

SCHOOL DISTRICT OF MAYVILLE INDEBTEDNESS REPORT

State Statutes regulate the Long Term Indebtedness that a district may carry, at 10% of the equalized value of the district. The present equalized value of the district as of October 2014 is \$565,828,788. Ten percent of that figure would mean that the maximum Long-Range Indebtedness of the district would be \$56,582,879. The School District of Mayville is well below the maximum allowable set forth by the Statutes.

During the summer of 1996, the Board of Education because of the construction of the New Middle School, reorganized the entire debt structure of the district. This was done to accomplish two things: 1) Receive a lower interest rate on some of the district's accumulated debt, and 2) to equalize payments over the next few years thus minimizing the impact on the tax structure. Citizens should note that the Depository Trust Company of New York is the agency to which we are responsible for sending our payments. They in turn send the appropriate payment to numerous investments, since the notes for the refinancing were sold on the open market. The reader should also note that the total of \$8,055,000 is a combination of the \$7,000,000 approved for the construction of the New Middle School and \$1,055,000 which was existing debt prior to the approval to construct the Middle School.

On April 1, 2001 the district issued \$5,875,000 worth of General Obligation Refunding Bonds to provide funds to refinance the refundable portion of the \$8,055,000 General Obligation Refunding Bonds dated 9/1/96. By doing this the district again received a lower interest rate and saved taxpayers \$177,200.

On January 26, 2010 the district again issued \$3,410,000 In General Obligation Refunding Bonds dated April 1, 2010 to refinance the existing debt. The district received a lower interest rate and the existing debt retirement will be completed by April 2016. This new schedule of payments results in a lower tax rate in the upcoming years as well as savings in interest to the district.

In June of 2013 the Board of Education received approval to refinance the non-referendum debt with the State Trust Board. Refinancing the loan allowed the district to substantially lower the interest rate on the outstanding loan of \$405,000, request additional funds to pay for the Fiber Optics Project, and also start to do some other upgrades. The lowered interest rate will keep the annual payments to the level currently being paid by the district

Debt Retirement 10/1/2015 (Bld. Debt)	\$ 8,125.00	Interest
*Debt Retirement 3/15/2016 Trust Loan	\$120,083.43	Principal
*Debt Retirement 3/15/2016 Trust Loan	\$ 21,802.48	Interest
Debt Retirement 4/1/2016 (Bld. Debt)	\$625,000.00	Principal
Debt Retirement 4/1/2016 (Bld. Debt)	<u>\$ 8,125.00</u>	Interest
	\$783,135.91	TOTAL

Remaining debt at the end of the 2015-2016 fiscal year:

*Trust	\$ 683,027.12
Bld. Debt	\$ 0.00
*TOTAL	\$ 683,027.12