



Village Views

The newsletter of the Village of Libertyville, Illinois

A Message from the Mayor

Dear Libertyville Neighbors,

I would like you to consider an investment in the Village of Libertyville. On March 17, 2020 you will have the opportunity to cast your vote on whether the Village of Libertyville should implement a local sales tax at a rate of 1%, (or a penny on a dollar). The Board of Trustees voted unanimously to place the sales tax measure on the ballot for your consideration as a way to provide funds for necessary capital infrastructure improvements in the Village. The Village Board has been working on a long term capital needs study for the past year to ensure that we can maintain our infrastructure and capital needs within the Village. The study resulted in a capital improvement plan ("CIP") which covers capital needs in the Village over the next ten years.

The Village's sources of income have decreased over the past years due to actions by the State of Illinois and the decline in Motor Fuel Taxes as a result of electric vehicles. The Village does not get any of the additional sales tax that the State recently placed on gasoline. Many grant programs previously available for police and fire equipment and other capital needs are no longer available from the federal or state government.

The Village requires the revenue from the local sales tax to offset the nearly \$2,500,000 annual capital improvement funding deficiency for roads, sidewalks, streetlights, parking lots, parks, facilities, police and fire equipment and technology identified in the CIP. This shortfall does not take into account the necessary stormwater improvements that have also been identified. If the referendum is approved, funds from the tax will be used to complete the identified projects within the CIP. A copy of the CIP is available for your review on the Village's website, www.libertyville.com/Referendum2020.

A 1% Non-Home Rules Sales Tax is expected to generate about \$2,000,000 per year of new revenue (with the repeal of the Places for Eating Tax). If approved by the voters, the Village of Libertyville's sales tax rate will increase from 7% to 8%. Many of the surrounding communities already have an additional sales tax. As a non-home rule government (population of less than 25,000), the Village is required to obtain voter approval to implement this local sales tax. If approved, an Ordinance imposing the tax would be adopted and the sales tax would go into effect on July 1, 2020.

The sales tax option for obtaining the revenue needed

A Message from the Mayor

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Frequently Asked Questions about the March 17, 2020 Non-Home Rule Sales Tax Referendum

What is a Non-Home Rule Sales Tax Referendum?

It is a ballot measure to determine if the voters of the Village of Libertyville will approve a 1% local sales tax for expenditures on municipal operations and expenditures on public infrastructure.

Does a Non-Home Rule Sales Tax apply to all purchases?

No. The Non-Home Rule Sales Tax does not apply to titled goods such as cars and trailers, nor does it apply to most groceries and medicines.

What is the current sales tax rate and what would it be if this measure passes?

The current sales tax rate on general merchandise in Libertyville is 7%. (The village receives 1% of this collected amount.) In 2016, the Village approved a 1% Places for Eating Tax. This tax applies to purchases where prepared food is sold at retail for immediate consumption with seating provided on the premises. Currently, the total sales tax paid for purchases subject to the Places for Eating Tax is 8% (2% to the Village of Libertyville). If the referendum passes, the Places for Eating Tax will be repealed, and the new 1% Non-Home Rule Sales Tax will apply. This means that no change will occur in the tax rate that is paid for purchases subject to the Places for Eating Tax. If the referendum passes the tax would increase by 1% from 7% to 8% on certain goods such as hardware and clothing.

Who pays sales tax?

Anyone who buys items such as hardware and clothing or dines at restaurants in the Village of Libertyville.

Does voting YES allow the Village to increase the sales tax rate further in the future?

No. Voting YES only allows the Village the authority to enact a 1% Non-Home Rule Sales Tax.

Frequently Asked Questions
[continued on next page](#)

Questions regarding the referendum?

Visit www.libertyville.com/referendum2020

**Attend the following town hall meetings:
Thursday, January 30th and Wednesday,
March 4th at The Civic Center @ 7:00 p. m.**

allows the Village to collect the revenue not only from residents, but also from people from outside the Village who use our roads and other Village facilities. More information is available at www.libertyville.com/Referendum2020. You can also email questions to me at twepppler@libertyville.com.



Mayor Terry Wepppler

How much money would the additional sales tax generate?

A 1% Non-Home Rule Sales Tax is expected to generate about \$2,000,000 per year of new revenue (with the repeal of the Places for Eating Tax).

How would the money be spent?

Revenues from a Non-Home Rule Sales Tax would be used and accounted for exclusively for investment in the Village's aging infrastructure. Examples of projects include roads, sidewalks, streetlights, parking lots, parks/playgrounds, facility improvements and technology.

How would the new sales tax rate compare to the sales tax rate in nearby communities?

Libertyville - 8% (Current Rate 7%) • Mundelein - 8%
 Lake Forest - 8%* • Gurnee - 8%* • Lincolnshire - 8%*
 Vernon Hills - 7.25%* • Grayslake - 7%*

*Community also charges an additional 1% food and beverage tax.

For more FAQs visit www.libertyville.com/referendum2020.

How would the tax affect my future purchases in Libertyville?

	Price	Cost with Current Tax	Cost with New Tax
 Coffee	\$3	\$3.24	\$3.24*
 Sweater	\$45	\$48.15	\$48.60
 Drill	\$150	\$160.50	\$162.20

*Unchanged due to Places for Eating Tax

Many Libertyville businesses draw customers from surrounding areas

Populations within:

5 minute drive time: 16,255

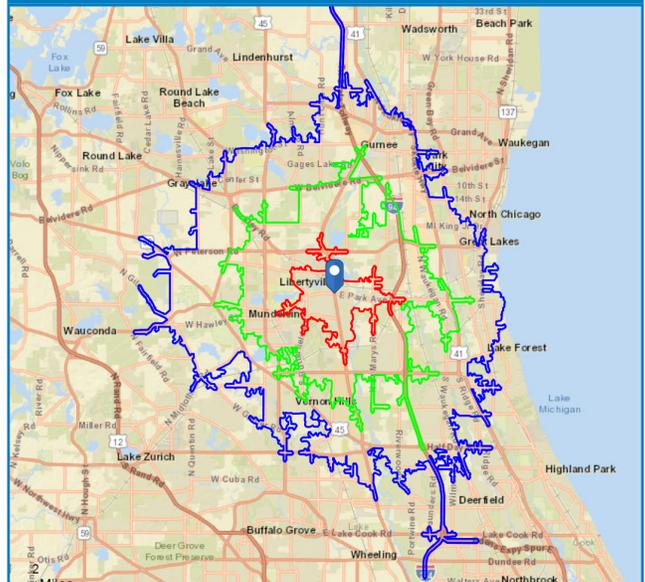
10 minute drive time: 67,201

15 minute drive time: 192,320

It allows the Village to include those people who utilize Village services that live outside the Village to share in the tax burden.

5 Truths About the Proposed Sales Tax Referendum

- 1. The Non-Home Rule Sales Tax is not charged on titled goods such as cars and trailers, nor does it apply to most groceries and medicines.**
- 2. A 1% Non-Home rule Sales Tax is expected to generate about \$2 million per year of new revenue (with the repeal of the Places for Eating Tax).**
- 3. If the Non-Home Rule Sales Tax referendum fails, the amount of resources available for capital projects such as road reconstruction, parking lots, parks, public buildings and police and fire equipment/ vehicles will be extremely limited.**
- 4. Revenues from a Non-Home Rule Sales Tax would be used exclusively for investment in the Village's aging infrastructure.**
- 5. If the measure passes in March of 2020, the tax will take effect on July 1 of 2020.**



TAX BURDEN SHARED WITH NON-RESIDENTS

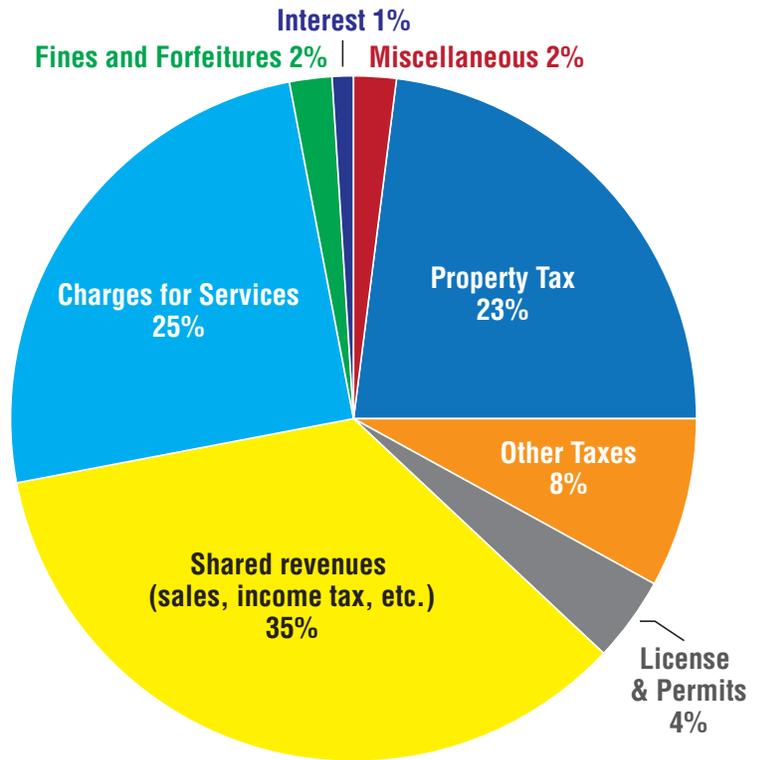
Will roads be repaired using non-home rule sales tax funds?

The Village has 90 lane miles of roads. In 2012, voters approved a referendum to issue bonds to fund road repairs for roads that required immediate attention which covered approximately 30% of the Village's total lane miles. Due to advantageous unit prices from competitive bidding the Village was able to complete approximately 40% of the Village's total lane miles. The Village recently updated the road assessment survey to prioritize repairs to the **remaining 60% of roads**. Non-Home Rule Sales Tax revenues will be utilized to fund repairs to the roads. The assessment did not review segments that had been rehabilitated from 2013 through 2019. The assessment found the following pavement conditions for the remaining 60% of roads that were not completed as part of the 2012 road referendum:

Percent of Pavement	Condition
9%	Very Good to Good
33%	Good to Fair
55%	Fair to Poor
3%	Poor to Very Poor

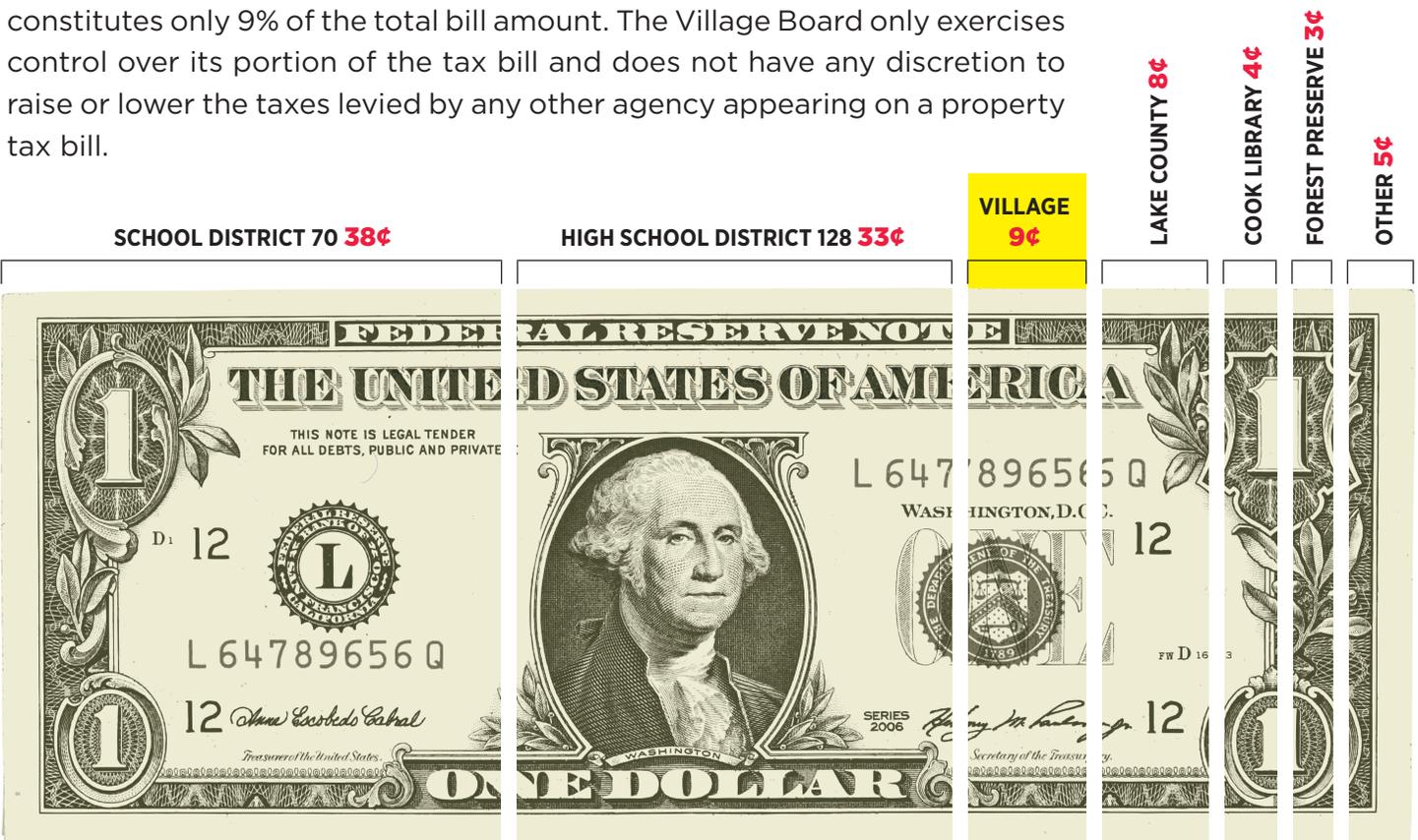
Visit www.libertyville.com/Referendum2020 to view the road assessment survey which includes details regarding which pavement sections are planned over the next fifteen to twenty years.

Village General Fund Revenues by Source



For every \$1 of property taxes, 9 cents go to the Village.

Generally, the Village portion of a property owner's property tax bill constitutes only 9% of the total bill amount. The Village Board only exercises control over its portion of the tax bill and does not have any discretion to raise or lower the taxes levied by any other agency appearing on a property tax bill.





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Sally Kowal

Village Administrator
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The **Village Views** is published by the Village of Libertyville, Illinois, in the belief that interested and informed citizens are the safeguard for good government.

Explore Libertyville



Projects Impacted:

A Non-Home Rule Sales Tax is a needed investment for infrastructure such as parks, sidewalks and road construction.



Locations to Vote
Visit the Community Portal at Libertyville.com to find nearest location.
For more information visit www.libertyville.com/referendum2020

How do I register to vote?

You can register to vote in person at the Village Hall and the Cook Park library or online at ova.elections.il.gov

What does the ballot say?
At the Presidential Primary Election on March 17, 2020 the Village of Libertyville voters will select YES or NO to this question:

“Shall the corporate authorities of the Village of Libertyville, Lake County, Illinois, be authorized to levy a Non-Home Rule Municipal Retailers’ Occupation Tax and a Non-Home Rule Municipal Service Occupation Tax each at a rate of one (1%) percent for expenditures on municipal operations, expenditures on public infrastructure, or property tax relief?”