

CHARTER TOWNSHIP OF FLINT, MICHIGAN
CONTINUING DISCLOSURE INFORMATION

FISCAL YEAR ENDED DECEMBER 31, 2018

TOWNSHIP TAXATION AND LIMITATIONS

Property Tax Levy History

Purpose	2015	2016	2017	2018	2019
Township Operating ⁽¹⁾	4.6423	4.6423	4.6423	4.6423	4.6423
Township Roads	0.5000	0.5000	0.5000	0.5000	0.5000
Township Fire Equipment	0.2500	0.2500	0.2500	0.2500	0.2500
Township Police	0.5000	0.5000	0.0000	0.0000	0.0000
Township Police & Fire Safety	<u>3.8500</u>	<u>3.8500</u>	<u>3.8500</u>	<u>3.8500</u>	<u>3.8500</u>
Totals	<u>9.7423</u>	<u>9.7423</u>	<u>9.2423</u>	<u>9.2423</u>	<u>9.2423</u>

(1) Fixed at 5.0000 mills by allocation and reduced by the 1978 Amendment to the State Constitution. See “**Property Tax Limitations**” herein.

SOURCE: Charter Township of Flint

SEV and Taxable Valuation

Between 2015 and 2019 the Township's SEV increased \$189,733,864 or 22.2% and the Taxable Value increased \$29,958,791 or 3.8%. SEV and Taxable Value do not include any value of tax-exempt property (e.g., governmental facilities, churches, public schools, etc.) or property granted tax abatement under Act 198. (See "**TOWNSHIP TAXATION AND LIMITATIONS – Property Tax Abatement**" herein). The per capita 2019 SEV is \$32,724 and the per capita 2019 Taxable Valuation is \$25,931, both of which are based on the 2010 U.S. Census.

SEV and Taxable Valuation History

Year of Valuation	SEV	Taxable Valuation	SEV Percentage Increase Over Prior Year	Taxable Valuation Percent Increase Over Prior Years
2015	855,110,650	797,998,290	N/A	N/A
2016	882,341,500	795,521,805	3.2	(0.3)
2017	932,219,900	788,657,432	5.7	(1.0)
2018	988,253,900	807,962,723	6.0	2.4
2019	1,044,844,514	827,957,081	5.7	2.5

SOURCE: Charter Township of Flint

Current Taxable Valuation Components

By Use:		By Class:	
Commercial	48.4%	Real Property	90.8%
Residential	47.4	Personal Property	<u>9.2</u>
Industrial/Utility	<u>4.2</u>	Total	<u>100.0%</u>
Total	<u>100.0%</u>		

SOURCE: Charter Township of Flint

Property Tax Abatement

The Township has granted abatements under Act 198. The effect of the abatements is to understate the 2019 Taxable Value of the Township by approximately \$3,227,200 or by 0.31%.

SOURCE: Charter Township of Flint

Property Tax Collection History

<u>Year of Levy</u>	<u>Total Tax Levy as of December 1</u>	<u>Collections to March 1 Year Following Levy</u>		<u>Collections to May 31, 2019</u>	
2014	7,635,695	6,921,122	90.6	7,635,695	100.0
2015	7,725,056	7,036,259	91.1	7,725,056	100.0
2016	7,701,129	7,022,736	91.2	7,701,129	100.0
2017	7,278,522	6,642,265	91.3	7,278,522	100.0
2018	7,379,513	6,739,376	91.3	6,739,376	91.3

SOURCE: Charter Township of Flint

REVENUES FROM THE STATE OF MICHIGAN

Revenue Sharing

The Township receives revenue sharing payments from the State under the State Constitution and the State Revenue Sharing Act of 1971, as amended. The State Legislature may change or eliminate revenue sharing at any time. The table appearing below shows State revenue sharing distributions received by the Township during the Township's past five fiscal years and the budgeted receipts for the Township's 2019 fiscal year.

<u>Fiscal Year Ended/Ending</u>	<u>Revenue Sharing Payments</u>
December 31, 2014	2,481,730
December 31, 2015	2,483,651
December 31, 2016	2,545,874
December 31, 2017	2,540,500
December 31, 2018	2,820,765
December 31, 2019	2,800,000 (1)

(1) As budgeted.

SOURCE: Charter Township of Flint

TOWNSHIP DEBT

Constitutional Debt Limitation

Article VII, Section 6 of the State Constitution states “No Township shall incur any indebtedness which shall increase its total debt beyond 10% of its assessed valuation”. The Bonds are included within this debt limitation. Below is the legal debt margin of the Township as of December 31, 2018.

Statement of Legal Debt Margin

2018 State Equalized Valuation	\$988,253,900
Legal Debt Limit (10% of SEV)	98,825,390
Debt Outstanding (including the Bonds)	<u>1,462,133</u>
Additional debt that can legally be incurred	\$97,363,257
Debt outstanding as a percentage of 2018 SEV	<u>0.2%</u>

SOURCE: Charter Township of Flint

Debt Statement

The following table reflects a breakdown of the Township’s direct and overlapping debt as of December 31, 2018 and includes the Bonds. Bonds designated L.T.G.O. bonds are limited tax pledge bonds.

Township Direct Debt	Gross	Net ⁽²⁾	Per Capita	<u>Net Debt</u> % of SEV
Street Improvements ⁽¹⁾	\$290,000	\$290,000		
Building Authority (LTGO)	845,000	845,000		
Share of Water Main Project (LTGO)	<u>327,133</u>	<u>327,133</u>		
Total Direct Debt	<u>1,462,133</u>	<u>1,462,133</u>	<u>\$45.79</u>	<u>0.2%</u>
Township Overlapping Debt ⁽²⁾	Gross	Net		
School Districts	75,638,000	30,853,132		
Genesee Intermediate SD	7,320,000	597,312		
Community College	65,640,000	5,356,224		
County	228,895,793	19,891,044		
Airport Authority	<u>7,910,000</u>	<u>687,379</u>		
Total Overlapping Debt	<u>385,403,793</u>	<u>57,385,092</u>	<u>1,797.30</u>	<u>5.8</u>
Total Debt and Overlapping Debt	<u>\$386,865,926</u>	<u>\$58,847,225</u>	<u>\$1,843.09</u>	<u>6.0%</u>

(1) Includes the Bonds.

(2) The Net Overlapping Debt is the portion of other public debt for which a Township taxpayer is liable in addition to the Net Direct Debt of the Township.

SOURCE: Municipal Advisory Council of Michigan

Debt History

There is no record of default on any obligation of the Township.

Short-Term Financing

The Township does not issue short-term obligations for cash flow purposes.

Lease Obligations

As of December 31, 2018 the Townships' equipment lease obligations have been paid in full.

Future Financing

Neither the Township nor the Authority anticipates any bond issues in the next 12 to 18 months.

Sick Leave Liabilities

As of December 31, 2018, the Township had unfunded sick leave payable in its Long-Term Debt account of \$126,930. There are no vacation leave payables or liabilities.

LABOR CONTRACTS

Of the Township's 117 employees, 84.6% are represented by labor organizations. The following table illustrates the various labor organizations that represent Township employees, the number of members and part-time employees, and the expiration dates of the present contracts.

Bargaining Unit	Number of Employees June 1, 2019	Contract Expiration Date
American Federation of State, County and Municipal Employees-Local 1918-01	19	December 31, 2020
Police Officers Association of Michigan	32	December 31, 2020
Command Officers Association of Michigan	8	December 31, 2020
Firefighters Local 1425	12	December 31, 2020
Michigan Association of Fire Fighters	16	December 31, 2018 *
Teamsters Local 214	12	December 31, 2020
Non-Union Employees	<u>18</u>	N/A
Total	<u>117</u>	

(*) In negotiations.

SOURCE: Charter Township of Flint