887
Less capital assets of internal service funds included above	(272,729)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds

Compensated absence	(2,673,896)
Plus compensated absences of internal service funds included above	64,732
Unamortized bond premium	(3,060,173)
Loss on refundings	820,453
General obligation bonds payable	(40,616,580)
Tax increment financing notes payable	(133,191,109)

Total other postemployment benefit liabilities and related termination benefits	(15,472,053)
Plus total other postemployment benefit liabilities of internal service funds included above	342,139

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the total OPEB liabilities are recognized as deferred outflows and inflows of resources on the statement of net position

Less OPEB related to deferred outflows and inflows of internal service funds included above	(95,385)
	2,120

Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(5,337,611)
Less net pension liability of internal service funds included above	280,927

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position

Less IMRF related deferred outflows and inflows of resources of internal service funds included above	15,903
	(837)

Net pension liability for the Police and Firefighters' Pension Funds is shown as a liability on the statement of net position	(98,623,322)
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Village of Hoffman Estates, Illinois
Reconciliation of Fund Balances of Governmental Funds
to the Governmental Activities in the Statement of Net Position
December 31, 2020

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Police and Firefighters' Pension Funds are recognized as deferred outflows and inflows of resources on the statement of net position	\$ 1,841,773
Accrued interest on long-term liabilities is shown as a liability on the statement of net position	(146,057)
Certain revenues that are deferred in governmental funds are recognized as revenue on the statement of net position	1,448,200
The net position of the internal service funds is included in the governmental activities in the statement of net position	<u>1,936,106</u>
Net Position of Governmental Activities	<u><u>\$ (108,464,154)</u></u>

Village of Hoffman Estates, Illinois
Statement of Revenues, Expenditures and
Changes in Fund Balances – Governmental Funds
Year Ended December 31, 2020

	General Fund	Nonmajor Governmental Funds	Total
Revenues			
Taxes	\$ 30,503,005	\$ 7,531,495	\$ 38,034,500
Licenses and permits	1,744,758	-	1,744,758
Intergovernmental	16,649,712	3,747,935	20,397,647
Charges for services	9,245,252	708,596	9,953,848
Fines and forfeits	1,110,521	213,819	1,324,340
Investment income	183,463	77,076	260,539
Miscellaneous	553,852	375,033	928,885
Total revenues	<u>59,990,563</u>	<u>12,653,954</u>	<u>72,644,517</u>
Expenditures			
Current			
General government	6,031,574	13,560	6,045,134
Public safety	37,555,497	440,711	37,996,208
Highways and streets	5,876,922	2,123,975	8,000,897
Sanitation	2,979,804	-	2,979,804
Health and welfare	2,379,164	-	2,379,164
Culture and recreation	152,351	-	152,351
Economic development	2,124,118	1,876,593	4,000,711
Capital outlay	-	9,625,363	9,625,363
Debt service			
Principal retirement	-	2,055,714	2,055,714
Interest and fiscal charges	-	2,226,102	2,226,102
Total expenditures	<u>57,099,430</u>	<u>18,362,018</u>	<u>75,461,448</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,891,133</u>	<u>(5,708,064)</u>	<u>(2,816,931)</u>
Other Financing Sources (Uses)			
Transfers in	-	5,292,198	5,292,198
Transfers out	(5,001,998)	(1,613,500)	(6,615,498)
Issuance of debt	-	1,411,186	1,411,186
Total other financing sources (uses)	<u>(5,001,998)</u>	<u>5,089,884</u>	<u>87,886</u>
Net Change in Fund Balances	(2,110,865)	(618,180)	(2,729,045)
Fund Balances			
January 1	<u>25,798,131</u>	<u>10,856,272</u>	<u>36,654,403</u>
December 31	<u>\$ 23,687,266</u>	<u>\$ 10,238,092</u>	<u>\$ 33,925,358</u>

Village of Hoffman Estates, Illinois
Reconciliation of Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the
Governmental Activities in the Statement of Activities
Year Ended December 31, 2020

Net Change in Fund Balances - Total Governmental Funds \$ (2,729,045)

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities 8,543,114
Less capital outlay of internal service fund (25,756)

Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities (56,717)

The repayment of the principal on long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding on the statement of activities 2,055,714

Certain items are reported as interest expense on the statement of activities
Accretion of interest on notes payable (4,069,177)
Change in accrued interest payable 7,021
Amortization of bond premiums 206,750
Amortization of gain or loss on refunding (75,434)

Depreciation expense does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds (5,972,635)
Less depreciation expense of internal service fund 25,279

Certain revenues recognition is different on the full accrual basis than on the modified accrual basis 71,259

The issuance of long-term debt is shown as an other financing source in governmental funds but the principal outstanding is shown as long-term liability on the statement of net position
Bonds issued (1,411,186)

The change in the total other postemployment benefit liabilities and related termination benefits is shows as an increase in expense on the statement of activities 2,778,578
Less change in the total other postemployment liabilities obligation and related termination of internal service fund (62,139)

The change in deferred inflows and outflows of resources for the other postemployment benefit Fund is reported only on the statement of activities (3,037,283)
Less change in deferred inflows and outflows of resources for the other postemployment benefit of internal service fund 67,495

The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only on the statement of activities 5,446,445
Less change in the net pension liability for the Illinois Municipal Retirement Fund of internal service fund (286,655)

(Cont.)

Village of Hoffman Estates, Illinois
Reconciliation of Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the
Governmental Activities in the Statement of Activities
Year Ended December 31, 2020

The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	\$ (5,455,977)
Less change in deferred inflows and outflows of resources for the Illinois Municipal Retirement of internal service fund	287,157
The change in the net pension liability for the Police and Firefighters' Pension Funds is reported only on the statement of activities	737,007
The change in deferred inflows and outflows for the Police and Firefighters' Pension Funds is reported only on the statement of activities	(2,541,403)
The change in compensated absences payable is shown as an expense on the statement of activities	(120)
Less change in compensated absences payable is shown as an expense on the statement of of internal service fund	19,456
The change in net position of certain activities of internal service funds	<u>(95,211)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (5,573,463)</u></u>

Village of Hoffman Estates, Illinois
Proprietary Funds
Statement of Net Position
December 31, 2020

	Business-Type Activities		Total	Governmental Activities
	Waterworks and Sewerage Fund	NOW Arena Operating Fund		Internal Service Fund
Assets				
Current Assets				
Cash and investments	\$ 8,700,093	\$ 1,253,159	\$ 9,953,252	\$ 4,119,587
Receivables				
Accounts	3,090,489	62,706	3,153,195	273
Accrued interest	-	-	-	-
Other	1,840	699,239	701,079	-
Deposits	-	-	-	55,000
Prepaid expenses	-	163,019	163,019	-
Inventories	117,777	-	117,777	-
Restricted cash	4,278,213	-	4,278,213	-
	<u>16,188,412</u>	<u>2,178,123</u>	<u>18,366,535</u>	<u>4,174,860</u>
Capital Assets				
Not depreciated	1,652,119	6,000,000	7,652,119	-
Depreciated	63,381,956	78,835,243	142,217,199	457,054
Accumulated depreciation	(35,932,384)	(24,382,005)	(60,314,389)	(184,325)
Net capital assets	<u>29,101,691</u>	<u>60,453,238</u>	<u>89,554,929</u>	<u>272,729</u>
Total assets	<u>45,290,103</u>	<u>62,631,361</u>	<u>107,921,464</u>	<u>4,447,589</u>
Deferred Outflows of Resources				
Pension items - IMRF	916,275	-	916,275	152,712
OPEB items	466,564	-	466,564	93,313
Asset retirement obligation	332,710	-	332,710	-
Unamortized loss on refunding	238,484	762,372	1,000,856	-
Total deferred outflows of resources	<u>1,954,033</u>	<u>762,372</u>	<u>2,716,405</u>	<u>246,025</u>

(Cont.)

Village of Hoffman Estates, Illinois
Proprietary Funds
Statement of Net Position
December 31, 2020

	Business-Type Activities		Governmental Activities	
	Water Works and Sewerage Fund	NOW Arena Operating Fund	Total	Internal Service Fund
Liabilities				
Current Liabilities				
Accounts payable	\$ 1,307,581	\$ 334,454	\$ 1,642,035	\$ 137,959
Accrued payroll	42,277	-	42,277	26,959
Accrued interest payable	60,513	128,804	189,317	-
Due from other funds	-	530,435	530,435	-
Unearned revenue	-	779,922	779,922	-
Claims payable	-	-	-	1,029,044
Benefits payable	-	-	-	628,440
General obligation bonds payable	1,052,185	1,955,000	3,007,185	-
Total OPEB liability	61,367	-	61,367	11,833
Compensated absences payable	183,912	-	183,912	64,732
Termination benefits payable	5,600	-	5,600	-
Total current liabilities	<u>2,713,435</u>	<u>3,728,615</u>	<u>6,442,050</u>	<u>1,898,967</u>
Long-Term Liabilities				
General obligation bonds payable	21,731,503	33,605,607	55,337,110	-
IEPA loans payable	405,747	-	405,747	-
Compensated absences payable	196,824	-	196,824	-
Net pension liability	1,685,561	-	1,685,561	280,927
Total OPEB liability	1,649,322	-	1,649,322	330,306
Asset retirement obligation	339,500	-	339,500	-
Total long-term liabilities	<u>26,008,457</u>	<u>33,605,607</u>	<u>59,614,064</u>	<u>611,233</u>
Total liabilities	<u>28,721,892</u>	<u>37,334,222</u>	<u>66,056,114</u>	<u>2,510,200</u>
Deferred Inflows of Resources				
Pension item - IMRF	911,253	-	911,253	151,875
OPEB items	477,162	-	477,162	95,433
Total deferred inflows of resources	<u>1,388,415</u>	<u>-</u>	<u>1,388,415</u>	<u>247,308</u>
Net Position				
Net investment in capital assets	10,232,342	25,655,003	35,887,345	272,729
Restricted for				
Capital improvements	4,278,213	-	4,278,213	-
Unrestricted	2,623,274	404,508	3,027,782	1,663,377
Total net position	<u>\$ 17,133,829</u>	<u>\$ 26,059,511</u>	<u>\$ 43,193,340</u>	<u>\$ 1,936,106</u>

Village of Hoffman Estates, Illinois

Proprietary Funds

Statement of Revenues, Expenses and

Changes in Net Position

Year Ended December 31, 2020

	Business-Type Activities		Governmental Activities	
	Waterworks and Sewerage Fund	NOW Arena Operating Fund	Total	Internal Service Fund
Operating Revenues				
Charges for services	\$ 19,472,378	\$ 2,528,510	\$ 22,000,888	\$ 3,057,373
Operating Expenses				
Operations	-	-	-	1,775,988
Claims and insurance	-	-	-	1,588,443
Water division	20,916,154	-	20,916,154	-
Sewer division	2,549,107	-	2,549,107	-
NOW Arena	-	4,175,012	4,175,012	-
Depreciation	1,438,840	2,050,911	3,489,751	25,279
Total operating expenses	24,904,101	6,225,923	31,130,024	3,389,710
Operating Loss	(5,431,723)	(3,697,413)	(9,129,136)	(332,337)
Nonoperating Revenues (Expenses)				
Entertainment and food and beverage tax	-	1,739,637	1,739,637	-
Charges for services	-	70,121	70,121	-
Investment income	62,810	6,422	69,232	22,530
Interest expense	(727,994)	(1,698,464)	(2,426,458)	-
Terminal reserve	-	-	-	123,793
Gain (loss) on sale of capital assets	(9,111)	-	(9,111)	-
Miscellaneous revenue (expense)	2,214,426	1,229,633	3,444,059	5,692
Total nonoperating revenues (expenses)	1,540,131	1,347,349	2,887,480	152,015
Net Loss Before Transfers and Contributions	(3,891,592)	(2,350,064)	(6,241,656)	(180,322)
Transfers				
Transfers in	-	1,255,519	1,255,519	85,111
Transfers (out)	(17,330)	-	(17,330)	-
Total transfers	(17,330)	1,255,519	1,238,189	85,111
Contributions				
Intergovernmental	-	20,846	20,846	-
Change in Net Position	(3,908,922)	(1,073,699)	(4,982,621)	(95,211)
Net Position, January 1	21,042,751	27,133,210	48,175,961	2,031,317
Net Position, December 31	\$ 17,133,829	\$ 26,059,511	\$ 43,193,340	\$ 1,936,106

Village of Hoffman Estates, Illinois
Proprietary Funds
Statement of Cash Flows
Year Ended December 31, 2020

	Business-Type Activities		Total	Governmental Activities
	Waterworks and Sewerage Fund	NOW Arena Operating Fund		Internal Service Fund
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 19,468,097	\$ 2,985,984	\$ 22,454,081	\$ -
Receipts from interfund services transactions	-	-	-	3,062,694
Payments to suppliers	(18,902,129)	(5,468,121)	(24,370,250)	(1,731,886)
Payments to employees for services	(4,422,342)	-	(4,422,342)	(1,242,430)
Net cash provided by (used in) operating activities	<u>(3,856,374)</u>	<u>(2,482,137)</u>	<u>(6,338,511)</u>	<u>88,378</u>
Cash Flows From Noncapital Financing Activities				
Transfers in	-	1,255,519	1,255,519	85,111
Transfers out	(17,330)	-	(17,330)	-
Interfund borrowing	-	530,435	530,435	-
Entertainment and food and beverage tax	-	1,739,637	1,739,637	-
Miscellaneous income	2,214,426	1,299,754	3,514,180	-
Terminal reserve	-	-	-	123,793
Net cash provided by noncapital financing activities	<u>2,197,096</u>	<u>4,825,345</u>	<u>7,022,441</u>	<u>208,904</u>
Cash Flows From Capital and Related Financing Activities				
Capital assets purchased	(3,453,926)	(306,263)	(3,760,189)	(51,035)
Intergovernmental income	-	20,846	20,846	-
Proceeds from sale of capital assets	-	-	-	5,692
Principal payment on bonds	(1,015,455)	(1,915,000)	(2,930,455)	-
Proceeds from the issuance of debt	405,747	-	405,747	-
Interest and fiscal charges paid on bonds	(771,862)	(1,588,729)	(2,360,591)	-
Net cash used in capital and related financing activities	<u>(4,835,496)</u>	<u>(3,789,146)</u>	<u>(8,624,642)</u>	<u>(45,343)</u>
Cash Flows From Investing Activities				
Interest received	66,058	8,717	74,775	59,776
Net Increase (Decrease) in Cash and Cash Equivalents	(6,428,716)	(1,437,221)	(7,865,937)	311,715
Cash and Cash Equivalents				
January 1	19,407,022	2,690,380	22,097,402	3,807,872
December 31	<u>\$ 12,978,306</u>	<u>\$ 1,253,159</u>	<u>\$ 14,231,465</u>	<u>\$ 4,119,587</u>

(Cont.)

Village of Hoffman Estates, Illinois
Proprietary Funds
Statement of Cash Flows
Year Ended December 31, 2020

	Business-Type Activities		Total	Governmental Activities
	Waterworks and Sewerage Fund	NOW Arena Operating Fund		Internal Service Fund
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Operating loss	\$ (5,431,723)	\$ (3,697,413)	\$ (9,129,136)	\$ (332,337)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities				
Depreciation	1,438,840	2,050,911	3,489,751	25,279
Changes in				
Receivables	23,636	449,535	473,171	5,321
Inventories	36,890	-	36,890	-
Prepaid expenses	-	(136,371)	(136,371)	1,224
Accounts payable	140,982	(1,156,738)	(1,015,756)	32,847
Unearned revenue	-	7,939	7,939	-
Accrued payroll	(118,947)	-	(118,947)	(12,058)
Claims payable	-	-	-	214,238
Benefits payable	-	-	-	128,550
Deposits payable	(27,917)	-	(27,917)	-
Compensated absences payable	39,689	-	39,689	19,456
Deferred outflows of resources - pension	1,122,994	-	1,122,994	187,166
Deferred outflows of resources - OPEB	(17,528)	-	(17,528)	(3,506)
Deferred outflows of resources - ARO	(332,710)	-	(332,710)	-
Net pension liabilities	(1,719,931)	-	(1,719,931)	(286,655)
Total OPEB liability	(310,698)	-	(310,698)	(62,139)
Termination benefits payable	5,600	-	5,600	-
Asset retirement obligation	339,500	-	339,500	-
Deferred inflows of resources - pension	599,945	-	599,945	99,991
Deferred inflows of resources - OPEB	355,004	-	355,004	71,001
	<u>\$ (3,856,374)</u>	<u>\$ (2,482,137)</u>	<u>\$ (6,338,511)</u>	<u>\$ 88,378</u>
Net cash provided by (used in) operating activities	<u>\$ (3,856,374)</u>	<u>\$ (2,482,137)</u>	<u>\$ (6,338,511)</u>	<u>\$ 88,378</u>

Village of Hoffman Estates, Illinois
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2020

	Pension and Other Employee Benefit Trust Funds	Custodial Fund
Assets		
Cash and short-term investments	\$ 19,933	\$ 11,470,756
Investments, at fair value		
U.S. Treasury securities	8,248,084	-
U.S. agency securities	15,401,820	-
Corporate bonds	28,687,661	-
Municipal bonds	975,755	-
Mutual funds	105,633,429	-
Money market mutual funds	5,577,651	-
Equity securities	26,063,393	-
Receivables (net, where applicable, of allowances for uncollectibles)		
Accrued interest	302,674	-
Prepaid expenses	11,132	-
	190,921,532	11,470,756
Total assets		
Liabilities		
Accounts payable	47,978	-
Net Position		
Restricted for pensions	190,873,554	-
Restricted for economic development	-	11,470,756
	\$ 190,873,554	\$ 11,470,756
Total net position		

Village of Hoffman Estates, Illinois
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2020

	Pension and Other Employee Benefit Trust Funds	Custodial Fund
	<u> </u>	<u> </u>
Additions		
Contributions		
Employer	\$ 8,012,580	\$ -
Employee	1,802,208	-
	<u>9,814,788</u>	<u>-</u>
Total contributions		
	<u>-</u>	<u>10,939,420</u>
Property taxes		
	<u>-</u>	<u>10,939,420</u>
Investment income		
Net increase in fair value of investments	16,026,240	-
Investment income	4,896,864	35,393
Total investment income	<u>20,923,104</u>	<u>35,393</u>
Less investment expense	(373,889)	-
Net investment income	<u>20,549,215</u>	<u>35,393</u>
Total additions	<u>30,364,003</u>	<u>10,974,813</u>
Deductions		
Benefits and refunds	13,434,016	-
Miscellaneous	98,488	-
Economic development	-	10,386,045
	<u>13,532,504</u>	<u>10,386,045</u>
Total deductions		
	<u>13,532,504</u>	<u>10,386,045</u>
Net Increase in Fiduciary Net Position	16,831,499	588,768
Net Position		
January 1	<u>174,042,055</u>	<u>10,881,988</u>
December 31	<u>\$ 190,873,554</u>	<u>\$ 11,470,756</u>

Village of Hoffman Estates, Illinois
Index to Notes to Financial Statements
December 31, 2020

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Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies

The financial statements of the Village of Hoffman Estates, Illinois (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter to be referred to as generally accepted accounting principles). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below:

Reporting Entity

The Village is a municipal corporation governed by an elected president and six-member Board of Trustees. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the financial accountability of the Village for the potential component unit. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2. Fiscal dependence on the primary government.

Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension (and other employee benefit) trust funds, the Police Pension Fund and the Firefighters' Pension Fund. These pension plans are administered through trusts that meet the criteria in paragraph 3 of GASB 67 and are legally separate entities that meet the financial benefit/burden and fiscal dependency criteria to be included as component units.

Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements. Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted, committed or assigned monies (special revenue funds), funds restricted, committed or assigned for the acquisition or construction of general capital assets (capital projects funds) and funds committed, restricted or assigned for the

Village of Hoffman Estates, Illinois

Notes to Financial Statements

December 31, 2020

servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

The Village utilizes pension (and other employee benefit) trust funds and custodial funds which are generally used to account for assets that the Village holds in a fiduciary capacity or on behalf of others.

Government-Wide and Fund Financial Statements

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The Village reports the General Fund as a major fund. The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Village reports the following major proprietary funds:

The **Waterworks and Sewerage Fund** accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The **NOW Arena Operating Fund** accounts for the provision of charges for services for the NOW Arena. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

Village of Hoffman Estates, Illinois

Notes to Financial Statements

December 31, 2020

Additionally, the Village reports the following internal service funds:

Internal service funds account for the Village's self-insured property, casualty and workers' compensation programs and the operations of the information systems division provided to other departments or agencies of the Village on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the Village's governmental funds/activities.

The Village reports pension (and other employee benefit) trust funds as fiduciary component units which account for the Police Pension Fund and Firefighters' Pension Fund. Those fiduciary component units are legally separate, meet the financial benefit/burden criteria of GASB 14, as amended, as well as its fiscally dependent criterion. Furthermore, the Village reports a custodial fund for its EDA Special Tax Allocation Fund which is used to account for the collection of incremental taxes and other financial resources received to retire certain tax increment revenue notes and to pay certain qualified project costs, all pertaining to the Village's EDA.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (*i.e.*, intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as nonoperating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, charges for services, food and beverage taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (*i.e.*, federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These

Village of Hoffman Estates, Illinois

Notes to Financial Statements

December 31, 2020

resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unearned revenue and deferred inflows/unavailable revenue on its financial statements. Deferred inflows/unavailable revenues arise when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability or deferred inflows of resources for unearned and deferred inflows/ unavailable revenue are removed from the financial statements and revenue is recognized.

Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

Property Taxes

Property taxes for 2020 attach as an enforceable lien on January 1, 2020, on properties assessed as of the same date. Taxes are levied on a calendar year basis by the last Tuesday of December. Tax bills are prepared and mailed by the Counties on or about February 1, 2021 and August 1, 2021, and are payable in two installments, on or about March 1, 2021 and September 1, 2021. The Counties collect such taxes and remit them periodically. Since the 2020 levy is intended to finance the 2021 fiscal year, the levy has been recorded as receivable and deferred inflows of revenues. The revenues in the current year financial statements represent the 2019 property tax levy.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Prepaid Items/Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items/expenses. The Village uses the consumption method - purchases are debited to a prepaid asset account and are recorded as expenditures or expenses when used.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (*e.g.*, roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$10,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	40
Infrastructure	30
Office equipment (included in department equipment)	5 - 15
Department equipment	5 - 15
Office furniture (included in department equipment)	10 - 15
Vehicles	5 - 15
Plant system	40
Software	5 - 15

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Compensated Absences

It is the Village's policy for employees to accrue vacation and sick leave. Accrued vacation must be used within 12 months of being earned. Vested or accumulated vacation and sick leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, an expense is recorded for that portion of vesting accumulated sick leave benefits that is expected to be taken as "terminal leave" at retirement.

Interfund Transactions

Interfund services transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services transactions and reimbursements, are reported as transfers.

Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (*i.e.*, the current portion of interfund loans) or "advances to/from other funds" (*i.e.*, the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Fund Balance

The components of fund balance include the following line items:

1. Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
2. Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.
3. Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision-making that requires formal action at the same level to remove. For the Village, the Board of Trustees is the highest level of decision-making.
4. Assigned fund balance has limitations resulting from intended use, where the intended use is established by the Board of Trustees. It also includes all remaining amounts that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
5. Unassigned fund balance is the total fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. Deficit fund balances of other governmental funds are also reported as unassigned.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned or unassigned fund balance classifications could be used, then the Village will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

The following funds had a deficit in fund balances at December 31, 2020:

Fund	Deficit
2016 General Obligation Debt Service Fund	\$ 4,113
2018 General Obligation Debt Service Fund	150,271

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/reduction of liability) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2: Deposits and Investments

The Village and pension trust funds categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

Village

The Village's investment policy authorizes the Village to invest in debt securities guaranteed by the United States Government (explicitly or implicitly), debt securities of the United States Government or its agencies, interest-bearing savings accounts, time deposits and certificates of deposit of a bank that is insured by the FDIC, certain insured short-term obligations of corporations organized in the United States Government, certain money market mutual funds, interest-bearing bonds of other local governments and The Illinois Funds (a money market fund created by the state legislature under the control of the State Treasurer that maintains a \$1 share value).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the Village to invest their funds in a manner which will provide the highest investment return with the maximum security while meeting the operating demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

The Village maintains a cash and investment pool that is available for use by all funds. In addition, investments are separately held by several of the Village’s funds.

Deposits With Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village’s name.

Investments

The following table presents the investments and maturities of the Village’s debt securities as of December 31, 2020:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	Greater Than 10
Negotiable certificates of deposit	\$ 4,850,000	\$ 4,850,000	\$ -	\$ -	\$ -

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed currently. The investment policy limits the maximum maturity lengths of most investments to two years.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government.

The Village has the following recurring fair value measurements as of December 31, 2020: the negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs).

The negotiable certificates of deposit are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Village will not be able to recover the value of its investments that are in

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

possession of an outside party. To limit its exposure, the Village’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village’s agent separate from where the investment was purchased.

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. The Village’s investment policy has the following diversification guidelines: no more than 50% of the Village’s investments can be held at any one financial institution, exclusive of bonds, notes debenture or other obligations of the United States Government or its agencies.

Negotiable certificates of deposit are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000 per depositor per bank. At December 31, 2020, the Village’s negotiable certificates of deposit are fully insured or collateralized.

Note 3: Receivables

The following receivables are included in other receivables on the statement of net position:

Governmental activities	
Hotel tax	\$ 29,112
Electric utility tax	149,055
Local municipal gas use tax	130,315
Packaged liquor tax	57,977
Municipal motor fuel tax	27,930
Cannabis use tax	10,356
Cable franchise fees	178,067
IPBC terminal reserve	2,115,706
Grants	269,832
Employee computer program	40,679
Other miscellaneous	<u>459,030</u>
Total governmental activities	<u><u>\$ 3,468,059</u></u>
Business-type activities	
Entertainment tax	\$ 14,550
Food and beverage taxes	174,128
Video gaming tax	21,597
Ticketing revenues	2,012
Other miscellaneous	<u>488,792</u>
Total business-type activities	<u><u>\$ 701,079</u></u>

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

The following receivables are included in due from other governments on the statement of net position:

Governmental activities	
Sales tax	\$ 2,061,332
Home rule sales tax	890,345
Income tax	550,235
Local use tax	630,751
Municipal motor fuel tax	172,272
Simplified telecommunications tax	259,207
	<hr/>
Total governmental activities	<u><u>\$ 4,564,142</u></u>

Note 4: Capital Assets

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balances January 1	Increases	Decreases	Balances December 31
Governmental activities				
Capital assets not being depreciated				
Land	\$ 7,037,285	\$ -	\$ -	\$ 7,037,285
Land right of way	42,224,358	656,363	-	42,880,721
Construction in progress	1,367,315	1,134,935	-	2,502,250
	<hr/>	<hr/>	<hr/>	<hr/>
	50,628,958	1,791,298	-	52,420,256
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets being depreciated				
Buildings and improvements	49,167,591	1,176,475	76,071	50,267,995
Department equipment	3,331,705	342,157	107,246	3,566,616
Vehicles	12,879,988	1,399,983	1,802,214	12,477,757
Software	-	39,550	-	39,550
Infrastructure	129,968,136	3,819,407	69,669	133,717,874
	<hr/>	<hr/>	<hr/>	<hr/>
	195,347,420	6,777,572	2,055,200	200,069,792
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation for				
Buildings and improvements	17,482,907	1,232,250	41,317	18,673,840
Department equipment	2,065,770	223,501	107,246	2,182,025
Vehicles	7,366,009	697,823	1,780,252	6,283,580
Software	-	988	-	988
Infrastructure	71,253,323	3,818,073	69,668	75,001,728
	<hr/>	<hr/>	<hr/>	<hr/>
	98,168,009	5,972,635	1,998,483	102,142,161
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets being depreciated, net	97,179,411	804,937	56,717	97,927,631
	<hr/>	<hr/>	<hr/>	<hr/>
Governmental activities capital assets, net	<u><u>\$ 147,808,369</u></u>	<u><u>\$ 2,596,235</u></u>	<u><u>\$ 56,717</u></u>	<u><u>\$ 150,347,887</u></u>

Village of Hoffman Estates, Illinois
Notes to Financial Statements
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	Balances January 1	Increases	Decreases	Balances December 31
Business-type activities				
Capital assets not being depreciated				
Land	\$ 6,499,000	\$ -	\$ -	\$ 6,499,000
Construction in progress	176,961	976,158	-	1,153,119
	<u>6,675,961</u>	<u>976,158</u>	<u>-</u>	<u>7,652,119</u>
Capital assets being depreciated				
Buildings and improvements	75,249,916	245,143	-	75,495,059
Plant system and equipment	56,340,183	2,209,789	17,850	58,532,122
Vehicles	2,087,672	56,940	36,216	2,108,396
Software	14,077	-	-	14,077
Department equipment	5,997,738	272,158	202,350	6,067,546
	<u>139,689,586</u>	<u>2,784,030</u>	<u>256,416</u>	<u>142,217,200</u>
Less accumulated depreciation for				
Buildings and improvements	19,477,764	1,914,879	-	21,392,643
Plant system and equipment	31,696,237	1,213,235	8,739	32,900,733
Vehicles	1,219,849	144,819	36,217	1,328,451
Software	14,076	-	-	14,076
Department equipment	4,664,019	216,818	202,350	4,678,487
	<u>57,071,945</u>	<u>3,489,751</u>	<u>247,306</u>	<u>60,314,390</u>
Total capital assets being depreciated, net	<u>82,617,641</u>	<u>(705,721)</u>	<u>9,110</u>	<u>81,902,810</u>
Business-type activities capital assets, net	<u>\$ 89,293,602</u>	<u>\$ 270,437</u>	<u>\$ 9,110</u>	<u>\$ 89,554,929</u>

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities	
General government	\$ 326,036
Public safety	1,351,597
Highways and streets, including depreciation of general infrastructure assets	4,261,108
Health and welfare	10,243
Culture and recreation	15,244
Economic development	8,407
Total depreciation expense - governmental activities	<u>\$ 5,972,635</u>
Business-type activities	
Waterworks and sewerage	\$ 1,438,840
NOW Arena operating	2,050,911
Total depreciation expense - business-type activities	<u>\$ 3,489,751</u>

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Note 5: Long-Term Obligations

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Purpose of Bonds	Fund Debt Retired by	Balances January 1	Issuances	Reductions/ Refundings	Balances December 31	Current Portion
\$23,415,000 General Obligation Refunding Bonds, Series 2015A, dated August 19, 2015, with interest at 1.00% to 4.38%, maturing through December 2026.	NOW Arena	NOW Arena	\$ 15,930,000	\$ -	\$ 1,915,000	\$ 14,015,000	\$ 1,955,000
\$6,125,000 General Obligation Bonds, Series 2015B, dated August 12, 2015, with interest at 2% to 4%, maturing through December 2029.	Ladder truck and storm water and water system	Debt service/ stormwater management	1,195,000	-	120,000	1,075,000	125,000
	Water	Water	3,435,000	-	290,000	3,145,000	300,000
\$21,905,000 General Obligation Refunding Bonds, Series 2015C, dated October 28, 2015, with interest at 1% to 5%, maturing through December 2033.	NOW Arena	NOW Arena	21,765,000	-	-	21,765,000	-
\$8,975,000 General Obligation Refunding Bonds, Series 2016, dated April 21, 2016, with interest at 2% to 4%, maturing through December 2029.	Police station construction and road improvements	Debt service	8,450,000	-	105,000	8,345,000	105,000
	Water	Water	5,260,000	-	280,000	4,980,000	285,000
\$6,080,000 General Obligation Bonds, Series 2017A, dated September 12, 2017, with interest at 2% to 4%, maturing through December 2038.	Fire engine and water system	Debt service	475,000	-	40,000	435,000	40,000
	Water	Water	5,260,000	-	280,000	4,980,000	285,000
\$3,225,000 General Obligation Refunding Bonds, Series 2017B, dated September 12, 2017, with interest at 2% to 4%, maturing through December 2038.	Village Hall, police and fire station and water tank construction	Debt service	2,390,000	-	30,000	2,360,000	30,000
	Water	Water	800,000	-	5,000	795,000	5,000

Village of Hoffman Estates, Illinois
Notes to Financial Statements
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Issue	Purpose of Bonds	Fund Debt Retired by	Balances January 1	Issuances	Reductions/ Refundings	Balances December 31	Current Portion
\$35,180,000 General Obligation Refunding Bonds, Series 2018 dated July 31, 2018, with interest at 3.75% to 5.00%, maturing through December 2038.	Village Hall, police and fire station, water tank construction, and road improvements	Debt service	\$ 28,210,000	\$ -	\$ 1,440,000	\$ 26,770,000	\$ 1,625,000
		Water	5,600,000	-	-	5,600,000	-
\$9,625,850 General Obligation Bonds, Series 2019 dated November 5, 2019, with interest at 2.150%, maturing through December 2034.	Water meter replacements and street lighting improvements	Capital project	1,727,945	-	96,365	1,631,580	101,120
		Water	7,897,905	-	440,455	7,457,450	462,185
Total General Obligation Bonds			<u>\$ 103,135,850</u>	<u>\$ -</u>	<u>\$ 4,761,820</u>	<u>\$ 98,374,030</u>	<u>\$ 5,033,305</u>

Economic Development Area and Tax Increment Financing Notes

The Village also issues notes where the Village pledges economic development area (EDA) and incremental tax income derived from a separately created tax increment financing district (TIF). These notes are not obligations of the Village and are secured only by the incremental revenues generated by the area or district. All EDA and tax increment financing notes are issued for the purpose of EDA or TIF district improvements. Economic development area and tax increment financing notes currently outstanding are as follows:

Issue	Funded Debt Retired by	Balances January 1	Issuances or Accretions	Retirements or Accretions	Balances December 31	Current Portion
Economic development area notes due in annual installments only if incremental tax revenues are available.	Debt service	\$ 119,186,441	\$ 4,069,177	\$ -	\$ 123,255,618	\$ -
Tax increment redevelopment note due in annual installments only if incremental tax revenues are available.	Barrington/Higgins TIF Fund	3,584,840	-	-	3,584,840	-
Tax increment redevelopment note due in annual installments only if incremental tax revenues are available.	Higgins/Hassell TIF Fund	5,163,814	1,411,186	224,349	6,350,651	-
Total tax increment financing notes		<u>\$ 127,935,095</u>	<u>\$ 5,480,363</u>	<u>\$ 224,349</u>	<u>\$ 133,191,109</u>	<u>\$ -</u>

The increase of \$4,069,177 in the Economic Development Area Tax Increment Revenue Notes is interest due as of December 31, 2020, that accrues to the principal balance if not paid. The increase of \$1,411,186 in the TIF Increment Redevelopment Note is related to the 5th reimbursement for the Barrington Square redevelopment project.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	General Obligation Bonds Governmental Activities	
	Principal	Interest
2021	\$ 2,026,120	\$ 1,752,679
2022	2,013,295	1,660,355
2023	2,105,515	1,565,734
2024	2,202,785	1,467,665
2025	2,420,100	1,363,498
2026-2030	12,227,040	5,216,949
2030-2035	10,491,725	2,781,270
2036-2038	7,130,000	562,350
	<u>\$ 40,616,580</u>	<u>\$ 16,370,500</u>

Year Ending December 31,	Tax Increment Revenue Notes		General Obligation Bonds Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ -	\$ -	\$ 3,007,185	\$ 2,271,781
2022	-	-	3,247,125	2,182,542
2023	-	-	3,447,275	2,080,680
2024	-	-	3,567,640	1,963,848
2025	-	-	3,693,235	1,833,406
2026-2030	-	-	21,338,200	6,839,987
2031-2035	-	-	16,346,790	2,177,863
2036-2038	-	-	3,110,000	235,270
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,757,450</u>	<u>\$ 19,585,377</u>

The Hoffman Estates Economic Development Project Area Tax Increment Revenue Notes provide that the payment of principal and interest on the notes are due only if tax increment revenues are available for payment of debt service in the Sears EDA General Account Fund before the EDA expires, which was going to be in 2012. However, legislation has been approved to extend the EDA for another 15 years. Any amount of unpaid interest at the interest due dates is added to the principal balance of the note. All interest rates have been fixed at 4%.

The Barrington/Higgins Redevelopment Note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. The notes bears interest at 5%. Therefore, no set debt service schedule is available.

Village of Hoffman Estates, Illinois
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December 31, 2020

The Higgins/Hassell Redevelopment Note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. The note does not bear interest. Therefore, no set debt service schedule is available.

Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in liabilities reported in the governmental activities:

Issue	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General Obligation Bonds payable	\$ 42,447,945	\$ -	\$ 1,831,365	\$ 40,616,580	\$ 2,026,120
Unamortized bond premium	3,266,923	-	206,750	3,060,173	-
Tax increment financing notes payable***	127,935,095	5,480,363	224,349	133,191,109	-
Compensated absences payable - governmental funds*	2,628,500	1,677,384	1,696,720	2,609,164	1,964,279
Compensated absences payable - Internal Service Fund	45,276	64,732	45,276	64,732	64,732
Total OPEB liability**	17,788,200	1,655,465	4,389,604	15,054,061	540,466
Total OPEB liability - Internal Service Fund**	404,278	37,624	99,763	342,139	11,833
Net pension liability - IMRF**	10,216,474	5,904,280	11,064,070	5,056,684	-
Net pension liability - IMRF** - Internal Service Fund	567,582	328,016	614,671	280,927	-
Net pension liability - Police Pension**	61,445,264	8,909,773	4,324,074	66,030,963	-
Net pension liability - Firefighters' Pension**	37,915,065	13,284,995	18,607,701	32,592,359	-
Termination benefit**	58,153	75,853	58,153	75,853	71,950
Total governmental activities	<u>\$ 304,718,755</u>	<u>\$ 37,418,485</u>	<u>\$ 43,162,496</u>	<u>\$ 298,974,744</u>	<u>\$ 4,679,380</u>

*The General Fund and the Asset Seizure Fund typically have been used in prior years to liquidate the compensated absences payable.

**The General Fund is generally used to liquidate the net pension liabilities, termination benefits and the total other postemployment benefit obligations.

*** The increase of \$5,480,363 is related to the \$4,069,177 increase in the Economic Development Area Tax Increment Revenue Notes is interest due as of December 31, 2020, that accrues to the

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

principal balance if not paid and the \$1,411,186 TIF Increment Redevelopment Note 5th reimbursement for the Barrington Square redevelopment project.

During the fiscal year the following changes occurred in liabilities reported in the business-type activities:

Issue	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General Obligation Bonds payable	\$ 60,687,905	\$ -	\$ 2,930,455	\$ 57,757,450	\$ 3,007,185
IEPA Loans payable*	-	405,747	-	405,747	-
Unamortized bond discount	(244,736)	-	(25,343)	(219,393)	-
Unamortized bond premium	860,363	-	54,125	806,238	-
Compensated absences payable	341,047	197,301	157,612	380,736	183,912
Total OPEB liability	2,021,387	188,121	498,819	1,710,689	61,367
Net pension liability - IMRF	3,405,492	1,968,093	3,688,024	1,685,561	-
Asset retirement obligation (Note 14)	-	339,500	-	339,500	-
Termination benefits	-	5,600	-	5,600	5,600
Total business-type activities	<u>\$ 67,071,458</u>	<u>\$ 3,104,362</u>	<u>\$ 7,303,692</u>	<u>\$ 62,872,128</u>	<u>\$ 3,258,064</u>

*The total eligible IEPA loans is \$2,700,000. IEPA will disburse the loan proceeds as the Village incurs expenses on these projects. Amount presented as a payable is the amount that has been incurred as cost by the Village at December 31, 2020, and requested for loan disbursements from IEPA. As of the date of the audit report, the Village has yet to receive repayment schedules on the loans.

Refundings

In July 2018, the Village defeased \$23,410,000 of the Series 2008A General Obligation Bonds and \$15,280,000 of the 2009A General Obligation Bonds by creating separate irrevocable trust funds to provide for all future debt payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's financial statements. At December 31, 2020, the Series 2008A Bonds have a balance of \$23,410,000 and the 2009A Series Bonds have a balance of \$10,600,000.

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its

Village of Hoffman Estates, Illinois
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December 31, 2020

population is more than 25,000 and less than 500,000 an aggregate of one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

Tax Increment Revenue Note Disclosures

The Village, pursuant to an economic development agreement dated February 25, 1990, has agreed to reimburse Sears, Roebuck and Co. (Sears) for certain project costs Sears has incurred as the Village’s agent in furthering the economic development plan and project. The economic development agreement requires that an economic development tax increment revenue note be executed each time Sears makes such an advance. These notes are payable from and secured solely by the pledged incremental revenues deposited from time-to-time in the Sears EDA General Account Fund created by the indenture of the Series 2005 and Series 1991 tax increment revenue bonds.

The interest rates are fixed at 4%. Payments on the notes are due semiannually as and to the extent monies are available in the EDA General Account Fund. Any amount of interest not paid on the due date is to be added to the principal balance of the note then outstanding.

Termination Benefits

In accordance with GASB Statement No. 47, *Accounting for Termination Benefits*, the Village is required to calculate and record a termination benefit liability, which is, in general, the future costs to the Village to fund costs associated with termination benefits. During 2019, the Village entered into a voluntary termination benefit agreement providing for the payment of 15 months of health insurance costs to those employees choosing to participate. The employees were required to resign as of a designated date and to maintain the same coverage as they were provided during their employment. Under the agreement, the Village contributed 100% of the employee’s health insurance premiums for the period covered. The Village has calculated the premium payments for the remaining period of the benefit based on the 2020 actual rates.

The Village makes monthly insurance payments for the premium amount in conjunction with their regular health insurance premium payments.

Total Other Postemployment Benefit Liability

In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the Village is required to calculate and record a total other postemployment benefit liability (Total OPEB Liability). The Total OPEB Liability is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 75 for the Village’s OPEB Plan. See Note 13 for further information regarding the Total OPEB Liability at December 31, 2020.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Note 6: Interfund Transactions

Due from/to other funds at December 31, 2020, consist of the following:

	<u>Due From</u>	<u>Due to</u>
General Fund	\$ 709,940	\$ -
Nonmajor governmental funds	-	179,505
NOW Arena	-	530,435
	<u> </u>	<u> </u>
Total	<u>\$ 709,940</u>	<u>\$ 709,940</u>

- The above due from/due to amounts outstanding primarily relate to the expenses paid and advanced by the general fund on behalf of the nonmajor governmental funds. These amounts will be repaid within one year.

Interfund transfers during the year ended December 31, 2020, consisted of the following:

	<u>Transfer in</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 5,001,998
Nonmajor governmental funds	5,292,198	1,613,500
Waterworks and Sewerage Fund	-	17,330
NOW Arena Operating Fund	1,255,519	-
Internal service funds	85,111	-
	<u> </u>	<u> </u>
Total	<u>\$ 6,632,828</u>	<u>\$ 6,632,828</u>

The purposes of significant interfund transfers are as follows:

- \$5,292,198 transfers to nonmajor funds are for the following:
 - \$121,575 transfer to 2015B General Obligation Debt Service Fund from General Fund for debt service cost.
 - \$12,000 transfer to 2016 General Obligation Debt Service Fund from General Fund for debt service cost.
 - \$179,300 transfer to 2017 A&B General Obligation Debt Service Fund from General Fund for debt service cost.
 - \$785,420 transfer to 2018 General Obligation Debt Service Fund from General Fund for debt service cost.
 - \$136,199 transfer to 2019 General Obligation Debt Service Fund from General Fund for debt service cost.

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- \$2,405,040 transfer to nonmajor capital projects funds from General Fund to fund capital improvements, vehicle and equipment purchases for 2020.
- \$17,330 transfer to nonmajor capital projects funds from Water and Sewerage Fund for its share for the capital improvements in 2020.
- \$1,613,500 transfer to nonmajor capital projects funds from other nonmajor capital project fund to fund capital improvements for 2020.
- \$1,255,519 transferred from the General Fund to the NOW Arena Operating Fund to fund debt service and capital acquisitions. This amount will not be repaid.
- \$85,111 transferred from the General Fund to the internal service funds to fund operating expenses. The transfers will not be repaid.

Note 7: Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees and natural disasters. The Village is self-insured for general liability and workers’ compensation and has established a risk financing Insurance Fund (Fund) for those risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. Under this program, the Fund provides coverage up to a maximum of \$100,000 for each general liability and property damage claim and \$750,000 for each workers’ compensation claim. The Village is a member of the Intergovernmental Personnel Benefit Cooperative (IPBC) for health claims. IPBC currently has \$2,115,706 available on deposit for use by the Village.

The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims did not exceed the Fund’s coverage and the commercial coverage was not exceeded in the past three fiscal years.

All operating funds of the Village participate and make payments to the Fund based upon actuarial estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and societal factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	2020	2019
Unpaid claims, beginning of year	\$ 814,806	\$ 712,820
Incurred claims (including IBNR)	869,755	1,307,970
Claim payments	(655,517)	(1,205,984)
Unpaid claims, end of year	\$ 1,029,044	\$ 814,806

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

High-Level Excess Liability Pool

The Village participates in the High-Level Excess Liability Pool (HELP). HELP is a public entity risk pool established by certain municipalities in Illinois to provide excess liability coverage (\$10,000,000 of coverage after a \$2,000,000 self-insurance retention). The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP was organized on April 1, 1987. The purpose of HELP is to act as joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions made against the members and other parties included within the scope of coverage of HELP.

HELP is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of HELP are appointed by the Board of Directors. The Board of Directors determines the general policy of HELP, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the HELP agreement or the by-laws. The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

The Village of Elk Grove Village, Illinois (the initial host member) issued \$5,000,000 of general obligation bonds in 1987 to provide initial funding for HELP. The bond proceeds were put into escrow. An intergovernmental agreement among HELP, the Village of Elk Grove Village, Illinois and the members provided that HELP and its members were obligated to the Village of Elk Grove Village, Illinois for payment of principal and interest on the bonds until such bonds were retired. Additionally, each member was liable for its proportionate share of any default by other members. The obligations of HELP and its members are unconditional. The bonds were paid in full as of April 30, 1997.

HELP concluded its operation in April 30, 2018, and is only processing and resolving claims prior to its dissolution date. Management of the Village does not believe the Village will have any significant liability from the dissolution.

Intergovernmental Personnel Benefit Cooperative

Effective January 1, 2005, the Village participates in the IPBC. IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi-governmental and nonprofit public service entities. IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

Village of Hoffman Estates, Illinois
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December 31, 2020

Note 8: Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Village’s counsel that resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Note 9: Contractual Commitments

Northwest Suburban Municipal Joint Action Water Agency

The Village has committed to purchase water from Northwest Suburban Municipal Joint Action Water Agency (JAWA) through the year 2032. The Village expects to pay the following payments to JAWA:

Year Ending December 31,	* Amount
2021	\$ 8,860,000
2022	8,860,000
2023	8,860,000
2024	8,860,000
2025	8,860,000
2026-2030	44,300,000
2031-2032	17,720,000

*These amounts have been estimated based upon the Village’s current water consumption figures and current water costs. In future years, the annual cost will be subject to change.

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Construction Commitments

As of December 31, 2020, the Village had the following commitments with respect to unfinished projects:

Project	Remaining Commitments
General Fund Projects	\$ 239,123
Water & Sewer Fund Projects	2,598,000
Total	\$ 2,837,123

Note 10: Tax Abatements

The Village has entered into economic incentive agreements with commercial entities whereby the Village has agreed to reimburse the commercial entities for certain unique infrastructure costs incurred by the commercial entities through sales tax, wholesale vehicle tax, amusement tax and property tax rebates. The amount of the rebates is limited to the lower of actual costs or \$19,462,500 (\$10,669,704 paid as of December 31, 2020) and are payable over 4 to 12 years solely from sales taxes, wholesale vehicle taxes, amusement taxes or property taxes generated by the commercial entities. The rebates are to be paid semiannually by each March 31st and September 30th, for the previous six months ending December 31st and June 30th, respectively, or annually within 120 days after the end of the Village’s fiscal year for amounts collected by the state or the Village for the prior fiscal year or quarterly. During the fiscal year ended December 31, 2020, approximately \$404,704 in property taxes, \$43,814 in wholesale vehicle taxes and \$473,823 in sales taxes were rebated under these agreements. At December 31, 2020, the Village has accrued an estimated rebate liability of \$300,980 for amounts collected by the state and the Village through December 31, 2020. The amounts to be reimbursed annually are limited to various percentages or maximum limits of sales taxes and property taxes generated by the commercial entities.

Note 11: Joint Ventures

Northwest Suburban Municipal Joint Action Water Agency

Description of Joint Venture

The Village is a member of (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the *Intergovernmental Cooperation Act* of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers.

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JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 903 Brantwood Avenue, Elk Grove Village, Illinois 60007.

Revenues of the system consist of (1) all receipts derived from the Water Supply Agreements or any other contract for the supply of water; (2) all income derived from the investment of monies; and (3) all income, fees, water service charges and all grants, rents and receipts derived by JAWA from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its obligations.

JAWA has entered into water supply agreements with the seven member municipalities for a term of 40 years, extending to 2058. The agreements are irrevocable and may not be terminated or amended except as provided for in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago (City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2032.

The obligation of the Village to make payments required by this agreement is payable from the Village’s Waterworks and Sewerage Fund.

In accordance with the joint venture agreement, the Village remitted \$8,578,607 to JAWA for 2020. The Village does not have an equity interest in JAWA at December 31, 2020.

Solid Waste Agency of Northern Cook County

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the *Intergovernmental Cooperation Act* of the State of Illinois. SWANCC is empowered to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of the mayor or president from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, provides for the issuance of debt, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws. SWANCC has no power to levy taxes.

Complete financial statements for SWANCC can be obtained from the SWANCC’s administrative office at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026. Revenues of the system consist of (1) all receipts derived from solid waste disposal contracts or any other contracts for the disposal

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of waste; (2) all income derived from the investment of monies and (3) all income, fees, service charges and all grants, rents and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into solid waste disposal contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided for in the contract. Each member is obligated, on a “take or pay” basis, to deliver a minimum amount of solid waste to the system. The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under the contract. The contract does not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the contract, the Village made payments totaling \$645,351 to SWANCC in 2020. The payments have been recorded in the Municipal Waste System Account. The Village does not have an equity interest in SWANCC at December 31, 2020.

Note 12: Defined Benefit Pension Plans

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan and the Firefighters’ Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters’ Pension Plans do not issue separate reports. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

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The table below is a summary for all pension plans as of and for the year ended December 31, 2020:

	Governmental Activities	Business-Type Activities *	Total Village
Net pension liability			
IMRF	\$ 5,337,611	\$ 1,685,561	\$ 7,023,172
Police	66,030,963	-	66,030,963
Firefighters'	32,592,359	-	32,592,359
	<u>\$ 103,960,933</u>	<u>\$ 1,685,561</u>	<u>\$ 105,646,494</u>
Deferred outflows of resources			
IMRF	\$ 2,901,536	\$ 916,275	\$ 3,817,811
Police	10,226,458	-	10,226,458
Firefighters'	4,797,414	-	4,797,414
	<u>\$ 17,925,408</u>	<u>\$ 916,275</u>	<u>\$ 18,841,683</u>
Deferred inflows of resources			
IMRF	\$ 2,885,633	\$ 911,253	\$ 3,796,886
Police	2,818,482	-	2,818,482
Firefighters'	10,363,617	-	10,363,617
	<u>\$ 16,067,732</u>	<u>\$ 911,253</u>	<u>\$ 16,978,985</u>
Pension expense			
IMRF	\$ 1,345,252	\$ 424,816	\$ 1,770,068
Police	7,130,587	-	7,130,587
Firefighters'	2,686,390	-	2,686,390
	<u>\$ 11,162,229</u>	<u>\$ 424,816</u>	<u>\$ 11,587,045</u>

*Same amounts are also reported in the proprietary fund statements.

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Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2019, the latest actuarial valuation date, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	196
Inactive employees entitled to but not yet receiving benefits	112
Active employees	178
	486

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar years ended 2019 and 2020 were 10.64% and 12.65%, respectively, of covered payroll. Contributions to the plan by the Village were \$1,757,527 for 2020.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Actuarial Assumptions

The Village’s net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2019
Actuarial Cost Method	Entry-age normal
Asset Valuation Method	Market value of assets
Assumptions	
Investment Rate of Return	7.25%
Salary Increases	3.35% to 14.25%
Price inflation	2.50%

Retirement age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

Mortality: For nondisabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Long-Term Expected Real Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of

Village of Hoffman Estates, Illinois
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return as of the December 31, 2019 measurement date, for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic equities	37%	5.75%
International equities	18%	6.50%
Fixed income	28%	3.25%
Real estate	9%	5.20%
Alternatives	7%	3.60 - 7.60%
Cash equivalents	1%	1.85%

Discount Rate

The discount rate used to measure the total pension liability at the December 31, 2019 measurement date was 7.25% (same as prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Village of Hoffman Estates, Illinois
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Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at, January 1, 2020	\$ 85,539,770	\$ 71,350,222	\$ 14,189,548
Changes for the period			
Service cost	1,314,119	-	1,314,119
Interest	6,111,417	-	6,111,417
Difference between expected and actual experience	774,853	-	774,853
Changes in assumptions	-	-	-
Employer contributions	-	1,430,527	(1,430,527)
Employee contributions	-	609,298	(609,298)
Net investment income	-	13,135,332	(13,135,332)
Benefit payments and refunds	(3,802,845)	(3,802,845)	-
Other (net transfer)	-	191,608	(191,608)
Net changes	<u>4,397,544</u>	<u>11,563,920</u>	<u>(7,166,376)</u>
Balances at, December 31, 2020	<u>\$ 89,937,314</u>	<u>\$ 82,914,142</u>	<u>\$ 7,023,172</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the Village recognized pension expense of \$1,770,068. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 956,239	\$ -
Changes of assumption	1,104,045	519,172
Net difference between projected and actual earnings on Pension Plan investments	-	3,277,714
Contributions made subsequent to the measurement date	<u>1,757,527</u>	<u>-</u>
Total	<u>\$ 3,817,811</u>	<u>\$ 3,796,886</u>

Village of Hoffman Estates, Illinois
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\$1,757,527 reported as deferred outflows of resources related to pensions resulting from the Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2021	\$ (367,610)
2022	(201,594)
2023	436,483
2024	(1,603,881)
2025	-
Thereafter	-
Total	\$ (1,736,602)

Discount Rate Sensitivity

The following is a sensitivity analysis of the Village’s net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25)%	Current Discount Rate (7.25)%	1% Increase (8.25)%
Net pension liability	<u>\$ 18,220,662</u>	<u>\$ 7,023,172</u>	<u>\$ (2,248,925)</u>

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension (and other employee benefit) trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village’s President, one member is elected by pension beneficiaries and two members are elected by active police employees.

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The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2020, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	101
Inactive plan members entitled to but not yet receiving benefits	14
Active plan members	85
Total	200

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (*i.e.*, ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village funds at 100% of the past service cost. For the year ended December 31, 2020, the Village's contributions were 49.43% of covered payroll and amounted to \$4,324,074.

Investment Policy

ILCS limits the Police Pension Fund's (Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The Fund's policy has an investment horizon for its investments of three years. During the year, the Fund did not make any changes to the investment policy other than changing its asset allocation.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	1%	0.20%
Fixed Income		
Intermediate Government	34%	2.70%

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Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities		
Large Cap	7%	4.45%
Large Cap Value	7%	4.70%
Mid Cap Value	8%	5.20%
Small Cap	8%	5.60%
Small Cap Value	8%	6.50%
International Equities		
International Developed	5%	4.45%
International Value	6%	6.60%
International Small	6%	7.45%
Emerging Markets	8%	7.50%
Real Estate	2%	3.90%

ILCS limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in February 2020 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2020, are listed in the preceding table.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities and mutual funds and contract values for insurance contracts. The Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a \$1 per share value.

Investment Concentrations

The Fund had no investments greater than 5% of its overall portfolio.

Village of Hoffman Estates, Illinois
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Investment Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.24%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits With Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Fund in the Fund's name.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2020:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 3,259,371	\$ -	\$ 1,620,605	\$ 1,638,766	\$ -
U.S. agency obligations	5,135,793	60,566	2,141,029	911,195	2,023,003
Municipal bonds	593,390	181,638	278,006	-	133,746
Corporate bonds	12,693,877	1,410,344	8,329,349	2,928,435	25,749
Total	\$ 21,682,431	\$ 1,652,548	\$ 12,368,989	\$ 5,478,396	\$ 2,182,498

The Fund has the following recurring fair value measurements as of December 31, 2020: the U.S. Treasury obligations and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, municipal bonds and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government and in corporate bonds in the top three classes by a national rating agency. The Illinois Funds is rated AAA by a national rating agency. The Fund's U.S. agency obligations consist of FHLMC, FNMA, GNMA, TVA and FFCB

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securities. For ratings that were available, these securities were rated Aaa by a national rating agency. The municipal bonds are rated Aa3. The corporate bonds are rated Aa1 to Baa3.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at, January 1, 2020	\$ 142,090,691	\$ 80,645,427	\$ 61,445,264
Changes for the period			
Service cost	1,829,400	-	1,829,400
Interest	10,529,604	-	10,529,604
Difference between expected and actual experience	3,932,773	-	3,932,773
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Employer contributions	-	4,324,074	(4,324,074)
Employee contributions	-	874,298	(874,298)
Other contributions	-	-	-
Net investment income	-	6,557,880	(6,557,880)
Benefit payments and refunds	(7,245,992)	(7,245,992)	-
Administrative expense	-	(50,174)	50,174
Net changes	9,045,785	4,460,086	4,585,699
Balances at, December 31, 2020	\$ 151,136,476	\$ 85,105,513	\$ 66,030,963

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Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2020, using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2020
Actuarial Cost Method	Entry-age normal
Asset Valuation Method	Market Value
Assumptions	
Rate of Return	7.50%
Salary Increases	3.25% to 10.08%
Inflation	2.25%

Mortality rates were based on the Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Pension Data.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2020 was 7.50% (same as prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity

The following is a sensitivity analysis of the Village's net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current	1% Increase
	(6.50)%	Discount Rate (7.50)%	(8.50)%
Net pension liability	<u>\$ 87,728,084</u>	<u>\$ 66,030,963</u>	<u>\$ 48,440,665</u>

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the Village recognized police pension expense of \$7,130,587. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,891,802	\$ 483,794
Changes of assumption	4,334,656	2,240,258
Net difference between projected and actual earnings on pension plan investments	-	94,430
Total	\$ 10,226,458	\$ 2,818,482

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2021	\$ 822,134
2022	2,917,076
2023	776,079
2024	1,703,532
2025	1,189,155
Thereafter	-
Total	\$ 7,407,976

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the Village. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village’s President, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2020, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	86
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	91
Total	180

Benefits Provided

The following is a summary of benefits of the plan as provided for in ILCS:

The Firefighters’ Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters’ salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (*i.e.*, ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighter’s Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the Village funds at 100% of the past service cost. For the year ended December 31, 2020, the Village’s contributions were 37.58% of covered payroll and amounted to \$3,688,506.

Investment Policy

Permitted Deposits and Investments - ILCS and the Firefighters’ Pension Fund’s (Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran’s loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities.

The Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
US Large Cap Equity	35%	5.80%
US Mid Cap Equity	4%	6.20%
US Small Cap Equity	4%	5.40%
REITs	3%	4.80%
Non US Developed Equity	16%	4.80%
Emerging Markets	3%	6.40%
Fixed Income	33%	1.40%
Cash	2%	0.80%

Village of Hoffman Estates, Illinois
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December 31, 2020

ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio. The target column is the current preferred mix of assets.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in February 2020 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2020, are listed in the table above.

Concentrations

The Fund had no investments greater than 5% of its overall portfolio.

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.99%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits With Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Fund in the Fund's name.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2020:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 10,266,027	\$ 2,613,151	\$ 964,595	\$ 1,558,538	\$ 5,129,743
U.S. agency obligations	4,988,713	-	1,644,244	3,135,405	209,064
Municipal bonds	382,365	-	-	192,946	189,419
Corporate bonds	15,993,784	355,899	3,758,561	11,444,517	434,807
Total	<u>\$ 31,630,889</u>	<u>\$ 2,969,050</u>	<u>\$ 6,367,400</u>	<u>\$ 16,331,406</u>	<u>\$ 5,963,033</u>

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

The Fund has the following recurring fair value measurements as of December 31, 2020: the U.S. Treasury obligations, equities and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, municipal and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government and in corporate bonds in the top three classes by a national rating agency. The Illinois Funds is rated AAA by a national rating agency. The Fund's U.S. agency obligations consist of FFCB, FHLMC, FHLB and FNMA securities. For ratings that were available, these securities were rated Aaa by a national rating agency. The municipal bonds are rated Aa2. The corporate bonds are rated Aa1 to Baa3.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Money market mutual funds and mutual funds are not subject to custodial credit risk.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at, January 1, 2020	\$ 131,311,693	\$ 93,396,628	\$ 37,915,065
Changes for the period			
Service cost	2,241,786	-	2,241,786
Interest	9,466,598	-	9,466,598
Change in benefit terms	-	-	-
Difference between expected and actual experience	1,528,347	-	1,528,347
Changes in assumptions	-	-	-
Employer contributions	-	3,688,506	(3,688,506)
Employee contributions	-	927,910	(927,910)
Net investment income	-	13,991,335	(13,991,335)
Benefit payments and refunds	(6,188,024)	(6,188,024)	-
Other (net transfer)	-	(48,314)	48,314
Net changes	7,048,707	12,371,413	(5,322,706)
Balances at, December 31, 2020	\$ 138,360,400	\$ 105,768,041	\$ 32,592,359

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial Valuation Date	December 31, 2020
Actuarial Cost Method	Entry-age normal
Asset Valuation Method	Market Value
Assumptions	
Rate of Return	7.50%
Salary Increases	3.75% to 11.04%
Inflation	2.25%

Mortality rates were based on the Pub-2010 Adjusted for Plan Status, Demographics and Illinois Pension Data.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2020, was 7.50% (same as prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity

The following is a sensitivity analysis of the Village's net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current	1% Increase
	(6.50)%	(7.50)%	(8.50)%
Net pension liability	\$ 52,064,980	\$ 32,592,359	\$ 16,691,161

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the Village recognized firefighters' pension expense of \$2,686,390. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to the Firefighters' Pension Plan from the following sources:

	Deferred	Deferred
	Outflows of	Inflows of
	Resources	Resources
Differences between expected and actual experience	\$ 1,749,742	\$ 805,298
Changes of assumption	3,047,672	751,337
Net difference between projected and actual earnings on pension plan investments	-	8,806,982
Total	\$ 4,797,414	\$ 10,363,617

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Firefighter's Pension Plan will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2021	\$ (1,481,195)
2022	(702,032)
2023	(3,240,396)
2024	(1,110,523)
2025	525,108
Thereafter	<u>442,835</u>
Total	<u><u>\$ (5,566,203)</u></u>

Combining Pension Plan Financial Statements

Fiduciary Net Position

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and short-term investments	\$ 11,001	\$ 8,932	\$ 19,933
Investments, at fair value			
U.S. Treasury securities	3,259,371	4,988,713	8,248,084
U.S. agency securities	5,135,793	10,266,027	15,401,820
Corporate bonds	12,693,877	15,993,784	28,687,661
Municipal bonds	593,390	382,365	975,755
Mutual funds	60,884,383	44,749,046	105,633,429
Money market mutual funds	2,419,847	3,157,804	5,577,651
Equities	-	26,063,393	26,063,393
Receivables (net, where applicable, of allowances for uncollectibles)			
accrued interest	124,709	177,965	302,674
Prepaid expenses	<u>4,935</u>	<u>6,197</u>	<u>11,132</u>
Total assets	85,127,306	105,794,226	190,921,532
Liabilities			
Accounts payable	<u>21,793</u>	<u>26,185</u>	<u>47,978</u>
Net position restricted for pensions	<u><u>\$ 85,105,513</u></u>	<u><u>\$ 105,768,041</u></u>	<u><u>\$ 190,873,554</u></u>

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions			
Employer contributions	\$ 4,324,074	\$ 3,688,506	\$ 8,012,580
Employee contributions	874,298	927,910	1,802,208
Total contributions	<u>5,198,372</u>	<u>4,616,416</u>	<u>9,814,788</u>
Investment income			
Net appreciation in fair value of investments	4,938,445	11,087,795	16,026,240
Investment income	1,715,065	3,181,799	4,896,864
Total investment income	6,653,510	14,269,594	20,923,104
Less investment expense	(95,630)	(278,259)	(373,889)
Net investment income	<u>6,557,880</u>	<u>13,991,335</u>	<u>20,549,215</u>
Total additions	<u>11,756,252</u>	<u>18,607,751</u>	<u>30,364,003</u>
Deductions			
Benefits and refunds	7,245,992	6,188,024	13,434,016
Miscellaneous	50,174	48,314	98,488
Total deductions	<u>7,296,166</u>	<u>6,236,338</u>	<u>13,532,504</u>
Net increase in fiduciary net position	4,460,086	12,371,413	16,831,499
Net position restricted for pensions			
January 1	<u>80,645,427</u>	<u>93,396,628</u>	<u>174,042,055</u>
December 31	<u>\$ 85,105,513</u>	<u>\$ 105,768,041</u>	<u>\$ 190,873,554</u>

Note 13: Other Postemployment Benefits

Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. Thus, no assets are accumulated in a trust that meets the criteria in

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

paragraph 4 of GASB Statement No 75. The plan does not issue a separate report. The activity of the plan is reported in the Village’s governmental and business-type activities.

Benefits Provided

The Village provides postemployment health care benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village’s retirement plans or meet COBRA requirements.

All health care benefits are provided through the Village’s insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Once reaching Medicare age, retirees are covered by a Medicare supplement plan as opposed to the Village’s active employee health plan. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay-as-you-go) which results in an implicit subsidy to the Village.

Membership

At December 31, 2020, membership consisted of:

Retirees and beneficiaries currently receiving benefits	86
Active employees	<u>322</u>
Total	<u><u>408</u></u>

Total OPEB Liability

The Village’s total OPEB liability of \$17,106,889 was measured as of December 31, 2020, determined by an actuarial valuation as of January 1, 2021.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry-age Normal
Actuarial Value of Assets	N/A
Inflation	2.25%
Salary Increases	3.00%
Discount Rate	2.12%
Healthcare Cost Trend Rates	6.35% First-Year 5.00% Ultimate
Retirees Share of Benefit-Related Costs	100% Regular Plan

The discount rate was based on the index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2020. The discount rate at December 31, 2019, was 2.74%.

Active Non-Union and Public Works Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. These Rates are Improved Generationally using MP-2017 Improvement Rates. Active Police and Firefighter Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study, improved to 2017 using MP-2019 improvement rates. These Rates are Improved Generationally using MP-2019 Improvement Rates. Retiree Police and Firefighter Mortality follows the L&A Assumption Study for Police and Firefighters 2020. These Rates are Experience Weighted with the Sex Distinct Raw Rates as Developed PubS-2010(A) Study Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

Disabled Firefighter Mortality follows the L&A Assumption Study for Disabled Firefighters 2020. These Rates are Experience Weighted with the Sex Distinct Raw Rates as Developed in the PubS-2010 Study for Disabled Participants Improved to 2017 using MP-2019 Improvement Rates. Disabled Police Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010 Study for Disabled Participants Improved to 2017 using MP-2019 Improvement Rates. Both Disabled Police and Disabled Firefighter Rates are then Improved Generationally using MP-2019 Improvement Rates. Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubG-2010 Study until Age 45 and the PubS-2010(A) Study for Contingent Survivors for all Ages After Age 45 Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

The actuarial assumptions used in the December 31, 2020 valuation, are based on 30% participation assumed, with 50% electing spouse coverage.

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at, January 1, 2020	\$ 20,213,865
Changes for the period	
Service cost	575,005
Interest	545,453
Differences between expected and actual experience	(4,093,701)
Changes of assumptions	760,752
Plan changes	(280,819)
Benefit payments	(613,666)
Net changes	(3,106,976)
Balances at, December 31, 2020	\$ 17,106,889

The discount rate was changed from 2.74% to 2.12%.

Rate Sensitivity

The following is a sensitivity analysis of the Village's total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 2.12% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	(1.12)%	(2.12)%	(3.12)%
Total OPEB liability	\$ 20,707,373	\$ 17,106,889	\$ 14,396,221

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

The table below presents the Village's total OPEB liability of the Village calculated using the healthcare rate of 6.35% to 5.00% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.35% to 4.00%) or 1 percentage point higher (7.35% to 6.35%) than the current rate:

	1% Decrease 5.35% to 4.00%	Current Healthcare Rate 6.35% to 5.00%	1% Increase 7.35% to 6.00%
Total OPEB liability	\$ 14,018,940	\$ 17,106,889	\$ 21,279,080

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2030, the Village recognized OPEB expense of \$881,449. At December 31, 2030, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 3,707,866
Changes of assumption	4,665,637	1,063,754
Total	\$ 4,665,637	\$ 4,771,620

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending December 31,	Amount
2021	\$ 41,810
2022	41,810
2023	41,810
2024	41,810
2025	41,810
Thereafter	(315,033)
Total	\$ (105,983)

Village of Hoffman Estates, Illinois
Notes to Financial Statements
December 31, 2020

Note 14: Change in Accounting Principle

In 2020 the Village adopted Governmental Accounting Standards Board Statement No. 83, *Certain Asset Retirement Obligations*. The adoption did not result in a restatement of beginning fund equity or net position. The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with State requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 50 years. At December 31, 2020, the ARO has a balance of \$339,500, which is offset by a related deferred outflows of resources, net of \$6,790 amortization.

Note 15: Subsequent Events

Related to the Village's Economic Development Area (EDA), the Village has been informed that Transform SR LLC is considering assumption of the EDA from Sears, but the issue remains pending in the bankruptcy court.

Required Supplementary Information

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
General Fund
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 32,466,880	\$ 32,533,630	\$ 30,503,005
Licenses and permits	1,981,500	1,981,500	1,744,758
Intergovernmental	15,686,010	16,145,200	16,649,712
Charges for services	9,399,440	9,399,440	9,245,252
Fines and forfeits	1,392,200	1,392,200	1,110,521
Interest income	503,600	503,600	183,463
Miscellaneous	728,610	728,610	553,852
Total revenues	<u>62,158,240</u>	<u>62,684,180</u>	<u>59,990,563</u>
Expenditures			
Current			
General government	6,676,230	6,742,980	6,031,574
Public safety	38,684,250	39,072,990	37,555,497
Highways and streets	6,515,600	6,515,600	5,876,922
Sanitation	3,082,560	3,082,560	2,979,804
Health and welfare	2,385,570	2,456,020	2,379,164
Culture and recreation	354,860	354,860	152,351
Economic development	2,597,740	2,597,740	2,124,118
Total expenditures	<u>60,296,810</u>	<u>60,822,750</u>	<u>57,099,430</u>
Excess Revenues Over Expenditures	1,861,430	1,861,430	2,891,133
Other Financing Uses			
Transfers out	<u>(5,190,770)</u>	<u>(5,190,770)</u>	<u>(5,001,998)</u>
Net Change in Fund Balance	<u>\$ (3,329,340)</u>	<u>\$ (3,329,340)</u>	<u>(2,110,865)</u>
Fund Balance, January 1			<u>25,798,131</u>
Fund Balance, December 31			<u>\$ 23,687,266</u>

Village of Hoffman Estates, Illinois
Notes to Required Supplementary Information
December 31, 2020

Budgetary Information

All departments submit requests for appropriations to the Village Manager so that a budget may be prepared. The proposed budget is prepared by line item, program, department and fund and includes information on previous years' spending, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the Village Board of Trustees for review. The Village Board of Trustees holds public hearings and may add to, subtract or change appropriations. Once the budget is approved, a formal budget ordinance is adopted providing the legal authority to spend public funds.

The annual budget within functions can be changed by the Village Manager. Changes affecting total functions or funds must be approved by the Village Board of Trustees. Expenditures/expenses may not legally exceed budget at the department/fund level. During the year, one budget amendment was approved by the Village Board of Trustees. The budget figures included in this report reflect all budget amendments made during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets are adopted for the general, special revenue, debt service, capital projects, enterprise, internal service and all trust funds. All annual budgets lapse at year end.

Village of Hoffman Estates, Illinois
Schedule of Village Contributions
Illinois Municipal Retirement Fund
Last Six Fiscal Years

Fiscal Year Ended December 31,	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 1,743,250	\$ 1,675,142	\$ 1,570,663	\$ 1,717,045	\$ 1,430,527	\$ 1,757,527
Contributions in relation to the actuarially determined contributions	<u>1,743,250</u>	<u>1,675,142</u>	<u>1,570,663</u>	<u>1,717,045</u>	<u>1,430,527</u>	<u>1,757,527</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 11,812,130</u>	<u>\$ 12,143,510</u>	<u>\$ 12,242,925</u>	<u>\$ 12,913,319</u>	<u>\$ 13,440,899</u>	<u>\$ 13,891,248</u>
Contributions as a percentage of covered payroll	<u>14.75%</u>	<u>13.79%</u>	<u>12.83%</u>	<u>13.30%</u>	<u>10.64%</u>	<u>12.65%</u>

Notes to the Required Supplementary Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

The information presented was determined as part of the actuarial valuations as of December 31 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was at five-year smoothed market, 20% corridor; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 2.50% compounded annually.

Village of Hoffman Estates, Illinois
Schedule of Village Contributions
Police Pension Fund
Last Ten Fiscal Years

Fiscal Year Ended December 31,	2011	2012	2013	2014
Actuarially determined contribution	\$ 2,476,784	\$ 2,473,855	\$ 2,392,818	\$ 2,710,874
Contributions in relation to the actuarially determined contributions	<u>2,497,419</u>	<u>2,450,556</u>	<u>2,387,875</u>	<u>2,698,444</u>
Contribution deficiency (excess)	<u>\$ (20,635)</u>	<u>\$ 23,299</u>	<u>\$ 4,943</u>	<u>\$ 12,430</u>
Covered payroll	<u>\$ 8,358,633</u>	<u>\$ 8,667,490</u>	<u>\$ 8,609,981</u>	<u>\$ 8,378,076</u>
Contributions as a percentage of covered payroll	<u>29.88%</u>	<u>28.27%</u>	<u>27.73%</u>	<u>32.21%</u>

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was at 5-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.50% compounded annually and postretirement benefit increases of 2.50% compounded annually.

2015	2016	2017	2018	2019	2020
\$ 2,609,029	\$ 3,178,239	\$ 3,380,781	\$ 3,570,025	\$ 3,788,068	\$ 4,338,900
<u>2,670,802</u>	<u>3,228,471</u>	<u>3,407,918</u>	<u>3,557,124</u>	<u>3,785,342</u>	<u>4,324,074</u>
<u>\$ (61,773)</u>	<u>\$ (50,232)</u>	<u>\$ (27,137)</u>	<u>\$ 12,901</u>	<u>\$ 2,726</u>	<u>\$ 14,826</u>
<u>\$ 8,465,859</u>	<u>\$ 8,205,983</u>	<u>\$ 8,493,193</u>	<u>\$ 8,397,491</u>	<u>\$ 8,289,966</u>	<u>\$ 8,748,348</u>
<u>31.55%</u>	<u>39.34%</u>	<u>40.13%</u>	<u>42.36%</u>	<u>45.66%</u>	<u>49.43%</u>

Village of Hoffman Estates, Illinois
Schedule of Village Contributions
Firefighters' Pension Fund
Last Ten Fiscal Years

Fiscal Year Ended December 31,	2011	2012	2013	2014
Actuarially determined contribution	\$ 2,474,644	\$ 2,045,844	\$ 2,306,816	\$ 2,529,741
Contributions in relation to the actuarially determined contributions	<u>2,488,676</u>	<u>2,080,514</u>	<u>2,062,868</u>	<u>2,520,362</u>
Contribution deficiency (excess)	<u>\$ (14,032)</u>	<u>\$ (34,670)</u>	<u>\$ 243,948</u>	<u>\$ 9,379</u>
Covered payroll	<u>\$ 8,231,207</u>	<u>\$ 8,272,945</u>	<u>\$ 8,509,061</u>	<u>\$ 9,015,322</u>
Contributions as a percentage of covered payroll	<u>30.23%</u>	<u>25.15%</u>	<u>24.24%</u>	<u>27.96%</u>

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was at 5-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.50% compounded annually and postretirement benefit increases of 2.50% compounded annually.

2015	2016	2017	2018	2019	2020
\$ 2,531,184	\$ 2,819,396	\$ 3,097,747	\$ 3,280,541	\$ 3,372,772	\$ 3,700,885
<u>2,597,016</u>	<u>2,867,272</u>	<u>3,121,335</u>	<u>3,270,126</u>	<u>3,369,928</u>	<u>3,688,507</u>
<u>\$ (65,832)</u>	<u>\$ (47,876)</u>	<u>\$ (23,588)</u>	<u>\$ 10,415</u>	<u>\$ 2,844</u>	<u>\$ 12,378</u>
<u>\$ 9,274,129</u>	<u>\$ 9,221,092</u>	<u>\$ 9,543,830</u>	<u>\$ 9,070,725</u>	<u>\$ 9,364,199</u>	<u>\$ 9,813,969</u>
<u>28.00%</u>	<u>31.09%</u>	<u>32.71%</u>	<u>36.05%</u>	<u>35.99%</u>	<u>37.58%</u>

Village of Hoffman Estates, Illinois
Schedule of Changes in the Village's
Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund
Last Six Fiscal Years

Measurement Date December 31,	2014	2015*	2016**	2017***	2018****	2019
Total pension liability						
Service cost	\$ 1,360,773	\$ 1,301,536	\$ 1,272,512	\$ 1,256,345	\$ 1,212,867	\$ 1,314,119
Interest	4,933,202	5,325,516	5,483,537	5,732,635	5,827,822	6,111,417
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(529,106)	(1,490,827)	(217,172)	207,724	751,530	774,853
Changes of assumptions*	2,294,879	92,788	(281,937)	(2,503,516)	2,388,193	-
Benefit payments, including refunds of member contributions	<u>(2,501,688)</u>	<u>(2,892,799)</u>	<u>(3,114,774)</u>	<u>(3,327,573)</u>	<u>(3,477,004)</u>	<u>(3,802,845)</u>
Net change in total pension liability	5,558,060	2,336,214	3,142,166	1,365,615	6,703,408	4,397,544
Total pension liability, beginning	<u>66,434,307</u>	<u>71,992,367</u>	<u>74,328,581</u>	<u>77,470,747</u>	<u>78,836,362</u>	<u>85,539,770</u>
Total pension liability, ending	<u>\$ 71,992,367</u>	<u>\$ 74,328,581</u>	<u>\$ 77,470,747</u>	<u>\$ 78,836,362</u>	<u>\$ 85,539,770</u>	<u>\$ 89,937,314</u>
Plan fiduciary net position						
Contributions - employer	\$ 1,633,793	\$ 1,743,250	\$ 1,675,142	\$ 1,570,726	\$ 1,717,045	\$ 1,430,527
Contributions - member	551,845	569,687	567,924	579,056	581,098	609,298
Net investment income	3,655,142	314,408	4,270,357	11,379,574	(3,833,930)	13,135,332
Benefit payments, including refunds of member contributions	(2,501,688)	(2,892,799)	(3,114,774)	(3,327,573)	(3,477,004)	(3,802,845)
Other (net transfer)	<u>(152,063)</u>	<u>(680,586)</u>	<u>(117,629)</u>	<u>(841,452)</u>	<u>1,402,281</u>	<u>191,608</u>
Net change in plan fiduciary net position	3,187,029	(946,040)	3,281,020	9,360,331	(3,610,510)	11,563,920
Plan fiduciary net position, beginning	<u>60,078,392</u>	<u>63,265,421</u>	<u>62,319,381</u>	<u>65,600,401</u>	<u>74,960,732</u>	<u>71,350,222</u>
Plan fiduciary net position, ending	<u>\$ 63,265,421</u>	<u>\$ 62,319,381</u>	<u>\$ 65,600,401</u>	<u>\$ 74,960,732</u>	<u>\$ 71,350,222</u>	<u>\$ 82,914,142</u>
Village's net pension liability	<u>\$ 8,726,946</u>	<u>\$ 12,009,200</u>	<u>\$ 11,870,346</u>	<u>\$ 3,875,630</u>	<u>\$ 14,189,548</u>	<u>\$ 7,023,172</u>
Plan fiduciary net position as a percentage of the total pension liability	87.90%	83.80%	84.70%	95.10%	83.41%	92.19%
Covered payroll	\$ 11,708,241	\$ 11,821,130	\$ 12,143,510	\$ 12,242,605	\$ 12,913,319	\$ 13,440,899
Employer's net pension liability as a percentage of covered payroll	74.50%	101.60%	97.80%	31.70%	109.88%	52.25%

*Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

**Changes in assumptions related to the discount rate were made since the prior measurement date.

***Changes in assumptions related to mortality were made since the prior measurement date.

****Changes in assumptions related discount rate and mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

Village of Hoffman Estates, Illinois
Schedule of Changes in the Village's
Net Pension Liability and Related Ratios
Police Pension Fund
Last Seven Fiscal Years

Measurement Date December 31,	2014	2015*	2016**	2017***	2018****	2019*****	2020*****
Total pension liability							
Service cost	\$ 1,718,313	\$ 1,644,115	\$ 1,485,606	\$ 1,495,789	\$ 1,607,973	\$ 1,525,429	\$ 1,829,400
Interest	7,215,478	7,426,526	9,230,804	8,609,603	9,047,750	9,525,137	10,529,604
Changes of benefit terms	-	-	-	-	-	551,939	-
Differences between expected and actual experience	1,407,476	(905,685)	(2,263,917)	1,425,213	2,070,187	1,376,168	3,932,773
Changes of assumptions*	6,443,602	10,336,137	(11,653,118)	-	-	5,453,081	-
Benefit payments, including refunds of member contributions	(3,744,605)	(4,131,392)	(4,822,503)	(5,341,609)	(6,035,672)	(6,685,809)	(7,245,992)
Net change in total pension liability	13,040,264	14,369,701	(8,023,128)	6,188,996	6,690,238	11,745,945	9,045,785
Total pension liability, beginning	98,078,675	111,118,939	125,488,640	117,465,512	123,654,508	130,344,746	142,090,691
Total pension liability, ending	<u>\$ 111,118,939</u>	<u>\$ 125,488,640</u>	<u>\$ 117,465,512</u>	<u>\$ 123,654,508</u>	<u>\$ 130,344,746</u>	<u>\$ 142,090,691</u>	<u>\$ 151,136,476</u>
Plan fiduciary net position							
Contributions - employer	\$ 2,698,444	\$ 2,670,802	\$ 3,228,471	\$ 3,407,918	\$ 3,557,124	\$ 3,785,342	\$ 4,324,074
Contributions - member	1,026,505	852,743	813,215	865,157	832,191	827,082	874,298
Contributions - other	-	-	-	-	34,601	-	-
Net investment income	1,545,937	(1,410,523)	6,063,204	9,200,616	(6,599,074)	11,675,797	6,557,880
Benefit payments, including refunds of member contributions	(3,744,605)	(4,131,392)	(4,822,503)	(5,341,609)	(6,035,672)	(6,685,809)	(7,245,992)
Administrative expense	(21,217)	(49,601)	(38,109)	(39,392)	(46,183)	(51,852)	(50,174)
Net change in plan fiduciary net position	1,505,064	(2,067,971)	5,244,278	8,092,690	(8,257,013)	9,550,560	4,460,086
Plan fiduciary net position, beginning	66,577,819	68,082,883	66,014,912	71,259,190	79,351,880	71,094,867	80,645,427
Plan fiduciary net position, ending	<u>\$ 68,082,883</u>	<u>\$ 66,014,912</u>	<u>\$ 71,259,190</u>	<u>\$ 79,351,880</u>	<u>\$ 71,094,867</u>	<u>\$ 80,645,427</u>	<u>\$ 85,105,513</u>
Village's net pension liability	<u>\$ 43,036,056</u>	<u>\$ 59,473,728</u>	<u>\$ 46,206,322</u>	<u>\$ 44,302,628</u>	<u>\$ 59,249,879</u>	<u>\$ 61,445,264</u>	<u>\$ 66,030,963</u>
Plan fiduciary net position as a percentage of the total pension liability	61.30%	52.64%	60.70%	64.20%	54.50%	56.76%	56.31%
Covered payroll	\$ 8,378,076	\$ 8,465,859	\$ 8,205,983	\$ 8,493,193	\$ 8,397,491	\$ 8,289,966	\$ 8,748,348
Employer's net pension liability as a percentage of covered payroll	513.70%	702.50%	563.10%	521.60%	705.60%	741.20%	754.78%

*There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

**There was a change in 2016 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

***There was a change in 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to discount rates.

****There was a change in 2018 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate.

*****There was a change in 2019 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate. There are also changes in the following: Projected Individual Pay Increases, Projected Total Payroll Increases, Inflation Rate (CPI-U), Mortality Rates, Mortality Improvement Rates, Retirement Rates, Termination Rates, Disability Rates and Marital Assumptions.

Village of Hoffman Estates, Illinois
Schedule of Changes in the Village's
Net Pension Liability and Related Ratios
Police Pension Fund
Last Seven Fiscal Years

*****There was a change in 2020 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

Village of Hoffman Estates, Illinois
Schedule of Changes in the Village's
Net Pension Liability and Related Ratios
Firefighters' Pension Fund
Last Seven Fiscal Years

Measurement Date December 31,	2014	2015*	2016**	2017***	2018****	2019*****	2020*****
Total pension liability							
Service cost	\$ 2,120,597	\$ 1,868,762	\$ 1,951,957	\$ 1,935,078	\$ 2,029,189	\$ 2,042,766	\$ 2,241,786
Interest	6,556,239	7,120,712	7,734,740	8,298,776	8,645,416	8,984,188	9,466,598
Changes of benefit terms	-	-	-	-	-	517,294	-
Differences between expected and actual experience	1,252,030	(800,017)	(15,879)	(391,154)	(688,021)	589,331	1,528,347
Changes of assumptions*	3,396,442	4,562,482	949,835	(1,540,149)	-	2,234,460	-
Benefit payments, including refunds of member contributions	(3,623,427)	(3,835,382)	(4,072,544)	(4,800,989)	(5,248,265)	(5,691,006)	(6,188,024)
Net change in total pension liability	9,701,881	8,916,557	6,548,109	3,501,562	4,738,319	8,677,033	7,048,707
Total pension liability, beginning	89,228,232	98,930,113	107,846,670	114,394,779	117,896,341	122,634,660	131,311,693
Total pension liability, ending	<u>\$ 98,930,113</u>	<u>\$ 107,846,670</u>	<u>\$ 114,394,779</u>	<u>\$ 117,896,341</u>	<u>\$ 122,634,660</u>	<u>\$ 131,311,693</u>	<u>\$ 138,360,400</u>
Plan fiduciary net position							
Contributions - employer	\$ 2,520,362	\$ 2,597,016	\$ 2,867,272	\$ 3,121,335	\$ 3,270,126	\$ 3,369,928	\$ 3,688,506
Contributions - member	851,857	863,860	973,790	863,963	909,020	943,556	927,910
Net investment income	3,594,816	213,616	3,899,334	9,817,442	(4,280,100)	16,674,359	13,991,335
Benefit payments, including refunds of member contributions	(3,623,427)	(3,835,382)	(4,072,544)	(4,800,989)	(5,248,265)	(5,691,006)	(6,188,024)
Administrative expense	(77,973)	(55,131)	(71,449)	(53,790)	(42,092)	(52,787)	(48,314)
Net change in plan fiduciary net position	3,265,635	(216,021)	3,596,403	8,947,961	(5,391,311)	15,244,050	12,371,413
Plan fiduciary net position, beginning	67,949,911	71,215,546	70,999,525	74,595,928	83,543,889	78,152,578	93,396,628
Plan fiduciary net position, ending	<u>\$ 71,215,546</u>	<u>\$ 70,999,525</u>	<u>\$ 74,595,928</u>	<u>\$ 83,543,889</u>	<u>\$ 78,152,578</u>	<u>\$ 93,396,628</u>	<u>\$ 105,768,041</u>
Village's net pension liability	<u>\$ 27,714,567</u>	<u>\$ 36,847,145</u>	<u>\$ 39,798,851</u>	<u>\$ 34,352,452</u>	<u>\$ 44,482,082</u>	<u>\$ 37,915,065</u>	<u>\$ 32,592,359</u>
Plan fiduciary net position as a percentage of the total pension liability	72.00%	65.80%	65.20%	70.90%	63.70%	71.13%	76.44%
Covered payroll	\$ 9,015,322	\$ 9,274,129	\$ 9,221,092	\$ 9,543,830	\$ 9,070,725	\$ 9,364,199	\$ 9,813,969
Employer's net pension liability as a percentage of covered payroll	307.40%	397.30%	431.60%	359.90%	490.40%	404.89%	332.10%

*There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

**There was a change in 2016 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

***There was a change in 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to discount rates.

****There was a change in 2018 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to discount rates and with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate.

Village of Hoffman Estates, Illinois
Schedule of Changes in the Village's
Net Pension Liability and Related Ratios
Firefighters' Pension Fund
Last Seven Fiscal Years

*****There was a change in 2019 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to discount rates and with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate. There are also changes in the following: Projected Individual Pay Increases, Projected Total Payroll Increases, Inflation Rate (CPI-U), Mortality Rates, Mortality Improvement Rates, Retirement Rates, Termination Rates, Disability Rates and Marital Assumptions.

*****There was a change in 2020 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to discount rates and with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

Village of Hoffman Estates, Illinois
Schedule of Changes in the Village's
Total OPEB Liability and Related Ratios
Other Postemployment Benefit Plan
Last Three Fiscal Years

Measurement Date December 31,	2018	2019	2020*
Total OPEB liability			
Service cost	\$ 457,751	\$ 391,145	\$ 575,005
Interest	537,136	595,177	545,453
Changes of assumptions*	(1,537,238)	5,004,129	760,752
Change of benefit terms	-	-	(280,819)
Differences between expected and actual experience	-	-	(4,093,701)
Benefit payments	<u>(517,209)</u>	<u>(580,123)</u>	<u>(613,666)</u>
Net change in total pension liability	(1,059,560)	5,410,328	(3,106,976)
Total OPEB liability, beginning	<u>15,863,097</u>	<u>14,803,537</u>	<u>20,213,865</u>
Total OPEB liability, ending	<u>\$ 14,803,537</u>	<u>\$ 20,213,865</u>	<u>\$ 17,106,889</u>
Covered payroll	\$ 30,381,535	\$ 31,147,318	\$ 31,743,858
Village's net pension liability as a percentage of covered payroll	48.73%	64.90%	53.89%

*There was a change in 2020 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to discount rates and with respect to the High-Quality 20-year Tax-Exempt General Obligation Bond Rate. There are also changes in the following: Inflation rate, Mortality rates, Mortality improvement rates, retirement rates, termination rates and disability rates.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

Village of Hoffman Estates, Illinois
Schedule of Investment Returns
Police Pension Fund
Last Seven Fiscal Years

Fiscal Year Ended December 31,	2014	2015	2016	2017	2018	2019	2020
Annual money-weighted rate of return, Net of investment expense	2.15%	(1.94%)	9.31%	13.02%	(8.35%)	16.65%	8.24%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

Village of Hoffman Estates, Illinois
Schedule of Investment Returns
Firefighters' Pension Fund
Last Seven Fiscal Years

Fiscal Year Ended December 31,	2014	2015	2016	2017	2018	2019	2020
Annual money-weighted rate of return, Net of investment expense	5.34%	0.42%	3.10%	13.40%	(5.20%)	19.23%	15.99%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

**Combining and Individual Fund
Financial Statements and Schedules**

Major Governmental Funds

Village of Hoffman Estates, Illinois
Comparative Balance Sheet by Account
General Fund
December 31, 2020
(With Comparative Totals for 2019)

	2020		Total	2019
	General Fund	Municipal Waste System Account		
Assets				
Cash and investments	\$ 20,072,249	\$ 423,122	\$ 20,495,371	\$ 24,501,284
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	21,039,359	-	21,039,359	19,385,360
Accounts	175,222	263,978	439,200	378,971
Accrued interest	6,391	-	6,391	121,768
Other	2,585,866	3,338	2,589,204	2,789,078
Prepaid items	17,108	53,803	70,911	62,459
Assets held by agents	139,138	-	139,138	110,910
Inventories	112,536	-	112,536	109,361
Due from other governments	4,391,870	-	4,391,870	4,339,878
Due from other funds	709,940	-	709,940	15,605
Due from fiduciary funds	-	-	-	63,959
Total assets	<u>\$ 49,249,679</u>	<u>\$ 744,241</u>	<u>\$ 49,993,920</u>	<u>\$ 51,878,633</u>
Liabilities Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 1,536,889	\$ 184,638	\$ 1,721,527	\$ 2,351,928
Accrued payroll	425,958	588	426,546	1,310,239
Unearned revenues	138,133	229,462	367,595	383,057
Due to FSA Participants	108,038	-	108,038	79,810
Deposits payable	1,204,406	-	1,204,406	1,204,590
Total liabilities	<u>3,413,424</u>	<u>414,688</u>	<u>3,828,112</u>	<u>5,329,624</u>
Deferred Inflows of Resources				
Property taxes	21,030,342	-	21,030,342	19,373,460
Unavailable state taxes	1,448,200	-	1,448,200	1,377,418
Total deferred inflows of resources	<u>22,478,542</u>	<u>-</u>	<u>22,478,542</u>	<u>20,750,878</u>
Total liabilities and deferred inflows of resources	<u>25,891,966</u>	<u>414,688</u>	<u>26,306,654</u>	<u>26,080,502</u>
Fund Balances				
Nonspendable				
Prepaid items	17,108	53,803	70,911	62,459
Inventories	112,536	-	112,536	109,361
Advances	-	-	-	-
Restricted				
Employee loan program	40,679	-	40,679	47,469
Assigned				
Employee health	2,115,706	-	2,115,706	2,096,471
Subsequent budget	2,300,000	-	2,300,000	3,239,630
Unassigned	18,771,684	275,750	19,047,434	20,242,741
Total fund balances	<u>23,357,713</u>	<u>329,553</u>	<u>23,687,266</u>	<u>25,798,131</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 49,249,679</u>	<u>\$ 744,241</u>	<u>\$ 49,993,920</u>	<u>\$ 51,878,633</u>

Village of Hoffman Estates, Illinois
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance by Account
General Fund
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

	2020			Total
	General Account	Municipal Waste System Account	Eliminations	
Revenues				
Taxes	\$ 30,503,005	\$ -	\$ -	\$ 30,503,005
Licenses and permits	1,744,758	-	-	1,744,758
Intergovernmental	16,649,712	-	-	16,649,712
Charges for service	6,359,730	2,885,522	-	9,245,252
Fines and forfeits	1,110,521	-	-	1,110,521
Investment income	183,046	417	-	183,463
Miscellaneous	459,622	94,230	-	553,852
Total revenues	<u>57,010,394</u>	<u>2,980,169</u>	<u>-</u>	<u>59,990,563</u>
Expenditures				
Current				
General government	6,031,574	-	-	6,031,574
Public safety	37,555,497	-	-	37,555,497
Highways and streets	5,839,004	37,918	-	5,876,922
Sanitation	-	2,979,804	-	2,979,804
Health and welfare	2,379,164	-	-	2,379,164
Culture and recreation	152,351	-	-	152,351
Economic development	2,124,118	-	-	2,124,118
Total expenditures	<u>54,081,708</u>	<u>3,017,722</u>	<u>-</u>	<u>57,099,430</u>
Excess (Deficiency) of Revenues Over Expenditures	2,928,686	(37,553)	-	2,891,133
Other Financing Sources (Uses)				
Transfers (out)	(5,001,998)	-	-	(5,001,998)
Total other financing sources (uses)	<u>(5,001,998)</u>	<u>-</u>	<u>-</u>	<u>(5,001,998)</u>
Net Change in Fund Balances	(2,073,312)	(37,553)	-	(2,110,865)
Fund Balances, January 1	<u>25,431,025</u>	<u>367,106</u>	<u>-</u>	<u>25,798,131</u>
Fund Balances, December 31	<u>\$ 23,357,713</u>	<u>\$ 329,553</u>	<u>\$ -</u>	<u>\$ 23,687,266</u>

2019			
General Account	Municipal Waste System Account	Eliminations	Total
\$ 31,960,387	\$ -	\$ -	\$ 31,960,387
2,008,952	-	-	2,008,952
15,191,181	-	-	15,191,181
6,630,072	2,848,106	-	9,478,178
1,343,809	-	-	1,343,809
697,347	3,925	-	701,272
790,640	165,985	-	956,625
<u>58,622,388</u>	<u>3,018,016</u>	<u>-</u>	<u>61,640,404</u>
6,386,268	-	-	6,386,268
36,704,779	-	-	36,704,779
6,399,950	36,729	-	6,436,679
-	3,037,119	-	3,037,119
2,166,630	-	-	2,166,630
275,239	-	-	275,239
2,110,140	-	-	2,110,140
<u>54,043,006</u>	<u>3,073,848</u>	<u>-</u>	<u>57,116,854</u>
4,579,382	(55,832)	-	4,523,550
<u>(3,644,614)</u>	<u>-</u>	<u>-</u>	<u>(3,644,614)</u>
<u>(3,644,614)</u>	<u>-</u>	<u>-</u>	<u>(3,644,614)</u>
934,768	(55,832)	-	878,936
<u>24,496,257</u>	<u>422,938</u>	<u>-</u>	<u>24,919,195</u>
<u>\$ 25,431,025</u>	<u>\$ 367,106</u>	<u>\$ -</u>	<u>\$ 25,798,131</u>

Village of Hoffman Estates, Illinois
Schedule of Expenditures – Budget and Actual
General Account
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
General Government				
Legislative	\$ 386,750	\$ 386,750	\$ 373,351	\$ 366,875
Administration	685,030	747,150	712,231	643,262
Legal	555,410	555,410	415,290	499,856
Finance	1,104,460	1,104,460	1,088,011	1,027,167
Village clerk	224,400	224,400	220,758	210,476
Human resources management	566,880	571,510	568,551	512,575
Communications	258,150	258,150	249,993	239,382
Buildings and grounds	1,270,030	1,270,030	1,080,695	1,336,577
Fleet services	1,299,290	1,299,290	1,171,642	1,261,019
Police and fire commission	83,700	83,700	41,533	48,189
Miscellaneous boards and commissions	242,130	242,130	109,519	240,890
Total general government	<u>6,676,230</u>	<u>6,742,980</u>	<u>6,031,574</u>	<u>6,386,268</u>
Public Safety				
Police department				
Administration	1,608,110	1,608,110	1,589,387	1,581,160
Juvenile investigations	570,190	570,190	562,735	543,172
Tactical	820,550	820,550	577,505	785,711
Patrol and response	11,627,890	11,627,890	11,563,558	10,509,942
Traffic control	1,262,830	1,262,830	889,502	1,174,801
Investigations	1,523,240	1,523,240	1,373,328	1,395,863
Community relations	13,570	13,570	6,966	12,690
Communications	704,140	704,140	478,602	704,141
Canine	198,610	198,610	192,317	179,904
Special services	199,530	199,530	53,645	396,082
Records	324,090	324,090	301,601	286,166
Administrative services	993,100	993,100	944,262	879,760
Emergency operations	86,010	86,010	79,804	66,590
Total police department	<u>19,931,860</u>	<u>19,931,860</u>	<u>18,613,212</u>	<u>18,515,982</u>
Fire department				
Administration	1,114,490	1,114,490	1,135,401	1,126,617
Public education	72,950	72,950	61,419	57,208
Suppression	8,907,730	9,296,470	9,203,629	8,592,062
Emergency medical services	8,007,840	8,007,840	7,983,869	7,770,691
Fire prevention	604,980	604,980	522,027	604,559
Fire stations	44,400	44,400	35,940	37,660
Total fire department	<u>18,752,390</u>	<u>19,141,130</u>	<u>18,942,285</u>	<u>18,188,797</u>
Total public safety	<u>38,684,250</u>	<u>39,072,990</u>	<u>37,555,497</u>	<u>36,704,779</u>

Village of Hoffman Estates, Illinois
Schedule of Expenditures – Budget and Actual
General Account
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Highways and Streets				
Administration - public works	\$ 393,350	\$ 393,350	\$ 231,477	\$ 319,994
Snow and ice control	1,859,590	1,859,590	1,664,021	2,062,925
Pavement maintenance	544,750	544,750	510,629	474,921
Forestry	1,165,760	1,165,760	1,040,562	1,033,666
Maintenance	187,170	187,170	133,444	201,989
Storm sewers	151,470	151,470	145,747	147,896
Utilities	797,130	797,130	741,926	742,063
Engineering	1,378,110	1,378,110	1,371,198	1,416,496
Total highways and streets	<u>6,477,330</u>	<u>6,477,330</u>	<u>5,839,004</u>	<u>6,399,950</u>
Health and Welfare				
Health and human services	768,490	838,940	818,893	718,066
Code enforcement	1,617,080	1,617,080	1,560,271	1,448,564
Total health and welfare	<u>2,385,570</u>	<u>2,456,020</u>	<u>2,379,164</u>	<u>2,166,630</u>
Culture and Recreation				
Cable T.V.	199,790	199,790	150,901	181,333
4th of July	155,070	155,070	1,450	93,906
Total culture and recreation	<u>354,860</u>	<u>354,860</u>	<u>152,351</u>	<u>275,239</u>
Economic Development				
Administration - community development	402,210	402,210	416,660	405,285
Planning	619,190	619,190	458,984	448,976
Economic development	1,576,340	1,576,340	1,248,474	1,255,879
Total economic development	<u>2,597,740</u>	<u>2,597,740</u>	<u>2,124,118</u>	<u>2,110,140</u>
Total expenditures	<u>\$ 57,175,980</u>	<u>\$ 57,701,920</u>	<u>\$ 54,081,708</u>	<u>\$ 54,043,006</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Municipal Waste System Account
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Charges for services	\$ 2,843,240	\$ 2,885,522	\$ 2,848,106
Investment income	3,600	417	3,925
Miscellaneous	160,910	94,230	165,985
Total general government	<u>3,007,750</u>	<u>2,980,169</u>	<u>3,018,016</u>
Expenditures			
Sanitation	3,082,560	2,979,804	3,037,119
Highways and streets	38,270	37,918	36,729
Total expenditures	<u>3,120,830</u>	<u>3,017,722</u>	<u>3,073,848</u>
Net Change in Fund Balance	<u>\$ (113,080)</u>	(37,553)	(55,832)
Fund Balance, January 1		<u>367,106</u>	<u>422,938</u>
Fund Balance, December 31		<u>\$ 329,553</u>	<u>\$ 367,106</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
EDA General Account Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		
	Original and Final Budget	Actual	2019 Actual
Revenues			
Taxes	\$ -	\$ -	\$ 7,661,977
Expenditures			
Debt service			
Principal retirement	-	-	7,661,977
Net Change in Fund Balance	\$ -	-	-
Fund Balance, January 1		-	-
Fund Balance, December 31		\$ -	-

Nonmajor Governmental Funds

Village of Hoffman Estates, Illinois
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 4,381,556	\$ 23,494	\$ 10,698,178	\$ 15,103,228
Receivables				
Property taxes	1,949,394	1,494,207	-	3,443,601
Accounts	-	-	50,523	50,523
Other	-	-	878,855	878,855
Prepaid items	-	-	548,170	548,170
Due from other governments	172,272	-	-	172,272
	<u>6,503,222</u>	<u>1,517,701</u>	<u>12,175,726</u>	<u>20,196,649</u>
Total assets	<u>\$ 6,503,222</u>	<u>\$ 1,517,701</u>	<u>\$ 12,175,726</u>	<u>\$ 20,196,649</u>
Liabilities Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 691	\$ -	\$ 2,433,235	\$ 2,433,926
Unearned revenues	-	-	48,520	48,520
Due to other funds	-	179,505	-	179,505
Deposits payable	29,254	-	3,825,378	3,854,632
	<u>29,945</u>	<u>179,505</u>	<u>6,307,133</u>	<u>6,516,583</u>
Total liabilities	29,945	179,505	6,307,133	6,516,583
Deferred Inflows of Resources				
Unavailable revenue - property tax	1,949,394	1,492,580	-	3,441,974
	<u>1,949,394</u>	<u>1,492,580</u>	<u>-</u>	<u>3,441,974</u>
Total liabilities and deferred inflows of resources	<u>1,979,339</u>	<u>1,672,085</u>	<u>6,307,133</u>	<u>9,958,557</u>
Fund Balances				
Nonspendable				
Prepaid items	-	-	548,170	548,170
Restricted				
Highways and streets	1,369,793	-	-	1,369,793
Public safety	872,345	-	-	872,345
Capital improvements	-	-	44,990	44,990
Economic development - state statute	2,281,745	-	-	2,281,745
Assigned				
Capital improvements	-	-	5,275,433	5,275,433
Unassigned	-	(154,384)	-	(154,384)
	<u>4,523,883</u>	<u>(154,384)</u>	<u>5,868,593</u>	<u>10,238,092</u>
Total fund balances	4,523,883	(154,384)	5,868,593	10,238,092
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,503,222</u>	<u>\$ 1,517,701</u>	<u>\$ 12,175,726</u>	<u>\$ 20,196,649</u>

Village of Hoffman Estates, Illinois
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2020

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 1,867,152	\$ 2,081,609	\$ 3,582,734	\$ 7,531,495
Intergovernmental	3,324,142	-	423,793	3,747,935
Charges for service	-	139,510	569,086	708,596
Fines and forfeits	213,819	-	-	213,819
Investment income	5,289	492	71,295	77,076
Miscellaneous	50,392	-	324,641	375,033
Total revenues	<u>5,460,794</u>	<u>2,221,611</u>	<u>4,971,549</u>	<u>12,653,954</u>
Expenditures				
Current				
Public safety	440,711	-	-	440,711
Highways and streets	2,123,975	-	-	2,123,975
General government	13,560	-	-	13,560
Economic development	1,876,593	-	-	1,876,593
Capital outlay	-	-	9,625,363	9,625,363
Debt service				
Principal retirement	224,349	1,801,365	30,000	2,055,714
Interest and fiscal charges	386,793	1,825,159	14,150	2,226,102
Total expenditures	<u>5,065,981</u>	<u>3,626,524</u>	<u>9,669,513</u>	<u>18,362,018</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>394,813</u>	<u>(1,404,913)</u>	<u>(4,697,964)</u>	<u>(5,708,064)</u>
Other Financing Sources (Uses)				
Transfers in	21,834	1,234,494	4,035,870	5,292,198
Transfers (out)	-	-	(1,613,500)	(1,613,500)
Issuance of debt	1,411,186	-	-	1,411,186
Total other financing sources (uses)	<u>1,433,020</u>	<u>1,234,494</u>	<u>2,422,370</u>	<u>5,089,884</u>
Net Change in Fund Balances	1,827,833	(170,419)	(2,275,594)	(618,180)
Fund Balances, January 1	<u>2,696,050</u>	<u>16,035</u>	<u>8,144,187</u>	<u>10,856,272</u>
Fund Balances, December 31	<u>\$ 4,523,883</u>	<u>\$ (154,384)</u>	<u>\$ 5,868,593</u>	<u>\$ 10,238,092</u>

Nonmajor Special Revenue Funds

Motor Fuel Tax Fund - to account for the maintenance and various street improvements in the Village. Financing is provided by the Village's share of motor fuel tax allotments. State statutes require those allotments to be used to maintain streets.

Community Development Block Grant Fund - to account for revenues and expenditures related to the Village's Community Development Block Grant.

Asset Seizure Fund - to account for the fines and forfeitures received under the "Zero Tolerance Act" which by law are restricted to use in the fight against drug abuse.

Roselle Road TIF Fund - to account for the revenues and expenditures pertaining to the activity in the Roselle Road TIF District.

Barrington/Higgins TIF Fund - to account for the revenues and expenditures pertaining to the activity in the Barrington/Higgins TIF District.

Lakewood TIF Fund - to account for the revenues and expenditures pertaining to the activity in the Lakewood TIF District.

Higgins/Old Sutton TIF Fund - to account for the revenues and expenditures pertaining to the activity in the Higgins/Old Sutton TIF District.

Higgins/Hassell TIF Fund - to account for the revenues and expenditures pertaining to the activity in the Higgins/Hassell TIF District.

Village of Hoffman Estates, Illinois
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Motor Fuel Tax	Community Development Block Grant	Asset Seizure
Assets			
Cash and investments	\$ 1,198,212	\$ 10,436	\$ 876,599
Receivables (net, where applicable, of allowances for uncollectibles)			
Property tax	-	-	-
Due from other governments	172,272	-	-
	<u>172,272</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,370,484</u>	<u>\$ 10,436</u>	<u>\$ 876,599</u>
Liabilities Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 691	\$ -	\$ -
Deposits payable	-	-	4,254
	<u>691</u>	<u>-</u>	<u>4,254</u>
Total liabilities	691	-	4,254
Deferred Inflows of Resources			
Unavailable revenue - property tax	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>691</u>	<u>-</u>	<u>4,254</u>
Fund Balances			
Restricted			
Highways and streets	1,369,793	-	-
Public safety	-	-	872,345
Economic development - state statute	-	10,436	-
	<u>1,369,793</u>	<u>10,436</u>	<u>872,345</u>
Total fund balances	1,369,793	10,436	872,345
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,370,484</u>	<u>\$ 10,436</u>	<u>\$ 876,599</u>

Roselle Road TIF	Barrington Higgins TIF	Lakewood TIF	Higgins/ Old Sutton TIF	Higgins/ Hassell TIF	Total
\$ 1,672,962	\$ 611,153	\$ -	\$ -	\$ 12,194	\$ 4,381,556
666,700	828,750	-	-	453,944	1,949,394
-	-	-	-	-	172,272
<u>\$ 2,339,662</u>	<u>\$ 1,439,903</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,138</u>	<u>\$ 6,503,222</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 691
25,000	-	-	-	-	29,254
25,000	-	-	-	-	29,945
666,700	828,750	-	-	453,944	1,949,394
691,700	828,750	-	-	453,944	1,979,339
-	-	-	-	-	1,369,793
-	-	-	-	-	872,345
1,647,962	611,153	-	-	12,194	2,281,745
1,647,962	611,153	-	-	12,194	4,523,883
<u>\$ 2,339,662</u>	<u>\$ 1,439,903</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,138</u>	<u>\$ 6,503,222</u>

Village of Hoffman Estates, Illinois
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended December 31, 2020

	Motor Fuel Tax	Community Development Block Grant	Asset Seizure
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	3,118,691	205,451	-
Fines and forfeits	-	-	213,819
Investment income	1,153	-	1,855
Miscellaneous	-	20,432	18,919
Total revenues	<u>3,119,844</u>	<u>225,883</u>	<u>234,593</u>
Expenditures			
Current			
Public safety	-	-	440,711
Highways and streets	2,123,975	-	-
General government	-	-	-
Economic development	-	215,448	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>2,123,975</u>	<u>215,448</u>	<u>440,711</u>
Excess (Deficiency) of Revenues Over Expenditures	995,869	10,435	(206,118)
Other Financing Sources (Uses)			
Issuance of debt	-	-	-
Transfer in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	995,869	10,435	(206,118)
Fund Balances, January 1	<u>373,924</u>	<u>1</u>	<u>1,078,463</u>
Fund Balances, December 31	<u>\$ 1,369,793</u>	<u>\$ 10,436</u>	<u>\$ 872,345</u>

Roselle Road TIF	Barrington Higgins TIF	Lakewood TIF	Higgins/ Old Sutton TIF	Higgins/ Hassell TIF	Total
\$ 586,534	\$ 826,674	\$ -	\$ -	\$ 453,944	\$ 1,867,152
-	-	-	-	-	3,324,142
-	-	-	-	-	213,819
1,121	1,057	-	-	103	5,289
11,041	-	-	-	-	50,392
<u>598,696</u>	<u>827,731</u>	<u>-</u>	<u>-</u>	<u>454,047</u>	<u>5,460,794</u>
-	-	-	-	-	440,711
-	-	-	-	-	2,123,975
-	-	1,275	12,285	-	13,560
11,867	3,311	5,350	-	1,640,617	1,876,593
-	-	-	-	224,349	224,349
-	386,793	-	-	-	386,793
<u>11,867</u>	<u>390,104</u>	<u>6,625</u>	<u>12,285</u>	<u>1,864,966</u>	<u>5,065,981</u>
586,829	437,627	(6,625)	(12,285)	(1,410,919)	394,813
-	-	-	-	1,411,186	1,411,186
-	-	9,549	12,285	-	21,834
<u>-</u>	<u>-</u>	<u>9,549</u>	<u>12,285</u>	<u>1,411,186</u>	<u>1,433,020</u>
586,829	437,627	2,924	-	267	1,827,833
1,061,133	173,526	(2,924)	-	11,927	2,696,050
<u>\$ 1,647,962</u>	<u>\$ 611,153</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,194</u>	<u>\$ 4,523,883</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Motor Fuel Tax Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Intergovernmental	\$ 2,225,000	\$ 3,118,691	\$ 1,711,735
Investment income	3,000	1,153	3,444
Total revenue	<u>2,228,000</u>	<u>3,119,844</u>	<u>1,715,179</u>
Expenditures			
Current			
Highways and streets	<u>2,710,000</u>	<u>2,123,975</u>	<u>1,556,342</u>
Net Change in Fund Balance	<u>\$ (482,000)</u>	995,869	158,837
Fund Balance, January 1		<u>373,924</u>	<u>215,087</u>
Fund Balance, December 31		<u>\$ 1,369,793</u>	<u>\$ 373,924</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Community Development Block Grant Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Intergovernmental	\$ 297,500	\$ 205,451	\$ 213,669
Miscellaneous	-	20,432	-
Total revenues	<u>297,500</u>	<u>225,883</u>	<u>213,669</u>
Expenditures			
Current			
Economic development	297,500	215,448	222,110
Net Change in Fund Balance	<u>\$ -</u>	10,435	(8,441)
Fund Balance, January 1		<u>1</u>	<u>8,442</u>
Fund Balance, December 31		<u>\$ 10,436</u>	<u>\$ 1</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Asset Seizure Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Revenues				
Fines and forfeits	\$ -	\$ 181,950	\$ 213,819	\$ 646,825
Investment income	4,000	4,000	1,855	9,868
Miscellaneous	-	-	18,919	14,689
Total revenues	<u>4,000</u>	<u>185,950</u>	<u>234,593</u>	<u>671,382</u>
Expenditures				
Current				
Public safety	<u>321,350</u>	<u>503,300</u>	<u>440,711</u>	<u>254,265</u>
Net Change in Fund Balance	<u><u>\$ (317,350)</u></u>	<u><u>\$ (317,350)</u></u>	(206,118)	417,117
Fund Balance, January 1			<u>1,078,463</u>	<u>661,346</u>
Fund Balance, December 31			<u><u>\$ 872,345</u></u>	<u><u>\$ 1,078,463</u></u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Roselle Road TIF Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Property taxes	\$ 300,000	\$ 586,534	\$ 349,785
Investment income	5,000	1,121	6,634
Miscellaneous	-	11,041	10,000
Total revenues	<u>305,000</u>	<u>598,696</u>	<u>366,419</u>
Expenditures			
Current			
Economic development	<u>915,000</u>	<u>11,867</u>	<u>25,978</u>
Net Change in Fund Balance	<u>\$ (610,000)</u>	586,829	340,441
Fund Balance, January 1		<u>1,061,133</u>	<u>720,692</u>
Fund Balance, December 31		<u>\$ 1,647,962</u>	<u>\$ 1,061,133</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Barrington/Higgins TIF Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 603,740	\$ 826,680	\$ 826,674	\$ 718,285
Investment income	5,000	5,000	1,057	6,187
Total revenues	<u>608,740</u>	<u>831,680</u>	<u>827,731</u>	<u>724,472</u>
Expenditures				
Current				
Economic development	4,500	3,617	3,311	375,190
Debt service				
Principal retirement	-	-	-	101,447
Interest and fiscal charges	-	386,793	386,793	255,736
Total expenditures	<u>4,500</u>	<u>390,410</u>	<u>390,104</u>	<u>732,373</u>
Net Change in Fund Balance	<u>\$ 604,240</u>	<u>\$ 441,270</u>	437,627	(7,901)
Fund Balance, January 1			<u>173,526</u>	<u>181,427</u>
Fund Balance, December 31			<u>\$ 611,153</u>	<u>\$ 173,526</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Lakewood TIF Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Miscellaneous	\$ 269,700	\$ -	\$ -
Expenditures			
Current			
General government	260,600	1,275	-
Economic development	8,500	5,350	2,924
Total expenditures	<u>269,100</u>	<u>6,625</u>	<u>2,924</u>
Excess (Deficiency) of Revenues Over Expenditures	600	(6,625)	(2,924)
Other Financing Sources (Uses)			
Transfer in	-	9,549	-
Net Change in Fund Balance	<u>\$ 600</u>	2,924	(2,924)
Fund Balance, January 1		<u>(2,924)</u>	<u>-</u>
Fund Balance, December 31		<u>\$ -</u>	<u>\$ (2,924)</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Higgins/Old Sutton TIF Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Revenues				
None	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
General government	-	12,290	12,285	-
Excess (Deficiency) of Revenues Over Expenditures	-	(12,290)	(12,285)	-
Other Financing Sources (Uses)				
Transfer in	-	-	12,285	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (12,290)</u>	-	-
Fund Balance, January 1			-	-
Fund Balance, December 31			<u>\$ -</u>	<u>\$ -</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Higgins/Hassell TIF Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 300,000	\$ 453,950	\$ 453,944	\$ 368,800
Investment income	500	500	103	1,060
Total revenues	<u>300,500</u>	<u>454,450</u>	<u>454,047</u>	<u>369,860</u>
Expenditures				
Current				
Economic development	4,850	1,641,540	1,640,617	187,319
Debt service				
Principal retirement	-	224,350	224,349	182,075
Total expenditures	<u>4,850</u>	<u>1,865,890</u>	<u>1,864,966</u>	<u>369,394</u>
Excess (Deficiency) of Revenues Over Expenditures	295,650	(1,411,440)	(1,410,919)	466
Other Financing Sources (Uses)				
Issuance of debt	-	-	1,411,186	-
Net Change in Fund Balance	<u>\$ 295,650</u>	<u>\$ (1,411,440)</u>	267	466
Fund Balance, January 1			<u>11,927</u>	<u>11,461</u>
Fund Balance, December 31			<u>\$ 12,194</u>	<u>\$ 11,927</u>

Nonmajor Debt Service Funds

2015B General Obligation Debt Service Fund - to account for the accumulation of resources for the payment of bond principal and interest on the 2015B general obligation bond issue.

2016 General Obligation Refunding Debt Service Fund - to account for the accumulation of resources for the payment of bond principal and interest on the 2016 general obligation bond issue.

2017A&B General Obligation Refunding Debt Service Fund - to account for the accumulation of resources for the payment of bond principal and interest on the 2017A&B general obligation bond issue.

2018 General Obligation Refunding Debt Service Fund - to account for the accumulation of resources for the payment of bond principal and interest on the 2018 general obligation bond issue.

2019 General Obligation Debt Service Fund - to account for the accumulation of resources for the payment of bond principal and interest on the 2019 general obligation bond issue.

Village of Hoffman Estates, Illinois
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2020

	2015B General Obligation Debt Service	2016 General Obligation Refunding Debt Service	2017A&B General Obligation Debt Service
Assets			
Cash and investments	\$ -	\$ 1,462	\$ -
Receivables (net, where applicable, of allowances for uncollectibles)			
Property tax	-	437,040	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ -</u>	<u>\$ 438,502</u>	<u>\$ -</u>
Liabilities Deferred Inflows of Resources and Fund Balances			
Liabilities			
Due to other funds	\$ -	\$ 5,915	\$ -
Deferred Inflows of Resources			
Unavailable revenue - property tax	-	436,700	-
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>442,615</u>	<u>-</u>
Fund Balances			
Unassigned	-	(4,113)	-
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>-</u>	<u>(4,113)</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 438,502</u>	<u>\$ -</u>

2018 General Obligation Refunding Debt Service	2019 General Obligation Debt Service	Total
\$ 22,032	\$ -	\$ 23,494
<u>1,057,167</u>	<u>-</u>	<u>1,494,207</u>
<u><u>\$ 1,079,199</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,517,701</u></u>
\$ 173,590	\$ -	\$ 179,505
<u>1,055,880</u>	<u>-</u>	<u>1,492,580</u>
<u>1,229,470</u>	<u>-</u>	<u>1,672,085</u>
<u>(150,271)</u>	<u>-</u>	<u>(154,384)</u>
<u>(150,271)</u>	<u>-</u>	<u>(154,384)</u>
<u><u>\$ 1,079,199</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,517,701</u></u>

Village of Hoffman Estates, Illinois
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended December 31, 2020

	2015B	2016	2017A&B
	General	General	General
	Obligation	Obligation	Obligation
	Debt Service	Refunding	Debt Service
	Debt Service	Debt Service	Debt Service
Revenues			
Taxes	\$ -	\$ 434,830	\$ -
Charges for services	-	-	-
Investment income	-	91	-
Total revenues	<u>-</u>	<u>434,921</u>	<u>-</u>
Expenditures			
Debt service			
Principal retirement	90,000	105,000	70,000
Interest and fiscal charges	31,575	334,275	109,300
Total expenditures	<u>121,575</u>	<u>439,275</u>	<u>179,300</u>
Excess (Deficiency) of Revenues			
Over Expenditures	(121,575)	(4,354)	(179,300)
Other Financing Sources			
Transfers in	<u>121,575</u>	<u>12,000</u>	<u>179,300</u>
Net Change in Fund Balance	-	7,646	-
Fund Balance, January 1	<u>-</u>	<u>(11,759)</u>	<u>-</u>
Fund Balance, December 31	<u>\$ -</u>	<u>\$ (4,113)</u>	<u>\$ -</u>

2018 General Obligation Refunding Debt Service	2019 General Obligation Debt Service	Total
\$ 1,646,779	\$ -	\$ 2,081,609
139,510	-	139,510
401	-	492
<u>1,786,690</u>	<u>-</u>	<u>2,221,611</u>
1,440,000	96,365	1,801,365
1,310,175	39,834	1,825,159
<u>2,750,175</u>	<u>136,199</u>	<u>3,626,524</u>
(963,485)	(136,199)	(1,404,913)
<u>785,420</u>	<u>136,199</u>	<u>1,234,494</u>
(178,065)	-	(170,419)
<u>27,794</u>	<u>-</u>	<u>16,035</u>
<u>\$ (150,271)</u>	<u>\$ -</u>	<u>\$ (154,384)</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
2015B General Obligation Debt Service Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
None	\$ -	\$ -	\$ -
Expenditures			
Debt service			
Principal retirement	90,000	90,000	90,000
Interest and fiscal charges	31,600	31,575	34,275
Total expenditures	<u>121,600</u>	<u>121,575</u>	<u>124,275</u>
Excess (Deficiency) of Revenues Over Expenditures	(121,600)	(121,575)	(124,275)
Other Financing Sources			
Transfers in	<u>121,600</u>	<u>121,575</u>	<u>124,275</u>
Net Change in Fund Balance	<u>\$ -</u>	-	-
Fund Balance, January 1		-	-
Fund Balance, December 31		<u>\$ -</u>	<u>-</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
2016 General Obligation Refunding Debt Service Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Taxes	\$ 438,800	\$ 434,830	\$ 432,077
Investment income	-	91	729
Total revenues	<u>438,800</u>	<u>434,921</u>	<u>432,806</u>
Expenditures			
Debt service			
Principal retirement	105,000	105,000	100,000
Interest and fiscal charges	334,300	334,275	336,275
Total expenditures	<u>439,300</u>	<u>439,275</u>	<u>436,275</u>
Excess (Deficiency) of Revenues Over Expenditures	(500)	(4,354)	(3,469)
Other Financing Sources			
Transfers in	-	12,000	-
Net Change in Fund Balance	<u>\$ (500)</u>	7,646	(3,469)
Fund Balance, January 1		<u>(11,759)</u>	<u>(8,290)</u>
Fund Balance, December 31		<u>\$ (4,113)</u>	<u>\$ (11,759)</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
2017A&B General Obligation Refunding Debt Service Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
None	\$ -	\$ -	\$ -
Expenditures			
Debt service			
Principal retirement	70,000	70,000	70,000
Interest and fiscal charges	109,350	109,300	110,700
Total expenditures	<u>179,350</u>	<u>179,300</u>	<u>180,700</u>
Excess (Deficiency) of Revenues Over Expenditures	(179,350)	(179,300)	(180,700)
Other Financing Sources			
Transfers in	<u>179,350</u>	<u>179,300</u>	<u>180,700</u>
Net Change in Fund Balance	<u>\$ -</u>	-	-
Fund Balance, January 1		-	-
Fund Balance, December 31		<u>\$ -</u>	<u>\$ -</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
2018 General Obligation Debt Service Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Taxes	\$ 1,661,780	\$ 1,646,779	\$ 1,651,731
Charges for services	300,000	139,510	164,538
Investment income	3,000	401	3,224
Total revenues	<u>1,964,780</u>	<u>1,786,690</u>	<u>1,819,493</u>
Expenditures			
Debt service			
Principal retirement	1,440,000	1,440,000	1,370,000
Interest and fiscal charges	1,310,200	1,310,175	1,378,675
Total expenditures	<u>1,310,200</u>	<u>2,750,175</u>	<u>2,748,675</u>
Excess (Deficiency) of Revenues			
Over Expenditures	<u>654,580</u>	<u>(963,485)</u>	<u>(929,182)</u>
Other Financing Sources (Uses)			
Transfers in	<u>785,420</u>	<u>785,420</u>	<u>934,960</u>
Net Change in Fund Balance	<u>\$ 1,440,000</u>	<u>(178,065)</u>	<u>5,778</u>
Fund Balance, January 1		<u>27,794</u>	<u>22,016</u>
Fund Balance, December 31		<u>\$ (150,271)</u>	<u>\$ 27,794</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
2019 General Obligation Debt Service Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Taxes	\$ 1,661,780	\$ -	\$ -
Charges for services	300,000	-	-
Investment income	3,000	-	-
Total revenues	<u>1,964,780</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt service			
Principal retirement	1,440,000	96,365	-
Interest and fiscal charges	1,310,200	39,834	-
Total expenditures	<u>1,310,200</u>	<u>136,199</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>654,580</u>	<u>(136,199)</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	<u>785,420</u>	<u>136,199</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,440,000</u>	<u>-</u>	<u>-</u>
Fund Balance, January 1		<u>-</u>	<u>-</u>
Fund Balance, December 31		<u>\$ -</u>	<u>\$ -</u>

Nonmajor Capital Projects Funds

Central Area Road Improvement Impact Fee Fund - to account for developer impact fees assessed under an impact fee ordinance. Resources accumulated are to be used for specific street improvements required due to development along the Barrington Road/Central Road corridors.

Central Road Corridor Improvement Fund - to account for financial resources to be used for the construction of public improvements such as streets, storm sewers, street lighting, located in the Central Road area.

Traffic Improvement Fund - to account for financial resources arising from developer donations, to be used for various infrastructure improvements.

Prairie Stone Capital Fund - to account for bond proceeds and revenue notes used to pay qualified project costs related to the Village's EDA.

Western Area Traffic Improvement Fund - to account for financial resources arising from donations by developers building within the Village's western area. Such donations are to be used for needed infrastructure improvements.

Capital Improvements Fund - to account for financial resources set aside for large capital improvements for the Village.

Western Area Road Improvement Impact Fee Fund - to account for developer impact fees assessed under an impact fee ordinance. Resources are to be used for specific street improvements within the Village's western area.

Capital Vehicle and Equipment Fund - to account for financial resources set aside for large vehicle and equipment purchases for the Village.

Hoffman Boulevard Bridge Fund - to account for the maintenance of the Hoffman Boulevard Bridge in accordance with a development agreement.

Capital Replacement Fund - to account for financial resources set aside for the replacement of large capital assets.

Western Corridor Fund - to account for financial resources to be used for the reconstruction of the new alignment section of Shoe Factory Road.

2017/2019 Capital Projects Fund - to account for bond proceeds used to pay qualified project costs related to the Village's 2015B, 2017A and 2019 General Obligation Bonds.

Road Improvement Fund - to account for financial resources set aside for large road improvements projects for the Village.

Stormwater Management Fund - to account for revenues from stormwater utility fees and to support the costs of improving and maintaining stormwater drainage facilities.

Village of Hoffman Estates, Illinois
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020

	Central Area Road Improvement Impact Fee	Central Road Corridor Improvement	Traffic Improvement	Prairie Stone Capital	Western Area Traffic Improvement	Capital Improvements	Western Area Road Improvement Impact Fee
Assets							
Cash and investments	\$ 126,676	\$ 55,396	\$ 18,400	\$ 1,070,366	\$ 26,549	\$ 547,660	\$ 71,404
Receivables							
Accounts	-	-	-	-	-	-	-
Other	-	-	-	-	-	220,866	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ 126,676</u>	<u>\$ 55,396</u>	<u>\$ 18,400</u>	<u>\$ 1,070,366</u>	<u>\$ 26,549</u>	<u>\$ 768,526</u>	<u>\$ 71,404</u>
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 178,253	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Deposits payable	125,569	-	-	-	26,316	418,433	71,262
Total liabilities	<u>125,569</u>	<u>-</u>	<u>-</u>	<u>178,253</u>	<u>26,316</u>	<u>418,433</u>	<u>71,262</u>
Fund Balances							
Nonspendable							
Prepaid items	-	-	-	-	-	-	-
Restricted							
Capital projects	-	-	-	-	-	-	-
Assigned							
Capital projects	1,107	55,396	18,400	892,113	233	350,093	142
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>1,107</u>	<u>55,396</u>	<u>18,400</u>	<u>892,113</u>	<u>233</u>	<u>350,093</u>	<u>142</u>
Total liabilities and fund balances	<u>\$ 126,676</u>	<u>\$ 55,396</u>	<u>\$ 18,400</u>	<u>\$ 1,070,366</u>	<u>\$ 26,549</u>	<u>\$ 768,526</u>	<u>\$ 71,404</u>

Capital Vehicle and Equipment	Hoffman Boulevard Bridge	Capital Replacement	Western Corridor	2017/2019 Capital Projects	Road Improvements	Stormwater Management	Total
\$ 426,641	\$ 273,850	\$ 989,469	\$ 3,599,295	\$ 44,990	\$ 3,051,353	\$ 396,129	\$ 10,698,178
-	-	-	-	-	-	50,523	50,523
-	-	-	-	324,641	333,348	-	878,855
548,170	-	-	-	-	-	-	548,170
<u>\$ 974,811</u>	<u>\$ 273,850</u>	<u>\$ 989,469</u>	<u>\$ 3,599,295</u>	<u>\$ 369,631</u>	<u>\$ 3,384,701</u>	<u>\$ 446,652</u>	<u>\$ 12,175,726</u>
\$ 256,220	\$ -	\$ -	\$ -	\$ -	\$ 1,956,080	\$ 42,682	\$ 2,433,235
-	-	-	-	-	48,520	-	48,520
-	-	-	3,183,798	-	-	-	3,825,378
256,220	-	-	3,183,798	-	2,004,600	42,682	6,307,133
548,170	-	-	-	-	-	-	548,170
-	-	-	-	44,990	-	-	44,990
170,421	273,850	989,469	415,497	324,641	1,380,101	403,970	5,275,433
-	-	-	-	-	-	-	-
718,591	273,850	989,469	415,497	369,631	1,380,101	403,970	5,868,593
<u>\$ 974,811</u>	<u>\$ 273,850</u>	<u>\$ 989,469</u>	<u>\$ 3,599,295</u>	<u>\$ 369,631</u>	<u>\$ 3,384,701</u>	<u>\$ 446,652</u>	<u>\$ 12,175,726</u>

Village of Hoffman Estates, Illinois
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended December 31, 2020

	Central Area Road Improvement Impact Fee	Central Road Corridor Improvement	Traffic Improvement	Prairie Stone Capital	Western Area Traffic Improvement	Capital Improvements	Western Area Road Improvement Impact Fee
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,534,973	\$ -
Intergovernmental	-	-	-	-	-	98,630	-
Charges for services	-	-	-	2,917	-	-	-
Investment income	82	111	-	7,699	17	1,021	43
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>82</u>	<u>111</u>	<u>-</u>	<u>10,616</u>	<u>17</u>	<u>1,634,624</u>	<u>43</u>
Expenditures							
Capital outlay	-	-	-	1,921,845	-	202,713	182
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,921,845</u>	<u>-</u>	<u>202,713</u>	<u>182</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>82</u>	<u>111</u>	<u>-</u>	<u>(1,911,229)</u>	<u>17</u>	<u>1,431,911</u>	<u>(139)</u>
Other Financing Sources (Uses)							
Transfers in	-	-	-	534,000	-	74,830	-
Transfers out	-	-	-	(17,500)	-	(1,406,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>516,500</u>	<u>-</u>	<u>(1,331,170)</u>	<u>-</u>
Net Change in Fund Balance	<u>82</u>	<u>111</u>	<u>-</u>	<u>(1,394,729)</u>	<u>17</u>	<u>100,741</u>	<u>(139)</u>
Fund Balance, January 1	<u>1,025</u>	<u>55,285</u>	<u>18,400</u>	<u>2,286,842</u>	<u>216</u>	<u>249,352</u>	<u>281</u>
Fund Balance, December 31	<u>\$ 1,107</u>	<u>\$ 55,396</u>	<u>\$ 18,400</u>	<u>\$ 892,113</u>	<u>\$ 233</u>	<u>\$ 350,093</u>	<u>\$ 142</u>

Capital Vehicle and Equipment	Hoffman Boulevard Bridge	Capital Replacement	Western Corridor	2017/2019 Capital Projects	Road Improvements	Stormwater Management	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,047,761	\$ -	\$ 3,582,734
192,182	-	-	-	-	132,981	-	423,793
-	-	-	5,555	-	14,696	545,918	569,086
619	842	1,078	36,088	5,518	17,968	209	71,295
-	-	-	-	324,641	-	-	324,641
<u>192,801</u>	<u>842</u>	<u>1,078</u>	<u>41,643</u>	<u>330,159</u>	<u>2,213,406</u>	<u>546,127</u>	<u>4,971,549</u>
1,913,048	-	44,119	-	1,685,437	3,513,721	344,298	9,625,363
-	-	-	-	-	-	30,000	30,000
-	-	-	-	-	-	14,150	14,150
<u>1,913,048</u>	<u>-</u>	<u>44,119</u>	<u>-</u>	<u>1,685,437</u>	<u>3,513,721</u>	<u>388,448</u>	<u>9,669,513</u>
(1,720,247)	842	(43,041)	41,643	(1,355,278)	(1,300,315)	157,679	(4,697,964)
1,151,040	-	700,000	-	-	1,576,000	-	4,035,870
-	-	-	(190,000)	-	-	-	(1,613,500)
<u>1,151,040</u>	<u>-</u>	<u>700,000</u>	<u>(190,000)</u>	<u>-</u>	<u>1,576,000</u>	<u>-</u>	<u>2,422,370</u>
(569,207)	842	656,959	(148,357)	(1,355,278)	275,685	157,679	(2,275,594)
<u>1,287,798</u>	<u>273,008</u>	<u>332,510</u>	<u>563,854</u>	<u>1,724,909</u>	<u>1,104,416</u>	<u>246,291</u>	<u>8,144,187</u>
<u>\$ 718,591</u>	<u>\$ 273,850</u>	<u>\$ 989,469</u>	<u>\$ 415,497</u>	<u>\$ 369,631</u>	<u>\$ 1,380,101</u>	<u>\$ 403,970</u>	<u>\$ 5,868,593</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Central Area Road Improvement Impact Fee Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Investment income	\$ -	\$ 82	\$ 718
Expenditures			
None	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	82	718
Fund Balance, January 1		<u>1,025</u>	<u>307</u>
Fund Balance, December 31		<u>\$ 1,107</u>	<u>\$ 1,025</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Central Road Corridor Improvement Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Investment income	\$ 600	\$ 111	\$ 3,834
Expenditures			
None	-	-	-
Net Change in Fund Balance	<u>\$ 600</u>	111	3,834
Fund Balance, January 1		<u>55,285</u>	<u>51,451</u>
Fund Balance, December 31		<u>\$ 55,396</u>	<u>\$ 55,285</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Traffic Improvement Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Investment income	\$ -	\$ -	\$ 2,748
Expenditures			
None	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	-	2,748
Fund Balance, January 1		<u>18,400</u>	<u>15,652</u>
Fund Balance, December 31		<u>\$ 18,400</u>	<u>\$ 18,400</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Prairie Stone Capital Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Charges for services	\$ -	\$ 2,917	\$ 46,949
Investment income	10,000	7,699	50,466
Total revenues	<u>10,000</u>	<u>10,616</u>	<u>97,415</u>
Expenditures			
Capital outlay	<u>1,921,850</u>	<u>1,921,845</u>	<u>92,430</u>
Excess (Deficiency) of Revenues Over Expenditures			
	<u>(1,911,850)</u>	<u>(1,911,229)</u>	<u>4,985</u>
Other Financing Sources (Uses)			
Proceeds from sale of capital asset	-	-	890,146
Transfers in	-	534,000	-
Transfers out	(50,000)	(17,500)	(20,000)
Total other financing sources (uses)	<u>(50,000)</u>	<u>516,500</u>	<u>870,146</u>
Net Change in Fund Balance	<u>\$ (1,961,850)</u>	<u>(1,394,729)</u>	<u>875,131</u>
Fund Balance, January 1		<u>2,286,842</u>	<u>1,411,711</u>
Fund Balance, December 31		<u>\$ 892,113</u>	<u>\$ 2,286,842</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Western Area Traffic Improvement Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Investment income	\$ -	\$ 17	\$ 147
Expenditures			
None	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	17	147
Fund Balance, January 1		<u>216</u>	<u>69</u>
Fund Balance, December 31		<u>\$ 233</u>	<u>\$ 216</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Capital Improvements Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Taxes	\$ 1,565,000	\$ 1,534,973	\$ 1,613,561
Intergovernmental	380,000	98,630	46,615
Investment income	4,000	1,021	11,128
Total revenues	<u>1,949,000</u>	<u>1,634,624</u>	<u>1,671,304</u>
Expenditures			
Capital outlay	<u>743,150</u>	<u>202,713</u>	<u>255,216</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,205,850</u>	<u>1,431,911</u>	<u>1,416,088</u>
Other Financing Sources (Uses)			
Transfers in	178,600	74,830	48,750
Transfers out	<u>(1,450,000)</u>	<u>(1,406,000)</u>	<u>(1,386,000)</u>
Total other financing sources (uses)	<u>(1,271,400)</u>	<u>(1,331,170)</u>	<u>(1,337,250)</u>
Net Change in Fund Balance	<u>\$ (65,550)</u>	100,741	78,838
Fund Balance, January 1		<u>249,352</u>	<u>170,514</u>
Fund Balance, December 31		<u>\$ 350,093</u>	<u>\$ 249,352</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Western Area Road Improvement Impact Fee Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		Actual	2019 Actual
	Original Budget	Final Budget		
Revenues				
Charges for services	\$ -	\$ -	\$ -	\$ 182
Investment income	-	-	43	281
Total revenues	<u>-</u>	<u>-</u>	<u>43</u>	<u>463</u>
Expenditures				
Capital outlay	-	190	182	182
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (190)</u>	(139)	281
Fund Balance, January 1			<u>281</u>	<u>-</u>
Fund Balance, December 31			<u>\$ 142</u>	<u>\$ 281</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Capital Vehicle and Equipment Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental	\$ -	\$ 192,180	\$ 192,182	\$ -
Investment income	2,000	2,000	619	4,296
Other income	-	-	-	5,760
Total revenues	<u>2,000</u>	<u>194,180</u>	<u>192,801</u>	<u>10,056</u>
Expenditures				
Capital outlay	<u>1,596,910</u>	<u>1,913,160</u>	<u>1,913,048</u>	<u>645,131</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,594,910)	(1,718,980)	(1,720,247)	(635,075)
Other Financing Sources				
Transfers in	<u>1,596,910</u>	<u>1,596,910</u>	<u>1,151,040</u>	<u>1,837,025</u>
Net Change in Fund Balance	<u>\$ 2,000</u>	<u>\$ (122,070)</u>	(569,207)	1,201,950
Fund Balance, January 1			<u>1,287,798</u>	<u>85,848</u>
Fund Balance, December 31			<u>\$ 718,591</u>	<u>\$ 1,287,798</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Hoffman Boulevard Bridge Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Investment income	\$ 5,000	\$ 842	\$ 7,756
Expenditures			
Capital outlay	52,000	-	33,412
Net Change in Fund Balance	<u>\$ (47,000)</u>	842	(25,656)
Fund Balance, January 1		<u>273,008</u>	<u>298,664</u>
Fund Balance, December 31		<u>\$ 273,850</u>	<u>\$ 273,008</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Capital Replacement Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Investment income	\$ 5,000	\$ 1,078	\$ 8,299
Expenditures			
Capital outlay	48,000	44,119	-
Excess (Deficiency) of Revenues Over Expenditures	<u>(43,000)</u>	<u>(43,041)</u>	<u>8,299</u>
Other Financing Sources (Uses)			
Transfers in	700,000	700,000	-
Transfers out	-	-	(300,000)
Total other financing sources (uses)	<u>700,000</u>	<u>700,000</u>	<u>(300,000)</u>
Net Change in Fund Balance	<u>\$ 657,000</u>	656,959	(291,701)
Fund Balance, January 1		<u>332,510</u>	<u>624,211</u>
Fund Balance, December 31		<u>\$ 989,469</u>	<u>\$ 332,510</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Western Corridor Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Revenues			
Investment income	\$ 50,000	\$ 36,088	\$ 93,356
Charges for services	-	5,555	-
Total revenues	<u>50,000</u>	<u>41,643</u>	<u>93,356</u>
Expenditures			
None	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues			
Over Expenditures	50,000	41,643	93,356
Other Financing Sources (Uses)			
Transfers out	<u>(280,000)</u>	<u>(190,000)</u>	<u>(60,000)</u>
Net Change in Fund Balance	<u>\$ (280,000)</u>	(148,357)	33,356
Fund Balance, January 1		<u>563,854</u>	<u>530,498</u>
Fund Balance, December 31		<u>\$ 415,497</u>	<u>\$ 563,854</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
2017/2019 Capital Projects Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		Actual	2019 Actual
	Original Budget	Original and Final Budget		
Revenues				
Investment income	\$ -	\$ -	\$ 5,518	\$ 5,078
Miscellaneous	-	-	324,641	-
Total revenues	<u>-</u>	<u>-</u>	<u>330,159</u>	<u>5,078</u>
Expenditures				
Capital outlay	-	1,685,440	1,685,437	-
Bond issuance cost	-	-	-	8,114
Total expenditures	<u>-</u>	<u>1,685,440</u>	<u>1,685,437</u>	<u>8,114</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(1,685,440)	(1,355,278)	(3,036)
Other Financing Sources				
Bonds issued	-	-	-	1,727,945
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (1,685,440)</u>	(1,355,278)	1,724,909
Fund Balance, January 1			<u>1,724,909</u>	<u>-</u>
Fund Balance, December 31			<u>\$ 369,631</u>	<u>\$ 1,724,909</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Road Improvement Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Taxes	\$ 2,225,000	\$ 2,047,761	\$ 2,119,325
Intergovernmental	855,000	132,981	240,905
Charges for services	-	14,696	2,929
Investment income	20,000	17,968	73,658
Total revenues	<u>3,100,000</u>	<u>2,213,406</u>	<u>2,436,817</u>
Expenditures			
Capital outlay	<u>6,036,610</u>	<u>3,513,721</u>	<u>4,441,180</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,936,610)	(1,300,315)	(2,004,363)
Other Financing Sources (Uses)			
Transfers in	<u>2,156,610</u>	<u>1,576,000</u>	<u>1,605,300</u>
Net Change in Fund Balance	<u><u>\$ (780,000)</u></u>	275,685	(399,063)
Fund Balance, January 1		<u>1,104,416</u>	<u>1,503,479</u>
Fund Balance, December 31		<u><u>\$ 1,380,101</u></u>	<u><u>\$ 1,104,416</u></u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Stormwater Management Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Revenues			
Charges for services	\$ 535,000	\$ 545,918	\$ 539,944
Investment income	2,000	209	1,991
Total revenues	<u>537,000</u>	<u>546,127</u>	<u>541,935</u>
Expenditures			
Capital outlay	1,020,000	344,298	612,946
Debt service			
Principal retirement	30,000	30,000	30,000
Interest and fiscal charges	14,150	14,150	15,050
Total expenditures	<u>1,064,150</u>	<u>388,448</u>	<u>657,996</u>
Excess (Deficiency) of Revenues Over Expenditures	(527,150)	157,679	(116,061)
Other Financing Sources			
Transfers in	-	-	80,000
Net Change in Fund Balance	<u>\$ (527,150)</u>	157,679	(36,061)
Fund Balance, January 1		<u>246,291</u>	<u>282,352</u>
Fund Balance, December 31		<u>\$ 403,970</u>	<u>\$ 246,291</u>

Major Enterprise Funds

Village of Hoffman Estates, Illinois
Statement of Net Position
Waterworks and Sewerage Fund
December 31, 2020
(With Comparative Actual for 2019)

	2020	2019
Assets		
Current Assets		
Cash and investments	\$ 8,700,093	\$ 7,202,590
Receivables		
Accounts - billed	1,589,369	1,578,676
Accounts - unbilled	1,501,120	1,535,211
Accounts - other invoices	1,840	2,078
Accrued interest	-	3,248
Inventories	117,777	154,667
Restricted cash	4,278,213	12,204,432
Total current assets	16,188,412	22,680,902
Capital Assets		
Not depreciated	1,652,119	675,961
Depreciated	63,381,956	60,958,254
Accumulated depreciation	(35,932,384)	(34,538,499)
Net capital assets	29,101,691	27,095,716
Total assets	45,290,103	49,776,618
Deferred Outflows of Resources		
Pension items - IMRF	916,275	2,039,269
OPEB items	466,564	449,036
Asset retirement obligation	332,710	-
Unamortized loss on refunding	238,484	251,983
Total deferred outflows of resources	1,954,033	2,740,288
Liabilities		
Current Liabilities		
Accounts payable	1,307,581	1,166,599
Accrued payroll	42,277	161,224
Accrued interest payable	60,513	63,756
Deposits payable	-	27,917
General obligation bonds payable	1,052,185	1,015,455
Total OPEB liability	61,367	58,012
Compensated absences payable	183,912	157,615
Termination benefits payable	5,600	-
Total current liabilities	2,713,435	2,650,578

Village of Hoffman Estates, Illinois
Statement of Net Position
Waterworks and Sewerage Fund
December 31, 2020
(With Comparative Actual for 2019)

	2020	2019
Long-Term Liabilities		
General obligation bonds payable	\$ 21,731,503	\$ 22,837,812
IEPA Loans	405,747	-
Net pension liability	1,685,561	3,405,492
Total OPEB liability	1,649,322	1,963,375
Compensated absences payable	196,824	183,432
Asset retirement obligation	339,500	-
Total long-term liabilities	26,008,457	28,390,111
Total liabilities	28,721,892	31,040,689
Deferred Inflows of Resources		
Pension Items - IMRF	911,253	311,308
OPEB items	477,162	122,158
Total deferred inflows of resources	1,388,415	433,466
Net Position		
Net investment in capital assets	10,232,342	15,607,091
Restricted for		
Capital improvements	4,278,213	12,204,432
Unrestricted	2,623,274	(6,768,772)
Total net position	\$ 17,133,829	\$ 21,042,751

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenses and Changes in Net Position –
Budget and Actual – Budgetary Basis
Waterworks and Sewerage Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original Budget	Final Budget	
Operating Revenues			
Charges for services	\$ 19,516,000	\$ 19,516,000	\$ 19,472,378
Operating Expenses Excluding Depreciation			
Water division	16,704,490	23,670,960	24,342,118
Sewer division	5,006,850	5,006,850	2,524,154
Total operating expenses excluding depreciation	21,711,340	28,677,810	26,866,272
Operating Income (Loss)	(2,195,340)	(9,161,810)	(7,393,894)
Nonoperating Revenues (Expenses)			
Investment income	110,000	110,000	62,810
Interest expense	(887,400)	(887,400)	(727,994)
Principal expense	(560,000)	(560,000)	(1,015,455)
Loss on sale of capital assets	-	-	(9,111)
Loan proceeds	-	-	405,747
Miscellaneous revenue	-	1,932,600	2,214,426
Bonds issued, at par	7,897,905	7,897,905	-
Total nonoperating revenues (expenses)	6,560,505	8,493,105	930,423
Net Income Before Transfers and Contributions	4,365,165	(668,705)	(6,463,471)
Transfers			
Transfers out	(16,500)	(16,500)	(17,330)
Change in Net Position (Budgetary Basis)	\$ 4,348,665	\$ (685,205)	(6,480,801)
Adjustments to GAAP Basis			
Additions to capital assets			\$ 3,453,926
Loan Proceeds			(405,747)
Depreciation			(1,438,840)
Pension expense			(3,009)
OPEB expense			(44,306)
Termination benefit expense			(5,600)
Bond issuance			-
Principal retirement			1,015,455
Total adjustments to GAAP basis			2,571,879
Change in Net Position (GAAP Basis)			(3,908,922)
Net Position, January 1			21,042,751
Net Position, December 31			\$ 17,133,829
			\$ 21,042,751

Village of Hoffman Estates, Illinois
Statement of Net Position
NOW Arena Operating Fund
December 31, 2020
(With Comparative Actual for 2019)

	2020	2019
Assets		
Current Assets		
Cash and investments	\$ 1,253,159	\$ 2,690,380
Receivables (net, where applicable, of allowances)		
Accounts	62,706	102,385
Accrued interest	-	2,295
Other	699,239	1,109,095
Prepaid items	163,019	26,648
Total current assets	2,178,123	3,930,803
Capital Assets		
Not depreciated	6,000,000	6,000,000
Depreciated	78,835,243	78,731,331
Accumulated depreciation	(24,382,005)	(22,533,445)
Net capital assets	60,453,238	62,197,886
Deferred Outflows of Resources		
Unamortized loss on refunding	762,372	850,355
Liabilities		
Current Liabilities		
Accounts payable	334,454	1,491,192
Accrued interest payable	128,804	132,394
Due to other funds	530,435	-
Unearned revenue	779,922	771,983
General obligation bonds payable	1,955,000	1,915,000
Total current liabilities	3,728,615	4,310,569
Long-Term Liabilities		
General obligation bonds payable, net of premium	33,605,607	35,535,265
Total liabilities	37,334,222	39,845,834
Net Position		
Net investment in capital assets	25,655,003	25,597,976
Unrestricted	404,508	1,535,234
Total net position	\$ 26,059,511	\$ 27,133,210

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenses and Changes in Net Position –
Budget and Actual – Budgetary Basis
NOW Arena Operating Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019
	Original Budget	Final Budget	Actual	
Operating Revenues				
Charges for services	\$ 10,510,060	\$ 10,510,060	\$ 2,528,510	\$ 11,156,948
Operating Expenses Excluding Depreciation				
NOW Arena	11,563,410	11,638,410	4,481,275	11,842,372
Operating Loss	<u>(1,053,350)</u>	<u>(1,128,350)</u>	<u>(1,952,765)</u>	<u>(685,424)</u>
Nonoperating Revenues (Expenses)				
Entertainment and food tax	2,561,540	2,561,540	1,739,637	2,662,088
Charges for services	70,040	70,040	70,121	68,079
Investment income	19,000	19,000	6,422	23,951
Principal retirement	(1,915,000)	(1,915,000)	(1,915,000)	(1,825,000)
Interest expense	(1,588,740)	(1,588,740)	(1,698,464)	(1,737,606)
Sale of fixed assets	-	-	-	(37,220)
Miscellaneous revenue	675,000	750,000	1,229,633	822,143
Total nonoperating expenses	<u>(178,160)</u>	<u>(103,160)</u>	<u>(567,651)</u>	<u>(23,565)</u>
Net Income Before Transfers and Contributions	(1,231,510)	(1,231,510)	(2,520,416)	(708,989)
Transfers				
Transfers in	1,020,000	1,020,000	1,255,519	700,000
Contributions				
Intergovernmental	75,000	75,000	20,846	37,423
Change in Net Position (Budgetary Basis)	<u>\$ (136,510)</u>	<u>\$ (136,510)</u>	<u>\$ (1,244,051)</u>	<u>\$ 28,434</u>
Adjustments to GAAP Basis				
Additions to capital assets			\$ 306,263	\$ 62,822
Depreciation			(2,050,911)	(2,374,644)
Principal retirement			1,915,000	1,825,000
Total adjustments to GAAP basis			<u>170,352</u>	<u>(486,822)</u>
Change in Net Position (GAAP Basis)			(1,073,699)	(458,388)
Net Position, January 1			<u>27,133,210</u>	<u>27,591,598</u>
Net Position, December 31			<u>\$ 26,059,511</u>	<u>\$ 27,133,210</u>

Internal Service Funds

Information Systems Fund - to account for the operations of the information systems division of the Village. Financing is provided through billings to various village departments.

Insurance Fund - to account for the servicing and payment of claims for all village insurance programs including Health, Workers' Compensation and Liability. Financing is provided through billings to the various village departments.

Village of Hoffman Estates, Illinois
Combining Statement of Net Position
Internal Service Funds
December 31, 2020

	Information Systems	Insurance	Total
Assets			
Current Assets			
Cash and investments	\$ 1,263,931	\$ 2,855,656	\$ 4,119,587
Receivables			
Accounts	-	273	273
Deposits	-	55,000	55,000
Total current assets	<u>1,263,931</u>	<u>2,910,929</u>	<u>4,174,860</u>
Capital Assets			
Depreciated	457,054	-	457,054
Accumulated depreciation	(184,325)	-	(184,325)
Net capital assets	<u>272,729</u>	<u>-</u>	<u>272,729</u>
Total assets	<u>1,536,660</u>	<u>2,910,929</u>	<u>4,447,589</u>
Deferred Outflows of Resources			
Pension items - IMRF	152,712	-	152,712
OPEB items	93,313	-	93,313
Total deferred outflows of resources	<u>246,025</u>	<u>-</u>	<u>246,025</u>
Liabilities			
Current liabilities			
Accounts payable	59,830	78,129	137,959
Accrued payroll	25,507	1,452	26,959
Claims payable	-	1,029,044	1,029,044
Benefits payable	-	628,440	628,440
Compensated absences payable	58,852	5,880	64,732
Total OPEB liability	11,833	-	11,833
Total current liabilities	<u>156,022</u>	<u>1,742,945</u>	<u>1,898,967</u>
Long-Term liabilities			
Net pension liability	280,927	-	280,927
Total OPEB liability	330,306	-	330,306
Total long-term liabilities	<u>611,233</u>	<u>-</u>	<u>611,233</u>
Total liabilities	<u>767,255</u>	<u>1,742,945</u>	<u>2,510,200</u>
Deferred Inflows of Resources			
Pension items - IMRF	151,875	-	151,875
OPEB items	95,433	-	95,433
Total deferred inflows of resources	<u>247,308</u>	<u>-</u>	<u>247,308</u>
Net Position			
Net investment in capital assets	272,729	-	272,729
Unrestricted	495,393	1,167,984	1,663,377
Total net position	<u>\$ 768,122</u>	<u>\$ 1,167,984</u>	<u>\$ 1,936,106</u>

Village of Hoffman Estates, Illinois
Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
Year Ended December 31, 2020

	Information Systems	Insurance	Total
Operating Revenues			
Charges for services	\$ 1,634,413	\$ 1,422,960	\$ 3,057,373
Operating Expenses			
Operations	1,642,443	133,545	1,775,988
Claims and insurance	-	1,588,443	1,588,443
Depreciation	25,279	-	25,279
Total operating expenses	<u>1,667,722</u>	<u>1,721,988</u>	<u>3,389,710</u>
Operating Income (Loss)	<u>(33,309)</u>	<u>(299,028)</u>	<u>(332,337)</u>
Nonoperating Revenues (Expenses)			
Miscellaneous	5,692	-	5,692
Terminal reserve	-	123,793	123,793
Investment income	3,604	18,926	22,530
Total nonoperating revenues (expenses)	<u>9,296</u>	<u>142,719</u>	<u>152,015</u>
Income (Loss) Before Transfers	<u>(24,013)</u>	<u>(156,309)</u>	<u>(180,322)</u>
Transfers			
Transfers in	<u>85,111</u>	<u>-</u>	<u>85,111</u>
Change in Net Position	61,098	(156,309)	(95,211)
Net Position, January 1	<u>707,024</u>	<u>1,324,293</u>	<u>2,031,317</u>
Net Position, December 31	<u>\$ 768,122</u>	<u>\$ 1,167,984</u>	<u>\$ 1,936,106</u>

Village of Hoffman Estates, Illinois
Combining Statement of Cash Flows
Internal Service Funds
Year Ended December 31, 2020

	Information System	Insurance	Total
Cash Flows From Operating Activities			
Receipts from interfund services transactions	\$ 1,639,734	\$ 1,422,960	\$ 3,062,694
Payments to suppliers	(673,947)	(1,057,939)	(1,731,886)
Payments to employees for services	(966,895)	(275,535)	(1,242,430)
Net cash provided by (used in) operating activities	<u>(1,108)</u>	<u>89,486</u>	<u>88,378</u>
Cash Flows From Noncapital Financing Activities			
Transfers in	85,111	-	85,111
Terminal reserve	-	123,793	123,793
Net cash from noncapital financing activities	<u>85,111</u>	<u>123,793</u>	<u>208,904</u>
Cash Flows From Capital and Related Financing Activities			
Capital assets purchased	(51,035)	-	(51,035)
Proceeds from sale of capital assets	5,692	-	5,692
Net cash used in capital and related financing activities	<u>(45,343)</u>	<u>-</u>	<u>(45,343)</u>
Cash Flows From Investing Activities			
Interest received	14,264	45,512	59,776
Net Increase (Decrease) in Cash and Cash Equivalents	52,924	258,791	311,715
Cash and Cash Equivalents			
January 1	<u>1,211,007</u>	<u>2,596,865</u>	<u>3,807,872</u>
December 31	<u>\$ 1,263,931</u>	<u>\$ 2,855,656</u>	<u>\$ 4,119,587</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities			
Operating income (loss)	\$ (33,309)	\$ (299,028)	\$ (332,337)
Items not requiring (providing) cash			
Depreciation	25,279	-	25,279
Deferred outflows of resources - pension	187,166	-	187,166
Deferred outflows of resources - OPEB	(3,506)	-	(3,506)
Net pension liabilities	(286,655)	-	(286,655)
Total OPEB liability	(62,139)	-	(62,139)
Deferred inflows of resources - pension	99,991	-	99,991
Deferred inflows of resources - OPEB	71,001	-	71,001
Changes in			
Receivables	5,321	-	5,321
Prepaid expenses	1,224	-	1,224
Accounts payable	(14,970)	47,817	32,847
Accrued payroll	(8,664)	(3,394)	(12,058)
Claims payable	-	214,238	214,238
Benefits payable	-	128,550	128,550
Compensated absences payable	18,153	1,303	19,456
Net cash used in operating activities	<u>\$ (1,108)</u>	<u>\$ 89,486</u>	<u>\$ 88,378</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenses and Changes in Net Position –
Budget and Actual – Budgetary Basis
Information Systems Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	<u>2020</u>		<u>2019</u> <u>Actual</u>
	<u>Original and</u> <u>Final</u> <u>Budget</u>	<u>Actual</u>	
Operating Revenues			
Charges for services	1,653,900	\$ 1,634,413	\$ 1,747,990
Operating Expenses Excluding Depreciation			
Operations	<u>2,532,740</u>	<u>1,636,585</u>	<u>1,592,060</u>
Operating Income (Loss)	<u>(878,840)</u>	<u>(2,172)</u>	<u>155,930</u>
Nonoperating Revenues (Expenses)			
Miscellaneous	6,500	5,692	(40,856)
Investment income	15,000	3,604	26,145
Total nonoperating revenues (expenses)	<u>21,500</u>	<u>9,296</u>	<u>(14,711)</u>
Income (Loss) Before Transfers	(857,340)	7,124	141,219
Transfers			
Transfers in	<u>82,080</u>	<u>85,111</u>	<u>116,414</u>
Change in Net Position (Budgetary Basis)	<u>(775,260)</u>	<u>92,235</u>	<u>257,633</u>
Adjustments to GAAP Basis			
Depreciation		(25,279)	(24,099)
Pension expense		(502)	21,043
OPEB expense		<u>(5,356)</u>	<u>261</u>
Total adjustments to GAAP basis		<u>(31,137)</u>	<u>(2,795)</u>
Change in Net Position (GAAP) Basis		<u>61,098</u>	<u>254,838</u>
Net Position, January 1		707,024	452,186
Net Position, December 31		<u>\$ 768,122</u>	<u>\$ 707,024</u>

Village of Hoffman Estates, Illinois
Schedule of Net Position – By Program
Insurance Fund
December 31, 2020
(With Comparative Actual for 2019)

	Administration	Health Program	Workers' Compensation Program	Liability Program	Total	
					2020	2019
Assets						
Cash and investments	\$ 8,074	\$ 636,484	\$ 1,399,432	\$ 811,666	\$ 2,855,656	\$ 2,596,865
Receivables						
Accounts	-	273	-	-	273	273
Accrued interest	-	-	-	-	-	26,586
Deposits	-	-	45,000	10,000	55,000	55,000
Total assets	<u>8,074</u>	<u>636,757</u>	<u>1,444,432</u>	<u>821,666</u>	<u>2,910,929</u>	<u>2,678,724</u>
Liabilities						
Accounts payable	-	8,317	64,050	5,762	78,129	30,312
Compensated absences payable	5,880	-	-	-	5,880	4,577
Accrued payroll	1,452	-	-	-	1,452	4,846
Claims payable	-	-	575,274	453,770	1,029,044	814,806
Benefits payable	-	628,440	-	-	628,440	499,890
Total liabilities	<u>7,332</u>	<u>636,757</u>	<u>639,324</u>	<u>459,532</u>	<u>1,742,945</u>	<u>1,354,431</u>
Net Position						
Unrestricted	<u>\$ 742</u>	<u>\$ -</u>	<u>\$ 805,108</u>	<u>\$ 362,134</u>	<u>\$ 1,167,984</u>	<u>\$ 1,324,293</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenses and Changes in Net Position –
Budget and Actual
Insurance Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020		2019 Actual
	Original and Final Budget	Actual	
Operating Revenues			
Charges for services	\$ 1,481,200	\$ 1,422,960	\$ 1,318,520
Operating Expenses			
Claims and insurance	1,627,870	1,588,443	1,942,479
Operations	153,640	133,545	146,411
Total operating expense	<u>1,781,510</u>	<u>1,721,988</u>	<u>2,088,890</u>
Operating Income (Loss)	<u>(300,310)</u>	<u>(299,028)</u>	<u>(770,370)</u>
Nonoperating Revenues			
Terminal reserve	106,670	123,793	241,300
Investment income	40,000	18,926	64,056
Total nonoperating revenues	<u>146,670</u>	<u>142,719</u>	<u>305,356</u>
Income (Loss) Before Transfers	(153,640)	(156,309)	(465,014)
Transfers			
Transfers out	-	-	(150,000)
Change in Net Position	<u>\$ (153,640)</u>	(156,309)	(615,014)
Net Position, January 1		<u>1,324,293</u>	<u>1,939,307</u>
Net Position, December 31		<u>\$ 1,167,984</u>	<u>\$ 1,324,293</u>

Village of Hoffman Estates, Illinois
Schedule of Revenues, Expenses and Changes in Net Position –
By Program
Insurance Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	Administration	Health Program	Workers' Compensation Program	Liability Program	Total	
					2020	2019
Operating Revenues						
Charges for services	\$ 134,773	\$ -	\$ 562,793	\$ 725,394	\$ 1,422,960	1,318,520
Operating Expenses						
Claims and insurance	1,302	165,491	676,019	745,631	1,588,443	1,942,479
Operations	133,545	-	-	-	133,545	146,411
Total operating expenses	134,847	165,491	676,019	745,631	1,721,988	2,088,890
Operating Income (Loss)	(74)	(165,491)	(113,226)	(20,237)	(299,028)	(770,370)
Nonoperating Revenues						
Miscellaneous	-	-	-	-	-	-
Terminal reserve	-	123,793	-	-	123,793	241,300
Investment income	74	3,629	9,493	5,730	18,926	64,056
Total nonoperating revenues	74	127,422	9,493	5,730	142,719	305,356
Income (Loss) Before Transfers	-	(38,069)	(103,733)	(14,507)	(156,309)	(465,014)
Transfers						
Transfers in	-	38,069	-	-	38,069	30,438
Transfers out	-	-	-	(38,069)	(38,069)	(180,438)
Total transfers	-	38,069	-	(38,069)	-	(150,000)
Change in Net Position	-	-	(103,733)	(52,576)	(156,309)	(615,014)
Net Position, January 1	742	-	908,841	414,710	1,324,293	1,939,307
Net Position, December 31	\$ 742	\$ -	\$ 805,108	\$ 362,134	\$ 1,167,984	\$ 1,324,293

Fiduciary Funds

Pension Trust Fund

Police Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the government through an annual property tax levy.

Firefighters' Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by fire personnel members at rates fixed by state statutes and by the government through an annual property tax levy.

Custodial Funds

EDA Special Tax Allocation Fund - to account for the collection of incremental taxes and other financial resources received to retire certain tax increment revenue notes and to pay certain qualified project costs, all pertaining to the Village's EDA.

Village of Hoffman Estates, Illinois
Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2020

	<u>Pension Trust</u>		<u>Total</u>
	<u>Police Pension</u>	<u>Firefighters' Pension</u>	
Assets			
Cash and short-term investments	\$ 11,001	\$ 8,932	\$ 19,933
Investments, at fair value			
U.S. Treasury securities	3,259,371	4,988,713	8,248,084
U.S. agency securities	5,135,793	10,266,027	15,401,820
Corporate bonds	12,693,877	15,993,784	28,687,661
Municipal bonds	593,390	382,365	975,755
Mutual funds	60,884,383	44,749,046	105,633,429
Money market mutual funds	2,419,847	3,157,804	5,577,651
Equities	-	26,063,393	26,063,393
Receivables (net, where applicable, of allowances for uncollectibles)			
Accrued interest	124,709	177,965	302,674
Prepaid expenses	4,935	6,197	11,132
	<u>85,127,306</u>	<u>105,794,226</u>	<u>190,921,532</u>
Total assets			
	85,127,306	105,794,226	190,921,532
Liabilities			
Accounts payable	<u>21,793</u>	<u>26,185</u>	<u>47,978</u>
Net Position Restricted for Pensions	<u>\$ 85,105,513</u>	<u>\$ 105,768,041</u>	<u>\$ 190,873,554</u>

Village of Hoffman Estates, Illinois
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	Pensions Trust		Total
	Police Pension	Firefighters' Pension	
Additions			
Contributions			
Employer contributions	\$ 4,324,074	\$ 3,688,506	\$ 8,012,580
Employee contributions	874,298	927,910	1,802,208
Total contributions	<u>5,198,372</u>	<u>4,616,416</u>	<u>9,814,788</u>
Investment income			
Net appreciation in fair value of investments	4,938,445	11,087,795	16,026,240
Investment income	1,715,065	3,181,799	4,896,864
Total investment income	<u>6,653,510</u>	<u>14,269,594</u>	<u>20,923,104</u>
Less investment expense	<u>(95,630)</u>	<u>(278,259)</u>	<u>(373,889)</u>
Net investment income	<u>6,557,880</u>	<u>13,991,335</u>	<u>20,549,215</u>
Total additions	<u>11,756,252</u>	<u>18,607,751</u>	<u>30,364,003</u>
Deductions			
Benefits and refunds	7,245,992	6,188,024	13,434,016
Miscellaneous	50,174	48,314	98,488
Total deductions	<u>7,296,166</u>	<u>6,236,338</u>	<u>13,532,504</u>
Net Increase	4,460,086	12,371,413	16,831,499
Net Position Restricted for Pensions			
January 1	<u>80,645,427</u>	<u>93,396,628</u>	<u>174,042,055</u>
December 31	<u>\$ 85,105,513</u>	<u>\$ 105,768,041</u>	<u>\$ 190,873,554</u>

Village of Hoffman Estates, Illinois
Schedule of Changes in Fiduciary Net Position – Budget and Actual
Police Pension Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Additions				
Contributions				
Employer contributions				
Taxes	\$ 4,358,900	\$ 4,358,900	\$ 4,308,886	\$ 3,768,397
Intergovernmental	13,400	13,400	15,188	16,945
Employee contributions	850,000	850,000	874,298	827,082
Total contributions	<u>5,222,300</u>	<u>5,222,300</u>	<u>5,198,372</u>	<u>4,612,424</u>
Investment income				
Net appreciation (depreciation) in fair value of investments	250,000	250,000	4,938,445	9,270,420
Investment income	600,000	1,135,310	1,715,065	2,505,795
Total investment income	850,000	1,385,310	6,653,510	11,776,215
Less investment expense	(95,000)	(95,630)	(95,630)	(100,418)
Net investment income	<u>755,000</u>	<u>1,289,680</u>	<u>6,557,880</u>	<u>11,675,797</u>
Total additions	<u>5,977,300</u>	<u>6,511,980</u>	<u>11,756,252</u>	<u>16,288,221</u>
Deductions				
Benefits and refunds	6,716,680	7,245,920	7,245,992	6,685,809
Miscellaneous	45,730	51,170	50,174	51,852
Total deductions	<u>6,762,410</u>	<u>7,297,090</u>	<u>7,296,166</u>	<u>6,737,661</u>
Net Increase (Decrease)	<u>\$ (785,110)</u>	<u>\$ (785,110)</u>	4,460,086	9,550,560
Net Position Restricted for Pensions				
January 1			<u>80,645,427</u>	<u>71,094,867</u>
December 31			<u>\$ 85,105,513</u>	<u>\$ 80,645,427</u>

Village of Hoffman Estates, Illinois
Schedule of Changes in Fiduciary Net Position – Budget and Actual
Firefighters’ Pension Fund
Year Ended December 31, 2020
(With Comparative Actual for 2019)

	2020			2019 Actual
	Original Budget	Final Budget	Actual	
Additions				
Contributions				
Employer contributions				
Taxes	\$ 3,720,890	\$ 3,720,890	\$ 3,673,318	\$ 3,352,983
Intergovernmental	13,400	13,400	15,188	16,945
Employee contributions	903,500	903,500	927,910	943,556
Total contributions	<u>4,637,790</u>	<u>4,637,790</u>	<u>4,616,416</u>	<u>4,313,484</u>
Investment income				
Net appreciation (depreciation) in fair value of investments	400,000	400,000	11,087,795	14,159,463
Investment income	850,000	1,165,540	3,181,799	2,679,854
Total investment income	<u>1,250,000</u>	<u>1,565,540</u>	<u>14,269,594</u>	<u>16,839,317</u>
Less investment expense	<u>(200,000)</u>	<u>(278,260)</u>	<u>(278,259)</u>	<u>(164,958)</u>
Net investment income	<u>1,050,000</u>	<u>1,287,280</u>	<u>13,991,335</u>	<u>16,674,359</u>
Total additions	<u>5,687,790</u>	<u>5,925,070</u>	<u>18,607,751</u>	<u>20,987,843</u>
Deductions				
Benefits and refunds	5,950,760	6,188,040	6,188,024	5,691,006
Miscellaneous	58,500	58,500	48,314	52,787
Total deductions	<u>6,009,260</u>	<u>6,246,540</u>	<u>6,236,338</u>	<u>5,743,793</u>
Net Increase (Decrease)	<u>\$ (321,470)</u>	<u>\$ (321,470)</u>	12,371,413	15,244,050
Net Position Restricted for Pensions				
January 1			<u>93,396,628</u>	<u>78,152,578</u>
December 31			<u>\$ 105,768,041</u>	<u>\$ 93,396,628</u>

Village of Hoffman Estates, Illinois
Statement of Net Position – Custodial Fund
EDA Special Tax Allocation Fund
December 31, 2020

	<u>Custodial Fund</u>
Assets	
Cash and investments	\$ 11,470,756
Liabilities	
None	<u>-</u>
Net Position	
Restricted for Economic Development	<u><u>\$ 11,470,756</u></u>

Village of Hoffman Estates, Illinois
Statement of Changes in Net Position – Custodial Fund
EDA Special Tax Allocation Fund
Year Ended December 31, 2020

	Custodial Fund
Additions	
Property taxes	\$ 10,939,420
Investment income	35,393
	10,974,813
 Deductions	
Economic Development	
Municipal contribution	5,000,000
Administrative fees	460,369
Government share distribution	4,925,676
	10,386,045
Total deduction	10,386,045
 Change in Net Position	 588,768
 Net Position	
January 1	10,881,988
December 31	\$ 11,470,756

Other Supplemental Information

Village of Hoffman Estates, Illinois
Illinois Grant Accountability and Transparency Act
Consolidated Year End Financial Report
Year Ended December 31, 2020

CSFA Number	Program Name	State	Federal	Other	Total
444-26-1565	Tobacco Enforcement Program	\$ 1,197	\$ -	\$ -	\$ 1,197
494-00-1000	Illinois Transportation Enhancements	-	-	-	-
494-00-1488	Motor Fuel Tax	2,033,839	-	-	2,033,839
494-00-0967	High-Growth Cities Program	90,136	-	-	90,136
588-40-0450	Emergency Management Performance Grants	-	29,687	31,877	61,564
592-01-0504	Small Firefighting and Ambulance Service Equipment	-	-	-	-
592-01-0853	Local Government Training Reimbursement	3,987	-	5,146	9,133
494-10-0343	State and Community Highway Safety	-	12,126	-	12,126
482-00-0894	IDPH EMS Assistance Grant	-	-	-	-
482-00-0919	IDPH Preschool Vision & Hearing	1,342	-	-	1,342
Other Grant Programs					
	Community Development Block Grant	-	205,450	-	205,450
	Bullet Proof Vest	-	4,927	5,236	10,163
	Federal Asset Seizure	-	421,791	-	421,791
	FEMA COVID-19 Grant	-	43,693	14,564	58,257
	Illinois Environmental Protection Agency Loan	-	32,460	-	32,460
	Department of Treasury/Cook County Corona Virus Relief Fund	-	426,795	-	426,795
	US Department of Health and Human Services				
	Provider Relief Funds (COVID-19)	-	33,446	-	33,446
	FEMA Assistance to Firefighters	-	192,182	19,466	211,648
	Other grant programs and activities	-	-	616,384	616,384
	All other costs not allocated	-	-	106,390,435	106,390,435
	Totals	<u>\$ 2,130,501</u>	<u>\$ 1,402,557</u>	<u>\$ 107,083,108</u>	<u>\$ 110,616,166</u>

Supplemental Data

Village of Hoffman Estates, Illinois
Schedule of Insurance in Force
December 31, 2020

Type of Coverage	SIR or Deductibles	Specific Excess Limit	Aggregate Excess Limit	Insurance Carrier	Expiration Date of Policy
All Village Property Including NOW Arena					
Building and Personal Property	\$ 100,000 *	\$ 900,000	N/A	BRIT Syndicate 2987	1/1/2021
Mobile Equipment	100,000 *	900,000	N/A	BRIT Syndicate 2987	1/1/2021
Earthquake	100,000 *	900,000	N/A	BRIT Syndicate 2987	1/1/2021
Flood	100,000 *	900,000	N/A	BRIT Syndicate 2987	1/1/2021
Business Income	100,000 *	900,000	N/A	BRIT Syndicate 2987	1/1/2021
Excess Property	1,000,000	500,000,000	N/A	Allianz	1/1/2021
General Liability					
Premises Liability	200,000 *	1,800,000	\$ 3,600,000	BRIT Syndicate 2987	1/1/2021
Employee Benefit Liability	200,000 *	1,800,000	1,800,000	BRIT Syndicate 2987	1/1/2021
Damages to Premises Rented	*	1,000,000	N/A	BRIT Syndicate 2987	1/1/2021
Failure to Supply	100,000 *	2,000,000	4,000,000		1/1/2021
Sexual Abuse	200,000 *	1,800,000	1,800,000	BRIT Syndicate 2987	1/1/2021
Law Enforcement	200,000 *	1,800,000	3,600,000	BRIT Syndicate 2987	1/1/2021
Auto Liability	200,000 *	1,800,000	N/A	BRIT Syndicate 2987	1/1/2021
Auto Physical Damage	100,000 *	900,000	N/A	BRIT Syndicate 2987	1/1/2021
Auto - Hired and Non-Owned Liability	200,000 *	1,800,000	N/A	BRIT Syndicate 2987	1/1/2021
General Liability, Auto Liability, Law Enforcement Liability, Ambulance Attendants' Liability, Public Officials' Liability					
	2,000,000	10,000,000	10,000,000	Allied World	1/1/2021
	12,000,000	1,000,000	1,000,000	National Assurance Co. BRIT Syndicate 2987	1/1/2021
Boiler and Machinery	10,000	150,000,000	N/A	Liberty Mutual Insurance	1/1/2021
Public Officials' Liability	200,000 *	1,800,000	1,800,000	BRIT Syndicate 2987	1/1/2021
Healthcare/EMT	200,000 *	1,800,000	1,800,000	BRIT Syndicate 2987	1/1/2021
Cyber Liability	10,000	3,000,000	3,000,000	Syndicate 2987 and 2988	1/1/2021
Liquor Liability (Primary)	N/A	N/A	300,000	Lloyds	1/1/2021
Liquor Liability (Excess)					
Pollution Legal Liability					
Underground Storage Tanks	25,000	1,000,000	2,000,000	Ace Insurance Company	1/1/2021
Terrorism Property and Liability					
Property - TIV	10,000	25,000,000	N/A	Lloyds	1/1/2021
General Liability	"	"	N/A	"	1/1/2021
Position Surety Bonds					
William McLeod, Village President	N/A	3,000	3,000	Fidelity & Deposit Co.	1/1/2021
Dan O'Malley, Deputy Village Manager	N/A	3,000	3,000	"	1/1/2021
Bev Romanoff, Village Clerk	N/A	3,000	3,000	"	1/1/2021
James Norris, Village Manager	N/A	50,000	50,000	"	1/1/2021
Stan Helgerson, Treasurer	N/A	150,000	150,000	"	1/1/2021
Rachel Musiala, Assistant Treasurer	N/A	150,000	150,000	"	1/1/2021
Anthony Fashoda, Assistant Finance Director	N/A	150,000	150,000	"	1/1/2021
Police and Fire Commission/Member	N/A	500	2,500	"	1/1/2021
Excess Workers' Compensation	650,000	Statutory	2,000,000	Safety National	12/31/2020

* BRIT - All casualty lines retentions subject to a maximum \$525,000 aggregate loss fund.
N/A - Not Applicable

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Refunding Bond Series of 2015A
December 31, 2020

Date of issue	August 19, 2015
Date of maturity	December 1, 2026
Authorized issue	\$ 23,415,000
Denomination of bonds	\$ 5,000
Interest rates	2015 1.000%
	2016 1.000%
	2017 1.500%
	2018 2.000%
	2019 2.125%
	2020 2.250%
	2021 3.000%
	2022 3.250%
	2023 3.750%
	2024 4.000%
	2025 4.200%
	2026 4.375%

Interest Dates	June 1 and December 1
Principal Maturity Date	December 31
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 1,955,000	\$ 533,830	\$ 2,488,830	2021	\$ 266,915	2020	\$ 266,915
2021	2,165,000	475,180	2,640,180	2022	237,590	2021	237,590
2022	2,335,000	404,818	2,739,818	2023	202,409	2022	202,409
2023	2,425,000	317,256	2,742,256	2024	158,628	2023	158,628
2024	2,515,000	220,254	2,735,254	2025	110,127	2024	110,127
2025	2,620,000	114,626	2,734,626	2026	57,313	2025	57,313
	<u>\$ 14,015,000</u>	<u>\$ 2,065,964</u>	<u>\$ 16,080,964</u>		<u>\$ 1,032,982</u>		<u>\$ 1,032,982</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Bond Series of 2015B
December 31, 2020

Date of issue	August 12, 2015
Date of maturity	December 1, 2029
Authorized issue	\$ 6,125,000
Denomination of bonds	\$ 5,000
Interest rates	2016 2.00%
	2017 2.00%
	2018 2.00%
	2019 3.00%
	2020 3.00%
	2021 4.00%
	2022 4.00%
	2023 3.00%
	2024 4.00%
	2025 4.00%
	2026 4.00%
	2027 4.00%
	2028 4.00%
	2029 4.00%

Interest Dates	June 1 and December 1
Principal Maturity Date	December 31
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 425,000	\$ 164,200	\$ 589,200	2021	\$ 82,100	2021	\$ 82,100
2021	440,000	147,200	587,200	2022	73,600	2022	73,600
2022	460,000	129,600	589,600	2023	64,800	2023	64,800
2023	475,000	115,800	590,800	2024	57,900	2024	57,900
2024	495,000	96,800	591,800	2025	48,400	2025	48,400
2025	515,000	77,000	592,000	2026	38,500	2026	38,500
2026	530,000	56,400	586,400	2027	28,200	2027	28,200
2027	430,000	35,200	465,200	2028	17,600	2028	17,600
2028	450,000	18,000	468,000	2029	9,000	2029	9,000
	<u>\$ 4,220,000</u>	<u>\$ 840,200</u>	<u>\$ 5,060,200</u>		<u>\$ 420,100</u>		<u>\$ 420,100</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Refunding Bond Series of 2015C
December 31, 2020

Date of issue	October 28, 2015
Date of maturity	December 1, 2033
Authorized issue	\$ 21,905,000
Denomination of bonds	\$ 5,000
Interest rates	2016 1.000%
	2017 1.450%
	2026 4.250%
	2027 4.250%
	2028 4.375%
	2029 4.375%
	2030 4.500%
	2031 5.000%
	2032 5.000%
	2033 5.000%

Interest Dates	June 1 and December 1
Principal Maturity Date	December 31
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ -	\$ 1,011,812	\$ 1,011,812	2021	\$ 505,906	2021	\$ 505,906
2021	-	1,011,812	1,011,812	2022	505,906	2022	505,906
2022	-	1,011,812	1,011,812	2023	505,906	2023	505,906
2023	-	1,011,812	1,011,812	2024	505,906	2024	505,906
2024	-	1,011,812	1,011,812	2025	505,906	2025	505,906
2025	110,000	1,011,812	1,121,812	2026	505,906	2026	505,906
2026	2,855,000	1,007,138	3,862,138	2027	503,569	2027	503,569
2027	2,975,000	885,800	3,860,800	2028	442,900	2028	442,900
2028	3,105,000	755,644	3,860,644	2029	377,822	2029	377,822
2029	3,240,000	619,800	3,859,800	2030	309,900	2030	309,900
2030	3,390,000	474,000	3,864,000	2031	237,000	2031	237,000
2031	3,555,000	304,500	3,859,500	2032	152,250	2032	152,250
2032	2,535,000	126,750	2,661,750	2033	63,375	2033	63,375
	<u>\$ 21,765,000</u>	<u>\$ 10,244,504</u>	<u>\$ 32,009,504</u>		<u>\$ 5,122,252</u>		<u>\$ 5,122,252</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Refunding Bond Series of 2016
December 31, 2020

Date of issue	April 21, 2016
Date of maturity	December 1, 2029
Authorized issue	\$ 8,975,000
Denomination of bonds	\$ 5,000
Interest rates	2016-2021 2.00%
	2022-2024 0.00%
	2025-2029 4.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 105,000	\$ 331,700	\$ 436,700	2021	\$ 165,850	2021	\$ 165,850
2021	-	329,600	329,600	2022	164,800	2022	164,800
2022	-	329,600	329,600	2023	164,800	2023	164,800
2023	-	329,600	329,600	2024	164,800	2024	164,800
2024	1,150,000	329,600	1,479,600	2025	164,800	2025	164,800
2025	-	283,600	283,600	2026	141,800	2026	141,800
2026	2,270,000	283,600	2,553,600	2027	141,800	2027	141,800
2027	2,355,000	192,800	2,547,800	2028	96,400	2028	96,400
2028	2,465,000	98,600	2,563,600	2029	49,300	2029	49,300
	<u>\$ 8,345,000</u>	<u>\$ 2,508,700</u>	<u>\$ 10,853,700</u>		<u>\$ 1,254,350</u>		<u>\$ 1,254,350</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Bond Series of 2017A
December 31, 2020

Date of issue September 12, 2017
Date of maturity December 1, 2038
Authorized issue \$ 6,080,000
Denomination of bonds \$ 5,000
Interest rates 2017-2019 2.000%
2020-2026 3.000%
2027-2030 4.000%
2031-2033 3.000%
2034-2036 3.125%
2037-2038 3.250%

Interest dates June 1 and December 1
Principal maturity date December 1
Payable at Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 325,000	\$ 178,862	\$ 503,862	2021	\$ 89,431	2021	\$ 89,431
2021	340,000	169,112	509,112	2022	84,556	2022	84,556
2022	345,000	158,912	503,912	2023	79,456	2023	79,456
2023	355,000	148,562	503,562	2024	74,281	2024	74,281
2024	375,000	137,912	512,912	2025	68,956	2025	68,956
2025	380,000	126,662	506,662	2026	63,331	2026	63,331
2026	390,000	115,262	505,262	2027	57,631	2027	57,631
2027	410,000	99,662	509,662	2028	49,831	2028	49,831
2028	425,000	83,262	508,262	2029	41,631	2029	41,631
2029	200,000	66,262	266,262	2030	33,131	2030	33,131
2030	210,000	58,262	268,262	2031	29,131	2031	29,131
2031	215,000	51,962	266,962	2032	25,981	2032	25,981
2032	225,000	45,512	270,512	2033	22,756	2033	22,756
2033	230,000	38,762	268,762	2034	19,381	2034	19,381
2034	235,000	31,576	266,576	2035	15,788	2035	15,788
2035	245,000	24,232	269,232	2036	12,116	2036	12,116
2036	250,000	16,576	266,576	2037	8,288	2037	8,288
2037	260,000	8,450	268,450	2038	4,225	2038	4,225
	<u>\$ 5,415,000</u>	<u>\$ 1,559,802</u>	<u>\$ 6,974,802</u>		<u>\$ 779,901</u>		<u>\$ 779,901</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Refunding Bond Series of 2017B
December 31, 2020

Date of issue September 12, 2017
Date of maturity December 1, 2034
Authorized issue \$ 3,225,000
Denomination of bonds \$ 5,000
Interest rates 2017-2022 2.00%
2023-2026 3.00%
2027-2038 4.00%

Interest dates June 1 and December 1
Principal maturity date December 1
Payable at Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 35,000	\$ 123,300	\$ 158,300	2021	\$ 61,650	2021	\$ 61,650
2021	35,000	122,600	157,600	2022	61,300	2022	61,300
2022	35,000	121,900	156,900	2023	60,950	2023	60,950
2023	35,000	120,850	155,850	2024	60,425	2024	60,425
2024	40,000	119,800	159,800	2025	59,900	2025	59,900
2025	40,000	118,600	158,600	2026	59,300	2026	59,300
2026	40,000	117,400	157,400	2027	58,700	2027	58,700
2027	45,000	115,800	160,800	2028	57,900	2028	57,900
2028	45,000	114,000	159,000	2029	57,000	2029	57,000
2029	45,000	112,200	157,200	2030	56,100	2030	56,100
2030	50,000	110,400	160,400	2031	55,200	2031	55,200
2031	50,000	108,400	158,400	2032	54,200	2032	54,200
2032	50,000	106,400	156,400	2033	53,200	2033	53,200
2033	480,000	104,400	584,400	2034	52,200	2034	52,200
2034	500,000	85,200	585,200	2035	42,600	2035	42,600
2035	520,000	65,200	585,200	2036	32,600	2036	32,600
2036	545,000	44,400	589,400	2037	22,200	2037	22,200
2037	565,000	22,600	587,600	2038	11,300	2038	11,300
	<u>\$ 3,155,000</u>	<u>\$ 1,833,450</u>	<u>\$ 4,988,450</u>		<u>\$ 916,725</u>		<u>\$ 916,725</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Refunding Bond Series of 2018
December 31, 2020

Date of issue September 5, 2018
Date of maturity December 1, 2038
Authorized issue \$ 35,180,000
Denomination of bonds \$ 5,000
Interest rates 2019-2033 5.00%
2034-2037 4.00%
2038 3.75%

Interest dates June 1 and December 1
Principal maturity date December 1
Payable at Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 1,625,000	\$ 1,485,338	\$ 3,110,338	2021	\$ 742,669	2021	\$ 742,669
2021	1,705,000	1,404,088	3,109,088	2022	702,044	2022	702,044
2022	1,790,000	1,318,838	3,108,838	2023	659,419	2023	659,419
2023	1,880,000	1,229,338	3,109,338	2024	614,669	2024	614,669
2024	925,000	1,135,338	2,060,338	2025	567,669	2025	567,669
2025	2,105,000	1,089,088	3,194,088	2026	544,544	2026	544,544
2026	-	983,838	983,838	2027	491,919	2027	491,919
2027	-	983,838	983,838	2028	491,919	2028	491,919
2028	-	983,838	983,838	2029	491,919	2029	491,919
2029	2,250,000	983,838	3,233,838	2030	491,919	2030	491,919
2030	2,365,000	871,338	3,236,338	2031	435,669	2031	435,669
2031	2,485,000	753,090	3,238,090	2032	376,545	2032	376,545
2032	2,605,000	628,838	3,233,838	2033	314,419	2033	314,419
2033	2,345,000	498,588	2,843,588	2034	249,294	2034	249,294
2034	2,435,000	404,788	2,839,788	2035	202,394	2035	202,394
2035	2,520,000	307,388	2,827,388	2036	153,694	2036	153,694
2036	2,610,000	206,588	2,816,588	2037	103,294	2037	103,294
2037	2,725,000	102,205	2,827,205	2038	51,103	2038	51,102
	<u>\$ 32,370,000</u>	<u>\$ 15,370,203</u>	<u>\$ 47,740,203</u>		<u>\$ 7,685,102</u>		<u>\$ 7,685,101</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
General Obligation Bond Series of 2019
December 31, 2020

Date of issue November 5, 2019
Date of maturity December 1, 2034
Authorized issue \$ 9,625,850
Denomination of bonds \$ 5,000
Interest rates 2.150%

Interest dates June 1 and December 1
Principal maturity date December 1
Payable at JP Morgan Chase Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 563,305	\$ 195,414	\$ 758,719	2021	\$ 97,707	2021	\$ 97,707
2021	575,420	183,304	758,724	2022	91,652	2022	91,652
2022	587,790	170,932	758,722	2023	85,466	2023	85,466
2023	600,425	158,294	758,719	2024	79,147	2024	79,147
2024	613,335	145,384	758,719	2025	72,692	2025	72,692
2025	626,520	132,198	758,718	2026	66,099	2026	66,099
2026	639,995	118,728	758,723	2027	59,364	2027	59,364
2027	653,750	104,968	758,718	2028	52,484	2028	52,484
2028	667,810	90,912	758,722	2029	45,456	2029	45,456
2029	682,165	76,554	758,719	2030	38,277	2030	38,277
2030	696,830	61,888	758,718	2031	30,944	2031	30,944
2031	711,815	46,906	758,721	2032	23,453	2032	23,453
2032	727,120	31,602	758,722	2033	15,801	2033	15,801
2033	742,750	15,970	758,720	2034	7,985	2034	7,985
	<u>\$ 9,089,030</u>	<u>\$ 1,533,054</u>	<u>\$ 10,622,084</u>		<u>\$ 766,527</u>		<u>\$ 766,527</u>

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
Hoffman Estates Economic Development Project Area
Tax Increment Revenue Notes
December 31, 2020

	Private Interest Financing Note #6	Developer Project Cost Note #38	Developer Project Cost Note #39	Developer Project Cost Note #40
Date of issue	February 1, 2007	September 1, 2006	March 1, 2017	September 1, 2007
Date of maturity	September 10, 2027	September 10, 2027	September 10, 2027	September 10, 2027
Original amount of note	\$ 13,147,485	\$ 1,351,407	\$ 120,659	\$ 69,366
Interest rate	None	\$ 0	\$ 0	\$ 0
Interest dates	None	March 1 and September 1	March 1 and September 1	March 1 and September 1
Principal maturity dates	March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1
Payable at	Sears Roebuck and Company Hoffman Estates Illinois	Sears Roebuck and Company Hoffman Estates Illinois	Sears Roebuck and Company Hoffman Estates Illinois	Sears Roebuck and Company Hoffman Estates Illinois
Original principal balance	\$ 13,147,485	\$ 1,351,407	\$ 120,659	\$ 69,366
Accrued interest	-	1,101,362	93,744	51,379
Subtotal	13,147,485	2,452,769	214,403	120,745
Cumulative payments	-	-	-	-
Adjusted principal balance	<u>\$ 13,147,485</u>	<u>\$ 2,452,769</u>	<u>\$ 214,403</u>	<u>\$ 120,745</u>

Developer Project Cost Note #41	Developer Project Cost Note #42	Developer Project Cost Note #43	Developer Project Cost Note #44	Developer Project Cost Note #45
November 12, 2015 September 10, 2027	November 12, 2015 September 10, 2027	November 12, 2015 September 10, 2027	November 12, 2015 September 10, 2027	November 12, 2015 September 10, 2027
\$ 2,988,808	\$ 3,255,687	\$ 3,174,515	\$ 2,936,050	\$ 3,108,160
4.00%	4.00%	4.00%	4.00%	4.00%
March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1
March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1
Sears Roebuck and Company	Sears Roebuck and Company	Sears Roebuck and Company	Sears Roebuck and Company	Sears Roebuck and Company
Hoffman Estates Illinois	Hoffman Estates Illinois	Hoffman Estates Illinois	Hoffman Estates Illinois	Hoffman Estates Illinois
\$ 2,988,808	\$ 3,255,687	\$ 3,174,515	\$ 2,936,050	\$ 3,108,160
614,139	668,977	652,298	603,298	638,663
3,602,947	3,924,664	3,826,813	3,539,348	3,746,823
-	-	-	-	-
\$ 3,602,947	\$ 3,924,664	\$ 3,826,813	\$ 3,539,348	\$ 3,746,823

Village of Hoffman Estates, Illinois
Long-Term Debt Requirements
Hoffman Estates Economic Development Project Area
Tax Increment Revenue Notes
December 31, 2020

	Developer Project Cost Note #46	Developer Project Cost Note #47	Developer Project Cost Note #48	Developer Project Cost Note #49
Date of issue	November 12, 2015	November 12, 2015	November 12, 2015	November 12, 2015
Date of maturity	September 10, 2027	September 10, 2027	September 10, 2027	September 10, 2027
Original amount of note	\$ 2,513,463	\$ 2,772,320	\$ 2,622,795	\$ 2,670,765
Interest rate	4.00%	4.00%	4.00%	4.00%
Interest dates	March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1
Principal maturity dates	March 1 and September 1	March 1 and September 1	March 1 and September 1	March 1 and September 1
Payable at	Sears Roebuck and Company Hoffman Estates Illinois	Sears Roebuck and Company Hoffman Estates Illinois	Sears Roebuck and Company Hoffman Estates Illinois	Sears Roebuck and Company Hoffman Estates Illinois
Original principal balance	\$ 2,513,463	\$ 2,772,320	\$ 2,622,795	\$ 2,670,765
Accrued interest	516,465	569,655	538,931	548,787
Subtotal	3,029,928	3,341,975	3,161,726	3,219,552
Cumulative payments	-	-	-	-
Adjusted principal balance	<u>\$ 3,029,928</u>	<u>\$ 3,341,975</u>	<u>\$ 3,161,726</u>	<u>\$ 3,219,552</u>

VOHE Obligation #2	VOHE Obligation #3	VOHE Obligation #4	VOHE Obligation #5	VOHE Obligation #6	Total
May 31, 2003 September 10, 2027	May 31, 2004 September 10, 2027	May 31, 2005 September 10, 2027	May 31, 2006 September 10, 2027	May 31, 2007 September 10, 2027	
\$ 9,702,632	\$ 10,439,098	\$ 12,051,446	\$ 18,173,967	\$ 16,699,691	
None	None	None	None	None	
None	None	None	None	None	
March 1 and September 1 Sears Roebuck and Company Hoffman Estates Illinois	March 1 and September 1 Sears Roebuck and Company Hoffman Estates Illinois	March 1 and September 1 Sears Roebuck and Company Hoffman Estates Illinois	March 1 and September 1 Sears Roebuck and Company Hoffman Estates Illinois	March 1 and September 1 Sears Roebuck and Company Hoffman Estates Illinois	
\$ 9,702,632	\$ 10,439,098	\$ 12,051,446	\$ 18,173,967	\$ 16,699,691	\$ 107,798,314
2,637,095	4,162,359	5,101,519	7,693,255	7,069,176	33,261,102
12,339,727	14,601,457	17,152,965	25,867,222	23,768,867	141,059,416
12,339,727	5,464,071	-	-	-	17,803,798
\$ -	\$ 9,137,386	\$ 17,152,965	\$ 25,867,222	\$ 23,768,867	\$ 123,255,618

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

The Honorable Mayor
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hoffman Estates, Illinois (Village), as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated June 21, 2021, which includes an emphasis of matter paragraph regarding the adoption of a new accounting standard. Our report also includes a reference to other auditors who audited the financial statements of the EDA Special Tax Allocation Fund, a custodial fund of the Village, as described in our report on the Village's financial statements. The financial statements of the EDA Special Allocation Fund were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The Honorable Mayor
Members of the Board of Trustees

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Oakbrook Terrace, Illinois
June 21, 2021

Village of Hoffman Estates, Illinois

Statistical Section

This part of the Village of Hoffman Estates, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Village's overall financial health.

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These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	170
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These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	193
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Financial Trends

Village of Hoffman Estates, Illinois
Net Position by Component
Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
Governmental Activities				
Net investment in capital assets	\$ 96,991,246	\$ 97,300,601	\$ 99,421,159	\$ 99,864,591
Restricted	12,287,308	8,430,181	8,705,357	6,556,733
Unrestricted	<u>(68,641,607)</u>	<u>(52,629,530)</u>	<u>(40,661,610)</u>	<u>(98,826,179)</u>
Total governmental activities	<u>\$ 40,636,947</u>	<u>\$ 53,101,252</u>	<u>\$ 67,464,906</u>	<u>\$ 7,595,145</u>
Business-Type Activities				
Net investment in capital assets	\$ 57,288,598	\$ 56,288,010	\$ 54,117,345	\$ 52,052,387
Restricted	-	-	-	-
Unrestricted	<u>4,448,586</u>	<u>3,224,063</u>	<u>4,286,249</u>	<u>2,712,724</u>
Total business-type activities	<u>\$ 61,737,184</u>	<u>\$ 59,512,073</u>	<u>\$ 58,403,594</u>	<u>\$ 54,765,111</u>
Primary Government				
Net investment in capital assets	\$ 154,279,844	\$ 153,588,611	\$ 153,538,504	\$ 151,916,978
Restricted	12,287,308	8,430,181	8,705,357	6,556,733
Unrestricted	<u>(64,193,021)</u>	<u>(49,405,467)</u>	<u>(36,375,361)</u>	<u>(96,113,455)</u>
Total primary government	<u>\$ 102,374,131</u>	<u>\$ 112,613,325</u>	<u>\$ 125,868,500</u>	<u>\$ 62,360,256</u>

Notes: GASB Statement No. 68 implemented in 2015. GASB Statement No. 75 implemented in 2018.

Data Source

Audited Financial Statements

2015	2016	2017	2018	2019	2020
\$ 99,040,155	\$ 101,583,059	\$ 103,869,592	\$ 107,355,435	\$ 104,398,541	\$ 106,863,396
4,878,627	1,900,712	1,935,130	1,820,471	4,499,146	4,609,552
<u>(191,469,562)</u>	<u>(187,342,519)</u>	<u>(189,957,186)</u>	<u>(207,926,064)</u>	<u>(211,788,378)</u>	<u>(219,937,102)</u>
<u>\$ (87,550,780)</u>	<u>\$ (83,858,748)</u>	<u>\$ (84,152,464)</u>	<u>\$ (98,750,158)</u>	<u>\$ (102,890,691)</u>	<u>\$ (108,464,154)</u>
\$ 50,425,442	\$ 48,783,047	\$ 46,285,711	\$ 43,632,372	\$ 41,205,067	\$ 35,887,345
-	-	-	-	12,204,432	4,278,213
<u>1,147,952</u>	<u>2,478,512</u>	<u>4,137,575</u>	<u>4,589,226</u>	<u>(5,233,538)</u>	<u>3,027,782</u>
<u>\$ 51,573,394</u>	<u>\$ 51,261,559</u>	<u>\$ 50,423,286</u>	<u>\$ 48,221,598</u>	<u>\$ 48,175,961</u>	<u>\$ 43,193,340</u>
\$ 149,465,597	\$ 150,366,106	\$ 150,155,303	\$ 150,987,807	\$ 145,603,608	\$ 142,750,741
4,878,627	1,900,712	1,935,130	1,820,471	16,703,578	8,887,765
<u>(190,321,610)</u>	<u>(184,864,007)</u>	<u>(185,819,611)</u>	<u>(203,336,838)</u>	<u>(217,021,916)</u>	<u>(216,909,320)</u>
<u>\$ (35,977,386)</u>	<u>\$ (32,597,189)</u>	<u>\$ (33,729,178)</u>	<u>\$ (50,528,560)</u>	<u>\$ (54,714,730)</u>	<u>\$ (65,270,814)</u>

Village of Hoffman Estates, Illinois
Net Position by Component Excluding EDA TIF Activity
Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
Governmental Activities				
Net investment in capital assets	\$ 96,991,246	\$ 97,300,601	\$ 99,421,159	\$ 99,864,591
Restricted	5,412,848	3,634,187	8,705,357	3,194,819
Unrestricted	14,898,200	17,139,574	16,002,826	14,108,152
Total governmental activities	<u>\$ 117,302,294</u>	<u>\$ 118,074,362</u>	<u>\$ 124,129,342</u>	<u>\$ 117,167,562</u>
Business-Type Activities				
Net investment in capital assets	\$ 57,288,598	\$ 56,288,010	\$ 54,117,345	\$ 52,052,387
Restricted	-	-	-	-
Unrestricted	4,448,586	3,224,063	4,286,249	2,712,724
Total business-type activities	<u>\$ 61,737,184</u>	<u>\$ 59,512,073</u>	<u>\$ 58,403,594</u>	<u>\$ 54,765,111</u>
Primary Government				
Net investment in capital assets	\$ 154,279,844	\$ 153,588,611	\$ 153,538,504	\$ 151,916,978
Restricted	5,412,848	3,634,187	8,705,357	3,194,819
Unrestricted	19,346,786	20,363,637	20,289,075	16,820,876
Total primary government	<u>\$ 179,039,478</u>	<u>\$ 177,586,435</u>	<u>\$ 182,532,936</u>	<u>\$ 171,932,673</u>

Notes: GASB Statement No. 68 implemented in 2015. GASB Statement No. 75 implemented in 2018.

Data Source

Audited Financial Statements

2015	2016	2017	2018	2019	2020
\$ 99,040,155	\$ 101,583,059	\$ 103,869,592	\$ 107,355,435	\$ 104,398,541	\$ 106,863,396
1,454,219	(101,992)	331,204	582,078	2,212,304	3,717,439
<u>(60,752,384)</u>	<u>(64,180,197)</u>	<u>(71,342,472)</u>	<u>(85,410,468)</u>	<u>(92,601,938)</u>	<u>(96,681,484)</u>
<u>\$ 39,741,990</u>	<u>\$ 37,300,870</u>	<u>\$ 32,858,324</u>	<u>\$ 22,527,045</u>	<u>\$ 14,008,907</u>	<u>\$ 13,899,351</u>
\$ 50,425,442	\$ 48,783,047	\$ 46,285,711	\$ 43,632,372	\$ 41,205,067	\$ 35,887,345
-	-	-	-	12,204,432	4,278,213
<u>1,147,952</u>	<u>2,478,512</u>	<u>4,137,575</u>	<u>4,589,226</u>	<u>(5,233,538)</u>	<u>3,027,782</u>
<u>\$ 51,573,394</u>	<u>\$ 51,261,559</u>	<u>\$ 50,423,286</u>	<u>\$ 48,221,598</u>	<u>\$ 48,175,961</u>	<u>\$ 43,193,340</u>
\$ 149,465,597	\$ 150,366,106	\$ 150,155,303	\$ 150,987,807	\$ 145,603,608	\$ 142,750,741
1,454,219	(101,992)	331,204	582,078	14,416,736	7,995,652
<u>(59,604,432)</u>	<u>(61,701,685)</u>	<u>(67,204,897)</u>	<u>(80,821,242)</u>	<u>(97,835,476)</u>	<u>(93,653,702)</u>
<u>\$ 91,315,384</u>	<u>\$ 88,562,429</u>	<u>\$ 83,281,610</u>	<u>\$ 70,748,643</u>	<u>\$ 62,184,868</u>	<u>\$ 57,092,691</u>

Village of Hoffman Estates, Illinois

Change in Net Position

Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
Expenses				
Governmental activities				
General government	\$ 7,040,328	\$ 6,784,096	\$ 10,593,969	\$ 6,025,628
Public safety	33,040,212	33,240,928	34,713,320	35,325,151
Highways and streets	9,460,214	9,997,154	9,043,957	16,710,043
Sanitation	1,115,901	1,213,277	1,211,351	1,638,771
Health and welfare	1,655,456	1,744,262	1,643,956	1,614,867
Culture and recreation	241,334	339,529	360,479	355,894
Economic development	2,009,349	3,086,713	2,435,172	81,666,884
Interest	5,503,426	4,974,048	3,866,269	6,427,621
Total governmental activities expenses	<u>60,066,220</u>	<u>61,380,007</u>	<u>63,868,473</u>	<u>149,764,859</u>
Business-type activities				
Water/sewer	13,204,142	14,419,572	15,096,017	16,505,476
NOW Arena*	7,666,340	7,262,839	7,188,970	16,292,697
Total business-type activities expenses	<u>20,870,482</u>	<u>21,682,411</u>	<u>22,284,987</u>	<u>32,798,173</u>
Total government expenses	<u>\$ 80,936,702</u>	<u>\$ 83,062,418</u>	<u>\$ 86,153,460</u>	<u>\$ 182,563,032</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 3,172,718	\$ 3,162,569	\$ 3,450,495	\$ 3,645,798
Public safety	2,946,067	3,041,099	3,494,101	3,931,959
Highways and streets	220,572	113,699	1,801,285	307,528
Sanitation	1,124,851	1,129,240	1,167,784	1,744,029
Health and welfare	1,343,752	953,523	738,546	507,061
Culture and recreation	548,461	623,134	709,863	668,132
Economic development	231,994	147,275	149,861	161,943
Operating grants and contributions	3,581,885	2,696,996	2,562,477	4,088,264
Capital grants and contributions	4,322,051	3,219,627	3,525,568	266,395
Total governmental activities program revenues	<u>17,492,351</u>	<u>15,087,162</u>	<u>17,599,980</u>	<u>15,321,109</u>
Business-type activities				
Charges for services				
Water/sewer	10,604,162	13,480,853	13,792,658	13,980,643
NOW Arena*	2,450,294	1,943,834	2,003,572	11,080,824
Operating grants and contributions	-	-	-	-
Capital grants and contributions				
Water/sewer	1,529,016	1,350,599	84,406	-
NOW Arena*	4,950	-	20,490	114,980
Total business-type activities program revenues	<u>14,588,422</u>	<u>16,775,286</u>	<u>15,901,126</u>	<u>25,176,447</u>
Total primary government program revenues	<u>\$ 32,080,773</u>	<u>\$ 31,862,448</u>	<u>\$ 33,501,106</u>	<u>\$ 40,497,556</u>
Net Revenue (Expenses)				
Governmental activities	\$ (42,573,869)	\$ (46,292,845)	\$ (46,268,493)	\$ (134,443,750)
Business-type activities	(6,282,060)	(4,907,125)	(6,383,861)	(7,621,726)
Total primary government net revenue (expenses)	<u>\$ (48,855,929)</u>	<u>\$ (51,199,970)</u>	<u>\$ (52,652,354)</u>	<u>\$ (142,065,476)</u>

	2015	2016	2017	2018	2019	2020
\$	6,456,831	\$ 6,646,068	\$ 6,554,140	\$ 6,457,392	\$ 6,846,664	\$ 6,433,742
	40,952,859	41,446,709	39,733,471	43,887,837	46,590,040	41,575,926
	13,335,647	12,138,772	13,455,206	8,510,473	16,146,855	13,304,909
	3,647,121	3,325,231	3,833,464	3,589,671	3,037,119	2,979,804
	1,837,446	1,975,323	2,118,952	1,971,286	2,231,229	2,407,532
	331,264	356,009	298,721	335,008	299,224	168,353
	29,166,157	5,386,050	5,965,340	2,384,611	3,052,597	4,023,365
	6,356,004	6,836,905	6,670,096	6,217,407	6,164,040	6,156,942
	<u>102,083,329</u>	<u>78,111,067</u>	<u>78,629,390</u>	<u>73,353,685</u>	<u>84,367,768</u>	<u>77,050,573</u>
	17,565,501	18,261,791	19,374,285	18,863,430	19,131,469	25,641,206
	14,393,149	11,953,804	14,260,596	14,711,494	15,929,020	7,924,387
	<u>31,958,650</u>	<u>30,215,595</u>	<u>33,634,881</u>	<u>33,574,924</u>	<u>35,060,489</u>	<u>33,565,593</u>
\$	<u>134,041,979</u>	<u>108,326,662</u>	<u>112,264,271</u>	<u>106,928,609</u>	<u>119,428,257</u>	<u>110,616,166</u>
\$	3,604,847	\$ 3,637,561	\$ 3,672,654	\$ 3,633,874	\$ 3,758,732	\$ 3,916,539
	4,456,892	4,113,151	3,683,940	3,988,664	4,168,562	3,759,221
	587,515	138,882	738,598	160,250	97,470	128,024
	3,693,214	3,186,227	3,451,809	3,464,068	3,600,984	3,528,587
	1,263,886	948,703	892,563	1,242,522	1,177,656	935,905
	661,951	752,984	716,198	661,359	766,970	522,410
	216,237	170,416	279,512	287,768	403,059	120,302
	1,908,481	2,097,845	2,086,778	2,073,453	2,650,104	2,969,883
	991,147	297,581	108,344	107,947	33,906	1,738,720
	<u>17,384,170</u>	<u>15,343,350</u>	<u>15,630,396</u>	<u>15,619,905</u>	<u>16,657,443</u>	<u>17,619,591</u>
	16,361,314	17,460,743	18,260,298	18,491,333	19,105,209	19,472,378
	9,688,311	6,946,532	9,648,371	9,995,417	11,156,948	2,528,510
	-	-	-	-	-	-
	67,425	-	219,676	-	-	-
	33,273	24,767	139,947	30,925	37,423	20,846
	<u>26,150,323</u>	<u>24,432,042</u>	<u>28,268,292</u>	<u>28,517,675</u>	<u>30,299,580</u>	<u>22,021,734</u>
\$	<u>43,534,493</u>	<u>39,775,392</u>	<u>43,898,688</u>	<u>44,137,580</u>	<u>46,957,023</u>	<u>39,641,325</u>
\$	(84,699,159)	\$ (62,767,717)	\$ (62,998,994)	\$ (57,733,780)	\$ (67,710,325)	\$ (59,430,982)
	(5,808,327)	(5,783,553)	(5,366,589)	(5,057,249)	(4,760,909)	(11,543,859)
\$	<u>(90,507,486)</u>	<u>(68,551,270)</u>	<u>(68,365,583)</u>	<u>(62,791,029)</u>	<u>(72,471,234)</u>	<u>(70,974,841)</u>

Village of Hoffman Estates, Illinois

Change in Net Position

Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property	\$ 38,455,279	\$ 37,109,465	\$ 36,803,822	\$ 48,756,911
Sales	5,951,289	6,432,977	7,306,806	7,980,411
Income and local use	4,913,556	5,416,250	5,931,409	5,911,120
Telecommunication	2,741,011	2,896,031	2,441,097	2,296,238
Real estate transfer	366,253	419,814	917,245	685,054
Home rule sales	3,312,721	3,547,063	3,777,094	3,835,430
Other	1,375,898	1,615,860	2,544,559	6,121,814
Investment earnings	72,689	44,671	32,737	(234,463)
Miscellaneous	3,250,112	1,520,890	3,267,367	1,917,202
Gain on sale of capital assets	-	-	-	-
Transfers in (out)	(2,293,237)	162,839	(2,389,989)	(746,684)
Total governmental activities	<u>58,145,571</u>	<u>59,165,860</u>	<u>60,632,147</u>	<u>76,523,033</u>
Business-type activities				
Taxes				
Other	2,100,316	2,121,999	1,826,801	2,082,566
Investment earnings	5,426	3,866	912	(28,983)
Miscellaneous	1,063,217	1,306,800	1,057,680	1,182,976
Gain on sale of capital assets	-	-	-	-
Transfers in (out)	2,293,237	(162,839)	2,389,989	746,684
Total business-type activities	<u>5,462,196</u>	<u>3,269,826</u>	<u>5,275,382</u>	<u>3,983,243</u>
Total primary government	<u>\$ 63,607,767</u>	<u>\$ 62,435,686</u>	<u>\$ 65,907,529</u>	<u>\$ 80,506,276</u>
Change in Net Position				
Governmental activities	\$ 15,571,702	\$ 12,873,015	\$ 14,363,654	\$ (57,920,717)
Business-type activities	(819,864)	(1,637,299)	(1,108,479)	(3,638,483)
Total primary government change in net position	<u>\$ 14,751,838</u>	<u>\$ 11,235,716</u>	<u>\$ 13,255,175</u>	<u>\$ (61,559,200)</u>

Note: GASB Statement No. 68 implemented in 2015. GASB Statement No. 75 implemented in 2018.

*The Sears Centre Arena was renamed to NOW Arena, effective September 2020

Data Source

Audited Financial Statements

	2015	2016	2017	2018	2019	2020
\$	35,909,050	\$ 37,672,733	\$ 34,559,674	\$ 26,653,561	\$ 34,449,008	\$ 27,955,458
	8,220,338	7,887,857	8,252,713	7,980,164	7,121,685	7,387,406
	6,757,353	6,224,044	6,055,330	6,508,950	7,310,628	7,960,622
	2,052,086	2,172,136	1,808,685	1,559,160	1,333,814	1,118,040
	925,104	761,315	1,087,913	1,381,303	1,937,262	1,042,874
	3,883,502	3,627,746	3,637,260	3,717,518	2,735,010	3,074,487
	6,108,606	6,012,152	6,312,312	6,487,279	7,212,525	5,598,784
	64,493	119,737	280,937	638,402	996,174	301,014
	2,348,456	1,244,976	1,793,516	790,419	886,328	657,023
	-	-	-	-	220,548	-
	(772,518)	(1,602,741)	(1,083,062)	(774,500)	(633,190)	(1,238,189)
	<u>65,496,470</u>	<u>64,119,955</u>	<u>62,705,278</u>	<u>54,942,256</u>	<u>63,569,792</u>	<u>53,857,519</u>
	2,303,729	2,260,278	2,357,087	2,314,507	2,662,088	1,739,637
	5,198	29,031	56,616	148,265	227,124	69,232
	1,152,118	390,500	1,031,551	1,144,257	1,192,870	3,514,180
	-	-	-	-	-	-
	772,518	2,053,026	1,083,062	774,500	633,190	1,238,189
	<u>4,233,563</u>	<u>4,732,835</u>	<u>4,528,316</u>	<u>4,381,529</u>	<u>4,715,272</u>	<u>6,561,238</u>
\$	<u>69,730,033</u>	<u>68,852,790</u>	<u>67,233,594</u>	<u>59,323,785</u>	<u>68,285,064</u>	<u>60,418,757</u>
\$	(19,202,689)	\$ 1,352,238	\$ (293,716)	\$ (2,791,524)	\$ (4,140,533)	\$ (5,573,463)
	<u>(1,574,764)</u>	<u>(1,050,718)</u>	<u>(838,273)</u>	<u>(675,720)</u>	<u>(45,637)</u>	<u>(4,982,621)</u>
\$	<u>(20,777,453)</u>	<u>301,520</u>	<u>(1,131,989)</u>	<u>(3,467,244)</u>	<u>(4,186,170)</u>	<u>(10,556,084)</u>

Village of Hoffman Estates, Illinois
Change in Net Position Excluding EDA TIF Activity
Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
Expenses				
Governmental activities				
General government	\$ 6,697,689	\$ 6,434,941	\$ 10,273,677	\$ 6,025,628
Public safety	29,181,960	29,418,704	30,876,317	34,945,772
Highway and streets	9,303,991	9,799,549	8,892,032	16,710,043
Sanitation	1,115,901	1,213,277	1,211,351	1,638,771
Health and welfare	1,655,456	1,744,262	1,643,956	1,614,867
Culture and recreation	241,334	339,529	360,479	355,894
Economic development	1,918,198	2,633,690	2,290,749	2,901,575
Interest	2,994,525	2,847,779	2,791,679	2,420,719
Total governmental activities expenses	<u>53,109,054</u>	<u>54,431,731</u>	<u>58,340,240</u>	<u>66,613,269</u>
Business-type activities				
Water/sewer	13,204,142	14,419,572	15,096,017	16,505,476
NOW Arena*	7,666,340	7,262,839	7,188,970	16,292,697
Total business-type activities expenses	<u>20,870,482</u>	<u>21,682,411</u>	<u>22,284,987</u>	<u>32,798,173</u>
Total primary government expenses	<u>\$ 73,979,536</u>	<u>\$ 76,114,142</u>	<u>\$ 80,625,227</u>	<u>\$ 99,411,442</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 3,172,718	\$ 3,162,569	\$ 3,450,495	\$ 3,645,798
Public safety	2,946,067	3,041,099	3,494,101	3,931,959
Highways and streets	220,572	113,699	1,801,285	307,528
Sanitation	1,124,851	1,129,240	1,167,784	1,744,029
Health and welfare	1,343,752	953,523	738,546	507,061
Culture and recreation	548,461	623,134	709,863	668,132
Economic development	231,994	147,275	149,861	161,943
Operating grants and contributions	3,581,885	2,696,996	2,562,477	4,088,264
Capital grants and contributions	4,322,051	3,219,627	3,525,568	266,395
Total governmental activities program revenues	<u>17,492,351</u>	<u>15,087,162</u>	<u>17,599,980</u>	<u>15,321,109</u>
Business-type activities				
Charges for services				
Water/sewer	10,604,162	13,480,853	13,792,658	13,980,643
NOW Arena*	2,450,294	1,943,834	2,003,572	11,080,824
Operating grants and contributions	-	-	-	-
Capital grants and contributions				
Water/sewer	1,529,016	1,350,599	84,406	-
NOW Arena*	4,950	-	20,490	114,980
Total business-type activities program revenues	<u>14,588,422</u>	<u>16,775,286</u>	<u>15,901,126</u>	<u>25,176,447</u>
Total primary governmental program revenues	<u>\$ 32,080,773</u>	<u>\$ 31,862,448</u>	<u>\$ 33,501,106</u>	<u>\$ 40,497,556</u>
Net Revenue (Expenses)				
Governmental activities	\$ (35,616,703)	\$ (39,344,569)	\$ (40,740,260)	\$ (51,292,160)
Business-type activities	<u>(6,282,060)</u>	<u>(4,907,125)</u>	<u>(6,383,861)</u>	<u>(7,621,726)</u>
Total primary government net revenue (expenses)	<u>\$ (41,898,763)</u>	<u>\$ (44,251,694)</u>	<u>\$ (47,124,121)</u>	<u>\$ (58,913,886)</u>

	2015	2016	2017	2018	2019	2020
\$	6,456,831	\$ 6,646,068	\$ 6,554,140	\$ 6,457,392	\$ 6,846,664	\$ 6,433,742
	40,607,398	41,131,756	39,733,471	43,887,837	46,590,040	41,575,926
	13,335,647	12,138,772	13,455,206	8,510,473	16,146,855	13,304,909
	3,647,121	3,325,231	3,833,464	3,589,671	3,037,119	2,979,804
	1,837,446	1,975,323	2,118,952	1,971,286	2,231,229	2,407,532
	331,264	356,009	298,721	335,008	299,224	168,353
	3,100,630	841,211	5,698,391	2,101,798	2,966,719	2,101,520
	2,394,826	6,836,905	2,273,239	2,143,207	1,997,985	2,087,764
	<u>71,711,163</u>	<u>73,251,275</u>	<u>73,965,584</u>	<u>68,996,672</u>	<u>80,115,835</u>	<u>71,059,550</u>
	17,565,501	18,261,791	19,374,285	18,863,430	19,131,469	25,641,206
	14,393,149	11,953,804	14,260,596	14,711,494	15,929,020	7,924,387
	<u>31,958,650</u>	<u>30,215,595</u>	<u>33,634,881</u>	<u>33,574,924</u>	<u>35,060,489</u>	<u>33,565,593</u>
\$	<u>103,669,813</u>	<u>103,466,870</u>	<u>107,600,465</u>	<u>102,571,596</u>	<u>115,176,324</u>	<u>104,625,143</u>
\$	3,604,847	\$ 3,637,561	\$ 3,672,654	\$ 3,570,245	\$ 3,711,783	\$ 3,913,622
	4,456,892	4,113,151	3,683,940	3,988,664	4,168,562	3,759,221
	587,515	138,882	738,598	160,250	97,470	128,024
	3,693,214	3,186,227	3,451,809	3,464,068	3,600,984	3,528,587
	1,263,886	948,703	892,563	1,242,522	1,177,656	935,905
	661,951	752,984	716,198	661,359	766,970	522,410
	216,237	170,416	279,512	287,768	403,059	120,302
	1,908,481	2,097,845	2,086,778	2,073,453	2,650,104	2,969,883
	991,147	297,581	108,344	107,947	33,906	1,738,720
	<u>17,384,170</u>	<u>15,343,350</u>	<u>15,630,396</u>	<u>15,556,276</u>	<u>16,610,494</u>	<u>17,616,674</u>
	16,361,314	17,460,743	18,260,298	18,491,333	19,105,209	19,472,378
	9,688,311	6,946,532	9,648,371	9,995,417	11,156,948	2,528,510
	-	-	-	-	-	-
	67,425	-	219,676	-	-	-
	33,273	24,767	139,947	30,925	37,423	20,846
	<u>26,150,323</u>	<u>24,432,042</u>	<u>28,268,292</u>	<u>28,517,675</u>	<u>30,299,580</u>	<u>22,021,734</u>
\$	<u>43,534,493</u>	<u>39,775,392</u>	<u>43,898,688</u>	<u>44,073,951</u>	<u>46,910,074</u>	<u>39,638,408</u>
\$	(54,326,993)	(57,907,925)	(58,335,188)	(53,440,396)	(63,505,341)	(53,442,876)
	(5,808,327)	(5,783,553)	(5,366,589)	(5,057,249)	(4,760,909)	(11,543,859)
\$	<u>(60,135,320)</u>	<u>(63,691,478)</u>	<u>(63,701,777)</u>	<u>(58,497,645)</u>	<u>(68,266,250)</u>	<u>(64,986,735)</u>

Village of Hoffman Estates, Illinois
Change in Net Position Excluding EDA TIF Activity
Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property	\$ 18,423,634	\$ 18,274,812	\$ 18,169,718	\$ 23,237,428
Sales	5,951,289	6,432,977	7,306,806	7,980,411
Income and local use	4,913,556	5,416,250	5,931,409	5,911,120
Telecommunications	2,741,011	2,896,031	2,441,097	2,296,238
Real estate transfer	366,253	419,814	917,245	685,054
Home rule sales	3,312,721	3,547,063	3,777,094	3,835,430
Other	1,375,898	1,615,860	2,544,559	6,121,814
Investment earnings	67,938	39,357	31,592	(169,486)
Miscellaneous	3,229,174	1,520,751	3,264,517	1,870,656
Gain on sale of capital assets	-	-	-	-
Contributions	-	-	-	-
Transfers in (out)	(1,870,187)	597,165	(2,305,477)	(772,494)
Total government activities	<u>38,511,287</u>	<u>40,760,080</u>	<u>42,078,560</u>	<u>50,996,171</u>
Business-type activities				
Taxes				
Other	2,100,316	2,121,999	1,826,801	2,082,566
Investment earnings	5,426	3,866	912	(28,983)
Miscellaneous	1,063,217	1,306,800	1,057,680	1,182,976
Gain on sale of capital assets	-	-	-	-
Contributions	-	-	-	-
Transfers in (out)	2,293,237	(162,839)	2,389,989	746,684
Total business-type activities	<u>5,462,196</u>	<u>3,269,826</u>	<u>5,275,382</u>	<u>3,983,243</u>
Total primary government	<u>\$ 43,973,483</u>	<u>\$ 44,029,906</u>	<u>\$ 47,353,942</u>	<u>\$ 54,979,414</u>
Change in Net Position				
Governmental activities	\$ 2,894,584	\$ 1,415,511	\$ 1,338,300	\$ (295,989)
Business-type activities	(819,864)	(1,637,299)	(1,108,479)	(3,638,483)
Total primary government change in net position	<u>\$ 2,074,720</u>	<u>\$ (221,788)</u>	<u>\$ 229,821</u>	<u>\$ (3,934,472)</u>

Note: GASB Statement No. 68 implemented in 2015. GASB Statement No. 75 implemented in 2018.

*The Sears Centre Arena was renamed to NOW Arena, effective September 2020

Data Source

Audited Financial Statements

	2015	2016	2017	2018	2019	2020
\$	23,688,156	\$ 25,593,040	\$ 25,615,209	\$ 26,653,561	\$ 26,787,031	\$ 27,955,458
	8,220,338	7,887,857	8,252,713	7,980,164	7,121,685	7,387,406
	6,757,353	6,224,044	6,055,330	6,508,950	7,310,628	7,960,622
	2,052,086	2,172,136	1,808,685	1,559,160	1,333,814	1,118,040
	925,104	761,315	1,087,913	1,381,303	1,937,262	1,042,874
	3,883,502	3,627,746	3,637,260	3,717,518	2,735,010	3,074,487
	6,108,606	6,012,152	6,226,293	6,456,977	6,271,913	5,598,784
	64,493	112,723	280,937	638,402	996,174	293,315
	1,833,048	1,238,262	1,793,516	790,419	886,328	657,023
	-	-	-	-	220,548	-
	-	-	-	-	-	-
	(688,029)	(502,262)	(1,083,062)	(771,167)	(613,190)	(1,754,689)
	<u>52,844,657</u>	<u>53,127,013</u>	<u>53,674,794</u>	<u>54,915,287</u>	<u>54,987,203</u>	<u>53,333,320</u>
	2,303,729	2,260,278	2,357,087	2,314,507	2,662,088	1,739,637
	5,198	29,031	56,616	148,265	227,124	69,232
	1,152,118	390,500	1,031,551	1,144,257	1,192,870	3,514,180
	-	-	-	-	-	-
	-	-	-	-	-	-
	772,518	2,053,026	1,083,062	774,500	633,190	1,238,189
	<u>4,233,563</u>	<u>4,732,835</u>	<u>4,528,316</u>	<u>4,381,529</u>	<u>4,715,272</u>	<u>6,561,238</u>
\$	<u>57,078,220</u>	<u>57,859,848</u>	<u>58,203,110</u>	<u>59,296,816</u>	<u>59,702,475</u>	<u>59,894,558</u>
\$	(1,482,336)	\$ (4,780,912)	\$ (4,660,394)	\$ 1,474,891	\$ (8,518,138)	\$ (109,556)
	(1,574,764)	(1,050,718)	(838,273)	(675,720)	(45,637)	(4,982,621)
\$	<u>(3,057,100)</u>	<u>(5,831,630)</u>	<u>(5,498,667)</u>	<u>799,171</u>	<u>(8,563,775)</u>	<u>(5,092,177)</u>

Village of Hoffman Estates, Illinois
Fund Balances of Governmental Funds
Last Ten Fiscal Years

Fiscal Years	2011 *	2012	2013	2014
General Fund				
Nonspendable	\$ 1,148,877	\$ 1,360,549	\$ 294,059	\$ 230,761
Restricted	177,139	186,289	183,933	181,216
Assigned	876,935	1,083,418	3,165,374	2,537,181
Unrestricted	-	-	-	-
Unassigned	10,739,736	12,060,851	11,563,246	13,469,497
Total general fund	<u>\$ 12,942,687</u>	<u>\$ 14,691,107</u>	<u>\$ 15,206,612</u>	<u>\$ 16,418,655</u>
All Other Governmental Funds				
Nonspendable	\$ 66,688	\$ 57,648	\$ 184,664	\$ 21,262
Restricted	12,110,169	8,243,892	8,521,424	6,375,517
Assigned	7,487,942	7,446,603	5,365,498	4,167,991
Unrestricted	-	(4,124)	(98,405)	(13,584)
Unreserved, reported in				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total all other governmental funds	<u>\$ 19,664,799</u>	<u>\$ 15,744,019</u>	<u>\$ 13,973,181</u>	<u>\$ 10,551,186</u>

*The Village implemented GASB Statement No. 54 in 2011.

Data Source

Audited Financial Statements

2015	2016	2017	2018	2019	2020
\$ 209,139	\$ 277,704	\$ 198,904	\$ 204,701	\$ 171,820	\$ 183,447
173,576	172,034	183,232	-	47,469	40,679
2,799,639	4,719,896	2,794,747	1,104,220	5,336,101	4,415,706
-	-	-	-	-	-
19,477,539	18,181,441	19,193,924	23,610,274	20,242,741	19,047,434
<u>\$ 22,659,893</u>	<u>\$ 23,351,075</u>	<u>\$ 22,370,807</u>	<u>\$ 24,919,195</u>	<u>\$ 25,798,131</u>	<u>\$ 23,687,266</u>
\$ 1,153,464	\$ 273,375	\$ 30,080	\$ 34,157	\$ 573,551	\$ 548,170
4,705,051	1,728,678	2,183,862	1,820,471	4,451,677	4,568,873
4,205,874	6,083,147	5,253,240	4,940,599	5,845,727	5,275,433
(16,293)	(45,036)	-	(8,290)	(14,683)	(154,384)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 10,048,096</u>	<u>\$ 8,040,164</u>	<u>\$ 7,467,182</u>	<u>\$ 6,786,937</u>	<u>\$ 10,856,272</u>	<u>\$ 10,238,092</u>

Village of Hoffman Estates, Illinois
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014
Revenues				
Taxes	\$ 45,643,831	\$ 44,912,765	\$ 45,783,285	\$ 61,147,865
Licenses and permits	2,049,297	1,682,898	1,493,182	1,291,098
Intergovernmental	14,606,305	15,123,272	16,116,827	19,919,884
Charges for services	6,703,490	6,538,068	8,481,038	7,479,744
Fines and forfeitures	1,965,165	1,148,229	1,556,969	1,871,677
Investment income	71,019	42,287	30,060	(234,463)
Miscellaneous	3,494,374	1,526,653	3,446,127	1,240,648
Total revenues	74,533,481	70,974,172	76,907,488	92,716,453
Expenditures				
General government	5,638,169	5,615,811	5,846,890	5,874,247
Public safety	32,067,394	32,290,740	33,487,343	33,816,834
Highways and streets	5,200,961	5,164,896	5,572,599	9,644,226
Sanitation	1,115,901	1,213,277	1,211,351	1,332,980
Health and welfare	1,661,144	1,687,017	1,670,982	1,609,731
Culture and recreation	216,819	319,509	336,655	336,225
Economic development	1,999,468	3,071,913	2,418,635	81,651,001
Capital outlay	4,313,811	4,865,388	6,928,824	8,396,097
Debt service				
Principal	18,598,968	16,053,442	15,374,258	27,606,103
Interest and other charges	3,015,117	2,911,079	2,852,106	2,479,036
Total expenditures	73,827,752	73,193,072	75,699,643	172,746,480
Excess (Deficiency) of Revenues Over Expenditures	705,729	(2,218,900)	1,207,845	(80,030,027)
Other Financial Sources (Uses)				
Transfers in	5,786,586	5,607,877	4,761,322	3,588,403
Transfers (out)	(8,156,236)	(5,561,337)	(7,224,500)	(4,403,424)
Sale of capital assets	-	-	-	-
Bonds issued, at par	-	-	-	-
Notes issued, at par	-	-	-	78,635,096
Payment to escrow agent	-	-	-	-
Premium (discount) on issuance of bonds	-	-	-	-
Total other financing sources (uses)	(2,369,650)	46,540	(2,463,178)	77,820,075
Net Change in Fund Balances	\$ (1,663,921)	\$ (2,172,360)	\$ (1,255,333)	\$ (2,209,952)
Debt Service as a Percentage of Noncapital Expenditures	31.92%	28.08%	24.95%	17.88%

Data Source
Audited Financial Statements

	2015	2016	2017	2018	2019	2020
\$	48,144,836	\$ 49,586,716	\$ 46,669,596	\$ 39,129,755	\$ 46,875,928	\$ 38,034,500
	2,080,207	1,774,407	1,707,137	2,080,112	2,008,952	1,744,758
	19,354,335	17,576,568	18,054,009	17,134,698	17,404,105	20,397,647
	10,034,296	9,435,945	10,168,721	9,794,675	10,232,720	9,953,848
	2,271,097	1,922,768	1,750,921	1,790,946	1,990,634	1,324,340
	64,493	119,737	280,937	638,402	996,174	260,539
	1,687,579	680,477	831,669	793,093	987,074	928,885
	<u>83,636,843</u>	<u>81,096,618</u>	<u>79,462,990</u>	<u>71,361,681</u>	<u>80,495,587</u>	<u>72,644,517</u>
	5,732,993	5,904,784	5,910,231	5,969,028	6,386,268	6,045,134
	33,838,561	34,703,000	36,098,087	36,100,476	36,959,044	37,996,208
	8,873,822	7,235,536	6,940,943	7,850,181	7,993,021	8,000,897
	2,437,875	2,843,463	2,917,600	2,982,280	3,037,119	2,979,804
	1,789,257	1,823,939	2,018,586	2,122,912	2,166,630	2,379,164
	297,900	321,265	310,459	315,852	275,239	152,351
	29,042,476	5,271,336	5,846,061	2,783,606	2,930,213	4,000,711
	7,173,225	8,328,496	9,949,220	6,429,502	6,080,497	9,625,363
	13,515,894	13,759,693	10,693,312	2,036,236	9,605,499	2,055,714
	2,452,802	2,368,908	2,322,815	2,222,409	2,132,273	2,226,102
	<u>105,154,805</u>	<u>82,560,420</u>	<u>83,007,314</u>	<u>68,812,482</u>	<u>77,565,803</u>	<u>75,461,448</u>
	(21,517,962)	(1,463,802)	(3,544,324)	2,549,199	2,929,784	(2,816,931)
	3,991,161	6,004,353	7,589,427	3,523,493	4,811,010	5,292,198
	(4,514,083)	(7,672,060)	(8,795,257)	(4,597,752)	(5,410,614)	(6,615,498)
	-	-	-	-	890,146	1,411,186
	1,640,000	8,975,000	2,970,000	29,580,000	1,727,945	-
	26,042,563	1,646,250	2,700,763	-	-	-
	-	(9,673,407)	(2,510,274)	(31,927,008)	-	-
	-	-	-	-	-	-
	96,469	866,916	182,988	2,593,638	-	-
	<u>27,256,110</u>	<u>147,052</u>	<u>2,137,647</u>	<u>(827,629)</u>	<u>2,018,487</u>	<u>87,886</u>
\$	<u>5,738,148</u>	<u>\$ (1,316,750)</u>	<u>\$ (1,406,677)</u>	<u>\$ 1,721,570</u>	<u>\$ 4,948,271</u>	<u>\$ (2,729,045)</u>
	<u>15.96%</u>	<u>21.19%</u>	<u>16.94%</u>	<u>7.16%</u>	<u>15.58%</u>	<u>6.40%</u>

Revenue Capacity

Village of Hoffman Estates, Illinois
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	TIF Property	Total Taxable Assessed Value	Total Direct Tax Rate (A)	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2011	\$ 1,063,328,132	\$ 337,154,068	\$ 153,170,261	\$ 94,827	\$ 324,518,768	\$ 1,878,266,056	1.116	\$ 5,634,798,168	33.33%
2012	973,021,897	307,388,195	144,884,600	94,827	313,919,377	1,739,308,896	1.224	5,217,926,688	33.33%
2013	829,259,653	292,452,959	134,275,173	94,429	280,801,136	1,536,883,350	1.456	4,610,650,050	33.33%
2014	869,329,555	357,774,907	40,837,927	89,684	291,210,042	1,559,242,115	1.443	4,677,726,345	33.33%
2015	845,660,790	341,110,857	39,511,338	89,684	292,468,121	1,518,840,790	1.563	4,556,522,370	33.33%
2016	1,017,417,237	326,913,705	42,926,385	85,704	262,473,500	1,649,816,531	1.417	4,949,449,593	33.33%
2017	1,015,939,978	343,474,918	43,251,062	80,912	286,946,621	1,689,693,491	1.470	5,069,080,473	33.33%
2018	997,720,511	330,207,432	42,651,480	106,305	279,504,242	1,650,189,970	1.528	4,950,569,910	33.33%
2019	1,141,146,061	388,353,448	55,875,519	106,305	220,773,753	1,806,255,086	1,377	5,418,765,258	33.33%
2020	(B)								

(A) Property tax rates are per \$100 of assessed valuation.

(B) 2020 detail valuations and tax rates were not available at the time of issuance of this report.

Data Source

Office of the Cook and Kane County Clerks

Village of Hoffman Estates, Illinois
Property Tax Rates – Direct and Overlapping Governments
Schaumburg Township
Last Ten Fiscal Years

Tax Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Village Direct Rates (A)										
General	0.762	0.831	0.907	0.906	0.000	0.000	0.000	0.000	0.000	(B)
Police protection services	0.000	0.000	0.000	0.000	0.462	0.408	0.403	0.413	0.357	
Fire protection services	0.000	0.000	0.000	0.000	0.475	0.420	0.416	0.426	0.368	
Municipal waste	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IMRF	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Debt service	0.102	0.111	0.126	0.125	0.129	0.114	0.153	0.156	0.135	
Police pension	0.145	0.166	0.219	0.209	0.263	0.248	0.260	0.282	0.279	
Firefighters' pension	0.107	0.116	0.204	0.203	0.233	0.227	0.238	0.251	0.238	
Total direct rates	1.116	1.224	1.456	1.443	1.562	1.417	1.470	1.528	1.377	
Overlapping Rates										
School district #54	3.196	3.578	4.148	4.168	4.332	3.790	3.844	4.030	3.545	
Palatine Twp. H.S. #211	2.482	2.772	3.197	3.213	3.309	2.871	2.922	3.044	2.749	
Junior College District #512	0.334	0.373	0.444	0.451	0.466	0.416	0.425	0.443	0.403	
Forest Preserve District of Cook County	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.060	0.059	
Sub. T.B. Sanitarium	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Schaumburg Township Library District	0.321	0.331	0.384	0.386	0.402	0.352	0.357	0.372	0.294	
Township of Schaumburg (All Funds)	0.125	0.137	0.161	0.163	0.171	0.148	0.152	0.160	0.142	
Metropolitan Sanitary District of Greater Chicago	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389	
Northwest Mosquito Abatement District	0.010	0.011	0.013	0.013	0.011	0.010	0.010	0.011	0.010	
Hoffman Estates Park District	0.521	0.585	0.669	0.673	0.701	0.622	0.639	0.669	0.588	
Consolidated Elections	0.025	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.030	
County of Cook	0.462	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454	
Cook County Health Facility	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Total tax rate per \$100 of assessed valuation	8.970	9.975	11.549	11.577	12.035	10.628	10.810	11.202	10.040	
Share of Total Tax Rate Levied by by the Village	12.44%	12.27%	12.61%	12.46%	12.98%	13.33%	13.60%	13.64%	13.72%	

(A) Property tax rates are per \$100 of assessed valuation

(B) 2020 Tax Rates were not available at the time of issuance of this report.

Data Source

Office of the County Clerk

Village of Hoffman Estates, Illinois
Property Tax Rates – Direct and Overlapping Governments
Barrington Township
Last Ten Fiscal Years

Tax Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Village Direct Rates (A)										
General	0.762	0.831	0.907	0.906	0.000	0.000	0.000	0.000	0.000	(B)
Police protection services	0.000	0.000	0.000	0.000	0.462	0.408	0.403	0.413	0.357	
Fire protection services	0.000	0.000	0.000	0.000	0.475	0.420	0.416	0.426	0.368	
Municipal waste	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IMRF	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Debt service	0.102	0.111	0.126	0.125	0.129	0.114	0.153	0.156	0.135	
Police pension	0.145	0.166	0.219	0.209	0.263	0.248	0.260	0.282	0.279	
Firefighters' pension	0.107	0.116	0.204	0.203	0.233	0.227	0.238	0.251	0.238	
Total direct rates	1.116	1.224	1.456	1.443	1.562	1.417	1.470	1.528	1.377	
Overlapping Rates										
Unit School District #220	3.788	4.292	4.807	4.953	5.126	4.538	4.560	4.853	4.669	
Junior College District #512	0.334	0.373	0.444	0.451	0.466	0.416	0.425	0.443	0.403	
Forest Preserve District of Cook County	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.06	0.059	
Sub. T.B. Sanitarium	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Barrington Public Library	0.195	0.223	0.248	0.258	0.266	0.231	0.230	0.248	0.244	
Township of Barrington (All Funds)	0.026	0.029	0.033	0.033	0.034	0.031	0.032	0.033	0.033	
Metropolitan Sanitary District of Greater Chicago	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389	
Northwest Mosquito Abatement District	0.010	0.011	0.013	0.013	0.011	0.010	0.010	0.011	0.010	
Hoffman Estates Park District	0.521	0.585	0.669	0.673	0.701	0.622	0.639	0.669	0.588	
Consolidated Elections	0.025	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.030	
County of Cook	0.462	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454	
Cook County Health Facility	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Lake County Tax Obj Ct Ord-220	0.088	0.136	0.092	0.088	0.077	0.065	0.068	0.054	0.048	
Total tax rate per \$100 of assessed valuation	6.943	7.837	8.839	8.979	9.324	8.332	8.425	8.784	8.304	
Share of Total Tax Rate Levied by the Village	16.07%	15.62%	16.47%	16.07%	16.75%	17.01%	17.45%	17.40%	16.58%	

(A) Property tax rates are per \$100 of assessed valuation

(B) 2020 Tax Rates were not available at the time of issuance of this report.

Data Source

Office of the County Clerk

Village of Hoffman Estates, Illinois
Property Tax Rates – Direct and Overlapping Governments
Palatine Township
Last Ten Fiscal Years

Tax Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Village Direct Rates (A)										
General	0.762	0.831	0.907	0.906	0.000	0.000	0.000	0.000	0.000	(B)
Police protection services	0.000	0.000	0.000	0.000	0.462	0.408	0.403	0.413	0.357	
Fire protection services	0.000	0.000	0.000	0.000	0.475	0.420	0.416	0.426	0.368	
Municipal waste	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IMRF	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Debt service	0.102	0.111	0.126	0.125	0.129	0.114	0.153	0.156	0.135	
Police pension	0.145	0.166	0.219	0.209	0.263	0.248	0.26	0.282	0.279	
Firefighters' pension	0.107	0.116	0.204	0.203	0.233	0.227	0.238	0.251	0.238	
Total direct rates	1.116	1.224	1.456	1.443	1.562	1.417	1.470	1.528	1.377	
Overlapping Rates										
School District #15	2.943	3.269	3.849	3.868	4.035	3.543	3.618	3.807	3.486	
Palatine Twp. H.S. #211	2.482	2.772	3.197	3.213	3.309	2.871	2.922	3.044	2.749	
Junior College District #512	0.334	0.373	0.444	0.451	0.466	0.416	0.425	0.443	0.403	
Forest Preserve District of Cook County	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.06	0.059	
Sub. T.B. Sanitarium	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Palatine Public Library	0.222	0.248	0.293	0.295	0.308	0.268	0.276	0.291	0.344	
Township of Palatine (All Funds)	0.135	0.145	0.167	0.166	0.173	0.145	0.143	0.146	0.134	
Metropolitan Sanitary District of Greater Chicago	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389	
Northwest Mosquito Abatement District	0.010	0.011	0.013	0.013	0.011	0.010	0.010	0.011	0.010	
Hoffman Estates Park District	0.521	0.585	0.669	0.673	0.701	0.622	0.639	0.669	0.588	
Consolidated Elections	0.025	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.030	
County of Cook	0.462	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454	
Cook County Health Facility	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Total tax rate per \$100 of assessed valuation	8.628	9.591	11.165	11.189	11.646	10.294	10.494	10.884	10.023	
Share of Total Tax Rate Levied by the Village	12.93%	12.76%	13.04%	12.90%	13.41%	13.77%	14.01%	14.04%	13.74%	

(A) Property tax rates are per \$100 of assessed valuation

(B) 2020 Tax Rates were not available at the time of issuance of this report.

Data Source

Office of the County Clerk

Village of Hoffman Estates, Illinois
Property Tax Rates – Direct and Overlapping Governments
Hanover Township
Last Ten Fiscal Years

Tax Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Village Direct Rates (A)										
General	0.762	0.831	0.907	0.906	0.000	0.000	0.000	0.000	0.000	(B)
Police protection services	0.000	0.000	0.000	0.000	0.462	0.408	0.403	0.413	0.357	
Fire protection services	0.000	0.000	0.000	0.000	0.475	0.420	0.416	0.426	0.368	
Municipal waste	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IMRF	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Debt service	0.102	0.111	0.126	0.125	0.129	0.114	0.153	0.156	0.135	
Police pension	0.145	0.166	0.219	0.209	0.263	0.248	0.26	0.282	0.279	
Firefighters' pension	0.107	0.116	0.204	0.203	0.233	0.227	0.238	0.251	0.238	
Total direct rates	1.116	1.224	1.456	1.443	1.562	1.417	1.470	1.528	1.377	
Overlapping Rates										
School District #220	3.788	4.292	4.807	4.953	5.126	4.538	4.560	4.853	4.669	
Junior College District #512	0.334	0.373	0.444	0.451	0.466	0.416	0.425	0.443	0.403	
Forest Preserve District of Cook County	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.060	0.059	
Sub. T.B. Sanitarium	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Poplar Creek Public Library	0.449	0.515	0.631	0.632	0.663	0.580	0.590	0.621	0.546	
Township of Hanover (All Funds)	0.286	0.324	0.391	0.393	0.417	0.361	0.367	0.384	0.341	
Metropolitan Sanitary District of Greater Chicago	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389	
Northwest Mosquito Abatement District	0.010	0.011	0.013	0.013	0.011	0.010	0.010	0.011	0.010	
Hoffman Estates Park District	0.521	0.585	0.669	0.673	0.701	0.622	0.639	0.669	0.588	
Consolidated Elections	0.025	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.030	
County of Cook	0.462	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454	
Cook County Health Facility	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Comm. Mental Health Facility and Service District	0.044	0.050	0.061	0.061	0.058	0.057	0.059	0.063	0.057	
Lake County Tax Obj Ct Ord-220	0.088	0.136	0.092	0.088	0.077	0.065	0.068	0.054	0.048	
Total tax rate per \$100 of assessed valuation	7.501	8.474	9.641	9.774	10.162	9.068	9.179	9.571	8.971	
Share of Total Tax Rate Levied by the Village	14.89%	14.44%	15.10%	14.76%	15.37%	15.63%	16.01%	15.96%	15.35%	

(A) Property tax rates are per \$100 of assessed valuation

(B) 2020 tax rates were not available at the time of issuance of this report.

Data Source

Office of the County Clerk

Village of Hoffman Estates, Illinois
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2019 Tax Levy			2010 Tax Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Sears Roebuck & Co.	\$ 45,599,112	1	2.52%	\$ 186,638,143	1	8.07%
AT&T				130,888,897	2	5.66%
Property Tax Advisors				47,742,024	3	2.06%
Terry Kemp				34,703,011	4	1.50%
Hoffman Estates Acq.	32,318,495	2	1.79%			
Madkatstep Entertainment				24,931,447	5	1.08%
Amita Health/David Hill	21,976,323	3	1.22%			
Stonegate Properties				20,931,319	6	0.91%
Paul Hastings LLC	20,411,999	4	1.13%			
Lincoln Property Co.	19,307,772	5	1.07%			
Hmc Pt Poplar Creek Cr.	19,273,200	6	1.07%			
American Heritage	18,808,200	7	1.04%	17,132,745	8	0.74%
Cabelas	14,909,555	8	0.83%	18,480,505	7	0.80%
Tr Greenspoint LLC	13,883,210	9	0.77%			
TransAmerica				15,983,784	9	0.69%
Wells Fargo Bank	13,841,389	10	0.77%			
Thompson Property				14,395,930	10	0.62%
	<u>\$ 220,329,255</u>		<u>12.21%</u>	<u>\$ 511,827,805</u>		<u>22.13%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

Village of Hoffman Estates, Illinois
Property Tax Levies and Collections
Last Ten Levy Years

Levy Year	Tax Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 17,340,949	\$ 17,020,527	98.15%	\$ 67,032	\$ 17,087,559	98.54%
2012	17,442,448	16,907,162	96.93%	87,236	16,994,398	97.43%
2013	18,286,478	17,680,341	96.69%	261,709	17,942,050	98.12%
2014	18,286,479	17,926,138	98.03%	163,643	18,089,781	98.92%
2015	19,161,057	18,794,772	98.09%	84,871	18,879,643	98.53%
2016	19,651,575	19,217,229	97.79%	55,728	19,272,957	98.07%
2017	20,619,983	19,820,426	96.12%	42,594	19,863,020	96.33%
2018	20,936,459	20,330,469	97.11%	57,323	20,387,792	97.11%
2019	21,832,978	21,167,992	96.95%	-	21,167,992	96.95%
2020	22,901,511	(A)				

(A) Collections for the 2020 tax levy year will not be received until fiscal year 2021.

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

Debt Capacity

Village of Hoffman Estates, Illinois
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Unamortized Premium (Discount)**	TIF Bonds Payable	TIF Notes Payable	General Obligation Bonds	Unamortized Premium (Discount)**	Capital Leases			
2011	\$ 51,803,750	\$ -	\$ -	\$ 85,819,617	\$ 55,966,250	\$ -	\$ -	\$ 193,589,617	11.7%	\$ 3,730
2012	50,338,750	-	-	73,353,944	54,681,250	-	-	178,373,944	10.2%	3,437
2013	49,138,750	717,393	-	60,249,276	53,336,250	(214,231)	7,283	163,234,721	9.4%	3,145
2014	47,903,750	717,393	-	117,652,586	51,921,250	(181,610)	2,683	218,016,052	12.5%	4,201
2015	48,248,750	755,003	-	136,147,963	56,151,250	(162,667)	-	241,140,299	12.9%	4,647
2016	46,968,750	1,249,522	-	130,239,359	53,891,250	(152,070)	-	232,196,811	12.2%	4,474
2017	45,887,500	1,347,733	-	128,268,667	57,442,500	119,323	-	233,065,723	12.0%	4,491
2018	42,380,000	3,473,673	-	131,721,091	55,175,000	644,406	-	233,394,170	11.6%	4,497
2019	42,447,945	3,266,923	-	127,935,095	60,687,905	615,626	-	234,953,494	11.7%	4,527
2020	40,616,580	3,060,173	-	133,191,109	57,757,450	586,845	-	235,212,157	11.6%	4,532

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

*See the schedule of Demographic and Economic Information Statistics on page 198 for personal income and population data.

**Unamortized premium (discount) reported beginning in 2013.

Village of Hoffman Estates, Illinois
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2011	\$ 107,770,000	\$ 1,542,308	\$ 106,227,692	1.89%	\$ 2,046.97
2012	105,020,000	853,148	104,166,852	2.00%	2,007.26
2013	102,978,162	633,706	102,344,456	2.22%	1,972.14
2014	100,360,783	439,080	99,921,703	2.14%	1,925.46
2015	104,992,336	228,267	104,764,069	2.30%	2,018.77
2016	101,957,452	65,109	101,892,343	2.06%	1,963.43
2017	104,797,056	39,469	104,757,587	2.07%	2,018.65
2018	101,673,079	23,533	101,649,546	2.05%	1,958.75
2019	107,018,399	27,299	106,991,100	1.97%	2,061.68
2020	102,021,048	23,494	101,997,554	1.78%	1,965.46

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

*See the schedule of Assessed Value and Actual Value of Taxable Property on page 186 for property value data.

Village of Hoffman Estates, Illinois
Direct and Overlapping Governmental Activities Debt
December 31, 2020

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village (A)	The Village's Share of Debt
Village of Hoffman Estates	\$ 176,867,865	100%	\$ 176,867,865
Dundee Township Park District	2,071,355	0.085%	1,761
Hoffman Estates Park District	7,940,000	93.288%	7,407,067
Palatine Park District	4,630,000	2.587%	119,778
Schools			
District No. 15	43,375,000	8.589%	3,725,479
District No. 220	46,605,000	7.616%	3,549,437
District No. 300	236,816,782	1.499%	3,549,884
District No. U-46	218,313,638	2.966%	6,475,183
Junior College District No. 512	250,435,000	6.096%	15,266,518
Junior College District No. 509	156,860,000	2.137%	3,352,098
Metropolitan Water Reclamation District	2,694,934,289	0.968%	26,086,964
Cook County including Forest Preserve District	2,794,111,750	0.951%	26,572,003
Kane County including Forest Preserve District	115,640,000	0.011%	12,720
Gail Borden Library District	2,505,000	4.897%	122,670
Poplar Creek Library District	13,370,000	6.366%	851,134
East Dundee & Countryside Fire Bond District	3,990,000	0.014%	559
	<u>6,591,597,814</u>		<u>97,093,255</u>
	<u>\$ 6,768,465,679</u>		<u>\$ 273,961,120</u>

(A) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

Village of Hoffman Estates, Illinois
Schedule of Legal Debt Margin
December 31, 2020

Under the 1970 Illinois Constitution, there is no limit for home rule municipalities except as set by the General Assembly.

Village of Hoffman Estates, Illinois
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Tax Increment Financing Bonds					Tax Increment Financing Notes			
	Incremental Property Taxes	Less Governmental Share	Less Program Expenses	Available for Debt Service	Available for Distribution	Incremental Property Taxes	Debt Service		Coverage
							Principal	Interest	
2011	\$ 10,634,233	\$ (14,500,872)	\$ (5,000)	\$ (3,871,639)	\$ -	\$ 15,988,968	\$ 15,988,968	\$ -	1.00
2012	8,421,354	(9,558,246)	(3,500)	(1,140,392)	-	14,588,442	14,588,442	-	1.00
2013	9,802,210	(9,385,159)	(1,500)	415,551	-	14,174,258	14,174,258	-	1.00
2014	14,465,972	(14,328,247)	(1,000)	136,725	-	10,973,414	10,973,414	-	1.00
2015	14,608,387	(14,539,087)	(69,300)	-	-	12,220,894	12,220,894	-	1.00
2016	14,432,790	(14,409,116)	(23,674)	-	-	12,079,693	12,079,693	-	1.00
2017	12,668,198	(12,646,577)	(21,621)	-	-	8,944,465	8,944,465	-	1.00
2018	15,255,254	(15,139,394)	(115,860)	-	-	7,661,977	7,661,977	-	1.00
2019	16,295,947	(9,925,676)	(350,000)	-	6,020,271 a	-	-	-	N/A
2020	10,974,813	(5,000,000)	(350,000)	-	5,624,813 a	-	-	-	N/A

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

a Due to pending litigation, the full Governmental Share and Tax Increment Financing Note payments were not made as of the end of the fiscal year.

Demographic and Economic Information

Village of Hoffman Estates, Illinois
Demographic and Economic Information
Last Ten Fiscal Years

Fiscal Year	(1) Population	(1) Personal Income	(1) Per Capita Personal Income	(2) Unemployment Rate
2011	51,895	\$ 1,655,761,870	\$ 31,906	7.9
2012	51,895	1,746,941,385	33,663	6.8
2013	51,895	1,736,199,120	33,456	6.1
2014	51,895	1,742,322,730	33,574	4.1
2015	51,895	1,868,998,425	36,015	4.4
2016	51,895	1,898,370,995	36,581	4.8
2017	51,895	1,934,386,125	37,275	3.8
2018	51,895	2,014,304,425	38,815	2.8
2019	51,895	2,010,256,615	38,737	2.2
2020*	51,895	2,029,457,765	39,107	6.9

*2020 Estimated-Census info not yet available

Data Source

(1) U.S. Department of Commerce, Bureau of the Census

(2) Illinois Bureau of Employment Security

Village of Hoffman Estates, Illinois
Principal Employers
Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Sears Holdings				6,200	1	11.9%
St. Alexius Medical Center	2,500	1	4.8%	2,750	2	5.3%
AT&T (Ameritech)				2,500	3	4.8%
GE Commercial Finance				800	4	1.5%
CDK Global	650	2	1.3%			
Automated Data Processing				600	5	1.2%
Siemens Medical Systems	600	3	1.2%	500	6	1.0%
Transformco	600	4	1.2%			
Liberty Mutual	400	5	0.8%	400	8	0.8%
Claire's	400	6	0.8%	350	10	0.7%
FANUC America	370	7	0.7%			
Village of Hoffman Estates	365	8	0.7%	350	9	0.7%
Vistex	330	9	0.6%			
Leopardo Companies Inc.	300	10	0.6%	400	7	0.8%
Wells Fargo	300	10	0.6%			
Total	<u>6,815</u>			<u>14,850</u>		

Data Source

Village Records

Village of Hoffman Estates, Illinois
Full-Time Equivalent Employees
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Administration										
Management services	24	25	24	25	26	26	29	29	29	30
Finance	14	14	14	15	15	16	16	16	16	16
Public safety										
Police										
Officers	91	90	92	89	89	90	90	88	87	87
Civilians	20	20	20	20	20	20	20	20	21	21
Fire										
Firefighters and officers	94	94	99	96	96	96	96	93	94	94
Civilians	3	3	3	3	4	4	3	4	4	5
Highways and streets										
Administration	3	3	3	2	2	2	2	2	2	2
Engineering	9	9	9	10	9	9	10	9	9	9
Street maintenance	66	66	66	71	72	71	70	70	70	71
Sanitation	-	-	-	-	-	-	1	1	1	2
Health and welfare	17	17	17	18	20	21	23	23	23	23
Culture and recreation	2	2	2	1	1	1	1	1	1	1
Economic development	7	7	8	8	8	7	6	6	6	6
Total full-time equivalent employees	350	350	357	358	362	363	367	362	363	367

Data Source

Village Budget Documents

Operating Information

Village of Hoffman Estates, Illinois
Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police										
Physical arrests	1,661	1,407	1,713	1,666	1,413	1,422	1,366	1,125	1,117	1,014
Parking violations	2,262	2,613	4,147	4,023	2,549	1,911	2,090	3,305	2,547	1,387
Traffic violations	17,614	15,175	19,186	19,673	14,606	10,387	11,049	8,734	6,395	3,786
Fire										
Emergency responses	5,419	5,415	4,012	4,161	4,186	4,372	4,186	4,384	4,596	4,252
Fire/miscellaneous responses	1,802	1,645	1,372	1,588	1,615	1,676	1,618	1,406	1,386	1,246
Inspections	2,130	2,844	2,283	1,879	1,904	1,497	2,115	1,715	1,561	1,636
Public Works										
Vehicles maintained by department	225	225	225	225	228	243	239	246	250	246
Street reconstruction (miles)	1.0	1.4	1.4	2.8	2.4	2.2	1.5	1.6	0.5	0.5
Street resurfacing (miles)	1.6	2.4	-	4.3	3.5	5.2	5.5	2.6	8.8	8.2
Water										
New connections	12	10	16	5	42	37	67	78	59	2
Water main breaks	65	112	65	61	75	77	73	63	74	85
Average daily consumption	4,907,000	5,143,000	4,778,000	4,653,000	4,451,000	4,345,000	4,311,000	4,239,000	4,390,000	4,160,000
Peak daily consumption	8,554,000	8,377,000	7,458,000	6,523,000	6,362,000	6,699,000	6,341,000	6,173,000	6,715,000	6,951,000

Data Source

Various Village Departments

Village of Hoffman Estates, Illinois
Capital Asset Statistics
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area patrols	10	10	10	10	10	10	10	10	10	10
Patrol units	54	53	56	54	51	57	51	54	54	60
Fire										
Fire stations	4	4	4	4	4	4	4	4	4	4
Fire engines	11	11	11	12	11	12	11	11	11	11
Public Works										
Miles of streets	158	158	158	160	160	160	160	161	161	151
Streetlights	2,464	2,512	2,512	2,529	2,529	2,529	2,533	2,533	2,551	2,571
Traffic signals	3	3	3	3	3	3	3	3	3	3
Water										
Water main (miles)	235	247	257	243	243	247	255	257	257	256
Fire hydrants	3,076	3,084	3,092	3,091	3,091	3,093	3,129	3,180	3,186	3,163
Storage capacity (gallons)	11,820,000	11,820,000	11,820,000	11,820,000	11,820,000	11,820,000	11,820,000	11,820,000	11,820,000	11,820,000
Waterwaste										
Sanitary sewers (miles)	201	201	201	205	205	205	205	205	256	191
Storm sewers (miles)	145	145	156	161	161	226	226	227	227	227

Data Source

Various Village Departments

Village of Hoffman Estates, Illinois
Continuing Disclosure Undertaking for the Fiscal Year Ended
December 31, 2020

Annual Report

Prepared by:
Finance Department
Rachel Musiala, Director of Finance
847-882-9100

Village of Hoffman Estates, Illinois
Comparative General Fund Balance Sheet
Fiscal Years Ended December 31

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Assets						
Cash and investments	\$ 18,376,003	\$ 19,443,123	\$ 20,170,755	\$ 22,960,706	\$ 24,501,284	\$ 20,495,371
Receivables						
Property taxes	17,472,029	17,798,039	18,229,735	18,499,548	19,385,360	21,039,359
Accounts	403,893	454,640	396,905	415,181	378,971	439,200
Accrued interest	10,199	33,043	82,303	132,557	121,768	6,391
Other	2,817,140	2,874,009	2,785,069	2,547,263	2,789,078	2,589,204
Prepaid items	53,471	121,943	50,851	59,185	62,459	70,911
Asset held by agents	-	-	-	108,367	110,910	139,138
Inventory	124,568	124,661	116,953	114,416	109,361	112,536
Due from other governments	5,105,238	4,838,202	4,183,443	4,075,309	4,339,878	4,391,870
Due from other funds	406,727	99,795	60,269	10,559	15,605	709,940
Due from fiduciary funds	-	-	-	-	63,959	-
Advance to fiduciary funds	31,100	31,100	31,100	-	-	-
	<u>44,800,368</u>	<u>45,818,555</u>	<u>46,107,383</u>	<u>48,923,091</u>	<u>51,878,633</u>	<u>49,993,920</u>
Total assets						
Liabilities						
Accounts payable	1,286,761	1,023,336	1,624,566	1,254,340	2,351,928	1,721,527
Accrued payroll	921,669	1,048,744	1,139,346	1,214,166	1,310,239	426,546
Unearned revenues	115,098	389,950	368,407	375,119	383,057	367,595
Due to FSA Participants	-	-	-	77,267	79,810	108,038
Due to other funds	62,756	-	-	-	-	-
Due to fiduciary funds	47,360	8,104	9,346	-	-	-
Deposits payable	1,123,953	967,471	1,155,449	1,356,809	1,204,590	1,204,406
Deferred inflows of resources	18,582,878	19,029,875	19,439,462	19,726,195	20,750,878	22,478,542
	<u>22,140,475</u>	<u>22,467,480</u>	<u>23,736,576</u>	<u>24,003,896</u>	<u>26,080,502</u>	<u>26,306,654</u>
Total liabilities						
Fund Balances						
Nonspendable for prepaid items	53,471	121,943	50,851	59,185	62,459	70,911
Nonspendable for inventory	124,568	124,661	116,953	114,416	109,361	112,536
Nonspendable for noncurrent receivables	31,100	31,100	31,100	31,100	-	-
Restricted for public safety	107,404	122,524	127,381	129,892	-	-
Restricted for employee loan program	66,172	49,510	55,851	43,426	47,469	40,679
Assigned for employee health	2,207,549	2,328,466	2,268,417	1,995,896	2,096,471	2,115,706
Assigned for subsequent budget	592,090	2,391,430	526,330	1,104,220	3,239,630	2,300,000
Unassigned	19,477,539	18,181,441	19,193,924	21,441,060	20,242,741	19,047,434
	<u>22,659,893</u>	<u>23,351,075</u>	<u>22,370,807</u>	<u>24,919,195</u>	<u>25,798,131</u>	<u>23,687,266</u>
Total equity and credits						
Total liabilities, equity and other credits	<u>\$ 44,800,368</u>	<u>\$ 45,818,555</u>	<u>\$ 46,107,383</u>	<u>\$ 48,923,091</u>	<u>\$ 51,878,633</u>	<u>\$ 49,993,920</u>

Source

Comprehensive Annual Financial Report, FY 2015-2020

Village of Hoffman Estates, Illinois
General Fund Revenues and Expenditures
Fiscal Years Ended December 31

	2015	2016	2017	2018	2019	2020	Budget 2021
Revenues							
Taxes	\$ 30,056,223	\$ 30,563,005	\$ 30,928,418	\$ 31,602,666	\$ 31,960,387	\$ 30,503,005	\$ 33,169,460
Licenses and permits	2,080,207	1,774,407	1,707,137	2,080,112	2,008,952	1,744,758	1,711,000
Intergovernmental	15,796,499	14,853,986	15,085,809	15,237,144	15,191,181	16,649,712	14,883,710
Charges for services	9,010,169	8,907,304	9,087,327	9,193,055	9,478,178	9,245,252	10,063,640
Fines and forfeits	2,035,952	1,496,652	1,279,213	1,363,279	1,343,809	1,110,521	1,226,000
Investment income	29,996	76,807	188,872	449,925	701,272	183,463	275,000
Miscellaneous	1,652,542	640,818	635,776	762,330	956,625	553,852	441,100
Total revenues	60,661,588	58,312,979	58,912,552	60,688,511	61,640,404	59,990,563	61,769,910
Expenditures							
General government	5,732,993	5,904,784	5,910,231	5,969,028	6,386,268	6,031,574	6,526,580
Public safety	33,300,683	34,229,399	35,385,440	35,818,822	36,704,779	37,555,497	40,922,970
Highways and streets	6,628,993	5,984,915	5,677,957	5,947,702	6,436,679	5,876,922	6,209,150
Sanitation	2,437,875	2,843,463	2,917,600	2,982,280	3,037,119	2,979,804	2,929,150
Health and welfare	1,789,257	1,823,939	2,018,586	2,122,912	2,166,630	2,379,164	2,422,770
Culture and recreation	297,900	321,265	310,459	315,852	275,239	152,351	334,850
Economic development	2,060,375	2,065,058	2,037,077	2,110,538	2,110,140	2,124,118	2,547,660
Total expenditures	52,248,076	53,172,823	54,257,350	55,267,134	57,116,854	57,099,430	61,893,130
Excess (Deficiency) of Revenues Over Expenses	8,413,512	5,140,156	4,655,202	5,421,377	4,523,550	2,891,133	(123,220)
Other Financing Uses	(2,172,274)	(4,448,974)	(5,635,470)	(2,872,989)	(3,644,614)	(5,001,998)	(2,174,120)
Net Change in Fund Balance	6,241,238	691,182	(980,268)	2,548,388	878,936	(2,110,865)	(2,297,340)
Fund Balance, January 1	16,418,655	22,659,893	23,351,075	22,370,807	24,919,195	25,798,131	23,687,266
Ending Fund Balance	\$ 22,659,893	\$ 23,351,075	\$ 22,370,807	\$ 24,919,195	\$ 25,798,131	\$ 23,687,266	\$ 21,389,926

Source

Comprehensive Annual Financial Report, FY 2015-2020

Village of Hoffman Estates, Illinois
Combined Statement – Fund Balances – All Funds
Fiscal Years Ended December 31

	2015	2016	2017	2018	2019	2020
Governmental Fund Types						
General Fund	\$ 22,659,893	\$ 23,351,075	\$ 22,370,807	\$ 24,919,195	\$ 25,798,131	\$ 23,687,266
Special revenue funds						
Motor fuel tax fund	531,906	642,655	726,902	215,087	373,924	1,369,793
Com. development block grant	1	1	17,773	8,442	1	10,436
Asset Seizure Fund	127,915	310,988	479,551	661,346	1,078,463	872,345
Econ. Dev. Area Admin.	514,545	-	-	-	-	-
E911	66,792	66,979	-	-	-	-
Roselle Rd TIF	325,762	145,377	273,649	720,692	1,061,133	1,647,962
Barrington Higgins TIF	-	281,861	204,886	181,427	173,526	611,153
Lakewood TIF	-	-	-	-	(2,924)	-
Higgins/Hassell Road TIF	(16,293)	170,672	9,668	11,461	11,927	12,194
Total special revenue	1,550,628	1,618,533	1,712,429	1,798,455	2,696,050	4,523,883
Debt service funds	228,267	65,109	39,469	13,726	16,035	(154,384)
Capital project funds	8,269,201	6,356,522	5,861,857	4,974,756	8,144,187	5,868,593
Total governmental	32,707,989	31,391,239	29,984,562	31,706,132	36,654,403	33,925,358
Proprietary Fund Types						
Waterworks and sewerage	22,855,045	22,896,309	22,208,778	20,630,000	21,042,751	17,133,829
NOW Arena*	28,718,349	28,365,250	28,214,508	27,591,598	27,133,210	26,059,511
Insurance	1,620,595	1,456,488	1,736,277	1,939,307	1,324,293	1,167,984
Information systems	712,613	939,595	887,555	452,186	707,024	768,122
Total proprietary	53,906,602	53,657,642	53,047,118	50,613,091	50,207,278	45,129,446
Fiduciary Fund Types						
Expendable trust funds	-	-	-	-	-	-
Pension trust						
Police pension	66,014,912	71,259,190	79,351,880	71,094,867	80,645,427	85,105,513
Firefighters' pension	70,999,525	74,595,928	83,543,889	78,152,578	93,396,628	105,768,041
Total fiduciary	137,014,437	145,855,118	162,895,769	149,247,445	174,042,055	190,873,554
Total all funds (memo only)	<u>\$ 223,629,028</u>	<u>\$ 230,903,999</u>	<u>\$ 245,927,449</u>	<u>\$ 231,566,668</u>	<u>\$ 260,903,736</u>	<u>\$ 269,928,358</u>

*The Sears Centre Arena was renamed to NOW Arena, effective September 2020

Source

Comprehensive Annual Financial Report, FY 2015-2020

Village of Hoffman Estates, Illinois
Budget Summary – All Funds
Fiscal Years Ended December 31

	2015	2016	2017	2018	2019	2020
Governmental Fund Types						
General Fund	\$ 57,702,260	\$ 58,885,940	\$ 62,197,380	\$ 59,837,170	\$ 62,164,030	\$ 65,787,580
Special revenue funds						
Motor fuel tax fund	2,281,360	1,261,000	1,275,000	1,915,000	2,135,000	2,710,000
Com. development block grant	560,000	364,000	320,900	305,800	263,500	297,500
Asset Seizure Fund	363,710	377,950	736,710	288,780	183,020	321,350
Econ. Dev. Area Admin.	345,960	552,090	-	-	-	-
E911	26,670	-	70,000	-	-	-
Sears EDA General Account	12,220,900	12,079,700	8,944,500	-	-	-
Roselle Rd TIF	962,700	378,270	1,792,860	912,940	915,270	915,000
Barrington Higgins TIF	-	1,402,400	683,600	605,650	605,740	4,500
Lakewood Center TIF	-	-	-	-	-	269,100
Higgins/Hassell Road TIF	4,690	1,111,520	2,961,310	371,690	5,180	4,850
Total special revenue	16,765,990	17,526,930	16,784,880	4,399,860	4,107,710	4,522,300
Debt service funds	7,987,150	18,300,770	9,798,190	39,814,980	6,943,570	7,131,890
Capital project funds	44,373,720	14,150,760	19,036,140	15,255,240	13,173,430	15,492,820
Total governmental	126,829,120	108,864,400	107,816,590	119,307,250	86,388,740	92,934,590
Proprietary Fund Types						
Waterworks and sewerage	19,972,620	22,305,760	21,294,280	21,238,660	\$22,546,730	\$23,630,700
NOW Arena*	13,881,880	13,424,670	15,704,470	15,851,850	12,028,310	15,059,370
Insurance	1,806,560	1,791,860	1,656,300	1,821,200	1,748,980	1,781,510
Information systems	1,584,970	1,668,800	1,976,780	2,041,690	2,032,190	2,207,480
Total proprietary	37,246,030	39,191,090	40,631,830	40,953,400	\$38,356,210	\$42,679,060
Fiduciary Fund Types						
Expendable trust funds	-	-	-	-	-	-
Pension trust						
Police pension	4,288,290	5,015,980	5,488,400	6,207,330	6,255,780	6,857,410
Firefighters' pension	4,139,000	4,368,630	5,088,680	5,516,920	5,706,160	6,209,260
Total fiduciary	8,427,290	9,384,610	10,577,080	11,724,250	11,961,940	13,066,670
Total all funds (memo only)	<u>\$ 172,502,440</u>	<u>\$ 157,440,100</u>	<u>\$ 159,025,500</u>	<u>\$ 171,984,900</u>	<u>\$ 136,706,890</u>	<u>\$ 148,680,320</u>

*The Sears Centre Arena was renamed to NOW Arena, effective September 2020

Source

Budgets – FY 2015-2020

Village of Hoffman Estates, Illinois
Combined Statement – Cash and Investments – All Funds
As of December 31

	2015	2016	2017	2018	2019	2020
General Fund	\$ 18,376,003	\$ 19,443,123	\$ 20,170,755	\$ 22,960,706	\$ 24,501,284	\$ 20,495,371
Special revenue funds	2,025,586	1,722,087	1,642,752	1,966,181	2,578,375	4,381,556
Debt service - GO bonds	216,330	111,194	35,318	23,533	27,299	23,494
Capital project funds	6,440,008	7,576,171	8,082,945	9,875,887	12,657,125	10,698,178
Capital projects - EDA, Series 1991*	2,909,863	2,002,704	1,605,974	-	-	-
Total capital project funds	9,349,871	9,578,875	9,688,919	9,875,887	12,657,125	10,698,178
Enterprise funds						
Waterworks and sewerage	4,503,642	4,079,870	10,119,022	10,670,787	19,407,022	12,978,306
NOW Arena*	2,989,202	2,359,200	3,048,986	2,646,349	2,690,380	1,253,159
Total enterprise funds	7,492,844	6,439,070	13,168,008	13,317,136	22,097,402	14,231,465
Internal service funds						
Insurance	2,615,565	2,842,503	2,913,510	3,152,797	2,596,865	2,855,656
Information systems	906,601	1,133,372	1,112,292	817,600	1,211,007	1,263,931
Total internal service funds	3,522,166	3,975,875	4,025,802	3,970,397	3,807,872	4,119,587
Pension funds	2,085,757	1,767,053	2,565,284	2,809,187	2,020,778	19,933
All other funds	458,539	4,152	2,526	17,862,795	10,945,947	11,470,756
Total	\$ 43,527,096	\$ 43,041,429	\$ 51,299,364	\$ 72,785,822	\$ 78,636,082	\$ 65,440,340

*In 2018 EDA Series 1991 Project Fund was changed to Prairie Stone Capital Fund and is included with all Capital Project Funds.

*The Sears Centre Arena was renamed to NOW Arena, effective September 2020

Source

Comprehensive Annual Financial Report, FY 2015-2020

Village of Hoffman Estates, Illinois
General Fund – Major Sources of Revenue
Fiscal Years Ended December 31

	2015	2016	2017	2018	2019	2020
Revenues						
Property taxes	\$ 16,393,056	\$ 16,355,691	\$ 16,278,379	\$ 16,041,276	\$ 16,169,960	\$ 16,162,780
Sales tax	8,220,338	7,887,857	8,252,713	7,980,164	7,010,330	7,335,166
Home rule sales tax	3,883,502	3,627,746	3,637,260	3,717,518	2,703,178	3,061,003
Local use tax	1,145,993	1,238,450	1,340,692	1,502,961	1,724,193	2,222,935
State income tax	5,611,360	4,985,594	4,714,638	5,005,989	5,567,999	5,714,698
Licenses and permits	1,996,964	1,693,448	1,630,591	2,006,956	1,939,751	1,681,770
Charges for services	8,503,649	8,229,658	8,589,632	8,709,155	8,960,277	8,910,577
Fines and forfeits	2,005,951	1,467,105	1,279,212	1,363,279	1,343,809	1,110,520
Investment income	29,996	76,807	188,873	449,925	701,272	183,464
Hotel tax	1,426,413	1,372,586	1,274,499	1,242,791	1,359,133	490,502
Real estate transfer tax	925,104	761,315	1,087,913	1,381,303	1,937,262	1,042,874
Telecommunications tax	2,052,086	2,172,136	1,808,685	1,559,160	1,351,147	1,135,971
All other	8,771,100	8,645,060	8,829,465	9,728,034	10,873,059	10,938,303
Total revenues	\$ 60,965,512	\$ 58,513,453	\$ 58,912,552	\$ 60,688,511	\$ 61,641,370	\$ 59,990,563

Source

Village Finance Department

Village of Hoffman Estates, Illinois
Direct and Overlapping General Obligation Debt
As of December 31, 2020

	Outstanding Bonds	Applicable to Village	
		Percentage	Amount
Direct Debt			
General obligation bonds outstanding	\$ 176,867,865	100.0%	<u>\$ 176,867,865</u>
Overlapping Debt			
Cook County	2,794,111,750	0.951%	26,572,003
Metropolitan Water Reclamation District	2,694,934,289	0.968%	26,086,964
Kane County	115,640,000	0.011%	12,720
Dundee Township Park District	2,071,355	0.085%	1,761
Hoffman Estates Park District	7,940,000	93.288%	7,407,067
Palatine Park District	4,630,000	2.587%	119,778
Gail Borden Public Library District	2,505,000	4.897%	122,670
Poplar Creek Library District	13,370,000	6.366%	851,134
East Dundee & Countryside Fire Bond District	3,990,000	0.014%	559
School District #15	43,375,000	8.589%	3,725,479
Community Unit School District #U-46	218,313,638	2.966%	6,475,183
Community Unit School District #220	46,605,000	7.616%	3,549,437
Community Unit School District #300	236,816,782	1.499%	3,549,884
Community College #509	156,860,000	2.137%	3,352,098
Community College #512	250,435,000	6.096%	<u>15,266,518</u>
			<u>97,093,255</u>
Total direct and overlapping general obligation bonded debt			<u><u>\$ 273,961,120</u></u>

Source

Cook and Kane County Clerk's Offices

Village of Hoffman Estates, Illinois
Total General Obligation Bond Debt Service
As of December 31, 2020

Year Ended (December 1)	Series 2015A Bonds			Series 2015B Bonds		
	Principal	Interest	Annual Debt Service	Principal	Interest	Annual Debt Service
2021	\$ 1,955,000	\$ 533,830	\$ 2,488,830	\$ 425,000	\$ 164,200	\$ 589,200
2022	2,165,000	475,180	2,640,180	440,000	147,200	587,200
2023	2,335,000	404,818	2,739,818	460,000	129,600	589,600
2024	2,425,000	317,255	2,742,255	475,000	115,800	590,800
2025	2,515,000	220,255	2,735,255	495,000	96,800	591,800
2026	2,620,000	114,626	2,734,626	515,000	77,000	592,000
2027	-	-	-	530,000	56,400	586,400
2028	-	-	-	430,000	35,200	465,200
2029	-	-	-	450,000	18,000	468,000
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
	<u>\$ 14,015,000</u>	<u>\$ 2,065,964</u>	<u>\$ 16,080,964</u>	<u>\$ 4,220,000</u>	<u>\$ 840,200</u>	<u>\$ 5,060,200</u>

Village of Hoffman Estates, Illinois
Total General Obligation Bond Debt Service
As of December 31, 2020

Year Ended (December 1)	Series 2015C Bonds			Series 2016 Bonds		
	Principal	Interest	Annual Debt Service	Principal	Interest	Annual Debt Service
2021	\$ -	\$ 1,011,812	\$ 1,011,812	\$ 105,000	\$ 331,700	\$ 436,700
2022	-	1,011,812	1,011,812	-	329,600	329,600
2023	-	1,011,812	1,011,812	-	329,600	329,600
2024	-	1,011,812	1,011,812	-	329,600	329,600
2025	-	1,011,812	1,011,812	1,150,000	329,600	1,479,600
2026	110,000	1,011,812	1,121,812	-	283,600	283,600
2027	2,855,000	1,007,138	3,862,138	2,270,000	283,600	2,553,600
2028	2,975,000	885,800	3,860,800	2,355,000	192,800	2,547,800
2029	3,105,000	755,644	3,860,644	2,465,000	98,600	2,563,600
2030	3,240,000	619,800	3,859,800	-	-	-
2031	3,390,000	474,000	3,864,000	-	-	-
2032	3,555,000	304,500	3,859,500	-	-	-
2033	2,535,000	126,750	2,661,750	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
	<u>\$ 21,765,000</u>	<u>\$ 10,244,504</u>	<u>\$ 32,009,504</u>	<u>\$ 8,345,000</u>	<u>\$ 2,508,700</u>	<u>\$ 10,853,700</u>

Village of Hoffman Estates, Illinois
Total General Obligation Bond Debt Service
As of December 31, 2020

Year Ended (December 1)	Series 2017A Bonds			Series 2017B Bonds		
	Principal	Interest	Annual Debt Service	Principal	Interest	Annual Debt Service
2021	\$ 325,000	\$ 178,862	\$ 503,862	\$ 35,000	\$ 123,300	\$ 158,300
2022	340,000	169,112	509,112	35,000	122,600	157,600
2023	345,000	158,912	503,912	35,000	121,900	156,900
2024	355,000	148,562	503,562	35,000	120,850	155,850
2025	375,000	137,912	512,912	40,000	119,800	159,800
2026	380,000	126,662	506,662	40,000	118,600	158,600
2027	390,000	115,262	505,262	40,000	117,400	157,400
2028	410,000	99,662	509,662	45,000	115,800	160,800
2029	425,000	83,262	508,262	45,000	114,000	159,000
2030	200,000	66,262	266,262	45,000	112,200	157,200
2031	210,000	58,262	268,262	50,000	110,400	160,400
2032	215,000	51,962	266,962	50,000	108,400	158,400
2033	225,000	45,512	270,512	50,000	106,400	156,400
2034	230,000	38,762	268,762	480,000	104,400	584,400
2035	235,000	31,576	266,576	500,000	85,200	585,200
2036	245,000	24,232	269,232	520,000	65,200	585,200
2037	250,000	16,576	266,576	545,000	44,400	589,400
2038	260,000	8,450	268,450	565,000	22,600	587,600
	<u>\$ 5,415,000</u>	<u>\$ 1,559,802</u>	<u>\$ 6,974,802</u>	<u>\$ 3,155,000</u>	<u>\$ 1,833,450</u>	<u>\$ 4,988,450</u>

Village of Hoffman Estates, Illinois
Total General Obligation Bond Debt Service
As of December 31, 2020

Year Ended (December 1)	Series 2018 Bonds			Series 2019 Bonds		
	Principal	Interest	Annual Debt Service	Principal	Interest	Annual Debt Service
2021	\$ 1,625,000	\$ 1,485,338	\$ 3,110,338	\$ 563,305	\$ 195,414	\$ 758,719
2022	1,705,000	1,404,088	3,109,088	575,420	183,304	758,724
2023	1,790,000	1,318,838	3,108,838	587,790	170,932	758,722
2024	1,880,000	1,229,338	3,109,338	600,425	158,294	758,719
2025	925,000	1,135,338	2,060,338	613,335	145,384	758,719
2026	2,105,000	1,089,088	3,194,088	626,520	132,198	758,718
2027	-	983,838	983,838	639,995	118,728	758,723
2028	-	983,838	983,838	653,750	104,968	758,718
2029	-	983,838	983,838	667,810	90,912	758,722
2030	2,250,000	983,838	3,233,838	682,165	76,554	758,719
2031	2,365,000	871,338	3,236,338	696,830	61,888	758,718
2032	2,485,000	753,090	3,238,090	711,815	46,906	758,721
2033	2,605,000	628,838	3,233,838	727,120	31,602	758,722
2034	2,345,000	498,588	2,843,588	742,750	15,970	758,720
2035	2,435,000	404,788	2,839,788	-	-	-
2036	2,520,000	307,388	2,827,388	-	-	-
2037	2,610,000	206,588	2,816,588	-	-	-
2038	2,725,000	102,205	2,827,205	-	-	-
	<u>\$ 32,370,000</u>	<u>\$ 15,370,203</u>	<u>\$ 47,740,203</u>	<u>\$ 9,089,030</u>	<u>\$ 1,533,054</u>	<u>\$ 10,622,084</u>

Village of Hoffman Estates, Illinois
Total General Obligation Bond Debt Service
As of December 31, 2020

Year Ended (December 1)	Total GO Debt Outstanding		
	Principal	Interest	Annual Debt Service
2021	\$ 5,033,305	\$ 4,024,456	\$ 9,057,761
2022	5,260,420	3,842,896	9,103,316
2023	5,552,790	3,646,412	9,199,202
2024	5,770,425	3,431,511	9,201,936
2025	6,113,335	3,196,901	9,310,236
2026	6,396,520	2,953,586	9,350,106
2027	6,724,995	2,682,366	9,407,361
2028	6,868,750	2,418,068	9,286,818
2029	7,157,810	2,144,256	9,302,066
2030	6,417,165	1,858,654	8,275,819
2031	6,711,830	1,575,888	8,287,718
2032	7,016,815	1,264,858	8,281,673
2033	6,142,120	939,102	7,081,222
2034	3,797,750	657,720	4,455,470
2035	3,170,000	521,564	3,691,564
2036	3,285,000	396,820	3,681,820
2037	3,405,000	267,564	3,672,564
2038	3,550,000	133,255	3,683,255
	<u>\$ 98,374,030</u>	<u>\$ 35,955,877</u>	<u>\$ 134,329,907</u>
	<u>\$ 98,374,030</u>	<u>\$ 35,955,877</u>	<u>\$ 134,329,907</u>

Village of Hoffman Estates, Illinois
Local Share of State Sales Tax History by Month - Cash Basis
December 31, 2020

Cash Received	Liability Month	2015	2016	2017	2018	2019	2020	2018 v. 2019	2019 v. 2020
January	October	\$ 690,471	\$ 692,442	\$ 651,611	\$ 661,036	\$ 649,509	\$ 656,640	(1.7)%	1%
February	November	703,304	677,641	733,723	661,890	624,801	669,165	(5.6)%	7%
March	December	759,870	765,188	797,913	818,723	776,804	777,941	(5.1)%	0%
April	January	625,945	588,417	627,003	606,091	543,459	561,888	(10.3)%	3%
May	February	636,691	891,044	913,135	569,254	538,209	553,176	(5.5)%	3%
June	March	696,765	665,715	681,271	689,379	653,022	557,618	(5.3)%	(15)%
July	April	660,897	578,366	632,481	642,936	663,619	441,481	3%	(33)%
August	May	689,914	666,792	671,704	671,102	594,333	524,511	(11)%	(12)%
September	June	739,532	709,821	683,359	778,406	751,297	667,393	(3)%	(11)%
October	July	694,684	625,010	632,394	614,132	608,693	682,139	(1)%	12%
November	August	676,143	650,999	655,097	692,350	607,071	636,043	(12)%	5%
December	September	686,451	652,270	649,630	642,349	583,363	672,250	(9)%	15%
Year totals		<u>\$ 8,260,667</u>	<u>\$ 8,163,705</u>	<u>\$ 8,329,321</u>	<u>\$ 8,047,648</u>	<u>\$ 7,594,180</u>	<u>\$ 7,400,245</u>	<u>(6)%</u>	<u>(3)%</u>

Source

Village Finance Department

Village of Hoffman Estates, Illinois
Home Rule Sales Tax History by Month - Cash Basis
December 31, 2020

Cash Received	Liability Month	2015	2016	2017	2018	2019	2020	2018 v. 2019	2019 v. 2020
January	October	\$ 322,359	\$ 325,328	\$ 294,622	\$ 315,451	\$ 297,562	\$ 304,537	(6)%	2%
February	November	338,435	338,938	293,827	318,585	275,771	291,273	(13)%	6%
March	December	381,857	399,214	362,163	416,923	373,684	343,198	(10)%	(8)%
April	January	305,139	282,498	256,181	288,863	259,337	273,057	(10)%	5%
May	February	300,617	281,360	261,040	276,142	243,487	238,252	(12)%	(2)%
June	March	322,770	310,833	336,913	314,742	269,698	263,959	(14)%	(2)%
July	April	290,790	258,906	270,068	301,729	253,055	155,042	(16)%	(39)%
August	May	317,104	308,936	298,333	312,103	183,888	176,310	(41)%	(4)%
September	June	367,835	347,470	314,356	339,286	400,241	258,952	18%	(35)%
October	July	313,928	282,606	289,669	264,129	256,408	262,625	(3)%	2%
November	August	316,948	283,174	315,203	332,155	247,821	271,299	(25)%	9%
December	September	318,883	294,039	313,498	316,982	255,094	295,070	(20)%	16%
Year totals		<u>\$ 3,896,665</u>	<u>\$ 3,713,302</u>	<u>\$ 3,605,873</u>	<u>\$ 3,797,090</u>	<u>\$ 3,316,046</u>	<u>\$ 3,133,574</u>	<u>(13)%</u>	<u>(6)%</u>

Source

Village Finance Department

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

SUBJECT: 2020 Economic Development Area Annual Financial Report
MEETING DATE: June 28, 2021
COMMITTEE: Finance
FROM: Rachel Musiala, Director of Finance

PURPOSE: To present the Annual Financial Report for the Economic Development Area (EDA) Special Tax Allocation Fund for the fiscal year ended December 31, 2020 as required by Public Act 097-0636. The report is included herewith.

BACKGROUND: Effective June 1, 2012 the state enacted legislation to extend the EDA for an additional 15 years. As part of that new legislation, a financial audit specifically of the EDA Special Tax Allocation Fund is required. The Village retained Sikich LLP to conduct this special audit for fiscal year 2020.

DISCUSSION: Sikich LLP has given the 2020 Annual Financial Report for the EDA Special Tax Allocation Fund their “unmodified opinion.” This means that the financial statements are fairly presented and are prepared in accordance with generally accepted accounting principles.

As of December 31, 2020, the EDA Special Tax Allocation Fund had total assets of \$11,470,756. Fiscal year 2020 is the seventh year under the new legislation that extended the EDA, and as part of that legislation, the Village is required to disburse all incremental property taxes to the Developer and the taxing districts prior to December 31st of each year. However, due to on-going litigation, the Village was directed not to disburse the property taxes until the litigation has concluded or pursuant to court order. Total incremental property taxes received throughout the year were in excess of \$10 million.

This audit, along with a compliance report prepared by Village staff, will be sent to all overlapping taxing districts as required by state legislation.

RECOMMENDATION: Request acknowledgement of receipt and filing of the Economic Development Area Special Tax Allocation Fund Annual Financial Report for the year ended December 31, 2020.

ATTACHMENT (2020 ANNUAL FINANCIAL REPORT FOR THE EDA)



VILLAGE OF HOFFMAN ESTATES, ILLINOIS

**ECONOMIC DEVELOPMENT AREA
SPECIAL TAX ALLOCATION FUND**

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2020



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**VILLAGE OF HOFFMAN ESTATES, ILLINOIS
ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND
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INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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INDEPENDENT AUDITOR'S REPORT

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

We have audited the accompanying basic financial statements of the Economic Development Area Special Tax Allocation Fund (the Fund), a custodial fund of the Village of Hoffman Estates, Illinois, as of and for the year ended December 31, 2020, and the related notes to financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Economic Development Area Special Tax Allocation Fund, a custodial fund of the Village of Hoffman Estates, Illinois, as of December 31, 2020, and the change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Economic Development Area Special Tax Allocation Fund and do not purport to, and do not, present fairly the financial position of the Village of Hoffman Estates, Illinois, as of December 31, 2020, the change in its financial position or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The supplementary information (the information) is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Schick LLP

Naperville, Illinois
April 7, 2021

BASIC FINANCIAL STATEMENTS

VILLAGE OF HOFFMAN ESTATES, ILLINOIS

**ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND**

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2020

ASSETS	
Cash and Investments	<u>\$ 11,470,756</u>
TOTAL ASSETS	<u><u>\$ 11,470,756</u></u>
LIABILITIES	
None	<u>\$ -</u>
TOTAL LIABILITIES	<u><u>\$ -</u></u>
NET POSITION	
Restricted for Economic Development	<u>\$ 11,470,756</u>
TOTAL NET POSITION	<u><u>\$ 11,470,756</u></u>

See accompanying notes to financial statements.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS

**ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

December 31, 2020

	<u>Custodial</u>
ADDITIONS	
Property Taxes	\$ 10,939,420
Investment Income	35,393
	<hr/>
TOTAL ADDITIONS	10,974,813
	<hr/>
DEDUCTIONS	
Economic Development	
Municipal Contribution	5,000,000
Administrative Fees	460,369
Governmental Share Distribution	4,925,676
	<hr/>
TOTAL DEDUCTIONS	10,386,045
	<hr/>
CHANGE IN NET POSITION	588,768
	<hr/>
NET POSITION	
January 1	10,881,988
	<hr/>
December 31	<u><u>\$ 11,470,756</u></u>

See accompanying notes to financial statements.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Economic Development Area Special Tax Allocation Fund (the Fund) of the Village of Hoffman Estates, Illinois have been prepared in accordance with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. Reporting Entity

The Fund is a fiduciary fund of the Village of Hoffman Estates, Illinois (the Village).

B. Measurement Focus and Basis of Accounting

The Fund uses one fund to report its financial information. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified in this report into the fiduciary category. The fiduciary fund financial statements are reported using the economic resources and measurement focus and the accrual basis of accounting.

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. The Village utilizes a custodial fund for the its Economic Development Economic Area Special Tax Allocation Fund, which are generally used to account for assets that the Village holds in a fiduciary capacity.

C. Basis of Accounting

The custodial fund uses the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the statement of fiduciary net position. The custodial fund presents increases (e.g., additions) and decreases (e.g., deductions) in net position.

**VILLAGE OF HOFFMAN ESTATES, ILLINOIS
ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND**
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Investments

Investments with maturity greater than one year at time of purchase, if any, are stated at fair value. Non-negotiable certificates of deposit, if any, are reported at cost. The Fund categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Fund held no investments to measure at fair value at December 31, 2020.

2. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to invest in bonds, notes, certificates of indebtedness, treasury bills or other securities, including obligations of the Government National Mortgage Association, which are guaranteed by the full faith and credit of the United States Government as to principal and interest, bonds, notes, debentures or other similar obligations of the United States Government or its agencies, interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any investment constituting direct obligations of any bank, as defined by the Illinois Banking Act, that is insured by the Federal Deposit Insurance Corporation, certain insured short-term obligations of corporations organized in the United States and certain Money Market Mutual Funds registered under the Investment Company Act of 1940. In addition to any other investments authorized under the Public Funds Investment Act, the Village may invest its public funds in interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district, short-term discount obligations of the Federal National Mortgage Association (FNMA) or in the shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of the State of Illinois or any other state or under the laws of the United States Government, dividend-bearing share accounts and share certificate accounts or class of share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States Government.

It is the policy of the Village to invest their funds in a manner which will provide the highest investment return with the maximum security while meeting the operating demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

A. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral not less than 110% of fair market value for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

B. Investments

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed currently. The investment policy limits the maximum maturity lengths of most investments to two years.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village investment policies requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased.

Concentration of Credit Risk - The Village's investment policy has the following diversification guidelines: no financial institution shall hold more than 50% of the Village's investment portfolio, commercial paper shall not exceed 10% of the Village's investment portfolio and continuously investing a portion of the portfolio in readily available funds such as the Illinois Treasurer's Pool or money market funds to ensure that appropriate liquidity is maintained in order to meet on-going obligations.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

The Village’s investment policy states that investments in derivatives and participation in securities lending transactions are prohibited.

3. LONG-TERM DEBT

A. Tax Increment Revenue Note Disclosures

The Village, pursuant to an economic development agreement dated February 25, 1990, has agreed to reimburse Sears Roebuck and Co. (Sears) for certain project costs Sears has incurred as the Village’s agent in furthering the economic development plan and project. The economic development agreement requires that an economic development tax increment revenue note be executed each time Sears makes such an advance. These notes are payable from and secured solely by the pledged incremental revenues deposited from time-to-time in the Sears EDA General Account Fund created by the indenture of the Series 2005 and Series 1991 tax increment revenue bonds.

Prior to January 1, 2012, the interest rates on the notes changed every March 1, June 1, September 1 and December 1, indexed to a percentage of the weekly 25 Revenue Bond Index as published by “The Bond Buyer.” For project cost notes, the interest rate was 90% of the index. For developer cash advance notes, the interest rate was 75% of the index. Effective January 1, 2012, the interest rate for all project cost notes and developer advance notes is 4%. Payments on the notes are due annually as, and to the extent, monies are available in the Sears EDA General Account Fund. Any amount of interest not paid on the due date is to be added to the principal balance of the note then outstanding. Tax increment revenue notes currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Issuances or Accretions	Retirements or Accretions	Balances December 31	Current Portion
Tax Increment Revenue Notes Due in Annual Installments Only if Tax Increment Revenues are Available	Debt Service	\$ 119,186,441	\$ 4,069,177	\$ -	\$ 123,255,618	\$ -
TOTAL TAX INCREMENT REVENUE NOTES		\$ 119,186,441	\$ 4,069,177	\$ -	\$ 123,255,618	\$ -

The increase of \$4,069,177 in the Tax Increment Revenue Notes is interest due as of December 31, 2020 that accrues to the principal balance if not paid.

**VILLAGE OF HOFFMAN ESTATES, ILLINOIS
ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND**
NOTES TO FINANCIAL STATEMENTS (Continued)

3. LONG-TERM DEBT (Continued)

B. Debt Service Requirements to Maturity

The Hoffman Estates Economic Development Project Area Tax Increment Revenue Notes provide that the payment of principal and interest on the notes are due only if tax increment revenues are available for payment of debt service in the Sears EDA General Account Fund before the TIF expires in 2027. Any amount of unpaid interest at the interest due dates is added to the principal balance of the note.

4. CONTINGENT LIABILITIES

A. Litigation

The Village is a defendant in a lawsuit related to the Fund. Although the outcome of this lawsuit is not presently determinable, in the opinion of the Village's attorney, the resolution of this matter will not have a material adverse effect on the financial condition of the Fund.

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630.566.8400

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH PUBLIC ACT 97-0636

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

We have examined management's assertion, included in its representation letter dated April 7, 2021 that the Village of Hoffman Estates, Illinois (the Village) complied with the provisions of subsection (e) of Section 3 of the Economic Development Area Tax Allocation Act (Illinois Public Act 97-0636) during the year ended December 31, 2020. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village's compliance with statutory requirements.

In our opinion, management's assertion that the Village complied with the aforementioned requirements for the year ended December 31, 2020 is fairly stated, in all material respects.

This report is intended solely for the information and use of the President, the Board of Trustees, management of the Village, Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
April 7, 2021

SUPPLEMENTARY INFORMATION

VILLAGE OF HOFFMAN ESTATES, ILLINOIS

**ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Year Ended December 31, 2020

REVENUES	
Property Taxes	\$ 10,939,420
Investment Income	35,393
	<hr/>
Total Revenues	10,974,813
	<hr/>
EXPENDITURES	
Economic Development	
Municipal Contribution	5,000,000
Administrative Fees	460,369
Governmental Share Distribution	4,925,676
	<hr/>
Total Expenditures	10,386,045
	<hr/>
NET CHANGE IN FUND BALANCE	588,768
FUND BALANCE, JANUARY 1	10,881,988
	<hr/>
FUND BALANCE, DECEMBER 31	\$ 11,470,756
	<hr/> <hr/>

(See independent auditor's report.)

VILLAGE OF HOFFMAN ESTATES, ILLINOIS

**ECONOMIC DEVELOPMENT AREA SPECIAL
TAX ALLOCATION FUND**

SCHEDULE OF FUND BALANCE BY SOURCE

For the Year Ended December 31, 2020

BEGINNING BALANCE, JANUARY 1	<u>\$ 10,881,988</u>
DEPOSITS	
Property Taxes	10,939,420
Investment Income	<u>35,393</u>
Total Deposits	<u>10,974,813</u>
Balance Plus Deposits	<u>21,856,801</u>
EXPENDITURES	
Economic Development	
Municipal Contribution	5,000,000
Administrative Fees	460,369
Governmental Share Distribution	<u>4,925,676</u>
Total Expenditures	<u>10,386,045</u>
ENDING BALANCE, DECEMBER 31	<u><u>\$ 11,470,756</u></u>
ENDING BALANCE BY SOURCE	
Property Taxes*	\$ 11,435,363
Interest Income	<u>35,393</u>
Subtotal	11,470,756
Less Surplus Funds	<u>-</u>
ENDING BALANCE, DECEMBER 31	<u><u>\$ 11,470,756</u></u>

*Monies are designated to pay the Tax Increment Revenue Notes due in annual installments only if tax increment revenues are available.

(See independent auditor's report.)

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

SUBJECT: Request authorization to renew the Microsoft Enterprise Licensing Agreement negotiated through DELL LLC., (Microsoft Large Account Reseller Statewide Master Contract #C000000765005) for a period of three years at a total cost of \$199,732.05 with annual payments of \$66,577.35 made in 2021, 2022 and 2023.

MEETING DATE: June 28, 2021

COMMITTEE: Finance Committee

FROM: Fred Besenhoffer, Director of Information Systems

PURPOSE: To renew the Microsoft Enterprise Licensing Agreement negotiated through DELL LLC.

BACKGROUND The Village entered into the Microsoft Enterprise Licensing Agreement in 2006. In previous years this agreement provided the licensing for all of our enrolled desktop, laptop and server Operating Systems, the Microsoft Office Suite, a core set of Client Access Licenses (CALs), the Exchange Online (Cloud based) email subscription and training.

DISCUSSION This request renews our license agreements for Exchange Online email subscription and the Server based Operating Systems. This renewal is for a three-year period

The significant decrease in cost from the 2018 contract (\$317,941.47) reflects the removal of licensing allotted to the Software Assurance Agreement for Microsoft Windows and Microsoft Office platforms. We believe these items are no longer necessary and had them removed from the agreement.

SUMMARY The cost is based on the current licenses owned by the Village and may decrease or increase based on the addition or removal of Microsoft Licensing.

The agreement negotiated by the State of Illinois (whose ability to leverage in excess of 40,000 plus desktop computers as well as additional State-owned equipment) and Dell LLC. It therefore affords the Village the best pricing on the Microsoft product line.

The formal quote from Dell LLC. as the manager of this contract for the Microsoft Enterprise Pricing Agreement are attached.

FINANCIAL IMPACT

Funding for the Microsoft Enterprise Agreement has been allocated annually. In the I. S. Department's 2021 budget a total of \$120,000.00 has been earmarked for this expense. Eliminating the unnecessary licensing is a savings of \$ 53,422.65 for 2021 FY.

RECOMMENDATION

Request authorization to renew the Microsoft Enterprise Licensing Agreement negotiated through DELL LLC., (Microsoft Large Account Reseller Statewide Master Contract #C000000765005) for a period of three years at a total cost of \$199,732.05 with annual payments of \$66,577.35 made in 2021, 2022 and 2023.

Enterprise Enrollment

State and Local

Enterprise Enrollment number
(Microsoft to complete)

5899971

Framework ID
(if applicable)

--

Previous Enrollment number
(Reseller to complete)

5899971

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) the Online Services Terms, (6) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (7) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at <http://www.microsoft.com/licensing/contracts>. In the event of any conflict the terms of this Agreement control.

Effective date. If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to "anniversary date" refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

Term. The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

Terms and Conditions

1. Definitions.

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

"Additional Product" means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

"Community" means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer's regulatory requirements.

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally-recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means <http://www.microsoft.com/licensing/contracts> or a successor site.

2. **Order requirements.**

- a. **Minimum order requirements.** Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.
 - (i) **Enterprise commitment.** Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).
 - (ii) **Enterprise Online Services only.** If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.
- b. **Additional Products.** Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.
- c. **Use Rights for Enterprise Products.** For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.
- d. **Country of usage.** Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.
- e. **Resellers.** Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.
- f. **Adding Products.**
 - (i) **Adding new Products not previously ordered.** New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

- (ii) **Adding Licenses for previously ordered Products.** Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.
- g. True-up requirements.** Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.
- (i) **Enterprise Products.** For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.
- (ii) **Additional Products.** For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.
- (iii) **Online Services.** For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retrospectively to the month in which they were ordered.
- (iv) **Subscription License reductions.** Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:
- 1) For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced if the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.
 - 2) For Enterprise Online Services that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as the initial order minimum requirements are maintained.
 - 3) For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.
- Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.
- (v) **Update statement.** An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional Products. This update statement must be signed by Enrolled Affiliate's authorized representative.
- (vi) **True-up order period.** The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The third-year true-up order or update statement is due within 30 days prior to the Expiration Date, and any license reservations within this 30 day period will not be accepted. Enrolled Affiliate

may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.

(vii) Late true-up order. If the true-up order or update statement is not received when due, Microsoft will invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).

- h. Step-up Licenses.** For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:
 - (i)** For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.
 - (ii)** If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled "Adding new Products not previously ordered," then for additional step-up Licenses, by following the true-up order process.
- i. Clerical errors.** Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.
- j. Verifying compliance.** Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

3. Pricing.

- a. Price Levels.** For both the initial and any renewal term Enrolled Affiliate's Price Level for all Products ordered under this Enrollment will be Level "D" throughout the term of the Enrollment.
- b. Setting Prices.** Enrolled Affiliate's prices for each Product or Service will be established by its Reseller. Except for Online Services designated in the Product Terms as being exempt from fixed pricing, As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft's prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft's prices to Resellers are reestablished at the beginning of the renewal term.

4. Payment terms.

For the initial or renewal order, Microsoft will invoice Enrolled Affiliate's Reseller in three equal annual installments. . The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

5. End of Enrollment term and termination.

- a. General.** At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.
- b. Renewal option.** At the Expiration Date of the initial term, Enrolled Affiliate can renew Products by renewing this Enrollment for one additional 36-month term or by signing a new Enrollment. Microsoft must receive a Renewal Form, Product Selection Form, and renewal order prior to or at the Expiration Date. Microsoft will not unreasonably reject any renewal.

Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at renewal.

c. If Enrolled Affiliate elects not to renew.

(i) Software Assurance. If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.

(ii) Online Services eligible for an Extended Term. For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.

1) Extended Term. Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term feature that allows Online Services to continue month-to-month ("Extended Term") is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee for up to one year. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.

2) Cancellation during Extended Term. At any time during the first year of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, either party may terminate the Extended Term by providing the other with a notice of cancellation for each Online Service. Cancellation will be effective at the end of the month following 30 days after Microsoft has received or issued the notice.

(iii) Subscription Licenses and Online Services not eligible for an Extended Term. If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate's Enterprise must discontinue use. Microsoft may request written certification to verify compliance.

d. Termination for cause. Any termination for cause of this Enrollment will be subject to the "Termination for cause" section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.

e. Early termination. Any early termination of this Enrollment will be subject to the "Early Termination" Section of the Enterprise Agreement.

For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

6. Government Community Cloud.

a. Community requirements. If Enrolled Affiliate purchases Government Community Cloud Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly prohibited and could result in termination of Enrolled Affiliate's license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.

b. All terms and conditions applicable to non-Government Community Cloud Services also apply

to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.

- c. Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.
- d. **Use Rights for Government Community Cloud Services.** For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:
 - (i) Government Community Cloud Services will be offered only within the United States.
 - (ii) Additional European Terms, as set forth in the Use Rights, will not apply.
 - (iii) References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.

Enrollment Details

1. Enrolled Affiliate's Enterprise.

- a. Identify which Agency Affiliates are included in the Enterprise. (Required) Enrolled Affiliate's Enterprise must consist of entire offices, bureaus, agencies, departments or other entities of Enrolled Affiliate, not partial offices, bureaus, agencies, or departments, or other partial entities. Check only one box in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

Enrolled Affiliate only

Enrolled Affiliate and all Affiliates

Enrolled Affiliate and the following Affiliate(s) (Only identify specific affiliates to be included if fewer than all Affiliates are to be included in the Enterprise):

Enrolled Affiliate and all Affiliates, with following Affiliate(s) excluded:

- b. Please indicate whether the Enrolled Affiliate's Enterprise will include all new Affiliates acquired after the start of this Enrollment: Exclude future Affiliates

2. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at <https://www.microsoft.com/licensing/servicecenter>.

- a. **Primary contact.** This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact is also an Online Administrator for the Volume Licensing Service Center and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

Name of entity (must be legal entity name)* Village of Hoffman Estates

Contact name* First Fred **Last** Besenhoffer

Contact email address* fred.besenoffer@hoffmanestates.org

Street address* 1900 Hassell Road

City* Hoffman Estates

State* IL
Postal code* 60169-6302
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country* United States
Phone* 847-882-9100
Tax ID
** indicates required fields*

- b. Notices contact and Online Administrator.** This contact (1) receives the contractual notices, (2) is the Online Administrator for the Volume Licensing Service Center and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible Online Services, including adding or reassigning Licenses and stepping-up prior to a true-up order.

Same as primary contact (default if no information is provided below, even if the box is not checked).

Contact name* First Last
Contact email address*
Street address*
City*
State*
Postal code* -
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country*
Phone*

Language preference. Choose the language for notices. English
 This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.
** indicates required fields*

- c. Online Services Manager.** This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)

Contact name*: First Last
Contact email address*
Phone*

This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.
** indicates required fields*

- d. Reseller information.** Reseller contact for this Enrollment is:

Reseller company name* Dell Inc.
Street address (PO boxes will not be accepted)* One Dell Way
City* Round Rock
State* TX
Postal code* 78682
Country* United States
Contact name* Government Contract Admin
Phone* 847-465-3700
Contact email address* US_MS_VL_Admin@Dell.com
** indicates required fields*

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

Signature* _____ Printed name* Printed title* Date*
--

** indicates required fields*

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

- e. If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*
- (i) Additional notices contact
 - (ii) Software Assurance manager
 - (iii) Subscriptions manager
 - (iv) Customer Support Manager (CSM) contact

3. **Financing elections.**

Is a purchase under this Enrollment being financed through MS Financing? Yes, No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.

Program Signature Form

MBA/MBSA number

5-0000007151477

Agreement number

8979360

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
Enterprise Enrollment	X20-10635
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
Product Selection Form	1075306.006 (New)
Amendment	M97 (New)
Amendment	M130 (New)
Document Description	Document Number or Code
Document Description	Document Number or Code

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

Customer
Name of Entity (must be legal entity name)* Village of Hoffman Estates
Signature* _____
Printed First and Last Name* William D. McLeod
Printed Title Mayor
Signature Date*
Tax ID E99980983

* indicates required field

Microsoft Affiliate
Microsoft Corporation
Signature _____ Printed First and Last Name Printed Title Signature Date <small>(date Microsoft Affiliate countersigns)</small>
Agreement Effective Date <small>(may be different than Microsoft's signature date)</small>

Optional 2nd Customer signature or Outsourcer signature (if applicable)

Customer
Name of Entity (must be legal entity name)* Village of Hoffman Estates Signature* _____ Printed First and Last Name* Printed Title Signature Date*

** indicates required field*

Outsourcer
Name of Entity (must be legal entity name)* Signature* _____ Printed First and Last Name* Printed Title Signature Date*

** indicates required field*

If Customer requires additional contacts or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Corporation
 Dept. 551, Volume Licensing
 6880 Sierra Center Parkway
 Reno, Nevada 89511
 USA



A quote for your consideration.

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your [Premier page](#), or, if you do not have Premier, use this [Quote to Order](#).

Quote No.	3000088511891.1	Sales Rep	Robert Van Delden
Total	\$66,577.35	Phone	(800) 456-3355, 6179076
Customer #	1183168	Email	Robert_Van_delden@Dell.com
Quoted On	Jun. 15, 2021	Billing To	FRED BESENHOFFER
Expires by	Jun. 30, 2021		VILLAGE OF HOFFMAN ESTATES
Contract Name	Illinois Department of Innovation and Technology		1900 HASSELL RD
Contract Code	C000000765005		HOFFMAN ESTATES, IL 60169-6308
Customer Agreement #	CMT1176800		

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you're ready to place an order. Thank you for shopping with Dell!

Regards,
Robert Van Delden

Additional Comments

Renewal for EA 5899971 & 5424185; State of Illinois Discount/Contract applied.

Shipping Group

Shipping To	Shipping Method
FRED BESENHOFFER VILLAGE OF HOFFMAN ESTATES 1900 HASSELL RD VILLAGE HALL HOFFMAN ESTATES, IL 60195 (708) 894-7226	Standard Delivery

Product	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SQL SERVER STD SA ALL LANGUAGES	\$139.35	1	\$139.35
VLA ENTERPRISE SQL CAL DEVICE CAL SA ALL LANGUAGES	\$32.28	60	\$1,936.80

VLA ENTERPRISE SHAREPOINT PORTAL SERVER SOFTWARE ASSURANCE ALL LANGUAGES	\$1,148.67	1	\$1,148.67
VLA ENTERPRISE EXCHANGE ONLINE KIOSK SHRDSVR PER USER MONTHLY SUBLIC ALL LANGS	\$18.23	10	\$182.30
VLA ENTERPRISE SQL SERVER ENT WIN32 SOFTWARE ASSURANCE ALL LANGUAGES	\$1,327.39	1	\$1,327.39
VLA ENTERPRISE WIN SVR STD CORE ALNG SA MVL 2LIC CORELIC	\$17.32	104	\$1,801.28
VLA ENTERPRISE EXCHANGE ONLINE PLAN2 SHRDSVR PER USER SUBLIC ALL LANGS	\$68.68	30	\$2,060.40
VLA ENTERPRISE EO ARCH FOR EXCHONLN SHRDSVR SUBLIC PERUSER ALL LANGS	\$24.37	10	\$243.70
VLA ENTERPRISE ENT CAL USER CAL W/SERVICES SA ALL LANGUAGES	\$108.65	390	\$42,373.50
VLA ENTERPRISE WIN SVR DC CORE ALNG SA MVL 2LIC CORELIC	\$119.67	8	\$957.36
VLA ENTERPRISE ENTCAL SERVICES FOR ENTERPRISE MONTHLY SUBLIC PER USER ALL LANGS	\$0.00	390	\$0.00
VLA ENTERPRISE EXCHGONLNP2ADDON SHRDSVR ALNG SUBSVL MVL ADDON TOUSEREXCHENTAL/	\$36.94	390	\$14,406.60

Subtotal:	\$66,577.35
Shipping:	\$0.00
Non-Taxable Amount:	\$66,577.35
Taxable Amount:	\$0.00
Estimated Tax:	\$0.00

Total:	\$66,577.35
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Special lease pricing may be available for qualified customers. Please contact your DFS Sales Representative for details.

Shipping Group Details

Shipping To

FRED BESENHOFFER
 VILLAGE OF HOFFMAN ESTATES
 1900 HASSELL RD
 VILLAGE HALL
 HOFFMAN ESTATES, IL 60195
 (708) 894-7226

Shipping Method

Standard Delivery

	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SQL SERVER STD SA ALL LANGUAGES	\$139.35	1	\$139.35

Estimated delivery if purchased today:
 Jul. 07, 2021
 Contract # C000000765005
 Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SQL SERVER STD SA ALL LANGUAGES	AB689716	-	1	-

	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SQL CAL DEVICE CAL SA ALL LANGUAGES	\$32.28	60	\$1,936.80

Estimated delivery if purchased today:
 Jul. 09, 2021
 Contract # C000000765005
 Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SQL CAL DEVICE CAL SA ALL LANGUAGES	AB689714	-	60	-

	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SHAREPOINT PORTAL SERVER SOFTWARE ASSURANCE ALL LANGUAGES	\$1,148.67	1	\$1,148.67

Estimated delivery if purchased today:
 Jul. 07, 2021
 Contract # C000000765005
 Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SHAREPOINT PORTAL SERVER SOFTWARE ASSURANCE ALL LANGUAGES	AB689713	-	1	-

	Unit Price	Quantity	Subtotal
VLA ENTERPRISE EXCHANGE ONLINE KIOSK SHRDSRVR PER USER MONTHLY SUBLIC ALL LANGS	\$18.23	10	\$182.30

Estimated delivery if purchased today:
 Jul. 07, 2021
 Contract # C000000765005
 Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE EXCHANGE ONLINE KIOSK SHRDSRVR PER USER MONTHLY SUBLIC ALL LANGS	AB689721	-	10	-

	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SQL SERVER ENT WIN32 SOFTWARE ASSURANCE ALL LANGUAGES	\$1,327.39	1	\$1,327.39

Estimated delivery if purchased today:
 Jul. 07, 2021
 Contract # C000000765005
 Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE SOL SERVER ENT WIN32 SOFTWARE ASSURANCE ALL LANGUAGES	AB689715	-	1	-

VLA ENTERPRISE WIN SVR STD CORE ALNG SA MVL 2LIC CORELIC	Quantity	Subtotal
	104	\$1,801.28
Estimated delivery if purchased today: Jul. 09, 2021 Contract # C000000765005 Customer Agreement # CMT1176800		

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE WIN SVR STD CORE ALNG SA MVL 2LIC CORELIC	AB689718	-	104	-

VLA ENTERPRISE EXCHANGE ONLINE PLAN2 SHRDSVR PER USER SUBLIC ALL LANGS	Quantity	Subtotal
	30	\$2,060.40

Estimated delivery if purchased today:
Jul. 09, 2021
Contract # C000000765005
Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE EXCHANGE ONLINE PLAN2 SHRDSVR PER USER SUBLIC ALL LANGS	AB689711	-	30	-

VLA ENTERPRISE EO ARCH FOR EXCHONLN SHRDSVR SUBLIC PERUSER ALL LANGS	Quantity	Subtotal
	10	\$243.70

Estimated delivery if purchased today:
Jul. 07, 2021
Contract # C000000765005
Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE EO ARCH FOR EXCHONLN SHRDSVR SUBLIC PERUSER ALL LANGS	AB689720	-	10	-

VLA ENTERPRISE ENT CAL USER CAL W/SERVICES SA ALL LANGUAGES	Quantity	Subtotal
	390	\$42,373.50

Estimated delivery if purchased today:
Jul. 09, 2021
Contract # C000000765005
Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE ENT CAL USER CAL W/SERVICES SA ALL LANGUAGES	AB689712	-	390	-

VLA ENTERPRISE WIN SVR DC CORE ALNG SA MVL 2LIC CORELIC	Quantity	Subtotal
	8	\$957.36

Estimated delivery if purchased today:
Jul. 07, 2021
Contract # C000000765005
Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE WIN SVR DC CORE ALNG SA MVL 2LIC CORELIC	AB689717	-	8	-

VLA ENTERPRISE ENTCAL SERVICES FOR ENTERPRISE MONTHLY SUBLIC PER USER ALL LANGS	Quantity	Subtotal
	390	\$0.00

Estimated delivery if purchased today:
Jul. 09, 2021
Contract # C000000765005
Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE ENTCAL SERVICES FOR ENTERPRISE MONTHLY SUBLIC PER USER ALL LANGS	AB689719	-	390	-

			Quantity	Subtotal
VLA ENTERPRISE EXCHGONLNP2ADDON SHRDSVR ALNG SUBSVL MVL ADDON TOUSEREXCHENTIAL/		\$36.94	390	\$14,406.60

Estimated delivery if purchased today:
Jul. 09, 2021
Contract # C000000765005
Customer Agreement # CMT1176800

Description	SKU	Unit Price	Quantity	Subtotal
VLA ENTERPRISE EXCHGONLNP2ADDON SHRDSVR ALNG SUBSVL MVL ADDON TOUSEREXCHENTIAL/	AB689722	-	390	-

Subtotal:	\$66,577.35
Shipping:	\$0.00
Estimated Tax:	\$0.00
Total:	\$66,577.35

Important Notes

Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to Tax_Department@dell.com or ARSalesTax@emc.com, as applicable.

Governing Terms: This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at www.dell.com/terms or www.dell.com/oemterms), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

Supplier Software Licenses and Services Descriptions: Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on www.Dell.com/eula. Descriptions and terms for Supplier-branded standard services are stated at www.dell.com/servicecontracts/global or for certain infrastructure products at www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm.

Offer-Specific, Third Party and Program Specific Terms: Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on www.dell.com/offeringspecificterms ("Offer Specific Terms").

In case of Resale only: Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

In case of Financing only: If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.

^Dell Business Credit (DBC):

OFFER VARIES BY CREDITWORTHINESS AS DETERMINED BY LENDER. Offered by WebBank to Small and Medium Business customers with approved credit. Taxes, shipping and other charges are extra and vary. Minimum monthly payments are the greater of \$15 or 3% of account balance. Dell Business Credit is not offered to government or public entities, or business entities located and organized outside of the United States.

Proposal ID

1075306.006

Enrollment Number

Language: English (United States)

Enrolled Affiliate's Enterprise Products and Enterprise Online Services summary for the initial order:					
Profile	Qualified Devices	Qualified Users	Device / User Ratio	Enterprise Product Platform	CAL Licensing Model
Enterprise	390	390	1.0	No	User Licenses

Products	Enterprise Quantity
Client Access License (CAL)	
Enterprise CAL	
Enterprise CAL	390

Enrolled Affiliate's Product Quantities:				
Price Group	1	2	3	4
Enterprise Products	Office Professional Plus + Office 365 ProPlus + Office 365 (Plans E3 and E5) + Microsoft 365 Enterprise	Client Access License + Office 365 (Plans E1, E3 and E5) + Microsoft 365 Enterprise	Client Access License + Windows Intune + EMS USL + Microsoft 365 Enterprise	Win E3 + Win E5 + Win VDA + Microsoft 365 Enterprise
Quantity	0	390	390	0

Enrolled Affiliate's Price Level:	
Product Offering / Pool	Price Level
Enterprise Products and Enterprise Online Services USLs: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Groups 1 through 4.	D
Additional Product Application Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 1.	D
Additional Product Server Pool: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Group 2 or 3.	D
Additional Product Systems Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 4.	D

NOTES
Unless otherwise indicated in the associated contract documents, the price level for each Product offering / pool is set as described above, based upon the quantity to price level mapping below:

Quantity of Licenses and Software Assurance	Price Level
2,399 and below	A
2,400 to 5,999	B
6,000 to 14,999	C
15,000 and above	D
Note 1: Enterprise Online Services may not be available in all locations. Please see the Product List for a list of locations where these may be purchased.	
Note 2: Unless otherwise indicated in associated Agreement documents, the CAL selection must be the same across the Enterprise for each Profile.	
Note 3: If Enrolled Affiliate does not order an Enterprise Product or Enterprise Online Service associated with an applicable Product pool, the price level for Additional Products in the same pool will be price level "A" throughout the term of the Enrollment. Refer to the Qualifying Government Entity Addendum pricing provision for more details on price leveling.	

Amendment to Contract Documents

Enrollment Number

5-0000007151477

These amendments are entered into between the parties identified on the attached program signature form. They amend the Enrollment or Agreement identified above. All terms used but not defined in these amendments will have the same meanings provided in that Enrollment or Agreement.

Enterprise Enrollment (Indirect) Invoice for Quoted Price Amendment ID M97

The price quoted to Enrolled Affiliate's Reseller is a fixed price based on an estimated order submission date. Microsoft will invoice Enrolled Affiliate's Reseller based on this fixed price quote. If this order is submitted later than the estimated order submission date, Enrolled Affiliate's Reseller will be charged for net new Monthly Subscriptions (including Online Services) for the period during which these services were not provided. Pricing to Enrolled Affiliate is agreed between Enrolled Affiliate and Enrolled Affiliate's Reseller.

SKU Number	SKU Description	Existing Quantity	Incremental quantities
4DS-00001	EOArchExchOnln ShrdSvr ALNG SubsVL MVL PerUsr	10	
7TC-00001	ExchgOnlnKsk ShrdSvr ALNG SubsVL MVL PerUsr	10	
6P5-00004	ExchgOnlnP2AddOn ShrdSvr ALNG SubsVL MVL AddOn touserExchEntCAL/ECAL	390	
TQA-00001	ExchgOnlnPlan2 ShrdSvr ALNG SubsVL MVL PerUsr	30	
6PV-00007	EntCAL SrvcforEnt ALNG SubsVL MVL PerUsr	365	25

Enterprise Enrollment Multi-Tenant Enrollment Amendment M130

1. Definitions.

- a. "Lead Enrollment" means the Enrollment number listed at the top of this Amendment.
- b. "Tenant" means the environment established by Microsoft on its multi-tenant servers from which Online Services are hosted for Enrolled Affiliate's Enterprise.
- c. More information about Tenants may be found in the applicable Services Descriptions posted to the following or a successor site Microsoft identifies: <http://technet.microsoft.com/en-us/library/ij819284.aspx>
- d. "Tenant Administrator" means any licensed user of a Tenant that has their role set to "Global Administrator" in their profile settings in the Tenant User Administration page of the tenant portal. A Tenant can have multiple users configured as "Global Administrator" and in this case there is no differentiation of technical capabilities between them, they are each Tenant Administrators for that Tenant and can perform their technical functions unilaterally. The login credentials must be unique across the entire global system for each user, including but not limited to, users that are configured as Tenant Administrators. Each Tenant will require Tenant Administrator(s).

2. Tenant Enrollment terms.

- a. Customer Data in each Tenant is logically isolated from Customer Data in other Tenants, and each Tenant is managed separately by Tenant Administrator(s) using entirely different login credentials. Two Tenants may not share Tenant Administrator(s) with the same login credentials or share data objects such as address lists or SharePoint Online sites.
- b. To enable multiple Tenants for Online Services Plans, as identified in the Product Terms, Enrolled Affiliate can request assignment of an enrollment number ("Tenant Enrollment") for each Affiliate (or a department or division thereof), or subset of Affiliates, included in its Enterprise, or a department or division of Enrolled Affiliate, that require separate Tenants ("Tenant Affiliate"). Tenant Enrollments may only be established for Affiliates (or a department or division thereof) included in the Enrolled Affiliate's Enterprise in the "Enrolled Affiliate's Enterprise" section of the Enrollment or for a department or division of Enrolled Affiliate.
- c. To facilitate Tenant Enrollments for Tenant Affiliates, the parties agree that an enrollment number will be assigned for each Tenant Affiliate listed in the table in Appendix A to this amendment. Enrolled Affiliate hereby accepts the terms and conditions of the Lead Enrollment on behalf of each Tenant Affiliate. Enrolled Affiliates represents and warrants that it has the right, power, and authority to accept on behalf of Tenant Affiliate.
- d. Notwithstanding that the Tenant Affiliates listed in the table in Appendix A will appear as Enrolled Affiliates in Microsoft's Volume Licensing Servicing Center ("VLSC"), Enrolled Affiliate acknowledges and agrees that it is the sole Enrolled Affiliate, and sole Licensee, with respect to each Tenant Enrollment, and Enrolled Affiliate will be solely responsible for each Tenant Enrollment's compliance with the terms and conditions of the Lead Enrollment and the associated Enterprise Agreement.
- e. Price level under each Tenant Enrollment will be the same level that is reflected on the Product Selection Form and is based upon the aggregate of License and Software Assurance

quantity of the Lead Enrollment and each Tenant Enrollment as described in the Product Selection Form or as described in other agreement documents.

- f. The effective date, term, anniversary dates and payment dates for each Tenant Enrollment shall coincide with the Lead Enrollment identified above.
- g. All Product Licenses that are not covered in the scope of the Online Services must be purchased under the Lead Enrollment, including Enterprise Products and Additional Products.
- h. Enrolled Affiliate must submit an annual order (EAS Enrollments) or annual True Up order (EA Enrollments) for each Tenant Enrollment as per the terms of the Lead Enrollment and (if applicable) the submission of an Update Statement under each Tenant Enrollment. The initial order and all subsequent orders will be submitted separately for each respective Tenant Enrollment. For any included Affiliate that remains licensed with on-premise Licenses and does not require a separate Tenant Enrollment, orders must be placed under the Lead Enrollment.
- i. Tenant Enrollment is exempt from the minimum order requirement in section 2.a of the Lead Enrollment.
- j. If the Enrolled Affiliate is Transitioning Licenses (as contemplated in the Lead Enrollment), Licenses from which the Enrolled Affiliate is Transitioning will be reduced from the Lead Enrollment identified above and the Licenses to which the Enrolled Affiliate is Transitioning will be ordered under the specific Tenant Enrollment(s).
- k. Due to technical considerations for multi-tenant deployment, described below, Licenses may not be reassigned between the Tenant Affiliates.
- l. Each Tenant Enrollment may be managed separately in VLSC (or a successor site) by the individuals whose names and contact information are identified in Appendix A, or by other individuals to whom each Tenant Affiliate may delegate such management responsibilities, to the same extent as if such Tenant Affiliate had enrolled separately as an Enrolled Affiliate under the Enterprise Agreement pursuant to its own Enrollment.
- m. Enrollment acceptance and order reminders will be sent to contact(s) identified on the Lead Enrollment only.

3. Technical considerations for multi-Tenant deployment.

Each Tenant Affiliate will be assigned a separate Tenant, provided that it complies with the terms and conditions of this amendment.

Each Tenant Affiliate will manage its Tenant separately in the administrator console. This will permit and require each Tenant Affiliate to be managed and operated independently of the other.

Due to the independent nature of each Affiliate Tenant from the other, there will be a number of technical boundaries associated with managing or using the tenants together, including but not limited to those in the following list:

- a. No ability to provide consolidated administrative reporting or control across Tenants, no automated ability to move users between Tenants. For example, if a user moves from one Tenant Affiliate to another, this will require Tenant Administrators to manually create new User accounts, download mail to PST files and import, and delete old user.
- b. No consolidated Global Address List for all Tenants.
- c. No ability for a single individual with the same Tenant Administrator login credentials to manage more than one Tenant. However, it is possible for a single person to have unique login credentials for each tenant as long as they track their own login credentials.
- d. No ability to share domain names across Tenants, no ability to share SIP domains (each Tenant will have a separate Skype for Business Online SIP domain).

- e. Separate Licenses required if users in one Tenant need to access SharePoint Online in another Tenant, no master SharePoint content index combining all Tenants (each Tenant's index will be restricted to that Tenant).
- f. Additional on-premise configuration required for directory synchronization; some scenarios may not be possible. Affiliate is advised to consult with technical specialists prior to signing this Amendment to determine if their proposed configuration will work.

4. Contact Information for Tenant Enrollment

- a. Primary Contact. For purposes of delineating enrollments, Tenant Enrollments will be delineated uniquely in the enrollment details to be displayed on VLSC with the following format "Tenant-Lead Enrollment number-Tenant Affiliate Name". This name must be provided in Appendix A for this Amendment under Tenant Affiliate Name. The individual contact identified as Primary contact will be the same individual with the same physical address across all Tenant Enrollments as identified on the Lead Enrollment.
- b. For each Tenant Enrollment, an Online Services Manager must be provided in Appendix A.
- c. Microsoft may, from time to time, contact the Online Services Manager regarding the Tenant(s).

Appendix A

<p>Prior Enrollment # (if renewal) / New Enrollment #(MS Complete): 5424185</p> <p>Profile ID: searscentrearena.onmicrosoft.com</p> <p>Tenant Affiliate Name: searscentrearena.onmicrosoft.com</p> <p>Contact:</p> <p>First: Fred Last: Besenhoffer</p> <p>Phone# (Optional):</p> <p>Online Service Manager Email: fred.besenhoffer@hoffmanestates.org</p> <p>Is this a third-party (i.e. not an Enrolled Affiliate)?*</p> <p><input type="checkbox"/> YES* <input checked="" type="checkbox"/> NO</p> <p>*Warning: This contact receives personally identifiable information of the Customer and its Affiliates.</p>
<p>Prior Enrollment # (if renewal) / New Enrollment #(MS Complete):</p> <p>Profile ID:</p> <p>Tenant Affiliate Name:</p> <p>Contact:</p> <p>First: Last:</p> <p>Phone# (Optional):</p> <p>Online Service Manager Email:</p> <p>Is this a third-party (i.e. not an Enrolled Affiliate)?*</p> <p><input type="checkbox"/> YES* <input type="checkbox"/> NO</p> <p>*Warning: This contact receives personally identifiable information of the Customer and its Affiliates.</p>

<p>Prior Enrollment # (if renewal) / New Enrollment #(MS Complete):</p> <p>Profile ID:</p> <p>Tenant Affiliate Name:</p> <p>Contact:</p> <p>First: Last:</p> <p>Phone# (Optional):</p> <p>Online Service Manager Email:</p> <p>Is this a third-party (i.e. not an Enrolled Affiliate)?*</p> <p><input type="checkbox"/> YES* <input type="checkbox"/> NO</p> <p>*Warning: This contact receives personally identifiable information of the Customer and its Affiliates.</p>
<p>Prior Enrollment # (if renewal) / New Enrollment #(MS Complete):</p> <p>Profile ID:</p> <p>Tenant Affiliate Name:</p> <p>Contact:</p> <p>First: Last:</p> <p>Phone# (Optional):</p> <p>Online Service Manager Email:</p> <p>Is this a third-party (i.e. not an Enrolled Affiliate)?*</p> <p><input type="checkbox"/> YES* <input type="checkbox"/> NO</p> <p>*Warning: This contact receives personally identifiable information of the Customer and its Affiliates.</p>

Except for changes made by these amendments, the Enrollment or Agreement identified above remains unchanged and in full force and effect. If there is any conflict between any provision in these amendments and any provision in the Enrollment or Agreement identified above, these amendments shall control.

This Amendment must be attached to a signature form to be valid.

Microsoft Internal Use Only:

(M97)EnrAmend(Ind)(InvoiceforQuotedPrice)(WW)(ENG)(Oct2020)(IU).docx		M97	B
(M130)EnrAmend(Multi-TenantEnrollment)(WW)(ENG)(Dec2020)(IU).docx		M130	PLSS

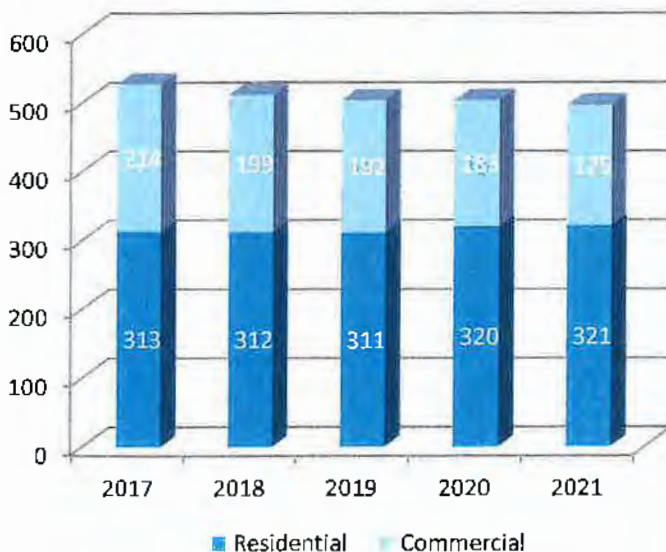


DEPARTMENT OF FINANCE MONTHLY REPORT MAY 2021

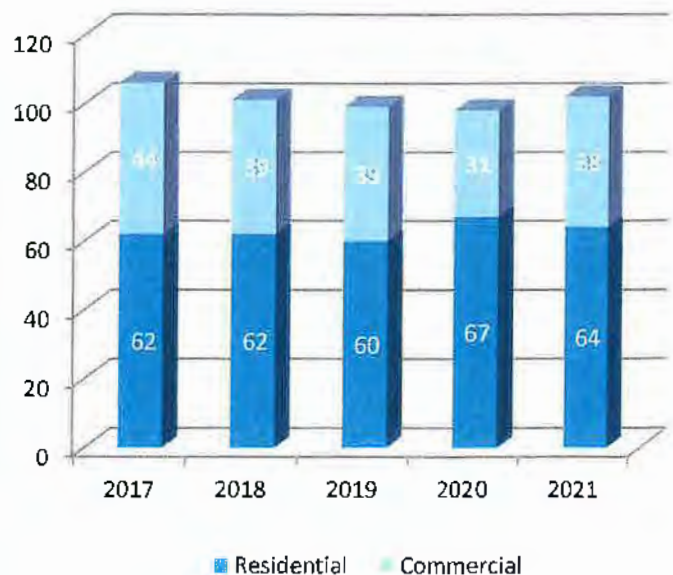
Water Billing

A total of 14,804 residential water bills were mailed on May 1st for March's water consumption. Average consumption was 4,317 gallons, resulting in an average residential water bill of \$62.74. Total consumption for all customers was 102 million gallons, with 64 million gallons attributable to residential consumption. When compared to the May 2020 billing, residential consumption decreased by 4.5%.

**Total Water Consumption
Year-To-Date Comparison
Month of May**

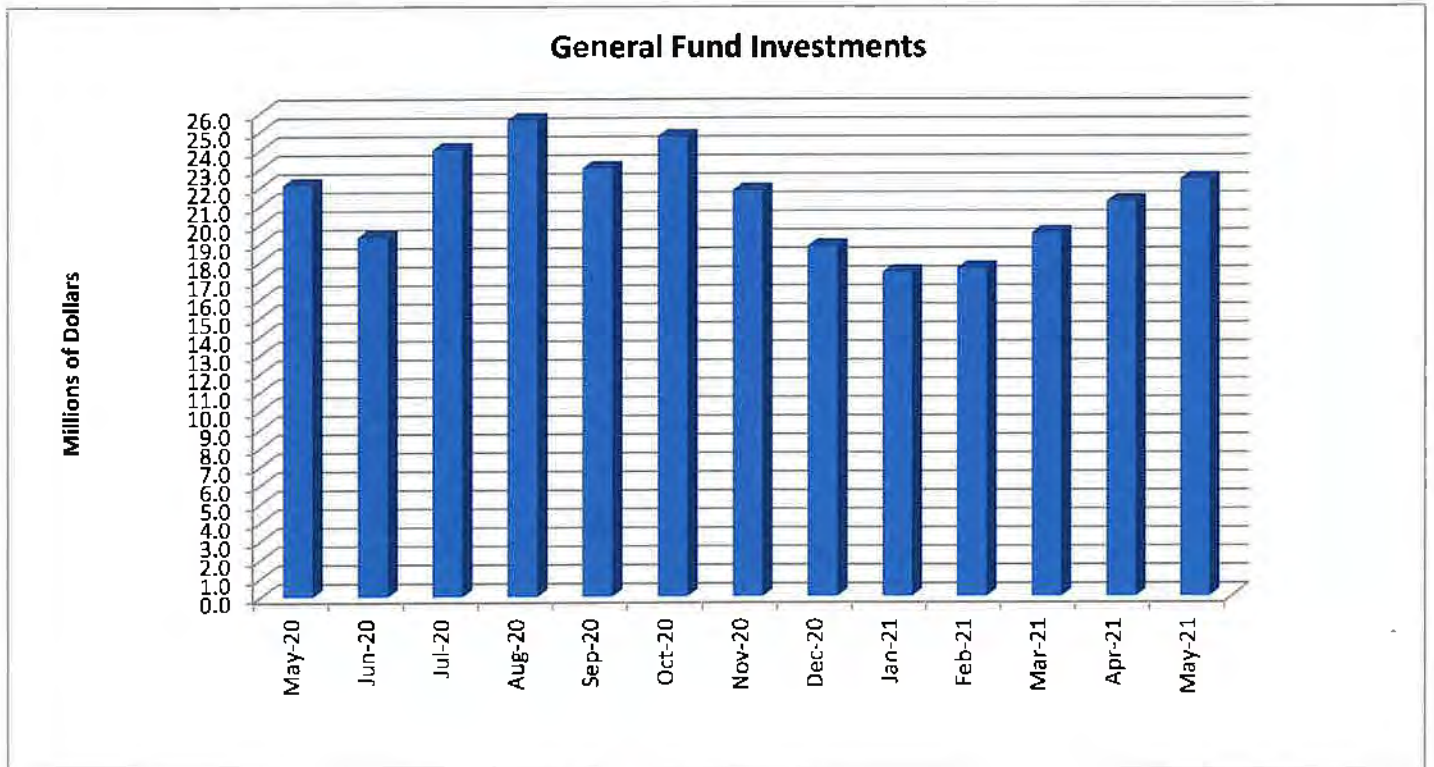
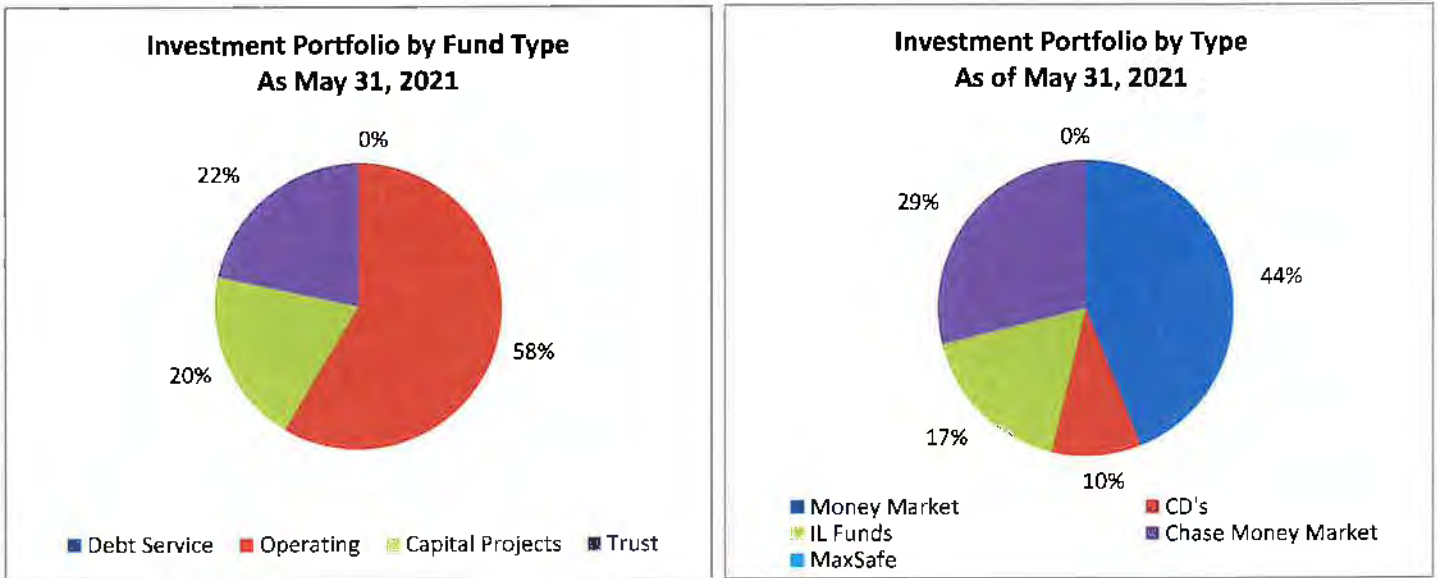


**Total Water Consumption
Month of May**



Village Investments

As of May 31, 2021, the Village's investment portfolio (not including pension trust funds) totaled \$60 million. Of this amount, \$35.1 million pertained to the various operating funds. As can be seen in the following graphs, the remaining \$24.9 million is related to capital projects and trust funds.



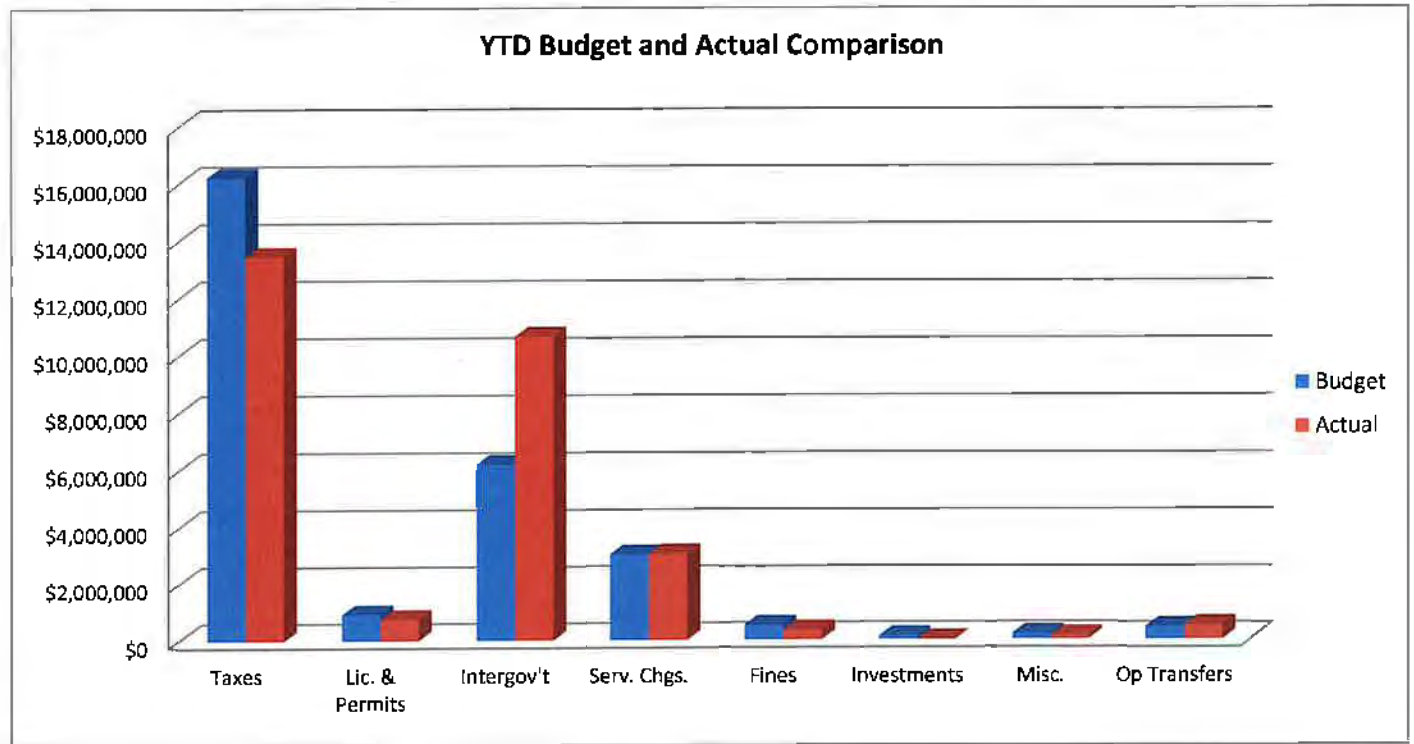
Operating Funds

General Fund

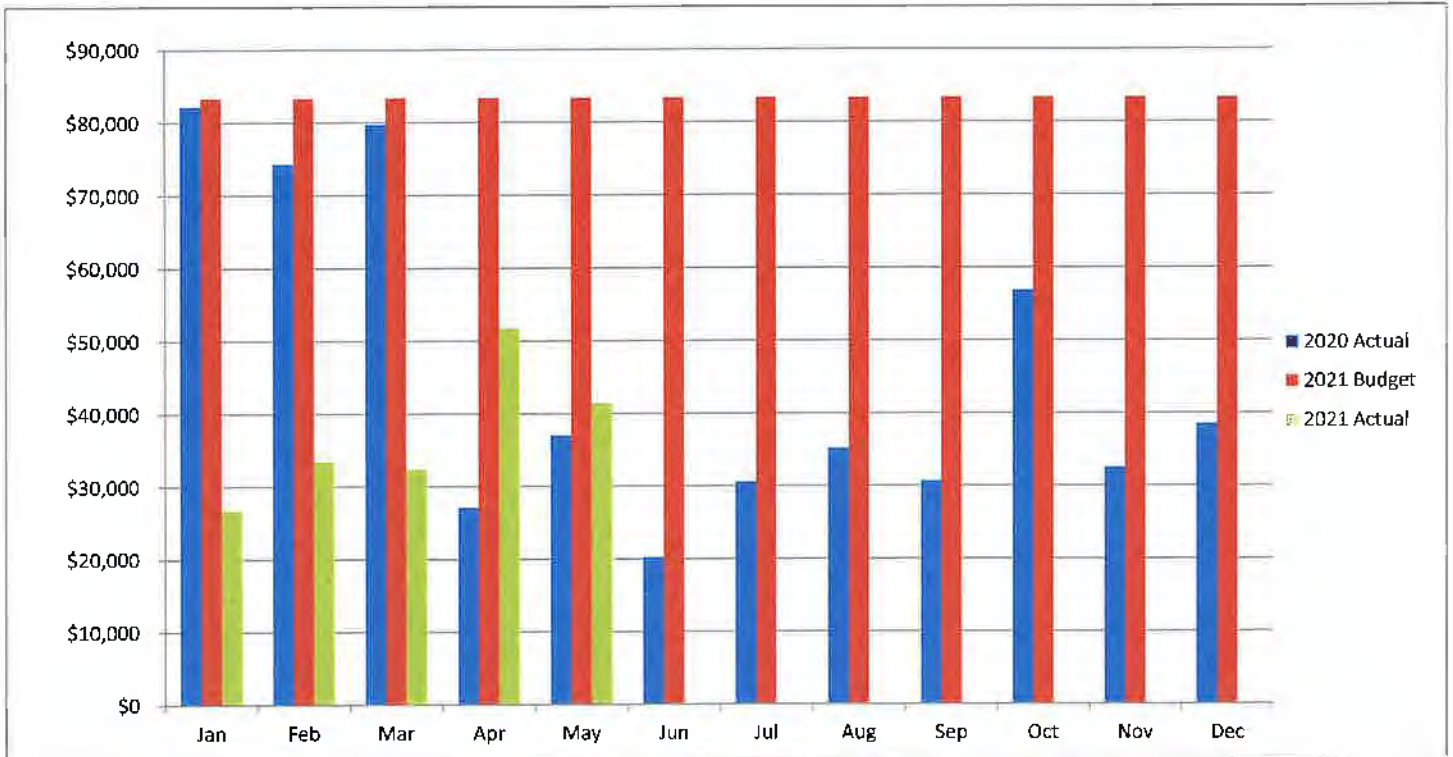
For the month of May, General Fund revenues totaled \$6,916,078 and expenditures totaled \$4,402,318 resulting in a surplus of \$2,513,760.

Revenues: May year-to-date figures are detailed in the table below. Property taxes are due in March and August every year. Licenses and Permits are under budget due to decreased building permit activity. Intergovernmental is over budget due to federal grant funds received for the American Rescue Plan Act of 2021. Fines and Forfeits are under budget because of a distribution delay from the County for traffic violations. Investment income is under budget due to lower interest rates being realized. Most miscellaneous revenues are not received on a monthly basis.

REVENUES	YEAR-TO-DATE	YEAR-TO-DATE	VARIANCE
	BUDGET	ACTUAL	
Taxes	\$ 16,214,493	\$ 13,450,189	-17.0%
Licenses & Permits	927,500	763,581	-17.7%
Intergovernmental	6,201,546	10,652,924	71.8%
Charges for Services	3,004,458	3,033,595	1.0%
Fines & Forfeits	510,833	337,386	-34.0%
Investments	114,583	7,955	-93.1%
Miscellaneous	183,792	119,875	-34.8%
Operating Transfers	439,167	501,599	14.2%
TOTAL	\$ 27,596,373	\$ 28,867,104	4.6%

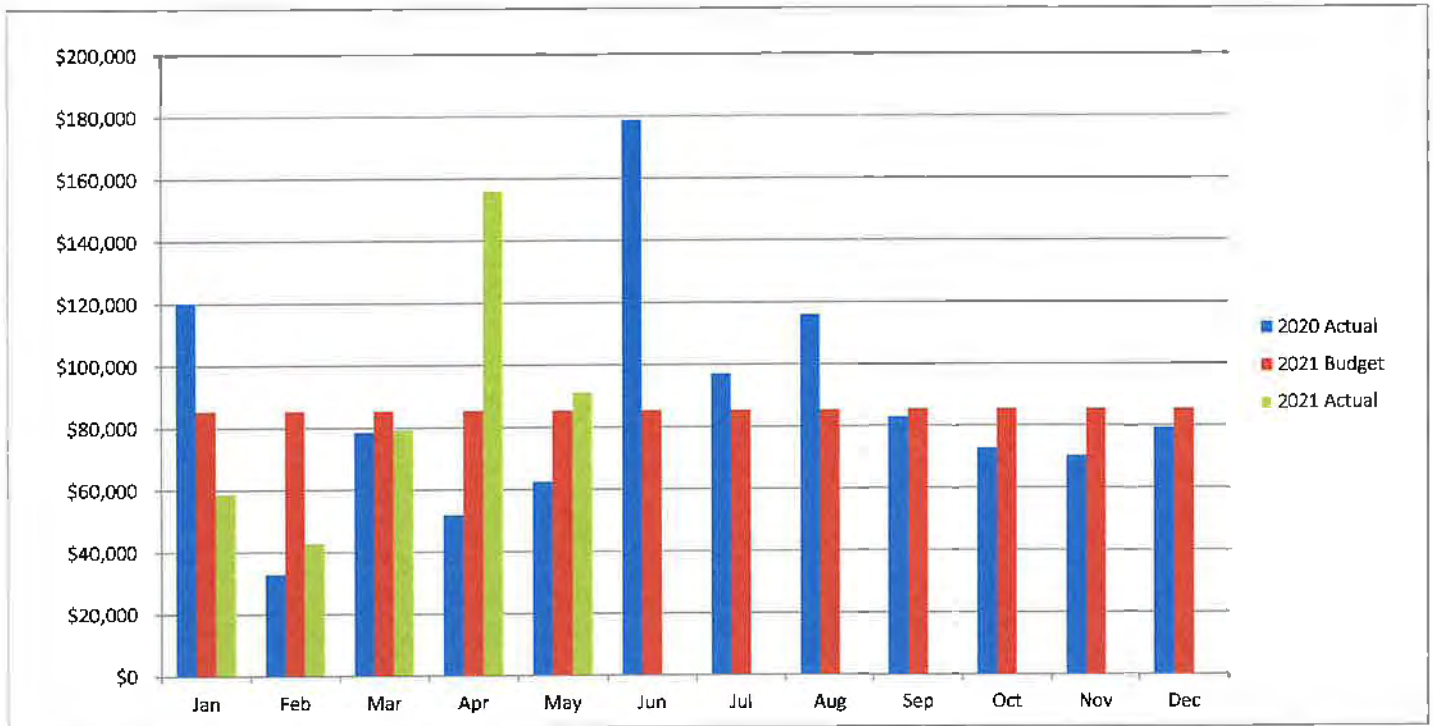


Hotel Tax



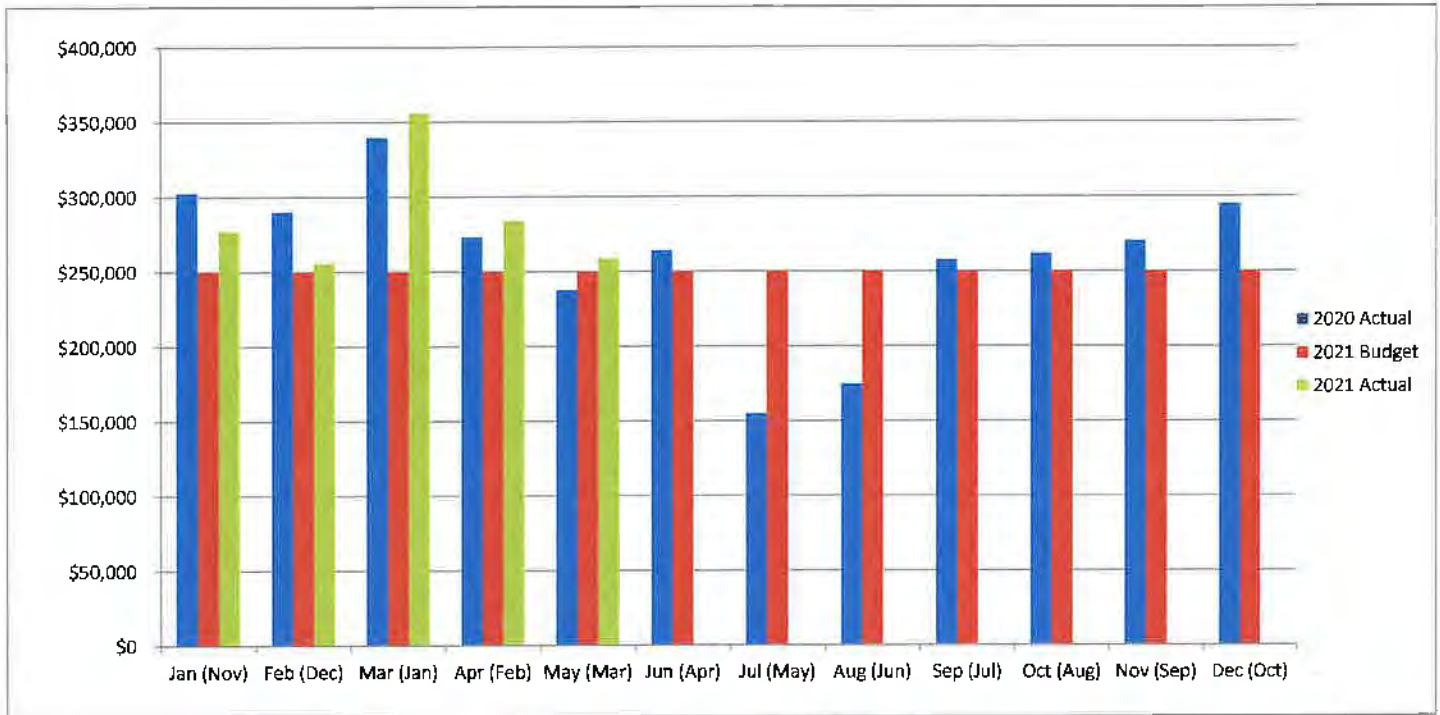
<u>Month Received</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 82,223	\$ 83,333	\$ 26,728	\$ (56,605)
Feb	74,298	83,333	33,429	(106,510)
Mar	79,749	83,333	32,353	(157,490)
Apr	27,149	83,333	51,759	(189,064)
May	37,036	83,333	41,456	(230,942)
Jun	20,225	83,333		
Jul	30,572	83,333		
Aug	35,212	83,333		
Sep	30,656	83,333		
Oct	56,884	83,333		
Nov	32,499	83,333		
Dec	38,497	83,333		
YTD Totals	<u>\$ 545,000</u>	<u>\$ 1,000,000</u>	<u>\$ 185,725</u>	

Real Estate Transfer Tax



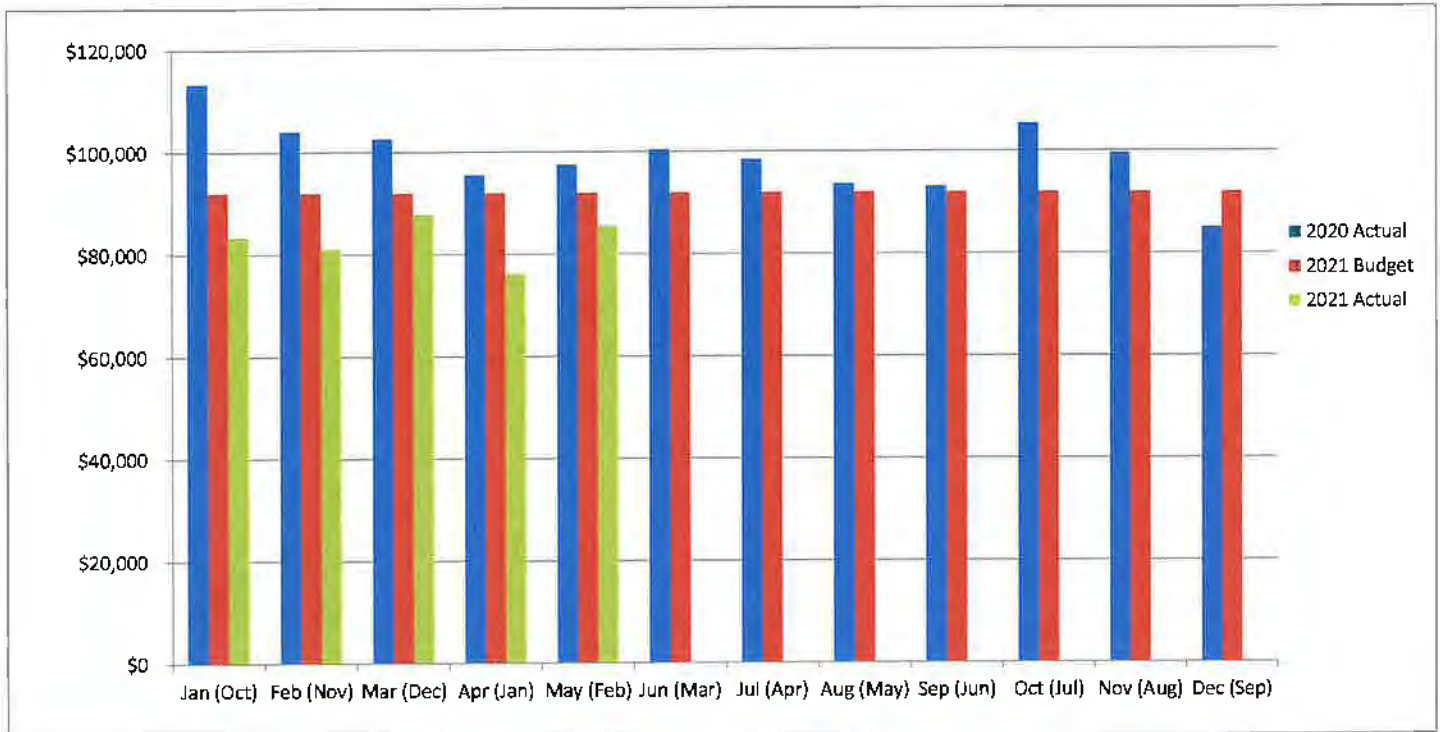
<u>Month Received</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 120,255	\$ 85,417	\$ 58,874	\$ (26,543)
Feb	32,846	85,417	42,869	(69,090)
Mar	78,510	85,417	79,495	(75,012)
Apr	51,799	85,417	155,943	(4,486)
May	62,570	85,417	91,208	1,306
Jun	178,754	85,417		
Jul	97,057	85,417		
Aug	116,011	85,417		
Sep	82,776	85,417		
Oct	72,718	85,417		
Nov	70,306	85,417		
Dec	79,274	85,417		
YTD Totals	<u>\$ 1,042,876</u>	<u>\$ 1,025,000</u>	<u>\$ 428,389</u>	

Home Rule Sales Tax



<u>Month Received (Liability Period)</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan (Nov)	\$ 302,599	\$ 250,000	\$ 277,151	\$ 27,151
Feb (Dec)	290,185	250,000	255,823	32,974
Mar (Jan)	339,755	250,000	356,150	139,124
Apr (Feb)	273,057	250,000	283,885	173,009
May (Mar)	237,508	250,000	258,679	181,688
Jun (Apr)	263,959	250,000		
Jul (May)	155,042	250,000		
Aug (Jun)	174,818	250,000		
Sep (Jul)	257,802	250,000		
Oct (Aug)	261,756	250,000		
Nov (Sep)	270,358	250,000		
Dec (Oct)	294,993	250,000		
YTD Totals	\$ 3,121,631	\$ 3,000,000	\$ 1,431,688	

Telecommunications Tax



**Month Received
(Liability Period)**

Jan (Oct)
Feb (Nov)
Mar (Dec)
Apr (Jan)
May (Feb)
Jun (Mar)
Jul (Apr)
Aug (May)
Sep (Jun)
Oct (Jul)
Nov (Aug)
Dec (Sep)

YTD Totals

2020 Actual

\$ 113,378
104,057
102,651
95,539
97,540
100,389
98,467
93,701
93,153
105,359
99,607
85,022

\$ 1,188,862

2021 Budget

\$ 92,000
92,000
92,000
92,000
92,000
92,000
92,000
92,000
92,000
92,000
92,000
92,000

\$ 1,104,000

2021 Actual

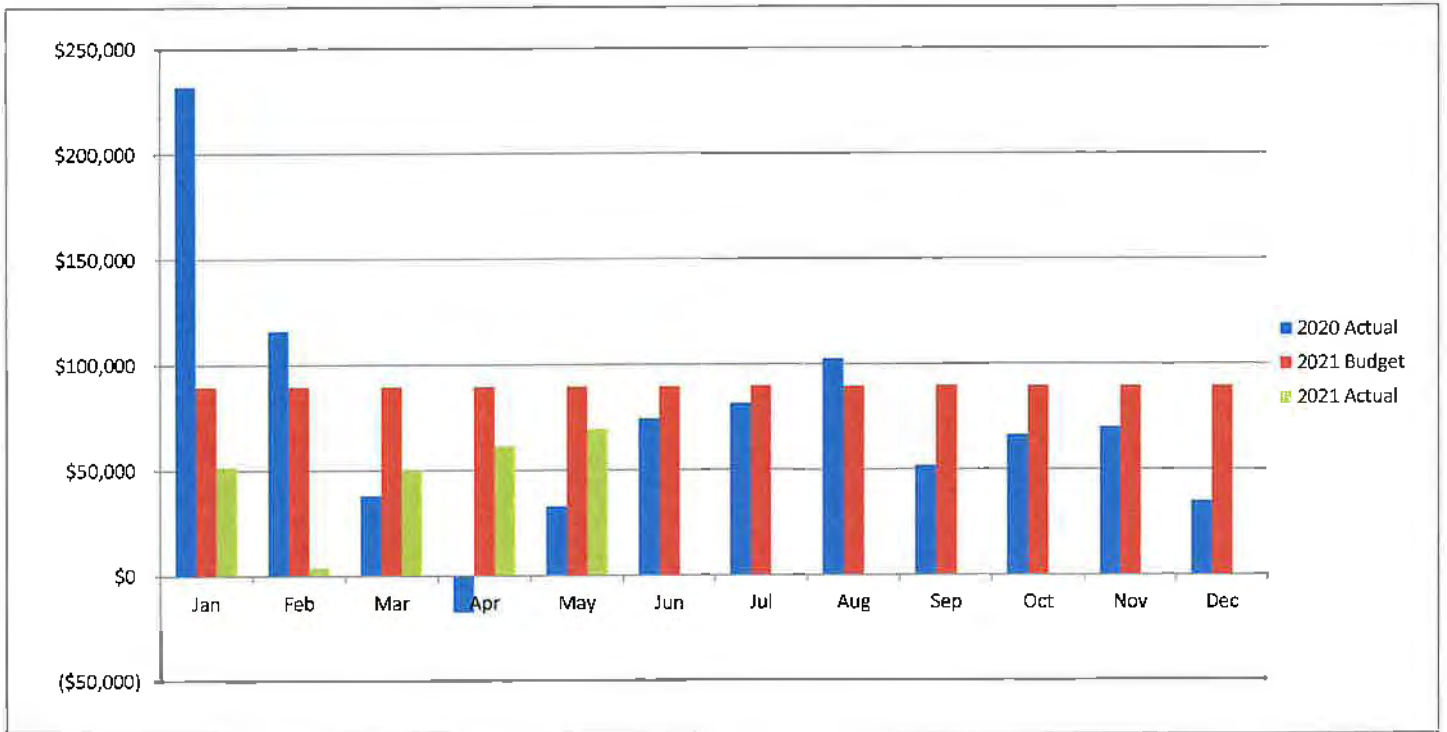
\$ 83,469
81,074
87,837
76,255
85,550

\$ 414,185

**Cumulative
Variance
2021 Actual
vs. Budget**

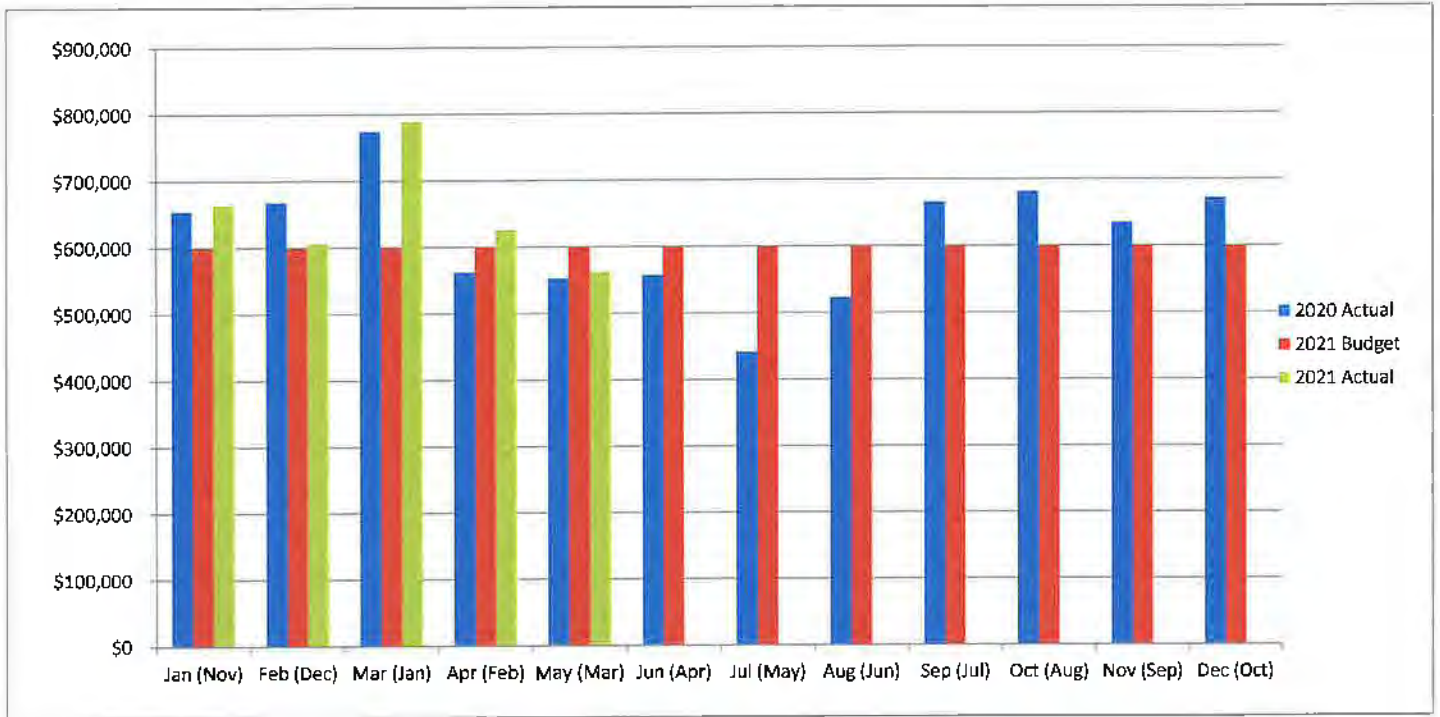
\$ (8,531)
(19,457)
(23,620)
(39,365)
(45,815)

Building Permits



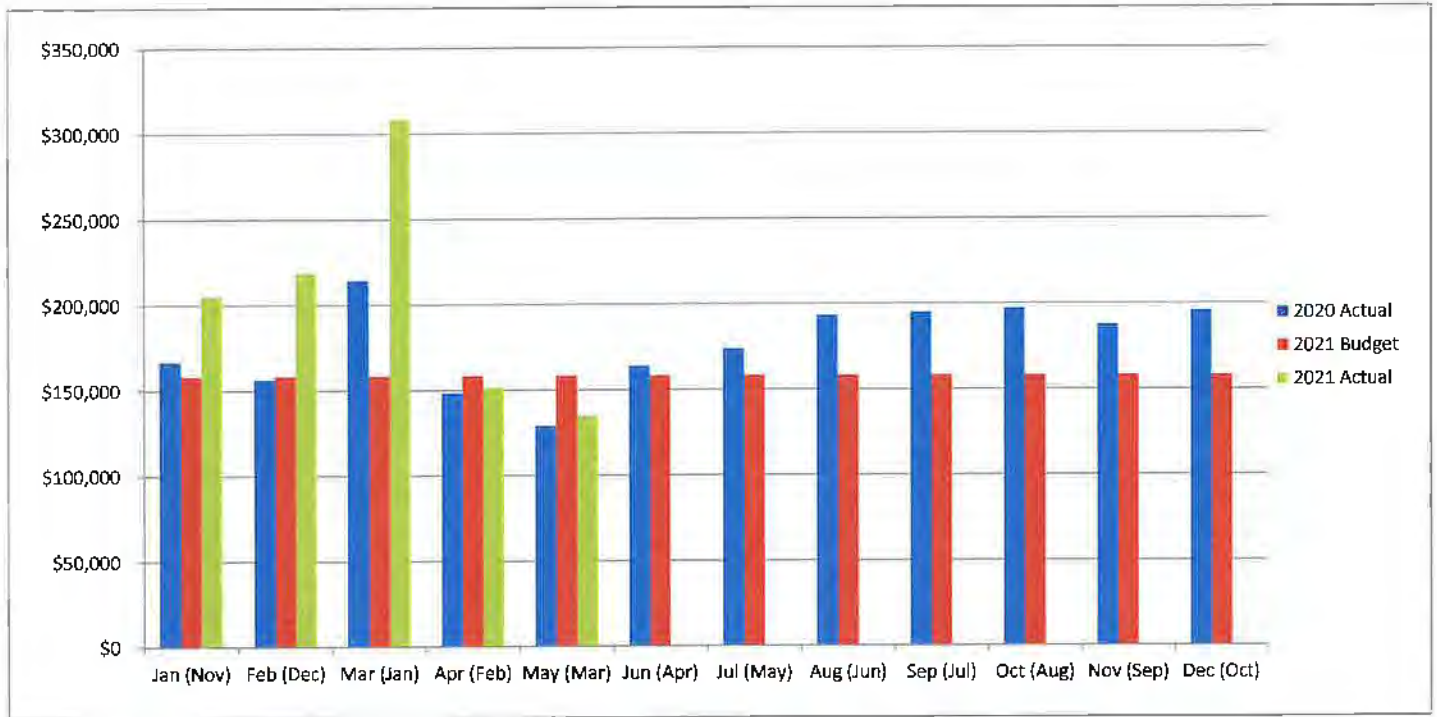
<u>Month Received</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 231,652	\$ 89,583	\$ 51,733	\$ (37,850)
Feb	116,033	89,583	3,842	(123,592)
Mar	37,924	89,583	50,114	(163,061)
Apr	(17,384)	89,583	61,384	(191,260)
May	32,716	89,583	69,400	(211,444)
Jun	74,446	89,583		
Jul	81,259	89,583		
Aug	102,554	89,583		
Sep	51,740	89,583		
Oct	66,397	89,583		
Nov	70,095	89,583		
Dec	34,922	89,583		
YTD Totals	\$ 882,355	\$ 1,075,000	\$ 236,473	

State Sales Tax



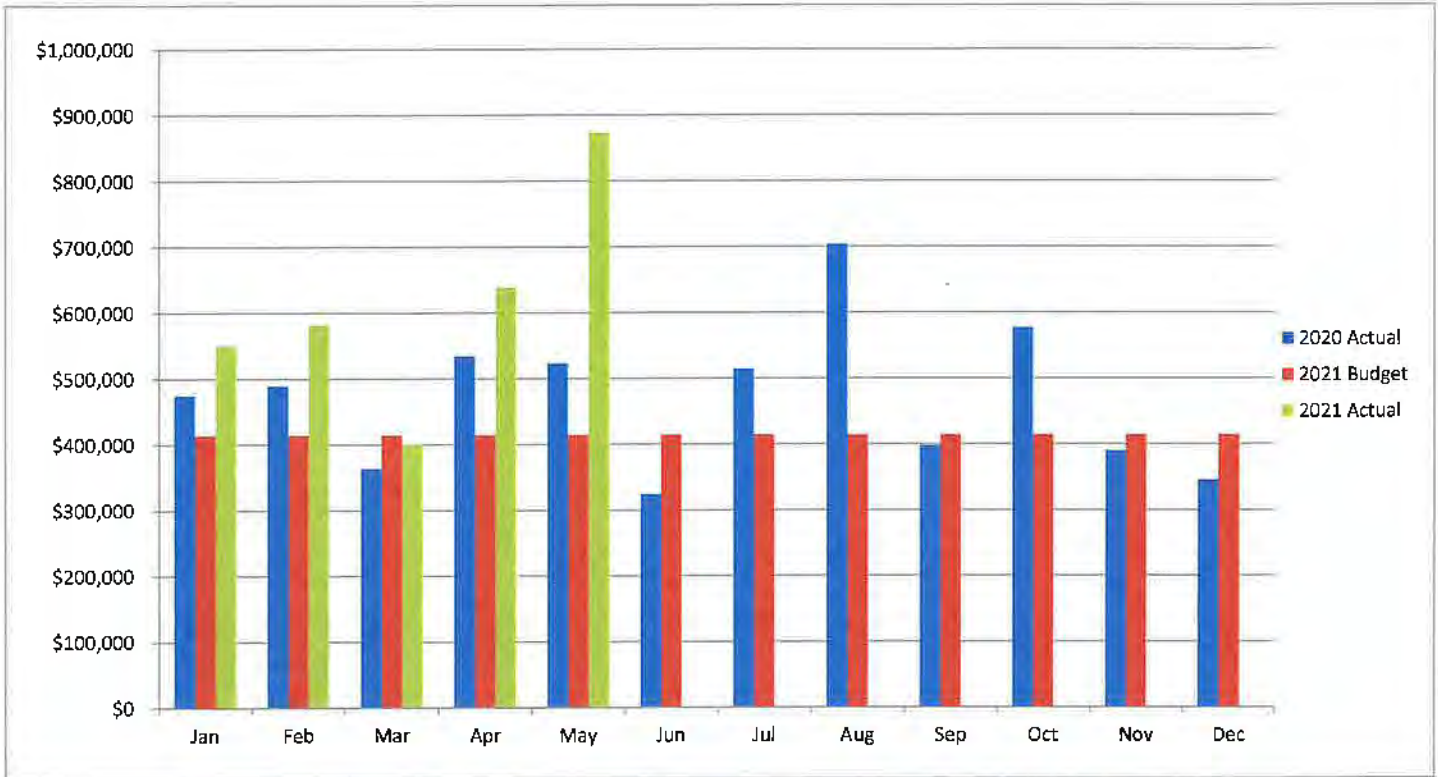
<u>Month Received (Liability Period)</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan (Nov)	\$ 654,701	\$ 600,000	\$ 664,123	\$ 64,123
Feb (Dec)	668,077	600,000	606,338	70,461
Mar (Jan)	774,498	600,000	789,650	260,111
Apr (Feb)	581,888	600,000	625,960	286,071
May (Mar)	552,432	600,000	561,998	248,069
Jun (Apr)	557,618	600,000		
Jul (May)	441,480	600,000		
Aug (Jun)	523,019	600,000		
Sep (Jul)	666,044	600,000		
Oct (Aug)	681,270	600,000		
Nov (Sep)	635,102	600,000		
Dec (Oct)	672,172	600,000		
YTD Totals	<u>\$ 7,388,298</u>	<u>\$ 7,200,000</u>	<u>\$ 3,248,069</u>	

Local Use Tax



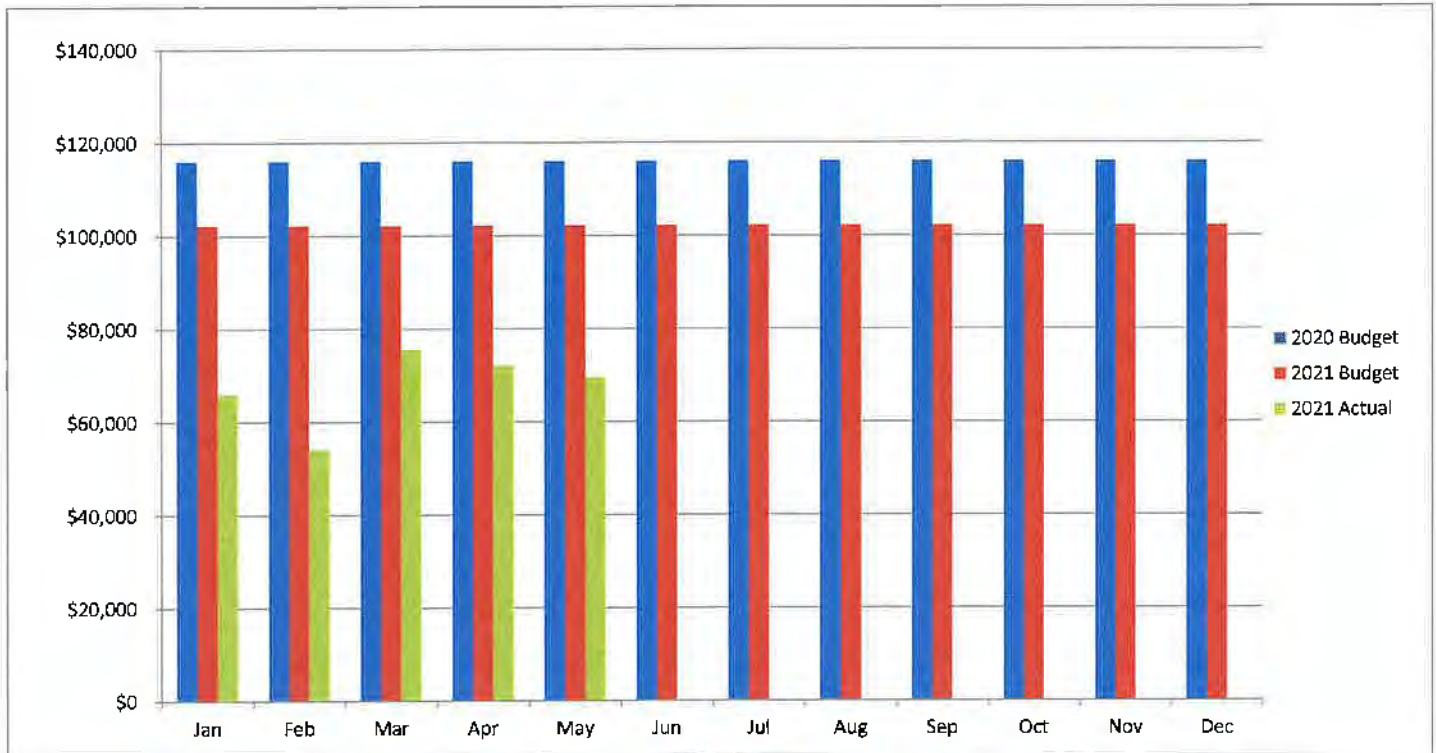
Month Received (Liability Period)	2020 Actual	2021 Budget	2021 Actual	Cumulative Variance 2021 Actual vs. Budget
Jan (Nov)	\$ 166,765	\$ 158,333	\$ 205,303	\$ 46,970
Feb (Dec)	156,234	158,333	218,776	107,412
Mar (Jan)	214,375	158,333	308,720	257,799
Apr (Feb)	148,444	158,333	151,360	250,826
May (Mar)	129,000	158,333	134,964	227,456
Jun (Apr)	164,096	158,333		
Jul (May)	173,719	158,333		
Aug (Jun)	193,198	158,333		
Sep (Jul)	195,046	158,333		
Oct (Aug)	197,230	158,333		
Nov (Sep)	187,809	158,333		
Dec (Oct)	195,938	158,333		
YTD Totals	\$ 2,121,851	\$ 1,900,000	\$ 1,019,123	

Income Tax



2019-2020			2020-2021			Cumulative Variance 2021 Actual vs. Budget	
Month Received	Liab Pd	2020 Actual	Month Received	2021 Budget	Liab Pd		2021 Actual
Jan	Dec-19	\$ 474,910	Jan	\$ 414,583	Dec-20	\$ 550,235	\$ 135,652
Feb	Jan-20	489,288	Feb	414,583	Jan-21	581,723	302,791
Mar	Feb-20	363,834	Mar	414,583	Feb-21	400,920	289,128
Apr	Mar-20	534,381	Apr	414,583	Mar-21	639,264	513,809
May	Apr-20	523,208	May	414,583	Apr-21	873,242	972,467
Jun	May-20	324,080	Jun	414,583	May-21		
Jul	Jun-20	514,626	Jul	414,583	Jun-21		
Aug	Jul-20	703,605	Aug	414,583	Jul-21		
Sep	Aug-20	398,672	Sep	414,583	Aug-21		
Oct	Sep-20	577,312	Oct	414,583	Sep-21		
Nov	Oct-20	390,094	Nov	414,583	Oct-21		
Dec	Nov-20	345,364	Dec	414,583	Nov-21		
YTD Totals		\$ 5,639,374		\$ 4,975,000		\$ 3,045,384	

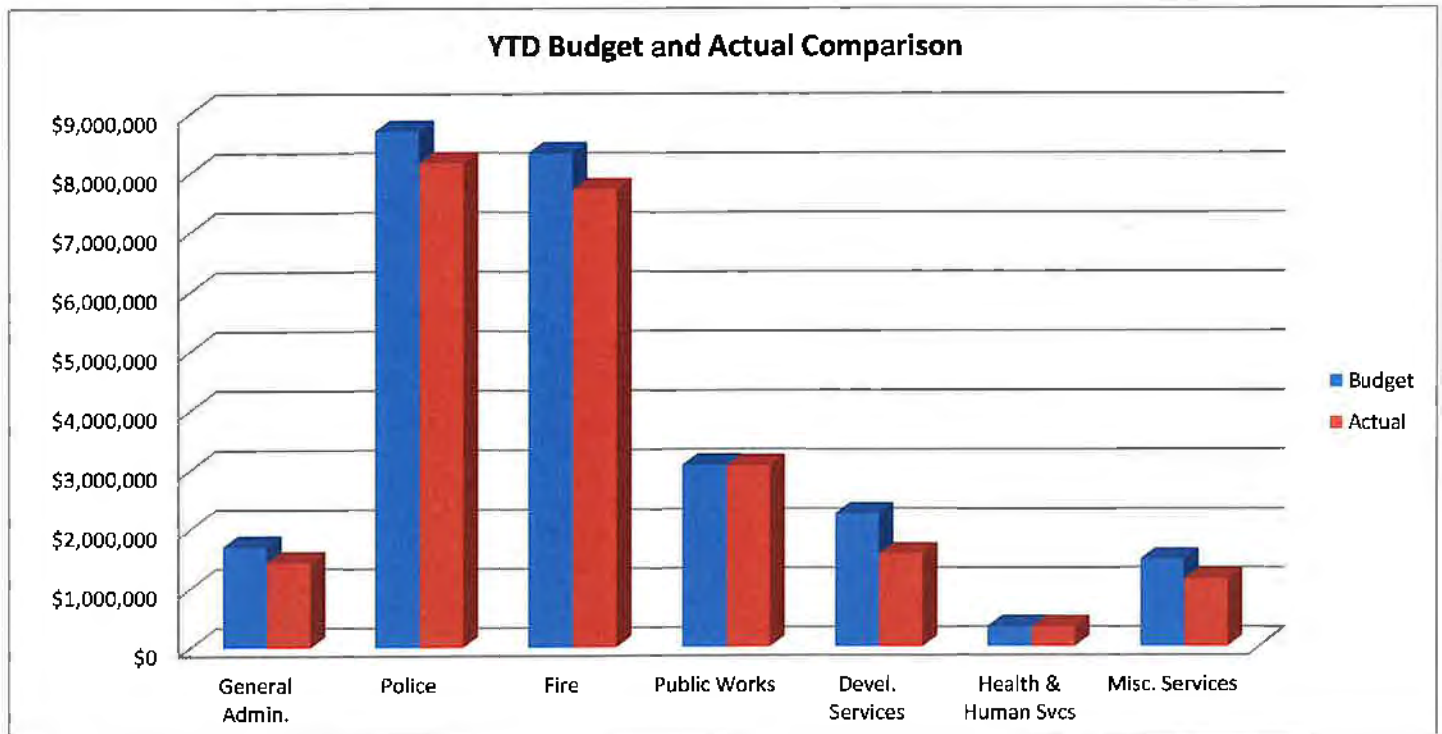
Fines



<u>Month Received</u>	<u>2020 Budget</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 116,017	\$ 102,167	\$ 66,011	\$ (36,156)
Feb	116,017	102,167	54,027	(84,295)
Mar	116,017	102,167	75,644	(110,818)
Apr	116,017	102,167	72,130	(140,855)
May	116,017	102,167	69,575	(173,446)
Jun	116,017	102,167		
Jul	116,017	102,167		
Aug	116,017	102,167		
Sep	116,017	102,167		
Oct	116,017	102,167		
Nov	116,017	102,167		
Dec	116,017	102,167		
YTD Totals	\$ 1,392,200	\$ 1,226,000	\$ 337,387	

Expenditures: General Fund expenditures in May were \$763,268 below the budgeted figure of \$5,165,586. The summary of year-to-date actuals versus budgeted expenditures shown below reflect mostly positive variances for the Village departments for the year. Emergency Operations is over budget due to the annual Joint Emergency Management Membership Assessment payment, which happens at the beginning of every year.

EXPENDITURES	YEAR-TO-DATE		VARIANCE
	BUDGET	ACTUAL	
Legislative	\$ 171,433	\$ 147,771	13.8%
Administration	277,867	183,059	34.1%
Legal	219,396	131,153	40.2%
Finance	481,925	472,748	1.9%
Village Clerk	98,033	84,577	13.7%
HRM	232,821	196,075	15.8%
Communications	106,729	109,226	-2.3%
Cable TV	74,908	68,663	8.3%
Emergency Operations	35,617	45,990	-29.1%
Police	8,689,633	8,159,877	6.1%
Fire	8,325,988	7,720,675	7.3%
Public Works	3,066,258	3,057,173	0.3%
Development Services	2,242,021	1,570,574	29.9%
H&HS	337,021	332,650	1.3%
Miscellaneous	1,469,678	1,141,183	22.4%
TOTAL	\$ 25,829,328	\$ 23,421,396	9.3%



Department News

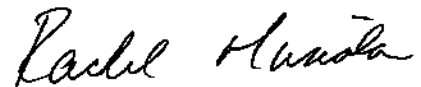
During the month of May, Finance staff attended the following training sessions:

- Attended a webinar from GFOA on “What you need to know about the American Rescue Plan” (Finance Director).

Also during the month, Finance staff participated in the following events and planning meetings:

- Coordinated various IGFOA Professional Education Committee meetings to plan for training in the future, including the upcoming state conference (Finance Director).
- Attended Platzkonzert planning meetings to oversee the financial operations of the annual Platzkonzert Festival (Finance Director).
- Multiple staff members from the Finance Department volunteered to assist with the vaccination clinics held at Village Hall over the past few weeks.

Respectfully Submitted,



Rachel Musiala
Director of Finance

MONTHLY REPORT STATISTICS

May-21

	May-21	YTD May-21	May-20	YTD May-20	% Inc / Dec	
					Month	Year
<u>Credit Card Transactions</u>						
Finance and Code Front Counter						
Number	354	1,455	3	1,210	11700.0%	20.2%
Amount	\$ 53,566	272,272	\$ 170	160,715	31496.6%	69.4%
Internet Sales						
Number	2,593	12,691	2,012	11,231	28.9%	13.0%
Amount	\$ 341,096	1,597,013	\$ 359,066	1,525,951	-5.0%	4.7%
Total						
Number	2,947	14,146	2,015	12,441	46.3%	13.7%
Amount	\$ 394,662	1,869,285	\$ 359,235	\$ 1,686,666	9.9%	10.8%
Credit Card Company Fees						
General Fund	\$ 37	183	\$ 37	909	0.0%	-79.9%
Water Fund	4,644	21,775	3,005	16,116	54.6%	35.1%
Total Fees	\$ 4,681	\$ 21,958	\$ 3,041	\$ 17,025	53.9%	29.0%
<u>Accounts Receivable</u>						
Invoices Mailed						
Number	46	201	25	293	84.0%	-31.4%
Amount	\$ 113,000	460,987	\$ 43,346	414,047	160.7%	11.3%
Invoices Paid						
Number	43	247	30	325	43.3%	-24.0%
Amount	\$ 110,348	528,732	\$ 12,121	434,260	810.4%	21.8%
Reminders Sent						
Number	17	72	6	71	183.3%	1.4%
Amount	\$ 14,301	64,394	\$ 4,303	34,845	232.4%	84.8%
<u>Accounts Payable</u>						
Checks Issued						
Number	308	1,503	211	1,545	46.0%	-2.7%
Amount	\$ 2,295,180	7,353,886	\$ 1,088,382	10,324,686	110.9%	-28.8%
Manual Checks Issued						
Number	17	91	6	121	183.3%	-24.8%
As % of Total Checks	5.52%	6.05%	2.84%	7.83%	94.1%	-22.7%
Amount	\$ 162,154	330,833	\$ 24,298	180,329	567.3%	83.5%
As % of Total Checks	7.06%	4.50%	2.23%	1.75%	216.5%	157.6%
<u>Utility Billing</u>						
New Utility Accounts	121	487	86	524	40.7%	-7.1%
Bills Mailed / Active Accounts	15,702	78,557	15,751	78,711	-0.3%	-0.2%
Final Bills Mailed	143	537	86	524	66.3%	2.5%
Shut-Off Notices	838	4,577	-	2,790	N/A	64.1%
Actual Shut-Offs	-	-	-	188	N/A	-100.0%
Total Billings	\$ 1,862,638	9,112,791	\$ 1,762,169	8,993,829	5.7%	1.3%
Direct Debit (ACH) Program						
New Accounts	105	365	66	375	59.1%	-2.7%
Total Accounts	5,058	24,726	4,548	22,245	11.2%	11.2%
As % of Active Accounts	32.21%	31.48%	28.87%	28.26%	3.3%	11.4%
Water Payments Received in Current Month						
Total Bills Mailed	15,702	78,557	15,751	78,711	-0.3%	-0.2%
ACH Payments	5,058	24,726	4,548	22,245	11.2%	11.2%
ACH Payments-% of Total Bills	32.21%	31.48%	28.87%	28.26%	11.6%	11.4%
On-line Payments (Internet Sales)	1,999	9,764	1,441	8,631	38.7%	13.1%
On-line Payments-% of Total Bills	12.73%	12.43%	9.15%	10.97%	39.2%	13.3%
Over-the-phone Payments	463	2,386	844	2,957	-45.1%	-19.3%
Over-the-phone Payments-% of Total Bills	2.95%	3.04%	5.36%	3.76%	-45.0%	-19.2%
Mail-in Payments	7,855	40,214	8,369	43,035	-6.1%	-6.6%
Mail-in Payments-% of Total Bills	50.03%	51.19%	53.13%	54.67%	-5.8%	-6.4%

WATER BILLING ANALYSIS
May 31, 2021

Residential Billings
Average Monthly Consumption/Customer

<u>Month Billed</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>
May	4,213	4,051	4,504
June	4,633	4,326	5,114
July	4,505	4,395	5,545
August	5,439	5,438	5,718
September	4,782	4,952	6,155
October	4,379	4,157	4,777
November	4,147	4,087	4,298
December	4,170	4,096	4,191
January	4,403	4,342	4,399
February	4,480	4,234	4,540
March	3,916	4,020	4,208
April	4,227	4,423	4,254
May	4,051	4,504	4,317
13 Month Average -	4,411	4,387	4,771
% Change -	-2.6%	-0.6%	8.8%

Total Water Customers

Average Bill

<u>Customer Type</u>				<u>Customer Type</u>			
	<u>May-20</u>	<u>May-21</u>	<u>% Change</u>		<u>May-20</u>	<u>May-21</u>	<u>% Change</u>
Residential	14,827	14,804	-0.2%	Residential	\$ 63.05	\$ 62.74	-0.5%
Commercial	924	898	-2.8%				
Total	15,751	15,702	-0.3%				

Total Consumption - All Customers (000,000's)

	<u>Month-To-Date</u>			<u>Year-To-Date</u>			
	<u>May-20</u>	<u>May-21</u>	<u>% Change</u>	<u>May-20</u>	<u>May-21</u>	<u>% Change</u>	
Residential	67	64	-4.5%	Residential	320	321	0.3%
Commercial	31	38	22.6%	Commercial	183	175	-4.4%
	98	102	4.1%		503	496	-1.4%

STATEMENT OF INVESTMENTS-VILLAGE
As of May 31, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
<u>General Fund</u>						
Illinois Funds - General	09/30/86		7,234,377.36			0.035
Illinois Funds - Veterans Memorial	05/01/92		314.02			0.035
PMA iPrime	11/07/08		9,273,077.93			0.040
CD with PMA	08/22/13		5,848,500.00	5,848,500.00	5,862,443.68	0.260
			<u>22,356,269.31</u>			
<u>Motor Fuel Tax</u>						
Illinois Funds	09/30/86		117,839.97			0.035
Chase Money Market			4.86			
			<u>117,844.83</u>			
<u>Asset Seizure - Federal</u>						
Illinois Funds	06/09/99		4,372.28			0.035
<u>Asset Seizure - State</u>						
Illinois Funds	11/30/98		55,992.70			0.035
<u>Asset Seizure - BATTLE</u>						
Illinois Funds	07/10/08		845.45			0.035
<u>Municipal Waste System</u>						
Illinois Funds	08/31/98		7,977.23			0.035
<u>Central Road Corridor Improv.</u>						
Illinois Funds	12/15/88		9,807.22			0.035
PMA iPrime	11/07/08		3,780.14			0.040
			<u>13,587.36</u>			
<u>Hoffman Blvd Bridge Maintenance</u>						
Illinois Funds	07/01/98		11,259.48			0.035
PMA iPrime	02/10/11		259,495.98			0.040
			<u>270,755.46</u>			
<u>Western Corridor</u>						
Illinois Funds	06/30/01		38,593.25			0.035
PMA iPrime	01/07/09		3,315,050.38			0.040
			<u>3,353,643.63</u>			
<u>Prairie Stone Capital</u>						
Illinois Funds	08/22/91		624,645.14			0.035
PMA iPrime	02/10/11		91,553.07			-
			<u>716,198.21</u>			

STATEMENT OF INVESTMENTS-VILLAGE
As of May 31, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
<u>Road Improvement</u>						
Illinois Funds	01/01/15		2,055,331.59			
Chase Money Market	03/06/18		1,140,113.56			0.010
PMA iPrime			907,660.92			0.040
			4,103,106.07			
<u>Capital Improvements</u>						
Illinois Funds	12/31/96		20,006.82			0.035
PMA iPrime	01/07/09		248,523.11			0.040
			268,529.93			
<u>Capital Vehicle & Equipment</u>						
Illinois Funds	12/31/96		23,468.16			0.035
PMA iPrime	01/07/09		71,271.08			0.040
			94,739.24			
<u>Capital Replacement</u>						
Illinois Funds	02/01/98		3,316.37			0.035
PMA iPrime	11/07/08		328,506.56			0.040
			331,822.93			
<u>Water and Sewer</u>						
Illinois Funds	09/30/86		10,256.88			0.035
PMA iPrime	11/07/08		753,174.67			0.040
Chase Money Market	03/06/18		7,495,464.71			0.010
			8,258,896.26			
<u>Water and Sewer-2017 Bond Projects</u>						
PMA iPrime	09/13/17		2,170,590.21			0.040
<u>Water and Sewer-2019 Bond Projects</u>						
PMA iPrime	09/13/17		520,677.34			0.040
<u>Now Arena Operating</u>						
Illinois Funds			29.05			
<u>Now Arena</u>						
H.E. Community Bank-MaxSafe			659.45			
<u>Insurance</u>						
Illinois Funds	11/10/87		16,453.65			0.035
PMA iPrime	11/07/08		2,176,590.60			0.040
			2,193,044.25			

STATEMENT OF INVESTMENTS-VILLAGE
As of May 31, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
<u>Information Systems</u>						
Illinois Funds	02/01/98		81,166.97			0.035
PMA iPrime	11/07/08		611,185.39			
			692,352.36			
<u>EDA Special Tax Alloc.</u>						
PMA iPrime	11/07/08		5,477,145.70			
Chase Money Market	03/14/19		7,501,074.43			
			12,978,220.13			
<u>Roselle Road TIF</u>						
Illinois Funds	09/30/03		7,621.03			0.035
Chase Money Market			1,000,281.33			
PMA iPrime	11/07/08		114,994.71			0.040
			1,122,897.07			
<u>Barr./Higgins TIF</u>						
Illinois Funds	08/26/91		119,137.12			0.035
Chase Money Market			200,056.28			
			319,193.40			
<u>2019 Captial Project Fund</u>						
PMA iPrime	09/13/17		27,793.68			0.040
Total Investments			\$ 59,980,037.83			
Total Invested Per Institution				<u>Percent Invested</u>		
Illinois Funds			10,442,811.74	17.41		
IMET			0.00	-		
IMET Convenience Fund			0.00	-		
Chase Money Market			17,336,995.17	28.90		
CD with PMA			5,848,500.00	9.75		
HE Community Bank-MaxSafe			659.45	0.00		
Bank of New York Money Market			0.00	-		
ISC at PMA			26,351,071.47	43.93		
			\$59,980,037.83	100.00		
Total Invested Per Institution Excluding all Agency and EDA Funds				<u>Percent Invested</u>		
Illinois Funds			9,818,166.60	21.21		
IMET			0.00	-		
HE Community Bank-MaxSafe			659.45	0.00		
Chase Money Market			9,835,920.74	21.25		
CD with PMA			5,848,500.00	12.64		
ISC at PMA			20,782,372.70	44.90		
			\$46,285,619.49	100.00		

STATEMENT OF INVESTMENTS-VILLAGE As of May 31, 2021
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Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
Total Invested Per Fund						
Total Investments - Operating Funds				\$35,130,373.64		
Total Investments - Debt Service Funds				\$0.00		
Total Investments - Agency Funds				\$12,978,220.13		
Total Investments - Capital Projects Funds				\$11,871,444.06		
Total Investments - All Funds				\$59,980,037.83		

OPERATING REPORT SUMMARY

REVENUES

May 31, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>% ACTUAL TO BUDGET</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
General Fund							
Property Taxes	25,000	494,990	8,675,000	6,359,978	16,314,510	39.0%	
Hotel Tax	83,333	41,456	416,667	185,726	1,000,000	18.6%	
Real Estate Transfer Tax	85,417	91,208	427,083	428,389	1,025,000	41.8%	
Home Rule Sales Tax	250,000	258,679	1,250,000	1,431,688	3,000,000	47.7%	
Telecommunications Tax	92,000	85,550	460,000	414,185	1,104,000	37.5%	
Property Tax - Fire	5,000	156,481	2,055,000	1,998,206	4,287,700	46.6%	
Property Tax - Police	10,000	184,115	2,513,835	2,344,422	5,437,670	43.1%	
Other Taxes	83,382	70,438	416,908	287,595	1,000,580	28.7%	
Total Taxes	634,132	1,382,917	16,214,493	13,450,189	33,169,460	40.5%	
Business Licenses	100,000	56,576	225,000	293,538	350,000	83.9%	
Liquor Licenses	140,000	17,652	250,000	232,419	275,000	84.5%	
Building Permits	89,583	69,400	447,917	236,473	1,075,000	22.0%	
Other Licenses & Permits	917	64	4,583	1,151	11,000	10.5%	
Total Licenses & Permits	330,500	143,691	927,500	763,581	1,711,000	44.6%	
Sales Tax	600,000	561,998	3,000,000	3,248,068	7,200,000	45.1%	
Local Use Tax	158,333	134,964	791,667	1,019,123	1,900,000	53.6%	
State Income Tax	414,583	873,242	2,072,917	3,045,384	4,975,000	61.2%	
Replacement Tax	20,983	109,458	104,917	260,054	251,800	103.3%	
Other Intergovernmental	46,409	2,867,753	232,046	3,080,295	556,910	553.1%	
Total Intergovernmental	1,240,309	4,547,414	6,201,546	10,652,924	14,883,710	71.6%	
Engineering Fees	25,000	-	125,000	113,683	300,000	37.9%	
Ambulance Fees	182,500	129,734	912,500	630,405	2,190,000	28.8%	
Police Hireback	31,250	41,251	156,250	210,503	375,000	56.1%	
Lease Payments	42,204	63,415	211,021	319,355	506,450	63.1%	
Cable TV Fees	150,000	145,285	380,000	357,779	765,000	46.8%	
4th of July Proceeds	-	-	-	-	87,750	0.0%	
Employee Payments	133,333	141,395	666,667	760,008	1,600,000	47.5%	
Hireback - Arena	12,146	3,904	60,729	3,904	145,750	2.7%	
Rental Inspection Fees	-	2,550	125,000	215,378	275,000	78.3%	
Other Charges for Services	73,458	111,395	367,292	422,581	881,500	47.9%	
Total Charges for Services	649,892	638,928	3,004,458	3,033,595	7,126,450	42.6%	
Court Fines-County	10,000	-	50,000	-	120,000	0.0%	
Ticket Fines-Village	29,167	13,022	145,833	68,500	350,000	19.6%	
Overweight Truck Fines	500	470	2,500	1,440	6,000	24.0%	
Red Light Camera Revenue	54,167	47,537	270,833	247,641	650,000	38.1%	
Local Debt Recovery	8,333	8,546	41,667	19,805	100,000	19.8%	
Total Fines & Forfeits	102,167	69,575	510,833	337,386	1,226,000	27.5%	
Total Investment Earnings	22,917	1,658	114,583	7,955	275,000	2.9%	
Reimburse/Recoveries	12,500	15,376	62,500	65,110	150,000	43.4%	
S.Barrington Fuel Reimbursement	2,500	2,468	12,500	11,829	30,000	39.4%	
Shaumburg Twn Fuel Reimbursement	2,500	2,997	12,500	11,069	30,000	36.9%	
Tollway Payments	-	3,700	-	8,300	-	N/A	
Other Miscellaneous	19,258	4,071	96,292	23,567	231,100	10.2%	
Total Miscellaneous	36,758	28,612	183,792	119,875	441,100	27.2%	
Total Operating Transfers In	87,833	103,284	439,167	501,599	1,054,000	47.6%	
Total General Fund	3,104,508	6,916,078	27,596,373	28,867,104	59,886,720	48.2%	41.7%

OPERATING REPORT SUMMARY

REVENUES

May 31, 2021

	CURRENT MONTH		YEAR-TO-DATE		ANNUAL BUDGET	% ACTUAL TO BUDGET	BENCH-MARK
	BUDGET	ACTUAL	BUDGET	ACTUAL			
Water & Sewer Fund							
Water Sales	1,664,496	1,538,664	8,322,479	7,485,525	19,973,950	37.5%	
Connection Fees	1,667	-	8,333	9,075	20,000	45.4%	
Cross Connection Fees	3,167	3,224	15,833	16,142	38,000	42.5%	
Penalties	8,333	11,888	41,667	43,679	100,000	43.7%	
Investment Earnings	3,333	60	16,667	230	40,000	0.6%	
Other Revenue Sources	6,292	4,573	31,458	16,818	75,500	22.3%	
Capital Projects	-	88	-	315	2,005,000	0.0%	
Total Water Fund	1,687,288	1,558,496	8,436,438	7,571,785	22,252,450	34.0%	41.7%
Motor Fuel Tax Fund	248,917	740,974	1,244,583	1,922,190	2,987,000	64.4%	
Community Dev. Block Grant Fund	53,415	-	267,075	31,599	640,980	4.9%	
Asset Seizure Fund	83	2	417	63,226	1,000	6322.6%	
Municipal Waste System Fund	244,766	233,511	1,223,829	1,199,494	2,937,190	40.8%	
NOW Arena Operating Fund	352,152	453,874	1,760,758	1,833,482	4,225,820	43.4%	
NOW Arena Activity Fund	397,443	149,627	1,987,213	830,590	4,769,310	17.4%	
Stormwater Management	69,617	45,671	348,083	228,445	835,400	27.3%	
Insurance Fund	133,582	124,545	667,908	622,358	1,602,980	38.8%	
Roselle Road TIF	25,167	114,305	125,833	329,618	302,000	109.1%	
Barrington/Higgins TIF	50,478	45,869	252,392	395,717	605,740	65.3%	
Lakewood Center TIF	33,466	-	167,329	-	401,590	0.0%	
Higgins-Old Sutton TIF	3,587	-	17,933	-	43,040	0.0%	
Higgins/Hassell TIF	25,013	-	125,063	448,430	300,150	149.4%	
Information Systems	111,454	110,007	557,271	549,098	1,337,450	41.1%	
Total Spec Rev. & Int. Svc. Fund	1,749,138	2,018,385	8,745,688	8,454,247	20,989,650	40.3%	
TOTAL OPERATING FUNDS	6,540,933	10,492,959	44,778,498	44,893,136	103,128,820	43.5%	41.7%
2015A & C G.O. Debt Service	97,825	97,825	97,825	97,825	3,576,650	2.7%	
2015B G.O. Debt Service	14,200	14,200	14,200	14,200	123,900	0.0%	
2016 G.O. Debt Service	19,191	19,191	246,573	246,573	436,700	0.0%	
2017A & B G.O. Debt Service	53,275	53,275	53,275	53,275	177,550	0.0%	
2018 G.O. Debt Service	181,714	181,714	786,620	786,620	2,863,200	0.0%	
2019 G.O. Debt Service	-	17,587	-	17,587	136,700	12.9%	
TOTAL DEBT SERV. FUNDS	366,205	383,792	1,198,493	1,216,081	7,314,700	16.6%	41.7%
Central Rd. Corridor Fund	17	0	83	3	200	1.5%	
Hoffman Blvd Bridge Maintenance	125	8	625	28	1,500	1.8%	
Western Corridor Fund	62,500	94	312,500	329	750,000	0.0%	
Prairie Stone Capital Fund	833	25	4,167	200	10,000	2.0%	
Central Area Rd. Impr. Imp. Fee	13	-	63	-	150	0.0%	
Capital Improvements Fund	149,675	151,375	748,375	1,064,182	1,796,100	59.2%	
Capital Vehicle & Equipment Fund	63,577	63,482	317,883	317,408	762,920	41.6%	
Capital Replacement Fund	167	9	833	32	2,000	1.6%	
2015 Project Fund	-	1	-	2	-	N/A	
Road Improvement Fund	549,050	309,294	2,745,250	3,436,616	6,588,600	52.2%	
TOTAL CAP. PROJECT FUNDS	825,956	524,288	4,129,779	4,818,800	9,911,470	48.6%	41.7%
Police Pension Fund	583,839	2,631,145	2,919,196	12,509,076	7,006,070	178.5%	
Fire Pension Fund	513,008	4,218,929	2,565,042	8,872,677	6,156,100	144.1%	
TOTAL TRUST FUNDS	1,096,848	6,850,074	5,484,238	21,381,753	13,162,170	162.4%	41.7%
TOTAL ALL FUNDS	8,829,941	18,251,113	55,591,007	72,309,769	133,517,160	54.2%	41.7%

OPERATING REPORT SUMMARY
EXPENDITURES
May 31, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>%</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
General Fund							
General Admin.							
Legislative	34,287	50,163	171,433	147,771	411,440	35.9%	
Administration	55,573	44,964	277,867	183,059	666,880	27.5%	
Legal	43,879	31,312	219,396	131,153	526,550	24.9%	
Finance	96,385	107,705	481,925	472,748	1,156,620	40.9%	
Village Clerk	19,607	17,942	98,033	84,577	235,280	35.9%	
Human Resource Mgmt.	46,564	40,695	232,821	196,075	558,770	35.1%	
Communications	21,346	20,057	106,729	109,226	256,150	42.6%	
Cable TV	14,982	11,623	74,908	68,663	179,780	38.2%	
Emergency Operations	7,123	3,671	35,617	45,990	85,480	53.8%	
Total General Admin.	339,746	328,131	1,698,729	1,439,263	4,076,950	35.3%	41.7%
Police Department							
Administration	126,184	94,432	630,921	535,338	1,514,210	35.4%	
Juvenile Investigations	50,618	32,666	253,092	230,261	607,420	37.9%	
Tactical	101,305	73,837	506,525	446,575	1,215,660	36.7%	
Patrol and Response	1,043,244	847,795	5,216,221	5,058,801	12,518,930	40.4%	
Traffic	98,136	72,446	490,679	386,051	1,177,630	32.8%	
Investigations	131,437	103,634	657,183	626,005	1,577,240	39.7%	
Community Relations	542	175	2,708	684	6,500	10.5%	
Communications	47,509	47,509	237,546	285,054	570,110	50.0%	
Canine	17,853	14,064	89,263	84,811	214,230	39.6%	
Special Services	14,937	2,087	74,683	13,205	179,240	7.4%	
Records	25,927	24,311	129,633	120,909	311,120	38.9%	
Administrative Services	80,236	74,038	401,179	372,183	962,830	38.7%	
Total Police	1,737,927	1,386,993	8,689,633	8,159,877	20,855,120	39.1%	41.7%
Fire Department							
Administration	76,858	50,419	384,292	276,908	922,300	30.0%	
Public Education	6,322	3,031	31,608	18,780	75,860	24.8%	
Suppression	818,720	665,668	4,093,600	3,794,394	9,824,640	38.6%	
Emer. Med. Serv.	709,165	585,628	3,545,825	3,399,328	8,509,980	39.9%	
Prevention	50,766	17,324	253,829	215,712	609,190	35.4%	
Fire Stations	3,367	1,287	16,833	15,551	40,400	38.5%	
Total Fire	1,665,198	1,323,357	8,325,988	7,720,675	19,982,370	38.6%	41.7%
Public Works Department							
Administration	31,975	29,838	159,875	166,928	383,700	43.5%	
Snow/Ice Control	153,408	145,005	767,038	1,222,721	1,840,890	66.4%	
Pavement Maintenance	44,018	36,347	220,088	146,281	528,210	27.7%	
Forestry	90,138	59,702	450,688	293,574	1,081,650	27.1%	
Facilities	96,732	105,091	483,658	382,941	1,160,780	33.0%	
Fleet Services	100,697	75,485	503,483	451,869	1,208,360	37.4%	
F.A.S.T.	16,208	11,882	81,042	50,345	194,500	25.9%	
Storm Sewers	14,422	12,827	72,108	54,780	173,060	31.7%	
Traffic Control	65,656	59,761	328,279	287,733	787,870	36.5%	
Total Public Works	813,252	535,937	3,066,258	3,057,173	7,359,020	41.5%	41.7%

OPERATING REPORT SUMMARY

EXPENDITURES

May 31, 2021

	CURRENT MONTH		YEAR-TO-DATE		ANNUAL BUDGET	%	BENCH-MARK
	BUDGET	ACTUAL	BUDGET	ACTUAL			
Development Services							
Administration	35,212	32,554	176,058	161,571	422,540	38.2%	
Planning & Transportation	53,233	56,474	266,163	244,431	638,790	38.3%	
Code Enforcement	134,493	121,222	672,467	605,378	1,613,920	37.5%	
Engineering	101,606	83,074	508,029	435,398	1,219,270	35.7%	
Economic Development	123,861	23,189	619,304	123,796	1,486,330	8.3%	
Total Development Services	448,404	316,514	2,242,021	1,570,574	5,380,850	29.2%	41.7%
Health & Human Services	67,404	66,481	337,021	332,650	808,850	41.1%	41.7%
Miscellaneous							
4th of July	-	-	1,399	1,399	155,070	0.9%	
Police & Fire Comm.	8,513	2,415	42,567	3,049	102,160	3.0%	
Misc. Boards & Comm.	20,299	6,940	101,496	35,445	243,590	14.6%	
Misc. Public Improvements	264,843	435,551	1,324,217	1,101,290	3,178,120	34.7%	
Total Miscellaneous	293,656	444,906	1,469,678	1,141,183	3,678,940	31.0%	41.7%
Total General Fund	5,165,586	4,402,318	25,829,328	23,421,396	62,142,100	37.7%	41.7%
Water & Sewer Fund							
Water Department	1,102,568	1,058,567	5,512,838	5,086,933	13,230,810	38.4%	
Sewer Department	192,333	166,591	961,667	793,237	2,308,000	34.4%	
Billing Division	73,483	76,101	367,413	360,646	881,790	40.9%	
Capital Projects Division	12,239	12,239	171,316	171,316	3,560,860	4.8%	
2015 Bond Capital Projects	61,275	61,275	61,275	61,275	422,500	14.5%	
2017 Bond Capital Projects	119,839	119,839	413,418	413,418	1,435,620	28.8%	
2018 Bond Capital Projects	123,819	123,819	123,819	123,819	247,640	50.0%	
2019 Bond Capital Projects	25,224	25,224	315,118	315,118	622,530	50.6%	
Total Water & Sewer	1,710,780	1,643,656	7,926,862	7,325,762	22,709,750	32.3%	41.7%
Motor Fuel Tax	156,928	156,928	2,446,223	2,446,223	3,480,000	70.3%	
Community Dev. Block Grant Fund	5,697	5,697	27,103	27,103	585,550	4.6%	
Asset Seizure Fund	23,791	37,418	118,954	171,913	285,490	60.2%	
Municipal Waste System	248,263	246,444	1,241,313	1,047,654	2,979,150	35.2%	
NOW Arena Operating Fund	357,765	252,750	1,788,825	1,046,152	4,293,180	24.4%	
NOW Arena Activity Fund	397,443	195,373	1,987,213	745,901	4,769,310	15.6%	
Stormwater Management	42,354	6,625	211,771	6,625	508,250	1.3%	
Insurance	147,810	75,244	739,050	1,045,436	1,773,720	58.9%	
Information Systems	145,621	295,951	728,104	842,684	1,747,450	48.2%	
Roselle Road TIF	139,003	-	695,017	-	1,668,040	0.0%	
Barrington/Higgins TIF	1,087	145	5,433	145	13,040	1.1%	
Lakewood Center TIF	33,466	-	167,329	-	401,590	0.0%	
Higgins-Old Sutton TIF	3,587	-	17,933	-	43,040	0.0%	
Higgins/Hassell TIF	420	73	2,100	448,502	5,040	8898.9%	
TOTAL OPERATING FUNDS	8,579,599	7,318,622	43,932,557	38,575,496	107,404,700	35.9%	41.7%
2015A G.O. Debt Service	772,821	772,821	772,821	772,821	3,576,650	21.6%	
2015 G.O. Debt Service	14,200	14,200	14,200	14,200	123,900	11.5%	
2016 G.O. Debt Service	165,850	165,850	166,325	166,325	437,200	38.0%	
2017A & B G.O. Debt Service	53,275	53,275	53,275	53,275	177,550	30.0%	
2018 G.O. Debt Service	618,850	618,850	618,850	618,850	2,863,200	21.6%	
2019 G.O. Debt Service	17,587	17,587	17,587	17,587	136,700	12.9%	
TOTAL DEBT SERV. FUNDS	1,642,584	1,642,584	1,643,059	1,643,059	7,315,200	22.5%	41.7%

OPERATING REPORT SUMMARY
EXPENDITURES
May 31, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>%</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
Western Corridor Fund	33,333	33,333	166,667	166,665	400,000	41.7%	
Prairie Stone Capital Fund	56,667	87,612	283,333	108,707	680,000	16.0%	
Western Area Traffic Imp.	-	-	-	3,638	-	N/A	
Capital Improvements Fund	168,444	87,429	842,221	437,145	2,021,330	21.6%	
Capital Vehicle & Equipment Fund	63,477	94,467	317,383	326,363	761,720	42.8%	
Capital Replacement Fund	58,333	58,333	291,667	291,665	700,000	41.7%	
2015 Project Fund	-	-	-	17,198	-	N/A	
Road Improvement Fund	554,635	636,267	2,773,175	669,770	6,655,620	10.1%	
TOTAL CAP. PROJECT FUNDS	934,889	997,441	4,674,446	2,021,152	11,218,670	18.0%	41.7%
Police Pension Fund	613,029	651,543	3,065,146	3,241,149	7,356,350	44.1%	
Fire Pension Fund	553,209	654,840	2,766,046	2,987,052	6,638,510	45.0%	
TOTAL TRUST FUNDS	1,166,238	1,306,383	5,831,192	6,228,201	13,994,860	44.5%	41.7%
TOTAL ALL FUNDS	12,323,310	11,265,030	56,081,253	48,467,907	139,933,430	34.6%	41.7%



2021 MAY MONTHLY REPORT

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May Synopsis

- Implemented requested addition of Public Records Search on GovQA portion of Hoffman Estates website.
- Most of the month was focused on the reboot of our Community Development Implementation.

CentralSquare/GovQA Support Cases and Issues

- Finalized our layout for the Public Search option in GovQA and worked with GovQA Support to make the changes needed.
- Reported an issue with the WhatIf Paycheck Calculator, and Support informed us that it is fixed in FinancePLUS 5.2.
- Requested information from CST regarding new User Stats link available to us.
- Opened a Support case to remove access for terminated employees.
- Create SQL script to close GC licenses.
- Create SQL script to close non-renewable licenses.
- Open and closed case related to the Cognos server being down.
- Created SQL script to update RRL License Deadline date for June.
- Created SQL script to update RRL License Deadline date for July.

Project Activities

- Reviewed the Project Plan from CST for the resumption of our Community Development Implementation. After analysis of the time allotted for specific tasks for our staff and the length of time to turn around workbooks, we told CST that the Project Plan would need to be revised. This prompted a change in staff managing the project and we began weekly planning meetings for the project to determine what issues needed to be resolved and what we are looking for in terms of staff time for specific tasks.
- Attended a few different project plan discussions with CentralSquare.
- Set up Custom Screens and Engineering fees for the Site Work Permit type.
- Opened up a fresh desk ticket with error related to setting up a BOND type with calculations.
- Open and closed fresh desk ticket related to issue not being able to add a permit to a PARCEL type.
- Obtained Fresh Desk access for additional staff for monitoring issues that are found.
- Reviewed the Testing Matrix and created a separate workbook from it to simplify it for our staff working with during their testing of the various applications.

- After receiving the CRM and eTRAKIT workbooks we will need to complete, we reviewed them ahead of our sessions to explain their use and the options available to us taking place in June.
- Reviewed outstanding Fresh Desk tickets to determine which ones are still occurring and which can be closed before resuming our project. Some were resolved by the update that took place in April.

Work Orders

- Responded to request from Village Clerk after she received an email from a user that the FOIA system was not functioning. No problems were found and the user did not provide details. There were a number of new FOIA requests submitted during the time frame they reported about.
- A citizen reported difficulty with accessing their UB account via eGov. After investigation, found that the person didn't have an account set up and based on the information sent to us, it appeared they were trying to create the account in a different application. Referred to UB staff to help the customer.
- Analyzed the invoices submitted by CentralSquare to determine the Customs listed and the tasks related to our Community Development project.
- Created SQL script to update RRL License Deadline date for June.
- Created SQL script to update RRL License Deadline date for July.
- Added locations per Front Counter.
- Added locations per Fire Administration.
- Added locations per Development Services.
- Applied Residential Rental Licensing Penalties.
- Applied BL/LQ/HB Penalties.
- Applied Pet Licensing Penalties.
- Checked and removed GovQA Spam.
- Adjusted the Delinquent Tax Report in Cognos as the grouping was causing Businesses that had multiple licenses with the same name to drop off.
- Assisted user with Paystub viewer and EAC, worked with IS Specialist to reinstall Adobe License on their new computer.
- Created a new Cognos Letter for those Home Business that have yet to pay their license.
- Reviewed Fire and Safety Inspection reports with Fire Inspector as a prompt was added to assist them will pulling the data back.
- Added new Permit Type in CommunityPLUS per Development Services.
- Worked with CentralSquare to address issue related to Cognos Server being down.
- Gave cash receipt permissions and set up password for Finance Employee.
- Gave correct permissions back to Public Works employee who was removed from PLUS due to not resetting their password.
- Created and sent SQL to close GC licenses and non-renewable licenses.

Administration

- Prepared monthly report.
- Processed Payroll for department employees on 5/3/21 and 5/17/21.

Training

- Created videos of Community Development applications from the sessions attended by us during the Virtual Conference for staff to view to gain insight into how the applications are intended to be used by citizens and Village Staff.

Meetings

- Met several times with IS Director to discuss Community Development Project and other issues.
- Attended several meetings with CentralSquare Staff regarding the Community Development Project reboot.

Geographic Information System Review

May Synopsis

- *Village Plat Digitization:* JADE Hanna Surveyors were contacted to acquire the Blackberry Falls subdivision survey CAD drawing. The file was acquired and once added to our map, I was in need of the adjacent area to ensure proper placement. By chance, Barrington Square subdivision was also surveyed by JADE, so I contacted them again and they provided the CAD file for the entire area. Acquiring the survey's CAD data reduces the need for GIS staff to re-digitize the survey/traverse, which is time consuming. Unfortunately, acquiring the CAD for most of the historic surveys we're using to update our subdivisions isn't possible, for numerous reasons related to the historic nature of many of the plats.
- *Community Development:* CD implementation is up and running again. Significant changes are being planned for our GIS address points, to accommodate integration of Community Plus data and future needs. In the past, GIS has not added commercial address points for units. We've begun adding these types of points along with address ranges. I've tested adding ranges and giving them different symbology for quick identification. This will require further discussion as we need to establish standards for range and unit addresses. We're currently verifying standards in street suffix abbreviations and this will likely require adjusting GIS data to match USPS standards.

Work Orders

- Map Request: Winston Knolls closures (GG)
- Map Request: lined sanitary sewer (PW)
- Map Request: FEMA impaired waters (DS-E)
- Map Request: updates of Village subdivisions for sign shop (PW)
- Data Request: adjustment to 1720 Eton Dr address point (PW)
- Data Request: Charlemagne Dr inquiry for PD Mapbook (PD)
- Data Request: street light cable updates (PW)

Administration

- Monthly report
- Contacted JADE Hanna Surveyors for CAD files and follow-up (wrong file sent)
- ArcGIS license deauthorized and re-installed on new Planning PC
- Scanned plats and processed for common drive
- Large format prints for IS

Training

- N/A

Meetings

Bi-Weekly w/F. Besenhoffer (5/17)

Project Activities

Project – Motorola P1

- During the month of May, I.S. staff continued to work on Motorola P1 CAD System. During the stabilization phase, I.S. Staff was able to identify a number of computers that were misconfigured and fixed the local configuration issues. The majority of problems were addressed by the Motorola and NWCD team. There are however a number of other issues that might have something to do with the network configurations. Motorola, NWCD IT team and IT teams from other towns work together on rectifying the intermittent issues. I.S. Staff continuously monitors the situation, and addresses the issues as they become evident.

Project – Fire and Police Department MDT Rollout

- During the month of May, I.S. Staff configured and deployed five MDT computer for Fire Department and five MDT computers for our Police Departments. The replaced computers were at the end of their life-cycle and warranty and needed to be replaced.

Project – Desktop Computer Rollout

- During the month of May I.S. Staff replaced all 25 computers destined for our Village Hall location. The replaced computers were out of warranty and needed to be replaced. The replaced computers were located throughout various departments and were replaced with minimal downtime to our users. Also, I.S. Staff started computer rollout at our Police Department. During the month of May, we were able to replace ten computers.

Project – Windows 10 Upgrades

- During the month of May, I.S. Staff started a manual upgrade process to update our desktop computers to Windows 10. Due to the pandemic and the fact that PC replacements were removed from 2020 budget, we fell behind with Windows 7 computer replacements. Because Microsoft no longer supports Windows 7, I.S. Staff initiated manual upgrade process on all computers containing windows 7 operating systems. During the month of May, we were able to upgrade ten computers all located at the Police Department.

Project – LEADS 3.0

- With AT&T disconnecting old T1 lines, Cook County and State of Illinois is migrating all connections using alternative internet access. In the case of Hoffman Estates, Cook County sent us a new Cisco Meraki router that establishes an automatic site-to-site VPN connection with equipment at Cook County. The initial installation and implementation took place in May but complete migration could not be accomplished due to some technical difficulties with the iClear system. The configuration was reverted as more investigation needed to take place. However, I.S. Staff was able to add additional routing configuration in order to gain access to the new LEADS 3.0 system.

Project – DLS Internet Service

- Due to the fact that AT&T is actively disconnecting legacy T1 lines, DLS, our internet service provider is also forced to migrate their services. During the month of May, I.S. Staff along with representatives from AT&T installed and configured a new fiber connection. A new router has also been installed and tested and we are awaiting final service migration which should take place in June.

Project – Security and Other Updates

- I.S. Staff continued to improve and optimize Hyper-V environment.
- I.S. Staff continues monitor and update Windows Servers with patches, updates and other security installations.
- I.S. Staff continues to update and monitor anti-virus system to ensure at most reliability and safety.
- I.S. Staff continues to monitor and adjust if necessary all of our backup jobs.
- I.S. Staff updated and reorganized our network documentation in order to reflect new changes.
- I.S. Staff continues to deploy KnowBe4 email campaign.
- I.S. Staff performed general WSUS Update and service cleanup.

Training

- I.S. Staff conducted one new user orientation meeting for our new employee.

Meetings

- I.S. Staff met with NWC and Motorola CAD representatives.
- I.S. Staff met with HHS representatives and discussed cameras installations.
- I.S. Staff attended IT meeting with NWCD team.
- I.S. Staff met to discuss Laserfiche implementation for HRM Department.
- I.S. Staff met with representatives from Public Works to discuss power upgrades to server room located at the Village Hall.

Technical Support, Hardware & Software Activities

- Applied necessary software updates as needed.
- 203 Help desk requests were opened during the month of May.
- 189 Help desk requests were closed during the month of May.
- Self Service Password Resets or Account Unlocks: 4
- Email passwords reset: 0
- SunGard passwords reset: 1
- Voicemail passwords reset: 1
- User accounts unlocked: 8
- Active Directory Password Resets: 2

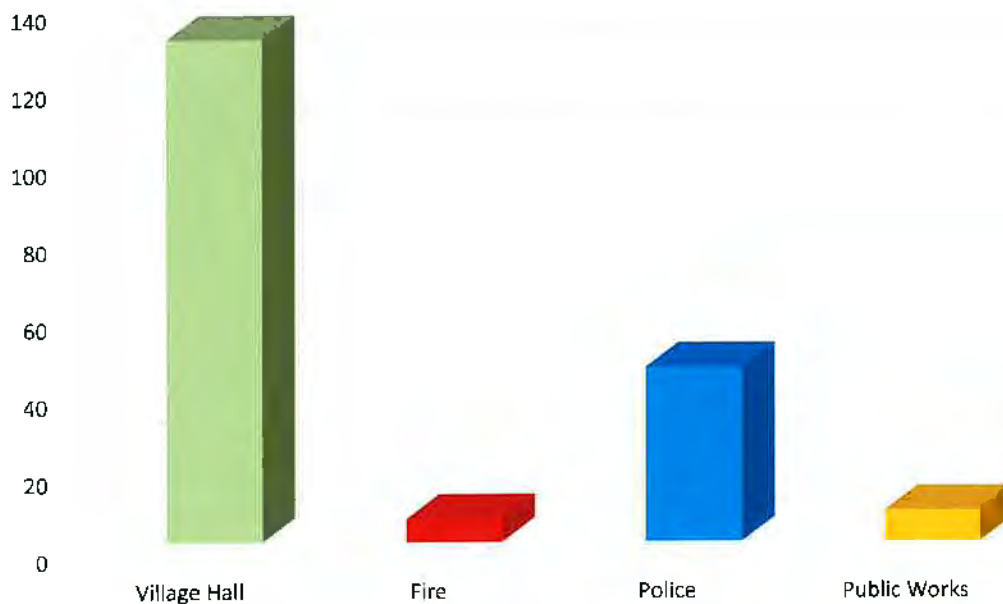
Director Summary

- Covid – 19 conference calls with the EOC team.
- Project status with CentralSquare
 - Project update status
 - Invoicing
- Public Records search WEB function has been implemented for Clerk documents and a new landing page added.
- Meeting with Development Services to discuss the status of the Community Development project.
- Meeting with Human Resources to “reboot” their use of LaserFiche
- Monthly department status meeting with the Village Manager.
- Multiple meetings with Dell LLC to discuss the Microsoft EA licensing renewal. They were recently awarded the contract.
- Meeting with Health and Human Services to discuss video options for their offices.
- Meeting with DLS to review our options for replacing the existing T-1.
- Continued the contract review discussions for the Microsoft EA and SA renewal agreements.
- Management team meeting.
- Bi Weekly department division meetings
 - Project progress
 - Division Goals Review
- Monthly MS-ISAC/EI-ISAC conference call.

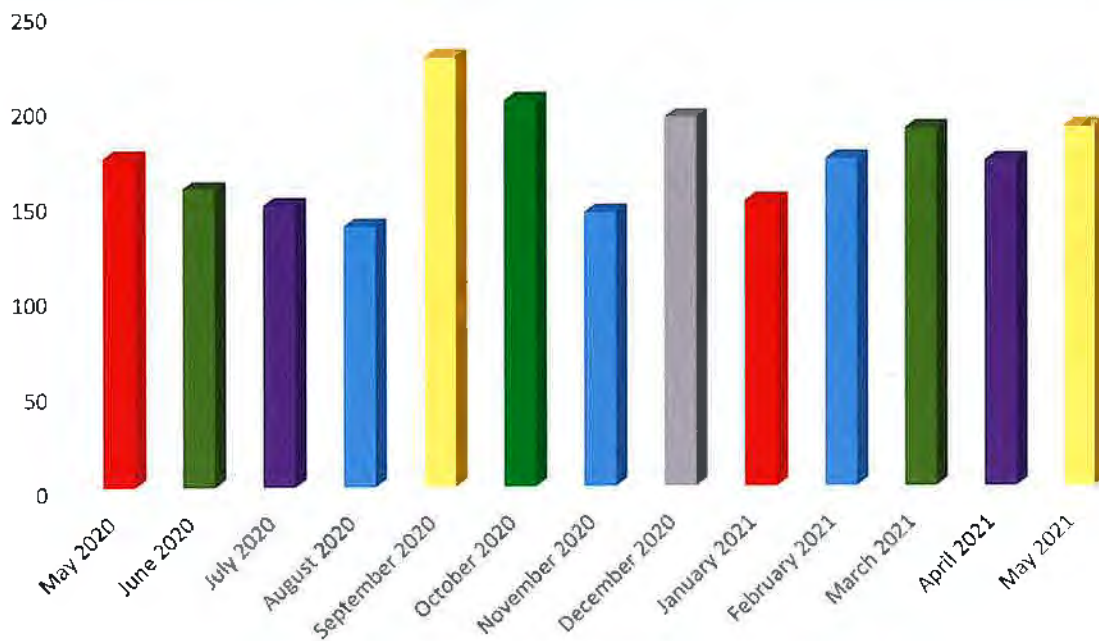
Total Work Orders by Priority by Month

Month	May
1 - Normal	162
2 - High	6
3 - Urgent	3
Project	2
Scheduled Event	30
Vendor intervention required	0
Total for Month	203

Completed Work Orders by Location



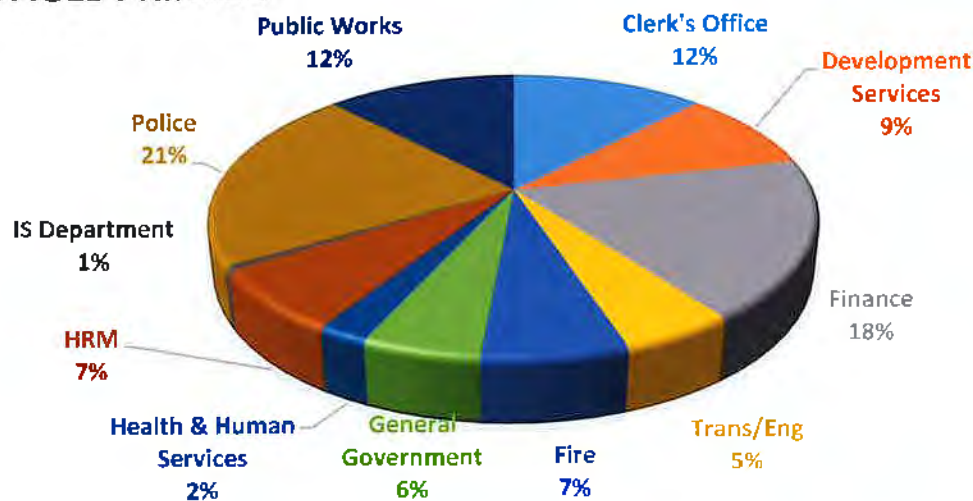
Completed Work Orders by Month



Printer Usage Report

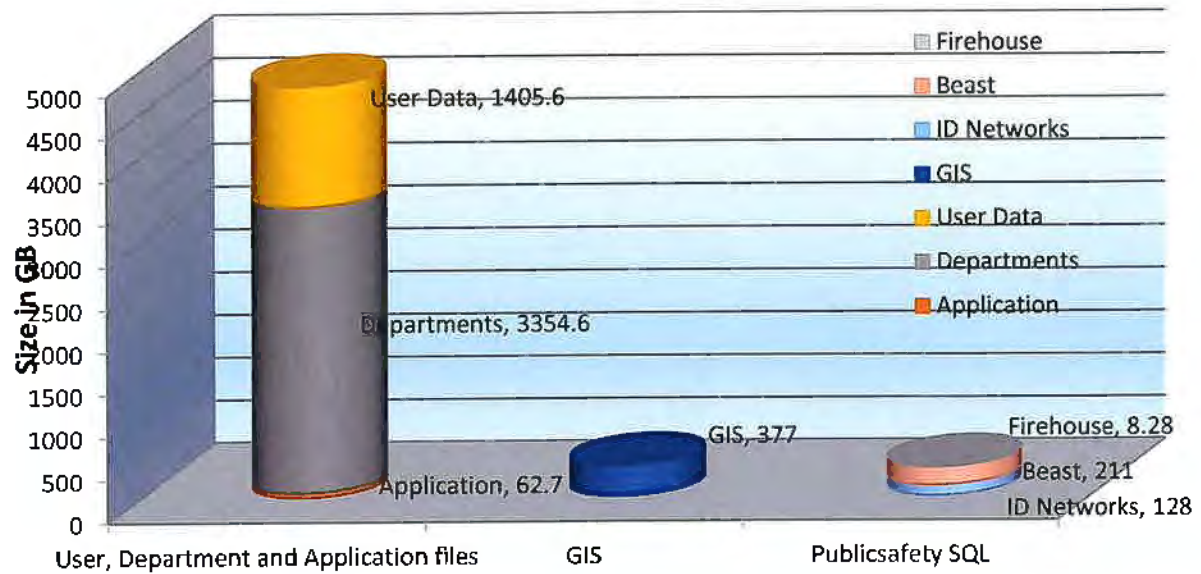
In the month of May there were 55172 pages printed across the village. The following graph breaks down printer usage by department.

PAGES PRINTED



System and Data Functions

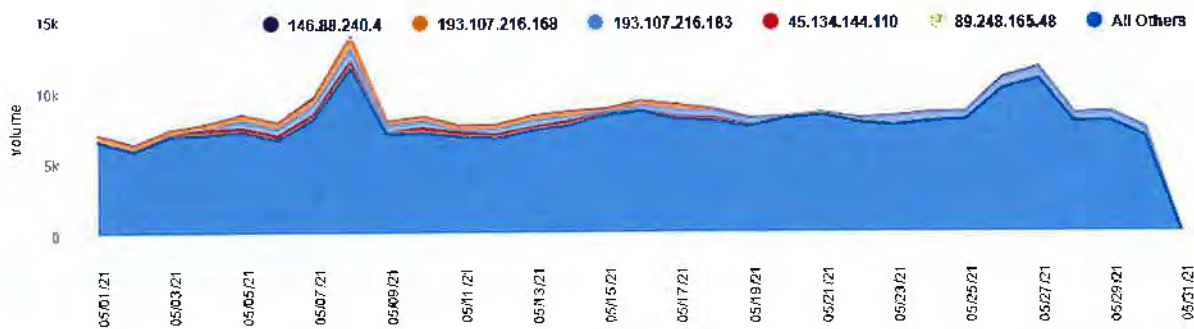
Disk Usage



Sentinel IPS Attack Report

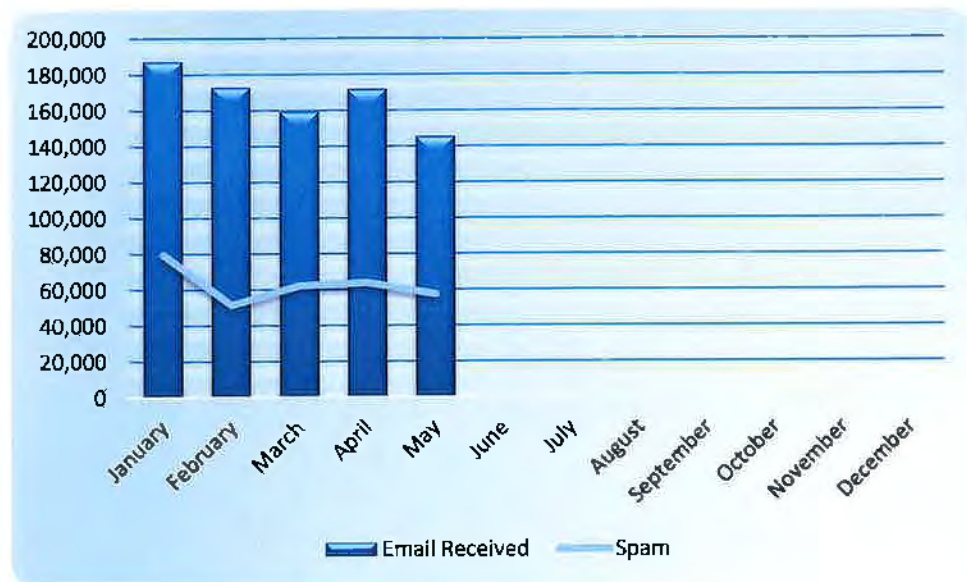
External parties attacked the Village network 254,046 times during the month of May

Attack Volume with 5 Most Active IP Addresses



Email Spam Report

Month	Email		Percent
	Received	Spam	Spam
January	187,111	79,512	42%
February	172,771	51,487	30%
March	159,128	62,175	39%
April	171,555	63,782	37%
May	145,287	57,358	39%
June			0%
July			0%
August			0%
September			0%
October			0%
November			0%
December			0%
Total	835,852	314,314	38%



Phishing Security Test Report

04/25/2021 - 06/02/2021

Campaign: Monthly Test

Groups: All users

Statistics

See report at <https://training.knowbe4.com>

1.8%

Phish-prone Percentage

340

Recipients

340

Deliveries

6

Clicks

0

Attachment Opened

0

Data Entered

0

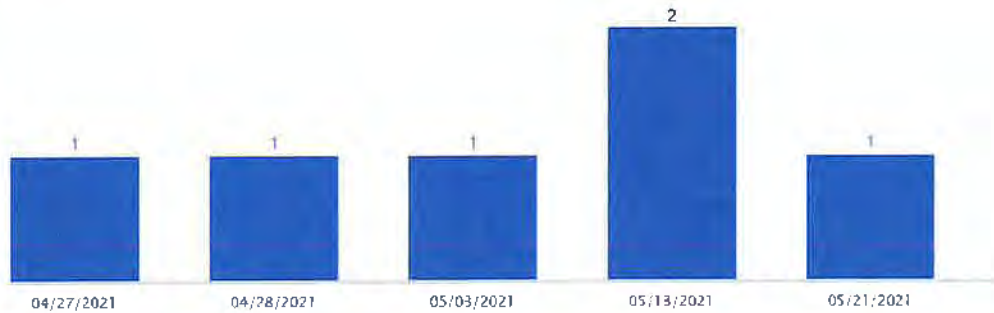
Other Failures

0

Bounces

Phish-prone Percentage is calculated from the total number of phishing test failures divided by the number of email's delivered

Clicks by day



Phishing Email Sent

See report at <https://training.knowbe4.com>

Phishing email was sent to [340](#) recipients. Each recipient received a different email. Go to this Phishing Security Test's [users](#) page to see which user received which email.

[Log in to https://training.knowbe4.com](https://training.knowbe4.com)

KnowBe4 inc

Fred Besenhoffer, Director of Information Systems


VILLAGE OF HOFFMAN ESTATES

Memo

TO: Finance Committee
FROM: Mark Koplín, Owner's Representative-NOW Arena
RE: **OWNER'S REPRESENTATIVE MONTHLY REPORT
JUNE 2021**
DATE: June 25, 2021

1. As of June 11, the State of Illinois is transitioning into Phase 5 with minimal restrictions. Thus, events are again being scheduled. AEW and Monster Truck are negotiating contracts for early fall 2021, and Northwestern Wrestling has indicated their desire to host their event in December 2021. Twenty graduation ceremonies were held indoors with a somewhat restricted attendance, yet over 50,000 tickets for graduates' parents and families were issued.
2. The Village, along with Spectra staff, have applied for the "Shuttered Venues Operators Grant" Federal program. However, as a municipally owned venue, we are only eligible in the third tier, so we have to wait until funds are awarded for all Tier 1 and 2 applicants. This grant, if awarded, offers funding for operations and capital projects due to venues across the country being closed for more than a year.
3. In May, the Village Board approved projects to add exhaust fans in the Arena ceiling to improve airflow and a project to replace and upgrade the lighting controls. Both contracts have been executed and materials/equipment are being ordered, but because of the supply chain disruptions, there is a long lead time. Work at the Arena should begin in July and be completed by the end August.
4. Continue to work with Ben Gibbs on the plans for reopening.
5. Continue to work with the Village's Lobbyist and Assistant Corporation Counsel regarding the new (2020) State Parking Excise Tax. SB 217 was introduced and appears to clarify that the tax should not apply to municipal owned parking facilities. However, the bill did not proceed to a vote in the Spring Legislative session. We will continue to monitor.
6. The Hideaway Brew Garden at the Village Green has been very popular since reopening on April 30. The new tents have been installed for weddings and other social events.
7. Working with Paul Petrenko and Arena staff on CIP project sheets for the 2022 CIP.

8. Conducted bi-weekly meetings with Public Works Facilities and NOW staff regarding building items, with a particular emphasis on safety measures that will be necessary when the Arena reopens.
9. Conducted weekly phone calls with Ben Gibbs to discuss bookings, holds, operational items, and event coordination.



Mark Koplin
Owner's Representative, NOW Arena

Attachment

MAK/kr

cc: E. Palm
D. O'Malley
Ben Gibbs (Spectra)

Now Arena
General Manager Update
June 2021

Event Highlights	Notes
June 3-6: APEX Corporate Ride & Drive Event	
June 8: AMCA Product Demo Event	
June 20/27: Sunday Church Service	
June 1 to 30: Beer Garden every Thurs/Fri/Sat	
Finance Department	
General	Arena finished May financials.
Monthly Financial Statement	Building Event Revenue YTD: \$258,430
	Building Sponsor/Other Revenue YTD: \$121,087
	Building Expenses YTD: \$938,388
	Building Income YTD: (\$558,870) vs. YTD Budget (\$594,973)
Operations Department	
General	Continuing to work on HVAC enhancement construction and lighting system upgrade timeline.
Positions to Fill	Director of Operation - Will not be filled this fiscal
Third Party Providers	N/A
Village Support	HVAC improvements and lighting control RFP with Public Works
Events Department	
General	Working on beer garden events, weddings, AEW wrestling, Monster Truck and Windy City Bulls. Conducting walk-thrus with prospective wedding and social business clients for beer garden
Positions to Fill	Event Coordinator - Will not be filled at this time.
Marketing Department	
General	Promoting Hideaway Brew Garden summer 2021 lineup and new employee recruitment
Positions to Fill	N/A
Group Sales Department	
General	Group sales will be handled by a third party company.
Box Office Department	
General	Building new event maps for AEW, Monster Truck and Windy City Bulls
Food & Beverage Department	
General	Operating at Hideaway Brew Garden
Premium Seating Department	
General	Working on final elements of naming rights transition.
Positions to Fill	NA
Sponsorship Department	
General	Concentrating on unsold categories including insurance and liquor
Monthly Financial Statement	Corporate Sales: \$68,485
	Suites Sales: \$31,475
General	
Capital Improvements/Repairs	Lighting control RFP and HVAC upgrade.