

MEETING AGENDA



Public Hearing - Bond Issue Notification Act

Village of Homewood

July 23, 2024

Meeting Start Time: 7:00 PM

Village Hall Board Room

2020 Chestnut Road, Homewood, IL

Board Meetings will be held as in-person meetings. In addition to in-person public comment during the meeting, members of the public may submit written comments by email to comments@homewoodil.gov or by placing written comments in the drop box outside Village Hall. Comments submitted before 4:00 p.m. on the meeting date will be distributed to all Village Board members prior to the meeting.

Please see last page of agenda for virtual meeting information.

1. Call to Order

2. Roll Call

3. Discussion:

A discussion concerning the intent of the President and Board of Trustees to issue an amount not to exceed \$2,800,000 of General Obligation Limited Tax Bonds for the purpose of financing the costs of certain capital expenditures within the Village.

4. Comments from the Board

5. Comments from the Public

6. Comments from the Village President

Village President Remarks: All persons desiring to be heard have been given an opportunity to present oral and written testimony with respect to the proposed issuance of the bonds.

7. Adjourn

Zoom Link: <https://zoom.us/>

- To View the Meeting via Computer or Smartphone - Type in: Zoom.us into any internet browser.

Select: JOIN A MEETING from menu at top right of page. Meeting I.D.: 980 4907 6232

Meeting Password: 830183. Enter an email address (required), or

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VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: July 23, 2024

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Amy Zukowski, Finance Director

Topic: Bond Issue Notification Act (BINA) Hearing

PURPOSE

Village staff recommends selling General Obligation Limited Tax Bonds not to exceed \$2,800,000 for the purpose of financing the costs of capital expenditures within the Village. The Bond Issue Notification Act (BINA) of the State of Illinois requires the Village to hold a public hearing to provide elected officials and the public the opportunity to comment on the proposed bond sale.

At the time the Village's Bond Counsel prepared the legal notice for the Village stating the General Obligation Bond would not exceed \$2,800,000, the Village's Equalized Assessed Valuation (EAV) was not yet certified by Cook County. In order to be sure that we would be able to utilize our full debt capacity should the EAV increase, a not to exceed amount of \$2,800,000 was set. Now that the County has certified the EAV, the maximum amount of General Obligation Limited Tax Bonds the Village is legally able to sell is \$2,611,269.

PROCESS

General Bond Information

As a non-Home Rule municipality, the Village is limited to issuing a non-referendum General Obligation (G.O.) limited tax bond not to exceed 0.5% of the Equalized Assessed Valuation (EAV) approximately every three (3) years. Historically, the bond proceeds have been used strictly for capital projects (road resurfacing, large vehicles, etc.).

The principal and interest payments of the G.O. Bond are paid from the debt service extension base (DSEB). This is essentially a line item on the Village's tax levy. The DSEB is the maximum amount a taxing body can levy in annual taxes to pay principal and interest on debt that does not require a referendum. The DSEB is determined by the dollar amount of principal and interest that the taxing district (municipality) was obligated to pay the year the community became subject to tax caps Property Tax Extension Limitation Law (PTELL) and is increased by the lesser of 5% or the Consumer Price Index (CPI) each year. Homewood became subject to tax caps in 1995 and the DSEB was allowed to increase by CPI each year beginning with levy year 2009. Homewood's base DSEB was \$527,859 and has grown through CPI to \$746,691.

VILLAGE OF HOMEWOOD



2024 General Obligation Bond Issuance

Through the Board approval of the 5-Year Capital Improvement Plan in April 2024, it was determined that the Village would issue a bond in fall 2024. It was expected that the bond issuance would be approximately \$2,000,000.

The final 2023 Agency Tax Rate Report was released by Cook County on June 24, 2024. The Agency Tax Rate report provides the updated EAV for the Village. 2023 was a reassessment year for the South Suburbs. Through the reassessment, the Village saw a significant increase in EAV from the prior year.

- 2022 EAV - \$375,659,461
- 2023 EAV - \$522,253,881

With the increase in EAV, the Village has the ability to issue a larger bond.

- $\$522,253,881 * 0.5\% = \mathbf{\$2,611,269}$

Current Capital Needs

The Village's current 5-Year Capital Improvement Plan reflects \$2,323,100 of projects to be funded by the 2024 G.O. Bond. Capital projects costs are projected to rise approximately 5% annually. The additional bond proceeds will provide a cushion to the Village for rising costs.

The Bond funds will be spent on public infrastructure improvements and the acquisition of capital equipment categorized as:

- Public Safety Equipment
- Information Technology
- Vehicles
- Infrastructure/Department of Public Works Projects
- Facility Improvements

As capital priorities may change over the next few years, staff, along with the Board of Trustees, will re-evaluate the projects to be completed using the bond proceeds on an annual basis through the budget process.

OUTCOME

An older community like Homewood has various infrastructure, vehicle, equipment, and critical capital project needs that must be addressed. The funding required to address these infrastructure needs is difficult since these items and projects generally have higher costs. The proposed bond sale will assist the Village in meeting its capital needs as documented in the Village's 5-Year Capital Improvement Plan.

VILLAGE OF HOMEWOOD



FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A
- **Cost:** N/A

LEGAL REVIEW

Not Required

RECOMMENDED BOARD ACTION

Discuss staff's recommendation to issue an amount not to exceed \$2,800,000 in General Obligation Limited Tax Bonds for the purpose of financing the costs of certain capital expenditures within the Village.

ATTACHMENT(S)

- 5-Year Capital Improvement Plan

VILLAGE OF HOMEWOOD
5 YEAR CAPITAL IMPROVEMENT PLAN

5-Year Capital Improvement Plan

By Funding Source

Department	Title	Funding Source	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
Public Works	183rd Street Viaduct Railing Replacement	2020 Bond	\$ 175,000				
Public Works	Science Center - Sprinkler System	2020 Bond	\$ 94,452				
Public Works	Vehicle Purchases - L&M Chipper Truck	2020 Bond	\$ 32,300				
Public Works	Science Center - Parking Lot Resurfacing	2020 Bond	\$ 31,000				
Public Works	Traffic Control Handhold Replacement	2020 Bond	\$ 30,000				
Information Technology	Information Technology Switches Upgrade	2020 Bond	\$ 20,000				
Public Works	Village Hall Planter Box	2020 Bond	\$ 10,000				
2020 Bond Subtotal			\$ 392,752	\$ -	\$ -	\$ -	\$ -
Public Works	Marlin Lane/Court Street Rehabilitation	General Capital	\$ 370,000				
Public Works	Village-wide Camera Replacement/Improvements	General Capital	\$ 211,000				
Public Works	Backhoe #207 (50% budgeted in w/s capital)	General Capital	\$ 189,000				
Public Works	Replace Public Works Radio System (50% budgeted in w/s)	General Capital	\$ 88,500				
Public Works	Replace HVAC unit - Park West Plaza	General Capital	\$ 60,000				
Public Works	Truck #23 (Engineer)	General Capital	\$ 56,000				
Public Works	Auditorium HVAC Rooftop Unit	General Capital	\$ 52,000				
Public Works	Ridge Road Storm Sewer Design - Ashland to Center	General Capital	\$ 47,500				
Public Works	Lincoln Avenue Resurfacing	General Capital	\$ 26,000				
Public Works	CBD Irrigation Systems	General Capital	\$ 25,000				
Information Technology	Phone System Upgrade	General Capital	\$ 20,000				
Public Works	Ridge Road Storm Sewer - Ashland to Center	General Capital		\$ 728,000			
General Capital Subtotal			\$ 1,145,000	\$ 728,000	\$ -	\$ -	\$ -
Public Works	183rd Street/Center - Phase One Design Traffic Light	2024 Bond	\$ 132,000				
Public Works	Pickup Truck #41 (plow pickup truck)	2024 Bond	\$ 89,000				
Public Works	Pickup Truck #48 (fleet truck)	2024 Bond	\$ 73,000				
Fire Department	Mobile Radios Replacement	2024 Bond	\$ 70,000				
Public Works	Stormwater 1 PLC & Radio Upgrade	2024 Bond	\$ 60,000				
Public Works	Pickup Truck #71 (L&M Supervisor)	2024 Bond	\$ 58,000				
Public Works	L&M Building Fence & Gate	2024 Bond	\$ 15,000				
Fire Department	Single Band Pagers Replacement	2024 Bond	\$ 10,000				
Public Works	Park Ave Metra Lot resurfacing & lighting for both Metra lots	2024 Bond		\$ 450,000			
Public Works	183rd Street Restriping	2024 Bond		\$ 400,000			
Public Works	Distressed Building Demolition	2024 Bond		\$ 250,000			
Public Works	Village-wide Camera Replacement/Improvements	2024 Bond		\$ 200,000	\$ 200,000		
Public Works	Truck #32 (Dump Truck)	2024 Bond		\$ 140,000			
Public Works	Brick Paver Correction Program	2024 Bond		\$ 50,000	\$ 50,000		
Public Works	North Viaduct Retaining Wall Stabilization & Landscaping	2024 Bond		\$ 47,500			
Public Works	Municipal Service Center Fence Replacement	2024 Bond		\$ 28,600			
2024 Bond Subtotal			\$ 507,000	\$ 1,566,100	\$ 250,000	\$ -	\$ -
Public Works	183rd Street Resurfacing Project	2027 Bond				\$ 400,000	\$ 400,000
Fire Department	Ambulance 128 Replacement	2027 Bond				\$ 400,000	
Public Works	Science Center - ADA for bathrooms & entryways	2027 Bond				\$ 275,000	
Public Works	Distressed Building Demolition	2027 Bond				\$ 250,000	
Economic Development	Wayfinding Signage	2027 Bond				\$ 200,000	
Public Works	Backup Building Generators at all Municipal Facilities	2027 Bond				\$ 100,000	\$ 100,000
Fire Department	Fire Department Window Replacements	2027 Bond				\$ 100,000	
Information Technology	EEO and Disaster Mitigation Upgrades/Installations - Brian Carey Training Center	2027 Bond				\$ 50,000	\$ 50,000
Public Works	Stump Grinder	2027 Bond				\$ 50,000	
Public Works	Stormwater Study/Compliance and Stewardship	2027 Bond				\$ 50,000	
Public Works	Brick Paver Correction Program	2027 Bond				\$ 50,000	
Fire Department	Fire Department Kitchen Cabinets	2027 Bond				\$ 35,000	
Public Works	Landscape & Maintenance Building Shop Floor	2027 Bond				\$ 35,000	
Public Works	Martin Avenue Fire Pit Replacement	2027 Bond				\$ 30,000	

**VILLAGE OF HOMEWOOD
5 YEAR CAPITAL IMPROVEMENT PLAN**

Department	Title	Funding Source	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
Public Works	Landscape & Maintenance Building Parking Lot	2027 Bond				\$ 20,000	
Police Department	Police Department Training Room Enhancements	2027 Bond				\$ 20,000	
Police Department	Radar Speed Display	2027 Bond				\$ 16,000	
Public Works	Side by Side Gator (50% budgeted in w/s capital)	2027 Bond				\$ 13,000	
Fire Department	Fire Department Simulator Update	2027 Bond				\$ 10,000	
Police Department	Police Department Electric Room Update	2027 Bond				\$ 10,000	
Fire Department	Fire Engine 128 Replacement	2027 Bond					\$ 1,300,000
Public Works	Sign Truck - Street Division	2027 Bond					\$ 79,000
Public Works	Police CIU Vehicle #4	2027 Bond					\$ 58,000
Public Works	Police CSO Van	2027 Bond					\$ 50,000
2027 Bond Subtotal			\$ -	\$ -	\$ -	\$ 2,114,000	\$ 2,037,000
Public Works	2024 MFT General Maintenance (patching program and salt purchase)	MFT	\$ 750,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Public Works	175th Street LAFO Resurfacing Ashland to Halsted	MFT	\$ 15,000				
Motor Fuel Tax Subtotal			\$ 765,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Public Works	Village-Wide Road Improvement Program (resurfacing)	Unfunded		\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000
Unfunded Subtotal			\$ -	\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000
Public Works	Water Plant #1 Upgrade	Water Sewer	\$ 560,000				
Public Works	Sanitary Slip Lining	Water Sewer	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Public Works	Central Water Tower Replacement	Water Sewer	\$ 200,000		\$ 3,600,000		
Public Works	Backhoe #207 (50% budgeted in General Capital)	Water Sewer	\$ 189,000				
Public Works	Upgrade PLCs and Radios at all Stations	Water Sewer	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Public Works	Replacement of PW Radio System (50% in General Capital)	Water Sewer	\$ 88,500				
Public Works	Water Main Leak Detection	Water Sewer	\$ 30,000	\$ 30,900	\$ 31,827	\$ 32,782	\$ 33,765
Public Works	Watermain Sanitary Sewer Replacement - 3rd Addition	Water Sewer		\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Public Works	Lead Line Replacement	Water Sewer		\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Public Works	Watermain Idlewild - Dixie to Ashland	Water Sewer		\$ 750,000			
Public Works	Watermain Spruce - Dixmoor to Golfview	Water Sewer			\$ 600,000		
Public Works	Water Service Line Puller/Drill	Water Sewer			\$ 210,000		
Public Works	Sanitary Sewer Repair-Birch & Hood to 183rd & Center	Water Sewer			\$ 200,000		
Public Works	Watermain Cherrywood - Sailfish to Tarpon	Water Sewer				\$ 568,000	
Public Works	Watermain Cherrywood - Virginia to Debra	Water Sewer				\$ 390,000	
Public Works	Watermain Dundee - 175th to Hawthorne	Water Sewer				\$ 237,000	
Public Works	Side by Side Gator (50% budgeted in 2024 G.O. Bond)	Water Sewer				\$ 13,000	
Water Sewer Capital Subtotal			\$ 1,687,500	\$ 11,400,900	\$ 15,261,827	\$ 11,860,782	\$ 10,653,765
Total All Funding Sources			\$ 4,497,252	\$ 15,045,000	\$ 16,861,827	\$ 15,324,782	\$ 14,040,765