

Village of La Grange Park

SPECIAL EDITION NEWSLETTER



447 N. Catherine Ave., La Grange Park IL 60526 | 708-354-0225 | www.lagrangepark.org | September / October 2015

Within this special edition newsletter you will find valuable information on the Village's upcoming bond Referendum to finance a **\$10 Million Road Improvement Project and \$1.2 million to finance a new ladder truck and ambulance** for our Fire Department. Because these needs can no longer be delayed, the Village Board voted unanimously to place two referendum questions on the March 15, 2016 ballot. The Village is committed to providing high quality services in a fiscally responsible manner. For this reason, it is important that residents stay informed and understand why the road project and equipment purchases must take place.

The Village is sensitive to the cost of the property tax bill to our residents. Currently, the Village receives 9-11% of your property taxes and you should feel confident that local tax dollars are well managed. Following extensive work to obtain grant funds, the Village Board is now looking at local funding options to address the Village's most critical and immediate capital needs.

The Village is limited in its ability to increase revenues. Through a local revenue study, the Village has taken measures to increase revenue where possible, but it is not enough to support the amount of road work or fire equipment needed. Further, the Village has limited options for financing debt. Because the Village has a strong credit rating, bonds are a cost effective way to finance large road projects and equipment in a shorter time period and these funds cannot be used for operating costs or other capital purposes. In addition, the property tax is usually income tax deductible for homeowners.

Revenue has not kept up with ever increasing costs to provide essential services and the Village has had to postpone necessary capital projects and purchases. Through strategic planning, the Village Board has undertaken a number of cost saving measures since the recession in an effort to do more with less. However, the Village must spend over \$1M annually on roads to get to a 35 year repaving cycle. At this time we are on a 70 year street repaving cycle - we are losing our roads and we need a more robust road improvement plan or we will get even further behind.

Residents should take note that our Village has the lowest property tax rate per capita when compared to surrounding communities (Western Springs, La Grange, Westchester, Brookfield and Riverside) and is projected to continue to have the lowest per capita property taxes with the proposed bonds.

Thank you for taking the time to learn about the proposed road improvement plan and the need for replacement fire equipment. Extensive work has gone into developing cost effective solutions to our highest priority needs. Please visit our website for more information.

Cordially,
President James L. Discipio
Village Board of Trustees



Watch for Village Referendum Questions On March 15, 2016 Ballot

After considerable review of the Village's long term capital needs, the Village Board has decided to ask the community for the authority to issue \$11.2 million in bonds to fund ongoing infrastructure and equipment needs. Existing revenues are not sufficient to maintain the Village's 35 miles of roads at a sustainable pace and replace essential fire department equipment. As a non-home rule community, the Village needs voter authorization to issue these bonds. The bonds would be financed over 10 years and the estimated impact to a homeowner's tax bill is \$109 per year per \$100,000 of property value. The Village is required by state law to go to referendum in order to issue general obligation bonds supported by property taxes. Because the law considers road projects and fire vehicles to be distinct uses, each question must be presented separately.

The referenda questions will ask residents to fund road improvements (\$10 million), as well as the purchase of fire safety equipment (\$1.2 Million). If approved, the Village anticipates that the road improvement program would be completed within six years or less, resurfacing 26% or nine miles of the streets that are in most need of repair. Without passage, the Village will continue its pay-as-you-go program where the Village completes street projects in accordance with any available capital funding (2-3 blocks per year and more patching), competing with other critical capital needs.

Fire Department equipment includes the replacement of our ladder truck and one ambulance. Our ladder truck is 25 years old and mechanical and maintenance costs continue to increase with each year. The vehicle is also rusting, some of which was repaired, but rusting will continue over time. The Village uses the ladder truck regularly as our Standard Operating Guidelines dictate that the ladder truck is placed directly at the front line of response for incidents, fires, smoke investigations, and alarms. Our ambulance is 16 years old and due to its age, is need of replacement and a new ambulance will meet all current safety standards.

Protecting and improving our local streets is a top priority of the Village given its impact on vehicle and pedestrian safety, the safety to and effectiveness of emergency responders, property values and economic development. Timely equipment replacement in the Fire Department ensures that our first responders continue to provide high quality service in the care of its residents, their homes, schools and business community.

Propositions to Issue \$11.2 Million General Obligation Bonds

Shall the Village of La Grange Park, Cook County, Illinois, undertake road improvements in and for the Village, including street resurfacing and sidewalk repair, all on property owned by the Village or over which the Village has sufficient easements, and issue its general obligation bonds to the amount of \$10,000,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 6.00% per annum?

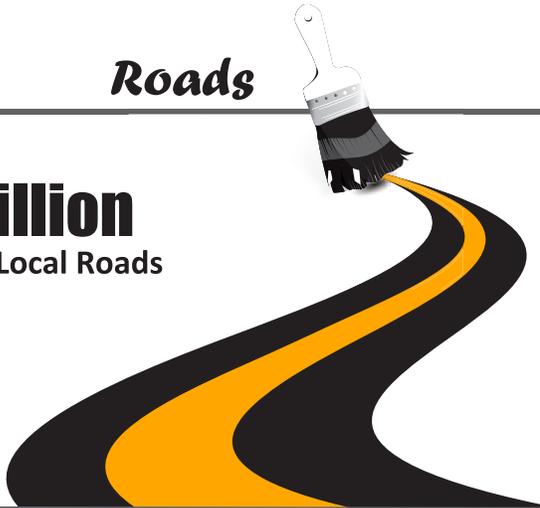
Shall the Village of La Grange Park, Cook County, Illinois, purchase fire safety vehicles and equipment for the public welfare and safety of the Village, and issue its general obligation bonds to the amount of \$1,200,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 6.00% per annum?

Village of La Grange Park 2016 Referendum

 Your VOTE Counts on March 15, 2016

Roads

\$10 Million
To Repave Local Roads



Fire Apparatus



\$940,000

For a New Ladder Truck



\$260,000

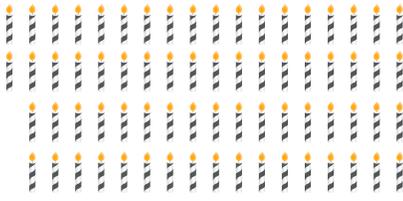
For a New Ambulance

Miles of Roads in La Grange Park

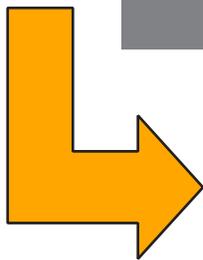
MILE
35

Current Village Cycle to Repave Roads

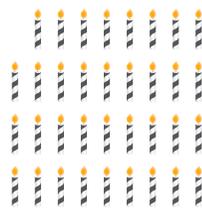
70
YEARS



With Referendum



35
YEARS



In 2014...



1,652 EMS Responses



496 Fire/Rescue Incidents

Age of Current Ladder Truck

Recommended Replacement Age: 15-25

25

Age of Current Ambulance:

Recommended Replacement Age: 16

16

17.2%



Of Local Roads Rated as "Critical" and in Need of Immediate Re-Surfacing



\$108,000 Cost to Pave 1 Block of Roadway

15-20 Years is the Average Life Span of a Road

For a **\$350,000** Home,
the cost is **\$1.04** Per Day



Less than the cost to buy a cup of coffee.