

**THE GREENSPIRE SCHOOL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 - LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligations for the Academy for the year ended June 30, 2023.

	Notes from Direct Borrowings and Direct Placements				Total
	Mortgage Loan	Land Contract	Energy Efficiency Loan	Building Lease	
Balance July 1, 2022	\$ 881,839	\$ 335,177	\$ 3,615	\$ 134,593	\$ 1,355,224
Deletions	<u>(34,340)</u>	<u>(15,327)</u>	<u>(1,496)</u>	<u>(68,245)</u>	<u>(119,408)</u>
Balance June 30, 2023	847,499	319,850	2,119	66,348	1,235,816
Due within one year	<u>847,499</u>	<u>15,952</u>	<u>1,496</u>	<u>66,348</u>	<u>931,295</u>
Due in more than one year	<u>\$ -</u>	<u>\$ 303,898</u>	<u>\$ 623</u>	<u>\$ -</u>	<u>\$ 304,521</u>

Long-term obligations at June 30, 2023 is comprised of the following issues:

Notes from Direct Borrowings and Direct Placements

Mortgage Loan - March 2019 mortgage with the original amount of \$982,000 to be paid in monthly installments of \$6,522 including interest through March 15, 2024 with an interest rate of 5.00%. The remaining portion will be due upon the maturity. \$ 847,499

Land Contract - July 2013 purchase of land and improvements. Loan due in monthly installments of \$2,375 including interest through July 1, 2038 with an interest rate of 4.00%. 319,850

Energy Efficiency Loan - November 2019 energy efficiency project. Loan due in monthly installments of \$125 through November 5, 2024 with 0% interest rate. 2,119

Building Lease - During the 2021 fiscal year, the Academy entered into a three-year lease agreement as lessee for the use of a building. An initial liability was recorded in the amount of \$201,241 during the current fiscal year. Due in monthly payments between \$5,838 and \$6,092, with and interest rate of 2% 66,348

Total general long-term obligations \$ 1,235,816

The Academy's outstanding notes from direct borrowings and direct placements related to governmental activities of \$1,235,816 contains provisions that in an event of default, either by (1) unable to make principal or interest payments (2) false or misrepresentation is made to the lender (3) become insolvent or make an assignment for the benefit of its creditors (4) if the lender at any time in good faith believes that the prospect of payment of any indebtedness is impaired. Upon the occurrence of any default event, the outstanding amounts, including accrued interest become immediately due and payable.