

Debt & Bonds

Description of this Section

This section of the budget lists information related to any money that the Township has borrowed. The Township currently has only two debt obligations; two of these items are referenced directly in the Fire Department budget.

The debt for charter townships in the state of Michigan is legally limited to 10% of the assessed value of all real and personal property in the Township and excludes revenue bonds when calculating net direct debt. DeWitt Township's projected net debt outstanding of \$2,610,954 is only 4.97% of the legal debt limit of \$52,486,460

The Township 2018 debt payment equals approximately 4.7% of the Township's general fund expenditures. With such a low ratio, the Township's current debt levels have a minimal impact on current operations.

Debt Service – All Funds

FUND/DESCRIPTION	Original Debt	Maturity Date	Payment Type	Remaining Balance 12/31/17	Principal due in 2018	Interest due in 2018	Total 2018 Payments
Governmental Fund							
Township Hall/Community Center	\$2,150,000	2020	GO	\$472,687	\$145,000	\$9,869	\$154,869
Fire Pumper/Engine	346,988	2020	Other	<u>230,946</u>	<u>53,602</u>	<u>4,419</u>	<u>58,021</u>
TOTAL GOV. FUNDS				\$703,813	\$198,602	\$14,288	\$212,890
Sewer & Water Fund							
102/501 pump station	\$1,327,500	2037	Other	\$1,907,141	\$45,748	\$49,781	\$95,530
GRAND TOTAL				\$2,610,954	\$244,350	\$64,069	\$308,420

GO = General Obligation
 S/A = Special Assessment
 Other = Installment Loans

Debt Service Report

Local Unit Name: DeWitt Charter Township
Local Unit Code: 19-1050
Current Fiscal Year End Date: 12/31/2018

Debt Name: Fire Truck Loan
Issuance Date: 1/1/2016
Issuance Amount: \$325,000
Debt Instrument (or Type): Intrafund Loan
Repayment Source(s): Water Fund

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 53,602	\$ 4,419	\$ 58,021
2019	\$ 54,674	\$ 3,347	\$ 58,021
2020	\$ 55,768	\$ 2,253	\$ 58,021
2021	\$ 55,746	\$ 1,138	\$ 56,883
Totals	\$ 219,790	\$ 11,156	\$ 230,946

Commentary:

Debt Service Report

Local Unit Name: DeWitt Charter Township
Local Unit Code: 19-1050
Current Fiscal Year End Date: 12/31/2018

Debt Name: Township Hall / Community Center
Issuance Date: 11/1/1998
Issuance Amount: \$2,150,000
Debt Instrument (or Type): Bond
Repayment Source(s): General Fund

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 145,000	\$ 9,869	\$ 154,869
2019	\$ 155,000	\$ 5,999	\$ 160,999
2020	\$ 155,000	\$ 2,000	\$ 157,000
Totals	\$ 455,000	\$ 17,867	\$ 472,867

Commentary: Bond payment for the construction of the new Township Hall/Community Center, which was approved by voters in November, 1998. Refinanced in 2013, saving appoximnetly \$41,000. Interest is payable May 1 and November 1 of each year.

Debt Service Report

Local Unit Name: DeWitt Charter Township
Local Unit Code: 19-1050
Current Fiscal Year End Date: 12/31/2018

Debt Name: 102/501 Pump Station + Forcemain
Issuance Date: 1/1/2017
Issuance Amount: \$1,327,500
Debt Instrument (or Type): Intrafund Loan
Repayment Source(s): 425 Reserve Account

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 45,748	\$ 49,781	\$ 95,530
2019	\$ 47,464	\$ 48,066	\$ 95,530
2020	\$ 49,244	\$ 46,286	\$ 95,530
2021	\$ 51,091	\$ 44,439	\$ 95,530
2022	\$ 53,006	\$ 42,523	\$ 95,530
2023	\$ 54,994	\$ 40,536	\$ 95,530
2024	\$ 57,056	\$ 38,473	\$ 95,530
2025	\$ 59,196	\$ 36,334	\$ 95,530
2026	\$ 61,416	\$ 34,114	\$ 95,530
2027	\$ 63,719	\$ 31,811	\$ 95,530
2028	\$ 66,108	\$ 29,421	\$ 95,530
2029	\$ 68,588	\$ 26,942	\$ 95,530
2030	\$ 71,160	\$ 24,370	\$ 95,530
2031	\$ 73,828	\$ 21,702	\$ 95,530
2032	\$ 76,597	\$ 18,933	\$ 95,530
2033	\$ 79,469	\$ 16,061	\$ 95,530
2034	\$ 82,449	\$ 13,081	\$ 95,530
2035	\$ 85,541	\$ 9,989	\$ 95,530
2036	\$ 88,749	\$ 6,781	\$ 95,530
2037	\$ 88,624	\$ 3,453	\$ 92,077
Totals	\$ 1,324,047	\$ 583,094	\$ 1,907,141

Commentary: Loan from 425 reserve to pay for sewer improvements. 2017 start year with 1st payment in 2018

Fire Pumper/Engine

In 2016, the Fire Department purchased a new Fire Pumper. To fund the purchase \$104,500 was used out of Equipment Reserve and a loan from the Water Fund to the General Fund in the amount of \$325,000 was made. The loan from the water fund allows the Township to better leverage funds that are currently gaining very little interest. The loan is for 6 years at a interest rate of 2% a year.

<u>Due Date</u>	<u>Total Payment</u>	<u>Principle</u>	<u>Interest</u>
12/15/2018	\$58,021	\$53,602	\$4,419
12/15/2019	\$58,021	\$54,674	\$3,347
12/15/2020	\$58,021	\$55,768	\$2,253
12/15/2021	\$56,883	\$55,746	\$1,138
TOTALS	\$230,946	\$219,790	\$11,156

Township Hall/Community Center

In November of 1998, the voters approved a request to construct a new Township Hall located at 1401 W. Herbison Road and to remodel the former Township Hall at 16101 Brook Road into a Community Center. Subsequently, to raise the necessary capital, a bond was issued. Interest is payable May 1 and November 1 of each year. Bond refinanced 9/30/2013, saving approximately \$41,000. This payment is made out of the General Fund.

Due	Amount	Interest Payable	Total Annual Payment
12/31/2018	145,000	9,868.50	154,869
12/31/2019	155,000	5,998.50	160,999
12/31/2020	155,000	1,999.50	157,000
TOTALS	\$455,000	\$17,867	\$472,867

102/501 Pump Station

In 2017, a \$1,770,291 project was undertaken to replace the 102 pump station, installation of new force main, and upgrades to the 501 pump station. Twenty-five percent of this project \$442,500 was taken out of the sewer fund balance and a loan of \$1,327,500 was made from the 425 reserve. The loan from this fund allows the Township to better leverage funds that are currently gaining very little interest. The loan is for 20 years at an interest rate of 3.75% a year.

<u>Due Date</u>	<u>Total Payment</u>	<u>Principle</u>	<u>Interest</u>
6/1/2018	\$95,530	\$45,748	\$49,781
6/1/2019	\$95,530	\$47,464	\$48,066
6/1/2020	\$95,530	\$49,244	\$46,286
6/1/2021	\$95,530	\$51,091	\$44,439
6/1/2022	\$95,530	\$53,006	\$42,523
6/1/2023	\$95,530	\$54,994	\$40,536
6/1/2024	\$95,530	\$57,056	\$38,473
6/1/2025	\$95,530	\$59,196	\$36,334
6/1/2026	\$95,530	\$61,416	\$34,114
6/1/2027	\$95,530	\$63,719	\$31,811
6/1/2028	\$95,530	\$66,108	\$29,421
6/1/2029	\$95,530	\$68,588	\$26,942
6/1/2030	\$95,530	\$71,160	\$24,370
6/1/2031	\$95,530	\$73,828	\$21,702
6/1/2032	\$95,530	\$76,597	\$18,933
6/1/2033	\$95,530	\$79,469	\$16,061
6/1/2034	\$95,530	\$82,449	\$13,081
6/1/2035	\$95,530	\$85,541	\$9,989
6/1/2036	\$95,530	\$88,749	\$6,781
6/1/2037	\$92,077	\$88,624	\$3,453
Totals	\$1,907,141	\$1,324,047	\$583,094

DEWITT CHARTER TOWNSHIP HALL AND COMMUNITY CENTER
1998 GENERAL OBLIGATION DEBT RETIREMENT BUDGET

370-000	REVENUES	2014	2015	2016	2017	2017	2018
		ACTUAL	ACTUAL	ACTUAL	AMENDED	ESTIMATE	ADOPTED
664-000	INTEREST						
697-000	TRANSFER FROM GENERAL FUND	\$ 156,345	\$ 155,705	152,222	\$ 159,010	\$ 159,010	\$ 155,269
698-000	BOND TRANS/DEBT PROCEEDS	-	-	-		-	-
	TOTAL REVENUES	\$ 156,345	\$ 155,705	\$ 152,222	\$ 159,010	\$ 159,010	\$ 155,269

370-990	EXPENDITURES	2014	2015	2016	2017	2017	2018
		ACTUAL	ACTUAL	ACTUAL	AMENDED	ESTIMATE	ADOPTED
979-000	BOND PRINCIPAL PAYMENTS	\$ 130,000	\$ 135,000	\$ 135,019	\$ 145,000	\$ 145,000	\$ 145,000
995-000	BOND INTEREST PAYMENTS	26,345	20,705	17,222	13,610	13,610	9,869
996-000	PAYMENT TO ESCROW AGENT	-	-	-		-	-
998-000	DEBT INSURANCE COSTS	-	-	-		-	-
999-000	BOND AGENT FEES	-	-	400	400	400	400
	TOTAL EXPENDITURES	\$ 156,345	\$ 155,705	\$ 152,641	\$ 159,010	\$ 159,010	\$ 155,269

To be paid off 5/1/2020