

**School District of the City of Wyandotte**  
**Notes to the Financial Statements**  
**June 30, 2019**

**Note 10 - Long-Term Debt**

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. The State can withhold state aid if it has to make a bond payment on behalf of the School District related to qualified bonds. Other long-term obligations include compensated absences, claims and judgments, Act 18, and certain risk liabilities.

Long-term obligation activity is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Government obligation bonds	\$ 46,690,715	\$ -	\$ 1,695,000	\$ 44,995,715	\$ 1,780,000
Act 18 settlement payable	1,942,646	-	933,993	1,008,653	515,473
Compensated absences	277,244	26,250	11,613	291,881	18,942
Retiree life insurance benefits	63,500	-	-	63,500	-
Premiums on bonds	2,467,020	-	235,163	2,231,857	-
<b>Total</b>	<b>\$ 51,441,125</b>	<b>\$ 26,250</b>	<b>\$ 2,875,769</b>	<b>\$ 48,591,606</b>	<b>\$ 2,314,415</b>

For governmental activities, compensated absences, retiree life insurance benefits and retirement incentives are primarily liquidated by the General Fund.

General obligation bonds payable at year end, consist of the following:

2016 Refunding of 2007 Energy Conservation Improvement bonds are due in annual installments of \$310,000 - \$505,000 through May 1, 2024, interest at 1.700% to 2.600%	\$ 2,345,000
2009 School Improvement Bond is due in full on August 24, 2025. Installments of \$296,714 are required to be set-aside annually to provide for the total principal payment when due. Interest rate is 0.125%	4,450,715
2015 Refunding of Series 2005 Bonds are due in annual installments of \$1,280,000 - \$1,300,000 through May 1, 2020, interest at 5%	1,280,000
2015 School Building and Site Bonds are due in annual installments of \$75,000 - \$2,560,000 through May 1, 2041, interest at 2.75% to 5%	<u>36,920,000</u>
<b>Total general obligation bonded debt</b>	<b>\$ <u>44,995,715</u></b>

Future principal and interest requirements for bonded debt and direct borrowings and direct placements are as follows:

	Principal	Interest	Total
<b>Year Ending June 30,</b>			
2020	\$ 1,780,000	\$ 1,684,139	\$ 3,464,139
2021	1,575,000	1,609,064	3,184,064
2022	1,655,000	1,543,814	3,198,814
2023	1,735,000	1,474,224	3,209,224
2024	1,810,000	1,400,344	3,210,344
2025 - 2029	11,920,715	5,963,532	17,884,247
2030 - 2034	8,845,000	4,587,349	13,432,349
2035 - 2039	10,680,000	2,749,738	13,429,738
2040 - 2044	<u>4,995,000</u>	<u>377,750</u>	<u>5,372,750</u>
<b>Total</b>	<b>\$ <u>44,995,715</u></b>	<b>\$ <u>21,389,954</u></b>	<b>\$ <u>66,385,669</u></b>