Trustees show they can issue their own bonds without raising taxes.

Trustees' Financial Presentation 7-14-20

Financing Options for Station 1

<u>Bond w/ Voter Approved Levy</u>

- Ability to pay off debt early is strong
- Utilize JEDD funds for early payoff and leaves a reserve for emergencies (road repair, unforeseen events)
- Ex: JEDD revenue is ~$750k/year. If no immediate need presents itself, the majority of JEDD funds go towards principal amount. Placed in interest earning account and applied to the bond note once the lockout window is opened. After 2028 when JEDD is renegotiated, there would still be funds available to be applied to debt retirement.

<u>Bond w/o Voter Approved Levy</u>

- No ability to pay debt off early
- JEDD revenue is primary source of debt service. Remainder of JEDD revenue utilized for emergencies (road repair, unforeseen events)
- Ex: JEDD revenue is ~750K/year. After debt service there is ~319K remaining
- After 2028 when the JEDD is renegotiated, JEDD funds are likely to be lowered. There would still be funds available after debt payments but reduced
    - Nancy Ann Dr. additional emergency road repairs were ~$203K

Everyone agrees new fire stations should be built.

The question is financing: Who should pay for the bond?

The Township CAN issue "Bonds without Voter Approval"

- **WILL NOT RAISE TAXES**
- Can start immediately and take advantage of same low interest rates
- Would leave the township with about **$600,000** <u>each year</u> for any "emergency" expense, from their special business and employee taxes revenue of $1 million annually.
- Will force Trustees to build more cost-effective stations.
- Can pay off the debt early.

Why are Trustees asking residents to pass this tax levy when they have this option?

Vote NO on Issue 1