

**School District of the City of Wyandotte**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 8 - 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, and certain risk liabilities.

Long-term obligation activity is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
<b>Bonds and notes payable</b>					
General obligation bonds	\$ 41,640,715	\$ -	\$ 1,655,000	\$ 39,985,715	\$ 1,735,000
Premium on bonds	1,901,613	-	95,081	1,806,532	-
<b>Total bonds payable</b>	<b>43,542,328</b>	<b>-</b>	<b>1,750,081</b>	<b>41,792,247</b>	<b>1,735,000</b>
<b>Other liabilities</b>					
ACT 18 settlement payable	558,026	-	558,026	-	-
Compensated absences	336,705	105,416	134,267	307,854	130,000
Retiree life insurance benefits	51,000	-	6,000	45,000	-
<b>Total other liabilities</b>	<b>945,731</b>	<b>105,416</b>	<b>698,293</b>	<b>352,854</b>	<b>130,000</b>
<b>Total</b>	<b>\$ 44,488,059</b>	<b>\$ 105,416</b>	<b>\$ 2,448,374</b>	<b>\$ 42,145,101</b>	<b>\$ 1,865,000</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 \$495,000 - \$505,000 through May 1, 2024, interest at 2.400% to 2.600%	\$ 1,000,000
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 School Building and Site Bonds are due in annual installments of \$1,240,000 - \$2,560,000 through May 1, 2041, interest at 2.75% to 5%.	<u>34,535,000</u>
<b>Total general obligation bonded debt</b>	<b>\$ <u>39,985,715</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>			
2023	\$ 1,735,000	\$ 1,474,224	\$ 3,209,224
2024	1,810,000	1,400,344	3,210,344
2025	5,820,715	1,317,482	7,138,197
2026	1,440,000	1,247,900	2,687,900
2027	1,510,000	1,175,900	2,685,900
2028 - 2032	8,270,000	5,160,625	13,430,625
2033 - 2037	9,875,000	3,556,712	13,431,712
2038 - 2042	<u>9,525,000</u>	<u>1,219,750</u>	<u>10,744,750</u>
<b>Total</b>	<b>\$ 39,985,715</b>	<b>\$ 16,552,937</b>	<b>\$ 56,538,652</b>

The general obligation bonds are payable from the Debt Service Funds. As of year-end, the fund had a balance \$5,103,566 to pay this debt. Future debt and interest will be payable from future tax levies. Interest expenditures for the fiscal year were \$1,547,334.