



Village of Green Oaks

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Municipal Tax Referendum Frequently Asked Questions

What is the Village proposing to the Village Residents for Referendum?

The Village is requesting voter authorization for a municipal tax which is needed to assist with funding long-term road repairs and ongoing maintenance throughout the Village. If passed, the proposed municipal tax of 0.0928% would generate approximately \$233,000.00 of revenue for the Village to apply to the repairs of Village roads each year. *Note that property tax is calculated using the "Equalized Assessed Value" (EAV) of your property, which can be found on your property tax bill. The EAV is approximately one-third of the market value of your property.*

How much will it cost me?

Proposed Tax Amount based on Home Value					
Proposed Tax	Tax Rate ¹	Impact on \$100K Home	Impact on \$300K Home	Impact on \$600K Home	Impact on \$900K Home
Annual Tax	0.0928	\$30.93	\$92.79	\$185.58	\$278.37
Tax Per Month		\$2.58	\$7.73	\$15.47	\$23.20

I already pay property taxes. Why can't the Village utilize that money for roadway repairs?

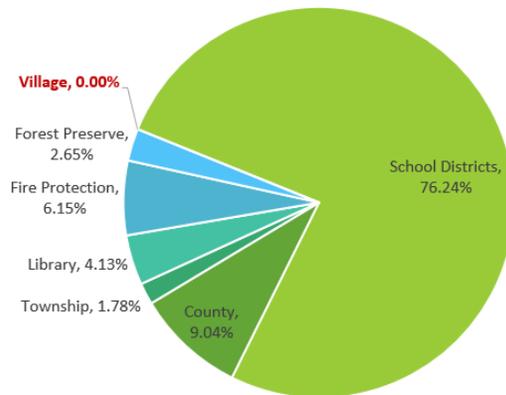
The Village does not assess a property tax within the Village limits. Property taxes that are paid by property owners go to the School Districts, Lake County, Libertyville Township, the Lake County Forest Preserve, Library Districts, and Fire Protection Districts.

Green Oaks Tax Bills

Legal Description: REIGATE WOODS;
LOT

Taxing Body	Rate
COUNTY OF LAKE	0.531816
COUNTY OF LAKE PENSION	0.130992
VIL OF GREEN OAKS	0.000000
ROAD AND BRIDGE-LIBERTYVILLE	0.062550
ROAD AND BRIDGE-LIBERTYVILLE PENSION	0.000074
LIBERTYVILLE FIRE PROT DIST	0.457572
COOK MEMORIAL PUBLIC LIBRARY DIST	0.282867
COOK MEMORIAL PUBLIC LIBRARY DIST PENSION	0.020650
OAK GROVE SCHOOL DISTRICT #68	2.695008
OAK GROVE SCHOOL DISTRICT #68 PENSION	0.049292
COLLEGE OF LAKE COUNTY #532	0.299388
LIBERTYVILLE COMM HIGH SCHOOL DIST #128	2.630411
LIBERTYVILLE COMM HIGH SCHOOL DIST #128 PENSION	0.101502
FOREST PRESERVE	0.196682
FOREST PRESERVE PENSION	0.011242
TOWNSHIP OF LIBERTYVILLE	0.064530
TOWNSHIP OF LIBERTYVILLE PENSION	0.003776
Totals	7.538352

Allocation of Property Taxes to Taxing Bodies



What about the “Road and Bridge - Libertyville” line item on my property taxes?

The Village does not receive any revenue from this taxing body. This line item is for Libertyville Township Highway Department and is used to fix County Roads throughout Libertyville Township but cannot be used on any local Village roadways.

Can the Village use a portion of the money that the school districts receive, nearly 75% of my tax bill, to fund road repairs?

The school districts are independent taxing bodies separate from the Village. The Village does not have the authority to take any monies from the school districts or any other taxing entity.

If the referendum passes, can the Village raise the tax rate without voter approval?

The Village is proposing a “limiting tax rate” which, per state statute, cannot exceed the voter approved rate shown on the ballot (0.0928%). If the referendum is approved, the Village cannot levy a tax which exceeds the approved limiting rate nor can the Village increase the tax above the rate established by the referendum. If assessed values go up the Village is limited from collecting taxes by the State “Tax Cap” statutes. The Tax Cap prohibits the Village from increasing the tax at the lower of the rate of inflation or, if inflation is greater than 5%, then by 5% of the previous year’s tax. For example, if there is a uniform increase of assessed value of every property throughout the Village of 6%, the additional tax paid by each property owner will only increase by the CPI (current CPI is 0.7%) or 5%, whichever is less, and not 6%.

Can the municipal tax be limited to only spending on road repair related items?

Yes. By the Village Board designating by resolution that the funds be utilized only for roadway repairs.

What if the referendum fails?

If the referendum does not pass, then the Village will continue to use its current funding methods and strive to continue to make the roads as passable as possible and stabilizing the roads that pose a danger to the public.

What are the Village’s current sources of revenue?

The Village receives approximately \$900,000 per year from the state to run the Village. There is a small retail tax base in the Village that provides additional revenue, but not enough to fund even maintenance activities. The Village receives \$80-100,000 per year from the state as part of the Motor Fuel Tax program and approximately \$100,000 from Vehicle stickers to fund road repairs. Funds from the Motor Fuel Tax, or “gas tax,” are not substantial enough to be the sole source of road repair funding.

Can the Village pass a Flat tax that assesses the same dollar amount per household?

By law, a general tax must be levied at a uniform *tax rate* against the assessed value of the property. No flat tax is permitted except in Special Service Areas (SSA’s) as provided the law which governs a specific service area.

The previous referendum repaired more roadways in a short amount of time. Why is this proposal over a longer length of time?

The Village listened to the feedback provided by residents after the previous referendum. The Village needs to supplement the current available budget, and this plan is based on establishment a property tax of 0.0928% and funding from other sources that has become available since the March referendum. Any additional roadwork that can be performed each year will benefit the Village and the residents.

If the referendum passes, how much will the village allocate to road repairs?

All of the money from the municipal tax will be allocated to road repairs. In addition, with the introduction of a municipal tax, the village will be able to substantially increase its funding. This is achieved by reallocating some money from the general fund as well as a one-time withdrawal from the Villages limited reserves. A municipal tax would allow the village to maintain a smaller reserve due to this predictable revenue source. The table below illustrates the funding that would be available for ongoing road repairs if the municipal tax passes.

Funding per Calendar Year	Current Funding (2016)	Proposed Funding W/Municipal Tax + \$1,000,000 from reserves (2017 Only)	Proposed Funding W/Municipal Tax (2018-2028)	Proposed Funding W/Municipal Tax + \$190,000 from Atkinson Road (2028+)
Revenue Sources				
Vehicle Stickers	\$70,000	\$70,000	\$70,000	\$70,000
Motor Fuel Tax	\$100,000	\$100,000	\$100,000	\$100,000
Funds reallocated from General Fund	\$55,000	\$150,000	\$150,000	\$150,000
Additional Funds Drawn from Reserves	\$50,000	\$1,000,000	\$0	\$0
OTB Funds Projected Revenues	\$0	\$126,000	\$126,000	\$126,000
Municipal Tax (0.0928)	\$0	\$233,000	\$233,000	\$233,000
Atkinson Road Bond Funds become available 2028 (\$190K)				\$190,000
Total Funds Available	\$275,000	\$1,679,000	\$679,000	\$869,000

Can the Village use tax revenues from the new Senior Developments and TIF (Tax Increment Financing) District to contribute to the roadway repairs?

As there is currently no Village assessed property tax, the Village cannot collect any property taxes from these new developments. Any incremental tax revenues generated by the TIF district are required to be spent within the TIF district. The proposed plan for road improvements does not include any work within the TIF District as the roads within the TIF will be improved utilizing TIF funds. However, if the referendum passes, properties within the TIF district will contribute to the road repairs via property taxes.

Are there other funding options?

The Road Improvements Committee reviewed other funding mechanisms for a large-scale road improvement project. Included in this review were:

- Grant Funds – There is very little grant funding available for local roads.
- Vehicle Stickers – Green Oaks currently administers a vehicle sticker program to contribute additional funds to yearly road maintenance projects. In order to fund large scale improvements, the cost of a vehicle sticker would increase to more than \$900 per vehicle.

This would be a regressive program and would be difficult implement due to the effort required to ensure each vehicle owner in the Village purchased a sticker.

- Utility Tax – Many Villages have instituted a utility tax – a tax on natural gas, electric, and telephone (utility) services in their municipality. Implementing a utility tax in the Village would not generate sufficient revenue for large scale road improvements, but would generate revenue that could contribute to maintenance activities in the future.
- Special Service Areas – A Special Service Area is a group of contiguous lots formed to fund infrastructure improvements or other services. Implementation of SSAs would allow for a neighborhood or street to fund local improvements. SSA's do not address road repairs as a community; and costs will vary across different neighborhoods (from \$500/year to \$2,000+ per year for 20 years). Also, the commercial and industrial tax base in the Village would not contribute to the residential road repairs if SSA's are used.
- Road Bonds – Road bonds are tax deductible, include commercial/industrial properties, and require voter approval to enact. Additionally, monies generated from the sale of road bonds are required to be spent on road improvements and cannot be diverted to other sources, programs, or projects. At the conclusion of 20 years, the Road tax is automatically removed from the property tax bill and cannot be extended.

Which roads will be repaired and when will my road be addressed?

Priority for resurfacing/substantial repairs will be given to roads at a critical point in their lifecycle – roads that are in the worst condition and/or roads that are nearing the point where more costly repairs may be needed. Both the road condition and rehabilitation plans are reevaluated annually based upon road condition, anticipated water/sewer Special Service Areas, and other factors. Detailed road conditions are evaluated every four years, with the next comprehensive evaluation scheduled for 2018.

Maps of the anticipated road repairs, including resurfacing and patching activities, over the next 10 years can be found on the Village's website (www.greenoaks.org) in the municipal tax tab.

Has the Village planned for future maintenance of the roadways?

Approximately \$100,000 per year will be dedicated to patching, crack sealing, and other maintenance activities. Road life will be extended by crack sealing and patching localized failures to provide safe driving conditions on Village roads.

How are the roads rated?

The roads are rated using the University of Wisconsin's Pavement and Surface Evaluation Rating (PASER) System. The system utilizes a scale of 1-10, with 10 being the best and 1 being the worst. The roads are rated by the Village Engineer every four years. See the website for the rating of the road in your neighborhood.

How will the Village fix the roads?

There are several repair options that are recommended based on the condition of the existing pavement and the type of roadway. (See the Village maps on the website) The following are the recommended repair options:

- 2-Inch Mill and Overlay –Removal (via milling) of the upper 2 inches of asphalt material and followed by replacement with 2-¼ inches of asphalt. The existing milled base is patched where failures are present. This method is utilized on roads that are not substantially failed to extend the pavement life.

- 4-Inch Mill and Overlay - Removal (via milling) of the upper 4 inches of asphalt material (typically the entire pavement section) and followed by replacement with 4-¹/₄ inches of asphalt. The existing aggregate base is inspected and patched where failures are present. This method is utilized on roads that have more substantial failures through the entire pavement section.
- Pulverize and Overlay – The existing pavement and aggregate base course is crushed (pulverized) and mixed together to create a new pavement base. The new base is inspected and any deficiencies are undercut (removed to a depth where suitable material is encountered and replaced with aggregate). After the base has been prepared, it is overlaid with 4 inches of asphalt. Pulverization raises the profile of the roadway by at least 4 inches and therefore is used on roads with rural cross sections (ditches). Driveways are partially replaced to ensure a smooth transition between the existing driveway and the new pavement. This method is utilized on roads that have more substantial failures through the entire pavement section.
- Reconstruction – The existing pavement, aggregate base, and earth subgrade are removed and replaced with new aggregate and pavement. Reconstruction results in a new pavement section and road, but is the most expensive repair option per lineal foot. While necessary in certain situations, it is desirable to maintain pavement with the aforementioned three rehabilitation options.
- Patching – Surface or full depth patching is utilized to address localized failures in pavement. The depth and type of patch are dependent on the age and condition of the road.
- Crack Sealing – Cracks in the roadway and joints along the curb are sealed with a rubberized crack fill material to minimize the amount of water that enters into the pavement section. Crack sealing reduces the potential for freeze thaw damage to the pavement and base/subgrade.

What is the life span of a roadway?

The life span for an unmaintained roadways is approximately 20 years. Performing preventative and rehabilitative maintenance will extend the pavement life beyond 20 years and prevent deterioration of the entire pavement section and the earth subgrade.

How will the actual construction cost be determined?

All phases of road construction will be competitively bid. Plans and specifications unique to the project locations being repaired will be prepared by the Village and publicly advertised for competitive bidding. Interested contractors will obtain plans and specifications from the Village and prepare and submit a sealed bid. At a published date and time, all sealed bids will be publicly opened. The Village is required to award the contract to the lowest, qualified bidder. Qualifications of the low bidder are reviewed prior to award of the contract.

How will the referendum question appear on the ballot?

“Shall the Village of Green Oaks, Lake County, Illinois be authorized to levy a new tax for General Corporate Fund purposes and have an additional tax of 0.0928% of the equalized assessed value of the taxable property therein extended for such purposes?

YES ____ .

NO ____ .”

(1) The approximate amount of taxes extendable at the most recently extended limiting rate is \$0 and the approximate amount of taxes extendable if the proposition is approved is \$235,000.

(2) For the 2016 levy year the approximate amount of the additional tax extendable against property containing a single family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$30.93.