

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: December 9, 2025

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Amy Zukowski, Director of Finance

Topic: 2025 Real Estate Tax Levy

PURPOSE

After the Board of Trustees discusses the 2025 Real Estate Tax Levy during the Truth in Taxation Hearing, the Board is required to approve three (3) ordinances for the final 2025 Real Estate Tax Levy. The approved ordinances will be filed with Cook County.

PROCESS

Staff discussed the setting of the 2025 Real Estate Tax Levy with the Board of Trustees at the November 25, 2025 Board meeting. The Board approved staff's recommendation to move forward with Option 2, which increases the levy over the prior year by the allowed 3.40% under PTELL, and hold a Truth in Taxation Hearing prior to the December 9, 2025 regular Board meeting. While a Truth in Taxation hearing is not required because the total 2025 recommended tax levy did not increase by more than 5.0% over the prior year's final tax extension, it is prudent to do so to provide fiscal transparency. A Truth in Taxation notice was published in the Southtown newspaper on December 2, 2025.

The total 2025 Real Estate Tax Levy for the Village of Homewood's municipal operations, pension obligations, and debt service is **\$7,981,293**, which is an overall increase of 2.57% from the prior year's extended tax levy (\$7,781,058).

OUTCOME

The 2025 Real Estate Tax Levy meets the rules contained in the Property Tax Extension Limitation Law (PTELL). It provides the Village revenue of \$7,981,293, of which \$2,753,855 will be used in the general fund for day-to-day operations and Social Security and Medicare employer costs, \$4,480,750 will be used for all pension funding obligations (Police Pension, Fire Pension, IMRF), and \$746,688 is allocated to debt payment obligations.

The Village of Homewood's share of the yearly real estate tax bill on the 2024 tax bills was approximately 11%. For every dollar of property tax that a resident pays, only 11 cents goes to the Village for the many services provided (i.e., downtown event series, farmers market, snow de-icing, salting, and removal, tree removal/reforestation, police, fire, public works, and other

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municipal services). We anticipate that the Village's portion will remain the same on the 2025 tax bills.

While the 2025 real estate tax levy is an important revenue stream for the Village, it provides only approximately 8% of General Fund revenue used to fund day-to-day operating expenses and provide high-quality municipal services to our residents. Sales tax continues to be the Village's main revenue source.

FINANCIAL IMPACT

The final 2025 tax levy will be used to create and develop Homewood's next fiscal year's (FY 2026-2027) budget amounts.

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

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass an ordinance levying taxes for corporate purposes and for special funds for the fiscal year commencing on the first day of May 2026 and ending on the thirtieth day of April 2027 for the Village of Homewood; and, pass an ordinance increasing the 2025 Street and Bridge tax levy in the Village of Homewood; and, pass an ordinance directing the Cook County Clerk to reduce the Village of Homewood's 2025 levy, if necessary, to comply with the property tax extension limitation law.

ATTACHMENT(S)

Ordinances for 2025 Real Estate Tax Levy