

Homewood debt free after paying off bond

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Homewood officials announced the village is debt-free after making a final bond payment on Tuesday, Nov. 14.

Village officials said the feat is due to fiscally responsible leadership and conservative spending of taxpayer dollars, practices they said help Homewood attract developments such as Wind Creek Casino, The Hartford, Homewood Brewery and other retail businesses.

The village was issued a nearly \$1.8 million general obligation bond on Sept. 22, 2020. Since then, the village has made bi-annual payments of \$642,324 in 2021, \$644,850 in 2022 and \$534,770 in 2023 at an interest rate of 0.85%.

The bond funds were issued to fund capital improvement projects.

“We are celebrating an exceptional accomplishment. I believe very few communities can say they have zero debt,” Mayor Rich Hofeld said. “I am very proud of our hardworking staff and the village board.”

Homewood is limited in the amount of debt that can be issued without referendum because it is a non-home rule community.

Debt payments are allowed to be included in the annual tax levy where a portion of property taxes received by the village can be used to pay the principal and interest payments.

The Village did not seek another issued bond in the fall 2023 because its reserve fund is appears adequate for future capital projects. Because no bond was issued in 2023, no debt payments will be added to the 2023 tax levy, reducing the levy amount by \$500,000.

Trustees recently voted to increase the minimum amount of funds in reserve from four months of operating expenditures to five months of operating expenditures.