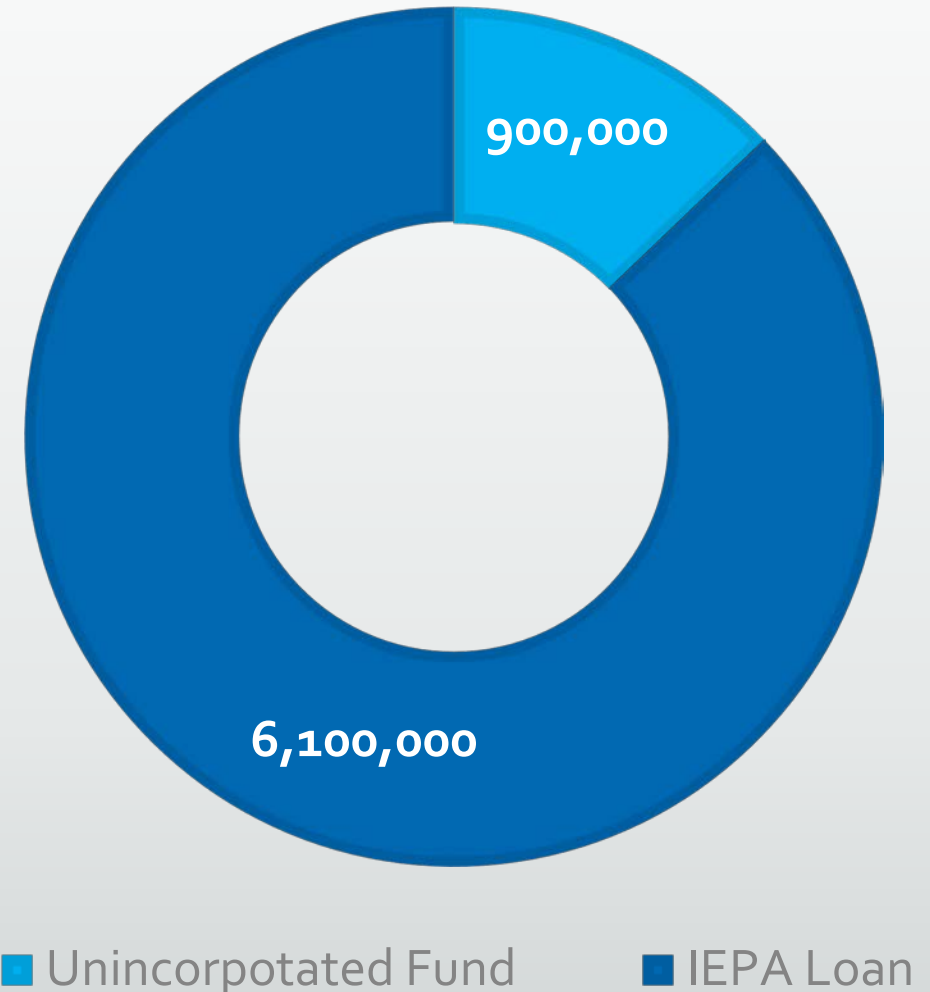


FUNDING OPTION #2 – Voluntary Annexation

- The current unincorporated water fund balance (\$900,000) will be used towards the project cost.
- The Village will pay for the remaining project cost (\$6.1 Million). The Village will finance through IEPA and will pay the debt on this loan.
- The plan does require a voluntary annexation agreement as the property tax dollars collected from the area will go towards the debt of the IEPA loan. There will be no property tax rebates as the Village needs to use the property tax dollars to pay for the IEPA loan.
- In order to get the project started prior receiving property tax revenue, there will be a \$50 monthly surcharge in place for the next 5 years. This surcharge is reduced to \$25 for senior citizen property owners.
- The property tax dollars collected and the fees in place for five years together will not be enough to pay for the debt service. Village will fund the remainder of the debt by contributing additional revenue to pay for the project from its current resources, which is not received from the unincorporated residents

FUNDING OPTION #2 (cont'd)

- The current unincorporated water fund balance (\$900,000) will be used towards the project cost.
- The Village will pay for the remaining project cost (\$6.1 Million). The Village will borrow the loan from IEPA and will pay the debt service for next 20 years on this loan.
- IEPA loan program is the most effective way to do this project as it reduces the interest burden.
 - Current interest rate: 1.84%



SCENARIO - WITH VOLUNTARY ANNEXATION

DRAFT PROPOSAL SUBJECT TO CHANGE	Control #	Street
	###	xyz

Property Address	Average House	
Account #	(All)	
Parcel 1	(All)	00-00-000-000

Draft & Confidential

Name as per Prop. Tax	Senior	Current Annual Water Bill (Including 50%)	50 % Surcharge (Included in water bill)	Land EAV	Improv. EAV	Total Exemptions	Tax Rate	Current Tax Total	Current Fire Tax	New Village Prop. Tax	Additional Fire Tax	Total Additional Tax Burden	SSA Tax (100% of SSA Tax) Previous Year
Average Non-Senior Resident	No	1,643	536	24,000	52,965	6,000	7.9676%	5,654	268	737	304	1,041	1,660
Grand Total		1,643	536	24,000	52,965	6,000	7.9676%	5,654	268	737	304	1,041	1,660

Annual Analysis	Current			Proposed (After Annexation)										Extra Cost	Extra Cost in Percentage	Per Month Burden
	Annual Water Bill	Annual Property Tax	Total	Water Bill	\$50 Surcharge (Senior \$25)	Current Prop Tax	Additional Fire Tax - at Current Rate	New Village Tax - at Current Rate	SSA Tax	Refuse Savings	Vehicle Sticker	Total Annual Impact				
Year 1	1,643	5,654	7,297	1,095	600	5,654	304	737	-	(120)	64	8,334	1,037	14.22%	86.44	
Year 2	1,692	5,767	7,459	1,128	600	5,767	310	752	-	(122)	64	8,499	1,039	13.93%	86.61	
Year 3	1,743	5,882	7,625	1,162	600	5,882	316	767	-	(125)	64	8,667	1,041	13.65%	86.77	
Year 4	1,795	6,000	7,795	1,197	600	6,000	323	782	-	(127)	64	8,838	1,043	13.38%	86.91	
Year 5	1,849	6,120	7,969	1,233	600	6,120	329	798	-	(130)	64	9,014	1,045	13.11%	87.04	
Year 6	1,905	6,242	8,147	1,270	-	6,242	336	814	-	(132)	64	8,593	446	5.47%	37.16	
Year 7	1,962	6,367	8,329	1,308	-	6,367	342	830	-	(135)	64	8,776	447	5.37%	37.27	
Year 8	2,021	6,495	8,515	1,347	-	6,495	349	847	-	(138)	64	8,964	448	5.27%	37.36	
Year 9	2,081	6,625	8,706	1,388	-	6,625	356	864	-	(141)	64	9,155	449	5.16%	37.44	
Year 10	2,144	6,757	8,901	1,429	-	6,757	363	881	-	(143)	64	9,351	450	5.06%	37.51	
Year 11	2,208	6,892	9,100	1,472	-	6,892	371	898	-	(146)	64	9,551	451	4.95%	37.56	
Year 12	2,274	7,030	9,304	1,516	-	7,030	378	916	-	(149)	64	9,755	451	4.85%	37.59	
Year 13	2,343	7,171	9,513	1,562	-	7,171	386	935	-	(152)	64	9,964	451	4.74%	37.60	
Year 14	2,413	7,314	9,727	1,609	-	7,314	393	953	-	(155)	64	10,178	451	4.64%	37.60	
Year 15	2,485	7,460	9,946	1,657	-	7,460	401	972	-	(158)	64	10,396	451	4.53%	37.57	
Year 16	2,560	7,610	10,169	1,706	-	7,610	409	992	-	(162)	64	10,620	450	4.43%	37.52	
Year 17	2,637	7,762	10,398	1,758	-	7,762	417	1,012	-	(165)	64	10,848	449	4.32%	37.46	
Year 18	2,716	7,917	10,633	1,810	-	7,917	426	1,032	-	(168)	64	11,081	448	4.22%	37.37	
Year 19	2,797	8,075	10,872	1,865	-	8,075	434	1,053	-	(171)	64	11,319	447	4.11%	37.25	
Year 20	2,881	8,237	11,118	1,921	-	8,237	443	1,074	-	(175)	64	11,563	445	4.01%	37.12	
	\$ 44,148	\$ 137,377	\$ 181,525	\$ 29,432	\$ 3,000	\$ 137,377	\$ 7,386	\$ 17,907	\$ -	\$ (2,916)	\$ 1,280	\$ 193,467	\$ 11,942	6.97%	\$ 49.76	

Assumptions

- a) Water bill in each scenario is assumed to increase by 3% inflation rates.
- b) Property Tax is assumed to increase each year by 2% inflation rates. The current property tax is based on A.Y. 2017 (payable in 2018) DuPage County data.
- c) Vehicle Sticker price is assumed to be constant (\$32/vehicle) for all the years under consideration, the resident is assumed to have two vehicles.
- d) Current refuse saving is estimated at \$10 per month. Current village refuse charge is \$24.77 per month. Current Senior refuse charge is \$21.05