

**HOLISHOR ASSOCIATION AFFIRMATION DOCUMENT
COVER LETTER**

DATE: 11/03/2016

TO: Holishor Association Members:

Attached is the Holishor Association Instrument of Affirmation document. This document needs to be signed by each member and return to the Holishor office in order to successfully complete STEP 2.

Key Steps of the process to incorporation Holiday Shores into a municipality

- STEP 1:** At the Annual Meeting on May 16, 2016, Membership voted to authorize expenditures of \$2500.00 for a committee to investigate the possibilities of incorporation
- STEP 2:** Circulation of, Board of Directors approved, Affirmation document to determine if the required number of Association Members as prescribed in **(765 ILCS 160/) Common Interest Community Association Act** are in favor of moving forward with incorporation
- STEP 3:** Collection of 250 signatures to place the question of incorporation on a General Election ballot
- STEP 4:** Voting on the question of incorporation during a General Election

Committees Direction

- The area under consideration for incorporation is the property within the current Holishor Association Boundary
- The lake, the clubhouse, the beaches, tennis courts, etc. will remain private and restricted to the use by members only and their guests
- Develop changes to Association Rules and By-Laws to protect Member's rights as the municipality moves forward.
- Develop the pros and cons for Incorporating in addition to revenue and cost projections

Over the next several months, the Committee will be communicating its progress and findings through **Association sanctioned communication outlets and established meetings** about the additional revenue that could be realized by the New Municipality.

Action Item > Please consider completing and signing the attached Step 2 Affirmation Form and return it to the office in the enclosed envelope with your annual dues and assessment payment. Including this Affirmation within your annual billing packet is the most cost effective manner to begin the affirmation process.

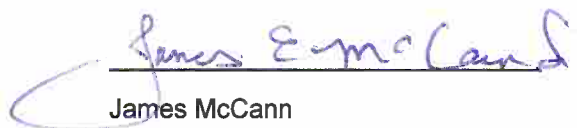
Thank you for your consideration.

Please feel free to contact the office staff if you have questions.

SIGNED:



Bob Lowrance
President, Board of Directors



James McCann
Incorporation Exploration Committee

WHY INCORPORATE:

- **Taxes that we pay are going to Madison County and are not used in Holiday Shores.**
- **Our roads, culverts and drainage are in need of major repairs and improvements.**
- **If we remain unincorporated, the alternate option to pay for the very extensive costs of repairs will be by a very hefty increase in our assessments.**

State Revenue that would be allocated to the New Municipality without any additional tax being levied of the Membership: (These figures are based on the official 2010 census of 2,708 based on the boundaries designated as Holiday Shores.) These numbers were verified from the Illinois Municipal League for incorporation to a city. Their revised estimates for Municipal Fiscal Year 2017 are as follows

- Motor Fuels Tax – 2,708 times \$25.80 per person = \$69,866
- State Income Tax – 2,708 times \$105.00 per person = \$284,340
- State Use Tax – 2708 times \$23.50 per person= \$63,638
- Total Tax Revenue = \$417,844

These numbers should increase with the 2020 census.

Budget Impact: Projections indicate that association assessments can be reduced. Additional reductions in assessments could be traded-off with municipality levy of comparable property tax.

All association roads can be dedicated to the municipality which will lead to the ability to apply the municipality funds to improve the roads, culverts and drainage will result.

By-Law changes and/or additions will be developed and presented to the membership for consideration around the following topics:

- Membership Eligibility
- Board of Directors Conflict of Interest
- Any Changes Involving Association Owned Assets
- Establishing an Incorporation Transition Committee
- Sharing of Resources between Association and Municipality
- Dedication of Roads to the Municipality
- Municipality New Ordinance Committee
- The Conversion of Rules to By-Laws

HOLISHOR ASSOCIATION, INC.

INSTRUMENT OF AFFIRMATION IN SUPPORT OF INCORPORATION

At the 2016 annual meeting, the membership of Holishor Association Inc. ("Holishor") voted to explore the concept of incorporating all of the real estate located within the association into a municipality. The area comprising the association is more fully described in the covenants and restrictions that were recorded in the office of the Madison County Recorder of Deeds as Document Number 165-7195, Book 3917, Pages 0825 to 0857 on July 26, 1965; in addition to any real estate that may have been thereafter added to the association by agreement.

Holishor is subject to the Common Interest Community Association Act which states, at 765 ILCS 160/1-20(d), that no action to incorporate shall commence until an instrument agreeing to incorporation has been signed by the required number of members. **The purpose of this document is to gather the required number of signatures from the membership so Holishor can begin the process of placing the question of whether we should form a municipality on the ballot at an upcoming general election.**

I, _____ (*Print Name*) am an owner and/or legal executor of following real estate: _____

located in the Holiday Shores Subdivision as verified with the Office of the Madison County Assessor. I affirm that I am authorized to sign this document if more than one individual or entity owns the aforementioned real estate. **I understand that a vote on incorporation will not occur until the required number of signatures has been obtained.** I further agree that Holishor may attach a document to this instrument to more fully describe my real estate if necessary and to record this document with any such attachment in the Office of the Madison County Recorder of Deeds.

Signature: _____ Date: _____