

## MIDDLETOWN

## Township to borrow another \$10M

*Repaying the \$10 million bond issue, which will pay for repaving roads, would require property tax increases in 2009 and 2010.*

By CHRIS ENGLISH COURIER TIMES

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Middletown will borrow another \$10 million to pay for repaving more roads in the township's Levittown sections and other projects, the township supervisors decided at Tuesday night's meeting.

The five-member board voted unanimously to direct Finance Director Betsy Reukauf and other township officials and professionals to take the necessary steps to float a \$10 million bond issue to be repaid over 20 years.

The main use for the new bond issue would be to provide the slightly more than \$5 million needed to repave the remaining 23.3 miles of road in the Levittown sections, Reukauf said. A \$10 million bond issue floated in 2006 has paid for repaving most of the Levittown sections.

Other uses for the remaining money in the new issue would be to help pay for a new township community center, work at two township parks and possible improvements at the township-owned Middletown Country Club. Whatever is spent on country club improvements would probably be repaid from revenue the township receives every year from the facility's operating company, said Reukauf.

She said there is enough money on hand to make an interest-only payment on the new bond issue this year.

However, repaying the issue would require property tax increases in 2009 and 2010, Reukauf added. She didn't have an estimate yet on the size of those tax increases.

The supervisors had reached an informal consensus late last year to borrow from the \$41 million Middletown has in the bank from the sale of its water and sewer systems several years ago instead of floating another bond.

However, subsequent discussions with the township's financial advisory committee convinced the supervisors it would be better to float another bond and leave the water and sewer money intact.