

CITY OF THE VILLAGE OF DOUGLAS

ALLEGAN COUNTY, MICHIGAN

RESOLUTION NO. 20-2026

**RESOLUTION AUTHORIZING A \$750,000 PARTIAL PREPAYMENT OF THE 2024
Capital Improvement Bond**

At a regular meeting of the City Council of the City of the Village of Douglas, Allegan County, Michigan, held at the City of the Village of Douglas City Hall, 415 Wiley Road, Douglas, Michigan, on October 5, 2026, at 6:00 p.m.

PRESENT:

ABSENT:

The following resolution was offered by Councilperson _____ and supported by Councilperson _____.

WHEREAS, the City of the Village of Douglas issued its 2024 Capital Improvement Bond in the original principal amount of \$3,323,000 to finance capital improvements associated with the City's municipal facilities; and

WHEREAS, the 2024 Capital Improvement Bond carries a fixed interest rate of 5.35 percent and provides for scheduled principal and interest payments through December 15, 2044; and

WHEREAS, the terms of the 2024 Capital Improvement Bond permit the City, beginning December 15, 2025, to make a partial prepayment of principal from proceeds received from the sale of existing City properties on an interest payment date; and

WHEREAS, the bond provisions permit one partial prepayment per calendar year in an amount of not less than \$50,000 and not more than \$750,000, provided the City gives the registered owner at least thirty (30) days' written notice; and

WHEREAS, any partial prepayment is to be applied to the outstanding principal installments in inverse order of maturity; and

WHEREAS, proceeds from the sale of City properties have been deposited and maintained within the City's Municipal Building Fund, Fund 470, consistent with the City's plan to utilize such proceeds toward its 2024 Capital Improvement Bond obligation; and

WHEREAS, the Municipal Building Fund currently has a balance of approximately \$1,360,885.53, including funds invested with Michigan CLASS; and

WHEREAS, the City's regularly scheduled December 15, 2026 debt-service payment is \$188,268.75, consisting of \$102,000 in principal and \$86,268.75 in interest; and

WHEREAS, the City Treasurer has recommended that the City make the maximum allowable partial prepayment of \$750,000 from eligible property-sale proceeds on December 15, 2026, in addition to the regularly scheduled debt-service payment; and

WHEREAS, the City Council finds that applying \$750,000 in eligible property-sale proceeds toward the outstanding principal is consistent with the purpose for which those proceeds have been maintained within the Municipal Building Fund.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City Council hereby authorizes a \$750,000 partial prepayment of principal on the City's 2024 Capital Improvement Bond, to be made on December 15, 2026, in accordance with the terms and conditions of the bond.
2. The \$750,000 partial prepayment shall be made from eligible proceeds from the sale of existing City properties held within the Municipal Building Fund, Fund 470.
3. The \$750,000 partial prepayment shall be in addition to the City's regularly scheduled December 15, 2026 principal and interest payment.
4. The City Treasurer, City Manager, City Clerk, and other appropriate City officials are authorized and directed to take all actions necessary to complete the partial prepayment, including providing the required notice to the registered owner of the bond and executing any documents necessary to effectuate the payment.
5. The City Treasurer is authorized to coordinate with the bondholder and/or its representatives regarding application of the partial prepayment in accordance with the bond documents and to obtain an updated debt-service schedule reflecting the effect of the partial prepayment.
6. This Resolution shall take effect immediately upon its adoption.

YEAS:

NAYS:

ABSENT:

ADOPTED this 5th day of October 2026. CITY OF THE VILLAGE OF DOUGLAS

BY: _____

Cathy North, Mayor

BY: _____

Laura Kasper, City Clerk

CERTIFICATION

I, Laura Kasper, the duly appointed Clerk of the City of the Village of Douglas, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Douglas City Council at a regular meeting held on October 5, 2026 in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of Michigan, 1976, as amended, the minutes of the meeting were kept and will be or have been made available as required by said Act.

CITY OF THE VILLAGE OF DOUGLAS BY: _____