

MASTER PROPERTY OWNERS ASSOCIATION, INC.
7602 Hancock Drive
Wonder Lake, Illinois 60097
815-653-4136

MEMO

DATE: November 2nd, 2010
TO: McHenry County Board Chairman and All McHenry County Board Members
FROM: Wonder Lake MPOA Officers
SUBJECT: ARRA Bonds to Fund Wonder Lake Restoration Project

On Saturday, October 30th, 2010 the Wonder Lake MPOA Board of Directors cast their weighted votes (1 vote for each 100 lots or less within their respective subdivisions) to approve a Resolution authorizing the sale of ARRA Stimulus Bonds to partially fund the Wonder Lake Dredging Project. The vote was 42 YES and 26 NO, a 62% margin. It is interesting to note that this 62% margin mirrors the percentage of both property owners and electors within the Special Service Area (SSA) territory who chose to NOT sign the petition to stop the formation of the Special Service Area taxing district.

Issuing ARRA Bonds to cover the \$3,820,000 portion of the total \$5,930,780 cost of our project will directly benefit property owners within the SSA Territory, as well as create jobs. Below is a chart comparing the 2008 assessment cost projections on SSA property to 2010 assessment cost projections resulting from funding \$3,820,000 of the project with Stimulus Bonds authorized by the County of McHenry. The information used to develop this chart was provided by the bond underwriter, Wm. Blair & Company.

NO PROPERTY TAX EXEMPTIONS

<u>TYPE</u>	<u>Mkt. Value</u>	<u>EAV</u>	<u>2010 Est.</u>	<u>2008 Est.</u>
Vacant Lot	\$ 30,000	\$ 10,000	.....\$ 22	.....\$ 31
Improved Property	\$100,000	\$ 33,330	.....\$ 73	.....\$103
Improved Property	\$160,000	\$ 53,328	.....\$117	.....\$165
Improved Property	\$300,000	\$ 99,990	.....\$220	.....\$310
Improved Property	\$500,000	\$166,650	.....\$367	.....\$517

HOMESTEAD EXEMPTION (\$6,000)

<u>TYPE</u>	<u>Mkt. Value</u>	<u>(EAV)</u>	<u>2010 Est.</u>	<u>2008 Est.</u>	<u>Low Inc. Payment</u>	<u>Very Low Inc. Payment</u>
Improved Property	\$100,000	\$ 27,330	.....\$ 60	.....\$ 88	.....\$ 36 (\$ 53)	.....\$ 24 (\$ 35)
Improved Property	\$160,000	\$ 47,328	.....\$104	.....\$150	.....\$ 62 (\$ 90)	.....\$ 42 (\$ 60)
Improved Property	\$300,000	\$ 93,990	.....\$207	.....\$294	.....\$124 (\$176)	.....\$ 83 (\$118)
Improved Property	\$500,000	\$160,650	.....\$353	.....\$501	.....\$211 (\$306)	.....\$141 (\$204)

HOMESTEAD & ELDER EXEMPTIONS (\$6,000 + 4,000 = 10,000)

<u>TYPE</u>	<u>Mkt. Value</u>	<u>(EAV)</u>	<u>2010 Est.</u>	<u>2008 Est.</u>	<u>Low Inc. Payment</u>	<u>Very Low Inc. Payment</u>
Improved Property	\$100,000	\$ 23,330	.....\$ 51	.....\$ 77	.....\$ 31 (\$ 46)	.....\$ 20 (\$ 31)
Improved Property	\$160,000	\$ 43,328	.....\$ 95	.....\$139	.....\$ 57 (\$ 83)	.....\$ 38 (\$ 56)
Improved Property	\$300,000	\$ 89,990	.....\$198	.....\$284	.....\$119 (\$170)	.....\$ 79 (\$114)
Improved Property	\$500,000	\$156,650	.....\$345	.....\$490	.....\$207 (\$294)	.....\$138 (\$196)

Note: All items in **RED** were presented for consideration during and following the Village of Wonder Lake Public Hearing on the SSA held 12/17/2008.

As a result of funding \$3,820,000 through a ARRA Stimulus Bond, there will be a roughly 30% reduction in the annual SSA assessment cost for property located within Village of Wonder Lake SSA number 9, as compared to the annual SSA cost estimates originally projected and presented to the Wonder Lake Community at the December 17th, 2008 SSA Public Hearing.

To minimize the impact of our project on those with a fixed or limited income, the MPOA is committed to a rebate program, funded without use of funds from any County and/or Village issued bonds. The amounts shown in black print in the Charts detailing “Low Inc. Payment” & “Very Low Inc. Payment” represents the 2010 estimate of the net “after rebate” amount that will be paid by those qualifying for rebate assistance. The Low Income category reflects a 40% reduction in the annual SSA payment (after applicable Exemptions) and the Very Low Income category represents a 60% reduction.